

ANNUAL REPORT 2022

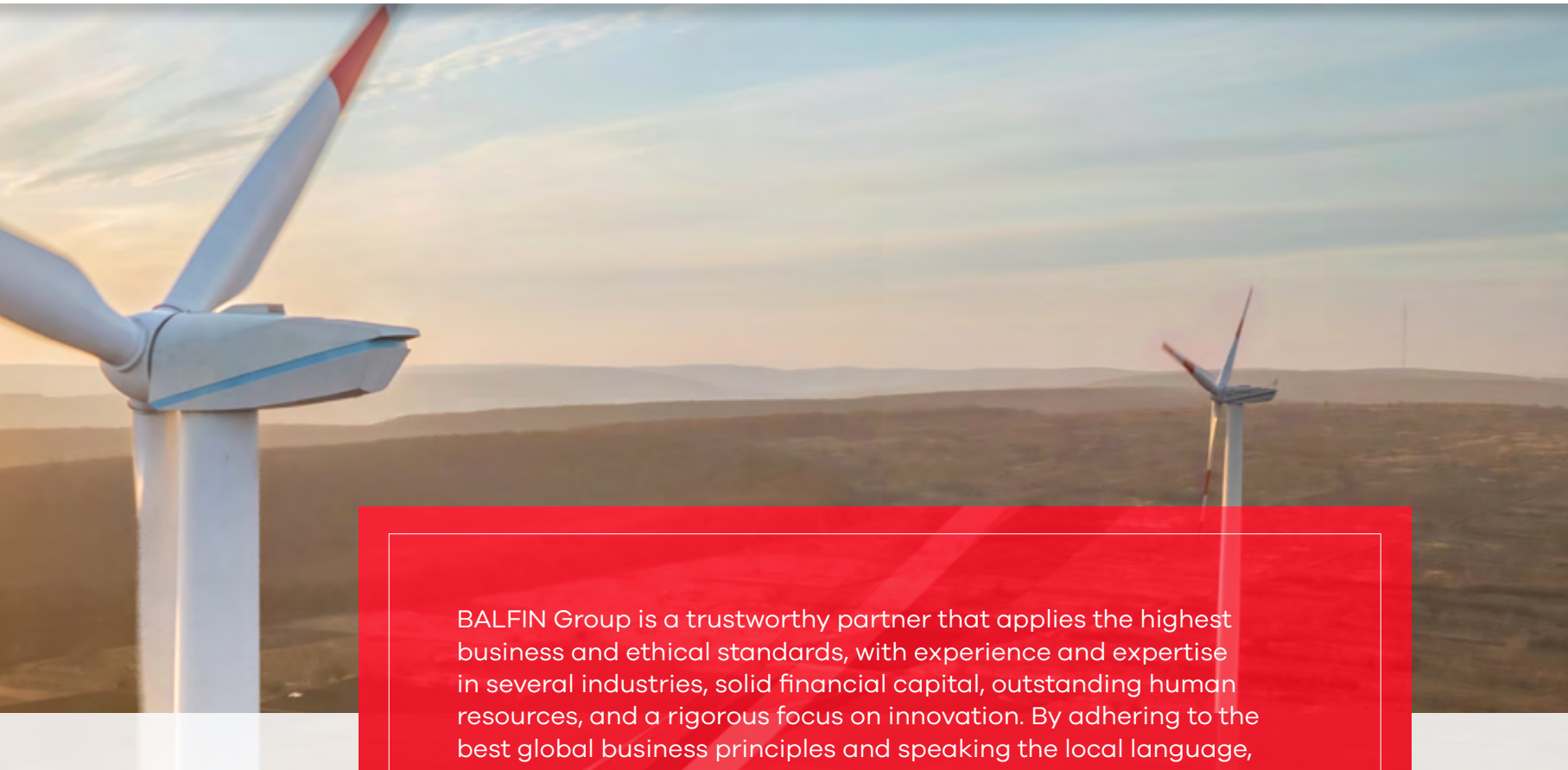




OVERVIEW

BALFIN Group is one of the most significant and successful investment groups in the Western Balkans, with a gross un-consolidated turnover of more than 715 million EUR in 2022.

BALFIN Group was founded in 1993 in Vienna by Samir Mane and is currently operating in Austria, Albania, Kosovo, Bosnia and Herzegovina, North Macedonia, Montenegro, Croatia, the Netherlands, Switzerland, and USA. It is active in various industries such as real estate, wholesale and retail, banking, hospitality, energy, and logistics.



BALFIN Group is a trustworthy partner that applies the highest business and ethical standards, with experience and expertise in several industries, solid financial capital, outstanding human resources, and a rigorous focus on innovation. By adhering to the best global business principles and speaking the local language, all Group companies are unquestionable leaders in their respective fields, thus making BALFIN Group a commended and applauded partner for many important international companies and financial institutions.

BALFIN Group has made constant progress in overall growth while upgrading standards and shifting towards sustainability. Through economic development, employment opportunities, innovation, and social involvement, BALFIN Group challenges the status quo, fostering a positive impact on communities.



PRESIDENT'S LETTER

President's Letter

In the first decade, what is now BALFIN Group was mostly a dream that I shared with few people. Courage was needed to even envision how business could be, let alone make it work. The number of people believing in that vision grew and we all entered the second decade of our history.

It was a period of new concepts that would change lifestyle of people and would open possibilities for many businesses to fit into the environment we helped to create. The presence of BALFIN Group was increasing in number of industries and number of countries.

Now, we are wrapping up the thirtieth year of commercial activity for BALFIN Group and I can affirm that we have made it! We have done good by commercial standards, by ethical principles, and by societal guidelines. I thank all stakeholders for being with us.

Entering a new decade for BALFIN Group, I understand that our work means more and more to build a better world. We at BALFIN Group, are up to it!

Samir Mane

President of BALFIN Group





CEO'S STATEMENT



Dear Readers,

This Annual Report of BALFIN Group informs you on the main steps we have taken, as well as the biggest challenges we have overcome during last year.

Our retail industry continued to expand in footprint and increase in volume in all five countries where it is present. New brands and above all new concepts were introduced, perfectly embodied by retail park. It was introduced in Albania, and now is ready to be replicated in the region. Our shopping centers have attracted the interest of international financial institutions and this opens up new possibilities.

The first phase of our flagship project in real estate – Green Coast – was completed and the bigger aspiration for a community of thousands of inhabitants is halfway there. Other projects are on track and we will definitely upgrade every existing offer, be it in touristic or sustainability terms.

Tirana Bank reached 1 billion euros of assets, twice the value marked at the beginning of 2019, when it became part of BALFIN Group, and since then its deposits and loans have constantly increased as well.

Our other industries have added their part of success to the overall Group's performance. The positive development over the last twelve months becomes even more meaningful if we consider the energy crisis in Europe and the supply chain difficulties for all companies in the world. Yet we stayed true to our conviction of breaking new ground. In 2022, BALFIN Group dipped the toe in renewable energy and is progressing along with renown companies that are willing to play an active role in combatting

the effects of climate change.

Commercial success has been inseparable from a heightened sense of responsibility towards society. We have made a lasting impact in the lives of many people in the countries where we are present, by improving the health and education system, as well as by direct contribution to categories of persons in need.

When all is said and done, I can only express my sincere gratitude to all employees of BALFIN Group, to our partners and customers. You keep us inspired to reach for new heights and hold us responsible to strive for excellence.

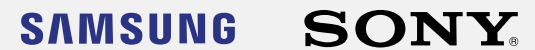
BALFIN Group is nearing the end of its third decade of activity. The experience accumulated so far and our inherent habit of venturing towards new horizons makes us confident that the coming years will be even more prosperous. We are well-equipped for what lies ahead and the future we are building will surely be better!

The information presented here represents the last act before the grand finale of the 30th anniversary! I invite you to go through it and share your thoughts with us.

Have a nice read!

Edlira Muka
BALFIN Group CEO

OUR PARTNERS



**BALFIN
AT A GLANCE**



€1.6 billion
Total Group Assets



€715million³
Non-Consolidated
Gross Revenue



€80 Million Euro
Non-Consolidated
Net Profit



€64 million
Consolidated
Group EBITDA



5,000 Employees
in our Group
Companies



30,000 beneficiaries
From social
engagement in 2022



€60 million
Taxes paid



50,000+
Training hours
for employees



€85 million
Capex expenditures
in 2022



67,900 clients
Served daily by
retail companies



Retail Park,
a unique commercial
facility featuring
well-known brands
and public areas



56 Companies
part of BALFIN
Group



Balfin Real Estate & Hospitality opened a
representative office
in Zurich and Skopje



16.6 million
visitors in shopping
centers

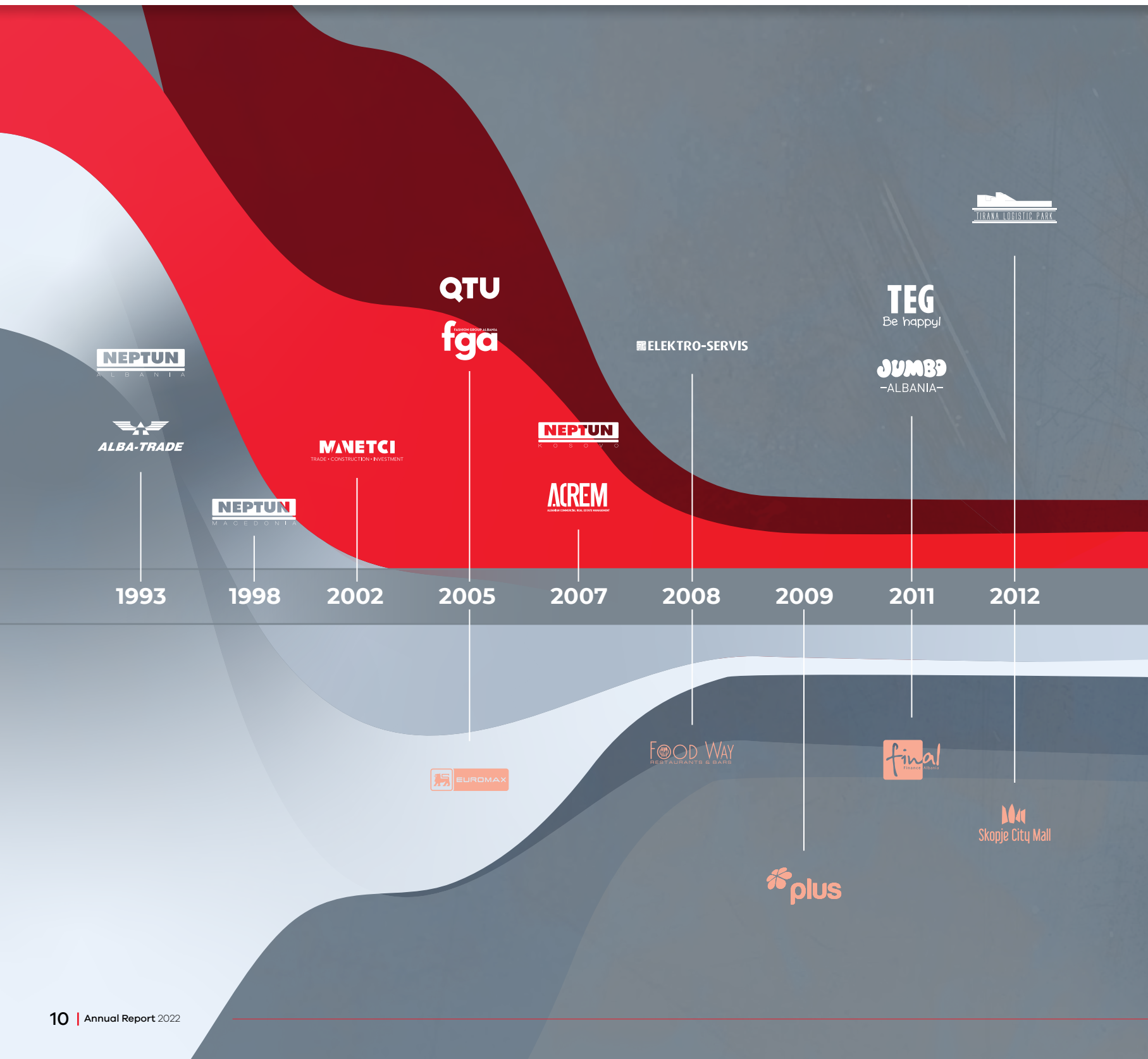


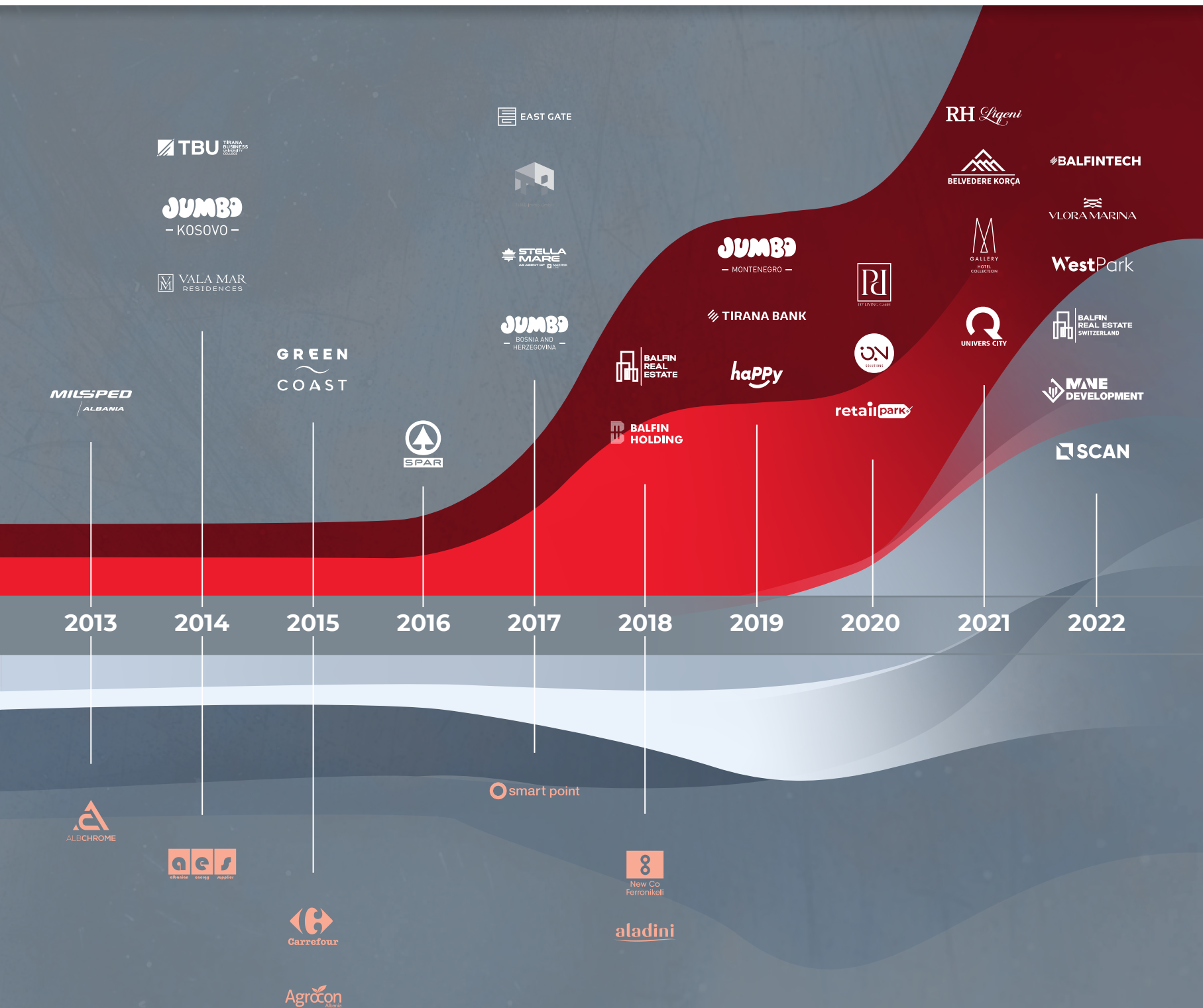
Presence in
9 Countries

² Figures are rounded to the nearest decimal point or the nearest million. All figures are valid as per ³¹ December 2022

³ Including discontinued operations during 2022.

⁴ VAT included.

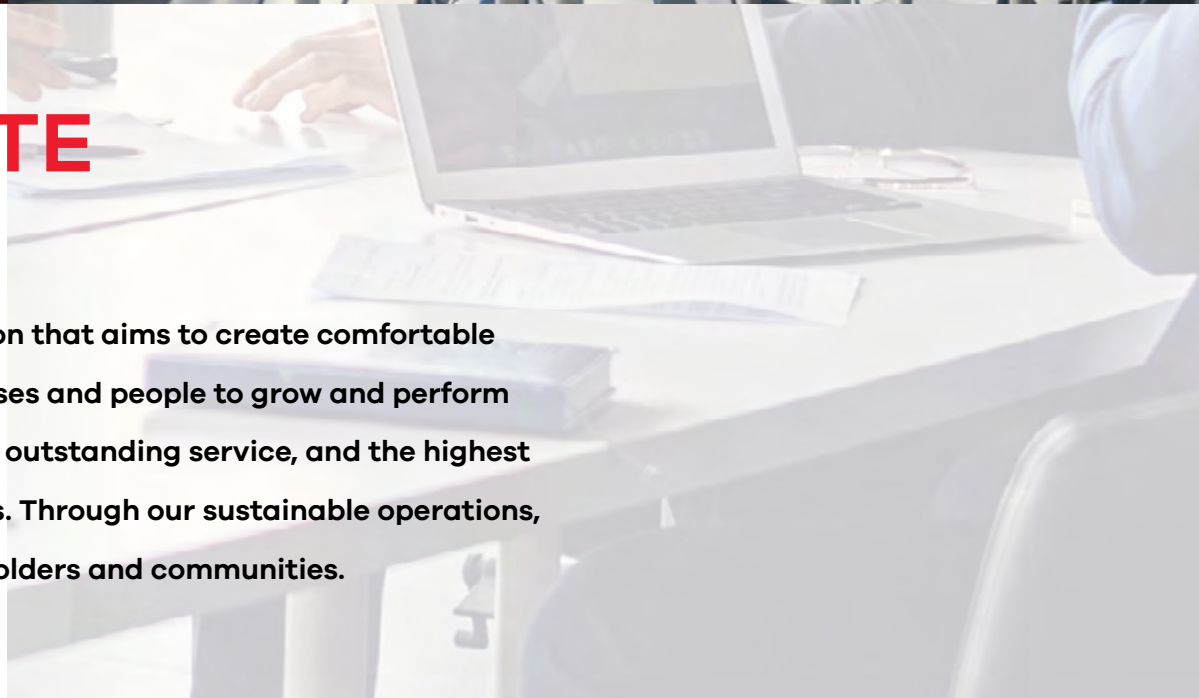




01

CORPORATE CULTURE

BALFIN Group is an organization that aims to create comfortable ground for economies, businesses and people to grow and perform better. We invest in innovation, outstanding service, and the highest ethical and business standards. Through our sustainable operations, we create value for our shareholders and communities.





VISION

BALFIN Group invests in new ideas, explores new opportunities, and builds a better future for the communities where it is present.

MISSION

BALFIN Group builds strong companies, endows innovation, creates equal opportunities for people, and makes a positive impact on society.

OUR VALUES

BALFIN Group's values are an integral part of the organization so that all our employees, can work and succeed together. BALFIN Group takes corporate culture and values to heart, and we believe that the way we achieve results is of the same importance as the results themselves.



ACCOUNTABILITY

We are responsible for our actions, decisions and our impact. We have created a culture of transparency and integrity, because we believe in lasting relationships with all stakeholders. We are committed in doing the right thing and with the good intent, even in the most challenging moments.



PARTNERSHIP

We build strong, collaborative relationships based on transparency, trust, and mutual benefit. We leverage our expertise, resources, and networks to create value for our partners, employees, and nearby communities.



INNOVATION

We embrace change and constantly seek to transform and improve. We encourage new ideas, approaches, and technologies that challenge conventional thinking and drive growth. We value creativity and diversity of thought, and we are not afraid to take calculated risks in pursuit of our goals.



CONSIDERATION

We care for our people by showing respect for their views, being attentive to their needs and feelings, as well as valuing their contributions to the workplace.



TEAMWORK

We believe that great results and personal success are achieved by working collaboratively and effectively with each-other towards the common goal. We encourage employees to work together as a team, share ideas, leverage each other strengths and improve themselves from others experience.



02

CORPORATE GOVERNANCE

Corporate Governance Framework summarizes the concrete principles and guidelines designed for result-oriented performance and ethical behavior towards business partners to ensure active and efficient management within the Group.

BALFIN Group complies with corporate governance procedures, laws, and regulations applicable in all countries where it operates, as well as with its Code of Ethics and Professional Conduct.

At BALFIN Group, good corporate governance is not simply about adherence to a set of recommendations and proposals. It ensures that our processes, procedures, and policies are implemented according to the principles of transparency and accountability. We will continue to pay special attention to all corporate governance developments, promoting objectivity, transparency, and accountability, in compliance with our values and vision.

CORPORATE GOVERNANCE FRAMEWORK

The Corporate Governance Framework summarizes the concrete principles and guidelines designed for result-oriented performance and ethical behavior towards business partners, employees, and community, to ensure active and efficient management within the Group. BALFIN Group relies on:

Comprehensive and Objective Business Ethics;

Aligned Business Goals;

Strategic Management;

Efficient Administration;

Disclosure, transparency and accountability;

Innovation and continuous development;

Compliance with laws and regulations in force and BALFIN Group's "Code of Ethics and Professional Conduct";

Effective Human Resources Management.

These standards are implemented in conjunction with existing programs, in order to stand for accountable corporate management and long-term value creation at BALFIN Group.

Governance Bodies

BALFIN Group has the following decision-making bodies:

PRESIDENT OF BALFIN GROUP

CEO OF BALFIN GROUP AND CHAIRPERSON OF GROUP MANAGEMENT BOARD

GROUP MANAGEMENT BOARD

VICE PRESIDENTS

CEO-S OF GROUP COMPANIES

BALFIN GROUP DIRECTORS

PRESIDENT OF BALFIN GROUP

The highest governing body is the Shareholder, who is also the President of BALFIN Group. The President holds key decision-making authority in strategic activities of the Group and investment decisions above a required threshold. Additionally, BALFIN Group's Shareholder and President appoints the Group's CEO and Group Management Board's Chair, as well as Board Members.

GROUP MANAGEMENT BOARD (GMB)

The Board is in charge of approving and authorizing major investments in new projects or business acquisitions, and proposing the sale, closure, or divestment from existing companies, subsidiaries, or joint ventures. Additionally, the Board approves the Group Strategy and reports to the shareholder about the progress.

The Board is responsible for preparing the strategy implementation plan, approving Group Policies and Procedures, Group companies' respective budgets, and their long-term strategy.

The Board monitors the Group's Financial Performance, therefore, carrying out the required measures to align with the Group Strategy.

BALFIN Group's CEO, VP-s, and CFO are automatically eligible to be appointed as members of the Board. Other persons, internal or external to the Group, might be elected to be part of the Group Management Board, based on their background, expertise, and skill.

As of 31 December 2022, the composition of the Group Management Board is as follows:

BLERINA DAKA

Chief Financial
Officer of BALFIN
Group

ERVIN KAJNO

Chief Projects
Officer of
BALFIN Group

STEVEN GRUNERUD

Vice President
of BALFIN Group for
Strategy Development

EDLIRA MUKA

Chief Executive Officer
of BALFIN Group and
Chairwoman of GMB

ARDIANA SOKOLI

Vice President
of BALFIN Group
for Real Estate

JULIAN MANE

Vice President
of BALFIN Group
for Retail

ARSIM PAPANIKU

BALFIN Group
Board Member



INTERNAL ORGANIZATIONAL STRUCTURE

The GMB's meetings are convened at least 9 (nine) times per year, by its Chairperson or, should the Chairperson be absent, by the Vice-Chairperson. In addition, any Board member may submit a request for a meeting to be convened.

In order to facilitate the oversight functions of the CEO and GMB, the Board has delegated several tasks and assignments linked to the support and operation of practical matters to Committees such as Human Resources Committee, Information Technology Committee, Communications Committee, Internal Audit Committee, Information Security Committee, Digital Transformation Committee and Corporate Projects Committee.

In 2022, the GMB held 11 meetings to execute its own competencies and shape the Group dynamics to enhance business performance.

BALFIN GROUP DIRECTORS

BALFIN Group Directors head the major functions at Group level. Each function establishes key policies and guidelines in their fields of operations and is responsible for providing overall guidance to all Group companies and supervising their performance.

BALFIN Group has the following main function units: Human Resources, Corporate Communications, Corporate Finance, Legal, Information Systems, Internal Audit, Corporate Projects, and Transformation.

BALFIN GROUP COMMITTEES

In order to facilitate the oversight functions of the CEO and GMB, the Board has delegated several tasks and assignments linked to the support and operation of practical matters to Committees. Composed of high-level representatives from companies of the Group, the committees gather periodically and whenever deemed necessary, to evaluate, propose and redirect Group functions and policies.

Human Resources Committee (HRC)

The HRC is a key leadership Committee that aims to set aligned Group HR philosophy, strategies, policies, processes, practices, and programs, which contribute to the achievement of the Group's business objectives. The primary responsibility of the committee is to introduce, implement, and review Human Resources strategies within BALFIN Group.

Communications and Marketing Committee (CMC)

CMC introduces, coordinates, and supports joint initiatives and activities among BALFIN Group and/or Group's Companies to foster reputation and brand values. It supports the Group's CEO and GMB in setting aligned Group strategies, policies, and procedures related to marketing and communications.

IT Committee (ITC)

The ITC purpose is to provide oversight and guidance to the Group IT function, ensuring it aligns with the strategic goals and priorities of the Group. IT Governance is also addressed by the ITC, to provide a strategic approach and review IT investments on behalf of the Board.

Audit Committee (AC)

The purpose of the Audit Committee (AC) is the protection of the shareholders' interests. The Audit Committee supports the Group Management Board in reviewing the accuracy of performance reports, assessment of compliance with legal and regulatory requirements, compliance with internal procedures and Group standards, evaluation, and specification of the actions to be taken in cases of incompatibility identified from the Group's Internal Audit. The AC is also responsible for monitoring the performance and independence of BALFIN Group's Internal Audit department.

Corporate Projects Committee (CPC)

The CPC recommends necessary solutions to any project related issues, creating the register of project proposals, setting project management standards, identifying the needs for support and coordination between the departments responsible for each project, increasing efficiency for project drafting and implementation, and identifying, analyzing and providing recommendations for various business research and development opportunities.

Information Security Committee

The Information Security Committee proposes recommendations to Group Management Board regarding the strategy of information security and initiatives that need to be undertaken by the Group. The Committee also coordinates the information security program.

Digital Transformation Committee

The purpose of the Digital Transformation Committee is to propose to BALFIN Group Management Board initiatives that lead the Group toward digital transformation. It monitors the actual technological status of the Group and suggests ways of implementing the Digital Transformation Strategy.

EXECUTIVE LEADERSHIP TEAM (ELT)

Another important body is the Executive Leadership Team (ELT), composed of all GMB members, CEOs of the Group's companies and Group Directors. ELT's main goal is to provide its members – at the same time the upper management of BALFIN Group – with an internal platform for them to share and discuss strategic actions, new initiatives, synergies within own companies, as well as to identify risks and prepare mitigating measures. ELT does not have executive functions.



GROUP COMPANIES

No	Name	Registered in	Equity %	Contact Info	Website
RETAIL					
1	Fashion Group Albania sh.p.k	Albania	100%	National Road Tirana-Elbasan, in front of TEG, Lundër, Tirana Tel: +355 68 607 7441	www.fga.al
2	Kid Zone sh.p.k	Albania	90%	National Road Tirana-Elbasan, in front of TEG, Lundër, Tirana Tel: +355 4 4 506 506	www.jumbo.al
3	Kid Zone Kosova Sh.p.k	Kosovo	55%	Industrial Area Fushë Kosova, Lesna Shopping Center, Pristina Tel: +383 48 999 016	www.jumbo-ks.com
4	Kid Zone d.o.o	Bosnia & Hercegovina	90%	Put zivota bb, 71000 Sarajevo Tel: + 387 63 776 468	www.jumbo.ba
5	Kid Zone d.o.o	Montenegro	90%	Street 4.jula bb Extra Retail Park 81000 Podgorica Tel: +382 67 059 283	www.jumbo-mne.com
6	Neptun sh.p.k	Albania	90%	National Road Tirana-Elbasan, in front of TEG, Lundër, Tirana Tel: +355 4 4 505 050	www.neptun.al
7	Neptun Kosova	Kosovo	60%	Marigona Neighborhood, Preoc, Graçanicë Tel: +383 38 766 866	www.neptun-ks.com
8	Neptun Makedonija DOO	North Macedonia	60% (indirect)	Kaçanik Street, Nr.56, 1000 Skopje Tel: +389 (0)2 55 14 777	www.neptun.mk
9	SPAR Albania sh.p.k	Albania	100%	National Road Tirana-Elbasan, in front of TEG, Lundër, Tirana Tel : +355 4 4 510 510	www.spar.al
10	Alba Distribution sh.p.k	Albania	100%	Street 'Papa Gjon Pali II', 11 th Floor, ABA Center, 1010, Tirana Tel: +355 69 406 3975	N/A
11	Alba-Trade Handels Ges.m.b.h.	Austria	100%	Schwarzenbergstraße 1-3/4, 1010 Wien Telefon: +43 1 607 00 98 Fax: +43 1 607 00 98 40	www.albatrade.at
RENEWABLE ENERGY					
12	Go Green	Albania	100%	Tiranë, Rruga Luigj Gurakuqi, Pallati 89, Shkalla 1, Ap.33	N/A
13	Wind Stream	Albania	33%	Rruga Vaso Pasha, P. 2, Shk. 2, Ap. 7/1, Kati 2-te, Tirane, Shqiperi 1019	N/A
REAL ESTATE					
14	Balfin Real Estate & Hospitality	Albania	100%	"Bajram Curri" Boulevard, ETC Business Center, 8 th floor, unit 131-134, Tirane, Albania Tel: +355 4 4 515 253	www.balfinrealestate.al
15	Balfin Hospitality	Albania	100% (indirect)	"Bajram Curri" Boulevard, ETC Business Center, 8 th floor, unit 131-134, Tirane, Albania Tel: +355 68 602 0635	www.balfinrealestate.al

No	Name	Registered in	Equity %	Contact Info	Website
16	Bellevedere Korca	Albania	50%	"Republika" Boulevard, Villa No.24. Korca, Albania Tel: +355 69 608 4256	N/A
17	East Gate Living	North Macedonia	60% (indirect)	Belasica 2, Skopje Tel: +389 (2) 5514 283	www.eastgate.mk
18	East Gate Mall	North Macedonia	60% (indirect)	Belasica 2, Skopje Tel: +389 (2) 5514 283	www.eastgate.mk
19	Elite Urban Development	Albania	100% (indirect)	St. Gryka e Kacanikut, Tirane – Durres Highway, Km. 5, Tirana, Albania Tel: +355 69 801 4999	www.universcity.al
20	Green Coast sh.p.k	Albania	100%	St. Dervish Hima, Ambasador 3, 4 th Floor, Apt. 31, Tirana Tel: +355 69 404 5433	www.greencoast.al
21	Mane TCI sh.p.k	Albania	100%	Dervish Hima, Ambasador 3, 8 th Floor, Apt. 61, Tirana Tel: +355 4 4 502 124	www.manetci.al
22	Mane Development	Albania	100%	"Tish Daija", Kompleksi Kika 2, Godina 3, Kati 1, Tirane, Shqipëri	N/A
23	PJ 137 Living GmbH	Albania	100% (indirect)	Schwarzenbergstrasse 1-3 / 4, 1010 Vienna Tel: 01 6070098-0	N/A
24	Qendra Tregtare Univers sh.p.k	Albania	100%	Highway Tirane - Durres, Km 6, Tirana Tel: +355 42 380 100	www.qtu.al
25	Retail Park sh.p.k	Albania	100%	National Road Tirana-Elbasan, in front of TEG, Lundër, Tirana Tel: + 355 68 20 32 332	N/A
26	Rolling Hills Liqeni	Albania	100%	Street "Papa Gjon Pali II", 11 th Floor, ABA Center, 1010, Tirana	www.rhliqeni.al
27	Skopje East Gate SEG DOO	North Macedonia	60% (indirect)	Belasica 2, Skopje Tel: +389 (2) 5514 283	www.eastgate.mk
28	TH&B Immo GmbH	Austria	67% (indirect)	Schwarzenbergstrasse 1-3, 1010 Vienna Tel: 02276 20014	N/A
29	Tirana East Gate sh.p.k	Albania	88%	National Road Tirana-Elbasan, Tirana Tel: +355 4 2395001	www.teg.al
30	Tirana Logistic Park sh.p.k	Albania	100%	Highway Tirane - Durres, Km. 5, Street "Gryka e Kacanikut", behind Coca - Cola, Kamez Tel: +355 69 60 03 004	www.tlp.al
31	Marina Residences	Albania	10%	Adresa: Porti Detar, Vlore, Albania +355 69 801 4999	www.vloramarina.com
BANKING					
32	Tirana Bank sh.a.	Albania	100%	St. "Ibrahim Rugova", PO BOX 2400/1, Tirana Tel: +355 4 22 77 700	www.tiranabank.al

No	Name	Registered in	Equity %	Contact Info	Website
SERVICES					
33	ACREM sh.p.k	Albania	100%	National Road Tirana-Elbasan, Tirana Tel: +355 4 2395000	www.acrem.al
34	Elektro Service sh.p.k	Albania	90%	Street Shkelqim Fusha, Selite, Building "Matrix Konstruksion", Floor 0 & +1, Tirana Tel: +355 4 4 509 090	www.elektroservis.al
35	Elektro Service Kosova	Kosovo	60% (indirect)	Industrial Area Fushë Kosova Tel: 038 715 555	www.neptun-ks.com/ elektroservis-kosova.nspk
36	Milšped Albania sh.p.k	Albania	50%	Gryka e Kacanikut, Logistic Park Building, Highway Tirane – Dures , km 5 Tel: +355 69 400 1677	www.milšped.com
37	Stella Mare sh.p.k	Albania	100%	Street "Qemal Stafa" , New Baazar , No. 74, 1 st Tower, 2 nd Floor, Tirana Tel: +355 69 203 0650	www.stella-mare.com
38	Service Makedonija DOO	North Macedonia	60% (indirect)	Street Jadranska magistrala br:12 Tel: 02/55-11-777	www.servismakedonija.mk
MEDIA					
39	SCAN TV	Albania	100%	Adresa: Rr. "Aleksander Moisiu" (ish – Kinostudio) Tirana, Albania. Tel: +355 4 234 77 94 E-mail: info@scantv.al	www.scantv.al
EDUCATION					
40	Tirana Busines University sh.p.k	Albania	30%	Street Vaçe Zela, Tirana 1023 Tel: +355 4 226 0443	www.tbue.edu.al
OTHER					
41	BALFIN sh.p.k	Albania	100%	Street 'Papa Gjon Pali II', 11 th Floor, ABA Center, 1010, Tirana Tel: +355 4 450 9250	www.balfin.al
42	Balfintech AG	Switzerland	50%	Hohlstrasse 511 Zürich, ZÜRICH, 8048 Switzerland	N/A
43	Nep Loyalty	North Macedonia	60% (indirect)	Kacanicki road street no.56 , 1000 Skopje Tel: +389(0)2 2656-737	www.happycard.mk
44	On Solutions	Albania	100%	Street Shkelqim Fusha, Building "Matrix Konstruksion", Floor +1 Tel: +355 684011771	www.happy.al
45	ITD sh.p.k	Albania	49%	Gjergji Center, St. Murat Toptani, Tirana Tel: + 355 4 2 256 031 / 234 025	www.itd-al.com

04

YEAR HIGHLIGHTS

SHOPPING CENTERS

TEG has altered the popular perception of a shopping mall since it first opened more than ten years ago, at the same time initiating the re-qualification of the entire area. Its architecture, natural lighting and the installation of solar panels make it very energy efficient, while its responsible operation practices are friendly to the environment.

During 2022, BALFIN Group started to expand and retrofit the mall. After a process of meticulous evaluation of the financial health of Tirana East Gate, its environmental and sustainability contribution, a financing agreement was reached between TEG and International Finance Corporation to refinance the existing debt, fund the extension, refurbishment, and other related capex. Year 2022 also saw the introduction of a new business concept – the retail park as perfectly applied in West Park in Korça, Albania. A few selected brands that are carefully handpicked to meet the basic consumer's daily life requirements by providing products in key sectors. The location itself is strategically positioned just on the outskirts of the city. The idea is proving successful and soon will be replicated elsewhere.

Both directions encompass the retail industry for BALFIN Group; it has been one of the initial starting points and continues to be one of its core businesses.

REAL ESTATE

BALFIN Group is applying a new philosophy in residences – giving rise to communities, complete with high standards infrastructure, recreation opportunities and services. This is the reason our projects are easily recognizable and desirable, as well as a safe investment for our customers in all countries. Univers City is exemplary in this regard; it is now taking shape and already boasts one of the biggest parks in the city.

As this projects matures, another celebrates a milestone of success. The first phase of Green Coast development has been successfully completed, marking a very important moment for this ambitious project, which constitutes a successful novelty in the Albanian market and in the region. At the end of the second phase, Palasa is to be transformed into a residential center of thousands of inhabitants. Real estate is considered another core business for BALFIN Group, deserving of the hard work and passion behind it.

BANKING

The end of 2022 culminated with an extraordinary milestone for Tirana Bank. For the first time in its history of nearly three decades of activity in the local market, the bank's total assets reached the equivalent figure of 1 billion Euros, twice the value marked at the beginning of 2019, when it became part of BALFIN Group.

Tirana Bank records a constant increase in deposits, a clear indicator of the trust and loyalty of customers. The volume of loans also has increased significantly, in line with the bank's objective to provide continuous support for the development and modernization of local economy.

Tirana Bank aims at sustainable and organic growth of activity, as well as at digitalization of services and processes.

MINING

BALFIN Group divested from the mining industry through a smooth handover of ACR and NFN to Yildirim Group in Turkey. Such transition was completed successfully with no impact on employees and production operations.

Albchrome Holding shpk became part of BALFIN Group in 2013, as a business near bankruptcy, suffocated by bad debts and unpaid salaries, and paralyzed by the outdated technical infrastructure. When delivered to Yildirim Group, Albchrome Holding sh.p.k was one of the main exporters of Albania; its production quantities had increased from 24,000 tons of ferrochrome in 2012 to 68,000 tons. While chrome ore production increased from 47,800 tons in 2012 to 100,800 tons in 2020.

NewCo Ferronikeli was acquired by BALFIN Group in July 2018, while in a state of suspended activity with liabilities, as well as unpaid salaries of employees. BALFIN Group intervened to improve the financial situation and began implementing a program of investments worth 30 million euros, that increased production efficiency. NewCo Ferronikeli is one of the largest producers of ferronickel in Europe.

These moves announced the withdrawal of BALFIN Group from the mining industry. After radically transforming both companies, BALFIN Group is concentrating on current business activities and new growth markets.



05

KEY PERFORMANCE INDICATORS

Non-Consolidated Net Revenue

€633m

Change: -7%

Non-Consolidated Net Profit

€80m

Change: +14%

Debt to Equity

2.48x

Consolidated EBITDA

€64m

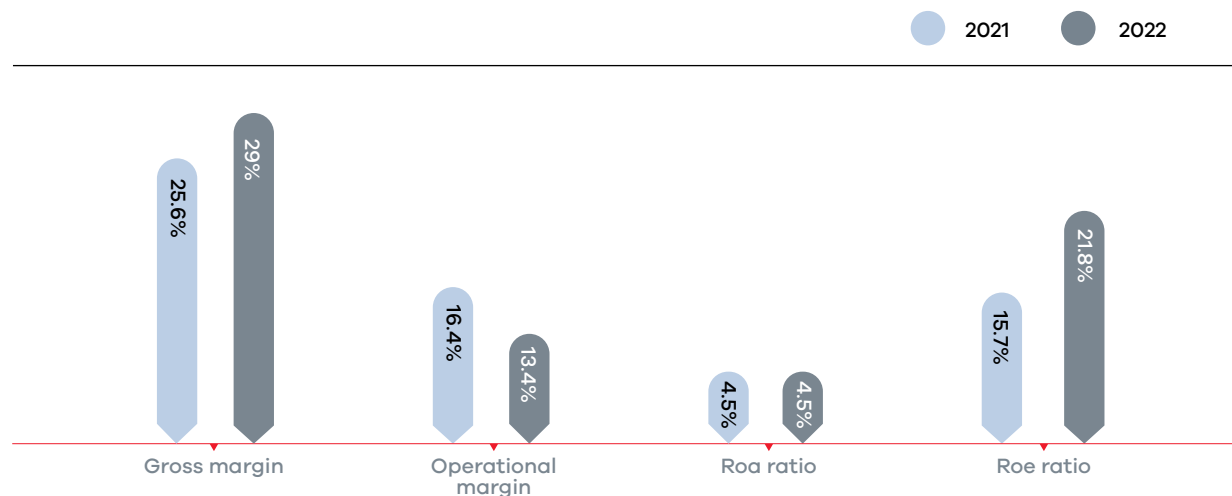
Change: +12%

Net Debt/
EBITDA **0.98x**

Change: -42%

PROFITABILITY RATIOS

(non-consolidated)

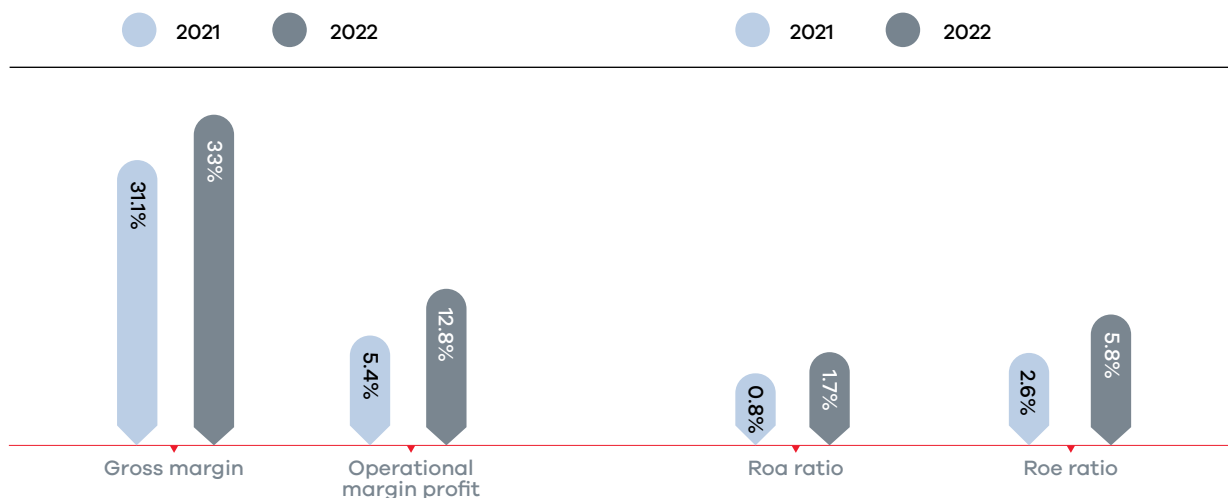


EUR '000	2022	2021	2020
NON CONSOLIDATED INCOME STATEMENT			
			<i>Rounded</i>
Total revenue	633,000	680,000	501,000
Operating profit	85,000	111,000	81,000
Profit of the year	80,000	70,000	47,000

EUR '000	2022	2021	2020
NON CONSOLIDATED BALANCE SHEET			
			<i>Rounded</i>
Total Assets	1,975,000	1,863,000	1,573,000
Total liabilities	1,295,000	1,143,000	981,000
Total equity	680,000	720,000	592,000

PROFITABILITY RATIOS

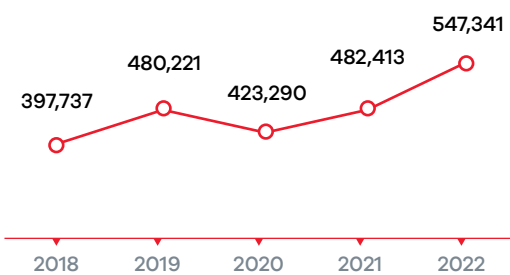
(consolidated)



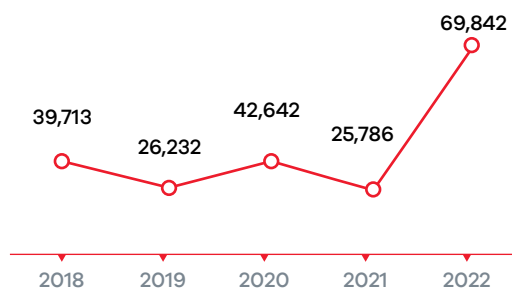
EUR '000	2022	2021	2020
CONSOLIDATED INCOME STATEMENT			
			<i>Reclassified</i>
Total revenue	547,341	482,413	423,290
Operating profit	69,842	25,786	42,642
Ebitda	63,564	56,605	86,823
Profit of the year	13,018	24,267	30,405
Profit attributable to shareholder	6,598	18,752	35,409

EUR '000	2022	2021	2020
CONSOLIDATED BALANCE SHEET			
			<i>Reclassified</i>
Total Assets	1,575,871	1,513,825	1,355,226
Total liabilities	1,122,872	1,079,141	947,926
Total equity	452,999	434,684	407,300
Equity attributable to parent	424,289	404,256	379,022

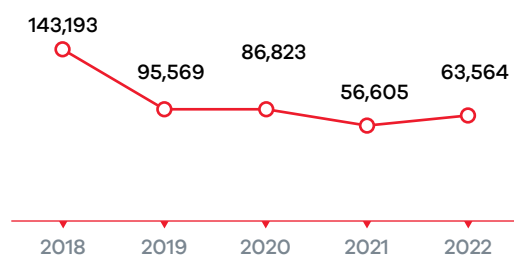
CONSOLIDATED REVENUE



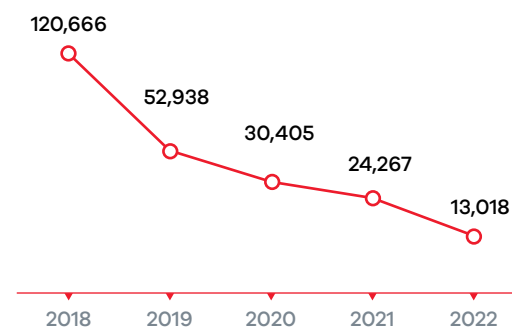
OPERATING PROFIT



EBITDA

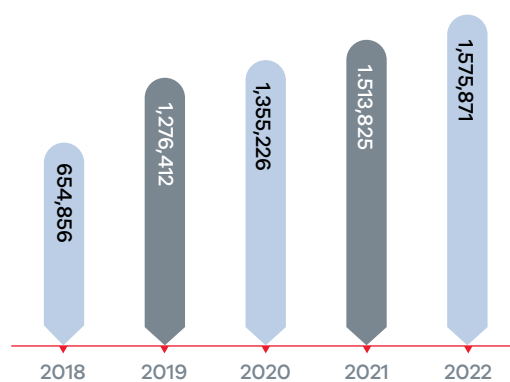


PROFIT OF THE YEAR

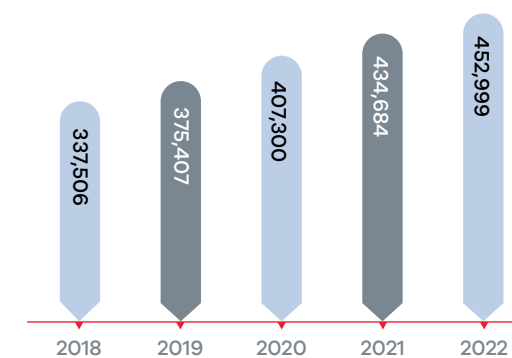


BALANCE SHEET GRAPHS

TOTAL ASSETS



TOTAL EQUITY



2022: A YEAR OF CHALLENGES

In 2022 global economy expected a further recovery from COVID-19 pandemic, but the Russian invasion of Ukraine has magnified the slowdown in the world economy with inflation higher than seen in several decades. Inflation has soared to multidecade highs, prompting rapid monetary policy tightening and squeezing household budgets, just as COVID-19-pandemic-related fiscal support is declining.

In Europe, inflation was influenced mostly from energy price shock immediately after the disruption in gas supply from Russia. The regulatory body intervened to manage the inflation and stop the further increase by tightening the macroeconomic policy. Base interest rates were raised by the ECB and US Federal Reserve, followed by Central Banks to mitigate the inflation risks.

Countries where BALFIN Group operates faced the same challenges as the rest of Europe. Inflation was driven by food and fuel, followed by electronics, apparel, iron steel, construction materials, transport, and related services. At the same time the rise of interest rates directly increased the cost of borrowings for mortgages, devaluation of securities investments and accompanied a reduction of consumer spendings. Higher interest rates and the associated increase in borrowing costs cuts the Group profits mostly in high leveraged companies/projects.

The BALFIN Group management increased the awareness for added risks from macroeconomics developments and activated a series of measures to mitigate the inflation risks threatening customer demand. The wage indexation mechanisms for all Group employees tried to address the cost-of-living issues.

The BALFIN Group management board monitored consistently all the developments and macroeconomic policies driven by central banks and accommodated its business operations on optimizing costs and smoothing the risks and uncertainties.

The world economy remains fragile at the end of 2022 with a risk of recession in developed countries and growth on emerging markets. Inflation is expected to reach pre-war levels by the mid-year 2024.

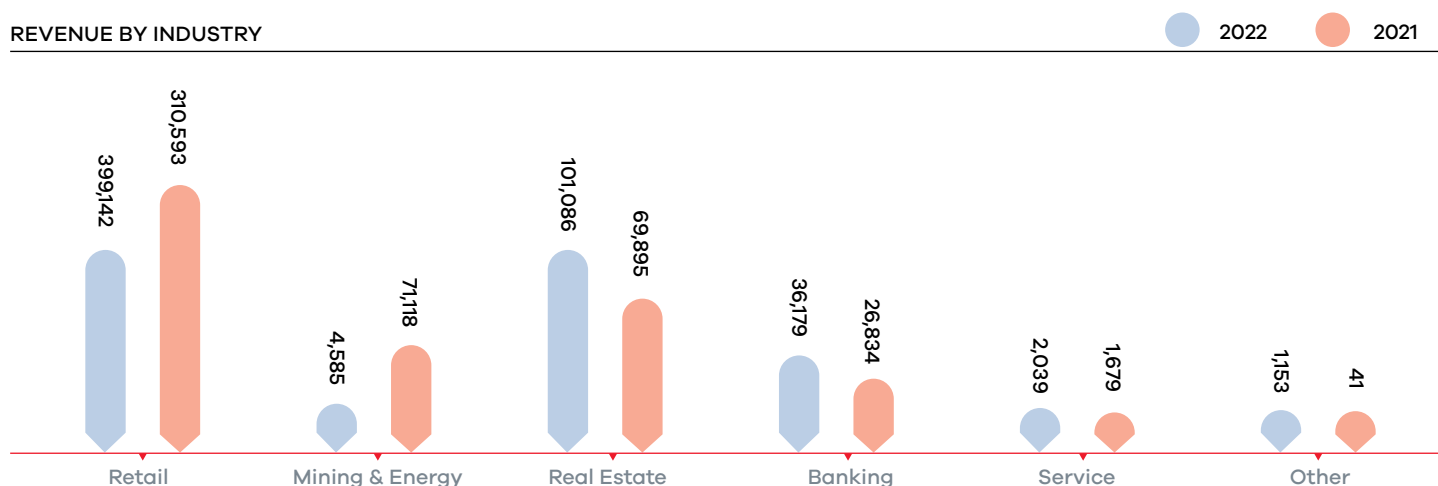
Income Statement

In 2022, BALFIN Group's turnover amounted to EUR 547 million, representing an increase of 13% or EUR 65 million compared to the previous year.

Group generates 73% of its revenues from retail sector (2021: 65%), followed by real estate with 19% (2021: 15%), Banking and other sectors generate almost 8% (2021: 6%).

The increase in revenue vs. 2021 is generated mostly from retail activity, led by the electronics subsegment and followed by grocery retail. Real estate industry has an impact too, with a growth by 45% higher compared to 2021.

REVENUE BY INDUSTRY



Consolidated net profit, reaching EUR 13 million in 2022, BALFIN Group intends to reinvest constant financial returns for the next few years, in order to further increase portfolio diversification and expansion in international markets.

Net profit decreased by 46% compared to 2021, such performance was impacted by the loss from discontinued activities.

The loss from discontinued activities amounted to 12.9 million Euro and is related to the period loss of NewCo Ferronikel in Kosovo and Albania. On 31 May 2022, the Group entered into a sale agreement to dispose of NewCo Ferronikel in Kosovo and Albania (NFN). Which carried out the remaining mining operations of the Group. The disposal was in line with the divestment strategy on mining industry announced by Group Management Board, which started to be implemented with the sale of AlbChrome in 2021.

Financial position

As of the end of 2022, BALFIN Group's total assets rose to EUR 1.6 billion with a 6% growth compared to the previous year. Main inputs came mainly from the increase of loan portfolio by 20% at banking sector and the increase of financial assets by 25%, where both were supported by an increase in current and term deposits by more than 15%. Additionally, all other sectors showed an increase in total assets.

Another main contributor to total assets is capital expenditures in real estate. During the year 2022, these expenditures reached EUR 85 million (VAT included), where the main investments are as follows:

Additional investments of **EUR 22 million** for the construction of **Green Coast Resort in Palasa**

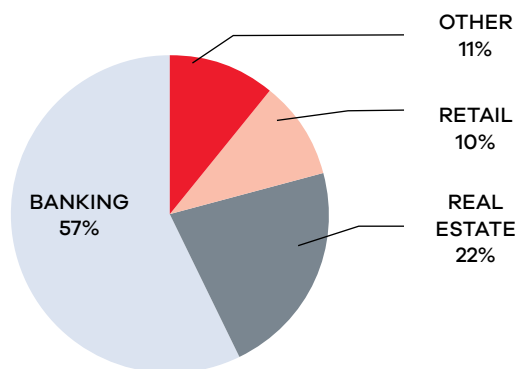
Mane TCI **EUR 9.7 million** investment where the major part is for the **Univers City project**

EUR 7 million invested in **TEG's expansion** and renovation project

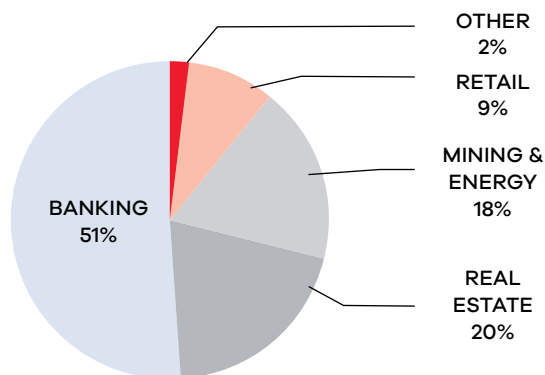
Bellevedere Korca EUR 4.7 million for construction and designing costs

Total Assets by Industry in Percentage

TOTAL ASSETS 2022



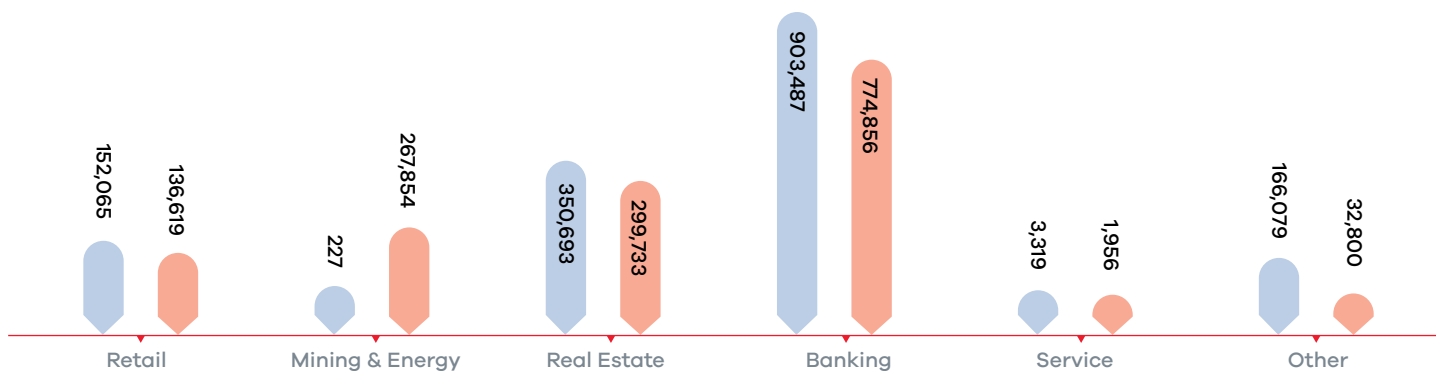
TOTAL ASSETS 2021



Total Assets by Industry in Values

TOTAL ASSETS BY INDUSTRY

● 2022 ● 2021

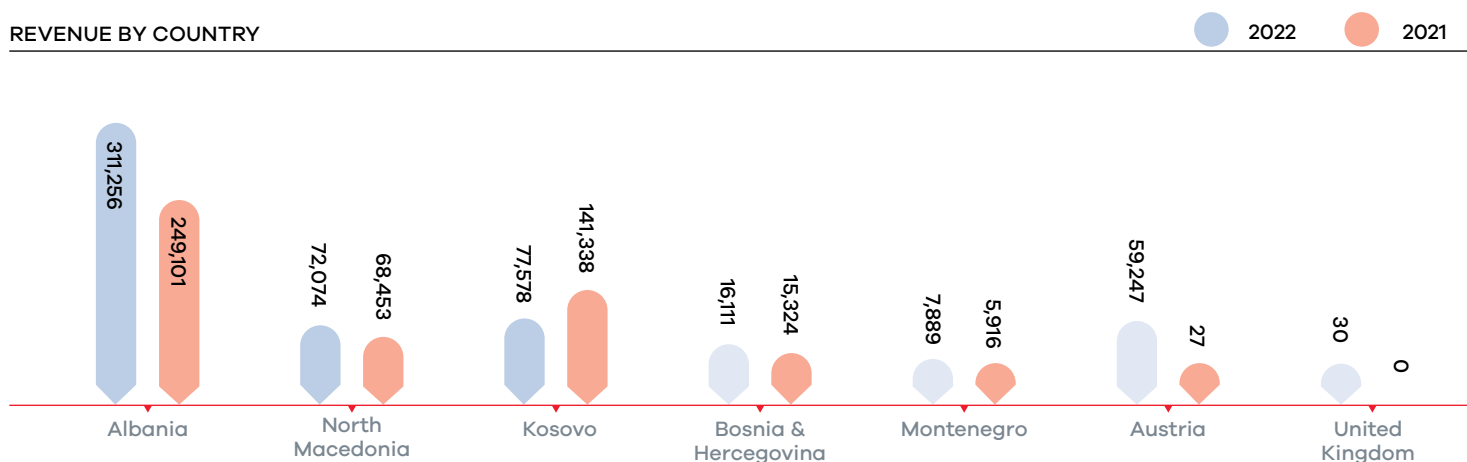


Performance by Location

All figures presented below are consolidated, unless otherwise stated.

Total Revenues are 13% higher than previous year, where the domestic revenues occupy a larger percentage compared to last year. From 52% of total revenues in the last year, this year domestic revenues have a larger percentage of 57%, mostly impacted from divestment in mining industry.

REVENUE BY COUNTRY



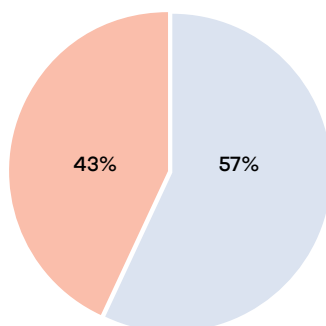
Domestic

In 2022, BALFIN Group's revenue in Albania increased by 25%. y-o-y operating profit amounted to EUR 61 million, 68% higher than last year. Such performance is mainly related to retail over-performance.

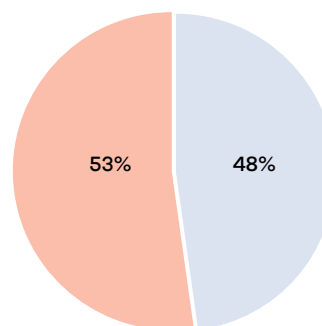
International

International countries' revenue increased by 1% in 2022 with Euro 1.9 million higher. The main contributors' states in revenues are Kosovo and North Macedonia. In terms of operating profit, international companies occupy 13% or Euro 9 million and domestic ones occupy 87% or Euro 61 million operating profit.

REVENUES BY LOCATION 2022



REVENUES BY LOCATION 2021



MERGERS & ACQUISITIONS 2022

Marina Residences – Marina Residences offers services in the designing and construction of facilities and managing of projects. It offers economic activity in the field of tourism, through establishment, operation and the administration of tourist accommodation structures and all services directly or indirectly related to them, such as in the domestic market as well as in the international one. In June 2022 BALFIN acquires 10% of the Shares.

Scan TV – Acquisition of Scan TV in 2022. It is a media that addresses economic and business-related issues by providing complete, professional, and unbiased information from Albania and the region. At the end of 2022, BALFIN Group holds 100% of the shares.

Wind Stream – BALFIN Group acquires 33.33% of the share capital of the Company on May 2022. The company aims to develop and operate wind farms.

Balfintech AG – BALFIN Group makes its debut in a new industry, that of medical innovation and technology, through the establishment of BALFIN-tech AG in Zurich, Switzerland. Besides developing medical technology, the company will be involved in financing and supporting new innovative ideas that provide medical solutions.

Go Green – On June 2022, 100% of shares had been transferred in favor of BALFIN Group. Scope of activity is investing in renewable energy.

Mane Development - Mane Development is established due to a thoughtful restructuring of real estate management projects in the Western Balkans. It has redefined luxury development with some of the most remarkable projects in Albania, e.g., Green Coast Resort and Residences, Vala Mar Residences, Rolling Hills Luxury Residences. Subsidiary 100% as of 31.12.2022

ValaMar 2 - Company was founded on December 2022 with the main focus on Investments in the field of real estate and construction. Group holds 100% of the Shares.

SALES IN 2022

NewCo Ferronikel in Kosovo and NewCo Ferronikel shpk in Albania - BALFIN Group officially transferred all its shares and ownership of NewCo Ferronikeli to YILDIRIM Group in June 2022. NewCo Ferronikeli became part of BALFIN Group in July 2018. During that period, BALFIN Group intervened to improve the financial situation and began implementing a program of investments worth 30 million euros, that increased production efficiency.

UrbAlb Construction - Was owned 100% by Mane TCI with the main scope of operation in designing and construction of civil or industrial buildings and management of the implementation of projects of this nature for themselves and for third parties.



06

INDUSTRY PERFORMANCE OVERVIEW

BALFIN Group's business model is based on value creation through operational and financial synergies between its business units. Free working capital generated by the Group's overall activities, together with its access to different capital markets and funds provided by strategic and financial partnerships, enable the financing of its investment projects in these key industries: Wholesale and Retail, Real Estate, Banking, Renewable Energy, and Services.

6.1 RETAIL

BALFIN Group is a pioneer in the creation of retail chains by proposing quality brands and products at the best prices. The Group's retail activities are mainly in electronics, fashion, food retail, department stores, etc.

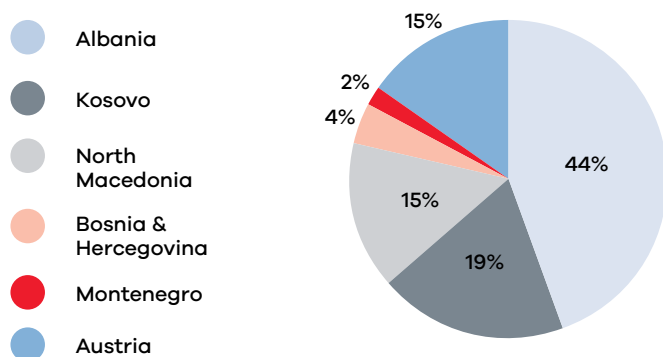
For almost three decades, BALFIN Group has shown its capacities in managing and growing in the retail sector in the Western Balkans. Today, BALFIN Group is one of the most influential groups in the retail industry operating in Albania, Kosovo, North Macedonia, Montenegro, and Bosnia and Herzegovina with its 198 stores, 73% of which are located in Albania. Approximately, 66,730 customers per day visited our stores during 2022.

TOTAL RETAIL AREA	160,603 M²
NO OF STORES	198
EMPLOYEES	2,960

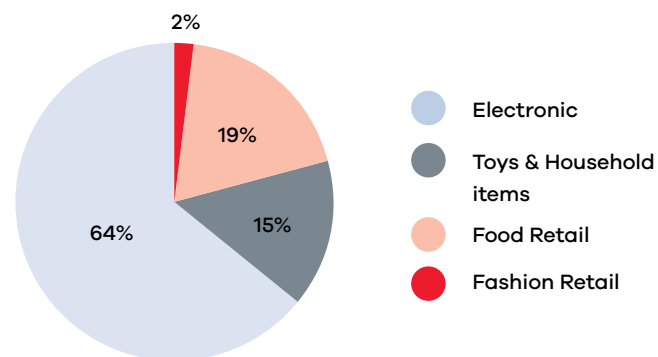
The total consolidated assets as of 31 December 2022 amount to EUR 152 million (2021: EUR 137 million).

Consolidated revenues of the retail sector are 29% higher compared to the previous year, equal to EUR 399 million.

SALES BY LOCATION 2022



SALES BY SECTOR 2022



Neptun International stands as the main contributor, generating 49% of total retail sales, followed by food retail (SPAR) with 19%, Kid Zone Network with 15%, and Fashion Group Albania with 2%.

NEPTUN INTERNATIONAL

Neptun International is the leading retailer of consumer electronics and home appliances in the Western Balkans. It is present in three countries – Albania, Kosovo, and North Macedonia – leading the sale of consumer electronics in these markets. With almost 30 years of experience in the field, Neptun is continuously building strong and long-term partnerships with leading manufacturers worldwide, bringing the latest tech products to its markets and offering integrated and reliable solutions to customers. Neptun International owns the largest number of stores in each participating market.

During the financial year 2022, revenues reached EUR 194 million representing 6% growth. While net profit increased by 2.16 times, reaching EUR 40 million.

Neptun Macedonia won the 'White Goods and Technology E-Store of the Year' at the E-Commerce Awards 2022. E-commerce Awards is an annual initiative of the Macedonian E-Commerce Association that aims to recognize and promote the best in Macedonian E-Commerce, as well as strengthen competitiveness.

EUR million	2022	2021	2020
Consolidated Revenue			
Neptun AL	70.1	63.0	56.5
Neptun KS	62.5	56.4	42.5
Neptun MKD	61.1	63.6	55.5
Total	193.7	183.0	154.5



FACTS & FIGURES

Present in
61
cities in
3
countries

80
stores

53,195 m²
retail area, out of which
932 m² were added
during 2022

More than
7,600
types of
products

1,245
employees

Serves more than
1 million
customers
annually

More than
6.9 million
website visits

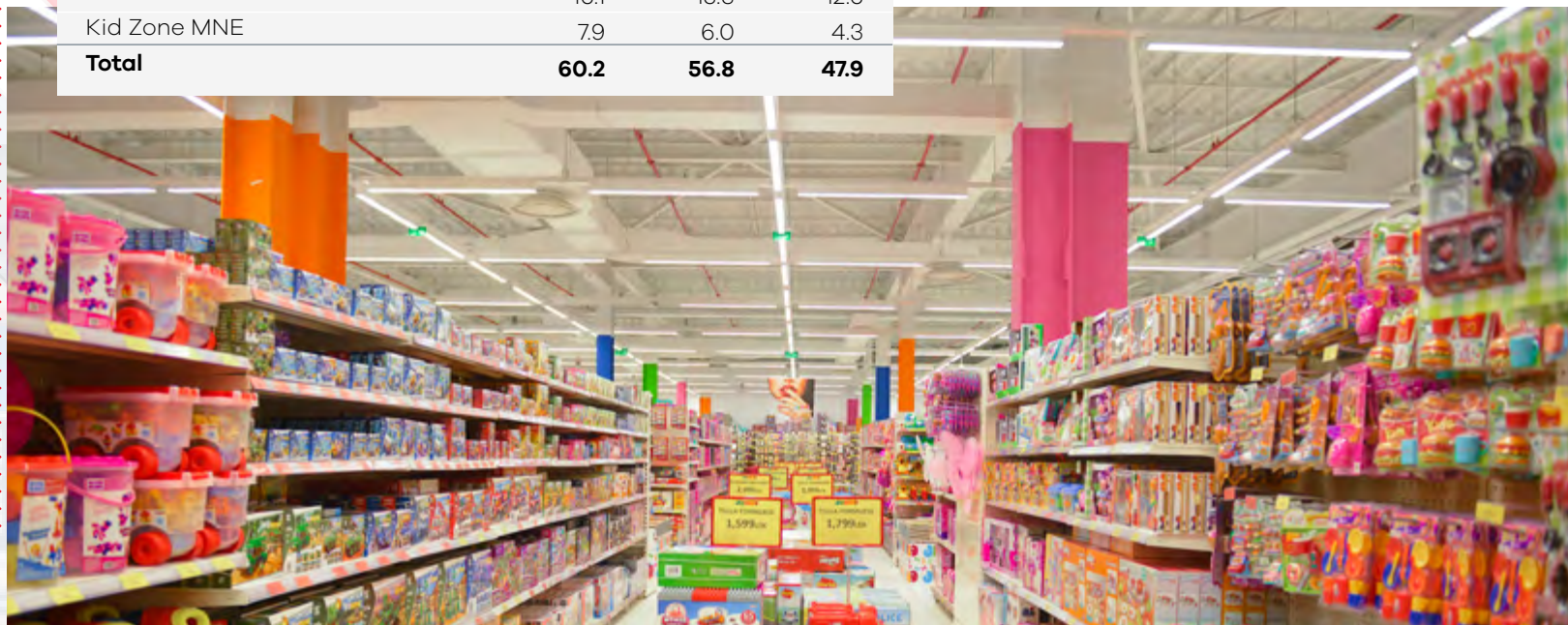
KID ZONE NETWORK

Kid Zone is the official franchise operator of Jumbo in Albania (since 2011), Kosovo (since 2014), Bosnia and Herzegovina (since 2017), and Montenegro (since 2019). Kid Zone is in continuous expansion in the Western Balkans countries and even further.

Jumbo is a household brand for all demographics because of its wide range of over 40,000 products that includes: a vast variety of toys for all ages and preferences, home items, stationery, seasonal products, decoration, etc., enable customers of all ages and backgrounds to experience every season, trend, desire, or hobby in one place.

Consolidated revenue for 2022 reached approx. EUR 60 million, with a 6% increase from the previous year. In terms of net profit, Kid Zone Network reached EUR 14 million, accounting for a 3% increase from 2021 at a consistent currency value.

EUR million	2022	2021	2020
Consolidated Revenue			
Kid Zone AL	21.5	20.3	17.4
Kid Zone KS	14.7	15.2	13.6
Kid Zone BiH	16.1	15.3	12.6
Kid Zone MNE	7.9	6.0	4.3
Total	60.2	56.8	47.9



FACTS & FIGURES

22
stores in
4
countries

68,877 m²
commercial area out
of which 1,300 m² were
added during 2022

40,000
products

More than
1.2 Million
online visitors
a year

14,770
daily visitors
at stores

FOOD RETAIL

In 2016, BALFIN Group became the official SPAR International representative in Albania, setting new standards and introducing the hypermarket concept.

The supermarket chain of SPAR Albania is expanding through new openings, but also through sub franchise, continuing to improve offers and services in store and online. SPAR Albania can be considered a pioneer of transformation in the digitalization of online sales processes, as part of one of the industries with the highest demand. SPAR Albania was the first company to adapt to the immediate needs of the market during and following the pandemic, and totally transformed the business model, bringing an e-commerce website and then a mobile app.

SPAR Albania remains focused on its vision of being the first-choice brand in the communities it serves and continues to adapt and evolve to assist retailers in addressing the ever-changing needs of consumers. Thanks to the variety of items, with approximately 40,000 products, lower prices, and ultimate storage conditions of products, SPAR Albania enables customers to live better and spend less.

During 2022, SPAR Albania has delivered robust results with turnover increasing by 21.3% to EUR 77 million and a net profit of EUR 4.2 million, a 8.5% increase from the previous year.



FACTS & FIGURES

76
stores in
26
cities

16
new
supermarkets
in 2022

43,168 m²
of total completed
projects of retail area,
out of which 8,912 m²
was added during 2022

568 m²
average
store size

943
employees

EUR 3,357
average
annual retail
sales per m²

More than
29,000
daily
customers

FASHION RETAIL

Fashion Group Albania ("FGA"), established in 2005, is the first organized fashion retail group in Albania. With the aim of remodeling the industry in the Albanian market, FGA introduced for the first time the franchisee contract management in the country, also creating a new standard in terms of customer service in stores and online.

Fashion Group Albania is always looking to introduce new brands that are specifically chosen to suit the customer needs and to further develop the fashion retail industry in the market. In 2022, Fashion Group added ALDO Shoes to its portfolio, with two curated stores at TEG and QTU.

Three new stores opened in 2022, reaching a total of 20 stores.

FGA has marked a significant increase in sales, especially after its digital transformation.

Consolidated sales reached EUR 8 million with a consolidated operating margin at 21% compared to last year's 38%.

The top 3 brands of the year based on EBITDA were Mango, Okaidi and Springfield.



FACTS & FIGURES

2,813 m²

retail area out of which 280 m² added in 2022

10

international brands

140

employees

244 000

yearly customers

6.2 REAL ESTATE

It has been more than two decades now that BALFIN Group is heavily involved in real estate activities and its footprint has expanded beyond Albania to Austria, Switzerland, and North Macedonia.

BALFIN Group holds a solid position as the most distinguished investor in the sector in the Western Balkans, investing in constructing and managing residential facilities, shopping malls, touristic residences, commercial buildings, as well as industrial spaces.

The real estate companies of BALFIN Group are perfectly equipped in technology and have qualified for relevant certifications from international organizations. These qualities are complemented by a multitude of business partners that further increase our belief in the progress of this sector.

2022 INVESTMENTS	EUR 67 MILLION (Gross)
BUILDING AREA	1.41 MILLION M² COMPLETED AND IN PROCESS
EMPLOYEES	584

The real estate industry reported a consolidated net profit of EUR 21 million, 75% higher than the year 2021. Sales of residential projects reached the amount of EUR 85 million or 25% increase from prior year.

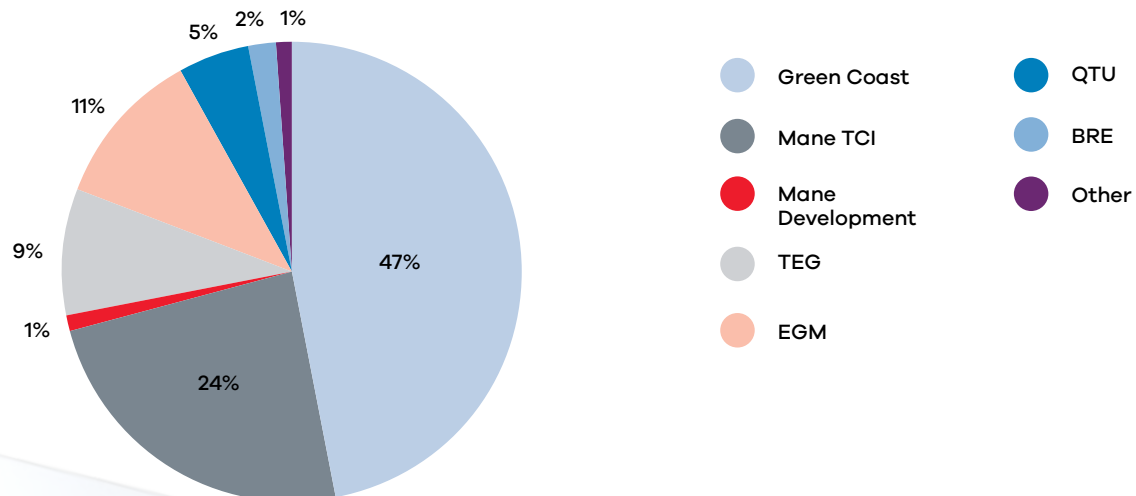
The balance sheet total grew from EUR 300 million at year-end 2021 to EUR 351 million at year-end 2022, mainly from investments in Green Coast, Mane TCI, TEG, East Gate Mall and QTU.

The consolidated revenue had an increase of 45% compared to 2022 arriving at EUR 101 million. The real estate sector is heavily reliant on the cycle of construction, development, and sale of units that are part of construction projects. Companies such as Green Coast Village, EGL, Elite Urban Development, PJ Living 137 and Rolling Hills Liqeni are still under construction and the generation of revenues is foreseen up to 5 years for the residences and offices.

EUR million	2022	2021	2020
Consolidated Revenue			
Green Coast	47.3	39.4	29.0
Mane TCI	24.7	10.9	14.5
East Gate Mall	10.7	4.5	-
Tirana East Gate	9.5	8.1	6.6
Qendra Tregtare Univers	4.8	4.4	3.8
Balfin Real Estate	2.1	1.4	0.3
Mane Development	1.1	-	-
Other companies	1 ⁵	1.1	15.5 ⁶
Subtotal	101	69.8	69.7

Top contributors in terms of revenue for 2022 are Green Coast (with 47% of real estate's consolidated revenue), Mane TCI (24%), EGM (11%) and TEG (9%).

SALES BY COMPANY 2022



⁵ Main contributor Balfin Hospitality and TLP

⁶ Main contributors SERE and THB Immo.



MANETCI

Mane TCI is one of the leading companies in the construction, investment, and trade of developmental projects in Albania and the Balkan region. Since its foundation in 2002, Mane TCI has brought a novel concept in civil and industrial construction, improving the community's standards of living. The main projects carried out / supervised by Mane TCI are Unvers Shopping Center (QTU), Tirana East Gate (TEG), Tirana Logistic Park, Rolling Hills Luxury Residences, Green Coast Resort and Residences, Vlora Marina – all considered to be innovative projects in the construction sector as well as of substantial impact on lifestyle.

Consolidated net profit is 11% lower because part of its activity, related with role of investiture was transferred at the year end to new company established, Mane Development.

During the year 2022, the main projects where Mane TCI was engaged as general contractor in the following projects: Green Coast 2, Rolling Hills 2, Belvedere Korça, Unvers City, Colina Verde, TEG extension, MGallery Hotel and Vlora Marina.

FACTS & FIGURES

EUR 25 million

consolidated sales in 2022

EUR 26.5 million

worth of construction works in 2022

EUR 276 Million

of total completed projects

(including its own investments) in more than 356,000 m² construction area



MANE DEVELOPMENT

Founded in 2022, Mane Development manages and develops construction investments offering managerial, technical and financial expertise. Mane Development has gathered specialized teams in management and construction of residential, commercial and industrial buildings, as well as shopping malls. In 2022 most of the revenues are generated as a commissioner in Turquoise and Porto Lalzi projects. Its current projects are: Green Coast, Rolling Hills B6, Vlora Marina, Unvers City.

FACTS & FIGURES

**EUR 1.1
million**
consolidated
revenues in 2022

**EUR 897
thousand**
consolidated net
profit in 2022

25
number of
employees



GREEN COAST

Green Coast is a mega tourism investment in the Mediterranean that aims to place the Palasa region on the world tourism map. It includes 5 different projects which are being built on a 456,913 m² construction area. The total value of investment is evaluated at EUR 249 million.

It will bring an additional investment of approximately EUR 123 million to this area, transforming Palasa into the south coastline's center.

Green Coast Resort & Residences

Green Coast Resort & Residences is the elite vacation destination of the Albanian Riviera, located in Palasa. A white pebble beach surrounded by the amber waters of the Ionian Sea and the greenery of Llogara, Green Coast Resort & Residences is the ideal place not only for vacation, but also for living.

With a total estate of 234,454 m², the resort contains a variety of house typologies, varying from elite villas to apartments. This project that exceeds EUR 126 million is one of the largest tourism investments in Albania.

Green Coast Resort and Residences is offering new hospitality services in the Albanian market such as a Renting Program, Vacation Exchange, Timeshare (Co-ownership) and Property Financing, by bringing innovation in management, offers to all customers, increase of the property value, and a favorable return on investment deals.

The resort has first quality infrastructure and takes pride in the almost one-kilometer Promenade completed on both sides by different service units.



GREEN COAST - MGALLERY

MGallery Hotel is one of the latest projects of BALFIN Group in the tourism industry in partnership with Accor. The hotel will offer a variety of spaces for visitors, such as a restaurant, lobby with exclusive views of the surrounding nature, executive club lounge, VIP club, banquet and conference hall, swimming pool, as well as a dedicated space in the beach area. The 118-room hotel located in Palasa, Albania will welcome the first visitors in April 2025, and it will mark an important moment for the Albanian tourism industry. The total construction area is 16,379 m², accounting for a EUR 32 million investment.



GREEN COAST

Green Coast Village is the newest and biggest tourism development in Albania. Following the indisputable success of Green Coast Resort & Residences, the development is a panoramic park of mixed-use premium residence.

FACTS & FIGURES

EUR 47 million
consolidated sales in 2022

99%
of total constructed area completed, a total investment of EUR 117 million

EUR 22 million
investment in 2022

514
total units

167 units
sold in 2022



UNIVERS CITY

Univers City is conceived on one idea - "Creating a place of relaxation within a bustling metropolis. To live life to the fullest and without distractions."

Univers City is a residential project, 10 minutes away from Tirana center. It offers different sports fields with professional parameters, exclusive for residents, green spaces like no other residential complex in the capital and sports facilities with areas for walking, pedaling and playgrounds for children. Univers City has physical noise barrier, anti-seismic structure and well-organized road infrastructure. It is designed for all people, for every need with public school & kindergarten, 24/7 security, commercial units and public transport, inside the complex. The project started the construction on 2022 and will deliver the first units to clients by the end of 2023.

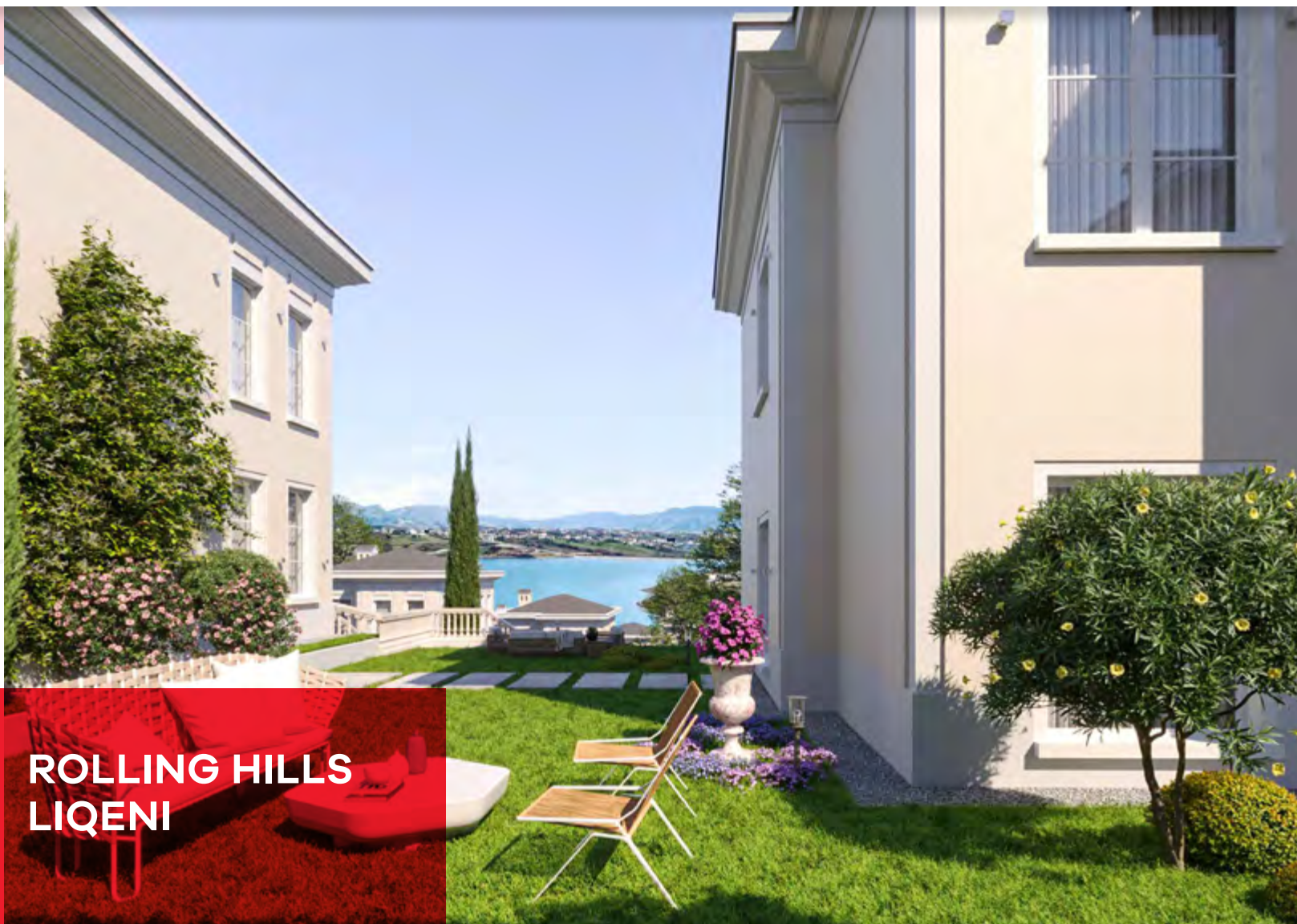
Development of the project is constituted in collaboration with 10 other investors. BALFIN Group is in the role of landowner and investor for 4 building blocks. The respective company is named Elite Urban Development which serves as co-investor in the construction of the "Univers City" residential complex, as the owner of the land where this project is being developed.

FACTS & FIGURES

145,500 m²
Total Area

3,000
units of parking
89,985 m²
parking area

444,000 m²
construction area



ROLLING HILLS LIQENI

Rolling Hills Liqeni is one of the latest projects conceived for a modern lifestyle and high living standards. The project is located by the Lake of Farkë in Tirana, and it is envisioned as a park by the lake, with a magnificent "piazza" for community gatherings. The villas and apartments are of premium design and will offer the highest construction quality to date. Living at Rolling Hills Liqeni means coming back from the city dynamics to a home of rejuvenation, security, and relaxation amidst nature.

The estate of 300,000 m² is projected to have an investment cost of EUR 162 million and is expected to be completed within 2028.



BELVEDERE KORÇA

Belvedere Korça is a complex of the latest construction technology, inspired by the civic villas of Korça in the '20 – '40. The complex will include 89 villas based on 10 different typologies, ranging from 145 to 440 m², satisfying a wide segment of customers tailoring to their needs and desires. The first phase of residential complex is expected within 3rd quarter of 2023, whilst second phase will be realized on 2025.

This project is projected at EUR 21 million with a total construction area of 22,202 m².



PJ 137 LIVING

PJ 137 Living GmbH was founded in December 2019 in Austria, and it is a subsidiary of BALFIN Holding. Its main focus is the development of residential areas in Peter Jordan Strasse 137 in Vienna. The project has a construction area of 2,100 m², an investment of around EUR 8.3 million. The residential complex is expected to be completed in Dec 2023.



MARINA RESIDENCES

Marina Residences is a challenging mixed type project which includes residential area, commercial area, residential parking, public parking and a 4- and 5-star Hotel. The 57,502 m² land surface includes 31,030 m² building imprint area and a 26,472 m² infrastructure.

It is conceived with an architectural breakthrough that blends tradition and heritage with contemporary design, while retaining its Mediterranean values. The scope is creating the ideal place to live where the community can enjoy a refined lifestyle with all the top-quality services at hand in this unique waterfront marina.

Marina Residences provide premium apartments with breathtaking views, where the Adriatic and Ionian seas, the island of Sazan and the entire bay of Vlora can be admired.

FACTS & FIGURES

264,000 m²
construction area

850
apartments

109
commercial
units

450
public parking
spaces



SHOPPING CENTERS



	TEG	QTU	EGM	Retail Park
GLA	50,982	27,151	58,304	5,257
Occupancy	99.8%	99.3%	96.6%	100%
Visitors	6.4 million	3.9 million	6.3 million	N/A
Stores & Kiosks	150	99	227	4
Exclusive brands	18	5	40	4

141,694 m²
Total GLA

98.9%
occupancy

16.6 million
visitors per year

480
Retail Stores
& Kiosks



TEG

TEG is the largest shopping center in Albania. It is designed to be easily differentiated for the diversity of services and products, the introduction of exclusive brands, entertainment areas, restaurants, coffee shops, and maximum comfort for customers. TEG is the host of many well-known international brands such as Inditex Group .

In 2022, the TEG extension project was finalized with a total investment of EUR 17.4 million and an additional 11,929m² added to the Gross Leasable Area (GLA). The mall's tenant mix was notably enhanced by introducing new international brands such as Fashion & Friends, Pizza Hut, Hugo, New Yorker, Koton etc., along with the opening or relocation of 15 new shops. The extension was complemented by a renovation of existing premises, resulting in an improved customer experience. Several new services were introduced, including Lost & Found Service, Phone Charging, Hands free Shopping.

BALFIN Group has received a corporate loan from the International Finance Corporation, following a very positive evaluation of its operations and standards according to well established criteria. The amount of €40 million will be used to refinance Tirana East Gate, so that it ultimately creates more jobs, boosts local production, and promotes competitiveness in the retail market. The loan will be used to refinance new investments in the shopping mall for its extension and refurbishment, and the production of green energy via solar panels.

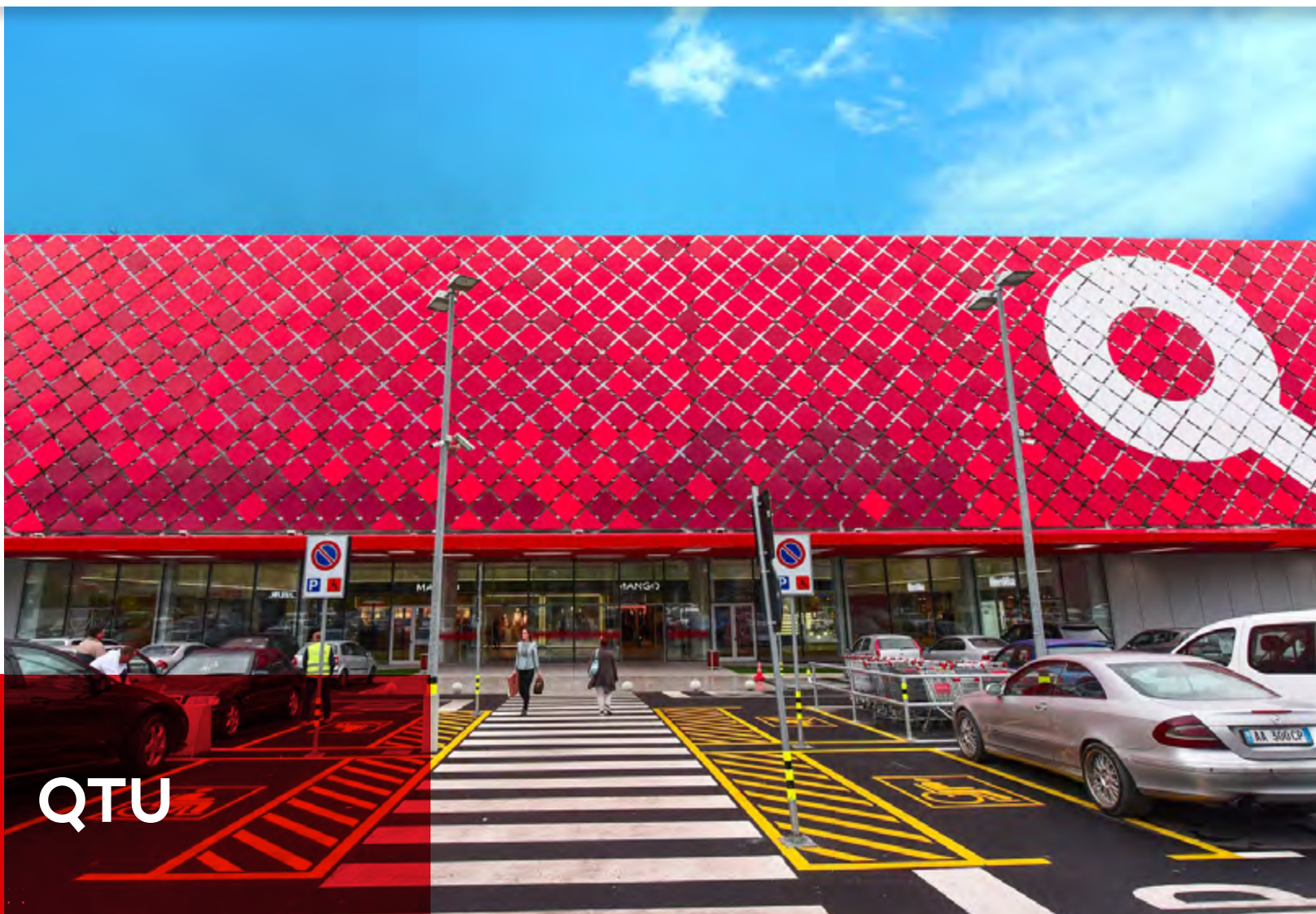


EGM

East Gate Mall stands out for its great dimensions, with 5 floors, a total area of about 160,000 m², and 2,000 parking spaces. Its 182 stores present a choice of over 600 brands, 40 of which are introduced for the first time in the country.

East Gate Mall houses the largest Zara store in the Balkans (Zara and Zara Home), as well as regional and world-renowned brands. EGM welcomes 6.3 million visitors annually. In 2022, East Gate Mall welcomes the first and only store of H&M in Skopje with an area of 2,300 m² presenting all the collections for kids, men, woman and teenagers.

EGM's occupancy is more than 90% and with the long-expected market entrance of H&M.



QTU

The inauguration of Qendra Tregtare Univers (QTU) in 2005 paved the route for a new way to shop in Albania. Enormous indoor space, tens of retail units, entertainment, food and beverages options, it was all a novelty for families to spend quality time in. Soon new brands were introduced, areas of recreation were expanded, and it earned the name of a family destination. The premises underwent some radical renovation and expansion in 2018, with a current total surface of 47,000 m², including about 27,151 m² GLA and 76 retail units. Today, it has an updated visual identity, renovated interiors, even more stores, and a stronger commitment to offer attractive options for the entire family.

Number of visitors increased with 9.4% compared to the same period of 2021. The company is planning to invest in photovoltaic systems in order to promote environment protection, increase cost optimization and boost energy independence. The project is planned to be implemented at the beginning of 2023.



RETAIL PARK

Retail Park, a unique commercial facility featuring well-known brands and public areas, officially opened on August 5 in Korça, marking the first investment of its kind in BALFIN Group's portfolio and in Albania. The facility provides a wider selection of similar shopping center-style stores, but in a building with a more consolidated structure, thus giving more free space to the citizens. The park features the stores as part of the city's public spaces, eliminating enclosures and divisions, whereas the units offer an inviting environment for everyone without creating barriers. In terms of construction, a modern architecture has been chosen, and the units' interior are industrial in design.

The brands at Retail Park have been selected to meet everyday consumer demands by providing quality products from key sectors such as food, electronics, fashion, children's toys, home interior, etc. The distinguished SPAR Albania, Jumbo, Neptun, and LC Waikiki will now make shopping easier for the residents of Korça and the many tourists that this town welcomes throughout the year. The retail park model will be later extended by BALFIN Group to other cities in Albania, such as in Vlora, Elbasan, Tirana, and beyond.

FACTS & FIGURES

Innovative
business model

7,400 m²
facility

200
new jobs



SKOPJE EAST GATE (SEG)

Skopje East Gate is an investment that is expected to reach EUR 265 million, consisting of 10 blocks of residential complexes, 5 blocks for commercial purposes, and a shopping center. East Gate Living and Business is part of Skopje East Gate together with East Gate Mall, representing the very first mixed-use development project in North Macedonia. Currently, the investment is in its first phase. The construction of the shopping center has finished, while in 2021 the construction of 4 residential buildings with 27,000 m² construction area (East Gate Living) started. In the second phase, 6 other residential buildings of 111,000 m² construction area will be completed.

In addition to the above, BALFIN Group has another key project in North Macedonia - that of East Gate Retail Park, a new investment in the retail park industry in several cities.

FACTS & FIGURES

EAST GATE LIVING

672
residential units

20
unique
floorplans

25,000 m²
green area

**EUR 76
million**

50 m
distance between
buildings

EAST GATE BUSINESS

90,000 m²
GBA

50,000 m²
GLA

**EUR 81
million**

Over 670
parking lots



TIRANA LOGISTIC PARK

Tirana Logistic Park (TLP) is the biggest logistics park in Albania and one of the most modern in the Western Balkans. It is strategically located between the Rinas Airport and Durrës Port, easily accessible even from the neighboring countries. Its location is the main advantage, just on the main industrial area of Albania (Tirana-Durrës highway), close to the capital city, to the airport and to the largest port in the country.

The facilities enable services such as storage, intralogistics, inventory management, order management, local distribution, freight forwarding, and value-added services such as packaging, pre-packaging, processing, labeling, and knitting. It is quickly connecting businesses all over Albania and those of the region, especially from Kosovo and North Macedonia.

Total unconsolidated revenues in 2022 amount to EUR 714 thousand (vs. 2021: EUR 691 thousand), while consolidated revenues amount to EUR 374 thousand (2021: EUR 366 thousand). Unconsolidated net profit amount to EUR 257 thousand (vs. 2021: EUR 4.4 million).



BALFIN REAL ESTATE & HOSPITALITY

Founded in 2018, Balfin Real Estate & Hospitality is considered a service hub providing a complete set of solutions in the real estate market as a 360 degrees innovative company. The company stands on three main pillars on which it has set up its philosophy and model of doing business.

- Real estate
- Asset and property management
- Hotel management and services

With a current portfolio of EUR 850 million, yearly property sales of EUR 90 million, and a considerable customer database, the company manages 20 residential and tourism developments by offering the highest standards of professionalism regarding the buying process, sale, after-sale, brokerage, or renting management of real estate properties and projects available in the market; real estate marketing and market research; and asset management. In 2022, Balfin Real Estate has 2 Representative Offices in Zurich and Pristina.

The main goal of BRE&H is to give a greater focus to the marketing and sale of various Group properties; therefore, most of its revenues are consolidated in the financial statements. Total unconsolidated revenues in 2022 amount to EUR 4.7 million (vs. 2021: EUR 3.7 million), while consolidated revenues amount to EUR 2 million (2021: EUR 1.4 million). During the financial year 2022, BRE&H sold 1,074 units (3 times higher than the previous year) by achieving a sell-out turnover of EUR 94 million.

BRE&H has been selected by Green Coast Resort & Residences as the manager and administrator of the resort's properties, waterfront, lease program, and all the other related services, in addition to the marketing and sales functions that BRE&H already performs.

FACTS & FIGURES

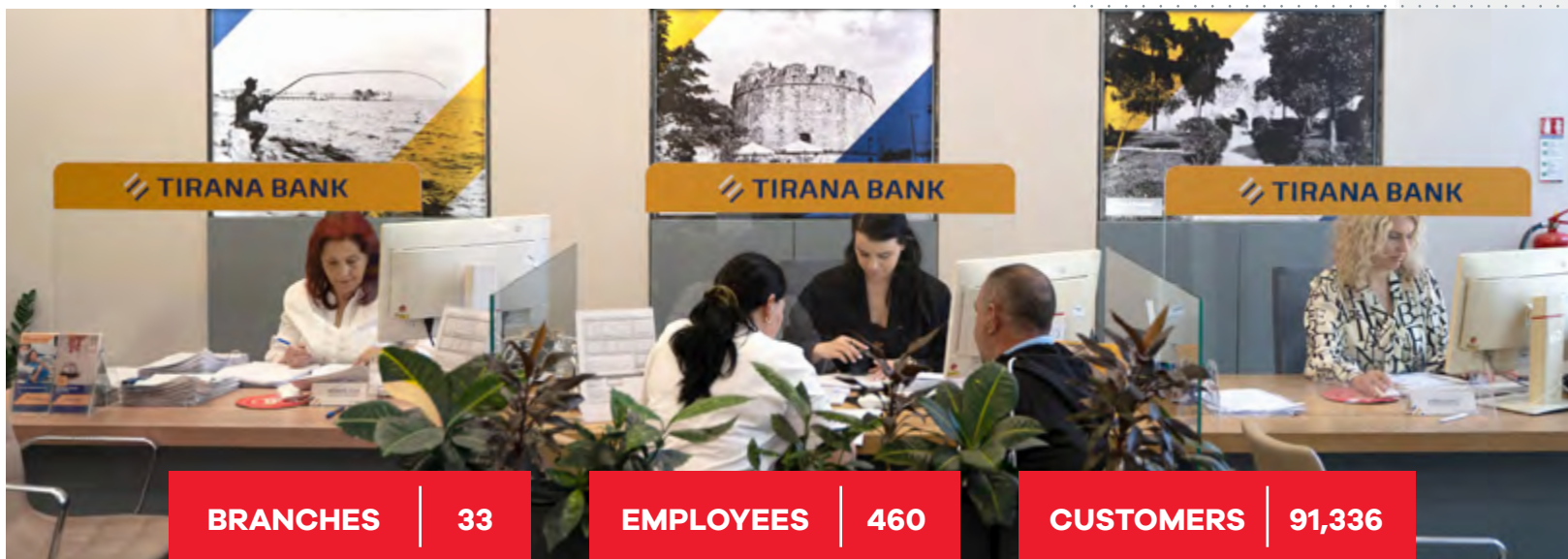
**EUR 850
million**
portfolio

1,074
units sold

48%
consolidated sales
growth in 2022

6.3 BANKING

Established in 1996, Tirana Bank is the first privately-owned bank in Albania. Since becoming part of BALFIN Group (2019), it applies a development strategy of being sustainable and focused on the organic growth of business activity, as well as investments in technology with a focus on the digitalization of services and processes.

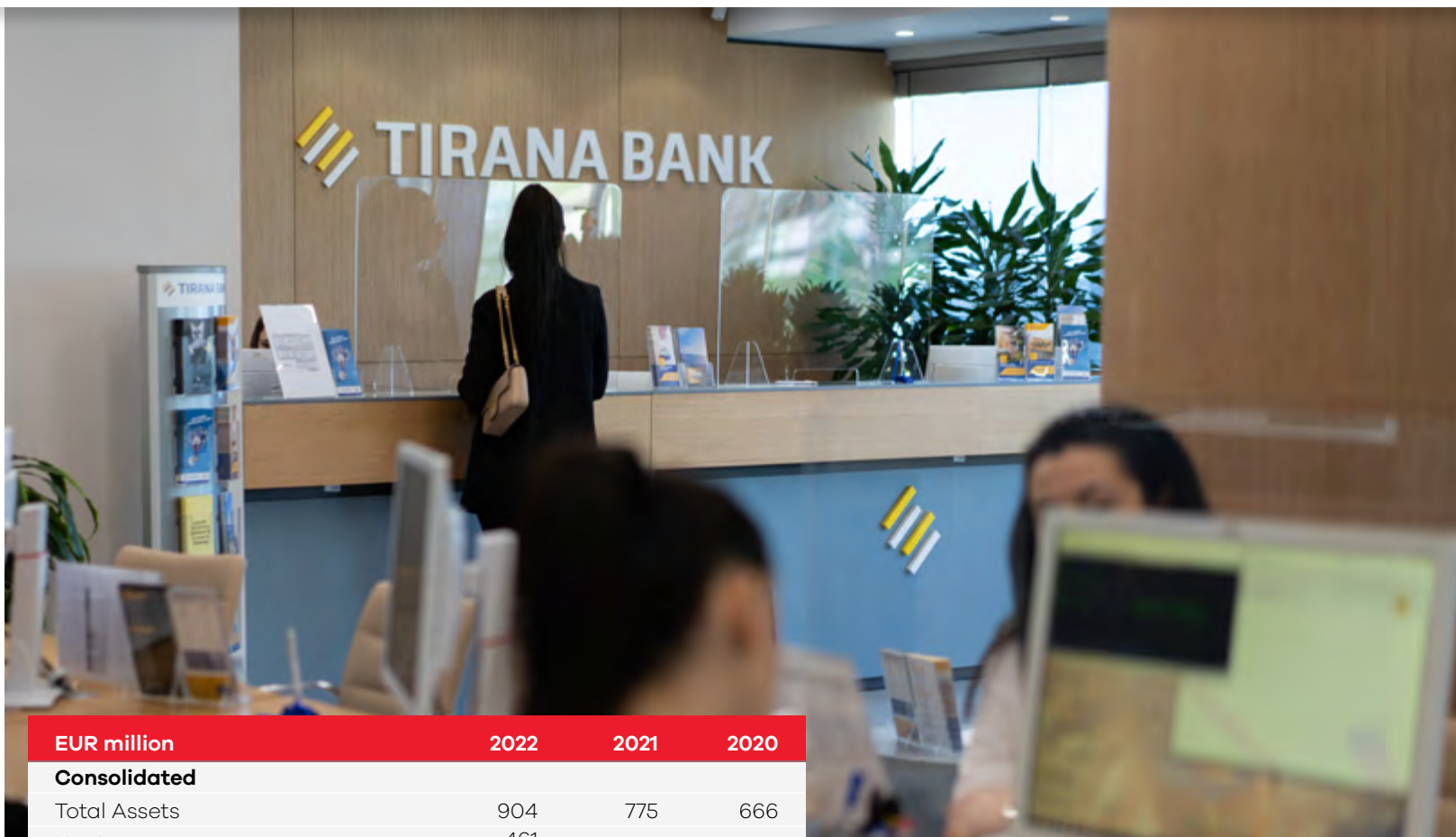


The year 2022 was exceptional for Tirana Bank in terms of economic and financial performance. For the first time in its history of nearly three decades of activity, the total assets reached the equivalent figure of over 1 billion Euros, approximately twice as large as at the beginning of 2019, which also coincides with the change in the shareholder structure as well as the definition of the strategy for expansion of activity.

The liquidity base, supported mainly by customer deposits, has also undergone a notable increase of 25% compared to the previous year, reaching around 850 million euros. In 2022, the loan portfolio increased by 24%, reaching the equivalent value of 480 million euros. Also, the non-performing loan ratio has decreased significantly and is now one of the lowest in the banking system.

To strengthen the capital structure and support further growth, the bank successfully issued two new long-term corporate bonds worth around 10 million euros.

Economic and financial results have seen steady growth, driven by increased interest, commissions and trading income. Annual revenues have increased by 28% compared to a year ago, while profit before tax has increased by 35% to around 12 million euros, which is the best financial result of Tirana Bank in recent years.



EUR million	2022	2021	2020
Consolidated			
Total Assets	904	775	666
Net Loans	461	367	306
Deposits	788	663	562
Net Interest Income	30	22.7	24.6
Net Profit	9.6	6.1	8.3

FACTS & FIGURES

6.1%
market share
by Total Assets

6th
bank in Albania
by size of Branch
Network

7.6%
market share
in Net Loans to
Customers

6.3%
market share
by Customers
Deposits

3.8%
NPL Ratio

17.1%
CAR Ratio

1.0%
Return on Assets

10.1%
Return on Equity

59.8%
Cost to Income
Ratio

56%
Loans to
Deposits

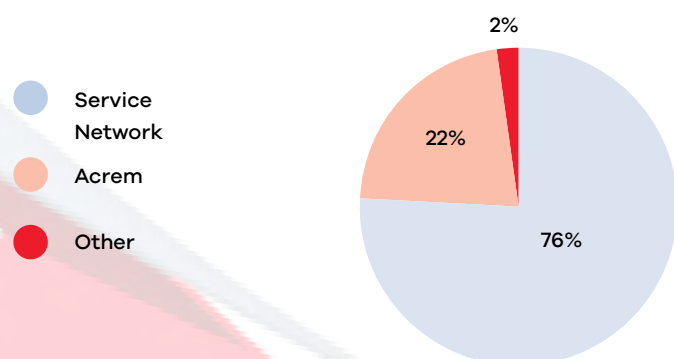
6.4 SERVICES

BALFIN Group's activities in services include a range of establishments, varying from logistics to after sales support. The services provided by BALFIN Group include full professional systems and expertise from highly qualified employees that provide easy access for individual consumers, as well as companies.

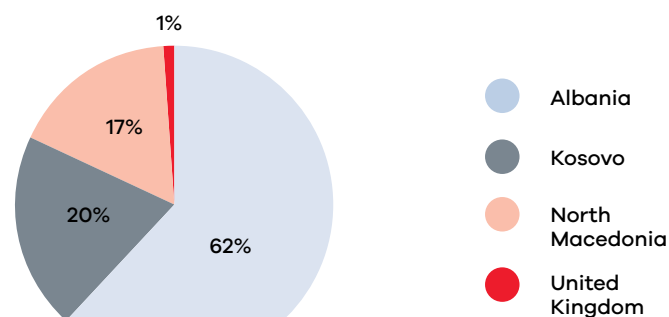
CONSOLIDATED REVENUES	EUR 2 MILLION
EMPLOYEES	228
COUNTRY PRESENCE	4

Consolidated revenue from the Service Sector has increased by 21% compared to the previous year, amounting to EUR 2 million (2021: EUR 1.7 million). The major contribution is from Elektro-Servis Network.

SERVICE INDUSTRY BY COMPANY



SERVICE INDUSTRY BY LOCATION





ACREM

ACREM (Albanian Commercial & Real Estate Management) established in 2007, is the Albanian leading company in real estate management. ACREM introduced and implemented the highest standards and best international practices in managing commercial, industrial, and residential properties.

ACREM is the first retail and real estate management company, by having in management TEG, QTU, Rolling Hills, Ambassador 3, TLP, Retail Park etc. The company offers a full package of services including management, marketing, financial, security, maintenance and consulting, that none of the companies in the market offers as a full package.

FACTS & FIGURES

123
employees

EUR 2.6 million
unconsolidated revenues
(vs. 2021: EUR 2.4 million)

Manages
3 shopping centers
TEG, QTU and Retail Park

ELEKTRO-SERVIS NETWORK

Established in 2008, Elektro-Servis is the largest service provider of its kind in Albania, Kosovo (since 2014), and North Macedonia (since 2013). It provides professional after-sale and repair services for the electronic products offered by Neptun International in the respective countries it is present. The company is entitled to exclusive rights on these services from some of the most renowned brands of the world, such as Samsung, LG, Sony, Philips, Huawei, Alcatel, Beko, Bosch, and many others.

As the sole partner authorized to maintain the multitude of products offered by Neptun, the staff of Elektro-Servis has gained the experience and confidence to meet any challenges posed by the launch of new models in the market.

Elektro-Servis has a large portfolio of authorized brands followed by latest technology in terms of work tools and equipment. It has skilled & experienced Technician and offers in home visit service (repair & installation). In Albania covers more than 14 cities, in North Macedonia covers 21 cities and in Kosovo covers 23 cities with a portfolio of 12 brands.





MILŠPED ALBANIA

Milšped Albania, present in Albania since 2014, caters to the clients who placed their trust in Milšped Group to deliver a full regional service. The company provides its services in warehousing, distribution, customs agency, customs warehouses, organization of international road transport, air, ship and rail transport.

Milšped Albania is a joint venture company of BALFIN Group and Milšped Group, an international company with head-offices in Serbia, Croatia, Albania, Montenegro, Slovenia and Bosnia & Herzegovina.



STELLA MARE

Stella Mare is the representative of Maersk Line and Seago Line, two of the largest groups of shipping containers in the world, providing Albanian, Kosovar and North Macedonian clients with container transportation services from almost any place in Europe to the rest of the world.

Stella Mare is a joint venture of Milšped and BALFIN Group. Stella Mare operates through weekly service in the Port of Durrës. Maersk provides the fastest service in Albania for refrigerated shipping containers from South America, as well as customized ports' services from all Asian and European ports to Albania. Stella Mare will continue the expansion of Maersk and Seago Line's presence in the region.



6.5 RENEWABLE ENERGY

BALFIN Group has recently joined the ranks of companies that are willing to play an active role in combatting the effects of climate change. It has embraced the opportunity to expand in solar and wind energy and is steadily progressing in this direction.

GO GREEN ENERGY

Go Green is the first project of green technology that BALFIN Group has launched. It is focused on the energy generated by solar panels, initially in the coastal area of Albania as a country with mostly sunny days during the year. The venture is following the steps of other successful companies of BALFIN Group and soon it will become a fully-fledged pioneer of green energy in Albania.



6.6 OTHER



EMPLOYEES

Companies consolidated in the “Other” industry are BALFIN Sh.p.k (the parent company), On Solutions, Nep Loyalty and BALFIN BV. Their main goal is operating as holding companies and/or offering their services to Group companies. Therefore, most of their revenues are consolidated in financial statements. Non-consolidated revenue for the year 2022 reached EUR 5.3 million (46% growth compared to last year), while consolidated revenue is EUR 1.2 million.

FACTS & FIGURES

235
Employees



ONSOLUTIONS

On Solutions is a customer-centric company established in 2020, specializing in customer retention and delivering exceptional customer experiences. With a strong focus on providing value to partners and their customers, On Solutions offers a wide range of high-level expertise through loyalty programs, thorough analysis, and efficient online and offline customer service.

On Solutions conduct professional market surveys and research, utilizing key metrics such as NPS (Net Promoter Score), TNPS (Transaction Net Promoter Score), and CSI (Customer Satisfaction Index). These insights empower businesses to effectively plan and execute strategic marketing campaigns that drive results.

In addition to their expertise in customer analytics, On Solutions also provides valuable services in social media management,

online order management, and tele-sales. Their comprehensive approach ensures that businesses have the tools and support necessary to thrive in today's competitive market landscape.

One of On Solutions' notable achievements is managing Happy, the largest loyalty program in Albania. Happy stands out as the only multi-brand scheme in the country, boasting an impressive membership base of over 500,000 individuals. Through this program, On Solutions connects businesses with a vast network of loyal customers, driving engagement, and fostering long-term relationships.

With a dedication to enhancing customer satisfaction and loyalty, On Solutions is a trusted partner for businesses seeking to optimize their customer relationships, improve marketing strategies, and drive growth in the Albanian market.

FACTS & FIGURES

+500,000
Happy members

81.3%
retention rate for
loyalty program
members

65%
Market Share

+140,000
Active Users

62%
Contribution
of Sales

+30
Partners



SCAN TV

BALFIN Group made its debut in the media sector in 2022 with the acquisition of Scan TV. It is the only media entirely focused on business and economics topics, covering any financial, commercial, industrial, and real estate operation of national and international interest. Established in 2001, Scan TV has been a point of reference and a credible source of information for viewers and other media alike.

As part of BALFIN Group, the television will continue to maintain the same economic profile, but with more opportunities to better perform its function for the benefit of the public, as an important voice of business. Scan TV plans to cover North Macedonia and Kosovo as well, becoming the very first economic and business-oriented TV channel in the Western Balkans.



TIRANA BUSINESS UNIVERSITY COLLEGE

Established in 2010, Tirana Business University College is a highly reputed university in the country, mostly known for the exceptional efforts in creating and expanding students' opportunities for employability and entrepreneurship prior to their graduation. Specialized in Business Administration and Law, Tirana Business University College empowers young talents and offers them proper support to grow and develop through professional career

counselling, business ideas support, and building a strong community. Equipping students with contemporary knowledge and proficient practical skills to respond to highly competitive markets, TBU provides an innovative learning experience, flexible degree structure with small-groups, and strong partnerships with stakeholders in the business ecosystem.

07

TAX OVERVIEW

BALFIN Group's total contribution for 2022 was EUR 60.2 million (2021: EUR 59.5 million). This comprises the taxes we paid and collected on our regional operations.

- The EUR 46.6 million of taxes paid included income tax on profit, as well as the other direct and indirect taxes levied on our activities.
- The EUR 13.6 million of taxes collected served as social security contributions, health contributions, and personal income tax.

As one of the most substantial and profitable investment groups in the Western Balkans region, BALFIN Group is very rigorous in paying taxes appropriately. Responsible tax behavior is an essential element of our sustainability strategy. The taxes that we pay are an important part of our contribution to local economies and support the development of the countries in which we operate.

The taxes that BALFIN Group pays are one of the many links between its business, the countries, and communities where the Group operates.

However, transparency goes beyond the numbers. It is also about demonstrating the Group's commitment to complying with legislation and relevant statutory compliance obligations.

Industry	Taxes paid 2022	Taxes paid 2021	Taxes paid 2020
	%	%	%
Retail	61	47	59
Real Estate	21	20	14
Services	5	4	3
Other	3	2	2
Banking	9	9	9
Mining	1	17	1

Euro thousand

Residence	Taxes paid 2022	Taxes paid 2021	Taxes paid 2020
National	37,397	35,945	27,806
International	22,857	23,542	25,350
Total	60,254	59,487	53,156



08

CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended December 31, 2022

TABLE OF CONTENTS

Independent auditor's report	78
Consolidated statement of profit or loss for the year ending December 31, 2022	80
Consolidated statement of financial position as at December 31, 2022	82
Consolidated statement of changes in equity for the year ending December 31, 2022	84
Consolidated statement of cash flows for the year ending December 31, 2022	86



Firm's Young Certified Auditor
Albania Branch
T. No. 068110121
4 - Bishëm Mugeva
Sky Tower, 9th floor
1001 Tirana, Albania
Tel. +35542414576
ey.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Balkan Finance Investment Group shpk

Opinion

We have audited the consolidated financial statements of Ddh in Balkan Finance Investment Group shpk (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022 and its consolidated financial performance and its consolidated 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") and with Institute of Authorized Chartered Auditors of Albania Code of Ethics ("IEKA Code"), together with the ethical requirements of the Law No. 10091, dated 5 March 2009 "On the statutory audit and the organization of the statutory auditors and chartered accountants professions", amended, 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 and IEKA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the 2022 Management Report

Other information includes information in the Group's Management Report for 2022, prepared in accordance with article 17, 18, 19, 20 of Law no.25/2018 "For accounting and Financial Statements" in addition to the consolidated financial statements and this auditor's report. Management is responsible for other information. The Group's 2022 Management Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover any other information, and we do not express any conclusions that give assurance about this information. In relation to the audit of the financial statements, we have the responsibility to read the other information and assess whether this information has material inconsistencies with the financial statements or the knowledge we obtained during the audit or otherwise whether they appear to be materially misstated.

If, based on the work done, we conclude that there is a material anomaly in this information, then we should report this fact.

Responsibilities of management for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. Management and those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with management and those charged with governance of Ballin-Balkan Finance Investment Group shpk 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.

Ernst & Young Ekspert Kontabilë Autor i rruar
Albania Branch

Ernst & Young Albania
23 October 2022
Tirana, Albania



Mario Vashje i
Certified Auditor

Consolidated statement of profit or loss for the year ending December 31, 2022

(All amounts in '000 Eur, unless otherwise stated)

	Notes	For the year ended on December 31, 2022	For the year ended on December 31, 2021
Revenue from contracts with customers	12	492,837	444,495
Rental income	13	21,832	12,986
Cost of sales	15	(363,234)	(330,904)
Gross Profit from Non-Financial Operations		151,435	126,577
Net interest income from financial operations	14	29,515	22,679
Gross profit		180,950	149,256
Other operating income	21	6,305	8,415
Selling and distribution expense	16	(12,320)	(8,895)
Administrative and other operating expenses	17	(37,074)	(55,071)
Employee expenses	19	(44,172)	(36,955)
Depreciation and amortization expense	20	((21,670))	(29,741)
Expected credit losses	18	(2,177)	(1,223)
Operating profit		69,842	25,786
Finance costs	22	(10,495)	(8,545)
Finance income	23	2,943	567
Loss on sale of subsidiary, net	7	(26,414)	-
Share of profit of an associate and a JV	30	1,144	1,458
Profit before tax		37,020	19,266
Income tax expense	24	(10,706)	(8,681)
Income tax receivable Deferred tax income / (expense)	32	(440)	558
Profit for the year		25,874	11,143
Profit / (Loss) from discontinued operations	7	(12,856)	13,124
Profit for the year		13,018	24,257
Profit of the year attributable to:			
Owners of the parent		6,598	18,752
Non-controlling interest		6,420	5,515
		13,018	24,267

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.

Consolidated statement of other comprehensive income / (expenses) for the year ending December 31, 2022
 (All amounts in '000 Eur, unless otherwise stated)

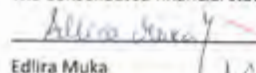
	Notes	For the year ended on December 31, 2022	For the year ended on December 31, 2021
Profit of the year		13,018	24,267
Other comprehensive income / (expense)		-	-
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Foreign currency translation differences		(2,891)	(2,886)
Fair value on available-for-sale financial assets	25	(20,804)	(162)
Deferred tax related to FV loss recorded directly in OCI		(3,109)	-
Total comprehensive income		(7,568)	21,219
Total Comprehensive income of the year attributable to:			
Owners of the parent		(13,723)	15,845
Non-controlling interest		6,155	5,374
		(7,568)	21,219

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.

Consolidated statement of financial position as at December 31, 2022
 (All amounts in '000 Eur, unless otherwise stated)

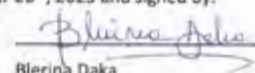
	Notes	As at December 31, 2022	As at December 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	26	67,219	187,447
Investment property	27	154,607	142,389
Right of use assets	28	37,794	39,351
Investments in associates and joint ventures	30	1,215	1,929
Intangible assets	29	5,732	13,783
Financial assets	34	212,710	220,371
Interest-bearing loans given	33	29,215	311
Loans to customers from finance operation long term	35	236,278	221,301
Inventory	31	44,430	64,283
Prepayments and deferred expenses	36	14,609	9,793
Other assets	39	5,012	-
Contract asset	12	2,574	682
Deferred tax assets	32	5,129	3,749
Total non-current assets		816,524	905,389
Current assets			
Inventory	31	110,929	90,615
Trade and other receivables	37	54,304	34,802
Contract assets	12	1,535	2,725
Interest-bearing loans given	33	17,415	2,438
Financial assets	34	221,221	83,613
Income tax receivable		781	933
Prepayments and deferred expenses	36	7,781	11,111
Loans to customers from finance operation short term	35	224,306	145,855
Cash and due from banks	38	120,237	134,009
Total current assets		758,509	506,101
Assets held for sale		838	102,335
Total assets		1,575,871	1,513,825

The consolidated financial statements are approved on October 20th, 2023 and signed by:


Edlira Muka

Chief Executive Officer and Administrator




Blerina Daka

Chief Financial Officer

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.

Consolidated statement of financial position as at December 31, 2022

(All amounts in '000 Eur, unless otherwise stated)

	Notes	As at December 31, 2022	As at December 31, 2021
Capital and reserves			
Share capital		24,241	24,241
Other capital and legal reserves	40	17,003	13,287
Retained earnings		355,017	342,623
Reserves		28,028	24,105
Equity attributable to equity holders of the parent		424,289	404,256
Non-controlling interests		28,710	30,428
Total equity		452,999	434,684
Non-current liabilities			
Deferred tax liabilities	32	599	18,053
Trade and other payables	44	1,674	1,072
Lease liabilities	28	29,417	31,966
Contract liabilities	12	23,158	24,374
Due to customers in financial operations	42	172,381	119,230
Interest-bearing borrowings	41	89,337	88,529
Provisions	43	2,212	3,560
Subordinated debt	45	14,450	5,028
Total non-current liabilities		333,228	291,812
Current liabilities			
Provisions short-term	43	1,607	334
Contract liabilities	12	37,494	14,426
Interest-bearing borrowings	41	30,467	67,349
Lease liabilities	28	8,421	8,255
Income tax payable		1,167	1,641
Trade and other payables	44	93,947	105,603
Dividends payable		914	13,090
Total Current liabilities		174,017	210,698
Due to customers in finance operations	42	615,551	544,074
Liabilities directly associated with the assets held for sale		76	32,557
Total liabilities		1,122,872	1,079,141
Total equity and liabilities		1,575,871	1,513,825

The consolidated financial statements are approved on October 20th, 2023 and signed by:

 Edlira Muka Chief Executive Officer and Administrator		 Blerina Daka Chief Financial Officer
---	---	---

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.

Consolidated statement of changes in equity for the year ending December 31, 2022

(All amounts in '000 Eur, unless otherwise stated)

	Note	Share capital	Legal and regulatory reserve	Other capital reserves	Foreign currency translation reserve	Reserve for items at Fair value through OCI	Retained earnings	Total	Non-Controlling Interest	Total equity
Total equity as at 1 January 2021		24,241	11,297	2,698	2,698	(2,487)	323,848	379,022	28,278	407,300
Profit for the year		-	-	-	-	-	18,893	18,893	5,374	5,374
Other comprehensive income		-	-	-	7,329	(162)	-	7,167	-	7,167
Total comprehensive income		-	-	-	7,329	(162)	18,893	26,060	5,374	31,434
Dividend distributed		-	-	-	-	-	-	-	(4,881)	(4,881)
Increase in share capital		-	-	-	-	-	-	-	1,049	1,049
Transfers to and from retained earnings	40	-	265	(972)	-	-	127	(580)	588	8
Adjustment to prior period		-	-	-	-	-	(245)	(245)	20	(225)
Balance at December 31, 2021		24,241	11,562	1,726	26,754	(2,649)	342,623	404,256	30,428	434,684
Profit for the year		-	-	-	-	-	6,863	6,863	6,155	13,018
Other comprehensive income		-	-	-	21,761	(17,695)	-	3,924	-	3,924
Total comprehensive income		-	-	-	21,761	(17,695)	6,863	10,786	6,155	16,941
Dividend distributed		-	-	-	-	-	-	-	(5,154)	(5,154)
Decrease in share capital		-	-	-	-	-	-	-	(2,719)	(2,719)
Transfers to and from retained earnings	40	-	-	3,715	-	-	6,229	9,944	-	9,944
Adjustment to prior period		-	-	-	-	-	(697)	(697)	-	(697)
Balance at December 31, 2022		24,241	11,562	5,441	48,371	(20,344)	355,018	424,289	28,710	452,999

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.

Consolidated statement of changes in equity for the year ending December 31, 2022

(All amounts in '000 Eur, unless otherwise stated)

	Notes	For the year ending December 31, 2022	For the year ending December 31, 2021
Profit before tax from continuing operations		37,020	19,266
Profit / (Loss) before tax from discontinued operations		(12,856)	13,124
Profit before tax		24,165	32,390
Adjustments to reconcile profit before tax to net cash flows:			
Loss on disposal of subsidiary		(26,414)	-
Depreciation and impairment of PPE and RoU	26,28	16,170	43,468
Depreciation and impairment of investment property	27	4,481	4,454
Amortization and impairment of intangible assets	29	1,019	2,623
Allowances, provisions and write-offs		(2,092)	1,365
Gain / (Loss) on disposal of asset	22	431	(261)
Finance income	14,23	(35,342)	(25,180)
Finance costs	14,22	3,454	9,623
Share of profit of associates and JVs	10	(1,144)	(1,458)
Working capital adjustments			
Change in trade and other receivables		185,733	29,042
Change in inventories		2,763	7,058
Change in trade and other payables		(19,455)	10,982
Change in compulsory reserves		(7,738)	(8,987)
Change in restricted cash		993	(53)
Change in loans to customers		(71,689)	(53,279)
Change in due to customers		87,526	72,461
Change in due to banks		-	-
Income tax paid		(11,468)	(6,818)
Interest from non-financial operation			
Interest received		2,374	233
Interest paid		(2,160)	(6,079)
Interest from financial operation		-	-
Interest received		33,290	24,836
Interest paid		(784)	(2,032)
Net cash flows from operating activities		184,112	1,079,141
Total equity and liabilities		1,575,871	76,304

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.

Consolidated statement of cash flows for the year ending December 31, 2022

(All amounts in '000 Eur, unless otherwise stated)

	Notes	As at December 31, 2022	As at December 31, 2021
Investing activities			
Proceeds from sale of PPE		1,805	23,817
Purchase of PPE	26	(29,941)	(12,362)
Acquisition of subsidiary, net of cash acquired	6	2,172	-
Purchase of intangible assets	29	(688)	(1,638)
Proceeds from sale of intangible assets		-	16
Purchase of investment property	27	(10,653)	(28,056)
Proceeds from sale of investment property		1,018	326
Decrease/(increase) of investment in associates		347	0
Purchase of financial assets at FVOCI	34	(63,679)	(218,894)
Proceeds from financial assets at FVOCI	34	91,819	162,984
Purchase of financial asset held at amortized cost		(159,788)	-
Increase of capital from NCI shareholders		-	1,049
Dividend received from JV and Associate	10	1,589	786
Net cash flows from/(used in) investing activities		(166,000)	(71,972)
Financing activities			
Proceeds from borrowings, net		(18,526)	914
Payment of principal portion of lease liabilities		(10,679)	(8,150)
Issuance of subordinated debt		8,755	4,959
Dividend paid		(17,569)	(8,861)
Net cash flows (used in)/from financing activities		(38,018)	(11,138)
Net increase/(decrease) in cash and cash equivalents		(27,567)	(6,794)
Net foreign exchange difference		(5,726)	1,846
Cash and cash equivalents at January 1	36	79,483	84,443
Cash and cash equivalents at December 31	35	55,849	79,483

The consolidated statement of financial position has to be read in conjunction with the notes which are part of these consolidated financial statements set on pages 8 to 106.



**DOWNLOAD CONSOLIDATED
FINANCIAL STATEMENTS**

ALBANIAN

ENGLISH



SOCIAL CONTRIBUTION

BALFIN Group is consolidating its giving back to society year by year, as the indicators confirm. If we focus on the last five years, approximately 400.000 people have benefitted from the social engagement of the companies of the Group, in all the countries where they operate.

In compliance with BALFIN Group's values and Corporate Social Responsibility pillars, companies of the Group have initiated or supported a total of 300 projects, partnering with over 200 organizations during the last five years. This contribution has amounted to approximately 500.000 euros each year.

Through economic development, employment opportunities, innovation, and social investment, BALFIN Group challenges the status quo, fostering a positive impact on communities. Its social engagement is centered around Education, Environment, Health and Well-being, Poverty Alleviation. At the same time, BALFIN Group plays its role to achieve the Sustainable Development Goals related to its fields of activity. In 2022, BALFIN Group became a signatory of Women's Empowerment Principles.



EDUCATION

Cooperation with universities is now becoming a structured norm for BALFIN Group. A memorandum of cooperation between BALFIN Group and the Faculty of Economics, followed by the agreement between BALFIN Group and the Faculty of Natural Sciences, University of Tirana, and a third one between BALFIN Group and POLIS University, emphasize the areas where the academic world can benefit from businesses and vice-versa. The President of BALFIN Group started a process of dialogue with university students, sharing his own professional journey and thoughts on how they can become entrepreneurs and active actors in society.

B4Students – the flagship project dedicated to education – successfully selected the winners of the Business Challenge Competition and Business Ideas Competition. It supported two new businesses that were founded by students during 2022. B4Students also announced three winning projects of the Social Clubs component.

Green Coast, Neptun Albania, and Neptun Kosovo equipped education institutions with necessary infrastructure for studying and research. TEG offered ICT scholarships to talented young people. Tirana Bank supported the National Student Companies Competition organized by Junior Achievement.



ENVIRONMENT

Tirana East Gate, QTU, and East Gate Mall have implemented procedures that preserve the environment. The two shopping malls in Albania recycle all the paper waste produced in their premises, while EGM has installed charging stations for electric cars.

During 2022, Tirana Bank supported the Green Businesses Competition and increased the green areas in Kamza, as a bank that helps small businesses and at the same time does its part in preserving natural resources during the daily operations.

On the 90th anniversary of the international market chain, SPAR Albania joined the One Tree Planted initiative by planting trees in Tirana's Park.



HEALTH & WELL-BEING

Jumbo is naturally connected to children and it tries to enable better conditions for children to grow and learn. Colleagues in Albania, Kosovo, Bosnia and Herzegovina, and Montenegro have provided much needed products and infrastructure interventions to kindergartens and institutions that take care of children.

Neptun Macedonia is now a godfather of a foster family at SOS Children's Village. Jumbo in Albania is also cooperating with SOS Children's Village.

QTU supported the National Therapeutic and Rehabilitation Center for Children in Tirana, which provides mental health care for children and teenagers through integrated clinical practice, education, and research.



POVERTY ALLEVIATION

TEG equipped a dental clinic that offers free hygiene and dental services to children in a specific community of Tirana. The clinic is part of a bigger health center that is managed by "Fundjava Ndryshe" Foundation.

Jumbo in Montenegro joined a team of students to visit the Home of Orphans in Bijela and provide it with school supplies, education items and toys. It also donated toys to the Zvončić Educational Unit in Podgorica.

Jumbo in Bosnia and Herzegovina celebrated its 5th anniversary with an entertainment program and additional benefits for customers. On this occasion, 5% of one day's traffic was allocated to the playground of Los Rosales Center.

SPAR and Jumbo in Albania continue their cooperation with World Vision to help children with disabilities in the country. FGA joined the international organization to provide clothes to families in need.



10

OUR PEOPLE

We, at BALFIN Group invest in new ideas and explore new opportunities, building our business on the talent of our people and through partnerships, innovation, consideration, teamwork and accountability. Key to the success of our diverse workforce is treating our employees with respect, honesty, and fairness. For us, family is very important, and we strive to provide our employees with the necessary conditions to balance work and private life.

We encourage the expression of different viewpoints, provide positively differentiated rewards and recognize and promote high performance. This is the place where employees can realize their career aspirations due to our continuous investment in learning and development of our people and provision of job promotion opportunities within an environment of Group companies operating in diverse business sectors.



6 IN 10

employees are women



6 IN 10

top leadership positions are women



Approximately

410

promotions happen per year



36

years old is the average age of our employees



4 YEARS

is the average tenure of our employees



1,668

new recruitments



37

internships resulting in permanent employment



6 IN 10

recruitments were women



1 IN 10

recruitments were for managerial positions



4 IN 10

promoted employees were women



12

training hours is what each employee receives on average per year



4 IN 10

promoted employees were managers



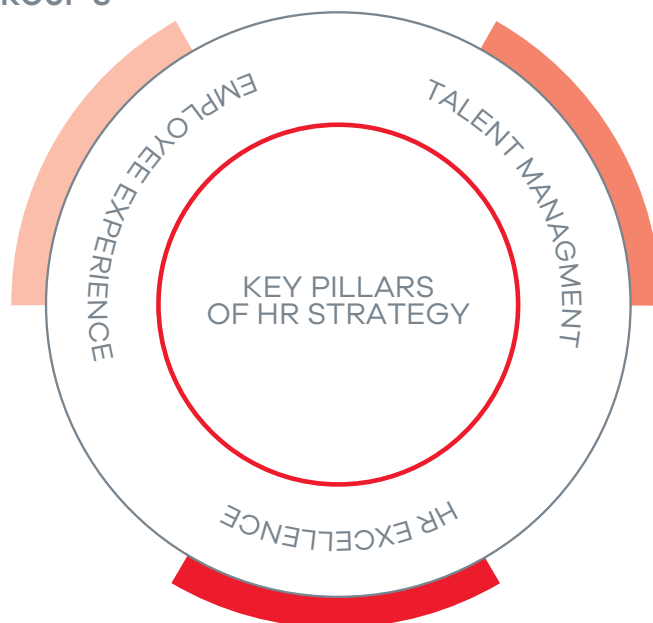
2,175

employees trained

OUR HR STRATEGIC GOAL

Our goal is to champion better working conditions and improve living standards for our employees. We are dedicated to collaborating with BALFIN Group's business units to maximize the potential of our greatest asset, our employees. We embrace change and are open to benefit from any sort of opportunity created by continuous change. We are committed to applying the best talent management practices and maximizing employee experience and HR excellence.

THE KEY PILLARS OF BALFIN GROUP'S HR STRATEGY ARE:



TALENT MANAGEMENT

Ensures that BALFIN Group applies the highest standards of Talent Management practices that enhance the right culture for employee engagement and productivity maximization. This is achieved through improvement of Talents Acquisition and Development practices, optimization of succession planning and management, and further advancement of performance and career management practices.

EMPLOYEE EXPERIENCE

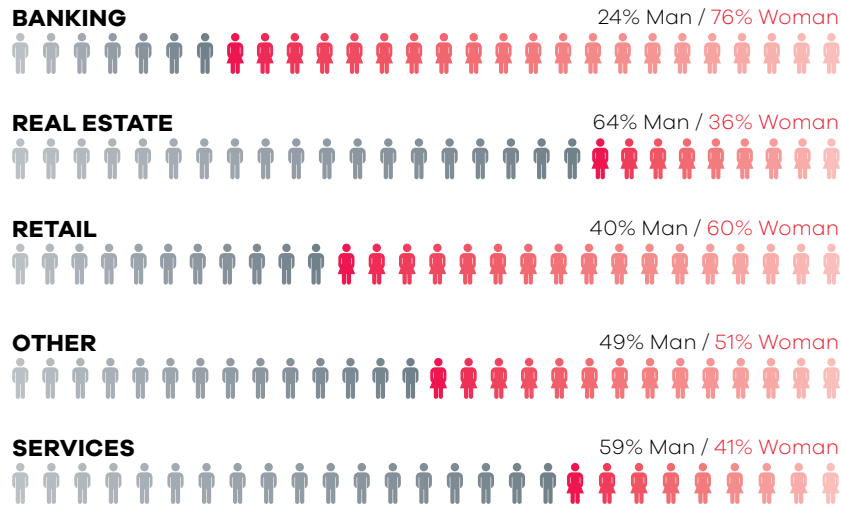
Aims to make BALFIN Group an outstanding workplace that offers exceptional work experience for its employees by creating an exceptional employee experience, which supports both organizational performance and individual satisfaction.

HUMAN RESOURCES EXCELLENCE

Ensures that BALFIN Group applies the highest standards of HR practice and deliverables that maximize impact on business by enhancing the HR strategic role and business impact, HR services, and technology. and technology.

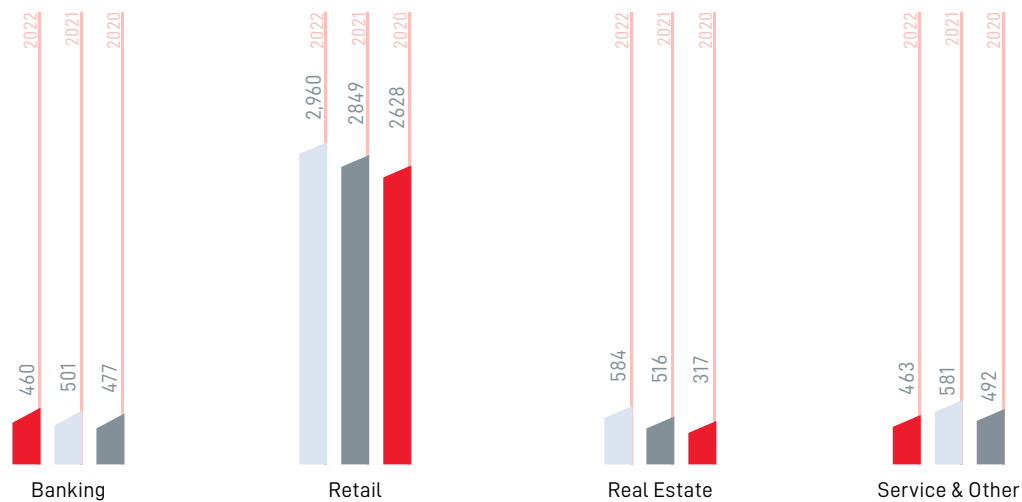
INDUSTRY GENDER RATIO

Gender diversity



EMPLOYMENT BY INDUSTRY

Total employees working at the Group as of 31 December 2022, was 4,467 (2021: 6,309; 2020: 5,717; 2019: 5,803) and the distribution per industry each year is as follows:



WORKPLACE CULTURE AND REWARD

BALFIN Group offers employees a secure, sustainable, and inspiring work environment with positively differentiated working conditions and a highly competitive compensations and benefits package. Above all, BALFIN Group offers a great opportunity for career development and professional progress. Employees are encouraged to engage, interact, and inspire positive change in the workplace and beyond.

Our corporate culture is driven by our own values (Accountability, Partnership, Innovation, Consideration, and Teamwork). We are dedicated to collaborate within BALFIN Group business units to maximize the potential of our greatest asset - our employees. We embrace change and are open to benefiting from opportunities arising. We are committed to acquiring and developing talent, as well as optimizing our HR process efficiency through digital transformation.

PROFESSIONAL DEVELOPMENT

BALFIN Group invests in the professional training and development of employees through its focused development programs. Professional agencies are hand-picked to conduct technical, leadership, and managerial training on a regular basis. We provide professional development opportunities to devoted, high-performing employees who demonstrate potential for progress, allowing them to advance to new career levels. This process takes place in a variety of settings, including the classroom, online, and on-the-job training, where employees are motivated to interact, improve their skills, exchange experiences and ideas, facilitate solutions, etc.



BALFIN TRAINING ACADEMY

The Balfin Training Academy represents one of the key pillars of the Group`s strategy for further developing human capital. As a tailored procedure to reach our employee`s needs, the training activities are designed in such a way to support their professional growth in current and future positions. Each year the academy`s activities contain more than 5,000 training/ coaching hours with approx. 400 employees as participants. Balfin Training Academy brings together experts from our companies, professors in the academic field, as well as professional trainers from home and abroad. This academy aims to create, maintain, and develop valuable assets, competencies, and professional employees, capable of growing and contributing professionally to their daily work responsibilities and environment in order to be prepared and efficiently respond to any challenge.



TALENT POOL

Talent Pool is a program that sets the new generation of BALFIN Group leaders. It consists of the identification, training and professional development of talents and their preparation for taking on the highest professional and managerial positions. The program identifies the progressive steps of this talented assembly and enables the creation of a well-prepared group of employees who are offered the opportunity to advance their career in leading and challenges that BALFIN Group creates.

TALENTPOOL



BALFIN INNOVATION SUMMIT

The Innovation Summit is a key event of BALFIN Group turned into an annual tradition, where innovative and creative ideas from different Group Companies and Companies' employees are shared and interactively discussed. It is an "instrument" to promote and award the potential of our employees and bring the innovation culture of our Group to an upper level.

In 2022's Balfin Innovation Summit, the project presented by the company East Gate Mall, was announced as "The Most Innovative Project". The East Gate Mall team introduced the augmented reality in East Gate Mall project which aimed to enhance the consumer journey through cutting-edge technology.

The evaluation of the presented ideas in the 2022 edition was made by a selected jury, composed of Erion Nako, Chief Executive Officer at Protik Innovation Center, Artan Hoxha, Administrator of Tirana Business University, and Matilda Shehu, Chief Transformation Officer at BALFIN Group.

Innovation is interwoven into the fabric of our business, by undeniably determining the success of our operations in the coming years or decades. BALFIN Group is always looking for brand new ideas to strike a balance between more dynamic business and operating models, more proactive design of customer experience, and avant-garde corporate strategies. Furthermore, our efforts at catalyzing innovation among employees aim to improve processes, generate new business ideas, and set market trends, in order to address the issues of sustainable development.

BALFIN RETAIL FORUM AND BALFIN REAL ESTATE FORUM

Throughout these years, BALFIN Group has been a determinant actor in the retail and real estate sectors in the regional countries it operates. As an industry forerunner, BALFIN Group organized for the second year Balfin Retail Forum 2022 and BALFIN real Estate Forum 2022, for the first time, to highlight top performers, address the industry's challenges, and catalyze innovation, a key indicator of success as well as a core value of the Group.

These annual events gathers all key managers from the retail and real estate sectors to discuss strategies, share experiences, propose new ideas, and benefit from possible synergies among all BALFIN Group companies.





DIGITAL TRANSFORMATION

BALFIN Group started piloting a Digital Transformation Strategy in 2020 in the Retail sector. It was built on transformation-focused outcomes to improve systems, internal processes, data usage, culture, and customer experience. During 2022, the Group expanded this objective and strategy toward other sectors where it operates. The goal is to fundamentally change the way of working and increase the value delivered to clients.

The Digital Transformation Strategy is revised to adopt latest trends and developments and be a structured and tangible guideline incorporating a well-defined roadmap with appropriate actions which leads to tangible Digital Transformation.

Over 70 digital initiatives were identified during 2021 and 102 during 2022 with focus on strategic areas such as Process Automation, Customer Experience, Data Insights, Security and People, ranging from developing e-Commerce and remote working to ERP, POS, and other systems upgrades or implementation.



INFORMATION SECURITY

Throughout 2022, cyber security emerged as a top priority across all levels of our organization, encompassing strategic, tactical, and operational aspects. Recognizing the evolving threat landscape, we dedicated significant resources and attention to strengthening our defenses and enhance our readiness.

From a strategic standpoint, we conducted comprehensive assessments to gain a deep understanding of our security posture and identify potential vulnerabilities. This allowed us to formulate a robust cyber security strategy that aligned with our organizational goals and risk tolerance.

A dedicated Information Security Steering Committee was established to oversee and guide our organization's approach to information security. This committee was formed with the purpose of providing strategic direction, governance, and oversight of our information security initiatives.

On a tactical level, we implemented a range of proactive measures to mitigate risks and improve our overall security. This included enhancing our network infrastructure, VPN connectivity, bolstering our encryption protocols, and implementing advanced security controls across various systems and applications.

To stay one step ahead of potential threats, we conducted several penetration tests that simulated real-world attacks. We aimed to uncover vulnerabilities and complex scenarios that might go unnoticed or are conducted by potential targeted attacks. We closely collaborated with external security experts and industry partners, to execute these exercises and to stay updated on emerging threats and best practices, ensuring that our tactical decisions were informed and effective.

At an operational level, we prioritized ongoing monitoring, incident response, and continuous improvement. We deployed advanced security tools and technologies such as SIEM that provided real-time threat intelligence and monitoring capabilities. This allowed us to swiftly detect and respond to any potential security incidents.

Furthermore, we invested in comprehensive training and awareness programs for all employees. Recognizing that cyber security is a shared responsibility, we emphasized the importance of individual vigilance and educated our staff on best practices for secure online behavior.

Description	Attendance
Online training AL	728 employees
Online Training EN – Kidzone BiH and MNE	52 employees
LIVE ONSITE TRAINING	250 employees
Live Onsite training	51 employees
Total	1081 employees

And last but not the least, we developed a comprehensive Disaster Recovery Plan (DRP). Working closely with cross-functional teams, we identified our critical assets and established clear recovery objectives. We documented detailed recovery procedures to ensure a swift and effective response in the event of a disaster. Throughout the process of upgrading our systems and infrastructure, we made sure to implement robust security measures to safeguard our critical systems and data.

RETAIL COMPANIES INITIATIVES

2022 marked the finalization of a transformative journey, taken by our retail companies, in transitioning from their outdated ERP systems to more modern, manageable solutions that empowers them to optimize operations, adapt to changing market dynamics, and stay competitive. The benefits of improved efficiency, scalability, data insights, and reduced maintenance efforts make the switch a sustainable investment for long-term success. The new systems put the companies a step closer to the implementation of the omni-channel customer experience offering, while making more straightforward the management and maintenance.

In the customer experience domain, several initiatives were implemented such as Electronic Shelf Labels, QR Payments, Mall performance and CRM.

TIRANA BANK INITIATIVES

In the past year, we achieved significant milestones in the digital transformation journey of Tirana Bank, focusing on enhancing the customer experience, strengthening cybersecurity measures, and automating backend processes with main results in:

Accelerated Adoption of Digital Channels at a substantial 48% of total transactions performed through TiBank.

Enhanced Digital Customer Experience by actively engaging customers through various digital platforms, such as informative content, customer support, and targeted advertising campaigns. Social media played a crucial role in gathering feedback and promptly addressing customer concerns. The bank's digital marketing efforts reached approximately 1.5 million unique users.

Focus on Cybersecurity Measures reassures the security of all data and transactions.

Automation of Backend Processes enhancing operational efficiency and improve the customer experience. Robotic Process Automation (RPA) was utilized to automate tasks like data entry and document verification, reducing manual work and increasing efficiency.

IN-HOUSE DEVELOPMENT

Responding to the ever-increasing demand for tailored solutions that precisely meet the specific needs and requirements of the organization, we took the decision of building and growing an effective development team. It allows for the flexibility to design and customize the systems according to our unique business processes and data models, while being quickly reacting the immediate requests for change. In this view, the Corporate Finance and IT team embarked a long journey of standardizing, streamlining, and enhancing group-wide financial data gathering and reporting. Once finalized, it will replace hundreds of reporting sheets and thousands of working hours, while ensuring historical and accurate data, accessible within a click.

Overall, digital transformation efforts in the previous year led to significant advancements in customer experience, cybersecurity, and operational efficiency. These accomplishments lay a strong foundation for the companies to continue digital transformation journey and our commitment to providing innovative and secure services to our customers.

THANK YOU

FALEMINDERIT

HVALA

DANKESCHÖN

ХВАЛА ВАМ

ВИ БЛАГОДАРАМ

GRAZIE

MERCI

DANK JE



Copyright © 2023 by BALFIN Group

All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of BALFIN Group.

Email General:
info@balfin.al

Email CSR Inquiry:
csr@balfin.al

Phone:
+355 44509250

Email Business Inquiry:
business@balfin.al

Email HR Inquiry:
hr@balfin.al

Address:
**St 'Papa Gjon Pali II',
ABA Business Center,
11th Floor, Tirana, Albania**

Email Media Inquiry:
media@balfin.al

www.balfin.al | www.balfingroup.com



ANNUAL REPORT 2022

www.balfin.al |



For a digital copy of this document
scan this QR Code with your phone camera

Print Less. Scan More!
Make your impact on the Environment!