



ANNUAL REPORT 2024

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Message of Executive Director

When the financial year closes and all energies start to focus on taking on challenges for the next success, you cannot avoid the need to stop and see the one-year journey and above all to analyze indicators and trends, to identify achievements and further failures and non-realizations.

Being grateful to everyone who contributed and enabled these achievements, I would like to share some of the main indicators that gave a good name to our work and efforts.



At the end of 2024, we calculated that we had served about 2,600 customers throughout the year, through the disbursement of about 980 million Lek in the development of their businesses. As a result, the active loan portfolio amounted to about ALL 1.31 billion, in function of the development of the financial and business interests of about 3,650 customers, marking an increase in activity by about 12% compared to the previous year.

As a result of this activity, we managed to positively impact the quality of life of about 6,603 children, 154 clients from marginalized groups and also trusted the business ideas and courage of many others to be entrepreneurs for the first time.

Beyond the difficulties that can be seen in rural businesses and farmers' activity in particular, we remained focused on maintaining and strengthening our partnership with them, and ensured that around 53% of the total customers are with activities that take place or are related to the rural area. Also, with the unwavering belief that women have a central role in society and make the most mature decisions, we continued to support every request with due attention, ensuring at the end of the year that 41% of the company's customers are women.

This progress has been accompanied by a measured institutional development, which has aimed to ensure sustainable growth in terms of presence in the territory, by opening new offices in areas with potential such as the city of Shkodra, as well as by strengthening human capital by increasing the number of recruitment of new employees and improving the work infrastructure in the existing offices. In order to ensure the inviolability and operability of systems and the information network, from any type of cyber threat, in accordance with the standards set by the regulatory agencies, a series of investments have been undertaken and will continue throughout 2025.

To enable growth, we secured cooperation and partnership with international companies with which ASF has not had a relationship before and we made sure to continue and increase cooperation with national and international companies with which we have worked during these times.

But above all, we have tried to motivate every employee and collaborator of this company with loyalty and fair and sincere cooperation, creating a strong synergy to move forward.

At this moment, I would like to thank all those professionals who work in the company that I have the honor and pleasure to lead, the representative Board for all the motivation and support and also those companies that enable us to inject funds for the development of businesses and individuals, who build their dream and grow with us, as well as any other partner who responds to our request for partnership. I – We believe that good comes only after work and, in respect of this belief, We only provide work.

And the profits are widespread!



Rozana OROZI

EXECUTIVE DIRECTOR

MANAGEMENT STRUCTURE OF THE AGRO & SOCIAL FUND

The Agro & Social Fund is organized as follows:

- The highest governing body is the General Assembly of Partners, who have elected a Board of Representatives.
- At the beginning of 2022, by Decision of the Representative Board of the Single Partner of the Company, the Audit Committee was established.
- The Executive Director implements the policies adopted by the Single Partner and is responsible for the institutional direction and overall administration.
- The mode of operation and the powers they have are defined in Law No. 9901, dated 14.04.2008 on Commercial Companies as well as in the statute of Agro & Social Fund.

ANËTARËT E BORDIT PËRFAQËSUES TË AGRO & SOCIAL FUND



Chairman of the Board, Prof. Asoc. DR. **BAJRAM NUÇAJ** Graduated from the Faculty of Economics, holds a postgraduate Degree in Business Management and holds topic "Microfinance Institutions in Albania and their perspective regarding policy development". He received the title of Associate Professor in July 2011. He has a long experience in the microfinance sector, since May 1999 he is the Executive Director of Fondi Besa. Since 2002 he has also been acting as Foreign Professor. Since September 2008 he has also held the position of Executive Director of the ABC Foundation. During September 2000 - July 2005, he was a Member of the Board of the Supervisory Committee at the Bank of Albania.

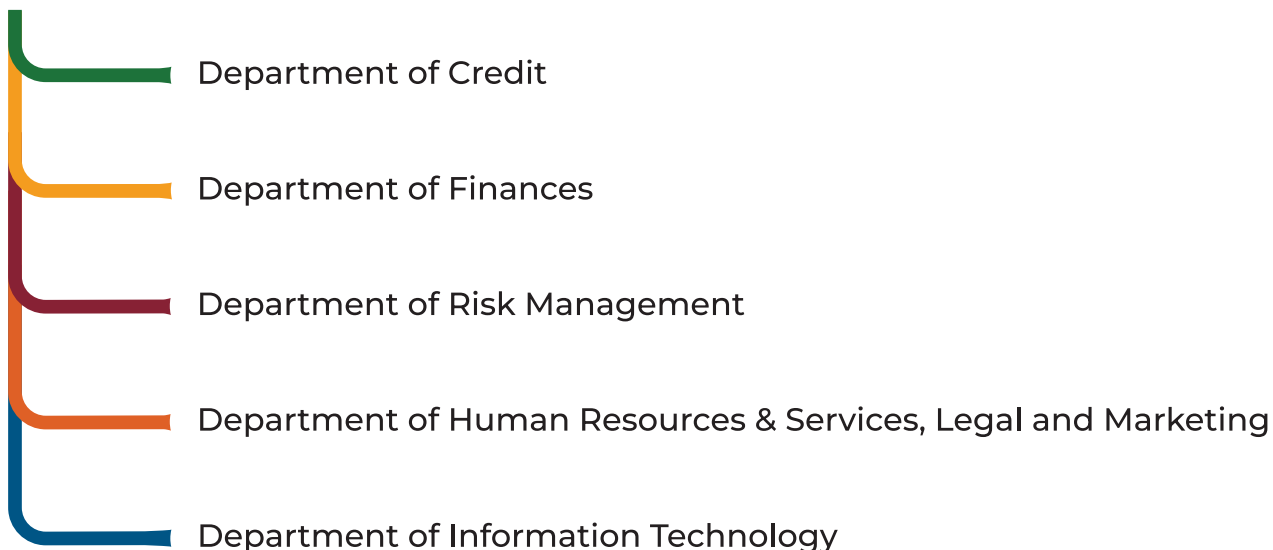


Board Member, Prof. Asoc. Dr. **ALTIN MUÇA** was graduated in Economics in 1992. Until 2003 he has worked as Professor in the Marketing and Tourism Department of Economics Faculty, University of Tirana. In 2003 he joined Besa Fund at the position of Director of Marketing Department. He has different qualifications from the Defense Department of USA and by the Japan International Cooperation Agency. He has attended different seminars on "International Trade Financing and International Marketing", for which he has also received certificates. In September 2003 he received the academic title of Doctor of Economic Sciences and in July 2011 received the academic title of Associate Professor.



Board Member, Mrs. **LUIZA SHEHU**, with a long experience in the Legal sector, has graduated in Law Faculty in 1996. She has held the position of Director of Legal Directory in Ministry of Agriculture and Food. In 2004 she received the Master diploma in Public Administration from the University of Nebraska. She joined the microfinance sector in 2007, in the position of Director of Legal, Human Resource & Internal Administration Department in FAF, JSC (ex-MAFF). Since February 2016 she is holding the position of the Director of the Legal Department, Besa Fund. Other relevant professional experience: Lecturer of Banking and Insurance Law, Legal Expert for GTZ, and Licensed Lawyer since 2013.

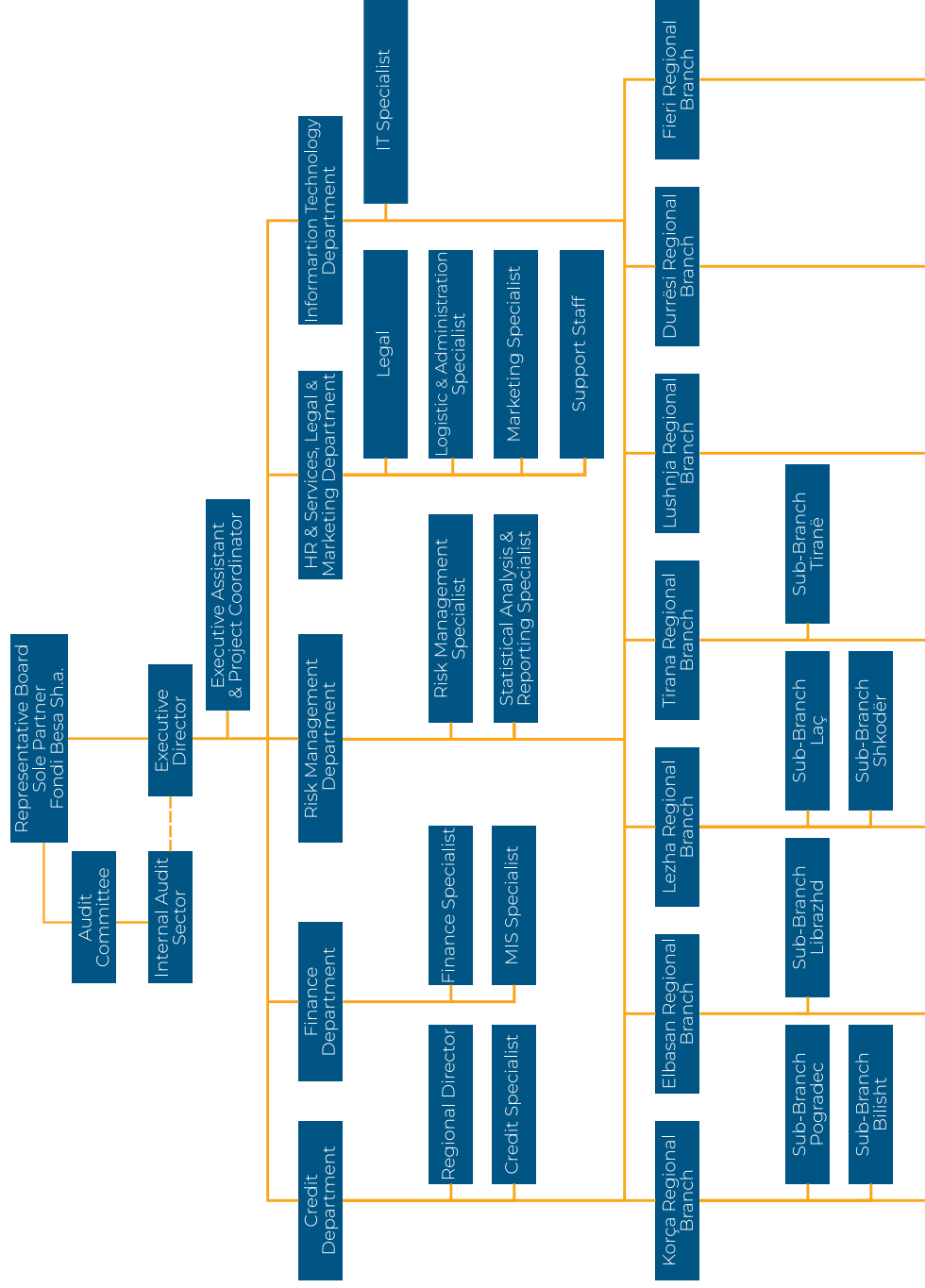
Agro & Social Fund is organized in 5 departments:



All department heads depend on the Executive Director and each of them has sub-staff that help to better the management of the work processes.

Agro & Social Fund operates in 7 Regional Branches (Tirana, Durres, Lushnje, Elbasan, Lezha, Korça, Fier) and 6 Sub-Branched (Tirana, Laç, Bilisht, Pogradec, Librazhd, Shkodra).

At the management level in the branch, the structure is: Branch Director, Branch Manager (according to assessment), Branch Assistants, Loan Officers and Assistant Staff.



INSTITUTIONAL HISTORY

VisionFund International decides to withdraw their representation from Albania, so in December 2016, the Institution's sale agreement was reached with Besa Fund , the largest non-bank financial institution in Albania.

Microfinance Institution with legal status "Limited Liability Company" - Vision Fund Albania is passed. 100% owned and controlled by VisionFund International, a subsidiary of World Vision International.

**DECEMBER
2016 UNTIL
NOW**

Fondi Besa is the owner and Sole Partner of this institution with 100% ownership.

**DECEMBER
2009**

Agro & Social Fund received the license from the Bank of Albania No. 17, as a Microcredit Financial Institution.

2009

2001

"Building Future" is created as a microfinance program of World Vision Albania, initially with the opening of it's first office in the Lezha region.

AGRO & SOCIAL FUND BRANCH NETWORK



Lezhë Regional Branch – 2001

Korça Regional Branch – 2003

Laç Sub-Branch – 2007

Librazhd Sub-Branch – 2008

Elbasan Regional Branch – 2011

Tirana Regional Branch – 2018

Tirana Sub-Branch – 2020

Pogradec Sub-Branch – 2018

Bilisht Sub-Branch – 2018

Shkodër Sub-Branch – 2024

Lushnje Regional Branch – 2020

Durrës Regional Branch – 2021

Fier Regional Branch – 2023

OUR MISSION & VALUES

Our Mission

Agro & Social Fund supports sustainable development, financial inclusion and social cohesion, through responsible financial assistance, mainly of micro and small enterprises and individuals, with the aim of facilitating and improving living conditions, expanding opportunities for entrepreneurship and employment in communities such as women, young people, or various vulnerable groups, with focus on rural and semi-urban areas.

Our Values

Agro & Social Fund is focused on improving the quality and suitability of services offered to its target clients, mainly through the continuous assessment of their needs, creating opportunities for clients, families and communities to increase welfare, reduce poverty or vulnerability, increasing access to finance, creating new jobs or adding value to existing ones. In our mission-driven journey, we preserve and enrich our values. We strive to use these values in order to provide motivated employees and oriented towards increasing results and protecting them from mission deviation, employees who will be able to develop and act in full harmony with the line for increasing the objectives of the institution.

OUR

V

We are committed to working with people, with the aim of driving the improvement of their lives.

A

We are loyal to the purpose and responsible for the resources entrusted to us, managing them in such a way as to bring the maximum return for the company and our customers.

L

We value people, consider them equals, and prioritize them over profit over traditional business goals, structures, and systems.

U

We are employees and a trusted company in the marketplace– one that stands for integrity and sets a standard for it, inspiring others to always be trustworthy and honest.

E

We value and promote transparency and ethical behavior.

S

CHALLENGES & ACHIEVEMENTS 2024

Although 2024 was a difficult year, with economic instability where the effects of price increases on the one hand, or increased competition on the other were visible, the results of the Agro & Social Fund showed that the commitment of all links of the institution yielded a positive result based on the institution's long-term strategy. The financial result was satisfactory, we managed to sign cooperation with new national and international partners, we expanded cooperation with current partners. Summarized:



We managed a portfolio of about ALL 1.310 billion. In cumulative figures during these years, it has served about 38,099 customers, disbursing about 8.9 billion ALL.



At the end of 2024, 53% of customers belonged to rural areas and 41% were female customers.



A staff of 94 employees was serving 3,636 customers.



Retention RATE (Customer Retention Ratio) 56.5%



From the data collected, it results that with our funding, we have affected the lives of about 6,603 children, directly or indirectly.



During 2024, Agro & Social Fund, in the content of the expansion plan, opened the Shkodra Sub-Branch, thus extending our services and activity to this city as well.



The raising of funds with the partner KIVA has been followed, estimated due to the low fees of funds by categories and during 2024 about \$ 813,465.00 was disbursed through these funds.

“Member Engagement Award” for Borrow Wisely

Even during 2024, #Borrow Wisely, continued the tradition of carrying out the awareness campaign for smart borrowing. During this campaign, "Agro & Social Fund" followed the same format of education and awareness of staff, customers and the general public, the online form of meetings and direct contacts in various activities. As a result of the long-term and successful cooperation, the "Agro & Social Fund" Institution, at the MFC Annual Conference, held in Krakow, Poland, was awarded the "Microfinance for Female Entrepreneurship" award.



STRATEGIC GOALS FOR 2025



By the end of 2025, ASF aims to have reached a loan portfolio with an absolute value of ALL 1.53 billion and an active clientele of about 4190 customers;



ASF aims to have disbursed loans to about 3,400 customers by the end of 2025, with a disbursed amount of 1.1 billion Lek (about 11.1 million Euros);



ASF will use all its resources, in the best form, to keep NPLs at the projected level no more than 5% and will aim to increase or improve instruments for controlling key risks that threaten the organization;



The ASF will continuously aim to improve the instruments for detecting and controlling key risks that threaten the organization, improving the quality of the new documents implemented within 2024;



ASF by the end of 2025 aims to strengthen outreach and coverage with services in targeted rural and semi-urban areas, through the consolidation of existing branches/offices, transforming the Shkodra office into a regional branch;



ASF aims to improve its product offering through product improvement, in consistency with developments, by designing temporary offers associated with specific seasons and adapting to the needs of the clientele.



ASF in the framework of the initiative to contribute to financial education will undertake initiatives to better combine financing with counselling, in order to convey the necessary knowledge to certain categories mainly of business, the self-employed and young people (a new dedicated dimension elaborated in the last 2024 campaign). This will be implemented by building campaigns similar to Borrow Wisely in order to disseminate and expand knowledge in this regard for certain clientele groups; The above will be intended to be realized through own funds or support obtained with technical assistance or projects supported by EU, MFC, ADGF, or cooperation on start-ups of Frankfurt School of Finance & Management (FS) with German Development Bank (Kf) etc.;



ASF will aim to increase staff capacities through training and exchange of experiences both within the institution and in analogous institutions; Local or international:

ACHIEVEMENTS IN LOANING

Agro & Social Fund clearly defines strategies and objectives to give due priority to important elements that have a direct impact on the growth and consolidation of the institution.

The increase in lending as one of the most important factors is the locomotive that drives our strategic ambition to increase the number of clients and to support small and medium-sized businesses in their investments and developments with the aim of increasing income and expanding activity.

This category of clients, being the engine of the country's economy and certainly our objective to remain at micro levels, our work has also consisted in diversifying the loan portfolio, which leads to risk diversification and ensuring a more sustainable activity in the future.

Staying in the same line, but now with the year-end figures, the results are as follows:



The growth in the number of active loans reached 3,636 loans, reflecting a 3.56% increase for the year 2024.



The growth of the gross portfolio of active loans amounted to 1.310 billion lekë, marking an 11.6% increase, or 136.5 million lekë for 2024.



The number of disbursed loans increased by 2,613 loans, which is 2.43% more than the previous year.



The growth of disbursed volume increased by 971,723,000 lekë, reflecting a 6.82% increase compared to the previous year.



No. Loan Disbursement
2,613



Volum of Loan Disbursed
979 mln lekë



Active Portofolio
1.310 mld lekë



Rural Loan
1,388

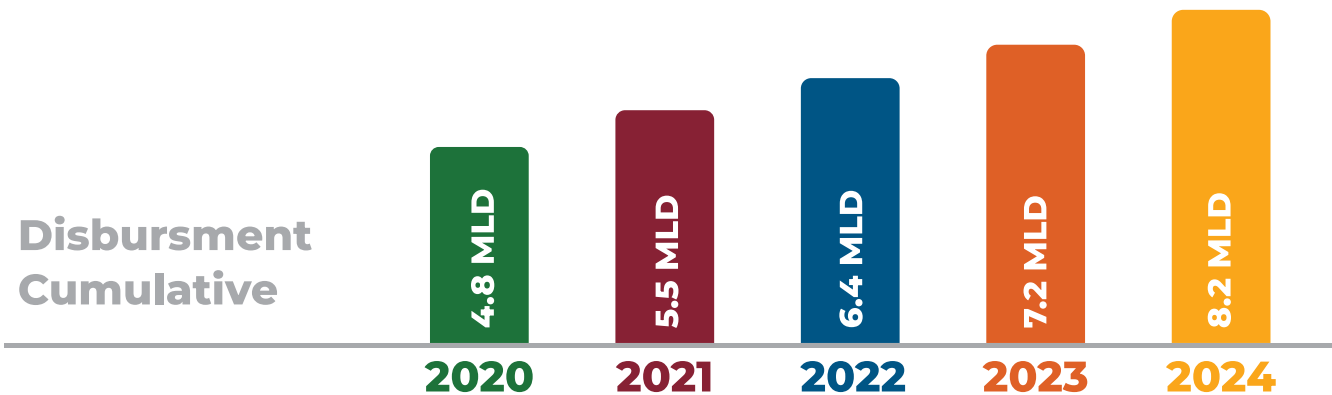


Female Clients
41%



New Borrowers
46%

| 2024 | No. | Volum | | No. of Loan Disbursement (mln ALL) | Volum of Loan Disbursed (mln ALL) | Active Loan | Portfolio Outstanding (mln ALL) |
|--------------------|-------|------------------|------|------------------------------------|-----------------------------------|-------------|---------------------------------|
| Disbursement Loans | 2,613 | 971,723,000 | | | | | |
| Active Portfolio | 3,636 | 1,310,736,499.37 | 2020 | 1,813 | 564 | 2,788 | 768 |
| Rural Loan | 1388 | 546,307,000 | 2021 | 2,133 | 695 | 3,128 | 877 |
| Vulnerable Clients | 153 | 53,190,000 | 2022 | 2,256 | 805 | 3,305 | 1,037 |
| New Borrowers | 46% | 41% | 2023 | 2,551 | 917 | 3,511 | 1,174 |
| Female Client | 41% | 41% | 2024 | 2,613 | 979 | 3,636 | 1,310 |



The increase in the number of active loans over a five-year period shows a 30.4% growth in figures and a 70.7% increase in value.



Our Credit Products

START-UP

Amount up to 400,000 all
Term up to 36 months
Interest is determined based on loan amount

YOUNG ENTREPRENEUR LOAN

Amount up to 500,000 all
Term up to 36 months
Interest is determined based on loan amount

GREEN LOAN

Amount up to 1,000,000 all
Term up to 48 months
Interest is determined based on loan amount

BUSINESS LOAN

Amount up to 2,000,000 all
Term up to 72 months
Interest is determined based on loan amount

CONSUMER LOAN

Amount up to 600,000 all
Term up to 48 months
Interest is determined based on loan amount

AGRO LOAN

Amount up to 2,000,000 all
Term up to 84 months
Interest is determined based on loan amount

SOCIAL LOAN

Amount up to 600,000 all
Term up to 36 months
Interest is determined based on loan amount

FAST PRODUCT

Amount up to 600,000 all
Term up to 18 months
Disbursement within 3 hours, no guarantor

THE RURAL WOMAN LOAN

Amount up to 600,000 all
Term up to 48 months
Interest is determined based on loan amount

EIF PRODUCT

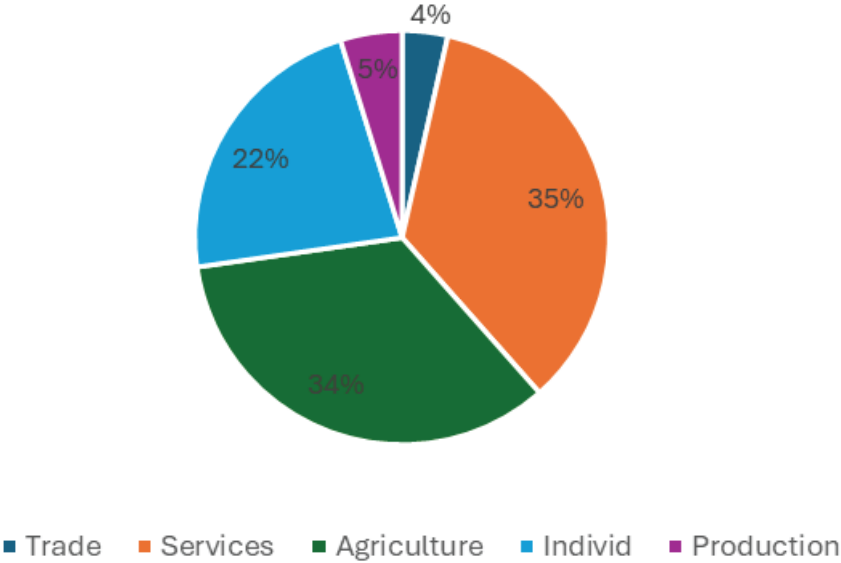
Amount up to 2,500,000 all
Term up to 84 months
Interest is determined based on loan amount

INDUSTRY SECTORS

Portfolio distribution by products



Portfolio by sector



PORTFOLIO RISK MANAGEMENT

The integration of values, attitudes, competencies, and shared organizational behaviors defines the risk culture that underpins ASF's philosophy and risk approach. It also influences risk management practices and decision-making processes. This approach has enabled the development of our credit portfolio while maintaining a strong commitment to client transparency and ensuring continuous monitoring of all procedures, even after loan disbursement.

To establish and uphold appropriate frameworks—covering risk measurement, limits, rules, guidelines, independent decision-making, controls, monitoring, testing, and reporting, the Risk Management Department has developed a dedicated and well-maintained infrastructure. This foundation enables:



The development, preservation, and strengthening of the risk culture.



The structuring and continuous monitoring of risk in the most effective manner.



The establishment of a management framework to streamline the entire functional chain, including the identification, measurement, monitoring, and continuous control of risk.

These parameters guide both strategic planning and daily decision-making, helping to mitigate excessive risk-taking while promoting strong controls to protect the institution's key resources.

The Risk Management Department is part of:



Non-performing loans & Provisioning Committee



Credit Committee of loans over 1 million Lek

As part of the normal business activity, during 2024, the Risk Management Department has been following up the types of risks, divided according to the following categories/subcategories:

| CATEGORY | SUB-CATEGORY |
|-------------|---|
| Strategic | Governance Risk |
| | Reputational Risk |
| | Legal and Compliance Risk |
| Financial | Credit Risk |
| | Risk of the Social Dimension of the Mission |
| | Market Risk |
| | Liquidity Risk |
| | Interest Rate Risk |
| Operational | Exchange Rate Risk |
| | Human Capital Risk |
| | System/Technology Integrity Risk |

In 2024, the Albanian economy has shown growth, with an increase in Gross Domestic Product (GDP) and stabilized inflation. The Consumer Price Index recorded an annual increase of 2.1%, lower than the previous year. The main contributors to inflation include food and furniture, while energy prices have seen moderate growth. Economic growth has been positively influenced by sectors such as trade, construction, and real estate activities. However, the unemployment rate has slightly increased, although it remains lower than the previous year. Employment has declined in the services and agriculture sectors, while the industrial sector has experienced growth.

The Albanian economy has continued to develop positively, showing steady growth rates supported by the strong performance of key sectors and macroeconomic stability, suggesting an optimistic outlook for the near future.

For a microcredit institution like ASF, operating in today's competitive environment makes risk control one of its primary concerns. Maintaining a high-quality loan portfolio, ensuring adequate liquidity balances, complying with key capital ratios, adapting to interest rate fluctuations, and effectively managing currency exposure are critical factors that necessitate comprehensive risk management measures aligned with regulatory frameworks.

Responsible risk management, through a systematic and ongoing approach, continues to be one of our top priorities. Using various analytical tools and reports, the management team carefully identifies and assesses potential risks that may impact on our economic unit, including price risk, credit risk, liquidity risk, and cash flow risk. The use of short-term contracts, portfolio diversification, and continuous monitoring are key components of our risk management strategies.

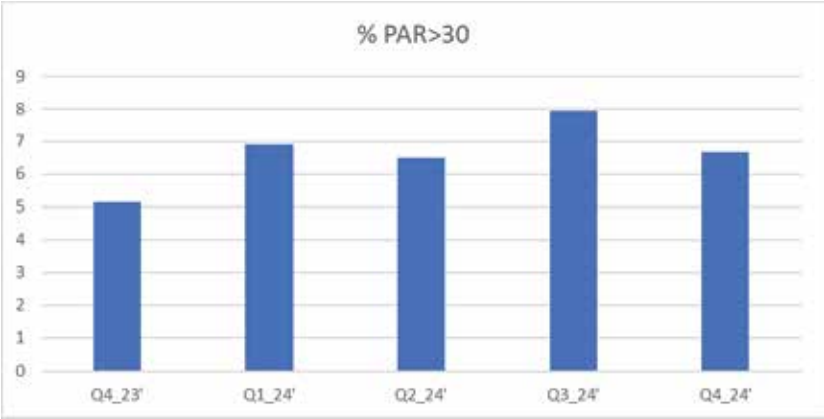
Quality of the Loan Portfolio



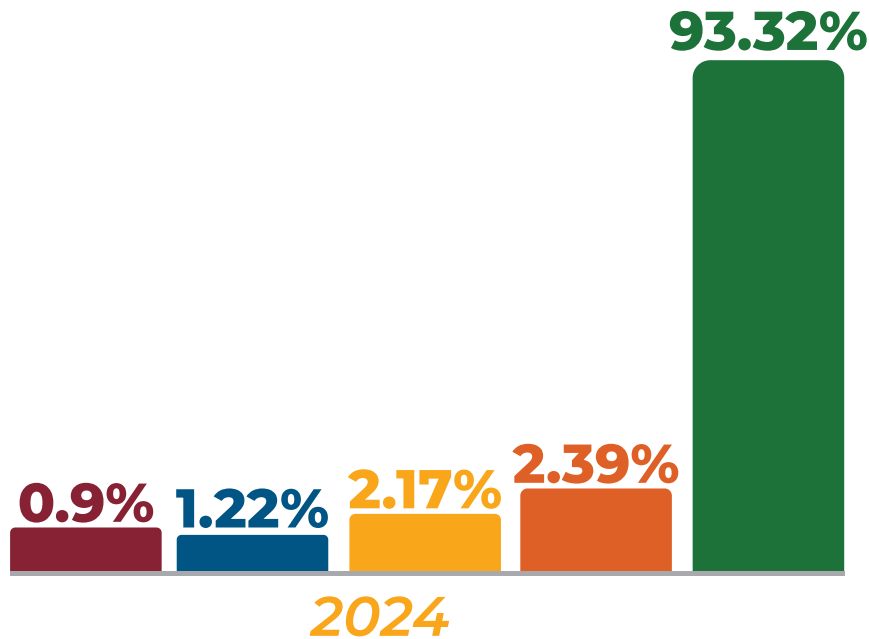
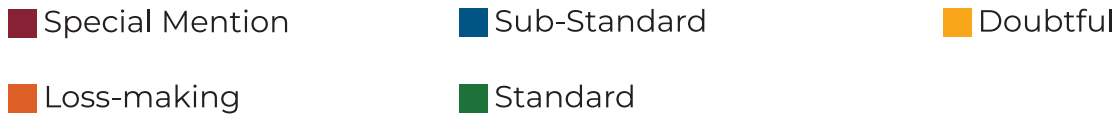
The growth of the loan portfolio was at satisfactory levels during 2024, while PAR (Portfolio at Risk) over 30 days was concluded at 6.68%.

Having a key influence on the financial result of ASF, provisioning is under the responsibility of the Risk Management Department, strictly following the rules of the Bank of Albania and IFRS standards, through materialization in regulatory procedures and policies.

Classification of the Loan Portfolio December 2024



Regarding the composition of the active loan portfolio, 93.3% of them are classified as "Standard Loans," which proves a stable quality of the portfolio. Furthermore, our focus will be the improvement of classes over 30 days.



This fiscal year, the Risk Management Department has prioritized enhancing its focus on preventing fraud, financial crime, and terrorist financing.

Relevant workshops have been attended in partnership with key industry entities, and regular staff training sessions have been held to ensure adherence to the current regulatory standards.

HUMAN RESOURCE MANAGEMENT

ASF pays special attention to human capital management, recruiting, managing, developing, and optimizing employees to increase their value to the company, as well as considering them as a key component in achieving its strategic goals.

For us, it is important to create a suitable and benevolent working environment, where every employee feels part of ASF. This commitment is not only to ensure a positive atmosphere, but also to support the professional and personal development of each individual within the company. Creating a collaborative and engaged spirit is essential to achieving common business objectives. This approach has brought a positive and productive atmosphere, which supports the growth and development of ASF.

Number of employees at the end of 2024

94
EMPLOYEES



61%
FEMALE



39%
MALE

Over the years, Agro & Social Fund shpk. has been accompanied by dynamic changes, improvements in the processes and procedures that accompany lending. During 2024 ASF worked to advance all its growth prospects started and before, to grow and achieve the next successes. 6 June 2024 ASF expands its activity by opening the New Office in the city of Shkodra.

One of the key aspects of human resource management has been to provide a fair and promotional evaluation structure for staff, in order to build staff achievements and increase continuous motivation to achieve the highest possible performance results. At ASF, we appreciate everyone's work every day, as well as reward and express gratitude especially for the achievements, for the employees, who tirelessly put effort and dedication to the growth of ASF. For the best-performing employees for the year left behind (2023), ASF offered in March 2024 a few days of rest among the beauties of the ancient city of

Rome.



On February 07, 2025, ASF organized the Annual Analysis for 2024! The Annual Analysis is considered as a working table where the structures and levels of management present the achievements, projects and challenges, needs and objectives for the future through a participatory process and through a professional debate on enhancing the performance of the ongoing work. During this analysis, in order to evaluate the contribution given during 2024, several awards were distributed for the best annual Credit Officers, and the Branch with the best performance 2024 was announced as the Korça Regional Branch. As a tradition now of the ASF, the staff promoted with awards in the analysis conducted benefited from a tourist trip.



Investing in the continuous development of the staff has been a priority during 2024. Training programs are developed to enhance the technical, managerial, and interpersonal skills of employees, supporting increased efficiency at work. Staff trainings start from orientation training for staff joining ASF for the first time, to webinars, workshops, trainings offered both by institutions with which we have partnerships, as well as by state institutions or interest groups in the microfinance industry. Also during 2024, ASF continued the cooperation with Swisscontact and Partners Albania, trainings that focus on sales techniques and customer behavior, where participants were staff from the branch and the Head Office.



The sum of all trainings provided during 2024 to ASF staff, both by management and partners, reaches the number of 37 trainings provided to staff.



MARKETING 2024

ASF during 2024 has been focused on developing a more comprehensive marketing while not losing focus on both traditional marketing, which is conducted directly by field staff, and online marketing. Throughout 2024, the institution established a relationship with an external company, which has and offers a specialized expertise on how to be more visible in online marketing, which translated into more visibility and followers on ASF's social networks. The social networks Facebook, Instagram, LinkedIn, have aimed at increasing exposure through increased publication of news, activities, announcements, information, but also an increase in the segments of the target audience.

Staying focused on fulfilling the mission, on the occasion of the teacher's and woman's day, on March 7 and 8, ASF launched a promotional loan product dedicated only to individuals of the pedagogical staff, as well as to any woman interested in financing, who if they applied for a loan only on March 7 and 8, benefited from a 0% disbursement commission and with a financing amount of up to 600,000 ALL.



During the month of October 2024, ASF conducted the awareness campaign for smart borrowing #Borrow Wisely. This campaign started in advance with the training of the staff of the branches, to enable their training for the dissemination of messages, concepts and explanatory details. At the same time, all the elements of a smart loan were published in successive posts on ASF's social networks, which help individuals understand step by step what to look for in order to be well-informed before taking out a loan.

In November 2024, Agro & Social Fund joined the "Microfinance for Young Entrepreneurs 2024" campaign, which was organized by the Microfinance Centre (MFC) and its partners, which aims to highlight the important role of the sector in empowering young entrepreneurs.

According to the Missing Entrepreneurs 2023 report, around 40% of young people in the EU, aged 15 to 30, aspire to be self-employed. However, barriers such as limited opportunities for entrepreneurship, networking, and limited access to finance continue to hinder young people from starting businesses or self-employment.

Agro & Social Fund has been continuing its efforts to support this target group for a long time, offering a dedicated product for young entrepreneurs and also aims to further consolidate this contribution in the future, in order to empower young entrepreneurs.



Activities

Participation in activities carried out in the country and abroad has been another institutional focus, as an effective way to increase visibility, share knowledge and build connections and partnerships that can affect the development of the institution.

In May, ASF welcomed on a working visit the representatives of KIVA, Ms. Kendra Thorogood and Mr. Mircea Onita. During the meetings held with the management team, it was discussed about the progress of ASF as a whole as well as in particular the cooperation with KIVA, as well as about future strategies and objectives; the perspective of the relationship between the two institutions, considering KIVA as one of the long-term partners, in accordance with the social mission, a two-sided objective of the partnership.



On May 14-15, 2024, ASF participated in the 26th edition of the MFC Annual Conference! The Executive Director and Project Coordinator of ASF were part of this important event, which was part of this edition under the theme "Embracing the diversity for inclusive finance".



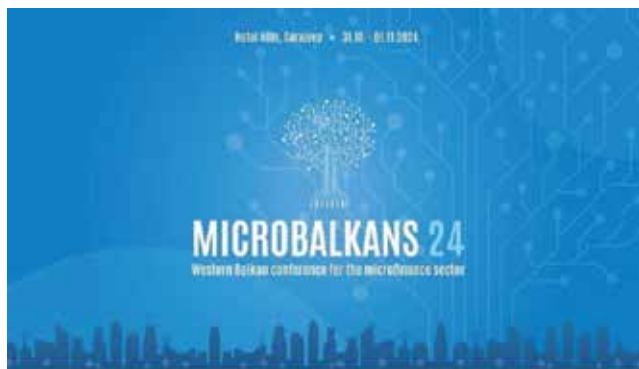
During the days of this Conference with 400 participants from 35 countries around the world, ASF representatives held meetings in support or expansion of the network of partners with Symbiotics, Inpulse, Frankfurt School- Financial Services, BIB Fair Banking and MCE Social Capital, Grameen Credit Agricole, Blue Orchard, Triodos, etc., as well as meetings were held in which topics of strategic importance for the sector were discussed.



Also, at this conference, for the second consecutive year, ASF was awarded the award for contribution to the Borrow Wisely 2023 campaign - "Microfinance for Female Entrepreneurship".

On October 31 – November 1, 2024, for two consecutive days, ASF representatives participated in the #microbalkans2024 Conference held in the city of Sarajevo. An important event for the development of the microfinance sector in the region and beyond. The conference focused on important topics such as digitalization, ESG initiatives with a focus on the energy transition and the role of women in microcredit, as well as discussions related to the regulatory framework.

This event brought together experts and representatives from the Western Balkans and beyond, creating an opportunity for knowledge exchange, networking and new partnerships that will help improve the sector.



IT, PROTECTION FROM CYBER ATTACKS IN FOCUS

DTI conceived and implemented important safety-related projects throughout 2024.

ASF designed, tested and put into use 2 very important systems which are leaders in their respective fields: Endpoint and network management systems are systems that provide a wide range of security and cyber attack support.

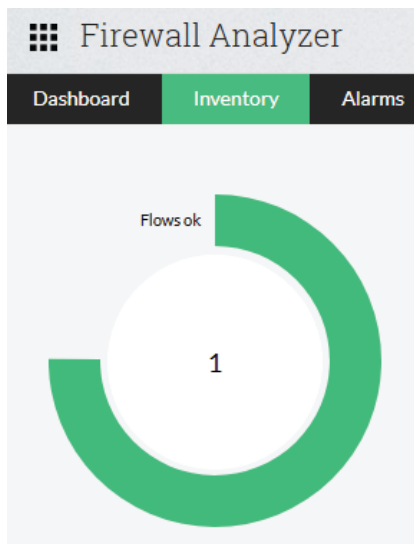


➤ **Unified Endpoint Management & Security** - a tool that serves to manage, audit, monitor and secure our endpoints/devices. UEMS has integrated management of devices that are mobile as well as those located in stationary locations, in addition to built-in security features. With a primary focus on improving business security and employee experience, Endpoint Central professionally elevates the day-to-day tasks of IT administrators with its skills related to:

- Threats and Updates
- Asset Management
- Application management and control
- Remote Troubleshooting
- OS Image and Deployment
- Reports
- Condition Access
- Manage Certification
- Content Management
- Geo-fencing
- Managing OS updates
- Next-generation antivirus
- BitLocker Inventory
- Controls and motors not the internet
- Device Control

ManageEngine

> **ManageEngine Firewall Analyzer** was found to be a browser-based reporting solution and with designs to harness the power of logs. Through the new Firewall Analyzer ASF IT system collects, analyzes and generates comprehensive reports on firewall, VPN and server activity. It provides daily, weekly, monthly, and yearly analytics to help manage networks to:



- They secure networks proactively against potential threats.
- Prevent network abuse and efficiently manage network bandwidth.
- Monitor website visits and ensure appropriate network use by employees.

SOCIAL PERFORMANCE

Agro & Social Fund evaluates, monitors, and aims to improve Social Performance indicators while adhering to international standards for their measurement and reporting. Agro & Social Fund measures and reports social performance indicators for all stakeholders:

➤ **Clients**, who may be concerned about the ethics and social impact of their purchases and investments, especially during challenging times, when they seek to feel our presence and support in difficult moments.

➤ **Partners**, who consider social impact and environmental risks when making investment decisions and want reassurance that, even in difficult periods, the institution remains committed to its social focus.

➤ **Communities** in which we operate, who seek to understand the value we contribute to society, particularly in extraordinary situations where the social focus of institutions is most evident.

➤ **Employees** who want to be assured that the company they work for is socially and environmentally responsible and takes extra care of their physical and mental well-being, especially when working under exceptional conditions dictated by external factors.

➤ **Collaborators**, who seek transparency regarding the social impact of projects implemented in partnership with ASF and want assurance that, despite potentially unfavorable working conditions, the institution remains committed to its declared and contracted social principles.

#1: No Poverty

#2: Zero Hunger

#3: Good Health and Well-Being

#4: Quality Education

#5: Gender Equality

#7: Affordable and Clean Energy

#8: Decent Work and Economic Growth

#9: Industry, Innovation and Infrastructure

#10: Reduced Inequalities

#11: Sustainable Cities and Communities

#14: Life Below Water

#15: Life on Land

#17: Partnerships for the Goals



ASF operates in alignment with the Sustainable Development Goals (SDGs). In general terms, ASF's activities have an impact, to varying degrees, on thirteen SDGs.

Social Impact

From January to December 2024, Agro & Social Fund has:

Served **2,632 clients**

Preserved **5,876 jobs** and created **130 new jobs**

Improved the life of **6,603 children**

Financed **44 new enterprises**

Served **55.5% rural clients** and **44% female clients**

706 clients served in Education and Healthcare

Served **1292 young clients** (aged 18-35)

Projects and Partners



Kiva - During the year 2024, a total of \$813,465.00 was financed through Kiva, supporting investments in Agriculture, Education, Healthcare, Women in Rural Areas, New Businesses, Young Entrepreneurs, and Vulnerable Communities.



“Dorcas Aid International” Albania - The project **“Encouraging Entrepreneurship in the Tropojë and Pukë Regions through Lending”** was recently signed to establish a new fund aimed at continuing support for families in need. Additionally, it seeks to further encourage families who, in the initial phase, receive assistance to start a business. This agreement is presented under the same terms as the previous one.



SwissContact – Throughout 2024, the collaboration with SwissContact continued, facilitating multiple training sessions for loan officers and branch managers. These trainings enabled ASF staff to deepen and expand their knowledge across various aspects of work processes, with a strong focus on delivering ethical and high-quality services to clients.

Additionally, this year, loan officers participated in meetings with young entrepreneurs, providing their expertise to help them better understand the loan process and the importance of avoiding over-indebtedness.

OUR CLIENTS

Albana Çekiçi



Albana, a professional chef, lives with her husband and son. In addition to her culinary career, she is also engaged in agriculture, demonstrating great ambition and dedication to her family's well-being. Despite her hard work, farming requires continuous investment — something she could not always afford when needed.

With the financing she received from ASF, Albana was able to cover essential expenses during the planting season. This investment paid off, as she successfully sold her harvest at the end of the season. Grateful for the opportunity, Albana is thrilled that this support helped her increase her family's income.

Rudina Dervishllari



Rudina is married and a mother of two. She and her husband rely on agriculture as their primary source of income to support their family. As a long-time ASF client, Rudina has found support during critical moments in her life—whether to cover medical expenses for her husband or to expand their agricultural business, helping them generate more income.

Grateful for the support she has received over the years, Rudina appreciates ASF's role in improving her family's financial stability.

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BALANCE SHEET

(Amounts in thousands of Lek)

| | 2024 | 2023 |
|---|------------------|------------------|
| Assets | | |
| Cash and cash equivalents | 346,227 | 75,356 |
| Loans and advances to customers | 1,217,601 | 1,097,365 |
| Property and Equipment | 11,663 | 11,509 |
| Right of use Assets | 49,044 | 69,514 |
| Other assets | 13,540 | 10,316 |
| Total assets | 1,638,075 | 1,264,060 |
| Liabilities and shareholder's equity | | |
| Liabilities | | |
| Borrowings | 1,131,153 | 765,090 |
| Lease Liability | 49,065 | 69,574 |
| Other liabilities | 27,435 | 29,855 |
| | 1,207,653 | 864,519 |
| Shareholder's equity | | |
| Share capital | 289,375 | 289,375 |
| Accumulated losses | 110,166 | 60,426 |
| Profit of the year | 30,881 | 49,740 |
| | 430,422 | 399,541 |
| Total liabilities and shareholder's equity | 1,638,075 | 1,264,060 |

CASH FLOW STATEMENT

(Amounts in thousands of Lek)

| | 2024 | 2023 |
|--|-----------------|-----------------|
| Cash flow from operating activities | | |
| Profit / (Loss) for the year | 40,700 | 60,258 |
| <i>Adjustments for:</i> | | |
| Depreciation of property and equipment | 2,789 | 2,724 |
| Depreciation of Right of use | 17,682 | 13,757 |
| Disposal of Fixed Assets | | |
| Impairment losses on loans to | 23,042 | 11,278 |
| Interest income | -330,034 | -279,157 |
| Interest expenses | 64,275 | 47,831 |
| <i>Changes in:</i> | | |
| Loans to customers | -143,254 | -144,839 |
| Other assets | -6,812 | 1,095 |
| Other liabilities | -2,420 | 9,204 |
| | -334,032 | -277,849 |
| Interest received | 330,010 | 280,084 |
| Interest paid | -58,403 | -43,990 |
| Income tax paid | -6,270 | -6,519 |

INCOME STATEMENT

(Amounts in thousands of Lek)

| | 2024 | 2023 |
|---|-----------------|-----------------|
| Interest income | 330,034 | 279,157 |
| Interest expense | -64,275 | -47,831 |
| Net interest margin | 265,759 | 231,326 |
| Other income/(expenses) | 2,715 | 829 |
| Operating expenses | | |
| Depreciation | -20,376 | -16,480 |
| Personnel | -139,305 | -116,892 |
| Impairment losses on loans to customers | -23,042 | -11,278 |
| Other expenses | -45,288 | -29,129 |
| Net foreign exchange gain/(loss) | 237 | 1,882 |
| Total operating expense | -227,774 | -171,897 |
| Profit/(loss) before income tax | 40,700 | 60,258 |
| Income tax | -9,819 | -10,518 |
| Profit/ (loss) for the year | 30,881 | 49,740 |
| Other comprehensive income, net of income tax | | |
| Total comprehensive profit/(loss) for the year | 30,881 | 49,740 |
| Net cash from/ (used in) operating activities | -68,695 | 48,274 |
| Cash used in investig activities | | |
| Sale of property and equipment | | |
| Purchase of property and equipment | -2,943 | -2,661 |
| Net cash used in investig activities | -2,943 | -2,661 |
| Funds borrowed | 2,407,387 | 4,419,632 |
| Funds repaid | -2,045,887 | -4,377,685 |
| Repayment of lease liability | -18,991 | -16,432 |
| Net cash used in financing activities | 342,509 | 25,515 |
| Net increase/(decrease) in cash and cash equivalents | 270,871 | -25,419 |
| Cash and cash equivalents at the beginning of the year | 75,356 | 100,775 |
| Cash and cash equivalents at the end of the year | 346,227 | 75,356 |

OUR PARTNERS



OUR SOCIALS



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