

Annual Report 2021

Eurizon Asset Management Slovakia správ. spol., a.s.

CONTENT

1. Company Details	2
2. Management Board Report	5

Annex 1: Separate financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and Independent auditors' report for the year ended 31 December 2021

1. Company Details

Business Name: Eurizon Asset Management Slovakia, správ. spol., a.s.
Legal Form: Joint-stock company
CRNo.: 35 786 272
Business Register: District Court Bratislava I, Section: Sa, File No.: 2416/B
Registered Office: Mlynské Nivy 1, 820 04 Bratislava 24
Date of Establishment: 17 April 2000

Scope of Business:

- Establishment and management of standard funds and European standard funds

Mutual Funds under Management as of 31 December 2021:

- REZERVNÝ FOND,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- KONZERVATÍVNE PORTFÓLIO,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- ACTIVE BOND FUND,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- FLEXIBILNÝ KONZERVATÍVNY FOND,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- MAGNIFICA EDÍCIA I,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
(effective on 12.8.2021 merged into successor fund MIX 30)
- MAGNIFICA EDÍCIA III,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
(effective on 12.8.2021 merged into successor fund MIX 30)
- EDÍCIA SVET,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
(effective on 12.8.2021 merged into successor fund MIX 30)
- EDÍCIA 2018,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- ACTIVE MAGNIFICA,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- STREDOEURÓPSKY DLHOPISOVÝ FOND,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- DYNAMICKÉ PORTFÓLIO,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.

- VYVÁŽENÝ RASTOVÝ FOND,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- AKCIOVÉ PORTFÓLIO,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- MIX 15,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
- MIX 30,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
(new fund established on 12 August 2021)
- ESG ZODPOVEDNÉ PORTFÓLIO,
open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.
(new fund established on 29 November 2021)

Depository: Všeobecná úverová banka, a. s.
Registered Office: Mlynské Nivy 1, 829 90 Bratislava 25

Shareholder: 100% Eurizon Capital SGR S.p.A.

Eurizon Asset Management Slovakia, správ. spol., a.s. (hereinafter also "Eurizon SK") is 100% shareholder in 2 subsidiaries, Eurizon Asset Management Hungary Zrt. in Hungary and Eurizon Asset Management Croatia d.o.o. in Croatia.

Supervisory Board: Prof. Giorgio Di Giorgio - chairman
Alexander Resch - member
Massimo Mazzini - member
Oreste Auleta - member
Doc. Ing. Tomáš Výrost, PhD. - member

Management Board: Marco Bus - chairman
RNDr. Ing. Marian Matušovič, PhD. - member and CEO
Liuba Samotyeva - member

Proxy: JUDr. Božena Malecká
RNDr. Peter Šenk, PhD., MSc.
Ing. Juraj Vaško

2. Report of Management Board on Company's Activities and Equity in 2021

Market Environment in 2021

Last year the world economy was recovering from the pandemic of a new coronavirus SARS-CoV-2, however at the same time it was affected by serious problems of supplier chains, shortage of materials and components production and the subsequent high inflation. In addition to the partial immunity of one part of population the economic recovery from getting over the virus was in particular helped by fast development, approval, production and distribution of new vaccines, when in most countries of the developed world the positive effect of vaccination gradually and to a large extent replaced damaging lockdowns as main procedure of mastering repeated waves of pandemic mutations.

According to December expectations of OECD the world GDP grew by powerful 5.6% after the slump of 3.6% in 2020. Thanks to that already before the end of the year many economies inclusive China and the U.S.A. overcame the quarterly as well as yearly pre-pandemic highs. However, neither Eurozone as a whole, nor Slovakia as one part of it, nor many developing countries overcame this economic goal until now. A piece of good news was faster than expected recovery of labour markets and return of unemployment rates close to their pre-pandemic minimal values. Faster growth of wages and faster household consumption growth, but also higher inflation are then generated by the tense labour markets.

Economic recovery and high inflation in 2021 have brought about the beginning of change in the monetary policy of many countries, i.e. also its tightening. The American Fed and the European ECB have not raised their key short term interest rates, however they started the decrease of quantitative easing, i.e. regular purchase of assets influencing in particular long term interest rates and yields. In addition to this the ECB published its new monetary strategy, which increased European inflation target from "less than, but close to two per cent" to two per cent average on the multi-annual (future) horizon.

Thanks to recovery of economies and continuing support of economies from the central banks and the budgets the equity markets saw a very powerful year of two-digit growth. The broad American index S&P 500 has experienced a two-digit growth of its value already for the third year in a row, when it strengthened roughly by 27%. Also, commodities and crypto assets, such as e.g. bitcoin were significantly successful. On the other hand, gold did not do well, due to more moderate growth of bond yields, especially those with longer maturity and this applies also to developing markets, e.g. in China.

The financial sector is not in any way based on pandemic and has not been too much damaged. The support on the part of the governments and central banks made it possible not only to avoid failures of financial institutions similar to the Financial Crisis in 2008, but the proportions of failures to pay loan of the banks have not significantly increased during the pandemic. For the nearest time the development of growing interest rates remains questionable, which can increase the interest revenues of the sector on the one hand, however at the same time it can also slow down creation of new loans or cause problems with the failures of repayment.

Under the influence of earlier expectation of tightening current monetary policy in the USA the exchange rate of Euro to dollar weakened down to the levels of about 1.13 EUR/USD, which had positive influence on the performance of existing dollar investments, but new purchases of American assets were becoming more expensive for the local clients. These trends could be turned over in the present year, because gradual strengthening of common currency against the dollar is expected, maybe up to the level of 1.20 EUR/USD also together with recovery of European economy to the pre-pandemic level and it is also ECB that will start tightening policy.

The exchange rates of Visegrad currencies against Euro resisted pressure to weakening through increased interest rates of ČNB, MNB and NBP. The most successful was the Czech koruna, which strengthened up to the level of 24.4 EUR/CZK, because ČNB increased the interest rates to the highest level in the region.

All mentioned facts had impact on performance of the mutual funds managed by the asset management company Eurizon Asset Management Slovakia, správ. spol., a.s.

Market Scenario for 2022

This year the world economy is to continue its stimulation and central banks are to tighten their monetary policies. However, several branches of services, such as international tourist industry, air transport or culture are apparently not going to reach their pre-pandemic maximum performances, because coronavirus is not going to leave that fast and its new mutations still remain to be a threat for the economy.

In the course of 2022 short term and long term interest rates could grow only slowly together with end of quantitative easing on the part of Fed in the first months of the year (and by transfer towards net sales of assets) and also by its decrease on the part of European Central Bank. After the pandemic programme PEPP has ended ECB will temporarily increase classical purchase through the APP programme, however these should go down to 20 billion euros a month before the summer. However, the effect of quantitative easing on bond performance in the old continent can persist also later, if ECB does not go into minus in net purchase later than Fed and it maintained its balance on constant level by purchase in the value of maturing securities.

German 10-year yields of government bonds can finally increase up to the plus values (maybe +0.1% at the end of the year), Slovak bonds could fluctuate around +0,5-0,6% with slightly bigger spread than last year. American 10-year yields that operate in the economy with more rooted inflation pressures could also be increased above the level of 1.8% p.a.

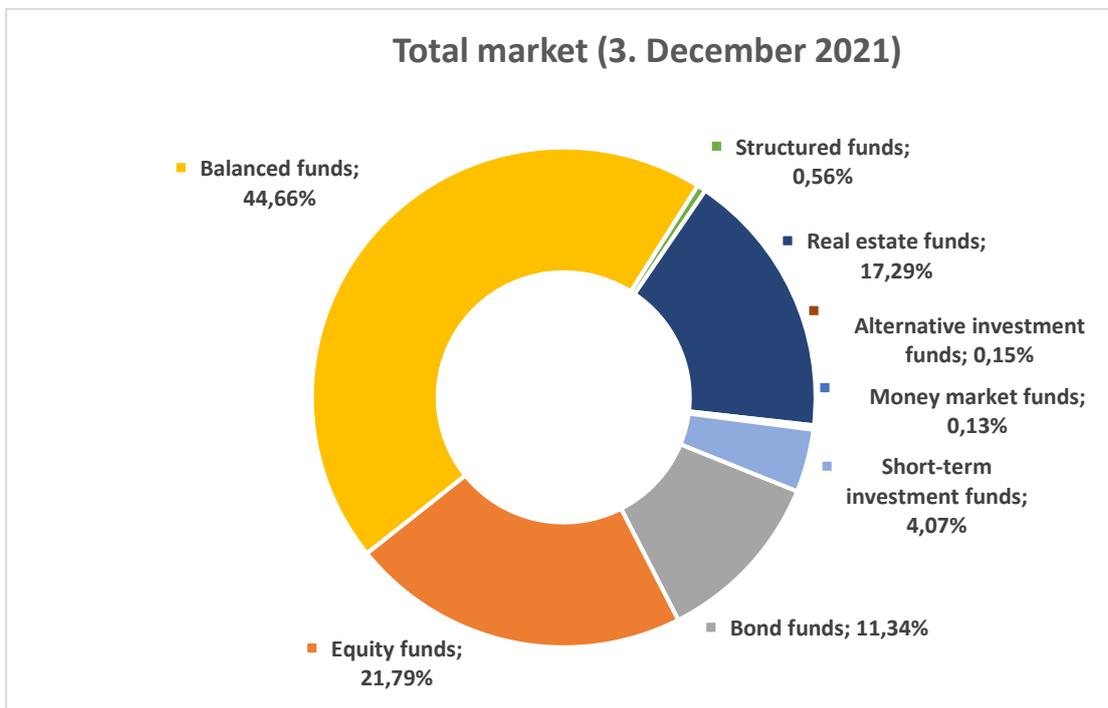
Because of tightening of monetary policy the equity markets can expect higher volatility and as the case may be also lower growth of various price indices. In case of longer persisting higher inflation and higher bond yields, the evaluation of equity titles may weaken through the channel of higher discount rate, likewise as in other inflation periods in the history. However, financial sector e.g. shares of European banks could be helped by higher interest rates. In the course of tightening of monetary policy in the USA in the past also technological and real estate companies were growing fast. The revaluation of assets could also continue due to their impact on the planet - especially if further tougher regulatory commitments are made in the fight against climate change.

In spite of that it could come to light before the end of the year that pandemic high inflation was really more temporary measure than a new normal situation. This could stabilise longer maturities of bonds. However, even just a little higher interest rates can endanger the capability of repaying the debts, e.g. of the developing and emerging countries with irresponsible monetary or budgetary policy. Other risks include new mutations of the SARS-CoV-2 coronavirus, the impact of the downturn in the Chinese construction sector, and geopolitical instability, particularly in relation to Russia and China, which may have a strong impact for example on commodity markets and energy prices.

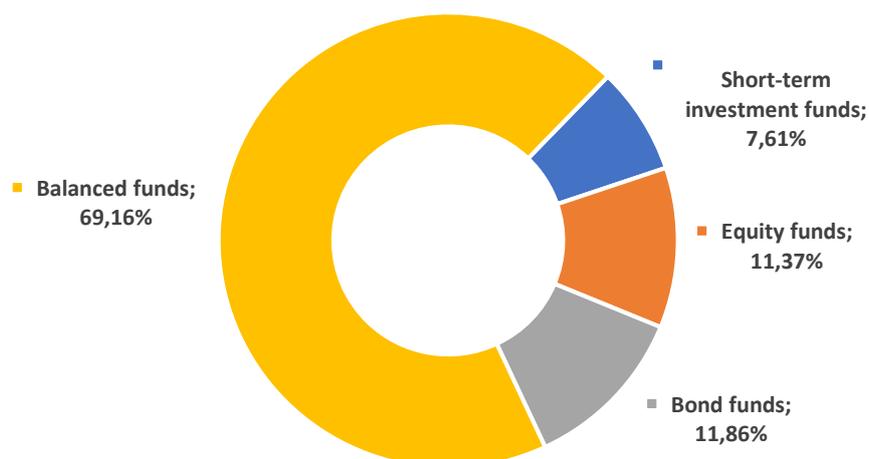
Market of Collective Investment in Slovakia

Based on the data published by the Slovak Association of Asset Management Companies (SASS) as of 3 December 2021, the net value of assets in mutual funds, funds of institutional investors and portfolios under management amounted to EUR 12,657.6 mil., thus representing increase by 14.8% compared with the end of 2020. Of the total volume under management the open mutual funds represented the volume of EUR 12,078.8 mil.

As far as the market share is concerned, the first position belongs again to the category of balanced funds (44.66%), they are followed by stocks funds (21.79%) and real estate funds (17.29%). Bond funds represented the fourth highest market share (11.34%). The next position has been taken by the short-term investment funds with the share of 4.07%.



Eurizon SK (EoY 2021)



Source: SASS; data as of 31 December 2021

From the point of view of net sales of mutual funds the year of 2021 can be assessed as very successful. As at 29 October 2021, the total volume of net sales represented the amount of EUR 1146.7 mil. The category of mixed funds booked the highest volume (EUR +636.7 mil.). They were followed by equity funds (EUR +525.5 mil.) and real estate funds (EUR +213.4 mil.). Negative net sales were achieved with bond funds (EUR -191.7 mil.). In comparison to the previous year the funds of short-term investments achieved a positive result (EUR +22.8 mil.)

Position of Eurizon Asset Management Slovakia, správ. spol., a.s., in the Slovak market of collective investment

From the point of view of market share the asset management company Eurizon SK confirmed its stable position on the Slovak market of collective investment. With its market share of 13.14% it placed the fourth position and as of 30 November 2021, it was managing the assets in the amount of EUR 1,586.72 mil. The managed assets of mutual funds Eurizon Capital SA represented the amount of EUR 558.67 mil. which corresponded to the market share of 4.63%.

On the basis of the previous approval of the National Bank of Slovakia awarded by the decision No.: NBS1-000-059-823 č.z. 100-000-294-113 dated 28 June 2021, which became effective on 29 June 2021 funds **MAGNIFICA EDÍCIA I**, open mutual fund Eurizon Asset Management Slovakia, správ. spol., a.s., **MAGNIFICA EDÍCIA III**, open mutual fund Eurizon Asset Management Slovakia, správ. spol., a.s., and **MAGNIFICA EDÍCIA SVET**, open mutual fund Eurizon Asset Management Slovakia, správ. spol., a.s. which became effective on 12 August 2021 **merged into new created successive fund MIX 30**, an open mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s.

Company	AUM 31/12/2020 (EUR mln.)	AUM 30/11/2021 (EUR mln)	AUM change YTD	Market Share 31/12/2020	Market share 30/11/2021	Market Share change YTD	Duplications 30/11/2021 (EUR mln)
TAM (Raiffeisen)	2 327,52	2 784,05	19,6%	22,81%	23,05%	0,24%	416,25
Raiffeisen	41,49	86,99	109,7%	0,41%	0,72%	0,31%	0,00
Eurizon SLK	1 628,73	1 586,72	-2,6%	15,96%	13,14%	-2,82%	78,33
Eurizon LUX	237,14	558,67	135,6%	2,32%	4,63%	2,30%	0,00
AM SLSP (Erste)	1 575,05	2 174,98	38,1%	15,43%	18,01%	2,57%	158,58
ESPA (Erste)	390,57	373,31	-4,4%	3,83%	3,09%	-0,74%	257,16
365.invest	1 636,19	1 810,45	10,7%	16,03%	14,99%	-1,04%	179,24
KBC	363,03	419,02	15,4%	3,56%	3,47%	-0,09%	0,00
ČSOB	138,67	176,83	27,5%	1,36%	1,46%	0,11%	6,62
Amundi	684,28	771,23	12,7%	6,71%	6,38%	-0,32%	0,00
IAD Investments	516,22	588,61	14,0%	5,06%	4,87%	-0,19%	9,33
AXA	251,82	280,23	11,3%	2,47%	2,32%	-0,15%	0,00
Others	414,32	467,72	12,9%	4,06%	3,87%	-0,19%	0,00
Total	10 205,04	12 078,83	18,4%	100%	100%		1105,5

TOP 10 funds in Slovakia	Net sale 2021 (EUR)
AM SLSP Fond zodpovedného investovania, o.p.f.	176 737 507,01
AM SLSP Fond maximalizovaných výnosov	171 853 851,76
AM SLSP Global Renta, o.p.f.	123 809 604,57
TAM - Konzervatívny PLUS fond	122 993 557,92
Eurizon AM Slovakia - Akciové Portfólio	86 353 977,97
Eurizon Fund Equity Innovation R	62 157 884,52
Eurizon AM Slovakia - Dynamické portfólio	59 846 166,87
365.invest Equity FKI o.p.f. - 365.invest	55 794 999,98
Eurizon Manager Selection Fund - MS 70 R	53 591 343,09
TAM - Balanced Fund	51 307 442,79

Source: SASS; data as of 31 December 2021

Open-End Mutual Funds of Eurizon SK and Sales Support

At the end of the year, our company managed 13 open-end mutual funds. Rezervný fond (REF) ranks among the short investment funds. The category of bond funds is represented by Active Bond fund (ABF) and Stredoeurópsky Dlhopisový fond (SEF). Nine funds are from the category of mixed funds and they are intended for retail segment. These are the following funds: Vyvážený Rastový fond (VRF), Konzervatívne Portfólio (KOP), Dynamické Portfólio (DOP), Active Magnifica (AMG), Flexibilný Konzervatívny fond (FLK), Edícia 2018 (E18), MIX 15 (M15), MIX 30 (M30) and ESG Zodpovedné portfólio (ZPF). Akciové portfólio (APO) belongs to the group of equity funds.

A more detailed information on individual mutual funds inclusive all documents provided by the law can be found on our web page www.eurizonslovakia.com/sk.

The company Eurizon SK is continuously monitoring the present trends in the area of portfolio management and is trying to bring modern investment solutions to the clients. Therefore, in November 2021 it extended its spectrum of products by the fund ESG Zodpovedné portfólio. It is a mixed fund investing into mutual funds that fulfil strict criteria in the area of environment, social issues as well as principles of transparent management of the company (ESG). The mutual fund is classified according to Article 8 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council (SFDR). At the end of the year 2021 the volume of the managed assets in the mentioned fund represented the volume of EUR 7.676 mil. In the course of the year, the company Eurizon SK provided also supporting activities to the funds distributor, i.e. to the company VÚB, a.s. in the area of the sale of 18 funds Eurizon Capital S.A. in the form of webinars, conference calls of retail business network inclusive Private banking.

In 2021, we accelerated educational and marketing activities related to ESG funds and as a result the total net sale of Art 8 funds in VUB network reached the level of EUR 208 million, which is significant improvement in comparison with the previous period (EUR 54 million in 2019, or EUR 62 million in 2020).

Towards the end of 2021, the company Eurizon SK generated profits in the amount of EUR 3.400 mil., with the cost-income ratio of 55%. The ratio operating costs - average assets under management represented 16.8 basis points. More detailed information on individual financial indicators can be found in the financial statements.

The average number of employees in Eurizon SK as of 31 December 2021 was 21.

Eurizon Asset Management Hungary Zrt.

Year 2021 has brought 9.42% rise in AuM in EUR, slightly negatively affected by a minor weakening of forint against euro. From 8 April 2021 the company took the name Eurizon Asset Management Hungary Zrt. (hereinafter, the "EAMH"). EAMH kept its 4th position with 6.67% market share.

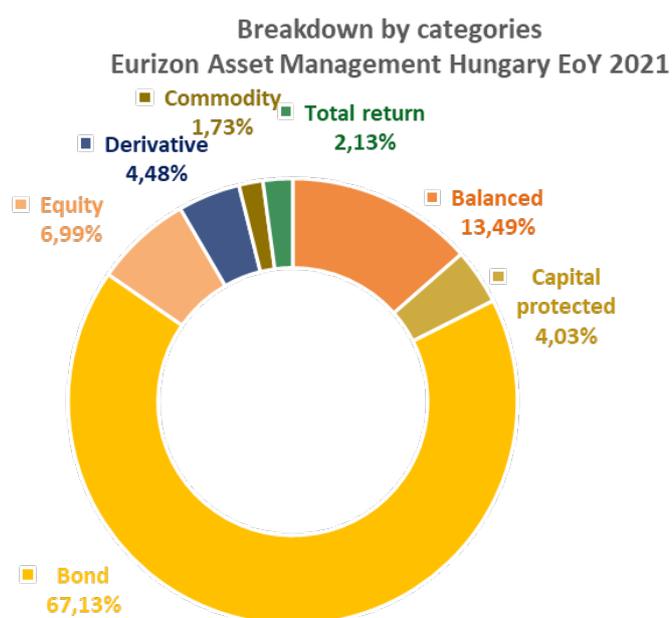
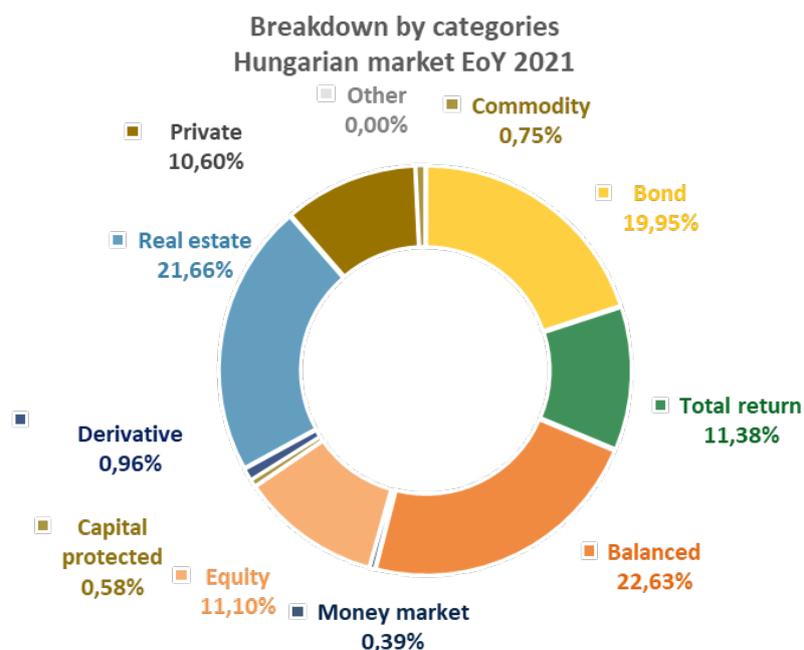
Favorable market conditions supported a significant increase of AuM in EUR, all in all the 1 297.70 mln EUR in investment funds managed by EAMH on 31 December 2020 had increased to 1 419.97 mln EUR by 31 December 2021.

The overall Hungarian investment fund market escalated by 13.84% in HUF, reaching 12.65% in EUR, due to a final 1.1% YoY HUF depreciation against EUR after having peaks and troughs in the band between 345 HUF and 372 HUF during the year.

Company	AUM 31/12/20 (EUR mln.)	AUM 31/12/21 (EUR mln.)	AUM change YTD	Market Share 31/12/20	Market Share 31/12/21	Market Share change YTD
Eurizon	1297,7	1420,0	9,42%	6,87%	6,67%	-0,20%
OTP	3239,9	4006,4	23,66%	17,15%	18,83%	1,68%
KBC	2601,5	2819,1	8,36%	13,77%	13,25%	-0,52%
ERSTE	3085,3	3224,2	4,50%	16,34%	15,15%	-1,18%
Budapest Hold	884,3 1156,6	959,9 1353,1	8,55% 17,00%	4,68% 6,12%	4,51% 6,36%	-0,17% 0,24%
Raiffeisen	499,7	637,2	27,52%	2,65%	3,00%	0,35%
AEGON	818,6	846,5	3,41%	4,33%	3,98%	-0,36%
Amundi	269,0	310,8	15,52%	1,42%	1,46%	0,04%
MKB	710,5	800,2	12,62%	3,76%	3,76%	0,00%
TOTAL	18 887,0	21 276,3	12,65%			

Data source: Association of Hungarian Investment Fund and Asset Management Companies; as of December 31, 2021

At the beginning of the year the range of investment fund products consisted of 42 public investment funds, which increased to 46 due to only one expiring fixed term derivative fund and 5 new fund launches. In terms of asset mix, the investment funds managed by EAMH are overweighed heavily in short bond funds and better than the market in fixed term, (partial) capital protected derivative funds category.



Data source Association of Hungarian Investment Fund and Asset Management Companies; as of December 31, 2021

As a consequence of the processes described above, the EAMH generated high net profit of 1.55 mln EUR, 23 % above budget. EAMH's efficiency position remained good with cost-income ratio of 52%. Operating expenses to average AuM represented 13.2 basis points.

Eurizon Asset Management Croatia d.o.o.

The Croatian UCITS fund market increased in 2021 by 445 mln EUR (+18,40%). In the same period, Eurizon Asset Management Croatia d.o.o. (further in text: Company) UCITS AuM increased by 133 mln EUR (+23,96%), which is 5,55 p.p. above the total Croatian UCITS fund market. As of March 2020 Eurizon Asset Management Croatia d.o.o. took second place in market share on the Croatian UCITS market, in 2021 holds it over 23% and with the EoY 2021 reaches over 24%.

Company (UCITS data)	AuM	AuM	AuM	AuM	Market Share	Market Share	Market Share	Market share YTD % change
	31.12.19. EUR mln.	31.12.2020. EUR mln.	31.12.21. EUR mln.	YTD % change				
ZB Invest	838,3	711,8	939,0	31,92%	27,63%	29,45%	32,81%	3,36%
Eurizon HR	661,1	555,1	688,0	23,96%	21,79%	22,97%	24,04%	1,08%
Erste AM	670,1	354,7	386,3	8,90%	22,09%	14,68%	13,50%	-1,18%
Intercapital AM	277,7	215,7	215,7	-0,04%	9,16%	8,93%	7,54%	-1,39%
RBA Invest	233,1	213,7	241,5	13,02%	7,68%	8,84%	8,44%	-0,40%
HPB Invest	137,4	119,3	121,4	1,75%	4,53%	4,94%	4,24%	-0,69%
OTP Invest	108,0	170,3	191,0	12,15%	3,56%	7,05%	6,67%	-0,37%
Others	107,8	76,2	78,8	3,36%	3,55%	3,15%	2,75%	-0,40%
Total	3 034	2 417	2 862	18,40%	100,00%	100,00%	100,00%	

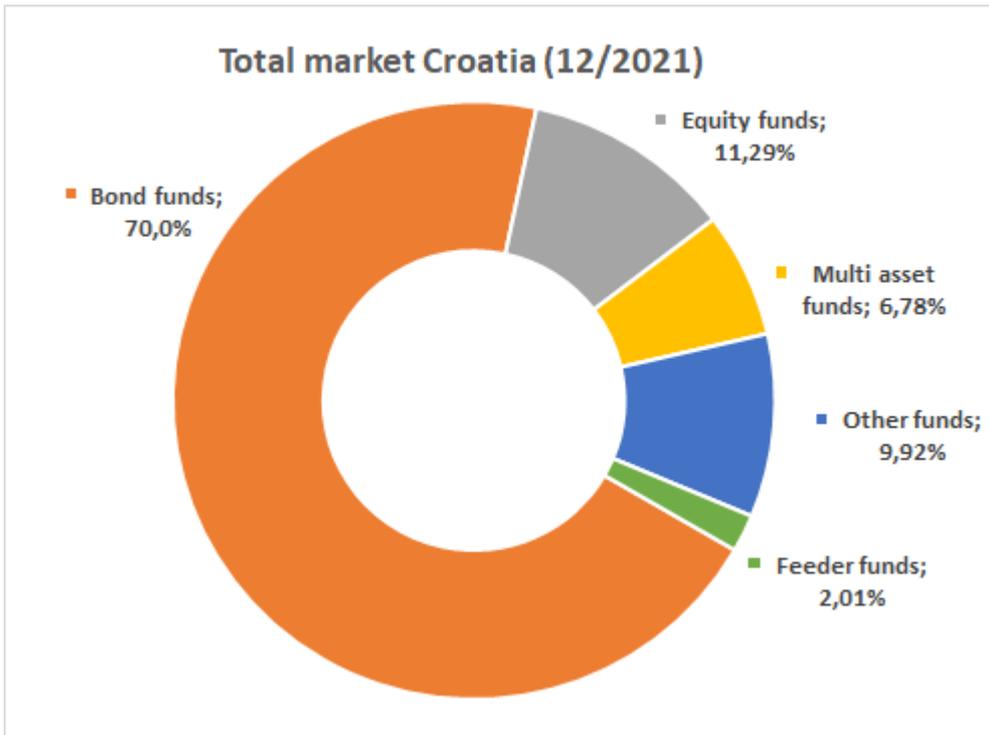
Data source: Croatian Financial Services Supervisory Agency (HANFA – CFSSA); as of 31 December 2021

As of the end of December 2021, the Company managed 13 mutual funds and more than 170 managed accounts. In 2021, Eurizon Asset Management Croatia d.o.o. founded two UCITS funds; Eurizon HR Dollar Progressive fund and Eurizon HR Equity World fund. Managed accounts AuM increased in 2021 (+18,6%, +5,9 mln EUR of which 3,5 mln EUR net sales).

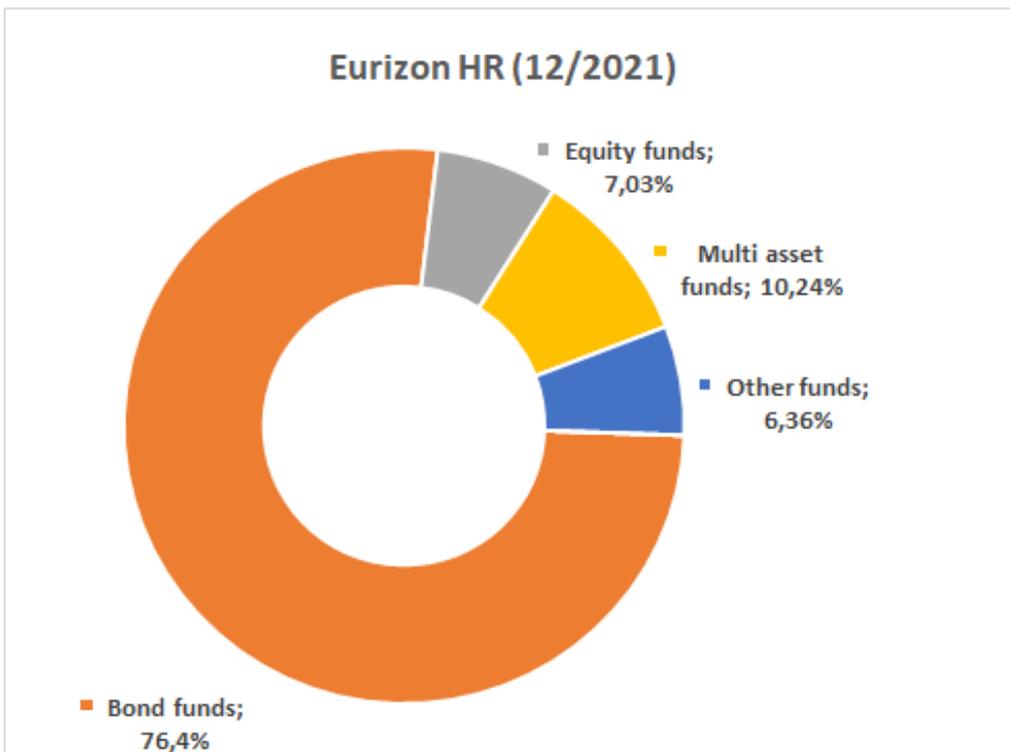
Bestselling funds in 2021 were Eurizon HR Start fund (116,3 mln EUR or 32,8% of total gross sales), Eurizon HR Global fund (41,2 mln EUR or 11,6%) and Eurizon HR Euro Short Term Bond fund (32,9 mln EUR or 9,3%). Best positive net sales performance in 2021 was achieved by PBZ Start fund (+43,5 mln EUR). In terms of asset mix (bond, balanced, other-flexible, equity funds) they all achieved in total positive net sales with EoY2021.

Total number of clients in the Company's funds increased by 4.333 (+6,81%), to 67.947. As of EoY2021 retail clients represent 99,77% of total number of clients and 85,16% of total Company's assets.

In terms of asset mix in the Croatian UCITS market at the EoY2021, Eurizon Asset Management Croatia d.o.o. managed 76,4% in bond funds (6,4 p.p. above market), 7,03% in equity funds (4,26 p.p. less than market), 10,24% in balanced fund and 6,35% in other – flexible funds.



Data source: Croatian Financial Services Supervisory Agency (HANFA – CFSSA); as of 31 December 2021



Eurizon HR Flexible 30, Eurizon HR International Multi Asset, Eurizon HR Moderate 30 fund, Eurizon HR Dollar Progressive and Eurizon HR Equity World funds are in the "Other" funds in total market RH

Data source: Croatian Financial Services Supervisory Agency (HANFA – CFSSA); as of 31 December 2021

Best performing Eurizon Asset Management Croatia d.o.o. funds in 2021 were Eurizon HR Equity fund (+20,29%), Eurizon HR Global fund (+10,35%) and Eurizon HR Flexible 30 fund (+3,60%).

According to the International Financial Reporting Standards as adopted by the EU, Eurizon Asset Management Croatia d.o.o. posted in 2021 a net profit of EUR 163,632 ths.

The Main Objectives of Eurizon SK for 2022 are further to develop:

- cooperation, coordination, sharing of know-how and best practices in joint projects among Eurizon Capital, Intesa Sanpaolo Bank and VUB Bank in the area of optimisation of “core business” activities and processes as well as improvement of services for the clients
- implementation of environmental, social and governance criteria into investment analysis and decisive processes (selection of financial instruments, ESG factors as an integral part of investment process, use of internal ESG rating system etc.)
- operation model of functioning of the company also by further implementation of group IT solutions, in particular in the area of portfolio management, risk management and compliance (implementation of new risk management platform Aladdin, supplied by company BlacRock Financial Management, Inc.)
- improvement of financial literacy also through implementation of present-day on-line trends in the field of modern education, communication with the clients and marketing (e.g. instructional videos, communication through social media, etc.)
- extension of the spectrum of products of the funds Eurizon SK and Eurizon Capital SA, which are going to supplement appropriately the existing portfolio so that it covers the whole scale of investment strategies, namely with focus on creation of sufficiently diversified portfolio
- implementation and improvement of service model of investment advisory with concentration on affluent segment and upper mass segment and also on Private banking
- strong instructional and marketing support for long term investment savings with focus on mass segment

The Management Board shall submit the following proposal for distribution of profit for 2021 at the General Meeting:

In thousands of EUR

Dividends paid out to shareholders
Allocation to Statutory Reserved Fund
Allocation to retained profit

2021
3,400



**Separate financial statements prepared in accordance
with International Financial Reporting Standards
as adopted by the European Union
and Independent auditors' report
for the year ended 31 December 2021**

Contents

Independent auditors' report	3
Separate statement of financial position as at 31 December 2021	8
Separate statement of profit or loss and other comprehensive income for the year ended 31 December 2021	9
Separate statement of changes in equity for the year ended 31 December 2021	10
Separate statement of cash flows for the year ended 31 December 2021	11
Notes to the separate financial statements for the year ended 31 December 2021	12

Independent Auditor's Report

To the Shareholder, Supervisory Board and Management Board of Eurizon Asset Management Slovakia, správ. spol., a.s.:

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Eurizon Asset Management Slovakia, správ. spol., a.s. ("the Company"), which comprise the separate statement of financial position as at 31 December 2021, separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU ("IFRS EU").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities ("Regulation (EU) No. 537/2014 of the European Parliament and the Council"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the Act on Statutory Audit No 423/2015 Coll. and on amendments to the Act on Accounting No 431/2002 Coll., as amended by later legislation ("the Act on Statutory Audit") related to ethics, including Auditor's Code of Ethics, that are relevant to our audit of the separate financial statements, and we have fulfilled other requirements of these provisions related to ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the separate financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying separate financial statements.

THIS IS A TRANSLATION OF THE ORIGINAL SLOVAK REPORT

Fee and commission income

Fee and commission income amounts to EUR 18,700 thousand for the year ended 31 December 2021 and represents significant part of the Company's total income (app. 91% of the total income).

Fee and commission income comprises management fees, fees for distribution of mutual fund certificates, termination fees and other fees and commissions. Management fees are earned from the funds under the Company's management and are recognized in the statement of profit or loss and other comprehensive income over the period to which they relate. Fees for distribution of mutual fund certificates and termination fees are earned from the investors in the funds and are recognized on the respective distribution or termination of the mutual fund certificates (i.e. at a point in time).

Due to the significance of fee and commission income in relation to the total income of the Company, complexities resulting from the diversity of the fee rates applied and judgment involved in measuring net asset values ("NAVs") of funds serving as a basis for management fees, we evaluated fee and commission income as a key audit matter.

As part of our audit procedures, we documented our understanding of the Company's fee and commission policies and processes. We obtained an understanding, evaluated the design and tested the operating effectiveness of the internal controls over the measurement, approval, recording and monitoring of the fee and commission income.

We involved IT specialists to assist us in testing of controls described above and to test IT systems used for processing of fee and commission income, including controls over access rights, data and change management.

We assessed the valuation of all securities within the portfolio of the Company, tracing the prices to publicly available sources and obtained confirmations of their existence from custodian.

Based on daily NAVs of the funds under administration, fee rates and calculation formulas stated in the funds' statutes we performed a recalculation of the management fees for all funds under management.

On the sample selected from all mutual fund certificates sold during 2021 and based on fee rates stated in the funds' statutes, we recalculated the fees for distribution of mutual funds.

On the sample selected from all mutual fund certificates redeemed during 2021 and fee rates stated in the funds' statutes, we recalculated the termination fees.

We further performed analytical review of monthly development of management fees, fees for distribution and termination fees and explained deviations from expected values.

We also assessed the disclosures in Note 2.20 Fees and commissions and Note 16 Fee and commission income in terms of their completeness and compliance with IFRS EU requirements.

Other matter

The Company's separate financial statements for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 15 February 2021.

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

The Management Board is responsible for the preparation of the separate financial statements that give true and fair view in accordance with IFRS EU, and for such internal control as the Management Board determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the Management Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 and Regulation (EU) No. 537/2014 of the European Parliament and the Council 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 separate financial statements.

As part of an audit in accordance with ISAs and Regulation (EU) No. 537/2014 of the European Parliament and the Council, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements including the presented information as well as whether the separate financial statements captures the underlying transactions and events in a manner that leads to their fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Information Disclosed in the Annual Report

The Management Board is responsible for the information disclosed in the annual report, prepared based on requirements of the Act on Accounting No 431/2002 Coll., as amended by later legislation ("the Act on Accounting"). Our opinion on the separate financial statements expressed above does not apply to other information contained in the annual report.

In connection with audit of the separate financial statements it is our responsibility to understand the information disclosed in the annual report and to consider whether such information is not materially inconsistent with audited separate financial statements or our knowledge obtained in the audit of the separate financial statements, or otherwise appears to be materially misstated.

We considered whether the Company's annual report contains information, disclosure of which is required by the Act on Accounting.

Based on procedures performed during the audit of separate financial statements, in our opinion:

- Information disclosed in the annual report prepared for 2021 is consistent with the separate financial statements for the relevant year,
- The annual report contains information based on the Act on Accounting.

Additionally, based on our understanding of the Company and its situation, obtained in the audit of the separate financial statements, we are required to disclose whether material misstatements were identified in the annual report, which we received prior to the date of issue of this auditor's report. In this regard, there are no findings which we should disclose.

Other requirements on content of auditor's report in compliance with Regulation (EU) No. 537/2014 of the European Parliament and of the Council

Appointment of Auditor

We were appointed as the statutory auditor by the General Meeting of the Sole Shareholder of the Company on 17 March 2021. Total uninterrupted engagement period, including previous renewals (extension of the period for which we were originally appointed) and reappointments for the statutory auditor, has lasted for 1 year.

Consistence with Additional Report to Audit Committee

Our audit opinion on the separate financial statements expressed herein is consistent with the additional report to the audit committee of the Company, which we issued on the same date as the issue date of this report.

Non-audit Services

No prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided by us to the Company and we remain independent from the Company in conducting the audit.

In addition to statutory audit services and services disclosed in the annual report and in the separate financial statements, no other services which were provided by us to the Company and its controlled undertakings.

18 February 2022
Bratislava, Slovak Republic

Ernst & Young Slovakia, spol. s r.o.
SKAU Licence No. 257



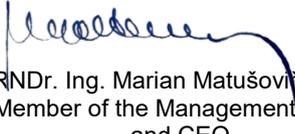
Ing. Dalimil Draganovský, statutory auditor
SKAU Licence No. 893

Separate statement of financial position as at 31 December 2021

<i>in thousands of euro</i>	Note	2021	2020
Assets			
Cash and cash equivalents	3	2,786	2,123
Receivables from funds	4	1,562	1,499
Financial assets mandatorily at fair value through profit or loss	5	16,618	17,675
Subsidiaries	6	2,938	2,938
Current income tax receivable		-	-
Intangible assets	7	154	155
Property, equipment and other tangible assets	8	167	317
Deferred tax asset	9	442	376
Other assets	10	96	80
		24,763	25,163
Liabilities			
Current income tax liability		130	48
Accrued expenses	11	1,293	1,298
Lease liabilities	12	145	283
Other liabilities	13	1,066	705
		2,634	2,334
Equity			
Share capital	14	4,094	4,094
Share premium	14	38,438	38,438
Legal reserve fund	14	819	819
Other funds	14	(37,934)	(37,934)
Retained earnings		16,712	17,412
		22,129	22,829
		24,763	25,163

The accompanying notes on pages 12 to 51 form an integral part of these financial statements.

These financial statements were authorised for issue by the Management Board on 17 February 2022.



RNDr. Ing. Marian Matušovič, PhD.
 Member of the Management Board
 and CEO



Marco Bus
 Chairman of the Management Board

**Separate statement of profit or loss and other comprehensive income
for the year ended 31 December 2021**

<i>in thousands of euro</i>	Note	2021	2020
Interest and similar expense	15	(3)	(4)
Fee and commission income	16	18,700	18,185
Fee and commission expense	17	(13,617)	(13,262)
Net fee and commission income		5,083	4,923
Dividend income	5	1,662	2,250
Net (loss)/income from trading	18	(113)	(32)
Other income		83	86
Personnel expenses	19	(1,472)	(1,208)
Other operating expenses	20	(1,193)	(1,246)
Amortisation of intangible assets	7	(60)	(54)
Depreciation of property, equipment and other tangible assets	8	(100)	(111)
Operating expenses		(2,825)	(2,619)
Profit before tax		3,887	4,604
Income tax expense	9	(487)	(504)
Net profit for the year		<u>3,400</u>	<u>4,100</u>
Basic and diluted earnings per share	14	<u>2.76</u>	<u>3.33</u>

Net profit for the year equals comprehensive income.

The accompanying notes on pages 12 to 51 form an integral part of these financial statements.

Separate statement of changes in equity for the year ended 31 December 2021

<i>in thousands of euro</i>	Share capital	Share premium	Legal reserve fund	Other funds	Retained earnings	Total
1 January 2020	4,094	38,438	819	(37,934)	17,882	23,299
Transactions with shareholder						
Dividends	-	-	-	-	(4,570)	(4,570)
Net profit for the year (comprehensive income)	-	-	-	-	4,100	4,100
31 December 2020	<u>4,094</u>	<u>38,438</u>	<u>819</u>	<u>(37,934)</u>	<u>17,412</u>	<u>22,829</u>
1 January 2021	4,094	38,438	819	(37,934)	17,412	22,829
Transactions with shareholder						
Dividends	-	-	-	-	(4,100)	(4,100)
Net profit for the year (comprehensive income)	-	-	-	-	3,400	3,400
31 December 2021	<u>4,094</u>	<u>38,438</u>	<u>819</u>	<u>(37,934)</u>	<u>16,712</u>	<u>22,129</u>

The accompanying notes on pages 12 to 51 form an integral part of these financial statements.

Separate statement of cash flows for the year ended 31 December 2021

<i>in thousands of euro</i>	Note	2021	2020
Cash flows from operating activities			
Profit before tax		3,887	4,604
Adjustments for:			
Depreciation of property, equipment and other tangible assets		100	111
Amortisation of intangible assets		60	54
Interest and similar income		-	-
Interest and similar expenses		3	4
Dividend income		(1,662)	(2,250)
Unrealised loss/(gain) from trading		113	32
<i>Operating profit before changes in working capital</i>		<u>2,501</u>	<u>2,555</u>
Changes in receivables from funds		(63)	195
Changes in other assets		(13)	(15)
Changes in financial assets		(3)	
Changes in other liabilities, accrued expenses and lease liabilities		273	40
Tax paid		(470)	(151)
<i>Net cash from operating activities</i>		<u>2,224</u>	<u>2,624</u>
Cash flows from investing activities			
Interest paid		(3)	(4)
Dividend received		1,662	2,250
Sale/Purchase of financial assets mandatorily at fair value through profit or loss		944	868
Purchase of intangible assets and property and equipment		(64)	(113)
<i>Net cash from investing activities</i>		<u>2,539</u>	<u>3,001</u>
Cash flows from financing activities			
Dividends paid		(4,100)	(4,570)
<i>Net cash used in financing activities</i>		<u>(4,100)</u>	<u>(4,570)</u>
Net change in cash and cash equivalents		663	1,056
Cash and cash equivalents at beginning of the year	3	<u>2,123</u>	<u>1,067</u>
Cash and cash equivalents at end of the year	3	<u><u>2,786</u></u>	<u><u>2,123</u></u>

The accompanying notes on pages 12 to 51 form an integral part of these financial statements.

1. General information

Eurizon Asset Management Slovakia, správ. spol., a.s. ('the Company'), IČO 35786272, DIČ 2021522690, with its registered seat at Mlynské Nivy 1, 820 04 Bratislava 24, was established in 2000 on the basis of a permit for establishment and activity granted by the decision of the Ministry of Finance of the Slovak Republic no. 002/2000/SS as of 3 April 2000. The Company was established on 17 April 2000 by its registration in the Business Register: District Court Bratislava I, Section: Sa, file no. 2416/B.

The core activities of the Company are the creation and administration of standard funds and European standard funds.

The Company changed its business name from "VÚB Asset Management, správ. spol., a.s." to "Eurizon Asset Management Slovakia, správ. spol., a.s.". The change occurred on 28 March 2020, when this fact was also registered in the Business Register. In connection with the change of business name, the names of the funds under management were also changed, as each mutual fund includes the name of the management company itself.

Date of approval of the Financial Statements for the preceding accounting period

The Financial Statements of the Company as at 31 December 2020, i.e. for the preceding accounting period, were approved by the shareholder at the Company's general meeting on 17 March 2021.

Funds under administration

The Company has established and as at 31 December 2021 was administering the following thirteen open-end mutual funds:

Name of mutual fund	Audited by
VYVÁŽENÝ RASTOVÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
STREDOEURÓPSKY DLHOPISOVÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
KONZERVATÍVNE PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
DYNAMICKÉ PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
REZERVNÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
ACTIVE MAGNIFICA, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
ACTIVE BOND FUND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
AKCIOVÉ PORTFÓLIO, o.p.f. Eurizon Asset Management, správ Slovakia. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
MIX 30, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
MIX 15, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
EDÍCIA 2018, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.
ESG ZODPOVEDNÉ PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	Ernst & Young Slovakia, spol. s r.o.

The accounting records, financial reporting and assets of the funds are maintained separately from the accounting records, financial reporting and assets of the Company.

1. General information (continued)

VYVÁŽENÝ RASTOVÝ FOND, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 29 October 2001, and started issuing mutual fund certificates on 5 November 2001. The Fund focuses on investing accumulated assets mainly in publicly traded securities, especially debt securities and shares of new markets (using approximately 50:50 ratio), regions, industries, and companies operating in the markets of Middle and East Europe. The Fund invests into liquid securities, which offer an above-average yield or show great growth potential.

STREDOEURÓPSKY DLHOPISOVÝ FOND, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 22 August 2003, and started issuing mutual fund certificates on 1 September 2003. The Fund focuses on investing accumulated assets, as determined by the Act, mainly in bonds denominated in EUR and other national currencies of Middle and East Europe countries.

KONZERVATÍVNE PORTFÓLIO, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 17 January 2006, and started issuing mutual fund certificates on 9 February 2006. The Fund focuses on investing accumulated assets particularly into transferrable securities, money market instruments, bonds issued in the Slovak Republic, foreign bonds, shares issued by Slovak or foreign entities in the Slovak Republic or abroad, mutual fund certificates of other open-end mutual funds, other securities issued by the European funds and securities issued by other collective investment entities including mutual fund certificates of open-end mutual funds administered by the Company and in derivative instruments.

DYNAMICKÉ PORTFÓLIO, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 17 January 2006, and started issuing mutual fund certificates on 9 February 2006. The Fund focuses on investing accumulated assets particularly into the mutual fund certificates of other open-end mutual funds, other securities issued by European funds and securities issued by other collective investment entities, including mutual fund certificates of open-end mutual funds administered by the Company and European funds administered by administration companies from the Intesa Sanpaolo group, financial derivative instruments, shares, bonds issued in Slovak Republic or abroad, transferrable securities and money market instruments.

REZERVNÝ FOND, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 12 September 2008 with the original name VÚB AM PRIVÁTNY PEŇAŽNÝ FOND. This Fund focuses on investment, especially in transferable securities and in those money market instruments denominated in EUR, and in derivative instruments.

ACTIVE MAGNIFICA, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 12 September 2008 with the original name VÚB AM PRIVÁTNE PORTFÓLIO MIX 30. The Fund focuses mainly on investments into fund share certificates in equity and debt and money market instruments. Most assets of the fund are actively managed, i.e. the fund's asset structure changes dynamically, following the actual and expected development on financial markets.

ACTIVE BOND FUND, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 7 October 2013, and started issuing mutual fund certificates on 31 October 2013. Fund mainly focuses on investments into bond mutual funds managed by well-known foreign asset management companies. Within its investment strategy, it aims to invest into bonds with above-average performance within their asset class. In the investment selection process, the stress is put on choosing the best mutual funds in a given category based on the assessment of independent rating agencies.

AKCIOVÉ PORTFÓLIO, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 11 June 2019 and started issuing mutual fund certificates on 11 July 2019. The Fund appreciates the funds by investing primarily in publicly traded funds (ETFs) of the equity type, or futures contracts on equity markets and, to a lesser extent, in bond and money markets.

FLEXIBILNÝ KONZERVATÍVNY FOND, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 23 September 2015 and started issuing mutual fund certificates on 1 November 2015. The fund focuses mainly on investments into fund share certificates in equity, debt or mixed markets and money market instruments. Most assets of the fund are actively managed, i.e. the fund's asset structure changes dynamically, following the actual and expected development on financial markets.

1. General information (continued)

EDÍCIA 2018, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 27 April 2018 and started issuing mutual fund certificates on 17 May 2018 with the Subscription period lasting until 17 August 2018. The reference period started on 18 August 2018 and ends on 30 April 2023. The Fund focuses mainly on investments into fund share certificates in equity and debt and money market instruments. Most assets of the fund are actively managed, i.e. the fund asset structure changes dynamically, following the actual and expected development on financial markets.

MIX 15, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 14 July 2020 and started issuing mutual fund certificates on 4 August 2020. The Fund focuses mainly on investments into fund share certificates in equity and debt and money market instruments. Most assets of the fund are flexibly managed, i.e. the fund asset structure changes dynamically, following the actual and expected development on financial markets.

Based on the decision no. 100-000-246-354 and no. NBS1-000-052-787 from 7 September 2020, which became effective on 18 September 2020, the National Bank of Slovakia effectively granted permission to merge MAGNIFICA EDÍCIA II, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. into MIX15, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. on 26 November 2020.

MIX 30, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 29 June 2021 and started issuing mutual fund certificates on 12 August 2021. The Fund focuses mainly on investments into fund share certificates in equity, debt or mixed markets and money market instruments. Most assets of the fund are flexibly managed, i.e. the fund asset structure changes dynamically, following the actual and expected development on financial markets.

Based on the decision no. 100-000-294-113 and no. NBS1-000-059-823 from 28 June 2021, which became effective on 29 June 2021, the National Bank of Slovakia effectively granted permission to merge MAGNIFICA EDÍCIA I, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s., MAGNIFICA EDÍCIA III, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. and EDÍCIA SVET, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. into MIX30, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. on 12 August 2021.

ESG ZODPOVEDNÉ PORTFÓLIO, an open-end mutual fund of Eurizon Asset Management Slovakia, správ. spol., a.s. was established on 8 November 2021 and started issuing mutual fund certificates on 29 November 2021. The Fund aims to invest in a flexible choice of financial instrument, in particular mixed, bond, equity a cash assets, so that the Fund as a whole can be classified under Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council (hereinafter "SFDR"). The share of assets that are individually classified as financial product under Article 8 or 9 of the SFDR forms min. 90% of the value of the funds' assets.

Depository

The Company's depository is Všeobecná úverová banka, a.s., a member of the Intesa Sanpaolo S.p.A Group, Mlynské Nivy 1, 829 90 Bratislava 25.

1. General information (continued)

Management Board

The members of the Management Board of the Company as at 31 December 2021 and 31 December 2020 were:

	31 December 2021	31 December 2020
Chairman:	Marco Bus	Marco Bus
Members:	RNDr. Ing. Marian Matušovič, PhD. Liuba Samotyeva	RNDr. Ing. Marian Matušovič, PhD. Liuba Samotyeva

Proxy

Proxy of the Company as at 31 December 2021 and 31 December 2020 were as follows:

	31 December 2021	31 December 2020
Members:	JUDr. Božena Malecká RNDr. Peter Šenk Ing. Juraj Vaško	JUDr. Božena Malecká RNDr. Peter Šenk Ing. Juraj Vaško

Two members together can act on behalf of the Company.

Supervisory Board

The members of the Supervisory Board of the Company as at 31 December 2021 and 31 December 2020 were:

	31 December 2021	31 December 2020
Chairman:	Prof. Giorgio di Giorgio	Prof. Giorgio di Giorgio
Members:	Doc. Ing. Tomáš Výrost , PhD. Massimo Mazzini Alexander Resch Oreste Auleta	Doc. Ing. Tomáš Výrost , PhD. Massimo Mazzini Alexander Resch Oreste Auleta

Structure of the group

In 2013, the Company became the new centre of the rationalisation project of the existing operations of the financial group of Intesa Sanpaolo S.p.A. (the 'ISP Group') for asset management in Eastern Europe. The creation of this centre was the result of a strategic cooperation between Eurizon Capital SGR S.p.A. and the International Subsidiary Banks Division of ISP. The Company assumed the role of the parent of a subgroup, which covers the Hungarian company Eurizon Asset Management Hungary Zrt. and the Croatian company Eurizon Asset Management Croatia d.o.o.

Eurizon Capital SGR S.p.A., seated at Piazzetta Giordano dell' Amore 3, 20121 Milano, Italy, a member of the ISP Group, is a direct parent company of Eurizon Asset Management Slovakia, správ. spol., a.s.

1. General information (continued)

The Company is a member of the following groups:

	Direct Parent Company	Ultimate Parent Company
Name:	Eurizon Capital SGR S.p.A.	Intesa Sanpaolo S.p.A
Consolidated financial statements archived with:	Piazzetta Giordano dell' Amore 3, 20121 Milano, Italy	Piazza San Carlo 156, 10 121 Torino, Italy

The Company has applied the exemption from the obligation to prepare consolidated financial statements and a consolidated annual report in accordance with Article 22 (8) of the Act on Accounting: its ultimate parent company Intesa Sanpaolo S.p.A owns more than a 90 % share in the Company and prepares its consolidated financial statements in accordance with IFRS as adopted by the European Union. The Company and all its subsidiaries are included in these consolidated financial statements.

2. Accounting methods and policies

2.1 Basis of preparation

The separate financial statements of the Company ('the financial statements') as at 31 December 2021 have been prepared as ordinary financial statements in accordance with section 17 (6) of the Act No. 431/2002 Coll. on Accounting for the accounting period from 1 January 2021 until 31 December 2021 and have been prepared in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB') and with interpretations issued by the International Financial Reporting Interpretations Committee of the IASB ('IFRIC') as approved by the European Union Commission in accordance with the Regulation of the European Parliament and Council of the European Union.

The financial statements have been prepared on a going concern basis under the historical cost convention, except for financial instruments mandatorily at fair value through profit or loss, which are measured at fair value.

The outbreak of the COVID-19 coronavirus pandemic and the measures adopted by governments in countries worldwide to mitigate the pandemic's spread had no significant impact on the Company, except for slight drop in Fee and commission income, as a consequence from global market uncertainty and a decrease in investing in funds.

The Company had € 2.8 mil. of resources in cash and cash equivalents and € 16.6 mil. in other highly liquid assets. Also, as a daughter company of Intesa Sanpaolo S.p.A, which can back up the Company in crisis situations, the overall outlook of the Company is sound.

The financial statements are presented in thousands of euro ('€'), which is the Company's functional currency and rounded to the nearest thousand, unless indicated otherwise.

Negative balances are presented in brackets.

2.2 Significant accounting judgements and estimates

In the process of preparation of the financial statements, management has used its judgements and made estimates in determining the amounts recognised in the financial statements. The most significant use of judgements and estimates is in determining the fair value of financial instruments. Where the fair value of financial instruments recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques, which include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Determination of control over investees

Management applies its judgement to determine whether the control indicators set out in Note 2.12 indicate that the Company controls a mutual fund. The Company acts as fund manager to 14 open-end mutual funds. Determining whether the Company controls such fund usually focuses on the assessment of the aggregate economic interest of the Company in the fund (comprising any carried interests and expected management fees) and the investors' rights to remove the fund manager.

The Company has concluded that it acts as an agent for the investors in all cases, and therefore has not consolidated these funds. For further disclosure in respect of the asset value of the mutual funds under management see Note 25.

Measurement of lease liabilities and rights-of-use assets

The application of IFRS 16 requires the Company to make judgments that affect the measurement of lease liabilities and the rights-of-use assets (note 2.15). These include: determining the contracts that fall within the scope of IFRS 16, determining the period over which the leased asset will be used and determining the interest rate used to discount future cash flows.

For the assessment of the lease term the Company takes into account not only the non-cancellable period and the contractual period, but also the option to extend the lease if the Company plans to exercise such option. The specified lease term is also used as the economic period of the right of use for which that right will be depreciated.

2. Accounting methods and policies (continued)

2.3 Standards and interpretations relevant to the Company's operations issued that are effective for current year

Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities.

The amendments require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability.

The amendments did not have a material impact on the financial statements of the Company because Company does not have any contracts indexed to a benchmark rate that is subject to IBOR reform.

Amendments to IFRS 16 Leases COVID-19-Related Rent Concessions

The amendment applies, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue at 28 May 2020.

IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
- There is no substantive change to other terms and conditions of the lease.

The amendments, did not have a material impact on the financial statements of the Company because the Company did not renegotiate rent agreements.

2.4 Standards and interpretations relevant to the Company's operations issued but not yet effective

A number of new standards and amendments to standards are not yet effective or not yet adopted by the European Union. Early application is permitted, however, the Company has not early adopted the new and amended standards in preparing these consolidated financial statements. The Company intends to adopt these standards when they become effective.

IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted.

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The Amendments have not yet been endorsed by the EU.

For leases, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

2. Accounting methods and policies (continued)

The Company accounts for deferred tax on leases applying the 'integrally linked' approach, resulting in a similar outcome to the amendments, except that the deferred tax impacts are presented net in the statement of financial position. Under the amendments, the Company will recognise a separate deferred tax asset and a deferred tax liability. As at 31 December 2021, the taxable temporary difference in relation to the right-of-use asset is € 30 thousand and the deductible temporary difference in relation to the lease liability is € 30 thousand, resulting in a net deferred tax asset of € nil. The Company already presents such disclosure in notes to the separate financial statements (note 9).

Under the amendments, the Company will present a separate deferred tax liability of € 30 thousand and a deferred tax asset of € 30 thousand. There will be no impact on retained earnings on adoption of the amendments.

Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU.

The Company expects that the amendments, when initially applied, will not have a material impact on the financial statements of the Company.

The following new and amended standards are not expected to have a significant impact on the Company's consolidated financial statements:

- IFRS 17: Insurance Contracts and amendments to IFRS 17 Insurance Contracts,
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1),
- Reference to Conceptual Framework (Amendments to IFRS 3),
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16),
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37),
- Annual Improvements to IFRS Standards 2018–2020,
- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16),
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2),
- Definition of Accounting Estimates (Amendments to IAS 8).

2.5 Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the reference exchange rates determined and declared by the European Central Bank or National Bank of Slovakia as at the date preceding the date of the accounting transaction or at any other day if required by special regulation.

At the reporting date, the assets and liabilities denominated in foreign currency (except for advance payments made and advance payments received) are translated into the functional currency using the reference exchange rates determined and declared by the European Central Bank or National Bank of Slovakia as at the reporting date. The transaction in foreign currency is retranslated into the functional currency using the exchange rate valid at the date of the accounting transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as 'Net income from trading' in the statement of profit or loss and other comprehensive income.

2. Accounting methods and policies (continued)

2.6 Financial instruments – date of recognition

Purchases or sales of financial assets (other than trade receivables) that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the settlement date. Derivatives are recognised on a trade date basis.

2.7 Initial recognition of financial instruments

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The Company classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms into measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. At initial recognition, the financial assets and liabilities are measured at fair value.

2.8 Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; or
- either: (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

If the Company owns more than one piece of the same security, the weighted average method is used at the disposal of the investment.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

2.9 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if, and only if, there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

2.10 Cash and cash equivalents

Cash and cash equivalents represent current account balances and term deposits with commercial banks with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

2. Accounting methods and policies (continued)

2.11 Financial assets mandatorily at fair value through profit or loss

Financial assets in this category are those that are not held for trading and are mandatorily required to be measured at fair value under IFRS 9, as they do not meet requirements of SPPI test.

Financial assets mandatorily measured at fair value comprise share certificates of the managed open-end mutual funds. Financial assets measured mandatorily at fair value through profit or loss are recorded in the statement of financial position at fair value. The fair value of financial assets owned, for which an active market exists, and where a market value can be reliably estimated, is measured at the quoted market prices. If the value of financial assets cannot be assessed using this method, the value is assessed by the Company upon agreement with the depositary, using generally accepted valuation methods. Such methods reflect the latest interest rates of financial instruments having either the same or comparable characteristics, the credibility of the issuer of the securities, the residual maturity and the currency in which payments flowing from the ownership title to these financial assets are denominated.

Changes in fair values are recorded to expense or revenue accounts and are reported as 'Net income from trading' in the statement of profit or loss and other comprehensive income and debited or credited to appropriate securities accounts.

2.12 Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Company reassesses whether it has control if there are changes to one or more elements of control. This includes circumstances in which protective rights held become substantive and lead to the Company having power over an entity.

Subsidiaries are recorded at cost less impairment losses. The impairment loss is measured using the Dividend discount model.

Dividend discount model

The Management of the companies subject to the impairment test provide a projection of dividends expected to be paid out by their companies in the next five years. The model calculates the present value of these cash flows, discounting them at the interest rate resulting from the CAPM (Capital Asset Pricing Model). Cash flows after the period of five years are determined by the present value of the perpetuity with a particular estimated growth rate, determined at Intesa Sanpaolo Group level specifically for the Slovak market.

2.13 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and the Company does not intend to sell them immediately or in the near term. Receivables are initially recognised when they are originated. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequently, receivables are carried at amortised cost if they meet both of the following conditions and are not designated as at FVTPL

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

The Company measures loss allowances for receivables at an amount equal to lifetime expected credit losses. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

2. Accounting methods and policies (continued)

2.14 Intangible assets

Intangible assets are recorded at historical cost less accumulated depreciation and impairment losses.

Amortisation plan

Amortisation is calculated on a straight-line basis in order to write off the cost of each asset to its residual value over its estimated useful economic life as follows:

	Number of years
Software	7

Amortisation methods, useful lives and net book values are reassessed at each balance sheet date.

2.15 Leasing – Right-of-use and Lease Liabilities

The Company identified a lease contract for office space reported under 'Property, equipment and other tangible assets' in the category 'Buildings' (Note 2.16).

Leases in which the Company is a lessee

The Company applies a single accounting model that requires the lessee to recognise assets and liabilities for all leases excluding exceptions listed in the Standard. The Company has decided to apply exemptions for short-term leases and leases for which the underlying asset is of low value.

Based on the accounting policy applied the Company recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

The right-of-use assets are initially measured at cost, which is comprised of:

- The amount of the initial measurement of the lease liability;
- Any lease payments made prior to or at the commencement date, deducted the incentives received for that lease;
- Any initial direct costs incurred by the lessee;
- An estimate of the costs that the lessee will have to incur for the dismantling and removal of the leased asset or for the restoration of the site where the asset is located.

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

The right-of-use is recognised as part of 'Property, equipment and other tangible assets'. The periods of expected use of the leased assets are set out in Note 2.16.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company recognises liability retirement obligations mainly in relation to leased premises which would need to be restored to previous state when the lease ends. Liability retirement obligations are capitalised as part of the cost of right-of-use assets and depreciated over the asset's estimated useful life. The Company estimates the fair value of liability retirement obligations using average premises reinstatement cost and the discount rate which equals the risk-free interest rate for the Company and the currency of the lease contract.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;

2. Accounting methods and policies (continued)

- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments exclude variable elements which are dependent on external factors. Variable lease payments not included in the initial measurement of the lease liability are recognised directly in the profit and loss in the line 'Other operating expenses'.

The lease payments are discounted using the Company's incremental borrowing rate or the rate implicit in the lease contract. Interest expense is recognised in the statement of profit or loss in the line 'Interest and similar expense'.

The lease term determined by the Company is comprised of:

- non-cancellable period of lease contracts,
- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option,
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Subsequently the Company measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect lease payments made, and
- re-measuring the carrying amount to reflect any reassessment or lease modifications.

Liabilities are recognised separately in the Statement of Financial Position under 'Lease liabilities'.

2.16 Property, equipment and other tangible assets

Property, equipment and other tangible assets are recorded at their acquisition cost less accumulated depreciation and impairment losses.

Acquisition cost includes the purchase price plus other costs related to the acquisition, such as freight, duties and commissions. Irrecoverable value added tax is also part of the acquisition cost.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency are capitalised. Upkeep, maintenance and repair costs are expensed as incurred.

Depreciation plan

Property, equipment and other tangible assets is depreciated using the straight-line method over the estimated useful lives of the assets.

The estimated useful lives are as follows:

	Number of years
Buildings (rights-of-use)	5
Property and equipment	4
Furniture and office equipment	4 – 6
Other items of property and equipment	4 – 6

Depreciation methods, useful lives and net book values are reassessed at each balance sheet date.

2.17 Liabilities

Liabilities are initially recorded at their fair value. Subsequently, they are carried at amortised cost.

2. Accounting methods and policies (continued)

2.18 Provisions

A provision represents a liability of uncertain timing or amount. Provisions are made if the following criteria are met:

- an obligation (legal or constructive) to perform exists, resulting from past events,
- it is probable that the event will occur and that it will require a cash outflow representing economic benefits,
- the amount of the obligation can be reliably estimated.

2.19 Interest income and interest expense

Revenues and expenses are accounted for on an accruals basis, i.e. regardless of their actual financial settlement.

Interest income and expense are recognised in the statement of profit or loss and other comprehensive income using the effective yield of the interest-earning asset or interest-bearing liability. Interest income and expense include interest on coupons earned on securities and the gradually earned difference between the nominal value and the net acquisition cost of securities, i.e. discounts and premiums.

2.20 Fees and commissions

Fee and commission income from contracts is measured based on consideration specified with the customer. The Company recognizes revenue when it transfers control over a service to the customer. The following description provides information about the nature and timing of the satisfaction of the Company's performance obligation in the contracts with the funds under management.

Fee and commission income comprises management fees, fees for distribution of mutual fund certificates and termination fees.

Nature and timing of satisfaction of performance obligations, including significant payment terms:

Management fees

The management fees are earned from the funds under the Company's management and are accrued on a daily basis based on the net asset values of the funds under management ("NAV") applying the relevant fee rates from the funds' statutes.

Management fees meet a definition of series of distinct services that are substantially the same and have the same pattern of transfer to the customer. The management fees for services provided by the Company represent delivery of a continuous service to the funds over the contract period with each time increment of service provided (i.e. each day) being distinct from the next. The funds consume the benefits of the services as the Company provides them and the measure of progress is the same (i.e. time lapsed). Because the series criteria are met, the Company accounts for the management fees as a single performance obligation.

The Company accounts for a variable consideration only when it is highly probable that a significant reversal in the amount of the fee income will not occur. The cumulative amount of consideration from the management fee to which the Company is entitled is not constrained, because it is calculated based on the NAV each day. Therefore, the consideration is known on the day when the fee is calculated.

Management fees are invoiced to the funds on a monthly basis and essentially remunerate the Company's management of the investment portfolios of the funds.

Fees for distribution of mutual fund certificates

Fees for distribution of mutual fund certificates are fees earned from the investors in the funds on the purchase of the mutual fund certificates. The fees are based on the number of redeemed mutual fund certificates and respective rates from the funds' statutes. They are invoiced to investors upon purchase of the mutual fund certificates.

2. Accounting methods and policies (continued)

Termination fees Termination fees are fees for redemptions of mutual fund certificates. Termination fees are earned from the investors in the funds. The fees are based on the rates as per the fund's statutes and number of redeemed mutual fund certificates. Termination fees are invoiced upon redemption of the mutual fund certificates of the funds under management.

Revenue recognition under IFRS 15:

Management fees	Revenue from management fees is recognised over time as the services are rendered.
Fees for distribution of mutual fund certificates	Revenue related to fees for distribution of mutual fund certificates is recognised at the point in time when the transaction, i.e. the sale of fund certificate, takes place.
Termination fees	Revenue related to termination fees is recognised at the point in time when the redemption takes place.

The Company pays fees mainly for the distribution of the open-end mutual funds based on specific contracts with VÚB Bank. These are recognized on the respective distribution and termination dates of the mutual fund certificate. Fees paid are reported under 'Fee and commission expense'.

2.21 Dividend income

Dividend income is recognized in the statement of profit or loss and other comprehensive income on the date the dividend is declared.

2.22 Net income from trading

Net income from trading includes gains and losses arising from purchases, disposals and changes in the fair value of financial assets and liabilities including securities. It also includes the result of all foreign currency transactions.

2.23 Personnel expenses

Contributions are made to the state's medical, retirement benefit, health and unemployment schemes at the statutory rates in force during the year, based on gross salary payments. The cost of social security payments is charged to the statement of profit or loss and other comprehensive income in the same period as the related salary cost. The Company takes part in the voluntary additional old-age pension savings program for its employees. Based on this program, the Company does not have to recognise any additional liabilities to its employees.

2.24 Income tax

Income tax comprises current income tax and deferred income tax.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised on temporary differences between the tax base of assets or liabilities and their carrying amount using the balance sheet method. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company also pays other indirect operating taxes which are included in 'Other operating expense'.

2. Accounting methods and policies (continued)

2.25 Regulatory requirements

In compliance with the provisions of Act No. 203/2011 on Collective Investments, the Company is subject to several limitations in respect of risk limitations and risk spreading relating to its investment activities.

2.26 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include cash on hand and amounts due from banks with contractual maturity up to three months.

3. Cash and cash equivalents

The breakdown of cash and cash equivalents as at 31 December 2021 and 31 December 2020 is as follows:

<i>in thousands of euro</i>	2021	2020
Current accounts	2,786	2,123
Term deposits	-	-
	<u>2,786</u>	<u>2,123</u>

The Company has current accounts in € and HUF with its authorised depository Všeobecná úverová banka, a.s.

4. Receivables from funds

The structure of receivables from funds as at 31 December 2021 and 31 December 2020 is as follows:

<i>in thousands of euro</i>	2021	2020
DYNAMICKÉ PORTFÓLIO, o.p.f.	549	423
ACTIVE MAGNIFICA, o.p.f.	185	222
FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f.	100	133
ACTIVE BOND FUND, o.p.f.	108	142
KONZERVATÍVNE PORTFÓLIO, o.p.f.	77	89
VYVÁŽENÝ RASTOVÝ FOND, o.p.f.	143	189
STREDOEURÓPSKY DLHOPISOVÝ FOND, o.p.f.	41	56
MAGNIFICA EDÍCIA III, o.p.f.	-	40
EDÍCIA SVET, o.p.f.	-	41
MAGNIFICA EDÍCIA I, o.p.f.	-	21
REZERVNÝ FOND, o.p.f.	12	13
EDÍCIA 2018, o.p.f.	15	16
AKCIOVÉ PORTFÓLIO, o.p.f.	242	85
MIX 15, o.p.f.	23	29
MIX 30, o.p.f.	57	-
ZPF, o.p.f.	10	-
	<u>1,562</u>	<u>1,499</u>

5. Financial assets mandatorily at fair value through profit or loss

The structure of financial assets mandatorily at fair value through profit or loss as at 31 December 2021 and 31 December 2020 is as follows:

<i>in thousands of euro</i>	2021	2020
Securities held for liquidity purpose	16,545	17,625
Securities held for remuneration policy	73	50
	<u>16,618</u>	<u>17,675</u>

5. Financial assets mandatorily at fair value through profit or loss (continued)

The Company held the following financial assets mandatorily at fair value through profit or loss as at 31 December 2021:

<i>in thousands of euro</i>	CCY	Units	Acqui- tion cost	Unit FV in CCY	Fair Value
REZERVNÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	450 568 185	16 540	0,036721	16 545
KONZERVATÍVNE PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	-	-	-	-
DYNAMICKÉ PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	447 152	22	0,050291	22
VYVÁŽENÝ RASTOVÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	-	-	-	-
ACTIVE BOND FUND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	177 398	22	0,122510	22
Flexibilný Konzervatívny FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	274 632	29	0,104471	29
			<u>16 613</u>		<u>16 618</u>

The Company held the following financial assets mandatorily at fair value through profit or loss as at 31 December 2020:

<i>in thousands of euro</i>	CCY	Units	Acqui- tion cost	Unit FV in CCY	Fair Value
REZERVNÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	477 694 921	17 536	0,036897	17 625
KONZERVATÍVNE PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	86 144	3	0,038437	3
DYNAMICKÉ PORTFÓLIO, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	325 747	13	0,045884	15
VYVÁŽENÝ RASTOVÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	35 494	2	0,049357	2
ACTIVE BOND FUND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	112 670	13	0,122035	14
Flexibilný Konzervatívny FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s.	EUR	154 422	16	0,104764	16
			<u>17 583</u>		<u>17 675</u>

6. Subsidiaries

<i>in thousands of euro</i>	Share in %	2021	2020
Eurizon Asset Management Hungary Zrt.	100	2,278	2,278
Eurizon Asset Management Croatia d.o.o.	100	660	660
		<u>2,938</u>	<u>2,938</u>

Eurizon Asset Management Croatia d.o.o. has its registered seat at Ulica Grada Vukovara 271, 10 000 Zagreb, Croatia. Eurizon Asset Management Hungary Zrt. has its registered seat at Medve utca 4-14, 1027 Budapest, Hungary. Both companies provide asset management services.

The Company is not a partner with unlimited liability in any other company.

Dividend income from subsidiaries was as follows:

<i>in thousands of euro</i>	2021	2020
Eurizon Asset Management Hungary Zrt.	1,501	1,905
Eurizon Asset Management Croatia d.o.o.	161	345
	<u>1,662</u>	<u>2,250</u>

7. Intangible assets

The movements in intangible assets in 2021 were as follows:

<i>in thousands of euro</i>	Software	Other intangible assets	Assets in progress	Total
Acquisition cost				
1 January 2021	954	-	-	954
Additions	-	-	59	59
Disposals	-	-	-	-
Transfers	59	-	(59)	-
31 December 2021	<u>1 013</u>	<u>-</u>	<u>-</u>	<u>1 013</u>
Accumulated amortisation				
1 January 2021	(799)	-	-	(799)
Amortisation for the year	(60)	-	-	(60)
Disposals	-	-	-	-
31 December 2021	<u>(859)</u>	<u>-</u>	<u>-</u>	<u>(859)</u>
Net book value				
1 January 2021	<u>155</u>	<u>-</u>	<u>-</u>	<u>155</u>
31 December 2021	<u>154</u>	<u>-</u>	<u>-</u>	<u>154</u>

7. Intangible assets (continued)

The movements in intangible assets in 2020 were as follows:

<i>in thousands of euro</i>	Software	Other intangible assets	Assets in progress	Total
Acquisition cost				
1 January 2020	914	-	-	914
Additions	-	-	40	40
Disposals	-	-	-	-
Transfers	40	-	(40)	-
31 December 2020	<u>954</u>	<u>-</u>	<u>-</u>	<u>954</u>
Accumulated amortisation				
1 January 2020	(745)	-	-	(745)
Amortisation for the year	(54)	-	-	(54)
Disposals	-	-	-	-
31 December 2020	<u>(799)</u>	<u>-</u>	<u>-</u>	<u>(799)</u>
Net book value				
1 January 2020	<u>169</u>	<u>-</u>	<u>-</u>	<u>169</u>
31 December 2020	<u><u>155</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>155</u></u>

Intangible assets comprise mainly software used to perform the valuation of the funds' assets, administration of the clients' database and risk management. The estimated useful life of the software is in line with the amortisation plan of the Company (seven years). In order to maintain the highest efficiency and effectiveness, the software is being upgraded continuously.

The gross book value of fully amortised assets that are still used by the Company was € 574 thousand as at 31 December 2021 (31 December 2020 € 559 thousand).

8. Property, equipment and other tangible assets

The movements in property, equipment and other tangible assets in 2021 were as follows:

<i>in thousands of euro</i>	Buildings	Furniture and office equipment	Other tangible assets	Assets in progress	Total
Acquisition cost					
1 January 2021	556	3	-	-	559
Additions	(55)	-	-	5	(50)
Disposals	-	-	-	-	-
Transfers	5	-	-	(5)	-
31 December 2021	506	3	-	-	509
Accumulated depreciation					
1 January 2021	(240)	(2)	-	-	(242)
Depreciation for the year	(100)	-	-	-	(100)
Disposals	-	-	-	-	-
31 December 2021	(340)	(2)	-	-	(342)
Net book value					
1 January 2021	316	1	-	-	317
31 December 2021	166	1	-	-	167

Of which right-of-use assets:

<i>in thousands of euro</i>	Buildings	Vehicles	Total
Acquisition cost			
1 January 2021	393	66	459
Additions	(55)	-	(55)
Disposals	-	-	-
Transfers	-	-	-
31 December 2021	338	66	404
Accumulated depreciation			
1 January 2021	(161)	(17)	(178)
Depreciation for the year	(68)	(17)	(85)
Disposals	-	-	-
31 December 2021	(229)	(34)	(263)
Net book value			
1 January 2021	232	49	281
31 December 2021	109	32	141

8. Property, equipment and other tangible assets (continued)

The movements in property, equipment and other tangible assets in 2020 were as follows:

<i>in thousands of euro</i>	Buildings	Furniture and office equipment	Other tangible assets	Assets in progress	Total
Acquisition cost					
1 January 2020	505	3	1	-	509
Additions	50	-	-	23	73
Disposals	(22)	-	(1)	-	(23)
Transfers	23	-	-	(23)	-
31 December 2020	<u>556</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>559</u>
Accumulated depreciation					
1 January 2020	(151)	(2)	(1)	-	(154)
Depreciation for the year	(111)	-	-	-	(111)
Disposals	22	-	1	-	23
31 December 2019	<u>(240)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(242)</u>
Net book value					
1 January 2020	<u>354</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>355</u>
31 December 2020	<u><u>316</u></u>	<u><u>1</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>317</u></u>

Of which right-of-use assets:

<i>in thousands of euro</i>	Buildings	Vehicles	Total
Acquisition cost			
1 January 2020	409	-	409
Additions	(16)	66	50
Disposals	-	-	-
Transfers	-	-	-
31 December 2020	<u>393</u>	<u>66</u>	<u>459</u>
Accumulated depreciation			
1 January 2020	(82)	-	(82)
Depreciation for the year	(79)	(17)	(96)
Disposals	-	-	-
31 December 2020	<u>(161)</u>	<u>(17)</u>	<u>(178)</u>
Net book value			
1 January 2020	<u>327</u>	<u>-</u>	<u>327</u>
31 December 2020	<u><u>232</u></u>	<u><u>49</u></u>	<u><u>281</u></u>

The gross book value of fully depreciated assets that are still used by the Company was € 46 thousand as at 31 December 2021 (€ 49 thousand as at 31 December 2020).

The Company's insurance covers all standard risks to tangible assets and intangible assets (theft, robbery, natural hazards, vandalism, and other damages).

At 31 December 2021 and 31 December 2020, no property, equipment and other tangible assets were pledged by the Company to secure transactions with counterparties.

9. Taxes

The effective tax rate differs from the statutory tax rate in 2021 and in 2020. The reconciliation of the Company's profit before tax with the actual corporate income tax is as follows:

in thousands of euro

	2021		2020	
	Tax base	Tax at applicable tax rate (21%)	Tax base	Tax at applicable tax rate (21%)
Profit before tax	3,887	(816)	4,604	(967)
Tax effect of expenses that are not deductible in determining taxable profit				
Tax deductible expense upon payment	1,220	(256)	1,164	(244)
Creation of reserves for bonuses	495	(104)	309	(65)
Creation of provisions for accrued expenses	41	(9)	90	(19)
Creation of social fund	23	(5)		
Representation expenses	15	(3)	17	(4)
Other	141	(30)	127	(25)
	<u>1,935</u>	<u>(407)</u>	<u>1,707</u>	<u>(359)</u>
Tax effect of revenues that are deductible in determining taxable profit				
Dividends received	(1,662)	349	(2,250)	473
Tax deductible expense upon payment – paid	(1,164)	244	(1,281)	269
Use of reserves for bonuses	(186)	39	(132)	28
Use of reserves for accrued expenses	(90)	19	(43)	9
Release of reserves for bonuses	-	-	-	-
Other	(90)	19	(95)	20
	<u>(3,192)</u>	<u>670</u>	<u>(3,801)</u>	<u>799</u>
Current income tax	<u>2,630</u>	<u>(553)</u>	<u>2,510</u>	<u>(527)</u>
Deferred income tax at 21%		<u>(66)</u>		<u>23</u>
Income tax expense		<u>487</u>		<u>(504)</u>
Effective tax rate		<u>12.53 %</u>		<u>10.96 %</u>

9. Taxes (continued)

Deferred tax

In 2021 and 2020, the Company accounted for deferred tax from taxable temporary differences between the carrying amount of assets and liabilities and their tax value.

Deferred taxes as at 31 December 2021 are calculated on all temporary differences using a tax rate of 21% as follows:

<i>in thousands of euro</i>	2021	Income/ (loss)	2020
Difference between tax value and net book value of tangible assets	(30)	29	(59)
Difference between tax value and net book value of lease liabilities	30	(30)	60
Other liabilities – tax base after payment	442	66	376
Deferred tax asset	<u>442</u>	<u>66</u>	<u>376</u>

Deferred taxes as at 31 December 2020 are calculated on all temporary differences using a tax rate of 21% as follows:

<i>in thousands of euro</i>	2020	Income/ (loss)	2019
Difference between tax value and net book value of tangible assets	(59)	10	(69)
Difference between tax value and net book value of lease liabilities	60	(9)	69
Other liabilities – tax base after payment	<u>376</u>	<u>23</u>	<u>353</u>
Deferred tax asset	<u>376</u>	<u>23</u>	<u>353</u>

10. Other assets

The structure of other assets as at 31 December 2020 and 31 December 2019 is as follows:

<i>in thousands of euro</i>	2021	2020
Other receivables and prepayments	96	80
Other assets	-	-
	<u>96</u>	<u>80</u>

There are no overdue receivables within other assets. The Company did not create any impairment losses for receivables as at 31 December 2021 and 31 December 2020.

11. Accrued expenses

The breakdown of accrued expenses as at 31 December 2021 and 31 December 2020 is as follows:

<i>in thousands of euro</i>	2021	2020
VÚB – management fees	970	958
VÚB – fees for distribution of fund share certificates	153	104
ISP Group Services	17	25
VÚB – other	6	10
Generali – management fees	44	45
Epsilon – management fees	19	23
Eurizon – management fees	16	18
Audit	7	18
Competitions for salesmen	-	-
Eurizon – service level agreement	17	10
Eurizon – license agreement	12	15
Other	32	72
	<u>1,293</u>	<u>1,298</u>

12. Lease liabilities

Lease liabilities resulting from the lease of office premises and cars as at 31 December 2021 and 31 December 2020 were as follows:

<i>in thousands of euro</i>	2021	2020
1 January	283	327
Accrued interest	3	4
Leasing payments: interest	(3)	(4)
Leasing payments: principal	(138)	(44)
31 December	<u>145</u>	<u>283</u>

13. Other liabilities

The breakdown of other liabilities as at 31 December 2021 and 31 December 2020 is as follows:

<i>in thousands of euro</i>	2021	2020
Year-end bonuses	838	530
Undrawn vacations	69	65
Payables to employees	-	-
Social security payables	31	25
Other direct and indirect taxes	18	11
Social fund	15	(1)
Supervisory Board remuneration	5	4
VÚB Leasing	-	-
VÚB, a.s. – fees	-	-
Other liabilities	90	71
	<u>1,066</u>	<u>705</u>

There were no overdue payables within the balance of other liabilities as at 31 December 2021 and 31 December 2020.

13. Other liabilities (continued)

The movements in social fund liability were as follows:

<i>in thousands of euro</i>	1 Jan 2021	Creation	Use	31 Dec 2021
Social fund	(1)	33	(17)	(15)

<i>in thousands of euro</i>	1 Jan 2020	Creation	Use	31 Dec 2020
Social fund	(4)	20	(17)	(1)

14. Equity

The movements on the equity accounts are detailed in the Statement of changes in equity.

Share capital

The shareholding structure of the Company is as follows:

	2021	2020
Eurizon Capital SGR S.p.A.	100.0 %	100.0 %

On 9 June 2018 Eurizon Capital SGR S.p.A. became sole shareholder of the Company.

The share capital as at 31 December 2021 in the amount of € 4,094 thousand consists of 1,233 ordinary shares (as at 31 December 2020 the share capital was in the amount of € 4,094 and consisted of 1,233 ordinary shares) with a nominal value of € 3,320 each. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares of the Company were authorized, issued and fully paid as at 31 December 2021 and 31 December 2020.

Earnings per share of the Company as at 31 December 2020 and as at 31 December 2019:

	2021	2020
Net profit for the year (EUR thousand)	3,400	4,100
Number of shares	1,233	1,233
Basic and diluted earnings per share (EUR)	<u>2.76</u>	<u>3.33</u>

Share premium and Other funds

Compensation for the issue of new shares in 2013 consisted of in-kind contributions in the form of holdings in the companies PBZ Invest d.o.o. as a contribution of the shareholder Privredna Banka Zagreb d.d. and CIB Befektetési Alapkezelő Zrt. as a contribution of the shareholder Eurizon Capital S.A. The fair value of these companies was allocated between the share capital in the amount of € 2,434 thousand and the share premium in the amount of € 38,438 thousand.

As the transaction was a common control transaction, the value was subsequently adjusted to the value that had been recognised in the original parent companies before the transaction. The value adjustment of € (37,934) thousand is recognised under Other funds.

14. Equity (continued)

Legal reserve fund

Under the Slovak Commercial Code, all companies are required to maintain a legal reserve fund and can only be used to cover future losses. The Company is obliged to contribute an amount to the fund each year that is not less than 10% of its annual net profit until the aggregate amount reaches a minimum level equal to 20 % of the issued share capital. The aggregate amount of legal reserve fund is € 819 thousand as at 31 December 2020, which represents the level of 20% of the issued share capital (as at 31 December 2019: € 819 thousand, which represented the level of 20% of the issued share capital).

Distribution of profit

On 17 March 2021 the General Assembly meeting was held, at which the shareholders approved the 2020 profit distribution as follows:

<i>in thousands of euro</i>	2020
Dividend payment to shareholders	4,100
	<u>4,100</u>

Proposed distribution of profit

The Management Board will propose the following 2021 profit distribution at the General Assembly meeting to be held on 17 March 2022:

<i>in thousands of euro</i>	2021
Dividend payment to shareholders	3,400
	<u>3,400</u>

15. Interest and similar expense

The breakdown of net interest expense is as follows:

<i>in thousands of euro</i>	2021	2020
Lease liabilities	(3)	(4)
	<u>(3)</u>	<u>(4)</u>

16. Fee and commission income

In the following table fee and commission income from contracts with the funds in the scope of IFRS 15 is disaggregated by main type of services:

<i>in thousands of euro</i>	2021				Total
	Management fees	Fees for distribution of mutual fund certificates	Termination fees	Other fees and commissions	
Dynamické portfólio, o.p.f.	5,219	889	54	-	6,162
Active Magnifica, o.p.f.	2,337	88	14	162	2,601
Active Bond Fund, o.p.f.	1,402	64	13	26	1,505
Flexibilný konzervatívny fond, o.p.f.	1,316	45	6	6	1,373
Konzervat. portfólio, o.p.f.	960	3	19	-	982
Vyváž. rastový fond, o.p.f.	1,649	138	22	-	1,809
Stredoeurópsky dlhopis. fond, o.p.f.	568	4	7	-	579
Magnifica Edícia III, o.p.f.	219	-	-	20	239
Edícia svet, o.p.f.	215	-	-	28	243
Edícia 2018, o.p.f.	175	-	-	16	191
Magnifica Edícia II, o.p.f. (merged to MIX 15)	-	-	-	-	-
Magnifica Edícia I, o.p.f.	106	-	-	9	115
Rezervný fond, o.p.f.	146	-	-	-	146
Akciové portfólio, o.p.f.	1,285	803	25	-	2,113
MIX 15, o.p.f.	255	86	5	1	347
MIX 30, o.p.f.	247	38	-	-	285
ZPF, o.p.f.	3	7	-	-	10
Other fees	-	-	-	-	-
	<u>16,102</u>	<u>2,165</u>	<u>165</u>	<u>268</u>	<u>18,700</u>

<i>in thousands of euro</i>	2020				Total
	Management fees	Fees for distribution of mutual fund certificates	Termination fees	Other fees and commissions	
Dynamické portfólio, o.p.f.	4,072	620	72	-	4,764
Active Magnifica, o.p.f.	2,577	230	16	43	2,866
Active Bond Fund, o.p.f.	1,560	308	11	42	1,921
Flexibilný konzervatívny fond, o.p.f.	1,581	162	5	47	1,795
Konzervat. portfólio, o.p.f.	1,094	5	21	-	1,120
Vyváž. rastový fond, o.p.f.	1,954	228	26	-	2,208
Stredoeurópsky dlhopis. fond, o.p.f.	684	17	6	-	707
Magnifica Edícia III, o.p.f.	492	-	-	6	498
Edícia svet, o.p.f.	470	-	-	11	481
Edícia 2018, o.p.f.	196	-	-	3	199
Magnifica Edícia II, o.p.f. (merged to MIX 15)	228	-	-	5	233
Magnifica Edícia I, o.p.f.	243	-	-	5	248
Rezervný fond, o.p.f.	162	-	-	-	162
Akciové portfólio, o.p.f.	431	422	13	-	866
MIX 15, o.p.f.	31	83	-	-	114
Other fees	-	-	-	3	3
	<u>15,775</u>	<u>2,075</u>	<u>170</u>	<u>165</u>	<u>18,185</u>

17. Fee and commission expense

The breakdown of expenses for fees and commissions is as follows:

<i>in thousands of euro</i>	2021	2020
Fees for fund administration	(11,400)	(11,153)
Fees for sale of mutual fund certificates	(2,197)	(2,095)
Bank fees	(15)	(10)
Other fees	(5)	(4)
	<u>(13,617)</u>	<u>(13,262)</u>

18. Net (loss)/income from trading

The breakdown of net loss from trading is as follows:

<i>in thousands of euro</i>	2021	2020
(Loss)/income from securities	(74)	(18)
Realised FX losses	(39)	(14)
	<u>(113)</u>	<u>(32)</u>

19. Personnel expenses

The breakdown of personnel expenses is as follows:

<i>in thousands of euro</i>	2021	2020
Wages and salaries	(694)	(640)
Bonuses for 2021	(474)	(290)
Social security costs	(304)	(278)
	<u>(1,472)</u>	<u>(1,208)</u>

Average number of employees by categories:

	2021	2020
Key management personnel	1	1
Middle management	7	5
Administration	14	18
	<u>22</u>	<u>24</u>
Headcount as at 31 December	22	24
Average number of employees	<u>21</u>	<u>21</u>

The average number of employees as well as employees in Administration include two employees (2020: two employees) on maternity leave as at 31 December 2021.

20. Other operating expenses

The breakdown of other operating expenses is as follows:

<i>in thousands of euro</i>	2021	2020
Advisory services	(448)	(431)
IT systems maintenance	(346)	(365)
Rent	(24)	(23)
Advertising and promotional activities	(89)	(102)
Fee to NBS, Investment Guarantee Fund	(84)	(84)
Market information providers (Bloomberg, Reuters)	(77)	(67)
Travelling	(3)	(4)
Supervisory Board remuneration	(23)	(21)
Audit	(12)	(27)
Education	(13)	(7)
Office supplies	(7)	(8)
Fuel	(4)	(4)
Other car expenses	(7)	(8)
Archive	(16)	(28)
Copy machine service	(2)	(3)
Other	(38)	(64)
	<u>(1,193)</u>	<u>(1,246)</u>

The breakdown of audit and assurance services is as follows:

<i>in thousands of euro</i>	2021	2020
Audit of the separate financial statements	(10)	(26)
Audit of the consolidation package	(2)	(1)
	<u>(12)</u>	<u>(27)</u>

Expenses for the statutory audit of the mutual funds under the Company's administration are recorded as an expense of the individual funds.

21. Financial and operational risk management

The purpose of risk management is to achieve an optimal ratio between the risk profile of the Company and its profitability. The Company, based on the activities it performs, is exposed particularly to the following types of risks: credit, market and operational risk. The risk management process comprises mainly risk identification, risk quantification, reporting, and preventing and detecting measures.

Due to the non-complex structure of the financial instruments portfolio, the Company is exposed to credit risk, liquidity risk, interest rate risk and operational risk. The Company is not exposed to share price risk. Nor is the Company exposed to currency risk since the Company maintains its accounting books in euro and its activities are conducted in euro and generally the investments are made only into funds investing into financial assets denominated in euro.

21.1 Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and cash equivalents as well as investment securities in open-end mutual funds and receivables from the funds.

In order to achieve the required appreciation of the invested assets and acceptable risk position, as at 31 December 2021 and 31 December 2020, the Company only invested into low-risk instruments with a short duration denominated in €. The Company does not require collateral to minimise credit risk, which reflects the nature of the Company's operations and counterparties.

The Company does not use any internal ratings to assess the credit quality of the financial assets. The quality of financial assets based on external credit risk ratings was as follows:

<i>in thousands of euro</i>	External rating	2021	2020
Cash and cash equivalents	A2 *	2,786	2,123
Financial assets mandatorily at fair value through profit or loss	n/a	16,618	17,675
Receivables from funds	n/a	1,562	1,499

* external rating according to Moody's rating agency

Out of the total balance of EUR 16,618 thousand as at 31 December 2021, EUR 16,545 thousand is invested in REZERVNÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s., a fund that invests in bonds issued by banks and sovereign states and in money market instruments (bank deposits). As at 31 December 2021, the composition of the investments in the fund was as follows: 47,75% in cash and cash equivalents, 22,47% in bonds of financial institutions, 18,23% in state bonds, 10,32% in corporate bonds and 1,23% in mortgage bonds (31 December 2020: 56%, 16%, 14%, 12% and 1%, respectively).

The quality of the fund's investments based on internal credit risk ratings was as follows:

Internal rating	2021	2020
AA	-	0.86%
AA-	2.10%	6.20%
A+	-	8.54%
A	5.22%	9.78%
A-	13.15%	16.99%
BBB+	35.91%	24.30%
BBB	36.74%	31.94%
BBB-	3.52%	0.53%
BB+	3.35%	0.86%

Credit risk is considered to be low, due to the fact that the fund's investment policies require investments in instruments from issuers with higher ratings.

21. Financial risk management (continued)

21.2 Liquidity risk

Liquidity risk is defined as the risk that the Company is not able to meet its payment obligations when they fall due (funding liquidity risk). Normally, the Company is able to cover cash outflows with cash inflows, highly liquid assets and its ability to obtain credit. With regard to the highly liquid assets in particular, there may be strains in the market that make them difficult (or even impossible) to sell or be used as collateral in exchange for funds. From this perspective, the Company's liquidity risk is closely tied to the market liquidity conditions (market liquidity risk).

The following table provides a breakdown of financial assets and liabilities by their residual contractual maturity from the balance sheet date to the agreed due date. If there is a possibility of early repayment, or if a repayment schedule exists which enables an early repayment, the table is prepared with the most prudent classification of the due date. Those financial assets without an agreed due date are disclosed commonly within the category 'unspecified maturity'.

The residual maturity of financial assets as at 31 December 2021 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
Financial assets							
Amounts due from banks	2,786	-	-	-	-	-	2,786
Financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	16,618	16,618
Receivables from funds	1,562	-	-	-	-	-	1,562
	<u>4,348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,618</u>	<u>20,966</u>

The residual maturity of financial liabilities as at 31 December 2021 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
Financial liabilities							
Accrued expenses	1,293	-	-	-	-	-	1,293
Lease liabilities	6	12	54	73	-	-	145
Total	<u>1,299</u>	<u>12</u>	<u>54</u>	<u>73</u>	<u>-</u>	<u>-</u>	<u>1,438</u>

There is no contractual maturity defined for the funds held by the Company. These funds are redeemable on demand, but management does not expect to dispose of them within one year.

21. Financial risk management (continued)

The residual maturity of financial assets as at 31 December 2020 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
Financial assets							
Amounts due from banks	2,123	-	-	-	-	-	2,123
Financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	17,675	17,675
Receivables from funds	1,499	-	-	-	-	-	1,499
	<u>3,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,675</u>	<u>21,297</u>

The residual maturity of financial liabilities as at 31 December 2020 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
Financial liabilities							
Accrued expenses	1,298	-	-	-	-	-	1,298
Lease liabilities	8	16	72	187	-	-	283
Total	1,306	16	72	187	-	-	1,581

21.3 Interest rate risk

The Company is exposed to interest rate risk as the value of certain financial instruments will vary due to market changes in interest rates and the maturity of interest-earning assets will differ from the maturity of interest-bearing liabilities used as the source of financing the assets. The extent to which a financial instrument is exposed to interest rate risk can be derived from the period during which the interest rate is fixed to the financial instrument.

Interest rate risk of the company's investment in the fund REZERVNÝ FOND, o.p.f. Eurizon Asset Management Slovakia, správ. spol., a.s. is low. The modified duration of the portfolio of the part of the portfolio of this fund representing investments in deposits, debt securities and financial derivatives in the mutual fund may be a maximum of 1 year. The modified duration of this fund's portfolio at the end of 2021 was 0.47 years, 0.64 at the end of 2020.

21. Financial risk management (continued)

An overview of statement of financial position items by the agreed period during which the underlying interest rate is fixed for the item as at 31 December 2021 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
Financial assets							
Amounts due from banks	2,786	-	-	-	-	-	2,786
Financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	16,618	16,618
Receivables from funds	1,562	-	-	-	-	-	1,562
	<u>4,348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,618</u>	<u>20,966</u>

An overview of statement of financial position items by the agreed period during which the underlying interest rate is fixed for the item as at 31 December 2020 is as follows:

<i>in thousands of euro</i>	Within 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Over 5 years	Unspecified maturity	Total
Financial assets							
Amounts due from banks	2,123	-	-	-	-	-	2,123
Financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	17,675	17,675
Receivables from funds	1,499	-	-	-	-	-	1,499
	<u>3,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,675</u>	<u>21,297</u>

21. Financial risk management (continued)

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled.

31 December 2021 in thousands of euro	Less than 12 months	Over 12 months	Total
Assets			
Cash and cash equivalents	2,786	-	2,786
Financial assets mandatorily at fair value through profit or loss	-	16,618	16,618
Subsidiaries	-	2,938	2,938
Receivables from funds	1,562	-	1,562
Current income tax receivable	-	-	-
Intangible assets	-	154	154
Property, equipment and other tangible assets	-	167	167
Deferred income tax asset	-	442	442
Other assets	76	20	96
	<u>4,424</u>	<u>20,339</u>	<u>24,763</u>
Liabilities			
Current income tax liability	(130)	-	(130)
Accrued expenses	(1,293)	-	(1,293)
Lease liabilities	(18)	(127)	(145)
Other liabilities	(1,066)	-	(1,066)
	<u>(2,507)</u>	<u>(127)</u>	<u>(2,634)</u>
	<u>1,917</u>	<u>20,212</u>	<u>22,129</u>
31 December 2020 in thousands of euro			
	Less than 12 months	Over 12 months	Total
Assets			
Cash and cash equivalents	2,123	-	2,123
Financial assets mandatorily at fair value through profit or loss	-	17,675	17,675
Subsidiaries	-	2,938	2,938
Receivables from funds	1,499	-	1,499
Current income tax receivable	-	-	-
Intangible assets	-	155	155
Property, equipment and other tangible assets	-	317	317
Deferred income tax asset	-	376	376
Other assets	63	17	80
	<u>3,685</u>	<u>21,478</u>	<u>25,163</u>
Liabilities			
Current income tax liability	(48)	-	(48)
Accrued expenses	(1,298)	-	(1,298)
Lease liabilities	(24)	(259)	(283)
Other liabilities	(705)	-	(705)
	<u>(2,075)</u>	<u>(259)</u>	<u>(2,334)</u>
	<u>1,610</u>	<u>21,219</u>	<u>22,829</u>

21.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations. The Company adopted the Standardised Approach for Operational Risk management and measurement.

22. Adequacy of own funds

The Management Company is obliged to comply with regulatory requirements issued primarily by the NBS, which are set out under Act No. 203/2011 on collective investment and under the Decree of NBS No. 7/2011 about proportionality of own resources. These include limits and restrictions on capital adequacy. These requirements apply to all management companies in Slovakia and their compliance is determined on the basis of reports submitted by the management company under statutory accounting rules.

The summary of these requirements valid for 2021 is as follows:

- Initial capital of the Company is at least € 125 thousand.
- The Company is obliged to observe the adequacy of own funds. Own funds of the management company are appropriate under this Act, unless they are below:
 - a) € 125 thousand plus 0.02% of the value of the assets in the funds managed by the Company exceeding € 250,000,000, this amount is not increased when it reaches € 10,000,000;
 - b) One quarter of average general operating costs of the management company for the previous calendar year. If the management company operated for less than one year, a quarter of the amount of general operating costs referred to in its business plan.
- The Company may not acquire in its property or property in the open-end mutual fund, which it manages, more than 10% of the total nominal value of shares with voting rights issued by one issuer.
- The Company may not acquire in its property or assets to the open-end mutual fund, which manages, shares with voting rights which would enable the Company to exercise a significant influence on the management of the issuer located in the territory of the Slovak republic, or in a non-EU State.
- The Company is required to comply with restrictions on the acquisition of significant influence in the management of the issuer established in EU Member State, provided by the law of that Member State, taking into account the property in the mutual fund, which it manages.
- Internal organisation of the Company shall provide risk minimisation for the holders of mutual fund certificates or for the Company's clients by preventing conflict of interest between the Company and its clients, between two of its clients mutually, between one of its clients and the holders of mutual fund certificates or between the holders of mutual fund certificates.

The Company regularly and on a timely basis informs the NBS about the amount of initial capital, its own resources and structure according to the NBS measure No. 7/2011 on asset management company's own resources and attaches the information about proportionality of own resources according to the law No. 203/2011 on collective investments.

<i>in thousands of euro</i>	Indicator value 2021	Indicator value 2020
Initial capital	655	690
Paid up share capital	4,094	4,094
Share premium	38,438	38,438
Retained earnings	13,312	13,312
Items decreasing value of own funds	(3,092)	(3,093)
Reserve fund and other funds	(37,115)	(37,115)
Accumulated losses of previous periods	-	-
Capital total	15,637	15,636
Data on compliance with the limits of own funds	2,387 %	2,266 %

The limit of initial capital was fulfilled at 2,387 % (2020: 2,266 %).

23. Fair value of financial assets and liabilities

The fair value of financial assets and liabilities as at 31 December 2021 is as follows:

<i>in thousands of euro</i>	Note	Carrying amount	Fair value
Cash and cash equivalents	3	2,786	2,786
Receivables from funds	5	1,562	1,562
Financial assets mandatorily at fair value through profit or loss	4	16,618	16,618

The fair value of financial assets and liabilities as at 31 December 2020 is as follows:

<i>in thousands of euro</i>	Note	Carrying amount	Fair value
Cash and cash equivalents	3	2,123	2,123
Receivables from funds	5	1,499	1,499
Financial assets at mandatorily fair value through profit or loss	4	17,675	17,675

The following table shows an analysis of financial instruments disclosed at fair value by level of the fair value hierarchy:

<i>in thousands of euro</i>		December 2021			
	Note	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	3	-	2,786	-	2,786
Receivables from funds	4	-	-	1,562	1,562
Financial assets mandatorily at fair value through profit or loss	5	-	16,618	-	16,618

<i>in thousands of euro</i>		December 2020			
	Note	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	3	-	2,123	-	2,123
Receivables from funds	4	-	-	1,499	1,499
Financial assets mandatorily at fair value through profit or loss	5	-	17,675	-	17,675

The Company uses the following hierarchy for the determination and disclosure of fair value of financial instruments based on the valuation technique:

Level 1: Quoted (unadjusted) prices from active markets for identical assets or liabilities;

Level 2: Other techniques, by which all inputs which have a significant impact on the posted fair value are observable, either directly or indirectly;

Level 3: Techniques that use inputs with significant impact on the posted fair value, but these inputs are not based on observable market data.

Cash and cash equivalents

Cash and cash equivalents represent current account balances and short-term deposits with a maturity period of less than 14 days. Accordingly, the book value is considered to be the fair value.

23. Fair value of financial assets and liabilities (continued)

Financial assets mandatorily at fair value through profit or loss

All securities are carried at quoted market prices. VUM AM calculates the value of assets and liabilities in each mutual fund, as well as net asset value (NAV of mutual fund). The value of mutual fund share certificates is derived from the relevant fund's NAV, simply by dividing the NAV by the number of shares outstanding, which is in line with the regulation of the National Bank of Slovakia (NBS). The NBS sets out guidelines on how to calculate NAV in a standard mutual fund or special public mutual fund. The NBS also provides a method to calculate the value of new shares when issuing new shares in open mutual funds for each work day. This calculation is based on the day's closing values of individual components of the Fund's assets (foreign currencies components are translated to euro at the official European Central Bank rates prevailing at the end of the day).

Receivables from funds

Receivables from funds represent due management fees from the funds. As they are short-term the book value is considered to be the fair value.

24. Financial assets and liabilities in foreign currencies

All financial assets and liabilities of the Company were denominated in EUR.

25. Related parties transactions

Related parties are those counterparties that represent:

- (a) enterprises that directly, or indirectly, through one or more intermediaries, control, or are controlled by, have a significant influence or are under common control of the reporting enterprise;
- (b) associates – enterprises in which the parent company has significant influence and which are neither a subsidiary nor a joint venture;
- (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, and anyone expected to influence, or be influenced by, that person in their dealings with the Company;
- (d) key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors and officers of the Company and close members of the families of such individuals; and
- (e) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the Company and enterprises that have a member of key management in common with the Company.

25. Related parties transactions (continued)

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. All transactions with related parties were performed on an arm's length basis.

The breakdown of receivables and payables with related parties as at 31 December 2021 is as follows:

<i>in thousands of euro</i>	Mutual Funds VUB AM ⁽¹⁾	Shareholders ⁽²⁾	Other companies in ISP group ⁽³⁾	Generali ⁽⁴⁾	KMP ⁽⁵⁾	Total
Assets						
Cash and cash equivalents	-	-	2,786	-	-	2,786
Financial assets mandatorily at fair value through profit or loss	16,618	-	-	-	-	16,618
Financial asset for sale	-	-	20	-	-	20
Subsidiaries	-	-	2,938	-	-	2,938
Right-of-use assets	-	-	142	-	-	142
Receivables from funds	1,562	-	-	-	-	1,562
Other assets	-	-	4	-	-	4
	<u>18,180</u>	<u>-</u>	<u>5,890</u>	<u>-</u>	<u>-</u>	<u>24,070</u>
Liabilities						
Accrued expenses	-	45	1,165	44	-	1,254
Lease liabilities	-	-	145	-	-	145
Other liabilities	-	-	57	-	438	495
	<u>-</u>	<u>45</u>	<u>1,367</u>	<u>44</u>	<u>438</u>	<u>1,894</u>

⁽¹⁾ Mutual Funds VÚB AM – Related party (a)

⁽²⁾ Eurizon Capital SGR S.p.A. – Shareholder of the Company (a)

⁽³⁾ Všeobecná úverová banka, a.s.; Consumer Finance Holding, a.s.; VÚB Leasing a. s.; Eurizon Capital S.A.; Epsilon SGR; PBZ Invest d.o.o.; CIB Befektetési Alapkezelő Zrt.; Intesa Sanpaolo S.p.A – Related parties (a)

⁽⁴⁾ VÚB Generali dôchodková správcovská spoločnosť, a.s. – Related party (a)

⁽⁵⁾ KMP – Key management personnel and supervisory board (d)

The breakdown of receivables and payables with related parties as at 31 December 2020 is as follows:

<i>in thousands of euro</i>	Mutual Funds VUB AM ⁽¹⁾	Shareholders ⁽²⁾	Other companies in ISP group ⁽³⁾	Generali ⁽⁴⁾	KMP ⁽⁵⁾	Total
Assets						
Cash and cash equivalents	-	-	2,123	-	-	2,123
Financial assets mandatorily at fair value through profit or loss	17,675	-	-	-	-	17,675
Subsidiaries	-	-	2,938	-	-	2,938
Right-of-use assets	-	-	283	-	-	283
Receivables from funds	1,499	-	-	-	-	1,499
Other assets	-	-	18	-	-	18
	<u>19,174</u>	<u>-</u>	<u>5,362</u>	<u>-</u>	<u>-</u>	<u>24,536</u>
Liabilities						
Accrued expenses	-	43	1,120	45	-	1,208
Lease liabilities	-	-	283	-	-	283
Other liabilities	-	-	67	-	534	601
	<u>-</u>	<u>43</u>	<u>1,470</u>	<u>45</u>	<u>534</u>	<u>2,092</u>

25. Related parties transactions (continued)

Summary of transactions with group companies and other related parties during the year 2021:

<i>in thousands of euro</i>	Mutual Funds VUB AM ⁽¹⁾	Share-holders ⁽²⁾	Other companies in ISP group ⁽³⁾	Generali ⁽⁴⁾	KMP ⁽⁵⁾	Total
Interest and similar expense	-	-	(3)	-	-	(3)
Fee and commission income	18,700	-	-	-	-	18,700
Fee and commission expense	-	-	(13,440)	(174)	-	(13,614)
Dividend income	-	-	1,662	-	-	1,662
Net loss from trading	-	-	(33)	-	-	(33)
Other income	-	-	38	-	-	38
Personnel expenses	-	-	-	-	(693)	(693)
Other operating expenses	-	(178)	(309)	-	-	(487)
Depreciation of property, equipment and other tangible assets	-	-	(103)	-	-	(103)
	<u>18,700</u>	<u>(178)</u>	<u>(12,188)</u>	<u>(174)</u>	<u>(693)</u>	<u>5,467</u>

⁽¹⁾ Mutual Funds VÚB AM – Related party (a)

⁽²⁾ Eurizon Capital SGR S.p.A. - shareholder of the Company (a)

⁽³⁾ Všeobecná úverová banka, a.s., Consumer Finance Holding, a.s.; VÚB Leasing a. s.; Eurizon Capital S.A. ; Epsilon SGR; PBZ Invest d.o.o.; CIB Befektetési Alapkezelő Zrt.; Intesa Sanpaolo S.p.A – Related parties (a)

⁽⁴⁾ VÚB Generali dôchodková správcovská spoločnosť, a.s. – Related party (a)

⁽⁵⁾ KMP – Key management personnel and supervisory board (d)

Summary of transactions with group companies and other related parties during the year 2020:

<i>in thousands of euro</i>	Mutual Funds VUB AM ⁽¹⁾	Share-holders ⁽²⁾	Other companies in ISP group ⁽³⁾	Generali ⁽⁴⁾	KMP ⁽⁵⁾	Total
Interest and similar expense	-	-	(4)	-	-	(4)
Fee and commission income	15,746	-	-	-	-	15,746
Fee and commission expense	-	-	(13,092)	(166)	-	(13,258)
Dividend income	-	-	-	-	-	-
Net loss from trading	-	-	(16)	-	-	(16)
Other income	-	-	-	-	-	-
Personnel expenses	-	-	-	-	(693)	(693)
Other operating expenses	(46)	(171)	(294)	-	(21)	(532)
Depreciation of property, equipment and other tangible assets	-	-	(114)	-	-	(114)
	<u>15,700</u>	<u>(171)</u>	<u>(13,520)</u>	<u>(166)</u>	<u>(714)</u>	<u>1,129</u>

25. Related parties transactions (continued)

The asset value of mutual funds managed by Eurizon Asset Management Slovakia, správ. spol., a.s. is shown in the table below:

<i>in thousands of euro</i>	Mutual funds' assets as at 31 December 2021	Mutual funds' assets as at 31 December 2020
DYNAMICKÉ PORTFÓLIO, o.p.f. EAMS, správ.spol, a.s.	451,053	351,434
ACTIVE MAGNIFICA, o.p.f. EAMS, správ.spol, a.s.	189,374	222,472
KONZERVATÍVNE PORTFÓLIO, o.p.f. EAMS, správ.spol, a.s	113,161	128,788
ACTIVE BOND FUND, o.p.f. EAMS, správ.spol, a.s.	153,938	189,591
REZERVNÝ FOND, o.p.f. EAMS, správ.spol, a.s.	123,034	142,079
FLEXIBILNÝ KONZERVATÍVNY FOND, o.p.f. EAMS, správ.spol, a.s	131,511	170,173
EDÍCIA SVET, o.p.f. EAMS, správ.spol, a.s.	-	60,322
MAGNIFICA EDÍCIA III, o.p.f. EAMS, správ.spol, a.s.	-	59,055
STREDOEURÓPSKY DLHOPISOVÝ FOND, o.p.f. EAMS, správ.spol, a.s.	37,866	50,647
VYVÁŽENÝ RASTOVÝ FOND, o.p.f. EAMS, správ.spol, a.s	113,043	103,797
EDÍCIA 2018, o.p.f. EAMS, správ.spol, a.s.	28,438	32,289
MAGNIFICA EDÍCIA I, o.p.f. EAMS, správ.spol, a.s.	-	28,069
AKCIOVÉ PORTFÓLIO o.p.f EAMS, správ.spol, a.s	184,142	71,420
MIX 15 o.p.f EAMS, správ.spol, a.s.	29,256	28,270
MIX 30 o.p.f EAMS, správ.spol, a.s.	60,521	-
ESG Zodpovedné portfólio o.p.f EAMS, správ.spol, a.s.	7,853	-
	1,623,190	1,638,406

26. Subsequent events

There were no other events after 31 December 2021 that would have a material effect on the fair presentation of the matters disclosed in these financial statements.



RNDr. Ing. Marian Matušovič, PhD.
 Member of the Management Board
 and CEO



Marco Bus
 Chairman of the Management Board