

**FINCARD SP. Z O.O.**

**FINANCIAL STATEMENTS**

for the period

from 1 January 2023 to 31 December 2023.

prepared on

28/05/2024

**INTRODUCTION TO THE FINANCIAL STATEMENT**

*Fincard sp. z o.o. ul.  
Grzybowska 87 00-  
844 Warsaw*

#### **Company details**

<b>Name of the company</b>	<b>FINCARD SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ</b>
<b>Registered office</b>	
Voivodeship	MAZOWIECKIE
District	WARSAW CITY HALL
Municipality	WARSAW CITY HALL
City/Town	WARSAW
<b>Address</b>	
Country code	PL
Voivodeship	MAZOWIECKIE
District	WARSAW CITY HALL
Municipality	WARSAW CITY HALL
Street	GRZYBOWSKA
Building No.	87
City/Town	WARSAW
Postal code	00-844
Post Office	WARSAW CITY HALL
<b>Core business of the entity</b>	
PKD (NACE) codes	6492Z – Other credit granting 6419Z – Other monetary intermediation 6491Z – Financial leasing 6499Z – Other financial service activities, except insurance and pension funding n.e.c. 6619Z – Other activities auxiliary to financial services, except insurance and pension funding 6621Z – Risk and damage evaluation 8291Z – Activities of collection agencies and credit bureaus
<b>Company details</b>	
NIP (tax ID no.)	5272905634
<b>National Court Register (KRS) Number</b>	
KRS no.	0000803716

#### **Period covered by the financial statement**

01/01/2023 – 31/12/2023

#### **Going concern assumption**

The financial statements have been prepared on a going-concern basis.

**Methods of valuation of assets and liabilities (including depreciation/amortisation):**

*1. Intangible assets*

Intangible assets are property rights acquired and included in fixed assets, which are suitable for economic use and intended for use for the Company's needs, whose expected economic useful life exceeds one year and their net value exceeds PLN 10,000.00. Assets of the net value of up to PLN 10,000.00 are recognised as expenses in the month in which these assets are purchased. Intangible assets are valued at cost (or cost of production) less accumulated amortisation to date.

Amortisation begins in the month following the month of commissioning and is charged per amortisation rates arising from the Corporate Income Tax Act, using the straight-line method. Depreciation rates are determined in accordance with Article 16m(1) of the Corporate Income Tax Act, and the Company amortises intangible assets accordingly for no less than:

- 24 months – assets classified as: “licences (sublicences) for computer software and copyrights” and “costs of completed development work”,
- 60 months – other intangible assets, not classified above.

*2. Cash*

Domestic cash and cash equivalents are valued at their nominal value. Cash and cash equivalents denominated in foreign currencies are converted as of the balance sheet date at the average exchange rate fixed by the National Bank of Poland on that day.

*3. Initial recognition of assets and liabilities*

Financial assets and liabilities are classified on the date they are acquired or incurred into the following categories:

- financial assets and financial liabilities held for trading;
- loans granted and own receivables; - financial assets held to maturity; - financial assets available for sale.

At initial recognition, financial assets or financial liabilities are valued by the Company them at cost (purchase price), i.e. at the fair value paid or received. Loans granted and own receivables: In the category of loans granted and own receivables, the Company includes receivables from loans granted, purchased liabilities and other receivables of a similar nature, if it does not intend to sell them in the short term. Both as of the balance sheet date and during the period for which the financial statements are prepared, the Company did not keep financial assets held for trading, held to maturity or available for sale. Valuation of assets and liabilities: Valuation of assets and liabilities as of the balance sheet date is performed in accordance with the principles set forth in the Act, taking account of the provisions of the Regulation of the Ministry of Finance accordingly, and the following principles: - loans granted and own receivables not classified as held for trading are valued by the Company at adjusted purchase price using the effective interest rate;

- financial liabilities, except for hedged items, are valued no later than at the end of the reporting period at adjusted purchase price;

In valuing the disposal of financial assets and financial liabilities held for trading, acquired at different prices, but characterised by identical or similar features, it is assumed that the disposal of an asset is valued subsequently at the purchase prices (costs) of those assets that the Company acquired earlier (FIFO). When valuing disbursement of foreign currencies acquired at different prices, the FIFO method is used. If financial assets are permanently impaired, their value is updated by recognising an impairment loss. For the portfolio of receivables from customers, the impairment loss value is based on the recoverable amount, taking account of likelihood of repayment.

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#### *4. Other receivables*

Other receivables include, in particular, accounts receivable from the Company's business partners. Other receivables are recognised at the amount due, less impairment write-downs. The Company revalues its receivables by taking account of their repayment probability and recognising an impairment write-down.

#### *5. Equity*

As at the balance sheet date, the Company's share capital is recognised at an amount set out in the Articles of Association and recorded in the National Court Register (KRS). The Company's supplementary capital is created in accordance with the provisions of the Commercial Companies Code. (Note 16 FS)

#### *6. Long-term and short-term liabilities*

Liabilities are recognised at the outstanding amount. As at the balance sheet date, settlements denominated in foreign currencies are converted at the average exchange rate fixed by the National Bank of Poland on that day.

#### *7. Obligatory profit reduction (loss increase)*

Income tax reported in the profit and loss account comprises the current and deferred part. The current income tax liability is calculated in accordance with the Polish tax regulations. The net deferred balance disclosed in the profit and loss account constitutes a difference between the deferred tax provisions and assets as at the end and the beginning of the reporting period. Deferred income tax provision and assets relating to transactions which are set off against the equity are charged or credited to equity. Deferred tax assets are created in relation to negative temporary differences between the value of assets and liabilities reported in the books and their tax value and deductible tax loss. Deferred tax assets are determined at the amount anticipated to be deducted from the income tax in the future. Deferred income tax liabilities are created in relation to positive temporary differences between the value of assets and liabilities reported in the books and their tax value. The deferred tax provision and deferred tax assets are determined while taking into account the income tax rates applicable in the year in which a tax liability arose. Deferred income tax liabilities and assets are reported separately in the balance sheet.

### **Rules for determination of the financial result**

The Company recognises all revenues earned, due to it, and the expenses attributable to it related to such revenues pertaining to the specific fiscal year, regardless of their due date. The Company's revenues and profits are understood as reasonably anticipated economic benefits during the reporting period, with a reliably determined value, in the form of an increase in the value of assets, or a decrease in the value of liabilities, which will lead to an increase in equity other than by contribution from shareholders or owners. The Company's costs and losses are understood as reasonably anticipated decreases of economic benefits during the reporting period, with a reliably determined value, in the form of a decrease in the value of assets, or an increase in the value of liabilities and provisions, which will lead to a decrease in equity other than by withdrawal of funds by shareholders or owners.

### **Rules for determination of the methods used in the preparation of the financial statements**

Figures are reported in zlotys and grosz. The financial statements are prepared in Polish. The Company prepares its profit and loss account in the type-of-expenditure format.

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## Balance sheet

Balance sheet			31/12/2023	31/12/2022
<b>A.</b>	<b>FIXED ASSETS</b>		<b>254,251.21</b>	<b>212,600.77</b>
<b>I.</b>	<b><u>Intangible assets</u></b>		<b>22,436.34</b>	<b>33,652.80</b>
1.	Costs of completed work and development	1	0.00	0.00
2.	Goodwill	2	0.00	0.00
3.	Other intangible assets	3	22,436.34	33,652.80
4.	Advances for intangible assets	4	0.00	0.00
<b>II.</b>	<b><u>Tangible fixed assets</u></b>		<b>0.00</b>	<b>0.00</b>
1.	Fixed assets		0.00	0.00
a)	land (including right to perpetual usufruct)	5	0.00	0.00
b)	buildings, premises, civil and water engineering structures	6	0.00	0.00
c)	plant and machinery	7	0.00	0.00
d)	means of transport	8	0.00	0.00
e)	other fixed assets	9	0.00	0.00
2.	Construction in progress	10	0.00	0.00
3.	Advances for construction in progress	11	0.00	0.00
<b>III.</b>	<b><u>Long-term receivables</u></b>		<b>0.00</b>	<b>0.00</b>
1.	From related parties	12	0.00	0.00
2.	from other entities	13	0.00	0.00
<b>IV.</b>	<b><u>Long-term investments</u></b>		<b>0.00</b>	<b>0.00</b>
1.	Real property	14	0.00	0.00
2.	Intangible assets	15	0.00	0.00
3.	Long-term financial assets		0.00	0.00
a)	in related parties		0.00	0.00
	- stocks or shares	16	0.00	0.00
	- other securities	17	0.00	0.00
	- loans granted	18	0.00	0.00
	- other long-term financial assets	19	0.00	0.00
b)	in other entities		0.00	0.00
	- stocks or shares	20	0.00	0.00
	- other securities	21	0.00	0.00

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	- loans granted	22	0.00	0.00
	- other long-term financial assets	23	0.00	0.00
4.	Other long-term investments	24	0.00	0.00
<b>V.</b>	<b>Long-term prepayments</b>		<b>231,814.88</b>	<b>178,947.97</b>
1.	Deferred tax assets	25	231,566.00	178,544.00
2.	Other prepayments and accruals	26	248.88	403.97
<b>B.</b>	<b>CURRENT ASSETS</b>		<b>125,249,914.72</b>	<b>62,995,701.77</b>
<b>I.</b>	<b>Inventory</b>		<b>0.00</b>	<b>0.00</b>
1.	Materials	27	0.00	0.00
2.	Semi-finished products and work in progress	28	0.00	0.00
3.	Finished products	29	0.00	0.00
4.	Goods	30	0.00	0.00
5.	Advances for deliveries	31	0.00	0.00
<b>II.</b>	<b>Short-term receivables</b>		<b>1,658,285.62</b>	<b>602,504.19</b>
1.	Receivables from related parties		0.00	0.00
a)	trade receivables, maturing:		0.00	0.00
	- up to 12 months	32	0.00	0.00
	- over 12 months	33	0.00	0.00
b)	other	34	0.00	0.00
2.	Receivables from other entities		1,658,285.62	602,504.19
a)	trade receivables, maturing:		0.00	0.00
	- up to 12 months	35	0.00	0.00
	- over 12 months	36	0.00	0.00
b)	in respect of taxes, subsidies, custom duties, social and health insurance and other benefits	37	287.15	0.00
c)	other	38	1,657,998.47	602,504.19
d)	claimed by litigation	39	0.00	0.00
<b>III.</b>	<b>Short-term investments</b>		<b>122,699,909.77</b>	<b>62,270,284.52</b>
1.	Short-term assets		122,699,909.77	62,270,284.52
a)	in related parties		14,648,524.43	0.00
	- stocks or shares	40	0.00	0.00
	- other securities	41	0.00	0.00
	- loans granted	42	14,648,524.43	0.00
	- other short-term financial assets	43	0.00	0.00

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b)	in other entities		106,750,898.45	55,607,582.43
	- stocks or shares	44	0.00	0.00
	- other securities	45	0.00	0.00
	- loans granted	46	106,750,898.45	55,607,582.43
	- other short-term financial assets	47	0.00	0.00
c)	cash and other monetary assets		1,874,935.23	6,662,702.09
	- cash and other monetary assets	48	1,300,486.89	4,341,281.98
	- cash equivalents	49	574,448.34	2,321,420.11
	- other monetary assets	50	0.00	0.00
2.	Other short-term investments	51	0.00	0.00
IV.	Short-term prepayments	52	317,270.99	122,913.06
			125,504,165.93	63,208,302.54

Balance sheet			31/12/2023	31/12/2022
A.	EQUITY		34,183,324.05	-3,333,518.77
I.	Share capital	53	10,200,000.00	4,500,000.00
II.	Called up share capital (negative value)	54	0.00	0.00
III.	Own shares (negative value)	55	0.00	0.00
IV.	Supplementary capital	56	0.00	0.00
V.	Revaluation reserve	57	0.00	0.00
VI.	Other reserve capitals	58	0.00	0.00
VII.	Profit (loss) of previous years	59	-7,833,518.77	-2,178,023.86
VIII.	Net profit (loss)	60	31,816,842.82	-5,655,494.91
IX.	Write-offs from net profit in the financial year (negative value)	61	0.00	0.00
B.	LIABILITIES AND PROVISIONS FOR LIABILITIES		91,320,841.88	66,541,821.31
I.	Provisions for liabilities		2,502,924.62	1,429,966.96
1.	Deferred tax provision	62	1,248,728.00	126,428.00
2.	Provision for retirement pensions and similar benefits		198,230.80	41,793.69
	- long-term	63	0.00	0.00
	- short-term	64	198,230.80	41,793.69

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3.	Other provisions		1,055,965.82	1,261,745.27
	- long-term	65	0.00	0.00
	- short-term	66	1,055,965.82	1,261,745.27
<b>II.</b>	<b>Long-term liabilities</b>		<b>0.00</b>	<b>0.00</b>
1.	To related parties	67	0.00	0.00
2.	To other entities		0.00	0.00
a)	loans and borrowings	68	0.00	0.00
b)	from issuance of debt securities	69	0.00	0.00
c)	other financial liabilities	70	0.00	0.00
d)	other	71	0.00	0.00
<b>III.</b>	<b>Short-term liabilities</b>		<b>88,654,893.43</b>	<b>65,052,814.35</b>
1.	To related parties		82,906,094.62	61,601,153.17
a)	trade liabilities, maturing:		1,075,223.03	0.00
	- up to 12 months	72	1,075,223.03	0.00
	- over 12 months	73	0.00	0.00
b)	loans and borrowings	74	81,830,871.59	61,601,153.17
2.	To other entities		5,748,798.81	3,451,661.18
a)	loans and borrowings	75	0.00	0.00
b)	from issuance of debt securities	76	0.00	0.00
c)	other financial liabilities	77	0.00	0.00
d)	trade liabilities, maturing:		3,421,081.85	1,828,884.15
	- up to 12 months	78	3,421,081.85	1,828,884.15
	- over 12 months	79	0.00	0.00
e)	advances received for deliveries	80	0.00	0.00
f)	liabilities on bills of exchange	81	0.00	0.00
g)	in respect of taxes, customs, insurance and other liabilities	82	2,286,236.91	1,590,663.87
h)	payroll liabilities	83	681.44	-769.88
i)	other	84	40,798.61	32,883.04
3.	Special funds	85	0.00	0.00
<b>IV.</b>	<b>Accruals</b>		<b>163,023.83</b>	<b>59,040.00</b>
1.	Negative goodwill	86	0.00	0.00
2.	Other accruals		163,023.83	59,040.00
	- long-term	87	0.00	0.00
	- short-term	88	163,023.83	59,040.00
			<b>125,504,165.93</b>	<b>63,208,302.54</b>

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**Profit and loss account**

Profit and loss account			01/01/2023 – 31/12/2023	01/01/2022 – 31/12/2022
	Net revenues from sales, including:		146,160,068.80	42,542,630.64
	- from related parties	1	0.00	0.00
I.	Revenues from sales of products	2	146,160,068.80	42,542,630.64
II.	Change in stocks of products (increase – “+”)	3	0.00	0.00
III.	Cost of manufacturing products for own purposes	4	0.00	0.00
IV.	Net revenues from sales of goods and materials	5	0.00	0.00
B.	Operating expenses		38,120,300.24	12,945,291.50
I.	Depreciation and amortisation	6	58,104.40	5,199.00
II.	Material and power consumption	7	202,960.25	55,748.03
III.	Third-party services	8	19,243,449.99	10,908,906.11
IV.	Taxes and charges, including:	9	138,174.28	15,962.79
	- excise duty	10	0.00	0.00
V.	Payroll	11	6,719,950.72	1,496,913.83
VI.	Social security and other benefits	12	1,380,049.62	266,197.90
VII.	Other costs by type	13	10,377,610.98	196,363.84
VIII.	Value of goods and materials sold	14	0.00	0.00
C.	Profit (loss) on sales (A-B)		108,039,768.55	29,597,339.14
D.	Other operating revenues		31,783.09	3,809.96
I.	Gain on disposal of non-financial fixed assets	15	0.00	0.00
II.	Subsidies	16	0.00	0.00
III.	Other operating revenues	17	31,783.09	3,809.96
E.	Other operating expenses		130,741.98	90,736.33
I.	Loss on disposal of non-financial fixed assets	18	0.00	0.00
II.	Revaluation of non-financial assets	19	0.00	0.00
III.	Other operating expenses	20	130,741.98	90,736.33
F.	Profit (loss) on operating activities (C+D-E)		107,940,809.66	29,510,412.77
G.	Financial revenues		9,741,366.35	853,666.97
I.	Dividends and profit sharing, including:	21	0.00	0.00
	- from related parties	22	0.00	0.00
II.	Interest, including:	23	1,331,418.23	83,490.19
	- from related parties	24	1,297,831.07	5,519.10
III.	Gain on disposal of investments	25	0.00	0.00

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IV.	Revaluation of investments	26	2,729,669.06	0.00
V.	Other	27	5,680,279.06	770,176.78
H.	Financial expenses		69,151,647.19	31,621,620.65
I.	Interest, including:	28	10,574,442.57	3,838,435.91
	- for related parties	29	10,574,440.43	3,526,902.73
II.	Loss on disposal of investments	30	58,303,691.48	7,201,826.75
III.	Revaluation of investments	31	0.00	20,268,365.12
IV.	Other	32	273,513.14	312,992.87
I.	Profit (loss) on business activities (F+G-H)		48,530,528.82	-1,257,540.91
J.	Result on extraordinary events (J.I.-J.II.)		0.00	0.00
I.	Extraordinary gains	33	0.00	0.00
II.	Extraordinary losses	34	0.00	0.00
K.	Gross profit / (loss) (I+/-J)		48,530,528.82	-1,257,540.91
L.	Income tax	35	15,644,408.00	4,397,954.00
M.	Other statutory reductions in profit (increases in loss)	36	1,069,278.00	0.00
N.	Net profit (loss) (K-L-M)		31,816,842.82	-5,655,494.91

### Cash flow statement

Fincard Sp. z o.o.		2023	2022
<b>A. Cash flows from operating activities</b>			
I. Net profit (loss)		31,816,842.83	-5,655,494.91
II. Total adjustments		-38,663,568.39	-49,522,928.27
1. Depreciation and amortisation		58,104.40	5,199.00
2. Profit (loss) on foreign exchange differences			
3. Interest and profit sharing (dividend)		9,175,347.35	345,974.40
4. Profit (loss) on investment activities			
5. Change in provisions		1,072,957.66	1,423,103.96
6. Change in inventories		0.00	0.00
7. Change in receivables		-1,055,781.43	-601,733.25
8. Change in loans granted		-51,143,316.02	-54,349,803.81
9. Change in short-term liabilities, excluding loans and borrowings		3,372,360.66	3,353,827.81
10. Change in prepayments and accruals		-143,241.01	300,503.62
11. Other adjustments			
III. Net cash flows from operating activities (I+/-II)		-6,846,725.56	-55,178,423.18
<b>B. Cash flows from investment activities</b>			
I. Inflows		308,924.22	1,321,120.74
1. Disposal of intangible assets and tangible fixed assets			
2. Disposal of investments in real property and in intangible assets			
3. From financial assets, including:			
- disposal of financial assets			

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- dividend and profit sharing		
- repayment of granted long-term loans		1,321,120.74
- interest	308,924.22	
- other inflows from financial assets		
4. Other inflows from investment activities		
<b>II. Outflows</b>	<b>13,812,391.52</b>	<b>2,068,659.33</b>
1. Purchase of intangible assets and tangible fixed assets	46,887.94	38,851.80
2. Investments in real property and intangible assets		
3. For financial assets, including:		
- purchase of financial assets		
- long-term loans granted	13,765,503.58	2,029,807.53
4. Other outflows from investment activities		
<b>III. Net cash flows from investment activities (I-II)</b>	<b>-13,503,467.30</b>	<b>-747,538.59</b>
<b>C. Cash flows from financial activities</b>		
<b>I. Inflows</b>	<b>102,216,250.42</b>	<b>76,708,570.93</b>
1. Net inflows from issuance of shares and other capital instruments and from capital contributions	5,700,000.00	2,750,000.00
2. Loans and borrowings	96,516,250.42	73,958,570.93
3. Issuance of debt securities		
4. Other inflows from financial activities		
<b>II. Outflows</b>	<b>86,653,824.42</b>	<b>14,264,227.96</b>
1. Purchase of own shares		
2. Dividend and other payments to shareholders		
3. Profit distribution liabilities other than profit distribution payments to shareholders		
4. Repayment of loans and borrowings	76,286,532.00	14,264,227.96
5. Redemption of debt securities		
6. Payment of other financial liabilities		
7. Payment of liabilities arising from financial leases		
8. Interest	10,367,292.42	
9. Other outflows from financial activities		
<b>III. Net cash flows from financial activities (I-II)</b>	<b>15,562,426.00</b>	<b>62,444,342.97</b>
<b>D. Total net cash flows (A.III. +/- B.III +/- C.III)</b>	<b>-4,787,766.86</b>	<b>6,518,381.20</b>
<b>E. Balance sheet change in cash, including:</b>	<b>-4,787,766.86</b>	<b>6,518,381.20</b>
- change in cash due to foreign exchange differences		
<b>F. Cash opening balance</b>	<b>6,662,702.09</b>	<b>144,320.89</b>
<b>G. Closing balance of cash (F+/-D), including:</b>	<b>1,874,935.23</b>	<b>6,662,702.09</b>
- of limited disposability		

### Statement of changes in equity

Statement of changes in equity		01/01/2023- 31/12/2023	01/01/2022- 31/12/2022
Opening balance of equity		(3,333,518.77)	(428,023.86)
- adjustments of errors			
- changes in accounting principles			
Opening balance of equity after adjustments		(3,333,518.77)	(428,023.86)
1.	Opening balance of share capital	4,500,000.00	1,750,000.00
1.1.	Changes in share capital		
	increases (in respect of)	5,700,000.00	2,750,000.00
	- issue of shares	5,700,000.00	2,750,000.00
	decreases (in respect of)	-	-
	- redemption of shares		
1.2.	Closing balance of share capital	10,200,000.00	4,500,000.00
2.	Opening balance of supplementary capital	-	-
2.1.	Changes in supplementary capital		
	increases (in respect of)	-	-
	- issue of share premium		
	- from profit distribution (statutory)		
	- from profit distribution (above the statutory minimum value)		
	decreases (in respect of)	-	-
	- coverage of loss		
2.2.	Reserve capital at the end of the period	-	-
3.	Opening balance of revaluation reserve	-	-
3.1.	Changes in revaluation reserve		
	increases (in respect of)	-	-
	decreases (in respect of)	-	-
3.2.	Closing balance of revaluation reserve	-	-
4.	Opening balance of other reserve capitals	-	-
4.1.	Changes in other reserve capitals		
	increases (in respect of)	-	-
	decreases (in respect of)	-	-

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4.2.	Closing balance of other reserve capitals	-	-
5.	Opening balance of previous years' profit (loss)	(2,178,023.86)	(653,930.41)
5.1.	Opening balance of previous years' profit	-	-
	- correction of errors		
	- changes in accounting principles		
5.2.	Opening balance of previous years' profit, after adjustments	-	-
	increases (in respect of)	-	-
	- distribution of previous years' profit		
	decreases (in respect of)	-	-
5.3.	Closing balance of previous years' profit	-	-
5.4.	Opening balance of previous years' loss	(2,178,023.86)	(653,930.41)
	- correction of errors		
	- changes in accounting principles		
5.5.	Opening balance of previous years' loss, after adjustments	(2,178,023.86)	(653,930.41)
	increases (in respect of)	(5,655,494.91)	(1,524,093.45)
	- previous years' loss brought forward	(5,655,494.91)	(1,524,093.45)
	decreases (in respect of)	-	-
5.6.	Closing balance of previous years' loss	(7,833,518.77)	(2,178,023.86)
5.7.	Closing balance of previous years' profit (loss)	(7,833,518.77)	(2,178,023.86)
6.	Net result		
	net profit	31,816,842.82	
	net loss	-	(5,655,494.91)
	write-offs on profit		
Closing balance of equity		34,183,324.05	(3,333,518.77)
Equity including proposed profit distribution (loss coverage)		34,183,324.05	(3,333,518.77)

### ***Additional information***

(all figures in PLN)

### **Note 1 Changes in initial value and depreciation of intangible assets**

2023:

Intangible asset	Initial value (gross) – at the beginning of the	Increase in initial value	Total increase in initial value (3 + 4 + 5)	Decrease in initial value	Total decrease in initial value (7 + 8 + 9)	Initial value – at the end of the financial year
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	financial year	revaluation	purchase	movement		sale	disposal	other		(2 + 6 – 10)
1	2	3	4	5	6	7	8	9	10	11
Other intangible assets	33,652.80				0.00				0.00	33,652.80
<b>Total</b>	<b>33,652.80</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33,652.80</b>

2022:

Intangible asset	Initial value (gross) – at the beginning of the financial year	Increase in initial value			Total increase in initial value (3 + 4 + 5)	Decrease in initial value			Total decrease in initial value (7 + 8 + 9)	Initial value – at the end of the financial year (2 + 6 – 10)
		revaluation	purchase	movement		sale	disposal	other		
1	2	3	4	5	6	7	8	9	10	11
Other intangible assets	0.00		33,652.80		33,652.80				0.00	33,652.80
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>33,652.80</b>	<b>0.00</b>	<b>33,652.80</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33,652.80</b>

2023:

Intangible asset	Amortisation – at the beginning of the financial year	Increases during the financial year			Total increase in amortisation (13 + 14 + 15)	Decreases during the financial year		Net value of intangible assets	
		revaluation	depreciation for the financial year	other		decrease in amortisation	– at the end of the financial year (12 + 16 – 17)	– at the beginning of the financial year (2 – 12)	– at the end of the financial year (11 – 18)
	12	13	14	15	16	17	18	19	20
Other intangible assets	0.00		11,216.47		11,216.46		11,216.46	0.00	22,436.34
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>11,216.47</b>	<b>0.00</b>	<b>11,216.46</b>	<b>0.00</b>	<b>11,216.46</b>	<b>0.00</b>	<b>22,436.34</b>

2022:

Intangible asset	Amortisation – at the beginning of the financial year	Increases during the financial year			Total increase in amortisation (13 + 14 + 15)	Decreases during the financial year		Net value of intangible assets	
		revaluation	depreciation for the financial year	other		decrease in amortisation	– at the end of the financial year (12 + 16 – 17)	– at the beginning of the financial year (2 – 12)	– at the end of the financial year (11 – 18)
	12	13	14	15	16	17	18	19	20
Other intangible assets	0.00				0.00		0.00	0.00	0.00

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<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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## Note 2 Changes in initial value and depreciation of tangible fixed assets

2023:

Fixed assets category	Initial value (gross) – at the beginning of the financial year	Increase in initial value			Total increase in initial value (3 + 4 + 5)	Decrease in initial value			Total decrease in initial value (7 + 8 + 9)	Initial value – at the end of the financial year (2 + 6 – 10)
		revaluation	purchase	movement		sale	disposal	other		
1	2	3	4	5	6	7	8	9	10	11
Plant and machinery	12,758.43	0.00	46,887.94	0.00	46,887.94	0.00	0.00	0.00	0.00	59,646.37
<b>Total</b>	<b>12,758.43</b>	<b>0.00</b>	<b>46,887.94</b>	<b>0.00</b>	<b>46,887.94</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>59,646.37</b>

2023:

Fixed assets category	Depreciation – at the beginning of the financial year	Increases during the financial year			Total increase in depreciation (13 + 14 + 15)	Decreases during the financial year		Net value of fixed assets	
		revaluation	depreciation for the financial year	other		decrease in depreciation	– at the end of the financial year (12 + 16 – 17)	– at the beginning of the financial year (2 – 12)	– at the end of the financial year (11 – 18)
	12	13	14	15	16	17	18	19	20
Plant and machinery	12,758.43	0.00	46,887.94	0.00	46,887.94	0.00	59,646.37	0.00	0.00
<b>Total</b>	<b>12,758.43</b>	<b>0.00</b>	<b>46,887.94</b>	<b>0.00</b>	<b>46,887.94</b>	<b>0.00</b>	<b>59,646.37</b>	<b>0.00</b>	<b>0.00</b>

2022:

	Initial value	Increase in initial value	Total increase	Decrease in initial value		Initial value
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Fixed assets category	(gross) – at the beginning of the financial year	revaluation	purchase	movement	in initial value (3 + 4 + 5)	sale	disposal	other	Total decrease in initial value (7 + 8 + 9)	– at the end of the financial year (2 + 6 – 10)
1	2	3	4	5	6	7	8	9	10	11
Plant and machinery	7,559.43	0.00	5,199.00	0.00	5,199.00	0.00	0.00	0.00	0.00	12,758.43
<b>Total</b>	<b>7,559.43</b>	<b>0.00</b>	<b>5,199.00</b>	<b>0.00</b>	<b>5,199.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12,758.43</b>

2022:

Fixed assets category	Depreciation – at the beginning of the financial year	Increases during the financial year			Total increase in depreciation (13 + 14 + 15)	Decreases during the financial year		Net value of fixed assets	
		revaluation	depreciation for the financial year	other		decrease in depreciation	– at the end of the financial year (12 + 16 – 17)	– at the beginning of the financial year (2 – 12)	– at the end of the financial year (11 – 18)
	12	13	14	15	16	17	18	19	20
Plant and machinery	7,559.43	0.00	5,199.00	0.00	5,199.00	0.00	12,758.43	0.00	0.00
<b>Total</b>	<b>7,559.43</b>	<b>0.00</b>	<b>5,199.00</b>	<b>0.00</b>	<b>5,199.00</b>	<b>0.00</b>	<b>12,758.43</b>	<b>0.00</b>	<b>0.00</b>

Under a lease agreement, the Company uses office space that is not depreciated / amortised by the Company.

### Note 3 Maturity periods

2023:

Detailed description	Maturity period					Total
	up to 30 days	from 31 to 90 days	from 91 to 180 days	over 180 days	over 12 months	
<b>1. Receivables from related parties</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- trade payables	0.00	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00	0.00
<b>2. Receivables from other entities where the company holds a capital share</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- trade payables	0.00	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00	0.00
<b>3. Receivables from other entities</b>	<b>2,232,733.96</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,232,733.96</b>
- trade payables	0.00	0.00	0.00	0.00	0.00	0.00

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- in respect of taxes, subsidies, custom duties, social and health insurance and other benefits	287.15	0.00	0.00	0.00	0.00	287.15
- other	2,232,446.81	0.00	0.00	0.00	0.00	2,232,446.81
- claimed by litigation	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2,232,733.96</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,232,733.96</b>

“Other” includes settlements related to the sales of portfolios with Svea, deposit of Deel Inc, and customer transaction platforms: Di Pocket and Auto Pay (formerly Blue Media).

**2022:**

Detailed description	Maturity period					Total
	up to 30 days	from 31 to 90 days	from 91 to 180 days	over 180 days	over 12 months	
<b>1. Receivables from related parties</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- trade payables	0.00	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00	0.00
<b>2. Receivables from other entities where the company holds a capital share</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- trade payables	0.00	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00	0.00
<b>3. Receivables from other entities</b>	<b>602,504.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>602,504.19</b>
- trade payables	0.00	0.00	0.00	0.00	0.00	0.00
- in respect of taxes, subsidies, custom duties, social and health insurance and other benefits	0.00	0.00	0.00	0.00	0.00	0.00
- other	602,504.19	0.00	0.00	0.00	0.00	602,504.19
- claimed by litigation	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>602,504.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>602,504.19</b>

#### **Note 4 Impairment write-offs for receivables**

**2023:**

In the financial year, the Company did not make write-offs for short-term receivables.

**2022:**

In the financial year, the Company did not make write-offs for short-term receivables.

## Note 5 Prepaid expenses

2023:

Detailed description	At the beginning of the financial year	Increases	Decreases	At the end of the financial year (2 + 3 – 4)
1	2	3	4	5
1. Short-term prepayments, including:	<b>122,913.06</b>	<b>1,233,674.84</b>	<b>1,039,316.91</b>	<b>317,270.99</b>
- reporting system	0.00	186,568.80	100,552.65	86,016.15
- credit scoring support software	0.00	305,398.55	250,647.55	54,751.00
- AML portal subscription and anti-fraud system	44,019.77	154,582.97	157,772.29	40,830.45
- other	78,893.29	587,124.52	530,344.42	135,673.39
2. Deferred income, including:	<b>0.00</b>	<b>231.48</b>	<b>0.00</b>	<b>231.48</b>
- other	0.00	231.48	0.00	231.48
3. Accruals, including:	<b>59,040.00</b>	<b>847,302.71</b>	<b>743,318.88</b>	<b>163,023.83</b>
- audit of the financial statements	59,040.00	150,060.00	119,310.00	89,790.00
- transfer pricing	0.00	27,060.00	0.00	27,060.00
- bonuses	0.00	670,182.71	624,008.88	46,173.83

2022:

Detailed description	At the beginning of the financial year	Increases	Decreases	At the end of the financial year (2 + 3 – 4)
1	2	3	4	5
1. Short-term prepayments, including:	<b>44,795.65</b>	<b>212,332.79</b>	<b>134,215.38</b>	<b>122,913.06</b>
- AML portal subscription	43,654.01	67,977.82	71,978.06	39,653.77
- anti-fraud system	0.00	58,848.96	54,482.96	4,366.00
- HR / recruitment services	0.00	41,306.32	0.00	41,306.32
- IT services	0.00	35,351.18	2,991.18	32,360.00
- other	1,141.64	8,848.51	4,763.18	5,226.97
2. Deferred income, including:	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- other	0.00	0.00	0.00	0.00
3. Accruals, including:	<b>0.00</b>	<b>98,400.00</b>	<b>39,360.00</b>	<b>59,040.00</b>

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- audit of the financial statements	0.00	98,400.00	39,360.00	59,040.00
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## **Note 6 Ownership structure of share capital of the limited liability Company – at the end of the financial year**

The company was established on 30 August 2019, with an initial share capital of PLN 5,000.00. On 2 December 2019, the Company's share capital was increased by a resolution of an Extraordinary Meeting of Shareholders (Notarial Deed repertory A No. 6092/2019) – from PLN 5,000.00 to a total of PLN 200,000.00, i.e. by PLN 195,000.00.

On 5 March 2021, the Company's share capital was increased by a resolution of the Extraordinary Meeting of Shareholders (Notarial Deed repertory A No. 1353/2021) – from PLN 200,000.00 to a total of PLN 1,750,000.00, i.e. by PLN 1,550,000.00.

In 2022, the Company's ownership changed: on 8 April 2022, TWINO AS (now FINNO AS) sold all its shares (100% of shares, 35,000 shares of PLN 50.00 each, total value of shares PLN 1,750,000.00) to SIA TWINO Capital GF (now FINNO Europe SIA), located at: Terbatas 30, Riga, LV-1010, Latvia. As a result, SIA TWINO Capital GF (now FINNO Europe SIA) became the sole shareholder of the Company. On 15.06.2022, the Company's share capital was increased to PLN 4,500,000.00.

On 10 March 2023, the Company's share capital was increased by a resolution of the Extraordinary Meeting of Shareholders (Notarial Deed repertory A No. 1038/2023) – from PLN 4,500,000.00 to a total of PLN 7,700,000.00, i.e. by PLN 3,200,000.00. On 29 August 2023, the Company's share capital was increased by a resolution of the Extraordinary Meeting of Shareholders (Notarial Deed repertory A No. 4171/2023) – from PLN 7,700,000.00 to a total of PLN 10,200,000.00, i.e. by PLN 2,500,000.00.

Name of the shareholder	Number of shares held by the shareholder	Nominal value of shares held by the shareholder	Percentage of share in the company's share capital (in %)
FINNO Europe SIA	204,000	10,200,000.00	100
<b>Total</b>	<b>204,000</b>	<b>10,200,000.00</b>	<b>100</b>

## **Note 7 Provisions for liabilities**

**2023:**

Detailed description	At the beginning of the financial year	Increases	Decreases			At the end of the financial year (2 + 3 – 6)
			use (settled against liabilities)	release (provision considered unnecessary)	total (4 + 5)	
1	2	3	4	5	6	7
1. Deferred tax provision	126,428.00	1,122,300.00	0.00	0.00	0.00	1,248,728.00

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<b>2. Provision for retirement pensions and similar obligations</b>	<b>41,793.69</b>	<b>156,437.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>198,230.80</b>
- long-term	0.00	0.00	0.00	0.00	0.00	0.00
- short-term	41,793.69	156,437.11	0.00	0.00	0.00	198,230.80
<b>3. Other provisions</b>	<b>1,261,745.27</b>	<b>0.00</b>	<b>0.00</b>	<b>205,779.45</b>	<b>0.00</b>	<b>1,055,965.82</b>
- long-term	0.00	0.00	0.00	0.00	0.00	0.00
- short-term, including:	1,261,745.27	0.00	0.00	205,779.45	0.00	1,055,965.82
<i>expected credit losses – unused limits</i>	<i>1,261,745.27</i>		<i>0.00</i>	<i>205,779.45</i>	<i>0.00</i>	<i>1,055,965.82</i>
<b>Total</b>	<b>1,429,966.96</b>	<b>1,278,737.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,502,924.62</b>

**2022:**

Detailed description	At the beginning of the financial year	Increases	Decreases			At the end of the financial year (2 + 3 – 6)
			use (settled against liabilities)	release (provision considered unnecessary)	total (4 + 5)	
1	2	3	4	5	6	7
<b>1. Deferred tax provision</b>	<b>6,863.00</b>	<b>119,565.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>126,428.00</b>
<b>2. Provision for retirement pensions and similar obligations</b>	<b>0.00</b>	<b>41,793.69</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>41,793.69</b>
- long-term	0.00	0.00	0.00	0.00	0.00	0.00
- short-term	0.00	41,793.69	0.00	0.00	0.00	41,793.69
<b>3. Other provisions</b>	<b>0.00</b>	<b>1,261,745.27</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,261,745.27</b>
- long-term	0.00	0.00	0.00	0.00	0.00	0.00
- short-term, including:	0.00	1,261,745.27	0.00	0.00	0.00	1,261,745.27
<i>expected credit losses – unused limits</i>	<i>0.00</i>	<i>1,261,745.27</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>1,261,745.27</i>
<b>Total</b>	<b>6,863.00</b>	<b>1,423,103.96</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,429,966.96</b>

The value of credit limits awarded and unused amounted to PLN 30,779,000 as at 31 December 2023 and PLN 13,174,000 as at 31 December 2022.

## Note 8 Deferred income tax

**2023:**

Detailed description	Provisions for deferred income tax		Deferred tax assets			
	applied to the financial result	applied to capital (equity)	applied to the financial result	including: write-downs of assets	applied to capital (equity)	including: write-downs of assets
<b>1. At the beginning of the financial year, including:</b>	<b>126,428.00</b>	<b>0.00</b>	<b>178,544.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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- in respect of tax losses	0.00	0.00	0.00	0.00	0.00	0.00
2. Increases, including:	1,122,300.00	0.00	53,022.00	0.00	0.00	0.00
- foreign exchange differences and accrued interest	1,122,300.00	0.00	53,022.00	0.00	0.00	0.00
- other	0.00	0.00	0.00			
3. Decreases, including:	0.00	0.00	0.00	0.00	0.00	0.00
- in respect of tax losses	0.00	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. At the end of the financial year</b>	<b>1,248,728.00</b>	<b>0.00</b>	<b>231,566.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## 2022:

Detailed description	Provisions for deferred income tax		Deferred tax assets			
	applied to the financial result	applied to capital (equity)	applied to the financial result	including: write-downs of assets	applied to capital (equity)	including: write-downs of assets
<b>1. At the beginning of the financial year, including:</b>	<b>6,863.00</b>	<b>0.00</b>	<b>498,529.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- in respect of tax losses	0.00	0.00	464,907.00	0.00	0.00	0.00
2. Increases, including:	119,565.00	0.00	155,045.00	0.00	0.00	0.00
- foreign exchange differences and accrued interest	119,565.00	0.00	153,955.00	0.00	0.00	0.00
- other	0.00	0.00	1,090.00			
3. Decreases, including:	0.00	0.00	475,030.00	0.00	0.00	0.00
- in respect of tax losses	0.00	0.00	464,907.00	0.00	0.00	0.00
- other	0.00	0.00	10,123.00	0.00	0.00	0.00
<b>4. At the end of the financial year</b>	<b>126,428.00</b>	<b>0.00</b>	<b>178,544.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Note 9 Liabilities by maturity

### 2023:

Detailed description	Maturity period				
	up to 1 year	above 1 year to 3 years	above 3 years to 5 years	above 5 years	Total
- loans and borrowings	81,830,871.59	0.00	0.00	0.00	81,830,871.59
- trade payables	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00

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<b>3. Liabilities towards other entities</b>	<b>5,748,893.81</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,748,893.81</b>
- loans and borrowings	0.00	0.00	0.00	0.00	0.00
- from issuance of debt securities	0.00	0.00	0.00	0.00	0.00
- other financial liabilities	0.00	0.00	0.00	0.00	0.00
- trade payables	3,421,081.85	0.00	0.00	0.00	3,421,081.85
- advances received for deliveries	0.00	0.00	0.00	0.00	0.00
- liabilities on bills of exchange	0.00	0.00	0.00	0.00	0.00
- from taxes, customs, insurance and other benefits	2,286,331.91	0.00	0.00	0.00	2,286,331.91
- payroll liabilities	0.00	0.00	0.00	0.00	0.00
- payroll	681.44	0.00	0.00	0.00	681.44
- other	40,798.61	0.00	0.00	0.00	40,798.61
<b>Total</b>	<b>88,654,988.43</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>88,654,988.43</b>

2022:

Detailed description	Maturity period				
	up to 1 year	above 1 year to 3 years	above 3 years to 5 years	above 5 years	Total
<b>1. Liabilities to related parties</b>	<b>99,471.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>99,471.00</b>
- trade payables	0.00	0.00	0.00	0.00	0.00
- other	99,471.00	0.00	0.00	0.00	99,471.00
<b>2. Liabilities to entities where the Company holds capital share</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
- trade payables	0.00	0.00	0.00	0.00	0.00
- other	0.00	0.00	0.00	0.00	0.00
<b>3. Liabilities towards other entities</b>	<b>64,953,343.35</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>64,953,343.35</b>
- loans and borrowings	61,501,682.17	0.00	0.00	0.00	61,501,682.17
- from issuance of debt securities	0.00	0.00	0.00	0.00	0.00
- other financial liabilities	0.00	0.00	0.00	0.00	0.00
- trade payables	1,828,884.15	0.00	0.00	0.00	1,828,884.15
- advances received for deliveries	0.00	0.00	0.00	0.00	0.00
- liabilities on bills of exchange	0.00	0.00	0.00	0.00	0.00
- from taxes, customs, insurance and other benefits	1,590,663.87	0.00	0.00	0.00	1,590,663.87
- payroll liabilities	0.00	0.00	0.00	0.00	0.00

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- other	32,113.16	0.00	0.00	0.00	32,113.16
<b>Total</b>	<b>65,052,814.35</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>65,052,814.35</b>

## Note 10 Liabilities in respect of taxes, custom duties, social insurance

**2023:**

Detailed description		At the end of the financial year
PIT		72,514.00
VAT		131,581.40
CIT		1,800,952.00
WHT		80,038.00
Social insurance (ZUS)		194,784.51
Other		6,367.00
<b>Total</b>		<b>2,286,236.91</b>

**2022:**

Detailed description		At the end of the financial year
PIT		31,563.00
VAT		50,919.44
CIT		1,358,404.00
WHT		100,471.00
Social insurance (ZUS)		49,094.38
Other		212.05
<b>Total</b>		<b>1,590,663.87</b>

## Note 11 Structure of net sales revenue

**2023:**

Detailed description	Domestic net sales	International net sales	
		intra-Community supplies	export
Revenue from the use of credit lines	146,160,068.80	0.00	0.00
<b>Total</b>	<b>146,160,068.80</b>	<b>0.00</b>	<b>0.00</b>

**2022:**

Detailed description	Domestic net sales	International net sales	
		intra-Community supplies	export
Revenue from the use of credit lines	42,542,630.64	0.00	0.00
<b>Total</b>	<b>42,542,630.64</b>	<b>0.00</b>	<b>0.00</b>

## Note 12 Corporate income tax

Structure of corporate income tax

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**2023:**

Detailed description	At the end of the financial year
Current income tax	15,644,408.00
Change in deferred income tax	1,069,278.00
<b>Total</b>	<b>16,713,686.00</b>

**2022:**

Detailed description	At the end of the financial year
Current income tax	3,958,404.00
Change in deferred income tax	439,550.00
<b>Total</b>	<b>4,397,954.00</b>

**Calculation of corporate income tax**

**Calculation of corporate income tax**

Gross profit / loss

Non-deductible expenses:	<b>48,530,529</b>
- impairment write-downs of short-term investments	216,469
- non-deductible costs of debt portfolios sold	42,890,533
- accrued interest	270,731
- other non-deductible expenses	6,699,718
	<b>50,077,451</b>

Non-taxable revenues:	
- non-deductible foreign exchange differences	-5,495,730
- other non-taxable revenue	-9,901,143
- accrued interest	-872,116
	<b>-16,268,990</b>

Total **33,808,462**

Tax base **82,338,990**

Loss from previous years 0

Taxable income **82,338,990**  
19%

Income tax **15,644,408**

Gross profit / loss

Non-deductible expenses:	<b>-1,257,541</b>
- impairment write-downs of shortterm investments	20,268,365
- non-deductible costs of debt portfolios sold	4,415,225
- accrued interest	788,980
- other non-deductible expenses	219,849
	<b>25,692,419</b>

Non-taxable revenues:	
- non-deductible foreign exchange differences	-757,565
- other non-taxable revenue	-2,201
- accrued interest	-360,421
	<b>-1,120,187</b>

Total **24,572,231**

Tax base **23,314,690**

Loss from previous years -2,480,987

years  
Taxable income **20,833,703**  
19%

Income tax **3,958,404**

### Note 13 Average headcount by group of professions

The value of average employment is the monthly average number of employees (on a full-time or parttime basis).

	2023:	2022:
Detailed description	Average headcount	Average headcount
White collars	48.21	8.69
Blue-collars	0	0
Employees working abroad	0	0
Trainees	0	0
Persons on unpaid and parental leave	0	0
<b>Total</b>	<b>48.21</b>	<b>8.69</b>

### Note 14 Audit company remuneration paid or due for the financial year

2023:

Detailed description	Total remuneration	Including	
		paid	due
Statutory audit in the meaning of Article 2(1) of the Act on statutory auditors	0.00	0.00	0.00
Other attestation services	150,060.00	60,270.00	89,790.00
Tax consultancy services	0.00	0.00	0.00
Other services	0.00	0.00	0.00
<b>Total</b>	<b>150,060.00</b>	<b>60,270.00</b>	<b>89,790.00</b>

2022:

Detailed description	Total remuneration	Including	
		paid	due
Statutory audit in the meaning of Article 2(1) of the Act on statutory auditors	0.00	0.00	0.00
Other attestation services	98,400.00	39,360.00	59,040.00
Tax consultancy services	0.00	0.00	0.00
Other services	0.00	0.00	0.00
<b>Total</b>	<b>98,400.00</b>	<b>39,360.00</b>	<b>59,040.00</b>

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## **Note 15 Transactions with related parties**

<b>Related party</b>	<b>Transaction details</b>	<b>Balance / transactions as of 31/12/2023 and in 2023</b>	<b>Balance / transactions as of 31/12/2022 and in 2022</b>
Net Credit Sp. z o.o. (formerly In Credit)	Loans granted	230,000.00	0.00
Net Credit Sp. z o.o. (formerly In Credit)	Interest on loan granted	10,904.68	5,519.10
Net Credit Sp. z o.o. (formerly In Credit)	Interest revenue	10,904.68	0.00
Net Credit Sp. z o.o. (formerly In Credit)	Liabilities from loans received	0.00	-1,189,678.26
Net Credit Sp. z o.o. (formerly In Credit)	Interest cost	0.00	-7,525.47
Net Credit Sp. z o.o.	Loans granted	11,633,118.58	1,257,778.62
Net Credit Sp. z o.o.	Liabilities from loans received	0.00	-158,213.67
Net Credit Sp. z o.o.	Interest on loan granted	851,312.23	0.00
Net Credit Sp. z o.o.	Interest revenue	1,266,122.45	0.00
Net Credit Sp. z o.o.	Interest cost	0.00	-32,978.34
Net Credit Sp. z o.o.	Cost of purchasing services and fixed assets	1,825,846.94	-2,759.31
LTD IT Hub TWINO GE	Cost of purchasing services	0.00	-185,656.05
Twino Investments AS	Loans received	81,560,140.54	59,920,437.00
Twino Investments AS	Interest cost	10,574,440.43	935,223.48
Twino Investments AS	Accrued interest	270,731.05	233,353.24
Twino Investments AS	Costs of financial intermediation	6,096,856.15	985,816.74
SIA Finno	Loans granted	1,902,385.00	0.00
SIA Finno	Interest on loan granted	20,803.94	0.00
SIA Finno	Interest revenue	20,803.94	0.00

## **Note 16 Information on significant events after the balance sheet date that were not reported in the financial statement**

On 24 January 2024, the Company's share capital was increased by PLN 3,800,000.00 to PLN 14,000,000.00 under Notarial Deed No. 403/2024, through the creation of 76,000 new shares of the nominal value of PLN 50 each.

## **Note 17 Proposed appropriation and distribution of profit for the financial year**

**2023:**

As of the date of signing these Financial Statements, the Management Board have not made a decision on the appropriation and distribution of profit.

**2022:**

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The net loss for the period ending 31 December 2022 is mainly due to the expenses related to the formation of the Company. The Company started its operations in May 2022, and until then, it had not generated revenue from operations.

In 2023, the Company generated a positive financial result and positive cash flow. In addition, as described in Note 6, the Company's share capital was increased in 2023.

## **Note 18 Contingent liabilities**

The Company had no contingent liabilities in the financial year of 2023.

## **Note 19 Structure of funds included in the cash flow statement**

Type of cash	Current year	Previous year	Change in cash	Closing balance of cash with limited disposability
Cash and cash equivalents in hand	0.00	0.00	0.00	0.00
Cash and cash equivalents at bank	1,183,885.28	4,341,281.98	-3,157,396.70	0.00
Other cash	116,601.61	2,321,420.11	-2,204,818.50	0.00
<b>Total cash and cash equivalents</b>	<b>1,300,486.89</b>	<b>6,662,702.09</b>	<b>-5,362,215.20</b>	<b>0.00</b>

The company does not have funds accumulated in VAT accounts.

## **Note 20 Payroll, including profit sharing, paid out or due to members of the Company's bodies**

Detailed description	Gross remuneration for 2023 charged to costs	Gross remuneration for 2022 charged to costs
Managing body	764,389.16	569,164.71
Supervisory body	0.00	0.00
Administrative body	0.00	0.00

## **Note 21 Loans, borrowings granted to members of the Company's bodies**

**2023:**

	Granted	Accrued commission / interest	Repaid	As at 31/12/2023
Managing body	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**2022:**

	Granted	Accrued commission / interest	Repaid	As at 31/12/2022
Managing body	20,278.30	878.30	-20,315.54	841.06
<b>Total</b>	<b>20,278.30</b>	<b>878.30</b>	<b>-20,315.54</b>	<b>841.06</b>

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Credit cards issued as part of a product testing process – standard terms and conditions offered to the Company's customers, i.e. agreement for 12 months, commission of 16% on the credit line used within the settlement period (i.e. 30 days).

#### **Note 22 Expenses for the financing of non-financial fixed assets**

During the reporting period, the Company incurred expenses of PLN 46,887.94 on non-financial fixed assets, all of which was expended on computer equipment. Planned expenditure for non-financial fixed assets are not specified.

#### **Note 23 Exchange rates applied for valuation of the financial statements**

The following average NBP exchange rates were applied for the valuation of balance sheet items expressed in foreign currencies: EUR on 31/12.2023: EUR 1 = PLN 4.3480  
EUR on 31/12.2022: EUR 1 = PLN 4.6899

The average exchange rate of the National Bank of Poland announced for a specific currency on the day preceding the date of the transaction was used to value transactions recognised in the profit and loss account.

#### **Note 24 Information on the nature and economic purpose of agreements concluded by the Company and not covered in the balance sheet**

The Company has not entered into any agreements that were not included in the balance sheet, the impact of which on the assessment of the Company's assets, financial standing and financial result would be significant.

#### **Note 25 Transactions with related parties concluded on terms other than at arm's length**

The Company has not entered into transactions with related parties on terms other than at arm's length (related parties understood as related entities as defined in International Accounting Standards adopted in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards).

#### **Note 26 Information on the entity preparing consolidated financial statements at the highest and the lowest level of the capital group, comprising the company as a subsidiary**

The Company is not a parent company of any group, and therefore does not prepare consolidated statements. The entity preparing the consolidated financial statements at the highest level of the capital group is Finno HOLDING SIA, located at: Perses Iela 2A, Riga, Latvia.

#### **Note 27 Other information**

In 2023, there were two changes to the Company's Management Board. On 18 January 2023, by a resolution of the Extraordinary Meeting of Shareholders, Mr. Linards Ansimovs was appointed President of the Company's Management Board. On 26/10/2023, by a resolution of the Extraordinary

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Meeting of Shareholders, Mr. Linards Ansimovs was dismissed, while Ms. Iza Sienkiewicz was appointed President of the Company's Management Board; in addition, Ms. Mariola Strzelczyk-Singh was appointed Member of the Company's Management Board.

On 24 February 2022, Russia invaded Ukraine, however, the outbreak of war did not affect our operational activities in the previous year as well as in the current year.

On the basis of an annex to the Framework agreement on the assignment of receivables, signed on 3 July 2023, the price of bundled receivables sold was amended.

## **Note 28 Financial instruments**

**2023:**

### ***Financial assets – loans granted***

	<b>Balance</b>	<b>Revenues</b>	<b>Accrued but not realised</b>	
	<b>Loans granted 31/12/2023</b>	<b>commissions 2023</b>	<b>interest 2023</b>	<b>commissions 31/12/2023</b>
				<b>interest 31/12/2023</b>
loans granted	14,648,524.43	883,020.85	cards issued	123,233,628.69
	13,854,778.23	112,648.84		145,320,435.37
				839,633.43
	<b>137,882,153.12</b>	<b>145,320,435.37</b>	<b>839,633.43</b>	
	<b>-16,482,730.24</b>			<b>995,669.69</b>
Write-off	<b>121,399,422.88</b>			

Interest, by due date:

	112,648.84	- up to 3M
	0.00	- 3M – 12M
	0.00	- over 12M
- payable on demand	883,020.85	
	<b>995,669.69</b>	

The above interest pertaining to issued cards, which was not realised at the balance sheet date, is related entirely to loans granted, for which write-downs were made.

Basic characteristics of financial instruments:

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Receivables from customers for credit cards issued – cards issued to customers for a period of 360 days, with the possibility of renewal. The fees incurred by customers include a 16% commission on the used spending limit in each settlement period (for first-time agreements with customers, all fees in the first settlement period amount to PLN 0). From 14/09/2023, the commission was reduced to 11%. As of 31/12/2023, the Company had 41,100 credit cards issued, on which the used spending limit was higher than PLN 0.

For overdue repayments, the Company may charge late interest.

In the Company's opinion, the value of financial assets shown in the balance sheet does not differ significantly from their fair value.

### **Financial liabilities**

	<b>Balance</b>	<b>Expenses</b>	<b>Accrued but not realised</b>	
	Loans received 31/12/2023	interest	interest 31/12/2023	2023
loans received	81560 140.54	10,574,440.43	-270,731.05	
	<b>81,560,140.54</b>	<b>10,574,440.43</b>	<b>-270,731.05</b>	

Interest, by due date:

	0.00 - up to 3M
	0.00 - 3M – 12M
	0.00 - over 12M
- payable on demand	-270,731.05
	<b>-270,731.05</b>

Basic characteristics of financial instruments:

Loans received include mainly loans used for the financing of the Company's operations (issuance of credit cards) – loans for periods of 3 to 12 months with variable interest rates in the range of 10–13% p.a. – received from an entity controlled by the Company's beneficial owner, namely TWINO Investments AS (with no formal relationship between the entities). In the Company's opinion, the value of financial liabilities shown in the balance sheet does not differ significantly from their fair value.

**2022:**  
**Financial assets – loans  
granted**

<b>Balance</b>	<b>Revenues</b>	<b>Accrued but not realised</b>
Financially active granted		

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		2022	31/12/2022	31/12/2022
		1,257,778.62	83,490.19	77,971.09
		73,356,423.66	42,160,958.99	381,671.65
		loans	commissions	interest
		31/12/2022	2022	commissions
loans granted	cards issued			interest
		74,614,202.28	42,160,958.99	465,161.84
Write-off			-19,006,619.85	9,553,230.66
				163,872.13

				77,971.09
				163,872.13
		55,607,582.43		

Interest, by due date:

85,901.04	- up to 3M
0.00	- 3M – 12M
0.00	- over 12M
	- payable on demand

The above interest pertaining to issued cards, which was not realised at the balance sheet date, is related entirely to loans granted, for which write-downs were made.

Basic characteristics of financial instruments:

Receivables from customers for credit cards issued – cards issued to customers for a period of 360 days, with the possibility of renewal. The fees incurred by customers include a 16% commission on the used spending limit in each settlement period (for first-time agreements with customers, all fees in the first settlement period amount to PLN 0). As of 31/12/2022, the Company had 37,653 credit cards issued, on which the used spending limit was higher than PLN 0.

For overdue repayments, the Company may charge late interest.

In the Company's opinion, the value of financial assets shown in the balance sheet does not differ significantly from their fair value.

### ***Financial liabilities***

	Balance	Expenses	Accrued but not realised
	Loans received	interest	interest
	31/12/2022	2022	31/12/2022
loans received	-61,601,153.17	-3,838,435.91	-809,224.38

		-547,591.93
		<b>-809,224.38</b>
<b>-61,601,153.17</b>	<b>-3,838,435.91</b>	<b>-809,224.38</b>

Interest, by due date:

-261,632.45	- up to 3M
0.00	- 3M – 12M
0.00	- over 12M
	- payable on demand

Basic characteristics of financial instruments:

Loans received include mainly loans used for the financing of the Company's operations (issuance of credit cards) – loans for periods of 3 to 12 months with fixed interest rates of 12% p.a. – received from an entity controlled by the Company's beneficial owner, namely TWINO Investments AS (with no formal relationship between the entities).

In the Company's opinion, the value of financial liabilities shown in the balance sheet does not differ significantly from their fair value.

### ***Credit risk***

Credit risk management was aimed at achieving maximum profitability, in accordance with the established basic principles of risk management, and to ensure an optimal balance between the planned profitability level, credit risk and liquidity.

Credit risk assessment was carried out at the level of individual debtors. FINCARD minimised its credit risk in line with its risk appetite defined by the Management Board, which reflects the Company's maximum acceptable total risk (within its risk acceptance capacity) that the Company has chosen to accept in the course of its business.

An element of credit risk management is the sales of loans after a specified past due date.

The credit risk assessment was performed in an automated manner using an IT tool that qualified applications from individuals interested in entering into an agreement with FINCARD.

The maximum amount of loss to which the Company is exposed in terms of credit risk is the net carrying amount of loans granted, i.e. PLN 121,399,422.88

There is no significant concentration of credit risk – loan granted in the amount of PLN 1,902,385.00 to two legal persons, and the principal amount of PLN 13,765,503.58. The first loan was extended to Net Credit Sp. z o.o. (PLN 11,863,118.58) while the other to SIA Finno Holding (PLN 1,902,385.00). Other loans granted are receivables from credit cards issued, where a single loan does not exceed 0.1% of the balance sheet value of the portfolio of loans granted for the cards issued.

***Liquidity risk***

The Company's liquidity management was carried out in such a way as to ensure its ability to settle both ordinary and extraordinary financial obligations, minimise FINCARD's liquidity risk in the future and streamline the management of surplus funds.

Liquidity management at FINCARD included the costs of achieving and maintaining liquidity.

Liquidity risk management at FINCARD was carried out in particular by identifying key liabilities in order to satisfy them within a specific timeframe, analysing the flow of funds assumed by the Company in order to perform transactions, reviewing changes in liquidity ratios and simultaneously managing the Company's structure of assets and liabilities.

The Company maintained a liquidity reserve in case of a sudden deterioration of its liquidity.

***Market risk***

The Company identified the risk of foreign exchange volatility as likely to affect its operations. FINCARD's control of the risk of foreign exchange volatility is based, among others, on analytical activities performed by designated employees, monitoring of net positions for specific foreign currencies, and ongoing monitoring of the economic situation that might affect foreign exchange rates.

*The Polish original should be referred to in matters of interpretation.*

## **Independent Auditor's Report to the Shareholders of FinCard Sp. z o.o.**

### **Report on the Audit of the Year-end Financial Statements**

### **Opinion**

We have audited the year-end financial statements of FinCard Sp. z o.o. ("the Company"), comprising the introduction to the financial statements, a balance sheet as at December 31<sup>st</sup>, 2023, the profit and loss account, the statement of changes in equity and the statement of cash flows for the financial year from 1<sup>st</sup> January to 31<sup>st</sup> December 2023, as well as additional information and explanations ("the financial statements").

In our opinion, the accompanying financial statements:

- give a true and fair view of the Company's financial position as at December 31<sup>st</sup>, 2023, as well as of its financial result and cash flows for the financial year then ended, in accordance with the applicable provisions of the Accounting Act of 29 September 1994 ("the Accounting Act" – 2023 Journal of Laws, item 120, with subsequent amendments) and the adopted accounting methods (policies); \
- are consistent, in content and in form, with the applicable laws and regulations and with the Company's Articles of Association
- have been prepared on the basis of properly kept books of account in accordance with Chapter 2 of the Accounting Act.

### **Basis for Opinion**

We conducted our audit in accordance with National Standards on Auditing in the wording of International Standards on Auditing adopted by resolution of the National Council of Certified Auditors ("NSA"), and in compliance with the Act of 11 May 2017 on Certified Auditors, Audit Firms and on Public Oversight ("the Certified Auditors Act" – 2023 Journal of Laws, item 1015 with subsequent amendments). Our responsibilities under those standards are further described in the *Responsibilities of the Auditor for the Audit of the Financial Statements* section of this report.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Standards of Independence) of the International Ethics Standards Board for Accountants ("IESBA Code") adopted by resolution of the National Council of Certified Auditors,

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as well as with other ethical requirements relevant to the audit of financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. During the audit, the auditor in charge and the audit firm remained independent of the Company in accordance with the independence requirements laid down in the Certified Auditors Act.

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

## **Responsibilities of the Company's Management for the Financial Statements**

The Company's Management is responsible for the preparation, based on properly kept books of account, of the financial statements that give a true and fair view of the Company's financial position and financial result in accordance with the provisions of the Accounting Act, the adopted accounting methods (policies), the applicable binding regulations and the Company's Articles of Association. The Company's Management is also responsible for such internal controls as it considers necessary to ensure that the financial statements are free from material misstatements resulting from fraud or error.

In preparing the financial statements the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, any matters related to going concern and using the going concern basis of accounting, except in situations where the Management intends to either liquidate the Company or discontinue its operations, or has no realistic alternative but to do so.

The Company's Management is required to ensure that the financial statements meet the requirements of the Accounting Act.

## **Responsibilities of the Auditor for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with NSA will always detect an existing material misstatement. Misstatements can arise from fraud or error and are considered material if it could be reasonably expected that they, individually or in the aggregate, could influence the economic decisions of users made on the basis of these financial statements.

The scope of the audit does not include an assurance regarding the Company's future profitability, or regarding the Management's effectiveness in the handling of the Company's affairs now or in the future.

Throughout an audit in accordance with NSA, we exercise professional judgement and maintain professional skepticism, as well as:

- identify and assess the risks of a material misstatement of the financial statements resulting from fraud or error, design and perform audit procedures in response to such 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 the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, forgery, deliberate omission, misrepresentation or override of internal controls;
- obtain an understanding of the internal controls relevant to the audit in order to plan our audit procedures, but not to express an opinion on the effectiveness of the Company's internal controls;
- evaluate the appropriateness of the accounting policies used and the reasonableness of the estimates and related disclosures made by the Company's Management;
- conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether 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 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## **Other Information, Including Report on Activities**

Other information comprises the report on the Company's activities for the financial year ended 31<sup>st</sup> December 2023 ("the Report on Activities").

### **Responsibilities of the Company's Management**

The Company's Management is responsible for the preparation of the Report on Activities in accordance binding regulations.

The Company's Management is required to ensure that the Report on Activities meets the requirements of the Accounting Act.

### **Responsibilities of the Auditor**

Our opinion on the financial statements does not cover the Report on Activities. In connection with our audit of the financial statements, our responsibility is to read the Report on Activities and, in doing so, consider whether it is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we find a material misstatement of the Report on Activities, we are required to state this fact on our auditor's report. In accordance with the requirements of the Certified Auditors Act, it is also

our responsibility to issue an opinion whether the Report on Activities has been prepared in accordance with binding regulations, and whether it is consistent with the information presented in the financial statements.

## **Opinion on the Report on Activities**

Based on the work we have performed during the audit, in our opinion the Report on Activities:

- has been prepared in accordance with Article 49 of the Accounting Act;
- is consistent with the information presented in the financial statements.

Furthermore, based on our knowledge obtained during the audit about the Company and its environment, we have identified no material misstatements in the Report on Activities.

The auditor in charge of the audit resulting in this independent auditor's report is [imię i nazwisko].

**BDO spółka z ograniczoną odpowiedzialnością sp.k. with its registered office in Warsaw entered  
on the list of audit firms in number 3355**

**on behalf of which the audit was performed by the auditor in charge**

*/Signed with a qualified electronic signature on the Polish original/*

**Adam Fornalik**

Certified Auditor

Registration No. 9916

Warszawa, 28 May 2024