

## **IFN VIACONTO MINICREDIT SA**

### **FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31st , 2024**

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

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*All amounts are expressed in RON (unless specified otherwise)*

**BALANCE SHEET**  
for the financial year ended December 31st, 2024

	Notes	December 31st, 2024	December 31st, 2023
<b>ASSETS</b>			
Cash and cash equivalents	7	1,129,936	851,377
Loans and advances granted to customers	8	4,614,945	4,202,640
Receivables from investments in financial securities	9	-	177.167
Other financial assets	10	157.978	1.656.915
Deferred tax receivables	34	30.186	21.213
Intangible assets	11	26.588	43.092
Tangible assets	12	606.831	78.086
Other assets	13	108.086	34.905
<b>ASSETS - TOTAL</b>		<b>6.674.550</b>	<b>7.065.395</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liabilities</b>			
Loans	14	10.320	10.105
Leasing liabilities	15	610.852	84.989
Other financial liabilities	16	187.249	153.706
Current tax liabilities	34	-	415.441
Other liabilities	17	667.649	717.020
Subordinated liabilities	18	1.428.423	2.813.936
<b>Liabilities - total</b>		<b>2.904.493</b>	<b>4.195.197</b>
<b>Provisions</b>			
Outstanding vacations	19	164.929	119.161
<b>Total provisions</b>		<b>164.929</b>	<b>119.161</b>
<b>Equity</b>			
Share capital	20	5.780.000	5.780.000
Reserves	21	183.193	134.225
Retained earnings	22	(2.358.065)	(3.163.188)
<b>Equity - total</b>		<b>3.605.128</b>	<b>2.751.037</b>
<b>EQUITY AND LIABILITIES - TOTAL</b>		<b>6.674.550</b>	<b>7.065.395</b>

The financial statements were authorized for issue by the Board of Directors on May 9th, 2025 and were signed on its behalf by:

General Manager,  
BABASS MAKSIMS

Issued by,  
CONTIKA FIN S.R.L.  
Quality: natural or legal persons, authorized according to the law, members of the Body of Expert and Licensed Accountants of Romania Registration no.: 0019365/2024  
by Mircea Daniel Tudorache  
TUDORACHE MIRCEA-DANIEL  
DOBRESCU SILIVA

Maksims Babass  
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**STATEMENT OF THE PROFIT OR LOSS ACCOUNT  
AND OTHER COMPREHENSIVE INCOME  
for the financial year ended December 31st, 2024**

	Notes	2024	2023
Interest incomes calculated using the effective interest method	23	10.045.291	10.526.323
Interest expenses	23	(439.497)	(456.991)
<b>Net interest income</b>		<b>9.605.794</b>	<b>10.069.332</b>
Net impairment losses	24	(419.165)	(1.046.842)
<b>Net interest income including net impairment losses</b>		<b>9.186.629</b>	<b>9.022.490</b>
Fees and commissions expenses	25	(289.031)	(282.580)
<b>Net income from fees and commissions</b>		<b>(289.031)</b>	<b>(282.580)</b>
(Losses)/Earnings from foreign exchange rate differences	26	(36.032)	(73.114)
Other operating income	27	60.904	-
Personnel expenses	28	(1.319.565)	(1.065.920)
Financial services expenses	29	(3.256.370)	(2.027.568)
Advertising, publicity and marketing expenses		(740.026)	(882.477)
Fees and taxes expenses	30	(751.570)	(918.926)
Outstanding receivables recovery expenses	31	(1.080.693)	(1.069.706)
Amortization expenses	32	(163.063)	(97.911)
Other operating expenses	33	(631.821)	(527.463)
<b>Total operating expenses</b>		<b>(7.918.236)</b>	<b>(6.663.085)</b>
<b>Gross result of the period - profit</b>		<b>979.362</b>	<b>2.076.825</b>
(Expense)/Income with profit tax	34	(125.271)	(565.669)
<b>Net result of the period - profit</b>		<b>854.091</b>	<b>1.511.156</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>854.091</b>	<b>1.511.156</b>

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**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
for the financial year ended December 31st, 2024**

	Share capita l	Reserves	Retaine d earning s	Total
<b>Balance on January 1st, 2023</b>	<b>5.780.000</b>	<b>30.383</b>	<b>(4.644.179)</b>	<b>1.166.204</b>
Net profit of the financial period	-	-	1.511.156	1.511.156
Establishment of legal reserve	-	103.842	(103.842)	-
Other elements of the comprehensive income			73.677	73.677
<b>Comprehensive income for the financial year</b>	<b>-</b>	<b>103.842</b>	<b>1.480.991</b>	<b>1.584.833</b>
<b>Balance on December 31st, 2023</b>	<b>5.780.000</b>	<b>134.225</b>	<b>(3.163.188)</b>	<b>2.751.037</b>
<b>Balance on January 1st, 2024</b>	<b>5.780.000</b>	<b>134.225</b>	<b>(3.163.188)</b>	<b>2.751.037</b>
Net profit of the financial period	-	-	854.091	854.091
Establishment of legal reserve	-	48.968	(48.968)	-
Other elements of the comprehensive income	-	-	-	-
<b>Comprehensive income for the financial year</b>	<b>-</b>	<b>48.968</b>	<b>805.123</b>	<b>854.091</b>
<b>Balance on December 31st, 2024</b>	<b>5.780.000</b>	<b>183.193</b>	<b>(2.358.065)</b>	<b>3.605.128</b>

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**CASH FLOWS STATEMENT**  
for the financial year ended December 31st, 2024

	Note	Year Ended on	
		December 31st, 2024	December 31st, 2023 (reclassified note 3.7)
<b>Cash flow from operating activities</b>			
<b>Profit before taxation</b>		<b>979.362</b>	<b>2.076.825</b>
<b>Adjustments for:</b>			
Interest income	23	(10.045.291)	(10.526.323)
Interest expenses	23	439.497	456.991
Net impairment losses	24	419.165	1.046.842
Amortization expenses	32	163.063	97.911
Provision for outstanding vacations	28	45.768	3.580
Losses/(Earnings) from foreign exchange rate differences	26	36.032	73.114
Other Adjustments		-	(1.525)
<b>Operating result before variation in operating assets and liabilities</b>		<b>(7.962.404)</b>	<b>(6.772.585)</b>
<b>Variation in operating assets</b>			
(Increase)/decrease in loans and advances granted to customers	8	(410.246)	(1.357.972)
(Increase)/decrease in other financial assets	10	1.676.247	(1.551.865)
Increase/(decrease) in other assets	13	(70.817)	(10.871)
Increase/(decrease) in other financial liabilities	16	32.915	31.149
(Increase)/decrease in other liabilities	17	(49.162)	216.135
<b>Other changes in cash flow from operating activities</b>			
Collected interest		9.624.070	10.754.630
Paid interest		(431.659)	(448.273)
Profit tax payments		(552.049)	(330.728)
<b>Cash flow from operating activities</b>		<b>1.856.895</b>	<b>529.620</b>
<b>Cash flow from investing activities</b>			
Payments for the acquisition of fixed assets		(238)	(61.349)
<b>Cash flow from investing activities</b>		<b>(238)</b>	<b>(61.349)</b>
<b>Cash flow from financing activities</b>			
Loan Proceeds		-	-
Reimbursements of loans		(1.393.588)	-
Repayment of lease liabilities		(148.797)	(86.207)
<b>Cash flow from financing activities</b>		<b>(1.542.385)</b>	<b>(86.207)</b>
<b>Net increase in cash balance and cash equivalents</b>		<b>314.272</b>	<b>382.064</b>

**CASH FLOWS STATEMENT**  
for the financial year ended December 31st, 2024

	Notes	Year Ended on December 31st, 2024	December 31st, 2023 (reclassified note 3.7)
<b>Cash and cash equivalents on January 1st</b>	7	<b><u>851.377.536.805</u></b>	
Effect of exchange rate change on cash		(35.712)	(67.493)
<b>Cash and cash equivalents as of December 31</b>	7	<b><u>1.129.936</u></b>	<b><u>851.377</u></b>

The reclassifications made for December 31st, 2023 are detailed in note 3.7.

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## EXPLANATORY NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### For the financial year ended December 31st, 2024

#### 1. REPORTING ENTITY

**IFN VIACONTO MINICREDIT S.A.** (hereinafter referred to as "the Company") is a joint stock company, registered in Romania in 2016, having the unique fiscal registration code 36368519 and the registration number with the Trade Register J40/10149/2016, registered for VAT purposes in Romania for intra-Community acquisitions with the fiscal registration code RO 40289855. The company received the authorization to carry out lending activities in January 2017 and is listed in the NBR Special Register under the registration number RS-PJR-41-110108/18.05.2018.

The company started its lending activity beginning with February 2018.

**The object of the Company's activity** consists in the provision of financial services of the nature of other lending activities - the granting of consumer loans, without issuing and administering credit cards - NACE code 6492.

At the date of these financial statements, the Company finances customers - natural persons resident in Romania (2023: idem).

**The address of the registered office** is: G-Ral Gheorghe Magheru Boulevard, no. 1-3, space "B", 6th floor, District 1, Bucharest, Romania (December 31st, 2023: 21 Calea Mosilor, 2nd floor, District 3, Bucharest, Romania).

During the financial year 2023, the Company carried out its activity exclusively through its registered office located in Bucharest (2023: idem).

**The structure of the Company's shareholding** at the date of these financial statements is presented in the table below:

(RON)	December 31st, 2024			December 31st, 2023		
Name	Number of shares	Percent age held (%)	Nominal value of the shares owned	Number of shares	Percent age held (%)	Nominal value of the shares owned
AS "VIA SMS group" (Latvia)	5,491,004	95%	5.491.004	5.491.004	95%	5.491.004
SIA "Financial Investment" (Latvia)	288,996	5%	288.996	288.996	5%	288.996
<b>Total</b>	<b>5,780,000</b>	<b>100%</b>	<b>5.780.000</b>	<b>5.780.000</b>	<b>100%</b>	<b>5.780.000</b>

The General Meeting of Shareholders is the supreme management body of the Company, having the competence to decide on all aspects of its activity, management and administration.

**The Board of Directors** of the Company comprises 5 members, appointed by the General Meeting of Shareholders. The structure of the Company's Board of Directors in 2024 was the following:

Maksims Babass	Chairman
Deniss Serstjukovs	member
Eduards Lapkovskis	member
Daniel Pandici	member
Cirule Irina	member

As of February 1st, 2025, Mr. Wojciech Malek Jerzy was appointed as a member of the Board of Directors replacing Mr. Deniss Serstjukovs. As of April 1st, 2025, Mrs. Liliana Frisan was appointed as a member of the Board of Directors, replacing Mr. Daniel Pandici.



The structure of the Company's Board of Directors in 2023 was the following:

- starting with July 5th, 2023: Maksims
 

Babass	Chairman
Deniss Serstjukovs	member
Eduards Lapkovskis	member
Daniel Pandici	member
Cirule Irina	member
- until July 4th, 2023:
 

Maksims Babass	Chairman
Deniss Serstjukovs	member
Eduards Lapkovskis	member
Daniel Pandici	member
Georgijs Krasovickis	– member

**The executive management** of the Company was provided, during 2024, by Mr. Maksims Babass as General Manager and by Mr. Daniel Pandici as Deputy General Manager (year 2023: idem). On April 1st, 2025, Mr. Daniel Pandici was removed from the position of Deputy General Manager, a position taken over by Mrs. Liliana Frisan.

**The number of employees of** the Company as of December 31st, 2024 was 12 employees (December 31st, 2023: idem). The average number of employees of the Company during 2024 was 7 (2023: idem).

**The currency of presentation** of these financial statements is Romanian Lei, rounded to leu, unless otherwise specified.

**Reporting company:** these financial statements are those of IFN VIACONTO MINICREDIT S.A. (the “Company”) and incorporate the results of the Company's operations, and not of the Group of which it is a part.

## 2. ENVIRONMENT IN WHICH THE COMPANY OPERATES

During 2024, global economic activity remained relatively resilient in the face of multiple supply shocks in recent years, although regional developments still show certain divergent characteristics. Thus, while the US economy continues to expand at a relatively sustained pace, in the euro area, the outlook for economic dynamics has been revised downwards, in the context of geopolitical tensions and the slowdown in the manufacturing sector.

In parallel, the disinflation process at global level has continued, but in some economies inflation remains high and relatively persistent, amid a slowdown in wage dynamics and a gradual normalization of labor markets. In the euro area, the latest ECB assessments indicate a gradual convergence of inflation towards the medium-term target, but with differentiated rhythms for its main components. Thus, the inflation of goods has already approached the 2 percent threshold, while the inflation of services still persists at high levels. Several central banks have started the process of easing monetary policy, both in emerging and advanced economies.

In Romania, the annual inflation rate increased in the last three months of 2024 more than anticipated, rising in December to 5.14 percent, from 4.62 percent in September. The increasing trajectory was almost exclusively imprinted by the group of energy goods, especially the fuel segment, in the context of the appreciation of the US dollar and the episodic increase in oil prices in October, but also the onset of the cold season – and to a small extent by the new increases recorded by food prices, amid the severe drought in the summer of 2024 and the increase in the prices of some goods.

The average annual inflation rate reached at the end of 2024 the level of 5.6 percent in the case of the index calculated according to the national methodology (CPI) and, respectively, 5.8 percent in the case of the indicator calculated according to the harmonized structure (HICP). Under these conditions, the gap to the average inflation in the European Union decreased in December to 3.2 percentage points, an evolution that continues to highlight a slightly more attenuated disinflationary process in the case of Romania.

Thus, on the one hand, the increase in the costs of agri-food raw materials, accentuated in the recent period, began to be reflected by the constant increase in the annual pace of domestic production prices in the food industry. Instead, non-food goods and market services continued their disinflationary trajectory. In the case of both segments, the demand conditions continued to exert less and less favorable influences. However, the pace of disinflation of the two subcomponents is relatively slow and even in mitigation in the case of non-food goods, as a result of the loss of support from the import goods price chain. In the case of services, disinflation is slowed by the maintenance of pressures from labour costs, this segment of activity being among the most exposed in the economy to the labour factor.

Regarding the labor market, the latest data and specialized surveys indicate a notable decrease in the degree of market tension in the third quarter of 2024, but also a stop in the fourth quarter, probably temporarily, of its downward trend. Although it recorded a certain attenuation, the annual dynamics of unit labor costs throughout the economy remained at high values in the third quarter of 2024. In October-November, the domestic production recorded a recovery after a period of contraction, accompanied by a moderation of the wage growth rate.

Throughout the year, economic growth is estimated at values close to 1 percent, implying a new pace mitigation compared to 2023. This evolution is determined, among other things, by the moderation of the economic activity of the Community trading partners over several quarters, with a significant contagion effect on the one in Romania.

From the expenditure perspective, for 2024, the slowdown in the economy can be attributed to a large negative contribution of net exports (after the slightly positive one in 2023), while the contribution of domestic demand is assessed to have remained robust, mainly due to final consumption, whose growth was, however, accommodated to a very small extent from domestic production.

Fiscal and budgetary measures adopted at the end of last year (GEO no. 156/2024), applicable from January 1st, 2025, are expected to have a significant impact on the components of aggregate demand. On the one hand, they will considerably reduce the financial resources of households available for consumption, and on the other hand, they will influence, both directly and indirectly, the investment decisions of companies. In this context, the dynamics of domestic demand are expected to slow down sharply.

### *Monetary Policy*

Against the background of declining inflation, in July 2024 the NBR reduced the monetary policy interest rate to 6.75%, from the level of 7% where it stayed for a year and a half. Subsequently, in August 2024, the NBR made a further adjustment of the reference interest rate up to 6.5%, a level then maintained until the end of the year. These decisions aimed to ensure and maintain price stability in the medium term, corresponding to the stationary inflation target of 2.5 percent  $\pm$  1 percentage point, in a manner that would contribute to achieving sustainable economic growth.

The leu/euro exchange rate remained relatively stable in November and December 2024, on the higher level on which it returned in the middle of the previous quarter, while against the US dollar the leu continued to register notable depreciations in this period, given the pronounced strengthening of the American currency on the international financial markets. Also, an important factor influencing the exchange rate is the developments in international trade, including the possible increase by the US of customs tariffs in relation to the European Union. In this context, the forecasted evolution of the price of the European currency against the US dollar is marked by a high degree of uncertainty.

Significant uncertainties and risks arise from the future conduct of fiscal and income policy, given the potential fiscal and budgetary measures implemented starting from 2025 in order to position the budget deficit on a sustainable downward path and compatible with the new EU economic governance framework.

At the same time, increased uncertainties and risks to the outlook for economic activity, including the medium-term evolution of inflation, are generated by the war in Ukraine and the conflict in the Middle East, as well as economic developments in Europe and globally, including amid the escalation of geopolitical tensions, but also the efficient absorption and use of European funds, especially those related to the "Next Generation EU" program.

Uncertainties are also increasingly assessed in the context of the recent increase in geopolitical and economic tensions between the US and its trade partners.

The uncertain economic environment is likely to temper economic growth both in terms of a decrease in the propensity to consume and by postponing the investment decisions of companies.

The year 2024 is estimated to have ended with a current account deficit increasing compared to that of 2023 (6.6 percent of GDP). The trade deficit had the highest contribution to this evolution, due to quasi-generalized deteriorations recorded by the main groups of goods.

The long-term effects of the current and future economic situation are difficult to assess, and management's current expectations and estimates could differ from actual results.

### **3. GROUNDS IN PREPARING THE FINANCIAL STATEMENTS**

#### **3.1. Declaration of conformity**

The financial statements for the financial year ended on December 31st, 2023 were drawn up in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS"), as well as in accordance with the provisions of BNR Order no. 27 of December 16th, 2010 *for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards*, republished, with subsequent changes and additions ("BNR Order 27/2010").

The financial statements of the Company have been prepared in Romanian. In all aspects of the interpretation of information and opinions, the Romanian version of the financial statements takes precedence over any translated version of them.

#### **3.2. Basics of evaluation**

These financial statements were prepared based on the historical cost convention.

These financial statements are intended for primary users, who are investors who borrow or provide equity capital to the reporting entity. These financial statements assume that primary users have a reasonable knowledge of economic and business activities and review and analyze the information diligently. Sometimes, even well-informed and diligent users may need to seek the help of a consultant to understand information about complex economic phenomena reported in these financial statements.

These financial statements aim to present only information that the management considers significant for primary users. The management does not seek to reduce the understanding of these financial statements by concealing significant information with non-material information. Therefore, only material accounting policies are disclosed, where relevant, in the related disclosure notes.

#### **3.3. Business continuity**

The financial statements are drawn up respecting the going concern principle, namely the going concern at normal parameters and in the foreseeable future, at least one year from the date of closing the financial statements.

The management analyzes the forecasts regarding the future cash inflows and based on these analyses, the management considers that the Company will be able to continue its activity in the foreseeable future and therefore the application of the going concern principle in the preparation of the financial statements is justified.

### 3.4. Functional currency and presentation currency

The individual financial statements are presented in Romanian Lei ("Ron") which is the functional and presentation currency of the Company. The financial information presented in Lei was rounded up at the unit.

### 3.5. Use of significant estimates and judgments

The preparation of the individual financial statements in accordance with IFRS requires the use by the Company's management of professional judgments, estimates and assumptions that affect the application of accounting policies, as well as the reported value of assets, liabilities, income and expenses. Actual results may differ from estimated values.

Professional estimates and judgments are reviewed periodically, applying the going concern principle. Revisions to accounting estimates are recognized both in the period in which the estimate is revised, if the revision affects only that period, and in the future affected periods, if the revision affects both the current period and the future periods.

Areas in which a more advanced level of judgment and complexity is required as well as areas in which the assumptions and estimates used are significant for the Financial Statements are described in Note 4.

### 3.6. Segment reporting

A segment is a component of the Company:

- who engages in the business activity from which they can earn income and incur expenses (including income and expenses related to transactions with other components of the same entity);
- whose operating results are periodically reviewed by the main operational decision maker in order to take decisions on the resources to be allocated to the segment and to assess its performance;
- for which separate financial information is available.

The Company's segment reporting is based on a single operating segment, namely that of consumer loans granted to individuals in Romania.

### 3.7. Changes in presentation

Where necessary, the comparative figures have been adjusted to comply with the presentation of the amounts of the current year. The effect of the reclassifications for presentation purposes was as follows on the amounts on December 31st, 2023:

a) cash flows statement:

	Initially presented	Reclassificati ons	Reclassified on December 31st, 2023
<b>Cash flow from operating activities</b>			
<b>Adjustments for:</b>			
Provision for outstanding vacations	-	3.580	3.580
Other Adjustments	2.055	(3.580)	(1.525)

The reclassifications made refer to the distinct presentation of the net expense/(income) from the provision for outstanding vacations.

## 4. USE OF SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates

with significant impact. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The estimates used are based on the best management knowledge of current events and events, the actual results may differ from these estimates.

**Measurement of Expected Credit Loss (ECL).** The Company reviews the portfolio of loans granted to customers to assess the impairment of these assets. In order to determine the level of impairment losses, the Company issues judgments regarding the existence of observable data that indicate a decrease in the estimated future cash flows of the portfolio of loans granted to customers before the decrease can be identified for an individual loan in the portfolio.

Measuring expected losses from credit risk related to loans and advances granted to customers is a significant estimate that involves determining the methodology, models and data inputs used in the calculation. The details of the methodology for measuring expected losses from credit risk are included in note 35.1.2.

The following components have a major impact on the expected loss from credit risk: the definition of the state of default ("default"), the probability of default ("PD"), the exposure in case of default ("EAD") and the rate of loss in case of default („LGD"). The Company regularly reviews and validates the models and data inputs used in the calculation of losses to reduce any differences between the estimates of expected losses from credit risk and the actual amount of expected losses from credit risk, the calculation of expected losses from credit risk being performed monthly.

**Recognition of deferred income tax assets.** The deferred tax asset represents income taxes recoverable by future deductions from taxable profits and is recorded in the statement of financial position. Deferred income tax assets are recorded to the extent that the achievement of the related tax advantage is likely. Future taxable profits and the amount of tax benefits that are likely in the future are based on a medium-term business plan prepared by management and subsequently extrapolated the results. The business plan is based on management expectations that are considered to be reasonable in the given circumstances.

**Initial recognition of transactions with related parties.** In the normal course of business, the Company concludes transactions with its related parties. IFRS 9 requires the initial recognition of financial instruments based on their fair values. Ratios are applied to determine whether or not the transaction prices are set at market prices, if there is no active market for such transactions. The reasoning is based on considering prices for similar types of transactions with unaffiliated parties and effective interest rate analysis.

## 5. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS

The following changes to the standards became applicable as of January 1st, 2024, but did not have a material impact on the Company:

- Classification of liabilities as current or non-current – Amendments to IAS 1 (issued initially on January 23rd, 2020 and subsequently amended on July 15th, 2020 and October 31st, 2022, in force finally for the annual periods starting on or after January 1st, 2024);
- Leasing liabilities in a sale and leaseback transaction – Amendments to IFRS 16 "Leasing contracts" (issued on September 22nd, 2022 and effective for annual periods beginning on or after January 1st, 2024);
- Supplier financing arrangements - Amendments to IAS 7 and IFRS 7 (issued on May 25th, 2023 and effective for annual periods beginning on or after January 1st, 2024).

## 6. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new standards and interpretations have been issued, being mandatory for annual reporting periods starting on or after January 1st, 2025 or later, but have not been adopted in advance by the Company.

- IFRS 18 "Presentations in Financial Statements" will replace the current IAS 1 "Presentation of Financial Statements" (issued on April 9th, 2024, applicable for annual periods beginning on or after January 1st, 2027, is not yet approved for use in the EU). The Company is currently assessing the impact of the changes on its financial statements.
- Amendments to IFRS 9 and IFRS 7 on the classification and measurement of financial instruments (issued on May 30th, 2024, applicable for annual periods beginning on or after January 1st, 2026, is not yet approved for use in the EU);
- Annual Improvements to IFRS Standards – Volume 11.

Unless otherwise described above, the new standards and interpretations are not expected to significantly affect the financial statements of the Company.

## 7. CASH AND CASH EQUIVALENTS

	December 31st, 2024	December 31st, 2023
Current bank accounts - in RON	1.077.323	826.151
Current bank accounts - in foreign currency	52.613	25.226
<b>Total</b>	<b>1.129.936</b>	<b>851.377</b>

For the purpose of determining cash flows, 'cash' is considered to be cash in hand and 'cash equivalents' are considered short-term investments (with an initial maturity of less than 3 months) with a high degree of liquidity, i.e. current accounts and deposits in other banks, treasury certificates and other securities.

Cash and cash equivalents are accounted for at amortized cost in the individual statement of financial position because they are held for the collection of contractual cash flows and the respective cash flows represent SPPI.

For the purpose of assessing the ECL, cash balances and cash equivalents are included in Stage 1.

The company has current accounts and deposits at the following banks: BRD-Groupe Societe Generale SA (Fitch BBB+ rating), UniCredit Bank SA (Fitch BBB+ rating), Alpha Bank SA (Fitch BB+ rating), Banca Comerciala Romana SA (Fitch BBB+ rating), Garanti Bank SA (Fitch BB rating), Banca Transilvania SA (Fitch BBB- rating).

## 8. LOANS AND ADVANCES GRANTED TO CUSTOMERS

The statement of loans and advances granted to customers is presented as follows, structured according to the classification by impairment stages as at December 31, 2024 and December 31, 2023:

December 31st, 2024	Financial assets located in			
	Stage 1	Stage 2	Stage 3	Total
Gross book value	2,066,070	888,243	14,376,174	17,330,487
Expected credit losses	(423,919)	(190,072)	(12,101,551)	(12,715,542)
<b>Loans and advances granted to customers, net</b>	<b>1,642,151</b>	<b>698,171</b>	<b>2,274,623</b>	<b>4,614,945</b>

**December 31st, 2023**

	<b>Financial assets located in</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross book value	2.109.138	954.336	13.456.279	16.519.753
Expected credit losses	(466.718)	(214.963)	(11.635.432)	(12.317.113)
<b>Loans and advances granted to customers, net</b>	<b>1.642.420</b>	<b>739.373</b>	<b>1.820.847</b>	<b>4.202.640</b>

The reconciliation of expected losses from credit risk related to loans and advances granted to customers is presented below:

	<b>December 31st, 2024</b>	<b>December 31st, 2023</b>
<b>Balance on January 1st</b>	<b>(12.317.113)</b>	<b>(12.704.375)</b>
Net increase in expected credit losses	(412.437)	(1.419.035)
Derecognition	14.008	1.805.442
Other movements	-	855
<b>Balance on December 31st</b>	<b>(12.715.542)</b>	<b>(12.317.113)</b>

The depreciation movement of the loan portfolio by impairment stages for 2024 is presented below:

	Expected credit losses				Gross value			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Loans and advances granted to customers Balance on January 1st, 2024</b>	<b>(466.718)</b>	<b>(214.963)</b>	<b>(11.635.432)</b>	<b>(12.317.113)</b>	<b>2.109.138</b>	<b>954.336</b>	<b>13.456.279</b>	<b>16.519.753</b>
<i>Movements impacting the ECL:</i>								
Transfers:	175.345	(188.841)	-	<b>(13.496)</b>	(814.244)	882.241	-	<b>67.997</b>
- from Stage 1 to Stage 2	2.114.923	145.539	(3.738.420)	<b>(1.477.958)</b>	(3.200.261)	(645.744)	4.641.117	<b>795.112</b>
- from Stage 1 or 2 to Stage 3	(3.294)	6.913	29.718	<b>33.337</b>	16.059	(31.249)	(34.795)	<b>(49.985)</b>
- from Stage 2 or 3 to Stage 1	(2.459.211)	-	-	<b>(2.459.211)</b>	4.899.461	-	-	<b>4.899.461</b>
New loans, issued or purchased	226.144	60.418	1.896.147	<b>2.182.709</b>	(1.022.109)	(267.883)	(2.204.834)	<b>(3.494.826)</b>
Derecognition during the period	(11.108)	862	1.332.428	<b>1.322.182</b>	78.026	(3.458)	(1.467.585)	<b>(1.393.017)</b>
Other movements								
<b>Total movements impacting the adjustment for impairment of loans recorded during the period</b>	<b>42.799</b>	<b>24.891</b>	<b>(480.127)</b>	<b>(412.437)</b>	<b>(43.068)</b>	<b>(66.093)</b>	<b>933.903</b>	<b>824.742</b>
<i>Movements without impact on the ECL:</i>								
Derecognition	-	-	14.008	<b>14.008</b>	-	-	(14.008)	<b>(14.008)</b>
<b>Balance on December 31st, 2024</b>	<b>(423.919)</b>	<b>(190.072)</b>	<b>(12.101.551)</b>	<b>(12.715.542)</b>	<b>2.066.070</b>	<b>888.243</b>	<b>14.376.174</b>	<b>17.330.487</b>

In the line of other movements in the table above and also in the following tables, the Company presented the refunds made by the customers. The main movements of the gross accounting value were in the following directions:

- the opportunities identified by the Company in granting new loans in 2024 amounting to Ron 4,899,461, as a positive move within Stage 1;
- the increase of the portfolio from Stage 3 mainly reflects the migrations from Stage 1 and Stage 2 as a result of the evolution of the lending market;
- the derecognition in Stage 3 as a move impacting the ECL reflects the recovery rate of the already defaulted portfolios in the amount of RON 2,204,834.



The depreciation movement of the loan portfolio by impairment stages for 2023 is presented below:

	Expected credit losses				Gross value			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Loans and advances granted to customers</b>	<b>(601.349)</b>	<b>(319.509)</b>	<b>(11.783.517)</b>	<b>(12.704.375)</b>	<b>2.245.260</b>	<b>1.153.542</b>	<b>13.425.390</b>	<b>16.824.192</b>
<b>Balance on January 1st, 2023</b>								
<i>Movements impacting the ECL:</i>								
Transfers:	205.976	(214.277)	-	<b>(8.301)</b>	(910.578)	951.237	-	<b>40.659</b>
- from Stage 1 to Stage 2	2.524.012	263.240	(4.849.182)	<b>(2.061.930)</b>	(3.658.505)	(952.277)	5.750.274	<b>1.139.492</b>
- from Stage 1 or 2 to Stage 3	(1.120)	3.786	6.376	<b>9.042</b>	5.064	(14.139)	(7.247)	<b>(16.322)</b>
- from Stage 2 or 3 to Stage 1	(2.844.492)	-	-	<b>(2.844.492)</b>	5.292.940	-	-	<b>5.292.940</b>
New loans, issued or purchased	246.408	51.221	2.234.364	<b>2.531.993</b>	(920.219)	(182.415)	(2.749.056)	<b>(3.851.690)</b>
Derecognition during the period	3.847	576	951.085	<b>955.508</b>	55.176	(1.612)	(1.157.640)	<b>(1.104.076)</b>
Other movements								
<b>Total movements impacting the adjustment for impairment of loans recorded during the period</b>	<b>134.631</b>	<b>104.546</b>	<b>(1.657.357)</b>	<b>(1.418.180)</b>	<b>(136.122)</b>	<b>(199.206)</b>	<b>1.836.331</b>	<b>1.501.003</b>
<i>Movements without impact on the ECL:</i>								
Derecognition	-	-	1.805.442	<b>1.805.442</b>	-	-	(1.805.442)	<b>(1.805.442)</b>
<b>Balance on December 31st, 2023</b>	<b>(466.718)</b>	<b>(214.963)</b>	<b>(11.635.432)</b>	<b>(12.317.113)</b>	<b>2.109.138</b>	<b>954.336</b>	<b>13.456.279</b>	<b>16.519.753</b>

In order to determine the quality of loans, the Company uses the analysis of late payment days. For loans and advances granted to customers, the Company measures the expected loss from credit risk on a collective basis and, therefore, the gross book value of individual contracts cannot be allocated to a degree of risk.

The quality of loans at amortized cost is presented as follows, structured according to the classification by impairment stages and late payments as at December 31, 2024 and December 31, 2023:

<b>December 31st, 2024</b>	<b>Stage 1</b> ECL for 12 months	<b>Stage 2</b> ECL lifetime not impaired	<b>Stage 3</b> ECL lifetime impaired	<b>Total</b>
<b>Personal loan</b>				
<i>0 - 15 days</i>	1.877.299	-	-	1.877.299
<i>16 - 30 days</i>	188.771	-	-	188.771
<i>31 - 60 days</i>	-	455.630	-	455.630
<i>61 - 90 days</i>	-	432.613	-	432.613
<i>over 90 days</i>	-	-	14.376.174	14.376.174
<b>Gross book value</b>	<b>2.066.070</b>	<b>888.243</b>	<b>14.376.174</b>	<b>17.330.487</b>
Adjustments for impairment of loans	(423.919)	(190.072)	(12.101.551)	(12.715.542)
<b>Net book value</b>	<b>1.642.151</b>	<b>698.171</b>	<b>2.274.623</b>	<b>4.614.945</b>

	<b>December 31st, 2023</b>			
	<b>Stage 1</b> ECL for 12 months (-)	<b>Stage 2</b> ECL lifetime not impaired (-)	<b>Stage 3</b> ECL lifetime impaired (-)	<b>Total</b>
<b>Personal loan</b>				
<i>0 - 15 days</i>	1.902.475	-	-	1.902.475
<i>16 - 30 days</i>	206.663	-	-	206.663
<i>31 - 60 days</i>	-	493.107	-	493.107
<i>61 - 90 days</i>	-	461.229	-	461.229
<i>over 90 days</i>	-	-	13.456.279	13.456.279
<b>Gross book value</b>	<b>2.109.138</b>	<b>954.336</b>	<b>13.456.279</b>	<b>16.519.753</b>
Adjustments for impairment of loans	(466.718)	(214.963)	(11.635.432)	(12.317.113)
<b>Net book value</b>	<b>1.642.420</b>	<b>739.373</b>	<b>1.820.847</b>	<b>4.202.640</b>

Loans granted to customers include all receivables held on non-financial customers.

The crediting operation is the document by which the Company provides or undertakes to provide the customers with the requested funds or undertakes a commitment by signature, of the nature of the surety, bond or guarantee in their favor.

## Financial assets – general approach

### i. Classifications

#### *Financial assets*

The company classifies financial instruments in the following categories: financial assets valued at amortized cost, financial assets valued at fair value through other comprehensive income (FVOCI) and financial assets valued at fair value through the profit or loss account (FVTPL). Management shall determine the classification of its financial assets at the time of initial recognition.

(i) financial assets at amortized cost - a financial asset is valued at amortized cost if it cumulatively meets the following conditions and is not assigned to FVTPL:

- is held within a business model whose objective is achieved by owning assets and collecting contractual cash flows; and
- its contractual terms give rise, on specified dates, to cash flows representing exclusively principal payments and interest.

(ii) financial assets valued at fair value through other comprehensive income (FVOCI) - a financial asset can be valued at FVOCI if it cumulatively meets the following conditions and is not designated at FVTPL:

- is held within a business model whose objective is achieved both by collecting the contracted cash flows and by selling the financial asset and
- its contractual terms give rise, on specified dates, to cash flows representing exclusively principal payments and interest.

As of December 31st, 2024, the Company does not have financial assets valued at fair value by other comprehensive income.

(iii) financial assets valued at fair value through the profit and loss account (FVTPL) - all other financial assets that are not included in the above categories are classified under FVTPL.

#### *Evaluation of the business model.*

The business model reflects how the Company manages assets to generate cash flows - regardless of whether the objective of the Company is:

- only collect contractual cash flows from assets ("holding for the purpose of collecting contractual cash flows"), or
- to collect both contractual cash flows and cash flows resulting from the sale of assets ("holding for the purpose of collecting contractual cash flows and intended for sale") or,
- if none of the above is applicable, financial assets are classified as part of the "other" business model and valued at fair value through profit or loss ("FVTPL").

The business model is determined for a group of assets (at portfolio level) based on all relevant evidence regarding the Company's activities to achieve the objective set for the portfolio available at the valuation date. The factors taken into account by the Company in determining the business model include the purpose and composition of the portfolio, previous experience on how the cash flows for the respective assets were collected, the way in which the risks are evaluated and managed, the way in which the performance of the assets is evaluated and the way in which the managers are compensated.

According to the business model applied by the Company, financial assets are in accordance with the business model "holding for the purpose of collecting contractual cash flows", the sales of financial assets being rare or insignificant, both individually and cumulatively.

*Assessment of the extent to which cash flows are exclusively payments of principal and interest ("SPPI").*

In the second stage in the process of classifying financial assets, the characteristics of the contractual cash flows are assessed in order to identify whether the contractual cash flows are exclusively principal and interest payments - the SPPI test. The SPPI assessment is performed at the initial recognition of the financial asset, but also subsequently if significant changes occur.

The main one for the purpose of applying the SPPI test is the "fair value of the asset at initial recognition" and it can change over the life of the financial asset (for example, if there are reimbursements).

The most significant elements of interest are generally represented by the time value of money and credit risk. Interest may also include consideration for other risks of the underlying lending activity (for example, liquidity risk) and costs (for example, administrative costs) associated with owning the financial asset for a certain period of time. In addition, the interest may include the profit margin that is compatible with a basic lending agreement.

In assessing the SPPI, the Company applies judgements and considers relevant factors, such as the currency in which the financial asset is expressed and the period for which the interest rate is set

Based on the SPPI test, the management considers that the cash flows generated by the Company's assets come from repayments of principal and interest and are recorded at amortized cost.

## ***ii. Initial recognition and evaluation***

Credits and receivables are recognized when cash is transferred to debtors. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not recorded at fair value through the profit and loss account. Financial acts recorded at fair value through the profit and loss account are initially recognized at fair value, and transaction costs are recorded in the profit or loss account.

## ***iii. Principles of fair value measurement***

Fair value is the price that would have been received to sell an asset or paid to transfer a liability in a regular transaction on the principal (or most advantageous) market at the measurement date under current market conditions (for example, an exit price), regardless of whether that price is directly observable or estimated using another valuation technique.

The determination of the fair value of financial assets and liabilities is based on market quotations or intermediary quotations for financial instruments traded on an active market. For all other financial instruments, fair value shall be determined using valuation techniques. Valuation techniques include techniques based on the net present value, the discounted cash flow method, the method of comparisons with similar instruments for which there is an observable market price, and other valuation methods.

## ***iv. Derecognition***

Financial acts are derecognized when the Company loses control of the contractual rights to that asset. The Company loses this control if it realizes the rights over the benefits specified in the contract, the rights expire, or the Company waives these rights.

The financial assets that are sold are derecognized from the settlement date. Financial liabilities are derecognized when the obligation specified in the contract has been discharged, canceled or expired.

## **9. RECEIVABLES FROM INVESTMENTS IN FINANCIAL SECURITIES**

Since August 2022, the Company carries out trading activities through the investment platform operated by the affiliated entity SIA "VIAINVEST Assets", a limited liability company established in accordance with the laws of Latvia, authorized as an intermediary for the sale of financial instruments known as ABS ("asset-backed securities") to individual investors. These securities are secured by loans granted to the Company by "VIA SMS group" (parent company), and the payments received from investors for the ABS securities sold were the source of funds for the loans granted by the parent company.

Before changes were made by amendments to the cooperation agreement between the Company, "VIA SMS group" and SIA "VIAINVEST Assets" in 2023, the amounts collected from investors gave rise to receivables and liabilities related to investments in financial securities. As a result of the aforementioned amendments, the loans previously granted by the parent company were converted into a direct loan based on a separate loan agreement. Consequently, the Company derecognized the balances to be collected and paid related to the investments in financial securities.

The investment situation is as follows:

	December 31st, 2024	December 31st, 2023
Receivables from investments in financial securities	-	177.167
Other loan maintenance fee	(126.253)	(147.415)

## 10. OTHER FINANCIAL ASSETS

	December 31st, 2024	December 31st, 2023
Advances to suppliers - related parties	144.673	1.339.425
Various debtors to be collected for the sale price of the assigned portfolios	-	302.665
Amounts in course of settlement - credit installment collection channels	13.305	14.825
<b>Total</b>	<b>157.978</b>	<b>1.656.915</b>

These assets are presented at cost less expected losses from credit risk, determined in accordance with the same methodology of expected expected losses for receivables from loans and advances granted to customers (ECL).

## 11. INTANGIBLE ASSETS

Year ended on December 31st, 2024	Other intangible assets	Total
Initial net book value	43.092	43.092
Procurement	238	238
Amortization expense	(16.742)	(16.742)
<b>Final net book value</b>	<b>26.588</b>	<b>26.588</b>
<b>On December 31st, 2024</b>		
Cost	58.443	58.443
Accumulated amortization and depreciation	(31.855)	(31.855)
<b>Final net book value</b>	<b>26.588</b>	<b>26.588</b>

**Year ended on December 31, 2023**

	Other intangible assets	Total
Initial net book value	-	-
Procurement	49.399	49.399
Amortization expense	(6.307)	(6.307)
<b>Final net book value</b>	<b>43.092</b>	<b>43.092</b>

**On December 31st, 2023**

	Other intangible assets	Total
Cost	58.205	58.205
Amortization	(15.113)	(15.113)
<b>Final net book value</b>	<b>43.092</b>	<b>43.092</b>

On December 31st, 2024 and on December 31st, 2023, the intangible assets owned by the Company are made up of capitalized expenses related to the Navision software system and other software licenses.

Intangible assets include: establishment expenses, development expenses, concessions, patents, licenses, trademarks, rights and similar assets, with the exception of those created internally by the Company, goodwill, other intangible assets, advances granted for intangible assets, intangible assets in progress.

Intangible assets acquired by the Company are presented at cost, less accumulated depreciation and losses in value. Amortization is recorded in the profit and loss account in a linear manner over the estimated life of the intangible assets, starting with the month following the month in which they were put into use. Amortization is calculated over a period between 1 and 3 years.

Subsequent expenses related to intangible assets are capitalized only when they determine the increase of future economic benefits incorporated in the asset to which they relate. All other expenses that do not meet these conditions are recognized as an expense in the profit and loss account at the time of their realization.

Intangible assets in progress are not depreciated. Amortization begins when the asset is completed and is put into operation.

**12. TANGIBLE ASSETS**
**Year ended on December 31st, 2024**

	Measurement, control and adjustment devices	Office equipment	Buildings (right to use assets)	Total
Initial net book value	3.750	7.510	66.826	78.086
Remeasurement	-	-	675.066	675.066
Outflows	-	-	(319.341)	(319.341)
Amortization expense	(3.000)	(4.039)	(139.282)	(146.321)
Accumulated depreciation for outflows	-	-	319.341	319.341
<b>Final net book value</b>	<b>750</b>	<b>3.471</b>	<b>602.610</b>	<b>606.831</b>

**On December 31st, 2024**

Cost	29.720	32.968	811.721	874.409
Accumulated amortization and depreciation	(28.970)	(29.497)	(209.111)	(267.578)
<b>Final net book value</b>	<b>750</b>	<b>3.471</b>	<b>602.610</b>	<b>606.831</b>

Year ended on December 31, 2023	Measurement, control and adjustment devices	Office equipment	Buildings (right to use assets)	Total
Initial net book value	-	4.522	69.714	74.236
Procurement	6.000	5.950	-	11.950
Amortization expense	(2.250)	(2.962)	(86.392)	(91.604)
Remeasurement	-	-	83.504	83.504
<b>Final net book value</b>	<b>3.750</b>	<b>7.510</b>	<b>66.826</b>	<b>78.086</b>

<b>On December 31st, 2023</b>				
Cost	29.720	32.968	455.684	518.684
Accumulated amortization	(25.970)	(25.458)	(389.170)	(440.598)
<b>Final net book value</b>	<b>3.750</b>	<b>7.510</b>	<b>66.826</b>	<b>78.086</b>

The amounts recognized in the statement of profit or loss and other comprehensive income for the right-of-use assets are as follows:

	2024	2023
Interest expenses related to lease liabilities	(37.370)	(42.154)
Amortization expense	(139.282)	(86.392)

Tangible assets are assets owned by the Company to be used in the provision of services, to be rented to third parties or to be used for administrative purposes and which are used over a period of more than 1 year.

At the date of these financial statements, the Company's tangible assets include office equipment such as laptops and mobile phones.

Tangible assets are recorded at acquisition cost, less accumulated depreciation and impairment losses.

The acquisition cost of tangible assets includes the purchase price, import taxes and other taxes (with the exception of those that the Company can recover from the tax authorities), as well as other expenses that can be directly attributed to the acquisition of the respective goods. Assets such as inventory items are written off on expenses at commissioning and are not included in the accounting value of tangible assets.

Maintenance and repairs of tangible assets are expensed when they occur, and the significant improvements made to tangible assets, which increase their value or life span or which significantly increase their capacity to generate future economic benefits, are capitalized.

The depreciation of a tangible asset is recognized as an expense, unless it is included in the book value of an asset built under its own management.

The following principles shall apply:

- the depreciable amount is systematically allocated over the useful life (linear depreciation);
- the depreciation method reflects the expected consumption of the benefits;
- each part of a tangible asset item that has a significant cost in relation to the total cost of the item must be depreciated separately, using the corresponding different depreciation rates;

- component parts are treated as separate elements if the related acts have different useful lives or provide economic benefits in a different way.

The duration of economic use is the period during which an asset is expected to be available for use by the Company.

Non-current assets such as inventory items are written off on expenses at the time of purchase.

Depreciation is calculated using the straight-line method over the estimated lifetime for each asset category item. The land does not depreciate. The company uses the normal operating times provided in the "Catalogue on the classification and normal operating times of fixed assets" contained in Government Decision no. 2139/2004, related to each type of tangible asset.

The duration of economic use is the period during which an asset is expected to be available for use by the Company.

The company uses the following estimated lifetimes by types of corporate assets:

Type	Depreciation period (years)
Measurement, control and adjustment devices	2 years
Office equipment	3 years
Buildings (right to use assets)	duration of the lease contract

Tangible assets that are scrapped/sold are removed from the balance sheet along with the accumulated depreciation. Any profit or loss resulting from such an operation is included in the current profit and loss account. The gains or losses obtained following the scrapping/disposal of a tangible asset are determined as the difference between the income generated from the deregistration and its unamortized value.

At the end of the financial year, the value of tangible and intangible assets is reconciled with the inventory results. For this purpose, the net accounting value is compared with the value established based on the inventory, called inventory value. The differences found in the minus between the inventory value and the net accounting value of the fixed assets are recorded in the accounting on account of an additional depreciation, in the case of depreciable assets for which the depreciation is irreversible or an adjustment is made for depreciation or loss of value, when the depreciation is reversible. The inventory value is established depending on the utility of the good, its condition and the market price.

The assets related to the right of use refer to the leased space for the activity of the head office in which the Company operates. These are presented in tangible assets.

### 13. OTHER ASSETS

	December 31st, 2024	December 31st, 2023
Guarantees given to suppliers	63.341	7.896
Prepaid expenses - miscellaneous administrative	25.505	15.086
Current tax receivables	2.364	-
Advances paid to suppliers	509	-
Other receivables - gross value	36.371	25.346
Adjustments for impairment of other receivables	(20.004)	(13.423)
Other receivables - net value	<b>16.367</b>	<b>11.923</b>
<b>Total</b>	<b>108.086</b>	<b>34.905</b>



The movement of adjustments for impairment of other receivables is as follows:

	December 31st, 2024	December 31st, 2023
<b>Balance on January 1st</b>	<b>(13.423)</b>	<b>(9.859)</b>
Net increase in expected credit losses	(6.581)	(3.564)
<b>Balance on December 31st</b>	<b>(20.004)</b>	<b>(13.423)</b>

Other assets are non-financial assets recorded at the nominal value of the amounts to be collected and are derecognized when the Company no longer has control over the contractual rights of that asset.

Other assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the book value can no longer be recovered, thus proceeding to compare their book value with the recoverable amount.

If the recoverable amount is less than the book value, the book value shall be reduced to the recoverable amount. This reduction is recognised as an impairment loss. Impairment loss is accounted for as an expense unless the impaired asset has previously been revalued. In this situation, the depreciation is recorded due to the revaluation difference.

For the calculation of this loss, the assets are grouped to the smallest level of detail for which independent cash flows can be identified.

At the date of these financial statements, the Company has constituted impairment adjustments for other assets as presented in the table above.

#### 14. LOANS

	December 31st, 2024	December 31st, 2023
Other loans from shareholders	9.948	9.949
Interest payable on other loans from shareholders	372	156
<b>Total</b>	<b>10.320</b>	<b>10.105</b>

On December 31, 2024 and December 31, 2023, the amount is represented by a loan agreement signed with the shareholder AS "VIA SMS group" (Latvia) in September 2019, the loan being in EUR, fixed interest rate, due in May 2025 (the loan was initially signed for a period of 1 year, being then extended successively for periods of 1 year).

The Company classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortized cost or FVTPL.

The loans are initially recorded at the amount received, net of transaction costs. In the following periods, the loans are recorded at amortized cost using the effective interest method, the differences between the amounts received (net of transaction costs) and the normal redemption value being recognized in the profit and loss account for the duration of the loan contract.

## 15. LEASING LIABILITIES

### Leasing liabilities

	December 31st, 2024	December 31st, 2023
<b>Balance on January 1st</b>	<b>84.989</b>	<b>84.523</b>
New contracts/ Remeasurement	675.066	83.504
Interest expenses	(37.370)	(42.154)
Leasing payments	(148.797)	(86.207)
Currency impact	(406)	3.169
<b>Balance on December 31st</b>	<b>610.852</b>	<b>84.989</b>

In accordance with IFRS 16, the Company restates as financial leases those leases that meet the conditions set out in IFRS 16. During 2024, the Company relocated its registered office as mentioned in note 1, on which occasion the right to use the assets and the related lease liability were adjusted accordingly (respectively, the amounts related to the previous office were closed and the elements of the new lease contract were recognized).

Financial leasing is the leasing operation that transfers, to a large extent, all the risks and benefits related to the ownership right over the asset. The title to the property can be transferred in the end, or not.

Financial leasing operations are recorded at the fair value of the leased asset or with the discounted value of the minimum leasing payments, if the latter is lower. For the calculation of the present value of the minimum lease payments, the default interest rate in the lease contract is considered as an updating factor.

### Right to use assets

	December 31st, 2024	December 31st, 2023
<b>Balance on January 1st</b>	<b>66.826</b>	<b>69.714</b>
New contracts/ Remeasurement	675.066	83.504
Amortization	(139.282)	(86.392)
<b>Balance on December 31st</b>	<b>602.610</b>	<b>66.826</b>

The Company acknowledges the right to use an asset and a lease liability at the commencement date of the lease agreement. The right-of-use asset is initially measured at cost, which comprises the initial value of the lease liability adjusted by any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of dismantling costs less any improvements made.

The right to use the asset is subsequently amortized using the linear depreciation method from the commencement date until the end of the leasing period. In addition, the right to use the asset is periodically reduced by impairment loss, if any, and adjusted for certain revaluations of the lease liability.

The leasing debt is initially measured at the discounted value of the lease payments that are not paid at the start date, discounted using the implicit interest rate in the leasing contract or, if the respective rate cannot be determined, with the incremental loan interest rate of Company. Since the Company is not a listed company and does not have an associated rating, the discount rate used to calculate the right of use and the lease liability is the discount rate used by the parent company for leases in EUR and decreased from this margin.

The leasing payments included in the measurement of the leasing debt include fixed payments.

Leasing debt is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments resulting from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be due, if the Company changes its assessment to the effect that it will exercise an option

of purchase, extension or termination or if there is a substantial revision of the lease payments.

When the lease liability is remeasured in this way, an appropriate adjustment is made to the carrying amount of the right to use the asset or is recorded in the profit or loss account if the carrying amount of the right to use the asset has been reduced to zero.

The company presents the right to use the assets in "Tangible assets" in the statement of financial position.

## 16. OTHER FINANCIAL LIABILITIES

	December 31st, 2024	December 31st, 2023
Domestic suppliers	58.051	78.993
Foreign suppliers	103.492	42.341
Suppliers within the group	25.706	32.372
<b>Total</b>	<b>187.249</b>	<b>153.706</b>

Other financial liabilities are measured at amortized cost. In this position, the Company includes debts to suppliers, internal and external, for goods and services purchased for the purpose of carrying out the main activity. Debts are recorded at nominal value according to the amounts invoiced by suppliers, agreed with the contractual provisions.

## 17. OTHER LIABILITIES

	December 31st, 2024	December 31st, 2023
Expenses payable on accrued liabilities	115.181	149.814
Advance payments received from customers	396.778	354.497
Salary contributions owed to the state budget and special budgets	44.452	37.490
Remuneration due to key management personnel	41.840	33.935
Staff salaries owed and other liabilities related to personnel	28.853	27.620
VAT payable	19.484	85.216
Other liabilities	21.061	28.448
<b>Total</b>	<b>667.649</b>	<b>717.020</b>

(a) the advances collected from customers represent amounts paid in excess by the Company's customers to the amounts stipulated in the credit agreements, to be allocated at future installments, at their due date, or returned to customers, as applicable

Other debts are recorded at the nominal value of the amounts to be paid and are derecognized when the obligation specified in the contract has been fulfilled, canceled or expired.

## 18. SUBORDINATED LIABILITIES

	December 31st, 2024	December 31st, 2023
Subordinated loans from shareholders	1.376.521	2.769.547
Interest payable on subordinated loans from shareholders	51.902	44.389
<b>Total</b>	<b>1.428.423</b>	<b>2.813.936</b>

On December 31, 2024, the amount is represented by 5 subordinated loan contracts signed with the shareholder AS "VIA SMS group" (Latvia) in the period 2019-2022, the loans being in EUR, fixed interest rate, due in December 2024 – January 2030 (December 31, 2023: the amount is represented by 9 subordinated loan contracts signed with the shareholder AS "VIA SMS group" in the period 2019-2022, the loans being in EUR, fixed interest rate, due in December 2024 – September 2026). In the last part of 2024, 4 of the 9 contracts in balance were fully reimbursed at the beginning of the year, reimbursements in the amount of Ron 1,393,589 (including the related interest in the amount of Ron 393,012), and for the 5 remaining contracts the due date was extended until January 10th, 2030.

The loans meet the conditions provided by the NBR Regulation no. 20/2009 in order to be assimilated to own funds, respectively: they are fully drawn at the date of these financial statements, have an initial maturity of 5 years, the loan contracts do not include the clause of early repayment of the debt in circumstances other than the liquidation of the Company, in the case of liquidation of the Company, the loans have a lower rank than the other debts and will not be repaid until the rest of the debts have been paid.

## 19. OUTSTANDING VACATIONS

The movement of the provision for outstanding vacations is as follows:

	December 31st, 2024	December 31st, 2023
<b>Balance on January 1st</b>	<b>(119.161)</b>	<b>(115.581)</b>
Net increase/(decrease) in the provision for outstanding vacation	(45.768)	(3.580)
<b>Balance on December 31st</b>	<b>(164.929)</b>	<b>(119.161)</b>

A provision shall be recognized only when:

- The Company has a current obligation generated by a previous event;
- an outflow of resources may be necessary to meet that obligation, and
- a reliable estimate of the value of the obligation can be made.

If these conditions are not met, then a provision will not be recognised.

Provisions may be distinguished from other liabilities, such as trade credit liabilities or accrued expenses, due to the uncertainty factor related to the chargeability or amount of future expenses necessary to settle the debt.

A current obligation is a legal, contractual or implied obligation. A legal or contractual obligation is the obligation resulting from a contract (explicitly or implicitly), from legislation or from another effect of the law. An implied obligation (for example, the obligation by which an institution undertakes to make severance payments to redundant personnel) is the obligation arising from the actions of an entity where:

- by establishing a previous practice, by its written policy or a sufficiently specific statement, the entity has indicated to its partners that it assumes certain responsibilities, and
- as a result, the entity has induced partners to believe that it will honor those responsibilities.

The Company recognizes as provisions only those obligations generated by past events that are independent of the future actions of the Company (for example, the manner of carrying out the activity in the future).

Provisions are strictly correlated with estimated risks and expenses.

The amount recognized as a provision constitutes the best estimate at the balance sheet date of the costs necessary to settle the current obligation.

Provisions are revised at the date of the financial statements.

At the date of drawing up these financial statements, the Company constituted a provision for the value of the outstanding vacations on December 31st, 2024 (December 31st, 2023: idem).

## 20. SHARE CAPITAL

The share capital consists of 5,780,000 ordinary shares (December 31st, 2023: idem) with a nominal value of 1 Ron per share.

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote in the General Meeting of Shareholders.

The shareholding structure on December 31, 2024 and December 31, 2023 is presented in Note 1.

The share capital of the Company is fully paid up at the date of these statements.

The share capital is equal to the nominal value of the shares or social shares, respectively with the capital contribution of the incorporated premiums or other operations that lead to its modification.

The subscribed and paid capital is registered separately in the accounting, based on the articles of incorporation of the Company and the supporting documents regarding the capital payments.

On December 31st, 2024 and December 31st, 2023, the Company did not issue bonds.

## 21. RESERVES

The legal reserve is established annually from the Company's profit and is established in accordance with the legislation in force by allocating a maximum of 5% of the gross profit before taxation until the reserve fund reaches 20% of the fully paid-up share capital. It may be used only under the conditions provided by law and may not be distributed to shareholders.

## 22. PROFIT DISTRIBUTION

The accounting profit of 2024 determined in accordance with IFRS is worth Ron 854,091, of which the amount of Ron 48,968 is distributed for the establishment of the legal reserve, and the difference in the amount of

Ron 805,123 will be used to cover accounting losses from previous years.

The accounting profit of 2023 determined in accordance with IFRS is Ron 1.511,156.

## 23. NET INTEREST INCOME

	2024	2023
<b>Interest incomes calculated using the effective interest method</b>		
Loans and advances granted to customers	10.045.264	10.526.312
Cash and cash equivalents	27	11
<b>Total</b>	<b>10.045.291</b>	<b>10.526.323</b>
<b>Interest expenses</b>		
Interest expenses related to subordinated loans from shareholders	(400.634)	(413.352)
Interest expenses related to other loans from shareholders	(1.493)	(1.485)
Financial costs of leasing contracts	(37.370)	(42.154)
<b>Total</b>	<b>(439.497)</b>	<b>(456.991)</b>
<b>Net interest income</b>	<b>9.605.794</b>	<b>10.069.332</b>

Interest income and expenses are recorded in the statement of profit or loss and other elements of the overall result for all instruments valued at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and allocating interest income or expense over a relevant period of time. The effective interest rate is the exact rate that updates the estimated future cash flows payable or receivable over the life of the financial instrument, or, where applicable, over a shorter period, to the net reported value of the financial asset or liability.

Interest income includes income from lending activity and is recognized in the statement of profit or loss and other elements of the overall result for the duration of the contract, reflecting a constant periodic return on loans.

Interest income is calculated by applying the effective interest rate to the gross book value of financial assets, with the exception of financial assets that have become impaired (stage 3), for which interest income is calculated by applying the effective interest rate to amortized cost, net of the value expected losses from credit risk.

Interest expenses presented in the statement of profit or loss and other elements of the overall result are related to financial liabilities measured at amortized cost.

## 24. NET IMPAIRMENT LOSSES

	2024	2023
Net income/(expenses) from adjustments for expected credit losses on loans and advances granted to customers	(412.437)	(1.419.035)
Net income/(expenses) from adjustments for other assets impairment	(6.581)	(3.564)
(Losses)/Earnings from sales of receivables	(147)	375.757
<b>Total</b>	<b>(419.165)</b>	<b>(1.046.842)</b>

The category of adjustments for expected credit losses includes the net movement between adjustments for impairment of loans and advances granted to customers.

## 25. NET INCOME FROM FEES AND COMMISSIONS

	2024	2023
<b>Fees and commissions expenses</b>		
Expenses with bank commissions	(289.031)	(282.580)
<b>Net income from fees and commissions</b>	<b>(289.031)</b>	<b>(282.580)</b>

Expenses and commissions mainly include bank commissions and other expenses related to the lending activity.

## 26. (LOSSES)/EARNINGS FROM FOREIGN EXCHANGE RATE DIFFERENCES

	2024	2023
Revenue from exchange rate differences	56.728	181.819
Expenses from exchange rate differences	(92.760)	(254.933)
<b>Total</b>	<b>(36.032)</b>	<b>(73.114)</b>

## 27. OTHER OPERATING INCOME

The amount of Ron 60,904 for the year 2024 consists of: the amount of Ron 39,842 representing old amounts collected in addition from customers, for which the limitation period of 3 years from the date of collection expired, therefore they were recorded as income; the amount of Ron 15,047 representing the compensation of the last rental invoice from the previous registered office (Calea Mosilor) with a deposit paid at the beginning of the lease (which was recorded at the time as expense); and the remaining Ron 6,015 represents other miscellaneous operating income.

## 28. PERSONNEL EXPENSES

	2024	2023
Personnel's remuneration expenses	(1.245.367)	(1.036.640)
Meal tickets expenses	(28.430)	(25.700)
Provision for outstanding vacations	(45.768)	(3.580)
<b>Total</b>	<b>(1.319.565)</b>	<b>(1.065.920)</b>

The directors' remuneration expenses were Ron 651,458 during 2024 (2023: Ron 536,618).

There are no contractual obligations towards former or current administrators or managers and no other future obligations of the type of guarantees assumed by the Company on their behalf.

During the financial year 2024, the Company granted advances for settlement to the managers as follows:

	2024	2023
<b>Balance on January 1st</b>	-	-
Granted advances	1.169	-
Advances for settlement	(1.139)	-
<b>Balance on December 31st</b>	<b>30</b>	-

The company did not grant loans to the members of the administration, management and supervision bodies during the financial year 2024 (2023: idem).

The structure of the personnel is as follows:

	2024	2023
Actual number of employees with employment contract	7	7
Average number of employees with employment contract	7	7
Number of collaborators (with civil contract) ~ management staff	5	5

### *Pension and Other Postretirement Benefit Obligations*

The company, in the normal course of business, makes payments to the pension fund of the Romanian state, health and unemployment insurance, for its employees in Romania. All employees of the Company are included in the state pension system. The Company makes payments to the Romanian state funds on behalf of its Romanian employees for contributions due to the state social insurance budget, contributions due to the sole health insurance fund. The contributions are paid by the employer. The company pays the contribution to work insurance to state funds, the contribution is relevant to the situation of profit or loss.

The Company does not maintain any other pension plan and, therefore, has no other pension-related obligation. The company has no other obligation to provide other services to former or current employees.

## 29. EXPENDITURES ON SERVICES

## FINANCIAL

		2024	2023
Management services	(a)	(3.052.662)	(1.810.860)
Audit and accounting services	(b)	(203.708)	(216.708)
<b>Total</b>		<b>(3.256.370)</b>	<b>(2.027.568)</b>

(a) the amounts represent consultancy services for the management activity of the Company;

(b) the external auditor of the Company is Savvy Audit SRL, registration number in the Electronic Public Register ASPAAS FA620/2006 based on the appointment and the service contract concluded (2023: idem). The external auditor's fee expenses for the year 2024 amount to Eur 8,300 excluding VAT, respectively Eur 9,877 including VAT (2023: idem).

## 30. FEES AND TAXES EXPENSES

	2024	2023
VAT expenses for purchases of services outside Romania	(564.414)	(774.850)
Salary contributions expenses	(187.156)	(144.076)
<b>Total</b>	<b>(751.570)</b>	<b>(918.926)</b>

## 31. OUTSTANDING RECEIVABLES RECOVERY EXPENSES

	2024	2023
Outstanding receivables recovery expenses - other partners	(901.586)	(832.127)
Outstanding receivables recovery expenses - affiliated entities	(179.107)	(237.579)
<b>Total</b>	<b>(1.080.693)</b>	<b>(1.069.706)</b>

The amounts represent expenses borne by the Company with the outsourcing of efforts to recover outstanding debts from non-paying customers, invoiced by specialized companies.

## 32. DEPRECIATION EXPENSES

	2024	2023
Intangible assets	(16.742)	(6.307)
Tangible assets	(146.321)	(91.604)
<b>Total</b>	<b>(163.063)</b>	<b>(97.911)</b>

## 33. OTHER OPERATING EXPENSES

	2024	2023
Other loan maintenance fee - note 9	(126.253)	(147.415)
Other third party services expenses	(107.363)	(99.302)
Postage, taxes and telecommunication	(103.255)	(50.489)
Services related to granted credits (Credit Bureau queries, scoring reports, etc.)	(54.799)	(25.220)
IT Services	(48.530)	(46.485)
Sponsorships	(40.000)	-
Travels and secondments	(35.536)	(19.806)
Consultancy	(33.665)	(81.824)



	2024	2023
Compensations, fines, penalties	(23.613)	(5.514)
Utilities	(16.216)	(17.609)
Payment intermediation services	(14.095)	(12.968)
Consumables and other materials	(12.435)	(6.454)
Protocol	(9.912)	(10.197)
Materials such as inventory items and other inventories	(2.761)	(3.763)
Rents	(2.008)	-
Rents - related parties	(984)	-
Insurance	(396)	(417)
<b>Total</b>	<b>(631.821)</b>	<b>(527.463)</b>

### 34. INCOME TAX

a) current tax receivables / liabilities and tax receivables / liabilities regarding deferred tax in the statement of financial position:

	December 31st, 2024	December 31st, 2023
<b>Current profit tax</b>		
- current tax liabilities	-	(415.441)
<b>Deferred tax</b>		
- deferred tax receivables	30.186	21.213
<b>Total profit tax</b>	<b>30.186</b>	<b>(394.228)</b>

b) deferred tax – temporary differences:

	December 31st, 2024	December 31st, 2023
Adjustments for impairment of other assets	20.004	13.423
Provision for outstanding vacations	164.929	119.161
Other liabilities	3.730	-
<b>Total</b>	<b>188.663</b>	<b>132.584</b>
Taxation rate	16%	16%
<b>Deferred tax asset / (liability) recognized</b>	<b>30.186</b>	<b>21.213</b>

c) components of the profit or loss tax expense and other elements of the overall result:

	2024	2023
Income Tax Expense	(134.244)	(746.169)
(Expense)/Income with deferred tax	8.973	180.500
<b>Profit tax (expense)/income</b>	<b>(125.271)</b>	<b>(565.669)</b>

d) reconciliation between profit tax expense and profit or loss multiplied by the applicable tax rate:

	2024	2023
<b>Profit before taxation</b>	<b>979.362</b>	<b>2.076.825</b>
Theoretical tax at standard rate (2024: 16%; 2023: 16%)	(156.698)	(332.292)
Fiscal impact of non-deductible expenses	(15.298)	(80.725)
Fiscal impact of non-taxable revenues	5.329	3.386
<i>Impact of further elements:</i>	41.396	16.615
- tax deductions		
- items similar to income	-	(192.790)
- items similar to expenses	-	10.278
Use of unrecognized past tax losses	-	9.859
<b>Profit tax (expense)/income</b>	<b>(125.271)</b>	<b>(565.669)</b>

Effective tax rate 12,79% 27,24%

The differences between the regulations issued by the Ministry of Public Finance of Romania and the accounting regulations applied in the preparation of these financial statements give rise to temporary differences between the carrying amount of certain assets and liabilities and the tax value.

The profit tax for the year includes the current tax and the deferred tax. Profit tax is recognized in the profit and loss account, or in equity if the tax is related to capital items.

The corporate tax rate used in calculating the current and deferred tax is on December 31st, 2024 of 16% (December 31st, 2023: 16%).

#### *Current profit tax*

The company registers the income tax established in accordance with the accounting and fiscal regulations issued by the National Bank of Romania and the Ministry of Public Finance.

The current tax is the tax to be paid on the profit of the period, determined based on the percentages applied at the balance sheet date and all adjustments related to the previous periods. The income tax is calculated based on the result of the year, adjusted for various items that are not taxable or deductible, using the profit tax rate in force on the balance sheet date.

#### *Deferred profit tax*

Deferred profit tax is determined using the balance sheet method for those temporary differences that arise between the tax base for calculating the tax on assets and liabilities and the carrying amount determined for financial reporting purposes. Deferred profit tax is determined using the tax rates (and legislation) in force or which have been substantially implemented by the reporting date and which are estimated to be applied when the deferred profit tax asset to be recovered is recovered or the deferred tax liability is settled.

The deferred tax asset is reviewed at the end of each financial year and is diminished to the extent that the related tax benefit is unlikely to be realized.

The deferred tax asset is recognized to the extent that temporary differences are likely to be deductible from future taxable profit.

### **35. RISK MANAGEMENT**

During the course of their business, financial institutions are subject to a wide range of risks. The globalization of the world economy has created new opportunities for the development of lending operations and, at the same time, has had the effect of rapidly propagating the effects of the international financial crisis on the financial markets in Romania.

Within the Company, risk management is a systematic, continuous and rigorous process, which includes the procedures for identifying, analyzing, planning, controlling and solving risks, with the objective of carrying out the activity in conditions of efficiency and minimizing possible negative effects that could affect the Company's activity.

Risk issues involve very important concerns within the Company, such as their prevention and resolution, monitoring and control of large exposures, risk concentrations, monitoring and permanent adequacy of capital in accordance with the regulations in force, compliance with reporting and supervision requirements.

The most important financial risks to which the Company is exposed are: credit risk, market risk, liquidity risk and operational risk. Market risk includes currency risk and interest risk.

The risk management activity within the Company has the following objectives:

- the continuity of the Company's activity;
- increasing the quality of the Company's assets;
- obtaining the estimated results;
- ensuring a good reputation of the company and the group;
- ensuring the performance of the activity in accordance with the legal regulations in force.

The internal control system within the Company operates taking into account the type, scope, complexity and level of risk of the Company's activities.

The risk management process within the Company has as main objectives: maintaining healthy credit standards, monitoring and controlling credit risk, properly assessing new business opportunities, identifying and managing non-performing loans, assessing the conditions that must be met by customers in order to enter into a business relationship with the Company, establishing the guarantees that can be accepted by the Company.

The company has rules and procedures for the analysis and approval of financing, differentiated according to financing products and the level of exposure.

The main risks associated with the Company's activity are financial and operational, resulting from lending activities on the territory of Romania. The most important financial risks to which the Company is exposed are: credit risk, liquidity risk and currency risk.

#### **35.1. Credit risk**

Credit risk is the main risk to which the Company is exposed, as a result of its main mission and the nature of the activities carried out. The company is exposed to this risk as a result of operations with customers and other counterparties.

The credit risk implies the recording of losses or the failure to realize the expected profits, as a result of the counterparty's non-fulfillment of the contractual obligations. The source of credit risk is not only the classic lending activity, it appears in any activity that involves a counterparty risk.

The book value of financial assets, net of expected losses from credit risk, represents the maximum amount of credit risk exposure. Although the collection of receivables may be influenced by economic factors, the management is of the opinion that there are no significant risks of loss for the Company beyond the value adjustments already recorded.

### 35.1.1. Qualitative analysis of credit risk. Maximum credit risk exposure

The table below shows the maximum credit risk exposure of the Company as at December 31st, 2024 and December 31st, 2023. For balance sheet assets, exposures are presented at their net book value.

<b>December 31st, 2024</b>	<b>Gross exposure</b>	<b>Expected losses</b>	<b>Net exposure</b>
Cash and cash equivalents	1.129.936	-	1.129.936
Loans and advances granted to customers	17.330.487	(12.715.542)	4.614.945
Receivables from investments in financial securities	-	-	-
Other financial assets	157.978	-	157.978
<b>Financial assets</b>	<b>18.618.401</b>	<b>(12.715.542)</b>	<b>5.902.859</b>

<b>December 31st, 2023</b>	<b>Gross exposure</b>	<b>Expected losses</b>	<b>Net exposure</b>
Cash and cash equivalents	851.377	-	851.377
Loans and advances granted to customers	16.519.753	(12.317.113)	4.202.640
Receivables from investments in financial securities	177.167	-	177.167
Other financial assets	1.656.915	-	1.656.915
<b>Financial assets</b>	<b>19.205.212</b>	<b>(12.317.113)</b>	<b>6.888.099</b>

The movement in expected losses for credit risk related to loans granted to customers as at December 31st, 2024 and December 31st, 2023 is presented in note 8.

### 35.1.2. Impairment of financial assets - amounts resulting from expected credit losses ("ECL")

The Company recognizes expected credit losses ("ECL") adjustments related to the following financial instruments that are not measured at FVTPL:

- loans and advances granted to customers;
- other financial assets;
- financing commitments.

According to IFRS 9, adjustments are assessed on one of the following bases:

- ECL for 12 months: resulting from possible default events that take place within 12 months from the reporting date and
- ECL lifetime: resulting from possible default events over the remaining life of a financial asset, namely loans and advances granted to customers.

Under this approach, the Company determines whether the financial asset or the loans and advances granted to customers are in one of the following three stages to determine both the value of the ECL it recognizes and how interest income should be recognized:

- stage 1: When the credit risk has not increased significantly since initial recognition. For these financial assets, the Company recognizes the ECL for 12 months and recognizes the interest income on a gross basis (it is calculated based on the gross carrying amount of the financial asset, before the adjustment for the ECL);
- stage 2: When the credit risk has increased significantly since initial recognition. ECL is recognised throughout its life, but interest income continues to be recognised on a gross basis;

- stage 3: When the financial asset is impaired. This is, in fact, the point at which a default event occurred. For these financial assets, the Company recognizes ECL for its entire life.

Impaired financial assets at initial recognition: are financial assets, namely loans and advances granted to customers that are impaired from the time of initial recognition (part of Stage 3).

The Company measures the ECL of a financial instrument at an amount equal to the expected credit losses over its lifetime if the credit risk of that financial instrument has significantly increased compared to the time of initial recognition. If on the carry-over date the credit risk did not register significant increases compared to the initial recognition, the Company measures the credit losses for a financial instrument at an amount equal to the credit losses expected for a period of 12 months from the reporting date. Accordingly, the Company should be able to measure and assess a significant increase in credit risk by comparing the default risk at the "date of initial recognition" (time of origin) with the default risk at the "reporting date".

#### Impaired financial assets

At each reporting date, the Company assesses whether the financial acts recorded at amortized cost and the loans and advances granted to customers are impaired (recognized, therefore, in "stage 3"). A financial asset, i.e. loans and advances to customers, is impaired when one or more events have occurred that have a negative impact on the estimated future cash flows of the financial asset, i.e. loans and advances to customers.

Proof that a financial asset, namely loans and advances granted to clients, is depreciated includes the following observable data:

- significant financial difficulty of the debtor or issuer;
- a breach of contract terms, such as an event of non-payment or delay;
- restructuring a contract by acceptance by the Company of clauses that it would not have taken into account under other conditions;
- restructuring for reasons of financial hardship;
- it becomes probable that the debtor will enter into congestion or other financial reorganization;
- disappearance of an active market;
- sources of public information.

A credit agreement that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be impaired, unless there is evidence that the risk of not collecting contractual cash flows has significantly reduced and there are no other impairment indicators.

#### ECL Evaluation

ECL is an estimate of credit losses weighted by likelihood of realization. This is measured as follows:

- for financial acts and loans and advances granted to customers that are not impaired at the reporting date: as an updated value of all cash deficits (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);
- for financial acts and loans and advances granted to customers that are impaired: as the discounted value of the difference between the gross book value and the discounted value of the estimated future cash flows;

- for unused credit commitments: as an updated value of the difference between the contractual cash flows due to the Company if the commitment is used and the cash flows that the Company expects to receive.

The key information in ECL measurement are as follows:

- probability of non-fulfillment of obligations (PD);
- the loss generated by the non-fulfillment of payment obligations (LGD);
- exposure to the non-fulfillment of payment obligations (EAD).

These parameters are generally derived from internally developed statistical models and other historical data.

**PD** is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions (either within the 12-month period or during life).

For the ECL calculation, two types of PD are used: 12-month PD and lifetime PD. The 12-month PD assessment is based on available historical data on default and is adjusted for justifiable forward-looking information, where necessary. Lifetime PD is the estimated probability of default over the remaining life of the financial instrument.

**LGD** is an estimate of the loss in case of default. It is based on the difference between the contractual cash flows due and those that the creditor expects to receive. LGD represents the Company's expectations regarding the extent of the loss related to an exposure in default.

**EAD** is an estimate of credit risk exposure when a potential nuisance occurs during the life of a financial asset, taking into account expected changes in exposure after the reporting period, including repayments of principal and interest, as well as expected drawdowns of committed facilities.

#### Presentation of ECL in the statement of financial position

Adjustments for ECL are presented in the statement of financial position as follows:

- for financial acts, namely loans and advances granted to customers, measured at amortized cost: as a deduction from the gross book value of assets;
- for loan commitments and financial guarantee contracts: generally, as a provision.

### **35.2. Market risk**

Market risk includes three types of risk: currency risk, interest rate risk at fair value and price risk. The term "market risk" incorporates not only the potential for loss, but also for gain.

#### **35.2.1. Interest rate risk**

The Company faces interest risk due to exposure to adverse interest fluctuations in the market. The change in the interest rate on the market directly influences the income and expenses related to financial assets and liabilities bearing variable interest, as well as the real value of those bearing fixed interest.

The interest rate risk arises from the possibility that changes in interest rates may affect future cash flows. As a principle, variable interest obligations are used to finance variable interest credit agreements, while fixed interest obligations are used to finance fixed interest credit agreements.

Both the loans granted by the Company and the loans received have a fixed interest rate.

<b>December 31st, 2024</b>	<b>up to 3 months</b>	<b>3 months - 1 year</b>	<b>1 year - 5 years</b>	<b>over 5 years</b>	<b>Non-interest bearing</b>	<b>Total</b>
Cash and cash equivalents	-	-	-	-	1.129.936	1.129.936
Loans and advances granted to customers	2.608.222	2.006.723	-	-	-	4.614.945
Other financial assets	-	-	-	-	157.978	157.978
<b>Total financial assets</b>	<b>2.608.222</b>	<b>2.006.723</b>	<b>-</b>	<b>-</b>	<b>1.287.914</b>	<b>5.902.859</b>
Loans	-	10.320	-	-	-	10.320
Leasing liabilities	33.522	89.673	487.657	-	-	610.852
Other financial liabilities	-	-	-	-	187.249	187.249
Subordinated liabilities	-	-	-	1.428.423	-	1.428.423
<b>Total financial liabilities</b>	<b>33.522</b>	<b>99.993</b>	<b>487.657</b>	<b>1.428.423</b>	<b>187.249</b>	<b>2.236.844</b>
<b>Net balance sheet item</b>	<b>2.574.700</b>	<b>1.906.730</b>	<b>(487.657)</b>	<b>(1.428.423)</b>	<b>1.100.665</b>	<b>3.666.015</b>

<b>December 31st, 2023</b>	<b>Up to 3 months</b>	<b>3 months -1 year</b>	<b>1 year - 5 years</b>	<b>non-interest bearing</b>	<b>Total</b>
Cash and cash equivalents	-	-	-	851.377	851.377
Loans and advances granted to customers	2.089.566	2.113.074	-	-	4.202.640
Receivables from investments in financial securities	177.167	-	-	-	177.167
Other financial assets	-	-	-	1.656.915	1.656.915
<b>Total financial assets</b>	<b>2.266.733</b>	<b>2.113.074</b>	<b>-</b>	<b>2.508.292</b>	<b>6.888.099</b>
Loans	-	-	10.105	-	10.105
Leasing liabilities	30.414	54.575	-	-	84.989
Other financial liabilities	-	-	-	153.706	153.706
Subordinated liabilities	-	202.173	2.611.763	-	2.813.936
<b>Total financial liabilities</b>	<b>30.414</b>	<b>256.748</b>	<b>2.621.868</b>	<b>153.706</b>	<b>3.062.736</b>
<b>Net balance sheet item</b>	<b>2.236.319</b>	<b>1.856.326</b>	<b>(2.621.868)</b>	<b>2.354.586</b>	<b>3.825.363</b>

### 35.2.2. Exchange Risk

Foreign exchange risk is the risk of recording losses or of not realizing the estimated profits, as a result of fluctuations in the foreign exchange market.

Foreign exchange risk arises from the conclusion of credit agreements in a currency other than the one through which the financing is ensured. The Company mainly grants credit agreements in Ron, while the main sources of financing of the Company are denominated in Eur.

The foreign exchange risk of financial assets and liabilities as of December 31st, 2024 is presented as follows:

**December 31st, 2024**

	RON	EUR	Total
Cash and cash equivalents	1.077.323	52.613	1.129.936
Loans and advances granted to customers	4.614.945	-	4.614.945
Other financial assets	13.306	144.672	157.978
<b>Total financial assets</b>	<b>5.705.574</b>	<b>197.285</b>	<b>5.902.859</b>
Loans	-	10.320	10.320
Leasing liabilities	-	610.852	610.852
Other financial liabilities	58.052	129.197	187.249
Subordinated liabilities	-	1.428.423	1.428.423
<b>Total financial liabilities</b>	<b>58.052</b>	<b>2.178.792</b>	<b>2.236.844</b>
<b>Net balance sheet foreign exchange item</b>	<b>5.647.522</b>	<b>(1.981.507)</b>	<b>3.666.015</b>

The foreign exchange risk of financial assets and liabilities as of December 31, 2023 is presented as follows:

	RON	EUR	Total
Cash and cash equivalents	826.151	25.226	851.377
Loans and advances granted to customers	4.202.640	-	4.202.640
Receivables from investments in financial securities	-	177.167	177.167
Other financial assets	317.490	1.339.425	1.656.915
<b>Total financial assets</b>	<b>5.346.281</b>	<b>1.541.818</b>	<b>6.888.099</b>
Loans	-	10.105	10.105
Leasing liabilities	-	84.989	84.989
Other financial liabilities	78.994	74.712	153.706
Subordinated liabilities	-	2.813.936	2.813.936
<b>Total financial liabilities</b>	<b>78.994</b>	<b>2.983.742</b>	<b>3.062.736</b>
<b>Net balance sheet foreign exchange item</b>	<b>5.267.287</b>	<b>(1.441.924)</b>	<b>3.825.363</b>

The table below details the Company's susceptibility to a 5% increase and decrease in Eur exchange rates compared to Ron and represents the management's assessment in relation to the possible change in foreign exchange rates, the impact on the statement of global income and equity based on the values of financial instruments as at December 31st, 2024 and December 31st, 2023 can be presented as follows:

RON/EUR	2024	2023
5% increase	(99.075)	(72.096)
5% decrease	99.075	72.096

The Company's transactions in foreign currency are recorded in the accounts at the exchange rates communicated by the National Bank of Romania from the date of their performance. Gains and losses resulting from the settlement of such transactions as well as from the conversion of monetary assets and liabilities expressed in foreign currency are recognized in the profit and loss account.

At the end of each month, the items expressed in foreign currencies, from the balance sheet and outside the balance sheet, shall be evaluated according to the exchange rate communicated by the National Bank of Romania on the last banking day of the month in question.

Exchange rates of the main foreign currencies at the end of the financial year:



Currency	December 31st, 2024	December 31st, 2023	Variation
Euro (Eur)	1: Ron 4.9741	1: Ron 4.9476	-0.01%

### 35.3. Operational risk

Operational risk is the risk of recording losses or of not achieving estimated profits, which may be determined by internal factors (inadequate performance of internal activities, existence of inadequate personnel or systems etc.) or by external factors (economic conditions, changes in the banking environment, technological progress etc.).

Considering the importance that the Company gives to human capital, the management of operational risk takes into account the proper management of personnel risk.

At the same time, it is considered the management of the legal risk - component of the operational risk, occurred as a result of the non-application or defective application of the legal or contractual provisions, which negatively affects the operations or the situation of the Company.

The Company's objectives are to manage these risks according to best practices.

For all activities, it is considered as essential points the segregation of responsibilities and the application of the four eyes principle.

In terms of risk management, internal audit is a component of the monitoring activities of the internal control system and the assessment of the level of own funds according to the risks to which the Company is exposed, in order to ensure an independent assessment of the policies and procedures and how they are complied with.

The activity of the internal auditor focuses on the promotion of the Company's operations in accordance with the legislation in force, the control and compliance with the internal rules and the examination of the activities carried out, in terms of compliance with the security, transparency and practice requirements.

### 35.4. Liquidity risk

Liquidity risk is the current or future risk of a negative impact on profits and capital, caused by the inability of the Company to fulfill its obligations at their maturity.

The contractual cash flows for the financial assets and liabilities of the Company classified by the minimum of the residual contractual maturities at the reporting date and the expected payment date are presented as of December 31st, 2024 and December 31st, 2023:

December 31st, 2024	up to 3 months	3 months -1 year	1 year - 5 years	over 5 years	Total
Cash and cash equivalents	1.129.936	-	-	-	1.129.936
Loans and advances granted to customers	2.608.222	2.006.723	-	-	4.614.945
Other financial assets	157.978	-	-	-	157.978
<b>Total financial assets</b>	<b>3.896.136</b>	<b>2.006.723</b>	<b>-</b>	<b>-</b>	<b>5.902.859</b>
Loans	-	12.397	-	-	12.397
Leasing liabilities	46.924	144.462	615.240	-	806.626
Other financial liabilities	187.249	-	-	-	187.249
Subordinated liabilities	-	-	-	2.674.080	2.674.080
<b>Subordinated liabilities</b>	<b>234.173</b>	<b>156.859</b>	<b>615.240</b>	<b>2.674.080</b>	<b>3.680.352</b>
<b>Surplus/(Deficit) liquidity</b>	<b>3.661.963</b>	<b>1.849.864</b>	<b>(615.240)</b>	<b>(2.674.080)</b>	<b>2.222.507</b>

<b>December 31st, 2023</b>	<b>up to 3 months</b>	<b>3 months - 1 year</b>	<b>1 year - 5 years</b>	<b>Total</b>
Cash and cash equivalents	851.377	-	-	851.377
Loans and advances granted to customers	2.089.566	2.113.074	-	4.202.640
Receivables from investments in financial securities	177.167	-	-	177.167
Other financial assets	1.656.915	-	-	1.656.915
<b>Total financial assets</b>	<b>4.775.025</b>	<b>2.113.074</b>	<b>-</b>	<b>6.888.099</b>
Loans	-	-	12.182	12.182
Leasing liabilities	32.220	55.986	-	88.206
Other financial liabilities	153.706	-	-	153.706
Subordinated liabilities	-	231.121	3.410.926	3.642.047
<b>Subordinated liabilities</b>	<b>185.926</b>	<b>287.107</b>	<b>3.423.108</b>	<b>3.896.141</b>
<b>Surplus/(Deficit) liquidity</b>	<b>4.589.099</b>	<b>1.825.967</b>	<b>(3.423.108)</b>	<b>2.991.958</b>

### 35.5. Reputational risk

Reputational risk is the risk of recording losses or of not realizing the estimated profits, as a result of the lack of public confidence in the integrity of the Company.

Reputational risk management aims to permanently ensure a positive image, in line with reality, in the market, in front of customers, credit institutions and other financial institutions in the system, shareholders, state institutions, supervision, control, average. The new products of the Company are created taking into account ethical considerations as part of the business strategy. They serve both to expand business opportunities and to mitigate credit, reputation and image risks. The Company does not grant financing to entities involved in money laundering, financing terrorist acts, as well as to individuals or companies in whose management there are persons who were previously involved and found guilty of bankruptcy or insolvency of companies.

### 35.6. Taxation risk

Romanian tax legislation provides detailed and complex rules and has undergone various changes in recent years. The interpretation of the text procedures and the implementation of the tax legislation could vary, and there is a risk that certain transactions could be interpreted differently by the tax authorities, compared to the treatment of the Company.

The Romanian government has a number of agencies that are authorized to conduct audits of companies operating in Romania. These audits are similar in nature to tax audits carried out by tax authorities in many countries, but can extend not only to tax issues, but also to other legal and regulatory issues that agencies may be interested in. The Company is likely to be subject to regular checks regarding the new laws and regulations issued.

Romanian tax legislation includes the principle of "market value", according to which transactions between affiliated parties must take place at market value. Local taxpayers carrying out transactions with affiliated parties must prepare and make available to the Romanian tax authorities, upon their written request, the transfer pricing documentation file.

Failure to submit the transfer pricing documentation file or the submission of an incomplete file may result in penalties for non-compliance; in addition to the content of the transfer pricing documentation file, the tax authorities may interpret transactions and circumstances differently from the interpretation of the management and, as a result, may impose additional tax obligations resulting from the transfer pricing adjustment.

The Company's management considers that it will not suffer losses in case of a fiscal control for checking the transfer prices.

### **35.7. Risk related to the economic environment:**

The Company's management believe that they take all necessary measures to support the growth of the Company's activity under current market conditions by:

- preparing liquidity crisis management strategies and establishing measures to deal with possible liquidity crises;
- constant monitoring of liquidity;
- forecasts of current liquidity;
- daily monitoring of cash flows and assessing the effects on its creditors of limited access to funds and the possibility of increasing operations in Romania.

The effects of the international financial crisis were also felt on the Romanian financial market, especially in the form of:

- volatility of the national currency;
- decrease in the prices of real estate and movable assets;
- negative evolution of macroeconomic indicators (GDP, inflation, budget deficit, current account deficit, decrease of foreign direct investments, increase of unemployment rate etc.).

The management cannot reliably estimate the effects on the financial statements of the Company resulting from the deterioration of the financial market liquidity, the depreciation of the financial assets influenced by the illiquid market conditions and the high volatility of the national currency and of the financial markets.

## **36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES**

Fair value measurements are analyzed by fair value level in the fair value hierarchy, as follows:

(i) level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities, (ii) level 2 inputs are inputs that are directly or indirectly observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and (iii) level 3 inputs are unobservable market inputs. Management uses judgments to classify financial instruments using the fair value hierarchy. If the fair value valuation uses input data that requires a significant adjustment, this valuation is a Level 3 valuation. Some input data are evaluated in relation to the measurement of the fair value in its entirety.

The fair values in Level 2 and Level 3 of the fair value hierarchy were estimated using the discounted cash flow valuation technique. The fair value of unquoted fixed interest instruments was estimated based on future cash flows estimated to be received, discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in current accounts with banks. The fair value of current accounts is their book value.

### **Loans and advances granted to customers**

The loans and advances granted are net of adjustments for expected losses from credit risk. The estimated fair value of loans and advances is the present amount of the future cash flows estimated to be collected. The estimated cash flows are discounted using the existing market rates in order to determine the fair value.

The table below summarizes the carrying amounts and fair values for those financial assets and liabilities that are not presented at fair value in the statement of financial position of the Company.

### Other financial assets and liabilities

The fair value of other financial assets / liabilities is their book value, which are non-interest-bearing instruments.

### Loans received (loans and subordinated liabilities)

The fair value of the loans received is the present amount of the future cash flows estimated to be paid.

### Finance lease liabilities

The estimated fair value of lease liabilities is the present amount of the future cash flows estimated to be paid.

The carrying amount as at December 31st, 2024 and December 31st, 2023 of the financial assets and liabilities and the related fair value is presented as follows:

	Book value		Fair value		Fair value hierarchy (*)
	December 31st, 2024	December 31st, 2023	December 31st, 2024	December 31st, 2023	
<b>Assets</b>					
Cash and cash equivalents	1.129.936	851.377	1.129.936	851.377	Level 2
Loans and advances granted to customers	4.614.945	4.202.640	4.879.219	4.571.950	Level 3
Receivables from investments in financial securities	-	177.167	-	177.167	Level 3
Other financial assets	157.978	1.656.915	157.978	1.656.915	Level 3
<b>Liabilities</b>					
Loans	10.320	10.105	10.784	9.214	Level 3
Leasing liabilities	610.852	84.989	559.234	80.125	Level 3
Other financial liabilities	187.249	153.706	187.249	153.706	Level 3
Subordinated liabilities	1.428.423	2.813.936	1.156.078	2.615.628	Level 3

### 37. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

The table below shows the movements in the Company's debts from financing activities for each of the periods presented. The elements of these liabilities are those that are reported under the heading financing activities in the cash flow statement.

	Liabilities from financing activities			
	Loans from shareholders	Leasing liabilities	Subordinated liabilities	Total
<b>Liabilities from financing activities on January 1st, 2023</b>	<b>10.017</b>	<b>84.523</b>	<b>2.789.495</b>	<b>2.884.035</b>
Cash flows	(1.454)	(128.361)	(404.665)	<b>(534.480)</b>
Adjustments related to exchange rate variation	57	3.169	15.754	<b>18.980</b>
Other non-cash movements	1.485	125.658	413.352	<b>540.495</b>
<b>Liabilities from financing activities on December 31st, 2023</b>	<b>10.105</b>	<b>84.989</b>	<b>2.813.936</b>	<b>2.909.030</b>
Cash flows	(1.276)	(186.167)	(1.786.601)	<b>(1.974.044)</b>
Adjustments related to exchange rate variation	(2)	(406)	454	<b>46</b>
Other non-cash movements	1.493	712.436	400.634	<b>1.114.563</b>
<b>Liabilities from financing activities on December 31st, 2024</b>	<b>10.320</b>	<b>610.852</b>	<b>1.428.423</b>	<b>2.049.596</b>

### 38. PARTIES IN SPECIAL RELATIONS WITH THE COMPANY

Parties in special relations with which the Company carried out transactions in the years 2024 and 2023 are:

- VIA SMS group (Latvia): loans received, services to support lending activity;
- SIA "VIAINVEST assets" (Latvia): cooperation agreement for investments in financial securities;
- OCN Viaconto Minicredit SRL (Republic of Moldova): services to support the activity of collecting receivables;
- key management personnel.

The transactions with the persons in special relations are carried out according to the market value principle.

	2024			2023		
	The mother company	Other related parties	Key management personnel	The mother company	Other related parties	Key management personnel
<b>Assets</b>	<b>144.673</b>	-	-	<b>1.339.425</b>	<b>177.167</b>	-
Receivables from investments in financial securities	-	-	-	-	177.167	-
Other financial assets	144.673	-	-	1.339.425	-	-
<b>Liabilities</b>	<b>1.449.527</b>	<b>14.922</b>	<b>41.840</b>	<b>2.836.515</b>	<b>19.898</b>	<b>33.935</b>
Loans			10.320--	10.105	-	-
Other financial liabilities	10.784	14.922	-	12.474	19.898	-
Other liabilities	-	-	41.840	-	-	33.935
Subordinated liabilities	1.428.423	-	-	2.813.936	-	-
<b>Income and expenses</b>	<b>(3.555.168)</b>	<b>(205.965)</b>	<b>(651.458)</b>	<b>(2.348.624)</b>	<b>(262.066)</b>	<b>)(536.618)</b>
Other operating income				-	-	-
Interest expenses	(402.127)	-	-	(414.836)	-	-
Personnel expenses	-	-	(651.458)	-	-	(536.618)
Financial services expenses	(3.025.804)	(26.858)	-	(1.786.373)	(24.487)	-
Outstanding receivables recovery expenses	-	(179.107)	-	-	(237.579)	-
Other operating expenses	(127.237)	-	-	(147.415)	-	-

### 39. COMMITMENTS AND CONTINGENT LIABILITIES

On December 31st, 2024 and on December 31st, 2023, the Company does not have contingent assets and liabilities.

#### 40. EVENTS AFTER THE BALANCE SHEET DATE

From the beginning of 2025 and until the date of signing these financial statements, there have been no significant events with an impact on the financial statements other than those previously mentioned.

The financial statements were authorized for issue by the Board of Directors on May 9th, 2025 and were signed on its behalf by:

General Manager,  
BABASS MAKSIMS

Issued by,  
CONTIKA FIN S.R.L.

Quality: natural or legal persons, authorized according to the law,  
members of the Body of Expert and Licensed Accountants of  
Romania Registration no.: 0019365/2024

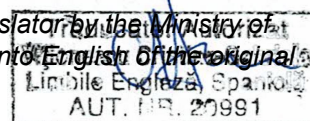
by Mircea Daniel Tudorache

Maksims Babass      Digitally signed by  
Maksims Babass  
Date: 2025.05.09  
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TUDORACHE  
MIRCEA-DANIEL

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DANIEL  
Date: 2025.05.09 09:48:38 +03'00'

I, the undersigned VIȚIONESCU CRISTINA GABRIELA, authorized translator by the Ministry of  
Justice with number 20991/2013, certify that this is a faithful translation into English of the original  
document in Romanian presented to me.  
TRANSLATOR





## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of IFN VIACONTO MINICREDIT S.A.

### *Opinion*

[1] We have audited the enclosed individual financial statements of **IFN VIACONTO MINICREDIT S.A.** ("The Company"), headquartered in Bucharest, identified by the unique fiscal registration code 36368519, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as significant accounting policy disclosures and other explanatory notes.

[2] The individual financial statements as of December 31<sup>st</sup>, 2024, are identified as follows:

Net assets / Total equity:	<b>3.605.128 lei</b>
Result of the financial year, profit:	<b>854.091 lei</b>

[3] The financial statements were signed with a qualified electronic signature on 09.05.2025, by Mr. Tudorache Mircea Daniel, in his capacity as a certified accountant representing CONTIKA FIN S.R.L, at time: 09, min: 48, sec: 38 and Mr. Maksims Babass, General Manager, at time: 10, min: 47, sec: 05.

[4] In our opinion, the enclosed individual financial statements provide a true and fair view of the Company's financial position as at December 31<sup>st</sup>, 2024, as well as the financial performance and cash flows for the financial year ended on this date, in compliance with International Financial Reporting Standards adopted by the European Union, as well as in accordance with the provisions of the BNR Order no. 27 of 16 December 2010 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, republished, as amended and supplemented ("BNR Order 27/2010").

### *Basis for opinion*

[5] We conducted our audit in compliance with International Standards on Auditing ("ISA"), EU Regulation no. 537 of the European Parliament and of the Council (hereinafter "*the Regulation*") and Law no.162 / 2017 ("*the Law*"). Our responsibilities under these standards are described in detail in the "Auditor's responsibilities in an audit of financial statements" section of our report. We are independent toward the Company, according to the Code of Ethics for Professional Accountants issued by the Board for International Ethics Standards for Accountants (IESBA code), according to ethical requirements that are relevant for auditing financial statements in Romania, including the Regulation and Law, and we have met ethical responsibilities according to these requirements and according to the IESBA Code.

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



### ***Highlighting some aspects***

[6] The financial statements for the financial year ended 31 December 2024 contain significant related party transactions. Romanian tax legislation includes the principle of “market value”, according to which transactions between related parties must be conducted at market value. Companies carrying out transactions with related parties must draw up and make available to the tax authorities, at their request, the transfer pricing documentation file. Management believes that it will not suffer losses in the event of a tax check on transfer pricing, with sufficient documentation to prove that the transactions of the Company are carried out at market value. However, there is a possibility of differing interpretations by tax authorities, which cannot be reliably estimated.

Our opinion does not contain a qualification on the above-mentioned issues.

### ***Key audit issues***

[7] The key audit issues are those that, based on our professional judgment, were of the greatest importance for auditing the financial statements of the current period. These issues have been approached in the context of the audit of financial statements as a whole and in the shaping of our opinion on them, and we do not provide a separate opinion on these key issues. We have no other key issues to present other than those mentioned in the “*Basis for opinion*” section of our report.

### ***Other information - Administrator's Report***

[8] Administrators are responsible for compiling and submitting *other information*. That *other information* includes the Administrators' Report, but does not include the financial statements and the auditor's report thereon. Our opinion on the financial statements also does not cover this other information and unless explicitly stated in our report, we do not express any assurance conclusion about it.

In connection with the audit of the financial statements for the financial year ended at December 31<sup>st</sup>, 2024, it is our responsibility to read that *other information* and, in this process, to assess whether that *other information* is significantly inconsistent with the financial statements, or with the knowledge we obtained during the audit, or if it appears to be significantly distorted.

Regarding the Administrators' Report, we have read and reported whether it has been drawn up, in all material respects, in compliance with the requirements of Order No 27/2010 of the NBR for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards, Section 3, paragraphs 11-12.

### ***Other reporting responsibilities regarding other information - Administrators' Report***

Based solely on the activities to be conducted during the audit of the financial statements, in our opinion:

- a) The information presented in the Administrators' Report for the financial year for which the financial statements have been prepared is consistent, in all material respects, with the financial statements;
- b) The Administrators' Report has been prepared, in all significant respects, in accordance with the requirements of Order No 27/2010 of the NBR for the approval of Accounting Regulations in accordance with International Financial Reporting Standards, Section 3, paragraphs 11-12.



In addition, based on our knowledge and understanding of the Company and its environment, acquired during the audit of the financial statements for the year ended at December 31, 2024, we are required to report whether we have identified material misstatements in the Administrators' Report. We have nothing to report on this.

***Responsibilities of management and persons responsible for governance for financial statements***

[9] The Company's management is responsible for preparing financial statements that provide a true view in compliance with International Financial Reporting Standards adopted by the European Union and for that internal control that the management deems necessary to allow the preparation of financial statements without material misstatements, caused either by fraud or error.

[10] In the preparation of financial statements, management is responsible for assessing the Company's ability to continue operating, for presenting, where appropriate, business continuity issues and for using accounting based on business continuity, unless management intends to liquidate the Company or cease operations, or have no other realistic alternative outside of these.

[11] The persons responsible for governance are responsible for overseeing the Company's financial reporting process.

***Responsibilities of the auditor in an audit of financial statements***

[12] Our objectives are to obtain reasonable assurance as to the extent to which the financial statements as a whole are free of material misstatements, whether caused by fraud or error, as well as to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit conducted in compliance with the ISA will always detect a material misstatement, if any. Misstatements may be caused by either fraud or error and are considered material if it can reasonably be expected that they, individually or cumulatively, will influence users' economic decisions based on these financial statements.

[13] As part of an audit in compliance with the ISA, we pursue professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and assess risks of material misstatement of financial statements, whether caused by fraud or error, design and perform audit procedures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement caused by fraud is higher than that of not detecting a material misstatement caused by error, since fraud can involve secret understandings, forgery, intentional omissions, misrepresentations and avoidance of internal control.
- We understand the internal control relevant to the audit, in order to design audit procedures appropriate to the circumstances, but without the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We assess the adequacy of the accounting policies used and the reasonableness of the accounting estimates and related information presentations made by the Company's management.
- We draw a conclusion on the adequacy of management's use of accounting based on business continuity and determine, based on the audit evidence obtained, whether there is significant uncertainty about events or conditions that could raise significant doubts about the Company's ability to continue its activity. If we conclude that there is



significant uncertainty, we must draw attention in the auditor's report to the related disclosures in the financial statements or, if those disclosures are inadequate, change our opinion. Our conclusions are based on the audit evidence obtained by the date of the auditor's report. However, future events or conditions may cause the Company to cease operating on the basis of the business continuity principle.

- We assess the presentation, structure and content of financial statements, including information presentations, and the extent to which the financial statements reflect the underlying transactions and events in a manner that results in a fair presentation.

[14] We communicate to the persons responsible for governance, among other aspects, the planned area and time scheduling of the audit, as well as the main findings of the audit, including any significant deficiencies in internal control, that we identify during the audit.

[15] We also provide the persons responsible for governance with a statement of our compliance with the ethical requirements regarding independence and communicate to them all relationships and other matters that may reasonably be considered to affect our independence and, where appropriate, related safety measures.

[16] Of the matters communicated to those charged with governance, we determine which are the most significant matters for the audit of the current period's financial statements and are therefore key audit matters.

We describe these matters in the auditor's report, unless laws or regulations prohibit public disclosure of the matter or if, in extremely rare circumstances, we believe that a matter should not be communicated in our report because the benefits to the public interest are reasonably expected to be outweighed by the negative consequences of such communication.

#### ***Report on other legal and regulatory provisions***

[17] We were appointed by the General Meeting of Shareholders to audit the financial statements of **IFN VIACONTO MINICREDIT S.A.** for the financial year ended at December 31<sup>st</sup>, 2024. The total uninterrupted term of our commitment is 5 years, covering the financial years ending 31 December 2020 - 31 December 2024.

[18] We confirm that:

- Our audit opinion is in line with the additional report presented to the Board of Directors, which we issued on the same date as this report. Also, in conducting our audit, we maintained our independence from the audited entity.
- We have not provided for the Company the prohibited non-audit services, referred to in Article 5 (1) of EU Regulation no. 537/2014.

#### ***Other aspects***

[19] This independent auditor's report is addressed exclusively to the Company's shareholders as a whole. Our audit was performed in order to inform the Company's shareholders of those aspects that we must report in a financial audit report, and not for other purposes. To the extent permitted by law, we accept and assume no liability other than to the Company and its shareholders, as a whole, for our audit, for this report or for the opinion formed.

On behalf of SAVVY AUDIT S. R. L.

Registered in the Electronic Public Register of financial auditors and audit firms with number FA 620/2006

Signatory's name: Oprea Cornelia Mariana

Registered in the Electronic Public Register of financial auditors and audit firms with number AF 4232/2012



Bucharest, Romania,  
May 09<sup>th</sup>, 2025

