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***** Tłumaczenie poświadczone z języka angielskiego *****

[*translation from Polish of a document consisting of thirty-nine pages*]

LM PAY SPÓŁKA AKCYJNA

(*Joint-Stock Company*)

Financial statements for the period from

01.01.2022 to **31.12.2022**

INTRODUCTION TO THE FINANCIAL STATEMENTS

1. Entity's data

Name: LM PAY SPÓŁKA AKCYJNA

Registered office: Lechicka 23A/, 02-156 Warsaw

PKD (Polish Classification of Activity) codes defining the entity's primary activity:

6492Z, 6420Z, 6491Z, 6499Z, 6619Z, 6621Z, 6622Z, 6629Z

Tax identification number:
NIP: 5223017773

Number in the relevant court register:
KRS: 0000940085

2. Indication of the duration of the entity's operations, if limited

Not applicable

3. The period covered by the financial statements

Financial statements are prepared for the period from 01.01.2022 to 31.12.2022

4. Indication of whether the financial statements include aggregate data

Financial statements do not include aggregate data.

5. Going concern assumption

Financial statements prepared on the assumption that the entity will continue as a going concern.
No circumstances have been identified that indicate a threat to continued operations.

6. Information about the merger of companies

Not applicable.

7. Accounting policy

Discussion of the methods adopted for valuation of assets and equity & liabilities (including depreciation/amortisation):

A. Intangible assets

Intangible assets include intangible assets with an initial value of at least PLN 10,000.00. Amortization begins from the month following the month in which the intangible asset was taken into use. Intangible assets are amortized on a straight-line basis over the period corresponding to their estimated economic useful life.

The value of assets having the characteristics of intangible assets with a value not exceeding the amount of PLN 10,000.00 is included in the costs of current operations.

Intangible assets are recognized in the books at their acquisition price less amortization, as well as impairment losses.

B. Fixed assets

Fixed assets include fixed assets with an initial value of at least PLN 10,000. Assets with an expected useful life of more than one year and an initial value equal to or greater than PLN 2,500 but not greater than PLN 10,000 are depreciated on a one-time basis in the month in which they are put into use. Assets with an expected useful life of more than one year and an initial value equal to or less than PLN 2,500 are included directly in the cost of consumption of materials.
The initial value of fixed assets is recognised at acquisition price or production cost, less depreciation and impairment losses.
The acquisition price and production cost of fixed assets and assets under construction comprise the total of their costs incurred by the entity for the period of construction, assembly, adaptation and improvement up to the date of acceptance for use, including the cost of servicing the liabilities incurred to finance them and the related exchange differences, less any revenue therefrom.
The initial value, which is the acquisition price or production cost of a fixed asset, is increased by the costs of its improvement, consisting of alteration, extension, modernisation or reconstruction, so that the value in use of that fixed asset after the improvement is completed is higher than the value it had when it was taken into use.
Fixed assets are depreciated using the straight-line method.
Individual depreciation rates are applied to used fixed assets. Depreciation begins in the month following acceptance of the fixed asset for use.
The correctness of the applied depreciation periods and depreciation rates of fixed assets is verified by the entity, resulting in an appropriate adjustment of depreciation made in subsequent years.
In the case of planned liquidation of a fixed asset or when a fixed asset does not produce the expected results, its value is impaired. In this case, a write-down is made. Its amount is decided by the head of the entity, but it cannot be lower than the net selling price of this fixed asset. In the absence of information as to the selling price, fair value measurement should be applied. When the reason for the impairment loss ceases, the original value of the fixed asset is restored.

C. Fixed assets under construction

Fixed assets under construction are understood as fixed assets included in non-current assets during the period of their construction, assembly or improvement of an already existing fixed asset.
Fixed assets under construction are recognized at the amount of total costs directly related to their acquisition or production, less impairment losses.

D. Investments

Investments in subsidiaries, in jointly-owned subsidiaries and in affiliates, as well as other long-term investments, are measured at fair value.
Fair value is calculated in the annual valuation report prepared as of the balance sheet date by an expert.

Long-term investments in the form of loans granted are measured at adjusted purchase price or at the amount required to be paid, taking into account the simplifications described in Item M.

Other short-term investments excluding cash and financial assets are measured at adjusted purchase price - if a maturity date has been specified for the asset, and short-term investments for which there is no alternative market, at another specified fair value.

Financial assets, when entered in the account books, are measured at cost (purchase price), representing the fair value of the payment made.

Transaction costs are recognized in the initial value of these financial instruments. Financial assets are entered in the account books on the date of the transaction.

E. Receivables and liabilities

Receivables are measured at the amount of required payment, in accordance with the principle of prudence. At the end of the financial year, receivables are analysed for impairment. Receivables in foreign currencies not settled as of the balance sheet date are measured at the average exchange rate set for a given currency by the National Bank of Poland on that date. Disputed, doubtful or significantly overdue receivables were covered by write-offs. Write-offs on the balance sheet have reduced these receivables. Liabilities are measured at the amount due.

F. Inventories

The Company, due to the service nature of its business, does not carry out warehouse management.

G. Cash and cash equivalents

Cash recognized in the balance sheet includes cash in hand, in the bank and short-term deposits with a maturity of three months or less.
Financial assets are measured at nominal value at the end of the reporting period.

H. Accruals/prepayments

The Company makes prepayments if they relate to future reporting periods. Accruals are made in the amount of probable liabilities attributable to the current reporting period.

I. Income tax

An income tax provision is made in relation to all positive temporary differences existing at the balance sheet date between the tax bases of assets and equity & liabilities and their carrying amounts as recognised in the financial statements.

A deferred tax liability is established in relation to all positive temporary differences, unless the deferred tax liability arises from the amortisation of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither financial result before tax, nor taxable income or tax loss.

A deferred tax asset is recognised for all negative temporary differences, as well as unused deferred tax assets and unused tax losses carried forward to the extent that it is probable that taxable income will be available to utilise the aforementioned differences, assets and losses.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date and is reduced accordingly to the extent that it is no longer probable that sufficient taxable income will be available to partially or fully realize the deferred tax asset.

Deferred tax assets and deferred tax labilities are measured using the tax rates that are expected to apply in the period when the asset is realized or the provision is released, taking as a basis the tax rates (and tax laws) adopted at the balance sheet date.

J. Assets and equity & liabilities measurement expressed in foreign currencies

Transactions expressed in currencies other than the Polish zloty are translated into Polish zlotys using the exchange rate in effect on the day preceding the transaction.
The value of outgoing foreign currencies from the bank account is measured sequentially at exchange rates starting with the one applied earliest.
As of the balance sheet date, assets and equity & liabilities expressed in currencies other than the Polish zloty are translated into the Polish zloty using the average exchange rate of the National Bank of Poland, respectively.

K. Exchange rate differences

Exchange rate differences resulting from the measurement as of the balance sheet date of assets and equity & liabilities denominated in foreign currencies, except for long-term investments, and arising in connection with the payment of receivables and liabilities in foreign currencies, as well as on the sale of currencies, are included in financial revenues or costs, respectively.

L. Financial instruments

Financial instruments are measured in accordance with the Accounting Act and the Ordinance of the Minister of Finance dated 12.12.2001 on detailed rules for recognition, measurement methods, scope of disclosure and presentation of financial instruments.

M. Materiality of the financial statements
The Company applies simplifications under Article 4 (4) of the Accounting Act when this does not have a material adverse effect on the fulfilment of the obligation.
The Company establishes the following criteria for the level of materiality (materiality is exceeded when both parameters are simultaneously exceeded):
- 0.99% of balance sheet total
- 0.49% of operating revenue from sales.

Determination of the financial result:

A. Financial result

The Company's financial result in a given financial year includes all revenues earned, attributable to the Company, and expenses charged to the Company related to those revenues, in accordance with the principles outlined above, other operating revenues and expenses, the result of prudent measurement of assets and equity & liabilities.

B. Revenues and expenses

The costs of current operating activities are recorded in the accounts of Group "4" - by type (Group 4).

Operating expenses are accounted for over time whenever the period to which they relate is longer than one financial year. Operating expenses relating to more than one reporting period but not extending beyond the financial year are included in full in the expenses of the current

reporting period.

Operating expenses represent costs directly related to the Company's core business. Expenses are recognized on an accrual basis to ensure that revenues and related expenses are commensurate.

Other operating expenses include loss on disposal of non-financial non-current assets, revaluation of tangible non-current assets and inventories, costs of unused production capacity not included in product manufacturing costs, write-offs of receivables, compensation, penalties paid, donations made, penalty interest on taxes, social security and customs duties.

Financial expenses include paid and accrued interest on credits and loans received, losses related to securities trading, excess of negative exchange differences over positive exchange differences, write-downs of financial assets and short-term securities.

The value of sales is accounted for based on the amount of invoices issued during the year less value added tax. Sales revenues presented in the income statement are reduced by discounts and other allowances granted to customers treated according to the same principles as discounts.

Revenues from the provision of services are recognized in proportion to the degree of completion of the service, provided that it can be reliably estimated. If the effects of a transaction related to the provision of services cannot be reliably determined, revenues from the provision of services are recognized only up to the amount of costs incurred on this account.

The preparation fee associated with the loans granted is recognized in the Company's operating revenues in the year of granting the loan up to the amount of the profit on the loan after taking into account the Company's financing costs associated with the loan throughout the financing period. In connection with early repayment bonuses granted to borrowers, the Company makes provisions for early repayment bonuses. The level of provisions set up reflects anticipated early loan repayments. Interest on loans, the granting of which is the Company's core business, is recognized in service revenue as it accrues, if its receipt is not in doubt.

Other operating revenues include gain on disposal of non-financial non-current assets, the equivalent of released provisions and asset write-downs, expired or cancelled liabilities, received grants, subsidies, allowances, compensation and donations.

Financial revenues include interest received or receivable on credits and loans, revenues related to securities trading and the excess of positive exchange differences over negative exchange differences.

Dividends due are included in financial revenues as of the date the shareholders' meeting of the company in which the entity has invested adopts a resolution on the distribution of profit, unless the resolution specifies another date for the right to dividends.

Preparation of the financial statements:

The financial statements have been prepared in accordance with the practice of entities operating in Poland, based on Attachment No. 1 of the Accounting Act of September 29, 1994 (Journal of Laws of 2019, item 351, as amended) and the secondary legislation issued thereunder.

Other accounting principles adopted by the entity:

The accounting principles adopted by the Company have been applied continuously and are in line with the accounting principles adopted by the entity.

The Company prepares the income statement in the single-step variant.

Revenues from repayment of loans granted, including interest, were included in the entity's operating activities.

The granting and repayment of loans were included in the investment segment of the cash flow statement.

8. Further details

Keeping the books

The account books are kept by an external accounting office - KP Consulting Sp. z o.o., with its registered office in Warsaw (00-825) at ul. Sienna 64. Account books are kept at the location of the accounting office.

The account books include:
1) journal,
2) general ledger,
3) subsidiary ledgers,
4) statements of turnover and balances of general ledger accounts and balances of subsidiary ledgers accounts.

The account books are kept in computerized form, with the help of the Comarch Optima program - a comprehensive service system used to record all business operations.

Settlements of salaries for labour and contracts of mandate are carried out using the Comarch Optima human resources and payroll program.

BALANCE SHEET

Assets Data in PLN

	Amount at the ending date of the current financial year	Amount at the ending date of the previous financial year
A. NON-CURRENT ASSETS	**75,139,572.91**	**64,391,409.41**
I. Intangible assets	**500,396.93**	
1. Costs of completed development works		
2. Goodwill		
3. Other intangible assets	64,583.33	
4. Advances for intangible assets	435,813.60	
II. Tangible non-current assets	**251,280.89**	**2,000.00**
1. Fixed assets	251,280.89	
a) land (including the right of perpetual usufruct)		
b) buildings, premises, right to premises and civil engineering facilities		
c) technical devices and machines		
d) means of transport	251,280.89	
e) other fixed assets		
2. Fixed assets under construction		2,000.00
3. Advances for fixed assets under construction		
III. Long-term receivables	**6,575,128.44**	**232,560.00**
1. From related entities		
2. From other entities in which the entity has an equity interest		
3. From other entities	6,575,128.44	232,560.00
IV. Long-term investments	**64,841,994.61**	**63,727,163.36**
1. Real estates		
2. Intangible assets		
3. Long-term financial assets	64,841,994.61	63,727,163.36
a. in related entities	46,546,900.00	45,432,068.75
- stocks or shares		
- other securities		
- loans granted	46,546,900.00	45,432,068.75
- other long-term financial assets		
b. in other entities in which the entity has an equity interest		
- stocks or shares		
- other securities		
- loans granted		

- other long-term financial assets		
c. in other entities	18,295,094.61	18,295,094.61
- stocks or shares		
- other securities		
- loans granted	18,295,094.61	18,295,094.61
- other long-term financial assets		
4. Other long-term investments		
V. Long-term prepayments/accruals	**2,970,772.04**	**429,686.05**
1. Assets on account of deferred income tax	1,693,845.10	414,987.72
2. Other prepayments/accruals	1,276,926.94	14,698.33
B. CURRENT ASSETS	**36,659,077.69**	**49,851,986.88**
I. Inventories		**15,000.00**
1. Materials		
2. Semi-finished products and work in progress		
3. Finished products		
4. Goods		
5. Advances for deliveries and services		15,000.00
II. Short-term receivables	**10,905,741.85**	**519,952.84**
1. Receivables from related entities	2,336,507.60	99,427.28
a) trade receivables, maturing:	1,500,000.00	
- up to 12 months	1,500,000.00	
- over 12 months		
b) other	836,507.60	99,427.28
2. Receivables from other entities in which the entity has an equity interest		
a) on account of trade receivables, maturing:		
- up to 12 months		
- over 12 months		
b) other		
3. Receivables from other entities	8,569,234.25	420,525.56
a) trade receivables, maturing:	1,759.71	413.14
- up to 12 months	1,759.71	413.14
- over 12 months		
b) on account of taxes, subsidies, customs duties, social and health insurance and other public law titles	15,306.31	
c) other	8,552,168.23	420,112.42
d) claimed at court		
III. Short-term investments	**23,606,172.99**	**47,749,291.01**

1. Short-term financial assets	23,606,172.99	47,749,291.01
a) in related entities	11,184,315.61	5,519,466.56
- stocks or shares		
- other securities		
- loans granted	11,184,315.61	5,519,466.56
- other short-term financial assets		
b) in other entities	12,353,505.58	42,125,879.80
- stocks or shares		
- other securities		
- loans granted	12,353,505.58	42,125,879.80
- other short-term financial assets		
c) cash and other financial assets	68,351.80	103,944.65
- cash in hand and at bank	68,351.80	103,944.65
- other cash		
- other financial assets		
2. Other short-term investments		
IV. Short-term prepayments/accruals	**2,147,162.85**	**1,567,743.03**
C. CALLED-UP SHARE CAPITAL (FUND) NOT PAID		
D. OWN SHARES (STOCKS)		
TOTAL ASSETS	**111,798,650.60**	**114,243,396.29**

BALANCE SHEET

Equity & liabilities Data in PLN

	Amount at the ending date of the current financial year	Amount at the ending date of the previous financial year
A. EQUITY (FUND)	**43,362,730.69**	**18,257,501.83**
I. Share capital (fund)	**3,103,895.00**	**2,220,000.00**
II. Supplementary capital (fund), including:	**40,161,525.37**	**11,406,360.15**
- share premium	30,600,874.64	6,476,851.10
III. Revaluation reserve (fund), including:		
- due to fair value revaluation		
IV. Other reserve capitals (funds)		
- created in accordance with the deed of Company formation (articles of association)		
- for own shares (stocks)		
V. Profit (loss) from previous years		
VI. Net profit (loss)	**97,310.32**	**4,631,141.68**
VII. Write-offs of net profit during the financial year (negative amount)		
B. LIABILITIES AND PROVISIONS FOR LIABILITIES	**68,435,919.91**	**95,985,894.46**
I. Provisions for liabilities	**2,529,876.90**	**1,154,699.34**
1. Deferred tax liability	2,529,876.90	1,154,699.34
2. Provisions for retirement and similar benefits		
- long-term		
- short-term		
3. Other provisions		
- long-term		
- short-term		
II. Long-term liabilities	**57,044,000.00**	**20,326,923.84**
1. To related entities		
2. To other entities in which the entity has equity interests		
3. To other entities	57,044,000.00	20,326,923.84
a) credits and loans	45,682,000.00	19,456,923.84
b) on account of issuance of debt securities	11,362,000.00	870,000.00
c) other financial liabilities		
d) bill-of-exchange liabilities		
e) other		
III. Short-term liabilities	**8,862,043.01**	**74,504,271.28**
1. To related entities		

a) on account of trade liabilities, maturing:		
- up to 12 months		
- over 12 months		
b) other		
2. To other entities in which the entity has equity interests		
a) on account of trade liabilities, maturing:		
- up to 12 months		
- over 12 months		
b) other		
3. To other entities	8,862,043.01	74,504,271.28
a) credits and loans	5,003,229.26	21,079,398.63
b) on account of issuance of debt securities	150,000.00	52,636,000.00
c) other financial liabilities	2,750,521.06	
d) on account of trade liabilities, maturing:	716,836.62	202,233.78
- up to 12 months	515,984.45	202,233.78
- over 12 months	200,852.17	
e) advances for deliveries and services		
f) bill-of-exchange liabilities		
g) on account of taxes, customs duties, social and health insurance and other public law titles	143,830.39	570,899.00
h) on account of wages and salaries	97,625.68	15,739.87
i) other		
4. Special funds		
IV. Accruals/prepayments		
1. Negative goodwill		
2. Other prepayments/accruals		
- long-term		
- short-term		
TOTAL EQUITY & LIABILITIES	**111,798,650.60**	**114,243,396.29**

INCOME STATEMENT

Comparative variant Data in PL

	Amount for the current financial year	Amount for the previous financial year
A. Net sales and equalized revenues, including:	**15,053,680.20**	**13,084,058.14**
- from related entities	1,500,000.00	
I. Net revenue from sale of products	15,053,680.20	13,084,058.14
II. Change in the balance of products (increase - positive value, decrease – negative value)		
III. Cost of manufacturing products for the entity's own needs		
IV. Net revenues from sales of goods and materials		
B. Operating expenses	**9,408,864.67**	**2,227,249.17**
I. Amortisation/depreciation	59,254.48	
II. Consumption of materials and energy	131,744.47	
III. Third-party services	6,688,710.16	1,680,139.36
IV. Taxes and fees, including:	324,724.15	149,615.95
- excise duty		
V. Salaries and wages	1,362,582.46	103,902.00
VI. Social security and other benefits, including:	168,888.37	15,000.00
- retirement	40,766.28	
VII. Other costs by type	672,960.58	278,591.86
VIII. Value of goods and materials sold		
C. Profit (loss) on sales(A-B)	**5,644,815.53**	**10,856,808.97**
D. Other operating revenue	**1,556,303.25**	**1,072,678.17**
I. Profit from disposal of non-financial non-current assets		
II. Grants		
III. Revaluation of non-financial assets		
IV. Other operating revenue	1,556,303.25	1,072,678.17
E. Other operating costs	**3,505,593.10**	**1,702,516.22**
I. Loss on disposal of non-financial non-current assets		
II. Revaluation of non-financial assets		
III. Other operating revenue	3,505,593.10	1,702,516.22
F. Profit (loss) from operating activity (C+D-E)	**3,695,525.68**	**10,226,970.92**
G. Financial revenue	**5,668,003.80**	**2,895,643.62**
I. Dividends and share in profit, including:		
a) from related entities, including:		
- in which the entity has equity interests		
b) from other entities, including:		

- in which the entity has equity interests		
II. Interest, including:	5,665,182.38	2,895,201.70
- from related entities	5,664,849.05	2,895,201.70
III. Profit on outflow of financial assets, including:		
- in related entities		
IV. Revaluation of financial assets		
V. Other	2,821.42	441.92
H. Financial costs	**9,169,898.98**	**7,419,690.37**
I. Interest, including:	7,410,807.15	6,448,110.63
-for related entities		
II. Loss on outflow of financial assets, including:		
- in related entities		
III. Revaluation of financial assets		
IV. Other	1,759,091.83	971,579.74
I. Gross profit (loss)(F+G-H)	**193,630.50**	**5,702,924.17**
J. Income tax	**96,320.18**	**1,071,782.49**
K. Other mandatory reductions in profit (increases in loss)		
L. Net profit (loss)(I-J-K)	**97,310.32**	**4,631,141.68**

STATEMENT OF CHANGES IN EQUITY

Data in PLN

	Amount at the ending date of the current financial year	Amount at the ending date of the previous financial year financial
I. Equity (fund) at the beginning of the period (O.B.)		
I. Equity (fund) at the beginning of the period (O.B.)	**18,257,501.83**	**13,626,360.15**
- changes in adopted accounting principles (policy)		
- adjustments of errors		
I.a. Equity (fund) at the beginning of the period (OB), after adjustments	**18,257,501.83**	**13,626,360.15**
1. Share capital	3,103,895.00	2,220,000.00
1. Share capital (fund) at the beginning of the period	**2,220,000.00**	**2,220,000.00**
1.1. Changes in share capital (fund)	883,895.00	
a) increase (due to)	883,895.00	
- issuance of shares (share issuance)	883,895.00	
b) decrease (due to)		
- redemption of shares (stocks)		
1.2. Share capital (fund) at the end of the period	**3,103,895.00**	**2,220,000.00**
2. Supplementary capital	40,161,525.37	11,406,360.15
2. Supplementary capital (fund) at the beginning of the period	**11,406,360.15**	**8,688,864.98**
2.1. Changes in supplementary capital (fund)	28,755,165.22	2,717,495.17
a) increase (due to)	28,800,592.88	2,717,495.17
- issuance of shares above par value	24,169,451.20	
- profit distribution (by law)	4,631,141.68	2,717,495.17
- profit distribution (over the statutorily required minimum value)		
b) decrease (due to)	45,427.66	
- coverage of loss		
- stocks issue costs	45,427.66	
2.2. Supplementary capital (fund) at the end of the period	**40,161,525.37**	**11,406,360.15**
3. Revaluation reserve		
3. Revaluation reserve (fund) at the beginning of the period - changes in adopted accounting principles (policy)		
3.1. Changes in revaluation reserve (fund)		
a) increase (due to)		
b) decrease (due to)		
- disposals of fixed assets		
3.2. Revaluation reserve (fund) at the end of the period		
4. Reserve capitals		

4. Other reserve capitals (funds) at the beginning of the period		
4.1. Changes in other reserve capitals (funds)		
a) increase (due to)		
b) decrease (due to)		
4.2. Other reserve capitals (funds) at the end of the period		
5. Retained earnings		
5. Profit (loss) from previous years at the beginning of the period	**4,631,141.68**	**2,717,495.17**
5.1. Profit from previous years at the beginning of the period	**4,631,141.68**	**2,717,495.17**
- changes in adopted accounting principles (policy)		
- adjustments of errors		
5.2. Profit from previous years at beginning of period, after adjustments	**4,631,141.68**	**2,717,495.17**
a) Increase (due to)		
- distribution of retained earnings		
b) decrease (due to)	4,631,141.68	2,717,495.17
- profit-sharing	4,631,141.68	2,717,495.17
5.3. Retained earnings at the end of the period		
5.4. Loss from previous years at the beginning of the period		
- changes in adopted accounting principles (policy)		
- adjustments of errors		
5.5. Loss from previous years at the beginning of the period, after adjustments		
a) Increase in loss (due to)		
- carry-forward losses to be covered		
b) Decrease in loss (due to)		
- coverage of loss with supplementary capital		
- coverage of loss with net profit		
5.6. Loss from previous years at the end of the period		
5.7. Profit (loss) from previous years at the end of the period		
6. Net result	**97,310.32**	**4,631,141.68**
a) net profit	97,310.32	4,631,141.68
b) net loss		
c) profit deductions		
II. Equity (fund) at the end of the period (closing balance)	**43,362,730.69**	**18,257,501.83**
III. Equity (fund), after taking into account the proposed distribution of profit (coverage of loss)	**43,362,730.69**	**18,257,501.83**

CASH FLOW STATEMENT

Indirect method Data in PLN

	Amount for the current financial year	Amount for the previous financial year
A. Cash flow from operating activities		
I. Net profit (loss)	**97,310.32**	**4,631,141.68**
II. Total adjustments	**-2,257,978.61**	**2,883,557.62**
1. Depreciation	59,254.48	
2. Foreign exchange gains (losses)	-582.16	
3. Interest and profit sharing (dividends)	1,745,624.77	3,552,908.93
4. Profit (loss) from investment activities		
5. Change in provisions	1,375,177.56	215,476.34
6. Change in inventory	15,000.00	-15,000.00
7. Change in receivables	-2,562,655.30	-622,021.78
8. Change in short-term liabilities, except for loans and credits	231,931.30	682,680.37
9. Change in accruals/prepayments	-3,120,505.81	-781,311.41
10. Other adjustments	-1,223.45	-149,174.83
III. Net cash flow from operating activities (I±II)	**-2,160,668.29**	**7,514,699.30**
B. Cash flow from investment activities		
I. Inflows	**95,126 100.84**	**53,994,004.92**
1. Disposal of intangible assets and tangible non-current assets		
2. Disposal of investments in real estate and intangible assets		
3. From financial assets, including:	82,714,036.74	53,994,004.92
a) in related entities	2,885,168.75	
b) in other entities	79,828,867.99	53,994,004.92
- disposal of financial assets		
- dividends and share in profit		
- repayment of long-term loans granted	79,828,867.99	53,994,004.92
- interest		
- other inflows from financial assets		
4. Other investment inflows	12,412,064.10	
II. Expenses	**79,107,014.06**	**83,927,199.36**
1. Acquisition of intangible assets and tangible non-current assets		
2. Investments in real estate and intangible assets		

3. For financial assets, including:	76,040,036.04	83,927,199.36
a) in related entities	4,000,000.00	5,730,000.00
b) in other entities	72,040,036.04	78,197,199.36
- acquisition of financial assets		
- long-term loans granted	72,040,036.04	78,197,199.36
4. Other investment expenditure	3,066,978.02	
III. Net cash flow from investment activities (I–II)	**16,019,086.78**	**-29,933,194.44**
C. Cash flow from financial activities		
I. Inflows	**52,308,647.37**	**51,831,494.00**
1. Net inflows from issuance of shares (issuance of stocks) and other equity instruments and capital contributions	5,411,314.04	
2. Credits and loans	44,977,333.33	37,094,494.00
3. Issuance of debt securities	1,920,000.00	14,737,000.00
4. Other financial inflows		
II. Expenses	**66,202,658.71**	**30,380,808.99**
1. Acquisition of own shares (stocks)		
2. Dividends and other distributions to owners		
3. Other than distributions to owners, profit distribution expenses		
4. Repayment of loans and credits	14,763,373.53	7,510,000.00
5. Redemption of debt securities	43,909,699.53	16,520,000.00
6. On account of other financial liabilities		
7. Payments of liabilities under finance lease	62,511.26	
8. Interest	7,467,074.39	6,350,808.99
9. Other financial expenses		
III. Net cash flow from financial activities (I–II)	**-13,894,011.34**	**21,450,685.01**
D. Total net cash flow	**-35,592.85**	**-967,810.13**
E. Balance sheet change in cash, including:	**-35,592.85**	**-967,810.13**
- change in cash due to exchange rate differences		
F. Cash at the beginning of the period	**103,944.65**	**1,071,754.78**
G. Cash at the end of the period, including:	**68,351.80**	**103,944.65**
- with limited availability	68,351.80	

INCOME TAX CALCULATION

Data in PLN

	Amount for the current financial year	Amount for the previous financial year
A. Gross profit (loss) for the year	**193,630.50**	**5,702,924.17**
B. Revenues exempted from taxation (permanent differences between the profit/loss for accounting purposes and the income/ loss for tax purposes) including:		
Other		
Revaluation of investments (Article 12(1)(4)(e))		
C. Non-taxable revenues in the current year, including:	7,406,616.37	4,128,100.09
Other		
Accrued interest on loans (Article 12(4)(2))	5,863,000.26	3,080,214.90
Dissolution of the provision (Article 12(1)(5)(a))		675,000.00
Unearned awarded legal representation costs (Article 12(3e))	61,612.31	372,885.19
Returned receivables previously written off as uncollectible not recognized as deductible expenses (Article 12(1)(4))	1,482,003.80	
D. Revenues subject to taxation in the current year, recognised in the account books of previous years, including:		
Other		
E. Non tax deductible costs (permanent differences between profit/loss for accounting purposes and profit/loss for tax purposes), including:	237,929.65	38,884.13
Other		
Other costs classified as non-deductible (Article 15(1))	75,008.58	35,561.20
Debt financing costs (Article 15(c))		
Budgetary interest (Article 16(1)(21))	10,233.44	3,322.93
Donations made (Article 16(1)(14))	63,005.85	
Depreciation of fixed assets used under operating lease (Article 17b)	46,337.81	
Interest on leasing contracts (Article 17b)	15,362.48	
The cost of exploitation of passenger cars in the amount of 25% of costs (Article 16(1)(51))	27,981.49	
F. Costs not recognised as deductible costs in the current year, including:	3,537,555.73	1,790,265.33
Other		
Accrued interest on loans (Article 16(1)(11))		97,301.64
Unpaid wages and social security contributions (Article 16(1)(57))	104,553.67	15,539.87

Provisions (Art. 16(1)(27))		225,000.00
Write-offs of uncollectible debts (Article 16(1)(25))	3,433,002.06	1,452,423.82
G. Costs recognised as deductible in the current year recognised in the account books of previous years, including:	15,739.87	
Other		
Unpaid wages and social security contributions (Article 16(1)(57))	15,739.87	
H. Loss from previous years, including:		
I. Other changes in the tax base, including:		
Other		
J. Income tax base	**-3,453,240.36**	**3,403,973.54**
K. Income tax		**646,755.00**

NOTES

Data in PLN

Notes and explanations

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Notes and explanations to the financial statements

NOTES AND EXPLANATIONS

Note 1 - Events after the balance sheet date

Did not occur.

Note 2 - Changes in accounting policy

The Company made no changes to its accounting policy in the current year.

Note 3 - Costs of completed development work and goodwill

Value of completed development work and goodwill - did not occur.

Note 4 - Land in perpetual usufruct

The value of land in perpetual usufruct - did not occur.

Note 5 - The value of fixed assets not amortised or depreciated by the entity, used under rental, tenancy and other agreements, including lease agreements.

	Land (including the right of perpetual usufruct)	Buildings, premises, right to premises and civil engineering facilities	Technical devices and machines	Means of transport	Other fixed assets	Total
Gross value						
O.B. 01-01-2022	-	-	-	-	-	-
(+) Increases on account of	-	-	-	297,618.70	-	297,618.70
- lease acceptance	-	-	-	297,618.70	-	297,618.70
- other	-	-	-	-	-	-
(-) Decreases	-	-	-	-	-	-
- in sales	-	-	-	-	-	-
- other	-	-	-	-	-	-
C.B. 31-12-2022	-	-	-	297,618.70	-	297,618.70
Depreciation						
O.B. 01-01-2022	-	-	-	-	-	-
(+) Increases	-	-	-	46,337.81	-	46,337.81
(-) Decreases	-	-	-	-	-	-
C.B. 31-12-2022	-	-	-	46,337.81	-	46,337.81
Net value						
O.B. 01-01-2022	-	-	-	-	-	-
C.B. 31-12-2022	-	-	-	251,280.89	-	251,280.89

Note 6 - Information on the number and value of securities or rights held, including share certificates, convertible debt securities, warrants and options, with an indication of the rights they confer

Did not occur.

Note 7 - Intangible assets

	Costs of completed development works	Goodwill	Other intangible assets	Advances for intangible assets	Total
Gross value					
O.B. 01-01-2022	-	-	-	-	-
(+) Increases on account of	-	-	77,500.00	435,813.60	513,313.60
- updates	-	-	-	-	-
- transfer from fixed assets under construction	-	-	-	-	-
- other	-	-	77,500.00	435,813.60	513,313.60
(-) Decreases	-	-	-	-	-
- in sales	-	-	-	-	-
- other	-	-	-	-	-
C.B. 31-12-2022	-	-	77,500.00	435,813.60	513,313.60
Depreciation					
O.B. 01-01-2022	-	-	-	-	-
(+) Increases	-	-	12,916.67	-	12,916.67
(-) Decreases	-	-	-	-	-
C.B. 31-12-2022	-	-	12,916.67	-	12,916.67
Net value					
O.B. 01-01-2022	-	-	-	-	-
C.B. 31-12-2022	-	-	64,583.33	435,813.60	500,396.93

Note 8 - **Write-downs of non-current assets**

The Company did not write down its non-current assets in 2022.

Note 9 - Inventory write-downs

The Company did not write down inventories, as it operates a service business and does not have inventory.

Note 10 - Prepayments

Status as of:	31.12.2022	31.12.2021
Assets on account of deferred income tax	1,693,845.10	414,987.72
Other long-term prepayments/accruals	1,276,926.94	14,698.33
Total long-term prepayments	**2,970,772.04**	**429,686.05**
Short-term prepayments	**2,147,162.85**	**1,567,743.03**

Note 11 - Share capital

The share capital as of the balance sheet date was PLN 3,103,895.00.
Ownership structure of share capital as of December 31, 2022:

Name of shareholder	Number of shares held	Nominal value of shares held	Percentage share in the share capital	Percentage of votes held
Medical Finance Group S.A.	444,000	2,220,000.00	71.5%	71.5%
Other stockholders (B series)	176,779	883,895.00	28.5%	28.5%
Total	**620,779**	**3,103,895.00**	**100%**	**100%**

Note 12 - Distribution of profit/coverage of loss for the current financial year

Net profit for financial year 2022 in the amount of PLN 97,310.32 will be allocated to supplementary capital.

Note 13 - Change in provisions

	Deferred tax liability	Provisions for retirement and similar benefits		Other provisions		Total
		Long-term	Short-term	Long-term	Short-term	
O.B. 01.01.2022	1,154,699.34	-	-	-	-	1,154,699.34
Increases	1,375,177.56	-	-	-	-	1,375,177.56
Use	-	-	-	-	-	-
C.B. 31.12.2022	**2,529,876.90**	**-**	**-**	**-**	**-**	**2,529,876.90**

Note 14 - Average headcount for the financial year

The Company's average headcount for 2022 was 1.4.

Note 15 - Remuneration of members of management, supervisory or administrative bodies

Did not occur.

Note 16 - Transactions with members of management, supervisory or administrative bodies

During the financial year, the Company did not grant loans to members of its management bodies.

The Company paid the benefit of the President of the Management Board under the surety. The amount of these benefits in the financial year amounted to PLN 501,985.30.

As at the balance sheet date, the capital value of loans received from members of the management bodies amounted to PLN 0.00.

All of the above transactions were conducted at arm's length.

Note 17 - Information on revenues, costs and results of discontinued operations in the financial year or expected to be discontinued in the next year

Did not occur.

Note 18 - Information on revenues and expenses of extraordinary value or which occurred incidentally

Did not occur.

Note 19 - Information on exchange rates adopted for measurement of financial statements items expressed in foreign currencies

Did not occur.

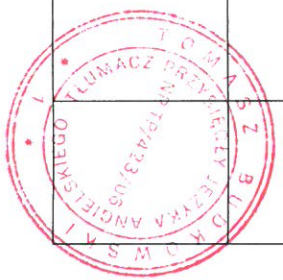
Note 20 - Going concern

The financial statements have been prepared on the going concern assumption for the foreseeable future.

Note 21 - Contingent liabilities and liabilities secured on the Company's assets

As of December 31, 2022, the Company had collaterals established on the entity's assets amounting to:

Liability	Issue amount / credit limit	Date of allocation / agreement	End date of liability/ collateral	Type of collateral	Subject matter of collateral	Value of collateral	Entity in whose favour the collateral was established / pledgee	Pledge number in the pledge register	Court of registration
AD bond series	PLN 150,000	2021-07-01	2023-07-01						
				Registered pledge	B3 - loan receivables portfolio	100% of the issue	Collateral administrator - advocate Kamil Cholewiński	2689977	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
AF bond series	PLN 720,000	2021-08-09	2023-07-30						
				Registered pledge	B3 - loan receivables portfolio	110% of the issue	Collateral administrator - advocate Kamil Cholewiński	2702782	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
AH bond series	PLN 3,342,000	2021-09-21	2023-09-29						
				Registered pledge	B3 - loan receivables portfolio	120% of the issue	Collateral administrator - advocate Kamil Cholewiński	2698672	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
AK bond series	PLN 7,300,000	2021-08-09	2023-12-22						
				Registered pledge	B3 - loan receivables portfolio	100% of the issue	Collateral administrator - CVI Trust sp. z o.o.	2713129	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
				Registered pledge	bank accounts		Collateral administrator - CVI Trust sp. z o.o.	2713512	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register



				Registered pledge	bank accounts		Collateral administrator - CVI Trust sp. z o.o.	2713701	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
Revolving Credit Agreement No. 000/19/715	PLN 5,000,000	2021-02-26	2024-02-20						
				Registered pledge	B3 - loan receivables portfolio	PLN 3,000,000	Bank Spółdzielczy (*Cooperative Bank*) in Ostrów Mazowiecka	2676261	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
				Registered pledge	bank accounts		Bank Spółdzielczy (*Cooperative Bank*) in Ostrów Mazowiecka	2643560	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register

The Company did not provide guarantees, sureties or other contingent liabilities in 2022.

TOMASZ ŁUKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

Note 22 - Consolidation of financial statements

The Company is a subsidiary of Medical Finance Group S.A., with its registered office at ul. Lechicka 23A, REGON 142446622 NIP: 5242711463 KRS: 0000422868.
Consolidation of financial statements is not required under current legal standards.

Note 23 - Transactions with related parties

Entity	Medical Finance Group S.A.	
Type of revenue/cost	**In the year 2022**	**In the year 2021**
Interest on loan granted (revenue)	5,664,849.05	2,895,201.70
Interest on loan received (cost)	-	-
Revenue from sale of services	1,500,000.00	-
Entity	**Medical Finance Group S.A.**	
Type of transaction/ Balance as of	**31.12.2022**	**31.12.2021**
Loans granted	57,731,215.61	50,951,535.31
Other receivables (settlements arising from assignment of the loan portfolio)	828,507.60	91,427.28
Other trade receivables	1,500,000.00	-
Other receivables	8,000.00	8,000.00

Note 24 - Long-term investments

	Real estates	Intangible assets	Long-term financial assets in related parties	Long-term financial assets in in other entities in which the entity has equity interest	Long-term financial assets in other entities	Other long-term investments	Total
O.B. 01.01.2022	-	-	45,432,068.75	-	-	18,295,094.61	63,727,163.36
Increases	-	-	4,000,000.00	-	-	-	4,000,000.00
- loans granted	-	-	4,000,000.00	-	-	-	4,000,000.00
-transfer	-	-	-	-	-	-	-
- purchase of shares	-	-	-	-	-	-	-
- pricing	-	-	-	-	-	-	-
Decreases	-	-	2,885,168.75	-	-	-	2,885,168.75
- sale	-	-	-	-	-	-	-
- transfer	-	-	-		-	-	-
- repayment of loans	-	-	2,885,168.75	-	-	-	2,885,168.75
- write-off	-	-	-	-	-	-	-
-depreciation	-	-	-	-	-	-	-
- pricing	-	-	-	-	-	-	-
C.B. 31.12.2022	-	-	46,546,900.00	-	-	18,295,094.61	64,841,994.61

TOMASZ BUDNOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

Note 25 - Receivables by maturity period

Receivables	O.B.	C.B.	O.B.	C.B.
	01.01.2022	31.12.2022	01.01.2022	31.12.2022
	up to 12 months		over 12 months	
Related entities:	**110,011.64**	**2,336,507.60**	-	-
a) on account of trade liabilities	-	1,500,000.00	-	-
b) other	99,427.28	836,507.60	-	-
Other entities:	**420,524.56**	**8,569,234.25**	**232,560.00**	**6,575,128.44**
a) Credits and loans	-	-	-	-
a) on account of trade liabilities	412.14	1759.71	-	-
c) on account of taxes, duties, insurance and other benefits	-	15,306.31	-	-
d) Other	420,112.42	8,552,168.23	232,560.00	6,575,128.44
d) Claimed at court	-	-	-	-
Total	**530,536.20**	**10,905,741.85**	**232,560.00**	**6,575,128.44**

The Company did not recognize an allowance for trade receivables in the current year.

Note 26 - Liabilities by maturity period

Balance at December 31, 2022

	Liabilities by maturity				
	Up to 1 year	Over 1 year to 3 years	Over 3 years up to 5 years	Over 5 years	Total
To related entities	-	-	-	-	-
Towards entities in which the entity has equity interest	-	-	-	-	-
Towards other entities, including:	**8,862,043.01**	**57,044,000.00**	-	-	**65,906,043.01**
- credits and loans	5,003,229.26	45,682,000.00	-	-	50,685,229.26
- on account of issuance of debt securities	150,000.00	11,362,000.00	-	-	11,512,000.00
- on account of supplies and services	716,836.62	-	-	-	716,836.62
- other financial liabilities	2,750,521.06	-			2,750,521.06
- on account of taxes	143,830.39	-	-	-	143,830.39
- on account of wages and salaries	97,625.68	-	-	-	97,625.68
- other	-	-	-	-	
Total	**8,862,043.01**	**57,044,000.00**	-	-	**65,906,043.01**

As of December 31, 2022, the Company had liabilities under issued bonds in the total amount of PLN 11,512,000.00, of which PLN 11,362,000.00 relates to the long-term part and the amount of PLN 150,000.00 in the short-term part. Bond liabilities by series amount to:

Series of bonds	Amount of liability by maturity periods	
	> 12 months	< 12 months
AD	-	150,000.00
AF	720,000.00	-
AH	3,342,000.00	-
AK	7,300,000.00	-
Total	**11,362,000.00**	**150,000.00**

Note 27 - Loans granted

The value of loans granted as of the balance sheet date was:

Loans granted	Long-term part	Short-term part
Related parties, including:	**46,546,900.00**	**11,184,315.61**
- Medical Finance Group S.A.	46,546,900.00	11,184,315.61
Other entities, including:	**18,295,094.61**	**16,150,793.17**
- medical loans	18,295,094.61	16,150,793.17
- other loans	-	-

The company has written off outstanding medical loan receivables in the amount of PLN 3,433,002.06 in 2022.

The write-offs as of 31.12.2022 amounted to PLN 3,797,302.63.

Note 28 - Structure of net revenues from sales

Type	For the year 2022	For the year 2021
Sales of financial intermediation services	1,537,587.52	27,239.34
Interest on loans	2,797,748.80	2,417,183.45
Preparation fee for granting loans	10,718,343.88	10,639,635.35
Other revenues	-	-
Total net revenues from sales	**15,053,680.20**	**13,084,058.14**

Note 29 - Other operating revenues

Type	For the year 2022	For the year 2021
Profit on disposal of fixed assets and intangible assets	-	-
Grants	-	-
Revaluation of non-financial assets, including:	-	-
- release of write-offs of receivables	-	-
- release of provisions	-	-
- refunded, remitted taxes	-	-
- reimbursements received for litigation costs	-	-
- on account of inventory differences	-	-
Other, including:	**1,556,303.25**	**1,072,678.17**
- remission of ZUS (social insurance) contributions	-	-
- release of provision for early repayment of loans	1,482,003.80	675,000.00
- other	74,299.45	397,678.17
Total	**1,556,303.25**	**1,072,678.17**

Note 30 - Other operating costs

	For the year 2022	For the year 2021
Loss on disposal of fixed assets and intangible assets	-	-
Revaluation of financial assets, including:	-	-
- inventory write-downs	-	-
- write-offs of receivables	-	-
Revaluation of investments	-	-
Other operating costs, including:	**3,505,593.10**	**1,702,516.22**
- created provisions	-	225,000.00
- donations	-	-
- receivables written off	3,433,002.06	1,452,423.82
- liquidation costs of fixed assets	-	-
- litigation costs	-	-
- inventory liquidation costs	-	-
- other	72,591.04	25,092.40
Total	**3,505,593.10**	**1,702,516.22**

Note 31 – Financial revenues

	Year ended on 31.12.2022	Year ended on 31.12.2021
Profits from interests in other entities, including:	-	-
- profits from interests in related entities	-	-
- profits from interests in other entities	-	-
Interest, including:	**5,665,182.38**	**2,895,201.70**
- interest from related entities	5,664,849.05	2,895,201.70
- interest from other entities, including:	333.33	-
- other	333.33	-
Revenues from disposal of investments, including:	-	-
- from the sale of shares	-	-
Revaluation of investments, including:	-	-
- bond valuation	-	
Other, including:	**2,821.42**	**441.92**
- exchange rate differences	2,821.42	-
- other financial revenues	-	441.92
Total	**5,668,003.80**	**2,895,643.62**

Note 32 - Financial costs

	For the year 2022	For the year 2021
Interest, including:	**7,410,807.15**	**6,448,110.63**
- from related entities	-	-
- from other entities	**7,410,807.15**	**6,448,110.63**
- interest on credits and loans	3,219,199.63	1,697,081.06
- budget interest	10,233.44	3,322.93
- bank interest	326,399.46	225,776.19
- interest on bonds	3,839,610.54	4,521,930.45
- other interest	1.60	-
- lease interest	15,362.48	-
Loss from disposal of investments, including:	-	-
- other	-	-
Revaluation of investments, including:	-	-
- shares of purchased companies	-	-
- purchased own shares	-	-
- other	-	-
Other, including:	**1,759,091.83**	**971,579.74**
- exchange rate differences	2,239.26	-
- created provisions	-	-
- other financial costs	1,756,852.57	**971,579.74**
Total	**9,169,898.98**	**7,419,690.37**

Note 33 - Information on revenues, expenses and results of discontinued operations

Did not occur.

Note 34 - Costs of construction of fixed assets under construction, fixed assets for own use

Did not occur.

Note 35 - Value of interest and foreign exchange differences that increased the purchase price of goods or cost of manufacturing of products

Did not occur.

Note 36 - Expenditures on non-financial fixed assets and on environmental protection incurred in the last year and planned for the next year

In 2022, the Company incurred expenditures on non-financial fixed assets in the amount of:

- Intangible assets: PLN 77,500.00
- Fixed assets: PLN 297,618.70

The Company did not incur expenditures on environmental protection.

Planned expenditures on non-financial fixed assets for 2023 amount to PLN 100,000.00.

Note 37 - Value and nature of the individual items of revenues or costs of extraordinary value or that occur incidentally.

Did not occur.

Note 38 - Significant assumptions used to determine the fair value of assets that are not financial instruments

In financial year 2022, the Company had no non-financial instrument assets measured at fair value.

Note 39 - Cash structure to the cash flow statement

	For the year 2022	For the year 2021
Cash in bank	61,343.80	103,944.65
Cash in hand	7,008.00	-
Other cash	-	-
Revolving credits (available limit)	4,953,229.26	5,000,000.00

Note 40 - Information on the nature and business purpose of contracts entered into by the entity not included in the balance sheet

Did not occur.

Note 41 - Information on transactions concluded by the entity on other than market terms with related parties

Did not occur.

TOMASZ BUKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

Note 42 - Information on revenues and expenses due to errors made in previous years, relating to equity in the financial year

Did not occur.

Note 43 - Comparability of prior year financial statements data with current year financial statements

These financial statements include comparable data. The comparability of the data has been maintained for the period 2021-2022.

Note 44 - Information on joint ventures that are not subject to consolidation

Did not occur.

Note 45 - A list of companies in which the entity has equity interests or 20% in the total number of votes in a decision-making body of the Company

The Company does not hold shares in other entities.

Note 46 - Merger of commercial companies

Did not occur.

Note 47 - Cash accumulated in split payment account

As of 31.12.2022, the Company has accumulated funds in the split payment account in the amount of: PLN 1,988.94

Note 48 - Information on auditor's remuneration

Information on auditing firm remuneration due (or paid) for the financial year 2022 separately for

1) Statutory audit - PLN 51,000.00
2) Other audit services - PLN 0
3) Tax consulting services - PLN 0
4) Other services - PLN 0

Note 49 - Undisclosed information

Information required by Attachment No. 1 to the Accounting Act, not disclosed in the financial statements, did not occur during the current period.

Note 50 - Impact of the war in Ukraine and inflation on the Company's operations

In February 2022, the unprecedented event of Russia's aggression against Ukraine took place. This conflict did not directly affect the activities carried out by LM PAY S.A. In March 2022, the company achieved record loan sales of PLN 7.5 million. According to the Management Board, the war in Ukraine did not affect sales of the products offered by LM PAY S.A.
At the date of the financial statements, we can conclude that the conflict in the east has affected the business indirectly, in the form of increased cost pressures, both in the form of increased operating costs, i.e. caused by higher prices for third-party services, as well as higher labour costs and rising financial costs, driven by rising interest rates in 2022. The cost of raising finance in 2022 almost doubled, which materially translated into the debt service costs incurred in 2022.
In the opinion of the entity's Management Board, the state of war in Ukraine does not pose a threat to LM PAY S.A. continued operations. The financial statements for the year 2022 have been prepared on the going concern assumption for the foreseeable future.

Note 52 - Income from hidden profits

In 2022, the Company did not recognize income from hidden profits.

Note 53 - Value of food donated to NGOs

In 2022, the Company did not donate food to non-governmental organizations intended for the performance of their task within the scope of Article 2(2) of the Act of July 19, 2019 on preventing food waste (Journal of Laws of 2020, item 1645).

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/4423/90

SIGNATURES ON THE STATEMENT

Jakub Czarzasty

Electronically signed by Jakub Czarzasty
Date: 2023.06.23 13:41:55 +02'00'

Sławomir Bielec

Electronically signed by Sławomir Bielec
Date: 2023.06.23 13:15:20 +02'00'

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Ja, **Tomasz Budkowski**, tłumacz przysięgły (TP/423/06), stwierdzam zgodność niniejszego przekładu z dokumentem sporządzonym w języku angielskim.

Numer wpisu w moim repertorium 19/08/2023

Wrocław, 3 sierpnia 2023

mgr Tomasz Budkowski
tłumacz przysięgły języka angielskiego

***** Tłumaczenie poświadczone z języka angielskiego *****

[*translation from Polish of a document consisting of seventeen pages*]

LM PAY SPÓŁKA AKCYJNA
(*Joint-Stock Company*)

Notes and explanations to the financial statements



NOTES AND EXPLANATIONS

Note 1 - Events after the balance sheet date

Did not occur.

Note 2 - Changes in accounting policy

The Company made no changes to its accounting policy in the current year.

Note 3 - Costs of completed development work and goodwill

Value of completed development work and goodwill - did not occur.

Note 4 - Land in perpetual usufruct

The value of land in perpetual usufruct - did not occur.

Note 5 - The value of fixed assets not amortised or depreciated by the entity, used under rental, tenancy and other agreements, including lease agreements.

	Land (including the right of perpetual usufruct)	Buildings, premises, right to premises and civil engineering facilities	Technical devices and machines	Means of transport	Other fixed assets	Total
Gross value						
O.B. 01-01-2022	-	-	-	-	-	-
(+) Increases on account of	-	-	-	297,618.70	-	297,618.70
- lease acceptance	-	-	-	297,618.70	-	297,618.70
- other	-	-	-	-	-	-
(-) Decreases	-	-	-	-	-	-
- in sales	-	-	-	-	-	-
- other	-	-	-	-	-	-
C.B. 31-12-2022	-	-	-	297,618.70	-	297,618.70
Depreciation						
O.B. 01-01-2022	-	-	-	-	-	-
(+) Increases	-	-	-	46,337.81	-	46,337.81
(-) Decreases	-	-	-	-	-	-
C.B. 31-12-2022	-	-	-	46,337.81	-	46,337.81
Net value						
O.B. 01-01-2022	-	-	-	-	-	-
C.B. 31-12-2022	-	-	-	251,280.89	-	251,280.89

Note 6 - Information on the number and value of securities or rights held, including share certificates, convertible debt securities, warrants and options, with an indication of the rights they confer

Did not occur.

Note 7 - Intangible assets

	Costs of completed development works	Goodwil l	Other intangible assets	Advances for intangible assets	Total
Gross value					
O.B. 01-01-2022	-	-	-	-	-
(+) Increases on account of	-	-	77,500.00	435,813.60	513,313.60
- updates	-	-	-	-	-
- transfer from fixed assets under construction	-	-	-	-	-
- other	-	-	77,500.00	435,813.60	513,313.60
(-) Decreases	-	-	-	-	-
- in sales	-	-	-	-	-
- other	-	-	-	-	-
C.B. 31-12-2022	-	-	77,500.00	435,813.60	513,313.60
Depreciation					
O.B. 01-01-2022	-	-	-	-	-
(+) Increases	-	-	12,916.67	-	12,916.67
(-) Decreases	-	-	-	-	-
C.B. 31-12-2022	-	-	12,916.67	-	12,916.67
Net value					
O.B. 01-01-2022	-	-	-	-	-
C.B. 31-12-2022	-	-	64,583.33	435,813.60	500,396.93

Note 8 - Write-downs of non-current assets

The Company did not write down its fixed assets in 2022.

Note 9 - Inventory write-downs

The Company did not write down inventories, as it operates a service business and does not have inventory.

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/05

Note 10 - Prepayments

Status as of:	31.12.2022	31.12.2021
Deferred tax assets	1,693,845.10	414,987.72
Other long-term prepayments/accruals	1,276,926.94	14,698.33
Total long-term prepayments	**2,970,772.04**	**429,686.05**
Short-term prepayments	**2,147,162.85**	**1,567,743.03**

Note 11 - Share capital

The share capital as of the balance sheet date was PLN 3,103,895.00.
Ownership structure of share capital as of December 31, 2022:

Name of shareholder	Number of shares held	Nominal value of shares held	Percentage share in the share capital	Percentage of votes held
Medical Finance Group S.A.	444,000	2,220,000.00	71.5%	71.5%
Other stockholders (B series)	176,779	883,895.00	28.5%	28.5%
Total	**620,779**	**3,103,895.00**	**100%**	**100%**

Note 12 - Distribution of profit/coverage of loss for the current financial year

Net profit for financial year 2022 in the amount of PLN 97,310.32 will be allocated to supplementary capital.

Note 13 - Change in provisions

	Deferred tax liability	Provisions for retirement and similar benefits		Other provisions		Total
		Long-term	Short-term	Long-term	Short-term	
O.B. 01.01.2022	1,154,699.34	-	-	-	-	1,154,699.34
Increases	1,375,177.56	-	-	-	-	1,375,177.56
Use	-	-	-	-	-	-
C.B. 31.12.2022	2,529,876.90	-	-	-	-	**2,529,876.90**

Note 14 - Average headcount for the financial year

The Company's average headcount for 2022 was 1.4.

Note 15 - Remuneration of members of the management, supervisory or administrative bodies

Did not occur.

Note 16 - Transactions with members of management, supervisory or administrative bodies

During the financial year, the Company did not grant loans to members of its management bodies.

The Company paid the benefit of the President of the Management Board under the surety.
The amount of these benefits in the financial year amounted to PLN 501,985.30.

As at the balance sheet date, the capital value of loans received from members of the management bodies amounted to PLN 0.00.

All of the above transactions were conducted at arm's length.

Note 17 - Information on revenues, costs and results of discontinued operations in the financial year or expected to be discontinued in the next year

Did not occur.

Note 18 - Information on revenues and expenses of extraordinary value or which occurred incidentally

Did not occur.

Note 19 - Information on exchange rates adopted for measurement of financial statements items expressed in foreign currencies

Did not occur.

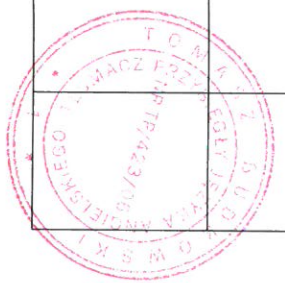
Note 20 - Going concern

The financial statements have been prepared on the going concern assumption for the foreseeable future.

Note 21 - Contingent liabilities and liabilities secured on the Company's assets

As of December 31, 2022, the Company had collaterals established on the entity's assets amounting to:

Liability	Issue amount / credit limit	Date of allocation / contract	End date of liability/ collateral	Type of collateral	Subject matter of collateral	Value of collateral	Entity in whose favour the collateral was established / pledgee	Pledge number in the pledge register	Court of registration
AD series bonds	PLN 150,000	2021-07-01	2023-07-01						
				Registered pledge	B3 - loan receivables portfolio	100% of the issue	Collateral administrator - advocate Kamil Cholewiński	2689977	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
AF series bonds	PLN 720,000	2021-08-09	2023-07-30						
				Registered pledge	B3 - loan receivables portfolio	110% of the issue	Collateral administrator - advocate Kamil Cholewiński	2702782	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
AH series bonds	PLN 3,342,000	2021-09-21	2023-09-29						
				Registered pledge	B3 - loan receivables portfolio	120% of the issue	Collateral administrator - advocate Kamil Cholewiński	2698672	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
AK series bonds	PLN 7,300,000	2021-08-09	2023-12-22						
				Registered pledge	B3 - loan receivables portfolio	100% of the issue	Collateral administrator - CVI Trust sp. z o.o.	2713129	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
				Registered pledge	bank accounts		Collateral administrator - CVI Trust sp. z o.o.	2713512	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register



				Registered pledge	bank accounts		Collateral administrator - CVI Trust sp. z o.o.	2713701	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
Revolving Credit Agreement No. 000/19/715	PLN 5,000,000	2021-02-26	2024-02-20						
				Registered pledge	B3 - loan receivables portfolio	PLN 3,000,000	Bank Spółdzielczy (*Cooperative Bank*) in Ostrów Mazowiecka	2676261	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register
				Registered pledge	bank accounts		Bank Spółdzielczy (*Cooperative Bank*) in Ostrów Mazowiecka	2643560	District Court for the Capital City of Warsaw in Warsaw, 11th Commercial Department of the Pledge Register

The Company did not provide guarantees, sureties or other contingent liabilities in 2022.

Note 22 - Consolidation of financial statements

The Company is a subsidiary of Medical Finance Group S.A., with its registered office at ul. Lechicka 23A, REGON 142446622 NIP: 5242711463 KRS: 0000422868.
Consolidation of financial statements is not required under current legal standards.

Note 23 - Transactions with related parties

Entity	**Medical Finance Group S.A.**	
Type of revenue/cost	**In 2022**	**In 2021**
Interest on loan granted (revenue)	5,664,849.05	2,895,201.70
Interest on loan received (revenue)	-	-
Revenue from sale of services	1,500,000.00	-
Entity	**Medical Finance Group S.A.**	
Type of transaction/ Balance as of	**31.12.2022**	**31.12.2021**
Loans granted	57,731,215.61	50,951,535.31
Other receivables (settlements arising from assignment of loan portfolio)	828,507.60	91,427.28
Other trade receivables	1,500,000.00	-
Other receivables	8,000.00	8,000.00

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

Note 24 - Long-term investments

	Real estates	Intangible assets	Long-term financial assets in related parties	Long-term financial assets in in other entities in which the entity has equity interest	Long-term financial assets in other entities	Other long-term investments	Total
O.B. 01.01.2022	-	-	**45,432,068.75**	-	-	**18,295,094.61**	**63,727,163.36**
Increases	-	-	**4,000,000.00**	-	-	-	**4,000,000.00**
- loans granted	-	-	4,000,000.00	-	-	-	**4,000,000.00**
-transfer	-	-	-	-	-	-	-
- purchase of shares	-	-	-	-	-	-	-
- pricing	-	-	-	-	-	-	-
Decreases	-	-	**2,885,168.75**	-	-	-	**2,885,168.75**
- sale	-	-	-	-	-	-	-
-transfer	-	-	-		-	-	-
- repayment of loans	-	-	2,885,168.75	-	-	-	**2,885,168.75**
- write-off	-	-	-	-	-	-	-
-depreciation	-	-	-	-	-	-	-
- pricing	-	-	-	-	-	-	-
C.B. 31.12.2022	-	-	**46,546,900.00**	-	-	**18,295,094.61**	**64,841,994.61**

Note 25 - Receivables by maturity period

Receivables	O.B.	C.B.	O.B.	C.B.
	01.01.2022	31.12.2022	01.01.2022	31.12.2022
	up to 12 months		over 12 months	
Related entities:	**110,011.64**	**2,336,507.60**	-	-
a) on account of trade liabilities	-	1,500,000.00	-	-
b) other	99,427.28	836,507.60	-	-
Other entities:	**420,524.56**	**8,569,234.25**	**232,560.00**	**6,575,128.44**
a) Credits and loans	-	-	-	-
a) On account of trade liabilities	412.14	1759.71	-	-
c) On account of taxes, duties, insurance and other benefits	-	15,306.31	-	-
d) Other	420,112.42	8,552,168.23	232,560.00	6,575,128.44
d) Claimed at court	-	-	-	-
Total	**530,536.20**	**10,905,741.85**	**232,560.00**	**6,575,128.44**

The Company did not recognize an allowance for trade receivables in the current year.

Note 26 - Liabilities by maturity period

Balance at December 31, 2022

	Liabilities by maturity				
	Up to 1 year	**Over 1 year to 3 years**	**Over 3 years up to 5 years**	**Over 5 years**	**Total**
To related entities	-	-	-	-	-
Towards entities in which the entity has equity interest	-	-	-	-	-
Towards other entities, including:	**8,862,043.01**	**57,044,000.00**	**-**	**-**	**65,906,043.01**
- credits and loans	5,003,229.26	45,682,000.00	-	-	50,685,229.26
- on account of issuance of debt securities	150,000.00	11,362,000.00	-	-	11,512,000.00
- on account of trade liabilities	716,836.62	-	-	-	716,836.62
- other financial liabilities	2,750,521.06	-			2,750,521.06
- on account of taxes	143,830.39	-	-	-	143,830.39
- on account of wages and salaries	97,625.68	-	-	-	97,625.68
- other	-	-	-	-	-
Total	**8,862,043.01**	**57,044,000.00**	**-**	**-**	**65,906,043.01**

As of December 31, 2022, the Company had liabilities under issued bonds in the total amount of PLN 11,512,000.00, of which PLN 11,362,000.00 relates to the long-term part and the amount of PLN 150,000.00 in the short-term part. Bond liabilities by series amount to:

Series of bonds	Amount of liability by maturity periods	
	> 12 months	< 12 months
AD	-	150,000.00
AF	720,000.00	-
AH	3,342,000.00	-
AK	7,300,000.00	-
Total	**11,362,000.00**	**150,000.00**

Note 27 - Loans granted

The value of loans granted as of the balance sheet date was:

Loans granted	Long-term part	Short-term part
Related parties, including:	**46,546,900.00**	**11,184,315.61**
- Medical Finance Group S.A.	46,546,900.00	11,184,315.61
Other parties, including:	**18,295,094.61**	**16,150,793.17**
- medical loans	18,295,094.61	16,150,793.17
- other loans	-	-

The company has written off outstanding medical loan receivables in the amount of PLN 3,433,002.06 in 2022.

The write-offs as of 31.12.2022 amounted to PLN 3,797,302.63.

Note 28 - Structure of net revenues from sales

Type	For the year 2022	For the year 2021
Sales of financial intermediation services	1,537,587.52	27,239.34
Interest on loans	2,797,748.80	2,417,183.45
Preparation fee for granting loans	10,718,343.88	10,639,635.35
Other revenues	-	-
Total net revenues from sales	**15,053,680.20**	**13,084,058.14**

Note 29 - Other operating revenues

Type	For the year 2022	For the year 2021
Profit on disposal of fixed assets and intangible assets	-	-
Grants	-	-
Revaluation of non-financial assets, including:	-	-
- release of write-offs of receivables	-	-
- release of provisions	-	-
- refunded, remitted taxes	-	-
- reimbursements received for litigation costs	-	-
- on account of inventory differences	-	-
Other, including:	**1,556,303.25**	**1,072,678.17**
- remission of ZUS (social insurance) contributions	-	-
- release of provision for early repayment of loans	1,482,003.80	675,000.00
- other	74,299.45	397,678.17
Total	**1,556,303.25**	**1,072,678.17**

Note 30 - Other operating costs

	For the year 2022	For the year 2021
Loss on disposal of fixed assets and intangible assets	-	-
Revaluation of non-financial assets, including:	-	-
Inventory write-downs	-	-
write-offs of receivables	-	-
Revaluation of investments	-	-
Other operating costs, including:	**3,505,593.10**	**1,702,516.22**
- created provisions	-	225,000.00
- donations	-	-
- receivables written off	3,433,002.06	1,452,423.82
- liquidation costs of fixed assets	-	-
- litigation costs	-	-
- inventory liquidation costs	-	-
- other	72,591.04	25,092.40
Total	**3,505,593.10**	**1,702,516.22**

Note 31 - Financial revenues

	Year ended on 31.12.2022	Year ended on 31.12.2021
Profits from interests in other entities, including:	-	-
- profits from interests in related entities	-	-
- profits from interests in other entities	-	-
Interest, including:	**5,665,182.38**	**2,895,201.70**
- interest from related entities	5,664,849.05	2,895,201.70
- interest from other entities, including:	333.33	-
- other	333.33	-
Revenues from disposal of investments, including:	-	-
- from the sale of shares	-	-
Revaluation of investments, including:	-	-
- bond valuation	-	
Other, including:	**2,821.42**	**441.92**
- exchange rate differences	2,821.42	-
- other financial revenues	-	441.92
Total	**5,668,003.80**	**2,895,643.62**

Note 32 - Financial costs

	For the year 2022	For the year 2021
Interest, including:	**7,410,807.15**	**6,448,110.63**
- from related entities	-	-
- from other entities	**7,410,807.15**	**6,448,110.63**
- interest on credits and loans	3,219,199.63	1,697,081.06
- budget interest	10,233.44	3,322.93
- bank interest	326,399.46	225,776.19
- interest on bonds	3,839,610.54	4,521,930.45
- other interest	1.60	-
- lease interest	15,362.48	-
Loss from disposal of investments, including:	-	-
- other	-	-
Revaluation of investments, including:	-	-
- shares of purchased companies	-	-
- purchased own shares	-	-
- other	-	-
Other, including:	**1,759,091.83**	**971,579.74**
- exchange rate differences	2,239.26	-
- created provisions	-	-
- other financial costs	1,756,852.57	971,579.74
Total	**9,169,898.98**	**7,419,690.37**

Note 33 - Information on revenues, expenses and results of discontinued operations

operations Did not occur.

Note 34 - Costs of construction of fixed assets under construction, fixed assets for own use

Did not occur.

Note 35 - Value of interest and foreign exchange differences that increased the purchase price of goods or cost of manufacturing of products

Did not occur.

Note 36 - Expenditures on non-financial fixed assets and on environmental protection incurred in the last year and planned for the next year

In 2022, the Company incurred expenditures on non-financial fixed assets in the amount of:

- Intangible assets: PLN 77,500.00
- Fixed assets: PLN 297,618.70

The Company did not incur expenditures on environmental protection.

Planned expenditures on non-financial fixed assets for 2023 amount to PLN 100,000.00.

Note 37 - Value and nature of the individual items of revenues or costs of extraordinary value or that occur incidentally.

Did not occur.

Note 38 - Significant assumptions used to determine the fair value of assets that are not financial instruments

In financial year 2022, the Company had no non-financial instrument assets measured at fair value.

Note 39 - Cash structure to the cash flow statement

	For the year 2022	For the year 2021
Cash in the bank	61,343.80	103,944.65
Cash in hand	7,008.00	-
Other cash	-	-
Revolving credits (available limit)	4,953,229.26	5,000,000.00

Note 40 - Information on the nature and business purpose of contracts entered into by the entity not included in the balance sheet

Did not occur.

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The Company does not hold shares in other entities.

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Did not occur.

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As of 31.12.2022, the Company has accumulated funds in the split payment account in the amount of: PLN 1,988.94

Note 48 - Information on auditor's remuneration

Information on auditing firm remuneration due (or paid) for the financial year 2022 separately for

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2) Other audit services - PLN 0
3) Tax consulting services - PLN 0
4) Other services - PLN 0

Note 49 - Undisclosed information

Information required by Attachment No. 1 to the Accounting Act, not disclosed in the financial statements, did not occur during the current period.

Note 50 - Impact of the war in Ukraine and inflation on the Company's operations

In February 2022, the unprecedented event of Russia's aggression against Ukraine took place. This conflict did not directly affect the activities carried out by LM PAY S.A. In March 2022, the company achieved record loan sales of PLN 7.5 million. According to the Management Board, the war in Ukraine did not affect sales of the products offered by LM PAY S.A.
At the date of the financial statements, we can conclude that the conflict in the east has affected the business indirectly, in the form of increased cost pressures, both in the form of increased operating costs, i.e. caused by higher prices for third-party services, as well as higher labour costs and rising financial costs, driven by rising interest rates in 2022. The cost of raising finance in 2022 almost doubled, which materially translated into the debt service costs incurred in 2022.
In the opinion of the entity's Management Board, the state of war in Ukraine does not pose a threat to LM PAY S.A. continued operations. The financial statements for the year 2022 have been prepared on the going concern assumption for the foreseeable future.

Note 52 - Income from hidden profits

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Note 53 - Value of food donated to NGOs

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Jakub Czarzasty
Electronically signed by
Jakub Czarzasty
Date: 2023.06.2023
13:42:23 +02'00'

Sławomir Bielec
Electronically signed by
Sławomir Bielec
Date: 2023.06.2023
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Tomasz Budkowski, MA
sworn translator of English

***** Certified translation from Polish *****

[*translation of a document in Polish consisting of four pages*]

Report of the Management Board of LM PAY SPÓŁKA AKCYJNA on operations for the period from 01.01.2022 to 31.12.2022

1. General information

LM PAY Spółka akcyjna (*joint-stock company*) was established on the basis of the Notarial Deed dated 24.04.2014.

The Company was entered in the National Court Register maintained by the District Court for the capital city of Warsaw, 14th Commercial Department of the National Court Register, under KRS number 0000940085.

The Company has been assigned statistical number REGON 147327804 and NIP 522-30-17-773.

The Company's registered office is located at ul. Lechicka 23a, Warsaw (02-156).

On 21.12.2021 KRS, the District Court for the Capital city of Warsaw in Warsaw, 14th Commercial Department of the National Court Register registered the transformation of Mediraty spółka z ograniczoną odpowiedzialnością (*limited liability company*) into LM PAY Spółka akcyjna (*joint-stock company*).

2. Stockholders and share capital

As at the balance sheet date, the Company's share capital amounts to PLN 3,103,895.00 and is divided into 620,779 stocks with a nominal value of PLN 5.00.

		Number of shares	Number of votes	Nominal value of shares	Share in the share capital
MEDICAL GROUP SA	FINANCE	444,000	444,000	2,220,000.00	71.5%
Other stockholders		176,779	176,779	883,895.00	28.5%
Total		**620,779**	**620,779**	**3,103,895.00**	**100.00 %**

3. Company performance in the 2022 financial year

a) During the Financial Year, the Company declared:

- net operating revenue in the amount of: PLN 15,053,680.20
- operating profit in the amount of: PLN 3,695,525.68
- financial revenues in the amount of: PLN 5,668,003.80
- operating costs in the amount of: PLN 12,914,457.77
- financial costs in the amount of: PLN 9,169,898.98
- net profit in the amount of: PLN 97,310.32

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

The Company had cash in the amount of PLN 68,351.80 at the end of 2022. The Company's financial liquidity is not at risk due to having high other short-term investments in the form of granted loans which amounted to PLN 23,537,821.19 at the end of 2022.
In 2022, the Company has significantly improved its funding structure. At the end of the financial year, the Company's long-term liabilities amounted to PLN 57,044,000.00, while short-term liabilities amounted to PLN 8,862,043.01.
At the end of the financial year, the Company's long-term investments amounted to PLN 64,841,994.61 and short-term investments to PLN 23,606,172.99.

b) Evaluation of the results obtained

In the Financial Year, the Company achieved revenues of PLN 15 million and an operating result of PLN 3.7 million, giving an operating profitability of 25%. The Company's net result amounted to PLN 97 thousand and the net profitability in 2022 was 0.64%. The Company's assets amounted to PLN 111.8 million, the value of liabilities amounted to PLN 68.4 million and was lower than in 2021 when it amounted to PLN 95.9 million. Compared to 2021, there has been an increase in equity from PLN 18.3 million to PLN 43.4 million. This increase was the result of the issue of 176,779 stocks. The Company has thus gained PLN 25 million. The lower operating and net result was due to cost pressures on the one hand and increased debt service costs on the other. The increase in financing costs was influenced by rising interest rates and the increased competitiveness of bank deposits, which made it more expensive to obtain debt.

c) Information on the acquisition of own stocks

The Company did not acquire any own stocks during the Financial Year.

d) Information on the entity's branches (establishments)

During the Financial Year, the Company had no branches or establishments.

4. Significant events during the Financial Year

a) Research and development

During the Financial Year, the Company was not involved in research and development activities.

b) Other significant events during the Financial Year

In September 2022, we finalised over a year-long process to acquire a major financial partner in the form of the London-based Fortress Credi Corporation fund. As a result, we received a financing line of PLN 135 million for three years with the possibility of extending it to five years and increasing it to PLN 350 million. The first funds have already been used. The involvement of such a major player in our business significantly changes the perception of LM PAY S.A. on the international market and will certainly facilitate the realisation of plans to take the Company's stocks public on the stock exchange.
Specifically for the financing provided by Fortress Credi Corporation, we adapted many of the operational processes taking place in the Company, thus optimising many of them and thus becoming more efficient and mature in business. In response to the macroeconomic and in particular inflationary changes taking place, with their consequence in the deteriorating economic situation of households,

we took a number of measures in the first half of the year to prevent the quality of our lending portfolio from starting to decline. We have put in place safeguards against potential extortion.
We have updated the scoring models as well as increased the criteria necessary to obtain financing. These are measures which, in the long term and in line with the development strategy adopted, will have a positive impact on the results achieved, affecting the value of the Company and the cash flow generated to ensure financial liquidity.
In February 2022, the unprecedented event of Russia's aggression against Ukraine took place. This conflict did not directly affect the activities carried out by LM PAY S.A. In March 2022, the company achieved record loan sales of PLN 7.5 million. According to the Management Board, the war in Ukraine did not affect sales of the products offered by LM PAY S.A. At the date of the financial statements, we can conclude that the conflict in the east has affected the business indirectly, in the form of increased cost pressures, both in the form of increased operating costs, i.e. caused by higher prices for third-party services, as well as higher labour costs and rising financial costs, driven by rising interest rates in 2022. The cost of raising finance in 2022 almost doubled, which materially translated into the debt service costs incurred in 2022.

***c)* Significant events after the end of the Financial Year**

Did not occur.

5. Future situation of the Company

a) Indication of risk factors and description of threats to the Company's operation

In 2023, the Company's Management Board expects dynamic sales growth. The acquisition of funding in the form of a line from Fortress Credi Corporation will allow funds to be secured for lending campaigns. In addition, the Company is developing and improving its product lines, as well as activating and expanding its distribution network in the form of off-line and on-line segments. A listing of the Company's stocks on the Frankfurt Stock Exchange is planned for Q4 2023. Related work is at an advanced level.

b) Anticipated future development of the entity

The Company's Management Board foresees the development of the company through an increase in the scope and scale of operations aimed at improving EBITDA.

c) Anticipated financial situation

The Company's Management Board plans to increase its financial result by increasing the scope and scale of its operations.
By adapting its product range to the current needs of its customers, expanding and simplifying its procedures, the Company plans to increase the value of granted loans and increase its sales revenue.

Warsaw, 23.06.2023

On behalf of the Management Board

Jakub Czarzasty – President of the Management Board

Jakub Czarzasty

Electronically signed by
Jakub Czarzasty
Date: 2023.06.23 13:02:25
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Sławomir Bielec – Member of the Management Board

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I, **Tomasz Budkowski**, sworn translator (TP/423/06), hereby certify that this is a true translation of the document presented to me.

The register in my custody is 11/08/2023

Wrocław, 3 August 2023

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

Tomasz Budkowski, MA
sworn translator of English

***** Certified translation from Polish *****

[*translation from Polish of a five-page document prepared on Global Audit Partner letterhead*]

INDEPENDENT AUDITOR'S REPORT

For the Meeting of Shareholders and Supervisory Board of LM PAY Spółka Akcyjna (*Joint-Stock Company*)

Report on the audit of the annual financial statements

Opinion

We have audited the accompanying annual financial statements of LM PAY Spółka Akcyjna, with its registered office at ul. Lechicka 23A ("Company"), which comprise the introduction to the financial statements, the balance sheet as of December 31, 2022, and the income statement, statement of changes in equity, cash flow statement for the financial year from January 1 to December 31, 2022, and notes and explanations to the financial statements ("*financial statements*").

In our opinion, the accompanying financial statements:

- present a true and fair view of the Company's assets and financial position as of December 31, 2022, and of its financial result and cash flows for the financial year ended on that date, in accordance with the applicable provisions of the Accounting Act of September 29, 1994 ("Accounting Act" - Journal of Laws of 2023, item 120, as amended) and adopted accounting principles (policy);
- are consistent in form and content with the Company's applicable laws and the Articles of Association,
- have been prepared on the basis of properly kept account books in accordance with the provisions of Chapter 2 of the Accounting Act.

Basis for the opinion

We conducted our audit in accordance with the National Standards on Auditing in the wording of the International Standards of Auditing adopted by resolution of the National Council of Statutory Auditors on national standards of auditing and other documents ("NSA") and in accordance with the Act on statutory auditors, auditing firms and public supervision dated May 11, 2017 ("Auditors Act" - consolidated text, Journal of Laws of 2023, item 1015, as amended). Our responsibility under these standards is further described in the section of our report entitled "Auditor's Responsibility for the Audit of Financial Statements".

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including the International Independence Standards) of the International Ethics Standards Board for Accountants ("IESBA Code") adopted by a relevant resolution of the National Council of Statutory Auditors on principles of professional ethics for statutory auditors and other ethical requirements that apply to auditing financial statements in Poland. We have fulfilled our other ethical obligations in accordance with these requirements and the IESBA Code. During the course of the audit, the key auditor and the auditing firm remained independent of the Company in accordance with the independence requirements of the Auditors Act.

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

Explanation with attention – the impact of the war in Ukraine and the impact of inflation on the Company's operations

The outbreak of war in the Ukrainian territory during the financial year under the audit on February 24, 2022 destabilized the political and economic environment of neighbouring countries. This event has caused significant volatility in the capital and currency markets and has a negative impact on the global economy and the economic situation in Poland and neighbouring countries, including indirectly on inflation in Poland.
In the opinion of the Company's Management Board, the occurring political and economic events in Ukraine and their global effects do not pose a threat of the Company's failure to continue as a going concern. A description of the impact of the war in Ukraine and the impact of inflation on the operations of LM PAY S.A., was disclosed by the Company's Management Board in Note 50 of the notes and explanations to the financial statements.
Our opinion does not contain an objection to the matter.



Responsibility of the Management Board and Supervisory Board for the financial statements
The Company's Management Board is responsible for the preparation, on the basis of properly maintained account books, of financial statements that give a true and fair view of the Company's assets, financial position and result in accordance with the provisions of the Accounting Act, the accounting principles (policy) adopted, the laws applicable to the Company and the Company's Articles of Association, and for such internal control as the Company's Management Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Company's Management Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern, and adopting the going concern basis of accounting, except when the Management Board either intends to liquidate the Company or to discontinue operations or has no viable alternative to liquidation or discontinuance.

The Company's Management Board and Members of the Supervisory Board are responsible for ensuring that the financial statements meet the requirements of the Accounting Act. Members of the Supervisory Board are responsible for overseeing the Company's financial reporting process.

Auditor's responsibility for audit of financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error and to issue an audit report containing our opinion. Reasonable assurance is a high level of certainty, but it does not guarantee that an audit conducted in accordance with the National Standards on Auditing will always detect an existing material misstatement. Misstatements may arise as a result of fraud or error and are considered material if they could reasonably be expected to individually or in the aggregate affect the economic decisions of users made on the basis of these financial statements.

The scope of the audit does not include assurance as to the future profitability of the Company or the efficiency or effectiveness of the Company's Management Board of its affairs now or in the future.

During an examination compliant with the National Standards on Auditing, we use professional judgement and maintain professional scepticism, as well:

- we identify and assess the risks of material misstatement of the financial statements due to fraud or error, design and perform audit procedures appropriate to those risks, and obtain audit evidence that is sufficient and appropriate to form the basis of our opinion.

The risk of undetected material misstatement resulting from fraud is greater than that resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentation or circumvention of internal controls;

- we obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we assess the appropriateness of the accounting principles (policy) used and the appropriateness of the accounting estimates and related disclosures made by the Company's Management Board;
- we draw a conclusion on the appropriateness of the Company's Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether there is any material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to related disclosures in the financial statements or, if such disclosures are inadequate, we modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report; however, future events or conditions may cause the Company to cease operations as a going concern;
- we evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements present the underlying transactions and events in a manner that ensures a fair presentation.

We communicate to the Supervisory Board information about, among other things, the planned scope and timing of the audit and the significant findings of the audit, including any significant internal control weaknesses that we identify during the audit.

Other information, including a report on operations

Other information consists of a report on the Company's operations for the financial year ended December 31, 2022 ("*Report on Operations*").

Responsibility of the Management Board and the Supervisory Board
The Company's Management Board is responsible for preparing the Report on Operations in accordance with the provisions of law.
The Company's Management Board and Members of the Supervisory Board are responsible for ensuring that the Report on Operations meets the requirements of the Accounting Act.

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

Responsibility of the Auditor
Our audit opinion on the financial statements does not cover the Report on Operations. In connection with our audit of the financial statements, it is our responsibility to review the Report on Operations and, in doing so, to consider whether it is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears materially misstated. If, based on the work performed, we find material misstatements in the Report on Operations, we are required to report this in our audit report. Our responsibility under the requirements of the Auditors Act is also to issue an opinion as to whether the report on operations has been prepared in accordance with the regulations and whether it is consistent with the information contained in the financial statements.

Opinion on the report on operations
Based on the work performed in the course of the audit, in our opinion, the Company's Report on Operations:

- was prepared in accordance with Article 49 of the Accounting Act,
- is consistent with the information contained in the financial statements.

In addition, in light of the knowledge of the Company and its environment obtained during our audit, we declare that we have found no material misstatements in the Report on Operations.

The key auditor responsible for the audit resulting in this independent auditor's report is Robert Wiśniewski.

Acting on behalf of GLOBAL AUDIT PARTNER Boczkowski Duś Procner Spółka Komandytowa with its registered office in Warsaw (00-681), at ul. Hoża 55/9, registered in the list of auditing firms under number 3106, on behalf of which the key auditor audited the financial statements.

Robert Wiśniewski

Electronically signed by Robert Wiśniewski
Date: 2023.06.24
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Robert Wiśniewski, registration number 11251

Warsaw, June 24, 2023

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I, **Tomasz Budkowski**, sworn translator (TP/423/06), hereby certify that this is a true translation of the document presented to me.

The register in my custody is 9/08/2023

Wrocław, 3 August 2023

Tomasz Budkowski, MA
sworn translator of English

***** Certified translation from Polish *****

[*translation of a document in Polish consisting of eight pages*]

STATEMENT OF THE HEAD OF THE ENTITY

Name and address of the auditing firm	**GLOBAL AUDIT PARTNER Boczkowski Duś Procner Spółka Komandytowa (*Limited Partnership*) No. 3106**
Name and surname of the key auditor conducting the audit	Robert Wiśniewski, registry No.: 11251
Date of completion of the audit, preparation of the audit report[1]	23.06.2023

We are making this statement in connection with prepared by

GLOBAL AUDIT PARTNER Boczkowski Duś Procner Spółka Komandytowa No. 3106 (name of auditing firm)

under a contract dated

March 13, 2023 (date of audit contract)

the audit of the separate financial statements **for the period from 01.01.2022 to 31.12.2022** of

LM PAY Spółka Akcyjna (*Joint-Stock Company*), ul. Lechicka 23A, 02-156 Warsaw (name of the audited entity)

hereinafter referred to as the "Entity", aimed at expressing an opinion on whether the financial statements, hereinafter referred to as the "financial statements", present a true and fair view of the assets and financial position as of December 31, 2022, and of the financial result for the financial year ended on that date in accordance with the applicable provisions on the Accounting Act of September 29, 1994 (Journal of Laws of 2023, item 120), as well as the adopted accounting principles (policy), and that they have been prepared on the basis of properly kept account books, and are consistent in form and content with the legal regulations applicable to the Entity and the provisions of its Articles of Association.

We confirm that:

1. The financial statements have been prepared in a manner that ensures comparability, by applying uniform accounting principles for all periods presented, as adopted by us in our current accounting policy.
2. We are responsible for the accuracy of the account books and the preparation and fair presentation of the financial statements. This responsibility includes: designing, implementing and ensuring the operation of internal control relevant to the preparation and fair presentation of the financial

[1] The date of the statement should be as close as possible to the date of the audit report, it may not be a later date than the one of the audit report (compare with par. 14 NSA 580 – "Written Representations").

statements that do not contain material misstatement due to fraud or error, selecting and applying appropriate accounting principles, and making accounting estimates appropriate to the circumstances.

3. All transactions and events relating to the audited period that should have been recognized have been included and reflected in the financial statements.

4. All subsequent events that occurred after the date of the financial statements that require adjustment or disclosure have been adjusted or disclosed.

5. The methods, data, and significant assumptions used to determine the estimates and related disclosures are appropriate to achieve a reasonable recognition, measurement, or disclosure in the context of the applicable provisions of the *Accounting Act*[2].

6. We provided verification of the depreciation/amortisation rates adopted for fixed and intangible assets. In our opinion, the adopted and applied depreciation/amortization rates for fixed and intangible assets correspond to their economic useful life.

7. Using what we believe to be our best estimates, based on reasonable and justifiable assumptions and projections, we ensured that a review of fixed and intangible assets for use and depreciation/amortization was performed in the event of occurrences or changes in circumstances that would cause the book value of these assets to fail to recover. On this basis, we concluded that no adjustments are necessary on this account in the financial statements.

8. We have disclosed to you all the terms and conditions of sale applied by the Entity, including rights of return or price adjustment and all provisions for warranty repairs.

9. Relationships and transactions with related parties have been properly accounted for and disclosed in accordance with the provisions of the *Accounting Act*[3].

10. As of the date of this letter, we are not aware of any threats to the Company's ability to continue as a going concern, undiminished in material respects, for at least the next 12 months from the balance sheet date.

11. Complete and correct write-downs of inventories to their projected selling price were made. All inventories were owned by the Entity and did not include any items taken on consignment or sold to customers.

12. We believe that all costs included in prepayments are related to revenues that will be realized in future financial periods.

13. In our opinion, there is no need to make provisions for costs that may be incurred as a result of environmental liabilities in addition to those recognized in the financial statements.

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2 Enter as appropriate: included in the Accounting Act or International Accounting Standards/International Financial Reporting Standards.

3 Or International Accounting Standards/International Financial Reporting Standards, as applicable.

14. In our opinion, there was no need to establish provisions to cover losses arising from the fulfilment or inability to fulfil obligations under the terms and conditions of sales or purchase contracts, except as disclosed in the financial statements.

15. We have disclosed to you the nature and economic purpose of all material contracts not reflected in the balance sheet, to the extent necessary to assess their impact on the Entity's assets, financial position and financial results.

16. The costs of capitalized development work do not include any costs that should be recognized in the financial result of the period.

17. The Entity has complied with all provisions of the concluded contracts, the non-fulfilment of which could affect the financial statements.

18. To the best of our knowledge and belief, during the period covered by the financial statements, the Entity complied with all laws and regulations applicable to it and the terms and conditions of its contracts.

19. We are responsible for determining and ensuring the appropriate level of write-offs of receivables, as well as for estimating these amounts. We believe that the value of the write-offs created is adequate to cover receivables currently assessed as uncollectible.

20. Inventory of assets and liabilities was carried out to the extent, timing and frequency prescribed by the Accounting Act, and the differences found were accounted for in the account books of the audited period.

21. We have provided you with complete information on pending court cases in which the Entity is a party (both as a defendant and a plaintiff). All circumstances regarding the estimation of the risks involved were disclosed to the auditor. Using what we believe to be our best estimates, we have evaluated the aforementioned issues and recognized them in the financial statements accordingly. As of the date of signing this letter, there have been no changes in litigation or disputes that could have a material impact on the financial statements.

22. We evaluated available information on the amount of future taxable income and other potential sources of realization of deferred tax assets. The amount of deferred tax assets does not exceed the amount at which, according to our estimates, the probability of full realization of the assets is higher than the probability that they will not be fully realized.

23. We acknowledge our responsibility for the tax accounting methods adopted by the Entity, which have been applied uniformly throughout the current reporting period. The calculation of all current and deferred tax assets and equity & liabilities is based on applicable laws and regulations, and we declare that there are no material unrecorded contingent tax liabilities.

24. We have properly fulfilled our tax scheme reporting obligations[4] and safeguarding the entity from incurring high penalties for failing to implement them. Where it was necessary we have set out MDR

[4] English: Mandatory Disclosure Rules, "MDR".

procedures defining patterns depending on the categories of entities that have been transferred to the Head of the National Revenue Administration and assigned a Tax scheme reference number.

25. We agree with the results of the work of the experts carrying out the estimation of actuarial provisions and recognize the qualifications of the expert responsible for their calculation. In our assessment, we are unbiased, as we did not give the experts any indication of values or amounts. We have not received any information that could undermine the independence of opinion and objectivity of experts.

26. We agree with the results of the impairment tests performed on financial and non-financial assets, which we believe were prepared according to the best estimates. We consider the assumptions used for these tests to be correct and the financial projections to be reliable, realistic and developed to the best of our knowledge.

27. Provisions for benefits to employees and management for bonuses payable for the year under review have been estimated on the basis of reliable assumptions, and we consider, to the best of our knowledge as of the date of signing this statement, all goals and objectives conditioning the payment of these benefits at the estimated amount to have been achieved.

28. To the best of our knowledge, as of the date of signing this statement, on the basis of the resolutions of the bodies adopted up to the date of this statement, there are no plans to carry out any actions that could significantly affect the value or classification of individual items of assets and equity & liabilities, including, in particular, no plans to liquidate the Entity or significantly reduce the scope of its operations.

29. The Entity holds the relevant property rights to its assets.

30. The Entity has complied with all terms and conditions of the contractual agreements, the non-fulfilment of which could have a material impact on the data included in the account books (or has disclosed all risks arising from the non-fulfilment of these agreements).

31. The terms and conditions of trading with related parties do not differ materially from the market conditions that independent parties establish among themselves. Any transactions conducted on terms and conditions other than at arm's length have been appropriately disclosed in the financial statements.

32. Estimates and related disclosures:

    1) significant judgements used in determining accounting estimates take into account all applicable information of which we were aware;

    2) the methods, assumptions and data used by us in determining accounting estimates were consistent and appropriate;

    3) where relevant to accounting estimates and disclosures, assumptions appropriately reflect our intentions and our ability to take certain actions on behalf of the Entity;



4) disclosures relating to accounting estimates, including disclosures describing estimation uncertainty, are complete and reasonable, in the context of the applicable provisions of the *Accounting Act*[5];

5) relevant specialized skills and knowledge were applied in determining accounting estimates;

6) no subsequent events require adjustment of accounting estimates and related disclosures included in the financial statements.

33. We have made available to you:

a) all information such as records, documents, and other matters and related information that we are aware of that are relevant to the preparation of the financial statements;

b) additional information we were asked for in connection with the audit;

c) unrestricted contact with persons in the Entity from whom you considered it necessary to obtain evidence of the audit;

d) results of our estimated risk that the financial statements may contain a material misstatement due to fraud;

e) all information about fraud or suspected fraud of which we are aware and which affects the entity, and includes:
- the Head of the Entity,
- employees who play a significant role in the internal control system or
- other persons, if the fraud may have a material effect on the financial statements;

f) information on any allegations or suspicions of fraud affecting the Entity's financial statements made by employees, former employees, analysts, regulatory bodies and others;

g) all known or suspected violations of laws and regulations, the impact of which should be considered when preparing the financial statements;

h) data identifying related parties and all relationships and transactions with related parties that are known to us;

i) all minutes of the meetings of the *General Meeting, the Supervisory Board and the Management Board*[6] for the period under review and up to the date of signing of this statement, containing a reliable record of decisions and actions taken, as well as summaries of the findings of recent meetings, the minutes of which have not yet been prepared.

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5 Enter as appropriate: included in the Accounting Act or International Accounting Standards/International Financial Reporting Standards.

6 Enter the appropriate names of the bodies of the audited entity.



34. We declare that according to our knowledge:

    a) there were no irregularities for which members of the Entity's management or persons in a significant position in the internal control system were responsible;

    b) we are not aware of irregularities for which the other employees would be responsible, which would have a material effect on the information contained in the account books and financial statements. ("irregularities" shall be understood as the intentional misrepresentation or omission of values resulting from the misstatement or intentional omission of certain events or operations; the manipulation, falsification or alteration of data or documents; the omission of significant information contained in books or documents; the unfounded accounting of operations; the intentional misapplication of accounting principles; or the misappropriation of assets for material gain by management, employees or related parties);

    c) we are not aware of undisclosed notices (decisions, minutes, etc.) to the auditor from control or governmental institutions regarding inconsistencies or irregularities in the accounting principles applied, as defined by separate regulations, which would have a material effect on the financial data recorded in the account books;

    d) we are not aware of violations or the possibility of violations of applicable laws and regulations, the effects of which should be disclosed in the account books or form the basis for provisions for anticipated losses;

    e) there are no third-party claims on the Entity's assets, no pledges on the assets or pledged as collateral for obligations, contract performance, etc., except as disclosed in the financial statements;

    f) there are no undisclosed material liabilities, contingent liabilities (including oral or written guarantees, promissory notes and other), possible losses that would require a provision or other disclosure in the financial statements;

    g) there are no transactions of material significance that have been incorrectly recorded in the books or not disclosed to the auditor;

    h) we are not aware of events that occurred or were disclosed after the date of preparation of the financial statements that should have been included in these statements;

    i) there are no material contractual obligations (such as construction of facilities, purchase of real estate, long-term contracts with suppliers, etc.) other than those disclosed in the financial statements;

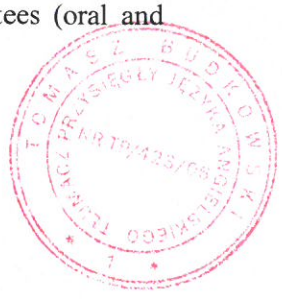
    j) there are no arrangements (contractual or otherwise) for determining employee benefits that are not disclosed in the financial statements;

    k) there was no need to establish provisions to cover losses arising from the fulfilment or inability to fulfil obligations under the terms and conditions of sales contracts, except as disclosed in the financial statements.

35. The following business operations, in connection with their occurrence up to the date of this statement, have been properly recorded or presented in the financial statements and account books:

    a) transactions with related parties and the resulting amounts of receivables and payables, including but not limited to sales, purchases, loans, transfers, leases, guarantees (oral and written) and financial instruments;

    b) joint ventures;



c) share capital redemption contracts based on options, warrants, conversions or other derivatives;

d) arrangements with financial institutions for setoff of balances or blocking of cash on bank accounts, credit lines or other similar arrangements;

e) repurchase contracts for previously sold assets.

36. Other than the events described in the notes, there were no other material events after the balance sheet date to be included as adjustments or disclosures.

37. We hereby declare that, to our knowledge, as of the date of this statement, there have been no material events relating to the period covered by the financial statements that occurred between the balance sheet date and the date of our opinion that could affect the financial statements.

38. The impact of uncorrected misstatements, individually and in the aggregate, on the financial statements as a whole is not material. The list of uncorrected misstatements is attached to this Statement (if there are no uncorrected misstatements – no Attachment)

39. We have provided you with a list of all the law firms/lawyers representing the Entity in disputes and claims.

40. We confirm the availability of all decisions and minutes of meetings of the Company's bodies that took place during the reporting period and up to the date of completion of the audit, as well as the minutes of all internal and external controls that took place during the reporting period and up to the date of completion of the audit.

Date of signing the statement June 23, 2023.

Signature of the Head of the Entity (all Management Board members)

Jakub Czarzasty

Electronically signed by Jakub Czarzasty
Date: 2023.06.23 13:43:10 +02'00'

Sławomir Bielec

Electronically signed by Sławomir Bielec
Date: 2023.06.23 13:21:33 +02'00'

The controller of your personal data is our auditing firm. The data is processed in connection with a legal obligation incumbent on the controller (Article 6(1)(c) of the GDPR). Recipients of data may be entities authorized by law. The data will be kept for 5 years after the audit is completed. You have the right to request from the controller access to your data, rectification, erasure or restriction of processing, or to object to processing, as well as to data portability on the basis of and in accordance with Articles 15 - 22 of the GDPR. You have the right to lodge a complaint about the manner of processing by the controller to the President of the Personal Data Protection Office (uodo.gov.pl). Provision of data is an obligation under the provisions of the Accounting Act. To exercise your rights, use the contact details indicated in the header of the document.

Attachment No. 1

STATEMENT OF IMMATERIAL UNCORRECTED ERRORS IN THE FINANCIAL STATEMENTS

No.	Description	Balance sheet amount (PLN)		Income statement amount (PLN)	
		Debit	Credit	Debit	Credit
1.	Posting of Adjusted Purchase Price bond valuation	Net profit	Liabilities on account of issuance of debt securities PLN 306,798	Financial costs PLN 306,798	-
2	Provision for loan repayment	Net profit	Short-term provisions PLN 225,000	Remaining operating costs PLN 225,000	
Total immaterial uncorrected errors			PLN 531,798	PLN 531,798	

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

I, **Tomasz Budkowski**, sworn translator (TP/423/06), hereby certify that this is a true translation of the document presented to me.

The register in my custody is 12/08/2023

Wrocław, 3 August 2023

TOMASZ BUDKOWSKI TŁUMACZ PRZYSIĘGŁY JĘZYKA ANGIELSKIEGO NR TP/423/06

T. Budkowski

Tomasz Budkowski, MA
sworn translator of English

*** Certified translation from Polish ***

[*translation of a document in Polish consisting of two pages*]

INDIVIDUAL STATEMENT OF THE AUDITOR ON IMPARTIALITY AND INDEPENDENCE FROM THE AUDITED ENTITY

I. Personal data of those participating in the audit activity
Key auditor: **Robert Wiśniewski** registry no.**: 11251**,
auditing firm no. 3106, GLOBAL AUDIT PARTNER Boczkowski Duś Procner Spółka Komandytowa (*Limited Partnership*) Audit
Participant(s): **Robert Wiśniewski**

II. The statement relates to the financial statements for the financial year **01.01.2022 - 31.12.2022**
Entity:

1) **LM PAY Spółka Akcyjna (*Joint-Stock Company*)** with its registered office in Warsaw ul. Lechicka 23a

III. Each of the participants in this audit activity confirms their impartiality and independence in accordance with Articles 69-73 of the Act of May 11, 2017 on auditors, auditing firms and public supervision (Journal of Laws of 2023, item 1015, as amended), the International Code of Ethics for Professional Accountants (IESBA) from the audited entity, as

1 In conducting the audit, I act in the public interest and observe the rules of professional ethics, in particular:
   a) I maintain integrity, objectivity, professional scepticism and due diligence,
   b) I have the relevant professional competence,
   c) I observe professional confidentiality.

2 I maintain professional scepticism in the course of the audit, including its planning, assuming that there may be circumstances, including error or fraud, that cause material misstatements in the financial statements to be audited, regardless of the auditor's or auditing firm's prior experience of the honesty and integrity of the audited entity's management and those responsible for the management of the audited entity, including its corporate governance.

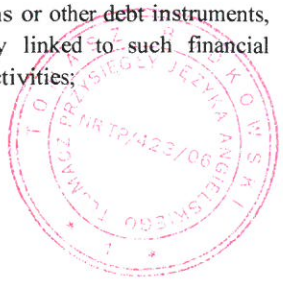
3 I remain professionally sceptical especially when evaluating estimates for:
   a) fair value and asset impairment,
   b) provisions,
   c) future cash flows relevant to the audited entity's ability to continue as a going concern.

4 I did not participate in the decision-making of the audited entity during the period covered by the audited financial statements and the period of the audit.

5 I shall take the necessary measures to ensure that in conducting the audit my independence was not affected by any actual or potential conflict of interest, business relationship or any other direct or indirect relationship between the audited entity and the auditing firm and members of the audit team.

6 I shall not conduct an audit if there is a threat of self-control, self-benefit, promotion of the interests of the audited entity, intimacy or intimidation caused by a financial, personal, business, employment or other relationship between the audited entity and the key auditor, the auditing firm, a member of the network to which the auditing firm belongs, or an individual who may influence the outcome of the audit, as a result of which an objective, reasonable and informed third party would conclude that the key auditor's independence is compromised despite safeguards to eliminate or reduce the threat to an acceptable level.

7 In participating in the conduct of the audit:
   a) I do not own or have materially and directly benefited from financial instruments, including equity interests, securities within the meaning of Article 3(1) of the Act on trading in financial instruments of July 29, 2005, credits, loans or other debt instruments, including rights and obligations to acquire such financial instruments and derivatives directly linked to such financial instruments, issued, guaranteed or otherwise supported by any audited entity covered by their audit activities;
   b) I have not participated in transactions involving financial instruments, as specified in item 7;



c) I will not affect the outcome of the audit of the audited entity, because:

i. I do not hold any financial instruments, including equity interests, securities within the meaning of Article 3(1) of the Act on trading in financial instruments of July 29, 2005, credits, loans or other debt instruments, including rights and obligations to purchase these financial instruments and derivatives directly linked to these financial instruments, issued by the audited entity,

with the exception of those held indirectly through participation in diversified collective investment programs, in particular pension funds, investment funds and insurance equity funds offered by insurance companies, as long as these programs are not controlled by these persons or companies or no investment decisions are made with respect to these programs that are influenced by these persons or companies, and with the exception of loans or credits granted at arm's length in the ordinary course of business by audited entities authorized to grant credits under separate regulations;

ii. I do not own financial instruments, including equity interests, securities within the meaning of Article 3(1) of the Act of July 29, 2005 on trading in financial instruments, loans, credits or other debt instruments, including rights and obligations to acquire such financial instruments and derivatives directly related to such financial instruments, issued by an affiliate of the audited entity, the possession of which may cause or may be perceived by an objective, reasonable and informed third party as causing a conflict of interest, with the exception of those held indirectly through participation in diversified collective investment programs, in particular pension funds, investment funds and insurance equity funds offered by insurance companies, as long as these programs are not controlled by these persons or companies or no investment decisions are made with respect to these programs that are influenced by these persons or companies;

iii. during the period referred to in sec. 4, I did not have an employment, business or other relationship with the audited entity that may cause or may be perceived by an objective, reasonable and informed third party as causing a conflict of interest;

iv. I have not been involved in keeping the account books or preparing the accounting records or financial statements of the audited entity in the financial year preceding the period covered by the audit, in the period covered by the audited report or the period of the audit

v. I am not a legal representative (proxy), member of the supervisory or management bodies or an employee of the audited entity or a related entity;

vi. I do not participate in the process of management and decision-making of the audited entity;

vii. I do not provide non-audit services that have a material effect on the audited financial statements;

viii. there are no other circumstances that impair independence to the extent that it cannot be mitigated by any safeguards that prevent the preparation of an impartial and independent audit report.

8 I am aware of the criminal liability for making a false statement.

Date of signing the agreement: March 13, 2023

Warsaw
Place,

..... Key Auditor

..... Audit Participant(s)

I declare that the above circumstances have not changed:

Robert Wiśniewski

Electronically signed by Robert Wiśniewski
Date: 2023.06.24 12:51:34 +02'00'

June 24, 2023

Warsaw,
Place

..... Key auditor

..... Audit Participant(s)

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

I, **Tomasz Budkowski**, sworn translator (TP/423/06), hereby certify that this is a true translation of the document presented to me.

The register in my custody is 10/08/2023

Wrocław, 3 August 2023

