



MOORE STEPHENS KSC ASSURANCE SRL
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AXI FINANCE IFN SA

Opinion

1. We have audited the financial statements of AXI FINANCE IFN SA (hereinafter "the Company") which comprise the statement of financial position as at 31 December 2021 and the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, and Notes to the financial statements, including a summary of the significant accounting policies.
2. The individual financial statements as at 31 December 2021 are identified as follows:

- Total Equity	5,231,548 Lei
- Loss for the financial year	1,505,056 Lei
- Total assets	22,490,842 Lei
3. In our opinion, the accompanying financial statements present fairly, in all material aspects the financial position of AXI FINANCE IFN SA as at 31 December 2021 and its financial performance and cash flows for the year then ended, in accordance with the National Bank Order of Romania no. 6/2015 for the approval of the accounting regulations in compliance with the European directives ("OBNR no.6 / 2015").

Basis for opinion

4. We conducted our audit in accordance with the International Standards on Auditing ("ISAs"), EU Regulation No. 537 of the European Parliament and the European Council (hereafter "the Regulation") and Law No 162/2017 (the "Law"). Our responsibilities under these standards are further described in the Auditor's Responsibilities section in an audit of the financial statements in our report. We are independent of the Company, according to the Ethics Code of Professional Professionals issued by the International Ethics Standards Board for Accountants (IESBA Code), according to the ethical requirements that are relevant for the audit of the financial statements in Romania, including the Regulations and the Law, and we have fulfilled ethical responsibilities according to these requirements and according to the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

5. We draw attention to Note 16 “Going concern” to the financial statements, which describes that the financial statements have been prepared on a going concern basis although for the year ended 31 December 2021 the Company incurred a loss amounting to 1,505,056 Lei. Moreover, as mentioned in Note 16 the company has the necessary financial resources to return to an increased level of activity and expects that during 2022 it will register a progressive increase of the credit disbursement activity, with positive effects in the financial results. Our opinion is not modified in respect of this matter.

Independence

6. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code).

Key audit matters

7. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the year ended at December 31, 2021. The aspects mentioned below were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<i>Key audit matter</i>	<i>How our audit addressed the key matter</i>
<p><i>Adjustments for impairment of receivables on customers</i></p> <p>As at 31 December 2021, the Company recorded gross claims on customers in the amount of RON 21.972.535 and a related depreciation adjustment in the amount of RON 3.482.277.</p> <p>The basics of the policy for determining the adjustment for impairment of receivables from customers are presented in Note 1 I. and subsequently in Note 3 to the Financial Statements. The principles for calculating the write-down for impairment are set for Regulation 5/2012 of the National Bank of Romania, with subsequent amendments.</p> <p>Due to the significant share of receivables from customers, accounting for more than 50% of the total assets of the Company, we believe this is a key aspect of the audit.</p>	<p>Impairment adjustments are determined by management using a methodology based on customer information and the number of days of delay. We focused on the following professional judgments and estimates that could lead to significant errors that are likely to be interpreted by management:</p> <ul style="list-style-type: none"> - The completeness and timing of recognition of depreciation events based on the number of days delay and the existence of recovery procedures; - Compliance of the model and calculation with the requirements of Regulation 5/2012 of the National Bank of Romania. <p>In order to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> - We reviewed the depreciation methodology and performed verifications to validate data integrity to ensure that the parameters taken into account by the Company in the calculation of the impairment adjustment are correct; - We evaluated the estimate of depreciation adjustments and tested the mathematical accuracy of the impairment related calculations; - We evaluated and tested the key assumptions adopted by management.



Other information – Administrators' report

8. Administrators are responsible for compiling and presenting other information. That other information includes the Administrators' Report but does not include the financial statements and the auditor's report thereon.
9. Our opinion on the financial statements does not cover this other information and, unless the case explicitly mentions our report, we do not express any kind of insurance conclusion about them.
10. With regard to the audit of the financial statements for the year ended 31 December 2021, it is our responsibility to read other information and, in this regard, to assess whether that other information is materially inconsistent with the financial statements or with the knowledge we have obtained during the audit, or if they appear to be materially distorted.
11. Based on the activities performed during the audit of the financial statements, in our opinion:
 - a) The information presented in the Administrators' Report for the financial year for which the financial statements were prepared is consistent, in all material respects, with the financial statements.
 - b) The administrators' report was drawn up, in all significant aspects, in accordance with Order no. 6/2015.
12. In addition, based on our knowledge and understanding of the financial statements for the year ended December 31, 2021, regarding the Company and its environment, we did not identify information that was included in the Administrators' Report that was materially misstated.

Responsibilities of the Management and of the responsible persons for the Governance for Financial Situations

13. Management is responsible for the preparation and fair presentation of the financial statements in accordance with Order no. 6/2015 for the approval of Accounting Regulations compliant with European directives and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
15. Those charged with governance are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities in an Audit of Financial Statements

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



17. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information Company to express an opinion on financial statements.
18. We communicate to those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.
19. We also provide those charged with governance a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
20. From matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other aspects

21. This report of the independent auditor is addressed exclusively to the shareholders of the Company as a whole. Our audit was performed in order to be able to report to the Company's shareholders those aspects that we must report in a financial audit report, and not for other purposes. To the extent permitted by law, we do not accept and assume responsibility only to the Company and its shareholders, as a whole, for our audit, for this report or for the opinion formed.

Report on other legal and regulatory provisions

22. We were engaged to audit the financial statements of AXI FINANCE IFN SA for the financial year ended December 31, 2021 according to the contract no. 337/15.02.2022 and according to Resolution of the ordinary general meeting of the shareholders of AXI FINANCE IFN SA from 25 May 2022. The total uninterrupted duration of our commitment is 2 years, covering the financial years ended December 31, 2020, 2021.

We confirm that:

- Our audit opinion is consistent with the additional report submitted to the Company's Audit Committee, which we issued on the same date we issued this report. Also, in conducting our audit, we maintained our independence from the audited entity.
- We did not provide the Company with prohibited non-audit services, referred to in Article 5 (1) of EU Regulation no. 537/2014.


MAMAS KOUTSOYIANNIS

Registered in the Electronic Public Register of Financial Auditors and Audit Firms number AF1515

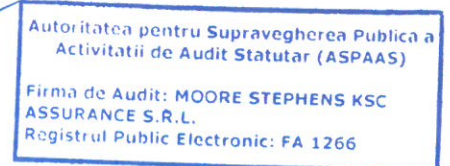
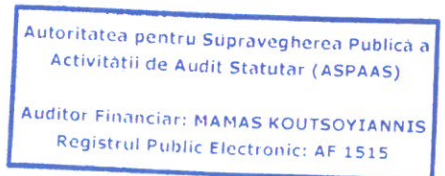
Registered at the Authority for Public Supervision of the Statutory Audit Activity
Series: 129274


On behalf of MOORE STEPHENS KSC ASSURANCE S.R.L.:

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under number AF1266

The Authority for Public Supervision of the Statutory Audit Activity
Series: 131470

Bucharest, 25 May 2022



TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

AXI FINANCE IFN SA

ANNUAL FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR
CONCLUDED ON 31ST DECEMBER 2021

Drafted according to the BNR Order no. 6 / 2015 for the approval of the Accounting regulations compliant with the European directives, applicable to credit institutions, non-banking financial institutions and Fund for the guarantee of deposits in the bank system with the subsequent modifications

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

County: Bucharest |4|0|
 Institution: AXI FINANCE IFN SA
 Address: locality: Bucharest, 1st district
 19 - 25 Bd. Primaverii
 Phone number: 0214109899 fax:
 0214109896
 Number from the trade register:
 J40 / 12493 / 2015

Property form: Joint stock company |3|4|
 Predominant activity (denomination of
 NACE class): Other credit activities
 NACE class code _____ |6|4|9|2|
 Activity predominantly performed (NACE
 class denomination)
 Other credit activities
 NACE class code _____ |6|4|9|2|
 Sole registration code _____ |3|5|1|1|6|3|1|9|

BALANCE SHEET
concluded on 31st December 2021

- lei -

ASSET	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Petty cash and cash equivalents	010		8,048	3,651
Receivables on the credit institutions	030		183,233	107,047
- sight	033		183,233	107,047
- other receivables	036			
Receivables on the clients	040		13,761,241	18,490,258
Bonds and other titles with fixed income	050			
- issued by public bodies	053			
- issued by other issuers, out of which:	056			
- personal bonds	058			
Shares and other titles with variable income	060			
Holdings, out of which:	070			
- holdings to credit institutions	075			
Shares within related commercial companies, out of which:	080			
- shares within credit institutions	085			
Intangible assets, out of which:	090		39,192	152,266
- establishment expenses	093			
- goodwill, to the extent in which it has been purchases onerously	096			
Tangible assets, out of which:	100		90,274	61,721
- lands and buildings used within the purpose of performing personal activities	105			
Subscribed unpaid share capital	110			
Other assets	120		544,703	732,509
Expenses registered in advance and involved incomes	130		2,321,658	2,943,290
Total assets	140		16,948,349	22,490,742

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

BALANCE SHEET
concluded on 31st December 2021

- lei -

DEBTS AND EQUITY CAPITAL	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Debts concerning credit institutions	300			
- sight	303			
- on term	306			
Debts concerning the clients	310			
- sight	317			
- on term	318			
Debts established by titles	320			
- bonds	323			
- other titles	326			
Other debts	330		9,186,727	12,012,649
Incomes registered in advance and involved debts	340		4,386,683	5,149,420
Provisions:	350		103,335	97,125
- provisions for pensions and similar bonds	353			
- provisions for taxes	355			
- other provisions	356		103,335	97,125
Subordinated debts	360			
Subscribed share capital	370		9,076,320	12,541,320
Capital premium	380			
Reserves	390			
- legal reserves	392			
- legal or contractual reserves	394			
- other reserves	399			
Reserves from reevaluation	400			
Personal shares (-)	410			
Reported result				
- Profit	423			
- Loss	426		3,800,839	5,804,716
Result of the financial year				
- Profit	433			
- Loss	436		2,003,877	1,505,056
Distribution of profit	440			
Total debts and equity capital	450		16,948,349	22,490,742

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

BALANCE SHEET
concluded on 31st December 2021

- lei -

ELEMENTS OUTSIDE THE BALANCE SHEET	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Contingent debts, out of which:	600			
- acceptances and endorsements	603			
- guarantees and collateral assets	606			
Commitments, out of which:	610		10,237,925	14,168,590
- commitments related to the sale transactions with possibility of trade-in	615			

MANAGING DIRECTOR,
BOGDAN DOBRE
Signature
- illegible signature -

DRAFTED
Name and forename
CRISTIANA CATUNEANU
REGISTERED SOLE TRADER -
CECCAR MEMBER

Signature
Registration no. in the professional body
18051

The annual financial statements are signed by authorized persons, containing their clear name
The quality of person who has drafted the annual financial statements is filled in as follows:
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TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

PROFIT AND LOSS ACCOUNT
concluded on 31st December 2021

- lei -

Denomination of indicator	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Debts to receive and similar incomes, out of which:	010		20,494,522	26,244,243
- related to bonds and other titles with fixed incomes	015			
Interests to pay and similar expenses	020			
Incomes concerning the titles	030			
- Incomes from shares and other titles with variable income	033			
- Incomes from holdings	035			
- Incomes from shares within the related commercial companies	037			
Incomes from fees	040			
Expenses with fees	050		181,778	209,234
Net profit or loss from financial operations	060		-322,751	-279,725
Other operational incomes	070		40,826	-2,817
General administrative expenses	080		13,377,554	16,483,554
- Expenses with personnel, out of which:	083		4,898,598	5,855,891
- Salaries	084		4,788,754	5,716,922
- Expenses with social insurances, out of which:	085		107,471	126,969
- expenses related to pensions	086			
- Other administrative expenses	087		8,478,956	10,627,663
Corrections on the value of intangible and tangible assets	090		114,750	68,635
Other operational expenses	100		2,746,820	3,545,425
Corrections on the value of receivables and provisions for contingent debts and commitments	110		14,675,198	18,160,570
Restatements from corrections on the value of receivables and provisions for contingent debts and commitments	120		8,879,626	11,000,661
Corrections on the value of transferable titles which have feature of financial assets, holdings and shares within related commercial companies	130			
Restatements from corrections on the value of transferable titles which have feature of financial assets, holdings and shares within the related commercial companies	140			

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

Result of current activity				
- Profit	153			
- Loss	156		2,003,877	1,505,056
Extraordinary incomes	160			
Extraordinary expenses	170			
Result of extraordinary activity				
- Profit	183			
- Loss	186			
Total incomes	190		29,634,447	37,298,423
Total expenses	200		31,638,324	38,803,479
Gross result				
- Profit	213			
- Loss	216		2,003,877	1,505,056
Tax on profit	220			
Other taxes which do not appear in abovementioned elements	230			
Net result of the financial year				
- Profit	243			
- Loss	246		2,003,877	1,505,056

MANAGING DIRECTOR,**BOGDAN DOBRE****Signature***- illegible signature -***DRAFTED****Name and forename****CRISTIANA CATUNEANU****REGISTERED SOLE TRADER -****CECCAR MEMBER****Signature****Registration no. in the professional body****18051**

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TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

STATUS OF TREASURY FLOWS
concluded on 31st December 2021 - example of direct method -

- lei -

Denomination of indicator	Line no.	Note	Financial year	
			prior	concluded
Treasury flows from operational activities				
+ cash collections from interests and fees	01			
- payments in cash representing interests and fees	02		-181,819	-209,234
+ cash collections from receivable restatements	03			
- payments in cash to employees and providers of goods and services	04		-12,743,520	-17,609,518
± other cashed incomes / expenses paid in cash from the operational activity	05		-787,870	-1,018,946
Treasury flows from operational activity, exclusive of modifications of assets and debts of operational activity and paid tax on profit (line 01 to 05)	06		-13,713,209	-18,837,698
<i>Increments / decrement of assets related to operational activity</i>				
± increments / decrements of titles which do not have feature of financial assets	07			
± increments / decrements of receivables concerning credit institutions	08			
± increments / decrements concerning clients	09		11,686,832	14,332,759
± increments / decrements of other assets related to the operational activity	10			
<i>Increments / decrements of debts related to the operational activity</i>				
± increments / decrements of debts concerning credit institutions	11			
± increments / decrements of debts concerning the clients	12			
± increments / decrements of other debts related to the operational activities	13			
Treasury flows from the operational activity, exclusive the paid tax on profit (line 06 to 13)	14		-2,026,377	-4,504,939
- payments in cash representing the tax on profit	15			
Treasury flows from operational activities (line 14 + line 15)	16		-2,026,377	-4,504,939
Treasury flows from investment activities				
- payments in cash for the purchase of branches or other subunits	17			

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

+ collections in cash from the sale of branches or other subunits	18			
- payments in cash for the purchase of titles which have feature of financial assets	19			
+ collections in cash from the sale of titles which have feature of financial assets	20			
+ collections in cash representing received interests	21			
+ collections in cash representing received dividends	22			
- payments in cash for the purchase of lands and fixed means, intangible assets and other long - term assets	23			-63,896
+ collections in cash from the sale of lands and fixed means, intangible assets and other long - term assets	24			
- other payments in cash related to investment activities	25			
+ other collections in cash from investment activities	26			
- <i>Treasury flows from investment activities (line 17 to 26)</i>	27			-63,896
Treasury flows from financing activities				
+ collections in cash from debts established by titles and subordinated debts	28			
- payments in cash related to debts established by titles and subordinated debts	29			
+ collections in cash from the emission of shares	30			
- payments in cash for the purchase of shares	31			
+ collections in cash from the sale of shares	32			
- payments in cash representing dividends	33			
- other payments in cash related to financing activities	34			
+ other collections in cash from financing activities	35		2,169,030	4,533,197
<i>Treasury flows from financing activities (line 28 to 35)</i>	36		2,169,030	4,533,197
± Effect of modification of rate exchange on the cash	37		-147	-44,945
Treasury flows - total (line 16 + line 27 + line 36 + line 37)	38		142,506	-80,583
Cash at the beginning of period	39		48,775	191,281
Cash at the end of period (line 38 + line 39)	40		191,281	110,698

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

MANAGING DIRECTOR,
BOGDAN DOBRE
Signature
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AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

SITUATION OF MODIFICATIONS OF EQUITY CAPITAL
on 31st December 2021 - example

- lei -

Element of equity capital	Note	Balance on 1 st January	Increments		Diminutions		Balance on 31 st December
			Total, out of which	by transfer	Total, out of which	by transfer	
0	1	2	3	4	5	6	7
Subscribed share capital		9,076,320	3,465,000				12,541,320
Capital premium							
Legal reserves							
Statutory or contractual reserves							
Reevaluation reserves							
Own shares (-)							
Other reserves							
Report result							
Undistributed profit							
Uncovered loss		3,800,839	2,003,877				5,804,716
Reported result representing undistributed profit, respectively the uncovered loss							
Credit balance							
Debit balance							
Reported result occurred from the modification of accounting policies							
Credit balance							
Debit balance							
Reported result occurred from the correction of accounting errors							
Credit balance							
Debit balance							

TRANSLATION FROM ROMANIAN

**AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021**

Reported result representing the excess made from reevaluation reserves							
Reported result occurred from passing to the application of Accounting regulations compliant with the European directives							
Credit balance							
Debit balance							
Result of the financial year							
Credit balance							
Debit balance		2,003,877	1,505,056		2,003,877		1,505,056

Note 1:

The number presentation, according to the abovementioned example, must be accompanied by information referring to:

- type of modifications;
- applied fiscal treatment, if applicable;
- type and purpose for which the reserves have been established;
- any other significant information.

Note 2:

The modifications of the equity capital are presented for the two financial years, prior and current.

**MANAGING DIRECTOR,
BOGDAN DOBRE**

Signature

- illegible signature -

DRAFTED

Name and forename

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TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA
FINANCIAL STATEMENTS****31ST DECEMBER 2021**

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**SITUATION OF MODIFICATIONS OF EQUITY CAPITAL
on 31st December 2021 - example**

- lei -

	Note	Share capital	Capital premium	Legal reserves	Result of the financial year	Other equity capital					Total equity capital
						Statutory or contractual reserves	Own shares (-)	Reevaluation reserves	Reported result	Other equity capital	
Balance on the conclusion of financial year N-1		9,076,320			-2,003,877				-3,800,839		-3,271,604
Modifications (increments of diminutions), out of which:		3,465,000			498,821				-2,003,877		1,959,944
- paid-up share capital		3,465,000									3,465,000
- reported result					2,003,877				-2,003,877		0
current financial result					-1,505,056						-1,505,056
-											
Other modifications											
Balance on the conclusion of the financial year N		12,541,320			-1,505,056				-5,804,716		5,231,548

TRANSLATION FROM ROMANIAN
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FINANCIAL STATEMENTS
31ST DECEMBER 2021

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31ST DECEMBER 2021

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

INFORMATIVE DATA
on 31.12.2021

- lei -

30

I. Data concerning the registered result	Position code	Number of units	Amounts
A	B	1	2
Units which have registered profit	101		
Units which have registered loss	102		1,505,056
Units which have not registered profit or loss	103		

II. Data concerning the outstanding payments	Position code	Total col. 2 + 3	out of which:	
			For current activity	For the investment activity
A	B	1	2	3
Outstanding payments - total (pos. 202 + 206 + 212 to 216 + 221), out of which:	201			
Outstanding providers - total (pos. 203 to 205), out of which:	202			
- over 30 days	203			
- over 90 days	204			
- over 1 year	205			
Outstanding liabilities to the budget of social insurances - total (pos. 207 to 211), out of which:	206			
- contributions to public social insurances owe by employers, employees and other similar persons	207			
- contributions for the fund of social health insurances	208			
- contributions for additional pension	209			
- contributions for the budget of insurances for unemployment	210			
- other social debts	211			

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

Outstanding liabilities to the budgets of special funds and other funds	212			
Outstanding liabilities to other creditors	213			
Taxes, fees and contributions not paid on the due term to the public budget, out of which:	214			
- insurance employment contribution	214a			
Taxes and fees not paid on the due term to the local budgets	215			
Unrepaid received loans on due date - total (pos. 217 to 220), out of which:	216			
- outstanding within 30 days	217			
- outstanding after 30 days	218			
- outstanding after 90 days	219			
- outstanding after 1 year	220			
Unpaid interests related to the received loans	221			

III. Number of employees	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Average number of employees	301	75	83
Effective number of employees existing at the end of period, respectively on 31 st December	302	78	81

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

IV. Royalties paid during the reporting period, collected subsidies and outstanding receivables	Position code	Amounts - lei -
A	B	1
Royalties paid during the reporting period for the goods of public domain, received under concession, out of which:	401	
- royalties for the goods from the public domain paid to the public budget	402	
Rents paid during the reporting period lands ¹⁾ :	403	
Gross incomes from services paid to non-residing persons, out of which:	404	
- tax due to the public budget	405	
Gross incomes from services paid to non-residing persons from member states of the European Union, out of which:	406	
- tax due to the public budget	407	
Subsidies collected during the reporting period, out of which:	408	
- subsidies collected during the reporting period related to assets	409	
- subsidies related to incomes, out of which:	410	
- subsidies for the stimulation of employment *)	411	
- subsidies for energy from renewable sources	412	
- subsidies for fossil fuels	413	
Outstanding receivables, which have not been collected on the terms provided in the commercial contracts and / or in normative documents in force, out of which:	414	
- outstanding receivables from entities from the majority or fully public sector	415	
- outstanding receivables from entities from the private sector	416	

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

V. Vouchers given to employees	Position code	Amounts
A	B	1
Countervalue of meals given to employees	501	73,859
Countervalue of meals given to other categories of beneficiaries, other than the employees	502	

VI. Expenses done for the research - development activity **)	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Research - development expenses	601		
- out of which, performed within the purpose of diminution of impact of entity activity on the environment or of development of some new technologies or new more sustainable products	602		
- on the financing sources (pos. 603 + 604), out of which:	603		
- from public funds	604		
- from private funds	605		
- on the type of expenses (pos. 606 + 607), out of which:	606		
- current expenses	607		
- capital premium	608		

VII. Innovation expenses ***)	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Innovation expenses:	701		
- out of which, performed within the purpose of diminution of impact of entity activity on the environment or of development of some new technologies or new more sustainable products	702		

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

VIII. Information concerning the expenses with collaborators	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Expenses with collaborators	801	363,921	370,247

IX. Information concerning the goods from the public domain of the state	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Value of goods from the public domain of state under administration	901		
Value of goods from the public domain of state under concession	902		
Value of goods from the public domain of state - leased	903		

X. Information concerning the goods from the private ownership of state subject to inventory according to the Order of the Minister of Public Finances and Deputy Minister for budget no. 668 / 2014, with the subsequent modifications and completions	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Net accounting value of goods ²⁾	1000		

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

XI. Paid up share capital *****)	Position code	Financial year			
		Prior		Concluded	
A	B	Amounts Col. 1	% ³⁾ Col. 2	Amounts Col. 3	% ³⁾ Col. 4
Paid up share capital ³⁾ (pos. 1110 + 1113 + 1117 + 1118 + 1119 + 1120), out of which:	1100	9,076,320	X	12,541,320	X
- owned by public institutions (pos. 1111 + pos. 1112), out of which:	1110				
- held by public institutions of central subordination	1111				
- held by public institutions of local subordination	1112				
- owned by companies with public capital, out of which:	1113				
- with full public capital	1114				
- with majority public capital	1115				
- with minority public capital	1116				
- owned by government business enterprise	1117				
- owned by companies with private capital	1118	9,076,318	100.00%	12,541,318	100.00%
- owned by individuals	1119	2	0.00%	2	0.00%
- owned by other entities	1120				

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

XII. Dividends / Payments to the public or local budget, to be distributed from the profit of the financial year by the national companies, national societies, national societies and government business enterprises *****)	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Total amounts, out of which:	1121		
- to central public institutions	1122		
- to local public institutions	1123		
- to other shareholders at which the state / territorial administrative units / public institutions own directly / indirectly shares or contributions, whether of the weight	1124		

XIII. Dividends / Payments granted to the public or local budget and paid during the reporting period from the reported profit of national companies, national societies, companies and government business enterprises *****)	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Total amounts, out of which:	1130		
- dividends / payments from the profit of the financial year of the prior year, out of which paid:	1131		
- to central public institutions	1132		
- to local public institutions	1133		
- to other shareholders at which the state / territorial administrative units / public institutions own directly / indirectly shares or contributions, whether of the weight	1134		
- dividends / payments from the profit of prior financial years of the prior year, out of which paid:	1135		
- to central public institutions;	1136		
- to local public institutions;	1137		
- to other shareholders at which the state / territorial administrative units / public institutions own directly / indirectly shares or contributions, whether of the weight	1138		

		Financial year
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TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

XIV. Dividends distributed to shareholders from the reported profit	Position code	Prior	Concluded
A	B	1	2
- dividends distributed to shareholders during the reporting period from the reported profit	1139a		

XV. Intermediary distribution of dividends according to Law no. 163 / 2018	Position code	Financial year
		Amounts
A	B	1
- distributed intermediary dividends ⁴⁾	1139b	

XVI. Other information	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Turnover *****)	1140	29,374,148	37,246,384
Paid share capital	1141	9,076,320	12,541,320
Tangible assets *****)	1142	90,274	61,721
Equity capital	1143	3,271,604	5,231,548
Debts: amounts which must be paid within a period of up to one year	1144	5,760,278	8,121,653
Debts: amounts which must be paid within a period longer than one year	1145	7,813,132	9,040,416
Result of the financial year (Loss / Profit)	1146	-2,003,877	-1,505,056
Indebtness degree (loaned capital / equity capital)	1147	2	2
Profitability (Profit / Turnover)	1148	0	0

XVII. Receivables taken by assignment from legal entities	Position code	Financial year	
		Prior	Concluded

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

A	B	1	2
Receivables taken by assignment from legal entities (at nominal value), out of which:	1149		
- receivables taken by assignment from affiliated legal entities	1150		
Receivables taken by assignment from legal entities (at purchase cost), out of which:	1151		
- receivables taken by assignment from affiliated legal entities	1152		

XVIII. Expenses concerning calamities and other similar events	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Expenses concerning calamities and other similar events, out of which:	1153		
- floods	1154		
- draught	1155		
- landslide	1156		

*) Subventions to stimulate employment (transfers from state budget to employers) – represent the amounts awarded to employers for the payment of the graduates of the educational institute, stimulating the unemployed who get employed before the end of the period of unemployment, stimulating employers who employ on a indefinite time unemployed aged over 45 years, unemployed who are the only ones to support their families or unemployed who, within 3 years from the date of the employment meet the criteria to demand anticipated partial retirement or to receive the retirement for the age limit, or for other situations under the legislation related to the unemployment insurance system and stimulation of employment.

**) It shall be filled in with the expenses for the research-development activity, respectively fundamental, applicative research, technological development and innovation, established in line with the provisions of Governmental Decision no.57/2002 regarding scientifically and technological development, as further amended and completed by Law No. 324/2003, with subsequent amendments and completions. The expenses will be filled in according to the Implementation regulation (EU) no. 995 / 2012 of the Commission of 26th October 2012 to establish the rules for the implementation of the Decision no. 1608 / 2003 / EC of the European Parliament and Council concerning the production and development of community statistics in the field of science and technology, published in the Official Journal of the European Union, series L, no. 299 of 27th October 2012.

***) To be completed with innovation expenses according to the Implementation regulation (EU) no. 995 / 2012 of the Commission of 26th October 2012 to establish the rules for the implementation of Decision no. 1608 / 2003 / EC of the European Parliament and Council concerning the protection and development of community statistics in the field of science and technology, published in the Official Journal of the European Union, series L, no. 299 of 27th October 2012.

****) To be reported only by institutions, other than the credit institutions, with public capital, which are organized and function based on the Law of companies no. 31 / 1990, republished, with the subsequent modifications and completions and of Law no. 15 / 1990 concerning the reorganization of economic public units as government business enterprise and commercial companies, with the

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

subsequent modifications and to which the state is shareholder or holds directly or indirectly a contribution.

*****) For the receivables taken over by assignment from legal persons shall be filled in with both their nominal value and purchase cost.

*****) For the calculation of this indicator, it can be taken into account the provisions of point 103 align. (2) second thesis of the Methodological rules to apply Title VII of the Fiscal code, approved by the Government Decision no. 1 / 2016. According to these legal provisions, upon the determination of the turnover based on which the fiscal period used to declare and pay the VAT, it is taken into account the taxable income registered on the lines from the fee expense settlement corresponding to the deliveries of goods / taxable services supply and / or exempted with right of deduction and / or deliveries of goods / services supply for which the delivery / supply location is considered abroad, according to the provisions of art. 275 and 278 of the Fiscal code, but which entitle the deduction according to art. 297 align. (4), let. b) of the Fiscal code, as well as the lines of adjustments related to the status of "affiliated legal entities", the provisions of art. 7 point 26 let. c and d) of Law no. 227 / 2015 concerning the Fiscal code, with the subsequent modifications and completions will be taken into account.

*****) at the net accounting value

1) Shall be included the rents paid for occupied lands (agricultural harvests, pastures, hay etc.) and corresponding to commercial facilities (terraces etc.) belonging to private owners or to certain units of the public administration, including rents for the use of bodies of water for leisure or in other purposes (fishing etc.).

2) To be filled-in by the institutions to which the provisions of the Order of Minister of Public finances and Deputy minister for budget no. 668 / 2014 for the approval of Mentions concerning the drafting and update of centralized inventory of immovables, private ownership of the state and real rights subject to inventory, with the subsequent modifications and completions, fall on.

3) To the section "XI Paid in subscribed capital " in lines 1110 - 1120, in column 2 and column 4, entities, other than credit institutions, will write the percentage corresponding to the held share capital in the total of paid-up share capital written at pos. 1100.

4) At this line, the dividends distributed are contained according to Law no. 163 / 2018 for the modification and completion of Law of accountancy no. 82 / 1991, modification and completion of Law of societies no. 31/1990, as well as the modification of Law no. 1 / 2005 concerning the organization and functioning of cooperation. Not to report the dividends presented at pos. 1121.

MANAGING DIRECTOR,

BOGDAN DOBRE

Signature

- illegible signature -

DRAFTED

Name and forename

CRISTIANA CATUNEANU

REGISTERED SOLE TRADER -

CECCAR MEMBER

Signature

Registration no. in the professional body

18051

The annual financial statements are signed by authorized persons, containing their clear name

The quality of person who has drafted the annual financial statements is filled in as follows:

- economic director, chief accountant or other person appointed by the written decision of the administrator;

- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

SITUATION OF FIXED ASSETS

40A

- RON -

Gross value of fixed elements	Position code	Initial balance	Increments	Discounts	out of which: dismemberments and scrapping	Final balance (col. 5 = 1 + 2 - 3)
				Total		
A	B	1(1)	2(2)	3(3)	4(4)	5(5)
Intangible assets	101				X	
Goodwill						
Establishment expenses	102				X	
Other intangible assets	103	244,085	137,685		X	381,770
Advances and pending intangible assets	104				X	
TOTAL (pos. 101 to 104)	105	244,085	137,685		X	381,770
Tangible assets	106				X	
Lands						
Landscape	107				X	
Constructions	108					
Technological equipments (machines, tools and work installations)	109					
Measurement, control and adjustment installations and devices	110					
Transport means	111					
Furniture, office supplies, equipments for the protection of human values and materials and other tangible assets	113	236,300	15,470			251,770
Advances and pending tangible assets	114					
Total (pos. 106 to 114)	115	236,300	15,470			251,770

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

Financial assets	116				X	
Public effects and similar values						
Bonds and other titles with fixed income	117				X	
Shares in related commercial companies	118				X	
Contributions and portfolio activities	119				X	
Total (line 116 to 119)	120				X	
Fixed assets - total (line 105 + 115 + 120)	121	480,385	153,155			633,540

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

SITUATION OF FIXED ASSETS

40B

- RON -

Depreciations related to fixed elements	Position code	Initial balance	Depreciation during the year	Depreciation related to the deregistered assets	Depreciation at the end of the year (col. 9 = 6 + 7 - 8)
A	B	6(1)	7(2)	8(3)	9(4)
Intangible assets	131				
Goodwill					
Establishment expenses	132				
Other intangible assets	133	204,893	24,611		229,504
TOTAL (pos. 131 to 133)	134	204,893	24,611		229,504
Tangible assets					
Landscape	135				
Constructions	136				
Technological equipments (machines, tools and work installations)	137				
Measurement, control and adjustment installations and devices	138				
Transport means	139				
Furniture, office supplies, equipments for the protection of human values and materials and other tangible assets	141	146,026	44,023		190,049
Total (pos. 106 to 114)	142	146,026	44,023		190,049
Depreciation - Total (pos. 134 + 142)	143	350,919	68,634		419,553

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

SITUATION OF FIXED ASSETS

40C

- RON -

Provisions for the depreciation of fixed elements	Position code	Initial balance	Provisions established during the year	Provisions resumed at incomes	Final balance (col. 13 = 10 + 11 - 12)
A	B	10(1)	11(2)	12(3)	13(4)
Intangible assets	151				
Goodwill					
Establishment expenses	152				
Other intangible assets	153				
Advances and pending intangible assets	154				
TOTAL (pos. 151 to 154)	155				
Tangible assets	156				
Lands					
Landscape	157				
Constructions	158				
Technological equipments (machines, tools and work installations)	159				
Measurement, control and adjustment installations and devices	160				
Transport means	161				
Furniture, office supplies, equipments for the protection of human values and materials and other tangible assets	163				
Advances and pending tangible assets	164				
Total (pos. 156 to 164)	165				

TRANSLATION FROM ROMANIAN

**AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021**

Financial assets	166					
Public effects and similar values						
Bonds and other titles with fixed income	167					
Shares in related commercial companies	168					
Contributions and portfolio activities	169					
Total (line 166 to 169)	170					
Provisions for depreciation - total (pos. 155 + 165 + 170)	171	480,385	153,155			633,540

**MANAGING DIRECTOR,
BOGDAN DOBRE**
Signature
- illegible signature -

DRAFTED
Name and forename
CRISTIANA CATUNEANU
REGISTERED SOLE TRADER -
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TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

CORELATIONS BETWEEN THE BALANCE MODEL, PROFIT AND LOSS ACCOUNT AND INFORMATIVE DATA

Balance sheet - col. 1	relationship	Profit and loss account - col. 1			
433	=	243			OK
436	=	246			OK
Balance sheet - col. 2		Profit and loss account - col. 2		Informative data	
433	=	243	=	101	OK
436	=	246	=	102	OK

CORELATIONS BETWEEN THE BALANCE SHEET FORM AND THE FORM OF FIXED ASSETS

Form code 40	Relationship	Balance sheet form	
40A.105(col. 5) - 40B.134(col. 4) - 40C.155 (col. 4)	=	090 (col. 2)	OK
40A.115(col. 5) - 40B. 142(col. 4) - 40C.165 (col. 4)	=	100 (col. 2)	OK

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

1. NOTE 1 - PRINCIPLES, POLICIES AND ACCOUNTING METHODS

The principles of accounting policies adopted in drafting these financial situations are presented below:

A. Basis of drafting the financial situations

(1) General information

These financial situations have been drafted according to:

- (i) Accounting law 82 / 1991 republished (“Law 82”);
- (ii) Law no. 93 / 2009 concerning the non-banking financial institutions;
- (iii) Order of the Romanian National Bank no. 6 of 17th July 2015 for the approval of accounting regulations compliant with European directives, applicable to the credit institutions, non-banking financial institutions and the Fund for the guarantee of deposits in the bank system with the subsequent modifications (“Order 6 / 2015”);
- (iv) Regulation of the Romanian National Bank no. 5 of 8th March 2012 concerning the classification of credits and establishment, adjustment and use of specific provisions for credit risk applicable to the entities supervised by the Romanian National Bank, other than the credit institutions (“Regulation 5 / 2012”);
- (v) Regulation of the Romanian National Bank no. 20 of 13th October 2009 concerning the non-banking financial institutions with the subsequent modifications and completions (“Regulation 20 / 2009”).

These financial situations have been drafted based on the convention of historical cost, with the exceptions presented further in the accounting policies.

(2) Use of estimates

Drafting the financial situations according to the Order 6 / 2015 requires the management of the company to make estimates and hypothesis which affect the reported values of assets and liabilities, presentation of assets and contingent debts on the date of drafting the financial situations and incomes and expenses reported for that period. Even though these estimates are done by the Company management based on the best information available on the date of financial situations, the results can be different from those estimates.

(3) Continuity of activity

These financial situations have been drafted based on the principle of activity continuity which presupposes that the Company will continue the activity in the foreseen future. To evaluate the applicability of this presumption, the management analyses the forecast referring to the future cash entries and the support received from shareholders.

(4) Currency for the presentation of financial situations

The accounting is kept in Romanian language and in national currency. The elements included in these financial situations are presented in Romanian lei.

B. Conversion of transactions in foreign currency

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

The transactions of company in the foreign currency are registered at the rate exchange communicated by the Romanian National Bank (“BNR”) for the date of transaction. At the end of each month, the balances in the foreign currency are converted in lei at the exchange rate communicated by BNR for the last bank day of the month. The gains and losses resulted from the settlement of transactions in a foreign currency and from the conversion of assets and debts expressed in the foreign currency are recognized in the profit and loss account, within “Net profit or loss from financial operations”.

C. Intangible assets

The intangible assets are measured initially at cost. After the initial recognition, the intangible assets are registered at cost minus the cumulated depreciation and cumulated depreciation loss.

All the intangible assets in balance on 31st December 2016 have determining lifecycle and are depreciated based on the linear method.

(i) Concessions, patents, licenses, trademarks, rights and similar assets

The concessions, patents, licenses, trademarks, rights and similar assets are registered at the purchase cost or contribution value.

The patents, licenses, trademarks and similar assets are depreciated using the linear method on a period of 3 years.

(ii) Advances and other intangible assets

Within the advances and intangible assets, the advances given to the suppliers of intangible assets, computer programs created by entity or purchased from third parties for personal use necessities, as well as other intangible assets are registered.

The expenses which allow the intangible assets to generate future economic benefits over the performance provided initially are added to their original cost. These expenses are capitalized as intangible assets if these are not integral part of the tangible assets.

D. Tangible assets

(1) Cost / evaluation

The tangible assets are evaluated initially at the purchase cost.

The company has not registered revaluations of tangible assets, these being kept at historical cost.

The maintenance and repairs of tangible assets are written on expenses when occur, and the significant improvements of tangible assets, which increase the value of lifecycle or which increase significantly the capacity for the generation of some economic benefits are these, are capitalized.

(2) Depreciation

The depreciation is calculated at the entry value, using the linear method over the net estimate lifecycle of assets, as follows:

Asset	Years
-------	-------

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

Technical installations and machines	1 - 8
Other installations, tools and furniture	3 - 10
Transport means	4 - 5

The depreciation is calculated beginning with the month following the commissioning one and until the full recovery of the entry value.

(3) Sale / scrapping the tangible assets

The tangible assets which are scrapped or sold are eliminated from the balance sheet together with the corresponding cumulated depreciation.

Any profit or loss resulted as difference between the incomes generated from the deregistration and the non-depreciated value, including the expenses caused by such operation, is included in the profit and loss account, in "Other operational incomes" or "Other operational expenses", if applicable.

When the Company recognizes in the accounting value a tangible asset, the cost of a partial replacement (replacing a component), the accounting value of the replaced part, with the related depreciation, is deregistered.

E. Depreciation of tangible assets

Upon the conclusion of the financial year, the value of elements of tangible and intangible assets is harmonized with the inventory results. Within this purpose, the net accounting value is compared with the value established based on inventory, called inventory value.

The differences acknowledged in minus between the inventory value and the net accounting value of assets are registered in accounting based on an additional depreciation, in the case of depreciable assets for which the depreciation is irreversible or an adjustment is done for the depreciation or value loss, when the depreciation is reversible. The inventory value is established depending on the good utility, its status and market price.

F. Financial assets

The financial assets are recognized initially in the balance sheet at the purchase cost. The purchase cost represents the transaction costs. Subsequently, the financial assets are evaluated subsequently at cost less than the cumulated adjustments for the value loss.

G. Stocks

The stocks are evaluated initially at purchase cost.

H. Other receivables

The trade receivables are registered in the balance sheet at the value of receivable less the provision for the depreciation of these receivables. The provision for the depreciation of trade receivables is established in objective records exist on the fact that the Company will not be able to collect all the amounts on the initial terms.

I. Receivables on the credit institutions

The receivables on credit institutions represent the Company placement in current accounts and deposits at banks.

J. Receivables on the clients and provisions specific to the credit risk

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

(i) Evaluation

The receivables on the client contain the credits granted by the Company within the credit contracts and are registered at cost minus the provision for depreciation. The cost of credits is defined as representing the advanced funds, minus the total reimbursements. All the credits are recognized when the funds are available to clients.

(ii) Provisions for credit risks

The provisions for credit risk are established based on the evaluation of credit portfolio and advances, including uncollected interests and penalties. The provisions are registered on expenses in the profit and loss account, and in the balance sheet these deducted from the total of uncollected credits and interests.

The provisions for the credit risk are established based on the Regulation 5 / 2012 concerning the classification of credits and placements, as well as the establishment, adjustment and use of provisions specific to credit risk and Regulation 20 / 2009.

The regulation applicable to non-banking financial institutions regulates:

- a) the classification of credits granted to clients from the non-banking financial sector;
- b) the determination of the necessary of provisions specific to credit risk related to classified credits; and
- c) establishment, adjustment and use of provisions specific to credit risk.

The specific provisions are established for the granted credit contracts, considered as non-performant according to the internal rules and regulations in force. For the credit contracts, the procedures take into account the history of debt service under the matter of paying the interest and the principal on the due date and the initiation of legal procedures concerning the non-performant credits. Following such an evaluation, the classification of loans in five categories results, as follows:

Initiation of legal procedures Service of debt	No legal procedures have been initiated	Legal procedures have been initiated
0 - 15 days	Standard	Loss
16 - 30 days	Under observation	Loss
31 - 60 days	Sub-standard	Loss
61 - 90 days	Doubtful	Loss
Minimum 91 days	Loss	Loss

The determination of the necessary of specific provisions of credit risk is done applying the relevant provision coefficient on the obtained taxable income, as follows:

Classification category	Credits registered in currency or indexed at the currency of a	Credits other than those from the prior column
-------------------------	--	--

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

	currency, granted to debtors - individuals, exposed to the currency risk	
Standard	0,07	-
Under observation	0,08	0,05
Sub-standard	0,23	0,20
Doubtful	0,53	0,50
Loss	1,00	1,00

The credits granted to a debtor are classified in one classification category based on the principle of downgrading by contamination, respectively by taking into account the weakest of the individual classification categories.

The establishment of specific provisions of credit risk is done by inclusion on expenses of the amount representing the level of the necessary of specific provisions of credit risk.

The adjustment of specific provisions of credit risk is done by the inclusion on expenses or by the resumption on incomes of the amount representing the difference between the level existing in balance of the specific provisions of credit risk and the level of necessary on each category of provisions.

The use of specific provisions of credit risk refers to the annulment of the specific provisions of credit risk and is done by the resumption on incomes of the amount representing the level existing in the balance of the specific provisions of credit risk related to credits for which one of the following conditions is fulfilled:

- all the legal recovery possibilities have been exhausted or the statute of limitation has fulfilled; or
- the contractual rights related to that credit have been transferred;

K. Cash and cash equivalent

The cash and cash equivalent are emphasized in the balance sheet at historical cost. For the situation of cash flow, the cash and its equivalent contain cash in the cash at bank, current accounts at banks and deposits at banks with an initial maturity of less than 3 months.

L. Share capital

The company has a paid-up share capital by the shareholders in the amount of 12.541.320 lei.

M. Loans

The short - term and long - term loans are registered initially at the received amount, net of the costs related to obtain a loan. During the following period, the loans are registered at the depreciated cost using the method of effective yield, the differences between received amounts (net of the obtainment costs) and the normal buy-back value are recognized in the profit and loss account during the loan contract.

N. Trade debts

The trade debts are registered at the value of amounts which are going to be paid for the received goods or services.

O. Provisions for risks and expenses

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

The provisions for the decommissioning, restructure, litigations, as well as other provisions for risks and expenses are recognized when the Company has a legal or default obligation generated by a prior event, when for the payment of obligation is probably to be necessary an exit of resources and when a credible estimate can be done concerning the value of obligation. The restructure provisions contain the direct costs generated by the restructure and namely those which are generated necessarily by the restructure process and are not related to the permanent performance of entity activity. No provisions for future operational losses are recognized.

P. Employees' benefits

Pensions and other benefits after retirement

During the normal activity, the Company pays health funds, pensions and unemployment for its employees at the legal instalments. All the company employees are members of the pension plan of the Romanian state. These costs are recognized in the profit and loss account once with the recognition of salaries.

The company does not have any other plan for pension or benefits after retirement and it does not have any other obligations referring to pensions.

Q. Taxation

(i) Tax on current profit

According to the Romanian fiscal regulations, the calculation of the tax on current profit starts from the result of the financial year, corrected by the deductible and non-deductible elements to which the taxation rates in force on the conclusion date of the balance sheet apply.

The annual loss, established by the annual return, is recovered from the taxable profits obtained during the following 7 consecutive years for the annual losses registered beginning with 2009. The recovery of losses will be done in the order of registration, at each payment term of the tax on profit, according to the legal Romanian provisions in force in the year of registration.

(ii) Postponed tax on profit

The company does not recognize the postponed tax on profit.

R. Interests to receive and similar incomes

The interests to receive and similar incomes contain interests from the main activity of the Company represented by "other credit activities (micro-credit)".

In "Interests and similar incomes", the penalties calculated at the credit contracts are calculated. The penalties related to other assets are included in "Other operational incomes".

S. Interests to pay and similar expenses

The expenses with interests related to loans from credit institutions are recognized periodically, pro rata, on the extent of generating those expenses, based on the accounting of commitments.

T. Incomes and expenses from fees

The incomes from fees include incomes related to the services granted to third parties, and the expenses with fees include expenses related to the services provided by third parties, such as fees for the payment of trade operations and other expenses or incomes related to them, account administration expenses.

U. Other incomes and operational expenses

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

These are registered based on the commitment accounting, during the period to which it refers.

In these financial situations, the incomes and expenses are presented at the gross value in the balance sheet, the debts and receivables from the same partners are presented at the net value when a compensation right exists.

V. Contingent assets and debts

(i) Contingent assets

A contingent asset is a potential asset which occurs as consequence of some events prior to the balance sheet date and of which existence will be confirmed only by the occurrence or non - occurrence of one or more unsafe future events, which cannot be fully under the Company control.

The contingent assets are not recognized in the financial situations because these are not certain, and their recognition could determine the recognition of an income which is never made.

If an income is certain, the related asset is not a contingent asset and it is proceeded to its recognition in the balance sheet during the period in which the modifications have occurred. The contingent assets are evaluated permanently to provide the corresponding presentation in the financial situations of the occurred modifications.

(ii) Contingent debts

A contingent debt is:

a) Potential obligation, occurred as consequence of a past event, prior to the date of the balance sheet and of which existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, which cannot be fully under the Company control; or

b) A current obligation occurred as consequence of some past events, prior to the date of the balance sheet, but which is not recognized because:

- It is not sure that resources which include economic benefits to pay these debts will exist, or
- The value of debt cannot be evaluated credibly enough.

The contingent debts are not recognized in the balance sheet, these will be presented within the elements outside the balance sheet.

The contingent debts are permanently evaluated to determine if an exit of resources which includes economic benefits has become probable. If it becomes probable that an exit of resources which includes economic benefits will be necessary for an element considered priory contingent debt, a provision will be recognized in the financial situations related to the period in which the modification has occurred, excepting the cases in which no credible estimate can be done and, consequently, a debt which cannot be recognized will exist, but it will be presented as contingent obligation.

W. Comparatives

The correction of errors related to the prior periods, acknowledged in accounting, is done based on the reported result. Such errors include effects of mathematical errors, errors to apply the accounting policies and wrong interpretation of events.

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

X. Events subsequent to the balance sheet

The effect of events subsequent to the date of balance sheet, which provide additional information concerning the financial position of the Company and which need adjustments are reflected in the balance sheet and in the profit and loss account, if applicable. The significant events which do not need adjustments are emphasized in the notes to the financial situations.

2. NOTE 2 - INFORMATION CONCERNING SOME POSITIONS FROM THE BALANCE SHEET

		<u>31.12.2020</u>	<u>31.12.2021</u>
<u>Other assets</u>	<u>120</u>	<u>544.703 lei</u>	<u>732.509 lei</u>
Paid-up guarantee deposits		428.652 lei	516.769 lei
Advance payment for debtors, invoices to receive		116.051 lei	215.862 lei
Meal vouchers		0 lei	-122 lei
<u>Other debts</u>	<u>330</u>	<u>9.186.727 lei</u>	<u>12.012.649 lei</u>
Salaries for personnel / collaborators		252.758 lei	279.438 lei
Current debts to the state budget / social insurances budget		122.932 lei	437.405 lei
Other various creditors / Providers		997.905 lei	2.255.390 lei
Loans from shareholders (long - term / short - term)		7.813.132 lei	9.040.416 lei
<u>Expenses registered in advance and involved incomes</u>	<u>130</u>	<u>2.321.658 lei</u>	<u>2.943.290 lei</u>
Attached receivables (interests / penalties of credits)		3.771.669 lei	4.814.022 lei
Expenses registered in advance		6.529 lei	4.875 lei
Attached receivable provisions		-1.456.540 lei	-1.875.607 lei
<u>Incomes registered in advance and involved debts</u>	<u>340</u>	<u>4.386.683 lei</u>	<u>5.149.420 lei</u>
Interest related to the long - term loan		4.403.959 lei	5.390.804 lei
Amounts pending adjustment		17.276 lei	-241.385 lei

3. NOTE 3 - SITUATION OF RECEIVABLES AND DEBTS

Balance on 31 st December	TOTAL	PERIOD UNTIL DUE DATE				
		D < 3 months	3 months > < 1 year	1 year > < 5 years	D > 5 years	
<u>Receivables</u>	<u>18.490.258 lei</u>	<u>18.490.258 lei</u>	-	-	-	
Receivables concerning clients	21.972.535 lei	21.972.535 lei	-	-	-	
Provisions concerning clients	-3.482.277 lei	-3.482.277 lei				

4. NOTE 4 - INFORMATION CONCERNING THE PORTFOLIO OF TITLES

- The company does not have bonds and other titles with fixed income, as well as no shares and other titles with variable income, contributions or shares within other commercial companies.

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

5. NOTE 5 - FIXED ASSETS

- All intangible assets in balance on 31st December 2021, have determined lifecycle and are depreciated based on the linear method.
- The patents, licenses, trademarks and similar assets are depreciated using the linear method on a period of 3 years.
- The depreciation of tangible assets is calculated to the entry value, using the linear method over the estimate lifecycle of assets.

	GROSS VALUE OF ASSETS ELEMENTS				DEPRECIATION OF ASSETS ELEMENTS			
	Initial balance	Increments	Discounts	Final balance	Initial balance	Depreciation during the year	Depreciation related to assets	Depreciation at the end of the year
Intangible assets								
Other intangible assets	244.085 lei	137.685 lei	0	381.770 lei	204.893 lei	24.611 lei	0	229.504 lei
Total of intangible assets	244.085 lei	137.685 lei	0	381.770 lei	204.893 lei	24.611 lei	0	229.504 lei
Tangible assets								
Furniture, office supplies, equipments for the protection of human and material values and other tangible assets	236.300 lei	15.470 lei	0	251.770 lei	146.026 lei	44.023 lei	0	190.049 lei
Total tangible assets	236.300 lei	15.470 lei	0	251.770 lei	146.026 lei	44.023 lei	0	190.049 lei
Fixed assets - Total	480.385 lei	153.155 lei	0	633.540 lei	350.919 lei	68.634 lei	0	419.553 lei

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

6. NOTE 6 - OWN SHARES AND ISSUED BONDS

AXI FINANCE IFN SA has a share capital of 9.076.320 lei, divided in 9.076.320 shares, each having a nominal value of 1 leu, numbered from 1 to 12.541.320 and is owned by shareholders, as follows:

- Bulgarian legal entity ACCESS FINANCE OOD (99,99998%) - 12.541.318 lei
- Bulgarian citizen Stanimir Vassilev (0.00001%) - 1 lei
- Bulgarian citizen Nedelcho Yordanov (0.00001%) - 1 lei

7. NOTE 7 - DISTRIBUTION OF PROFIT

- The company has not registered profit in 2021.

8. NOTE 8 - PROVISIONS

- on 31.12.2021, the following provisions have been calculated for the granted credits

Delay days	Portfolio		Provision %
	Credit	Interests and penalties	
< 15	16.763.029	2.135.755	0,00 %
< 30	869.224	360.904	5,00 %
< 60	639.286	324.441	20,00 %
< 90	780.074	400.496	50,00 %
> 90	2.920.921	1.592.426	100,00 %
Total	21.972.534	4.814.022	

Delay days	Portfolio		Provision %
	Credit	Interests and penalties	
< 15	0.00	0.00	0,00 %
< 30	-43.461	- 18.045	5,00%
< 60	-127.857	- 64.888	20,00 %
< 90	- 390.037	- 200.248	50,00 %
> 90	-2.920.921	- 1.592.426	100,00 %
Total	- 3.482.276	- 1. 875.607	

The movements related to the specific provisions of credit risk from the credit activity during the year have been the following:

	31 st December 20202
Balance at the beginning of period	- 4.086.878 lei
Additional provisions	- 9.715.788 lei
Resumption of provisions	8.444.782 lei
Total	- 8.357.884 lei

- also, on 31.12.2020, the provisions for unused medical leaves in the amount of 97.125,00 RON have been registered.

9. NOTE 9 - INFORMATION CONCERNING SOME POSITIONS FROM THE PROFIT AND LOSS ACCOUNT

TRANSLATION FROM ROMANIAN
AXI FINANCE IFN SA
FINANCIAL STATEMENTS
31ST DECEMBER 2021

		31.12.2020	31.12.2021
Other operational expenses	100	2.746.820 lei	3.545.425 lei
Expenses with rents		927.209 lei	1.537.655 lei
Expenses with other taxes / fees / VAT		677.381 lei	1.091.986 lei
Interest of shareholders' loans		1.141.501 lei	911.472 lei
Other operational expenses		729 lei	4.312 lei

10. NOTE 10 - INFORMATION CONCERNING THE EMPLOYEES AND MEMBERS OF THE ADMINISTRATION, MANAGEMENT AND SUPERVISION BODIES

		31.12.2020	31.12.2021
Expenses with personnel, out of which:	083	4.898.598	5.855.891
- Salaries	084	4.788.754	5.716.922
- Expenses with social insurances, out of which:	085	107.471	126.969
- expenses related to pensions	086	0	0
Number of employees, out of which:		77	81
- Number of employees from the front office departments		42	45
- Number of employees from the back-office departments		35	36
Average number of employees (with employment contract)		77	83
Number of collaborators (with civil contract)		1	1

Salaries to pay	31.12.2020	31.12.2021
	Paid in January 2021	Paid in January 2022
Personnel - owe salaries	235.708	261.375
Other creditors - salaries of collaborators	17.050	14.210

11. NOTE 11 - TRANSACTIONS WITH AFILIATED PARTIES

- in 2016, the company has received loans from the main shareholders, ACCESS FINANCE OOD, in the total amount of 246.300 EURO, followed in 2017 by loans in the amount of 3.700.000 EUROS, in 2018 by loans in the amount of 1.600.000 EUROS, in 2019 by loans in the amount of 1.100.000 EUROS, in 2020 in the amount of 450.000 EUROS and in 2021 922.511 EUROS, long - term, with due date 5 years from the date of granting each tranche and an interest of 9 % per year;
- the interest is calculated and registered monthly, in EURO, performing a revaluation at the BNR exchange rate on the last day of each month;
- during December 2017, the increase of the share capital has been decided by the capitalization of 518.478,00 Euros by the granted loans, during 2018 the share capital has been increased by capitalization of 3.863.490,00 euros, followed in 2020 by the capitalization of 1.314.332,00 euros of this loan and in 2021 by the capitalization of 700.000,00 euros.

Period	Balance (EURO)	Exchange rate End of management period	Balance (LEI)
31.12.2016	246.635	4,5411	1.119.994
31.12.2017	3.428.164	4,6597	15.974.216
31.12.2018	1.164.332	4,6639	5.430.328
31.12.2019	2.264.332	4,7793	10.821.922
31.12.2020	1.400.000	4,8694	6.817.160
31.12.2021	1.622.511	4,9481	8.028.347

All loans, bearing interest, are taken from Access Finance OOD to support the activity of the company AXI FINANCE IFN SA.

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

Transactions related to loans

	Receiving loans	Reimbursement of loans	Capitalization
	EURO	EURO	EURO
2016	246.635	0	0
2017	3.700.000	0	- 518.478
2018	1.599.665	0	- 3.863.490
2019	1.100.000	0	0
2020	450.000	0	- 1.314.332
2021	922.511	0	- 700.000

	Receiving loans	Reimbursement of loans	Capitalization
	LEI	LEI	LEI
2016	1.119.994	0	0
2017	16.916.533	0	- 2.384.999
2018	7.445.810	0	- 18.000.000
2019	5.441.213	0	0
2020	2.440.044	0	- 6.444.806
2021	4.533.196	0	- 3.464.230

The capitalizations performed during 2017 - 2021 have been done in order to observe the provisions of art. 153 align. (1) of the Law of companies no. 31 / 1990, republished with the subsequent modifications and completions, "If the board of directors, respectively the directorship, acknowledges that, following some losses, established by the annual financial situations approved according to the law, the net asset of the company, determined as difference between the total of assets and the total of debts, diminished to less than half of the value of subscribed share capital, the extraordinary general assembly will be summoned immediately to decide if the company must be dissolved."

Attached interest				
Year of transactions	Interest value (EURO)	Balance (EURO)	Rate exchange End of management period	Final balance (LEI)
2016	4189,61	4189,61	4.5411	19.025,44
2017	183.495,56	187.685,17	4,6597	874.556,59
2018	328.753,12	516.438,29	4.6639	2.408.616,52
2019	144.426,92	660.865,21	4.7793	3.158.473,10
2020	217.273,54	878.138,75	4.8694	4.276.008,81
2021	166.646,49	1.044.785,24	4.9481	5.169.701,80

During 2018, the company has granted a loan with a value of 144.799,37 RON to M CASH MACEDONIA DOOEL as payments for M CASH MACEDONIA DOOEL to its providers, according to the Loan agreement signed on 15.01.2018 and Addendum no. 1 / 20.04.2018. The amounts have been returned fully during 2018.

List of performed transactions:

	Giving loans	Reimbursement of loans	Balance at the end of the period
	RON	RON	RON
2018	144.799,37	144.799,37	0

TRANSLATION FROM ROMANIAN**AXI FINANCE IFN SA****FINANCIAL STATEMENTS****31ST DECEMBER 2021**

During 2018, the company has received a loan with a value of 204.536,99 EURO from EASY ASSET MANAGEMENT JSC on long - term, with a due term of 5 years from the date of granting each tranche and an interest of 9% per year. The interest is calculated and registered monthly, in EURO, performing a revaluation at the BNR exchange rate on the last day of each month.

	Giving loans	Reimbursement of loans	Balance at the end of the period
	EURO	EURO	RON
2019	204.536,99	0	204.536,99

Attached interest				
Year of transactions	Interest value (EURO)	Balance (EURO)	Rate exchange End of management period	Final balance (LEI)
2019	7.766,80	7.766,80	4.7793	37.119,87
2020	18.509,08	26.275,88	4.8694	127.947,77
2021	18.408,34	44.684,22	4.9481	221.101,99

During 2019 - 2021, the company AXI FINANCE IFN SA has sold a part of its non-performing receivables to the company Agency for Control of Outstanding Debts SRL as follows:

Year	Value of assigned credits	Sale price of assigned credits
2019	397.580 RON	106.552 RON
2020	6.093.966 RON	1.638.548 RON
2021	5.034.528 RON	1.420.706 RON

The amount to be received from Agency for Control of Outstanding Debts SRL on 31.12.2021 is 61.547 RON.

The company EASY PEYMENT CERVECES OOD mediates the transfer of amounts granted to the clients of the company AXI FINANCE IFN SA, recovering these amounts subsequently from the company. At the same time, invoices these supplied services and the issuance of cards necessary monthly / trimestral, as follows:

year	Value of services	Mediated values of cards
2019	206.127 RON	5.573.167 RON
2020	969.882 RON	46.320.358 RON
2021	1.550.253 RON	93.699.964 RON

12. NOTE 12 - INFORMATION CONCERNING THE GEOGRAPHICAL MARKETS

- all incomes and expenses from below are related to the transactions performed on the Romanian territory

	31.12.2020	21.12.2021
Interests to receive and similar incomes, out of which:	20.494.522 lei	26.244.243 lei
Incomes from interests of granted credits	18.437.593 lei	24.040.936 lei
Other incomes from current accounts' interests	0 lei	0 lei
Incomes from penalties of granted credits	2.056.929 lei	2.203.307 lei

Expenses with fees	181.778 lei	209.234 lei
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TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

Net profit or loss of financial activities	-322,751 lei	-279,725 lei
Expenses from differences of rate exchange	-439.317 lei	-336.062 lei
Incomes from differences of rate exchange	116.566 lei	56.337 lei

13. NOTE 13 - CONTINGENT DEBTS AND COMMITMENTS

- The company has on 31.12.2021 commitments towards the clients in the amount of 14.168.590 lei, representing the non-withdrawn value from granted line of credits.

14. NOTE 14 - OTHER INFORMATION

These financial situations are presented by AXI FINANCE IFN SA and includes the results of the Company operations for the financial year concluded on 31st December 2021.

AXI FINANCE IFN SA has been registered at the Trade Register on 12.10.2015 having as main scope of business the performance of other credit activities (microcredit) based on contract. AXI FINANCE IFN SA has been registered in the Trade Register, kept at the National Bank of Romania, with the number RG-PJR-41-110308 / 08.04.2016.

The headquarters of AXI FINANCE IFN SA is in Bucharest, 1st district, 19 - 21 Bd. Primaverii, 3rd floor.

AXI FINANCE IFN SA has the taxpayer's identification number 35116319, being registered at the Trade Register with the no. J40 / 12493 / 2015.

The company has as scope of business the granting of credits to individuals.

The share capital of AXI FINANCE IFN SA is held by:

- Bulgarian legal entity ACCESS FINANCE OOD (99,99998%)
- Bulgarian citizen Stanimir Vassilev (0.00001%)
- Bulgarian citizen Nedelcho Yordanov (0.00001%)

The management of AXI FINANCE IFN SA is provided by 1 leader and namely:

- Tsvetan Petkov Krastev, Bulgarian citizen, born on 21.01.1985 in Vidin, Bulgaria, domiciled in Krum complex, Bachvarov, 24, G entrance, 5th floor, flat 100, Vidin, Bulgaria, identified by ID no. 644066398, issued by the authorities of Bulgaria on 15.08.2012, PIN 8501211720.

AXI FINANCE IFN SA has begun its activity according to the scope of business beginning with December 2016, after the registration date at the Romanian National Bank.

The bookkeeping has been kept according to the Order of the governor of Romanian National Bank no. 6 / 2015 for the approval of the Accounting regulations compliant with the European directives, applicable to the credit institutions and Accounting law 82 / 1991 republished, with the subsequent modifications and completions.

The legally drafted documents have been verified daily and registered in the bookkeeping of the company.

The balance trials have been drafted monthly, the data contained by it is correct and registered up to date.

The balance sheet has been drafted based on the data from the balance trial, all the accounts from the balance sheet correspond to the accounting data, agreeing with the real situation of elements based on the patrimony inventory.

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA FINANCIAL STATEMENTS 31ST DECEMBER 2021

No compensations between the balance positions or between the incomes and expenses accounts have been done.

All the patrimony elements have been evaluated according to the regulations in force.

AXI FINANCE IFN SA performs its activity within continuity conditions.

AXI FINANCE IFN SA has observed under all significant matters the provisions of the abovementioned regulations.

The administrator has reached the conclusion that the annual financial situations present a loyal image of the financial position, performance, treasury flows and modifications of equity capital.

From the analysis of the balance trial and results of inventory of balance positions on 31st December 2021, the following results:

I. FIXED ASSETS	213.987 lei
II. FLOATING ASSETS	19.333.465 lei
Out of which:	
Cash bank and other values	3.651 lei
Receivables of credit institutions	107.047 lei
Receivables on clients	18.490.258 lei
Other assets	732.509 lei
III. EXPENSES IN ADVANCE	2.943.290 lei
TOTAL ASSETS	22.490.742 lei
I. EQUITY CAPITAL	5.328.673 lei
II. DEBTS	17.162.069 lei
Out of which:	
Other debts	12.012.649 lei
Incomes registered in advance and involved debts	5.149.420 lei
TOTAL LIABILITIES	22.490.742 LEI

Briefly, the financial situation of AXI FINANCE IFN SA for 2021 is the following:

I. Total incomes	37.298.423 lei
Interests to receive and similar incomes	26.244.243 lei
Other operational incomes	- 2.817 lei
Incomes from differences of rate exchange	56.337 lei
Incomes from provisions	8.450.992 lei
Incomes from recovery of receivables	2.549.668 lei
II. Total expenses	38.803.479 lei
Expenses with fees	209.234 lei
General administrative expenses	16.483.552 lei
Corrections on the value of intangible and tangible assets	68.635 lei
Other operational expenses	3.545.425 lei
Expenses from differences of rate exchange related to the transactions in currency (included net of incomes from differences of rate exchange in the account of profit and loss from the financial situations as net profit or loss from financial operations)	336.063 lei
Corrections on the value of receivables and provisions	9.715.788 lei
Losses from the sale of receivables	8.444.782 lei
III. Net result of the financial year (Loss)	1.505.056 lei

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

The main risk which AXI FINANCE IFN SA has faced during 2021 is the credit risk, generated by the failure to fulfill by the clients of contractual obligations, especially by the failure to pay or delayed payment of instalments and credit interests. AXI FINANCE IFN SA has measures and mechanisms specific for the management of credit risk by the permanent monitoring of payment delays and / or by the application of some actions against each client which registers significant delays.

For 2022, an increase of the activity volume in comparison with the level of 2021 is foreseen.

15. NOTE 15 - EVENTS SUBSEQUENT TO THE DATE OF BALANCE SHEET

The invasion of Ukraine by Russia, on 24th February 2022, has had an indirect impact on AXI Finance IFN. An increase of the used amounts could be seen, relatively immediately, the increase being 15% from one month to another (March from February). The collected amounts have had an increase, but not at the same rhythm. In this case, the increase has been of only 8.5%. It has reflected the clients' prudence, which have preferred to remain with amounts withdrawn from the card, paying interest, within the purpose of keeping the liquidity. The phenomenon has been diminished in April, when the collection (amounts paid by the clients) have begun to increase to normal, exceeding the withdrawals of clients with more than 580.000 RON in comparison to only 168.000 RON in March. May has represented a complete normalization between the volume of collections and that of payments, the collected amounts exceeding the withdrawn amounts by more than 700.000 RON.

A related phenomenon, which we estimate that will be reflected for a longer period of time, is the clients' prudence for the option to increase the credit limit. The inflation from the last 3 months, generated by the war of Ukraine, has led to a feeling of unsafety from clients from our portfolio: a higher weight of them refuse to increase the credit limit from the card being afraid that they will not be able to pay the debt.

16. NOTE 16 - CONTINUITY OF ACTIVITY

The company has the financial resources necessary to increase the activity level and we expect that during the following 6 months, we register a gradual increase of the disbursement of credits, with positive effects in financial results.

MANAGING DIRECTOR

Name and forename: Bogdan Dobre

Signature: - *illegible signature* -

Unit stamp: - *round stamp affixed* -

DRAFTED,

CRISTIANA CATUNEANU

Quality: Sole trader - CECCAR member

Signature:

Registration number in the professional body

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA FINANCIAL STATEMENTS 31ST DECEMBER 2021

REPORT OF ADMINISTRATORS

AXI FINANCE IFN SA has a share capital of 12.541.320 lei, held by:

- Bulgarian legal entity ACCESS FINANCE OOD (99,99998%)
- Bulgarian citizen Stanimir Vassilev (0.00001%)
- Bulgarian citizen Nedelcho Yordanov (0.00001%)

AXI FINANCE IFN SA has been registered at the Trade Register Bucharest on 12.10.2015, the main scope of business is other credit activities (microcredit) based on credit contract.

The headquarters of AXI FINANCE IFN SA is in Bucharest, 1st district, 19 - 21 Bd. Primaverii, 3rd floor.

AXI FINANCE IFN SA has been registered in the Trade Register kept by the Romanian National Bank with the number RG-PJR-110308 / 08.04.2016.

AXI FINANCE IFN SA has begun the activity according to the scope of business beginning with December 2016, after the registration at the Romanian National Bank.

The bookkeeping has been kept according to the Order of the governor of the Romanian National Bank no. 6 / 2015 for the approval of the Accounting regulations compliant with the European Directives, applicable to credit institutions and Accounting law 82 / 1991 republished, with the subsequent modifications and completions.

The legally drafted documents have been verified daily and registered in the bookkeeping of the company.

The balance trials have been drafted monthly, the data from it is correct and up to date.

The balance sheet has been drafted based on the data from the trial balance, all the accounts from the balance sheet corresponding to the data from the bookkeeping, according to the real situation of elements based on the patrimony inventory.

No compensations have been done between the balance sheet positions or between the incomes and expenses accounts.

All the patrimony elements have been evaluated according to the regulations in force.

AXI FINANCE IFN SA performs its activity within continuity conditions.

AXI FINANCE IFN SA has observed under all significant matters the provisions of the abovementioned regulations.

The administrator has reached the conclusion that the annual financial situations present a loyal image of the financial position, performance, treasury flows and modifications of equity capital.

From the analysis of the balance trial and results of the inventory of balance position on 31st December 2021, the following results:

I. FIXED ASSETS	213.987 lei
II. FLOATING ASSETS	19.333.465 lei
Out of which:	

TRANSLATION FROM ROMANIAN

AXI FINANCE IFN SA

FINANCIAL STATEMENTS

31ST DECEMBER 2021

Cash bank and other values	3.651 lei
Receivables of credit institutions	107.047 lei
Receivables on clients	18.490.258 lei
Other assets	732.509 lei
III. EXPENSES IN ADVANCE	2.943.290 lei
TOTAL ASSETS	22.490.742 lei
I. EQUITY CAPITAL	5.328.673 lei
II. DEBTS	17.162.069 lei
Out of which:	
Other debts	12.012.649 lei
Incomes registered in advance and involved debts	5.149.420 lei
TOTAL LIABILITIES	22.490.742 LEI

Briefly, the financial situation of AXI FINANCE IFN SA for 2021 is the following:

I. Total incomes	37.298.423 lei
Interests to receive and similar incomes	26.244.243 lei
Other operational incomes	- 2.817 lei
Incomes from differences of rate exchange	56.337 lei
Incomes from provisions	8.450.992 lei
Incomes from recovery of receivables	2.549.668 lei
II. Total expenses	38.803.479 lei
Expenses with fees	209.234 lei
General administrative expenses	16.483.552 lei
Corrections on the value of intangible and tangible assets	68.635 lei
Other operational expenses	3.545.425 lei
Expenses from differences of rate exchange related to the transactions in currency (included net of incomes from differences of rate exchange in the account of profit and loss from the financial situations as net profit or loss from financial operations)	336.063 lei
Corrections on the value of receivables and provisions	9.715.788 lei
Losses from the sale of receivables	8.444.782 lei
III. Net result of the financial year (Loss)	1.505.056 lei

The main risk which AXI FINANCE IFN SA has faced during 2021 is the credit risk, generated by the failure to fulfill by the clients of contractual obligations, especially by the failure to pay or delayed payment of instalments and credit interests. AXI FINANCE IFN SA has measures and mechanisms specific for the management of credit risk by the permanent monitoring of payment delays and / or by the application of some actions against each client which registers significant delays.

The management of AXI FINANCE IFN SA is provided by 1 leader acting as President of the Board of Directors and namely:

- Tsvetan Petkov Krastev, Bulgarian citizen, born on 21.01.1985 in Vidin, Bulgaria domiciled in Krum complex, Bachvarov, no. 24, G entrance, 5th floor, flat 100, Vidin, Bulgaria, identified by ID no. 644066398, issued by the authorities of Bulgaria on 15.08.2012, PIN 8501211720.

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FINANCIAL STATEMENTS
31ST DECEMBER 2021

At the end of the financial year for 2021, AXI FINANCE IFN SA has had 81 full - time employees.

For 2022, an increase of the activity volume in comparison with the level of 2021 is foreseen.

Managing Director
Bogdan Dobre
- illegible signature -

24.05.2022

*I, the undersigned, **Cornila Anca Maria** , sworn translator and interpreter of the foreign languages English - Italian, based on the authorisation 23647/2021, issued by the Ministry of Justice of Romania, hereby certify the accuracy of the translation performed from romanian language into english language,*

