IBANCAR WORLD, S.L.

ABRIDGED ANNUAL ACCOUNTS FOR 2021 TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT ON THE ABRIDGED ANNUAL ACCOUNTS

BDO

IBANCAR WORLD, S.L.

Abridged Annual Accounts for 2021 together with the Independent Auditor's Report on the Abridged Annual Accounts

INDEPENDENT AUDITOR'S REPORT ON THE ABRIDGED ANNUAL ACCOUNTS

ABRIDGED ANNUAL ACCOUNTS FOR 2021:

- Abridged Balance Sheets at 31 December 2021 and 2020
- Abridged Income Statements for 2021 and 2020
- Abridged Statement of Changes in Equity for 2021 and 2020
- Notes to the Abridged Annual Accounts for 2021

IBANCAR WORLD, S.L.

Independent Auditor's Report on the Abridged Annual Accounts

Tel.: +34 952 77 19 51
www.bdo.es

Antonio Baena Gómez 2, 3º Izq
29005 Málaga
Spain

Audit Report on Abridged Annual Accounts Issued by an Independent Auditor

To the Single Shareholder of **IBANCAR WORLD, S.L. (UNIPERSONAL)** at the request of the Directors:

Opinion

We have audited the abridged annual accounts for **IBANCAR WORLD, S.L. (UNIPERSONAL)** (the Company), consisting of the abridged balance sheet at 31 December 2021, the abridged income statement, the abridged statement of changes in equity and the notes to the abridged annual accounts for the year then ended.

In our opinion, the accompanying abridged annual accounts provide, in all significant aspects, a fair presentation of the equity and the financial condition of the Company at 31 December 2021, as well as its results corresponding to the financial year then ending, in conformity with the applicable financial reporting legislation (identified in Note 2.1) to the abridged annual accounts) and, in particular, with the accounting principles and criteria contained therein.

Basis for the opinion

We have carried out our audit in conformity with the regulatory policies on account auditing in force in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the abridged annual accounts section of our report.

We are independent of the Company in accordance with ethical requirements, including those of independence that are relevant to our audit of the abridged annual accounts in Spain in accordance with legislation governing the audit practice. We have not provided any services other than account auditing and there are no situations or circumstances that, in accordance with the terms of audit regulations, have compromised our required independence.

We consider that the audit evidence we have gathered provides a sufficient and suitable basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those which, in our professional opinion, have been considered to be the most significant risks of material misstatement during our audit of the abridged annual accounts for the current period. These risks were addressed in the context of our audit of the abridged annual accounts taken as a whole and in the preparation of our opinion thereon, and we do not express a separate opinion regarding those risks.

Most relevant aspects of the audit	**Audit response**
Revenue recognition	
The Company primarily engages in the marketing and rendering of financial services as is stated in Note 1 of the accompanying notes to the abridged annual accounts Revenue recognition is a significant area and susceptible to misstatements, particularly with regard to integrity, accuracy and suitable timing and for this reason we have considered these matters to be a key part of our audit.	We have carried out the following audit procedures, among others: – Understanding of the Company's revenue recognition process. – Identification of the controls established by the Company with respect to this process. – Review of a sample of transactions to determine that the controls implemented by the Company are operational. – Performance of analytical procedures at dates near the closing date and upon the completion of the audit in order to determine whether the trends and/or any changes are congruent. – Specific analysis of sales and service transactions shortly before and after the closing date to examine whether there are any revenue recognition risks (cut-off of operations). – Recalculation of revenue accrued during the year based on auxiliary records provided by the Company: revenue from the rendering of services and the treatment of fees. – Analysis of a sample of revenue from the sale of vehicles. – Verification that the information and disclosures regarding these matters included in the abridged annual accounts are adequate.

Directors' responsibility with respect to the abridged annual accounts

The Directors are responsible for preparing the accompanying abridged annual accounts such that they express a true and fair view of the equity, the financial situation and the results obtained by the Company, in accordance with the financial reporting legislation applicable to the Company in Spain, and the internal control that is considered necessary to allow abridged annual accounts to be prepared free of material misstatement due to fraud or error.

When preparing the abridged annual accounts, the Company's Directors are responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to its status as a going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease its operations, or have no other realistic alternative.

Auditor's responsibilities for the audit of the abridged annual accounts

Our objectives are to obtain reasonable assurance that the abridged annual accounts taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that contains our opinion. Reasonable assurance is a high degree of assurance but does not guarantee that an audit performed in accordance with the regulatory policies on account auditing in force in Spain will always detect existing material misstatements. 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 abridged annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. In addition:

- We identify and assess the risks of material misstatement of the abridged annual accounts, 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 due to fraud is greater than in the case of a material misstatement due to error, as fraud may imply collusion, falsification, deliberate omissions, intentionally erroneous statements or the evasion of internal control.

- We obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluate whether the accounting policies applied are suitable and we evaluate the reasonableness of the accounting estimates and relevant information disclosed by the Directors.

- We reach a conclusion as to the appropriateness of the Directors' 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 doubts on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to express a modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue being a going concern.

- We assess the overall presentation, structure and content of the abridged annual accounts, including the disclosures, and whether the abridged annual accounts represent the underlying transactions and facts in a manner that expresses a true and fair view.

We contact the Directors of the Company regarding, among other matters, the planned scope and timing of the audit and the significant findings of the audit, as well as any important shortcomings in the internal control that we discover during the course of the audit.

Among the material risks that were reported to the Company's Directors, we determine those that are most important to the audit of the abridged annual accounts for the current period and that are, consequently, considered to be the most significant risks.

We describe those risks in our audit report, except where legal and regulatory provisions prohibit public disclosure of the matter.

BDO Auditores, S.L.P.

AUDITORS
INSTITUTE OF CHARTERED AUDITORS OF SPAIN

BDO AUDITORES, S.L.P.

2022 No. 07/22/01105
EUR 96.00
CORPORATE SEAL:
Account audit report subject to Spanish or international regulatory policies on account auditing

José María Silva Alcaide
Partner - Auditor
ROAC No. 16048

15 July 2022

ROAC No. S1273
Registered address at C/ San Elias, escalera B, 8ª planta, 08006 Barcelona

IBANCAR WORLD, S.L.

ABRIDGED ANNUAL ACCOUNTS FOR 2021

ABRIDGED BALANCE SHEETS AT 31 December 2021 AND 2020

(Expressed in euro)

ASSETS	Note	31/12/2021	31/12/2020
NON-CURRENT ASSETS		**3,794,138.97**	**1,690,192.04**
Intangible assets	**5**	**38,403.54**	-
Property, plant and equipment	**5**	**77,879.68**	**63,550.18**
Non-current investments in Group companies and associates		**78,636.84**	**75,627.10**
Equity instruments in Group companies and associates	7	3,009.74	**-**
Loans to Group companies and associates	8	75,627.10	75,627.10
Non-current financial investments	**8**	**3,553,455.54**	**1,494,839.30**
Other financial assets		3,553,455.54	1,494,839.30
Deferred tax assets	**11**	**45,763.37**	**56,175.46**
CURRENT ASSETS		**778,186.87**	**329,231.02**
Inventories	**14**	**157,812.22**	**42,374.33**
Trade and other receivables		**(932.46)**	**3,207.19**
Trade receivables for sales and services rendered	8	(932.46)	413.56
Personnel	8	-	500.00
Other receivables	11	-	2,293.63
Prepayments and accrued income		**38,336.24**	**20,827.76**
Cash and cash equivalents	**8.a**	**582,970.87**	**262,821.74**
TOTAL ASSETS		**4,572,325.84**	**2,019,423.06**

ABRIDGED BALANCE SHEETS AT 31 December 2021 AND 2020
(Expressed in euro)

EQUITY AND LIABILITIES	Note	31/12/2021	31/12/2020 (*)
EQUITY		**777,829.29**	**746,593.03**
Capital and reserves	**10**	**777,829.29**	**746,593.03**
Share capital	10.a	9,150.00	9,150.00
Share premium	10.a	644,677.50	644,677.50
Reserves	10.b	286,361.41	286,361.41
Prior year profit/(loss)		(193,595.88)	(44,948.20)
Profit/(loss) for the year	3	31,236.26	(148,647.68)
NON-CURRENT LIABILITIES		**3,244,462.70**	**1,061,221.34**
Non-current borrowings	**9**	**2,539,590.96**	**1,061,221.34**
Bank borrowings		39,265.37	65,579.09
Finance lease payables		29,800.50	34,197.49
Other financial liabilities		2,470,525.09	961,444.76
Non-current payables to Group companies and associates	**9 and 12**	**704,871.74**	**-**
CURRENT LIABILITIES		**550,033.85**	**211,608.69**
Current payables	**9**	**38,492.78**	**67,600.98**
Bank borrowings		31,220.95	50,677.94
Finance lease payables		4,396.99	16,923.04
Other financial liabilities		2,874.84	-
Trade and other payables	**9 and 11**	**511,541.07**	**144,007.71**
Suppliers		5,928.67	1,464.18
Other payables		505,612.40	142,543.53
TOTAL EQUITY AND LIABILITIES		**4,572,325.84**	**2,019,423.06**

(*) restated

ABRIDGED STATEMENTS OF INCOME
FOR THE YEARS 2021 AND 2020
(Expressed in euro)

	Note	31/12/2021	31/12/2020
Revenue	13.b	1,761,539.98	878,986.16
Changes in inventories of finished goods and work in progress		-	(446.68)
Work performed by the company on its own assets	5	37,303.78	-
Supplies	13.a	(85,432.92)	(80,963.96)
Other operating income		563.94	45.00
Personnel expenses	13.c	(767,002.94)	(446,773.91)
Other operating expenses	13.d	(674,085.52)	(398,015.31)
Asset amortization/depreciation	5	(18,659.62)	(11,327.74)
Impairment and gain/(loss) on disposals of assets	See Note 5	3,599.06	9,650.05
Extraordinary profit/(loss)		(7,098.86)	(29,229.03)
OPERATING PROFIT/(LOSS)		250,726.90	(78,075.42)
Financial income		-	0.09
Financial expenses	13.e	(181,612.50)	(101,005.07)
Impairment and gains/(losses) on the disposal of financial instruments		(27,466.05)	(14,713.42)
FINANCIAL INCOME/(EXPENSE)		(209,078.55)	(115,718.40)
PROFIT/(LOSS) BEFORE TAXES		41,648.35	(193,793.82)
Corporate income tax	11	(10,412.09)	45,146.14
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		31,236.26	(148,647.68)
PROFIT/(LOSS) FOR THE YEAR		31,236.26	(148,647.68)

ABRIDGED STATEMENT OF CHANGES IN EQUITY

ABRIDGED STATEMENT OF TOTAL CHANGES IN EQUITY FOR THE YEARS 2021 AND 2020

(Expressed in euro)

	Authorized Capital	Share premium	Reserves	Prior year profit/(loss)	Profit/(loss) for the year	Total Equity
BEGINNING BALANCE 2020	**8,400.00**	**144,000.00**	**286,361.41**	**(12,939.67)**	**(32,008.53)**	**393,813.21**
Total recognised income and expenses	-	-	-	-	(148,647.68)	(148,647.68)
Other changes in equity	-	-	-	(32,008.53)	32,008.53	-
Transactions with shareholders or owners - Share capital increases (Note 10)	750.00	500,677.50	-	-	-	501,427.50
BEGINNING BALANCE 2021	**9,150.00**	**644,677.50**	**286,361.41**	**(44,948.20)**	**(148,647.68)**	**746,593.03**
Total recognised income and expenses	-	-	-	-	31,236.26	31,236.26
Other changes in equity	-	-	-	(148,647.68)	148,647.68	-
ENDING BALANCE 2021	**9,150.00**	**644,677.50**	**286,361.41**	**(193,595.88)**	**31,236.26**	**777,829.29**

NOTE 1 - ACTIVITIES

a) Incorporation and registered address

The company IBANCAR WORLD S.L.(UNIPERSONAL), to which these notes refer, was incorporated in 2011 and maintains its registered address for business and tax purposes at PLAZA SALVADOR GONZÁLEZ ANAYA 2, EDIFICIO APOLO XIV, LOCAL 3, 29640, FUENGIROLA, MALAGA. It was incorporated as a limited liability company.

The company was entered into the MÁLAGA 5 registry on October 25, 2011, in volume: 4936, sheet: 110, page: MA-111067.

b) Business

The Company's corporate purpose consists of rendering services that are auxiliary to financial services, except for insurance and pension funds. On a supplementary basis, it markets financial services and sells vehicles, among other things.

c) Legal System

The Company is governed by its bylaws and by the current Spanish Companies Act.

d) Group

At 31 December 2021, the Company is wholly owned by IBANCAPITAL, L.T.D., which files its annual accounts in the United Kingdom.

e) Closing date

The Company's financial year starts on 1 January and ends on 31 December each year. In the rest of the notes to these abridged annual accounts, when reference is made to the year ended 31 December 2021 it will be simplified to "2021".

NOTE 2 - BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS

1. True and fair view and financial reporting regulatory framework:

The abridged annual accounts for 2021 have been prepared on the basis of the Company's accounting records and are presented in compliance with current Spanish Companies Act and the Spanish General Chart of Accounts approved by Royal Decree 1514/2007 (16 November), the amendments introduced by Royal Decree 1159/2010 (17 September), Royal Decree 602/2016 (2 December) and Royal Decree 1/2021 (12 January), so as to provide a true and fair view of the Company's equity, its financial situation and the results of its operations.

There are no exceptional reasons why accounting legislation has not been applied in order to reflect a true and fair view.

These abridged annual accounts, which have been prepared by the Company's administrators, will be submitted for the approval of the two joint and several administrators. It is expected that they will be approved without any modification being made.

2. Accounting policies:

The abridged annual accounts have been prepared through the application of the accounting principles established in the Spanish Commercial Code and General Chart of Accounts.

All mandatory accounting or measurement standards with a material effect have been applied.

3. Presentation Currency

In accordance with current legal regulations on accounting matters, the abridged annual accounts are presented in euro.

4. Key aspects of the measurement and estimation of uncertainty:

When preparing the accompanying abridged annual accounts estimates made by Company administrators have been used in order to measure some assets, liabilities, income, expenses and commitments recorded in the accounts. These estimates basically refer to:

- The need to impair inventories.
- The assessment of potential impairment losses on trade receivables.
- The recognition of income.
- Derecognition of financial assets (Notes 8 and 12)

Estimates and assumptions have been based on the best information available at 31 December 2021 when preparing the annual accounts for 2021. Future events could generate adjustments (upward or downward) in coming years, which would be made prospectively to recognise the impact of the change in the estimates in future annual accounts.

5. Comparability:

In accordance with Spanish commercial law, and for comparative purposes only, the Administrators have presented for each item in the Abridged Balance Sheet, Abridged Income Statement and the Statement of Changes in Equity, the corresponding amounts for the previous year as well as the amounts at 31 December 2021. The items in both years are comparable and uniform, except for the matter indicated in Note 2.7 (section on “Changes in accounting policies” below). The modifications indicated below have been made to reclassify loans from P2P platforms to other financial liabilities, and they affect the information presented under Liabilities:

	Debit; (credit)
Bank borrowings	(961,444.76)
Finance lease payables	34,197.49
Other financial liabilities	927,247.27

6. Items included under more than one heading:

There are no assets or liabilities recognised under more than one balance sheet heading.

7. Changes in accounting policies:

The first application of the modifications made by Royal Decree 1/2021 (12 January) to the General Chart of Accounts that primarily relate to the recognition and measurement rules for financial instruments and the recognition of revenue has resulted in the following changes.

Financial instruments

The application of the new policies starting on 1 January 2021 did not give rise to measurement changes, but did change classifications, as follows:

		Balance at 01/01/2021	Reclassified to Assets at amortised cost
Reclassified from	Loans and receivables-Non-current	1,494,839.30	1,494,839.30
	Loans and receivables-Current	913.56	913.56

		Balance at 01/01/2021	Reclassified to Liabilities at amortised cost
	Non-current borrowings and payables	1,061,221.34	1,061,221.34
Reclassified from	Current borrowings and payables	165,051.22	165,051.22

8. Error correction:

There were no error corrections in 2021 that gave rise to a reduction in reserves (€65,557.80 at 31 December 2020). Corrected errors in 2020 were as follows:

	2020 Payable; (due)
Trade receivables for sales and services rendered	(40,356.79)
Non-current loans	(25,201.01)
Losses, impairment, and change in trade provisions (P&L)	65,557.80

9. Materiality:

When determining the information to be disclosed in these notes to the annual accounts regarding the various headings in the financial statements or other matters, the Company has applied the Conceptual Framework of the General Accounting Plan and has taken into account their materiality in relation to the annual accounts for 2021.

NOTE 3 - APPLICATION OF PROFIT AND LOSS

The proposal for applying the results obtained in 2021 prepared by the joint and several administrators is as follows (in euro):

	2021	2020
Basis of distribution - losses	31,236.26	(148,647.68)
Application to:		
To offset prior year losses	31,236.26	-
Prior-year losses.	-	(148,647.68)

NOTE 4 – ACCOUNTING AND MEASUREMENT POLICIES

The following accounting policies have been applied:

***1. Intangible assets*:**

a) Cost:

Intangible assets are recognised at acquisition and/or production cost and subsequently measured at cost less, where appropriate, accumulated amortisation and any impairment losses. These assets are amortised over their useful lives.

b) Amortization:

Intangible assets are amortized on a straight-line basis in accordance with their estimated useful lives, considered to be 6 years for software.

c) Impairment:

The Company recognises any impairment loss that may have affected the recognised value of these assets. The criteria for recognising impairment losses on these assets and any recovery of impairment losses recognised in past years are similar to those used for property, plant and equipment.

***2. Property, plant and equipment*:**

a) Cost:

Property, plant and equipment is recognized at acquisition or production cost and is subsequently reduced by any accumulated depreciation and by any known impairment losses. Acquisition or production cost includes any additional expenses necessarily arising up until the asset is in a state of operation.

The cost of expanding, replacing or renovating items that increase the useful life of the asset concerned, or its financial capacity, are recognized as an increase in the amount of the property, plant and equipment, thereby giving rise to the appropriate derecognition of the substituted or replaced elements. Periodic maintenance, upkeep and repair expenses are recognised in the income statement on an accrual basis as a cost when incurred.

In the opinion of the Administrators, during the year, no expenses have been incurred that may be classified as for the expansion, modernization or improvement of property, plant and equipment.

The Company has not performed any work on its own assets.

Leases are classified as finance leases provided that their conditions substantially transfer the risks and advantages deriving from ownership to the lessee. Other leases are classified as operating leases.

Finance leases are initially recognised as an asset based on their nature and a financial liability is recorded for the fair value of the leased asset. Direct initial expenses inherent to the transaction are considered to be an increase in the value of the asset. The total financial charge is distributed over the term of the lease and is taken to the income statement using the effective interest rate method.

b) Amortization:

Depreciation has been established systematically and rationally based on the useful life of the assets and their residual value, in accordance with the depreciation normally caused by operation, use and enjoyment, notwithstanding considerations regarding technical or commercial obsolescence that may affect such assets. Each portion of an item of property, plant and equipment has been independently depreciated on a straight-line basis based on depreciation tables.

	Estimated years of useful life
Buildings	4
Plant and machinery	8 -10
Fixtures and fittings	10
Vehicles	6
Data processing equipment	2-4

The policy for depreciating assets under finance leases is similar to that applied to the property, plant and equipment the Company owns outright. If there is no reasonable certainty that the lessee will finally acquire ownership of the asset at the end of the finance lease, the asset is depreciated over the lower of its estimated useful life and the term of the lease agreement.

c) Impairment:

At the end of each year the Company reviews the carrying amount of its property, plant and equipment to determine whether or not there are any indications that those assets have suffered an impairment loss. If there is any such indication, the recoverable amount for that asset is estimated in order to determine the amount of the necessary impairment. The calculation of the impairment of property, plant and equipment will be done on an individual basis.

These impairment adjustments are recognized as an expense in the income statement.

Impairment losses recognised for an item of property, plant and equipment in prior years are reversed when there is a change in the estimates concerning the recoverable amount of the asset, increasing the carrying amount of the asset, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been applied.

***3. Financial Instruments*:**

The Company recognises in financial instruments contracts that give rise to a financial asset in one company and, simultaneously, to a financial liability or equity instrument in another company.

A financial asset is any asset that consists of cash, an equity instrument in another company or a contractual right to receive cash or another financial asset (a debt instrument), or to exchange financial assets or liabilities with third parties under potentially favourable conditions.

Measured financial assets are classified into one of the following categories:

1. Financial assets at fair value through income statement
2. Financial assets at amortised cost.
3. Financial liabilities at fair value through equity.
4. Financial assets at cost.

Financial instruments issued, incurred or assumed are classified in full or in part as financial liabilities, provided that in accordance with their financial reality they give rise to a direct or indirect contractual obligation on the part of the Company to provide cash or another financial asset, or to exchange financial assets or liabilities with third parties under potentially unfavourable conditions.

Measured financial liabilities are classified into one of the following categories:

1. Financial liabilities at amortised cost
2. Financial liabilities at fair value through profit or loss

This treatment is applicable to the following financial instruments:

a) Financial assets:

- Cash and cash equivalents;
- Trade accounts receivables: trade and sundry receivables:
- Loans to third parties: such as loans and credit facilities granted, including those arising on the sale of non-current assets;
- Equity instruments from other acquired companies: shares, equity units in collective investment institutions and other equity instruments.
- Derivatives with positive value for the company: including futures or term transactions, options, financial swaps and term foreign currency transactions.
- Other financial assets: such as deposits at credit institutions, loans to personnel, guarantees and security deposits, dividends receivable and called in payments for the Company's own equity instruments.

b) Financial liabilities:

- Trade payables: sundry suppliers and creditors;
- Bank borrowings;
- Other financial liabilities: payables to third-parties, such as loans and financial facilities received from individuals or companies that are not credit institutions, including those arising on the acquisition of non-current assets, guarantees and security deposits received, and share capital called in by third parties.

Financial assets at amortised cost

A financial asset is included in this category even when traded on an organised market, if the Company maintains the investment in order to receive the cash flows deriving from the execution of the contract and when the contractual conditions for the financial asset give rise to cash flows, on specified dates, that only consist of the collection of principal and interest applied to the amount of the outstanding principal.

Contractual cash flows that only consist of collections of principal and interest applied to the amount of the outstanding principal are inherent to an ordinary or common loan agreement, notwithstanding the fact that the transaction may be agreed at a zero-interest rate or a below-market rate.

This category includes:

a) Trade receivables: financial assets that originate from the sale of goods and the rendering of services through the company's business transactions.

b) Non-trade receivables: financial assets that are not equity instruments or derivatives and do not originate from business transactions and give rise to receivables of a certain or ascertainable amount.

Financial liabilities at amortised cost

This category includes:

a) Trade payables: financial liabilities that originate from the purchase of goods and the services received through the company's business transactions.

b) Non-trade payables: financial liabilities that are not derivative instruments and do not arise on business transactions, and arise on loans or credit facilities received by the Company.

Initial measurement

The financial assets and liabilities included in this category are initially measured at their fair value, which is the transaction price and is equal to the fair value of the consideration paid plus the directly attributable transaction costs.

Notwithstanding the content of the preceding paragraph, trade receivables and payables falling due within one year that do not bear contractual interest rates, as well as prepayments and loans made to personnel, dividends receivable and called in payments for the Company's equity instruments, which is expected to be received within one year, and share capital called in by third parties, which is expected to be received within one year, are measured at their nominal value when the effect of not adjusting cash flows is not significant.

Subsequent measurement

Both assets and liabilities are subsequently measured at their amortised cost. Accrued interest is recorded in the income statement through the application of the effective interest rate method. However, receivables and payables falling due within one year that were measured initially at their nominal value continue to be measured at this amount, except for any receivables that have become impaired.

Impairment of financial assets carried at amortised cost

If there is objective evidence that the value of a financial asset or a group of financial assets with similar risk characteristics that have been measured collectively have become impaired is the result of one or more events taking place since initial recognition causing a reduction or delay in the estimated future cash flows, which may be caused by the insolvency of the liable party, all necessary value adjustments must be made at least at the year-end.

The impairment of the value of these financial assets is a difference between their carrying amount and the present value of future cash flows, including, if appropriate, those deriving from the execution of real and personal guarantees, discounted by the effective interest rate calculated at the time of initial recognition. An effective interest rate calculated at the date on which the annual accounts are closed is applied to financial assets bearing a variable interest rate, in accordance with contractual conditions.
The Company generally impairs receivables outstanding for more than six months.

Adjustments for impairment, as well as their reversal when the amount of such losses decreases for reasons relating to subsequent events, are recognised as an expense or income, respectively, in the income statement. The reversal of impairment is limited by the carrying amount of the receivable being recognised at the reversal date if the impairment has not been recorded.

However, the market value of the instrument may substitute the present value of future cash flows, provided it is sufficiently reliable to consider it representative of the value that the Company may recover.

The recognition of interest on impaired financial assets follows the general rules, notwithstanding the fact that the Company must simultaneously assess whether that amount will be recovered and, if appropriate, recognise the relevant impairment loss.

Financial assets at cost.

This measurement category includes:

- Investments in the equity of Group companies, jointly-controlled entities and associates.

- The remaining investments in equity instruments whose fair value cannot be determined by reference to a listed price on an organised market for an identical instrument, or cannot be reliably estimated, and the derivatives that underlie those investments.

Initial measurement

Investments included in this category are initially measured at cost, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs and, with respect to Group companies, the policy included under the specific regulations governing transactions between Group companies and the policies for determining the combination cost established by business combination regulations must also be applied.

However, if an investment existed prior to being classified as a Group company, jointly-controlled entity or an associate the carrying amount recognised immediately prior to the company entering under this classification will be considered to be the cost of the investment.

The initial measurement includes the amount of preferred subscription and similar rights that may have been acquired.

Subsequent measurement

The equity instruments included in this category are measured at cost, less any accumulated amount of impairment adjustments.

When a value must be assigned to these assets upon elimination from the balance sheet, or for any other reason, the average weighted cost method will be applied to homogeneous groups, understood to be the securities that bear the same rights.

Impairment

All necessary measurement adjustments are applied at least at the year-end, provided that there is objective evidence that the carrying amount of an investment is not recoverable.

The amount of the adjustment is the difference between the book value and the recoverable amount, which is understood to be the higher of fair value less costs of sale and the present value of future cash flows deriving from the investment, which, in the case of equity instruments, is calculated either by estimating those expected to be received as a result of the distribution of dividends by the investee company and the disposal or elimination in the accounts of the investment in that company, either by estimating the share in the cash flows that are expected to be generated by the investee company from both ordinary activities as well as its disposal or elimination from the accounts.

Unless there is better evidence of the recoverable amount for equity instrument investments, the estimation of an impairment loss affecting this class of assets is calculated based on the investee company's equity and any tacit capital gains existing on the measurement date, net of the tax effect. When calculating this value, and provided that the investee company has, in turn, investments in another company, the equity reflected by the consolidated annual accounts prepared in accordance with the criteria included in the Commercial Code and enabling regulations are taken into account.

Reclassification of Financial Assets

When the Company changes the manner in which it manages its financial assets to generate cash flows, it will reclassify all affected assets in accordance with the criteria indicated above. The reclassification into a different category is a change in the measurement policy, not a derecognition from the balance sheet.

Derecognition of Financial Assets

The Company will derecognise a financial asset, or a portion thereof, upon expiration or when the contractual rights to the cash flows from the financial asset have been assigned and the risks and benefits inherent to ownership must have been substantially transferred under circumstances which will be evaluated by comparing the Company's exposure, before and after the assignment, to the change in the amounts and schedule of net cash flows relating to the transferred asset. The understanding is that the risks and benefits inherent to ownership of a financial asset have been transferred if the Company's exposure to the change ceases to be significant with respect to the total change in the present value of the future net cash flows associated with the financial asset.

If the Company has not substantially assigned or retained the risks and benefits, the financial asset will be eliminated when control over the asset has not been retained, which will be determined depending on the unilateral capacity of the assignor to transfer the asset to a third party in full and without imposing conditions. If the assigning company maintains control over the asset, it will continue to recognise it at the amount of the Company's exposure to changes in the value of the assigned asset, i.e., continuous involvement, and will recognise an associated liability.

Upon disposal of the financial asset, the difference between the consideration received, net of attributable transaction costs, taking into consideration any new asset obtained less any liability assumed, and the carrying amount of the financial asset determines the gain or loss arising on the disposal of that asset, which will form part of the profit or loss for the year in which the transaction takes place.

The above criteria will also be applied to the transfer of a group of financial assets or any portion of such group.

The Company does not, however, derecognise financial assets, and it recognises a financial liability for an amount equal to the consideration received, in assignments of financial assets where all risks and rewards of ownership are substantially retained, such as the discounting of trade bills, factoring with recourse, sales of financial assets with repurchase commitments at a fixed price or at the sale price plus interest, and the securitisation of financial assets in which the assignor retains subordinated debt or provides any other kind of guarantee that substantially covers any expected losses.

Derecognition of Financial Liabilities

The Company derecognises a financial liability, or a portion thereof, when the obligation has ceased to exist, i.e. when it has been satisfied, cancelled or has expired. It will also derecognise all of its own financial liabilities that it acquires, even if with the intention of replacing them in the future.

If there is an exchange of debt instruments between a lender and borrower, provided that they have substantially different conditions, the original financial liability will be derecognised and the new financial liability will be recognised. Similarly, any substantial modification to the current conditions affecting a financial liability will be recognised.

The difference between the carrying amount of the financial liability, or the derecognised portion thereof, and consideration paid, including attributable transaction costs, which includes any assigned asset that is different from the assumed asset or liability, is recognised in the income statement in the year in which this occurs.

In the case of an exchange of debt instruments that do not have substantially different conditions, the original financial liability will not be derecognised from the balance sheet. Any transaction cost or fee incurred adjusts the carrying amount of the financial liability. As from that date, the amortised cost of the financial liability is determined by applying the effective interest rate that makes the carrying amount of the financial liability equal to the cash flows payable in accordance with the new conditions.

Interest and dividends from financial assets

Interest and dividends from financial assets accrued subsequent to the acquisition date are recognised as income in the income statement.

Interest income from financial assets is recognised using the effective interest method and dividend income is recognised when the equity holder's right to receive payment is established.

For these purposes, when initially measuring financial assets the amount of explicit accrued interest not yet due at that time will be recorded independently based on the maturity date, together with the amount of dividends agreed by the competent body at the time of acquisition.

When the dividends distributed unequivocally arise from profits/(losses) generated prior to the acquisition date because higher amounts than the profit generated by the investee since the acquisition have been distributed, they reduce the carrying amount of the investment and are not recognised as income.

Guarantees provided and received

Deposits or guarantees provided to secure certain obligations are measured at the amount effectively paid, which does not significantly differ from their fair value.

When deposits are provided or received for operating leases or the rendering of services, the difference between their fair value and the amount paid (due, for example, to the fact that the deposit is long-term in nature and does not bear any interest) is considered to be a payment made or received for the lease or the service rendered, which is attributed to the income statement over the term of the lease in accordance with the provisions of the rule regarding leases and other similar transactions, or during the period of time over which the services rendered in accordance with the rule regarding revenues for sales and services rendered.

When estimating the fair value of guarantees, the remaining term will be considered to be the minimum contract period during which the amount cannot be returned, without taking into consideration statistical information regarding returns.

When the guarantee is for a short-term period, it is not necessary to discount cash flows if the effect is not significant.

4. *Inventories*:

Inventories are measured at the execution price of the outstanding debt payment.

When the net realizable value of the inventories is less than their acquisition price all appropriate measurement adjustments are applied.

Net realisable value is the estimated selling price less the estimated costs of completion and the estimated necessary recovery and selling process costs.

The Company evaluates the net realizable value of inventories at the end of the year and makes an allocation for any losses when they are overstated.

When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changes in the economic circumstances, the amount of the write-down is reversed.

5. Corporate income tax:

Corporate income tax expense represents the sum of corporate income tax expense for the year and the effect of changes in assets and liabilities due to deferred tax assets and liabilities and tax credits.

Corporate income tax expense for the year is calculated as the sum of current taxes resulting from the application of the tax rate to adjusted book profit for the year, after applying any tax deductions that are allowed plus any change in assets and liabilities due to deferred tax assets and liabilities and tax credits deriving from both tax-loss carryforwards and deductions.

Deferred tax assets and liabilities include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets consisting of temporary differences, tax-loss carry forwards and tax deductions yet to be offset are only recognized in the event that it is considered probable that the Company will record sufficient taxable profits in the future against which they may be utilized.

At the time of each accounting closing, deferred tax assets and liabilities are reviewed in order to verify that they remain in force and any relevant adjustments are made in accordance with the results of the analysis performed.

6. *Income and expense: services rendered by the Company*:

The Company's corporate purpose, as is indicated in Note 1, consists of rendering services that are auxiliary to financial services, except for insurance and pension funds. On a supplementary basis, it markets financial services and sells vehicles, among other things.

Recognition of revenue from sales and the rendering of services

The Company recognises revenue from its ordinary course of business at the time (or to the extent that) control of the promised goods or services are transferred to customers. The Company measures revenue at that time as the amount of the consideration it expects to be entitled to in exchange for those goods or services.

Control over goods or services (an asset) refers to full control over the use of that equity item and to substantially obtain all other benefits. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

To apply this fundamental revenue recognition policy, the Company follows a complete process consisting of the following successive stages:

a) Identification of the contract (or contracts) with customers, which is understood to be an agreement between two or more parties that creates enforceable rights and obligations between them.

b) Identification of the contractual obligation or obligations that must be met and that represent the commitments to transfer goods or to render services to a customer.

c) Calculation of the price of the transaction or the contract consideration to which the Company expects to be entitled in exchange for the transfer of the goods or the rendering of the services due to the customer.

d) Assignment of the transaction price to the obligations due, which must take place based on the individual selling prices of each different good or service promised under the contract or, if appropriate, based on an estimate of the selling price when it cannot be independently observed.

e) Recognition of ordinary revenue when (or to the extent that) the company complies with a performance obligation through the transfer of a good or service, which takes place when the customer obtains control over that good or service, such that the amount of the ordinary revenue recognised will be the amount assigned to the contractual obligation that has been satisfied.

For each identified performance obligation (delivery of goods or the rendering of services), the Company determines at contract inception whether the commitment assumed will be satisfied over time or at a specific point in time.

Performance obligations satisfied over time

The understanding is that the Company transfers control over an asset or a service (generally a service) over time since the following criteria are met:

a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs.

b) The Company produces or improves an asset (tangible or intangible) that the customer controls as the activity is performed.

c) The Company prepares a specific asset for the customer (generally a service or a complex technical installation, or a specific asset with unique characteristics) that has no alternative use and the Company has an enforceable right to receive payment for the activities completed to date.

Revenue is recognised on the completion date in the case of contractual obligations that are met at a certain time.

Performance obligations satisfied at a certain time

In cases where the transfer of control over an asset does not take place over time, the Company recognises revenue following the criteria established for obligations that are satisfied at a certain time. The Company takes the following indicators into account in order to identify the specific time at which the customer obtains control over an asset:

a. The customer assumes the significant risks and benefits inherent to ownership of the asset. When making this assessment, the Company excludes any risk that gives rise to a separate obligation other than the commitment to transfer the asset.
b. The Company has transferred physical possession of the asset.
c. The Customer has received (accepted) the asset in accordance with the agree contractual specifications.
d. The Company has a right to receive payment for transferring the asset.
e. The customer has legal ownership of the asset.

Measurement

Revenue deriving from the sale of goods and the rendering of services are measured at the fair value of the consideration received, or to be received which, unless opposing evidence is available, is the price agreed for these services less the amount of any discount, price reduction or other similar item that the Company may grant, as well as any interest included in the nominal amount of the receivables.

However, the Company includes interest embedded in trade receivables falling due within one year that do not have a contractual interest rate, when the effect of not updating cash flows is not significant.

Revenue does not include taxes levied on transactions involving the delivery of goods and the rendering of services that the Company must charge its customers, such as value added tax and duties, or amounts received on behalf of third parties.

In cases where variable consideration exists, the Company's measurement takes into account the best estimate of the variable consideration of it is highly likely that there will not be a significant reversal of the amount of the revenue recognised when, subsequently, the uncertainty associated with that consideration is resolved.

Payments for commercial transactions are measured in accordance with the standard for financial instruments. When there are doubts relating to the collection of a receivable that has previously been recognised as revenue for a sale or the rendering of services, the impairment loss will be recognised as a measurement adjustment expense and not as a reduction in the revenue.

7. *Provisions and contingencies:*

The Company's annual accounts include all significant provisions for obligations classed as probable. Provisions are only recognized based on present or past events that generate future obligations. They are quantified taking into account the best available information concerning the consequences of the event that originated them and are re-estimated at each accounting close. They are applied to satisfy the specific obligations for which they were originally recognized. Provisions are fully or partially reversed when the relevant obligations cease to exist or decrease.

8. *Related party transactions:*

Transactions between companies of the same group or associates, regardless of the degree of association, are recognised in accordance with general rules. The items involved with the transactions carried out will be initially recognised at their fair value. The subsequent valuation is done in accordance with the provisions of individual rules for the accounts concerned.

All transactions carried out with these types of companies have taken place on an arm's length basis as if they were completely independent companies.

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTY

1. Analysis of the movements during the current and previous year in property, plant and equipment, intangible assets and investment property and the relevant accumulated depreciation/amortization and accumulated impairment adjustments:

Movements in intangible assets	Amount - 2021	Amount - 2020
BEGINNING GROSS BALANCE	1,492.50	1,492.50
(+) Additions	41,212.94	-
(+) Measurement adjustments due to restatements	-	-
(-) Disposals	-	-
ENDING GROSS BALANCE	**42,705.44**	**1,492.50**

Movements in intangible asset amortisation	Amount - 2021	Amount - 2020
BEGINNING GROSS BALANCE	1,492.50	1,492.50
(+) Allocations	2,809.40	-
(+) Increase in accumulated depreciation due to restatements	-	-
(+) Increases due to acquisitions or transfers	-	-
(-) Decreases due to disposals, derecognition and transfers	-	-
ENDING GROSS BALANCE	**4,301.90**	**1,492.50**

Net value	**38,403.54**	**-**

Movements in property, plant and equipment	Amount - 2021	Amount - 2020
BEGINNING GROSS BALANCE	74,971.15	55,932.70
(+) Additions	42,824.74	55,501.63
(+) Measurement adjustments due to restatements	-	-
(-) Disposals	21,209.59	36,463.18
ENDING GROSS BALANCE	**96,586.30**	**74,971.15**

Movements in depreciation of property, plant and equipment	Amount - 2021	Amount - 2020
BEGINNING GROSS BALANCE	11,420.97	21,460.06
(+) Allocations	15,850.22	11,327.74
(+) Increase in accumulated depreciation due to restatements	-	-
(+) Increases due to acquisitions or transfers	-	-
(-) Decreases due to disposals, derecognition and transfers	8,564.57	21,366.83
ENDING GROSS BALANCE	**18,706.62**	**11,420.97**

Net value	**77,879.68**	**63,550.18**

The main additions to intangible assets in 2021 relate to the capitalisation of personnel expenses for work performed to improve computer software. Personnel expenses in 2021 amounted to €37,303.78 (no such expenses were capitalised in 2020).

The main additions of property, plant and equipment in both 2020 and 2021 relate to the acquisition of a vehicle (Note 5.2).

The main disposals during 2021 and 2020 relate to vehicles acquired in previous years under finance leases.. The purchase option under the lease was exercised in 2021 and the vehicle was subsequently sold (€9,635.28) and the non-monetary contribution to incorporate Ibancar Canarias, S.L. (€3,000.00) (Note 7).

Fully amortised assets at 31 December 2021 and 2020 relate to the heading "Software" and total €1,492.50 (€1,492.50 at 31 December 2020).

2. Finance leases and other similar transactions involving non-current assets:

The Company records the following assets that are being acquired under finance leases (in euro):

	2021		2020	
	Initially recognized amount	**Purchase option value**	**Initially recognized amount**	**Purchase option value**
Vehicles	38,429.75	28,048.06	56,629.60	39,830.83
Property, plant and equipment	**38,429.75**	**28,048.06**	**56,629.60**	**39,830.83**
Total	**38,429.75**	**28,048.06**	**56,629.60**	**39,830.83**

The initially recognized value is the lower of the asset's fair value and the present value of the agreed minimum payments at the start of the lease, which include the purchase option payment when there are no reasonable doubts as to whether it will be exercised.

The total amount of future payments under finance leases at 31 December 2021 and 2020 is as follows (in euro):

	2021	2020
Total amount of the minimum future payments at the year-end	9,875.13	18,662.48
(-) Unaccrued financial expense	(3,725.70)	(7,372.31)
Purchase option	28,048.06	39,830.83
Present value at the year-end (Note 9)	**34,197.49**	**51,121.00**

The breakdown of the maturity of finance lease agreements is as follows (in euro):

	2021	2020
Up to 1 year	4,396.99	16,923.00
Between 1 and 5 years	29,800.50	34,198.00
	34,197.49	**51,121.00**

NOTE 6 - INFORMATION REGARDING THE NATURE AND LEVEL OF FINANCIAL INSTRUMENT RISK

The Company's financial risk management is centrally handled by Management, which has established the mechanisms required to control exposure to interest rate and exchange rate fluctuations, and credit and liquidity risk. The main financial risks affecting the Company are as follows:

- Credit risk:

  The Company's main financial assets are cash and bank balances, trade and other receivable balances, and investments, which represent the Company's maximum credit risk exposure in relation to financial assets.

  The Company's credit risk is mainly attributable to its trade receivables. The amounts involved are recorded in the balance sheet, net of bad debt provisions, which are estimated by Company Management on the basis of prior year experience and an assessment of the current economic environment.

  The Company has no significant concentrations of credit risk and exposure is distributed among a large number of counterparties and customers.

- Liquidity risk:

  The breakdown of liability financial instrument maturity dates at the end of 2021 and 2020 is set out in Note 9.

  In order to ensure liquidity and be able to honour all the payment commitments arising from its business, the Company's liquid assets are as shown on the balance sheet.

- Interest rate risk.

  Variations in interest rates modify the fair value of those assets and liabilities which accrue interest at a fixed rate, and the future flows from assets and liabilities linked to a variable interest rate.

  The purpose of interest rate risk management is to attain a balance in the debt structure that allows debt costs to be minimised on a multi-year horizon and obtain low volatility in the income statement.

  Depending on the Company's estimates and the objectives of the debt structure, hedging operations can be carried out through the contracting of derivatives that mitigate these risks. Variations in interest rates modify the fair value of those assets and liabilities which accrue interest at a fixed rate, and the future flows from assets and liabilities linked to a variable interest rate.

- Market risk (includes interest rate risk, exchange rate risk and other risks):

  Both the Company's liquid assets and financial debts are exposed to both interest rate risks and changes in electricity prices, which could have an adverse effect on its financial earnings and cash flows.

NOTE 7 - INVESTMENTS IN EQUITY INSTRUMENTS OF GROUP COMPANIES AND ASSOCIATES

Details of investments in equity instruments of Group companies and associates are as follows:

	Non-current	
	2021	2020
Financial assets at cost.	3,000.00	-
	3,009.74	**-**

Shareholdings in Group companies

Details of shareholdings in Group companies are as follows (in euro):

Company	% ownership	Share Capital	Reserves	Retained earnings	Profit/(loss) for the year	Total Equity
Ibancar Canarias, S.L.	100%	3,000.00	-	-	1,569.22	4,578.96

The Company incorporated Ibancar Canarias, S.L. on 15 April 2021. The new company's share capital consisted of a contribution of assets (see Note 5). The Company is the single shareholder.

NOTE 8 - FINANCIAL ASSETS

Non-current financial assets break down as follows at 31 December 2021 and 2020 (in euro):

	Loans, derivatives and other	
Class Category	**2021**	**2020**
Financial assets at amortised cost		
Non-current investments in Group companies and associates (Note 12)	75,627.10	75,627.10
Non-current financial investments	3,553,455.54	1,494,839.30
	3,629,082.64	**1,570,466.40**

Non-current financial investments mainly consist of loans to customers at 31 December 2020 and 2021. During 2021, this amount was €3,517,996.76 (€1,458,463.11 in 2020).

A loan portfolio was sold to a Group company for €325,641.29 in 2021, as is indicated in Note 12.

Current financial assets break down as follows at 31 December 2021 and 2020 (in euro):

	Loans, derivatives and other		Total	
	2021	**2020**	**2021**	**2020**
Financial assets at amortised cost				
Loans and receivables	(932.46)	913.56	(932.46)	913.56
Total	**(932.46)**	**913.56**	**(932.46)**	**913.56**

a) Cash and cash equivalents

The breakdown of these assets at 31 December 2021 and 2020 is as follows (in euro):

	2021	2020
Current accounts	582,864.72	262,671.48
Cash	106.15	150.26
Total	**582,970.87**	**262,821.74**

At 31 December 2021, there is no circumstance that affects the unrestricted availability of the Company’s cash accounts.

NOTE 9.- FINANCIAL LIABILITIES

Current and non-current financial liabilities at 31 December 2021 break down as follows:

	Bank borrowings and finance leases		Derivatives and other		Total	
	Non-current	Current	Non-current	Current	Non-current	Current
Financial liabilities at amortised cost						
Bank borrowings	39,265.37	31,220.95	-	-	39,265.37	31,220.95
P2P Loans	-	-	2,470,525.09	-	2,470,525.09	-
Finance leases (Note 5.2)	29,800.50	4,396.99	-	-	29,800.50	4,396.99
Payables to Group companies and related parties (Note 12)	-	-	704,871.74	-	704,871.74	-
Trade and other payables	-	-	-	408,977.92	-	408,977.92
	69,065.87	**35,617.94**	**3,175,396.83**	**408,977.92**	**3,244,462.70**	**444,595.86**

Current and non-current financial liabilities at 31 December 2020 break down as follows:

	Bank borrowings and finance leases		Derivatives and other		Total	
	Non-current	Current	Non-current	Current	Non-current	Current
Financial liabilities at amortised cost						
Bank borrowings	65,579.09	50,677.94	-	-	65,579.09	50,677.94
P2P Loans	-	-	961,444.76	-	961,444.76	-
Finance lease payables	34,197.49	16,923.04	-	-	34,197.49	16,923.04
Trade and other payables	-	-	-	97,450.24	-	97,450.24
	99,776.58	**67,600.98**	**961,444.76**	**97,450.24**	**1,061,221.34**	**165,051.22**

The heading “P2P Loans” records €2,470,525.09 (€961,444.76 in 2020) relating to the outstanding payables on the loans maintained with the Viventor, Grupeer, Iuvo and Bondster platforms (Viventor, Bondster, Grupeer and Iuvo in 2020).

Bank borrowings at 31 December 2021 mainly consist of a loan from Bank Santander obtained on 25 May 2020 and maturing on 25 May 2024. The outstanding amount at 31 December 2021 is €65,579.09 (€90,787.25 in 2020). A loan from Bankinter obtained on 28 December 2016 was cancelled on 15 December 2021. The outstanding balance at 31 December 2020 was €21,898.47. Credit card balances payable at 31 December 2021 amount to €4,907 (2020: €3,571).

Trade and other payables by the Company total €250,000.00, payable to Ibancar Debtco Spain, S.L.U. (Note 12).

a) Maturity of liabilities at the end of 2021:

	Maturity (years)				
	1	**2**	**3**	**More than 5**	**TOTAL**
Bank borrowings	31,220.95	27,467.78	11,797.59	-	70,486.32
P2P Loans	-	-	-	2,470,525.09	2,470,525.09
Finance lease payables	4,396.99	29,800.50	-	-	34,197.49
Amounts owed to Group companies and associates	-	-	-	704,871.74	704,871.74
Trade and other payables					
Suppliers	5,928.67	-	-	-	5,928.67
Other payables	403,049.25	-	-	-	403,049.25
TOTAL	**444,595.86**	**57,268.28**	**11,797.59**	**3,175,396.83**	**3,689,058.56**

b) Maturity of liabilities at the end of 2020:

	Maturity (years)					
	1	**2**	**3**	**4**	**More than 5**	**TOTAL**
Bank borrowings	50,677.94	26,313.72	27,467.78	11,797.58	-	116,257.02
P2P Loans					961,444.77	961,444.77
Finance lease payables	16,923.04	4,396.99	29,800.50	-	-	51,120.53
Amounts owed to Group companies and associates	-	-	-	-	-	-
Trade and other payables						
Suppliers	1,464.18	-	-	-	-	1,464.18
Other payables	95,986.06	-	-	-	-	95,986.06
TOTAL	**165,051.22**	**30,710.71**	**57,268.28**	**11,797.58**	**961,444.77**	**1,226,272.56**

c) No debts have been secured using real guarantees.

d) There have been no loan defaults.

NOTE 10 - CAPITAL AND RESERVES

a) Share Capital

Share capital in 2019 consisted of EIGHT THOUSAND FOUR HUNDRED EUROS (€8,400), represented by EIGHT THOUSAND FOUR HUNDRED (8,400) equity stakes with a par value of THIRTY EUROS (€30) each that are indivisible and may be accumulated, numbered sequentially from 1 to 280, inclusive.

Share capital was increased on 29 July 2020 through the creation of 750 equity stakes with a par value of €1 each and a total value of €750. The par value of the equity stakes was also changed from €30 to €1. The new equity stakes issued are associated with a share premium totalling €500,677.50 (€667.57 each). Accordingly, at 31 December 2020, the share premium totals €644,677.

Share capital at 31 December 2021 and 2020 consists of NINE THOUSAND ONE HUNDRED AND FIFTY EUROS (€9,150), represented by NINE THOUSAND ONE HUNDRED AND FIFTY (9,150) equity stakes with a par value of ONE EURO (€1) each that are indivisible and may be accumulated, numbered sequentially from 1 to 9,150, inclusive.

Share capital is fully subscribed and paid in. All of the equity stakes in the Company bear the same rights and obligations established by law and in the bylaws.

As a result of the non-monetary contribution of 9,150 equity stakes representing 100% of the Company's share capital, on 30 September 2020, the Company's status as a single shareholder company was reported. The single shareholder at 31 December 2020 is IBANCAPITAL LTD.

There was no change in share capital of the distribution of equity stakes at 31 December 2021 and, therefore, share capital consists of NINE THOUSAND ONE HUNDRED AND FIFTY EUROS (€9,150), represented by NINE THOUSAND ONE HUNDRED AND FIFTY (9,150) equity stakes with a par value of ONE EURO (€1) each that are indivisible and may be accumulated, numbered sequentially from 1 to 9,150, inclusive. The single shareholder at 31 December 2021 is IBANCAPITAL LTD.

b) Reserves

Set out below are details of Reserves (in euro):

	31/12/2021	31/12/2020
Legal reserve	1,680.00	1,680.00
Voluntary reserve	266,298.54	266,298.54
Capitalisation reserve	9,419.62	9,419.62
Equalization reserve	8,963.25	8,963.25
Total	**286,361.41**	**286,361.41**

Legal reserve

The Legal Reserve is restricted in terms of its use in accordance with several legal provisions. Under the provisions of the Spanish Companies Act, incorporated entities that record profits are required to transfer 10% of those profits to a legal reserve until it reaches a level that represents 20% of subscribed share capital. The legal reserve may be used to offset losses or to increase share capital in the amount in excess of 10% of the increased share capital amount, or distributed to equity holders in the event of liquidation.

At 31 December 2020, as a result of the €750.00 capital increase, €150 has to be allocated to the legal reserve at that date to cover the 20% of the share capital, which will be paid in when the Company obtains profits.

Other unavailable reserves

In compliance with the requirements to apply the deduction established in Article 37 of Corporate Income Tax Act, the Company has created an unavailable reserve totalling €9,419.62 (€9,419.62 in 2020). In compliance with Article 105 of the Corporate Income Tax Act, the Company has allocated a reserve totalling €8,963.25 (€8,963.25 in 2020), which will cease to be unavailable when the tax-loss carryforwards are applied.

NOTE 11 – TAX SITUATION

The breakdown of balances with Public Administrations at 31 December 2021 and 2020 is as follows (in euro):

	2021		2020	
	Receivable	**Payable**	**Receivable**	**Payable**
Current:				
Value Added Tax	-	56,224.66	-	22,092.92
Personal income tax withholdings	-	31,848.49	-	11,661.73
Social Security	-	17,364.84	-	12,802.82
Other taxes	-	-	2,293.63	-
	-	**105,437.99**	**2,293.63**	**46,557.47**

Tax situation

According to current legislation, tax returns cannot be considered final until inspected by the tax authorities or the four-year period in which this inspection may take place elapses. Accordingly, any future inspection could give rise to additional liabilities not recorded by the Company. The Company's Administrator consider, however, that any additional tax assessments that may arise would not significantly affect these annul accounts taken as a whole.

The reconciliation between the net amount of income and expenses and the corporate income tax base is as follows:

	2021 Income statement			2020 (*) Income statement		
Profit/(loss) for the year (after taxes)			**31,236.26**			**(148,647.68)**
	Increases	***Decrease***	***Net effect***	***Increases***	***Decrease***	***Net effect***
Corporate income tax	10,412.09	-	10,412.09	-	(45,146.14)	(45,146.14)
Permanent differences		(50,000.00)	(50,000.00)	63,209.25	-	63,209.25
Taxable income (tax profit)			**(8,351.65)**			**(130,584.57)**

(*) restated As a result of an inspection of 2020 corporate income tax by the Spanish tax authorities, the tax base for 2020 increased by €50,000 and, consequently, the tax-loss carryforwards yet to be offset have been reduced.

Tax-loss carryforwards yet to be offset

The Company may offset tax-loss carryforwards without any deadline as a result of the entry into force on 1 January 2015 of Law 27/2014 (27 November) on Corporate Income Tax, which is applicable to the tax-loss carryforwards yet to be offset at the start of 2015 and those generated in subsequent years. A limit to the amount of tax-loss carryforwards that may be offset against the tax base prior to the application of the new capitalization reserve has been established based on revenue levels, although €1 million may be offset in any event.

The Company has capitalised tax-loss carryforwards yet to be offset in the amount of €45,763,37 (€56,175.46).

Set out below is an analysis of the tax-loss carryforwards pending application in future years:

Year arising	Euro	Euro (*)
2018	8,289.94	8,289.94
2019	35,827.30	35,827.30
2020	80,584.57	80,584.57
2021	8,351.65	-
	133,053.46	**124,701.81**

(*) restated

NOTE 12 - TRANSACTIONS WITH RELATED PARTIES

a) Related party balances

The information regarding balances with parties related to the Company is set out in the following table:

	2021	2020
Receivables		
Excom Ceuta 1064 S.L.	75,627.10	75,627.10
Payables		
Ibancapital, Ltd	704,871.74	-
Ibancar Debtco Spain, S.L.	250,000.00	-
	1,030,498.84	**75,627.10**

b) Related party transactions

The most significant transactions carried out with related parties at 31 December 2021 and 2020 are set out below:

Related party transactions	31/12/2021	31/12/2020
Loans granted	-	-
Loans received	704,871.74	-
Purchases / Services received	-	-
Sales / Services rendered	325,641.29	-

Ibancar Debtco Spain, S.L., a SPV (Special Purpose Vehicle), was incorporated in September 2021. Its primary corporate purpose is the purchase of loans and debt claims for collection, investment management services and risk control and management services. These loans are acquired from Ibancar World in lots starting at €250,000.00, of which 80% is financed by investors (Knuru Debt Capital) and 20% is financed by capital and reserves through Ibancapital.

Should there be any borrower defaults, Ibancar World will repurchase those loans and assign replacements.

Ibancar Debtco pays a 3% of the total amount collected each month as a portfolio management fee.

As is indicated in Note 8, in 2021, a loan portfolio was sold for €325,641.29 and a prepayment of €250,000.00 was received (Note 9).

The loan from Ibancapital falls due in the long-term and did not accrue interest in 2021.

IBANCAR WORLD secures the amount owed by IBANCAR DEBTCO to Knuru Debt Capital 2 Limited.

c) Transactions with Administrators and Senior Management

The amounts received by Administrators for performing their executive duties total €96,925.07 at 31 December 2021 (€61,226.39 at 31 December 2020).

No other Company personnel meets the definition of senior management other than the members of the Governing Body.

Other information relating to the Administrators

No direct or indirect conflicts with the Company's interests have arisen in accordance with applicable regulations (currently the provisions of Article 229 of the Spanish Companies Act), notwithstanding the information regarding related party transactions reflected in the notes to the abridged annual accounts.

In addition, and in accordance with the Spanish Companies Act, the Company reports that the members of the Governing Body did not carry out any activity, on their own behalf or on behalf of other parties, with the Company outside of the normal course of business or which could be considered to be outside of normal market conditions.

NOTE 13 - INCOME AND EXPENSES

a) Supplies

This heading in the accompanying income statement is as follows (in euro):

	2021	2020
Goods consumed		
Purchases, net of returns and discounts, of which:		
Goods purchased for resale	210,469.11	71,468.37
Change in the inventory of goods purchased for resale	(125,036.19)	9,495.59
	85,432.92	**80,963.96**
Total supplies	**85,432.92**	**80,963.96**

b) Revenue

Business	2021	2020
Sales of goods purchased for resale	150,270.44	125,492.81
Services rendered	623,970.04	322,069.59
Interest	625,599.50	297,704.54
Fees	361,700.00	133,600.00
Other	-	119.22
	1,761,539.98	**878,986.16**

Geographic markets		
Spain	1,761,539.98	878,986.16
	1,761,539.98	**878,986.16**

c) Personnel expenses

This heading in the accompanying income statement is made up of the following:

	2021	2020
Wages and salaries	617,483.42	349,174.92
Indemnities	-	-
Social Security payable by the company	149,519.52	97,598.99
Total	**767,002.94**	**446,773.91**

d) Other operating expenses

	2021	2020
External services	569,696.06	345,229.93
Taxes	104,389.46	52,785.38
Total	**674,085.52**	**398,015.31**

e) Financial expenses

	2021	2020
Interest on payables to other related parties	-	3,861.00
Interest on bank borrowings	7,564.55	10,161.20
Other (P2P Loans)	174,047.95	86,982.87
Total	**181,612.50**	**101,005.07**

NOTE 14 - INVENTORIES

The following is the composition of this heading at 31 December 2021 and 2020 (in euro):

	2021	2020
Inventories acquired for resale	157,812.22	42,374.33
	157,812.22	**42,374.33**
Prepayments to suppliers	-	-
	157,812.22	**42,374.33**

NOTE 15 - OTHER INFORMATION

The following was the average headcount at 31 December 2021 and 2020, by category:

	31/12/2021			31/12/2020		
	Men	Women	Total	Men	Women	Total
Engineers, university graduates and senior management	2	1	3	1	2	3
Assistants and office personnel	9	5	14	8	1	9
Administrative staff	1	1	2	1	1	2
	12	**7**	**19**	**10**	**4**	**14**

NOTE 16 - INFORMATION REGARDING THE DEFERRAL OF PAYMENTS TO SUPPLIERS ADDITIONAL PROVISION THREE. "REPORTING REQUIREMENTS" ESTABLISHED BY LAW 15/2010 (5 JULY)

Set out below is the information required by Additional Provision Three of Law 15/2010 (5 July) (amended by Final Provision Two of Law 31/2014 (3 December)), prepared in accordance with the Accounting and Audit Institute Resolution dated 29 January 2016 on the disclosure of the average payment deferral period for suppliers to be included in the notes to the annual accounts.

	2021	2020
Average deferral of payments to suppliers	30	30
	30	**30**

The calculation of the average payment period has taken into account commercial transactions involving the delivery of goods or the rendering of services that have accrued since the date on which Law 31/2014 (3 December) entered into force in accordance with the Accounting and Audit Institute Resolution.

Suppliers are considered to be trade payables to providers of goods or services that are included in the headings “Suppliers”, “Suppliers, Group companies and associates” and “Sundry Payables” under current liabilities in the balance sheet, solely for the reporting requirements of that Resolution.

"Average payment period for suppliers" is understood to be the period of time that elapses between the delivery of the goods or the rendering of the services from the supplier and the actual payment for the transaction.

That "Average payment deferral period for suppliers" is calculated as a ratio in which the numerator consists of the average trade payable balance and the denominator consists of total net purchases and external service expenses, multiplied by 365 days.

The maximum legal payment period applicable to the Company in 2021 according to Law 3/2004 (29 December), which establishes measures to prevent late payment in commercial transactions, is 30 days (30 days in 2020).

The payment deadline established for 2021 by Article 4.4 of that law may be extended if agreed by the parties, but under no circumstances may a period exceeding 60 calendar days be agreed.

NOTE 17 - EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period that affect the Company's annual accounts at 31 December 2021.

SIGNATURE CERTIFICATE

The preceding abridged annual accounts, consisting of the abridged balance sheet at 31 December 2021, the abridged income statement, the abridged statement of changes in equity and the notes to the abridged annual accounts for the year then ended were prepared by the joint and several Administrators of IBANCAR WORLD, S.L. on 30 March 2022.

To comply with the provisions of Article 253 of the Spanish Companies Act, the joint and several Administrators of IBANCAR WORLD, S.L. hereby place their signatures below:

IBANCAR WORLD, S.L.

Mr. Juan Agustín Zappacosta Villarroel

Joint and Several Administrator