

**AXI FINANCE IFN SA  
FINANCIAL STATEMENTS  
31<sup>ST</sup> DECEMBER 2022  
AXI FINANCE IFN SA  
ANNUAL FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR  
CONCLUDED ON 31<sup>ST</sup> DECEMBER 2022**

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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

- logo –  
MOORE STEPHENS KSC ASSURANCE SRL  
175 Calea Floreasca, Floreasca  
Tower Building, 2<sup>nd</sup> floor, District 1  
Bucharest - Romania  
T: +4 0374 490 074  
F: +4 0374 094 191  
E: [info@moore.ro](mailto:info@moore.ro)  
[www.moore.ro](http://www.moore.ro)

**REPORT OF INDEPENDENT AUDITOR**  
**To the shareholders of AXI FINANCE IFN SA**

*Opinion*

1. I have heard the attached financial statements of AXI FINANCE IFN SA (hereinafter called “Company”), which contain the situation of financial position on 31<sup>st</sup> December 2022 and the situation of profit and loss account, situation of modifications for equities and situation of treasury flows related to the financial year concluded on that date, the notes and disclosures to the financial statements, including a summary of the significant accounting policies.

2. The individual financial statements on 31<sup>st</sup> December 2022 are identified as follows:

- Total of equities 9,370,788 RON
- Profit of the financial year 4,139,240 RON

3. In our opinion, the attached financial statements present loyally, under all significant matters the financial position of AXI FINANCE IFN SA on 31<sup>st</sup> December 2022 and its financial performance and treasury flows related to the financial year concluded on that date, according to the Order of the National Bank of Romania no. 6 / 2015 for the approval of Accounting regulations compliant with the European directives (“BNR no. 6 / 2015”).

*Basis for opinion*

4. We have performed our audit according to the International Standards of Audit (“ISA”), Regulation EU no. 537 of the European Parliament and Council (hereinafter called “Regulation”) and Law no. 162 / 2017 (“Law”). Our responsibilities according to these standards are described further in the section Auditor’s responsibilities in an audit of the financial statements from our report. We are independent from the Company, according to the Ethical Code of Accountant Professionals issued by the Council for International Standards of Ethics for Accountants (IESBA code), according to the ethical requirements which are relevant for the audit of financial statements in Romania, including the Regulation and Law and we have fulfilled the ethical responsibilities according to these requirements and according to the IESBA code. We consider that the audit evidences which we have obtained are enough and adequate to supply a basis for our opinion.

*Independency*

5. We are independent from the company, according to the Ethical Code of Accountant Professionals (IESBA Code), issued by the Council for International Standards of Ethics for Accountants.

*Key matters of audit*

6. The key matters of audit are those matters which, based on our professional reasoning, have had the biggest importance for the audit of financial statements during the current period. These

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

matters have been approached within the context of audit of general consolidated financial statements and in creating our opinion on them and we do not offer a separate opinion concerning these matters.

Key matter	How it has been solved
Adjustments for the depreciation of receivables on the client	
<p>On 31<sup>st</sup> December 2022, the Company has had registered gross receivables on the clients in the amount of 32,074,590 RON and an adjustment for the related depreciation in the amount of 3,002,859 RON.</p> <p>The basis for policy to determine the adjustment for the depreciation of receivables on the client are presented in note 1 I) and subsequently in note 3 to the Financial statements. The principles for the calculation of adjustment for depreciation are established by the Regulation 5 / 2012 of the National Bank of Romania, with the subsequent modifications and completions. Due to the significant weight of receivables on the client, representing more than 75% of the total of Company assets, we consider that it is a key audit matter.</p>	<p>The adjustments for depreciation are determined by the management using a methodology based on the information about clients and the number of delay days. We have focused on the following professional reasonings and estimates which could cause significant errors which have potential to be interpreted by the management:</p> <ul style="list-style-type: none"> <li>- The completeness and moment of recognition of depreciation events depending on the number of delay days and existence of a recovery procedure;</li> <li>- Compliance of model and calculation with the requirements of Regulation 5 / 2012 of the National Bank of Romania.</li> </ul> <p>To obtain enough audit evidences:</p> <ul style="list-style-type: none"> <li>- We have reviewed the depreciation methodology and we have performed verifications to validate the integrity of data to ensure that the parameters considered by the Company in the calculation of depreciation adjustment are correct;</li> <li>- We have evaluated the estimate of depreciation adjustments and we have tested the mathematical accuracy of the adjustment calculation;</li> <li>- We have evaluated and tested the key hypothesis adopted by the management.</li> </ul>

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

*Other information – Administrators’ report*

7. The administrators are in charge for drafting and presenting other information. That other information contains the Administrators’ report, but do not contain the financial statements and the auditor’s report concerning it.

8. Our opinion concerning the financial statements do not cover this other information and excepting the case in which it is mentioned explicitly in our report, we do not express any insurance conclusion concerning it.

9. Concerning the audit of financial statements for the financial year concluded on 31<sup>st</sup> December 2022, our responsibility is to read other information and, in this proceeding, to consider if this information is significantly inconsistent with the financial statements, or with the knowledges which we have obtained during the audit, or if it seems distorted significantly.

10. Based on the activities performed during the audit of financial statements, in our opinion  
a) The information presented in the Administrators’ report for the financial year for which the financial statements have been drafted are compliant, in all significant matters, with the financial statements.

b) The administrators’ report has been drafted, in all significant matters, according to the Order no. 6 / 2015.

11. Moreover, based on our knowledges and understanding obtained during the audit of financial statements for the financial year concluded on 31<sup>st</sup> December 2022 concerning the Company and its environment, we have not identified information included in the Administrators’ report which are significantly erroneous.

*Responsibilities of Management and of Persons in charge with the Governance for Financial Statements*

12. The management is responsible for the loyal drafting and presentation of financial statements according to the Order no. 6 / 2015 for the approval of Accounting regulations compliant with the European directives and for that internal control which the management considers necessary to allow the drafting of financial statements without significant distortions, caused by fraud or error.

13. In drafting the financial statements, the management is responsible for the appreciation of Company capacity to continue its activity, presenting, if applicable, the matters referring to the continuity of activity and using accounting based on the continuity of activity, excepting the case in which the management intents to liquidate the Company or stop the operations or it has no other realistic alternative beside these.

14. The persons in charge with governance are responsible for the supervision of the process of financial reporting of Company.

*Auditor’s responsibilities in an audit of financial statements*

15. Our objectives consist of obtaining a reasonable insurance concerning the extent in which the financial statements, generally, do not have significant distortions, caused by fraud or error, as well as in issuing the auditor’s report which includes our opinion. The reasonable insurance represents a high level of insurance, but it is not a guarantee of the fact that the audit performed according to ISA will always detect a significant distortion, if it exists. The distortions can be caused by fraud or error and are considered significant if forecasted, reasonably, that these, individually or cumulated, will influence the economic decisions of users, taken based on these financial statements.

16. As part of an audit according to ISA, we exercise the professional reasoning and we maintain the professional skepticism during the audit. Also:

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

- we identify and evaluate the risks of significant distortion of financial statements, caused by fraud or error, we design and execute the audit procedures as response to those risks and we obtain enough and adequate audit evidences to supply a basis for our opinion. The failure to detect risk for a significant distortion caused by fraud is higher than that of failure to detect a significant distortion caused by error, because fraud can presuppose secrete agreements, false, intentional omissions, false statements and avoidance of internal control.
- We understand the relevant internal control for audit, in order to design audit procedures adequate to circumstances, but without having the purpose to express an opinion on the efficiency of internal control of Company.
- We evaluate the degree of adequacy of used accounting policies and the reasonable feature of accounting estimates and related presentations of information done by the management.
- We enunciate a conclusion concerning the adequacy degree of use by the management of the accounting based on continuity of activity and we determine, based on the obtained audit evidences, if there is a significant uncertainty concerning events or conditions which could generate significant doubts concerning the Company capacity to continue the activity. If we conclude that there is a significant uncertainty, we must draw attention in the auditor's report on the related presentations from the financial statements or, if these presentations are not adequate, to modify our opinion. Our conclusions are based on the audit evidences obtained until the date of auditor's report. However, the future events or conditions can determine the Company not to perform its activity based on the principle of continuity of activity.
- We evaluate generally the presentation, structure and content of financial statements, including the presentation of information and the extent in which the financial statements reflect the transactions and events which are the basis in a manner which results in a loyal presentation.

17. We inform the persons in charge with governance, among other matters, the planned area and programming in time of audit, as well as the main findings of audit, including any significant deficiencies of the internal control, which we identify during the audit.

18. Also, we offer those in charge with the governance, a statement by which we confirm that we have observed the ethical requirements concerning independence and we communicate all relationships and other matters which can be considered reasonably that would affect our independence, and if applicable, the related safety measures.

19. Considering the matters communicated with those in charge with governance, we determine those matters which have been of biggest importance in auditing the financial statements of the current year and the key matters of audit. We describe these matters in our audit report, excepting the case in which the law or regulation makes impossible the public disclosure concerning the given matter or when, in extremely rare case, we determine that a matter should not be communicated in our report, because the negative consequences would be bigger than the benefits of public interest of this communication.

*Other matters*

20. This report of the independent auditor is addressed exclusively to the Company shareholders, generally. Our audit has been done to be able to report to the Company shareholders those matters which we must report in a report of financial audit, and not within other purposes. To the extent allowed by the law, we do accept and we take the responsibility only towards the Company and its shareholders, generally, for our audit, for this report or for the created opinion.

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

*Report concerning other legal and regulation provisions*

21. We have been employed by the contract no. 378 / 26.10.2022 of 26<sup>th</sup> October 2022 and according to the Decision of the ordinary general assembly of shareholders of AXI FINANCE IFN SA of 25<sup>th</sup> October 2022, we audit the financial statements of the Company AXI FINANCE IFN SA for the financial year concluded on 31<sup>st</sup> December 2022. The total uninterrupted duration of our commitment is 4 years, covering the financial years concluded on 31<sup>st</sup> December 2022, 2021, 2019 and 2018.

We confirm that:

- Our audit opinion is according to the additional report presented to the Company Audit Committee, which we have issued on this date in which we have issued this report. Also, in performing our audit, we have kept our independence towards the audited entity.
- We have not supplied forbidden non audit services for the Company, mentioned at article 5 alignment (1) of Regulation EU no. 537 / 2014.

- illegible signature –

MAMAS KOUTSOYIANNIS

Registered at the Chamber of Financial Auditors  
with the number AF1515

Registered at the Authority for Public Supervision of legal audit  
activity (ASPAAS)

Series: 129274

Bucharest, 31<sup>st</sup> May 2023

- stamps affixed -

- illegible signature –

On behalf of MOORE STEPHENS KSC ASSURANCE SRL

Registered at the Chamber of Financial Auditors

With the number 1266

- round stamp affixed -

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**BALANCE SHEET**  
**concluded on 31<sup>st</sup> December 2022**

- RON -

ASSET	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Petty cash	010		3.651	3.347
Receivables on credit institutions	030		107.047	1.100.978
- sight	033		107.047	1.100.978
- other receivables	036		0	0
Receivables on clients	040		18.490.258	25.016.978
Bonds and other titles with fixed income	050		0	0
- issued by public bodies	053		0	0
- issued by other issuants, out of which:	056		0	0
- personal bonds	058		0	0
Shares and other titles with variable income	060		0	0
Contributions, out of which:	070		0	0
- contributions to credit institutions	075		0	0
Shares within related commercial companies, out of which:	080		0	0
- shares within credit institutions	085		0	0
Intangible assets, out of which:	090		152.266	273.700
- establishment expenses	093		0	0
- goodwill, to the extent in which it has been purchased for good and valuable consideration	096		0	0
Tangible assets, out of which:	100		61.721	43.325
- lands and constructions used within the purpose of performing personal activities	105		0	0
Unpaid subscribed capital	110		0	0
Other assets	120		732.509	903.619
Expenses registered in advance and involved incomes	130		2.943.290	4.275.919
<b>Total assets</b>	<b>140</b>		<b>22.490.742</b>	<b>31.617.866</b>

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**BALANCE SHEET**  
**concluded on 31<sup>st</sup> December 2022**

- RON -

DEBTS AND EQUITY	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Debts concerning credit institutions	300		0	0
- sight	303		0	0
- on term	306		0	0
Debts concerning clients	310		0	0
- sight	317		0	0
- on term	318		0	0
Debts established by titles	320		0	0
- bonds	323		0	0
- other titles	326		0	0
Other debts	330		12.012.649	16.208.440
Incomes registered in advance and involved debts	340		5.149.420	5.901.248
Provisions:	350		97.125	137.390
- provisions for pensions and similar obligations	353		0	0
- provisions for taxes	355		0	0
- other provisions	356		97.125	137.390
Subordinated debts	360		0	0
Subscribed share capital	370		12.541.320	12.541.320
Capital premium	380		0	0
Reserves	390		0	206.962
- legal reserves	392		0	206.962
- legal or contractual reserves	394		0	0
- other reserves	399		0	0
Reevaluation reserves	400		0	0
Personal shares (-)	410		0	0
Reported result			-5.804.716	-7.309.772
- Profit	423		0	0
- Loss	426		5.804.716	7.309.772
Result of financial year			-1.505.056	4.139.240
- Profit	433		0	4.139.240
- Loss	436		1.505.056	0
Distribution of profit	440		0	206.962
<b>Total debts and equity</b>	<b>450</b>		<b>22.490.742</b>	<b>31.617.866</b>

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**BALANCE SHEET**  
**concluded on 31<sup>st</sup> December 2022**

- RON -

ELEMENTS OUTSIDE THE BALANCE SHEET	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Contingent debts, out of which:	600			
- acceptance and endorsements	603			
- guarantees and encumbered assets	606			
Commitments, out of which:	610		14,168.590	16,189.164
- commitments related to the sale transactions with possibility of buy-back	615			

MANAGING DIRECTOR  
 BOGDAN DOBRE  
 Signature  
 - *illegible signature* -  
 - *round stamp affixed* -

DRAFTED  
 CRISTIANA CATUNEANU  
 SOLE TRADER  
 CECCAR MEMBER  
 Signature

Registration number in the professional body  
 18051  
 - *illegible signature* -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;
- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**PROFIT AND LOSS ACCOUNT**  
**on 31<sup>st</sup> December 2022**

- RON -

Indicator denomination	Position code	Note	Financial year	
			prior	concluded
A	B	C	1	2
Interests to be received and similar incomes, out of which:	010		26.244.243	34.526.336
- related to bonds and other titles with fixed income	015			
Interests to be paid and similar expenses	020			
Incomes concerning titles	030			
- Incomes from shares and other titles with variable income	033			
- Incomes from contributions	035			
- Incomes from shares within related commercial companies	037			
Incomes from fees	040			
Expenses with fees	050		209.234	236.929
Net profit or loss from financial operations	060		-279.725	-96.074
Other incomes from operations	070		-2.817	20.071
General administrative expenses	080		16.483.554	18.393.710
- Expenses with personnel, out of which:	083		5.855.891	6.372.786
- Salaries	084		5.716.922	6.221.556
- Expenses with social insurances, out of which:	085		126.969	134.980
- expenses related to pensions	086			
- Other administrative expenses, out of which:	087		10.627.663	12.020.924
- Expenses concerning utilities, out of which:	088			52364
- Expenses concerning the consumption of energy	088a			37467
- Expenses concerning the consumption of natural gases	088b			10832
Corrections on the value of intangible and tangible assets	090		68.635	132.863
Other operational expenses	100		3.545.425	3.690.618
Corrections on the value of receivables and provisions for contingent debts and commitments	110		18.160.570	32.234.930
Resumptions from corrections on the value of receivables and provisions for contingent debts and commitments	120		11.000.661	24.932.990
Corrections on the value of transferable titles which have feature of financial assets, contributions and shares within related commercial companies	130			
Resumptions from corrections on the value of transferable titles which have feature of financial assets, contributions and shares within related commercial companies	140			
<b>Result of current activity</b>				
- Profit	153			4.694.273
- Loss	156		1.505.056	
Extraordinary incomes	160			
Extraordinary expenses	170			
<b>Result of extraordinary activity</b>				
- Profit	183			
- Loss	186			
<b>Total incomes</b>	190		37.298.423	59.937.425
<b>Total expenses</b>	200		38.803.479	55.243.152

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

<b>Gross result</b>				
- Profit	213			4.694.273
- Loss	216		1.505.056	
<b>Tax on profit</b>	220			555.033
Expenses with tax on profit resulted from the settlement within the fiscal group in the field of tax on profit	223			
Incomes with tax on profit resulted from the settlements within the fiscal group in the field of tax on profit	226			
Other taxes which do not appear at the abovementioned elements	230			
<b>Net result of the financial year</b>				
- Profit	243			4.139.240
- Loss	246		1.505.056	

MANAGING DIRECTOR  
BOGDAN DOBRE

Signature

- *illegible signature* –  
- *round stamp affixed* -

DRAFTED  
CRISTIANA CATUNEANU

SOLE TRADER

CECCAR MEMBER

Signature

Registration number in the professional body  
18051

- *illegible signature* -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;
- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**SITUATION OF TREASURY FLOWS**  
**concluded on 31<sup>st</sup> December 2022 – example of direct method –**

- RON -

Indicator denomination	Line no.	Note	Financial year	
			prior	concluded
<b>Treasury flows from operational activities</b>				
+ collections of cash from interests and fees	01			
- payments in cash representing interests and fees	02		-209.234	-235.929
+ collections in cash representing recovery of receivables	03			
- payments in cash to employees and providers of goods and services	04		-	-19.969.814
± other collected incomes / expenses paid in cash from the operational activity	05		-1.018.946	-1.694.077
Treasury flows from the operational activity, exclusively of modifications of assets and debts of operational activity and paid tax on profit (line 01 to 05)	06		-	-21.899.820
<i>Increases / decreases of assets related to the operational activity</i>				
± increases / decreases of titles which do not have feature of financial asset	07			
± increases / decreases of receivables concerning credit institutions	08			
± increases / decreases of receivables concerning clients	09		14.332.759	18.904.993
± increases / decreases of other assets related to the operational activity	10			
<i>Increases / decreases of debts related to operational activity</i>				
± increases / decreases of debts concerning credit institutions	11			
± increases / decreases of receivables concerning clients	12			
± increases / decreases of other assets related to the operational activity	13			
Treasury flows from the operational activity, exclusively of paid tax on profit (line 06 to 13)	14		-4.504.939	-2.994.827
- payments in cash representing tax on profit	15			-35.249
<b><i>Treasury flows from operational activities (rd.14 + rd.15)</i></b>	16		-4.504.939	-3.030.076
<b>Treasury flows from investment activities</b>				
- payments in cash for the purchase of branches or other subunits	17			
+ collections of 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			

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

- payments in cash for the purchase of lands and fixed assets, intangible assets and other long – term assets	23		-63.896	-131.536
+ collections in cash from the sale of lands and fixed assets, 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			
<b>- Treasury flows from investment activities (line 17 to 26)</b>	<b>27</b>		<b>-63896</b>	<b>-131536</b>
<b>Treasury flows from financing activities</b>				
+ 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 issuance of shares or parts	30			
- payments in cash from the purchase of shares or parts	31			
+ collections in cash from the sale of shares or parts	32			
- payments in cash representing dividends	33			
- other payments in cash related to financing activities	34			-2.104.627
+ other collections in cash from financing activities	35		4.533.197	6.351.002
<b>Treasury flows from financing activities (line 28 to 35)</b>	<b>36</b>		<b>4.533.197</b>	<b>4.246.375</b>
± Effect of modification of rate exchange on the cash	37		-44.945	-91.136
<b>Treasury flows - total (line 16 + line 27 + line 36 + line 37)</b>	<b>38</b>		<b>-80.583</b>	<b>993.627</b>
<b>Cash at the beginning of period</b>	<b>39</b>		<b>191.281</b>	<b>110.698</b>
<b>Cash at the end of period (line 38 + line 39)</b>	<b>40</b>		<b>110.698</b>	<b>1.104.325</b>

MANAGING DIRECTOR  
BOGDAN DOBRE  
Signature  
- illegible signature –  
- round stamp affixed -

DRAFTED  
CRISTIANA CATUNEANU  
SOLE TRADER  
CECCAR MEMBER  
Signature

Registration number in the professional body  
18051  
- illegible signature -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;
- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**SITUATION OF MODIFICATION OF EQUITY**  
**on 31<sup>st</sup> December 2022 – example**

- RON -

Element of equity	Note	Balance on 1 <sup>st</sup> January	Increases		Decreases		Balance on 31 <sup>st</sup> December
			Total, out of which	by transfer	Total, out of which	by transfer	
0	1	2	3	4	5	6	7
Subscribed capital		12.541.320					12.541.320
Capital premium							
Legal reserves							
Legal or contractual reserves							
Reevaluation reserves							
Personal shares (-)							
Other reserves							
Reported result							
Undistributed profit							
Uncovered loss		5.804.716	1.505.056				7.309.772
Reported result representing undistributed profit, respectively the uncovered loss							
Credit balance							
Debit balance							
Reported result originating from the modification of accounting policies							
Credit balance							
Debit balance							
Reported result originating from the correction of accounting errors							
Credit balance							
Debit balance							

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Reported result representing the excess made from reevaluation reserves							
Reported result originating from passing to the application of accounting regulations compliant with the European directives							
Credit balance							
Debit balance							
Result of financial year							
Credit balance			4.139.240				4.139.240
Debit balance		1.505.056			1.505.056		0

Note 1:

The presentations in figures, 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 equity are presented for the two financial years, prior and current.

MANAGING DIRECTOR  
BOGDAN DOBRE  
Signature  
- *illegible signature* -  
- *round stamp affixed* -

DRAFTED  
CRISTIANA CATUNEANU  
SOLE TRADER  
CECCAR MEMBER  
Signature  
Registration number in the professional body  
18051  
- *illegible signature* -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;
- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.



**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

- Other modifications											
Balance on the conclusion of financial year N		12.541.320	0	0	4.139.240	0	0	0	-7.309.772	0	9.370.788

Note 1:

The presentations in figures, 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 equity are presented for the two financial years, prior and current.

MANAGING DIRECTOR  
 BOGDAN DOBRE

Signature

- *illegible signature* –
- *round stamp affixed* -

DRAFTED  
 CRISTIANA CATUNEANU

SOLE TRADER

CECCAR MEMBER

Signature

Registration number in the professional body

18051

- *illegible signature* -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;
- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.

**INFORMATIVE DATA**  
on 31.12.2022

30

- RON -

I. Data concerning the registered result	Position code	Number of units	Amounts
		1	2
A	B		
Units which have registered profit	101		4.139.240
Units which have registered loss	102		
Units which have not registered profit or loss	103		

II. Data concerning outstanding payments	Position code	Total col.2 + 3	out of which:	
			For current activity	For the activity of investments
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 obligations to the budget of social insurances – total (pos. 207 to 211), out of which:	206			
- contributions for public social insurances due by employers, employees and other similar persons	207			
- contributions for the fund of health social insurances	208			
- contribution for additional pension	209			
- contributions for the budget of insurances for unemployment	210			
- other social debts	211			
Outstanding obligations to the budgets of special funds and other funds	212			
Outstanding obligations to other creditors	213			
<b>Taxes, fees and contributions unpaid on the term established to the public budget, out of which:</b>	<b>214</b>			
<b>- insurance contribution for employment</b>	<b>214a</b>			
Taxes and feed unpaid on the established term to the local budgets	215			

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Received unpaid loans on due date – total (pos. 217 to 220), out of which:	216			
- outstanding amounts up to 30 days	217			
- outstanding amounts over 30 days	218			
- outstanding amounts over 90 days	219			
- outstanding amounts over 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	83	75
Number of employees existing at the end of period, respectively on 31 <sup>st</sup> December	302	81	70

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 public domain, received in 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 for lands <sup>1)</sup> :	403	
Gross incomes from services paid to nonresident person, out of which:	404	
- tax due to the public budget	405	
Gross incomes from services paid to nonresident persons from the member states of the European Union, out of which:	406	
- tax due to the public budget	407	
Subsidies collected during the reported 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	

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Outstanding receivables, which have not been collected on the terms provided in the commercial contracts and / or in the normative documents in force, out of which:	414	
- outstanding receivables from entities from the majority or integral public sector	415	
- outstanding receivables from entities from the private sector	416	

<b>V. Vouchers given to employees</b>	<b>Position code</b>	<b>Amounts</b>
<b>A</b>	<b>B</b>	<b>1</b>
Countervalue of vouchers given to employees	501	220.470
Countervalue of vouchers given to other categories of beneficiaries, other than the employees	502	

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

<b>VI. Performed expenses for the activity of research - development **)</b>	<b>Position code</b>	<b>Financial year</b>	
		<b>Prior</b>	<b>Concluded</b>
<b>A</b>	<b>B</b>	<b>1</b>	<b>2</b>
Research – development expenses	601		
- out of which, made within the purpose of diminishing the impact of entity’s activity on the environment or for developing new technologies or some sustainable products	602		
- on 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 expenses	608		

<b>VII. Innovation expenses ***)</b>	<b>Position code</b>	<b>Financial year</b>
--------------------------------------	----------------------	-----------------------

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

		Prior	Concluded
A	B	1	2
Innovation expenses:	701		
- out of which, made within the purpose of diminishing the impact of entity's activity on the environment or for developing new technologies or some sustainable products	702		

VIII. Information concerning the expenses with collaborators	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Expenses with collaborators	801	370.247	409.741

IX. Information concerning the goods from public domain of 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 rented goods from the public domain of state	903		

X. Information concerning the goods of private property of state subject to inventory according to the Order of 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 <sup>2)</sup>	1000		

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

XI. Paid share capital****)	Position code	Financial year			
		Prior		Concluded	
A	B	Amounts Col.1	% <sup>3)</sup> Col.2	Amounts Col.3	% <sup>3)</sup> Col.4
Paid share capital <sup>3)</sup> , (pos. 1110 + 1113 + 1117 + 1118 + 1119 + 1120), out of which:	1100	12.541.320	X	12.541.320	X
- owned by public institutions (pos. 1111 + poz.1112), out of which:	1110				
- owned by public institutions of central subordination	1111				
- owned by public institutions of local subordination	1112				
- owned by public capital companies, out of which:	1113				
- with integral public capital	1114				
- with majority public capital	1115				
- with minority public capital	1116				
- owned by government business enterprise	1117				
- owned by private capital companies	1118	12.541.318		12.541.318	
- owned by individuals	1119	2		2	
- owned by other entities	1120				

XII. Dividends / Payments to the public or local budget, to be distributed from the profit of financial year by the national companies, national societies, national societies and government business enterprise****)	Position code	Financial year	
		Prior	Concluded
A	B	1	2
<b>Total amounts, out of which:</b>	1121		
- to public central institutions	1122		
- to public local institutions	1123		

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

- to other shareholders to which the state / territorial administrative units / public institutions own directly / indirectly shares or contributions, whether of their weight	1124		
--	------	--	--

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

XIV. Dividends distributed to shareholders from the reported profit	Position code	Financial year	
		Prior	Concluded

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

A	B	1	2
- dividends distributed to shareholders during the reporting period from the reported profit	1139a		

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

XVI. Other information	Position code	Financial year	
		Prior	Concluded
A	B	1	2
Turnover <sup>*****)</sup>	1140	37.246.384	42.088.345
Paid subscribed capital	1141	12.541.320	12.541.320
Tangible assets <sup>*****)</sup>	1142	61.721	43.325

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Equity	1143	5.231.548	9.370.788
Debts: amounts which must be paid within a year	1144	8.121.653	6.935.201
Debts: amounts which must be paid within a period longer than one year	1145	9.040.416	15.311.877
Result of the financial year (Loss / Profit)	1146	-1.505.056	4.139.240
Indebtness degree (loaned capital /equity)	1147	2	0
Profitability (Profit / Turnover)	1148	0	0

<b>XVII. Receivables taken by transfer from legal entities</b>	<b>Position code</b>	<b>Financial year</b>	
		<b>Prior</b>	<b>Concluded</b>
<b>A</b>	<b>B</b>	<b>1</b>	<b>2</b>
Receivables taken by transfer from legal entities (at par value), out of which:	1149		
- receivables taken by transfer from affiliated legal entities	1150		
Receivables taken by transfer from legal entities (at purchase price), out of which:	1151		
- receivables taken by transfer from affiliated legal entities	1152		

<b>XVIII. Expenses concerning calamities and other similar events</b>	<b>Position code</b>	<b>Financial year</b>
---	----------------------	-----------------------

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

		<b>Prior</b>	<b>Concluded</b>
<b>A</b>	<b>B</b>	<b>1</b>	<b>2</b>
Expenses concerning calamities and other similar events	1153		
- floods	1154		
- drought	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. Expenses will be filled in according to the Implementing Regulation (EU) No. 995/2012 of the Commission of October 26, 2012 laying down the detailed rules for the implementation of Decision No. 1608/2003/EC of the European Parliament and of the Council concerning the production and development of Community statistics on science and technology published in the Official Journal of the European Union, series L, No. 299 of October 27, 2012.

\*\*) To be completed with innovation expenses in accordance with the Regulation (EC) no. 995/2012 for the settlement of the implementation norms of the Decision no.1608/2003/EC of the European Parliament and of the Council regarding the production and development of community statistics in the fields of science and technology, published in the Official Journal series L no. 299/October 27, 2012.

\*\*\*\*) To be reported only by institutions, other than the credit institutions, with state capital, which are organized and function based on the Companies law no. 31 / 1990, republished, with the subsequent modifications and completions and to which the state is shareholder or owns directly or indirectly a share.

\*\*\*\*\*) For the receivables taken by assignment from legal entities, their nominal value and the purchase cost will be written.

\*\*\*\*\*) for the calculation of this indicator, the provisions of point 103 align. (2) second thesis of the methodological rules for the application of Title VII of the Fiscal code will be taken into account, 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 for the declaration and VAT payment is established, the taxable income registered on the lines from the fee settlement corresponding to the deliveries of goods / taxable services supplies and / or exempted with right of deduction and / or deliveries of goods / services supplies for which the delivery location / supply is considered as abroad, according to the provisions of art. 275 and 278 from the Fiscal Code are taken into account, but which give the right to deduction according to art. 297 align. (4), let. b) of the Fiscal Code, as well as the lines of related adjustments. For the status

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

of “affiliated legal entities”, the provisions of art. 7 point 26 let. c) and d) of the Law no. 227 / 2015 concerning the Fiscal Code, with the subsequent modifications and completions are taken into account.

\*\*\*\*\*) to 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 completed by entities, other than the credit institutions, to which the provisions of OMFP no. 668 / 2014 for the approval of the Mentions concerning the drafting and update of summary inventory of immovable goods private ownership of state and real rights subject to inventory are incident. The accounting value of an asset is the value to which it is recognized following the accumulated depreciation deduction, for the depreciable assets and adjustments accumulated from depreciation or value loss.

3) To the section "XI Paid in subscribed capital " in lines 1110 - 1120, in column 2 and column 4, entities shall write in the percent corresponding to the share capital held in the total of the paid in share capital written in line 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. The dividends presented at pos. 1121 are not reported.

MANAGING DIRECTOR

BOGDAN DOBRE

Signature

- *illegible signature* -

- *round stamp affixed* -

DRAFTED

CRISTIANA CATUNEANU

SOLE TRADER

CECCAR MEMBER

Signature

Registration number in the professional body

18051

- *illegible signature* -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;

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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**SITUATION OF FIXED ASSETS**

40A

- RON -

GROSS VALUE OF ASSET ELEMENTS	Position code	Initial balance	Increases	Discounts	out of which: dismemberment si casari	Final balance (col.5=1+2-3)
				Total		
A	B	1(1)	2(2)	3(3)	4(4)	5(5)
<b>INTANGIBLE ASSETS</b>						
Goodwill	101	0	0	0	X	0
Establishment expenses	102	0	0	0	X	0
Other intangible assets	103	381.770	206.795	0	X	588.565
Pending advances and intangible assets	104	0	0	0	X	0
<b>TOTAL (poz.101 la 104)</b>	<b>105</b>	<b>381.770</b>	<b>206.795</b>	<b>0</b>	<b>X</b>	<b>588.565</b>
<b>TANGIBLE ASSETS</b>						
Lands	106	0			X	0
Landscaping	107	0			X	0
Constructions	108	0				0
Technological equipments (machines, tools and work installations)	109	0				0
Measurement, control and adjustment devices and installations	110	0				0
Transport means	111	0				0

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Furniture, office device, protection equipments for human and material values and other tangible assets	113	251.770	29.106			280.876
Pending advances and tangible assets	114	0	0	0	X	0
TOTAL (poz.106 la 114)	115	251.770	29.106	0	0	280.876
<b>FINANCIAL ASSETS</b>						
Public effects and similar values	116	0			X	0
Bonds and other titles fixed income	117	0			X	0
Shares in related commercial companies	118	0			X	0
Contribution and activities from portfolio	119	0			X	0
TOTAL (rd.116 la 119)	120	0	0	0	X	0
<b>FIXED ASSETS - TOTAL</b> (rd.105+115+120)	121	633.540	235.901	0	0	869.441

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

40B

- RON -

DEPRECIATIONS RELATED TO ELEMENTS OF ASSETS	Position	Initial balance	Depreciation	Depreciation	Depreciation
	code		during the year	related to deregistered assets	at the end of the year (col.9=6+7- 8)
A	B	6(1)	7(2)	8(3)	9(4)
<b>INTANGIBLE ASSETS</b>					
Goodwill	131	0	0	0	0
Establishment expenses	132	0	0	0	0
Other intangible assets	133	229.504	85.361	0	314.865
<b>TOTAL (poz.131 la 133)</b>	<b>134</b>	<b>229.504</b>	<b>85.361</b>	<b>0</b>	<b>314.865</b>
<b>TANGIBLE ASSETS</b>					
Landscaping	135	0	0	0	0
Constructions	136	0	0	0	0
Technological equipments (machines, tools and work installations)	137	0	0	0	0
Measurement, control and adjustment devices and installations	138	0	0	0	0
Transport means	139	0	0	0	0
Furniture, office device, protection equipments for human and material values and other tangible assets	141	190.049	47.502	0	237.551
<b>TOTAL (poz.135 la 141)</b>	<b>142</b>	<b>190.049</b>	<b>47.502</b>	<b>0</b>	<b>237.551</b>
<b>DEPRECIATIONS - TOTAL (poz.134+142)</b>	<b>143</b>	<b>419.553</b>	<b>132.863</b>	<b>0</b>	<b>552.416</b>

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**SITUATION OF FIXED ASSETS**

**40C**

- RON -

PROVISIONS FOR THE DEPRECIATION OF ELEMENTS OF ASSETS	Position code	Initial balance	Provisions established during the year	Provision resumed at incomes	Final balance (col.13=10+11-12)
A	B	10(1)	11(2)	12(3)	13(4)
INTANGIBLE ASSETS					
Goodwill	151				
Establishment expenses	152				
Other intangible assets	153				
Pending advances and intangible assets	154				
TOTAL (poz.151 la 154)	155				
TANGIBLE ASSETS					
Lands	156				
Landscaping	157				
Buildings	158				
Technological equipments (machines, tools and work installations)	159				
Measurement, control and adjustment devices and installations	160				
Transport means	161				
Furniture, office device, protection equipments for human and material values and other tangible assets	163				

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Pending advances and tangible assets	164				
TOTAL (poz.156 la 164)	165				
FINANCIAL ASSETS					
Public effects and similar values	166				
Bonds and other titles fixed income	167				
Shares in related commercial companies	168				
Contribution and activities from portfolio	169				
TOTAL (poz.166 la 169)	170				
PROVISIONS FOR DEPRECIATION - TOTAL (poz.155+165+170)	171				

MANAGING DIRECTOR  
BOGDAN DOBRE  
Signature  
- *illegible signature* -  
- *round stamp affixed* -

DRAFTED  
CRISTIANA CATUNEANU  
SOLE TRADER  
CECCAR MEMBER  
Signature  
Registration number in the professional body  
18051  
- *illegible signature* -

The annual financial statements are signed by de jure persons, containing their name.

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

- economic director, chief accountant or another person appointed by decision written by administrator;
- individuals or legal entities, authorized according to the law, members of the Body of Chartered Accountants and Authorized Accountants of Romania.

**AXI FINANCE IFN SA  
FINANCIAL STATEMENTS  
31<sup>ST</sup> DECEMBER 2022**

**CORRELATIONS BETWEEN THE BALANCE SHEET MODEL, THE PROFIT AND LOSS ACCOUNT AND INFORMATIVE DATA**

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

**CORRELATIONS BETWEEN THE BALANCE SHEET FORM AND THE FIXED ASSETS FORM**

<b>Form code</b>	<b>40 Relationship</b>	<b>Balance sheet form</b>	
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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**1. NOTE 1 – ACCOUNTING PRINCIPLES, POLICIES AND METHODS**

The main accounting policies adopted in drafting these financial statements are presented below:

**A Basis of drafting financial statements**

**(1) General information**

These financial statements 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 National Bank of Romania no. 6 of 17<sup>th</sup> July 2015 for the approval of Accounting regulations compliant with the European directives, applicable to the credit institutions, nonbanking financial institutions and Guarantee fund for deposits in the bank system with the subsequent modifications (“Order 6 / 2015”);
- (iv) Regulation of the National Bank of Romania no. 5 of 8<sup>th</sup> March 2012 concerning the classification of credits and establishment, adjustment and use of specific risk credit provisions applicable to the entities supervised by the National Bank of Romania, other than the credit institutions (“Regulation 5 / 2012”);
- (v) Regulation of the National Bank of Romania no. 20 of 13<sup>th</sup> October 2009 concerning the non-banking financial institutions with the subsequent modifications and completions (“Regulation 20 / 2009”).

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

**(2) Use of estimates**

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

**(3) Continuity of activity**

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

**(4) Currency for the presentation of financial statements**

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

**B. Conversion of transactions in foreign currency**

The transactions of Company in foreign currency are registered at the rate exchange communicated by the National Bank of Romania (“BNR”) for the transaction date. At the end of each month, the balances in foreign currency are converted in RON to the rate exchanges 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 foreign currency are recognized in the profit and loss account, within “Net profit or loss from financial operations”.

**C. Intangible assets**

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

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

All the intangible assets in the balance on 31<sup>st</sup> December 2016, have determined life cycle and are depreciated based on the linear method.

*(i) Transfers, patents, licenses, trademarks, similar rights and assets*

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

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

*(ii) Advances and other intangible assets*

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

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

**D. Tangible assets**

**(1) Cost / evaluation**

The tangible assets are evaluated initially at purchase cost.

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

The maintenance and repair of tangible assets are written on expenses when it occurs, and the significant improvements brought to tangible assets, which increase the value or life cycle, or which increase significantly the capacity to generate some economic benefits by them, are capitalized.

**(2) Depreciation**

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

Asset	Years
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 next to the commissioning and until the full recover of entry value.

**(3) Sale / scrapping of tangible assets**

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

Any profit or loss resulted as difference between the incomes generated by 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”, as applicable.

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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**E Depreciation of tangible assets**

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

The differences found in minus between the inventory value and net accounting value of asset elements are registered in the accounting based on an additional depreciation, in the case of depreciable assets for which the depreciation is irreversible or an adjustment is done for 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 purchase cost. The purchase cost contains the transaction costs. Subsequently, the financial assets are evaluated subsequently at a cost less than the cumulated adjustments for value loss.

**G Stocks**

The stocks are evaluated initially at purchase cost.

**H Other receivables**

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

**I Receivables on credit institutions**

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

**J Receivables on clients and specific risk credit provisions**

*(i) Evaluation*

The receivables on clients contain the credits given 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 repayments. All the credits are recognized when the funds are made available to clients.

*(ii) Provisions for credit risk*

The provisions for the credit risk are established based on the evaluation of credit portfolio and advances including the uncollected interests and penalties. The provisions are registered on expenses in the profit and loss account and in the balance sheet these are 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 specific risk credit provisions and Regulation 20 / 2009.

The regulation applicable to non-banking financial institutions regulate:

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

The specific provisions are established for the given credit contracts, considered as non-performant according to the internal rules and regulations in force. For the credit contracts, the

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

procedures consider both the history of debt service under the matter of paying the interest and the main on due date as well as the initiation of judicial procedure concerning the non-performant credits. After such an evaluation, the classification of loans in five categories results, as follows:

	Initiation of judicial procedures	No judicial procedures have been initiated	Judicial procedures have been initiated
Debt service			
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 risk credit provisions is done by applying the coefficient of provision relevant on the obtained taxable income, as follows:

Classification category	Credits registered in currency or indexed at the rate exchange of a currency, given to debtors individuals, exposed to currency risk	Credits, other than those from the prior column
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 given to a debtor are classified in one classification category based on the principle of declassification by contamination, respectively by considering the lowest of the individual classification categories.

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

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

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

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

**K Cash and equivalent of cash**

The cash and equivalent of cash are emphasized in the balance sheet at historical cost. For the situation of cash flow, the cash and its equivalents contain petty cash, current costs at banks and deposits at banks with a seniority less than 3 months.

**L Share capital**

The company has share capital paid by the shareholders in the amount of 12.541.320 RON.

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**M Loans**

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

**N Commercial debts**

The commercial 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**

The provisions for decommission, restructuring, litigations, as well as other provisions for risks and expenses are recognized when the Company has a legal or default obligation generated by a previous event, when for the termination of obligation, it is probably necessary an exit of resources and when a credible estimate can be done concerning the value of obligation. The restructuring provisions contain the direct costs generated by restructuring, and namely those which are generated necessarily by the restructuring 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 activity, the Company makes payments to the health, pension and unemployment funds in the account of employees at legal installments. All the Company employees are members of the Romanian state pension plan. These costs are recognized in the profit and loss account once with the recognition of salaries.

The company does not operate any other plan for pensions or benefits after retirement and, even though, it does not have any other obligation referring to the pensions.

**Q Taxation**

*(i) Tax on current profit*

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

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

*(ii) Postponed tax on profit*

The company does not recognize the postponed tax on profit.

**R Interests to be received and similar incomes**

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

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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**S Interests to be paid and similar expenses**

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

**T Incomes and expenses from fees**

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

**U Other operational incomes and expenses**

These are registered based on commitment accounting, in the period to which it refers. In these financial statements, the incomes and expenses are presented at their 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 failure to occurrence of one or more future unsure events, which cannot be totally under the Company control.

The contingent assets are not recognized in the financial statements, because these are not certain, and their recognition would determine the recognition of an income which is not made. If the performance of an income is sure, the related asset is not a contingent asset and it is proceeded to the recognition in the balance sheet during the period in which the modifications have occurred. The contingent assets are evaluated permanently to provide the adequate reflection in the financial statements of the occurred modifications.

*(ii) Contingent debts*

A contingent debt is:

- a) A potential obligation, occurred as consequence of past events, prior to the date of balance sheet and of which existence will be confirmed only by the occurrence or failure to occurrence of one or more future uncertain events, which cannot be totally under the Company control; or
- b) A current obligation occurred as consequence of some past events, prior to the balance sheet date, but which is not recognized because:

- it is not sure that resources which include economic benefits are necessary for the termination of this debt, or
- the value of debt cannot be evaluated enough credibly.

The contingent debts are not recognized in the balance sheet, these are 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 include economic benefits would be necessary for an element considered previously contingent debt, a provision will be recognized in the financial statements related to the period in which the modification has occurred, excepting the cases in which no credible can be done and, as consequence, a debt will exist which cannot be recognized but will be presented as contingent obligation.

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**W Comparative**

The correction of errors related to the previous periods, found in accounting, is done based on the reported result. Such errors include the effects of mathematical mistakes, mistakes for the use of accounting policies and wrong interpretation of events.

**X Events subsequent to the balance sheet**

The effect of events subsequent to the balance sheet date, which provide additional information concerning the financial position of 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 statements.

**2. NOTE 2 – INFORMATION CONCERNING SOME POSITIONS FROM THE BALANCE SHEET**

		<b>31.12.2021</b>	<b>31.12.2022</b>
<b>Other assets</b>	<b>120</b>	<b>732.509 RON</b>	<b>903.619 RON</b>
Deposits of paid guarantees		516.769 RON	511.677 RON
Advances of debtors of invoices to be received		215.862 RON	392.102 RON
Meal vouchers		-122 RON	-160 RON
<b>Other debts</b>	<b>330</b>	<b>12.012.649 RON</b>	<b>16.208.440 RON</b>
Personnel / collaborators due salaries		279.438 RON	293.290 RON
Current debts to the public budget / social insurances budget		437.405 RON	582.610 RON
Other various creditors / Providers		2.255.390 RON	1.883.094 RON
Loans from shareholders (long / short – term)		9.040.416 RON	9.046.376 RON
Loans from affiliates (short / long – term)			4.403.070 RON
<b>Expenses registered in advance and involved incomes</b>	<b>130</b>	<b>2.943.290 RON</b>	<b>4.275.919 RON</b>
Attached receivables (interests / penalties credits)		4.814.022 RON	5.036.082 RON
Expenses registered in advance		4.875 RON	221.166 RON
Attached provisions for receivables		-1.875.607 RON	-981.329 RON
<b>Incomes registered in advance and involved debts</b>	<b>340</b>	<b>5.149.420 RON</b>	<b>5.901.248 RON</b>
Interest related to the long – term loan		5.390.804 RON	6.265.502 RON
Amounts pending adjustment		-241.385 RON	364.254 RON

**3. NOTE 3 – SITUATION OF RECEIVABLES AND DEBTS**  
**PERIOD UNTIL DUE DATE**

Balance on 31 <sup>st</sup> December	TOTAL	D < 3 months	3 months > < 1 year	1 year > < 5 years	D > 5 years
<b>RECEIVABLES</b>	<b>25.016.978 RON</b>	<b>25.016.978 RON</b>	-	-	-
Receivables concerning clients	27.038.508 RON	27.038.508 RON	-	-	-

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Provisions concerning the clients	-2.021.530 RON	-2.021.530 RON	-	-	-
<b><u>DEBTS</u></b>	<b><u>22.109.688</u></b> <b><u>RON</u></b>	<b>ron</b>	-	-	-
Debts with employees and contributions related to salaries	239.860 RON	239.860 RON	-	-	-
Other taxes and fees	615.717 RON	107.034 RON	508.683 RON	-	-
Various creditors	1.903.417 RON	1.903.417 RON	-	-	-
Received loans	13.449.445 RON	3.885.884 RON	-	9.563.561 RON	-
Attached debts and amounts pending adjustment	5.901.249 RON	-	-	5.901.249 RON	-

**4. NOTE 4 – INFORMATION CONCERNING THE PORTFOLIO OF TITLES**

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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**5. NOTE 5 – FIXED ASSETS**

- All intangible assets in balance on 31<sup>st</sup> December 2021, have determined life cycles and are depreciated based on the linear method.
- Patents, licenses, trademarks and similar assets are depreciated using the linear method over a period of 3 years.
- The depreciation of tangible assets is calculated at entry value, using the linear method over the net estimate life cycle of assets.

	Gross value of elements of assets				Depreciation of elements of assets			
	Initial balance	Increases	Decreases	Final balance	Initial balance	Depreciation during the year	Depreciation related to assets	Depreciation at the end of year
Intangible assets								
Other intangible assets	381.770 RON	206.795 RON	0	588.565 RON	229.504	85.361 RON	0	314.865 RON
Total intangible assets	381.770 RON	206.795 RON	0	588.565 RON	229.504	85.361 RON	0	314.865 RON
Tangible assets								
Furniture, office devices, protection equipments of human and material values and other tangible assets	251.770 RON	29.106 RON	0	280.876 RON	190.049 RON	47.502 RON	0	237.551 RON
Total tangible assets	251.770 RON	29.106 RON	0	280.876 RON	190.049 RON	47.502 RON	0	237.551 RON
FIXED ASSETS – TOTAL	633.540 RON	235.901 RON	0	869.441 RON	419.553 RON	132.863 RON	0	552.416 RON

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**6. NOTE 6 – SHARES AND ISSUED BONDS**

AXI FINANCE IFN SA has a share capital of 12.541.320 RON, divided in 9.076.320 shares, each having a nominal value of 1 RON, 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 RON
- Bulgarian citizen Svetoslavov Vassilev (0.00001%) – 1 RON
- Bulgarian citizen Nedelcho Yordanov (0.00001%) – 1 RON

**7. NOTE 7 – DISTRIBUTION OF PROFIT**

- From the profit of 4.139.240 RON, the Company has established legal reserves in the value of 206.962 RON.

**8. NOTE 8 – PROVISIONS**

- on 31.12.2022 the following provisions for the granted credits have been calculated

Delay days	Portfolio		Provision %
	Credit	Interests and penalties	
< 15	22.529.989	2.920.555	0,00%
< 30	1.127.876	474.350	5,00%
< 60	1.076.112	519.443	20,00%
< 90	1.109.236	536.022	50,00%
> 90	1.195.296	585.711	100,00%
Total	27.038.509	5.036.081	

Delay days	Provisions		Provision %
	Credit	Interests and penalties	
< 15	0.00	0.00	0,00%
< 30	-56.394	-23.718	5,00%
< 60	-215.222	-103.889	20,00%
< 90	-554.618	-268.011	50,00%
> 90	-1.195.296	-585.711	100,00%
Total	-2.021.530	-981.329	

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

	31 <sup>st</sup> December 2021
Balance at the beginning of period	-5.357.884 RON
Additional provisions	-14.939.952 RON
Resumption of provisions	17.294.977 RON
Total	3.002.859 RON

- also, on 31.12.2022 the provisions for undone medical leaves in the value of 137.390 RON have been registered.

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

	31.12.2021	31.12.2022
<b>Other operational expenses</b>	<b>100 3.545.425 RON</b>	<b>3.690.618 RON</b>

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Expenses with rents		1.537.655 RON	1.208.440 RON
Expenses with other taxes / fees / VAT		1.091.986 RON	1.403.696 RON
Interest of loans		911.472 RON	1.034.251 RON
Other operational expenses		4.312 RON	44.231 RON

**10. NOTE 10 – INFORMATION CONCERNING THE EMPLOYEES AND MEMBER OF BOARD OF DIRECTORS, MANAGEMENT AND SUPERVISION**

		<b>31.12.2021</b>	<b>31.12.2022</b>
<b>Expenses with personnel, out of which:</b>	<b>083</b>	<b>5.855.891</b>	<b>6.372.786</b>
- Salaries	084	5.716.922	6.221.556
- Expenses with social insurances, out of which:	085	126.969	134.980
- expenses related to pensions	086	0	0
<b>Number of employees, out of which:</b>		<b>81</b>	<b>70</b>
- Number of employees from front office departments		45	33
- Number of employees from back office departments		36	37
Average number of employees (with employment contract)		83	75
Number of collaborators (with civil contract)		1	1

<b>Salaries to be paid</b>	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>Paid in January 2022</b>	<b>Paid in January 2023</b>
Personnel – due salaries	261.375	272.967
Other creditors – salaries of collaborators	14.210	20.323

**11. NOTE 11 – TRANSACTIONS WITH AFFILIATED PARTS**

- 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 EURO, in 2018 by loans in the amount of 1.600.000 EURO, in 2019 by loans in the amount of 1.100.000 EURO, in 2020 in the amount of 450.000 EURO and in 2021 922.511 EURO, long – term, with due date 5 years from the date of granting each instalment and an interest of 9% per year
- the interest is calculated and registered monthly, in EURO, performing a reevaluation at the BNR exchange on the last day of each month
- at the exchange rate of December 2017, it has been decided that the increase of share capital by capitalization of 518.478,00 EURO from the granted loans, during 2018 the share capital has been increased by the capitalization of 3.863.490,00 EURO followed in 2020 by the capitalization of 1.314.332,00 EURO from this loan and in 2021 by the capitalization of 700.000,00 EURO.

Period	Balance (EURO)	Rate exchange 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
31.12.2022	1.828.511	4,9474	9.046.375

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

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

Transactions related to loans

	Receipt of loans	Repayment of loans	Capitalizations
	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
2022	385.000	179.000	0

	Receipt of loans	Repayment of loans	Capitalizations
	RON	RON	RON
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
2022	1.903.858	885.586	0

Attached interest				
Year of transaction	Value of interest (EURO)	Balance (EURO)	Rate exchange End of management period of	Final balance (EURO)
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
2022	162.182	1.206.967,60	4.9474	5.971.351,49

In 2018, the company has given a loan in the amount 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.

The list of performed transactions:

	Granting loans	Repayment of loans	End of period balance
	RON	RON	RON
2018	144.799,37	144.799,37	0

During 201, the company has received a loan in the amount of 204.536,99 EURO from EASY ASSET MANAGEMENT JSC on long-term, with due date 5 years from the date of granting

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

each instalment and an interest of 9% per year. The interests is calculated and registered monthly, in EURO, performing reevaluation at the BNR exchange rate on the last day of each month.

	Granting loans	Repayment of loans	End of period balance
	EURO	EURO	EURO
2019	204.536,99	0	204.536,99
2022	0	100.000	104,536.99

Attached interest				
Year of transaction	Value of interest (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
2022	14.771,35	59.455,57	4.9474	294.150,49

During 2022, the Company has contracted loans from IUVO GROUP in EURO and RON as follows:

	Granting loans	Repayment of loans	End of period balance
2022	860.497,38 EURO	143.042,03 EURO	717.455,35 EURO
2022	336.345,10 RON	0	336.345,10 RON

Attached interest			
Year of transaction	Value of interest	Repayment interest	Final balance
2022	30.611,93 EURO	30.611,93 EURO	0
2022	10.494,71 RON	10.494,71 RON	0

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

Year	Value of transferred credits	Sale price for transferred 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 remained to be received from Agency for Control of Outstanding Debts SRL on 31.12.2021 is 0 RON.

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

year	Value of services	Mediated value cards
2019	206.127 RON	5.573.167 RON
2020	969.882 RON	46.320.358 RON

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

2021	1.550.253 RON	93.699.964 RON
2022	2.289.370 RON	134.270.804 RON

**12. NOTE 12 – INFORMATION CONCERNING THE GEOGRAPHICAL MARKETS**

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

<b><u>Interests to be received and similar incomes, out of which:</u></b>	<b><u>31.12.2021</u></b>	<b><u>31.12.2022</u></b>
	<b><u>26.244.243 RON</u></b>	<b><u>34.526.336 RON</u></b>
Incomes from interests of given credits	24.040.936 RON	31.921.740 RON
Other incomes from interests of current accounts	0 RON	0 RON
Incomes from penalties of granted credits	2.203.307 RON	2.604.596 RON
<b><u>Expenses with fees</u></b>	<b><u>209.234 RON</u></b>	<b><u>236.929 RON</u></b>
<b><u>Net profit or loss from financial operations</u></b>	<b><u>-279.725 RON</u></b>	<b><u>-96.074 RON</u></b>
Expenses from differences of rate exchange	-336.062 RON	-554.102 RON
Incomes from differences of rate exchange	56.337 RON	458.028 RON

**13. NOTE 13 – CONTINGENT DEBTS AND COMMITMENTS**

**Granted commitments**

The company has on 31.12.2022 commitments towards the clients in the amount of 16.189.164 RON, representing the unwithdrawn value from the granted lines of credit.

**14. NOTE 14 – OTHER INFORMATION**

These financial statements are presented by AXI FINANCE IFN SA and include the results of Company operations for the financial year concluded on 31<sup>st</sup> December 2021.

AXI FINANCE IFN SA has been registered at the Trade Register on 12.10.2015 having as main object the performance of other credit activities (micro-credit) based on contract. AXI FINANCE IFN SA has been registered in the General 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, 1<sup>st</sup> district, 19 – 21 Bd. Primaverii, 3<sup>rd</sup> floor.

AXI FINANCE IFN SA has the tax registration code 35116319, being registered at the Trade Register with the no. J40/12493/2015.

The company has as object the granting of credits to individuals.

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

- Bulgarian legal entity ACCESS FINANCE OOD (99.99998%)
- Bulgarian citizen Svetoslavov Vassilev (0.00001%)
- Bulgarian citizen Nedelcho Yordanov (0.00001%)

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

- Mr. Bogdan Dobre, Romanian citizen, born on 01.12.1969 in Bucharest, Romania, domiciled in 96Z Sos. Nordului, 2<sup>nd</sup> floor, flat 14, 1<sup>st</sup> district, Bucharest, having personal identification number 1691201410019, identified by ID series RK number 239547, issued by SPCEP 1<sup>st</sup> district on 12.11.2018.

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

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

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

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

The trial balance has been drafted monthly, the data comprised by it is correct and operated up to date.

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

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

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

AXI FINANCE IFN SA has performed its activity within continuity conditions.

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

The administrator has concluded that the annual financial statements present a loyal image of the financial position, performance, treasury flows and modifications of equity.

From the analysis of trial balance and results of inventory of balance positions on 31<sup>st</sup> December 2022, the following results:

I. FIXED ASSETS	317.025 RON
II. FLOATING ASSETS	22.024.922 RON
Out of which:	
Petty cash	3.347 RON
Receivables on credit institutions	1.100.978 RON
Receivables on clients	25.016.978 RON
Other assets	903.619 RON
III. EXPENSES IN ADVANCE	4.275.919 RON
TOTAL ASSETS	31.617.866 RON
I. EQUITY	9.370.788 RON
II. DEBTS	22.109.688 RON
Out of which:	
Other debts	16.208.440 RON
Incomes registered in advance and involved debts	5.901.248 RON
Total liabilities	31.617.866 RON

Briefly, the financial situation of AXI FINANCE IFN SA for 2022 is the following:

I. Total incomes	59.937.425 RON
Interests to be received and similar incomes	34.526.336 RON
Other incomes from operation	20.071 RON
Incomes from rate exchange differences	458.028 RON
Incomes from provisions	17.294.977 RON
Incomes from recovery of receivables	7.638.012 RON
II. Total expenses	55.243.152 RON
Expenses with fees	236.929 RON
General administrative expenses	18.393.710 RON
Corrections on the intangible and tangible assets value	132.863 RON
Other operational expenses	3.690.618 RON
Expenses from rate exchange differences related to transactions in currency (included net of incomes from rate exchange differences)	
In the profit and loss account from the financial statements as net profit or loss from financial operations)	554.102 RON

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Corrections on the value of receivables and provisions	14.939.952 RON
Losses from the sale of receivables	17.294.978 RON
III. Gross result of financial year (Profit)	4.694.273 RON
IV. Tax on profit	555.033 RON
V. Net result of financial year	4.139.240 RON

The main risk which AXI FINANCE IFN SA has faced during 2022 is the credit risk, generated by the failure to fulfill by clients the taken 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 delays to payment and / or by applying some actions against each client who registers significant delays.

For 2023, an increase of the activity volume in comparison with the level of 2021 is foreseen.

**15. NOTE 15 – EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE**

The invasion of Ukraine by Russia, on 24<sup>th</sup> February 2022, has had an indirect impact on AXI Finance IFN.

A related phenomenon, which we estimate to be reflected for a longer period, is the care of clients towards the option of increasing the credit limit. The inflation generated by the war of Ukraine, has led to a feeling of unsafety from the clients of our portfolio: a bigger weight of these refuses to increase the credit limit from the card, being afraid that it will not be able to pay the debt.

**16. NOTE 16 – CONTINUITY OF ACTIVITY**

AXI FINANCE IFN SA performs its activity based on the principle of continuity of activity, which presupposes that the Company will continue its activity in the foreseeable future. To evaluate the applicability of this presumption, the management analyzes the forecasts referring to the future cash entries. Based on this analysis, the management considers that the Company will be able to continue its activity in the foreseeable future and consequently the use of the principle of continuity of activity in drafting the financial statements is justified.

MANAGING DIRECTOR

Surname and forename: Bogdan Dobre

Signature: - *illegible signature* –

Unit stamp

- *round stamp affixed* -

DRAFTED,

CRISTIANA CATUNEANU

Quality: Sole trader – CECCAR member

Signature: - *illegible signature* –

Registration number in the professional body

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

**ADMINISTRATORS' REPORT**

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

- Bulgarian legal entity ACCESS FINANCE OOD (99.99998%)
- Bulgarian citizen Svetoslavov Vassilev (0.00001%)
- Bulgarian citizen Nedelcho Yordanov (0.00001%)

AXI FINANCE IFN SA has been registered at the Trade Register on 12.10.2015 having as main object the performance of other credit activities (micro-credit) based on contract.

The headquarters of AXI FINANCE IFN SA is in Bucharest, 1<sup>st</sup> district, 19 – 21 Bd. Primaverii, 3<sup>rd</sup> floor.

AXI FINANCE IFN SA has been registered in the General Register, kept at the National Bank of Romania, with the number RG – PJR – 41 – 110308 / 08.04.2016.

with December 2016, after the registration at the National Bank of Romania.

The bookkeeping has been kept according to the Order of the Governor of the National Bank of Romania no. 6 / 2015 for the approval of 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 documents legally drafted have been verified daily and operated in the company bookkeeping.

The trial balance has been drafted monthly, the data comprised by it is correct and operated up to date.

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

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

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

AXI FINANCE IFN SA has performed its activity within continuity conditions.

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

The administrator has concluded that the annual financial statements present a loyal image of the financial position, performance, treasury flows and modifications of equity.

From the analysis of trial balance and results of inventory of balance positions on 31<sup>st</sup> December 2022, the following results:

I. FIXED ASSETS	317.025 RON
II. FLOATING ASSETS	22.024.922 RON
Out of which:	
Petty cash	3.347 RON
Receivables on credit institutions	1.100.978 RON
Receivables on clients	25.016.978 RON
Other assets	903.619 RON
III. EXPENSES IN ADVANCE	4.275.919 RON
TOTAL ASSETS	31.617.866 RON
I. EQUITY	9.370.788 RON
II. DEBTS	22.109.688 RON
Out of which:	
Other debts	16.208.440 RON

**AXI FINANCE IFN SA**  
**FINANCIAL STATEMENTS**  
**31<sup>ST</sup> DECEMBER 2022**

Incomes registered in advance and involved debts	5.901.248 RON
Total liabilities	31.617.866 RON

Briefly, the financial situation of AXI FINANCE IFN SA for 2022 is the following:

I. Total incomes	59.937.425 RON
Interests to be received and similar incomes	34.526.336 RON
Other incomes from operation	20.071 RON
Incomes from rate exchange differences	458.028 RON
Incomes from provisions	17.294.977 RON
Incomes from recovery of receivables	7.638.012 RON
II. Total expenses	55.243.152 RON
Expenses with fees	236.929 RON
General administrative expenses	18.393.710 RON
Corrections on the intangible and tangible assets value	132.863 RON
Other operational expenses	3.690.618 RON
Expenses from rate exchange differences related to transactions in currency (included net of incomes from rate exchange differences)	
In the profit and loss account from the financial statements as net profit or loss from financial operations)	554.102 RON
Corrections on the value of receivables and provisions	14.939.952 RON
Losses from the sale of receivables	17.294.978 RON
III. Gross result of financial year (Profit)	4.694.273 RON
IV. Tax on profit	555.033 RON
V. Net result of financial year	4.139.240 RON

The main risk which AXI FINANCE IFN SA has faced during 2021 is the credit risk, generated by the failure to fulfill by clients the taken 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 delays to payment and / or by applying some actions against each client who registers significant delays.

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

- Bogdan Dobre, Romanian citizen, born on 01.12.1969 in Bucharest, Romania, domiciled in 96Z Sos. Nordului, 2<sup>nd</sup> floor, flat 14, 1<sup>st</sup> district, Bucharest, having the personal identification number 1691201410019, identified by ID series RK number 239547, issued by SPCEP 1<sup>st</sup> district on 12.11.2018.

At the end of the financial year 2022, AXI FINANCE IFN SA has had 70 full – time employees.

For 2023, an increase of the activity volume in comparison with the level of 2022 is foreseen.

Managing director

Bogdan Dobre

- illegible signature –

- round stamp affixed –

31.05.2023

**AXI FINANCE IFN SA  
FINANCIAL STATEMENTS  
31<sup>ST</sup> DECEMBER 2022**

STATEMENT  
of 31.05.2023

According to the provisions of art. 30 of Accounting law no. 82 / 1991 the annual financial statements have been drafted on 31.12.2022 for:

AXI FINANCE IFN SA

Locality: Bucharest

CUI: 35116319

Trade Register no.: J40/12493 / 2015

The undersigned Bogdan Dobre – managing director takes the liability for drafting the annual statements on 31.12.2022 and confirms that:

- a) The accounting policies used for drafting the annual financial statements are according to the applicable accounting regulations.
- b) The annual financial statements offer a loyal image of the financial position, financial performance and other information referring to the performed activity.
- c) The legal entity performs its activity within continuity conditions.

Managing director,

Bogdan Dobre

- *illegible signature* –

- *round stamp affixed* –