

CREDIRECT – Financial Statements 2024

Balance Sheet

Company: CREDIRECT PRESTAMOS, S.L.U.

ASSETS

	2024	2023
A) NON-CURRENT ASSETS	2.358,00	1.040,00
V. Long-term financial investments	2.358,00	1.040,00
b) Other	2.358,00	1.040,00
B) CURRENT ASSETS	3.410.086,56	2.640.648,48
II. Trade and other receivables	2.744.957,69	1.891.855,80
1. Trade receivables and service provision	2.744.957,69	1.891.855,80
b) Trade receivables S/T	2.744.957,69	1.891.855,80
IV. Short-term financial investments	626.992,42	739.909,52
b) Other	626.992,42	739.909,52
VI. Cash and cash equivalents	38.136,45	8.883,16
TOTAL ASSETS (A + B)	3.412.444,56	2.641.688,48

EQUITY AND LIABILITIES

	2024	2023
A) NET EQUITY	- 2.080.398,87	-1.613.530,45
A-1) Own funds	-2.080.398,87	-1.613.530,45
I. Capital	10.000,00	10.000,00
1. Subscribed capital	10.000,00	10.000,00
V. Retained earnings	-1.623.530,45	-637.403,54
121000 Negative retained earnings from previous years	-1.623.530,45	-637.403,54
VII. Resultado del ejercicio	-466.868,42	-986.126,91
Profit ad Loss Account	-466.868,42	-986.126,91
129000 Profit ad Loss Account	-466.868,42	-986.126,91
B) NON CURRENT LIABILITIES	5.330.000,00	4.090.000,00
III. Long term debts with group and associated companies	5.330.000,00	4.090.000,00
163300 Other long term debts group companies	5.330.000,00	4.090.000,00
C) CURRENT LIABILITIES	162.843,43	165.218,93
II. Short-term debts	56.828,15	2.600,00
1. Debts with financial institutions	56.828,15	
520009 Short-term debts for credit financing	56.828,15	
3. Other short-term debts		2.600,00
555000 Items pending application		2.600,00
IV. Trade payables and other payables	106.015,28	162.618,93
2. Other payables	106.015,28	162.618,93
TOTAL NET EQUITY AND LIABILITIES (A+B+C)	3.412.444,56	2.641.688,48

Income Statement

Company: CREDIRECT PRESTAMOS, S.L.U.

PROFIT AND LOSS

	2024	2023
1. Net turnover	10.636,02	14.935,82
5. Other operating income	8.468.133,59	8.381.001,00
a) Incidental income and regular operations	8.468.133,59	8.381.001,00
a2) Other	8.468.133,59	8.381.001,00
6. Staff costs	-1.049.531,72	-895.190,64
a) Wages, salaries and similar remuneration	-829.638,30	-709.573,98
c) Social security costs borne by the company	-219.893,42	-185.616,66
7. Other operating expenses	-7.896.602,65	-8.330.812,34
A) Operating profit (from 1 to 12)	-467.364,76	-830.066,16
13. Financial income	496,34	
b) Other financial income	496,34	
b2) From negotiable securities and other financial instruments	496,34	
b22) From third parties	496,34	
14. Financial expenses		-156.060,75
a) Due to debts with group and associated companies		-156.060,75
B) Financial result (13+14+15+16+17+18)	496,34	-156.060,75
C) Result before taxes (A+B)	-466.868,42	-986.126,91
D) Result from continuing operations (C+19)	-466.868,42	-986.126,91
E) Profit (loss) for the year (C+19)	-466.868,42	-986.126,91

NOTES TO THE FINANCIAL STATEMENTS (SME)

Tax ID: B-88569959 – CREDIRECT PRESTAMOS, S.L. Fiscal Year: 2024

1. Company Activity

These notes have been prepared by CREDIRECT PRESTAMOS, S.L. with Tax ID B88569959, domiciled at C/ VILLANUEVA, 28, 2-RIGHT, municipality of MADRID, ZIP: 28001, province of MADRID. Registered in the Commercial Registry of MADRID, volume: 39628, folio: 120, section: 8, sheet: M-703316.

The company is registered under the following business codes:

- 6492 OTHER CREDIT ACTIVITIES

Its corporate purpose is: THE GRANTING OF UNSECURED LOANS OR CREDITS TO ANY PERSON, EXCLUDING IN ALL CASES ACTIVITIES RESERVED FOR CREDIT INSTITUTIONS UNDER APPLICABLE REGULATIONS.

The company has a workplace located at Calle Medea 4, 1st floor, office 11 in Madrid and two workplaces in Valencia located at Calle Doctor Manuel Candela 25 and Avenida Primado Reig 37.

2. Basis of Presentation of Annual Accounts

2.1. True and Fair View:

a) The annual accounts reflect a true and fair view of the company's equity, financial position and results, and are presented in accordance with current commercial legislation and the standards established in the General Accounting Plan for Small and Medium-sized Enterprises.

b) There are no exceptional reasons why the company has failed to comply with any legal provision in accounting matters to show a true and fair view.

c) It is not necessary to include supplementary information in the notes since the application of legal provisions is sufficient to show a true and fair view.

2.2. Non-mandatory Accounting Principles Applied:

During the fiscal year, only those accounting principles that are mandatory according to the Commercial Code and the General Accounting Plan for Small and Medium-sized Enterprises have been applied, namely: Going concern, Accrual, Uniformity, Prudence, No offsetting and Materiality.

2.3. Critical Aspects of Valuation and Estimation of Uncertainty:

a) There are no changes in any accounting estimates that are significant and affect the current year or future years.

b) Management is not aware of uncertainties that may cast doubt on the company's ability to continue operating normally.

2.4. Comparison of Information:

The Balance Sheet and Income Statement show data for the current year as well as the previous year.

2.5. Items Recorded in Multiple Headings:

All asset items are recorded in a single balance sheet heading.

2.6. Changes in Accounting Criteria:

No adjustments for changes in accounting criteria were made during the year.

2.7. Error Corrections:

No adjustments for corrections of errors from previous years were made during the year.

2.8. Going Concern:

There is no uncertainty regarding the normal operation of the company, nor any indication that might suggest a breach of the going concern principle.

3. Recognition and Measurement Standards

The accounting criteria applied in relation to the different items are as follows:

3.1. Intangible Assets:

No items belonging to this category were recorded during the year.

3.2. Tangible Fixed Assets:

No items belonging to this category were recorded during the year.

3.3. Investment Property:

N/A.

3.4. Criteria Used in Value Updates:

No value updates have been made.

3.5. Financial Assets and Financial Liabilities:

a) Financial assets have been considered as those consisting of cash, equity instruments of other companies or contractual rights to receive cash or another financial asset. Also included are contractual rights to exchange financial assets or liabilities with third parties under potentially favorable conditions.

Financial assets, for valuation purposes, have been classified into the following categories:

- **Financial assets at amortized cost:** This category includes, on one hand, trade receivables originated from the provision of services by the company and, on the other hand, other financial assets that are not equity instruments or derivatives, have no commercial origin and their collections are of a determined or determinable amount. Financial assets included in this category have been initially valued at cost, which equals the fair value of the consideration given plus transaction costs.

Financial liabilities, for valuation purposes, have been classified into the following categories:

- **Financial liabilities at amortized cost:** These include trade payables originated from the purchase of goods and services from the company's operations, and non-commercial payables that are not derivative instruments and have no commercial origin. These financial liabilities have been initially valued at cost, which equals the fair value of the consideration received adjusted for directly attributable transaction costs.

b) The criteria applied to determine the existence of impairment have been different depending on the category of each financial asset:

- **Financial assets at amortized cost:** At least at year-end, the existence of objective evidence that the value of a financial asset or group of financial assets with similar risk characteristics has been impaired as a result of one or more events that occurred after initial recognition and that have caused a reduction in estimated future cash flows has been verified. The impairment loss of these financial assets has been the difference between the carrying value and the present value of future cash flows estimated to be generated. Where applicable, the present value of cash flows has been replaced by the asset's quoted value, provided it was sufficiently reliable. Impairment value corrections, as well as their reversal, have been recognized as an expense or income in the profit and loss account.

3.6. Income Tax:

In general, a deferred tax liability has been recognized for all taxable temporary differences, unless these have arisen from the initial recognition of goodwill, the initial recognition of an asset or liability in a transaction that is not a business combination and also does not affect either the accounting result or the tax base or investments in subsidiaries, associates and joint ventures as long as the investor has been able to control the timing of the reversal of the difference and it has been probable that such difference will not reverse in the foreseeable future.

Deferred tax assets, in accordance with the prudence principle, have been recognized as such to the extent that it has been probable that the company will have future tax profits that allow the application of these assets. If the above condition is met, in general terms a deferred tax asset has been considered when: there have been deductible temporary differences, rights to offset in subsequent years, tax losses, and deductions and other unused tax benefits that have remained pending tax application.

Deferred tax assets and liabilities have been valued at the tax rates expected at the time of their reversal, according to the regulations that have been in force or approved and pending publication at the closing date of the year, and in accordance with the manner in which the asset or liability is rationally expected to be recovered or paid.

3.7. Income and Expenses:

Income has been recognized as a result of an increase in the company's resources, provided that its amount could be reliably determined. Expenses have been recognized as a result of a decrease in the company's resources, provided that their amount could also be reliably valued or estimated.

Service income has been recognized when the transaction result can be reliably estimated, considering the percentage of service completion at the year-end date. Service income has only been recorded under the following conditions: when the amount of income could be reliably valued, provided that the company has received benefits or returns from the transaction, and this transaction could be valued at year-end with reliability, and finally when the costs incurred in the provision, as well as those remaining to be incurred, could be reliably valued.

3.8. Subsidies, Donations and Legacies:

N/A

4. Application of Results

The proposal for the application of the year's results formulated by the Board of Directors and to be submitted for approval by the General Partners' Meeting is as follows (in euros):

The result for fiscal year 2024 is a loss of 466,868.42 euros, therefore no distribution of results is applicable.

5. Tangible Assets, Intangible Assets and Investment Property

5.1. Statement of Changes in Tangible Assets, Intangible Assets and Investment Property

As of the date, the Company does not record any tangible assets, intangible assets, or investment property.

6. Financial Assets

a) The fair value of financial assets is based on market value as reference.

According to the classification established by the General Accounting Plan in its recognition and measurement standards for financial assets, the Company maintains the following short-term balances at the end of fiscal year 2024 (in euros):

Financial Instruments	Credits, derivatives and others	TOTAL
Long-term financial investments_deposits	2,358.00	2,358.00
Trade debtors and other receivables	2,744,954.69	2,744,954.69
Short-term financial investments_deposits	626,992.42	626,992.42
Cash	38,136.45	38,136.45
TOTAL	3,412,444.56	3,412,444.56

In order to ensure the availability of cash dedicated to fulfilling its main activity and thus meet commitments made to its customers, the Company maintains deposit contracts with different Spanish financial entities for an amount, as of 12/31/2024, of 626,992.42 euros.

7. Financial Liabilities

a) The amount of debts maturing in each of the next five years, and the remainder until maturity, are detailed in the following table:

Debt Maturity at Current Year-End

	Year 1	Year 2	Year 3	Year 4	Year 5	More than 5	TOTAL
Debt with group companies	0.00	0.00	0.00	0.00	0.00	5,330,000.00	5,330,000.00
S/T debt for credit financing	56,828.15						56,828.15
Trade creditors and other payables	106,015.28	0.00	0.00	0.00	0.00	0.00	106,015.28
TOTAL	162,843.43	0.00	0.00	0.00	0.00	5,330,000.00	5,492,843.43

The balance in favor of public administrations (Tax Authority and Social Security) at year-end is 43,671.72 euros.

The company weekly assigns non-performing loans to an external platform that manages their sale to third parties. Based on the results of these sales:

- If all loans are sold: the platform pays the company.
- If not all are sold: the company pays the platform the difference.

The company maintains credit risk, as the original loan continues to be the company's debtor. The amount financed as of 12/31/2024 is 56,828.15 euros.

8. Shareholders' Equity

8.1. Share Capital

The Share Capital is set at TEN THOUSAND EUROS (€10,000), represented by 10,000 shares with a unit nominal value of ONE EURO, consecutively numbered from 1 to 10,000, both inclusive, fully subscribed and paid up.

8.2. Legal Reserve

According to the Consolidated Text of the Public Limited Companies Law, an amount equal to 10% of the year's profit must be allocated to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may be used to increase capital in the part of its balance that exceeds 10% of the already increased capital. Except for the aforementioned purpose, and while it does not exceed 20% of the share capital, this reserve may only be used to offset losses and provided that there are no other sufficient available reserves for this purpose.

As of the date, the Legal Reserve is not endowed with the legal minimum.

8.3. Voluntary Reserves

As of the date, Voluntary Reserves are not endowed.

8.4. Equity Situation

As of the closing date of fiscal year 2024, the Company's shareholders' equity reflects a situation of equity imbalance. For the sole purpose of resolving this situation, the Sole Administrator of the Company informs the Partners' Meeting of the solutions contained in the Capital Companies Law, solutions that must be approved and executed in fiscal year 2025.

9. Tax Situation

9.1. Income Tax:

The reconciliation of the net amount of income and expenses for the year with the taxable base of income tax is summarized in the following table:

	Profit and Loss Account
	Increases
Balance of income and expenses for the year	
Corporate Tax	
Permanent differences	0.00
Temporary differences:	
- originating in the year	0.00
- originating in previous years	0.00
Preliminary tax base	
Capitalization reserve	
Offsetting of negative tax bases	
Leveling reserve	0.00
Tax base (tax result)	

There is a tax credit to be offset in future years derived because of the previous tax losses.

Inventory of negative tax bases:

Year	Amount
2020	36,658.30
2021	266,255.53
2022	334,489.70
2023	986,126.91
Total	1,623,530.45

The Company's activity is VAT exempt, so the fee for domestic operations are recorded as an activity expense.

The Company contracts intra-community operators, customer acquisition leads. The suppliers assume the management and risk of said leads, with said suppliers providing mediation services on financial products (loans). In this sense, and for the purposes of the VAT Law, it is understood that there is an intermediation service when:

1. The mediator concludes a contract as an agent of the entity;
2. The mediator advises and negotiates the terms of the contract on behalf of the client for the conclusion of the contract;
3. Or, the mediator puts the client in contact with the entity for the formalization of the contract.

To the extent that the aforementioned requirements are met for these suppliers that CREDIRECT contracts, having been proven that they have generated added value, said mediation services are VAT exempt.

10. Income and Expenses

10.1 Operating Income

As of the date, the estimated value of operating income corresponding to interest accrued on loan operations is 3,382,129.09 euros. Likewise, the estimated value of the penalty for non-compliance in operations is 5,081,780.95 euros.

10.2 Financial Expenses

No financial expense was accrued during the year.

10.3 Social Charges

The balance of the "Social Charges" account for fiscal year 2024 has the following composition (in euros): Social Security paid by the company, 219,893.42 euros.

10.4 Other Operating Expenses

The balance of "Other operating expenses" for fiscal year 2024 has the following composition (in euros):

Other operating expenses	7,896,602.65
a) External services	1,676,031.75
Independent professional services	976,858.46
Other	699,173.29
b) Taxes	194.25
c) Impairment of commercial operations	6,220,376.65

11. Related Party Transactions

During this year, no amount has been accrued in the Company for remuneration in favor of the members of the administrative body, by reason of their position, all in accordance with what is expressly provided in the Company's bylaws and current legislation.

On the other hand, in order to finance the Company's activity in Spain, the Company receives over the years a loan from its parent company, MV Finance Ltd, based in Bulgaria, for a cumulative amount of 5,330,000 euros.

12. Other Information

12.1. Average Number of People Employed During the Year:

Average number of people employed during the year, by categories (adapted to CON-11)	Current Year	Previous Year
Total average employment	28.22	21.15

12.2. There are no company agreements that do not appear on the balance sheet, nor on which information has not been incorporated in another section of the notes.

12.3. There are no financial commitments, guarantees or contingencies that do not appear on the balance sheet.

12.4. There is no financial consequence of significant importance that occurs after the balance sheet closing date that is not reflected in the profit and loss account or on the balance sheet.

12.5. About Us

Creditero is the commercial brand of Credirect Préstamos, S.L.U., its internet address being <https://creditero.es/>, a site where it is explained: "We are a Fintech in continuous growth and with international presence in Bulgaria, Romania, Macedonia and Ukraine. At Creditero we develop products to minimize your worries, our priority is to find solutions to temporary financial difficulties, making loans available to you with total transparency, without fine print and almost immediately."