



FINMAK DOO Skopje

Unaudited interim financial statements

prepared in accordance with IFRS, as adopted by
the EU (Regulation (EC) No 1606/2002) and IAS34

for the period ended 30 September 2023

Interim Financial Statements

Statement of Profit and Loss and Other Comprehensive Income

Continuing operations	Notes	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Interest revenue	3	806 013 321	638 408 059
Interest expense	4	(66 531 457)	(34 303 495)
Net interest income		739 481 864	604 104 564
Fee and commission income related to finance lease activities	5	53 374 826	64 598 809
Impairment expense	6	(313 483 926)	(205 425 069)
Net gain/(loss) from de-recognition of financial assets measured at amortized cost	7	305 509	760 413
Expenses related to peer-to-peer platform services	8	(5 789 785)	(4 052 670)
Selling expense	9	(22 470 521)	(30 308 535)
Administrative expense	10	(225 391 395)	(179 385 409)
Other operating income		420	151
Other operating expense	11	(14 460 394)	(11 229 593)
Net foreign exchange result	12	(40 824)	845 138
Profit before tax		211 525 774	239 907 799
Corporate income tax	13	(36 824 793)	(35 741 420)
Profit for the period		174 700 981	204 166 379

Statement of Financial Position

ASSETS

NON-CURRENT ASSETS	Notes	30.09.2023. MKD	31.12.2022. MKD
Intangible assets			
Internally generated intangible assets		42 256 886	35 992 874
Total intangible assets	14	42 256 886	35 992 874
Tangible assets			
Right-of-use assets		56 736 223	16 852 548
Property, plant and equipment		8 408 077	7 580 479
Leasehold improvements		1 289 428	1 122 475
Total tangible assets	15	66 433 728	25 555 502
Non-current financial assets			
Loans and advances to customers	16	510 907 666	198 138 166
Total non-current financial assets		510 907 666	198 138 166
TOTAL NON-CURRENT ASSETS		619 598 280	259 686 542
CURRENT ASSETS			
Receivables and other current assets			
Loans and advances to customers	16	794 347 574	838 209 191
Loans to related parties	17, 22	53 198 954	67 642 519
Prepaid expense		1 287 774	1 940 535
Trade receivables		782 115	750 181
Other receivables	18	77 743 703	6 961 958
Cash and cash equivalents	19	73 244 239	39 221 515
Total receivables and other current assets		1 000 604 359	954 725 899
TOTAL CURRENT ASSETS		1 000 604 359	954 725 900
TOTAL ASSETS		1 620 202 639	1 214 412 442

Statement of Financial Position

EQUITY AND LIABILITIES

EQUITY	Notes	30.09.2023. MKD	31.12.2022. MKD
Share capital	20	123 199 315	123 199 315
Reserve		79 801 555	43 163 667
Retained earnings/(losses) brought forward		373 905 748	336 950 013
for the period		199 204 767	48 390 018
		174 700 981	288 559 995
TOTAL EQUITY		576 906 618	503 312 995
LIABILITIES			
Non-current liabilities			
Borrowings	21	293 105 539	92 621 178
Total non-current liabilities		293 105 539	92 621 178
Current liabilities			
Borrowings	21	587 044 830	489 018 867
Trade payable		82 920 893	60 540 013
Corporate income tax payable		40 361 083	43 040 244
Taxes payable		14 918 880	11 792 652
Other liabilities		15 846 813	10 968 509
Accrued liabilities		9 097 983	3 117 984
Total current liabilities		750 190 482	618 478 269
TOTAL LIABILITIES		1 043 296 021	711 099 447
TOTAL EQUITY AND LIABILITIES		1 620 202 639	1 214 412 442

Consolidated Statement of Changes in Equity

	Share capital MKD	Foreign currency translation reserve MKD	Retained earnings/ (Accumulated loss) MKD	Reserve MKD	Total equity attributable to Equity holders of the Parent Company MKD	Non controlling interest MKD	Total MKD
Balance at 01.01.2022	101 621 990	-	163 196 633	13 253 065	278 071 688	-	278 071 688
Profit for the period	-	-	288 559 995	-	288 559 995	-	288 559 995
Share capital increase/(decrease)	21 577 325	-	(29 910 602)	29 910 602	21 577 325	-	21 577 325
Other reallocation	-	-	47 577	-	47 577	-	47 577
Dividends distribution	-	-	(84 943 591)	-	(84 943 591)	-	(84 943 591)
Balance at 31.12.2022.	123 199 315	-	336 950 012	43 163 667	503 312 994	-	503 312 994
Balance at 01.01.2023.	123 199 315	-	336 950 013	43 163 667	503 312 995	-	503 312 995
Profit for the reporting year	-	-	174 700 981	-	174 700 981	-	174 700 981
Share capital increase/(decrease)	-	-	-	-	-	-	-
Reserve	-	-	(36 637 887)	36 637 887	-	-	-
Dividends distribution	-	-	(101 107 358)	-	(101 107 358)	-	(101 107 358)
Balance at 30.09.2023.	123 199 315	-	373 905 749	79 801 554	576 906 618	-	576 906 618

Statement of Cash Flows

Cash flows to/from operating activities	01.01.2023 - 30.09.2023, MKD	01.01.2022 - 30.09.2022, MKD
Profit before tax	211 525 774	239 907 799
Adjustments for:		
Amortization and depreciation	22 432 598	16 840 901
Interest expense	66 531 457	33 546 659
Interest income	(806 013 321)	(638 408 059)
Loss on disposal of property, plant and equipment	(8 191 858)	(6 842 110)
Impairment expense	313 178 417	204 664 656
Loss from fluctuations of currency exchange rates	40 825	-
Operating profit before working capital changes	(200 496 108)	(150 290 154)
Decrease/(increase) in inventories	-	-
Increase in finance lease receivables, loans and advances to customers and other current assets	(652 203 349)	(477 586 218)
Increase in accrued liabilities	5 979 999	6 403 057
Increase/(decrease) in trade payable, taxes payable and other liabilities	30 344 588	41 421 177
Cash generated to/from operations	(816 374 870)	(580 052 138)
Interest received	806 013 321	638 409 221
Interest paid	(69 717 223)	(25 989 620)
Corporate income tax paid	(39 503 955)	(9 845 262)
Net cash flows to/from operating activities	(119 582 727)	22 522 201
Cash flows to/from investing activities		
Purchase of property, plant and equipment and intangible assets	(61 426 846)	(16 588 417)
Loan repayments received	83 243 890	-
Loans issued	(68 800 325)	-
Net cash flows to/from investing activities	(46 983 281)	(16 588 417)
Cash flows to/from financing activities		
Proceeds from borrowings	587 696 327	372 941 623
Repayments for borrowings	(286 000 237)	(373 468 449)
Share Capital Increase	-	21 577 325
Dividends paid	(101 107 358)	(36 628 215)
Net cash flows to/from financing activities	200 588 732	(15 577 716)
Effect of exchange rates on cash and cash equivalents		
Change in cash	34 022 724	(9 643 932)
Cash at the beginning of the year	39 221 515	36 121 226
Cash at the end of the year	73 244 239	26 477 294

Notes to the Financial Statements

1. Corporate information

FINMAK DOO Skopje ("the Company") is a limited liability company, registered on September 11, 2017 in the Central Register of Republic of North Macedonia under registration number 7229712. The seat and the management address is Skopje, Str. Filip Vtori Makedonski no.3 , Skopje, North Macedonia. The Company is start-up company which is licensed as a financial company by the Ministry of Finance of the Republic of North Macedonia on 25 August 2017 with license number 13-6093/4 under Article 13 of the Law on Financial Companies. The Company's main activity is other loan mediation, with focus on consumer loans lending. The Company's majority owner is AS Eleving Consumer Finance Holding with 97.10% ownership (2021: 100.00%). The ultimate controlling owner is SIA APPLES Capital, a limited liability company registered in Liepaja, Latvia. As of September 30, 2023 the Company has 165 employees. On the approval date of these financial statements, Mr. Oskars Dzalbs and Ms. Arlinda Muja are the directors of the Company.

2. Summary of significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the International Accounting Standards Board (the "IASB").

The IFRS accounting policies set out below have been consistently applied by the Company to all periods presented in these financial statements. The accompanying financial statements are the Company's stand-alone financial statements. The Company has no subsidiaries and therefore do not prepare consolidated financial statements.

These interim financial statements for the period ended 30.09.2023 are prepared in accordance with IAS34.

The Company's annual financial statements and its financial result are affected by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the financial statements.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the current and next financial period. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Company's results and financial situation due to their materiality. Future events occur which cause the assumptions used in arriving at the estimates to change. The effect of any changes in estimates will be recorded in the financial statements, when determinable.

These financial statements have been prepared under the historical cost convention, except for fair value through other comprehensive income financial assets and financial assets held at fair value through profit or loss which have been measured at fair value.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated.

The financial statements are presented in Denars, which is the Company's reporting and functional currency. All financial information is presented in Denars. Upon initial recognition, foreign currency transactions are reported in the functional currency, applying the exchange rate as of the date of the transaction. Cash and cash equivalents, loans and receivables, investments in securities, loans and other payables as monetary reporting items, denominated in foreign currency, are reported in the functional currency at the exchange rate, daily published by the National Bank of the Republic of North Macedonia.

3. Interest revenue

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Interest income from loans and advances to customers	804 547 199	638 408 059
Other interest income	1 466 122	-
TOTAL:	806 013 321	638 408 059

4. Interest expense

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Interest expenses for loans from P2P platform investors	59 847 189	28 624 345
Interest expenses for bank liabilities and related parties	5 460 145	5 236 405
Interest expenses for lease liabilities	1 224 123	442 745
TOTAL:	66 531 457	34 303 495

5. Fee and commission income related to finance lease activities

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Revenue from contracts with customers recognized point in time:		
Income from penalties received	56 200 593	65 989 545
Income from commissions	3 820 643	2 830 822
TOTAL:	60 021 236	68 820 367

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Revenue from contracts with customers recognized point in time where the Group acted as an agent:		
Gross expenses from debt collection activities	(6 646 410)	(4 221 558)
TOTAL:	(6 646 410)	(4 221 558)
Total fees and commissions income:	53 374 826	64 598 809

6. Impairment expense

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Change in impairment	313 483 926	205 425 068
TOTAL:	313 483 926	205 425 069

7. Net gain/(loss) from de-recognition of financial assets measured at amortized cost

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Loans and advances to customers		
Loss arising from cession of loans and advances to customers receivables to non related parties	305 509	760 413
TOTAL:	305 509	760 413

8. Expenses related to peer-to-peer platform services

	01.01.2023. - 30.09.2023. MKD	01.01.2022. - 30.09.2022. MKD
Service fee for using P2P platform	5 789 785	4 052 670
TOTAL:	5 789 785	4 052 670

9. Selling expense

	01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
	MKD	MKD
Online marketing expenses	9 439 610	13 659 953
TV advertising	7 420 161	10 387 877
Radio advertising	1 102 718	413 048
Other marketing expenses	4 508 032	5 847 657
TOTAL:	22 470 521	30 308 535

10. Administrative expense

	01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
	MKD	MKD
Employees' salaries	85 097 331	69 005 059
Management services	78 305 117	57 581 417
Amortization and depreciation	22 432 598	16 840 901
Office and branches' maintenance expenses	12 474 322	12 182 525
Communication expenses	5 584 390	3 875 673
IT services	5 012 250	5 236 220
Credit database expenses	4 621 560	4 516 445
Transportation expenses	3 394 753	2 893 744
Bank commissions	2 530 841	2 025 069
Professional services	1 448 999	1 489 180
Other personnel expenses	1 353 032	560 851
Business trip expenses	1 048 092	773 212
Low value equipment expenses	901 513	1 672 541
Insurance expenses	193 060	124 036
Expenses from disposal of rental fleet and other fixed assets	63 409	17 453
Employee recruitment expenses	50 138	64 135
Other administration expenses	879 990	96 179
TOTAL:	225 391 395	179 385 409

11. Other operating expense

	01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
	MKD	MKD
Non-deductible VAT from management services	13 802 754	10 370 373
Provision expenses for possible withholding tax liabilities	188 674	-
Other operating expenses	468 966	859 220
TOTAL:	14 460 394	11 229 593

12. Net foreign exchange result

	01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
	MKD	MKD
Currency exchange gain	40 824	-
Currency exchange loss	-	(845 138)
TOTAL:	40 824	(845 138)

13. Corporate income tax

	01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
	MKD	MKD
Current corporate income tax charge for the reporting year	36 824 793	35 741 420
Corporate income tax charged to the income statement:	36 824 793	35 741 420

14. Intangible assets

	Internally generated intangible assets	Other intangible assets	TOTAL
Cost	51 167 720	-	51 167 720
Accumulated amortization	(16 309 957)	-	(16 309 957)
As at 1 January 2022	34 857 763	-	34 857 763
2022			
Additions	9 324 990	-	9 324 990
Disposals (cost)	-	-	-
Amortization charge	(8 189 879)	-	(8 189 879)
Disposals (amortization)	-	-	-
Cost	60 492 710	-	60 492 710
Accumulated amortization	(24 499 836)	-	(24 499 836)
As at 31 December 2022	35 992 874	-	35 992 874
Cost	60 492 710	-	60 492 710
Accumulated amortization	(24 499 836)	-	(24 499 836)
As at 1 January 2023	35 992 874	-	35 992 874
9 months 2023			
Additions	13 625 632	-	13 625 632
Disposals (cost)	-	-	-
Amortization charge	(7 361 620)	-	(7 361 620)
Disposals (amortization)	-	-	-
Cost	74 118 342	-	74 118 342
Accumulated amortization	(31 861 456)	-	(31 861 456)
As at 30 September 2023	42 256 886	-	42 256 886

15. Property, plant and equipment and Right-of-use assets

	Right-of-use premises	Right-of-use motor vehicles	Total Right-of-use assets	Rental fleet	Other property, plant and equipment	TOTAL
Cost	28 957 595	-	28 957 595	-	21 579 776	50 537 371
Accumulated depreciation	(10 884 807)	-	(10 884 807)	-	(15 896 284)	(26 781 091)
As at 1 January 2022	18 072 788	-	18 072 788	-	5 683 492	23 756 280
2022						
Additions	9 463 612	-	9 463 612	-	6 852 191	16 315 803
Disposals (cost)	-	-	-	-	(91 373)	(91 373)
Depreciation charge	(10 683 852)	-	(10 683 852)	-	(3 813 626)	(14 497 478)
Disposals (depreciation)	-	-	-	-	72 270	72 270
Impairment	-	-	-	-	-	-
Cost	38 421 207	-	38 421 207	-	28 340 594	66 761 801
Accumulated depreciation	(21 568 659)	-	(21 568 659)	-	(19 637 640)	(41 206 299)
As at 31 December 2021	16 852 548	-	16 852 548	-	8 702 954	25 555 502
Cost	38 421 207	-	38 421 207	-	28 340 594	66 761 801
Accumulated depreciation	(21 568 659)	-	(21 568 659)	-	(19 637 640)	(41 206 299)
As at 1 January 2023	16 852 548	-	16 852 548	-	8 702 954	25 555 502
9 months 2023						
Additions	43 786 851	-	43 786 851	-	4 014 363	47 801 214
Disposals (cost)	-	-	-	-	(418 620)	(418 620)
Depreciation charge	(12 158 443)	-	(12 158 443)	-	(2 956 403)	(15 114 846)
Disposals (depreciation)	8 255 267	-	8 255 267	-	355 211	8 610 478
Impairment	-	-	-	-	-	-
Cost	82 208 058	-	82 208 058	-	31 936 337	114 144 395
Accumulated depreciation	(25 471 835)	-	(25 471 835)	-	(22 238 832)	(47 710 667)
As at 30 September 2023	56 736 223	-	56 736 223	-	9 697 505	66 433 728

16. Loans and advances to customers

	Non-Current 30.09.2023. MKD	Current 30.09.2023. MKD	Non-Current 31.12.2022. MKD	Current 31.12.2022. MKD
<i>Loans and advances to customers, net</i>				
Loans and advances to customers	537 033 658	1 569 045 632	202 052 058	1 295 043 575
Accrued interest	-	114 758 187	-	140 007 942
Fees paid and received upon loan disbursement	(3 837 292)	(11 211 382)	(1 849 877)	(11 856 704)
Impairment allowance	(22 288 700)	(878 244 863)	(2 064 015)	(584 985 622)
	510 907 666	794 347 574	198 138 166	838 209 191

17. Loans to related parties

	30.09.2023. MKD	31.12.2022. MKD
Current		
Loans to related parties		
Loans to related parties	53 198 954	67 642 519
TOTAL:	53 198 954	67 642 519

18. Other receivables

	30.09.2023. MKD	31.12.2022. MKD
CIT paid in advance	45 133 272	10 480
Receivables from P2P platform for attracted funding	28 571 486	5 359 485
Advances to employees	149 595	199 263
Other debtors	5 004 815	2 813 704
Impairment allowance for 'Other debtors'	(1 115 465)	(1 420 974)
TOTAL:	77 743 703	6 961 958

19. Cash and cash equivalents

	30.09.2023. MKD	31.12.2022. MKD
Cash at bank	63 574 328	32 412 462
Cash on hand	9 669 911	6 809 053
TOTAL:	73 244 239	39 221 515

Cash and cash equivalents include cash on hand, cash at current accounts with commercial banks and cash collected by payment institutions - partners of the Company that at the end of the reporting period had not been transferred to Company's account. Cash and cash equivalents for the purposes of the statement of cash flows comprise cash in hand and cash at bank accounts - on demand and/or with original maturity up to 3 months, not restricted (not blocked).

20. Share capital

As of September 30, 2023 the paid-in and registered capital of the Company amounts to 2,000,000 Euros (2022: 2,000,000 Euros) or Denar 123,199,315 (2021: Denar 123,199,315). The movements on the Share capital caption during the year are as follows:

	MKD	Number of class A Shares	Number of class B Shares	Total number of Shares
Opening balance as at 1 January 2022	101 621 990	101 621 990	-	101 621 990
Subscriptions	21 577 325	21 577 325	-	21 577 325
Redemptions	-	-	-	-
Closing balance as at 31 December 2022	123 199 315	123 199 315	-	123 199 315
Opening balance as at 1 January 2023	123 199 315	123 199 315	-	123 199 315
Subscriptions	-	-	-	-
Redemptions	-	-	-	-
Closing balance as at 30 September 2023	123 199 315	123 199 315	-	123 199 315

21. Borrowings

Non-current

Subordinated loans	Interest rate per annum (%)	Maturity	30.09.2023. MKD	31.12.2022. MKD
<i>Loans from related parties</i>				
Loan from related parties	13%	31.12.2025	162 979 241	-
TOTAL:			162 979 241	-

Other borrowings	Interest rate per annum (%)	Maturity	30.09.2023. MKD	31.12.2022. MKD
Financing received from P2P investors	6.5%-14%	31.12.2026	130 126 298	92 621 178
TOTAL:			130 126 298	92 621 178

TOTAL NON CURRENT BORROWINGS: 293 105 539 92 621 178

Current

Other borrowings	Interest rate per annum (%)	Maturity	30.09.2023. MKD	31.12.2022. MKD
Financing received from P2P investors	6.5%-14%	31.12.2026	522 394 371	460 377 783
Lease liabilities for rent of premises			57 731 074	17 182 220
Accrued interest for financing received from P2P investors			3 955 606	4 683 279
Accrued interest for loans from related parties			2 963 779	6 771 512
Accrued interest for loan from bank			-	4 073
TOTAL:			587 044 830	489 018 867

22. Related party disclosures

The income and expense items with related parties for 2023 were as follows:

Related party	Shareholder controlled companies MKD	Other related parties MKD
Interest expenses	(5 464 218)	-
Management services received from related parties	(78 305 117)	-

The income and expense items with related parties for Jan - Sept 2022 were as follows:

Related party	Shareholder controlled companies MKD	Other related parties MKD
Interest expenses	(5 131 289)	-
Management services received from related parties	(79 062 891)	-

The receivables and liabilities with related parties as at 30.09.2023. and 31.12.2022. were as follows:

	30.09.2023. MKD	31.12.2022. MKD
Amounts owed by related parties		
Loans to related parties	53 198 954	67 642 519
Amounts owed to related parties		
Payables to related parties	(78 398 354)	(53 678 500)

Movement in amounts owed by related parties	Amounts owed by related parties
Amounts owed by related parties as of 01.01.2022	-
Receivables covered in period	67 642 519
Amounts owed by related parties as of 31.12.2022.	67 642 519
Amounts owed by related parties as of 01.01.2023.	67 642 519
Receivables covered in period	(14 443 565)
Amounts owed by related parties as of 30.09.2023.	53 198 954

Movement in amounts owed to related parties	Amounts owed to related parties
Amounts owed to related parties as of 01.01.2022	(5 118 924)
Management services received in period	(94 247 521)
Management services paid in period	90 302 363
Dividends calculated for minority shareholders	(83 590 760)
Dividends paid to minority shareholders	38 976 342
Amounts owed to related parties as of 31.12.2022.	(53 678 500)
Amounts owed to related parties as of 01.01.2023.	(53 678 500)
Management services received in period	(99 137 955)
Management services paid in period	95 123 838
Change in other payables	(98 225 798)
Dividends calculated for minority shareholders	77 520 061
Amounts owed to related parties as of 30.09.2023.	(78 398 354)

23. Events after balance sheet date

As of the last day of the reporting period until the date of signing these interim financial statements there have been no other events requiring adjustment of or disclosure in the financial statements or Notes thereto.