

OCN Sebo Credit SRL

(IDNO 1017600000371)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS**

This version of the accompanying document is a translation from the original, which was prepared in Romanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version prevails over this translation

**INDEPENDENT AUDITOR'S REPORT
to the shareholders of OCN Sebo Credit S.R.L.**

Opinion

We have audited the financial statements of OCN Sebo Credit S.R.L. (the Company), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Moldova, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 21 of the financial statements, which describes the related party transactions and the Company's transfer pricing policies. The Company has significant transactions with related parties and its transfer pricing arrangements will be subject to review by the tax authorities. While management believes that its pricing policies are in compliance with applicable legislation, a potential reassessment by the tax authorities could have an impact on the Company's tax liabilities. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the information included in the Management Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Refer to the original signed
Romanian version

BDO Audit & Consulting S.R.L.
45B A. Puskin str., 4th floor
MD-2005, Chisinau, Republic of Moldova
29 May 2025

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Romanian version

Eugeniu Raietchi
Licensed Auditor
License AG 000294

OCN Sebo Credit SRL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS	Page
INDEPENDENT AUDITOR'S REPORT	
STATEMENT OF FINANCIAL POSITION	1
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2
STATEMENT OF CHANGES IN EQUITY	3
STATEMENT OF CASH FLOWS	4
NOTES TO THE FINANCIAL STATEMENTS	5-60

OCN Sebo Credit SRL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

(All amounts expressed in MDL, if not stated otherwise)

	Notes	31 December 2024 MDL	31 December 2023 MDL
Assets			
Cash and cash equivalents	4	15,058,451	11,573,116
Loans to customers	5	354,574,685	367,928,137
Property and equipment	6	10,333,755	13,054,208
Intangible assets	7	13,691,866	16,403,163
Current income tax receivables		389,591	-
Other assets	9	8,181,581	9,715,075
Total assets		402,229,929	418,673,699
Shareholders' equity and liabilities			
Liabilities			
Borrowings	10	120,686,803	147,161,507
Current income tax liabilities		-	1,447,635
Deferred tax liabilities	8	3,413,645	2,421,255
Other liabilities	11,12	20,140,780	25,542,796
Total liabilities		144,241,228	176,573,193
Shareholders' equity			
Share capital	13	4,200,000	4,200,000
Reserve capital	13	5,455,000	5,455,000
Retained earnings		248,333,701	232,445,506
Total shareholders' equity		257,988,701	242,100,506
Total shareholders' equity and liabilities		402,229,929	418,673,699

The accompanying notes on pages 5 to 60 are an integral part of these financial statements.

The financial statements were authorized for issue on 29 May 2025:



Cherdivara Sergiu

Administrator



Păun Rodica

CFO

OCN Sebo Credit SRL
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

(All amounts expressed in MDL, if not stated otherwise)

	Notes	2024 MDL	2023 MDL
Interest income	14	230,027,816	297,347,845
Interest expense	14	(12,865,024)	(35,791,962)
Net interest income/ (expense)		217,162,792	261,555,883
Commission income	15	7,907	70,078
Net commission income/ (expense)		7,907	70,078
Net trading income (expense)	16	(520,149)	9,142,905
Other operating income	17	31,721,090	32,695,751
Operating income		31,200,941	41,838,656
Impairment expense	5	(42,102,876)	(64,779,407)
Personnel expenses	18	(44,100,143)	(41,658,950)
General and administrative expenses	19	(52,888,619)	(46,019,621)
Depreciation and amortization	20	(14,726,643)	(14,184,861)
Operating expenses		(153,818,281)	(166,642,839)
Profit before taxation		94,553,359	136,821,778
Income tax expense	8	(11,665,164)	(16,767,721)
Net profit for the year		82,888,195	120,054,057
Other comprehensive income		-	-
Total comprehensive income		82,888,195	120,054,057

The accompanying notes on pages 5 to 60 are an integral part of these financial statements.

The financial statements were authorized for issue on 29 May 2025:


 Cherdivara Sergiu
 Administrator


 Rodica Paun
 CFO

OCN Sebo Credit SRL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

	Share capital MDL	Reserve capital MDL	Retained earnings MDL	Total equity MDL
At 1 January 2024	4,200,000	5,455,000	232,445,506	242,100,506
<i>Comprehensive income</i>				
Profit for the year	-	-	82,888,195	82,888,195
Total comprehensive income	-	-	82,888,195	82,888,195
<i>Transactions with shareholders</i>				
Distribution of dividends	-	-	(67,000,000)	(67,000,000)
Total transactions with shareholders	-	-	(67,000,000)	(67,000,000)
At 31 December 2024	4,200,000	5,455,000	248,333,701	257,988,701
	Share capital MDL	Reserve capital MDL	Retained earnings MDL	Total equity MDL
At 1 January 2023	4,200,000	5,455,000	160,391,449	170,046,449
<i>Comprehensive income</i>				
Profit for the year	-	-	120,054,057	120,054,057
Total comprehensive income	-	-	120,054,057	120,054,057
<i>Transactions with shareholders</i>				
Distribution of dividends	-	-	(48,000,000)	(48,000,000)
Total transactions with shareholders	-	-	(48,000,000)	(48,000,000)
At 31 December 2023	4,200,000	5,455,000	232,445,506	242,100,506

The accompanying notes on pages 5 to 60 are an integral part of these financial statements.

OCN Sebo Credit SRL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

	Notes	2024 MDL	2023 MDL
Cash flows from operating activities			
Loans disbursed to customers		(577,207,012)	(480,864,091)
Loans reimbursed by customers		568,761,123	483,751,498
Interest, commissions and other servicing fees received		210,586,604	269,999,043
Interest and commissions paid		(5,279,472)	(34,338,775)
Other operating receipts		38,383,570	31,143,387
Payments for employee's remuneration		(39,611,326)	(38,423,046)
Other operating payments		(79,141,665)	(68,963,293)
Net cash from operating activities before income tax		116,491,822	162,304,723
Income tax paid		(12,510,000)	(12,287,579)
Net cash from operating activities		103,981,822	150,017,144
Cash flows from investing activities			
Acquisition of property and equipment and intangible assets		(5,913,086)	(4,644,735)
Net cash used in investing activities		(5,913,086)	(4,644,735)
Cash flows from financing activities			
Dividends paid		(62,318,710)	(62,691,853)
Proceeds from borrowings		115,437,137	117,509,642
Repayment of borrowings		(147,215,189)	(201,640,230)
Net cash used in financing activities		(94,096,762)	(146,822,441)
Effects of exchange rate changes on cash and cash equivalents		(486,639)	(958,663)
Net increase/ (decrease) in cash and cash equivalents		3,485,335	(2,408,695)
Cash and cash equivalents at 1 January		11,573,116	13,981,811
Cash and cash equivalents at 31 December	4	15,058,451	11,573,116

The accompanying notes on pages 5 to 60 are an integral part of these financial statements.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

1. GENERAL INFORMATION

OCN Sebo Credit SRL ("the Company") is a limited liability company, founded in 6 January 2017. The Company is incorporated and operates exclusively in Republic of Moldova. The registered office of the Company is located at 42 Albișoara str., 4-th floor, Chisinau, Republic of Moldova, registration number 1017600000371. On 25 March 2019 the Company was registered in the Register of Non-Bank Credit Organizations kept by the National Commission for Financial Markets.

The activity of the Company focuses on short-, medium- and long-term unsecured lending to individuals.

As at 31 December 2024, the Company had 30 branches (2023:29).

As at 31 December 2024, the Company had a total number of 180 employees (31 December 2023: 179 employees).

As at 31 December 2024, the shareholders of OCN Sebo Credit SRL are:

- AS Eleving Consumer Finance (the old name Funderly Group AS), Latvia – 98.6998%;
- Eleving Group (the old name Mogo Finance SA), Luxemburg – 0.0002%;
- Individuals, Republic of Moldova – 1.3%.

Eleving Group, Luxemburg, of which the Company is a part, prepares a separate set of consolidated financial statements in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS") for the financial year ended 31 December 2024.

Starting from 1 July 2023, the powers to regulate the activity in the fields of insurance, reinsurance, non-bank lending are taken over by the National Bank of Moldova from the National Commission for Financial Markets (NCFM). The fundamental objectives of supervision are to protect the rights and interests of beneficiaries of financial services and to ensure the stability of the insurance system in the Republic of Moldova. Thus, from 1 July 2023, the sector of non-bank credit companies is regulated by the National Bank of Moldova.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The responsibility for bookkeeping and financial statements preparation rests with the management of the Company.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), as adopted by the European Union based on the fair value convention, the initial recognition of financial instruments based on fair value and by revaluation of financial instruments classified at fair value through profit or loss ("FVTPL") and at the fair value through other comprehensive income ("FVOCI"), modified based on the historical cost convention for tangible and intangible assets. The main accounting policies applied in the preparation of these financial statements are presented below. These policies have been consistently applied to the periods presented, unless otherwise stated.

The annual financial statements of the Company and its financial result are influenced by the accounting policies, assumptions, estimates and judgment of the management, which must be made in the course of the preparation of the annual financial statements. The Company makes estimates and assumptions that affect the reported values of assets and liabilities in the current and future financial periods. All estimates and assumptions imposed in accordance with IFRS are best estimates made in accordance with the applicable standard. Estimates and judgments are continuously evaluated and are based on past experience and other factors, including expectations regarding future events. Accounting policies and management judgment for certain elements are particularly important for the Company's results and financial statement due to their significance. The effect of any change in estimates will be recorded in the financial statements, when it can be determined. If subsequent events provide additional information, they have been taken into account.

The functional currency of the Company is the Moldovan leu (MDL). The financial statements are presented in Moldovan lei and the amounts are rounded to the nearest leu. The financial year / management period begins on 1st January and ends on 31st December and includes all operations performed by the Company. All the actual figures that reflect the financial and economic results of the Company's activity during the management period are included in the financial statements of the management period.

The Company's management does not use the segmental approach to the operational decision-making process. All the economic activities of the company take place in a single geographical segment - the Republic of Moldova.

These financial statements were prepared based on the going concern principle, which assumes that the Company will continue its operations for the foreseeable future. In order to evaluate the reasonableness of this assumption, the management analyzes the forecasts of future cash inflows. Based on these analyzes and, if necessary, also on the permanent support of the Eleveling Group, the management considers that the Company will be able to continue operating according to the principle of continuity of activity for the foreseeable future and, therefore, this principle has been applied in the preparation of these financial statements.

The accounting policies presented in these financial statements were applied consistently in the management periods ended on 31 December 2024, respectively 31 December 2023.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.2 Foreign currency translation

Foreign currency transactions are recorded at the exchange rate at the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currency are converted at the official rate of the Moldovan leu as of the balance sheet date.

Exchange rate differences arising from the settlement of transactions at rates different from those on the date of the transaction, as well as unrealized exchange rate differences from monetary assets and liabilities denominated in foreign currency are included in the profit or loss.

The exchange rates applicable for year-end and average rates for the year were as follows:

	2024		2023	
	USD	Euro	USD	Euro
Average for the period	17.7918	19.2533	18.1607	19.6431
Year end	18.4791	19.3106	17.4062	19.3574

2.3 Financial instruments

(i) Recognition

The Company classifies financial assets based on the cash flow characteristics of each instrument and the business model under which an asset is held. A business model reflects how the Company manages financial assets to achieve its business objectives. There are three types of business models:

"Hold to collect" business model:

This business model refers to financial assets that are classified to collect cash flows (for example: loans, government securities, bonds held outside the trading portfolio). If these assets pass the SPPI test, they are valued at amortized cost and are included in the periodic calculation of expected credit losses.

There is no requirement that assets classified in this category be held to maturity; sales are acceptable; if they are infrequent (even if significant in value) or insignificant in value both individually and in the aggregate (even if frequent), when the risk profile of such instruments increases or is no longer in accordance with the Company's investment policy. A higher frequency of sales in a given period is not necessarily inconsistent with this business model, if the Company is able to justify the reasons for such sales and demonstrate that these sales do not reflect a change in the current business model.

"Own to collect and sell" business model:

In this business model, financial assets are held to collect contractual cash flows, but can also be sold to meet liquidity requirements or to maintain a certain portfolio-wide interest yield. They are measured at fair value through other comprehensive income (reserves) and may include government securities and bonds.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

(i) Recognition (continued)

Other business models are those that do not meet the criteria of the business models mentioned above, for example business models where the main objective is to realize cash flows through sale, business models where assets are held for trading, business models where assets are managed on the basis of fair value, business models where financial assets are acquired for sale/trading and valued through profit or loss (marketable securities, marketable shares, etc.). The portfolio is managed based on the evolution of the market value of the assets and includes frequent sales and purchases in order to maximize profit. The Company recognizes all financial assets and liabilities at the transaction date. The transaction date is the date on which the Company undertakes to buy or sell an asset.

On initial recognition, a financial asset may be classified as follows:

- a) valued at amortized cost, assuming that the following conditions are met simultaneously:
 - the asset is held according to a business model where the main objective is to collect the contractual cash flows;
 - the contractual terms of the financial asset generate cash flows at specific dates, representing exclusively principal and interest payments.
- b) valued at fair value through other comprehensive income, assuming that the following conditions are met simultaneously:
 - the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and by selling financial assets.
 - the contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.
- c) Valued at fair value through profit or loss, if the financial assets do not meet the criteria according to which the contractual cash flows must be exclusively payments of principal and interest (SPPI test) or if the assets are held for trading (for example derivatives). Embedded derivatives are no longer separated from the host financial assets, but will be fully valued together with the non-derivative financial asset for the purpose of testing the contractual cash flow characteristics.

Derivatives are measured at fair value through profit or loss.

Financial liabilities are valued at amortized cost, except for derivative financial instruments that are valued at fair value through profit or loss. Embedded derivatives are separated from the host contract if the separation criteria mentioned in IFRS 9 are met. The Company does not hold financial liabilities measured at fair value through profit or loss. Financial liabilities cannot be reclassified.

The Company recognizes non-derivative financial assets and liabilities in the statement of financial position, applying contract date accounting, when the Company becomes part of the contractual provisions of the financial asset or liability (standard acquisitions), i.e. when there is the probability of inflow or outflow of a future economic benefit related to these financial assets and liabilities and their cost or value can be measured reliably.

All ordinary purchases and sales of financial assets are recognized on the contract date, the date an asset is delivered to or by the Company. Ordinary way purchases or sales are purchases or sales of financial assets that require delivery of the assets within the timeframe generally established by regulation or convention in the relevant market. A financial asset or financial liability is initially measured at their fair value, and for a financial instrument that is not measured at fair value through profit or loss, plus transaction costs directly attributable to acquisition or issuance.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

(ii) Derecognition of financial instruments

Financial assets, or part of them, are derecognized when the contractual rights to receive the cash flows from the assets have expired or when they have been transferred and:

- The Company has transferred substantially all the risks and rewards of its assets, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the assets, but it has transferred control over the asset.

The Company enters into transactions in which it retains contractual rights to collect cash flows from financial assets, but also assumes a contractual obligation to pay those cash flows to other entities and to transfer substantially all of the related risks and rewards.

Transactions are accounted for as “in transit” transfers resulting in derecognition if the Company:

- has no obligation to make payments unless it collects equivalent amounts from assets;
- is prohibited from selling or pledging goods; and
- has an obligation to remit any cash it receives from assets without significant delay.

The Company derecognizes a financial asset when the contractual rights to cash flows from the asset have expired or has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control over assets.

The Company derecognizes a financial liability when its contractual obligations related to the financial liability are honored, cancelled or expired.

(iii) Offsetting financial assets and liabilities

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when and only when, the Company has legally enforceable right to set off the recognized amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iv) The fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a financial liability reflects its non-performance risk.

When available, the Company measures the fair value of financial instruments using the quoted price in an active market for these instruments. A market is regarded as active if transactions for these assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable information and minimize the use of unobservable inputs. The valuation technique incorporates all the factors that market participants would consider in pricing a transaction.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

(iv) The fair value of financial instruments (continued)

The best evidence of financial instruments' fair value at the date of initial recognition is the transaction price (i.e. the fair value of the contribution received or given). If the Company determines that the fair value at the date of transaction differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at the date of transaction and the transaction price. Subsequently, that difference is recorded in the profit and loss over the life of the instrument on an appropriate basis.

The Company does not hold financial instruments measured at fair value. All financial instruments are measured at amortized cost and their fair value is disclosed in Note 23 of the financial statements.

The fair value of financial instruments is determined by the Company using available market information and appropriate valuation methodologies, such as discounted cash flows techniques. When using the discounted cash flows techniques, the estimated future cash flows are based on the management's best decisions and the discount rate is a market rate at the date of the statement of financial position, with similar terms and conditions. Additionally, professional judgements and assumptions are made to interpret the market data used to measure the fair value.

The Company measures the fair value of financial instruments using the fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

The fair value hierarchy comprises three levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

The Company does not hold financial instruments assigned to this category.

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The Company attributes the borrowings to this category for fair value disclosure.

- Level 3: inputs that are not based on observable market data for the asset or liabilities (unobservable inputs).

The Company attributes to this category for fair value disclosure financial instruments measured at amortized cost, i.e. loans, other assets.

(v) Impairment of financial assets (including loans granted)

The impairment requirements under IFRS 9 are based on expected credit losses and involve the timely recognition of estimated future credit losses.

The Company assesses, using a prospective approach, the expected credit losses ("ECL") associated with its debt instrument assets measured at amortized cost, and at fair value through other comprehensive income and exposure from loan commitments.

To assess expected credit losses, the Company groups assets into three categories: stage 1 (assets that do not show increases in credit risk since initial recognition), stage 2 (assets for which a significant increase in credit risk has been observed since initial recognition) and stage 3 (impaired – assets that the Company considers non-performing).

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

(v) Impairment of financial assets (including loans granted) (continued)

The determination of expected losses at the reporting date is based on the effective interest rate established at initial recognition, except for financial assets with a variable interest rate, for which expected credit losses must be determined based on the current effective interest rate. With respect to acquired or originated financial assets that are impaired due to credit, expected credit losses should be determined based on the credit-adjusted effective interest rate established at initial recognition.

According to IFRS 9, a financial asset is impaired when one or more events have occurred and have a significant impact on the expected future cash flows of that financial asset.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- the significant financial difficulty of the issuer or the debtor;
- a breach of contract, such as an event of default or overdue;
- the lender, for economic or contractual reasons related to the borrower's financial difficulty, grants the borrower a concession that would not otherwise be considered;
- it becomes likely that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market of the financial asset due to financial difficulties; or
- purchase or origination of a financial asset at a considerable discount reflecting the credit losses incurred.

A financial asset classified as impaired upon initial recognition will be maintained as such until derecognized.

Expected credit losses are calculated at each reporting date and reflect:

- an unbiased and probability-weighted amount, which is determined by evaluating a range of possible outcomes;
- time value of money; and
- reasonable and reliable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that the financial assets are impaired used by the Company are:

- significant financial difficulty of the client or debtor;
- overdue payments for more than 90 days, at the reporting date;
- the restructuring of a loan or receivable due to financial difficulties of the debtor, which the Company would not consider otherwise;
- initiation of litigations against the debtor;
- it becoming probable that the debtor will enter bankruptcy, etc.

The estimated period between occurrence of a loss and its identification is determined on a loan's portfolio basis and other financial assets management. Overall, the periods used vary between one and three months.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

(v) Impairment of financial assets (including loans granted) (continued)

If there is an objective evidence that the Company will not be able to collect all due amounts (minimum loan payments plus interest and reimbursable related costs) according to the original contractual terms of the loan, then such receivables are considered to be impaired. The impairment loss is the difference between the receivable's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate implicit in the loan.

At each reporting date, the Company assesses the amount of the expected loss / provision relating to a financial instrument based on the credit risk evolution associated with that financial instrument.

The Company recognizes expected losses for the financial instruments, which it has not designated as being measured at fair value through profit or loss.

The Company uses an impairment model based on the changes in the quality of the financial instruments since their initial recognition, as presented below:

- a financial instrument whose credit risk has not increased significantly since the initial recognition date is classified in "Stage 1". Their expected credit loss (ECL) is measured as an amount equal to the life-time ECL resulting from the potential events of non-payment during the upcoming 12 months or less if the financial instrument has a shorter maturity, the exposure at the reporting date and Loss Given Default (LGD);
- if there is a substantial increase in credit risk since initial recognition, the financial instrument is transferred to "Stage 2", but is still not considered to be impaired. The Company recognizes a provision for loss as a value equal to the expected life-time credit losses calculated at the estimated exposure in accordance with payment schedule applying the conditional probability of default (PD) for the corresponding maturity and the LGD, until the respective financial instruments are derecognized, classified into "Stage 1" or "Stage 3".

2.4 Intangible assets

Intangible assets include licenses, trademarks, computer software/programs and development costs.

Intangible assets acquired from third parties are recognized at cost upon initial recognition. After initial recognition, intangible assets are carried at cost less any calculated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and, respectively, are recognized within the expenses of the period, being reflected in the statement of profit and loss in the year in which they were incurred.

Definite-lived intangible assets are amortized over their useful economic lives and subject to an impairment test whenever there is an indication that the intangible asset may be impaired. The amortization period and method for an intangible asset with a definite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life of the asset or the expected rate of consumption of the future economic benefits embodied in the asset are accounted for by changing the depreciation period or method, if applicable, and considered as changes in accounting estimates.

Intangible assets with an indefinite life are not amortized, being subject to depreciation whenever there are indications of their depreciation.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the asset's net book value.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 2.4 Intangible assets (continued)

Intangible assets are reflected in the financial statements at initial cost and are amortized using the straight-line method over their estimated useful lives as follows:

Type	Ani
Software and licenses	1 – 7
Other intangible assets	3– 5

2.5 Property and equipment

Property and equipment are recognized in the financial statements at their initial value, which consists of the purchase price, customs duties, non-recoverable taxes, as well as all other expenses related to the procurement and commissioning of the asset.

In accordance with the Company's accounting policies, assets with an initial value of more than MDL 12,000 and with a useful life of more than one year are recognized as part of these assets.

Property and equipment are subsequently valued using the cost method, according to which their balance sheet value at the date of preparation of the financial statements is determined based on the initial value minus any accumulated depreciation and impairment losses.

Depreciation of property and equipment is calculated using the straight-line method, from the month following the month in which they are put into operation, so that the cost after their evaluation is expensed up to the limit of their residual value, estimated during the remaining life.

Depreciation is calculated for each item in the property and equipment category and is recognized in the profit and loss account. Assets acquired under leasing are depreciated over the shorter period between the lease term and the useful life.

The useful life of property and equipment is determined according to the type and manner of use. During 2024, the useful life was set as follows:

Asset category	Useful life (years)
Special constructions	3
Furniture and equipment	3 – 10
Leasehold improvements	3
Vehicles	7
Other assets	2 – 40

The residual value of property and equipment, the useful life and the depreciation method used are reviewed annually, if applicable.

Gains and losses from the sale of fixed assets are determined by reference to their book value on the date of sale and are recognized in profit and loss.

Repairs and maintenance expenses are recorded in the profit and loss account when they are incurred. The cost of replacing major parts or components of buildings and equipment is capitalized and the replaced part is written off.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.6 Trade receivables

Trade and other receivables are stated at cost less impairment losses, determined in accordance with the same expected credit loss methodology for loans and advances to customers (ECL).

2.7 Cash and cash equivalents

Cash and cash equivalents include cash and bank accounts in MDL or foreign currency, as well as other cash items representing balances on bank cards opened in the name of the Company.

2.8 Borrowings

Loans, borrowings and financings raised are initially recognized at cost, being the fair value of the consideration received less the transaction costs related to the loan. After initial recognition, loans, borrowings and financing are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated taking into account any transaction costs and any discount or premium at the time of settlement.

Gains and losses are recognized in the statement of comprehensive income as interest income / expense when liabilities are derecognized through the amortization process.

2.9 Operational leasing – the Company as lessor

Leasing in which the Company does not transfer substantially all the risks and benefits of ownership over an asset are classified as operational leasing. Rental income is accounted for on a straight-line basis under the terms of the rental contract and is included in the income from the profit and loss account. The initial direct costs incurred in the negotiation and conclusion of an operational leasing contract are added to the accounting value of the leased asset and recognized during the lease term on the same basis as the rental income. Contingent rents are recognized as income in the period in which they are earned.

The Company is not engaged in operational leasing as a Lessor.

Operational leasing – Company as lessee

a) Leasing liability

Initial recognition

At the start date of the leasing contract, the Company evaluates the leasing liability at the present value of the lease payments that are not paid on that date in accordance with the lease term. Leasing payments included in the assessment of the leasing debt include:

- fixed payments (including fixed payments in the fund), minus any leasing incentives to be received;
- variable leasing payments that depend on an index or a rate, initially evaluated on the basis of the index or the rate from the start date;
- the expected amounts owed by the lessee based on guarantees related to the residual value;
- the exercise price of a purchase option if the lessee has reasonable certainty that he will exercise the option; and
- payments of the penalties for termination of the leasing contract, if the duration of the leasing contract reflects the exercise by the lessee of an option to terminate the leasing contract.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Operational leasing – Company as lessee (continued)

Initial recognition (continued)

The Company has chosen for all asset classes not to separate components other than leasing from the leasing components in the leasing payments. Instead, the Company accounts for each leasing component and any other components than the leasing ones as a single leasing component. Lease payments are updated using the interest rate implicit in the lease contract, if this rate can be easily determined. If this rate cannot be easily determined, the Company uses the incremental loan rate for similar contracts.

The term of the leasing contract is the irrevocable period for which the Company has the right to use the underlying asset, together with:

- a) the periods covered by an option to extend the leasing contract if the lessee has reasonable certainty that he will exercise that option; and
- b) the periods covered by an option to terminate the leasing contract if the lessee has reasonable certainty that he will not exercise that option.

At the start of leasing, the Company estimates whether it has reasonable certainty that it will exercise the option to extend the leasing contract or that it will acquire the underlying asset or that it will not exercise the option to terminate the leasing contract.

Subsequent evaluation

After the start date, the Company evaluates the leasing liability by:

- increasing the accounting value to reflect the interest related to the leasing liability;
- reducing the book value to reflect the lease payments made; and
- revaluation of the carrying amount to reflect any revaluation or specified lease changes, or to reflect substantially revised fixed lease payments.

b) Right of use assets

Initial recognition

At the start date of the lease contract, the Company recognizes the right-of-use asset at cost. The cost of a right-of-use asset includes:

- the amount of the initial assessment of the leasing debt;
- any lease payments made on or before the contract start date, minus any lease incentives received;
- any initial direct costs borne by the Company; and
- an estimate of the costs that the Company must bear for the dismantling and removal of the supporting asset, the restoration of the territory on which it is located or the restoration of the supporting asset up to the conditions provided by the terms and conditions of the leasing contract, with the exception of the case where these costs are to generate inventories.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Operational leasing – Company as lessee (continued)

Subsequent evaluation

The company values the right-of-use asset at cost, less any accumulated depreciation and any accumulated impairment losses; and adjusted according to any revaluations of the debt arising from the leasing contract. Depreciation of the right-of-use asset is recognized on a straight-line basis in profit or loss.

The Company's approach to the supporting asset before the start date of the leasing contract:

If the Company incurs costs related to the construction or design of a supporting asset, the lessee accounts for those costs applying other IFRS, such as IAS16. The costs related to the construction or design of a supporting asset do not include the payments made by the lessee for the right to use the supporting asset.

The company applies IAS36 to determine whether the right-of-use asset is impaired and to account for any identified impairment loss.

Initial recognition exceptions applied

As an exception to recognition, the Company chooses not to apply the requirements for recognizing the right-of-use asset and the leasing liability for:

- (a) Short-term leasing contract - for all classes of supporting assets; and
- (b) Leasing contracts of low-value assets - on each separate lease contract.

In the case of leasing that qualifies as short-term leasing and/or leasing of low-value assets, the Company does not recognize any leasing debt or asset related to the right of use. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease.

(a) Short-term leasing contract

A short-term leasing contract is a leasing contract which, at the start date, has a term of 12 months or less. A leasing contract that contains a purchase option is not a short-term leasing contract. This leasing exception applies to all classes of underlying assets.

(b) Leasing contracts of low value assets

The Company defines a low-value asset as one that:

- 1) has a value, in new condition, of MDL 50,000 or less. The company evaluates the value of a supporting asset based on the value of the asset in new condition, regardless of the age of the asset offered for leasing;
- 2) The Company may benefit from the use of separate assets or together with other resources that are available to the Company; and
- 3) the supporting asset can be used separately from other assets.

2.10 Employee benefits

The Company contributes in respect of its employees to the State Social Fund, at the statutory rates in force during the year ended 31 December 2024 at 24% (31 December 2023: 24%). The cost of these payments is charged to the income statement in the same period as the related salary cost.

The Company has no other obligation to provide pensions or other post-retirement benefits to any of its management or staff and, accordingly, no provision for future pension costs is required.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.11 Provisions

Provisions are recognized when the Company has a legal or constructive obligation to transfer economic benefits as a result of past events; it is probable that a transfer of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. In cases where there are similar obligations, the likelihood that a transfer of resources will be required is determined by taking into account the class of the obligation as a whole. A provision is recognized even if the probability of transfer in relation to any item in the same class of obligations is remote.

Provisions are estimated at the present value of the expenses required to settle the obligation using a pre-tax rate that reflects current market conditions and the risks specific to the obligation. The increase in the provision as a result of the passage of time is recorded in interest expense. Future operating losses are not anticipated.

2.12 Contingencies

Contingent liabilities involve possible obligations arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events that may not be entirely under the Company's control. Contingent liabilities are also present obligations arising from past events but are not recognized because it is not sure that resources embodying economic benefits will be needed to settle the obligation, and the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements. They are disclosed in notes to the financial statements.

2.13 Income and expenses

Revenues are recognized in accordance with the requirements of the related standard and to the extent that there is a probability of receiving the economic benefits by the Company and the possibility of evaluating the revenues reliably.

Expenses are recognized when incurred. The expenses are recognized including value added tax because this, in accordance with the requirements of the legislation, cannot be fully recovered from the tax authority. In such cases, value added tax is recognized as part of the corresponding expense item, as appropriate.

Effective interest rate method

Interest income or expenses using the amortized cost method are recorded at the effective interest rate, which is the rate that exactly updates the future cash payments or receipts over the expected duration of the financial instrument to the net book value of the financial asset or financial liability. The calculation takes into account all the contractual terms of the financial instrument and includes any commissions or additional costs that are directly attributable to the instrument and constitute an integral part of the effective interest rate, but not future credit losses.

When a financial asset depreciates and is classified in "Stage 3", the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset is restored and is no longer considered depreciated, the Company reverts to calculating interest income on a gross basis.

Borrowing expenses are recognized as incurred using the effective interest rate method.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.13 Income and expenses (continued)

Revenue from penalties

Revenue from penalties is recognized in the statement of comprehensive income only when actual payment is received. Penalty income arises when customers breach the contractual terms of their loans receivables, such as overdue payment. In these situations, the Company has the right to charge customers in accordance with the terms of the contract. The Company recognizes revenue from penalties when cash is received because the likelihood and timing of settlement is uncertain.

2.14 Income Tax

The profit tax includes the current and deferred tax. The current profit tax was applied at a legal rate of 12%. The same rate of 12% was applied for the deferred tax.

Income tax for the year comprises current tax and deferred tax. Income tax is recognized in profit or loss or in other comprehensive income if the tax is related to capital elements. Current tax is the expected tax payable on taxable profit for the period determined based on rates applicable at the reporting date, and any adjustment for previous periods.

Deferred tax is determined using the balance sheet method, for all such temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes. Deferred tax is calculated based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the unused tax losses carried forward can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional taxes that arise from distribution of dividends are recognized at the same time as the payment obligation.

2.15 Related parties

Parties are considered related when one party has the ability to control the other party or has significant influence over the other party in making financial and operational decisions. The related parties of the Company are the founders who may control or have significant influence over the Company in accepting operating decisions, the management personnel of the Company and the close family members of any persons mentioned above, as well as entities over which such persons have a control or significant influence, including subsidiaries and associates.

2.16 Subsequent events

Post period-end events that provide additional information about the Company's position at the balance sheet date or those that indicate the going concern assumption are not appropriate (adjusting events) and are reflected in the accompanying financial statements. Post period events that are not adjusting events are disclosed in the notes, when material.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.17 Going concern

These financial statements have been prepared on a going concern bases, which assumes that the Company will continue its business in the foreseeable future. To assess the applicability of this assumption, management analyzes forecasts of future cash inflows.

Based on these analyses, the management believes that the Company will be able to continue its activity in the foreseeable future, and therefore the application of the going concern principle to the preparation of the financial statements is justified.

Management considers that shareholder's support will be sufficient for going concern and repayment of debts in the normal course of business, without the need for substantial sale of assets, forced interruption of own activities caused by external factors or other similar actions.

2.18 Significant accounting judgements and estimates

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions, which affect the amounts and balances reported in the financial statements and notes. Estimates and judgments are continually evaluated and are based on experience and other factors, including expectations of future events.

Although, these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimated.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments that have a significant effect on the amounts recognized in the financial statements:

The principle of continuity of activity

These financial statements are prepared on the going concern basis. In light of the events related to Covid-19 and the war in Ukraine, the Company's management assessed the impact of these events on the Company's ability to comply with the going concern basis.

The Company's performance in the ongoing situation of Covid-19 and the war in Ukraine

The company successfully evolved in the crisis caused by Covid-19 and the impact of the military conflict in Ukraine, all of which left a minimal impact on the operational performance for the company. The company had a relatively stable quality of the portfolio during this period and comfortably enters 2024 both from the operational perspective and from the perspective of the future availability of financing.

The company controls its liquidity by managing the amount of funding it obtains from Mintos, this possibility gives management greater flexibility to manage the level of borrowings and available cash balances.

In the opinion of management, the Company will have sufficient resources to continue for a period of at least 12 months from the reporting date and that there are no material uncertainties related to events or conditions that could cast significant doubt on the Company's ability to continue as a going concern.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.18 Significant accounting judgements and estimates (continued)

Impairment of financial assets

The assessment of impairment losses in accordance with IFRS 9 for all categories of financial assets in the scope of application requires judgment, in particular, the estimation of the value and timing of future cash flows and the values of guarantees when determining impairment losses and assessing an increase significant credit risk. These estimates are determined by a number of factors, changes that can lead to different levels of odds. The Company's ECL calculations are the result of complex models with a series of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include the probability of default and default date loss, the judgment is also applied when the significant increase in credit risk is determined.

The probability of default is an estimate of the possibility of non-payment in a certain period of time, where the period of non-payment is defined as PD.

Default is defined as a delay of more than 90 days from the due date of any component of the financial asset. If they occurred before 90 days of delay, the following events are also treated as default triggers: portfolio sale, confirmed fraud, client death/insolvency, credit restructuring.

For each delinquency group, the PD is calculated using the transition matrix (TM) which analyzes the movement between delinquency categories over a period of one year to the reporting date and the Default is set as the absorbing state. Historical data should be sufficient to construct no less than two complete TMs for the purpose of including the results in the monthly calculations. The PD calculation approach depends on the phasing of the loan portfolio.

For the loan portfolio in Stage 1, the default probability for 1 year is calculated using TM.

For the loan portfolio in Stage 2, the PD calculations are based on the same 1-year TM as for Stage 1, with the difference that the probability of Default is calculated over the lifetime. Lifetime PDs are calculated using fundamental matrix theory for the Markov transition matrix with absorbing states. This methodology involves a statistical analysis of historical transitions between delinquent loans to estimate the probability that the loan will eventually default.

The Company uses a continuous transition period of 12 months (or less if the actual life of the product is shorter or if historical data representative of a shorter period is available), and the lifetime estimate has been defined as a "n"th power of the 12-month matrix (n-depends on the expected lifetime, for example, if the lifetime is 36 months, then $n = 3$). Exposures are grouped into groups depending on (DPD) credit due dates.

Additionally, in the context of PD estimates, the Company applies a simplified approach, based on the analysis of the relationship between changes in macroeconomic variables and changes in PD. The macro model uses expected year-to-year changes in macroeconomic indicators and assumes the same or similar change as Stage 1 PD.

The following variables are used:

1. GDP growth (GDP);
2. Changing the unemployment rate (UR);
3. Change in the inflation rate (IR).

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.18 Significant accounting judgements and estimates (continued)

The probability of default (continued)

These variables were found to have a significant correlation with PD.

V The values of these variables as 31 December 2024 are:

Indicator	31.12.2024	31.12.2023
GDP	2	4.0
Unemployment rate (UR)	4.3	4.0
Inflation rate (IR)	4.8	5.0

The result of the macro model is then applied to estimate the final value of the applicable PDs.

LGD is a factor that shows what percentage of the loan value in default would not be possible to recover and thus this amount is considered irrecoverable. It is calculated based on the historical recovery of all loans in default.

The recovery rate is the portion of the loan that can be collected from the defaulted debt.

The recovery rate is calculated based on discounted cash flows received from customers over 12 months after default. Cash flows received (including penalty payments) are valued as a percentage of the outstanding portfolio balance in default (principal and all accrued fees at the date of default).

To estimate the recovery rate for a specific reporting period, the weighted average rate for the last six available months is used.

LGD is calculated by the following formula:

$$\text{LGD} = 1 - \text{Recovery rate}$$

LGD is calculated separately according to each product type.

For all overdue loans over 360 days, LGD in the amount of 100% is applied, thus creating provisions in the amount of 100% of the outstanding amount.

Exposure at default (EAD) is the estimate of exposure at a future default date, taking into account expected changes in exposure after the reporting date, including repayments of principal and interest, whether contractually scheduled or otherwise, expected draws on committed facilities and accrued interest from unpaid payments.

Single payment loans have an inherent EAD of 100%.

A simplified EAD approach is used for instalment loans, where the outstanding principal of all loans ever outstanding is compared to the outstanding principal from the previous 12 months.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.18 Significant accounting judgements and estimates (continued)

Determination of the lease term according to IFRS 16 (Company as lessee)

IFRS 16 provides that, in determining the lease term and evaluating the duration of the continuous period of a lease contract, an entity must apply the definition of a contract in accordance with IFRS 15 and establish the period for which the contract is enforceable. To estimate the term of the rental contract, the Company takes into account the rights and enforceable obligations of both parties. If both the lessee and the lessor can terminate the contract only by incurring insignificant sanctions at any time at/or after the end of the non-cancellable term, then there are no enforceable rights and obligations beyond the non-cancellable term. For rental contracts without a fixed duration and contracts that are "rolled" monthly until notifying any of the parties, the Company considers that it has enforceable rights and obligations based on these agreements, therefore a reasonable estimate of the evaluation of the rental term is made.

Taking into account the Company's options to extend or not to finish the rental contract, the Company evaluates what are its rights and those of the lessor within these options. The company examines whether the options included in the rental contracts:

- (1) give a unilateral right for a party (eg the Company) and
- (2) creates an obligation to comply with the other party (ie lessor).

If none of the parties to the contract has an obligation, then the Company's conclusion is that such options should not be taken into account in the context of evaluating the term of the rental contract. In such situations, the rental contract will not exceed the contractual term that cannot be cancelled. In determining the lease term, the Company evaluated the sanctions in the lease contracts, as well as the economic incentives to extend the lease contracts, such as the underlying asset being strategic.

Gradual determination of the loan rate of the leasing liability in accordance with IFRS 16 (Company as lessee)

The lease liability is initially valued at the present value of the lease payments that are not paid at the start of the contract, updated using the implicit interest rate in the lease or, if this rate cannot be easily determined, the Company's incremental loan rate. In general, the Company uses the incremental loan rate as the discount rate.

The Company used the rates of the National Bank of Moldova as incremental loan rates. The Company considers the rates of the National Bank of Moldova used as the appropriate measure for incremental lending rates, as they correctly reflect the ability to finance a specific asset acquisition.

3. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS

a) New and revised standards, which are effective for annual periods beginning on or after 1 January 2024

The following new or amended standards and interpretations are effective for annual periods beginning after January 1, 2024, and application prior to this date is permitted. The Company has not early adopted any of these new or amended standards.

Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)

The IFRS Interpretations Committee issued an agenda decision in June 2020 – Sale and leaseback with Variable Payments. This matter was referred to the IASB for standard setting for some aspects. The IASB issued the final amendments in September 2022.

The Amendments provide a requirement for the seller-lessee to determine ‘lease payments’ or ‘revised lease payments’ in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. These changes had no effect on the Company’s financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69–76 of IAS 1, clarifying the requirements for classifying liabilities as current or non-current.

The amendments clarify the following points:

- The meaning of the right to defer settlement;
- That a right to defer settlement must exist at the end of the reporting period;
- That the classification is not affected by the probability that an entity will exercise its right to defer settlement;
- That unless a derivative embedded in a convertible debt is itself an equity instrument, the terms of a debt would not impact its classification.

These changes had no effect on the Company’s financial statements.

Amendment – Noncurrent Liabilities with Covenants (Amendment to IAS 1)

Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022.

If an entity’s right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period.

The amendments also provide clarification on the meaning of ‘settlement’ for the purpose of classifying a liability as current or non-current. These changes had no effect on the Company’s financial statements.

Supplier financing arrangements (Amendments to IAS 7 Statement of cash flows and to IFRS 7 Financial instruments: Disclosures)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (the Amendments).

These Amendments arose as a result of a submission received by the IFRS Interpretations Committee (the Committee) about the presentation requirements for liabilities and associated cash flows arising out of supply chain financing arrangements and related disclosures. In December 2020, the Committee published an Agenda Decision Supply Chain Financing Arrangements—Reverse Factoring that addressed this submission based on the requirements in IFRS Accounting Standards existing at that time.

3. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS (continued)

a) New and revised standards, which are effective for annual periods beginning on or after 1 January 2024 (continued)

Supplier financing arrangements (Amendments to IAS 7 Statement of cash flows and to IFRS 7 Financial instruments: Disclosures) (continued)

During this process, the feedback from stakeholders indicated limitations of the then existing requirements to address important information needs of users to understand the effects of supplier finance arrangements on an entity's financial statements and to compare one entity with another. In response to this feedback, the IASB undertook a narrow-scope standard setting, leading to the Amendments.

The Amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The Amendments also provide guidance on characteristics of supplier finance arrangements. These amendments had no impact on the Company's financial statements.

b) Standards, amendments and interpretations of existing standards that are not yet in force and that have not yet been adopted by the Company

The following new standards, amendments to standards, and Interpretations are not mandatory for annual periods beginning on or after January 1, 2024, and have not been applied in the preparation of these financial statements. The Company intends to adopt these pronouncements when they become effective.

Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates)

On August 15, 2023, the IASB issued Lack of Exchangeability, which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). These Amendments as a result of a submission received by the IFRS Interpretations Committee (the Committee) about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not explicit requirements for determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

The Committee recommended that the IASB develop narrow scoped amendments to IAS 21 to address this issue. After further deliberations, the IASB issued an exposure draft of the proposed amendments to IAS 21 in April 2021, and the final amendments were issued in August 2023.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025, with early application permitted. The amendments introduce requirements for assess when a currency is exchangeable into another currency and when it is not. They Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The Company expects that the amendments will not have a significant impact on its financial statements when applied for the first time.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments).

In 2022, the International Accounting Standards Board (IASB) carried out a post-implementation review of the classification and measurement requirements in IFRS 9 Financial Instruments and related requirements in IFRS 7 Financial Instruments: Disclosures. After analysing the feedback, the IASB concluded that, in general, entities are able to apply the classification and measurement requirements of IFRS 9 consistently; however, clarification was needed on certain matters to improve the understandability of the requirements.

In September 2021, the IFRS Interpretations Committee issued a Tentative Agenda Decision that addressed a request received about the recognition of cash received via an electronic transfer system as settlement for a financial asset. Some concerns were raised about the possible implications of the Tentative Agenda Decision, primarily on settlement of financial liabilities. Acknowledging these concerns, the IASB decided to propose amendments to the requirements in IFRS 9.

3. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS (continued)

b) Standards, amendments and interpretations of existing standards that are not yet in force and that have not yet been adopted by the Company (continued)

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments) (continued)

In March 2023, the IASB proposed narrow-scope amendments to IFRS 9 and IFRS 7 that address the above two matters i.e. areas requiring clarification, as identified from the feedback to the post-implementation review, and concerns raised on the Tentative Agenda Decision on the recognition of cash received via an electronic transfer system as settlement for a financial asset.

After analysing the feedback to the Exposure Draft and further deliberations, on May 30, 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (the Amendments). The Amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The Amendments clarify:

- the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer;
- the requirements for assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features
- characteristics of non-recourse loans and contractually linked instruments.

The Amendments also introduce additional presentation requirements for equity instruments classified at fair value through other comprehensive income and for financial instruments with contingent features. The Company expects that the amendments will not have a significant impact on the financial statements when applied for the first time.

Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

In December 2024, the International Accounting Standards Board (IASB) issued the amendments Contracts Referencing Nature-dependent Electricity, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The Amendments arose from a request submitted to the IFRS Interpretations Committee asking how an entity would apply the own-use exception requirements specified in IFRS 9.2.4 to contracts to buy and take delivery of electricity generated from nature-dependent sources that are variable in amount and / or timing as a result. Stakeholders expressed the need for a timely solution to this issue as the matter is widespread and the use of such contracts is expected to increase due to an increased demand for renewable electricity. Therefore, the Committee referred the matter to the IASB to consider a narrow-scope standard setting project.

The IASB issued an exposure draft in May 2024 and after analysing the feedback to the exposure draft, the Amendments were issued in December 2024.

The Amendments primarily address two areas of IFRS 9 for contracts referencing nature-dependent electricity (CRNEs):

- The own-use exception
- Hedge accounting.

3. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS (continued)

b) Standards, amendments and interpretations of existing standards that are not yet in force and that have not yet been adopted by the Company (continued)

Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (continued)

As a result of the Amendments, entities will be able to:

- apply the own-use exception to certain contracts referencing nature-dependent electricity (CRNE); and
- designate a variable nominal volume of electricity as a hedged item, facilitating application of hedge accounting to CRNEs.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with early application permitted. The Company expects that the amendments will not have a significant impact on its financial statements when they are first applied.

IFRS 18 Presentation and Disclosure in Financial Statements

The latest IFRS Accounting Standard, IFRS 18 Presentation and Disclosure in Financial Statements, issued by the International Accounting Standards Board (IASB), replaces IAS 1 Presentation of Financial Statements and is mandatorily effective for annual reporting periods beginning on or after 1 January 2027.

In July 2023, the International Accounting Standards Board (IASB) completed technical work on its Primary Financial Statements (PFS) project, which concluded with the release of IFRS 18.

IFRS 18, which was published by the IASB on April, 9, 2024, sets out significant new requirements for how financial statements are presented, with particular focus on the statement of profit or loss, including requirements for mandatory sub-totals to be presented, aggregation and disaggregation of information, as well as disclosures related to management-defined performance measures.

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.

The Amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

IFRS 18 will have a significant effect on how entities present their financial statements with emphasis on reporting of financial performance. The areas that will be significantly affected include categorisation and subtotals in the statement of profit or loss, aggregation/ disaggregation and labelling of information, and disclosure of management-defined performance measures. The Company expects that the amendments will not have a major impact on the financial statements when first applied.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

On 9 May 2024, the International Accounting Standards Board (IASB) issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (the Standard).

When a parent company prepares consolidated financial statements that comply with IFRS® Accounting Standards, its subsidiaries are required to report to the parent using IFRS Accounting Standards. For their own financial statements, subsidiaries are permitted to use IFRS Accounting Standard for SMEs® Accounting Standard if they meet the eligibility criteria or another national financial reporting standard. However, such subsidiaries may not opt to apply the IFRS for SMEs Accounting Standard as they are already required to report to their parent entities using IFRS Accounting Standards and the IFRS for SMEs Accounting Standard differs significantly from 'full' IFRS Accounting Standards, which may result in the subsidiary being required to maintain two sets of financial records. When subsidiaries apply IFRS Accounting Standards for their own financial statements, they are required to provide the disclosures required by IFRS Accounting Standards, which may be disproportionate to the information needs of their users.

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3. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS (continued)

b) Standards, amendments and interpretations of existing standards that are not yet in force and that have not yet been adopted by the Company (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosures (continued)

This issue was highlighted by stakeholders in their response to the IASB's Request for Views – 2015 Agenda Consultation. The stakeholders asked the IASB to permit a subsidiary reporting to a parent applying IFRS Accounting Standards in its consolidated financial statements to apply IFRS Accounting Standards with reduced disclosure requirements in its own financial statements. Considering this feedback, the IASB added a project to its research pipeline to provide reduced disclosure requirements for subsidiaries without public accountability. The project has now culminated in the issuance of IFRS 19, which permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.

The Amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

As a result of the Amendments, Subsidiaries meeting the specified eligibility criteria may elect to apply reduced disclosure requirements as compared to the disclosure requirements of IFRS Accounting Standards while complying with the recognition, measurement and presentation requirements in IFRS Accounting Standards. The Company expects that the amendments will not have a major impact on the financial statements when first applied.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

4. CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents as of 31 December 2024 and 2023 is presented below:

	31 December 2024	31 December 2023
	MDL	MDL
Cash in hand	5,746,118	5,734,753
Current accounts at banks in foreign currency	831,550	925,439
Current accounts at banks in local currency	8,480,783	3,849,435
	15,058,451	10,509,627
Cash in transit	-	1,063,489
Total	15,058,451	11,573,116

Cash on hand is used in lending purposes.

The bank accounts are held exclusively in the banks of the Republic of Moldova. At 31 December 2024 and 2023, the Company did not hold restricted cash, current accounts being opened in BC Moldova Agroindbank SA, BC Moldindconbank SA and BC Eximbank SA.

5. LOANS TO CUSTOMERS

The composition of loans and advances granted to customers as of 31 December 2024 and 2023 is presented below:

	31 December 2024	31 December 2023
	MDL	MDL
Loans to individuals, gross	395,880,939	452,749,324
Less: Allowance for impairment losses	(41,306,254)	(84,821,187)
Loans to customers, net	354,574,685	367,928,137

Reconciliation between the nominal value of loans to customers and amortized cost is presented below:

	31 December 2024	31 December 2023
	MDL	MDL
Loans to customers at nominal value	375,544,101	419,398,053
Add: Accrued interest and commission payable	20,440,232	33,490,167
Less: Unamortized commission	(103,394)	(138,896)
Loans to customers, gross	395,880,939	452,749,324

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

5. LOANS TO CUSTOMERS (continued)

The breakdown of loans to customers by maturity is presented in the table below:

	31 December 2024	31 December 2023
	MDL	MDL
Short term loans	2,865,610	3,656,871
Long term loans	351,709,075	364,271,266
	354,574,685	367,928,137

The breakdown of loans to customers by remaining maturity is presented in the table below:

	31 December 2024	31 December 2023
	MDL	MDL
Up to 12 months	5,013,039	3,852,571
12 to 48 months	349,561,646	364,075,566
	354,574,685	367,928,137

The movement in allowance for impairment of loans is presented below:

	31 December 2024	31 December 2023
	MDL	MDL
Balance as at 1 January	84,821,187	110,866,406
Charge for the year	42,102,876	64,779,407
Write-offs	(85,617,809)	(90,824,626)
Balance as at 31 December	41,306,254	84,821,187

Allowances for impairment

The Company establishes expected credit losses that represent the estimate of losses incurred in its loan portfolio, at the level of each loan.

Write-off policy

The Company writes off a loan balance (and any related allowances for impairment losses) according to internal procedures when there is truthful evidence that debtor has died, when the Court issues a final/ irrevocable decision in respect to loan balance or when the Company's management determines that the loans are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the debtor's financial position and/ or such that the debtor can no longer pay the obligation.

The table below summarizes the allowance for impairment losses on loans as of 31 December 2024:

	31 December 2024	31 December 2023
	MDL	MDL
Short term loans	1,145,100	2,471,735
Long term loans	40,161,154	82,349,452
	41,306,254	84,821,187

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

6. PROPERTY AND EQUIPMENT

The composition of property and equipment as of 31 December 2024 is presented below:

	Assets in progress	Furniture and equipment	Leasehold improvements	Vehicles	Right-of-use assets	Other	Total
	MDL	MDL	MDL	MDL	MDL	MDL	MDL
Cost							
As at 1 January 2024	91,923	6,215,959	828,731	1,288,656	35,859,216	463,102	44,747,587
Additions	953,349	46,448	45,765	654,428	4,047,064	74,535	5,821,589
Transfers	(980,453)	824,193	136,557	-	-	19,703	-
Disposals	(32,892)	(801,153)	(159,022)	(907,431)	(19,470,000)	(205,192)	(21,575,690)
As at 31 December 2024	31,927	6,285,447	852,031	1,035,653	20,436,280	352,148	28,993,486
Accumulated depreciation							
As at 1 January 2024	-	(4,245,755)	(662,222)	(305,436)	(26,117,586)	(362,380)	(31,693,379)
Depreciation charge	-	(892,662)	(161,596)	(212,485)	(6,481,054)	(30,683)	(7,778,480)
Disposals	-	647,983	103,409	398,046	19,470,000	192,690	20,812,128
As at 31 December 2024	-	(4,490,434)	(720,409)	(119,875)	(13,128,640)	(200,373)	(18,659,731)
Net book value							
As at 31 December 2024	31,927	1,795,013	131,622	915,778	7,307,640	151,775	10,333,755
As at 1 January 2024	91,923	1,970,204	166,509	983,220	9,741,630	100,722	13,054,208

* Assets in progress represent IT equipment which as of 31 December 2024 has not been put into use.

The cost of property and equipment fully depreciated, but still in use by the Company, as of 31 December 2024 represent MDL 6,768,359 (31 December 2023: MDL 9,129,355).
The Company does not hold pledged property and equipment.

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

6. PROPERTY AND EQUIPMENT (continued)

The composition of property and equipment as of 31 December 2023 is presented below:

	Assets in progress	Furniture and equipment	Leasehold improvements	Vehicles	Right-of-use assets	Other	Total
	MDL	MDL	MDL	MDL	MDL	MDL	MDL
Cost							
As at 1 January 2023	125,714	5,943,866	696,109	907,431	37,086,109	299,975	45,059,204
Additions	42,459	214,943	132,622	381,225	4,665,293	163,127	5,599,669
Transfers	(76,250)	76,250	-	-	-	-	-
Disposals	-	(19,100)	-	-	(5,892,186)	-	(5,911,286)
As at 31 December 2023	91,923	6,215,959	828,731	1,288,656	35,859,216	463,102	44,747,587
Accumulated depreciation							
As at 1 January 2023	-	(3,276,262)	(416,786)	(123,950)	(24,827,091)	(299,975)	(28,944,064)
Depreciation charge	-	(986,205)	(245,436)	(181,486)	(7,182,681)	(62,405)	(8,658,213)
Disposals	-	16,712	-	-	5,892,186	-	5,908,898
As at 31 December 2023	-	(4,245,755)	(662,222)	(305,436)	(26,117,586)	(362,380)	(31,693,379)
Net book value	91,923	1,970,204	166,509	983,220	9,741,630	100,722	13,054,208
As at 31 December 2023	125,714	2,667,604	279,323	783,481	12,259,018	-	16,115,140

* Assets in progress represent IT equipment which as of 31 December 2023 has not been put into use.

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

7. INTANGIBLE ASSETS

The composition of intangible assets as of 31 December 2024 and 2023 is presented below:

	2024	2023
	MDL	MDL
Cost		
At 1 January	35,835,004	32,838,019
Additions	4,236,866	2,996,985
Disposals	-	-
At 31 December	40,071,870	35,835,004
Accumulated amortization		
At 1 January	(19,431,841)	(13,905,193)
Charge for the period	(6,948,163)	(5,526,648)
Disposals	-	-
At 31 December	(26,380,004)	(19,431,841)
Net Book Value		
At 1 January	16,403,163	18,932,826
At 31 December	13,691,866	16,403,163

Additions during the year ended 31 December 2024 represent software and software licenses (1C, MS Windows, MS Office, Adobe Creative Cloud, specially designed ERP). The value of amortizable intangible assets on 31 December 2024 is equal to MDL 13,691,866 (2023: MDL 16,403,163). The Company does not own any non-amortizable intangible assets. On 31 December 2024 the value of fully amortized intangible assets that are in use amounts to MDL 1,930,209 (31 December 2023: MDL 2,165,451).

8. TAXATION

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of 12 % and the reported tax expense in profit or loss are as follows:

	2024	2023
	MDL	MDL
Profit before tax	94,553,359	136,821,778
Moldovan statutory income tax rate	12%	12%
Expected tax expense	11,346,403	16,418,613
Non-taxable income/ non-deductible expense	318,761	349,108
Actual tax expense	11,665,164	16,767,721
Current tax expense	10,672,774	13,397,637
Deferred tax expense/ (credit)	992,390	3,370,084
Tax expense	11,665,164	16,767,721

Starting 2012 the income tax rate is 12%.

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

8. TAXATION (continued)

As at 31 December 2024 deferred taxes arising from temporary differences are summarized as follows:

Deferred tax assets (liabilities)	1 January 2024	Recognized in profit or loss	31 December 2024
	MDL	MDL	MDL
<i>Assets</i>			
Property and equipment	166,529	362	166,891
Loans to customers	(2,542,176)	(1,026,033)	(3,568,209)
Other assets	184,359	(12,859)	171,500
Total assets	(2,191,288)	(1,038,530)	(3,229,818)
<i>Liabilities</i>			
Other liabilities	(229,967)	46,140	(183,827)
Total liabilities	(229,967)	46,140	(183,827)
Recognized as:			
Deferred tax asset (liability)	(2,421,255)		(3,413,645)
Deferred tax credit/ (expenses)	-	(992,390)	-

As at 31 December 2023 deferred taxes arising from temporary differences are summarized as follows:

Deferred tax assets (liabilities)	1 January 2023	Recognized in profit or loss	31 December 2023
	MDL	MDL	MDL
<i>Assets</i>			
Property and equipment	152,286	14,243	166,529
Loans to customers	781,101	(3,323,277)	(2,542,176)
Other assets	195,196	(10,837)	184,359
Total assets	1,128,583	(3,319,871)	(2,191,288)
<i>Liabilities</i>			
Other liabilities	(179,754)	(50,213)	(229,967)
Total liabilities	(179,754)	(50,213)	(229,967)
Recognized as:			
Deferred tax asset (liability)	948,829		(2,421,255)
Deferred tax credit/ (expenses)	-	(3,370,084)	-

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

9. OTHER ASSETS

The composition of other assets as of 31 December 2023 and 2023 is presented below:

	31 December 2024	31 December 2023
	MDL	MDL
Other financial assets		
Trade receivables	2,701,503	4,285,354
Other receivables	2,491,516	1,847,397
Other receivables from employees	2,161,106	2,438,956
<i>Less: Amortization difference on other receivables from employees</i>	(1,429,170)	(1,536,325)
Loans to employees	10,664	217,459
Total	5,935,619	7,252,841
Other non-financial assets		
Advances granted in the country	554,334	587,887
Advances granted abroad	73,716	72,785
Guarantees paid	879,699	1,003,417
Prepaid expenses	308,175	326,722
Stocks and supplies	274,086	351,303
Prepaid taxes	33,543	27,173
Other	122,409	92,947
Total	2,245,962	2,462,234
	8,181,581	9,715,075

Guarantees paid represent deposit payments made under operational lease agreements for the spaces rented where the Company's representative branches are located.

10. BORROWINGS

	Currency	Maturity	31 December 2024	31 December 2023
			MDL	MDL
Fixed rate loan	EUR	08.01.2028	115,310,012	136,478,726
Fixed rate loan	EUR	11.11.2027	-	4,839,350
Fixed rate loan	MDL	undetermined	1,000,000	1,000,000
Subordinated loan	MDL	22.07.2025	3,800,000	3,800,000
			120,110,012	146,118,076
Add: interest and commissions payable			576,791	1,043,431
TOTAL			120,686,803	147,161,507

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

10. BORROWINGS (continued)

On July 5, 2023, the Company signed a new cooperation agreement regarding the issuance of loans with a credit limit of EUR 15,000,000 and maturity on January 8, 2028. The loans are secured according to the Pledge Agreement concluded with the Company, with a pledge on the receivables resulting from the Company's loan agreements with its customers in the amount of 1.2 (one whole and two) applied to contractual obligations. On June 20, 2023, an agreement was signed to change the loan limit up to EUR 20,000,000.

During 2020-2023 several contracts were signed as follows:

- on 28 December 2020, a revolving loan contract in the amount of MDL 1,000,000, for a period of 12 months; on 15.09.2021 the term has been changed to an indefinite one.
- on 22.07.2020 a subordinated loan agreement in the amount of MDL 3,800,000, for a period of 3 years. On 21.07.2023 an amendment was signed regarding the extension of the maturity date by 12 months, calculated from July 27, 2025. If neither party notifies the intention to terminate the contract, it will be automatically extended for another 12 months each year.
- on 11 November 2023 a revolving loan agreement with a credit limit of EUR 5,000,000 and due on 11 January 2027.

11. LEASING CONTRACTS

11.1 Right-of-use assets and lease liabilities

Right-of-use assets are presented as follows in the statement of financial position and in the statement of profit or loss and other comprehensive income:

	Premises
	MDL
At 1 January 2024	9,741,630
Additions	4,047,064
Disposals	-
Depreciation expenses	(6,481,054)
At 31 December 2024	7,307,640

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

11. LEASING CONTRACTS (continued)

11.1 Right-of-use assets and lease liabilities (continued)

	Premises MDL
At 1 January 2023	12,259,018
Additions	4,665,293
Disposals	-
Depreciation expenses	(7,182,681)
At 31 December 2023	9,741,630

Maturity analysis of lease liabilities, non-discounted

The undiscounted contractual cash flows by maturity are presented in the table below:

	31 December 2024 MDL	31 December 2023 MDL
Up to 1 year	4,566,803	7,973,476
Between 1 year and 5 years	3,008,847	3,798,671
Value of lease liabilities, gross	7,575,650	11,772,147

11.2 Amounts recognized in the Statement of profit or loss and other comprehensive income

	2024 MDL	2023 MDL
Interest expenses regarding operating lease	639,541	588,275
Amortization expense on operating lease	6,481,054	7,182,681

11.3 Amounts recognized in the Statement of cash flows

	2024 MDL	2023 MDL
Cash outflows related to leasing contracts	7,242,384	8,336,510

For the calculation, the NBM weighted average rate for newly granted loans, for a month prior to the month in which the rental contract was signed, was used.

At 31 December 2024 the Company recognizes 33 premises with right of use.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

12. OTHER LIABILITIES

	31 December 2024	31 December 2023
	MDL	MDL
Financial liabilities		
Lease liabilities	7,410,683	9,942,743
Accrued liabilities	2,451,791	1,867,809
Trade payables to local suppliers	749,749	800,874
Trade payables to foreign suppliers	2,430,815	5,795,347
Settlements with employees	1,426,950	1,236,032
Provision for unused vacation	2,724,494	2,832,011
Provision for audit services	346,155	482,389
Other	73,166	36,311
Total	17,613,803	22,993,516
Non-financial liabilities		
Other taxes and fees	1,782,616	1,764,086
Accrued income	744,361	785,194
Total	2,526,977	2,549,280
Total	20,140,780	25,542,796

On 31 December 2024, trade payables to foreign suppliers represent costs for IT services, consultancy, business development and marketing in amount of MDL 2,430,815 (31 December 2023: MDL 5,795,347).

13. EQUITY

a) Share capital

The Company was registered on 6 January 2017 as a limited liability company with a share capital of MDL 10,000. On 13 March 2019 the share capital was increased to MDL 300,000. On 27 January 2020 TIG Invest LTD sold 0.630% of its equity shares in the Company to four individuals. On 3 July 2020 the share capital was increased to MDL 54,550,000, four individuals contributed larger amounts, respectively increasing the percentage share to 0.1137%. On 16 July 2020, TIG Invest LTD sold 96.2561% of its equity shares in the Company to Eleving Consumer Finance AS (former AS Funderly Group). On 23 July 2020 TIG Invest LTD sold 0.0002% of its equity shares in the Company to Eleving Group (former Mogo Finance SA).

On 4 March 2023 the Minutes of the General Meeting of Associates were signed regarding the reduction of the share capital to MDL 4,200,000. On 13.06.2023, the reduction of the share capital was registered by authorities. On 30.09.2023 Eleving Consumer Finance AS sold 0.2761% of the share to individuals.

On 23 August 2023 Eleving Consumer Finance AS bought 0.3% of the share from a private individual, these changes were registered at the Public Services Agency on 29 August 2023. On 29 November 2023, Eleving Consumer Finance AS sold 0.0302% of its share to an individual, and these changes were registered with the Public Services Agency on 8 December 2023.

On 10 June 2024, Eleving Consumer Finance AS sold 0.25% of its share to an individual, and these changes were registered with the Public Services Agency on 24 June 2024.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

13. EQUITY (continued)

a) Share capital (continued)

The structure of the Company's share capital is as follows:

Equity holders	Country of incorporation	31 December 2024		31 December 2023	
		MDL	%	MDL	%
Eleving Consumer Finance AS (fomer Funderly Group AS)	Latvia	4,145,392	98.6998	4,155,892	98.9498
Eleving Group (fomer Mogo Finance SA)	Luxemburg	8	0.0002	8	0.0002
Individuals	Moldova	54,600	1.3000	44,100	1.0500
		4,200,000	100	4,200,000	100

b) Reserve capital

In accordance with local legislation, 5% of the Company's net profit must be transferred to a non-distributable legal reserve until this reserve represents at least 10% of the Company's share capital. According to the statute, the reserve capital can only be used to cover losses and/or to increase its share capital.

On 1 March 2021 the Minutes of the Extraordinary General Meeting of Associates were signed regarding the increase of the reserve capital in the amount of MDL 5,455,000.

14. NET INTEREST INCOME

Net interest income includes interest income on loans granted, interest on borrowings and interest related to the right of use assets, the information as of 31 December 2024 and 2023 is presented below:

	2024 MDL	2023 MDL
Interest income		
Loans to customers	230,027,816	297,347,845
	230,027,816	297,347,845
Interest expense		
Borrowings	(12,225,483)	(35,203,687)
Right-of-use assets	(639,541)	(588,275)
	(12,865,024)	(35,791,962)
Net interest income	217,162,792	261,555,883

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

15. NET COMMISSION INCOME

Commission income represents fee for the early repayment of loans.

	2024	2023
	MDL	MDL
<i>Commission income</i>		
Commissions for early repayment of loans	7,907	70,078
Net income from fees and commissions	7,907	70,078

16. NET TRADING INCOME (EXPENSE)

	2024	2023
	MDL	MDL
Revaluation of foreign currency balances	(1,151,701)	9,848,281
Income/(expenses) from foreign currency conversion	631,552	(705,376)
Total	(520,149)	9,142,905

17. OTHER OPERATING INCOME

	2024	2023
	MDL	MDL
Penalties on loans to customers	765,428	2,952,287
Sale of portfolio	11,610,922	9,993,964
Income from Sebo Club	17,311,218	19,343,713
Other	2,033,522	405,787
Total	31,721,090	32,695,751

During 2024, the Company monthly sold the portfolio that registers + 360 days overdue.

Other income includes revenue from insurance intermediation services, revenue from the issuance of certificates, income from the disposal of long-term assets, and exceptional income.

18. PERSONNEL EXPENSES

	2024	2023
	MDL	MDL
Salaries and bonuses	35,284,234	33,854,514
Social insurance and contributions	8,406,807	8,203,059
Provision for unused vacation	(107,517)	(406,328)
Other	516,619	7,705
Total	44,100,143	41,658,950

Social insurance contributions include the contributions calculated by the Company from the gross salary, in 2024 they constitute 24% (2023: similar). These contributions are reflected in the profit and loss account in the period in which the related salary is earned by the employee.

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

19. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
	MDL	MDL
Business development support	24,507,001	18,226,125
Business promotion and advertising	5,704,687	5,750,012
IT services	7,650,331	8,555,175
Professional services	5,248,648	4,697,279
Postage, telephone and internet	2,178,403	1,719,762
Database access	1,537,209	1,551,510
Stationery and supplies	947,020	1,186,262
Donations	11,060	10,770
Utilities and rent	849,383	921,679
Bank charges	290,530	341,509
Transportation	535,907	562,810
NCFM regulatory tax	188,305	353,711
Training	116,988	106,617
Membership and association expenses	31,083	32,287
Accommodation and representation	255,672	128,145
Repairs and maintenance	294,773	211,152
Other	2,541,619	1,664,816
Total	52,888,619	46,019,621

20. DEPRECIATION AND AMORTIZATION

	2024	2023
	MDL	MDL
Depreciation of property and equipment	6,948,163	5,526,648
Amortization of intangible assets	1,297,426	1,475,532
Depreciation of the right-of-use asset	6,481,054	7,182,681
Total	14,726,643	14,184,861

The Company rents several branches for carrying out its operational activity. At 31 December 2024, the Company had 30 branches (excluding the head office), of which: 6 are in Chisinau and 24 are located outside Chisinau (in 2023: 29 branches). During 2024, 4 branches were closed, and 5 new branches were opened. The expenses with the depreciation of the right-of-use asset leased for the activity of the branches in 2024 amounted to MDL 6,481,052 (2023: MDL 7,182,681).

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

21. TRANSACTIONS WITH RELATED PARTIES

All transactions with the companies in the group are carried out under the same conditions as for similar transactions with third parties, including interest rates. The list of related parties and the nature of their relationships are detailed below:

- Eleving Consumer Finance AS (Funderly Group AS) (shareholder)
- Eleving Group (MOGO FINANCE S.A.) (shareholder)
- Mogo Loans SRL OCN (Company part of the Group)
- Se Finance SRL OCN (Company part of the Group)
- Sergiu Sobuleac (administrator till May 2023 and shareholder till August 2023)
- Valentina Marhilevica (administrator from March 2024)
- Sergiu Cherdivara (administrator from June 2023)
- Rodica Păun (CFO, shareholder)
- Savciuc Irina (Manager Department Call Center till November 2023, shareholder)
- Tetelea Silvia (Head of department till March 2024, shareholder)
- Orhei Aelita (shareholder)

Transfer Pricing Policies

The Company applies transfer pricing policies in accordance with applicable tax legislation and the guidelines of the Organization for Economic Co-operation and Development (OECD). These policies are designed to ensure compliance the market value principle, so that transactions with related parties reflect prices and conditions applicable between independent parties.

The Company documents, annually, its transactions with related parties in the transfer pricing file, as required by local legislation. Also, in case of a tax control, the authorities may perform adjustments to the transfer prices, which could have an impact on the Company's tax obligations.

The following table provides the total amount of transactions which have been entered into with related parties during the financial year and balances with those as of 31 December:

	2024		2023	
	Shareholders	Other related entities	Shareholders	Other related entities
Equity transaction				
Share capital decrease	-	-	-	-
Dividends declared	67,000,000	-	48,000,000	-
Dividends payables	-	-	-	-
Balance at 31 December				
Borrowings	3,800,000	1,000,000	3,800,000	1,000,000
Interest payable	51,497	13,552	51,638	19,033
Procurement of assets	3,466,632	-	2,442,886	-
Liabilities related to procurement of assets and services	2,332,181	-	5,753,060	-
Profit or loss				
Interest expense	608,000	418,876	651,101	612,780
Expenses related to the services purchased	25,831,993	-	21,582,769	-

On 13 September 2023, the Minutes of the Extraordinary General Meeting of Associates were signed regarding the distribution of dividends in the amount of MDL 48,000,000.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

21. TRANSACTIONS WITH RELATED PARTIES (continued)

On 28 March 2024, the Minutes of the Extraordinary General Meeting of Shareholders regarding the distribution of dividends in the amount of MDL 20,000,000 were signed, and on 3 June 2024, the distribution of an additional MDL 47,000,000 was approved.

During 2024, software improvements and developments were purchased from related parties: ERP system in the amount of MDL 3,466,632 (similar 2023: MDL 2,442,886) and management services, marketing, financial consulting, human resources, legal services and others in the amount of MDL 25,831,993 (similar 2023: MDL 21,582,769).

During the year ended 31 December 2024 management personnel received remuneration in the amount of MDL 9,828,328 (2023: MDL 12,148,189), this amount includes the mandatory state social insurance contributions. The management staff received no other benefits, with the exception of the optional medical insurance offered to all employees of the Company.

22. COMMITMENTS AND CONTINGENCIES

Capital commitments

There were no capital commitments as at 31 December 2024.

Legal claims

As at 31 December 2024 the Company was involved in several lawsuits arising out of normal corporate activities. In none of these the Company has a role of defendant.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the valuation date. The determination of the fair value is based on the presumption that the sale transaction of the asset or the transfer of the liability takes place either:

- on the main market of its asset or liability
- in the absence of a main market, on the most advantageous market for the asset or debt.

The main or most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is assessed based on the assumptions that market participants would use to set the prices of the asset or liability, assuming that market participants act in their economic interest. A determination of the fair value of a non-financial asset takes into account the ability of a market participant to generate economic benefits by using the asset in the best and most efficient way or by selling it to another market participant who would use the asset in the best way and more efficient measure. The Company uses appropriate valuation techniques for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which the fair value is evaluated or disclosed in the financial statements, are classified in the hierarchy of fair values, described as follows, based on the lowest level of value, which is significant for the evaluation of the fair value as a whole:

Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level that is significant to the fair value measurement can be directly or indirectly observed;

Level 3 - Valuation techniques for the lowest level input that is significant to the fair value measurement is unobservable.

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23. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Level 1 includes highly liquid assets such as cash or cash items. Management recognizes that the fair value of cash and cash equivalents is the same as their accounting value, therefore the risk of changing the fair value is insignificant.

Level 2 instruments include assets, for which there is no active market, such as financial instruments traded outside the stock exchange, bonds. The Company has no assets or liabilities classified in Level 2.

Level 3 instruments include loans and advances to customers, long-term and current loans, trade receivables.

The fair value of current and non-current loans is based on discounted cash flows using the effective interest rate.

The fair value of the loan receivables is equal to the book value, which is the discounted value of the loan payments discounted using the effective interest rate of the agreement and adjusted for impairment.

The fair value of loan and advances to customers is determined based on the discounted cash flow model, consisting of contractual loan cash flows, which are adjusted to expectations regarding possible variations in value and timing of cash flows using the methodology compatible with the expected determination of the credit loss on 31 December 2024 to determine the cash flows expected to be received without impairment losses. The pre-tax weighted average cost of capital WACC of the entity that owns the respective financial assets is used as the basis for the discount rate. The WACC is based on the actual estimated cost of equity capital and the cost of debt that reflects any other relevant risks for the loan contracts that do not were taken into account for the adjustment of the impairment loss described above and also includes compensation for the opportunity cost of establishing a similar loan agreement.

The impairment loss is estimated by applying the PD and LGD rates, which are in accordance with the ECL methodology described in "Calculation of ECL" (Note 2).

The management recognizes that, if a fair value of these assets/liabilities would be evaluated as an amount at which an asset could be exchanged or a debt could be settled under conditions of independent competition with known third parties, the obtained fair values of the assets and liabilities would not be materially different.

For assets and liabilities that are recognized in the separate financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing the categorization based on the lowest entry level that is significant to the fair value measurement as a whole at the end of each reporting periods. for the purpose of presenting information on fair value, the Company has determined classes of assets and liabilities depending on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

23. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The table below combine the carrying amount and fair value of those financial assets and liabilities on each hierarchical level which are not presented at fair value in the balance sheet:

2024	Carrying value	Level 1	Level 2	Level 3	Fair value
Financial assets					
Cash and cash equivalents	15,058,451	15,058,451	-	-	15,058,451
Loans to customers	354,574,685	-	-	331,357,605	331,357,605
Other financial assets	5,935,619	-	-	5,935,619	5,935,619
Financial liabilities					
Borrowings	120,686,803	-	-	120,686,803	120,686,803
Other financial liabilities	17,613,803	-	-	17,613,803	17,613,803
2023					
	Carrying value	Level 1	Level 2	Level 3	Fair value
Financial assets					
Cash and cash equivalents	11,573,116	11,573,116	-	-	11,573,116
Loans to customers	367,928,137	-	-	462,911,356	462,911,356
Other financial assets	7,252,841	-	-	7,252,841	7,252,841
Financial liabilities					
Borrowings	147,161,507	-	-	147,161,507	147,161,507
Other financial liabilities	22,993,516	-	-	22,993,516	22,993,516

(i) Loans to customers

The estimated fair value of loans represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates of similar companies for retail loans.

(ii) Borrowings and other payables

The estimated fair value of borrowings represents the discounted amount of estimated future cash flows expected to be paid. Expected cash flows are discounted at current market rates for similar instruments to determine fair value.

24. RISK MANAGEMENT

The risk management function within the Company refers to financial risks, operational risks and legal risks. Financial risk includes market risk including currency risk, interest rate risk, credit risk and liquidity risk. The main objectives of the financial risk management function are to establish risk limits, then to ensure the maintenance of risk exposure within these limits. The operational and legal risk management functions (compliance, regulation) are intended to ensure the proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Operational risks

The Company's operational risks are managed by successful risk underwriting procedures in the process of granting loans, as well as efficient debt collection procedures.

Legal risks

Legal risks could arise as a result of changes in legislation that have an impact on operational activity, but the Company successfully administers and manages them with the help of the internal legal department and external legal advisors, who help identify appropriate solutions, including addressing any changes and legislation that could have an impact on the Company's commercial activities, with the aim of preventing possible difficulties in carrying out business processes.

Compliance risk

Compliance risk is defined as the risk of business process losses or interruptions, resulting from inadequate or failed internal processing systems, which have led to non-compliance with applicable legislation or other regulations in force, which entails the application of fines, damages, including excessive termination of contracts that may also damage the entity's reputation. When assessing the compliance risk, the focus is not only on the potential financial impact, but also non-financial with reference to the operational, legal or reputational one. The compliance risk is evaluated from the perspective of the measures aimed at being in compliance with the new legal provisions, instructions, methodologies, regulations, including the result of non-compliance with them.

Regulatory risks

The Company's operations are subject to regulation by several authorities, such as: supervisory, consumer protection, financial services and other state authorities, including but not limited to consumer lending and consumer protection laws and regulations debt collection and personal data processing. The regulatory risk can be attributed a major risk due to the uncertainties related to the regulatory framework in the next period in relation to the replacement of the supervisory body, a fact that could cause certain deviations and limits related to the operational activity process.

Risks related to compliance with the money laundering prevention policy and the Know Your Customer procedure.

The Company respects and complies with the requirements and demands of the legislation on the prevention and combating of money laundering and the financing of terrorism, taking into account the financial impact in case of non-compliance. The Company has developed its own Program for the prevention and combating of money laundering and the financing of terrorism, where all the necessary processes are reflected regarding the identification of the customer, the beneficial owner and the PEP, the application of precautionary measures, data retention, monitoring of customer transactions, reporting to the competent bodies, updating restrictive lists, etc. The company has established an internal control framework expressed by the implementation of several scenarios with a combination of IT solutions in order to identify and report possible transactions with indicators of suspicion in the field of ML/FT. The Company also carried out the risk assessment in the field of activity, including the products offered, at the same time it carried out the internal audit in order to comply with the requirements of the legislation in the field of preventing and combating money laundering and terrorist financing.

24. RISK MANAGEMENT (continued)

Confidentiality, risk related to the protection of personal data.

The Company's activity is subject to a variety of laws and regulations at the national level involving user confidentiality, personal data protection, advertising, marketing, disclosures, distributions, electronic contracts and other communications, consumer protection and online payment services. The company has implemented an internal control framework consisting of a combination of IT-based solutions and business procedures that are designed to catch any potential non-compliance issue before it occurs and to ensure compliance with these requirements.

The significant risks monitored within the Company are: credit risk, liquidity risk, market risk and operational risk. Market risk includes currency risk and interest rate risk.

Individual risks management

The Company places a special emphasis on understanding the risk factors and on a continuous analysis and discussion at the institution level about the possible developments / scenarios and their potential negative impact. The main objectives of risk management include ensuring that all significant risks are recognized in a timely manner, are fully understood and appropriately described.

Financial risk

The Company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks at a certain degree. Taking risk is essential to the financial business, and the operational risks are an inevitable consequence of being in business. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Together with the Company's operating units, the management team identifies, evaluates and mitigates the financial risks under policies approved by the shareholder. The shareholder provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk. The most important types of risk are credit risk, liquidity risk, market risk and other operational risks. Market risk includes currency risk, interest rate and other price risk.

Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the Company by failing to discharge an obligation. Credit risk is the most important risk for the Company's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans. The credit risk management and control are performed by the management team on a monthly basis.

The Company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower. Such risks are monitored on a revolving basis and subject to a monthly or more frequent review. Limits on the level of credit risk by product and client, are approved by the shareholder.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Credit risk (continued)

Exposure to credit risk is managed through regular analysis of the ability of clients and potential clients to meet interest and commissions and capital repayment obligations and by changing these lending limits where appropriate. As the Company is oriented to lend loans to individuals only, the maximum lending limit is set at an acceptable low level.

The Shareholder delegated responsibility for the oversight of credit risk to its management team, which includes:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements;
- Providing advice, guidance and specialist skills to business units to promote best practice throughout the Company in the management of credit risk;
- Approval of the provisions and write-offs.

The impairment allowances are recognized for losses that have been incurred at the date of the statement of financial position, based on objective evidence of impairment.

The future cash flows related to loans that are analyzed for impairment are estimated based on contractual cash flows and managements historical experience of the probabilities that payments will become overdue, determined from the history of previous losses and from the recoveries of overdue amounts. The historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

The coefficient of non-performing loans' recovery (Loss given default, LGD) is calculated for loans to customers.

The management team is required to implement Company's credit policies and procedures. The management team is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios.

Credit risk exposures relating to on-balance sheet assets are as follows:

	31 December 2024	31 December 2023
	MDL	MDL
Cash and cash equivalents	9,312,333	5,838,363
Loans to customers	354,574,685	367,928,137
Other financial assets	5,935,619	7,252,841
	369,822,637	381,019,341

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Credit risk (continued)

The table below shows the Company's maximum credit risk exposure as of 31 December 2024 and 2023, to a customer or counterparty.

	31 December 2024	31 December 2023
	MDL	MDL
Cash and cash equivalents	5,790,773	3,669,349
Loans to customers	98,861	97,899
Trade receivables	1,821,744	1,240,189
Other financial assets	731,936	902,632
	8,443,314	5,910,069

The Company uses the following quality categories for the management of credit risk related the loan portfolio:

Stage 1 - if payments are made on a regular basis and in accordance with contractual terms, outstanding payments are allowed up to 30 days;

Stage 2 - if payments are overdue from 31 to 90 days;

Stage 3 - if payments are overdue for more than 91 days.

The tables below show credit quality and maximum exposure to credit risk based on the internal credit rating system and classification by Stages at the end of the period.

	31 December 2024			
Loans to customers	Stage 1	Stage 2	Stage 3	TOTAL
No days overdue	302,280,081	-	-	302,280,081
Overdue <35 days	35,088,078	-	-	35,088,078
Overdue <60 days	-	13,619,282	-	13,619,282
Overdue >60 days	-	-	44,893,498	44,893,498
Expected credit losses	(14,891,767)	(5,103,989)	(21,310,498)	(41,306,254)
Total	322,476,392	8,515,293	23,583,000	354,574,685

	31 December 2023			
Loans to customers	Stage 1	Stage 2	Stage 3	TOTAL
No days overdue	315,530,236	-	-	315,530,236
Overdue <35 days	43,705,196	-	-	43,705,196
Overdue <60 days	-	18,745,373	-	18,745,373
Overdue >60 days	-	-	74,768,519	74,768,519
Expected credit losses	(26,071,101)	(10,037,367)	(48,712,719)	(84,821,187)
Total	333,164,331	8,708,006	26,055,800	367,928,137

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Credit risk (continued)

An analysis of changes in the gross carrying amount and corresponding ECL allowances related to loans and advances to customers is presented below.

Loans to customers	Stage 1	Stage 2	Stage 3	Total
Balance at 01 January 2024	359,235,432	18,745,373	74,768,519	452,749,324
Transfer to Stage 1	1,226,733	(791,066)	(435,667)	-
Transfer to Stage 2	(5,587,668)	5,805,724	(218,056)	-
Transfer to Stage 3	(24,761,838)	(4,413,808)	29,175,646	-
Increases due to initiation and acquisition	785,201,210	15,748,735	24,494,922	825,444,867
Decreases due to derecognition	(536,053,349)	(7,112,107)	(8,277,642)	(551,443,098)
The decrease in the account of adjustments for depreciation due to write-offs from the balance sheet	(5,246,644)	(9,250,101)	(69,536,711)	(84,033,456)
The net change due to the increase/decrease in credit risk	(236,645,717)	(5,113,468)	(5,077,513)	(246,836,698)
Balance at 31 December 2024	337,368,159	13,619,282	44,893,498	395,880,939

Loans to customers	Stage 1	Stage 2	Stage 3	Total
Balance at 01 January 2023	428,240,156	22,874,232	64,548,433	515,662,821
Transfer to Stage 1	1,290,703	(771,957)	(518,746)	-
Transfer to Stage 2	(12,207,172)	12,357,859	(150,687)	-
Transfer to Stage 3	(54,690,294)	(5,324,240)	60,014,534	-
Increases due to initiation and acquisition	270,186,384	10,666,364	16,513,998	297,366,746
Decreases due to derecognition	(237,622,808)	(4,422,654)	(7,598,168)	(249,643,630)
The decrease in the account of adjustments for depreciation due to write-offs from the balance sheet	(8,573,402)	(16,638,245)	(64,470,039)	(89,681,686)
The net change due to the increase/decrease in credit risk	(27,388,135)	4,014	6,429,194	(20,954,927)
Balance at 31 December 2023	359,235,432	18,745,373	74,768,519	452,749,324

Transfers between Stages capture the annual movement of financial assets that are in a different Stage at the closing balance than at the opening balance. Transfers between each Stage are based on opening balances.

Receivables partially derecognized upon transfer between Stages are reported in the Stage in which the assets are transferred. This represents the period until the date when the modification of loan receivables is transferred to a particular Stage.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Credit risk (continued)

The movement of allowances for expected credit risk losses of loans and advances for the period 2024 and 2023 is presented in the following tables:

Expected credit losses	Stage 1	Stage 2	Stage 3	Total
Balance at 01 January 2024	26,071,101	10,037,367	48,712,719	84,821,187
Transfer to Stage 1	96,314	(59,748)	(36,566)	-
Transfer to Stage 2	(2,058,056)	2,151,160	(93,104)	-
Transfer to Stage 3	(11,742,642)	(2,095,060)	13,837,702	-
Increases due to initiation and acquisition	38,216,898	10,896,449	39,135,609	88,248,956
Decreases due to derecognition	(34,159,722)	(5,132,352)	(7,276,359)	(46,568,433)
The decrease in the account of adjustments for depreciation due to write-offs from the balance sheet	(5,690,132)	(9,259,894)	(70,667,783)	(85,617,809)
The net change due to the increase/decrease in credit risk	4,158,006	(1,433,933)	(2,301,720)	422,353
Balance at 31 December 2024	14,891,767	5,103,989	21,310,498	41,306,254

Expected credit losses	Stage 1	Stage 2	Stage 3	Total
Balance at 01 January 2023	46,376,407	15,442,138	49,047,861	110,866,406
Transfer to Stage 1	111,624	(196,787)	85,163	-
Transfer to Stage 2	(6,558,340)	6,635,402	(77,062)	-
Transfer to Stage 3	(35,645,388)	(3,509,305)	39,154,693	-
Increases due to initiation and acquisition	9,437,983	3,054,161	7,979,853	20,471,997
Decreases due to derecognition	(8,906,356)	6,347,187	19,039,517	16,480,348
The decrease in the account of adjustments for depreciation due to write-offs from the balance sheet	(8,561,678)	(16,653,312)	(65,609,636)	(90,824,626)
The net change due to the increase/decrease in credit risk	29,816,849	(1,082,117)	(907,670)	27,827,062
Balance at 31 December 2023	26,071,101	10,037,367	48,712,719	84,821,187

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due under normal and stress circumstances. The Company manages its liquidity risk through thorough liquidity GAP analysis.

The tables below show the cash flows payable by the Company in the form of non-derivative financial liabilities and assets held for liquidity risk management, remaining at the contractual maturity date of the financial position situation. The amounts presented in the tables represent the undiscounted contractual cash flow. The cash flow payable for the loans includes the estimated interest payments assuming that the principal is paid in full on the due date.

At 31 December 2024	Book value	On demand	Less than 1 year	From 1 to 5 years
	MDL	MDL	MDL	MDL
Assets				
Cash and cash equivalents	15,058,451	15,058,451	-	-
Loans to customers	354,574,685	-	472,923,049	220,030,828
Other financial assets	5,935,619	-	4,441,877	1,493,742
Total assets	375,568,755	15,058,451	477,364,926	221,524,570
Liabilities				
Borrowings	120,686,803	-	13,786,349	152,927,194
Other financial liabilities	17,613,803	-	13,910,816	3,702,987
Total liabilities	138,300,606	-	27,697,165	156,630,181
Maturity GAP	237,268,149	15,058,451	449,667,761	64,894,389
Cumulative maturity GAP	-	15,058,451	464,726,212	529,620,601

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Liquidity risk (continued)

At 31 December 2023	Book value	On demand	Less than 1 year	From 1 to 5 years
	MDL	MDL	MDL	MDL
Assets				
Cash and cash equivalents	11,573,116	11,573,116	-	-
Loans to customers	367,928,137	-	522,615,244	334,348,076
Other financial assets	7,252,841	-	5,479,637	1,773,204
Total assets	386,754,094	11,573,116	528,094,881	336,121,280
Liabilities				
Borrowings	147,161,507	-	29,328,697	214,759,598
Other financial liabilities	22,993,516	-	20,328,764	3,798,671
Total liabilities	170,155,023	-	49,657,461	218,558,269
Maturity GAP	216,599,071	11,573,116	478,437,420	117,563,011
Cumulative maturity GAP	-	11,573,116	490,010,536	607,573,547

Market risk

The economy of the Republic of Moldova continues to display characteristics of an emerging market. These characteristics include, but are not limited to, the existence of a currency that is not freely convertible outside of the country; a low level of liquidity in the public and private debt and equity markets and relatively high inflation.

Additionally, the financial services sector in the Republic of Moldova is vulnerable to adverse currency fluctuations and economic conditions.

The prospects for future economic stability in the Republic of Moldova are largely dependent upon the effectiveness of economic measures undertaken by the government, together with legal and regulatory developments.

The Company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

Interest rate risk

Interest rate risk is the risk of loss resulting from changes in interest rates. Interest rate risk consists of two elements: trading, which is being evaluated through GAP analysis and scenario modelling and non-trading, which is being evaluated through sensitivity analysis of the market prices of investments.

The company is not exposed to interest rate risk as all interest bearing assets and liabilities are at a fixed interest rate.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Interest rate risk (continued)

The tables below provide information on the extent of the Company's interest rate exposure based either on the contractual maturity date of its financial instruments or, in the case of instruments that re-price to a market interest rate before maturity, the next re-pricing date.

As at 31 December 2024	Total	Less than 12 months	More than 12 months	Non-interest bearing
	MDL	MDL	MDL	MDL
Assets				
Cash and cash equivalents	15,058,451	-	-	15,058,451
Loans to customers	354,574,685	5,013,039	349,561,646	-
Other financial assets	5,935,619	-	-	5,935,619
Total assets	375,568,755	5,013,039	349,561,646	20,994,070
Liabilities				
Borrowings	120,686,803	54,104,308	66,582,495	-
Other financial liabilities	17,613,803	3,707,697	3,702,987	10,203,119
Total liabilities	138,300,606	57,812,005	70,285,482	10,203,119
Re-pricing GAP	237,268,149	(52,798,966)	279,276,164	10,790,951
Cumulative re-pricing GAP	-	(52,798,966)	226,477,198	237,268,149
As at 31 December 2023	Total	Less than 12 months	More than 12 months	Non-interest bearing
	MDL	MDL	MDL	MDL
Assets				
Cash and cash equivalents	11,573,116	-	-	11,573,116
Loans to customers	367,928,137	3,852,571	364,075,566	-
Other financial assets	7,252,841	-	-	7,252,841
Total assets	386,754,094	3,852,571	364,075,566	18,825,957
Liabilities				
Borrowings	147,161,507	133,328,131	13,833,376	-
Other financial liabilities	22,993,516	6,308,635	3,634,108	13,050,773
Total liabilities	170,155,023	139,636,766	17,467,484	13,050,773
Re-pricing GAP	216,599,071	(135,784,195)	346,608,082	5,775,184
Cumulative re-pricing GAP	-	(135,784,195)	210,823,887	216,599,071

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Interest rate risk (continued)

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of the financial instruments.

The Company's interest bearing financial assets are priced at fixed rates, as well as the Company's interest bearing financial liabilities.

According to the internal and external financial market evolution, the Company forecasts the evolution of interest rates for its assets and liabilities and the impact of these possible changes on the net interest income. The Company estimates a fluctuation of +/- 100 and +/- 50 basis points.

The following table describes the sensitivity of a reasonable possible change in interest rates, with all other variables held constant, of the Company's income statement.

2024	Increase in basis points	Less than 12 months	More than 12 months	Total
	p.p.	MDL	MDL	MDL
	100	(527,990)	2,792,762	2,264,772
	50	(263,995)	1,396,381	1,132,386
2024	Increase in basis points	Less than 12 months	More than 12 months	Total
	p.p.	MDL	MDL	MDL
	-100	527,990	(2,792,762)	(2,264,772)
	-50	263,995	(1,396,381)	(1,132,386)
2023	Increase in basis points	Less than 12 months	More than 12 months	Total
	p.p.	MDL	MDL	MDL
	100	(1,357,842)	3,466,081	2,108,239
	50	(678,921)	1,733,040	1,054,119
2023	Increase in basis points	Less than 12 months	More than 12 months	Total
	p.p.	MDL	MDL	MDL
	-100	1,357,842	(3,466,081)	(2,108,239)
	-50	678,921	(1,733,040)	(1,054,119)

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Currency risk

Currency risk is the risk of loss resulting from changes in exchange rates. The Company operates in an emerging country that is submitted to devaluation of the national currency. Consequently, this leads to the risk of losing the value of net monetary assets held in Moldovan Lei. The Company is exposed to the currency risk generated by the borrowings denominated in EUR from Nonresidents.

The table below summarizes the Company's exposure to foreign currency exchange risk. The Company's monetary assets and liabilities at carrying amounts, categorized by currency are included in the table.

	31 December 2024				31 December 2023			
	MDL				MDL			
Monetary assets	in MDL	in EUR	in USD	Total	in MDL	in EUR	in USD	Total
Cash and cash equivalents	14,226,901	827,899	3,651	15,058,451	10,647,677	895,425	30,014	11,573,116
Loans to customers	354,574,685	-	-	354,574,685	367,928,137	-	-	367,928,137
Other financial assets	5,935,619	-	-	5,935,619	7,252,841	-	-	7,252,841
Total	374,737,205	827,899	3,651	375,568,755	385,828,655	895,425	30,014	386,754,094
Monetary liabilities								
Borrowings	4,865,049	115,821,754	-	120,686,803	4,865,227	142,296,280	-	147,161,507
Advances from customers	9,450,416	6,913,211	1,250,176	17,613,803	8,707,439	12,326,115	1,959,962	22,993,516
Total	14,315,465	122,734,965	1,250,176	138,300,606	13,572,666	154,622,395	1,959,962	170,155,023
TOTAL GAP	360,421,740	(121,907,066)	(1,246,525)	237,268,149	372,255,989	(153,726,970)	(1,929,948)	216,599,071

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

24. RISK MANAGEMENT (continued)

Sensitivity analysis to currency risk

Currency risk is the risk that the value of financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk from transactional exposures in currencies other than functional currency and borrowings denominated in currencies other than functional currency.

The following tables show the impact and the gross result of the sensitivity of the currency variation of the MDL in relation with the other currency to which the Company is exposed, because of the changes in revaluation of the monetary assets and liabilities denominated in other currencies.

2024	Changes in currency %	FX rate MDL	Effect on PBT MDL
EUR	5%	20.2761	(6,095,353)
EUR	-5%	18.3451	6,095,353
EUR	10%	21.2417	(12,190,707)
EUR	-10%	17.3795	12,190,707
USD	5%	19.4031	(62,326)
USD	-5%	17.5551	62,326
USD	10%	20.3270	(124,653)
USD	-10%	16.6312	124,653
2023	Changes in currency %	FX rate MDL	Effect on PBT MDL
EUR	5%	20.3253	(7,686,348)
EUR	-5%	18.3895	7,686,348
EUR	10%	21.2931	(15,372,697)
EUR	-10%	17.4217	15,372,697
USD	5%	18.2765	(96,497)
USD	-5%	16.5359	96,497
USD	10%	19.1468	(192,995)
USD	-10%	15.6656	192,995

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24. RISK MANAGEMENT (continued)

Taxation risk

The Moldovan Government has a number of agencies that are authorized to conduct audits (controls) of Moldovan companies. These controls are similar in nature to tax audits performed by tax authorities in many countries and may extend not only to tax matters, but to other legal and regulatory matters in which the applicable agency may be interested. In addition, the agencies conducting these controls appear to be subject to significantly less safeguard than is customary in many countries. It is likely that the Company will continue to be subject to controls from time to time as new laws and regulations are issued.

The taxation system in Moldova is at an early stage of development and is subject to varying interpretations. In preparation of financial statements, the management has used its best judgment based on current legislation.

Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business, maintain an optimal capital structure, reduce the cost of capital and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Company may adjust the amount of dividends paid to shareholders and return capital to shareholders.

No changes were made in the objectives, policies or processes during the year ending 31 December 2024.

The Company considers both equity and debt to be part of its overall capital risk management strategy. The company manages its capital to ensure that it can continue as a going concern.

According to the NCFM requirements, the non-bank lending organization is obliged to hold and maintain equity in relation to the value of assets at any given time in the amount of at least 5%.

OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

25. MATURITY STRUCTURE

The Company's assets and liabilities structure as at 31 December 2024 taking as a basis the remaining period to maturity, is as follows:

31 December 2024	Total MDL	Less than 1 year MDL	More than 1 year MDL
Assets			
Cash and cash equivalents	15,058,451	15,058,451	-
Loans to customers	354,574,685	5,013,039	349,561,646
Property and equipment	10,333,755	-	10,333,755
Intangible assets	13,691,866	-	13,691,866
Current income tax receivables	389,591	389,591	-
Other assets	8,181,581	6,687,839	1,493,742
Total assets	402,229,929	27,148,920	375,081,009
Liabilities			
Borrowings	120,686,803	54,104,308	66,582,495
Deferred tax liabilities	3,413,645	-	3,413,645
Other liabilities	20,140,780	16,437,793	3,702,987
Total liabilities	144,241,228	70,542,101	73,699,127
Maturity GAP	257,988,701	(43,393,181)	301,381,882

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

25. MATURITY STRUCTURE (continued)

31 December 2023	Total	Less than	More than
	MDL	1 year	1 year
		MDL	MDL
Assets			
Cash and cash equivalents	11,573,116	11,573,116	-
Loans to customers	367,928,137	3,852,571	364,075,566
Property and equipment	13,054,208	-	13,054,208
Intangible assets	16,403,163	-	16,403,163
Other assets	9,715,075	7,941,871	1,773,204
Total assets	418,673,699	23,367,558	395,306,141
Liabilities			
Borrowings	147,161,507	133,328,131	13,833,376
Current income tax liabilities	1,447,635	1,447,635	-
Deferred tax liabilities	2,421,255	-	2,421,255
Other liabilities	25,542,796	21,908,688	3,634,108
Total liabilities	176,573,193	156,684,454	19,888,739
Maturity GAP	242,100,506	(133,316,896)	375,417,402

26. GUARANTEES

On 29 September 2020, the Company, together with other group companies, guaranteed the obligations arising from the bond issuance by Mogo Finance SA (a group company) in the amount of EUR 100,000,000, with a maturity date of 10 July 2022. The Listing Prospectus was approved by the Commission de Surveillance du Secteur Financier in Luxembourg. On 19 March 2021, the National Bank of Moldova (NBM) issued the authorization guarantee. Additionally, a pledge agreement dated 14 June 2021, was established over receivables (excluding those pledged under the Cooperation Agreement for the issuance of loans), intellectual property rights, and monetary funds in bank accounts. The pledge was authorized by the NBM on 19 July 2021. The Company was released from the aforementioned guarantees through a guarantee release agreement, including the cancellation of the pledge on 29 October 2021, and the NBM was duly informed. Eleving Group SA (formerly Mogo Finance SA) redeemed the previously issued bonds and issued new bonds amounting to EUR 150,000,000, with a maturity date of 18 October 2026.

The Company (together with other group companies) provided a guarantee to secure the payment of the EUR 150,000,000 bonds through a guarantee agreement dated 14 October 2021 and pledged the monetary funds from its bank accounts and trademarks through a pledge agreement dated 15 October 2021. The guarantee and pledge were authorized by the NBM on 28 January 2022, with the guarantee valid until 18 October 2026.

In connection with the bond issuance by Eleving Group SA, on 31 October 2023, a Guarantee Agreement was concluded between the bond issuer (Eleving Group SA), the Company as one of the guarantors, and TMF Trustee Services as the security agent. Under the provisions of the Guarantee Agreement, the Company and the other guarantors undertook to pay, upon the first written demand of the security agent, the amounts payable as principal, interest, and other sums owed by the guaranteed creditors under the contractual terms and conditions. The obligations and liability of the Company (and each guarantor) are limited to a total amount not exceeding EUR 75,000,000. For the Guarantee Agreement dated 31 October 2023, the NBM issued an authorization on 26 January 2024, with a validity period until 31 October 2028.

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OCN Sebo Credit SRL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts expressed in MDL, if not stated otherwise)

26. GUARANTEES (continued)

On 14 March 2025, the Guarantee Agreement dated 31 October 2023, was amended, increasing the guaranteed amount provided by the Company from EUR 75,000,000 to EUR 100,000,000. On 2 April 2025, the Company submitted a request to the NBM for the issuance of the amendment to the NBM authorization dated 26 January 2024. The request is currently under review.

During 2024–2025, three amendments were signed to the Pledge Agreement over movable assets dated 8 January 2018, between the Company and Mintos Finance Estonia OU, on 9 July 2024, 1 November 2024, and 21 March 2025. According to the version of the amendment dated 21 March 2025, the agreed value of the pledged assets of the Company amounts to EUR 14,176,692.31. The value of the obligations secured by the pledge is EUR 20,000,000. The pledge modification was registered at notary on 7 April 2025.

On 6 February 2025, the Company concluded revolving credit agreement no. 12/25 with BC Moldinconbank SA, under which the bank granted the Company a credit line of MDL 20,000,000, with maturity on 6 February 2027. To secure the performance of this credit agreement, on 6 February 2025, the Company established a pledge over the universality of its receivables (primarily those with zero days overdue, and in case of insufficiency, those with one or more days overdue), whether existing or future, from any debtor under existing or future contracts, until the secured obligation is extinguished. The pledged asset does not include receivables pledged by the Company in favour of Mintos Finance Estonia OU under the Movable Property Pledge Agreement no. 1/2018-P, and vice versa. The value of the pledged asset was established at MDL 30,000,000.

On 19 February 2025, the Company and TMF Trustee Services GmbH signed an addendum to the Agreement on the pledge of movable assets - dated 15 October 2021, modifying the definition of "Amounts on Bank Accounts" in the context of the pledged assets. Thus, from the definition of pledged money in the Company's bank accounts, an exception was added — namely, all money credited to the Company's bank accounts derived from the pledged assets as defined in the Pledge Agreement on property rights no 12/25 - claims dated 6 February 2025, signed with BC Moldinconbank SA.

27. SUBSEQUENT EVENTS

On 3 January 2025, the Minutes of the General Meeting of Shareholders were signed, approving the change in the ownership structure and the redistribution of shares in the share capital, as well as the registration of the amendments to the Company's Articles of Association and with the Public Services Agency. Eleving Consumer Finance AS acquired a 0.15% share from an individual. The changes were registered with the Public Services Agency by Decision dated 15 January 2025.

On 5 February 2025, the Minutes of the General Meeting of Shareholders were signed, approving the terms of the loan and pledge agreement with BC Moldinconbank SA.

On 24 February 2025, the Minutes of the General Meeting of Shareholders were signed, approving the amendment and restatement of the guarantee agreement dated 31 October 2023, concluded with TMF Trustee Services GmbH.

On 24 February 2025, the majority shareholder of the Company – Eleving Consumer Finance AS – adopted the decision to transfer a 0.25% share to an individual. Based on this decision, on 5 March 2025, a sale-purchase agreement was concluded for the 0.25% share in the Company's share capital, which was directly registered with the Public Services Agency by Decision dated 6 March 2025. The share is considered acquired by the buyer from the moment of registration with the Public Services Agency (6 March 2025), without the need to amend the Articles of Association (Article 30(2) of Law No. 135/2007).

On 7 March 2025, the Minutes of the General Meeting of Shareholders were signed, approving the distribution of dividends in the amount of MDL 42,000,000, proportionally to the shares held by the shareholders, from the undistributed profit for the year 2023. The payment of dividends by 31 December 2025 was also approved.

On 7 April 2025, the Minutes of the General Meeting of Shareholders were signed, approving amendments to the Company's Articles of Association regarding the change in shareholding by an individual, following the sale-purchase agreement dated 5 March 2025, as well as the registration of the changes with the Public Services Agency. The changes were registered with the Public Services Agency by Decision dated 17 April 2025.

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