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in case of divergence the Bulgarian original is prevailing.*

## **INDEPENDENT AUDITOR'S REPORT**

*To the sole shareholder of CREDISSIMO EAD*

### **Opinion**

We have audited the separate financial statements of CREDISSIMO EAD („the Company“), which comprise the separate statement of financial position as at 31 December 2020, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and the notes to the separate financial statements, including summary of significant accounting policies.

In our opinion, the accompanying separate financial statements give true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as adopted by European Union.

### **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 Separate Financial Statements* section of our report. We are independent of the Company within the meaning of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by International Ethics Standards Board for Accountants (IESBA Code) and the Independent Financial Audit Act (IFAA) applicable to our audit of the separate financial statements in Bulgaria and we have also fulfilled our other ethical responsibilities in accordance with the requirements of IFAA and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other information, different from the separate financial statements and auditors report**

Management is responsible for the other information. Other information consists of Annual separate management report, prepared by management in accordance with Chapter Seven from Accountancy Act, but does not include the financial statements and our auditor's report.

Our opinion on the separate financial statements does not cover the other information and we do not express any form of assurance thereon, unless if it is explicitly stated in our report, and to the extent it is stated.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate 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.

***Additional matters for reporting required by Accountancy Act***

In addition to our reporting requirements in accordance with ISA, related to the Annual activity report, we have performed the procedures added to those required by the ISAs, in accordance with guidelines of the professional organization of Certified Public Accountants and Registered Auditors in Bulgaria - Institute of Certified Public Accountants (ICPA). These procedures comprise checks on the existence, as well as checks of the form and content of this other information with the purpose to support us in forming of opinion, whether the other information includes the disclosures and reporting requirements, provided in Chapter Seven of the Accountancy Act, applicable in Bulgaria.

***Opinion in accordance with Art. 37, para. 6 of Accountancy Act***

On the basis of the procedures performed, our opinion is that:

- a) The information, included in the Annual separate management report for the financial year is consistent with the separate financial statements for the same reporting period.
- b) The Annual separate management report has been prepared in accordance with the requirements of Chapter Seven from the Accountancy Act.

**Responsibilities of Management for the Separate Financial Statements**

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with IFRS, as adopted by EU 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.

During the preparation of these separate financial statements management has the responsibility to make an assessment regarding Company's ability to continue as going concern, and to disclose when it is applicable, questions related to the going concern assumption and to using the accounting framework based on going concern assumption, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Separate Financial Statements**

The objectives of our audit are to obtain reasonable assurance about whether the separate 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 Independent Financial Audit Act and 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 separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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 entity'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 separate 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 separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management, 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.



**Ivaylo Yanchev**  
Registered auditor

**16 July 2021**  
Sofia



**Krassimira Radeva – Managing Director**  
**Baker Tilly Klitou and Partners OOD**

**5, Stara Planina str., Floor 5**  
**Sofia, 1000, Bulgaria**

**CREDISSIMO EAD****SEPARATE STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2020**


(All amounts in thousands of BGN, unless otherwise stated)


	Note	Year ended on 31.12.2020	Year ended on 31.12.2019
Interest income		11,144	10,123
Interest expense		(710)	(583)
<b>Net interest income</b>	4	<b>10,434</b>	<b>9,540</b>
Other operating income	5	11,311	20,505
Dividend income		690	3,500
Income from financial instruments held for trading		120	-
Losses from impairment of loans	6	(4,653)	(11,221)
General administrative and operating expenses	7	(13,683)	(17,562)
<b>Profit before income tax</b>		<b>4,219</b>	<b>4,762</b>
Income tax expense	8	(438)	(154)
<b>Profit for the year</b>		<b>3,781</b>	<b>4,608</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>3,781</b>	<b>4,608</b>

These separate financial statements are approved by the Board of Directors on June 30, 2021.


The accompanying notes are an integral part of these separate financial statements.

  
 Sokol Iankov  
 /Executive Director/

  
 Ivelin Kamburov  
 /Finance Director/

  
 Ivaylo Yanchev  
 Registered auditor

Date: 16.05.2021


  
 Krassimira Radeva – Managing Director  
 Baker Tilly Klitou and Partners OOD

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 Sofia, 1000, Bulgaria

**CREDISSIMO EAD**SEPARATE STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2020


(All amounts in thousands of BGN, unless otherwise stated)


	Note	31.12.2020	31.12.2019
<b>ASSETS</b>			
Cash and cash equivalents	9	3,589	2,156
Loans to customers	10	27,033	32,442
Other current assets	11	151	412
Investments in subsidiaries	12	5,684	5,805
Investments held for trading		647	-
Property, plant and equipment	13	339	798
Intangible assets	14	1,847	1,646
<b>TOTAL ASSETS</b>		<b>39,290</b>	<b>43,259</b>
<b>LIABILITIES</b>			
Short-term loans	15	6,037	11,005
Trade payables	16	2,146	1,405
Short-term lease payables	18	120	441
Current tax liabilities		312	7
Other current liabilities	17	440	610
Long-term loans	15	423	3,700
Long-term lease payables	18	-	115
Deferred tax liabilities	19	80	25
<b>TOTAL LIABILITIES</b>		<b>9,558</b>	<b>17,308</b>
<b>EQUITY</b>			
Share capital	20	5,000	5,000
General reserves		4,366	4,366
Retained earnings		20,366	16,585
<b>TOTAL EQUITY</b>		<b>29,732</b>	<b>25,951</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>39,290</b>	<b>43,259</b>


These separate financial statements are approved by the Board of Directors on June 30, 2021.

The accompanying notes are an integral part of these separate financial statements.

  
 Sokol Hanev  
 /Executive Director/

  
 Ivelin Kamburov  
 /Finance Director/

  
 Ivaylo Yanchev  
 Registered auditor  
 Date: 16.07.2021

  
 Krassimira Radeva – Managing Director  
 Baker Tilly Klitou and Partners OOD

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 Sofia, 1000, Bulgaria

# CREDISSIMO EAD


## SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2020 (All amounts in thousands of BGN, unless otherwise stated)


	Note	Share capital	General reserves	Retained earnings	Total equity
<b>Balance as of January 01, 2019</b>		<b>5,000</b>	<b>4,366</b>	<b>17,316</b>	<b>26,682</b>
Profit for the year		-	-	4,608	4,608
Total comprehensive income		-	-	4,608	4,608
<i>Transactions with owners in their capacity as owners</i>					
Distributed dividends		-	-	(5,339)	(5,339)
<i>Total transactions with owners in their capacity as owners</i>		-	-	(5,339)	(5,339)
<b>Balance as of December 31, 2019</b>	20	<b>5,000</b>	<b>4,366</b>	<b>16,585</b>	<b>25,951</b>
Profit for the year		-	-	3,781	3,781
Total comprehensive income		-	-	3,781	3,781
<b>Balance as of December 31, 2020</b>	20	<b>5,000</b>	<b>4,366</b>	<b>20,366</b>	<b>29,732</b>

These separate financial statements are approved by the Board of Directors on June 30, 2021.  
The accompanying notes are an integral part of these separate financial statements.


  
Sokol Iankov  
/Executive Director/



  
Ivelin Kamburov  
/Finance Director/

  
Ivaylo Yanchev  
Registered auditor  
Date: 16.07.2021



  
Krassimira Radeva – Managing Director  
Baker Tilly Klitou and Partners OOD

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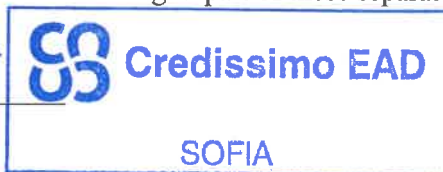
# CREDISSIMO EAD

## SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2020 (All amounts in thousands of BGN, unless otherwise stated)


	Note	Year ended on 31.12.2020	Year ended on 31.12.2019
<b>Cash flows from operating activities</b>			
Receipts from trade counterparties		88,368	90,620
Payments to trade counterparties		(69,834)	(82,055)
Payments to personnel and for social security		(6,458)	(8,161)
Taxes paid		(38)	(576)
Other cash receipts from operating activities		7	59
Other cash payments for operating activities		(392)	(645)
<b>Net cash flows from / (used in) operating activities</b>		<b>11,653</b>	<b>(758)</b>
<b>Cash flows from investing activities</b>			
Purchase of non-current assets, net		(161)	(190)
Payments in relation to acquisition of investments in subsidiaries		(547)	(2,394)
Proceeds from sale of investments in subsidiaries		529	-
Payments in relation to purchase of investments held for trading		(527)	-
Payments in relation to loans granted		(5,702)	(5,387)
Receipts in relation to loans granted		4,687	4,352
Interest received on loans granted		174	105
Dividends received		656	-
<b>Net cash flows used in investing activities</b>		<b>(891)</b>	<b>(3,514)</b>
<b>Cash flows from financing activities</b>			
Proceeds from loans received		5,692	15,487
Repayments of loans received		(13,867)	(4,457)
Interest payments on loans received		(742)	(337)
Dividends paid		-	(5,339)
Lease payments		(412)	(481)
<b>Net cash flows from / (used in) financing activities</b>		<b>(9,329)</b>	<b>4,873</b>
Change in cash and cash equivalents during the year		1,433	601
Cash and cash equivalents at the beginning of year		2,156	1,555
<b>Cash and cash equivalents at the end of year</b>	9	<b>3,589</b>	<b>2,156</b>

These separate financial statements are approved by the Board of Directors on June 30, 2021.  
The accompanying notes are an integral part of these separate financial statements.


  
Sokol Iankov  
/Executive Director/



  
Ivelin Kamburov  
/Finance Director/

  
Ivaylo Yanchev  
Registered auditor  
Date: 16.01.2021



  
Krassimira Radeva – Managing Director  
Baker Tilly Klitou and Partners OOD

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