AVAILABLE FINANCES, S.A. V.
(FORMERLY LENDON FINANCES, S.A. DE C.V.)
(subsidiary of Avafin holding Limited)
FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2023 and 2022, and REPORT OF THE INDEPENDENT AUDITORS

Available finances, S.A.V. (
formerly Lendon finances, S.A.V.)

(Subsidiary of Avafin holding Limited)

Financial statements for the years ended 31 December 2023 and 2022, and report of the independent auditors

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REPORT OF THE INDEPENDENT AUDITORS

To the Assembly of Actionists of
Available finances, S.A.V. (formerly Lendon finances, S.A.V.)
(Subsidiary of Avafin holding Limited)

Opinion

We have audited the financial statements of available finances, S.A. de C.V. (formerly Lendon finances, S.A. de C.V.), subsidiary of Avafin holding Limited (the "Company"), which comprise the financial position statements as at 31 December 2023 and 2022, and the profit and loss statements, changes in accounting capital and cash flows for periods ended on those dates, as well as explanatory notes to financial statements that include a summary of significant accounting policies.

In our opinion, the accompanying financial statements reasonably present, in all material respects, the financial position of available finances, S.A. de C.V. (formerly Lendon finances, S.A. de C.V.), subsidiary of Avafin holding Limited, as of December 31, 2023 and 2022, as well as its results and cash flows for the periods ended on those dates, in accordance with the Mexican Financial Reporting standards ("IFRS").

Basis of opinion

We have conducted our audits in accordance with the International standards on Auditing ("ISA"). Our responsibilities under these rules are described below in the "Auditor's responsibilities for auditing financial statements" section of this report. We are independent of the Company in accordance with the Code of Professional Ethics of the Mexican Institute of Public Accountants, A. C. and have fulfilled the other ethical responsibilities in accordance with that code. We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Emphasis paragraphs

1. As mentioned in Note 1-b to the accompanying financial statements, by an Extraordinary General Meeting of Accionsitas held on September 15, 2022, it was decided to approve the merger of Lendon finances, S.A. de C.V. as a merging entity and Moneyveo México, S.A. de C.V., SOFOM E. N. R. (subsidiary of Lendon finances, S.A. de C.V.) as a merged entity, with the effects shown in that note. The merged company therefore ended its fiscal year on 30 September 2022.

Responsibilities of the entity's management and government officials in relation to financial statements

Management is responsible for the preparation and fair presentation of accompanying financial statements prepared in accordance with IFRS and for the internal control that management deemed necessary to enable the preparation of financial statements free from material deviation due to fraud or error.

In preparing financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, where appropriate, matters relating to the going concern and using the going concern accounting basis, unless management intends to liquidate the Company or cease operations, or there is no more realistic alternative**.**

The heads of the entity's government are responsible for overseeing the Company's financial reporting process.

Responsibility of the auditor in relation to the audit of financial statements

Our objectives are to obtain reasonable assurance that financial statements as a whole are free from material deviation due to fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but does not ensure that an audit conducted in accordance with ISAs always detects a material deviation where it exists. Deviations may be due to fraud or error and are considered material if, individually or in aggregate, they can reasonably be expected to influence the economic decisions users make based on financial statements.

As part of an IAS audit, we apply our professional judgment and maintain a professional skeptical attitude throughout the audit. Also:

- We identify and assess risks of material deviation in financial statements, due to fraud or error, design and implement audit procedures to respond to such risks, and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material deviation due to fraud is higher than in the case of a material deviation due to error, as fraud may involve collusion, forgery, deliberate omissions, intentionally erroneous statements or circumvention of internal control.

- We gain knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances and not in order to express an opinion on the effectiveness of the Company's internal control.

- We evaluate the adequacy of the accounting policies applied and the reasonableness of the accounting estimates and the corresponding information disclosed by management.

- We conclude on the appropriateness of the administration's use of the ongoing business accounting basis and, with the audit evidence obtained, conclude on whether or not there is a material deviation related to facts or conditions that may generate significant doubts about the Company's ability to continue as a going concern. If we conclude that there is material uncertainty, we are required to draw attention in our audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, to express a modified opinion. Our findings are based on audit evidence obtained to date from our audit report. However, future events or conditions may cause the Company to cease to be a going concern.

- We assess the overall presentation, structure and content of financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that ach**ieves reasonable** presentation.

- We communicate to those responsible for the entity's government, among other issues, the scope and timing of the audit and the significant findings of the audit, as well as any significant deficiencies in internal control that we identified during the course of the audit.

Oscar Omar Peralta Gonzalez

Mexico City,
22 February 2024

MIRANDA CASTLE AND COMPANY, S.C.

Available finances, S. A. of C. V.
(formerly Lendon finances, S.A.V.)
(Subsidiary of Avafin holding Limited)

Statement of financial position
as at 31 December 2023 and 2022
(all numbers are in pesos)

	Note	2023	2022
Current assets			
Cash and cash equivalents		$86,308,533	$34,456,309
Credit portfolio, net	4	257,597,386	212,080,548
Debtors		12,129,523	27,830,213
Value Added Tax to be credited		194,050	128,749
Taxes in favor		3,743,989	3,732,891
Total current assets		359,973,481	278,228,710
Non-current assets			
Office furniture and equipment, net	5	2,739,483	2,000,148
Deferred Tax asset	11-b	88,684,329	46,437,478
Escrow deposits		714,113	453,923
Total non-current assets		92,137,925	48,891,549
Total assets		$452,111,406	$327,120,259
Liabilities			
Circulating			
Miscellaneous creditors		$13,179,471	$10,412,035
Provisions		2,219,398	1,505,313
Taxes payable		86,302,983	19,867,465
Employee participation in Utility		2,822,504	1,867,625
Other accounts payable	6	41,645,656	27,657,181
Related parts	7	245,827,687	247,347,514
Total outstanding liabilities		391,997,699	308,657,133
Non-circulating			
Employee benefits	8-c	3,011,184	2,167,959
Total liabilities		395,008,883	310,825,092
Accounting capital	9		
Share capital		16,252,245	16,252,245
Retained earnings (accumulated deficit)		42,922	(42,937,920)
Net profit of the year		40,807,356	42,980,842
Total accounting capital		57,102,523	16,295,168
Total liabilities and accounting capital		$452,111,406	$327,120,259

The attached notes are an integral part of these financial statements.

Available finances, S. A. of C. V.
(formerly Lendon finances, S.A.V.)
(Subsidiary of Avafin holding Limited)

Result statements
For the years ended December 31, 2023 and 2022
(all numbers are in pesos)

	Note	2023	2022
Net revenue from lending		$706,462,039	$146,292,890
Account Recovery Revenue		1,359,065	1,123,697
Portfolio transmission income	4	36,840,498	23,015,363
Cost per portfolio transmission	4	(271,314,868	(105,866,368
Net income		473,346,734	64,565,582
Sales expenses		(259,398,177	(16,547,451)
Administration costs		(146,674,616	(26,610,710)
Operation Utility		67,273,941	21,407,421
Comprehensive funding result:			
Interest earned		308,061	25,496
Interest charges		(35,476,239)	(11,333,215)
Profit (loss) on exchange, net		22,060,838	(6,831,100)
		(13,107,340)	(18,138,819)
Utility before utility taxes		54,166,601	3,268,602
Utility taxes	11	13,359,245	(39,712,240)
Net profit of the year		$40,807,356	$42,980,842

The attached notes are an integral part of these financial statements.

Statement of changes in accounting capital
For the years ended December 31, 2023 and 2022
(all numbers are in pesos)

	Share capital	Accumulated losses	Net profit (loss) of the year	Total
Balances as at 31 December 2021	$16,252,245	$(16,110,954	$(2,259,303)	$(2,118,012)
Application of 2021 loss		(2,259,303)	2,259,303	
Blending effects (Note 1)		(24,567,663)		(24,567,663)
Net profit of the year			42,980,842	42,980,842
Balances as at 31 December 2022	16,252,245	(42,937,920)	42,980,842	16,295,167
2022 Utility Application		42,980,842	(42,980,842)	
Net profit of the year			40,807,356	40,807,356
Balances as at 31 December 2023	$16,252,245	$42,922	$40,807,356	$57,102,523

The attached notes are an integral part of these financial statements.

Available finances, S. A. of C. V.
(formerly Lendon finances, S.A.V.)
(Subsidiary of Avafin holding Limited)

Cash flow statements
For the years ended December 31, 2023 and 2022
(all numbers are in pesos)

	2023	2022
Operation activities		
Profit (loss) before profit taxes	$54,166,601	$3,268,602
Items related to investment activities:		
Depreciation	873,337	198,321
Interests in favour	(308,061)	(25,496)
Items related to financing activities:		
Interest charges	35,476,239	11,333,215
	90,208,116	14,774,642
Variations in:		
Increase in receivables and other	(30,152,738)	(231,429,371
Increase in vendors and other accounts payable	28,577,696	288,803,951
Net cash flows from operating activities	88,633,074	72,149,222
Investment activities		
Interest charged	308,061	25,496
Blending effects		(24,567,663)
Acquisition of furniture and equipment	(1,612,672)	(2,198,469)
Net cash flows from investment activities	(1,304,611)	(26,740,636)
Surplus cash to apply for financing activities	87,328,463	45,408,586
Financing activities		
Interest paid	(35,476,239)	(11,333,215)
Net increase in cash and cash equivalents	51,852,224	34,075,371
Cash and cash equivalents at the beginning of the year	34,456,309	380,938
Cash and cash equivalents at year-end	$86,308,533	$34,456,309

The attached notes are an integral part of these financial statements.

Available finances, S. A. of C. V.
(formerly Lendon finances, S.A.V.)
(Subsidiary of Avafin holding Limited)

Notes to financial statements
For the years ended December 31, 2023 and 2022
(all numbers are in pesos)

1. Activity

Available finances, S. A. de C.V. (formerly Lendon finances, S. a. de C.V.) ("the Company") was incorporated on June 16, 2016 in accordance with Mexican laws and is fully capable of granting loans under the General Law of organizations and Auxiliary activities of Crédito, also complying with the applicable provisions on Prevention of money Laundering.

The Company uses a state-of-the-art financial solutions technology platform to provide convenient loan products with minimal collection time and maximum customer convenience. It belongs to the financial group Avafin, which has a presence in Poland, Spain, Latvia and the Czech Republic. In Europe, Avafin is one of the 5 largest financiers. Creamfinance was founded in 2012 by Matiss Ansviesulis and Davis Barons. The group is backed by Capitec Bank, South Africa's leading consumer bank, which currently holds more than 40% of the shares.

In 2016, Avafin entered the online instant lending market in Mexico through the Lendon brand. From 2017 to October 2022 the group granted loans in Mexico through Moneyveo Mexico (a subsidiary of Lendon) and from November 2022 Lendon began to grant fast loans again as part of a series of changes that have served to optimize processes and meet the challenges of the current market.

Relevant events

a. By an Extraordinary General Meeting of shareholders dated 6 October 2023, the change of the company name of Lendon finances, S.A. de C.V. was approved to that of available finances, S.A. de C.V.

b. By Special General Assembly held on September 15, 2022, it was decided to approve the merger of Lendon finances, S.A. de C.V. as a merging entity and Moneyveo Mexico, S.A. de C.V., SOFOM E. N. R. (subsidiary of Lendon finances, S.A. de C.V.) as a merged entity. The tax effects take effect as of 30 September 2022. This is derived from an exhaustive analysis carried out by management with the aim of simplifying administrative processes and optimizing costs by unifying the organizational structure of entities in Mexico. As a result of the merger, the total assets and liabilities at their net book value that were merged result in the following figures:

Items	Amount
Active	
Circulating	$240,998,511
Non-circulating	2,820,418
Total assets	243,818,929

Categories Monto

Liabilities
Circulating liability (249,627,908)
Labor obligations (2,172,357)

Total liabilities (251,800,265)

Accounting capital (7,981,336)

Total liabilities and accounting capital $(243,818,929)

c. Employee Transmission

As a result of the merger, the employees of Moneyveo México, S. A de C.V., SOFOM E. N. R. were transferred, considering that all the original benefits and conditions of the employees remained intact (salaries, seniority, positions and benefits). The respective communication was made to the collaborators to maintain transparency in the information.

2. Basis for preparing financial statements

a. Compliance with Financial Reporting standards

The accompanying financial statements have been prepared in accordance with the Mexican Financial Reporting standards (NIF), issued by the Mexican Council of Financial Reporting standards, B.C. (CINIF).

b. Use of estimates

The preparation of financial statements in accordance with IFRS requires certain estimates to be made and uses certain assumptions to measure certain items in the financial statements and to make the disclosures required therein. However, actual results may differ from these estimates and it is therefore considered that the estimates and assumptions used were appropriate in the circumstances.

The key relevant assumptions used in the determination of the accounting estimates are reviewed periodically, and the relative effects, if any, are recognised in the same period and in the future periods concerned. The items for which significant judgements and estimates have been made are described in the following notes:

- Note 3-b expected credit losses. Forecasts of the different future events that could affect the cash flows to be recovered.
- Note 3-g benefits to employees. Key actuarial assumptions.
- Note 3-h Utility tax. Provision of taxes.
- Note 3-I Contingences. Evaluation of the probability and amount of outflow of resources.

C. Effects of inflation

As of January 1, 2008, the effects of inflation on financial reporting are recognized only when inflation accumulated in the previous three years, in the Mexican economy, is equal to or greater than 26%. The application of Bulletin B-10 “Recognizing the effects of inflation on Financial Reporting” of Mexican IFRS was carried out in a comprehensive manner until 31 December 2007, so the financial statements presented at that date include all the required effects.

As of December 31, 2023 and 2022, the inflation rate for the previous three years is 21.14% and 19.39%, respectively.

d. Functional and reporting currency

The functional currency of the Company is the Mexican peso, because it is the currency of the economic environment in which it operates, since its sales and purchase transactions, as well as its main assets and liabilities are denominated in that currency. The reporting currency of the Company, for legal and fiscal purposes is the Mexican peso.

e. Status of results

The statement of results presents the usefulness of the operation, considering that this disclosure contributes to a better understanding of economic and financial performance, determined in accordance with the Guideline to Financial Reporting standards (ONIF-1), issued by the Mexican Council for Research and Development of Financial Reporting standards (CINIF).

f. Statement of changes in accounting capital

The statements of changes in the accounting capital present in a segregated way the reconciliation between the initial and final balances of the items that make up the accounting capital, the movements of owners related to their investment in the entity, the movements in reserves, as well as the integral result in a single line.

g. Cash flow status

The cash flow statement has been prepared using the indirect method of presenting first the loss before the profit tax and then changes in working capital, investment activities and finally financing activities.

I. Reclassifications

Financial statements for the year ended December 31, 2022 have been reclassified under certain headings to conform their presentation with that used in the year 2023.

	Previously reported balances	Reclassifications	Balances reclassified
Statement of financial			
position: Activo:			
Credit portfolio, net	$212,538,081	$(457,533)	$212,080,548
Value Added Tax to be credited		128,749	128,749
Taxes to be recovered	7,722,871	(3,989,980)	3,732,891
Escrow deposits	-	453,923	453,923
Liabilities:			
Miscellaneous creditors	(13,443,895)	3,031,860	(10,412,035)
Provisions		(1,505,313)	(1,505,313)
Taxes payable	(22,910,910)	3,043,445	(19,867,465)
Employee participation in profits		(1,867,625)	(1,867,625)
Other accounts payable	(28,819,655)	1,162,474	(27,657,181)
Status of results:			
Cost per portfolio transmission		(105,866,368)	(105,866,368)
Sales expenses	(122,413,819	105,866,368	(16,547,451)

For the year ended December 31, 2023 the Company made changes in the presentation of some accounts of the asset, liability and profit or loss to present an appropriate classification by nature, for comparability purposes the aforementioned accounts, previously reported in the year ended December 31, 2022, were reclassified.

3. Summary of significant accounting policies

a. Cash and cash equivalents

They are valued at acquisition cost plus accrued interest or at fair value and consist mainly of cash available, high liquidity demand bank deposits that are easily convertible into cash and are subject to a negligible risk of changes in their value. The interest earned and the profits and losses in valuation are presented in the statement of comprehensive income, as part of the integral result of the financing.

b. Receivables and Estimate for expected Credit losses

Receivables arise from the placement of receivables, as well as from other activities, and are initially recognized at fair value and subsequently valued at amortized cost equal to the nominal value of the underlying contract, net of the estimate for expected credit losses due to impairment of receivables.

The practice is to create an estimate for doubtful accounts, which is determined by considering a reserve methodology under a risk-based approach, by determining the probability of default, the severity of the loss, as well as exposure at the time of default.

c. Advance payments

Advance payments are recorded based on the paid value of goods or services receivable and are presented in the short or long term based on the classification of the destination item. Advance payments for services are recognized in the results of the period in which the services are received.

d. Office furniture and equipment

Computer equipment is recorded at acquisition cost. Depreciation is calculated using the straight line method based on the estimated useful lives of the assets.

	Annual rate%
Computer equipment 30	
Office equipment 10	

e. Recognition of interest income

Interest income is recognised at the time it accrues.

f. Foreign currency transactions

Transactions carried out in foreign currency are recorded at the exchange rate prevailing on the date on which they are carried out. Monetary assets and liabilities in foreign currency are valued at the exchange rate prevailing at the date of the financial statements. Exchange rate fluctuations are recognized in the comprehensive income as they accrue.

. Employee benefits

Short-term direct benefits. They are recognised as earned on the basis of current salaries expressed at face value and correspond mainly to salaries, wages and contributions to social security institutions, compensated absences such as holidays, holiday bonus, bonuses and incentives and the participation of workers in the profit (OCT) caused.

Termination benefits. They are recognised in terms of their nominal value when it is unavoidable to pay them and correspond to the remuneration to be paid at the end of the employment relationship when it occurs before the employee reaches retirement age and there are no pre-existing conditions for accumulation. These benefits correspond to severance pay and length-of-service allowance for death, invalidity, dismissal and voluntary separation prior to retirement, determined in accordance with applicable labour regulations.

Benefit plan defined. Contributions to this plan are recognised on an accrual basis and determined according to the unit credit method projected at the end of each annual reporting period, using certain assumptions and assumptions determined by independent actuaries. Actuarial gains and losses are recognised in profit or loss at the time they are determined. Past service cost is recognized as an expense in the period in which it is determined.

The Company chose to recognise actuarial gains and losses on net profit obligations at the time they are generated rather than first recognising them in the ORI and then recycling them to net profit on the basis of the average remaining working lives of employees who are expected to receive plan benefits in effect at the beginning of each period.

The OCT is recognized in the year in which it is caused and recorded under expenditure. The deferred OCT is recognised for temporary differences arising between the accounting result and the tax result of the assets and liabilities, only when it is reasonably assumed that a liability or profit will be generated and that such a situation will not be reversed in the future. Active deferred OCT is recorded only when it can reasonably be assumed that it will generate a benefit in the future and there is no indication that this situation will change in the future.

a. Utility tax

The profit tax is determined according to the tax provisions in force, it is recorded in the results of the year in which it is caused, except those that originate from a transaction that is recognized in the ORI or directly in an item of accounting capital.

Deferred taxes are determined based on the assets and liabilities method, which consists of comparing the accounting and tax values of assets and liabilities, from which temporary differences arise, both deductible and cumulative. All resulting temporary differences, including the benefit of unamortized tax losses, are taxed at the corresponding rate and recognised as a deferred asset or liability. Active deferred tax is recorded only when there is a high probability of recovery.

b. Contingencies

Significant contingency-related obligations or losses are recognised where their effects are likely to materialise and where there are reasonable grounds for quantifying them. If these reasonable elements do not exist, their qualitative disclosure is included in the notes to the financial statements. Contingent income, profits or assets are recognized until they are certain to be realized.

4. Accounts receivable, net

	2023	2022
Clients	$513,438,249	$302,357,286
Expected credit losses	(255,840,863	(90,276,738)
	$257,597,386	$212,080,548

Portfolio disposals

The following portfolio disposals were made during the financial years 2023 and 2022:

The recurring sale of credits is where loans of between 61 and 67 days of arrears are transferred, over a period of 12 months. The sale price is agreed by contracts and/or addendum. The details of these are set out below:

2023

Month	Total Portfolio	Number of credits	Sale Price
January	$23,306,362	4,861	$4,833,791
February	22,522,270	2,134	4,671,117
March	21,154,507	3,878	4,387,443
April	72,148,522	54,609	7,499,890
May	21,695,923	4,224	4,499,732
August	33,007,825	7,349	3,278,059
September	32,709,493	7,326	3,503,638
October	44,769,966	5,589	4,166,828
Total	$271,314,868	89,970	$36,840,498

2022

Month	Total Portfolio	Number of credits	Sale Price
October	$35,015,564	9506	$7,612,389
November	39,174,000	9928	8,516,434
December	31,676,804	6964	6,886,540
	$105,866,368	26,398	$23,015,363

5. Office furniture and equipment, net

	2023		
	Opening	Increments	Final balance
Investment:			
Computer equipment	$3,819,231	$1,522,291	$5,341,522
Office furniture and equipment	1,350,637	90,381	1,441,018
Total investment	5,169,868	$1,612,672	6,782,540
Accumulated depreciation:			
Computer equipment	(2,638,628)	(736,015)	(3,374,643)
Office furniture and equipment	(531,092)	(137,322)	(668,414)
Total accumulated depreciation	(3,169,720)	$(873,337)	(4,043,057)
	$2,000,148		$2,739,483

	2022		
Investment:			
Computer equipment	$105,083	$3,714,148	$3,819,231
Office furniture and equipment		1,350,637	1,350,637
Total investment (")	105,083	$5,064,785	5,169,868
Accumulated depreciation:			
Computer equipment	(105,083)	(2,533,545)	(2,638,628)
Office furniture and equipment	-	(531,092)	(531,092)
Total accumulated depreciation (")	(105,083)	$(3,064,637)	(3,169,720)
	$		$2,000,148

(") increases in investments and accumulated depreciation are effects resulting from the merger with Moneyveo Mexico, S.A. de C.V., SOFOM E. N. R. as a merged entity.

	2022	
	Opening balance	ending balance
Investment:		
Computer Equipment	$105,083	$105,083
Total Investment	105,083	105,083
Depreciation:		
Computer equipment	(105,083)	(105,083)
Total depreciation	(105,083)	(105,083)
	$-	$-

6 other accounts payable

	2023	2022
Accrual interest	$27, 614,225	$22, 882,572
Unidentified deposits	12,389,819	3,031,863
Customer repayment payments	1,641,612	1,742,746
	$41,645,656	$27,657,181

7. Balances and related party transactions

a. Balances with related parties

		2023	2022
Accounts payable:			
Creamfinances Spain S.L.	(")	$242,883,675	$246,518,382
Avafin SIA Software		2,153,818	
Avafin holding Ltd.		790,194	829,132
		$245,827,687	$247,347,514

(") through a contract with Number 1N22CFES dated November 21, 2022, the renewal of the credit line granted by Creamfinance Spain to the Company was agreed and the balance of the debt generated with the merged company was also recognized as part of the merger.

b. Transactions with related parties

	2023	2022
Costs and expenses		
Interest charges	$35,476,239	$11,333,215
Platform usage	29,326,177	4,014,549
Management services	11,026,173	2,630,366
	$75,828,589	$17,978,130

8 benefits to employees

a. Employee participation in profits

As mentioned in Note 1-a, in September 2022 a total of 102 employees of the merged company were transferred to the merger, by means of employer substitution, recognising all employees' employment rights, including seniority and which they would have generated by the effect of the corresponding employment relationship, as well as the terminated work risks. As of the aforementioned date the Company is subject to payment by the OCT and recognized the corresponding labor liabilities described in this note.

The OCT is caused by the rate of 10% on the fiscal result, which differs from the accounting profit mainly due to permanent differences such as the annual adjustment for inflation and expenses that are not deductible, among others. It does not reduce the OCT paid in the financial year or the tax losses still to be amortised. However, it is a practice to determine the OCT up to an amount not exceeding one month's wages for each worker when no OCT is caused.

2023 2022

OCT caused $2, 327.516 $1, 867.625

b. The deferred OCT is detailed below:

	2023	2022
Active Deferred OCT:		
Expected credit losses	$26,390,399	$9,027,674 -
Provision of expenses	2,382,932	1,902,269 -
Fixed asset	39,302	3,951
Accrual income	778,810	
	29,591,443	10,933,894
Deferred OCT Valuation Reserve	(29,591,443)	(10,933,894)
Active Deferred OCT, Net	$-	$-

c. The projected net liability and net cost for the defined benefit plan period is calculated by independent actuary on the basis defined in the plans, using the projected unit credit method. The present values of these obligations are:

2023 2022

Initial balance of the Pasivo Neto Proyectado (PNP) $2,167,959
Melting effects $2,172,357
Net cost for the period 843,225 4,398

PNP at year end $3,011,184 $2,167,959

The net cost of the period is shown below:

2023 2022

Recognized in results:
Current service labor cost $795, 387
Financial cost $192, 606 $4, 398
Net liability remediation (144,768)

Net cost of period $843,225 $4,398

d. The main actuarial assumptions used to determine the benefit obligation defined for the plan are shown below:

	2023	2022
Discount rate	9.20%	9.30%
Wage increase rate	5.50%	5.50%
Minimum wage increase rate	23.60%	23.60%
Expected inflation rate	4.00%	4.00%
% redundancies	20.00%	20.00%
% voluntary separation	80.00%	80.00%
Retirement age	60 years	60 years

9. Book capital

a. Share capital

As of December 31, 2023 and 2022, the share capital is represented by 50,000 ordinary shares, common and nominal series "A" 50,000 ordinary shares and series "B" 16,202,245 ordinary shares, with nominal value of one peso each, which are subscribed and paid. The share capital is integrated as follows:

	Number of actions	Import
Fixed share capital Series "A"	50,000	$50,000
Share capital Series "B"	16,202,245	16,202,245
Total	16,252,245	$16,252,245

By Special General Assembly held on September 15, 2023, it was decided to approve the merger of Lendon finances, S.A. de C.V. as a merging entity and Moneyveo Mexico, S.A. de C.V., SOFOM E. N. R. (subsidiary of Lendon Finance, S.A. de C.V.) as a merged entity. It was also agreed that there would be no increase in the share capital resulting from the merger process.

b. Distribution of dividends

Distribution of dividends from retained earnings and other capital reserves; as well as distributed profits derived from capital reductions, they will be taxed for the purposes of the income Tax (ISR) applying the rate in force on the date of distribution or reduction on a pyramid basis, except when the distribution of dividends comes from the Net Fiscal profit account (CUFIN) and when the distributed profits derived from capital reductions come from the Updated Corporate Social Capital account (CUCA).

The tax paid on such distribution may be credited against the ISR of the year in which the dividend tax is paid and in the following two immediate years against the tax of the year and the provisional payments thereof. The payment of dividends and distributed profits from profits generated from January 1, 2014, to shareholders individuals and residents abroad, are subject to an additional 10% ISR on dividends as final payment in Mexico.

c. Legal reserve

According to the General Law on Commercial companies of the net profits of the year, at least 5% must be separated to form the legal reserve, until its amount amounts amount to 20% of the share capital. The legal reserve may be capitalized, but not distributed unless the company is dissolved.

d. Capital tax accounts

2023 2022

Contribution Capital account $22, 299,319 $19, 762,090
Net tax income account 208,098,018 77,015,228

10. Foreign currency

The monetary position in foreign currency as at 31 December 2023 and 2022 is as follows:

	2023		
	Dollar American	Euro	National currency
Active:			
Cash and cash equivalents		12,153	$226,833
		12,153	226,833
Liabilities:			
Related parts		(13,170,727)	$(245,827,687)
Miscellaneous creditors	(5,597)	(37,377)	(792,184)
	(5,597)	(13,208,104)	(246,619,871)
Short position in foreign currency	(5,597)	(13,195,951)	$(246,393,038)

	2022		
	Dollar American	Euro	Currency national
Active:			
Cash and cash equivalents	3,187	97,756	$2,080,542
	3,187	97,756	2,080,542
Liabilities:			
Related parts		(11,936,838)	$(246,518,382)
Miscellaneous creditors	(367)	(61,873)	(1,284,899)
	(367)	(11,998,711)	(247,803,281)
Short position in foreign currency	2,820	(11,900,955)	$(245,722,739)

The exchange rates in force at 31 December 2023 and 2022 and at the date of issuance of the report are as follows:

22nd
February 31 December
2023 2023 2022

Dollar $17, 1210 $16, 9190 $19, 3615
Euro 18.5883 18.6647 20.6519

11. Utility taxes

a. Utility taxes are integrated as follows:

2023 2022

ISR caused $55,606,095
Deferred Sri (42,246,850) $(39,712,240)

13,359,245 (39,712,240)

b. The deferred utility tax is detailed below:

	2023	2022
Active Deferred Utility Tax:		
Expected credit losses	$79,171,196	$27,083,021
Provision of expenses	7,148,796	5,706,807
Fixed asset	27,906	11,853
Accrual income	2,336,431	
Tax losses to be amortized		13,635,797
Active Deferred Utility Tax	$88,684,329	$46,437,478

c. As of 31 December 2023 and 2022 the reconciliation of the statutory ISR rate and the effective rate expressed as a percentage of the profit before ISR is as follows:

	2023	2022
Legal fee	30%	30%
More (less) effect of permanent differences:		
Non-deductible expenses	2%	5%
Blending effects		(1,208%)
Inflation effects	(6%)	(25%)
Other items	(1%)	(17%)
Effective rate	25%	(1,215%)

d. Profits from tax losses to be depreciated, for which a deferred profit tax has already been recognised, can be recovered in compliance with certain requirements set out in the tax provisions.

12. Contingencies and commitments

a. There is no knowledge of any pending decision or notification arising from any civil, commercial or criminal process or litigation.

b. According to current tax legislation, the authorities have the power to review up to five tax years prior to the last income Tax (ISR) return filed.

13. New pronunciations

During 2023 CINIF issued several improvements and Guidance to the NIFs that will come into effect in subsequent accounting periods and that the Company has decided not to adopt in advance. The most important ones generating accounting changes are the following and enter into force from 1 January 2024 and 2025.

2024 improvements:

- Tax ID D-4 “Taxes on Utility”. The applicable rate is clarified when recognizing assets and liabilities for profit taxes caused and deferred when there were benefits in tax rates of the period to incentivize the capitalization of profits (undistributed profits).

The Company Administration does not expect significant changes in financial information resulting from the adoption of the above improvements.

Improvements 2025:

- IFRS A-1 “Conceptual Framework of Financial Reporting standards”. The definition of public interest entity is included in order to identify disclosures applicable to all entities in general and those that are mandatory only for public interest entities.

The Company Administration does not expect significant changes in financial information resulting from improvements to the aforementioned standard.

14. Issuance of financial statements

These financial statements and their notes have been approved by Oyuki López Rojo, Accountant General and Yesenia Gardini González, Finance Manager, responsible for the financial information of Lendon finances, S.A. de C.V., subsidiary of Avafin holding Limited, on February 22, 2023 and are subject to approval by the Ordinary Assembly of shareholders of the Company, who may decide to modify them in accordance with the provisions of the General Law on Commercial companies.

Oyuki Red Lopez Managing Accountant	Yesenia Gardini Gonzalez Head of Finance