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INDEPENDENT AUDITOR’S REPORT ON FINANCIAL STATEMENTS

To the Sole Shareholder of DINEO CRÉDITO, S.L.U.

Opinion

We have audited the financial statements of DINEO CRÉDITO, S.L.U., (henceforth the “company”), which comprise the balance sheet as of 31 December 2022, the income statement, the statement of changes in net worth, the statement of cash-flows and the notes for the year then ended.

In our opinion, the accompanying financial statements express, in all material matters, a true and fair view of the equity and financial position of the Company as of 31 December 2022, and of its financial performance and cash flows for the year then ended in accordance with the applicable accounting framework, which is identified in note 2 and, specifically, with the principles and accounting criteria included in it.

Basis for Opinion

We conducted our audit in accordance with the audit standards in force in Spain. Our responsibilities according with those standards are described below in the paragraph “Auditor’s Responsibilities related to the Audit of the financial statements” of our report.

We are independent of the Company in accordance with the ethical requirements, included those of independence, which are applicable to our audit of the financial statements in Spain as obliged by the regulation of the audit activity in Spain. In this way, we have not rendered services different to the audit of the financial statements neither other situations nor circumstances have happened that, according to those established in the mentioned regulation, have affected to the necessary independence in a way that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of matter

We draw attention to note 12 of the financial statements, which describes the possible effects of the contingencies arising from the legal proceedings opened at the end of the year, as well as the measures taken by the directors in relation to this matter. Our opinion is not modified in respect of this matter.

Material uncertainty related to going concern.

We draw attention to Note 2 g) in the financial statements, which indicates that due to the position of the sole shareholder, financial tensions have arisen which have derived in a progressive reduction in income, circumstances that have implied to extend the maturity of payment to suppliers. As mentioned in that note, these facts or conditions, along with other matters explained, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Most relevant audit matters.

The most relevant audit matters are those matters that, in our professional judgment, were considered as most significant risks of material misstatement in our audit of the financial statements for the current period. These risks have been addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and do not provide a separate opinion on those risks.

We have determined that the matter described below is an audit key matter that must be revealed in our report.

Impairment of credit portfolio

As explained in note 4 c) of the attached financial statements and detailed in note 7 b), the Company considers as impaired financial assets (doubtful loans), those debt instruments for which there is an objective evidence of impairment, which refer mainly to the existence of defaults, lack of accomplishments, refinancing and the existence of data that evidence the possibility of not recovering all the future cash flows agreed or produce a delay in their collection, calculating the impairment through the application of statistical models.

On our side, the procedures applied in our audit have consisted of an analysis of the accounting policies, the statistical models and the assumptions used in their classification, verification of the origin of the data used in the development calculations, recalculation of the final balance, the allocation of the year of these and the reconciliation of the amounts with the accounting balances.

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Other information: Management report

Other information comprises exclusively the management report for the year ended on 31 December 2022, whose preparation is a responsibility of the sole director of the parent company and is not a part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility on the management report, in accordance with the obliged legal regulation of the audit activity, consists in assessing and disclosing the concordance of the management report with the financial statements, from the knowledge obtained from the Company when performing the audit of the mentioned financial statements as well as evaluating and reporting on whether the content and presentation of the management report are in accordance with the applicable regulations. If, based on the work we have performed, we conclude that there exist material misstatements, we are obliged to report them.

Based on our work, as described in the paragraph above, the information that is contained in the management report is in accordance with the information of the financial statements for the year ended on 31 December 2022 and its content and presentation are in conformity with the applicable regulation.

Responsibilities of the sole director of the parent company for the financial statements

The sole director of the parent company is responsible for the preparation and fair presentation of the attached financial statements in order to present the true and fair view of the equity and financial position and the financial performance of the Company in conformity with the legal framework of financial information applicable to the Company and for such internal control that is considered necessary to enable the preparation of the financial statements, free from material misstatement, whether due to fraud or error.

When preparing the financial statements, the sole director of the parent company 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 the sole director of the parent company either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities related to the Audit of the financial statements.

Our objectives are to obtain reasonable assurance about whether the attached 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.

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Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA) 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 taken by the users based on these financial statements.

As part of an audit in accordance with the legal regulation of the audit activity in Spain, 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 the sole director of the parent company.

- Conclude on the appropriateness of the use by the sole director of the parent company of the going concern basis of accounting and, based on the audit evidence obtained, we conclude 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 obtain sufficient and adequate evidence in relation to the financial information of the companies or business activities within the company to express an opinion on the financial statements. We are responsible for the management, supervision and conduct of the Company's audit. We are solely responsible for our audit opinion.

We communicate with the sole director of the parent company 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.

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From the risks communicated to the sole director, we determine those risks that were of most significance in the audit of the financial statements of the current period and are, therefore, considered the most significant risks.

We describe these risks, when relevant, in our auditor's report unless law or regulation precludes public disclosure about the risks.

BNFIX AUDIT AUDITORES, S.L.P.
Registered in ROAC No. S0294

Signed in the original report
In Spanish

José María Hinojal Sánchez
Partner – Auditor of accounts
ROAC number 16.660

04 May 2023

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DINEO CREDITO, S.L. UNIPERSONAL
BALANCE SHEET AS OF DECEMBER 31, 2022
amounts in euro

ASSETS	Note	2022	2021
NON-CURRENTE ASSETS		**1.604.090**	**1.606.098**
Intangible fixed assets	(5)	**2.554**	**3.830**
Industrial property		2.554	3.830
Long-term financial investments	(8)	---	**732**
Other financial assets		---	732
Deferred tax assets	(15)	**1.601.536**	**1.601.536**
CURRENT ASSETS		**6.480.071**	**7.469.549**
Trade debtors and other accounts receivable		**5.814.579**	**6.968.335**
Customers from sales and services	(9)	5.814.579	6.963.086
Other credits to the Public Administrations	(15)	---	5.249
Short-term financial investments	(8)	**114.246**	**129.530**
Other financial assets		114.246	129.530
Short-term periodifications		**5.162**	---
Cash and equivalent	(10)	**546.084**	**371.683**
Cash in hand and banks		546.084	371.683
TOTAL ASSETS		**8.084.161**	**9.075.647**

NET EQUITY AND LIABILITIES	Nota	2022	2021
NET EQUITY		**1.427.532**	**1.168.007**
Shareholders' equity	(11)	**1.427.532**	**1.168.007**
Shared capital		3.100	3.100
Reserves		1.164.907	1.087.917
Income for the year		859.525	1.876.990
Interim dividend		(600.000)	(1.800.000)
NON-CURRENT LIABILITIES		**4.485.027**	**2.674.475**
Debts to group companies and associates long-term	(13)	**4.485.027**	**2.674.475**
CURRENT LIABILITIES		**2.171.602**	**5.233.168**
Short-term provisions	(12)	**120.167**	**199.838**
Short-term debts	(14)	**1.037.768**	**2.712.269**
Debts owed to credit entities		---	46.667
Other financial liabilities		1.037.768	2.665.602
Debts with group companies and short-term associates	(13)	**107.421**	**34.669**
Trade creditors and other accounts payable		**739.048**	**2.097.020**
Suppliers		632.999	393.402
Suppliers, group companies and associates		1.040	---
Perssonnel (salaries pending)		2.416	461
Current tax liabilities	(15)	---	1.584.325
Other debts to the Public Administrations	(15)	102.593	118.832
Short-term periodifications	(16)	**167.197**	**189.372**
TOTAL NET EQUITY AND LIABILITIES		**8.084.161**	**9.075.650**

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DINEO CREDITO, S.L. UNIPERSONAL
INCOME STATEMENT FOR THE YEAR ENDED ON DECEMBER 31, 2022

amounts in euro

CONTIUING OPERATIONS	Note	2022	2021
Revenue: Sales and services rendered	(16)	**19.279.948**	**26.949.947**
Services rendered		19.279.948	26.949.947
Staff costs		**(1.046.631)**	**(1.194.313)**
Wages, salaries and assimilated		(838.280)	(940.136)
Social charges	(18)	(208.351)	(254.177)
Other operating expenses		**(16.885.421)**	**(22.776.318)**
External services	(17)	(7.643.785)	(7.158.466)
Other taxes		(126.000)	(126.000)
Losses, impairment and change in provisions by commercial operations	(9.b)	(9.115.636)	(15.491.852)
Depreciation of fixed assets	(5)	**(1.277)**	**(1.277)**
Other income		**(63.777)**	**44.086**
INCOME FROM OPERATING ACTIVITIES		**1.282.842**	**3.022.125**
Financial expenses		**(423.317)**	**(511.702)**
From group companies and associates	(13)	(258.317)	(238.075)
For debts with third parties		(165.000)	(273.627)
FINANCIAL INCOME		**(423.317)**	**(511.702)**
INCOME BEFORE TAXES		**859.525**	**2.510.423**
Income tax	(15)	---	**(633.433)**
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**859.525**	**1.876.990**
INCOME FOR THE YEAR		**859.525**	**1.876.990**

DINEO CREDITO, S.L. UNIPERSONAL
STATEMENT OF CHANGES IN NET WORTH
CORRESPONDING TO THE YEAR ENDED DECEMBER 31, 2022
amounts in euro

CORRESPONDING STATEMENT OF RECOGNISED REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Income for the year	859.525	1.876.990
TOTAL REVENUE AND EXPENDITURE RECOGNISED	**859.525**	**1.876.990**

TOTAL STATEMENT OF CHANGES IN NET WORTH CORRESPONDING TO THE YEAR ENDED DECEMBER 31, 2022

	Deeded capital	Shared	Income for the year	Interim dividend	TOTAL
FINAL BALANCE OF THE YEAR 2020	**3.100**	**1.173.107**	**1.313.478**	**(1.300.000)**	**1.189.685**
Adjustments for errors	---	**(98.668)**	---	---	**(98.668)**
ADJUSTED BALANCE BEGINNING OF THE YEAR 2021	**3.100**	**1.074.439**	**1.313.478**	**(1.300.000)**	**1.091.017**
Total income and expenditure recognised	---	---	1.876.990	---	**1.876.990**
Operations with partners or owners:					
Dividend distribution	---	---	---	(1.800.000)	**(1.800.000)**
Other changes in net worth	---	13.478	(1.313.478)	1.300.000	---
FINAL BALANCE OF THE YEAR 2021	**3.100**	**1.087.917**	**1.876.990**	**(1.800.000)**	**1.168.007**
ADJUSTED BALANCE BEGINNING OF THE YEAR 2022	**3.100**	**1.087.917**	**1.876.990**	**(1.800.000)**	**1.168.007**
Total income and expenditure recognised	---	---	859.525	---	**859.525**
Operations with partners or owners:					
Dividend distribution	---	---	---	(600.000)	**(600.000)**
Other changes in net worth	---	76.990	(1.876.990)	1.800.000	---
FINAL BALANCE OF THE YEAR 2022	**3.100**	**1.164.907**	**859.525**	**(600.000)**	**1.427.532**

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DINEO CREDITO, S.L. UNIPERSONAL

CORRESPONDING STATEMENT OF CASH FLOWS
CORRESPONDING TO THE YEAR ENDED DECEMBER 31, 2022
amounts in euro

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		**749.420**	**2.041.257**
Profit or loss for the year before tax		**859.525**	**2.510.423**
Adjustments to income		**424.594**	**512.979**
Depreciation of fixed assets	(5)	1.277	1.277
Financial expenses		423.317	511.702
Changes in current capital		**1.472.942**	**(146.237)**
Tarde debtors and other accounts receivable		1.153.758	(401.461)
Other current assets		(5.162)	11.652
Tarde creditors and other accounts payable		226.355	105.398
Other current liabilities		97.992	138.173
Other cash flows from operating activities		**(2.007.642)**	**(835.908)**
Interest payments	(8)	(423.317)	(511.702)
Income <Payments> on incometax	(15)	(1.584.325)	(324.206)
CASH FLOWS FROM INVESTMENT ACTIVITIES		**16.016**	**170.068**
Cpññetions for divestments		**16.016**	**170.068**
Group companies and associates		---	164.670
Other financial assets		16.016	5.398
CASH FLOWS FROM FINANCING ACTIVITIES		**(591.035)**	**(3.352.535)**
Collections and payments for financial liability instruments		**8.965**	**(1.552.535)**
Emission			
Debts with group companies and associates		2.450.000	2.450.000
Other debts		---	1.693.041
Payback and amortization of			
Debts with group companies and associates		(665.364)	(5.695.576)
Other debts		(1.775.671)	---
Dividend payments and remuneration of other i. of equity		**(600.000)**	**(1.800.000)**
Dividends	(3)	(600.000)	(1.800.000)
NET INCREASE/(DECREASE) OF CASH OR EQUIVALENTS		**174.401**	**(1.141.210)**
Cash and equivalents at the beginning of the financial year		**371.683**	**1.203.135**
Cash and equivalents at the end of the financial year		**546.084**	**371.683**

NOTES TO THE FINANCIAL STATEMENTS

1. Description of the Company and nature of its activity

a) Name and address

The company was incorporated under the name "DINEO CRÉDITO, S.L." on March 19, 2014. The social address was established in Madrid, at Calle Padilla 19, 1º izquierda. On June 20, 2019, moved to Sor Ángela de la Cruz Street, 33. On March 24, 2017, the company's unipersonality was declared, changing its name to DINEO CRÉDITO, S.L.U.

b) Activity

The activity of the company, coinciding with the corporate purpose established in its statutes, is the granting of loans or non-mortgage loans and other related financing services to any natural or legal person. Those activities reserved to credit institutions in accordance with the applicable regulations will be excluded from the corporate purpose. If the law requires for the start of any operations of the corporate purpose special qualification, obtaining an administrative license, registration in a Public Registry or any other requirement, the company may not start the aforementioned specific activity until the requirement in question is fulfilled.

c) Group of companies

The company is part of the group of companies whose parent company is CASH CONVERTERS ESPAÑA, S.L., with registered office in Madrid, Calle Sor Ángela de la Cruz, 33, this being the ultimate parent company of the group. This company issues its consolidated annual accounts for the year 2022, which will be deposited in the Mercantile Registry of Madrid.

2. Presentation bases

a) True and fair view

The annual accounts have been formulated from the accounting records of DINEO CRÉDITO, S.L. Unipersonal and have been formulated in accordance with current commercial legislation and with the rules established in the General Accounting Plan, in order to show the true and fair view of the assets and financial position as of December 31, 2022, and the results of its operations, changes in equity and cash flows for the year ended on that date.

b) The annual accounts are pending of approval by the sole shareholder, although the sole director, as responsible for their preparation, considers that they will be approved with no modification.

c) Functional and presentation currency

The annual accounts are presented in euros, rounded to the nearest unit, as it is the functional and presentation currency of the Company.

d) Bug fixes

As a continuation of the process of improving accounting information systems, the company has regularized in 2022, balances of previous years in the attached balance sheet. Due to this circumstance and in order to facilitate the comparison of information, the comparative figures of these annual accounts have been restated according to the following detail:

- The heading "Short-term provisions" of the current liabilities of the balance sheet has increased by 96.668 euros.

- In return for these adjustments, the losses of the previous year have increased by 96.668 euros and the total effect on equity has been a decrease of 96.688 euros.

e) Regulatory changes

Law 18/2022 has introduced the obligation to report on the monetary volume and number of invoices paid in a period lower than the maximum established in the delinquency regulations and the percentage they represent on the total number of invoices and on the monetary total of payments to their suppliers. Being the first year of application, comparative information is not included for this concept.

f) Critical aspects of the valuation and estimation of relevant uncertainties and judgments in the application of accounting principles

The preparation of annual accounts requires the application of relevant accounting estimates and the making of judgments, estimates and assumptions in the process of applying accounting principles. In this sense, the aspects that have involved a greater degree of judgment, complexity or in which the assumptions and estimates are significant for the preparation of the annual accounts correspond to:

i) Credit losses on loans and receivables

The total allocations for impairment of credits and advances are evaluated collectively, which implies a high judgment by the management. Collectively assessed impairment endowments cover credit losses inherent in loan and advance portfolios with similar credit risk characteristics when there is objective evidence to suggest that it contains impaired financial assets, but individual impaired items cannot yet be identified. Collectively assessed impairment provisions also cover credit losses for claims in default that are defined as past due for 30 days or more. In assessing the need to deteriorate collective losses, management considers factors such as the likelihood of default, loss in the event of default, portfolio size, concentration of delays and other economic factors. To estimate impairment, models are used to define how inherent losses are estimated and to determine the required parameters, based on historical experience and current economic conditions. To assess collective impairment endowments, the credit portfolio is grouped according to maturity. Significant assumptions used in the determination of impairmentor collective losses of the loan portfolio include:

a. Management assumes that the company collects unpaid credits up to 12 months after maturity.
b. Management calculates maturity probability indices using historical transition matrices that analyze loan portfolio movements between delinquency segments over one-month periods. This analysis is carried out based on tranches inwhich the probability ratios of non-compliance of the last six months are recalculated. The management cancels commercial receivables and overdue credits of customers, when they are more than 1 year late, or earlier if they are considered to be uncollectible.

g) Strat working

Due to the situation of the single partner, financial tensions have been created that have been reflected in a progressive reduction of results, a situation that has led to the extension of payment terms to suppliers.

These circumstances raise doubts about the company's ability to realise its assets and settle its liabilities according to the values and classification with which they appear in the balance sheet.

The single partner administrators have already taken action to address the situation, including:

- The entry of new long-term external financial resources to stabilize the financial situation.

The administrator considers that by bringing the above measures to fruition, the company's activity will obtain benefits in the future and consequently, the directors have formulated these annual accounts for the year 2022 applying the going concern principle.

h) Comparison of information

Except as discussed in points d) and e) above, the annual accounts present for comparative purposes, with each of the items of the balance sheet, the income, the statement of changes in equity, the statement of cash flows and the notes, in addition to the figures for the year 2022, those corresponding to the previous year that were included in of the annual accounts for the year 2021 approved by the Sole Shareholders' on June 16, 2022.

i) Aggregation of ítems

Certain items in the balance sheet, the profit and loss account and the report are presented aggregated to facilitate their understanding, although, to the extent significant, the disaggregated significant information has been included in the relevant notes.

3. Application income

a) The Sole director will propose the following application of income:

Basis of distribution	
Income for the year	859.525
	859.525
Distribution	
Dividends	600.000
Voluntary reserve	259.525
	859.525

b) On September 22 2022, the sole director approved the distribution of an interim dividend for the year 2022 that has been settled to the sole shareholder during the year 2022.

In accordance with the requirements of article 277 of the Capital Companies Law, the provisional accounting statement formulated by the Company is transcribed below, which shows the existence of a sufficient profit in the period that allowed the distribution of the interim dividend charged to the income of the year, and justification of sufficient liquidity to be able to make the payment:

Cash balance	689.181
Crédits with the group company	1.656.917
Estimated charges from 01/10/2021 al 30/09/2022	9.224.829
Estimated payments from 01/10/2021 al 30/09/2022	(5.588.520)
Estimated liquidity as of 31/08/2023	**5.982.406**

4. Valuation standards

a) Intangible fixed assets

- Patents, licenses, trademarks and the like

  The rights on software are capitalized when obtained the patent or similar license, including the cost of register related to the industrial property, notwithstanding the amounts paid to third parties and are amortized on a straight-line basis in ten years. They must be impaired according to the intangible assets standard.

b) Leases

- Operating leases

  As a lessee, the Company has used certain assets under leases contracts during the year. Since such contracts do not transfer to the Company substantially all the risks and benefits inherent in the ownership of the assets, they are classified as operating leases. Fees derived from operating leases are recognized as expenses on a straight-line basis during the lease term.

c) Financial instruments

- Classification and separation of financial instruments

Financial instruments are classified at the time of their initial recognition as a financial asset or a financial liability, in accordance with the economic background of the contractual agreement and the definitions of financial asset or financial liability.

For the purposes of their valuation, financial assets are classified into the categories of financial assets at fair value with changes in the profit and loss account, financial assets at amortized cost, financial assets at fair value with changes in equity and financial assets at cost. The classification in the above categories is made according to the characteristics of the instrument and the intentions of the Management at the time of its initial recognition.

Financial liabilities, for the purposes of their valuation, are classified into the categories of financial liabilities at amortised cost and financial liabilities at fair value with changes in the profit and loss account.

Financial instruments are recognized when the Company becomes an obligated party to the contract or legal business in accordance with the provisions thereof.

The operations of purchase or sale of financial assets instrumented by means of conventional contracts, understood by such, those in which the reciprocal obligations of the parties must be consummated within a time frame established by the regulation or by the market conventions and that cannot be settled by differences, are recognized on the date of contracting or settlement.

- Non-compensation provision

A financial asset and a financial liability are subject to clearing only when the Company has the enforceable right to set off the recognised amounts and intends to liquidate the net amount or to realise the asset and cancel the liability simultaneously.

- Financial assets at amortized cost

They are non-derivative financial assets with fixed or determinable payments that are not listed on an active market, other than those that the company:

- Intends to sell immediately or in the short term;
- at the time of initial recognition it is designated at fair value with changes in the profit and loss account;
- at the time of initial recognition, it is designated as financial assets at fair value with changes in equity or may not substantially recover all of its initial investment, except for credit impairment.

Management determines the appropriate classification of financial instruments at the time of initial recognition.

- Recognition

Financial assets and liabilities are recognised on the balance sheet when the company becomes part of the contractual provisions of the instrument.

- Assessment

A financial asset or liability is initially valued at its fair value plus, in the case of a financial asset or liability that is not at fair value through gains or losses, the transaction coststhat are directly attributable to the acquisition or issuance of the financial asset or liability.

After initial recognition, financial assets at amortized cost and other financial liabilities are measured at costa nd amortized using the effective interest method.

- Amortized Cost

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at the time of initial recognition, less repayments of principal, plus or minus the cumulative effect using the effective interest method of any difference between the initial amount recognised and the amount of maturity, minus any impairment reduction. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the relevant Instrument and are amortized based on the effective interest rate of the instrument.

- Fair value

Fair value is the price that would be received when selling an asset or paid to transfer a liability in an orderly transaction between market participants on the valuation date on the main market, which is the most advantageous market to which the company has access on that date. The fair value of a liability reflects its risk of default.

When available, the company estimates the fair value of an instrument using prices quoted on an active market for that instrument. A market is considered an asset if transactions in the asset or liability take place with sufficient frequency and volume to provide price information on an ongoing basis.

The company's key financial instruments are cash, commercial receivables, credits owed by customers, claims to related parties, commercial accounts payable, loans payable and other creditors arising from business activities.

The best proof of the fair value of a financial instrument at the time of initial recognition is normally the transaction price, i.e. the fair value of the consideration given or received. If the company determines that the fair value at the initial recognition differs from the transaction price and the fair value is evidenced neither by an active market quoted price for an identical asset or liability nor by a valuation technique that uses only observable market data, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value in the initial recognition and the transaction price. Subsequently, this difference is recognized in the result on an appropriate basis throughout the life of the instrument, but at the latest when the valuation is fully supported by observable market data or the transaction is closed.

In addition, for financial reporting purposes, the company measures the fair values of the following fair value hierarchy, which reflects the importance of the costs used to perform the measurements:

- Level 1: Data are quoted (unadjusted) prices in active markets for identical assets or liabilities that the entity can access on the measurement date;

- Level 2: Data other than the quotation prices included in Tier 1 that are observable directly (i.e. as prices) or indirectly (i.e. price derivatives). This category includes instruments valued using: market prices quoted on active markets for similar instruments; quoted prices for similar instruments on markets that are considered less than assets; or other valuation techniques in which all significant input data is directly or indirectly observable from market data; and

- Level 3: Data that is not observable. This category includes all instruments where the titration technique includes information not based on observable data and non-observable information has a significant effect on the valuation of the instrument. This category includes instruments that are valued based on quoted prices for similar instruments where adjustments or significant unobservable assumptions are required to reflect differences between instruments.

- Gains and losses on subsequent valuation

  For financial assets and liabilities recorded at costand amortized, the gain or loss is recognized in results when the financial asset or liability is written off or impaired, or through the amortization process.

- Derecognition of Financial assets

  The company derecognizes a financial asset when the contractual rights to the cash flows of the financial asset expire, or when it transfers substantially all the risks and advantages inherent in the ownership of the financial asset. Any rights created or retained by the company are recognized as a separate asset or liability in the statement of financial position. The company cancels a financial liability when its contractual obligations are fulfilled or cancelled or expire.

  The company also cancels certain assets when it cancels balances corresponding to the assets considered uncollectible.

  Financial assets and liabilities are cleared, and the net amount is presented on the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to net liquidate them or realise the asset and settle the liability simultaneously.

- Impairment of financial assets

  The company assesses at the end of the financial year whether there is any objective evidence that a financial asset or group of financial assets is impaired. When objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the asset's future cash flows that can be reliably estimated.

  In assessing collective impairment, the company uses statistical models of historical trends on the probability of default, the timing of recoveries, and the impact of loss incurred, adjusted by management's judgment on whether current economic and credit conditions are such that actual losses are likely to be greater or less than those suggested by historical models. Default rates, loss rates, and the expected timing of future recoveries are regularly compared to actual results to ensure they remain appropriate. No specific impairment tests are performed as the loan portfolio consists of a large number of small exposure loans which makes individual impairment tests impractical.

The Company has applied these accounting policies since December 2021.

- Financial assets valued at amortized cost

The financial assets recorded at amortized cost consist mainly of credits loans and other accounts receivable. The company periodically reviews its loans portfolio and other receivables to assess impairment.

The company first assesses whether there is objective evidence of impairment individually for loans and receivables that are individually significant, and individually or collectively for credits and receivables that are not individually significant. If the company determines that there is no objective evidence of impairment for an individually assessed credit or receivable, whether significant or not, it includes the credit or receivable in a group of loans and receivables with similar credit risk characteristics and evaluates them collectively for impairment. Receivables and receivables that are assessed individually for impairment and for which an impairment loss is recognized or continues to be recognized are not included in a collective impairment assessment.

If there is objective evidence that an impairment loss has been incurred on a credit or receivable, the amount of the loss is valued as the difference between the carrying value of the credit or receivable and the present value of estimated future cash flows, including recoverable amounts of collateral, and security rights discounted at the original effective interest rate of the loan or receivable. Contractual cash flows and historical experience of adjusted losses based on relevant observable data reflecting current economic conditions provide the basis for estimating expected cash flows.

In some cases, the observable data required to estimate the amount of an impairment loss on a credit or receivable may be limited or no longer fully relevant to the current circumstances. This may be the case when a debtor is in financial difficulty and there is little historical data available relating to similar debtors. In such cases, the company uses its experience and judgment to estimate the amount of any impairment loss.

All credit impairment losses are recognized in income and are only reversed if a subsequent increase in the recoverable amount can objectively be related to an event occurring after the impairment loss was recognized.

When a credit is uncollectible, it is cancelled against the related impairment allowance. The Company cancels a credit balance (and any related impairments or losses of credits) when management determines that the credits are bad and when all steps necessary to collect the credit are completed.

- Bails

  The bonds delivered are initially valued, following the criteria set out for financial assets. Subsequently, since the effect of their updating is not significant, they are valued at their nominal value.

- Financial liabilities at amortized cost

  They include financial liabilities arising from the purchase of goods and services from the Company's trade operations and those liabilities that, without having a commercial origin, are not derivative instruments.

  In their initial recognition on the balance sheet, they are recorded at their fair value which, unless there is evidence to the contrary, in the transaction price or fair value of the consideration received adjusted for the transaction costs that are directly attributable to them.

  Upon initial recognition, these financial liabilities are valued at their amortized cost. Accrued interest is accounted for in the profit and loss account, applying the effective interest rate method.

  However, debits for commercial transactions with a maturity not exceeding one year and which do not have a contractual interest rate are valued at face value when the effect of not updating cash flows is not significant.

- Derecognition of financial liabilities

  The company derecognizes a financial liability when the obligation has been extinguished.

  The difference between the carrying value of the financial liability or the portion thereof that has been written off, and the consideration paid, including attributable transaction costs which also includes any assigned assets other than the cash or liabilities assumed. Are recognized in the profit and loss account for the period in which it takes place.

d) Cash and other equivalent assets

Cash and other equivalent assets include cash on hand and bank deposits in credit institutions.

e) Provisions

Provisions are recognized when the Company has a present obligation, whether legal, contractual, implicit or implied, as a result of a past event and it is likely that there is an outflow of resources to cancel such obligation; and a reliable estimate of the amount of the obligation can be made.

On the other hand, contingent liabilities are considered those possible obligations, arising as a result of past events, whose materialization is conditioned to the occurrence of future events that are not entirely under the control of the Company and those present obligations, arising as a result of past events, for which it is not likely that there will be an outflow of resources for liquidation or cannot be valued with sufficient reliability. These liabilities are not objects of accounting record, detailing them in the notes, except when the output of resources is remote.

f) Revenue and expenses

The income and expenses are recorded according to the accrual criterion regardless of the moment in which the monetary or financial flow derived from them occurs, Nevertheless, the Company only recognizes for the profits obtained at the end of the year, while the foreseeable risks and losses, even if they are possible, are counted as soon as they are known.

g) Revenue from services

Ordinary income is recognized by the ordinary development of the activity as the company fulfills the obligations committed in the contract.

Revenues are recognized when the Company is likely to receive the profits or economic returns derived from the transaction and the amount of revenue and costs incurred or to be incurred can be reliably valued. The income is valued at the fair value of the counterpart received or to be received, deducting discounts, price reductions and other similar items that the company may grant, as well as, where appropriate, the interest incorporated into the nominal of the credits.

Indirect taxes levied on transactions that are passed on to third parties are not part of the income.

The Company recognizes interest income in accordance with the effective interest rate.

h) Personal expenses

The Company recognizes the expected cost of employee incentive schemes where there is a present obligation, legal or implied, as a result of past events and a reliable estimate of the value of the obligation can be made.

Severance payments recognize at the time when there is a formal plan and a valid expectation has been generated among the affected personnel that the termination of the employment relationship will occur, either because they have begun to execute the plan or because they have announced its main characteristics.

i) Income tax

The company is taxed under a consolidated tax regime for Corporation Tax within the tax group whose parent company is CASH CONVERTERS ESPAÑA, S.L.

The expense or income from the income tax comprises both the current tax and the deferred tax.

Current tax is the amount to be paid or recovered for the income tax relative to the taxable base for the year. Current tax assets or liabilities are valued at the amounts expected to be paid or recovered from the tax authorities, using the regulations and tax rates in force or approved and pending publication on the year-end date.

Deferred tax liabilities are the amounts payable in the future for corporation tax related to taxable temporary differences while deferred tax assets are the amounts to be recovered for corporation tax due to the existence of deductible temporary differences or deductions pending of application. For these purposes, temporary difference is understood as the difference between the book value of assets or liabilities and their tax base.

Current or deferred income tax is recognized in income, unless it arises from a transaction or economic event that has been recognized in the same or a different year, against net worth or a business combination.

Deferred tax assets and liabilities are valued at the tax rates that will be applicable in the years in which it is expected to make the assets or pay the liabilities, based on the regulations and rates that are in force or approved and pending publication and once the tax consequences that will arise from the way in which the Company expects to recover the assets or settle the liabilities have been considered.

The Company reviews the book value of the deferred tax assets at the end of the year, with the aim of reducing this value to the extent that it is not likely that there will be sufficient future positive tax bases to recover them. Deferred tax assets that do not meet the above conditions are not recognized in the balance sheet. The Company reconsiders at the end of the year, if the conditions for recognizing deferred tax assets that had not previously been recognized are met.

The company only offsets assets and liabilities for current income tax if there is a legal right vis-à-vis the tax authorities and intends to settle the resulting debts in their net amount or to realize the assets and settle the debts simultaneously.

The company only offsets deferred tax assets and liabilities if there is a legal right of set-off vis-à-vis the tax authorities and such assets and liabilities correspond to the same tax authority, and to the same taxable person.

Deferred tax assets and liabilities are recognized on the balance sheet as non-current assets or liabilities, regardless of the expected date of completion or settlement.

To determine the corporate tax expense, in addition to the regulations to be considered in the case of individual taxation, the following corresponding to the consolidated tax regime are taken into account:

i. Temporary and permanent differences produced as a result of the elimination of results from operations between companies of the tax group, derived from the process of calculating the consolidated tax base.

ii. The deductions and bonuses that correspond to each company of the tax group in the consolidated declaration regime, being imputed to the company that carried out the activity or obtained the necessary income to obtain the right to the deduction or tax credit.

iii. On the part of the negative tax results from some of the companies of the group that have been compensated by the rest of the companies of the consolidated tax group, reciprocal credits and debits arise between the companies that originate them and those that compensate them.

The current tax balance is presented in the corresponding current tax asset or liability account and is offset in the following year with a charge or credit to the credit or debt account with the parent company.

Credits for offsetting negative tax bases, for deductions and bonuses, and advance taxes, are only accounted for to the extent that they have a certain interest with respect to the future tax burden.

Credits derived from deductions and bonuses pending tax application in the Corporate Tax return due to insufficient quota are subject to accounting registration, when a reasonable estimate of the evolution of the company indicates that they may be subject to future application. Deductions that cause in future years a lower tax on the profit obtained in a transaction carried out in the year are also subject to registration, provided that compliance with the conditions established by the tax standard for its perfection is foreseeable.

j) Classification of assets and liabilities as current and non-current

Assets are classified on the balance sheet as current when they are expected to be realized or intended to be sold or consumed in the course of the normal operating cycle, held primarily for trading purposes, expected to be realized within twelve months of the closing date or are cash or other equivalent liquid assets, except in those cases where they cannot be exchanged or used to cancel a liability, at least within twelve months of the closing date, in which case they are classified as non-current assets.

Liabilities are classified in the balance sheet as current when they are expected to be settled in the normal operating cycle, are held primarily for trading, have to be settled within twelve months from the date of closure or the Company does not have the unconditional right to postpone the cancellation of liabilities for twelve months following the closing date, appearing as non-current in any other case.

Financial liabilities are classified in the balance sheet as current when they are to be settled within twelve months of the closing date, even if the original term is for a period exceeding twelve months and there is an agreement to refinance or restructure long-term payments that has been concluded after the closing date and before the annual accounts are drawn up. In other circumstances, they are listed as non-current liabilities.

k) Transactions with related parties

Transactions between related parties are recognized by the fair value of the consideration delivered or received. The difference between that value and the agreed amount is recorded according to the underlying economic substance.

5. Intangible fixed assets.

a) The composition and movement in the accounts of intangible fixed assets during the year were as follows:

	2021	Asquisitions (Expense)	Retirements	2022
Cost				
Patents, licenses, trademarks and other	12.766	---	---	12.766
	12.766	**---**	**---**	**12.766**
Accumulated depreciation				
Patents, licenses, trademarks and other	(8.936)	(1.276)	---	(10.212)
	(8.936)	**(1.276)**	**---**	**(10.212)**
Acounting net value				
Patents, licenses, trademarks and other	3.830			2.554
	3.830			**2.554**

b) The composition and movement in the accounts of intangible fixed assets during the previous year were as follows:

	2020	Asquisitions (Expense)	Retirements	2021
Cost				
Patents, licenses, trademarks and other	12.766	---	---	12.766
	12.766	**---**	**---**	**12.766**
Accumulated depreciation				
Patents, licenses, trademarks and other	(7.660)	(1.276)	---	(8.936)
	(7.660)	**(1.276)**	**---**	**(8.936)**
Acounting net value				
Patents, licenses, trademarks and other	5.106			3.830
	5.106			**3.830**

6. Operative leases

a) The company has leased to third parties' commercial office properties where it carries out its activity. It also pays to the sole shareholder for the use of the information system with which the company works. The amount of the lease fees accrued during the year has been

	2022	2021
Class of elements		
Commercial real estate	21.780	(1.881)
Licences	536.034	653.239
	557.814	**651.358**

b) Future minimum payments for non-cancellable operating leases, excluding updates for inflation or common expenses are as follows:

	2022	2021
Term		
Up to one year	21.780	17.424
Between one and five	36.300	46.464
More than five years	---	---
	58.080	**63.888**

7. Financial instruments.

a) The classification of financial assets by categories and classes, without considering cash and other equivalent liquid assets, or equity holdings of group companies is as follows:

	Credits and others	
	2022	**2021**
Long-term financial assets		
At amortized cost		
Deposits deposited	---	732
	---	**732**
Short-term financial assets		
At amortized cost		
Commercial and other debtors	5.814.579	6.963.087
Loans to group companies	---	---
Other financial assets	114.246	129.530
	5.928.825	**7.092.617**

b) Impairment of credits for commercial operations

The analysis of the movement of the corrective accounts representative of the impairment losses caused by the credit risk of financial assets to, is as follows for the year 2022:

2022	Gross Amount	%	Impairment	Net worth
0. Current	4.532.695	9,88%	447.933	4.084.762
1. 1-30	1.236.385	55,08%	680.956	555.429
2. 31-60	984.154	78,09%	768.514	215.640
3. 61-90	1.008.033	83,92%	845.923	162.110
4. >91	5.739.378	87,37%	5.014.421	724.957
5. >361	2.779.731	100,00%	2.779.731	---
Total Port folio	**16.280.376**	**64,73%**	**10.537.478**	**5.742.898**

The corresponding impairments are provided according to the risk presented by possible insolvencies with respect to the collection of credits, the 2021 endowment is in the amount of 8.408.073 euros.

The detail of impairment of credits for commercial operations for the previous year is as follows:

2021	Gross Amount	%	Impairment	Net worth
0. Current	4.923.657	13,52%	665.755	4.257.902
1. 1-30	1.429.212	58,52%	836.306	592.906
2. 31-60	1.415.606	79,54%	1.126.027	289.579
3. 61-90	1.544.599	83,60%	1.291.221	253.378
4. >91	11.093.638	85,88%	9.527.217	1.566.421
5. >361	5.916.990	100,00%	5.916.990	---
Total Port folio	**26.323.702**	**73,56%**	**19.363.516**	**6.960.186**

The corresponding impairments are provided according to the risk presented by possible insolvencies with respect to the collection of credits, the 2021 endowment is in the amount of 14.775.087 euros.

c) The classification of financial liabilities by categories and classes is:

	Cedit entities		Derivatives and others		Total	
	2022	2021	2022	2021	2022	2021
Long-term financial liabilities						
At amoritised cost						
We lend with group companies and associates	---	---	4.485.027	2.674.475	4.485.027	2.674.475
	---	**---**	**4.485.027**	**2.674.475**	**4.485.027**	**2.674.475**
Pasivos financieros a corto plazo						
At amoritised cost						
We lend with group companies and associates	---	---	107.421	34.669	107.421	34.669
Loans	---	46.667	1.037.768	2.665.602	1.037.768	2.712.269
Commercial and other creditors	---	---	636.455	393.864	636.455	393.864
	---	**46.667**	**1.781.644**	**3.094.135**	**1.781.644**	**3.140.802**
TOTAL	**---**	**46.667**	**6.266.671**	**5.768.610**	**6.266.671**	**5.815.277**

d) The classification of financial liabilities by maturity is as follows:

Year	
2023	1.781.645
2024	2.035.027
2026	2.450.000
	6.266.672

e) The amount of financial expenditure by category of financial liabilities is as follows:

	Debits and receivables	
Net losses on profit and loss	**2022**	**2021**
Financial expenses applying the effective interest rate	423.317	511.702
	423.317	**511.702**

f) Nature and level of risk from financial instruments

The Company's activities in relation to financial instruments are exposed to various risks: credit risk, liquidity risk and interest rate risk on cash flows. The Company's overall risk management seeks to minimize potential adverse effects on the Company's financial profitability

- Credit risk

Credit risk is the risk of financial loss to the company if a client or counterparty of a financial instrument fails to meet its contractual obligations. This risk is noticeable mainly in loans to customers. Credit risk is mitigated as follows:

Credit issuance procedures are established to ensure the quality of the client portfolio. These procedures are constantly improved and include judicial and behavioral indicators, through analysis of statistical data and rating models.

Penalties and extensions of the credit repayment term are used to mitigate the risks associated with unpaid debts. These options apply to borrowers in cases where there is a difficulty or unwillingness to pay debts. Penalties and extensions generate additional cash flows in the portfolio.

- Market risk

The company's exposure to exchange risk in market interest rates is primarily related to long-term debt obligations at variable interest rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's main receivables are mainly with its customers. However, the Company carries out a collective analysis of its balances and evaluates the risk of non-payment, providing, where appropriate, the corresponding impairment losses due to credit risk.

The credit scoring models used by the Company take into account multiple factors, not only limited to the client's credit history and income level. The analysis derived from such models is based on statistical evidence and never on value judgments. These models are periodically reviewed to adjust to market requirements and the behavior of the client portfolio. The risk profile of each client is analyzed prior to the granting of the loan. The company's debt recovery policy establishes a series of procedures that maximize the collection of claims. These recovery policies are regularly analyzed by the Company. The company manages interest rate risk by holding a balanced portfolio of fixed and variable rate loans.

The Company considers that the procedures currently in place are sufficient to effectively control the credit risk arising from the client portfolio. Likewise, the structure of the credit portfolio is based on a multitude of loans of reduced nominal value, so that the exposure to risk of the Company for each client does not imply significant losses.

The amounts for impairment of the credits are endowed generically and cover the inherent losses of the loan portfolio with similar credit risk.

Quantitative information on the Company's credit risk is detailed in note 7.a)

- Liquidity risk

It refers to the availability of sufficient funds to cover the funds received, as well as other financial commitments when they reach maturity.

The Company carries out prudent liquidity risk management, based on the maintenance of sufficient cash and flexibility in financing through the availability of contracted credit lines and the financial support of group companies and associates.

Given the financial situation, the managers are carrying out the actions described in note 2 (f).

The classification by maturity is as follows:

Year	
2023	1.781.645
2024	2.035.027
2026	2.450.000
	6.266.672

- Interest rate risk

Since the company's financial debts are contracted primarily at a fixed rate, the company's financial expenses are not significantly subject to interest rate risk.

8. Long-and short-term financial investments

a) The detail of the balance by concepts is as follows:

	Long-therm		Short-Term		Total	
	2022	2021	2022	2021	2022	2021
Financial investments in instruments of. Equity	---	---	---	305	---	305
Deposit	---	732	48.697	90.878	48.697	91.610
Current account with related parties	---	---	65.547	38.347	65.547	38.347
	---	**732**	**114.244**	**129.530**	**114.244**	**130.262**

9. Customers for sales and rendered of services

a) The balance of customers for rendered of services, amounting to 5.814.578 euros in the year and 6.963.086 euros in the previous year, is presented net of for impairment, which amounts to 10.537.505 euros in 2022 and was 19.363.516 euros in 2021.

b) The income for the year includes a net expense of 9.115.636 euros due to impairment of credits and was 15.491.852 euros in the previous year.

c) Fully impaired loan portfolio has been sold giving a result as reversal of the impairment by the portfolio according to the following detail for both years:

	2022	2021
Face Value	10.478.831	26.599.913
Result	707.563	716.765

10. Cash and equivalent liquid assets

The entire balance in 2022 and 2021 is cash in hand and banks without remuneration.

11. Shareholder's equity

a) Share Capital

At the end of 2022 and 2021, the share capital amounted to 3.100 euros and is represented by 3.100 shares of 1 euro of nominal value each, fully paid up by the partners.

The parent company CASH CONVERTERS ESPAÑA, S.L. owns 100% of the share capital of the company, being the sole partner and having been declared the sole proprietorship of the company.

b) Reserves

The composition and movement in the accounts included under the heading of reserves during the financial year 2022 are shown below:

	2021	Distribution of income	2022
Reserves			
Legal	620	---	620
Others Reserves	1.087.297	76.990	1.164.287
	1.087.917	**76.990**	**1.164.907**

	2020	Distribution of income	2021
Reserves			
Legal	620	---	620
Others Reserves	1.073.819	13.478	1.087.297
	1.074.439	**13.478**	**1.087.917**

The Legal Reserve must be endowed in accordance with article 214 of the Capital Companies Law, which establishes that, in any case, a figure equal to 10 per 100 of the profit of the year will be allocated to it until it reaches, at least, 20 per 100 of the share capital. It cannot be distributed and if it is used to compensate for losses, in the event that there are no other reserves available sufficient for that purpose, it must be replenished with future profits. As of December 31, 22, the company has endowed this reserve by the minimum limit established by the Capital Companies Law, which amounts to 620 euros.

c) Interim dividend

Dated September 22, 2022, the sole administrator agreed to a distribution of dividends in the amount of 600.000 euros from reserves, which have been paid within the year 2022.

Dated October 29, 2021, the sole administrator agreed to a distribution of dividends in the amount of 1.800.000 euros from reserves, which have been paid within the year 2021.

12. Provisions and contingencies.

d) Short-term provisions

At the end of the year there are provisions accounted for in the amount of 120.167 euros corresponding to provisions for local taxes on economic activities2022, being 199.-838 euros, the amount of the previous year.

a) Contingencies

The company has opened approximately 2,000 legal claims from clients for various reasons, mainly for: actions for nullity of micro-loans for usury and / or abusiveness as well as compensation for violation of the right to honor and privacy by inclusion in files of patrimonial solvency. The total amount claimed amounts to approximately EUR 1 157 500, exclusive of any legal costs.

In recent years there have been contradictory pronouncements on these issues, being a legally controversial issue, which undoubtedly results in greater litigation.

On the other hand, extrajudicial and judicial claims of consumers claiming abusiveness are having a greater impact, since there is no peaceful pronouncement in this regard on micro-loans.

13. Balances and transactions with group companies and associates

a) The balance of debts with group companies and associates intended for the financing of the business activity

	Not current				
	2022	**2021**	**% Interest**	**Interests**	**Expiration**
Parent Company					
Cash Converters España, S.L.	152.527	224.475	6,00%		2024
	152.527	**224.475**			
Debts with associated companies					
Alamos Consulting, S.L.	3.391.250	2.450.000	7,00%	214.909	2024/2026
	3.391.250	**2.450.000**		**214.909**	
Debts with associated companies					
Inversiones Rolimar, S.L.	941.250	---	7,00%	43.409	2024
	941.250	**---**		**43.409**	

The debt with Alamos Consulting, S.L, consists of two loans amounting to 2,450,000 euros maturing 2026 and 941,250 euros maturing 2024.

	Current				
	2022	2021	% Interes	Interests	Expiration
Debts whit associated companies					
Alamos Consulting, S.L.	58.967	34.669	0,00%	Net unpaid	2023
Inversiones Rolimar, S.L.	48.454	---	0,00%	Net unpaid	2023
	107.421	**34.669**		**---**	

b) The interest expense accrued in 2022 was 258.317 euros (238.065 euros in 2021).

c) The detail of the balance of suppliers for services provided by the company of the Cash Converters España, S.L. group. and current accounts with group companies and associates is as follows:

	Trade Balance		Current accounts		Sales revenue		External services	
	2022	2021	2022	2021	2022	2021	2022	2021
Parent Company	---	---	---	---	---	---	2.978.819	3.038.810
Associated companie	144.586	900	1.040	---	---	---	156.471	241.068
	144.586	**900**	**1.040**	**---**	**---**	**---**	**3.135.290**	**3.279.878**

d) The Company guarantees banking loan operations to the parent company for loans amounting 2.535.595 euros and has guarantees provided to the parent company for a total of 1.500.000 euros.

14. Short-term debts

The detail of the balance of debts with credit institutions and others is as follows:

	2022	2021	Limit	Maturity
Debts owed to credit	46.667	46.667	---	2023
Other funding	1.037.768	2.665.602	1.037.768	2023
	1.084.435	**2.712.269**	**1.037.768**	

Debts owed to credit institutions bear interest under market conditions.

15. Public entities and tax position

a) The detail of the balances with the public entities, by concepts. is:

	Not Current 2022	Not Current 2021	Current 2022	Current 2021
Assets				
Deferred tax	1.601.536	1.601.536	---	---
VAT	---	---	---	5.249
	1.601.536	**1.601.536**	**---**	**5.249**
Liabilities				
Current tax	---	---	---	1.584.325
Withholdings Personal Income Tax	---	---	35.725	41.220
VAT	---	---	35.617	37.672
Social Security	---	---	16.584	31.794
Other	---	---	14.667	8.146
	---	**---**	**102.593**	**1.703.157**

b) Income tax

The balance of current tax is the estimate of corporate tax for the year, which is carried out under a consolidated tax regime with other companies of the group. The reconciliation of the income of the year with the taxable base of the tax is as follows:

Reconciliation of tax base	2022 Income statement			2021 Income statement		
Income balance for the year			859.525			1.876.990
Permanent differences	**Increase**	**Decrease**	**Net**	**Increase**	**Decrease**	**Net**
Corporate income tax	---	---	64.377	633.433	---	656.745
Non-deductible expenses	64.377	---		23.312	---	
Temporary differences			(2.334.311)			3.803.553
Impairment due to credit ri:	4.071.834	(6.406.145)		6.406.145	(2.602.592)	
Previous tax base			**(1.410.409)**			**6.337.288**
Tax base			**(1.410.409)**			**6.337.288**

	2022	2021
Tax amount	---	1.584.322
Net to be paid	**---**	**1.584.322**

c) The reconciliation between the income and the taxes tax expense is as follows:

	2022	2021
Income before tax	**859.525**	**2.510.423**
Expense at the general rate	(214.881)	(627.606)
Non-deductible expenses	(16.094)	(5.827)
Unrecognized tax	230.976	---
	---	**(633.433)**

d) The movement in deferred tax assets for 2022 year and the prior one is as follows:

	2020	Additions	Applied	2021	Additions	Applied	2022
Deferred tax assets							
For impairment of credits	650.648	1.601.536	(650.648)	1.601.536	---	---	1.601.536
	650.648	**1.601.536**	**(650.648)**	**1.601.536**	**---**	**---**	**1.601.536**

e) Value added tax

According to Article 20 of the VAT Law, transactions for granting of credits and loans in cash, whatever the form in which it is implemented, including through financial effects or securities of another nature, are exempt from tax value added.

f) Tax position

During the year, the tax authorities have initiated verification and investigation inspection actions in relation to Corporation Tax for the years 2018 and 2019 and Value Added Tax for the years from August 2018 to December 2019. This inspection procedure is still in its initial phase and it is not possible to assess its outcome.

According to the legal provisions in force, tax assessments cannot be considered final until they have been inspected by the tax authorities or the four-year limitation period has elapsed. The company has open to inspection the declarations presented of the following tax concepts and exercises:

	Years
Taxes	
Corporate income tax	2018 a 2021
Personal Income Tax	2019 a 2022
Withholdings on capital and personal tax	2019 a 2022
Value added tax	2019 a 2022

The Management, on the basis of the adequacy of its tax forms, does not consider that there may be different interpretations of the tax regulations that result in tax liabilities of a contingent nature whose result could significantly affect the annual accounts.

16. Revenue: Sales and services rendered

a) The distribution revenue sales and services rendered by activities is:

	2022	2021
Commissions accrued	19.224.370	26.940.392
Accrual of income collected in advance	12.946	(37.003)
Accrual of commissions pending collection	42.632	46.558
Services provided	---	---
	19.279.948	**26.949.947**

b) The amount of the accrued income endowed in 2022 is 167.197 euros, and in the previous year amounts 189.372 euros.

c) The entire Revenue: Sales and services rendered has been obtained in territory They are mainly composed of the commissions charged to customers for the micro-credits granted.

17. External services

The breakdown of the balance of external services during the year is:

	2022	2021
Leases and royalties	557.814	651.358
Repairs and maintenance	36	393
Professional Services	3.030.222	3.458.510
Insurance	110	7.016
Banking and similar services	772	622.959
Advertising and propaganda	865.242	902.143
Other services	2.693.589	1.516.087
	7.147.785	**7.158.466**

18. Personnel

a) The balance of social charges by concepts and in euros is:

	2022	2021
Social security	204.083	249.392
Other social charges	4.268	4.785
	208.351	**254.177**

b) The average staff by categories is:

	Men		Women		Total	
	2022	2021	2022	2021	2022	2021
Category						
Managers and bosses	3	4	4	4	7	8
Commercial technicians (shop/offic	7	23	19	9	26	32
	10	**27**	**23**	**13**	**33**	**40**

c) The workforce at the end of the year does not differ significantly from the average.

19. Information about the sole director and other related parties.

a) In accordance with article 229 of the Capital Companies Law, the sole director states that he does not maintain situations of conflict of interest with the activities carried out by the company.

b) The sole director has received 93.594 euros as remuneration during the year 2021, for his executive functions in the Company, being 88.296 euros in the previous year due to his position.

c) The sole director does not maintain, at the end of the year, balances with the company. There are no obligations relating to pensions, life insurance premiums, or any other outstanding amount.

a. The remuneration of the company's senior management staff during the year have been zero and same amount in the previous year.

20. Environmental information

There are no significant assets dedicated to the protection and improvement of the environment, nor have any relevant expenses of this nature been incurred during the current year or during the previous year. Likewise, the Board of Directors considers that there are no significant contingencies related to the protection and improvement of the environment, not considering it necessary to register any endowment to the provision of risks and expenses of an environmental nature.

21. Information on payment deferrals made to suppliers. Third additional provision. "Duty of information" of Law 15/2011, of July 5, repealed by the second final provision of Law 31/2014, of December 3

Information on the average period of payment to suppliers, the monetary volume and number of invoices paid in a period below the maximum established in the delinquency regulations and the percentage they represent on the total number of invoices and on the monetary total of payments to their suppliers:

	2022 Days	2021 Days
Average period of payment to suppliers	25	25
Ratio of paid trades	22	25
Ratio of outstanding transactions	41	30

	Importe	Importe
Total payments made	2.785.331	8.487.628
Total payments within the legal maximu	2.762.854	---
Total outstanding payments	634.039	393.404
Total number of invoices	864	---
Paid within the legal maximum	858	---
Percentage over the number of invoices	99%	---
Percentage of monetary total	99%	---

22. Significant subsequent events

After the end of the year there have been no events or circumstances that could significantly affect the annual accounts.

23. Remuneration to auditors

The fees accrued by the auditor for the audit of the annual accounts for the current year amounted to 9.500 euros, being 8.781 euros in the previous year.

The present financial statements of DINEO CRÉDITO, S.L. Unipersonal for the year 2022, which are included in pages 1 to 29 above, have been formulated by the Sole Administrator inMadrid, 30 of April of 2023.

Álvaro Ochagavías Temiño
Single Administrator

dineo

DINEO CRÉDITO, S.L. Unipersonal

MANAGEMENT REPORT
FOR YEAR ENDED
DECEMBER 31, 2022

EVOLUTION OF BUSINESS IN THE YEAR

The turnover, which amounts to 19,279,948 euros, although it has decreased in relation to the previous year, which was 26,949,947 euros, sales are more efficient, because impairment losses on sales are 10 points lower than 2021
Taking advantage of the current economic situation presented by the Spanish economy and addressing the massive structural demand not met by traditional operators by offering fast and fully automated consumer loans, available at all times, it is expected to increase these sales in the next financial year.

In relation to personnel costs, for 1.046.631 euros, they represent 5% of turnover. This item has decreased compared to the previous year in a smaller proportion than sales due to reduced sales.

The results of the operation have been reduced compared to those of the previous year standing at profits of 1.282.842 euros compared to profits of 3.022.125 euros in the previous year, due to the decrease in revenues, although expenses have been reduced in the same proportion.

The financial result, negative by 433.317 euros, decreased in relation to the results due to the cost of financial support provided by the financing needs that occurred during the year.

COMPANY'S POSITION

The company's net worth amounts to 1.427.532 euros, having increased by 160.857 euros.

At the end of the year, the share capital is represented by 3.100 shares of 1 euro par value each. The capital is fully paid up by the partner.

Cash increased by 174.401 euros compared to the previous year, as a difference between the cash generated and applied in the year.

FORESEEABLE EVOLUTION

The Company expects revenues and results in excess of those obtained in the current year thanks to the increase in its portfolio through the Investments made in advertising and organic business growth.

OBJECTIVES AND FINANCIAL RISK MANAGEMENT

The Company's activities in relation to financial instruments are exposed to various risks: credit risk, liquidity risk and interest rate risk on cash flows. The Company's overall risk management seeks to minimise potential adverse effects on the Company's financial profitability.

- Credit risk

  Credit risk is the risk of financial loss to the company if a client or counterparty of a financial instrument fails to meet its contractual obligations. This risk is noticeable mainly in loans to customers. Credit risk is mitigated as follows:

  Credit issuance procedures are established to ensure the quality of the client portfolio. These procedures are constantly improved and include judicial and behavioural indicators, through analysis of statistical data and rating models.

  Penalties and extensions of the credit repayment term are used to mitigate the risks associated with unpaid debts. These options apply to borrowers in cases where there is a difficulty or unwillingness to pay debts. Penalties and extensions generate additional cash flows in the portfolio.

- Market risk

  The company's exposure to exchange risk in market interest rates is primarily related to long-term debt obligations at variable interest rates.

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

  The Company's main receivables are mainly with its customers. However, the Company carries out a collective analysis of its balances and evaluates the risk of non-payment, providing, where appropriate, the corresponding impairment losses due to credit risk.

  The credit scoring models used by the Company take into account multiple factors, not only limited to the client's credit history and income level. The analysis derived from such models is based on statistical evidence and never on value judgments. These models are periodically reviewed to adjust to market requirements and the behavior of the client portfolio. The risk profile of each client is analyzed prior to the granting of the loan. The company's debt recovery policy establishes a series of procedures that maximize the collection of claims. These recovery policies are regularly analyzed by the Company. The company manages interest rate risk by holding a balanced portfolio of fixed and variable rate loans.

The Company considers that the procedures currently in place are sufficient to effectively control the credit risk arising from the client portfolio. Likewise, the structure of the credit portfolio is based on a multitude of loans of reduced nominal value, so that the exposure to risk of the Company for each client does not imply significant losses.

The amounts for impairment of the credits are endowed generically and cover the inherent losses of the loan portfolio with similar credit risk.

Quantitative information on the Company's credit risk is detailed in note 7.a) in the financial statements.

- Liquidity risk

It refers to the availability of sufficient funds to cover the funds received, as well as other financial commitments when they reach maturity.

The Company carries out prudent liquidity risk management, based on the maintenance of sufficient cash and flexibility in financing through the availability of contracted credit lines and the financial support of group companies and associates.

The classification by maturity is as follows:

Year	
2023	1.781.645
2024	2.035.027
2026	2.450.000
	6.266.672

- Interest rate risk

Since the company's financial debts are contracted primarily at a fixed rate, the company's financial expenses are not significantly subject to interest rate risk.

ENVIRONMENT

There are no significant assets dedicated to the protection and improvement of the environment, nor have expenses of this nature been incurred during the year .

NON-FINANCIAL AND DIVERSITY INFORMATION

The information related to the Non-Financial Information Statement of the Company is included in the Consolidated Management Report of the. group, whose parent company is CASH CONVERTERS ESPAÑA, S.L., and which will be deposited, together with the Consolidated Annual Accounts, in the Mercantile Registry of Madrid.

SIGNIFICANT SUBSEQUENT EVENTS

After the end of the year, there have been no events or circumstances that could significantly affect the annual accounts.

RESEARCH AND DEVELOPMENT ACTIVITIES

The company does not carry out research and development activities.

OWN PARTICIPATIONS

The company does not hold its own shares.

TERM OF PAYMENT TO SUPPLIERS

The average term of payment to suppliers is 25 days, taking into account that most of their expenses are services provided.

This management report of DINEO CRÉDITO, S.L. Unipersonal. of the financial year 2022, which is included in pages 1 a 4 above has been formulated by the Sole Administrator in Madrid, to 30 of April of 2023.

Álvaro Ochagavías Temiño
Single Administrator