



**STANDALONE ANNUAL FINANCIAL REPORT OF COMPANY
AFORTI HOLDING S.A.
for 2021**

Warsaw, July 7, 2022

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LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD

Ladies and gentlemen,

As each year, I am pleased to introduce you to the content of the annual report of AFORTI Group. Year 2021 should be considered as the next stage of AFORTI's activity which went down in history. With a high degree of certainty, it was an exceptional year, both in terms of events which



occurred as well as in terms of the results we obtained. I would like to answer telegraphically and summarize to you the past months of our work.

First quarter of 2021 started with the successive work on the implementation of the AFORTI.BIZ project.

As an initial step, the subsidiary AFORTI PLC and a company which is a holder of an E-Money Institution (EMI) license have concluded a share purchase agreement. Soon after, in March 2021, AFORTI Exchange which is a currency exchange company was ranked among the 70 most innovative representatives of the Polish finance and technology sector. This quarter of business year 2021 was finished by achieving by Aforti Group a record in the financial results and as a result, our sales revenues amounted to PLN 435 million!

The winning streak also continued in the 2nd quarter, at that time, net sales revenues amounted to over 510 million PLN! In this period, the AFORTI Collections company was ranked on the 4th place in the overall ranking "Debt Collection Market Leaders" prepared by Gazeta Finansowa.

However, the key event of the quarter was the next phase associated with international expansion. In April, AFORTI PLC acquired a 9.9% stake in an EU EMI licensed company, bringing us much closer to offering services to customers across the European Union.

Furthermore, we are pleased to see more success in third quarter where AFORTI Holding was among the largest Polish companies of 2021 out of 2,000 active companies and we ranked satisfactorily 313th position.

During this period, we also shared with you the Group's strategy for 2021-2023, and we make good on our promises. In August, we celebrated our 10th anniversary of being listed on the NewConnect market, an important date for us and another milestone on AFORTI's road to success. This quarter was crowned with another, increasingly higher, sales result of PLN 607 million.

Despite this, the most important events happened in the last 4th quarter, where AFORTI Collections obtained the CESSIO Laurel. The Company has achieved the second position in the category "Outsourcing - Serwis Wierzytelności".

In October 2022, the AFORTI Holding's shares were listed on the Bucharest Stock Exchange. With this symbolic ringing of the stock exchange bell, we started the next chapter of our expansion into the countries of Central and Eastern Europe.

After the initial public offering the Bucharest Stock Exchange was quickly followed by launch of factoring activities for clients in Romania which allowed us on financing the first invoices. At the same time, AFORTI Exchange enjoyed further success, taking 2nd place in the online exchange category in the ranking of the 100 Largest Polish Payment Companies.

However, in my view the greatest success of 2021 should be certainly consider the event of activation of the EMI license, which entitles AFORTI Group to completely develop its activities internationally. We are currently following several audits of our companies, including in Cyprus, as well as meetings with Central Banks.

We've had quite an exceptional year behind us! I very much hope that in 2023 I will be able to share with you more very good news from AFORTI!

I encourage you to read the consolidated annual report 2021 and Company's separate annual report 2021.

At your disposal is also our Investor Relations Department, with which in case of questions, you can contact us by e-mail sent to: inwestorzy@AFORTIholding.pl

Sincerely,



Klaudiusz Sytek,

President of the Management Board

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SELECTED FINANCIAL DATA OF THE AFORTI HOLDING FOR THE
PERIOD FROM 01.01.2021 TO 31.12.2021

1. Introduction

This part of the standalone annual financial of the AFORTI Holding S.A. includes selected financial data referred to the basic items of balance sheet statement and profit and loss and the cash flow statement. A values have been expressed in polish zloty (PLN) and converted into euro as explained below.

The data presented were converted into EUR at the NBP mid-rate announced, that are in force as at the balance sheet date..

Table 1 - Information on the Euro exchange rate used for conversion of Issuer's selected financial data

	2021	2020
Euro exchange rate at the balance sheet date 31.12	4,5994	4, 6148

source: Issuer

2. Selected financial data: balance sheet, profit and loss account, cash flow statement

Table 2- Selected financial data regarding profit and loss for 2021 including the comparative figures for previous year

Specification	PLN		EUR	
	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020
Sale revenue	6 952 051,57	8 950 445,66	1 511 512,71	1 939 508,90
Profit (loss) from sale	-6 009 651,12	(4 375 166,93)	-1 306 616,32	(948 072,92)
Operating profit (loss)	-6 145 189,28	(5 486 840,11)	-1 336 084,98	(1 188 965,96)
Amortisation	273 497,78	327 909,99	59 463,80	71 054,21
Gross profit (loss)	18 933 549,16	22 884 909,56	4 116 525,89	4 959 025,21
The profit (loss)	18 933 549,16	22 844 909,56	4 116 525,89	4 959 025,21

source: Issuer

Table 3- Selected financial data from the balance sheet 2021 including the comparative figures for previous year

Specification	PLN		EUR	
	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020
Fixed assets	289 727 810,77	275 910 283,52	62 992 523,11	59 788 134,59
Current asset	126 478 489,11	103 639 751,87	27 498 910,53	22 458 124,27
Long-term receivables	10 234 764,40	168 414,40	2 225 239,03	35 844,33

Short-term receivables	2 648 295,50	20 327 781,82	575 791,52	4 404 910,68
Short-term liabilities	88 090 465,78	23 199 941,62	19 152 599,42	5 027 290,81
Long-term liabilities	112 324 467,69	124 280 926,72	24 421 547,96	26 930 945,38
Equity	215 644 306,32	231 883 476,06	46 885 312,50	50 247 784,53
Primary capital (share capital)	9 042 514,00	9 042 514,00	1 966 020,35	1 959 459,56

source: Issuer

Table 4 - Selected financial data from cash flow statement for 2021 including the comparative figures for previous year

Specification	PLN		EUR	
	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020
Net cash flows from operating activities	19 357 719,70	1 757 826,02	4 208 748,90	380 910,55
Net cash flow from investment activities	-49 341 863,24	-10 674 163,31	-10 727 891,30	- 2 313 028,37
Cash flow from financial activities	30 802 076,65	8 958 079,79	6 696 977,14	1 941 163,17
Net cash flows total total	817 933,11	41 742,50	177 834,74	9 045,35

source: Issuer

3. Management Board's position and opinion of the Supervisory Board's on the opinion with expressed reservations by the auditing firm

In accordance with the issued opinion, the certified auditor made a reservation as to the valuation of long and short-term investments. In the opinion of the Management Board, the reservation in question is only the opinion of the auditor, which doesn't coincide with the impairment tests of the companies in which the shares and stocks were acquired. As the auditor noted, the tests were performed by independent experts. Therefore, the Company wasn't able to have any influence on the assessment of the value of the companies presented in the tests. A different assessment of the performed tests is only a polemic with the expert's opinion.

It should be noted that the Company measures long-term investments at cost, and short-term investments at fair value. As at the balance sheet date, the value of stocks / shares disclosed in long-term financial assets amounted to PLN 276,276,688.03, and in short-term financial assets PLN 117,199,618.55.

As indicated above, as at the balance sheet date, the Management Board carried out impairment tests for shares and, for this purpose, commissioned the preparation of fair value valuations of the Companies.

Again, it should be emphasized that the determination of the fair value of the companies equity was prepared by independent investment advisers, not related in any way to the Company and authorized to provide investment advisory services, entered on the list of brokers or investment advisers. The valuation was made in accordance with the provisions of the International Financial Reporting Standards No. 13 and the common national principles of valuation (PKZW). The valuation

was based on the Discounted Cash Flow (DCF) method. The valuation methods and their results are described in detail in the notes. The valuations confirmed the value of the shares included in the financial assets.

The Issuer's Management Board monitors how the companies whose shares it holds implement the assumed development plans and systematically carry out the next milestone steps. The historical results of the subsidiaries clearly shows how the scale of business is growing year by year. As at the balance sheet date, the Management Board assessed whether there were any significant deviations from the development plans. In accordance with the adopted development plan, the company from the AFORTI Capital Group acquired shares in an EU institution that has an EMI license. It's the increase in the scale of business, among others through the passporting of the EMI license, which allows to issue means of payment in the form of electronic money, perform transfers at the request of clients and other financial services, will significantly increase the profitability of the Company and the entire Capital Group. In the development strategy of the AFORTI capital group for the years 2021-2023 established by the Company, the Company set out to start operations in other EU countries by the end of 2023. In June 2022, the first transaction based on the EMI passport in Romania took place. It's impossible to agree with the auditor's statement that due to the current situation of the companies and their historical results, the valuations presented by independent experts are based (due to the assumed development) on unobservable data.

In the opinion of the Management Board, both the valuations of independent investment advisers and the implementation of development plans confirms the value of the shares disclosed in the Company's balance sheet, and do not indicate an impairment of the asset. In view of the above, the Management Board of the Company didn't find grounds for updating the value.

The valuation of minority stakes that are intended for sale is based on the market valuation methodology of competing projects such as N26, Revolut, Monzo and sales transactions to industry investors of Akcenta and Ebury.

Minority shares of subsidiaries and associates held for sale, not classified as non-current assets, are measured by the Company at fair value. If the Company sold a part of stocks / shares similar to stocks / shares, which will be still recognized, at the prices applicable in the actually concluded transactions for the sale of shares / stocks, because they constitute the best estimate of the fair value of a part of financial assets. The valuation at fair value of shares expressed in foreign currencies also includes the valuation at the average exchange rate for a given currency by the National Bank of Poland applicable as at the balance sheet date. If the Company did not sell any shares / stocks, the valuation is made according to the purchase prices.

Moreover, the Issuer does not foresee any real threat as to the continuation of the activity. The company obtains financing through debt products, which is in line with its policy. The Issuer, as an entity fully aware of the risks related to financing, took all necessary measures to reduce them. Debt products are offered for periods longer than in previous years, i.e. currently for 24, 36 and 48 months, which significantly reduces the risk of maturity of liabilities in 2022-2024.

The auditor's reservation as to the value of long-term and short-term investments is deliberative and only causes doubts as to the valuation criteria adopted by independent experts.

The reservation regarding the limitation of the scope of the audit is based solely on the fact that the banks in which the Company has bank accounts did not submit documents in the format required by the auditor. The company has made every effort to obtain confirmation of the balances that meet the criteria provided by the expert. Due to the omissions of the banks, in order to enable the auditor

to review the balance of funds in the accounts as at the balance sheet date, the Company delivered to the auditor a confirmation of the bank account balances sent to the Company via electronic banking. Electronic confirmations of bank balances confirm the balance of cash indicated in the balance sheet as at December 31, 2021 in the amount of PLN 985,088.41.

In the opinion of the Management Board of the Company, the reservations do not have a significant impact on the annual financial statements of the Issuer. The Supervisory Board of the Company, after reading the report on the audit of the auditing company, reservations and the position of the Management Board, knowing the history and pattern of operating activities of the Company and its subsidiaries, agrees to the position of the Management Board on the value and price criteria of the value of long and short-term investments, as well as to other explanations regarding the auditor's reservations.

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THE STANDALONE ANNUAL FINANCIAL REPORT

In accordance with the Polish Accountancy Act of September 29th 1994 the Company's Management Board were ensured to draw up a financial statement presented on the following, which demonstrates in duly and clear manner the property and financial situation, profitability and financial results of the Company.

If in the course of preparation of financial statements the Company's Management Board ensured selection of appropriate methods for the valuation and preparing its financial statement and ensured continuity of its applicability. In the valuation of assets and liabilities and in the determination of a financial result was assumed that the Company will continue its economic activity in the foreseeable future in a nonreduced scope, which is consistent with its actual condition and legal status.

Warsaw, June 29, 2022



Małgorzata Soboń
Główna Księgowa

Małgorzata Soboń
Person responsible for maintaining the accounting records



Klaudiusz Sytek,
the President of the
Management Board



Paweł Opoka,
the vice-President of the
Management Board



Mateusz Niemczyk,
the vice-President of the
Management Board

1. Introduction

I. General information

1. Aforti Holding S.A. with its registered office at the address: 00-613 Warsaw, ul. Chałubińskiego 8. conducts business activities in the field of business and management consulting. It has been entered into the National Court Register on 22.05.2009 under the number 0000330108 in the District Court for the Capital City of Warsaw, XII Economic Division, under the name Advicone S.A.
2. The financial statement has been prepared for the period:
from 01-01-2021 to 31-12-2021
3. Due to the risks and uncertainties described in this note, the Management Board of the Company has prepared the report taking into account the significant uncertainty as to going concern. In order to neutralize the risk of going concern, steps were taken to continue as going concern in the foreseeable future, thus the report was prepared on the going concern assumption.

As presented in the financial statements, the Company's operations are financed with financial instruments, which include loans, bonds and bills of exchange and to a small extent, leasing. As at the balance sheet date, the amount of short-term financial liabilities to be repaid in 2022 is PLN 74.3 million, and the current assets are PLN 141.6 million. In the face of the war in Ukraine, rising inflation and rising interest rates, there is a risk of difficulties in refinancing such liabilities. Management recognizes this risk, which may involve significant risks of continuing the operations. The Management Board is faced with the task of providing financing to the Company. The Management Board is constantly working on obtaining financing in accordance with the assumptions of the budget for 2022, by the end of May 2022 the level of obtained financing amounted to PLN 41.1 million.

To extend the maturities of debt facilities, in 2021, the Board introduced 48-month borrowings in addition to the existing 24- and 36-month long-term facilities. As a result, long-term financing raised in 2021 accounted for 66% of total loans in 2021, with 48-month loans accounting for 30pc. The Management Board monitors risks on an ongoing basis and adjusts

its actions accordingly, it should be noted that the value of maturing financial liabilities in 2022 is 59% lower than the financing raised in 2021 (PLN 182.5 million), and the value of financial liabilities maturing in 2023 is PLN 49 million, which is a decrease of 34% compared to 2022.

In the opinion of the Management Board, there are also measures available to offset the negative impact of the above risks on the Company's financial performance. These measures include, among other things, cost savings compared to those assumed in the budget, as well as the implementation of sales above the budgeted levels, which will result in higher sales revenue. These actions, according to the Management Board, will adequately and sufficiently ensure the achievement of the financial targets for 2022 to ensure the Company's liquidity.

At the same time, one should take into account the completion of the investment process in the EMI project, which was the most capital-intensive process, as well as obtaining, at the turn of 2021/2022, the operational activation of the EMI license and passporting the business to EU countries, launching operations in Romania and the planned start-up of operations in other CEE countries, which are characterized by much higher profitability than in Poland resulting from much lower competition and, at the same time, a relatively low level of investment.

The Management Board, with regard to the most prospective business which is the EMI business, is considering launching a review of strategic options for this project, within the scope of which it is considering either winning an industry partner from Western Europe interested in entering the markets of Central and Eastern Europe, or industry financial partners interested in developing payment services and the so-called "challenger banks" as well as institutional financial investors.

The valuation of the EMI project is based on the evaluation methodology of competing projects such as N26, Revolut, Monzo and sales transactions to industry investors Akcenta and Ebury. In conclusion, despite the risks mentioned above, the Management Board of the Company, on the basis of the prepared budget for 2022, including the analyses and operating scenarios mentioned above, as well as the financing already obtained in 2022 confirming the implementation of budget plans, is of the opinion that sufficient preventive measures have been taken and prepared in order to neutralize the risks mentioned above and to ensure the implementation of the Company's plans, and therefore has prepared the attached separate financial statements on a going concern basis.

4. The adopted financial and fiscal year match a calendar year and last for 12 consecutive, full months.
5. Statements for 2020 are included as comparable data in this statement. Figures ensure the comparability of the data in the financial statement for the preceding year with the statement for the financial year.
6. The financial statement of the Company is subject to the obligation of audit pursuant to Article 64 (1) of the Polish Accounting Act.

II. Overview of the accounting principles (policy)

1. Basis for the preparation of the Financial Statements.

The financial statement has been prepared in accordance with the best practice followed by entities operating in Poland, based on accounting principles arising from the provisions of the Polish Accounting Act of 29 September 1994 (Journal of Laws 2017. item 2342, as amended, particularly in accordance with Article 45 of the Act; Journal of Laws 2018. item 395) and executive regulations issued on its basis.

The accounting principles adopted by the Company has been applied continuously and are consistent with the accounting principles applied in the previous financial year.

2. Revenue and costs

Revenue and costs are recognised on an accrual basis. i.e. in the financial year to which they relate, regardless of the date of receipt or payment.

The Company keeps records of costs by type and prepares the profit and loss account in the comparative variant.

Revenue from the sale of products, goods and materials is recognised in the profit and loss account, when the benefits arising from the ownership rights to products, goods and materials are transferred to the buyer.

3. Interest

Interest revenue is recognised when it accrues (using the real interest rate).

4. Cash flow statement

The cash flow statement has been prepared using an indirect method.

5. Intangible assets

Intangible assets are recognized in the books at their purchase prices or costs incurred for their production and amortized using the straight-line method with the application of appropriate depreciation rates.

6. Fixed assets

The initial value of fixed assets is entered into books according to purchase prices or production costs, less depreciation write-offs, as well as write-offs due to the asset impairment.

The purchase price and production cost of a fixed asset and a fixed asset under construction includes all the costs incurred by the entity for the period of construction, assembly, adaptation and improvement until the date of their acceptance for use, including the costs of servicing of the liabilities incurred to finance them and related exchange rate differences, less the revenue therefrom.

The initial value constituting a purchase price or production cost of a fixed asset is increased by the costs of its improvement, consisting of its reconstruction, extension or modernisation which results, after the improvement is finished, in the increase of the use value of such asset compared to its value at the time of acceptance for use.

Fixed assets are depreciated on a straight-line basis. Depreciation starts in the month following the acceptance for use.

Assets with an initial value below PLN 100 are recognised directly in the costs of materials consumption. Assets with an initial value of PLN 100 or above are recognised as fixed assets or intangible assets and entered into the balance sheet. The company makes depreciation write-offs on such assets.

7. Long-term financial assets

Shares and stocks in subsidiaries, control blocks of shares in subsidiaries and associates classified as non-current assets are valued at purchase price less impairment losses,

Shares (stocks) in other entities and other investments classified as fixed assets are valued at acquisition prices less impairment write-offs.

8. Short-term financial assets

Interests and shares - including in subordinates, minority stakes of shares in subsidiaries and associates, held for sale, not classified as non-current assets, are measured at fair value, in particular:

a) in the event when the Company sold part of shares similar to shares which will continue to be recognized, or other Group Companies entered into transactions for such shares, then the prices

prevailing in the actual transactions constitute the best estimate of the fair value of the part of financial assets which will continue to be recognized.

b) if the Company does not have a price from item it selects the best method of fair value measurement of shares of subsidiaries and associates, which will take into account the specific nature of the entity, its lifespan, the subject of its activity, the competitive conditions in the market of its operation, so that the valuation of the shares is reliable and market-based.

As at the balance sheet date, shares denominated in foreign currencies are valued at the average exchange rate for a given currency announced by the National Bank of Poland for that day.

Other securities classified as short-term investments are securities that are due, payable or intended for sale within 12 months of the balance sheet date or the date they were established, issued or acquired, are as follows: short-term investments in the form of securities other than shares, such as bonds, NBP treasury bills, investment certificates, rights to shares, subscription warrants, mortgage bonds, debentures, investment fund units and others not classified as long-term financial assets.

Short-term investments are valued at market value. Short-term investments for which no active market exists are valued at fair value.

9. Receivables, claims and liabilities, other than those classified as financial assets and liabilities
Receivables are recognized at the amount due, subject to the prudent valuation principle. Receivables are revalued taking into account the degree of probability of their payment, by means of revaluation write-offs charged to other operating costs or financial costs respectively - depending on the type of receivables to which the revaluation write-off applies.

Liabilities are recorded in the books at the amount that needs to be paid.

Receivables and liabilities expressed in foreign currencies are reported as at the day they arise at the average exchange rate of the National Bank of Poland announced for a given currency for the day preceding this day.

As at the balance sheet date, receivables and liabilities denominated in foreign currencies are valued at the average exchange rate for that currency announced by the National Bank of Poland for that day.

10. Write-downs

Revaluation allowances are made for receivables and short-term financial assets (excluding shares and holdings) whose collectability is doubtful, taking into account the degree of probability of their payment, in accordance with the following principles:

- a) on receivables reported to a liquidator or a commissioner in bankruptcy proceedings, from debtors put into liquidation or bankruptcy,
- b) receivables from debtors in case the bankruptcy petition is dismissed if the debtor's assets are insufficient to satisfy the costs of the bankruptcy proceedings,
- c) up to the amount of the claim determined by the provisions of the arrangement as the amount to be written off, or in full in the event that the counterparty is in arrears with the payment of the agreed instalments of the arrangement,

11. Income tax provisions and assets

Provision for income tax is created in the amount of income tax payable in the future due to positive temporary differences. Temporary positive differences result in an increase in the basis of future income tax computation.

The amount of the deferred income tax provision is determined taking into account the income tax rates applicable in the year when the tax obligation arose, i.e. the year when the temporary differences were realized.

In determining the provision, the balance of the negative difference (if any) recorded in the account "Deferred tax assets" as at the last day of the previous financial year should be taken into account.

Deferred income tax assets are determined in the amount to be deducted from income tax in the future due to negative temporary differences which will reduce the tax base in the future and tax loss to be deducted in the future years, applying the prudence principle - the Company creates deferred income tax assets for half of the tax loss which, in accordance with the law, may be deducted in the following 5 years.

12. Accruals and deferred income

The Company makes accruals if they relate to future reporting periods. Accruals are made in the amount of probable liabilities attributable to the current reporting period.

13. Provisions for liabilities

Provisions for losses and liabilities are measured at a reasonable, reliably estimated value. Provisions are recognized for: certain or highly probable - future losses or liabilities whose amount can be reliably estimated. Provisions are charged to other operating expenses or financial expenses depending on the circumstances from which the loss arises.

14. Classification of financial instruments

Financial instruments are recognized and measured in accordance with the Regulation of the Minister of Finance dated 12 December 2001 on detailed rules governing the recognition, methods of valuation, scope of disclosure and manner of presentation of financial instruments. The rules of valuation and disclosure of financial assets described in the note below do not apply to financial instruments excluded from the Regulation, including in particular shares in subsidiaries, rights and obligations under lease and insurance contracts, receivables and liabilities under lease and insurance contracts, and other financial instruments and insurance contracts, trade receivables and payables, and financial instruments issued by the Company that constitute its equity instruments.

Division of financial instruments

Financial assets are divided into:

- financial assets held for trading,
- loans granted and own receivables,
- financial assets held to maturity,
- available-for-sale financial assets.

Financial liabilities are divided into:

- financial liabilities held for trading,
- other financial liabilities.

Financial assets are entered into the books as at the date of concluding the contract at the purchase price, i.e. at the fair value of expenses incurred or other assets provided in exchange, and financial liabilities - at the fair value of the amount received or the value of other assets received. When establishing the fair value as at that date, the transaction costs incurred by the entity are taken into account.

Financial assets, including classified derivatives, are measured no later than at the end of the reporting period at a reliably determined fair value without reducing it by transaction costs that the entity would incur to dispose of the assets or otherwise derecognize them, unless the amount of such costs would be significant, except:

- a) loans granted and own receivables which the entity does not intend to sell;
- b) financial assets held to maturity;
- c) financial assets for which there is no market price determined in an active regulated market or whose fair value cannot be determined in any other reliable way;
- d) financial assets subject to hedging (hedged items).

Financial liabilities, except for hedged items, are measured no later than at the end of the reporting period at adjusted cost. If the value of the financial liability cannot be determined at the adjusted

purchase price or the value shows insignificant differences from the fair value, the financial liabilities are measured at the end of the reporting period at the fair value of the amount received or the value of other assets received.

15. Loans granted and own receivables

Loans granted and own receivables include, irrespective of their maturity (payment) date, financial assets created as a result of issuing cash directly to the other party to a contract. Loans granted and own receivables also include other debt financial instruments acquired in exchange for cash issued directly to the other party to the contract, if it is clear from the contract that the seller has not lost control over the financial instruments issued.

Loans granted and own receivables, which the Company intends to sell in the short term, are classified as financial assets held for trading.

Loans granted and receivables do not include loans and receivables acquired or payments made by the Company to acquire equity instruments of new issues, even if such acquisition is made in an initial public offering or in primary trading, or, in the case of rights to shares, also in secondary trading.

Loans granted and own receivables are valued in the amount of required payment, observing the prudence principle. Loans granted and own receivables held for sale in the period up to 3 months are valued according to market value or otherwise stated fair value.

Warsaw, June 29, 2022



Małgorzata Soboń
Główna Księgowa

Małgorzata Soboń
Person responsible for maintaining the accounting records



Klaudiusz Sytek,
the President of the
Management Board



Paweł Opoka,
the vice-President of the
Management Board



Mateusz Niemczyk,
the vice-President of the
Management Board

2. Balance sheet

No.	Title	2021	2020
A	FIXED ASSETS	289 727 810,77	275 910 283,52
I	Intangible asset	0,00	0,00
1	Costs of finished development works	0,00	0,00
2	Value of the Company	0,00	0,00
3	Other intangible assets	0,00	0,00
4	Advances for intangible assets	0,00	0,00
II	Tangible fixed assets	620 953,33	883 281,14
1	Fixed assets	620 953,33	883 281,14
a	land (including a perpetual usufruct right)	0,00	0,00
b	buildings, premises and civil engineering structures	291 894,45	333 276,73
c	technical equipment and machinery	39 979,05	64 633,73
d	means of transport	239 267,25	391 287,05
e	other tangible assets	49 812,58	94 083,63
2	Capital work in progress	0,00	0,00
3	Advances for the capital work in progress	0,00	0,00
III	Long-term receivables	10 234 764,40	165 414,40
1	From related entities	0,00	0,00
2	From other entities in which the entity has a share in the capital	0,00	0,00
3	From other entities	10 234 764,40	165 414,40
IV	Long-term investments	278 302 103,75	272 995 019,95
1	Immovable property	0,00	0,00
2	Intangible assets	0,00	0,00
3	Long-term financial assets	278 302 103,75	272 995 019,95
a	in related entities	278 302 103,75	272 995 019,95
	- stocks or shares	276 276 688,03	267 432 960,30
	- other securities	0,00	3 607 360,00
	- granted loans	2 025 415,72	1 954 699,65
	- other long-term financial assets	0,00	0,00
b	in other entities in which the entity has a share in the capital	0,00	0,00
	- stocks or shares	0,00	0,00
	- other securities	0,00	0,00
	- granted loans	0,00	0,00
	- other long-term financial assets	0,00	0,00

c	in other entities	0,00	0,00
	- stocks or shares	0,00	0,00
	- other securities	0,00	0,00
	- granted loans	0,00	0,00
	- other long-term financial assets	0,00	0,00
4	Other long-term investments	0,00	0,00
V	Long-term accruals and prepayments	569 989,29	1 866 568,03
1	Deferred tax assets	0,00	160 121,17
2	Other accruals and prepayments	569 989,29	1 706 446,86
B	CURRENT ASSETS	126 478 489,11	103 639 751,87
I	Inventory	0,00	0,00
1	Materials	0,00	0,00
2	Semi-finished products and works-in-progress	0,00	0,00
3	Finished products	0,00	0,00
4	Goods	0,00	0,00
5	Advances on deliveries	0,00	0,00
II	Short-term receivables	2 648 295,50	20 327 781,82
1	Receivables from related entities	2 029 287,05	19 278 802,55
a	for supplies and services, with a repayment period:	1 122 396,40	1 438 666,77
	- up to 12 months	1 122 396,40	1 438 666,77
	- above 12 months	0,00	0,00
b	other	906 890,65	17 840 135,78
2	Receivables from other entities in which the entity has a share in the capital	0,00	0,00
a	for supplies and services, with a repayment period:	0,00	0,00
	- up to 12 months	0,00	0,00
	- above 12 months	0,00	0,00
b	other	0,00	0,00
3	Receivables from other entities	619 008,45	1 048 979,27
a	for supplies and services, with a repayment period:	172 689,19	337 311,79
	- up to 12 months	172 689,19	337 311,79
	- above 12 months	0,00	0,00
b	for taxes, subsidies, customs, social and health insurance, and other benefits	180 900,96	208 193,70
c	other	265 418,30	503 473,78
d	claimed in court	0,00	0,00
III	Short-term investments	118 744 706,96	72 710 133,17
1	Short-term financial assets	118 744 706,96	72 710 133,17
a	in related entities	117 759 618,55	70 532 101,90
	- stocks or shares	117 199 618,55	70 532 101,90
	- other securities	0,00	0,00
	- granted loans	560 000,00	0,00
	- other short-term financial assets	0,00	0,00
b	in other entities	0,00	2 010 875,97
	- stocks or shares	0,00	0,00
	- other securities	0,00	2 010 875,97
	- granted loans	0,00	0,00
	- other short-term financial assets	0,00	0,00
c	cash and cash equivalents	985 088,41	167 155,30

	- cash in hand and on accounts	985 088,41	167 155,30
	- other types of cash	0,00	0,00
	- other cash equivalents	0,00	0,00
2	Other short-term investments	0,00	0,00
IV	Short-term accruals and prepayments	5 085 486,65	10 601 836,88
C	Called up share capital (fund)	0,00	0,00
D	Own shares (stocks)	62 631,75	0,00
TOTAL ASSETS		416 268 931,63	379 550 035,39

No.	Title	2021	2020
A	OWN CAPITAL (FUND)	215 644 306,32	231 883 476,06
I	Share capital (fund)	9 042 514,00	9 042 514,00
II	Supplementary capital (fund), including:	103 440 080,47	80 555 170,91
	- surplus of the sale value (issue value) over the nominal value of shares (stocks)	55 871 302,80	55 871 302,80
III	Revaluation capital (fund)	77 448 069,53	111 600 667,26
	- for revaluation of the fair value	77 448 069,53	111 600 667,26
IV	Other supplementary capitals (funds)	9 000 000,00	9 000 000,00
	- created in accordance with the articles of association of the company	0,00	0,00
	- for own shares (stocks)	9 000 000,00	9 000 000,00
V	Profit (loss) from previous years	(2 219 906,84)	(1 199 785,67)
VI	Net profit (loss)	18 933 549,16	22 884 909,56
VII	Profit write-offs during the financial year (negative value)	0,00	0,00
B	LIABILITIES AND PROVISIONS FOR LIABILITIES	200 624 625,31	147 666 559,33
I	Provisions for liabilities	43 000,00	0,00
1	Deferred tax provision	0,00	0,00
2	Provision for pensions and similar benefits	0,00	0,00
	- long-term	0,00	0,00
	- short-term	0,00	0,00
3	Other provisions	43 000,00	0,00
	- long-term	0,00	0,00
	- short-term	43 000,00	0,00
II	Long-term liabilities	112 324 467,69	124 280 926,72
1	To related entities	44 263,00	8 298 583,00
2	To other entities in which the entity has a share in the capital	0,00	0,00
3	To other entities	112 280 204,69	115 982 343,72
a	credits and loans	92 434 827,81	0,00
b	from the issue of debt securities	2 444 098,37	32 365 696,46
c	other financial liabilities	167 564,84	285 965,55
d	bills of exchange	17 233 713,67	83 330 285,76
e	other	0,00	395,95
III	Short-term liabilities	88 090 465,78	23 199 941,62
1	To related entities	477 737,75	9 105 359,12
a	for supplies and services, with a maturity period	21 899,18	95 302,68

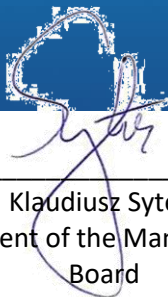
	- up to 12 months	21 899,18	95 302,68
	- above 12 months	0,00	0,00
b	other	455 838,57	9 010 056,44
2	Liabilities to other entities in which the entity has a share in the capital	0,00	0,00
a	for supplies and services, with a maturity period:	0,00	0,00
	- up to 12 months	0,00	0,00
	- above 12 months	0,00	0,00
b	other	0,00	0,00
3	To other entities	87 612 728,03	14 094 582,50
a	credits and loans	47 271 959,32	143,25
b	from the issue of debt securities	660 000,00	373 202,69
c	other financial liabilities	117 166,89	108 696,52
d	for supplies and services, with a maturity period	2 286 168,59	1 300 649,17
	- up to 12 months	2 286 168,59	1 300 649,17
	- above 12 months	0,00	0,00
e	advances received for deliveries	0,00	0,00
f	bills of exchange	31 860 212,66	9 379 938,88
g	for taxes, customs, insurance and others	5 311 074,05	2 808 882,06
h	for remuneration	99 296,96	101 552,16
i	other	6 849,56	21 517,77
4	Special funds	0,00	0,00
IV	Accruals and prepayments	166 691,84	185 690,99
1	Negative goodwill	0,00	0,00
2	Other accruals and prepayments	166 691,84	185 690,99
	- long-term	162 434,09	0,00
	- short-term	4 257,75	185 690,99
4	Special funds	416 268 931,63	379 550 035,39

Warsaw, June 29, 2022



Małgorzata Soboń
Główna Księgowa

Małgorzata Soboń
Person responsible for maintaining the accounting records



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Board



Paweł Opoka,
Vice President of the
Management Board



Mateusz Niemczyk,
Vice President of the
Management Board

3. Profit and loss account

No.	Tytuł	2021	2020
A	Net revenues from sales and equalised with them, including:	6 952 051,57	8 950 445,66
-	from related entities	0,00	0,00
I	Net revenues from sales of products	6 952 051,57	8 950 445,66
II	Change in the condition of products (increase - positive value, decrease - negative value)		
III	Costs of manufacturing products for the entity's own needs		
IV	Net sale revenue from sales of goods and materials		
B	Operating expenses	12 961 702,69	13 325 612,59
I	Amortisation and depreciation	273 497,78	327 900,99
II	Material and energy consumption	118 771,52	110 773,89
III	Outsourced services	8 804 700,27	8 953 845,34
IV	Taxes and charges, including:	949 265,15	250 494,17
	- excise duty	0,00	0,00
V	Remuneration	1 563 687,68	1 853 543,07
VI	Social security and other benefits, including:	264 971,34	300 382,77
	- pensions	91 001,37	125 096,92
VII	Other costs by type	986 808,95	1 528 672,36
VIII	Value of sold goods and materials		
C	Profit (loss) on sales (A-B)	(6 009 651,12)	(4 375 166,93)
D	Other operating revenue	47 314,42	165 445,98
I	Profit on the disposal of non-financial fixed assets	0,00	15 629,37
II	Subsidies	0,00	0,00
III	Revaluation of non-financial assets	0,00	0,00
III	Other operating revenue	47 314,42	149 816,61
E	Other operating costs	182 852,58	1 277 119,16
I	Loss on the disposal of non-financial fixed assets	2 388,82	0,00
II	Revaluation of non-financial assets	0,00	0,00
III	Other operating costs	180 463,76	1 277 119,16
F	Operating profit (loss) (C+D-E)	(6 145 189,28)	(5 486 840,11)
G	Financial revenue	38 073 196,51	36 940 760,53
I	Dividends and shares in profits, including:	0,00	0,00
a)	from related entities, including:	0,00	0,00

	- in which the entity has a share in the capital	0,00	0,00
b)	from other entities, including:	0,00	0,00
	- in which the entity has a share in the capital	0,00	0,00
II	Interest, including:	533 598,38	400 862,35
-	from related entities	533 582,14	341 863,42
III	Profit on the disposal of financial assets, including:	4 453 866,15	0,00
	- in related entities	0,00	0,00
IV	Revaluation of financial assets	33 284 734,85	34 622 523,15
V	Other	(199 002,87)	1 917 375,03
H	Financial costs	12 994 458,07	8 569 010,86
I	Interest, including:	5 436 598,83	5 192 888,68
-	for related entities	398 789,89	1 167 168,62
II	Loss on the disposal of financial assets, including:	0,00	193 376,07
	- in related entities	0,00	0,00
III	Revaluation of financial assets	0,00	0,00
IV	Other	7 557 859,24	3 182 746,11
I	Gross profit (loss) (F+G-H)	18 933 549,16	22 884 909,56
J	Income tax	0,00	0,00
K	Other mandatory profit reductions (increase of loss)		
L	Net profit (loss) (I-J-K)	18 933 549,16	22 884 909,56

Warsaw, June 29 2022



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Mateusz Niemczyk,
Vice President of the Management Board

4. Statement of changes in equity

No.	Title	2021	2020
I.	Capital (fund) at the beginning of the period (Opening Balance Sheet)	231 883 476,06	127 565 706,38
-	changes in the accounting principles (policy)	0,00	0,00
-	corrections of fundamental errors	0,00	0,00
I.a.	Capital (fund) at the beginning of the period (Opening Balance Sheet), after the corrections	231 883 476,06	127 565 706,38
1	Capital (fund) at the beginning of the period	9 042 514,00	7 801 915,00
1.1.	Changes in the share capital (fund)	0,00	1 240 599,00
a	increase (due to)	0,00	1 240 599,00
-	issue of shares (issue of stocks)		1 240 599,00
-		
b	decrease (due to)		
-	redemption of shares (stocks)		
-		
1.2.	Capital (fund) at the end of the period	9 042 514,00	9 042 514,00
2	Supplementary capital (fund) at the beginning of the period	80 555 170,91	76 571 754,18
2.1.	Changes in the supplementary capital (fund)	22 884 909,56	3 983 416,73
a	increase (due to)	22 884 909,56	14 224 015,73
-	issue of shares above face value,		
-	from profit distribution (statutory)	22 884 909,56	14 224 015,73
-	issue of shares (issue of stocks) - pending registration		0,00
b	decrease (due to)	0,00	10 240 599,00
-	coverage of losses		
-		10 240 599,00
2.2.	Balance of supplementary capital (fund) at the end of the period	103 440 080,47	80 555 170,91
3	Revaluation capital (fund) at the beginning of the period - changes in adopted accounting principles (policy)	111 600 667,26	28 581 297,24
3.1.	Changes in the revaluation capital (fund)	(34 152 597,73)	83 019 370,02
a	increase (due to)	3 884 904,18	83 019 370,02
b	decrease (due to)	38 037 501,91	0,00
3.2.	Revaluation capital (fund) at the end of the period	77 448 069,53	111 600 667,26
4	Other supplementary capitals (funds) at the beginning of the period	9 000 000,00	0,00
4.1.	Changes in other reserve capitals (funds)	0,00	9 000 000,00
a	increase (due to)		9 000 000,00
-		
b	decrease (due to)	0,00	0,00
-		
4.2.	Other supplementary capitals (funds) at the end of the period	9 000 000,00	9 000 000,00
5	Profit (loss) from previous years at the beginning of the period	(1 199 785,67)	386 724,23
5.1.	Profit from previous years at the beginning of the period	(1 199 785,67)	386 724,23
-	changes in the accounting principles (policy)		
-	corrections of fundamental errors	(1 020 121,17)	(1 586 509,90)

5.2.	Profit from previous years at the beginning of the period, after the corrections	(2 219 906,84)	(1 199 785,67)
a	increase (due to)	22 884 909,56	14 224 015,73
-	profit distribution from previous years	22 884 909,56	14 224 015,73
b	decrease	22 884 909,56	14 224 015,73
-	coverage of losses		(1 586 509,90)
-	transfer to the supplementary capital	22 884 909,56	14 224 015,73
5.3.	Profit from previous years at the end of the period	(2 219 906,84)	(1 199 785,67)
5.4	Loss from previous years at the beginning of the period (-)	0,00	0,00
-	changes in the accounting principles (policy)		
-	corrections of fundamental errors		
5.5.	Loss from previous years at the beginning of the period, after the corrections	0,00	0,00
a	increase (due to)	0,00	0,00
-	transfer of the loss from previous years to be covered	0,00	0,00
b	decrease (due to)	0,00	0,00
-	transfer of the profit from previous years to be covered	0,00	0,00
5.6.	Loss from previous years at the end of the period	0,00	0,00
5.7	Profit (loss) from previous years at the end of the period	(2 219 906,84)	(1 199 785,67)
6.	Net result	18 933 549,16	22 884 909,56
a	net profit	18 933 549,16	22 884 909,56
b	net loss (negative value)		
c	profit write-offs (negative value)		
II	Own capital (fund) at the end of the period (Closing Balance Sheet)	215 644 306,32	231 883 476,06
III	Own capital (fund), after taking into account the proposed profit distribution (coverage of loss)	215 644 306,32	231 883 476,06

Warsaw, June 29, 2022



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Vice President of the
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Mateusz Niemczyk,
Vice President of the
Management Board

5. Cash flows

Lp.	Tytuł	2021	2020
A	Operating cash flow		
I	Net profit (loss)	18 933 549,16	22 884 909,56
II	Total corrections	424 170,54	-21 127 083,54
1	Amortisation and depreciation	273 497,78	327 900,99
2	Foreign exchange profit (loss)	0,00	0,00
3	Interest and shares in profits (dividends)	4 903 000,45	4 792 026,33
4	Profit (loss) on investment activities	(37 738 612,18)	-34 081 070,77
5	Change in reserves	43 000,00	0,00
6	Change in inventory	0,00	0,00
7	Change in receivables	5 050 059,28	8 236 598,99
8	Change in current liabilities, excluding loans and credits	25 857 678,26	8 141 508,69
9	Change in accruals and prepayments	6 793 929,82	-3 300 803,69
10	Other corrections	(4 758 382,87)	-5 243 244,08
III	Net operating cash flow (I ± II)	19 357 719,70	1 757 826,02
B	Investing cash flow		
I	Inflows	7 237 943,61	477 116,94
1	Disposal of intangible assets and tangible fixed assets	37 037,88	93 206,54
2	Disposal of investment in real estate and intangible assets	0,00	0,00
3	From financial assets, including:	7 200 905,73	383 910,40
a)	in related entities	5 906 560,00	0,00
b)	in other entities	1 294 345,73	383 910,40
-	disposal of financial assets	910 470,30	0,00
-	dividends and shares in profits	0,00	0,00
-	repayment of the granted long-term loans	0,00	0,00
-	interest	0,00	0,00
-	other inflows from financial assets	383 875,43	383 910,40
4	Other investment flows	0,00	0,00
II	Expenses	56 579 806,85	11 151 280,25
1	Acquisition of intangible assets and tangible fixed assets	50 596,67	38 309,38
2	Investment in real estate and intangible assets	0,00	0,00
3	For financial assets, including:	56 529 210,18	11 112 970,87
a)	in related entities	55 622 484,28	11 112 970,87
b)	in other entities	906 725,90	0,00
-	acquisition of financial assets	906 725,90	0,00
-	long-term loans granted	0,00	0,00
4	Other capital expenses	0,00	0,00
III	Net investment cash flow (I-II)	(49 341 863,24)	-10 674 163,31
C	Financial activities cash flow		
I	Inflows	83 374 468,28	38 448 183,74

1	Net inflows from the issue of shares (stocks) and other capital instruments, and shareholder contributions	0,00	0,00
2	Credits and loans	61 601 759,90	0,00
3	Issue of debt securities	0,00	1 762 752,00
4	Other financial inflows	21 772 708,38	36 685 431,74
II	Expenses	52 572 391,63	29 490 103,95
1	Purchase of own shares (stocks)	62 631,75	0,00
2	Dividends and other payments to owners	0,00	0,00
3	Other than payments to owners, expenses on profit distribution	0,00	0,00
4	Repayment of credits and loans	6 506 703,91	0,00
5	Redemption of debt securities	17 940 000,00	18 830 588,76
6	From other financial liabilities	0,00	0,00
7	Payments of liabilities from financial leasing agreements	109 930,34	110 799,11
8	Interest	5 436 598,83	5 192 888,68
9	Other financial expenses	22 516 526,80	5 355 827,40
III	Net financial cash flow (I-II)	30 802 076,65	8 958 079,79
D	Total net cash flow (A.III ± B.III ± C.III)	817 933,11	41 742,50
E	Balance sheet change in cash, including:	817 933,11	41 742,50
-	change in cash due to exchange rate differences	0,00	0,00
F	Cash at the beginning of the period	167 155,30	125 412,80
G	Cash at the end of the period (F±E), including:	985 088,41	167 155,30
-	restricted cash		

Warsaw, June 29, 2022



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Paweł Opoka,
Vice President of the
Management Board



Mateusz Niemczyk,
Vice President of the
Management Board

6. Additional information and explanations

I.

1. Changes in fixed assets during the financial year:

<u>Gross value</u>	Land	Buildings, premises and engineering structures	Technical equipment and machinery	Means of transport	Other	Capital work in progress	Total
Balance at the beginning of the year		413 822,77	312 888,60	761 886,62	224 727,66	0,00	1 713 325,65
Total increase, including:		0,00	13 866,67	36 730,00	0,00	0,00	50 596,67
- from the purchase		0,00	13 866,67	36 730,00	0,00	0,00	50 596,67
- lease		0,00	0,00	0,00	0,00	0,00	0,00
- transfer		0,00	0,00	0,00	0,00	0,00	0,00
Total decrease, including:		0,00	23 657,23	38 309,38	0,00	0,00	61 966,61
- sale		0,00	23 657,23	38 309,38	0,00	0,00	61 966,61
- liquidation		0,00	0,00	0,00	0,00	0,00	0,00
- transfer		0,00	0,00	0,00	0,00	0,00	0,00
Balance at the end of the year		413 822,77	303 098,04	760 307,24	224 727,66	0,00	1 701 955,71
Redemption							
Balance at the beginning of the year		80 546,04	248 254,87	370 599,57	130 644,03	0,00	830 044,51
Total increase, including:		41 382,28	32 934,60	154 909,85	44 271,05	0,00	273 497,78
- amortisation for the financial year		41 382,28	32 934,60	154 909,85	44 271,05	0,00	273 497,78
Total decrease, including:		0,00	18 070,48	4 469,43	0,00	0,00	22 539,91
- sale		0,00	18 070,48	4 469,43	0,00	0,00	22 539,91
- liquidation		0,00	0,00	0,00	0,00	0,00	0,00
Balance at the end of the year		121 928,32	263 118,99	521 039,99	174 915,08	0,00	1 081 002,38
							0,00
Net value at the beginning of the year		333 276,73	64 633,73	391 287,05	94 083,63	0,00	883 281,14
Net value at the end of the year		291 894,45	39 979,05	239 267,25	49 812,58	0,00	620 953,33

2. Changes in intangible assets during the financial year:

<u>Gross value</u>	<u>Software</u>
Balance at the beginning of the year	71 476,42
Increase due to:	0,00
- the purchase	0,00
- other	0,00
Decreases	0,00
Balance at the end of the year	71 476,42
<u>Redemption</u>	
Balance at the beginning of the year	71 476,42
Amortisation for the financial year	0,00
Decreases	0,00
Balance at the end of the year	71 476,42
Net value at the beginning of the year	0,00
Net value at the end of the year	0,00

3. Changes in long-term investments during the financial year

No.	Changes in long-term financial assets	Long-term financial assets
1	Opening balance sheet	272 995 019,95 zł
2	Increases	78 644 581,61 zł
a	acquisition of shares/stocks	73 221 125,46 zł
b	granted loans	1 538 551,97 zł

c	acquisition of other securities	
d	revaluation of shares/stocks	3 884 904,18 zł
3	Decreases	73 337 497,81 zł
a	sale of shares/stocks	0,00 zł
b	bond repayment	3 607 360,00 zł
c	repayment of granted loans	1 467 835,90 zł
d	shares revaluation adjustment	38 037 501,91 zł
e	posting order for short-term ones	30 224 800,00 zł
4	Bilans zamknięcia	278 302 103,75 zł

4. The amount of write-offs revaluing fixed assets during the financial year, separately for long-term non-financial assets and long-term financial assets;

In 2020 the Company made the revaluation write-off of long-term financial assets in the amount of PLN 28 581 297,24.

5. Amounts of costs of completed development works and the amount of goodwill, as well as the explanation of their writing-off period, referred to in Article 33 (3) and 44b (1)

There are none in 2021.

6. Values of land in perpetual usufruct:

There are none as of 31.12.2021.

7. Values of assets not amortised or not depreciated by the entity used under lease agreements and others

There are none as of 31.12.2021.

8. Securities or rights held, including participation certificates, convertible debt securities, warrants and options

Non-current financial assets	Net worth
Shares and holdings in other entities	276 276 688,03 zł

Aforti Ac Sp. z o.o.	4 810 000,00 zł
Aforti Finance S.A.	81 332 617,36 zł
Aforti Factor S.A.	63 217 868,16 zł
Aforti Collections S.A.	36 825 776,00 zł
Aforti PLC	90 090 426,51 zł

In accordance with accounting policy, the Companies' shares in long-term assets are carried at cost less impairment losses. The Management Board has commissioned the preparation of fair value measurements of the Companies' capital. The determination of fair value using the income approach to the equity of the Subsidiaries was prepared by independent investment advisors, not affiliated in any way with the Company, who are licensed as investment advisors and listed as brokers or investment advisors. The valuation was performed in accordance with the provisions of International Financial Reporting Standard No. 13 and common national valuation principles (PKZW).

The Discounted Cash Flow ("DCF") method was used to value the Companies' equity, which is based on the future flows attributable to all financing parties, i.e., owners and creditors ("FCFF"). Valuations were prepared as of the date set forth in the following table.

For the purpose of calculating the discount rate, the weighted average cost of capital (WACC) was used, which is also the expected rate of return that an investment in the Company should provide taking into account the investment risk. The assumed expected rate of return is based on data published in January or April 2022, respectively, and current Polish and U.S. bond yields, which already take into account the impact of COVID-19 on economic activity and expected rates of return.

Company	method	Valuation as of	WACC	Residual value rate	Value of capital resulting from the test
Aforti Finance S.A.	DCF	2021.12.31	9,00%	3,64%	96 600 000,00 zł
Aforti Factor S.A.	DCF	2022.03.31	13,03%	5,19%	93 700 000,00 zł
Aforti Collections S.A.	DCF	2021.12.31	8,36%	1,00%	37 544 818,60 zł
Aforti PLC	DCF	2021.12.31	9,00%	3,64%	142 600 000,00 zł

Aforti Ac sp. z o.o. provides accounting, HR and tax services to Group companies, it is a Shared Service Center, a strategic entity allowing for cost optimization. The entity does not provide services for unrelated entities, in the opinion of the Management Board there is no need to value this entity at fair value.

9. Data on write-offs revaluing the receivables

There are none as of 31.12.2021.

10. Ownership structure of the share capital

Ownership structure of the share capital - as of 31.12.2021

Name	As of 1.01.2021	Increase	Decrease	As of 31.12.2021	number of shares [pcs]
Share capital, including:	9 042 514,00 zł	0,00 zł	0,00 zł	9 042 514,00 zł	9 042 514
Series A shares	100 000,00 zł			100 000,00 zł	100 000
Series B shares	170 000,00 zł			170 000,00 zł	170 000
Series C shares	30 000,00 zł			30 000,00 zł	30 000
Series D shares	49 450,00 zł			49 450,00 zł	49 450
Series E shares	2 394 630,00 zł			2 394 630,00 zł	2 394 630
Series F shares	271 000,00 zł			271 000,00 zł	271 000
Series G shares	3 026 835,00 zł			3 026 835,00 zł	3 026 835
Series H shares	1 760 000,00 zł			1 760 000,00 zł	1 760 000
Series I shares	1 240 599,00 zł			1 240 599,00	1 240 599

Shares of all series have a nominal value of PLN 1. Shares are not preferred.

As of the date of preparation of this financial statement, the share capital of Aforti Holding S.A. is PLN 9 042 514.00 (in words: nine million forty-two thousand five hundred and fourteen) and is divided into 9 042 514 shares (in words: nine million forty-two thousand five hundred and fourteen) with a nominal value of PLN 1.00 (in words: one zloty) each.

The effects of the revaluation of long-term financial assets to market prices are recognised in the revaluation capital, which on the balance sheet date is PLN 77 448 069,53.

As of December 31, 2021, the Company's shareholder structure was as follows:

Shareholder	Number of shares	Number of votes at the GM	Share in the share capital	Share in the share capital at the GM
Klaudiusz Sytek	5 558 760	5 558 760	61,47%	61,47%
Kamilla Sytek - Skonieczna	503 907	503 907	5,57%	5,57%
Aforti Factor S.A.	517 814	517 814	5,73%	5,73%
Pozostali (free float)	2 462 033	2 462 033	27,23%	27,23%
TOTAL	9 042 514	9 042 514	100,00%	100,00%

11. Proposal of profit distribution or loss coverage for the financial year:

The Management Board proposes that the net profit of the current year shown in the profit and loss account, in the amount of PLN 18 933 549,16 zł shall be allocated to the supplementary capital.

12. Data on the reserves by purpose of their creation

Name	As of 1.01.2021	Increase	Decrease	As of 31.12.2021
Reserves	0,00 zł	43 000,00 zł	0,00 zł	43 000,00 zł
for the audit of financial statements	0,00 zł	43 000,00 zł	0,00 zł	43 000,00 zł
other	0,00 zł	0,00 zł	0,00 zł	0,00 zł

13. Distributions of long-term liabilities by balance sheet item, with expected repayment period

Long-term liabilities:	112 324 467,69 zł
To related entities	44 263,00 zł
To other entities, including:	112 280 204,69 zł
<i>relative to credits and loans</i>	<i>92 434 827,81 zł</i>
- from more than 1 to 2 years	48 301 306,00 zł
- from more than 2 to 4 years	44 133 521,81 zł
<i>from issue of debt securities</i>	<i>2 444 098,37 zł</i>
- from more than 1 to 3 years	2 444 098,37 zł
<i>z from other financial liabilities - lease</i>	<i>167 564,84 zł</i>
- from more than 1 to 3 years	167 564,84 zł
<i>promissory note obligations</i>	<i>17 233 713,67 zł</i>
- from more than 1 to 3 years	17 233 713,67 zł

The Company's creditors under loans are mainly natural persons.

Interest on loans accrued in 2021 amounted to PLN 3,361,908.78, including PLN 3,314,347.56 paid.

The loans are not secured.

14. Należności z tytułu dostaw i usług oraz pozostałe

From other undertakings	10 234 764,40 zł
Short-term liability	2 648 295,50 zł

Receivables from related parties	2 029 287,05 zł
on account of deliveries and services, with a repayment period:	1 122 396,40 zł
- up to 12 months	1 122 396,40 zł
other	906 890,65 zł
Receivables from other entities	619 008,45 zł
on account of deliveries and services, with a repayment period:	172 689,19 zł
- up to 12 months	172 689,19 zł
on account of taxes, subsidies, customs duties, social and health insurance and other benefits	180 900,96 zł
other	265 418,30 zł
pursued in court	0,00 zł

15. Short-term liabilities (non-financial)

Towards related entities	477 737,75 zł
on account of deliveries and services, maturing	21 899,18 zł
other	455 838,57 zł
Toward other undertakings	89 734 728,03 zł
credits and loans	47 271 959,32 zł
from issue of debt securities	660 000,00 zł
on account of other financial liabilities - lease	117 166,89 zł
on account of deliveries and services, with maturity dates	2 286 168,59 zł
promissory note obligations	33 982 212,66 zł
on account of taxes, customs duties, insurance and other	5 311 074,05 zł
in respect of wages and salaries	99 296,96 zł
other	6 849,56 zł

The above liabilities for taxes, customs duties, insurance and other were repaid in the year 2022 in the amount of PLN 3,298,197.26, with the Social Insurance Institution was concluded instalment agreement for the amount of PLN 843,897.54, and in respect of PCC tax in the amount of PLN 1,170,667.09 the Company applied for instalments to the Tax Office.

16. Liabilities secured on the entity's assets (with indication of its nature and form of security)

There are none as of 31.12.2021.

17. list of significant accruals and prepayments, including the amount of accrued costs constituting a difference between the value of financial assets received and the obligation to pay for them

a/ accruals and deferred income:

Name	As of 01.01.2021	Increase	Use	As of 31.12.2021
Short-term prepayments	10 601 836,88	548 574,11	8 024 498,34	3 125 912,65
domains and websites	9 662,30	81 312,93	63 245,67	27 729,56
charges for Warsaw Stock Exchange and National Depository of Securities	0,00	8 000,00	8 000,00	0,00
insurance	12 373,53	27 743,46	29 733,77	10 383,22
advertising services	129 999,87	17 142,88	147 142,75	0,00
Foreign projects	88 928,56	27 756,22	47 797,16	68 887,62
discount on bills	10 335 494,80	-1 458 523,52	5 884 278,47	2 992 692,81
trademark Aforti	15 185,16	5 400,00	1 802,16	18 783,00
other	10 192,66	1 839 742,14	1 842 498,36	7 436,44
Long-term accruals and deferred income	1 706 446,86	3 634 059,41	2 973 377,07	2 367 129,20
bond, note and loan servicing costs	1 706 446,86	3 634 059,41	2 973 377,07	2 367 129,20

b/ accruals:

Name	As of 1.01.2021	Increase	Use	As of 31.12.2021
Short-term accruals	185 690,99 zł	0,00 zł	181 433,24 zł	4 257,75 zł
Deferred revenue	4 257,75 zł	0,00 zł	0,00 zł	4 257,75 zł
other	181 433,24 zł	0,00 zł	181 433,24 zł	0,00 zł

Other accrued expenses are the costs of the year 2020 invoiced in the year 2021.

c/ amount of prepaid expenses representing the difference between the value of financial assets received and the liability to pay for them

There are none as of 31.12.2021.

18. Assets or liabilities shown in more than one balance sheet item, their correspondence between those items; in particular the division of receivables and liabilities into long-term and short-term portions

Other financial liabilities - lease	284 731,73 zł
<i>long-term liability</i>	<i>167 564,84 zł</i>
<i>short-term liability</i>	<i>117 166,89 zł</i>
On issue of debt securities	3 104 098,37 zł
<i>long-term liability</i>	<i>2 444 098,37 zł</i>
<i>short-term liability</i>	<i>660 000,00 zł</i>
promissory note obligations	49 093 926,33 zł
<i>long-term liability</i>	<i>15 111 713,67 zł</i>
<i>short-term liability</i>	<i>33 982 212,66 zł</i>
liabilities due to loans and borrowings	139 706 787,13 zł
<i>long-term liability</i>	<i>92 434 827,81 zł</i>
<i>short-term liability</i>	<i>47 71 959,32 zł</i>

19. Total amount of contingent liabilities, including guarantees and sureties granted by the entity, also bills of exchange, not shown in the balance sheet, with an indication of liabilities secured on the entity's assets, and the nature and form of those securities; contingent liabilities for pensions and similar benefits, and related and associated entities

As at the balance sheet date of 31.12.2021, the total amount of liabilities under investment promissory notes issued by companies of the Issuer's capital group in 2020 amounted to PLN 1,559,002.12.

Contingent liabilities and contingent liabilities for pensions and similar benefits do not exist at the balance sheet date of 31.12.2021.

20. Assets that are not financial instruments are valued according to their fair value

There are none as of 31.12.2021.

21. Cash accumulated on the VAT account

The balance of cash on the VAT account as at 31.12.2021 was PLN 0.

22. Financial instrument

Title	Balance-sheet value
Financial Assets:	133 653 182,58 zł
loans granted and own receivables	15 468 475,62 zł
funds	985 088,41 zł
available-for-sale financial assets	117 199 618,55 zł
Financial Liabilities:	194 497 611,33 zł
liabilities due to loans and borrowings	139 706 787,13 zł
liabilities due to issue of debt securities	3 104 098,37 zł
promissory note obligations	49 093 926,33 zł
other financial liabilities	2 592 799,50 zł
- commercial	2 308 067,77 zł
- lease	284 731,73 zł

The fair value of financial instruments and financial liabilities approximates their carrying value.

Loans granted and own receivables.

Loans granted and own receivables	15 468 475,62 zł
loans granted	2 585 415,72 zł
own receivables	12 883 059,90 zł

Loans as at 01.01.2021	Granting of loans	Repayment of loans	Write-downs	As at 31.12.2021
1 954 699,65 zł	15 215 661,97 zł	14 584 945,90 zł		2 585 415,72 zł

Interest income amounted to PLN 533,598.38, including the amount of interest paid on loans of PLN 445,540.27.

Short-term investments	118 184 706,96 zł
funds	985 088,41 zł
available-for-sale financial assets	117 199 618,55 zł

Available-for-sale financial assets are measured at the first sale transaction that occurs after the balance sheet date.

The following instruments are reported under financial assets held for sale:

Available-for-sale financial assets, stocks and shares	119 895 613,55 zł
Aforti Ac Sp. z o.o.	250 000,00 zł
Aforti Finance SA	8 824 090,90 zł
Aforti Factor SA	31 314 116,00 zł
Aforti PLC	76 811 411,65 zł
Aforti Exchange Bulgaria	990 315,00 zł
Aforti UAB	1 705 680,00 zł

Minority interests in shares of subsidiaries and associates held for sale, not classified as non-current assets, are measured by the Company at fair value:

a) in the event that the Company sold a part of shares similar to shares which will continue to be recognized, or other Group Companies entered into transactions for such shares, the prices prevailing in the actual transactions constitute the best estimate of the fair value of the part of financial assets which will continue to be recognized;

b) if the Company does not have a price from item a), it selects the best method of fair value measurement of shares of subsidiaries and associates, which will take into account the specific nature of the entity, its lifespan, the subject of its activity, the competitive conditions in the market of its operation, so that the valuation of the shares is reliable and market-based.

Shares denominated in foreign currencies are valued at the average exchange rate announced for a given currency by the National Bank of Poland on that day.

The held for sale minority interest in Aforti PLC, the company responsible for the EMI project, was valued at fair value in 2021 in accordance with the principles described above. The sale price of the shares varied during the year depending on the achievement of the following project development so called "milestones".

Month	Selling price per 1 share	Stage of project development determining the change in share price
February 2021	0,75 GBP	Starting price at the beginning of the project
April 2021	0,80 GBP	Purchase of a company in Cyprus with an EMI license (not yet operational)
July 2021	0,87 GBP	Positively completed license operational audit
October 2021	0,91 GBP	CBC has confirmed the completion of its license activation procedures

December 2021- styczeń 2022	1,5 GBP	Decision granting the operating licence and passporting the operating licence in the EU
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Aforti PLC's share sale price of £1.5 was confirmed in the sale of 154,000 shares in Q1 2022. Further blocks of shares will be sold, once the next milestone in the project's development is reached, which is the start of operations on a passport basis, which will provide the opportunity to increase the sale price and update the project's validation.

The value of Aforti PLC's minority holdings held for sale as at the balance sheet date is PLN 76,811,411.65. The valuation of minority stakes held for sale is based on market methodology of valuation of competing projects such as N26, Revolut, Monzo and sale transactions to industry investors Akcenta and Ebury.

Other companies, due to the lack of an active market, the company adopted, for the remaining stocks and shares reported in short-term assets, it was determined that the most reliable valuation was the purchase price, and at such values they were reported in the financial statements as of the balance sheet date. The last purchase price transactions occurred in 2020.

II.

1. Material and territorial structure of net revenues from sales of goods and products

Specification of revenue	year 2021	year 2020
Sales revenue:	6 952 051,57	8 950 445,66
Net sales revenue	6 952 051,57	8 950 445,66
Other operating revenue:	47 314,42	165 445,98
Profit on the disposal of non-financial fixed assets	-	15 629,37
other	47 314,42	149 816,61
Financial revenue:	38 073 196,51	36 940 760,53
dividend	-	-
interest	533 598,38	400 862,35
Profit on disposal of investments	4 453 866,15	-
Revaluation of investments	33 284 734,85	34 622 523,15
other	- 199 002,87	1 917 375,03
total revenue:	45 072 562,50	46 056 652,17

All of the Company's revenues are generated domestically.

2. Amount and explanation of the reasons for write-offs revaluating fixed assets

There are none in 2021.

3. Amount of write-offs revaluating inventory

There are none in 2021.

4. Information on revenues, costs and results of operations discontinued in the financial year or to be discontinued in the following year;

There are none in 2021.

5. Settlements of the differences between the income tax base and a gross financial result (profit, loss);

	capital gains	other
Balance sheet profit/loss	-13 483 558,92	32 417 108,08
interest from bonds	0	
income from sale of investment certificates		
	0	
REVENUE +	0,00	0,00
Release of reserves		
revaluation of investments		33 284 734,85
other		5 911,61
REVENUE -	0,00	33 290 646,46
20% of the 2020 surplus	-	849 884,61
lease payments		118 619,49
Civil law contracts		
	0,00	
COSTS +		968 504,10
Depreciation - balance sheet		148 043,90
representation costs		160 510,58
K.finances-budget interest		47 175,42

K.finances-foreign-exchange-unrealized		8 357,97
costs not related to revenue.		271 122,33
taxes and fees		-23 062,21
Salaries non-tax-deductible expenses + Social Security		198 656,61
Financial intermediation	3 529 978,87	-509 526,06
Services for handling shares and bonds	2 382 085,33	-2 382 085,33
only costs of selling shares	1 350 705,00	6 847 298,53
interest on bonds	1 235 158,22	-1 235 158,22
Discounting bills of exchange	7 385 974,99	-7 385 974,99
surplus relating to capital revenue	6 780 396,27	
surplus relating to other income		3 272 587,57
Other non-tax-deductible expenses		57 407,76
COSTS -	9 103 506,15	-524 646,15
OTHER	0,00	0,00
TAX PROFIT/LOSS	0,00	0,00
loss from previous years = to be deducted	-4 380 052,77	-2 366 688,63
Income tax base		0,00
TAX PROFIT	-4 380 052,77	-2 366 688,63

6. Costs of production of capital work in progress, including interest and exchange rate differences which increased the costs of production of capital work in progress in the financial year;

There are none in 2021.

7. Interest and exchange rate differences which increased the purchase price of goods or costs of manufacturing the products in the financial year;

There are none in 2021

8. expenditures on non-financial fixed assets made in the last year and planned for the following year; incurred and planned expenditures on environmental protection;

In 2021, the Company incurred expenditures on fixed assets and intangible assets in the amount of PLN 50,596.67, for the next year the Company does not plan to incur expenditures.

9. Amount and nature of individual items of revenue or costs of extraordinary value or which occurred incidentally

There are none in 2021.

10. information on costs related to research and development work not qualified in accordance with Article 33 (2) as intangible assets;

There are no costs related to research and development work in 2021 that are not classified as intangible assets in accordance with Article 33(2).

III.

Explanatory notes for the items in the financial statement expressed in foreign currencies; rates adopted for their valuation

As at the balance sheet date of 31.12.2021 the company valued its positions in foreign currencies according to the average exchange rate of the National Bank of Poland as at 31.12.2021, table no. 254/A/NBP/2021

Currency name	Currency code	Average rate
euro	1 EUR	4,5994
pound sterling	1 GBP	5,4846
Romanian leu	1 RON	0,9293

IV.

Explanatory notes to the cash flow statement

1. Cash included in the cash flow statement

At the beginning and at the end of the accounting period cash recognised in the financial statement included only own cash. The Company has no restricted cash.

2. Division of the Company's activities for the purposes of the cash flow statement

a/ operational activity:

included the provision of management and business advisory services

b/ investment activities:

covered the purchase and disposal of financial assets, intangible assets and tangible fixed assets, granting long-term loans and repayments of these loans

c/ financial activities:

covered inflows from the issue of shares, issue of securities, other inflows including interest and payments of liabilities under lease agreements, redemption of debt securities and interest.

V.

- 1. Agreements concluded by the entity which are not included in the balance sheet to the extent necessary to assess their impact on the property and financial situation, as well as financial results of the entity**

There are none in 2021.

- 2. Significant transactions made by the entity on other conditions other than market conditions with related parties**

In 2021 there were transactions with related parties in Aforti Holding S.A.; they were made on market conditions.

- 3. Average employment in the financial year.**

Content	2021	2020
Number of persons employed on the last day of the year:	9	13

- 4. Remuneration, including profit-based remuneration, paid or due to the members of management, supervisory or administration bodies of commercial companies (for each group separately) for the financial year**

Remuneration	Rok 2021
Members of the Management Board	837 000,00 zł
- including from the distribution of profits	0,00 zł
Managing Directors	0,00 zł
- including from the distribution of profits	0,00 zł
Members of supervisory bodies	0,00 zł
- including from the distribution of profits	0,00 zł
Total remuneration	837 000,00 zł

5. Loans and benefits of similar nature granted to members of management, supervisory or administration bodies of commercial companies (for each group separately) with the indication of interest rates and repayment terms, as well as liabilities incurred on their behalf under guarantees and sureties of any type

In the accounting period the Company did not grant loans, credits, advances and guarantees to the members of the Management Board, Managing Directors and members of supervisory bodies.

6. Remuneration of a statutory auditor or an entity authorised to audit financial statements, paid or due for the financial year

On March 1, 2022, the Company's Supervisory Board adopted a resolution on the appointment of the auditor: "UHY ECA Audyt Sp. z o.o. Sp.k." Połczyńska 31a, (01-377) Warsaw, KRS 0000418856, an audit company entered in the list of entities authorized to audit financial statements under registration number 3115, to audit the financial statements of Aforti Holding S.A. for the 12-month period ending December 31, 2021 December 31, 2021 and December 31, 2022 to issue a written audit report containing the auditor's opinion on the audit of that report, and a resolution to audit the consolidated financial statements of the Aforti Holding Group for the 12-month period ending December 31, 2021 and December 31, 2022 to issue a written audit report containing the auditor's opinion on the audit of that report. For the performance of services the Company will pay respectively PLN

27,000.00 and PLN 27,000.00 net for the audit of separate financial statements and PLN 16,000.00 net and PLN 16,000.00 net for the audit of consolidated financial statements plus value added tax.

Aforti Holding S.A. has not entered into any other agreements with an entity authorized to audit financial statements and has not purchased any other services from it, including other attestation services or tax advisory services.

VI.

- 1. Information on revenues and costs related to errors made in previous years, recognised in the financial year as own capital (fund), specifying their amounts and types;**

Name	Increase
Costs for 2020	860 000,00
Total	860 000,00

- 2. information on significant events that occurred after the balance sheet date and were not included in the financial statements, and their impact on the entity's property, financial situation and financial result;**

There were none in 2021.

- 3. changes in accounting principles (policy) made in the financial year, including valuation methods, if they have a significant impact on property or financial situation and financial result of the entity, their causes and the amount of the financial result and changes in own capital (fund) caused by the changes, and the presentation of the change in the manner of preparation of the financial statement, together with its reasons;**

the Company has not made changes in the valuations methods adopted before, the accounting principles has been applied continuously and are consistent with the accounting principles applied in the previous financial year..

4. figures, together with an explanation, that ensure comparability of the data in the financial statement for the preceding year with the statement for the financial year

There were none in 2021.

VII.

1. Information on joint ventures that are not subject to consolidation

There were none in 2021.

2. Information about transactions with related entities

During 2021, the Company entered into transactions with related parties:

- provision of holding services
- sublease of office
- acquisition of shares
- redemption of debt securities
- foreign exchange
- re invoicing of costs
- borrowings
- interest and discount payments

3. a list of companies (name, registered office) in which the entity has involvement in the capital of at least 20% of the total number of votes in the company's governing body;

- **Aforti Finance S.A.** – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti Ac Sp. z o.o.** . – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti Factor S.A.** . – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti Collections S.A.** – . – registered office in Warsaw, the address: - ul. Chałubińskiego 8, 00-613 Warsaw.
- **Aforti PLC**- . – registered office in Birmingham, Adress – No 1 Colmore Sguare B464AA, United Kingdom.
- **Aforti Exchange Bulgaria AD** – registered office in Sofia. Adres - 67. Vitosha Blvd.. fl. 1. ap. 4. 1000. Sofia. Republic of Bulgaria
- **Aforti UAB** - registered office in Vilnius Address: - Mėsinių g. 5. Vilnius 01135. Lithuania;

4. Name and registered office of the entity preparing consolidated financial statements at the highest level of capital group of which the Company is a subsidiary

Aforti Holding S.A. is an ultimate parent entity in the capital group.

Warsaw, 29-06-2022

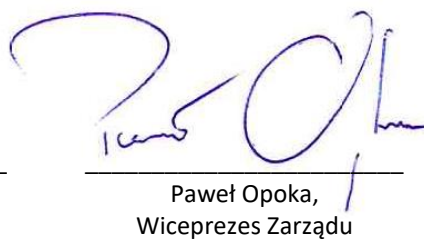


Małgorzata Soboń
Główna Księgowa

Małgorzata Soboń
Osoba odpowiedzialna za prowadzenie ksiąg rachunkowych



Klaudiusz Sytek,
Prezes Zarządu



Paweł Opoka,
Wiceprezes Zarządu



Mateusz Niemczyk,
Wiceprezes Zarządu

4

REPORT OF THE MANAGEMENT BOARD OF AFORTI
HOLDING S.A. ON BUSINESS OPERATIONS

1. INFORMATION ABOUT THE COMPANY

1.1. GENERAL INFORMATION ON COMPANY

Table 5 - General data of the Company

Name (Company)	Aforti Holding Inc
REGISTERED OFFICE ADDRESS:	00-613 Warszawa, 8 Chałubińskiego Street
TELEPHONE:	+48 22 647 50 00
FAX:	+48 22 205 08 19
WEBSITE ADDRESS:	www.AFORTI.pl
E-MAIL ADDRESS:	biuro@AFORTI.pl; inwestorzy@AFORTIholding.pl
KRS:	0000330108, District Court in Warsaw XII Commercial Division of the National Court Register
NIP:	525-245-37-55
REGON:	141800547

source: Company

AFORTI Holding S.A. was established on April 15, 2009. Company operates in virtue of the Commercial Companies Code and other relevant regulations, and also on the grounds of Company's Articles of Association.

1.2. SCOPE OF ACTIVITY

Aforti Holding S.A. is the parent company of the AFORTI Capital Group. As a holding company, its activities are focused on providing support to subsidiaries, including in the field of marketing and promotion, investor relations, legal advice, IT services, providing administrative "back office" (including leasing of office equipment, car fleet management, loan support, etc.). In addition, the Issuer oversees and implements the adopted development strategy. An important aspect of the Company's operations is also the active search for entities that could be subject of acquisition, supplementing the portfolio of services for entrepreneurs provided by the Aforti Group.

In accordance with the Polish Classification of Activities (PKD), the Company operates in the following areas (indicated in the National Court Register):

- 1) 64, 20, Z, Activities of financial holding companies
- 2) 70, 22, Z, Other business and management consultancy
- 3) 82, 11, Z, Service activities related to administrative office support
- 4) 64, 91, Z, Financial leasing
- 5) 64, 92, Z, Other forms of granting loans
- 6) 64, 99, Z, Other financial service activities not elsewhere classified, excluding insurance and pension funding

- 7) 66, 19, Z, Other activities supporting financial services, excluding insurance and pension funds
- 8) 69, 20, Z, Accounting and book-keeping activities; tax consultancy
- 9) 70, 10, Z, Activities of head offices and holding companies, excluding financial holdings
- 10) 64, 30, Z, The activities of trusts, funds and similar financial institutions.

1.3. SHARE CAPITAL

At the date of this report the share capital of Aforti Holding S.A. amounts to PLN 9,042,514.00 (in words: nine million forty-two thousand five hundred and fourteen zloty) and is divided into 9,042,514 (in words: nine million forty-two thousand five hundred and fourteen) shares with a nominal value of PLN 1.00 (in words: one zloty) each, including:

- 100,000 (in words: one hundred thousand) A series bearer shares,
- 170,000 (in words: one hundred and seventy thousand) B series bearer shares,
- 30,000 (in words: thirty thousand) series C bearer shares,
- 49,450 (in words: forty nine thousand four hundred and fifty) D series bearer shares,
- 2.394.630 (in words: two million three hundred and ninety four thousand six hundred and thirty) E series bearer shares,
- 271,000 (in words: two hundred and seventy-one thousand) F series bearer shares,
- 3,026,835 (in words: three million twenty-six thousand eight hundred and thirty-five) series G bearer shares,
- 1,760,000 (in words: one million seven hundred and sixty thousand) H series bearer shares,
- 1,240,599 (in words: one million two hundred and forty thousand five hundred and ninety nine) series I bearer shares.

The total number of votes resulting from all issued shares disclosed in the National Court Register is 9,042,514 (in words: nine million forty-two thousand five hundred and fourteen) votes at the Company's General Meeting of Shareholders.

As at 31 December 2021, the share capital amounted to PLN 9,042,514.00 and was divided into:

Table 6 - Share capital structure of Aforti Holding S.A.

Series and type of shares	Number of shares	Nominal value 1 share	Total nominal value
A, ordinary bearer	100.000	1,00 PLN	100.000,00 PLN

B, ordinary bearer	170.000	1,00 PLN	170.000,00 PLN
C, ordinary bearer	30.000	1,00 PLN	30.000,00 PLN
D, ordinary bearer	49.450	1,00 PLN	49.450,00 PLN
E, ordinary bearer	2.394.630	1,00 PLN	2.394.630,00 PLN
F, ordinary bearer	271.000	1,00 PLN	271.000,00 PLN
G, ordinary bearer	3.026.835	1,00 PLN	3.026.835,00 PLN
H, ordinary bearer	1.760.000	1,00 PLN	1.760.000,00 PLN
I, ordinary bearer	1.240.599	1,00 PLN	1.240.599,00 PLN
RAZEM	9.042.514	-	9.042.514,00 PLN

source: Company

The surplus of the share issue price over the nominal value, together with the retained earnings allocated to capital, forms reserve capital, which as at 31 December 2021 amounted to **PLN 103 440 080,47zł**.

1.4. SHARES AND SHAREHOLDING STRUCTURE

Securities of AFORTI Holding S.A. debuted on the NewConnect market of the Warsaw Stock Exchange S.A. (WSE) on 19 August 2011.

As at 31.12.2021, the Company's shareholder structure was as follows:

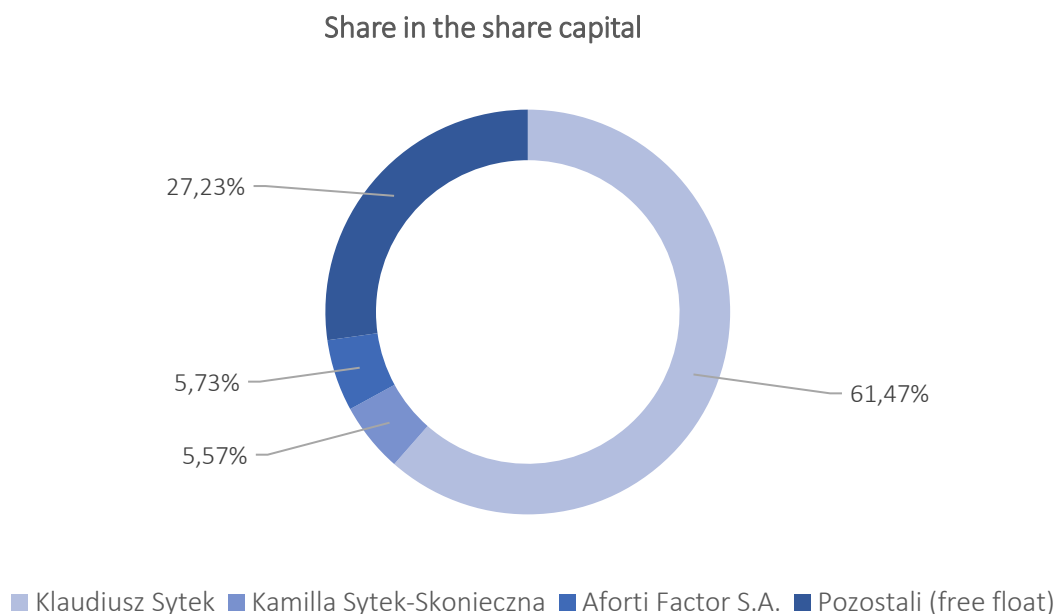
Table 4 - Shareholder structure of Aforti Holding S.A. as at 31.12.2021.

Shareholder	Number of shares	Share in the share capital	Number of votes	Share in the total number of votes at the GM
Klaudiusz Sytek	5 558 760	5 558 760	61,47%	61,47%
Kamilla Sytek - Skonieczna	503 907	503 907	5,57%	5,57%
Aforti Factor S.A.	517 814	517 814	5,73%	5,73%
Pozostali (free float)	2 462 033	2 462 033	27,23%	27,23%
RAZEM	9 042 514	9 042 514	100,00%	100,00%

Figures as at 31.12.2021

source: Company

Chart 1 - Shareholder structure of Aforti Holding S.A. as at 31.12.2021



source: Company

As of the date of this report, the shareholder structure of the Company is as follows:

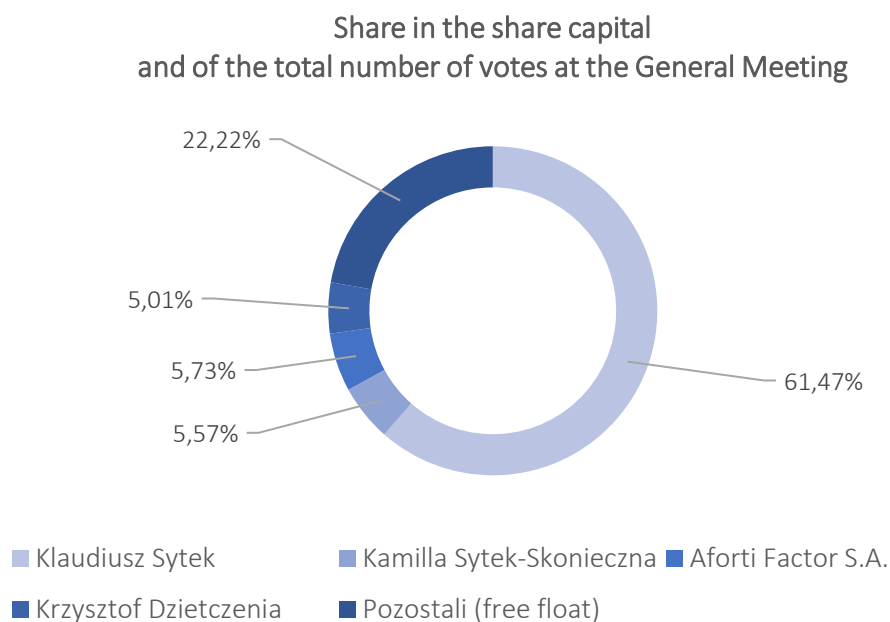
Tabela 8 - Shareholder structure of Aforti Holding S.A. as at the date of the management report on operations

Shareholder	Number of shares	Number of votes at the GM	Share in the share capital	Share in the total number of votes at the GM
Klaudiusz Sytek	5 558 760	5 558 760	61,47%	61,47%
Kamilla Sytek - Skonieczna	503 907	503 907	5,57%	5,57%
Aforti Factor S.A.	517 814	517 814	5,73%	5,73%
Krzysztof Dzieczenia	453 268	453 268	5,01%	5,01%
Other (free float)	2 008 765	2 008 765	22,22%	22,22%
TOTAL	9 042 514	9 042 514	100,00%	100,00%

Figures as at 31.12.2021

source: Company

Figure 1 - Shareholder structure of Aforti Holding S.A. as at the date of the management report on operations



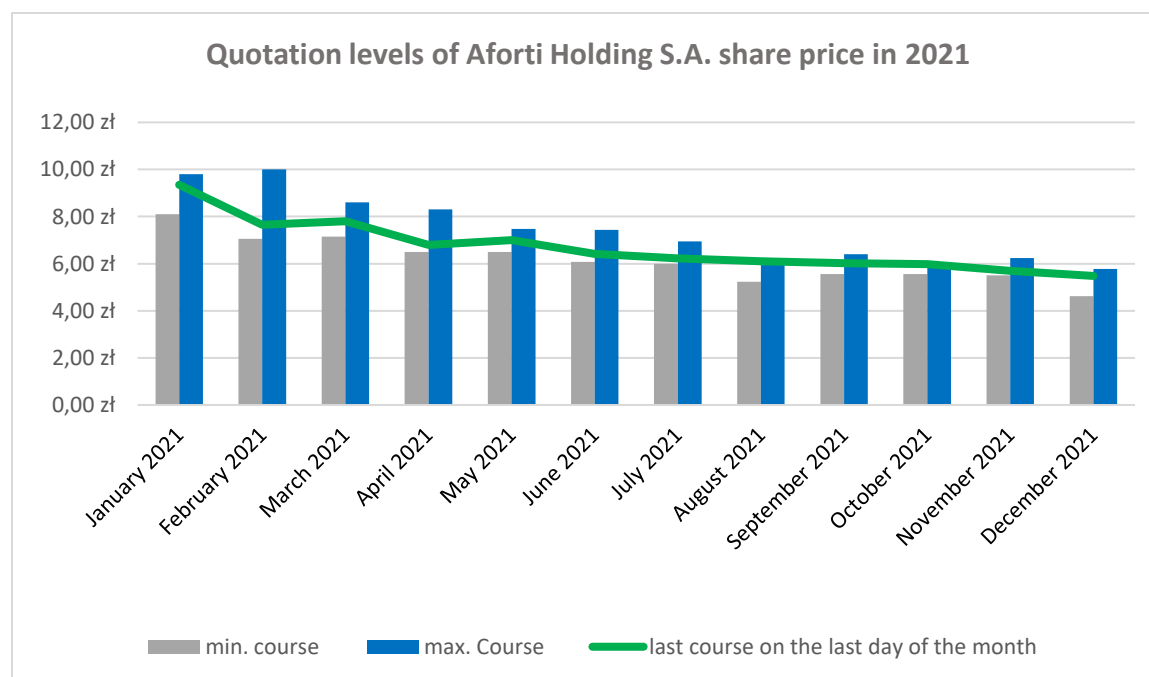
source: Company

Quotations of AFORTI Holding S.A. shares in the period from 01.01.2021 – 31.12.2021

In 2021, the Company's share price increased by 41,02 proc from the lowest level of PLN 8,10 recorded in January to PLN 4,62 in December 2020.

The Company's last highest share price was recorded in January 2021 at PLN 10.

Chart 3 - Aforti Holding S.A. share price in 2021

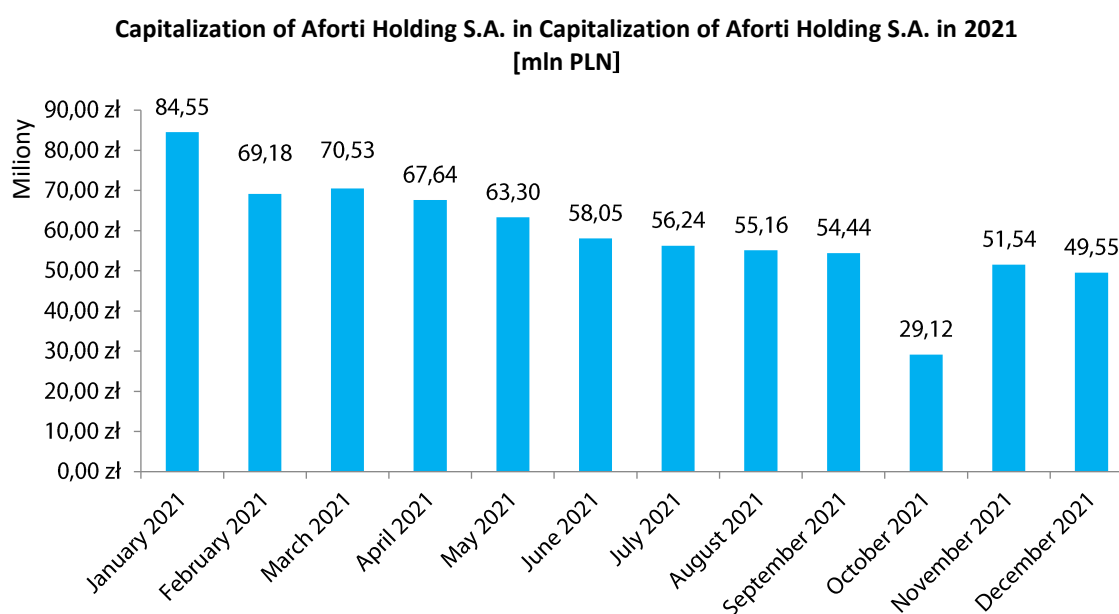


source: Company

Company capitalisation in the 2021 period

In 2021, Aforti Holding S.A.'s capitalization decreased by 41.40 percent from PLN 84.55 million to PLN 49.55 million.

Chart 4 - Capitalisation of Aforti Holding S.A. in 2021



source: Company

1.5. COMPANY AUTHORITIES

During the 2021 period, the composition of the Company's management and supervisory bodies was as follows:

Tabela 9 - Composition of the Board of Directors of Aforti Holding S.A. as at 01.01.2021 do 31.12.2021

ZARZĄD

Name and surname	Position	Term	
		From	To
Klaudiusz Sytek	President of the Management Board	15.06.2020	15.06.2023
Paweł Opoka	Vice-President of the Management Board	16.05.2021	15.05.2024
Mateusz Niemczyk	Vice-President of the Management Board	08.05.2019	08.05.2022*

source: Company

* the Management Board member's mandate expires on the date of the General Meeting of Shareholders of AFORTI Holding S.A. approving the financial statements for the last full financial year of holding the position of Management Board member

source: Company

Table 6 - Composition of the Supervisory Board of Aforti Holding S.A. as at 01.01.2021 to 31.12.2021

Supervisory Board				
Name and Surname	Role	Term of office		
		from	to	
Kamilla Sytek - Skonieczna	Chairperson of the Supervisory Board	25.06.2020	25.06.2023	
Dawid Pawłowski	Supervisory Board Member	25.06.2020	25.06.2023	
Olga Chojecka-Szymańska	Supervisory Board Member	25.06.2020	25.06.2023	
Ludwik Sobolewski	Supervisory Board Member	25.06.2020	25.06.2023	
Krzysztof Rabiański	Supervisory Board Member	25.06.2020	25.06.2023	

1.6. BRANCHES (ESTABLISHMENTS) OWNED BY THE UNIT)

The Company does not have any branches.

As at the end of the period covered by this report, the Company had offices in Warsaw, Kraków, Rybnik, Rzeszów, Szczecin and Lublin. These branches are commercial offices, are not separate entities, are not listed in the entry to the National Court Register, do not have legal personality, and are dependent on Aforti Holding S.A., operating under the same name. The indicated branches do not prepare separate financial statements, therefore they are not self-balancing entities.

1.7. ENTITIES IN WHICH THE COMPANY HOLDS AN INTEREST

Aforti Holding S.A. is a public company acting as a parent company and as such does not conduct operations in relation to clients outside the Capital Group, while acting as a holding company.

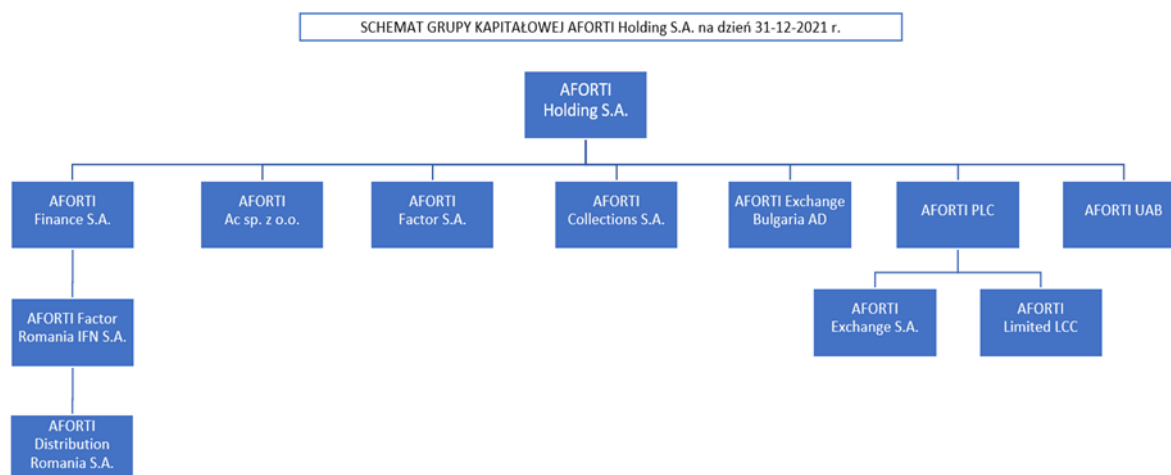
The Company holds interests in the following entities:

Table 7 – Shares in companies. as of 31.12.2021

Name of the Company	Registered office	Data	Share Capital	Share of the Parent Company in the share capital
Aforti Holding S.A.	ul. Chałubińskiego 8, 00 – 613 Warszawa	KRS: 0000330108 REGON: 141800547 NIP: 525-245-37-55	9.042.514 PLN	0,08 % akcji
Aforti Ac Sp. z o.o.	ul. Chałubińskiego 8, 00 – 613 Warszawa	KRS: 0000313339 REGON: 141570047 NIP: 5242661216	4.680.000 PLN	100 % udziałów

Aforti Collections S.A.	ul. Chałubińskiego 8, 00 – 613 Warszawa	KRS: 0000639964 REGON: 365362973 NIP: 7010620699	7.707.403 PLN	96.89 % akcji
Aforti Exchange S.A.	ul. Chałubińskiego 8, 00 – 613 Warszawa	KRS: 0000719620 REGON: 146332039 NIP: 9512360841	18.068.000 PLN	100 % akcji pośrednio przez Aforti PLC
Aforti Exchange Bulgaria A.D.	14, Tsar Osvoboditel Blvd., fl. 5, Sofia Landmark House Centre, 1000 Sofia, Republic of Bulgaria	UIC 204854594	500.000 BGN	90 % akcji oraz pośrednio przez Aforti Exchange S.A. 10 % akcji
Aforti Distribution Romania S.A.	17 Constantin Alexandru Rosetti (C.A. Rosetti) street, office 005, entresol, district 2, Bucharest, Romania	Trade Register no. J40/10043/2017 The unique registration code 37812805	4.165.425 RON	0,06 % akcji oraz pośrednio 99,94 % przez Aforti Factor Romania IFN
Aforti Factor S.A.	ul. Chałubińskiego 8, 00 – 613 Warszawa	KRS: 0000274431 REGON: 14084631700000 NIP: 1070006505	22.738.500 PLN	91,60 % akcji oraz pośrednio 4,49 % akcji przez Aforti Finance S.A., 96,30 % akcji oraz pośrednio 2,27 % poprzez spółki zależne: Aforti Collections S.A., Aforti Factor S.A., Aforti AC sp. z o.o.,
Aforti Finance S.A.	ul. Chałubińskiego 8, 00 – 613 Warszawa	KRS: 0000436229 REGON: 146346308 NIP: 5252540891	16.441.750 PLN	
Aforti Factor Romania IFN S.A.	Romania, Bucharest, 020334, 2nd District, 4B Gara Herastrau Street, 10th floor, registered with the Bucharest Trade Registry Office, under	Trade Registry no. J40/5254/2018, Id No (tax no.): 39199589 registered in the Non-Banking Financial Institutions General Register held by the National Bank of Romania under no. RG-PJR-41-110339/26.10.2018	7.959.089 RON	99,998 % akcji pośrednio przez Aforti Finance S.A., pozostałe 0,002 % akcji posiada Pan Klaudiusz Sytek
Aforti, UAB	Mėsinių gatvė 5, Vilnius 01133, Lietuva	305207212	400.000 EUR	100 % akcji
Aforti Limited LCC	Arh. Makarioy III, 74, AMARANTON COURT, Floor 3, Mesa Geitonia, 4003, Limassol, Cypr	Trade Registry no. HE 388355 CUI: C388355	1.000 EUR	100 % udziałów pośrednio poprzez Aforti PLC
Aforti PLC	10 Orange Street, Haymarket, London, England, WC2H 7DQ	Company number 12821204	413.495,52 GBP	82,20 % akcji

Figure 1 - Structure of the AFORTI Group as at 31.12.2021



source: Company

2. INFORMATION ABOUT EVENTS SIGNIFICANTLY INFLUENCING THE ACTIVITY OF THE ENTITY, WHICH TOOK PLACE DURING THE FINANCIAL YEAR AND ALSO AFTER ITS COMPLETION UNTIL THE DATE OF APPROVAL OF THE FINANCIAL STATEMENTS

Aforti Holding S.A., as the parent company, does not conduct active operations. The company's management focuses its main attention on building a group of companies providing financial services to entrepreneurs and does not conduct business and trading activities for entities outside this group. Consequently, during the period covered by this report, significant events relate almost exclusively to subsidiaries belonging to the AFORTI Capital Group, whose parent company is Aforti Holding S.A. The Company's tasks revolve around servicing the so-called back office for its subsidiaries, to which it provides legal services, marketing and promotion, investor relations, legal advice, IT support, providing administrative "back office" services (including office equipment leasing, car fleet management, loan support, etc.).

In April 28, 2021 the management Board of Issuer adopted the document "AFORTI Capital Group Strategy for 2021 – 2023".

The primary objective of developing and adopting the Development Strategy for the Group for 2021-2023, headed by Aforti Holding S.A., is to set and expand the directions of its further activities, systematically increasing the scale and profitability of its operations, and in the long term building value of the Group for its shareholders.

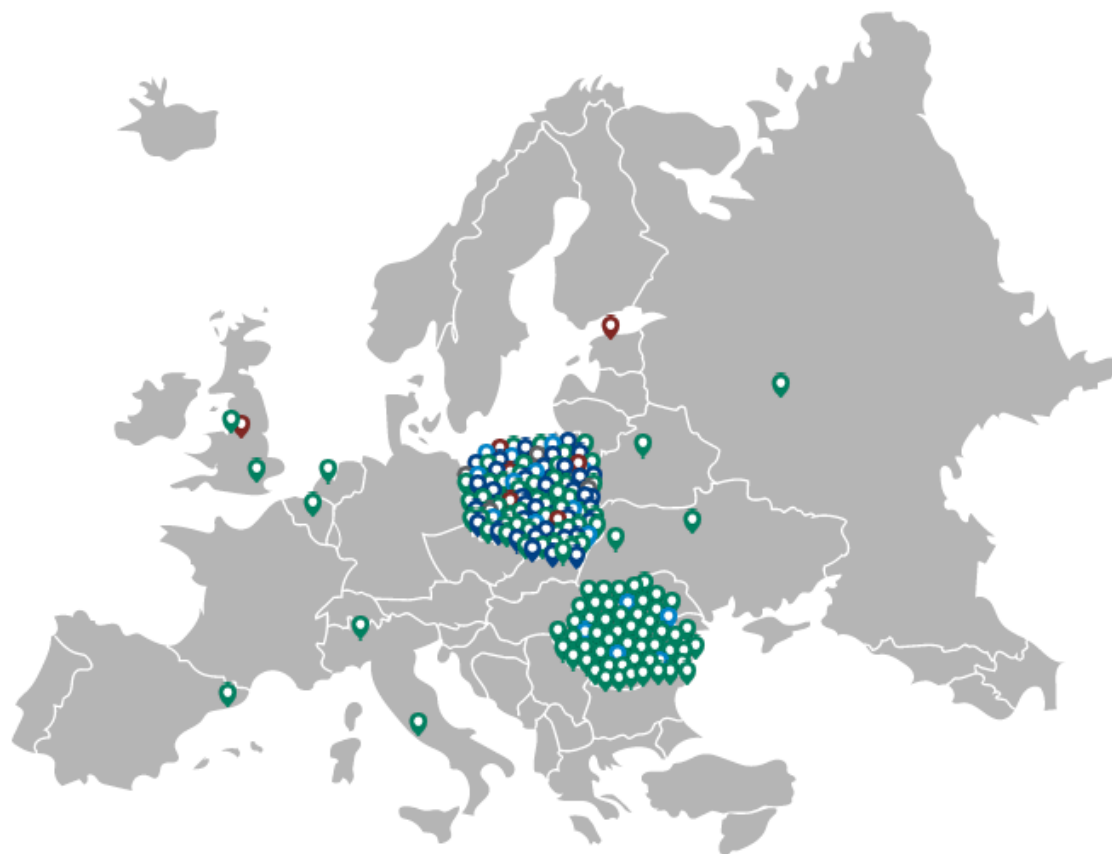
The basic pillars of the Strategy are:

- debt collection pillar,
- company service platform - AFORTI.BIZ,
- asset management pillar.

The year 2021 was the 12th year of the Company's operation. During this period, the Company and its subsidiaries acquired and served over 6.6 thousand customers throughout Poland.

Figure 2 - The map shows the geographical dispersion of the Aforti Group companies' clients

and Europe. Aforti brand has become more recognizable in the financial services industry dedicated to small and medium enterprises (SME).



source: Company

In 2021. Aforti Capital Group consistently implemented the Aforti Capital Group strategy for the years i.e. 2021-2023.

The primary objective of the Development Strategy of the Group for 2021-2023, headed by Aforti Holding S.A., is to set and expand the directions of its further activities, systematically increasing the scale and profitability of its operations, and in the long term building value for its shareholders.

The company develops the Group's operations by building a multiproduct platform AFORTI.BIZ dedicated to small and medium enterprises and micro companies, offering services such as currency exchange, factoring, maintaining multi-currency accounts and currency transfers. The functionality of the AFORTI.BIZ platform will be based on the EMI license.

One of the most significant events of 2021 was the execution on 27 January 2021, by the Issuer's dedicated subsidiary, UK-based Aforti PLC, of a conditional agreement to purchase a controlling interest in an EU electronic money institution licensed under the applicable EU directives on payment services and electronic money ("EMI") (RB ESPI 5/2021), allowing the Company to expand internationally by passporting the EMI license to 11 EU countries. To this end, Aforti PLC and the Issuer, as indirect applicant, have applied to local regulatory authorities for approval for Aforti PLC to purchase a 9.90% stake. The Issuer on April 27, 2021. (RB ESPI 23/2021) was informed that the Central Bank of Cyprus had issued a positive decision allowing the purchase of the shares by Aforti PLC. Subsequently, as the process of verification of the application for activation of the EMI license by the Licensing Department of the Central Bank of Cyprus has been completed and the EMI license has been finally activated (RB ESPI 63/2021), the Cyprus company has submitted the application for passportization to the Central Bank of Cyprus. The passportization will enable the provision of services such as foreign exchange, factoring, multi-currency accounts and foreign currency transfers. (RB ESPI 64/2021).

Aforti Collections S.A. also develops its activities by acquiring debt portfolios and increasing the scale of debt servicing by order. The Issuer intends to continue its territorial expansion into foreign markets through its presence in 11 countries of Central and Eastern Europe.

Work on the project and the AFORTI.BIZ digital platform is progressing steadily. Work is well advanced in developing, expanding and adapting the currency exchange platform to the international environment so that it meets all the requirements of the EMI license.

In addition, Aforti PLC - a subsidiary of the Issuer - based in the United Kingdom, conducted 6 rounds of offering new issue shares in a private placement. The total number of newly issued shares acquired amounted to 4,895,722 with the total value of GBP 4,520,221.72.

As at 31 December 2021, Aforti Holding S.A. directly holds 33,988,187 Aforti PLC shares representing 82.20% of the share capital, while individual investors hold 7,361,365 Aforti PLC shares representing 17.80% of the share capital for a total value of GBP 7,361,365.

At the same time, in order to effectively implement the adopted development strategy, the Aforti Group focused its activity, among others, on seeking an institutional investor.

Work also commenced on updating the current strategy of the Aforti Capital Group for the following years, i.e. 2021-2023.

At the same time, the Company strives to build the most transparent business structure possible. The Capital Group's activities are aimed at obtaining stable, institutional external financing in order to change the financing structure of its operations.

The Board of Directors of the Issuer points out that the implementation of the strategic objectives of the Aforti Group presented above may affect its economic, asset and financial situation and further prospects of its development.

Due to the application submitted by the Issuer to the Management Board of the Warsaw Stock Exchange S.A. ("Exchange") for determining the first trading date of 1,240,599 series I ordinary bearer shares of PLN 1 each, the WSE Management Board set the first day of trading in the NewConnect alternative trading system at 10 May 2021. The shares were marked by the National Depository for Securities with the code "PLMNTHL00024".

As a condition for the above, on 10 May 2021, the aforementioned shares were assimilated with the shares listed by the Issuer in the alternative trading system under the code "PLMNTHL00016". (RB EBI 24/2021).

On 8 October 2021. Bucharest Stock Exchange (BSE), having considered the Issuer's application for determining the first day of listing of series AFH25 bonds, decided to admit the bonds issued by Aforti Holding S.A., which are the subject of the application for admission to trading in the Multilateral Trading System administered by the Bucharest Stock Exchange S.A., under the Financial Instruments Section listed on the SMT.

Tuesday, October 12, 2021 was the first trading day for bonds issued by Aforti Holding S.A. on the Multilateral Trading System of the Bucharest Stock Exchange Bucharest Stock Exchange. The funds raised from the bond issue, worth RON 2 million, will be used to finance Aforti's operations in Romania. The bond issue is part of the company's expansion strategy in Central and Eastern European countries.

Trading of the Issuer's bonds on the Bucharest Stock Exchange commenced on October 12, 2021, recording a 3.5% increase in value on the debut date (with a nominal issue amount of RON 100).

The minimum quotation price during the period indicated above was RON 101.00, while the maximum was RON 106.24.

The Issuer's subsidiary AFORTI Factor Romania IFN S.A. on December 27, 2021 executed the first factoring agreement in Romania and financed the first invoices. This is the first factoring agreement

in the AFORTI Group outside Poland. Thus, the factoring company started its operational activity in Romania and reached its target for 2021.

Subsequent to the end of the balance sheet year, the Issuer continues to pursue its activities and implement the Group's development strategy for 2021-2023.

Following the submission of a letter of intent in early 2022 (RB ESPI 3/2022), the Company and the Issuer's subsidiary, Aforti Collections S.A. On April 28, 2022, entered into an Investment Agreement with the shareholders of For-Net S.A. (RB ESPI 11/2022). The scope of business activities of For-Net S.A. is the provision of debt collection services in Poland. In the Investment Agreement the parties set out the terms and conditions for making an investment in the company, consisting of the acquisition of 100% of shares in For-Net S.A. by Aforti Collections S.A. The Investment Agreement sets out the terms and conditions for an investment consisting of the acquisition by Aforti Collections S.A. of 100% of the shares in For-Net S.A. with a value of over 11 million PLN in exchange for the acquisition of new issue shares in the increased share capital of Aforti Collections S.A. by the existing shareholders of the Company and its financing.

The investment will be made when the following conditions are met:

- for-Net Inwestycje sp. z o.o. will enter into an agreement to purchase the Company's Series R Bonds;
- The Company will terminate all cooperation agreements with the Company's Shareholder Affiliates except for accounting service agreements and premises lease agreements;
- The Company's General Meeting will adopt resolutions on: electing a new Supervisory Board of the Company, increasing the share capital through the issue of new shares to be offered exclusively to the Investor;
- The Company shall enter into a loan agreement with For-Net Inwestycje sp. z o.o. on the terms and conditions approved by the Investor;
- The Investor will enter into an agreement with the Company for the subscription of new issue shares;
- The Investor's General Meeting will adopt appropriate resolutions;
- No material adverse change will occur by the closing date.

In addition, the Parties have also agreed in the Investment Agreement:

- principles of corporate governance, including the non-competition clause and personal rights in appointing members of the Supervisory Board;
- restrictions on disposal of the Investor's shares, i.e. each shareholder of the Company who is a party to the Investment Agreement is prohibited from disposing of and encumbering new issue shares of the Investor until 30 May 2025;

- pre-emptive right to purchase the Investor's shares for the Issuer in the event that a party to the Investment Agreement intends to sell them by 30 May 2027

In addition, the Parties shall have the right to withdraw from the investment agreement in the event of non-performance of its provisions by either Party.

Subsequently, on April 28, 2022, the Parties fulfilled another condition of the Investment Agreement, i.e. an Extraordinary General Meeting of Shareholders of Aforti Collections S.A. was held on May 25, 2022, where a resolution on increasing the share capital by issuing 2,107,029 J-series ordinary bearer shares was adopted. The issue was taken up by all the existing shareholders of For-Net S.A. in exchange for a contribution in kind in the form of 100% of For-Net S.A. shares with a value in excess of PLN 11 million.

3. THE IMPACT OF THE SARS-CoV-2 CORONAVIRUS EPIDEMIC AND THE COVID-19 INFECTION AND OUTBREAK OF WAR IN UKRAINE ON THE OPERATIONS AND FINANCIAL RESULTS OF THE COMPANY AND ITS GROUP

The Company and its Group have maintained operational continuity. In 2021 the majority of employees and associates of the Company and its Group worked remotely or in hybrid modes. Necessary safety procedures were also introduced: face-to-face meetings with clients were reduced to a minimum in favour of telephone and electronic communication, visits to foreign subsidiaries were suspended, and generally recommended health and safety rules and solutions were implemented to reduce the risk of virus infection.

Taking into account the dynamically changing environment, the Company's Management Board cannot reliably determine the impact of the spread of the SARS-CoV-2 coronavirus and the COVID-19 infection on the Company's and its Capital Group's operations, financial results and prospects and business prospects. It should be emphasised that the continuity of the Company's and its Group's operations has not been interrupted at present. The Company and its subsidiaries are currently adjusting their activities to the observed and anticipated market needs.

On February 24, 2022, war started in Ukraine, which has significant implications for global financial markets, exchange rates, fuel prices, inflation, and business behaviour. In the first days of the war, the situation in both world and local markets was very unstable, and turbulence in bank transactions was also evident. The development of warfare is unpredictable, which has a direct impact on economic changes. Increases in inflation and interest rates provide opportunities to increase the profitability of the AFORTI Capital Group; on the other hand, market volatility, carries the risk of losses, in case of unfavourable conditions in the economy or investor concerns. The Issuer's subsidiary company operating in the foreign exchange market, due to currency price fluctuations and turbulence in banking transactions, significantly

increased its turnover and transaction margins. At present, the impact of the war on the results of the Company and the entire AFORTI Capital Group cannot be reliably determined.

4. INFORMATION ON THE FORESEEABLE DEVELOPMENT OF THE AFORTI CAPITAL GROUP UNDERTAKING

The Company's planned development is based on the development of the AFORTI Capital Group. The primary objective of the Group's development strategy, which is headed by Aforti Holding S.A., is to determine and expand the direction of its future operations, systematically increasing the scale and profitability of its activities, with a view to creating value for its shareholders in the long term. The company plans its development in three aspects: development of the Aforti Group within Poland, development of the Aforti Group through foreign expansion, and development of the Aforti Group by taking its subsidiaries public.

5. MAJOR ACHIEVEMENTS OF THE UNIT IN RESEARCH AND DEVELOPMENT

In 2021, some part of the Group companies were active in research and development in the area of modern IT solutions. Their development and implementation in the future will support the growth of these companies. In 2021, some of the work was successfully completed.

In the following years, the Group Companies plan to continue development work in the field of IT.

6. THE CURRENT AND PROJECTED COMPANY FINANCIAL SITUATION OF THE AFORTI CAPITAL GROUP UNDERTAKING

At the end of 2021 the Company has generated a net income of PLN 18 933 549,16.

Below is a synthetic presentation of the most important items of the Company's income statement (in PLN) for 2021.

Table 10 - Selected financial data of Aforti Holding S.A.

Item	Value [PLN]
Net income from sales	6 952 051,57
Operating expenses	-12 961 702,69
Other operating income	47 314,42
Other operating expenses	-182 852,58
Financial income	38 073 196,51
Finance costs	-12 994 458,07
Profit from business activities	18 933 549,16
Income tax	0,00
Net profit	18 933 549,16

source: Company

Due to the risks and uncertainties described in this note, the Management Board of the Company has prepared the report taking into account the significant uncertainty as to going concern. In order to neutralize the risk of going concern, steps were taken to continue as going concern in the foreseeable future, thus the report was prepared on the going concern assumption.

As presented in the financial statements, the Company's operations are financed with financial instruments, which include loans, bonds and bills of exchange and to a small extent, leasing. As at the balance sheet date, the amount of short-term financial liabilities to be repaid in 2022 is PLN 74.3 million, and the current assets are PLN 141.6 million. In the face of the war in Ukraine, rising inflation and rising interest rates, there is a risk of difficulties in refinancing such liabilities. Management recognizes this risk, which may involve significant risks of continuing the operations. The Management Board is faced with the task of providing financing to the Company. The Management Board is constantly working on obtaining financing in accordance with the assumptions of the budget for 2022, by the end of May 2022 the level of obtained financing amounted to PLN 41.1 million.

To extend the maturities of debt facilities, in 2021, the Board introduced 48-month borrowings in addition to the existing 24- and 36-month long-term facilities. As a result, long-term financing raised in 2021 accounted for 66% of total loans in 2021, with 48-month loans accounting for 30pc. The Management Board monitors risks on an ongoing basis and adjusts its actions accordingly, it should be noted that the value of maturing financial liabilities in 2022 is 59% lower than the financing raised in 2021 (PLN 182.5 million), and the value of financial liabilities maturing in 2023 is PLN 49 million, which is a decrease of 34% compared to 2022.

In the opinion of the Management Board, there are also measures available to offset the negative impact of the above risks on the Company's financial performance. These measures include, among other things, cost savings compared to those assumed in the budget, as well as the implementation of sales above the budgeted levels, which will result in higher sales revenue. These actions, according to the Management Board, will adequately and sufficiently ensure the achievement of the financial targets for 2022 to ensure the Company's liquidity.

At the same time, one should take into account the completion of the investment process in the EMI project, which was the most capital-intensive process, as well as obtaining, at the turn of 2021/2022, the operational activation of the EMI license and passporting the business to EU countries, launching

operations in Romania and the planned start-up of operations in other CEE countries, which are characterized by much higher profitability than in Poland resulting from much lower competition and, at the same time, a relatively low level of investment.

The Management Board, with regard to the most prospective business which is the EMI business, is considering launching a review of strategic options for this project, within the scope of which it is considering either winning an industry partner from Western Europe interested in entering the markets of Central and Eastern Europe, or industry financial partners interested in developing payment services and the so-called "challenger banks" as well as institutional financial investors.

The valuation of the EMI project is based on the evaluation methodology of competing projects such as N26, Revolut, Monzo and sales transactions to industry investors Akcenta and Ebury. In conclusion, despite the risks mentioned above, the Management Board of the Company, on the basis of the prepared budget for 2022, including the analyses and operating scenarios mentioned above, as well as the financing already obtained in 2022 confirming the implementation of budget plans, is of the opinion that sufficient preventive measures have been taken and prepared in order to neutralize the risks mentioned above and to ensure the implementation of the Company's plans, and therefore has prepared the attached separate financial statements on a going concern basis.

7. INFORMATION ON OWN SHARES

Aforti Holding S.A., has adopted on August 17, 2020 the Share Buyback Program (the "Program") and further on January 14, 2021 announced that the commencement of implementation of the programme has started (RB ESPI 4/2021). The first buybacks have taken place on:

- 1) January 13, 2021 - 680 units at the average price of PLN 8.89 per share.
- 2) January 14, 2021 - 770 pieces at the average price of PLN 9.45 per share.

Subsequent buybacks took place on:

- 3) 16 February 2021, 950 units at an average price of PLN 8.76 per share. (RB ESPI 7/2021)
- 4) 17 February 2021, 1000 shares at an average price of PLN 7.90 per share. (RB ESPI 8/2021)
- 5) 18 February 2021, 1000 shares at an average price of PLN 8.40 per share. (RB ESPI 10/2021)
- 6) 19 February 2021, 1400 shares at an average price of PLN 8.41 per share. (RB ESPI 11/2021)
- 7) 23 February 2021, 1600 shares at an average price of PLN 8.08 per share. (RB ESPI 14/2021)

As of the last day of buyout, i.e. 23 February 2021, the Issuer held 7,400 own shares, representing 0.08% of the Issuer's share capital and 0.08% of the total number of votes at the General Meeting.

As of the day of preparing this report, the Issuer holds 7,400 own shares, which constitutes 0.08% of the Issuer's share capital and 0.08% of the total number of votes at the General Meeting.

8. INFORMATION ON FINANCIAL INSTRUMENTS REGARDING THE RISKS ASSOCIATED WITH THEM

The companies from Aforti Group, like other financial institutions, are exposed to a number of typical risks associated with financial activities. In order to avoid or minimize particular risks, the Company introduces procedures under the risk management system and internal control system.

In addition, the Company issues debt financial instruments and assesses and calculates the risk related to their service. The Company controls its financial flows in order to ensure timely payment of liabilities.

8.1. RISK FACTORS ASSOCIATED WITH THE BUSINESS AND THE ENVIRONMENT IN WHICH THE COMPANY OPERATES

- Market risk connected with the macroeconomic situation of Poland and the European market
Market risk may occur in each of the Group's companies. The incurrance of a loss or the occurrence of an unfavourable financial change is connected with general economic factors shaping the macro environment of entrepreneurs. The Group's development is correlated with the general economic situation in Poland. The main general economic factors influencing the activity of the companies include: the level of GDP for Poland and the rate of its change, the inflation rate, the level of investment by economic entities and the degree of indebtedness of business entities, as well as fiscal regulations. The Management Board of Aforti Holding S.A. tries to minimise the risk in question by constantly monitoring the economic situation both at home and abroad.

- Interest rate risk

Interest rate risk is the risk arising from mismatches in interest rates on both the asset and liability sides. Based on the magnitude of interest rates, business entities receive loans, invest funds and value assets. As a result, the asset and financial situation of the business can become uncertain.

- Operational risk

Operational risk refers to the possibility of losses resulting from inadequate or unreliable internal procedures, human and system errors and legal risk. The Aforti Group companies are currently developing a system to manage and control the risks occurring in the companies and are introducing principles for managing these risks. Operational risk management is a complex process that is subject

to development, so it cannot be ruled out that operational risk factors may arise in the future that could affect the Aforti Group's results. The Aforti Group revises at specific intervals the most important procedures used in its structure in order to reduce the risk in question.

- Regulatory risk (Polish and EU)

Legal risk, which is a category of operational risk, is the likelihood of tangible and intangible losses arising from failure to comply with laws and regulations. The legal environment of the Company's operations is characterised by high dynamics of change, primarily in the context of adapting domestic law to European Union standards. . In connection with the legislative policy pursued, doubts as to the interpretation of given changes frequently arise. The ambiguity of regulations may give rise to the risk of administrative or financial penalties in the event of an incorrect legal interpretation being adopted. In order to minimise the above risk, the Company constantly monitors the legal regulations and adjusts its activities to the regulations in force.

- Risk related to interpretation of tax regulations

The Company, like all business entities, is exposed to imprecise provisions in legal and tax regulations which may cause interpretation discrepancies, in particular with regard to operations connected with income tax, tax on civil law transactions and VAT within the business activity conducted by the Company. In view of the above, there is a risk that despite the Company's application of current accounting standards, the interpretation of the Tax Office relevant to the Company may differ from that adopted by the Company.

- IT risk

All Aforti Group companies are exposed to IT risk. The IT systems used may become the target of attacks by cyber criminals. IT risk increases as the interdependence of customers, partners and outsourced operations increases within the organisation. In order to minimise the risk, the Companies take measures to increase the functionality of the current systems and to enhance its security.

- Risk of investing in subsidiaries

Aforti Holding S.A. is the parent entity of its subsidiaries, in which, in accordance with the assumption of the main shareholder, the Company holds and will hold more than 50 per cent of the shares in their share capitals. The Company's Management Board seeks to minimise this risk by actively monitoring the market for services for companies and selecting services and management staff in

such a way as to be able to implement the adopted assumptions of the Capital Group's development strategy.

- Credit risk

Credit risk arises in all areas of the Group's operations. It is primarily the risk of inappropriate assessment of the clients' ability to undertake credit obligations of individual companies. In addition, the Aforti Group Companies use external financing in the form of investment bills. In the event of an increase in interest rates in Poland, the Company must take measures to keep its financial instruments competitive with those offered by other institutions, which is why the Companies monitor the market and pursue an active policy of managing receivables and liabilities.

- Liquidity risk

Liquidity risk is associated with the loss of ability to meet current and future obligations. It is also a type of reflection of credit risk in the other party to the contract. Aforti Group companies that are creditors of credit exposures may lose liquidity as a result of the loss of liquidity or bankruptcy of their debtors. In order to prevent such situations, the Aforti Group applies appropriate monitoring of debtors.

- Behavioural risk of key management personnel

The Company's operations are strongly influenced by the experience, skills and quality of work of the Board of Directors and strategic executives in the subsidiaries. The experience and know-how they have acquired over the years ensures the effectiveness of the Company's long-term development strategy. In the case of key management staff, the aforementioned risk is minimised by implementing an appropriate remuneration structure and a modern management model, which encourages the management staff to an increased level of commitment.

- Risks associated with the development of the Aforti Group's activities outside of Poland

The Aforti Group conducts its activities not only in Poland, but also abroad. In the future it intends to expand into other countries, and is therefore exposed to additional risks. In order to mitigate the risk, the companies monitor the applicable laws, acts and regulations, adapting their foreign operations to the regulations in force in individual countries.

- Risks related to personal data processing

The Companies' activities require the processing of personal data that is transferred to them. It cannot be excluded that all data received is correct. It may happen that the transferred data may concern other persons, which may lead to an increase in complaints and negative opinions about the Companies' activities.

- Risk of money laundering

The Aforti Group Companies, like other business entities, are exposed to the risk of money laundering in connection with their operations. To avoid this, the Companies apply appropriate security measures to avoid the risks. In this regard, a specialised department is set up to supervise the regularity of transactions between the Group companies and their customers.

- Risk of incorrect estimation of fair value of purchased debt portfolios

In conducting its operations, Aforti Collections S.A. purchases debt portfolios for its own account. In the event of lower revenues than assumed, the company may incur a loss as a result of revaluation of the purchased portfolios. In order to mitigate the risk in question, the company performs a thorough analysis of all possible information on a given debt portfolio, and in justified cases does not purchase such portfolios.

- Debt Risk

The purchase of debt packages requires a large one-off expense. To purchase receivables, Aforti Collections relies on external financing. The company has used bond issues and in the future may use investment bills, as do other companies in the Aforti Group. In connection with loans and factoring, the companies support themselves with external financing. A significant deterioration in liquidity may result in an inability to pay interest and redeem debt.

- Currency risk

Currency risk applies to Aforti Exchange S.A and the foreign companies in the Aforti Group. This is the risk of a situation arising where, after converting exchange rates at the date of the preparation of the financial statements, revenues and expenses expressed in domestic currency may differ, which may lead to an increased loss or profit.

- Transfer pricing risk

Aforti Group companies enter into transactions with related parties. The tax authorities may investigate these transactions for market conditions. There is a risk that comparable transactions to those carried out at the Companies will not be available on the market, which may lead the tax authorities to question the parameters of these transactions.

- Competition risk

The Companies of the Aforti Group operate in high growth areas, which makes them more exposed to competition risk. The Aforti Group companies try to adapt their offerings, both in terms of products and prices, to the prices and products found on the market, so as not to reduce the competitiveness of their offerings.

- Risks associated with the implementation of International Financial Reporting Standards

Companies whose securities are admitted to trading on the regulated market of the WSE are required to prepare consolidated financial statements in accordance with International Financial Reporting Standards. In connection with Aforti Holding's planned future move to the main floor of the Warsaw Stock Exchange, the Company has undertaken to prepare its consolidated financial statements in accordance with IFRS. Despite the amendments to the Accounting Act, there are still differences between IFRS and Polish accounting principles. The application of IFRS by the Company may adversely affect the Company's results due to the differences between IFRS and the Accounting Act.

8.2 RISK FACTORS RELATED TO THE CAPITAL MARKET

- Risk of insufficient liquidity and volatility of the Company's shares,

The Company's shares have been listed in the Alternative Trading System on the NewConnect market since 19 August 2011 and the value of trading in these instruments has fluctuated over that time. The Company seeks to minimise this risk by maintaining a transparent information policy and continuous and open communication with investors and the Polish capital market supervisory authorities.

- Risk related to suspension or exclusion of trading in shares on New Connect

In justified cases, pursuant to the Alternative Trading System Rules, the ATS Organiser may suspend or exclude financial instruments from trading. This risk concerns all Issuers whose shares are listed on the NewConnect market. The Company tries to minimise this risk by conducting a transparent information policy in accordance with the applicable legal regulations and by continuous and open communication with the Polish capital market supervisory institutions.

- Risk related to the possibility of administrative penalties being imposed on the Company by the PFSA for failure to fulfil obligations under legal regulations

The Company seeks to minimise the aforementioned risk by creating an investor relations department, in which employed specialists constantly monitor legal regulations related to obligations

of public companies, ensuring that they are properly fulfilled by the Company. In addition, the Company uses the support of specialised law firms in matters of doubt.

- Risks associated with issuance of corporate bonds

The Company in Poland issued corporate bonds until the end of the first half of 2019 and in 2020 conducted one issue of corporate bonds in Romania, in accordance with the adopted business model.

The Company pays its obligations related to these instruments on an ongoing basis.

The Company's management makes every effort to minimise the risks affecting the Company's property and economic situation by pursuing a responsible policy of managing receivables and liabilities in order to maintain a safe level of liquidity and profitability.

- Risks related to investment promissory notes and loans

Following a change in the legislation relating to the issuance of corporate bonds, which adversely affected their profitability, the Company decided to support its operations through investment promissory notes. The Company's obligations related to these financial instruments are settled on an ongoing basis. As in the case of corporate bonds, the Company's Management Board makes every effort to minimise the risks affecting its assets and economic situation by pursuing a responsible policy of managing receivables and liabilities in order to maintain a safe level of liquidity and profitability.

9. THE CAPITAL GROUP OBJECTIVES AND FINANCIAL RISK MANAGEMENT

The primary objectives pursued through financial risk management are to enhance the achievement of budgetary and strategic objectives and to ensure long-term liquidity.

The main financial risks that the Company may incur are currency and credit risks.

- Credit risk

In carrying out its business activities, the Company uses foreign capital in the form of issuing corporate bonds. In the event of an increase in interest rates in Poland, the Company must take action to maintain the competitiveness of its debt instruments against financial instruments offered by other financial institutions. The Company constantly monitors the financial market and reacts to significant changes in interest rates, pursues an active policy of managing its receivables and liabilities, maintaining them at a safe level.

- Foreign exchange risk

This risk applies to the Company's operations due to occasional transactions denominated in foreign currencies.

10. KEY FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS RELATED TO THE ENTITY'S OPERATIONS

The main objective of the Company's development strategy is to expand the area of operations, develop the Capital Group where the Company is the parent company, systematically increase the scale and improve the profitability of operations, including financial operations.

In order to verify the achievement of the assumed development goals, the Company monitors the key financial and non-financial performance indicators.

The Company's key financial performance indicators include:

- sales revenue
- financial income
- net profit and its change compared to the previous year
- net debt to equity ratio (net debt: long-term and short-term financial liabilities arising from loans, borrowings, bonds and bills of exchange less cash and cash equivalents)

Indicators	2021	2020
sales revenues	6 952 052 zł	8 950 446 zł
financial revenues	38 073 197 zł	36 940 761 zł
net result	18 933 549 zł	22 884 910 zł
change in net result vrs previous year	82,7%	160,9%
Net debt to equity ratio	0,89	0,54

Due to the fact that the Company, as the parent company of the Capital Group, provides services only to related parties and does not extend its service activities to other entities, the Company does not identify non-financial performance indicators

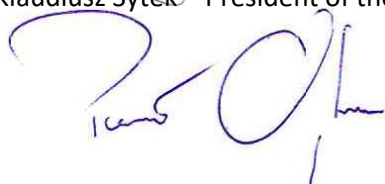
CAPITAL GROUP STATEMENT OF NON-FINANCIAL INFORMATION

In 2021, nor in the previous year, Aforti Holding S.A. did not meet the size criteria indicated in 55, section 2b) of the Accounting Act of 29 September 1994 (Journal of Laws 1994 No. 121, item 591, i.e.). Accordingly, the Parent Company is not obliged to prepare the said statement on non-financial information.

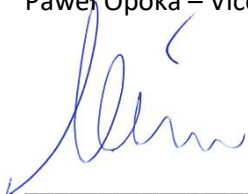


Klaudiusz Sytek – President of the Management Board

Aforti Holding S.A.
ul. Chałubińskiego 8, 00-613 Warszawa
NIP: 525-245-37-55, REGON: 141800547
KRS: 0000330108



Paweł Opoka – Vice-President of the Management Board



Mateusz Niemczyk - Vice-President of the Management Board

5

STATEMENT ON CORPORATE GOVERNANCE

Information on compliance with the principles contained in Exhibit 1 to Resolution No. 293/2010 of the WSE Management Board of 31 March 2010, as amended, entitled "Best Practices of Companies Listed on NewConnect" in accordance with § 5.6.3 of Appendix 3 to the ATS Rules. "Best Practices of Companies Listed on NewConnect" in accordance with § 5 item 6.3 of Appendix 3 to the ATS Rules.

l.p.	Rule	Application of the principle by the Issuer	Comment
1	The Company should pursue a transparent and effective information policy using both traditional methods and modern technologies and latest communication tools ensuring fast, secure and broad access to information. Using such methods to the broadest extent possible, the Company should ensure adequate communication with investors and analysts, also using modern Internet communication methods, enable on-line broadcasts of General Meetings over the Internet, record General Meetings, and publish the recordings on its website.	YES	The issuer applies all provisions of this section with the exception of the transmission of the General Meeting via Internet, recording the proceedings and making it public on its website. In the opinion of the Management Board, the costs related to related to the technical service of transmitting and recording General Meetings of the Company are disproportionately high in relation to the in relation to achievable benefits.
2	The company should ensure effective access to information necessary to assess the situation and prospects of the company and how it operates.	YES	
3	The company shall maintain a corporate website and publishes on it	YES	
	3.1. basic information about the company and its activities (homepage),	YES	
	3.2. a description of the issuer's activities stating the activities from which the issuer derives most of its revenue,	YES	The Issuer's website does not indicate the type of activity from which the Company derives most of its revenue, but the information This information can be found in the EBI reports which the Company publishes on its website.
	3.3. a description of the market on which the issuer operates and of the issuer's position in that market,	YES	
	3.4. professional CVs of the members of the company's governing bodies	YES	
	3.5. information known to the management board based on a statement by a member of the	YES	

supervisory board on any relationship of a member of the supervisory board with a shareholder who holds shares representing not less than 5% of all votes at the company's general meeting		
3.6. the company's corporate documents,	YES	
3.7. outline of the company's strategic plans	YES	
3.8. published forecasts of financial results for the current financial year, including assumptions for these forecasts and corrections to these forecasts (in the event that the issuer publishes forecasts),	NO	In the opinion of the Management Board of the Company, the dynamically increasing scale of activity of the Issuer and external factors related to related to its market environment limit the possibility of precise determination of the Issuer's financial result forecast. Considering the above, the publication of financial forecasts would be burdened with too much risk and could mislead investors misleading.
3.9. the issuer's shareholding structure, including major shareholders and free-float shares free float	YES	
3.10. details and contact details of the person responsible for responsible within the company for investor relations and contacts with the media,	NO	The Issuer provides a dedicated e-mail address for Investors and Shareholders.
3.11. (deleted)		
3.12. current and periodic reports published,	YES	
3.13. calendar of scheduled publication dates financial periodic reports, dates of general meetings, as well as meetings with investors and analysts, and press conferences,	YES	
3.14. information on corporate events such as the payment of dividends and other events leading to the acquisition or limitation of rights of shareholders, including the timing and principles of such operations. This information should be posted in time for investors to take their investment decisions,	YES	To date, the Issuer has not recorded any such events. Should the described corporate events occur, the Issuer will immediately post such information.
3.15. (deleted)		
3.16. questions from shareholders on issues on the agenda submitted before and during the general meeting together with answers to those questions,	YES	To date, no situation has arisen in which Shareholders have asked the questions indicated. In case of their occurrence, the Issuer will publish their content on its website together with the answer provided.

	3.17. information on the reasons for cancellation of the general meeting, change of date or agenda with justification,	YES	
	3.18. information about the adjournment of the General Meeting and the reasons for the adjournment,	YES	
	3.19. information on the entity with which the company has signed a contract for the provision of Authorised Adviser services, with indication of the name, website address, telephone numbers and e-mail address of the Adviser,	Not applicable	Currently, the Company does not use services of an Authorised Adviser. If in the future the Company decides to enter into an agreement with an Authorised Adviser, the required information will be posted on the website.
	3.20. Information about the entity which performs the function of animator of the issuer's shares,	YES	
	3.21. The information document (prospectus) of the company, published within the last 12 months,	YES	
	3.22. w przypadku wprowadzenia w spółce programu motywacyjnego opartego na akcjach lub podobnych instrumentach - informację na temat prognozowanych kosztów, jakie poniesie spółka w związku z jego in case of introduction by the Company incentive scheme based on shares or similar instruments - information about the projected cost to be incurred by the company from to its introduction	Not applicable	Currently the company does not planning to introduce an employee incentive scheme based on shares or similar instruments.
4	The Company shall maintain a corporate website, at the issuer's option, in Polish or English. Current and periodical reports should be posted on the website at least in the same language as that in which they are published in accordance with the regulations applicable to the issuer.	YES	
5	The Company should pursue an information policy with particular consideration to the needs of retail investors. For this purpose, the Company should use, in addition to its corporate website, the investor relations section on www.GPWInfoStrefa.pl , which is dedicated to a given company.	NO	In the opinion of the Board of Directors, the information provided through its own website and the published EBI and ESPI reports is sufficient for investors to assess the company.
6	The issuer should maintain current contacts with representatives of the Authorised Adviser in order to enable them to correctly perform their duties towards the issuer. The company should appoint a person responsible for contacts with the with the Authorised Adviser.	Not applicable	The Company does not currently have an agreement with an Authorised Adviser. If the situation changes in the future, the Company will receive ongoing contacts.
7	In case an event occurs in the company which in the issuer's opinion, is significant to the Authorised Adviser's performance of its obligations, the issuer shall immediately notify of this fact to the Authorised Adviser.	Not applicable	

8	The issuer should provide the Authorised Adviser with access to all documents and information necessary to carry out its obligations as Authorised Adviser.	Not applicable	
9	The issuer provides in the annual report:		
	9.1. information on the total amount of remuneration of all members of the management board and of the supervisory board,	YES	
	9.2. information about the remuneration of the Authorised Adviser received from the issuer for providing services to the issuer in each respect.	Not applicable	
10	Management board and supervisory board members should attend the general meeting be present so as to be able to give substantive replies to the questions put in the general meeting.	YES	
11	At least twice a year, the issuer, with the cooperation of the Authorised Adviser, should organise a publicly accessible meeting with investors, analysts and the media.	YES	The Issuer holds regular quarterly meetings with investors, as well as occasional meetings with journalists and analysts.
12	A resolution of the general meeting on an issue of shares with pre-emptive rights should specify the issue price or the mechanism for determining it, or oblige the competent authority to determine it before the date on which the pre-emptive rights are determined, in time to enable an investment decision to be taken.	YES	
13	Resolutions of the general meeting should ensure that the necessary time gap is maintained between decisions causing specific corporate events and the dates on which the rights of shareholders arising from those corporate events are determined.	YES	
13a	If the management board of the issuer receives from a shareholder holding at least half of the share capital or at least half of all the votes in the company, information about convening an extraordinary general meeting by him/her according to the procedure referred to in Article 399 §3 of the Commercial Companies Code, the issuer's management board shall immediately perform the actions it is required to perform in relation to the organisation and holding of a general meeting. and conduct the general meeting. This rule also applies when the registration court authorises shareholders to convene an extraordinary general meeting pursuant to Article 400 § 3 of the Code of Commercial Partnerships and Companies.	YES	

14	The record date and the payout date shall be set so that the interval between them is as short as possible, and in any case no longer than 15 working days. A longer period between these dates needs to be specifically justified.	YES	To date, the Issuer has not recorded any such events. Should the described corporate events occur, the Issuer will immediately post such information.
15	A resolution of the general meeting concerning a conditional dividend may only contain such conditions the fulfilment of which, if any, will occur before the date on which the right to dividend is established.	YES	To date, the Issuer has not recorded any such events.
16	The Issuer publishes monthly reports within 14 days of the end of the month. A monthly report should include at least:		
16a	- information about the occurrence of trends and events in the issuer's market environment which, in the issuer's opinion, may have a significant impact on the issuer's financial standing and performance in the future,		

6

THE DECLARATIONS OF MANAGEMENT BOARD

1. STATEMENT OF MANAGEMENT BOARD ON RELIABILITY OF PREPARATION OF SEPARATE FINANCIAL STATEMENTS

Management Board of AFORTI Holding S.A. on the basis of § 5 section 6.1. item 5) of Annex 3 to the Regulations of the Alternative Trading System "Current and periodic information provided within the alternative trading system of the NewConnect market" declares that to the best of its knowledge, the annual financial statement and comparable data were prepared in accordance with the regulations binding on the Issuer and that they reflect in a true, reliable and clear manner the Issuer's property and financial situation and its financial result. Furthermore, I hereby declare that the Report on the Issuer's activity presents a true picture of the Issuer's situation, including the description of the main threats and risks.

Warsaw, June 29, 2022



Klaudiusz Sytek,
President of the Management
Board



Paweł Opoka,
Vice-President of the
Management Board



Mateusz Niemczyk,
Vice-President of the
Management Board

2. DECLARATION OF THE MANAGEMENT BOARD ON THE APPOINTMENT OF THE AUDIT FIRM

The Management Board of AFORTI Holding S.A. on the basis of § 5, section 6.1, item 6) of Annex 3 to the Regulations of the Alternative Trading System "Current and periodic information provided within the alternative trading system of the NewConnect market" declares that the choice of the auditing company which audited the annual financial statement was made in accordance with regulations, including those on the choice and procedure for choosing the auditing company and indicates that the auditing company and members of the team carrying out the audit met conditions for the preparation of an impartial and independent audit report on the annual financial statements in accordance with applicable regulations, professional standards and ethical principles

Warszawa, June 29, 2022.



Klaudiusz Sytek,
President of the Management
Board



Paweł Opoka,
Vice-President of the
Management Board



Mateusz Niemczyk,
Vice-President of the
Management Board