

# **LM PAY SPÓŁKA AKCYJNA**

Financial statements for the period from  
**01.01.2024 to 31.12.2024**

# INTRODUCTION TO THE FINANCIAL STATEMENTS

## 1. Entity data

**Name:** LM PAY SPÓŁKA AKCYJNA

**Registered office:** Lechicka 23A/, 02-156 Warsaw

**PKD codes defining the entity's core business:**

6492Z, 6420Z, 6491Z, 6499Z, 6619Z, 6621Z, 6622Z, 6629Z

**Tax identification number:**

**NIP:** 5223017773

**Number in the relevant court registry:**

**KRS:** 0000940085

## 2. Indication of the duration of the entity's operations, if limited

Not applicable

## 3. The period covered by the financial statements

Financial statements prepared for the period from 01.01.2024 to 31.12.2024

## 4. Indication of whether the financial statements contain aggregate data

The financial statements do not contain aggregate data.

## 5. Assumption of going concern

The financial statements are prepared on the assumption that the entity will continue as a going concern.

No circumstances have been identified that indicate a threat to continuing operations.

## 6. Information on merger of companies

Not applicable.

## 7. Accounting policy

**Discussion of methods adopted for valuation of assets and liabilities (including depreciation):**

A. Intangible assets

Intangible assets include intangible assets with an initial value of at least PLN 10,000.00. Amortization begins from the month following the month in which the intangible asset was accepted for use. Intangible assets are amortized on a straight-line basis over the period corresponding to their estimated economic useful life.

Values of assets having the characteristics of intangible assets with a value not exceeding PLN 10,000.00 are included in the costs of current operations.

Intangible assets are recognized in the books at their acquisition price less depreciation and amortization, as well as impairment losses.

B. Fixed assets

Fixed assets include fixed assets with an initial value of at least PLN 10,000. Assets with an expected useful life of more than one year and an initial value of PLN 2,500 or more, but not more than PLN 10,000, are amortized on a one-time basis in the month in which they are put into use. Assets with an expected useful life of more than one year and an initial value equal to or less than PLN 2,500 are charged directly to the cost of consumption of materials. The initial value of fixed assets is recognized in the books at acquisition or production cost, less depreciation and amortization, as well as impairment losses.

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

The initial value, which is the purchase price or production cost of a fixed asset, is increased by the cost of its improvement, consisting of reconstruction, expansion, modernization or reconstruction, causing the value in use of this fixed asset after the improvement is completed to be higher than the value it had when it was accepted for use.

Fixed assets are depreciated using the straight-line method.

Individual depreciation rates are applied to used fixed assets. Depreciation begins in the month following acceptance of the fixed asset for use.

The correctness of the applied periods and rates of depreciation of fixed assets is verified by the entity, resulting in an appropriate adjustment of depreciation allowances made in subsequent years.

In the case of planned liquidation of a fixed asset or when a fixed asset does not bring the expected results, its value is impaired. In such a case, an impairment charge is made. Its amount is decided by the head of the entity, but it cannot be lower than the net selling price of the fixed asset. In the absence of information as to the selling price, the valuation at fair value should be applied. When the reason for the impairment write-down ceases, the original value of the fixed asset is restored.

#### C. Fixed assets under construction

By fixed assets under construction is meant fixed assets included in fixed assets during the period of their construction, assembly or improvement of an already existing fixed asset.

Fixed assets under construction are recognized at the amount of total costs directly related to their acquisition or construction, less impairment losses.

#### D. Investments

Investments in subsidiaries, in jointly-owned subsidiaries and in affiliates, as well as other long-term investments are valued at fair value.

Fair value is calculated in an annual valuation report prepared as of the balance sheet date by an expert.

Long-term investments in the form of loans granted are valued at the amount of required payment, taking into account the simplifications described in M.

Financial assets at the time of entry into the books are valued at cost (purchase price), representing the fair value of the consideration paid.

Transaction costs are included in the initial value of these financial instruments. Financial assets are entered in the books on the date of the transaction.

#### E. Receivables and liabilities

Receivables are valued at the amount of required payment, in accordance with the prudence principle. At the end of the fiscal year, receivables are analyzed for impairment. Receivables in foreign currencies, unsettled as of the balance sheet date, are valued at the average exchange rate set for a given currency by the National Bank of Poland on that date. Disputed, doubtful or significantly overdue receivables were covered by write-downs. The write-downs in the balance sheet reduced these receivables.

Liabilities are valued at the price to be paid.

#### F. Inventories

The Company, due to the service nature of its operations, does not carry out inventory management.

#### G. Cash and cash equivalents

Cash and cash equivalents reported in the balance sheet include cash on hand, in banks and short-term deposits with a maturity of three months or less.

Cash assets are valued at nominal value at the end of the reporting period.

#### H. Prepayments and accruals

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

#### I. Income tax

Provision for income tax is made in respect of all positive temporary differences existing as of the balance sheet date between the tax value of assets and liabilities and their carrying amount as reported in the financial statements.

A deferred tax liability is recognized for all taxable temporary differences, unless the deferred tax liability arises as a result of amortization of goodwill or initial recognition of an asset or liability in a transaction that does not constitute a business combination and, at the time of the transaction, has no effect on either pre-tax profit or taxable income or tax loss.

A deferred tax asset is recognized for all deductible temporary differences, as well as unused deferred tax assets and unused tax losses carried forward, to the extent that it is probable that taxable income will be generated to utilize the aforementioned differences, assets and losses.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date and is reduced accordingly to the extent that it is no longer probable that sufficient taxable income will be available to partially or fully realize the deferred tax asset.

Deferred tax assets and deferred tax liabilities are measured using the tax rates expected to apply in the period when the asset is realized or the liability is released, taking as a basis the tax rates (and tax laws) enacted as of the balance sheet date.

#### J. Valuation of assets and liabilities expressed in foreign currencies

Transactions expressed in currencies other than the Polish zloty are translated into Polish zlotys using the exchange rate in effect on the day preceding the transaction.

The value of outgoings of foreign currencies from the bank account is valued sequentially at exchange rates starting with the one applied earliest.

As of the balance sheet date, assets and liabilities expressed in currencies other than the Polish zloty are translated into the Polish zloty using the average exchange rate of the National Bank of Poland, respectively.

#### K. Exchange rate differences

Exchange rate differences resulting from the valuation as of the balance sheet date of assets and liabilities denominated in foreign currencies, except for long-term investments, and arising in connection with the payment of receivables and liabilities in foreign currencies, as well as on the sale of currencies, are included in financial income or expenses, respectively.

#### L. Financial instruments

Financial instruments are valued in accordance with the Accounting Act and the Decree of the Minister of Finance dated 12.12.2001 on detailed rules for recognition, valuation methods, scope of disclosure and presentation of financial instruments.

#### M. Materiality of financial statements

The Company applies simplifications pursuant to Article 4, paragraph 4 of the Accounting Act in situations where this does not have a material adverse effect on the fulfillment of the obligation.

The Company sets the following criteria for the level of materiality (materiality is exceeded when both parameters are simultaneously exceeded):

- 0.99% of total assets
- 0.49% of operating income from sales.

#### **Determination of financial result:**

##### A. Financial result

The financial result of the Company in a given fiscal year includes all revenues earned, attributable to the Company, and costs charged to the Company related to these revenues, in accordance with the principles outlined above, other operating income and expenses, the result of prudent valuation of assets and liabilities.

##### B. Revenues and expenses

The costs of current operating activities are recorded in the accounts of Group "4" - by type (Group 4).

Operating expenses are accounted for over time whenever the period to which they relate is longer than one fiscal year. Operating expenses pertaining to more than one reporting period but not extending beyond the fiscal year are included in full in the expenses of the current reporting period.

Operating expenses are costs directly related to the Company's core business. Costs are recognized on an accrual basis to ensure commensurability of revenues and

related expenses.

Other operating expenses include loss on disposal of nonfinancial fixed assets, revaluation of property, plant and equipment and inventories, costs of unused production capacity not included in product manufacturing costs, allowances for receivables, compensation, penalties paid, donations made, penalty interest on taxes, social security and customs duties.

Financial expenses include paid and accrued interest on loans and borrowings received, losses related to securities trading, excess of foreign exchange losses over gains, write-downs of financial assets and short-term securities.

The value of sales is recorded based on the amounts of invoices issued during the year less value added tax. Sales revenues presented in the income statement are reduced by discounts and other concessions granted to customers treated according to the same principles as discounts.

Revenue from the provision of services is recognized in proportion to the degree of completion of the service, provided that it can be reliably estimated. If the effects of a transaction related to the provision of services cannot be reliably determined, revenue from the provision of services is recognized only up to the amount of costs incurred in connection therewith.

The origination fee related to loans granted is recognized in the Company's operating income in the year of granting the loan up to the amount of the profit on the loan after taking into account the Company's financing costs related to the loan throughout the financing period. Interest on loans granted, the granting of which is the Company's core business, is recognized in income from sales of services as they accrue if their receipt is not in doubt.

Other operating income includes gain on disposal of nonfinancial fixed assets, the equivalent of reversed provisions and impairment losses on assets, expired or cancelled liabilities, received grants, subsidies, subsidies, compensation and donations.

Financial income includes interest received or receivable on loans and advances, income related to trading in securities and the excess of positive exchange differences over negative exchange differences.

Dividends due are included in financial income as of the date the shareholders' meeting of the company in which the entity has invested adopts a resolution on the distribution of profit, unless the resolution specifies another date for the right to dividends.

#### **Preparation of financial statements:**

The financial statements were prepared in accordance with the practice followed by entities operating in Poland, based on Appendix 1 of the Accounting Act of September 29, 1994 (Journal of Laws of 2023, item 120, as amended) and the implementing regulations issued on that basis.

#### **Other accounting principles adopted by the entity:**

The accounting policies adopted by the Company have been applied consistently and are consistent with the accounting principles adopted by the entity.

The Company prepares its income statement on a comparative basis.

Income from repayment of loans granted, including interest, has been included in the entity's operating activities.

The granting and repayment of loans have been included in the investment segment of the cash flow statement.

## **8. Additional detailed information**

### **Bookkeeping**

The books of account are kept by an external accounting firm - KP Consulting Sp. z o.o., based in Warsaw (00-825) at 64 Sienna St. The books of account are kept at the location of the accounting firm.

The accounting books include:

- 1) journal,
- 2) general ledger,
- 3) subsidiary ledgers,
- 4) statements of turnover and balances of general ledger accounts and balances of auxiliary accounts.

The books of account are kept in computerized form, with the help of Comarch Optima program - a comprehensive service system used to record all business operations.

Accounts for salaries for labor and contracts of mandate are carried out using the Comarch Optima human resources and payroll program.

## BALANCE SHEET

Assets Data in PLN

Amount as of  
ending  
fiscal year

Amount as of the  
end of the previous  
financial year  
fiscal year

<b>A. FIXED ASSETS</b>	<b>49 654 478,67</b>	<b>52 421 397,51</b>
<b>I. Intangible assets</b>	<b>605 102,83</b>	<b>561 169,23</b>
1. costs of completed development work		
2. goodwill		
3. other intangible assets	33 583,33	49 083,33
4. advances for intangible assets	571 519,50	512 085,90
<b>II. Tangible fixed assets</b>	<b>859 811,53</b>	<b>1 207 537,84</b>
1. fixed assets	859 811,53	1 207 537,84
a) land (including the right of perpetual usufruct of land)		
b) buildings, premises, rights to premises and civil engineering structures		
c) technical equipment and machinery		
d) means of transportation	859 811,53	1 207 537,84
e) other fixed assets		
2. fixed assets under construction		
3. advances for fixed assets under construction		
<b>III. Long-term receivables</b>	<b>227 050,00</b>	<b>279 460,00</b>
1. from affiliated companies		
2. from other entities in which the entity has involvement in capital		
3. from other entities	227 050,00	279 460,00
<b>IV. Long-term investments</b>	<b>44 066 663,66</b>	<b>46 344 149,54</b>
1. real estate		
2. intangible and legal assets		
3. long-term financial assets	44 066 663,66	46 344 149,54
a. in affiliated companies	40 929 900,00	40 694 900,00
- shares or stocks		
- other securities		
- loans granted	40 929 900,00	40 694 900,00
- other long-term financial assets		
b. in other entities in which the entity has involvement in capital		
- shares or stocks		
- other securities		
- loans granted		



- other long-term financial assets		
c. in other entities	3 136 763,66	5 649 249,54
- shares or stocks		
- other securities		
- loans granted	3 136 763,66	5 649 249,54
- other long-term financial assets		
4. other long-term investments		
<b>V. Long-term prepayments and accruals</b>	<b>3 895 850,65</b>	<b>4 029 080,90</b>
1. deferred income tax assets	3 199 652,66	3 100 754,06
2. other accruals	696 197,99	928 326,84
<b>B. CURRENT ASSETS</b>	<b>92 271 481,62</b>	<b>69 822 588,47</b>
<b>I. Inventories</b>	<b>4 559,57</b>	<b>8 660,29</b>
1. materials		
2. semi-finished products and work in progress		
3. finished products		
4. goods		
5. advances for supplies and services	4 559,57	8 660,29
<b>II. Short-term receivables</b>	<b>46 031 910,76</b>	<b>30 050 031,85</b>
1. receivables from related parties	5 873 636,70	4 277 101,32
(a) trade receivables, with a repayment period:	4 500 000,00	3 000 000,00
- up to 12 months	4 500 000,00	3 000 000,00
- over 12 months		
b) other	1 373 636,70	1 277 101,32
2. Receivables from other entities in which the entity has an equity interest		
a) on account of deliveries and services, with repayment period:		
- up to 12 months		
- over 12 months		
b) other		
3. receivables from other entities	40 158 274,06	25 772 930,53
a) on account of supplies and services, with a repayment period:	15 637,65	7 462,71
- up to 12 months	15 637,65	7 462,71
- over 12 months		
b) on account of taxes, subsidies, customs duties, social and health insurance and other public law titles	95 140,00	95 140,00
c) other	40 047 496,41	25 670 327,82
d) claimed in court		
<b>III. Short-term investments</b>	<b>45 171 500,60</b>	<b>39 159 444,58</b>

1. short-term financial assets	45 171 500,60	39 159 444,58
a) in related parties	21 355 345,51	16 505 500,15
- shares or stocks		
- other securities		
- loans granted	21 355 345,51	16 505 500,15
- other short-term financial assets		
b) in other entities	23 027 025,48	22 527 807,14
- shares or stocks		
- other securities		
- loans granted	23 027 025,48	22 527 807,14
- other short-term financial assets		
(c) Cash and other monetary assets	789 129,61	126 137,29
- cash on hand and in accounts	789 129,61	126 137,29
- other cash		
- other cash assets		
2. other short-term investments		
<b>IV. Short-term prepayments and accruals</b>	<b>1 063 510,69</b>	<b>604 451,75</b>
<b>C. DUE PAYMENTS TO SHARE CAPITAL (FUND)</b>		
<b>D. OWN SHARES (STOCKS)</b>		
<b>TOTAL ASSETS</b>	<b>141 925 960,29</b>	<b>122 243 985,98</b>

## BALANCE SHEET

Liabilities Data in PLN

	Amount as of ending fiscal year	Amount as of the end of the previous financial year fiscal year
<b>A. EQUITY (FUND)</b>	<b>39 273 767,75</b>	<b>40 961 003,30</b>
<b>I. Primary capital (fund)</b>	<b>3 103 895,00</b>	<b>3 103 895,00</b>
<b>II. Supplementary capital (fund), including:</b>	<b>37 857 108,30</b>	<b>40 258 835,69</b>
- Surplus of sale value (issue value) over the nominal value of shares (stocks)	30 600 874,64	30 600 874,64
<b>III. Revaluation reserve (fund), including:</b>		
- due to revaluation of fair value		
<b>IV. Other reserve capitals (funds)</b>	<b>67 840,00</b>	
- Created in accordance with the company's articles of association (charter)	67 840,00	
- for own shares (stocks)		
<b>V. Retained earnings (loss) from previous years</b>	<b>-1 825 889,56</b>	
<b>VI. Net profit (loss)</b>	<b>70 814,01</b>	<b>-2 401 727,39</b>
<b>VII. Write-off of net profit during the fiscal year (negative amount)</b>		
<b>B. LIABILITIES AND PROVISIONS FOR LIABILITIES</b>	<b>102 652 192,54</b>	<b>81 282 982,68</b>
<b>I. Provisions for liabilities</b>	<b>4 718 257,60</b>	<b>3 414 935,91</b>
1. deferred income tax provision	3 984 249,11	3 414 935,91
2. provision for retirement and similar benefits		
- long-term		
- short-term		
3. other reserves	734 008,49	
- long-term		
- short-term	734 008,49	
<b>II. Long-term liabilities</b>	<b>61 139 745,59</b>	<b>68 002 819,19</b>
1. towards related parties		
2. towards other entities in which the entity has an involvement in capital		
3. towards other entities	61 139 745,59	68 002 819,19
a) loans and borrowings	59 455 644,00	66 903 008,00
b) from issuance of debt securities	833 700,00	
c) other financial liabilities	850 401,59	1 099 811,19
d) liabilities on bills of exchange		
e) other		
<b>III. Short-term liabilities</b>	<b>36 794 189,35</b>	<b>9 865 227,58</b>
1. Towards related parties		

a) On account of deliveries and services, with maturity, of which:		
- up to 12 months		
- over 12 months		
b) other		
2. Towards other entities, in which the entity has an involvement in capital		
a) On account of deliveries and services, with maturity period:		
- up to 12 months		
- over 12 months		
b) other		
3. towards other entities	36 794 189,35	9 865 227,58
a) loans and borrowings	22 422 000,00	5 050 000,00
b) from issuance of debt securities	9 166 300,00	
c) other financial liabilities	3 929 504,54	3 110 074,27
(d) for supplies and services, with maturity:	790 146,51	1 190 526,50
- up to 12 months	790 146,51	1 190 526,50
- over 12 months		
e) advances received for supplies and services		44 687,85
f) liabilities on bills of exchange		
g) on account of taxes, customs duties, social and health insurance and other public law titles	307 132,95	302 577,06
h) for wages and salaries	177 879,17	167 361,90
i) other	1 226,18	
4. special funds		
<b>IV. Accruals and deferred income</b>		
1. Negative goodwill		
2. Other prepayments and accruals		
- long-term		
- short-term		
<b>TOTAL LIABILITIES</b>	<b>141 925 960,29</b>	<b>122 243 985,98</b>

## PROFIT AND LOSS ACCOUNT

Comparative variant Data in PLN

	Amount for the current financial year	Amount for previous fiscal year
<b>A. Net sales and equalized revenues, including:</b>	<b>22 753 008,78</b>	<b>17 518 455,33</b>
- from related parties	1 500 000,00	1 500 000,00
I. Net income from sales of products	22 753 008,78	17 518 455,33
II. Change in products (increase - positive value, decrease - negative value)		
III. Cost of production of products for the entity's own needs		
IV. Net income from sales of goods		
<b>B. Operating expenses</b>	<b>14 486 317,01</b>	<b>16 762 257,37</b>
I. Depreciation	296 831,31	176 185,03
II. Consumption of materials and energy	309 616,73	218 635,05
III. Outside services	8 674 266,98	11 233 301,79
IV. Taxes and fees, including:	482 681,25	751 903,33
- excise tax		
V. Salaries	2 801 701,84	2 094 172,76
VI. Social security and other benefits, including:	437 267,70	322 380,72
- pension		75 772,11
VII. Other costs by type	1 483 951,20	1 965 678,69
VIII. Value of goods sold		
<b>C. Profit (loss) on sales (A-B)</b>	<b>8 266 691,77</b>	<b>756 197,96</b>
<b>D. Other operating income</b>	<b>500 772,30</b>	<b>857 418,38</b>
I. Profit on disposal of nonfinancial fixed assets		
II. Grants		
III. Revaluation of non-financial assets		
IV. Other operating income	500 772,30	857 418,38
<b>E. Other operating expenses</b>	<b>1 765 416,73</b>	<b>1 419 958,10</b>
I. Loss on disposal of nonfinancial fixed assets		
II. Revaluation of non-financial assets		
III. Other operating expenses	1 765 416,73	1 419 958,10
<b>F. Profit (loss) from operating activities (C+D-E)</b>	<b>7 002 047,34</b>	<b>193 658,24</b>
<b>G. Financial income</b>	<b>4 850 293,38</b>	<b>5 325 705,80</b>
I. Dividends and profit sharing, including:		
a) from related parties, including:		
- in which the entity has involvement in capital		
b) from other entities, including:		

- in which the entity has involvement in capital		
II. Interest, including:	4 849 845,36	5 321 184,54
- from related parties	4 849 845,36	5 321 184,54
III. Profit on outflow of financial assets, including:		
- in related parties		
IV. Revaluation of financial assets		
V. Other	448,02	4 521,26
<b>H. Finance costs</b>	<b>12 402 993,18</b>	<b>8 442 941,38</b>
I. Interest, including:	9 774 535,64	7 506 546,94
- for related parties		
II. Loss on outflow of financial assets, including:		
- in affiliated companies		
III. Revaluation of financial assets		
IV. Other	2 628 457,54	936 394,44
<b>I. Gross profit (loss) (F+G-H)</b>	<b>-550 652,46</b>	<b>-2 923 577,34</b>
<b>J. Income tax</b>	<b>-621 466,47</b>	<b>-521 849,95</b>
<b>K. Other mandatory reductions in profit (increases in loss)</b>		
<b>L. Net profit (loss) (I-J-K)</b>	<b>70 814,01</b>	<b>-2 401 727,39</b>

## STATEMENT OF CHANGES IN EQUITY

Data in PLN

Amount as of the  
end of the current  
fiscal year

Amount as of the  
end of the previous  
fiscal year

### I. Equity (fund) at the beginning of the period (BO)

<b>I. Equity (fund) at the beginning of the period (BO)</b>	<b>40 961 003,30</b>	<b>43 362 730,69</b>
- changes in adopted accounting principles (policies)		
- corrections of errors		
<b>I.a. Equity (fund) at the beginning of the period (BO), after adjustments</b>	<b>40 961 003,30</b>	<b>43 362 730,69</b>
1. share capital	3 103 895,00	3 103 895,00
<b>Core capital (fund) at the beginning of the period</b>	<b>3 103 895,00</b>	<b>3 103 895,00</b>
1.1 Changes in share capital (fund)		
a) increase (due to)		
- issue of shares (share issue)		
b) decrease (due to)		
- redemption of shares		
<b>1.2 Basic capital (fund) at the end of the period</b>	<b>3 103 895,00</b>	<b>3 103 895,00</b>
2 Supplementary capital	37 857 108,30	40 258 835,69
<b>2. reserve capital (fund) at the beginning of the period</b>	<b>40 258 835,69</b>	<b>40 161 525,37</b>
2.1 Changes in supplementary capital (fund)	-2 401 727,39	97 310,32
a) increase (due to)		97 310,32
- issuance of shares above par value		
- distribution of profit (by law)		97 310,32
- distribution of profit (above the statutorily required minimum value)		
b) decrease (due to)	2 401 727,39	
- coverage of loss	2 401 727,39	
- share issue costs		
<b>2.2 Supplementary capital (fund) at the end of the period</b>	<b>37 857 108,30</b>	<b>40 258 835,69</b>
3. Capital from revaluation		
<b>3. Revaluation capital (fund) at the beginning of the period - changes in adopted accounting principles (policies)</b>		
3.1. Changes in revaluation reserve (fund)		
a) increase (due to)		
b) decrease (due to)		
- disposal of fixed assets		
<b>3.2. Revaluation reserve (fund) at the end of the period</b>		
4. Reserve capitals	67 840,00	

<b>4 Other reserve capitals (funds) at the beginning of the period</b>		
4.1 Changes in other reserve capitals (funds)	67 840,00	
a) increase (due to)	67 840,00	
b) decrease (due to)		
<b>4.2 Other reserve capitals (funds) at the end of the period</b>	<b>67 840,00</b>	
5. retained earnings	-1 825 889,56	
<b>5. profit (loss) from previous years at the beginning of the period</b>		<b>97 310,32</b>
<b>5.1 Profit from previous years at the beginning of the period</b>		<b>97 310,32</b>
- changes in adopted accounting principles (policies)		
- corrections of errors		
<b>5.2 Profit from previous years at the beginning of the period, after adjustments</b>		<b>97 310,32</b>
a) Increase (due to)		
- distribution of profit from previous years		
b) Decrease (due to)		97 310,32
- distribution of profit		97 310,32
<b>5.3 Profit from previous years at the end of the period</b>		
<b>5.4. loss from previous years at the beginning of the period</b>	<b>2 401 727,39</b>	
- changes in adopted accounting principles (policies)		
- corrections of errors		
<b>5.5. loss from previous years at the beginning of the period, after adjustments</b>	<b>2 401 727,39</b>	
a) Increase in loss (due to)	1 825 889,56	
- transfer of loss from previous years to be covered		
- correction of errors	1 825 889,56	
b) Decrease in loss (due to)	2 401 727,39	
- coverage of loss with supplementary capital	2 401 727,39	
- coverage of loss with net profit		
<b>5.6. loss from previous years at the end of the period</b>	<b>1 825 889,56</b>	
<b>5.7. profit (loss) from previous years at the end of the period</b>	<b>-1 825 889,56</b>	
<b>6. net result</b>	<b>70 814,01</b>	<b>-2 401 727,39</b>
a) net profit	70 814,01	
b) net loss		2 401 727,39
c) profit write-offs		
<b>II. Equity (fund) at the end of the period (BZ)</b>	<b>39 273 767,75</b>	<b>40 961 003,30</b>
<b>III. Equity (fund), after taking into account proposed profit distribution (loss coverage)</b>	<b>39 273 767,75</b>	<b>40 961 003,30</b>



## CASH FLOW STATEMENT

Indirect method Data in PLN

Amount for the  
current fiscal  
year

Amount for previous  
fiscal year

### A. Cash flow from operating activities

<b>I. Net profit (loss)</b>	<b>70 814,01</b>	<b>-2 401 727,39</b>
<b>II. Total adjustments</b>	<b>4 537 322,67</b>	<b>2 436 759,72</b>
1. depreciation	296 831,31	176 185,03
2. foreign exchange gains (losses)	30 050,77	9 262,21
3. interest and shares in profits (dividends)	4 901 019,80	2 185 362,40
4. profit (loss) from investment activities		
5. change in reserves	1 303 321,69	885 059,01
6 Change in inventories	4 100,72	-8 660,29
7. change in accounts receivable	-1 243 713,21	-3 086 976,59
8. change in short-term liabilities, except for loans and credits	-428 768,50	1 755 971,31
9. change in prepayments and accruals	-325 828,69	484 402,24
10. other adjustments	308,78	36 154,40
<b>III. Net cash flow from operating activities (I±II)</b>	<b>4 608 136,68</b>	<b>35 032,33</b>

### B. Cash flow from investing activities

<b>I. Inflows</b>	<b>107 860 295,28</b>	<b>97 813 908,58</b>
1. disposal of intangible and tangible fixed assets		
2. disposal of investments in real estate and intangible assets		
3. of financial assets, including:	107 860 295,28	97 813 908,58
a) in affiliated companies	790 000,00	5 932 500,00
b) in other entities	107 070 295,28	91 881 408,58
- disposal of financial assets		
- dividends and shares in profits		
- repayment of long-term loans granted	107 070 295,28	91 881 408,58
- interest		
- other proceeds from financial assets		
4. other investment inflows		
<b>II. Expenses</b>	<b>109 595 614,83</b>	<b>82 159 321,91</b>
1. acquisition of intangible and tangible fixed assets	-6 961,40	
2. investment in real estate and intangible assets		

3. on financial assets, including:	109 602 576,23	82 159 321,91
a) in related parties	1 005 000,00	80 500,00
b) in other entities	108 597 576,23	82 078 821,91
- acquisition of financial assets		
- long-term loans granted	108 597 576,23	82 078 821,91
4. Other investment expenses		
<b>III. Net cash flow from investing activities (I-II)</b>	<b>-1 735 319,55</b>	<b>15 654 586,67</b>
<b>C. Cash flow from financing activities</b>		
<b>I. Proceeds</b>	<b>91 046 531,64</b>	<b>64 676 630,33</b>
Net proceeds from issuance of shares (share issues) and other equity instruments and capital contributions	67 840,00	
2. loans and borrowings	27 130 364,00	35 776 432,00
3. issuance of debt securities	9 800 000,00	
4. other financial inflows	54 048 327,64	28 900 198,33
<b>II. Expenses</b>	<b>93 256 356,45</b>	<b>80 308 463,84</b>
1. acquisition of own shares (stocks)		
2. dividends and other payments to owners		
3. other than distributions to owners, profit distribution expenses		
4. repayment of loans and credits	17 205 728,00	14 745 424,00
5. redemption of debt securities		11 512 000,00
6. on other financial liabilities		
7. payment of liabilities under financial lease agreements	177 249,73	90 700,50
8. interest	9 750 865,16	7 506 546,94
9. other financial expenses	66 122 513,56	46 453 792,40
<b>III. Net cash flow from financing activities (I-II)</b>	<b>-2 209 824,81</b>	<b>-15 631 833,51</b>
<b>D. Total net cash flow</b>	<b>662 992,32</b>	<b>57 785,49</b>
<b>E. Balance sheet change in cash, including:</b>	<b>662 992,32</b>	<b>57 785,49</b>
- change in cash due to exchange rate differences		
<b>F. Cash at the beginning of the period</b>	<b>126 137,29</b>	<b>68 351,80</b>
<b>G. Cash at the end of the period, including:</b>	<b>789 129,61</b>	<b>126 137,29</b>
- of limited disposability	1 988,94	1 988,94

## CALCULATION OF INCOME TAX

(Data) (in) (PLN)  
current

Amount for the  
fiscal year

Amount for the previous  
fiscal year

<b>A. Gross profit (loss) for the year</b>	<b>-550 652,46</b>	<b>-2 923 577,34</b>
B. Tax-exempt income (permanent differences between profit/loss for accounting purposes and income/loss for tax purposes), including:		
Other		
Revaluation of investments (Article 12.1.4(e))		
C. Non-taxable income in the current year, including:	5 554 265,84	6 354 533,76
Other		
Accrued interest on loans (Article 12, paragraph 4, item 2)	5 553 754,41	5 527 071,39
Unearned awarded legal representation costs (Article 12, paragraph 3e)		827 462,37
Exchange rate differences from balance sheet valuation (Article 15a)	511,43	
D. Current year taxable income recognized in prior years' accounts including:		
Other		
E. Non-deductible expenses (permanent differences between profit/loss for accounting purposes and income/loss for tax purposes), including:	722 296,17	529 023,14
Other		
Other expenses classified as non-deductible for tax purposes (Article 15(1))	139 388,93	166 353,43
Representation (including catering, hotel services) (Article 16, paragraph 1, item 28)	58 317,15	24 610,93
Debt financing costs (Art. 15(c))		
Budgetary interest (Art. 16(1)(21))	9 265,28	48 966,36
Donations made (Art. 16 par. 1 item 14)		
Depreciation of fixed assets used under operating leases (Art. 17b)	281 331,31	160 685,03
Interest on lease agreements (Article 17b)	112 206,55	71 061,99
Car operating expenses of 25% of costs (Art. 16.1.51)	63 248,68	45 527,96
Car lease installments in excess of statutory value (Article 16, paragraph 1, item 49(a))	51 854,30	10 414,42
Third-party liability premiums of the car in excess of the statutory value (Article 16, paragraph 1, item 49)	6 683,97	1 403,02
F. Costs not recognized as deductible expenses in the current year, including:	1 936 050,13	1 482 121,66
Other		

Accrued interest on loans (Article 16, paragraph 1, item 11)		
Unpaid wages and Social Security contributions (Article 16, paragraph 1, item 57)	190 965,09	180 424,92
Provisions (Article 16(1)(27))		
Write-offs of bad debts (Art. 16 (1) item 25)	1 210 832,63	1 301 696,74
Exchange rate differences on balance sheet valuation (art. 15a)	19 655,58	
Awarded legal representation costs (Article 15)	514 596,83	
G. Costs considered deductible in the current year recognized in the books of previous years, including:	1 092 019,29	104 553,67
Other		
Unpaid wages and Social Security contributions (Art. 16.1.57)	180 424,92	104 553,67
Loss on sale of receivables (Article 16, paragraph 1, item 39)	911 594,37	
H. Loss from previous years, including:		
I. Other changes in tax base, including:	-289 456,28	-161 762,49
Other	-289 456,28	-161 762,49
<b>J. Income tax base</b>	<b>-4 828 047,57</b>	<b>-7 533 282,46</b>
<b>K. Income tax</b>		

## ADDITIONAL INFORMATION

*Data in PLN*

**Additional information and explanations**

## LM PAY STOCK COMPANY

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Additional information and explanations to the financial statements

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## ADDITIONAL INFORMATION AND EXPLANATIONS

### Note 1 - Events after the balance sheet date

There were none.

### Note 2 - Changes in accounting policy

In 2024, the company changed its accounting policy regarding the presentation of credit surety expenses.

Until 2023, the costs of credit sureties were recognized as part of the costs of core operations, posted within Band 4 of the chart of accounts.

Beginning in 2024, credit surety costs are charged to finance costs and are posted within Band 7 of the chart of accounts.

For comparability of data due to change in accounting policy, see Note 44.

### Note 3 - Costs of completed development work and goodwill

The value of completed development work and goodwill - did not occur.

### Note 4 - Land under perpetual usufruct

Value of land in perpetual use - did not occur.

## Note 5 - Fixed assets

	Land (including right of perpetual usufruct perpetual usufruct of land)	Buildings, premises, rights to premises and civil engineering structures	Technical equipment and machinery	Means of transportation	Other fixed assets	Total
Gross value						
N.O. 01-01-2024	-	-	-	1 414 560,68	-	1 414 560,68
(+) Increases from.	-	-	-	-	-	-
- lease acceptance	-	-	-	-	-	-
- others	-	-	-	-	-	-
(-) Reductions	-	-	-	94 850,00	-	94 850,00
- sales	-	-	-	94 850,00	-	94 850,00
- others	-	-	-	-	-	-
B.Z. 31-12-2024	-	-	-	1 319 710,68	-	1 319 710,68
Depreciation						
N.O. 01-01-2024	-	-	-	207 022,84	-	207 022,84
(+) Increases	-	-	-	281 331,31	-	281 331,31
(-) Decreases	-	-	-	28 455,00	-	28 455,00
B.Z. 31-12-2024	-	-	-	459 899,15	-	459 899,15
Net value						
N.O. 01-01-2024	-	-	-	1 207 537,84	-	1 207 537,84
B.Z. 31-12-2024	-	-	-	859 811,53	-	859 811,53

The fixed assets indicated above are used by the Company under finance leases.

No unamortized or unamortized by the entity fixed assets used under lease, rental and other agreements, including operating leases.

Note 6 - Information on the number and value of securities or rights held, including share certificates, convertible debt securities, warrants and options, with an indication of the rights they confer

There were none.



Note 7 - Intangible assets.

	Costs of completed development work	Goodwill	Other intangible assets	Advances for intangibl e assets	Total
Gross value					
N.A. 01-01-2024	-	-	77 500,00	512 085,90	589 585,90
(+) Increases due to.	-	-	-	59 433,60	59 433,60
- updates	-	-	-	-	-
- transfer from fixed assets under construction	-	-	-	-	-
- others	-	-	-	59 433,60	59 433,60
(-) Decreases	-	-	-	-	-
- sales	-	-	-	-	-
- others	-	-	-	-	-
B.Z. 31-12-2024	-	-	77 500,00	571 519,50	649 019,50
Redemption					
N.O. 01-01-2024	-	-	28 416,67	-	28 416,67
(+) Increases	-	-	15 500,00	-	15 500,00
(-) Decreases	-	-	-	-	-
B.Z. 31-12-2024	-	-	43 916,67	-	43 916,67
Net value					
N.O. 01-01-2024	-	-	49 083,33	512 085,90	561 169,23
B.Z. 31-12-2024	-	-	33 583,33	571 519,50	605 102,83

Note 8 - Write-downs of non-current assets

The Company did not recognize impairment losses on fixed assets in 2024.

Note 9 - Inventory write-downs

The Company did not recognize inventory write-downs, as it operates a service business and has no inventory.

Note 10 - Prepaid expenses

As of:	31.12.2024r.	31.12.2023r.
Deferred income tax assets	3 199 652,66	3 100 754,06
Other long-term accruals	696 197,99	928 326,84
Total long-term prepayments and accruals	3 895 850,65	<b>4 029 080,90</b>
Short-term prepayments and accruals	1 063 510,69	<b>604 451,75</b>

Long-term and short-term prepaid expenses include:

Financial intermediation costs	380 914,51
Costs of insurance	27 428,10
Costs of debt sales contract	928 326,84
Costs of sureties	189 000,00
Costs of bond issue	144 444,40
Other	89 594,83
Total	1 759 708,68

Deferred tax assets include items:

Write-off - bad debts	230 058,20
Salaries, unpaid in 2024.	36 283,37
Costs of legal representation (write-off)	97 773,40
Exchange rate differences from balance sheet valuation	3 734,56
Tax loss 2022	656 115,67
Tax loss 2023	1 431 323,67
Tax loss 2024	551 000,00
Lease liability	193 363,80
Total	3 199 652,66

#### Note 11 - Share capital

The share capital as of the balance sheet date amounted to PLN 3,103,895.00.

Ownership structure of share capital as of December 31, 2024:

Name of shareholder	Number of shares held	Nominal value of shares held shares	Percentage share in the share capital share capital	Percentage of votes held
Medical Finance Group S.A.	416 973	2 084 865,00	67,17%	67,17%
Other shareholders (series B)	203 806	1 019 030,00	32,83%	32,83%
Total	620 779	3 103 895,00	100%	100%

#### Note 12 - Distribution of profit / coverage of loss for the current fiscal year

Net profit for 2024 in the amount of PLN 70,814.01 will be allocated to cover the Losses of previous years. Note 13 -

Change in reserves

	Deferred income tax provision	Provision for retirement benefits and similar		Other reserves		Total
		Long-term	Short-term	Long-term	Short-term	
B.O. 01.01.20234	3 414 935,91	-	-	-	-	<b>3 414 935,91</b>
Increases	569 313,20	-	-	-	734 008,49	<b>1 303 321,69</b>
Utilization	-	-	-	-	-	-
B.Z. 31.12.2024	<b>3 984 249,11</b>	-	-	-	<b>734 008,49</b>	<b>4 718 257,60</b>

The remaining provisions relate to commissions on the sale of receivables for previous years, which will be settled in the coming fiscal years.

#### Note 14 - Average employment in the fiscal year

The Company's average employment in 2024 was 1.8.

#### Note 15 - Remuneration of members of management, supervisory or administrative bodies

Remuneration of persons included in management, supervisory or administrative bodies in 2024 amounted to PLN 156,000.00.

#### Note 16 - Transactions with members of management, supervisory or administrative bodies

During the fiscal year, the company did not provide loans to members of management bodies.

The company paid the benefit of the chairman of the board of directors on account of a surety. The amount of these benefits in the fiscal year  
fiscal year amounted to PLN 1,043,877.57.

As of the balance sheet date, the capital value of loans received from members of the management bodies amounted to PLN 4,010,000.00.

All of the above transactions were carried out on an arm's length basis.

#### Note 17 - Information on revenues, costs and results of operations discontinued during the financial year or expected to be discontinued in the following year Did not

occur.

Note 18 - Information on income and expenses of extraordinary value or which occurred incidental

Did not occur.

Note 19 - Information on exchange rates adopted for valuation of financial statement items expressed in foreign currencies

For the valuation of financial statement items expressed in foreign currencies, the average NBP exchange rates as of 31.12.2024, i.e.

- for USD 1 USD - 4.1012 PLN

- for EUR 1 EUR - 4.2730 PLN

Note 20 - Continuation of operations

The financial statements have been prepared on the assumption of continuing business operations for the foreseeable future.

Note 21 - Contingent liabilities and liabilities secured on the Company's assets

As of December 31, 2024, the Company had collaterals established on the entity's assets:

Liability	Amount of issue / credit limit	Date Allocation / agreement	End date of commitment / collateral	Type of security	Subject of security	Value collateral	Entity in whose favor the collateral was established / pledgee	Pledge number in the pledge register	Court of registration
AL series bonds	PLN 10,000,000	2024-03-05	2027-12-31						
				Registered pledge	portfolio of loan receivables	PLN 15,000,000	CVI Trust sp. z o.o.	2778071	District Court for the capital city of Warsaw in Warsaw XI Commercial Department of the Pledge Registry
				Registered pledge	bank accounts	PLN 15,000,000	CVI Trust sp. z o.o.	2778226	District Court for the capital city of Warsaw in Warsaw XI Economic Department of the Pledge Register
PLN 135,000,000 Loan agreement for issuance of bonds (Fortress)	PLN 135,000,000	2022-08-31	2025-08-31						
				Registered pledge	D1 - cash receivable	202 500 000 PLN	LM PAY S.A R.L.	2730078	District Court for the City of Warsaw in Warsaw XI Commercial Department of the Pledge Register

The Company's General Meeting of Shareholders, in a resolution dated February 22, 2022, established the details of an incentive program aimed at key managers and associates of the Company. The program provides for entitlement of program participants to subscribe for Company shares in several stages. The subscription of warrants at each stage is contingent on the Company's achievement of certain business results. As of December 31, 2023, the conditions entitling participants to take up 13,568 warrants in accordance with stage I of the incentive program materialized, entitling them to take up 13,568 Company shares. The materialization of the stipulated conditions required in Stage I entitling participants was confirmed by the Supervisory Board in a resolution adopted on January 21, 2024. As a result, the persons covered by the program as of January 21, 2024 acquired the right to acquire series C subscription warrants for the subscription of series C shares.

Subsequent stages of the incentive program include:

- Phase I - the period from the date of adoption of these Regulations by the Company's General Meeting of Shareholders until the end of the Company's fiscal year in which the IPO occurred,
- Stage II - the Company's first fiscal year after the year in which the IPO occurred,
- Phase III - the second fiscal year of the Company after the year in which the IPO occurred;

The offering of the Warrants is subject to the achievement of the following Performance Goals, defined separately for each Stage of the Incentive Program:

- in Stage I of the Program - achievement of the Company's Capitalization at a level higher than PLN 145,086,785,
- in Stage II of the Program - attaining the Company's capitalization at the level higher than PLN 323,203,091,
- in Stage III of the Program - attaining the Company's capitalization at the level higher than PLN 480,879,278.

By the time the 2024 financial statements were prepared, the conditions of Phase II and Phase III had not been realized.

#### Note 22 - Consolidation of financial statements

The Company is a subsidiary of Medical Finance Group S.A. with its registered office at 23A Lechicka Street REGON: 142446622 NIP: 5242711463 KRS: 0000422868.

Consolidation of financial statements is not required under applicable legal standards.

#### Note 23 - Transactions with related parties

Entity	Medical Finance Group S.A.	
Type of income/cost	In 2024	In 2023
Interest on loan granted (income)	4 849 845,36	5 321 184,54
Interest on loan received (cost)	-	-
Income from sale of services	1 500 000,00	1 500 000,00
Entity	Medical Finance Group S.A.	
Type of transaction/ Balance as of	31.12.2024r.	31.12.2023r.
Loans granted	62 285 245,51	57 200 400,15
Other receivables (settlements resulting from assignment of loan portfolio)	1 365 636,70	1 267 272,94
Other trade receivables	4 500 000,00	3 000 000,00
Other receivables	8 000,00	9 828,38

LM PAY S.A., as a lender, entered into a revolving limit agreement with MFG S.A. July 1, 2019  
For a period of 60 months, i.e. until July 1, 2024. The amount of the granted limit is PLN 5,000,000.00.  
On October 16, 2019, Annex No. 1 was concluded increasing the amount of the limit to PLN 18,000,000.00.  
On February 6, 2020, Annex No. 2 was concluded increasing the amount of the limit to PLN 50,000,000.00. On  
March 1, 2020, Annex No. 3 was concluded changing the interest rate of the loan.  
On June 1, 2021, Annex No. 4 was concluded increasing the amount of the limit to PLN 60,000,000.00. On  
December 28, 2021, an annex was concluded changing the interest rate of the loan.  
On June 28, 2024, Annex No. 5 was concluded, increasing the amount of the limit to PLN 65,000,000.00 and extending the agreement  
until July 1, 2027.

MFG S.A. made repayments of the revolving limit in 2020-2024 in the amounts:

- PLN 6,082,000.00 was repaid in 2020,
- in 2021 repaid PLN 2,960,000.00,
- in 2022 repaid PLN 2,855,168.75,
- in 2023 repaid PLN 5,932,500.00,
- in 2024 repaid PLN 790,000.00.

The total amount of repayments is PLN 18,619,668.75.

#### Note 24 - Long-term investments

	Real estate	Intangible and legal assets	Long-term financial assets in affiliated	Non-current financial assets in pos. units, in which units. in which units in cap.	Long-term financial assets in other entities	Other investments Long-term	Total
BO 01.01.2024	-	-	40 694 900,00	-	5 649 249,54	-	46 344 149,54
Increases	-	-	1 025 000,00	-	-	-	1 025 000,00
- granting loans	-	-	1 025 000,00	-	-	-	1 025 000,00
- transfer	-	-	-	-	-	-	-
- purchase shares	-	-	-	-	-	-	-
- valuation	-	-	-	-	-	-	-
Reductions	-	-	790 000,00	-	2 512 485,88	-	3 302 485,88
- sales	-	-	-	-	-	-	-
- transfer	-	-	-	-	2 277 485,88	-	2 277 485,88
- repayment of loans	-	-	790 000,00	-	235 000,00	-	1 025 000,00
- write-down revaluation	-	-	-	-	-	-	-
- amortizations	-	-	-	-	-	-	-
- valuation	-	-	-	-	-	-	-
BZ 31.12.2024	-	-	40 929 900,00	-	3 136 763,66	-	44 066 663,66

Note 25 - Receivables by maturity period

Receivables	B.O.	B.Z.	B.O.	B.Z.
	01.01.2024 r.	31.12.2024r.	01.01.2024 r.	31.12.2024r.
	Up to 12 months		More than 12 months	
Related parties:	4 277 101,32	5 873 636,70	-	-
a) on account of supplies and services	3 000 000,00	4 500 000,00	-	-
b) other	1 277 101,32	1 373 636,70	-	-
Other units:	25 772 930,53	40 158 274,06	279 460,00	227 050,00
(a) Credits and loans	-	-	-	-
b) On account of deliveries and services.	7462,71	15 637,65	-	-
c) On account of taxes, customs duties, insurance and other benefits	95 140,00	95 140,00	-	-
d) Other	25670327,82	40 047 496,41	279 460,00	227 050,00
e) Investigated through Judicial	-	-	-	-
Total	30 050 031,85	46 031 910,76	279 460,00	227 050,00

The Company did not recognize an allowance for trade receivables in the current year.

Note 26 - Liabilities by maturity period

As of December 31, 2024

	Liabilities by maturity				
	Up to 1 year	Over 1 year to 3 years	Over 3 years Up to 5 years	Over 5 years	Total
Towards entities Related	-	-	-	-	-
Towards entities in which the unit has an involvement in the capital	-	-	-	-	-
Towards others units, including:	36 794 189,35	61 139 745,59	-	-	97 933 934,94
- loans and borrowings	22 422 000,00	59 455 644,00	-	-	81 677 644,00
- on account of issuance debt securities securities	9 166 300,00	833 700,00	-	-	10 000 000,00
- from supplies and services	790 146,51	-	-	-	790 146,51
- advances received for supplies and services	-	-	-	-	-
- other liabilities financial	3 929 504,54	850 401,59	-	-	4 799 906,13
- from taxes	307 132,95	-	-	-	307 132,95
- from wages and salaries	177 879,17	-	-	-	177 879,17
- others	1 226,18	-	-	-	1 226,18
Total	36 794 189,35	61 139 745,59	-	-	97 933 934,94



#### Note 27 - Loans received

As of the balance sheet date, the Company had liabilities for loans received in the amount of 81,877,644.00 PLN, including short-term loans amounted to 22,422,000.00 PLN, long-term loans PLN 59,455,644.00.

In 2023, under long-term loans received, the Company recorded the principal portion of loans received, while the short-term portion consisted of accrued and unpaid interest on loans received.

In 2024, the Company changed the method of recording the capital portion according to the maturity date of the loans.

Loans received as of December 31, 2023 recorded according to the maturity date by long-term part and short-term part would be, respectively:

1. long-term part: PLN 52,248,846.00
2. short-term part: PLN 19,704,162.00

#### Note 28 - Loans granted

The value of loans granted as of the balance sheet date was:

Loans granted	Long-term part	Short-term part
Related parties, including:	40 929 900,00	21 355 345,51
- Medical Finance Group S.A.	40 929 900,00	21 355 345,51
Other entities, including:	3 136 763,66	23 027 025,48
- medical loans	3 136 763,66	23 027 010,44
- other loans	0,00	15,04

Allowance for unpaid medical loan receivables as of 31.12.2024 amounted to PLN 3,034,678.69.

Allowance for unpaid medical loan receivables as of 31.12.2023 amounted to PLN 5,098,999.37.

#### Note 29 - Structure of net revenues from sales

Type	For the year 2024		For 2023	
	Domestic	Foreign	Domestic	Foreign
Sales of services financial intermediation	2 766 571,29	-	2 448 107,42	-
Interest on loans	6 77 9022,38	-	4 503 700,01	-
Preparatory fee on of loan granting	13 087 415,11	-	10 446 647,90	-
Other income	120 000,00	-	120 000,00	-
Net income from total sales	22 753 008,78	-	17 518 455,33	-

Note 30 - Other operating income

Type	For the year 2024	For 2023
Profit on disposal of fixed assets and intangible assets intangible assets	-	-
Grants	-	-
Revaluation of non-financial assets, including:	-	-
- release of revaluation allowances receivables	-	-
- release of provision	-	-
- refunded, remitted taxes	-	-
- received refunds of costs of proceedings litigation	-	-
- on account of inventory differences	-	-
Other, including:	500 772,30	857 418,38
- write-off of ZUS premiums	-	-
- release of provision for early repayment of loans	-	-
- sale of receivables	389 743,24	-
- others	111 029,06	857 418,38
Total	500 772,30	857 418,38

Note 31 - Other operating expenses

	For the year 2024	For 2023
Loss on disposal of tangible and intangible assets	-	-
Revaluation of assets	-	-
Non-financial assets, including:		
- inventory revaluation write-downs	-	-
- write-downs on receivables	-	-
Revaluation of investments	-	-
Other operating expenses, including:	-	1 419 958,10
- created reserves	-	-
- donations	-	-
- receivables written off	1 210 832,63	1 301 696,74
- costs of liquidation of fixed assets	-	-
- costs of litigation	-	-
- inventory liquidation costs	-	-
- costs due to costs of representation legal representation	514 596,83	-
- other	39 987,27	118 261,36
Total	1 765 416,73	1 419 958,10

Note 32 - Financial income

	Year ended 31.12.2024	Year ended 31.12.2023
Gains from participation in other entities, including of which:	-	-
- profits from participation in entities affiliates	-	-
- profits from participation in other entities	-	-
Interest, including:	4 849 845,36	5 321 184,54
- interest from related parties	4 849 845,36	5 321 184,54
- interest from other entities, including:	-	-
- -other	-	-
Proceeds from disposal of investments, including:	-	-
- from sale of shares	-	-
Revaluation of investments, including	-	-
- valuation of bonds	-	-
Other, including:	448,02	4 521,26
- exchange rate differences	-	4 520,89
- other financial income	448,02	0,37
Total	4 850 293,38	5 325 705,80

Note 33 - Financial expenses

	For the year 2024	For 2023
Interest, including:	9 774 535,64	7 506 546,94
- from related parties	-	-
- from other entities	9 774 535,64	7 506 546,94
- interest on loans and borrowings	7 678 560,61	6 104 389,20
- budget interest	9 265,28	48 966,36
- bank interest	557 596,20	443 240,05
- interest on bonds	1 416 907,00	838 889,34
- other interest	-	-
- lease interest	112 206,55	71 061,99
Loss on disposal of investments, including:	-	-
- other	-	-
Revaluation of investments, including:	-	-
- shares of purchased companies	-	-
- purchased own shares	-	-
- other	-	-
Other, including:	2 628 457,54	936 394,44
- exchange rate differences	30 050,77	13 783,10
- created reserves	-	-
- sale of receivables	348 600,10	-
- costs on account of sureties	1 185 222,77	-
- commissions for obtaining financing	1 000 725,75	-
- other financial costs	63 858,15	922 611,34
Total	12 402 993,18	8 442 941,38

Note 34 - Information on income, expenses and results of discontinued operations Did not occur.

Note 35 - Costs of production of fixed assets under construction, fixed assets for own use Did not occur.

Note 36 - Value of interest and foreign exchange differences that increased the purchase price of goods or cost of products Did not occur.

Note 37 - Expenditures incurred in the last year and planned for the next year for non-financial assets fixed assets and for environmental protection

In 2024, the Company incurred expenditures for nonfinancial fixed assets in the amount of:

- Intangible assets: PLN 59,433.60
- Fixed assets: PLN 0.00.

Planned outlays for intangible assets in 2025 amount to PLN 100,000.00. The Company did not incur expenditures for environmental protection.

Note 38 - Value and nature of individual items of income or expenses of extraordinary value or occurring incidentally

Did not occur.

Note 39 - Significant assumptions used to determine the fair value of assets that are not financial instruments

The Company had no non-financial instrument assets measured at fair value in fiscal 2024.

Note 40 - Structure of cash for the statement of cash flows

	For the year 2024	For 2023
Cash at bank	688 025,77	116 128,46
Cash in hand	101 103,84	10 008,83
Other cash	-	-
Revolving loans (available limit)	5 000 000,00	5 000 000,00

Change in the balance of receivables	
BO in the balance sheet	30 050 031,85
BZ on the balance sheet	(46 031 910,76)
BO receivables Fortress	(24 140 997,12)
BZ receivables Fortress	38 879 162,82
Total	(1 243 713,21)

Change in trade and other payables
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BO short-term liabilities	(9 865 227,58)
BZ of short-term liabilities	36 794 189,35
BO of liabilities from bond issuance	-
BZ of liabilities from bond issuance	(9 166 300,00)
BO loans and short-term borrowings	5 050 000,00
BZ loans and short-term borrowings	(22 422 000,00)
short term lease liability. BO	3 110 074,27
short term lease liability. BZ	(3 929 504,54)
Total	(428 768,50)

Change in prepayments and accruals	
Long-term. RM active (including assets from sub. deferred) BO	4 029 080,90
Long-term. RM prepaid (including assets under IR) BZ	(3 895 850,65)
Short-term. RM active BO	604 451,75
Short-term. RM active BZ	(1 063 510,69)
Total	(325 828,69)

Note 41 - Information on the nature and business purpose of contracts entered into by the entity not included in the balance sheet

Did not occur.

Note 42 - Information on transactions concluded by the entity on other than market terms with related parties

Did not occur.

Note 43 - Information on income and expenses due to errors made in previous years, recognized to equity in the fiscal year

In 2024, two adjustments were made that were charged to equity:

1. Adjustment relating to the establishment of a provision for commissions related to the contract for the sale of receivables, carried to the result of previous years in the amount of PLN 734,008.49
2. Adjustment related to deferred income tax assets and liabilities, referred to the result of previous years in the amount of PLN 1,091,881.07.

Note 44 - Comparability of the financial statement data for the previous year with the financial statement for the current fiscal year

These financial statements include comparable data. The comparability of the data has been preserved in the period 2023-2024.

The Company in 2024 changed the method of recording loans received and costs of loan guarantees. Comparable data for loans are included in Note 27.

Comparable data for loan surety expenses are included in Note 55.

Note 45 - Information on joint ventures that are not subject to consolidation Did not occur.

Note 46 - List of entities in which the company has involvement in the capital or 20% of the total number of votes in the entity's governing body

The Company does not have interests in other entities.

Note 47 - Merger of commercial companies Did

not occur.

Note 48 - Funds accumulated in the split payment account

As of 31/12/2024, the company has accumulated funds in the split payment account in the amount of: PLN 1,988.94.

Note 49 - Information on auditor's remuneration.

Information about the auditing firm's remuneration due (or paid) for fiscal year 2024 separately for:

- 1) Statutory audit - PLN 55,000.00
- 2) Other audit services - PLN 0.00
- 3) Tax consulting services - PLN 0.00
- 4) Other services - PLN 0.00

#### Note 50 - Impact of the macroeconomic situation on the Company's operations

The macroeconomic environment was characterized by greater stability in 2024 compared to 2023. Real GDP in Poland grew by 1.3% in 2024, with growth mainly driven by consumption. Inflation averaged 3.6% in 2024, according to the CSO, and was relatively stable. Numerous inflationary risks in the medium term still existed, which led the MPC not to decide on further interest rate cuts in 2024. Consumption was exceptionally strong in 2024, implied by high indexations of pensions, public sector wages and the minimum wage.

The macro environment in 2024 had an impact on the company's results in terms of increased operating costs, mainly due to wage pressures. The increase in the minimum amount, and the increase in the average wage in the corporate sector, resulted in the need to adjust salaries to legal requirements and market conditions. The persistently low unemployment rate also indirectly affected the increase in labor costs. In 2024, acquiring a qualified employee involved higher costs and increased recruitment time. Obtaining an employee in 2024 was more difficult than in previous years. According to an official announcement by the Central Statistical Office, the average monthly disposable income per person in total in 2024 was PLN 3167.17. In the previous year, the amount was PLN 2678.30. The increase in consumption as a result of the rise in disposable income has positively affected the demand for loans. Lending institutions issued 2.24 million loans in 2024, 5.5 percent more than in 2023. The amount of borrowers' commitments at the time amounted to PLN 8.22 billion, which is 22.8 percent more than in 2023.

As of January 2024, in accordance with European Union directives, the activities of loan companies are subject to supervision by the relevant institution, which in the case of Poland means the Financial Supervision Commission.

Accordingly, LMPAY S.A.'s operational business of lending is controlled and supervised by the state institution, on a par with banks. This fact contributes to the fact that LM PAY S.A. is an entity reliable and transparent.

#### Note 51 - Listing on the stock exchange and opening of the Company's branch.

LM PAY S.A. (ISIN: PLLMPAY00016, WKN A3EWU0), a market leader in bank-independent financing of medical and aesthetic services for individual customers based in Warsaw, successfully began listing its shares on the Düsseldorf Stock Exchange as of November 21, 2023. Trading takes place on the Düsseldorf Stock Exchange's main market, a special segment for innovative small and medium-sized companies. The company is thus the first Polish company to be listed on the primary market of the Düsseldorf Stock Exchange. All of the 620,779 bearer shares are traded on the exchange. The opening price was EUR 54.50. This gives a market capitalization of EUR 33.8 million at the start of trading. The free float is 28%.

In 2024, after nearly a year's reconnaissance of the loan market in the developing countries of Central and Eastern Europe, the company decided to expand into those markets. As a first step, the decision was made to start the process of opening a foreign branch of LM PAY in Romania. For this purpose, in January 2024, an inquiry was sent to the Romanian supervisor about the form of lending business in Romania. In June 2024, a contract was signed with MFP Lawyers to provide legal services for the registration of the branch in Romania and the process of obtaining the branch's license (registration on the list of non-bank financial institutions maintained by the National Bank of Romania (NBR) - the supervisor). In September 2024, a contract was signed with Flexible Office Space SRL for virtual office services. Registration of the branch with the Romanian KRS took place in November, and in late December a license application was submitted to the National Bank of Romania for registration in the general register of non-bank financial institutions. 2025 followed.



further activities related to finalizing the process, including the signing of a contract with a financial auditor in Romania, the establishment of the Branch Audit Committee, etc. In parallel, we are negotiating with:

- business contractors for the sale of LM PAY Branch products in Romania,
- accounting firms with regard to accounting and tax services
- IT companies regarding integration with databases
- Romanian credit bureau (integration and credit risk assessment).

#### Note 52 - Income from hidden profits

The Company has not recognized income from hidden profits in 2024.

#### Note 53 - Value of food donated to non-governmental organizations

In 2024, the Company did not donate food to non-governmental organizations for the performance of their task within the scope of Article 2 item 2 of the Law of July 19, 2019. on prevention of food waste (Journal of Laws of 2020, item 1645).

#### Note 54 - Financial intermediation services

As of 2024, financial intermediation costs are accounted for by the Company over time as part of accrued expenses. The Company decided to change the records due to the loan period to which the financial intermediation costs relate.

In 2023, the costs of financial intermediation amounted to PLN 1,872,293.00 and were recognized as costs for the year 2023.

In 2024, financial intermediation expenses accrued over a period of 24 months amounted to PLN 507,545.00.

#### Note 55 - Costs of credit guarantees

Beginning in 2024, the costs of credit sureties are charged to the company's financial expenses (posted under group 7 of the company's chart of accounts).

In 2023, the aforementioned costs were charged to the result of the entity's basic operating activities and were posted within team 4 of the company's chart of accounts.

The costs of loan guarantees amounted to:

- in 2023: PLN 844,505.58;
- in 2024: PLN 1,185,222.77.

#### Note 56 - Number of shares taken up by shareholders in a simple joint stock company in exchange for non-monetary contributions, the object of which is a non-transferable right or the provision of work or services

Not applicable.

Note 57 - Global equalization tax.

Article 37 (12) of the Accounting Act is applicable to the company, under which the entity does not establish deferred tax liabilities and assets related to global equalization tax, domestic equalization tax and equalization tax on under-taxed profits.

Note 58 - Other information required by Appendix 1 of the Accounting Act

Information required by Appendix 1 of the Accounting Act, not disclosed in the financial statements  
financial statements, did not occur in the current period.

## **SIGNATURES AFFIXED TO THE REPORT**