

**Audit Report on Financial Statements
issued by an Independent Auditor**

**ID FINANCE INVESTMENTS, S.L.
AND SUBSIDIARIES**

Consolidated Financial Statements and
Consolidated Management Report
for the year ended December 31, 2024



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The better the answer.
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AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (See Note 6)

To the shareholders of ID Finance Investments, S.L.:

Opinion

We have audited the consolidated financial statements of ID Finance Investments, S.L. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2024, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2024 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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



More relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the consolidated financial statements of the current period. These risks were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Estimate of impairment losses of loans and advances

Description The estimate of impairment losses is one of the most significant and complex areas in the Group financial reporting process.

Notes 3 and 9 to the accompanying consolidated financial statements describe the relevant principles and criteria used by Group for estimating the abovementioned impairment losses and the amounts corresponding to the estimate, which is made collectively. Impairment losses are estimated based on the percentage of historical default and the amount that is not expected to be recovered once the transaction becomes defaulted.

Consequently, the estimate of impairment losses for credit risk arising from loans and advances has been considered a most relevant audit issue.

**Our
response**

Our audit procedures consisted, among others, in obtaining an understanding of the processes applied by management for determining the impairment losses estimated collectively.

Additionally, we have performed substantive procedures mainly consisting of:

- ▶ Assessing the appropriateness of the collective calculation methodology used to estimate impairment losses.
- ▶ Performing selective evaluation of (i) the correct classification of transactions into the corresponding categories and (ii) the completeness and accuracy of the information used for estimating impairment losses.
- ▶ Re-performing the calculation of impairment losses estimated collectively.

Lastly, we have assessed whether the accompanying consolidated financial statements include the disclosures required by the regulatory framework of financial information applicable to the Group.

Other information: consolidated management report

Other information refers exclusively to the 2024 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that the consolidated non-financial statement, to which the Audit Law refers, were provided as stipulated by applicable regulations and, if not, disclose this fact.



- b. Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2024 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless said directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the directors of the parent company, we determine those that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signed on the original version In Spanish)

Albert Fernández Chafer
(Registered in the Official Register of
Auditors under No. 23820)

May 5, 2025

**ID FINANCE INVESTMENT S.L.
AND SUBSIDIARIES**

**Consolidated financial statements and
Consolidated Management Report
for the year ended 31 December 2024**

ID FINANCE

ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2023

(Thousands of euros)	Note	31/12/2024	31/12/2023
ASSETS			
Cash and cash equivalents	7	6,238	8,986
Financial instruments designated at fair value through income or loss	8	1,663	1,882
Loans due from customers	9	113,473	80,842
Prepaid Expenses		4,740	1,473
Property and equipment	10	1,448	1,998
Intangible assets	11	5,833	6,594
Current tax asset		3,096	15
Deferred tax assets	15	27,071	25,586
Other assets	14	11,943	13,066
Assets held for sale	18	12	12
Total Assets		175,517	140,454
LIABILITIES			
Financial instruments at fair value through profit or loss	8	-	2,856
Loans and borrowings	12	130,172	112,188
Current tax liability		4,559	1,077
Provisions	13	3,726	4,804
Other liabilities	14	9,004	8,654
Total Liabilities		147,461	129,579
EQUITY			
Share capital	16	292	275
Share premium	16	22,839	10,953
Other shareholders contributions	16	3,289	3,289
Other reserves	16	99	12
Retained earnings		(3,386)	(10,441)
Profit/(Loss) for the year		6,613	7,055
Foreign currency translation reserve		(1,689)	(268)
Total Equity		28,056	10,875
Total Liabilities and Equity		175,517	140,454

The accompanying Notes 1 to 27 are an integral part of the consolidated balance sheet at 31 December 2024.

(*) The consolidated balance sheet at 31 December 2023 is presented solely and exclusively for comparison purposes (see Note 2c).

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CONSOLIDATED INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Thousands of euros)	Note	2024	2023
Interest and related Income	4	215,265	179,205
Net Impairment Losses	9	(132,367)	(113,472)
Net Interest and related Revenue		82,898	65,733
Marketing and issue Expenses	5	(35,337)	(28,817)
Administrative Expenses	6	(19,360)	(17,466)
Depreciation and Amortisation	10 and 11	(4,886)	(4,727)
Operating Income/(Loss)		23,315	14,723
Financial Income		171	12
Financial Expense		(16,208)	(13,976)
Net foreign currency gain/(loss)		(5,536)	4,991
Other gain /(loss)	17	7,329	2,944
Profit/(Loss) before Income Tax		9,071	8,694
Income tax gain	15	(2,460)	(1,641)
Profit/(Loss) for the year from continuing operations		6,611	7,053
Net result from discontinued operations	18	3	2
Profit/(Loss) for the year		6,614	7,055

The accompanying Notes 1 to 27 are an integral part of the consolidated income statement at 31 December 2024.

The consolidated income statement at 31 December 2023 is presented solely and exclusively for comparison purposes (see Note 2c).

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CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

	2024	2023
(Thousands of euros)		
Profit/(loss) for the year	6,614	7,055
Other comprehensive income, net of income tax		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</i>		
Exchange differences on translation	(1,423)	(43)
Total other comprehensive income for the year, net of income tax		
Total comprehensive income/(loss) for the year	5,191	7,012

The accompanying Notes 1 to 27 are an integral part of the consolidated balance sheet at 31 December 2024.

(*) The consolidated balance sheet at 31 December 2023 is presented solely and exclusively for comparison purposes (see Note 2c).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

(Thousands of euros)	Share capital	Share premium	Other Shareholders contributions	Foreign currency translation reserve	Retained earnings	Profit/(Loss) for the year	Other reserves	Total equity
Balance as at 1 January 2024	275	10,953	3,289	(266)	(10,441)	7,055	12	10,875
Profit for the year	-	-	-	-	-	6,614	-	6,614
Foreign currency translation differences for foreign operations	-	-	-	(1,423)	-	-	-	(1,423)
Total comprehensive income for the year	-	-	-	(1,423)	-	6,614	-	5,191
Shares issued (Note 15)	17	11,885	-	-	-	-	-	11,902
Dividends	-	-	-	-	-	-	-	-
Other	-	-	-	-	7,055	(7,055)	87	87
Total contributions and distributions	17	11,885	-	-	7,055	(7,055)	87	11,989
Balance as at 31 December 2024	292	22,839	3,289	(1,689)	(3,386)	6,613	99	28,056

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

(Thousands of euros)	Share capital	Share premium	Other Shareholders contributions	Foreign currency translation reserve	Retained earnings	Profit/(Loss) for the year	Other reserves	Total equity
Balance as at 1 January 2023	275	10,953	3,289	(223)	(16,755)	6,314	12	3,864
Profit for the year	-	-	-	-	-	7,055	-	7,055
Foreign currency translation differences for foreign operations	-	-	-	(43)	-	-	-	(43)
Total comprehensive income for the year	-	-	-	(43)	-	7,055	-	7,012
Shares issued	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Other	-	-	-	-	6,314	(6,314)	-	-
Total contributions and distributions	-	-	-	-	6,314	(6,314)	-	-
Balance as at 31 December 2023	275	10,953	3,289	(266)	(10,441)	7,055	12	10,875

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Thousands of euros)		2024	2023
Cash flows from operating activities	Note	9,071	8,694
		3	2
Profit before tax from continuing operations			
Profit/loss before tax from discontinued operations		9,074	8,696
Profit/(loss) before income tax			
Adjustment for:			
Discontinued operations financial results			
Provision for impairment losses on loans	9	132,367	113,472
Interest income from non-customers loan		(171)	(12)
Interest expense on loans and borrowings		16,854	13,976
Other gains/losses		(5,685)	(5,566)
Depreciation and amortization	10,11	4,886	4,727
Foreign exchange loss		5,536	(4,991)
Increase in loans due from customers		(173,127)	(129,766)
Increase/Decrease in financial instruments designated at fair value through income or loss		(2,637)	2,733
Increase/Decrease in other assets		1,673	4,142
Increase/Decrease in provisions		(988)	763
Increase/Decrease in other liabilities		3,558	295
Payments for income taxes		(2,603)	(631)
Net cash-flows used in operating activities		(11,263)	4,520
Cash flows from investing activities			
<i>Payments</i>			
Purchases of intangible assets	11	(3,515)	(3,996)
Purchases of property and equipment	10	(60)	(376)
Loans to related parties		-	-
<i>Collections</i>			
Interest collections		-	-
Loans to related parties		-	-
Net cash flows used in investing activities		(3,575)	(4,372)
Cash flows from financing activities			
<i>Payments</i>			
Interest payments		(16,706)	(9,366)
<i>Collections</i>			
Increase/Decrease in loans and borrowings		29,736	12,678
Net proceeds from issuance of common stock		-	-
Other shareholders contribution		-	1
Net cash flows from financing activities		13,030	3,313
Net increase in cash and cash equivalents		(1,808)	3,461
Cash and cash equivalents at the beginning of the period	7	8,986	5,525
Effect of exchange rate fluctuations on cash		-	-
Cash and cash equivalents at the end of the period	7	7,178	8,986

The accompanying Notes 1 to 27 are an integral part of the consolidated statement of cash flows for the year ended 31 December 2024.

(*) The consolidated statement of cash flows for the year ended 31 December 2023 is presented solely and exclusively for comparison purposes (see Note 2c).

ID FINANCE

ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

1. GENERAL INFORMATION

ID Finance Investments, S.L. (the "Company" or the "Parent Company") is the parent company of IDF Investments ID Finance Group (the "ID Finance Group") and was established on September 20th, 2016. Its registered office is on Carrer Tuset No. 5, 3rd floor (08006) Barcelona, Spain. The Company's CIF number is B66862442. Its registered office was included in the commercial register in Barcelona on October 28th, 2016 in the corresponding volume 45605, page 171, and sheet B 493395, inscription 1. The main corporate purpose of the Company is to exercise and exploit the following activities:

- The financing of the companies of the ID Finance Group.
- The administration and management of the ID Finance Group.
- The acquisition, transfer, exploitation, and assignment in any form of patents, licenses, and other forms of industrial or intellectual property.
- Acquire, buy, sell, and negotiate financial instruments of any kind.
- Acquisition, possession, management and administration of securities, participations, and shares.

The ID Finance Group is a leading digital finance provider focused on Europe and Latin America.

ID Finance is a data-driven financing platform that is pioneering fintech innovation in emerging markets with a range of convenient, competitive, and transparent finance services available over the internet. The company uses machine learning and advanced data science techniques to improve access to competitive financial services.

Headquartered in Barcelona, ID Finance has over 405 staff spread across its operations under the MoneyMan and Plazo brands in Spain and Mexico with IT, data science and risk teams.

During the year 2018, the Company had one sole shareholder, IDF Holding, Ltd., located in Cyprus. The shareholders of IDF Holding, Ltd, approved on 13 December 2018 the distribution of the Company's share capital to themselves through a dividend in kind. The deed of distribution of dividends was executed on December 21st, 2018 and officially executed and registered in the Mercantile Register on April 1, 2019. As of February 20, 2019, a second issue of shares has been registered in the Mercantile Registry, giving entry to an additional partner into the equity of the Parent Company (see note 15).

As of December 31st, 2024, the scope of consolidation of the ID Finance Group encompassed 7 subsidiaries (7 subsidiaries in 2023). These companies engage in a range of activities, including among others, credit scoring and digital consumer finance provider.

Currently the ID Finance Group involves the following subsidiaries as of December 31st, 2024 and 2023:

Legal entities	Country of incorporation	Share of capital	
		2024	2023
ID Finance Spain S.A.U.	Spain	100%	100%
ID Finance Plazo, S.L.U.	Spain	100%	100%
Plazo Credit, S.L.U.	Spain	100%	100%
IDF Capital S.A.P de C.V SOFOM, E.N.R.	Mexico	100%	100%
IDF Servicios SAPI de C.V.	Mexico	100%	100%
Online Collect S.A. de C.V.	Mexico	100%	100%
Plazo Technologies sp. z o.o.	Poland	100%	100%

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), so that they give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of ID Finance Investments S.L. and Subsidiaries as of December 31st, 2024, as well as the consolidated results of its operations and consolidated cash flows for the year in conformity with the aforementioned applicable regulatory framework for financial information and, specifically, the accounting principles and criteria contained therein.

The ID Finance Group's consolidated financial statements have been prepared from the accounting records kept by ID Finance Investments S.L. and the other entities comprising the ID Finance Group. However, given that the accounting principles and measurement criteria applied in the preparation of the consolidated financial statements may differ if using local accounting requirements, the necessary adjustments and reclassifications have been made during the consolidation process to standardize the IFRS-EU principles and criteria between the companies and adapt them to the regulatory framework applied by the ID Finance Group.

These consolidated financial statements for the year ended of December 31st, 2024 were authorized for issue by the Board of Directors on April 29th, 2025 and are expected to be approved by the General Shareholder meeting without modification. The consolidated financial statements for the year 2023 were approved by the General Shareholder meeting on July 29th, 2024.

The functional currency of the Parent Company is the Euro. All values in these consolidated financial statements are presented in thousands of Euro, except when otherwise indicated.

(b) Basis of measurement

The principal accounting policies and measurement bases applied in preparing the ID Finance Group's consolidated financial statements for 2024 are summarised in Note 3.

(c) Comparative information

The ID Finance Group has prepared consolidated financial statements that comply with IFRS-EU applicable as at December 31st, 2024, together with the comparative period for the year ended December 31st, 2023.

(d) Mandatory new standards, amendments, and interpretations for the years subsequent to the calendar year beginning 1 January 2024

Standards and interpretations not yet in force as of December 31, 2024

The following amendments to the IFRS standards or their interpretations (hereinafter "IFRIC" or "interpretation") became effective in 2024:

Standards	Amendments	Mandatory application for annual periods beginning on or after:	
		EU effective date	IASB effective date
NIC 1	Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	1 January 2024	1 January 2024
NIIF 16	Lease Liability in a Leaseback Sale	1 January 2024	1 January 2024
NIC 7, NIIF 7	Supplier financing agreements	1 January 2024	1 January 2024

The application of these standards and interpretations has had no significant impact on these financial statements.

(e) New regulations, modifications and mandatory interpretations applicable in years after the natural year that began on January 1, 2024, pending approval by the European Union

At the time of preparation of the Company's financial statements, new International Financial Reporting Standards and Interpretations or Amendments had been published and were not mandatory as of December 31, 2024. Although, in some cases, the International Accounting Standards Board (hereinafter IASB) allows its application in advance, the Company has not done so.

Standards	Amendments	Mandatory application for annual periods beginning on or after:	
		EU effective date	IASB effective date
NIC 21	Absence of convertibility	1 January 2025	1 January 2025
NIIF 9 and NIIF 7	Classification and Measurement of Financial Instruments	Pending	1 January 2026
NIIF 9 and NIIF 7	Renewable Electricity Contracts	Pending	1 January 2026
NIIF 18	IFRS 18 Presentation and disclosure in the financial statements	Pending	1 January 2027

(f) Use of estimates and judgments

The information contained in these consolidated annual accounts is the responsibility of the Directors of the Parent Company.

The consolidated annual accounts have been prepared from the accounting records corresponding to the 2024 fiscal year of the Parent Company and of the companies that make up its consolidation perimeter, whose respective financial statements, once adapted for the consolidation process in accordance with the Standards International Financial Reporting adopted by the European Union (EU), have been approved by the Directors of each company and activity segment.

Estimates have occasionally been used in the ID Finance Group's Consolidated Annual Accounts for the quantification of some of the assets, liabilities, income, expenses, and commitments recorded in them. Basically, these estimates refer to:

Allowances for credit losses on loans and receivables

Total allowances for impairment on loans and advances are assessed collectively. Collectively assessed impairment allowances cover credit losses inherent in portfolios of loans and advances with similar credit risk characteristics when there is objective evidence to suggest that they contain impaired financial assets, but the individual impaired items cannot yet be identified. Collectively assessed impairment allowances also cover credit losses for portfolios of defaulted loans which are defined as past due 90 days or more. In assessing the need for collective loss allowances, management considers factors such as probability of default, loss given default ("LGD"), portfolio size, delay concentration and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. To assess collective impairment allowances, the loan portfolio is ID Finance Grouped based on delay days. The significant assumptions used in determining collective impairment losses for the loan portfolio include:

- Management assumes that ID Finance Group collects cash from defaulted loans up to 24 months after default.
- Management calculates probability of default ratios using historic transition matrices which analyses loan portfolio movements between the delinquency buckets over one-month periods. This analysis is undertaken on a bucket's basis, in which the average probability of default ratios of the last 365 days is recalculated. Management writes off trade receivables and loans due from customers, when they are past due more than 810 days, or earlier if deemed to be uncollectable.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the ID Finance Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash generation unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. There are no indicators of impairment of non-financial assets of December 31st, 2024 and 2023. The most significant non-financial assets subject to potential impairment testing are intangible assets, which mainly represent internal software development costs capitalised.

Development Costs

The ID Finance Group capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. In 2024, the carrying amount of capitalised development costs was EUR 3,374 thousand (EUR 3,665 thousand as in 2023).

This amount includes significant investment in the development of IT modules for the ID Finance Group business purposes use.

Deferred tax assets and uncertain tax positions

Income tax expense comprises current and deferred tax. Current tax is tax payable on taxable income for the year, using tax rates at reporting date and any adjustments to tax payable in respect of previous years.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies (see Note 19).

3. PRINCIPLES, ACCOUNTING POLICIES AND VALUATION CRITERIA APPLIED

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented in these consolidated financial statements, unless otherwise stated.

(a) Presentation of assets and liabilities in the consolidated balance sheet

In accordance with the provisions of IAS 1, the ID Finance Group presents the assets and liabilities in the consolidated balance sheet based on their degree of liquidity, considering that this is the most relevant criterion.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of all the ID Finance Group companies are prepared using uniform accounting policies. All inter-company transactions and balances between ID Finance Group companies have been eliminated during consolidation, except for entities which combined effect were not material, which were not consolidated.

(c) Subsidiaries

Subsidiaries are those entities, including special purpose entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

In Note 1 additional information is provided on significant variances occurred during 2024.

Changes in the ID Finance Group's ownership interests in existing subsidiaries

Changes in the ID Finance Group's ownership interests in subsidiaries that do not result in the ID Finance Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the ID Finance Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the ID Finance Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e, reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Business combinations

A business combination is a transaction or other event in which the acquirer gains control of one or more businesses. For these purposes, one entity controls another when it has the power to direct its financial and operating policies, by legal, statutory provision or agreement, in order to obtain economic benefits from its activities.

For its part, business is defined as an integrated set of activities and assets that can be directed and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.

In particular, the acquisition of control over an entity is considered a business combination.

The business combinations by which the ID Finance Group acquires control of an entity or economic unit are recorded for accounting by applying the acquisition method, the main stages of which are summarized as follows:

- Identify the acquiring entity.
- Determine the acquisition date.
- Recognize and value the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree, except for the exceptions indicated in IFRS 3, in general, the identified contingent assets, liabilities and liabilities of the acquired entity or business are they are valued at the time of acquisition of control at their fair value.
- Recognize and value the goodwill or profit from a purchase under very advantageous conditions with a counterpart in the consolidated income statement by comparing the price paid in the combination and the initial value of the identified assets, liabilities and contingent liabilities of the business acquired.

In those situations in which the ID Finance Group obtains control of an acquiree in which it maintains an equity interest immediately before the acquisition date (business combination carried out in stages), the ID Finance Group reassesses its equity interests in the acquired previously held at their fair value on the acquisition date and recognizes the resulting gains or losses, if any, in the consolidated profit and loss account.

In the case of business combinations carried out without transfer of consideration, such as business combinations carried out only through a contract, the ID Finance Group records, where appropriate, the amount of the net assets and liabilities of the acquired entity applying the criteria and principles contained in IFRS 3 (in general and with the exceptions established in said IFRS 3), at their fair value, with a counterpart in the ID Finance Group's equity, so that no goodwill or gains are recorded from the purchase in these kinds of business combinations.

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(d) Income and expense recognition

Interest income (including commission, extension fee and penalty) from a financial asset is recognised when it is probable that the economic benefits will flow to the ID Finance Group and the amount of income can be measured reliably.

Interest income or expense is recognised using the effective interest method.

If the ID Finance Group revises its estimates of payments or receipts, it adjusts the carrying amount of the loan to reflect actual and revised estimated cash flows. The ID Finance Group then recalculates the carrying amount by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate, and the adjustment to the carrying amount is recognised in income. When it receives loan extension fees, which represent prepaid interest for the requested period of extension, such amounts represent the increase in the carrying value of the loan and are recognised in income upon receipt.

Other fees, commissions, penalties and other income and expense items are recognised in profit or loss when the corresponding service is provided.

(e) Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements are measured in Euro, ID Finance Group consists of 9 main operation business (excluding discontinued operations) units which have such foreign currencies:

Legal entity	Country	Currency
ID Finance Investments S,L,	Spain	Euro
ID Finance Spain S,A,U,	Spain	Euro
ID Finance Plazo, S,L,U,	Spain	Euro
Plazo Credit, S.L.U.	Spain	Euro
IDF Capital S,A,P de C,V SOFOM, E,N,R,	Mexico	Mexican peso
IDF Servicios SAPI de C,V,	Mexico	Mexican peso
Online Collect S,A, de C,V,	Mexico	Mexican peso
Plazo Technologies sp. z o.o.	Poland	Polish Zloty

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Monetary assets and liabilities denominated in foreign currencies are premeasured into the functional currency at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined.

As at the reporting date, the assets and liabilities of the Company and its subsidiaries with functional currencies other than the presentation currency are translated into the presentation currency of the ID Finance Group (Euro) at the rate as at the reporting date, the assets and liabilities of the Company and its subsidiaries with functional currencies other than the presentation currency are translated into the presentation currency of the ID Finance Group (Euro) at the rate of exchange ruling at the reporting date and their operations are translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income.

(e) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax and is recorded in the profit or loss.

Tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date. Current tax includes any adjustments to tax payable in respect of previous periods.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Currently enacted tax rates are used in the determination of deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be used.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

(f) Cash and cash equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Financial instruments

(i) Classification

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those of the ID Finance Group:

- intends to sell immediately or in the short term.
- upon initial recognition designates as at fair value through profit or loss.
- upon initial recognition designates as available-for-sale or, may not recover substantially all of its initial investment, other than because of credit deterioration.

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

The ID Finance Group classifies non-derivative financial assets into loans and receivables category, which consists of loans due from customers, cash and cash equivalents and other assets.

The ID Finance Group classifies non-derivative financial liabilities into the other financial liabilities' category. Other financial liabilities comprise of loans from related party and other liabilities.

(ii) Recognition

Financial assets and liabilities are recognised in the statement of financial position when the ID Finance Group becomes a party to the contractual provisions of the instrument.

(iii) Measurement

A financial asset or liability is initially measured at its fair value plus, in the case of a financial asset or liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability.

Subsequent to initial recognition, loans and receivables and other financial liabilities are measured at amortised cost using the effective interest method.

(iv) Amortised cost

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

(v) Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, the most advantageous market to which the ID Finance Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the ID Finance Group measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the ID Finance Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in these circumstances.

The key financial instruments of the Company and the ID Finance Group are cash, trade receivables, loans due from customers, loans to related parties, trade payables, loans payable and other creditors arising from the business activities.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the ID Finance Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument, but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

In addition, for financial reporting purposes, the ID Finance Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quotes prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data; and
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments,

(vi) Gains and losses on subsequent measurement

For financial assets and liabilities carried at amortised cost, a gain or loss is recognised in profit or loss when the financial asset or liability is derecognised or impaired, and through the amortization process.

(vii) Derecognition

The ID Finance Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers substantially all the risks and rewards of ownership of the financial asset. Any rights created or retained by the ID Finance Group is recognised as a separate asset or liability in the statement of financial position. The ID Finance Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The ID Finance Group also derecognises certain assets when it writes off balances pertaining to the assets deemed to be uncollectible.

(viii) Offsetting

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(h) Provisions

Provisions are recognised when the ID Finance Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the ID Finance Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(i) Impairment of financial assets

The ID Finance Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or ID Finance Group of financial assets is impaired. When objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows of the asset that can be estimated reliably.

In assessing collective impairment, the ID Finance Group uses statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate. Specific impairment testing is not undertaken since the loan portfolio consists of many small exposure loans that would make individual impairment testing impractical.

(j) Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Euros at exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to Euros at rates at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised as a separate component of equity.

(k) Financial assets carried at amortised cost

Financial assets carried at amortised cost consist principally of loans and other receivables. The ID Finance Group reviews its loans and receivables to assess impairment on a regular basis.

The ID Finance Group first assesses whether objective evidence of impairment exists individually for loans and receivables that are individually significant, and individually or collectively for loans and receivables that are not individually significant. If the ID Finance Group determines that no objective evidence of impairment exists for an individually assessed loan or receivable, whether significant or not, it includes the loan or receivable in a ID Finance Group of loans and receivables with similar credit risk characteristics and collectively assesses them for impairment. Loans and receivables that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

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

In some cases, the observable data required to estimate the amount of an impairment loss on a loan or receivable may be limited or no longer fully relevant to current circumstances. This may be the case when a borrower is in financial difficulties and there is little available historical data related to similar borrowers. In such cases, the ID Finance Group uses its experience and judgment to estimate the amount of any impairment loss.

All impairment losses in respect of loans and receivables are recognised in profit or loss and are only reversed if a subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

When a loan is uncollectable, it is written off against the related allowance for loan impairment. The ID Finance Group writes off a loan balance (and any related allowances for loan losses) when management determines that the loans are uncollectible and when all necessary steps to collect the loan are completed.

(l) Non-financial assets

Other non-financial assets, other than deferred taxes, are assessed at each reporting date for any indications of impairment. The recoverable amount of goodwill is estimated at each reporting date. The recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

All impairment losses in respect of non-financial assets are recognised in profit or loss and reversed only if there has been a change in the estimates used to determine the recoverable amount. Any impairment loss reversed is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Property, Plant and Equipment

(i) Owned assets

Items of property and equipment are stated at acquisition cost less accumulated depreciation and impairment losses. Where an item of property and equipment comprises major components having different useful lives, they are accounted for as separate items of property and equipment.

(ii) Depreciation

Depreciation is charged in profit or loss on a straight-line basis over the estimated useful lives of the individual assets. Depreciation commences on the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use. Land is not depreciated. The estimated useful lives are as follows:

Computer equipment	3 years
Long-term leasehold improvements	5 years
Other property and equipment	5 years

(n) Capitalization of financing costs

Interest costs that are not directly attributable to the acquisition, production or creation of eligible assets are recognized in profit or loss using the effective interest method.

Loan costs related to creation, production of new qualified assets are capitalized. Interest costs attributable to the creation of qualified assets are capitalized as part of the cost of the qualified asset. A qualified asset is an asset that needs a considerable period of time to prepare for its intended use or sale. For the ID Finance Group, the capitalization of borrowing costs in relation to intangible assets is mainly relevant to capitalized expenses for the development of new computerized data systems.

(o) Intangible assets

The ID Finance Group has a detailed Intangible Assets Capitalisation Policy covering accounting for development projects. The ID Finance Group incurs costs for development of computer software and similar items, which may be capitalised. Capitalised expenditure can be either external (for example, IT subcontractors) or generated internally within the entity (for example, IT employees developing IT software). Only assets are capitalised that are separately identifiable, for which the entity has control, and for which probable future economic benefits shall be recognised, no intangible asset costs arising from the research phase of a project are capitalised. Expenditure on research is expensed when incurred. Amortisation commences once the item is in the location and conditions necessary for it to be capable of operating in the manner intended by management and has been accepted by the business owner. Intangible assets, other than goodwill, are stated at cost less accumulated amortization and impairment losses. Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Amortization is charged in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives are as follows:

Licenses, trademarks and similar rights	5 years
Software and other intangible assets	3 years

(p) Impairment of non-financial assets

Assets with an indefinite useful life are not amortised but evaluated annually for impairment. Assets that are amortised or depreciated are evaluated for impairment whenever events or changed circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in the amount by which the carrying amount of an asset exceeds its recoverable amount, which is the greater of the net selling price and value in use. In respect of items of property, plant and equipment and intangible assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

(q) Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised, if, and only if, all the following have been demonstrated: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; the ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible assets; and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

(r) Share capital and share premium

Share capital is classified as equity.

Share Premium - the difference between the par value of a company's shares and the total amount a company received for shares recently issued. The share premium can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Spain Companies Law on reduction of share capital.

(i) Currency revaluation reserve

The currency revaluation reserve comprises all foreign currency differences arising from the translation of the financial currency of each subsidiary into the presentation currency.

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(ii) Dividends

The ability of the ID Finance Group to declare and pay dividends is subject to the rules and regulations of Spain legislation.

Dividends in relation to share capital are reflected as an appropriation of retained earnings in the period when they are declared.

(s) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the ID Finance Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(t) Operating Segments

The ID Finance Group determines and presents operating segments based on the information that is internally provided to the ID Finance Group's management board.

An operating segment is a component of the ID Finance Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the ID Finance Group's other components.

Segment results which are reported to the ID Finance Group's management include items directly attributable to the segment as well as those that can be allocated on a reasonable basis.

(u) Transactions with related parties

Transactions with related parties are accounted in accordance with the valuation rules detailed above, except for the following transactions:

- The non-monetary contributions of a business to a company in the ID Finance Group are generally measured at the book value of the equity items delivered in the consolidated financial statements at the date the transaction is carried out.
- In the merger and split operations of a business, the acquired elements are generally valued at the amount corresponding to them, once the transaction has been completed, in the consolidated financial statements. Differences that arise are registered in reserves.

(v) Leases

When the ID Finance ID Finance Group acts as lessee, at the start of a contract, the ID Finance ID Finance Group evaluates whether it is a lease or contains it. For all those contracts in which, after evaluation, they are considered to be or contain a lease, the ID Finance Group records an asset in the consolidated balance sheet, which represents its right to control the use of the asset in question for a specified period. Simultaneously, the ID Finance Group recognizes a lease liability, which represents the ID Finance Group's obligation to make the committed payments for the use of the underlying asset that have not been paid on that date.

As an exception to this treatment are those short-term leases (duration equal to or less than 12 months) or in which the underlying asset is of little value. For these two types, the ID Finance Group records the lease payments as expenses, linearly throughout the lease period under the heading "Other administration expenses" in the consolidated profit and loss account.

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On the contract commencement date, the ID Finance Group recognizes a lease liability for the underlying asset at the present value of the lease payments that are not paid on that date, discounted using the interest rate implicit in the lease, if this rate can easily be determined. Otherwise, the incremental interest rate of the ID Finance Group's indebtedness is used. The lease liability is recorded under "Other financial liabilities" in the consolidated balance sheet. For its part, the financial expense associated with the lease liability is recorded under the heading "Financial expenses" in the consolidated income statement. Subsequently, the lease liability is measured by increasing the carrying amount so as to reflect the interest calculated by applying the effective interest rate and reducing its carrying amount, reflecting the payments made for the lease.

Likewise, the right-of-use asset is presented at the initial moment in the "Tangible assets" captions of the consolidated balance sheet, for the value of the lease liability adjusted for any payment made before or on the commencement date, direct costs initial or the cost that may be incurred to dismantle, eliminate the underlying asset or return it to the condition required in the contractual terms.

Subsequently, the right-of-use asset is adjusted for the following concepts:

- Its corresponding amortization. The right of use is amortized over the lesser of the useful life of the underlying asset and the duration of the lease. The annual provisions for amortization are made with a balancing entry in the "Amortization" chapter of the consolidated profit and loss account.
- If applicable, the corresponding impairment losses recorded under "Impairment or (-) reversal of impairment of non-financial assets" in the consolidated income statement.
- Reflecting any new valuation of the lease liability.

The criteria applied for their amortization, for estimating their respective useful lives and for recording their possible impairment losses, coincide with those described in relation to tangible assets for own use contained in Note 3 (m) of these consolidated annual accounts.

Variable lease payments that do not depend on an index or a type are not included in the measurement of the lease commitment or the corresponding right-of-use asset. These payments are recorded as an expense in the period under the heading "Other administration expenses" in the consolidated income statement.

(w) Consolidated statement of cashflows

In the consolidated statement of cash flows, the following expressions are used, in the following ways:

- Cash flows: inflows and outflows of cash and its equivalents; These equivalents are understood as short-term investments with high liquidity and low risk of changes in value.
- Operating activities: typical operating activities, as well as other activities that cannot be classified as investment or financing. Operating activities are also considered interest paid on any financing received, even if they are considered as financing activities.
- Investing activities: those of acquisition, disposal or disposal by other means of long-term assets and other investments not included in cash and its equivalents, such as tangible assets, intangible assets, investments in subsidiaries, non-current assets and associated liabilities, for sale and equity instruments classified as fair value with changes in other comprehensive income that are strategic investments.
- Financing activities: activities that produce changes in the size and composition of equity and of liabilities that are not part of operating activities, such as other financial liabilities.

(x) Consolidated statement of changes in equity

In the consolidated statement of changes in equity, all changes in equity are presented, including those that arise from changes in accounting criteria and correction of errors. This statement shows, therefore, a reconciliation of the book value at the beginning and at the end of the year of all the items that make up the consolidated net worth, ID Finance Grouping the movements according to their nature into the following items:

- Adjustments for changes in accounting criteria and correction of errors: which includes changes in the consolidated net equity that arise as a result of the retroactive restatement of the balances of the financial statements originating from changes in accounting criteria or the correction of errors that could have happened, in your case.
- Income and expenses recognized in the year: collects, in aggregate, the total of the items registered in the consolidated Statement of Income and Expenses recognized above.

- Other changes in equity: includes the rest of the items recorded in equity, such as increases or decreases in capital stock, distribution of results, operations with own capital instruments, payments with capital instruments, transfers between items of the shareholders' equity and any other increase or decrease in consolidated shareholders' equity.

4. INTEREST AND RELATED INCOME

Thousands of euros	2024	2023
Interest on loans due from Customers	99,697	86,636
Penalties	67,972	53,817
Extension fees	37,577	33,097
Other revenues	10,019	5,655
Total	215,265	179,205

5. MARKETING, LOAN ISSUE AND SERVICING EXPENSE

Thousands of euros	2024	2023
Marketing Expenses	15,049	12,542
Product and Payment Processing	5,034	4,476
Collection Expenses	6,301	5,428
Client Identification and Scoring	5,942	3,693
Other	3,011	2,678
Total	35,337	28,817

6. ADMINISTRATIVE EXPENSES

Thousands of euros	2024	2023
Remuneration to Employees and payroll Taxes	7,280	5,438
Office Expenses	864	1,138
Banking Fees	19	38
Professional Services Fees	2,392	1,253
Hosting and IT maintenance	897	657
Legal Fees	7,098	8,112
Audit Fees	334	394
Other	476	436
Total	19,360	17,466

(a) Audit fees

The Parent Company's auditor is Ernst & Young, S, L.. The ID Finance Group's audit fees for the 2024 financial year have amounted to 147 thousand euros (139 thousand euros in 2023), and the fees for other services related to the ID Finance Group's audit have amounted to 35 thousand euros in 2024 (34 thousand euros in 2023).

(b) Composition and distribution of the workforce by gender,

In addition, the table below shows the number of employees by gender and category as of December 31st, 2024 and 2023 and the average number of employees in each year:

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Category	2024			2023		
	Male	Female	Average 2024	Male	Female	Average 2023
Senior Management	9	4	14	9	3	10
Middle Management	35	26	70	38	32	64
Other	161	171	317	151	159	338
Total	204	201	398	198	194	376

As of December 2024, and 2023, the ID Finance Group has one employee with disabilities within its workforce.

The dominant Board of Directors of the parent Company is made up of 5 men as of December 31, 2024 (5 men as of December 2023).

7. CASH AND CASH EQUIVALENTS

Thousands of euros	31-Dec-24	31-Dec-23
Cash in bank	6,238	8,986
Total Cash and cash equivalents	6,238	8,986

All the cash balances included in this caption have no restrictions for use and have not generated any interest income.

8. FINANCIAL INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH INCOME OR LOSS

The detail of financial instruments valued at fair value as of December 31, 2024 and 2023 is as follows:

Thousands of euros	31-Dec-24	31-Dec-23
Debit balances		
Exchange rate derivatives	1,663	1,882
Total debit balances	1,663	1,882
Credit balances		
Exchange rate derivatives	-	2,856
Total credit balances	-	2,856

These derivatives are presented at their fair value in the consolidated balance sheet, which has been calculated using valuation models accepted in the market, and using, as main inputs, exchange rate curves and observable interest rate curves, therefore they are classified at level 2 of the fair value hierarchy. During the 2024 and 2023 fiscal year, there have been no changes in the classification of these instruments, and changes in fair value are due to new contracts or maturities, or changes recorded in the consolidated profit and loss account.

The ID Finance Group uses regular forward foreign exchange contracts and non-deliverable forward foreign exchange contracts in order to cover exposures arising from foreign exchange movements. The contracts are placed on holding level and pass through to the business units using intercompany foreign exchange contracts.

9. LOANS DUE FROM CUSTOMERS

Thousands of euros	31-Dec-24	31-Dec-23
Gross loans due from customers	188,354	155,429
Impairment allowance	(74,881)	(74,587)
Net loans due from customers	113,473	80,842

Movements in the loan impairment allowance by classes of loans due from customers for the respective periods are as follows:

	31-Dec-24	31-Dec-23
Balance at the beginning of the year	(74,587)	(83,541)
Charge for the period	(132,367)	(113,472)
Amounts written off	131,908	122,426
Exchange differences on translation	166	-
Balance at the end of the year	(74,881)	(74,587)

As of December 31, the ageing analysis of loans due from customers is, as follows (in thousands of euros):

31-Dec-24	Gross loans	Impairment allowance	Net loans	Impairment allowance to gross loans (%)
Not delay (Stage 1)	71,800	1,000	70,800	1%
1-90 days past due (Stage 2)	30,497	7,463	23,034	24%
> 91 days past due (Stage 3)	86,058	66,418	19,640	77%
Total overdue or impaired loans	116,554	73,880	42,674	63%
Total loans to customers	188,354	74,881	113,473	40%

31-Dec-23	Gross loans	Impairment allowance	Net loans	Impairment allowance to gross loans (%)
Not delay (Stage 1)	50,999	1,515	49,484	3%
1-90 days past due (Stage 2)	29,901	10,785	19,116	36%
> 91 days past due (Stage 3)	74,529	62,287	12,242	84%
Total overdue or impaired loans	104,430	73,071	31,358	70%
Total loans to customers	155,429	74,587	80,842	48%

Detailed breakdowns of loans due from customers maturities are presented in note 19.

The fair value of loans due from customers is closely related to its book value net of impairment and is classified as level 2.

10. PROPERTY AND EQUIPMENT

The detail and movements of the different items that make up this Tangible Assets heading are as follows (in thousands of euros):

	Equipment	Fixtures and fittings	Right of use	Total
Cost				
Balance at 1 January 2024	612	312	1,307	2,231
Additions/disposals	(50)	13	-	(37)
Effect of changes in foreign exchange rates	(20)	-	(74)	(94)
Balance at 31 December 2024	542	325	1,233	2,100
Accumulated depreciation				
Balance at 1 January 2024	31	165	37	233
Depreciation and amortisation for the year	147	50	372	569
Additions/disposals	-	-	-	-
Effect of changes in foreign exchange rates	(33)	-	(117)	(150)
Balance at 31 December 2024	145	215	292	652
Carrying amount				
At 1 January 2024	581	147	1,270	1,998
At 31 December 2024	364	110	974	1,448

	Equipment	Fixtures and fittings	Right of use	Total
Cost				
Balance at 1 January 2023	304	332	1,323	1,960
Additions/disposals	308	(20)	(16)	272
Effect of changes in foreign exchange rates	-	-	-	-
Balance at 31 December 2023	612	312	1,307	2,231
Accumulated depreciation				
Balance at 1 January 2023	(22)	162	20	160
Depreciation and amortisation for the year	58	15	20	93
Additions/disposals	-	-	-	-
Effect of changes in foreign exchange rates	(5)	(12)	(3)	(20)
Balance at 31 December 2023	31	165	37	233
Carrying amount				
At 1 January 2023	326	170	1,303	1,799
At 31 December 2023	581	147	1,270	1,998

The fair value of total tangible assets at 31 December 2024 and 31 December 2023 does not differ significantly from that recognised under "Property and equipment" in the accompanying balance sheet.

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Notes to the consolidated financial statements for the year ended 31 December 2024

The changes in the related lease liability through 2024 and 2023 are as follows:

	2024	2023
Opening balance	1,085	501
Interest accrual	113	36
Additions/disposals	-	514
Rent payments	(308)	(33)
Exchange rate differences	0	67
Lease liability closing balance (note 14)	890	1,085

11. INTANGIBLE ASSETS

The detail and movements of the different items that make up this heading of Intangible Assets are as follows:

	Software	Other	Total
Cost			
Balance at 1 January 2024	23,445	100	23,545
Additions/disposals	3,474	1	3,475
Effect of changes in foreign exchange rates	-	-	-
Balance at 31 December 2024	26,919	101	27,020

Accumulated depreciation			
Balance at 1 January 2024	16,909	42	16,951
Depreciation and amortisation for the year	4,307	10	4,317
Additions/disposals	-	-	-
Effect of changes in foreign exchange rates	(81)	-	(81)
Balance at 31 December 2024	21,135	52	21,187

Carrying amount			
At 1 January 2024	6,535	58	6,594
At 31 December 2024	5,783	48	5,833

	Software	Other	Total
Cost			
Balance at 1 January 2023	19,639	100	19,739
Additions/disposals	3,795	-	3,795
Effects of changes in foreign exchange rates	10	-	10
Balance at 31 December 2023	23,444	100	23,544

Accumulated depreciation			
Balance at 1 January 2023	12,560	31	12,591
Depreciation and amortisation for the year	4,342	11	4,353
Additions/disposals	-	-	-
Effects of changes in foreign exchange rates	7	-	7
Balance at 31 December 2023	16,909	42	16,951

Carrying amount			
At 1 January 2023	7,078	70	7,148
At 31 December 2023	6,535	58	6,594

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

As of December 31, 2024, the Company has a series of contingencies with borrowers and several legal proceedings open for different causes derived from ordinary activity. The Company has estimated, based on all the documentation available at the end of the financial year, to provision an amount of 3,411 thousand euros in 2024 to deal with these contingencies (4,441 thousand euros in 2023).

14. OTHER ASSETS AND LIABILITIES

Thousands of euros	31-Dec-24	31-Dec-23
Other financial assets	11,943	13,066
Total other assets	11,943	13,066

	31-Dec-24	31-Dec-23
Payables on Services	3,346	4,377
Employee Payables	2,134	1,621
Other Payables	3,524	2,656
Total other liabilities	9,004	8,654

15. INCOME TAX

Under current legal provisions, tax assessments cannot be considered final until they have been inspected by the tax authorities or the statute of limitations has elapsed. The ID Finance Group has all applicable taxes open for inspection, since its incorporation, In the opinion of the Parent Company's Administrators, there are no significant tax contingencies that could arise, in the event of an inspection, from possible different interpretations of the tax regulations applicable to the operations carried out by the ID Finance Group.

(a) Income tax gain

	2024	2023
Current year income tax	3,946	6,302
Deferred tax	(1,486)	(4,661)
Total income tax gain	2,460	1,641

The corporate tax rate in Spain is 25% and 30% in Mexico.

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Notes to the consolidated financial statements for the year ended 31 December 2024

(b) Reconciliation of taxation based of taxable profit and taxation based on accounting profit:

	2024	2023
Profit/(loss) before tax	9,071	8,695
Income tax at the prevailing tax rate	2,268	2,174
Non-deductible costs (non-taxable income)	-	-
Change in unrecognised deferred tax assets	-	-
Exemption on dividends or shares in profits of entities	-	-
Adjustments for limitation on deductibility of financial expenses	-	-
Impairment losses on debt securities	-	-
Impact from tax rate from other jurisdictions and discontinued operations	192	(533)
Total income tax gain	2,460	1,641

(c) Deferred tax assets

2024	Balance 1 January 2024	Recognised in profit or loss	Discontinued operations	Balance 31 December 2024
Loans to customers (net)	24,041	(654)	-	23,387
Other	1,545	2,140	-	3,684
Total Deferred tax assets	25,586	1,486	-	27,071

2023	Balance 1 January 2023	Recognised in profit or loss	Discontinued operations	Balance 31 December 2023
Loans to customers (net)	19,939	4,102	-	24,041
Other	986	559	-	1,545
Total Deferred tax assets	20,925	4,661	-	25,586

The ID Finance Group has made an estimate of the tax benefits it expects to obtain in the next five years (period for which it considers that the estimates are sufficiently reliable) in accordance with the budgets. It has also analysed the reversal period of taxable temporary differences, identifying those that revert in the years in which the negative tax bases pending compensation can be used. Based on this analysis, the ID Finance Group has recorded the deferred tax assets corresponding to the negative tax bases pending compensation and to the deductible temporary differences for which it considers probable the generation of sufficient future tax benefits.

16. SHARE CAPITAL AND RESERVES

(a) Issued capital, share premium and other shareholder contributions

Number of shares issued and outstanding as of:

	31-Dec-24	31-Dec-23
Number of Ordinary shares	29,320,144	27,626,320
Total number of shares issued	29,320,144	27,626,320

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Notes to the consolidated financial statements for the year ended 31 December 2024

The share capital of the Parent Company as of December 31, 2024 is made up of 29,320,144 shares (27,626,320 shares in 2023) equivalent to 292 thousand euros (275 thousand euros in 2023), As of December 31, 2024, all the shares have a nominal value of 0,01 euros (2023: 0,01 euro of nominal value per share).

On December 20, 2019, 1,569,322 ordinary shares were issued for the same nominal value of 0,01 euros for each of them, with an issue premium of 5,339 thousand euros. The new participations were fully assumed and paid up by Crowdcube Nominees Limited. The capital increase was registered in the Barcelona Mercantile Registry on date February 20, 2020.

On December 31st of 2021, the Company filed with the Mercantile Registry a capital increase amounting to 4 thousand euros, which was fully subscribed by Crowdcube Nominees Limited, corresponding to 419,004 equity units with a par value of 0,01 euro and an issue premium of 8,07606 euros each.

On February 16, 2024, the General Shareholders' Meeting approves a share capital increase through the conversion of a €11,9 million convertible loan granted by Upper Brook Capital Holdings Limited. Of this amount, €14,611.25 is allocated to share capital, raising it to €293,201.44, while the remaining €11,885,388.75 is recorded as share premium. A total of 1,693,824 new shares are issued, each with a nominal value of €0.01.

As of December 31, 2024, the shares in the capital stock of the Parent Company partners with more than 5% are as follows:

Partner	Shares	%	Capital
Aleksandr Dunaev	5.464.400	18,64%	54,632
Boris Batine	5.464.400	18,64%	54,632
Upper Brook Capital Holdings	14.116.265	48,15%	141,176
Crowdcube Nominees Limited	1.946.720	6,64%	19,467

As of December 31, 2023, the shares in the share capital of the shareholders of the Parent Company with more than 5% were as follows:

Partner	Shares	%	Capital
Aleksandr Dunaev	5.464.400	19,78%	54,632
Boris Batine	5.464.400	19,78%	54,632
Upper Brook Capital Holdings	12.655.140	45,81%	126,551
Crowdcube nominees limited	1,946,720	7,05%	19,467

Other shareholders contributions include 3,289 thousand euros of a contribution into the equity of IDF Investments made by IDF Holding in 2018 of various Information Technology modules developed for application in financial technology (Fintech) products and services.

(b) Nature and purpose of reserves

Legal Reserve

Article 274 of the Capital Companies Law establishes that companies will allocate 10% of the profit to the legal reserve until it reaches at least 20% of the share capital. This reserve, as long as it does not exceed the indicated limit, can only be used to offset losses in the event that there are no other available reserves sufficient for this purpose, or to increase the share capital in the part that exceeds 10% of the capital already increased, and it will only be available to shareholders in the event of liquidation of the company.

Currency conversion reserve

The foreign currency translation reserve includes all the differences in foreign currency derived from the conversion of the financial statements of the foreign functional currency of each of the ID Finance Group's subsidiaries to the presentation currency.

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Notes to the consolidated financial statements for the year ended 31 December 2024

(c) Dividends

Dividends payable are restricted to the maximum retained earnings of the Company, which are determined according to Spain legislation.

17. OTHER GAIN/LOSS

	2024	2023
Other gain/loss	7,329	4,386
Other expenses	-	(1,442)
Total Other gain/loss	7,329	2,944

18. DISCONTINUED OPERATIONS

In the beginning of 2020 ID Finance Group decided to seize all operational activity in Brazil and Polish segments in the first quarter of 2020. Management decided to refocus efforts to Mexico market in Latam. During the following year, ID Finance Group is planning to dispose of ID Finance Brazil LTDA and ID Finance Poland via sale or other means (liquidation). The ID Finance Group does not expect any gain for ID Finance Poland. For ID Finance Brazil the ID Finance Group has value it as "Asset for sale" with a value of 12 thousand euros (12 thousand euros in 2023).

The results of these discontinued segments are below:

	2024	2023
(Thousands of euros)		
Interest and related Income	5	-
Net Impairment Losses	-	(280)
Net Interest and related Revenue	5	(280)
Marketing and issue Expenses	-	-
Administrative Expenses	(76)	(117)
Depreciation and Amortisation	-	-
Operating Income/(Loss)	(71)	(397)
Financial Income	1	2
Financial Expense	(33)	-
Net foreign currency loss	(59)	27
Other gain /(loss)	-	-
Profit/(Loss) before Income Tax	(162)	(368)
Income tax expenses/(gain)	165	370
Impairment loss recognised on the remeasurement to fair value less costs to sell	-	-
Profit/(loss) for the year from discontinued operations	3	2

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Notes to the consolidated financial statements for the year ended 31 December 2024

The major classes of assets and liabilities classified as held for sale as at 31 December are, as follows:

(Thousands of euros)	2024	2023
ASSETS		
Cash and cash equivalents	11	14
Loans due from customers	-	-
Property and equipment	-	-
Current tax asset	-	-
Other assets	8	11
Correction for impairment	-	9
Assets for sale	19	34
LIABILITIES		
Other liabilities	16	22
Discontinued operation`s liability	16	22

19. FINANCIAL RISK MANAGEMENT

The ID Finance Group has exposure to the following risks from its use of financial instruments and operating activities:

- a) Credit risk.
- b) Liquidity risk.
- c) Market risk.
 - c1) Interest rate risk.
 - c2) Currency risk.
- d) Operational risk.

(a) Credit risk

Credit risk is the risk of financial loss to the ID Finance Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the ID Finance Group's loans from customers. Credit risk is mitigated as follows:

- Lending procedures are set up to ensure quality of the loan portfolio. Such procedures are constantly improved and include judicial and behavioural indicators, statistical data mining and scoring models, and use of credit bureau data.
- Penalties and term extensions are used to mitigate risks associated with unpaid debts. These options are available to borrowers in cases where there is a difficulty or unwillingness to repay the debts, Penalties and extensions generate extra cash flows to the portfolio.
- Loan loss allowances are an adequate way to mitigate risk of losses to be incurred during loan repayment transactions.

Maximum exposure of credit risk

The ID Finance Group's maximum exposure to credit risk varies significantly and is dependent on both individual risks and general market economy risks.

The following table presents the maximum exposure to credit risk of financial assets. For financial assets in the statement of financial position, the maximum exposure is equal to the carrying amount of those assets:

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Notes to the consolidated financial statements for the year ended 31 December 2024

Thousands of euros	31-Dec-24	31-Dec-23
Cash and Cash Equivalents	6,238	8,986
Gross Loans due from Customers	188,353	155,429
Other Financial Assets	18,347	16,421
Total Financial Assets	212,938	180,836

The geographical concentration of assets is set out below:

	Spain	Mexico	Poland	Total
31-Dec-24				
Financial assets				
Cash and cash equivalents	4,347	1,851	40	6,238
Gross Loans to customers	154,891	33,462	-	188,353
Other financial assets	13,080	5,228	39	18,347
Total financial assets	172,318	40,541	79	212,938

	Spain	Mexico	Poland	Total
31-Dec-23				
Financial assets				
Cash and cash equivalents	6,612	2,364	10	8,986
Gross Loans to customers	107,150	48,279	-	155,429
Other financial assets	6,630	9,767	25	16,421
Total financial assets	120,392	60,409	35	180,836

The geographical concentration of liabilities is set out below:

	Spain	Mexico	Poland	Total
31-Dec-24				
Financial liabilities				
Loans and borrowings	117,577	12,595	-	130,172
Other financial liabilities	7,427	1,449	128	9,004
Total financial liabilities	125,004	14,044	128	139,176

	Spain	Mexico	Poland	Total
31-Dec-23				
Financial liabilities				
Loans and borrowings	96,221	15,967	-	112,188
Other financial liabilities	6,710	4,639	162	11,511
Total financial liabilities	102,931	20,606	162	123,699

(b) Liquidity risk

Liquidity risk refers to the availability of sufficient funds to meet borrowed funds withdrawals and other financial commitments associated with financial instruments as they fall due. The Head of Treasury controls these types of risks by means of maturity analysis, determining the ID Finance Group's strategy for the next financial period. Current liquidity is managed by the Head of Treasury as well, which deals with the markets for current liquidity support and cash flow optimization. The tables below set out the remaining contractual maturities of the ID Finance Group's financial liabilities and financial assets. In order to manage liquidity risk, as part of the assets/liability's management process, the ID Finance Group's Head of Treasury performs daily monitoring of future expected cash flows from customers.

An analysis of the liquidity risk is presented in the following table:

Thousands of euros

31-Dec-24	up to 1 month	1 to 4 months	4 months to 1 year	1 to 2 years	2+ years	Total
Financial assets						
Cash and cash equivalents	6,238	-	-	-	-	6,238
Gross loans to customers	-	187,244	-	1,109	-	188,353
Loans to related parties	-	-	-	-	-	-
Other financial assets	9,885	-	4,984	3,478	-	18,346
Total financial assets	15,392	187,244	4,984	4,587	-	212,937
Financial liabilities						
Loans and borrowings	-	31,154	14,769	67,948	16,301	130,172
Other financial liabilities	7,024	1,116	864	-	-	9,004
Total financial liabilities	7,024	32,270	15,634	67,948	16,301	139,176
Net liquidity position	9,099	154,974	(10,650)	(63,361)	(16,301)	73,761

	up to 1 month	1 to 4 months	4 months to 1 year	1 to 2 years	2+ years	Total
Financial assets						
Cash and cash equivalents	8,986	-	-	-	-	8,986
Gross loans to customers	-	151,740	-	3,690	-	155,429
Loans to related parties	-	-	-	-	-	-
Other financial assets	6,933	-	7,989	-	1,500	16,421
Total financial assets	15,919	151,740	7,989	3,690	1,500	180,836
Financial liabilities						
Loans and borrowings	22	36,917	7,079	59,251	8,919	112,188
Other financial liabilities	9,597	-	1,914	-	-	11,511
Total financial liabilities	9,619	36,917	8,993	59,251	8,919	123,699
Net liquidity position	6,300	114,823	(1,004)	(55,562)	(7,419)	57,137

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk covers interest rate risk, currency risk and other pricing risks to which the ID Finance Group is exposed. Market risk arises from open positions in interest rate and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices and foreign currency rates.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The ID Finance Group's Head of Treasury conducts monitoring of the ID Finance Group's current financial performance, estimates the ID Finance Group's sensitivity to changes in interest rates and its influence on the ID Finance Group's profitability.

c1) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The ID Finance Group's exposure to the risk of changes in market interest rates relates primarily to the ID Finance Group's long-term debt obligations with floating interest rates.

The Head of Treasury manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

c2) Currency risk

Currency risk is the risk of losses or other adverse effects resulting from a change in a foreign exchange rate, or from other unfavourable changes in relation to a foreign currency. The ID Finance Group has assets and liabilities denominated in several foreign currencies and hence is exposed to Currency Risk.

Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the ID Finance Group. In addition, interest on borrowings is denominated in the currency of the borrowing. The ID Finance Group's strategy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot or forward rates when necessary to address short and longer term imbalances.

The ID Finance Group's exposure to foreign currency exchange rate risk is presented in the table below:

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	EUR	USD	PLN	MXN	Total
	denominated	denominated	denominated	denominated	
31-Dec-24					
Financial assets					
Cash and cash equivalents	4,402	11	5	1,820	6,238
Gross Loans to customers	154,891	-	-	33,462	188,353
Other financial assets	13,080	-	39	5,227	18,346
Total financial assets	172,373	11	44	40,510	212,937
Financial liabilities					
Loans and borrowings	91,295	38,643	-	234	130,172
Loans to related parties	-	-	-	-	-
Other financial liabilities	7,426	-	129	1,449	9,004
Total financial liabilities	98,721	38,643	129	1,683	139,176
Net liquidity position	73,652	(38,632)	(85)	38,827	73,761
31-Dec-23					
Financial assets					
Cash and cash equivalents	6,802	458	2	1,724	8,986
Loans to customers	107,150	-	-	48,279	155,429
Other financial assets	6,630	-	25	9,766	16,421
Total financial assets	120,582	458	27	59,770	180,836
Financial liabilities					
Loans and borrowings	91,230	20,905	-	53	112,188
Loans to related parties	-	-	-	-	-
Other financial liabilities	6,710	-	163	4,638	11,511
Total financial liabilities	97,940	20,905	163	4,691	123,699
Net liquidity position	22,642	(20,447)	(136)	55,079	57,137

The following significant exchange rates were applied during the years referred to below:

	2024		2023	
	Average rate	Reporting date spot rate	Average rate	Reporting date spot rate
EUR/1 USD	1.04	1.08	1.09	1.11
EUR /1 MXN	21.59	21.21	18.77	18.72
EUR /1 BRL	6.43	6.38	5.34	5.36
EUR /1 PLN	4.28	4.27	4.33	4.33

Currency risk sensitivity

A weakening or strengthening of the EUR, as indicated below, against the following currencies at 31 December 2024 and 2023 would have increased (decreased) profit or loss by the amounts shown below. This analysis is on a net-of-tax basis and is based on foreign currency exchange rate variances that the ID Finance Group's Head of Treasury considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	<u>2024</u>	<u>2023</u>
10% appreciation of USD against EUR	3,512	1,858
10% appreciation of PLN against EUR	2	2
10% appreciation of MXN against EUR	(3,530)	(5,007)
10% appreciation of BRL against EUR	-	-
10% depreciation of USD against EUR	(4,292)	(2,271)
10% depreciation of PLN against EUR	(2)	(2)
10% depreciation of MXN against EUR	4,314	6,119
10% depreciation of BRL against EUR	-	-

d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the ID Finance Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all the ID Finance Group's operations.

The ID Finance Group's credit policy defines lending guidelines according to its business strategy and efficient risk management, protecting assets as well as complying with local regulatory requirements. Potential or foreseeable changes in applicable laws are analysed on an ongoing basis and any necessary modifications to the ID Finance Group's operations are implemented proactively.

The ID Finance Group's objective is to manage operational risk to balance the avoidance of financial losses and damage to the ID Finance Group's reputation with overall cost effectiveness, and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit.

20. RELATED PARTY TRANSACTIONS

(a) Transactions with Shareholders.

The outstanding balances with Shareholders as of December 31, 2024 is 1,501 thousand euros.

(b) Transactions with related parties

Related parties include companies of the ID Finance Group and other related parties. The outstanding balances are as follows:

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	<u>31-Dec-24</u>	<u>31-Dec-23</u>
Loans and borrowings from related parties	1,610	12,242
	<u>31-Dec-24</u>	<u>31-Dec-23</u>
Financial expenses	81	317

(c) Directors and Management

The Directors of the Parent company do not receive any remuneration. In 2024, the Management received 1,883 thousand euros as remuneration from the ID Finance Group (1,462 thousand euros in 2023). The ID Finance Group has no long term obligation with the shareholders. ID Finance Group has implemented a stock option program for management members settled in cash, by which members are given the right to a fixed percentage of the sale price in case of an IPO or a sale of ID Finance Investment, S.L, or a significant portion of its assets. The liability for the stock option program is measured, initially and at the end of each reporting period until settled, at the fair value, by estimating the value of the Group equity, taking into account the terms and conditions on which the stock options are granted, and the extent to which the employees have rendered services to date. The carrying amount of the liability relating to the stock option program at 31 December 2024 was 858 thousand (780 thousand euros at 31 December 2023). No stock option had vested, granted or forfeited at 31 December 2024.

In relation with article 229 of Ley de Sociedades de Capital, the Board of Directors of the Parent company have communicated that they have no conflict of interest with the Parent company.

21. OPERATING SEGMENTS

The ID Finance Group has 3 reportable segments, as described below, which are the ID Finance Group's strategic segments. The strategic segments are primarily jurisdiction-based and offer similar types of products and services in each of the jurisdictions. Each segment is managed separately because they require different marketing strategies. For each of the strategic segments, the ID Finance Group's Management Board reviews internal management reports on at least a monthly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on geographic information of profit or loss, as included in the internal management reports that are reviewed by the Management Board. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments in relation to other entities that operate within these industries.

ID FINANCE

ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

Analysis by segment

Segment information for the main reportable business segments of the ID Finance Group for the year ended 31 December 2024 and 31 December 2023 is set below:

2024	Spain	Mexico	Other	Total
Interest income and related income	155,137	61,527	7,316	223,980
Net impairment losses on loans and receivables	(91,116)	(41,252)	-	(132,367)
Net revenue	64,021	20,276	7,316	91,613
Marketing and issue expenses	(26,557)	(9,614)	-	(36,171)
Administrative expenses	(14,874)	(5,729)	(3,894)	(24,498)
Depreciation and amortisation	(179)	(243)	(4,362)	(4,784)
Financial interest income	2,107	1	-	2,108
Financial interest expense	(10,170)	(5,976)	(4,342)	(20,488)
Net foreign currency loss	(50)	(3,480)	(1,848)	(5,378)
Other gain / (loss)	194	4,898	1,576	6,669
Reportable segment profit/ (loss) before tax	14,493	132	(5,554)	9,071

2023	Spain	Mexico	Other	Total
Interest income and related income	126,628	52,911	10,497	190,036
Net impairment losses on loans and receivables	(75,875)	(37,597)	-	(113,472)
Net revenue	50,752	15,315	10,497	76,564
Marketing and issue expenses	(21,579)	(8,341)	-	(29,920)
Administrative expenses	(13,011)	(5,277)	(3,844)	(22,131)
Depreciation and amortisation	(118)	(247)	(4,419)	(4,783)
Financial interest income	1,048	(12)	-	1,036
Financial interest expense	(6,810)	(6,490)	(4,449)	(17,749)
Net foreign currency loss	33	2,965	1,686	4,684
Other gain / (loss)	105	2,952	(2,064)	993
Reportable segment profit/ (loss) before tax	10,421	864	(2,592)	8,694

A segment breakdown of assets and liabilities of the ID Finance Group for the year ended 31 December 2024 is set out below:

2024	Spain	Mexico	Other	Total
Reportable segment assets	127,590	33,811	14,117	175,518
Reportable segment liabilities	104,445	15,211	27,806	147,462

A segment breakdown of assets and liabilities of the ID Finance Group for the year ended 31 December 2023 is set out below:

2023	Spain	Mexico	Other	Total
Reportable segment assets	86,744	40,353	13,357	140,454
Reportable segment liabilities	70,760	22,233	36,585	129,579

22. COMMITMENTS

The ID Finance Group had no capital or other commitments as at 31 December 2024 and 2023.

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

23. GOING CONCERN

The consolidated financial statements have been prepared on a going concern basis, which assumes the realisation of assets and the settlement of liabilities in the normal course of business.

24. PROPOSED DISTRIBUTION OF RESULT FOR THE YEAR

The allocation of individual result of ID Finance Investments, S,L, for the financial year ended 31 December 2024 proposed by Board of Directors, to be submitted for approval at the General Shareholder meeting, is as follows:

ID Finance Investments S,L, result (thousand euros)	<u>8,708</u>
Proposed distribution	<u> </u>
Retained earnings from previous years	<u>8,708</u>

25. AVERAGE PERIOD OF PAYMENT TO SUPPLIERS, THIRD ADDITIONAL PROVISION "DUTY OF INFORMATION", OF LAW 15/2012 OF 5 JULY

At 31 December 2024 and as of 31 December 2023, the ID Finance Group has no pending invoices to suppliers with a postponement exceeding the established legal term.

The information on the average payment period during 2022 and 2021 is as follows:

	2024	2023
	Days	Days
Average payment period for suppliers	26	29
Ratio of paid operations	27	32
Ratio of transactions pending payment	25	27
	Amount in thousands	Amount in thousands
Total payments made	38,813	48,718
Total pending payments	2,594	4,410
Monetary volume of invoices paid in a period less than the maximum established in the delinquency regulations	36,872	46,593
Percentage that payments below this maximum represent of total payments made	95%	96%

(Number of invoices)		
Invoices paid in a period less than the maximum established in the delinquency regulations	6,271	7,554
Percentage over total invoices	91%	88%

26. EVENTS AFTER REPORTING DATE

No material subsequent events have come to light between the balance sheet date and the date of preparation of the financial statements that have not been described above.

27. ADDED EXPLANATION FOR TRANSLATION INTO ENGLISH

These consolidated financial statements have been translated from consolidated financial statements originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

APPENDIX 1

Investment	Address	Activity	Auditors	% of shares owned:	Figures in Thousands of Euros at 31/12/2024				
					Capital	Other shareholders contributions	Reserves/ Prior years' profit (loss)	Profit/(loss) for the last year	Total Shareholders' equity
ID Finance Spain, S,A,U,	Tuset 5, 3ª planta, 08006 Barcelona (Spain)	Credit scoring and digital consumer finance provider	EY	100%	60	3,000	8,917	15,469	27,469
ID Finance Plazo, S,L,U,	Tuset 5, 3ª planta, 08006 Barcelona (Spain)		EY	100%	1,974	600	-	(1,858)	716
Plazo Credit S.L.U.	Tuset 5, 3ª planta, 08006 Barcelona (Spain)		EY	100%	4,153	700	(1,321)	(2,825)	707
IDF Capital S,A,P.I. de C,V SOFOM, E,N,R,	Avenida Extremadura 59, piso 4, Colonia Insurgentes Mixcoac, Delegación Benito Juárez, Código Postal 03920, Ciudad de México (México)		EY	99,9%	25,898	-	(10,778)	(2,503)	12,617
IDF Servicios SAPI de C,V,			EY	99,9%	1,248	-	2,684	5,211	9,142
Plazo Technologies sp. z o.o.	Pańska 73 Street, 00-834 Warsaw	Software development and IT maintenance	N/A	100%	1	-	(19)	19	1
Online Collect S,A de C,V,	Avenida Extremadura 59, piso 4, Colonia Insurgentes Mixcoac, Delegación Benito Juárez, 03920, ciudad de México	Collection companies	N/A	99%	2	-	593	82	677
ID Finance Poland sp,z o,o,	Hrubieszowska 6A street, 01-209, Warsaw (Poland)		N/A	100%	346	3,519	(5,104)	(18)	(1,257)
ID Finance Brasil Ltda	Rua Henrique Monteiro, 234, 1st floor, suites 13-14, Bairro Pinheiros, city of Sao Paulo, Sao Paulo State, Zip code 05423.020 (Brazil)		N/A	99,9%	6,437	-	(5,913)	(159)	(364)

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Notes to the consolidated financial statements for the year ended 31 December 2024

Investment	Address	Activity	Auditors	% of shares owned:	Figures in Thousands of Euros at 31/12/2023				
					Capital	Other shareholders contributions	Reserves/ Prior years' profit (loss)	Profit/(loss) for the last year	Total Shareholders' equity
ID Finance Spain, S,A,U,	Tuset 5, 3ª planta, 08006 Barcelona (Spain)	Credit scoring and digital consumer finance provider	EY	100%	60	3,000	10,120	11,803	24,983
ID Finance Plazo, S,L,U,	Tuset 5, 3ª planta, 08006 Barcelona (Spain)		EY	100%	8,003	600	(5,523)	(2,606)	474
Plazo Credit S.L.U.	Tuset 5, 3ª planta, 08006 Barcelona (Spain)		N/A	100%	853	700	(16)	(1,305)	232
IDF Capital S,A,P.I. de C,V SOFOM, E,N,R,	Avenida Extremadura 59, piso 4, Colonia Insurgentes Mixcoac, Delegación Benito Juárez, Código Postal 03920, Ciudad de México (México)		EY	99,9%	2	-	(8,477)	(3,952)	(12,426)
IDF Servicios SAPI de C,V,			EY	99,9%	1,201	-	(4,127)	7,460	4,534
Plazo Technologies sp. z o.o.	Pańska 73 Street, 00-834 Warsaw	Software development and IT maintenance	N/A	100%	1	-	(27)	4	(22)
Online Collect S,A de C,V,	Avenida Extremadura 59, piso 4, Colonia Insurgentes Mixcoac, Delegación Benito Juárez, 03920, ciudad de México	Collection companies	N/A	99%	3	-	(658)	(46)	(702)
ID Finance Poland sp,z o,o,	Hrubieszowska 6A street, 01-209, Warsaw (Poland)		N/A	100%	346	3,519	(5,516)	21	(1,630)
ID Finance Brasil Ltda	Rua Henrique Monteiro, 234, 1st floor, suites 13-14, Bairro Pinheiros, city of Sao Paulo, Sao Paulo State, Zip code 05423.020 (Brazil)		N/A	99,9%	6,437	-	(6,792)	(294)	(649)

MANAGEMENT REPORT

Main activity of the ID Finance Group

The ID Finance Group is a leading digital finance provider focused on Europe and Latin America.

ID Finance is a data-driven financing platform that is pioneering fintech innovation in emerging markets with a range of convenient, competitive and transparent finance services available over the internet. The company uses machine learning and advanced data science techniques to improve access to competitive financial services.

Headquartered in Barcelona, ID Finance has over 405 staff spread across its operations under the MoneyMan and Plazo brands in Spain and Mexico with IT, data science and risk teams located in Poland and Spain.

The ID Finance Group is benefiting from the growth of the Internet in mobile phones and data availability to provide access to competitive and transparent financial services and address the massive structural demand that traditional operators are not meeting.

A \$150 million structured financing agreement was reached at the end of 2023, a key milestone for the Group's future development.

ID Finance revenue saw 20% growth in 2024 (5% in 2023), and the net portfolio increased 40% (24% in 2023).

Results for the year, business evolution and outlook

The main objective of the ID Finance Group is to empower the underbanked to become financially included and to become the number one online consumer loan platform in Spain and Mexico, diversifying and extending the services offered by launching new consumer finance products.

Plazo, a strategic priority for the Group, is continually developing having served a total of 383,000 users since the beginning of operations, facilitating more than 2 million purchases for a total value of 50 million euros in 2024. Our credit capabilities are poised for rapid growth, which resulted in a high-quality credit portfolio of almost 23 million euros by December 2024.

The ID Finance Group's plan for 2025 is to continue with sustainable growth, strengthening operating profitability, growing revenue and achieving higher profitability on ID Finance Group level.

Transactions with treasury shares

The ID Finance Group has not carried out any transactions with treasury shares during the year.

Main financial instruments and risk management

The financial instruments key to the ID Finance Group are balances in bank accounts, trade receivables, loans to customers, trade payables, payable loans and other payables arisen from trade transactions.

The ID Finance Group is exposed to the following risks related to the use of financial instruments and operating activities:

- a) Credit risk.
- b) Liquidity risk.
- c) Market risk.
 - c1) Interest rate risk.
 - c2) Foreign currency risk.
- d) Operational risk.

a) Credit risk is the risk of a financial loss for the ID Finance Group if a customer or counterparty of a financial instrument does not meet its contractual obligations. This is a substantial risk mainly in loans to customers, Credit risk is mitigated as follows:

- The procedures for granting loans are established to ensure the quality of our customer portfolio. These procedures are constantly improved and include judicial and behavioural indications through the analysis of statistical data and rating models.
- Sanctions and extensions of loan repayment terms are used to mitigate the risks related to bad debts. These options are applied when borrowers are struggling or unwilling to pay the debt. Sanctions and extension generate additional cash flows in the portfolio.

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Preparation of the consolidated annual accounts for the year 2024

b) Liquidity risk refers to the availability of sufficient funds to cover funds received, and other financial commitments when they mature. The cash department monitors these risks by analysing maturity and determining the company's strategy for future financial transactions, as well as the optimization of cash flows.

c) Market risk

c1) Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The ID Finance Group's exposure to market interest rates mainly relates to non-current payment obligations arranged at floating interest rates.

The ID Finance Group manages interest rate risk by holding a balanced portfolio of loans at fixed and floating interest rates.

c2) Foreign currency risk is the risk of loss or other negative effects caused by fluctuations in exchange rates. The ID Finance Group has liabilities in foreign currency (USD and PESO) and is therefore exposed to foreign currency risk. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the ID Finance Group. In addition, interest on borrowings is denominated in the currency of the borrowing. The ID Finance Group's strategy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot or forward rates when necessary to address short and longer term imbalances.

d) Operational risk is the risk of direct or indirect loss as a result of a wide range of causes related to ID Finance Group processes, employee, technology and infrastructure, and external factors other than credit, market and liquidity risks, such as those derived from legal risks, regulatory requirements or generally accepted corporate behaviour standards.

Operational risks arise as a result of all ID Finance Group transactions,

The ID Finance Group's credit policy defines the guidelines for granting loans in accordance with its commercial strategy an efficient risk management, protecting assets and complying with local regulatory requirements. Potential or foreseeable changes in applicable laws are continually analysed and any necessary modification in the ID Finance Group's transactions is proactively implemented.

Senior executives in each business unit are responsible for developing and implementing controls to address operational risk.

Average payment period to suppliers

At December 31, 2024 and 2023 the ID Finance Group has no invoices pending payment to suppliers that exceed the legal deadline established.

The information on the average payment period to suppliers is as follows:

	2024	2023
	Days	Days
Average payment period for suppliers	26	29
Ratio of paid operations	27	32
Ratio of transactions pending payment	25	27
	Amount in thousands	Amount in thousands
Total payments made	38,813	48,718
Total pending payments	2,594	4,410
Monetary volume of invoices paid in a period less than the maximum established in the delinquency regulations	36,872	46,593
Percentage that payments below this maximum represent of total payments made	95%	96%

(Number of invoices)		
Invoices paid in a period less than the maximum established in the delinquency regulations	6,271	7,554
Percentage over total invoices	91%	88%

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ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES

Preparation of the consolidated annual accounts for the year 2024

Human resources and environmental policy

The ID Finance Group is dedicated to bring financial prosperity to its customers, employees and shareholders. Responsible lending is at the core of ID Finance values. The ID Finance Group carefully assesses customer's ability to pay and will not offer credit that they do not need or cannot afford. In addition to that, no aggressive credit policies or intrusive marketing techniques are used, and the ID Finance Group caps interest and fees charged in case of default.

The main values of the ID Finance Group are as follows:

- Diversity: support to inclusive culture.
- Transparency: profitability-oriented.
- Flexibility: prioritize positive working environment.

The ID Finance Group's recruitment and selection policy has been designed to recruit and select the most qualified and talented people. This policy aims to ensuring fair hiring and equal employment opportunity practices, excluding all type of discriminatory practices.

It should be noted that commitment to environmental protection and respect or efficient consumption of energy resources are a common denominator in the ID Finance Group's activities and are part of our organization's culture and values.

The ID Finance Group is the first carbon-neutral Fintech in Southern Europe and Hispanic America.

Research and development

The ID Finance Group has wide experience in both IT systems and data analytics. The IT systems team constantly expand their experience in artificial intelligence and the data analytics team specialize in statistics, machine learning and related methods. The effective combination of both teams drives product innovation and positively transforms customer experience.

Unusual circumstances

ID Finance is an international company with customers, partners and employees in many different countries. We are proud of our international and multi-cultural team that spans across more than 10 different nationalities. The Company condemns any form of violence.

The Non-Financial Information Statement is part of these Annual Accounts but is presented separately from them.

This consolidated management report has been translated from a consolidated management report originally issued in Spanish, In the event of a discrepancy, the Spanish-language version prevails

ID FINANCE INVESTMENTS S.L.

Statement of Non-Financial Information for the year 2024

ID FINANCE

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1. About this report

This Non-Financial Information Statement (NFIS) has been prepared in line with the requirements established in Law 11/2018 of 28 December 2018 on non-financial information and diversity approved on 13 December 2018 by the Congress of Deputies amending the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Auditing of Accounts, on non-financial information and diversity (from Royal Decree-Law 18/2017, of 24 November).

The European Commission's guidelines on non-financial reporting (2017/C 215/01) derived from Directive 2014/95/EU have also been taken into account in its preparation. Likewise, the provisions of the Global Reporting Initiative's Guide for the preparation of sustainability reports (GRI Standards) have been taken into account.

In this context, through the Non-Financial Information Statement ID Finance Investments, S.L. (hereinafter -ID Finance or the Group), which is part of the Management Report and is presented as a separate report, has the objective of reporting on environmental, social and personnel issues, on respect for human rights, on the company's commitments to sustainable development and information on society relevant to the Group in the execution of its own business activities.

In 2024 and 2023, ID Finance Investments, S.L. has not carried out a materiality analysis for the purposes of the NFIS filing. However, the most relevant aspects in terms of the organization's strategy, activity and performance have been taken into account. The most relevant aspects considered are:

Very relevant aspects	Highlights	Non-relevant aspects
<ul style="list-style-type: none">- Employment- Organization of work- Social Relationships- Formation- Equality- The company's commitments to sustainable development- Consumers- Tax Information- Health and safety	<ul style="list-style-type: none">- Sustainable use of resources- Climate change- Universal accessibility for people with disabilities- Fight against corruption and bribery.- Subcontracting and suppliers- Human rights.	<ul style="list-style-type: none">- Protecting biodiversity- Environmental management- Contamination- Circular economy and prevention and resource management

On the other hand, ID Finance Investments, S.L. began during the 2024 financial year the adaptation and implementation of the new Directive enacted by the European Union in relation to Corporate Sustainability Reporting (CSRD). However, after the latest release on the Omnibus package by the European Union, Company is re-evaluating this adaptation. As part of this process, a new analysis will be carried out during 2025 that will involve the assessment of the double materiality required by this directive and the Regulation that develops it.

This statement of non-financial information has undergone an independent external review process. The independent assurance report including the objectives and scope of the process, as well as the review procedures used and their conclusions, is included at the beginning of this document.

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For the preparation of this report, the exchange rates of the Mexican peso as of December 31, 2024 and December 31, 2023 have been taken as a reference¹.

¹ [European Central Bank](#)

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2. Overview

Business model

Business Model Description

ID Finance Investments S.L. is the parent company of the IDF Investments Group. It was incorporated on September 20, 2016. Its registered office is located at Calle Tuset Nº 5 3ª planta (08006) Barcelona, Spain. The Company's CIF number is B66862442. Its registered office was registered in the Mercantile Registry of Barcelona on 28 October 2016 in volume 45605, folio 17, and on sheet B 493395, entry 1. The corporate purpose of the Parent Company is to exercise and operate the following activities:

- Financing of the companies of the ID Finance Group.
- The administration and management of the ID Finance Group.
- The acquisition, transfer, exploitation and assignment in any form of patents, licences and other forms of industrial or intellectual property.
- Acquire, buy, sell and trade financial instruments of any kind.
- Acquisition, possession, management and administration of securities, participation and shares.

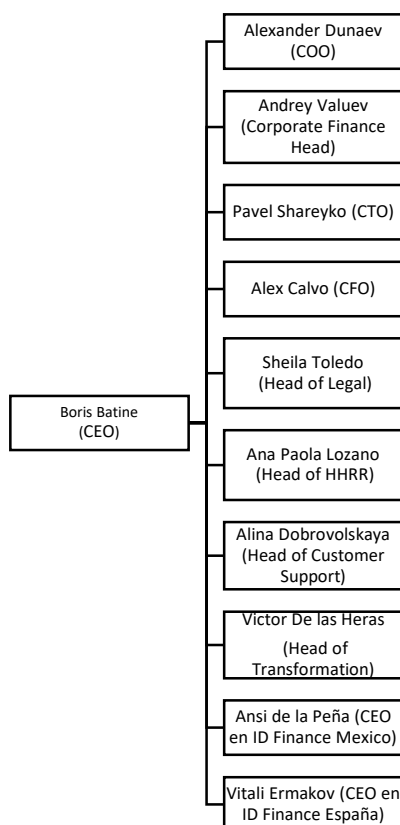
The ID Finance Group offers financing to people based on data management, the Group uses a pioneering platform in terms of technological innovation, offering its services in emerging markets in a competitive and transparent way through the internet. The Group specialises in data science, *credit scoring* and digital finance. The Group uses *machine learning* technology and advanced data science techniques to provide competitive financial services, such as an intensive analysis of the information obtained by applying Open Banking methodologies, where, after the customer's authorization, their financial information can be accessed and thus cataloged in an appropriate manner. In this way, the ID Finance Group currently has two lines of business:

- a) It grants microloans to individuals in the countries in which it operates to segments excluded from the usual banking circuits. The product offered is similar in the two countries in which the Group has commercial operations, giving the customer the possibility of repaying it in a single interest-free payment for the first loan or repaying it in terms ranging from 3 to 6 months.
- b) Through its new Plazo brand, it grants lines of credit to individuals residing in Spain, instrumentalized through a card.

Organization and structure²

The Group's organizational chart can be found in the following attachment:

²This document shows the situation as of December 31, 2024.



The Group's organizational structure as of December 31, 2024 is as follows:

Entity	Country	Percentage of capital
ID Finance Spain S.A.U.	Spain	100%
ID Finance Plazo, S.L.U.	Spain	100%
Plazo Credit. S.L.U.	Spain	100%
IDF Capital S.A.P de C.V SOFOM, E.N.R.	Mexico	100%
IDF Servicios SAPI de C.V.	Mexico	100%
Online Collect S.A. de C.V.	Mexico	100%
Plazo Technology, Z.O.O.	Poland	100%

The Group's organizational structure as of December 31, 2023 is as follows:

Entity	Country	Percentage of capital
ID Finance Spain S.A.U.	Spain	100%
ID Finance Plazo, S.L.U.	Spain	100%
Plazo Credit. S.L.U.	Spain	100%
IDF Capital S.A.P de C.V SOFOM, E.N.R.	Mexico	100%
IDF Servicios SAPI de C.V.	Mexico	100%
Online Collect S.A. de C.V.	Mexico	100%
Plazo Technology, Z.O.O.	Poland	100%

In June 2023, the Group proceeded to dissolve the company Debt Management Partners, S.L.U., considering that it does not affect the indicators shown in this report.

Markets in which it operates

The Group currently operates in the following markets:

- 1) Spain.

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- 2) Mexico.
- 3) Poland (where the Group's technology execution capacity is located, under the legal entity Plazo Technology, Z.O.O). This company was established in 2022 to meet the Group's technological requirements within the EU and LATAM.

In relation to the markets of Brazil and Poland (former operating company for granting loans), ID Finance has ceased to operate in them, having no commercial portfolio there and being in different stages of the exit process.

Group objectives and strategies

The ID FINANCE Business Group is a digital consumer finance platform with the aim of growing the business while reducing environmental impact and increasing social impact through responsible and sustainable lending and financing. The strategy is based on building a sustainable financial company at a global level, having evolved in its journey, focusing on the approval and implementation of new policies and obtaining certificates, thus adding a greater scope in terms of sustainable parameters in its management. In this way, the group is involved in activities to measure and offset its emissions, as well as in social actions in the Communities in which it operates. The bank has a CSR Policy, approved in July 2021, with the aim of contributing to sustainable development, integrating the concerns arising from the relationship and dialogue with stakeholders in its governance and management, and carrying out its activity effectively, safely and responsibly from a social perspective. economic and environmental, always seeking that our activities have a positive impact on our environment. On the other hand, Spanish entities have obtained in 2023 the Social Responsibility Management System certificate under the IQNet SR 10 standards, issued by AENOR.

Market environment and other factors and trends that may affect future business developments

The Group, given in the markets in which it operates, is subject to certain factors that may affect and condition the future evolution of its business. These aspects are listed below.³

- *Macro aspects: any change in the main macro magnitudes, especially GDP, can lead to a substantial change in the Group. Thus, an economic deterioration could lead to an increase in credit losses if the corresponding adjustments are not made. On the other hand, a substantial improvement in this environment could lead to a significant increase. The ID Finance Group constantly monitors these macro magnitudes in order to adjust and take advantage of the different opportunities they offer.*
- *Financial aspects: it operates in the financial sector, its main activity being consumer lending. In this way, financial aspects are especially critical in the business as they generate the main figures in the income statement (revenues, cost of funds and provisions).*
- *Legislative aspects: the Group is subject to the different laws of the markets in which it operates. Any legislative changes could have an impact on the future development of the project. ID Finance monitors such legislative changes and their possible implications for their future.*
- *Reputational aspects: ID Finance is subject to different reputational aspects derived from the sector in which it operates. In recent years, as a result of the global*

³ The group tracks key economic metrics through the www.caixabankresearch.com portal. The group also subscribes to the Lefebvre accounting and legislative mementos. The Legal Department monitors legal changes that may impact the group.

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financial crisis unleashed in 2008, the financial sector has been one of the most damaged in the reputational field. The Group constantly monitors any impact that may result in a reputational aspect. It also has a Public Relations team to mitigate and control these aspects.

- *Online commerce: all the Group's activity is carried out using electronic channels (from the loan application to its study and subsequent disbursement), so that the Group monitors any progress that occurs in the e-commerce environment and thus be able to incorporate it into its daily operations and the improvement of its processes. The Group also has different departments in its Technology division that monitor any impact related to the security of these electronic channels.*

Management of non-financial risks

In recent years, the Group has implemented a succession of policies that seek to focus on and minimize the different non-financial risks that affect it. Thus, in addition to assuming the main environmental standards (carbon neutral emission certificate, certification by the MINECO with the COMPENSO seal), the Board has approved policies that seek to weigh and establish the minimum requirements in relation to labour, social and human rights issues, including a Code of Ethics, which compiles the principles on which the Group's activity is based and a new Equality Plan that has been approved in 2023. Thus, the daily performance of work and the quality of the services provided must be governed by the following values: Professionalism, Integrity and Responsibility.

ID Finance has an internal non-financial risk management model, which seeks to identify the main risks, extend its knowledge to the main parties involved and minimise the potential impacts detected. This model is based on the application by each of the areas of the different approved policies, as well as monitoring by the Management Committee of the application of these policies. The internal management model for non-financial risks is described, with the policies that the entity has in place, throughout the report. Within this model, the main risks that have been identified are:

- 1) Legal risks of a commercial nature: any regulatory change in relation to the Group's activity could have a significant impact on its future evolution. To reduce this impact, each business unit and at a consolidated level, has specific areas of Legal Advice, where any potential changes are analyzed and evaluated. Likewise, these areas collaborate in sectoral panels where not only the changes that have already occurred are discussed, but also future changes are anticipated.
- 2) Operational Risks: the Group defines an operational or operational risk as any event arising from the operation of the same, which may involve a loss. The main operational risks identified are the following:
 - a. Business Continuity: defined as the probability that the business will be interrupted for reasons beyond its control. To minimise this, the Group has various measures in place, including the possibility of moving all staff to work from home or duplication with critical suppliers (analysis by Credit Bureaus, technology providers) as well as a policy of cloud storage of its servers, with the highest technological security requirements.
 - b. Cybersecurity: in relation to the previous point, one of the Group's main assets is its data. Therefore, ID Finance has developed policies that seek to protect it from cyberattacks. On the other hand, by carrying out its activities in a Cloud

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format, the Group is committed to the decentralisation of servers, avoiding the physical risk of the same.

- 3) Occupational risks: the Group is subject to the generation of labor conflicts, as well as regulatory changes that could impact the labor relations it maintains. To minimise this risk, ID Finance has implemented a "*People, First*" culture that seeks to put the people with whom it collaborates at the centre of the Group. On the other hand, the Group has Human Resources Departments in all its jurisdictions that support the normal development of its activities.
- 4) Data Protection Risks: these are the risks arising from the availability, integrity and confidentiality of the personal data processed by ID Finance for the normal activity of the Business. Each of the Group's units has qualified personnel in DPO tasks, who seek to ensure all the Group's actions in relation to the processing and processing of information. Likewise, the Group provides regular training that seeks to raise awareness of the importance of data protection within the organization.

3- Environmental issues

ID Finance's office activity and the location of the different headquarters of the Group's Entities in interurban areas generate a negligible direct impact on the environment, so the Group has not considered aspects related to environmental management, pollution, circular economy and waste prevention to be material for the organisation. protection of biodiversity, as well as the consumption of water and raw materials. In relation to water consumption, there is no data available on it since there is no individualized information. Given the nature of the Group, there is no consumption of raw materials.

Sustainable use of resources

Direct and indirect energy consumption

As mentioned above, due to the nature of the Group's activity and the development of its activities in offices, their electricity consumption has been taken into account to reflect their energy consumption in 2024. The consumption for each of the countries in which the Group is present (the offices in Poland are located in community workplaces, there is no disaggregation of electricity consumption) is presented below:

Energy consumption by country (electricity)	Total kWh
Mexico	42.755
Spain	74.869

Board 1: Electricity consumption (2024)

For the 2023 financial year, the consumption incurred is shown in the following table:

Energy consumption by country (electricity)	Total kWh
Mexico	29.552
Spain	67.333

Board 2: Electricity consumption (2023)

Measures taken to improve energy efficiency

During the 2023 financial year, the Group made a change for its companies in Spain to a new office, where one of the most outstanding features is its emphasis on energy efficiency. In line with ID Finance's green commitments, this new headquarters is a beacon of sustainability. Recent renovations carried out by the Núñez i Navarro Group (owner of the new office) ensure that the office meets the highest standards of energy conservation. The main measures incorporated in the new office are the advanced DALI lighting system that adjusts the brightness according to sunlight, the automatic switching off of lights in areas of little use (such as bathrooms) and the climate control system. Likewise, during 2024, several facilities in Mexico were modernized, which led to higher electricity consumption due to the installation of new refrigeration equipment in the offices.

Use of renewable energies

In 2024 and 2023, the energy sources contracted in Spain are 100% renewable. For the rest of the countries, suppliers do not report the origin of energy sources.

Climate change

Greenhouse gas emissions

In 2019, ID Finance began measuring the environmental impact of its day-to-day activities in the countries in which it operates. With the help of the consultancy specialising in sustainability and

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climate change [ECOTERRAE](#), it carried out a study to measure the carbon footprint, applying the methodology of ISO 14064-1:2019, the Spanish adaptation to an international standard that protocolises the calculation process and the results of the Emissions Inventory.

During the 2024 and 2023 financial years, the Group did not have any energy consumption from fossil fuels. Therefore, for the measurement of the carbon footprint for 2024 and 2023, only those energy consumptions from the consumption of electricity in the offices where it carries out its activities have been taken into account. The Group's CO2 emissions in 2024 and 2023 are presented below:

Scope 2	Total kWh	Emission factor (kg CO2eq per kWh) ⁴	CO2eq
Mexico	42.755	0,30	12.827
Spain	74.869	0	0
Total	117.624		12.827

Board 3: Carbon Footprint Calculation (2024)

Scope 2	Total kWh	Emission factor (kg CO2eq per kWh) ⁵	CO2eq
Mexico	29.552	0,30	8.866
Spain	67.333	0	0
Total	96.885		8.866

Board 4: Carbon Footprint Calculation (2023)

Voluntarily set reduction targets

The ID Finance Group aims to be a carbon neutral company in the future. Thus, with the office move during 2023, the Company has reinforced its commitment to reducing emissions. During the 2024 financial year, the certificate issued by the Bureau Veritas entity was received in relation to the calculation of the carbon footprint for the 2023 financial year (certificate number ES147785-1), in accordance with the ISO 14064-1: 2018 (UNE-EN ISO 14064-1: 2019) standard. It is also in the process of validating and calculating all its emissions for the 2024 financial year.

Measures taken to adapt to the consequences of climate change

During the 2023 financial year, the Group only obtained the MINECO Calculation seal as well as the certification in the Carbon Footprint Verification, issued by Bureau Veritas Iberia, S.L. in accordance with ISO 14064-1:2018. This calculation is also being made for the 2024 financial year. On the other hand, the change of office also seeks to adapt and reduce the consequences of climate change. During the 2024 financial year, the Group has received a Compensation Certificate for the amount of 50 tonnes of CO2, emitted by the entity Ibereucaliptus, S.A.U., for its participation in the project "Restoration after forest fire at the El Vinagre Farm, located in Paterna del Campo and Berrocal".

Finally, the Group has collaborated in environmental conservation actions, such as the beach clean-up carried out in October 2024 on a voluntary basis by members of the Group.

⁴ The CO2 equivalent emission factors provided by [Carbon Footprint](#) (2023) have been used as a methodology for calculating Mexico's CO2 emissions.

⁵ The CO2 equivalent emission factors provided by [Carbon Footprint](#) (2022) have been used as a methodology for calculating Mexico's CO2 emissions.

4- Social and personnel issues

Employment

Total number and distribution of employees by sex, age, country and professional classification

With a total of 396 employees as of December 31, 2024 and 387 as of December 31, 2023, distributed in 3 countries, the ID Finance group contributes to the generation of employment and income in the countries where it operates.

Distribution of employees by country	Spain	156
	Mexico	226
	Poland	14
	Total⁶	396

Board 5: Total employees by country as of December 31, 2024

Distribution of employees by country	Spain*	147
	Mexico	223
	Poland	17
	Total	387

Board 6: Total employees by country as of December 31, 2023

Employees by gender	Male	198
	Female	198
	Total	396

Board 7: Total employees by gender as of December 31, 2024

Employees by gender	Male	196
	Female	191
	Total	387

Board 8: Total employees by gender as of December 31, 2023

Employees by professional category	Management	12
	Middle management	55
	Administrative	134
	Support staff	195
	Total	396

Board 9: Total employees by professional category as of December 31, 2024

⁶ The number of incorporations during 2023 amounts to 67 people in Spain (58 in 2023).

Employees by professional category	Management	10
	Middle management	57
	Administrative	108
	Support staff	212
	Total	387

Board 10: Total employees by professional category as of December 31, 2023

Number of employees by age			
Under 30	30-50	More than 50	Total
72	298	26	396

Table 6: Total employees by age as of December 31, 2024

Number of employees by age			
Under 30	30-50	More than 50	Total
78	279	30	387

Table 6: Total employees by age as of December 31, 2023

Total number and distribution of employment contract modalities

Indefinite contract		Temporary contract		Part-time		Total
Male	Female	Male	Female	Male	Female	
191	196	7	2	0	0	396

Table 7: Total employees by gender and contract modality as of December 31, 2024

Indefinite contract		Temporary contract		Part-time		Total
Male	Female	Male⁷	Female	Male	Female	
192	185	4	6	0	0	387

Table 7: Total employees by gender and contract modality as of December 31, 2023

Number of permanent contracts by age		
Under 30	30-50	More than 50
67	294	26

Table 8: Number of permanent contracts by age as of 31 December 2024

Number of permanent contracts by age		
Under 30	30-50	More than 50
76	272	29

Table 8: Number of permanent contracts by age as of 31 December 2023

Number of temporary contracts by age		
Under 30	30-50	More than 50
5	4	0

Table 9: Number of temporary contracts by age as of 31 December 2024

⁷ A contract is included in the Scholarship format.

Number of temporary contracts by age		
Under 30	30-50	More than 50
2	7	1

Table 9: Number of temporary contracts by age as of 31 December 2023

Indefinite contract			
Management	Middle management	Administrative	Support staff
12	53	134	188
Temporary contract			
Management	Middle management	Administrative	Support staff
-	2	-	7

Table 10: Total contracts by type and professional classification as of December 31, 2024

Indefinite contract			
Management	Middle management	Administrative	Support staff
10	56	107	204
Temporary contract			
Management	Middle management	Administrative	Support staff
-	1	1	8

Table 10: Total contracts by type and professional classification as of December 31, 2023

The ID Finance Group is committed to the stability and development of its employees, proof of which is the stability of the workforce in the last year. Taking into account that there has been no significant variation in the workforce during 2024 and 2023, and considering the average number of employees throughout the year and the total number of employees as of 31/12/2024 and 31/12/2023, the set of personnel indicators of this NFIS corresponds to the workforce at the end of the year.

Number of dismissals by sex, age and professional classification

The number of dismissals by sex, age and professional classification is as follows:

Gender		Age		
Male	Female	Under 30	30-50	More than 50
16	13	2	24	3

Board 11: Total number of layoffs by gender and age as of December 31, 2024

Gender		Age		
Male	Female	Under 30	30-50	More than 50
38	19	14	39	4

Table 11: Total number of layoffs by gender and age as of December 31, 2023

Professional category			
Management	Middle management	Administrative	Support staff
2	10	17	-

Table 12: Total number of redundancies by professional category as of December 31, 2024

Professional category			
Management	Middle management	Administrative	Support staff
-	7	21	29

Table 12: Total number of redundancies by professional category as of December 31, 2023

Average salaries and their evolution disaggregated by sex, age and professional classification or equal value⁸

The following is the information on the average remuneration received by the staff of the ID Finance Group. In order to promote transparency and taking into account the socioeconomic and labor context of each country, the report is made country by country with the conversion of the amounts of each local currency into euros. In the case of Spain, it is indicated that the wage gap stands at 35%. This fact is determined by the fact that the members of the Management Committee belong to the male sex with the exception of two people. The rest of the countries stick to the average data by region. In the case of Poland, the 70% gap is determined by the male presence of a member of the Management Committee compared to the volume of staff employed in the subsidiary.

		Spain	Poland	Mexico ⁹
Male	Management	385.684 €	168.601 €	-
	Middle management	65.205 €	109.173€	54.899 €
	Administrative	35.284 €	41.578 €	22.451 €
	Support staff	13.029 €	-	12.468 €
Female	Management	92.341 €	-	-
	Middle management	57.125 €	-	40.610 €
	Administrative	26.316 €	34.063 €	21.710 €
	Support staff	19.035 €	14.361 €	12.212 €
Total Man		74.664 €	107.540 €	17.161 €
Total women		33.092 €	31.874 €	16.139 €
Wage gap ¹⁰		35% ¹¹	70%	6%

Board 12: Average remuneration by gender, professional category and country. The wage gap by country (2024) is included.

⁸ Unless otherwise specified, the data not reported in the table refer to professional classifications that are not occupied by any person in the Entity.

⁹ For confidentiality reasons, the average remuneration of the Mexican board of directors is not reported, since the function is exercised by a single person of the Entity (age group 30-50 and professional category Management)

¹⁰ The methodology used to calculate the Wage Gap for the 2023 financial year has been as follows: (difference between the average remuneration of Men and the average remuneration of Women) divided by the average remuneration of Men.

¹¹ For the calculation of the following data, the remunerations of the CEO and COO have not been included as it distorts the representativeness of the gap.

		Spain ¹²	Poland	Mexico ¹³
Male	Management	314.887 €	47.004 €	-
	Middle management	68.055 €	77.767 €	43.652 €
	Administrative	46.080 €	28.739 €	18.209 €
	Support staff	20.239 €	-	12.556 €
Female	Management	-	-	-
	Middle management	65.381 €	-	55.525 €
	Administrative	34.336 €	31.607 €	22.970 €
	Support staff	20.338 €	11.161 €	12.734 €
Total Man		74.833 €	59.364 €	15.505 €
Total women		36.822 €	29.563 €	18.011 €
Wage gap ¹⁴		32% ¹⁵	50%	-16%

Board 13: Average remuneration by gender, professional category and country. The wage gap by country (2023) is included.

		Spain	Poland	Mexico
Male	Under 30	28.121 €	88.888 €	12.844 €
	30-50	89.782 €	112.203 €	18.724 €
	More than 50	42.708 €	-	12.191 €
Female	Under 30	31.618 €	15.078 €	10.544 €
	30-50	34.666 €	36.673 €	15.949 €
	More than 50	25.380 €	-	30.704 €

Board 14: Average salaries by gender, age and country, 2024

		Spain	Russia	Mexico
Male	Under 30	48.201 €	69.652 €	12.840 €
	30-50	93.403 €	59.022 €	16.287 €
	More than 50	19.078 €	-	14.403 €
Female	Under 30	36.423 €	26.907 €	11.284 €
	30-50	36.634 €	15.350 €	18.979 €
	More than 50	20.254 €	-	22.559 €

Board 15: Average remunerations by gender, age and country, 2023

The average remuneration of directors

The Group's directors do not receive any type of remuneration for serving as directors.

¹² For confidentiality reasons, the average remuneration of the Spanish board of directors is not reported, since the function is exercised by a single person from the Entity (age group 30-50 and professional category Management)

¹³ For confidentiality reasons, the average remuneration of the Mexican board of directors is not reported, since the function is exercised by a single person of the Entity (age group 30-50 and professional category Management)

¹⁴ The methodology used to calculate the Wage Gap for the 2023 financial year has been as follows: (difference between the average remuneration of Men and the average remuneration of Women) divided by the average remuneration of Men.

¹⁵ For the calculation of the following data, the remunerations of the CEO and COO have not been included as it distorts the representativeness of the gap.

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The average remuneration of managers

The information on the average remuneration received by the Group's Senior Management disaggregated by sex is indicated below. For the calculation of the average remuneration, variable remuneration, allowances, compensation, payment to long-term savings pension systems and any other perception have been taken into account. The variation in the 2024 financial year is mainly determined by the salary increase of one of the members of Senior Management.

REMUNERATION (€)	Man	Woman	TOTAL
Senior management	2	0	941.813 €

Board 16: Average Senior Management Remuneration Disaggregated by Gender, 2024

REMUNERATION (€)	Man	Woman	TOTAL
Senior management	2	0	799.443 €

Board 17: Average Senior Management Remuneration Disaggregated by Gender, 2023

Implementation of work disconnection policies

Since 2023, the ID Finance Group has included in its teleworking policy the right to digital disconnection outside working hours, in accordance with Article 88 of the Organic Law on the Protection of Personal Data and Guarantee of Digital Rights.

Number of employees with disabilities

In 2024 and 2023, the percentage of employees indicated according to the LGD Law is not met, however, measures and control mechanisms are currently being developed for compliance with the LGD Law.

During the 2023 financial year, ID Finance began the process of applying for a certificate of exceptionality after failing to cover this percentage through the publication of job offers on specialised portals and suppliers (Servei de Ocupació de Catalunya). However, the adequacy of the workforce in the different legal entities led to the fact that it was not mandatory.

Organization of working time

Organization of working time

The Group's staff work hours are Monday through Thursday from 9:00 a.m. to 6:00 p.m. and Fridays from 9:00 a.m. to 4:00 p.m. For workers located in Mexico, but who serve Spanish businesses, their local schedule is adapted to the service needs of the Spanish schedule, which leads to them having night shifts.

Likewise, each employee of the Group will be able to enjoy 24 days of paid vacation. In addition, each employee has 2 days of annual leave for undocumented illness.

The Group has a teleworking policy with a hybrid model of 3 days in the office and 2 days from home to promote family reconciliation (during 2023, for companies based in Mexico, there was only one day of teleworking, having homologated the policy with Spanish companies during 2024).

Finally, in the 2023 financial year, the Group implemented flexible working hours and intensive working hours during the summer months in Spain.

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Number of hours of absenteeism

In 2024, 17,000 hours of absenteeism have been recorded (6,520 in the Spanish subsidiary, 9,768 in the Mexico subsidiary and 712 in the Polish subsidiary).

In 2023, 15,232 hours of absenteeism have been recorded (10,536 in the Spain subsidiary, 6,696 in the Mexico subsidiary).

In both 2024 and 2023, maternity or paternity leave has not been considered as hours of absenteeism.

Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these by both parents

Among its measures, the Group has the Home Office program which seeks to improve the work-life balance of employees. The aim is to promote a flexible working environment, improving the work-life balance of employees, as well as promoting a more sustainable work environment. This program allows employees to choose to work twice a week from their private home, as long as this does not affect the work for which they were assigned, nor the objectives established in their jobs and/or the projects in which they are working.

This programme is of flexible application in turn by country. Spain applies it 100% while Mexico and Poland apply it according to the personal situation of each worker.

Health and safety

Occupational health and safety conditions

The Group has an internal action protocol and an emergency plan that serve as a framework to guide all operations related to the field of occupational health and safety. These protocols establish the different steps to be taken in the event of an accident at work, incorporating all the guidelines established by the convention applicable in Spain and by the labour relations of each country (Mexico and Poland)

Accident rate

During the 2024 financial year, 6 accidents have been recorded, 2 in the Spanish subsidiaries and 4 in Mexico. The gender distribution is 1 male and 5 female.

During the 2023 financial year, 7 accidents have been recorded, 3 in the Spanish subsidiaries and 4 in Mexico. The gender distribution is 3 men and 4 women.

Neither in the 2024 nor in the 2023 financial year have there been any occupational diseases

¹⁶ Accident frequency index		
TOTAL	Women	Men
8,52	14,20	2,84

Board 18: Accident frequency index by gender, financial year 2024

¹⁶ The methodology used to calculate the accident frequency index has been as follows: (Total number of accidents divided by the total hours worked) multiplied by 1,000,000

¹⁷ Accident frequency index		
TOTAL	Women	Men
10,20	11,79	8,61

Board 19: Accident frequency index by gender, financial year 2023

¹⁸ Accident severity index		
TOTAL	Women	Men
0,16	0,31	-

Board 20: Accident severity index by gender, financial year 2024

¹⁹ Accident severity index		
TOTAL	Women	Men
0,38	0,67	0,31

Board 21: Accident severity index by gender, financial year 2023

Social Relationships

Organization of social dialogue, including procedures for informing, consulting and negotiating with staff

ID Finance recognizes and promotes the fundamental right of all workers to have a healthy work environment for the optimal performance of their job functions.

This is why the VOE program has been created to promote open communication of employees with the aim of measuring the environment and applying corrective actions.

This programme is made up of a local and global committee made up of employees from the different departments in order to ensure that the objectives of the programme are objectively met and to be able to capture and convey to the management team the main sensitivities of the collaborating staff.

Percentage of employees covered by collective agreement by country

All employees of ID Finance Spain are covered by the Catalonia Offices and Offices Agreement.

The Group Entities located in Mexico and Poland ensure compliance with current legislation and encourage dialogue with their employees, however, they do not have a formal collective bargaining agreement.

¹⁷ The methodology used to calculate the accident frequency index has been as follows: (Total number of accidents divided by the total hours worked) multiplied by 1,000,000

¹⁸ The methodology used to calculate the accident severity index was as follows: (Total number of days lost divided by total hours worked) multiplied by 1,000

¹⁹ The methodology used to calculate the accident severity index was as follows: (Total number of days lost divided by total hours worked) multiplied by 1,000

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The balance of collective agreements, particularly in the field of health and safety at work

The aspects of the Convention relating to occupational safety and health are set out in Chapter 8 of the Convention.

Formation

Policies implemented in the field of training

The Group does not have a Training Plan as such, but individual training needs are identified to respond to specific needs. Especially, emphasis is placed on language training. On the other hand, the company does have a Compliance and Money Laundering Training Plan.

The number of training hours by professional categories

Employees	Training hours
Senior management	67,0
Middle management	689,0
Administrative	2.301,5
Support staff	42
TOTAL	3.099,5

Table 18: Number of training hours by professional categories, 2024

Employees	Training hours
Senior management	234,0
Middle management	941,0
Administrative	2.815,0
Support staff	1.575
TOTAL	5.565,0

Table 18: Number of training hours by professional categories, 2023

Universal accessibility for people with disabilities

In 2024, ID Finance did not have employees with disabilities, so no specific measures were taken in this area.

ID Finance in 2023 had one employee with a disability and the necessary measures were taken.

Equality

In each and every one of the areas in which the Group's activity is carried out, from selection to promotion, including salary policy, training, working and employment conditions, occupational health, the organisation of working time and work-life balance, Id Finance assumes the principle of equal opportunities between women and men.

Entities located in Spain have an Equality Plan in force. This Equality Plan sets out in writing the commitment to the establishment and development of policies that integrate equal treatment and opportunities between women and men, without discriminating directly or indirectly on the basis of sex, as well as to the promotion and promotion of measures to achieve real equality

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within the organisation. establishing equal opportunities between men and women as a strategic principle of Corporate and Human Resources culture.

In addition, Spanish societies have a protocol for the prevention of sexual harassment and a comprehensive protection protocol for victims of gender violence, as well as an action plan for the next 4 years detailing training on equality and inclusion and an inclusive language manual.

In the Entities of Mexico and Poland, the Group ensures equality and non-discrimination, without having policies that make it explicit as such. Additionally, within the VOE (*Voice of the Employee*) program, sexual harassment is classified as a serious offense so, according to this policy, disciplinary measures are taken to dismiss the person who commits the infraction.

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5.-Fight against corruption and bribery

Information on the fight against corruption and bribery

Measures to prevent corruption, bribery and anti-money laundering

Bribery and corruption are among the problems that cause the most damage to financial organizations. Commercial and professional relations with private and public entities must be based on transparency, commitment and legality, guaranteeing free and fair competition.

This commitment is materialized through the Anti-Corruption and Anti-Bribery Policy, approved by the Management Body of ID Finance. The preparation and communication of this policy within the Group reinforces the commitment to comply at all times with the laws and regulations in force. Likewise, the commitment to comply with the ethical principles (zero tolerance against corruption, among others) established in the Code of Ethics.

This policy and the principles that support it apply to all the companies that make up the Group; to all its employees, managers and business partners.

ID Finance, to the extent that it receives or manages assets, transfers or deposits from third parties, must apply due diligence measures that allow it to identify, where appropriate, the illicit origin of the funds or payments it receives. The Group refrains from carrying out any transaction that, in accordance with its policies on the prevention of money laundering and terrorist financing, actually or apparently, presents a high risk of money laundering, and will inform the corresponding authority in this area. Likewise, ID Finance will refuse to carry out operations whose risk of incurring in the financing of terrorism is high. Therefore, the company has implemented AML measures and mechanisms that allow it to detect and identify funds that could involve money laundering or terrorist financing principles.

The different companies of the Group have a Communications Channel adapted to Law 2/2023, of 20 February, regulating the protection of persons who report regulatory breaches and the fight against corruption, as a means of communicating any activity that does not comply with the ethical principles of ID FINANCE or any circumstance that may involve the materialisation of a criminal risk for the company or weaknesses of the Criminal Compliance Management, with the aim of attending to any claim made for this purpose.

This Channel is supported by a web application that can be accessed by employees, partners, managers, members of the administrative bodies, suppliers, customers, and, in general, any third party who wishes to inform the different companies of the Group of an irregular action that may not comply with the ethical principles set out in this Code. The Ethics Line can be accessed through the following link: <https://www.idfinance.com/es/linea-etica/>

In addition, ID FINANCE has a Regulatory Compliance mailbox for each of the entities that make it up (**compliance@idfinance.com**) that addresses any questions or concerns related to the ethical principles of this Code, the regulations or legislation in force, as well as the Criminal Compliance Management Systems.

In addition, ID FINANCE has set up a specific mailbox where communications and/or complaints that could affect the Compliance Officer or any member of Regulatory Compliance can be directed.

(rrhhcompliance@idfinance.com).

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In both 2023 and 2024, training has been provided on corruption, bribery and anti-money laundering and countering the financing of terrorism. This training has been carried out by the Compliance area, for all the Group's stakeholders, providing training to the Boards of Directors, specific departments, the Internal Control Body, as well as the entire staff of the Group. Likewise, the Group has made available to all its employees, shareholders and third parties all the Policies, manuals and procedures in relation to the entity's Criminal Compliance Management System and Prevention of Money Laundering and Terrorist Financing.

In the 2024 and 2023 financial years, the Group has not received any complaints in this matter through its official complaint and communication channels.

Contributions to foundations and non-profit entities

During the year 2024, ID Finance has donated the following amounts:

- a) 1,500 Euros to the Pere Tarrés Foundation;
- b) 500 Euros to Caritas, to help with the serious floods after the DANA occurred in October 2024.

During the year 2023, ID Finance donated the amount of 1,000 Euros to the San Juan de Dios organization.

In addition, ID FINANCE has carried out food collection actions and other impact actions described throughout the following section.

ID FINANCE

6.-Human Rights

Human Rights compliance is part of ID Finance's corporate culture. The Holding sets the Group's guidelines to guarantee a work environment based on ethics and respect. This commitment is set out in the Group's Code of Ethics. This incorporates aspects related to the protection of Human Rights. ID Finance is highly committed to respecting these rights, the dignity of all and avoiding being complicit in any violation of these. This commitment is not only implemented internally, but also shared with trading partners, ensuring they are aligned with the following:

- Laws that promote safe working conditions and individual safety.
- Prohibitions on the employment of minors.
- Prohibitions on trafficking in persons.
- Laws guaranteeing freedom of association and the right to participate in collective bargaining.
- Monitor human rights and their potential impacts
- Communicate our human rights commitments to internal and external stakeholders.

In addition, as mentioned in the Equality section of the Code of Ethics, ID Finance ensures a work environment based on equality and free of discrimination.

Any suspicion or evidence of human rights abuses by any ID Finance entity or any of its business partners must be reported to the Compliance Officer. In addition, there is an online complaints channel where incidents can be reported anonymously, and an email address is also provided through the website to be able to report any incident that may compromise human rights

None of the countries have registered complaints through formal channels during 2024 or 2023.

7.-Society

The company's commitments to sustainable development

ID Finance regularly contributes to social and solidarity projects with the aim of having a positive impact on the communities where it operates. The Group wants to make a positive contribution to society so that it is fairer and more inclusive. For this reason, we try to get involved in projects that seek to go beyond the business.

Below are some of the Group's initiatives for 2024 and 2023:

Responsible lending

ID Finance strongly believes that responsible lending is critical to the long-term viability of the business and acts in the interests of its customers by ensuring transparency of loan terms and conditions. On the other hand, in the concession process, the payment capacity of customers is analyzed, seeking not to over-indebted them.

Providing loans that help rather than hinder

ID Finance does not use any aggressive credit policies or intrusive marketing techniques. Nor does it offer consumers credit that they do not need or cannot afford. ID Finance ensures that its clients are well-informed so that they make the best financial decisions.

Regulated Loans

ID FINANCE

The Group proactively engages with national and supranational financial regulators to create a regulatory environment that benefits both businesses and consumers of financial services. Thus, within its Spanish operations, loans are subject to the Consumer Law, while in Mexico, Condusef carries out these supervisory tasks.

Volunteering

With the aim of actively contributing to its commitment to Society, ID Finance Mexico has launched the "Contigo" Volunteer Program. This project seeks to generate synergies between the company, its employees and the community through a set of activities that allow the creation of a channel of participation so that all volunteers can contribute their time, skills and talent.

For this reason, ID Finance implemented measures to carry out and monitor some of these objectives and contribute to their achievement:

- End of poverty, the Spanish headquarters participated together with the San Juan de Dios Hospital (Magic Line) in a charity race in support of the relatives of minors in vulnerable situations.
- Zero Hunger ID Finance has been collaborating every year with the Barcelona Food Bank since 2019, collecting and providing food to help people in vulnerable situations. For the 2024 financial year, the joint contribution amounted to €250 (€245 in 2023) for the purchase of food. This action, among others that are carried out during the year, is part of ID Finance's volunteer program "Contigo".
- Health and well-being: In 2024 and 2023 we collaborate with the Hospital Clínic de Barcelona through blood donation and with the AECC in its race against cancer.
- Gender equality: ID Finance is committed to providing equal rights and opportunities to women and men. We are proud that 50% (49.35% in 2023) of our team are women, having reached parity in 2024.
- Affordable and clean energy: With the change of offices, we have made the transition to an affordable, safe and sustainable energy system by adopting new technologies. In addition, ID Finance made an effort to reduce business travel to reduce carbon emissions.

Likewise, during 2023 we started a new environmental volunteering initiative for the protection and conservation of beaches through waste collection activities. These actions have continued during 2024.

Finally, to reinforce social commitment, we collaborate with the "Llar de la Amistad" residence, a private non-profit foundation of a social charity for the integration of people with disabilities.

Partnership and sponsorship actions

The entity Plazo of the ID Finance Group in Spain belongs to and contributes²⁰ as a member to the Spanish Fintech Association (€1.100 during 2024). In addition, the Group's company, ID Finance Spain, S.A.U., is a member of the National Microloan Association (AEMIP). On the other hand, ID Finance collaborated with the donation of 1,000 Euros to the Spanish organization San Juan de Dios in 2023.

²⁰ The amount amounts to €650.

ID FINANCE

Consumers

Measures for the health and safety of consumers

To ensure the security of customers, the Group firmly relies on its global data protection policy. ID Finance has a duty to ensure the reliability, objectivity and integrity of the information handled, both internally and with third parties. It will also guarantee the secure incorporation into its information systems of employees, customers and any other people to whose data they have access derived from their own activity, which must include those personal, economic or any other data that in any way may affect the intimate and personal sphere of its owner.

All personal data are treated in a particularly restrictive manner in compliance with current regulations, so that:

1. Only those that are necessary to achieve the purpose pursued will be collected.
2. The collection, processing and use are carried out in such a way as to guarantee their availability, integrity and confidentiality, the right to privacy of individuals and compliance with the guiding principles of the regulations on the protection of personal data, as well as the obligations resulting from the applicable regulations.
3. Only ID Finance employees authorised to do so will have access to this data to the extent necessary for the development of their professional activities.

Training on Personal Data Protection is periodically given to ID Finance members and especially to those who, due to their activity, process personal data in an ordinary way.

Complaint systems, complaints received and resolution of the same

In order to comply with customer protection and satisfaction and to ensure a specific identification of areas of opportunity and options, each ID Finance operating company has a portal accessible through its website/App for the communication of complaints and claims.

Because no customer services are provided in Poland, these markets are not exposed to complaints and are therefore not broken down as such.

In the case of Mexico, a total of 83 complaints and 774 claims have been registered in the 2024 financial year, all of which have been resolved during 2024 and the first quarter of 2025.

In the 2023 financial year, a total of 103 complaints and 482 claims were registered, all of which were resolved during 2023 and the first quarter of 2024.

On the other hand, in Spain there is a formal procedure for dealing with complaints. The "Customer Ombudsman" procedure defines the actions to be followed by each Entity and how such complaints must be registered. In 2024, a total of 6,148 communications were received, of which 5,197 were referred to other specific areas (especially customer service), 777 were considered claims and 174 complaints. Of these, 88% have been resolved at the end of the year, while the remaining 12% have been resolved during the first quarter of the 2025 financial year.

In 2024, a total of 6,148 communications were received (2,559 in 2023), which were processed according to these procedures established throughout the year.

In 2023, a total of 1,974 communications were received, of which 1,595 were referred to other specific areas (especially customer service), 306 were considered complaints and 73 complaints. Of these, 90% have been resolved at the end of the year, while the remaining 10% have been resolved during the first quarter of the 2024 financial year.

ID FINANCE

Subcontracting and suppliers

The third-party management policy is the tool through which ID Finance establishes its criteria and framework of action for its relations with third parties for the procurement of goods and services.

The process of selection, approval and management of suppliers of goods and services is in any case directed by the department that makes the purchase together with the Compliance Department.

The different Departments of ID Finance will maintain a catalogue of potential suppliers and an inventory of suppliers with whom there are already commercial relationships. The catalog and inventory must be kept up to date and must be reviewed periodically to ensure that the criteria that motivated the inclusion of the supplier are maintained.

When the needs so require, the operational units will request from their hierarchical superior, in a reasoned and reasoned manner, the request for the acquisition of a good or the contracting of a service by a supplier.

If the amount of the contract (good or service) requested is less than €15,000, the requesting department places the order directly, which may be requested from a single supplier of those in inventory.

When the total amount of the project (good or service) requested to be contracted is equal to or greater than €15,000, per project or per year, the requesting department generates a request for proposal inviting as many suppliers as necessary to collect at least three different supplier alternatives.

These alternatives are previously evaluated and approved by the head of the contracting department, drawing up a record containing a reasoned evaluation of the bids submitted in accordance with the following aspects:

- Technical offer: quality of the product or service provided, degree of adaptation to specific needs, flexibility, adaptability and delivery times.
- Commercial offer: prices, payment terms and guarantees.
- Commercial offer: stability, reputation, proximity, third-party references and existence of a regulatory risk management system.

Once the supplier is authorised by the contracting department, the department will contact the Compliance Department to start the approval process, a process that must be carried out before signing the contract with the potential supplier.

The Compliance Department will contact the potential supplier to initiate the Due Diligence process in accordance with points 5 and 6 of the Supplier and Third Party Policy.

Due to ID Finance's setup and the industry in which it operates, most contracts signed are limited to the fields of marketing, licensing, and consulting.

During the 2024 and 2023 financial years, ID Finance has not carried out any audits of suppliers. However, in the External Expert Audits on the procedures established to prevent Money Laundering in 2024 and 2023, the measures adopted by ID FINANCE for the contracting of suppliers and third parties have been considered favourable. Likewise, during 2024 ID Finance has obtained a double certification in Criminal Compliance and Anti-Bribery Management from Bureau Veritas for its subsidiaries in Spain ID Finance Investments, ID Finance Spain, [ID Finance Plazo](#) and [Plazo Credit](#). Both certifications, granted in accordance with international standards [UNE 19601 \(Criminal Compliance\)](#) and [ISO 37001 \(Anti-bribery\)](#), certify that ID Finance has

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robust systems and processes for the detection and prevention of criminal offences and anti-bribery.

ID FINANCE

Tax Information

ID Finance is committed to providing truthful, accurate and accurate information to all those who interact with the Group.

Commercial accounts, books or tax records fully reflect all operations carried out accurately, accurately and in accordance with the applicable regulations, reflecting the true picture of all transactions carried out. The accounting records will be available to the internal and external auditors at all times, and will be audited periodically.

ID Finance complies with all its tax and fiscal obligations, collaborating at all times with the state, regional and local authorities that require it. The management of public aid and subsidies is transparent, allocating at all times the amounts granted to the purpose of their concession.

The Group's pre-tax profits are as follows, as well as the taxes on profits paid, by country, during 2024 and 2023 (expressed in thousands of euros):

(as of 31 December)	Country Profits (2024)	Country Earnings (2023)
Spain	21.939 €	9.607 €
Mexico	132 €	864 €
Poland	20 €	21 €

Table 19: Profits by country

This amount includes the profit before tax for Spain (IDF Investments, IDF Spain, Debt Management Partners, IDF Plazo) and for Mexico (IDF Capital, IDF Servicios and Online Collect).

(as of 31 December)	Taxes on Profits Paid by Country (2024)	Taxes on Profits Paid by Country (2023)
Spain	(2.416) €	(1.359) €
Mexico	(43) €	(273) €
Poland	(1) €	(9) €

Table 20: Taxes on profits paid by country

In the case of Poland, given its recent constitution, there is still no payment of taxes.

In the financial years 2024 and 2023, the Group has not received any subsidy from public entities.

ANNEX 1: Requirements of Law 11/2018 on non-financial information and diversity

Information requested by Law 11/2018	Section of the NFIS where the response is given	Benchmark GRI indicator	Remarks
Overview			
A brief description of the business model including its business environment, organization, and structure	Business model	GRI 2-6	
Markets in which it operates	Markets in which it operates	GRI 2-1 GRI 2-6	
Organizational goals and strategies	Group objectives and strategies	GRI 2-22 and GRI 2-23	
Main factors and trends that may affect its future evolution	Market environment and other factors and trends that may affect future business developments	Internal reporting criteria	
Principle of materiality	Business model	GRI 3-1 and GRI 3-2	
Reporting framework used	About this report	Internal reporting criteria	
Environmental Issues			
Management approach: description and results of policies related to these issues, as well as the main risks related to these issues linked to the Group's activities	It is developed throughout the epigraph	GRI 3-3	
Environmental management			
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Environmental assessment or certification procedures	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Resources dedicated to the prevention of environmental risks	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Application of the precautionary principle	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Number of provisions and guarantees for environmental risks	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Contamination			

Measures to prevent, reduce or remediate emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Circular economy and waste prevention and management			
Prevention, recycling, reuse, other forms of waste recovery and disposal measures	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Actions to combat food waste	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Sustainable use of resources			
Water consumption and water supply according to local constraints	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Consumption of raw materials and measures taken to improve the efficiency of their use	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Direct and indirect energy consumption	Direct and indirect energy consumption	GRI 302-1	
Measures taken to improve energy efficiency	Measures taken to improve energy efficiency	GRI 3-3	
Use of renewable energies	Use of renewable energies	GRI 302-1	
Climate change			
Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	Greenhouse gas emissions	GRI 305-1GRI 305-2 GRI 305-3	
Measures taken to adapt to the consequences of climate change	Measures taken to adapt to the consequences of climate change	GRI 3-3	
Voluntarily established medium- and long-term reduction targets to reduce greenhouse gas emissions and the means implemented to that end	Voluntarily set reduction targets	GRI 305-5	
Protecting biodiversity			
Measures taken to preserve or restore biodiversity	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Impacts caused by activities or operations in protected areas	Sustainable uses of resources	Internal reporting criteria	Indicator not relevant by the activity of the organization
Social and personnel issues			
Management approach: description and results of policies related to these issues, as well as the main risks related to these issues linked to the Group's activities	It is developed throughout the epigraph	GRI 3-3	
Employment			
Total number and distribution of employees by country, sex, age, professional classification and employment contract	Employment	GRI 2-7	

Annual average of permanent contracts, temporary contracts and part-time contracts by sex, age and professional classification	Employment	GRI 2-7	
Number of dismissals by sex, age and professional classification	<u>Employment</u>	GRI 401-1	
Average remuneration and its evolution disaggregated by sex, age and professional classification or equal value	Employment	GRI 405-2	
Wage gap, the remuneration of equal or average jobs in the Company	<u>Employment</u>	GRI 405-2	
Average remuneration of directors and executives, including variable remuneration, allowances, severance payments, payment to long-term savings pension schemes and any other perception disaggregated by sex	<u>Employment</u>	GRI 2-19	
Implementation of work disconnection policies	Employment	Internal reporting criteria	
Number of employees with disabilities	<u>Employment</u>	GRI 2-7	
Organization of work			
Organization of working time	Organization of working time	GRI 3-3	
Number of hours of absenteeism	Number of hours of absenteeism	Internal reporting criteria	
Mechanisms and procedures to promote the involvement of workers in the management of the company, in terms of information, consultation and participation.	Mechanisms and procedures to promote the involvement of workers in the management of the company, in terms of information, consultation and participation.	Internal reporting criteria	
Health and safety			
Occupational health and safety conditions	Health and safety	GRI 403-1 GRI 403-4 and GRI 403-7	
Occupational accidents, in particular their frequency and severity, as well as occupational diseases; Disaggregated by sex	Health and safety	GRI 403-9 GRI 403-10	
Social Relationships			
Organization of social dialogue, including procedures for informing, consulting and negotiating with staff	Social Relationships	GRI 3-3	
Percentage of employees covered by collective agreement by country	Social Relationships	GRI 2-30	
Assessment of collective agreements, particularly in the field of health and safety at work	Social Relationships	GRI 403-4	
Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these by both parents	Social Relationships	GRI 3-3	
Formation			
Policies implemented in the field of training	Formation	GRI 3-3 and GRI 404-2	

Total number of training hours by professional category	Formation	GRI 404-1	
Universal accessibility for people with disabilities		GRI 3-3	
Equality			
Measures taken to promote equal treatment and opportunities for women and men	Equality	GRI 3-3	
Integration and universal accessibility of persons with disabilities	Equality	GRI 3-3	
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	Equality	GRI 3-3	
Policy against all types of discrimination and, where appropriate, diversity management	Equality	GRI 3-3	
Respect for human rights			
Management approach: description and results of policies related to these issues, as well as the main risks related to these issues linked to the Group's activities		GRI 3-3	
Implementation of due diligence procedures			
Implementation of human rights due diligence procedures and prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and remedy potential abuses	Section 6. Human rights	Internal reporting criteria	
Complaints of human rights violations	Section 6. Human rights	Internal reporting criteria	
Measures implemented for the promotion and enforcement of the provisions of the fundamental ILO Conventions relating to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour	Equality	Internal reporting criteria	
Fight against corruption and bribery			
Management approach: description and results of policies related to these issues, as well as the main risks related to these issues linked to the Group's activities	It is developed throughout the epigraph	GRI 3-3	
Measures taken to prevent corruption and bribery	Information on the fight against corruption and bribery	GRI 3-3, GRI 2-23, GRI 2-26, GRI 205-2 and GRI 205-3	
Anti-money laundering measures	Information on the fight against corruption and bribery	GRI 3-3, GRI 2-23, GRI 2-26, GRI 205-2 and GRI 205-3	

Contributions to foundations and non-profit entities	Contributions to foundations and non-profit entities	GRI 2-28 and GRI 201-1	
Information about the Society			
Management approach: description and results of policies related to these issues, as well as the main risks related to these issues linked to the Group's activities	It is developed throughout the epigraph	GRI 3-3	
The company's commitments to sustainable development			
The impact of the Company's activity on employment and local development	The company's commitments to sustainable development	GRI 3-3 and GRI 203-2	
The impact of the Company's activity on local populations and on the territory	The company's commitments to sustainable development	GRI 413-1	
Relations with local community actors and modalities of dialogue with them	The company's commitments to sustainable development	GRI 2-29 and GRI 413-1	
Partnership or sponsorship actions	The company's commitments to sustainable development	Internal reporting criteria	
Subcontracting and suppliers			
Inclusion of social, gender equality and environmental issues in procurement policy	Subcontracting and suppliers	GRI 3-3	
Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	Subcontracting and suppliers	GRI 3-3	
Monitoring and audit systems and their results	Subcontracting and suppliers	GRI 3-3	
Consumers			
Measures for the health and safety of consumers	Consumers	GRI 3-3	
Complaint systems, complaints received and resolution of the same	Consumers	GRI 3-3 and GRI 418-1	
Tax Information			
The benefits obtained country by country	Tax Information	Accounting criteria	
Taxes on benefits paid	Tax Information	Accounting criteria	
Taxonomy Regulation Requirement	Tax Information	Internal Reporting Criteria	
Public subsidies received	Tax Information	GRI 201-4	

**Independent Verification Report of the
Non-Financial Information Statement for
the fiscal year ended December 31, 2024**

ID FINANCE INVESTMENTS, S.L.



The better the question.
The better the answer.
The better the world works.



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INDEPENDENT VERIFICATION REPORT OF THE NON-FINANCIAL INFORMATION STATEMENT

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (See Note 19)

To the Sole Shareholder of ID FINANCE INVESTMENTS S.L.:

In accordance with Article 49 of the Commercial Code, we have carried out the verification, with limited assurance, of the attached Non-Financial Information Statement (hereinafter, the "NFI Statement" or the "Statement"), corresponding to the fiscal year ended December 31, 2024, of ID FINANCE INVESTMENTS S.L. (hereinafter, the "Company"), which forms part of the Company's management report.

The content of the NFI Statement includes additional information beyond that required by the current commercial regulations on non-financial information, which was not subject to our verification work. Accordingly, our work was strictly limited to verifying the information identified in the table included in Annex I "Index of content Law 11/2018" of the attached NFI Statement.

Responsibility of the Administrators

The preparation of the NFI Statement included in the Company's management report, as well as its content, is the responsibility of the Administrators of ID FINANCE INVESTMENTS S.L. The NFI Statement has been prepared in accordance with the content defined by current commercial regulations and following the selected criteria of the Global Reporting Initiative (GRI) Sustainability Reporting Standards, as described for each matter in the table in Annex I, "Index of content Law 11/2018", of the Statement.

This responsibility also includes the design, implementation, and maintenance of the internal control deemed necessary to ensure that the NFI Statement is free from material misstatement, whether due to fraud or error.

The Company's administrators are also responsible for defining, implementing, adapting, and maintaining management systems from which the information required to prepare the NFI Statement is obtained.

Our Independence and Quality Management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement, and operate a system of quality management that includes policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



The engagement team consisted of professionals with expertise in reviewing Non-Financial Information and, specifically, economic, social, and environmental performance information.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance verification report based on the work performed. We conducted our work in accordance with the requirements established in the current International Standard on Assurance Engagements (ISAE) 3000 (Revised), 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines on verification engagements of Non-Financial Information Statements issued by the Spanish Institute of Chartered Accountants.

In a limited assurance engagement, the procedures performed vary in nature and timing and are less extensive than those carried out in a reasonable assurance engagement, and therefore, the level of assurance obtained is substantially lower.

Our work involved inquiries of Management and various units of the Company involved in the preparation of the NFI Statement, reviewing the processes for gathering and validating the information presented in the NFI Statement, and applying certain analytical procedures and sample-based review tests described below:

- ▶ Analysis of the scope, relevance, and completeness of the content included in the 2024 NFI Statement based on the materiality analysis conducted by the Company and described in section "2.2. Materiality Analysis", considering the content required by current commercial regulations.
- ▶ Analysis of the processes for collecting and validating the data presented in the 2024 NFI Statement.
- ▶ Review of information regarding risks, policies, and management approaches applied in relation to the material issues presented in the 2024 NFI Statement.
- ▶ Testing, on a sample basis, the information related to the content included in the 2024 NFI Statement and its appropriate compilation from data supplied by information sources.
- ▶ Obtaining a representation letter from the Administrators and Management.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, nothing has come to our attention that causes us to believe that the NFI Statement of ID FINANCE INVESTMENTS S.L. for the fiscal year ended December 31, 2024 has not been prepared, in all material respects, in accordance with the content defined in current commercial regulations and following the selected GRI standards as well as other criteria described for each subject in Annex I, "Index of content Law 11/2018", of the Statement.



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Use and Distribution

This report has been prepared in response to the requirement established in the commercial regulations in force in Spain and may not be suitable for other purposes or jurisdictions.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signed on the original version In Spanish)

Albert Fernández Chafer
(Registered in the Official Register of
Auditors under No. 23820)

May 5, 2025

ID FINANCE

ID FINANCE INVESTMENTS S.L. AND SUBSIDIARIES Preparation of the consolidated annual accounts for the year 2024

The Administrators have prepared the attached financial statements and management report for the 2024 financial year on 29th of April of 2025.

[signature appears on the original statement]

Alexander Dunaev

Victor de las Heras

Richard Iñaki Perkins

Tamir Saeed

Afonso Manuel Leao Da Costa Campos