

Half-yearly financial report and report of Management Board  
of **FON SE**  
for the period 01.07.2022 - 31.12.2022 (*in thous. EUR*)



**FON SE**

**SHORTENED FINANCIAL STATEMENTS OF FON SE**

**FOR THE 6-MONTH PERIOD**

**ENDED ON 31 DECEMBER 2022**

**PREPARED IN COMPLIANCE WITH**

**INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Tallinn, 22/02/2023

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## I. GENERAL INFORMATION

Name of the Company: **FON SE**

Beginning of the financial year: 1.07.2022

End of financial year: 30.06.2023

Registry code: 14617916

LEI code: 259400WB3K1M8CZO6N24

Address: Harju maakond, Tallinn, Kesklinna linnaosa, Tornimäe tn 5, 10145

Telephone: +48-796-118-929

E-mail address: [biuro@fon-sa.pl](mailto:biuro@fon-sa.pl)

Website: [www.fon-sa.pl](http://www.fon-sa.pl)

Principal business activity: As of 31/12/2022, the business registered in Estonia is "Activities of financial holding companies".

Members of the Supervisory Board:

- Wojciech Hetkowski
- Jacek Koralewski
- Małgorzata Patrowicz
- Martyna Patrowicz

Member of the Management Board:

- Damian Patrowicz

The duration of the Company is indefinite.

The financial statements of FON SE for the period from 01/07/2022 to 31/12/2022 are prepared in accordance with the International Financial Reporting Standards, which have been approved by the European Union and related interpretations announced in the form of regulations of the European Commission.

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**II. STATEMENT OF FINANCIAL POSITION (in thous. EUR)**

STATEMENT OF FINANCIAL POSITION	As of 31/12/2022 (in thous. EUR) unaudited	As of 30/06/2022 (in thous. EUR) audited
<b>Assets</b>		
<b>Fixed assets</b>	<b>5 909</b>	<b>8 578</b>
Long-term financial assets	5 909	8 578
<b>Current assets</b>	<b>629</b>	<b>311</b>
Short-term receivables	0	8
Short-term financial assets	627	301
Cash and cash equivalents	2	1
Short-term accruals	0	1
<b>Total assets</b>	<b>6 538</b>	<b>8 889</b>
<b>Liabilities</b>		
<b>Equity</b>	<b>6 344</b>	<b>6 139</b>
Share capital	188	28 875
Exchange differences due to conversion into EUR	-866	-743
Supplementary capital	29 934	1 247
Other reserve capitals	3 805	3 805
Retained earnings / Unsettled financial result	-26 717	-27 045
<b>Long-term liabilities</b>	<b>191</b>	<b>2 742</b>
Other long-term liabilities	191	2 742
<b>Short-term liabilities</b>	<b>3</b>	<b>8</b>
Credits and loans	0	0
Trade liabilities	1	1
Other liabilities	2	2
Other reserves	0	5
<b>Total liabilities</b>	<b>6 538</b>	<b>8 889</b>
<b>Book value</b>	<b>6 344</b>	<b>6 139</b>
<b>Number of shares at the end of the period</b>	<b>1 875 000</b>	<b>1 875 000</b>
<b>Book value per one share (in EUR)</b>	<b>3,38</b>	<b>3,27</b>

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**III. PROFIT AND LOSS ACCOUNT AND STATEMENT OF COMPREHENSIVE INCOME *(in thous. EUR)***

PROFIT AND LOSS ACCOUNT	01.07.2022- 31.12.2022 <i>(in thous. EUR)</i> unaudited	01.07.2021- 31.12.2021 <i>(in thous. EUR)</i> unaudited
Revenue from interest, from the sale of products, goods and materials	220	120
Costs of products, goods and materials sold	0	0
<b>Gross profit on sales</b>	<b>220</b>	<b>120</b>
General and administrative expenses	8	4
Other operating revenue	0	0
Other operating costs	9	11
<b>Profit (loss) from operating activity</b>	<b>203</b>	<b>105</b>
Financial revenue	163	0
Financial cost	38	23
<b>Profit before tax</b>	<b>328</b>	<b>82</b>
<b>Net income</b>	<b>328</b>	<b>82</b>
<b>Number of shares at the end of the period</b>	<b>1 875 000</b>	<b>52 500 000</b>
<b>Net profit per one ordinary share (in EUR)</b>	<b>0,175</b>	<b>0,002</b>

STATEMENT OF COMPREHENSIVE INCOME	01.07.2022- 31.12.2022 <i>(in thous. EUR)</i> unaudited	01.07.2021- 31.12.2021 <i>(in thous. EUR)</i> unaudited
<b>Net profit for the period</b>	<b>328</b>	<b>82</b>
<b>Other comprehensive income, including:</b>	<b>-123</b>	<b>-62</b>
<b>Components that can be transferred at a later time</b>	<b>-123</b>	<b>-62</b>
- differences from conversion to EURO	-123	-62
<b>Total income for the period</b>	<b>205</b>	<b>20</b>

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**IV. STATEMENT OF CHANGES IN EQUITY *(in thous. EUR)***

<b>STATEMENT OF CHANGES IN EQUITY</b>	<b>01.07.2022- 31.12.2022 <i>(in thous. EUR)</i> unaudited</b>	<b>01.07.2021- 31.12.2021 <i>(in thous. EUR)</i> unaudited</b>
<b>Equity at the beginning of the period</b>	<b>6 139</b>	<b>6 029</b>
<b>Share capital at the beginning of the period</b>	<b>28 875</b>	<b>28 875</b>
Changes of share capital	-28 687	0
a) Increases (due to)	0	0
b) decreases (due to)	-28 687	0
- decrease of share capital	-28 687	0
<b>Share capital at the end of the period</b>	<b>188</b>	<b>28 875</b>
<b>Supplementary capital at the beginning of the period</b>	<b>1 247</b>	<b>1 247</b>
Changes of supplementary capital	28 687	0
a) zwiększenia (z tytułu)	28 687	0
- decrease of share capital	28 687	0
<b>Supplementary capital at the end of the period</b>	<b>29 934</b>	<b>1 247</b>
<b>Other reserve capital at the beginning of the period</b>	<b>3 805</b>	<b>3 805</b>
<b>Other reserve capital at the end of the period</b>	<b>3 805</b>	<b>3 805</b>
<b>Retained earnings / Unrealized losses from previous years at the beginning of the period</b>	<b>-27 045</b>	<b>-27 295</b>
Increase (due to)	328	82
- profit/loss for the period	328	82
<b>Retained earnings / Unrealized losses from previous years at the end of the period</b>	<b>-26 717</b>	<b>-27 213</b>
<b>Exchange differences at the beginning of the period</b>	<b>-743</b>	<b>-603</b>
Changes of exchange differences	-123	-62
a) decreases	-123	-62
<b>Exchange differences at the end of the period</b>	<b>-866</b>	<b>-665</b>
<b>Equity at the end of the period</b>	<b>6 344</b>	<b>6 049</b>

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**V. STATEMENT OF CASH FLOW (in thous. EUR)**

STATEMENT OF CASH FLOW	01.07.2022- 31.12.2022 (in thous. EUR) unaudited	01.07.2021- 31.12.2021 (in thous. EUR) unaudited
<b>OPERATING ACTIVITIES</b>		
<b>Gross profit</b>	<b>328</b>	<b>82</b>
<b>Total adjustments</b>	<b>2 242</b>	<b>1 105</b>
Loans granted	0	0
Received loans repayments	2 206	1 070
Interest and share in profits (dividends)	32	27
(Profit) loss on investing activities	0	0
Change in reserves	-5	-3
Change in receivables and active accruals	8	1
Change in liabilities	0	-1
Change in the status of passive accruals	1	0
Other adjustments	0	11
<b>I. Net cash flows from operating activities</b>	<b>2 570</b>	<b>1 187</b>
<b>INVESTING ACTIVITIES</b>		
<b>Inflows from investing activities</b>	<b>0</b>	<b>0</b>
Sale of financial assets	0	0
<b>II. Net cash flows from investing activities</b>	<b>0</b>	<b>0</b>
<b>FINANCING ACTIVITIES</b>		
<b>I. Inflows</b>	<b>0</b>	<b>0</b>
<b>II. Outflows due to financing activities</b>	<b>2 569</b>	<b>1 187</b>
Repayments of credits and loans	2 531	1 164
Interest	38	23
<b>III. Net cash flow from financing activities</b>	<b>-2 569</b>	<b>-1 187</b>
<b>Total net cash flows (I+/-II+/-III)</b>	<b>1</b>	<b>0</b>
<b>Balance sheet change in cash</b>	<b>1</b>	<b>0</b>
<b>Cash at the beginning of the period</b>	<b>1</b>	<b>0</b>
<b>Cash at the end of the period</b>	<b>2</b>	<b>0</b>

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## VI. EXPLANATIONS TO THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

### SHORT-TERM FINANCIAL ASSETS

As at December 31, 2022, the Company has the following short-term loans granted:

<b>SHORT-TERM LOANS</b>								
(thous. PLN) as of 31/12/2021								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Auto Kluge	Płock	110	EUR	29	EUR	10%	31.08.2015	blank promissory note, transfer of ownership, submission to enforcement
ELKOP SE	Płock	4 208	EUR	598	EUR	WIB1M+4,5%	31.12.2024	blank promissory note, mortgage
Total:		4 318	EUR	627	EUR			



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<b>SHORT-TERM LOANS</b>								
<b>(thous. PLN) as of 31/12/2022</b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Auto Kluge	Płock	500	PLN	134	PLN	10%	31.08.2015	blank promissory note, transfer of ownership, submission to enforcement
ELKOP SE	Warszawa	18 752	PLN	2 801	PLN	WIB1M+4,5%	31.12.2024	mortgage, blank promissory note
Total:		19 252	PLN	2 935	PLN			

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As at June 30, 2022, the Company had the following short-term loans granted:

<b>SHORT-TERM INVESTMENTS IN CREDITS AND LOANS</b>								
<b>FOR OTHER AND RELATED ENTITIES (in thous. EUR)</b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Elkop SE	Płock	6 104	EUR	155	EUR	WIBOR1M+1%	31.12.2024	blank promissory note
Elkop SE	Płock	4 208	EUR	4	EUR	WIBOR1M+4,5%	31.12.2024	blank promissory note, mortgage
Auto Kluge	Płock	112	EUR	30	EUR	10,0%	31.08.2015	blank promissory note, transfer of ownership
Damar Patro UÜ*	Tallinn	2 200	EUR	112	EUR	2,5%	30.06.2023	blank promissory note
Total:		12 624	EUR	301	EUR			

\*The loans granted to Damar Patro UÜ were fully repaid after the balance sheet date.

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<b>SHORT-TERM INVESTMENTS IN CREDITS AND LOANS</b>								
<b>FOR OTHER AND RELATED ENTITIES (in thous. PLN)</b>								
<b>(thous. PLN) as of 30/06/2022</b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Elkop SE	Płock	27 200	PLN	727	PLN	WIBOR1M+1%	31.12.2024	blank promissory note
Elkop SE	Płock	18 752	PLN	19	PLN	WIBOR1M+4,5%	31.12.2024	blank promissory note, mortgage
Auto Kluge	Płock	500	PLN	143	PLN	10,0%	31.08.2015	blank promissory note, transfer of ownership
Total:		46 452	PLN	889	PLN			

<b>SHORT-TERM LOANS</b>								
<b>(thous. EUR) as of 30/06/2022</b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Damar Patro UÜ*	Tallinn	2200	EUR	57	EUR	2,5%	30.06.2023	blank promissory note
Total:		2200	EUR	57	EUR			

\*Long-term loan - interest shown in short-term financial assets. The loans granted to Damar Patro UÜ were fully repaid after the balance sheet date.

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**LONG-TERM FINANCIAL ASSETS**

As at December 31, 2022, the Company has the following long-term loans granted:

<b>LONG-TERM LOANS</b>								
(thous. EUR) as of 31/12/2022								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Elkop SE	Płock	6 104	EUR	5 909	EUR	WIBOR1M +1%	31.12.2024	blank promissory note
Total:		6 104	EUR	5 909	EUR			

<b>LONG-TERM LOANS</b>								
(thous. PLN) as of 31/12/2022								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Elkop SE	Płock	27 200	PLN	27 657	PLN	WIB1M+ 1%	31.12.2024	blank promissory note
Total:		27 200	PLN	27 657	PLN			

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As at June 30, 2022, the Company has the following long-term loans granted:

<b>LONG-TERM INVESTMENTS IN CREDITS AND LOANS</b>								
<b>FOR RELATED ENTITIES <i>(in thous. EUR)</i></b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Elkop SE	Łódź	6 104	EUR	5 521	EUR	WIBOR1M +1%	31.12.2024	blank promissory note
Elkop SE*	Łódź	4 208	EUR	788	EUR	WIBOR1M +4,5%	31.12.2024	blank promissory note, mortgage
Damar Patro UÜ	Tallinn	2 200	EUR	2 200	EUR	2,5%	30.06.2023	blank promissory note
Total:		12 512	EUR	8 509*	EUR			

\*The loan to Elkop SE as at June 30, 2022 is valued at the adjusted purchase price and this valuation reduces the carrying amount of the receivables by EUR 17 thous.

<b>LONG-TERM INVESTMENTS IN CREDITS AND LOANS</b>								
<b>FOR RELATED ENTITIES <i>(in thous. PLN)</i></b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Elkop SE	Łódź	27 200	PLN	25 896	PLN	WIBOR1M+1 %	31.12.2024	blank promissory note
Elkop SE	Łódź	18 752	PLN	3 696	PLN	WIBOR1M+4,5%	31.12.2024	blank promissory note, mortgage
Total:		45 952	PLN	29 592	PLN			

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<b>LONG-TERM LOANS granted in EUR</b>								
<b>(thous. EUR) as of 30/06/2022</b>								
Name of the entity	Headquarter	The loan amount in thousand		The loan amount outstanding to be repaid in thousand		Interest	Term of repayment	Collateral
		Amount	Currency	Amount	Currency			
Damar Patro UÜ	Tallinn	2 200	EUR	2 200	EUR	2,5%	30.06.2023	blank promissory note
Total:		2 200	EUR	2 200	EUR			

Interest on loans granted to the companies Elkop SE and Damar Patro UÜ is presented in short-term financial assets in the amount of EUR 511 thous. for ELKOP SE and EUR 2 thous. for Damar Patro UÜ.

The Issuer did not grant any guarantees to any entities.

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## TRANSACTIONS WITH RELATED ENTITIES

First half of 2022

01.07.2022 – 31.12.2022:

RELATED PARTIES TRANSACTIONS FOR THE PERIOD 01/07/2021 - 31/12/2021 (thous. EUR)	Sale of products, goods and materials to related entities	Interest costs for related entities and other financial costs	Other receivables at the end of the period from related parties (including loans)	Liabilities for supplies and services at the end of the period to related entities	Liabilities due to loans and other to related entities
ATLANTIS SE	0	38	0	0	191
ELKOP SE	225	0	6 507	0	0
DAMAR PATRO UU	121	0	0	0	0
<b>Total (in thous. EUR)</b>	<b>346</b>	<b>38</b>	<b>6 507</b>	<b>0</b>	<b>191</b>

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**2021:**

TRANSACTIONS FOR THE PERIOD 01/07/2021 - 30/06/2022 (in thous. EUR)	Interest income	Interest costs and other financial costs	Loans granted	Loan repayments (capital)	Other receivables at the end of the period (including loans)	Liabilities due to loans and other liabilities
ATLANTIS SE	0	95	0	0	0	2 742
ELKOP SE	311	0	0	872	6 468	0
PATRO INWESTYCJE SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	3	0	0	531	0	0
DAMAR PATRO UU	55	0	69	0	2 381	0
<b>Total (in thous. EUR)</b>	<b>369</b>	<b>95</b>	<b>69</b>	<b>1 403</b>	<b>8 849</b>	<b>2 742</b>

### Personal relationships between the Company's Management and Supervisory Bodies

Dominant entity: Patro Invest OÜ in Tallinn (directly), Mr. Damian Patrowicz (indirectly by Patro Invest OÜ).

Entities related by personal ties in the composition of a Supervisory Board and due to the dominant direct and indirect shareholder: INVESTMENT FRIENDS CAPITAL SE, Atlantis SE, Elkop S.A., Investment Friends SE, Patro Invest Sp. z o.o. w likwidacji, Patro Invest OÜ, Damar Patro UU.

#### **Management Board:**

- Damian Patrowicz – performs the function of the single Member of the Management Board of the Company and Patro Invest OÜ, is also Member of the Management Board in Patro Administracja Sp. z o.o., INVESTMENT FRIENDS CAPITAL SE, Atlantis SE and performs function of the Member of the Supervisory Board in: Elkop SE, is a shareholder of Patro Invest OÜ. Damian Patrowicz is a General Partner in Damar Patro UU and shareholder of Patro Invest Sp. z o.o. in liquidation.



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**Supervisory Board:**

- Wojciech Hetkowski Chairman of the Supervisory Board – performs a function of a Member of the Supervisory Board in: Atlantis SE, Elkop SE, Investment Friends SE, INVESTMENT FRIENDS CAPITAL SE.
- Jacek Koralewski Member of the Supervisory Board - performs a function of Chairman of the Management Board in: Elkop SE and Member of the Supervisory Board in: Atlantis SE, Investment Friends SE, Investment Friends Capital SE and FON SE.
- Małgorzata Patrowicz Secretary of the Supervisory Board - acts as the Liquidator of Patro Invest Sp. z o.o in liquidation and a Member of the Management Board at Patro Administracja Sp. z o.o. in addition, she is a Member of the Supervisory Board of Atlantis SE, Elkop SE, Investment Friends Capital SE, Investment Friends SE.
- Martyna Patrowicz Supervisory Board Member - serves as a Supervisory Board Member in: Atlantis SE, Elkop SE, Investment Friends Capital SE, Investment Friends SE.

Patro Invest OÜ, i.e. the largest shareholder of FON SE, is also the dominant shareholder of ELKOP SE, ATLANTIS SE, Investment Friends SE, Investment Friends Capital SE and Patro Administracja Sp. z o.o. The general partner at Damar Patro UÜ is a member of the FON SE Management Board. Shareholder of Patro Invest Sp z o.o. in liquidation is an indirect shareholder of FON SE.

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## VII. REPORT OF THE MANAGEMENT BOARD

### ***MAIN AREAS OF THE ACTIVITY, PRODUCTS AND SERVICES' GROUPS.***

In the reporting period, the main activity of the Company was financial activity: providing the loans. The decisive role in the structure of the Company's revenues in the reporting period were revenues related to financial activities.

The Company, implementing its business profile in the field of granting loans concluded agreements with Estonian entities. Due to the nature of the business, there are no sources of goods and materials.

### ***GENERAL (MACROECONOMIC) DEVELOPMENT OF THE ENVIRONMENT IN WHICH THE COMPANY IS OPERATED AND THE IMPACT OF THIS DEVELOPMENT ON ITS FINANCIAL EFFICIENCY.***

The Company conducts financial activities, in particular, related to granting cash loans to natural persons and business entities, most often from the micro and small enterprises sector. The company sees the development potential in the provision of financial services to this type of entities and intends to consistently continue its activities in this segment.

### ***INFORMATION WHETHER THE COMPANY'S OPERATING ACTIVITY IS BASED ON SEASONALITY OR IS IT CYCLICAL.***

In the reporting period, the basic activity of the Company was financial service (loan), therefore there is no seasonality or cyclicity.

### ***FINANCIAL INSTRUMENTS, POLICY AND RISK MANAGEMENT AND RISKS CONNECTED WITH THE CURRENCY EXCHANGE, INTEREST RATE AND COURSES OF SHARES, WHICH APPEARED IN THE FINANCIAL YEAR OR DURING THE PREPARATION OF THE REPORT.***

The main types of risk resulted from Company's financial instruments include: interest rate risk, liquidity risk, credit risk and risk related to the financial collateral. The Management Board is responsible for establishing risk management principles in the Company and for supervising its following. The Company's risk management rules aimed at identifying and analysing the risks to which the Company is exposed, determining appropriate limits and controls, and also monitoring risk and adjusting the level of limits matched to it.

### ***THE MOST IMPORTANT INVESTMENTS MADE DURING THE FINANCIAL YEAR AND PLANNED FOR THE NEAREST FUTURE.***

Due to the Company's basic activity in the field of financial services in the field of granting cash loans to business entities, the most important investments of the Company in the reporting period concerned granted loans. In the near future, the Company intends to continue its main lending activities, therefore the Management Board believes that future significant investments will also be implemented in this area.

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**SIGNIFICANT RESEARCH AND DEVELOPMENT PROJECTS AND RELATED TO THEM FINANCIAL EXPENDITURES IN THE FINANCIAL YEAR AND NEXT YEARS.**

Due to the specifics of the Company's main activity i.e. financial services, the Company does not conduct research and development projects.

**CAPITAL SHARE STRUCTURE INCLUDING THE SECURITIES THAT ARE NOT APPROVED TO TRADING ON THE REGULAR MARKET OF THE CONTRACTING COUNTRIES AND IF POSSIBLE, DATA OF VARIOUS CLASSES OF INSTRUMENTS, RIGHTS AND OBLIGATIONS CONNECTED WITH EVERY CLASS OF SECURITIES AND ITS PERCENTAGE SHARE IN SHARE CAPITAL OF THE COMPANY**

From May 27, 1999 FON SE shares are listed on the Warsaw Stock Exchange.

As of September 7, 2022, the share capital of the Company amounts to EUR 187 500 and consists of 1 875 000 shares without par value with a book value of EUR 0,1 entitling to 100% dividend per share. Number of shares admitted to trading on the Warsaw Stock Exchange as at the date of publication of the report: 1 875 000.

The shares are freely transferable and have no statutory restrictions.

**ANY RESTRICTIONS APPLIED BY THE COMPANY'S STATUE ON THE TRANSFERABILITY OF SECURITIES, ALSO INCLUDING LIMITATIONS ON THE OWNERSHIP OF SECURITIES OR THE NECESSITY OF OBTAINING THE COMPANY OR OTHER OWNERS OF THE SECURITIES CONSENT.**

The Company's Articles of Association do not impose any restrictions on the transferability of securities limitation on the ownership of securities or the necessity to obtain the consent of the Company or other owners of securities.

**SIGNIFICANT SHARE PACKAGES IN ACCORDANCE WITH THE PROVISIONS OF § 185 THE SECURITIES MARKET ACT**

To the best knowledge of the Management Board, as at February 22, 2023, the structure of direct and indirect shareholders holding at least 5% of the total number of votes at the General Meeting was as follows:

**Direct shareholding structure as of 22/02/2023:**

No	Direct shareholder	No. of shares	% shares	Number of votes	% votes
1.	Patro Invest OÜ	691 685	36,89	691 685	36,89
X	Totally	1 875 000	100,00	1 875 000	100,00

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**Indirect shareholding structure as of 22/02/2023:**

No	Indirect shareholder	No. of shares	% shares	Number of votes	% votes
1.	Patro Invest OÜ	691 685	36,89	691 685	36,89
2.	Damian Patrowicz	<b>1 875 000</b>	<b>100,00</b>	<b>1 875 000</b>	<b>100,00</b>

**\*Damian Patrowicz owns 100% of the shares of Patro Invest OU**

To the best knowledge of the Management Board, as at 30/06/2022, the structure of shareholders directly and indirectly holding at least 5% of the total number of votes at the General Meeting was as follows:

**Direct shareholding structure as of 30/06/2022:**

No	Direct shareholder	No. of shares	% shares	Number of votes	% votes
1.	Patro Invest OÜ	694 858	37,06	694 858	37,06
X	Totally	<b>1 875 000</b>	<b>100%</b>	<b>1 875 000</b>	<b>100%</b>

**Indirect shareholding structure as of 30/06/2022:**

No	Indirect shareholder	No. of shares	% shares	Number of votes	% votes
1.	Patro Invest OÜ	694 858	37,06	694 858	37,06
2.	Damian Patrowicz	694 858	37,06	694 858	37,06

**\*Damian Patrowicz owns 100% of the shares of Patro Invest OU**

***ALL LIMITATIONS AND AGREEMENTS RELATED TO THE RIGHT TO VOTE AND IF THE PREFERENCE SHARES GIVE THE RIGHT TO VOTE, INCLUDING RESTRICTIONS OF VOTING RIGHTS IN A CERTAIN SCOPE OF OWNERSHIP OR SPECIFIC NUMBER OF VOTES, CONDITIONS INDICATED TO EXERCISE OF VOTING RIGHTS OR A SYSTEM IN WHICH FINANCIAL RIGHTS CONNECTED WITH SECURITIES AND THEIR OWNERSHIP ARE SEPARAED WITH ANY AGREEMENT WITH THE COMPANY.***

In accordance with the provisions of point 2.3 of the Company's Articles of Association, the Company holds one type of share.

***PROVISIONS AND RULES OF ELECTION, APPOINTMENT, RESIGNATION AND DISMISSAL OF THE COMPANY'S MANAGEMENT BOARD MEMBERS ESTABLISHED BY LAW.***

In accordance with the provisions of point 5.3. The Company's Articles of Association, members of the Company's Management Board are appointed and dismissed by the Supervisory Board, which also decides on the remuneration of members of the Management Board.

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***RESOLUTIONS AND RULES OF MAKING AN ALTERNATION IN THE ARTICLE OF ASSOCIATION SETTLED BY LAW.***

In accordance with point 4.9.1 of the Company's Articles of Association, amendment of the Company's Articles is included in the General Meeting of Shareholders' competencies.

In accordance with point 4.5 Of the Articles of Association, the General Meeting is able to adopt valid resolutions, if at the General Meeting there is more than half of all votes represented in company shares, if the applicable legal acts do not provide for a higher majority of votes.

If an enough number of shareholders does not participate in General Meeting, in order to ensure a majority of votes, in accordance with point 4.5, the Management Board of the Company within three weeks, but not earlier than after seven days, convenes a new general meeting with the same agenda. In this way, the General Meeting is competent to adopt resolutions regardless of the number of votes represented. Resolutions of the general meeting are adopted, when more than a half of all represented at the General Meeting votes are for the resolution, and if there is no other requirement arising from applicable legal acts.

***AUTHORIZING MEMBERS OF THE MANAGEMENT BOARD OF THE COMPANY, INCLUDING AUTHORIZING TO ISSUING AND BUYING BACK SHARES.***

During the reporting period the Management Board was not authorized to issue or repurchase shares.

***DESCRIPTION OF THE BASIC ECONOMIC AND FINANCIAL DATA REVEALED IN THE ANNUAL FINANCIAL STATEMENT AND DESCRIPTION OF THE FACTORS AND THE MOST IMPORTANT UNTYPICAL EVENTS HAVING SIGNIFICANT INFLUENCE ON THE ACTIVITY OF THE COMPANY AND ACHIEVED PROFITS OR LOSSES IN THE FINANCIAL YEAR.***

The Company in the reporting period recorded:

- Revenue from interest, the sale of lands, product in the amount 220 thous. EUR.
- Gross profit in amount of 220 thous. EUR.
- Profit from operating activity in the amount 203 thous. EUR.
- Net profit in the amount 328 thous. EUR.
- Financial costs in the amount of 38 thous. EUR.
- General administrative costs in the reporting period in the amount of 8 thous. EUR.

In the reporting period, the Company obtained income mainly from interest on loan activities.

***INDICATION OF PENDING PROCEEDINGS IN THE COURT, COMPETENT AUTHORITY FOR ARBITRATION PROCEEDINGS OR PUBLIC ADMINISTRATION AUTHORITY***

In the reporting period, the Company has not initiated and has not become a party of any new, important judicial or administrative proceedings.

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**INFORMATION ON TRANSACTIONS CONCLUDED BY THE COMPANY OR A SUBSIDIARY OF THE COMPANY WITH RELATED ENTITIES OTHER THAN MARKET CONDITIONS, WITH THEIR AMOUNTS AND INFORMATION DEFINING THE NATURE OF THESE TRANSACTIONS.**

In the period covered by this report, the Company did not conclude any significant transactions with related entities on terms other than market terms. Transactions significant in the opinion of the Management Board, including with related entities, are described in point VI of this Financial Statement.

**INFORMATION ABOUT LOANS GRANTED IN A GIVEN FINANCIAL YEAR, WITH SPECIAL CONSIDERATIONS OF LOANS GRANTED TO THE COMPANY'S AFFILIATED ENTITIES, WITH THEIR AMOUNT, TYPE AND AMOUNT OF THE INTEREST RATE, CURRENCY AND DUE DATE.**

The loans granted by the Company are described in point VI Loans with related entities. The Company has a liability under a loan received from Atlantis SE with its registered office in Tallinn on December 31, 2022. As at the balance sheet date, the amount of the liability with interest is PLN 894 thousand.

**ASSESSMENT AND ITS JUSTIFICATION, REGARDING MANAGEMENT OF FUNDS, SPECIFYING ABILITY TO DISCHARGE FROM TAKEN OBLIGATIONS, AND INDICATION OF POSSIBLE THREATS AND ACTIONS WHICH THE COMPANY UNDERTOOK OR INTENDS TO UNDERTAKE IN ORDER TO PREVENT THOSE THREATS.**

In the reporting period for the year from 01/07/2022 until 31/12/2022 there were no events significant in the opinion of the Management Board that could significantly affect the assessment and change of the Company's financial assets and the ability to meet the Company's obligations.

**ASSESSMENT OF POSSIBILITY OF REALIZATION OF INVESTMENT INTENTIONS, INCLUDING CAPITAL INVESTMENTS, IN COMPARISON WITH OWNED INSTRUMENTS TAKING INTO ACCOUNT POSSIBLE CHANGES IN THE STRUCTURE OF FINANCING OF THIS ACTIVITY.**

The Company mainly conducts service activities, granting non-consumer cash loans to business entities. The current lending activity is financed from the Company's own funds. The Company intends to carry out further activities in the area of granting loans and possible investments mainly from its own funds.

**ASSESSMENT OF FACTORS AND ATYPICAL EVENTS HAVING INFLUENCE ON RESULT FROM OPERATING FOR THE FINANCIAL YEAR, SPECIFYING LEVEL OF INFLUENCE OF THESE FACTORS OR ATYPICAL EVENTS ON OBTAINED RESULT.**

In accordance with the assessment and the best knowledge of the Management Board, in the reporting period from 01/07/2022 to 31/12/2022 there were no unusual factors and events that could have a significant impact on the assessment and financial position of the Company and the ability to meet its obligations .

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***CHARACTERISTIC OF EXTERNAL AND INTERNAL FACTORS SIGNIFICANT FOR DEVELOPMENT OF THE ENTERPRISE OF THE COMPANY AND DESCRIPTION OF PERSPECTIVES FOR DEVELOPMENT OF THE COMPANY'S ACTIVITY, AT LEAST TO THE END OF THE FINANCIAL YEAR FOLLOWING THE YEAR COVERED BY THE FINANCIAL STATEMENTS INCLUDED IN THE ANNUAL REPORT, SPECIFYING ELEMENTS OF MARKET STRATEGY WORKED OUT BY THE COMPANY.***

Taking into account the Company's leading activity, including financial service activities in the field of granting non-consumer cash loans in the Company's opinion, significant influence on development and results, currently have and will have the following internal and external factors:

- general market prosperity on lending market and level of interest rates,
- proper realization by the Borrowers of their obligations resulting from concluded loan agreements, as well as course of execution process and vindication of loans terminated, if such agreements occurs,
- efficiency of procedures and administrative and legal proceedings in which a possible participant or a part can be the Company,
- opportunity to gain possible borrowers,
- market prosperity on capital markets,
- economic situation and investing circumstances in Poland, Estonia and the region,
- access to external financing sources,
- cooperation with other financial entities,

In the next financial year, the Management Board intends to continue and develop the Company activity in the field of financial service activity, focusing mainly on granting cash loans for the business entities.

***ANY AGREEMENTS BETWEEN THE COMPANY AND ITS MANAGEMENT BOARD WHICH PROVIDE COMPENSATIONS IN THE CASE OF RESIGNATION OR THEIR EXPELLING FROM HELD FUNCTION WITHOUT AN IMPORTANT REASON OR IF THEIR DISMISSAL OR EXPELLING HAPPEN DUE TO MERGER OF TAKOVER OF THE COMPANY.***

The Company has not concluded any agreements with the managing staff.

***INFORMATION ON AN AVERAGE EMPLOYMENT.***

In the reporting period, the Company did not employ any people.

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**INDICATION OF TOTAL NUMBER AND NOMINAL VALUE OF ALL SHARES (STOCKS) OF THE COMPANY AND SHARES IN RELATED ENTITIES OF THE COMPANY OWNED BY THE MANAGING AND SUPERVISING PERSONS OF THE COMPANY.**

- **Members of the Management Board**

As at the balance date 31/12/2022 and as at the date of publication of this periodical report, the Member of the Management Board Mr. Damian Patrowicz owns indirectly the Company's shares. According to the best knowledge of the Management Board, Mr. Damian Patrowicz owns indirectly, via his subsidiary Patro Invest OÜ 691 685 shares of FON SE, constituting 36,89% of the share capital of the Company and entitling to 691 685 votes what constitute 36,89% of the votes at the General Meeting of the Company as at the date of publication of this periodical report.

- **Member of the Supervisory Boards**

According to the knowledge of the Management Board of FON SE, Members of the Supervisory Board as at the balance date and as at the date of publication of the periodical report do not own directly and indirectly shares of the Company.

**INFORMATION ON FINANCIAL INSTRUMENTS IN TERMS OF:**

**1) risks: prices' change, credit, significant interruptions of cash flows and loosing of financial liquidity, to which the entity is exposed**

**2) applied by the entity goals and methods of financial risk management, along with securing methods of significant kinds of planned transactions for which hedging accountancy is applied.**

The Company has no formalized system of financial risk managements. Decisions on application of securing instruments for planned transactions are made on the basis of current analyse of the Company's situation and its environment.

**INFORMATION ON THE CONTRACT AND THE ENTITY AUTHORIZED TO AUDIT THE COMPANY'S FINANCIAL STATEMENTS..**

Pursuant to the Articles of Association, the body authorized to select a statutory auditor is the General Meeting of Shareholders. The financial statements for the period 01/07/2021 - 30/06/2022 and 01/07/2022 - 30/06/2023 were audited by Number RT OÜ based in Harju maakond, Tallinn, Kristiine linnaosa, Linnu tee 21a, 11317, company registration number 10213553.

**OTHER INFORMATION WHICH IN THE VIEW OF THE COMPANY ARE SIGNIFICANT FOR ASSESSMENT OF THE FINANCIAL, PERSONNEL, MATERIAL SITUATION, FINANCIAL RESULT AND CHANGES OF THEM AND INFORMATION WHICH ARE IMPORTANT FOR ASSESSING THE POSSIBILITY TO REALIZATION THE LIABILITIES BY THE COMPANY.**



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In the reporting period, except those indicated in the report, there have not occurred any other events, which could significantly influence on an assessment and change of the material and financial situation of the Company and its possibility to fulfil its liabilities to the best knowledge of the Management Board. The Company maintain business concept involving cost optimization, including minimization of personnel sourced through outsourcing majority of the Company's areas.

Loans granted have a significant impact on the Company's results.

As the subject of the company's activity is financial activity, including lending activity, the correct and timely fulfilment of the Borrowers' obligations towards the Company, resulting from the concluded loan agreements, also has a significant impact on the Company's liquidity.

***INDICATION OF FACTORS WHICH ON THE VIEW OF THE COMPANY WILL HAVE INFLUENCE ON ACHIEVED RESULTS IN THE PERSPECTIVE OF AT LEAST THE NEXT QUARTER.***

To the knowledge of the Management Board, significant external and internal factors, which have indirect or direct influence on the development of FON SE are as follows:

- a) situation on the financial market, on loan market and interest rates, which will have influence on realization the basic business profile of the Company – granting loans.
- b) Proper fulfilling the conditions of the agreements within due time of liabilities repayment to the Company, and possible foreclosures and debt collection of (if any) undischarged loans
- c) Business cycle on capital markets having influence on financial instruments owned by the Company, its valuation and liquidity of owned securities

***List of the most important events in the reporting period.***

**Registration of Changes in the Company's Articles of Association**

On September 7, 2022, the register of commercial companies (Ariregister) competent for Estonian law registered the decrease in the share capital of FON SE resulting from the resolutions adopted at the Extraordinary General Meeting of Shareholders on May 24, 2022.

In connection with the above, the current wording of point 2.1 of the Company's Articles of Association is as follows: "2.1 The minimum share capital of the company is EUR 187 500 (one hundred eighty-seven thousand five hundred) and the maximum share capital is EUR 750 000 (seven hundred and fifty thousand)."

Currently, the share capital of FON SE amounts to EUR 187 500 and is divided into 1 875 000 shares without par value with a book value of EUR 0,10 each.

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**Selected indicators of Investment Friends Capital SE:**

RATIO	31/12/2022 (unaudited) in thous. EUR	30/06/2022 (audited) in thous. EUR
<b>EBITDA</b>	203	250
<b>ROA</b>	5,02 %	2,81 %
<b>ROE</b>	5,17 %	4,07 %

EBITDA - profit before interest, taxes, amortization of intangible assets (EBIT + depreciation),

ROA - return on assets, is the ratio of the company's net profit to the value of its assets (net profit / asset value \* 100),

ROE - return on equity, is the ratio of the company's net profit to its equity (net profit / equity \* 100),

## **VIII. STATEMENT OF THE MANAGEMENT BOARD**

The Management Board of FON SE declares that, to the best of its knowledge, these financial statements and comparable data have been prepared in accordance with the financial reporting principles applicable to the Issuer and that they reflect truthfully, fairly and clearly the property and financial situation of the Issuer and its financial result.

The Management Board's report on the activities of FON SE provides a true picture of the development, achievements and situation of the Company, including a description of the main threats and risks.

These financial statements have been prepared with the application of the accounting principles in accordance with the International Financial Reporting Standards. This report covers the period from July 1, 2022 to December 31, 2022, ie the first half of the 2022/2023 financial year and the comparative period from July 1, 2021 to December 31, 2021, ie the first half of the 2021/2022 financial year.

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**IX. SELECTED FINANCIAL DATA**

In thous. EURO	6 months ended 31/12/2022 (unaudited)	6 months ended 31/12/2021 (unaudited)
Revenue from interest, from the sale of products, goods and materials	220	120
Profit from operating activity	203	105
Profit before tax	328	82
Net cash flow from operating activities	2 570	1 187
Net cash flow from investing activities	0	0
Net cash flows from financing activities	- 2 569	- 1 187
Change in cash and cash equivalents	1	0
Total assets*	6 538	8 889
Short-term liabilities*	3	8
Share capital*	188	28 875
Number of shares (in pcs.)	1 875 000	52 500 000
Book value per one ordinary share (in EURO)	3,38	0,11

\*For balance sheet items marked with an asterisk, the data presented in the second column covers the status as at June 30, 2022.

Tallinn, 22/02/2023

***Signature of Management Board***

***Damian Patrowicz      Member of the Management Board***

***First name and last name      Function***