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INTERNAL AUDIT REPORT

on the audit, review and certification of the Balance Sheet and
Income Statement as at 31.12.2022

Radulescu Emil - Constantin, as financial auditor, member of the Chamber of Financial Auditors of Romania, member card 1806/2006 and ASPAAS, no.AF1806, based on the service contract no. 3/FVD-GH/23.06.2023 and no. 13/23.06.2023 at FVD GLOBAL HOUSE SA, as internal auditor of FVD GLOBAL HOUSE SA and the approved internal audit plan, I have randomly reviewed and audited the financial statements: balance sheet and profit and loss account of the company, prepared on 31.12.2022.

The contract was concluded based on Law no. 672/2002, Government Emergency Ordinance (GEO) no. 75/1999, Government Ordinance (GO) no. 119/1999, GO no. 37/2004, Order of the Minister of Finance no. 1267/2000 and Order of the Minister of Finance no. 3 8/2003;

International Standards on Internal Auditing issued by the International Institute of Internal Auditors:

- Standard 2010 - Planning: "The Chief Executive Officer of the internal audit function should develop risk-based plans to determine internal audit priorities consistent with the organization's objectives."

It provides as professional duties for the internal auditor the organisation of the internal audit within FVD GLOBAL HOUSE SA Bucharest;

The audit of the financial statements for the year 2022, i.e. the balance sheet, the profit and loss account and the notes to the balance sheet, took into account the legal provisions on the organisation of the internal audit of economic agents who have organised and contracted services for this activity.

This report reviews the economic and the financial status for the year 2022, as recorded in the financial statements presented by the company FVD GLOBAL HOUSE SA.

The legal framework on the internal audit activity

The internal audit plan for 2022, approved by the entity's management.

According to the provisions of Article 160, para. (2) of the Companies Act no. 31/1990, the entities whose financial statements are audited, according to the law or shareholders' resolution, shall organize the internal audit in accordance with the rules developed by the Chamber of Financial Auditors of Romania (CAFR).

According to the provisions of art. 23 of GEO (Government Emergency Ordinance) no. 75/1999 on the financial audit activity, republished, with subsequent amendments and additions, the persons responsible for organizing the internal audit activity, coordinating the work/engagements and empowered to sign the internal audit reports

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must be financial auditors and CAFR members.

MFP order no. 1802/2014 approving the Accounting Regulations compliant with the Directives of the European Economic Community.

Audited period: 01.01.2022-31.12.2022

The audit aimed at:

- Compliance with the relevant regulatory framework
- Achievement of performance ratios
- Achievement of the reporting ratios.

Audit type - compliance/regulatory audit.

Internal audit techniques applied:

1. inspection: to ensure the validity, authenticity and accuracy of records, their compliance with the relevant legislation and regulations, and the effectiveness of internal control using the following *inspection techniques*;

● **confirmation:** to validate the correctness of certain information, obtained from two or more different sources;

● **examination:** to detect errors and/or irregularities;

● **recalculation:** calculation algorithms and math calculations auditing;

● **agreement:** matching information from two different categories of records;

● **confirmation:** to validate the correctness of the transactions by requesting information from several independent sources;

● **vouching:** to verify the accuracy of transactions recorded starting from examination of records towards the supporting documents;

● **tracing:** to verify the procedures starting from supporting documents to the recorded item in order to determine the accuracy of transactions as a whole.

Other audit techniques:

1. physical observation: to have an opinion on the preparation and issuance of documents;

2. inquiry, report notes: performed by the internal auditor by seeking information from the audited, involved and interested people and the information received, which must be accompanied by supporting documents. For any further explanations, written report notes are required;

3. examination: is the decomposition of an entity into items, which can be isolated, identified, quantified and measured independently..

The documents examined at FVD GLOBAL HOUSE SA on the financial-accounting activity concerned the documentation for the period audited, namely:

1. the organizational chart;
2. source documents used to record transactions;
3. tax returns filed by the entity with the competent bodies;
4. payroll statements;
5. periodic trial balances;
6. annual financial statements.

Papers produced during the course of the audit:

1. job order;
2. auditor's independence declaration;
3. audit notification;
4. audit opening and closing meetings;
5. risk analysis;

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6. strengths and weaknesses;
7. detailed audit assignment;
8. internal audit report;
9. on-site intervention programme;
10. Objective-structured audit checklists;
11. sample audit spreadsheet review;
12. internal control questionnaires;
13. tests;
14. checklists;
15. main issues identification and review sheets - FIAPs where appropriate;
16. irregularity finding and reporting form - FCRI's where appropriate;
17. preliminary internal audit survey;
18. minutes of the opening, closing and conciliation sittings;
19. final internal audit report;
20. action plan and implementation timeline;
21. implementation follow-up sheet.

FVD GLOBAL HOUSE SA presentation

FVD GLOBAL HOUSE SA is a joint-stock company, based in Bucharest, 4-6 str. Col. Constantin Blaremburg, sector 1, registered at the Trade Register, VAT number: RO 11049581 /08.10.1998, companies number: J40/4564/2016, represented by Mr. Dokonal Francisc Ștefan Anton, sole shareholder. The company has been operating continuously for 25 years.

The subscribed and fully paid-up capital of the company is: RON 119,450,100

The company shareholder composition is Shareholder Family:

- Francisc Ștefan Anton Dokonal 80%
- Mihaela Dokonal 10%
- Paul Sebastian Dokonal 10%. The management board includes:
- Francisc Dokonal - CEO, 30 years' experience founding member
- Mihaela Dokonal- Corporate Vice President
- Paul Dokonal - Corporate Vice President
- Gabriela Coltescu - CFO

The primary business is "Business and other management consultancy activities", code 7022 according to NACE CODE classification.

In 2022, the company conducted the following business related to the asset capitalization:

1. The consultancy activities focused on FVD Global House SA's internal activity to integrate/invest the asset (Ultrafine Copper Powder PMU-type) to be monetised, collateralised, invested or traded. Takes the minimum value of the asset wholly owned and controlled by FVD Global House SA. This explains the process of developing one's own business to capitalize on one's own assets.

2. Asset capitalization Ultrafine Copper Powder PMU-type. The company holds an amount of 15,127 kg net, copper with a purity between 99.9992% and 99.9998%, stored at the Kuehne + Nagel (Ag & Co.) warehouse. KG from Kasselm Germany proven by FIATA certificates and in the IGAS research warehouse in Germany proven by SKR certificates.

The asset of FVD Global House SA is free from any encumbrance, pledge or other

interest and meets all conditions to be used as collateral for the issuance of bonds. Bonds are capitalized by concluding joint venture agreements with global investment financial companies.

The proceeds from the sale of the assets are used to finance and carry out the economic development projects envisaged by the company.

1. FVD GLOBAL HOUSE SA COMPANY ASSETS

The below statement discloses the Assets of the company FVD GLOBAL HOUSE SA as of 31.12.2022.

RON

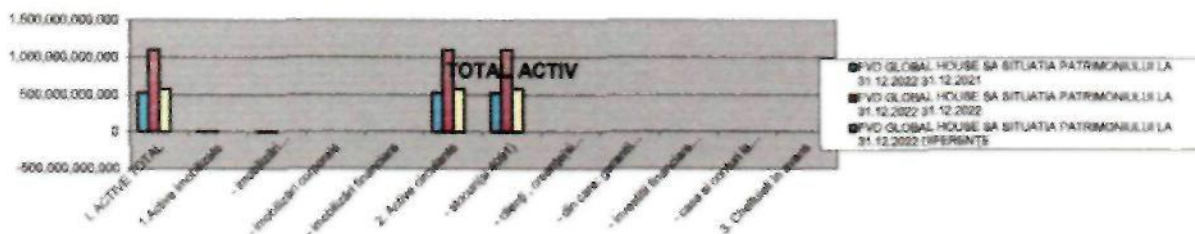
RATIOS	31/12/2021	31/12/2022	DIFFERENCES	%
I. TOTAL ASSETS	523,468,877,015	1,102,632,767,367	579.163,89052	210.64%
1. Non-current assets	119,489,270	119,782,350	293.080	100.25%
- intangible assets	119,447,153	119,447,153	0	100.00%
- tangible assets	42,117	31,527	-10,596	74.86%
- financial assets	0	303,670	303,670	
2. Current assets	523,349,386,315	1.102312,983,752		
- inventories (and 4091)	523,349,077,563	1.102.512.642,174	579,163,564,611	210.66%
- accounts receivable (and 4092)	307.542	341,578	34,036	111.07%
- including: good performance bonds Clients	0	0	0	0.00%
- short-term investments	0	0	0	0.00%
- cash at bank and in hand	1,710	0	-1,710	0.00%
3. Prepayments	930	1,265	335	136.02%
II. Total liabilities	523,468,877,015	1,102,632,767,367	579,163,890,352	210.64%
1. Current liabilities	22,590,080	41,406,225	18,816,145	183.29%
including: - owed to credit institutions (acc. 161,162,519)	17,440,410	13,770.811	-3,669,599	78.96%
- advance payments from customers (acc.419)	0	0	6	0.00%
- suppliers (acc. 401,404,408)	5,149,670	27,635,414	22,485,744	536.64%
- bills of exchange payable (acc. 403+405)	0	0	6	0.00%
- other liabilities including tax liabilities and social security	0	0	0	0.00%
2. Term liabilities - loans	0	0	0	0.00%

including: - short-term bank loans (acc.519) + other loan institution debts (acc. 161+162)	0	0	0	0.00%
other liabilities including tax debts and social security	0	0	0	0.00%
3. Equity	523,445,304,334	1.102390,457,787	579,144,553,453	210.64%
- share capital	119,450,100	119,450,100	0	100.00%
- reserves (acc. 106)	69.550	69.550	0	100.00%
- capital premium (acc.	0	0	0	0.00%
- other equity items (acc. 1031)	523,349,075,089	1,102,512,642,174	579,163,567,085	
- revaluation reserves	0	0	6	0.00%
- retained earnings (acc. 117)	-9,354,163	-22,690,406	-13,336,243	0.00%
- profit (loss) for the period (acc.121)	-13,336,242	-19,013,631	-5,677,389	142.57%
- profit allocation	0	0	6	0.00%
4. Provisions for liabilities and charges	367,101	893,661	526,560	0.00%
5. Deferred income	15,500	9,694	-5,806	62.54%

The assets and liabilities of FVD GLOBAL HOUSE SA increased in 2022 by 579,163,890,352 RON, materialized in

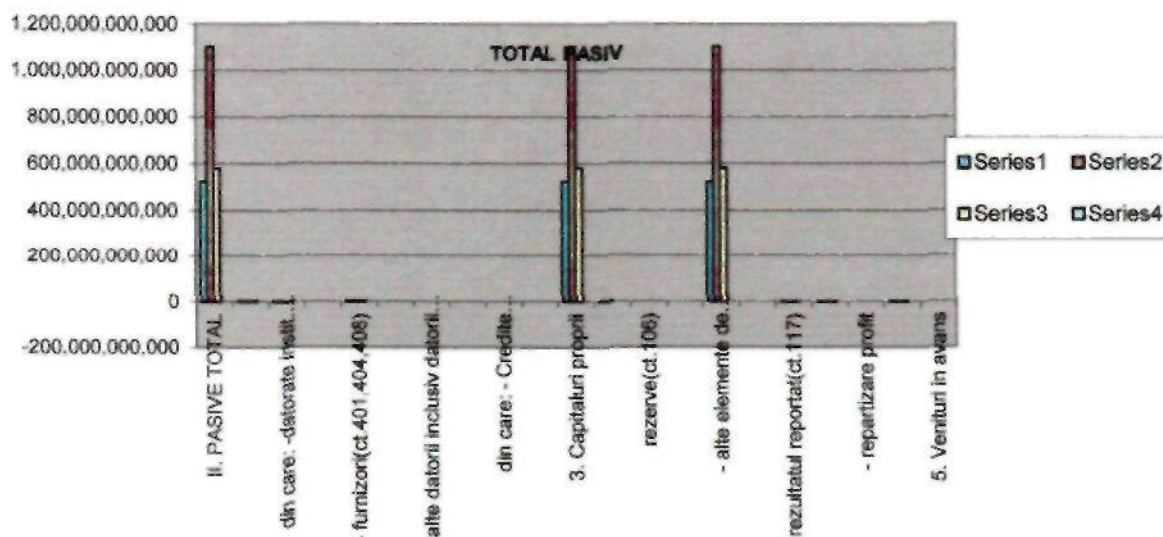
ASSETS:

- increase in current assets by 579,163,596,937 RON;
- increase in deferred charge of 335 RON;
- increase in fixed assets of 293,080 RON



LIABILITIES:

- increase in current liabilities by 18,816,145 RON;
- increase in equity by 579,144,553,453 RON;



TOTAL LIABILITIES 41,406,225 RON as of 31.12.2022, of which 13,770,811 RON must be paid within a period of up to one year, an increase of 18,816,145 RON.

As shown in the table above, the increase in current assets is due to inventories (account 371 - Goods purchased for resale), with the corresponding increase in liabilities Other equity (account 1038), as shown in the company's internal monograph.

The management of FVD GLOBAL HOUSE SA stated that this increase is due to the following transactions, as shown in the documents submitted and highlighted in the **Attached written note**:

"This increase is due to the following transactions:

A Joint Venture contract was signed with Exclusiv Capital Partners Global Limited from the UK on February 19, 2022 with the reference code 786-7-FVDGH-ECPG-J1 for the purpose of monetizing the Ultrafine Copper Powder PMU type owned by FVD Global House SA.

For the execution of this contract, the following certificates were introduced for monetization on 07.03.2022:

- > A10216 = 4,949,218,800 USD = 19,524,172,455.14 RON
- > A10217 = 4,949,218,800 USD = 19,524,172,455.14 RON
- > A10220 – 4,814,380,800 USD = 18,992,250,817.92 RON

which were transferred under the Joint Venture agreement with Exclusiv Capital Partners Global Limited of the UK.

These certificates were entered into the financial/banking system by Exclusiv Capital Partners Global Limited of the UK: FI ATA Certificate No. A10216, FIATA Certificate No. A10217 and FIATA Certificate No. A10220, reflecting the quantity on each certificate of 684 kg, 684 kg and 666 kg respectively of Ultrafine Copper Powder PMU-type for monetisation.

Complex market research made by foreign partners active in the market (banks, insurance companies, etc.) revealed that the market value of these assets, Ultrafine Copper Powder PMU-type is \$14,000.00 per gram for 99.9998% purity Ultrafine Copper Powder PMU-type. By the letter dated 04 August 2022 they requested a illegible signature and stamp (Chamber of Financial Auditors, Radulescu Emil Constantin no. 1806)

discount of the entire asset of FVD Global House SA at this price, given that they received a solid proposal and a signed contract with a leading financial firm in England for the monetisation of 99.9998% purity Ultrafine Copper Powder PMU-type held by FVD Global House SA, disclosed in the annual financial statements, arguing that: "Considering the new price set by the bank, and the fact that the market price of copper is continuously increasing, please provide us with a revaluation of Ultrafine Copper Powder PMU-type to be in line with the financial market valuation", as specified in the letter dated August 4, 2022 of Exclusiv Capital Partners Global Limited from the UK.

Following this request, FVD Global House SA requested the following experts Prof. PhD Eng. Gavrilă Calefariu, Prof. PhD Eng. Valentin Dițu, Associate Professor . . PhD Eng. Flavius Aurelian Sârbu to reassess the entire assets, in accordance with the legal provisions.

On 31.08.2022, the experts have prepared the Update 1 of the Valuation Report no. 1 of 15.01.2021 and on 26.09.2022 provided the annex with all the reassessed certificates according to the document attached to the inventory report on 31.12.2022. On 26.02.2021, FVD Global House SA signed another Joint Venture contract with FVD Securities SA from Luxembourg. On the basis of this contract, on 29.09.2022, the following certificates were transferred for entry into the financial/banking system by FVD Securities SA of Luxembourg:

- > 4585DE = 1,026,302,400 USD - 4,960,119,499.20 RON
- > A10216 = 1,026,302,400 USD = 5,247,997,322.40 RON
- > 4587DE = 1,026,302,400 USD = 5,247,997,322.40 RON
- > 4588DE = 1,026,302,400 USD = 5,247,997,322.40 RON
- > 4591DE = 1,026,302,400 USD - 5,247,997,322.40 RON

The value update report of Ultrafine Copper Powder PMU-type reveals an increase in the price in USD per mg of Ultrafine Copper Powder PMU-type, which results in an increase in the value of the assets currently held by the company, as shown in the inventory report submitted by the company. Below is an extract from the revaluation report made by the expert team:

	Isotopic material to evaluate	Comparable 1 No. 1, table 1
Unit price	?	USD 14.2542/mg
Purity	99.9998 %	99.9995%
Property rights	Absolute	Absolute
Funding	Assumed cash	Assumed cash

Purity	99.9998%	99.9995%
Correction		+0.21% = +0.0299 for (7%
Corrected price		correction every 0.01% higher purity) 14,2841
Update date	26/09/2022	08/08/2022
Correction		0
Corrected price		14,2841
Gross correction		0.21%
Unit value	14,2841 USD/mg	

UPDATED EVALUATION RESULTS:

The evaluation update provided the following value:

Valuated value/mg = 14,2841 USD/mg

Valuated value / 486 kg = 6,942,072,600 USD

The recommended value is VAT-exclusive;

(Source: Update no. 1 to the Evaluation Report no. 2/04.02.2021

Ultrafine Copper Powder stored at Kuhne + Nagel (Ag & Co.) KG according to

FIATA WR No. A 10215 performed by

The Evaluation team

Prof. PhD Eng. Gavrilă Calefariu

Prof. PhD Eng. Valentin Dițu

Associate Prof. PhD Eng. Flavius Aurelian Sârbu)

Further, in approaching the audit methods and techniques, we have considered the development strategy of FVD Global House SA, presented below.

"The business development strategy is materialised through Other equity items (account 1038, while in the balance sheet the value is entered under Other equity items where account 1031 appears).

Any economic transaction is accompanied by documents certifying that the transactions have taken place, showing when the economic act was carried out and the value of the accounting entry. These are supporting documents for registration in accounting and financial statements.

The company's assets, as reviewed in the audit report, have the following characteristics: they are in the form of goods inventories and are classified as current assets.

Assets are defined as resources controlled by an entity, derived from past benefits, which are expected to generate future benefits, either in the form of cash (or cash equivalents) inflows or by reducing cash outflows. Furthermore, the auditor indicates that a current asset is an asset item acquired or proposed for internal consumption or for the purpose of being marketed, the usefulness of which is restricted only by the decisions of the entity managing the asset.

The asset is an integral part of the net current assets and total net assets of FVD Global House SA and is not an encumbered asset.

The financing structure of the asset subject to this audit has the following

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characteristics:

- the structure is committed on a permanent basis and is therefore not subject to any debt repayment obligation;
- the structure is a stable source of funding;
- the structure is a long-term funding source;
- the structure is constituted as a residual interest of the equity owners after deduction of all liabilities.

By definition, equity is a stable long-term source of funding, representing the owners' residual interest in a company's assets after deducting all its liabilities, a concept similar to the concept of net assets. The accounting treatment of this source of funding of FVD Global House SA is carried out in accordance with IASB guidelines using the professional judgement and concepts described above set out in the Conceptual Accounting Framework, which provides guidance for the preparation of accounting rules and their interpretation.

The auditor notes that the professional judgement considers the analysis based on the hierarchy of sources presented in IAS 8 "accounting policies, changes in accounting estimates and errors" as follows:

- rules and recommendations addressing similar issues;
- definitions and concepts from the Conceptual Accounting Framework;
- existing accounting doctrines and customs in a given business sector (generally recognised practices).

The auditor also notes in this report that in accordance with international accounting requirements, the Conceptual Framework developed by the IASB addresses, similarly to the US Framework, the following issues:

- the objective of the financial statements;
- the quality related characteristics that determine the usefulness of the information in the financial statements;
- the definition, recognition and measurement of financial statement structures;
- the concepts of capital and capital maintenance.

In view of the examined context, the professional judgment applied for the accounting treatment of the source of funding of SC FVD Global House SA assets is based exactly on the concepts described above, taken from the Conceptual Accounting Framework, with priority being given to reflecting the economic reality in the basic structures of the financial statements (assets, liabilities, equity), these constituting the basis for determining the financial position of SC FVD Global House SA, through the Balance Sheet as at 31 December 2022."

(Note: The auditor has taken into account in the procedures used in performing the ACCOUNTING MONOGRAPH on the accounting records at FVD Global House SA, in accordance with the provisions of the contract between FVD House SRL and FVD Global House SA, provided by the management of FVD Global House SA).

2. P&L (INCOME) STATEMENT at 31/12/2022

Quoting from OMFP (Order of the Minister of Public Finance) 1802/2014:

"19. (1) The items directly related to the assessment of financial performance, through the profit and loss account, are income and expenses..

(2) For the purposes of these regulations, the terms below shall have the following meanings:

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a) **revenues constitute increases in economic benefits** recorded during the accounting period, in the form of inflows or increases in assets or reductions in liabilities, resulting in increases in equity other than those resulting from shareholders' contributions;

b) **expenses are decreases in economic benefits** recognised during the accounting period in the form of decreases in the value of assets or increases in liabilities, which result in reductions in equity, other than those resulting from distributions to shareholders.

(3) **Revenues are recognized in the income statement** when an increase in future economic benefits related to an increase in the value of an asset or a decrease in the value of a liability can be reliably estimated. Revenue recognition occurs simultaneously with the recognition of an increase in assets or a decrease in liabilities (e.g. a net increase in assets resulting from the sale of products or services or a decrease in liabilities resulting from the cancellation of a debt).

(4) **Expenses are recognised in the income statement** when a decrease in the future economic benefits associated with a decrease in the value of an asset or an increase in the value of a liability can be measured reliably. Expense recognition occurs simultaneously with the recognition of an increase in the value of liabilities or a reduction in the value of assets (e.g. accrued salary entitlements or depreciation of equipment).

(5) **Qualitative characteristics of the financial information**

29. - For financial information to be useful, it must be relevant and represent exactly what it purports to represent. The usefulness of financial information is enhanced by comparability, verifiability, timeliness and understandability.

30. - The fundamental qualitative characteristics are relevance and accurate representation.

Relevance

31. - implies that the information should have predictive and confirmatory value for users in making decisions

32. - (1) Financial information has the ability to assist information users in making decisions whether it has predictive value, confirmatory value or both.

(2) Financial information has predictive value if it can be used as inputs into processes applied by users to forecast future outcomes. To have predictive value, financial information does not have to be a forecast or a prediction. Financial information with predictive value is used by users to make their own predictions.

(3) The predictive value and confirmatory value of financial information are closely related. The information with predictive value often has confirmatory value. For example, revenue information for the current year, which can be used as a basis for forecasting revenue in future years, can be compared with forecasts made in previous years for the current year. The results of these comparisons can help users correct and improve the processes that were used to make the predictions. "

FVD GLOBAL HOUSE SA Bucharest
P&L (INCOME) STATEMENT

RON

As at 31/12/2022

RATIOS	31/12/2021	31/12/2022	DIFFERENCES	%
<i>OPERATING REVENUE</i>	32,499	6,552	-25,947	20.16%
<i>including turnover</i>	0	0	0	0.00%
<i>SUBSIDIES FOR OPERATING ACTIVITIES FOR OTHER OPERATING EXPENSES</i>	0	743	743	0.00%
<i>OTHER OPERATING REVENUE</i>	1,920	5,809	3,889	302.55%
<i>FINANCIAL REVENUE</i>	30,579	553,662	523,083	0.00%
<i>EXCHANGE RATE DIFFERENCE INCOME</i>	30,579	553,662	523,083	1810.60%
TOTAL REVENUE	63,078	560,214	497,136	888.13%
<i>OPERATING EXPENSE</i>	2,120,231	19,573,845	17,453,614	923.19%
<i>FINANCIAL EXPENSES</i>	11,248,510	17,191,917	5,943,407	0.00%
<i>EXTRAORDINARY EXPENSES</i>	0	0	0	0.00%
TOTAL EXPENSE	13,368,741	36,765,762	23397.021	275.01%
<i>OPERATING RESULT</i>	-2,087,732	-19,567,293	-17,479,561	937.25%
<i>FINANCIAL RESULT</i>	-11,217,931	0	11,217,931	0.00%
<i>EXTRAORDINARY RESULT</i>	0	743	743	0.00%
GROSS RESULT	-13,305,663	-19,566,550	-6,260,887	147.05%
<i>TAX ON PROFIT</i>	0	0	0	0.00%
NET RESULT	-13,305,663	-19,566,550	-6,260,887	147.05%

The net result of the exercise on 31.12.2022 was -19,013,631 RON, lower by 5,677,389 RON, compared to the previous year 2021, materialized in:

1. Total revenue increase by **497,136 RON** including:
 2. Decrease in the operating revenue by 25,947 RON;
 3. Increase in income from exchange rate differences by 523,083 RON;
 4. Increase of other operating revenue by 3,889 RON;
 5. Increase in financial revenue by 523,083 RON;
- and
6. Increase in total expenses by 23,397,021 RON materialized in;
 7. Increase in operating expenses by 17,453,614 RON.

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The gross result on 31.12.2022 was **6,260,887 RON lower** than on 31.12.2021.
The profit tax on 31.12.2022 was **0**

3. COMPANY'S ASSETS STATEMENT As of 31 December 2022

FVD GLOBAL HOUSE SA

Bucharest

Note 1 a

GROSS NON-CURRENT ASSETS FORMATION STATEMENT

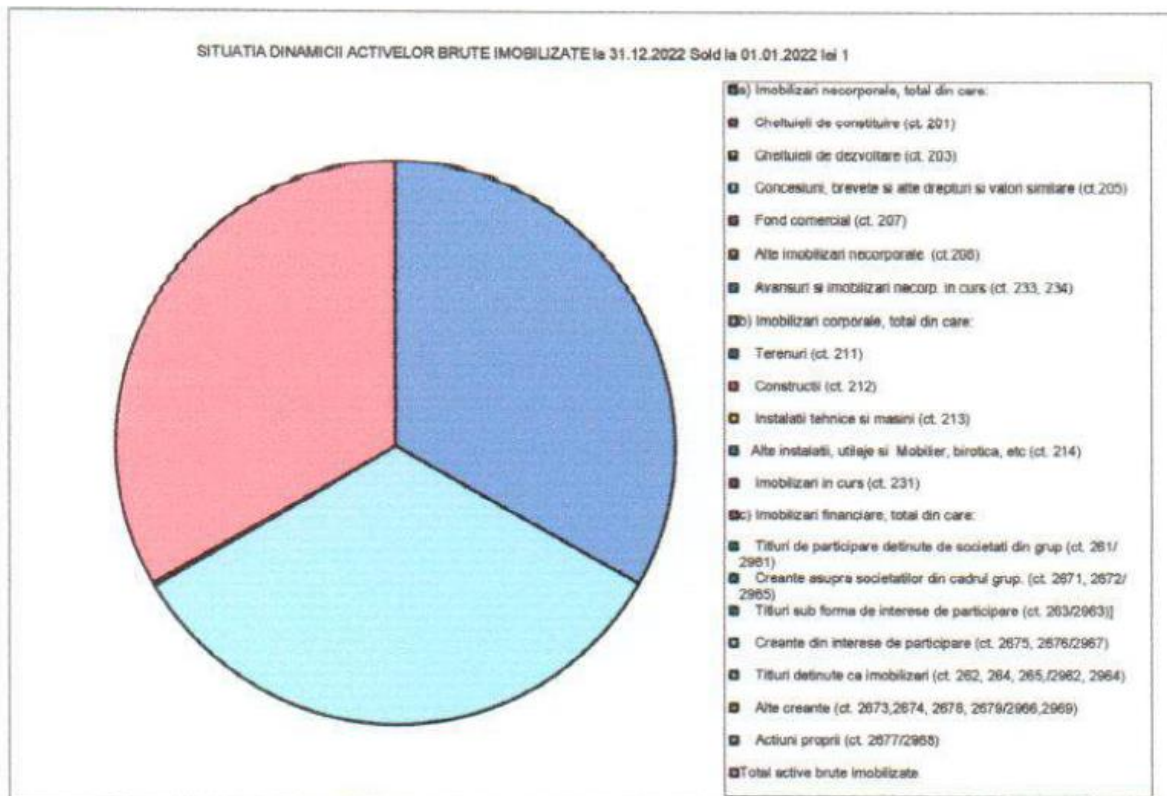
At 31 December 2022

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Asset items in RON	Balance as at 01/01/2022	Increases	Decreases	Balance as at 31/12/2022
0	1	2	3	4=1+2-3
a) Intangible assets, total including:	119,447,15	6	0	119,447,153
Set-up costs (acc. 201)	0	0	0	0
Development costs (acc. 203)	0	0	0	0
Concessions, patents and other rights similar values (acc. 205)	119,447,153	0	0	119,447,153
Goodwill (acc. 207)	0	0	0	0
Other intangible assets (acc. 208)	0	0	0	0
Advances and intangible assets in 233.234)	0	0	0	0
b) Tangible assets, total including:	353,275	1	1	353,275
Lands (acc. 211)	0	0	0	0
Constructions (acc. 212)	0	0	0	0
Equipment and machinery (acc. 213)	293,718	0	0	293,718
Fixtures and fittings, etc. (acc. 214)	59,557	0	0	59,557
Fixed assets in progress (acc. 231)	0	0	0	0
c) Financial fixed assets, total	6	303,670	0	303.670
Equity securities held by group companies (acc. 261/ 2961)	0	303.670	0	303.670
Receivables on group companies (acc. 2671, 2672/2965)	0	0	0	0
Securities in the form of participating interests (acc. 263/ 2963)	0	0	0	0

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Receivables from participation interests (acc. 2675, 2676/2967)	0	0	0	0
Titles held as fixed assets (acc. 262, 264, 265./2962, 2964)	0	0	0	0
Other receivables (acc. 2673,2674, 2678, 2679/2966, 2969)	0	0	0	0
Stocks (acc. 2677/ 2968)	0	0	0	0
Total gross non-current assets	119,800,428	303.670	0	120,104,098

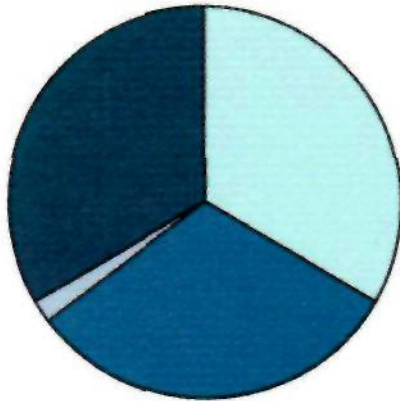


DEPRECIATION STATEMENT

At 31 December 2022

Items	Balance as at 01/01/2022	Depreciation recorded during the year	Non-current depreciation reduction	Balance as at 31/12/2022
RON				
0	1	2	3	4=1+2-3
a) Intangible assets, total including:	0	0	0	0
Set-up and development costs (acc. 2801,2803)	0	0	0	0
Other intangible assets (acc. 2805, 2808)	0	0	0	0
b) Tangible assets, total including:	311,158	10,590	0	321,748
Land planning (acc. 2811)	0	0	0	0
Constructions (acc. 2812)	0	0	0	0
Equipment and machinery (acc. 2813)	293,718	0	0	293,718
Other equipment machinery and furniture (acc. 2814)	17,440	10,590	0	28,030
Total depreciation	311,158	10,590		321.748

SITUATIA DINAMICII AMORTIZAREI la 31.12.2022



b) Intangible assets, total including
Set-up and development costs
(acc. 2801, 2803)
Other intangible assets (acc. 2805,
2808)
b) Tangible assets, total including:
Land planning (acc. 2811)
Constructions (acc. 2812)
Equipment and machinery (acc.
2813)
Other equipment machinery and
furniture (acc. 2814)
Total depreciation

FVD GLOBAL HOUSE SA

Bucharest

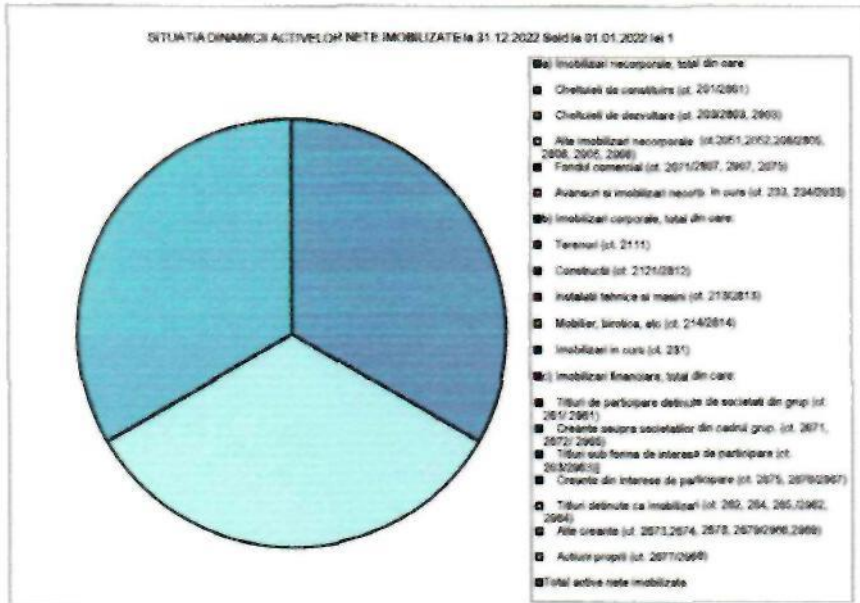
Note 1 c

NET NON-CURRENT ASSETS FORMATION STATEMENT

At 31 December 2022

Asset items in RON	Balance as at 01/01/2022	Increases	Decreases	Balance as at 31/12/2022
0	1	2	3	4=1+2-3
<i>a) Intangible assets, total including:</i>	<i>119,447,153</i>	<i>0</i>	<i>0</i>	<i>119,447,153</i>
Set-up costs (acc. 201/ 2801)	0	0	0	0
Development costs (acc. 203/2803, 2903)	0	0	0	0
Other intangible assets (acc. 2051,2052,208/2805, 2808, 2905, Goodwill (acc. 2071/2807, 2907, 2075)	119,447,153 0	0 0	0 0	119,447,153 0
Advances and intangible assets in progress (acc. 233,234/ 2933)	0	0	0	0
<i>b) Tangible assets, total including:</i>	<i>42,117</i>	<i>-10,590</i>	<i>0</i>	<i>31,527</i>
Lands (acc. 2111)	0	0	0	0
Constructions (acc. 2121/ 2812)	0	0	0	0
Equipment and machinery (acc. 213/ 2813)	0	0	0	0
Furniture, office equipment, etc. (acc. 214/ 2814)	42,117	-10,590	0	31,527
Fixed assets in progress (acc. 231)	0	0	0	0
<i>c) Financial fixed assets, total</i>	<i>0</i>	<i>303.676</i>	<i>6</i>	<i>303.670</i>
Equity securities held by group companies (acc. 261/ 2961)	0	303.670	c	303.670
Receivables on group companies (acc. 2671, 2672/2965)	0	0	c	0
Securities in the form of participating interests (acc. 263/ 2963)	0	0	c	0
Receivables from participation interests (acc. 2675, 2676/2967)	0	0	0	0

Titles held as fixed assets (acc. 262, 264, 265,/2962, 2964)	0	0	0	0
Other receivables (acc. 2673.2674. 2678, 2679/2966.2969)	0	0	0	0
Stocks (acc. 2677/ 2968)	0	0	0	0
Total net non-current assets	119,489,270	293,080	0	119,782,350



The gross fixed assets recorded as at 31.12.2022 the amount of 120,104,098 RON, materialized in:

1. Concessions, patents, licences, trademarks and similar rights and assets (acc. 205) in the amount of 119,447,153 RON;
2. Equipment and machinery (acc. 213) in the amount of 293,718 RON;
3. Fixtures and fittings, etc. (acc. 214) in the amount of 59,557 RON.

Related depreciation as at 31.12.2022 is 321,748 RON, materialized in:

4. The depreciation recorded during the year 2022 is 10,590 RON;
5. The depreciation balance as at 01.01.2022 was 311,158 RON.
6. **The total net fixed assets on 31.12.2022 was 119,782,350 RON,**

materialized in:

1. Other intangible assets (acc. 2051, 2052, 208/2805, 2808, 2905, 2908) in amount of 119,447,153 RON;
2. Equipment and machinery (acc. 213/ 213) in the amount of 293,718 RON;
3. Furniture, office equipment, etc. (acc. 214/2814) in the amount of 59,557 RON.

4. EQUITY STATEMENT on 31.12.2022

FVD GLOBAL HOUSE SA
Bucharest

ANNEX 3

STATEMENT OF CHANGE IN EQUITY *At 31 December 2022*

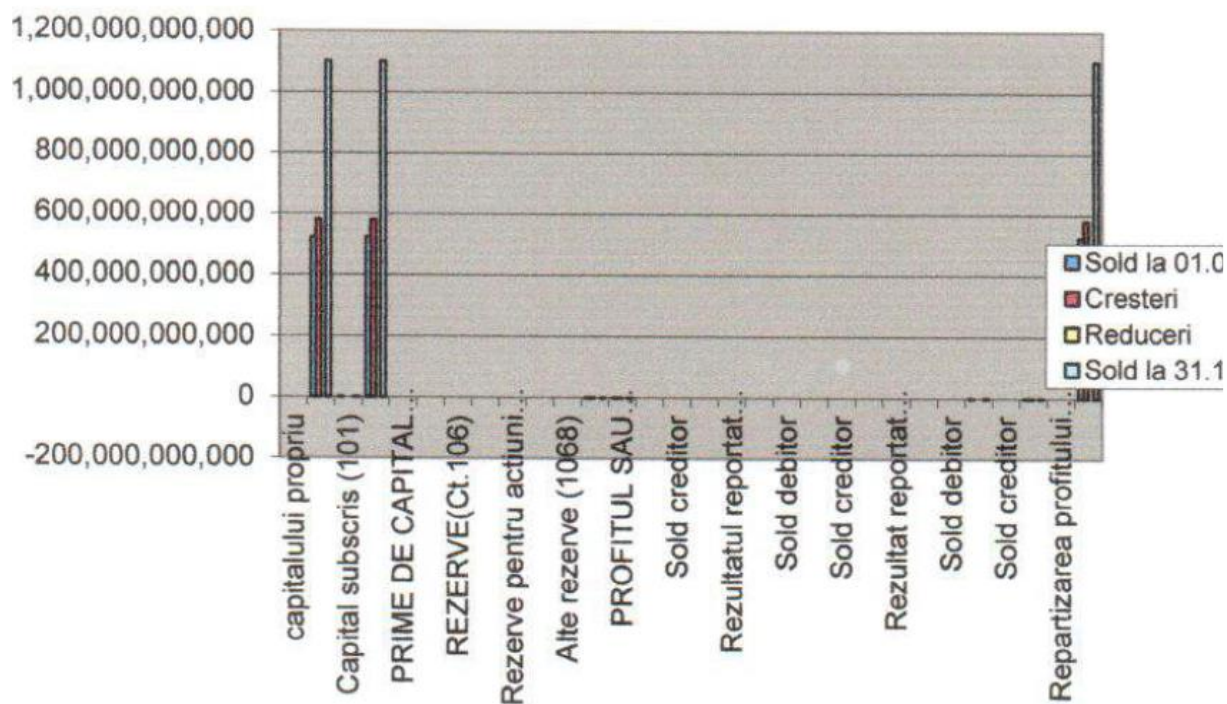
RON

Equity structure	Balance as at 01/01/2022	Increases	Decreases	Balance as at 31/12/2022
CAPITAL	523,468,525,189	579,163,567,085	0	1,102,632,092,274
Subscribed capital (101)	119,450,100	0	0	119,450,100
Other equity items acc. 1038	523,349,075,089	579,163,567,085	0	1,102,512,642,174
CAPITAL PREMIUM (104)	0	0	0	0
REVALUATION RESERVES (105)	0	0	0	0
RESERVES (acc.106)	69,550	0	0	69,550
Legal reserves (1061)	69,550	0	0	69,550
Reserves for stocks (1062)	0	0	0	0
Statutory or contractual reserves (1063)	0	0	0	0
Other reserves (1068)	0	0	0	0
PROFIT OR LOSS CARRYFORWARD (1171)	-9,354,163	-13,336,243	0	-22,690,406
PROFIT OR LOSS FOR THE EXERCISE (121)	-13,336,242	-5,677,385	0	-19,013,631
Retained earnings from adopting IAS for the first time, less IAS 29 (1172)	0	0	0	0
Credit balance	0	0	0	0
Debit balance	0	0	0	0

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Retained earnings from changes in accounting policies (1173)	0	0	0	0
Credit balance		0	0	0
Debit balance		0	0	0
Retained earnings resulting from the correction of	0	0	0	0
Credit balance	0	0	0	0
Debit balance	0	0	0	0
Retained earnings representing the surplus realized from revaluation reserves (1175)	0	0	0	0
Credit balance	0	0		0
Debit balance	0	0		0
Retained earnings for the exercise (121)	-13,336.243	.		-19,013,631
Credit balance	.			0.00
Debit balance	-13,336,242 0	-5,677,389 0	.	-19,013,631 0
Distribution of profit (129) previous exercise				
EQUITY - TOTAL	523,445,904,334	579,150,230,842	0	1,102,590,457,787

EQUITY STATEMENT on 31.12.2022



The equity on 31.12.2022 is 1,102,590,457,787 RON, materialized in:

1. Capital in the total amount of **1,102,590,457,787 RON**, including:
 - 1.1.1. Subscribed and paid-up capital of 119,450,100 lei;
 - 1.1.2. And other equity items (acc. 1038) in the amount of 1,102,512,642,174 RON;
2. Reserves in the amount of 69,550 RON;
3. Profit or loss carryforward Balance C acc. 117 in the amount of 22,690,406 RON;
4. Profit or loss for the exercise 31.12.2022 - Balance C acc 121 in the amount of 19,013,631 RON;

5. CASH FLOW on 31.12.2022
FVD GLOBAL HOUSE SA

ANNEX 4

CASH FLOW STATEMENT AS AT 31.12.2022

INDIRECT METHOD

Economic ratio	lei	Remarks
Cash and cash equivalents at the beginning of the period	1,710	Cash at bank and in hand at 01.01.2022
a) Cash flows from the operating activity		
• net result	-19,013,631	
• depreciation included in costs	10,590	Depreciation 2022
• depreciation of fixed assets disposed of	0	
• stock change	-579,163,564,611	
• change in receivables	-34,036	
• change in advance expenditure	-335	
• deferred revenue change +	-5,806	
• change in guarantees granted to customers	0	
	18,816,145	Change in suppliers, suppliers of fixed assets and suppliers of invoices to be received
<i>Surplus (+) or Deficit (-) of flows from the operating activity</i>	<i>579,163,791,684</i>	
b) <u>Cash flows from investments</u>		
• cash payments for asset purchases --	-303,670	
• proceeds from the sale of assets +	0	
• change in financial investments	0	
• change in subsidies for investments	0	
<i>Surplus (+) or Deficit (-) of flows from investments</i>	<i>-303,670</i>	

c) Cash flows from funding		
.		0
• Change in long-term loans +		
• Change in provisions for risks and expenses	526,560	
• Retained Earnings	-13,336,243	
• Change in share capital +	0	
• Change in reserves +	0	
• Change in revaluation reserves +	0	
• Change in the exercise result +	-5,677.389	
• Change in profit allocation +	0	
• Allocation of the result	0	
<i>Surplus (+) or Deficit (-) of flows from investments</i>	<i>-18,487,072</i>	
Total cash flows	-579,182,582,42647.511	
Cash and cash equivalents at the end of the period	Cash at bank and in hand at 31.12.2022	

The above statement discloses the cash flows is using the indirect method:

a) **Cash flows from the operating activity in the amount of -579,163,791,684 RON;**

b) **Cash flows from investments in the amount of -303,670 RON;**

c) **Cash flows from financing in the amount of -18,487,072 RON; resulting in a total cash flow of -579,182,582,426 RON.**

Cash availability at the end of the period - 31.12.2022 is 0 RON.

6. FINANCIAL RATIOS as at 31.12.2022

As explained above, the current activity of FVD GLOBAL HOUSE SA in the year 2022 has determined that the economic and financial ratios for the year 2022 are as follows:

FVD GLOBAL HOUSE SA

Bucharest NOTE 9

FINANCIAL RATIOS as at 31.12.2022 values in RON

1. General liquidity index (ratio) of the company

= *Total current assets / Total current liabilities (debts)*

$$2022 = \frac{1,102,512,983,752}{41,406,225} = 26,626.74$$

$$2021 = \frac{523,349,386,815}{22,590,080} = 23,167.22$$

Difference=3,459.52 increased the general liquidity
For this ratio, the recommended value is supraunitary.

2. Immediate liquidity rate

= *(Bank availability + Receivables) / Total liabilities*

$$2022 = \frac{341,578}{41,406,225} = 0.01$$

$$2021 = \frac{309,252}{22,590,080} = 0.01$$

Difference = - 0.01 immediate liquidity was maintained

For this ratio, the recommended value is supraunitary.

3. Permanent funding index

Permanent capital / Fixed assets

$$2022 = \frac{96,829,244}{119,782,350} = 0.81$$

$$2021 = \frac{110,165,487}{119,489,270} = 0.92$$

Difference=-0.11 decreased the permanent funding index
For this ratio, the recommended value is supraunitary.

4. Equity solvency

= (Equity / Total liabilities) x 100

$$2022 = \frac{1,102,590,457,787}{1,102,632,767,367} \times 100 = 99.99\%$$

$$2021 = \frac{523,445,904,334}{523,468,877,015} \times 100 = 99.99\%$$

Difference=0.00% equity solvency
For this ratio, the recommended value is over 50%.

5. Global indebtedness ratio

= (Total debts / Total liabilities) x 100

$$2022 = \frac{41,406,225}{1,102,632,767,367} \times 100 = 0.0037\%$$

$$2021 = \frac{22,590,080}{523,468,877,015} \times 100 = 0.0043\%$$

Difference=0.00%

A rate of up to 50% is good.

6. Level of independence of the company

= $(Equity / Total liabilities) \times 100$

$$2022 = \frac{1,102,590,457,787}{41,406,225} \times 100 = 2662861.58\%$$

$$2021 = \frac{523,445,904,334}{22,590,080} \times 100 = 2317149.41\%$$

the degree of independence of the company increased

Difference=345712.18%

A high level of this ratio reflects the financial solidity of the company.

7. Indebtedness ratio (leverage)

= $(Total debts / equity) \times 100$

$$2022 = \frac{41,406,225}{1,102,590,457,787} \times 100 = 0.0037\%$$

$$2021 = \frac{22,590,080}{523,445,904,334} \times 100 = 0.0043\%$$

Difference=0.00%

A low level reflects the solidity of the company.

Given that in the exercise 2022, through the implementation of the strategy for the valorisation of stocks FVD Global House SA did not have a current turnover, the following economic ratios do not record a value, their efficiency being projected in the business plans regarding the valorisation of assets in future financial years. Their value in 2022 is 0.

8. Debt repayment period

= $(Total debts / Turnover) \times 365$

9. Receivables recovery period

= $(Total receivable / Turnover) \times 365$

10. The share of total debts in turnover

= $(Total liabilities / turnover) \times 100$

11. Share of receivables in Turnover

= $(Total receivables / Turnover) \times 100$

The company's asset recovery activity means that the ratios for the year 2022 on
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the realisation of net profit cannot be highlighted, as they are also projected in the business plans for asset recovery in future financial years regarding the recovery of losses incurred in the asset recovery activity. In view of the profitability of the recovery, we consider that the company has the capacity to cover losses from future revenues.

2021: -13,336,243 RON 2022: -19,013,631 RON

12. Financial return on equity

= $(Net\ profit / equity) \times 100$

13. Net profit rate

= $(Net\ profit / Turnover) \times 100$

14. Margin net profit

= $(Net\ profit / permanent\ equity) \times 100$

15. Total economic return

= $(Net\ profit / Total\ revenue) \times 100$

16. Profit return to costs

= $(Net\ profit / Total\ expenses) \times 100$

Note: These ratios have been influenced by the process of asset recovery which could not be completed during 2022, they cannot be calculated for the current activity of the exercise 2022.

17. Working capital

FR - Permanent Capital - FIXED ASSETS

Permanent Capital = Equity + Long-term liabilities

Equity = share capital + capital premiums + company reserves + financial result of the current and previous years + provisions + other equity items

Permanent Capital = 1,102,702,027,835 RON Fixed assets = 119,782,350 RON

FR= 1,102,582,245,485 RON

18. Working capital requirement

NFR = Inventories + Receivables - Non-bank (non-financial) obligations

Stocks = 1,102,512,642,174 RON

Receivables = 341,578 RON

Non-bank liabilities = 41,406,225 RON

NFR= 1,102,471,577,527 RON

19. The NETA treasury is negative

TN = FR - NFR - Cash and cash equivalents - Liabilities

2021= -50,517,620 RON

2022= -110,667,958 lei

Calculation of NFR, FR and TN:

	2022		2021
Stocks	1,102,512,642,174.00		523,349,077,563.00
Receivables	341,578.00		307,542.00
Liabilities	41,406,225.00		22,590,080.00

NFR	(1,102,553,706,821.00)		(523,371,360,101.00)
share capital	119,450,100.00		119,450,100.00
legal reserve	69,550.00		69,550.00
result	41,704,037.00		22,690,405.00
provisions	526,560.00		367,101.00
other equity items	1,102,512,642,174.00		523,349,075,089.00
equity	1,102,674,392,421.00		523,491,652,245.00
long-term liabilities	27,635,414.00		5,149,670.00
permanent capital	1,102,702,027,835.00		523,496,801,915.00
real estate assets	119,782,350.00		119,489,270.00
FR	(1,102,821,810,185.00)		(523,616,291,185.00)
TN	(268,103,364.00)		(244,931,084.00)

7. INVENTORY as at 31.12.2022

With regard to the performance of the asset inventory, the valuation of the results and their inclusion in the annual balance sheet, we mention that the organization and performance of the asset inventory was carried out in accordance with the accounting act no. 82/1991 of OMFP no. 2861/2009.

The following were included in the inventory:

1. Non-current assets
2. Accounts receivable and payable
3. Cash at bank
4. Other equity items

Following the inventory no differences from the bookkeeping and the results of the inventory were recorded in the accounts in 2022.

Find attached the letter from CEC Branch Piața Alba Iulia Bucharest, with the balance on 31.12.2022 of the accounts of the company FVD GLOBAL HOUSE SA.

CEC Bank

SUCURSALA PIATA ALBA IULIA
B-dul. Unirii nr 75, bloc H 1, Sector 3 Bucuresti
Tel: 021/302.10.74 Fax: 021.326.72.13
Nr. PAVD/27/26.05.2023

Catra,

F.V.D GLOBAL HOUSE SA
STR. COL. CONSTANTIN BLARENBERG, 4-6
Sector 1, Bucuresti,
Romania
CUI: 11049581

CEC Bank S.A. – SUCURSALA PIATA ALBA IULIA cu sediul in Bucuresti, Bd. Unirii nr.75, sector 3, numar de ordine in Registrul Comertului J40/5058/18.06.2002, avand CUI RO14700420, reprezentata prin Anda Miorita Anton - Director și Florin Marinescu – Director Adjunct.

Urmare cererii dumneavoastra, referitoare la comunicarea informatiilor bancare, va comunicam datele existente in evidentele Bancii, respectiv:

1. Conturi curente

Denumire cont	Numar cont	Valuta	Constituit	Sold la 31.12.2022
Cont curent PJ - LEI	RO74CECEB00130RON2587348	RON	23-07-2010	0,00
Cont curent PJ - EURO	RO87CECEB000C1EUR1697000	EUR	27-07-2021	0,00
Cont curent PJ - USD	RO83CECEB000B8USD1697085	USD	27-07-2021	0,00
VISA Business Standard	RO41CECEC001946006453121	RON		0,00

Lista persoanelor autorizate sa angajeze compania in relatiile cu banca:

DOKONAL FRANCISC-STEFAN-ANTON- semnatura 1 - ASOCIAT

DOKONAL MIHAELA - semnatura 1 – ASOCIAT

Cu consideratie,

Sef Serviciu Relati cu Clienti,

Calota Angelica



Intocmit,

Dragan Cornelia-Antoaneta



Hereinafter, we submit the inventory report as of 31.12.2022 of the documents attesting the assets - Ultrafine Copper Powder PMU-type - held by the company, which were physically found in the warehouses included in the report, as shown in the statement presented by the General Manager, Mr. Dokonal Francisc.



4-6 Col. C-in Blarenberg Street Apart. 3A
1st District 011879 Bucharest, Romania
Fiscal Registration Code: RO11049581
Trade Register Number: J40/4564/2016

Inventory report on 31.12.2022

This inventory report was concluded today, December 31, 2022 at the headquarters of FVD GLOBAL HOUSE SA. by the inventory commission made up of:

- Francisc Ștefan Anton DOKONAL, President and CEO
- Gabriela COLTESCU. CFO

OBJECT: the purpose of this report is to inventory the documents certifying the asset - Copper Ultrafine Powder PMU-type - owned by the company, for closure of the exercise 2022.

The inventory commission found the existence of the following documents:

1. FIATA Warehouse Receipt, 20 pieces in original, totalling 10,977 kg in the amount of 156,453,211,800.00 USD, as attached to this report. The goods are in the Kuehne-Nagel warehouse in Germany.
 2. Safekeeping Receipts issued by IGAS research: 3 pieces in original, which add up to the amount of 4,147 kg, total worth: 59,112,187,400.00 USD, according to the annex to this report. The goods are stored in IGAS warehouse in Germany.
 3. Certificates of deposits issued by FVD Global House SA; 2 pieces in original, amounting to 3 kg, total worth 42,822,600.00 USD, according to Annex to this report.
- The above mentioned documents certify the existence of a total quantity of Ultrafine Copper Powder PMU-type, in the amount of 15,127 kg, total worth 215,608,221,800.00 USD.

This Report was concluded today. December 31, 2022, in two copies.

Inventory board:

- Francisc Ștefan Anton DOKONAL Chairman and CEO

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- Gabriela COLTESCU; Economic manager

illegible signature

Website: www.fydhouse.com

E-mail: contact@fydhouse.com

illegible signature

Annex to the Inventory report on 31.12.2022
to the Ultrafine Powder Copper PMU-type goods that were stored on 31.12.2022
in the Kuehne-Nagel warehouse - Germany. IGAS - Germany

Nr. Cr.	Document	Caritate neto (kg)	Puritate	Valoare/mg (USD)	Valoare totala (USD)	Valoare totala (RON)
1	A10215 (foaiala 4577DE)	486	99.9998%	14.2342	6,942,072,600.00	35,498,288,340.10
2	A10218 (foaiala 4595DE)	72	99.9995%	14.2342	1,026,802,400.00	5,247,997,322.40
3	A10219 (foaiala 4865DE)	405	99.9993%	14.2342	5,764,851,000.00	29,478,565,588.50
4	A10221 (foaiala 4573DE)	666	99.9995%	14.2342	9,493,297,200.00	48,543,975,232.20
5	A10222 (foaiala 4574DE)	36	99.9995%	14.2342	513,151,200.00	2,623,998,661.20
6	A10223 (foaiala 4864DE)	270	99.9992%	14.2342	3,840,561,000.00	19,638,708,673.50
7	A10224 (foaiala 4864DE)	810	99.9994%	14.2342	11,537,802,000.00	58,998,550,527.00
8	A10225 (foaiala 4863DE)	810	99.9995%	14.2342	11,545,902,000.00	59,039,968,877.00
9	A10226 (foaiala 4862DE)	783	99.9995%	14.2342	11,161,088,600.00	57,071,920,881.10
10	A10227 (foaiala 4861DE)	270	99.9994%	14.2342	3,845,934,000.00	19,666,183,509.00
11	A10228 (foaiala 4860DE)	135	99.9993%	14.2342	1,921,617,000.00	9,826,188,529.50
12	A10229 (foaiala 4578DE)	18	99.9995%	14.2342	256,575,600.00	1,311,999,330.60
13	4579DE	18	99.9995%	14.2342	256,575,600.00	1,311,999,330.60
14	4580DE	36	99.9995%	14.2342	513,151,200.00	2,623,998,661.20
15	4581DE	36	99.9995%	14.2342	513,151,200.00	2,623,998,661.20
16	4582DE	36	99.9995%	14.2342	513,151,200.00	2,623,998,661.20
17	4583DE	36	99.9995%	14.2342	513,151,200.00	2,623,998,661.20
18	4584DE	54	99.9995%	14.2342	769,726,800.00	3,935,997,991.80
19	A10234	3,000	99.9995%	14.2342	42,762,600,000.00	218,666,555,100.00
20	A10235	3,000	99.9995%	14.2342	42,762,600,000.00	218,666,555,100.00
21	5KR76	4,128	99.9995%	14.2342	58,841,337,600.00	300,885,179,817.60
22	5KR 1	18	99.9995%	14.2342	256,575,600.00	1,311,999,330.60
23	5KR 2	1	99.9997%	14.2342	14,274,200.00	72,991,121.70
24	CERTIFICATE OF DEPOSIT 1	1	99.9997%	14.2342	14,274,200.00	72,991,121.70
25	CERTIFICATE OF DEPOSIT 2	2	99.9997%	14.2342	28,548,400.00	145,982,243.40
TOTAL GENERAL:		15,127			USD 215,608,221,800.00	RON 1,102,512,642,174.30

Inventory board:

- Francisc Ștefan Anton DOKONAL, President and CEO

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- Gabriela COLTESCU; Economic manager

Illegible signature

Date of submission of the expense account 02.12.2022 Departure date: 01.12.2002 hours 08;28 Arrival date: 02.12 2022 hour 00:10 Countries: GERMANY 01.12.2022-02.12.2022 (1 day)		Advance money EXCHANGE RATE	1 EUR = 4.9297 RON	
EXPENSES INCURRED ACCORDING TO THE ATTACHED DOCUMENTS				
Type of document and issuer		Number and date of the document	Amount (currency)	Amount (RON)
BF/DEUTSCHE BAHN		159562739/ 01/12/2022	97.80 EUR	482,12 RON
BF/TAXI KASSEL 88111		01/01/12/2022	32.00 EUR	157,75 RON
BF/GEANY NYK TAXI SRL		10/01/12/2022		38,81 RON
BF/ANNESIDARI SRL TAXI		1/02/12/2022		51.92 RON
BF/FRANKFURT AIRPORT RETAIL GMBH &CO		342224/01/12/2022	388.50 EUR	1.905,33 RON
TOTAL EXPENSE			2,635,93 RON	
The difference to be refunded was deposited with collection order to cashier no. From ...		Difference to be received: 2,635.93 RON		
Approved by the head of the unit	Preventive financial control Illegible signature	Expense account verified	Advance holder Dokonal Francisc	



8. ON COMPANY'S ACCOUNTING

The accounting of the company is organized according to the provisions of the Accounting Act no. 82/1991 republished with subsequent amendments and additions. The economic and financial operations relating to the financial year 2022 were recorded in supporting documents, drawn up at the time they were carried out and recorded in the company's accounts.

The balance sheet for the financial year 2022 has been prepared on the basis of the ledger and the summary trial balance as at 31.12.2022, which has been used to verify the account balances in the balance sheet as at 31.12.2022 and to verify the income and expenditure shown in the financial statements as at 31.12.2022, which gives assurance that there are no anomalies and that the accounting methods and policies used have a reasonable basis for expressing our opinion.

The balances of the Company's annual accounts in 2022 have been established under the responsibility of the Company's management. In view of the above, we are of the opinion that these accounts give a true and fair view of the balance sheet and profit and loss account for the year ended 31.12.2022.

III. CONCLUSIONS:

This Internal Audit Report has been prepared on the basis of the Detailed Audit Engagement and On-Site Intervention Programme, the findings made during the information gathering and processing phase and during the on-site intervention. All the findings are based on audit evidence through tests, worksheets, interviews, checklists, relationship notes, questionnaires and following their analysis and interpretation it was not necessary to prepare FIAPs.

The audited structure is required to prepare the Action Programme and Timetable for the implementation of the recommendations and to report regularly to the auditor on the status of their implementation.

The Internal Auditor, on the basis of the tests and evaluations carried out, assesses the Financial Accounting Activity for the year 2022, according to the following grid.

Ref. no.	OBJECTIVE	APPRECIATION		
		OPERATIONAL	IMPROVABLE	CRITICAL
1.	Verification of accounting management	X		
2.	Verification of financial activity management	X		
3.	Income statement review	X		
4.	Assistance in preparing the balance sheet	X		
5.	Follow-up on the organisation of the system for reporting financial accounting data to management	X		
6.	Follow-up on the organisation and performance of preventive financial control	X		
7.	Follow-up of the organisation and archiving of financial and accounting documents	X		

The above assessment relies on the discussions that took place on the internal auditor's recommendations in the closing meeting of the internal audit engagement, assessed by the participants of the meeting as realistic and possible to implement in the practical work of the company.

The company FVD GLOBAL HOUSE SA is bound to comply with the *Action Plan and Recommendation Implementation Timeline*, for implementing the recommendations within the deadlines set and to report to the internal auditor on a regular basis on the status of their implementation.

Date: 29.06.2023

Internal auditor,
Radulescu Emil – Constantin
illegible signature
Stamp:

Note:

Please note that the internal audit report is signed on each page by the internal auditor.

SUMMARY INTERNAL AUDIT REPORT

I. INTRODUCTION

The internal audit assignment was carried out in accordance with the provisions of Law no.672/2002 on internal audit, GEO no.75/1999, OG no.119/1999, OG no.37/2004, Order of the Minister of Finance no.1267/2000 and Order of the MFP no.1802/2014 and was carried out on the basis of the Internal Audit Plan for the year 2022, approved by the management of the company, during the period 23.06.2023 - 29.06.2023 by the internal auditor Radulescu Emil -Constantin.

On the basis of the risk analysis, the field tests, and the assessments performed on the financial-accounting activity for the year 2022, structured on the 8 objectives set for the performance of the assignment, the internal auditor assesses the functionality of the financial-accounting department as follows:

Ref. no.	OBJECTIVE	APPRECIATION		
		OPERATIONAL	IMPROVABLE	CRITICAL
1.	Verification of accounting management	X		
2.	Verification of financial activity management	X		
3.	Income statement review	X		
4.	Assistance in preparing the balance sheet	X		
5.	Follow-up on the organisation of the system for reporting financial accounting data to management	X		
6.	Follow-up on the organisation and performance of preventive financial control	X		
7.	Unannounced cash register check	X		
8.	Follow-up of the organisation and archiving of financial and accounting documents	X		

II FINDINGS AND RECOMMENDATIONS

The main findings and recommendations resulting from the internal auditor's assessment for 2022 are as follows:

Finding 1: The completion of the Ledger was carried out using IT systems, the application "Trezorier".

Recommendation 1:

The internal auditor considers it necessary that the computerized work procedures be periodically updated, as a result of the accounting and fiscal legislative changes.

! Finding 2: At the company level, the activity of continuous professional training must be supported, this having a preventive and operative role in terms of the quality of accounting information.

Recommendation 2:

The professional training of the personnel within the economic compartment, to be carried out in such a way as to allow at any time the identification, organization and control of all patrimonial elements inventoried at the level of the entity, by improving accounting methods and practices, in accordance with the legal framework in force and with business development.

! Finding 3: In line with the development of the business, the permanent updating of the specific methodological norms regarding the exercise of preventive financial control is required.

Recommendation 3: The internal auditor considers it necessary that, as the business develops, tools should be developed to carry out periodic analyses of all the company's operations in order to improve the work procedures for the specific activities of the entity.

! Finding 4: If some assets from the company's patrimony are to be alienated, an evaluation of them is necessary.

Recommendation 4: When leaving the patrimony, , according to Order of the Minister of Finance 1802/2014, any immobilized asset, tangible or intangible, is required to be evaluated by a person authorized in this sense, a member of ANEVAR.

III. CONCLUSIONS:

The accounting record is conducted monthly for the entire company, the balance sheet, the profit and loss account, the explanatory notes and the annexes to the balance sheet for the year 2022 are based on the trial balances as of 31.12.2022.

The annual financial statements for the financial year 2022 have been drawn up in accordance with the accounting regulations in accordance with Directive 2013/34/EU of the European Parliament and of the Council, approved by Order of the Minister of Finance 1802/2014.

The management report of the administration correctly took over the data from the 2022 Balance Sheet, the values presented in the Financial Statements and the Internal Audit Report are comparable to 2021, the unit applying the same accounting regime and accounting policies in 2022 as well.

Compared to what is mentioned in this report, the internal audit gives a reasonable assurance to the Board of Directors and the shareholders about the situations presented and proposes the approval of the reports presented for the financial year 2022.

Date: 29.06.2023

Internal auditor,
Radulescu Emil – Constantin
illegible signature
Stamp (Radulescu Emil Constantin n. 1806,
Chamber of Financial Auditors of Romania)

I, undersigned, **APOSTOL ALEXANDRA DIANA**, certified and sworn interpreter and translator for English & French languages, under authorization no. 2184 of September 30, 1999, issued by the Ministry of Justice of Romania, certify the accuracy of the translation from Romanian into English, that the text presented has been translated in full, without omissions, and that the translation has not distorted the document's content and meaning.

