

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 2023 (from 1.1.2023 to 31.12.2023)

compiled according to the Measure No. MF/23378/2014-74 (FS č.12/2014), laying down details of individual Financial Statements and the scope of data determined from individual Financial Statements, which are a subject of publishing

for small business units

Article I – GENERAL INFORMATION**1) Information about the accounting entity:**

| | |
|----------------------------|--|
| Business name: | Globalization Partners spol. s r. o. |
| Address: | Karadžičova 16, 821 08 Bratislava |
| Legal form: | Limited liability company |
| Date of establishment: | October 21, 2021 |
| Scope of business: | Provision of advisory and consultancy services in the field of business management, including the field of human resources and support for the global expansion of business to the extent of free business licence |
| Subject of public interest | Accounting entity Globalization Partners spol. s r. o. is not a subject of public interest (§ 2/14 ZoU). |
| Accounting period: | Calendar year from 01.01.2023 to 31.12.2023 |

2) Date of approval of the Financial Statements for the preceding accounting period by authorized body of the accounting entity:

February 2, 2024

3) Legal reason for the preparation of the Financial Statements:

The Financial Statements of the Company have been prepared as ordinary financial statements in accordance with Article 17 (6) of Slovak Act No. 431/2002 Coll. on Accounting for the accounting period from January 1, 2023 to December 31, 2023.

4) Information about group of accounting entities in connection with consolidation:

Accounting entity does not have content for this item.

5) Average calculated number of employees in accounting entity:

| Item designation | Current accounting period | Preceding accounting period |
|--|---------------------------|-----------------------------|
| Average calculated number of employees | 4,17 | 1 |
| Number of employees to the date of preparation of The Financial Statements | 10 | 1 |

Article II – INFORMATION ABOUT THE CONTROLLING PARTIES

Information about the controlling parties of accounting entity – statutory party, supervisory party and other parties of accounting entity, while presenting information mostly – about conditions and amount of individual types of guarantees or other securities, about loans and their terms (amount of interest, total amount of the loan, paid amount of loan, absolved amount of loan); about the usage of accounting entity's assets on private purposes; divided into individual parties (information shall not be stated in case of possible identification of financial situation of particular natural persons):

Shareholders Globalization Partners International Ireland Limited
Lower Baggot street 104
Dublin 2 D02Y940
Ireland

Globalization Partners Holdings Ireland Limited
Lower Baggot street 104
Dublin 2 D02Y940
Ireland

Executive directors Todd Christopher Goffman (since: 21.10.2021)
Phillips Road 25
Nahant 01908
USA

Simone Nardi (since: 15.3.2023)
Henry St 20
Brooklyn, New York 112 01
USA

Article III – INFORMATION ABOUT ACCOUNTING PRINCIPLES AND ACCOUNTING POLICIES

1) Information, whether The Financial Statements were prepared using the going concern assumption of the Company continuing in operation for the foreseeable future at least the following 12 months in accordance with § 7 arc. 4 Slovak Act No. 431/2002 Coll. on Accounting. If this assumption is not to be met, the reason must be stated in The Financial Statements (e.g. cancellation of long-term provisions):

The Financial Statements were prepared using the going concern assumption that the Company will continue in operation for the foreseeable future.

2) Information about application of accounting principles and policies important for assessment of assets, liabilities, financial situation, and financial results. Information about changes of accounting principles and accounting policies with the reason of application, as well as the impact on the value of assets, liabilities, equity, and financial results. If, because of a change in the accounting principles and policies, figures for preceding accounting period are not comparable, the figures and explanations are stated in incomparable figures:

In the current accounting period, there was no change made.

3) Information about the character and purpose of transactions, which are not mentioned in the Balance Sheet, while stating the financial impact of these transactions, if the risks or benefits emerging from these transactions are significant and their statement is necessary for purposes of evaluation the

financial situation of accounting entity (e.g. legal disputes, contracts, time-limited licences and permissions, business combinations, liabilities arisen from investment, legislation impact, total decrease in economic segment):

Accounting entity does not have content for this item.

4) Process and determination of assets and liabilities evaluation:

a) Process and determination of assets and liabilities evaluation (§ 25 ZoU):

| No. | Item designation | Evaluation | Data |
|-----|--|-------------------------------|------|
| 1 | Intangible fixed assets acquired externally: | acquisition value, fair value | |
| 2 | Tangible fixed assets acquired externally: | acquisition value, fair value | |
| 3 | Stock acquired by purchase: | acquisition value, fair value | |
| 4 | Receivables | nominal value | X |
| 5 | Accruals on the asset side of the Balance Sheet | nominal value | X |
| 6 | Liabilities, including provisions, bonds, loans and credits: | nominal value | X |
| 7 | Accruals on the liabilities and equity side of the Balance Sheet | nominal value | |
| 8 | Current tax and deferred tax | nominal value | X |

b) Permanent decline in the value of assets:

Accounting entity does not have content for this item.

Temporary decline in the value of assets:

Accounting entity does not have content for this item.

c) **Liabilities** were evaluated using nominal value of liabilities. Provisions were evaluated using expert estimate of future nominal value needed for their settlement.

d) **Determination of financial instruments evaluation** or assets, which are not financial instruments while being evaluated using nominal value:

Accounting entity does not have content for this item.

e) **Determination of financial instruments evaluation using acquisition value or own costs:**

Accounting entity does not have content for this item.

Commentary on asset and liabilities evaluation:

➤ **Method used while evaluating stock decline of the same kind:**

Accounting entity does not have content for this item.

➤ **Method used while evaluating increase of foreign currency in cash on hand or in bank account:**

The reference exchange rate determined and declared by the European Central Bank or National Bank of Slovakia as at the date preceding the date of the accounting transaction (§ 24/3 ZoU).

➤ **Method used while evaluating decrease of foreign currency in cash on hand or in bank account:**

Basic rule (D-1), the reference exchange rate at the date preceding the date of the accounting transaction (§ 24/2/a; § 24/6 ZoU).

f) Creation of Schedule of amortization and depreciation for fixed assets with stating the depreciation period, rate of depreciation and depreciation method for depreciation in accounting:

| Fixed tangible and intangible, depreciable assets | Account No. | Depreciation period (No. of years) | Depreciation method |
|---|-------------|------------------------------------|---------------------|
| | | | |

Commentary on Schedule of amortization and depreciation:

➤ Accounting entity uses accounting depreciation in compliance with tax depreciation charge. **The depreciation of fixed assets shall begin** in the month of classification. Accounting depreciation is patterned on presumptive period of usage.

g) Information about granted subsidies (in case of subsidies for acquisition of fixed assets, individual items and their evaluation shall be included):

Accounting entity does not have content for this item.

h) Deferred tax (deferred tax receivables and deferred tax liabilities) is related to:

a) Temporary differences between book value of assets and book value of liabilities showed in the Balance Sheet and their tax base,

b) Possibility to carry the loss forward in the future, understood as the possibility to deduct the loss from the tax base in the future,

c) Possibility to transfer unused tax deductions and other tax claims to future periods.

Accounting entity does not have content for this item.

5) Information about the corrections of prior accounting period's material errors in current accounting period with statement of impact value on retained earnings from previous years or accumulated losses from previous years. Accounting entity can also mention information about immaterial errors from previous accounting periods in current accounting period with statement of impact value on profit/loss for the current accounting period:

Accounting entity did not account any corrections of material errors from previous accounting periods.

Article IV – INFORMATION EXPLAINING AND COMPLEMENTING THE BALANCE SHEET AND PROFIT AND LOSS STATEMENT

1) Information about significant items of derivatives, assets and liabilities secured by derivatives (§ 16 PU):

Accounting entity does not have content for this item.

2a) Total amount of liabilities with remaining maturity due over 5 years:

| Item designation | 31. 12. 2023 | 31. 12. 2022 |
|---|----------------|---------------|
| Long-term provisions, out of it: | 921 | 101 |
| Liabilities with remaining maturity due over 5 years | 0 | 0 |
| Liabilities with remaining maturity due within 1-5 years | 921 | 101 |
| Short-term provisions, out of it: | 452 763 | 49 676 |
| Liabilities with remaining maturity due within 1 year including | 5 862 | 2 976 |
| Liabilities overdue | 446 901 | 46 700 |

2b) Total amount of secured liabilities – description and method of liabilities security:

Accounting entity does not have content for this item.

3) Information about own shares:

Accounting entity does not have content for this item.

4) Information about the amount and reasons of costs and revenues formation, which have significant scope or occurrence (e.g. revenues from sale of business or its parts, costs arisen from sale of business or its parts, damages due to natural disasters):

Accounting entity does not have content for this item.

Article V – INFORMATION ON OFF-BALANCE SHEET ASSETS AND OFF-BALANCE SHEET LIABILITIES

1a) Contingent assets – description and value of presumable assets, understood as possible assets, which emerged as a consequence of past events and whose existence or ownership depends on the occurrence or non-occurrence of one or a series of uncertain future events not wholly within the control of the entity; these assets are – e.g. rights resulting from service contracts, insurance contracts and licence contracts:

Accounting entity does not have content for this item.

1b) Contingent liabilities – description and value of contingent liabilities resulting from e.g. judicial decisions, provided guarantees, general binding rules; resulting from guarantying according to particular types of guarantees:

Accounting entity does not have content for this item.

2) Other financial obligations, which are not recognised in the statements – e.g. legal obligation or contractual obligation to take certain amount of product away, make investment and vast repairs:

Accounting entity does not have content for this item.

3) Off-balance sheet accounts – stating information about significant items tracked on off-balance sheet accounts (§ 85 PU):

Accounting entity does not have content for this item.

Article VI – EVENTS OCCURRING AFTER THE DATE OF PREPARATION OF FINANCIAL STATEMENTS

(Subsequent events)

Stating information about character and financial impact of significant events occurring between the balance sheet date and the date of preparation of Financial Statements (i.e. to the date of signing the Financial Statements according to § 17/5 ZoU) and which are not recognised in the Balance Sheet or in Profit and Loss Statement:

Accounting entity does not have content for this item.

Article VII – OTHER INFORMATION

Accounting entity does not have content for this item.