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# ***Short-form Audit Report***

Raydius GmbH  
Frankfurt am Main

Annual Financial Statements as of 31 Mai 2023

INDEPENDENT AUDITOR'S REPORT

(TRANSLATION - the German text is authoritative)





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## **Annual Financial Statements for the fiscal year 2023**



Raydius GmbH  
Frankfurt am Main  
Commercial register local court Frankfurt am Main (HRB 112033)

Balance as of 31. May 2023

Assets		31.05.2023	31.05.2022	Liabilities		31.05.2023	31.05.2022
		EUR	EUR			EUR	EUR
A Current Assets	I Receivables and other assets	3,557,955.33	2,063,353.50	A Equity capital			
	II Cash on hand, Bundesbank balances and bank balances and checks	97,472.11	223,098.96	I Subscribed capital		25,000.00	25,000.00
				II Profit carried forward		90,374.59	90,776.17
B Prepaid expenses		44,561.33	6,789.84	III Net profit/(loss) for the year		138,714.77	-401.58
				B Accruals		254,089.36	115,374.59
				I Tax provisions			56,714.96
C Liabilities				II Other provisions		140,613.62	350,167.67
						140,613.62	406,882.63
						3,305,285.79	1,770,985.08
Total assets		3,699,988.77	2,293,242.30	Total Liabilities		3,699,988.77	2,293,242.30

Raydius GmbH  
Frankfurt am Main  
Commercial register local court Frankfurt am Main (HRB 112033)

Profit and loss statement for the period from 1. June 2022 to 31. May 2023

		01.06.2022 - 31.05.2023	01.06.2021 - 31.05.2022
		EUR	EUR
1.	Revenue	1,749,441,702.38	14,190,733.86
2.	Other income	1,691,188.04	1,047,913.18
3.	Material expenses	-1,751,050,247.31	-15,221,675.14
4.	Other operational expenses	-376.48	-729.18
5.	Interest and similar expenses	-266.82	-3,659.71
6.	Taxes on income and profit	56,714.96	-12,984.59
7.	<b>Profit/(Loss) for the year</b>	<b>138,714.77</b>	<b>-401.58</b>
8.	Profit carried forward	90,374.59	90,776.17
9.	<b>Balance sheet profit</b>	<b>229,089.36</b>	<b>90,374.59</b>



Raydius GmbH  
Frankfurt am Main  
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Cash flow statement (HGB) according to DRS 21 for financial statement 31.05.2023

No.	Position	2023 EUR	2022 EUR
1	Net income/(loss)	138,714.77	-401.58
2	+/- Depreciation / Appreciation on non-current assets	0.00	0.00
3	+/- Increase /Decrease in provisions	-209,554.05	152,163.18
4	+/- Other non-cash expenses/income	0.00	0.00
5	+/- Decrease / Increase of inventories, trade receivables as well as other assets, which are not allocated to investment or financing activities	-1,532,373.32	-669,539.09
6	+/- Increase / Decrease of trade payables as well as other liabilities, which are not allocated to investment or financing activities	1,534,300.71	24,807.41
7	+/- Loss / Profit from the disposal of noncurrent assets	0.00	0.00
8	+/- Interest expenses/Interest income	266.82	3,659.71
9	- Other income from investments	0.00	0.00
10	+/- Expenses / Income from exceptional size or exceptional importance	0.00	0.00
11	+/- Income tax expense / credit	-56,714.96	12,984.59
12	+ Cash inflows in connection with Income from exceptional size or exceptional importance	0.00	0.00
13	- Cash outflows in connection with Income from exceptional size or exceptional importance	0.00	0.00
14	-/+ Outgoing / Incoming payments for income tax	0.00	0.00
<b>15</b>	<b>= Cash flow from operating activities (operative cash flow)</b>	<b>-125,360.03</b>	<b>-476,325.78</b>
16	+ Cash inflows from disposal of intangible assets	0.00	0.00
17	- Cash outflows for investments in intangible assets	0.00	0.00
18	+ Cash inflows from disposal of tangible fixed assets	0.00	0.00
19	- Cash outflows for investments in tangible fixed assets	0.00	0.00
20	+ Cash inflows from disposal of financial assets	0.00	0.00
21	- Cash outflows for investments in financial assets	0.00	0.00
22	+ Cash inflows from disposals from consolidation group	0.00	0.00
23	- Cash outflows for additions to the consolidation group	0.00	0.00
24	+ Cash inflows based on financial assets within the scope of short-term financial planning	0.00	0.00
25	- Cash outflows based on financial assets within the scope of short-term financial planning	0.00	0.00
26	+ Cash inflows in connection with Income from exceptional size or exceptional importance	0.00	0.00
27	- Cash outflows in connection with Income from exceptional size or exceptional importance	0.00	0.00
28	+ Interest received	0.00	0.00
29	+ Dividends received	0.00	0.00
<b>30</b>	<b>= Cash flow from investing activities (investive cash flow)</b>	<b>0.00</b>	<b>0.00</b>
31	+ Cash inflows from increase in equity capital by the shareholders of the parent company	0.00	0.00
32	+ Cash inflows from increase in equity capital by other shareholders	0.00	0.00
33	- Cash outflows from decrease in equity capital by the shareholders of the parent company	0.00	0.00
34	- Cash outflows from decrease in equity capital by other shareholders	0.00	0.00
35	+ Cash inflows from issuing bonds and raising (financial) loans	0.00	0.00
36	- Cash outflows for repayment of bonds and (financial) loans	0.00	0.00
37	+ Cash inflows from received grants/subsidies	0.00	0.00
38	+ Cash inflows in connection with Income from exceptional size or exceptional importance	0.00	0.00
39	- Cash outflows in connection with Income from exceptional size or exceptional importance	0.00	0.00
40	- Interest paid	-266.82	-3,659.71
41	- Dividends paid to shareholders of the parent company	0.00	0.00
42	- Dividends paid to other shareholders	0.00	0.00
<b>43</b>	<b>= Cash flow from financing activities (finance cash flow)</b>	<b>-266.82</b>	<b>-3,659.71</b>
44	+/- Change in financial funds	-125,626.85	-479,985.49
45	+/- Exchange rate and valuation related changes of the financial funds	0.00	0.00
46	+ Consolidation-related changes in financial funds	0.00	0.00
47	Financial funds in the beginning of the period	223,098.96	703,084.45
<b>48</b>	<b>= Financial funds at the end of the period</b>	<b>97,472.11</b>	<b>223,098.96</b>

**Raydius GmbH**  
**Frankfurt am Main**  
**Commercial register local court Frankfurt am Main (HRB 112033)**

**Statement of changes in equity (HGB) according to DRS 22 for financial statement 31.05.2023**

	<b>Subscribed capital EUR</b>	<b>Retained earnings/(losses) EUR</b>	<b>Total Equity Capital EUR</b>
<b>Equity capital as 31.05.2021</b>	<b>25,000.00</b>	<b>90,776.17</b>	<b>115,776.17</b>
Net change in capital	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00
Annual result	0.00	-401.58	-401.58
<b>Equity capital as 31.05.2022</b>	<b>25,000.00</b>	<b>90,374.59</b>	<b>115,374.59</b>
Net change in capital	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00
Annual result	0.00	138,714.77	138,714.77
<b>Equity capital as 31.05.2023</b>	<b>25,000.00</b>	<b>229,089.36</b>	<b>254,089.36</b>

## **Notes to the financial statement 2023 of Raydius GmbH**

### **A. Basic information about the company and financial accounting**

#### **Register data about the company and structure**

The financial statement of Raydius GmbH ("the Company"), Frankfurt am Main (Local court Frankfurt am Main, HRB 112033) were prepared according to the principles set out in §§ 242 et seq. HGB taking into account the supplementary provisions for limited liability companies (§§ 264 et seq. HGB) as well as the Commercial Code ("GmbHG"). The financial statement consists according to Prospectus Regulation (Regulation (EU) 2017/1129) in connection with the Delegated Regulation (EU) 2019/980 of balance sheet, profit and loss statement, cash flow statement, equity change statement and notes.

The principal activity of the Company is the issuance of securities, in particular structured products.

The subscribed capital of the Company in the amount of TEUR 25 is wholly owned by Market Data Limited, with its registered address at Cannon Bridge House, 25 Dowgate Hill, London, United Kingdom.

The financial year covers the period from 1 June 2022 to 31 May 2023.

The Company shows at the balance sheet date size characteristics of a small limited liability company according to Section 267 para. 1 HGB. No use was made of the size-related reliefs stated in §§ 274a, 276, 288 and 326 HGB. The relief according to Section §§266 para. 1 sent. 3 HGB for small limited liability companies was used by creating an abridged balance sheet.

The profit and loss statement was structured according to the nature of expense method.

#### **Information about the accounting and valuation methods**

The accounting and valuation methods were not changed from the previous year.

Receivables, other assets and bank balances are each stated at nominal value. No depreciation and/or write offs were performed during the year.

The prepaid expenses on asset side were built according to § 250 para. 1 of the HGB.

The equity capital is stated at nominal value.

Provisions have been formed according to the best estimate of the expected amount to be paid. There are no non-current provisions with payment terms of more than one year.

Liabilities are recognized with their settlement value. Other liabilities resulting from the issued turbo warrants are recognized unchanged with their issue value. Liabilities with payment terms of more than one year are not applicable.

Foreign currency transactions are converted using the daily exchange rate and balances are retranslated monthly.

## **B. Notes on the balance sheet**

### **1. Receivables and other assets**

The receivables and other assets in the amount of TEUR 3.558 (Prior Year ("PY") TEUR 2.063) relate solely from receivables from related companies.

During the current period, receivables from related parties mainly include the amount receivable from the issuance of securities (turbo warrants) in the amount of TEUR 3.179 (PY TEUR 1.771) and receivable from the cost transfer agreement with a related party Brightpool<sup>1</sup>, with a carrying amount of TEUR 338 (TEUR 251). Receivable from the issuance of the turbo warrants is due from Brightpool<sup>1</sup>, a company under common control incorporated in Cyprus. Based on the service hedge agreement no physical payments are required by Brightpool<sup>1</sup>. There are no receivables with a maturity of more than one year.

### **2. Cash balance, Bundesbank balance, Deposits with banks and Cheques**

The bank balance amounts to TEUR 97 (PY TEUR 223).

### **3. Prepaid expenses**

The prepaid expenses in the amount of TEUR 45 (PY TEUR 7) results from prepaid fees relating to the issuance of the turbo warrants.

### **4. Equity capital**

Equity capital with a carrying amount of TEUR 254 (PY TEUR 115) is made up from the profit carried forward from previous year in the amount of TEUR 90 (PY TEUR 91), the profit of TEUR 139 (PY Loss TEUR 1) and the unchanged from prior year and fully paid subscribed capital of TEUR 25. The parent company has issued a guarantee deed for Raydius (please see D 6.).

### **5. Accruals**

Other provisions with a carrying amount of TEUR 141 (PY TEUR 350) consist mainly of other accounts payable amounting to TEUR 102 (PY TEUR 242), regulatory fees amounting to TEUR 19 (PY TEUR 41), and audit fees amounting to TEUR 20 (PY TEUR 17).

### **6. Liabilities**

Liabilities with a carrying amount of TEUR 3.305 (PY TEUR 1.771) consist of the amount due to the holders of the turbo warrants amounting to TEUR 3.179 (PY TEUR 1.771) and an amount due to related companies amounting to TEUR 126.

The liabilities to the holders of the issued securities in the amount of TEUR 3.179 (PY TEUR 1.771) are combined with the hedging contract in a single valuation unit.

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<sup>1</sup> Brightpool Limited, Limassol, Cyprus

## **7. Accounting according to single valuation unit (§254 HGB)**

The service hedge agreement stipulates that Brightpool<sup>1</sup> is liable for and settles all of the Company's liabilities arising from the turbo warrants and in return, the Company undertakes to pay the issuance value of the turbo warrants. The above arrangement leads to the netting off of the receivable balance from Brightpool<sup>1</sup>.

The hedging contract, therefore fully covers the possible risks. The hedged risk amount on the reporting date is TEUR 0,3 (PY TEUR 22).

The valuation unit was built according to § 254 HGB and was shown in the balance sheet according to the freezing method.

## **C. Notes on the income statement**

### **1. Change in presentation in the reporting year**

During the year, the company adjusted its presentation of revenue and cost of materials. Revenue includes payments received from the issuance and sale of the Turbo Warrants to the extent that they have been realized. Cost of materials includes payments made for the purchase back of the Turbo Warrants. In the previous year, these costs were recognised within revenue, which is why netting beyond the payments received from the issuance of the Turbo Warrants, could have led to negative revenue. If this presentation had been adopted in the previous year, with payments for the buyback reported in the previous year in the cost of materials, the revenue would have been MEUR 1.156, and the cost of materials would have been MEUR 1.141.

### **2. Revenue**

Revenue amounting to MEUR 1.749 is made of revenue deriving exclusively from the issuance and sale of the turbo warrants and represents realised gains.

### **3. Other operating income**

Other operating income amounting to TEUR 1.691 (PY TEUR 1.048) results exclusively from the transfer pricing agreement<sup>2</sup> with a related party for the absorption of all the operating costs of the Company.

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<sup>2</sup> From August 2019, the Service Hedge Agreement with Brightpool<sup>1</sup> applies, which includes cost coverage from Brightpool<sup>1</sup> on a cost plus basis.

#### **4. Material expenses**

Material expenses amounting to MEUR 1.751 mainly relates to the payments made for the purchase back of the Turbo Warrants amounting to MEUR 1.731, the distribution of the net realised results based on the hedging contract in connection with the issued turbo warrants for an amount of TEUR 18.076 (PY TEUR 14.193), as well as expenses for services received amounting to TEUR 1.608 (PY TEUR 1.029), including mainly expenses for rebate fees in the amount of TEUR 506 (PY TEUR 0), issuance of securities and the preparation of the necessary electronic documents in the amount of TEUR 450 (PY TEUR 618), legal and other professional services received amounting to TEUR 391 (PY TEUR 174), non-recoverable indirect tax amounting to TEUR 179 (PY TEUR 106) and regulator fees amounting to TEUR 82 (PY TEUR 131).

#### **5. Taxes on income**

Taxes on income amounts to TEUR 57 credit (PY TEUR 13 charge) and relates to the reversal of tax provisions for corporate income tax, solidarity surcharge and trade tax, since the company has taxable losses to utilize.

### **D. Other information**

#### **1. Number of employees**

No employees were employed by the Company in either the current or prior financial year.

#### **2. Directors**

Mr. Nikos Dimitriadis

Mrs. Yiota Aristedes

The members of the management did not receive any remuneration during the current year and no loans were granted to any of them.

#### **3. Information on the parent company**

The parent company according to Section 285 No. 14a HGB is Market Data Limited, a company registered in the United Kingdom (registration number 05022252), with its registered address at Cannon Bridge House, 25 Dowgate Hill, London, United Kingdom.

The ultimately parent undertaking and controlling party is IG Group Holdings PLC, a company listed on the London Stock Exchange and incorporated in the United Kingdom (registration number 04677092).

The ultimate parent entity which prepares the consolidated financial statements of the largest group of companies of which the Company forms part as a subsidiary, is IG Group Holdings PLC, and its consolidated financial statements are available on its website. Market Data Ltd, is the parent entity which prepares the consolidated financial statements of the smallest group of companies of which the Company forms parts as a subsidiary.

**4. Contingent liabilities**

There were no contingent liabilities as at the end of the current financial year.

**5. Other financial commitments**

There are no other financial commitments as defined by Section 285 No. 3a of the HGB.

**6. Deed of guarantee**

The parent company has issued a guarantee deed for the Company, guaranteeing to transfer to the Company the necessary funds to allow for the Company to meet its financial obligations as soon as they fall due in case the Company does not possess the necessary funds. The deed is not limited in time.

**7. Subsequent events**

On 6<sup>th</sup> of October 2023, a related entity Brightpool<sup>1</sup> has issued a guarantee deed for the Company, guaranteeing to transfer to the Company the necessary funds to allow for the Company to meet its financial obligations as soon as they fall due in case the Company does not possess the necessary funds. The deed is not limited in time.

Frankfurt am Main, 08 November 2023

Raydius GmbH

Frankfurt am Main

The Managing Directors



Yiota Aristedes



Nikos Dimitriadis



## INDEPENDENT AUDITOR'S REPORT

To Raydius GmbH, Frankfurt am Main

### *Audit Opinion*

We have audited the annual financial statements of Raydius GmbH, Frankfurt am Main, which comprise the balance sheet as at 31 May 2023, the statement of profit and loss, cash flow statement and statement of changes in equity for the financial year from 1 June 2022 to 31 May 2023 and notes to the financial statements, including the presentation of the recognition and measurement policies.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 May 2023 and of its financial performance for the financial year from 1 June 2022 to 31 May 2023 in compliance with German Legally Required Accounting Principles.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

### *Basis for the Audit Opinion*

We conducted our audit of the annual financial statements in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual financial statements.

### *Responsibilities of the Executive Directors for the Annual Financial Statements*

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to

enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

### *Auditor's Responsibilities for the Audit of the Annual Financial Statements*

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of this system of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future

events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

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

Frankfurt am Main, 8 November 2023

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

(sgd. Kay Böhm)  
Wirtschaftsprüfer  
(German Public Auditor)

(sgd. Muriel Atton)  
Wirtschaftsprüfer  
(German Public Auditor)



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