
GF Money Consumer Finance Denmark ApS

Carl Jacobsens Vej 16, 1. 6., DK-2500 Valby

Annual Report for 1 January - 31 December 2019

CVR No 38 00 33 99

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
07/07 2020

Tommy Olsen
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of GF Money Consumer Finance Denmark ApS for the financial year 1 January - 31 December 2019.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 7 July 2020

Executive Board

Mika Nestori Pihlava

Sami Simila

Tommy Olsen

Independent Auditor's Report

To the Shareholder of GF Money Consumer Finance Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of GF Money Consumer Finance Denmark ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet and notes, including a summary of accounting policies ("the Financial Statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical 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 opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements 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 our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

Independent Auditor's Report

in a manner that gives a true and fair view.

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.

Hellerup, 7 July 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jesper Otto Edelbo

statsautoriseret revisor

mne10901

Company Information

The Company

GF Money Consumer Finance Denmark ApS
Carl Jacobsens Vej 16, 1. 6.
DK-2500 Valby
Website: <https://nordcredit.dk/>

CVR No: 38 00 33 99
Financial period: 1 January - 31 December
Incorporated: 1 September 2016
Financial year: 4th financial year
Municipality of reg. office: København

Executive Board

Mika Nestori Pihlava
Sami Simila
Tommy Olsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of GF Money Consumer Finance Denmark ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

Key activities

The company is engaged in cash lending and other financial activities, as well as all activities that management considers related.

Development in the year

The income statement of the Company for 2019 shows a loss of DKK 10,578, and at 31 December 2019 the balance sheet of the Company shows negative equity of DKK 1,361,806.

Management has determined that equity is re-established through future operations and positive income. Refer to note 1 for further details.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

The Company's outlook for the future will be negatively affected by the COVID-19 outbreak and the measures taken by the Danish Government and governments in most of the world to mitigate the impacts of the outbreak. See also subsequent events disclosures in note 2. It is, however, too early yet to give an opinion as to the extent of the negative implications on the Company's outlook.

Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Revenue		20,423,081	14,476,319
Other external expenses		-11,965,345	-9,780,225
Gross profit/loss		8,457,736	4,696,094
Staff expenses	3	-1,554,637	-1,389,234
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-163,373	-56,965
Profit/loss before financial income and expenses		6,739,726	3,249,895
Financial income		81,185	0
Financial expenses	4	-5,104,357	-3,714,442
Profit/loss before tax		1,716,554	-464,547
Current tax for the year	5	-1,727,132	-182,688
Net profit/loss for the year		-10,578	-647,235

Distribution of profit

Proposed distribution of profit

Retained earnings		-10,578	-647,235
		-10,578	-647,235

Balance Sheet 31 December

Assets

	Note	2019 DKK	2018 DKK
Completed development projects		358,493	242,447
Reversal of amortisation of disposals for the year	6	358,493	242,447
Other fixtures and fittings, tools and equipment		39,999	60,398
Leasehold improvements		11,880	15,840
Property, plant and equipment		51,879	76,238
Deposits		29,002	29,002
Fixed asset investments		29,002	29,002
Fixed assets		439,374	347,687
Trade receivables		58,168,490	34,535,263
Receivables from group enterprises		0	1,341
Other receivables		90,171	124,218
Prepayments		96,427	96,086
Receivables		58,355,088	34,756,908
Cash at bank and in hand		164,343	2,545,770
Currents assets		58,519,431	37,302,678
Assets		58,958,805	37,650,365

Balance Sheet 31 December

Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		50,000	50,000
Retained earnings		-1,411,806	-1,401,228
Equity	7	-1,361,806	-1,351,228
Subordinate loan capital		1,494,300	0
Payables to group enterprises		26,449,110	15,027,801
Other payables		25,000	0
Long-term debt	8	27,968,410	15,027,801
Credit institutions, Avarto finance		29,231,411	23,215,518
Trade payables		758,771	436,556
Intercompany payables	8	240,167	0
Corporation tax		1,981,475	254,343
Other payables	8	140,377	67,375
Short-term debt		32,352,201	23,973,792
Debt		60,320,611	39,001,593
Liabilities and equity		58,958,805	37,650,365
Going concern	1		
Subsequent events	2		
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Notes to the Financial Statements

1 Going concern

The Parent Company has committed to providing financial support to GF Money Consumer Finance Denmark ApS by loans to the extent necessary to finance the operations of the company and settlement of the company's financial obligations in the period until adoption of the annual report for 2020. During this period existing and future loans to GF Money Consumer Finance Denmark ApS will only be terminated to the extent that the company's financial position enables repayment, and such loans will be subordinated to other creditors in GF Money Consumer Finance Denmark ApS.

2 Subsequent events

The implications of COVID-19 with many governments across the world deciding to "close down their countries" will have a negative impact on the global economy and the outlook for the company. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company. At this time, it is not possible to calculate the size of the negative COVID-19 impact.

	<u>2019</u> DKK	<u>2018</u> DKK
3 Staff expenses		
Wages and salaries	1,464,827	1,349,747
Other social security expenses	6,553	5,582
Other staff expenses	<u>83,257</u>	<u>33,905</u>
	<u>1,554,637</u>	<u>1,389,234</u>
Average number of employees	<u>3</u>	<u>2</u>
4 Financial expenses		
Interest paid to group enterprises	2,046,402	1,167,513
Other financial expenses	2,399,688	2,467,383
Exchange adjustments, expenses (EUR)	650,631	76,797
Exchange loss	<u>7,636</u>	<u>2,749</u>
	<u>5,104,357</u>	<u>3,714,442</u>

Notes to the Financial Statements

5 Tax on profit/loss for the year

Current tax for the year	1,727,132	182,688
	<u>1,727,132</u>	<u>182,688</u>

6 Intangible assets

	Completed development projects DKK
Cost at 1 January	289,509
Additions for the year	<u>255,060</u>
Cost at 31 December	<u>544,569</u>
Transfers for the year	<u>0</u>
Revaluations at 31 December	<u>0</u>
Impairment losses and amortisation at 1 January	47,062
Amortisation for the year	<u>139,014</u>
Impairment losses and amortisation at 31 December	<u>186,076</u>
Carrying amount at 31 December	<u>358,493</u>

Development projects relate to the development of new versions of the Company's existing software products. The projects are progressing according to plan through the use of the resources allocated by Management to the development.

7 Equity

	Share capital DKK	Retained earnings DKK	Total DKK
Equity at 1 January	50,000	-1,401,228	-1,351,228
Net profit/loss for the year	<u>0</u>	<u>-10,578</u>	<u>-10,578</u>
Equity at 31 December	<u>50,000</u>	<u>-1,411,806</u>	<u>-1,361,806</u>

Notes to the Financial Statements

8 Long-term debt

	2019 DKK	2018 DKK
Subordinate loan capital		
Between 1 and 5 years	1,494,300	0
Long-term part	1,494,300	0
Within 1 year	0	0
	1,494,300	0
Payables to group enterprises		
Between 1 and 5 years	26,449,110	15,027,801
Long-term part	26,449,110	15,027,801
Other short-term debt to group enterprises	240,167	0
	26,689,277	15,027,801
Other payables		
Between 1 and 5 years	25,000	0
Long-term part	25,000	0
Other short-term payables	140,377	67,375
	165,377	67,375

9 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Rental obligation, 6 months	29,002	29,002
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10 Related parties

Basis

Consolidated Financial Statements

The company is part of the consolidated report for the parent company

Name	Place of registered office
Lainasto Oy	Kristiinankatu 3 B, 20100 Turku, Finland

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of GF Money Consumer Finance Denmark ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Notes to the Financial Statements

11 Accounting Policies (continued)

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 12 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Notes to the Financial Statements

11 Accounting Policies (continued)

Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	5-10	years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,800 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.