Ferratum Denmark ApS
Strandvejen 125, 2900 Hellerup

ANNUAL REPORT 2018

For the year ended 31 December 2018

The annual report has been presented and adopted at the Company's Annual General Meeting.

14/6 2019

Chairman of Meeting

CVR No: 32 26 33 05

Content

Directors' report for the year ended 31 December 2018

The directors present their report and the audited financial statements of Ferratum Denmark ApS (the "Company") for the year ended 31 December 2018.

Principal activities
The principal activity of the Company, which is unchanged since last year, is to provide short term consumer credit facilities.

Results and dividends
The results for the year are shown in the statement of comprehensive income on page 7.

The directors recommend that a dividend is to be distributed in the sum of DKK 32,195,316 for 2018. No dividend was distributed in 2017.

Since year-end 2018, no significant changes in the Company's financial position have taken place. The liquidity of the Company is sound.

Review of business
The Company performed well with a growth ratio of approx. 34% in sales and was able to maintain a good level of cost efficiency. The expectation of continued strong growth in sales and high cost efficiency is also predicted in 2019.

Currency
The accounts are prepared in Danish Kroner *(DKK)*, in which the Company's share capital is denominated.

Directors
The directors of the Company who served during the year were:

Saku Eero Juhana Timonen – acted the whole year
Kristjan Kajakas – acted the whole year
Jesper Melander Hammer – appointed on 23 May 2018

Copenhagen, 14 June 2019

Jesper Melander Hammer
CEO

Kristjan Kajakas
CEO

Saku Eero Juhana Timonen
Director

Registered office:
Strandvejen 125, 2900 Hellerup, Denmark

Statement of Management's responsibility

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Ferratum Denmark ApS for the financial year 1 January – 31 December 2018.

The Annual Report is prepared in accordance with International Financial Reporting Standards as adopted by the EU. Moreover, the Annual Report is prepared in accordance with additional Danish disclosure requirements.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of Company operations and cash flows for 2018.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

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

Signed on behalf of the Executive Board.

Copenhagen, 14 June 2019:

Saku Eero Juhana Timonen
Chairman

Kristjan Kajakas
Member of the Board

Jesper Melander Hammer
Member of the Board

Independent Auditor's Reports

To the Shareholders of Ferratum Denmark ApS

Report on the Financial Statements

In our opinion, the Financial Statements give a true and fair view of the financial position of Ferratum Denmark ApS at 31 December 2018, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2018 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of Ferratum Denmark ApS for the financial year 1 January - 31 December 2018, which comprise statement of comprehensive income, statement of financial position, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies. The Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

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 Financial 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 International Financial Reporting Standards as adopted by the EU and further requirements in 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 misstatement, 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 judgment and maintain professional skepticism 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 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, 14 June 2019
PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jesper Wiinholt	Michael E. Jacobsen
State Authorised Public Accountant	State Authorised Public Accountant
mne-number: mne13914	mne-number: mne16655

Statement of Comprehensive Income for the year ending 31 December 2018

	Note	1 Jan – 31 Dec 2018 DKK	1 Jan – 31 Dec 2017 DKK
Revenues			
Process fees		**133,566,854**	97,429,016
Other fees		**6,937,843**	7,126,150
		140,504,697	104,555,166
Expenditures			
Direct costs		**(8,514,158)**	(9,697,273)
Impairments on loans		**(33,192,427)**	(21,776,773)
		(41,706,585)	(31,474,046)
Gross profit		**98,798,112**	73,081,120
Selling and distribution expenses		**(27,172,128)**	(20,873,516)
Administrative expenses		**(24,179,811)**	(12,390,219)
Finance income	4	**0**	0
Finance costs	5	**(324,999)**	(168,949)
Loss/Profit before income tax		**47,121,174**	39,648,436
Income tax refund/expense	6	**(10,246,399)**	(8,951,316)
Loss/Profit for the year		**36,874,775**	30,697,120
Other comprehensive income, net of income tax			
Total comprehensive loss/profit for the year		**36,874,775**	30,697,120

Statement of Financial Position for the year ending 31 December 2018

	Note	31 Dec 2018 DKK	31 Dec 2017 DKK
ASSETS			
Non - current assets			
Deferred tax	7	3,086,768	1,186,659
Total non - current assets		3,086,768	1,186,659
Current assets			
Trade receivables	8	136,560,318	125,281,152
Prepayments		764,704	435,299
Taxation receivable		-	-
Cash and cash equivalent	12	6,792,783	18,844,729
Total current assets		144,117,805	144,561,180
Total assets		147,204,573	145,747,839
EQUITY AND LIABILITIES			
Equity			
Share capital	9	200,000	200,000
Retained earnings		37,660,726	39,028,325
Proposed dividend		32,195,316	-
Total equity		70,056,042	39,228,325
Current liabilities			
Trade payables		2,569,789	3,673,474
Other payables	10	10,530,018	5,920,377
Borrowings	11	52,211,380	91,418,348
Taxation payable		11,837,344	5,507,315
Total current liabilities		77,148,531	106,519,514
Total equity and liabilities		147,204,573	145,747,839

Statement of Changes in Equity for the year ending 31 December 2018

	Share capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Balance at 1 January 2017	**200,000**	**8,331,205**	**0**	**8,531,205**
Total comprehensive profit/(loss) for the year		30,697,120		30,697,120
Dividend paid out			-	-
Balance at 31 December 2017	**200,000**	**39,028,325**	**0**	**39,228,325**
Changes on initial application of IFRS 9		(6,047,059)		(6,047,059)
Restated balance at 1 January 2018	**200,000**	**32,981,266**	**0**	**33,181,266**
Total comprehensive profit/(loss) for the year		36,874,775		36,874,775
Proposed dividend		(32,195,316)	32,195,316	0
Balance at 31 December 2018	**200,000**	**37,660,726**	**32,195,316**	**70,056,042**

Statement of Cash Flow for the year ending 31 December 2018

	Note	31 Dec 2018 DKK	31 Dec 2017 DKK
Cash flow from operating activities			
Profit before tax for the year		**47,121,174**	39,648,436
Adjustments for:			
Equity restatement IFRS 9 application		**(6,047,059)**	-
Finance income		-	-
Finance expense		**324,999**	168,949
		41,399,114	39,817,385
Movements in working capital			
(Increase) / decrease in trade receivables		**(11,279,166)**	(48,609,807)
(Increase) / decrease in other receivables		-	254,000
(Increase) / decrease in prepayments		**(329,405)**	315,305
Increase / (decrease) in deferred revenue	10	**74,245**	(388,126)
Increase / (decrease) in trade payables		**(1,103,685)**	2,269,175
Increase / (decrease) in other payables		**4,535,396**	1,770,995
Cash generated used in operating activities		**33,296,499**	(4,571,073)
Interest paid		**(161,917)**	(3,653)
Taxation paid		**(5,979,560)**	(922,000)
Net cash used in operating activities		**27,155,022**	(5,496,726)
Cash flows from financing activities			
Proceeds from borrowings	11	**18,251,997**	26,021,045
(Repayment) of borrowings	11	**(57,458,965)**	(4,000,000)
Increase / (decrease) in distributed dividend		-	-
Net cash generated from financing activities		**(39,206,968)**	22,021,045
Net (decrease) / increase in cash and cash equivalent		**(12,051,946)**	16,524,319
Cash and cash equivalents at the beginning of the year		**18,844,729**	2,320,410
Cash and cash equivalents at the end of the year	12	**6,792,783**	18,844,729

Notes to the Financial Statements - continued

1. General information
Ferratum Denmark ApS (the "Company") operates in Denmark. It is part of an international group and is providing mobile short-term consumer loans and short-term (up to 1 year) credit facilities to private persons. The company is registered in Denmark and trades under the names of Ferratum Denmark ApS and Kvikautomaten.

2. Significant accounting policies
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation
The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as adopted by EU.

The report "Statement of cash flow" is prepared based on the indirect method.

The financial statements have been prepared on a going concern basis, applying a historical cost convention.

(a) New and amended standards adopted by the company

The following standards have been adopted by the Company for the first time for the financial year on or after 1 January 2018:

IFRS 9 'Financial instruments'
The implementation of IFRS 9 replaces the guidance in IAS 39 and introduces a more logical approach to the classification of financial assets including a new impairment model for all financial assets.

The adoption of IFRS 9 as at 1 January 2018 has resulted in changes in the accounting policies for classification of financial assets and financial liabilities and impairment of financial assets. Further details of the specific IFRS 9 accounting policies applied in the current period (as well as the previous IAS 39 accounting policies in the comparative period) are described in more detail in note 2.2.

As permitted by the transitional provisions of IFRS 9, the Company has elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition wer recognised in the opening retained earnings of the current period.

The measurement category and the carrying amount of the Company's financial assets and liabilities in accordance with IAS 39 and IFRS 9 at 1 January 2018 taking into account the adjustment of IFRS 9 impairment model are compared as follows:

	IAS 39		IFRS 9	
	Measurement category	**Carrying amount**	**Measurement category**	**Carrying amount**
Financial assets:		**DKK**		**DKK**
Cash and cash equivalents	Amortised cost (Loans and receivables)	**18,844,729**	Amortised cost	18,844,729
Prepayments	Amortised cost (Loans and receivables)	**435,299**	Amortised cost	435,299
Trade receivables	Amortised cost (Loans and receivables)	**125,281,152**	Amortised cost	119,234,093

There were no changes to the classification and measurement of financial liabilities.

Notes to the Financial Statements - continued

The following table reconciles the carrying amounts of financial assets, from their previous measurement category in accordance with IAS 39 to their new measurement categories upon transition to IFRS 9 on 1 January 2018:

	IAS 39 carrying amount 31 Dec 2017 DKK	Remeasurements DKK	IFRS 9 carrying amount 1 Jan 2018 DKK
Amortised cost			
Cash and cash equivalents	18,844,729	-	18,844,729
Prepayments	435,299	-	435,299
Trade receivables	125,281,152	(6,047,059)	119,234,093
Total financial assets measured at amortised cost	**144,561,180**	**(6,047,059)**	**138,514,121**

IFRS 15 'Revenue from Contracts with Customers'
IFRS 15 replaces the IAS 18 Revenue and establishes a new comprehensive framework for recognition of revenue arising from contracts with customers. The core principle of the new framework is that an entity should recognize revenue representing the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 15 did not have any significant impact on the Company's financial statements, since the Company's revenue is fully related to interest income recognized mainly according to the effective interest rate within the scope of IFRS 9 Financial Instruments.

IFRIC 22 'Foreign Currency Transactions and Advance Consideration'
IFRIC 22 defines how to determine the 'date of transaction' for the purpose of determining the exchange rate to use on initial recognition of an advance payment in foreign currency for an asset, expence or income which results in a non-monetary asset or non-monetary liability.

The adoption of the new standard did not have any significant impact on the Company's financial statements.

(b) New standards and interpretations not yet adopted by the company:

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorization for issue of these financial statements, but have not yet become effective. The Company has not early adopted these revisions to the requirements of IFRSs as approved by the EU and the Company's directors are of the opinion that, there are no requirements that will have a possible significant impact on the Company's financial statements in the period of initial application.

IFRS 16 Leases issued in January 2016
IFRS 16 defines the recognition, measurement, presentation and disclosure requirements on leases. The standard introduces a single lessee accounting model that requires lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

At the same time, the standard has no substantial changes to lessor accounting. Lessors continue to classify leases as operating or finance. The adoption of the new standard should have no impact on the Company's financial statements as the Company does not have any leasing agreements. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier adoption is permitted if IFRS 15 has also been adopted.

IFRS 9 'Prepayment Features with Negative Compensation – Amendments to IFRS 9'
Amendments to IFRS 9 amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The adoption of the amendment to the standard should have no significant impact on the Company's financial statements. The standard is effective for annual periods beginning on or after 1 January 2019.

Notes to the Financial Statements - continued

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

2.2 Financial Assets
IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through income statement. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. IFRS 9 introduces a new impairment model that replaces impairment model defined in IAS 39. It is, however, the Company's opinion that this will not have any significant impact as the impairment model currently used is in line with the suggested changes in the amended IFRS 9 standard.

Financial instruments issued by the company are financial assets.

The financial instruments include no contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the company.

2.2.1 Loans and Receivables
Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period, which are classified as non-current assets. Management reviews these loans monthly and where doubt exists about collectability an allowance is made to reduce the carrying value to its realisable value.

2.2.2 Impairment of financial assets
The Company assesses on a forward-looking basis the expected credit losses ('ECLs') associated with its debt instruments carried at amortised cost. The measurement of ECLs reflects:

I. An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

II. The time value of monew, and

III. Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Note 2.19 provides more detail of how the expected credit allowance is measured.

Expected credit loss allowances are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Financial instrument with both a drawn and undrawn component, whereby the Company cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Company presents a combined loss allowance for both components, as a deduction from the gross carrying amount of the drawn component.

Until 31 December 2017 Ferratum Denmark ApS assessed financial impairment as noted below (under IAS 39):

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Notes to the Financial Statements - continued

Assets carried at amortized cost (account receivable – consumer loans)
The criteria that the Company uses to determine that there is objective evidence of impairment loss include:

a) a significant financial difficulty of the issuer or obligor;

b) a breach of contract, such as a default or delinquency in interest or principal payments;

c) the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider or;

d) observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

e) adverse changes in the payment status of borrowers in the portfolio; and

f) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (that consider on the basis of the Company's grading process asset type, past-due status and other relevant factors). The Company tracks its historical data of collected amounts and unpaid amounts on receivables. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

The provision for impairment of loan receivables is recognized in the financial statements based on historical trends and collective assessment of groups of microloans with similar credit risk characteristics. These loan receivables include the loan principal amount as well as related accrued fees (processing, prolonging, reminders and overdue fees). When receivables are impaired, the receivable's carrying amount is reduced to the receivable's recoverable amount. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in P&L. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account through P&L for the year. When the loans have been 100% impaired, they are written off.

Regular purchases and sales of financial assets are recognised on the trade-date. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

The mentioned above principles are applied to all different types of loans provided by the Company to its customers.

2.3 Prepayments
Prepayments are classified expenses paid in advance for subsequent years. These are recognised as current assets and recognised as an expenses in the year incurred.

2.4 Cash and cash equivalents
Cash and cash equivalents includes cash in hand and bank deposits.

Notes to the Financial Statements - continued

2.5 Share capital
Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.6 Dividends
Dividends that are expected to be paid during the year are shown as a separate item in equity after decision at the Annual General Meeting.

2.7 Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8 Loans from related party
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, after which it is included in the amortised cost of the loan. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2.9 Deferred income
Deferred income comprises payments received in respect of income in subsequent years.

2.10 Foreign currency translation
The financial statements of the company are presented in its functional currency, DKK, being the currency of the primary economic environment in which the company operates. Transactions denominated in currencies other than the functional currency are translated at the exchange rates ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year-end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt with in P&L. Non-monetary assets and liabilities denominated in currencies other than the functional currency that are measured at fair value are re-translated using the exchange rate ruling on the date the fair value was determined.

Non-monetary assets and liabilities denominated in currencies other than the functional currency that are measured in terms of historical cost are not re-translated. Exchange differences arising on the translation of non-monetary items carried at fair value are included in P&L for the period, except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised in Other Comprehensive Income. For such non-monetary items, any exchange component of that gain or loss is also recognised in Other Comprehensive Income.
Foreign exchange gains and losses are included within administrative expenses, except in the case of significant exchange differences arising on investing or financing activities, which are classified within investment income, investment losses or finance costs as appropriate.

2.11 Revenue recognition
The company generates its revenue from its microloan and credit facility financing activities, by charging one or more of the following fees to the customer: process fee (representing interest yield on initial microloan period and credit facilities), prolonging fees (representing interest yield for any extension of the repayment date for the original maturity date of the microloan and credit facility), reminder fees and overdue fees. The fees mentioned are an integral part of the creation of the financial asset (Trade and other receivables) and represent interest income in nature.

Notes to the Financial Statements - continued

The recognition of revenues is based on effective interest method. After signing the contract with the customer, the Company first assesses the probability that the fees charged can be recovered and that the economic benefits from the fees (i.e. the effective interest income accrued on the basis of the contractual fees) will flow to the Company. This assessment involves uncertainty estimation as it is based on the Company's statistics and historical information on customer behaviour.

The identification and credit scoring model allows the Company to create a customer default and risk profile for every single customer any time a loan request comes in. This is a critical step in the assessment whether or not the economic benefits associated with the issuance of the consumer loan will flow to the company as the scoring model rejects non-creditworthy loan requests.

2.12 Direct costs
Direct costs include costs incurred during the year for credit scoring the persons that have applied to obtain a loan or credit facility as well as costs incurred in relation to transferring funds to the lender.

2.13 Selling, Distribution and Administrative costs
Sales and Distribution costs include costs incurred for the sale and distribution of loans and credit facilities and for sales campaigns during the year, etc. This includes costs for sales personnel and advertising costs.

Administrative costs include costs incurred during the year for management and administration, including expenses for administrative staff, office premises and office expenses as well as depreciation and amortization of tangible assets.

2.14 Expenses
Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

2.15 Employee benefits
In the normal course of business through salary deductions, the company makes payments to mandatory State run pension funds on behalf of its employees as required by the law. All contributions made to the mandatory pension funds are recorded as salary expenses when incurred. The State pension plans are defined contribution plans; future payments are the obligation of the State.

2.16 Finance income and costs
Interest income and expense for all interest-bearing financial instruments, except microloans and short-term credit facilities, are recognised within 'finance income' and 'finance costs' in P&L using the effective interest method.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.17 Taxation
The tax expense for the period comprises current and deferred tax.

Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Notes to the Financial Statements - continued

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Statement of cash flow

The cash flow statement presents cash flows from operating and financing activities for the year, cash and cash equivalents at the beginning and end of the year.

Cash flow from operating activities is calculated using the indirect method based on profit after tax adjusted for non-cash operating items, changes in working capital, interest received and paid and paid company tax. Cash flows from financing activities comprise changes in the size or composition of share capital and related costs as well as borrowing, repayment of interest-bearing debt, purchase and sale of own shares and payment of dividends to shareholders.

Cash flows from finance leases are recognized under financing activities as payment of interest and repayment of debt.

Cash and cash equivalent comprises of funds deposited on bank accounts.

2.19 Financial risk management

The company activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Where applicable, any significant changes in the Company's exposure to financial risks or the manner in which the Company manages and measures these risks are disclosed below.

Currency risk

The Company operates mainly in Denmark however has some international connection mainly in Norway and is exposed to foreign exchange risk arising from various currency exposures. Transaction risk arises from future commercial transactions, recognised assets and liabilities. The Company's treasury's risk management policy is to hedge the main FX exposures in non-euro currencies. Management has set up a policy to manage their foreign exchange risk against their functional currency. At the reporting date, the Company mainly had transactions in it's functional currency, and accordingly, the transaction risk in the Company was minimal.

Interest rate risk

The Company's main interest rate risk arises from loan-facilities to customers and borrowing from parent company. These expose the Company to cash flow interest rate risk which is partially offset against each other. Increase in financing cost from parent company can potentially be covered by according price changes in new loans to customers whereby the spread between lending interest and borrowing interest is comparable high. During the year ended 31 december 2018 all the Company's trade receivables and borrowings was with a fixed rate and were denominated in DKK.

	31 Dec 2018 DKK	31 Dec 2017 DKK
Fixed interest rate trade receivables	**136,560,318**	125,281,152
Variable interest rate trade receivables	**-**	-
Total trade receivables	**136,560,318**	125,281,152

The Company has taken out a loan facility from the parent company to finance its operations as disclosed in note 11. The interest rates thereon and the terms of such borrowings are disclosed accordingly. The effective interest rate on the loan measured at amortised cost is disclosed in note 11.

Notes to the Financial Statements - continued

	31 Dec 2018 DKK	31 Dec 2017 DKK
Fixed interest rate borrowings	**52,211,380**	91,418,348
Variable interest rate borrowings	**-**	-
Total borrowings	**52,211,380**	91,418,348

The company is exposed to cash flow interest rate risk on trade receivables, borrowings and debt instruments carrying a floating interest rate and to fair value interest rate risk on lending, borrowings and debt instruments carrying a fixed interest rate. Investments in equity instruments are not exposed to interest rate risk.

Liquidity risk

The Company monitors and manages its risk to a shortage of funds by monitoring forecast and actual cash flows and by matching the maturity of both its financial assets and financial liabilities. Any surplus cash above the required for working capital management is transferred to the parent company as repayment of loan.

Credit risk

The Company's principal credit risk exposure relating to on-balance sheet financial assets, reflecting the maximum exposure to credit risk before collateral held or other credit enhancements, are as follows:

	2018 DKK	2017 DKK
Loans and receivables:		
Cash and cash equivalents	**6,792,783**	18,844,729
Prepayments	**764,704**	435,299
Trade receivables	**136,560,318**	125,281,152

The exposures set out in the table above are based on carrying amounts as reported in the statement of financial position for on-balance sheet financial assets. The table represents a worst case scenario of credit risk exposure to the Company on 31 December 2018 and 2017.

Prepayments consists usually of prepayments from services, e.g. IT maintenance, IT hosting, licence, and insurance prepayments etc.

Cash and cash equivalents is placed with a reliable financial institution in Denmark with a Fitch rating of "A".

Trade receivables are presented net of an allowance for doubtful debt. An allowance for doubtful debt is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flow. Credit risk with respect to receivables is limited due to credit control procedures and the large number of customers comprising the Company's debtor base.

The Company assesses the credit quality of its customers by taking into account their financial standing, past experience and other factors, such as bank references and the customers' financial position based on the "three-stage" model for impairment described in IFRS 9. In this respect, the Company considers the following categories for ECL measurement of trade receivables:

I. Micro-credit portfolios (e.g. Microloans and Plusloans) which are subject to bullet and instalment repayment characteristics, where default exposure is considered when the borrower is more than 90 days past due on any material credit obligation to the Company. The Probability of Default ("PD") is estimated by use of the roll-rate methodology; and

II. Micro-credit portfolios (Credit limits) with instalment repayment features and revolving micro-credit facilities, where default exposure is considered once the customer is overdue on minimum monthly payments by 60 days or more. The PD is estimated by use of the curve-stitching methodology.

For both of the above categories, then (i) The Exposure at Default ("EAD") is based either on expected amount owed at the time of default over the next 12 months or over the remaining lifetime and is determined based on the total balance on trade receivables at the reporting date, taking into account the total amount receivable from borrowers inclusive of principal and interest and (ii) the Loss Given Default ("LGD")

Notes to the Financial Statements - continued

represents the Company's expectation of the extent of loss on a defaulted exposure and is estimated based on the history of recovery rates of claims against defaulted counterparties which are highly influenced by collective debt recovery strategies as well as the Company's ability to dispose of overdue loan facilities.

Therefore, the definitions of credit-impaired and default are aligned so that stage 3 represents all loans which are considered defaulted or credit-impaired.

The Company recognizes loss allowances at an amount equal to 12-month ECL for debt investment securities that are determined to have a low credit risk at the reporting date. The Company considers a debt security to have low credit risk when it is considered "investment-grade", defined by recognized external rating agencies as a rating between AAA to BBB- (Standard & Poor's and Fitch) and Aaa-Baa3 (Moody's).

Management considers the credit quality of these financial assets as being acceptable and the implementation of IFRS 9 have not resulted in any significant change in estimation techniques or significant assumptions made during the year. These financial assets do not include any material balances with past default experience.

The Company's credit risk exposures relating to on-balance sheet items and off-balance sheet instruments, reflecting the maximum exposure to credit risk before collateral held or other credit enhancements include the following:

	31 December 2018 Gross exposure	**ECL allowance**	1 January 2018 Gross exposure	ECL allowance
	DKK	**DKK**	DKK	DKK
Credit risk exposures relating to on-balance sheet assets:				
Subject to IFRS 9 impairment allowances.				
Financial assets measured at amortised cost:				
Cash and cash equivalents	**6,792,783**	-	18,844,729	-
Prepayments	**764,704**	-	435,299	-
Trade receivables	**150,592,481**	**14,032,163**	130,675,096	5,393,944
Credit risk exposure	**158,149,968**	**14,032,163**	149,955,124	5,393,944

The Company manages the credit quality of its trade receivables by use of internal risk grades, which provide a progressively increasing risk profile ranging from "Regular" (best quality, less risky) to "Loss". These risk grades are an essesntial tool for the Company to identify both non-performing exposures and better-performing customers. The internal risk grades used by the Company are as follows:

- Performing: Internal grade "Regular".
- Under performing: Internal grades "Watch" and "Substandard"; and
- Non-performing: Internal grades "Doubtful" and "Loss".

Regular
Customers catergorised as "Regular" are principally debts where payment is not overdue by 30 days and where no recent history of default exists. Management does not expect any losses from non-perfomance by these customers, which are considered fully performing.

Watch
Loans that attract this category principally comprise those where payment becomes overdue by 30 days, but does not exceed 60 days for micro loans, and does not exceed 45 days for plus loans and credit limits.

Substandard
Exposures that are categorised within this category comprise those where payment becomes overdue by 61 days and over but not exceeding 90 days for micro loans, and where payment becomes overdue by 46 days but does not exceeed 60 days for plus loans and credit limits.

Notes to the Financial Statements - continued

Doubtful
Loans which attract a "Doubtful" grading are principally those assets in respect of which repayment becomes overdue by 61 days and over but not exceeding 180 days for plus loans and credit limits, and 91 days over but not exceeding 180 days for micro loans.

Loss
Loans in respect of which payment becomes overdue by 180 days.

	2018				2017
	Stage 1 12-month ECL	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	Total
	DKK	**DKK**	**DKK**	**DKK**	DKK
Trade receivables:					
Regular	**124,166,823**	**-**	**-**	**124,166,823**	125,935,725
Watch	**-**	**15,295,864**	**-**	**15,295,864**	2,660,677
Substandard	**-**	**5,526,185**	**-**	**5,526,185**	1,105,546
Doubtful	**-**	**-**	**5,603,609**	**5,603,609**	973,148
Loss	**-**	**-**	**-**	**-**	-
Gross carrying amount	**124,166,823**	**20,822,049**	**5,603,609**	**150,592,481**	130,675,096
Loss Allowance	**9,520,525**	**2,164,365**	**2,347,274**	**14,032,163**	5,393,944
Carrying amount	**114,646,298**	**18,657,685**	**3,256,336**	**136,560,318**	125,281,152

Capital risk management
The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maximise the return to stakeholders through the optimisation of the debt and equity balance.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in note 11 and cash and cash equivalents as disclosed in note 12 and items presented within equity in the statement of financial position.

The Company's directors manage the Company's capital structure and make adjustments to it, in light of changes in economic conditions. The capital structure is reviewed on an ongoing basis. Based on recommendations of the directors, the Company balances its overall capital structure through the payments of dividends, new share issues as well as the obtaining of new debt or the redemption of existing debt.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents.

During the year ended 31 December 2018 the Company's strategy, which was unchanged from 2017, was to maintain a gearing ratio below 3.

Net debt to equity ratio	**31 Dec 2018**	31 Dec 2017
	DKK	DKK
Cash and cash equivalents	**6.792.783**	18.844.729
Borrowings due within 1 year	**(52,211,380)**	-
Borrowings due after 1 year	**-**	(91,418,348)
Net debt	**(45,418,597)**	(72,573,619)
Cash and cash equivalents	**6.792.783**	18.844.729
Gross debt - fixed interest rate	**(52,211,380)**	(91,418,348)
Gross debt – variable interest rate	**-**	-
Net debt	**(45,418,597)**	(72,573,619)

Notes to the Financial Statements - continued

3. Personel costs	**31 Dec 2018 DKK**	**31 Dec 2017 DKK**
Wages and Salaries	**4,122,707**	4,325,430
Employee benefits	**613,186**	551,146
Taxes and statutory contributions	**114,140**	74,477
Directors salaries:		
- Salaries	**1,091,991**	1,421,894
- Termination benefits	**-**	94,500
	5,942,024	6,467,447

	Number of employees		**Costs of employees**	
	2018	**2017**	**2018**	**2017**
Selling and distribution	**16**	19	**3,262,765**	2,974,378
Administration	**4**	7	**1,473,028**	1,852,924
Directors	**1**	3	**1,206,231**	1,640,145
	21	27	**5,942,024**	6,467,447

4. Finance income	**31 Dec 2018 DKK**	**31 Dec 2018 DKK**
Other interests	**-**	-
	-	-

5. Finance costs	**31 Dec 2018 DKK**	**31 Dec 2017 DKK**
Bank interests	**166**	144
Other interests	**322,551**	168,805
Forex losses	**2,282**	-
	324,999	168,949

6. Income tax	**31 Dec 2018 DKK**	**31 Dec 2017 DKK**
Current tax (expense) for the year	**(12,344,926)**	(6,263,722)
Deferred tax benefit / (expense) for the year	**1,900,408**	(2,687,594)
Tax adjustment prior year	**198,119**	-
	(10,246,399)	(8,951,316)

Tax charge for the year	**31 Dec 2018 DKK**	**31 Dec 2017 DKK**
Profit before tax	**47,121,174**	39,648,436
Tax calculated at the applicable rate	**(10,366,658)**	(8,722,656)
The taxable effect of expenses not deductible for tax purposes	**(1,978,268)**	405,200
Adjustment to prior year's tax	**-**	-
Tax losses used / (carried forward)	**-**	2,053,734
Adjustment to prior year's tax	**198,119**	-
Deferred tax (expense) / benefit	**1,900,408**	(2,687,594)
	(10,246,399)	(8,951,316)

Differences between IFRS and statutory taxation regulations give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax basis.

Notes to the Financial Statements - continued

7. Deferred tax

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 22% (2017: 22%). Deferred income taxes are included as follows:

	2018	Movement for year	2017	Movement for year
	DKK	DKK	DKK	DKK
Provisions	**3,086,768**	1,900,408	**1,186,659**	(2,687,594)
	3,086,768	1,900,408	**1,186,659**	(2,687,594)

At 31 December 2018 the company had a deferred tax asset of DKK 3,086,768 (2017: 1,186,659) emanating from deductible temporary differences of DKK 14,032,163 (2017: DKK 5,393,944).

8. Trade receivables

	31 Dec 2018	31 Dec 2017
	DKK	DKK
Trade receivables – consumer loans gross	**150,592,481**	130,675,096
Less provision for impairment of loan receivables	**(14,032,163)**	(5,393,944)
	136,560,318	125,281,152

The carried Amount corresponds to the fair value of the receivables.

Movement on the provision for report of trade receivables are as follows:

	31 Dec 2018	31 Dec 2017
	DKK	DKK
At 1 January	**(5,393,944)**	(3,476,728)
Provision for impairment	**(8,638,219)**	(1,917,216)
Amounts fully reserved and booked out	-	-
At 31 December	**(14,032,163)**	(5,393,944)

The Company has realised a loss of DKK 55,765k by selling a portfolio with a nominal value of DKK 117,525k. The Company has received DKK 61,761k for the portfolio.

The creation and release of provision for impared receivables have been included in "Credit loss reserves" in the income statement. Amounts charged to the allowed account are generally written off, when there is no expectation of recovering additional cash.

The Company does not have a material amount of individually impaired loan receivables. The aging analysis of loan receivables which are collectively assessed for impairment is presented under IAS 39 ageing structure as follows:

DKK		**31 December 2018**				31 December 2017		
	GBV*	**Provision for impairment**	**NVB****	**ILCR*** %**	GBV*	Provision for impairment	NVB**	ILCR*** %
Not overdue	**124,166,822**	**9,520,525**	**114,646,297**	**7.7%**	125,935,725	4,687,328	121,248,397	3.7%
1-90 days due	**26,425,659**	**4,511,638**	**21,914,021**	**17.1%**	4,739,371	706,616	4,032,755	14.9%
91-180 days due	**-**	**-**	**-**	**-**	-	-	-	
>180 days due	**-**	**-**	**-**	**-**	-	-	-	
Total	**150,592,481**	**14,032,163**	**136,560,318**		130,675,096	5,393,944	125,281,152	

*GBV = Gross Book Value. **NBV = Net Book Value. ***ILCR = Impaired Loan Coverage Ratio

Notes to the Financial Statements - continued

The adoption of IFRS 9 has resulted in changes in our accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. Refer to note 2.19 for more detail regarding 2018 analysis and measurement of loan receivables.

The Company uses an allowance to recognise impairment losses on loans to customers. Recognition of movements in the allowance account is as follows:

	2018 DKK	2017 DKK
Provision for impairment on 1 January	(5,393,944)	(3,476,728)
IFRS 9 implementation	-	-
Impairments on loans	(8,638,219)	(1,917,216)
Amounts written-off as fully impaired	-	-
At 31 December	(14,032,163)	(5,393,944)

The ageing credit loss percentage of loan receivables, which are collectively assessed for impairment, is as follows:

	Micro Loans		Credit Facility	
	2018	2017	2018	2017
Period	Percentage	Percentage	Percentage	Percentage
Current	0.0%	0.0%	7.7%	3.7%
1-30 days	0.0%	0.0%	14.2%	12.2%
31-60 days	0.0%	0.0%	21.1%	18.3%
61-90 days	0.0%	0.0%	0.0%	24.4%
91-180 days	0.0%	0.0%	70.9%	30.4%
181-360 days	0.0%	60.0%	66.3%	51.2%
Over 360	100.0%	89.0%	86.8%	82.5%

9. Share Capital

	31 Dec 2018 DKK	31 Dec 2017 DKK
Authorised:		
200,000 Ordinary Shares of DKK 1 each	200,000	200,000
Issued and fully paid up:		
200,000 Ordinary Shares of DKK 1 each	200,000	200,000

10. Current liabilities

	31 Dec 2018 DKK	31 Dec 2017 DKK
Other payables	28,427	328,241
Social Costs and other taxes	1,909,254	1,165,976
Accruals	7,703,670	3,611,739
Deferred revenue	888,667	814,421
	10,530,018	5,920,377

Accruals are related to invoices which were not approved by the closing of the year 2018. Deferred revenue relates to change in recognition of revenue as per IFRS, where revenues comprise of process fees, prolonging fees and reminder fees.

Notes to the Financial Statements - continued

11. Borrowings

	31 Dec 2018 DKK	31 Dec 2017 DKK
Borrowings from parent company	**50,916,106**	89,300,999
Borrowings from related companies	**1,295,274**	2,117,349
	52,211,380	91,418,348

Related party loans are unsecured, interest is charged at 8% on the loan from the parent company. The loans are repayable on demand but will be repaid by 2019. The effective interest rate used to discount the estimated future cash payments through the expected life of these loans to the net carrying amount is 8%.

12. Note to the statement of cash flows

Analysis of the balance of cash and cash equivalents as shown in the statement of cash flows:

	31 Dec 2018 DKK	31 Dec 2017 DKK
Cash at bank and in hand	**6,792,783**	18,844,729

13. Related party transactions

The directors consider the ultimate controlling party to be Ferratum Oyj, who owns 100% of the issued share capital of Ferratum Denmark ApS, a company quoted on the Frankfurt stock exchange.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director.

The related party P&L transactions in question were:

	2018 DKK	2017 DKK
Purchase of services from related parties	**14,821,022**	4,847,261
Finance costs	**4,751,997**	5,475,226

The Company has business relationships with parent company and related party companies. The acquired services include administrative services, IT-services, project management, advisory and consulting services.

The related party Balance Sheet transactions in question were:

	31 Dec 2018 DKK	31 Dec 2017 DKK
Intragroup trade payables	**1,422,184**	2,728,507
Intragroup borrowings	**52,211,380**	91,418,348

Related party transactions have been carried out on generally accepted market terms and they have been based on the market price of goods and services.

Key management compensation for members of the Board of Directors and CEO were:

	2018 DKK	2017 DKK
Salaries and other short-term employee benefits	**1,122,688**	1,461,424
Termination benefits	**-**	94,500
Statutory pension costs	**83,543**	84,221
Total	**1,206,231**	1,640,145

Notes to the Financial Statements - continued

	2018 DKK	2017 DKK
Jesper Hammer, CEO, Member of the Board of Directors		
Salaries and other short-term employee benefits	**1,122,688**	671,524
Statutory pension costs	**83,543**	39,000
Mikkel Winston, CEO, Member of the Board of Directors		
Salaries and other short-term employee benefits	-	668,814
Termination benefits	-	94,500
Statutory pension costs		42,034
Stefan Hansen, CEO, Member of the Board of Directors		
Salaries and other short-term employee benefits	-	121,086
Statutory pension costs	-	3,187
Total	**1,206,231**	1,640,145

14. Capital commitments

	2018 DKK	2017 DKK
Authorised and contracted for:		
Office rent	**138,000**	125,000
Authorised and contracted for	**138,000**	125,000

Should the company want to terminate the rental contract a 3 months notice is required amounting to DKK 138,000.

15. Contingent liabilities

The Company's debtors have been given as security for loan made by the Company's business partner.

Besides the above the Company had no claims for contingent liabilities during the year.

16. Events after the reporting period

There were no material events after the year-end, up to the date of issuing these financial statements, which would have a bearing on the understanding of these financial statements.