


ViaBill A/S
CVR-nr. 33245564
Søndergade 2
8000 Aarhus

Annual Report 2017/2018

Adopted at the Annual General Meeting, 14.03.2019

Chairman of the Annual General Meeting



Name: Jan Lytje-Hansen



CVR-nr. 33245564

ViaBill A/S ANNUAL REPORT 2017/2018

Adopted at the Annual General Meeting, 14.03.2019

Chairman of the Annual General Meeting

Name: Jan Lytje-Hansen

ViaBill A/S
Søndergade 2, 2. sal
8000 Aarhus C

CVR-nr.: 33245564

Phone: 88 826 826

GENERAL INFORMATION

GENERAL INFORMATION

ViaBill A/S
Søndergade 2, 2. floor
8000 Aarhus C

CVR-nr.: 33 245 564

Headquarters: Aarhus

Financial year: 01.10.2017 – 30.09.2018

Phone: 88 826 826

BOARD MEMBERS

Ib Nørholm, Chairman of the board
Claus Jørgen Jørgensen
Jan Lytje-Hansen

DIRECTOR

Jan Lytje-Hansen, CEO

ACCOUNTANT

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

LAWYER:

Gorrissen Federspiel Advokatpartnerselskab
Silkeborgvej 2
8000 Aarhus C

BANK:

Nykredit Bank
Kalvebod Vrygge 1
1780 København V



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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Director have today considered and approved the annual report of ViaBill A/S for the financial year 1 October 2017 – 30 September 2018.

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act applying to entities of reporting class B with additional choices from reporting class C.

In our opinion, the financial statements give a true and fair view of the Company's assets, equity, liabilities and financial position at 30 September 2018 and of its financial performance and cash flows for the financial year 1 October 2017 – 30 September 2018.

In our opinion the management commentary includes a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus 14.03.2019

Director

Jan Lytje-Hansen
CEO



Board of Directors

Ib Nørholm
Chairman of the board



Claus Jørgen Jørgensen



Jan Lytje-Hansen



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF VIABILL A/S

OPINION

We have audited the financial statements of Viabill A/S for the financial year 01.10.2017 - 30.09.2018, which comprise the income statement, statement of financial position, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30-09-2018 and of the results of its operations and cash flows for the financial year 01.10.2017 - 30.09.2018 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics

Standards Board of 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 THE MANAGEMENT COMMENTARY

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

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 additional requirements of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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:



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Aarhus, 14.03.2019

DELOITTE

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Jakob Boutrup Ditlevsen
State-Authorised
Public Accountant
MNE no.: mne27275

Søren Alsen Lauridsen
State-Authorised
Public Accountant
MNE no.: mne40040



MANAGEMENT REPORT

BUSINESS CONCEPT AND MAIN ACTIVITY

MAIN ACTIVITY

The main activity of ViaBill A/S is to deliver a convenient, flexible and competitive payment option to end customers when shopping. A widely distributed payment option, which offers unique attributes contrary to other payment options.

ViaBill A/S is a pure FinTech company. Hence, our technological solutions should - and must - be of a leading quality, ingenuity, and convenience for our merchants and end customers. Our business development and IT departments continuously monitor the latest trends and opportunities in the market. They constantly test and invent new breath-taking features, e.g. the unique ViaBill PriceTags and smooth checkout flow.

BUSINESS CONCEPT

Since 2013, ViaBill A/S has focused only on being a payment option at the Danish e-commerce market. The past three years have mainly been spent on:

- developing the service in order to make it fit the needs and wishes of the end customer, and
- developing and magnifying the infrastructure amongst merchants where the ViaBill service can be used

Our main focus is to provide the end customer with a payment option and service, which leads to a long-term and profitable customer relationship. This can only be obtained if the ViaBill service is transparent and competitive. The idea and value of the ViaBill service is to turn our customers into returning customers. Hence, it's important, that our service is convenient to use, and the shopping opportunities where our payment option can be used, is vast and satisfies the needs of our customers.

It is our strategy is initially to offer our customers a small credit, and monitor the payment behavior of our customer before we increase our credit risk with the individual customer. If a customer initially wishes to obtain a large credit, this customer is positioned outside our field of business. Such customers are politely guided to an expanded checkout flow, and we immediately send this loan application to our cooperating bank, who then evaluates the customer according to their credit policies. If the customer is approved by the bank, the customer becomes a customer of the bank (not with ViaBill A/S), and ViaBill A/S receives a commission from the bank. We are quite comfortable with this setup, especially because approx. 90% of all transactions on the e-commerce market are within our own credit limit.

LONG-TERM GOALS

Our long-term goal is to be an internationally significant payment option, which is to be achieved through offering strong value propositions to the end customers. This leads to long-term relationships with our customers and multiple purchases with ViaBill. It's ViaBill's believe that more happy returning customers lead to more transactions through ViaBill. And the

higher percentage of a merchant's total transactions created through ViaBill, the more significant and indispensable the ViaBill service is. Often, merchants who offer the ViaBill payment option as a supplement to other instant payment options, experience increased conversion, a significant increase in basket size, hence an increase in revenue and net profit.

It's our goal to continue to provide the market with an outstanding payment option containing smart features and services. Not just when shopping, but also after shopping, where our customers are introduced to our "World's Biggest Virtual Shopping Mall", containing extraordinary discounts, services, opportunities, and experiences. There should be no reason for a merchant not to offer ViaBill as a payment option, hence, we wish and expect our infrastructure to be as comprehensive as possible for the benefit of our customers and merchants.

FINANCIAL GOALS

ViaBill A/S' financial goals for the coming three years are:

- A revenue growth of between 25-50% annually over the next three years
- Our EBITDA margin shall represent a minimum of 56%
- The return on asserts, excluding goodwill, shall represent a minimum of 8%
- The ROE shall represent a minimum of 50%

THE YEAR IN BRIEF

OPERATIONS

ViaBill A/S delivered in the reporting period 2017/2018 a net profit of DKK 485,538 after taxes. The main reason for the deviation from the management predicted upon submission of the previous annual report, is non-recurring costs of DKK 15,946,704.

NON-RECURRING COSTS

In accordance with the Danish Court's decision, ViaBill A/S has been ruled to repay previous fees to a number of customers.

In financial year 2017/18 ViaBill A/S has recognised fees that are already repaid as non-recurring costs. Furthermore, ViaBill A/S has recognised a provision for unpaid fees based on Management's estimates from historical data.

After the Danish Court's decision, Viabill A/S no longer operates with the fees in question.

INVESTMENTS

ViaBill A/S has in this reporting period mainly invested in our intangible asset; the development of our software. The investment in our software represents DKK 4,403,316.

ViaBill A/5 expects to invest approx. DKKm 10 in the

MANAGEMENT REPORT

development of our software, in the coming two years, which will be financed from the operating profits.

FINANCING

The annual report shows, that the structure of our Net interest bearing debt of DKK 334,732,406 per 30.09.2018 has resulted in financing cost of DKK 16,078,183.

Furthermore, Via Bill A/S expects that the balance of receivables from our customers increases to approx. DKKm 850, in the next two years.

KNOWLEDGE RESOURCES

ViaBill A/S' knowledge resources can be divided into four categories: Customers, technology / development, employees and external partners

CUSTOMERS

It is ViaBill A/S' aim to create value for our customers through delivering intelligent services, which are considered convenient and competitive by our customers. In order to evaluate our performance in this sphere, we constantly monitor the many comments and remarks stated on diverse internet forums created for this purpose, e.g. Amino and TrustPilot. And it's with great satisfaction, we can conclude, that our customers, in general, are very satisfied with the ViaBill service.

ViaBill A/S has, during 2017/2018, intensified the focus on delivering an outstanding customer service and customer experience. Hence, we have expanded our customers' opportunity to initiate a dialogue with ViaBill A/S no matter the issue. Our opening hours for phone calls are expanded to 07:00 - 19:00. We also communicate through SMS to our customers, if we experience problems with accessing the payment card.

Fraud has become an increasing problem in e-commerce - also in Denmark. It goes without saying, that it is important for ViaBill A/S to avoid unacceptable losses from debtors. Therefore, ViaBill has partnered with the police department LCIK, with the purpose of preventing fraud.

TECHNOLOGY / DEVELOPMENT

It is crucial for ViaBill A/S - both short and long-term - to deliver a portfolio of excellent technologies, which generate a perception among our customers, that the ViaBill service is of great importance, quality, and convenience. Hence, it is important for management, that ViaBill A/S constantly delivers new excellent features to our customers.

EMPLOYEES

The competence and knowledge level of our employees are of crucial importance in our constant wish to deliver excellent services. Through the year, ViaBill A/S has been able to attract highly skilled employees, especially in the software development department, where nine highly skilled employees work out of Poland, Denmark, Serbia, Netherlands, Spain, Hungary and Greece.

We have in the end of the reporting period attracted a new Head of Sales, Head of Customer Support, Head of Accounting and we expect much from these recruitments.

EXTERNAL PARTNERS

An important resource for ViaBill A/S is the relationship and co-operation with our many external partners, e.g. Payment Service

Providers, shop systems, web bureaus, acquirers and public opinion leaders such as e-mærket and FDIH. All these external partners each have a lot of interfaces with merchants and customers, and it is important for ViaBill A/S that these partners communicate a positive message out in regards to ViaBill A/S and our services to their customers, partners, and other diverse interfaces.

UNCERTAINTIES IN RECOGNITION AND MEASUREMENT

ViaBill's receivables are recognized in the annual report at a fair market value.

The fair value is estimated and recognized in accordance with IFRS 13. All relevant factors included in the fair value model are continuously assessed. Changes continuously adjusted in consideration to the change in observable and non-observable market data.

As a result of that, there are no observable market data for all factors, ViaBill has, therefore, determined factors based on analyses of historical data and expectations for future developments.

The Company has appealed a ruling from the Danish Tax Agency regarding handling of VAT on reminder fees. In financial year 2017/18 the Company has recognised the amount that is not appealed which amounts to DKKm 1.9. The remaining potential liability resulting from this ruling is not recognised in the financial statements. At worst, this amounts to DKKm 6.2.

EVENTS AFTER THE END OF THE REPORTING PERIOD

From the end of the reporting date, 30.09.2018 and until today, no events have occurred, which significantly will affect the evaluation of this annual report.

EXPECTATIONS AND OTHER COMMENTS ON THE FUTURE

The significant growth of both the e-commerce market and the ViaBill service are expected to continue in the coming years.

Management has the following specific expectations to the upcoming year:

- Revenue and net profit: Increase of min. 25%
- Loans (to customers): Increase of min. 50% (to min. 580 MDKK)
- Number of active customers: Increase of min. 30% (to an approx. 180,000 customers)
- Number of merchants offering ViaBill: Increase of min. 25% (to a min. 5.000 merchants).
- ViaBill A/S is a payment option in at least two new countries.

THE BOARD'S WORK

The Boards of ViaBill ensure that the executive is specified by the Board adopted targets and objectives, strategies and business procedures. Orientation from Management happens systematically at meetings and through written and oral reports. These reports cover such areas as external business development and profitability and the financial position.

MANAGEMENT REPORT

INFORMATION ABOUT MEMBERS OF THE BOARD OF DIRECTORS

The Board consists of three members of which the company

CLAUS JØRGEN JØRGENSEN (MEMBER OF THE BOARD)

CHAIRMAN OF THE BOARD:

Danagri Invest A/S

MEMBER OF THE BOARD:

Danske Faktura ApS,

FH Asset Management ApS

Nørrebro 2019 ApS

Nørrebro 2019 Holding ApS

ViaBill Finans ApS

DIRECTOR:

CC Mos Invest ApS

Hundslev Invest ApS

Limaro 1 ApS

Limaro 2 ApS

IB NØRHOLM (CHAIRMAN OF THE BOARD)

Share of the share capital is 17% September 30, 2018

CHAIRMAN OF THE BOARD:

The Holding Co. A/S

Whiteaway A/S

Whiteaway Group A/S

Danske Faktura ApS

Joblicate A/S (Retired after 30.09.18)

Gaest.com A/S (Retired after 30.09.18)

Skousen Online Service A/S

AG Agerbæksvej 21 ApS (Retired after 30.09.18)

ViaBill Finans ApS

MEMBER OF THE BOARD:

Venue Manager A/S

Indeks Retail A/S

DIRECTOR:

Campodian ApS

Sumopix ApS

TIN Holding ApS

Hvidevare-finansieringsselskabet af 2178 2002 ApS (Retired after 30.09.18)

Over Hækken 12 ApS

Over Hækken 14 ApS

JAN LYTJE-HANSEN (MEMBER OF THE BOARD AND DIRECTOR)

Share of the share capital is 49% September 30, 2018

MEMBER OF THE BOARD:

The Holding Co. A/S

Danske Faktura ApS

ViaBill Finans ApS

DIRECTOR:

The Holding Co. A/S

Danske Faktura ApS

ViaBill Finans ApS

INCOME STATEMENT FOR THE PERIOD 01.10.17-30.09.18

| DKK | Notes | 2017/18 | 2016/17 | 2015/16 |
|--|-------|-------------------|-------------------|-------------------|
| Revenue | 2 | 54.371.035 | 44.356.464 | 28.066.287 |
| Fair market value adjustments | 11 | 15.183.641 | 13.315.273 | 7.769.697 |
| Total income | | 69.554.676 | 57.671.737 | 35.835.984 |
| Employee costs | 3 | (10.773.395) | (7.810.892) | (6.337.166) |
| Other external costs | 4 | (23.063.307) | (14.896.523) | (9.422.195) |
| Depreciation, amortisation and impairment losses | 5 | (3.070.263) | (2.559.143) | (2.264.592) |
| Operating profit | | 32.647.711 | 32.405.179 | 17.812.031 |
| Financial income | 6 | 143 | 0 | 140 |
| Financial expenses | 7 | (16.078.326) | (12.865.802) | (8.374.736) |
| Profit before income taxes | | 16.569.241 | 19.539.377 | 9.437.435 |
| Non-recurring costs | 8 | (15.946.704) | (5.455.824) | 0 |
| Profit before income taxes | | 622.538 | 14.083.553 | 9.437.435 |
| Income taxes | 9 | (137.000) | (3.100.000) | 258.696 |
| Net profit | | 485.538 | 10.983.553 | 9.696.131 |
| Other comprehensive income | | 0 | 0 | 0 |
| Total comprehensive income | | 485.538 | 10.983.553 | 9.696.131 |
| Retained earnings | | (2.373.990) | 8.364.571 | 9.696.131 |
| Reserve for development costs | | 2.859.528 | 2.618.982 | 0 |
| Dividends | | 0 | 0 | 0 |

STATEMENT OF FINANCIAL POSITION

ASSETS

| DKK | Notes | 30.09.2018 | 30.09.2017 | 30.09.2016 |
|--|--------|--------------------|--------------------|--------------------|
| In-process and developed software | 10 | 13.869.160 | 12.491.517 | 11.309.298 |
| Intangible assets | | 13.869.160 | 12.491.517 | 11.309.298 |
| Property, plant and equipment | 10 | 276.850 | 64.811 | 66.822 |
| Tangible assets | | 276.850 | 64.811 | 66.822 |
| Deferred income tax assets | | 0 | 0 | 0 |
| Other non-current assets | | 0 | 0 | 0 |
| Total non-current assets | | 14.146.010 | 12.556.329 | 11.376.121 |
| Trade receivables measured at fair value | 11, 12 | 371.600.729 | 192.677.629 | 112.271.486 |
| Other receivables | | 2.840.802 | 1.997.064 | 2.881.137 |
| Receivables | | 374.441.532 | 194.674.693 | 115.152.622 |
| Cash and bank balances | | 8.414.169 | 1.860.385 | 840.507 |
| Total current assets | | 382.855.701 | 196.535.078 | 115.993.129 |
| Total assets | | 397.001.712 | 209.091.406 | 127.369.250 |

STATEMENT OF FINANCIAL POSITION

EQUITY AND LIABILITIES

| DKK | Notes | 30.09.2018 | 30.09.2017 | 30.09.2016 |
|--------------------------------------|--------|--------------------|--------------------|--------------------|
| Share capital | 14 | 556.306 | 539.034 | 539.034 |
| Retained earnings | | 23.553.090 | 24.869.688 | 16.505.117 |
| Reserve for development costs | | 5.478.510 | 2.618.982 | |
| Equity | | 29.587.905 | 28.027.704 | 17.044.151 |
| Subordinated loan capital | 13, 14 | 89.893.395 | 24.580.691 | 19.580.691 |
| Loans | 13, 14 | 253.253.180 | 58.075.215 | 62.158.143 |
| Other non-current liabilities | 13, 14 | 0 | 73.416.666 | 17.249.999 |
| Total non-current liabilities | | 343.146.575 | 156.072.572 | 98.988.833 |
| Current loans | | 0 | 1.074.411 | 623.815 |
| Debt | | 0 | 0 | 0 |
| Trade payables | | 15.523.826 | 11.311.418 | 7.850.011 |
| Deferred income tax liability | | 4.737.000 | 4.600.000 | 1.500.000 |
| Tax payable | | 0 | 0 | 232.571 |
| Other liabilities | 15 | 4.006.405 | 8.005.301 | 1.129.866 |
| Total current liabilities | | 24.267.231 | 24.991.130 | 11.336.263 |
| Total liabilities | | 367.413.806 | 181.063.702 | 110.325.096 |
| Total equity and liabilities | | 397.001.712 | 209.091.406 | 127.369.247 |

STATEMENT OF CHANGE IN EQUITY

| DKK | Share capital | Retained earnings* | Reserve for development costs | Total equity |
|--------------------------------|----------------|--------------------|-------------------------------|-------------------|
| Equity as of 30.09.2016 | 539.034 | 16.505.117 | | 17.044.151 |
| Comprehensive income | | 8.364.571 | 2.618.982 | 10.983.553 |
| Equity as of 30.09.2017 | 539.034 | 27.488.670 | | 28.027.704 |
| Net profit/loss | | -2.373.990 | 2.859.528 | 485.538 |
| Issuance of additional shares | 17.272 | 1.057.392 | | 1.074.664 |
| Equity as of 30.09.2018 | 556.306 | 23.553.090 | 5.478.510 | 29.587.905 |

The share capital consists of 556,306 shares of 1 DKK each.

There have been issued additional shares of 17,272 nominal shares of 1 DKK each. The shares were issued with a premium of 1,057,392 DKK.

*Included in the total Retained earnings is 1,057,392 DKK related to share premium

Changes in equity over the past 5 years:

| DKK | 2017/18 | 2016/17 | 2015/16 | 2014/15 | 2013/14 |
|------------------|---------|---------|---------|---------|---------|
| Capital increase | 17.272 | 0 | 0 | 39.034 | 0 |

There has not been any other changes in the share capital in previous years.

CASH FLOW STATEMENT

| DKK | Notes | 2017/18 | 2016/17 | 2015/16 |
|---|-------|----------------------|---------------------|---------------------|
| Cashflow from operating activities | | | | |
| Profit before income taxes | | 622.538 | 14.083.553 | 9.437.435 |
| Tax paid | | 0 | (356.486) | 0 |
| Adjustments for non-cash operating items: | | | | |
| Depreciation, amortisation and impairment losses | 6 | 3.070.263 | 2.559.143 | 2.264.592 |
| Total | | 3.692.801 | 16.286.210 | 11.702.027 |
| Changes in operating capital | | | | |
| Trade receivables | | (178.421.306) | (80.406.143) | (58.552.466) |
| Other receivables | | (1.345.533) | 884.073 | 1.169.925 |
| Current loans | | (1.074.411) | 450.596 | (169.453) |
| Trade payables | | 4.212.407 | 3.461.408 | 2.020.057 |
| Other liabilities | | (3.998.896) | 6.875.435 | 294.258 |
| Total cashflow from operating activities | | (180.627.739) | (68.734.632) | (55.237.680) |
| Cash flow from investing activities | | | | |
| Acquisition of intangible assets | | (4.403.316) | (3.711.351) | (3.758.418) |
| Acquisition of tangible assets | | (256.629) | (28.000) | (30.030) |
| Total cash flow from investing activities | | (4.659.945) | (3.739.351) | (3.788.448) |
| Cash flow from financing activities | | | | |
| Increase in long term financing | | 187.074.003 | 57.083.739 | 46.753.945 |
| Increase in share capital | | 1.074.664 | 0 | 0 |
| Total cash flow from financing activities | | 188.148.667 | 57.083.739 | 46.753.945 |
| Net increase/(decrease) in cash and cash equivalents | | | | |
| | | 6.553.784 | 895.966 | (570.155) |
| Correction prior year | | 123.916 | 0 | 0 |
| Cash and bank balances at 1 October | | 1.860.385 | 840.503 | 1.410.659 |
| Cash and bank balances at 30 September | | 8.414.169 | 1.736.469 | 840.503 |



NOTE 1 - ACCOUNTING POLICIES

1.1 STATEMENT OF IMPLEMENTATION AND COMPLIANCE WITH IFRS

The financial statements section of the annual report for the period 1 October 2017 - 30 September 2018 comprises the Company's financial statements.

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act applying to entities of reporting class B with additional choices from reporting class C.

1.1.1 IMPACT OF NEW ACCOUNTING STANDARDS

Management has assessed the impact of new or amended and revised accounting standards and interpretations (IFRSs) issued by the (IASB) and IFRSs endorsed by the European Union.

As of 1 October 2017 the Company applied, for the first time, IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers'. The impact of the implementation of IFRS 9 and IFRS 15 has been immaterial in relation to recognition and measurement.

IFRS 9 - FINANCIAL INSTRUMENTS: CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The standard contains requirements for the classification and measurement of financial assets and liabilities, impairment methodology and general hedge accounting.

Due to the fact, that the vast majority of the Company's receivables are measured at fair value, this has an immaterial impact on the financial statements.

The standard has been implemented prospectively using 1 October 2017 as the date of initial application. The Company has made use of the relief from restating comparative figures.

IFRS 15 - REVENUE FROM CONTRACTS WITH CUSTOMERS

The standard establishes a single comprehensive framework for revenue recognition. The standard requires that Contract assets and Contract liabilities are now presented separately in the balance sheet.

The implementation of IFRS 15 has not had any material effect on the income statement or balance sheet and the related key ratios in the financial statements.

The standard was implemented using the modified retrospective method. The Company made use of the relief from restating comparative figures and applied IFRS 15 only to contracts that were not completed as of October 1, 2017.

NEW IFRS STANDARDS ISSUED, BUT NOT YET EFFECTIVE

In addition to the above, the IASB has issued a number of new or amended and revised accounting standards and interpretations that have not yet come into effect. IFRS 16 will become effective for annual periods beginning on or after 1 October 2018.

As at 30 September 2018, Viabill has non-cancellable operating lease commitments of DKKt 137. Therefore, IFRS 16 is expected to

have some impact on the non-current assets, liabilities, EBITDA and cash flows from operating activities.

1.2 BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis except for trade receivables that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

1.3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

1.3.1 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of the Company's accounting policies, which are described in note 1, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTE 1 - ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES

The Company's trade receivables are measured at fair value for financial reporting purposes. The board of directors of the Company has set up a valuation committee, which is headed up by the Chief Financial Officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of the trade receivables, the Company uses primarily historic data, because of a lack of market-observable data. The valuation committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of directors of the Company every quarter to explain the cause of fluctuations in the fair value of the trade receivables. Information about the valuation techniques and inputs used in determining the fair value of the trade receivables are disclosed in notes 11.

RECOVERABILITY OF INTERNALLY GENERATED INTANGIBLE ASSET

During the year, the management considered the recoverability of the Company's internally generated intangible asset arising from its software development, which is included in the statement of financial position at 30 September 2018 with a carrying amount of DKKm 13,9.

The software continues to progress in a satisfactory manner, and customer reaction has reconfirmed the managements' previous estimates of anticipated revenues from the software. A sensitivity analysis has been carried out and the directors are confident that the carrying amount of the asset will be recovered in full. This situation will be closely monitored, and adjustments made in future periods if future market activity indicates that such adjustments are appropriate.

1.4 REVENUE

Under the condition that persuasive evidence of an arrangement exists revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. In cases where the inflow of economic benefits is not probable due to customer related credit risks the revenue recognized is subject to the amount of payments irrevocably received.

1.4.1 FEES AND PROVISIONS

Revenues are primarily from fees charged to customers for our payment service and provisions earned through partnerships. Revenue is measured at the fair value of the consideration received or receivable and recognised when prescribed conditions are met, which depend on the nature of the revenue.

Fees are recognized when the service or reminder is delivered to the customer.

Provisions are recognized when the risk has been transferred to the secondary entity.

1.5 FOREIGN CURRENCIES

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign cur-

rencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. The entity's functional currency is DKK.

1.6 DEBT

Debt is recognised at cost at the time of contracting the debt. Subsequently, it is stated at amortised cost, which in respect of short-term and non-interest-bearing debt and of floating rate loans usually corresponds to nominal value.

1.7 EMPLOYEE COSTS

Staff costs include salaries, remuneration, retirement benefit schemes and other staff costs to the entity's employees, including to the members of the Executive Board and Board of Directors.

Staff costs are recognised in the financial year in which the employee renders the related service.

1.8. COST OF SALES

Cost of sales includes direct costs incurred when generating the revenue for the year. The Company recognised cost of sales as revenue is earned.

1.9. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.9.1 CURRENT TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.9.2 DEFERRED TAX

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. The reserve is adjusted for deferred tax.

1.9.3 CURRENT AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.10 PROPERTY, PLANT AND EQUIPMENT

Fixtures and equipment are stated at cost less accumulated depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Amortisation periods are as follows:

Property, plant and equipment 5 years

1.11 IN-PROCESS AND DEVELOPED SOFTWARE

1.11.1 MEASUREMENT OF IN-PROCESS AND DEVELOPED SOFTWARE

Software developed or under development by the Company is recognised as an asset if the cost of development is reliably measurable and an analysis shows that future economic benefits from using the software application exceed the cost. Cost is defined as development costs incurred to make each software application ready for use. Once a software application has been developed the cost is amortised over the expected useful life. The cost of development consists primarily of direct remuneration and other directly attributable development costs. Expenses incurred in the planning phase are not capitalised, but expensed when incurred.

Amortisation periods are as follows: Developed software 7 years

On a reserve for development projects under equity, an amount corresponding to recognized development costs related to software that is not yet operational. The reserve can not be used for dividend, distribution or coverage of losses. When the recognized development costs are depreciated, disposed of or discontinued, the reserve is dissolved. If recognized development costs are written down, a part of the reserve is reversed, as the reserve is reduced by current depreciation on the current development projects. The reserve is adjusted for deferred tax.

1.11.2 DERECOGNITION OF INTANGIBLE ASSETS

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

1.12 LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

1.13 TRADE RECEIVABLES MEASURED AT FAIR MARKET VALUE

The fair market value is calculated as the present value of the most likely future payments from the loans. The present value is calculated based on following factors which are included in the fair market value. The main factors in determination of the fair market value are realized fees, losses and financing costs. The factors are based on analysis of historical data and expectations for the future developments.

In calculation of the future cashflow there has been made separate budgets for the recognized factors. These factors are being evaluated every month. Therefore, changes in factors will immediately be recognized in the model.

Regulation of "Trade receivables" is due to the valuation methodology difference between the transaction price and fair value. The accounting principles for the regulation of the two values are that the difference is recognized when the debtor's ability to pay / willingness to pay can be monitored, typically after 40 days. This ensures that only fair value adjusted debts with a credit quality, which must be judged satisfactory for other market players.

The fair value is estimated and recognised in accordance with IFRS 13. Fair value under IFRS 13 is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. As there is no active market for the loans, the fair value is calculated as an annuity based on historical data for the loans (assessed as a level 3 fair value according to IFRS 13, as the valuation model is not based on observable data).

NOTES

| DKK | 2017/18 | 2016/17 | 2015/16 |
|-----|---------|---------|---------|
|-----|---------|---------|---------|

NOTE 2 - REVENUE

| | | | |
|------------|-------------------|-------------------|-------------------|
| Fees | 40.399.564 | 35.406.518 | 23.856.637 |
| Provisions | 13.971.470 | 8.949.946 | 4.209.651 |
| | 54.371.035 | 44.356.464 | 28.066.287 |

The vast majority of revenue origins from Denmark, as this is the main geographical market segment

NOTE 3 - EMPLOYEE COSTS

| | | | |
|---|-------------------|------------------|------------------|
| Salaries | 8.564.895 | 7.650.710 | 6.614.471 |
| Defined contribution plans | 327.946 | 248.699 | 219.462 |
| Social security expenses | 1.137.392 | 511.074 | 562.652 |
| Other employee expenses | 1.137.761 | 223.995 | 148.917 |
| Staff costs transferred to software under development | (394.599) | (823.586) | (1.208.336) |
| | 10.773.395 | 7.810.892 | 6.337.166 |
| Number of employees (Full-time) | 25 | 19 | 16 |

NOTE 4 - OTHER EXTERNAL COSTS

| | | | |
|---------------------------|-------------------|-------------------|------------------|
| Direct operating costs | 12.336.397 | 5.742.579 | 6.658.346 |
| Administrative costs | 5.939.962 | 6.625.116 | 1.931.361 |
| Sales and marketing costs | 4.226.666 | 2.115.333 | 515.680 |
| Local costs | 560.281 | 413.494 | 316.809 |
| | 23.063.307 | 14.896.523 | 9.422.195 |

NOTE 5 - DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

| | | | |
|---|------------------|------------------|------------------|
| Developed software | 3.025.673 | 2.529.132 | 2.239.519 |
| Property, plant and equipment | 44.590 | 30.011 | 25.073 |
| Losses and gains from sales of non-current assets | 0 | 0 | 0 |
| | 3.070.263 | 2.559.143 | 2.264.592 |

NOTE 6 - FINANCIAL INCOME

| | | | |
|-----------------|------------|----------|------------|
| Interest income | 143 | 0 | 140 |
| | 143 | 0 | 140 |

NOTES

| DKK | 2017/18 | 2016/17 | 2015/16 |
|-----|---------|---------|---------|
|-----|---------|---------|---------|

NOTE 7 - FINANCIAL EXPENSES

| | | | |
|-----------------------------|-------------------|-------------------|------------------|
| Interest expense | 16.009.872 | 12.840.760 | 7.928.793 |
| Foreign exchange loss (net) | 9.652 | 11.248 | 2.588 |
| Other financial expenses | 58.802 | 13.794 | 443.356 |
| | 16.078.326 | 12.865.802 | 8.374.736 |

NOTE 8 - NON-RECURRING COSTS

| | | | |
|--|-------------------|------------------|----------|
| Loan expenses | 0 | 351.660 | 0 |
| Consultancy fees | 104.020 | 4.429.020 | 0 |
| Legal fees | 609.779 | 675.144 | 0 |
| Refunded autopay fees and interests to end customers | 15.232.905 | 0 | 0 |
| | 15.946.704 | 5.455.824 | 0 |

In financial year 2016/17, non-recurring costs relate to refinancing of the Company's long term debt

Repayment of fees

In accordance with the Danish Court's decision, the Company has been ruled to repay previous fees to a number of customers. In financial year 2017/18 the Company has recognised fees that are already repaid as non-recurring costs. There is an uncertainty connected to repayments in the next financial year. Based on Management's best estimate from historical data, the Company has recognised a provision for unpaid fees of DKKm 1.

After the Danish Court's decision, the Company no longer operates with the fees in question.

NOTE 9 - INCOME TAXES

| | | | |
|---|------------------|--------------------|----------------|
| Effective tax rate for the year | 22% | 22% | -3% |
| Profit before tax | 622.538 | 14.083.553 | 9.437.435 |
| Calculated tax (22%) | (136.958) | (3.098.382) | (2.076.236) |
| Permanent deviations due to merger | 0 | 0 | 2.511.703 |
| Other non-deductible expenses / income | 0 | (1.932) | 47.315 |
| Prior-year adjustments | 0 | 0 | (224.086) |
| Current tax on profit for the year | (136.958) | (3.100.314) | 258.696 |
| Specification | | | |
| Current tax | 0 | 0 | 0 |
| Change in deferred tax | (137.000) | (3.100.000) | 0 |

NOTES

NOTE 10 - NON-CURRENT ASSETS

| | Developed software | In-process software | Property, plant and equipment |
|---|---------------------|---------------------|-------------------------------|
| Cost at the beginning of the year 01.10.2016 | 18.928.688 | 841.186 | 211.957 |
| Additions during the year | 2.404.649 | 3.711.351 | 28.000 |
| Disposals during the year | 0 | 0 | 0 |
| Transferred to developed software | 0 | (2.404.649) | 0 |
| Cost at the end of the year 30.09.2017 | 21.333.337 | 2.147.888 | 239.957 |
| Depreciation and impairment losses at the beginning of the year 01.10.2016 | (8.460.576) | 0 | (145.135) |
| Depreciation for the year | (2.529.132) | 0 | (30.011) |
| Depreciation and impairment losses reversed on disposals | 0 | 0 | 0 |
| Depreciation and impairment losses at the end of the year 30.09.2017 | (10.989.708) | 0 | (175.146) |
| Carrying amount at the end of the year 30.09.2017 | 10.343.629 | 2.147.888 | 64.811 |
| Cost at the beginning of the year 01.10.2017 | 21.333.337 | 2.147.888 | 239.957 |
| Additions during the year | 6.474.477 | 4.403.316 | 256.629 |
| Disposals during the year | 0 | 0 | 0 |
| Transferred to developed software | 0 | (6.474.477) | 0 |
| Cost at the end of the year 30.09.2018 | 27.807.814 | 76.727 | 496.586 |
| Depreciation and impairment losses at the beginning of the year 01.10.2017 | (10.989.708) | 0 | (175.146) |
| Depreciation for the year | (3.025.673) | 0 | (44.590) |
| Depreciation and impairment losses reversed on disposals | 0 | 0 | 0 |
| Depreciation and impairment losses at the end of the year 30.09.2018 | (14.015.381) | 0 | (219.736) |
| Carrying amount at the end of the year 30.09.2018 | 13.792.433 | 76.727 | 276.850 |

NOTE 11 - TRADE RECEIVABLES MEASURED AT FAIR VALUE

| DKK | 2017/18 | 2016/17 | 2015/16 |
|--|--------------------|--------------------|--------------------|
| Fair market value at the beginning of the year | 192.677.629 | 112.271.486 | 53.719.019 |
| Net additions of trade receivables during the year | 166.242.301 | 67.654.512 | 50.946.034 |
| Net additions of fair market value during the year | 25.448.766 | 16.232.915 | 9.879.573 |
| Net additions of allowance during the year | (12.767.967) | (3.481.283) | (2.273.141) |
| Fair market value at the end of the year | 371.600.729 | 192.677.629 | 112.271.485 |

The increase in Trade receivables measured at fair value mainly consist of organic growth.

Furthermore, the fair market adjustment results in a higher value. There are no changes to the Company's principles of calculation of fair value.

The fair market value is calculated as the present value of the most likely future payments from the loans. The present value is calculated based on following factors which are included in the fair market value. The main factors in determination of the fair market value are realized fees, losses and financing costs. The factors are based on analysis of historical data and expectations for the future developments.

In calculation of the future cashflow there has been made separate budgets for the recognized factors. These factors are being evaluated every month. Therefore, changes in factors will immediately be recognized in the model.

The following factors are recognized in the model:

- Impairment charges incl. reminder fee
- Early redemption
- Fee income
- Recovery costs

If the bad debt rate rises by 2% the value of the trade receivables measured at fair market value will fall by 13,9 DKKm.

Regulation of "Trade receivables" is due to the valuation methodology difference between the transaction price and fair value. The accounting principles for the regulation of the two values are that the difference is recognized when the debtor's ability to pay / willingness to pay can be monitored, typically after 40days. This ensures that only fair value adjusted debts with a credit quality, which must be judged satisfactory for other market players.

The fair value is estimated and recognised in accordance with IFRS 13. Fair value under IFRS 13 is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. As there is no active market for the loans, the fair value is calculated as an annuity based on historical data for the loans (assessed as a level 3 fair value according to IFRS 13, as the valuation model is not based on observable data).

NOTES

NOTE 12 - SENSITIVITY ANALYSES RE. TRADE RECEIVABLES MEASURED AT FAIR VALUE

| (DKKt) | Fair market value | | Profit | | Equity | |
|-----------------------------|-------------------|---------|---------|---------|---------|---------|
| | 2017/18 | 2016/17 | 2017/18 | 2016/17 | 2017/18 | 2016/17 |
| Change payment rates | | | | | | |
| + 2,0 % | 362.266 | 191.094 | -8.849 | 9.400 | 20.254 | 26.444 |
| + 1,0 % | 367.396 | 191.827 | -3.719 | 10.133 | 25.383 | 27.178 |
| 0 % | 371.601 | 192.678 | 486 | 10.984 | 29.588 | 28.028 |
| - 1,0 % | 376.998 | 193.528 | 5.883 | 11.834 | 34.985 | 28.878 |
| - 2,0 % | 381.519 | 194.261 | 10.404 | 12.567 | 39.506 | 29.611 |

| | Fair market value | | Profit | | Equity | |
|---------------------------|-------------------|---------|---------|---------|---------|---------|
| | 2017/18 | 2016/17 | 2017/18 | 2016/17 | 2017/18 | 2016/17 |
| Change in bad debt | | | | | | |
| + 2,0 % | 357.742 | 191.110 | -13.373 | 9.416 | 15.729 | 26.460 |
| + 1,0 % | 364.234 | 191.847 | -6.881 | 10.153 | 22.221 | 27.197 |
| 0 % | 371.601 | 192.678 | 486 | 10.984 | 29.588 | 28.028 |
| - 1,0 % | 387.348 | 193.508 | 16.233 | 11.814 | 45.335 | 28.858 |
| - 2,0 % | 398.007 | 194.245 | 26.892 | 12.551 | 55.994 | 29.595 |

| | Fair market value | | Profit | | Equity | |
|---------------------------------|-------------------|---------|---------|---------|---------|---------|
| | 2017/18 | 2016/17 | 2017/18 | 2016/17 | 2017/18 | 2016/17 |
| Change in interest rates | | | | | | |
| + 2,0 % | 369.219 | 192.652 | 2.867 | 10.958 | 31.970 | 28.002 |
| + 1,0 % | 370.159 | 192.665 | 1.927 | 10.971 | 31.030 | 28.015 |
| 0 % | 371.601 | 192.678 | 486 | 10.984 | 29.588 | 28.028 |
| - 1,0 % | 372.875 | 192.691 | -789 | 10.997 | 28.313 | 28.041 |
| - 2,0 % | 374.150 | 192.704 | -2.064 | 11.010 | 27.039 | 28.053 |

NOTE 13 - NON-CURRENT LIABILITIES

| | Due within 1 year | Due between 1 and 5 years | Due after 5 years |
|-------------------------------|-------------------|---------------------------|-------------------|
| Subordinated loan capital | 0 | 30.000.000 | 59.893.395 |
| Loans | 0 | 253.253.180 | 0 |
| Other non-current liabilities | 0 | 0 | 0 |
| | 0 | 283.253.180 | 59.893.395 |

Subordinated debt consists of junior security of 30 DKKm which is due between 1 and 5 years. The repayment is subordinated to the Company's other creditors

Subordinated debt consists of loan capital of 59.9 DKKm which is due after 5 years. The repayment is subordinated to the Company's other creditors

NOTES

NOTE 14 - RECONCILIATION OF FINANCING ACTIVITIES

| DKK | 2016/17 | Cash flow | Acquisitions | Exchange rates | Fair value | 2017/18 |
|--|--------------------|--------------------|--------------|----------------|------------|--------------------|
| Subordinated loan capital | 24.580.691 | 65.312.704 | 0 | 0 | 0 | 89.893.395 |
| Loans | 58.075.215 | 195.177.965 | 0 | 0 | 0 | 253.253.180 |
| Other non-current liabilities | 73.416.666 | -73.416.666 | 0 | 0 | 0 | 0 |
| Share capital (Nominal) | 539.034 | 17.272 | 0 | 0 | 0 | 556.306 |
| Share premium from issuance of additional shares | 0 | 1.057.392 | 0 | 0 | 0 | 1.057.392 |
| Total liabilities from financing activities | 156.611.606 | 188.148.667 | 0 | 0 | 0 | 344.760.273 |

NOTE 15 - OTHER LIABILITIES

| | 2017/18 | 2016/17 | 2015/16 |
|------------------------|------------------|------------------|------------------|
| Employee costs payable | 1.111.054 | 792.284 | 946.750 |
| Other payables | 2.895.352 | 7.213.017 | 183.116 |
| | 4.006.405 | 8.005.301 | 1.129.866 |

NOTE 16 - PLEDGES AND COMMITMENTS

| | 2017/18 | 2016/17 | 2015/16 |
|---|-------------|-------------|------------|
| Guarantees issued in relation to rented property | | | |
| Rent commitments | 137.752 | 127.949 | 91.707 |
| The following assets are pledged to lenders: | | | |
| Can be terminated with four months' notice | | | |
| Trade receivables measured at fair value | 253.253.180 | 109.096.982 | 89.294.602 |

VAT

The Company has appealed a ruling from the Danish Tax Agency regarding handling of VAT on reminder fees. In financial year 2017/18 the Company has recognised the amount that is not appealed which amounts to DKKm 1.9. The remaining potential liability resulting from this ruling is not recognised in the financial statements. At worst, this amounts to DKKm 6.2.

REPAYMENT OF FEES

In accordance with the Danish Court's decision, the Company has been ruled to repay previous fees to a number of customers. In financial year 2017/18 the Company has recognised fees that are already repaid as non-recurring costs. There is an uncertainty connected to repayments in the next financial year. Based on Management's best estimate from historical data, the Company has recognised a provision for unpaid fees of DKKm 1.

After the Danish Court's decision, the Company no longer operates with the fees in question.

NOTES

NOTE 17 - CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2016/17.

The Company is not subject to any externally imposed capital requirements. The Company's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Company has a target gearing ratio of 9 determined as the proportion of net debt to equity. The gearing ratio at 30 September 2018 was 11,31 (see below).

| DKK | 30.09.2018 | 30.09.2017 | 30.09.2016 |
|----------------------------------|--------------------|--------------------|-------------------|
| Subordinated loan capital | 89.893.395 | 24.580.691 | 19.580.691 |
| Loans | 253.253.180 | 58.075.215 | 62.158.143 |
| Other non-current liabilities | 0 | 73.416.666 | 17.249.999 |
| Current loans | 0 | 1.074.411 | 623.815 |
| Debt | 0 | 0 | 0 |
| Cash and bank balances | (8.414.169) | (1.860.385) | (840.504) |
| Net interest-bearing debt | 334.732.406 | 155.286.598 | 98.772.144 |
| Equity | 29.587.905 | 28.027.704 | 17.044.151 |
| Gearing ratio | 11,31 | 5,54 | 5,80 |

NOTE 18 - RELATED PARTIES TRANSACTIONS

Metier Holding ApS has controlling interest in ViaBill A/S.

RELATED PARTIES WITH SIGNICANT INFLUENCE:

METIER HOLDING APS, AARHUS C

Transactions with the company is made on an arm's length basis. Metier Holding ApS has provided subordinated loan capital of 5.500.000 DKK and received interest income of 1.131.226 DKK in return. Jan Lytje-Hansen is the majority shareholder of Metier Holding ApS and Board member in ViaBill A/S.

REAL METIER A/S

Transactions with the company is made on an arm's length basis. Real Metier A/S has functioned as consultancy on various internal project and received fees of 607.796 DKK in return. Jan Lytje Hansen is the majority shareholder in Real Metier A/S and CEO in ViaBill A/S.

NOTE 19 - RISKS

As a result of our business, ViaBill assumes a number of credit, market and operational risks. It is considered an essential part of our business to take on calculated risks.

Management establishes and approves the overall risk policies and limits for the company. Management also establishes the operational risk management policies and delegates the responsibilities for managing business risks, internal controls and management reporting.

Risk parameters for each department, can generally be divided into three categories: business risks, financial risks and operational risks.

Risk management is a strategic focus area for ViaBill. We try to anticipate and manage the risks that can affect ViaBill. However, there may occur risks that management does not know or currently assesses immaterial. The following risk factors are not listed in order of priority.

BUSINESS RISKS

CREDIT POLICY

Management has adopted a credit policy that describes the guidelines applicable to the granting of loans and other credit risks. Each authorization is based on the assessment of customers and their financial conditions. It is ViaBill's policy to ensure that each credit is in the context of the client's earning potential and that ViaBill is not exposed substantially to one customer.

FAIR MARKET VALUE

ViaBill's Trade are recognized at fair value. The model is based on discounted future cash flows. The model is affected by several parameters based on historical data and estimates. Error in the assessment of recognized parameters may affect the fair value. See note 12 for an explanation and sensitivity analysis of the model.

FINANCIAL RISKS

LIQUIDITY RISK

Liquidity risk is the risk that there is not sufficient cash to meet its financial obligations. To manage the liquidity risk ViaBill is constantly assess its cash resources for the short- and long-terming liquidity needs.

CURRENCY RISKS

ViaBill's currency risks are hedged primarily through the distribution of income and costs in the same currency (DKK). Activities performed outside of Denmark will be affected by exchange rate changes. ViaBill tries to pay significant costs in EUR to hedge currency fluctuations

CREDIT

Credit risk is an essential part of the business. The risk of loss as a result of the borrower defaulting on credit when due. ViaBill manages the risk by continuously assessing loss indications of both internal and external conditions. Based on observations, empirical analyzes and adjustments of ViaBill's credit policies.

OPERATIONAL RISKS

Operational risk may arise on the basis of human error technical failure or as a result of external events that may lead to significant unforeseen costs or activity interruptions. It is expected that operational risks could lead to both direct and indirect economic losses. ViaBill has dedicated considerable resources to reduce operational risks. ViaBill has a number of control procedures in the form of work routines, business procedures and reconciliation processes that are embedded in the company. These procedures and an organizational separation of functions between departments and functions helps to minimize operational risks. ViaBill is working continuously strengthen security and ensure continued functionality in the event of a breakdown so that ViaBill is at a level that meets the expectations of customers and partners.

NOTES

NOTE 20 - EVENTS AFTER THE END OF THE REPORTING PERIOD

From the end of the reporting date, 30.9.2018 and until today, no events have occurred, which significantly will affect the evaluation of this annual report.

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