



MNW ApS

Carl Jacobsens Vej 16, st.
2500 Valby
CVR No. 37445290

Annual report 2019

The Annual General Meeting adopted the
annual report on 14.05.2020

Christoffer Nylandsted

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2019	7
Balance sheet at 31.12.2019	8
Statement of changes in equity for 2019	10
Notes	11
Accounting policies	14

Entity details

Entity

MNW ApS

Carl Jacobsens Vej 16, st.

2500 Valby

CVR No.: 37445290

Registered office: København

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Clas Nylandsted Andersen, Chairman

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Christoffer Nylandsted

Executive Board

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Christoffer Nylandsted

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of MNW ApS for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Copenhagen, 14.05.2020

Executive Board

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Christoffer Nylandsted

Board of Directors

Clas Nylandsted Andersen
Chairman

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Christoffer Nylandsted

Independent auditor's extended review report

To the shareholders of MNW ApS

Conclusion

We have performed an extended review of the financial statements of MNW ApS for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material 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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 extended review 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 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.

Copenhagen, 14.05.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bjørn Winkler Jakobsen

State Authorised Public Accountant
Identification No (MNE) mne32127

Henrik Hartmann Olesen

State Authorised Public Accountant
Identification No (MNE) mne34143

Management commentary

Primary activities

Lendme's primary activities is to offer loan intermediary services between banks and private individuals, while offering related services hereto, such as insurances.

Lendme has built a fully digitized and scalable IT platform, where private individuals free of charge and with no obligation can receive and compare loan offers from multiple banks.

The business model offer advantages both for the consumers and the banks on the platform, as it saves considerable time for the consumer in completing and comparing loan applications while providing a highly cost effective customer acquisition platform for the banks with large volumes of high quality leads. Lendme receives a commission from the bank whenever a loan is paid out.

By year end 2019 LendMe has entered into agreement with 9 lenders, and expect to see continued growth in lenders on the platform in 2020, due to a significant continued rise in consumer demand for digital financial services comparison platforms and from changing regulation adding focus on low interest consumer loans at the cost of payday loans which is expected to be banned in 2020.

Description of material changes in activities and finances

Profit after tax for 2019 amounts to DKK 5,876 thousand and is a result of the Companys increasing activities. Equity amounts to DKK 8,760 thousand. According to Management the results are satisfactory.

LendMe has had a good 2019, and management is happy with the significant increase in demand for our service – both from consumers and interested lenders – and the underlying performance of our operations.

The business model continue to show its advantages in a fast moving market where transparency for consumers is scarce and convenience and easy access to comparing and choosing financial offers are often linked with significant and often non-digital effort. This is not only relevant for loans, but for other aspects of the financial services space as well and, not only in Denmark but across Europe.

LendMes management teams long term strategy is to continue and accelerate LendMes aggressive growth journey in order to keep our market leader position in Denmark, add new product categories and go into new markets.

Research and development activities

At 31 December 2019, the Company recognised total development projects of DKK 3,012 thousand in the balance sheet relating to development of LENDME digital platform. Company expects these projects (software) to contribute significantly to future profits.

Events after the balance sheet date

The outbreak of the Corona virus did not impact the company's performance in 2019. As the main activity of the company is digital offering of loan intermediary services between banks and private individuals, the subsequent development of Covid-19 into a global pandemic has so far into 2020 only had very limited impact on the operations. No other events have occurred after the balance sheet date up until this date which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		14,635,343	5,169,572
Staff costs	1	(5,485,665)	(3,088,739)
Depreciation, amortisation and impairment losses	2	(1,592,148)	(471,175)
Operating profit/loss		7,557,530	1,609,658
Other financial expenses		(16,198)	0
Profit/loss before tax		7,541,332	1,609,658
Tax on profit/loss for the year	3	(1,665,083)	(365,219)
Profit/loss for the year		5,876,249	1,244,439
Proposed distribution of profit and loss			
Retained earnings		5,876,249	1,244,439
Proposed distribution of profit and loss		5,876,249	1,244,439

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	5	3,012,447	1,460,446
Intangible assets	4	3,012,447	1,460,446
Other fixtures and fittings, tools and equipment		619,939	98,923
Leasehold improvements		197,110	0
Property, plant and equipment	6	817,049	98,923
Deposits		252,375	130,200
Other financial assets	7	252,375	130,200
Fixed assets		4,081,871	1,689,569
Trade receivables		2,453,894	1,292,645
Other receivables		0	21,470
Prepayments		1,299,618	1,001,899
Receivables		3,753,512	2,316,014
Cash		5,991,431	623,690
Current assets		9,744,943	2,939,704
Assets		13,826,814	4,629,273

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		203,080	203,080
Reserve for development expenditure		1,290,534	896,213
Retained earnings		7,266,430	1,784,502
Equity		8,760,044	2,883,795
Deferred tax		693,000	320,000
Provisions		693,000	320,000
Deposits		12,000	0
Non-current liabilities other than provisions		12,000	0
Trade payables		1,829,374	923,833
Income tax payable		1,292,083	61,037
Other payables		1,240,313	440,608
Current liabilities other than provisions		4,361,770	1,425,478
Liabilities other than provisions		4,373,770	1,425,478
Equity and liabilities		13,826,814	4,629,273
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		

Statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	203,080	896,213	1,784,502	2,883,795
Transfer to reserves	0	394,321	(394,321)	0
Profit/loss for the year	0	0	5,876,249	5,876,249
Equity end of year	203,080	1,290,534	7,266,430	8,760,044

Notes

1 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	5,626,925	3,256,378
Pension costs	167,100	24,000
Other social security costs	75,371	37,441
Other staff costs	1,349,981	638,750
	7,219,377	3,956,569
Staff costs classified as assets	(1,733,712)	(867,830)
	5,485,665	3,088,739
Average number of full-time employees	12	9

2 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Amortisation of intangible assets	1,178,367	456,610
Impairment losses on intangible assets	351,663	0
Depreciation of property, plant and equipment	62,118	14,565
	1,592,148	471,175

3 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Current tax	1,292,083	61,037
Change in deferred tax	373,000	304,192
Adjustment concerning previous years	0	(10)
	1,665,083	365,219

4 Intangible assets

	Completed development projects DKK
Cost beginning of year	2,027,194
Additions	3,082,031
Disposals	(1,160,456)
Cost end of year	3,948,769
Amortisation and impairment losses beginning of year	(566,748)
Impairment losses for the year	(351,663)
Amortisation for the year	(1,178,367)
Reversal regarding disposals	1,160,456
Amortisation and impairment losses end of year	(936,322)
Carrying amount end of year	3,012,447

5 Development projects

At 31 December 2019, the Company recognised total development projects of DKK 3,012 thousand in the balance sheet relating to development of LENDME digital platform. A review of development costs from prior years has resulted in an impairment loss for the year of DKK 352 thousand.

Company expects these projects (software) to contribute significantly to future profits.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	113,488	0
Additions	573,562	206,682
Cost end of year	687,050	206,682
Depreciation and impairment losses beginning of year	(14,565)	0
Depreciation for the year	(52,546)	(9,572)
Depreciation and impairment losses end of year	(67,111)	(9,572)
Carrying amount end of year	619,939	197,110

7 Financial assets

	Deposits DKK
Cost beginning of year	130,200
Additions	122,175
Cost end of year	252,375
Carrying amount end of year	252,375

8 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	4,267,356	1,236,179

9 Contingent liabilities

The entity has entered into advertising agreements for 2020 with a minimum commitment cost.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales, other operating income and consumables and external expenses.

Revenue

Revenue from lending services is recognised in the income statement when delivery of loan is made to the borrower and the loan has been accepted and completed between involved parties. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed..

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the

income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 3 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each asset.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.