



MNW ApS

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

Annual report 2020

The Annual General Meeting adopted the
annual report on 04.06.2021

Christoffer Nylandsted

Chairman of the General Meeting

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Entity details

Entity

MNW ApS

Carl Jacobsens Vej 16, st.

2500 Valby

CVR No.: 37445290

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Clas Nylandsted Andersen, Chairman

Christoffer Nylandsted

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Executive Board

Christoffer Nylandsted

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

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 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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, 04.06.2021

Executive Board

Christoffer Nylandsted

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

Board of Directors

Clas Nylandsted Andersen
Chairman

Christoffer Nylandsted

Peter Grunnet Wang

Carl Frederik Leetmaa Murmann

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 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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, 04.06.2021

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 intermediary services between financial institutions and private individuals, primarily within the consumer loans space, while offering related services and products hereto, such as insurances.

LendMe fully digitized and scalable IT platform, allow users to compare financial products, such as loans, from multiple financial institutions, in a transparent and objective manner – free of charge.

The business model continues to show its advantages both for users and financial institutions on the platform, as it saves considerable time and money for users wanting to compare financial products while providing a highly cost-effective customer acquisition platform to the financial institutions with access to large volumes of high-quality leads.

By end of year 2020 LendMe has entered into agreement with 13 financial institutions and expect continued strong growth in its lender panel in 2021.

Description of material changes in activities and finances

Profit after tax for 2020 amounts to DKK 4,188 thousand. Management report that considering COVID-19 the results of 2020 are satisfactory.

COVID-19 had a negative impact on nearly every company and private individual in 2020, it changed our way of life, in some ways momentarily, in others; for good.

The lower-than-expected consumer demand for financial products and loans due to the full/partial lockdown of society coupled with the due caution of financial institutions wanting to protect themselves from the possible scenario of the pandemic turning into a financial crisis meant that LendMe did not grow as much as expected in 2020.

At the same time COVID-19 and the focus on social distancing and consequential lockdown of society has accelerated the focus and demand of digital services immensely, and probably pushed the inevitable digital transition of banks forward 2-3 years, from not being in their short term strategy, to being probably the most important initiative next to compliance.

LendMe's management medium term strategy is to accelerate LendMe's aggressive growth journey in Denmark to keep and cement our market leader position in Denmark, add new verticals and product categories and go into new markets – preferably through partnerships.

Research and development activities

At 31 December 2020, the Company recognised total development projects of DKK 3,234 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

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. The re-opening of the society after the COVID-19 crisis will be a determining factor for the economic impact the following year.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		13,184,318	12,766,845
Staff costs	2	(5,866,911)	(5,485,665)
Depreciation, amortisation and impairment losses	3	(1,833,089)	(1,592,148)
Operating profit/loss		5,484,318	5,689,032
Other financial income	4	656	0
Other financial expenses		(61,226)	(16,198)
Profit/loss before tax		5,423,748	5,672,834
Tax on profit/loss for the year	5	(1,235,263)	(1,068,830)
Profit/loss for the year		4,188,485	4,604,004
Proposed distribution of profit and loss			
Retained earnings		4,188,485	4,604,004
Proposed distribution of profit and loss		4,188,485	4,604,004

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Completed development projects	7	3,233,907	3,012,447
Intangible assets	6	3,233,907	3,012,447
Other fixtures and fittings, tools and equipment		467,148	619,939
Leasehold improvements		174,553	197,110
Property, plant and equipment	8	641,701	817,049
Deposits		259,998	252,375
Financial assets	9	259,998	252,375
Fixed assets		4,135,606	4,081,871
Trade receivables		3,716,957	2,453,894
Other receivables		6,774	0
Income tax receivable		596,253	596,253
Prepayments		508,695	1,299,618
Receivables		4,828,679	4,349,765
Cash		7,991,094	5,991,431
Current assets		12,819,773	10,341,196
Assets		16,955,379	14,423,067

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		203,080	203,080
Reserve for development expenditure		1,810,327	1,290,534
Retained earnings		7,504,170	4,835,477
Equity		9,517,577	6,329,091
Deferred tax		736,000	693,000
Provisions		736,000	693,000
Deposits		12,000	12,000
Other payables		308,996	0
Non-current liabilities other than provisions	10	320,996	12,000
Bank loans		93,948	0
Trade payables		2,619,746	1,829,374
Income tax payable		1,182,264	1,292,083
Other payables		2,484,848	4,267,519
Current liabilities other than provisions		6,380,806	7,388,976
Liabilities other than provisions		6,701,802	7,400,976
Equity and liabilities		16,955,379	14,423,067
Unusual circumstances	1		
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		

Statement of changes in equity for 2020

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	203,080	1,290,534	7,266,430	8,760,044
Corrections of material errors	0	0	(2,430,952)	(2,430,952)
Adjusted equity, beginning of year	203,080	1,290,534	4,835,478	6,329,092
Extraordinary dividend paid	0	0	(1,000,000)	(1,000,000)
Transfer to reserves	0	519,793	(519,793)	0
Profit/loss for the year	0	0	4,188,485	4,188,485
Equity end of year	203,080	1,810,327	7,504,170	9,517,577

Notes

1 Unusual circumstances

Unusual circumstances are income and expenses that are special due to their size and nature. The Company has for the financial year received a total compensation of DKK 156 thousand from the COVID-19 compensation packages. The received compensation is recognised under other operating income.

2 Staff costs

	2020	2019
	DKK	DKK
Wages and salaries	6,008,808	5,626,925
Pension costs	248,851	167,100
Other social security costs	79,494	75,371
Other staff costs	1,190,745	1,349,981
	7,527,898	7,219,377
Staff costs classified as assets	(1,660,987)	(1,733,712)
	5,866,911	5,485,665
Average number of full-time employees	14	12

3 Depreciation, amortisation and impairment losses

	2020	2019
	DKK	DKK
Amortisation of intangible assets	1,635,014	1,178,367
Impairment losses on intangible assets	0	351,663
Depreciation of property, plant and equipment	198,075	62,118
	1,833,089	1,592,148

4 Other financial income

	2020	2019
	DKK	DKK
Exchange rate adjustments	656	0
	656	0

5 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	1,192,263	1,292,083
Change in deferred tax	43,000	373,000
Adjustment concerning previous years	0	(596,253)
	1,235,263	1,068,830

6 Intangible assets

	Completed development projects DKK
Cost beginning of year	3,948,769
Additions	1,856,474
Cost end of year	5,805,243
Amortisation and impairment losses beginning of year	(936,322)
Amortisation for the year	(1,635,014)
Amortisation and impairment losses end of year	(2,571,336)
Carrying amount end of year	3,233,907

7 Development projects

At 31 December 2020, the Company recognised total development projects of DKK 3,234 thousand in the balance sheet relating to development of LENDME digital platform.

Company expects these projects (software) related to LENDME digital platform to contribute significantly to future profits.

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	687,050	206,682
Additions	0	22,727
Cost end of year	687,050	229,409
Depreciation and impairment losses beginning of year	(67,111)	(9,572)
Depreciation for the year	(152,791)	(45,284)
Depreciation and impairment losses end of year	(219,902)	(54,856)
Carrying amount end of year	467,148	174,553

9 Financial assets

	Deposits DKK
Cost beginning of year	252,375
Additions	7,623
Cost end of year	259,998
Carrying amount end of year	259,998

10 Non-current liabilities other than provisions

	Due after more than 12 months 2020 DKK
Deposits	12,000
Other payables	308,996
	320,996

Non-current liabilities other than provisions falls due within 5 years. Other payables relates to the frozen holiday pay due to the new holiday law, and therefore it is uncertain when these will be paid.

11 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	3,460,513	4,267,356

12 Contingent liabilities

The entity has entered into advertising agreements for 2021 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.

Material errors in previous years

As a consequence of reassessing the Company's payable duties, the Group has become aware that its payable duties have been understated due to an error.

The adjustment has been corrected directly in the Company's equity in the financial statements for 2020, including the subsequent impact of the taxation for the income years 2017 - 2019.

The Company's comparative figures for 2019 have been adjusted accordingly, affecting profit for the year negatively by DKK 1.272 thousand as a result of the adjustment related to the Company's gross profit and tax on profit/loss for the year. Income tax receivable has been increased by DKK 596 thousand. Other payables have been increased by DKK 3,027 thousand. Equity has been decreased by DKK 2,430 thousand including the P/L effect in 2019.

The Company's loss for the year 2019 is DKK 4.604 thousand after the correction. The Company's equity totals DKK 6,329 thousand at 31 December 2019 after the correction.

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 income

Other financial income comprises interest income, including net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including 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.

Tax payable or receivable

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

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.