

Omniveta DK Finans ApS

Frederiksholms Kanal 2, 1220 København K

CVR no. 39 04 85 66

**Annual report for the period
20 October 2017 to 31 December 2018**

Adopted at the annual general meeting on 7 June
2019

Christian Bruland Hierwagen
chairman



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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Omniveta DK Finans ApS for the financial year 20 October 2017 - 31 December 2018.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 20 October 2017 - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 7 June 2019

Executive board

Christian Bruland Hierwagen
director

Supervisory board

Brian Norton
chairman

Michael Johanan Mager

Jehad Verjee

Christian Bruland Hierwagen

Carl Johan von Christierson

Independent auditor's report

To the shareholder of Omniveta DK Finans ApS

Opinion

We have audited the financial statements of Omniveta DK Finans ApS for the financial year 20 October 2017 - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 20 October 2017 - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 7 June 2019

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Henrik Ulvsgaard
statsautoriseret revisor
MNE no. mne21318

Peter Aagesen
statsautoriseret revisor
MNE no. mne41287

Company details

The company	Omniveta DK Finans ApS Frederiksholms Kanal 2 1220 København K CVR no.: 39 04 85 66 Reporting period: 20 October 2017 - 31 December 2018 Incorporated: 20. October 2017 Domicile: Copenhagen
Supervisory board	Brian Norton, chairman Michael Johanan Mager Jehad Verjee Christian Bruland Hierwagen Carl Johan von Christierson
Executive board	Christian Bruland Hierwagen, director
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business activities

The company's main activity is to operate factoring and closely related business.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 19.455, and the balance sheet at 31 December 2018 shows equity of DKK 3.804.635.

The company result for the first accounting period has been affected by a low activity in the beginning and an extraordinary expenses. The management considers the result as unsatisfactory.

A significant increase in the company activities is expected for 2019, for which reason the company is expected to generate profits.

Financing

The Omniveta Group is expecting to enter into a cooperation with a larger financial player on the Danish market in 2019 and through this cooperation we expect to gain a much larger market share and also a more business competitive financing of our activities. As a result of this we expect a significant improvement of the financial result for the company in 2019. In addition the shareholders of the Omniveta Group has agreed to financially support the group if necessary.

Management has in the financing reporting assumed that the above-mentioned initiatives are successful, and based thereon the financial statements are prepared under going concern principles.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 20 October - 31 December

	Note	2017/18 DKK
Gross profit		2.536.806
Financial income		249.098
Financial costs		<u>-2.760.971</u>
Profit/loss before tax		24.933
Tax on profit/loss for the year	2	<u>-5.478</u>
Profit/loss for the year		<u>19.455</u>
Retained earnings		<u>19.455</u>
		<u>19.455</u>

Balance sheet 31 December

	<u>Note</u>	<u>2017/18</u> DKK
Assets		
Trade receivables		46.459.302
Receivables from related parties		50.000
Receivables		<u>46.509.302</u>
Cash at bank and in hand		<u>13.742.305</u>
Total current assets		<u>60.251.607</u>
Total assets		<u><u>60.251.607</u></u>

Balance sheet 31 December

	Note	2017/18 DKK
Equity and liabilities		
Share capital		60.000
Retained earnings		3.744.635
Equity		3.804.635
Other credit institutions		50.711.259
Trade payables		133.536
Corporation tax		5.478
Other payables		5.596.699
Total current liabilities		56.446.972
Total liabilities		56.446.972
Total equity and liabilities		60.251.607
Uncertainty about the continued operation (going concern)	1	
Contingencies, etc.	3	
Mortgages and collateral	4	
Related parties and ownership structure	5	

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 20 October	50.000	0	0	50.000
Cash capital increase	10.000	3.725.180	0	3.735.180
Transfers, reserves	0	-3.725.180	3.725.180	0
Net profit/loss for the year	0	0	19.455	19.455
Equity at 31 December	60.000	0	3.744.635	3.804.635

Notes

1 Uncertainty about the continued operation (going concern)

The Omniveta Group is expecting to enter into a cooperation with a larger financial player on the Danish market in 2019 and through this cooperation we expect to gain a much larger market share and also a more business competitive financing of our activities. As a result of this we expect a significant improvement of the financial result for the company in 2019. In addition the shareholders of the Omniveta Group has agreed to financially support the group if necessary.

Management has in the financing reporting assumed that the above-mentioned initiatives are successful, and based thereon the financial statements are prepared under going concern principles.

2017/18

DKK

2 Tax on profit/loss for the year

Deferred tax for the year

5.478

5.478

3 Contingencies, etc.

The company is jointly taxed with its parent company, Omniveta Holding ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes for income year 2018 onwards as well as for payment of withholding taxes on dividends, interest and royalties.

4 Mortgages and collateral

Trade receivables and cash at hand are pledged as security for loan to other credit institutes.

5 Related parties and ownership structure

Transactions not conducted on arm's length terms

The company has conducted transactions with its sister company that have not been conducted on arm's length terms. The transactions include management fee, that amount DKK 2.3 mio., invoiced from Omniveta ApS to Omniveta DK Finans ApS. If the transaction had been conducted on arm's length terms the management fee would have been a higher amount.

Accounting policies

The annual report of Omniveta DK Finans ApS for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

As 2017/18 is the company's first reporting period, no comparatives have been presented.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

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

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Revenue from commission and invoice fee on purchased invoices is recognized in the income statement when ownership of the invoice is transferred to Omniveta DK Finans ApS.

Other external costs

Other external costs include expenses related to administration, management fee, premises and bad debts etc.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries

Investment in subsidiaries and associates are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Receivables

Receivables are measured at amortised cost.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash which are subject only to insignificant risks of changes in value.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Accounting policies

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Liabilities which include trade payables, which is usually equivalent to nominal value.