

Pleo Financial Services ApS

Ravnsborg Tværgade 5 C, 4., 2200 Copenhagen

Company reg. no. 39 15 54 35

Annual report

1 January - 31 December 2018

The annual report have been submitted and approved by the general meeting on the 20 March 2019.

Jeppe Rindom
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the executive board have today presented the annual report of Pleo Financial Services ApS for the financial year 1 January to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

The annual report is recommended for approval by the general meeting.

Copenhagen, 20 March 2019

Executive board

Jeppe Rindom

Niccolo Perra

Board of directors

Jeppe Rindom
Chairman

Niccolo Perra

Ulrik Trolle

Andreas Bernström

Johan Erik Larsson Brenner

Independent auditor's report

To the shareholders of Pleo Financial Services ApS

Opinion

We have audited the annual accounts of Pleo Financial Services ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Copenhagen, 20 March 2019

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Michael Winther Rasmussen
State Authorised Public Accountant
mne28708

Jacob Helly Juell-Hansen
State Authorised Public Accountant
mne36169

Company data

The company

Pleo Financial Services ApS
Ravnsborg Tværgade 5 C, 4.
2200 Copenhagen

Company reg. no. 39 15 54 35

Financial year: 1 January - 31 December

Board of directors

Jeppe Rindom, Chariman
Niccolo Perra
Ulrik Trolle
Andreas Bernström
Johan Erik Larsson Brenner

Executive board

Jeppe Rindom
Niccolo Perra

Auditors

Grant Thornton, State Authorized Public Accountants
Stockholmsgade 45
2100 Copenhagen

Accounting policies used

The annual report for Pleo Financial Services ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises net turnover and external costs.

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Net financials

Net financials comprise interests. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Pleo Financial Services ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

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

Profit and loss account

Amounts concerning 2018: DKK.

Amounts concerning 2017: DKK in thousands.

<u>Note</u>	<u>2018</u>	<u>7/12 - 31/12 2017</u>
Gross profit	69.575	-45
Other financial costs	-3.886	0
Results before tax	65.689	-45
Tax on ordinary results	-4.620	0
Results for the year	61.069	-45
 Proposed distribution of the results:		
Allocated to results brought forward	61.069	0
Allocated from results brought forward	0	-45
Distribution in total	61.069	-45

Balance sheet 31 December

Amounts concerning 2018: DKK.

Amounts concerning 2017: DKK in thousands.

Assets		
<u>Note</u>	<u>2018</u>	<u>2017</u>
Current assets		
Trade debtors	90.000	0
Debtors in total	<u>90.000</u>	<u>0</u>
Available funds	<u>2.654.824</u>	<u>12</u>
Current assets in total	<u>2.744.824</u>	<u>12</u>
Assets in total	<u>2.744.824</u>	<u>12</u>

Balance sheet 31 December

Amounts concerning 2018: DKK.

Amounts concerning 2017: DKK in thousands.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Equity and liabilities		
Equity		
2 Contributed capital	50.000	50
3 Results brought forward	2.625.179	-45
Equity in total	<u>2.675.179</u>	<u>5</u>
Liabilities		
Trade creditors	25.000	7
Corporate tax	4.620	0
Debt to group enterprises	40.025	0
Short-term liabilities in total	<u>69.645</u>	<u>7</u>
Liabilities in total	<u>69.645</u>	<u>7</u>
Equity and liabilities in total	<u>2.744.824</u>	<u>12</u>

1 The company's main activity**4 Contingencies**

Notes

Amounts concerning 2018: DKK.

Amounts concerning 2017: DKK in thousands.

1. The company's main activity

The company's main activity is to provide e-money related services.

	<u>31/12 2018</u>	<u>31/12 2017</u>
2. Contributed capital		
Contributed capital 1 January 2018	50.000	50
	<u>50.000</u>	<u>50</u>
3. Results brought forward		
Results brought forward 1 January 2018	-44.600	0
Profit or loss for the year brought forward	61.069	-45
Adjustment 1	2.608.710	0
	<u>2.625.179</u>	<u>-45</u>

4. Contingencies

Joint taxation

Pleo Holding ApS, company reg. no 39114127 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.