

4finance ApS

C/O Grant Thornton, Lautrupsgade 11, 2100 København Ø

Company reg. no. 32 55 78 64

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 27 June 2025.

Signed by:



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Kieran Patrick Donnelly
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of 4finance ApS for the financial year 1 January - 31 December 2024.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København Ø, 27 June 2025

Managing Director

Signed by:

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Kieran Patrick Donnelly

The independent practitioner's report

To the Shareholders of 4finance ApS

Opinion

We have performed an extended review of the financial statements of 4finance ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 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.

Practitioner'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 in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

The independent practitioner's report

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

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

Statement on the Management's Review

Management is responsible for the Management's Review.

Our conclusion on the financial statements does not cover the Management's Review, 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's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the 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 in the Management's Review.

Copenhagen, 27 June 2025

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36

Steen K. Bager

State Authorised Public Accountant
mne28679

Company information

The company

4finance ApS
C/O Grant Thornton, Lautrupsgade 11
2100 København Ø

Company reg. no. 32 55 78 64
Established: 28 October 2009
Domicile: Copenhagen
Financial year: 1 January - 31 December

Managing Director

Kieran Patrick Donnelly

Auditors

Grant Thornton, Godkendt Revisionspartnerselskab
Lautrupsgade 11
2100 København Ø

Management's review

The principal activities of the company

The principal activity of the Company is providing credit facilities to private individuals and all related business in context hereto.

Uncertainties about recognition or measurement

The Company is currently involved in an ongoing VAT case, which is scheduled to be heard in 2026. As part of this process, the Company is making regular payments to the Danish Tax Agency. These payments are deposited into the Company's tax account, but in a purely systemic sense, these are used to pay old debts, despite the fact that they are allocated to interest.

The Company has been granted a deferral of payment until the case has been resolved. However, there is some uncertainty regarding the recoverability of the amounts paid, as the use of these payments is dependent on the final outcome of the case. On the balance sheet date, the company has recognized a receivable of k.DKK 1.994, which is related to the above payments.

In addition, reference is made to note 4 regarding Contingencies, where the VAT case is discussed.

Significant changes in the company's activities and financial matters

There have been no significant changes in activities and financial matters.

The gross profit for the year totals DKK 956.125 against DKK 9.553.746 last year. Loss from ordinary activities after tax totals DKK -971.112 against DKK 4.708.374 last year.

Income statement 1 January - 31 December

All amounts in DKK.

Note	2024	2023
Gross profit	956.125	9.553.746
1 Staff costs	-1.818.974	-3.461.616
Depreciation and impairment of property, land, and equipment	-3.662	-58.913
Operating profit	-866.511	6.033.217
Other financial income	-6.882	938
2 Other financial costs	-90.604	-145.761
Pre-tax net profit or loss	-963.997	5.888.394
Tax on net profit for the year	-7.115	-1.180.020
Net profit or loss for the year	-971.112	4.708.374
Proposed distribution of net profit:		
Extraordinary dividend distributed during the financial year	4.700.000	28.000.000
Allocated from retained earnings	-5.671.112	-23.291.626
Total allocations and transfers	-971.112	4.708.374

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Non-current assets		
Other plants, operating assets, and fixtures and furniture	105	3.768
Total property, plant, and equipment	105	3.768
Total non-current assets	105	3.768
Current assets		
Loan receivables	1.921.675	4.129.895
Deferred tax assets	23.734	30.848
Other receivables	11.712.093	9.884.331
Prepayments and accrued income	99.008	158.262
Total receivables	13.756.510	14.203.336
Cash and cash equivalents	525.506	7.609.410
Total current assets	14.282.016	21.812.746
Total assets	14.282.121	21.816.514

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
Note	2024	2023
Equity		
Share capital	1.466.000	1.466.000
Retained earnings	1.484.735	7.155.847
Total equity	2.950.735	8.621.847
Liabilities other than provisions		
Trade payables	477.142	491.406
Payables to subsidiaries	1.597.342	789.957
Income tax payable	0	1.097.382
Other payables	9.256.902	10.676.195
Accruals and deferred income	0	139.727
Total short term liabilities other than provisions	11.331.386	13.194.667
Total liabilities other than provisions	11.331.386	13.194.667
Total equity and liabilities	14.282.121	21.816.514

- 3 Contingencies
- 4 Related parties

Penneo dokumentnøgle: LMJYC-1E8B7-C02DY-DUIXR-N2W8K-TJWHV

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2024	1.466.000	7.155.847	8.621.847
Profit or loss for the year brought forward	0	-5.671.112	-5.671.112
Extraordinary dividend adopted during the financial year	0	4.700.000	4.700.000
Distributed extraordinary dividend adopted during the financial year.	0	-4.700.000	-4.700.000
	1.466.000	1.484.735	2.950.735

Notes

All amounts in DKK.

	2024	2023
1. Staff costs		
Salaries and wages	1.426.841	2.737.536
Pension costs	161.600	331.200
Other staff costs	230.533	392.880
	1.818.974	3.461.616
Average number of employees	2	
2. Other financial costs		
Financial costs, group enterprises	8.847	0
Other financial costs	81.757	145.761
	90.604	145.761

3. Contingencies

Contingent liabilities

In result of tax audit finished in FY2022 the Tax authorities have issued two decisions on tax assessment. The Company has appealed the respective decisions to Danish Tax Agency. Although the tax assessments represent significant amount for the Company and, thus, could have substantive impact on the Company's financial position in case of materialisation, the Company's management (supported also by tax and legal professional advisors) believes that decision of Danish Tax Agency shall be positive for the Company. As a result, no tax provisions are recognized in Company's books, however, the respective matter is included as a contingent liability.

The Company has been granted a deferral of payment until the case has been resolved. However, there is some uncertainty regarding the recoverability of the amounts paid, as the use of these payments is dependent on the final outcome of the case. On the balance sheet date, the company has recognized a receivable of k.DKK 1.994, which is related to the above payments.

4. Related parties

Controlling interest

4finance Group S.A.

Majority shareholder

8-10 Avenue de la Gare, L-1610 Duchy of Luxembourg

Accounting policies

The annual report for 4finance ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has chosen to aggregate the items revenue and other external expenses in the item gross profit/gross loss.

Revenue comprises interest and fees related to loans. Income is accrued over the periods to which it relates and is included in the income statement at the amounts relating to the accounting period concerned.

Other expenses comprise expenses for sale, write-down of loan receivables, office premises and administration.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external costs comprise costs for sales, advertisement, administration, premises and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

Statement of financial position

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life :

	Useful life
Buildings (Righth-of-use assets)	Over the term of the contract
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

The enterprise will be applying IFRS 16 as its basis of interpretation for the recognition of classification and recognition of leases.

Leases pertaining to property, plant, and equipment for which the enterprise has the right-of-use are recognised in the statement of financial position as right-of-use assets. The assets are, at initial recognition, measured at imputed cost, consisting of:

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Accounting policies

- The imputed lease liability
- Any lease payments paid prior to – or on – the starting date, less any lease incentives received
- Any direct start-up costs
- Any restoring costs

Hereafter, recognised leased assets are treated like the enterprise's remaining property, plant, and equipment.

Lease liabilities are recognised in the statement of financial position as liabilities other than provision and are measured, at initial recognition, at the present value of lease payments payable over the lease term. This includes a purchase option in the event that the enterprise expects to purchase the right-of-use asset. When determining the present value, the internal rate of return or, alternatively, the enterprise's borrowing rate is applied as discount rate.

Hereafter, the lease liability is treated like the remaining financial liabilities, i.e. at amortised cost.

The interest element of the lease payments is recognised in the income statement over the contractual term.

The following leases are not recognised as assets and liabilities in the statement of financial position:

- Leases with a duration of twelve months or less (short leases)
- Leases where the replacement value of the asset is less than DKK 30,000. (low-value assets)

For such leases, the lease payment is recognised in the income statement as an expense on a linear basis over the lease term.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Accounting policies

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

To counter expected losses, writedown is done to net realisable value. The enterprise will be applying IFRS 9 as the basis of interpretation for the recognition of impairment of financial assets, meaning that an expected loss must be included at initial recognition of the receivable.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Accounting policies

Deferred tax assets, including the tax value of tax losses allowed for carryforward, 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. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

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Steen Kofod Bager

**Grant Thornton, Godkendt Revisionspartnerselskab CVR:
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