

“AVENTUS UKRAINE” LLC

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

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AUDIT FIRM
UKRAUDIT XXI – SHEVCHENKIVSKA BRANCH
LIMITED LIABILITY
COMPANY

(Register of Auditors and Auditing Entities No. 1574)

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Independent Auditor's Opinion

*Attn. of the National Commission for State Regulation of the
Financial Services Markets
Members of AVENTUS UKRAINE LLC
Senior executives of AVENTUS UKRAINE LLC*

**Opinion on the Financial Statements of
AVENTUS UKRAINE Limited Liability Company for 2019**

Qualified Opinion

We have audited the financial statements of AVENTUS UKRAINE LLC Limited Liability Company (code in the Unified State Register of Enterprises and Organisations of Ukraine (EDRPOU code) 41078230; located at 90-A Peremohy Avenue, Kyiv, 03062; state registration date: 12 January 2017.), hereinafter the "Company", which are enclosed, including the Balance Sheet (Statement of Financial Position) as of 31 December 2019, the Statement of Financial Results (Consolidated Income Statement), the Cash Flow Statement, the Statement of Changes in Equity for the Year Ended on 31 December 2019, the Statement of Changes in Equity for 2019, notes to the financial statements for 2019, including the summary of the summary of the material accounting policies.

In our opinion, except for the possible impact of the issue described in the section "*Basis for the Qualified Opinion*" hereof, the enclosed financial statements reliably represent the standing of AVENTUS UKRAINE Limited Liability Company as of 31 December 2019 and the financial results and cash flow thereof for the year ending on the given date, in all the material aspects, in accordance with the International Financial Reporting Standards in effect as of 31 December 2019 and meet the requirements of Law of Ukraine "On the Accounting and Financial Reporting in Ukraine" No. 996-XIV dated 16 July 1999.

Basis for qualified opinion

1. The classification of the PPE stated as the fixed assets on the Company's Balance Sheet meet the requirements of IAS 16 "Property, Plant and Equipment", but the deviations from the approved accounting policy were identified during the audit. Thus, it is established by Clause 4.3.1 of the *Regulations on the Company's Accounting Policy* that the PPE shall be the asset with the estimated useful service (lifecycle) of more than a year and with the value exceeding UAH 6,000. The low-cost fixed assets include all the PPE the value of which is equal to or less than UAH 6,000.

Contrary to the above, the value criterion was not always met in 2019 during the recognition of the PPE. As of 31 December 2019, the accounted PPE include 119 fixed assets with the value of less than UAH 6,000, for the total amount of UAH 337,822.49, with the depreciation accrued on a straight-line basis in the amount of UAH 84,615.13. According to the Regulations on the Company's Accounting Policy, the fixed assets were to be classified as the low-cost fixed assets with 100 % depreciation accrued during the commissioning, in the amount of UAH 337,822.49 (underdepreciation by UAH 253,207.36).

2. As a result of the inadequate classification of the fixed assets, the administrative expenses were underestimated by UAH 253 thousand.

Due to the impact of the above issues, the income tax was increased by UAH 46 thousand, the net income was increased by UAH 207 thousand, and the equity was increased by UAH 207 thousand. The impact of the above issues on the financial reporting is material, but not comprehensive.

The audit has been conducted in accordance with the International Standards of Auditing (ISA).

Our liability under the ISA is stated in the section “*Auditor’s Liability for Auditing the Financial Statements*” hereof.

We are independent from the Company in accordance with the *Code of Ethics for Professional Accountants* International Ethics Standards Board for Accountants (the IESBA Code) and the ethical requirements set by Law of Ukraine “On the Audit of the Financial Statements and Auditing” dated 21 December 2017 No. 2258-VIII applicable in Ukraine to our audit of the financial statements, and we have discharged other ethical duties in accordance with the requirements and the IESBA Code.

In our opinion, the obtained audit evidence is sufficient and appropriate to be used as a basis for our qualified opinion.

Key Issues of the Audit

Key issues of the audit are the issues which, according to our professional judgement, were most significant during our audit of the financial statements for the current period. The issues were considered in the context of our audit of the financial statements in general and taken into consideration in the opinion thereon, but no separate opinion on these issues was expressed.

Going concern

The financial statements were drawn up based on the going concern assumption of the ongoing business. When the financial statements are drawn up, the management staff are responsible for assessing the company’s ability to continue operations on an ongoing basis.

Use of this assumption as an accounting basis is acceptable if the management staff are not planning to dissolve the Company or terminate its activity or has no other real option except for that one. During our audit of the financial statements, we made the conclusion that the assumption of the ongoing business as an accounting basis used by the management staff to draw up the financial statements of the Company was adequate.

For the users of the financial statements to be furnished with the objective information on the financial position of the Company, and in order to obtain auditor’s evidence as to the Company’s ability to continue operations on a going concern basis, the auditors have calculated the indicators of liquidity (solvency), financial stability and rate of return:

Main indicators	Actual values as of 31 December 2019	Standard value	Conformity to the standards
Liquidity (solvency) values			
Quick (current) liquidity ratio (<i>Current assets (line 1195) - Inventory (line 1100) / Current liabilities (line 1695)</i>) (describes the Company’s ability to discharge its short-term liabilities when due, by means of the highly-liquid assets)	3.3	0.6-0.8	+
Absolute liquidity ratio (<i>Cash and cash equivalents (line 1165) / Current liabilities (line 1695)</i>) (describes the Company’s immediate readiness to repay its debt with the first-class liquid assets (cash and cash equivalents)).	0.7	0.2-0.35	+

Main indicators	Actual values as of 31 December 2019	Standard value	Conformity to the standards
Overall liquidity (coverage) ratio (<i>Current assets (line 1195) / Current liabilities (line 1695)</i>) (generally assesses the liquidity of assets by showing how many hryvnias of the Company's current assets conforms to one hryvnia of the current liabilities)	4.9	>1.0	+
Financial stability values			
Autonomy (financial independence) ratio (<i>Equity (line 1495) / Total balance (line 1900)</i>) (demonstrates the specific weight of the equity in the total amount of the cash prepaid into its activity)	0.4	>0.5	-
Financial stability ratio (<i>Equity (line 1495) / Amount of liabilities and provisions (line 1595 + line 1695)</i>) (the indicator's value demonstrates how many hryvnias of the equity conform to one hryvnia of the Company's liabilities)	0.7	>1.0	-
Capital manoeuvrability ratio (<i>Own working capital (line 1195 - line 1695) / Equity (line 1495)</i>) (the ratio demonstrates the ratio between own working assets and the equity)	1.7	>0.1	+
Debt-to-equity ratio (<i>Long-term and short0term liabilities and provisions (line 1595 + line 1695) / Equity (line 1495)</i>) (determines sufficiency of the Company's equity to cove its liabilities)	1.5	≤1.0	-
Rate of return values			
Return on assets (performance of assets) ratio (<i>Net profit (form No. 2, line 2350) / Total balance (line 1900)</i>)	for 2019 – 0.4 for 2018 – 0.1	growth	+
Return on equity (performance of equity) ratio (<i>Net profit (form No. 2, line 2350) / Equity (line 1495)</i>)	for 2019 – 0.9 for 2018 – 0.2	growth	+

The auditor may make an assumption based on the analysis of the liquidity (solvency) values:

✓ Where necessary, the Company will probably be able to repay the estimated current liabilities at the expense of all the mobilised current assets.

The auditor may make a conclusion based on the analysis of the financial stability values:

✓ As of 31 December 2019, the specific weight of the equity in the total amount of the cash prepaid into its activity is 40 %.

✓ The Company is highly dependent on the engaged cash and cash equivalents and insufficient equity to cover its liabilities.

The rate of return values demonstrate the efficient use of the assets.

The collected evidence and analysis of the operations give the auditors no grounds to doubt the Company's ability to continue its operations on an ongoing basis. On applying the ordinary procedures and analysing the Company's financial position, we found no evidence of violation of the principle of the Company's ongoing business.

Disclosure of Information on Using the Fair Value

As of the end of each reporting period, the Company shall only perform only the ongoing measurements of the assets and liabilities, i.e. the measurements required by IFRS 13.

Disclosure of the information related to the accounting measurements in the financial statements conforms to the requirements of the 'conceptual basis of the financial reporting in accordance with ISA 540 "Auditing Accounting Estimates and Related Disclosures".

The information is disclosed in Clause 3.2 of the Notes to the Annual Financial Statements.

Depreciation of Assets

As of the date of the statement of financial position, the Company assessed its financial

assets in terms of depreciation in accordance with the requirements of International Financial Reporting Standard 9 “Financial Instruments”. As IFRS 9 entered into force on 1 January 2018, the Company fundamentally changed the approach to depreciation of the financial assets.

As soon as the financial asset is recognised on the books, the Company measures and recognises the allowance for the loan losses from the financial assets that are expected, but have not been sustained. Expected loan losses are the average weighted value of the loan losses calculated by means of the corresponding probabilities of the default events as the weighting factor. In their turn, the loan losses are the current value of the difference between the cash flows to be received by the Company in accordance with the contract and the cash flows the Company expects to receive.

The information is disclosed in Clause 3.4, 3.5 of the Notes to the Annual Financial Statements.

The Company has no assets located within the temporarily occupied territories of Ukraine.

The Company gained no income from asset investment during the reporting period.

Related-Party Transactions

The auditors performed the necessary procedures efficient to reach the purpose of the audit of related-party transactions in accordance with ISA 550 “Related Parties”. The results of the procedures were recorded and demonstrate the following, to our mind: there was adequate accounting and disclosure of the identified relations and transactions with related parties in accordance with the applicable conceptual financial reporting framework; the impact of the relations and transactions between related parties procures reliable submission and requires no adjustments to the financial statements.

The information is disclosed in Clause 9 of the Notes to the Annual Financial Statements.

Disclosures of Information on Litigations and Regulatory Requirements Having Material Impact on the Company’s Activity

The auditor performed the procedures in accordance with ISA 250 “Consideration of Laws and Regulations in an Audit of Financial Statements”, including the inquiries sent to the management staff as to any litigations and claims, and the communication with the Company’s lawyer.

The Company performs the official control procedures as well as the legal risk management policy.

The information on the litigations is disclosed in Clause 9 of the Notes to the Annual Financial Statements.

The regulatory requirements of the National Commission for State Regulation of the Financial Services Markets stated in the following documents have a material impact on the Company’s activity:

- Regulations on the State Register of Financial Institutions (Order No. 41 dated 28 August 2003);
- Regulations on Establishing the Restrictions for the Alignment of Provision of Certain Types of Financial Services (approved by Order No. 1515 dated 8 July 2004);
- Licensing Conditions for the Economic Activity of Provision of Financial Services (Except for the Professional Activity on the Securities Market) (approved by Order No. 913 dated 7 December 2016).

Most issues as to adherence to these legislative and regulatory requirements by the Company as the financial institution were considered by the auditor in the section “Key Issues” and in the

section "Report under Other Legislative and Regulatory Requirements" hereof.

When conducting the audit, the audit found no violations of the legislative and regulatory requirements specified herein by the Company.

Disclosure of Information on the Major Transactions Involving Assets

Taking a decision on the major transaction (the value of the property, works or services being a subject matter of the transaction is more than 10 % of the value of the Company's assets according to the latest annual financial statements) pertains to the exclusive competence of the General Meeting.

The Company carried out major transactions in 2019 in accordance with that clause.

Raising Funds, Including from Individuals and Legal Entities

➤ The Company adheres to the requirements for the ban on engagement of the financial assets from individuals, with the obligation of the subsequent repayment thereof as prescribed by Clause 38 of Licensing Conditions No. 913.

In 2019, the Company raised cash from other financial institutions on a contractual basis.

Disclosure of Information on the Accounts Receivable under Non-Financial Transactions

The accounts receivable under non-financial transactions include:

Type of the accounts receivable under non-financial transactions	Bookkeeping account	Code of the line in form 1 "Balance Sheet"	Amount /in UAH, thousand/
Settlements for the goods, services necessary for the economic activity of the financial institution	685	1155	2,777
Settlements for the goods, services necessary for the economic activity of the financial institution	631	1155	658

Disclosure of Information on the Past-Due Liabilities

As of 31 December 2019, the Company's balance sheet contains *no past-due liabilities*.

***Disclosure of Information in the Financial Statements
of the Company as of 31 December 2019***

The conceptual financial reporting framework of the Company in 2019 is the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), which are officially published on the website of the Ministry of Finance of Ukraine, with account of the effective explanations of the State Statistics Service of Ukraine. The Company's accounting policy during the period being audited establishes the accounting and financial reporting framework in accordance with the basic principles and methods for assessment and registration of economic transactions as provided for by Law of Ukraine "On the Accounting and Financial Reporting in Ukraine" No. 996-XIV dated 16 July 1999 as amended and supplemented, and the International Financial Reporting Standards (hereinafter the "IFRS").

The Company's accounting policy discloses the accounting basis, standards, rules and procedures used by the Company for the accounting and reporting purposes in accordance with the IFRS. The accounting policy establishes the principles of recognition and measurement of the accounted items, definition and breakdown of certain items in the Company's financial statements.

Accounting and financial reporting are carried out by the Company in accordance with Law of Ukraine "On the Accounting and Financial Reporting in Ukraine" No. 996-XIV dated 16 July 1999 as amended and supplemented, the International Accounting Standards, the International Financial Reporting Standards and other laws and regulations on accounting and financial reporting in Ukraine, and the Accounting Policy of the Company.

Accounting procures regular collection and adequate processing of information necessary to draw up financial statements. The data in the primary documents conform to the data of the analytic and synthetic records of the Company, which were represented accordingly in the financial statements as of 31 December 2019.

The Company's accounting system is consistent with the size, structure and type of activity thereof and procures regular collection and processing of information for financial statements. The indicators in the financial statement forms generally conform to the accounting data, and the data in the individual reporting forms conform to each other.

Financial statements are drawn up and submitted to the corresponding regulatory authorities on a timely basis. No changes in the methodology were found during the period being audited.

Based on the tests conducted and the auditing evidence collected, it can be noted that the Company's accounting generally conforms to the requirements of Law of Ukraine "On the Accounting and Financial Reporting in Ukraine" No. 996-XIV dated 16 July 1999 as amended and supplemented, and other regulatory documents on accounting.

Disclosure of Information on Elements of the Financial Statements

Fixed Assets

While auditing the fixed assets of the Company, the auditor analysed the recognition of the assets, calculation of their book value and depreciation charges.

Intangible Assets

Recognition of the intangible assets, calculation of their book value and depreciation charges are carried out in accordance with IAS 38 "Intangible Assets".

The primary valuation of an intangible asset is its net cost.

After they are recognised to be an asset, intangible assets are measured and recorded in the financial statements based on their historical cost less the accrued depreciation. As of 31 December 2019, the cost of the intangible assets (item 1000) is UAH 4,434 thousand. The information is disclosed in Clause 4.1 of the Notes to the Annual Financial Statements.

Property, Plant and Equipment

Classification and measurement of the PPE pertaining to the fixed assets on the Company's books conform to the requirements of IAS 16 "Property, Plant and Equipment". The deviation from the adopted accounting policy was identified during the audit. Thus, it is established by Clause 4.3.1 of *the Regulations on the Company's Accounting Policy* that the PPE shall be the asset with the estimated useful service (lifecycle) of more than a year and with the value exceeding UAH 6,000.

The low-cost fixed assets include all the PPE the value of which is equal to or less than UAH 6,000.

Contrary to the above, the value criterion was not always met in 2019 during the recognition of the PPE. As of 31 December 2019, the accounted PPE include 119 fixed assets with the value of less than UAH 6,000, for the total amount of UAH 337,822.49, with the depreciation accrued on a straight-line basis in the amount of UAH 84,615.13. According to the Regulations on the Company's Accounting Policy, the fixed assets were to be classified as the low-cost fixed assets with 100 % depreciation accrued during the commissioning, in the amount of UAH 337,822.49 (underdepreciation by UAH 253,207.36).

After they are recognised to be an asset, the property, plant and equipment are accounted and recorded in the financial statements based on the next cost thereof less the accrued depreciation and accrued losses from the reduced useful life. Depreciation of the property, plan and equipment

is accrued by the Company on a straight-line basis during the estimated useful service and reflected in income and losses.

As of 31 December 2019, the cost of the PPE (item 1010) is UAH 7,215 thousand. The information is disclosed in Clause 4.3 of the Notes to the Annual Financial Statements.

Current Assets

Accounts Receivable

The accounts receivable as of 31 December 2019 under the contracts with the payment systems (where the funds received from the lenders as repayment of the loan and interest debt on the last day of the reporting year will be transferred to the Company's current account by the payment systems on the following day of the month) are UAH 170 thousand (item 1140).

The accounts receivable under the settlements for the accrued income (item 1140) are UAH 71,486 thousand (settlements for the accrued interest on the loans that have been granted, but have not been repaid, both to individuals and legal entities).

The other current accounts receivable by the Company as of 31 December 2019 (item 1155) is UAH 75,667 thousand and includes the debt under the granted financial loans of UAH 368,518 thousand; accounts receivable for the goods, works and services in the amount of UAH 3,436 thousand; and the allowance for the expected loan losses UAH (296,287) thousand.

The other current accounts receivable as of 31 December 2019 are included into the total in the Balance Sheet (Statement of Financial Position) at the net sales value. The net sales value of the other current accounts receivable of the Company is calculated as the amount of the current accounts receivable less the allowance for the expected loan losses. The information is disclosed in Clause 4.7 of the Notes to the Annual Financial Statements.

Cash and Cash Equivalents

The Company effects settlements in cash and by wire transfer in accordance with the effective laws. As of 31 December 2019, the cash and cash equivalents are UAH 41,338 thousand (item 1165). The information is disclosed in Clause 4.8 of the Notes to the Annual Financial Statements.

To our mind, the assets are recorded on the Company's books at the reliably estimated value, and the future economic benefits associated with use thereof are expected in the future. Following the audit, we can make the conclusion that the information disclosed by the Company by the types of assets is consistent with the IFRS requirements.

Disclosure of Information on the Liabilities

The other long-term liabilities are recorded on the Company's books in the amount of UAH 64,456 thousand.

The other long-term liabilities as of 31 December 2019 include:

- long-term loan from the non-resident founder Aldega CJSC (Lithuania), Loan Contract No. 1 dated 2 November 2018 for the amount of EUR 2,339,866.32, at the interest rate of 9.8 % per annum, which is UAH 61,823,947.91 at the exchange rate of the National Bank of Ukraine as of the reporting date.

To the opinion of the management staff, the long-term liabilities resulted from obtaining the loan under the market conditions (the loan was obtained at the interest rate that was not materially different from the market one); the present value of the liabilities will in fact be different to the nominal value (i.e. the discount equals zero) so the liabilities are not to be discounted;

- long-term liabilities related to the lease of the office premises (NIK Development LLC on the long-term lease basis) in the amount of UAH 2,632,236.29, which are accounted in accordance

with IFRS 16 “Leases”. The lease charges are discounted by means of the effective interest rate to raise the additional borrowed funds. The information on the effective rate was obtained on the official website of the National Bank of Ukraine in the section “Value of the Loans Based on the Statistical Reports of the Banks of Ukraine”.. The lease right is accounted by the lessee as the right to use the property in accordance with Clause 47 of IAS 16 as the PPE.

Current Liabilities and Provisions

The current liabilities and provisions in the amount of UAH 56,367 thousand as of 31 December 2019 include:

- Current accounts payable for the goods, works and services in the amount of UAH 21,868 thousand;
- Current budget settlements in the amount of UAH 7,012 thousand;
- Labour remuneration settlements in the amount of UAH 1 thousand;
- Current settlements with the member in the amount of UAH 13,213 thousand;
- Current provisions in the amount of UAH 1,780 thousand;
- Other current liabilities in the amount of UAH 12,493 thousand.

The current debt (item 1615) includes the arrears for the services necessary for the economic activity of the financial institution in the amount of UAH 21,868 thousand.

The current budget settlements (item 1620) in the amount of UAH 7,012 thousand are made of the current arrears of the Company for the income tax.

The current labour remuneration settlements (item 1630) in the amount of UAH 1 thousand are made of the sick leave debt for December 2019.

The current accounts payable for the settlements with the members (item 1640) include the liabilities as to the unpaid dividends (Resolution of the Sole Member of the Company No. 06/2019 dated 9 December 2019 on Distribution of the Net Profit for the First Six Months of 2019).

The current provisions (item 1660) include the unused vacation provision in the amount of UAH 1,780 thousand.

The other current liabilities in the amount of UAH 12,493 thousand (item 1690) are made of the accounts payable for the goods, works and services in the amount of UAH 11,996 thousand and other accounts payable for the interest accrued on the short-term loan received from the non-resident in the amount of UAH 497 thousand.

The information is disclosed in Clause 5.2 of the Notes to the Annual Financial Statements.

To our mind, the liabilities are recorded on the Company’s books at the reliably estimated value, and they are likely to be discharged. Following the audit, we can make the conclusion that the information disclosed by the Company on the liabilities is consistent with the IFRS requirements.

Disclosure of Information on the Company’s Income and Expenses

The revenue is recognised, measured, recorded and disclosed in accordance with IAS 18 “Revenue”.

The revenue from selling products (goods, works and services) (namely revenue from the interest accrued on the loans) for 2019 is UAH 748,131 thousand.

The other operating income for 2019 is UAH 98,773 thousand (received late penalties and other penalties in the amount of UAH 46,824 thousand; the foreign exchange differences in the amount of UAH 51,937 thousand; revenue from selling other fixed assets in the amount of UAH 12 thousand);

The other financial income (interest accrued on the balance on the account) is UAH 799 thousand;

The other income (transfer of the title to the trade mark) IS UAH 26 thousand;

The definition, measurement, recognition and classification of expenses are described in the conceptual financial reporting framework, IAS 1 "Presentation of Financial Statements", IAS 2 "Inventories", IAS 16 "Property, Plant and Equipment", and the other standards.

The expenses in 2019:

Administrative expenses – UAH 156,459 thousand;
Distribution expenses – UAH 141,103 thousand;
Other operating expenses – UAH 274,887 thousand;
Financial expenses – UAH 5,087 thousand;
Other expenses – UAH 180,332 thousand.

The total amount of the expenses in 2019 is UAH 757,868 thousand.

The revenue or losses are determined by comparing the income of the reporting period with the expenses. Following the economic activity in 2019, the Company gained the financial result before tax (profit) in the amount of UAH 89,861 thousand.

***Assurance Report on the Reporting Data of
AVENTUS UKRAINE Limited Liability Company
for 2019***

The management staff are responsible for the annual reporting data of the Company. The auditors checked the other material information disclosed by the Company in the annual reporting data and submitted to the National Commission for State Regulation of the Financial Services Markets in accordance with ISA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information",

The Company's activity confirmed to the effective laws, in particular, Law of Ukraine "On the Financial Services and State Regulation of Financial Services Markets" No. 2664-III dated 12 July 2001 as amended and supplemented, the Procedure for reporting by financial companies, financial institutions being public law entities, trust institutions and economic entities without the legal status of the financial institution that are allowed to provide the financial leasing services as prescribed by the laws and regulations of the State Committee for Regulation of the Financial Services Markets and the National Commission for State Regulation of the Financial Services Markets, which was approved by Order of the National Commission for State Regulation of the Financial Services Markets No. 3840 dated 26 September 2017 registered with the Ministry of Justice of Ukraine on 24 October 2017 under No. 1294/31162.

The other information is made of the information stated in the Company's annual reporting data for 2019:

- Front sheet (Annex No. 6);
- Certificate of the scope and quantity of the financial service contracts, executed and performed (Annex No. 7);
- Certificate of the loan contracts, including the ones executed on the basis of the financial loan terms and conditions (Annex No. 13);
- Information on the structure of the fixed capital of the financial institution (Annex No. 14).

Our opinion on the financial statements does not apply to the other information, and we are not making the conclusion with any level of assurance as to the other information.

In connection with our audit of the financial statements, our duty is to read the other information and decide whether there is any material non-conformity between the other information and financial statements or other knowledge obtained during the audit, or whether this information seems to contain material misstatement.

If we make the conclusion on the material misstatement of the information based on the work performed as to the other information, we have to inform thereof.

We detected no facts to be included into the opinion.

Liability of the Management Staff for the Financial Statements

The management staff are liable for drawing up and submitting the credible financial statements in accordance with the IFRS (conceptual framework for reliable submission of the general purpose) and the internal control system the management staff deems necessary to procure that the financial statements with no material misstatement due to fraud or error is drawn up.

When drawing up the financial statements, the management staff are responsible for assessing the Company's ability to continue its operations on a going concern basis by disclosing, where applicable, the issues related to the ongoing business and using going concern assumption as a basis for the accounting.

Auditor's Liability for Auditing the Financial Statements

Our purposes is to be reasonably assured that the financial statements in general contain no material misstatement due to fraud or error, and to issue the auditor's opinion. The reasonable assurance is the high level of assurance, but it does not warrant that the audit conducted in accordance with the ISA will always detect the material misstatement, if any. Misstatement may result from fraud or error. It is considered to be material if it is reasonably expected, on its own or in aggregate, to be capable of influencing economic decisions of the users taken based on these financial statements.

By conducting the audit based on the ISA, we use professional judgement and professional scepticism during the audit. Moreover, we:

- ✓ identify and assess the risks of material misstatement in the financial statements as a result of fraud or error, develop and perform the auditing procedures in response to such risks, and obtain auditing evidence sufficient and acceptable as the basis for our opinion. The risk of non-detection of material misstatement due to fraud is higher than misstatement due to error since fraud may include concerted actions, forgery, deliberate omission, inadequate statements or negligence of internal control;

- ✓ develop an understanding of the internal control system associated with the audit in order to create the auditing procedures consistent with the circumstances rather than express our opinion on efficiency of the internal control system;

- ✓ assess applicability of the accounting policies used and reasonability of the accounting measurements and disclosures made by the management staff;

- ✓ make the conclusion on the admissibility of the assumption of the management staff regarding the ongoing basis as an accounting basis, and, based on the auditing evidence obtained, make the conclusion whether there is material uncertainty as to the events and conditions that would cast significant doubt on the Company's ability to continue its operations on an ongoing basis. If we conclude that there is such material uncertainty, we have to draw attention to the corresponding disclosures in the financial statements in the auditor's opinion, or, if such disclosure is improper, we have to modify our opinion. Our conclusions are based on the auditing evidence

received before the date of our auditor's opinion. However, future events or conditions may force the Company to terminate its ongoing business;

✓ assess the general presentation, structure and content of the financial statements, including the disclosures, as well as whether the financial statements show the transactions and events they are based on for the purposes of reliable presentation.

We inform those holding the supreme powers of the scheduled scope and time of the audit and the material auditing results, including any material defects of the internal control system detected during the audit.

We also assure those holding the supreme powers that have have complied with the corresponding ethical requirements to the independence.

Out of the list of all the issues information on which has been furnished to those holding the supreme powers, we have selected the ones of the biggest significance for the audit of the financial statements for the current period, i.e. the ones that are key issues of the audit. These issues are described in our auditor's opinion.

Opinion in Accordance with the Other Laws and Regulations

AVENTUS UKRAINE LLC operates in accordance with its certificate of state registration of the financial institution (series ФК No. 13103586 dated 28 February 2017), Order of the National Commission for State Regulation of the For State Regulation of the dated 28 February 2017 No. 426; website <https://creditplus.ua/pro-nas/>).

AVENTUS UKRAINE LLC carries out its economic activity based on the perpetual licence:

- Order of the National Commission for State Regulation of the Financial Services Markets No. 756 dated 28 March 2019 for the economic activity of provision of the financials services, namely granting loans, including the ones under the financial loan terms and conditions.

We are furnishing additional information related to the annual financial statements of AVENTUS UKRAINE LLC for 2019.

Compliance with the following legal requirements by the economic entity:

➤ *Mandatory criteria and standards of sufficiency of the capital and solvency, liquidity, profitability, quality of assets and risks of transactions, adherence to the other indicators and requirements limiting the risks related to the transactions and financial assets*

✓ Equity

AVENTUS UKRAINE LLC is the Company with 100 % foreign capital.

The structure of the equity as of 31 December 2019 is as follows:

✓ The registered capital of AVENTUS UKRAINE LLC according to Minutes of the General Meeting No. 10-1 dated 30 March 2018 is UAH 20,000,000, which is equal to EUR 637,333.69 (item 1400).

The sole Member of the Company is ALDEGA CJSC incorporated as a Closed Joint-Stock Company and existing in accordance with the law of the Republic of Lithuania, code with the Register of Legal Entities of the Republic of Lithuania 302691562, address: 3 Adučiškio, Vilnius, Vilnius County, Republic of Lithuania.

The registered Authorised Capital as of 31 December 2019 had been formed by 100 %, only with the cash of UAH 20,000,000, which is equal to EUR 637,333.69. There were no changes in formation of the Authorised Capital in 2019.

✓ The additional capital as of 31 December 2019 in the amount of UAH 201 thousand was formed at the expense of the foreign exchange differences as of the date of formation of the

Authorised Capital. There were no changes in formation of the additional capital in 2019. As of 31 December 2019, the amount of the additional capital is UAH 200,856.72.

✓ The undistributed profit in 2019 was increased by UAH 53,322 thousand and was equal to UAH 59,286 as of the end of the reporting year (item 1420).

As of 31 December 2019, the Company's balance sheet contained the equity of UAH 79,487 thousand.

The amount of the equity conforms to the established requirements of Clause 7 of Section X. Special aspects as to entry of information on the lending institution (except for the credit union) into the Register, *the Regulations on the State Register of Financial Institutions* approved by Order of the State Committee for Regulation of the Financial Services Markets No. 4368 dated 28 November 2013.

The information is disclosed in Clause 5.2 of the Notes to the Annual Financial Statements.

✓ *Formation of the Contingency Reserve*

In accordance with the requirements of the International Financial Reporting Standards, the Company forms the contingency reserve by depreciating (reducing the useful life of) the accounts receivable from the lending transactions.

The Company forms the contingency reserve in accordance with the *Regulations on the Procedure for Formation and Use of Reserves for the Company's Financial Assets Based on the Model of the Expected Losses in accordance with IFRS 9 "Financial Instruments"*.

The Company applies the simplified approach (Clause 5.5.15 of IFRS 9) to calculate the allowance for the losses in the amount equal to the expected loan losses. The information is disclosed in Clause 3.5, 3.12 and 4.7 of the Notes to the Annual Financial Statements.

During the audit, the auditor found no violations of the laws and regulations on the formation, accounting, sufficiency and adequacy of the formed contingency reserve for depreciation of the accounts receivable.

✓ *Regarding Introduction of the Risk Management System by the Company*

Risk management plays an important role in the Company's activity.

The main risks inherent to the Company's transactions include the liquidity risk, the credit risk, and the market risk.

The risk management policies are aimed at detection, analysis and management of the risks encountered by the Company by establishing the corresponding limits and controls.

The liquidity risk is the risk that the Company will be unable to discharge its liabilities when due.

The Company's liquidity is controlled and managed thoroughly. The Company uses the procedure for detailed budgeting and cash forecasting in order to guarantee that there are adequate resources to fulfil its financial obligations. In order to manage the liquidity risk, the Company monitors the expected future cash flows from the transactions being a part of the asset/liability management process.

The Company analyses the sources of financing during the previous periods and takes corresponding decisions on asset and liability management.

The credit risk is the risk that one of the parties to the financial instrument contract will be unable to fulfil its obligation, which will result in the other party's losses. The main method for credit risk assessment by the Company's senior executives is assessment of the contracting parties' borrowing power, for which any information on their ability to repay their debt is necessary.

The Company uses the following methods for credit risk management:

- ✓ Limits for the debt liabilities;
- ✓ Limits for the debt liabilities per contracting party.

The market risk is the risk that the fair market value or future cash flows from the financial instrument will vary as a result of changes in the market prices.

The market risk arises out of the risk of losses caused by changes in prices and interest rates. The market risk is the risk that the fair market value or future cash flows from the financial instrument will vary as a result of changes in the market prices.

The senior executives take management or HR decisions in case any violations of the approved policies are detected.

➤ The Company adheres to the requirements for the ban on engagement of the financial assets from individuals, with the obligation of the subsequent repayment thereof as prescribed by Clause 38 of Licensing Conditions No. 913.

➤ During the reporting period, AVENTUS UKRAINE LLC provided one type of the financial services, namely lending of funds, including under the financial loan terms and conditions. The restrictions as to alignment of the types of economic activity established by the Regulations on Establishing the Restrictions for the Alignment of Provision of Certain Types of Financial Services approved by Order of the State Committee on Regulation of the Financial Services Markets of Ukraine dated 8 July 2004 No. 1515 are met.

➤ The Company complies with the *Internal Rules for Provision of the Financial Services* approved by the General Meeting, which are consistent with the requirements set for such rules by Article 7 of the *Law on the Financial Services* and enters into financial service contracts only in accordance with such rules, with the mandatory reference to the internal rules for provision of the financial services.

When granting loans, the Company uses the Electronic Contract published on the website of the lending service. When the loan is documented, it is sent to the borrower's Personal Account. When the customer ticks a box confirming his/her acceptance of the terms and conditions of the loan contract, sends his/her consent to obtaining the loan, and the money is credited to his/her bank card, the contract is executed. There is no contract in hard copy, but it may be furnished by the customer's request.

The templates of the Company's financial loan contracts have been drawn up and approved in accordance with the established requirements. The standard financial loan contract of the Company meets the requirements established by the law and Article 6 of the Law of Ukraine "On the Financial Services and State Regulation of Financial Services Markets".

➤ The Company furnishes the customer (consumer) with written and oral information in accordance with Article 12 of the Law of Ukraine "On the Financial Services and State Regulation of Financial Services Markets" and publishes the information specified in Part 1 of Article 12 of the Law on its own website (creditplus.com.ua) and ensures it is up to date.

➤ Disclosure by the financial institution in accordance with Parts 4 and 5 of Article 12¹ of the Law on the Financial Services, in particular, by publishing the information on its website in the scope set by Regulations on the Disclosure by Financial Institutions in the Public Information Data Base of Financial Institutions and on Websites of Financial Institutions and on Amending the Regulations on the State Register of Financial Institutions dated 19 April 2016 No. 825: - performed;

The Company procures sufficiency of the information published on its own website for at least three years.

➤ Adherence to Article 10 of the Law on the Financial Services as to the decisions made in case of conflict of interest by the financial institution - *performed*;

➤ In pursuance of Clause 28 of Resolution of the Cabinet of Ministers of Ukraine No. 913 dated 7 December 2016 “On Approving the Licensing Conditions for the Economic Activity of Provision of Financial Services (Except for the Professional Activity on the Securities Market)”, the Company has conducted technical examination of the premises at 90-A Kyiv, Peremohy Avenue, Kyiv, as to accessibility for the persons with disabilities and other low-mobility groups in accordance with the state construction standard ДБН В.2.2.-17:2006 “Accessibility of Buildings and Constructions for Low-Mobility Groups”.

The premises of the Company were examined in 2019 by Ye. M. Lohinov (qualification certificate of the designated contractor for certain types of works (services) related to creation of the architectural facility Series AE No. 003488 issued by the Ministry of Regional Development, Construction and Housing and Utilities of Ukraine).

➤ The internal control over adherence to the law during the transactions of provision of financial services of the Company is exercised by:

- Senior executives of the Company (Director and chief accountant);
- Internal auditor of the Company (guided by the Regulations on the Internal Auditor of the Company) subordinated to the general meeting of the Company’s members;
- Officer responsible for the internal financial monitoring in the Company.

The above persons exercise internal control within their competence established by the duty regulations. During the internal control over adherence to the law during the transactions of provision of financial services, they are governed by:

- Effective laws of Ukraine;
- Constituent documents of the Company;
- Resolutions of the general meeting of the Company’s members;
- Orders and instructions of the Company’s director.

Internal monitoring of financial transactions in the Company is carried out by the officer responsible by the internal financial monitoring of the Company (based on the Rules for the Internal Financial Monitoring of the Company and the Implementation Programme for the corresponding year approved by the Company’s director).

The internal audit in the Company is conducted by the internal auditor of the Company based on the Regulations on the Internal Audit Service of the Company.

The duties of the internal auditor include:

- Adherence to the Regulations on the Internal Audit Service and other laws and regulations;
- Reporting in accordance with the requirements set by the Regulations on the Internal Audit Service;
- Maintaining confidentiality of the information received during the internal audit;
- Upon detention of the facts demonstrating damages inflicted on the institution by its officials and other persons, notifying the general meeting thereof immediately;
- Controlling timely inventory reconciliation as prescribed by the law and the accounting policy of the institution;
- Being responsible for timely and high-quality discharge of his/her functions;

- Drawing up the internal audit reports, reports on the actions taken to rectify the defects and improve the performance of the financial and economic activity of the institution.

The internal control over adherence to the law during the transactions of provision of financial services of the Company is duly performed.

➤ The Company's record keeping and registration system is electronic and uses the corresponding software keeping records on the consumers of the Company's services and registering their transactions.

➤ The Company ensures integrity of cash and documents by means of the alarm system and safe boxes for its cash. The Company adheres to the laws on cash settlements in accordance with Resolution of the National Bank of Ukraine No. 148 dated 29 December 2017.

Basic Details of the Auditing Firm

<i>Full name of the auditing firm</i>	AF Ukraudit XXI – Shevchenkivska Branch Limited Liability Company
<i>EDRPOU code</i>	24362662
Register of Auditors and Auditing Entities Section "Auditing Entities Entitled to Conduct the Mandatory Audit of Financial Statements"	Entry No. 25 Register No. 1574
<i>Audit Contract</i>	No. 889 dated 21 January 2020
<i>Date of commencement and end of the audit</i>	21 January through 7 April 2020
<i>city code/telephone/fax</i>	(044) 483-14-34
<i>mailing address</i>	9A Melnykova Str., Kyiv, 04050, Ukraine
<i>e-mail:</i>	ukrauditXXI@ukr.net

Annexes:

- ✓ Balance Sheet (Statement of Financial Position) as of 31 December 2019 (Form No. 1);
- ✓ Statement of Financial Results (Statement of comprehensive income) for 2019 (Form No. 2);
- ✓ Cash Flow Statement (on a Straight-Line Basis) for 2019 (Form No. 3);
- ✓ Statement of Changes in Equity for 2019 (Form No. 4);
- ✓ Statement of Changes in Equity for 2018 (Form No. 4);
- ✓ Notes to the Financial Statements for the Year Ended on 31 December 2019.

Full name of the auditor conducting the audit (auditor of Ukraine, certificate series A No. 000981)

Director (auditor of Ukraine, certificate series A No. 000981)
7 April 2020



Valentyna Heorhiivna Koshel

V. H. KOSHEL

Appendix I
To the National Regulation (standard) of accounting
1 "General requirements to financial statements"

Date (year, month, number)

Enterprise Limited liability company "Aventus Ukraine"
Territory Shevchenko District, Kyiv
Organizational and legal form of management Limited Liability Company
Type of economic activity Other types of lending
Average number of employees 98

EDRPOU
for COATUU
for COPFG
by KOUD

CODS		
2020	02	24
41078230		
8039100000		
240		
64.92		

Addresses, phone blvrd. Peremohy, Bud. 90-A, KYIV, 03062, tel. 337-29-28
Unit of measurement: thous. Uah. Without decimal
Compiled (Make a "v" label in the corresponding cell):
According to regulations (standards) of accounting
According to the International Financial Reporting Standards

V

Balance sheet (Statement of financial position)

as at 31.12.2019

Form N 1

Code for DKUD

1801001

Asset	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
I. Non-current assets			
Intangible assets	1000	2,532	4,434
Initial cost	1001	3,190	7,602
Accumulated amortisation	1002	658	3,168
Unfinished Capital investments	1005	17	-
Fixed Assets	1010	881	7,215
Initial cost	1011	1,198	10,911
Accumulated depreciation	1012	317	3,696
Investment property	1015	-	-
Initial cost	1016	-	-
Accumulated depreciation	1017	-	-
Long-term biological assets	1020	-	-
Long-term financial investments:			
Which are accounted by the method of participation in equity of other enterprises	1030	-	-
Other Financial Investments	1035	-	-
Long-term accounts receivable	1040	-	-
Deferred tax assets	1045	-	-
Other non-current assets	1090	-	-
Total by Section I	1095	3,430	11,649
II. Current Assets			
Stocks	1100	-	-
Production stocks	1101	-	-
Production in progress	1102	-	-
Finished goods	1103	-	-
Goods	1104	-	-
Current biological assets	1110	-	-
Accounts receivable for products, goods, works, services	1125	1,059	170
Accounts receivable on settlements:			
On advances issued	1130	-	-
With the budget	1135	6	-
Including income tax	1136	-	-
of accrued income	1140	23,445	71,486
From internal settlements	1145	-	-
Other current accounts receivable	1155	47,284	75,667
Current Financial Investments	1160	-	-
Cash and cash equivalents	1165	10,645	41,338
Deferred expenses	1170	-	-
Other current assets	1190	-	-
Total under section II	1195	82,439	188,661
II. Non-current assets held for sale and disposal Group	1200	-	-
Balance	1300	85,869	200,310

Continued:

Liability	Line code	At the beginning of the reporting period	At the end of the reporting period
I	2	3	4
I. Equity			
Registered Capital	1400	20,000	20,000
Revaluation Reserve	1405	-	-
Additional capital	1410	201	201
Reserve Capital	1415	-	-
Retained earnings (accumulated loss)	1420	5,964	59,286
Unpaid capital	1425	-	-
Withdrawn Capital	1430	-	-
Total by Section I	1495	26,165	79,487
II. Long-term commitments and provisions			
Deferred tax liabilities	1500	-	-
Long-term bank loans	1510	-	-
Other long-term liabilities	1515	42,814	64,456
Long-term provisions	1520	-	-
Long-term provisions for personnel costs	1521	-	-
Targeted financing	1525	-	-
Total under section II	1595	42,814	64,456
III. Current liabilities and provisions			
Short-term bank loans	1600	1,577	-
Promissory notes issued	1605	-	-
Current payables: Long-term liabilities	1610	-	-
Goods, works, services	1615	12,420	21,868
With the budget	1620	1,323	7,012
Including income tax	1621	1,320	7,012
For insurance	1625	-	-
On wages	1630	-	1
By derived advances	1635	-	-
With the participants	1640	-	13,213
From internal settlements	1645	-	-
Current provisions	1660	362	1,780
Deferred income	1665	-	-
Other current liabilities	1690	1,208	12,493
Total under section III	1695	16,890	56,367
IV. Commitments related to non-current assets held for sale and disposal groups			
	1700	-	-
Balance	1900	85,869	200,310

Determined by the procedure established by the specially authorized Central executive authority in the field of statistics.

Director

Chief Accountant



Dovgal Volodymyr Viktorovych

Levenko Natalia Frankivna

Company

Limited liability company "Aventus Ukraine"

Date (year, month, day)

EDRPOU

Name

Codes

2020 | 02 | 24

41078230

Statement of financial Results (statement of comprehensive income)

For Year 2019

Form No.2

Code for DKUD

1801003

I. FINANCIAL RESULTS

Article	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Net income from sales of products (goods, works, services)	2000	748,131	162,584
Cost of sales of products (goods, works, services)	2050	()	-
Gross:			
Profit	2090	748,131	162584
Loss	2095	()	()
Other Operating income	2120	98,773	24 450
Administrative expenses	2130	(156,459)	(51,687)
Sales costs	2150	(141,103)	(25,815)
Other operating expenses	2180	(274,887)	(71,130)
Financial result from operating activities:			
Profit	2190	274,455	38402
Loss	2195	()	()
Income from participation in equity	2200	0	0
Other finance income	2220	799	0
Other income	2240	26	6480
Finance costs	2250	(5,087)	(1,704)
Losses from participation in equity	2255	()	()
Other expenses	2270	(180,332)	(35,323)
Financial result before taxation:			
Profit	2290	89861	7855
Loss	2295	()	()
Income tax expense (income)	2300	(16,595)	(1,320)
Profit (loss) from discontinued activity after taxation	2305	0	0
NET financial Result:			
Profit	2350	73266	6535
Loss	2355	()	()

II. COMPREHENSIVE INCOME

Article	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Non-current assets revaluation	2400	-	-
Evaluation of financial instruments	2405	-	-
Accumulated Exchange Differences	2410	-	201
Share of other aggregate income of associated and joint ventures	2415	-	-
Other comprehensive income	2445	-	-
Other comprehensive income before taxation	2450	-	201
Income tax related to other aggregate income	2455	-	-
Other comprehensive income after taxation	2460	-	201
Comprehensive income (sum of lines 2350, 2355 and 2460)	2465	73,266	6,736

III. OPERATING EXPENSE ELEMENTS

Article	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Material costs	2500	362	116
Labor costs	2505	30,120	6,104
Social payments	2510	6,064	1,345
Depreciation	2515	5,889	924
Other operating expenses	2520	388,911	114,328
Total	2550	431,346	122,817

IV. Calculation OF shares ' PROFITABILITY indicators

Article	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Average annual number of ordinary shares	2600	-	-
Adjusted average annual number of ordinary shares	2605	-	-
Net profit (loss) for one simple share	2610	-	-
The adjusted net profit (loss) for one simple share	2615	-	-
Dividends for one simple share	2650	-	-

Director

Chief Accountant



Dovgal Volodymyr Viktorovych

Levenko Natalia Frankivna

Date (year, month, day)

Codes		
2020	02	24
41078230		

Company

Limited liability company "Aventus Ukraine"
name

EDRPOU

Statement of cash-flows (direct method)
for 2019

Form No.2

Code for DKUD

1801004

Article	raw code	For the reporting period	For the same period of the previous year
1	2	3	4
I. Cash flow from operating activity proceeds from:			
Sale of products (goods, works, services)	3000	14,466	5,430
Refund of taxes and fees	3005	-	-
Including value Added tax	3006	-	-
Targeted financing	3010	-	-
Proceeds from receipt of subsidies, subsidy	3011	-	-
Advances from customers and customers	3015	-	-
Proceeds from Return of advances	3020	1,064,065	112,726
Proceeds from interest for balances on current accounts	3025	-	-
Proceeds from debtors of penalties (fines, penalties)	3035	46,824	20,828
Proceeds from operating leases	3040	-	-
Proceeds from royalty, copyright rewards	3045	-	-
Receipts from insurance premiums	3050	-	-
Financial institutions from loan repayment	3055	1,655,128	316,165
Other receipts	3095	115,425	20,166
Expenditure for payment:			
Goods (works, services)	3100	(145277)	(52,304)
Labor	3105	(23165)	(5,026)
Contributions to social measures	3110	(6312)	(1,358)
Liabilities on taxes and fees	3115	(17979)	(1,286)
Expenditure for payment of income tax liabilities	3116	(12384)	(69)
Spending on payment of value added tax obligations	3117	(0)	(-)
Payment of liabilities from other taxes and fees	3118	(5595)	(1,217)
Advances paid	3135	(633564)	(13,880)
Spending on repayment of advances	3140	(77,892)	(1,653)
Spending on payment of targeted contributions	3145	(-)	(-)
Expenditure on payment of liabilities under insurance contracts	3150	(-)	(-)
Loans issued	3155	(1908955)	(445,945)
Other spending	3190	(87106)	(6,117)
Net cash flow from operating activities	3195	(4,342)	(52,254)

II. Cash flow from investment activity			
Financial Investments	3200	13,167	6,480
Non-current assets	3205	-	-
Proceeds from:			
interest	3215	799	-
Dividends	3220	-	-
Proceeds from derivatives	3225	-	-
Proceeds from repayment of borrowings	3230	-	-
Proceeds from disposal of the subsidiary company and other business units	3235	-	-
Other receipts	3250	-	-
Spending on purchases:			
Financial Investments	3255	(-)	(-)
Non-current assets	3260	(-)	(-)
Payments on derivatives	3270	(-)	(-)
Loans disbursements	3275	(-)	(-)
Acquisition of subsidiary and other business units.	3280	(-)	(-)
Other payments	3290	(-)	(-)
Net cash flow from investment activities	3295	13,966	6,480
III. Cash flow from financial activity			
proceeds from:			
Share capital	3300	-	10,679
Receipt of borrowings	3305	71,962	50,393
Proceeds from sale of share in subsidiary company	3310	-	-
Other receipts	3340	-	-
Spending on:			
Repurchase of Treasury shares	3345	(-)	(-)
Repayment of borrowings	3350	46,359	5,700
Payment of dividends	3355	(4556)	(-)
Interest payment	3360	(-)	(-)
Payment of debts on financial leases	3365	(-)	(-)
Spending on purchasing a stake in a subsidiary	3370	(-)	(-)
Expenditure on payments to uncontrolled particles in subsidiaries	3375	(-)	(-)
Other payments	3390	(-)	(-)
Net cash flow from financial activity	3395	21,047	55,372
Net cash flow for the reporting period	3400	30,671	9,898
Balance at the beginning of the year	3405	10,645	120
Effect of changes of foreign exchange rates on the balance of funds	3410	22	927
Balance at the end of the year	3415	41,338	10,645

Director



Dovgal Volodymyr Viktorovych

Chief Accountant

Levenko Natalia Frankivna

Promotion	4225	0	0	0	0	0	0	0	0
Contributions by members:									
Capital contributions	4240	0	0	0	0	0	0	0	0
Repayment of the debt on unpaid capital	4245	0	0	0	0	0	0	0	0
Capital Withdrawal:									
Purchase of shares (shares)	4260	0	0	0	0	0	0	0	0
Resale of reaquired shares	4265	0	0	0	0	0	0	0	0
Cancellation of share redemption	4270	0	0	0	0	0	0	0	0
Withdrawal of a share in capital	4275	0	0	0	0	0	0	0	0
Reduction in nominal value of shares	4280	0	0	0	0	0	0	0	0
Other changes in equity	4290	0	0	0	0	-71	0	0	-71
Purchase (Sales) uncontrolled interest in the subsidiary	4291	0	0	0	0	0	0	0	0
Total changes in equity	4295	0	0	0	0	53322	0	0	53322
Balance at the end of Year	4300	20000	0	201	0	59286	0	0	79487

Director

Chief Accountant



Dovgal Volodymyr Viktorovich

Levenko Natalia Frankivna

Date (year, month, day)

Codes

2019 02 11

Company

Limited liability company "Aventus Ukraine"

EDRPOU

41078230

name

Statement of changes in Equity
for 2018

Form No.4

Code for DKUD 1801005

Article	Line code	Registered share capital	Revaluation reserve	Additional capital	Reserved capital	Retained earnings (accumulated loss)	Unpaid capital	Withdrawn capital	Total
1	2	3	4	5	6	7	8	9	10
Balance at the beginning of Year	4000	10000	0	0	0	-458	-526	0	9016
Adjustments:									
Change in Accounting policy	4005	0	0	0	0	0	0	0	0
correction of errors	4010	0	0	0	0	0	0	0	0
Other changes	4090	0	0	0	0	0	0	0	0
Adjusted balances at the beginning of the year	4095	10000	0	0	0	-458	-526	0	9016
Net profit (loss) for reporting period	4100	0	0	0	0	6535	0	0	6535
Other comprehensive income for the reporting period	4110	0	0	201	0	0	0	0	201
Revaluation of non-current assets	4111	0	0	0	0	0	0	0	0
Revaluation of financial instruments	4112	0	0	0	0	0	0	0	0
Accumulated Exchange differences	4113	0	0	201	0	0	0	0	201
Share of other cumulative income of associated and joint ventures	4114	0	0	0	0	0	0	0	0
Other comprehensive income	4116	0	0	0	0	0	0	0	0
Profit Distribution:									
Payouts to owners (dividends)	4200	0	0	0	0	0	0	0	0
Transfer of profit to the registered capital	4205	0	0	0	0	0	0	0	0
Transfer to reserve Capital	4210	0	0	0	0	0	0	0	0
Amount of net profit, related to state budget in accordance with legislation	4215	0	0	0	0	0	0	0	0
Amount of net profit for creating of Special (target) funds	4220	0	0	0	0	0	0	0	0
Amount of net profit on material Promotion	4225	0	0	0	0	0	0	0	0
Contributions by members:									
Capital contributions	4240	10000	0	0	0	0	0	0	10000
Repayment of the debt on unpaid capital	4245	0	0	0	0	0	526	0	526

Capital Withdrawal:									
Purchase of shares (shares)	4260	0	0	0	0	0	0	0	0
Resale of reacquired shares	4265	0	0	0	0	0	0	0	0
Cancellation of share redemption	4270	0	0	0	0	0	0	0	0
Withdrawal of a share in capital	4275	0	0	0	0	0	0	0	0
Reduction in nominal value of shares	4280	0	0	0	0	0	0	0	0
Other changes in equity	4290	0	0	0	0	-113	0	0	-113
Purchase (Sales) uncontrolled interest in the subsidiary	4291	0	0	0	0	0	0	0	0
Total changes in equity	4295	10000	0	201	0	6422	526	0	17149
Balance at the end of Year	4300	20000	0	201	0	5964	0	0	26165

Director

Chief Accountant



[Handwritten signature in blue ink]

Dovgal Volodymyr Viktorovych

Levenko Natalia Frankivna

NOTES TO FINANCIAL STATEMENTS

To the financial statements
for the year ended December 31, 2019
"AVENTUS UKRAINE" LLC
41078230

STATEMENT OF FINANCIAL POSITION

As at December 31, 2019

<i>(thousands Hryvna's)</i>	note	December 31 2019	December 31 2018
Non-current assets			
Intangible assets	4.1	4,434	2,532
Property, plant and equipment	4.3	7,215	881
Construction in progress	4.2	-	17
Total Non-current assets		11,649	3,430
Current assets			
Accounts receivable for products, goods, works, and services	4.4	170	1,059
Receivables on settlements on advances with the budget	4.5	-	6
Accounts receivable for accrued income	4.6	71,486	23,445
Other current accounts receivable	4.7	75,667	47,284
Cash and equivalents	4.8	41,338	10,645
Total Current assets		188,661	82,439
TOTAL ASSETS		200,310	85,869
Equity			
Share capital	4.9.1	20,000	20,000
Additional capital	4.9.2	201	201
Retained earnings		59,286	5,964
Total Equity		79,487	26,165
Current liabilities and provisions			
Current liabilities on long term loans	5.1	64,456	42,814
Short-term bank loans	5.2	-	1,577
Accounts payable for goods, works, services	5.3	21,868	12,420
Accounts payable to budget:	5.3	7,013	1,323
<i>Corporate income tax</i>		7,012	1,320
<i>Settlements on Wages</i>		1	-
Shareholders current account	5.3	13,213	-
Provisions	5.3	1,780	362
Other current liabilities	5.3	12,493	1,208
Total Liabilities		120,823	59,704
EQUITY AND LIABILITIES		200,310	85,869

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2019

<i>(thousands Hryvna's)</i>	Note	2019	2018
Interest income		748,131	189,892
Other operating income		98,773	3,622
Other finance income		799	-
Other income		26	-
Total income		847,729	193,514
Materials costs		(362)	(116)
Labour costs		(30,120)	(6,104)
Social contributions		(6,064)	(1,345)
Depreciation charges		(5,889)	(924)
Other administrative costs		(114,024)	-
Sales costs		(141,103)	(25,815)
Finance costs		(5,087)	(1,704)
Other operating expenses		(274,887)	(114,328)
Other expenses		(180,332)	(35,323)
Total expenses	6	(757,868)	(185,659)
Profit before corporate income tax charges		89,861	7,855
Corporate income tax expense	8	(16,595)	(1,320)
Net profit		73,266	6,535
Other comprehensive income			
Currency exchange differences	7	-	201
Total other comprehensive income		-	201
Total comprehensive income		73,266	6,736

CASH-FLOW STATEMENT

For the year ended December 31, 2019

<i>(thousands Hryvna's)</i>	Note	2019	2018
Operating activity			
Sale of products (goods, works, services)		14,466	5,430
Proceeds from Return of advances		1,064,065	112,726
Proceeds from debtors forfeit (fines, penalties)		46,824	20,828
Proceeds from repayment of borrowings		1,655,128	316,165
Other receipts		115,425	20,166
Payments for Goods (works, services)		(145,277)	(52,304)
Spending on wages		(23,165)	(5,026)
Expenditure on social measures		(6,312)	(1,358)
Payment of duties and taxes		(17,979)	(1,286)
Payment of income tax liabilities		(12,384)	(69)
Payment of liabilities from other taxes and fees		(5,595)	(1,217)
Repayment of advances received		(633,564)	(13,880)
Benefits for refund of advances		(77,892)	(1,653)
Expenses on loans disbursements		(1,908,955)	(445,945)
Other payments		(87,106)	(6,117)
Net cash flow from operating activities		(4,342)	(52,254)
Investment activity			
Proceeds from sale of financial investments		13,167	6,480
Proceeds from received interest		799	-
Net cash flow from investment activities		13,966	6,480
Financial activity			
Proceeds from equity		-	10,679
Borrowing		71,962	50,393
Repayment of borrowings		46,359	5,700
Payment of dividends		4,556	-
Net cash flow from financial activities		21,047	55,372
Net cash flow for the reporting period		30,671	9,598
Balance at the beginning of the year		10,645	120
Effect of changing foreign exchange rates on the balance of funds		22	927
Balance as of the end of the year		41,338	10,645

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2019

<i>(thousands of Hryvna's)</i>	Notes	Share capital	Additional capital	Retained earning	Unpaid share capital	Total Equity
Balance as at January 01, 2018		10,000	-	(458)	(526)	9,016
Profit for the year		-	-	6,535	-	6,535
Other comprehensive income		-	201	-	-	201
Currency exchange differences		-	201	-	-	201
Transactions with owners		10,000	-	-	526	10,526
Contributions to Capital		10,000	-	-	526	10,526
Other changes in equity		-	-	(113)	-	(113)
Balance as at December 31, 2018		20,000	201	5,964	-	26,165
Profit for the year		-	-	73,266	-	73,266
Other comprehensive income		-	-	-	-	-
Transactions with owners		-	-	(19,873)	-	(19,873)
Dividends		-	-	(19,873)	-	(19,873)
Other changes in equity		-	-	(71)	-	(71)
Balance as at December 31, 2019		20,000	201	59,286	-	79,487

1. General information about "AVENTUS UKRAINE" LLC

The company is a financial company, a business entity that operates on the principles of initiative, economic and legal independence, profitability.

Full name of the company	Limited Liability company «AVENTUS UKRAINE»
Abbreviated name of the company	LLC «AVENTUS Ukraine»
EDRPOU Code	41078230
Location	03062 Kyiv, Peremohy Avenue, 91-A
Intercity code and phone	044 390-44-74, Fax 390-44-74
State registration: Date and body of registration	12.01.2017 Shevchenkivska District in Kyiv State Administration 1 073 102 0000 033248
Changing the certificate of State registration in connection with the change of name (current)	No changes
State Commission for regulation of Financial services Markets: Credit Financial Institution Registration Date of certificate Change Presence of licenses	No 870 series FC, number 13103586 13.06 provision of funds in the loan, including on the terms of the financial credit. The license issued in accordance with the order of NFB No. 756 dated 28.03.2017, operates from the 28.03.2017 year indefinitely. 13.11 provision of services on factoring. The license is issued in accordance with the order of the NFB no1860 from 24.09.2019 year, acts from the 24.09.2019 of the year indefinitely.
The main activity of KOUD	64.92
Presence of Branches	Missing
Responsible persons: Director Chief Accountant	Dovgal ' Volodymyr Viktorovych Levenko Nataliia Frankishyn
Number of employees	98

Location of the company office: Kiev, Peremohy Avenue, building 90-a. Official page on the Internet: <http://creditplus.ua>. E-mail address: vladimir@aventusgroup.com.

2. Fundamentals of preparation, approval and presentation of financial statements

Conceptual framework of Financial reporting

The conceptual basis of financial statements is the International Financial Reporting Standards (hereinafter – IFRS), accounting policies and principles based on international Standards of Accounting (hereinafter- IAS), interpretations, issued by the Committee on the Interpretations of International Financial Reporting (hereinafter – IFRIC), the Charter of the company and accounting policy.

Assumptions about continuity activities

The financial statements are prepared on the basis of the assumption that the company is able to continue its activities on a going concern basis.

Functional and presentation currency

The financial statements of the company are represented in the national currency of Ukraine (hryvnia), which is a functional currency.

Assets and liabilities in foreign currency are initially valued and recognized in the accounting currency in the reporting by translating the amount in foreign currency at the official exchange rate of the hryvnia to foreign currencies on the date of transaction. In the financial statements, assets and liabilities are recorded in UAH equivalent on the official exchange rate of the NBU at the date of reporting.

Fiscal Period

The financial statements of the Company prepared as at 31 December 2019. The financial statements are approved for publication of February 24, 2019, signed by the management represented with Director and the Chief accountant.

Composition of financial statements

Financial statements include the following reports:

- Statement of financial position as of the year 31.12.2019;
- Statement of comprehensive income for the year 2019;
- Statement of Cash flows for the year 2019;
- Statement of Equity for the year 2019;
- Notes to the annual financial statements for 2019 year.

Assessments, judgments and assumptions

The preparation of the financial statements in accordance with IFRS requires management, to make certain accounting estimates and reasonable estimates and assumptions in the process of applying the company's accounting policies. Changes in estimates and assumptions can have a significant impact on financial statements for the period in which such assessments are changing. Management believes that the assumptions and estimates in the preparation of this financial statements are sensible, and the financial statements reliably reflects the financial status and results of the company.

Accounting estimates and assumptions are regularly analyzed, they are based on past experience and current correspondence information and include all factors and expectations of guidance on current and future events that may affect the carrying value of assets and liabilities, income and expenses for the reporting period and the type of disclosure in the financial statements. Estimates and assumptions that have a significant impact on the company's results are described below.

The term of the useful use of intangible assets and assets.

Depreciation or amortization of intangible assets and basic means are accrued during the term of their useful use. The terms of useful use are based on the estimates of the period during which the asset will bring economic benefits. These terms are periodically are revised for further conformity.

3. Basic principles of accounting policies

The basic principles of accounting policy used for the preparation of the financial statements are set out below.

3.1. Recognition of financial instruments

A financial instrument is any contract that leads to the creation of a financial asset and a financial obligation on one side or the instrument of equity on the other side.

Financial instruments are divided into: foreign exchange (exchange of one currency for another); Interest (assets that profit for solid, floating or changeable rates); Price (stocks, precious metals, raw materials, goods) tools.

The main risks associated with the company's financial instruments are credit risk, liquidity risk and currency risk.

The maximum amount of credit risk relating to financial assets is the carrying amount value of the financial assets that are recognized in statement of financial position. The company carries out regular monitoring of accounts receivable under loan agreements, as well as other receivables from the point of view of its repayment.

Liquidity risk is the risk of insolvency the company to fulfill its payment obligations within the prescribed period under the usual or unpredictable circumstances. The main risk to which the company undergoes is the risk associated with the timeliness of repayment of loans.

The market risk is a risk of fluctuations in the fair value of future cash flows of financial instruments as a result of changes in market parameters, including foreign exchange rates.

The company considers that it is subjected to risks associated with changes in interest rates and market risk.

3.2. Determination of fair value

The company defines fair values of assets and liabilities if applicable in accordance with IFRS 13 for fair value estimation. The standard establishes a unified basis for fair value assessments and provides recommendations for its disclosure without changing the requirements of other standards in which to apply and disclose fair value.

For the purposes of the financial statements, IFRS 13 defines a fair value as the price that would be obtained when selling an asset or paid for the transfer of a liability within a conventional transaction on the main market at the measurement date in the current market conditions. The fair value OF IFRS 13 is an output price, whether the price is directly observed or evaluated through another valuation technique.

The volume of IFRS 13 is broad, applicable to financial and non-financial instruments for which other standards require or allow for honest assessments.

3.3. Foreign currency transactions.

Foreign currency transactions, i.e. agreements denominated in other currencies than in Ukrainian hryvnia (UAH) are evaluated at the exchange rate established by the National Bank of Ukraine in effect on the date of transaction. Monetary assets and liabilities denominated in foreign currency transferred at the exchange rate at the date of the financial statements. Non-monetary assets denominated in foreign currency are measured at cost, at the rate on the date of initial recognition.

Exchange income and losses are recorded at the exchange rate acting on the date of the transaction. Net profit or loss from currency fluctuations arising from accounts receivable, accounts payable, and foreign currency are recognised in the statement of comprehensive income in the period in which they arise.

3.3. Financial assets and liabilities.

In order to manage financial assets, according to IFRS 9, "Financial instruments", the Company uses a business model, whose purpose is to maintain assets to obtain contractual cash flows by obtaining contractual payments during the term of the instrument, which are purely payments of the principal amount and interest to the outstanding share of the principal amount, and measured at amortised cost at cost.

Asset allocation by this classification was made at the first application of IFRS 9, "Financial instruments" from January 1, 2018, and subsequently at original recognition of each new asset.

As of 01.01.2019, the Company carried out inventory of financial assets and financial liabilities. At the same date, the company also conducted a classification and measurement of financial assets and financial liabilities, which was based on business model of financial assets management. According to IFRS 9, "financial instruments" during the initial recognition of financial instruments, they were evaluated at fair value. By implementing IFRS 9 as financial instruments, which were registered as at the 01.01.2019 leadership, to bring the future cost of funds to their cost in the current period, the discounting of their value was conducted. The effect of discounting was inconsequential and the enterprise adopted the decision to compile financial statements without taking into account the amounts of discounting in the retained earnings profit.

3.4. Loans to customers

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market.

Financial assets at amortised cost using the effective interest method, less impairment losses.

Amortised cost is calculated based on the discounts or premiums specified during the acquisition and includes fees that are integral part of the operating interest rates and operating costs. Loans and receivables are recorded in the statement of financial position as other current indebtedness and receivables for accrued income. Accrued interest is displayed in the statement of comprehensive income as "interest income". When impairment is recognised, the impairment loss is counted as deductions from the carrying amount of the investment and is displayed in the statement of comprehensive income as "impairment losses". Impairment losses are reflected in the statement of comprehensive income during the impairment period.

On each date of the statement of financial position, the company assesses the existence of objective signs of impairment of a financial asset or a group of financial assets. This includes:

- *Loans granted*
- *Receivables on economic activity*
- *Financial accounts receivable.*

3.5. Impairment of financial assets.

The company considers its portfolio of loans and receivables, as well as defines losses for impairment and hopeless indebtedness on a quarterly basis. In determining the amount of impairment, the company makes estimates and assumptions about the probable reduction of expected future cash flows on the loan portfolio and receivables, before the reduction can be determined in the loan pool. All existing signs of problems with credit and payment status of borrowers and potential changes in the economic environment at the local level are analysed. Analysis are performed for the entire pool of credits as at a certain time, due to the fact that the company does not have a significant concentration of credit risk according to individual positions in the portfolio of micro loans. Management uses historical data on realised loss of assets with similar risk characteristics when taking these estimates and analysing, given the professional opinion of the management. The amount of impairment is defined as the difference between the carrying amount and the sum of the expected reimbursement at the end of each quarterly quarter separately by the respective group of loans at each period of the outstanding credit.

The company uses a simplified approach (5.5.15 IFRS 9) to calculate the allowance for damages in the amount equal to expected credit losses, according to the developed and approved regulations on the procedure for the formation and use of reserves for the company's financial assets according to the expected losses model in accordance with IFRS 9 "Financial Instruments"

The forecast information on macro indicators of the company was not carried out in connection with granting credits for short term when macro indices have no influence on repayment of such credits.

3.6. Termination of recognition of financial assets and liabilities.

Termination of recognition is the exclusion of a previously recognised financial asset or financial obligation from a report of the financial position of a business entity.

The financial asset (or, where possible, part of the financial asset or part of a group of similar financial assets) is derecognised at the time when the right to receive cash flows from the asset is expired or the company has transferred its rights to receive funds from the asset.

A financial obligation (or a part thereof) is repaid if debtor:

- Obligations (or part thereof), paid to the creditor, usually by means of cash,
- or legally exempt from the principal liability for the obligation (or part thereof) or as a result of a lawsuit, or creditor (if the debtor provided a guarantee, this condition can still be fulfilled).

Financial liabilities shall not be recognised when it is executed, revoked or expired.

In the case where the existing financial obligation is replaced by another from the same lender on substantially different conditions, or under the conditions of the existing obligation, substantial adjustments are made, such replacement or adjustment shall be deemed to be terminated by the original obligation and the recognition of a new obligation, and the difference of the corresponding carrying value is recognised in the comprehensive income statement.

A financial obligation is eliminated from the statement of financial position if and only when it is repaid, that is, when the debt specified in the contract is repaid, cancelled or its validity expires.

3.7. Income and expense recognition.

Income is recognised to the extent that the economic benefits that are probable for the inflow of the company, and there are such economic benefits can be reliably assessed.

For all financial instruments assessed at amortised cost and the financial instrument measured at fair value, interest income and expense are reflected in the financial statements using an effective interest rate. Method of effective interest rate calculation of the amortised cost of financial assets or financial liabilities and allocation of interest income or interest expense for the relevant period. The effective interest is the interest rate applicable at the exact discounting of future cash payments for the lifecycle of a financial instrument or, if necessary, for a shorter period, with respect to the net carrying amount of financial assets and liabilities that will not be repaid in the next quarter.

When calculating the effective interest rate, the company evaluates the cash flows considering all contractual provisions of the financial instrument, except for those volumes which are irrelevant and are less than 50 000 hryvnas. The calculation includes all fees and commissions paid or received between the parties to the contract, which are an integral part of the effective interest rate, transaction costs and all other award or received premiums or discounts.

The effective interest rate on the financial instrument is a rate applicable for the exact discounting of all future cash payments or proceeds from the financial instrument defined in the company's accounting policies.

Operating costs, interest income and expenses are recognised in the statement of comprehensive income on accrual basis. Expenditures are not recognised and are not included in the report on the financial results of repayment of obtained loans.

Foreign currency loans and accrued interests are not discounted as should be accounted by the effective exchange rate of the NBU on the date of the report.

3.8. Cash and equivalents

Funds and cash equivalents presented in the statement of cash flows include the balances of cash on current accounts in banks and cash on the transit.

3.9. Inventory

Inventory (fuels and materials) are accounted at lower of cost or net realisable value. Accounting of inventories performed according to FIFO method (cost of the first receipt time).

The net value of sales is the assessed sale price during normal activity minus the estimated costs at completion and implementation.

3.10. Fixed asset and intangible assets

The fixed assets acquired by the company are stated at its historical at cost less accumulated depreciation and any accumulated impairment losses.

Purchased item is recognized as an asset, if the expected period of useful use (operation) more than a year and the cost is equal to or more than UAH 6 000.

Depreciation of fixed assets is calculated with the use of rectilinear method.

The term of useful equipment in groups:

The term of useful use

Machinery and Equipment 2 years

Vehicles 5 years

Office furniture and equipment 4 years

Other fixed assets 12 years

The cost of fixed assets that do not meet the criteria for the recognition of assets, to recognized in the statement of comprehensive income in the first month of their use in the amount of 100% of their value.

Expenses carried out for maintenance of fixed assets in working condition and obtaining of the initially defined amount of future economic benefits from their use, are recognized expenses of the period. Replacement and improvement that can prolong the useful life or significantly improve the condition of the asset are capitalised.

Intangible assets include acquired by the company the software used in the provision of services and management. The costs of purchasing intangible assets are depreciated on a straightforward basis over the expected period of their useful use, which is 2 years.

Trademarks used in economic activities in the provision of financial services, amortised using straight method. The Terms of useful trademarks are 10 years.

3.11. Income tax

The current income tax is calculated in accordance with the legislation of Ukraine.

The tax rate of Ukraine -18%.

3.12. Finance costs

Financial expenditures of the company are recognised as the expenditures of the reporting period in which they were accrued.

3.14. Reserves.

The reserve capital of the enterprise was not accrued in 2018, according to the founder's decision, the company creates a reserve for future payments and payments in the form of provision of payments for vacations in the current year.

Provision of expected revenues and losses of credit institution is formed according to IFRS 9 "financial Investments" and the developed "regulation on the procedure for formation and use of reserves for the company's financial assets by model of anticipated losses".

The company uses the business model, the purpose of which is to maintain the assets for the obtaining of contractual cash flows by obtaining contractual payments during the term of the instrument, which are purely payments of the principal amount and interest to the outstanding share of the principal amount, and are accounted for at amortised cost.

4. Disclosures in the articles of financial statements – "Statement of financial position (balance)**4.1 Intangible assets**

To determine the objects of intangible assets in accordance with IAS 38, the company carried out remapping and writing-off of objects that do not correspond to the signs for recognition of intangible assets established by the company's accounting policies. Intangible assets as at 31 December 2019 and 2018 may be represented as follows:

	<u>Acquired software</u>
January 1, 2018	
Cost	24
Accumulated amortization	-1
Net book value	23
Year ended December 31, 2018	
Additions	3,166
Amortisation charges	-657
December 31, 2018	
Cost	3,190
Accumulated amortization	-658
Net book value	2,532
Year ended December 31, 2019	
Additions	4,412
Amortisation charges	-2,510
December 31, 2019	
Cost	7,602
Accumulated amortization	-3,168
Net book value	4,434

4.2. Unfinished Capital investments

To unfinished capital investments as at 31 December 2018 included incurred cost of registration of the trademark UAH 17,155.

As at 31 December 2019 trademark was sold.

4.3. Property, plant and equipment

The fixed assets as at 31 December 2019 and 2018 are presented represented as follows:

	Property, plant, equipment
January 1, 2018	
Cost	385
Accumulated depreciation	(50)
Net book value	335
Year ended December 31, 2018	
Additions	813
Depreciation charges	(267)
December 31, 2018	
Cost	1,198
Accumulated depreciation	(317)
Net book value	881
Year ended December 31, 2019	
Additions	9,713
Depreciation charges	(3,379)
December 31, 2019	
Cost	10,911
Accumulated depreciation	(3,696)
Net book value	7,215

The structure of property, plant and equipment, as at 31 December 2019, includes leased office premises in accordance with lease agreements: No. 9 from 01.11.2018, and No. 4 dated 25.01.2019 with NIK DEVELOPMENT LLC, which are recognized in accordance with P. 47 IFRS 16 "Rent" as the right to use the assets totalling UAH 6,186,587 and accumulated depreciation charge of leased assets UAH 2,334,110.

4.4. Accounts receivable for products, goods, works, services

Accounts receivable include funds that are received from clients as loans and interest payments to payment system providers accounts on the last day of the reporting year and will be transferred by payment systems to the Company's current accounts the next day of the month.

The net carrying amount value of receivables on loans is deemed to be stated at fair value. As expected, the debtor's debt will be repaid within three months. Given this, the cost of money in time is not significant.

All accounts receivable of the company were revised for impairment.

Accounts receivable for products, goods, works, services as of December 31, 2018 and 2019 are presented as follows:

<i>(thousands of Hryvna's)</i>	December 31 2019	December 31 2018
Accounts receivable for products, goods, works, and services	170	1,059
Total	170	1,059

Accounts receivable for products, goods, works, services as of December 31, 2019 were analysed and reviewed for the recognition of income and expenses on the balance sheet date. This debt is a short-term that will be repaid in the next reporting quarter, given that the cost of money in time is not significant.

4.5 Accounts receivable for settlements with the budget

<i>(thousands of Hryvna's)</i>	December 31 2019	December 31 2018
Receivables on settlements on advances with the budget	-	6
Total	-	6

Accounts receivable for settlements with the budget were classified as a subscription for the personal income tax and military wage of employees in the amount of 2018 thousand Hryvna's, for 2019 year there is no debt.

4.6. Accounts receivable for accrued income

Accrued interest receivable represented with interest accrued on loans issued to individuals and legal entities, are as follows:

<i>(thousands Hryvna's)</i>	December 31 2019	December 31 2018
Accrued but unpaid interest on loans granted to private individuals	71,059	23,437
Accrued but unpaid interest on loans granted to legal entities	427	8
Total	71,486	23,445

4.7. Other current accounts receivable

Other accounts receivable as at 31 December 2019 may be presented as follows:

<i>(thousands of Hryvna's)</i>	December 31 2019	December 31 2018
Arrears on financial loans provided	368,518	114,691
Other accounts receivable	3,436	1,078
Provision of expected revenues and losses of credit institution	(296,287)	(68,485)
Total	75,667	47,284

As part of "Other current accounts receivable" the amount of prepayment to the suppliers.

Other current accounts receivable as of December 31, 2019 of the year were also analysed and revised for recognition of income and expenses on the balance sheet date. This debt is short-term, and will be repaid in the next reporting period, thus the cost of money in time is not significant.

Provision of expected revenues and losses of credit institution is formed according to IFRS 9 "financial Investments" as of December 31, 2019 in the amount of UAH 296,286,888.

The company uses the business model, the purpose of which is to maintain the assets for the obtaining of contractual cash flows by obtaining contractual payments during the term of the financial instrument, which are purely payments of the principal amount and interest on the outstanding balance of the principal amount, and are accounted for at amortised cost.

4.8. Cash and cash equivalents

Cash and cash equivalents as of 31 December 2019 and 2018 represented as follows:

<i>(thousands Hryvna's)</i>	December 31 2019	December 31 2018
Cash on hand	-	-
Current accounts balances	2,074	979
Cash in transit	39,264	9,666
Total	41,338	10,645

4.9. Equity

4.9.1. Statutory capital.

The registered (share) Capital includes the participants' contributions and as at 31 December 2019, may be represented as follows:

Founders	Share	Registered	Unpaid
As of December 31, 2018			
"ALDEGA" CJSC	100%	20,000,000.00	-
Total share capital	100%	20,000,000.00	-
As of December 31, 2019			
"ALDEGA" CJSC	100%	637,333.69	-
Total share capital	100%	637,333.69	-

4.9.2 Additional capital.

Additional capital was formed as a result of the accumulated currency exchange differences on the date of formation of the authorized capital founders, which are part of another comprehensive income of the company for the reporting year, as at 31 December 2019 may be represented as follows:

Founders	December 31 2019	December 31 2018
"ALDEGA" CJSC	200,857	200,857
Total	200,857	200,857

Retained earnings (accumulated loss)

According to IFRS, the Company follows accrual principle to calculate financial results of activity. The use of Retained earnings in the year 2018 is reflected in the Statement of changes in equity.

As at December 31, 2018 retained earnings are 000'UAH 5 964.

In 2019 the Company in 2019 corrected errors for the total amount of 000'UAH 71 trough profit (loss) account. As at December 31, 2019 retained earnings are 000'UAH 59 286.

5. Current liabilities and provisions

5.1. Other long-term liabilities.

Other long-term liabilities as at 31 December 2019 may be represented as follows:

<i>(thousands Hryvna's)</i>	December 31 2019	December 31 2018
Other long-term liabilities	64,456	42,814
Total	64,456	42,814

Other long-term liabilities as at 31.12.2018 include long-term loan from the stakeholder CJSC "Aldega" (Lithuania) according to loan agreement №.1 from 02.11.2018 amounted of 2,339,866 EUR at interest rate of 9.8% per annum, that constituted UAH 61,823,948 at the NBU rate.

The above commitments were not discounted because they represent currency loans, which were granted at interest rate that is not lower or higher by 30% for the rate of weighted average loans according to NBU data (as of 28.12.2018 year-7.4%), according to accounting policy of the company.

Other long-term liabilities include long-term commitments to lease office space for which the lease period is more than a year in the amount of UAH 2,632,236. According to IFRS 16, the company acts as a tenant office space according to the lease agreement: No 9 from 28.11.2018 year of 15.01.2019, and the Contract No. 4 from 28.01.2019 01.04.2019 year. Lease payments are discounted using market interest rate on loans, effective as of the date of recognition, according to the Act of receipt and transfer of premises, according TO IFRS 16 "leases". Information on the effective rate was received from the official website of the National Bank of Ukraine in the section "Monetary-Credit and financial statistics", in the table "cost of loans according to statistical reporting of banks in Ukraine".

The lease right is accounted by the company as the right to use the property in accordance with paragraph 47 IAS 16, as the object of fixed assets.

The company does not apply the above-mentioned requirements for the recognition of assets and liabilities for short-term rent or lease, in which the underlying asset has a cost of less than 000'UAH 800. The Company recognizes lease payments for such leases as expenses by the linear method during the lease term.

5.2. Short-term bank loans.

The short-term loans of banks as at December 31, 2018 amounted 000'UAH 1 577 and represented with loan from the founder CJSC "Aldega" (Lithuania) received according loan agreement №. 1 from 02.11.2018 year to the amount of EUR 24 500 euros, which is UAH 776 996 at NBU rate,

and short-term loan from "ELEPHANT CRED" LLC according loan agreement №. 26-10 from 26.10.2018 in the amount of UAH 800,000.00.

As at 31 December 2019 above short-term loans were prolonged long-term or repaid.

5.3 Current accounts payable for goods, works, services

Short-term accounts payable as at 31 December 2019 may be represented as follows:

<i>(thousands of Hryvna's)</i>	December 31 2019	December 31 2018
Debts with suppliers for goods, works, services	21,868	12,420
Settlements with the budget	7,012	1,323
Calculations on Wages	1	-
Current accounts payable for settlements with participants	13,213	-
Current provisions	1,780	362
Other current liabilities	12,493	1,208
Total	56,367	15,313

The current liabilities and provisions as at 31 December 2018 included: amounts due to suppliers for goods, works, services to the amount of 000'UAH 12,420, accounts payable to budget in the amount of 000'UAH 1,323. As at December 31, 2018 current liabilities included a reserve of annual vacations in the amount of 000'UAH 362. Other current liabilities totalled 000'UAH 1,208.

The current liabilities and provisions as at 31 December 2019 included: amounts due to suppliers for goods, works, services to the amount of 000'UAH 21,868. Payables due to the budget in the amount of 000'UAH 7,012.

Current accounts payable for settlements with participants as at December 31, represented with liabilities on unpaid dividends for the 1st half of 2019, amounted 000'UAH 13,213.

As of December 31, 2019, the loan was also analysed and revised on subject of recognition of revenues and expenses as at balance date. This debt is a short-term, and will be repaid during the next reporting period, and taking that into account the cost of money in time is not significant.

5.4. Contingent liabilities

The managerial staff does not recognize claims due to their absence and does not assess the likelihood of outflow funds.

5.5. Equity, Net Assets

As at 31 December 2019 the Company's net assets constituted 000'UAH 79 487, that comply with legislative requirements established by the National financial Services Agency.

6. Income and expenses.

Income and expenses for the year ended December 31, 2019 and 2018 can be presented as follows:

<i>(thousands Hryvna's)</i>	Note	2019	2018
Interest income		748,131	189,892
Other operating income		98,773	3,622
Other finance income		799	-
Other income		26	-
Total income		847,729	193,514
Materials costs		(362)	(116)
Labour costs		(30,120)	(6,104)
Social contributions		(6,064)	(1,345)
Depreciation charges		(5,889)	(924)
Other administrative costs		(114,024)	-
Sales costs		(141,103)	(25,815)
Finance costs		(5,087)	(1,704)
Other operating expenses		(274,887)	(114,328)
Other expenses		(180,332)	(35,323)
Total expenses		(757,868)	(185,659)

7. Comprehensive income.

Comprehensive income was formed as a result of accumulation of currency exchange differences on the date of formation of the authorized capital in the amount of UAH 200,856.72, which are part of other comprehensive income of the company for 2018. Other comprehensive income of the company represented with accumulated exchange differences as at 31 December 2019 is UAH 200,856.72.

8. Income tax.

Accrual of income tax was determined in accordance with the requirements of the tax legislation of Ukraine.

<i>(thousands Hryvna's)</i>	2019	2018
Income tax at the rate of 18%	1,320	16,595
Total income Tax	1,320	16,595

9. Transactions with related parties.

Parties are generally considered to be related if they are under common control, or if one party has the ability to control another or may have a significant impact on the other party in making financial or operational decisions. In the analysis of each case of relations that may constitute the relationship between the related parties, attention is paid to the essence of these relations, not only their legal form.

Related parties to the company are:

№	Name/NAME of the related person	EDRPOU Code/RNOPC	Status of a related person In relation to the company
1	CLOSED JOINT STOCK COMPANY "ALDEGA"	302691562	The only member
2	AIS CONSULTING UAB Software Developer to provide credits on the Internet M. Vilnius, Lithuania	302341505	Joint End Beneficiary
3	ALEXANDER KALINICHENKO	37707160164	Ultimate Beneficiary
4	OLGA SEBESCHUK	36704101571	Ultimate Beneficiary
5	VALDAS JARMUSHKA	36704101571	Ultimate Beneficiary
6	DOVGAL ' VOLODYMYR VIKTOROVYCH	3030512413	Director

For 2018 and 2019, the company had the following transactions with related parties:

Transaction with related parties	Related party	2019	2018
Wage	Dovgal ' V.	787	247
Total		787	247
Loans received and accrued interest on it	CJSC "ALDEGA"	64,198	777
Dividends	CJSC "ALDEGA"	5,964	-
Total		70,162	777
Calculations for Software	AIS CONSULTING	5,017	3,458
Total		5,017	3,458
Total transactions with related parties:		75,966	4,729

10. Staff costs

Methodological bases of the formation in accounting of information about operations for personnel payments and disclosure in the financial statements are carried out in accordance with the requirements of IAS 19 "employee Benefits".

In determining the value of liabilities for short-term rewards, employee discounting is not applicable, and the relevant costs are recognised as the employees perform their employment duties.

Short-term rewards for employees, including salaries and social security premiums, bonuses and tempering allowances, are accounted for in the core costs according to the principles of service delivery. According to the legislation, the company makes contributions of a certain size to the State Social insurance fund for each employee during the entire period of the employee's employment. the company has no obligation to further payments due to pensions.

11. Compliance with the requirements of IAS 29 "Financial reporting in hyperinflationary economies"

In Ukraine, the cumulative increase of inflation for a three-year period (2017-113.7%; 2018 Year-109.8%; 2019 year-104.1) is $[(113.7:100) \times (109.8:100) \times (104,1:100)100] - 100 = 29.96\%$,

therefore, the Company does not apply to the financial statements of IAS 29 "financial reporting in hyperinflationary economies". Monetary articles (accounts receivable, Accounts payable, cash and equivalents) – to any individual date, reflect their current purchase value on this date, thus there is no need to adjust the value of existing monetary articles on the date of the reporting period.

Given the short-term majority of the Company's financial instruments in accordance with the clause 3 of IAS 29 ("The need to enumerate financial reports in accordance with this standard is a matter of judgment") decided to refrain from indexing.

12. Contingent liabilities

The economic situation -The main activity of the company is carried out in Ukraine. The legislation and normative documents that influence the economic situation in Ukraine are the subject of frequent changes, therefore, the company's assets and operations may be exposed at risk if the political and economic situation deteriorates.

Taxation – The tax system of Ukraine is characterized by the presence of numerous taxes. Management considers, proceeding from its own interpretation of the tax legislation, official clarifications and court decisions that the tax liabilities were duly reflected in the accounting.

Other potential liabilities – as at December 31, 2019 there are no cases or claims that may lead to a significant impact on the financial position or results of the Company.

The Company does not recognize the contingent liabilities. The information about the conditional is disclosed if the possibility of disposal of resources that embody the economic benefits is not remote. The enterprise does not recognise contingent assets. The information about the conditional is disclosed when the economic benefits are probable.

At the date of financial statements approved for issue, there was no noticed of any unpredictable obligation or obligation to perform, information about what is required to disclose or adjust in the financial statements.

13. Lawsuits

The company uses official control procedures as well as legal risk management policy. If the current obligation is incurred as a result of past events that are likely to require cash flow and potential losses can be reasonably priced, the company will accumulate reserves to cover all the negative consequences of these risks to their financial condition.

As of December 31, 2019 the Company took part in the following judicial proceedings:

No case	Full name of plaintiff	The subject of the dispute	First Instance decision (date)	Appeal (date)	Cassation Appeal (date)
305/547/19	Kokish-Melnyk Ivanna Fedorivna	On the protection of consumer rights and recognition of the loan agreement Invalid (void)	22.05.2019 left without consideration		
320/126/19	Hanna Bilstinna	Recognition of the invalid agreement.			
761/9582/19	Kinchevska Olga Volodymyrivna	Recognition of the invalid agreement.	The lawsuit left without consideration		
173/491/19	Burhan Oksana Yurjivna	On consumer Rights protection	27.09.2019 left without consideration		

No case	Full name of plaintiff	The subject of the dispute	First Instance decision (date)	Appeal (date)	Cassation Appeal (date)
345/1744/19	Shparun Zoriana Romanivna	Invalidation of the loan agreement	18.06.2019 lawsuit Satisfied	24.09.2019 appeal decision-in lawsuit denied	Open Cassation proceedings
761/18039/19	Borka Liubov Hryhorivna	Invalidation of the loan agreement	28.10.2019 partly satisfied		
178/775/19	Tazhibaeva Yuliia Andriivna	Invalidation of the loan agreement	13.08.2019 lawsuit left without consideration		
376/1053/19	Nataliya Herasymenko	Invalidation of the loan agreement	Assigned to 15.01.2020		
750/7521/19	Huyeva Viktoriia Volodymyrivna	On Protection of consumer rights invalidation of the loan agreement	06.11.2019 lawsuit Satisfied	Decision in appeal	
175/3589/19	Pontenko Denys Yevhenovych	Invalidation of the loan agreement			
288/1783/19	Korpan Yuliia Leonidivna	On the protection of the violated law, establishment of a nullousness of the contract			
287/2067/19	Sergei Lepey	Recognition of invalid part of the agreement on provision of financial credit			
465/5275/19	Cherchenko Yaroslav Valeriiiovych	On the obligation to transfer the counteruniform requirements and return of the paid funds	The lawsuit left without consideration		

14. Events after balance-sheet date

As of December 31, 2019, there were no significant events that could affect the adjustment of financial statements, which occurred after the reporting date and the date of approval of the financial statements. No adjustments were conducted.

Director:

Dovgal Volodymyr Viktorovych

Chief accountant:

Levenko Natalia Frankivna