

Fintrax Payment Systems A/S

Rådhusstræde 3, 2. sal, 1466 København K

Company reg. no. 28 89 68 67

Annual report

1 January - 31 December 2017

The annual report has been submitted and approved by the general meeting on the 8 June 2018.

Peter Daly
Chairman of the meeting

Notes to users of the English version of this document:

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



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Management's report

The board of directors and the managing director have today presented the annual report of Fintrax Payment Systems A/S for the financial year 1 January to 31 December 2017.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Copenhagen, 8 June 2018

Managing Director

Patrick Faherty

Board of directors

Patrick Faherty

Peter Daly

Jamie Keir



Independent auditor's report

To the shareholder of Fintrax Payment Systems A/S

Opinion

We have audited the annual accounts of Fintrax Payment Systems A/S for the financial year 1 January to 31 December 2017, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January to 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

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

Auditor's responsibilities for the audit of the annual accounts

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

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



Independent auditor's report

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

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

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.



Independent auditor's report

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

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 8 June 2018

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Sven-Erik Vejlbj
State Authorised Public Accountant
MNE-nr. 25075



Company data

The company

Fintrax Payment Systems A/S
Rådhusstræde 3, 2. sal
1466 København K

Company reg. no. 28 89 68 67
Established: 15 March 2005
Financial year: 1 January - 31 December
13th financial year

Board of directors

Patrick Faherty
Peter Daly
Jamie Keir

Managing Director

Patrick Faherty

Auditors

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K



Management's review

The principal activities of the company

The company's activities consist in delivery of all kinds of activities in relation to providing credit card processing and approval procedures and guarantees of payment services to banks, providers, retailers and credit card holders. Any activity related to marketing and promotion with the purpose of promoting these credit card services and other associated tourist activities and services. Supply of software and hardware to facilitate the introduction of these services and other related business according to the Board of Directors.

Development in activities and financial matters

The gross profit for the year is DKK 81.000 against DKK 113.000 last year. The results from ordinary activities after tax are DKK 54.000 against DKK 66.000 last year. The management consider the results satisfactory.



Profit and loss account 1 January - 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Gross profit	80.977	113
Depreciation and writedown relating to tangible fixed assets	0	-44
Operating profit	80.977	69
Other financial income	0	14
Other financial costs	-11.941	0
Results before tax	69.036	83
2 Tax on ordinary results	-15.180	-17
Results for the year	53.856	66
Proposed distribution of the results:		
Allocated to results brought forward	53.856	66
Distribution in total	53.856	66



Balance sheet 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Assets		
Fixed assets		
3 Acquired concessions, patents, licenses, trademarks and similar rights	0	0
Intangible fixed assets in total	0	0
Fixed assets in total	0	0
Current assets		
Trade debtors	467.941	475
Amounts owed by group enterprises	7.166.723	3.572
Receivable corporate tax	22.899	0
Debtors in total	7.657.563	4.047
Available funds	107.732	837
Current assets in total	7.765.295	4.884
Assets in total	7.765.295	4.884



Balance sheet 31 December

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Equity and liabilities		
Equity		
4 Contributed capital	601.000	601
5 Results brought forward	2.285.487	2.232
Equity in total	<u>2.886.487</u>	<u>2.833</u>
Liabilities		
Debt to group enterprises	4.453.216	1.445
Corporate tax	0	261
Other debts	425.592	345
Short-term liabilities in total	<u>4.878.808</u>	<u>2.051</u>
Liabilities in total	<u>4.878.808</u>	<u>2.051</u>
Equity and liabilities in total	<u>7.765.295</u>	<u>4.884</u>

1 Uncertainties concerning recognition and measurement

6 Contingencies



Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

1. Uncertainties concerning recognition and measurement

Subsequent to the balance sheet date, the management has initiated measurements to strengthen the company's financial function, so that uncertainties in the registration procedures that may exist at 31 December 2017, will be met in the 2018 financial year.

	<u>2017</u>	<u>2016</u>
2. Tax on ordinary results		
Tax of the results for the year	15.180	28
Adjustment for the year of deferred tax	<u>0</u>	<u>-11</u>
	<u>15.180</u>	<u>17</u>
3. Acquired concessions, patents, licenses, trademarks and similar rights		
Cost 1 January 2017	<u>156.648</u>	<u>157</u>
Cost 31 December 2017	<u>156.648</u>	<u>157</u>
Amortisation and writedown 1 January 2017	-156.648	-113
Amortisation for the year	<u>0</u>	<u>-44</u>
Amortisation and writedown 31 December 2017	<u>-156.648</u>	<u>-157</u>
Book value 31 December 2017	<u>0</u>	<u>0</u>
4. Contributed capital		
Contributed capital 1 January 2017	<u>601.000</u>	<u>601</u>
	<u>601.000</u>	<u>601</u>

The share capital consists of 6,010 shares, each with a nominal value of DKK 100. No shares hold particular rights.



Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

	<u>31/12 2017</u>	<u>31/12 2016</u>
5. Results brought forward		
Results brought forward 1 January 2017	2.231.631	2.166
Profit or loss for the year brought forward	<u>53.856</u>	<u>66</u>
	<u>2.285.487</u>	<u>2.232</u>

6. Contingencies

Joint taxation

Premier Tax Free ApS being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.



Accounting policies used

The annual report for Fintrax Payment Systems A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

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

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

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

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.



Accounting policies used

The profit and loss account

Gross profit

The gross profit comprises the net turnover, direct cost and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Direct costs comprises royalty payment for use of the Fintrax Group's payment system.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

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

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

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

The balance sheet

Intangible fixed assets

Development projects, patents, and licences

IT-software is measured at the lower of cost less accumulated amortisation and recoverable amount. IT software is amortised on a straight-line basis over the expected useful life, which is assessed at 3 years.



Accounting policies used

Debtors

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

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

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

According to the rules of joint taxation, Fintrax Payment Systems A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

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

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

Liabilities

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