

Planet Payment Services Denmark A/S

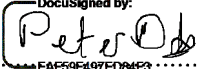
Østergade 24 A, 2., København K

CVR no. 28 89 68 67

Annual report 2020

Approved at the Company's annual general meeting on 19 April 2021

Chair of the meeting:

DocuSigned by:

EAF59F497ED84FG.....
Peter Daly

The following is a translation of an original Danish document. The original Danish document is the governing document for all purposes, and in case of any discrepancy, the Danish wording will be applicable.





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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Planet Payment Services Denmark A/S for the financial year 1 January - 31 December 2020.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 19 April 2021
Executive Board:

DocuSigned by:
Patrick Faherty
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Patrick Gerald Francis
Faherty

Board of Directors:

DocuSigned by:
Peter Aidan Daly
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Peter Aidan Daly
Chair

DocuSigned by:
Jamie Keir
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Jamie Anthony Keir

DocuSigned by:
Patrick Faherty
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Patrick Gerald Francis
Faherty



Independent auditor's report

To the shareholders of Planet Payment Services Denmark A/S

Opinion

We have audited the financial statements of Planet Payment Services Denmark A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Material uncertainty related to going concern

We draw attention to the material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. We refer to note 2 to the financial statements, which states that it is uncertain whether financial support can be obtained if the support issuer are not able to fulfil this, which will also affect the ability to receive coverage for receivables from group enterprises. However, as Management believes that this can be obtained, the financial statements have been prepared on a going concern basis. We have not modified our opinion in respect of this matter.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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



Independent auditor's report

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

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 19 April 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A handwritten signature in blue ink, appearing to read 'Peter Jensen'.

Peter Jensen
State Authorised Public Accountant
mne33246



Management's review

Company details

Name	Planet Payment Services Denmark A/S
Address, Postal code, City	Østergade 24 A, 2., København K
CVR no.	28 89 68 67
Established	15 March 2005
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Peter Aidan Daly, Chairman Jamie Anthony Keir Patrick Gerald Francis Faherty
Executive Board	Patrick Gerald Francis Faherty
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

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.

Recognition and measurement uncertainties

The Company has recognized receivables from group enterprises of DKK 7,964 thousand at 31 December 2020. The measurement of these receivables are based on an assumption that the group enterprises are going concern, and able to pay the debt. As mentioned in note 3 the Company has received letter of support from a group enterprise, that it will continue to provide the necessary financial support to ensure that Planet Payment Services Denmark A/S will be paid its outstanding receivable as of 31 December 2020.

Unusual matters having affected the financial statements

During the preparation of the financial statements for 2020 it was found, that the transfer pricing adjustment for 2019 cf. distribution services agreement, was not recognized in 2019, but in 2020 when it was invoiced.

Reference is made to note 1 for a detailed description of the accounting consequences.



Management's review

Going concern

The Company has been and still is very affected by the ongoing Covid-19 outbreak. The Company has received letter of financial support in order to meet its liabilities as when they fall due. This financial support will continue at a minimum until March 31st 2022. At the time for the preparation of the financial statements, the entire group's activities are affected by the outbreak. If the financial support is not being obtained, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Management believes that the issuer will be able to fulfill this financial support, which is also based on the fact that liquidity has been provided during 2020 and 2021, why the financial statements have been prepared on a going concern basis. Reference is also made to note 2.

Financial review

The income statement for 2020 shows a profit of DKK 78,739 against a profit of DKK 91,774 last year, and the balance sheet at 31 December 2020 shows equity of DKK 3,134,847.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements 1 January - 31 December

Income statement

Note	DKK	2020	2019
	Gross profit	25,997	121,069
4	Financial income	74,951	0
5	Financial expenses	0	-3,411
	Profit before tax	100,948	117,658
6	Tax for the year	-22,209	-25,884
	Profit for the year	<u>78,739</u>	<u>91,774</u>
	Recommended appropriation of profit		
	Adjustment of equity through corrections of errors	0	583,775
	Retained earnings/accumulated loss	<u>78,739</u>	<u>-492,001</u>
		<u>78,739</u>	<u>91,774</u>



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
	ASSETS		
	Non-fixed assets		
	Trade receivables	877,689	1,020,530
	Receivables from group enterprises	7,963,918	8,261,608
		<u>8,841,607</u>	<u>9,282,138</u>
	Cash	701,703	433,027
	Total non-fixed assets	<u>9,543,310</u>	<u>9,715,165</u>
	TOTAL ASSETS	<u><u>9,543,310</u></u>	<u><u>9,715,165</u></u>



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	601,000	601,000
	Retained earnings	2,533,847	2,455,108
	Total equity	<u>3,134,847</u>	<u>3,056,108</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group enterprises	6,165,619	5,953,556
	Joint taxation contribution payable	186,863	25,884
	Other payables	55,981	679,617
		<u>6,408,463</u>	<u>6,659,057</u>
		<u>6,408,463</u>	<u>6,659,057</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>9,543,310</u></u>	<u><u>9,715,165</u></u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Recognition and measurement uncertainties
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral



Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2019	601,000	2,363,334	2,964,334
Adjustment of equity through corrections of errors	0	583,775	583,775
Transfer through appropriation of loss	0	-492,001	-492,001
Equity at 1 January 2020	601,000	2,455,108	3,056,108
Transfer through appropriation of profit	0	78,739	78,739
Equity at 31 December 2020	601,000	2,533,847	3,134,847



Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Planet Payment Services Denmark A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Material misstatements

During the preparation of the financial statements for 2020 it was found, that the transfer pricing adjustment for 2019 cf. distribution services agreement, was not recognized in 2019, but in 2020 when it was invoiced.

This has then been corrected as a material misstatement by restating comparatives and Equity at 1 January 2020.

The correction has increased the gross profit for 2019 with DKK 748 thousand, and increased receivables from group companies with DKK 748 thousand. The correction has also increased the taxes for 2019 with DKK 164 thousand, and increased the the joint taxation contribution payable with DKK 164 thousand. The Equity at 31 December 2019 has been increased with DKK 584 thousand.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.



Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Raw materials and consumables, etc.

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

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.



Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.



Financial statements 1 January - 31 December

Notes to the financial statements

2 Going concern uncertainties

The Company has been and still is very affected by the ongoing Covid-19 outbreak. The Company has received letter of financial support from the group company Franklin Ireland Topco Limited in order to meet its liabilities as when they fall due. This financial support will continue at a minimum until March 31st 2022. At the time for the preparation of the financial statements, it is uncertain whether Franklin Ireland Topco Limited are able to fulfil this support letter, as the entire group's activities are affected by the outbreak. If the financial support is not being obtained, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Management believes that the issuer will be able to fulfill this financial support, which is also based on the fact that liquidity has been provided during 2020 and 2021, why the financial statements have been prepared on a going concern basis.

3 Recognition and measurement uncertainties

The Company has recognized receivables from group enterprises of DKK 7,964 thousand at 31 December 2020. The measurement of these receivables are based on an assumption that Franklin Ireland Topco Limited are going concern, and able to pay the debt. The Company has received letter of support from a group enterprise, that it will continue to provide the necessary financial support to ensure that Planet Payment Services Denmark A/S will be paid its outstanding receivable as of 31 December 2020.



Financial statements 1 January - 31 December

Notes to the financial statements

DKK	<u>2020</u>	<u>2019</u>
4 Financial income		
Exchange gain	74,951	0
	<u>74,951</u>	<u>0</u>
5 Financial expenses		
Exchange losses	0	3,411
	<u>0</u>	<u>3,411</u>
6 Tax for the year		
Estimated tax charge for the year	22,209	25,884
	<u>22,209</u>	<u>25,884</u>

7 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Planet Payment Denmark ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2020 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment.

8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2020.