

# Planet Payment Denmark ApS

Østergade 24 A, 2., 1100 København K

CVR no. 29 60 24 92

## Annual report 2019

Approved at the Company's annual general meeting on 13 March 2020

Chairman:



Nicki Bech

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 Executive Board

Today, the Executive Board has discussed and approved the annual report of Planet Payment Denmark ApS for the financial year 1 January - 31 December 2019.

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

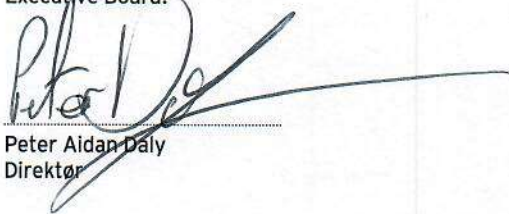
In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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

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

Copenhagen K, 13 March 2020

Executive Board:



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Peter Aidan Daly  
Direktør



## Independent auditor's report

To the shareholders of Planet Payment Denmark ApS

### Opinion

We have audited the financial statements of Planet Payment Denmark ApS for the financial year 1 January - 31 December 2019, 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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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.

### 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:

- ▶ 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.



### Independent auditor's report

- ▶ 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, 13 March 2020  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Peter Jensen  
State Authorised Public Accountant  
mne33246

## Management's review

### Company details

Name	Planet Payment Denmark ApS
Address, Postal code, City	Østergade 24 A, 2., 1100 København K
CVR no.	29 60 24 92
Established	22 May 2006
Registered office	København K
Financial year	1 January - 31 December
Executive Board	Peter Aidan Daly, Direktør
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management commentary

### Business review

The principal activities include establishment and operation of systems and concepts in connection with VAT refunds for tourists.

### Recognition and measurement uncertainties

Other provisions recognized with 484 TDKK include estimated payables to tourists regarding VAT vouchers. The estimate relates to future events and circumstances. The actual results may vary and may cause significant adjustments to the company's valuation of provisions.

### Financial review

The income statement for 2019 shows a profit of DKK 393,491 against a profit of DKK 227,152 last year, and the balance sheet at 31 December 2019 shows equity of DKK 2,826,753.

### Events after the balance sheet date

The Company achieved results in January and February 2020 that was beyond expectations. However, as of the beginning of March 2020, management has found that the Covid-19 outbreak will potentially significantly affect the company's performance, financial position and liquidity readiness by 2020. The potential impact on the company's performance, financial position and liquidity preparedness will naturally depend on the duration and extent of the virus outbreak, which is not known at the time of the financial reporting. The Executive Board follows the situation closely.

There are no other events after the reporting period to be disclosed



## Financial statements 1 January - 31 December

### Income statement

Note	DKK	2019	2018
	<b>Gross profit</b>	<b>6,075,383</b>	<b>5,351,112</b>
3	Staff costs	-5,307,716	-4,762,511
4	Depreciation of property, plant and equipment	-232,654	-224,585
	<b>Profit before net financials</b>	<b>535,013</b>	<b>364,016</b>
	Financial expenses	-14,910	-39,854
	<b>Profit before tax</b>	<b>520,103</b>	<b>324,162</b>
5	Tax for the year	-126,612	-97,010
	<b>Profit for the year</b>	<b>393,491</b>	<b>227,152</b>
	 <b>Recommended appropriation of profit</b>		
	Retained earnings	393,491	227,152
		<b>393,491</b>	<b>227,152</b>





## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2019	2018
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
6	<b>Property, plant and equipment</b>		
	Fixtures and fittings, other plant and equipment	424,360	586,985
		<u>424,360</u>	<u>586,985</u>
	<b>Investments</b>		
	Other receivables	237,187	325,968
		<u>237,187</u>	<u>325,968</u>
	<b>Total fixed assets</b>	<u>661,547</u>	<u>912,953</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Trade receivables	2,072,908	3,379,043
	Receivables from group enterprises	6,531,059	7,039,198
	Deferred tax assets	134,213	83,786
	Corporation tax receivable	0	2,868
	Prepayments	310,698	194,584
		<u>9,048,878</u>	<u>10,699,479</u>
	<b>Cash</b>	<u>2,166,666</u>	<u>1,078,253</u>
	<b>Total non-fixed assets</b>	<u>11,215,544</u>	<u>11,777,732</u>
	<b>TOTAL ASSETS</b>	<u>11,877,091</u>	<u>12,690,685</u>





## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2019	2018
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	135,000	135,000
	Retained earnings	2,691,753	2,298,262
	<b>Total equity</b>	<b>2,826,753</b>	<b>2,433,262</b>
	<b>Provisions</b>		
	Other provisions	483,554	1,982,977
	<b>Total provisions</b>	<b>483,554</b>	<b>1,982,977</b>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Other payables	214,013	0
		214,013	0
	<b>Current liabilities other than provisions</b>		
	Bank debt	9,530	14,476
	Trade payables	700,179	1,080,285
	Payables to group enterprises	5,352,593	6,007,150
	Corporation tax payable	110,506	0
	Other payables	1,181,419	953,819
	Deferred income	998,544	218,716
		8,352,771	8,274,446
	<b>Total liabilities other than provisions</b>	<b>8,566,784</b>	<b>8,274,446</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,877,091</b>	<b>12,690,685</b>

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



## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2019	135,000	2,298,262	2,433,262
Transfer through appropriation of profit	0	393,491	393,491
Equity at 31 December 2019	135,000	2,691,753	2,826,753

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Planet Payment Denmark ApS for 2019 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.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### 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.

#### Gross profit

The items revenue, cost of sales, other operating income 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.

#### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

#### 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.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment      3-5 years

##### 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

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### 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.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

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.

#### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

#### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

#### Other payables

Provisions comprise expected payments to tourists regarding VAT vouchers. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

#### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

#### 2 Recognition and measurement uncertainties

Other provisions recognized with 484 TDKK include estimated payables to tourists regarding VAT vouchers. The estimate relates to future events and circumstances. The actual results may vary and may cause significant adjustments to the company's valuation of provisions.



## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK	2019	2018
<b>3 Staff costs</b>		
Wages/salaries	4,935,435	4,371,714
Pensions	332,333	276,497
Other staff costs	39,948	114,300
	<u>5,307,716</u>	<u>4,762,511</u>
 Average number of full-time employees	 <u>10</u>	 <u>8</u>
 <b>4 Depreciation of property, plant and equipment</b>		
Depreciation of property, plant and equipment	232,654	224,585
	<u>232,654</u>	<u>224,585</u>
 <b>5 Tax for the year</b>		
Estimated tax charge for the year	176,506	66,132
Deferred tax adjustments in the year	-50,427	9,416
Tax adjustments, prior years	533	21,462
	<u>126,612</u>	<u>97,010</u>
 <b>6 Property, plant and equipment</b>		
DKK		<b>Fixtures and fittings, other plant and equipment</b>
Cost at 1 January 2019		1,054,789
Additions		87,071
Disposals		<u>-425,128</u>
Cost at 31 December 2019		716,732
Impairment losses and depreciation at 1 January 2019		467,804
Depreciation		232,654
Reversal of accumulated depreciation and impairment of assets disposed		<u>-408,086</u>
Impairment losses and depreciation at 31 December 2019		292,372
Carrying amount at 31 December 2019		<u>424,360</u>
 Depreciated over		 <u>4-5 years</u>



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 7 Contractual obligations and contingencies, etc.

##### Other financial obligations

Other rent and lease liabilities:

DKK	<u>2019</u>	<u>2018</u>
Rent and lease liabilities	<u>546,784</u>	<u>996,000</u>

Rent and lease liabilities include a rent obligation totalling DKK 546.784 in interminable rent agreements with remaining contract terms of 14 months.

#### 8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2019.