

RIA Financial Services, Denmark ApS

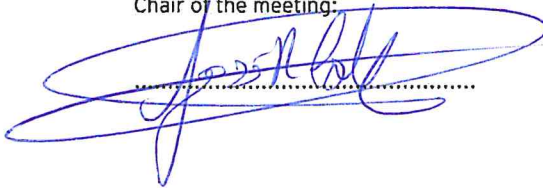
Nørre Voldgade 21, 1358 København K

CVR no. 33 37 53 44

Annual report 2020

Approved at the Company's annual general meeting on 30 June 2021

Chair of the meeting:





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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of RIA Financial Services, Denmark ApS 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, 30 June 2021
Executive Board:

Ricky Lee Weller

José Manuel Pereira Cabral

Sohail Bashir

Independent auditor's report

To the shareholder of RIA Financial Services, Denmark ApS

Opinion

We have audited the financial statements of RIA Financial Services, Denmark ApS 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.

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.

Independent auditor's report

- ▶ 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, 30 June 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Thomas Hjortkær Petersen
State Authorised Public Accountant
mne33748



Management's review

Company details

Name	RIA Financial Services, Denmark ApS
Address, Postal code, City	Nørre Voldgade 21, 1358 København K
CVR no.	33 37 53 44
Established	20 December 2010
Registered office	København
Financial year	1 January - 31 December
Website	www.riafinancial.com
Executive Board	Ricky Lee Weller José Manuel Pereira Cabral Sohail Bashir
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark



Management's review

Business review

The objectives of the Company are to provide financial services, advice and guidance of any kind, and any other related business.

Financial review

The income statement for 2020 shows a profit of DKK 3,135 thousand against a profit of DKK 4,743 thousand last year, and the balance sheet at 31 December 2020 shows equity of DKK 4,721 thousand.

Management considers the Company's financial performance in the year satisfactory and the Company was financial not significant impacted by the Covid19 pandemic.

Events after the balance sheet date

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

Financial statements 1 January - 31 December

Income statement

Note	DKK	2020	2019
	Gross profit	11,906,313	13,961,514
2	Staff costs	-7,336,725	-7,330,308
	Amortisation/depreciation	-387,767	-368,059
	Profit before net financials	4,181,821	6,263,147
	Financial income	2,643	4,736
	Financial expenses	-180,504	-181,976
	Profit before tax	4,003,960	6,085,907
	Tax for the year	-868,938	-1,342,704
	Profit for the year	3,135,022	4,743,203
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	0	4,000,000
	Retained earnings	3,135,022	743,203
		3,135,022	4,743,203

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
	ASSETS		
	Fixed assets		
3	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	293,524	404,647
	Leasehold improvements	432,885	670,492
		<u>726,409</u>	<u>1,075,139</u>
	Investments		
	Leasehold deposits	618,083	561,443
		<u>618,083</u>	<u>561,443</u>
	Total fixed assets	<u>1,344,492</u>	<u>1,636,582</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	6,540,123	5,656,779
	Deferred tax assets	25,154	0
	Other receivables	1,234,355	10,000
	Prepayments	112,979	368,372
		<u>7,912,611</u>	<u>6,035,151</u>
	Cash	14,420,054	35,888,531
	Total non-fixed assets	<u>22,332,665</u>	<u>41,923,682</u>
	TOTAL ASSETS	<u>23,677,157</u>	<u>43,560,264</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	80,000	80,000
	Retained earnings	4,640,695	1,505,673
	Dividend proposed for the year	0	4,000,000
	Total equity	<u>4,720,695</u>	<u>5,585,673</u>
	Provisions		
	Other provisions	69,376	170,000
	Total provisions	<u>69,376</u>	<u>170,000</u>
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Payables to group entities	11,366,580	7,321,259
	Other payables	0	126,163
		<u>11,366,580</u>	<u>7,447,422</u>
	Current liabilities other than provisions		
	Trade payables	1,694,902	4,563,909
	Payables to group entities	3,787,394	24,043,882
	Income taxes payable	249,791	266,755
	Other payables	1,499,678	1,260,787
	Deferred income	288,741	221,836
		<u>7,520,506</u>	<u>30,357,169</u>
		<u>18,887,086</u>	<u>37,804,591</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>23,677,157</u></u>	<u><u>43,560,264</u></u>

- 1 Accounting policies
- 4 Contractual obligations and contingencies, etc.
- 5 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Dividend proposed for the year</u>	<u>Total</u>
Equity at 1 January 2020	80,000	1,505,673	4,000,000	5,585,673
Transfer through appropriation of profit	0	3,135,022	0	3,135,022
Dividend distributed	0	0	-4,000,000	-4,000,000
Equity at 31 December 2020	<u>80,000</u>	<u>4,640,695</u>	<u>0</u>	<u>4,720,695</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of RIA Financial Services, Denmark ApS 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.

The accounting policies applied by the Company are consistent with those of last year.

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

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of indirect taxes charged on behalf of third parties.

Gross profit

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

Other external expenses

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

Staff costs

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

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:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

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.

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.

Impairment of fixed assets

Intangible assets, property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indication of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for groups of assets, impairment losses are first recognised in respect of any goodwill and thereafter proportionately in respect of the other assets.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Prepayments

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

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

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. 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.

Other payables

Other payables are measured at net realisable value.

Deferred income

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

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2020	2019
2 Staff costs		
Wages/salaries	5,907,913	5,872,089
Pensions	532,465	514,444
Other social security costs	865,957	882,913
Other staff costs	30,390	60,862
	<u>7,336,725</u>	<u>7,330,308</u>
Average number of full-time employees	<u>15</u>	<u>15</u>

3 Property, plant and equipment

DKK	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2020	995,619	1,525,109	2,520,728
Additions in the year	39,231	0	39,231
Cost at 31 December 2020	<u>1,034,850</u>	<u>1,525,109</u>	<u>2,559,959</u>
Impairment losses and depreciation at 1 January 2020	590,972	854,617	1,445,589
Amortisation/depreciation in the year	150,354	237,607	387,961
Impairment losses and depreciation at 31 December 2020	<u>741,326</u>	<u>1,092,224</u>	<u>1,833,550</u>
Carrying amount at 31 December 2020	<u>293,524</u>	<u>432,885</u>	<u>726,409</u>

4 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	2020	2019
Rent and lease liabilities	<u>831,556</u>	<u>1,833,173</u>



Financial statements 1 January - 31 December

Notes to the financial statements

5 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Euronet Worldwide, Inc.	Leawood, Kansas, USA	Consolidated financial statements (SEC form 10-K) is publicly available at ir.euronetworldwide.com/sec.cfm

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
RIA Netherlands Holding B.V.	Amsterdam, Netherlands