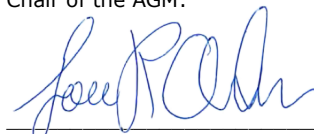


# Centurion DK A/S

## Annual Report 2020

Adopted at the Annual General Meeting on 2 March 2021

Chair of the AGM:



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Louise Rubæk Andersen

Centurion DK A/S  
Lautrupbjerg 10  
DK-2750 Ballerup  
[www.nets.eu](http://www.nets.eu)  
CVR no. 40 69 58 69

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Centurion DK A/S for the financial year 1 January – 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the Financial Statements give a true and fair view of the Company's financial position as at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

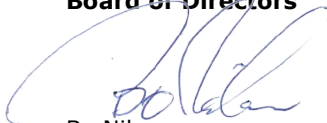
Ballerup, 2 March 2021

### Executive Board



Frode Åsheim  
CEO

### Board of Directors



Bo Nilsson  
Chairman



Klaus Pedersen



Pia Jørgensen

## **Independent Auditor's report**

### **To the Shareholder of Centurion DK A/S**

#### **Opinion**

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.

We have audited the Financial Statements of Centurion DK 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 a summary of significant accounting policies ("financial statements").

#### **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 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the

requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

**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 about 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

- 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 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.

Hellerup, 2 March 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Michael Groth Hansen  
State Authorised Public Accountant  
mne33228



Lars Fermann  
State Authorised Public Accountant  
mne45879

## Company data

### The Company

Centurion DK A/S  
Lautrupbjerg 10  
2750 Ballerup

Company reg. no.: 40 69 58 69  
Established: 5 August 2019  
Domicile: Ballerup  
Financial period: 1 January – 31 December

### Board of Directors

Bo Nilsson  
Klaus Pedersen  
Pia Jørgensen

### Executive Board

Frode Åsheim

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup

## Management's Review

<b>Business foundation</b>	Centurion DK A/S' objective is to conduct business with payment services and other business related thereto.
<b>Development in activities and finances</b>	The Company has during the year taken over certain assets and liabilities from Nets Denmark A/S as part of the branch demerger of the account-to-account based services activities from Nets Denmark A/S. The net assets have been taken over through a non-cash contribution increasing the Company's equity by DKK 60,751 thousand.
<b>Financial performance</b>	<p>Net profit for the year is DKK 2,985,894 thousand. Net result level was in line with expectations. The financial performance is mainly driven by deferred tax asset from taxable demerger.</p> <p>Equity shows DKK 3,323,825 thousand at 31 December 2020.</p>
<b>Events subsequent to the financial year</b>	For information refer to note 6.



## Income statement

<b>Notes</b>	DKK'000	<b>2020</b>	<b>2019</b>
		1 Jan – 31 Dec	5 Aug – 31 Dec
	Revenue	1,474,534	-
	External costs	-857,708	-20
2	Staff costs	-137,042	-
	<b>Operating result before amortisation and impairment losses</b>	<b>479,784</b>	<b>-20</b>
	Amortisation and impairment losses	-19,966	-
	<b>Result before financial income and expenses</b>	<b>459,818</b>	<b>-20</b>
	Financial income	112	-
	Financial expenses	-66	-
	<b>Result before tax</b>	<b>459,864</b>	<b>-20</b>
3	Tax	2,526,014	-
	<b>Result for the year</b>	<b>2,985,878</b>	<b>-20</b>
	<b>Proposed distribution of profit and loss</b>		
	Retained earnings	2,985,878	-20
		<b>2,985,878</b>	<b>-20</b>

## Balance sheet

Notes	Assets	DKK'000	2020	2019
	Intangible assets			
4	Completed development projects		110,949	-
4	Development projects in progress		35,647	-
	<b>Total intangible assets</b>		<b>146,596</b>	<b>-</b>
	Other financial assets			
	Deferred tax asset		1,332,079	-
	<b>Total other financial assets</b>		<b>1,332,079</b>	<b>-</b>
	<b>Total non-current assets</b>		<b>1,478,675</b>	<b>-</b>
	Receivables			
	Trade receivables		90,750	-
	Group receivables		715,599	1,195
	Corporation tax		1,193,930	-
	Other receivables		5	-
	Prepayments		11,371	-
	<b>Total receivables</b>		<b>2,011,655</b>	<b>1,195</b>
	Cash at banks		6,020	-
	<b>Total current assets</b>		<b>2,017,675</b>	<b>1,195</b>
	<b>Total assets</b>		<b>3,496,350</b>	<b>1,195</b>

## Balance sheet

<b>Notes</b>	<b>Liabilities</b>		
	DKK'000	<b>2020</b>	<b>2019</b>
	Equity		
	Share capital	2,000	1,200
	Reserve for development costs	114,345	-
	Retained earnings	3,207,480	-20
	<b>Total equity</b>	<b>3,323,825</b>	<b>1,180</b>
	Current liabilities		
	Trade payables	18,298	-
	Group payables	3,181	-
	Other liabilities	151,046	15
	<b>Total current liabilities</b>	<b>172,525</b>	<b>15</b>
	<b>Total equity and liabilities</b>	<b>3,496,350</b>	<b>1,195</b>

5	Contingent liabilities
6	Consolidation
7	Events after the balance sheet date

## Statement of changes in equity

DKK'000	Share capital	Share premium	Reserve for development costs	Retained earnings	Total
<b>Equity at 1 January 2020</b>	<b>1,200</b>	-	-	<b>-20</b>	<b>1,180</b>
Capital increase	700	275,300	-	-	276,000
Capital increase through non-cash contribution	100	60,667	-	-	60,767
Development costs for the year	-	-	114,345	-114,345	-
Transfer	-	-335,967	-	335,967	-
Net result for the year	-	-	-	2,985,878	2,985,878
<b>Equity at 31 December 2020</b>	<b>2,000</b>	<b>0</b>	<b>114,345</b>	<b>3,207,480</b>	<b>3,323,825</b>

# Notes to the Financial Statements

Amounts in DKK'000

## 1. Accounting policies

The annual report has been prepared in accordance with the provisions applying to reporting class B enterprises with application of provisions from reporting class C under the Danish Financial Statements Act regarding note on intangible assets.

The functional and presentation currency is Danish kroner (DKK).

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual financial statement item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the Annual Report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at 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 rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements

is recognised in the income statement as financial income or financial expenses.

## **Income statement**

### **Revenue**

Revenue from transaction service charges, transaction processing and similar services is recognised as revenue when services are performed.

IFRS 15 is applied as basis for the recognition and measurement to align with the accounting policies for the Group.

Revenue is recognised as the gross amount excluding VAT, taxes and duties, interchange fees and processing fees and discounts in relation to the sale.

### **External Costs**

External costs incurred in generating the revenue for the year comprise IT operation, license agreements on software, external and other sales costs and administration costs.

### **Staff costs**

Staff costs comprise wages and salaries and remuneration, pension contributions, social security costs and other salary-related costs.

### **Amortisation and impairment losses**

Amortisation and impairment losses comprise the year's amortisation of intangible assets and impairment losses.

### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, realised and unrealised exchange gains and losses on payables and transactions denominated in foreign currencies, etc.

### **Tax**

Centurion Denmark A/S and Danish companies in the Group are jointly taxed. The current Danish corporation tax allocated between the jointly taxed companies in proportion to their taxable income is recognised in the income statement. The tax saving as a result of losses is also refunded proportionately.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. The change in deferred tax liabilities is also recognised in the income statement.

Tax assets are recognised if they can be set off against deferred tax in other consolidated enterprises or if it is probable that it can be utilised in future earnings.

Current and deferred tax is computed at the tax rates applicable.

## **Balance sheet**

### **Intangible assets**

#### **Development projects**

Capitalised development costs are amortised over their estimated useful lives of 3–7 years.

Development costs that are directly attributable to the design and testing of identifiable and unique projects including software products controlled by the company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the asset so that it will be available for use
- Management intends to complete the asset and there is an ability to use or sell it
- The asset will generate probable future economic benefits  
Expenditure attributable to the asset during its development can be reliably measured.

Costs associated with maintaining the assets are recognised as an expense as and when incurred.

Directly attributable costs that are capitalised as part of the assets include employee costs.

Development projects in progress are tested for impairment at least annually.

#### **Impairment losses**

The carrying amount of intangible assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. The carrying amount of impaired assets is reduced to the lower of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the anticipated net income from the use of the asset or group of assets.

<b>Receivables</b>	<p>Receivables are measured at amortised cost and necessary provisions are made for bad debt losses based on an assessment of the individual receivables.</p> <p>Receivables from group companies primarily consists of the group cashpool, with the top company being Nets Holding A/S.</p>
<b>Prepayments and accrued income</b>	Prepayments comprise costs incurred concerning subsequent financial years.
<b>Cash at banks</b>	Cash and cash equivalents comprise cash and bank deposits.
<b>Equity</b>	Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date when they are adopted at the annual general meeting.
<b>Liabilities</b>	Financial liabilities are measured at amortised cost. Other liabilities are measured at net realisable value.
<b>Intra-group business combinations</b>	Intra-group acquisitions of business activities are accounting for according to the book value method meaning that no differences (goodwill) are identified. The comparative figures have not been adjusted.



## 2. Staff costs

	<b>2020</b>	<b>2019</b>
Total staff costs are specified as follows:		
Wages and salaries and remuneration	118,449	-
Pension contributions	12,590	-
Other salary-related costs	6,003	-
Total employee costs for the year	137,042	-
Average number of employees:	152	0

## 3. Tax

	<b>2020</b>	<b>2019</b>
Current tax	1,193,930	-
Deferred tax	1,332,079	-
Tax related to prior year	4	-
	2.526.014	-

In connection with the demerger of the Centurion activities a deferred tax asset of DKK 2,660,304 thousand was created. Deferred tax asset related to the demerger of Centurion activities is DKK 1,364,294 thousand as of 31 December 2020 and DKK 1,296,010 thousand has been utilised in the joint taxation in the Nets group.

## 4. Intangible assets

	Completed development projects	Development projects in progress	Total
Cost at 1 January	-	-	-
Additions	130,915	35,647	166,562
<b>Cost at 31 December</b>	<b>130,915</b>	<b>35,647</b>	<b>166,562</b>
Amortisation and impairment losses at 1 January	-	-	-
Amortisation for the year	-19,966	-	-
<b>Amortisation and impairment losses at 31 December</b>	<b>-19,966</b>	<b>-</b>	<b>-19,966</b>
<b>Carrying amount at 31 December</b>	<b>110,949</b>	<b>35,647</b>	<b>146,596</b>

## 5. Contingent liabilities

The Company is jointly taxed with other Danish companies in the Nets Group. Together with the other companies included in the joint taxation, the Company has joint and several unlimited liabilities for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

## 6. Consolidation

Centurion DK A/S is included in the consolidated financial statements of Nets A/S, Business Registration No. 37 42 74 97.

**7. Events after the balance sheet date**

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No significant events have occurred between the reporting date and the publication of this Annual Report.