



# Cryptera A/S

Fabriksparken 20

2600 Glostrup

CVR-nr. 26 83 79 28

Annual Report for 2023

The annual Report has been presented and  
adopted at the Annual General Meeting of the  
Company on 21/6 2024

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Chairman

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# Managements Statement on the Annual Report

The Board of Directors and the Executive Board have today discussed and approved the annual report of Cryptera A/S for the financial year 1 January – 31 December 2023.

The annual report has been 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 assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position

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

Glostrup, June 21th, 2024

## **Executive Board**

Brian Schleisner

## **Supervisory Board**

Nils Smith  
Chairman

Mads Pauli Ringkjøbing-Christiansen

Brian Schleisner

Bettina Hansen

Morten Schmidt

# Independent auditor's report

To the shareholders of Cryptera A/S

## Opinion

We have audited the financial statements of Cryptera A/S for the financial year 1 January – 31 December 2023 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 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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

## Independence

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

## Management's responsibility 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 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.

# Independent auditors' report

As part of an audit conducted in accordance with ISAs and 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 company 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.

# Independent auditors' report

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.

Odense, June 21th, 2024

EY Godkendt revisionspartnerselskab

CVR.nr. 30 70 02 28

Søren Smedegaard Hvid

State Authorized

Public Accountant

mne31450

Emil Overlund

State Authorized

Public Accountant

mne47833

## Company information

### The Company

Cryptera A/S  
Fabriksparken 20  
2600 Glostrup

Telephone: +45 43 43 43 95

Website: [www.cryptera.com](http://www.cryptera.com)

CVR-no. 26 83 79 28

Financial Year: 1 January - 31 December 2023

Municipality of reg.office: Glostrup

### Supervisory Board

Nils Smith (Chairman)  
Mads Pauli Ringkjøbing-Christiansen  
Brian Schleisner  
Bettina Hansen  
Morten Schmidt

### Executive Board

Brian Schleisner

### Auditors

EY Godkendt Revisionspartnerselskab  
Cortex Park Vest 3  
5230 Odense M

## Financial Highlights

Key figures	<u>2023</u> DKK '000	<u>2022</u> DKK '000	<u>2021</u> DKK '000	<u>2020</u> DKK '000	<u>2019</u> DKK '000
<b>Profit/(loss)</b>					
Gross Profit	30 839	40 707	29 497	49 887	57 779
Profit/(loss) before financial income and expenses	467	7 712	-1 167	8 386	5 135
Net financials	-395	1 053	1 597	-1 794	-1 093
Net profit/loss for the year	-344	6 827	468	5 301	3 139
<b>Balance sheet</b>					
Balance sheet total	54 929	61 307	54 224	51 249	136 527
Investment in property, plant and equipment	131	422	0	251	1 788
Equity	43 717	47 061	40 234	33 266	110 753
<b>Number of employees</b>	41	44	49	60	73
<b>Ratios in %</b>					
Return on net assets	0,8%	12,6%	-2,2%	16,4%	-7,1%
Solvency ratio	79,6%	76,8%	74,2%	81,1%	81,1%
Return on equity	0,0%	22,3%	1,2%	9,2%	2,9%

The financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".  
For terms and definitions, please see the accounting policies.



# Managements Review

## Main activity

Cryptera A/S are developing and manufacturing Security Solutions for the Financial Industry and the Industrial Device Security market.

The main business segments are Encrypting PIN pads for ATM's and Kiosks and Unattended Payment solutions with contactless payment for Self Service applications. Furthermore the industrial market with a demand to enhance the security foundation in their device manufacturing.

## Development in the financial year

The gross profit for the year DKK 30.839 thousand against DKK 40.707 thousand last year. Customers still focus on bringing down the high level of their inventory and increased cost prices affected the result of the year. With a backlog of 30% of the 2024 revenue, we look into a positive start of 2024.

Result of the year amounts DKK 72 thousand before tax.

At the balance sheet date, equity amounts to DKK 54.929 thousand. The solidity ratio was 79,6 %.

## Uncertainty relating to recognition and measurement

No material uncertainties relating to measurement of the Company's assets, equity and liabilities have been identified.

## Currency exposure

Sales to foreign countries, in particular USA and South America is influenced by the increase in the USD exchange rate in 2023

## Interest rate exposure

Cryptera has no interest bearing debt, stated as bank debt less cash and cash equivalents.

## Credit risk

Credit risks related to financial assets correspond to the values recognized in the balance sheet.

## Intellectual capital resources

The vision and ambition of being a market leader and at the forefront of bringing security solutions to the market means that Cryptera is affected by the rapidly changing work and knowledge environment.

This place demands on the Company when it comes to recruiting, building and accumulating Know-how and intellectual capital.

The Company has many years of accumulated knowledge about the manufacturing and development of highly secured and customer-specific solutions, which are crucial for the Company's market position.

# Managements Review

## Major milestones and achievements in 2023

- PCI 6.x compliance of our HSM system
- New Strategy and Development plan 2023-2025 implemented
- New organization structure in the R&D area with a split of activities between Payment Solution and Device Security

## Strategy

The key elements of Cryptera's strategy plan are:

- OEM Unattended Payment solutions is our legacy and fundament for future strategic development
- OT & IoT Device Security is our business development area and part of our future strategic version

We want to be a leading global OEM supplier of encrypting PIN pads by having a broad EPP portfolio in the highest quality, and a competitive commercial set-up to our customers.

Our products must comply to common certifications and standards

Our Device Security solutions will primarily target industrial players within Electronics and Manufacturing

We will differentiate by offering flexibility and adaptation to customers' existing supply chain set-up

## Environmental performance

The Company is conscious of the environment and is reducing environmental impacts from the Company's operating activities on an ongoing basis.

The Company is ISO certified by DNV according to ISO-9001 Quality and ISO-14001 Environment

The Company focuses on IT security, Work-Environmental and a green profile.

## Special risks

### Operating risks

No operation risks have been identified

### Events occurring after the balance sheet date

No events have occurred after the balance sheet date to this date which would materially influence the evaluation of this annual report.

## Outlook

Management expects revenue and result to be at a the same level the coming year. We expect the markets and business will be more active from the start of 2024.

We are continuing to invest in our organization to support our long-term strategy to address the growing market for industrial Device Security solutions.

As a consequence of the war in Ukraine Cryptera has suspended all sales and business activities in Russia. This will not affect the result for 2024.

## Income statement 1 January to 31 December

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Gross profit</b>		<b>30.838.518</b>	<b>40.706.750</b>
Staff expenses	3	-29.098.400	-31.596.562
Depreciation, amortization and impairment loss	4	<u>-1.273.230</u>	<u>-1.398.244</u>
<b>Profit/loss before financial items</b>		<b><u>466.888</u></b>	<b><u>7.711.944</u></b>
Financial income	5	477.340	1.673.380
Financial expenses	6	<u>-872.231</u>	<u>-620.799</u>
<b>Profit/loss before tax</b>		<b>71.997</b>	<b>8.764.525</b>
Tax on the profit for the year	7	<u>-416.154</u>	<u>-1.937.257</u>
<b>Net profit/loss for the year</b>		<b><u>-344.157</u></b>	<b><u>6.827.268</u></b>
Proposed distribution of profit/loss		0	3.000.000
Proposed dividends for the financial year		<u>-344.157</u>	<u>3.827.268</u>
Retained earnings		<u><u>-344.157</u></u>	<u><u>6.827.268</u></u>

## Balance sheet 31 December

### Assets

Non-current assets	Note	2023	2022
<b>Intangible assets</b>	<b>8</b>		
Development projects		697.562	1.395.124
		<b>697.562</b>	<b>1.395.124</b>
<b>Property, plant and equipment</b>	<b>9</b>		
Leasehold improvements		238.089	572.835
Plant and machinery		24.306	0
Fixtures and fittings		322.661	457.286
		<b>585.056</b>	<b>1.030.121</b>
<b>Investments</b>			
Deposits	<b>10</b>	1.328.602	1.328.602
		<b>1.328.602</b>	<b>1.328.602</b>
<b>Total non-current assets</b>		<b>2.611.220</b>	<b>3.753.847</b>
<b>Inventories</b>			
Raw materials and consumables		11.498.382	8.359.610
Work in progress		13.053.429	11.870.058
Finished goods and goods for resale		1.219.793	3.661.636
		<b>25.771.604</b>	<b>23.891.304</b>

## Balance sheet 31 December

### Assets (continued)

Current assets	Note	2023	2022
<b>Debtors</b>			
Trade receivables		10.497.457	9.733.576
Amounts owed by Group Enterprises	17	663.121	15.450
Deferred tax asset		893.440	913.090
Corporation tax receivable		0	1.622.053
Other receivables		8.890	509.632
Prepayments	11	2.930.628	2.172.896
		<b>14.993.536</b>	<b>14.966.697</b>
<b>Cash at hand and bank</b>		<b>11.553.056</b>	<b>18.697.766</b>
<b>Total current assets</b>		<b>52.318.196</b>	<b>57.555.767</b>
<b>Total assets</b>		<b>54.929.416</b>	<b>61.309.613</b>

## Balance sheet 31 December

### Liabilities and equity

Equity	Note	2023	2022
Share capital	12	1.135.950	1.135.950
Retained earnings		42.037.197	44.837.255
Reserve for development cost		544.098	1.088.197
<b>Total equity</b>		<b>43.717.246</b>	<b>47.061.402</b>
<b>Provisions</b>			
Other provisions	13	270.927	589.462
<b>Total provisions</b>		<b>270.927</b>	<b>589.462</b>
<b>Non-current liabilities other than provisions</b>			
<b>Other payables</b>	14	3.849.359	3.834.992
		<b>3.849.359</b>	<b>3.834.992</b>
<b>Short-term liabilities other than provisions</b>			
Trade payables		3.906.518	3.074.303
Prepayments from customers		559.156	0
Corporation tax payable		0	862.428
Other debt	15	2.626.210	5.887.027
		<b>7.091.884</b>	<b>9.823.758</b>
<b>Total liabilities other than provisions</b>		<b>10.941.243</b>	<b>13.658.749</b>
<b>Total liabilities and equity</b>		<b>54.929.416</b>	<b>61.309.613</b>
<b>Transfer Pricing</b>	2		
<b>Collateral</b>	16		
<b>Ownership</b>	18		

## Statement of Changes in Equity 2023

	Share capital	Reserve for development cost	Retained earnings	Dividend proposed	Total
Equity at 1 January 2022	1.135.950	1.632.295	37.465.891	0	40.234.136
Dividends paid for the year	0	0	0	0	0
Contribution from group	0	0	0	0	0
Profit for the year	0	0	3.827.267	3.000.000	6.827.267
Depreciation in the year	0	-697.562	697.562	0	0
Tax on items recognized directly in equity	0	153.464	-153.464	0	0
<b>Equity at 1 January 2023</b>	<b>1.135.950</b>	<b>1.088.197</b>	<b>41.837.256</b>	<b>3.000.000</b>	<b>47.061.403</b>
Dividends paid for the year	0	0	0	-3.000.000	-3.000.000
Contribution from group	0	0	0	0	0
Profit for the year	0	0	-344.157	0	-344.157
Depreciation in the year	0	-697.562	697.562	0	0
Tax on items recognized directly in equity	0	153.464	-153.464	0	0
<b>Equity at 31 December 2023</b>	<b>1.135.950</b>	<b>544.098</b>	<b>42.037.197</b>	<b>-</b>	<b>43.717.246</b>

## Notes to the Annual Report

### 1 Accounting policies

#### Basis of preparation

The Annual Report of Cryptera A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 32 of the Danish Financial Statements Act, taking into consideration competitive conditions, the Company is not disclosing net sales.

The most significant accounting policies are described below.

The annual report has been prepared in accordance with the same accounting policies as last year, except that a few reclassifications of comparative figures has been made.

#### Presentation currency

the financial statements are presented in Danish Kroner (DKK)

#### Recognition and measurement

Revenues are recognized in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities measured at fair value or amortized cost. Furthermore, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the statements.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities measured as described for each item below.

#### Translation of foreign currencies

During the year transactions in foreign currencies are translated at the rate of exchange as at the transaction date. Debtors, liabilities and other items in foreign currencies which are unsettled on the balance sheet date are translated at the exchange rate as at the balance sheet date.

Realized and unrealized exchange rate adjustments are included in the profit and loss account under financial items.



## Notes to the Annual Report

### 1 Accounting policies (continued)

#### Income statement

##### Revenue

The Company has chosen IAS 11 /IAS 18 as interpretation for revenue recognition.

Revenue consists of sale Security Solutions for the Financial Industry and the Industrial IoT market. Income from the sale of goods for resale and finished goods is recognized in revenue when the most significant rewards and risks have been transferred to the buyer, the income can be measured reliably and payment is expected to be received.

The separate sales transactions are recognized as revenue when the criteria for sale of goods are met. The time of transition of the main benefits and risks is based on standardized delivery conditions based on Incoterms® 2010. Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognized in revenue.

##### 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 Statement Act.

##### Raw materials

Raw materials and consumables include expenses relation to raw materials and consumables used in generating the year's revenue

##### Staff expenses

Staff expenses comprise wages and salaries as well as salary related costs.

##### Depreciation, amortization and impairment loss

Amortization, depreciation and impairment losses comprise amortization, depreciation and impairment of property, plant and equipment as well as gains and losses from current replacement of fixed assets.

##### Financial income and expenses

Financial income and financial expenses comprise interest receivable and interest payable, and unrealized gains and losses from foreign exchange.

##### Tax on the profit/loss for the year

The tax for the year consists of the current tax for the year and the deferred tax for the year. The tax relating to the result for the year is included in the profit and loss account, whereas the tax directly relating to equity entries is taken directly to shareholders' equity.

## Notes to the Annual Report

### 1 Accounting policies (continued)

#### Balance sheet Intangible assets

##### Development projects

Development projects includes external costs and wages and shared costs directly attributable to development activities.

Development of new projects and changes of the functionality in an existing product recognized as an asset. It is a condition that the development solutions are clearly defined and identifiable, and the technical utilization rate, sufficient resources and a potential future market or development opportunities in the company can be detected and it is intended to manufacture, market or use the solutions.

Furthermore, the cost could be calculated reliably, and future earnings, can cover operating costs. Other development projects are recognized in the income statement as cost are incurred.

Capitalized development cost are measured at cost less accumulated depreciation cost. After completion of the development work the development projects are amortized linearly over the estimated useful life of 2-5 years.

##### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less an accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straightline basis over the expected useful lives of the assets, which are:

Leasehold improvements	5 years
Other equipment and fixtures	3-10 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognized prospectively

##### Impairment of fixed assets

The carrying amount of property, plant and equipment and intangible assets is reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by the assets is written down to its lower amortization down and depreciation. If so, the recoverable amount of the assets is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets should be assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

## Notes to the Annual Report

### 1 Accounting policies (continued)

#### Inventories

Inventories are measured at the lower of cost under the FIFO method and net realizable value. The net realizable value of inventories is calculated as the total future sales revenues expected, at the balance sheet date, to be generated by inventories in the process of normal operations and determined allowing for marketability, obsolescence and development in expected sales sum less the estimated expenses necessary to make the sale.

The cost of goods for resale equals landed cost. The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

#### Deposits

Deposits relate to the Company's leases and are measured at the lower of cost and recoverable amount.

#### Corporation tax and deferred tax

Current tax liabilities and current tax receivables are recognized in receivables in the balance sheet in the event of overpayment of tax on account, and in debt in the event of underpayment of tax on account.

Interest adjustments to the tax relating to the on account taxation scheme are record items.

Deferred tax liabilities and assets are included in provisions and deferred tax assets in the balance sheet. The deferred tax liability is calculated as the tax on all temporary differences between the accounting and the tax values of the Company's assets and liabilities.

The deferred tax is calculated on the basis of the tax rules and tax rate, which will apply under the legislation of the balance sheet date when the deferred tax is expected to be released as current tax.

Changes in deferred tax due to changes in tax rates are stated in the profit and loss account. Deferred tax assets are measured at the value at which the asset is expected to be realized.

The entity is jointly taxed with other group entities. 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

## Notes to the Annual Report

### 1 Accounting policies (continued)

#### Receivables

The Company has chosen IAD 39 *Financial instruments* as interpretation for impairment write-down of financial receivables: *Recognition and measurement*.

Receivables are recognized in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts.

Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience.

#### Prepayments and deferred income

Prepayments include expenses incurred in respect of subsequent financial years. Such expenses are typically prepaid expenses concerning rent, insurance premiums, subscriptions and interests.

Deferred income includes payments received in respect of income in subsequent years.

#### Equity

##### Proposed dividends

Dividend proposed for the year is recognized 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".

##### Grants without consideration within a group

Grants to subsidiaries without adjustment are recognized as a capital injection under "investment in group entities". Grants received from subsidiaries are recognized as dividend received from subsidiary.

#### Cash

Cash comprise of cash in banks

#### Provisions

Provisions comprise anticipated costs of warranties. Provisions are recognized when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use. Warranties comprise obligations to make good any defects within the warranty period of 15 months. Provisions are recognized based on the Company's experience with warranties.

#### Debts

Debts are measured at amortized cost, substantially corresponding to nominal value.

The Company has chosen IAS 39 *Financial instruments* as interpretation for impairment write-down of financial receivables: *Recognition and measurement*.

# Notes to the Annual Report

## 1 Accounting policies (continued)

### Financial ratios

The financial ratios have been calculated as follows:

$$\text{Return on net assets} = \frac{\text{Profit before financial items} \times 100}{\text{Total assets}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year end} \times 100}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$

## Notes to the Annual Report

### 2 Transfer Pricing

The Company has an unfinished transfer pricing case with the Danish Tax Authorities regarding Year 2019. The Danish Tax Authorities' proposal is a change of the taxable income of total of DKK 4-5 mio.

The company have a contractual agreement and recourse against the previous owner who have agreed that they hold the liability to cover the result of the assessment.

<b>3 Staff expenses</b>	<b>2023</b>	<b>2022</b>
Wages and salaries	26.651.620	28.793.630
Pensions	2.130.854	2.026.686
Other social security costs	315.925	776.245
	<b>29.098.400</b>	<b>31.596.561</b>
<b>Average number of employees</b>	<b>41</b>	<b>44</b>
<b>4 Depreciation, amortization and impairment loss</b>		
Leasehold improvements	334.746	365.595
Other fixtures and fittings, tools and equipment	10.694	58.149
Fixtures and fittings	927.789	974.501
	<b>1.273.229</b>	<b>1.398.244</b>
<b>5 Financial income</b>		
Financial income	477.340	1.673.380
	<b>477.340</b>	<b>1.673.380</b>
<b>6 Financial expenses</b>		
Financial expenses	872.231	620.799
	<b>872.231</b>	<b>620.799</b>
<b>7 Tax on profit for the year</b>		
Current tax	0	862.428
Change in deferred tax	19.650	1.074.830
Adjustment of tax previous year	396.504	-
	<b>416.154</b>	<b>1.937.258</b>

## Notes to the Annual Report

8 Intangible assets	<u>Development projects</u>
Cost at 1 January	5.283.033
Additions during the year	0
Disposals during the year	0
Cost at 31 December	<u><b>5.283.033</b></u>
Accumulated depreciation at 1 January	3.887.909
Depreciation for the year	697.562
<b>Accumulated amortization at 31 December</b>	<u><b>4.585.471</b></u>
<b>Net book value at 31 December</b>	<u><b>697.562</b></u>

Development projects concern the development of new technology and products. The recognition of the development projects has been made on the basis of sales forecast and investment evaluations. Management expects significant growth and sales within few years. The development proceeds as planned using the resources allocated by Management for the development.

### 9 Property, plant & equipment

	<u>Leasehold improve- ments</u>	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>	<u>Total</u>
Cost at 1 of January	9.745.390	15.370.478	12.158.899	37.274.767
Additions during the year	0	35.000	95.604	130.604
Disposals during the year	0	0	0	0
<b>Cost at 31 of December</b>	<u><b>9.745.390</b></u>	<u><b>15.405.478</b></u>	<u><b>12.254.503</b></u>	<u><b>37.405.371</b></u>
Accumulated depreciation at 1 of January	9.172.555	15.370.478	11.701.614	36.244.647
Depreciation and write off for the year	334.746	10.694	230.227	575.668
Depreciation regarding disposals	0	0	0	0
Accumulated depreciation at 31 of December	<u><b>9.507.301</b></u>	<u><b>15.381.172</b></u>	<u><b>11.931.842</b></u>	<u><b>36.820.315</b></u>
<b>Net book value at 31 of December</b>	<u><b>238.089</b></u>	<u><b>24.306</b></u>	<u><b>322.661</b></u>	<u><b>585.056</b></u>

## Notes to the Annual Report

<b>10 Deposits</b>	<u>2023</u>	<u>2022</u>
Rent of building	1.328.602	1.328.602
<b>Deposits at 31. of December</b>	<u><b>1.328.602</b></u>	<u><b>1.328.602</b></u>

### 11 Prepayments

The prepayments includes prepaid rent and insurances.

### 12 Share capital

The share capital consists of 22.719 shares at nominal DKK 50. The shares have not been divided into classes.

### 13 Other provisions

The Company grants a warranty on certain products. Provisions of DKK 271 thousand (DKK 589 thousand) are recognized for expected warranty claims on the basis of previous experience concerning the level of repair and returned goods.

### 14 Non-current liabilities other than provisions

#### Other payables

Provision for other payables is for the transition year of the new Holiday Act

Total liabilities at 31-12-2023	Short-term portion	Non-current portion	Outstanding debt after 5 year
3.849.359	-	3.849.359	3.304.482

### 15 Other debt

Other debt is provision related to the Holydays Act, owed TAX etc.

### 16 Contractual obligations and contingencies, etc

The Company has entered into rental and lease agreements of kr. 1.854 thousand. (DKK 4.471 thousand).

The Company is jointly taxed with its parent, Cryptera Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes.

### 17 Collateral

The Company has issued mortgage deeds registered to the mortgagor as collateral for bank debt (0 DKK) totaling DKK 500 thousand, that provide security in the following assets:

- Inventories
- Development projects
- Property, plant and equipment
- Trade receivables

### 18 Ownership

Cryptera Holding ApS  
Fabriksparken 20  
2600 Glostrup  
CVR nr. 41334541



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## Bettina Hansen

CRYPTERA A/S CVR: 26837928

### Supervisory Board

On behalf of: Cryptera A/S

Serial number: 40144136-633a-4aa8-9545-c36e490cb8d0

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2024-06-21 13:07:31 UTC



## Brian Marcetto Schleisner

### Executive Board

On behalf of: Cryptera A/S

Serial number: fce629de-fa70-4cec-b988-44470943eb0c

IP: 130.228.xxx.xxx

2024-06-21 13:36:45 UTC



## Brian Marcetto Schleisner

### Supervisory Board

On behalf of: Cryptera A/S

Serial number: fce629de-fa70-4cec-b988-44470943eb0c

IP: 130.228.xxx.xxx

2024-06-21 13:37:44 UTC



## Morten Schmidt

### Supervisory Board

On behalf of: Cryptera A/S

Serial number: 0907f758-ef5b-4170-ac4e-bc7b40a18d00

IP: 130.228.xxx.xxx

2024-06-24 05:28:14 UTC



## Nils Erik Lindskrog Smith

### Chairman

On behalf of: Cryptera A/S

Serial number: c8e17b39-ee1c-441f-83e1-dea1429de175

IP: 87.49.xxx.xxx

2024-06-24 19:36:57 UTC



## Nils Erik Lindskrog Smith

### Supervisory Board

On behalf of: Cryptera A/S

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## Mads Pauli Ringkjøbing-Christiansen

### Supervisory Board

On behalf of: Cryptera A/S

Serial number: 20dab410-6aea-4c38-9e8a-1b9294a1a298

IP: 77.241.xxx.xxx

2024-06-25 06:59:00 UTC



## Emil Overlund

EY Godkendt Revisionspartnerselskab CVR: 30700228

### State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 4c786f59-b82b-4795-aebe-f336a01b4e94

IP: 147.161.xxx.xxx

2024-06-25 07:18:20 UTC



## Søren Smedegaard Hvid

### State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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