
LITEPOINT EUROPE A/S

Alfred Nobels Vej 27, 3rd floor, DK-9220 Aalborg Øst

Annual Report for 2023

CVR No. 29 61 80 46

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 12/7 2024

Carsten Palsgaard
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of LITEPOINT EUROPE A/S for the financial year 1 January - 31 December 2023.

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 at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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

Aalborg, 12 July 2024

Executive Board

Ryan Erik Driscoll
CEO

Board of Directors

Samuel Aaron Ravelson
Chairman

Ryan Erik Driscoll

John Christopher Lukez

Independent Auditor's report

To the shareholder of LITEPOINT EUROPE 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 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.

We have audited the Financial Statements of LITEPOINT EUROPE 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 a summary of significant accounting policies ("the 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' 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 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.

Odense, 12 July 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mikael Johansen
State Authorised Public Accountant
mne23318

Anders Kronborg Choy
State Authorised Public Accountant
mne44142

Company information

The Company	LITEPOINT EUROPE A/S Alfred Nobels Vej 27, 3rd floor 9220 Aalborg Øst CVR No: 29 61 80 46 Financial period: 1 January - 31 December Municipality of reg. office: Aalborg
Board of Directors	Samuel Aaron Ravelson, chairman Ryan Erik Driscoll John Christopher Lukez
Executive Board	Ryan Erik Driscoll
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		37,805,561	36,466,002
Staff expenses	2	-30,015,459	-28,043,113
Depreciation and impairment losses of property, plant and equipment		-1,722,385	-2,413,222
Profit/loss before financial income and expenses		6,067,717	6,009,667
Financial income		189,410	186,734
Financial expenses		-71,983	-1,280,979
Profit/loss before tax		6,185,144	4,915,422
Tax on profit/loss for the year	3	-1,200,323	-1,600,533
Net profit/loss for the year		4,984,821	3,314,889
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		4,984,821	3,314,889
		4,984,821	3,314,889

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Acquired licenses		0	0
Intangible assets	4	0	0
Land and buildings		6,551,670	3,574,771
Other fixtures and fittings, tools and equipment		1,133,237	755,270
Leasehold improvements		5,660,531	6,392,427
Property, plant and equipment in progress		160,433	160,433
Property, plant and equipment	5	13,505,871	10,882,901
Deposits	6	434,816	285,241
Fixed asset investments		434,816	285,241
Fixed assets		13,940,687	11,168,142
Trade receivables		3,188,875	9,982,738
Receivables from group enterprises		5,456,498	0
Other receivables		8,467	2,498
Deferred tax asset		330,031	722,679
Corporation tax		152,223	0
Prepayments		625,925	339,697
Receivables		9,762,019	11,047,612
Cash at bank and in hand		11,163,657	12,522,242
Current assets		20,925,676	23,569,854
Assets		34,866,363	34,737,996

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		500,000	500,000
Retained earnings		18,019,971	13,035,150
Equity		18,519,971	13,535,150
Lease obligations		6,233,667	3,158,349
Long-term debt	7	6,233,667	3,158,349
Credit institutions		24,691	53,676
Lease obligations	7	797,365	1,206,794
Trade payables		119,203	121,271
Payables to group enterprises		0	8,800,447
Corporation tax		0	562,993
Payables to group enterprises relating to corporation tax		211,312	264,075
Other payables		8,157,266	7,035,241
Deferred income	8	802,888	0
Short-term debt		10,112,725	18,044,497
Debt		16,346,392	21,202,846
Liabilities and equity		34,866,363	34,737,996
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	500,000	13,035,150	13,535,150
Net profit/loss for the year	0	4,984,821	4,984,821
Equity at 31 December	500,000	18,019,971	18,519,971

Notes to the Financial Statements

1. Key activities

The company's main activity is to trade and test wireless communications equipment.

2. Staff Expenses

	2023	2022
	DKK	DKK
Wages and salaries	25,394,751	23,544,716
Pensions	416,091	460,709
Other social security expenses	56,782	30,217
Other staff expenses	4,147,835	4,007,471
	<u>30,015,459</u>	<u>28,043,113</u>
Average number of employees	<u>29</u>	<u>24</u>

3. Income tax expense

	2023	2022
	DKK	DKK
Current tax for the year	1,270,028	1,530,088
Deferred tax for the year	392,648	70,445
Adjustment of tax concerning previous years	-465,438	0
Adjustment of deferred tax concerning previous years	3,085	0
	<u>1,200,323</u>	<u>1,600,533</u>

4. Intangible fixed assets

	Acquired licenses
	DKK
Cost at 1 January	<u>2,599,497</u>
Cost at 31 December	<u>2,599,497</u>
Impairment losses and amortisation at 1 January	<u>2,599,497</u>
Impairment losses and amortisation at 31 December	<u>2,599,497</u>
Carrying amount at 31 December	<u>0</u>

Notes to the Financial Statements

5. Property, plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress
	DKK	DKK	DKK	DKK
Cost at 1 January	7,670,561	1,169,145	7,160,376	160,433
Exchange adjustment	0	178	-6,884	0
Additions for the year	3,803,382	548,679	0	0
Cost at 31 December	<u>11,473,943</u>	<u>1,718,002</u>	<u>7,153,492</u>	<u>160,433</u>
Impairment losses and depreciation at 1 January	4,095,790	413,875	767,949	0
Depreciation for the year	826,483	170,890	725,012	0
Impairment losses and depreciation at 31 December	<u>4,922,273</u>	<u>584,765</u>	<u>1,492,961</u>	<u>0</u>
Carrying amount at 31 December	<u>6,551,670</u>	<u>1,133,237</u>	<u>5,660,531</u>	<u>160,433</u>

6. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	285,241
Additions for the year	149,575
Cost at 31 December	<u>434,816</u>
Carrying amount at 31 December	<u>434,816</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
7. Long-term debt		
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
Lease obligations		
After 5 years	3,575,159	0
Between 1 and 5 years	2,658,508	3,158,349
Long-term part	6,233,667	3,158,349
Within 1 year	797,365	1,206,794
	<u>7,031,032</u>	<u>4,365,143</u>

8. Deferred income

Deferred income relates to accrual of revenue from future services relating to the company's delivered products.

9. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Teradyne Holdings Denmark ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

10. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
LitePoint Corporation	San Jose, CA, USA
Teradyne Inc.	North Reading, MA, USA

The Group Annual Report of LitePoint Corporation and Teradyne Inc. may be obtained by contacting the company.

Notes to the Financial Statements

11. Accounting policies

The Annual Report of LITEPOINT EUROPE 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 as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

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

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

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

Leases

As of 1 January 2019 LitePoint Denmark A/S has adopted IFRS 16 'Leases' with effect from 1 January 2019. IFRS 16 replaces IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement Contains a Lease', SIC-15 'Operating Leases-Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'.

At initial recognition, right-of-use assets are measured at an amount equal to the lease liability, which is measured at the present value of future lease payments.

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. Based on the contract the right-of-use asset and the lease liability is recognized at commencement of the lease. The initial measurement of the right-of-use asset is at cost and comprises the initial value of the lease liability and lease payments made at or before the commencement date. The right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term or the useful life of the underlying asset. The carrying amounts are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

The lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date. Lease payments include fixed payments and variable payments that depend on an index such as an inflation index as well as lease payments from an extension option that the Company considers reasonably certain to be exercised.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue is recognised and measured in accordance with IFRS 15. Revenue from the sale of goods is recognised when the Company has fulfilled its performance obligations, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company. Revenue is measured as the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Licences are amortised over the licence period; however not exceeding 5 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any 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 straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	2-8 years
Leasehold improvements	2-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Receivables

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

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

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

Deferred income

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