



Altapay A/S

Pilestræde 58, 2.
1112 København K
CVR No. 31872596

Annual report 2023

The Annual General Meeting adopted the annual report on 20.06.2024

Casper Woldersgaard

Chairman of the General Meeting

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Entity details

Entity

Altapay A/S

Pilestræde 58, 2.

1112 København K

Business Registration No.: 31872596

Date of foundation: 01.12.2008

Registered office: København

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Marianne Søgaard

Sisse Fjelsted Rasmussen

Christian Rasmussen

Executive Board

Christian Rasmussen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Altapay A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

København, 20.06.2024

Executive Board

Christian Rasmussen

Board of Directors

Marianne Søgaard

Sisse Fjelsted Rasmussen

Christian Rasmussen

Independent auditor's report

To the shareholders of Altapay A/S

Opinion

We have audited the financial statements of Altapay A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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 this auditor's report. We are independent of the Entity 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

København, 20.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Anders Houmann

State Authorised Public Accountant

Identification No (MNE) mne46265

Management commentary

Financial highlights

	2023	2022	2021
	DKK'000	DKK'000	DKK'000
Key figures			
Gross profit/loss	19,617	24,776	19,277
EBITDA	2,046	6,402	3,373
Operating profit/loss	(3,992)	1,999	345
Net financials	543	336	628
Profit/loss for the year	(1,146)	3,635	2,225
Total assets	39,951	41,411	38,306
Equity	35,044	36,190	32,555

Primary activities

AltaPay is an independent and internationally focused fintech company specializing in payment solutions. Our mission is to make payments less complicated. We help our merchants grow and develop their business across payment channels by offering a fully integrated seamless omni-channel experience for online, mobile and in-store payments.

We develop our own unique and scalable technology to service our merchants globally. We operate a payments platform with a back-end infrastructure that connects to major acquiring banks and integrates 50+ payment methods across eCommerce and in-store, and we offer fully featured APIs.

Our payment infrastructure automates, simplifies and protects the transaction flow. AltaPay performs as a Payment Service Provider operating under the Payment Card Industry Data Security Standard (PCI DSS v4.0).

An AltaPay solution ensures one single PSP agreement and one integration across markets and currencies, with a centralized payment overview and management system across channels. We provide transparency and reduce the need for manual tasks with standardized settlement, reconciliation and reporting. This is in contrast to a typical payment setup with segregated functionality that requires multiple agreements, integrations and data sources. This is the AltaPay difference. In addition to our technology, we act as a trusted payment advisor and Single Point of Contact, working side-by-side with and for our merchants to continuously optimize their payments setup. It is not easy which is why it is our mission to make payments less complicated.

Development in activities and finances

Our merchants are always at the cornerstone of our existence. We thrive when our merchants thrive. In most cases, our technology operates in the background, offering noiseless and secure payments. When we intervene, it is in our role as payment advisor where we strive to optimize our merchants' payments. It is with this mindset and behavior that we in 2023, and since our inception, have supported the growth of our new and existing merchants.

2023 was an exciting year in terms of technological milestones. We have invested strategically in our platform and further expanded our offerings to meet the future demands and needs of our merchants. Ensuring compliance with increasing regulation has moreover been a top priority of ours. Key highlights of our investments include for example our new checkout API, a QR module for in-store payments, a Kubernetes staging environment and a broad range of integrations to new alternative payment methods and new e-commerce platforms.

At the same time, we observed a decrease in trading volumes among our merchants as the result of macroeconomic conditions together with a cleanse in our merchant portfolio with regards to smaller, low-performing merchants. This, combined with an increasing cost base from investments, larger depreciations and amortizations as well as one-off costs, e.g., associated with office move, has led to a decrease in profit numbers this year compared to last year, which were in line with management expectations. AltaPay ends the year in a strong position with a solid balance sheet with no external debt.

As with last year, we have welcomed new people to AltaPay who, in a highly competitive market, have either chosen to join AltaPay for the first time or have chosen to re-join our company. In today's job market, we are aware that it is a challenge to attract and retain talent in the tech industry, a reality that has supported our decision to move our physical office to a more central location in Copenhagen. We would like to thank all the AltaPayers who bring their competencies and skills into play at AltaPay day after day.

Outlook

As we look back on the past year, we are excited about the progress we have made across various areas. Our dedication to delivering cutting-edge solutions is unwavering, and we look forward to rolling out our new solutions to new and existing merchants next year. Overall, we anticipate an extremely strong 2024, with significant improvements in our profit numbers.

Events after the balance sheet date

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

Income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Gross profit/loss		19,617	24,776
Staff costs	1	(17,571)	(18,374)
Depreciation, amortisation and impairment losses	2	(6,038)	(4,403)
Operating profit/loss		(3,992)	1,999
Other financial income from group enterprises		407	0
Other financial income	3	292	379
Other financial expenses	4	(156)	(43)
Profit/loss before tax		(3,449)	2,335
Tax on profit/loss for the year	5	2,303	1,300
Profit/loss for the year		(1,146)	3,635
Proposed distribution of profit and loss			
Retained earnings		(1,146)	3,635
Proposed distribution of profit and loss		(1,146)	3,635

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Completed development projects	7	19,946	16,195
Intangible assets	6	19,946	16,195
Other fixtures and fittings, tools and equipment		400	239
Property, plant and equipment	8	400	239
Investments in group enterprises		5	154
Investments in participating interests		250	250
Other investments		162	135
Deposits		35	532
Other receivables		3,417	5,125
Financial assets	9	3,869	6,196
Fixed assets		24,215	22,630
Manufactured goods and goods for resale		395	766
Inventories		395	766
Trade receivables		5,737	7,104
Receivables from group enterprises		2,164	5,094
Deferred tax		4,400	1,300
Other receivables		10	34
Prepayments		701	602
Receivables		13,012	14,134
Cash		2,329	3,881
Current assets		15,736	18,781
Assets		39,951	41,411

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		20,242	20,242
Reserve for development expenditure		19,946	16,195
Retained earnings		(5,144)	(247)
Equity		35,044	36,190
Payables to group enterprises		0	556
Non-current liabilities other than provisions		0	556
Trade payables		2,617	1,838
Other payables		2,290	2,827
Current liabilities other than provisions		4,907	4,665
Liabilities other than provisions		4,907	5,221
Equity and liabilities		39,951	41,411
Fair value information	10		
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Assets charged and collateral	13		

Statement of changes in equity for 2023

	Contributed capital DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	20,242	16,195	(247)	36,190
Transfer to reserves	0	3,751	(3,751)	0
Profit/loss for the year	0	0	(1,146)	(1,146)
Equity end of year	20,242	19,946	(5,144)	35,044

Notes

1 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	15,868	16,560
Pension costs	1,479	1,622
Other social security costs	163	123
Other staff costs	61	69
	17,571	18,374
Average number of full-time employees	27	30

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK'000	DKK'000
Amortisation of intangible assets	5,949	4,305
Depreciation of property, plant and equipment	89	98
	6,038	4,403

3 Other financial income

	2023	2022
	DKK'000	DKK'000
Other interest income	103	540
Exchange rate adjustments	189	(161)
	292	379

4 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Other interest expenses	4	6
Exchange rate adjustments	114	37
Other financial expenses	38	0
	156	43

5 Tax on profit/loss for the year

	2023 DKK'000	2022 DKK'000
Change in deferred tax	(3,100)	(1,300)
Adjustment concerning previous years	797	0
	(2,303)	(1,300)

6 Intangible assets

	Completed development projects DKK'000
Cost beginning of year	24,765
Additions	9,700
Cost end of year	34,465
Amortisation and impairment losses beginning of year	(8,570)
Amortisation for the year	(5,949)
Amortisation and impairment losses end of year	(14,519)
Carrying amount end of year	19,946

7 Development projects

Development projects consist of the preparation of our IT platform.

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	2,631
Additions	250
Cost end of year	2,881
Depreciation and impairment losses beginning of year	(2,392)
Depreciation for the year	(89)
Depreciation and impairment losses end of year	(2,481)
Carrying amount end of year	400

9 Financial assets

	Investments in group enterprises DKK'000	Investments in participa- ting interests DKK'000	Other investments DKK'000	Deposits DKK'000
Cost beginning of year	154	250	135	532
Additions	0	0	0	35
Disposals	0	0	0	(532)
Cost end of year	154	250	135	35
Fair value adjustments	0	0	27	0
Revaluations end of year	0	0	27	0
Adjustments on equity	(149)	0	0	0
Impairment losses end of year	(149)	0	0	0
Carrying amount end of year	5	250	162	35

10 Fair value information

	listed securities DKK'000
Fair value end of year	162
Unrealised fair value adjustments recognised in the income statement	27

11 Unrecognised rental and lease commitments

	2023 DKK'000	2022 DKK'000
Liabilities under rental or lease agreements until maturity in total	37	464

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Fjelsted Rasmussen Invest ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

13 Assets charged and collateral

The Company has no assets charged and collateral per 31.12.2023.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs directly linked to revenue.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of

receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc. on receivables from group enterprises.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with its Parent and all the Parent's other Danish subsidiaries. The current income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortisation that are directly and

indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using the estimated useful lives of the assets. The amortisation period is 3-5 years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. Development projects are written down to the lower of the recoverable amount and the carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment 3 years.

Items of property, plant and equipment are written down to the lower of the recoverable amount and the carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of the recoverable amount and the carrying amount.

Investments in participating interests

Investments in participating interests are measured at cost and are written down to the lower of the recoverable amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset. Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.