

Silmeco ApS

c/o Michael S. Schmidt
Kenny Drews Vej 101, 3. 3.
2450 København SV
Denmark

CVR no. 32 33 79 10

Annual report 2021/22

The annual report was presented and approved at
the Company's annual general meeting on

9 January 2023

Tomas Rindzevicius
Chairman of the annual general meeting

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Silmeco ApS for the financial year 1 July 2021 – 30 June 2022.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 – 30 June 2022.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 9 January 2023
Executive Board:

Tomas Rindzevicius

Management confirms that the Company fulfils the requirements to be exempt of audit.



Auditor's report on the compilation of financial statements

To the Management of Silmeco ApS

We have compiled the financial statements of Silmeco ApS for the financial year 1 July 2021 – 30 June 2022 based on the Company's bookkeeping records and other information provided by you.

The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Compilation Engagements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied relevant provisions of the Auditor Act, including the requirements for independence, and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 9 January 2023

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Silmeco ApS
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Management's review

Company details

Silmeco ApS
c/o Michael S. Schmidt
Kenny Drews Vej 101, 3. 3.
2450 København SV
Denmark

CVR no.:	32 33 79 10
Established:	29 April 2013
Registered office:	Copenhagen
Financial year:	1 July – 30 June

Executive Board

Tomas Rindzevicius

Management's review

Operating review

Principal activities

The purpose of the Company is to develop computer-chips for high technology environments.

Development in activities and financial position

The Company's income statement for 2021/22 shows a profit of DKK 1,000,103 as against DKK 497,583 in 2020/21. Equity in the Company's balance sheet at 30 June 2022 stood at DKK 2,460,817 as against DKK 1,460,714 at 30 June 2021.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2021/22.

Financial statements 1 July – 30 June

Income statement

DKK	Note	2021/22	2020/21
Gross profit		2,976,522	1,444,266
Staff costs	2	-1,465,598	-911,373
Profit before financial income and expenses		1,510,924	532,893
Other financial income		2,754	3,383
Other financial expenses		-51,264	-38,693
Profit before tax		1,462,414	497,583
Tax on profit/loss for the year	3	-462,311	0
Profit for the year		1,000,103	497,583
Proposed profit appropriation			
Reserve for development costs		1,022,681	804,659
Retained earnings		-22,578	-307,076
		1,000,103	497,583

Financial statements 1 July – 30 June

Balance sheet

DKK	Note	30/6 2022	30/6 2021
ASSETS			
Fixed assets			
Intangible assets			
Development projects in progress		<u>2,342,743</u>	<u>1,031,615</u>
Investments			
Deposits		<u>8,853</u>	<u>8,853</u>
Total fixed assets		<u>2,351,596</u>	<u>1,040,468</u>
Current assets			
Receivables			
Trade receivables		102,091	63,910
Other receivables		52,007	99,378
Corporation tax		<u>66,196</u>	<u>0</u>
		<u>220,294</u>	<u>163,288</u>
Cash at bank and in hand		<u>3,374,319</u>	<u>3,809,575</u>
Total current assets		<u>3,594,613</u>	<u>3,972,863</u>
TOTAL ASSETS		<u><u>5,946,209</u></u>	<u><u>5,013,331</u></u>

Financial statements 1 July – 30 June

Balance sheet

DKK	Note	30/6 2022	30/6 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		80,000	80,000
Reserve for development costs		1,827,340	804,659
Retained earnings		<u>553,477</u>	<u>576,055</u>
Total equity		<u>2,460,817</u>	<u>1,460,714</u>
Provisions			
Provisions for deferred tax		515,403	0
Other provisions		<u>2,826,402</u>	<u>3,065,142</u>
Total provisions		<u>3,341,805</u>	<u>3,065,142</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		5,010	3,386
Payables to group entities		0	4,000
Corporation tax		0	162,972
Other payables		<u>138,577</u>	<u>317,117</u>
		<u>143,587</u>	<u>487,475</u>
Total liabilities other than provisions		<u>143,587</u>	<u>487,475</u>
TOTAL EQUITY AND LIABILITIES		<u><u>5,946,209</u></u>	<u><u>5,013,331</u></u>
Contractual obligations, contingencies, etc.	4		

Financial statements 1 July – 30 June

Statement of changes in equity

DKK	<u>Contributed capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 July 2021	80,000	804,659	576,055	1,460,714
Transferred over the profit appropriation	<u>0</u>	<u>1,022,681</u>	<u>-22,578</u>	<u>1,000,103</u>
Equity at 30 June 2022	<u>80,000</u>	<u>1,827,340</u>	<u>553,477</u>	<u>2,460,817</u>

Financial statements 1 July – 30 June

Notes

1 Accounting policies

The annual report of Silmeco ApS for 2021/22 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

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 the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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 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

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms @2020.

Revenue from the sale of goods where installation is a condition for significant risks being considered to have been transferred to the buyer is recognised as revenue when installation has been completed.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense.

Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Development projects

Development costs comprise costs, wages and salaries directly and indirectly attributable to development activities.

Investments

Deposits are recognised at amortised cost.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Equity

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the development costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Provisions

Provisions comprise anticipated costs. Provisions are recognised 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. Provisions are recognised based on the Company's experience with warranties. Provisions expected to be maintained for more than one year from the balance sheet date are discounted at a rate reflecting risk and the due date for payment.

When it is probable that total costs will exceed total income from a construction contract, the total projected loss on the work is recognised as a provision. The provision is recognised as production costs.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Other liabilities are measured at amortised cost.

Cost of sales

Financial statements 1 July – 30 June

Notes

DKK	<u>2021/22</u>	<u>2020/21</u>
2 Staff costs		
Wages and salaries	1,448,195	907,270
Other social security costs	<u>17,403</u>	<u>4,103</u>
Total staff costs	<u><u>1,465,598</u></u>	<u><u>911,373</u></u>
Average number of full-time employees	<u>2</u>	<u>1</u>
3 Tax on profit for the year		
Current tax for the year	-53,092	0
Adjustment of tax concerning previous years	<u>515,403</u>	<u>0</u>
	<u><u>462,311</u></u>	<u><u>0</u></u>
4 Contractual obligations, contingencies, etc.		

Joint taxation

The Company is jointly taxed with the group of Danish subsidiaries. The administrative company, Silmeco Holding ApS, together with the group of Danish subsidiaries included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends and interest. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.