

# Infineon Technologies Denmark ApS

Registered office: Hørkær 16, 2730 Herlev

**CVR-no. 32 82 75 51**

## **Annual report 2021/2022**

Annual report for the financial period: 1 October 2021 – 30 September 2022

**Approved at the annual general meeting of shareholders on 28 march 2023**

DocuSigned by:

*Thomas Holm Hansen*

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Thomas Holm Hansen  
As chairman

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## Statement by Supervisory Board and Executive Board on the annual report

The Supervisory Board and the Executive Board have today discussed and approved the annual report of Infineon Technologies Denmark ApS for the financial year 1 October 2021 - 30 September 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2022 and of the results of the Company's operations for the financial year 1 October 2021 - 30 September 2022.

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

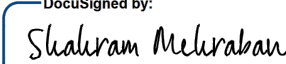
We recommend that the annual report should be approved at the annual general meeting.

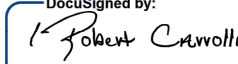
Herlev, 28 March 2023

### Executive board

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Thomas Holm Hansen

### Board of Directors

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Shahram Mehraban

DocuSigned by:  
  
41A1BFA47612474...  
Robert Thomas Carroll

DocuSigned by:  
  
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Stefan Auer

DocuSigned by:  
  
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Thomas Holm Hansen

## Independent Auditor's Report

To the shareholder of Infineon Technologies Denmark ApS:

### Opinion

We have audited the financial statements of Infineon Technologies Denmark ApS for the financial year 1 October 2021 - 30 September 2022, comprising 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 Company's assets, liabilities and financial position at 30 September 2022 and of the results of the Company's operations for the financial year 1 October 2021 – 30 September 2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with 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 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 that 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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 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

## Independent Auditor's Report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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.

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.

Copenhagen, 28 March 2023

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR nummer 25 57 81 98

  
Jesper Bo Pedersen  
State Authorised Public Accountant  
mne42778

## Management's review

### Primary activities

The company's primary activities are development, support, and sale of speaker amplifier solutions consisting of microelectronics and associated systems.

### Financial review

The income statement shows a loss for the year 2021/2022 of DKK 44.374.878 DKK which is in line with the expectations from the Management. The company operates on a cost+ agreement meaning that there will always be a positive result from its normal operations.

### Capital resources

On August 31st 2022, the company received a final adjustment from the Danish Tax Authorities leading to an additional tax of approx MDKK 45.5 including interests, relating to intercompany IP transfer to Infineon Technologies AG in 2018. The amount was paid shortly after the end of the fiscal year, but the management disagrees with the adjustment and will challenge the decision, by requesting a mutual agreement procedure between the Danish and Austrian competent tax authorities. This procedure is expected to lead to an elimination of double taxation for the Infineon group – i.e. a down-adjustment of tax for Infineon Technologies AG and/or the company.

Due to the tax adjustment mentioned above, the company has lost its share capital, the equity is negative, and the short-term debt is significantly larger than the current assets. The management believes that the share capital will be reestablished with profit during the next couple of years, due to generated positive profit because of the cost+ agreement.

After the balance sheet date 30 September 2022, the Infineon group had made a loan to the company so the debt to the tax authorities could be paid, and operation continued without any risk of going concern. A credit up to EUR 1.5 million that continues to 31 December 2023 is granted, and the management expects that the credit will be extended further if needed.

### Material changes

During the year no material changes in the activities and economic conditions have occurred except the tax adjustments mentioned above.

### Post balance sheet events

No significant events other than mentioned above, have occurred after the balance sheet date which are considered to significantly influence the assessment of the annual report.

## Company details

<b>The Company</b>	Infineon Technologies Denmark ApS Hørkær 16 2730 Herlev  Registered office: Herlev
<b>Executive board</b>	Thomas Holm Hansen
<b>Board of Directors</b>	Shahram Mehraban Robert Thomas Carroll Stefan Auer Thomas Holm Hansen
<b>Auditors</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 Copenhagen, Denmark Tel. +45 70 70 77 60
<b>Financial year</b>	1 October – 30 September

## Income statement 1 October - 30 September

Note	2021/2022	2020/2021
<b>Gross profit</b>	24.860.120	23.766.865
4 Staff costs	-21.410.036	-20.739.408
8 Depreciation of property, plant and equipment	-956.068	-965.986
<b>Profit from operating activities</b>	<b>2.494.016</b>	<b>2.061.471</b>
Results from investments in group enterprises	0	31.958
5 Financial income	84.897	43.965
6 Financial expenses	-10.079.146	-186.049
<b>Profit before tax</b>	<b>-7.500.233</b>	<b>1.951.345</b>
7 Tax for the year	-36.874.645	-398.320
<b>Profit for the year</b>	<b>-44.374.878</b>	<b>1.553.025</b>
<b>Proposed profit appropriation</b>		
Dividend	0	25.000.000
Retained earnings	-44.374.878	-23.446.975
<b>Profit for the year distributed</b>	<b>-44.374.878</b>	<b>1.553.025</b>



## Balance sheet at 30 September

### Assets

Note	2022	2021
8		
Fixtures, fittings, tools and equipment	1.435.154	1.844.627
<b>Property, plant and equipment</b>	<b>1.435.154</b>	<b>1.844.627</b>
Deposits, investments	518.974	518.108
Other long-term receivables	106.800	106.800
<b>Total Investments</b>	<b>625.774</b>	<b>624.908</b>
<b>Total fixed assets</b>	<b>2.060.928</b>	<b>2.469.535</b>
Receivables from group entities	35.266.065	36.331.949
Deferred tax assets	416.200	1.334.910
Other receivables	159.060	121.866
Prepayments	154.819	13.050
<b>Receivables</b>	<b>35.996.144</b>	<b>37.801.775</b>
<b>Cash at bank and in hand</b>	<b>5.820.832</b>	<b>3.756.895</b>
<b>Total current assets</b>	<b>41.816.976</b>	<b>41.558.670</b>
<b>Total assets</b>	<b>43.877.904</b>	<b>44.028.205</b>

## Balance sheet at 30 September

### Equity and liabilities

Note	2022	2021
Share capital	3.051.577	3.051.577
Retained earnings	-10.755.575	8.619.303
Proposed dividend	0	25.000.000
<b>Total equity</b>	<b>-7.703.998</b>	<b>36.670.880</b>
Other long-term payables	232.887	434.619
<b>9 Total non-current liabilities</b>	<b>232.887</b>	<b>434.619</b>
Trade payables	860.175	450.640
Payables to group entities	400.326	557.601
Income taxes payable	45.504.221	0
Other payables	4.584.293	5.914.465
<b>Total current liabilities</b>	<b>51.349.015</b>	<b>6.922.706</b>
<b>Total liabilities</b>	<b>51.581.902</b>	<b>7.357.325</b>
<b>Total equity and liabilities</b>	<b>43.877.904</b>	<b>44.028.205</b>

- 2 Continued operations
- 3 Special items
- 10 Contingent liabilities and other financial obligations
- 11 Related parties

## Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend	Total
Equity 1 October 2020	3.051.577	32.066.278	0	35.117.855
Profit for the year	0	-23.446.975	25.000.000	1.553.025
<b>Equity 30 September 2021</b>	<b>3.051.577</b>	<b>8.619.303</b>	<b>25.000.000</b>	<b>36.670.880</b>
Equity 1 October 2021	3.051.577	8.619.303	25.000.000	36.670.880
Canceled dividend	0	25.000.000	-25.000.000	0
Profit for the year	0	-44.374.878	0	-44.374.878
<b>Equity 30 September 2022</b>	<b>3.051.577</b>	<b>-10.755.575</b>	<b>0</b>	<b>-7.703.998</b>

The shareholders have unanimously approved to reverse the decision of dividend payout of DKK 25,000,000 which was decided on the Annual General Meeting for Infineon Technologies Denmark ApS on December 22nd 2021. This means that no dividend will be transferred for fiscal year 2020/21 and the earnings will remain in Infineon Technologies Denmark ApS.

## Notes

### 1 Accounting policies

The annual report of Infineon Technologies Denmark 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 option of specific provisions for reporting class C.

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

#### **Information of the consolidated financial statements**

In accordance with Danish financial statement Act § 110 section 1, consolidated financial statements are not prepared for Infineon Technologies Denmark ApS and its subsidiary.

Copies of IFAG's consolidated accounts are available from:

Corporate Vice President Communications and Public Authorities & Associations  
Infineon Technologies AG,  
C MR  
Am Campeon 1-15  
85579 Neubiberg  
Germany

#### **Reporting currency**

The financial statements are presented in Danish kroner.

#### **Recognition and measurement**

Revenues are recognized in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities. Furthermore, all expenses incurred, including depreciation, amortization, impairment losses and provisions are recognized in the income statement.

Assets are recognized 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 recognized 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

## Notes

### 1 Accounting policies (continued)

#### Foreign currency translation

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 recognized in the income statement as financial income and expenses.

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 transaction date rates are recognized in financial income and expenses in the income statement.

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

#### Income statement

##### Gross profit

The company uses the regulations in the Danish Financial Statements Act section 32, after which the company's revenue is not stated.

The gross profit comprises the net turnover, cost of sales and other external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

The major part of the turnover is from this year recognized in the income statement as a re-invoicing of the company's expenses plus a mark-up (cost-plus recognition)

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for development, sales, administration and premises.

##### Staff costs

Staff costs comprise salaries, bonuses, retirement contribution costs and other costs related hereto and to staff.

##### Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

##### Financial income and expenses

Financial income and expenses comprise interest and realized and unrealized exchange rate adjustments as well as surcharges and refunds under the on-account tax scheme, etc.

##### Income tax expense

The tax for the year which consists of the current tax for the year, joint taxation contributions for the year and changes in the deferred tax, is recognized in the income statement.

## Notes

### 1 Accounting policies (continued)

#### Balance sheet

##### Property, plant and equipment

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures, fittings, tools and equipment	3-5	years	Projected residual value	0%
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Gains and losses on the disposal of fixtures, fittings, tools and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement.

##### Equity investments in group enterprises

Investments in group enterprises are measured at cost. Dividends, which exceed the accumulated earnings in the subsidiary in the period of ownership are accounted for as a cost reduction. Where the cost exceeds the net realisable value, the carrying amount is reduced to such lower value.

##### Deposits

Other investments comprise deposits which are measured at cost.

##### Receivables

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

##### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years and are measured at nominal value.

##### Cash at bank and in hand

Cash comprise cash in hand and deposits in bank accounts.

##### Dividends

Proposed dividends are recognized as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividends payment for the year are disclosed as a separate item under equity.

## Notes

### 1 Accounting policies (continued)

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognized in the balance sheet as tax calculated on the taxable income, adjusted for tax on prior years' taxable income and tax paid on account.

Payable and receivable joint taxation contributions are recognized in the balance sheet under accounts with affiliates.

Deferred tax is measured according to the balance liability method of all temporary differences between accounting and tax values of assets and liabilities. It does not recognize deferred tax on temporary differences relating to items where temporary differences have arisen at the time of acquisition without affecting profit or taxable income. In those situations, where the tax base can be made for alternative taxation rules, deferred tax is based on the planned use of the asset or settlement of the obligation.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at the expected realizable value of the asset, either by set-off against tax on future revenue or by set-off against deferred tax liabilities within the same legal tax entity.

Changes in deferred tax due to change in tax rate is recognized in the income statement.

#### **Liabilities**

Other payables are recognized at cost when the debt is contracted. Subsequently, other payables are measured at amortized cost, which for current and non-interest-bearing liabilities and for liabilities with a floating interest rate normally corresponds to the nominal value.

## Notes

### 2 Continued operations

Due to the tax adjustment relating to intercompany IP transfer to Infineon Technologies AG in 2018, the company has lost its share capital, the equity is negative, and the short-term debt is significantly larger than the current assets.

The management believes that the share capital will be reestablished with profit during the next couple of years, due to generated positive profit because of the cost+ agreement.

After the balance sheet date 30 September 2022, the Infineon group had made a loan to the company so the debt to the tax authorities could be paid, and operation continued without any risk of going concern. A credit up to EUR 1.5 million that continues to 31 December 2023 is granted, and the management expects that the credit will be extended further if needed.

### 3 Special items

On August 31st 2022, the company received a final adjustment from the Danish Tax Authorities leading to an additional tax of approx MDKK 36 and accrued interests is MDKK 9.5, relating to intercompany IP transfer to Infineon Technologies AG in 2018. The amount was paid shortly after the end of the fiscal year.

	<u>2021/2022</u>	<u>2020/2021</u>
<b>4 Staff costs</b>		
Wages/salaries	19.380.139	18.797.671
Pensions	1.421.107	1.394.441
Other social security costs	49.755	46.452
Other staff costs	559.035	500.844
<b>Total staff costs</b>	<b><u>21.410.036</u></b>	<b><u>20.739.408</u></b>
<b>Average number of employees</b>	<b><u>22</u></b>	<b><u>20</u></b>
<b>5 Financial income</b>		
Other financial income	84.897	43.965
	<b><u>84.897</u></b>	<b><u>43.965</u></b>



## Notes

	2021/2022	2020/2021
<b>6 Financial expenses</b>		
Other financial expenses	530.860	186.049
Non-deductible interest, tax	9.548.286	0
	<b>10.079.146</b>	<b>186.049</b>
<b>7 Tax for the year</b>		
Calculated tax charge for the year	44.330	0
Prior years tax	35.911.605	0
Decrease in provision for deferred tax	918.710	951.170
Joint taxation contribution	0	-552.850
	<b>36.874.645</b>	<b>398.320</b>
<b>8 Fixtures, fittings, tools and equipment</b>		
Cost at 1 October	3.730.087	2.987.055
Additions in the year	546.595	748.351
Disposals in the year	0	-5.319
Cost at 30 September	4.276.682	3.730.087
Impairment losses and depreciation at 1 October	1.885.460	924.793
Depreciation in the year	956.068	965.986
Reversal of depreciation and impairment of disposals	0	-5.319
Impairment losses and depreciation at 30 September	2.841.528	1.885.460
<b>Carrying amount at 30 September</b>	<b>1.435.154</b>	<b>1.844.627</b>
<b>9 Total non-current liabilities</b>		
Of non-current liabilities DKK 0 falls due after 5 years.		

## Notes

	<u>2021/2022</u>	<u>2020/2021</u>
<b>10 Contingent liabilities and other financial obligations</b>		
The company has entered a lease concerning office premises. In the period of non-terminality, the lease payment is '000 DKK 2,639. The monthly lease payment is DKK 94.928. Breakdown of the total future lease payments by reference to due dates:		
Within 1 year	1.129.119	991.569
Between 1 and 5 years	1.510.088	2.420.935
After 5 years	0	0
	<u><b>2.639.207</b></u>	<u><b>3.412.504</b></u>

The company is jointly taxed with other Danish group companies. The Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation.

## 11 Related parties

### Information about related parties with a controlling interest:

#### Related parties

Infineon Technologies Holding B.V.  
Westblaak 32  
3012 KM Rotterdam  
Netherlands  
Owns 100% of the shares in the company.

### Information about consolidated financial statements:

#### Ultimate parent

The IAS GAAP equivalent financial results of the company are combined within the consolidated financial statements of the ultimate parent, Infineon Technologies AG. The consolidated financial statement can be obtained at the following address:

Corp. Vice President Communications and Public Authorities & Associations  
Infineon Technologies AG  
C MR  
Am Campeon 1-15  
85579 Neubiberg  
Germany