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Fingerprint Cards ApS

Lyskær 3 CD
2730 Herlev

CVR no. 35524355

Annual Report 2021

Penneo dokumentnøgle: VZJNO-52P0I-H5563-1PEV8-OD2ST-F8EC8

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 5 April 2022

Kent Pedersen
Chairman of general meeting

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Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the annual report for the financial year 1 January 2021 - 31 December 2021 for Fingerprint Cards ApS.

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 Company's financial position at 31 December 2021 and of its financial performance for the financial year 1 January 2021 - 31 December 2021.

We believe that the Management's review contains a fair review of the matters referred to therein.

We recommend that the annual report is approved at the Annual General Meeting.

Herlev, 5 April 2022

Executive Board

Kent Pedersen
Managing Director

Board of Directors

Karl-Christian Fredrikson
Chairman

Kent Pedersen

Olaf Carl Ehrenskjöld

Independent Auditors' Report

To the shareholders of Fingerprint Cards ApS

Opinion

We have audited the financial statements of Fingerprint Cards ApS for the financial year 1 January 2021 - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 financial position at 31 December 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

Independent Auditors' 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Helsingør, 5 April 2022

Kallermann Revision A/S - statsautoriseret revisionsfirma

CVR-no. 30195264

Morten Bjerregaard

State Authorised Public Accountant

mne34299

Company details

Company	Fingerprint Cards ApS Lyskær 3 CD 2730 Herlev CVR no. 35524355 Date of formation 30 October 2013
Executive Board	Kent Pedersen, Managing Director
Board of Directors	Karl-Christian Fredrikson Kent Pedersen Olaf Carl Ehrenskjöld
Auditors	Kallermann Revision A/S - statsautoriseret revisionsfirma Stationspladsen 1 og 3 3000 Helsingør CVR-no.: 30195264

Management's Review

The Company's principal activities

The Company's principal activities consist in development of technology for personal identification based on microelectronic technology.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2021 - 31 December 2021 shows a result of 2.302.678 DKK and the Balance Sheet at 31 December 2021 a total of 21.858.283 DKK and an equity of 19.854.177 DKK.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The Annual Report of Fingerprint Cards ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with additional choice of a few rules from class C enterprises.

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

Reporting currency

The Annual Report is presented in DKK.

Translation policies

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 recognized in the income statement as financial income or expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses.

Long-term assets purchased in foreign currency are translated at the exchange rate at the transaction date.

Income statement

Revenue

The revenue from services rendered, which comprises fee from research & development agreement, are recognized on a straight-line basis in the revenue concurrently with delivery of the services, as the services are rendered in the shape of an undefinable number of actions during a specified period of time.

Revenue is measured to fair value of the agreed fee ex. VAT and taxes charged on behalf of third parties. All discounts granted in connection with the sale are recognized in the revenue.

Other external expenses

Other external costs include costs for sales, advertising, administration, premises etc.

Staff expenses

Staff costs comprise salaries and wages including holiday pay and pensions as well as social security costs, etc for the Company's staff. Received compensations from the authorities have been deducted in staff costs.

Amortisation and impairment of tangible assets

Amortisation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Accounting Policies

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on net profit for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expense relating to changes directly recognized in equity is recognized directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price and costs directly attributable to the acquisition until the time when it is ready to be put into operation. Concerning self-constructed assets the cost comprises direct and indirectly expenses to materials, components, subcontractors, wages and borrowing costs from specific and general borrowing, which directly relate to the construction of the single asset. .

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

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognized prospectively as a change in accounting estimates.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement as other operating income and other operating costs, respectively.

Deposits

Deposits are measured at cost.

Receivables

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

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Accounting Policies

Liabilities

Other liabilities, comprising trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2021 DKK	2020 DKK
Revenue		30.221.629	35.516.202
Other external expenses		-3.371.965	-3.202.501
Gross profit		26.849.664	32.313.701
Staff costs	1	-23.683.912	-28.376.800
Depreciation and amortisation		-418.315	-706.640
Profit from ordinary operating activities		2.747.437	3.230.261
Other financial income from group enterprises		256.051	212.695
Financial income		343	1.346
Financial expenses		-49.277	-60.964
Profit from ordinary activities before tax		2.954.554	3.383.338
Tax	2	-651.876	-744.954
Profit		2.302.678	2.638.384
Proposed distribution of results			
Retained earnings		2.302.678	2.638.384
Distribution of profit		2.302.678	2.638.384

Balance Sheet as of 31 December

	Note	2021 DKK	2020 DKK
Assets			
Fixtures, fittings, tools and equipment	3	28.630	217.425
Leasehold improvements	4	133.885	363.405
Property, plant and equipment		162.515	580.830
Deposits		402.498	402.498
Investments		402.498	402.498
Fixed assets		565.013	983.328
Receivables from group enterprises		19.380.640	20.279.576
Current deferred tax		139.916	156.938
Other receivables		180.807	295.722
Tax receivables		75.146	0
Deferred income assets		22.924	7.633
Receivables		19.799.433	20.739.869
Cash and cash equivalents		1.493.837	4.030.622
Current assets		21.293.270	24.770.491
Assets		21.858.283	25.753.819
Liabilities and equity			
Contributed capital		80.000	80.000
Retained earnings		19.774.177	17.471.499
Equity		19.854.177	17.551.499
Trade payables		201.518	122.448
Tax payables		0	192.892
Other payables		1.802.588	7.886.980
Short-term liabilities other than provisions		2.004.106	8.202.320
Liabilities other than provisions within the business		2.004.106	8.202.320
Liabilities and equity		21.858.283	25.753.819
Contingent liabilities	5		
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Statement of changes in Equity

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity 1 January 2021	80.000	17.471.499	17.551.499
Profit (loss)	0	2.302.678	2.302.678
Equity 31 December 2021	80.000	19.774.177	19.854.177

Notes

	2021 DKK	2020 DKK
1. Staff costs		
Wages and salaries	21.158.440	25.793.393
Post-employment benefit expense	2.092.864	2.047.479
Other employee expense	432.608	535.928
	23.683.912	28.376.800
Average number of employees	26	26
2. Tax		
Tax expense on ordinary activities	634.854	771.892
Adjustments for deferred tax	17.022	-26.938
	651.876	744.954
3. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	3.575.942	3.575.942
Disposal during the year	-281.125	0
Cost at the end of the year	3.294.817	3.575.942
Depreciation and amortisation at the beginning of the year	-3.358.517	-2.888.298
Amortisation for the year	-188.795	-470.219
Reversal of impairment losses and amortisation of disposed assets	281.125	0
Depreciation and amortisation at the end of the year	-3.266.187	-3.358.517
Carrying amount at the end of the year	28.630	217.425
4. Leasehold improvements		
Cost at the beginning of the year	1.900.854	1.900.854
Cost at the end of the year	1.900.854	1.900.854
Depreciation and amortisation at the beginning of the year	-1.537.449	-1.301.027
Amortisation for the year	-229.520	-236.422
Depreciation and amortisation at the end of the year	-1.766.969	-1.537.449
Carrying amount at the end of the year	133.885	363.405
5. Contingent liabilities		
The Company has rent commitments for 685 DKK'000.		
6. Collaterals and securities		
No securities or mortgages exist at the balance sheet date.		

Notes

7. Related parties

The Company is included in the consolidated financial statements of:
Fingerprint Cards AB

The Company's consolidated financial statements can be obtained by contacting the company.

The following related party has a controlling interest in Fingerprint Cards ApS:
Fingerprint Cards AB
Kungsgatan 20, SE-411 19
Göteborg, Sverige

The Company has had revenue transactions with the related party for 30.222 DKK'000 (2020: 35.516 DKK'000)

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Olaf Carl Ehrenskjöld

Bestyrelsesmedlem

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KARL-CHRISTIAN FREDRIKSON

Bestyrelsesformand

På vegne af: Fingerprint Cards ApS

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IP: 188.63.xxx.xxx

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Kent Pedersen

Direktør, dirigent og bestyrelsesmedlem

På vegne af: Fingerprint Cards ApS

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Morten Bjerregaard

Statsautoriseret revisor

På vegne af: Kallermann Revision A/S

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