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Fingerprint Cards ApS

Lyskær 3 CD
2730 Herlev

CVR no. 35524355

Annual Report 2020

Penneo dokumentnøgle: QQNP8-NJABG-6ETG6-GSCPG-D4ZT2-Z1U6Y

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 8 April 2021

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 approved the annual report for the financial year 1 January 2020 - 31 December 2020 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 2020 and of its financial performance for the financial year 1 January 2020 - 31 December 2020.

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.

Herlev, 8 April 2021

Executive Board

Kent Pedersen
Managing Director

Supervisory Board

Karl-Christian Fredrikson
Chairman

Kent Pedersen
Member

Olaf Carl Ehrenskjöld
Member

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 2020 - 31 December 2020, which comprise the accounting policies, 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 2020 and of the result of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis of 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 these rules and requirements. 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 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.

The auditor's responsibility 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 of accounting information 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 judgment and maintain professional skepticism 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 Auditors' 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.

Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management's Review.

Helsingør, 8 April 2021

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
Supervisory Board	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 activities and financial matters

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of 2.638.384 DKK and the Balance Sheet at 31 December 2020 a balance sheet total of 25.753.819 DKK and an equity of 17.551.499 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 2020 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 Danish kroner.

Translation policies

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date 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 recognised in the income statement as financial income or financial expenses.

Income Statement

Revenue

The revenue from service rendered, which comprises service contracts, 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 distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs 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 and intangible assets

Amortisation and impairment of intangible and 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

Tangible assets

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.

Receivables

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

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.

Other payables

Financial liabilities are measured at net realisable 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	2020 DKK	2019 DKK
Revenue		35.516.202	30.944.649
Other external expenses		-3.202.501	-3.535.098
Gross profit		32.313.701	27.409.551
Other employee expense	1	-28.376.800	-23.604.378
Depreciation and amortisation		-706.640	-986.683
Profit from ordinary operating activities		3.230.261	2.818.490
Financial income	2	214.041	1.287
Financial expenses		-60.964	-125.900
Profit from ordinary activities before tax		3.383.338	2.693.877
Tax		-744.954	-597.996
Profit		2.638.384	2.095.881
Proposed distribution of results			
Retained earnings		2.638.384	2.095.881
Distribution of profit		2.638.384	2.095.881

Balance Sheet as of 31 December

	Note	2020 DKK	2019 DKK
Assets			
Fixtures, fittings, tools and equipment	4	217.425	687.644
Leasehold improvements	5	363.405	599.827
Property, plant and equipment		580.830	1.287.471
Fixed assets		580.830	1.287.471
Short-term receivables from group enterprises		20.279.576	5.151.732
Current deferred tax		156.938	130.000
Other receivables		705.853	760.240
Receivables		21.142.367	6.041.972
Cash and cash equivalents		4.030.622	11.682.083
Current assets		25.172.989	17.724.055
Assets		25.753.819	19.011.526
Liabilities and equity			
Contributed capital		80.000	80.000
Retained earnings		17.471.499	14.833.115
Equity		17.551.499	14.913.115
Trade payables		122.448	502.019
Tax payables		192.892	28.222
Other payables		7.886.980	3.568.170
Short-term liabilities other than provisions		8.202.320	4.098.411
Liabilities other than provisions within the business		8.202.320	4.098.411
Liabilities and equity		25.753.819	19.011.526
Contingent liabilities	6		
Collaterals and assets pledges as security	7		
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Statement of changes in Equity

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity 1 January 2020	80.000	14.833.115	14.913.115
Profit (loss)	0	2.638.384	2.638.384
Equity 31 December 2020	80.000	17.471.499	17.551.499

The share capital has remained unchanged for the last 5 years.

Notes

	2020 DKK	2019 DKK
1. Employee benefits expense		
Wages and salaries	25.793.393	20.758.082
Post-employment benefit expense	2.047.479	2.076.832
Other employee expense	535.928	769.464
	28.376.800	23.604.378
Average number of employees	26	26
2. Other finance income		
Other finance income from group enterprises	212.695	0
Other finance income	1.346	1.287
	214.041	1.287
3. Tax expense		
Current tax expense	771.892	629.222
Adjustments for deferred tax	-26.938	-31.226
	744.954	597.996
4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	3.575.942	3.335.172
Addition during the year, including improvements	0	240.770
Cost at the end of the year	3.575.942	3.575.942
Depreciation and amortisation at the beginning of the year	-2.888.298	-2.279.995
Amortisation for the year	-470.219	-608.303
Impairment losses and amortisation at the end of the year	-3.358.517	-2.888.298
Carrying amount at the end of the year	217.425	687.644
5. 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	-1.301.027	-922.648
Amortisation for the year	-236.422	-378.379
Impairment losses and amortisation at the end of the year	-1.537.449	-1.301.027
Carrying amount at the end of the year	363.405	599.827
6. Contingent liabilities		
The Company has rent commitments for 316 DKK'000.		
7. Collaterals and securities		
No securities or mortgages exist at the balance sheet date.		

Notes

8. 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 35.516 DKK'000 (2019: 30.935 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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Bestyrelsesformand

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Kent Pedersen

Direktør, bestyrelsesmedlem og dirigent

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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