



iLOQ Danmark ApS

Borupvang 3, 2750 Ballerup

Company reg. no. 37 79 33 96

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 8 March 2024.

Sirpa Sallanko

Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.



- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

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Management's statement

Today, the board of directors and the managing director have presented the annual report of iLOQ Danmark ApS for the financial year 1 January - 31 December 2023.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2023 and of the company's results of activities in the financial year 1 January – 31 December 2023.

The board of directors and the managing director consider the conditions for audit exemption of the 2023 financial statements to be met.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Ballerup, 8 March 2024

Managing Director

Dennis Overvad Christiansen

Board of directors

Timo Juhani Pirskanen

Sirpa Sallanko

Dennis Overvad Christiansen

Practitioner's compilation report

To the Shareholder of iLOQ Danmark ApS

We have compiled the financial statements of iLOQ Danmark ApS for the financial year 1 January - 31 December 2023 based on the company's bookkeeping and on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including 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 on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 8 March 2024

Redmark

Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

Mark Leerdrup Hansen

State Authorised Public Accountant
mne19802

Company information

The company	iLOQ Danmark ApS Borupvang 3 2750 Ballerup
	Company reg. no. 37 79 33 96 Established: 31 May 2016 Financial year: 1 January - 31 December 8th financial year
Board of directors	Timo Juhani Pirskanen Sirpa Sallanko Dennis Overvad Christiansen
Managing Director	Dennis Overvad Christiansen
Parent company	iLOQ OY

Management's review

The principal activities of the company

Like previous years, the principal activities are marketing and sales of digital locking systems. The market is mainly focused on Denmark and other Scandinavian countries.

Development in activities and financial matters

The gross profit for the year totals DKK 10.887.929 against DKK 9.536.427 last year. Income or loss from ordinary activities after tax totals DKK 273.698 against DKK 278.448 last year. Management considers the net profit or loss for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	10.887.929	9.536.427
1 Staff costs	-10.411.307	-9.115.572
Operating profit	476.622	420.855
Other financial income	-181	178
2 Other financial costs	-40.486	-31.529
Pre-tax net profit or loss	435.955	389.504
Tax on ordinary results	-162.257	-111.056
Net profit or loss for the year	273.698	278.448
 Proposed distribution of net profit:		
Transferred to retained earnings	273.698	278.448
Total allocations and transfers	273.698	278.448

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
Deposits	43.149	56.232
Total investments	43.149	56.232
Total non-current assets	43.149	56.232
Current assets		
Trade receivables	1.330.033	1.853.996
Other receivables	100.459	121.767
Prepayments and accrued income	171.432	107.438
Total receivables	1.601.924	2.083.201
Available funds	2.187.300	1.886.542
Total current assets	3.789.224	3.969.743
Total assets	3.832.373	4.025.975

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		<u>2023</u>	<u>2022</u>
<u>Note</u>			
Equity			
Contributed capital		50.000	50.000
Retained earnings		<u>1.394.189</u>	<u>1.120.491</u>
Total equity		<u>1.444.189</u>	<u>1.170.491</u>
Liabilities other than provisions			
Other payables		<u>364.961</u>	<u>364.961</u>
Total long term liabilities other than provisions		<u>364.961</u>	<u>364.961</u>
Trade creditors		240.970	36.625
Income tax payable		149.864	81.056
Other payables		1.543.196	2.323.367
Accrued expenses and deferred income		<u>89.193</u>	<u>49.475</u>
Total short term liabilities other than provisions		<u>2.023.223</u>	<u>2.490.523</u>
Total liabilities other than provisions		<u>2.388.184</u>	<u>2.855.484</u>
Total equity and liabilities		<u>3.832.373</u>	<u>4.025.975</u>

3 Charges and security

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
	<hr/>	<hr/>	<hr/>
Equity 1 January 2022	50.000	842.043	892.043
Profit or loss for the year brought forward	0	278.448	278.448
Equity 1 January 2022	50.000	1.120.491	1.170.491
Profit or loss for the year brought forward	0	273.698	273.698
	<hr/> 50.000	<hr/> 1.394.189	<hr/> 1.444.189

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	7.868.930	7.761.350
Pension costs	2.464.970	1.282.520
Other costs for social security	<u>77.407</u>	<u>71.702</u>
	<u>10.411.307</u>	<u>9.115.572</u>
Average number of employees	<u>11</u>	<u>8</u>
2. Other financial costs		
Other financial costs	<u>40.486</u>	<u>31.529</u>
	<u>40.486</u>	<u>31.529</u>

3. Charges and security

There are no mortgages or securities as of 31 December 2023.

4. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases contracts with an average annual lease payment of TDKK 552. The leases contracts have up to 24 months left to run, and the total outstanding lease payments total TDKK 705.

Accounting policies

The annual report for iLOQ Danmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for sales, advertising, administration, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Accounting policies

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.