

**REF IVV TopCo ApS**  
Åboulevarden 22, 2. sal, 8000 Aarhus C,  
Denmark

**Annual report 2021**

Registration No. 42 43 54 30

The annual report has been presented and approved at the  
annual general meeting, 9 May 2022



Karsten Langer  
Chairman

## Contents

Statement by the Executive Board and Board of Directors	3
Independent Auditor's Report	4
Management's review	7
Income statement 1 June - 31 December	10
Balance sheet at 31 December	11
Notes	15

## Statement by the Executive Board and Board of Directors

The Executive Board and Board of Directors have today discussed and approved the annual report of REF IVV TopCo ApS for the financial year 1 June – 31 December 2021.

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

It is our opinion that the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 June – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the issues included.

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

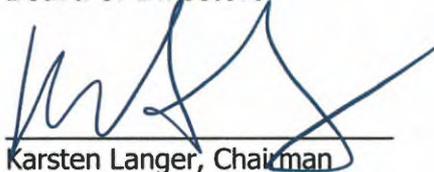
Aarhus, 9 May 2022

### Executive Board



Michael Weber

### Board of Directors



Karsten Langer, Chairman



Peter Landrok

Michael Weber

# Independent Auditor's Report

## To the shareholders of REF IVV TopCo ApS

### Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 June - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of REF IVV TopCo ApS for the financial year 1 June - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

### 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 Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable 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.

### Statement on Management's Review

Management is responsible for 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

## **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Group's and the Parent 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 Group or the Parent 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 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 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Aarhus, 9 May 2022

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31



Henrik Berring Rasmussen  
State authorized public accountant  
mne34157



Martin Stenstrup Toft  
State authorized public accountant  
mne42786

## Management's review

### Company details

REF IVV TopCo ApS  
Åboulevarden 22, 2. sal  
8000 Aarhus C  
Denmark

Telephone: +45 8676 2288  
Fax: +45 8620 2975

Registration No.: 42 43 54 30  
Established: 1<sup>st</sup> of June 2021  
Registered office: Aarhus  
Financial year: 1 January – 31 December

### Board of Directors

Karsten Langer (chairman)  
Peter Landrok  
Michael Weber

### Executive Board

Michael Weber

### Auditors

PricewaterhouseCoopers Statsautoriseret  
Revisionspartnerselskab  
Jens Chr. Skous Vej 1  
8000 Aarhus C  
Denmark

## Group key figures

Key figures (tkr.):	2021
Gross profit	17.874
Operating profit	-43.294
Financial income and cost	-8.448
Profit before tax	-51.742
Profit of the year	-46.534
Balance	1.189.432
Investment in fixed assets	1.066
Equity	768.355
Cash Flow Operations	-8.785
Cash Flow Investments	-935.445
Cash Flow Financing	1.034.608
Cash Flow Total	90.378
Solvency ratio (Equity/Total balance sheet)	64,6%
Average numbers of employees	78

## **Group principal activities**

The Group's activity primarily consists of development, sale and maintenance of software in relation to e-security. The Group's customers are mainly banks, telecommunication companies and governments.

## **Development in the activities and financial affairs**

Profit for the group before tax is DKK -51.7 million. Tax on profit for the period is DKK 5.2 million. After this, loss for the period is DKK 46.5 million. Equity comprises DKK 768.4 million at year-end.

We expect growing investments and activities in 2022.

## **Uncertainties and estimates**

Certain items include by nature certain uncertainties and estimates. We have mainly used estimates in the accounting for intangible assets, where we have estimated the expected useful life for the identified assets.

## **Risk**

The Group's operational risks are related to continuously provide services of high quality. Based on the Group's operations hereunder investments and financing it's exposed to changes in the exchange rate primarily the exchange rate for USD and GBP. It's a policy within the Group not to speculate in relation to financial risks.

## **Knowledge resources, environmental impact and development**

Within the Group there's a high knowledge which means that we can react at high speed in relation to development in the market. The Group has no significant impact on the external environment.

It's important to continuously develop products and solutions that touch-base with the development in the market.

## **Events after the balance sheet date**

No events of any significance affecting the financial position of the company occurred after the end of the financial year.

## Income statement 1 June - 31 December

	Note	<b>Group</b> <b>2021</b> tDKK	<b>Parent</b> <b>Company</b> <b>2021</b> tDKK
<b>Gross profit</b>		<b>17.874</b>	<b>(13)</b>
Staff cost	2	(30.674)	-
Depreciation, amortization and impairment on fixed assets		<u>(30.494)</u>	<u>-</u>
<b>Operating profit</b>		<b>(43.294)</b>	<b>(13)</b>
Results in subsidiaries after tax	8	-	(46.201)
Financial income	3	206	-
Financial cost	4	<u>(8.654)</u>	<u>(414)</u>
<b>Profit before tax</b>		<b>(51.742)</b>	<b>(46.628)</b>
Tax on profit for the year	5	<u>5.208</u>	<u>94</u>
<b>Profit for the year</b>		<b><u>(46.534)</u></b>	<b><u>(46.534)</u></b>

## Balance sheet at 31 December

Assets	Note	Group	Parent Company
		2021 tDKK	2021 tDKK
Customer relationships		189.584	-
Technology		379.584	-
Brand		34.568	-
Goodwill		441.330	-
Patents		2.368	-
Completed development projects		6.236	-
<b>Total intangible assets</b>	6	<b>1.053.670</b>	<b>-</b>
Property, plant and equipment		270	-
Leasehold improvements		770	-
Other fixtures & machinery		26	-
<b>Total tangible assets</b>	7	<b>1.066</b>	<b>-</b>
Investments in subsidiaries	8	-	722.823
Investments in associates		30	-
Deposits given		902	-
<b>Total investments</b>		<b>932</b>	<b>722.823</b>
<b>Total fixed assets</b>		<b>1.055.668</b>	<b>722.823</b>
<b>Inventories</b>		<b>274</b>	<b>-</b>
Trade receivables		27.775	-
Contract work in progress	9	2.266	-
Deferred tax asset	10	4.860	-
Other receivables		3.413	94
Prepayments	11	3.367	-
<b>Total receivables</b>		<b>41.681</b>	<b>94</b>
<b>Cash at bank and in hand</b>		<b>91.809</b>	<b>45.438</b>
<b>Total current assets</b>		<b>133.764</b>	<b>45.532</b>
<b>Total assets</b>		<b>1.189.432</b>	<b>768.355</b>

## Balance sheet at 31 December

Equity and Liabilities	Note	Group	Parent Company
		2021 tDKK	2021 tDKK
Share capital		75.000	75.000
Reserve for exchange rate adjustments		1.431	-
Retained profit		691.924	693.355
<b>Equity</b>		<b>768.355</b>	<b>768.355</b>
Deferred tax		131.374	-
Other provisions		197	-
<b>Total provisions</b>		<b>131.571</b>	<b>-</b>
Holiday obligation		2.877	-
Credit institutions	12	216.622	-
<b>Long-term liabilities</b>		<b>219.499</b>	<b>-</b>
Credit institutions		4.528	-
Contract work in progress, pre-invoiced		1.940	-
Trade payables		2.922	-
Corporation tax liability		486	-
Other paybles		17.791	-
Deferred income	13	42.340	-
<b>Short-term liabilities</b>		<b>70.007</b>	<b>-</b>
<b>Total liabilities</b>		<b>289.506</b>	<b>-</b>
<b>Total Equity and liabilities</b>		<b>1.189.432</b>	<b>768.355</b>
Accounting policies	1		
Contingent liabilities	14		
Shareholders	15		
Consolidated financial statements	16		

## Equity statement

tDKK	Note	Share capital	Reserve for exchange rate adjustments	Retained earnings	Total
Equity at 1 June		-	-	-	-
Cash payment concerning formation of entity		40	-	-	40
Capital increase		74.960	-	738.458	813.418
Foreign exchange adjustments, foreing subsidiaries		-	1.431	-	1.431
Profit for the year	16	-	-	(46.534)	(46.534)
Equity at 31 December		75.000	1.431	691.924	768.355

### Equity parent company

tDKK	Note	Share capital	Reserve for exchange rate adjustments	Retained earnings	Total
Equity at 1 June		-	-	-	-
Cash payment concerning formation of entity		40	-	-	40
Capital increase		74.960	-	738.458	813.418
Foreign exchange adjustments, foreing subsidiaries		-	-	1.431	1.431
Profit for the year	16	-	-	(46.534)	(46.534)
Equity at 31 December		75.000	-	693.355	768.355

The share capital comprises 75,000,000 shares of DKK 1 each.

## Cash flow statement

	<b>Group</b>
	<b>2021</b>
	tDKK
<b>Profit before interest and similar items</b>	<b>(43.294)</b>
Depreciation	30.494
Other non-cash items	1.789
Change in working capital:	
Change in inventories, work-in-progress	2.988
Change in receivables	(11.658)
Change in other receivables	2.215
Change in trade payables and other payables	16.751
Interest received	1
Interest paid	(8.071)
<b>Cash Flow Operations</b>	<b>(8.785)</b>
Acquisition of intangible fixed Assets, net	(4.621)
Acquisition of tangible fixed Assets, net	-
Acquisition of activity	(930.667)
Other investments	(157)
<b>Cash Flow Investments</b>	<b>(935.445)</b>
Capital increases	813.458
Proceeds from long-term liabilities	216.622
Changes in debt to credit institutions	4.528
<b>Cash Flow Financing</b>	<b>1.034.608</b>
<b>Net Cash Flow from operations, investments and financing</b>	<b>90.378</b>
Foreign exchange adjustments	1.431
Cash and cash equivalents, beginning of year	-
<b>Cash and cash equivalents, year-end</b>	<b>91.809</b>

The cash flow statement cannot be derived directly from the individual units from the consolidated financial statement

## Notes

### Note 1 Accounting policies

The annual report of REF IVV TopCo ApS has been prepared in accordance with the provisions applying to medium-sized reporting class C enterprises under the Danish Financial Statements Act.

The Consolidated and Parent Company Financial Statements for 2021 are presented in tDKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised 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 recognised 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.

### Group financial statement

The consolidated financial statement includes the parent company REF IVV TopCo ApS and subsidiaries in which REF IVV TopCo ApS directly or indirectly owns more than 50% of the share capital or otherwise have controlling influence.

In relation to consolidating inter-group income and expenses, investments in subsidiaries and internal balances and dividends are eliminated.

### Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

## Notes

### Note 1 Accounting policies (continued)

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date.

Foreign exchange differences are recognized in the income statement as interest income or expense and similar items.

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

## Notes

### Note 1 Accounting policies (continued)

#### *Income statement*

##### **Gross profit**

In accordance with §32 of the Danish Financial Statements Act the company has aggregated the items revenue, cost of sales and other operating income and instead added the item gross profit.

##### **Revenue**

Revenue from sales is recognized in net sales when transition of the main benefits and risks to the buyer has taken place, the income can be calculated reliably and payment is expected to be received. The time of transition of the main benefits and risks is based on standard delivery terms based on Incoterms® 2020. Net sales are measured at the fair value of the agreed consideration exc. VAT and taxes charged on behalf of third parties. All forms of discounts are recognized in net sales.

Contract work in progress is recognized as gross profit by reference to the stage of completion. Accordingly, gross profit reflects the selling price of work performed during the year.

##### **Cost of sales**

Cost of sales comprise costs incurred in generating revenue for the year. Such costs include costs of raw materials and consumables.

##### **Other external cost**

Other external cost includes sales and marketing cost, Cost related to IP rights and administration cost.

##### **Staff cost**

Staff cost include cost related to wages, pensions, holidays, social security and other cost related to the employees in the company.

##### **Profits/losses from investments on subsidiaries**

The proportionate share of the results after tax of the individual enterprises after full elimination of intra-group profits/losses, amortization of goodwill and gain/loss on disposal of shares is recognized in the income statement of the company.

## Notes

### Note 1 Accounting policies (continued)

#### Financial income and cost

Financial income and cost and similar items comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortization of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme etc.

#### Tax on profit/loss for the year

The company is as parent company covered by the Danish regulations concerning compulsory joint taxation with its Danish parent companies. The current Danish corporation tax is apportioned through payment of joint tax contribution between the jointly taxed companies in relation to their taxable incomes.

Tax for the year, which comprises the year's joint tax contribution and changes in deferred tax, is included in the income statement with the proportion that is attributable to the year's result and directly in the equity with the proportion that is attributable to the items directly in the equity. The recognized tax relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax is allocated to the profit/loss for the year from ordinary activities.

#### *Balance sheet*

#### Intangible assets

Acquired intangible assets including Customer relations, Technology and Brand are measured at cost and are amortised on a straight-line basis over the estimated useful life of up to twenty years.

The amortization period and the residual value are determined at the acquisition date and are reviewed annually. If the residual value exceeds the carrying amount of the asset, depreciation ceases. Changes in the amortization period or residual value include the effect on depreciation for the future as a change in accounting estimates.

#### Goodwill

Goodwill is amortized on a straight-line basis over the estimated economic life, which is determined on the basis of an assessment of e.g. the nature of the company, market position, industry, stability and dependence on key employees. The depreciation period is up to 20 years.

## Notes

### Note 1 Accounting policies (continued)

#### Development costs

Development costs include salaries and other costs directly and indirectly attributed to the company's development activities. Only development projects that are clearly defined and identifiable, where the degree of technical utilization, sufficient resources and a potential future market are recognized as development costs under assets.

Development projects that do not meet the criteria for recognition in the balance sheet are recognized as costs in the income statement, as the costs are incurred.

Capitalized development costs are measured at cost less accumulated amortization and impairment losses or recoverable amount if lower.

An amount corresponding to the recognized development costs is reserved in the item "Reserve for development costs" under equity. The reserve is continuously reduced with depreciation and write-downs on the development projects.

Capitalized development costs are depreciated from the time of completion on a straight-line basis over the period in which the development work is expected to generate economic benefits. However, the depreciation period is a maximum of five years.

Patents and licenses are measured at cost less accumulated amortization and impairment losses or at recoverable amounts, whichever is lower. Patents are written off over the remaining patent period or a shorter economic life.

#### Property, plant and equipment

Property, plant and equipment is measured at initial recognition at cost.

Fixtures and fittings, tools and equipment are subsequently measured at cost less accumulated depreciation. The depreciation basis is calculated taking into account the residual value of the asset after completion of the useful life and reduced by any write-downs. The amortization period and the residual value are determined at the acquisition date and are reviewed annually. If the residual value exceeds the carrying amount of the asset, depreciation ceases. Changes in the amortization period or residual value include the effect on depreciation for the future as a change in accounting estimates.

The cost includes the acquisition price and costs directly related to the acquisition until the date of completion of the asset. Indirect production costs and borrowing costs are not included in the cost. The cost of an aggregate asset is divided into separate components, which are depreciated separately if the useful life of the individual components is different.

Linear depreciation is made over the expected useful life of fixtures and fittings, tools and equipment for 3-5 years.

## Notes

### Note 1 Accounting policies (continued)

Profits and losses on disposal of property, plant and equipment are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale. Profits or losses are recognized in the income statement under other operating income and other operating expenses. are measured at cost less accumulated depreciation or the recoverable amount if this is lower than the carrying amount.

#### Impairment of non-current assets

The carrying amount of property, plant and equipment and investments in subsidiaries is assessed annually for indications of impairment, in addition to that expressed by depreciation.

If there are indications of impairment, impairment tests of each asset or group of assets are carried out. Write-downs are made at the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the asset or the group of assets. Previously recognized impairment losses are reversed when the reason for recognition no longer exists.

#### Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method.

The investments are measured in the balance sheet at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies minus or plus unrealized intra-group profits and losses and with the addition of the carrying amount of goodwill.

Subsidiaries with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the negative net asset value. Where the negative net asset value exceeds the amount owed, the remaining amount is recognized under provisions.

Net revaluation of investments in subsidiaries is transferred to the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds cost.

## Notes

### Note 1 Accounting policies (continued)

#### Investments in associates

Investments in associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

### **Receivables**

Receivables are measured at amortized cost.

Receivables from the parent company are calculated as initial amount plus the cumulative amortization of the difference between the initial amount and the maturity amount using a constant effective interest rate.

Regarding other receivables amortized cost corresponds in all material respects to nominal value. Write-down is made for bad debt losses.

### **Contract work in progress**

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract work. Individual contract work in progress is recognized in the balance sheet under either receivables or liabilities, depending on whether the net amount of the selling price less progress billings and prepayments is positive or negative.

### **Prepayments**

Prepayments comprise costs incurred concerning subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents include bank deposits.

### **Proposed dividend**

Dividend proposed for the year is recognized as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the financial year is presented as a separate line item under "Equity".

### **Net revaluation reserve according to the equity method**

Net revaluation of equity investments in subsidiaries is recognised at cost in the net revaluation reserve according to the equity method. The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates. The reserve cannot be recognised at a negative amount.

## Notes

### Note 1 Accounting policies (continued)

#### Corporation tax and deferred tax

Joint tax contribution liabilities and receivables calculated on the taxable income for the year, adjusted for any tax from previous years' taxable income as well as prepaid on-account taxes, are recognized in the balance sheet as corporation tax liability or corporation tax receivable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred tax assets, including the tax base of tax loss carryforwards, are recognized at the expected value of their utilization; 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 and jurisdiction. Changes in deferred tax assets resulting from a change in the tax rate are recognized in the income statement.

#### Financial debt

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, corresponding to nominal value.

#### Deferred income

Deferred income comprise payments received for services delivered in subsequent financial years.

#### Cash flow statement

The cash flow statement shows the group's cash flows divided into cash flows from operations, investments and financing activity for the year, the year's change in cash and from the beginning and to the end of the year. No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the cash flow statement for the group.

Cash flows from operating activities are calculated as the Group's share of the result adjusted for non-cash operating items, changes in working capital and corporate tax paid.

Cash flows from investments include payments in connection with the purchase and sale of intangible, tangible and financial fixed assets.

Cash flows from financing activities include changes in the size or composition of the Group's share capital, as well as raising loans, repayments on interest-bearing debt and payment of dividends to company participants.

Cash and cash equivalents comprise cash and cash equivalents and credit institutions.

## Notes

	<b>Group 2021</b>
<b>Note 2 Staff costs</b>	
Wages and salaries	26.628
Pensions	1.333
Social security costs	2.010
Other staff costs	704
	<u>30.674</u>
Average number of employees (FTEs)	<u>78</u>
There hasn't been paid any salaries to executive board members.	
<b>Note 3 Financial income</b>	
Interest income and capital gains from group enterprises	-
Interest income	-
Foreign exchange gains	205
Other financial income	1
	<u>206</u>
<b>Note 4 Financial cost</b>	
Interest expenses and capital gains on group enterprises	-
Foreign exchange losses	583
Other financial expenses	8.071
	<u>8.654</u>
<b>Note 5 Tax on profit for the year</b>	
Current tax of the year	(931)
Changes in deferred tax for the year	4.350
Changes in tax of the year from previous years	1.789
	<u>5.208</u>

## Notes

	<b>Group 2021</b>
<b>Note 6 Intangible assets</b>	
<b>Goodwill</b>	
Cost at 1 June	-
Net effect from merger and acquisition	<u>454.738</u>
Cost at 31 December	<u>454.738</u>
Depreciations at 1 June	-
Depreciations	<u>13.408</u>
Depreciations at 31 December	<u>13.408</u>
<b>Carrying amount at 31 December</b>	<b><u>441.330</u></b>
<b>Customer relationships</b>	
Cost at 1 June	-
Net effect from merger and acquisition	<u>194.445</u>
Cost at 31 December	<u>194.445</u>
Depreciations at 1 June	-
Depreciations	<u>4.861</u>
Depreciations at 31 December	<u>4.861</u>
<b>Carrying amount at 31 December</b>	<b><u>189.584</u></b>
<b>Technology</b>	
Cost at 1 June	-
Net effect from merger and acquisition	<u>389.635</u>
Cost at 31 December	<u>389.635</u>
Depreciations at 1 June	-
Depreciations	<u>10.051</u>
Depreciations at 31 December	<u>10.051</u>
<b>Carrying amount at 31 December</b>	<b><u>379.584</u></b>
<b>Brand</b>	
Cost at 1 June	-
Net effect from merger and acquisition	<u>35.760</u>
Cost at 31 December	<u>35.760</u>
Depreciations at 1 June	-
Depreciations	<u>1.192</u>
Depreciations at 31 December	<u>1.192</u>
<b>Carrying amount at 31 December</b>	<b><u>34.568</u></b>

## Notes

	<b>Group 2021</b>
<b>Note 6 Intangible assets (continued)</b>	
<b>Patents</b>	
Cost at 1 June	-
Additions	<u>2.493</u>
Cost at 31 December	<u>2.493</u>
Depreciations at 1 June	-
Depreciations	<u>125</u>
Depreciations at 31 December	<u>125</u>
<b>Carrying amount at 31 December</b>	<b><u>2.368</u></b>
<b>Completed development projects</b>	
Cost at 1 June	-
Net effect from merger and acquisition	4.800
Additions	<u>2.128</u>
Cost at 31 December	<u>6.928</u>
Depreciations at 1 June	-
Depreciations	<u>692</u>
Depreciations at 31 December	<u>692</u>
<b>Carrying amount at 31 December</b>	<b><u>6.236</u></b>

The Group's development projects include the development on the main product lines: Key Management, Mobil Security, e-Signing and EMV. The products undergo continuous development to meet market needs.

Intangible assets also contain positive differences arising on initial measurement of subsidiaries at net asset value. The company's investment in the subsidiaries is considered to be of strategic importance to the group. Taking the Group's expected plans for increasing activities and earnings into account, the useful life of the goodwill recognised on initial measurement of business acquisitions is considered to be 15-20 years.

### Note 7 Tangible assets

Cost at 1 June	-
Additions	<u>1.401</u>
Cost at 31 December	<u>1.401</u>
Depreciations at 1 June	-
Depreciations	<u>335</u>
Depreciations at 31 December	<u>335</u>
<b>Carrying amount at 31 December</b>	<b><u>1.066</u></b>

## Notes

### Note 8 Investments in subsidiaries

	<b>Parent company</b>
	<b>2021</b>
Cost at 1 June	-
Addition	767.593
Cost at 31 December	767.593
Revaluations at 1 June	-
Foreign exchange adjustments	1.431
Profit/loss after tax	(46.201)
Revaluations at 31 December	(44.770)
<b>Carrying amount 31 December</b>	<b>722.823</b>

Name and registered office	Ownership
REF IVV BidCo ApS, Aarhus	100%
Cryptomathic Holding ApS, Aarhus, owned by REF IVV BidCo ApS	100%
Cryptomathic A/S, Aarhus, owned by Cryptomathic Holding ApS	100%
Cryptomathic Ltd, Cambridge, UK, owned by Cryptomathic A/S	100%
Cryptomathic GmbH, München, Germany, owned by Cryptomathic A/S	100%
Cryptomathic Inc., San Jose, USA, owned by Cryptomathic A/S	100%
Aconite Technology Ltd., London, UK, owned by Cryptomathic Ltd.	100%
Aconite Solutions Ltd., London, UK, owned by af Aconite Technology Ltd.	100%
Aconite Consulting Ltd., London, UK, owned by af Aconite Technology Ltd.	100%

**Group**  
**2021**

### Note 9 Contract work in progress

Contract work in progress	3.107
Progress billings and prepayments	(2.781)
	326
Recognised as follows:	
Contract work in progress (assets)	2.266
Contract work in progress (liabilities)	(1.940)
	326

## Notes

	<u>Group</u> <u>2021</u>
<b>Note 10 Deferred tax assets</b>	
Deferred tax 1 June	-
Addition	4.988
Changes in deferred tax for the year	(128)
Deferred tax 31 December	<u>4.860</u>
Expected utilisation:	
Less than 1 year	1.076
More than 1 year and less than 5	<u>3.784</u>
	<u>4.860</u>
<b>Note 11 Prepayments</b>	
Insurance	69
Software licens	590
Hardware and support expenses	1.054
Rent	933
Other	<u>720</u>
	<u>3.367</u>
<b>Note 12 Long term liabilities</b>	
Debt settlement:	
Less than 1 year	
More than 1 year and less than 5 years	110
More than 5 years	<u>219.389</u>
	<u>219.499</u>
<b>Note 13 Deferred income</b>	
Accuals under liabilities includes prepayments from customers that cannot be recognized as income until next financial year.	

## Notes

### Note 14 Contingent liabilities

The company is jointly and severally liable for tax under the Danish joint taxation with the companies within the group. The known net tax liability of the jointly taxed companies is DKK 0 thousand as at 31st of December 2021. Subsequently corrections of the joint taxable income, if any, could result in an increased liability for the company.

The company has operating rent commitments totalling DKK 6.1 million.

The company has operating lease commitments falling due within 5 years totalling DKK 0.1

The Company is a party in a number of ongoing lawsuits. Management is of the opinion that the outcome of these lawsuits will not affect the Company's financial position in addition to the receivables and liabilities recognized in the balance sheet at 31 December 2021.

### Note 15 Shareholders

The Company has registered the following shareholders to hold at least 5% of the voting share capital or at least 5% of the nominal value of the share capital:

PT af 1. januar 2012 ApS  
C/O Cryptomathic A/S  
Åboulevarden 22, 2. sal  
8000 Aarhus C  
Denmark

REF IV In Vino Veritas Holding S.á.r.l.  
13-15 Avenue de la Liberté  
1931 Luxembourg  
Luxembourg

### Note 16 Proposed profit appropriation

	<b>Parent 2021</b>
<i>Proposed profit appropriation</i>	
Proposed dividend	-
Reserve for development cost	-
Net revaluation according to the equity method	-
Retained earnings	<u>(46.534)</u>
	<b><u>(46.534)</u></b>