



NIL Technology ApS

Haldor Topsøes Allé 1
2800 Kongens Lyngby
CVR No. 29310203

Annual report 2024

The Annual General Meeting adopted the
annual report on 27.06.2025

Olaf Carl Ehrenskjöld

Chairman of the General Meeting

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Entity details

Entity

NIL Technology ApS
Haldor Topsøes Allé 1
2800 Kongens Lyngby
Denmark

Business Registration No.: 29310203
Date of foundation: 13.01.2006
Registered office: Lyngby-Taarbæk
Financial year: 01.01.2024 - 31.12.2024

Board of Directors

Theodor Nielsen
Wang, Yu-Chao
Chiang, Ping-Yu

Executive Board

Theodor Nielsen, CEO
Thomas Haals Løndorf
Brian Bilenberg

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of NIL Technology ApS for the financial year 01.01.2024 - 31.12.2024.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 - 31.12.2024.

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.

Kongens Lyngby, 27.06.2025

Executive Board

Theodor Nielsen
CEO

Thomas Haals Løndorf

Brian Bilenberg

Board of Directors

Theodor Nielsen

Wang, Yu-Chao

Chiang, Ping-Yu

Independent auditor's report

To the shareholders of NIL Technology ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of NIL Technology ApS for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.06.2025

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant
Identification No (MNE) mne33712

Sebastian Reinbach Kilde Hye

State Authorised Public Accountant
Identification No (MNE) mne51486

Management commentary

Financial highlights

	2024	2023	2022	2021	2020
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Key figures					
Gross profit/loss	(1,225)	1,069	(3,102)	(324)	(884)
R&D expenses included in gross profit/loss	(1,817)	(246)	(3,790)	(2,534)	(998)
Gross profit/loss excluding R&D	592	1,316	688	2,210	114
Operating profit/loss	(12,516)	(9,022)	(13,136)	(8,580)	(4,828)
Net financials	(911)	(933)	(115)	(92)	(85)
Profit/loss for the year	(12,707)	(9,238)	(12,099)	(8,231)	(4,631)
Balance sheet total	35,396	22,557	24,390	29,434	9,452
Investments in property, plant and equipment	4,230	2,541	3,718	4,351	345
Equity	20,518	684	9,938	21,978	5,268
Cash flows from operating activities	(7,926)	(7,237)	(11,373)	(9,054)	(2,580)
Cash flows from investing activities	(6,504)	(5,898)	(4,213)	(4,706)	(3,385)
Cash flows from financing activities	25,075	6,997	6,988	27,647	4,957
Ratios					
Return on equity (%)	(119.87)	(173.94)	(75.82)	(60.42)	(78.78)
Equity ratio (%)	57.97	3.03	40.75	74.67	55.73

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Balance sheet total

Primary activities

NIL Technology is a vertically integrated optical solutions company designing, developing, and mass-producing optical elements and components using high-precision nanoscale features.

Development in activities and finances

The Group has in 2024 made major advances with respect to entering the market for meta-optics. Furthermore, the company has strengthened its IP significantly. During 2024 the company raised 25 EUR million and later entered into a share purchase agreement with Taiwanese electronics company Radiant Opto-Electronics (ROE) for the 100% acquisition of the shares in NILT. The acquisition was completed in January 2025.

Profit/loss for the year in relation to expected developments

Loss for the year amounts to a loss EUR 12.7 million compared to a loss on EUR 9.2 million in 2023. The Groups Equity as of December 31, 2024 is EUR 20.5 millions compared to EUR 0.7 million December 31, 2023. The result is in line with management's expectations and a result of the Group's growth strategy.

For further information, reference is made to the following income statement, cash flow statement and balance sheet with related notes.

Uncertainty relating to recognition and measurement

As the Group is a development Group, there is a natural uncertainty associated with the measurement of the Group's activities and future earnings. At 31 December 2024, the Group has recognized EUR 13.0 million regarding property, plant and equipment which mainly relates to production facilities, and development costs of EUR 2.9 million related to development of the Groups products and technology. The value of the investments depends on the Group's ability to develop, market and attracting enough customers that generate positive earnings that could yield the total investment. Accordingly, Management has deemed the valuation sound. If the Group's sales and growth deviate significantly from the current plans, there may be uncertainty associated with the valuation.

Unusual circumstances affecting recognition and measurement

There are no unusual circumstances affecting recognition and measurement.

Outlook

In 2025 the company expects to grow the organization resulting in a loss of 15-17m€, excluding special items. The transaction completed in January 2025 is expected to impact the financial statement with special items of cost of at least EUR 15 million.

Use of financial instruments

At the balance sheet date, the company has no active financial instruments. The company is mainly impacted by FX risk on CHF, USD and SEK. The FX risk is hedged through forward contracts or committing the FX up front.

The company is, compared to the general industry, not impacted extraordinarily by price increases or other general risks.

Knowledge resources

The company is relying on its knowledge resources due to the nature of the business. This is managed through process descriptions and documentation as well as a focus on key talent attraction and retention.

Environmental performance

The company is operating in an industry with a high level of competition and is relying on the leading market parties to push the environmental agenda. Where possible, the company is requiring environmental focus from its business partners. In 2021 the company had an analysis made of the environmental impact, leading to an increased focus on the areas within the company's control.

Research and development activities

In 2024, as also presented in note 3, the company has spent significant efforts on commercializing existing products as well as maturing the products in the development pipeline.

Events after the balance sheet date

After the balance sheet date, the company has been 100% acquired by Radiant Opto-Electronics from Taiwan. Following the acquisition, external loans amounting to EUR 9m€ has been paid off and settled.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2024

	Notes	2024 EUR	2023 EUR
Gross profit/loss	3	(1,224,984)	1,069,388
Staff costs	4	(7,944,423)	(7,813,214)
Depreciation, amortisation and impairment losses	5	(3,346,986)	(2,178,182)
Other operating expenses		0	(99,888)
Operating profit/loss		(12,516,393)	(9,021,896)
Other financial income		93,354	222,897
Other financial expenses		(1,004,178)	(1,155,872)
Profit/loss before tax		(13,427,217)	(9,954,871)
Tax on profit/loss for the year	6	720,028	716,963
Profit/loss for the year	7	(12,707,189)	(9,237,908)

Consolidated balance sheet at 31.12.2024

Assets

	Notes	2024 EUR	2023 EUR
Completed development projects	9	2,851,831	2,361,634
Acquired patents		1,205,708	1,066,914
Acquired licences		56,277	7,642
Goodwill		0	0
Intangible assets	8	4,113,816	3,436,190
Other fixtures and fittings, tools and equipment		12,970,167	10,755,476
Property, plant and equipment	10	12,970,167	10,755,476
Deposits		511,276	246,317
Financial assets	11	511,276	246,317
Fixed assets		17,595,259	14,437,983
Raw materials and consumables		428,689	426,356
Inventories		428,689	426,356
Trade receivables		340,390	942,487
Contract work in progress	12	113,511	647,144
Other receivables		366,743	249,074
Tax receivable	13	737,264	737,373
Contributed capital in arrears		90,270	80,290
Prepayments	14	404,017	360,733
Receivables		2,052,195	3,017,101
Cash		15,319,823	4,675,385
Current assets		17,800,707	8,118,842
Assets		35,395,966	22,556,825

Equity and liabilities

	Notes	2024 EUR	2023 EUR
Contributed capital	15	161,200	111,098
Translation reserve		(182,213)	48,617
Reserve for unpaid contributed capital		90,271	80,467
Retained earnings		20,448,654	443,562
Equity		20,517,912	683,744
Other provisions	16	0	220,000
Provisions		0	220,000
Lease liabilities		944,957	961,961
Debt to other credit institutions		8,399,738	8,676,565
Convertible and profit-sharing debt instruments	17	0	7,601,428
Other payables		235,901	229,026
Non-current liabilities other than provisions	18	9,580,596	17,468,980
Current portion of non-current liabilities other than provisions	18	1,197,102	834,164
Bank loans		964,843	965,764
Contract work in progress	12	435,400	204,449
Trade payables		1,098,747	1,347,413
Other payables		1,049,332	832,311
Deferred income	19	552,034	0
Current liabilities other than provisions		5,297,458	4,184,101
Liabilities other than provisions		14,878,054	21,653,081
Equity and liabilities		35,395,966	22,556,825
Events after the balance sheet date	1		
Uncertainty relating to recognition and measurement	2		
Unrecognised rental and lease commitments	21		
Assets charged and collateral	22		
Non-arm's length related party transactions	23		
Subsidiaries	24		

Consolidated statement of changes in equity for 2024

	Contributed capital EUR	Share premium EUR	Translation reserve EUR	Reserve for unpaid contributed capital EUR	Retained earnings EUR
Equity beginning of year	111,098	0	48,617	80,467	443,562
Increase of capital	50,766	32,755,954	0	12,503	0
Decrease of capital	(315)	(39,142)	0	0	0
Transferred from share premium	0	(32,716,812)	0	0	0
Purchase of treasury shares	0	0	0	0	(6,976)
Exchange rate adjustments	(349)	0	(270,287)	(254)	0
Other entries on equity	0	0	39,457	(2,445)	2,445
Transfer to reserves	0	0	0	0	32,716,812
Profit/loss for the year	0	0	0	0	(12,707,189)
Equity end of year	161,200	0	(182,213)	90,271	20,448,654

	Total EUR
Equity beginning of year	683,744
Increase of capital	32,819,223
Decrease of capital	(39,457)
Transferred from share premium	(32,716,812)
Purchase of treasury shares	(6,976)
Exchange rate adjustments	(270,890)
Other entries on equity	39,457
Transfer to reserves	32,716,812
Profit/loss for the year	(12,707,189)
Equity end of year	20,517,912

Consolidated cash flow statement for 2024

	Notes	2024 EUR	2023 EUR
Operating profit/loss		(12,516,393)	(9,021,896)
Amortisation, depreciation and impairment losses		3,346,986	2,178,182
Other provisions		(220,000)	220,000
Working capital changes	20	1,757,511	(1,101,278)
Cash flow from ordinary operating activities		(7,631,896)	(7,724,992)
Financial income received		42,748	75,568
Financial expenses paid		(1,056,979)	(305,822)
Taxes refunded/(paid)		720,137	718,590
Cash flows from operating activities		(7,925,990)	(7,236,656)
Acquisition etc. of intangible assets		(2,010,941)	(3,325,073)
Sale of intangible assets		1,505	3,553
Acquisition etc. of property, plant and equipment		(4,229,866)	(2,540,893)
Acquisition of fixed asset investments		(264,959)	(35,121)
Cash flows from investing activities		(6,504,261)	(5,897,534)
Free cash flows generated from operations and investments before financing		(14,430,251)	(13,134,190)
Loans raised		1,034,049	7,886,064
Repayments of loans etc.		(921,830)	(889,069)
Acquisition of treasury shares		(6,976)	0
Cash capital increase		25,008,903	0
Cash capital decrease		(39,457)	0
Cash flows from financing activities		25,074,689	6,996,995

Increase/decrease in cash and cash equivalents	10,644,438	(6,137,195)
Cash and cash equivalents beginning of year	4,675,385	10,812,580
Cash and cash equivalents end of year	15,319,823	4,675,385
Cash and cash equivalents at year-end are composed of:		
Cash	15,319,823	4,675,385
Cash and cash equivalents end of year	15,319,823	4,675,385

Notes to consolidated financial statements

1 Events after the balance sheet date

After the balance sheet date, the company has been 100% acquired by Radiant Opto-Electronics from Taiwan. Following the acquisition, external loans amounting to EUR 9m€ has been paid off and settled.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Uncertainty relating to recognition and measurement

As the group is investing significantly into technology development, there is a natural uncertainty associated with the measurement of the Group's activities and future earnings. At 31 December 2024, the Group has recognized EUR 13.0 million regarding property, plant and equipment which mainly relates to production facilities, and development costs of EUR 2.9 million related to development of the Groups products and technology. The value of the investments depends on the Group's ability to develop, market and attracting enough customers that generate positive earnings that could yield the total investment. Accordingly, Management has deemed the valuation sound.

3 Gross profit/loss

For 2024, the Group has capitalized EUR. 1,293 thousand in development projects. The Group recognised EUR 727 thousand regarding research. Without these research-costs the Group had a Gross loss EUR 498 thousand in 2024.

For 2023, the Group has capitalized EUR. 2,612 thousand in development projects. The Group recognised EUR 246 thousand regarding research. Without these research-costs the Group had a Gross profit EUR 1,316 thousand in 2023.

4 Staff costs

	2024 EUR	2023 EUR
Wages and salaries	7,073,648	6,882,717
Pension costs	684,995	726,223
Other social security costs	185,780	204,274
	7,944,423	7,813,214
Average number of full-time employees	62	69

	Remuneration of management 2024 EUR	Remuneration of management 2023 EUR
Executive Board	780,096	724,992
	780,096	724,992

5 Depreciation, amortisation and impairment losses

	2024 EUR	2023 EUR
Amortisation of intangible assets	1,331,811	589,203
Depreciation on property, plant and equipment	2,015,175	1,588,979
	3,346,986	2,178,182

6 Tax on profit/loss for the year

	2024 EUR	2023 EUR
Current tax	(720,028)	(716,963)
	(720,028)	(716,963)

7 Proposed distribution of profit/loss

	2024 EUR	2023 EUR
Retained earnings	(12,707,189)	(9,237,908)
	(12,707,189)	(9,237,908)

8 Intangible assets

	Completed development projects EUR	Acquired patents EUR	Acquired licences EUR	Goodwill EUR
Cost beginning of year	2,655,761	1,884,222	93,753	1,661
Additions	1,293,356	664,198	53,388	0
Disposals	0	(1,505)	0	0
Cost end of year	3,949,117	2,546,915	147,141	1,661
Amortisation and impairment losses beginning of year	(294,127)	(817,308)	(86,111)	(1,661)
Amortisation for the year	(803,159)	(523,899)	(4,753)	0
Amortisation and impairment losses end of year	(1,097,286)	(1,341,207)	(90,864)	(1,661)
Carrying amount end of year	2,851,831	1,205,708	56,277	0

9 Development projects

The Group works with the design, development, and production of optical components and optical elements for 3D sensing, consumer electronics (mobile phones), autonomous vehicles, VR/AR displays, etc. Products include "diffusers", "fan-outs", "collimators", "focusing lenses", and waveguides, all made of diffractive optical elements and meta lenses. The cost associated with the development of these assets is on a running basis recognised as intangible assets. The amortization period is set to 2-5 years.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment EUR
Cost beginning of year	14,103,232
Additions	4,229,866
Cost end of year	18,333,098
Depreciation and impairment losses beginning of year	(3,347,756)
Depreciation for the year	(2,015,175)
Depreciation and impairment losses end of year	(5,362,931)
Carrying amount end of year	12,970,167
Recognised assets not owned by Entity	3,839,178

11 Financial assets

	Deposits EUR
Cost beginning of year	246,317
Additions	264,959
Cost end of year	511,276
Carrying amount end of year	511,276

12 Contract work in progress

	2024 EUR	2023 EUR
Contract work in progress	313,731	819,811
Progress billings	(635,620)	(377,116)
Transferred to liabilities other than provisions	435,400	204,449
	113,511	647,144

13 Tax receivable

Tax receivables of EUR 737 thousand comprise of expected tax credit for development costs for the income year 2024 determined in accordance with Danish Tax Assessment Act (Ligningsloven) section 8X to be settled in November 2025.

14 Prepayments

Prepayments comprises costs related to subsequent financial years.

15 Contributed capital

	Number	Par value EUR	Nominal value EUR
A shares	38,470	1.00	38,470
B shares	71,992	1.00	71,992
C shares	50,738	1.00	50,738
	161,200		161,200

16 Other provisions

Provisions for loss-making contracts on contract work in progress are recognized under other provisions based on management's estimation.

17 Convertible and profit-sharing debt instruments

As per 31. December 2024 the convertible is long-term debt is DKK 0. A conversion was made in 2024 for the entire loan.

18 Non-current liabilities other than provisions

	Due within 12 months 2024 EUR	Due within 12 months 2023 EUR	Due after more than 12 months 2024 EUR
Lease liabilities	732,329	595,765	944,957
Debt to other credit institutions	464,773	238,399	8,399,738
Other payables	0	0	235,901
	1,197,102	834,164	9,580,596

19 Deferred income

Deferred income concerns accrued revenue.

20 Changes in working capital

	2024 EUR	2023 EUR
Increase/decrease in inventories	(2,333)	(65,898)
Increase/decrease in receivables	964,790	(520,314)
Increase/decrease in trade payables etc.	795,054	(515,066)
	1,757,511	(1,101,278)

21 Unrecognised rental and lease commitments

	2024 EUR	2023 EUR
Total liabilities under rental or lease agreements until maturity	2,379,053	2,028,538

22 Assets charged and collateral

As security for loan the Group has issued corporate mortgage in the Group's assets totalling EUR 1.0 million.

23 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

24 Subsidiaries

	Registered in	Corporate form	Ownership %
NILT Switzerland GmbH	Zürich, Switzerland	GmbH	100.00
NILT US Inc.	Delaware, USA	Inc.	100.00
NILT Malaysia Sdn. Bhd.	Malaysia	SDN. BHD.	100.00
NILT Singapore PTE. LTD.	Singapore	Pte. Ltd.	100.00

Parent income statement for 2024

	Notes	2024 EUR	2023 EUR
Gross profit/loss	3	(5,128,493)	(2,892,578)
Staff costs	4	(5,145,341)	(4,752,409)
Depreciation, amortisation and impairment losses	5	(1,892,771)	(992,905)
Other operating expenses		0	(3,554)
Operating profit/loss		(12,166,605)	(8,641,446)
Other financial income	6	185,221	180,229
Other financial expenses	7	(1,071,726)	(1,147,099)
Profit/loss before tax		(13,053,110)	(9,608,316)
Tax on profit/loss for the year	8	747,316	750,292
Profit/loss for the year	9	(12,305,794)	(8,858,024)

Parent balance sheet at 31.12.2024

Assets

	Notes	2024 EUR	2023 EUR
Completed development projects	11	2,851,831	1,540,860
Acquired patents		838,046	658,954
Acquired licences		54,049	5,580
Goodwill		0	0
Intangible assets	10	3,743,926	2,205,394
Other fixtures and fittings, tools and equipment		5,407,712	5,255,395
Property, plant and equipment	12	5,407,712	5,255,395
Investments in group enterprises		125,174	125,173
Receivables from group enterprises		8,408,906	3,741,571
Deposits		119,749	155,912
Financial assets	13	8,653,829	4,022,656
Fixed assets		17,805,467	11,483,445
Raw materials and consumables		428,689	391,171
Manufactured goods and goods for resale		0	2,286,752
Inventories		428,689	2,677,923
Trade receivables		340,390	942,487
Contract work in progress	14	113,511	647,144
Other receivables		300,285	199,648
Tax receivable	15	737,264	737,373
Contributed capital in arrears		90,270	80,290
Prepayments	16	315,243	257,925
Receivables		1,896,963	2,864,867
Cash		13,125,158	3,587,816
Current assets		15,450,810	9,130,606
Assets		33,256,277	20,614,051

Equity and liabilities

	Notes	2024 EUR	2023 EUR
Contributed capital	17	161,200	111,098
Translation reserve		(25,173)	8,970
Reserve for unpaid contributed capital		90,271	80,467
Reserve for development costs		2,225,576	1,201,870
Retained earnings		18,091,488	(1,291,293)
Equity		20,543,362	111,112
Other provisions	18	0	220,000
Provisions		0	220,000
Lease liabilities		259,663	578,567
Debt to other credit institutions		8,347,077	8,613,465
Convertible and profit-sharing debt instruments	19	0	7,601,428
Other payables		235,901	229,026
Non-current liabilities other than provisions	20	8,842,641	17,022,486
Current portion of non-current liabilities other than provisions	20	773,858	541,019
Bank loans		964,843	965,764
Contract work in progress	14	435,400	204,449
Trade payables		542,410	774,854
Other payables		824,950	774,367
Deferred income	21	328,813	0
Current liabilities other than provisions		3,870,274	3,260,453
Liabilities other than provisions		12,712,915	20,282,939
Equity and liabilities		33,256,277	20,614,051
Events after the balance sheet date	1		
Uncertainty relating to recognition and measurement	2		
Unrecognised rental and lease commitments	22		
Assets charged and collateral	23		
Non-arm's length related party transactions	24		

Parent statement of changes in equity for 2024

	Contributed capital EUR	Share premium EUR	Translation reserve EUR	Reserved for unpaid contributed capital EUR	Reserve for development costs EUR
Equity beginning of year	111,098	0	8,970	80,467	1,201,870
Increase of capital	50,766	32,755,954	0	12,503	0
Decrease of capital	(315)	(39,142)	0	0	0
Transferred from share premium	0	(32,716,812)	0	0	0
Purchase of treasury shares	0	0	0	0	0
Exchange rate adjustments	(349)	0	(73,600)	(254)	0
Other entries on equity	0	0	39,457	(2,445)	0
Transfer to reserves	0	0	0	0	1,023,706
Profit/loss for the year	0	0	0	0	0
Equity end of year	161,200	0	(25,173)	90,271	2,225,576

	Retained earnings EUR	Total EUR
Equity beginning of year	(1,291,293)	111,112
Increase of capital	0	32,819,223
Decrease of capital	0	(39,457)
Transferred from share premium	32,716,812	0
Purchase of treasury shares	(6,976)	(6,976)
Exchange rate adjustments	0	(74,203)
Other entries on equity	2,445	39,457
Transfer to reserves	(1,023,706)	0
Profit/loss for the year	(12,305,794)	(12,305,794)
Equity end of year	18,091,488	20,543,362

Notes to parent financial statements

1 Events after the balance sheet date

After the balance sheet date, the company has been 100% acquired by Radiant Opto-Electronics from Taiwan. Following the acquisition, external loans amounting to EUR 9m€ has been paid off and settled.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Uncertainty relating to recognition and measurement

As the group is investing significantly into technology development, there is a natural uncertainty associated with the measurement of the Group's activities and future earnings. At 31 December 2024, the Company has recognized EUR 5.4 million (out of EUR 13.0 million for the group) regarding property, plant and equipment which mainly relates to production facilities and development costs of EUR 2.9 million (out of EUR 2.9 million for the group) related to development of products and technology. Furthermore EUR 8.4 million are recognized as a receivable from Group companies. The value of the investments and the receivable depends on the Group's ability to develop, market and attracting enough customers that generate positive earnings that could yield the total investment. Accordingly, Management has deemed the valuation sound.

3 Gross profit/loss

For 2024, the Entity has capitalized EUR 2,114 thousand in development projects.

4 Staff costs

	2024 EUR	2023 EUR
Wages and salaries	4,479,171	4,091,189
Pension costs	480,390	487,847
Other social security costs	185,780	173,373
	5,145,341	4,752,409

Average number of full-time employees	39	36
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	Remuneration of Manage- ment 2024 EUR	Remuneration of Manage- ment 2023 EUR
Executive Board	780,096	724,992
	780,096	724,992

5 Depreciation, amortisation and impairment losses

	2024	2023
	EUR	EUR
Amortisation of intangible assets	1,172,596	393,129
Depreciation on property, plant and equipment	720,175	599,776
	1,892,771	992,905

6 Other financial income

	2024	2023
	EUR	EUR
Financial income from group enterprises	142,474	104,663
Other interest income	42,747	75,566
	185,221	180,229

7 Other financial expenses

	2024	2023
	EUR	EUR
Financial expenses from group enterprises	0	4,377
Other interest expenses	909,013	1,077,119
Exchange rate adjustments	152,847	57,652
Other financial expenses	9,866	7,951
	1,071,726	1,147,099

8 Tax on profit/loss for the year

	2024	2023
	EUR	EUR
Current tax	(747,316)	(750,292)
	(747,316)	(750,292)

9 Proposed distribution of profit and loss

	2024	2023
	EUR	EUR
Retained earnings	(12,305,794)	(8,858,024)
	(12,305,794)	(8,858,024)

10 Intangible assets

	Completed development projects EUR	Acquired patents EUR	Acquired licences EUR	Goodwill EUR
Cost beginning of year	1,724,235	1,338,603	91,482	1,661
Additions	2,114,130	539,462	51,962	0
Cost end of year	3,838,365	1,878,065	143,444	1,661
Amortisation and impairment losses beginning of year	(183,375)	(674,069)	(85,908)	(1,661)
Amortisation for the year	(803,159)	(365,950)	(3,487)	0
Amortisation and impairment losses end of year	(986,534)	(1,040,019)	(89,395)	(1,661)
Carrying amount end of year	2,851,831	838,046	54,049	0

11 Development projects

The Group works with the design, development, and production of optical components and optical elements for 3D sensing, consumer electronics (mobile phones), autonomous vehicles, VR/AR displays, etc. Products include "diffusers", "fan-outs", "collimators", "focusing lenses", and waveguides, all made of diffractive optical elements and meta lenses. The cost associated with the development of these assets is on a running basis recognised as intangible assets. The amortization period is set to 5 years.

12 Property, plant and equipment

	Other fixtures and fittings, tools and equipment EUR
Cost beginning of year	6,446,084
Additions	872,492
Cost end of year	7,318,576
Depreciation and impairment losses beginning of year	(1,190,689)
Depreciation for the year	(720,175)
Depreciation and impairment losses end of year	(1,910,864)
Carrying amount end of year	5,407,712
Recognised assets not owned by entity	1,323,069

13 Financial assets

	Investments in group enterprises EUR	Deposits EUR
Cost beginning of year	125,173	155,912
Additions	1	0
Disposals	0	(36,163)
Cost end of year	125,174	119,749
Carrying amount end of year	125,174	119,749

The investments in group entities are recognised in the Parent at cost and therefore, the results and equity of the Parent does not reflect the results of the Group enterprises.

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

14 Contract work in progress

	2024 EUR	2023 EUR
Contract work in progress	313,731	819,811
Progress billings	(635,620)	(377,116)
Transferred to liabilities other than provisions	435,400	204,449
	113,511	647,144

15 Tax receivable

Tax receivables of EUR 737 thousand comprise of expected tax credit for development costs for the income year 2024 determined in accordance with Danish Tax Assessment Act (Ligningsloven) section 8X to be settled in November 2025.

16 Prepayments

Prepayments comprises costs related to subsequent financial years.

17 Treasury shares

	Number	Nominal value EUR
Treasury shares	1,850	1,850
Investments acquired	1,850	1,850

In previous years the Company has purchased 550 of it's own shares of nominally 550 to a total value of EUR 12,102 equaling 0.1 % of the total shareholding at the time of purchase. The purchase of own share where conducted due to a change in the group of shareholders. The total number of treasury shares at 31. December 2024 amount to 1,850 equaling 0.2 % of the total shareholding.

18 Other provisions

Provisions for loss-making contracts on contract work in progress are recognized under other provisions based on management's estimation.

19 Convertible and profit-sharing debt instruments

As per 31. December 2024 the convertible is long-term debt is DKK 0. A conversion was made in 2024 for the entire loan.

20 Non-current liabilities other than provisions

	Due within 12 months 2024 EUR	Due within 12 months 2023 EUR	Due after more than 12 months 2024 EUR
Lease liabilities	318,353	311,378	259,663
Debt to other credit institutions	455,505	229,641	8,347,077
Other payables	0	0	235,901
	773,858	541,019	8,842,641

21 Deferred income

Deferred income concerns accrued revenue.

22 Unrecognised rental and lease commitments

	2024 EUR	2023 EUR
Total liabilities under rental or lease agreements until maturity	849,694	884,431

23 Assets charged and collateral

As security for loan the Company has issued corporate mortgage in the Company's assets totalling EUR 1.0 million.

24 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date,

with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. 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 rate 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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, costs of raw materials and consumables and external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise decreases or increases for the

financial year in inventories of finished goods and work in progress. This item includes normal writedowns of such inventories. Changes in inventories of raw materials are included in costs of raw materials and consumables.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the

portion attributable to entries directly in equity.

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 2-5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the manufacturing process are recognised in cost based on time spent on each asset.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a contract in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred. However, costs which arise directly from securing contracts and which are expected to be recovered, are recognised over the term of the contract.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Contributed capital in arrears

Contributed capital in arrears consists of capital subscribed, but not paid up, which is recognised as a separate amount receivable in assets and a separate reserve in equity (gross method). The amount receivable is measured at amortised cost.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Treasury shares

Acquisition and selling prices and dividends of treasury shares are classified directly as equity in retained earnings. Gains and losses from sale are not recognised in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to their nominal value.

Other provisions

Other provisions comprise anticipated costs of loss on contract work in progress etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made

for the total loss estimated to result from the relevant contract.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.