

2006 Annual Financial Report

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Annual Report of the Supervisory Board

Dear Shareholders,

During the financial year 2006, we have successfully achieved further milestones in the propagation of our technology. Thus, last year, we were able to acquire more than 18 additional distribution partners for our network of strategic marketing partners, up from 5 the year before. These include such renowned companies as Adobe, Germany CSC, Fujitsu Siemens Computers, itelligence, RAMICRO, SER., Swisscom Solutions and T-Systems. In Germany in particular, several promising projects were designed within the scope of these distribution partnerships, some of which were already completed in 2006, while others are expected to be finalised in the current year, 2007.

Turnover rose by 338% to CHF 1,190,689 and the Group loss amounted to CHF 987,369. Two successful capital increases in the first half-year of 2006, in which institutional investors also participated for the first time, led to the rise in liquid assets on 31st December, 2006 up to CHF 3,726,910 compared to CHF 439,161 on 31st December, 2005.

Economic environment

The global economy again experienced a strong upswing during the course of last year, and Europe in particular can look back upon an extremely good growth year in 2006. This led to raised inflation risks and with it further rationalisation of financial policies. Consumer behaviour in Europe, on the other hand, has only improved gradually and continues to lie below the long-standing average. Despite the fact that growth has temporarily slowed down since the middle of last year, the global economy should accelerate again in 2007 in line with forecasts.

In the continuing development of our business, we are helped by the global economic mega-trends of rapid innovation and the development of information technology and telecommunications, frequently referred to as the "communication revolution", associated with the internationalisation of technology. As a consequence of this, long-distance economic transactions are becoming considerably easier and cheaper. The socio-cultural, global mega-trend of the need for transparency (keyword: digital identity) has given the OPENLiMIT technology a further impetus, supplementing the economic mega-trends.

However, the IT industry was only able to achieve a yield growth in 2006 with an additional order volume and cost-savings. Customers rely on standardised software because they can no longer afford (expensive) specialist developments. Companies want information and communication technologies that are as cost-effective and as easy to use as possible. Compatibility and integration in the existing IT and working environment come first; the focus is on smart applications. Interfaces must function smoothly, and business processes and IT have to be perfectly harmonised with one another. This leads to greater demands on the IT industry.

The awareness of companies and state institutions regarding the utilisation of electronic signatures once more perceptibly increased in 2006. This showed itself not only in the greater number of information events covering the topic of security and electronic signatures, but, above all, in the increase in realised projects focussing on the use of electronic signatures. Despite a sharp increase in interest, a widespread application of electronic signatures is still to materialise. The step forward from established work processes to modern workflows, even where it is evident that they will result in greater efficiency and reduced costs, takes time.

Business development

With the strategic distribution partnerships and cooperations concluded in 2006, we have created the basis for long-term growth. We were able to complete some high-profile reference projects and for the first time sell larger numbers of licences to end users. Our software has been successfully integrated by different partners in their applications and presented at trade fairs. For example, SER. presented its e-Government application PRODEA with integrated OPENLiMiT software at the Moderner Staat trade fair in Berlin. CSC Germany has integrated OPENLiMiT software into its product j-sign and has already sold it successfully. Likewise, RA-MICRO has completed its first sales due to the fact that since the beginning of this year registrations now have to be sent electronically to trade register offices in Germany. Together with Adobe, the OPENLiMiT software was presented in October/November of last year on the Acrobat 8 Launch Tour. Adobe was able to take this opportunity to announce that it has chosen OPENLiMiT as a strategic partner for certified electronic signatures.

OPENLiMiT has adapted its support organisation together with its support concept to meet the most demanding customer needs, and successfully prepared the partnership it entered this year with Fujitsu Siemens Computers with regard to the outsourcing of IT product services and first and second level support. This laid the foundation for being able to provide qualified support services to a large number of end users using our certified support partner worldwide.

Further development of our products

OPENLiMiT is continuing to work hard towards implementing its product development plan, The company was able to engage the services of additional software specialists. In addition to the porting of the OPENLiMiT software to operating systems other than Windows®, in particular to the Unix variant Sun Solaris as well as various other Linux derivatives, numerous certification projects were also concluded for our partners to the Federal Association of Company Sickness Benefit Funds (BKK) as well as the German Savings Bank Publishers (DSV).

Within the scope of ongoing development of the OPENLiMiT software, the software architecture has been renewed and made more flexible and the user interface has been revamped. Corresponding prototypes were presented this year at CeBIT i2007, where OPENLiMiT was represented at three other stands besides its own.

Integration of the latest signature cards and card readers in the OPENLiMiT solution is one of the standard orders for product care.

Corporate structure

For the purpose of simplification of the company's legal structure, the two companies OPENLiMiT Tower AG and OPENLiMiT Services AG were merged to form OPENLiMiT SignCubes AG. At the same time, the number of the supervisory boards has been reduced and the signatory regulations have been standardised at both OPENLiMiT Holding AG and OPENLiMiT SignCubes AG.

Financial results

Turnover increased last year by 338% from CHF 271,708 in 2005 to CHF 1,190,689 for the reporting year. Operating costs could be reduced by 44% from CHF 5,453,416 to CHF 3,035,660 on account, among other reasons, of the sale of OPENLiMiT Access Marketing AG. The Group recorded a negative result of CHF 987,369.

As of 31st December, 2006, liquid assets amounted to CHF 3,726,910 against CHF 439,161 on 31st December, 2005. With a cash burn rate of CHF 381,953 per month assuming constant costs and income, OPENLiMiT is financed until the end of 2007.

Outlook

We are well on the way to achieving our stated goals concerning the expansion of our marketing partnerships and sales of our products. We will concentrate even more on distribution management to achieve, together with our strategic partners, success for our company. We are confident that, thanks to standardised business processes and common values, as well as the will to achieve outstanding performance that is anchored in our corporate culture, we will succeed in meeting the needs of our customers, in generating lasting growth for our shareholders, as well as in offering a motivating and worthwhile environment to our employees.

The best possible operational performance, logical cost management, as well as solid technology, form the cornerstones of our success. On this basis, we want to continue consolidating the OPENLiMiT brand and raise awareness of our products even further.

All of these goals are only possible due to the efforts of our 27 employees. We thank them for their enthusiasm and commitment, and our customers and shareholders for their loyalty and support.

The Supervisory Board



Business Activities

1. Introduction

The OPENLiMiT Group focuses as a technology company on the development and marketing of software products for electronic signatures and encryption technology. The OPENLiMiT signature software helps consumers, companies and state institutions to enhance the security, verifiability and efficiency of their electronic business transactions, to reach the greatest possible security for its data, as well as to optimise workflow and communication processes.

OPENLiMiT markets its products under the names "OPENLiMiT ®" and "OPENLiMiT ® SignCubes". The OPENLiMiT software is the first signature application component to have been certified by the German Federal Department for Security in Information Technology (BSI) in compliance with the international IT security standards Common Criteria EAL 4 + and confirmed by the German law governing the basic conditions for electronic signatures dated 16th May, 2001 (SigG, BGBl I 2001, 876) as well as the German Ordinance on Electronic Signatures dated 16th November, 2001 (SigV, BGBl I i2001, 3074). In addition, the OPENLiMiT SignCubes 2.1, basic components v2.1.1.1 has been awarded the ISIS-MTT seal of approval for the "Document Signing Client" and "SigG-Profile Compliant Document-Signing Client" product classes by the ISIS-MTT Board. Moreover, PricewaterhouseCoopers has attested that the joint Adobe and OPENLiMiT solutions fulfil all auditing requirements regarding audit-secure invoicing and archiving. The OPENLiMiT software products are supplied as standard solutions in various different configurations. On account of the modular development of the software products, the modules can be repeatedly recombined and adapted to specific customer needs.

OPENLiMiT products are extremely versatile For example, OPENLiMiT products are already being deployed in B2C, B2B, C2C, G2B, G2C and G2G applications. Applicational uses for the signature components include in particular the following areas: e-business, e-invoice, e statements, e-correspondence, e-documentation, e-archiving, e-forms, e-procurement, e-government, e-medical, e-health, e banking, e-payment, e-auctions, e-media, software licence protection, online service performances in general, virtual offices, electronic door openers and time stamps, as well as electronic identity cards.

The market development of signature application components is being primarily encouraged by a legally supported environment, greater pressure in the private and public sectors to save costs and increase efficiency through the use of media-consistent workflows, as well as by greater awareness of the hazards of date manipulations by third parties, phishing and identity theft.

OPENLiMiT's international activities and subsidiaries are directed by the head office in Switzerland. The OPENLiMiT products are marketed by our marketing and co-operation partners to the entire market spectrum of consumers, small and medium-sized enterprises (SMEs), major corporations and multinational groups, as well as state institutions.

2. Products and services

2.1 General

The OPENLiMiT signature software allows on the one hand the unequivocal identification of the author of an (electronic) message, in that the author's electronic signature can be verified by a trust centre or in general a Public Key Infrastructure (authenticity), and on the other hand the detection of deliberate and/or unintentional manipulation of documents or data (integrity). In addition to this, the sense of responsibility of those participating in electronic workflow processes is enhanced by the actual act of signing.

Of particular significance is that they allow legally binding processes to be concluded electronically using advanced or certified electronic signatures, whereby (as a rule only) the certified electronic signature is accorded the same status as hand-signed signatures on the basis of the corresponding legal regulations.

The OPENLiMiT products have the following features and functions:

- The OPENLiMiT SignCubes 2.1 basic components have been certified by the German Federal Department for Security in Information Technology (BSI) in compliance with the so-called Common Criteria and confirmed in accordance with the German Signature Act. The certified confirmation of the OPENLiMiT SignCubes 2.1 basic components covers the technical security-related functions in the sense of the generation and verification of certified electronic signatures, whereby the OPENLiMiT software incorporates technical components for generating and verifying certified electronic signatures using a unique quality mark. Moreover, the OPENLiMiT software was the first signature software to be awarded the ISIS-MTT seal of approval for the "Document Signing Client" and "SigG Profile Compliant Document-Signing Client" product classes, as well as the supplementary "Processing of attribute certificates", by the ISIS-MTT Board. PricewaterhouseCoopers has attested that the joint Adobe and OPENLiMiT solutions fulfil all auditing requirements regarding audit-secure invoicing and archiving.
- The OPENLiMiT technology can be integrated in existing software environments (e.g. an existing Enterprise Resource Planning (ERP) software, Document Management System (DMS), archive system or Enterprise Content Management (ECM) system of a company or authority) via a Common Criteria-certified interface. This allows electronic signature functions (e.g. generation, authentication, test protocol, time stamp, etc.) to be integrated in electronic processes where an electronic signature is necessary or desirable.
- The OPENLiMiT software supports the globally widespread PDF format (Portable Document Format) and even allows embedded PDF signatures (i.e. signatures that are embedded in the PDF document). This means that PDF documents can be displayed as legally required showing any hidden data, and then signed or authenticated. The signature functions can also be executed within the Adobe® products Adobe® Reader®, Adobe Acrobat® and Adobe LiveCycle™ using a certified OPENLiMiT® plug-in for Adobe (www.adobe.de/signatur).
- Plug-in for Adobe® Reader® and Adobe Acrobat® v7.X for generating and verifying embedded PDF signatures;

- Secure and legally compliant display of PDF, TIFF and TXT files in the OPENLiMiT ® Secure Viewer;
- Independent of trust centres;
- Support for most confirmed signature cards that work with an RSA algorithm. Cards that are addressed via the PKCS#15 interface are also supported;
- Support for a large number of different card readers as well as PC/Sc-capable card readers;
- Support for all approved Hash algorithms (SHA-1 to SHA-512, RIPEMD-160) as well as the RSA algorithm up to 2048 bits;
- Various other features such as time stamp querying, OCSP query, support for attribute certificates, etc.

2.2 Software products

OPENLiMiT offers different software products that are designed as modules (OPENLiMiT software family, version 2.1). This is a system of various components for generating and verifying certified and advanced signatures as well as for encrypting and decrypting data. The different products from the 2.1 product family originate from the combination of various software modules developed by OPENLiMiT.

The OPENLiMiT software is designed for use under Microsoft ® operating systems (Windows ® 2000 and later).

With the licensing system, users can easily upgrade from one product to the next at any time simply by entering an appropriate licence key.



OPENLiMiT offers software products for every sector of the market as shown in the table below:

	Consumer	SME	Enterprise / Government
Products	OPENLiMiT Client solutions*	OPENLiMiT Client solutions* OPENLiMiT® Batch OPENLiMiT® SDK/ Services	OPENLiMiT Client solutions* OPENLiMiT® Batch OPENLiMiT® SDK/ Services OPENLiMiT® Signature Extension OPENLiMiT® Authorization Suite
Functions/applications	Signing, encryption, archiving, e-mail	Signing/encryption, archiving, e-Invoice, e-statements, Web login, anti-phishing, e-mail, e-procurement	Signing/encryption, archiving, e-Invoice, e-statements, Web login, anti-phishing, e-mail, e-procurement, e-Forms

* OPENLiMiT Client solutions:

- OPENLiMiT® Reader: Free download, signature verification, signature in Adobe® Reader Extension Server (ARE), forms licensed for Adobe® Acrobat® 8.0 and OPENLiMiT;
- OPENLiMiT® PDF-Sign: Signature verification, signing of PDF documents;
- OPENLiMiT® CC-Sign: Signature verification, signing of documents, e-mail;
- OPENLiMiT® Signature Suite (+ OPENLiMiT® Batch 25): Signature verification, signing of documents, e-mail, workflow (+ batch signatures).

The free OPENLiMiT® Reader allows electronic signatures to be authenticated by recipients who do not have access to a smart card or card reader. In addition, the user can also use the free OPENLiMiT® Reader to generate signatures in specially licensed documents with his smart card and card reader. This gives companies and authorities the capability to conclude electronic workflow processes with external users without the user being compelled to purchase the software. The company's remaining software products are sold.

2.3 Services

OPENLiMiT offers its customers various services in conjunction with electronic signatures and encryption:

- **Version care:** The current software version is updated and improved without any significant additional functions. This represents the current maintenance status within a version of the software for the purpose of providing a temporary single fault remedy (patch, bugfix) or bundled fault remedies (update), and bears a consecutive number within the version number.
- **Version change:** Version changes usually lead to significant additional functions compared with the preceding version and have a different version number (upgrade).
- **Technical support:** OPENLiMiT offers third level support to contract partners as well as full support services to customers with service contracts as part of the maintenance services. All other users have access to first and second level support via an external call centre.
- **Training:** OPENLiMiT offers training in the field of electronic signatures and encryption, as well as application consultation. Training in conjunction with new partnerships is free of charge; in other cases it is invoiced separately.
- **Product conception:** OPENLiMiT supports its integration partners in the conception of software for selected target markets based on available and in-development modules.
- **Common Criteria certification:** OPENLiMiT supports selected partners in the Common Criteria certification process with OPENLiMiT components. Common Criteria certification

including software adaptation is invoiced separately and currently represents the largest share of OPENLiMIT's service turnover.

3. Regulatory environment

The electronic signature is legally anchored. Most of the world's industrial countries have passed laws that accord (certified) electronic signatures the same status as hand-signed signatures. These countries include:

Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bermuda, Brazil, Bulgaria, Byelorussia, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Dominican Republic, Ecuador, Estonia, Finland, France, Germany, Greece, Great Britain, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Latvia, Lichtenstein, Luxembourg, Malaysia, Malta, Mexico, New Zealand, Netherlands, Nicaragua, Norway, Panama, Peru, Philippines, Poland, Portugal, Puerto Rico, Romania, Russian Federation, Sweden, Switzerland, Singapore, Slovakian Republic, Slovenia, Spain, South Africa, South Korea, Taiwan, Thailand, Trinidad, Tunisia, Turkey, Uruguay, USA, Venezuela and Vietnam (source: <http://dsls.law.uvt.nl/>).

In the European Union (EU), the national laws of the member states are based on Directive 1999/93/EU of the European Parliament and Council from 13th December, 1999, which regulates common framework conditions for electronic signatures and came into effect in January 2000. The directive harmonised existing laws of some member states and created the basis for the passing of signature laws in all the states. In the meantime, according to a report on the application of Directive 1999/93/EU about common framework conditions for electronic signatures dated 15th March, 2006, all 25 member states of the EU have implemented the general principles of the directive. This EU directive has also formed the basis for national laws of some non-EU countries. For example, electronic business dealings are also possible with Switzerland, where federal law on electronic signatures (ZertES) came into force on 1st January, 2005.

On account of the leading role played by the Federal Republic of Germany, whose signature law came into effect in its first formulation as long ago as 1st August, 1997, the following stipulations of the German Signature Act (SigG) and Signature Ordinance (SigV) are given here as examples. The SigG defines in § 2 three kinds of electronic signatures:

1. "electronic signatures": Data in electronic form that is appended to other electronic data or logically linked with it and which serves the purpose of authentication;
2. "advanced electronic signatures": Electronic signatures in accordance with Number 1 which
 - a. are assigned exclusively to the signature key owner,
 - b. allow the identification of the signature key owner,
 - c. are generated with means which the signature key owner can keep under his sole control, and
 - d. which are linked with the data to which they relate so that any subsequent changes to the data can be recognised.
3. "certified electronic signatures": Electronic signatures in accordance with Number 2 which
 - a. are based on a certified certificate valid at the time of its generation and
 - b. are generated using a secure signature creation device.

A certified certificate is only issued by a certified Certification Service Provider (trust centre), whereby particularly strict requirements apply. A national authority checks that the trust centre abides with legal regulations. In Germany, for example, this is the Federal Network Agency, and in Switzerland it is the Swiss Accreditation Authority (SAS) run by the State Office of Industry (seco).

4. Technical background

4.1 General

Without the appropriate protection, electronic data is easy to manipulate. Unnoticed data manipulation by third parties on PCs or the Internet cannot be excluded. Entire paragraphs can be added to documents or deleted without being noticed. The author of a document cannot be unambiguously identified.

The appropriate protection is achieved with the electronic signature. This means that a computer program processes or encrypts the document to be saved in such a way that any subsequent changes are recognisable and the originator can be unambiguously identified.

The following elements are necessary in order to be able to use certified electronic signatures:

1. An electronic signature card (smart card with a cryptographic chip): The signature and encryption certificates (electronic certificates) are stored on this card. The electronic signature always comprises two certificates (also called keys): the private key and public key.
2. A card reader: The card reader (with external pin input) is linked to a PC or server and allows the smart card to be read.
3. A trust centre (also called a Certification Authority or CA): The trust centre generates the signature and encryption certificates that are stored on a smart card. The trust centre also offers services such as verifying and blocking signatures.
4. A signature application component: This is a software installed on the PC or server which makes it possible for users to, among other things, create and verify signatures, control smart cards and card readers control or encrypt data.

4.2 How Public Key Infrastructures work

The Public Key procedure forms the technical basis for electronic certificates. As a rule, the private key belonging to an electronic certificate is stored separately, e.g. on a smart card. A smart card exists of an encryption processing unit and is able to securely store both the actual certificate as well as the private key. To use the private key, the user must provide authentication. This is done by entering a PIN using a card reader into which the smart card is inserted. If the card reader is equipped with its own keyboard for entering the PIN (PIN = Personal Identification Number), this is referred to as a secure pin input.

Certificates and the accompanying key material are issued by a CA (Certificate Authority) and are passed on to the end user. If the certificates are generated in a secure environment, this is referred to as a trust centre. Where trust centres are concerned, a differentiation is made between indicated and accredited operations. What is important to the end user is that both forms allow the issuing of certificates that are suitable for certified electronic signatures.

Public Key Infrastructures (PKI) were developed to solve the problem of distributing keys. This problem here is that in the case of encryption procedures which use identical keys for encryption and decryption, although the encrypted data itself is securely protected, the keys also have to be distributed in a secure manner. This means that both the sender and the recipient of an encrypted message must know the respective key in order to exchange encrypted data with one another.

Cryptography with public and private keys is called an asymmetrical procedure. A message for a certain recipient is encrypted with his public key, and can only be deciphered again with the

associated private key. This also means that a message that has been encrypted with a public key cannot be deciphered again using the public key, and that the plain text message can only be retrieved by using the complementary private key. A public and a private key always correlate to each other, i.e. a mathematical algorithm ensures that a message that has been encrypted with a public key can only be retrieved by using the associated private key.

4.3 How electronic signatures work

The electronic signature is based on the Public Key Infrastructures mechanisms described above. If a document is to be signed electronically, a checksum (hash value) is created for this document (e.g. using the SHA-1 algorithm) and then signed with the private key of the certificate owner. One example of a signature algorithm is the RSA algorithm, which is probably the best known representative of asymmetrical algorithms. Technically speaking, the process of generating a signature corresponds to the encryption of the computed hash value using the private key with an asymmetrical algorithm.

In this regard, an important aspect here is that the private key is used to generate the signature and the public key is used for verification (the reverse process to encryption). This makes sense because the signature is only generated by the owner of the private key, but it can be verified by every recipient of a signed document.

When an electronic signature is being verified, in the first step the checksum of the document is recalculated. In the second step, the signature is "deciphered" with the public key of the signature certificate that has been used. The result of this process is again the hash value for the document that was calculated when generating the signature. To ascertain the correctness of the signature, the original hash value of the document is finally compared against the hash value that was calculated when generating the signature. If both the checksums are identical, the document has not been modified and the signature is cryptographically correct.

To carry out a complete verification of the signature, the validity of the certificate used and the certificate chain must be checked. Here, procedures are available for checking them against certificate revocation lists (CRL) as well as by using an online status query. While a CRL-based verification involves a check against a negative list (on which the serial numbers of revoked certificates are published), the online status query (OCSP) is a positive query in which the certificate-issuing authority states whether the certificate is valid or has been revoked.

4.4 How encryption works

The mechanisms of Public Key Infrastructures can also be used to encrypt data. This ensures that only authorised recipients are able to decipher and view files.

So-called symmetrical encryption procedures are used in combination with asymmetrical procedures to encrypt the data. A symmetrical procedure means that in contrast to algorithms such as RSA algorithms, no public and private keys exist, but the same key is used for encrypting and deciphering data.

The advantage of symmetrical encryption is that it is more powerful than asymmetrical procedures, demonstrated by the fact that even relatively large documents can be encrypted quickly.

The key distribution problem is solved by combining it with an asymmetrical procedure. If this procedure were not to be applied, the key for each encrypted document would have to be passed on to every person who is to decipher it as the message recipient.

With this combined procedure, a key is dynamically generated based on a random number generator and the document is encrypted using this generated key with a symmetrical algorithm. After this process, the dynamic key is encrypted with the recipient's public key and sent to him.

If the document is now to be deciphered, the generated random key is deciphered again using an asymmetrical procedure. The document can then be deciphered with the retrieved document key using the symmetrical procedure.

Combining the symmetrical and asymmetrical procedures also combines the advantages of symmetrical encryption (high performance) and asymmetrical procedures (simple key distribution using Public Key Infrastructures).

The information about who is intended to receive the encrypted document is contained in a PKCS#7 data block. However, the document can only be deciphered if the recipient really is in possession of the private key.

5. Market environment

The potential market for OPENLiMiT SignCubes products comprises worldwide approx. 1.043 billion Internet users, plus the number of intranet users. The forecast development in the spread of smart cards allows conclusions to be drawn about just how quickly this market is developing. It is estimated that the worldwide distribution of one smart card type alone will reach 900 million by 2009.

Nevertheless, the focus today is on Europe, a market with approx. 294 million Internet users, and the main focal point of the OPENLiMiT Group's marketing activities is Germany. Germany offers an estimated market potential of 50 million software licences. This market potential covers the segments private households, companies and public institutions.





Corporate Governance

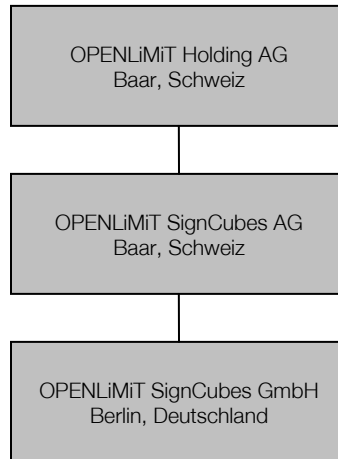
Introduction

The Corporate Governance report describes the management structure and control at the uppermost corporate level of the OPENLiMiT Group. The information given here corresponds to the current status.

1. Group structure and shareholders **1.1 Group structure**

Following the resolution passed by the responsible Supervisory Boards, the two companies OPENLiMiT Tower AG and OPENLiMiT Services AG were merged on 24th November, 2006 to form OPENLiMiT SignCubes AG by taking the path of simplified mergers for stock companies supported by Article 23 ff of the Swiss Federal Law on mergers, splitting, conversion and the transfer of assets (Merger Act, FusG) from 3rd October, 2003.

The purpose was a simplification of the corporate structure with the final goal described below being achieved:



Operational Group structure

OPENLiMiT Holding AG and its subsidiaries together form the OPENLiMiT Group.

Listed companies

OPENLiMiT Holding AG

OPENLiMiT Holding AG, with its head office in Baar/ZG, Switzerland, was listed on the German stock exchange in Frankfurt and Berlin Bremen for the first time on 29th August, 2005. Since 16th April, 2007, shares have been listed on the Regulated Market (General Standard) at the Frankfurt stock exchange and also on the unofficial market at the Berlin Bremen, Munich, Dusseldorf and Stuttgart stock exchanges (ISIN: CH002237009, securities identification number: A0F5UQ, stock market code: OH5). On 31st December, 2006, the total market value of the listed stock amounted to EUR 35m.

Non-listed companies

The following non-listed companies belonged to the scope of consolidation of OPENLiMiT Holding AG on 31st December, 2006:

Subsidiary	Nominal capital	Participation
OPENLiMiT SignCubes AG, Baar/ZG, Switzerland	CHF 100,000	100%
OPENLiMiT SignCubes GmbH, Berlin, Germany	EUR 25,000	100%

1.2 Shareholders

Upon attaining, falling short of or exceeding thresholds between 3% to 75% of the voting rights in the company, the obligations to notify are to be heeded in accordance with §§ 21 ff of the German Securities Trading Act (WpHG).

The only major shareholder who is today known to the company is Mr. Heinrich (Henry) Dattler with a holding of 2,016,323 shares corresponding to a participation in the nominal capital of 12.8%.

1.3 Cross-participation

No cross-participation exists.

2. Capital structure

2.1 Capital

The share capital of OPENLiMiT Holding AG as of 31st December, 2006 amounts to CHF 4,727,223.60 and is divided into 15,757,412 bearer shares with a nominal value of CHF 0.30. All issued shares are fully paid-up.

2.2 Authorised capital and conditional capital

With its resolution of 5th July, 2005, the Extraordinary General Meeting approved a sanctioned share capital of CHF 2,100,000 and authorised the Supervisory Board to initiate a raising of the capital by CHF 2,100,000 by issuing a maximum of 7,000,000 fully paid-up bearer shares by 5th July, 2007. To date, use has been made of the authorised capital on three occasions.

The authorised capital was again approved on the occasion of the Ordinary General Meeting on 29th June, 2006 up to a maximum amount of CHF 2,100,000 under revocation of the subscription right for important reasons, and the deadline was extended to 29th June, 2008.

No conditional capital exists.

2.3 Capital changes

The capital increases mentioned in §§ 2.2 led within the scope of the authorisation resolution of 5th July, 2005

- through the issue of 400,000 bearer shares with a nominal value of CHF 0.30 to an increase in the share capital on 5th October, 2005 of CHF 120,000 from CHF 4,200,000 to CHF 4,320,000;
- through the issue of 283,632 bearer shares with a nominal value of CHF 0.30 to an increase in the share capital on 10th February, 2006 of CHF 85,089.60 from CHF 4,320,000 to CHF 4,405,089.60;
- through the issue of 1,073,780 bearer shares with a nominal value of CHF 0.30 to an increase in the share capital on 13th June, 2006 of CHF 322,134 from CHF 4,405,089.60 to CHF 4,727,223.60.

2.4 Shares and participation certificates

Every share has a nominal value of CHF 0.30 and only somebody who can identify himself as the owner is deemed by the company to be the owner of all rights from a bearer share. Each share entitles the holder to one vote at the General Meeting. No participatory certificates were issued.

2.5 Participatory certificates

No participatory certificates were issued.

2.6 Restrictions of transferability and nominee entries

No restrictions or exceptions exist with regard to the transferability of the shares. Nominee entries were not effected.

2.7 Convertible bonds and options

The company has not issued any convertible bonds. On the one hand, 2,339,147 share options were issued to investors entitling them to purchase one bearer share respectively at a price of EUR 1.55 or 1.60. These options were originally approved by OPENLiMiT Inc and were later transferred to OPENLiMiT Holding AG¹. The options will remain valid until 30th May, 2009.

On the other hand, the following employee options exist (each option entitles the holder to purchase one bearer share in OPENLiMiT Holding AG):

	Assignment of options (number)	Exercise price (in EUR)	Expiry date of exercise period	Exercised on 31.12.2006	Holding on 31.12.2006
2005	140,000	2.50	30.05.2008	60,000	80,000
2005	430,000	1.95	30.05.2009	-	430,000
2006	770,000	2.50	31.01.2010	-	770,000

This means that the total outstanding share options today have a value of CHF 3,619,147. The options are served in each case from the authorised capital and represent CHF 1,085,744 of the authorised capital to the amount of CHF 2,100,000.

3. Supervisory Board

The Supervisory Board of OPENLiMiT Holding AG, supported by Article 716a of the Swiss Code of Obligations (OR), is responsible for the superintendence and supervision of the entire corporate group.

3.1 Members of the Supervisory Board

The Supervisory Board, which in accordance with the statutes comprises one or more members, today has three members. He comprises one executive and two non-executive administrators. The non-executive members of the Supervisory Board are independent and have no significant business relationship with OPENLiMiT.

Heinrich (Henry) Dattler, President of the Supervisory Board and Delegate/CEO

Heinrich Dattler was born in 1945 and is an Austrian national. He is President and Delegate of the Supervisory Board as well as CEO of the OPENLiMiT Group. In this function, he determines the business development of the company and bears the responsibility for representing the company towards investors, customers and other contact groups, as well as towards the broader public domain. Mr. Dattler attended primary school in Austria and took his school leaving examinations at secondary school in Germany. He studied at Munich Polytechnic in Germany, his main focus being on engineering sciences. For over thirty years, Heinrich Dattler was an entrepreneur in the clothing, financial and software industries, and has founded seven companies in Germany, Switzerland and

¹ OPENLiMiT Inc. was the parent company of OPENLiMiT Holding AG and was listed on the OTCBB (Over-The-Counter Bulletin Board) in the United States. However, being listed on the OTCBB proved to be inadequate as OPENLiMiT SignCubes products are currently marketed primarily in Germany and increasingly throughout Europe, the national laws of the EU member states and Switzerland on which certified signatures are based are more comprehensive than the signature legislation of the United States of America, and the majority of the shareholders are from Europe. Therefore, the Supervisory Board of OPENLiMiT Inc resolved on 10th May, 2005, to proportionally distribute 100% of the shares in OPENLiMiT Holding AG to the shareholders of the OPENLiMiT, Inc on the 1st September, 2005 – based on the shares held on 19th August, 2005 - in the form of a share dividend at a ratio of five OPENLiMiT Inc shares to one share in OPENLiMiT Holding AG.

Italy. Most recently he founded OPENLiMiT SignCubes AG (formerly Bonneville Group AG), where the OPENLiMiT concept was developed.

Urs Winzenried, member

Urs Winzenried was born in 1956 and is a Swiss national. He graduated from the University of Berne in economics and business management. After periods spent abroad in the USA and Australia, between 1986 and 1999 he took over various managerial functions in the family group Widea Holding AG (packaging, corrugated cardboard, printing inks, structural engineering, real estate, catering trade) as a member of the supervisory board. From 1989 to 1992, he was vice-president of the Supervisory Board of the printing ink factory, Aarberg AG. Between 1989 and 1999, he was vice-president of the Supervisory Board of the Celcarta Holding AG. From October 1999, he trained as a coach and mentor.

Eduard Egloff, member

Eduard Egloff was born in 1947 and is a Swiss national. He joined the Zug Cantonal Bank as a banking apprentice, finishing his apprenticeship in 1966. He subsequently worked at Philipp Brother AG and Marc Rich & Co. AG, both international trading companies. He now works as an international business consultant.

The members of the Supervisory Board are authorised to sign as one of two counter-signatories.

3.2 Other activities and interest connections

<u>Name</u>	<u>Function / company</u>
Heinrich (Henry) Dattler	Chairman of the Board, Director and CEO, CFO and Principal Accounting Officer of OPENLiMiT, Inc (Florida Corporation), Baar, Switzerland President of the Supervisory Board and Delegate/CEO of OPENLiMiT SignCubes AG, Baar, Switzerland Managing Director of OPENLiMiT SignCubes GmbH, Berlin, Germany Sole member of the Supervisory Board of Ricolin AG, Baar, Switzerland Sole member of the Supervisory Board of Aberius AG, Baar, Switzerland Managing Director of Divano GmbH, Baar, Switzerland
Switzerland	Manager Director of Jora Consultant s.a.s.; Campione, Italy
Urs Winzenried	Managing Director of win c&c GmbH, Berne, Switzerland Sole member of the Supervisory Board of Westinvest Ltd., Düringen, Switzerland
Eduard Egloff	Sole member of the Supervisory Board of Aims Universal AG, Zug, Switzerland Foundation Council member of the Stiftung für Privatbetreuungs- und Pflegedienste, Kilchberg, Switzerland

3.3 Interrelationships

No interrelationships exist.

3.4 Election and term of office

Principles of the electoral procedure

The Supervisory Board comprises one or more members, who as a rule are elected by the General Meeting for a term of three years, whereby the period between one General Meeting and the next counts as one year. Re-election of the Supervisory Board members is permitted. During a term of office, newly elected members of the Supervisory Board are elected for the remainder of the current term of office.

Graduated prolongation is the electoral procedure that is used (single election for the first election, overall election for the confirming election).

First-time election and remaining term of office per member

Heinrich (Henry) Dattler has been a member of the Supervisory Board since 22nd August, 2002, and will hold office until the close of the General Meeting in 2009. Urs Winzenried has been a member of the Supervisory Board since 22nd August, 2004, and will hold office until the close of the General Meeting in 2007. Eduard Egloff has been a member of the Supervisory Board since 22nd August, 2002, and will hold office until the close of the General Meeting in 2007.

3.5 Internal organisation

Constitution and sub-division of functions

The Supervisory Board is responsible for the superintendence and supervision of the entire corporate group as laid down in law. Its task is to pass resolutions in all affairs which are not the reserve of, or transferred to, other executive bodies by law, statute or organisational stipulation. It is responsible for the following non-transferable and irrevocable tasks in accordance with Article 716a Paragraph 1 OR:

- Superintendence of the company and issuing of the necessary instructions;
- Definition of the organisation;
- Organisation of the accounting, financial control and financial planning;
- Appointment and discharge of persons entrusted with the management of the company and regulation of the signatory powers;
- Overall supervision of the persons entrusted with the management of the company, by name with regard to the observance of laws, statutes and regulations and instructions;
- Production of the annual financial report, as well as preparation of the General Meeting and execution of its resolutions;
- Notification of a judge in the event of an excess of debts over assets.

The Supervisory Board constitutes itself. It designates the president, vice-president as well as the secretary. It decrees the organisational regulations, which were most recently revised on 29th June, 2005.

Committees

In a declaration on 8th August, 2006, the Supervisory Board of the company declared that the company would observe the guidelines and recommendations of the "Swiss Code of Best Practice

for Corporate Governance" passed by economiesuisse, an association of Swiss companies, on 25th March, 2002, with the following exceptions:

- In deviation from §§. II f 19 "Internal controlling system, handling of risks and compliance", third paragraph, the company will not institute internal auditing. The present size of the company does not justify the establishment and maintenance of a corresponding position.
- Supported by §§ II h 28 "Special relations", second paragraph, the company will not, on account of its present size, appoint any Supervisory Board committees or deploy single officers to conduct an in-depth analysis of certain asset or employee areas and report back to the Supervisory Board in preparation of its resolutions or in performance of its supervisory function. The corresponding tasks are carried out by the Supervisory Board as a whole.

How the Supervisory Board functions

The Supervisory Board meets as often as required by the company's business affairs, but at least, however, 4 times a year. Resolutions are passed with the absolute majority of the votes present. In the reporting year, the Supervisory Board held a meeting 4 times.

3.6 Regulation of authority

The regulation of authority between the Supervisory Board and Management is governed in the organisational regulations of 29th June, 2005.

3.7 Information and controlling instruments towards the Management

The business results (profit and loss statement, balance and fund flow statement) of the individual companies are prepared every quarter. These figures are consolidated for the Group and summarised. The budget, quarterly statement, half-yearly statement and annual statement of OPENLiMiT Holding AG, as well as of the Group, are submitted to the Supervisory Board in writing, explained in detail on the occasion of the meetings, and presented for approval.

Ongoing and appropriate reports are given at the meetings of the Supervisory Board about the current business development with the inclusion of those responsible.

4. Management

Management of the operational business of the OPENLiMiT Group lies, in accordance with Article 716b OR and the organisational regulations, in the hands of the company management as well as the extended management.

4.1 Members of the company management

Heinrich (Henry) Dattler, President of the Supervisory Board and Delegate/CEO

cf. §§ 3.1, p. 18.

Marc Gurov

Marc Gurov was born in 1973 and is a US national. As Chief Financial Officer and deputy to the CEO, he is a member of the company management of the OPENLiMiT Group. In this function he is responsible for creating transparency regarding the financial results of the company, and organises the company's planning, budgeting and controlling processes. Together with CEO, he is responsible for the relations with investors and supervisory authorities. Marc Gurov was born in 1973 in Germany. He attended school in Germany and the United States. He studied internationally business

at Florida Atlantic University in Boca Raton, Florida, U.S.A. After graduating, Mr. Gurov worked in the United States for various companies on a freelance basis with the main focus on marketing and consulting. Marc Gurov has held various positions in the OPENLiMiT Group since 2003.

Thomas Hügi

Dr. Thomas Hügi was born in 1966 and is a Swiss national. As Chief Operating Officer, he is a member of the company management of the OPENLiMiT Group. In this function, he ensures that the enterprise's activities comply with regulatory requirements and Corporate Governance standards. Together with the company management, he is responsible for the development of the company's strategies, plans and objectives, the implementation of strategic decisions, and is additionally responsible for the legal and tax affairs, staff and organisation. Thomas Hügi studied, and gained a doctorate in, jurisprudence at the University of Berne and trained as a lawyer. After an LL.M. postgraduate study in European economic law and international commercial law at the University of Amsterdam, he worked for several years as a solicitor at a major, internationally orientated business partnership in Zurich. He then joined the management of the Infront Sports & Media Group, an international sports marketing agency in Zug.

Reinhard Stüber

Reinhard Stüber was born in 1952 and is a German national. As Senior Vice-President, New Business Development, he is a member of the company management of the OPENLiMiT Group. In this function, he is responsible for the establishment of strategic partnerships, relationship management with a focus on German-speaking countries, as well as for setting up informal networks. He studied engineering sciences (chartered engineer) at the Engineering College of Water Resources Management in Magdeburg, Germany, concentrating on hydraulic engineering. From 1973 to 1993, he worked for various German companies as an engineer. Between 1993 and 2001, he was in charge of the Software department at UVE GmbH. He took over the position of Business Development Manager at OPENLiMiT SignCubes AG in 2001.

Members of the extended management

Frank Jeschka

Frank Jeschka was born in 1962 and is a German national. As Chief Technology Officer, he is a member of the extended management of the OPENLiMiT Group. In this function, he is responsible for the ongoing technological development of the OPENLiMiT software products and the long-term orientation of the technology within the framework of the corporate strategy. Above all, he is responsible for programming and designing the software. He graduated in mathematics at Humboldt University in Berlin, Germany, in 1999. Since 1990, he has been developing software in the field of geographic information systems and electronic signatures for companies and institutions. Mr. Jeschka also taught information sciences and examined programmers at the Dresden chamber of commerce. He has been in charge of product development at OPENLiMiT SignCubes GmbH since 2002.

Andra Dattler

Andra Dattler was born in 1972 and is an Austrian national. As the Commercial Manager of OPENLiMiT SignCubes GmbH, Berlin, she is a member of the extended management of the OPENLiMiT Group. In this function, she is responsible for the commercial and administrative management of the subsidiary in Berlin and technical controlling within the company. After taking her grammar school leaving examination and studying French and Spanish (state-qualified translator), Ms. Dattler worked as an assistant to the chief editorial staff at the MVG publishing company in Munich. In 1999, she moved into the IT industry, and has been working for the OPENLiMiT Group

since the beginning of 2002, holding the positions of account manager, assistant to the board of management, and managing director.

Armin Lunkeit

Armin Lunkeit was born in 1978 and is a German national. As the Technical Manager of OPENLiMiT SignCubes GmbH, Berlin, he is a member of the extended management of the OPENLiMiT Group. In this function, he is responsible for managing the program development and transforming technical visions into products. He plays a key role in the development of the server applications and supports the Chief Technology Officer in the ongoing technical development of the OPENLiMiT software products. He studied microsystems technology at the Technical College of Technology and Economics in Berlin, from where he graduated in 2002 as a chartered engineer. Mr. Lunkeit began with the software development in the year 2000. After concluding his studies, he worked as a developer for Kithara GmbH. From June, 2003, Mr. Lunkeit worked at OPENLiMiT SignCubes GmbH in the field of product development until he took over his present position.

4.2 Other activities and interest connections

Heinrich (Henry) Dattler	cf. §§ 3.2, p. 19.
Thomas Hügi	Member of the Supervisory Board of OPENLiMiT SignCubes AG, Baar, Switzerland President of the Supervisory Board of A3 dialog AG, Zug, Switzerland President of the Supervisory Board of Magenta Media AG, Zurich, Switzerland Member of the Supervisory Board of RecRec Medien AG, Zurich, Switzerland
Marc Gurov	Member of the Supervisory Board of OPENLiMiT SignCubes AG, Baar, Switzerland
Reinhard Stüber	Member of the Supervisory Board of OPENLiMiT SignCubes AG, Baar, Switzerland
Andra Dattler	Member of the Supervisory Board of OPENLiMiT SignCubes AG, Baar, Switzerland

4.3 Management contracts

Heinrich Dattler, President of the Supervisory Board and Delegate/CEO, is associated with the company by means of a management contract concluded on 12th December, 2005, between OPENLiMiT and JORA Consultants s.a.s., I-22060 Campione d'Italia (COMO). Mr. Dattler has a 50% shareholding in Jora Consultants S.A.S., which has been providing services since 2003. According to the provisions of the contract, he has been receiving twelve monthly fees to the amount of CHF 30,000 (excl. VAT), or a total of CHF 360,000, since 1st January, 2006. In accordance with Item No. 4 of the contract, these fees can be paid directly to Mr. Dattler as a salary. There are no further management contracts with third parties.

5. Indemnification, participation and loans

5.1 Contents and determination procedure for indemnification and the participation programs

The Supervisory Board supervises indemnification to acting executive body members. The members of the Supervisory Board receive share options for their activities, which are determined at the request of the President of the Joint Supervisory Board.

The executive members of the Supervisory Board, the members of the company management and the members of the extended management receive a remuneration comprising an annual basic

salary together with an annual bonus that is orientated to the achievement of group and business-related results targets. Furthermore, the Supervisory Board can decide on an annual basis whether and to what extent the named group of participants is to be granted additional option rights for the acquisition of shares in OPENLiMiT Holding AG at a previously fixed exercise price.

5.2 Indemnification for executive body members

In the reporting year, the three acting members of the Supervisory Board received a total of 180,000 share options entitling them to purchase shares at an exercise price of EUR 2.50. The executive member of the Supervisory Board was granted 140,000 share options, and the two non-executive members of the Supervisory Board received 20,000 share options.

Indemnifications paid to the members of the company management (four persons) in the reporting year amounted to CHF 780,470 (an average of CHF 195,117 per member). The highest indemnification paid to a member was received by Heinrich Dattler, CEO, to the amount of CHF 373,929. The total reimbursement contains salaries as well as contributions to the professional provident fund. No bonuses were paid out in the reporting year.

In addition to the share options granted to Heinrich Dattler as an executive member of the Supervisory Board, the remaining members of the company management received 290,000 share options for the reporting year, entitling them to acquire shares at an exercise price of EUR 2.50.

5.3 Indemnification for former executive body members

No indemnification was paid out to former executive body members for the reporting year.

5.4 Share allotment in the reporting year

No shares were allotted to executive or non-executive members of the Supervisory Board or to members of the company management or the extended management in the reporting year. No shares were allotted to related parties.

5.5 Shareholdings

Shareholdings as of 12.31.2006	Shares	Capital share
Executive members of the Supervisory Board	2.016,323	12.80%
Members of the company management	170,000	1.08%
Members of the extended management	174,000	1.10%
Non-executive members of the Supervisory Board	40,000	0.25%

5.6 Option ownership

Option ownership of the executive body members as of 31st December, 2006, is as follows:

Number of options	Stock as of 12.31.2006	From first allotment in 2005	From second allotment in 2005	From allotment in 2006
Executive members of the Supervisory Board	160,000	-	20,000	140,000
Members of the company management	580,000	190,000	40,000	350,000
Members of the extended management	440,000	200,000	-	240,000
Non-executive members of the Supervisory Board	40,000	-	-	40,000
Expiry date of exercise period		30.05.2009	30.05.2008	31.01.2010
Exercise price in EUR		1.95	2.50	2.50
Option subscription ratio: Bearer shares		1:1	1:1	1:1

5.7 Additional fees and reimbursements

The members of the Supervisory Board and the company management or related parties did not receive any significant fees or reimbursements in the reporting year for additional services rendered for OPENLiMiT Holding AG or any other company belonging to the Group.

5.8 Executive body loans

No loans were given by OPENLiMiT Holding AG or any other company belonging to the Group to acting or former executive body members or were outstanding as of 31st December, 2006.

6. Shareholder rights of participation

6.1 Vote restriction and representation

There are no voting restrictions. Each share entitles the holder to one vote at the General Meeting.

6.2 Rights to participate at the General Meeting

The rights to participate at the General Meeting are subject to legal regulations and the statutes. Shareholders can be represented by another shareholder, a third party or the company itself.

6.3 Statutory quorums

The adoption of resolutions and elections are fundamentally effected with the absolute majority of the submitted share votes (to the exclusion of blank and invalid votes). The following resolutions require the approval of at least two thirds of the represented votes and the absolute majority of the represented nominal share values:

- Changes to the purpose of the company;
- Sanctioned or conditional capital increase;
- Capital increase from company equity, against a contribution in kind or for the purpose of a takeover of tangible assets, and the according of special benefits;
- Restriction or revocation of subscription rights;
- Relocation of the head office of the company;
- Dissolution of the company without liquidation.

6.4 Convening of the General Meeting

The General Meeting is convened through publication in the Swiss commercial official gazette and in a national official stock market gazette in the Federal Republic of Germany. The convening period is 20 days.

6.5 Agenda

The legal stipulations of the Swiss Code of Obligations apply.

6.6 Entries in the stock ledger

The shares of OPENLiMiT Holding AG are bearer shares. Consequently there is no stock ledger.

7. Changes in controlling interest and preventive measures

7.1 Mandatory take-over offer

A purchaser of shares in the company is not obliged to make a public bid as laid down in Articles 32 and 33 of the Swiss Stock Exchange Act (BEHG) of 24th March, 1995.

7.2 Controlling interest change clauses

In the event of a change in the controlling interest and subsequent unemployment, the members of the company management are granted, without an equivalent compensation, the entitlement to leave pay under the terms of a severance package to the amount of five annual target salaries. A target annual salary comprises the annual basic salary plus an annual bonus amounting to 300% of the basic salary. A change in the controlling interest shall be accepted in the event of a conversion of the company into another legal form, a transfer of the first notifiable voting package of at least 25% of the company to a new owner, a merger or integration of the company in a legal entity outside of the Group, or following the conclusion of a controlling agreement of the company as the controlled company.

8. Auditing body

8.1 Duration of the mandate and term of office of the Head Auditor

Wirtschaftsprüfung Trevisca AG, CH Baar, has been the auditing body and group auditor for OPENLiMiT Holding AG since 2002. The Head Auditor has been responsible for the audit mandate for both OPENLiMiT Holding AG as well as for the Group's financial statement since the 2002 reporting year.

8.2 Audit fees

Audit fees to the amount of CHF 20,600 were deferred for Wirtschaftsprüfung Trevisca AG for the audit of the 2006 financial year.

8.3 Supervision and controlling instruments towards the auditing body

The Supervisory Board annually assesses the performance, remuneration and independence of the Group Auditor and the auditing body. It discusses and checks the extent of the audits as well as the resultant feedback. Derived from this, it resolves to make any necessary adaptations or improvements.

9. Information policy

On account of its listing on the stock market and its membership of the General Standard, the OPENLiMiT Group is subject to the stock market legal regulations of German Börse AG. The reporting duty covers the publication of an interim report once a year, an annual report as well as *ad hoc* declarations.

These publications are distributed upon request through specified distributors. The Web page www.openlimit.com is continually updated accordingly and contains all important information together with references to media reports.

Consolidated Annual Statement

Consolidated profit and loss statement from 1st January to 31st December
(in CHF)

	Explanations	2006	2005
Net turnover from deliveries and performances		1,190,689	271,708
Activated own capital contributions		1,425,833	-
Operating revenue		2,616,522	271,708
Material and product expenses	5	11,121	20,350
Personnel costs	6	2,028,094	1,946,546
Depreciation and amortisation		168,515	2,566,956
Other operating expenses	7	827,930	919,564
Operating expenditure		3,035,660	5,453,416
Operating results (EBIT)		-419,138	-5,181,708
Financial income	8	223,551	4,679
Financial expenditure	9	97,653	165,491
FINANCIAL RESULT		125,898	-160,812
Extraordinary income	10	23	6,719,264
Extraordinary expenditure	11	93,352	700,187
Merger loss	12	559,933	-
RESULT BEFORE INCOME TAX		-946,502	676,557
Taxes	13	40,867	5,330
ANNUAL RESULT INCL. MINORITIES		-987,369	671,227
Profit share - minority shareholders	14	-	-
ANNUAL RESULT		-987,369	671,227

Consolidated Annual Statement

Consolidated balance as of 31st December

	Explanations	31.12,2006	31.12,2005
CURRENT ASSETS			
		4,420,699	690,474
Liquid assets	15	3,726,910	439,161
Receivables			
Receivables from deliveries and performances	16	448,852	133,556
Residual receivables	17	244,936	117,757
Stocks	18	1	-
FIXED ASSETS			
		1,877,038	191,644
Intangible assets	19	1,759,263	71,813
Tangible assets	20	117,775	119,831
TOTAL ASSETS		6,297,737	882,118
OUTSIDE CAPITAL			
		194,984	731,216
Short-term outside capital			
Liabilities from deliveries and performances		36,153	335,914
Sundry short-term obligations	21	158,831	260,497
Long-term outside capital			
Sundry long-term obligations	22	-	134,805
COMPANY EQUITY		6,102,753	150,902
Share capital	23	4,727,224	4,320,000
Premium reserves	24	7,876,218	1,440,030
Loss carried forward		-477,550	-2,174,718
Consolidation reserve		-5,035,771	-4,105,637
Annual result		-987,369	671,227
TOTAL EQUITY AND LIABILITY		6,297,737	882,118

Consolidated Annual Statement

Fluctuations in company equity in 2006 (in CHF)

Change in company equity	31.12.2006					
	Share capital	Premium reserves	Loss carried forward	Consolidation reserves	Result	Equity
Date 01.01.2006	4,320,000	1,440,030	-2,174,718	-4,105,637	671,227	150,902
Capital increase	407,224	6,436,188				6,843,412
Carry-over result from capital consolidation			1,697,168	-1,025,941	-671,227	0
Result				95,807	-987,369	95,807
Date 31.12.2006	4,727,224	7,876,218	-477,550	-5,035,771	-987,369	6,102,753

Consolidated Annual Statement

Consolidated cash flow statement from 1st January to 31st December
(in CHF)

	Explanations	2006	2005
Annual result		-987,369	671,227
	Depreciation of intangible and tangible assets	168,515	2,565,273
	Losses from investment settlements	7 93,352	239,588
	All-inclusive value adjustment for receivables	99,000	0
	Receivable waivers of third parties	6 0	-6,692,538
MEANS OF PAYMENT GENERATED FROM ONGOING BUSINESS ACTIVITY		-626,502	-3,216,450
	Monetary flow from changes to the NCA without available means	-843,903	-406,306
	Increase/decrease in warehouse stocks	1	-71,462
SALES REVENUE FROM COMPANY ACTIVITY		-1,470,404	-3,694,218
	Investments in tangible and intangible fixed assets	10, 11 -1,909,940	-188,283
	Divestments of tangible and intangible fixed assets	10, 11 19,517	94,594
MONETARY FLOW FROM INVESTMENT ACTIVITIES		-1,890,423	-93,689
	Capital increase	16, 17 6,843,412	1,560,030
	Payments from the taking out of loans	18 0	3,749,731
	Definancing from the repayment of loans	18 -134,805	-1,150,882
MONETARY FLOW FROM FINANCING ACTIVITY		6,708,607	4,158,879
DISCREPANCY FROM CURRENCY CONVERSION		-60,031	-8,397
DECREASE/INCREASE IN LIQUID ASSETS		3,287,749	362,575
	Liquid assets on 01.01	15 439,161	76,586
	Decrease/increase Liquid assets	15 3,287,749	362,575
	Liquid assets on 31.12.06	15 3,726,910	439,161

Consolidated Annual Statement

Enclosure to the Consolidated Annual Statement

1. Miscellaneous

The main focus of the business activities of OPENLiMiT Holding AG and its subsidiaries (referred to hereafter as the "OPENLiMiT Group" or "Group") lies on the development and marketing of software for the application of electronic signatures, encryption technologies and related fields. All rights to the software are the property of OPENLiMiT SignCubes AG as a 100 % subsidiary of OPENLiMiT Holding AG. All contracts worldwide with purchasers of the products are concluded with OPENLiMiT SignCubes AG. OPENLiMiT SignCubes GmbH, as a 100 % subsidiary of OPENLiMiT SignCubes AG, is entrusted to a significant extent with the product development.

OPENLiMiT Holding AG is listed on the Regulated Market (General Standard), the Frankfurt stock exchange, as well as on the unofficial market at the Berlin Bremen, Dusseldorf, Munich and Stuttgart stock exchanges.

2. Accounting principles

2.1 Basis for the invoice representation

The Consolidated Annual Statement of the OPENLiMiT Group was prepared in compliance with "International Financial Reporting Standards" (IFRS) and fulfils the requirements of the Swiss Code of Obligations.

Fundamentally, the OPENLiMiT Group prepares the Annual Statement on the basis of historical acquisition costs, with the exception of securities and other investments, and some financial instruments which are reported in the balance sheet at fair value.

The Supervisory Board of OPENLiMiT Holding AG released the Consolidated Annual Statement for publication on 16th April, 2007.

2.2 Most important changes in the financial reporting and evaluation methods

The standards revised and supplemented on 1st January, 2006, have no effect on the financial reporting and representation of these annual accounts.

2.3 Use of assumptions and estimated values

The Annual Statement prepared on the basis of IFRS contains assumptions and estimated values which have an influence on the figures given in this report. The actual results may deviate from these estimated values. The Annual Statement prepared on the basis of IFRS contains assumptions and estimated values which have an influence on the figures given in this report. The actual results may deviate from these estimated values.

2.4 Consolidation principles

Scope of consolidation

The Consolidated Annual Statement takes into account those domestic and foreign subsidiaries that are controlled by OPENLiMiT Holding AG vote-wise, directly or indirectly, to more than 50% or by means of contractual or other agreements. An overview of the subsidiaries is provided in Annotation 25 on page 40.

Subsidiaries and participations are taken into consideration in the scope of consolidation from the time of acquisition, and are excluded from the Consolidated Annual Statement from the date of sale.

Consolidation method

The capital consolidation is effected according to the Purchase method. Assets, liabilities and company equity, as well as the revenue and expenditure of the fully consolidated subsidiaries, are taken into full consideration in the Consolidated Annual Statement. Interests of third-party shareholders in the company equity and results are listed separately.

Joint ventures which are jointly managed by the shareholders, and investments in associated companies in which OPENLiMiT Holding AG does not have a direct or indirect controlling interest (where the investment quota is usually between 20% and 50%) are included in the Consolidated Annual Statement with the proportionate company equity according to the Equity method. Investments below 20% are valued at their fair value.

All group-internal receivables, liabilities, expenditure and revenue, as well as non-realised interim profits, are eliminated within the scope of the consolidation. Assets and liabilities of acquired companies are revalued at the time of acquisition in accordance with the Group's accounting principles, and a necessary positive difference in amount between the purchase price and the company equity that is redefined as the market value is activated as goodwill, and is linearly written off over the expected economic useful life. The results of the acquired companies are recorded in the consolidated profit and loss statement from the time of the controlling acquisition. Upon the withdrawal of companies from the scope of consolidation, deconsolidation takes place as an income item at the time of sale, and the results of the sold companies up to the time of sale are reported in the consolidated profit and loss statement.

The annual reporting of all subsidiaries ends as of 31st December.

2.5 Intangible assets and goodwill

Identifiable acquired assets, liabilities and contingent liabilities are listed in the balance sheet at their value at the time of the acquisition, irrespective of the extent of the minority interests. Acquisition costs that exceed the share of the Group in the value of the identifiable net assets to be added are reported in the statement as goodwill. Companies that are acquired or sold during the financial year are included in the Group's annual accounts from the date of the acquisition or up to the date of the sale.

In accordance with IFRS 3, it is assumed that the goodwill, as well as certain intangible assets, have an indefinite useful life and are therefore not written off as scheduled, but are subjected to a depreciation audit at least once a year. The amount of any possible depreciation is listed in the profit and loss statement under "Depreciation, amortisation". OPENLiMiT currently reports software development as being an intangible asset with an indefinite useful life.

Intangible assets with a limited useful life are checked for soundness as soon as certain factors or general circumstances give cause to believe that their book value is no longer realisable. If there is an indication of a possible over-evaluation, the current value, less any possible sales expenditure, is determined in the Group on the basis of the monetary flow expected in future from the use and the most recent realisation. If the book value is greater than the higher value from the net sales proceeds and the utilisation value, a depreciation equivalent to the difference is recorded as an expenditure. For the soundness test, assets are summarised at the lowest level for which cash flows can be separately identified. The estimate of the monetary flows that are to be discounted in future is based

on appraisals and assumptions of the company management. The monetary flows that may actually be realised can deviate significantly from these estimates.

2.6 Research and development expenditure

Research and development expenditure is listed in the balance sheet under "Intangible assets".

2.7 Liquid assets

As well as the cash reserves and banked cash, the liquid assets also include fixed-term deposits with an original maturity of a maximum of three months.

2.8 Securities

As marketable securities in the current assets, easily realisable securities including fixed-term deposits money are reported with a maturity of between three and twelve months.

2.9 Receivables

Receivables are valued at the original invoice amount less a value adjustment for threatened receivables, which is estimated on the basis of an analysis of the outstanding receivables on the balance sheet date.

2.10 Inventories

Inventories are valued at the lower value from the acquisition or manufacturing costs and the net sale value. The manufacturing costs include all the production costs including proportionate production costs. All recognisable loss risks from service orders are taken into account by means of suitable value adjustments. The valuation of the inventories is calculated using the weighted average method or standard costs. Standard costs are regularly monitored, and in the case of larger requirements adapted to the newest conditions. Value adjustments are made for scarcely marketable inventories or inventories with low turnover. Unmarketable inventories are written off completely.

Services are valued according to the "Completed Contract" method. Revenue is usually only realised following the transfer of hazard and risk and the service has been provided.

2.11 Intangible and tangible fixed assets

Intangible and tangible fixed assets are listed in the balance sheet with their purchase or manufacturing costs less a linearly accumulated depreciation. Depreciation is calculated from the book value.

Intangible fixed assets listed in the balance sheet include goodwill, customer lists, supplier relationships, licences, patented brand names and similar rights, software, as well as activated own capital contributions and foundation and organisation costs.

All intangible assets (excluding goodwill and brand names) are written off linearly over the expected useful life, which usually does not exceed five to ten years.

In addition to the goodwill and the brand name, the software development has also been activated as an asset with an indefinite useful life.

Decreases in value due to impairments are recorded in the depreciations and are reported separately.

Repairs, servicing and orderly maintenance are negatively listed in the profit and loss statement as ongoing costs. Value-increasing costs are activated and written off over their estimated useful life.

The following useful lives are estimated (in years):

	Useful life
Furnishings	10
Vehicles	4-5
Computers	3-5
Intangible assets	as a rule 5-10

The soundness of intangible and tangible fixed assets is always checked when there is an indication that the book value has been overvalued. If the book value is greater than the higher value from the net sales proceeds and the utilisation value, a depreciation equivalent to the difference is recorded as an expenditure. Assets are summarised for the soundness test at the lowest level for which cash flows can be separately identified. The estimate of the monetary flows that are to be discounted in future is based on appraisals and assumptions of the company management. The monetary flows that may actually be realised can deviate significantly from these estimates.

2.12 Leasing

Leasing agreements where all the significant risks and benefits remain with the leasing party are assigned to the operating leases. Payments to be made for operating leases are booked on the debit side of the Group results at uniform rates over the leasing period.

2.13 Reserves

Reserves are formed if a legal or actual obligation has arisen, an outflow of funds to fulfil this liability is probable, and a reliable estimate of the extent of the liability can be made.

Formed reserves represent the best possible appraisal of the final obligation. Possible obligations whose existence must be confirmed by future events, or liabilities, the extent of which cannot be reliably appraised, are disclosed as contingent liabilities. Contingent deposits are not activated, but are immediately disclosed analogue to the contingent liabilities, providing that economic benefits for the Group are likely.

2.14 Income taxes

Income tax payments are deferred as appropriate for the period of payment. Because the results that are to be taxed do not deviate from the annual results that are based on uniform evaluation principles, latent taxes are neglected. Should something change here, the latent taxes are calculated based on the local rates of taxation and deferred.

2.15 Net turnover

The net turnover includes all the invoiced sales and licence income minus all revenue deductions (e.g. value-added taxes or sales taxes, discounts, cash discounts, etc.) and other company revenue (e.g. service revenue). The turnover is recorded at the time of delivery or performance of a service.

2.16 Down payments

Received down payments are deferred and then realised when the corresponding service has been performed.

2.19 Transactions with related parties

Necessary business relations with related parties are dealt with at market-compliant conditions.

2.20 Staff provisory care

The OPENLiMiT Group maintains staff provisory care plans in Switzerland and abroad. All employees in Switzerland are registered with a professional provident fund according to the Swiss contribution priorities which exceeds the mandatory minimum provisions laid down in Swiss law. Contributions are paid by the individual companies and the employees. Employee contributions are fixed as a percentage of the insured annual income and are deducted monthly. The contributions deducted from the salary to cover benefits are age-dependent and variable. The calculation of the provisory care benefits is based on the age credits at the time of retirement and the respectively valid pension conversion rates. The insured benefits include old age pensions, payments in case of invalidity, death, as well as for surviving relatives. These provisory care plans are subject to the regulations of benefit-orientated plans in accordance with IAS 19.

2.21 Company-held shares

Retained shares held by the Group are recorded as a decrease in the company equity. The purchase costs, proceeds from their resale, as well as other movements of the company's own shares, are listed as changes to the company equity.

2.22 Foreign currency conversion

The OPENLiMiT Group Statement is given in Swiss francs (CHF). All foreign currency receivables and obligations are converted at the exchange rate valid on the balance sheet date (31st December, 2006: 1.6097 EUR). The resultant conversion discrepancies are treated as income.

Transactions in foreign currencies performed by the consolidated subsidiaries are converted at the exchange rate valid at the time of the transaction. For consolidation purposes, transactions are converted at the exchange rate valid on the balance sheet date. Any resultant conversion discrepancies are treated as income.

In the event of the sale of a foreign subsidiary or associated company, the accumulated conversion discrepancies are booked as part of the sales profit or loss in the profit and loss statement.

3. Financial risk management

The OPENLiMiT Group is subject to various financial risks such as foreign currency fluctuations or credit risks arising from the company's activities. OPENLiMiT attempts to minimise every possible unfavourable impact such fluctuations could have on the company's financial success.

3.1 Foreign currency risk

The foreign currency risk faced by OPENLiMiT is essentially limited to the euro. In the case of the transaction risk, there is a risk of fluctuations in the value of the foreign currencies between the date of the contractual agreement and the actual payment. Due to the prevailing minimal significance of

foreign currency risks, OPENLiMiT does not use either currency forwards or foreign currency options for hedging purposes.

3.2 Interest rate risk

Maintained credit balances and money market investments are subject to an interest rate risk, although this is still to be regarded as being insignificant.

3.3 Liquidity risk

The short-term liquidity risk is understood as the risk of not being able to dispose of a certain minimum liquidity, while the long-term liquidity risk would mean that OPENLiMiT would have no access to the financial markets to borrow outside capital.

3.4 Credit risk

This is understood as the possibility that one of OPENLiMiT's transaction parties would be in the position or willing to meet its liabilities, a situation that would be financially damaging to the OPENLiMiT Group. Receivables from deliveries and services are continually checked and monitored for credit risks.

4. Segment reporting

On account of the present business activities and the size of the OPENLiMiT Group, a notifiable segment in accordance with IAS 14 does not exist. The main aspects of the definition of neither a business segment nor a geographical segment apply.

5. Material and product costs

In CHF	2006	2005
Material and product costs	11,121	18,959
Delivery costs	0	1,391
Total material and product costs	11,121	20,350

6. Personnel costs

In CHF	2006	2005
Wages and salaries	1,222,705	979,951
Legal / contractual social insurance contributions	226,961	222,214
External services / third-party work	578,428	744,381
Total personnel costs	2,028,094	1,946,546

Depending upon the employee's function, the reimbursement usually comprises the basic salary, variable salary components, social benefits and other allowances. The reimbursement policy of the OPENLiMiT Group takes into consideration the profit situation, comparability, individual performance and usual market practices. The social benefits of the OPENLiMiT Group are orientated solely to national legal regulations.

7. Sundry operating expenses

In CHF	2006	2005
Rental costs	193,020	194,319
Servicing / repairs	27,248	20,919
Vehicle expenses	65,304	93,365
Fees, contributions, insurance payments	41,827	4,342
Administrative expenses	342,301	447,497
Advertising	158,230	159,122
Total sundry company expenses	827,930	919,564

8. Financial income

In CHF	2006	2005
Interest yield, remaining	26,236	4,679
Exchange rate profits	197,315	0
Total financial income	223,551	4,679

9. Financial expenditure

In CHF	2006	2005
Interest expenses, remaining	0	1,261
Costs of monetary transactions	5,690	9,316
Exchange rate losses	0	54,108
Leasing expenses for vehicles	91,963	100,806
Total financial expenditure	97,653	165,491

10. Extraordinary income

In CHF	2006	2005
Various extraordinary income	23	26,726
Waived receivables	0	6,692,538
Total extraordinary income	23	6,719,264

11. Extraordinary expenditure

In CHF	2006	2005
Liquidation losses OLSE GmbH	89,738	239,588
VAT accounting, dissolution OLTO	1,982	0
Dissolution costs OLSE DE	1,632	0
Inventory value adjustment	0	460,599
Total extraordinary expenditure	93,352	700,187

12. Merger losses

In CHF	2006	2005
Merger OLTO/OLSE with OLSC	559,933	0
Total merger losses	559,933	0

In future, the merger losses incurred during the course of the streamlining of the corporate structure through the merger of OPENLiMiT Tower AG (OLTO) and OPENLiMiT Services AG (OLSE) into OPENLiMiT SignCubes AG (OLSC) will be able to be used for tax purposes.

13. Taxes

In CHF	2006	2005
Capital taxes	40,867	5,330
Total tax	40,867	5,330

14. Profit shares of minority shareholders

All subsidiaries of the OPENLiMiT Group are in 100% ownership of OPENLiMiT Holding AG.

15. Liquid assets

In CHF	2006	2005
Banked cash	3,724,755	438,654
Cash on hand	2,155	507
Total liquid assets	3,726,910	439,161

16. Receivables from deliveries and services

In CHF	2006	2005
Receivables from remaining deliveries and services	547,853	133,556
All-inclusive value adjustment for receivables	-99,000	0
Total receivables from deliveries and services	448,853	133,556

The value-adjusted receivables concern debtors whose economic position is currently assessed as being uncertain.

17. Residual receivables

In CHF	2006	2005
Various residual receivables	165,829	114,431
Active deferrals	79,107	3,326
Total residual receivables	244,936	117,757

18. Inventories

In CHF	2006	2005
Product inventory	1	0
Total inventories	1	0

19. Intangible assets

In CHF	Software development	Development costs SignCubes	Foundation and capital increase costs	2006 Total	2005 Total
Acquisition figures					
Dated 1.1.	3,980,000	0	130,081	4,110,081	4,031,125
Incoming	134,530	1,425,833	170,283	1,730,646	78,956
Dated 31.12.	4,114,530	1,425,833	300,364	5,840,727	4,110,081
Amortisation					
Dated 1.1.	3,980,000	0	58,268	4,038,268	1,613,125
Incoming	0	0	43,196	43,196	2,425,143
Exchange rate discrepancies					
Dated 31.12.	3,980,000	0	101,464	4,081,464	4,038,268
Book values					
Dated 1.1.	0	0	71,813	71,813	0
Dated 31.12.	134,530	1,425,833	198,900	1,759,263	71,813

20. Tangible assets

In CHF	Furnishing	IT	2006 Total	2005 Total
Acquisition figures Dated 1.1.	199,472	345,772	545,244	725,033
Change in scope of consolidation	-83,801	-4,808	-88,609	-193,530
Incoming	134,702	44,592	179,294	109,327
Outgoing	-19,517	0	-19,517	-94,594
Exchange rate discrepancies Dated 31.12.	0	0	0	-992
Amortisation Dated 1.1.	169,924	255,489	425,413	509,881
Change in scope of consolidation	-50,008	-2,087	-52,095	-187,348
Incoming	67,563	57,756	125,319	140,131
Outgoing	0	0	0	-39,900
Transfer postings and value corrections Dated 31.12.	0	0	0	2,649
Book values Dated 1.1.	29,548	90,283	119,831	0
Dated 31.12.	43,377	74,398	117,775	119,831

21. Sundry short-term obligations

In CHF	2006	2005
Pre-paid income	144,862	236,777
Residual short-term obligations	13,969	23,720
Total sundry short-term obligations	158,831	260,497

22. Sundry long-term obligations

In CHF	2006	2005
Obligations towards shareholders	0	134,805
Total sundry long-term obligations	0	134,805

23. Share capital

	Nominal value (CHF)	Number of issued bearer shares	Nominal value (CHF)
Date 31.12.2005	0.30	14,400,000	4,320,000
10.02.2006 Capital increased by	0.30	283,632	85,090
13.06.2006 Capital increased by	0.30	1,073,780	322,134
Date 31.12.2006	0.30	15,757,412	4,727,224

24. Reserves

In CHF	2006	2005
Premium reserves	7,876,218	1,440,030
Total premium reserves	7,876,218	1,440,030

25. Subsidiaries

Subsidiary	Nominal capital	Participation
OPENLiMiT SignCubes AG, Baar/ZG, Switzerland	CHF 100,000	100%
OPENLiMiT SignCubes GmbH, Berlin, Germany	EUR 25,000	100%

TREVISCA

WIRTSCHAFTSPRÜFUNG | STEUERBERATUNG

Bericht des Konzernprüfers
an die Generalversammlung der
Openlimit-Holding
Zugerstrasse 76b
6340 Baar

Als Konzernprüfer haben wir die konsolidierte Jahresrechnung (Bilanz, Erfolgsrechnung, Geldflussrechnung und Anhang) der Openlimit Holding AG für das am 31. Dezember 2006 abgeschlossene Geschäftsjahr geprüft.

Für die konsolidierte Jahresrechnung ist der Verwaltungsrat verantwortlich, während unsere Aufgabe darin besteht, diese zu prüfen und zu beurteilen. Wir bestätigen, dass wir die gesetzlichen Anforderungen hinsichtlich Befähigung und Unabhängigkeit erfüllen.

Unsere Prüfung erfolgte nach den Schweizerischen Prüfungsstandards sowie nach den International Standards on Auditing (ISA), wonach eine Prüfung so zu planen und durchzuführen ist, dass wesentliche Fehlaussagen in der Konzernrechnung mit angemessener Sicherheit erkannt werden. Wir prüften die Posten und Angaben der konsolidierten Jahresrechnung mittels Analysen und Erhebungen auf der Basis von Stichproben. Ferner beurteilten wir die Anwendung der massgebenden Rechnungslegungsgrundsätze, die wesentlichen Bewertungsentscheide sowie die Darstellung der konsolidierten Jahresrechnung als Ganzes. Wir sind der Auffassung, dass unsere Prüfung eine ausreichende Grundlage für unser Urteil bildet.

Gemäss unserer Beurteilung vermittelt die konsolidierte Jahresrechnung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage in Übereinstimmung mit den International Financial Reporting Standards (IFRS) und entspricht dem schweizerischen Gesetz.

Wir empfehlen, die vorliegende konsolidierte Jahresrechnung mit einem Bilanzverlust von CHF 6'500'690 zu genehmigen.

Da die Hälfte des Aktienkapitals und der gesetzlichen Reserven nicht mehr gedeckt ist, machen wir auf Art. 725 Abs. 1 OR aufmerksam.

Baar, 19. April 2007

TREVISCA AG WIRTSCHAFTSPRÜFUNG | STEUERBERATUNG


Daniel Zimmermann
dipl. Wirtschaftsprüfer
Leitender Revisor


Peter Küng
dipl. Experte in Rechnungslegung

Beilagen:

Jahresrechnung bestehend aus
|| Bilanz
|| Erfolgsrechnung
|| Anhang

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 Mitglied der Treuhänder-Kammer

OPENLiMiT Holding AG Annual Statement

Profit and loss statement 2006

(in CHF)

EXPENDITURE	2006	2005
<hr/>		
Expenditure		
Operating costs	59,521	208.942
Advertising	0	12.183
Financial expenditure	3,463	97.973
Financial income	-280,776	-4.556
Amortisation	59,196	2.426.280
Extraordinary expenditure	289,738	235.421
Extraordinary income	-23	-4.676.770
Taxes	13,167	3.359
<hr/>		
TOTAL	144,286	-1,697,168
<hr/>		
(-) annual loss / profit	-144,286	1,697,168

OPENLiMiT Holding AG Annual Statement

Balance on 31st December, 2006
(in CHF)

ASSETS	31.12.2006	31.12.2005
Current assets	3,503,396	337,884
Liquid assets	3,494,255	335,852
Other receivables	9,141	2,032
Fixed assets	8,485,209	5,289,799
Tangible assets	0	16,000
Intangible assets	198,900	71,813
Loans to related parties and companies	8,186,309	4,863,121
Investments	100,000	338,865
TOTAL ASSETS	11,988,605	5,627,683
 EQUITY AND LIABILITY	 31.12.2006	 31.12.2005
Outside capital	7,000	345,203
Debts from deliveries and services	0	50,398
Pre-paid income	7,000	157,000
Reserves	0	3,000
Loans from related parties and companies	0	134,805
Equity	11,981,605	5,282,480
Share capital	4,727,224	4,320,000
Premiums	7,876,217	1,440,030
Net loss for the year	-621,836	-477,550
TOTAL EQUITY AND LIABILITY	11,988,605	5,627,683

OPENLiMIT Holding AG Annual Statement

Enclosure to the Annual Statement 2006: Details of the profit and loss statement
(in CHF)

EXPENDITURE	2006	2005
Operating expenditure	59,521	208,942
Property insurance and fees	4,279	3,256
Office equipment and printed matter	0	129
Technical literature	0	353
Telephone, telefax and Internet	0	310
Postage costs	0	91
Accounting and auditing	0	9,052
Stock market care	54,051	0
Legal advice	1,190	194,778
Computer expenses	0	974
Advertising	0	12,183
Travel and representation expenses	0	12,183
Financial expenditure	3,463	97,973
Bank interest and expenses	3,463	9,316
Commission	0	45,284
Exchange rate discrepancies	0	43,374
Financial income	280,776	4,556
Interest income	25,756	4,556
Loan interest income	146,250	0
Exchange rate discrepancies	108,770	0
Amortisation	59,196	2,426,280
Tangible assets	16,000	1,138
Intangible assets	0	2,388,000
Foundation and capital increase costs	43,196	37,142
Extraordinary expenditure	289,738	235,421
Extraordinary expenditure	289,738	135,422
Loss from sale of participation in OPENLiMIT Access Marketing AG	0	99,999
Extraordinary income	23	4,676,770
Extraordinary income	23	13,832
Receivable waivers OPENLiMIT Inc.	0	4,662,938
Taxes	13,167	3,359
Taxes	13,167	3,359

OPENLiMiT Holding AG Annual Statement

Enclosure to the Annual Statement 2006: Details of Equity and Liability
(in CHF)

Current assets	31.12.2006	31.12.2005
Liquid assets	3,494,255	335,852
Cash on hand	1,375	122
Credit Suisse CHF	4,234	42,582
Credit Suisse EUR	419,292	292,832
Credit Suisse USD	0	16
Bank Sarasin CHF	139	300
Fixed-term deposits EUR	3,058,430	0
Bank Sarasin EUR	10,785	0
Other receivables	9,141	2,032
Value-added tax	142	474
Withholding tax	8,998	1,558
Fixed assets		
	31.12.2006	31.12.2005
Tangible assets	0	16,000
Vehicles	0	16,000
Intangible assets	198,900	71,813
Foundation and capital increase costs	198,900	71,813
Loans to related parties and companies	8,186,309	4,863,121
OPENLiMiT Tower AG, Switzerland	0	1,075
OPENLiMiT SignCubes AG (subordination)	8,186,309	4,485,846
OPENLiMiT Service GmbH, Berlin	0	84,735
OPENLiMiT Services AG (subordination)	0	291,465
Participations	100,000	338,865
Participation OPENLiMiT Services AG, Switzerland	0	100,000
Participation OPENLiMiT Service GmbH, Berlin	0	38,865
Participation OPENLiMiT Tower AG, Switzerland	0	100,000
Participation OPENLiMiT SignCubes AG, Switzerland	100,000	100,000

OPENLiMiT Holding AG Annual Statement

Enclosure to the Annual Statement 2006: Details of Equity and Liability
(in CHF)

Outside capital	31.12.2006	31.12.2005
Debts from deliveries and services	0	50,398
Creditors	0	50,398
Pre-paid income	7,000	157,000
Pre-paid income	7,000	157,000
Reserves	0	3,000
Taxes	0	3,000
Loans from related parties and companies	0	134,805
Shareholders	0	134,805
Equity	31.12.2006	31.12.2005
Share capital	4,727,224	4,320,000
Share capital	4,727,224	4,320,000
Premiums	7,876,217	1,440,030
Premiums	7,876,217	1,440,030
Net loss for the year	-621,836	-477,550
Net loss for the year on 1.1.	-477,550	-2,174,718
(-) annual loss / profit	-144,286	1,697,168

TREVISCA

WIRTSCHAFTSPRÜFUNG | STEUERBERATUNG

Bericht der Revisionsstelle
an die Generalversammlung der
Openlimit Holding AG
Zugerstrasse 76b
6340 Baar

Als Revisionsstelle haben wir die Buchführung und die Jahresrechnung (Bilanz, Erfolgsrechnung und Anhang) der Openlimit Holding AG für das am 31. Dezember 2006 abgeschlossene Geschäftsjahr geprüft.

Für die Jahresrechnung ist der Verwaltungsrat verantwortlich, während unsere Aufgabe darin besteht, diese zu prüfen und zu beurteilen. Wir bestätigen, dass wir die gesetzlichen Anforderungen hinsichtlich Befähigung und Unabhängigkeit erfüllen.

Unsere Prüfung erfolgte nach den Schweizerischen Prüfungsstandards, wonach eine Prüfung so zu planen und durchzuführen ist, dass wesentliche Fehlaussagen in der Jahresrechnung mit angemessener Sicherheit erkannt werden. Wir prüften die Posten und Angaben der Jahresrechnung mittels Analysen und Erhebungen auf der Basis von Stichproben. Ferner beurteilten wir die Anwendung der massgebenden Rechnungslegungsgrundsätze, die wesentlichen Bewertungsentscheide sowie die Darstellung der Jahresrechnung als Ganzes. Wir sind der Auffassung, dass unsere Prüfungen eine ausreichende Grundlage für unser Urteil bildet.

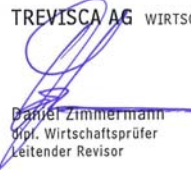
Gemäss unserer Beurteilung entsprechen die Buchführung und die Jahresrechnung mit den folgenden Einschränkungen dem schweizerischen Gesetz und Statuten:

Die Positionen Darlehen an nahestehende Gesellschaften von CHF 8'186'309 sowie Finanzanlagen (Beteiligungen) von CHF 100'000 kann im jetzigen Zeitpunkt nicht abschliessend beurteilt werden. Die Realisierbarkeit und Werthaltigkeit hängt von den zukünftigen Budgeterwartungen ab.

Wir empfehlen, trotz vorstehenden Einschränkungen die vorliegende Jahresrechnung mit einem Bilanzverlust von CHF 621'836 zu genehmigen.

Baar, 19. April 2007

TREVISCA AG WIRTSCHAFTSPRÜFUNG | STEUERBERATUNG


Daniel Zimmermann
Dipl. Wirtschaftsprüfer
Leitender Revisor


Peter Küng
dipl. Experte für Rechnungslegung

Beilagen:
Jahresrechnung bestehend aus
|| Bilanz
|| Erfolgsrechnung
|| Anhang

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 Mitglied der Treuhänder-Kammer

Shareholder information

OPENLiMiT Holding AG is listed a Swiss stock corporation and has been listed in Germany on the Regulated Market (General Standard) in Frankfurt, Berlin-Bremen, Stuttgart and Munich since 16th April, 2007

SUN/Symbol	A0F5UQ/O5H/CH.002.223.700.9
Commercial segment / stock market	Regulated Market (General Standard) / Frankfurt
Number of shares	15,757,412
Type of shares	Bearer shares
Nominal value	CHF 0,30
First notation	29th August, 2005
First quotation	€ 2.31
Designated sponsor	MWB Wertpapierhandelshaus AG, Germany
Trading markets	Frankfurt, Berlin-Bremen, Dusseldorf, Munich and Stuttgart

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Company profile

The OPENLiMiT Group is a listed group of technology and marketing companies. Its products and the product development focus on the application of electronic signatures, encryption technologies and related fields. OPENLiMiT software products help consumers, companies and state institutions to enhance the security, verifiability and efficiency of its electronic business transactions, to achieve the greatest possible security for its data, and to optimise workflow and communication processes.

The OPENLiMiT software is the first signature application component to have been certified by the German Federal Department for Security in Information Technology (BSI) in compliance with the international IT security standards Common Criteria EAL 3 + (22nd July, 2004) and EAL 4+ (21st October, 2005) and confirmed by the German Signature Act (SigG) and the German Signature Ordinance (SigV). On account of the modular development of the software products, the modules can be repeatedly recombined and adapted to specific customer needs.

OPENLiMiT products are fundamentally marketed through marketing partnerships to the entire market spectrum of consumer, small and medium-sized companies (SMEs), major corporations and multinational groups, as well as state authorities.

Disclaimer

Cautionary statement regarding forward-looking statements

Forward-looking statements are given in this Annual Financial Report which also contain predictions about forward-looking events, trends, measures or goals. Such statements are indicated by formulations like "will" or "growing" and similar expressions. The forward-looking statements mentioned in this document are based on the expectations of the company (including subsidiaries) at this time. As these forward-looking statements are subject to risks and uncertainty, this could cause the results and the plans and goals of OPENLiMiT Holding AG to deviate substantially from those which are explicitly or implicitly described in these forward-looking statements. Factors which may cause these plans, measures and results to substantially deviate from the current expectations include: (i) the general political, economic and competitive situation on markets and in countries in which the company or its branch offices are active, as well as exchange rate leverage and other risks which are connected with foreign dealings; (ii) general technological developments, (iii) the capability of the company to develop and market new products and technologies, as well as acceptance of such products or technologies by customers of the company, including the resultant incapacity of the company to achieve forecast turnovers; (iv) the timed coordination or occurrence (as well as non-occurrence) of transactions and events which among other things do not fall within the sphere of influence of the company or its branches; (v) changes to the credit ratings of partners and customers; (vi) changes to the prices of products as well as their negative impact on the company's turnover and profit margins from these products or (vii) costs in connection with changes to legal regulations. OPENLiMiT Holding company AG is not obliged to update or to revise these forward-looking statements to take into account new information, future events or circumstances.



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