

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2022

LOGPOINT A/S

Bryggervangen 55, 4. th.

2100 København Ø

CENTRAL BUSINESS REGISTRATION no. 26 30 19 39

Approved at the Company's
Annual General Meeting,
on 11/7 2023


Peter Helbo Langsted
Chairman

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COMPANY DETAILS

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Company

LogPoint A/S
Bryggervangen 55, 4. th.
2100 København Ø

Central Business Registration no. 26 30 19 39

Registered in: København Ø

Executive Management

Jesper Zerlang

Board of Directors

James Michael Pflaging, Chairman

Jacob Sjørlev Frandsen

Christian Melby

Frank Brandenburg

Dominik Hertzler

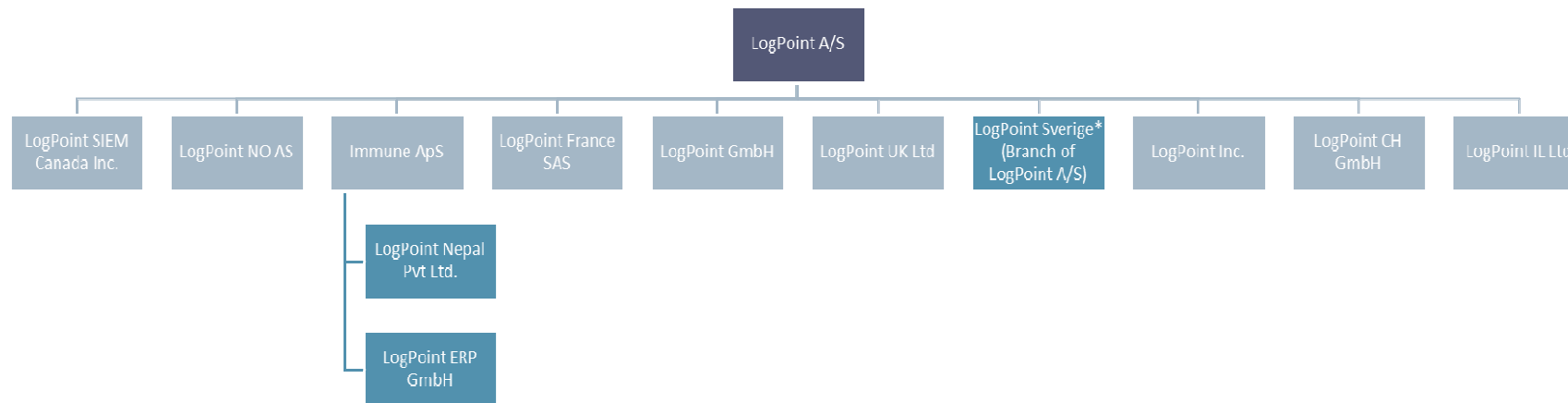
Company auditors

inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
Central business registration no. 19263096

Kenny Madsen, State Authorized Public Accountant
Lasse Sværke, State Authorized Public Accountant

GROUP CHART

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Primary activities

The Group and company are selling Converged SIEM including SIEM (Security Information Event Management), SOAR (Security Orchestration Automation and Response) and UEBA (User entity and Behavioral Analytics) solutions worldwide with a strong focus on the European market, however with a global reach via the company partner network. Logpoint is a cybersecurity analytical platform and the Group's products are software and related services.

SIEM, UEBA and SOAR technologies are maturing and is now recognized as essential to any IT security department. The key business driver is that companies want to detect and respond to their corporate digital behaviors. This enables customers to protect themselves against Cyberattacks, internal fraud and industrial espionage. This is possible using the Logpoint technologies that automatically analyze the patterns and recognize the collected digital fingerprints (logs) that is being stored in enterprises and organizations. The platform further enables organizations to become industry compliant (GDPR, NIS2, PCI, SOX, ISO27001 and more) and provide business critical security analytics and operational insights into IT environments.

Development in activities and finances

The result for the Group for the year reflects a loss of DKK 253.278k versus a loss of DKK 95.768k in 2021.

The balance sheet total amounted to DKK 229.353k at the end of 2022 versus DKK 211.721k at the end of 2021. The Equity at the end of 2022 amounted to DKK -238.046k versus DKK 9.223k at the end of 2021. The Management considers the result as satisfactory, and in line with the growth strategy of Logpoint.

The number of employees has increased to 303 from 190 in 2021.

In the annual report 2021 the expectations were an overall growth of more than 30% and become cash flow positive. The growth is in line with the results for the year, but the positive cash flow was not met, mainly due to the increased investments in critical infrastructure organizations .

The above is in line with the growth strategy of the Group and is a result from increased investments in products development, sales, marketing and people overall.

Outlook

Post finishing the annual report Summa Equity came in as majority investor. The Logpoint growth is expected to continue in 2023, however at a slower pace as the global economy is challenged which also is expected to impact Cyber security spending overall. The small, medium enterprise market is underserved from a Cybersecurity perspective and Logpoints converged SIEM platform with focus on automation and response address this specific market segment. Furthermore, Logpoints vertical solutions to cover SAP security is expected to yield positive contribution and the Group overall expect to grow more than 25% in 2023 and become cashflow positive end of 2024.

Particular risks

Because of its operations, investments, and financing, Logpoint is exposed to volatility in terms of primarily exchange rates and the level of interest. The fiscal policy pursued by Logpoint involves operating with a low risk profile, so that risks concerning exchange rates, interest rates and credit only arise, should commercial conditions occur. The combined risk is currently at a level where hedging is not deemed economical viable.

Intellectual capital resources

Logpoint's ambition is market leadership by developing state-of-the-art technologies within the converged SIEM and SAP Cyber market space. Logpoint has considerable intellectual capital resources within its field, particular in relation to our customers, technology, and employees.

Customers

Logpoint is creating value for its customers by providing intelligent software solutions, implemented in cooperation with the individual customer, meeting the customers' expectations through the delivery of high-quality security products. Logpoint is selling its products directly to end-customers, through partners and resellers Manage, Detection and Response (MDR) vendors and Manage Security Service Providers (MSSPs). Logpoint is particularly strong in selling solutions to organizations in Critical infrastructures, Public market and larger customers using SAP as ERP solutions.

Ukrainian crisis

The Russian aggression towards Ukraine have significantly impacted the European focus on digital cyber protection on critical infrastructure in all of Europe. Logpoint is NATO certified and the demand for the Logpoint solutions have been significant during 2022 towards critical infrastructure companies and institutions. This is expected to continue into 2023 and beyond.

Technology

Development of technology is key for Logpoint. The Group leverage sophisticated big data architectures with advanced analytics and Machine Learning to provide unique SIEM/UEBA/SOAR and SAP functionality that separate Logpoint from its competitors.

Staff relations

Logpoint is attracting and engaging new talent to the Group by focusing on people management and building individual career paths for all individuals while nurturing a strong team culture in the company. This is a key competitive advantage that will keep Logpoint competitive and attractive in a highly competitive global cyber market.

Research and development activities

Research and development are key differentiators to the continued positive development of Logpoint. It is expected that Logpoint will continue to invest in R&D capabilities and further expand to cater for future customer and market demands. Bring Logpoint to the Cloud remain a key initiative in 2022.

Most of the development in 2022 has been focused on version 7.0 embedding the technology (SOAR) acquired from SecBI, our UEBA capabilities and SAP. The research and development are focused on Machine Learning capabilities and Enterprise architectures, the user experience as well as providing more solutions that will be implemented natively in the Cloud.

Disclosures about treasury shares

The company holds a portfolio of 2.348 treasury shares of each DKK 1, corresponding to 0,08% of the total share capital. All the treasury shares have been acquired in 2018.

MANAGEMENT'S REVIEW 2022, continued**5****Group financial highlights**

Amounts in DKK '000	2022	2021	2020	2019	2018
Income statement					
Gross profit/loss	48.906	36.994	43.386	27.491	6.712
Profit/loss from primary activities	-142.013	-101.020	-38.216	-48.679	-70.301
Net financials	-118.946	-150	-6.685	-3.554	-6.191
Profit/loss for the year	-253.278	-95.768	-41.340	-52.038	-72.560
Balance sheet					
Balance sheet total	229.353	211.721	219.266	125.575	107.868
Investments in intangible assets	74.974	79.546	28.128	23.356	24.742
Investments in property, plant and equipment	1.253	1.917	722	689	3.517
Invested capital	9.958	28.783	-28.400	1.833	-1.540
Equity	-238.046	9.223	48.299	-88.303	-67.968
Cash flow					
Cash from operating activities	-71.500	-83.485	22.579	-25.261	-34.069
Cash from investing activities	-65.001	-82.393	-28.809	-23.908	-28.460
Cash from financing activities	127.798	77.464	100.922	56.143	45.026
Changes for the year in cash and cash equivalents	-8.704	-88.414	94.692	6.974	-17.503
Ratios					
Return on invested capital (ROIC)	-	-	-	-	-
Solvency ratio	-103,79%	4,36%	22,03%	-70,32%	-63,01%

STATEMENT BY MANAGEMENT ON THE BALANCE SHEET

The Board of Directors and the Executive Management have today discussed and approved the annual report for the financial year of 31 December 2022 of LogPoint A/S.

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


In our opinion the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2022 and of the result of the Group and the Parent Company's operations and the Group's cash flow for the financial year of 31 December 2022 of LogPoint A/S.

In our opinion the management's review includes a fair review about the matters the review deals with.


We recommend that the Annual Report be approved at the annual general meeting.


København Ø, 6th July 2023

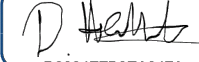
Executive Management


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Jesper Zerlang
CEO


Board of Directors

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James Michael Pflaging
Chairman

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Christian Melby
Boardmember

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Dominik Hertzler
Boardmember

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Jacob Sjørsløv Frandsen
Boardmember

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Frank Brandenburg
Boardmember

To the shareholders of LogPoint A/S**Opinion**

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of LogPoint A/S for the financial year 1 January to 31 December 2022, which comprise the accounting policies applied, the income statement, the balance sheet, statement of changes in equity and notes for both the Group and the Parent Company as well as the cash flow statement for the Group.

The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2022, and of the results of the Group and Parent Company's operations and the Group's cash flows for the financial year 1 January to 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements section".

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 1 in the Consolidated Financial Statements and note 13 in the Parent Company Financial Statements, which describes the uncertainties related to measurement of the Group's development projects and the Parent company's receivables from group enterprises. Our opinion is not modified in respect of these matters.

INDEPENDENT AUDITOR'S AUDIT REPORT**Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements**

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements and Parent Company Financial Statements.

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

- * Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

INDEPENDENT AUDITOR'S AUDIT REPORT

- * Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements, continued

- * Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- * Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for Management's Review.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements or the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Søborg, 6th July 2023

inforevision


statsautoriseret revisionsaktieselskab

(CVR-nr. 19263096)


Kenny Madsen

State Authorized Public Accountant
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Lasse Sværke

State Authorized Public Accountant
mne34318

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual report has been prepared in accordance with the recognition and measurement principles of the Danish Financial Statements Act of class C medium size enterprises including few adoptions from reporting class C large size enterprises.

Adjustment of previous years errors and changes in comparative figures

The company has corrected the classification of salary reimbursements, which last year was presented under the item "Staff Costs", where the presentation has been changed and presented under the item Other operating income. Comparative figures have been restated accordingly. The change has no impact on the profit/loss, balance or equity. As a result of the correction, gross profit has increased by DKK 84 thousand, while staff costs have increased by DKK 84 thousand.

RECOGNITION AND MEASUREMENT

The financial statement have been prepared based on historical cost.

The income is recognised in the income statement as earned. Further to this, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Furthermore, all costs incurred to earn the profit or loss for year have been recognised in the income statement, including amortisation, depreciation, write-down and provisions as well as reversals as a consequence of changed accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow into the Group and Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Group and Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each financial statement item.

Certain financial assets and liabilities are measured at amortised cost, by which a constant redemption yield is recognised over the term. Amortised cost is calculated as original cost less instalments and addition/deduction of the accumulated amortisation of the difference between cost and the nominal amount. Thereby, capital and exchange losses or gains are allocated over the term.

On recognition and measurement, anticipated losses and risks that appear before presentation of the annual report and which confirm or invalidate affairs or conditions existing at the balance sheet date are considered.

The functional currency is Danish kroner, DKK. All other currencies are considered foreign currencies.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**CONSOLIDATED FINANCIAL STATEMENT**

The consolidated financial statement comprise the parent company and the enterprises (group enterprises) controlled by the parent company. The parent company is deemed to be controlling an enterprise when it directly or indirectly controls more than 50 % of the voting rights or is otherwise able to exercise control of more than 50 % of the voting rights or is otherwise able to exercise control or de facto control with respect to the economic and operational decisions in the enterprise.

The consolidated financial statement are prepared on the basis of the financial statements of the parent company and the Group enterprises by the adding together items of a uniform nature.

In the preparation of the consolidated financial statement, all intercompany balances, income and expenses as well as gains and losses arising from transactions between the group enterprises have been eliminated.

Equity investments in the group enterprises have been eliminated by the group enterprises' proportionate shares of the equity value.

The financial statement is used for the purpose of consolidation have been prepared in accordance with the consolidated accounting policies. The net profit or loss for the year and the equity of foreign enterprises have been expressed in Danish kroner. Foreign currency translation adjustments arising as a result of translation of the equity of the foreign enterprises at the beginning of the financial year and translation of the net profit or loss for the year from the average rate of exchange to the closing rate are charged directly to equity.

Where group enterprises have been acquired, the balance resulting from the elimination has to the extent possible been distributed on the assets and liabilities of the group enterprises whose value is above or below the amount at which they were booked when the group relation was established. Any remaining positive balance is treated as consolidated goodwill and stated under intangible assets. Any negative balance which is equal to an expected cost or an adverse development in the group enterprises is recognised in the income statement when acquired.

FOREIGN CURRENCY TRANSLATION

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**INCOME STATEMENT**

The income statement has been classified by nature.

Gross profit/loss

The Company has aggregated the items "revenue", "other operating income" and "external expenses".

Revenue

Revenue from sale of licenses on a subscription model which provides the customer with a right to access the software as it exist at anytime in the subscription period is recognized in the income statement on a straight line during the subscription period.

As income recognition criteria for sale of perpetual licenses and hardware, the completed contract method is applied so that revenue comprises invoiced revenue for the year. Revenue from the sale is recognised in the income statement when delivery is made and risk has passed to the buyer before the end of the financial year.

As income recognition criteria for sale of consulting services, the production criterion is applied so that revenue comprises the invoiced revenue for the year reduced by prepayments and with addition for work in progress measured at market value.

Revenue is measured at fair value excl. VAT and less granted product and customer discounts.

Other operating income

Other operating income includes financial statement items of a secondary nature in relation to the primary activity of the enterprise, including income from management fees.

External expenses

External expenses comprise selling costs, facility costs and administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the Company's employees.

Income from investments in group enterprises

Income from investments in group enterprises comprises the dividends received for the year.

Other financial income and other financial expenses

Financial income and expenses is recognised with amounts concerning the financial year. Financial items comprise interest, realised and unrealised exchange gains and losses as well as interest surcharge and interest reimbursements under the Danish Tax Prepayment Scheme. Staff costs are reduced with payments received from public authorities.

Tax on profit or loss for the year income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

The Company is jointly taxed with other Danish group enterprises with LogPoint A/S as management company. The tax effect of the joint taxation is allocated among the group enterprises in ratio to their taxable income according to the rules on full allocation with a refund for tax losses in the Danish Corporation Tax Act.

Corporation tax relating to the financial year which has not been settled at the balance sheet date is to be classified as corporation tax in receivables or liabilities other than provisions.

Joint tax contributions between the jointly taxed companies which have not been settled at the balance sheet date are classified as joint tax contributions in receivables or liabilities.

The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**BALANCE SHEET**

The balance sheet has been presented in account form.

ASSETS**Intangible assets**

Intangible assets are measured at cost less accumulated amortisation.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

Development projects on clearly defined and identifiable products, for which the technical rate of utilisation, adequate resources and a potential future market can be established, and where the intention is to manufacture and market the product in question, are recognised as intangible assets. Other development costs not meeting the criteria for capitalization are recognised as costs in the income statement as incurred. Development projects in progress are transferred to completed development projects when the asset is ready to be put into operation.

Assets are amortised on a straight-line basis over their estimated useful lives:

Completed development projects	5 y.
--------------------------------	------

As the intangible assets are not being traded in an active and effective market, no residual values after end of use are included when determining the depreciation period.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The cost price for an asset is divided into separate components, and are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

	Useful lives	Residual value
Leasehold improvements	5 y.	0,0%
Other fixtures, etc.	5 y.	0,0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under gross profit.

Impairment of intangible assets and property, plant and equipment

The carrying amount of intangible assets and property plant and equipment is reviewed annually for indication of impairment for losses, apart from what is expressed by usual amortisation and depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount.

As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the anticipated cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for losses.

Investments in group enterprises

Investments in group enterprises have been measured at cost.

In the event, the cost exceeds the recoverable amount, a write-down is made to this lower value. Indications of impairment exists for example when dividends exceeds the accumulated earnings since the acquisition or when the cost exceeds the net asset value of the companies. Recoverable amount used is the highest value of the expected net sales price and capital value. Capital value is determined as the present value of the expected net cash flow from the possession of the individual investments. Impairment is recognized in the income statement as impairment of financial assets.

Other receivables (fixed assets)

Other receivables recognised under fixed assets comprise rental deposits measured at amortised cost. In events when the carrying amount exceeds the recoverable amount, impairment for loss is made to such lower value. Impairment for loss for the year is recognised in the income statement as impairment for loss of financial assets.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down for bad debt according to an individual assessment.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

EQUITY AND LIABILITIES**Equity**

Management's proposed dividends for the financial year is disclosed as a separate item in equity.

Expenses related to capital increases is recognised directly in equity.

In case of acquisition of treasury shares the acquisition price is recognised directly in equity under the item retained earnings. Subsequent adjustments in the value of treasury shares is not recognised in the financial statements. Received dividends and sales price on disposals of treasury shares are recognised directly in equity under the item retained earnings.

Provision for deferred tax

Deferred tax is measured according to the liability method. Provision has been made for deferred tax by 22 % on all temporary differences between carrying amount and tax-based value of assets and liabilities.

Deferred tax is also measures with respect of the planned use of the asset and the settlement of the liability. The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used.

The tax-based values of tax losses carried forward are included in the statement of deferred tax if it is probable that the losses can be utilised.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Financial liabilities

Other liabilities other than provisions have been measured at amortised cost which corresponds to nominal value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**CASH FLOW STATEMENT**

The cash flow statement shows the Group's cash flows for the year as well as the Group's cash and cash equivalents at year-end.

Cash flows from acquisitions and divestments are shown separately under cash flows from investing activities. In the cash flow statement, cash flows regarding acquired companies are recognized from the date of acquisition and cash flows from divested companies are recognized until the transfer date.

Cash flows from operating activities have been calculated as profit or loss adjusted for non-cash operating items, financial income and expenses paid, corporation taxes as well as increase and decrease in inventories, trade receivables, trade payables and other changes in assets and liabilities other than provisions deriving from operations.

Cash flows from investing activities comprise payments in connection with acquisition and sale of fixed assets as well as payments in connection with acquisition and divestment of companies.

Cash flows from financing activities comprise payments from inception and repayment of long-term liabilities other than provisions as well as payments made to and received from shareholders.

Cash and cash equivalents comprise cash in bank and in hand.

In accordance with the Danish Financial Statements Act §86,4 the Parent Company has not prepared cash flow statement.

FINANCIAL HIGHLIGHTS

The ratios have been prepared in accordance with the online version of "Guidelines and ratios" from The Danish Finance Analysts Society.

The ratios have been calculated as follows:

Return on invested capital =	$\frac{\text{Operating profit} * 100}{\text{Av. invested capital}}$
Solvency =	$\frac{\text{Equity at year-end} * 100}{\text{Total assets}}$

* Invested capital = Intangible and fixed assets relating to the activities + net working capital.

CONSOLIDATED INCOME STATEMENT
1 JANUARY - 31 DECEMBER 2022

DKK'000

<u>Note</u>	<u>2022</u>	<u>2021</u>
GROSS PROFIT/LOSS	48.906	36.994
2 Staff costs	-153.215	-114.797
4, 6 Amortisation, depreciation and impairment losses	<u>-37.704</u>	<u>-23.217</u>
OPERATING LOSS	-142.013	-101.020
Other financial income	12.014	7.554
Other financial expenses	<u>-130.960</u>	<u>-7.704</u>
LOSS BEFORE TAX	-260.959	-101.170
3 Tax on loss for the year	<u>7.680</u>	<u>5.402</u>
4 LOSS FOR THE YEAR	<u><u>-253.278</u></u>	<u><u>-95.768</u></u>

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2022
ASSETS

DKK'000

<u>Note</u>	<u>31/12 2022</u>	<u>31/12 2021</u>
4 Completed development projects	145.603	90.429
4 Development projects in progress	8.135	36.602
INTANGIBLE ASSETS	153.738	127.031
6, 10 Other fixtures and fittings, tools and equipment	3.464	3.250
6, 10 Leasehold improvements	0	0
PROPERTY, PLANT AND EQUIPMENT	3.464	3.250
7 Deposits	1.268	1.484
Deferred tax assets	11.000	3.278
FINANCIAL ASSETS	12.268	4.762
NON CURRENT ASSETS	169.470	135.043
10 Trade receivables	31.982	40.347
Receivables from owners and management	5.780	5.537
Tax receivable	367	73
Other receivables	7.556	5.561
8 Prepayments	4.298	6.801
RECEIVABLES	49.983	58.319
CASH	9.900	18.359
CURRENT ASSETS	59.883	76.678
TOTAL ASSETS	229.353	211.721

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2022
EQUITY AND LIABILITIES

DKK'000

<u>Note</u>	<u>31/12 2022</u>	<u>31/12 2021</u>
Share capital	2.965	2.965
Share premium	320.632	320.632
Exchange rate adjustments	4.868	-1.141
Retained earnings	<u>-566.511</u>	<u>-313.233</u>
EQUITY	<u>-238.046</u>	<u>9.223</u>
Other payables	66.988	42.109
Convertible loan	<u>0</u>	<u>0</u>
9 LONG-TERM LIABILITIES OTHER THAN PROVISIONS	<u>66.988</u>	<u>42.109</u>
9 Current portion of long-term liabilities other than provisions	209.331	6.182
Prepayments received from customers	123.986	105.918
Trade payables	13.004	10.055
Income taxes	0	0
Other payables	<u>54.091</u>	<u>38.234</u>
SHORT-TERM LIABILITIES OTHER THAN PROVISIONS	<u>400.411</u>	<u>160.389</u>
LIABILITIES OTHER THAN PROVISIONS	<u>467.399</u>	<u>202.498</u>
TOTAL EQUITY AND LIABILITIES	<u><u>229.353</u></u>	<u><u>211.721</u></u>

- 1 Uncertainties related to measurement
10 Assets charged and security
11 Contractual obligations

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**21**

DKK'000

	Share Capital	Share premium	Exchange rate adjustments	Retained earnings	TOTAL
Equity at 1/1 2021	2.689	259.147	3.928	-217.465	48.299
Increase of capital	276	62.399		0	62.675
Cost in connection with increase of capital		-914			-914
Exchange rate adjustments			-5.069	0	-5.069
Transferred from distribution of profit/loss			0	-95.768	-95.768
Equity at 1/1 2022	2.965	320.632	-1.141	-313.233	9.223
Exchange rate adjustments			6.009	0	6.009
Transferred from distribution of profit/loss				-253.278	-253.278
Equity at 31/12 2022	2.965	320.632	4.868	-566.511	-238.046

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, continued**22****Warrants**

In the period up until 2022, certain key employees and equity investors have been granted warrants in LogPoint A/S. The warrants have been granted with a strike price ranging from USD 0,16 to USD 33,00. Each warrant granted up until 2022 is subject to a vesting period of approximately 36 months running from time of allocation and can be exercised, in whole or in part, to purchase shares up until 2026. In total the company has 18.972 outstanding warrants corresponding to 0.6% of the share capital.

Convertible notes

On 21 June 2022, the Company issued 6% p.a. convertible Loan Notes denominated in Dollars with a nominal value of \$7,187,925. The Convertible Loan Notes are due at 31 December 2027 at their nominal value of \$7,187,925 plus interest. Neither the loan nor the interests shall be due for cash repayment, but shall instead be converted to shares. Upon conversion the price per share of DKK 1 is: (a) If conversion occurs as a result of the completion of a Series C Preferred Shares Investment Round where a subscription amount of minimum USD 20 million is subscribed for in cash, excl. the amount under this Loan Note and other loan notes (the "C-round"), at the lower of (i) the price actually paid for the C-shares issued in the C-round (or the price applied in another capital increase if such is adopted before the C-round at a price which is less than the price applied in the C-round), less a 20% discount, or (ii) the price per share reflecting a valuation of the Company of USD 210 million prior to the C-round; or (b) if the C-round is not completed at a price per share reflecting a valuation of USD 210 million.

In case of change of control the lender has the right to either (a) receive cash equal to 3 x the principal amount with the addition of interests, (b) convert into shares of the Company reflecting a USD 210 million valuation.

CONSOLIDATED CASH FLOW STATEMENT
1 JANUARY - 31 DECEMBER 2022

DKK'000

	2022	2021
Operating loss	-142.013	-101.020
Amortisation and depreciation of intangible and tangible fixed assets	37.704	23.217
Other adjustments	35	3.992
Change in trade receivables	8.406	-11.205
Change in trade payables	3.037	6.860
Change in other working capital items	37.806	-724
Cash from operating profit/loss	-55.025	-78.880
Financial income	286	635
Financial expenses	-16.444	-5.807
Income tax paid/refund	-318	567
CASH FLOWS FROM OPERATING ACTIVITIES	-71.500	-83.485
Acquisition of intangible assets	-63.958	-79.546
Acquisition of property, plant and equipment	-1.259	-1.921
Acquisition of fixed asset investments, net	216	-926
CASH FLOWS FROM INVESTING ACTIVITIES	-65.001	-82.393
Proceed from capital increase	0	61.761
Proceeds from borrowings	129.275	29.764
Repayment of borrowings	-1.478	-14.061
CASH FLOWS FROM FINANCING ACTIVITIES	127.798	77.464
CHANGES FOR THE YEAR IN CASH AND CASH EQUIVALENTS	-8.704	-88.414
Exchange adjustments of the year	245	609
Cash and cash equivalents at 1/1 2022	18.359	106.164
CASH AND CASH EQUIVALENTS AT 31/12 2022	9.900	18.359
Cash	9.900	18.359
CASH AND CASH EQUIVALENTS AT 31/12 2022	9.900	18.359

CONSOLIDATED NOTES**24**

DKK'000

1 Uncertainties related to measurement

The Company has development projects amounting to DKK 154 million. The Group is expecting significant growth in the coming years and expect to be profitable in 2025. Until the Group have shown that they can become profitable, there is a risk associated with the valuation of the development projects.

2 <u>Staff costs</u>	<u>2022</u>	<u>2021</u>
Wages and salaries	131.792	96.806
Pensions	11.577	9.364
Other social security costs	<u>9.845</u>	<u>8.627</u>
TOTAL	<u>153.215</u>	<u>114.797</u>
 Average number of full-time employees	 <u>303</u>	 <u>190</u>
 Management's remuneration:		
Executive Management and Board of Directors	<u>9.501</u>	<u>5.553</u>
TOTAL	<u>9.501</u>	<u>5.553</u>

CONSOLIDATED NOTES, Continued

25

DKK'000

3 Tax on profit/loss for the year,
corporation tax and deferred tax

	Income taxes	Deferred tax	Acc. to the inc. statement	2021
Payable at 1/1 2022	-73	-3.278		
Exchange rate adjustments	-172	154		
Adjustment, previous years	0	0		
Prepaid tax	-318	0		
Tax for the year	196	-7.876	-7.680	-5.402
PAYABLE AT 31/12 2022	-367	-11.000		
TAX ON PROFIT/LOSS FOR THE YEAR			-7.680	-5.402

Deferred tax is incumbent upon the following assets and liabilities:

	31/12 2022	31/12 2021
Intangible assets	20.624	15.226
Tangible assets	-63	-837
Liabilities other than provisions	-5.130	-5.664
Unutilised losses	-26.431	-12.002
TOTAL	-11.000	-3.278

Deferred tax assets are measured at net realizable value, and are based on Management's best estimate of the ability to use losses etc. carried forward within a 3-4 years period. In the assessment, management has paid special attention to the continuance in revenue growth, which is expected to make the Group profitable in 2025. Further deferred tax assets can be reduced by receipt of tax credit.

CONSOLIDATED NOTES, Continued**26**

DKK'000

4 List of fixed assets, amortisation and impairment,
intangible assets

	Completed development projects	Development projects in progress	TOTAL	31/12 2021
Cost at 1/1 2022	167.333	36.601	203.934	124.089
Exchange rate adjustments	-783	47	-736	299
Additions for the year	15.429	59.546	74.975	79.546
Transferred in the year from other items	77.042	-88.059	-11.017	0
COST AT 31/12 2022	259.022	8.135	267.156	203.934
Amortisation and impairment at 1/1 2022	76.903	0	76.903	54.934
Effect of exchange rate adjustments	-73	0	-73	0
Amortisation for the year	36.587	0	36.587	21.969
AMORTISATION AND IMPAIRMENT AT 31/12 2022	113.417	0	113.417	76.903
CARRYING AMOUNT AT 31/12 2022	145.605	8.135	153.740	127.031

CONSOLIDATED NOTES, Continued**27**

DKK'000

5 List of fixed assets, amortisation and impairment,
intangible assets, continued

Overall the development activities in the Group have expanded extensively to cover taking LogPoint to the Cloud across all applications from SIEM, UEBA, Automatic Investigation, LogPoint Director for MSSP's and MDR's and LogPoint for SAP integrations. The embedding of SOAR (Security Orchestration Automation and Response) is now completed and part of CORE LPT.

These are key products for Logpoint A/S who is selling all the solutions primarly in Europe but with a global reach.

This market continued the acceleration from 2021 into 2022 due to the increased need for digitalization and the overall need for protecting personal data. Futhermore the crisis in Ukraine has accelerated the need to protect critical infrastructures with Logpoint.

All projects are managed from an Agile perspective and the Group has detailed time and material monitoring which enable a tight management of project costs. The costs of the development projects are primarily salaries and other costs, which are directly traceable to the actual projects which are organized by product. The intangible assets are recognized based on the management assessments with the following overall criteria's:

- The development projects are based on clear functional specifications and corresponding tickets that are monitored in a timeline and are technically possible to complete with full transparency
- Intention to market the products as soon as they are completed and released
- Ability of applying the products to the Partners and customers of LogPoint mostly in Europe and the US
- Based on a plan of how the future economic benefits will be exploited
- LogPoint have sufficient resources to complete the projects
- The value is calculated reliably based on future projected cash flows and the capitalized costs related to the individual projects

CONSOLIDATED NOTES, Continued**28**

DKK'000

6 List of fixed assets, depreciation,
property, plant and equipment

	Other fixtures, etc.	TOTAL	31/12 2021
Cost at 1/1 2022	10.615	10.615	8.781
Transfers from/(to) other items	0	0	0
Exchange rate adjustments	-165	-165	168
Additions for the year	1.259	1.259	1.921
Disposals for the year	-293	-293	-255
COST AT 31/12 2022	11.416	11.416	10.615
Depreciation and impairment at 1/1 2022	7.365	7.365	6.239
Transfers from/(to) other items	0	0	0
Exchange rate adjustments	-62	-62	111
Depreciation for the year	942	942	1.248
Depreciation and impairment, disposals for the year	-293	-293	-233
DEPRECIATION AND IMPAIRMENT AT 31/12 2022	7.952	7.952	7.365
CARRYING AMOUNT AT 31/12 2022	3.464	3.464	3.250

CONSOLIDATED NOTES, Continued

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DKK'000

7 Deposits

	<u>Deposits</u>
Cost at 1/1 2022	1.484
Additions for the year	74
Disposals for the year	<u>-290</u>
COST AT 31/12 2022	<u>1.268</u>
CARRYING AMOUNT AT 31/12 2022	<u><u>1.268</u></u>

8 Prepayments

Prepayments comprise of prepaid rent, subscriptions and licenses.

9 Long-term liabilities other than provisions

	<u>31/12 2022</u>	<u>31/12 2021</u>
<u>Total debt:</u>		
Other payables	99.577	42.109
Convertible loan	<u>176.742</u>	<u>0</u>
TOTAL	<u><u>276.319</u></u>	<u><u>42.109</u></u>
<u>Instalments next financial year:</u>		
Other payables	32.589	6.182
Convertible loan	<u>176.742</u>	<u>0</u>
TOTAL	<u><u>209.331</u></u>	<u><u>6.182</u></u>
<u>Debt outstanding after 5 years:</u>		
Other payables	0	0
Convertible loan	<u>0</u>	<u>0</u>
TOTAL	<u><u>0</u></u>	<u><u>0</u></u>

10 Assets charged and
security

Company pledge, nom. DKK 32.500.000, in the Groups operating equipment, inventory, debtors, goodwill etc. has been deposited as security for the Groups's engagement with Vækstfonden, Danske Bank A/S and Claret European Speciality Company III S.a.r.l.
The book value of the assets amounts to DKK 22.995K

Bank account with a carrying amount of DKK 2.460k has been deposited as security for engagement with credit institution.

11 Contractual obligations

The Group has entered into irrevocable leases concerning office rent. The remaining obligation amounts to DKK 2.988k

The Group has entered in to an irrevocable lease concerning equipment. The remaining obligation amounts to DKK 274k.

12 Significant events occurring
after end of reporting period

After the end of the reporting period, change of control occurred triggering an extraordinary financial expense at DKK 26 million related to loan agreements entered into in Q1 2023.

Besides this, no significant events have occurred after end of reporting period.

PARENT COMPANY'S INCOME STATEMENT
1 JANUARY - 31 DECEMBER 2022

31

DKK'000

<u>Note</u>	<u>2022</u>	<u>2021</u>
GROSS PROFIT	-1.896	2.853
14 Staff costs	-77.452	-51.267
19 Amortisation, depreciation and impairment losses	<u>-553</u>	<u>-733</u>
OPERATING LOSS	-79.901	-49.147
15 Other financial income	23.913	12.564
16 Other financial expenses	<u>-128.829</u>	<u>-7.373</u>
LOSS BEFORE TAX	-184.817	-43.956
17 Tax on loss for the year	<u>4.742</u>	<u>5.941</u>
18 LOSS FOR THE YEAR	<u><u>-180.075</u></u>	<u><u>-38.015</u></u>

PARENT COMPANY'S BALANCE SHEET AT 31 DECEMBER 2022
ASSETS

32

DKK'000

<u>Note</u>	<u>31/12 2022</u>	<u>31/12 2021</u>
19,26 Other fixtures and fittings, tools and equipment	1.222	1.235
19,26 Leasehold improvements	<u>0</u>	<u>0</u>
PROPERTY, PLANT AND EQUIPMENT	<u>1.222</u>	<u>1.235</u>
20 Deposits	903	829
21 Investments in group enterprises	9.429	9.429
17 Deferred tax assets	<u>20.653</u>	<u>15.911</u>
FINANCIAL ASSETS	<u>30.985</u>	<u>26.169</u>
NON CURRENT ASSETS	<u>32.207</u>	<u>27.404</u>
26 Trade receivables	11.441	15.874
13 Receivables from group enterprises	354.949	287.569
Receivables from owners and management	5.780	5.537
Other receivables	6.866	5.058
22 Prepayments	<u>3.854</u>	<u>6.106</u>
RECEIVABLES	<u>382.890</u>	<u>320.144</u>
CASH	<u>2.425</u>	<u>7.015</u>
CURRENT ASSETS	<u>385.316</u>	<u>327.159</u>
TOTAL ASSETS	<u><u>417.523</u></u>	<u><u>354.563</u></u>

PARENT COMPANY'S BALANCE SHEET AT 31 DECEMBER 2022
EQUITY AND LIABILITIES

DKK'000

Note		31/12 2022	31/12 2021
24	Share capital	2.965	2.965
	Share premium	320.632	320.632
	Exchange rate adjustments	4.126	-238
	Retained earnings	-326.801	-146.726
	Proposed dividends for the financial year	0	0
	EQUITY	923	176.633
	Other payables	66.988	42.109
	Convertible loans	0	0
23	LONG-TERM LIABILITIES OTHER THAN PROVISIONS	66.988	42.109
23	Current portion of long-term liabilities other than provisions	209.331	6.182
	Prepayments received from customers	48.637	47.626
	Trade payables	8.242	6.615
	Corporation tax	0	0
	Payables to group enterprises	61.901	64.500
	Other payables	21.501	10.898
	SHORT-TERM LIABILITIES OTHER THAN PROVISIONS	349.612	135.821
	LIABILITIES OTHER THAN PROVISIONS	416.600	177.930
	TOTAL EQUITY AND LIABILITIES	417.523	354.563

- 13 Uncertainties related to measurement
- 25 Contingent liabilities
- 26 Assets charged and security
- 27 Contractual obligations
- 28 Significant events occurring after end of reporting period
- 29 Related parties

PARENT COMPANY'S STATEMENT OF CHANGES IN EQUITY

DKK'000

	Share capital	Share premium	Exchange rate adjustments	Retained earnings	Proposed dividends	TOTAL
Equity at 1/1 2021	2.689	259.147	-823	-108.711	0	152.302
Increase of capital	276	62.399		0		62.675
Cost in connection with Increase of capital		-914				-914
Exchange rate adjustments			585			585
Transferred from distribution of profit/loss				-38.015	0	-38.015
Equity at 1/1 2022	2.965	320.632	-238	-146.726	0	176.633
Exchange rate adjustments			4.364			4.364
Transferred from distribution of profit/loss				-180.075	0	-180.075
Equity at 31/12 2022	<u>2.965</u>	<u>320.632</u>	<u>4.126</u>	<u>-326.801</u>	<u>0</u>	<u>923</u>

Warrants

In the period up until 2022, certain key employees and equity investors have been granted warrants in LogPoint A/S. The warrants have been granted with a strike price ranging from USD 0,16 to USD 33,00. Each warrant granted up until 2022 is subject to a vesting period of approximately 36 months running from time of allocation and can be exercised, in whole or in part, to purchase shares up until 2026. In total the company has 18.972 outstanding warrants corresponding to 0.6% of the share capital.

Convertible notes

On 21 June 2022, the Company issued 6% p.a. convertible Loan Notes denominated in Dollars with a nominal value of \$7,187,925. The Convertible Loan Notes are due at 31 December 2027 at their nominal value of \$7,187,925 plus interest. Neither the loan nor the interests shall be due for cash repayment, but shall instead be converted to shares. Upon conversion the price per share of DKK 1 is: (a) If conversion occurs as a result of the completion of a Series C Preferred Shares Investment Round where a subscription amount of minimum USD 20 million is subscribed for in cash, excl. the amount under this Loan Note and other loan notes (the "C-round"), at the lower of (i) the price actually paid for the C-shares issued in the C-round (or the price applied in another capital increase if such is adopted before the C-round at a price which is less than the price applied in the C-round), less a 20% discount, or (ii) the price per share reflecting a valuation of the Company of USD 210 million prior to the C-round; or (b) if the C-round is not completed at a price per share reflecting a valuation of USD 210 million.

In case of change of control the lender has the right to either (a) receive cash equal to 3 x the principal amount with the addition of interests, (b) convert into shares of the Company reflecting a USD 210 million valuation.

DKK'000

13 Uncertainties related to measurement

The Company has receivables from group enterprises amounting DKK 355 million. The Group is expecting significant growth in the coming years and expect to be profitable in 2025. Based on projections, the subsidiaries is expected to be able to repay the receivables by 2028. Until the subsidiaries have shown that they can become profitable, there is a risk associated with the valuation of the receivables.

<u>14 Staff costs</u>	<u>2022</u>	<u>2021</u>
Wages and salaries	70.412	44.665
Pensions	4.070	3.443
Other social security costs	2.970	3.158
Other staff costs	<u>0</u>	<u>0</u>
TOTAL	<u>77.452</u>	<u>51.266</u>
 Average number of full-time employees	 <u>80</u>	 <u>52</u>
 Management's remuneration: Executive Management and Board of Directors	 <u>10.972</u>	 <u>5.553</u>
TOTAL	<u>10.972</u>	<u>5.553</u>
 <u>15 Other financial income</u>	 <u>2022</u>	 <u>2021</u>
Interest income from group enterprises	12.639	5.091
Other financial income	<u>11.274</u>	<u>7.473</u>
TOTAL	<u>23.913</u>	<u>12.564</u>
 <u>16 Other financial expenses</u>	 <u>2022</u>	 <u>2021</u>
Interest expenses to group enterprises	0	0
Other financial expenses	<u>128.829</u>	<u>7.373</u>
TOTAL	<u>128.829</u>	<u>7.373</u>

PARENT COMPANY'S NOTES, Continued

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DKK'000

17 Corporation tax and deferred tax

	<u>Income taxes</u>	<u>Deferred tax</u>	<u>Acc. to the inc. statement</u>	<u>2021</u>
Payable at 1/1 2022	0	-15.911		
Adjustment, previous years	0	0	0	0
Received 2021, net	0			
Tax for the year	<u>0</u>	<u>-4.742</u>	<u>-4.742</u>	<u>-5.941</u>
PAYABLE AT 31/12 2022	<u>0</u>	<u>-20.653</u>		
TAX ON PROFIT/LOSS FOR THE YEAR			<u>-4.742</u>	<u>-5.941</u>

Deferred tax is incumbent upon the following assets and liabilities:

	<u>31/12 2022</u>	<u>31/12 2021</u>
Tangible assets	-189	-225
Liabilities other than provisions	-5.152	-5.664
Unutilised losses	<u>-15.311</u>	<u>-10.022</u>
TOTAL	<u>-20.653</u>	<u>-15.911</u>

Deferred tax assets are measured at net realizable value, and are based on Management's best estimate of the ability to use losses etc. carried forward within a 3-4 years period. In the assessment, management has paid special attention to the continuance in revenue growth, which is expected to make the Group profitable in 2025. Further deferred tax assets can be reduced by receipt of tax credit.

18 Distribution on profit/loss

Proposed dividends for the financial year	0	0
Retained earnings	<u>-180.075</u>	<u>-38.015</u>
PROFIT/LOSS FOR THE YEAR	<u>-180.075</u>	<u>-38.015</u>

PARENT COMPANY'S NOTES, Continued

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DKK'000

19 List of fixed assets, amortisation and depreciation,
property, plant and equipment

	Other fixtures, Etc	TOTAL	31/12 2021
Cost at 1/1 2022	5.025	5.025	4.404
Exchange rate adjustments	-32	-32	-8
Additions for the year	548	548	878
Disposals for the year	-293	-293	-249
COST AT 31/12 2022	5.248	5.248	5.025
Depreciation and impairment at 1/1 2022	3.791	3.791	3.296
Exchange rate adjustments	-24	-24	-5
Depreciation for the year	553	553	733
Depreciation and impairment, disposals for the year	-293	-293	-233
DEPRECIATION AND IMPAIRMENT AT 31/12 2022	4.027	4.027	3.791
CARRYING AMOUNT AT 31/12 2022	1.221	1.221	1.234

PARENT COMPANY'S NOTES, Continued

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DKK'000

20 Deposits

	<u>Deposits</u>
Cost at 1/1 2022	829
Additions for the year	74
Disposals for the year	<u>0</u>
COST AT 31/12 2022	<u>903</u>
CARRYING AMOUNT AT 31/12 2022	<u><u>903</u></u>

21 Investments in group enterprises

	<u>Group enterprises</u>
Cost at 1/1 2022	9.429
Additions for the year	0
Disposals for the year	<u>0</u>
COST AT 31/12 2022	<u>9.429</u>
CARRYING AMOUNT AT 31/12 2022	<u><u>9.429</u></u>

Investments in group enterprises comprise:

	<u>Equity</u>	<u>Results for the year</u>	<u>Equity interest %</u>
Immune ApS, Denmark	67.695	5.653	100%
LogPoint GmbH, Germany	-63.388	-14.291	100%
LogPoint Ltd., UK	-79.134	-21.072	100%
LogPoint France SAS, France	-89.879	-20.181	100%
LogPoint Inc, USA	-62.953	-19.428	100%
LogPoint Nepal Pvt. Ltd., Nepal	8.892	2.229	100%
LogPoint NO AS, Norway	-3.610	-78	100%
LogPoint ERP GmbH, Germany	-4.829	-3.042	100%
LogPoint CH GmbH, Germany	-6.489	-4.830	100%
LogPoint Ltd., Israel	-1.881	-357	100%

DKK'000

22 Prepayments

Prepayments comprise of prepaid rent, subscriptions and licenses.

23 Long-term liabilities other than provisions

	31/12 2022	31/12 2021
<u>Total debt:</u>		
Other payables	99.577	42.109
Convertible loans	176.742	0
TOTAL	<u>276.319</u>	<u>42.109</u>
<u>Instalments next financial year:</u>		
Other payables	32.589	6.182
Convertible loans	176.742	0
TOTAL	<u>209.331</u>	<u>6.182</u>
<u>Debt outstanding after 5 years:</u>		
Other payables	0	0
Convertible loans	0	0
TOTAL	<u>0</u>	<u>0</u>

24 Share capital

The share capital consists of 2.965.247 shares of DKK 1. The shares have been divided into A- and B-shares. They are distributed as A-shares nom. DKK 668.465 , B-shares nom. DKK 1.227.882 and common shares nom. DKK 1.068.900. In 2022 the Company issued no new shares.

25 Contingent liabilities

The Company is jointly taxed with other Danish group companies and is jointly liable with the other Danish group companies for payable and unsettled corporation and withholding taxes. The total amount for payable corporate tax is shown in the annual report for LogPoint A/S. Any subsequent corrections to the corporate tax and withholding taxes on royalties, interest and dividends can lead to a higher liability for the Company.

The Company has guaranteed for LogPoint NO AS' engagement with credit institution.

26 Assets charged and security

Company pledge, nom. DKK 32.500.000, in the Groups operating equipment, inventory, debtors, goodwill etc. has been deposited as security for the Groups's engagement with Vækstfonden, Danske Bank A/S and Claret European Speciality Company III S.a.r.l.
The book value of the assets amounts to DKK 22.995K

27 Contractual obligations

The Group has entered into irrevocable leases concerning office rent. The remaining obligation amounts to DKK 2.465k.

The Group has entered in to an irrevocable lease concerning equipment. The remaining obligation amounts to DKK 274k.

28 Significant events occurring after end of reporting period

After the end of the reporting period, change of control occurred triggering an extraordinary financial expense at DKK 26 million related to loan agreements entered into in Q1 2023.

Besides this, no significant events have occurred after end of reporting period.

29 Related parties

The Company's related parties consist of management, shareholders and subsidiaries.

No disclosures of transactions with related parties as Management believes that all transactions with related parties has been carried out on arms length basis.