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# *Logpoint A/S*

Valkendorfs­gade 13A, DK-1151 København K

## Annual Report for 2023

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CVR No. 26 30 19 39

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 21/6 2024

Michael Haldbo  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Logpoint A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 21 June 2024

## Executive Board

Mikkel Drucker  
CEO

## Board of Directors

James Michael Pflaging  
Chairman

Jacob Sjørslev Frandsen

Frank Brandenburg

Christian Melby

Dominik Bastian Hertzler

# Independent Auditor's report

To the shareholder of Logpoint A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Logpoint A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

## Management's responsibilities for the Financial Statements

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

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

# Independent Auditor's report

## Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Hellerup, 21 June 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Søren Alexander

State Authorised Public Accountant

mne42824

André Christensen

State Authorised Public Accountant

mne50615

## Company information

<b>The Company</b>	Logpoint A/S Valkendorfs­gade 13A 1151 København K  CVR No: 26 30 19 39 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
<b>Board of Directors</b>	James Michael Pflaging, chairman Jacob Sjørlev Frandsen Frank Brandenburg Christian Melby Dominik Bastian Hertzler
<b>Executive Board</b>	Mikkel Drucker
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

## Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Gross profit/loss	32,816	-1,896	2,853	9,876	5,266
Profit/loss of primary operations	-304,222	-79,901	-49,147	-21,582	-23,623
Profit/loss of financial income and expenses	-39,491	-104,916	5,191	-3,817	-1,162
Net profit/loss for the year	-361,131	-180,075	-38,015	-21,532	-21,301
<b>Balance sheet</b>					
Balance sheet total	196,588	417,522	354,563	279,406	167,160
Investment in property, plant and equipment	54	548	1,235	1,108	1,748
Equity	127,875	922	176,633	152,302	643
Number of employees	87	80	52	35	28
<b>Ratios</b>					
Return on assets	-154.8%	-19.1%	-13.9%	-7.7%	-14.1%
Solvency ratio	65.0%	0.2%	49.8%	54.5%	0.4%
Return on equity	-560.8%	-202.8%	-23.1%	-28.2%	-6625.5%

# Management's review

## Key activities

The Company selling cloud-based and on-premise Cybersecurity solutions worldwide. The solutions include Security Information Event Management (SIEM) and Security Orchestration, Automation & Response (SOAR), in addition to advanced threat detection and response capabilities that protect against Cyberattacks, internal fraud and industrial espionage. Furthermore, the solutions provided by the Company enable organizations to become industry compliant (GDPR, NIS2, PCI, SOX, ISO27001 and more).

## Customers

The company has a strong focus on the European market whereas the global market is served via a partner network.

## Development in the year

The income statement of the Company for 2023 shows a loss of TDKK 361,131, and at 31 December 2023 the balance sheet of the Company shows a positive equity of TDKK 127,875.

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

## Capital resources

The Company has reported a negative financial result but has addressed its capital resources in Note 1.

Furthermore the Company has received a Group Contribution from parent Company of TDKK 358,897 in the financial year 2023.

## Branches abroad

The Company has a foreign branch located in Sweden.

Name: Immune Sverige

Registered office: Vasagatan 28, 111 20 Stockholm

## Unusual events

The Company has receivables from group enterprises, which have been impairment at 31. december 2023. The total impairment amounts TDKK 252,183 and relates to subsidiaries with negative profit of primary operations and negative equity.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income statement 1 January - 31 December

	Note	2023	2022
		TDKK	TDKK
<b>Gross profit/loss</b>		<b>32,816</b>	<b>-1,896</b>
Staff expenses	2	-84,398	-77,452
Depreciation and impairment losses of property, plant and equipment		-457	-553
Impairment of current assets	3	-252,183	0
<b>Profit/loss before financial income and expenses</b>		<b>-304,222</b>	<b>-79,901</b>
Financial income	4	33,557	23,913
Financial expenses	5	-73,048	-128,829
<b>Profit/loss before tax</b>		<b>-343,713</b>	<b>-184,817</b>
Tax on profit/loss for the year	6	-17,418	4,742
<b>Net profit/loss for the year</b>	7	<b>-361,131</b>	<b>-180,075</b>

## Balance sheet 31 December

### Assets

	Note	2023	2022
		TDKK	TDKK
Other fixtures and fittings, tools and equipment		818	1,222
<b>Property, plant and equipment</b>	<b>8</b>	<b>818</b>	<b>1,222</b>
Investments in subsidiaries	9	9,429	9,429
Deposits	10	2,993	903
<b>Fixed asset investments</b>		<b>12,422</b>	<b>10,332</b>
<b>Fixed assets</b>		<b>13,240</b>	<b>11,554</b>
Trade receivables		17,564	11,441
Receivables from group enterprises		139,078	354,949
Other receivables		13,096	6,866
Receivable from shareholders and Management		0	5,780
Deferred tax asset		0	20,653
Prepayments	11	3,978	3,854
<b>Receivables</b>		<b>173,716</b>	<b>403,543</b>
<b>Cash at bank and in hand</b>		<b>9,632</b>	<b>2,425</b>
<b>Current assets</b>		<b>183,348</b>	<b>405,968</b>
<b>Assets</b>		<b>196,588</b>	<b>417,522</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital	12	3,335	2,965
Share premium account		0	320,632
Other reserves		3,823	4,126
Retained earnings		120,717	-326,801
<b>Equity</b>		<u>127,875</u>	<u>922</u>
Other payables		0	66,988
<b>Long-term debt</b>	13	<u>0</u>	<u>66,988</u>
Convertible and profit-yielding instruments of debt		0	209,331
Prepayments received from customers		47,333	48,637
Trade payables		7,684	8,242
Payables to group enterprises		0	61,901
Other payables	13	13,696	21,501
<b>Short-term debt</b>		<u>68,713</u>	<u>349,612</u>
<b>Debt</b>		<u>68,713</u>	<u>416,600</u>
<b>Liabilities and equity</b>		<u>196,588</u>	<u>417,522</u>
Going concern	1		
Contingent assets, liabilities and other financial obligations	14		
Related parties	15		
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## Statement of changes in equity

	Share capital	Share premium account	Other reserves	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	2,965	320,632	4,126	-326,801	922
Exchange adjustments	0	0	-303	0	-303
Capital increase	370	129,120	0	0	129,490
Contribution from group	0	0	0	358,897	358,897
Net profit/loss for the year	0	0	0	-361,131	-361,131
Transfer from share premium account	0	-449,752	0	449,752	0
<b>Equity at 31 December</b>	<b>3,335</b>	<b>0</b>	<b>3,823</b>	<b>120,717</b>	<b>127,875</b>

# Notes to the Financial Statements

## 1. Going concern

The Company's ability to continue operation is reliant on the ultimate parent Company, CyberPeak MidCo ApS's ability to continue operation. The Board of Directors and Executive Board of the ultimate parent Company has approved the budget for 2024 at the board meeting on December 2023, including the associated capital requirements. As of the financial statement date, a shareholder loan of 5 million EUR has been issued, and a capital increase will be executed for the third quarter in 2024 pending legal formalities.

Based hereon, it is the assessment of the Board of Directors and Executive Board that the Company has sufficient capital resources to continue its operations. Management therefore submits the Annual Report on the assumption of going concern.

## 2. Staff Expenses

	2023	2022
	TDKK	TDKK
Wages and salaries	78,150	70,412
Pensions	4,038	4,070
Other social security expenses	2,179	2,970
Other staff expenses	31	0
	<u>84,398</u>	<u>77,452</u>

Including remuneration to the Executive Board and Board of Directors

<u>5,839</u>	<u>9,501</u>
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Average number of employees

<u>87</u>	<u>80</u>
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## 3. Special items

	2023	2022
	TDKK	TDKK
Write-downs of current assets, that exceed normal write-downs	252,183	0
	<u>252,183</u>	<u>0</u>

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>4. Financial income</b>		
Interest received from group enterprises	19,460	12,639
Other financial income	769	0
Exchange adjustments	13,328	11,274
	<u>33,557</u>	<u>23,913</u>
	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>5. Financial expenses</b>		
Interest paid to group enterprises	5,394	0
Other financial expenses	58,027	115,019
Exchange adjustments, expenses	9,627	13,810
	<u>73,048</u>	<u>128,829</u>
	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>6. Income tax expense</b>		
Deferred tax for the year	15,153	-4,742
Adjustment of tax concerning previous years	2,265	0
	<u>17,418</u>	<u>-4,742</u>
	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>7. Profit allocation</b>		
Retained earnings	-361,131	-180,075
	<u>-361,131</u>	<u>-180,075</u>

# Notes to the Financial Statements

## 8. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1 January	5,248
Additions for the year	54
Cost at 31 December	<u>5,302</u>
Impairment losses and depreciation at 1 January	4,027
Depreciation for the year	457
Impairment losses and depreciation at 31 December	<u>4,484</u>
<b>Carrying amount at 31 December</b>	<b><u>818</u></b>

## 9. Investments in subsidiaries

	2023	2022
	TDKK	TDKK
Cost at 1 January	9,429	9,429
Cost at 31 December	<u>9,429</u>	<u>9,429</u>
<b>Carrying amount at 31 December</b>	<b><u>9,429</u></b>	<b><u>9,429</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
Immune ApS	Denmark	100%
LogPoint GmbH	Germany	100%
LogPoint Ltd.	UK	100%
LogPoint France SAS	France	100%
LogPoint Inc	USA	100%
LogPoint IL Ltd	Israel	100%
LogPoint NO AS	Norway	100%
LogPoint CH GmbH	Switzerland	100%
LogPoint SIEM Canada Inc.	Canada	100%

# Notes to the Financial Statements

## 10. Other fixed asset investments

	Deposits
	TDKK
Cost at 1 January	903
Additions for the year	2,090
Cost at 31 December	2,993
<b>Carrying amount at 31 December</b>	<b>2,993</b>

## 11. Prepayments

Prepayments comprise of prepaid rent, subscriptions and licenses.

## 12. Share capital

The share capital consists of 3.334.926 shares of DKK 1. The shares have been divided into A- and B-shares. They are distributed as A-shares nom. DKK 1.227.882, B-shares nom. DKK 668.465 and common shares nom. DKK 1.428.579. In 2023 the Company issued 369.679 new shares.

2023	2022
TDKK	TDKK

## 13. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

### Other payables

After 5 years	0	0
Between 1 and 5 years	0	66,988
Long-term part	0	66,988
Other short-term payables	13,696	21,501
	<b>13,696</b>	<b>88,489</b>



# Notes to the Financial Statements

2023	2022
TDKK	TDKK

## 14. Contingent assets, liabilities and other financial obligations

### Charges and security

Company pledge, nom. DKK 2.000.000 , in the Companies operating equipment, inventory, debtors, goodwill etc. has been deposited as security for the Groups' engagement with Danske Bank A/S. The book value of the assets amounts to DKK 18.382.000.

As security for the group company Logpoint Norway's bank debt with financial institutions, collateral has been provided on an unlimited basis.

### Rental and lease obligations

The company has entered into irrevocable leases concerning office rent. The remaining obligation amounts to:

410,000	2,465,000
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### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of CyberPeak MidCo ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

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

## 15. Related parties and disclosure of consolidated financial statements

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
CyberPeak MidCo ApS CVR: 43869752	Bryggervangen 55, 4. th 2100 Copenhagen

# Notes to the Financial Statements

## 16. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Notes to the Financial Statements

## 17. Accounting policies

The Annual Report of Logpoint A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in TDKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023 of CyberPeak MidCo ApS, the Company has not prepared consolidated financial statements.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of CyberPeak MidCo ApS, the Company has not prepared a cash flow statement.

### Recognition and measurement

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

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Notes to the Financial Statements

## Income statement

### 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 criteria 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 the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Direct expenses

Direct expenses primarily include operating expenses for the year.

### Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, direct expenses and other external expenses.

### Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

### Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

### Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

# Notes to the Financial Statements

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with other Danish group enterprises. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Other fixed asset investments

Other fixed asset investments consist of deposits.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

# Notes to the Financial Statements

## Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

## Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

## Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$