

Kaspersky Lab Denmark ApS

Sundkrogsgade 21, 2100 København Ø

CVR no. 36 72 23 71

**Annual report for the period
1 January to 31 December 2020**

Adopted at the annual general meeting on 20 July
2021

Casper Moltke-Leth
chairman



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Statement by liquidator on the annual report

The executive board has today discussed and approved the annual report of Kaspersky Lab Denmark ApS for the financial year 1 January - 31 December 2020.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 20 July 2021

Liquidator

Casper Moltke-Leth

Independent auditor's report

To the shareholders of Kaspersky Lab Denmark ApS

Opinion

We have audited the financial statements of Kaspersky Lab Denmark ApS for the financial year 1 January - 31 December 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020 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 "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' 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the 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 the 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.

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.

Independent auditor's report

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.

Independent auditor's report

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, we conclude that 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 of management's review.

Copenhagen, 20 July 2021

Baker Tilly Denmark

Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Ramazan Turan
statsautoriseret revisor
MNE no. mne32779

Company details

The company	Kaspersky Lab Denmark ApS Sundkrogsgade 21 2100 København Ø Telephone: 40208868 CVR no.: 36 72 23 71 Reporting period: 1 January - 31 December 2020 Incorporated: 23 April 2015 Domicile: Copenhagen
Liquidator	Casper Moltke-Leth
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The principal activities of the company comprise marketing of technology-based product and services also including activities related for these activities.

Financial review

The company's income statement for the year ended 31 December 2020 shows a loss of DKK 421.371, and the balance sheet at 31 December 2020 shows equity of DKK 3.216.901.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January 2020 - 31 December 2020

	Note	2020 DKK	2019 DKK
Gross profit		4.623.454	6.511.133
Staff costs	1	-4.589.983	-6.834.138
Profit/loss before amortisation/depreciation and impairment losses		33.471	-323.005
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-234.411	-67.738
Other operating costs		-64.316	0
Profit/loss before net financials		-265.256	-390.743
Financial income		17.760	11.555
Financial costs		-43.253	-65.070
Profit/loss before tax		-290.749	-444.258
Tax on profit/loss for the year	2	-130.622	-101.857
Profit/loss for the year		-421.371	-546.115
Recommended appropriation of profit/loss			
Retained earnings		-421.371	-546.115
		-421.371	-546.115

Balance sheet at 31 December 2020

Note	2020 DKK	2019 DKK
Assets		
Other fixtures and fittings, tools and equipment	0	95.673
Tangible assets	0	95.673
Deposits	0	42.041
Fixed asset investments	0	42.041
Total non-current assets	0	137.714
Receivables from subsidiaries	2.958.770	5.322.890
Other receivables	427.546	304.553
Deferred tax asset	6.803	4.664
Corporation tax	60.718	60.479
Prepayments	0	48.105
Receivables	3.453.837	5.740.691
Cash at bank and in hand	207.774	557.706
Total current assets	3.661.611	6.298.397
Total assets	3.661.611	6.436.111

Balance sheet at 31 December 2020

Note	2020 DKK	2019 DKK
Equity and liabilities		
Share capital	50.000	50.000
Retained earnings	3.166.901	1.800.596
Equity	3.216.901	1.850.596
Banks	0	95
Trade payables	444.710	523.115
Payables to subsidiaries	0	1.137.561
Other payables	0	2.924.744
Total current liabilities	444.710	4.585.515
Total liabilities	444.710	4.585.515
Total equity and liabilities	3.661.611	6.436.111
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January 2020	50.000	2.694.434	2.744.434
Net effect from adjustment of fundamental error	0	893.838	893.838
Adjusted equity at 1 January 2020	50.000	3.588.272	3.638.272
Net profit/loss for the year	0	-421.371	-421.371
Equity at 31 December 2020	50.000	3.166.901	3.216.901

Notes

	2020 DKK	2019 DKK
1 Staff costs		
Wages and salaries	3.457.447	6.707.204
Other social security costs	6.059	25.329
Other staff costs	1.126.477	101.605
	4.589.983	6.834.138
Average number of employees	3	7
2 Tax on profit/loss for the year		
Current tax for the year	132.761	106.521
Deferred tax for the year	-2.139	-5.071
Adjustment of tax concerning previous years	0	407
	130.622	101.857
3 Tangible assets		
		Other fixtures and fittings, tools and equipment DKK
Cost at 1 January 2020		288.251
Disposals for the year		-288.251
Cost at 31 December 2020		0
Impairment losses and depreciation at 1 January 2020		192.578
Reversal of impairment and depreciation of sold assets		-192.578
Impairment losses and depreciation at 31 December 2020		0
Carrying amount at 31 December 2020		0

Notes

4 Related parties and ownership structure

Kaspersky Lab Denmark ApS is part of the consolidated financial statements of Kaspersky Labs Limited, London, which is the smallest group in which the Company's included as a subsidiary.

The consolidated financial statements of Kaspersky Labs Limited can be obtained by contacting the Company.

Accounting policies

The annual report of Kaspersky Lab Denmark ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2020 is presented in DKK

Changes in accounting policies

Significant errors in the annual report 2019

The annual report for 2019 contains significant misstatements regarding salaries. The error information has the following effect on the loss for the year DKK 893,838 and other debt DKK 893,838.

The comparative figures are adapted.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Gross profit

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

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

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

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs include expenses related to sale, advertising, administration, premises, payments under operating leases, etc.

Staff costs

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. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Investments in subsidiaries, associates and participating interests

Investment in subsidiaries, associates and participating interests are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Accounting policies

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Provisions

Provisions comprise expected expenses relating to warranty commitments, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of a past event, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.