Monta ApS

Strandboulevarden 122, 5., DK-2100 Copenhagen

Annual Report for 2024

CVR No. 41 66 83 85

The Annual Report was presented and adopted at the Annual General Meeting of the company on 25/4 2025

Louise Krogh Rindom
Chairman of the General Meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Monta ApS for the financial year 1 January - 31 December 2024.

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 2024 of the Company and of the results of the Company operations for 2024.

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, 25 April 2025

Executive Board

Casper Holzmann Rasmussen
CEO

Board of Directors

Louise Krogh Rindom Chairman	Casper Holzmann Rasmussen	Sara Sande
Juan Muldoon Landa	Adrienne Gormley	Jan Staffan Helgesson

Independent Auditor's report

To the shareholders of Monta ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company´s operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Monta ApS for the financial year 1 January - 31 December 2024, 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, 25 April 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Flemming Eghoff
State Authorised Public Accountant
mne30221

Mads Blichfeldt Fjord
State Authorised Public Accountant
mne46065

Company information

The Company	Monta ApS Strandboulevarden 122, 5. DK-2100 Copenhagen Website: www.monta.com CVR No: 41 66 83 85 Financial period: 1 January - 31 December Incorporated: 9 September 2020 Financial year: 4th financial year Municipality of reg. office: Copenhagen
Board of Directors	Louise Krogh Rindom, chairman Casper Holzmann Rasmussen Sara Sande Juan Muldoon Landa Adrienne Gormley Jan Staffan Helgesson
Executive Board	Casper Holzmann Rasmussen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 4-year period, the development of the Company is described by the following financial highlights:

	2024	2023	2022	2021
	TEUR	TEUR	TEUR	TEUR
Key figures				
Profit/loss				
Gross loss	-976	-3,538	-656	-1,809
Profit/loss of primary operations	-29,278	-20,653	-12,130	-23,648
Profit/loss of financial income and expenses	-2,287	-2,614	-218	-608
Net profit/loss for the year	-29,809	-22,117	-11,563	-22,336
Balance sheet				
Balance sheet total	53,594	29,012	4,169	19,987
Investment in property, plant and equipment	23	0	0	266
Equity	-62,903	-33,093	-10,976	4,363
Number of employees	161	123	77	17
Ratios				
Return on assets	-54.6%	-71.2%	-291.0%	-118.3%
Solvency ratio	-117.4%	-114.1%	-263.3%	21.8%
Return on equity	62.1%	100.4%	349.7%	-1023.9%

The key figures have been prepared in accordance with the Danish Financial Analysts Association's recommendations and guidance. Reference is made to definitions in the section on accounting policies.

Solvency ratio is calculated including customer funds recognised under liabilities

Management's review

Key activities

The company's main purpose is to develop and sell software for charging stations and electric cars as well as to carry out related business hereto.

Development in the year

The income statement of the Company for 2024 shows a loss of EUR 29,809,255, and at 31 December 2024 the balance sheet of the Company shows a negative equity of EUR 62,902,601.

The net loss for the year is a result of significant investments made into further development of both product, platform, and organization in accordance with growth plans and budgets. The results are in line with management's expectations and are considered satisfactory.

Capital resources

The company has obtained a letter of financial support from the parent company Monta Holding ApS. The letter of support states that payables to Monta Holding ApS will not call a repayment until Monta ApS has the liquidity to repay and that Monta Holding ApS will support the company with further financial support so that the Company can maintain operations and settle the financial obligations when they fall due. The letter of support is effective until 31 December 2025. The letter of support is capped at TEUR 121,000 including to the already provided loans.

Operating risks

Customer satisfaction remains paramount, supported by strict adherence to the increasingly growing and complex regulatory landscape. We manage customer requirements while mitigating operational risks, especially regarding security, data and reliability. Our scalable product, coupled with a strong partner model, ensures adaptability to market shifts with customer demands increasing as user experience becomes more and more key.

Market risks

The main market risks for Monta are based on the early stages of the EV industry. There are still immature value chains surrounding hardware installations and end-customer solutions, some markets are slower with adoption of EVs and charging solutions, and many different charging solutions are entering the market at once creating noise and tough competition.

Foreign exchange risks

The Company's primary business is currently focused on Denmark, Sweden, Norway, Germany, Austria, UK, Ireland, Spain and France. Due to the activities in Sweden, Norway, Germany, Austria, UK, Ireland and the USA, the Company is exposed towards fluctuations in the SEK, NOK, EUR, GBP and USD. As the DKK is pegged to the EUR, the main currency risk is related to SEK, NOK and GBP. The Company may mitigate this risk by introducing an active hedging strategy as the need arises. No hedging has been performed in 2024.

Targets and expectations for the year ahead

The management expects to keep investing considerably into both product improvements, new features, and market growth in the coming year. As a result of this, management expects to incur operating loss for the Company in the coming year in the range of EUR 28m - 30m.

Research and development

Throughout the year the Company has incurred considerable research and development costs. The purpose of these investments is to ensure that the Company can maintain and grow its market position in the coming years.

Management's review

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2024 of the Company and the results of the activities and cash flows of the Company for the financial year for 2024 have not been affected by any unusual events.

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	2024	2023
		EUR	EUR
Gross loss		**-976,096**	**-3,537,913**
Distribution expenses	2	-14,213,601	-8,455,030
Administrative expenses	2	-14,088,782	-8,659,818
Profit/loss before financial income and expenses		**-29,278,479**	**-20,652,761**
Financial income	3	1,190,732	453,046
Financial expenses	4	-3,478,211	-3,067,108
Profit/loss before tax		**-31,565,958**	**-23,266,823**
Tax on profit/loss for the year	5	1,756,703	1,149,773
Net profit/loss for the year	6	**-29,809,255**	**-22,117,050**

Balance sheet 31 December

Assets

	Note	2024	2023
		EUR	EUR
Acquired trademarks		86,270	98,402
Intangible assets	7	**86,270**	**98,402**
Other fixtures and fittings, tools and equipment		56,263	83,044
Leasehold improvements		22,815	86,098
Property, plant and equipment	8	**79,078**	**169,142**
Investments in subsidiaries	9	72,193	72,262
Deposits	10	411,155	320,406
Fixed asset investments		**483,348**	**392,668**
Fixed assets		**648,696**	**660,212**
Trade receivables		3,793,176	1,468,929
Receivables from group enterprises		27,459,516	12,320,722
Other receivables		3,130,798	922,662
Corporation tax		752,259	1,488,260
Corporation tax receivable from group enterprises		1,016,497	414,827
Prepayments		686,695	444,639
Receivables		**36,838,941**	**17,060,039**
Cash at bank and in hand	11	**16,106,366**	**11,291,761**
Current assets		**52,945,307**	**28,351,800**
Assets		**53,594,003**	**29,012,012**

Balance sheet 31 December

Liabilities and equity

	Note	2024	2023
		EUR	EUR
Share capital		10,225	10,225
Retained earnings		-62,912,826	-33,103,571
Equity		**-62,902,601**	**-33,093,346**
Prepayments received from customers		0	750,000
Other payables		1,389,620	1,883,810
Long-term debt	12	**1,389,620**	**2,633,810**
Prepayments received from customers	12	841,787	1,165,558
Trade payables		1,552,652	1,040,613
Payables to group enterprises		100,850,725	51,297,862
Other payables	12	11,861,820	5,967,515
Short-term debt		**115,106,984**	**59,471,548**
Debt		**116,496,604**	**62,105,358**
Liabilities and equity		**53,594,003**	**29,012,012**
Going concern	1		
Contingent assets, liabilities and other financial obligations	13		
Related parties	14		
Accounting Policies	15		

Statement of changes in equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	10,225	-33,103,571	-33,093,346
Net profit/loss for the year	0	-29,809,255	-29,809,255
Equity at 31 December	**10,225**	**-62,912,826**	**-62,902,601**

Notes to the Financial Statements

1. Going concern

Due to significant investments in markets and products, the Company's equity is negative by EUR 62,903k. As the Company is in an early growth phase further future operating losses are expected. The company's shareholder has issued a letter of support obligating the shareholder to support the company financially in the form of loans or investments to the extent necessary to finance its operating activities and to settle its financial obligations when they fall due to an extend not exceeding EUR 121,000k including to the already provided loans.

Based on the letter of support received the Annual Report is prepared under the going concern assumption

2. Staff

	2024	2023
	EUR	EUR
Wages and salaries	19,699,698	16,655,114
Other staff expenses	885,413	1,034,130
	20,585,111	**17,689,244**
Wages and salaries etc. are recognised in the following items:		
Production expenses	7,896,497	5,470,314
Distribution expenses	8,019,991	8,281,535
Administrative expenses	4,668,623	3,937,395
	20,585,111	**17,689,244**
Including remuneration to the Executive Board and Board of Directors	**181,664**	**212,375**
Average number of employees	**161**	**123**

The incentive scheme offered to the Executive board, existing ownership and full-time employees includes an option on new subscription of shares of up to 17% of the present share capital. The warrants are vesting monthly over 4 years starting from the first day of employment and subject to a 1 year cliff. The exercise price is set at 20% discount on the latest valuation. The warrants under the incentive scheme are classified as share type A.

Incentive programmes are not recognised in the Financial Statements.

Notes to the Financial Statements

	2024	2023
	EUR	EUR
3. Financial income		
Interest received from group enterprises	876,158	151,711
Other financial income	174,469	195,970
Exchange adjustments	140,105	105,365
	1,190,732	**453,046**

	2024	2023
	EUR	EUR
4. Financial expenses		
Interest paid to group enterprises	3,186,312	1,601,454
Other financial expenses	153,733	1,368,545
Exchange adjustments, expenses	138,166	97,109
	3,478,211	**3,067,108**

	2024	2023
	EUR	EUR
5. Income tax expense		
Current tax for the year	-1,756,703	-1,149,773
	-1,756,703	**-1,149,773**

	2024	2023
	EUR	EUR
6. Profit allocation		
Retained earnings	-29,809,255	-22,117,050
	-29,809,255	**-22,117,050**

Notes to the Financial Statements

7. Intangible fixed assets

	Acquired trademarks
	EUR
Cost at 1 January	120,492
Exchange adjustment	-115
Cost at 31 December	120,377
Impairment losses and amortisation at 1 January	22,090
Exchange adjustment	-21
Amortisation for the year	12,038
Impairment losses and amortisation at 31 December	34,107
Carrying amount at 31 December	**86,270**
Amortised over	10 years

8. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improve-ments
	EUR	EUR
Cost at 1 January	146,659	154,386
Exchange adjustment	-91	-159
Additions for the year	22,804	0
Cost at 31 December	169,372	154,227
Impairment losses and depreciation at 1 January	63,615	68,289
Exchange adjustment	-6	-9
Depreciation for the year	49,500	63,132
Impairment losses and depreciation at 31 December	113,109	131,412
Carrying amount at 31 December	**56,263**	**22,815**
Amortised over	3 years	5 years

	2024	2023
	EUR	EUR

9. Investments in subsidiaries

	2024 EUR	2023 EUR
Cost at 1 January	72,262	52,356
Exchange adjustment	-69	0
Additions for the year	0	19,906
Cost at 31 December	72,193	72,262
Carrying amount at 31 December	**72,193**	**72,262**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Owner-ship	Equity	Net profit/loss for the year
Monta AS	Olso, Norway,	2,853	100%	-87,095	-54,496
Monta Platform GmbH	Berlin, Germany	25,000	100%	77,009	56,384
Monta AB	Sundsvall, Sweden	2,248	100%	-35,844	-96,333
Monta Platform GmbH	Wien, Austria	10,000	100%	-5,444	-10,857
Monta Platform Limited	North Wall Quay, Ireland	10,000	100%	14,634	-1,104
Monta Platform LTD	Birmingham, England	11,275	100%	165,453	130,922
Monta Platform S.L	Madrid, Spain	3,000	100%	-6,271	19,063
Monta SAS	Paris, France	10,000	100%	15,583	-1,783
Monta Platform Inc.	Delaware, USA	1	100%	-1,675,071	-1,616,731
				-1,537,046	**-1,574,935**

10. Other fixed asset investments

	Deposits EUR
Cost at 1 January	320,406
Additions for the year	90,749
Cost at 31 December	411,155
Carrying amount at 31 December	**411,155**

Notes to the Financial Statements

11. Cash at bank and in hand

	2024	2023
	EUR	EUR
Customer balances, restricted	10,568,736	3,764,397
Other cash at bank and in hand	5,537,630	7,527,364
	16,106,366	**11,291,761**

12. Long-term debt

	2024	2023
	EUR	EUR

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:

	2024	2023
Prepayments received from customers		
After 5 years	0	0
Between 1 and 5 years	0	750,000
Long-term part	0	750,000
Other prepayments from customers	841,787	1,165,558
	841,787	**1,915,558**

	2024	2023
Other payables		
After 5 years	0	0
Between 1 and 5 years	1,389,620	1,883,810
Long-term part	1,389,620	1,883,810
Other short-term payables	11,861,820	5,967,515
	13,251,440	**7,851,325**

13. Contingent assets, liabilities and other financial obligations

	2024	2023
	EUR	EUR
Rental and lease obligations		
Lease obligations within 1 year	260,244	47,742
Lease obligations between 1 - 5 years	1,058,179	953,009

The Danish 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 Monta Holding 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 entered into operating lease contracts for its premises. The lease contracts have an average residual term of 16 months.

The Company has entered into operating lease contracts in regards to its office inventory. The lease contracts have an average residual term of 39 months.

14. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Monta Holding ApS	Parent company

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)(6) of the Danish Financial Statements Act.

There are no related party transactions that have not been carried through on market terms

Consolidated Financial Statements

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

Name	Place of registered office
Monta Holding ApS	Denmark

The Group Annual Report of Monta Holding ApS may be obtained at the following address:

Strandboulevarden 122, 5. 2100 Copenhagen, Denmark

Notes to the Financial Statements

15. Accounting policies

The Annual Report of Monta ApS for 2024 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 2024 are presented in EUR.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2024 of Monta Holding 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 Monta Holding 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

EUR 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. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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 transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Notes to the Financial Statements

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Income statement

Revenue

Revenue from services is recognized when the service is transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Production expenses

Production costs comprises of costs incurred to achieve revenue for the year. Cost comprises of direct labour costs, roaming costs and other platform costs

Gross loss

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

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

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.

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 Monta Holding ApS and Monta Pay ApS . The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Patents and trademarks are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and trademarks are amortised over the trademark period; however not exceeding 10 year.

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	3 years
Leasehold improvements	3 years
	0 years

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 intangible assets and 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 amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

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 paid on rented premises.

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

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

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Prepayments received from customers are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity