Baker Tilly Denmark Godkendt
Revisionspartnerselskab
CVR-nr. 35 25 76 91

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Hjallesevej 126
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LOCUS A/S

Hedeager 44, 8200 Aarhus

CVR no. 12 15 42 32

Annual report for the period 1 November 2021 to 31 October 2022

Adopted at the annual general meeting on 1 June 2023

Paul Antony Sarin
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of LOCUS A/S for the financial year 1 November 2021 - 31 October 2022.

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 company's financial position at 31 October 2022 and of the results of the company's operations for the financial year 1 November 2021 - 31 October 2022.

In our 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.

Aarhus, 1 June 2023

Executive board

Paul Antony Sarin

Supervisory board

Vinh Tho Lien chairman	Paul Antony Sarin	Robert Medved

Independent auditor's report

To the shareholder of LOCUS A/S

Opinion

We have audited the financial statements of LOCUS A/S for the financial year 1 November 2021 - 31 October 2022, 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 October 2022 and of the results of the company's operations for the financial year 1 November 2021 - 31 October 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 “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 and IESBA Code. 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.

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.

Independent auditor's report

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, 1 June 2023

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Ramazan Turan
statsautoriseret revisor
MNE no. mne32779

Company details

The company	LOCUS A/S Hedeager 44 8200 Aarhus	
	CVR no.:	12 15 42 32
	Reporting period: Incorporated:	1 November 2021 - 31 October 2022 1 May 1988
	Domicile:	Aarhus
Supervisory board	Vinh Tho Lien, chairman Paul Antony Sarin Robert Medved	
Executive board	Paul Antony Sarin	
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby	

Management's review

Business review

The Company's main activities are development and sale of computer software.

Financial review

The company's income statement for the year ended 31 October 2022 shows a loss of DKK 1.322.905, and the balance sheet at 31 October 2022 shows equity of DKK 3.721.032.

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 November - 31 October

	Note	2021/22	2020/21
		DKK	DKK
Gross profit		**10.785.940**	**15.275.034**
Staff costs	1	-11.649.288	-10.944.876
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-361.906	-2.145.307
Profit/loss before net financials		**-1.225.254**	**2.184.851**
Income from investments in subsidiaries		0	39.803
Financial costs	2	-159.665	-157.489
Profit/loss before tax		**-1.384.919**	**2.067.165**
Tax on profit/loss for the year	3	62.014	-917.988
Profit/loss for the year		**-1.322.905**	**1.149.177**
Proposed dividend for the year		0	2.000.000
Extraordinary dividend for the year		0	5.570.000
Retained earnings		-1.322.905	-6.420.823
		-1.322.905	**1.149.177**

Balance sheet 31 October

	Note	2021/22 DKK	2020/21 DKK
Assets			
Goodwill		0	357.551
Intangible assets	4	**0**	**357.551**
Leasehold improvements		17.424	21.779
Tangible assets	5	**17.424**	**21.779**
Deposits	6	112.804	112.004
Fixed asset investments		**112.804**	**112.004**
Total non-current assets		**130.228**	**491.334**
Finished goods and goods for resale		792.229	1.039.233
Stocks		**792.229**	**1.039.233**
Trade receivables		5.792.017	3.491.893
Deferred tax asset		196.449	328.171
Prepayments		1.012.871	318.581
Receivables		**7.001.337**	**4.138.645**
Cash at bank and in hand		**5.215.005**	**6.710.245**
Total current assets		**13.008.571**	**11.888.123**
Total assets		**13.138.799**	**12.379.457**

Balance sheet 31 October

	Note	2021/22	2020/21
		DKK	DKK
Equity and liabilities			
Share capital		1.325.000	1.325.000
Retained earnings		2.396.032	-1.851.063
Proposed dividend for the year		0	7.570.000
Equity		**3.721.032**	**7.043.937**
Trade payables		2.233.646	770.728
Payables to group enterprises		2.775.353	276.927
Corporation tax		1.213.848	1.407.584
Other payables		1.747.693	1.943.207
Deferred income		1.447.227	937.074
Total current liabilities		**9.417.767**	**5.335.520**
Total liabilities		**9.417.767**	**5.335.520**
Total equity and liabilities		**13.138.799**	**12.379.457**
Rent and lease liabilities	7		
Contingent liabilities	8		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 November	1.325.000	-1.851.063	7.570.000	7.043.937
Ordinary dividend paid	0	0	-2.000.000	-2.000.000
Adjustment, transfer dividend previous year	0	5.570.000	-5.570.000	0
Net profit/loss for the year	0	-1.322.905	0	-1.322.905
Equity at 31 October	**1.325.000**	**2.396.032**	**0**	**3.721.032**

Notes

		2021/22	2020/21
		DKK	DKK
1	**Staff costs**		
	Wages and salaries	11.042.604	10.504.719
	Pensions	393.173	389.537
	Other social security costs	40.000	39.195
	Other staff costs	173.511	11.425
		11.649.288	**10.944.876**
	Average number of employees	18	17
2	**Financial costs**		
	Impairment losses on financial assets	-895	0
	Other financial costs	73.804	42.167
	Exchange adjustments costs	86.756	115.322
		159.665	**157.489**
3	**Tax on profit/loss for the year**		
	Current tax for the year	-62.014	917.988
		-62.014	**917.988**

Notes

4 Intangible assets

	Goodwill	Total
	DKK	DKK
Cost at 1 November	11.084.086	11.084.086
Cost at 31 October	11.084.086	11.084.086
Impairment losses and amortisation at 1 November	10.726.535	10.726.535
Amortisation for the year	357.551	357.551
Impairment losses and amortisation at 31 October	11.084.086	11.084.086
Carrying amount at 31 October	**0**	**0**

5 Tangible assets

	Leasehold improvements	Total
	DKK	DKK
Cost at 1 November	121.306	121.306
Cost at 31 October	121.306	121.306
Depreciation at 1 November	99.527	99.527
Depreciation for the year	4.355	4.355
Depreciation at 31 October	103.882	103.882
Carrying amount at 31 October	**17.424**	**17.424**

Notes

6 Fixed asset investments

	Deposits
	DKK
Cost at 1 November	112.804
Cost at 31 October	112.804
Carrying amount at 31 October	**112.804**

	2021/22	2020/21
	DKK	DKK
7 Rent and lease liabilities		
Rent and lease liabilities	2.025.042	112.005
	2.025.042	**112.005**

8 Contingent liabilities

The Company is taxed jointly with the other Danish companies in the Group and has joint,several and unlimited liability for income taxesand any obligations to with hold tax at source on interest, royalties and dividends for the jointly taxed companies.

Accounting policies

The annual report of LOCUS A/S for 2021/22 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.

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.

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 the sale of goods for resale and finished goods 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.

Accounting policies

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 expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, 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.

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.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate 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, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

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.

Accounting policies

Balance sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed to be years. The amortisation period is based on an assessment of the acquiree's market position and earnings capacity.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, however maximally 8 years.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses.

Tangible assets

Items of plant and machinery and 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:

	Useful life
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	10 years

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Investments in subsidiaries

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

Accounting policies

Other securities and investments, fixed assets

Investments are measured at fair value.

Other securities, which include mortgages which management expects will be kept to maturity, are measured at amortised cost. By amortised cost is meant the outstanding receivable recognised at a price calculated as the market value (fair value) on acquisition with a surcharge/allowance of the difference between this value and the redemption price.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Accounting policies

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

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.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.