



LOCUS A/S

Hedeager 44, 8200 Aarhus

CVR no. 12 15 42 32

**Annual report for the period
1 November 2022 to 31 October 2023**

Godkendt på selskabets ordinære generalforsamling den 24 May 2024

Paul Antony Sarin
Chairman

A decorative graphic in the bottom right corner consisting of several overlapping, light gray circular shapes of varying sizes, creating a sense of depth and movement.

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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 2022 - 31 October 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 company's financial position at 31 October 2023 and of the results of the company's operations for the financial year 1 November 2022 - 31 October 2023.

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, 24 May 2024

Executive board

Paul Antony Sarin

Supervisory board

Vinh Tho Lien
chairman

Paul Antony Sarin

Robert Medved

Independent auditor's report on extended review

To the shareholder of LOCUS A/S

Opinion

We have performed extended review of the financial statements of LOCUS A/S for the financial year 1 November 2022 - 31 October 2023, 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.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 October 2023 and of the results of the company's operations for the financial year 1 November 2022 - 31 October 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 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 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 responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

Independent auditor's report on extended review

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 extended review 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 extended review, 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, 24 May 2024

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

Ramazan Turan
statsautoriseret revisor
mne32779

Company details

The company	LOCUS A/S Hedeager 44 8200 Aarhus
	CVR no.: 12 15 42 32
	Reporting period: 1 November 2022 - 31 October 2023 Incorporated: 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 2023 shows a profit of DKK 3.460.881, and the balance sheet at 31 October 2023 shows equity of DKK 7.527.193.

The Annual Report for 2022 and earlier contained a significant error regarding the recognition of fixed assets. The company's accounting is performed in accordance with IFRS and the annual report is prepared in accordance with the Danish Financial Statements Act. In the annual report, the fixed assets were expensed, and therefore this error is corrected in the annual report for 2023. The comparative figures have also been adjusted accordingly. The impact of the errors is directly recognized in equity and amounts to DKK 345 thousand. The income statement for 2022 is affected by DKK 88 thousand, and the total balance sheet is affected by DKK 433 thousand.

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	2022/23	2021/22
		DKK	DKK
Gross profit		18.894.560	10.727.279
Staff costs	1	-14.242.212	-11.649.289
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-40.632	-392.095
Profit/loss before net financials		4.611.716	-1.314.105
Financial income		201.492	0
Financial costs	2	-127.159	-159.665
Profit/loss before tax		4.686.049	-1.473.770
Tax on profit/loss for the year	3	-1.225.168	62.014
Profit/loss for the year		3.460.881	-1.411.756
Extraordinary dividend for the year		3.718.937	0
Retained earnings		-258.056	-1.411.756
		3.460.881	-1.411.756

Balance sheet 31 October

	Note	2022/23	2021/22
		DKK	DKK
Assets			
Software		4.689	4.689
Goodwill		0	0
Intangible assets	4	4.689	4.689
Other fixtures and fittings, tools and equipment	5	66.977	65.251
Leasehold improvements	5	0	17.424
Prepayments for tangible fixed assets	5	0	0
Tangible assets		66.977	82.675
Deposits		0	112.804
Fixed asset investments		0	112.804
Total non-current assets		71.666	200.168
Finished goods and goods for resale		1.256.371	792.228
Stocks		1.256.371	792.228
Trade receivables		7.042.225	5.792.017
Receivables from subsidiaries		3.487.684	0
Deferred tax asset		164.278	196.449
Joint taxation contributions receivable		436.480	0
Prepayments		704.628	1.012.871
Receivables		11.835.295	7.001.337
Cash at bank and in hand		4.669.940	5.215.006
Total current assets		17.761.606	13.008.571
Total assets		17.833.272	13.208.739

Balance sheet 31 October

	Note	2022/23	2021/22
		DKK	DKK
Equity and liabilities			
Share capital		1.325.000	1.325.000
Retained earnings		2.483.256	2.741.312
Proposed extraordinary dividend		3.718.937	0
Equity		7.527.193	4.066.312
Corporation tax, long term		1.062.555	0
Total non-current liabilities		1.062.555	0
Trade payables		904.007	2.233.646
Payables to group enterprises		3.480.872	2.775.352
Corporation tax, short term		0	1.213.848
Other payables		2.860.139	1.472.354
Deferred income		1.998.506	1.447.227
Total current liabilities		9.243.524	9.142.427
Total liabilities		10.306.079	9.142.427
Total equity and liabilities		17.833.272	13.208.739
Rent and lease liabilities	6		
Contingent liabilities	7		

Statement of changes in equity

	Share capital	Retained earnings	Proposed extraordinary dividend	Total
	DKK	DKK	DKK	DKK
Equity at 1 November	1.325.000	2.396.032	0	3.721.032
Net effect of errors in previous years	0	345.280	0	345.280
Adjusted equity at 1 November	1.325.000	2.741.312	0	4.066.312
Net profit/loss for the year	0	-258.056	3.718.937	3.460.881
Equity at 31 October	1.325.000	2.483.256	3.718.937	7.527.193

Notes

	2022/23	2021/22	
	DKK	DKK	
1 Staff costs			
Wages and salaries	13.672.195	11.042.604	
Pensions	484.125	393.172	
Other social security costs	47.716	40.000	
Other staff costs	38.176	173.513	
	14.242.212	11.649.289	
Number of fulltime employees on average	21	18	
2 Financial costs			
Impairment losses on financial assets	895	-895	
Other financial costs	126.264	73.804	
Exchange adjustments costs	0	86.756	
	127.159	159.665	
3 Tax on profit/loss for the year			
Current tax for the year	1.010.262	-62.014	
Deferred tax for the year	214.906	0	
	1.225.168	-62.014	
4 Intangible assets			
	Software	Goodwill	Total
	DKK	DKK	DKK
Cost at 1 November	4.689	11.084.086	11.088.775
Cost at 31 October	4.689	11.084.086	11.088.775
Impairment losses and amortisation at 1 November	0	11.084.086	11.084.086
Impairment losses and amortisation at 31 October	0	11.084.086	11.084.086
Carrying amount at 31 October	4.689	0	4.689

Notes

5 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
	DKK	DKK	DKK
Cost at 1 November	176.008	99.508	275.516
Additions for the year	42.360	0	42.360
Cost at 31 October	<u>218.368</u>	<u>99.508</u>	<u>317.876</u>
Depreciation at 1 November	110.759	99.508	210.267
Depreciation for the year	40.632	0	40.632
Depreciation at 31 October	<u>151.391</u>	<u>99.508</u>	<u>250.899</u>
Carrying amount at 31 October	<u>66.977</u>	<u>0</u>	<u>66.977</u>

	2022/23	2021/22
	DKK	DKK
6 Rent and lease liabilities		
Operating lease liabilities.		
Total future lease payments:		
Rent and lease liabilities	904.549	2.025.042
	<u>904.549</u>	<u>2.025.042</u>

7 Contingent liabilities

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

Accounting policies

The annual report of LOCUS A/S for 2022/23 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.

Changes due to significant error previous year

The Annual Report for 2022 and earlier contained a significant error regarding the recognition of fixed assets. The company's accounting is performed in accordance with IFRS and the annual report is prepared in accordance with the Danish Financial Statements Act. In the annual report, the fixed assets were expensed, and therefore this error is corrected in the annual report for 2023. The comparative figures have also been adjusted accordingly. The impact of the errors is directly recognized in equity and amounts to DKK 345 thousand. The income statement for 2022 is affected by DKK 88 thousand, and the total balance sheet is affected by DKK 433 thousand.

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.

Accounting policies

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.

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.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

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

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.

Accounting policies

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.

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.

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.