



CDRATOR A/S

Lautrupvang 12, 2750 Ballerup

CVR no. 26 49 98 79

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

Godkendt på selskabets ordinære generalforsamling den 24 May 2024

Amritlal Bhagwanji Jethwa
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 CDRATOR 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.

Ballerup, 24 May 2024

Executive board

Amritlal Bhagwanji Jethwa

Supervisory board

Stephen John Sadler
chairman

Amritlal Bhagwanji Jethwa

Robert Medved

Independent auditor's report

To the shareholders of CDRATOR A/S

Opinion

We have audited the financial statements of CDRATOR 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.

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 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.

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:

Independent auditor's report

- 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.

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.

Independent auditor's report

Copenhagen, 24 May 2024

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

Ramazan Turan
statsautoriseret revisor
mne32779

Company details

The company	CDRATOR A/S Lautrupvang 12 2750 Ballerup
	CVR no.: 26 49 98 79
	Reporting period: 1 November 2022 - 31 October 2023 Incorporated: 4 January 2002
	Domicile: Ballerup
Supervisory board	Stephen John Sadler, chairman Amritlal Bhagwanji Jethwa Robert Medved
Executive board	Amritlal Bhagwanji Jethwa
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Financial highlights

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

	2022/23	2021/22	2020/21	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Gross profit/loss	116.955	103.261	110.158	89.468	81.656
Profit/loss before net financials	64.731	51.149	53.778	42.151	36.853
Net financials	-696	-93	-1.085	802	-191
Profit/loss for the year	47.479	39.385	40.957	33.503	28.497
Balance sheet total	113.859	116.239	109.763	102.514	86.849
Equity	75.212	75.994	50.233	42.501	47.608
Financial ratios					
Return on assets	56,3%	45,3%	50,7%	44,5%	43,3%
Return on equity	62,8%	62,4%	88,3%	74,4%	53,8%
Average number of full-time employees	73	71	77	66	69

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

Management's review

Business review

The Company's main activity is development, including the sale of computer systems, project management and consultancy services as well as related business.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

The company's financial position at 31 October 2023 and the results of its operations for the financial year ended 31 October 2023 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31 October 2023 shows a profit of TDKK 47.479.069, and the balance sheet at 31 October 2023 shows equity of TDKK 75.212.052.

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.

Expected development of the company, including specific prerequisites and uncertainties

Revenue is expected to remain unchanged for financial year 2023/24.

Specific prerequisites for assessment of the expected development of the company

There are no specific prerequisites attached to the assessment of the company's expected development

Uncertainties associated with the expected development of the company

There are no uncertainties associated with the expected development of the company.

The company's knowledge resources if of particular importance to its future earnings

The company's resources are decisive for future earnings.

Impact on the external environment and measures taken to prevent, reduce or mitigate damage

It is not considered that the environmental conditions around the company constitute a significant area, as the implementation of environmental improvement measures is continuously ensured.

Management's review

Research and development activities in or for the company

The company is not engaged in any research and development activities.

Income statement 1 November - 31 October

	Note	2022/23	2021/22
		DKK	DKK
Gross profit		116.954.534	103.260.617
Staff costs	1	-50.965.729	-49.756.285
Depreciation, amortisation and impairment of intangible assets and plant and equipment		-1.257.341	-2.355.217
Profit/loss before net financials		64.731.464	51.149.115
Financial income	2	859.398	272.795
Financial costs	3	-1.554.937	-366.038
Profit/loss before tax		64.035.925	51.055.872
Tax on profit/loss for the year	4	-16.556.856	-11.670.439
Profit/loss for the year		47.479.069	39.385.433
Distribution of profit	5		

Balance sheet 31 October

	Note	2022/23	2021/22
		DKK	DKK
Assets			
Goodwill		0	831.467
Intangible assets	6	0	831.467
Other fixtures and fittings, tools and equipment	7	509.201	719.492
Tangible assets		509.201	719.492
Participating interests	8	16.056.200	16.056.200
Deposits	9	1.109.982	1.037.448
Fixed asset investments		17.166.182	17.093.648
Total non-current assets		17.675.383	18.644.607
Trade receivables		25.054.505	26.194.141
Receivables from group companies		34.851.988	31.992.999
Prepayments	10	1.131.386	946.029
Receivables		61.037.879	59.133.169
Cash at bank and in hand		35.145.422	38.460.957
Total current assets		96.183.301	97.594.126
Total assets		113.858.684	116.238.733

Balance sheet 31 October

	Note	2022/23	2021/22
		DKK	DKK
Equity and liabilities			
Share capital		1.000.000	1.000.000
Retained earnings		33.912.682	26.732.983
Proposed dividend for the year		40.299.370	48.261.215
Equity		75.212.052	75.994.198
Provision for deferred tax	11	39.834	22.568
Total provisions		39.834	22.568
Corporation tax, long term		15.167.457	0
Total non-current liabilities		15.167.457	0
Trade payables		1.690.599	1.422.492
Payables to group companies		583.099	11.548.414
Corporation tax, short term		10.322.349	15.226.823
Other payables		4.077.618	4.012.462
Deferred income	12	6.765.676	8.011.776
Total current liabilities		23.439.341	40.221.967
Total liabilities		38.606.798	40.221.967
Total equity and liabilities		113.858.684	116.238.733
Rent and lease liabilities	13		
Contingent liabilities	14		
Mortgages and collateral	15		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 November	1.000.000	26.732.983	48.261.327	75.994.310
Ordinary dividend paid	0	0	-48.261.327	-48.261.327
Net profit/loss for the year	0	7.179.699	0	7.179.699
Proposed dividend for the year	0	0	40.299.370	40.299.370
Equity at 31 October	1.000.000	33.912.682	40.299.370	75.212.052

Notes

	2022/23	2021/22
	DKK	DKK
1 Staff costs		
Wages and salaries	41.852.864	39.070.722
Pensions	5.640.458	5.465.468
Other social security costs	1.255.145	1.252.489
Other staff costs	2.217.262	3.967.606
	50.965.729	49.756.285
Number of fulltime employees on average	73	71
No remuneration or salary has been paid to the management from CDRator A/S.		
Information on management remuneration has been omitted in accordance with the exemption provision in section 98b(3)(2) of the Danish Financial Statements Act.		
2 Financial income		
Interest received from group enterprises	609.746	269.607
Other financial income	249.652	3.188
	859.398	272.795
3 Financial costs		
Other financial costs	797.453	222.662
Exchange loss	757.484	143.376
	1.554.937	366.038

Notes

4 Tax on profit/loss for the year

Current tax for the year	17.209.735	11.502.071
Deferred tax for the year	17.266	168.368
Adjustment of tax concerning previous years	-670.145	0
	<u>16.556.856</u>	<u>11.670.439</u>

2022/23	2021/22
<u>DKK</u>	<u>DKK</u>

5 Distribution of profit

Proposed dividend for the year	40.299.370	48.261.327
Retained earnings	7.179.699	-8.875.894
	<u>47.479.069</u>	<u>39.385.433</u>

Notes

6 Intangible assets

	Goodwill
	DKK
Cost at 1 November	9.131.889
Cost at 31 October	9.131.889
Impairment losses and amortisation at 1 November	9.131.000
Amortisation for the year	889
Impairment losses and amortisation at 31 October	9.131.889
Carrying amount at 31 October	0

7 Tangible assets

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 November	3.027.492
Additions for the year	216.473
Cost at 31 October	3.243.965
Impairment losses and depreciation at 1 November	2.308.000
Depreciation for the year	426.764
Impairment losses and depreciation at 31 October	2.734.764
Carrying amount at 31 October	509.201

Notes

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
8 Participating interests		
Cost at 1 November	16.056.200	16.056.200
Cost at 31 October	16.056.200	16.056.200
Carrying amount at 31 October	<u>16.056.200</u>	<u>16.056.200</u>

Investments in participating interests are specified as follows:

Name	Registered office	Ownership interest
Enghouse Holding Limited	United Kingdom	4,7%

9 Fixed asset investments

	<u>Deposits</u>
	DKK
Cost at 1 November	1.037.448
Additions for the year	72.534
Cost at 31 October	1.109.982
Carrying amount at 31 October	<u>1.109.982</u>

10 Prepayments

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

Notes

11 Provision for deferred tax

Provision for deferred tax at 1 November	22.568	-145.823
Deferred tax recognised in income statement	17.266	168.391
Provision for deferred tax at 31 October	39.834	22.568

Provisions for deferred tax on:

Property, plant and equipment	-181.492	-185.552
Prepayments	221.326	208.120
	39.834	22.568

Deferred tax has been provided at 22,0% corresponding to the current tax rate.

12 Deferred income

Deferred income consists of payments received in respect of income in subsequent financial years.

Notes

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
13 Rent and lease liabilities		
Operating lease liabilities		
Total future lease payments:	<u>5.078</u>	<u>9.721</u>
	<u>5.078</u>	<u>9.721</u>

14 Contingent liabilities

The company is jointly taxed with other group entities in Denmark, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes, with holding taxes on interest, royalties and dividends.

15 Mortgages and collateral

The company has not provided any security or other collateral in assets at 31 October 2023.

16 Related parties and ownership structure

Transactions

There are no group transactions that have not been completed on normal market terms.

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Enghouse Interactive AB
Box 1078
117 22 Solna
Sweden

Consolidated financial statements

The company is reflected in the group report as the parent company Enghouse Systems Limited

Notes

16 Related parties and ownership structure (continued)

The group report of Enghouse Systems Limited can be obtained at the following address:

80 Tiverton Court
Suite 800
Markham, Ontario (Toronto)
L3R 0G4

Accounting policies

The annual report of CDRATOR A/S for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized class C entities, 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 2022/23 is presented in TDKK

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

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

Materials and consumables

Costs of materials and consumables include the 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.

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

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

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 5-7 year years. The amortisation period is based on an assessment of the acquiree's market position and earnings capacity.

Accounting policies

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	Residual value
Fixtures and fittings, other plant and equipment	3-5 years	0 %

Investments in associates

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

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.

Receivables for which there is no objective evidence of individual impairment are tested for impairment on a portfolio basis. The portfolios are primarily based on debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

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

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

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.

Cash flow statement

No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the consolidated cash flow statement, see section 86(4) of the Danish Financial Statements Act.

Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$