

CUBRIS ApS

Industriparken 39

2750 Ballerup

CVR No. 31744172

Annual Report 2023

15. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 29 May 2024

Johannes Boyer
Chairman

CUBRIS ApS

Contents

Statement by management on the annual report	3
Independent Auditors' Report	4
Company Information	6
Management's Review	7
Accounting Policies	8
Income Statement	12
Balance Sheet	13
Statement of changes in Equity	15
Notes	16

CUBRIS ApS

Statement by management on the annual report

Today, Management has considered and adopted the Annual Report of CUBRIS ApS for the financial year 1 January 2023 - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the 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.

Ballerup, 28 May 2024

Executive Board

Claus Vendelsø-Nielsen
Director

Supervisory Board

Johannes Boyer
Chairman

Claus Vendelsø-Nielsen
Member

Franciscus Warnau
Member

Independent Auditors' Report

To the shareholders of CUBRIS ApS

Opinion

We have audited the financial statements of CUBRIS ApS for the financial year 1 January 2023 - 31 December 2023, which comprise an income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The 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.

Independent Auditors' Report

- * 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 which 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.

Copenhagen, 28 May 2024

Mazars Statsautoriseret Revisionspartnerselskab

CVR-no. 31061741

Dennis Herholdt Rasmussen
State Authorised Public Accountant
mne43413

CUBRIS ApS

Company details

Company	CUBRIS ApS Industriparken 39 2750 Ballerup
Telephone	46975400
CVR No.	31744172
Date of formation	29 August 2008
Financial year	1 January 2023 - 31 December 2023
Supervisory Board	Johannes Boyer, Chairman Claus Vendelsø-Nielsen, Director Franciscus Warnau
Executive Board	Claus Vendelsø-Nielsen, Director
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2. tv. 2100 København Ø
Bank	Nordea Danmark

Management's Review

The Company's principal activities

The Company's principal activities consist in development of software and delivery of consulting service within the IT industry and related services.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -8.534.365 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 13.637.755 and an equity of DKK -37.674.898.

It is the assessment of the management that the company can regain its capital through operations within the next couple of years. In addition, the capital owner has submitted a declaration of support in favor of the company and will thus ensure the continued operation. Please, see the note 3 on uncertainties relating to going concern.

The Management has therefore prepared the financial statements using the going concern assumption.

Accounting Policies

Reporting Class

The Annual Report of CUBRIS ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities.

The Annual Report has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and goods for resale, other operation income, cost of raw and consumables and other external expenses.

Revenue

Revenue is recognised in the income statement if the goods or services have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

Staff expenses

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the parent company are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance Sheet

Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

Accounting Policies

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Tools and equipment:	5 years
Leasehold improvements:	10 years

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expenses.

Property, plant and equipment held under leases and qualifying as finance leases are treated according to the same guidelines as assets owned.

Deposits

Deposits are measured at cost.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realisable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Prepayments from customers are recognised under liabilities.

Advertising from promotional costs and costs of negotiating contracts are expensed incurred.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Accounting Policies

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2023 kr.	2022 kr.
Gross profit		10.638.196	9.414.062
Staff expenses	1	-20.204.821	-16.051.563
Depreciation		-154.010	-135.842
Profit/loss from ordinary operating activities		-9.720.635	-6.773.343
Financial income		209.225	32.629
Finance expenses arising from group enterprises		-1.366.675	-133.915
Other finance expenses		-57.720	-96.123
Profit/loss from ordinary activities before tax		-10.935.805	-6.970.752
Tax expense on ordinary activities		2.401.440	1.532.896
Profit/loss for the year		-8.534.365	-5.437.856
Proposed distribution of results			
Retained earnings		-8.534.365	-5.437.856
Distribution of profit		-8.534.365	-5.437.856

CUBRIS ApS

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Other equipment		129.202	96.366
Leasehold improvements		399.180	416.183
Property, plant and equipment		528.382	512.549
Deposits		280.499	261.250
Investments		280.499	261.250
Fixed assets		808.881	773.799
Trade receivables		6.021.384	1.695.818
Work in progress		2.496.581	2.409.820
Short-term receivables from group enterprises		2.441.475	4.184.972
Other short-term receivables		588	0
Deferred income		4.340	0
Receivables		10.964.368	8.290.610
Cash and cash equivalents		1.864.506	3.253.384
Current assets		12.828.874	11.543.994
Assets		13.637.755	12.317.793

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Share capital		125.000	125.000
Retained earnings		-37.799.898	-29.265.534
Equity		-37.674.898	-29.140.534
Provisions for deferred tax		1.707.999	2.056.205
Provisions		1.707.999	2.056.205
Other payables		1.188.935	1.148.729
Long-term liabilities other than provisions	2	1.188.935	1.148.729
Debt to banks		65.999	48.932
Prepayments received from customers		2.178.823	2.396.687
Trade payables		1.017.612	548.989
Payables to group enterprises		43.230.306	34.407.364
Other payables		1.922.979	851.421
Short-term liabilities other than provisions		48.415.719	38.253.393
Liabilities other than provisions within the business		49.604.654	39.402.122
Liabilities and equity		13.637.755	12.317.793
Uncertainties relating to going concern	3		
Contingent liabilities	4		
Collaterals and assets pledged as security	5		
Related parties	6		

CUBRIS ApS

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	125.000	-29.265.534	-29.140.534
Profit (loss)	<u>0</u>	<u>-8.534.365</u>	<u>-8.534.365</u>
Equity 31 December 2023	<u>125.000</u>	<u>-37.799.899</u>	<u>-37.674.899</u>

The share capital has remained unchanged for the last 5 years.

Notes

	2023	2022
1. Staff expenses		
Wages and salaries	-17.452.257	-13.928.021
Pensions	-2.093.565	-1.529.597
Social security contributions	-191.605	-183.726
Other employee expense	-467.394	-410.219
	<u>-20.204.821</u>	<u>-16.051.563</u>
Average number of employees	<u>24</u>	<u>20</u>

2. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Long-term vacations pay obligation	1.188.935	0	1.188.935
	<u>1.188.935</u>	<u>0</u>	<u>1.188.935</u>

3. Uncertainties relating to going concern

There is considerable uncertainty regarding the going concern status of the Cubris ApS as the contributed capital is lost.

It is the assessment of the management that the company can regain its capital through operations within the next couple of years. In addition, the capital owner has submitted a declaration of support in favor of the company and will thus ensure the continued operation.

The Management has therefore prepared the financial statements using the going concern assumption.

4. Contingent liabilities

The company has entered into a lease with a residual term of at least 90 months. The total lease obligation for the period can be calculated at approximately DKK 4.202.000

The Company is jointly taxed with the other enterprises in the group and is jointly and severally liable for the taxes that concern the joint taxation.

The total amount appears from the annual report of Ground Transportation Systems Denmark A/S which is the administration company in the joint taxation.

5. Collaterals and securities

Company Pledge, nominal DKK 500.000 in the company's goodwill, operating assets and trade receivables with a total balance sheet value of DKK 6.538.827 is deposited for collateral with financial institutes.

6. Related parties

The company is owned by Ground Transportation Systems Denmark A/S, cvr. 3207 5193

The company is included in the consolidated financial statements of the parent company Thales S.A. 45, Tour Carpe Diem -31, Place des Corolles 92098 Paris La Defense, France.