

CUBRIS ApS

Industriparken 39

2750 Ballerup

CVR No. 31744172

Annual Report 2021

13. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 17 May 2022

Yves Joannic
Chairman

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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 2021 - 31 December 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January 2021 - 31 December 2021.

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, 17 May 2022

Executive Board

Claus Vendelsø-Nielsen
Director

Supervisory Board

Yves Joannic
Chairman

Claus Vendelsø-Nielsen
Member

Tommy Ayouty
Member

Serge Bertrand
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 2021 - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are 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 December 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

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

Management's responsibility 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

Independent Auditors' Report

Company's internal control.

- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 17 May 2022

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
Supervisory Board	Yves Joannic, Chairman Claus Vendelsø-Nielsen, Director Tommy Ayouty Serge Bertrand 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 the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2021 - 31 December 2021 shows a result of DKK -4.704.322 and the Balance Sheet at 31 December 2021 a balance sheet total of DKK 16.899.988 and an equity of DKK -23.702.678.

The management is aware that the company has as of 31 December 2021, lost all of its equity and thus are covered by section 119 of the Danish Companies Act.

The management is equally aware of the degraded effect caused by the COVID-19 situation to the company's ability to book and prepare for its business opportunities in 2022, where some planned opportunities and activities for 2020 and 2021 have been postponed to 2022 or later, and in some cases frozen or cancelled without further notice.

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 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

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

The financial statement have been prepared under the historical cost principle.

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 amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

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.

Accounting Policies

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

Revenue

Revenue is recognised in the income statement if the goods 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 excluding VAT and all discounts granted are recognised in revenue.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

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 data 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.

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

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

Accounting Policies

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 expense.

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 realizable 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 amortized 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 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.

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 crystallize as current tax.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value

Accounting Policies

using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Other liabilities are measured at net realisable value.

Other payables

Other payables are measured at amortized 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	2021 kr.	2020 kr.
Gross profit		12.645.159	8.623.888
Staff expense	1	-18.468.589	-18.742.647
Depreciation		-148.074	-132.707
Loss from ordinary operating activities		-5.971.504	-10.251.466
Financial income		29.442	10.292
Financial expenses		-84.400	-140.389
Loss from ordinary activities before tax		-6.026.463	-10.381.563
Tax expense on ordinary activities		1.322.141	2.123.915
Loss		-4.704.322	-8.257.648
Proposed distribution of results			
Reserve for development costs		0	-548.486
Retained earnings		-4.704.322	-7.709.162
Distribution of loss		-4.704.322	-8.257.648

Balance Sheet as of 31 December

	Note	2021 kr.	2020 kr.
Assets			
Other equipment		183.561	273.941
Leasehold improvements		464.830	17.201
Property, plant and equipment		648.391	291.142
Deposits		261.250	330.719
Investments		261.250	330.719
Fixed assets		909.641	621.861
Trade receivables		433.045	1.526.232
Work in progress		4.815.340	366.097
Short-term receivables from group enterprises		5.086.847	9.918.828
Deferred tax		0	12.192
Other short-term receivables		147.067	1.069
Deferred income		0	17.957
Receivables		10.482.299	11.842.375
Cash and cash equivalents		5.508.048	4.762.221
Current assets		15.990.348	16.604.596
Assets		16.899.988	17.226.457

Balance Sheet as of 31 December

	Note	2021 kr.	2020 kr.
Liabilities and equity			
Share capital		125.000	125.000
Retained earnings		-23.827.678	-19.123.356
Equity		-23.702.678	-18.998.356
Provisions for deferred tax		2.051.659	0
Provisions		2.051.659	0
Other payables		1.586.199	1.551.221
Long-term liabilities other than provisions	2	1.586.199	1.551.221
Debt to banks		113.318	71.000
Prepayments received from customers		4.829.755	3.469.727
Trade payables		273.639	289.361
Payables to group enterprises		29.973.550	28.355.396
Other payables		1.774.546	2.488.108
Short-term liabilities other than provisions		36.964.808	34.673.592
Liabilities other than provisions within the business		38.551.007	36.224.813
Liabilities and equity		16.899.988	17.226.457
Uncertainties relating to going concern	3		
Contingent liabilities	4		
Collaterals and assets pledges as security	5		
Related parties	6		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2021	125.000	-19.123.356	-18.998.356
Profit (loss)	0	-4.704.322	-4.704.322
Equity 31 December 2021	125.000	-23.827.678	-23.702.678

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

Notes

	2021	2020
1. Staff expenses		
Wages and salaries	15.873.312	15.939.348
Pensions	2.055.551	1.686.140
Social security contributions	214.927	167.747
Employee expenses transferred to development projects in progress	0	703.187
Other employee expense	324.799	246.225
	18.468.589	18.742.647
Average number of employees	25	25

2. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Long-term vacations pay obligation	1.586.199	0	1.586.199
	1.586.199	0	1.586.199

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 42 months. The total lease obligation for the period can be calculated at approximately DKK 1.829.000

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 Thales Danmark 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 2.317.461 is deposited for collateral with financial institutes.

6. Related parties

The company is owned by Thales 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.