

**Grant Thornton** 

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# **UST Global (DENMARK) ApS**

Store Kongensgade 40D, 2., 1264 København K

Company reg. no. 32 31 79 36

## **Annual report**

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 14 July 2021.

Paras Chandaria

Chairman of the meeting

#### Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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### **Management's report**

Today, the executive board has presented the annual report of UST Global (DENMARK) ApS for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København K, 14 July 2021

#### **Executive board**

Praveen Prabhakaran Director Ramanathan Raghunathan Director

### **Independent auditor's report**

### To the shareholders of UST Global (DENMARK) ApS

### **Opinion**

We have audited the financial statements of UST Global (DENMARK) ApS for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

#### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Independent auditor's report**

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

### **Independent auditor's report**

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 14 July 2021

### **Grant Thornton**

State Authorised Public Accountants Company reg. no. 34 20 99 36

Anders Flymer-Dindler State Authorised Public Accountant mne35423

### **Company information**

The company UST Global (DENMARK) ApS

Store Kongensgade 40D, 2.

1264 København K

Company reg. no. 32 31 79 36

Financial year: 1 January - 31 December

**Executive board** Praveen Prabhakaran, Director

Ramanathan Raghunathan, Director

Auditors Grant Thornton, Statsautoriseret Revisionspartnerselskab

Stockholmsgade 45 2100 København Ø

Parent company UST Global Private Limited

Subsidiary UST Global (Brazil) Solucoes DE T.I., LTDA, Brazil

### Management commentary

#### The principal activities of the company

The Company's object is to conduct trade and financial activites, including the acquisition of and investment in share capital as a holding company in Danish and foreign companies, and other similar business in accordance with the decision or the management board including software development and IT consulting services. The businesses can be conducted directly of through other companies.

The Company has lost all of the share capital. The management expects the share capital to be restored through the Company's operations. The company has received a letter of support from the parent company.

### Development in activities and financial matters

The gross profit for the year totals DKK 837.814 against DKK 3.147.633 last year. Income or loss from ordinary activities after tax totals DKK 945.150 against DKK -4.791.858 last year. Management considers the net profit or loss for the year satisfactory.

#### Events occurring after the end of the financial year

No events has occurred after the year-end of the financial year that may have a significant impact on the financial position of the company.

### **Accounting policies**

The annual report for UST Global (DENMARK) ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

#### Income statement

#### **Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

### **Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

#### Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

### **Accounting policies**

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

#### Results from equity investments in group enterprises

Dividend from equity investments in group enterprises is recognised in the financial year in which the dividend is declared.

### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

### Statement of financial position

#### Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

#### **Investments**

### **Equity investments in group enterprises**

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

#### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

### **Accounting policies**

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

#### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### Liabilities other than provisions

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

## **Income statement 1 January - 31 December**

Λ 11	amounts	in	DKK
<b>TIP</b>	amounts	Ш	DIXIX.

All a	mounts in DKK.		
Not	<u>e</u>	2020	2019
	Gross profit	837.814	3.147.633
2	Staff costs	-2.468.826	-5.183.283
	Operating profit	-1.631.012	-2.035.650
	Other financial income	3.785.411	-292.706
	Other financial costs	-1.209.249	-2.463.502
	Pre-tax net profit or loss	945.150	-4.791.858
	Net profit or loss for the year	945.150	-4.791.858
	Proposed appropriation of net profit:		
	Transferred to retained earnings	945.150	0
	Allocated from retained earnings	0	-4.791.858
	Total allocations and transfers	945.150	-4.791.858

## **Statement of financial position at 31 December**

All amounts in DKK.

	Assets		
Note	) -	2020	2019
	Non-current assets		
3	Equity investments in group enterprises	1	1
	Total investments	1	1
	Total non-current assets	1	1
	Current assets		
	Trade receivables	260.419	2.279.485
	Receivables from group enterprises	3.884.470	2.472.306
	Other receivables	64	21.430
	Total receivables	4.144.953	4.773.221
	Total current assets	4.144.953	4.773.221
	Total assets	4.144.954	4.773.222

## Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
Note	2020	2019
Equity		
Contributed capital	82.060	82.060
Retained earnings	-7.657.123	-8.602.274
Total equity	-7.575.063	-8.520.214
Liabilities other than provisions		
Other payables	243.527	129.090
Total long term liabilities other than provisions	243.527	129.090
Trade payables	37.922	24.530
Payables to group enterprises	10.960.862	12.181.855
Other payables	477.706	957.961
Total short term liabilities other than provisions	11.476.490	13.164.346
Total liabilities other than provisions	11.720.017	13.293.436
Total equity and liabilities	4.144.954	4.773.222

### 1 Uncertainties concerning the enterprise's ability to continue as a going concern

## **Statement of changes in equity**

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	82.060	-8.602.273	-8.520.213
Retained earnings for the year	0	945.150	945.150
	82.060	-7.657.123	-7.575.063

### Notes

All amounts in DKK.

2020	2019
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### 1. Uncertainties concerning the enterprise's ability to continue as a going concern

The Company has lost all of the share capital. The management expects the share capital to be restored through the Company's operations. The company has received a letter of support from the parent company.

### 2. Staff costs

2.391.171	5.113.530
32.201	69.753
45.454	0
2.468.826	5.183.283
4	7
	32.201 45.454 2.468.826

### 3. Equity investments in group enterprises

Equity investments in group enterprises		
Cost 1 January 2020	3.485.462	3.485.462
Cost 31 December 2020	3.485.462	3.485.462
Revaluations, opening balance 1 January 2020	-3.485.461 0	-1.000.000 -2.485.461
Writedown 31 December 2020	-3.485.461	-3.485.461
Carrying amount, 31 December 2020	1	1

### Financial highlights for the enterprises according to the latest approved annual reports

				Carrying amount, UST Global
	Equity interest	Equity	Results for the year	(DENMARK) ApS
UST Global (Brazil) Solucoes DE T.I., Brazil	89 %	701.295	-192.593	0
		701.295	-192.593	0