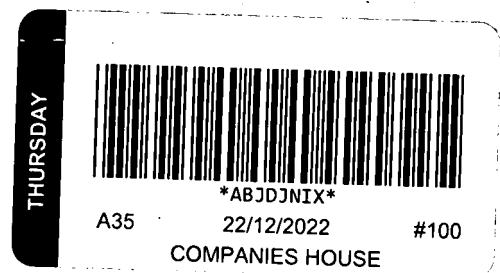


Registered number: 11560407

VELOCIX SOLUTIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



VELOCIX SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	B Alwan (resigned 16 April 2021) B Beattie M R Miller D W Nyland B Troy (resigned 16 April 2021) B Pailleux (appointed 16 April 2021, resigned 9 June 2021) D L Sharpley (appointed 16 April 2021)
Registered number	11560407
Registered office	Unit 1A Methuen Park Chippenham Wiltshire SN14 0GT
Independent auditor	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL

VELOCIX SOLUTIONS LIMITED

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VELOCIX SOLUTIONS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

Velocix Solutions Limited, a leading provider of video content delivery solutions, started as a joint venture between Volaris Group UK Holdco Limited (80%) and Nokia Solutions and Networks OY (20%). In June 2021, Volaris Group UK Holdco Limited acquired the Nokia shareholdings and increased its ownership to 100%.

Business review

Velocix is the world's leading provider of content delivery solutions and is 'Making Video Personal'.

The company sells its highly bespoke and scalable solutions into the video service operator market. The modular software solutions support high quality video streaming to every consumer device

The product portfolio consists of Contents Delivery Network (CDN) solutions, including the provision of the origin and storage equipment, Video Recording Manager (VRM) and the Velocix Personalization Platform (VPP). In 2021 Velocix added cloud-hosted Software as a Service (SaaS) offerings for the VRM and VPP product as well as the CDN Broker, a dynamic multi-CDN switching application for open environments, as well as Analytics, a cloud-native video analytics platform that ties into multiple data sources to provide better insights network performance, capacity planning and subscriber behaviour.

The Company was incorporated on 10 September 2018 and commenced trading on 1 January 2019 following the completion of an Asset Purchase Agreement between the Company, Volaris Group UK Holdco Limited, Volaris Group Inc and Nokia of America Corporation ("Nokia").

In 2019, the first year of trading, Velocix worked closely with partners at Nokia on a transition of all ongoing operations; successfully fulfilling pre-existing orders, projects, and commitments. After initial challenges and poor profitability, a new management team was appointed at the end of 2019, taking robust measures to reposition the Company for growth. As a result, Velocix emerged profitable at the end of 2020, with a healthy sales pipeline and a strong backlog position.

During 2020 and 2021, Velocix proceeded to innovate and renegotiate contracts with its end-customers, improved billing terms helped to shorten the working capital cycle.

In June 2021 Nokia exited the Velocix business and sold its 20% shareholding to Volaris Group UK Holdco Limited for €5m.

The COVID-19 pandemic has increased demand for video streaming products. Despite given challenges of the pandemic, the Velocix business remained resilient and further increased growth in profitability. This trend has continued throughout 2021 and into 2022.

To date Brexit had low impact on the Velocix business operations; mainly impacting administration of the sale of equipment to the European market, given applicable changes in duties and VAT registration requirements.

Outlook

The first half of 2022 has continued to be successful and profitable, despite foreign exchange losses due to the strong USD and increases in costs as a result of rising inflation rates in our core markets.

The product roadmap is focused on increasing the range of hosted SaaS product offerings, such as the Cloud Digital Video Recording (CDVR) product suite, which will help our customers to monetise addressable advertising Hybrid-cloud technology.

Velocix products are strongly focused on efficiency and resource optimisation, which helps our customers to lower their energy emissions and provide 'greener streaming' services.

VELOCIX SOLUTIONS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the Company are in the following categories:

Economic risk:

The risk of inflation having an adverse impact on served markets. These risks are managed through strict control of costs.

Competitor risk:

The directors of the Company manage competition risk through close attention to customer service levels.

Financial risk:

The directors of the Company closely monitor company's trading activities to manage credit, liquidity and other financial risk. Sales to customers are primarily invoiced in Euros so the Company mitigates foreign exchange risk by converting receipts into other currencies with the result that cash balances are held in multiple currencies.

COVID-19 risk:

Due to the continued outbreaks of Coronavirus (COVID-19), our operations expose us to certain risks inherent in doing business, which may adversely affect our business, results of operations or financial condition. However, while the Company is currently trading in a period of increased macro-economic uncertainty the Board and management have an appropriate response plan in place and have taken proactive measures to mitigate the impact of any COVID-19 related risks. The Company continues to trade profitably and generate positive cashflows, the Board expect this to continue for the foreseeable future.

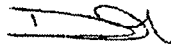
Financial key performance indicators

The Company considers profitable sales, net revenues, organic revenue growth and earnings before interest, taxation and amortisation (EBITA) as the main financial key performance indicators.

There are no other key performance indicators.

This report was approved by the board on 14 December 2022

and signed on its behalf.



D W Nyland
Director

VELOCIX SOLUTIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £4,058,205 (2020 - £395,365).

The directors did not recommend the payment of dividend in the period.

Directors

The directors who served during the year were:

B Alwan (resigned 16 April 2021)
B Beattie
M R Miller
D W Nyland
B Troy (resigned 16 April 2021)
B Pailleux (appointed 16 April 2021, resigned 9 June 2021)
D L Sharpley (appointed 16 April 2021)

Future developments

The directors do not anticipate a significant change in the activities of the Company.

VELOCIX SOLUTIONS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Going Concern

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The directors have reviewed the working capital requirements of the Company for a period of at least 12 months from the anticipated date of signing the financial statements and are satisfied that the Company will be able to meet its liabilities as they fall due this included a worst case scenario of 12 months of Nil income.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14 December 2022 and signed on its behalf.



D W Nyland
Director

VELOCIX SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCIX SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Velocix Solutions Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

VELOCIX SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCIX SOLUTIONS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

VELOCIX SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCIX SOLUTIONS LIMITED (CONTINUED)

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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risks of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases. Our audit procedures to respond to revenue recognition risks included sample testing a sample of income across the year to agree to supporting documentation, and reviewing income received either side of the year end to ensure this has been recognised correctly.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

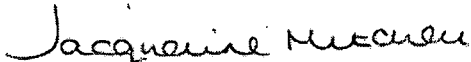
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

VELOCIX SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VELOCIX SOLUTIONS LIMITED
(CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jacqueline Mitchell (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL
Date: 16 December 2022

VELOCIX SOLUTIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	30,559,156	25,586,810
Cost of sales		(9,650,420)	(9,377,426)
Gross profit		20,908,736	16,209,384
Administrative expenses		(16,190,812)	(15,809,674)
Operating profit	5	4,717,924	399,710
Interest receivable and similar income	8	-	81
Interest payable and similar expenses	9	(2,187)	(4,426)
Profit before tax		4,715,737	395,365
Tax on profit	10	(657,532)	-
Profit for the financial year		4,058,205	395,365

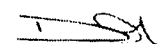
The notes on pages 13 to 33 form part of these financial statements.

VELOCIX SOLUTIONS LIMITED
REGISTERED NUMBER: 11560407

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	11	1,885,794	3,601,139
Tangible assets	12	124,884	202,679
Investments	13	3,886,843	3,886,843
		<u>5,897,521</u>	<u>7,690,661</u>
Current assets			
Stocks	14	682,113	1,275,730
Debtors: amounts falling due within one year	15	53,755,877	23,314,046
Cash at bank and in hand	16	5,013,851	19,097,576
		<u>59,451,841</u>	<u>43,687,352</u>
Creditors: amounts falling due within one year	17	(33,939,889)	(23,995,124)
Net current assets		<u>25,511,952</u>	<u>19,692,228</u>
Total assets less current liabilities		<u>31,409,473</u>	<u>27,382,889</u>
Creditors: amounts falling due after more than one year	18	(47,780)	(79,401)
Net assets		<u><u>31,361,693</u></u>	<u><u>27,303,488</u></u>
Capital and reserves			
Called up share capital	21	1	1
Share premium account	22	24,258,759	24,258,759
Capital Contribution	22	11,505,287	11,505,287
Profit and loss account	22	(4,402,354)	(8,460,559)
		<u>31,361,693</u>	<u>27,303,488</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 December 2022.



D W Nyland
 Director

The notes on pages 13 to 33 form part of these financial statements.

VELOCIX SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Capital Contribution	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	1	24,258,759	11,505,287	(8,460,559)	27,303,488
Comprehensive income for the year					
Profit for the year	-	-	-	4,058,205	4,058,205
Total comprehensive income for the year	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	4,058,205	4,058,205
At 31 December 2021	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	1	24,258,759	11,505,287	(4,402,354)	31,361,693

The notes on pages 13 to 33 form part of these financial statements.

VELOCIX SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Capital Contribution	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2020	1	24,258,759	11,505,287	(8,855,924)	26,908,123
Comprehensive income for the year					
Profit for the year	-	-	-	395,365	395,365
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>395,365</u>	<u>395,365</u>
At 31 December 2020	<u>1</u>	<u>24,258,759</u>	<u>11,505,287</u>	<u>(8,460,559)</u>	<u>27,303,488</u>

The notes on pages 13 to 33 form part of these financial statements.

VELOCIX SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Velocix Solutions Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Unit A1, Methuen Park, Chippenham, Wiltshire, SN14 0GT.

The principal activity of the company is providing content delivery solutions.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Constellation Software Incorporated as at 31 December 2021 and these financial statements may be obtained from #1200 - 20 Adelaide Street East, Toronto, ON M5C 2T6, Canada.

2.3 Going concern

The management's assessment of going concern is based on the Quarterly Strategic Review which includes a five-year forecast of the expected financial performance. The review concluded that the company is expected to continue to be profitable; it also considered different revenue streams and their departments' results individually and concluded that they will remain profitable and within the adopted ratio benchmarks. The risk of material uncertainty is minimised by basing forecasts on legally binding contracts and historical performance patterns. External financing is not required as the operations continue to generate sufficient cashflow. The management continues to monitor general economic conditions in the countries where the company operates.

VELOCIX SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2: Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Revenue

Revenue represents the amount the Company expects to receive for products and services in its contracts with customers, net of discounts and sales taxes. The Company reports revenue under three revenue categories being, Software, Services and Hardware:

Software

Software license revenue is comprised of non- recurring license fees charged for the use of software products licensed under multiple- year or perpetual arrangements.

Services

Services revenue comprises professional services and maintenance revenue. Professional service revenue consists of fees charged for implementation services, custom programming, product training and consulting. Maintenance and other recurring revenue primarily consists of fees charged for customer support on software products post-delivery and also includes recurring fees derived from combined software/ support contracts, transaction revenues, managed services, and hosted products.

Hardware

Hardware includes the resale of third party hardware as part of customized solutions.

Contracts with multiple products or services

Typically, the Company enters into contracts that contain multiple products across these revenue categories and evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the product or service is distinct from some or all of the other products or services in the arrangement.

Revenue from the license of software that involves complex implementation or customization that is not distinct, and/ or includes sales of hardware that is not distinct, is recognized as a combined performance obligation using the percentage-of-completion method based either on the achievement of contractually defined milestones or based on labour hours.

Professional services revenue including installation, implementation, training and customization of software is recognized by the stage of completion of the performance obligation determined using the percentage of completion method noted above or as such services are performed as appropriate in the circumstances.

A product or service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Company's promise to transfer the goods or service is separately identifiable from other promises in the contractual arrangement with the customer.

Non-distinct products and services are combined with other goods or services until they are distinct as a bundle and therefore form a single performance obligation. Where a contract consists of more than one performance obligation, revenue is allocated to each based on their estimated SSP

The timing of revenue recognition often differs from contract payment schedules, resulting in revenue that has been earned but not billed. These amounts are included in work in progress. Amounts billed in accordance with customer contracts, but not yet earned, are recorded and presented as part of deferred revenue.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The estimated useful lives range as follows:

Intellectual Property	-	4	years
Customer relationships	-	4	years
Capitalised commissions	-	5	years

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	20%
Fixtures and fittings	-	20%
Computer equipment	-	33%
Right of use asset	-	20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.13 Work in progress

Work in progress (WIP) or unbilled revenue is typically recorded when the company has recognised revenue but does not have the legal right to bill the revenue to the customer. Under these circumstances the company would record the accrued revenue as WIP or Unbilled Revenue in the period that the revenue is recognised.

Velocix has a WIP/Unbilled revenue aging provision policy in place. For WIP balances from direct customers, excluding Nokia passthrough, Velocix provides 50% of the balances aged more than 180 days and 100% for balances aged over 365 days.

Periodically Velocix performs a review of the WIP/Unbilled revenue by account to ensure the balances are not impaired. Additional provisions are made for any balances for which collection is expected to be at risk.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.18 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.18 Financial instruments (continued)

or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognized in the financial statements:

Impairment of debtors

Allowance is made for specific and groups of accounts, where objective evidence of impairment exists. The Company evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectability of the accounts, including, but not limited to, the length of the Company's relationship with the customers, the customers' current credit status, average age of accounts, collection experience and historical loss experience.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and physical obsolescence that may change the utility of certain property, plant and equipment. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgments are required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Software	8,280,188	12,137,143
Service	16,334,784	7,384,793
Hardware	5,944,184	6,064,874
	<u>30,559,156</u>	<u>25,586,810</u>

Analysis of turnover by country of destination:

	2021 £	2020 £
Europe (inc. United Kingdom)	14,722,973	14,501,650
Rest of the world	15,836,183	11,085,160
	<u>30,559,156</u>	<u>25,586,810</u>

5. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	89,318	395,061
Amortisation of intangible assets, including goodwill	1,793,369	1,777,776
Exchange differences	400,877	(74,148)
Defined contribution pension cost	126,113	142,730
	<u>2,409,677</u>	<u>2,641,419</u>

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>37,500</u>	<u>36,770</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Employees

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	3,553,656	3,303,910
Social security costs	296,113	553,293
Cost of defined contribution scheme	126,113	142,730
	<u>3,975,882</u>	<u>3,999,933</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Employees	<u>24</u>	<u>25</u>

8. Interest receivable

	2021 £	2020 £
Other interest receivable	-	81
	<u>-</u>	<u>81</u>

9. Interest payable and similar expenses

	2021 £	2020 £
Finance leases and hire purchase contracts	2,187	4,426
	<u>2,187</u>	<u>4,426</u>

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	940,377	-
Adjustments in respect of previous periods	21,679	-
	<u>962,056</u>	<u>-</u>
Total current tax	<u>962,056</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(304,524)	-
Total deferred tax	<u>(304,524)</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>657,532</u>	<u>-</u>

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	4,715,737	395,365
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	895,990	75,119
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,359	12,346
Other differences	(15,624)	-
Utilisation of tax losses	-	404,531
Tax payable by India LLP	-	(591,274)
Foreign tax credits	-	186,743
Adjustments to tax charge in respect of prior periods	21,679	-
Remeasurement of deferred tax for changes in tax rates	(73,086)	-
Movements in unrecognised deferred tax	(175,786)	(87,465)
Group relief	-	(404,531)
Group relief compensation	-	404,531
Total tax charge for the year	657,532	-

Factors that may affect future tax charges

The March 2021 budget announced that the standard rate of corporation tax will increase from 19% to 25% from 1 April 2023 for companies with profits in excess of £250,000.

VELOCIX SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Intangible assets

	Intellectual Property £	Customer relationships £	Capitalised commissions £	Total £
Cost				
At 1 January 2021	5,802,774	1,214,803	116,876	7,134,453
Additions - external	-	-	78,023	78,023
At 31 December 2021	<u>5,802,774</u>	<u>1,214,803</u>	<u>194,899</u>	<u>7,212,476</u>
Amortisation				
At 1 January 2021	2,901,387	607,401	24,525	3,533,313
Charge for the year on owned assets	1,450,693	303,701	38,975	1,793,369
At 31 December 2021	<u>4,352,080</u>	<u>911,102</u>	<u>63,500</u>	<u>5,326,682</u>
Net book value				
At 31 December 2021	<u>1,450,694</u>	<u>303,701</u>	<u>131,399</u>	<u>1,885,794</u>
At 31 December 2020	<u>2,901,387</u>	<u>607,401</u>	<u>92,351</u>	<u>3,601,139</u>

Amortisation on intangible assets is charged to admin expenses.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible fixed assets

	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Right of use asset £	Total £
Cost or valuation					
At 1 January 2021	10,000	41,151	387,531	808,461	1,247,143
Additions	-	-	11,524	-	11,524
At 31 December 2021	<u>10,000</u>	<u>41,151</u>	<u>399,055</u>	<u>808,461</u>	<u>1,258,667</u>
Depreciation					
At 1 January 2021	1,837	41,151	336,661	664,816	1,044,465
Charge for the year on owned assets	2,004	-	20,682	-	22,686
Charge for the year on right-of-use assets	-	-	-	66,632	66,632
At 31 December 2021	<u>3,841</u>	<u>41,151</u>	<u>357,343</u>	<u>731,448</u>	<u>1,133,783</u>
Net book value					
At 31 December 2021	<u><u>6,159</u></u>	<u><u>-</u></u>	<u><u>41,712</u></u>	<u><u>77,013</u></u>	<u><u>124,884</u></u>
At 31 December 2020	<u><u>8,163</u></u>	<u><u>-</u></u>	<u><u>50,870</u></u>	<u><u>143,646</u></u>	<u><u>202,679</u></u>

VELOCIX SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	3,886,843
At 31 December 2021	3,886,843

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Velocix Solutions India LLP	204, 2nd Floor, Aditya Trade Centre, Ameerpet, Hyderabad, India	Partnership	99%
Velocix Solutions Portugal, Unipessoal, LDA	Rua Latino Coelho, No. 13, 3 Andar, 1050-132 Lisbon, Portugal	Ordinary shares	100%

The carrying value of the investments and the aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit £
Velocix Solutions India LLP	3,486,391	513,894
Velocix Solutions Portugal, Unipessoal, LDA	154,322	99,088

14. Work in progress

	2021 £	2020 £
Work in progress (goods to be sold)	682,113	1,275,730
	682,113	1,275,730

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Debtors

	2021	2020
	£	£
Trade debtors	7,826,710	13,033,527
Amounts owed by group undertakings	42,331,725	7,443,657
Prepayments and accrued income	3,292,918	2,836,862
Deferred taxation	304,524	-
	<u>53,755,877</u>	<u>23,314,046</u>

All amounts are recoverable within one year.

Amounts owed from group companies are unsecured, interest free and repayable on demand.

16. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	5,013,851	19,097,576
	<u>5,013,851</u>	<u>19,097,576</u>

17. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	586,778	1,103,094
Amounts owed to group undertakings	8,486,210	5,541,393
Corporation tax	703,013	-
Other taxation and social security	84,537	768,949
Lease liabilities	31,709	63,040
Accruals and deferred income	24,047,642	16,518,648
	<u>33,939,889</u>	<u>23,995,124</u>

Amounts owed to group companies are unsecured, interest free and repayable on demand.

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Lease liabilities	47,780	79,401
	<u>47,780</u>	<u>79,401</u>

19. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	5,013,851	19,097,576
	<u>5,013,851</u>	<u>19,097,576</u>

Financial assets measured at fair value through profit or loss comprise of cash and cash equivalents

20. Deferred taxation

	2021
	£
Charged to profit or loss	304,524
At end of year	<u>304,524</u>

The deferred tax asset is made up as follows:

	2021	2020
	£	£
Fixed asset temporary differences	286,524	-
Short term temporary differences	18,000	-
	<u>304,524</u>	<u>-</u>

VELOCIX SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
100 (2020 - nil) Ordinary shares shares of £0.01 each	1.00	-
Nil (2020 - 80) V ordinary shares shares of £0.01 each	-	0.80
Nil (2020 - 20) N ordinary shares shares of £0.01 each	-	0.20
	<hr/>	<hr/>
	1.00	1.00
	<hr/>	<hr/>

22. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital contribution

Includes all current and prior period contributions to the equity capital of a company that were not made in exchange for shares.

Profit and loss account

Includes all current and prior period retained profits and losses.

23. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £126,113 (2020: £142,730). Contributions totalling £nil (2020: £nil) were payable to the fund at the reporting date and are included in creditors.

VELOCIX SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. Related party transactions

As noted in note 24, until 9 June 2021 Velocix Solutions Ltd was 80% owned by Volaris Group UK Holdco Limited and 20% by Nokia Solutions and Networks OY. From 9 June 2021 Velocix Solutions Limited is 100% owned by Volaris Group UK Holdco Limited. Therefore transactions with related parties are disclosed up to 9 June 2021. From this date onwards Velocix Solutions Limited has taken the exemption under FRS101 for related party transactions within a wholly owned group to not be disclosed.

Company Name	Country of incorporation	Relationship to Velocix Solutions Limited	Nature of transactions	Value of transactions 2021
Velocix Solutions (India) LLP	India	99% owned subsidiary (1% owned by Tarantula Global Holdings Pte Ltd)	Investment in subsidiary and fees for software support services	5,398,275
Velocix Solutions Portugal, Unipessoal, LDA.	Portugal	100% owned subsidiary	Payment of costs on behalf of subsidiary and fees for software support services	1,142,483
Velocix Solutions USA Inc.	USA	CSI Group Company	Payment of costs on behalf of group company and fees for software support services	298,436
Incognito Software Systems Inc.	Canada	CSI Group Company	Recharge of specific costs	121,551
Volaris Group Inc.	Canada	CSI Group Company	Recharge of specific costs and quarterly management fee	295,041
Automotive Solution Center AG	Germany	CSI Group Company	Recharge of specific costs	90,197
Nokia of America Corporation	USA	20% owner of Velocix Solutions Limited (until 9 June 2021)	Invoiced Sales	5,657,879
Volaris Group UK Holdco Ltd	UK	Immediate Parent Company	Recharge of specific costs	21,438
David Sharpley Group	Canada	CSI Group Company	Recharge of specific costs and quarterly management fee	932,162

VELOCIX SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. Related party transactions (continued)

Company Name	Country of incorporation	Relationship to Velocix Solutions Limited	Nature of transactions	Value of transactions 2020	Balance outstanding at 31 December 2020
Velocix Solutions (India) LLP	India	99% owned subsidiary (1% owned by Tarantula Global Holdings Pte Ltd)	Investment in subsidiary and fees for software support services	12,496,375	(1,523,804)
Velocix Solutions Portugal, Unipessoal, LDA.	Portugal	100% owned subsidiary	Payment of costs on behalf of subsidiary and fees for software support services	5,191,256	624,162
Velocix Solutions USA Inc.	USA	CSI Group Company	Payment of costs on behalf of group company and fees for software support services	3,878,326	(384,598)
Tarantula Global Holdings Pte Ltd	Singapore	CSI Group Company and owner of 1% investment in Velocix Solutions (India) LLP	Recharge of specific costs	107,408	-
Incognito Software Systems Inc.	Canada	CSI Group Company	Recharge of specific costs	416,898	(30,549)
Volaris Group Inc.	Canada	CSI Group Company	Recharge of specific costs and quarterly management fee	2,823,332	1,215,462
Nokia of America Corporation	USA	20% owner of Velocix Solutions Limited	Invoiced Sales	50,422,242	10,656,866

25. Controlling party

During the year 31 December 2021, until the 9 June 2021 Velocix Solutions Limited was controlled by Volaris Group UK Holdco Limited (80%) and Nokia Solutions and Networks OY (20%), a limited company registered in Finland with business ID 2058430-6 whose registered office is Karaportti 3,02610 Espoo ("Nokia"). Post 9 June 2021 Volaris Group is 100% controlled by Volaris Group UK Holdco Limited. Volaris Group UK Holdco Limited's ultimate parent undertaking and controlling party is Constellation Software Incorporated, a company incorporated in Canada.