Oracle East Central Europe Limited

Directors' Report and Financial Statements for the year ended 31 May 2024

Registered number of incorporation: 335354

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COMPANY INFORMATION

DIRECTORS	C. Desmond L. Roycroft L. Lacey
SECRETARY	L. Roycroft
REGISTERED OFFICE	East Point Business Park, Fairview, Dublin 3.
REGISTERED NUMBER OF INCORPORATION	335354
BANKERS	Bank of America, N.A., 5370 Kietzke Lane, Reno, NV 89511, United States. BNP Paribas, Herengracht 595, 1017 CE Amsterdam, The Netherlands. Citibank N.A., 2 Maria Louiza Blvd., 1000 Sofia, Bulgaria.
AUDITOR	Ernst & Young, Chartered Accountants, Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

DIRECTORS' REPORT
For the year ended 31 May 2024

The Directors present their report and audited financial statements for the year ended 31 May 2024.

PRINCIPAL ACTIVITIES
The principal activity of Oracle East Central Europe Limited is the sale of all aspects of corporate information technology (IT) environments – applications, platform and infrastructure. These are delivered through a variety of flexible and interoperable deployment models, including on-premise, cloud-based or hybrid, in the Baltic States (Latvia, Lithuania and Estonia), the following countries in Commonwealth of Independent States (Kazakhstan and Moldova), Ukraine, Bulgaria, Mongolia, Albania, North Macedonia, Kosovo and Malta.

REVIEW OF THE BUSINESS

Key financial and performance indicators (KPI's)

The key financial and other performance indicators during the year were as follows:

	2024 US$'000	2023 US$'000	Change US$'000
Turnover	100,694	87,938	12,756
Operating profit	4,636	1,860	2,776
Shareholder's funds	13,271	10,924	2,347

	2024	2023	Change
Average number of employees	73	96	(23)

The Directors are satisfied with the performance of the Company. During the year Lithuania branch was downsized as a result of business optimization which led to decrease in headcount as stated.

Results for the year and State of Affairs

The Statement of Comprehensive Income for the year ended 31 May 2024 and the Statement of Financial Position at that date are set out on pages 12 and 13 respectively. The profit for the year before taxation amounted to US$5,857,100 (2023: US$1,819,621). After deducting taxation of US$3,509,523 (2023: US$684,522), a profit of US$2,347,577 (2023: US$1,135,099) is credited to reserves. There was a shareholders' surplus of US$13,271,258 as at 31 May 2024 (2023: US$10,923,681).

The Company made no distributions in respect of the year ended 31 May 2024 (2023: US$nil).

Principal risks and uncertainties

The Directors consider that the following are the principal risk factors that could materially and adversely affect the Company's future financial results or financial position:

- the Company does not continue to develop and release new or enhanced products and services within the anticipated time frames;
- infrastructure costs to deliver new or enhanced products and services take longer or result in greater costs than anticipated;
- there is a delay in market acceptance of and difficulty in transitioning new and existing customers to new, enhanced or acquired product lines or services;
- there are changes in IT trends that the Company does not adequately anticipate or address with product development efforts;
- the Company does not optimize complementary product lines and services in a timely manner;
- the Company fails to adequately integrate, support or enhance acquired product lines or services;

DIRECTORS' REPORT (continued)
For the year ended 31 May 2024

Principal risks and uncertainties (continued)

- the risk of the current economic climate having an adverse impact on served markets;
- the risk of unrealistic increases in personnel or infrastructure costs impacting adversely on the competitiveness of the Company and its principal customers;
- the risk of adverse exchange movements.

The Company has controls in place to limit each of these potential exposures and management and the Directors regularly review, reassess and proactively limit the associated risk. These risks are managed by innovative product sourcing and strict control of costs. The Company has insurances, business policies and organisation structures to limit these risks and the Board of Directors closely monitor the Company's trading activities to manage credit, liquidity and other financial risks.

Economic risk

The Company's principal activity is the sale of all aspects of corporate IT environments in East Central Europe.

In March 2022, Oracle withdrew all its operations from the Russian Federation and the Republic of Belarus. The Company has disclosed the balances associated with these operations in current and prior year and has the intention to settle in future. Further, the Board of Directors are closely monitoring the Company's trading activities to manage this risk

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in interest rates. The Company has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance.

Interest rate risk

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing assets relate to cash balances, all of which earn interest at variable rates. Interest bearing liabilities relate to amounts owed to group undertakings, on which interest is paid at variable rates.

Foreign currency risk

The Company buys and sells goods and services denominated in currencies other than the US dollar. The Company manages such payments through the operation of other denominated currency bank accounts. As a result of the value of the Company's non-dollar revenues, purchases, financial assets and liabilities and cash flows can be affected by movements in exchange rates. If significant, the Company would seek to mitigate its exposure to currency movements by working with the worldwide group's Treasury department to enter into forward currency contracts.

Liquidity and cashflow risk

The Company participates in a worldwide group funding process which ensures Company funding and maximises investment returns.

Price risk

Selling prices are analysed on an annual basis, or more frequently if significant changes in selling prices are experienced, based on the global pricing model and associated go-to-market strategy.

Going concern

The Company generated a net profit of US$2,347,577 (2023: US$1,135,099), has a net asset position of US$13,271,258 (2023: US$10,923,681) and current assets of the Company exceed its current liabilities by US$17,423,041 (2023: US$8,231,115). Trading profits are expected to continue in the foreseeable future. Therefore, after making enquiries, the Directors have a reasonable expectation that the Company will continue in operational existence for a period of 12 months from the date of approval of the financial statements.

DIRECTORS' REPORT (continued)
For the year ended 31 May 2024

Charitable and political donations

There were no charitable or political donations during the year (2023: US$ nil).

Environmental matters

The Company pays particular adherence to environmental regulations to minimise impacts on the environment from its activities, whilst continuing to address health, safety and economic issues.

Employee matters

The well-being of the Company's employees is safeguarded through strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act, 2005 imposes certain requirements on employers and the Company has taken the necessary action to ensure compliance with the Act.

Dividends

There were no dividend payments made during the year (2023: US$ nil).

Future developments

It is the intention of the Directors to continue to develop the current activities of the Company.

Branches outside Ireland

The Company operates the following branches outside Ireland: Estonia, Lithuania, Latvia and Bulgaria.

Accounting records

The Directors acknowledge their responsibilities under Section 281 to Section 285 of the Companies Act 2014 ('the Act') to keep adequate accounting records for the Company.

The measures that the Directors have taken to secure compliance with the Act include the provision of appropriate resources to maintain adequate accounting records, including the appointment of personnel with appropriate qualifications, experience and expertise.

The accounting records of the Company are maintained at the Company's registered office at Eastpoint Business Park, Fairview, Dublin 3.

Subsidiary undertaking

The statutory information concerning subsidiary undertakings, required by Section 282 (8) and (9) of the Companies Act 2014 is given in note 12 to the financial statements.

Non-preparation of Group financial statements

The Company is exempt from the requirement to prepare group financial statements by virtue of Section 300 of the Companies Act 2014. The financial statements present information about the Company as an individual undertaking and not about its group. The Company and its subsidiary are included in the consolidated financial statements of Oracle Corporation, a company incorporated in the United States of America with its principal place of business being 2300 Oracle Way, Austin, Texas 78741, United States.

DIRECTORS' REPORT (continued)
For the year ended 31 May 2024

Directors' and Secretary's interests

The Directors and Secretary who served during the year are as listed on page 2 and unless otherwise indicated, served throughout the year, and up to the date of approval of the financial statements. Neither the Directors nor the Company Secretary who held office at the year end, their spouses or children, held any disclosable interests in the share capital of the Company or any other Group company at the end of the year or the beginning of the year or, if they were not Directors at the beginning of the year, at their date of appointment.

Disclosure of information to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Audit committee

The Directors of the Company have decided not to establish an Audit Committee pursuant to section 167 of the Companies Act 2014 as the Company is a subsidiary company and its ultimate parent undertaking has established such a committee pursuant to that section that in all material respects ensures compliance by the Company of obligations under that section.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish 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 accounting standards in Ireland (including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)). 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 assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

DIRECTORS' REPORT (continued)
For the year ended 31 May 2024

Directors' compliance statement

The Directors of Oracle East Central Europe Limited, acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in the Companies Act 2014) and confirm that they have:

1. Drawn up a statement (a "compliance policy statement") setting out the Company's policies (that, in their opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;

2. Put in place appropriate arrangements or structures that are, in their opinion, designed to secure material compliance with the Company's relevant obligations; and

3. Conducted a review, during the financial year ended 31 May 2024, of any arrangements or structures referred to in paragraph 2 above that have been put in place.

Reappointment of Auditor

The auditor, Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act 2014.

Events since the year end

There were no significant events after the year affecting the Company which require adjustment to, or disclosure in the financial statements.

By order of the Board

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Louise Lacey	**Cian Desmond**
Director	**Director**

Date: 17 October 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORACLE EAST CENTRAL EUROPE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Oracle East Central Europe Limited ('the Company') for the year ended 31 May 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including the material accounting policy information set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 May 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORACLE EAST CENTRAL EUROPE LIMITED (Continued)

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 the date 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF ORACLE EAST CENTRAL EUROPE LIMITED (Continued)

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors’ report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors’ report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records. In our opinion information and returns adequate for our audit have been received from branches of the Company not visited by us.

Matters on which we are required to report by exception

Based on 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 directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors’ remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors’ responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORACLE EAST CENTRAL EUROPE 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Louise Whyte
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

23 October 2024

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 May 2024

	Note	2024 **US$**	2023 **US$**
Turnover		100,693,859	87,938,070
Cost of sales		(79,179,926)	(67,786,940)
Gross profit		21,513,933	20,151,130
Administrative expenses		(16,878,139)	(18,290,998)
Operating profit		4,635,794	1,860,132
Interest receivable and similar income	5	1,877,682	521,704
Interest payable and similar charges	6	(656,376)	(562,215)
Profit on ordinary activities before taxation	7	5,857,100	1,819,621
Tax on profit	8	(3,509,523)	(684,522)
Profit for the financial year		2,347,577	1,135,099
Other comprehensive income		-	-
Total comprehensive income for the financial year		2,347,577	1,135,099

The profit for the financial year and the accumulated profit brought forward have been included in the Company's profit and loss account.

All activities are derived from continuing operations.

The notes on pages 15 to 31 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 May 2024

	Note	2024 US$	2023 US$
NON-CURRENT ASSETS			
Tangible assets	9	1,894,151	1,788,243
Intangible assets	10	141,829	141,829
Right-of-use assets	11	678,752	993,110
Financial assets	12	1,342	1,342
Debtors: amounts falling due after more than one year	14	232,322	439,637
		2,948,396	3,364,161
CURRENT ASSETS			
Inventories	13	28,723	253,569
Debtors: amounts falling due within one year	14	14,044,657	25,746,582
Cash at bank		69,637,259	59,265,881
		83,710,639	85,266,032
CURRENT LIABILITIES			
Deferred income		(18,331,567)	(25,583,468)
Creditors: amounts falling due within one year	15	(47,956,031)	(51,451,449)
		(66,287,598)	(77,034,917)
NET CURRENT ASSETS		17,423,041	8,231,115
Total assets less current liabilities		20,371,437	11,595,276
Creditors: amounts falling due after more than one year	16	(7,100,179)	(671,595)
NET ASSETS		13,271,258	10,923,681
FINANCED BY			
CAPITAL AND RESERVES			
Called up share capital	18	2	2
Profit and loss account		13,271,256	10,923,679
Shareholder's funds		13,271,258	10,923,681

The notes on pages 15 to 31 are an integral part of these financial statements.

The financial statements on pages 12 to 31 were authorised for issue by the Board of Directors on 17 October 2024 and were signed on its behalf.

Approved by Directors

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Louise Lacey

Signed by:
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Cian Desmond

STATEMENT OF CHANGES IN EQUITY

As at 31 May 2024

	Called up share capital	Profit and loss account	Shareholder's funds
	$'000	$'000	$'000
As at 31 May 2022	2	9,788,580	9,788,582
Profit for the financial year	-	1,135,099	1,135,099
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,135,099	1,135,099
As at 31 May 2023 / 1 June 2023	2	10,923,679	10,923,681
Profit for the financial year	-	2,347,577	2,347,577
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	2,347,577	2,347,577
As at 31 May 2024	2	13,271,256	13,271,258

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024

1. GENERAL INFORMATION

Oracle East Central Europe Limited is a private limited company incorporated in Ireland with a registered address of Eastpoint Business Park, Fairview, Dublin 3.

Oracle East Central Europe Limited is a company domiciled in Ireland. The Company's principal activity is the sale of all aspects of corporate information technology (IT) environments – applications, platform and infrastructure. These are delivered through a variety of flexible and interoperable deployment models, including on-premise, cloud-based or hybrid, in the Baltic States (Latvia, Lithuania and Estonia), the following countries in Commonwealth of Independent States (Kazakhstan and Moldova), Ukraine, Bulgaria, Mongolia, Albania, North Macedonia, Kosovo and Malta.

The immediate parent undertaking and controlling party is Oracle GmbH, a company incorporated in Switzerland. The ultimate parent undertaking and controlling party, is Oracle Corporation, a company incorporated in the State of Delaware, United States of America.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements have been prepared in accordance with Irish GAAP accounting standards issued by the Financial Reporting Council and the Companies Act 2014. The financial statements comply with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and the Companies Act 2014 ("the Act"). The financial statements are prepared under the historical cost convention, unless otherwise stated.

The Company has however availed of the following disclosure exemptions available under FRS 101:

- IAS 1 Presentation of Financial Statements paragraph 10(d) statement of cash flows, paragraph 16 (statement of compliance with all IFRS), paragraph 38(a) requirement for minimum of two primary statements, including cash flow statements, paragraph 38(b-d) additional comparative information, paragraph 79 (a) (iv) and paragraph 134 to 136 -Information about its objectives, policies and processes for managing capital and puttable financial instruments.
- IAS 7 Statement of Cash Flows.
- IAS 8 Accounting policies, changes in accounting estimates and errors paragraph 30 and 31 requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective.
- IAS 24 Related Party Disclosures paragraph 17 – Disclosure of key management personnel.
- IAS 36 Impairment of Assets - paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e).
- IFRS 3 Business Combinations - paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67.
- IFRS 7 Financial Instruments: exemption available from all disclosures of this standard.
- IFRS 13 Fair value measurement paragraphs 91-99, disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities.
- IFRS 15 Revenue from Contracts with Customers 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.
- IFRS 16 Leases - IFRS 16 Leases - the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93.

Equivalent disclosures for disclosure exemptions are included in the consolidated financial statements of Oracle Corporation and are available to the public and can be obtained from Oracle's website.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed in note 3.

2.2 Going concern

The Company generated a net profit of US$2,347,577 (2023: US$1,135,099), has a net asset position of US$13,271,258 (2023: US$10,923,681) and current assets of the Company exceed its current liabilities by US$17,423,041 (2023: US$8,231,115). Trading profits are expected to continue in the foreseeable future. Therefore, after making enquiries, the Directors have a reasonable expectation that the Company will continue in operational existence for a period of 12 months from the date of approval of the financial statements.

2.3 New and amended standards and interpretations adopted by the Company

The following new standards and amendments are effective for the first time from beginning on or after 1 June 2023:

- IFRS 17 Insurance Contracts
- Amendments to IFRS 17 Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative Information
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a single transaction
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 12: International Tax Reform Pillar Two Model Rules (Refer to Note 2.9 for accounting policy in relation to Pillar II)

In line with the adoption of Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practical Statement 2), the Company has disclosed only material accounting policies. The Company has also provided required disclosures arising from the adoption of IAS 12 International Tax Reform Pillar Two Model Rules.

Except as stated above, the adoption of these amendments has resulted in no impact for the Company.

2.4 Foreign exchange translation

a) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'US Dollars' (US$), which is also the Company's functional and presentation currency.

b) *Transactions and balances*

Transactions denominated in foreign currencies are translated to the functional currency at the exchange rates ruling at the dates of the transactions or, where appropriate, at the rates of exchange in related forward exchange contracts. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the Statement of Financial Position date. Any gains or losses arising from foreign currency translation and on settlement of amounts receivable and payable in foreign currencies are included in the Statement of Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.4 Foreign exchange translation (continued)

c) *Translation of branches in foreign currencies*

The assets and liabilities of the Company's overseas branch are translated into US$ at the rate of exchange ruling at the year-end date. The Statement of Other Comprehensive Income has been translated at the average rate of exchange for the year. Exchange differences, if material, arising on the translation of accounts into US$ are recorded as movements on reserves. The resulting exchange differences related to the translation of the overseas branch for the financial year is not material.

2.5 Revenue recognition

Revenue recognition from contracts with customers
The Company's sources of revenue include:

- cloud and license revenues, which include the sale of cloud services and license support; and cloud licenses and on-premise licenses, which typically represent perpetual software licenses purchased by customers for use in both cloud and on-premise IT environments;
- hardware revenues, which include the sale of hardware products, including Oracle Engineered Systems, servers and storage products, and industry-specific hardware; and hardware support revenues; and
- services revenues, which are earned from providing cloud, license and hardware-related services including consulting, advanced customer support and education services.

License support revenues are typically generated through the sale of license support contracts related to cloud license and on-premise licenses purchased by customers at their option. License support contracts provide customers with rights to unspecified software product upgrades, maintenance releases and patches released during the term of the support period and include internet access to technical content, as well as internet and telephone access to technical support personnel. License support contracts are generally priced as a percentage of the net cloud license and on-premise license fees. Substantially all customers elect to renew their license support contracts annually.

Cloud services revenues include revenues from Oracle Cloud Software-as-a-Service and Infrastructure-as-a-service (SaaS and IaaS, respectively, and collectively, Oracle Cloud Services) offerings, which deliver applications and infrastructure technologies, respectively, via cloud-based deployment models that the Company develops functionality for, provide unspecified updates and enhancements for, host, manage, upgrade and support that customers access by entering into a subscription agreement with the Company for a stated period. IaaS offerings also include Oracle Managed Cloud Services, which are designed to provide comprehensive software and hardware management, maintenance and security services for customer cloud-based, on-premise or other IT infrastructure for a fee for a stated term.

Cloud license and on-premise license revenues primarily represent amounts earned from granting customers perpetual licenses to use the Company's database, middleware, application and industry-specific software products, which customers use for cloud-based, on-premise and other IT environments. The vast majority of cloud license and on-premise license arrangements include license support contracts, which are entered into at the customer's option.

Revenues from the sale of hardware products represent amounts earned primarily from the sale of Oracle Engineered Systems, computer servers, storage, and industry-specific hardware. Hardware support offerings generally provide customers with software updates for the software components that are essential to the functionality of the hardware products purchased, and can also include product repairs, maintenance services and technical support services. Hardware support contracts are generally priced as a percentage of the net hardware products fees.

The Company's services are offered to customers as standalone arrangements or as a part of arrangements to customers buying other products and services. Consulting services are designed to help customers to, among others, deploy, architect, integrate, upgrade and secure their investments in Oracle applications and infrastructure technologies.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Revenue recognition (continued)

Advanced customer support services are offered as standalone arrangements or as a part of arrangements to customers buying other products and services. The Company offers these advance customer support services to Oracle customers to enable increased performance and higher availability of Oracle products and services. Education services include instructor-led, media-based and internet-based training in the use of cloud, software and hardware products.

Deferred Sales Commissions
The Company defers sales commissions earned by its sales force that are considered to be incremental and recoverable costs of obtaining a cloud, license support and hardware support contract. Initial sales commissions for the majority of these aforementioned contracts are generally deferred and amortised on a straight-line basis over a period of benefit that the Company estimates to be four to five years. The Company determines the period of benefit by taking into consideration the historical and expected durations of customer contracts, the expected useful lives of technologies, and other factors. Sales commissions for renewal contracts relating to cloud-based arrangements are generally deferred and then amortised on a straight-line basis over the related contractual renewal period, which is generally one to three years. Amortisation of deferred sales commissions is included as a component of administrative expenses in the Statement of Comprehensive Income.

Total capitalised costs to obtain a contract and related balances were US$125,779 as of 31 May 2024 (2023: US$223,236) and amortisation of deferred sales commissions of US$170,747 for the twelve-month period ended 31 May 2024 (2023: US$163,398).

Remaining Performance Obligations from Contracts with Customers

Trade receivables, net of allowance for doubtful accounts, and deferred revenues are reported net of related uncollected deferred revenues in the Statement of Financial Position as of 31 May 2024 and 31 May 2023.

The amount of revenue recognised during the year ended 31 May 2024 that was included in the opening deferred revenues balance as of 31 May 2023 was approximately $25,583,468 (2023: $25,524,206).

Remaining performance obligations represent contracted revenues that had not yet been recognised, and include deferred revenues, invoices that have been issued to customers but were uncollected and have not been recognised as revenues and amounts that will be invoiced and recognised as revenues in future period. As of 31 May 2024, the Company's remaining performance obligations were US$25,054,663 (2023: US$25,583,468), approximately US$18,331,567 (2023: US$25,583,468) of which the Company expects to recognise as revenues over the next twelve months and the remainder thereafter.

In the opinion of the Directors, disclosures relating to the differing geographical markets served by the Company could be seriously prejudicial to the interests of the Company. Accordingly, the disclosures are not presented in the financial statements, in accordance with the exemption contained within paragraph 62(6) of Schedule 3 of the Companies Act 2014.

2.6 Tangible Assets

All tangible assets are stated at historic cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Furniture	5 years
Computer equipment	2 - 5 years

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenditure incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate. Provision is also made for systematic loss of utility or abnormal failure of parts.

2.8 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease; that is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset which may be specified explicitly or implicitly. The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset.

- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to determining how and for what purpose the asset is used.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes: the amount of lease liabilities recognised, lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets identified under the standard are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The lease liabilities are initially measured at the present value of lease payments to be made over the lease term. The lease payments include: fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company, and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest, and reduced for the lease payments made. The lease liability is remeasured when; there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in the Statement of Comprehensive Income if the carrying amount of the right-of-use asset has been reduced to zero.

2.9 Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Taxes (continued)

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. The Company shall offset current tax assets and current tax liabilities if the Company has a legally enforceable right to settle the current tax assets and liabilities, the current tax assets and liabilities relate to income taxes levied by the same taxation authority, and the Company intends to either settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Current income taxes are recognised in the Statement of Comprehensive Income except to the extent that the tax relates to items recognised outside it, either in Other Comprehensive Income or directly in Equity. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Statement of Financial Position liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The following temporary differences are not provided:
- The initial recognition assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.
- Differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which material amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Application of International Tax Reform Pillar Two model rules:

In December 2021, the Organization for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two), and various governments around the world have issued, or are in the process of issuing legislation on this.

Pillar Two legislation was enacted in Ireland, the jurisdiction in which the company is incorporated, which has come into effect for fiscal years beginning on or after 1 January 2024.

The Company is currently in the process of assessing the potential exposure of Pillar Two income taxes. In addition, due to the complexities in applying the legislation and calculating GloBE income, the quantitative impact of the enacted legislation cannot yet be reasonably estimated.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Financial assets and financial liabilities

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a material financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a material financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised costs if both of the following conditions are met:

- The financial assets is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the Statement of Comprehensive Income when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables, and other receivables.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Financial assets and financial liabilities (continued)

Financial assets (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company recognises an allowance for expected credit losses ('ECLs') for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company believes that the possible loss within trade receivables that could be considered for impairment are reasonably covered with the current estimate created. Change in external factors such as economic environment could affect the Company's estimate. If the customer's financial performance deteriorates the future actual losses could be higher than projected.

The Company considers a financial asset in default when contractual payments are 360 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Financial assets and financial liabilities (continued)

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and amount due to related parties.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Gains or losses on liabilities held for trading are recognised in the Statement of Comprehensive Income.

Intercompany loans
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Derecognition
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Comprehensive Income.

2.11 Investments in subsidiaries

Investments in subsidiaries comprise investments in unquoted companies. They are accounted for in accordance with the requirements of IAS 27 *Separate Financial Statements* and are carried at cost less any applicable provision for impairment.

2.12 Pensions

The Company operates a defined contribution scheme in respect of employees through a fellow group company. The net assets of the scheme are held separately from those of the Company, in an independently administered fund. The Company's contributions are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme.

2.13 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events; it is probable that an outflow of cash or other economic resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Provisions are not recognised for future operating losses.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that may affect the reported amount of assets and liabilities, revenues, expenses and the resultant provisions and fair values. The estimates and judgements that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities are addressed below.

3.1 Taxes

The Company has operations in various foreign jurisdictions and is subject to tax in those jurisdictions. The Company periodically reviews the tax position in foreign jurisdictions and revise its assessments if needed. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The current tax and deferred tax is calculated in accordance with the accounting policy set out in note 2.9. See note 8 for the current tax and deferred tax charge.

3.2 Useful lives of tangible assets

The Company management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the assets or physical wear and tear. Management reviews the residual values and the useful lives annually and future depreciation charge would be adjusted where management believes the useful lives differ from previous estimates. See note 9 for the carrying amount of the tangible fixed assets, and note 2.6 for the useful economic lives for each class of assets.

3.3 Impairment of non-current assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit (CGU) based on the expected future discounted cash flows. Estimated uncertainty relates to the assumption about future operating results and the determination of a suitable discount rate.

4. EMPLOYEES

The average number of persons employed by the Company (excluding Directors) during the year was as follows:

	2024 **Number**	2023 **Number**
Support and other services	42	28
Administration	1	3
Research and development	30	65
	73	96

	2024 **US$**	2023 **US$**
Wages and salaries	6,562,876	7,931,859
Social welfare costs	586,234	518,042
	7,149,110	8,449,901

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

4. EMPLOYEES (continued)

In addition to the above employees, other employees employed by another group undertaking are contracted to the Company. The costs in respect of these employees are recharged to the Company by the other group undertaking and are included within administrative expenses. The amount of pension contributions outstanding at the year-end was US$nil (2023: US$nil).

The Directors have received remuneration in respect of qualifying services to the Company and its subsidiaries for the year ended 31 May 2024 in the aggregate amount of US$13,600 (2023: US$13,426). Aggregate gains made by Directors on the exercise of share options in Oracle group companies amounted to US$nil for the year ended 31 May 2024 (2023: US$nil).

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2024 **US$**	2023 **US$**
Interest received from bank deposits	1,877,682	521,704
	1,877,682	521,704

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2024 **US$**	2023 **US$**
Interest on amounts owed to group undertakings	637,047	463,348
Bank charges and other	(4,885)	83,762
Interest expense on lease liabilities	24,214	15,105
	656,376	562,215

7. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging/(crediting):

	2024 **US$**	2023 **US$**
Profit is stated after charging / (crediting):		
Depreciation on tangible assets (note 9)	627,024	1,173,127
Auditors remuneration	107,364	118,837
Expenses relating to short-term leases - facilities	40,681	(21,377)
Depreciation on right-of-use assets (note 11)	363,239	445,340

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of Statement of Comprehensive Income charge:

	2024 **US$**	2023 **US$**
Corporate tax:		
Corporation tax on profit for the year	257,042	230,357
Double taxation relief	(52,630)	(71,150)
Corporation tax on profit - prior year	52,119	10,468
	256,531	169,675
Foreign taxes:		
Foreign taxes - current year	3,028,645	661,027
Foreign taxes - prior year	96,790	7,636
Total current tax	3,381,966	838,338
Deferred taxation (note 17):		
Origination and reversal of timing differences - current year	13,995	(153,816)
Origination and reversal of timing differences - prior year	113,562	-
Taxation on profit	3,509,523	684,522

(b) Reconciliation of the expected tax charge at the standard tax rate to the actual tax charge at the effective rate:

	2024 **US$**	2023 **US$**
Profit on ordinary activities before taxation	5,857,100	1,819,621
Profit on ordinary activities multiplied by the standard corporation tax rate in the Republic of Ireland of 12.5% (2023: 12.5%)	732,137	227,453
Effects of:		
Expenses not deductible for tax purposes	25,335	10,191
Income taxable at a higher tax rate	-	65,213
Incremental foreign tax	2,729,182	485,943
(Over) provision in respect of prior periods	262,470	18,105
Losses claimed from group companies	(239,746)	-
Other temporary differences	145	(122,383)
Total tax charge	3,509,523	684,522

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

9. TANGIBLE ASSETS

	Furniture & computer equipment
	US$
Cost	
At 1 June 2023	6,133,254
Additions	736,501
Disposals	(3,569)
At 31 May 2024	6,866,186
Depreciation	
At 1 June 2023	4,345,011
Charged in year	627,024
At 31 May 2024	4,972,035
Net book amounts	
At 31 May 2024	1,894,151
At 31 May 2023	1,788,243

10. INTANGIBLE ASSETS

	2024	2023
	US$	**US$**
Goodwill	141,829	141,829

11. RIGHT OF USE ASSETS

The Company has lease contracts for facilities used in its operations. Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	2024	2023
	US$	**US$**
As at 1 June	993,110	709,602
Additions	70,880	728,848
Modifications	(21,999)	-
Depreciation	(363,239)	(445,340)
As at 31 May	678,752	993,110

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

11. RIGHT OF USE ASSETS (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2024 **US$**	2023 **US$**
As at 1 June	1,063,005	748,185
Additions	70,303	728,852
Accretion of interest	24,214	15,105
Payments	(431,637)	(429,137)
As at 31 May	725,885	1,063,005
Due within one year	391,505	430,592
Due after one year	334,380	632,413
Total	725,885	1,063,005

The following are the amounts recognised in the Statement of Comprehensive Income:

	2024 **US$**	2023 **US$**
Depreciation expense right-of-use assets	363,239	445,340
Interest expense on lease liabilities	24,214	15,105
Expense relating to short-term leases	40,681	(21,377)
Total amount recognised in Statement of Comprehensive Income	428,134	439,068

The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term because the Company is not reasonably certain to exercise these options:

2024

	Within one year *US$*	*Within two to five years* *US$*	*More than five years* *US$*	*Total* *US$*
Extension options	-	326,485	343,194	669,679
Termination options	-	40,253	-	40,253

2023

	Within one year *US$*	*Within two to five years* *US$*	*More than five years* *US$*	*Total* *US$*
Extension options	192,716	680,222	-	872,938
Termination options	183,952	-	-	183,952

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

12. FINANCIAL ASSETS

	2024 **US$**	2023 **US$**
Shares held in wholly owned unquoted subsidiary		
Oracle BH d.o.o Sarajevo - unlisted	1,342	1,342

Oracle BH d.o.o Sarajevo's principal activity is the sale of all aspects of corporate information technology (IT) environments – applications, platform and infrastructure. The registered office is Fra Andela Zvizdovica 1, Sarajevo, 71000, Bosnia and Herzegovina. Oracle East Central Europe Limited owns 100% of the company's ordinary share capital.

The aggregate capital and reserves of Oracle BH d.o.o Sarajevo as of 31 May 2024 was US$3,575,819/ BAM6,467,227 (2023: US$3,291,334/ BAM6,000,102). The profit for the year ended 31 May 2024 was US$258,281/ BAM467,127 (2023: US$360,342/ BAM675,873).

In the opinion of the Directors, the recoverable amount of the investment is not less than the carrying value.

13. INVENTORIES

	2024 **US$**	2023 **US$**
Finished goods	28,723	253,569

Inventories consists of assets held for sale in the normal course of business. All inventories are held by the Company in a finished goods state. Inventory is recognised at lower of cost and net realisable value. The replacement cost of inventories is not considered to be materially different from the carrying value.

14. DEBTORS

	2024 **US$**	2023 **US$**
Amounts falling due within one year:		
Trade receivables	12,754,948	23,415,827
Amounts owing from group undertakings	607,844	1,567,909
Prepayments and accrued income	294,754	288,397
Corporation tax	387,111	474,449
	14,044,657	25,746,582

Amounts falling due after one year:

	2024 **US$**	2023 **US$**
Deferred tax asset (note 17)	188,046	315,603
Deferred commissions	44,276	124,034
	232,322	439,637

The amount of deferred commissions falling due within one year of US$81,502 (2022:US$99,200) is included in prepayments and accrued income.

Amounts owed by group undertakings are unsecured, due on demand and have no fixed repayment dates. The Directors consider the carrying amount of the above financial assets to be a reasonable approximation of their fair value.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

15. CREDITORS (amounts falling due within one year)

	2024	2023
	US$	**US$**
Trade payables	46,270	36,796
Amounts owed to group undertakings	16,976,006	20,214,848
Advances received from creditors	13,897,770	13,897,770
Accrued expenses	15,289,971	15,420,585
Value added taxation	1,265,512	1,404,793
Payroll taxes	43,732	46,065
Short-term lease liability (note 11)	436,769	430,592
	47,956,030	51,451,449

Amounts owed to group undertakings are unsecured, interest bearing, due on demand and have no fixed repayment dates. The Directors consider the carrying amount of the above financial liabilities to be a reasonable approximation of their fair value. Trade payables are non-interest bearing and are normally settled within the agreed payment terms. Accrued expenses include primarily employee related expenses, bonus and commission payments.

16. CREDITORS (amounts falling due after one year)

	2024	2023
	US$	**US$**
Deferred income	6,723,096	-
Long term lease liabilities (note 11)	334,380	632,413
Other creditors	42,703	39,182
	7,100,179	671,595

17. DEFERRED TAXATION

	2024	2023
	US$	**US$**
Other timing differences - tangible fixed assets, bad debts		
At 1 June	315,603	161,787
Movement for the year (note 8(a))	(127,557)	153,816
Net deferred tax asset at 31 May (note 14)	188,046	315,603

18. CALLED UP SHARE CAPITAL

	2024	2023
	€	**€**
Authorised:		
10,000 ordinary shares of €1 each	10,000	10,000
Allotted, called up and fully paid		
2 ordinary shares of €1 each	2	2

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 May 2024 (continued)

19. COMMITMENTS AND CONTINGENCIES

Operating leases

At the year end, the Company has no operating lease commitments payable within the next five years (2023: US$nil).

Bank guarantees

The Company has issued bank guarantees totalling US$nil (2023: US$148,625) to suppliers in relation to the procurement of goods and services.

20. IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The immediate parent undertaking and controlling party is Oracle GmbH, a company incorporated in Switzerland, with a registered office at c/o BMO Treuhand AG, Querstrasse 5, 8212, Neuhausen am Rheinfall, Switzerland.

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up, and of which this Company is a member, and the ultimate parent undertaking and controlling party, is Oracle Corporation, a company incorporated in Delaware, United States of America, whose principal place of business is 2300 Oracle Way, Austin, Texas 78741, United States of America. The consolidated financial statements are available to the public from this address. Copies of Oracle Corporation's consolidated financial statements are also available on the Oracle website.

21. RELATED PARTY TRANSACTIONS

FRS 101.8(k) exempts the company from disclosing transactions between this company and other members of the Oracle Corporation group as it is a wholly owned subsidiary of the parent company.

The consolidated financial statements of Oracle Corporation can be obtained from 2300 Oracle Way, Austin, Texas 78741, United States of America.

There are no other related party transactions requiring disclosure.

22. POST BALANCE SHEET EVENTS

There were no significant events after the year affecting the Company which require adjustment to, or disclosure in the financial statements.

23. APPROVAL OF FINANCIAL STATEMENTS

The Directors approved the financial statements and authorised them for issue on 17 October 2024.