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**Annual Reporting Package
December 31, 2023**

COMPANY REGISTRATION NUMBER : 344 689 575 – NANTERRE (92) - FRANCE

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STATEMENT OF FINANCIAL POSITION (amounts in EUR)

ASSETS	NOTES	31.12.2023	31.12.2022
<u>Non-current assets</u>			
Tangible assets	7	9.682	18.915
Rights of use assets	15	206.804	268.845
Intangible assets	8	704.652	721.745
Other non-current assets		52.010	50.192
Total non-current assets		973.148	1.059.698
<u>Current assets</u>			
Trade receivables	9	487.169	529.202
Other receivables	10	414.894	164.340
Cash and cash equivalents	11	965.716	2.424.335
Total current assets		1.867.779	3.117.877
TOTAL ASSETS		2.840.927	4.177.575
<u>LIABILITIES</u>			
<u>Equity</u>			
Share capital	12	200.000	200.000
Share issues Premiums	12	150.000	150.000
Reserves		20.000	20.000
Retained earnings		431.337	929.712
Equity attributable to owners		801.337	1.299.712
<u>Non-current liabilities</u>			
Provision for employees' indemnities		545.470	547.998
Deferred tax liabilities	6	60.663	78.398
Lease liabilities	15	172.736	243.859
Other Provisions		11.259	29.019
Total non-current liabilities		790.128	899.274
<u>Current liabilities</u>			
Trade payables	13	30.805	346.372
Other payables	13	1.135.278	1.345.527
Lease liabilities	15	71.123	69.388
Tax payable		12.256	217.302
Total current liabilities		1.249.462	1.978.589
Total equity and liabilities		2.840.927	4.177.575

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF PROFIT AND LOSS (amounts in EUR)

	NOTES	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
Revenue Sales	<u>4</u>	2.986.544	3.598.995
Cost of sales	<u>5</u>	(1.981.857)	(2.381.144)
Gross profit		1.004.687	1.217.851
Other operating income		50.955	133.561
Total		1.055.642	1.351.412
Selling and marketing expenses	<u>5</u>	(340.144)	(246.718)
General and administrative expenses	<u>5</u>	(269.407)	(243.534)
Research Expenses	<u>5</u>	(244.393)	(301.583)
Other expenses		(18.590)	-
Operating profit		183.108	559.577
Financial income / (expenses)		(11.628)	(76.925)
Profit for the year before taxes		171.480	482.652
Income tax	<u>6</u>	(39.855)	(108.705)
Profit for the year after tax (A)		131.625	373.947

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CHANGES IN EQUITY (amounts in EUR)

	Share capital	Share Premium	Reserves	Retained earnings	Total equity
Balance as at 31 December 2021	200.000	150.000	20.000	1.135.765	1.505.765
Profit / (loss)	-	-	-	373.947	373.947
Dividend Distribution	-	-	-	(580.000)	(580.000)
Total Comprehensive income after tax	-	-	-	(206.053)	(206.053)
Balance as at 31 December 2022	200.000	150.000	20.000	929.712	1.299.712
Profit / (loss)	-	-	-	131.625	131.625
Dividend Distribution	-	-	-	(630.000)	(630.000)
Total Comprehensive income after tax	-	-	-	(498.375)	(498.375)
Balance as at 31 December 2023	200.000	150.000	20.000	431.337	801.337

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CASH FLOWS (amounts in EUR)

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
Cash flows from operating activities		
Profit/Loss before tax	171.480	482.652
Adjustments for:		
Depreciation and Amortization	392.293	473.322
Provisions	(20.287)	(10.085)
Non cash items (income) / expenses	-	1.815
Investing activities (gains) / losses	-	-
Foreign exchange (gains) / losses	10.520	(38.510)
Financial expenses	11.627	11.022
Working capital adjustments		
Decrease / (increase) of Receivables	(210.339)	532.259
(Decrease) / increase of liabilities	(525.816)	227.224
Less:		
Paid Employees indemnities	-	-
Paid Financial expenses	(154.901)	(160.959)
Paid Taxes	(262.636)	11.898
Total cash inflows / (outflows) from Operating activities (a)	(588.059)	1.530.638
Investment activities		
Purchase of Tangible & Intangible fixed assets	(303.926)	(197.304)
Financial income	146.307	149.937
Total cash inflows / (outflows) from Investing activities (b)	(157.619)	(47.367)
Financing activities		
Repayments of lease liabilities	(72.421)	(58.886)
Financial expenses		
Dividends Paid	(630.000)	(580.000)
Total cash inflows / (outflows) from Financing activities (c)	(702.421)	(638.886)
Net increase / (decrease) in Cash & equivalents for the period (a) + (b) + (c)	(1.448.099)	844.385
Cash & equivalents at the beginning of the period	2.424.335	1.541.440
Foreign exchange gains / (losses) on cash & equivalents	(10.520)	38.510
Cash & equivalents at the end of the year	965.716	2.424.335

The accompanying notes are an integral part of the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

1. General information about the Company and the Group

The Company, is a subsidiary of the PROFILE SYSTEMS & SOFTWARE Group has principal activities, in accordance with article 3 of its Articles of Incorporation, in the manufacturing and marketing of software and PCs, providing data transmission services through selected and other communication networks. The Company’s registered office is at 56 Bd de la Mission Marchand, Courbevoie, France and has 24 employees.

2. Basis of preparation of the annual financial statements

These financial statements for the year ended 31 December 2023 have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (“IASB”), as endorsed by the European Union (“EU”).

3 Significant Accounting Estimates and Judgements:

The Company makes estimates, assumptions and valuation judgments in order to apply the most appropriate accounting principles in relation to the future development of events and transactions. These estimates, assumptions and judgments are the same as those described in the published Group annual financial statements.

4. Revenue Analysis

Revenues are analyzed as follows:

	31.12.2023	31.12.2022
Sales		
Intercompany	355.637	113.965
Sales to third parties	2.630.907	3.485.030
Total	2.986.544	3.598.995

5. Expense Analysis

The expenses are analyzed as follows:

	31.12.2023	31.12.2022
Remuneration and staff costs	1.571.080	1.654.539
Fees and expenses of third parties	1.042.755	1.087.282
Third party benefits	60.771	54.674
Taxes Fees	57.225	63.009
Other Expenses	12.812	29.973
Depreciation of fixed assets	392.293	473.322
Total	3.136.936	3.362.799

The distribution of costs, is as follows :

	31.12.2023	31.12.2022
Cost of sales	1.981.857	2.381.144
Distribution costs	340.144	246.718
General and Administrative expenses	269.407	243.534
Research Expenses	244.393	301.583
Total	2.835.801	3.172.979
Capitalized Expenses	301.135	189.820
Total	3.136.936	3.362.799

The number of personnel as at 31 December 2023 and 31 December 2022 are analyzed as follows:

	31.12.2023	31.12.2022
Number of personnel	24	20
Total cost	1.571.080	1.654.539

6. Income Tax

The amount of taxes has been calculated using the actual tax rates for each fiscal year. Non-deductible expenses include mainly provisions that are not considered by management when calculating income tax.

Income tax declarations are filed on a yearly basis but the gains and losses reported for tax purposes are concluded when the tax authorities review the tax returns and taxpayer's books at the time that the related tax liabilities are settled. Tax losses, to the extent recognized by the tax authorities, may be used to offset profits for the subsequent fiscal years that follow their intended use.

The following is a reconciliation for nominal and effective tax rates for the Company:

	31.12.2023	31.12.2022
Gain/Loss before tax	171.480	482.652
Income tax calculated at the nominal applicable tax rate (2023,2022: 25%)	42.870	120.663
Deffered tax due to tax rate change		
Tax effect of non -taxable income	(4.572)	(10.873)
Tax effect of non tax deductible expenses	1.557	(1.085)
Income taxes that reported in the Income Statement	39.855	108.705

Deferred tax accounts for the Company are analyzed as follows:

	31.12.2023	31.12.2022
Deferred tax liabilities	60.663	78.398
Total	60.663	78.398

7. Tangible fixed assets

Tangible assets are presented as follows:

	Buildings	Furniture and other equipment	Total
Balance 31.12.2021	22.033	42.565	64.598
Additions in period	-	5.669	5.669
Deductions in period	-	-	-
Balance 31.12.2022	22.033	48.234	70.267
Additions in period	-	1.675	1.675
Balance 31.12.2023	22.033	49.909	71.942
Accumulated depreciations 31.12.2021	(19.866)	(18.941)	(38.807)
Depreciations in period	(2.167)	(10.378)	(12.545)
Accumulated depreciations 31.12.2022	(22.033)	(29.319)	(51.352)
Depreciations in period	-	(10.908)	(10.908)
Accumulated depreciations 31.12.2023	(22.033)	(40.227)	(62.260)
Net book value 31.12.2021	2.167	23.624	25.791
Net book value 31.12.2022	-	18.915	18.915
Net book value 31.12.2023	-	9.682	9.682

8. Intangible assets

The intangible assets are analyzed as follows:

	Development expenses	Purchased Software	Other intangible assets	Total
Balance 31.12.2021	1.884.055	37.507	426.472	2.348.034
Additions in period	189.820	-	-	189.820
Deductions in period	-	(7.916)	-	(7.916)
Balance 31.12.2022	2.073.875	29.591	426.472	2.529.938
Additions in period	301.135	1.116	-	302.251
Deductions in period	-	-	-	-
Balance 31.12.2023	2.375.010	30.707	426.472	2.832.189
Accumulated depreciations 31.12.2021	(1.067.461)	(29.994)	(319.918)	(1.417.373)
Deductions in period	-	7.916	-	7.916
Depreciations in period	(326.525)	(1.118)	(71.093)	(398.736)
Accumulated depreciations 31.12.2022	(1.393.986)	(23.196)	(391.011)	(1.808.193)
Deductions in period	-	-	-	-
Depreciations in period	(283.883)	-	(35.461)	(319.344)
Accumulated depreciations 31.12.2023	(1.677.869)	(23.196)	(426.472)	(2.127.537)
Net book value 31.12.2021	816.594	7.513	106.554	930.661
Net book value 31.12.2022	679.889	6.395	35.461	721.745
Net book value 31.12.2023	697.141	7.511	-	704.652

9. Trade receivables

The trade receivables of the Company are analyzed as follows:

	31.12.2023	31.12.2022
Accounts receivable to IC	158.443	89.622
Accounts receivable billed to 3rd Parties	328.726	439.580
Total	487.169	529.202

10. Other Receivables

The trade receivables of the Company are analyzed as follows:

	31.12.2023	31.12.2022
Prepaid Expenses	11.430	11.860
Accrued income receivable	200.507	30.882
Other debtors	202.957	121.598
Total	414.894	164.340

11. Cash and cash equivalents

The cash and cash equivalents are analyzed as follows:

	31.12.2023	31.12.2022
Cash on hand	-	-
Cash in banks	965.716	2.424.335
Total	965.716	2.424.335

12. Share capital and share premium

The change in the share capital of the Company is analyzed as follows:

	Shares	Share capital	Share premium
Balance 31.12.2021	130.000	200.000	150.000
Share capital increase	-	-	-
Balance 31.12.2022	130.000	200.000	150.000
Share capital increase	-	-	-
Balance 31.12.2023	130.000	200.000	150.000

13. Trade & Other Payables

The Company's Suppliers & Other Payables are analyzed as follows:

	31.12.2023	31.12.2022
Suppliers	30.805	346.372
Social Security and Other tax liabilities	138.789	177.997
Accrued expenses and interest payable	208.561	193.796
Deferred Revenue	729.129	972.737
Other liabilities	58.799	997
Total	1.166.083	1.691.899

14. Transactions with related parties

The Company's transactions with the Group companies are analyzed as follows:

Intercompany transactions	Sales		Purchases	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	133.870	58.543	-	1.750
PROFILE SA	123.172	-	444.543	368.545
PROFILE SOFTWARE (UK) LTD	98.595	55.422	198.234	80.217
PROFILE TECHNOLOGIES SA	-	-	10.637	84.700
CENTEVO AB	-	-	-	317.520
Total	355.637	113.965	653.414	852.732

The terms of the transactions with the parties involved provide that sales to and purchases from related parties are made at prevailing market prices at that time.

The Company's balances with the Group companies are analyzed as follows:

Intercompany transactions	Receivables		Liabilities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	240.058	94.509	64.599	39.976
PROFILE SA	66.148	-	30.800	37.250
PROFILE SOFTWARE (UK) LTD	107.733	-	39.779	47.305
CENTEVO AB	-	-	-	317.520
Total	413.939	94.509	135.178	442.052

15. Leases (IFRS 16)

The company has applied IFRS 16 standard since 1 January 2019.

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

	Company
Assets	
Rights to use fixed assets 31.12.2021	322.651
Additions of the current year	8.235
Deductions of the current year	-
Depreciation of the current year	(62.041)
Rights to use fixed assets 31.12.2022	268.845
Additions of the current year	-
Deductions of the current year	-
Depreciation of the current year	(62.041)
Rights to use fixed assets 31.12.2023	206.804
Liabilities	
Open Balance 31.12.2021	(363.897)
Additions of the current year	(10.025)
Interest	(9.348)
Payments	70.023
Open Balance 31.12.2022	(313.247)
Additions of the current year	(3.033)
Interest	(7.831)
Payments	80.252
Open Balance 31.12.2023	(243.859)
Short-term Lease Obligations	(71.123)
Long -term Lease Obligations	(172.736)

16. Post Balance Sheet Events

There are no other post balance sheet events subsequent of 31st December 2023 that concern either the Company or the Group, and to which reference has to be made according to International Accounting Standards (IFRS).