



**Login SA**

**Annual Reporting Package  
December 31, 2021**

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

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**STATEMENT OF FINANCIAL POSITION (amounts in EUR)**

	NOTES	COMPANY	
		31.12.2021	31.12.2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible assets	<a href="#">7</a>	25.791	21.370
Rights of use assets	<a href="#">15</a>	322.651	397.921
Intangible assets	<a href="#">8</a>	930.661	1.180.590
Other non-current assets		48.750	47.987
<b>Total non-current assets</b>		<b>1.327.853</b>	<b>1.647.868</b>
<b>Current assets</b>			
Trade receivables	<a href="#">9</a>	756.809	288.684
Other receivables	<a href="#">10</a>	470.435	493.519
Cash and cash equivalents	<a href="#">11</a>	1.541.440	1.018.217
<b>Total current assets</b>		<b>2.768.684</b>	<b>1.800.419</b>
<b>TOTAL ASSETS</b>		<b>4.096.536</b>	<b>3.448.288</b>
<b>LIABILITIES</b>			
<b>Equity</b>			
Share capital	<a href="#">12</a>	200.000	200.000
Share issues Premiums	<a href="#">12</a>	150.000	150.000
Reserves		20.000	20.000
Retained earnings		1.135.765	861.092
<b>Equity attributable to owners</b>		<b>1.505.765</b>	<b>1.231.092</b>
<b>Non-current liabilities</b>			
Provision for employees' indemnities		587.037	566.840
Deferred tax liabilities	<a href="#">6</a>	175.096	133.592
Lease liabilities	<a href="#">15</a>	363.897	323.745
Other Provisions		65	4.850
<b>Total non-current liabilities</b>		<b>1.126.095</b>	<b>1.029.027</b>
<b>Current liabilities</b>			
Trade payables	<a href="#">13</a>	79.711	63.537
Other payables	<a href="#">13</a>	1.384.965	1.061.934
Lease liabilities	<a href="#">15</a>	-	62.698
<b>Total current liabilities</b>		<b>1.464.676</b>	<b>1.188.170</b>
<b>Total equity and liabilities</b>		<b>4.096.536</b>	<b>3.448.288</b>

The accompanying notes are an integral part of the Financial Statements

**STATEMENT OF PROFIT AND LOSS (amounts in EUR)**

	Notes	Group	
		01.01.2021- 31.12.2021	01.01.2020- 31.12.2020
<b>Revenue Sales</b>	<a href="#">4</a>	3.299.819	3.758.333
Cost of sales	<a href="#">5</a>	(2.157.509)	(2.335.726)
<b>Gross profit</b>		<b>1.142.310</b>	<b>1.422.607</b>
Other operating income		46.583	45.445
<b>Total</b>		<b>1.188.893</b>	<b>1.468.052</b>
Selling and marketing expenses	<a href="#">5</a>	(310.681)	(453.059)
General and administrative expenses	<a href="#">5</a>	(302.583)	(446.169)
Research Expenses	<a href="#">5</a>	(260.024)	(357.211)
Other expenses		(66)	(4.850)
<b>Operating profit</b>		<b>315.539</b>	<b>206.763</b>
Financial income / (expenses)		55.843	(149.089)
<b>Profit for the year before taxes</b>		<b>371.383</b>	<b>57.674</b>
Income tax	<a href="#">6</a>	(96.710)	(17.090)
<b>Profit for the year after tax</b>		<b>274.673</b>	<b>40.584</b>

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
<b>Balance as at 31 December 2019</b>	<b>200.000</b>	<b>150.000</b>	<b>20.000</b>	<b>933.245</b>	<b>1.303.245</b>
Profit / (loss)	-	-	-	40.584	40.584
Dividend Distribution	-	-	-	(110.000)	(110.000)
Other comprehensive income, net of taxes	-	-	-	(2.737)	(2.737)
<b>Total Comprehensive income after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(72.153)</b>	<b>(72.153)</b>
<b>Balance as at 31 December 2020</b>	<b>200.000</b>	<b>150.000</b>	<b>20.000</b>	<b>861.092</b>	<b>1.231.092</b>
Profit / (loss)	-	-	-	274.673	274.673
<b>Total Comprehensive income after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>274.673</b>	<b>274.673</b>
<b>Balance as at 31 December 2021</b>	<b>200.000</b>	<b>150.000</b>	<b>20.000</b>	<b>1.135.765</b>	<b>1.505.765</b>

The accompanying notes are an integral part of the Financial Statements

**STATEMENT OF CASH FLOWS (amounts in EUR)**

	01.01.2021- 31.12.2021	01.01.2020- 31.12.2020
<b>Cash flows from operating activities</b>		
<b>Profit/Loss before tax</b>	<b>371.383</b>	<b>57.674</b>
Adjustments for:		
Depreciation and Amortization	449.216	426.923
Provisions	78.057	(96.349)
Non cash items (income) / expenses	-	-
Investing activities (gains) / losses	-	-
Foreign exchange (gains) / losses	(44.729)	-
Financial expenses	(55.843)	149.089
<b>Working capital adjustments</b>		
Decrease / (increase) of Receivables	(445.805)	(241.385)
(Decrease) / increase of liabilities	339.204	(399.260)
Less:		
Paid Employees indemnities	(62.645)	-
Paid Financial expenses	(22.146)	(203.669)
Paid Taxes	(55.205)	-
<b>Total cash inflows / (outflows) from Operating activities (a)</b>	<b>551.488</b>	<b>(306.977)</b>
<b>Investment activities</b>		
Purchase of Tangible & Intangible fixed assets	(143.210)	(373.610)
Financial income	77.990	54.580
<b>Total cash inflows / (outflows) from Investing activities (b)</b>	<b>(65.220)</b>	<b>(319.030)</b>
<b>Financing activities</b>		
Repayments of lease liabilities	(7.774)	195.761
Financial expenses	-	-
Dividends Paid	-	(110.000)
<b>Total cash inflows / (outflows) from Financing activities (c)</b>	<b>(7.774)</b>	<b>85.761</b>
<b>Net increase / (decrease) in Cash &amp; equivalents for the period (a) + (b) + (c)</b>	<b>478.494</b>	<b>(540.246)</b>
<b>Cash &amp; equivalents at the beginning of the period</b>	<b>1.018.217</b>	<b>1.558.463</b>
Foreign exchange gains / (losses) on cash & equivalents	44.729	-
<b>Cash &amp; equivalents at the end of the year</b>	<b>1.541.440</b>	<b>1.018.217</b>

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 21 employees.

### 2. Basis of preparation of the annual financial statements

These financial statements for the year ended 31 December 2021 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 make 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:

	31.12.2021	31.12.2020
<b>Sales</b>		
Intercompany	370.225	245.235
Sales to third parties	2.929.595	3.513.098
<b>Total</b>	<b>3.299.819</b>	<b>3.758.333</b>

### 5. Expense Analysis

The expenses are analysed as follows:

	31.12.2021	31.12.2020
Remuneration and staff costs	1.842.235	2.109.486
Fees and expenses of third parties	635.317	997.143
Third party benefits	47.837	34.201
Depreciation of fixed assets	449.216	426.923
Taxes Fees	54.279	121.223
Other Expenses	125.070	8.189
<b>Total</b>	<b>3.153.954</b>	<b>3.697.165</b>

The distribution of costs, is as follows :

	31.12.2021	31.12.2020
Cost of sales	2.157.509	2.335.726
Distribution costs	310.681	453.059
General and Administrative expenses	302.583	446.169
Research Expenses	260.024	357.211
<b>Total</b>	<b>3.030.797</b>	<b>3.592.165</b>
Capitalized Expenses	123.157	105.000
<b>Total</b>	<b>3.153.954</b>	<b>3.697.165</b>

The number of personnel as at 31 December 2021 and 31 December 2020 are analyzed as follows:

	31.12.2021	31.12.2020
Number of personnel	21	19
<b>Total cost</b>	<b>(1.842.235)</b>	<b>(2.109.486)</b>

## 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:

	31.12.2021	31.12.2020
<b>Gain/Loss before tax</b>	<b>371.383</b>	<b>57.674</b>
Income tax calculated at the nominal applicable tax rate (2021: 26,50%, 2020: 28%)	98.416	16.149
Deffered tax due to tax rate change	(7.157)	-
Tax effect of non -taxable income		-
Tax effect of non tax deductible expenses	5.451	941
<b>Income taxes that reported in the Income Statement</b>	<b>96.710</b>	<b>17.090</b>

Deferred tax accounts for the Company are analyzed as follows:

	31.12.2021	31.12.2020
Deferred tax liabilities	175.096	133.592
<b>Total</b>	<b>175.096</b>	<b>133.592</b>

## 7. Tangible fixed assets

Tangible assets are presented as follows:



	Buildings	Furniture and other equipment	Total
<b>Balance 31.12.2019</b>	<b>24.058</b>	<b>30.414</b>	<b>54.472</b>
Additions in period	-	5.852	5.852
Deductions in period	(2.025)	(12.503)	(14.528)
<b>Balance 31.12.2020</b>	<b>22.033</b>	<b>23.763</b>	<b>45.796</b>
Additions in period	-	18.802	18.802
<b>Balance 31.12.2021</b>	<b>22.033</b>	<b>42.565</b>	<b>64.598</b>
<b>Accumulated depreciations 31.12.2019</b>	<b>(12.436)</b>	<b>(16.663)</b>	<b>(29.099)</b>
Additions in period	3.742	12.503	16.245
Depreciations in period	(5.586)	(5.986)	(11.572)
<b>Accumulated depreciations 31.12.2020</b>	<b>(14.280)</b>	<b>(10.146)</b>	<b>(24.426)</b>
Depreciations in period	(5.586)	(8.795)	(14.381)
<b>Accumulated depreciations 31.12.2021</b>	<b>(19.866)</b>	<b>(18.941)</b>	<b>(38.807)</b>
<b>Net book value 31.12.2019</b>	<b>11.622</b>	<b>13.751</b>	<b>25.373</b>
<b>Net book value 31.12.2020</b>	<b>7.753</b>	<b>13.617</b>	<b>21.370</b>
<b>Net book value 31.12.2021</b>	<b>2.167</b>	<b>23.624</b>	<b>25.791</b>

## 8. Intangible assets

The intangible assets are analyzed as follows:

	Development expenses	Purchased Software	Other intangible assets	Total
<b>Balance 31.12.2019</b>	<b>1.655.898</b>	<b>29.130</b>	<b>426.472</b>	<b>2.111.500</b>
Additions in period	105.000	7.126	-	112.126
Deductions in period	-	-	-	-
<b>Balance 31.12.2020</b>	<b>1.760.898</b>	<b>36.256</b>	<b>426.472</b>	<b>2.223.626</b>
Additions in period	123.157	1.251	-	124.408
Deductions in period	-	-	-	-
<b>Balance 31.12.2021</b>	<b>1.884.055</b>	<b>37.507</b>	<b>426.472</b>	<b>2.348.034</b>
<b>Accumulated depreciations 31.12.2019</b>	<b>(489.130)</b>	<b>(21.935)</b>	<b>(177.732)</b>	<b>(688.797)</b>
Depreciations in period	(276.039)	(7.107)	(71.093)	(354.239)
<b>Accumulated depreciations 31.12.2020</b>	<b>(765.169)</b>	<b>(29.042)</b>	<b>(248.825)</b>	<b>(1.043.036)</b>
Depreciations in period	(302.292)	(952)	(71.093)	(374.337)
<b>Accumulated depreciations 31.12.2021</b>	<b>(1.067.461)</b>	<b>(29.994)</b>	<b>(319.918)</b>	<b>(1.417.373)</b>
<b>Net book value 31.12.2020</b>	<b>995.728</b>	<b>7.215</b>	<b>177.647</b>	<b>1.180.590</b>
<b>Net book value 31.12.2021</b>	<b>816.594</b>	<b>7.513</b>	<b>106.554</b>	<b>930.661</b>

## 9. Trade receivables

The trade receivables of the Company are analyzed as follows:

	31.12.2021	31.12.2020
Accounts receivable to IC	317.853	39.405
Accounts receivable billed to 3rd Parties	438.956	249.279
<b>Total</b>	<b>756.809</b>	<b>288.684</b>

## 10. Other Receivables

The trade receivables of the Company are analyzed as follows:

	31.12.2021	31.12.2020
Prepaid Expenses	27.430	43.362
Accrued income receivable	333.031	394.996
Other debtors	109.974	55.161
<b>Total</b>	<b>470.435</b>	<b>493.519</b>

## 11. Cash and cash equivalents

The cash and cash equivalents are analyzed as follows:

	31.12.2021	31.12.2020
Cash on hand	4.299	4.240
Cash in banks	1.537.141	1.013.977
<b>Total</b>	<b>1.541.440</b>	<b>1.018.217</b>

## 12. Share capital and share premium

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

	Shares	Share capital	Share premium
<b>Balance 31.12.2019</b>	<b>130.000</b>	<b>200.000</b>	<b>150.000</b>
Share capital increase	-	-	-
<b>Balance 31.12.2020</b>	<b>130.000</b>	<b>200.000</b>	<b>150.000</b>
Share capital increase	-	-	-
<b>Balance 31.12.2021</b>	<b>130.000</b>	<b>200.000</b>	<b>150.000</b>

## 13. Trade & Other Payables

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

	31.12.2021	31.12.2020
Suppliers	79.711	63.537
Social Security and Other tax liabilities	457.858	378.052
Accrued expenses and interest payable	158.234	170.038
Accrued income	730.850	499.557
Other liabilities	38.023	14.287
<b>Total</b>	<b>1.464.676</b>	<b>1.125.471</b>

#### 14. Transactions with related parties

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

	Sales		Purchases	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
<b>Intercompany transactions</b>				
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	302.750	-	79.250	82.750
PROFILE SOFTWARE (UK) LTD	67.475	116.749	-	98.946
PROFILE SA	-	128.486	367.524	659.704
<b>Total</b>	<b>370.225</b>	<b>245.235</b>	<b>446.774</b>	<b>841.400</b>

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:

	Receivables		Liabilities	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
<b>Intercompany transactions</b>				
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	317.853	-	39.700	-
PROFILE SOFTWARE (UK) LTD	-	-	27.085	27.645
PROFILE SA	-	39.405	-	15.128
<b>Total</b>	<b>317.853</b>	<b>39.405</b>	<b>66.785</b>	<b>42.773</b>

#### 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 recognise 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 recognise 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
<b>Assets</b>	
<b>Rights to use fixed assets 31.12.2020</b>	<b>397.921</b>
Additions of the current year	-
Deductions of the current year	(14.772)
Depreciation of the current year	(60.498)
<b>Rights to use fixed assets 31.12.2021</b>	<b>322.651</b>
<b>Liabilities</b>	
<b>Open Balance 31.12.2020</b>	<b>386.443</b>
Additions of the current year	(3.296)
Interest	9.579
Payments	(28.829)
<b>Open Balance 31.12.2021</b>	<b>363.897</b>

## 16. Post Balance Sheet Events

- The Management of the Company closely monitors Covid -19 cases and takes all the appropriate measures that are deemed necessary for the protection of the health and safety of the employees and the maintenance of the Company's business activities.

On the basis of the developments and the measures taken, neither the Company nor any individual activity thereof, are faced at the time of drafting of the present Report with the probability of being interrupted as a going concern.

- Regarding the Ukraine crisis and the war started, in February 2022, this has already caused major economic turbulences globally. The Management of the company closely monitors this situation. However the company is not in a sector that is affected from this situation and it doesn't seem to have a negative impact for the company, as Login has no presence in Russia and Ukraine, so no impact to revenue is expected for 2022.

With the exception of the above, there are no other events subsequent to the balance sheet of 31 December 2021 that concern either the Company or the Group, and to which reference has to be made according to International Accounting Standards (IFRS).