



 **Profile**

Centevo

Centevo AB

**Annual Reporting Package
December 31, 2021**

COMPANY REGISTRATION NUMBER : 556603-5944 - SWEDEN

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STATEMENT OF FINANCIAL POSITION (amounts in EUR)

	NOTES	Group 31.12.2021
-		
ASSETS		
Non-current assets		
Tangible assets	7	65.350
Rights of use assets	15	80.158
Intangible assets	8	2.106.010
Other non-current assets		107.410
Deferred tax assets		138.568
Total non-current assets		2.497.495
Current assets		
Trade receivables	9	543.353
Other receivables	10	108.376
Cash and cash equivalents	11	828.141
Total current assets		1.479.870
TOTAL ASSETS		3.977.365
LIABILITIES		
Equity		
Share capital	12	9.756
Reserves		1.951
Retained earnings		2.468.678
Equity attributable to owners		2.480.385
Non-current liabilities		
Provision for employees' indemnities		41.695
Lease Liabilities	15	83.834
Total non-current liabilities		125.529
Current liabilities		
Trade payables	13	209.046
Other payables	13	896.586
Social Security and other tax liabilities		265.820
Total current liabilities		1.371.452
Total equity and liabilities		3.977.365

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF PROFIT AND LOSS (amounts in EUR)

	Notes	Group 19.03.2021-31.12.2021
Revenue Sales	<u>4</u>	4.719.771
Cost of sales	<u>5</u>	(3.031.376)
Gross profit		1.688.395
Other operating income		290
Total		1.688.685
Selling and marketing expenses	<u>5</u>	(735.149)
General and administrative expenses	<u>5</u>	(491.900)
Research Expenses	<u>5</u>	(542.368)
Other expenses		-
Operating profit		(80.732)
Financial income / (expenses)		(5.299)
Profit for the year before taxes		(86.031)
Income tax	<u>6</u>	18.411
Profit for the year after tax (A)		(67.620)

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CHANGES IN EQUITY (amounts in EUR)

	Share capital	Reserves	Retained earnings	Total equity
Balance as at 19 March 2021	9.829	1.965	2.473.865	2.485.659
Profit / (loss) for the period	-	-	(67.620)	(67.620)
Other comprehensive income, net of taxes	-	-	-	-
Total Comprehensive income after tax	-	-	(67.620)	(67.620)
Exchange Difference	-	-	62.346	62.346
Balance as at 31 December 2021	9.829	1.965	2.468.591	2.480.385

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CASH FLOWS (amounts in EUR)

Group	19.03.2021-31.12.2021
Cash flows from operating activities	
Profit/Loss before tax	(86.031)
Adjustments for:	
Depreciation and Amortization	501.435
Provisions	(8.510)
Exchange Differences	69.584
Financial expenses	4.973
Working capital adjustments	
Decrease / (increase) Receivables	(11.062)
Decrease / (increase) of Liabilities	(123.928)
Minus:	
Financial expenses	(4.973)
Total cash inflows / (outflows) from Operating activities (a)	341.488
Investment activities	
Additions of Tangible & Intangible assets	(212.093)
Financial income	-
Total cash inflows / (outflows) from Investing activities (b)	(212.093)
Financing activities	
Repayments of lease liabilities	(124.973)
Payment of Interest Expense	-
Total cash inflows / (outflows) from Financing activities (c)	(124.973)
Net increase / (decrease) in Cash & equivalents for the period (a) + (b) + (c)	4.422
Cash & equivalents at the beginning of the period	829.872
Foreign exchange gains / (losses) on cash & equivalents	(6.153)
Cash & equivalents at the end of the year	828.141

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

On 19th March 2022, PROFILE SYSTEMS & SOFTWARE Group acquired 100% of Centevo AB (“The Company”), through the subsidiary PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD. The Company, is headquartered in Stockholm, Sweden with a fully operational branch in Oslo, Norway. Since 1991, the Company has active presence in the financial markets as a specialised provider of Asset and Fund Management solutions. Its solutions cover the areas of Asset Management, Fund Management, Trust Management and Family Office, whilst offering powerful API connection gateways to large local Banks. These are complementary solutions to Profile’s portfolio while new sales opportunities are created both in terms of territories and product enhancements. Profile Centevo occupies 37 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:

Sales	19.03-31.12.2021
Intercompany	-
Sales to third parties	4.719.771
Total	4.719.771

5. Expense Analysis

The expenses are analysed as follows:

	31.12.2021
Remuneration and staff costs	3.174.401
Fees and expenses of third parties	1.107.269
Third party benefits	152.494
Taxes Fees	24.336
Other Expenses	59.100
Depreciation of fixed assets	501.435
Total	5.019.034

The distribution of costs, is as follows :

	31.12.2021
Cost of sales	3.031.376
Distribution costs	735.149
General and Administrative expenses	491.900
Research Expenses	542.368
Total	4.800.792
Capitalized Expenses	218.242
Total	5.019.034

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

	31.12.2021
Number of personnel	37
Total cost	3.174.401

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
Gain/Loss before tax	(86.031)
Income tax calculated at the nominal applicable tax rate (2021: 21,4%)	(18.411)
Tax effect of non -taxable income	-
Tax effect of non tax deductible expenses	-
Income taxes that reported in the Income Statement	(18.411)

Deferred tax accounts for the Group are analyzed as follows:

	31.12.2021
Deferred tax assets	138.568
Total	138.568

7. Tangible fixed assets

Tangible assets are presented as follows:

	Buildings	Furniture and other equipment	Total
Net book value 19.03.2021	15.079	63.606	78.685
Additions in period	-	9.811	9.811
Balance 31.12.2021	15.079	73.417	88.496
Depreciations in period	-	(23.146)	(23.146)
Accumulated depreciations 31.12.2021	-	(23.146)	(23.146)
Net book value 31.12.2021	15.079	50.271	65.350

8. Intangible assets

The intangible assets of the Group are analyzed as follows:

	Development expenses	Other intangible assets	Total
Net book value 19.03.2021	1.510.057	743.310	2.253.367
Additions in period	216.032	-	216.032
Deductions in period	(13.749)	-	(13.749)
Balance 31.12.2021	1.712.340	743.310	2.455.650
Amortization in period	(252.210)	(97.430)	(349.640)
Accumulated depreciations 31.12.2021	(252.210)	(97.430)	(349.640)
Net book value 31.12.2021	1.460.130	645.880	2.106.010

9. Trade receivables

The trade receivables of the Group are analyzed as follows:

	31.12.2021
Accounts receivable to IC	-
Accounts receivable billed to 3rd Parties	543.353
Total	543.353

10. Other Receivables

The trade receivables of the Group are analyzed as follows:

	31.12.2021
Prepaid Expenses	96.267
Other debtors	12.109
Total	108.376

11. Cash and cash equivalents

The cash and cash equivalents are analyzed as follows:

	31.12.2021
Cash on hand	-
Cash in banks	828.141
Total	828.141

12. Share capital and share premium

The change in the share capital is analyzed as follows:

	Shares	Share capital
Balance 19.03.2021	1.000	9.756
Share capital increase	-	-
Balance 31.12.2021	1.000	9.756

13. Trade & Other Payables

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

	31.12.2021
Suppliers	209.046
Social Security and Other tax liabilities	265.820
Accrued expenses and interest payable	387.642
Accrued income	161.511
Other liabilities	347.433
Total	1.371.452

14. Transactions with related parties

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

	Sales	Purchases
Intercompany transactions	31.12.2021	31.12.2021
PROFILE SA	-	49.786
Total	-	49.786

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 Centevo's balances with the Profile Group companies are analyzed as follows:

	Receivables	Liabilities
Intercompany transactions	31.12.2021	31.12.2021
PROFILE SA	-	49.786
Total	-	49.786

15. Leases (IFRS 16)

The company has applied IFRS 16 standard since 19 March 2021.

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.

	Group
Assets	
Rights to use fixed assets on 19.03.2021	208.807
Depreciation of the current year	(128.649)
Rights to use fixed assets 31.12.2021	80.158
Liabilities	
Lease Obligations on 19.03.2021	208.807
Deductions in period	(285)
Interest in period	3.781
Payments in period	(128.469)
Liabilities 31.12.2021	83.834
Short-term Lease Obligations	-
Long-term Lease Obligations	83.834

16. Post Balance Sheet Events

The armed conflict in Ukraine started in February 2022 doesn't seem to have direct impact to Centevo or Profile Group. Neither the Company nor the Group are dependent on resources from Ukraine, and the crisis is not affecting Centevo's ability to deliver its obligations to clients. In addition, Centevo and Profile Group have no presence in Russia and Ukraine, and no impact to revenue is expected for 2022. However, as the macroeconomic environment has become more volatile, management is closely monitoring the situation.

With the exception of the above, there are no post balance sheet events, subsequent to 31st December 2021 that are related to either the Company or the Group, and to which reference should have to made according to International Accounting Standards (IFRS).