



Annual Remuneration Report Financial Year 2022

Formulated according to article 112 of Law 4548/2018

**« PROFILE COMMERCIAL AND INDUSTRIAL SOCIÉTÉ ANONYME
IT COMPANY»**

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General Commercial Registry number.: 122141660000

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1. Introduction

I. This Remuneration Report (hereinafter referred to as the "**Report**") has been prepared in accordance with the provisions of article 112 of the Law. 4548/2018, as in force, in line with the European Commission Guidelines of 1 March 2019 on the standardised presentation of the Remuneration Report in accordance with Directive 2007/36/EC, as amended by Directive (EU) 2017/828.

II. The Report depicts the total remuneration of the members of the Board of Directors (hereinafter referred to as the "**BoD**") and explains, with a view to providing full, adequate and full information to the Company's shareholders, how it was implemented, for the financial year 2022 (01.01.2022-31.12.2022), the Remuneration Policy (hereinafter referred to as the "**Policy**") of the Société Anonyme under the name "PROFILE COMMERCIAL AND INDUSTRIAL INFORMATION TECHNOLOGY SOCIETE ANONYME" and the distinctive title " **PROFILE SYSTEMS & SOFTWARE** S.A. (hereinafter referred to as the "**Company**"), and therefore provides a comprehensive overview of the Company's remuneration model, in compliance with article 112 (1) of the Law. 4548/2018, regarding the implementation of the Remuneration Policy.

III. This Report, which contains a comprehensive overview of the total remuneration regulated in the Company's Remuneration Policy, for the closed financial year (2022), will be submitted for discussion to the Annual Ordinary General Meeting of the Company's shareholders, which has been convened for **16 May 2023** and is included as an item (and in particular as **Item 8**) on its agenda.

IV. In compliance with the provisions of articles 110 and 111 of Law 4548/2018, as in force, the Company has established a Remuneration Policy, which applies to all members of the Board of Directors (executive or not, with the necessary variations referred to therein), including of the Chief Executive Officer, as well as to the Senior Management (Directors, Directors and Heads of Units), was approved by majority vote by decision of the Annual Ordinary General Meeting of the Company's shareholders of 7th May 2020, and is valid for four (4) years from its adoption. Since its approval, the Policy has been posted on the Company's website and in particular on the link www.profilesw.com.

V. 2022 has been an unprecedented and highly volatile year for both the domestic and global economy. The combination of the effects and consequences of the coronavirus pandemic, with geopolitical developments centred on Ukraine, the ensuing energy crisis and the inevitable supply chain disruptions, contributed to high inflationary formations, and to successive increases of interest rates by Central Banks after at least a decade.

In this highly volatile, and challenging economic environment that emerged during the fiscal year 2022, PROFILE Group managed to meet the challenges by strengthening its market shares, increasing its turnover to satisfactory levels, enhancing its assets and maintaining its liquidity and capital adequacy at levels satisfactory to the prevailing conditions.

An important role in this was played by the Group's further activity in international markets (a direction in which the Group has been steadily investing during recent years), the Group's penetration into digital transformation projects of the wider public sector as well as the Group's ability to complete complex projects even in an unstable and uncertain environment.

VI. The turnover of the year 2022 for the Group amounted to € 25,364,688 compared to € 20,117,253 in the corresponding year of 2021, recording a remarkable increase of 26.08%, which is attributed to the undertaking of new multidimensional projects (both private and wider public sector) , the constant preference of existing Group customers, the innovative solutions developed by the Company, as well as the successful integration into the Group of the acquired company Centevo, a leading software company for Asset/Fund Management in Scandinavia. EBITDA for the year 2022 amounted to € 7,671,196 compared to € 5,485,246 in the corresponding period of 2021, recording a significant increase of 39.85%.

Earnings before tax, interests, and investment results (EBIT) amounted to € 4,155,753 compared to € 2,484,938 in the previous year, presenting an increase of € 67.24%.

With the deduction of income tax of € 867,531, net profit after tax for the Group amounts to € 4,355,767 compared to € 2,203,258 in the previous year, showing a percentage increase of 97.69%.

V I I. No deviations and deviations from the approved Policy were detected within the fiscal year 2022.

VIII. The above-mentioned events did not affect the remuneration of the members of the Board of Directors included in the scope of the approved Policy

2. Total remuneration of members of the Board of Directors

I. For the clear and comprehensible presentation of the total remuneration granted or paid to the members of the Board of Directors of the Company (as such, meaning both the persons who had the status of member at the beginning of the financial year and those who were elected and acquired it during the financial year 2022), as well as the remuneration of any kind by any company belonging to the Group, Table 1 has been prepared below which shows the total remuneration of the members of the Board of Directors for the financial year 2022 by the Group.

Apart from the Parent Company and its subsidiary Login SA (which paid fees to Mrs Pascale Valerie Hertzog), none of the other companies in the Group paid remuneration to the members of the Board of Directors.

II. Remuneration in Table 1 is presented in gross terms.

III. In addition to the foregoing, no further remuneration or compensation was granted or paid in any way within the year 2022 to the members of the Board of Directors in any form.

Full name of BoD member, Place	Use	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary element	4Corporate Contribution to pensions Programs	5Total earnings	6Ratio of fixed and variable remuneration
		Annual Basic remuneration	Remuneration for involvement in Committees	Facilities	Yield within one year	Attribution to Subsequent years				
Charalambos Stasinopoulos, President BoD, Executive Member	2022	174.240	-	160.130	644.345	-	-	-	978.715	34,16%/65,84%
Spyridon Marbatos, Vice-Chairman of the BoD, Non-Executive Member	2022	-	-	-	-	-	-	-	-	0%/0%
Evangelos Angelidis, Ceo Executive Member	2022	54.141	-	76.909	104.280	-	-	-	235.330	55,69%/44,31%
Aristides Iliopoulos, Non-Executive Member	2022	70.312	-	4.138	81.936	-	-	-	156.397	47,61%/52,39%
Aikaterini Tsoura ⁽¹⁾ , Non-Executive Member	2022	37.407	-	-	5.790	-	-	-	43.197	86,60%/13,40%
Pascale Valerie ⁽²⁾ Hertzog, Non-Executive Member*	2022	101.823	-	7.590	11.000	-	-	-	120.413	90,86%/9,14%
Antonios Roussos, Independent Non-Executive Member	2022	-	-	-	-	-	-	-	0	0% / 0%
Emmanouil Tsiritakis, Independent Non-Executive Member	2022	-	5.000	-	-	-	-	-	5.000	100% / 0%

Table 1 Total remuneration of the members of the D. S. for the financial year 2022 by the Group.

⁽¹⁾ Loss of BoD membership from 24 October 2022

⁽²⁾ Assumption of BoD membership from 24 October 2022

*to the said BoD member the fees were paid by Login SA

3. Remuneration of shares and/or options

The first Repeated Annual General Meeting of shareholders on May 25, 2018, approved the establishment of a Share Option Program to the members of the Board of Directors, the Directors and the Company's staff. The Board of Directors of the Company during its meeting on January 16, 2020 proceeded to the preparation of the specific terms of the Program. In particular, The total number of allowances to be made available amounts to six hundred thousand (600,000), while the duration of the Programme was set until November November 2025. The rights will mature in instalments, namely:

(a) by 33% on 1 November of the first year following administration.

(b) by 33% on 1 November of the second year following administration, and

(c) by 34% on 1 November of the third year following administration.

The issue price of the shares that will be delivered to the beneficiaries as a result of the exercise of the rights granted to them, amounts to € 0.85 in accordance with the decision of the Board of Directors of the Company dated 25.10.2022 on the adjustment of clause 4.3 of the Program, as a result of the decision of the Annual Ordinary General Meeting of shareholders *dated 12.05.2022* to reduce the nominal value of the Company's shares from € 0.47 to € 0.23 *and simultaneously increase of the total number of shares from 12,013,916 to 24,027,832 common, registered shares (stock split), by replacing each (1) old ordinary, registered share with two (2) new ordinary, registered shares.*

During the financial year 2022 (01.01.2022-31.12.2022) and more specifically during the period from 01.11.2022 to 15.11.2022, thirty-six (36) executives made a written statement for the exercise of share options. A total of 349,963 common, registered shares of the Company were allotted, with a nominal value of 0.23 Euro each. The cash payment of the price for the purchase of the above shares was completed on time, i.e. by 30.11.2022, the relevant amount amounted to € 297,468.55 and was deposited in the special bank account kept in the name of the Company.

The trading on the Athens Exchange of a total of 349,963 new shares resulting from the above share capital increase of the Company launched on 29.12.2022. The number of options granted under this Program to the members of the Board of Directors is presented in the table below. More information regarding the terms of the Share Option Program is available on the Company's website and specifically at <https://www.profilesw.com/el/financial-news/2487-profile.php>.

Member Name / Status	Rights Granted	Rights matured in 2022	Rights exercised in 2022
Charalambos Stasinopoulos ⁽¹⁾ , President Board of Directors & CEO, Executive Member	409.078	136.195	136.195
Evangelos Angelidis ⁽²⁾ , Ceo Executive Member	200.000	66.800	66.800
Spyridon Barbatos, Vice-Chairman of the BoD, Executive Member	40.000	13.600	0
Aristides Iliopoulos, Non-Executive Member	36.000	12.180	3.530
Hertzog Pascale Non-Executive Member	20.000	6.600	6.600

4. Use of the right to recovery

I. No use was made of the right to recover variable remuneration, as described in the approved Policy, during the financial year 2022.

5. Compliance with the Remuneration Policy and the way performance criteria are applied

5.1 Remuneration of Independent Non-Executive Board Members

I. During fiscal year 2022 (01.01.2022-31.12.2022) and in line with the approved Policy of the Company regarding the remuneration of Independent Non-Executive Members D. S. , according to which:

a) The Independent Non-Executive Members may receive compensation for their participation in the meetings of the Board of Directors, which is approved by a special decision of the Annual General Meeting and .

(b) The above compensation must be paid in cash and is subject to the deductions provided for by the tax and insurance legislation in force from time to time.

Please note the following:

→ During the financial year 2022, the Independent Non-Executive Members of the Board of Directors have not received any remuneration for their participation in the meetings of the company.

→ Independent Members or Executive Members shall not participate in any bonus or long-term incentive scheme and shall not be granted bonuses, stock options, or performance-related compensation.

5.2 Remuneration of Other Board Members

I. During fiscal year 2022 and inline with the approved Policy of the Company regarding the remuneration of other Members of BoD (Executive and Non-Executive) :

5.2.1 Company contracts with BoD members

The Company during the fiscal year 202 2 (01.01.2022-31.12.2022) maintained a contract with five (5) Members of the Board of Directors. In particular, it maintained:

(a) a fixed-term contract with the Chairman of the Board of Directors to which the provisions of the labour law in force concerning the conditions of termination apply and which provides for special compensation in the event of termination or dismissal without valid reason or termination of his term of office or employment as a result of any public offer;

(b) contracts of indefinite duration with the CEO of the Company, and with three (3) Non-Executive Members, to which the provisions of the applicable labor law regarding the terms and deadlines of termination and the compensation paid apply.

5.2.2 Fixed remuneration of Other BoD Members

→ The factors taken into account when determining the fixed remuneration of the Other Members of the Board of Directors (Executive and Non-Executive) were academic background, professional experience, skills and competences, responsibilities and duties entrusted to these natural persons, weight and the functional requirements of the position, the state of the economy, the terms of individual employment contracts and labor law data.

→ The fixed remuneration paid was competitive with the aim of retaining in the Company's Management people who possess the appropriate skills, experiences and behaviors needed by the Company and the Group, in order to enhance value and maximize their performance.

→ Other Members were paid benefits in accordance with the provisions of the Policy, which consist, as the case may be, of participation in a group insurance program, use of a company car, mobile telephony plans, coverage of travel-representation expenses, stock options, etc.

→ The Other Members (Executive and Non-Executive) did not receive remuneration for their participation in the meetings of the Board of Directors of the Company and its subsidiaries.

5.2.3 Variable remuneration of Other BoD Members

→ The variable remuneration of the Other Members of the Board of Directors is linked both to the individual performance and to the course of the Company and the Group. Indicative criteria on the basis of which the amount of variable remuneration is calculated are the following: personal objectives agreed before the beginning of the evaluation period; operating profits for the financial year; Business initiative and personal characteristics, such as leadership skills, inspiration of the team, etc.

→ The Annual General Meeting of shareholders on May 12, 2022 approved the payment of a total gross amount of € 836,345 from profits of previous years to four(4) total Members of the Board of Directors for their intense and systematic activity in expanding the Group's turnover and profitability.

6. Deviations and deviations from the Remuneration Policy

I. There were no deviations or deviations from the Policy during the financial year 2022 in all its fields of application.

7. Information regarding the outcome of the vote on the Remuneration Report for the financial year 2022 considered by the Board of Directors

I. During the Annual Ordinary General Meeting of the Company's shareholders on May 12, 2022, the Remuneration Report for the financial year 2021 was submitted for discussion and voting in accordance with para. 3 of article 112 of Law 4548/2018.

The Board of Directors informs, in accordance with the above provision, that on the Remuneration Report the advisory vote of the present shareholders was positive at a rate of 99.36%.

It is noted that the remaining percentage of shareholders voted present, without providing any justification for their said vote, therefore the Board of Directors of the Company takes into account the result of the above vote and has nothing to observe and / or point out in relation to the content of this Report

8. Comparative information on changes in remuneration and performance of the Company

I. Below is a table with information regarding the annual change in the remuneration of the members of the Board of Directors, the performance of the Company and the average remuneration of the Company's full-time employees during the years 2019-2022.

This analysis is not presented in depth of five (5) financial years due to the application of the transitional provision of article 187 par.7 of Law 4548/2018.

	2022	2021	2020	2019
EUR Group Turnover	25.364.688	20.117.253	15.040.892	15.763.884
<i>Annual Change in EUR</i>	5.247.435	5.076.361	-722.992	1.934.883
<i>Annual change %</i>	26,1%	33,8%	-4,6%	14,0%
EUR Group EBITDA	7.671.196	5.485.246	4.217.255	4.346.126
<i>Annual Change in EUR</i>	2.185.950	1.267.991	-128.871	289.723
<i>Annual change %</i>	39,9%	30,1%	-3,0%	7,1%
Turnover of parent company EUR	11.068.154	9.171.317	9.253.416	8.577.914

<i>Annual Change in EUR</i>	<i>1.896.837</i>	<i>-82.099</i>	<i>675.502</i>	<i>804.640</i>
<i>Annual change %</i>	<i>20,7%</i>	<i>-0,9%</i>	<i>7,9%</i>	<i>10,4%</i>
EBITDA of Parent Company EUR	1.507.473	895.556	818.319	676.793
<i>Annual Change in EUR</i>	<i>611.917</i>	<i>77.237</i>	<i>141.526</i>	<i>-374.146</i>
<i>Annual change %</i>	<i>68,3%</i>	<i>9,4%</i>	<i>20,9%</i>	<i>-35,6%</i>
Board Fees	1.604.228	1.105.840	1.157.129	1.069.495
<i>Annual Change in EUR</i>	<i>498.388</i>	<i>-51.289</i>	<i>87.634</i>	<i>63.003</i>
<i>Annual change %</i>	<i>45,1%</i>	<i>-4,4%</i>	<i>8,2%</i>	<i>6,3%</i>
Board Remuneration Salary Relationship	197.293	329.461	337.516	362.229
Staff remuneration	4.943.801	4.850.883	4.372.706	4.243.613
Remuneration of staff outside the Board of Directors	4.746.508	4.521.422	4.035.190	3.881.384
Company Staff Number	107	98	105	106
<i>Annual Change in persons</i>	<i>9</i>	<i>-7</i>	<i>-1</i>	<i>13</i>
<i>Annual change %</i>	<i>9,2%</i>	<i>-6,7%</i>	<i>-0,9%</i>	<i>14,0%</i>
Staff remuneration per person	44.360	46.137	38.430	36.617
<i>Annual change in EUR/person</i>	<i>-1.777</i>	<i>7.707</i>	<i>1.814</i>	<i>2.042</i>
<i>Annual change %</i>	<i>-3,9%</i>	<i>20,1%</i>	<i>5,0%</i>	<i>5,9%</i>

9. Compliance with personal data provisions

I. In compliance with paragraph 5 of article 112 of Law 4548/2018, special categories of personal data within the meaning of article 9 par. 1 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing the Directive 95/46/EC, nor personal data concerning the marital status of the members of the Board of Directors of the Company.

II. Any personal data of the members of the Board of Directors of the Company referred to in this Report are included in it under article 112 of Law 4548/2018 in order to increase corporate transparency regarding the remuneration of the members of the Board of Directors, with the aim of enhancing the accountability of members and the more effective supervision of shareholders on such remuneration.

10. Publicity of the Report

I. This Report, which according to the Board of Directors of the Company, is clear, comprehensible and complete, after the completion of the Annual Ordinary General Meeting of shareholders of May 16, 2023, will become, with diligence and responsibility of the Board of Directors, without delay available to the public on the Company's website, free of charge, where it will remain posted for a period of ten (10) years, as provided for by law.

II. Any retention of the Report on the Company's website for longer than the above period is permitted provided that the Report will no longer contain personal data for the members of the Board of Directors within the meaning of the above Regulation.

III. In view of the fact that, according to para. 3 of article 112 of Law 4548/2018, the vote of shareholders has an advisory character, the Board of Directors of the Company will explain in the next Remuneration Report how the result of the vote was taken into account at the Annual General Meeting of Shareholders of 16 May 2023.

Nea Smyrni, 20 April 2023
For Board of Directors