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**Annual Reporting Package
December 31, 2022**

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

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STATEMENT OF FINANCIAL POSITION (amounts in EUR)

ASSETS	NOTES	31.12.2022	31.12.2021
<u>Non-current assets</u>			
Tangible assets	7	18.915	25.791
Rights of use assets	15	268.845	322.651
Intangible assets	8	721.745	930.661
Other non-current assets		50.192	48.750
Total non-current assets		1.059.698	1.327.853
<u>Current assets</u>			
Trade receivables	9	529.202	756.809
Other receivables	10	164.340	470.435
Cash and cash equivalents	11	2.424.335	1.541.440
Total current assets		3.117.877	2.768.684
TOTAL ASSETS		4.177.575	4.096.536
<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		929.712	1.135.765
Equity attributable to owners		1.299.712	1.505.765
<u>Non-current liabilities</u>			
Provision for employees' indemnities		547.998	587.037
Deferred tax liabilities	6	78.398	175.096
Lease liabilities	15	313.247	363.897
Other Provisions		29.019	65
Total non-current liabilities		968.662	1.126.095
<u>Current liabilities</u>			
Trade payables	13	346.372	79.711
Other payables	13	1.345.527	1.335.012
Lease liabilities	15	-	-
Tax payable		217.302	49.953
Total current liabilities		1.909.201	1.464.676
Total equity and liabilities		4.177.575	4.096.536

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF PROFIT AND LOSS (amounts in EUR)

	NOTES	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Revenue Sales	4	3.598.995	3.299.819
Cost of sales	5	(2.381.144)	(2.157.509)
Gross profit		1.217.851	1.142.310
Other operating income		133.561	46.583
Total		1.351.412	1.188.893
Selling and marketing expenses		(246.718)	(310.681)
General and administrative expenses	5	(243.534)	(302.583)
Research Expenses	-	(301.583)	(260.024)
Other expenses	5	-	(65)
Operating profit		559.577	315.540
Financial income / (expenses)		(76.925)	55.843
Profit for the year before taxes		482.652	371.383
Income tax	6	(108.705)	(96.710)
Profit for the year after tax (A)		373.947	274.673

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 2020	200.000	150.000	20.000	861.092	1.231.092
Profit / (loss)	-	-	-	274.673	274.673
Total Comprehensive income after tax	-	-	-	274.673	274.673
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

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CASH FLOWS (amounts in EUR)

	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Cash flows from operating activities		
Profit/Loss before tax	482.652	371.383
Adjustments for:		
Depreciation and Amortization	473.322	449.216
Provisions	(10.085)	78.057
Non cash items (income) / expenses	1.815	-
Investing activities (gains) / losses	-	-
Foreign exchange (gains) / losses	(38.510)	(44.729)
Financial expenses	11.022	(55.843)
Working capital adjustments		
Decrease / (increase) of Receivables	532.259	(445.805)
(Decrease) / increase of liabilities	227.224	339.204
Less:		
Paid Employees indemnities	-	(62.645)
Paid Financial expenses	(160.959)	(22.146)
Paid Taxes	11.898	(55.205)
Total cash inflows / (outflows) from Operating activities (a)	1.530.638	551.488
Investment activities		
Purchase of Tangible & Intangible fixed assets	(197.304)	(143.210)
Financial income	149.937	77.990
Total cash inflows / (outflows) from Investing activities (b)	(47.367)	(65.220)
Financing activities		
Repayments of lease liabilities	(58.886)	(7.774)
Financial expenses		-
Dividends Paid	(580.000)	-
Total cash inflows / (outflows) from Financing activities (c)	(638.886)	(7.774)
Net increase / (decrease) in Cash & equivalents for the period (a) + (b) + (c)	844.385	478.494
Cash & equivalents at the beginning of the period	1.541.440	1.018.217
Foreign exchange gains / (losses) on cash & equivalents	38.510	44.729
Cash & equivalents at the end of the year	2.424.335	1.541.440

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 20 employees.

2. Basis of preparation of the annual financial statements

These financial statements for the year ended 31 December 2022 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:

	31.12.2022	31.12.2021
Sales		
Intercompany	113.965	370.225
Sales to third parties	3.485.030	2.929.595
Total	3.598.995	3.299.819

5. Expense Analysis

The expenses are analyzed as follows:

	31.12.2022	31.12.2021
Remuneration and staff costs	1.654.539	1.842.235
Fees and expenses of third parties	1.087.282	635.317
Third party benefits	54.674	47.837
Depreciation of fixed assets	63.009	449.216
Taxes Fees	28.160	54.279
Other Expenses	475.135	125.070
Total	3.362.799	3.153.954

The distribution of costs, is as follows :

	31.12.2022	31.12.2021
Cost of sales	2.381.144	2.157.509
Distribution costs	246.718	310.681
General and Administrative expenses	243.534	302.583
Research Expenses	301.583	260.024
Total	3.172.979	3.030.797
Capitalized Expenses	189.820	123.157
Total	3.362.799	3.153.954

The number of personnel as at 31 December 2022 and 31 December 2021 are analyzed as follows:

	31.12.2022	31.12.2021
Number of personnel	20	21
Total cost	1.654.539	1.842.235

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:

	31.12.2022	31.12.2021
Gain/Loss before tax	482.652	371.383
Income tax calculated at the nominal applicable tax rate (2022: 25%, 2021: 26,5%)	120.663	98.416
Deferred tax due to tax rate change		(7.157)
Tax effect of non -taxable income	(10.873)	
Tax effect of non tax deductible expenses	(1.085)	5.451
Income taxes that reported in the Income Statement	108.705	96.710

Deferred tax accounts for the Company are analyzed as follows:

	31.12.2022	31.12.2021
Deferred tax liabilities	78.398	175.096
Total	78.398	175.096

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
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)
Net book value 31.12.2021	2.167	23.624	25.791
Net book value 31.12.2022	-	18.915	18.915

8. Intangible assets

The intangible assets are analyzed as follows:

	Development expenses	Purchased Software	Other intangible assets	Total
Balance 31.12.2020	1.760.898	36.256	426.472	2.223.626
Additions in period	123.157	1.251	-	124.408
Deductions in period	-	-	-	-
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
Accumulated depreciations 31.12.2020	(765.169)	(29.042)	(248.825)	(1.043.036)
Depreciations in period	(302.292)	(952)	(71.093)	(374.337)
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)
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

9. Trade receivables

The trade receivables of the Company are analyzed as follows:

	31.12.2022	31.12.2021
Accounts receivable to IC	89.622	317.853
Accounts receivable billed to 3rd Parties	439.580	438.956
Total	529.202	756.809

10. Other Receivables

The trade receivables of the Company are analyzed as follows:

	31.12.2022	31.12.2021
Prepaid Expenses	11.860	27.430
Accrued income receivable	30.882	333.031
Other debtors	121.598	109.974
Total	164.340	470.435

11. Cash and cash equivalents

The cash and cash equivalents are analyzed as follows:

	31.12.2022	31.12.2021
Cash on hand	-	4.299
Cash in banks	2.424.335	1.537.141
Total	2.424.335	1.541.440

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 31.12.2020	130.000	200.000	150.000
Share capital increase	-	-	-
Balance 31.12.2021	130.000	200.000	150.000
Share capital increase	-	-	-
Balance 31.12.2022	130.000	200.000	150.000

13. Trade & Other Payables

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

	31.12.2022	31.12.2021
Suppliers	346.372	79.711
Social Security and Other tax liabilities	177.997	407.905
Accrued expenses and interest payable	193.796	158.234
Deferred Revenue	972.737	730.850
Other liabilities	997	38.023
Total	1.691.899	1.414.723

14. Transactions with related parties

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

	Sales		Purchases	
Intercompany transactions	31.12.2022	31.12.2021	31.12.2022	31.12.2021
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	58.543	302.750	1.750	79.250
PROFILE SA	-	-	368.545	367.524
PROFILE SOFTWARE (UK) LTD	55.422	67.475	80.217	-
PROFILE TECHNOLOGIES SA	-	-	84.700	-
CENTEVO AB	-	-	317.520	-
Total	113.965	370.225	852.732	446.774

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	
Intercompany transactions	31.12.2022	31.12.2021	31.12.2022	31.12.2021
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	94.509	317.853	39.976	39.700
PROFILE SA	-	-	37.250	-
PROFILE SOFTWARE (UK) LTD	-	-	47.305	27.085
CENTEVO AB	-	-	317.520	-
Total	94.509	317.853	442.052	66.785

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 31.12.2021	268.845
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

16. Post Balance Sheet Events

- Three years after the outbreak of the pandemic Covid -19, it seems to be a decline in the phenomenon, given that there has been a universal lifting of restrictions and related health protocols and there is global optimism that within 2023 the virus will become endemic. The Management of the Company closely monitors the situation 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, the Company is not 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 2023.

With the exception of the above, there are no other post balance sheet events subsequent of 31st December 2022 that concern either the Company or the Group, and to which reference has to be made according to International Accounting Standards (IFRS).