SOFTIP®

Annual Report 2022

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Foreword of the Chairman of the Board of Directors

Usually, in my Annual Report foreword, I discuss the milestones we have achieved in the past year. This time, I'm going to be a little more personal and go back in time three decades.

In the first half of the 1990s, Microsoft was transitioning to 32-bit operating systems, and thanks to Apple, the touchpad became a standard part of laptops. Later on, polarizing filters, which we used to have on our monitors, gradually gained popularity. And when the first iMac arrived in 1998, I had already been at SOFTIP for four years.

Maybe there is a bit of nostalgia behind it. But most importantly, I want to point out the remarkable changes that have occurred in this sector throughout one person's career in IT. And not only that. The older I get, the quicker the pace of innovation becomes. Therefore, the development of a specific software tool can never be considered finished. One proof of this is that last year, our largest capitalised development project was the modernisation of our key product, SOFTIP PROFIT PLUS.

Yes, I must highlight that we have had the best year in the history of the company in terms of financial results. That is great. For me, however, the biggest success is our ability to keep up with the incredibly fast pace of technological progress, which translates into the changing demands and requirements of our customers. And of course, the company's key partners, which have long included global giants such as Microsoft and SAP.

This serves as further confirmation that our continuous innovation is crucial in maintaining our position as the leading provider of corporate IT services in Slovakia (as stated in Nextech) and enables us to thrive in international markets.

And it is this constant change that I enjoy about our business. It is also the answer to the question of why (as it is commonly said nowadays) "I didn't seek new challenges" and remained at SOFTIP for thirty years. The SOFTIP of 1994 is a completely different company compared to the one in 2022/2023. And it has to be. Because the world has transitioned from Windows 3.11 to technologies like ChatGPT* in an incredibly short span of time. Thanks to our exceptional team, I firmly believe that we will continue to keep pace with the rapid changes in the IT world.

* This text is still the work of a human :)

Dušan Guldan
Chairman of the Board of Directors and Executive Director

Company profile

Helping to better manage thousands of companies

Our products and services cover all key business processes from HR management to finance, production, logistics, through to IT services. Using our many years of experience we've become a reliable partner for large and small companies in different branches of the industry, for companies involved in service provision, retail, utilities, finance and public administration. We have successfully established ourselves on foreign markets.

We are developing our own solutions and tailor-made tools to meet the clients' requirements and we cooperate with global players in the field of enterprise process digitalization. Our products and services integrate the latest trends, such as cloud, artificial intelligence, Big Data or the Internet of Things (IoT).

Who we are

We are SOFTIP and we are one of the most important providers of IT products and services in Slovakia

We are the largest Slovak producer of Enterprise Resource Planning systems
For quite some time we have claimed the number one position in the Enterprise information system manufacturer category of the annual ERP market survey organised by the technology magazine NEXTECH.

A Microsoft technology leader in the CEE region
As a Microsoft Solutions Partner we have achieved the highest possible partnership level. For the fifth time we won the Microsoft Partner of the Year award, which Microsoft offers every year in recognition of its best partners in individual countries.

The most successful SAP Business One implementation partner
We have received multiple awards as the Best SAP Business One Partner in Slovakia. Our teams have implemented more than half of all the projects involving the world's most successful ERP system in the Slovak Republic.

An exceptional business in terms of Corporate Social Responsibility
For our engagement in corporate social responsibility, we have received the Outstanding Company of the Year 2019 award by TÜV SÜD in the Corporate Social Responsibility category.

History

1991

SOFTIP Ltd. foundation

On 26.3.1991 SOFTIP Ltd. Is founded in Banská Bystrica. Our software application for Payroll and Salaries is a huge success - in the very first year of our existence we have 223 contractual partners and 27 employees.

1994

Entry to Czech market

We successfully enter the Czech market of information systems for pension funds. We found our subsidiary in Prague.

1997

SOFTIP Ltd is transformed into a joint-stock company

2004

Quality Management System Certificate

We vindicate the Quality Management System Certificate according to ISO 9001:2000 for all company processes.

2005

Microsoft GOLD Partner

We meet the qualification requirements of the Microsoft Partner Programme as a gold competency partner.

2005

National Quality Award

We win this award for excellent results in the final of the Slovak National Quality Award competition in the category of large service providers.

2007

Start of the cooperation with SAP

We sign the partner contract on cooperation with the global leader in the field of enterprise information solutions – SAP

2012

PMK Invest entry

New stakeholders enter SOFTIP.

2013

Implementation of the Integrated Management System (IMS)

The quality management system according to ISO 9001:2008 is supplemented by four other management systems: the Information Security Management System, the Project Quality Management System, the Environmental Management System and the Occupational Health and Safety Management System.

2017

Acquisition of GT Systems 2

We further strengthen our position in the SME segment. By combining the SOFTIP and GT Systems 2 product portfolio, we create the most comprehensive offer of information systems for small and medium-sized enterprises.

2019

Award of Excellence

We won the 2019 Award of Excellence in the category of Corporate Social Responsibility.

SAP Gold Partner

We achieved the highest status under the SAP partner programme.

2020

Extension of the Integrated Management System (IMS)

We are adding three new areas of certification to our long-established management systems: the Anti-Corruption Management System, the Cloud Privacy Management System and compliance with the requirements of the GDPR.

2022

Microsoft Solutions Partner

In the new partner program, we get up to 5 designs out of 6, as the very first company in Slovakia and on the same day as Microsoft published the new terms and conditions.

Values

Our success is backed by the values we hold

Mission

To be the preferred and prospective partner of our customers, who are delivered added value by us for the realization of their enterprise objectives and an increase in their competitiveness.

Vision

- To maintain a position as a significant and recognised company on the Slovak market and one of the IT market leaders;
- To represent a key partner for our customers while delivering continuous added value and quality;
- To belong to significant and preferred providers of services and solutions for public administration;
- To be a company with a modern and transparent structure;
- To win important and large projects in cooperation with partners;
- To be a company with a correct communication and socially responsible business;
- To be an attractive and prospective employer.

Strategy

- To secure the long-term prosperity and stability of the company;
- To clearly and simply focus on the existing customer base at the company and its expansion;
- To build, reinforce and expand relationships with customers and partner companies;
- To expand the scope and quality of provided services with emphasis on support for current and new products;
- To apply a human resources policy with emphasis on increasing the qualifications and personal connection of company employees to company business;
- To meet the expectations of shareholders and provide them with added value.

Values

Corporate Policy

Management of the Company is committed to follow the following principles of Integrated Management System:

Being a key and a credible partner for their clients and stakeholders, constantly bringing added value, stability and quality based on the principles of ethical, transparent and anti-corruption behaviour.

Build the reputation of the company and reinforce the position of a preferred IT service and solutions provider in Slovakia and abroad. Build strong relationships with our strategic partners and external providers based on mutual trust, joint anti-corruption efforts and high quality of the provided products and services. Achieve the company targets jointly.

Constantly improve the professional skills and competences of our employees and support their personal development through an efficient system of training and process and project management. Raise awareness of Anti-corruption policies and reinforce the trust between management and employees.

Constantly improve the Integrated Management System in consideration of the identified internal and external factors and expectations of the relevant stakeholders in connection with the applicable requirements of ISO 9001, ISO 10006, ISO 14001, ISO 45001, ISO 37001, ISO/IEC 27001, ISO/IEC 27018, ISO/IEC 20000-1, and the EU's General Data Protection Regulation (GDPR).

Constantly improve the business processes by using an efficient risk management system, taking opportunities to evolve our company, improve customer satisfaction with the provided products and services and achieve excellence when it comes to anti-corruption, transparent and ethical behaviour.

Provide the best possible protection of confidential information and personal data by raising awareness of security issues among the employees and relevant stakeholders in compliance with the deployed Information Security Management System, the GDPR and the Act No. 18/2018 Coll. on Personal Data Protection.

Achieve excellence in terms of occupational health and safety management. Prevent incidents and raise awareness of OHS issues among the employees and relevant stakeholders.

Constantly improve the environmental protection policies of the company by reducing its negative impact on its surroundings and raising awareness of environmental issues among the employees and other relevant stakeholders.

Comply with the applicable legal regulations and other regulatory requirements pertaining to the company's activities and the provided products and services.

Management systems

We have bult-in Integrated Management System

The Integrated Management System was certified by the renowned TÜV SÜD Slovakia certification company.

SOFTIP successfully met all conditions and requirements of the certification, approving its responsible attitudes towards environmental issues and employees´ health, as well as information security and access control.

SOFTIP is also bound to apply the latest techniques for effective system and process management. The built-in Integrated Management System entitles SOFTIP to be considered the responsible company providing the highest added value for its customers.

ISO 9001
Quality Management System

ISO 10006
Guidelines for quality management in projects

ISO 14001
Environmental Management System

ISO/IEC 20000-1
IT Service Management System

ISO/IEC 27001
Information Security Management System

ISO/IEC 27018
Management system of personal data protection in the cloud

ISO 37001
Anti-corruption management system

ISO 45001
Occupational Health and Safety Assessment System

GDPR
General Data Protection Regulation

Company structure

Shareholder Structure

OWNER:	PMK Invest, s.r.o., Krasovského 14, 851 01 Bratislava – mestská časť Petržalka Company Reg. No.: 36 801 267
NOMINAL VALUE OF SHARES IN EUR:	33,193.92 EUR
PERCENTAGE SHARE IN THE BASIC CAPITAL:	100.00 %

Capital participation

COMPANY	SHARE CAPITAL	PERCENTAGE SHARE IN THE BASIC CAPITAL
Sysklass CZ, s.r.o.	264,000.00 CZK	100.00 %

The Company has no organizational entity abroad.

In 2022, we did not acquire any own shares, own temporary stocks, or temporary stocks or trading shares of our parent accounting unit.

Our team

Board of Directors

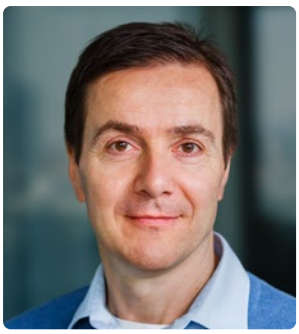
Dušan Guldan
Chairman of the Board of Directors, Executive Director and ESS Division Director

Radovan Bálent
Member of the Board of Directors and SME Division Director

Martin Vlčko
Member of the Board of Directors and Finance Director

Management

Ján Schwarz
Technical Director and CES Division Director



Marek Sedliak
Innovations Director and ESS Division Sales Director

Miroslav Tobiáš
SME Division Sales Director

Marián Baranovič
ESS and SME Divisions Operations Director

Patrik Nota
CES Division Operations Director

Supervisory Board

Supervisory Board at 31 December 2022

Jozef Mokrý
Chairman of the Board of Trustees

Peter Kotuliak
Member of the Board of Trustees

Roman Nahálka
member of the Supervisory Board (term of office ended after five years on 5 May 2023)

Supervisory Board from 6 May 2023

Jozef Mokrý
Chairman of the Board of Trustees

Peter Kotuliak
Member of the Board of Trustees

Marek Krivosudský
member of the Supervisory Board (elected by the employees on 4 April 2023)

Organisational structure

3 divisions, countless possibilities

In terms of organisational structure, SOFTIP is divided into 3 divisions and central support units.

The youngest division, Cloud Enterprise Solutions (CES), was established on 1 January 2022, through the transformation of the Infrastructure Competence Centre, previously a part of the Small and Medium Enterprises (SME) division. The purpose of this transformation was to foster the development of our competencies in this area within the newly formed CES division.

Competence centers also operate within the divisions in relation to individual product lines or service segments with the aim of concentrating unique knowledge or employees' relationship to the given products and services, and thus creating ideal conditions for their further development.

CES Division

Cloud Enterprise Solutions

Provides infrastructure and cloud services, hardware deliveries and support for completed projects. It covers the knowledge competence and the sales of Microsoft solutions.

ESS Division

Enterprise Solutions and Services

Designs and implements specialized systems matching the specific requirements of clients, characterized above all by their uniqueness.

SME Division

Small and Medium Enterprises

Implements custom ERP solutions, HR systems and partner SAP solutions with numerous add-ons. It also provides a complex customer support through the Call Centre, Helpdesk, and Remote support.

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Organisational structure

Simplified organisational structure of SOFTIP

Executive Director

CES Division	ESS Division	SME Division	Finance Director	Technical Director	Innovations Director
Sales Operations	Sales Operations	Sales Operations	Corporate Affairs & IMS Finance and Office Management Human Resources Marketing Internal Systems		

The Executive Director is directly responsible for the individual organisational bodies of the company its internal organisation, such as the Integrated Management System Officer, Security Manager, Data Protection Officer, SMS Manager and the Anti-Corruption Manager.

CES Division Competence Centres	ESS Division Competence Centres	SME Division Competence Centres
CES Services CES Support Divisional Overhead	GARANT SAP ERP ESS Service PROFIT Service Divisional Overhead	HAPPY HR MIS Support PROFIT Cool SAP B1 Implementation SAP B1 Support Service Production Divisional Overhead

Main events of 2022

May

We organised the 4th annual SOFTIP HR DAY conference

On 25 May 2022, we welcomed over 120 participants to the SOFTIP HR DAY conference at the Hotel Kaskády, focusing on practical HR insights rather than unnecessary theory. The 4th edition of the conference focused on HR management in times of crisis and provided valuable practical inspiration for everyday HR work. The panel discussion on the topic "A period of uncertainty and stress and the role of HR management in overcoming it" was also well received by the audience.

June

We defended our number one position in Slovakia

As shown by the ERP market research conducted by the editorial office of the technology magazine NEXTECH, SOFTIP once again defended its title as the largest Slovak producer of enterprise information systems. In this survey, SOFTIP repeatedly ranked first, when in 2021, its revenue from the sale of ERP licences and services amounted to EUR 13.5 million.

We won the Microsoft Partner of the Year 2022 award

By winning the fifth Microsoft Partner of the Year title, SOFTIP reaffirmed its strong position in the Microsoft partner ecosystem, which reflects our commitment to embracing the cloud-first vision and aligning our business philosophy accordingly. We were among the early adopters of all the major Microsoft cloud technologies, and we remain dedicated to delivering the advantages of these technologies to our customers.

July

We won the SAP Business One partner award in the V4 region

We achieved success in the evaluation of all SAP Business One implementation partners in Slovakia, Poland, Hungary, and the Czech Republic. We emerged victorious in the SAP Business One Net New Names category, which recognises the number of new customers acquired for this comprehensive solution designed for small and medium-sized enterprises in the Visegrad Four countries..

October

We have been awarded the title of Microsoft Solutions Partner

Effective 3 October 2022, Microsoft has implemented stricter conditions for companies to qualify for the partner program. As a result, Microsoft has simplified the process of selecting an appropriate IT solutions provider for its customers while also significantly raising the expectations for the quality of partners, not only in Slovakia but also globally. SOFTIP was among the suppliers that successfully met the new criteria from day one, making it the first company in Slovakia to do so.

Slovak ERP market

We belong to the leading ERP companies in Slovakia

In June 2023, NEXTECH magazine conducted a survey of the sale of enterprise information systems (ERP) on the Slovak market.

The survey covered suppliers who offer their products in Slovakia ranging from accounting management and payroll processing solutions for small companies, to comprehensive economic information systems for large customers including related services.

The survey involved 17 Slovak manufacturers and suppliers of local business information systems, as well as Slovak representations of foreign suppliers of large ERP solutions. Some Slovak branches of global companies (such as SAP) could not provide data related to the Slovak market due to internal policies.

In the survey, SOFTIP repeatedly vindicated its leadership position in the Slovak ERP market when it achieved total revenues of EUR 15.9 million in 2022 from the sale of licenses and services related to ERP solutions. The largest share was made up of revenues from the sale of services related to ERP solutions in the amount of EUR 15 million.

ERP systems licencing and services sales revenues in 2022 in EUR

Company	Revenues from the sales of licences related to ERP systems	Revenues from the sales of services related to ERP systems	Total
26HOUSE	142,000 €	1,485,025 €	1,627,025 €
ABRA Software	814,000 €	601,000 €	1,415,000 €
ANASOFT APR	1,350,000 €	750,000 €	2,100,000 €
Asseco Solutions	1,458,527 €	10,538,320 €	11,996,847 €
Compeko	76,000 €	32,000 €	108,000 €
Control Informatika SR	1,087,000 €	1,739,000 €	2,826,000 €
FLOWii	375,000 €		375,000 €
HT Solution	331,716 €	1,521,042 €	1,852,758 €
InfoConsulting Slovakia			- €
KARAT Sofware			- €
KROS	1,770,000 €	11,600,000 €	13,370,000 €
Minerva Slovensko	175,202 €	940,000 €	1,115,202 €
QI GROUP SLOVAKIA	560,000 €		560,000 €
Seyfor Slovensko	693,925 €	6,975,620 €	7,669,545 €
SOFTIP	**922,916 €**	**14,952,607 €**	**15,875,523 €**
SunSoft plus	194,380 €	495,850 €	690,230 €
Tangram SW	45,000 €	240,400 €	285,400 €
Total	**9,995,666 €**	**51,870,864 €**	**61,866 530 €**

Source: NEXTECH (June 2023)

Global IT market developments

In 2023, the global IT market will increase by 5.5 %

Gartner analysts estimate that global IT spending will total USD 4.6 trillion in 2023, up 5.5 % from 2022. This estimate is based on their updated prognosis released in April 2023.

According to the report, IT spending is expected to experience growth in all regions of the world in 2023, despite the ongoing global economic turmoil. The software segment is projected to be the top performer, with anticipated double-digit growth attributed to cost optimisation and digital transformation initiatives.

IT services are expected to maintain their growth momentum in 2024, primarily driven by a shift in spending towards cloud-based solutions. Conversely, equipment is anticipated to decline by nearly 5 % as consumers delay their purchases due to reduced purchasing power and diminished motivation to buy.

Gartner further predicts that by 2026, approximately 75 % of organisations will embrace a digital transformation model built on the cloud as the foundational platform. They expect global cloud spending to increase by 21.7 % in 2023. Infrastructure-as-a-Service (IaaS) spending is expected to see the largest increase, followed by Platform-as-a-Service (PaaS).

Worldwide IT Spending Forecast (Millions of U.S. Dollars)

Segment	2022 Spending	2022 Growth	2023 Spending	2023 Growth	2024 Spending	2024 Growth
Data centers	216.095	13.7 %	224.123	3.7 %	237.790	6.1 %
Devices	717.048	-10.7 %	684.342	-4.6 %	759.331	11.0 %
Software	793.839	8.8 %	891.386	12.3 %	1,007.769	13.1 %
IT services	1,250.224	3.5 %	1,364.106	9.1 %	1,502.759	10.2 %
Communication services	1,424.603	-1.8 %	1,479.671	3.9 %	1,536.156	3.8 %
Total	**4,401.809**	**0.5 %**	**5,643.628**	**5.5 %**	**5,043.805**	**8.6 %**

Source: Gartner (April 2023)

Product portfolio

We have the most comprehensive portfolio of IT products and services

We have a solution for every area of your business.

We know the specifics and peculiarities of individual segments and related processes. A broad portfolio of our own solutions is complemented by the top products resulted from strategic partnerships with Microsoft and SAP. We develop all the solutions to meet individual needs of each customer. Except for the ERP systems, we design IT infrastructure, implement custom products and solutions and provide complex IT services and consultations. The scope of our services makes us a Slovak IT market leader.

ERP systems

An Enterprise Resource Planning system focused on the area of production, logistics, distribution, supplies, invoicing and accounting concerning companies of all size

SOFTIP PROFIT Plus
The most popular Slovak ERP system

SAP Business One
Globally widest ERP system for small and medium-sized enterprises

SAP ERP
An ERP system with a high segment specification for medium-sized and large companies

KEEPI – Cloud by SOFTIP
Online accounting for sole-traders with the basic functionality provided free of charge

HR systems

An information system for HR management from staff recruitment and selection, their adaptation, development, education to assessment and remuneration

SOFTIP HR Plus
The most popular information system for salary and wage processing

SOFTIP Happy HR
An upgraded web application for modern HR management

SOFTIP Attendance Systems
An intelligent solution to register staff attendance

Production systems

The most complex offer of solutions within production enterprises operating in different industrial segments

SOFTIP Production
A complex information system for planning and managing custom-made production

SOFTIP Monaco
A next generation information system for technical documentation

SOFTIP AddOn Production
SAP Business One AddOn application for production register and management

Product portfolio

Customer IS

Complex and unique solutions and products covering the most specific customer requirements

SOFTIP Audit
Complex planning and processing of internal audits in line with EN ISO 19011:2011

SOFTIP Author Royalties
An information system for calculating author and artist royalties

SOFTIP BI
A custom-made management information system

SOFTIP EVO
Information system for electronic public procurement

SOFTIP EZO
An information system for recording contracts and orders

SOFTIP FRP
An information system for project financial management

SOFTIP Garant
A group of products focused on supporting pension company performance and management

SOFTIP HR Portal
Information system for modern Human Resources management

SOFTIP Consolidation
An IS for fast and repeated setting of consolidation package

SOFTIP Aerial Monitoring
Unmanned research, monitoring, surveillance and processing of scanned data

SOFTIP Receivables
Information system for registration and management of receivables

SOFTIP Insurance
An information system to manage the processing of insurance events in companies

SOFTIP Commisions
IS for registration and management of the network of traders and intermediaries

SOFTIP SimBiz
An economic simulation game focused on teaching economic praxis

Cloud Solutions

Cutting-edge cloud solutions with the guarantee of the best service from an experienced Microsoft Cloud Solution Provider

Security
Intelligent tools to secure enterprise IT processes

Microsoft Azure
Flexible cloud platform for the modern company focusing on operational efficiency

Modern Workplace
Collaboration, communication, and data sharing tools

Power Platform
Data analysis and enterprise process automation applications

Service Level Agreement
Repeated provision of tailored services in the agreed quality and scope

Cloud Solution Provider
Simple licensing of Microsoft cloud services with a support of its top partner

Services

The widest IT service portfolio in Slovakia covering all needs in the IT area

IT Development Concept
IT strategy created in cooperation with experts

Service Outsourcing
Personnel and salary outsourcing, e.i. outsourcing in the IT area

Maintenance and service
A wide spectre of professional services from Audit to Back-up

Software House
Custom software development, including follow-up support and care

Trainings
Legislative seminars, trainings on SOFTIP applications, individual education

Support

We offer a service you can rely on

Our customers have the opportunity to establish a long-term relationship with us via contract on Service Level Agreement (SLA – Service Level Agreement).

It is a repeated provision of service in agreed quality and size. From the point of view of a customer a tailor-made SLA can be perceived as an additional service with an added value related to the usually provided service.

Call Centre

Need expert advice on our applications? We provide immediate telephone consultation with an expert for all applications you use at the phone numbers listed in the Customer zone at www.softip.sk. Call Centre is available every working day from 8:00 A.M. till 16:00 P.M.

Helpdesk

You can find updated current information on software products, including the possibility to download a new version and related auxiliary documentation at cpz.softip.sk. Here, you can also register your problem or a question on the software you use, as well as to monitor the solution status. All SOFTIP customers can become the CPZ users when they fill in a registration form.

Information about the change of Call Centre phone numbers

Due to a change in the communication interface, telephone support via the number 048/4358 600 has been discontinued. From 9 January 2023 to 15 February 2023, the Call Centre line was gradually replaced by the new phone numbers listed at www.softip.sk in the Customer Zone section.

Service line

Are you interested in the services of our expert consultants? In the Customer zone at www.softip.sk you will find both a service line telephone number and an e-mail address where you can order service intervention by our consultants, including Remote Customer Support services. The service line is available every working day from 8:00 A.M till 16:00 P.M.

Remote Support

A remote support allows our customers to use all services provided by our consultants in the shortest time possible via remote access (Go To Assist –GTA). For entering the Application you need a user code provided by a SOFTIP professional.

Interesting projects in 2022

Curium

Equipment management in the company

The name "Curium" pays homage to the pioneering work of Marie and Pierre Curie, esteemed researchers in the field of radioactivity, after whom the radioactive element curium was named. Today, Curium provides life-saving diagnostics to more than 14 million patients each year. Curium harnesses the unique expertise and potential of nuclear medicine. This unique service is supported by a network of 200 servers and 2,500 workstations, which we manage to ensure their optimal condition, functionality, and the use of up-to-date versions of production applications and operating systems. We also offer global support services for central Microsoft SCCM and Intune solutions, ensuring 24/7 availability for our clients.

K O F T

Management Information System in your mobile phone

K O F T has been actively involved in the distribution and marketing support of premium alcohol brands on the Slovak market for over 30 years. The implementation of a customised management information system for the company's management provides valuable insights and information regarding the sales of goods. The reports enable the evaluation of sales based on manufacturers, brands, customers, and other relevant attributes. The solution saves time in report preparation and analysis, while ensuring consistent information from a centralised source for all users. The utilisation of Microsoft Power BI technology enables managers to access reports via mobile devices.

CHEMOSVIT Group

Comprehensive HR system SOFTIP HR PLUS & SOFTIP HAPPY HR

The CHEMOSVIT Group comprises a total of 12 companies specialising in the production, refining, and sale of flexible films for packaging and other purposes. We have successfully implemented the comprehensive information system, SOFTIP HR PLUS, and SOFTIP HAPPY HR in each of the companies within the CHEMOSVIT Group. The implementation has brought a reliable solution for HR and payroll processing, including the customisation and refinement of specific customer requirements. It has also improved transparency in the employee training process and provided a user-friendly portal for employees of each individual company within the CHEMOSVIT Group. Simultaneously, the HR management of the CHEMOSVIT Group has access to relevant data from each individual company, as well as selected aggregated data from all companies.

Waste management and waste disposal

Extending HR capabilities by using the SOFTIP HAPPY HR application

The Bratislava municipal company, Odvoz a likvidácia odpadu (OLO), plays an essential role in the comprehensive waste management of the capital city. In addition to its primary activity, which involves the collection, removal, and energy recovery of municipal waste, OLO also offers a range of additional services. In this dynamic company with diverse activities across various departments, we have implemented the SOFTIP HAPPY HR application to streamline processes related to organisational structure, assessing job occupancy, as well as managing employee training and mandatory medical examinations.

The implementation of SOFTIP HAPPY HR also introduced the capability for automated generation of email notifications to managers regarding important deadlines. The application offers instant, online access to data for authorised individuals throughout the entire company.

Prvá stavebná sporiteľňa

Modernisation of "MONK" communication tools

PSS assists nearly 2.5 million Slovaks in acquiring improved housing options. Currently, the bank serves over half a million clients who actively save with them. We assisted PSS in the transition to the Microsoft 365 cloud environment. The solution also involved implementing and enhancing security measures through the configuration of DLP, Labeling, MFA, Intune, and other Microsoft 365 services. A significant security enhancement was achieved by connecting Microsoft 365 data sources to the PSS SIEM solution. All of these activities have been carried out in compliance with the regulatory requirements imposed on PSS, in partnership with Orbit.

TATRA TRUCKS

Implementation of the SOFTIP MONACO PLM system

TATRA TRUCKS, a renowned Czech industrial brand and manufacturer of heavy trucks, has made the decision to replace the Sysklass system with the new PLM system – SOFTIP MONACO. The implementation ensured the preservation of the company's know-how by fully migrating the historical data from the TPV database. The deployment of the new comprehensive solution has optimised the processes of the technical office, resulting in the accelerated creation of technical documentation for custom vehicles. It has also increased efficiency and streamlined processes throughout the organisation.

TuCon

Process digitisation using the Microsoft 365 platform

TuCon is a construction company specialising in a wide range of underground and civil engineering works, including water management projects. We assisted this prominent leader in underground construction in digitalising selected processes by leveraging the Microsoft 365 platform. The solution encompassed various components, including a company intranet, DMS, comprehensive contract management, leave and absence approval system, as well as allocation and registration of personal protective equipment (PPE).

Strategic partners

We closely cooperate with many of the leading global IT providers

SOFTIP is one of the first global Microsoft partners with Microsoft Solutions Partner status. In the new partner program, we received up to 5 designs out of six possible, as the very first company in Slovakia and on the same day as Microsoft published the new terms and conditions.

Currently, we are the only partner on the market that can cover the entire lifecycle of a solution based on Microsoft Cloud services (from Microsoft Azure through Microsoft 365 to Security).

As a Cloud Solutions Provider, we also provide customers with comprehensive licensing of Microsoft products and services, including the professional support that this licensing program includes.

In 2022, we were honoured to receive the Microsoft Partner of the Year title for the fifth time. With this exceptional award, which positions us among the top Microsoft partners globally, we have reaffirmed our strong standing within the partner ecosystem of this global leader.

In a statement, Microsoft recognised our leadership in cloud deployment and described us as a role model and ambassador for their innovative technologies. Microsoft also commended our continuous investment in the development of our own competencies and personnel.

We have received multiple awards as the Best SAP Business One Partner; SOFTIP is also the largest and most successful implementation partner for this solution in Slovakia. Our specialist consultants were involved in more than half of all SAP Business One implementations in Slovakia. And we also do business abroad in the Czech Republic, Poland, Hungary, Ukraine, and even in Hong Kong.

In 2022, we accomplished another significant achievement, being awarded the best SAP Business One implementation partner in Slovakia, Poland, Hungary, and the Czech Republic. We won in the SAP Business One Net New Names category, which tracks the number of new customers of this complex solution for small and medium enterprises in the V4 region.

Other strategic partners

A list of all partners is published at www.softip.sk

Customers

Our customers' satisfaction comes first

Retail and Services
AGGLU SK, AIR CARGO GLOBAL, Amberg Engineering Slovakia, ARVAL SLOVAKIA, ASBIS SK, ATENA - PERSONAL CONSULTING, Direct Parcel Distribution CZ, Direct Parcel Distribution SK, FORTUNA SK, Fresenius Medical Care Slovensko, INDEX NOSLUŠ, KOSIT, KPMG Slovensko Advisory, Manuvia, Medirex Servis, MEDITRADE, MEDUSA GROUP, Odvoz a likvidácia odpadu, Slovenská autobusová doprava Dunajská Streda, Slovenská autobusová doprava Trenčín, Slovenská autobusová doprava Žilina, Trenkwalder

Industry
2J Antennas, ATTACK, Auguste Cryogenics Slovakia, Baliarne obchodu Poprad, Berndorf Sandrik, BETAMONT, Curium, Danfoss Power Solutions, Deutsche Telekom Systems Solutions Slovakia, ELBA, ENPAY TRANSFORMER COMPONENTS, europlac, Heineken Slovensko, Chemosvit, IKEA Industry Slovakia, Illichmann Castalloy, Klauke Slovakia, KLAUKE UK, Letecké opravovne Trenčín, Liberty Ostrava, linea – D, LOKO TRANS Slovakia, MERCHYOU, Metsa Tissue Slovakia, MATADOR HOLDING, MEDIN, MH Teplárenský podnik, Novoplast, O2 Slovakia, OMNIA KLF, Pivovar STEIGER, Považská cementáreň, RKS Trenčín, QUILTEX, SHP Harmanec, SL SLOVAKIA, Slovalco, STAROPRAMEN-SLOVAKIA, STAVEX Nitra, TATRA TRUCKS, TESLA STROPKOV, TuCon, U. S. Steel Košice, VIPO, WAY INDUSTRIES, Witzenmann Slovakia, ZF Slovakia

State and Public Administration
GENERÁLNA PROKURATÚRA SR, LESY SR, Mesto Banská Bystrica, Ministerstvo kultúry Slovenskej republiky, Ministerstvo životného prostredia Slovenskej republiky, Národná agentúra pre sieťové a elektronické služby, Národná zoologická záhrada Bojnice, Slovenská agentúra životného prostredia, Slovenská akadémia vied, Slovenská inovačná a energetická agentúra, Slovenská pošta, Slovenská zdravotnícka univerzita v Bratislave, Slovenské národné múzeum, Štatistický úrad Slovenskej republiky, Štátna ochrana prírody Slovenskej republiky, Úrad pre dohľad nad zdravotnou starostlivosťou, Úrad pre verejné obstarávanie, Ústredie práce, sociálnych vecí a rodiny

Utilities
Podtatranská vodárenská spoločnosť, Severoslovenské vodárne a kanalizácie, SLOVENSKÝ VODOHOSPODÁRSKY PODNIK, Stredoslovenská vodárenská prevádzková spoločnosť, Trenčianske vodárne a kanalizácie, Východoslovenská energetika Holding, Západoslovenská vodárenská spoločnosť

Finance
Conseq penzijní společnost, DÔVERA zdravotná poisťovňa, Erste Group, KB Penzijní společnost, NOVIS Poisťovňa, Slovenská sporiteľňa, OVB Allfinanz Slovensko, PB Finančné služby, Prvá stavebná sporiteľňa, Union poisťovňa, Union zdravotná poisťovňa, Všeobecná úverová banka

Wholesale and Retail
COOP Jednota, BILLA, dm drogerie markt, IKEA Components, K O F T, LORIKA Slovakia, MABO, MEDITRADE, NITRAZDROJ, PHOENIX Zdravotnícke zásobovanie, SLOVWOOD Ružomberok

Healthcare
Detská fakultná nemocnica s poliklinikou Banská Bystrica, DÔVERA zdravotná poisťovňa, Svet zdravia, Univerzitná nemocnica Martin, Ústredná vojenská nemocnica SNP Ružomberok, Železničné zdravotníctvo Košice

Communications about our company's operations

Building a strong and distinctive SOFTIP brand and raising awareness of the extensive portfolio of our products and services are the two main paths followed by our marketing communications.

Online communication

The main source of information about SOFTIP, its product portfolio, and the latest news is the website www.softip.sk. We consistently support its traffic through a year-round online campaign, which aims to showcase our products and services using various digital formats. Additionally, we engage in communication and promotion through social networks.

Currently, we have more than 3,100 followers on Facebook and over 1,050 followers on LinkedIn. The SOFTIP YouTube channel has over 450 subscribers. Starting from the beginning of 2023, we have decided to gradually reduce communication through the SOFTIP corporate profile on Twitter due to its limited reach in Slovakia.

We engage with our current and potential customers through our monthly electronic newsletter called SOFTIP NEWS. This newsletter contains an overview of the most interesting articles of the past month. In 2022, SOFTIP NEWS was opened by an average of nearly 2,500 readers per month.

Events and activities

Professional events, conferences, and informal gatherings throughout the year for our current and potential clients are integral to our marketing efforts.

In addition to live events, we continue to organise online workshops and webinars. After more than two years of the pandemic, participants have grown accustomed to and in many cases prefer these virtual events as a convenient option.

The January legislative seminars for customers of our information systems were also conducted in a virtual format in 2022. More than 500 customers actively participated in the thirteen online sessions, in which they gained valuable insights into topics such as annual financial statements in the SOFTIP PROFIT PLUS information system and annual payroll statements in SOFTIP HR PLUS. These sessions also provided us with numerous practical and inspiring ideas for product innovations.

Undoubtedly, our most significant in-person event was the 4th edition of the SOFTIP HR DAY professional conference, which took place on 25 May 2022 at the Hotel Kaskády in Sliač. After a two-year pandemic break, the conference welcomed over 120 HR managers and professionals. Its main topics were the computerisation of HR processes, human resources management in times of crisis, and the challenges associated with employees returning to the workplace.

We also maintained our tradition of hosting in-person professional events for IT professionals. On the 8th and 9th of June 2022, in collaboration with Microsoft and Veeam, we successfully organised a Microsoft Security Immersion Workshop at Hotel Zochova Chata near Modra. Our experts effectively demonstrated to over sixty participants how to leverage the full potential of Microsoft 365 to enhance security measures. There were also live demonstrations of security threats and examples of the methods to prevent them.

Marketing communications

We also organised a number of smaller events in the form of partner days for customers of various target groups, as well as online webinars and workshops.

As a partner, we actively participated in the international professional conference CADforum, which took place on 13 September 2022 at the NH Collection Hotel in Olomouc. The conference centred around the practical applications of CAD/CAM, BIM, and PDM solutions.

As a Community Partner we have provided support for various GOPAS conferences, including Power BI Day, TechEd, HackerFest, and JAVA Days.

Internal communication

In 2022, we prioritised the further development of our intranet on the Microsoft SharePoint platform and extended support for teamwork within the Microsoft Teams environment. We utilised these platforms to introduce individual competence centres and new colleagues internally, among other activities, as part of our inter-company communication efforts.

Regular meetings are conducted to present the current developments in the company, its strategy, and future plans to employees.

After a pause due to the pandemic, we have reinstated the tradition of hosting summer and winter company-wide staff meetings. These gatherings not only feature a professional programme, but also provide an ideal setting for informal conversations with the company's management and shareholders. The tourism-themed summer SOFTIP MEETING, known as "TATRA TOURING," took place on the 16th and 17th of June 2022 at Hotel Patria in Štrbské Pleso.

In the same location, on the 16th and 17th of December 2022, we organised a winter SOFTIP MEETING with the subtitle "With SOFTIP in the Mountains".

As part of the company-wide meeting, the results of the internal SOFTIP AWARDS competition were announced. This competition involves employees voting to determine the winners in categories such as 'Personality of the Year' and 'Project of the Year'.

The SOFTIP Personality of the Year 2021 was **Tomáš Koleda**, a Zvolen native, father, husband, cyclist, and, most importantly, the head of the SOFTIP GARANT Competence Centre.

The award for the Best Project of 2021 was granted to the **Migration of the largest private network of hospitals and clinics to Microsoft Azure**. Following last year's victory in the prestigious Microsoft Awards competition, the ProCare and Svet zdravia customer project has achieved another success by garnering the most support and sympathies among the employees of SOFTIP.

Corporate Social Responsibility

Believing in good, doing good

Environmental protection, increasing the quality of education and improving the health and quality of life. These are the main areas we have been working on for a long time at SOFTIP and we want to actively participate in their positive change.

Thinking of the people of Ukraine

We deeply empathise with the people who are at risk due to the military attack on Ukraine. In immediate response to the events in February, we strongly condemned the military aggression and stood in solidarity with our eastern neighbours, joining the wave of support. We provided financial assistance of EUR 5,000 to the non-profit organisation **Človek v ohrození**, which has been working in Ukraine for a long time.

Respecting human diversity, promoting uniqueness

We have continued to foster and develop our long-term partnerships with various NGOs. We deeply appreciate the selfless work of these organisations, and we make an effort to actively support them to the best of our abilities.

Once again, on 21 March, we encouraged our employees to participate in the "sock challenge" to commemorate the World Down Syndrome Day. In addition to the symbolic expression of solidarity for individuals with Down syndrome through wearing mismatched socks, SOFTIP also provided financial support of EUR 1,000 to the **Down Syndrome Society in Slovakia** (DSS) to assist in their activities.

In collaboration with the DSS, we organised a charity Christmas stand at the year-end company-wide SOFTIP MEETING of all employees in Štrbské Pleso Through product sales and voluntary contributions from our colleagues, we managed to raise an impressive amount of EUR 2,557.

Together with the financial contribution from SOFTIP, which doubled the total amount raised, a combined sum of over EUR 5,000 was donated to provide assistance and support to children with Down syndrome.

We support sports talents

For the second consecutive year, the traditional **SOFTIP Three Kings Night Run** was postponed due to the global pandemic. The track, which is 5,390 metres long, winding through the streets of Banská Bystrica, attracted nearly 900 participants to the starting line during the rescheduled event in March.

We inspire to donate blood

On Friday, 7 October 2022, in collaboration with the National Transfusion Service of the Slovak Republic and other partners, we successfully organised the 7th edition of **SOFTIP Kvapka krvi (SOFTIP Drop of Blood)**. This year, the event returned to the traditional format at the Europa SC shopping centre in Banská Bystrica after two years of being held remotely. Over the course of the seven years since the event's establishment, a remarkable 30 donors have exceeded the milestone of donating more than one hundred litres of blood.

Helping people in difficult life situations

Winter is the hardest time for homeless people. On **#GivingTuesday**, we initiated a collection drive among our employees for clothing, food, and hygiene products to assist those in need. Under the auspices of the Slovak Red Cross, we handed over two cars full of aid to the Ivan Šediba Social and Charity Centre in Banská Bystrica.

By allocating **2 % of our 2022 tax**, we provided support to civic associations and non-profit organisations nominated by our employees. These organisations primarily focus on assisting individuals facing challenging life circumstances. SOFTIP divided its 2 % among the following beneficiaries:

- Aspidistra O.Z. to help Rebeka with a congenital genetic syndrome,
- Centrum včasnej intervencie Košice, n. o. to help families with children with disabilities,
- Dúhové deti to help Silvinka who is facing multiple diagnoses,
- LIONS CLUB LEA for the rehabilitation of premature baby Miška,
- Pro Futura Foundation to help Martinko with a rare genetic syndrome,
- Civic Association UNITUM for summer camps for children in Zvolenska Slatina
- OTUS – self-defence academy for violence prevention,
- Pre krajší život Tomáška – for the rehabilitation of premature baby Tomáško,
- SAMIK, an organisation dedicated to the creation and presentation of spiritual and cultural values,
- SVETIELKO NÁDEJE to support children with oncological diseases,
- Association to help people with mental disabilities in Nové Zámky.

Environmental activities

We strive to operate in harmony with nature

We meet the highest standards

The Environmental Management System (EN ISO 14 001) has been part of the SOFTIP Integrated Management System (IMS) for several years. Even though our negative impact on the environment is minimal, we evaluate the environmental aspects of our activities every year and take measures to reduce their impact.

Minimising waste

We try to minimise the waste that we create and we separate the waste at all workplaces. To create stronger motivation of our colleagues, we have removed the trash bins from beneath desks.

We take care of the sustainability of promotional items

When choosing merchandise, we always take their environmental impact into account. We are mindful of sustainability and prefer local manufacturers. We strive not to produce waste and we choose practical gifts which the gift recipient can use for a long time.

We save paper and toner

By taking a conscious approach to printing, we have reduced our toner and paper consumption. Furthermore, when we do have to print something, for example, because we are required to do so by law, we use eco-labelled paper.

We electronize processes

We have made many of our processes electronic. Internally, we use our own applications – such as SOFTIP HAPPY HR, which enables the paperless approvals of holidays and educational activities – to help reduce our paper consumption.

We send e-invoices

In relation to our customers, we strive to promote electronic invoicing, which undoubtedly has a positive impact on the efficient use of natural resources. That is why we have implemented e-invoicing in our information systems and customer solutions.

We prefer electronic signature

In 2022, we successfully implemented a process for electronically signing selected business contracts with our customers. This eliminated the need for printing and mailing the contracts, and instead enabled us to store them solely in digital form within a digital archive. In the upcoming years, our goal is to expand the use of electronic signatures to encompass various other types of documents. Our aim is to replace physical signatures on paper with electronic signatures in accordance with the relevant legislation.

Environmental activities

We are Paperless

Towards the end of 2022, we initiated a paperless project for the accounting and economic documents. The primary objective of this project is to minimise the generation and storage of paper documentation. We have successfully integrated electronisation into our internally deployed SAP B1 solution. Our motto is: "Preserve digital records for electronically received documents, and retain paper documents for now". We will continue to make improvements in 2023.

We optimise our business trips

We use conference calls and remote document sharing to communicate with each other. When choosing the company's motor vehicles, we place an emphasis on the environmental considerations.

We cycle to work

We support the national Bike to Work campaign. We have created conditions for everyday commuting to work by bicycle, including by adding parking spaces to the underground garage and offering the possibility to take a shower.

We work in a green way

Our new headquarters at the Einsteinova Business Centre in Bratislava received the prestigious BREEAM certificate rating "Excellent", which is the second highest possible rating. It certainly deserves the designation as a "Green building".

We inspire each other

As a part of our internal communication, we have increased the environmental awareness of our employees. On the intranet, we exchange personal experiences and inspire each other with ideas on how to live greener.

People

We are getting stronger. We have grown to a team of nearly 190 professionals across various locations in Slovakia

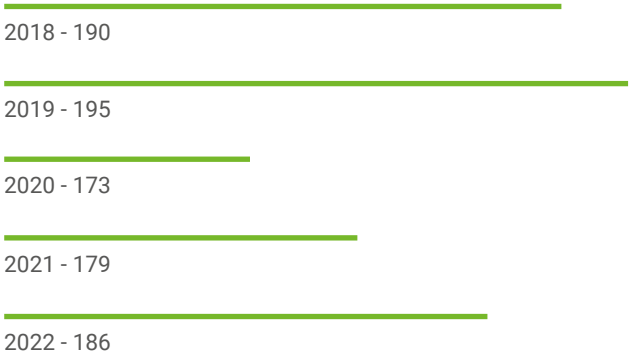
The year 2022, was marked by positive growth as we welcomed new colleagues, further strengthening our teams and expanding our competencies. Every year we strive to bring new talent on board. In our HR activities, we have placed great emphasis on attracting and integrating new talents into our organisation. Although we have not fully met our recruitment target, we have made significant progress towards our goal.

In terms of work organisation, the impact of the pandemic was less pronounced in 2022, allowing us to carry out our work and employee activities to their full extent.

After years marked by the pandemic, we successfully organised two company-wide employee SOFTIP MEETINGS at Štrbské Pleso in the High Tatras; these gatherings provided an opportunity for all employees to come together and meet in person.

Employees' suggestions were being processed on an ongoing basis throughout the year. As of 31 December 2022, SOFTIP had 186 employees which represents a year-on-year increase of roughly 4 %.

Development of the number of employees



In terms of positions, most of the newly-hired employees were systems engineers, consultants, analysts, and programmers.

Our HR management is fully automated thanks to the SOFTIP HAPPY HR application. The modules we have deployed throughout the year have improved user comfort for application administrators and employees alike.

Structure of employees by sex

In terms of our employee structure, SOFTIP currently has 69 % male and 31 % female employees.

Every year we evaluate and reward the best employees in selected positions for the given year. Presenting years of service awards to employees has become a cherished tradition for us. We take great pleasure in holding face-to-face meetings where we can personally hand over these well-deserved awards.

We use our integrated management system to receive and resolve any employee requests; all the requests are electronically evaluated

.

Education

The past two years have been valuable lessons for us, emphasising the importance of efficiency and adaptability in education, as well as in all other activities. We have transitioned our training activities from face-to-face to online formats, not only for our employees but also for training sessions organised for our customers. We are committed to maintaining this trend and enhancing it by incorporating new elements into our training programmes. This includes the development of a library of pre-existing courses and training videos, as well as promoting the sharing of experiences within teams. This form of internal training has been a part of our company's practices in the past.

In 2022, we conducted over 200 training activities, with approximately 14 % of them focusing on legislation-related topics. Our consultants and systems engineers have completed the courses and certifications required to establish and sustain partnerships with Microsoft and SAP. Most of these educational activities enabled the participants to acquire certificates.

We must not overlook employee self-education, which was conducted throughout the previous year with the support of the employer and constituted an integral component of the preparation for certification exams.

In terms of the time devoted to educational activities, adaptation and external costs, the investment in employee education in 2022 amounted to nearly EUR 335,000, which is EUR 100,000 more than the previous year.

Our ongoing objective remains to provide support for employee training that aligns with the company's vision and goals, while also considering the individual needs of each employee.

Benefits

We consider employee benefits to be an essential component of our employee care programme. In our efforts to distinguish ourselves from other employers, we strive to design our benefits package to be both appealing and equitable for all employees.

We have been attentive to the rise in food prices and have sought to address this unfavourable trend by adjusting the staff meal allowance while keeping the employee's supplementary payment at a minimal level. Starting from 1 January 2023, we offer employees a meal allowance for all working days, including holidays, sick leave, family and medical leave, and other approved absences, subject to the agreed terms and conditions. In 2022, SOFTIP offered a meal allowance with a nominal value of EUR 6.

The occasional home office benefit, within a defined scope, is also highly appreciated among employees. For more information on our benefits, please visit our career website https://www.softip.sk/sk/o-nas/kariera.

In 2022, the company allocated a total of EUR 200,000 towards social fund benefits, additional leave allocation, and SPS contributions.

Our objective is not to have an extensive range of benefits but rather to focus on developing those that offer the greatest value to our employees without creating an excessive administrative burden for SOFTIP.

The year 2022 was the most successful in our history. Period.

The previous year marked the highest financial performance in the company's history.

One crucial factor that contributed to our outstanding results was the pipeline of projects that we had secured in previous years, enabling us to maintain continuous work throughout the year. Nevertheless, the release of provisions for receivables from previous years also played a significant role in our 2022 results, as those receivables have now been settled.

We have successfully maintained our stable and strong position in the information and communication technology market in Slovakia, which we have held for over 30 years. The complexity of our portfolio and our ability to react with our solutions to the changing market is one of our fundamental and permanent advantages. An excellent sales strategy and the ability to implement small and large projects alike are the main success factors of our company.

In 2022, we reported earnings before tax of EUR 3.641 million and revenue in the amount of EUR 17.746 million. We have witnessed growth in nearly all indicators. Of particular significance is the nearly 10 % growth in value added per employee, as well as the 15 % growth in revenue per employee.

The company is financially stable. During the last year, we have taken out a reasonable number of loans. In 2022, our largest capitalised development project was the technological modernisation of our flagship product, SOFTIP PROFIT PLUS.

The Independent Auditor's Report concluded that the Financial Statements, as on 31 December 2022, provide a true and accurate image of the company's financial situation.

On 31 December 2022, the solvency of the company was once again confirmed by a Certificate of Registration in the list of businesses issued by the Public Procurement Office, further demonstrating our financial stability.

Martin Vlčko
Member of the Board of Directors and CFO

Financial report

Selected economic indicators

	2018	2019	2020	2021	2022
Equity	2,393,055	2,479,194	2,700,208	2,763,386	**3,329,567**
Revenues total	19,647,252	18,226,226	15,885,400	14,880,061	**17,746,046**
Added Value	10,901,699	11,642,017	11,412,783	11,084,945	**12,519,843**
Profit before tax	2,375,989	2,539,100	2,865,786	2,759,275	**3,641,145**
Profit after tax	1,856,298	2,027,063	2,316,756	2,285,254	**2,895,864**
Added Value / 1 empl.	57,402	60,982	61,834	63,101	**69,037**
Profit before tax / 1 empl.	12,510	13,300	12,552	15,707	**20,078**
Revenues total / 1 empl.	103,450	95,470	15,527	84,705	**97,855**

Financial report

Balance sheet as of December 31, 2022, comparing the development since 2018 (in EUR)

	2018	2019	2020	2021	2022
Total assets	5,937,712	6,045,510	7,905,418	8,186,575	**8,476,748**
Non-current assets	671,001	903,948	964,587	1,077,776	**1,077,180**
Non-current intangible assets	591,007	672,423	757,099	914,910	**956,638**
Property, plant and equipment	70,158	213,795	185,500	135,890	**106,494**
Non-current financial assets	9,836	17,730	21,988	26,976	**14,048**
Current assets	5,015,507	4,875,909	6,623,615	6,906,698	**7,067,753**
Inventory	15,542	17,474	11,675	33,770	**20,603**
Non-current receivables	265,413	402,514	488,004	634,470	**554,461**
Current receivables	2,659,822	4,343,020	4,684,611	4,386,379	**3,665,545**
Financial accounts	2,074,730	112,901	1,439,325	1,852,079	**2,827,144**
Acruals / deferrals	251,204	265,653	317,216	202,101	**331,815**
Total equity and liabilities	5,937,712	6,045,510	7,905,418	8,186,575	**8,476,748**
Equity	2,393,055	2,479,194	2,700,208	2,763,386	**3,329,567**
Share capital	33,194	33,194	33,194	33,194	**33,194**
Capital funds	x	x	x	x	**x**
Funds created from profit	x	x	x	x	**x**
Legal reserves	6,639	6,639	6,639	6,639	**6,639**
Net profit / loss of previous years	492,302	399,782	326,845	416,538	**385,037**
Net profit / loss for the accounting period after tax	1,856,298	2,027,063	2,316,756	2,285,254	**2,895,864**

Balance sheet as of December 31, 2022, comparing the development since 2018 (in EUR)

	2018	2019	2020	2021	2022
Liabilities	3,330,434	3,227,405	4,966,986	5,277,996	**4,626,417**
Provisions	x	x	x	x	**x**
Non-current liabilities	46,289	43,165	39,639	23,539	**15,384**
Non-current provisions	4,527	8,676	9,345	13,142	**22,252**
Current liabilities	2,386,252	2,350,942	4,564,825	4,800,846	**3,734,858**
Current provisions	461,662	410,947	347,474	433,248	**848,533**
Term bank loans	431,704	413,675	5,703	7,221	**5,390**
Accruals / Dererrals	214,223	338,911	238,224	145,193	**520,764**

Income statement as of December 31, 2022, comparing the development since 2018 (in EUR)

	2018	2019	2020	2021	2022
Revenue from the sale of merchandise	392,830	423,742	381,079	323,083	**330,391**
Costs of merchandise sold	297,045	346,744	326,493	268,114	**261,989**
Profit margin	95,785	76,998	54,586	54,969	**68,402**
Revenues from SOFTIP product and service sales	19,254,422	17,802,484	15,504,321	14,556,978	**17,415,655**
Activation	113,589	212,950	295,935	419,475	**353,067**
Production consumption	8,562,097	6,450,415	4,442,059	3,946,477	**5,317,281**
Added value	10,901,699	11,642,017	11,412,783	11,084,945	**12,519,843**
Personnel expenses total	8,333,703	9,026,119	8,551,020	8,266,416	**9,635,957**
Taxes and fees	7,685	5,209	4,201	36,256	**3,450**
Tangible and intangible fixed assets depreciation	147,441	194,260	266,285	324,352	**370,336**
Tangible and intangible fixed assets revenues	15,789	5,025	7,010	2,666	**3,078**
Carrying value of non-current assets sold and raw materials	3,507	14,447	5,235	0	**0**
Generation and settlement of value adjustments for receivables	22,260	1,585	309,846	529,042	**-830,442**
Other operating income	153,388	201,221	648,864	892,565	**370,481**
Other operating expenses	155,339	60,078	54,701	65,748	**84,797**
Profit / loss from operations	2,400,941	2,546,565	2,877,369	2,758,362	**3,629,304**
Revenues generated from security and share sales	0	0	0	0	**0**
Sold securities and shares	0	0	0	0	**0**

Income statement as of December 31, 2022, comparing the development since 2018 (in EUR)

	2018	2019	2020	2021	2022
Revenues generated from financial fixed assets	0	0	0	0	**14,238**
Generation and settlement of value adjustment for financial assets	0	0	0	0	**0**
Interest income	0	0	0	0	**0**
Interest expense	6,622	1,934	3,814	415	**0**
Exchange rate gain	2,879	14,629	17,964	17,391	**20,258**
Exchange rate losses	8,011	9,287	11,970	7,659	**10,997**
Other revenues from financial activities	0	0	0	0	**0**
Other expenses related to financial activities	13,198	10,873	13,763	8,404	**11,658**
Profit / loss from financial activities	-24,952	-7,465	-11,583	913	**11,841**
Economic result from common business activities before tax	2,375,989	2,539,100	2,865,786	2,759,275	**3,641,145**
Tax from common business activities	519,691	512,037	549,030	474,021	**745,281**
Economic result from common business activities after tax	1,856,298	2,027,063	2,316,756	2,285,254	**2,895,864**
Profit / loss for the accounting period before tax	2,375,989	2,539,100	2,865,786	2,759,275	**3,641,145**
Profit / loss for the accounting period after tax	1,856,298	2,027,063	2,316,756	2,285,254	**2,895,864**

Independent Auditor´s Report

REPORT OF INDEPENDENT AUDITOR

regarding the audit of the Financial Statements

of joint stock company

SOFTIP, a.s.
Bratislava

For the year 2022

This is a translation of the original Slovak Auditor´s Report, Financial Statements have not been translated. For a full understanding of the information stated in the Auditor´s Report, the Report should be read in conjunction with the full set of financial statements prepared in Slovak.

Independent Auditor´s Report

REPORT OF INDEPENDENT AUDITOR

For the shareholders, supervisory board, board of directors of the company SOFTIP, a.s.
Bratislava

I. Report on the Audit of Financial Statements

Opinion

We performed the audit of the enclosed Financial Statements of the company SOFTIP, a.s. with the registered office in Bratislava, ID: 36 785 512 which comprise the Balance Sheet as of December 31, 2022, the Profit and Loss Statement for the year ending as of the above mentioned date and the Notes comprising the summary of significant accounting principles and accounting methods and other explanatory information.

In our opinion, the enclosed Financial Statements present a true and fair view of the financial situation of the company SOFTIP, a.s as of December 31,2022 and the economic result of the Company for the year ended as of the above mentioned date in accordance with the Act on Accounting No.431/2002 Coll. as amended. (hereinafter the "Act on Accounting")

Basis of the Opinion

We performed the audit according to International Standards on Auditing - ISA. Our responsibility according to the standards is referred in the paragraph "Responsibility of Auditor for the Audit of Financial Statements. We are independent from the Company in accordance with the provisions of Act No. 423/2015 Coll. on Statutory Audit, as amended, and Act No. 431/2002 Coll. on Accounting, as amended (hereinafter referred to as the "Act on Statutory Audit") related to ethics, including the Code of Auditor´s Ethics, relevant for our audit of Financial Statements, and we also fulfilled the other requirements of these provisions related to ethics. We are convinced that the auditor evidence as acquired provide the sufficient and appropriate basis for our opinion.

Responsibility of the Statutory Body and persons charged with governance for Financial Statements

The statutory body is responsible for the compilation of these Financial Statements so that it could provide true and fair view according to Accounting Act and for internal controls which the statutory body considers necessary for the compilation of Financial Statements that are free from material misstatement, whether due to fraud or error.
When preparing the Financial Statements, the statutory body is responsible for the assessment of the Company´s ability to continue as a going concern, for the description of facts related to the Company´s ability to continue as a going concern, if necessary, and for the use of the assumption of going concern in accounting, unless the statutory body intends to wind-up the Company or to cease the Company´s activities, or it would have no other option than to do so.
Persons charged with governance are responsible for overseeing the company's financial reporting process.

Responsibility of the Auditor for the Audit of Financial Statements

It is our responsibility to obtain reasonable assurance that the Financial Statements as whole are free of material misstatements whether due to fraud or error and to issue the Auditor´s Report including an opinion. The reasonable assurance is the assurance of high level, but it does not guarantee that the audit performed in accordance with International Standards on Auditing will always reveal material misstatements, if any. The misstatements may occur due to fraud or error, and they are considered to be material if it might be reasonably expected that individually or together they could influence the economic decisions of users taken based on this Financial Statements.
Within the framework of audit performed according to International Standards on Auditing, during the period of audit we use professional judgement and maintain an attitude of professional scepticism. Furthermore:

- We identify and assess risks of the material misstatement of Financial Statements whether due to fraud or error, we propose and carry out auditing procedures responding these risks, and we acquire audit evidence

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that are sufficient and appropriate for providing the basis of our opinion. The risk of not revealed material misstatement due to fraud is higher than this risk due to error, because fraud can include a secret agreement, counterfeiting, intentional omission, false declaration or circumvention of internal control.

- We familiarise themselves with internal controls relevant for our audit to propose auditing procedures appropriate in the given circumstances, but not for the purpose to express an opinion for the effectiveness of the Company´s internal controls.
- We evaluate the appropriateness of used accounting principles and accounting methods and the reasonableness of accounting estimates and the relevant information referred, carried out by the statutory body.
- We provide conclusions whether the statutory body appropriately uses the assumption of going concern in its accounting and based on acquired audit evidence also the conclusion whether there is a material uncertainty related to events or circumstances which might significantly doubt the Company´s ability to continue as a going concern. If we conclude that there is a material uncertainty we are obliged to draw your attention in our Auditor´s Report to the relevant information stated in Financial Statements or if the information is not sufficient, to modify our opinion. Our conclusions are based on audit evidence acquired as of the date of the issue of our Auditor´s Report. However, future events or circumstances may cause that the Company will not continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial Statements including the information referred in the Financial Statements, and whether the Financial Statements presents underlying transactions and events in the manner which results in their fair presentation.

We also communicate with persons charged with governance the planned scope and timing of the audit, and significant audit findings, including any significant internal control weaknesses that are identified during our audit.

II. Report on Additional Requirements of Acts and Other Legal Regulations

The Report on the Information Referred in the Annual Report

The statutory body is responsible for the information referred in the Annual Report compiled in accordance with the requirements of Accounting Act. Our abovementioned opinion on the Financial Statements does not relate to any other information referred in the Annual Report.

With respect to the audit of Financial Statements, it is our responsibility to familiarise ourselves with the information referred in the Annual Report and to evaluate whether the information is not substantially inconsistent with the audited Financial Statements, with our knowledge obtained during auditing the Financial Statements, or the information appears to be materially misinterpreted otherwise.

The Annual Report was not available as of the day of the issue of Auditor´s Report resulting from the issue of the audit of Financial Statements.

After we receive the Annual Report, we will evaluate whether the Annual Report of the Company comprises the information as required in accordance with Accounting Act, and based on works performed during the audit of Financial Statements, we will express our opinion, whether:

- the information referred in the Annual Report for the year 2022 is in compliance with the Financial Statement for the relevant year;
- the Annual Report includes the information according to Accounting Act.

Furthermore, we will state whether we found any material misstatements in the Annual Report based on our knowledge about the entity and its situation as acquired during the audit of Financial Statements.

Banská Bystrica, March 24th, 2023

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Significant post-balance sheet events

On 9 January 2023, the sole shareholder of SOFTIP, a. s., exercising the powers of the General Meeting, approved the use of the undistributed 2021 profit in the amount of EUR 285,254.23 and resolved to disburse the entire amount to the sole shareholder of SOFTIP, a. s. (PMK Invest, s.r.o.) in the form of a dividend.

The proposal to disburse the profit for the year 2022 to the sole shareholder of SOFTIP, a. s., (PMK Invest, s.r.o.) in the form of a dividend will be submitted at the General Meeting of the company.

On 4 April 2023, Ing. Marek Krivosudský was elected as a member of the Supervisory Board of SOFTIP, a. s., in accordance with the election regulations. He officially assumed office on 6 May 2023, replacing Ing. Roman Nahalka, whose term ended on 5 May 2023.

Contact

The 2022 annual report was published in May 2023 and it is a publicly available document. An electronic version is available for download on the website www.softip.sk, under “About us“, along with copies from previous years.

Basic identification data

Business name: SOFTIP, a. s.
Seat: Krasovského 14, 851 01 Bratislava - mestská časť Petržalka, Slovenská republika
Company reg. No.: 36 785 512
VAT reg. No.: 2022390942
Bank contact: Tatra banka, a. s.
IBAN for payments in EUR: SK09 1100 0000 0026 2713 0203
IBAN for payments in CZK: SK66 1100 0000 0028 2400 0862
SWIFT/BIC: TATRSKBX
Legal form: Joint stock company
Registered in Business Register of the District Court in Bratislava I, Section Sa, file No. 4151//B

Seat & invoicing address

SOFTIP, a. s., Krasovského 14
851 01 Bratislava – mestská časť Petržalka

Post address & contact

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