

SOFTIP®

Annual Report 2020

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Standing firmly on both feet sometimes isn't enough...

...is what the year 2020 has taught us. SOFTIP was able to “pull through” because we are not reliant on a single type of product or a few select customers. On the contrary – our strategy is to offer a comprehensive portfolio targeted at multiple market segments with regional presence. During the past months, this strategy proved to be the right one.

Still, “pull through” may be a bit of an exaggeration, especially in comparison with many other Slovak businesses which literally struggled to survive. If we look at our economic results, we can actually be very satisfied. Yes, we too had to adopt numerous measures in reaction to the new “contactless” world, the personal ties – so important in our business – have weakened, and we had to look for hidden reserves and cancel events. Still, I am glad that none of this had a negative impact on our ability to offer cutting-edge products and reliable service.

In retrospect, I perceive 2020 as a test of the capabilities of SOFTIP and all of us who work in this company I am thankful that among our employees, partners, and customers, selflessness, and a willingness to help often prevailed over the strictly business approach. Without it, the impact of the pandemic would have been much more painful for all of us.

Yet we are mostly looking ahead. During the crisis, we did not stop investing in innovation. It is obvious that the potential of digitisation and the importance of the transition to new, intelligent solutions are being realised by more and more private and public companies and local governments, even under the pressure of external circumstances. We are prepared to maintain our leadership, and I believe that thanks to these new challenges we will start the fourth successful decade of our company on both the Slovak and foreign markets.

I would like to express my sincere gratitude to all who, over the past 30 years, have been involved in the story of SOFTIP!

Dušan Guldan
Chairman of the Board and Executive Director

We have been turning visions into reality together for 30 years

As one of the most important providers of IT products and services, SOFTIP has been bringing innovative comprehensive IT solutions for three decades, which help to better manage thousands of companies and organisations of all sizes in Slovakia and abroad.

We offer the most comprehensive product portfolio in the market. We are here for all who need advanced enterprise information systems, HR management systems, production management systems and professional Business Intelligence tools.

Besides enterprise IT systems, we have a history of successfully designing and delivering technology infrastructure, implementing tailor-made products and solutions, and providing comprehensive IT services and consulting. We are the market leader in terms of the scope of the services provided.

We are the largest Slovak producer of enterprise information 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.

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.

Best Microsoft partner

For the third time, we won the Microsoft Partner of the Year award, which Microsoft offers every year in recognition of its best partners in individual countries. We have also won the Microsoft Awards for the tenth time.

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 milestones

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

2002

IT Slovak Association

We become a member of ITAS, association of the most significant Slovak and foreign professionals in the information and communications technology sector.

2004

ISO 9001:2000 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.

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 Integrated management system (IMS)

The quality management system according to EN ISO 9001:2008 implemented in 2004 was complemented with four management systems according to international standards.

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

Slovak number one

We defended the title of the largest Slovak producer of enterprise information systems.

2021

30 years, 30 good deeds

We celebrate the thirtieth anniversary of our founding by supporting thirty charity projects.

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.

Integrated Management System

SOFTIP has built-in Integrated Management System (IMS) according to international standards.

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

Company structure

Shareholder Structure

Owner:	PMK Invest, s.r.o. Krasovského 14, 851 01 Bratislava – mestská časť Petržalka Company Reg. No.: 36 801 267
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Nominal value of shares in eur:	33,193.92 EUR
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Percentage share in the basic capital:	100.00 %
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Capital participation

Company	Share capital	Percentage share in the basic capital
SOFTIP MORAVA, s.r.o. „v likvidaci“	CZK 500,000.00	73.00 %
ConnSpec, a.s.	EUR 33,193.92	49.00 %
Sysklass CZ, s.r.o.	CZK 264,000.00	100.00 %

The company does not have an organizational unit abroad.

In 2020 the company did not acquire any own shares, provisional ownership confirmation certificates, business shares, or any mother accounting entity provisional ownership confirmation certificates or business shares.

Company management

Board of Directors



Dušan Guldán

Chairman of the Board, Executive Director and ESS Division Director

He graduated from the Faculty of Electrical Engineering of the Slovak University of Technology in Bratislava. He has been with SOFTIP since 1994 when he was appointed to the position of a sales manager for strategic partners. He was responsible for managing the SOFTIP branch in Bratislava. Currently, Dušan Guldán is the Chairman of the Board of Directors of the company. At the same time, he is also the executive director and the ESS Division Director.



Radovan Báľent

Member of the Board and SME Division Director

He graduated from the Faculty of Electrical Engineering of the Slovak University of Technology in Bratislava. He joined the company in 1993. Through the positions of a consultant and a database specialist he reached the position of the Trenčín branch director. Currently, Radovan Báľent is the Member of the board of Directors and at the same time, the SME Division Director.



Martin Vlčko

Member of the Board and Finance Director

He is a graduate of the Department of Economics and Business Management / Small and Medium-sized Enterprises at the Faculty of Economics, MBU in Banská Bystrica. He has been with SOFTIP since 2007. From the position of an economist focused on controlling he has made his way to the position of the Finance Director. Currently, Martin Vlčko is the Member of the Board of Directors and at the same time, the company's Finance Director.

Company management

Management



Ján Schwarz

Technical Director

He studied visual and sound technology at the Jozef Murgaš Secondary School in Banská Bystrica. He joined the company in 1999. He was a database specialist, senior system engineer and later, a head of system service department. Currently, Ján Schwarz has a position of the Technical Director.



Marek Sedliak

Innovations Director

He graduated from the Technical University in Zvolen, in the field of automation of technological processes and joined the company in 1997. He worked as a programmer specialist, senior programmer, and a project manager with the capacity to cover a wide competence portfolio. Currently, Marek Sedliak is the Innovations Director.



Marián Baranovič

Operations Director

He graduated from the Faculty of Electrical Engineering of the Technical University in Košice. Then he studied philosophy and pedagogy. He joined SOFTIP in 1994. Through the positions of a programmer and product manager he became the manager of information system development. Currently, Marián Baranovič is the Operations Director of the ESS and SME divisions.



Miroslav Tobiáš

SME Division Sales Director

He graduated from the grammar school in Brezno and joined SOFTIP in 1996. He started as a sales manager, later he became a Director of the SOFTIP branch in Banská Bystrica. Currently, Miroslav Tobiáš is the Sales Director of the SME Division.

Board of Trustees

Jozef Mokry

Chairman of the Board of Trustees

Peter Kotuliak

Member of the Board of Trustees

Roman Nahálka

Member of the Board of Trustees

Two divisions, countless possibilities

An easy and flat structure creates ideal prerequisites for providing our customers with addressed and personalized service. It allows us to provide an immediate feedback to their requirements and provide the customers with the right experts and makes easier not only the service but also new product deployment.

ESS Division – Enterprise Solutions and Services

The ESS Division focuses on the public, finance, retail, services, production, energy and utility sectors.

It delivers services, solutions and products characterized by their uniqueness and complexity.

Focus on the customer's core business activities helps us deliver solutions that meet the needs and requirements of each customer's unique business.

SME Division – Small and Medium Enterprises

The SME Division implements our in-house ERP solutions, HR systems and solutions from our partner SAP with a range of add-ons.

The division deploys its specialized team to design and complete the full delivery of complex system services including hardware and software.

It also provides complete support through its Call Centre, Helpdesk and Remote Support.

Organizational structure

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.

Both divisions of the company have competence centres that are responsible for individual product ranges or service segments, where the objective is to gather unique know-how and form employee relationships with the given products and services, in order to create the best possible conditions for their further development.

Simplified organizational structure of SOFTIP

Executive Director

ESS Division	SME Division	Finance Director	Technical Director	Innovations Director
Sales Operations	Sales Operations	Corporate Affairs & IMS Finance and Office Management Human Resources		
ESS Division Competence Centres	SME Division Competence Centres	Marketing Internal Systems Department		
CC GARANT CC SAP ERP CC ESS Service CC PROFIT Service CC ESS Development CC Divisional Overhead	CC HAPPY HR CC Infrastructure CC MIS CC Support CC PROFIT COOL CC SAP B1 Implementation CC SAP B1 Support CC Service CC Production CC Development CC Divisional Overhead			

Main events of 2020

March

We have joined forces with the most significant Autodesk partner in Central Europe

We have signed a cooperation agreement with CAD Studio for the territory of the Czech Republic, where CAD Studio became our business partner for the SOFTIP MONACO information system. The top product for the technical preparation of manufacturing has thus become even more accessible for Czech companies.

We have adopted special preventive measures

In connection with the spread of the coronavirus in Slovakia, we have adopted special preventive measures to protect the health of our employees, customers, and their families. Most of our employees used home office and we have also limited personal contact to a minimum, replacing it with online communication and webinars.

April

We have streamlined filling-in the statement for granting financial subsidy as part of the First Aid programme for employees, businesses and entrepreneurs

We have included a new form in SOFTIP HR PLUS which allows for simple generation of data required to fill-in the mandatory appendix to the application for the subsidy to maintain employment at www.pomahameludom.sk.

At the same time, we have organised a series of online training sessions dedicated to the procedures to be followed when keeping records of quarantine health benefits and applying for the financial subsidies provided as part of the First Aid project.



May

We have introduced a solution that can detect fever using thermal camera imaging

In reaction to the current situation, we have introduced the SOFTIP TERMOCAM which allows for automated measurement of body temperature of individuals on public premises using thermal camera imaging and a sophisticated software application. When an elevated temperature is detected in a person passing the camera, the system immediately provides a visual and acoustic warning. Using face detection, the system also checks whether the person entering the monitored premises is wearing a face mask..

June

We have joined forces with Tatra banka to help businesses

Due to the coronavirus pandemic, many companies, businesses and entrepreneurs have been in a difficult position. Tatra banka has therefore decided to help them by introducing several cost saving measures and other measures helping them to obtain funding and create new business opportunities. SOFTIP too became involved in the project and provided the Microsoft Teams service for free for 6 months.

Main events of 2020



July

IMS was expanded to cover three additional areas

The Integrated Management System deployed at SOFTIP was successfully audited by the reputable certification authority TÜV SÜD Slovakia. Three new areas of certification were added to the previously certified ones - ISO 37001 Anti-Bribery Management System, ISO 27018 Management System for Protection of Personal Data in the Cloud and compliance with the requirements of the GDPR.

October

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 of the largest Slovak producer of enterprise information systems. In this survey, SOFTIP repeatedly ranked first, when in 2019, its revenue from the sale of ERP licences and services amounted to EUR 12,779,921.

The Prešov SOFTIP office was moved to Košice

In connection with the ongoing changes of work preferences among our employees and customers, effective 1 November, 2020 our Prešov office moved from the Industrial centre in Prešov to the refurbished Office Point business centre at Južná trieda in Košice.

We are one of the leaders in the Slovak IT market

The situation at and the results of the information technology market in Slovakia is mapped every year by the economy and business weekly Trend; it publishes the results in a special supplement Trend TOP in Information Technology.

In the Trend TOP in IT rankings for 2019, SOFTIP ranked four times in the top twenty largest suppliers of IT products and services in Slovakia.

The added value of more than EUR 11.6 million puts it in nineteenth place in the global ranking of IT product and service suppliers in Slovakia in terms of added value. In the IT Service Provider category, SOFTIP ranked thirteenth and in the Software Houses category fifteenth. When comparing the results of original software manufacturers in Slovakia, SOFTIP ranked within the top ten, specifically in eight place.

Suppliers of IT Products and Services in the Slovak Republic by added value (2019)

Company	Added value (thousand EUR)		Change (%) 2019/18	Total sales (thousand EUR)	Profit after tax (thousand EUR)		Change (%) 2019/18	Average number of employees
	2019	2018			2019	2018		
1. Asseco Central Europe, a.s.	179,894	162,859	10.5	310,176	36,803	31,091	18.4	2,941
2. Eset, s.r.o.	142,928	128,201	11.5	526,626	77,702	68,138	14.0	849
3. T-Systems Slovakia, s.r.o.	124,473	123,439	0.8	153,451	6,003	8,305	-27.7	3,891
4. Accenture Technology Solutions - Slovakia, s.r.o.	49,673	47,585	4.4	62,936	3,489	3,805	-8.3	1,121
5. IBM Slovensko, s.r.o.	49,445	47,072	5.0	98,414	16,437	10,539	56.0	787
6. Amazon /Slovakia/, s.r.o.	38,290	33,189	15.4	51,806	244	153	59.5	983
7. Soitron Group SE	35,942	34,573	4.0	111,235	n	n	-	769
8. Global IT Servis, s.r.o.	29,975	11,946	150.9	34,156	597	-247	-341.5	129
9. Tempest, a.s.	29,314	27,356	7.2	107,739	4,517	2,282	97.9	280
10. Orange Business Services Slovakia, s.r.o.	25,327	23,932	5.8	29,156	2,137	1,859	15.0	389
11. PosAm, s.r.o.	19,412	18,807	3.2	35,296	3,926	2,401	63.5	331
12. Scheidt & Bachmann Slovensko, s.r.o.	17,208	16,648	3.4	21,443	200	601	-66.8	630
13. Uniqa Group Service Center Slovakia, s.r.o.	15,740	13,652	15.3	22,314	421	357	17.9	589
14. Softec, s.r.o.	15,269	12,355	23.6	24,794	1,991	703	183.0	316
15. Hewlett Packard Enterprise Slovakia, s.r.o.	15,021	12,839	17.0	24,782	705	-807	-	199
16. Pixel Federation, s.r.o.	14,048	14,716	-4.5	31,856	2,352	4,397	-46.5	209
17. Atos IT Solutions and Services, s.r.o.	13,973	14,602	-4.3	51,011	1,357	859	58	251
18. Ditec, a.s.	12,123	11,339	6.9	43,220	2,098	2,086	0.6	189
19. SOFTIP, a.s.	11,642	10,902	6.8	18,226	2,027	1,856	9.2	191
20. Datalan, a.s.	11,483	9,102	26.2	27,422	750	417	80.1	214

Source: Trend (July 2020)

We defended our number one position in the ERP segment

In October 2020, 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. Multinational suppliers of enterprise information systems such as SAP Slovakia, Microsoft Slovakia and Oracle Slovakia could not provide their local data this year either.

In the survey, SOFTIP repeatedly vindicated its leadership position in the Slovak enterprise information system market when in 2019 it achieved revenue of EUR 12,779,921 for sales related to ERP solutions. Total revenues of EUR 18,439,176 in 2019 brought him to the top spot in this ranking as well.

ERP systems licencing and service sales revenues in 2019

Company	Revenues from the sale of licenses for ERP solutions for 2019 in EUR	Revenues from sales of services for ERP solutions for 2019 in EUR	Total in EUR
26HOUSE s.r.o.	N/A	25,000	25,000
ANASOFT APR, spol. s r.o.	980,000	570,000	1,550,000
Asseco Solutions, a.s.	1,457,301	10,279,722	11,737,023
AURUS spol. s r.o.	499,700	74,200	573,900
Compeko spol s r.o.	85,000	20,000	105,000
HOUR, spol. s r.o.	556,027	4,130,958	4,686,985
HT Solution s.r.o.	257,288	1,067,710	1,324,998
IMPLEMENTO s.r.o.	6,000	115,000	121,000
InfoConsulting Slovakia s. r. o.	898,273	4,290,692	5,188,965
KROS a.s.	1,788,679	8,814,151	10,602,830
Minerva Slovensko, a.s.	57,000	1,200,000	1,257,000
SOFTIP, a. s.	1,056,013	11,723,908	12,779,921
Solitea Slovensko, a.s.	845,000	5,655,000	6,500,000
SunSoft plus spol. s r.o.	214,715	359,143	573,858

Source: NEXTECH (october 2020)

Slovak ERP market

Comparison of the total 2017-2019 revenue

Company	Total sales for 2017 in EUR	Total sales for 2018 in EUR	Total sales for 2019 in EUR	%
26HOUSE s.r.o.	343,217	498,971	728,959	46.09
Abra Software s.r.o.	1,120,443	1,184 480	N/A	N/A
ANASOFT APR, spol. s r.o.	8,595,067	9,449,195	11,215,351	18.69
Asseco Solutions, a.s.	10,659,549	10,746 380	12,600 067	17.25
Compeko spol s r.o.	127,766	114,070	105,786	-7.26
HOUR, spol. s r.o.	3,544,971	4,165,251	4,174,298	0.23
HT Solution s.r.o.	1,329,342	1,420,009	1,495,561	5.32
IMPLEMENTO s.r.o	5,030	19,790	121,628	514.59
InfoConsulting Slovakia s. r. o.	1,647,396	1,891 975	1,544 099	-19.97
KARAT Software a.s.	705,532	795,042	N/A	N/A
KROS a.s.	8,817,973	10,176 966	10,671,305	6.01
Minerva Slovensko, a.s.	1,106,868	1,493 311	1,279,901	-14.29
QI GROUP SLOVAKIA s.r.o.	518,666	477,928	432,760	-9.45
SOFTIP, a. s.	11,211,337	19,647,252	18,439,176	-6.15
Solitea Slovensko, a.s.	1,184,543	2,122 598	N/A	N/A
SUNSOFT plus spol. s r.o.	1,081,705	1,124 794	1,481,720	31.73

Source: Finstat, NEXTECH (october 2020)

In 2021, global IT spending will increase by 6.2%

Gartner analysts estimate that in 2021 global IT spending will increase to a total of USD 3.9 trillion, which represents a year-on-year increase of 6.2%. These numbers are based on the latest Gartner forecast published in January 2021.

In 2020, global IT spending decreased by 3.2% due to the coronavirus pandemics. After the last-year's drop, Gartner expect the market to recover in 2021, whereby the total IT spending should continue to grow in the year to follow as well.

The fastest recovering segment should be the enterprise software segment, which should show an increase of 8.8% in 2021, in particular due to the effort of enterprises to digitalise as many processes as possible. According to the Gartner forecast, the growth will be even stronger in 2022, where the enterprise software related spending is expected to grow by up to 10.2%.

Along with enterprise software related investments, all other segments should also grow in 2021, chief among them being the purchase of hardware, such as mobile devices and personal computers, for which the analysts envisage an increase of 8.0% in 2021..

Worldwide IT Spending Forecast (in billions of U.S. Dollars)

	2020 Spending	2020 Growth %	2021 Spending	2021 Growth %	2022 Spending	2022 Growth %
Data Centre Systems	214.985	0.0	228.360	6.2	236.043	3.4
Enterprise Software	465.023	-2.4	505.724	8.8	557.406	10.2
Devices	653.172	-8.2	705.423	8.0	714.762	1.3
IT Services	1,011.795	-2.7	1,072.581	6.0	1,140.057	6.3
Communications Services	1,349.891	-1.7	1,410.745	4.5	1,456.637	3.3
Overall IT	3,694.891	-3.2	3,922.833	6.2	4,104.906	4.6

Source: Gartner (January 2021)

We have the most comprehensive product portfolio of IT products and services

We offer everything that a company in IT could need. 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

SOFTIP PACKET

A proved ERP system for small companies

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

KEEP! – 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

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

SOFTIP SYKLASS

A proved specialized software for technical preparation of production

Products and services

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 (Direct Tier 1).

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

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..

In response to anti-epidemiological measures associated with a strict curfew, the Call Center line was temporarily replaced by mobile telephone lines during 2020. We notified customers of the specific numbers for individual products on our website, and through email and voice recordings at the original Call Centre line. At the same time, we recommended to customers to primarily contact us using the helpdesk at cpz.softip.sk.

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.

Call Centre

Do you need professional advice on our applications? You will be provided an instant phone consultation with our professionals on all applications you use. Call 048 43 58 600 or 02 205 701 15 (for SAP Business One). The main condition for a successful communication is your assigned licence number. Call Centre is available every working day from 8:00 A.M. till 16:00 P.M.

Service Line

Are you interested in the service provided by our professional consultants? Call 048 4358 700 or write us at SMEsluzby@softip.sk. You can order a service provided by our consultants including the service of Remote support for customers. 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 2020

2J Antennas

Complex SAP Business One based solution

The key project of the SAP Business One competence centre in 2020 was the project for 2J Antennas. 2J Antennas is a global manufacturer and supplier of antenna systems used for measurements, navigation, IoT, marine transport, telematics, automation, etc. As part of the implementation of SAP Business One, we have deployed several standard solutions, such as CRM, warehouse management, purchase and sales, production management and accounting, as well as several custom solutions. Based on customer requirements, we have created a configurator – a web application allowing customers to put together a custom antenna, where the system checks the compatibility of the individual components. The warehouse is managed by a mobile warehouse operator with storage positions. The manufacturing workstations are equipped with tablets and bar-code readers supporting “paperless” production management. Pictorial workflows for employees, as well as a specially adapted termination application, ensure a “basket” drain from production. In terms of purchase and MRP, we have modified the system to match the customer’s form of price breaks and certificate monitoring, which are used for purchase, MRP and also preliminary calculations. The interconnection with the quality, attendance and payroll systems also bear witness to the complexity of the solution.

BEZ TRANSFORMÁTORŮ

HR and payroll solution SOFTIP HR PLUS

At BEZ TRANSFORMÁTORŮ, which has over 100 years of experience in manufacturing distribution and power transformers and providing its customers with a safe supply of electricity, we have implemented SOFTIP HR PLUS to handle HR and payroll interconnected with the attendance system and other SAP solutions. By deploying this solution, the company became fully compliant with the applicable legislation and can use data personalisation.

Dedoles

SOFTIP HR PLUS based HR and payroll system

In the second half of 2020, we implemented the SOFTIP HR PLUS IS at Dedoles – currently the most popular Slovak “sock manufacturer” based in Pezinok - as the company had outgrown the previously used payroll system. The new HR and payroll system also allowed to create an automatic interconnection with the attendance system, which effectively simplified the work of HR staff, despite the rapid growth in the number of the company’s employees. Reducing the time needed to calculate wages, automation of related processes, elimination of errors in manual process entries – these are just some of the benefits that this implementation has brought to the client.

Letecké opravovne Trenčín

Modern human resources management based on SOFTIP HAPPY HR

Implementation of the web application SOFTIP HAPPY HR was part of a large complex solution deployed at Letecké opravovne Trenčín. The target group for the deployment of the SOFTIP HAPPY HR application was all the employees of repair shops, not only personnel and management. Thanks to SOFTIP HAPPY HR, the HR staff now have a functional tool for electronic communication with the management, and the management have real-time access to all relevant data. Each employee also has access to their own personal data. Following the application deployment, most circulating paper documents were replaced by electronic ones; this applies to selected management, organisational structure, and remuneration processes, to approval of statements of hours worked, and publishing of internal HR management related documents.

Interesting projects in 2020

Manuvia

Management Information System (MIS)

The Manuvia personnel agency has almost 7,000 employees in 4 countries of the European Union. It provides recruitment services to more than 400 clients, recruiting candidates from 9 different countries, including non-EU countries. The company uses multiple IS and has multiple data at its disposal; most of them, however, had to be created manually. The processing of reports for management therefore took too long, was inflexible and erroneous. Implementation of the management information system (MIS) took the process to an entirely new level. The MIS became an integral part of the regular management meetings and one of the essential tools for assessing the success of individual departments and analysing possible issues.

SHP Group (Slovak Hygienic Paper Group)

Online performance management tool based on SOFTIP HAPPY HR

The SHP Group operating under the name SHP Harmanec is a multinational company associating a group of production and business companies operating in the pulp and paper industry. The SHP Group covers 10 companies in 6 countries. The objective of the project was to prepare a solution capable of assessing performance of employees in specific positions over a defined period of time. It was necessary to implement an option to obtain feedback from the employees and let them set/select their own targets and future development activities. The implemented solution allows for setting, approving, and assessing individual performance and development targets of employees. The process is completed when the employee downloads their assessment proposed by the assessor. Following the deployment of the Assessment module of SOFTIP HAPPY HR, the company obtained a tool to retain and engage employees, allowing it to endorse the company vision and shape the company culture.

Our certified knowledge and experience

The achieved competences in individual partner programmes and our prestigious certificates and awards bear witness to the fact that – even as a Slovak business – we can not only keep up with the best but also be their respected partner.



We have been a member to the Microsoft Partner programme since 2005. We won ten accolades at the Microsoft Awards and have been awarded the Microsoft Partner of the Year title three times. At present, SOFTIP holds 12 gold and 1 silver competencies:

**Gold Application Development · Gold Application Integration
Gold Cloud Platform · Gold Cloud Productivity · Gold Collaboration and Content · Gold Communications · Gold Datacenter · Gold Enterprise Mobility Management · Gold Messaging · Gold Security · Gold Small and Midmarket Cloud Solutions · Gold Windows and Devices · Silver Data Analytics**



There is a 14-year partnership between SAP and SOFTIP. 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, Russia, the Ukraine and even in Hong Kong.

Despite the specific situation caused by the coronavirus pandemic, in 2020 we managed to repeat the success of the previous years and win the SAP Business One Highest Revenue 2020 award.

We closely cooperate with the most important global IT companies



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

We help manage better more than 12 thousand companies in Slovakia and abroad

Retail and Services

AIR CARGO GLOBAL, Amberg Engineering Slovakia, ARVAL SLOVAKIA, ASBIS SK, ATENA - PERSONAL CONSULTING, ColosseoEAS, DATALAN Quality Instruments, Direct Parcel Distribution CZ, Direct Parcel Distribution SK, ENERGOINVEST, FORTUNA SK, Fresenius Medical Care Slovensko, INCAR, INDEX NOSLUŠ, KOSIT, KPMG Slovensko Advisory, Letisko Sliač, Manuvia, Medirex Servis, MEDITRADE, MEDUSA GROUP, MERCHYOU, Nitrianska teplárenská spoločnosť, Ochrana a bezpečnosť SE, Odvoz a likvidácia odpadu, Pálffyovský kaštieľ, Prievidzské tepelné hospodárstvo, SAD Prešov, SAD Prievidza, SEPS, Slovak Investment Holding, Slovenská autobusová doprava Dunajská Streda, Slovenská autobusová doprava Trenčín, Slovenská autobusová doprava Žilina, SLOVNAFT TRANS, Trenkwalder, UPC BROADBAND SLOVAKIA

Industry

2J Antennas, ATTACK, Auguste Cryogenics Slovakia, Baliarne obchodu Poprad, Bau3Mex, Berndorf Sandrik, Betamont, BEZ TRANSFORMÁTORY, Cestné stavby Liptovský Mikuláš, CNC frézovanie, Danfoss Power Solutions, DIN - TECHNIK, DREVONA PRODUCTION, Deutsche Telekom Systems Solutions Slovakia, Elba, ENPAY TRANSFORMER COMPONENTS, europlac, FESTAP, FIMAD, GALMM, Heineken Slovensko, IKEA Industry Slovakia, Illichmann Castalloy, KERKOTHERM, Klauke Slovakia, KLAUKE UK, KONŠTRUKTA – Industry, LED-SOLAR, Liberty Ostrava, linea – D, LOKO TRANS Slovakia, MERCHYOU, Metsa Tissue Slovakia, Mlyn Kolárovo, MATADOR HOLDING, Mondi SCP, MSA, NORWIT SLOVAKIA, Novoplast, O2, OMNIA KLF, Pivovar STEIGER, PLASTEX, Považská cementáreň, PRELIKA, RENOST, RKS Trenčín, QUILTEX, SHP Harmanec, SL SLOVAKIA, Svalco, STAROPRAMEN-SLOVAKIA, STAVEX Nitra, STM Slovakia, TATRA TRUCKS, TESLA STROPKOV, TUCHYŇA VÝŤAHY, U. S. Steel Košice, VIPO, WAY INDUSTRIES, Witzenmann Slovakia, ZF Slovakia, ZVL auto

State and Public Administration

Generálna prokuratúra SR, LESY Slovenskej republiky, Letecké opravovne Trenčín, Mesto Banská Bystrica, Ministerstvo kultúry Slovenskej republiky, Ministerstvo životného prostredia, Národná agentúra pre sieťové a elektronické služby, Národná zoologická záhrada Bojnice, Slovenská agentúra životného prostredia, Slovenská akadémia vied, Slovenská inovačná a energetická agentúra, 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, TEPELNÉ HOSPODÁRSTVO Košice, Trenčianske vodárne a kanalizácie, Východoslovenská energetika Holding, Západoslovenská vodárenská spoločnosť

Finance

Conseq penzijní spoločnosť, DÓVERA zdravotná poisťovňa, Erste Group, KB Penzijní spoločnosť, NOVIS Poisťovňa, Poštová banka, OVB Allfinanz Slovensko, PB Finančné služby, Union poisťovňa, Union zdravotná poisťovňa, Všeobecná úverová banka

Wholesale and Retail

COOP Jednota, BILLA, COREX, COREX SERVIS, Dedoles, dm drogerie markt, EUROSAM, IKEA Components, JANEBA TIME SR, KOFT Bratislava, LORIKA Slovakia, MABO, MEDITRADE, NITRAZDROJ, PHOENIX Zdravotnícke zásobovanie, SLOVWOOD Ružomberok

Healthcare

Detská fakultná nemocnica s poliklinikou Banská Bystrica, DÓVERA zdravotná poisťovňa, Falck Záchraná, Univerzitná nemocnica Martin, Ústredná vojenská nemocnica SNP Ružomberok, Železničné zdravotníctvo Košice

Communications about our company's events

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. To increase the website visitor numbers, we are running a year-round online campaign focussed on presenting the extensive portfolio of our products and services utilising several digital formats – specifically, text adverts in the Google search engine, graphical adverts (banners) and a digital campaign on social media.

We are active on social networks. On Facebook, we currently have almost 3,000 followers, and on LinkedIn there are almost 700. The SOFTIP YouTube channel has over 450 subscribers. We also run an active Twitter account.

We communicate with our current and potential customers through our monthly electronic newsletter called SOFTIP NEWS, containing a summary of the most interesting articles for the past month. On average, the newsletter is read by 1,500 readers.

We systematically cooperate with external media – we publish press releases, expert articles, and case studies, as well as interviews and statements from members of the management team on current topics.

Marketing communications

Events

Formal and informal events are an important part of our marketing efforts. However, they were the ones most affected by the global pandemic. Having considered all factors and risks, in 2020 we cancelled all mass events, including the fourth year of the popular HR conference SOFTIP HR DAY, which has been postponed to 2021. For the first time in history, the International Engineering Fair (MSV) in Brno was cancelled, where we planned to present ourselves at our own exhibition stand. We made a great effort to compensate for the limited personal contact through online meetings and webinars.

Internal communication

We pay a lot of attention to the development of internal communication and the support of team collaborations among our employees. That is one of the reasons why we continued our intranet development project in 2020. The project takes advantage of the Microsoft SharePoint based Microsoft Teams environment. The system stores all important information for employees in one place, allowing them to collaborate using instant messages, video conferences and file sharing.

We replaced the traditional summer and winter company-wide meeting of employees with online meetings in connection with the restriction of personal contact due to the coronavirus pandemic. The management informed the employees about current events in the company, the company's strategy and plans for the future, and at the same time created space for questions.

The popular internal SOFTIP AWARDS competition, in which employees vote to determine the winners in the categories of "Personality of the Year" and "Project of the Year" was also held in an electronic form. The 2019 Personality of SOFTIP award went to Rudolf Dobrotka. The database specialist, who has been with SOFTIP right from the start, gained 33.33% of all votes. He won convincingly after being nominated for the first time ever, replacing the last-year's winner Tatiana Janovcová.



The 2019 Project of the Year award went to "New Methods of Production Management". This large-scale project involving the interconnection of the SOFTIP MONACO and SOFTIP PROFIT PLUS information systems established a clear victory, winning an absolute majority of all the votes cast (58.33%).

Creating a better future together

When it comes to Corporate Social Responsibility, we endorse employee engagement and volunteerism. Employees can participate in bringing about a positive change in the areas we have long been involved in, such as nature conservation, children and health, and improving the quality of life using IT.

By donating 1% of our 2020 taxes, we supported eight different recipients. The first one is the Andreas autism centre, which provides complex professional care to those with autism. The second recipient is the civic association “pre Paľka”, founded in support of the mental, physical, and psychological health of the autistic boy Paľko. The third recipient is the civic association Viera – láska – nádej at the Svetielko centre, which provides complex therapy and rehabilitation services to children with multiple disabilities. The next recipient is the civic association Alex supporting the treatment of Alex - an 11-year-old boy suffering from multiple serious health conditions. The fifth recipient is the Križovatka foundation, which uses breathing monitors to protect the lives of new-borns in Slovak hospitals and maternity hospitals. The sixth recipient is the Sports Club University of Matej Bel Banská Bystrica, which has managed to restore the university basketball tradition by supporting the ŠK UMB Banská Bystrica basketball club. The seventh recipient is the civic association Kordický Hrebenák, which maintains the cross-country skiing tracks around the village of Kordíky near Banská Bystrica. And finally, the eighth recipient is the Sports club of biathlon and snowshoe running, the mission of which is to support the sports activities of children in the sports club Biathlon Mania in Banská Bystrica.

Corporate Social Responsibility

For several years, we have been the titular partner of the SOFTIP Three Kings Night Run through the streets of Banská Bystrica, which regularly kicks-off the Marathon BB Tour season. On Monday, 6 January, 2020, a record number of 1,432 runners embarked on the 5.39 kilometre-long run, creating several new track records both in the male and female categories.



In 2020, we also organised the traditional Kvapka krvi (Drop of blood), even though in a non-traditional manner. Due to the exceptional situation caused by the coronavirus pandemic, the number of donors decreased significantly, which had reduced the stock of available blood. We have therefore called on our employees and the general public to take on this voluntary noble act of blood giving. Despite the fact that the SOFTIP KVAPKA KRVI this time round could not take advantage of mobile donations, we still found a way to support blood donations in this exceptional situation. In the last two weeks of October, people had the opportunity to donate blood in person at any of the facilities of the National Transfusion Service all over Slovakia. Besides the good feeling that comes from helping others, they were also motivated by valuable prizes.

The pandemic year was not easy for any of us, but it certainly had the most severe impact on the most vulnerable of us. That is why we decided to end it in on a slightly different note. Instead of buying the traditional Christmas cards we donated EUR 3,000 to the civic association Svetielko nádeje, which helps improve the lives of oncology patients and terminally ill children and their families.



We want to gradually supplement this contribution with another 29 charitable deeds and celebrate 30 years of SOFTIP. By helping people for whom health and ordinary, everyday life are the greatest gift they can receive.

We strive to be as considerate to the planet as possible

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.

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 don't buy water in plastic bottles. Mineral water and sweetened drinks in plastic bottles have been an absolute taboo for several years. Instead, we provide water in glass containers and use our own glasses.

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 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.

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 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 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.

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.

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".

Our team consists of 172 professionals all over Slovakia

We are united by a passion for modern IT technologies and a desire to constantly discover new possibilities in this field.

Personnel Policy

In 2020, we all had to deal with the new and demanding situation and the change caused by the COVID-19 pandemic. For almost the whole year, we worked mostly from home, as the nature of our work allows us to do so. We had to adapt to the changed situation which still, in many aspects, was not completely new to us. In terms of technology, we were well prepared for this type of communication and work. We were basically able to have all our employees working from home in one day. For many of our colleagues, remote work was a common practice in the past. In the long-term, however, we do not consider this option suitable.

A very important role was played by internal communication in regard to the pandemic related measures. The management maintained active communication with the employees. They made every effort to continuously inform and react promptly to all legislative changes and anti-pandemic measures, which had been changed on many occasions throughout the year. The management managed to maintain control of the situation and provided all employees with clear and unambiguous information.

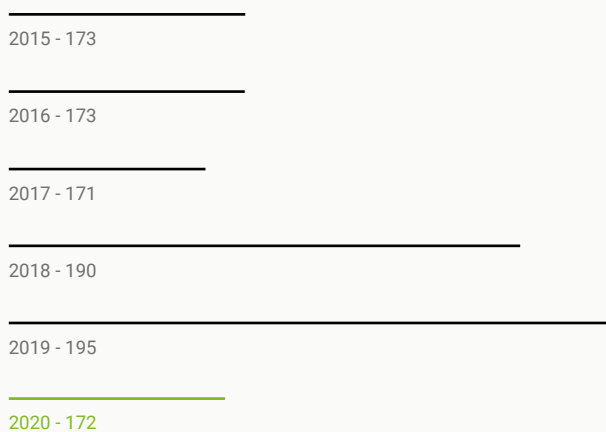
Instead of the company-wide employee meetings, there were company-wide live meetings on Microsoft Teams where the management notified employees about the current state of the company and answered any questions. Employees' suggestions were processed on an ongoing basis throughout the year.

As of 31 December, 2020, SOFTIP had 172 employees, which represents a year-on-year decrease of roughly 11.8 %. The main reason being the optimisation measures taken due to the COVID-19 pandemics and a natural generational change.

In terms of positions, most of the newly hired employees were system 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.

Development of the number of employees



People

Employees

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

Structure of employees by sex

Male 69%

Female 31%

Every year, we select and reward the best employees in selected positions. It has become a long-standing tradition and a pleasure to present the Years of Service awards to the employees at our regular company-wide employee meetings; due to the pandemic, this year the event did not take place and the ceremony had to be postponed.

We use our integrated management system to receive and resolve any employee requests, which are electronically evaluated.

Education

Employee education is one of the manifestations of employee care, where not only the employee but also the employer itself benefits from the acquired knowledge and investment in the education of its employees. From this standpoint, the employee education process is deemed a great investment and a necessity if we want the company to continue to move forward.

Employee education is perceived as a benefit, which in 2020 we were able to provide almost unaffected by the pandemic. Even prior to this, the educational activities were online-ready, and a number of webinars became available almost instantly.

In 2020, there were almost 90 different educational activities. Our system engineers and specialists improved their knowledge, so that – as a Microsoft Gold Partner – we could gain and/or maintain our Microsoft Azure, Security, Gold Communication, Office 365 and Microsoft Teams related competencies. Most of the educational activities allowed the participants to obtain certificates. Following the introduction of the Anti-Bribery Management System according to ISO 37 001, all employees took an e-learning course and test pertaining to the entire integrated management system.

Our consultants also attend year-round training courses focussed on legislation and the related changes. We must also mention our employer endorsed year-round employee self-education.

In 2020, we spent almost EUR 165,000 on employee education in terms of the time spent on educational activities and external costs.

Our continued objective is to purposefully develop the potential of our employees, in order to give them the opportunity for personal and professional growth.

Benefits

We perceive the benefits provided to our employees not only as an opportunity to distinguish ourselves from other employers, but also as an opportunity to provide our employees with better health and family care.

At the beginning of 2020, the company increased the nominal value of meal vouchers provided to employees to EUR 5 by implementing a small employee contribution.

During the year, it was not possible to take advantage of some of the benefits due to the pandemic, but they remain in our long-term programme.

For more information on our benefits, please visit our career website <https://www.softip.sk/sk/o-nas/kariera>.

In 2020, the company contributed a total of EUR 128,000 towards social fund benefits, drawing of additional leave and SPS contributions.

Our main objective is to introduce fair benefits for all employees in all the workplaces of SOFTIP and for every generation of employees.

The year 2020 was different, demanding, and successful

Despite the complicated and difficult situation we were in, 2020 was a year of positive economic results.

In order to remain successful, we had to make several difficult decisions towards maintaining a stable financial situation and overall company health. An important factor helping us achieve the positive results was a pipeline of projects contracted in the previous years which helped us, to a large extent, overcome the business disruptions during the pandemic. Besides that, we adopted fundamental cost-saving measures eliminating any inefficiencies and made several cuts, and respectively postponed some planned investments or process changes.

The complexity of our portfolio and our ability to adjust to market changes proved to be a clear advantage. An excellent sales strategy and the ability to implement small and large projects alike are the main success factors in our company. We have defended our stable and strong position on the information and communication technology market in Slovakia, which we have held for 30 years now. However, the business figures for 2020 were affected by the impossibility of making a personal sale. The slump in sales foreshadows difficulties in meeting the targets in the following years.

In 2020, we reported earnings before tax of EUR 2.865 million and revenues of EUR 15.886 million. In terms of sales revenue, we witnessed a decrease of 13%. We produced an added value in excess of EUR 11.412 million which is approximately a 2% decrease compared to 2019.

Despite the suboptimal cash flow development throughout the year, the company remains financially stable. We drew on credit resources during the year to a greater extent than in previous periods. In 2020, we capitalised the research and development expenses for SOFTIP PROFIT PLUS, as well as for the development of the cash-on-delivery system for a distribution company and the development of unified CV record-keeping in SOFTIP HAPPY HR. Our largest capitalised development project was the technological modernisation of our flagship product SOFTIP PROFIT PLUS.

The Independent Auditor's Report states that the Financial Statements, as at 31 December 2020, provides a true and fair view of the company's financial situation.

On 31 December 2020, the solvency of the company could once again be documented by a Certificate of Registration in the list of businesses issued by the Public Procurement Office.

Martin Vlčko

Member of the Board and Finance Director

Financial management

Selected economic indicators

	2016	2017	2018	2019	2020
Equity	1,530,218	1,541,084	2,393,055	2,479,194	2,700,208
Revenues total	11,062,842	11,211,337	19,647,252	18,226,226	15,885,400
Added Value	7,471,353	8,152,168	10,901,699	11,642,017	11,412,783
Profit before tax	1,330,189	1,414,441	2,375,989	2,539,100	2,865,786
Profit after tax	901,154	1,092,520	1,856,298	2,027,063	2,316,756
Added Value / 1 empl.	43,644	48,195	57,402	60,982	61,834
Profit before tax / 1 empl.	7,770	8,362	12,510	13,300	12,552
Revenues total / 1 empl.	64,623	66,280	103,450	95,470	15,527

Balance sheet as of December 31, 2020, comparing the development since 2016 (in EUR)

	2016	2017	2018	2019	2020
Total assets	3,871,411	4,054,670	5,937,712	6,045,510	7,905,418
Non-current assets	285,332	1,004,313	671,001	903,948	964,587
Non-current intangible assets	162,089	297,006	591,007	672,423	757,099
Property, plant and equipment	123,243	89,512	70,158	213,795	185,500
Non-current financial assets	x	617,795	9,836	17,730	21,988
Current assets	3,323,642	2,803,236	5,015,507	4,875,909	6,623,615
Inventory	20,127	25,564	15,542	17,474	11,675
Non-current receivables	187,470	163,884	265,413	402,514	488,004
Current receivables	2,521,862	2,297,727	2,659,822	4,343,020	4,684,611
Financial accounts	594,183	316,061	2,074,730	112,901	1,439,325
Accruals / deferrals	262,437	247,121	251,204	265,653	317,216
Total equity and liabilities	3,871,411	4,054,670	5,937,712	6,045,510	7,905,418

Financial management

Balance sheet as of December 31, 2020, comparing the development since 2016 (in EUR)

	2016	2017	2018	2019	2020
Equity	1,530,218	1,541,084	2,393,055	2,479,194	2,700,208
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	589,231	400,936	492,302	399,782	326,845
Net profit / loss for the accounting period after tax	901,154	1,092,520	1,856,298	2,027,063	2,316,756
Liabilities	2,199,191	2,333,325	3,330,434	3,227,405	4,966,986
Provisions	x	x	x	x	x
Non-current liabilities	49,627	42,662	46,289	43,165	39,639
Non-current provisions	6,344	3,091	4,527	8,676	9,345
Current liabilities	1,253,128	1,808,267	2,386,252	2,350,942	4,564,825
Current provisions	86,946	48,861	461,662	410,947	347,474
Term bank loans	803,146	430,444	431,704	413,675	5,703
Accruals / Dererrals	142,002	180,261	214,223	338,911	238,224

Income statement as of December 31, 2020, comparing the development since 2016 (in EUR)

	2016	2017	2018	2019	2020
Revenue from the sale of merchandise	397,866	442,731	392,830	423,742	381,079
Costs of merchandise sold	314,348	370,191	297,045	346,744	326,493
Profit margin	83,518	72,540	95,785	76,998	54,586
Revenues from SOFTIP product and service sales	10,664,976	10,768,606	19,254,422	17,802,484	15,504,321

Financial management

Income statement as of December 31, 2020, comparing the development since 2016 (in EUR)

	2016	2017	2018	2019	2020
Activation	59,245	196,211	113,589	212,950	295,935
Production consumption	3,336,386	2,885,189	8,562,097	6,450,415	4,442,059
Added value	7,471,353	8,152,168	10,901,699	11,642,017	11,412,783
Personnel expenses total	6,088,428	6,664,808	8,333,703	9,026,119	8,551,020
Taxes and fees	6,155	5,413	7,685	5,209	4,201
Tangible and intangible fixed assets depreciation	178,844	99,288	147,441	194,260	266,285
Tangible and intangible fixed assets revenues	1,263	1,164	15,789	5,025	7,010
Carrying value of non-current assets sold and raw materials	0	17,528	3,507	14,447	5,235
Generation and settlement of value adjustments for receivables	-3,047	-8,036	22,260	1,585	309,846
Other operating income	134,432	85,059	153,388	201,221	648,864
Other operating expenses	-34,786	52,696	155,339	60,078	54,701
Profit / loss from operations	1,371,454	1,406,694	2,400,941	2,546,565	2,877,369
Revenues generated from security and share sales	10,000	0	0	0	0
Sold securities and shares	10,603	0	0	0	0
Revenues generated from financial fixed assets	0	0	0	0	0
Generation and settlement of value adjustment for financial assets	0	0	0	0	0
Interest income	13	0	0	0	0
Interest expense	17,286	2,033	6,622	1,934	3,814
Exchange rate gain	874	2,447	2,879	14,629	17,964
Exchange rate losses	8,310	7,624	8,011	9,287	11,970

Financial management

Income statement as of December 31, 2020, comparing the development since 2016 (in EUR)

	2016	2017	2018	2019	2020
Other revenues from financial activities	0	32,166	0	0	0
Other expenses related to financial activities	15,953	17,209	13,198	10,873	13,763
Profit / loss from financial activities	-41,265	7,747	-24,952	-7,465	-11,583
Economic result from common business activities before tax	1,330,189	1,414,441	2,375,989	2,539,100	2,865,786
Tax from common business activities	429,035	321,921	519,691	512,037	549,030
Economic result from common business activities after tax	901,154	1,092,520	1,856,298	2,027,063	2,316,756
Profit / loss for the accounting period before tax	1,330,189	1,414,441	2,375,989	2,539,100	2,865,786
Profit / loss for the accounting period after tax	901,154	1,092,520	1,856,298	2,027,063	2,316,756



REPORT OF INDEPENDENT AUDITOR

regarding the audit of the Financial Statements

and

Report on Additional Requirements of Acts and Other Legal Regulations

of joint stock company

SOFTIP, a.s.

For the year 2020

This is a translation of the original Slovak Auditor's Report. 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 and Annual Report prepared in Slovak.



REPORT OF INDEPENDENT AUDITOR

For the shareholders, supervisory board, board of directors of the company HYDROTECH, a.s., Vinosady

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, 2020, the Profit and Loss Statement for the year ending as of the date above mentioned 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 SOFTIP, a.s. company as of December 31, 2020 and the economic result of the Company for the year ended as of the date above mentioned, in accordance with the Act on Accounting No.431/2002 Coll. as amended (hereinafter "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 on Statutory Audit, as amended, and Act No. 431/2002 Coll. on Accounting, as amended (hereinafter 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 Act on Accounting and for internal controls which the statutory body considers necessary for the compilation of Financial Statements that is 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 that are sufficient and appropriate for providing the basis of our opinion. The risk of not revealed material

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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 ourselves 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 the Act on Accounting. Our abovementioned opinion on the Financial Statements does not relate to any other information referred in the Annual Report.

In connection with the audit of Financial Statements, it is our responsibility to get acquainted 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 of the Financial Statements, or the information appears to be materially misinterpreted.

We have assessed whether the Company's Annual Report contains information required by the Accounting Act.

Based on the work done during the audit of the financial statements, in our opinion:

- the information referred in the Annual Report for the year 2020 is in the compliance with the Financial Statement for the relevant year;
- the Annual Report includes the information in accordance with the Act on Accounting.

Moreover, on basis of the knowledge of the entity and the situation in the accounting entity that we obtained during the financial statements audit, we are required to state whether we have identified material misstatements in the Annual Report that we received prior to the date of issue of this auditor's report. In this respect, there are no findings that we should mention.

Banská Bystrica, May 31, 2021

BDR, spol. s r.o. Banská Bystrica
M.M. Hodžu 3, 974 01 Banská Bystrica
Licence SKAu No. 6
Commercial Register of District Court in Banská Bystrica
Section: Sro, Insert No.: 98/S, ID: 00614556

Ing. Dagmar Mihálová
key audit partner
licence SKAu No. 53



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Significant post-balance sheet events

On 2 March 2021, the sole shareholder of SOFTIP, a. s., exercising the powers of the General Meeting, approved the use of the undistributed 2019 profit in the amount of EUR 227,062.58 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.

Contact

The 2020 annual report was published in May 2021 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.

Seat & invoicing address

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851 01 Bratislava – mestská časť Petržalka

Post address & contact

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Na Troskách 26, 974 01 Banská Bystrica
TEL: +421 48 4340 111
E-MAIL: softip@softip.sk
www.softip.sk

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
VAT reg. No.: SK2022390942
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
Company registered in Business Register of the District Court
in Bratislava I, section Sa, file No. 4151/B



