

Report on the Preparation of the Annual Financial Statements

as at

31 December 2022

of

Confinale (Deutschland) GmbH
Informatikdienstleistungen
Prinzenallee 7

40549 Düsseldorf

by

Münchow Treuhand GmbH StBG

Bergfeldstraße 9

83607 Holzkirchen

as at 31/12/2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

Table of Contents

1. Acceptance of the engagement	2
2. Enclosures	3
Balance sheet as at 31 December 2022	4
Fixed-asset table as at 31 December 2022	6
Profit and loss statement from 01 January to 31 December 2022	7
Attestation report	10
Account statement for the balance sheet according to commercial law	11
Account statement for the income statement according to commercial law	14

as at 31/12/2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

1. Acceptance of the engagement

The management of

**Confinale (Deutschland) GmbH,
Düsseldorf**

- hereinafter also abbreviated to "Confinale DE" or "company" -

engaged me to prepare the annual financial statements as at 31 December 2022 on the basis of the vouchers, accounting records and inventory records provided to me, which I have not audited in accordance with the terms of my engagement, taking into account the information provided to me in accordance with the statutory requirements and in accordance with the instructions by the client within this framework to exercise existing accounting options. I performed this engagement to prepare the annual financial statements with no assessments on February 17th 2023 in Holzkirchen.

I have informed my client about such circumstances that lead to options and have obtained from him decision specifications for the exercise of material and formal design options (approach, valuation and disclosure options) as well as discretionary decisions.

This applied equally to the decisions to be made by my client on the application of simplifications in the preparation and disclosure of the annual financial statements for micro, small and medium-sized companies. Furthermore, I have informed my client about the statutory deadlines for the preparation, determination and disclosure/filing of the annual financial statements.

as at 31/12/2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

2. Enclosures

BILANZ zum 31 December 2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

ASSETS**TOTAL EQUITY AND LIABILITIES**

	EUR	Financial Year EUR	Prior Year EUR		EUR	Financial Year EUR	Prior Year EUR
A. Noncurrent assets				A. Equity			
I. Tangible fixed assets				I. Subscribed capital		25,000.00	25,000.00
1. Other equipment, operating and office equipment		8,657.00	4,423.00	II. Retained profits brought forward		848,423.05	428,843.98
Total noncurrent asset		<u>8,657.00</u>	<u>4,423.00</u>	III. Net income for the financial year		816,949.69	419,579.07
				Total equity		<u>1,690,372.74</u>	<u>873,423.05</u>
B. Current assets				B. Provisions			
I. Receivables and other assets				1. Provisions for taxes	221,436.46		97,838.98
1. Trade receivables	961,736.82		619,002.66	2. Other provisions	<u>75,500.00</u>		<u>34,500.00</u>
- of which from shareholders EUR 47,644.00 (EUR 0.00)						296,936.46	132,338.98
2. Other assets	7,001.04		24,586.50	C. Liabilities			
- of which from shareholders EUR 0.00 (EUR 21,138.50)				1. Trade payables	412,399.26		79.30
		<u>968,737.86</u>	<u>643,589.16</u>	- of which to shareholders EUR 408,199.20 (EUR 0.00)			
II. Cash on hand, central bank balances, bank balances, and checks		1,635,480.34	393,670.92	- of which remaining term up to 1 year EUR 412,399.26 (EUR 79.30)			
Total current assets		<u>2,604,218.20</u>	<u>1,037,260.08</u>	2. Other liabilities	213,166.74		35,841.75
Carried forward		<u>2,612,875.20</u>	<u>1,041,683.08</u>	Carried forward		<u>625,566.00</u>	<u>35,921.05</u>
						<u>1,987,309.20</u>	<u>1,005,762.03</u>

BILANZ zum 31 December 2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

ASSETS**TOTAL EQUITY AND LIABILITIES**

	Financial Year EUR	Prior Year EUR		Financial Year EUR	Prior Year EUR
Brought forward	2,612,875.20	1,041,683.08	Brought forward	1,987,309.20	1,005,762.03
				625,566.00	35,921.05
			- of which taxes EUR 210,421.92 (EUR 34,005.91)		
			- of which social security EUR 2,744.82 (EUR 1,835.84)		
			- of which remaining term up to 1 year EUR 213,166.74 (EUR 35,841.75)		
				625,566.00	35,921.05
	2,612,875.20	1,041,683.08		2,612,875.20	1,041,683.08

ANLAGENSPIEGEL zum 31 December 2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

	book value 01/01/2022 EUR	additions EUR	disposals EUR	transfers EUR	depreciations write-ups- EUR	book value 31/12/2022 EUR
A. Noncurrent assets						
I. Tangible fixed assets						
1. Other equipment, operating and office equipment	4,423.00	13,085.80			8,851.80	8,657.00
Total tangible fixed assets	4,423.00	13,085.80			8,851.80	8,657.00
Total noncurrent asset	4,423.00	13,085.80			8,851.80	8,657.00

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

	EUR	Financial Year EUR	Prior Year EUR
1. Sales		4,724,549.40	3,428,613.50
2. Gross revenue		4,724,549.40	3,428,613.50
3. Other operating income			
a) Miscellaneous other operating income		1,530.40	0.00
4. Cost of materials			
a) Cost of raw materials, consumables and supplies, and of purchased merchandise	40.77		0.00
b) Expenses for purchased services	2,232,974.00		1,881,195.00
		2,233,014.77	1,881,195.00
5. Personnel expenses			
a) Wages and salaries	823,092.92		603,046.17
b) Social security costs and expenses related to pension plans and for support	165,328.69		117,191.21
		988,421.61	720,237.38
6. Depreciation and amortization			
a) Of noncurrent intangible assets and property, plant and equipment		8,851.80	2,602.36
7. Other operating expenses			
a) Occupancy costs	25,211.45		8,130.20
b) Insurance premiums, fees and contributions	4,655.62		3,650.91
c) Cost of third-party repairs and maintenance	177.99		0.00
d) Advertising and travel expenses	11,207.32		9,230.20
e) Miscellaneous operating costs	266,013.18		227,092.02
f) Miscellaneous other operating expenses - of which currency translation losses EUR 731.51 (EUR 0.00)	731.51		0.00
		307,997.07	248,103.33
8. Taxes on income		370,844.86	156,896.36
9. Net income/net loss after tax		816,949.69	419,579.07
10. Net income for the financial year		816,949.69	419,579.07

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

Notes

General information about the annual financial statements

The annual financial statements of Confinale (Deutschland) GmbH in Marktoberdorf (district court of Kempten (Allgäu), HRB 14057) have been prepared in accordance with the provisions of Book III of the Commercial Code and the supplementary provisions of the law relating to limited liability companies. The income statement is prepared using the nature of expense method in accordance with Section 275 (2) HGB.

The company is a small company within the meaning of the law in the form of a limited liability company. Wherever possible, simplification regulations were used.

Disclosures on accounting policies

Accounting policies

Purchased intangible assets were recognised at cost; finite-lived intangible assets are amortised.

Tangible assets were recognised at cost; finite-lived tangible assets are depreciated.

If necessary, the applicable lower value was recognised at the reporting date.

The measurement of receivables and securities reflects all identifiable risks.

Tax provisions contain the taxes attributable to the financial year that have not yet been assessed.

The other provisions were recognised for all further uncertain liabilities. They reflect all identifiable risks.

Liabilities are recognised at their settlement amount.

Accounting policies that have changed as against the prior year

The accounting policies previously applied were largely taken over in the annual financial statements.

There was no fundamental change in accounting policies compared with the prior year.

Balance sheet disclosures**Information on remaining terms of receivables**

All receivables and other assets are due within one year. There are no receivables with a term of more than one year. Receivables from shareholders amount to EUR 47,644.00 (previous year: EUR 21,138.50).

Information on remaining terms of liabilities

The amount of liabilities with a remaining term of up to one year is EUR 625,566.00 (previous year: EUR 35,921.05). The amount of liabilities to shareholders is EUR 408,199.20 (previous year: EUR 0.00). The liabilities include liabilities from taxes in the amount of EUR 210,421.92 (previous year: EUR 34,005.91 and in the context of social security in the amount of EUR 2,744.82 (previous year: EUR 1,835.84).

Other disclosures**Contingent liabilities**

As of the balance sheet date, there were no contingent liabilities to be disclosed in accordance with Section 251 HGB in conjunction with Section 268 (7) HGB.

Appropriation of earnings

Management proposes carrying the annual result forward into the new year.

Average number of employees during the financial year

The average number of employees during the financial year in the company was 13.0.

Information about the management

Mr. Thomas Twerenbold, businessman, Oberägeri (Switzerland) has been appointed as managing director.

Signature of management

Oberägeri, 17.2.2023

T. Twerenbold

Place, date

Signature

as at 31/12/2022

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

Attestation report

Attestation report on preparation by the tax advisory firm.

In accordance with the terms of my engagement, I have prepared the preceding annual financial statements – comprising the balance sheet, income statement and notes to the financial statements – of the company Confinale (Deutschland) GmbH for the financial year from 01 January 2022 to 31 December 2022 in accordance with the provisions of German Commercial Law.

The basis of preparation was the vouchers, accounting records and inventory records provided to me, which I have not audited in accordance with the terms of my engagement, as well as the information provided to me.

The accounting records and the preparation of the inventory records and the annual financial statements in accordance with the provisions of German Commercial Law are the responsibility of the company's management.

I have performed my engagement in accordance with the "Verlautbarungen der Bundessteuerberaterkammer zu den Grundsätzen für die Erstellung von Jahresabschlüssen" (Pronouncement by the German Federal Chamber of Tax Advisers on the principles for the preparation of annual financial statements). This engagement comprises the preparation of the balance sheet and income statement, as well as the notes to the financial statements, on the basis of the accounting records, the inventory records and the accounting policies required to be applied.

Holzkirchen, February 17th 2023

Michael Münchow
Steuerberater

Fachberater für Internationales Steuerrecht

Münchow Treuhand GmbH Holzkirchen



Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

ASSETS

Account	Description	EUR	Financial Year EUR	Prior Year EUR
	Other equipment, operating and office equipment			
480	Low-value assets	863.00		3,507.00
490	Other operating and office equipment	<u>7,794.00</u>		<u>916.00</u>
			8,657.00	4,423.00
	Trade receivables			
1400	Trade receivables	914,092.82		619,002.66
1490	Trade rec from shareholders/prtnrs	<u>47,644.00</u>		<u>0.00</u>
			961,736.82	619,002.66
	of which from shareholders EUR 47,644.00 (EUR 0.00)			
1490	Trade rec from shareholders/prtnrs			
	Other assets			
1525	Security deposits	6,939.60		3,448.00
1600	Trade payables	61.44		0.00
1651	Trd pybls to shrhldr/part.rem.term 1 yr.	<u>0.00</u>		<u>21,138.50</u>
			7,001.04	24,586.50
	of which from shareholders EUR 0.00 (EUR 21,138.50)			
1651	Trd pybls to shrhldr/part.rem.term 1 yr.			
	Cash on hand, central bank balances, bank balances, and checks			
1200	Bank		1,635,480.34	393,670.92
			<u>2,612,875.20</u>	<u>1,041,683.08</u>

TOTAL EQUITY AND LIABILITIES

Account Description	EUR	Financial Year EUR	Prior Year EUR
Subscribed capital			
800 Subscribed capital		25,000.00	25,000.00
Retained profits brought forward			
860 Retained profits bef apprprtn net profit		848,423.05	428,843.98
Net income for the financial year			
Net income for the financial year		816,949.69	419,579.07
Provisions for taxes			
956 Provision for trade tax, EStG s. 4(5b)	124,751.00		40,919.00
963 Provisions for corporate income tax	<u>96,685.46</u>		<u>56,919.98</u>
		221,436.46	<u>97,838.98</u>
Other provisions			
965 Provisions for personnel expenses	70,000.00		30,000.00
977 Provsns period-end closing/ audit costs	<u>5,500.00</u>		<u>4,500.00</u>
		75,500.00	<u>34,500.00</u>
Trade payables			
1600 Trade payables	4,200.06		79.30
1650 Trade payables to shrehldrs/partners	<u>408,199.20</u>		<u>0.00</u>
		412,399.26	<u>79.30</u>
of which to shareholders			
EUR 408,199.20 (EUR 0.00)			
1650 Trade payables to shrehldrs/partners			
of which remaining term up to 1 year			
EUR 412,399.26 (EUR 79.30)			
1600 Trade payables			
1650 Trade payables to shrehldrs/partners			
Other liabilities			
1736 Liabilities from taxes and levies	154,761.94		0.00
1741 Wage and church tax payables	12,676.63		9,955.88
1742 Social security liabilities	<u>2,744.82</u>		<u>1,835.84</u>
	170,183.39		11,791.72
1571 Deductible input tax, 7%	149.79-		76.26-
1575 Deductible input tax, 16%	0.00		349.03-
1576 Deductible input tax, 19%	20,433.15-		16,130.25-
1577 Dedctbl inpt tax sec 13b UStG 19%	456,256.88-		25,182.89-
1776 VAT, 19%	672,865.75		432,027.63
1780 VAT prepayments	614,512.81-		385,269.09-
1781 VAT prepayments 1/11	37,770.00-		30,203.00-
1787 VAT under section 13b UStG, 19%	456,256.88		25,182.89
Carried forward	<u>170,183.39</u>	<u>2,399,708.46</u>	<u>11,791.72</u> <u>1,005,841.33</u>

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

TOTAL EQUITY AND LIABILITIES

Account Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward	170,183.39	2,399,708.46	1,005,841.33
1789 VAT, current year	42,983.35		11,791.72
	42,983.35		24,050.03
		213,166.74	35,841.75
of which taxes EUR 210,421.92 (EUR 34,005.91)			
1736 Liabilities from taxes and levies			
1741 Wage and church tax payables			
1571 Deductible input tax, 7%			
1575 Deductible input tax, 16%			
1576 Deductible input tax, 19%			
1577 Deductbl inpt tax sec 13b UStG 19%			
1776 VAT, 19%			
1780 VAT prepayments			
1781 VAT prepayments 1/11			
1787 VAT under section 13b UStG, 19%			
1789 VAT, current year			
of which social security EUR 2,744.82 (EUR 1,835.84)			
1742 Social security liabilities			
of which remaining term up to 1 year EUR 213,166.74 (EUR 35,841.75)			
1736 Liabilities from taxes and levies			
1741 Wage and church tax payables			
1742 Social security liabilities			
1571 Deductible input tax, 7%			
1575 Deductible input tax, 16%			
1576 Deductible input tax, 19%			
1577 Deductbl inpt tax sec 13b UStG 19%			
1776 VAT, 19%			
1780 VAT prepayments			
1781 VAT prepayments 1/11			
1787 VAT under section 13b UStG, 19%			
1789 VAT, current year			
		2,612,875.20	1,041,683.08

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

Account	Description	EUR	Financial Year EUR	Prior Year EUR
Sales				
8336	Tax-exemt other serv. s. 18b UStG	117,304.79		0.00
8338	Tax-exempt sales 3rd country	783,898.00		1,154,784.00
8400	Revenue, 19% VAT	<u>3,823,346.61</u>		<u>2,273,829.50</u>
			4,724,549.40	<u>3,428,613.50</u>
Miscellaneous other operating income				
2749	Refunds AAG		1,530.40	0.00
Cost of raw materials, consumables and supplies, and of purchased merchandise				
3850	Customs and import duties		40.77	0.00
Expenses for purchased services				
3100	Purchased services	0.00		1,881,195.00
3101		2,231,274.00		0.00
3125	Serv.suppl foreign contr.19% i.t./VAT	<u>1,700.00</u>		<u>0.00</u>
			2,232,974.00	<u>1,881,195.00</u>
Wages and salaries				
4100	Wages and salaries	782,492.92		573,046.17
4101		40,000.00		30,000.00
4155	Employment agency subsidies	<u>600.00</u>		<u>0.00</u>
			823,092.92	<u>603,046.17</u>
Social security costs and expenses related to pension plans and for support				
4130	Statutory social security expenses	162,881.56		116,216.08
4138	Contrib. to occup. health/safety agency	1,982.42		895.13
4140	Vol. social benfts not subj to wage tx	<u>464.71</u>		<u>80.00</u>
			165,328.69	<u>117,191.21</u>
Depreciation and amortization				
Of noncurrent intangible assets and property, plant and equipment				
4830	Depreciation of tangible fixed assets	5,016.23		1,283.00
4855	Immediate write-off of low-value assets	0.00		149.00
4860	Depr./amort. capitalised low-value ass.	<u>3,835.57</u>		<u>1,170.36</u>
			8,851.80	<u>2,602.36</u>
Occupancy costs				
4210	Rent (immovable property)	25,173.55		8,130.20
4250	Cleaning	<u>37.90</u>		<u>0.00</u>
			25,211.45	<u>8,130.20</u>
Carried forward			<u>1,470,580.17</u>	<u>816,448.56</u>

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

Account	Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward			1,470,580.17	816,448.56
	Insurance premiums, fees and contributions			
4360	Insurance premiums	2,225.30		2,225.30
4361		1,363.00		0.00
4380	Contributions	1,034.32		1,103.48
4390	Other levies	33.00		294.13
4396	Late filing penalties/ admin. fines	0.00		28.00
			4,655.62	3,650.91
	Cost of third-party repairs and maintenance			
4806	Hardware / software maintenance expenses		177.99	0.00
	Advertising and travel expenses			
4650	Entertainment expenses	48.82		881.96
4653	Small gifts	1,423.54		115.69
4654	Non-deductible entertainm. expenses	20.93		377.99
4660	Employee travel expenses	323.54		0.00
4663	Employee travel expnses, cost of travel	6,450.16		3,711.82
4664	Employee trav. expn, addnl substnc costs	881.75		433.47
4666	Employee trav. expn, accommodation costs	1,669.92		3,709.27
4668	Employee mileage reimbursement	388.66		0.00
			11,207.32	9,230.20
	Miscellaneous operating costs			
4900	Other operating expenses	3,082.09		48,226.07
4906		43,681.00		0.00
4909	Purchased services/ third-party services	500.00		22,850.00
4910	Postage	27.48		0.00
4920	Telephone	117.67		0.00
4930	Office supplies	354.84		0.00
4940	Newspapers, books (specialist lit.)	235.03		0.00
4945	Training costs	19,746.13		7,249.04
4946	Voluntary social benefits	251.19		0.00
4950	Legal and consulting expenses	4,756.50		11,293.23
4955	Bookkeeping expenses	16,447.40		0.00
4957	Period-end closing and audit costs	5,959.47		4,535.80
4964	Expensions for licences, concessions	168,922.50		132,541.50
4970	Incidental monetary transaction costs	487.91		268.93
4980	Operating supplies	1,443.97		127.45
			266,013.18	227,092.02
Carried forward			1,188,526.06	576,475.43

Confinale (Deutschland) GmbH Informatikdienstleistungen, 40549 Düsseldorf

Account Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward		1,188,526.06	576,475.43
Miscellaneous other operating expenses			
2150 Currency translation losses		731.51	0.00
of which currency translation losses EUR 731.51 (EUR 0.00)			
2150 Currency translation losses			
Taxes on income			
2200 Corporate income tax	86,527.00		86,527.00
2201	91,645.00		0.00
2208 Solidarity surcharge	4,758.96		4,758.54
2209 Solidarity surcharge for prior years	0.44		0.32
2211	5,040.46		0.00
2281 Backp/refunds trade tax pr yrs, s 4/5	0.00		0.50-
4320 Trade tax	<u>182,873.00</u>		<u>65,611.00</u>
		370,844.86	156,896.36
Net income for the financial year		<u>816,949.69</u>	<u>419,579.07</u>