

Annual Report 2023

Profundo B.V.

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Financial report

Profundo B.V.

Preface

Please find enclosed your annual report. This annual report consists of two parts.

Part 1: Financial report

This part contains a summary of the most important information from the financial statements. The information is derived from the financial statements and includes explanatory notes and comments.

Part 2: The Financial Statements

This consists of the balance sheet, the profit and loss account and the accompanying explanatory notes.

Accountant's compilation report

To: The management of Profundo B.V.

The financial statements of Profundo B.V. at Amsterdam have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2023 and the profit and loss account for the year 2023 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Profundo B.V..

During this engagement we have complied with the relevant ethical requirements prescribed by the Verordening Gedrags- en Beroepsregels Accountants (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

For further information on the nature and scope of a compilation engagement and the VGBA we refer you to www.nba.nl/uitleg-samenstellingsverklaring.

Heiloo, 18 July 2024

Vanhier Group B.V.
A.L.M. Aardenburg AA

Result analysis

The result analysis is based on the profit and loss account for 2023 as included in the financial statements. The result analysis provides insight into the ratio of cost types in relation to revenue. In addition, the result analysis gives a picture of the differences compared to last year.

Profit and loss account overview

	Financial year		Previous year		Difference	
	2023	% revenue	2022	% revenue	Difference	%
Revenue	1,769,235	100.0%	1,672,261	100.0%	96,974	5.8%
Cost of sales	57,974	3.3%	60,570	3.6%	-2,596	-4.3%
Gross margin	1,711,261	96.7%	1,611,691	96.4%	99,570	6.2%
Employee expenses	1,398,262	79.0%	1,246,914	74.6%	151,348	12.1%
Depreciation	5,366	0.3%	4,406	0.3%	961	21.8%
Other employee expenses	83,632	4.7%	77,081	4.6%	6,551	8.5%
Housing expenses	153,234	8.7%	143,117	8.6%	10,118	7.1%
Sales expenses	4,119	0.2%	3,625	0.2%	494	13.6%
Office expenses	57,145	3.2%	45,637	2.7%	11,508	25.2%
General expenses	120,118	6.8%	114,330	6.8%	5,788	5.1%
Total costs	1,821,876	103.0%	1,635,109	97.8%	186,767	11.4%
Operating result	-110,615	-6.3%	-23,418	-1.4%	-87,197	-372.4%
Financial income and expenses	-837	-0.0%	-2,140	-0.1%	1,303	60.9%
Result before taxation	-111,452	-6.3%	-25,558	-1.5%	-85,894	-336.1%
Corporate income tax	0	0.0%	-3,983	-0.2%	3,983	100.0%
Result after taxation	-111,452	-6.3%	-21,575	-1.3%	-89,877	-416.6%

Financial position

The financial position is based on the balance sheet as at 31 December 2023 as included in the financial statements. The financial position provides insight into the assets (assets) and their financing (liabilities). The size of the various items is also expressed as a percentage of the total balance sheet.

Balance sheet overview

	Financial year		Previous year	
	31-12-2023	% balance sheet	31-12-2022	% balance sheet
Tangible fixed assets	19,175	1.9%	14,503	1.3%
Financial fixed assets	7,282	0.7%	7,282	0.7%
Fixed assets	26,457	2.6%	21,785	2.0%
Receivables	556,978	55.5%	657,192	61.1%
Cash and cash equivalents	420,915	41.9%	396,181	36.8%
Current assets	977,893	97.4%	1,053,373	98.0%
Assets	1,004,351	100.0%	1,075,158	100.0%
Share capital	18,000	1.8%	18,000	1.7%
General reserve	453,189	45.1%	564,641	52.5%
Equity	471,189	46.9%	582,641	54.2%
Provisions	35,812	3.6%	35,055	3.3%
Non-current liabilities	36,804	3.7%	36,548	3.4%
Current liabilities	460,546	45.9%	420,913	39.1%
Equity and liabilities	1,004,351	100.0%	1,075,158	100.0%

Key figures

The ratios provide an insight into the financial performance and are calculated on the basis of the balance sheet as at 31 December 2023 and profit and loss account for 2023 as included in the financial statements.

The ratios are calculated as follows:

- Net working capital: Current assets - Current liabilities
- Quick Ratio: (Current assets - Stocks and work in progress) / Current liabilities
- Current Ratio: Current assets / Current liabilities
- Solvency: Equity / Total assets * 100%
- EBITDA: Result before tax - Financial income and expenses - Proceeds from receivables belonging to fixed assets and securities + Depreciation and Amortisation

Ratios multi-year overview

	2023	2022	2021
Working capital	517,348	632,460	665,044
Quick ratio	2.12	2.50	2.65
Current ratio	2.12	2.50	2.65
Solvency (Equity/Total assets)	46.9%	54.2%	56.0%
EBITDA	-105,249	-19,012	138,062

Financial statements

Profundo B.V.

Balance sheet

After appropriation of the result.

Balance sheet assets

	31-12-2023	31-12-2022
Fixed assets		
Tangible fixed assets	19,175	14,503
Financial fixed assets	7,282	7,282
	26,457	21,785
Current assets		
Receivables	556,978	657,192
Cash and cash equivalents	420,915	396,181
	977,893	1,053,373
Assets	1,004,351	1,075,158

Balance sheet equity and liabilities

	31-12-2023	31-12-2022
Equity		
Share capital	18,000	18,000
General reserve	453,189	564,641
	471,189	582,641
Provisions	35,812	35,055
Non-current liabilities	36,804	36,548
Current liabilities	460,546	420,913
Equity and liabilities	1,004,351	1,075,158

Profit and loss account

Profit and loss account

	2023		2022	
Revenue	1,769,235		1,672,261	
Cost of sales	57,974		60,570	
Gross margin		1,711,261		1,611,691
Employee expenses	1,398,262		1,246,914	
Depreciation	5,366		4,406	
Other employee expenses	83,632		77,081	
Housing expenses	153,234		143,117	
Sales expenses	4,119		3,625	
Office expenses	57,145		45,637	
General expenses	120,118		114,330	
Total costs		1,821,876		1,635,109
Operating result		-110,615		-23,418
Financial income and expenses		-837		-2,140
Result before taxation		-111,452		-25,558
Corporate income tax		0		-3,983
Result after taxation		-111,452		-21,575

Notes to the financial statements

Activities

The activities of Profundo B.V. consist mainly of research and advice on sustainability topics, commodity sectors and the financial sector.

Address, legal form and CoC number

Profundo B.V. has its statutory registered office at Amsterdam, and has been registered at the Chamber of Commerce under file number 55290833.

Estimates

In applying the principles and policies for drawing up the financial statements, the directors of Profundo B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under art. 362, sub 1, book 2 of the Dutch Civil Code the nature of these estimates and judgments, including related assumptions, is disclosed in the Notes to the relevant financial statement item.

Currencies

Items included in the financial statements of Profundo B.V. are valued with due regard for the currency in the economic environment in which the company carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of Profundo B.V..

General principles for reporting

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code with the exception of Section 6 'voorschriften omtrent de grondslagen van waardering en bepaling van het resultaat'. Instead the policies for determination of the result according the 'Wet op de Vennootschapsbelasting' have been applied. In addition the 'Besluit fiscale waarderingsgrondslagen' and the 'Handreiking bij de toepassing van fiscale grondslagen voor micro en kleine rechtspersonen' published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving') have been applied

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet and profit and loss account, references are made to the Notes.

The valuation principles and method of determining the result are the same as those used in the previous year.

Principle of tangible assets

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

The depreciations are based on the expected future life, unless a maximum depreciation percentage of 20% is prescribed for tax purposes, and are calculated on the basis of a fixed percentage of the cost price, taking into account any residual value.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

Principle of financial assets

Receivables and loans, as well as the other receivables are stated at nominal value, less any provisions deemed necessary.

Projects in progress

Projects in progress commissioned by third parties are carried at the realised project costs increased by the allocated profit and decreased by the recognised losses and instalments charged. If the result on a project cannot be determined in a reliable manner, no profit is allocated. The project costs comprise the expenses directly related to the project, the expenses attributable to project activities in general and to the project itself and other expenses which can be charged to the commissioning party under the contract. Project income and project costs are recognised in the statement of income and expenditure as income and expenses in proportion to the work performed at the balance sheet date. The extent to which work is performed is determined on the basis of the project costs incurred up to the balance sheet date in proportion to the estimated total project costs. Projects with a debit balance are presented under current assets. Projects with a credit balance are presented under current liabilities. The costs incurred in the financial year, increased by the profit recognised up to and including the financial year, are recognised as income in the statement of income and expenditure as part of net turnover / change in projects, as long as the project has not yet been completed.

Principle of receivables

Receivables are recognized at nominal value, taking into account any deductions for the risk of bad debts. These reductions are determined on the basis of individual assessment of the receivables. Unless otherwise stated, the receivables have a term of less than one year.

Principle of cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value. Unless otherwise stated, cash and cash equivalents are at free disposal.

Principle of provisions

Provisions are recognised for future expenses, if those expenses:

1. originate in facts or circumstances that occurred during the period prior to the balance sheet date;
2. there is a reasonable degree of certainty that they will occur; and
3. can also be attributed to that period

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date.

Pension provisions (under own management) are valued on the basis of actuarial principles. The other provisions are valued at the present value of the expenditure expected to be necessary to settle the obligations, unless the time value of money is immaterial. If the period over which the expenses are discounted is a maximum of one year, the provision is valued at nominal value.

When it is expected that a third party will reimburse the obligations, and when it is probable that this payment will be received upon settlement of the obligation, then this payment is recognized as an asset in the balance sheet.

Pension provisions are funded by remittances to the pension provider. The premium due is recognized as an expense in the profit and loss account.

If, in addition to the obligation for periodic pension contributions, there is an obligation for pension rights accrued as at the balance sheet date (back service obligations), the obligation is included in the balance sheet at its present value.

The provisions for annuities has been calculated with a interest based on U rendement minus 0,5%. Amounts paid for annuities and standing rights are deducted from this provision.

Principle of non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost

price, being the amount received taking into account premiums or discounts and minus transaction costs. Unless otherwise stated, current liabilities have a term of less than one year.

Principle of current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amounts at which the debt must be repaid.

Principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Principle of revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from projects in progress after deduction of discounts and such like and of taxes levied on the turnover.

Principle of other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Principle of employee benefits

The benefits payable to personnel are recorded in the profit and loss account on the basis of the employment conditions.

Profundo B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. The premiums are recognized as personnel costs as soon as they are due. Prepaid premiums are recognized as accrued assets if this results in a repayment or a reduction in future payments. Unpaid premiums are recognized as a liability on the balance sheet.

Principle of depreciation of intangible and tangible fixed assets

Intangible assets, including goodwill, are amortised and tangible fixed assets are depreciated over their estimated useful lives as from the moment that they are ready for use. This takes account of the restrictions that apply to buildings, investment property, other tangible fixed assets and capitalized goodwill. Land is not depreciated. Gains and losses from the occasional sale of property, plant or equipment are included in depreciation. At profit appropriation, book profits are included in a reinvestment reserve if and insofar as fiscal legislation permits. Purchase or production costs of assets that have been designated as operating assets that are in the interest of the protection of the Dutch environment are arbitrarily amortized.

Principle of financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Principle of taxes

Tax on the result is calculated on the result before tax in the profit and loss account, taking into account available, tax-offsettable losses from previous financial years and exempt profit components and after adding non-deductible costs.

Notes to the balance sheet

Tangible fixed assets

	Financial year	Previous year
	31-12-2023	31-12-2022
Tangible fixed assets		
Plant and equipment	19,175	14,503
	19,175	14,503

Other receivables

	Financial year	Previous year
	31-12-2023	31-12-2022
Other receivables		
Guarantee deposit	7,282	7,282
	7,282	7,282

Receivables

	Financial year	Previous year
	31-12-2023	31-12-2022
Receivables		
Accounts receivable	117,329	250,554
Receivables relating to taxes	23,593	21,983
Pension contributions	9,061	7,480
Accrued assets	406,994	377,175
	556,978	657,192

The depreciation rates applied are 20% per year.

Accounts receivable

	Financial year	Previous year
	31-12-2023	31-12-2022
Accounts receivable		
Trade debtors	117,329	250,554
	117,329	250,554

Receivables relating to taxes

	Financial year	Previous year
	31-12-2023	31-12-2022
Receivables relating to taxes		
Corporate income tax	23,593	21,983
	23,593	21,983

Accrued assets

	Financial year	Previous year
	31-12-2023	31-12-2022
Accrued assets		
To be invoiced on projects	322,973	262,864
Prepaid costs	84,022	114,311
	406,994	377,175

Cash and cash equivalents

	Financial year	Previous year
	31-12-2023	31-12-2022
Cash and cash equivalents		
Credits in bank accounts	421,535	396,418
Clearing accounts	-619	-237
	420,915	396,181

Equity

	Financial year	Previous year
	31-12-2023	31-12-2022
Equity		
Share capital	18,000	18,000
General reserve	453,189	564,641
	471,189	582,641

The share capital of the company is € 18,000, divided into 18,000 ordinary shares of € 1. All shares have been issued and fully paid up.

The part withheld from the profit for 2023 amounts to € Nihil (2022: € Nihil).

Provisions

	Financial year	Previous year
	31-12-2023	31-12-2022
Provisions		
Annuity commitments	35,812	35,055
	35,812	35,055

When Profundo was converted from a sole proprietorship to a private company, a pension reserve was formed on behalf of the owner. On this pension reserve an annual interest rate of 2.16% is applicable.

Non-current liabilities

	Financial year	Previous year
	31-12-2023	31-12-2022
Non-current liabilities		
Retirement obligation	36,804	36,548
	36,804	36,548

Retirement obligation

	Financial year	Previous year
	31-12-2023	31-12-2022
Retirement obligation		
Old-age pension commitment (ODV)	36,804	36,548
	36,804	36,548

According to fiscal legislation the self administrated pensioen scheme is in 2017 converted in a long term liability.

This is an "oudedagsverplichting" in favor of J. van Gelder. Benefits start at state pension age. On this pension reserve an annual interest rate of 0.70% is applicable.

Of the total amount of long-term liabilities, an amount of € 36,804 has a remaining term of more than 5 years.

Current liabilities

	Financial year	Previous year
	31-12-2023	31-12-2022
Current liabilities		
Trade creditors	5,485	34,547
Tax and social security premiums	64,078	66,953
Invoiced in advance	234,063	192,326
Wages processing expenses	135,045	114,569
Accrued liabilities	21,874	12,519
	460,546	420,913

Tax and social security premiums

	Financial year	Previous year
	31-12-2023	31-12-2022
Tax and social security premiums		
Value added tax	33,473	35,364
Payroll tax	30,605	31,589
	64,078	66,953

Wages processing expenses

	Financial year	Previous year
	31-12-2023	31-12-2022
Wages processing expenses		
Holiday allowances	50,909	44,871
Holiday pay reserve (hours)	84,136	69,698
	135,045	114,569

Accrued liabilities

	Financial year	Previous year
	31-12-2023	31-12-2022
Accrued liabilities		
Expenses to be paid	21,874	12,519
	21,874	12,519

Off-balance sheet liability claims

The annual rental commitment for office space is € 159,912 (ex VAT).

Commitments not included in the balance for fiscal unity

As per February 1, 2021 Profundo B.V. is part of a fiscal unity with Stichting Profundo Research for the VAT.

Therefore, each company within the tax unity is liable for all VAT liabilities of the companies belonging to the tax entity.

Notes to the profit and loss account

Net revenue groups

	Financial year	Previous year
	2023	2022
Net revenue groups		
Turnover	1,769,235	1,672,261
	1,769,235	1,672,261

Cost of sales

	Financial year	Previous year
	2023	2022
Cost of sales		
Cost of sales	57,974	60,570
	57,974	60,570

Total costs

	Financial year	Previous year
	2023	2022
Total costs		
Employee expenses	1,398,262	1,246,914
Depreciation	5,366	4,406
Other employee expenses	83,632	77,081
Housing expenses	153,234	143,117
Sales expenses	4,119	3,625
Office expenses	57,145	45,637
General expenses	120,118	114,330
	1,821,876	1,635,109

Employee expenses

	Financial year	Previous year
	2023	2022
Employee expenses		
Wages and salaries	1,138,719	1,026,007
Social insurance premiums	162,997	140,978
Pension charges	96,546	79,929
	1,398,262	1,246,914

Wages and salaries

	Financial year	Previous year
	2023	2022
Wages and salaries		
Salaries	1,116,214	974,352
Holiday allowances	94,465	90,490
Received absence insurance benefits	-73,168	-40,898
Internship resumerations	1,208	2,063
	1,138,719	1,026,007

Depreciation of tangible fixed assets

	Financial year	Previous year
	2023	2022
Depreciation of tangible fixed assets		
Company equipment	5,366	4,406
	5,366	4,406

Other employee expenses

	Financial year	Previous year
	2023	2022
Other employee expenses		
Pension advisor	5,283	5,162
Recruitment expenses	1,818	3,130
Staff meals and refreshments	7,628	4,296
Travel costs commuting	15,169	11,990
Absence insurance	25,172	25,002
Staff training	5,528	3,979
Other employee expenses	23,034	23,522
	83,632	77,081

Housing expenses

	Financial year	Previous year
	2023	2022
Housing expenses		
Paid rent	149,763	140,127
Cleaning expenses	3,471	2,990
	153,234	143,117

Sales expenses

	Financial year	Previous year
	2023	2022
Sales expenses		
Promotional gifts	181	0
Maintenance and development websites	50	61
Other selling cost	232	1,510
Other travelling costs	3,656	2,053
	4,119	3,625

Office expenses

	Financial year	Previous year
	2023	2022
Office expenses		
Office supplies	586	305
Postage expenses	20	28
Phone and internet expenses	6,459	7,069
Printing matters	194	245
Contributions and subscriptions	4,820	3,944
Literature	1,987	1,707
ICT costs	43,078	32,339
	57,145	45,637

General expenses

	Financial year	Previous year
	2023	2022
General expenses		
Accounting expenses	7,502	7,537
Other consultancy costs	500	0
Insurance premium	3,273	3,185
Database costs	104,051	110,094
Banking costs and exchange rate differences	4,793	-6,485
	120,118	114,330

Financial income and expenses

	Financial year	Previous year
	2023	2022
Financial income and expenses		
Interest and similar income	4	254
Other interest expenses	841	2,394
	-837	-2,140

During the financial year, no interest was capitalized as part of the historical cost of an asset.

Interest and similar income

	Financial year	Previous year
	2023	2022
Interest and similar income		
Other interest income	4	254
	4	254

Other interest expenses

	Financial year	Previous year
	2023	2022
Other interest expenses		
Bank interest paid	0	2,255
Other interest expenses	841	70
Tax interest paid	0	69
	841	2,394

Corporate income tax

	Financial year	Previous year
	2023	2022
Corporate income tax		
Calculated corporate income tax	0	-3,983
	0	-3,983

Average number of employees

During 2023 on average 19.0 employees were employed on a full-time basis (2022: 18.3).

Signature