ANNUAL REPORT

beginning of financial year: 01.01.2012
end of the financial year: 31.12.2012

business name: PLM Group Eesti OÜ

register code: 11327030

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linn: Tallinn
county: Harju maakond
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Management report

Performance of the Company during the year

PLM Group Eesti Oü is owned by 100% of PLM Group Suomi Oy, Finland, company registration number 1446694-4, who is a part of PLM Group. PLM Group provides software solutions and services for the entire Product Lifecycle Management. We are the Nordic area´s largest SolidWorks value added reseller with over 100 employees and offices in Sweden, Denmark, Finland, Estonia and Latvia. PLM Group now serves 3500 product development and production companies in the region.
2012 was a good fiscal year for PLM Group Eesti Oü, where we kept our revenue and revenue at a satisfying level

Future prospects and future development

The company plans to continue and further expand its business activities in 2013 both with respect to the number of customers served and the value that we deliver to the customers.

Distribution of profit proposed by the Board

The Board decided that the profit will be kept in the company.

The annual accounts

Statement of financial position

(In Euros)

	31.12.2012	31.12.2011	Note
Assets			
Current assets			
Cash and cash equivalents	54 385	181 571	
Receivables and prepayments	265 397	128 504	2
Total current assets	**319 782**	**310 075**	
Non-current assets			
Property, plant and equipment	2 836	5 072	4
Total non-current assets	**2 836**	**5 072**	
Total assets	**322 618**	**315 147**	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	110 506	145 493	5
Total current liabilities	**110 506**	**145 493**	
Total liabilities	**110 506**	**145 493**	
Equity			
Issued capital	10 225	10 225	
Statutory reserv capital	1 023	1 023	
Retained earnings (loss)	158 406	109 986	
Annual period profit (loss)	42 458	48 420	
Total equity	**212 112**	**169 654**	
Total liabilities and equity	**322 618**	**315 147**	

Income statement

(In Euros)

	2012	2011	Note
Revenue	447 073	433 046	6
Raw materials and consumables used	-216 224	-209 602	
Other operating expense	-81 973	-65 407	
Employee expense	-107 146	-107 465	7
Depreciation and impairment loss (reversal)	-2 236	-2 244	4
Profit (loss)	**39 494**	**48 328**	
Financial income and expense	2 964	92	
Profit (loss) before tax	**42 458**	**48 420**	
Annual period profit (loss)	**42 458**	**48 420**	

Statement of cash flows

(In Euros)

	2012	2011	Note
Cash flows from operating activities			
Profit (loss)	39 494	48 328	
Adjustments			
Depreciation and impairment loss (reversal)	2 236	2 244	
Total adjustments	**2 236**	**2 244**	
Changes in receivables and prepayments related to operating activities	1 247	-85 821	
Changes in payables and prepayments related to operating activities	-55 199	105 191	
Interest received	59	92	
Other cash flows from operating activities	-23	0	
Total cash flows from operating activities	**-12 186**	**70 034**	
Cash flows from investing activities			
Loans given	-135 000	0	8
Total cash flows from investing activities	**-135 000**	**0**	
Cash flows from financing activities			
Loans received	20 000	0	8
Total cash flows from financing activities	**20 000**	**0**	
Total cash flows	**-127 186**	**70 034**	
Cash and cash equivalents at beginning of period	181 571	111 537	
Change in cash and cash equivalents	**-127 186**	**70 034**	
Cash and cash equivalents at end of period	54 385	181 571	

Statement of changes in equity
(In Euros)

	Issued capital	Statutory reserv capital	Retained earnings (loss)	Total
31.12.2010	10 226	1 023	109 985	121 234
Annual period profit (loss)	0	0	48 420	48 420
Other changes in equity	-1	0	1	0
31.12.2011	10 225	1 023	158 406	169 654
Annual period profit (loss)	0	0	42 458	42 458
31.12.2012	10 225	1 023	200 864	212 112

Notes

Note 1 Accounting policies

General information

The annual accounts of PLM Group Eesti OÜ (hereinafter also referred to as "the Company") for the financial year 2012 are prepared according to the Accounting Principles Generally Accepted in Estonia. The requirements of the Accounting Principles Generally Accepted in Estonia comply with the internationally acknowledged accounting and reporting principles, and are stipulated in the Estonian Accounting Act, which is supplemented by the guidelines issued by the Estonian Accounting Standards Board.

The annual accounts have been prepared in EUR if not indicated differently.

Unless otherwise stated the accounting principles are unchanged from the previous fiscal year.

The principal accounting policies adopted are set out below.

Cash and cash equivalents

The balance sheet line "Cash" comprises cash on hand, bank accounts, short-term demand deposits (due within three months) and shares of money-market funds.

Cash flows from operating activities are reported under the indirect method. Cash flows from investing and financing activities are reported based on gross receipts and disbursements made during the financial year.

Foreign currency transactions and assets and liabilities denominated in a foreign currency

Foreign currency transactions are recorded at the rates of exchange quoted by the Bank of Estonia at the transaction date. Foreign currency monetary items and those non-monetary items that are carried at fair value, are retranslated into Estonian kroons at the official foreign currency exchange rates prevailing on the balance sheet date. Non-monetary items, which are not carried at fair value (i.e. prepayments, inventories, tangible and intangible assets) are not retranslated; instead, foreign currency exchange rates prevailing on the transaction date are used. Gains and losses from foreign currency transactions are recorded in the income statement on net basis.

Receivables and prepayments

Current and non-current trade receivables are recorded at amortized cost, i.e. at their net present value, from which doubtful accounts are deducted.

Trade receivables, which partly or fully are not expected to be collected, are expensed and reported in the income statement as "Miscellaneous expenses". Receivables, collection of which is not feasible nor economically justified, are considered to be non-collectible and written-off from the balance sheet.

Long-term loans granted and other long-term receivables are measured at amortized cost, i.e. at their net present value, from which doubtful amounts are deducted. The difference between nominal value and net present value of a receivable is reported in the income statement as "Other financial income and expenses" by applying the effective interest rate method upon the receivable until its due date.

Interest non-bearing loans and loans with interest rate different from market rates are initially recognized at their net present value by using the interest rate prevailing on the market. The difference between the nominal value and the net present value of the loan is amortized until its due date. Initial and subsequent revaluations to the net present value are reported in the income statement as "Other financial income and expenses".

Inventories

Carried At Cost Inventories Accounting Policies

Assets held for use in the production or supply of goods and services, or for administrative purposes, with useful life of over one year and with a minimum value 1000 EUR are considered to be tangible assets.

Tangible assets are recorded at cost, which comprises purchase price and other directly attributable expenditures.

Tangible assets are recorded at cost where are subtracted accumulated depreciation and impairment. Tangible assets that are recorded as finance lease the calculation is similar as it is purchased tangible assets.

The improvements to tangible assets are capitalized if they comply with the tangible asset definition and criteria of recording on the balance sheet, including the participation of these costs in generating future economic benefits to the group. Other maintenance and reparation expenses related to tangible assets are recognised as expenses as incurred.

Depreciation is calculated on the straight-line method. Depreciation rates are assigned separately to each tangible asset or its separately identifiable component depending on its estimated useful life. Only the depreciable amount between the cost and carrying amount of objects of fixed assets with significant residual value are amortized during their useful lives.

If tangible assets consists of separate objects, of which have different useful lives, then this components will be taken into accounting system separately and different amortisation rates will be put.

Depreciation rates to each tangible asset are following:

Other inventory and IT equipment – 20-30% per annum.

Depreciation is calculated starting from the moment, when asset is used in Company's business activity and terminated, when removed from use or classified as assets held for sale. At each balance sheet date will evaluated used amortisation rates, amortisation methods and the argument of residual value.

Tangible assets will be carried out from the balance sheet if assets are not useful anymore or there is no possibility to earn profit on its sales. Profit or loss which comes from removing tangible assets from the balance sheet will be recorded in income statement under other incomes or other expenses line.

Plant, property and equipment and intangible assets

Minimal acquisition cost 1000 EUR

Financial liabilities

Financial assets and financial liabilities

Cash, contractual rights to receive cash or other financial assets (i.e. trade receivables) from third parties, equity instruments of other entities and contractual rights to exchange financial assets with third parties under the conditions that are potentially favourable to the Company, are considered to be financial assets. Contractual obligations to deliver cash or other financial assets to third parties and contractual obligations to exchange financial assets with third parties under the conditions that are potentially unfavourable to the Company are considered to be financial liabilities.

Financial assets and liabilities are initially measured at cost, which is the fair value of consideration given or received to acquire the financial asset or liability. Initial cost of all financial assets and liabilities include direct transaction costs, except those financial assets and liabilities, which are acquired for trading purposes, and derivatives.

A regular way purchase or sale of financial assets is recognised at trade date / settlement date. Depending on their category, financial assets and liabilities are subsequently measured at fair value, cost or amortized cost.

Financial instruments carried at fair value are revalued on each balance sheet date. Change in fair value of financial assets and liabilities that are acquired for trading, as well as derivatives are recognised in the income statement for the period. Other changes in fair value of financial assets are recognised in the statement of comprehensive income for the period (egs. long-term investments for stocks` and debentures which are not intended to sell in the near future).

The amortized cost of a financial instrument is the amount at which it is measured at initial recognition, discounted using the effective interest method minus principal repayments and any reduction for impairment or uncollectibility.

Financial assets are derecognised when the Entity loses its right to the cash flows arising from the financial asset or transfers the cash flows derived from the financial asset and most risks and rewards of ownership of the financial asset to a third party. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled and expired.

Taxation

According to the Estonian Income Tax Act the accrued profit of a resident legal entity is not subject to corporate income tax, instead the tax is due on the distribution of dividends or distribution of profit in any other forms. Income tax should be calculated also on payments made from equity that are exceeding the monetary and non-monetary contributions made to the equity. According to the aforementioned Act the dividends and profit distributed in any other forms are subject to income tax with the tax rate 21/79 on the actual distribution.

The contingent tax liability that may occur if all distributable retained earnings should be distributed or in case the capital is decreased is not reported on the balance sheet. The income tax due on dividend distribution or any other distribution of equity are expensed in the income statement when respective disbursements are declared.

During its activities the Entity has not performed any fund emissions that would have an effect on contingent income tax calculations in case the Entity decides to decrease its share capital.

Income tax applicable on the payment of dividends is decreased by the 21/79 amount calculated on dividends received from subsidiaries and associates.

Related parties

Parties are considered related if one party is controlled by another, or one party has significant influence over another, including the parent company, other group companies, shareholders, the members of the Supervisory Council and the Management Board, their families and the companies in which they hold majority interest or have significant influence.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, i.e. represents amounts receivable for goods and services provided, net of discounts and goods returned. Sales of goods are recognised when all significant risks and rewards related to ownership of goods have been transferred to the buyer, collection of related receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably. Sales of services are recognised in the period when the service was provided, provided that collection of related receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably.

Interest income is accrued on a time basis and dividend income from investments is recognised when the right to receive payment has been established.

Equity statutory reserv capital

The statutory legal reserve is recorded according to the requirements of the Commercial Code and comprises the provisions made of the profit. The annual provision must be at least 1/20 of the approved profit for the financial year until the statutory legal reserve equals at least 1/10 of the share capital amount.

Note 2 Receivables and prepayments
(In Euros)

	31.12.2012	Allocation by remaining maturity			Note
		Within 12 months	1 - 5 years	Over 5 years	
Accounts receivable	105 257	105 257			
Accounts receivables	105 257	105 257			
Other receivables	160 140	160 140			8
Loan receivables	157 000	157 000			
Accrued income	3 140	3 140			8
Total receivables and prepayments	**265 397**	**265 397**			

	31.12.2011	Allocation by remaining maturity			Note
		Within 12 months	1 - 5 years	Over 5 years	
Accounts receivable	106 504	106 504			
Accounts receivables	111 544	111 544			
Allowance for doubtful receivables	-5 040	-5 040			
Other receivables	22 000	22 000			8
Loan receivables	22 000	22 000			
Total receivables and prepayments	**128 504**	**128 504**			

Note 3 Tax prepayments and liabilities
(In Euros)

	31.12.2012		31.12.2011	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Value added tax	0	5 293	0	17 093
Personal income tax	0	982	0	2 044
Fringe benefit income tax	0	66	0	203
Social tax	0	1 913	0	3 973
Contributions to mandatory funded pension	0	110	0	167
Unemployment insurance tax	0	232	0	465
Total tax prepayments and liabilities	**0**	**8 596**	**0**	**23 945**

Note 4 Property, plant and equipment

(In Euros)

	Other property, plant and equipment	Total
31.12.2010		
Carried at cost	8 602	8 602
Accumulated depreciation	-1 286	-1 286
Residual cost	7 316	7 316
Depreciation	-2 244	-2 244
31.12.2011		
Carried at cost	8 602	8 602
Accumulated depreciation	-3 530	-3 530
Residual cost	5 072	5 072
Depreciation	-2 236	-2 236
31.12.2012		
Carried at cost	8 602	8 602
Accumulated depreciation	-5 766	-5 766
Residual cost	2 836	2 836

Note 5 Payables and prepayments
(In Euros)

	31.12.2012	Allocation by remaining maturity			Note
		Within 12 months	1 - 5 years	Over 5 years	
Trade payables	50 757	50 757			
Employee payables	10 857	10 857			
Tax payables	8 596	8 596			3
Other payables	37 949	37 949			8
Interest payables	212	212			
Other accrued expenses	37 737	37 737			
Prepayments received	2 347	2 347			
Other received prepayments	2 347	2 347			
Total payables and prepayments	110 506	110 506			

	31.12.2011	Allocation by remaining maturity			Note
		Within 12 months	1 - 5 years	Over 5 years	
Trade payables	85 314	85 314			
Employee payables	8 750	8 750			
Tax payables	23 945	23 945			3
Other payables	21 297	21 297			
Other accrued expenses	21 297	21 297			8
Prepayments received	6 187	6 187			
Other received prepayments	6 187	6 187			
Total payables and prepayments	145 493	145 493			

Note 6 Net sales
(In Euros)

	2012	2011
Net sales by geographical location		
Net sales in European Union		
Estonia	426 929	383 310
Latvia	20 144	49 736
Total net sales in European Union	**447 073**	**433 046**
Total net sales	**447 073**	**433 046**
Net sales by operating activities		
62091	421 740	410 704
62021	25 333	22 342
Total net sales	**447 073**	**433 046**

Note 7 Labor expense
(In Euros)

	2012	2011
Wage and salary expense	79 722	79 959
Social security taxes	27 424	27 506
Total labor expense	**107 146**	**107 465**
Average number of employees in full time equivalent units	4	3

Note 8 Related parties
(In Euros)

Related party balances according to groups

	31.12.2012		31.12.2011	
	Receivables	Liabilities	Receivables	Liabilities
Other entities belonging into same consolidation group	160 140	47 946	22 000	21 297

2012	Purchases	Given loans	Loans received
Other entities belonging into same consolidation group	51 909	135 000	20 000
2011	**Purchases**	**Given loans**	**Loans received**
Other entities belonging into same consolidation group	21 297	0	0

Aruande elektroonilised kinnitused

PLM Group Eesti OÜ (registrikood: 11327030) 01.01.2012 - 31.12.2012 majandusaasta aruande andmete õigsust on elektrooniliselt kinnitanud:

Kinnitaja nimi	Kinnitaja roll	Kinnituse andmise aeg
Annika Prommik	Sisestaja	10.04.2013

Kasumi jaotamise ettepanek
(eurodes)

	31.12.2012
Eelmiste perioodide jaotamata kasum (kahjum)	158 406
Aruandeaasta kasum (kahjum)	42 458
Kokku	**200 864**
Jaotamine	
Eelmiste perioodide jaotamata kasum (kahjum) peale jaotamist (katmist)	
Kokku	

Kasumi jaotamise otsus
(eurodes)

	31.12.2012
Eelmiste perioodide jaotamata kasum (kahjum)	158 406
Aruandeaasta kasum (kahjum)	42 458
Kokku	**200 864**
Jaotamine	
Eelmiste perioodide jaotamata kasum (kahjum) peale jaotamist (katmist)	
Kokku	

Müügitulu jaotus tegevusalade lõikes

Tegevusala	EMTAK kood	Müügitulu (EUR)	Müügitulu %	Põhitegevusala
Muud infotehnoloogia- ja arvutialased tegevused	**62091**	**421740**	**94.33%**	**Jah**
Arvutialased konsultatsioonid	**62021**	**25333**	**5.67%**	**Ei**

Osanikud

Nimi / ärinimi	Isikukood / registrikood / sünniaeg	Elukoht / Asukoht	Osaluse suurus ja valuuta
Cadon OY		**Puutarhakatu 55-57, 20100 Turu, Soome**	**10225 EUR**

Sidevahendid

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