PROFILE SYSTEMS & SOFTWARE SA

Interim Financial Report
For the Six-Month Period Ended
June 30, 2022

(In accordance with article 5 of Law 3556/2007 and the decisions of the Hellenic Capital Market Commission)

PROFILE SYSTEMS & SOFTWARE SA
G.C.R. No.: 122141660000

NEA SMYRNI, ATTICA (199, SYGGROU AVE.)

It is hereby certified that this Interim Financial Report for the six-month period 01.01.2022-30.06.2022, is the one unanimously approved by the Board of Directors of the Société Anonyme under the name "PROFILE SYSTEMS AND SOFTWARE SA" at its meeting of September 15, 2022 and is posted on the internet at the legally registered in the in the General Commercial Registry (GEMI), electronic address www.profile.gr, where it shall remain at the disposal of the investors for a period of at least ten (10) years from the date of its drafting and publication.

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STATEMENTS OF REPRESENTATIVES OF THE BOARD OF DIRECTORS (IN ACCORDANCE WITH ARTICLE 5 § 2 OF LAW 3556/2007)

The following statements, which are effected in accordance with article 5 par. 2 of L.3556/2007, as applicable, are given by the following representatives of the Company's Board of Directors:

1. Charalambos Stasinopoulos of Panayiotis, resident in Nea Smyrni, 199 Sygrou Ave., **Chairman of the Board of Directors**.
2. Spyridon Barbatos of Antonios-Ioannis, resident in Psychiko Attica, 20 P. Hatzikonstanti str., **Vice-Chairman of the Board of Directors**.
3. Evangelos Angelides of Ioannis, resident in Nea Smyrni, Attica, 31 Adramytiou str., **Managing Director**.

The undersigned, in our above-mentioned capacity, according to the provisions of the law, but also as especially appointed to this end by the Board of Directors of "PROFILE COMMERCIAL AND INDUSTRIAL INFORMATICS SOCIETE ANONYME" and trade title "PROFILE SYSTEMS & SOFTWARE S.A." (hereto the "**Company**", or "**PROFILE**"), during the meeting of the Board of Directors of the 15th of September 2022, we state and assert that to the best of our knowledge:

(a) the interim condensed financial statements of the Company, corporate and consolidated, for the six-month period 01.01.2022-30.06.2022, which were compiled according IAS 34 "Interim Financial Reporting", provide a true and fair view of the assets and liabilities, the equity and the results of the Company, as well as its subsidiaries which are included in the consolidation, according to what is stated in paragraphs 3 to 5 of article 5 of Law 3556/2007 and the respective issued executive decisions of the Board of Directors of the Hellenic Capital Market Commission, and

(b) the Report of the Board of Directors of the Company on the first (A΄) half of the year 2022 provides a true and fair view of the information required according to paragraph 6 of article 5 of Law 3556/2007 and the respective issued executive decisions of the Board of Directors of the Hellenic Capital Market Commission.

Nea Smyrni, 15th September 2022
The declarants

Charalampos Stasinopoulos	Spyridon Barbatos	Evangelos Angelides
ID. Σ 577589	ID. AE 077416	ID. 1157610

INTERIM REPORT OF THE BOARD OF DIRECTORS FOR THE SIX-MONTH PERIOD 01.01.2022-30.06.2022

This Six-Month Report of the Board of Directors of the Company “PROFILE COMMERCIAL AND INDUSTRIAL INFORMATICS SOCIETE ANONYME”, which follows (hereinafter called for short “**Report**” or “**Interim Report**”) has been drawn up and is aligned with both the relevant provisions of article 5 of Law 3556/2007 (GG A’ 91/30.04.2007), as applicable, as well as the delegated thereby implementing decisions of the BoD of the Capital Market Commission and refers to the Interim Condensed Financial Statements (Consolidated and Corporate) for the period ended 30th June 2022. The Consolidated and Corporate Financial Statements have been drafted according to the International Financial Reporting Standards (IFRS), as these have been adopted by the European Union.

This Report comprises, in a concise, but readily understood, substantial and comprehensive way, all the significant individual thematic sections, which are necessary, based on the above legislative context, and depicts in a true and correct way all the related information required by law, in order to reach an essential and in-depth update for the activity, at that particular period, of the Societe Anonyme “PROFILE COMMERCIAL AND INDUSTRIAL INFORMATICS SOCIETE ANONYME”, (hereinafter called for short “Company” or “PROFILE”), as well as of the PROFILE Group, in which Group, apart from PROFILE, the following related companies are included:

The PROFILE Group, except for the parent Company (Issuer), includes the following affiliated companies:

- ✓ “GLOBALSOFT DEVELOPMENT AND MARKETING OF SOFTWARE AND COMPUTING SYSTEMS MATERIAL SOCIETE ANONYME”, with headquarters in Nea Smyrni, Attica, in which the Company participates with 97.09%;
- ✓ «PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD», based in Cyprus, in which the Company participates with a percentage of 100%;
- ✓ “COMPUTER INTERNATIONAL FRANCHISE LTD”, with headquarters in Nea Smyrni, Attica, in which the Company participates with a percentage of 50.18%;
  In relation to this Limited Liability Company, it is noted that, under the Notarial Act No 5055/01.07.2008 of the Notary of Athens Chariklia Serveta-Filis, it has been dissolved and is under liquidation which has not been completed yet;
- ✓ “PROFILE SOFTWARE (UK) LTD”, based in the United Kingdom, in which the Cypriot subsidiary participates with a percentage of 100%;
- ✓ “PROFILE DIGITAL RECORDING, STORAGE AND RELEASE OF MINUTES OF COURT MEETINGS SOCIETE ANONYME”, with headquarters in Nea Smyrni, Attica, in which the Company participates with a percentage of 100%;
- ✓ “LOGIN S.A.”, based in France, in which PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD participates with a percentage of 99.92% and PROFILE SOFTWARE (UK) LTD with 0.08%;
- ✓ «PROFILE TECHNOLOGIES SINGLE-MEMBER COMMERCIAL & INDUSTRIAL INFORMATICS SOCIETE ANONYME”, based in Thessaloniki, in which the Company participates with a percentage of 100%;
- ✓ “CENTEVO A.B.”, based in Stockholm, Sweden, with a branch in Oslo, Norway, in which PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD participates with a percentage of 100%.

In view of the fact that the Company draws up consolidated and non-consolidated (corporate) Interim Condensed Financial Statements, this Report is a single report, with main and primary reference the consolidated financial data of the Company and those of its affiliated enterprises included in the consolidation. The reference to non-consolidated financial data in the analysis that follows takes place solely on the points where it has been deemed advisable or necessary for the better understanding of its content and the more comprehensive information for investors.

This Report is included as is, together with the Interim Condensed Financial Statements and other data and statements required by law, in the Six-Month Financial Report concerning the first (A΄) half of the fiscal year 2022 (01.01.2022-30.06.2022).

The thematic Sections of the present Report and their content, are, in particular, as follows:

SECTION A'

Evolution, performance and position of the Company and Group – Key Financial and non-financial performance indicators

This Section includes a brief representation of the development, performance, activities and position of all enterprises included in the consolidation. This representation takes place in such a way so as to provide a balanced and comprehensive analysis in relation to the above categories of themes, corresponding to the size and complexity of the activities of these enterprises. Also, at the end of the relevant representation certain indicators are set out (financial or not) which the Company's Management evaluates as useful for a fuller understanding of the above issues.

1. Financial data

The 1st half of 2022 was an unprecedented and highly volatile period for the global economy, as both the impact of the coronavirus pandemic, which emerged in early 2020, and the war between Russia and Ukraine that started in February of the period, but also the relevant challenges were rapid, dynamic and continuous.

PROFILE Group has managed, in this highly volatile, unstable and fluid financial environment of the 1st half of 2022, to overcome the challenges, reinforcing its market shares, increasing its turnover to satisfactory levels and maintaining its liquidity and capital adequacy.
A significant role to this fact played the further considerable increase of the Group's activities in international markets (a direction towards which the Group has been steadily investing over recent years), as well as the Group's ability to complete complex projects even against an unstable and uncertain environment. At the same time the Group with maximum sense of responsibility continues to watch closely the developments in the global and Greek economy and to take all the necessary action to ensure the unobstructed continuation of its business activity, in and particularly out of Greece.

Through this systematic and continuous effort of increasing the productivity of both human and financial resources, the Group aims in the stabilization of the financial indicators not only in the improvement of the operational results of the Company, but mainly in the Group.

2. Evolution and performance records of the Group

The course of the Group's economic fundamentals during the last two years and in the first (A') half of the year 2022, and the years 2021 and 2020 respectively, is as follows:

THE GROUP					
	31.12.2021	**31.12.2020**	**30.06.2022**	**30.06.2021**	**30.06.2020**
Total Assets	43.437.647	37.247.638	45.483.918	42.914.685	37.254.360
Total Equity	24.941.942	22.278.367	25.361.768	21.448.217	20.902.345
Turnover	20.117.254	15.040.891	10.178.957	7.662.269	6.845.736
Gross Profit	10.008.664	8.102.792	4.698.718	3.910.145	3.399.061
Profit before taxes	2.789.102	1.311.174	1.477.739	1.071.997	428.553
Profit after taxes	2.203.258	951.117	1.043.769	673.859	383.013
EBITDA	5.485.246	4.274.557	2.647.186	2.246.249	1.870.448

In June 2022, the Business Unit of Ticketing and Customs Management was sold, and for the fuller presentation of the basic Consolidated Financial Results a table is presented below based on "ongoing" and "discontinued" operations.

Note 7 to the financial statements presents in detail the discontinued operations.

	6M 2022			6M 2021		
GROUP	**Total**	**Ongoing operations**	**Discontinued operations (*)**	**Total**	**Ongoing operations**	**Discontinued operations**
Turnover	10.508.424	10.178.957	329.467	8.042.154	7.662.269	379.885
Profit before taxes	2.874.430	1.477.739	1.396.691	1.171.303	1.071.997	99.306
Profit after taxes	2.133.188	1.043.769	1.089.419	751.317	673.859	77.458
EBITDA	4.116.107	2.647.186	1.468.921	2.397.643	2.246.249	151.394

(*) the profit from the sale of the business unit is also included

Turnover, EBITDA of ongoing operations

Turnover from ongoing activities amounted to €10,179 thousand compared to €7,662 thousand in the corresponding period of 2021, an increase of 33%, as a result of the successful acquisitions and the company's outward-looking policy and against the negative effects of the pandemic and the general uncertainty it has brought to the economic environment. The EBITDA rate/Turnover of the Group's ongoing operations amounted to 26%, while profits after taxes increased to €1,043 thousand from €673 thousand in the same period in 2021.

3. Key financial and non-financial performance indicators

Below are some financial and non-financial ratios that are relevant to the Group's key performance, position and financial status of the Company and the Group.

	THE GROUP		THE COMPANY	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Asset capitalization: (The ratio measures the proportion of funds allocated to fixed assets)	36,22%	38,78%	46,68%	51,40%
Equity/Fixed Assets: (The ratio measures the capital structure)	1,54	1,48	1,26	1,19
Days Sales Outstanding-DSO*: (The ratio measures the days required to collect receivables from customers)	88	90	30	65
Total Liabilities/Total Equity & Liabilities: (The ratio measures the debt dependency)	44,24%	42,58%	41,14%	38,73%
Equity/Total Equity & Liabilities: (The ratio measures debt dependency)	55,76%	57,42%	58,86%	61,27%
Loans/Equity: (The ratio measures the proportion of equity in the total debt)	27,37%	27,77%	30,38%	30,94%
Current Assets/Current Liabilities: (The ratio measures Group's and company's ability to cover short-term obligations with current assets)	1,91	2,02	1,69	1,87
Return on Assets: (The ratio measures net Earnings after taxes (*) as a percentage of assets)	2,29%	5,07%	3,57%	2,91%
Return on Equity: (The ratio measures net Earnings after taxes (*) as a percentage of Equity))	4,12%	8,84%	6,06%	4,75%
Gross Profit Margin: (The ratio measures Gross Profit as a percentage of sales)	46,16%	49,75%	23,04%	47,81%
Net Profit Margin: (The ratio measures net profit after taxes and minority interests as a percentage of sales)	10,23%	10,96%	30,93%	9,53%

(*) Earnings after taxes and revenue are calculated on an annual rolling period

4. Alternative Performance Measurement Indicators (APMIs)

As an Alternative Performance Measurement Indicator (APMI), according to the definition of the European Securities and Markets Authority, a financial measure is used to measure historical or future financial performance, financial position or cash flows, but which is not defined or provided for in the current financial reporting framework. Although not included in IFRSs, APMIs should be evaluated as ancillary and always in conjunction with IFRS results in order to better understand the Group's operating results and financial position in order to facilitate decision-making of the users of the financial statements.

The Group during the current financial period and its comparative has not made adjustments to the amounts of the statement of Profit and Loss, statement of financial position or cash flow statements and has not implemented any extraordinary or non-recurrent income or expense that would have a significant impact in the formation of these indicators.

In the context of the Alternative Performance Measure Indicators (APMIs) the Group sets out the indicator “Earnings before Interest, Taxes, Depreciation and Amortization – EBITDA”. EBITDA is defined as pre-tax profit plus/minus financial and investment results plus total depreciation. The investment results include profits (or losses) from the revaluation of fixed assets, goodwill and intangible assets impairment as well as profits or (losses) of subsidiaries holding reserves for sale. EBITDA also exempts lump-sum and non-recurring charges that are not included in the company’s usual operations, such as compensation provisions due to court actions as well as other extraordinary provisions. These readjustments are made so that the said indicator be comparable and consistent over time, in compliance with and pursuant to the applicable guidelines in relation to the Alternative Performance Measure Indicators (APMIs).

	THE GROUP		THE COMPANY	
Ongoing Operations	**30.06.2022**	**30.06.2021**	**30.06.2022**	**30.06.2021**
Operating results (Profit before tax, financial & investment results) (A)	1.632.930	916.120	(697.430)	(60.781)
Total Depreciation (B)	1.014.256	1.330.129	331.725	338.919
EBITDA (A) + (B) = (C)	**2.647.186**	**2.246.249**	**(365.705)**	**278.138**
Turnover (D)	10.178.957	7.662.269	3.681.970	3.374.378
(%) EBITDA Margin (C) / (D)	**26%**	**29%**	**(10%)**	**8%**

Furthermore, if non-recurring and non-cash charges are not taken into account, the results are as follows:

	THE GROUP		THE COMPANY	
	30.06.2022	**30.06.2021**	**30.06.2022**	**30.06.2021**
EBITDA (C)	**2.647.186**	**2.246.249**	**(365.705)**	**278.138**
Plus: Option Accounting (E)	*50.575*	*114.063*	*50.575*	*114.063*
Adjusted EBITDA (C) + (E) = (F)	**2.697.761**	**2.360.312**	**(315.130)**	**392.201**
(less) Total Depreciation (G)	(1.014.256)	(1.330.129)	(331.725)	(338.919)
Plus: Depreciation from valuation of Login intangible assets (H)	*115.964*	*115.964*	-	-
Plus: Depreciation from valuation of Centevo intangible assets (I)	*167.318*	*97.855*	-	-
(plus/minus) Total Finance (J)	(155.191)	155.877	1.710.310	1.128.371
Adjusted Profit Before Tax (F) + (G) + (H) + (I) + (J) = (K)	**1.811.596**	**1.399.879**	**1.063.455**	**1.181.653**
(less) Income tax (L)	(433.970)	(398.138)	126.050	(113.113)
Adjusted Profit After Tax (K) + (L) = (M)	**1.377.626**	**1.001.741**	**1.189.505**	**1.068.540**

SECTION B΄

Significant events in the first (A') half of 2022

The significant events that took place during the period 01.01.2022-30.06.2022 at Group and Company level and their possible impact on the Interim Condensed Financial Statements are summarized below:

Sale of the Business Unit of Ticketing and Customs Operations Management for customs agents

On June 14, 2022 the PROFILE Group proceeded with the sale and transfer of the Business Unit of Ticketing and Customs Management to the company "CRS LIKNOSS", for a total price of EUR 2,250,000. The transferred Business Unit concerns the ticketing system UTS TicketLink for ferry tickets and the customs management software, while the total turnover of this unit in 2021 amounted to €851 thousand.

For the 1st half of 2022 the turnover of this Business Unit amounted to EUR 330 thousand compared to EUR 380 thousand of the respective previous period, representing about 3.1% of the Profile Group's turnover for the 1st half of 2022.

2. Key Implementations

Cirdan Capital, in the UK, has chosen Axia to offer its clients – professional investors, Private Banks, Wealth Managers and Family Offices – solutions that leverage advanced technologies so that they can provide with easy access, even more personalized investment propositions. Axia Suite, an award-winning investment management system, will expand and enhance the existing advanced platform of Cirdan Capital to all services available to its customers regarding capital markets, while fully supporting the functionality of the direct indexing solution, which Cirdan Capital will present to its market in the second half of the current financial year. Profile Group continues to have an active presence and a leading role in the digital transformation of the Greek public sector, with the participation and award of important projects that promote the service of citizens and the upgrading of public services.

3. Completion and launch of new solutions

During the first (A') half of the financial year 2022, the new innovative solution Acumen.plus Loan Portfolio Management for businesses was presented. The solution fully supports businesses in the area of loan portfolio management and treasury management, including shipping companies and family offices, offering advanced functionality, as well as risk management, while covering all financial products.

Finuevo Suite, the next generation banking platform that combines innovative and flexible Core Banking, Lending, Loan Management and Payments functionalities through modern and smart Digital Banking channels for the end user, constituting the evolution in digital banking, was also presented. With Finuevo Suite, organizations such as traditional banks, Electronic Payment Institutions (EMIs), Microfinance Institutions (MFIs) and Digital Banks of various types (Digital Banks, Challenger Banks, Neo-Banks, Digital Lenders) have at their disposal a front-to-back banking platform that covers a wide range of end-to-end banking and customer journeys, always in full compliance with modern regulatory guidance and adjustments.

Subsequently, Finuevo Core, the next generation banking system that is the evolution of the leading FMS.next banking system, was presented. The platform has been radically redesigned for efficient and easy use, leading to increased productivity and better customer service. Finuevo Core adopts a modern banking logic and offers a new personalized navigation experience to the user through a completely renewed front-end.

The Group also launched the new advanced onboarding feature of Finuevo Digital, the innovative mobile-first platform for Digital Banking in-a-box, in order to improve the user experience and make the online transaction process safer and easier. Specifically, the user, through an interactive environment that offers instructions, easily introduces the necessary data during the registration, which eliminates drop-outs and automates the process at its completion. The customer receives personalized presentation easily and quickly.

Finally, RiskAvert, the competitive risk management system for advanced capital requirements calculation, was upgraded with the addition of new features for the coverage of supervisory requirements for Non-Performing Exposures (NPE Backstopping), as well as for Interest Rate Risk in the Banking Portfolio (IRRBB).

4. Significant International Distinctions

The Group was once again included in prestigious industry reports, such as Gartner, Aite, Celent and Forrester, while it was recommended for a number of distinctions concerning the specialization of products and their functionality. It is worth noting that the Company has been included in the IBS Sales League Table - Leadership Club, Rank 2 for Investment & Fund Management, Islamic - Wholesale Banking and Treasury & Capital Market.

The most important awards during the first (A΄) half of the financial year 2022 include:

- “Best Investment Management Solutions Provider UK 2022” and “Best Digital Banking Solutions Provider Europe 2022” by World Economic Magazine
- "Best Investment Management Solutions Greece 2022" by International Business Magazine
- "Best Digital Banking Software Company UK 2022" and "Best Treasury Management Software Company UK 2022”, by Finance Derivative
- "Digital Banking Software in Europe 2022" by Innovatech Awards

At the same time, it was included in the Finalists for the "Banking Tech of the Year" by Europe FinTech Awards 2022.

5. Organization and Participation in events

PROFILE Group has been present at major financial sector events promoting the digital transformation through innovative solutions at international level.

Specifically, it participated in the Banking Summit as Bronze Sponsor. With the main pillars of discussion being the recovery projects of the European economy, the attractiveness of the financial sector in Greece, as well as the investments expected, emphasis was placed on the digital transformation and the future of the banking sector, while executives of the PROFILE Group had the opportunity to talk with market experts about new trends and their influence in the banking sector.

Profile Centevo, a leading solutions developer for Asset/Fund Management in Scandinavia and a subsidiary of the PROFILE Group, sponsored the Fondmarknadsdagen, held on February 16 in Stockholm. Profile Centevo executives discussed with the participants about the developments in the field, the range of new, advanced solutions of the Group and the international approach offered by the company, supporting the needs of the local market in the field of Fund Management.

On 29-30 March, the PROFILE Group sponsored the 6th Digital Integration in Wealth Management Conference in London and presented Axia Suite, the innovative and internationally recognized platform for Wealth Management that contributes to the digital transformation of investment companies, in order to provide a competitive user experience in an automated environment, while ensuring full compliance with the regulatory frameworks.

The Group was a central supporter at the 7th Delphi Economic Forum held in Delphi between April 6-9. During the conference, the Group's executives deepened with their interlocutors the market trends for the banking sector, as well as the way the digital transformation is reshaping the landscape of the Greek Public Sector.

Always attending the important events of the sector, the Group participated in the 9th Digital Banking Forum, which took place on April 28 and discussed the developments in the Digital Banking market, while presenting the new Finuevo Digital solution, an important innovation in the field of digital banking.

Profile Centevo, a subsidiary of the Group, participated in Fondsdagen, held on May 19 in Oslo, Norway, presenting Centevo Suite, a comprehensive solution that empowers financial institutions, offering full automation and optimization of their daily processes.

Also, by participating in the Nordics Cash and Treasury Management Conference as a sponsor, the PROFILE Group presented its specialized solutions for the needs of the local market in the Treasury sector.

It also participated as a Bronze Sponsor in the Middle East Banking Innovation Summit (MEBIS) 2022 held on May 25 and 26 in the United Arab Emirates, presenting its innovative and internationally recognized solutions for the banking and investment management sectors, which are addressed to Fintechs, Banks and investment funds.
Finally, with participation in the largest exhibition for FinTech, MONEY 20/20 Europe, held on June 7-9 in Amsterdam, the Group presented its pioneering banking solutions.

SECTION C΄

Prospects of the Group for the 2nd Half of 2022
The global and domestic economy continue to suffer from the strong geopolitical and economic disruption and the unprecedented energy crisis as a result of the war between Russia and Ukraine, while the continuing malfunction of the global supply chain, the severe inflationary pressures and the incomplete restoration of social normality due to the coronavirus pandemic further intensify the concern about the course of the global economy, which after the significant recession it experienced as a result of the health crisis, returned to a satisfactory recovery. For the second (B΄) half of the current financial year 2022, the Group's strategy will continue to aim at further enhancing extroversion and developing its presence in new markets. The Group systematically strengthens its presence and operations in foreign markets, aiming at the most comprehensive coverage and service of the needs of the banking and investment sector, in which it has significant specialization, either through the Group's existing products - solutions, or through acquisitions of entities in markets that were not present until now, or entities that offer product solutions, which can be combined with the Group's existing solutions.
However, it should not be overlooked that in view of the Group's strong export orientation the prospects, results and course of both the Group and the Company are directly related to the situation and conditions prevailing, in particular, in the global market and economy.

In any case, among the Group's important priorities for the second (B΄) half of the current financial year are the further improvement of its position in the markets of England, France, Cyprus, the United Arab Emirates and Scandinavia, as well as the penetration in new markets, mainly through:
(a) further enhancing its overseas operations, as it maintains and consolidates its presence with offices and subsidiaries, as well as with additional representation partnerships in Greece, France, Cyprus, the United Kingdom, the United Arab Emirates and Singapore and Scandinavia;
(b) the recruitment of new and specialized personnel;
(c) the development and introduction of new features and innovative products in the domestic and international markets;
(d) cost reduction, which is already being implemented through the reorganization of corporate functions and sub-divisions, in order to make the most of all the relevant global opportunities in the IT sector;
(e) the targeted approach of new projects and in particular complex IT projects both abroad and in the domestic market of both the private and public sectors.

The flexibility of the internal structure and organization that has already been created by the Group during the previous years enables it to adapt more rapidly and effectively to the emerging market conditions, so as to exploit, if presented, real growth opportunities and to offset the external recessive environment arising from the conditions of the pandemic.

In addition, previous years' investments to maintain competitive advantage and the development of the Group's operations in sectors with high added value, are expected to have a beneficial effect on the profit margins and the Group's figures.

The Group, and in particular the Management of the Company, are expected to maintain the growth of new solutions developed, which are based on cutting-edge technologies (FMS.next IMSplus, Axia, Acumen, RiskAvert). Specifically, they are focused on the creation of innovative technologies and integrated quality solutions, with the aim of improving and continuously expanding the range of products produced, with an emphasis on their competitiveness, combined with the continuous and systematic monitoring of market trends and needs, using modern production methods and development in line with international standards.

The Group systematically enhances its presence and activities in international markets, in order to fully meet and serve the needs of the banking and investment sector, in which it has significant expertise. The Company also invests in the operations of its offices in other countries n an effective manner.

In this respect the Group's increase its operations in the Asian region, increasing the number of skilled staff in the Dubai office for greater penetration into the region with local partners are included, while the overall strategy pursued is consolidating the presence of the Company and the Group in these high interest and dynamic markets and promoting its specialized products and services in new markets.

It is particularly important that these efforts are recognized internationally by awarding business excellence awards for developing new solutions.

SECTION D΄

Major risks and uncertainties

The Company and the Group are operating, as is well known, in a highly competitive and highly demanding international environment, which is changing swiftly and rapidly. The Company and the Group over the last few years, systematically and with a specific development plan, have been trying to steadily and safely strengthen the international expansion, not in one way, but in the geographical areas of strategic interest, focusing on state-of-the-art technologies and the constant technological upgrading of the products and solutions they provide while developing new activities and promoting entry into new markets, in order to further enhance their competitiveness. In parallel, they follow as well the evolution and events in the domestic market.

The Company's specialized know-how, its years of experience and presence in the field, its organization and the intense activation of all its executives, its wide recognition in connection with the study, development and marketing of new products, as well as the continuous improvement and upgrading of the existing ones, focusing on the quality and the ability to meet demand directly and the changing needs of end customers, as well as the creation of strong infrastructure and the penetration into new markets, help the Company to remain competitive despite the inherent problems of the industry, which have been boosted during the economic crisis.

The controlled financial exposure of the Group and its significant qualitative and product diversification, combined with the continuous development and upgrading of its products, as well as the expansion of the Group in new geographic markets, constitute the main tools for the Group for the minimization of the negative consequences of the unprecedented health crisis of the last two (2) years, as well as the recent energy crisis as a result of the Russian invasion in Ukraine and its consequent geopolitical and financial instability. In any case, the Group's Management monitors on a systematic basis and assesses the development of the above phenomena and their effect on the financial results, since their development, at least until the end of 2022, cannot be predicted with certainty. Therefore, depending on the intensity and duration of the phenomena, there is the possibility that part of the broad customer base to which the Group is seeking may lead to suspend and/or postpone investment projects and the postponement of modernization programs.
The usual financial and other risks to which the Group is exposed, and which it may face during the 2nd (B') half of 2022 are the following:

1. Risk of reduction in demand due to the general recession

Although this specific risk is limited due to the specific categories of software that are developed and marketed by the Group, however, in order to avoid the reduction in demand which is mainly attributed to the general downturn in the Greek market, and the recessive global environment resulting from both the health and, in particular, the prevailing energy crisis, the Group develops a wide range of products in different categories addressed to the international market in order to minimize potential losses in specific market sectors. The Company develops its software products based on a continuous and a day-to-day monitoring of the market and research as well as on new technologies, to minimize any potential losses by entering new markets.

However, in view of the latest negative developments due to the war between Russia and Ukraine, which has a particularly adverse impact on the global supply chain, financial stability and economic activity and has led to a surge in the prices of energy, raw materials and consumer goods in general, this risk is deemed to exist, quite significant and capable of affecting the results and the activity of the Company. In this respect the Group and the Company emphasize on strengthening the International exposure, as the geographical diversification of the Group's operations is a substantial offsetting factor in the apparent recessive environment.

2. Risk of increased competition from foreign companies

This risk is always real and appreciable in the area where the Group operates, especially if we consider the fact that barriers to entry are not so strong in this area, as most of the technical terms used to implement and complete information systems and software product configuration are widespread, which allows foreign companies to penetrate the market with relative ease, taking advantage of comparative advantages, especially in terms of sizes.

The Company, which has now established its international orientation, addresses this risk with emphasis on the design and development of quality and modular products, the systematic and targeted improvement, upgrading and adaptability of the products it already markets, the representation of powerful and world-known companies, the creation of lasting and trustful relationships with its customers basis and the expansion of its activities abroad. Nevertheless, the specific risk is a viable and potential risk at any time and this importance is addressed by the Company's and the Group's Management, emphasizing on its quality and product diversification and in general on the provision of high-level services to its customers, while systematically enhancing its outward-looking approach to overcoming this risk and upgrading its role and presence on the international market, which makes it more resilient to address this risk. In addition, the steady increase in the global market size partially mitigates the impact of competition, so that activity outside Greece, which is a strategic orientation for the company during the last years, can offset any inevitable losses in the Greek market.

3. Risk of technological developments

Technological developments have a major impact on the competitiveness of companies active in the IT sector. Companies that are active in the IT industry must be constantly aware of possible variations in existing technology and make the necessary investments to ensure the high technological level.

Based on the above and to reduce as much as possible the risk of technological developments, the Group:

- ✓ develops products on highly efficient and internationally recognized platforms,
- ✓ moves to continuous training and education of the staff in technological matters, in cooperation with internationally recognized bodies in the field of high technology,
- ✓ offers innovative applications, corresponding to the complex needs and demands of the market.

For the above reasons, this specific risk is assessed as real but in any case as absolutely manageable at this particular period of time.

4. Credit risk

The Group’s and Company’s Management, based on its internal operating principles, ensures that sales of goods and services take place to customers of high creditworthiness and ability. Due to the expansion of the Company's activities abroad, this risk is real in relation to customers from other countries (especially African, Asian and S. American countries) for whom it is not always easy to effectively control their creditworthiness capacity and reliability. For this reason, the Company constantly develops internal operating mechanisms (in terms of negotiation, contract and project management) in order to better address this risk. Within this framework and the valuation methods available to the Company, the Group has not yet addressed significant amounts of doubtful debts, for which no adequate provision has been made. Hence, this risk, although present in view of the overall negative economic climate, is currently being assessed as a controlled one. However, if there is a further deterioration in the conditions for the growth of economic activity in the coming months, and the Greek market as a consequence of the imposition and maintenance of capital restrictions, this risk may affect the Company's results. Note 16 to the financial statements provides an analysis of the receivables from customers.

5. Liquidity risk

Management pays special attention to managing this risk, monitoring it by monthly and quarterly forecasting and continuous cash flow monitoring, and continually evaluating and re-evaluating the strategy associated with its effective management.

Within this frame and based on the current conditions, this particular risk is considered as fully controlled and manageable. However, the deterioration of the economic conditions of the global market and the reversal of the forecasts for expected economic growth in combination with the prevailing conditions of uncertainty and insecurity may affect, to a controlled extent, the liquidity of the Company and the Group.

Notes 22, 27 and 28 to the financial statements present the Group's loans and other liabilities.

6. Foreign exchange risk

The Group operates internationally and therefore it is exposed to the foreign currency risk which mainly derives from the US Dollar and British Pound. This type of risk is mainly occurring due to trade transactions in foreign currency as well as due to the investments in financial organizations abroad. The Company’s Management is monitoring such an exposure and evaluates the needs of additional actions. At this point in time, however, the uncertainty that exists in the global financial environment and the fluctuation of exchange rates, makes this risk real and capable of affecting the results and performance of the Group during the second (B΄) half of the current fiscal year.

7. Interest rate risk

The risk of interest rates for the Company is not particularly significant, since the Company has a limited and in any case controlled exposure to bank lending. The Group's policy is to maintain the total amount of borrowing at variable interest rates and to intervene correctively, whenever necessary, and at the same time to avoid, to the extent permitted by business activity in general, exposure to further lending.

The limited exposure of the Group in borrowing is the substantial counterpart to the interest rate risk. However, the recent decision of the Board of Directors of the ECB to increase the three key ECB interest rates by 75 basis points and the expected further increase thereof, in order to alleviate the strong inflationary pressures, coupled with the fact that the Company's lending is linked to Euribor, make any change in interest rates sufficiently important for the Group's activity and results. It should be also noted that the cash and cash equivalents of the Group exceed the bank borrowing.

8. Risk from the effects of the spread of COVID-19

The COVID-19 coronavirus, first detected in December 2019, had an extremely adverse impact on both global and domestic economic growth. The impact of government restrictive measures on entire sectors has been severe, production has been negatively affected and aggregate demand in the economy has fallen.

Three years after the outbreak of the pandemic, the intensification and massiveness of vaccination programs in a plethora of countries around the world reinforced hopes for a return to economic and social normality and a return to economic recovery, mainly from the second half of 2022.

At this point in time, however, it is not possible presently to draw definitive conclusions about the risks, impact and possible effects of the health crisis on the commercial activity and the financial results of the Company and the Group in general, due to its activity in areas of Asia that are still significantly affected by the spread of the virus and show zero tolerance to the pandemic through the application of extreme restrictive measures, while the possibility of new waves of the pandemic or virus mutations that may affect the effectiveness of the vaccines administered cannot be excluded.

In view of the above and given the Group's significant presence in the global market, this risk is assessed as existing, as it may lead to delays in the implementation of existing or the award of new projects, due to the general uncertainty, insecurity and lack of liquidity prevailing in both the domestic and the international economic environment.

In any case, the Management of the Company and the Group closely monitors, on a daily basis, the developments, evaluates and takes any measures necessary to limit the effects, protect employees and maintain the business activities of the Group at satisfactory levels. In addition, government interventions and support have been utilized in order to ensure its business continuity and smooth operation and not to materially affect the financial situation, the financial performance and the results of the Group.

On the basis of the developments and the measures taken, and also the Group's implementations in progress, neither the Group nor any individual activity thereof are faced at the time of drafting of the present Report with the possibility of being interrupted as a going concern.

9. Risks due to climate change

"Climate change" means a change in the global climate caused by human activities, in particular by an increase in the concentration of greenhouse gases in the atmosphere.

The Company, acknowledging both the risks associated with the phenomenon of climate change and its obligations in relation to the need to continuously improve its environmental performance, follows a path of sustainable development and carries out its activities in a way that ensures the protection of the environment.

To address the risks due to climate change, the Company promotes and implements a policy that focuses on the following axes:

✓ drawing up an emergency plan for managing and dealing with extreme natural phenomena at the premises of the Group's companies,

✓ assessment of the impact of the Company's activities on the environment, recording and evaluating the potential risks, taking the necessary preventive measures, conducting regular inspections in order to confirm implementation and evaluate the effectiveness of the measures,

✓ replacement of energy-intensive equipment with new, lower energy requirements, continuous monitoring of energy consumption and measures to further reduce them,

✓ awareness and information of the Company's employees on energy saving issues,

✓ continuous information, training and awareness-raising of staff by sector of activity, adapted to the tasks and needs of each worker in order to promote an environmentally responsible culture,

✓ motivation of the Company's associates in environmental protection issues and strengthening of their environmental consciousness.

10. Risks from current developments in Ukraine

Since the Group does not have a presence in Russia and Ukraine through a subsidiary, there is no immediate risk in terms of productive operation or the safety of its employees. In addition, there seems to be no direct impact on the Group's turnover, since there are no significant implementations in the countries involved in the war.

Nevertheless, the strong extroversion of the Group, the negative impact of the ongoing war on the global economic activity, the constant revaluations and delays in the supply chain, the strong inflationary pressures that are expected to become a more permanent phenomenon, the slowdown of economic growth at global level, as well as the inability to make safe forecasts and estimates as to the intensity, duration and manner of the overall resolution of the crisis at this time, make this risk capable of affecting the Group's activity and performance in general. For this reason, the Management constantly and systematically monitors the rapidly changing developments in order to ensure the smooth operation of both the Company and the Group.

11. Risks due to the energy crisis

The global energy crisis emerged at the end of 2021 and was reinforced by the war in Ukraine, due to Europe's dependence on Russia for gas and oil supplies, causing repeated increases in their disposal prices. Forecasts anticipate further negative effects during the coming winter due to the global energy crisis. Therefore, the maintenance of the energy crisis may result in a further increase in the Group's operating expenses but also reduce the demand for the Group's products and services depending on the duration and intensity of the phenomenon. In any case, the Group's Management monitors developments closely and on a daily basis, while evaluating and taking the measures deemed appropriate and necessary to limit the impact of the energy crisis, so that the Group's financial performance and results are affected to the minimum possible extent.

SECTION E΄

Significant transactions with related parties

The Company and the Group purchase products and services and provide services, according to their usual activity, to related companies. During the reporting period (A΄ half of the current year), transactions with the related parties pursuant to the meaning of IAS 24 were conducted on the usual market terms.

More specifically, this section contains:

(a) the transactions between the Company and the related parties that have substantially influenced the financial position or the Company's performance during the first (A΄) half of 2022 (01.01.2022-30.06.2022), and

(b) the potential amendments in transactions between the Company and the related parties that are described in the last Annual Report, which could have substantive impact on the financial position or the Company's performance during the first (A΄) Half of 2022 (01.01.2022-30.06.2022).

The transactions of the Group with related parties are presented below:

	Sales		Purchases	
Intercompany transactions	**30.06.2022**	**30.06.2021**	**30.06.2022**	**30.06.2021**
GLOBAL SOFT S.A.	62.329	63.024	-	-
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	298.521	1.154.170	-	-
PROFILE SOFTWARE (UK) Ltd	148.296	43.510	-	-
PROFILE DIGITAL SERVICES S.A.	1.566.175	778.848	-	-
PROFILE TECHNOLOGIES SINGLE-MEMBER S.A.	4.320	4.320	223.932	-
LOGIN S.A.	163.921	178.974	6.300	-
Total	**2.243.562**	**2.222.846**	**230.232**	**-**

The balances of the Company's receivables and liabilities with the related companies at the end of the first (A') half of 2022 are analyzed as follows:

	Receivables		Liabilities	
Intercompany balances	**30.06.2022**	**30.06.2021**	**30.06.2022**	**30.06.2021**
GLOBAL SOFT A.E.	29.257	17.781	1.569	-
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	897.113	2.009.774	50.302	81.894
COMPUTER INTERNATIONAL FRANCHISE LTD	171.835	171.685	-	-
PROFILE SOFTWARE (UK) LTD	70.584	127.456	-	8.981
PROFILE DIGITAL SERVICES S.A.	1.278.223	426.799	-	-
PROFILE TECHNOLOGIES SINGLE-MEMBER S.A.	205.317	5.377	223.932	-
LOGIN S.A.	97.514	-	56.300	68.298
Total	**2.749.843**	**2.758.872**	**332.103**	**159.173**

The transactions with the related natural persons, as these are defined by the International Accounting Standard (IAS) 24, for the first (A') half of 2022 are as follows:

For the A’ Half of 2022:	Group	Company
Remuneration of Directors and members of Management	481,447	481,447

In addition to the above, it is noted that:

- There are no transactions with other parties related to the Company within the meaning of International Accounting Standard (IAS) 24, other than the above.
- No loans or credit facilities in general have been given to members of the Board of Directors or other Company executives and their families.
- The amounts referred to in the above Table relate to remuneration for the personal services-work they provide to the Company, remuneration for such performances and transactions of the members of the Company’s Management and its executives during the said period.
- The said transactions do not contain any extraordinary or individualized features, which would render necessary the further analysis, per related person, thereof.
- Except for the above remunerations, no other transactions subsist between the Company and executives and members of the Board of Directors.
- There is no transaction whatsoever that has been conducted outside and beyond the usual market terms.
- There is no transaction whatsoever, the value of which exceeds 10% of the value of the Company’s assets, as represented in its last published statements.
- There is no transaction whatsoever that is deemed significant, according to the stipulations of the Circular number 45/2011 of the Capital Market Commission.

SECTION F΄

Explanatory report of the Board of Directors

This Section is presented in addition to the minimum content set out in article 5 of Law 3556/2007 for the sake of more complete and adequate information to shareholders and the investment public in general and constitutes a single and integrated part of this Report of the Board of Directors.

Share Capital – Treasury shares

1. Structure of the Company’s share capital

The Company is listed on the Athens Stock Exchange and the shares are traded on the Equity Market. The shares of the Company are intangible, common, nominal with voting rights, freely tradable and transferable.

The Company's share capital amounts today, following the decision of the Annual General Meeting of Shareholders of May 12, 2022 to reduce the nominal value of its total shares from EUR 0.47 to EUR 0.23 and simultaneously increase their (the shares) total number from 12,013,916 to 24,027,832 common, nominal shares (stock split) by replacing each (1) old common, nominal share with two (2) new common, nominal shares, through a reduction (for rounding purposes) of the Company's share capital by a total amount of EUR 120,139.16 and the creation of a special purpose reserve, in accordance with the provisions of article 31 par. 2 of Law 4548/2018, equal to the amount of the reduction of the share capital, to the total amount of EUR 5,526,401.36, is fully paid up and is divided into 24,027,832 common, nominal shares, with a nominal value of EUR 0.23 each.

It is noted that the relevant amendment of article 5 of the Company's Articles of Association, as a result of the decision taken by the aforementioned Annual General Meeting of the Company's shareholders, was approved by decision number 2633247ΑΠ/26.05.2022 (ΟΡΝ: 65Φ046ΜΤΛΡ-3Κ3) of the Department of Listed SAs of the Companies Directorate of the General Directorate of Market & Consumer Protection of the General Secretariat of Trade of the Ministry of Development and Investments, which was registered in the General Commercial Registry (G.C.R.) on 26.05.2022 with Registration Code Number (R.C.N.) 2868671.

All the rights and obligations defined by the law and the Articles of Association of the Company are derived from each share. The ownership of the share automatically implies the acceptance of the Company's Articles of Association and the decisions that have been taken by the various bodies of the Company, in accordance with the law and the Articles of Association. Each share provides the right to one (1) vote, subject to the provisions of article 50 of Law 4548/2018 in respect of treasury shares.

The Company on 14/09/2022 (in particular after the meeting of the Athens Stock Exchange on Wednesday 14/09/2022) holds 303,223 treasury shares, which constitute 1.26% of its share capital and voting rights related thereto.

2. Restrictions as to the transfer of Company shares

The transfer of Company shares is conducted as defined by law and there are no restrictions in its Articles of Association in respect of their transfer, especially since these are intangible shares listed on the regulated market of the Athens Stock Exchange.

3. Significant direct or indirect holdings within the meaning of Law 3556/2007

The data on the number of shares and voting rights of the persons with significant holdings have been drawn from the Company's shareholders book and the notifications received by law and MAR by the Company on behalf of the shareholders.

The Company's significant holdings are the following:

- "GLOBALSOFT DEVELOPMENT AND MARKETING OF SOFTWARE AND COMPUTING SYSTEMS MATERIAL SOCIETE ANONYME", with headquarters in Nea Smyrni, Attica, in which the Company participates with 97.09%;
- «PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD», based in Cyprus, in which the Company participates with a percentage of 100%;
- "COMPUTER INTERNATIONAL FRANCHISE LTD", with headquarters in Nea Smyrni, Attica, in which the Company participates with a percentage of 50.18%. It is noted that the said Company has been dissolved and is currently under liquidation which (liquidation) has not been completed yet;
- "PROFILE SOFTWARE (UK) LTD", based in the United Kingdom, in which the Cypriot subsidiary participates with a percentage of 100%;
- "PROFILE DIGITAL RECORDING, STORAGE AND RELEASE OF MINUTES OF COURT MEETINGS SOCIETE ANONYME", with headquarters in Nea Smyrni, Attica, in which company (Special Purpose Vehicle) the Company participates with a percentage of 100%;
- "LOGIN S.A.", based in France, in which PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD participates with a percentage of 99.92% and PROFILE SOFTWARE (UK) LTD with 0.08%;

- «PROFILE TECHNOLOGIES SINGLE-MEMBER COMMERCIAL & INDUSTRIAL INFORMATICS SOCIETE ANONYME", based in Thessaloniki, in which the Company participates with a percentage of 100%;
- "CENTEVO A.B.", based in Stockholm, Sweden, with a branch in Oslo, Norway, in which PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD participates with a percentage of 100%.

Furthermore, the significant direct or indirect holdings in the share capital and the voting rights of the Company pursuant to the provisions of articles 9 to 11 of Law 3556/2007 are the following:

- Charalambos Stasinopoulos: 7,143,594 shares and voting rights (a percentage of 29.730%).
- Latover Holdings Limited (owned by Mr. Char. Stasinopoulos): 3,543,660 shares and voting rights (a percentage of 14.748%).

4. Shares providing special control rights
There are no Company shares providing special control rights to their holders.

5. Restrictions on the right to vote
The Company's Articles of Association do not provide for any restrictions on the right of vote derived from its shares, nor has the Company been notified of such restrictions.

6. Company Shareholders' agreements
There has been no communication to the Company for any agreements in force with its shareholders, which entail restrictions on the transfer of shares or restrictions on the exercise of voting rights.

7. Rules for the appointment and replacement of Board members and amendment of the Articles of Association
Regarding the appointment and replacement of members of the Company's Board of Directors as well as the amendment of the Articles of Association, there are no rules that differ from those provided by Law 4548/2018, as currently in force.

8. Competence of the BoD for the issuance of new shares or the purchase of treasury shares
There is no special competence of the Board of Directors or certain members of the Board of Directors for the issue of new shares or the purchase of treasury shares according to article 49 of Law 4548/2018. The relevant authorization and authority to the Board, is always provided following a decision of the General Assembly of the Company's shareholders.

The Annual Ordinary General Meeting of the Company's shareholders on May 12, 2022 already decided, inter alia, that the Company purchases, in accordance with the provisions of article 49 of Law 4548/2018 within twenty-four (24) months of the date of the decision, i.e. no later than May 12, 2024, a maximum of one million (1,000,000) common, nominal shares (taken into account and aggregated in relation to the above limit of the total of the Company's own shares already held under previous treasury shares acquisition programs), with a market price range of two Euros (€ 2.00) per share (minimum) and twelve Euros (€ 12.00) per share (maximum), while the Board was authorized to properly implement this process within the aforementioned framework.

The Company, during the reporting period (A΄ half of 2022), proceeded to the purchase of 118,954 treasury nominal shares, at the average purchase price of 3.2930 Euro per share, which correspond to 0.91% of its share capital. It is clarified for the sake of completeness that due to the corporate act of stock split with a replacement ratio of two (2) new shares for each (1) old, the number of shares of the Company has now been set at 24,027,832.

9. Significant agreements that enter into force, are amended or expire in the event of a change in the control of the Company following a public offer.

There is no significant agreement entered into by the Company that enters into force, is amended or terminates in the event of a change in the Company's control following a public offer.

10. Significant agreements with members of the Board of Directors or the Company's staff.

Between the Company and the members of the Board of Directors or its staff, only one agreement exists (and in particular between the Company and the Chairman of the Board of Directors), which provides for a special compensation in case of termination or dismissal without reason or termination of office or employment due to any public offer.

SECTION G΄

Information on labor and environmental issues

(1) As of 30.06.2022 the Group employs a total of 190 full-time employees and the Company 107 persons respectively.

It should be noted that the relations of the Company with its staff are excellent and there are no labor problems arising, in general, as one of the basic priorities of the Company is the up-keeping and reinforcing a climate of working peace and the constant improvement of the working conditions, to achieve the maximum possible exploitation of the human recourses, in a productive level. Every day the Company takes care to administer all the necessary measures and to adopt practices, in order to fully and completely comply with the applicable provisions of labor and insurance legislation. One of the basic principles governing the operation of the Group is the continuous training of the staff and the strengthening of the corporate consciousness at all levels of the functions and activities of the Group.

(a) policy of diversification and equal opportunities

The Group's Management does not discriminate on recruitments, salaries and promotions on the basis of sex, tribe, religion, skin color, nationality, religious beliefs, age, family status, sexual preferences, participation in trade unions or any other characteristics whatsoever. The only factors taken into consideration are the training, specialization, experience, efficiency and the individual's abilities in general, while it encourages and advises all employees to respect the diversity in every employee, customer and supplier of the Group and to not tolerate any behavior which is likely to create discriminations of any form.

(b) respect for employees' rights

The Group's Management strictly enforces current labor legislation and respects the relevant provisions and provisions for child labor, human rights and the possibility of employee participation in trade union bodies.

(c) health and safety at work

Health and safety at work is a top priority for the Group’s Management, which systematically monitors and controls all risks that may arise from its activity and takes all necessary preventive measures to avoid accidents, while the total of employees attend training seminars on health and safety at work. The Group’s Management also ensures that the fire safety rules, and contingency requirements are met and that personnel are trained in fire protection, firefighting, use of portable fire extinguishers, and preparedness exercises to prevent and respond to emergencies.

(d) training and development of employees

The business success for the Group and the Company is based on its people. The Company provides a stable work environment so that all employees are motivated to be productive and oriented to achieving optimum results, to take initiatives to the benefit of the corporate interest and to manage their personal development with zeal and integrity. Through Human Recourses department, the Management of the Company distinguishes the skills of employees and put them in positions at which they can contribute at the highest level and they will have the potential to be distinguished.

(2) The Group recognizes the need for continuous improvement of environmental performance based on the principles of sustainable development and in compliance with legislation and international standards aims at a balanced economic development in harmony with the natural environment. Following a course of sustainable development, it carries out its activities in a way that ensures both the protection of the environment and the hygiene and safety of the employees.

The Group seeks to improve the overall behavior of its employees in terms of both environmental pollution prevention and recycling and environmental management issues and seeks to consolidate the concept of ecological sensitivity across the pyramid of employees.

In collaboration with “KLIMAKA”, a non-profit organization that cares for the socially disadvantaged, collects and compresses paper for recycling, which not only helps protect the environment but also provides food and shelter to the homeless who participate in recycling and collection. Furthermore, the Company is an active supporter of "Think Before You Print", by including its logo in all its electronic communications.

SECTION H΄

Significant events after the six-month period ended 30 June 2022 and until the preparation of this Interim Report – Other information

1. Through continuous monitoring of the market, the Company aims to develop new products and to upgrade and further evolve the existing ones, with the view to more fully meeting the ever-changing needs of the market and adapting to customer requirements. The Research and Development works are carried out by specialized consultants of the Company in the individual Units with vertical and perfect knowledge and experience for each product or solution that is developed as well as in collaboration with the Sales and Marketing Departments for the required market and customer research, where required.

2. None of the companies involved in the consolidation have any shares or units of par. 1e of article 26 of Law 4308/2014, except for the parent Company. The treasury shares held by the Company are mentioned in Section F' hereto.

3. In reference to the anticipated development of the Company as well as of the companies included in the consolidation, Section C' of this Report sets out a relevant analysis.

4. There are no other significant events occurring after the end of the reporting period, i.e. of the first (A΄) half of the current fiscal year 2022 (01.01.2022-30.06.2022) up to and including the date of approval of this Report and which have a material impact on the financial statements and therefore require mention and reference in this Report.

The Interim Financial Statements of the Company and the Group for the period 01.01.2022 – 30.06.2022, which are presented on pages 28 to 81, were prepared in accordance with the International Accounting Standard (IAS 34) on the Interim Financial Statements, approved by the Board of Directors on 15th September 2022 and signed by:
(a) Charalambos Stasinopoulos, Chairman of the Board of Directors,
(b) Evangelos Angelides, Managing Director of the Company,
(c) Nikolaos Samonakis, Chief Financial Officer of the Company and
(d) Zafirios Santoukas, Head of Accounting of the Company

Nea Smyrni, September 15, 2022
The Board of Directors of the Company

Independent Auditor’s Review Report

To the Board of Directors of

PROFILE SYSTEMS & SOFTWARE S.A.

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying interim condensed corporate and consolidated statement of the financial position of “PROFILE SYSTEMS & SOFTWARE S.A.” and its subsidiaries, as at June 30, 2022 and the related interim condensed corporate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report required by Law 3556/2007.

Management is responsible for the preparation and presentation of this interim financial information in accordance with the International Financial Reporting Standards, as they have been endorsed by the European Union, and applied to the Interim Financial Reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 “Review of the Interim Financial Information performed by the independent auditor of the entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as incorporated in Greek Law and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Our review has not identified any material inconsistency or error in the declarations of the members of Board of Directors and the information contained in the interim financial report prepared in accordance with article 5 and 5a of Law 3556/2007 and the accompanying interim financial information.

Athens, September 16, 2022

EFSTRATIOS N. ANDREADAKIS

The Certified Auditor Accountant

SOEL REG 47921

SOL S.A.

Part of the Crowe Global Network

3 Fok. Negri, 112 57 Athens

SOEL REG 125

STATEMENT OF FINANCIAL POSITION

	NOTE.	THE GROUP		THE COMPANY	
ASSETS		**30.06.2022**	**31.12.2021**	**30.06.2022**	**31.12.2021**
Non-current assets					
Tangible fixed assets	11	4.294.298	4.315.930	4.168.884	4.205.966
Right-of-use of fixed assets	30	803.273	538.234	-	-
Goodwill	12	2.668.073	2.735.273	-	-
Intangible assets	13	8.041.672	8.571.221	1.605.046	2.087.018
Investments in subsidiaries	14	-	-	7.511.834	7.511.834
Other non-current assets		178.653	176.601	1.408.357	1.405.675
Deferred tax assets	9	486.624	508.726	201.584	215.705
Total		**16.472.593**	**16.845.985**	**14.895.705**	**15.426.198**
Current assets					
Inventories	15	85.181	84.519	59.201	58.539
Trade receivables	16	5.414.817	4.977.127	765.267	1.644.194
Other receivables	17	6.050.228	5.693.695	6.698.151	4.609.087
Prepayments	17	504.609	211.970	654.648	204.949
Short-term investments	18	2.766.782	3.012.258	2.155.755	2.406.422
Cash and cash equivalents	19	14.189.708	12.612.093	6.678.583	5.661.775
Total		**29.011.325**	**26.591.662**	**17.011.605**	**14.584.966**
TOTAL ASSETS		**45.483.918**	**43.437.647**	**31.907.310**	**30.011.164**
LIABILITIES					
Equity					
Share capital	20	5.526.401	5.646.540	5.526.401	5.646.540
Share premium	20	2.484.127	2.484.127	2.484.127	2.484.127
Treasury shares	21	(862.501)	(143.145)	(861.404)	(142.048)
Reserves	22	10.805.719	8.931.053	10.709.850	8.845.430
Retained earnings		7.516.001	8.133.994	922.586	1.554.571
Total		**25.469.747**	**25.052.569**	**18.781.560**	**18.388.620**
Non-controlling interests		(107.979)	(110.627)	-	-
Total Equity		**25.361.768**	**24.941.942**	**18.781.560**	**18.388.620**
Non-current liabilities					
Long-term borrowings	23	2.949.965	3.214.286	2.949.965	3.214.286
Provision for employees' indemnities	24	762.913	791.123	92.304	134.272
Grants	26	246.888	165.888	-	-
Other non-current liabilities		-	428.776	3.500	432.276
Lease liabilities	30	782.670	501.499	-	-
Deferred tax liabilities	9	154.449	175.806	-	-
Provisions		41.249	41.065	35.000	35.000
Total		**4.938.134**	**5.318.443**	**3.080.769**	**3.815.834**
Βραχυπρόθεσμες υποχρεώσεις					
Short -term borrowings	23	3.992.644	3.711.665	2.755.676	2.474.679
Trade payables	27	1.793.057	2.109.446	1.218.672	1.482.857
Other current liabilities	28	7.599.976	5.271.466	5.548.608	2.888.753
Lease liabilities	30	70.344	83.563	-	-
Social Security and other tax liabilities		966.656	1.428.565	302.852	590.873
Income tax payable		761.339	572.557	219.173	369.548
Total		**15.184.016**	**13.177.262**	**10.044.981**	**7.806.710**
TOTAL LIABILITIES		**45.483.918**	**43.437.647**	**31.907.310**	**30.011.164**

The accompanying notes are an integral part of the financial statements.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

		Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	NOTE	01.01.2022-30.06.2022	01.01.2021-30.06.2021*	01.01.2022-30.06.2022	01.01.2021-30.06.2021*
Sales revenue	6	10.178.957	7.662.269	3.681.970	3.374.378
Less: Cost of Sales	8	(5.480.239)	(3.752.124)	(2.833.789)	(1.518.340)
Gross profit		**4.698.718**	**3.910.145**	**848.181**	**1.856.038**
Other operating income		934.157	674.731	560.402	277.583
Selling and distribution expenses	8	(1.605.668)	(1.386.363)	(941.617)	(698.448)
General and administrative expenses	8	(1.098.660)	(917.127)	(632.528)	(537.144)
Research and Development expenses	8	(1.295.602)	(1.150.721)	(531.868)	(757.031)
Other operating expenses		(15)	(214.545)	-	(201.779)
Operating Profit		**1.632.930**	**916.120**	**(697.430)**	**(60.781)**
Financial income / (expenses)		(155.191)	155.877	60.310	128.371
Earnings from holdings		-		1.650.000	1.000.000
Profit before taxes from ongoing operations		**1.477.739**	**1.071.997**	**1.012.880**	**1.067.590**
Income tax	9	(433.970)	(398.138)	126.050	(113.113)
Net profit (after taxes) from ongoing operations (A)		**1.043.769**	**673.859**	**1.138.930**	**954.477**
Net profit (after taxes) from discontinued operations (B)	7	**1.089.419**	**77.458**	**1.089.419**	**77.458**
Net profit after taxes (ongoing and discontinued operations) (A+B)		**2.133.188**	**751.317**	**2.228.349**	**1.031.935**
Non-controlling interests		(2.648)	1.720	-	-
Net profit after taxes attributable to equity holders of the parent company (ongoing operations)		**1.041.121**	**675.579**	**1.138.930**	**954.477**
Net profit after taxes attributable to equity holders of the parent company (discontinued operations)		**1.089.419**	**77.458**	**1.089.419**	**77.458**
Other comprehensive income					
Items that will not be reclassified to profit or loss in subsequent periods					
Currency translation differences		122.049	107.583	-	-
Other comprehensive income after taxes (C)		**122.049**	**107.583**	**-**	**-**
Total comprehensive income after taxes (A+B+ C)		**2.255.237**	**858.900**	**2.228.349**	**1.031.935**
Owners of the parent company		2.252.589	860.620	-	-
Non-controlling interests		2.648	(1.720)	-	-
Basic earnings per share from ongoing operations	**10**	**0,0436**	**0,0285**	**0,0477**	**0,0403**
Basic earnings per share from discontinued operations	**10**	**0,0457**	**0,0033**	**0,0457**	**0,0033**
Impaired earnings per share from ongoing operations	**10**	**0,0430**	**0,0280**	**0,0471**	**0,0396**
Impaired earnings per share from discontinued operations	**10**	**0,0450**	**0,0032**	**0,0450**	**0,0032**

The accompanying notes are an integral part of the financial statements

(*) The allocations of the Income Statement for the comparative period ended 30/06/2021 have been revised to include only the ongoing operations. The results of discontinued operations are included separately and are analyzed in a separate note (see note 7), in accordance with the requirements of IFRS 5 .

STATEMENT OF CHANGES IN EQUITY

GROUP	Share capital	Share premium	Treasury shares	Legal reserve	Other reserves	Greek legislation reserves	Retained earnings	Non-controlling interests	Total
Total equity at the beginning of the fiscal year 01.01.2021	**5.594.674**	**2.348.390**	**(189.934)**	**757.620**	**4.401.934**	**2.518.440**	**6.957.074**	**(109.831)**	**22.278.367**
Profit for the year	-	-	-	-	-	-	2.204.060	(802)	2.203.258
Other comprehensive income after taxes	-	-	-	-	-	-	355.499	6	355.505
Total comprehensive income after taxes	**-**	**-**	**-**	**-**	**-**	**-**	**2.559.559**	**(796)**	**2.558.763**
Acquisition of treasury shares (note 21)	-	-	(1.574.658)	-	-	-	-	-	(1.574.658)
Selling of treasury shares (note 21)	-	-	1.621.447	-	-	-	227.299	-	1.848.746
Share capital increase (note 20)	51.866	135.737	-	-	-	-	-	-	187.603
Distribution of profit	-	-	-	24.933	-	-	(609.938)	-	(585.005)
Reserve from issue of options	-	-	-	-	228.126	-	-	-	228.126
Transfer of intragroup dividends	-	-	-	-	1.000.000	-	(1.000.000)	-	-
Total equity at the end of the fiscal year 31.12.2021	**5.646.540**	**2.484.127**	**(143.145)**	**782.553**	**5.630.060**	**2.518.440**	**8.133.994**	**(110.627)**	**24.941.942**
Profit for the year	-	-	-	-	-	-	2.130.540	2.648	2.133.188
Other comprehensive income after taxes	-	-	-	-	-	-	122.049	-	122.049
Total comprehensive income after taxes	**-**	**-**	**-**	**-**	**-**	**-**	**2.252.589**	**2.648**	**2.255.237**
Acquisition of treasury shares (note 21)	-	-	(719.356)	-	-	-	-	-	(719.356)
Share capital decrease from stock split (note 20)	(120.139)	-	-	-	120.139	-	-	-	-
Distribution of profit	-	-	-	53.952	-	-	(1.220.582)	-	(1.166.630)
Reserve from issue of options	-	-	-	-	50.575	-	-	-	50.575
Transfer of intragroup dividends	-	-	-	-	1.650.000	-	(1.650.000)	-	-
Total equity at the end of the period 30.06.2022	**5.526.401**	**2.484.127**	**(862.501)**	**836.505**	**7.450.774**	**2.518.440**	**7.516.001**	**(107.979)**	**25.361.768**

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

COMPANY	Share capital	Share premium	Treasury shares	Legal reserve	Other reserves	Greek legislation reserves	Retained earnings	Total
Total equity at the beginning of the fiscal year 01.01.2021	**5.594.674**	**2.348.390**	**(188.837)**	**727.750**	**4.345.163**	**2.519.458**	**2.081.912**	**17.428.510**
Profit for the year	-	-	-	-	-	-	874.113	874.113
Other comprehensive income after taxes	-	-	-	-	-	-	(18.815)	(18.815)
Total comprehensive income after taxes	-	-	-	-	-	-	**855.298**	**855.298**
Acquisition of treasury shares (note 21)	-	-	(1.574.658)	-	-	-	-	(1.574.658)
Selling of treasury shares (note 21)	-	-	1.621.447	-	-	-	227.299	1.848.746
Share capital increase (note 20)	51.866	135.737	-	-	-	-	-	187.603
Distribution of profit	-	-	-	24.933	-	-	(609.938)	(585.005)
Reserve from issue of options	-	-	-	-	228.126	-	-	228.126
Transfer of intragroup dividends	-	-	-	-	1.000.000	-	(1.000.000)	-
Total equity at the end of the fiscal year 31.12.2021	**5.646.540**	**2.484.127**	**(142.048)**	**752.683**	**5.573.289**	**2.519.458**	**1.554.571**	**18.388.620**
Profit for the year	-	-	-	-	-	-	2.228.349	2.228.349
Other comprehensive income after taxes	-	-	-	-	-	-	-	-
Total comprehensive income after taxes	**-**	**-**	**-**	**-**	**-**		**2.228.349**	**2.228.349**
Acquisition of treasury shares (note 21)	-	-	(719.356)	-	-	-	-	(719.356)
Share capital decrease from stock split (note 20)	(120.139)	-	-	-	120.139	-	-	-
Distribution of profit	-	-	-	43.706	-	-	(1.210.334)	(1.166.628)
Reserve from issue of options	-	-	-	-	50.575	-	-	50.575
Transfer of intragroup dividends	-	-	-	-	1.650.000	-	(1.650.000)	-
Total equity at the end of the period 30.06.2022	**5.526.401**	**2.484.127**	**(861.404)**	**796.389**	**7.394.003**	**2.519.458**	**922.586**	**18.781.560**

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

		THE GROUP		THE COMPANY	
	NOTE	**01.01.2022-30.06.2022**	**01.01.2021-30.06.2021**	**01.01.2022-30.06.2022**	**01.01.2021-30.06.2021**
Cash flows from operating activities					
Profit before taxes from ongoing operations		**1.477.739**	**1.071.997**	**1.012.880**	**1.067.590**
Profit before taxes from discontinued operations		**1.396.691**	**99.306**	**1.396.691**	**99.306**
Adjustments for:					
Depreciation and Amortization	11/13	1.086.486	1.382.217	403.955	391.007
Provisions		53.219	40.279	38.627	40.834
Reserve from issue of options		50.575	114.063	50.575	114.063
Non-cash income/expenses		-	(513.297)	-	(85.794)
Results from investing activity		(3.715.486)	(87.036)	(3.128.646)	(1.082.168)
Exchange differences		239.099	(139.071)	(70.889)	(116.328)
Interest paid and related expenses		(29.896)	57.413	(3.105)	79.536
Operating profit before working capital changes		**558.427**	**2.025.871**	**(299.912)**	**508.046**
(Increase)/Decrease in:					
Inventories	15	(662)	(1.279)	(662)	(75)
Receivables		473.320	(1.544.501)	(616.243)	(2.189.607)
Increase/(Decrease) in:					
Liabilities (except bank loans)		(45.221)	1.629.226	512.216	1.249.017
Paid Employees indemnities		(81.244)	(3.267)	(80.595)	(3.267)
Interest charges and related expenses paid		(138.714)	(171.060)	(97.828)	(131.759)
Paid taxes		(288.659)	(93.716)	(96.427)	(91.920)
Total cash inflows / (outflows) from operating activities (a)		**477.247**	**1.841.274**	**(679.451)**	**(659.565)**
Cash flows from investing activities					
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments		-	(3.170.095)	-	(2.600.000)
Purchase of securities	18	(14.432)	(1.889.679)	(14.236)	(1.447.842)
Purchase of tangible & intangible fixed assets	11/13	(1.140.800)	(1.897.639)	(564.847)	(508.690)
Proceeds from sale of branch		2.158.905	-	2.158.905	-
Proceeds from sale of tangible and intangible fixed assets		-	3.928	-	-
Interest received		162.142	92.453	94.483	30.633
Dividends received		408.269	7.261	405.829	1.001.879
Proceeds from short-term investments in securities	18	264.592	1.147.998	264.592	996.308
Total cash inflows / (outflows) from investing activities (b)		**1.838.676**	**(5.705.773)**	**2.344.726**	**(2.527.712)**
Cash flows from financing activities					
Acquisition of treasury shares	21	(719.356)	(888.629)	(719.356)	(888.629)
Proceeds from issued/ undertaken loans	23	500.000	2.800.000	500.000	2.000.000
Dividends paid		-	(585.006)	-	(585.006)
Repayments of finance lease		(163.546)	(107.117)	-	-
Grants		81.000	10.858	-	10.858
Repayments of borrowings	23	(500.000)	-	(500.000)	-
Total cash inflows / (outflows) from financing activities (c)		**(801.902)**	**1.230.106**	**(719.356)**	**537.223**
Net increase / (decrease) in cash & cash equivalents for the period (a) + (b) + (c)		**1.514.021**	**(2.634.393)**	**945.919**	**(2.650.054)**
Cash & cash equivalents at the beginning of the period		**12.612.093**	**13.908.436**	**5.661.775**	**7.756.446**
Exchange differences		63.594	234.205	70.889	116.329
Cash & cash equivalents at the end of the period		**14.189.708**	**11.508.248**	**6.678.583**	**5.222.721**

** The accompanying notes are an integral part of the financial statements.*

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION ON THE COMPANY AND THE GROUP

The Company "PROFILE SYSTEMS & SOFTWARE S.A." with the distinctive title PROFILE SYSTEMS & SOFTWARE (hereafter referred to as the ''Company',' or the ''Parent Company'', or "Profile") and its subsidiaries (hereafter referred to as the ''Group'') have principal activities in the manufacturing and marketing of software and PCs, providing data transmission services through selected and other communication networks, and in general in the areas described in Article 3 of the Company's Articles of Association. The Company's registered office is at 199 Syggrou Avenue, Nea Smyrni, Attica and on 30.06.2020 has 107 employees, while the Group has 190 employees in total.

The Company's shares are traded on the Athens Stock Exchange.

The interim financial statements for the six-month period ended 30 June 2022 (A' Half of 2022), of the Company and the Group, have been approved by the Board of Directors on September 15, 2022.

2. FRAMEWORK FOR THE PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 Basis of presentation of the Interim Financial Statements

The consolidated financial statements for the A' half of 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB"), as endorsed by the European Union ("EU"), and present the financial position, results of operations and cash flows of the Group on a going concern basis and the accrual principle. Management has concluded that the going concern basis of preparation of the accounts is appropriate. The consolidated financial statements have been prepared in accordance with the historical cost basis except for the financial instruments which are measured at fair value through profit and loss.

The preparation of financial statements, in accordance with IFRS, requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.4 "Significant accounting estimates and judgments". Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events as assessed to be reasonable under normal circumstances.

The accompanying corporate and consolidated interim financial statements do not include all the information required in the annual financial statements and, therefore, should be read in conjunction with the published annual financial statements for the year ended December 31, 2021, which are available on the internet at https://www.profilesw.com/el/financial-statements.php

2.2 Basis for the preparation of the interim condensed financial statements

The attached interim condensed financial statements comprise the financial statements of the Parent Company and all subsidiaries where Profile has the power to control. All subsidiaries (companies in which the Group has direct or indirect ownership of 50% or more voting interest or has the power to control the Board of the investees) have been consolidated.

At each reporting period, the Group reassesses whether it exercises effective control over the investments, in case there are events and circumstances indicating a change in effective control. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The interim financial statements of the subsidiaries are prepared for the same reporting period as the parent company using the same accounting principles.

Gain or Losses of subsidiaries, along with Other Comprehensive income, are attributed to the non-controlling interest even if that results in a deficit balance.

All intra-group balances transactions and unrealized gains and losses resulting from intra-group transactions are eliminated in full in the consolidated financial statements. Where necessary, accounting principles for subsidiaries have been revised to ensure consistency with the policies adopted by the Group. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ✓ derecognizes the assets (including goodwill) and liabilities of the subsidiary
- ✓ derecognizes the carrying amount of any non-controlling interest
- ✓ recognizes the fair value of any investment retained
- ✓ recognizes any surplus or deficit in profit or loss
- ✓ reclassifies the parent's share of components previously recognized in other Comprehensive
- ✓ income to profit and loss.

Investments in subsidiaries in the corporate financial statements are accounted for at cost less any accumulated impairment.

The following table shows the subsidiaries included in the consolidation together with the relative participation rates as well as the activity of each subsidiary.

Name of Company	Headquarter Country	Activity	% Group Participation	Relationship	Type of Consolidation
GLOBAL SOFT SA	Greece	IT Company	97,09%	Direct	Full
COMPUTER INTERNATIONAL FRANCHISE LTD	Greece	Computer Seminars	50,18%	Direct	Full
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	Cyprus	IT Company	100,00%	Direct	Full
PROFILE SOFTWARE (UK) LTD**	United Kingdom	IT Company	100,00%	Indirect	Full
PROFILE DIGITAL S.A.	Greece	IT Company	100,00%	Direct	Full
LOGIN S.A.*	France	IT Company	100,00%	Indirect	Full
PROFILE TECHNOLOGIES SINGLE-MEMBER & INDUSTRIAL INFORMATICS	Greece	IT Company	100,00%	Direct	Full

S.A.					
CENTEVO AB***	Sweden	IT Company	100,00%	Indirectη	Full

* The indirect participation in LOGIN SA is 100% through the participation of the subsidiaries Profile CY (99.92%) and Profile UK (0.08%).
** Participation in PROFILE SOFTWARE (UK) LTD is 100% through the participation of the subsidiary PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD.
*** Participation in CENTEVO AB is 100% through the participation of the subsidiary PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD.

2.3 Foreign Currency Translation

a) Functional currency and presentation currency

The Group's functional currency since January 1, 2002 is Euro ("EUR"), as a result the consolidated financial statements are presented in Euros (€), which is the Parent Company's functional currency.

b) Transactions and balances

Transactions in foreign currencies are translated at Euro based on the exchange rates prevailing at the dates of the transactions. Claims and liabilities denominated in a foreign currency at the date of preparation of the financial statements are adjusted to reflect the exchange rates at the date of preparation. Gains and losses arising from such transactions (and from the translation of assets and liabilities denominated in a foreign currency) are recognized in the income statement except when they are included in equity as recognized cash flow hedges.

c) Subsidiaries of the Group

The translation of the financial statements of the Group companies that have a different functional currency from the Parent Company is as follows:

- Assets and liabilities are translated at the exchange rates effective at the balance sheet date.
- Equity funds are converted using the exchange rates that existed at the date they were created.
- Revenues and expenses are translated at the average exchange rates of the reporting period

Foreign currency difference is recognized in the equity reserve and transferred to the profit and loss statement together with sale transactions. Goodwill and fair value adjustments arising from the acquisition of foreign operations are translated using the effective exchange rates as at the balance sheet date.

2.4 Significant Accounting Judgements and Estimates

The preparation of the interim condensed financial statements, in accordance with IFRS, requires Management to make judgments, estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the interim condensed consolidated financial statements, are disclosed where considered necessary. Estimates and judgments, that are discussed in detail in the annual consolidated financial statements for the year ended 31 December 2021, are continuously evaluated and are based on historical experience and other factors, including expectations of future events as assessed to be reasonable under the present circumstances.

The accounting principles and estimates adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's and the Company's annual financial statements for the year ended December 31, 2021, and have been consistently applied to all periods presented.

Several other amendments and interpretations were first applied in 2022 but did not have a material effect on the interim condensed consolidated financial statements for the six-month period ended 30 June 2022.

3. BASIC ACCOUNTING PRINCIPLES

The basic accounting policies applied in the preparation of the attached financial statements are set out below:

3.1. Tangible assets

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Repairs and maintenance costs are expensed as incurred. Significant improvements are capitalized to the cost of the related asset if such improvements increase the life of the asset, increase its production capacity or improve its efficiency. The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement and any gain or loss is included in the statement of Profit and Loss. Profit and losses arising from the write-off of assets are included in the statement of Profit and Loss this asset is written-off.
The land is not depreciated. Depreciation is calculated using the straight-line method over its estimated useful lives, as follows:

Tangible asset	Years
Buildings	36
Cars	5-10
Other Equipment	4-5

The residual values and useful lives of tangible assets are reviewed in each annual balance sheet. When the carrying values of tangible assets exceed their recoverable amount, differences (impairment) are recognized as expense in the profit or loss statement.

3.2. Intangible assets

Goodwill

Goodwill represents the difference between the cost of acquisition and the fair value of the Group's share of the net assets of the subsidiary at the acquisition date. Goodwill on the acquisition of subsidiaries is included in intangible assets. At the end of each period, the Group carries out an analysis of the assessment of the recoverability of the carrying amount of goodwill. If the carrying amount exceeds the recoverable amount, a provision for devaluation is immediately formed. The gain or loss on the sale of a company includes the book value of the goodwill associated with the company sold.

Intangible assets

The software programs concern the cost of purchasing or self-production, software such as payroll, materials, services, and any expense incurred in developing software in order to put it into operation. Costs that enhance or extend the performance of software programs beyond their original specifications are recognized as capital expenditure and added to the original cost of the software. The cost of acquiring and developing software recognized as intangible assets is depreciated using the straight-line method over its useful life (5-6 years).

The expenditures for software development which are controlled by the Group, are recognized as intangible assets when the following conditions apply:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale,
- Its intention to complete the intangible asset in order to use it or sell it,
- Its ability to use it or sell it,
- How the asset will generate future economic benefits,
- The adequacy of technical, financial and other resources to complete the development and
- Its ability to reliably assess the expenditure attributed to the intangible asset during the development period.

The other intangible assets are initially recognized during the date of acquisition and they are carried at cost less any accumulated amortization throughout their useful life (6-8 years).

3.3. Impairment of Non-Current Assets

With the exception of goodwill, which is tested for impairment on an annual basis, the carrying values of other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying value of an asset exceeds its recoverable amount an impairment loss is recognized in the statement of Profit and Loss. The recoverable amount is measured as the higher of fair value less cost to sell and value in use.

Fair value less cost is the amount for which the asset could be exchanged in an arm’s length transaction between knowledgeable, willing parties, after deducting any direct incremental selling costs, while value in use is the present value of estimated future cash flows expected to arise from continuing use of the asset and from its disposal at the end of its useful life.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Impairment losses which were accounted for in prior years are reversed only when there is sufficient evidence that the assumptions used in determining the recoverable amount have changed. In these circumstances, the related reversal is recognized as income. The carrying amount of a non-current asset after the reversal of the impairment loss, cannot exceed the carrying amount of the asset, if the impairment loss had not been recognized. Probable impairment of goodwill is not reversed.

3.4. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. It does not include borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale, where applicable.

3.5. Financial instruments-Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Group and the Company classify their financial assets in the below categories:

- ✓ Financial assets measured at fair value through profit or loss (see note 18. Short-term Investments and note 31. Fair Value Measurement);
- ✓ Financial assets designated at fair value through OCI; and
- ✓ Financial assets measured at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group and the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at a fair value through profit or loss, transaction costs. The transaction costs of financial assets measured at fair value through profit or loss. Trade receivables are initially measured at the transaction price.

Under IFRS 9, debt financial instruments are subsequently measured at amortized cost, fair value through other comprehensive income (OCI) or fair value through profit or loss. The classification is based on two criteria: a) the business model for managing the assets and b) whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding (the 'SPPI criterion').

The classification and measurement of the Group's and the Company's debt financial assets are as follows:

a) Financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives including separated embedded derivatives area also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

B) Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met: a) The financial asset is held within a business, model with the objective to hold financial assets in order to collect contractual cash flows, b) The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

C) Financial assets at fair value through OCI

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

3.6. Derecognition and impairment

Derecognition

A financial asset is primarily derecognized when:

• The rights to receive cash flows from the asset have expired, or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment

The Group and the Company recognize impairment losses for expected credit losses for all financial assets other than those measured at fair value through profit or losses.

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

For other financial assets, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

3.7. Loans and borrowings

Loans are initially recognized at their fair value, less any direct expense arising from the transaction. Subsequently, they are measured at amortized cost based on the effective interest rate method.

Any gain or loss arising on de-recognition or on amortized cost is recognized directly in the income statement.

3.8. Trade receivables

Trade receivables, are recognized initially at transaction value which is specified by IFRS 15 and subsequently measured at amortized cost using the effective interest method, less provision for impairment.
Trade receivables include bills of exchange and promissory notes from customers.

For trade receivables, which are not in default the Group applies the simplified approach, in accordance with IFRS 9 and calculates ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. On the other hand, trade receivables in default are assessed on a case by case basis. The amount of the provision is recognized in the statement of Profit and Loss and is included in "Selling and distribution expenses".

3.9. Cash and Cash equivalents

The Group considers time deposits and other highly liquid investments with original maturity of three months or less, to be cash equivalents. For the purpose of the cash flow statement, cash and cash equivalents consist of cash at hand and in banks and of cash and cash equivalents as defined above.

3.10. Leases

Company as lessee

The Company recognizes the right of use an asset and a lease obligation at the commencement of the lease. The right of use is initially valued at cost, which includes the amount of the initial recognition of the lease liability, any rent payments made at the commencement or prior to the commencement of the lease less any lease incentives received, any initial direct costs and an estimate of liability for any costs of restoring the asset's right of use.
Upon initial recognition, the right of use is valued at acquisition cost less any accumulated depreciation and impairment losses and adjusted for any reassessment of the lease liability.
The right of use is depreciated by the method of fixed depreciation until the end of the lease period, unless the contract provides for the transfer of ownership of the underlying asset to the Company at the end of the lease period. In this case the right of use is depreciated during the useful life of the underlying asset. In addition, the right of use is checked for impairment losses, if any, and is adjusted in cases there is an adjustment of the lease liability.

The lease liability at initial recognition consists of the present value of future remaining rent payments. The Company uses the imputed interest rate of the lease to discount the remaining future leases and, where this cannot be determined, uses the differential lending rate.

Lease payments included in the lease appraisal include the following:
- fixed payments,
- variable payments dependent on an index or interest rate,
- amounts expected to be paid under the residual value guarantees,
- the exercise price the purchase option that the Company estimates that it will exercise and penalties for termination of lease, if in determining the duration of the lease has been taken into account the exercise of the right of termination by the Company.

After the start date of the lease term, the lease liability decreases with the payment of the Lease, increases with the financial expenses and is recalculated for any revaluations or modifications of the lease.

A revaluation occurs when there is a change in future lease payments that may result from a change in an index or if there is a change in the Company's estimation of the amount expected to be paid for a residual value guarantee, a change in the term of the lease and a change in valuation regarding the exercise of the purchase option, if any, of the underlying item. When the lease liability is adjusted, a corresponding adjustment is made to the book value of the right of use or it is recorded in the results when the book value of the right of use is reduced to zero.

According to the Company’s applied policy the right of use is recognized on a separate line in the Balance Sheet entitled "Right of use assets" and the lease liability is distinct from the other liabilities in the items "Long-term lease liabilities" and "Short-term lease liabilities". In cases that the Company operates as a lessor with an operating lease, the right of use relating to the main contract is included in the category "Investments in real estate".

The Company has chosen to make use of the exemption provided by IFRS 16 and not to recognize a right of use and a lease liability for leases whose term does not exceed 12 months or for leases in which the value of the underlying asset is value (less than € 5,000 when new).

When the Company is a lessor

i. Financial Leases: In the case of financial lease agreements, in which the Company operates as a lessor, the total amount of leases provided for in the contract is entered in the category loans and receivables from customers. The difference between the present value (net investment) of the leases and the total amount of leases is recognized as non-accrued interest and is deducted from receivables. Lease receipts reduce the total lease receivable, while financial income is recognized on an accrual basis. Lease receivables are reviewed for impairment in accordance with IFRS 9.

ii. Operating leases: In the case of operating leases, the Company classifies the leased asset as an asset, carrying out depreciation based on its useful life. The amounts of leases, corresponding to the use of the leased asset are recognized as income, in the category other income, using the accrual method.

When the Company is an intermediary lessor, it evaluates the classification of the sublease by referring to the right of use of the main lease, i.e. the Company compares the terms of the main lease with those of the sublease. Conversely, if the principal lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sublease as an operating lease. In this case, the Company recognizes the amounts of leases, which correspond to the sublease of the leased asset as income, in the category other income, using the accrual method.

3.11. Income taxes (current and deferred)

Current and deferred income taxes are computed based on the separate financial statements of each of the entities included in the consolidated financial statements, in accordance with the tax rules in force in Greece or other tax jurisdictions in which entities operate.

Income tax expense consists of income taxes for the current year based on each entity's profits as adjusted in its tax returns, additional income taxes resulting from the audits of the tax authorities and deferred income taxes, using substantively enacted tax rates.

Deferred income taxes are provided using the liability method for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences:

- Except where the deferred income tax liability arises from goodwill amortization or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax losses can be utilized.

- Except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and there will be available taxable profit which will be used against temporary differences

Deferred tax assets are reviewed at each financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the financial position date.

3.12. Employee benefits

Staff retirement obligations are calculated at the present value of the future retirement benefits deemed to have accrued, based on the employees earning retirement benefit rights steadily throughout the working period. The reserve for retirement obligations is calculated based on financial and actuarial assumptions and are determined using the projected unit credit actuarial valuation method (Project United Credit Method). Actuarial gains and losses are now recognized in other comprehensive income (OCI) and permanently excluded from profit and loss; expected returns on plan assets are no longer recognized in profit or loss, instead, there is a requirement to recognize interest on the net defined benefit liability (asset) in profit or loss, calculated using the discount rate used to measure the defined benefit obligation, and; unvested past service costs are now recognized in profit or loss at the earlier of when the amendment occurs or when the related restructuring or termination costs are recognized.

3.13. Provisions and Contingencies

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. When the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

3.14. Government Grants

Grants, which are related to the subsidization of tangible fixed assets, are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Grants relating to assets are recognized as deferred income and amortized in accordance with the useful life of the related asset. When the grant relates to an expense item, it is recognized as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

3.15. Revenue recognition

Revenue is the amount that an entity expects to be entitled in return for goods or services it transfers to a customer, excluding amounts collected on behalf of third parties (value added tax, other sales taxes etc.). An economic entity recognizes revenue when (or while) it fulfills its obligation to perform a contract by transferring the goods or services promised to the customer. The customer acquires control of the good or service, if he/she can direct the use and derive substantially all the financial benefits from this good or service. Control is transferred during a period or at a specific time. Revenue from the sale of goods is recognized when control of the goods is transferred to the customer, usually upon delivery and there is no unfulfilled obligation that could affect the acceptance of the goods by the customer. Revenue from provided services is recognized in the accounting period in which the services are provided, and it is measured according to the nature of the services provided, using either output methods or input methods. The receivable from the customer is recognized when there is an unconditional right for the economic entity to receive the price, for the fulfilled obligations of the contract, from the customer. The contractual asset is recognized when the Group (or the Company) has fulfilled its obligations to the customer, before the customer pays or before payment becomes due, for example when goods or services are transferred to the customer before the Group (or the Company) acquiring the right for the issuance of an invoice. The contractual obligation is recognized when the Group (or the Company) receives a price from the customer (prepayment) or when it retains the right to a price which is unreserved (deferred income) before the performance of the contract obligations and the transfer of goods or services. The contractual obligation is derecognized when the obligations of the contract are fulfilled, and the income is recorded in the income statement.

Income from operating leases is recognized in results on a straight-line basis over the lease term. Interest income is recognized using the real interest rate.

Interest income is recognised using the effective interest rate. When loans or receivables are impaired, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted at the original effective interest rate. Subsequently Interest income is calculated at the same interest rate (original effective interest rate) on the impaired (new book value).

Dividends' revenue is recognized in the income statement when the collection entitlement is established.

3.16. Borrowing Costs

Borrowing costs are recognized as expense in the period in which they are incurred.

3.17. Dividend distribution

The distribution of dividends to the parent's shareholders is recognized as a liability in the financial statements when the distribution is approved by the Shareholders' General Meeting.

3.18. Fair value measurement

The Group measures financial instruments at fair value through profit or loss at each balance sheet date (please see note 18 “Short term investments” and note 31 “Fair Value Measurement).
The fair value of an asset is the value considered to be received for the sale of an asset or paid for the settlement of a liability in a normal transaction and in the open market at the valuation date. Fair value measurement is based on the assumption that the transaction of the sale of the asset or the transfer of the liability occurs either:

- In the primary market for the asset or liability, or
- In the absence of a main market, in the most advantageous market for the asset or liability.

The main or most advantageous market should be accessible to the Group. The fair value of an asset or liability is measured on the basis of all assumptions that market participants use in the valuation of an asset or liability, provided that the market participants act on their financial interest.

Measuring the fair value of a non-financial asset takes into account the ability of market participants to generate economic benefits from the use of the asset in its highest and best use or sale to another market participant that will use the asset for Higher and better use. The Group uses valuation techniques that are appropriate to the circumstances and for which sufficient data are available to measure fair value by maximizing the use of relevant observable inputs and minimizing the use of non-observable inputs.

All assets and liabilities for which the fair value was measured or disclosed in the financial statements are classified within the fair value hierarchy as follows:

Level 1 - Observed / Listed (unadjusted) market prices in active markets for similar assets or liabilities.
Level 2 - Valuation techniques for which inputs that are relevant to fair value measurement, except for official stock prices included in Level 1, are directly or indirectly observable.
Level 3 - Valuation techniques for which inputs that are relevant to measuring fair value are not observable.

For the assets and liabilities recognized in the financial statements, the Group determines on a regular basis whether transfers have occurred between the levels of the hierarchy at the end of each reporting period.

For the purpose of fair value disclosures, the Group determines the categories of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.19. Segment reporting

A business segment is defined as a group of assets and functions which provide products and services that are subject to different risks and returns than those of other business segments. A geographic segment is defined as a geographical area, where products and services are provided, and which is subject to different risks and returns from other areas.

4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENT TO EXISTINGS STANDARDS

The accounting policies adopted by the Group, align with those adopted during the previous fiscal year except for the following standards which are effective from January 1, 2022.

New standards, amendments to standards and interpretations have been issued and are mandatory for the fiscal years that start for January 1, 2022 or beyond.

If it is not stated, the amendments of the standards and the interpretations which are implemented for the first time in 2022, do not have any effect in the Group's (consolidated) Financial Statements (Company). The Group (Company) did not adopt early standards, interpretations or amendments which have been issued from IASB and are adopted from the European Union but are not mandatory in 2022.

- **IFRS 1 First-time Adoption of International Financial Reporting Standards – First-time Adoption of IFRSs in a Subsidiary**

The amendment allows the subsidiary to apply paragraph D16(a) of the Appendix to IFRS 1 to measure cumulative foreign exchange differences using the amounts reported by its parent that are based on the date of the parent's transition to IFRSs.

- **IFRS 9 Financial Instruments – Remuneration and 10% test for the write-off of financial liabilities**

The amendment clarifies which fees an entity should include when applying the 10% test in paragraph B.3.3.6 of IFRS 9 to determine whether it should write off a financial liability. The entity includes fees paid or received between the entity (borrower) and the lender, including fees paid or received either by the entity or the lender on behalf of another party.

- **IFRS 16 Leases – Lease Incentives**

The amendment removed the example for payments by the lessor on lease improvements in illustrative example 13 of the standard, in order to avoid any confusion about the accounting treatment of lease incentives that may arise from the way lease incentives are presented in the example.

The Group (the Company) is in the process of assessing the impact of the above decision on its financial statements. The changes resulting from that decision are expected to be implemented as soon as possible and no later than the annual reference periods ending on or after Decembe1, 2021.

- **IAS 41 Agriculture - Taxation on fair value measurements**
- **IAS 16 Tangible Fixed Assets (Amendment) – "Collections of amounts before the intended use"**

On May 14, 2020, the International Accounting Standards Board issued an amendment to IAS 1. The amendment changes the way the cost of the asset's good operation tests and the net proceeds from the sale of assets generated in the process of the asset's location in the specific location and situation are recorded. Revenues and production costs of these products will now be recorded in the profit and loss account instead of appearing at a reduction in the cost of acquiring the fixed assets. It also requires entities to disclose separately the amounts of revenues and expenses associated with such produced items that are not the result of the entity's usual activity.

The amendment applies to the annual accounting periods beginning on or after 1st January 2022.

- **IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment) – "Onerous Contracts - Cost of fulfilling a contract"**

On May 14 2020, the International Accounting Standards Board issued an amendment to IAS 37. The amendment clarifies that the cost of fulfilling a contract comprises the cost that relate directly to the contract. The amendment, also, clarifies that before recognizing a separate provision for an onerous contract, an entity recognizes an impairment loss on the assets used to perform the contract, rather than on assets that were solely committed to that contract.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022.

- **IFRS 3 Business Combinations (Amendment) – "Reference to Conceptual Framework"**

On May 14, 2020, the International Accounting Standards Board amended IFRS 3 with respect to references to the Conceptual Framework of International Financial Reporting Standards. The amendment updated the standard to refer to the Conceptual Framework for the Financial Report issued in 2018, when it should be determined what constitutes an asset or liability in a business combination. In addition, an exception was added for certain types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize any assets, as defined in IAS 37, at the acquisition date.

The amendment applies to the annual accounting periods beginning on or after 1st January 2022.

5. FINANCIAL RISK MANAGEMENT

The Group and the Company are operating in a highly competitive and highly demanding international environment, which is changing rapidly, and over the last few years systematically and with a specific development plan it has been trying to steadily and safely strengthen the international expansion, not in one way, but in the geographical areas of strategic interest, focusing on state-of-the-art technologies and the constant technological upgrading of the products and solutions it provides while parallel develop new activities and promotes entry into new markets, in order to further enhance its competitiveness. In parallel, the Company follows as well the evolution and events in the domestic market.

Its specialized know-how, its years of experience and presence in the field, its organization and the intense activation of all its executives, its wide recognition in connection with the study, development and marketing of new products, as well as the continuous improvement and upgrading of the existing ones, focusing on the quality and the ability to meet demand directly and the changing needs of end customers, as well as the creation of strong infrastructure and the penetration into new markets, helps the Company to remain competitive despite the inherent problems of the industry, which have been boosted during the economic crisis.

The controlled financial exposure of the Group and its significant qualitative and product diversification, combined with the continuous development and upgrading of its products, as well as the expansion of the Group in new geographic markets, constitute the main tools for the Group for the minimization of the negative effect of the economic crisis. However, it is expected that in the current period the Group's revenues and results will be affected by the intensity and the growth of the phenomenon and the lack of liquidity in the market, and the apparent global recession for 2022 resulting from the pandemic, which leads a large part of the broad customer base to which the Group is seeking, to suspend and/or postpone investment projects and the postponement of modernization programs.

The financial and other risks to which the Company and the Group are exposed, and which may be affected during the B΄ Half of 2022 are the following:

a. Risk of reduction in demand due to the general recession
Although this specific risk is limited due to the specific categories of software that developed and marketed by the Group, however, in order to avoid the reduction in demand which is mainly attributed to the general downturn in the Greek market, and the recessive global environment resulting from the pandemic, the Group develops a wide range of products in different categories addressed to the international market in order to minimize the potential losses. The Company develops its software products based on a continuous and a day-to-day monitoring of the market and research as well as on new technologies, to minimize any potential losses by entering new markets.

However, in the view of the latest negative developments due to the war between Russia and Ukraine, which has a particularly adverse impact on the global supply chain, financial stability and economic activity and has led to a surge in the prices of energy, raw materials and consumer goods in general, this risk is deemed to exist, quite significant and capable of affecting the results and the activity of the Company. For this reason, particular emphasis is placed on further enhancing the Company's extroversion and expanding the Group's international presence, as the geographical dispersion of the Group's activity is an essential compensatory factor in the recessionary environment.

b. Risk of increased competition from foreign companies
The specific risk is always present and measurable in the area where the Company operates, especially if it is taken into account that entry barriers are not so strong in this field, as the majority of the technical terms used for the implementation and integration of information Systems and customization of software products are widespread, which allows foreign companies to penetrate relatively easily to the market, taking advantage in particular of comparative advantages available, especially in terms of sizes.
The Company, which has now established its international orientation, addresses this risk with emphasis on the design and development of quality and modular products, the systematic and targeted improvement, upgrading and adaptability of the products it already markets, the representation of powerful and world-known companies, the creation of lasting and trustful relationships with its customers basis and the expansion of its activities abroad. Nevertheless, the specific risk is a viable and potential risk at any time and this importance is addressed by the Company's Management, for which reason the Company always emphasizes its quality and product diversification and in general the provision of high-level services to its customers, while systematically enhancing its outward-looking approach to overcoming this risk and upgrading its role and presence on the international market, which makes it more resilient to address this risk. In addition, the steady increase in the global market size partially mitigates the impact of competition, so that activity outside Greece, which is a strategic orientation for the company during the last years, can offset any inevitable losses in the Greek market.

c. Risk of technological developments

Technological developments have a major impact on the competitiveness of companies active in the IT sector. Companies that are active in the IT industry must be constantly aware of possible variations in existing technology and make the necessary investments to ensure the high technological level.

Based on the above and to reduce as much as possible the risk of technological developments, the Group:

- ✓ develops products on highly efficient and internationally recognized platforms,
- ✓ proceeds to continuing training, education and learning of staff on technological issues, in collaboration with internationally recognized organizations specialized in high technology industries,
- ✓ offers innovative applications commensurate with the needs and requirements of the market.

For these reasons, the specific risk is assessed as real but, in any case, as manageable over the given period.

d. Credit risk

The Group's and the Company's Management, based on its internal operating principles, ensures that sales of goods and services take place to customers of high creditworthiness and ability. Due to the expansion of the Company's activities abroad, this risk is real in relation to customers from other countries (especially African, Asian and S. American countries) for whom it is not always easy to effectively control their creditworthiness capacity and reliability. For this reason, the Company constantly develops and develops internal operating mechanisms (in terms of negotiation, contract and project management) in order to better address this risk. Within this framework and the valuation methods available to the Company, the Group has not yet addressed significant amounts of doubtful debts, for which no adequate provision has been made. Hence, this risk, although present in view of the overall negative economic climate, is currently being assessed as a controlled one. However, if there is a further deterioration in the conditions for the growth of economic activity in the coming months, and the Greek market as a consequence of the imposition and maintenance of capital restrictions, this risk may affect the Company's results.

For a better presentation of the above we list the following tables:

	THE GROUP		THE COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Clients and other trade receivables	5.414.817	4.977.127	765.267	1.644.194
Other receivables	6.050.228	5.693.695	6.698.151	4.609.087
Other financial assets	178.653	176.601	1.408.358	1.405.675
Short-term investments	2.766.782	3.012.258	2.155.755	2.406.422
Cash & cash equivalents	14.189.708	12.612.093	6.678.583	5.661.775
Total	**28.600.188**	**26.471.774**	**17.706.114**	**15.727.153**

Under the account "Other receivables" an amount of € 2.56 million is included, which relates to two claims under litigation, from the wider public sector with amounts of € 2,067 thousand and € 489 thousand, that have not yet been finalized in court so that they can be enforced, but have been tried on the first degree with a positive outcome for the company. The final verdicts are expected during the current fiscal year, barring unforeseen circumstances. The company considers that the interest-bearing claims, are reasonable, well-founded and documented, as on the one hand there are the evidence of delivery of equipment and services (a fact which was demonstrated during the court proceedings and was also confirmed from the issued verdict) and on the other hand the debtors continue to function normally on their markets, there is therefore no objective evidence of impairment on those receivables.

Trade Receivables Analysis

	THE GROUP		THE COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Not past due	4.399.026	3.976.087	510.683	1.395.551
Past due balances	5.512.926	5.488.175	4.397.420	4.381.479
Balance	**9.911.952**	**9.464.262**	**4.908.103**	**5.777.030**
Formed provision for impairment	(4.497.135)	(4.487.135)	(4.142.836)	(4.132.836)
Fair value of trade receivables	**5.414.817**	**4.977.127**	**765.267**	**1.644.194**

The account “trade receivables” is non-interest-bearing and usually settled in 30 - 120 days. The time of collection of claims from ongoing projects depends on the progress of the works. The provision for impairment is based on the maturity of the debts in accordance with the adopted credit policy in conjunction with the historical consistency and solvency of the clients, taking into account the current economic circumstances.

e. Liquidity risk

It does not appear at the time of this writing, that there is particular liquidity risk for the Company. Loans and other liabilities are less than available cash, short-term investments and receivables, which ensure the smooth financing of the Company.

It should be noted that the undiscounted contractual cash flow are in line with the current value of loans and other commitments. The loans and other liabilities of the Group are shown in the following tables:

GROUP 30.06.2022					
	Contractual Cash Flow	**1-3 months**	**3-12 months**	**1-5 years**	**Liabilities**
Loans	7.002.216	-	3.992.644	2.949.965	6.942.609
Trade and other payables	9.692.096	4.949.989	3.959.437	782.667	9.692.093
Subtotal:	**16.694.312**	**4.949.989**	**7.952.081**	**3.732.632**	**16.634.702**
plus:					
Received unamortized grants	246.888	-	-	246.888	246.888
Deferred income	2.436.398	1.020.815	1.169.310	246.273	2.436.398
Provision for staff retirement indemnities and unaudited tax	804.162	-	-	804.162	804.162

year					
Subtotal: Non-cash liabilities	**3.487.448**	**1.020.815**	**1.169.310**	**1.297.323**	**3.487.448**
Total Liabilities	**20.181.760**	**5.970.804**	**9.121.391**	**5.029.955**	**20.122.150**

GROUP 31.12.2021	Contractual Cash Flow	1-3 months	3-12 months	1-5 years	Liabilities
Loans	7.020.894	-	3.711.665	3.214.286	6.925.951
Trade and other payables	8.570.543	4.782.701	3.427.450	360.392	8.570.543
Subtotal: Cash liabilities	**15.591.437**	**4.782.701**	**7.139.115**	**3.574.678**	**15.496.494**
plus:					
Received unamortized grants	262.217	-	96.329	165.888	262.217
Deferred income	1.945.871	927.826	868.526	149.519	1.945.871
Provision for staff retirement indemnities and unaudited tax year	791.123	-	-	791.123	791.123
Subtotal: Non-cash liabilities	**2.999.211**	**927.826**	**964.855**	**1.106.530**	**2.999.211**
Total Liabilities	**18.590.648**	**5.710.527**	**8.103.970**	**4.681.208**	**18.495.705**

f. Foreign exchange risk

The Group operates in an international level and therefore it is exposed to the foreign currency risk which mainly comes from the US Dollar and British Pound. This type of risk it mainly occurs due to trade transactions in foreign currency as well as due to the investments in financial organizations which are based abroad. The Company's management constantly keeps an eye to the foreign exchange risks which may occur and evaluates the possible needs of taking respective measures, besides the fact that in this moment the uncertainty that exists in the global financial environment and the fluctuation of exchange rates, makes this risk existing and capable of affecting the results and performance of the Group during the second (B΄) half of the current fiscal year.

g. Interest rate risk

The interest rate risk for the Company is not particularly significant since the Company's borrowing is linked to Euribor and the Company has limited and controllable exposure to bank borrowing. The Group's policy is to keep the level of borrowing at a variable interest rate and to proceed in corrections whenever is need it, avoiding, as far as this is permissible in general business, exposure to additional borrowing.

The limited exposure of the Group in borrowing makes the potential change of interest rates not significant for the Group's results. It should be also noted that the cash and cash equivalents of the Group exceed the bank borrowing.

h. Risk from the effects of the spread of COVID-19
The COVID-19 coronavirus, first detected in December 2019, had an extremely adverse impact on both global and domestic economic growth. The impact of government restrictive measures on entire sectors has been severe, production has been negatively affected and aggregate demand in the economy has fallen.

Three years after the outbreak of the pandemic, the intensification and massiveness of vaccination programs in a plethora of countries around the world reinforced hopes for a return to economic and social normality and a return to economic recovery, mainly from the second half of 2022.

At this point in time, however, it is not possible presently to draw definitive conclusions about the risks, impact and possible effects of the health crisis on the commercial activity and the financial results of the Company and the Group in general, due to its activity in areas of Asia that are still significantly affected by the spread of the virus and show zero tolerance to the pandemic through the application of extreme restrictive measures, while the possibility of new waves of the pandemic or virus mutations that may affect the effectiveness of the vaccines administered cannot be excluded.

In view of the above and given the Group's significant presence in the global market, this risk is assessed as existing, as it may lead to delays in the implementation of existing or the award of new projects, due to the general uncertainty, insecurity and lack of liquidity prevailing in both the domestic and the international economic environment.

In any case, the Management of the Company and the Group closely monitors, on a daily basis, the developments, evaluates and takes any measures necessary to limit the effects, protect employees and maintain the business activities of the Group at satisfactory levels. In addition, government interventions and support have been utilized in order to ensure its business continuity and smooth operation and not to materially affect the financial situation, the financial performance and the results of the Group.

On the basis of the developments and the measures taken, and also the Group's implementations in progress, neither the Group nor any individual activity thereof are faced at the time of drafting of the present Report with the possibility of being interrupted as a going concern.

i. Risks due to climate change
"Climate change" means a change in the global climate caused by human activities, in particular by an increase in the concentration of greenhouse gases in the atmosphere.
The Company, acknowledging both the risks associated with the phenomenon of climate change and its obligations in relation to the need to continuously improve its environmental performance, follows a path of sustainable development and carries out its activities in a way that ensures the protection of the environment.
To address the risks due to climate change, the Company promotes and implements a policy that focuses on the following axes:
✓ drawing up an emergency plan for managing and dealing with extreme natural phenomena at the premises of the Group's companies,

✓ assessment of the impact of the Company's activities on the environment, recording and evaluating the potential risks, taking the necessary preventive measures, conducting regular inspections in order to confirm implementation and evaluate the effectiveness of the measures,
✓ replacement of energy-intensive equipment with new, lower energy requirements, continuous monitoring of energy consumption and measures to further reduce them,
✓ awareness and information of the Company's employees on energy saving issues,
✓ continuous information, training and awareness-raising of staff by sector of activity, adapted to the tasks and needs of each worker in order to promote an environmentally responsible culture,
✓ motivation of the Company's associates in environmental protection issues and strengthening of their environmental consciousness.

j. Risks from current developments in Ukraine

Since the Group does not have a presence in Russia and Ukraine through a subsidiary, there is no immediate risk in terms of productive operation or the safety of its employees. In addition, there seems to be no direct impact on the Group's turnover, since there are no significant implementations in the countries involved in the war.
Nevertheless, the strong extroversion of the Group, the negative impact of the ongoing war on the global economic activity, the constant revaluations and delays in the supply chain, the strong inflationary pressures that are expected to become a more permanent phenomenon, the slowdown of economic growth at global level, as well as the inability to make safe forecasts and estimates as to the intensity, duration and manner of the overall resolution of the crisis at this time, make this risk capable of affecting the Group's activity and performance in general. For this reason, the Management constantly and systematically monitors the rapidly changing developments in order to ensure the smooth operation of both the Company and the Group.

k. Risks due to the energy crisis

The global energy crisis emerged at the end of 2021 and was reinforced by the war in Ukraine, due to Europe's dependence on Russia for gas and oil supplies, causing repeated increases in their disposal prices. Forecasts anticipate further negative effects during the coming winter due to the global energy crisis. Therefore, the maintenance of the energy crisis may result in a further increase in the Group's operating expenses but also reduce the demand for the Group's products and services depending on the duration and intensity of the phenomenon. In any case, the Group's Management monitors developments closely and on a daily basis, while evaluating and taking the measures deemed appropriate and necessary to limit the impact of the energy crisis, so that the Group's financial performance and results are affected to the minimum possible extent.

6. SEGMENT REPORTING

For administrative purposes, the group is organized into business centers and business units, in which it operates. The Group's activities are in two business areas: a) the one of financial solutions and b) the one of business solutions.

The results of these activities for the periods ended June 30, 2022 and 30 of June 2021 respectively, as well as the total net assets of the activities during June 30, 2022 (related to the respective amount at 31.12.2021) are analyzed as follows:

01.01-30.06.2022	Financial Solutions	Business Solutions	Total
Sales	9.275.995	3.505.341	12.781.336
Less: Intercompany	(1.041.725)	(1.560.654)	(2.602.379)
Sales to third parties	**8.234.270**	**1.944.687**	**10.178.957**
Gross profit	**4.389.445**	**309.273**	**4.698.718**
Other profit for the period			934.157
Operating costs (disposal, administration and research)			(3.999.930)
Other operating expenses			(15)
Operating result			**1.632.930**
Financial income / (cost)			(155.191)
Profit before tax			**1.477.739**
Income taxes			(433.970)
Results after taxes for the Group			**1.043.769**
Non-controlling interests			(2.648)
Net Profit after Tax attributable to the Shareholders of the Parent Company			**1.041.121**

01.01-30.06.2021	Financial Solutions	Business Solutions	Total
Sales	8.686.558	1.560.152	10.246.710
Less: Intercompany	(1.811.113)	(773.328)	(2.584.441)
Sales to third parties	6.875.445	786.824	7.662.269
Gross profit	**3.860.352**	**49.793**	**3.910.145**
Other profit for the period			674.731
Operating costs (disposal, administration and research)			(3.454.211)
Other operating expenses			(214.545)
Operating result			**916.120**
Financial income / (cost)			155.877
Profit before tax			**1.071.997**
Income taxes			(398.138)
Results after taxes for the Group			**673.859**
Non-controlling interests			1.720
Net Profit after Tax attributable to the Shareholders of the Parent Company			**675.579**

30.06.2022	Financial Solutions	Business Solutions	Unallocated	Total Amounts
Intangible assets	10.709.725	20	-	10.709.745
Tangible fixed assets	-	10.408	4.283.890	4.294.298
Other assets	7.650.841	7.429.186	15.399.848	30.479.875
Total liabilities	(5.134.533)	(3.387.768)	(11.599.849)	(20.122.150)
Net asset value	**13.226.033**	**4.051.846**	**8.083.889**	**25.361.768**

31.12.2021	Financial Solutions	Business Solutions	Unallocated	Total Amounts
Intangible assets	11.306.474	20	-	11.306.494
Tangible fixed assets	-	12.114	4.303.816	4.315.930
Other assets	11.931.170	5.694.686	10.189.367	27.815.223
Total liabilities	(4.968.318)	(3.154.324)	(10.373.063)	(18.495.705)
Net asset value	**18.269.326**	**2.552.496**	**4.120.120**	**24.941.942**

The Company has chosen to organize its entity according to the categories of products and services. In particular, in the case of the Company, there are two main categories, that of the solutions addressed to the financial sector (such as FMS.next, RiskAvert, IMSplus, Axia, Acumen^{net}) and of the solutions addressed to public (mainly ad hoc projects such as meeting logging courts).
The Company has chosen to organize its entity by product categories as above rather than geographically, as it does not consider it representative because "research and development" that is an important factor for the Company is not geographically related, and also results per geographic area are likely to be affected from short-term reasons and thus not provide reliable information. For example, a new customer in a particular geography is billed with licenses that do not repeat next year, although the same customer is retained the following year and priced with maintenance contracts, which are lower in value than licenses. However, it is noted, for providing more complete information to the investors, that in the A’ half of 2022 69% of the Group's income derive from non-Domestic customers.

7. DISCONTINUED OPERATIONS

Below are the results of the discontinued activity for Group and Company, related to the sale of the Business Unit (Business Unit) of Reservation Management (Ticketing) and Customs Operations Management which took place on June 14, 2022.

	01.01.2022-30.06.2022	01.01.2022-30.06.2021
Sales	329.467	379.885
Cost of Sales	(311.272)	(206.308)
Gross profit	**18.195**	**173.577**
Administrative expenses	(45.020)	(33.759)
Distribution expenses	(39.297)	(29.134)

Research expenses	(16.144)	(11.378)
Operating income	**(82.266)**	**99.306**
Financial income/(cost)	-	-
Income before taxes (A)	**(82.266)**	**99.306**
Attributable income tax (A)	18.099	(21.848)
PLUS		
Gain on sale (B)	**1.478.957**	-
Attributable income tax (B)	(325.371)	-
Total result before taxes (A+B)	**1.396.691**	**99.306**
Less : Total attributable taxes (A+B)	(307.272)	(21.848)
Net Profit after taxes from discontinued operation	**1.089.419**	**77.458**

The table below presents the net cash flows from operating, investment and financing activities related to discontinued operations.

	THE GROUP	
	30.06.2022	**30.06.2021**
Operating activities	(68.714)	241.456
Investing activities	2.058.620	(184.126)
Financing activities	-	-
Net increase in cash and cash equivalents for the period	**1.989.906**	**57.330**

8. EXPENSE ANALYSIS

The Group's and the Company's expenses from ongoing operations, for the first (A΄) half of 2022 and the corresponding period of the fiscal year 2021 are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**30.06.2021**	**30.06.2022**	**30.06.2021**
Cost of goods sold	(156)	989	(156)	2.193
Remuneration and staff costs	5.183.704	4.686.095	2.211.705	2.255.328
Third party costs	3.292.314	1.707.555	2.333.478	901.760
Fees and services cost	233.034	177.260	125.481	84.937
Taxes and duties	68.644	41.753	29.260	9.029
Various Expenses	506.413	385.945	327.052	233.955
Depreciation of fixed assets	1.014.256	1.330.130	331.725	338.920
Operating provisions	-	-	-	-
Total	**10.298.209**	**8.329.727**	**5.358.545**	**3.826.122**

The distribution of costs is as follows:

	GROUP		COMPANY	
	30.06.2022	**30.06.2021**	**30.06.2022**	**30.06.2021**
Cost of Sales	5.480.239	3.752.124	2.833.789	1.518.340
Distribution expenses	1.605.668	1.386.363	941.617	698.448
General and administrative expenses	1.098.660	917.127	632.528	537.144
Research and Development expenses	1.295.602	1.150.721	531.868	757.031

Depreciation of Subsidized Assets	-	561.981	-	-
Total	**9.480.169**	**7.768.316**	**4.939.802**	**3.510.963**
Capitalized Expenses				
Development Cost	818.040	561.411	418.743	315.159
Total	**10.298.209**	**8.329.727**	**5.358.545**	**3.826.122**

The number of personnel, for the Group and the Company, as at June 30, 2022 and June 30, 2021 and the payroll cost for the periods 01.01.2022-30.06.2022 and 01.01.2021-30.06.2021 are analyzed as follows:

	30.06.2022		30.06.2021	
	GROUP	COMPANY	GROUP	COMPANY
Number of personnel	190	107	184	110
Total cost	**5.183.704**	**2.211.705**	**4.686.095**	**2.255.328**

9. INCOME TAX

The amount of taxes has been calculated using the actual tax rates for each fiscal year. Non-deductible expenses include mainly provisions that are reversed by the Management when calculating income tax.

Income tax returns are filed on a yearly basis, but profits and losses reported for tax purposes remain temporary until the tax authorities review the tax returns and taxpayers' books at the time that the related tax liabilities will be settled. Tax losses, to the extent that are recognized by the tax authorities, may be used to offset profits for the five following fiscal years after the fiscal year to which they relate.

The following is a reconciliation for nominal and effective tax rates for the Group and the Company:

	GROUP		COMPANY	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Profit before tax (ongoing and discontinued operations)	**2.874.430**	**1.171.303**	**2.409.571**	**1.166.896**
Income tax calculated at the applicable tax rate 2022, 2021: 22%	632.374	257.687	530.106	256.717
Tax effect of non -taxable income	(40.383)	(53.445)	(366.454)	(265.760)
Deferred tax effect from the change of tax rates	22.306	37.698	-	25.447
Tax effect of different tax rates applicable to other countries where the Group operates	(71.975)	13.019	-	-
Tax effect of non-tax-deductible expenses	121.675	128.129	69.642	84.701
Prior year tax differences	72.792	33.411	(52.072)	33.856
Differences of tax audit and other taxes	4.453	3.487	-	-
Income taxes	**741.242**	**419.986**	**181.222**	**134.961**
Income tax from ongoing operations that appears in the income statement	**433.970**	**398.138**	**(126.050)**	**113.113**
Income tax from discontinued operations	**307.272**	**21.848**	**307.272**	**21.848**

Deferred tax accounts for the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**30.06.2021**	**30.06.2022**	**30.06.2021**
Deferred tax assets	1.244.648	1.473.170	523.174	778.746
Deferred tax liabilities	(903.232)	(998.640)	(321.590)	(384.955)
	341.416	**474.530**	**201.584**	**393.791**

The fact that in some cases, income and expenses are accounted for in a different time from the date when such income is tax charged or the expenses are deducted for the purpose of determining the taxable income, creates the need to account for deferred tax assets or deferred tax liabilities.

The movement of the deferred tax asset (liability) is as follows:

	GROUP		COMPANY	
	30.06.2022	**30.06.2021**	**30.06.2022**	**30.06.2021**
Opening balance	335.104	342.202	215.705	305.361
Acquisition of a subsidiary company	-	217.161	-	-
Income tax (debit)/ credit	6.312	(84.833)	(14.121)	88.430
Ending balance	**341.416**	**474.530**	**201.584**	**393.791**

The nature of the temporary differences and the breakdown of the period 01.01.2022-30.06.2022 for the Group is as follows:

GROUP	Opening balance	Debits / Credits (-) of Results	Debits/ Credits (-) Other Income	Ending balance
Provisions on doubtful debtors	362.079	2.200	-	364.279
Intangible asset write-offs	(511.988)	5.636	-	(506.352)
Leases	(14.190)	(5.016)	-	(19.206)
Provisions for Staff Compensation	233.914	(73.269)	-	160.645
Land-building revaluation adjustment	(289.298)	-	-	(289.298)
Difference in depreciation rates	74.109	(9.557)	-	64.552
Deferred expenses	1.239	-	-	1.239
Revenues / expenses accrued	(67.113)	1.097	-	(66.016)
Deferred tax asset on tax losses	557.383	71.751	-	629.134
Impairment on Inventories	7.139	-	-	7.139
Deferred income	(35.829)	13.470	-	(22.359)
Other provisions for impairment	17.659	-	-	17.659
Total	**335.104**	**6.312**	**-**	**341.416**

The nature of the temporary differences and the breakdown of the period 01.01.2022-30.06.2022 for the Company is as follows:

COMPANY	Opening balance	Debits / Credits (-) of Results	Debits/ Credits (-) Other Income	Ending balance

Provisions on doubtful debtors	326.880	2.200	-	329.080
Intangible asset write-offs	149.392	(13.756)	-	135.636
Leases	-	-	-	-
Provisions for Staff Compensation	29.539	(9.233)	-	20.306
Land-building revaluation adjustment	(293.881)	-	-	(293.881)
Difference in depreciation rates	2.300	(6.802)	-	(4.502)
Deferred expenses	-	-	-	-
Revenues / expenses accrued	-	-	-	-
Deferred tax asset on tax losses	(36.677)	13.470	-	(23.207)
Impairment on Inventories	-	-	-	-
Deferred income	38.152	-	-	38.152
Total	**215.705**	**(14.121)**	**-**	**201.584**

10. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding the shares purchased by the Company and which appear as treasury shares (note 21). The calculation of the earnings per share at 30.06.2022 and 30.06.2021 is as follows:

Ongoing Operations

	GROUP		COMPANY	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Net profit attributable to the shareholders of the parent company	1.041.121	675.579	1.138.930	954.477
Weighted average number of shares in circulation	23.860.623	23.673.702	23.860.623	23.673.702
Basic earnings per share	**0,0436**	**0,0285**	**0,0477**	**0,0403**

Discontinued Operations

	GROUP		COMPANY	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Net profit attributable to the shareholders of the parent company	1.089.419	77.458	1.089.419	77.458
Weighted average number of shares in circulation	23.860.623	23.673.702	23.860.623	23.673.702
Basic earnings per share	**0,0457**	**0,0033**	**0,0457**	**0,0033**

The calculation of the diluted earnings per share on 30.06.2022 and 30.06.2021 respectively, is as follows:

Ongoing Operations

	GROUP		COMPANY	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Net profit attributable to the shareholders of the parent company	1.041.121	675.579	1.138.930	954.477

Weighted average number of shares in circulation	23.860.623	23.673.702	23.860.623	23.673.702
Adjustment for options	342.482	447.475	342.482	447.475
Weighted average number of shares to calculate diluted earnings per share	24.203.105	24.121.177	24.203.105	24.121.177
Impaired earnings per share	**0,0430**	**0,0280**	**0,0471**	**0,0396**

Discontinued Operations

	ΟΜΙΛΟΣ		ΕΤΑΙΡΕΙΑ	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Net profit attributable to the shareholders of the parent company	1.089.419	77.458	1.089.419	77.458
Weighted average number of shares in circulation	23.860.623	23.673.702	23.860.623	23.673.702
Adjustment for options	342.482	447.475	342.482	447.475
Weighted average number of shares to calculate diluted earnings per share	24.203.105	24.121.177	24.203.105	24.121.177
Impaired earnings per share	**0,0450**	**0,0032**	**0,0450**	**0,0032**

The diluted earnings per share are derived from the adjustment of the weighted average of the existing ordinary shares during the period for potentially issued common shares. The Company has shares of this class, which result from a program of granting stock options to the personnel of the Group.

11. TANGIBLE FIXED ASSETS

Tangible assets of the Group are presented as follows:

GROUP	Land	Buildings	Mechanical Equipment	Means of transportation	Furniture and other equipment	Totals
Acquisition Cost 01.01.2021	**2.050.000**	**4.209.052**	**1.062**	**38.016**	**2.951.214**	**9.249.344**
Acquisition of a subsidiary company	-	15.079	-	-	63.606	78.685
Additions in period	-	-	-	-	92.961	92.961
Deductions in period	-	-	-	-	-	-
Balance 31.12.2021	**2.050.000**	**4.224.131**	**1.062**	**38.016**	**3.107.781**	**9.420.990**
Additions in period	-	1.758	-	-	87.260	89.018
Deductions in period	-	(674)	-	-	(21.510)	(22.184)
Balance 30.06.2022	**2.050.000**	**4.225.215**	**1.062**	**38.016**	**3.173.531**	**9.487.824**
Accumulated Depreciations 01.01.2021	**-**	**(2.044.934)**	**(1.062)**	**(37.952)**	**(2.516.334)**	**(4.600.282)**

Deductions in period	-	-	-	-	(476)	(476)
Depreciations in period	-	(125.708)	-	(64)	(378.530)	(504.302)
Accumulated Depreciations 31.12.2021	**-**	**(2.170.642)**	**(1.062)**	**(38.016)**	**(2.895.340)**	**(5.105.060)**
Deductions in period	-	50	-	-	18.599	18.649
Depreciations in period	-	(64.983)	-	-	(42.132)	(107.115)
Accumulated Depreciations 30.06.2022	**-**	**(2.235.575)**	**(1.062)**	**(38.016)**	**(2.918.873)**	**(5.193.526)**
Net book value 01.01.2021	**2.050.000**	**2.164.118**	**-**	**64**	**434.880**	**4.649.062**
Net book value 31.12.2021	**2.050.000**	**2.053.489**	**-**	**-**	**212.441**	**4.315.930**
Net book value 30.06.2022	**2.050.000**	**1.989.640**	**-**	**-**	**254.658**	**4.294.298**

The Company's tangible assets are analysed as follows:

COMPANY	Land	Buildings	Mechanical Equipment	Means of transportation	Furniture and other equipment	Totals
Acquisition Cost 01.01.2021	**2.050.000**	**4.190.257**	**-**	**36.842**	**794.128**	**7.071.227**
Additions in period	-	-	-	-	45.984	45.984
Deductions in period	-	-	-	-	-	-
Balance 31.12.2021	**2.050.000**	**4.190.257**	**-**	**36.842**	**840.112**	**7.117.211**
Additions in period	-	1.758	-	-	44.061	45.819
Deductions in period	-	-	-	-	-	-
Balance 30.06.2022	**2.050.000**	**4.192.015**	**-**	**36.842**	**884.173**	**7.163.030**
Accumulated Depreciations 01.01.2021	**-**	**(2.026.659)**		**(36.777)**	**(685.335)**	**(2.748.771)**
Deductions in period	-	-	-	-	-	-
Depreciations in period	-	(125.708)	-	(64)	(36.702)	(162.474)
Accumulated Depreciations 31.12.2021	**-**	**(2.152.367)**	**-**	**(36.841)**	**(722.037)**	**(2.911.245)**
Deductions in period	-	-	-	-	-	-
Depreciations in period	-	(62.854)		-	(20.047)	(82.901)
Accumulated Depreciations 30.06.2022	**-**	**(2.215.221)**	**-**	**(36.841)**	**(742.084)**	**(2.994.146)**
Net book value 01.01.2021	**2.050.000**	**2.163.598**	**-**	**65**	**108.793**	**4.322.456**
Net book value	**2.050.000**	**2.037.890**	**-**	**1**	**118.075**	**4.205.966**

31.12.2021						
Net book value 30.06.2022	**2.050.000**	**1.976.794**	**-**	**1**	**142.089**	**4.168.884**

Land and buildings were revalued on 01.01.2004 by independent appraisers at their fair value and the differences were recognized in retained earnings. Historical cost is selected as the basis for the subsequent valuation of these items.

12. GOODWILL

Goodwill for the Group is analyzed as follows:

Subsidiaries (Cash Flows Generation Units)	Balance 31.12.2021	Increase	Decrease	Exchange differences	Balance 30.06.22
CENTEVO AB	1.503.114	-	-	(67.200)	1.435.914
LOGIN S.A.	687.350	-	-	-	687.350
GLOBAL SOFT S.A.	544.809	-	-	-	544.809
Goodwill	**2.735.273**	**-**	**-**		**2.668.073**

The Group conducts impairment test for goodwill annual basis, as well as when there are indications for impairment.
On 30 June 2022, the Group did not conduct impairment test because there were no indications which prove that the booking value of CFGU is impaired.

13. INTANGIBLE ASSETS

The intangible assets of the Group are analyzed as follows:

GROUP	Completed Development Costs	Purchased Software	Other intangible assets	Not Completed Development Costs	Totals
Acquisition Cost 01.01.2021	**9.414.330**	**131.831**	**426.473**	**1.263.300**	**11.235.934**
Acquisition of a subsidiary	1.510.057	-	743.310	-	2.253.367
Additions in period	949.243	1.251	-	2.085.470	3.035.964
Deductions in period	(13.749)	-	-	-	(13.749)
Balance 31.12.2021	**11.859.881**	**133.082**	**1.169.783**	**3.348.770**	**16.511.516**
Additions in period	912.493	-	-	105.000	1.017.493
Deductions in period	(3.246.907)	(7.916)	(33.231)	-	(3.288.054)
Balance 30.06.2022	**9.525.467**	**125.166**	**1.136.552**	**3.453.770**	**14.240.955**
Accumulated Depreciations 01.01.2021	**(5.563.606)**	**(101.852)**	**(248.826)**	**-**	**(5.914.284)**
Acquisition of a subsidiary	-	-	-	-	-
Deductions in period	-	-	-	-	-
Depreciations in period	(1.837.242)	(20.246)	(168.523)		(2.026.011)
Accumulated Depreciations	**(7.400.848)**	**(122.098)**	**(417.349)**	**-**	**(7.940.295)**

31.12.2021					
Deductions in period	2.511.068	7.917	5.770	-	2.524.755
Depreciations in period	(684.821)	(2.776)	(96.146)	-	(783.743)
Accumulated Depreciations 30.06.2022	**(5.574.601)**	**(116.957)**	**(507.725)**	**-**	**(6.199.283)**
Net book value 31.12.2021	**4.459.033**	**10.984**	**752.434**	**3.348.770**	**8.571.221**
Net book value 30.06.2022	**3.950.866**	**8.209**	**628.827**	**3.453.770**	**8.041.672**

The intangible assets of the Company are analyzed as follows:

COMPANY	Completed Development Costs	Purchased Software	Other intangible assets	Not Completed Development Costs	Totals
Acquisition Cost 01.01.2021	**3.907.129**	**45.574**	**-**	**-**	**3.952.703**
Additions in period	610.054	-	-	-	610.054
Deductions in period	-	-	-	-	-
Balance 31.12.2021	**4.517.183**	**45.574**	**-**	**-**	**4.562.757**
Additions in period	519.028	-	-	-	519.028
Deductions in period	(3.183.489)	-	-	-	(3.183.489)
Balance 30.06.2022	**1.852.722**	**45.574**	**-**	**-**	**1.898.296**
Accumulated Depreciations 01.01.2021	**(1.783.544)**	**(31.629)**	**-**	**-**	**(1.815.173)**
Deductions in period	-	-	-	-	-
Depreciations in period	(650.090)	(10.474)	-	-	(660.564)
Accumulated Depreciations 31.12.2021	**(2.433.634)**	**(42.103)**	**-**	**-**	**(2.475.737)**
Deductions in period	2.503.541	-	-	-	2.503.541
Depreciations in period	(318.837)	(2.217)	-	-	(321.054)
Accumulated Depreciations 30.06.2022	**(248.930)**	**(44.320)**	**-**	**-**	**(293.250)**
Net book value 31.12.2021	**2.083.548**	**3.470**	**-**	**-**	**2.087.018**
Net book value 30.06.2022	**1.603.792**	**1.254**	**-**	**-**	**1.605.046**

The intangible assets comprise mainly the cost of the banking platform development and investments management, as well as the purchased software. The cost of software development for the fiscal year includes the expenses of the Company and the Group (see note 8), as well as the cost of software development by third parties on our behalf.

14. INVESTMENTS IN AFFILIATED ENTERPRISES

The change in the value of investments in affiliated companies is analyzed as follows:

COMPANY	Balance 31.12.2021	Increases (decreases) within the year	Balance 30.06.2022

GLOBAL SOFT S.A.	1.131.639	-	1.131.639
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	3.800.195	-	3.800.195
PROFILE DIGITAL SERVICES S.A.	580.000	-	580.000
PROFILE TECHNOLOGIES SINGLE-MEMBER S.A.	2.000.000	-	2.000.000
Total	**7.511.834**	**-**	**7.511.834**

The investment in the affiliated company COMPUTER INTERNATIONAL FRANCHISE Ltd amounting to € 138,416 has been written off from previous years due to the fact that it has entered into liquidation but has not been completed for typical reasons.

15. INVENTORIES

The Group's and the Company's inventories are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Merchandise	85.181	84.519	59.201	58.539
Formed provision for impairment	-	-	-	-
Total	**85.181**	**84.519**	**59.201**	**58.539**

The Group's and the Company's stocks mainly include electronic equipment and ready-to-use software that are used in the projects that are being implemented.

16. TRADE RECEIVABLES

The trade receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Clients	12.232.246	11.781.270	7.280.173	8.145.814
Less disputed claims transferred to other receivables	(2.555.761)	(2.555.761)	(2.555.761)	(2.555.761)
Client balance	**9.676.485**	**9.225.509**	**4.724.412**	**5.590.053**
Notes receivable	7.104	7.104	3.696	3.696
Post-dated checks	228.363	231.649	179.995	183.281
Total trade receivables	**9.911.952**	**9.464.262**	**4.908.103**	**5.777.030**
Less: impairment provisions	(4.497.135)	(4.487.135)	(4.142.836)	(4.132.836)
Grand Total	**5.414.817**	**4.977.127**	**765.267**	**1.644.194**

The account "trade receivables" is non-interest-bearing and usually settled in 30 - 120 days. The provision for impairment is based on the maturity of the debts in accordance with the adopted credit policy in conjunction with the historical consistency and solvency of the clients, taking into account the current economic circumstances.

The movement of the Provisions for impairment of Receivables is as follows:

	GROUP	COMPANY

Balance 31.12.2020	**4.440.650**	**4.086.872**
Provision according to IFRS 9	46.485	45.964
Write-off of doubtful debtors	-	-
Balance 31.12.2021	**4.487.135**	**4.132.836**
Provision according to IFRS 9	10.000	10.000
Write-off of doubtful debtors	-	-
Balance 30.06.2022	**4.497.135**	**4.142.836**

17. PREPAYMENTS AND OTHE RECEIVABLES

Advance payments and other receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Advance Payments	504.609	211.970	654.648	204.949
Greek State	257.463	479.800	50.491	272.278
Deferred Expenses	136.612	211.841	59.817	128.288
Income Receivable	2.305.309	1.758.298	2.507.650	1.418.519
Other Debtors	3.350.844	3.243.756	4.080.193	2.790.002
Total	**6.554.837**	**5.905.665**	**7.352.799**	**4.814.036**

These assets are considered to be short-term. Their fair value are considered to approximate their book value.

Under the account “Other Receivables” an amount of € 2.56 million is included, which relates to two claims under litigation, from the wider public sector with amounts of € 2,067 thousand and € 489 thousand, that have not yet been finalized in court so that they can be enforced, but have been tried on the first degree with a positive outcome for the company. The final verdicts are expected during the current fiscal year, barring unforeseen circumstances. The company considers that the interest-bearing claims, are reasonable, well-founded and documented, as on the one hand there are the evidence of delivery of equipment and services (a fact which was demonstrated during the court proceedings and was also confirmed from the issued verdict) and on the other hand the debtors continue to function normally on their markets, there is therefore no objective evidence of impairment on those receivables.

18. SHORT-TERM INVESTMENTS

The short-term investments of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Opening balance	**3.012.258**	**2.077.978**	**2.406.422**	**1.658.406**
Additions in period	14.432	3.159.981	14.236	2.615.870

Sales in period	(280.603)	(2.187.255)	(280.603)	(1.817.111)
Total short-term investments	**2.746.087**	**3.050.704**	**2.140.055**	**2.457.165**
Plus revaluation at fair value	20.892	(35.414)	15.700	(50.743)
Exchange rates differences	(197)	(3.032)	-	-
Ending balance	**2.766.782**	**3.012.258**	**2.155.755**	**2.406.422**

The amounts of short-term investments refer to financial placements in securities, mutual funds and other securities traded on regulated markets. They primarily aim to place part of the Group's liquidity on safe investments in order to ensure the adequacy of the financing of the investment program for the Group's development and as a "natural" foreign exchange risk offset by the Group's non-euro projects. An important part of these additions and sales concerns the recycling / reinvestment of these short-term placements.

The short-term investments are calculated at fair value through profit or loss.

19. CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Cash on hand	13.282	9.128	6.741	2.559
Cash in banks	14.176.426	12.602.965	6.671.842	5.659.216
Total	**14.189.708**	**12.612.093**	**6.678.583**	**5.661.775**

Available cash and cash equivalents represent cash in the Group and Company funds and bank deposits available on demand. Bank deposits are charged with interest at floating rates based on monthly bank rates.

20. SHARE CAPITAL AND SHARE PREMIUM

The Company's share capital movement is as follow:

	Shares	Share Capital	Share Premium
Balance 01.01.2021	**11.903.561**	**5.594.674**	**2.348.390**
Share Capital increase from Premium share	-	-	-
Special capital increase from reserves	-	-	-
Increase from issue of options	110.355	51.866	135.737
Share Capital decrease	-	-	
Balance 31.12.2021	**12.013.916**	**5.646.540**	**2.484.127**
Share Capital increase from Premium share	-	-	-
Share Capital decrease	-	-	-
Stock split	12.013.916	(120.139)	
Balance 30.06.2022	**24.027.832**	**5.526.401**	**2.484.127**

The Ordinary General Meeting of the Company's shareholders, held on 12/05/2022, decided to reduce the nominal value of the share from EUR 0.47 to EUR 0.23 and to simultaneously increase the total number of shares from 12,013,916 to 24,027,832 common, nominal shares (stock split) by replacing each (1) old common, nominal share with two (2) new common, nominal shares. Following the above change, the Company's share capital as at June 30, 2022 amounted to €5,526,401 (December 31, 2021: €5,646,540) divided into 24,027,832 ordinary shares, with a nominal value of €0.23 each. At the same time, a special purpose reserve was formed, in accordance with art. 31 par. 2 of Law 4548/2018 amounting to 120.14 thousand for the purpose of rounding off the new nominal value of the share.

21. TREASURY SHARES

The change in the Group's and the Company's treasury shares is analyzed as follows:

	GROUP		COMPANY	
	Μετοχή	**Αξία**	**Μετοχή**	**Αξία**
Balance 01.01.2021	**46.700**	**189.934**	**46.700**	**188.837**
Purchase of treasury shares for the year 2021	309.679	1.574.658	309.679	1.574.658
Sale of treasury shares for the year 2021	(330.000)	(1.621.447)	(330.000)	(1.621.447)
Balance 31.12.2021	**26.379**	**143.145**	**26.379**	**142.048**
Purchase of treasury shares 01.01.2022-30.06.2022	246.010	719.356	246.010	719.356
Sale of treasury shares 01.01.2022-30.06.2022	-	-	-	-
Balance 30.06.2022	**272.389**	**862.501**	**272.389**	**861.404**

22. RESERVES

The change in the Group's and the Company's reserves is analyzed as follows:

GROUP	01.01.2022	Μεταβολές	30.06.2022
Legal reserve	782.553	53.952	836.505
Tax free reserves of special tax regulations	2.518.440	-	2.518.440
Other reserves	4.117.860	1.770.139	5.887.999
Reserve from stock options	659.349	50.575	709.924
Special investment reserve cover ICT4GROWTH	852.851	-	852.851
Total	**8.931.053**	**1.874.666**	**10.805.719**

COMPANY	01.01.2022	Μεταβολές	30.06.2022
Legal reserve	752.683	43.706	796.389
Tax free reserves of special tax regulations	2.519.458	-	2.519.458
Other reserves	4.117.860	1.770.139	5.887.999
Reserve from stock options	659.349	50.575	709.924
Special investment reserve cover ICT4GROWTH	796.080	-	796.080
Total	**8.845.430**	**1.864.420**	**10.709.850**

23. LONG-TERM AND SHORT-TERM BORROWINGS

The long-term and short-term loans of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Long-term debt	2.949.965	3.214.286	2.949.965	3.214.286
Total long-term bank loans	**2.949.965**	**3.214.286**	**2.949.965**	**3.214.286**
Bank loans	2.906.496	2.889.312	1.669.528	1.652.326
Long-term loans payable in the next 12 months	1.086.148	822.353	1.086.148	822.353
Total short-term bank loans	**3.992.644**	**3.711.665**	**2.755.676**	**2.474.679**
Total debt	**6.942.609**	**6.925.951**	**5.705.641**	**5.688.965**

Loans are simple loans (not convertible, syndicated, etc.) with a variable interest rate with a total average borrowing cost of 2.6%, which is considered and is indeed a market rate. T Long-term loans have a maturity of (4) years and a grace period of 12 months.
The amounts of long-term loans that are payable within 12 months of the date of preparation of the financial statements have been transferred and are presented to short-term liabilities.

24. PROVISION FOR EMPLOYEES INDEMNITIES

The Group and the Company recognize as a retirement benefit obligation this value of the legal commitment it has undertaken to pay a lump sum compensation to staff retiring due to retirement.

	THE GROUP		THE COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Employees' indemnities	762.913	791.123	92.304	134.272
Total	**762.913**	**791.123**	**92.304**	**134.272**

The pension benefit obligations were calculated with an estimate for the A΄ half of 2022 based on the actuarial study carried out on 31.12.2021 by a company of independent actuaries.

25. GRANT OF OPTIONS ON STAFF SHARES

The Board of Directors of the Company at its meeting on January 16, 2020, following the authorization given by the A΄ Repeated Annual General Meeting of the shareholders on May 25, 2018, regarding the establishment of a Share Option Scheme to the members of the BoD, the Directors and the staff of the Company, proceeded to the preparation of the specific terms of such Scheme.
The duration of the program has been set until the year 2025, in the sense that the total rights to be allocated to beneficiaries may be exercised no later than November 2025.
The number of Rights to be allocated under the above Scheme may amount to up to six hundred thousand (600,000), for its total duration (until 2025). Accordingly, the maximum number of shares to be issued, if the Board of Directors grants the maximum number of Rights and the Beneficiaries exercise all of them, may not exceed 600,000 shares.
In order to exercise the rights that have matured, the Beneficiaries must, at the time of exercise, have an employment contract and/or a paid mandate with the Company in force or be employed by virtue of a decision of the Company's Management in a company belonging to the Group.

Finally, it was provided that in case of corporate events or actions or the occurrence of other corporate events, the terms of the Scheme may be adjusted by the Board of Directors, so as not to affect the rights of the Beneficiaries.

The changes in the number of options during the period 01.01.2022-30.06.2022 are as follows:

	Number of Rights
Opening balance (01.01.2021)	**680.764**
Granted	-
Exercised	(220.710)
Expiration / forfeiture of rights	-
Ending balance (31.12.2021)	**460.054**
Granted	**-**
Exercised	**-**
Expiration / forfeiture of rights	**-**
Ending balance (30.06.2022)	**460.054**

The mature and exercisable rights as at 30.06.2022 amount to 144,706.

Fair value per option was calculated using the Black & Scholes valuation model. The significant variables involved in this model are the share price, the training price, the discount rate and the volatility of the share price.

The variables on the basis of which the above were calculated are:

Exercise Price	€ 0.85
Grant Date	16.01.2020
Share price at grant date	€ 1.985
Stock Volatility	35%
Risk Free Rate	0.46%

From the valuation of the granted rights, the period 01.01.2022-30.06.2022 was charged with the amount of EUR 50,575.00.

26. GOVERNMENT GRANTS

The Group has recognized long-term liabilities as deferred income for the long-term portion of government grants that is to be systematically and rationally recognized in income over the useful life of the fixed assets. Depreciation is accounted for in the period's results using the straight-line method according to the useful life of the corresponding subsidized assets. The subsidies of the Group and the Company are analyzed as follows:

	GROUP	COMPANY
Balance 01.01.2021	**1.177.199**	**148.516**
Recognized Grant in 2021	135.000	-
Depreciation of Grants for the year 2021	(1.049.982)	(77.504)
Balance 31.12.2021	**262.217**	**71.012**

Recognized Grant 01.01.2022-30.06.2022	81.000	-
Depreciation of Grants 01.01.2022-30.06.2022	(60.363)	(43.876)
Balance 30.06.2022	**282.854**	**27.136**
Less: Short-term portion of government grants transferred to deferred income	(35.966)	(27.136)
Long-term amount of Governmental Grants	**246.888**	**-**

It is noted that there are no unfulfilled terms in relation to the aforementioned investment programs and that these investments have been completed and certified by the competent bodies. In addition, the grants have been paid and the amounts have been recorded upon their collection in debit of the cash accounts. Also, a next-year revenue has been transferred, Grants amounted € 35.97 thousand, part of which, are recognized in the following 12 months (see note 28).

27. SUPPLIERS

Suppliers of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Suppliers	1.729.094	2.028.461	1.154.709	1.414.491
Checks payable	63.963	80.985	63.963	68.366
Total	**1.793.057**	**2.109.446**	**1.218.672**	**1.482.857**

28. OTHER PAYABLES

Other payables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Customer advances	953.738	474.318	858.129	436.624
Accrued expenses and interest payable	1.940.004	1.778.150	1.912.979	1.259.582
Accrued Income	2.436.398	1.945.871	638.777	621.426
Other liabilities	2.269.836	1.073.127	2.138.723	571.121
Total	**7.599.976**	**5.271.466**	**5.548.608**	**2.888.753**

Specifically, Accrued Expenses relate to the recognition of service costs for the Company's projects, from services rendered but which were not invoiced by suppliers until 30.06.2022 based on contracts with suppliers, but whose recognized value is calculated in accordance with the measurement of the completion stage of the service in relation to its estimated total cost.

In addition, accrued Income also relates to € 35.97 thousand in a carry-forward of the portion of the new grants (see note 26) recognized in the next 12 months. The remaining amount of €2,400 thousand is related to unearned income derived from maintenance contracts of a subsequent period and was not recognized during the A' half of 2022.

29. TRANSACTIONS WITH RELATED PARTIES

The Company's transactions with its subsidiaries are analyzed as follows:

	Sales		Αγορές	
Intercompany transactions	**30.06.2022**	**30.06.2021**	**30.06.2022**	**30.06.2021**
GLOBAL SOFT S.A.	62.329	63.024	-	-
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	298.521	1.154.170	-	-
PROFILE SOFTWARE (UK) Ltd	148.296	43.510	-	-
PROFILE DIGITAL SERVICES S.A.	1.566.175	778.848	-	-
PROFILE TECHNOLOGIES SINGLE-MEMBER S.A.	4.320	4.320	223.932	-
LOGIN S.A.	163.921	178.974	6.300	-
Total	**2.243.562**	**2.222.846**	**230.232**	**-**

The terms of the transactions with the related parties provide that sales to and purchases from related parties are made at prevailing market prices at that time (on an arm's length basis).

Sales to subsidiaries mainly concern expenses incurred by the Company on behalf of subsidiaries mainly for the following:

- The support, planning and design of the commercial and technical implementation of projects in the operational area of financial solutions.
- Designing and implementing other software programs that may be used by affiliates.

The balances of receivables and payables of the Company with the affiliated companies at the end of the current period, as well as of the previous one, are analyzed as follows:

	Receivables		Liabilities	
Intercompany transactions	**30.06.2022**	**30.06.2021**	**30.06.2022**	**30.06.2021**
GLOBAL SOFT S.A.	29.257	17.781	1.569	-
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	897.113	2.009.774	50.302	81.894
COMPUTER INTERNATIONAL FRANCHISE LTD	171.835	171.685	-	-
PROFILE SOFTWARE (UK) LTD	70.584	127.456	-	8.981
PROFILE DIGITAL SERVICES S.A.	1.278.223	426.799	-	-
PROFILE TECHNOLOGIES SINGLE-MEMBER S.A.	205.317	5.377	223.932	-
LOGIN S.A.	97.514	-	56.300	68.298
CENTEVO AB	-	-	-	-
Total	**2.749.843**	**2.758.872**	**332.103**	**159.173**

The cost of remuneration for the members of the Board of Directors and the Managing Directors of the Group and the Company for the first half of 2022 amounted to €481 thousand (2021 €323 thousand).

30. LEASES (IFRS 16)

IFRS 16 introduces a single accounting model on the part of the lessee, which requires a lessee to recognize assets and liabilities for all lease contracts with a term of over 12 months, unless the underlying asset is of insignificant value.
Based on this approach, the Group a) recognizes a liability that is measured at present value as it results from the discounting of the lease payments that remain to be paid at the borrowing rate in force on the day of the initial application and b) recognizes a right to use a fixed asset by measuring this right at an amount equal to the corresponding liability to be recognized. After initial recognition, the Group will a) measure the use of fixed assets and depreciate them consistently throughout the lease, and b) measure the corresponding liability, increasing and decreasing the open balance in a way that reflects interest and lease payments. respectively.

Accounting Treatment
In adopting IFRS 16, the Company applied a single accounting framework for all leases. The Group recognized the right to use fixed assets and liabilities for these leases previously classified as operating except for low value leases. The lease liability was recognized as the present value of the outstanding payments, discounted at the cost of additional borrowing at the date of initial application.

The Group has implemented the facilitation practices as follows:

The weighted average differential interest rate for the Group was 3% on 01.01.2022.

Evaluated, based on past experience, the duration of leases whose contract includes a term of extension or termination.

The following are the Company's accounting policies when adopting IFRS 16:

Right to use fixed assets
The Company recognizes the right to use fixed assets at the commencement of the lease (the date the asset is available for pre-use). The rights to use fixed assets are measured at cost less accumulated depreciation and impairment adjusted when measuring the corresponding lease liabilities. The rights to use fixed assets are tested for impairment.

Lease liabilities
At the commencement of the lease, the Company recognizes lease liabilities equal to the present value of the leases over the entire term of the lease agreement.
To calculate the present value of payments, the Company uses the cost of additional borrowing at the lease date, unless the effective interest rate is directly determined by the lease agreement. Following the commencement of the lease, the amount of the lease liabilities is increased by interest expense and is reduced by the lease payments made. In addition, the carrying amount of the lease liabilities is measured if there is a contract amendment, any change in the term of the contract, the fixed leases or the market valuation of the asset.

The right to use and lease liabilities changes are as follows:

	Group
Rights to use fixed assets 01.01.2021	**566.690**
Acquisition of a subsidiary	208.807
Additions for the period	19.329
Depreciation for the period	(256.592)
Rights to use fixed assets 31.12.2021	**538.234**
Reductions for the period	460.667
Depreciation for the period	(195.628)
Rights to use fixed assets 30.06.2022	**803.273**
Recognized lease liabilities 01.01.2021	**558.294**
Acquisition of a subsidiary	208.807
Additions for the period	29.996
Interests payable	17.637
Payments for the period	(229.672)
Balance 31.12.2021	**585.062**
Additions for the period	435.198
Interests payable	10.114
Payments for the period	(177.360)
Balance 30.06.2022	**853.014**
Long-term Lease liabilities	**782.670**
Short-term Lease liabilities	**70.344**
Balance 30.06.2022	**853.014**

31. FAIR VALUE MEASUREMENT

Fair value: The carrying amounts reflected in the attached statements of financial position for cash and cash equivalents, trade and other accounts receivable, prepayments, trade and other accounts payable and accrued and other current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair value of the loans of 30.06.2022 for the Group and the Company approximates their carrying amounts reflected in the statements of financial position, as they relate to simple bilateral loans from bank institutions with floating interest rates within the market, are based on Euribor plus a spread and are therefore variable according to market conditions. Also, the loans are in Euros, and they are not convertible, nor have any weights, commitments or special clauses.

Consequently, although these loans are classified in the category 1-5 years, there is no difference between the fair value and the accounting obligations in relation to those bank liabilities.

The Group categorized its financial instruments carried at fair value in the below categories, by valuation technique, defined as follows:

- ✓ <u>Level 1:</u> observed / Listed (unadjusted) market prices in active markets for similar assets or liabilities,

- ✓ Level 2: other techniques for which inputs that are relevant to fair value measurement are directly or indirectly observable,
- ✓ Level 3: techniques that use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

For assets and liabilities recognized in the financial statements on a recurring basis, the Group determines if there have been transfers between hierarchy levels, through the re-evaluation and classification (based on the lower level data that are important for the measurement of fair value as a whole) at the end of each reporting period.

At each reporting date, the Group analyzes the changes in value of liabilities subject to recalculation and revaluation in accordance with its accounting policies. For this analysis, the Management verifies the major inputs applied in the later assessment, confirming the data used in the valuation, through contracts and other relevant documents.

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.
The table below provides the hierarchy of the fair values of the Group's assets and liabilities.

Assets and liabilities measured at fair value	Note	Measurement Date	Amount (€)	Level 1	Level 2	Level 3
Short-term investments at fair value through profit or loss	**17**	30.06.2022		**√**	-	-

The valuation of the above Financial assets at fair value through profit or loss is based on their current market value on their trading market.

32. CONTINGENT LIABILITIES

There are no litigation or arbitration disputes as well as decisions of judicial or arbitration bodies that have or are likely to have a material impact on the financial position or operation of the Company and the Group.

The Group and the Company have contingent liabilities solely in respect of matters arising in the ordinary course of business. No material charges are expected to arise from contingent liabilities. No additional payments (beyond the usual) are expected at the date of preparation of these six-month financial statements.

The guarantees through letters of guarantee issued by bank institutions on 30.06.2022 concern the following:

	GROUP	COMPANY
Guarantees to ensure good execution of contracts with suppliers	28.700	28.700
Participation guarantees	232.233	232.233

Guarantees to ensure good execution of contracts with customers	858.454	858.454
Total	**1.119.387**	**1.119.387**

The unaudited tax years of the Group's companies are as follows:

NAME	UNAUDITED TAX YEARS
PROFILE SA(**)	2015-2021
COMPUTER INTERNATIONAL FRANCHISE LTD	2007-2021
GLOBAL SOFT S.A.(**)	2015-2021
PROFILE SYSTEMS & SOFTWARE (CYPRUS) LTD	2015-2021
PROFILE SYSTEMS (UK) LTD*	2015-2021
PROFILE DIGITAL SERVICES S.A.(*)(**)	2015-2021
LOGIN S.A.	2011-2021

** Profile Systems (UK) Ltd and Profile Digital A.E. were established in the year 2015.*

*** For the years 2015-2020, a Tax Certificate has been issued without reservation by the chartered accountants, in accordance with Article 65^{A} par. 1 of Law 4174 / 2013. The subsidiary company Profile Digital S.A. has not been tax audited according to the above provisions for the year 2015 because it did not meet the criteria of the Law*

For the year 2022, the Group's companies in Greece have been subject to the tax audit of the Certified Public Accountants provided for by the provisions of article 65A of Law 4174/2013. This audit is ongoing and the relevant tax compliance report is expected to be issued after the publication of the six-month financial statements for the period 01.01.2022-30.06.2022. If additional tax liabilities arise until the completion of the tax audit, the Company's Management expects that they will not have a significant effect in its financial statements.

Group's foreign subsidiary companies are not obligated to undergo a tax audit. Tax audit is conducted exceptionally, following each country's tax authorities' specific criteria. Tax obligations that arise after annual tax return, are under tax authorities' control for defined time period, in compliance with each country's tax legislation.

33. POST BALANCE SHEET EVENTS

In addition to the acquisition of treasury shares under the share buyback program of the Company, which was already discussed in the Report of the Board of Directors, Section E, there are no events subsequent to the balance sheet of June 30, 2022 that concern either the Company or the Group, to which reference is made by International Accounting Standards (IFRS).

N. Smyrni, September 15, 2022

Chairman of the BoD	Managing Director	CFO	Accounting Manager
Stasinopoulos Charalampos ID Σ 577589	Angelides Evangelos ID 1157610	Samonakis Nikolaos ID AI 051267	Santoukas Zafirios ID AI 109838