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FINANCIAL REPORT FOR THE SIX-MONTH PERIOD

From 1st January 2023 to 30th June 2023

« SPACE HELLAS S.A. »
Company's Reg. No: 375501000
Mesogion Av. 312 Ag. Paraskevi

The Financial Report for the Six-Month Period from 1st January to 30th June 2023 has been prepared by art. 5, Law 3556/2007, has been approved by the Board of Directors on 27th September 2023, and has been uploaded at the URL address www.space.gr

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1 STATEMENTS OF MEMBERS OF THE BOARD (In accordance with article 5 par.2 of Law 3556/2007)

The Members of the Board of Directors:

- Spyridon D. Manolopoulos, Chairman, executive member.
- Ioannis A. Mertzanis Chief Executive Officer, executive member.
- Ioannis Doulaveris Chief Financial Officer, executive member.

acting by the aforementioned membership and especially designated, we declare and certify that, as far as we know:

1. The annual financial statements of the Group and company SPACE HELLAS SA for the financial year from January 1, 2023, to June 30, 2023, which were prepared according to International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company, as well as of the consolidated companies as a whole, according to par. 3 to 5 of article 5 of L. 3556/2007.

2. The enclosed report of the Board of Directors discloses truly the information required following the provisions of paragraph 6 of article 5 of Law 3556/2007 and the authorized decisions of the Board. of the Hellenic Capital Market Commission.

Agia Paraskevi, 27 September 2023

The Designated members of the Board of Directors

| | | |
|-----------------|-------------------------|---|
| Chairman | Chief Executive Officer | Executive Member and Chief Financial Officer |
| S. Manolopoulos | I. Mertzanis | I. Doulaveris |

2 SEMI-ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL PERIOD 1.1.2023 – 30.06.2023

The present report of the Board of Directors of SPACE HELLAS, refers to the financial period from January 1, 2023, to June 30, 2023, and is compliant with the provisions of art. 5 § 6 L.3556/2007 and related HCMC circulars and the relevant IFRS adopted by the European Union as well.

This report summarizes the financial position and other relevant information for the Group and the Company, the important issues that took place during the first half of the year and their impact on the financial statements, the risk and uncertainties of the Group and the Company for the second half of the year and the transactions with related parties during the period, presenting in a true, condensed, yet comprehensive manner, all the necessary information required by law, enabling to obtain substantive and accurate information on the Group's and the Company's activities for the relevant period.

The key information reference of this report is the consolidated financial data of the Company and its affiliated companies, and with reference to the individual (non-consolidated) financial data of the Company, only where it is deemed appropriate or necessary for a better understanding of its content.

The present report is included unchanged in the interim Financial Report for the half year 2018, along with the financial statements and the rest of the necessary information, the relevant declarations and the explanatory notes.

All amounts are expressed in euros unless stated otherwise.

The Interim Financial Report is available at the URL address, <http://www.space.gr>, together with the financial statements and the independent auditor's review report.

2.1 REVIEW FOR 01.01.2023 - 30.06.2023 - FINANCIAL POSITION – PERFORMANCE

The economic climate index both globally and at the European level shows signs of recession, as the geopolitical crisis in Ukraine continues, which triggered an unprecedented energy crisis that simultaneously worsened the already existing inflationary pressures and the European economies have slowed down significantly and it is expected to record the lowest growth rate of the last decade with the exception of 2020, the first year of the pandemic.

The continued deviation of inflation from the target level in most countries increases the likelihood that the cost of money will remain high globally for a longer period of time. Although the possibility of a smooth adjustment for the economies is most likely, the need for tighter monetary and fiscal policy keeps the risk of a sharp drop in economic activity.

In Greece, there was a relatively faster de-escalation of its inflation, as early as the end of 2022, mainly due to the decompression in energy prices. In July 2023, Greece with 3.4% (Eurostat – on an annual basis) was among the countries with the lowest inflation in the European Union, behind only Belgium (1.6%), Luxembourg (2.0%), Spain (2.1%) and Cyprus (2.4%), with the reduction of energy costs making a significant contribution to this performance, while on the other hand, high food prices persist, which peaked towards end of 2022 and therefore are expected to have a slower deceleration, still exerting significant pressure on household disposable income.

Following the 5.9% increase in Greek GDP in 2022, mainly due to the rise in private consumption, despite strong inflationary pressures, the stabilization of the economic activity appears to be steadily strengthening during the first half of 2023 as well, as inflation slows and the international environment stabilizes. The European Commission estimates that Greece, with a growth rate of 2.4%, will be in the first three positions of those European economies that will run faster in 2023.

The effective utilization of resources from the EU Structural Funds as well as from the Recovery and Resilience Mechanism (RRF) for the stimulation of the public and private investments, is expected to boost the course of the Greek economy.

With the completion of double parliamentary elections that led to a self-reliant government with a comfortable parliamentary majority which is a continuation of the government of the previous four years and has as a consequence the removal of the risk of political instability, this result seems to ensure stability and visibility for favorable economic developments in the future, a development that, to a certain extent, was already seen by examining the course of the country's borrowing costs and the capital markets reactions.

As a result of the above, Moody's upgraded Greece's credit rating by two notches to Ba1 from Ba3 with a stable outlook, while other agencies such as the Japanese Rating and Investment Information Inc., the German Scope Ratings and the Canadian DBRS Morningstar the paced recently Greece in the BBB investment grade. The acquisition of the investment grade will significantly strengthen the resilience of the Greek economy to external factors, while at the same time it is expected to further reduce the cost of borrowing, both for the public and private sectors, thus strengthening investments and, by extension, economic development.

Despite the positive momentum and outlook, there are significant challenges on many fronts to improve the economy, public administration and overall well-being in the country following the latest disasters caused by Hurricane Daniel. Also, imported crises and disturbances in the European and global environment are far from excluded in the near future, and it will be crucial for the country to face them from the strongest possible position. In this regard, trends in the European and our wider economic environment are worrying mainly in relation to the continued rise in interest rates to tackle persistent inflation. Therefore, the priorities that will be set by the new government will play a crucial role in the direction of the economy during the next four years.

The field of ICT, in which the Space Group operates, is one of the most important sectors for the Greek economy, due to the growing demand for automation and digitization in both the private and public sectors.

The Space Group continued to move successfully along the lines of competitiveness, know-how and efficiency. The group's effort to be competitive is continuous and is essentially based on the know-how, skills and dedication of its people, as well as on continuous investments always aimed at efficiency and value creation.

The effects of the crisis on individual sectors of the Space Group's business activities, as well as the ways to deal with them, will be analyzed in the "Risk management and hedging policies" chapter.

The Group remains fully operational in all areas of its activity, taking all the necessary measures to maintain high liquidity and profitability while remaining committed to the optimal utilization of the funds it has, with the aim of further organic growth and ensuring its business continuity. The Administration implements its business planning with a view to exploiting the business opportunities created by the challenge of digital transformation in the public and private sector, investing in companies with a high level of expertise. With a focus on product multiplexing, investments through acquisitions that have been successfully completed will give the Group greater added value, which will differentiate it from the competition.

The Management implements its business planning with a view to exploiting the business opportunities created by the challenge of digital transformation in the public and private sector, investing in companies with a high level of expertise. With a focus on product multiplexing, investments through acquisitions that have been successfully completed, will give the Group greater added value, which will differentiate it from the competition.

In the first half of 2023, the growth of the turnover of both the company and the group continues. We are in the middle of a cycle of implementation of important projects that we

have undertaken and which are part of the digitization program both in, primarily, the public sector and in the private sector as well.

2.1.1 KEY FINANCIAL INFORMATION

The activities of the company were in accordance with the current legislation and its purposes as they are defined in its articles of association.

We provide you with more detailed data on the financial statements with comparative information of the previous period.

2.1.1.1 Periods' total income

| <u>Amounts in € thousand</u> | Group | | | Company | | |
|------------------------------|------------------------------|------------------------------|-----------------|------------------------------|------------------------------|-----------------|
| | 01.01- 30.06.2023 | 01.01- 30.06.2022 | Change % | 01.01- 30.06.2023 | 01.01- 30.06.2022 | Change % |
| Revenue | 62.268 | 52.972 | 17,55% | 47.952 | 44.622 | 7,46% |
| Gross profit/loss | 16.338 | 11.054 | 47,80% | 12.167 | 9.382 | 29,68% |
| Gross profit margin | 26% | 21% | | 25% | 21% | |
| EBITDA | 9.287 | 4.158 | 123,35% | 6.576 | 3.732 | 76,21% |
| EBIT | 6.438 | 2.576 | 149,92% | 4.840 | 2.586 | 87,16% |
| Earnings before taxes | 2.853 | 2.689 | 6,10% | 2.084 | 2.897 | -28,06% |
| Earnings after taxes | 2.080 | 2.002 | 3,90% | 1.629 | 2.273 | -28,33% |

The Group's turnover amounted to € 62.268 thousand compared to € 52.972 thousand in the previous period. The increase of 17,55% partly reflects the continued increase in the Group's market share, a consequence of its significant participation in public sector digitization projects that are in the process of implementation, a fact that is reflected in the Company's figures.

The Group's gross profits amounted to €16.338 thousand compared to €11.054 thousand in the previous period, showing an increase of 47,80%. The increase of the profit margin in the Group and the company, they reflect the continuous effort to participate in projects of high added value.

The Group's EBITDA amounted to € 9.287 thousand compared to € 4.158 thousand in the previous period showing an increasing pattern of 123,35%.

The Group's EBIT amounted to € 6.438 thousand compared to € 2.576 thousand in the previous year showing an increase of 149,92%. This increase reflects the simultaneous effort to increase the gross profit and contain the expenses of the Group within a highly competitive environment.

The Group's earnings before taxes amounted to € 2.853 thousand compared to € 2.689 thousand during the previous period, showing an increase of 6,10%.

The Group's earnings after taxes amounted to € 2.080 thousand compared to € 2.002 thousand in the previous period showing an increase of 3,90%.

The significant increase in operating profits is not proportionally reflected in profits after taxes due to high financial expenses as a result of both the increase in loans and borrowing rates. We predict that the significant cash inflow from the large public works projects expected for the second half of the year will even out this trend.

Statement of comprehensive income

The other comprehensive income after taxes for the current period include the net amount after taxes of -6 thousand € which concerns the result of the actuarial study (IAS 19) and the amount of €58 thousand from the write-off of reserves of our sub-subsubsidiary SPACE HELLAS SYSTEM INTEGRATOR SLR due to liquidation.

The other comprehensive income after taxes for the previews period, comprises the amount of € 1.517 thousand resulting from the revaluation of property following valuation performed by an independent valuator, from the impact of the income tax rate change on the deferred taxes from revaluation of buildings, the net amount of € -41 thousand from actuarial results (IAS 19) and the amount of € 6 thousand, of currency differences from the consolidation of foreign subsidiaries.

2.1.1.2 Assets

| | Group | | | Company | | |
|--------------------------|----------------------|----------------------|----------|----------------------|----------------------|----------|
| | 01.01- 30.06.2023 | 01.01- 31.12.2022 | Change % | 01.01- 30.06.2023 | 01.01- 31.12.2022 | Change % |
| Amounts in € | | | | | | |
| Total Assets | 182.161 | 175.071 | 4,05% | 155.203 | 152.774 | 1,59% |
| Total non-current asstes | 61.257 | 57.976 | 5,66% | 48.192 | 46.319 | 4,04% |
| Inventory | 19.706 | 17.381 | 13,38% | 19.138 | 16.820 | 13,78% |
| Trade receivables | 67.604 | 55.366 | 22,10% | 61.943 | 51.591 | 20,07% |
| Other Receivables | 33.594 | 44.348 | -24,25% | 25.930 | 38.044 | -31,84% |

The Group's Total Assets amount to € 182.161 thousand compared to € 175.071 thousand for the year 2022.

The Group's noncurrent receivables' net value amounts to € 61.257 thousand compared to € 57.976 thousand in the year 2022 attributable mainly to the Group's continuous investing efforts.

The Groups' inventories. of goods, raw and auxiliary materials, and consumables amount to € 19.706 thousand compared to € 17.381 thousand in the year 2022,

The Group's Trade receivables amount to € 67.604 thousand compared to € 55.366 thousand in the year 2022 showing an increase of 22,10% reflecting the steady upward turnover over the last five years. The amount of € 67.604 thousand includes the item € 32.490 thousand "Assets from contracts" and concerns non-invoiced project receivables and is expected to be invoiced by the end of the year. The increasing participation of the Group in complex public projects, with an implementation time span significantly higher than the average resulting from private sector projects, explains this increase. It also needs to be noted that in the first half of the year in which two elections took place there was a slowdown in the completion of complex projects.

The Group's other receivables amount to € 33.594 thousand compared to € 44.348 thousand for the year 2022.

2.1.1.3 Liabilities

| Amounts in € thousand | Group | | | Company | | |
|------------------------------|------------------|------------------|----------|------------------|------------------|----------|
| | 01.01-30.06.2023 | 01.01-31.12.2022 | Change % | 01.01-30.06.2023 | 01.01-31.12.2022 | Change % |
| Total Liabilities | 182.161 | 175.071 | 4,05% | 155.203 | 152.774 | 1,59% |
| Equity | 32.764 | 30.632 | 6,96% | 24.938 | 23.315 | 6,96% |
| Long term loans | 42.888 | 47.919 | -10,50% | 38.971 | 46.260 | -15,76% |
| Long term leases | 2.078 | 1.598 | 30,04% | 1.685 | 1.174 | 43,53% |
| Other long term liabilities | 5.313 | 4.566 | 16,36% | 3.634 | 3.135 | 15,92% |
| Short term loans | 49.885 | 22.683 | 119,92% | 46.491 | 20.263 | 129,44% |
| Short term leases | 1.103 | 1.253 | -11,97% | 670 | 661 | 1,36% |
| Other short term liabilities | 48.130 | 66.420 | -27,54% | 38.814 | 57.966 | -33,04% |

The Shareholders' equity amounts to € 32.764 thousand compared to € 30.632 thousand.

The Group's long-term loans amount to € 42.888 thousand compared to € 47.919 thousand compared to the year 2022. The loans comprise:

- The mortgage loan ending in 2024, of initial amount € 2.700 thousand, and after interest and principal payments amounting to € 193 thousand.
- The mortgage loan ending in 2024, of initial amount € 8.000 thousand, and after interest and principal payments amounting to € 7.460 thousand.
- The mortgage loan ending in 2025, of initial amount € 6.500 thousand, and after interest and principal payments amounting to € 1.000 thousand.

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- The mortgage loan ending in 2025, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 750 thousand.
 - The mortgage loan ending in 2025, of initial amount € 400 thousand, and after interest and principal payments amounting to € 110 thousand.
 - The mortgage loan ending in 2025, of initial amount € 800 thousand, and after interest and principal payments amounting to € 320 thousand.
 - The mortgage loan ending in 2025, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 750 thousand.
 - The mortgage loan ending in 2026, of initial amount € 500 thousand, and after interest and principal payments amounting to € 281 thousand.
 - The mortgage loan ending in 2026, of initial amount € 500 thousand, and after interest and principal payments amounting to € 278 thousand.
 - The mortgage loan ending in 2027, of initial amount € 4.000 thousand, and after interest and principal payments amounting to € 2.600 thousand.
 - The mortgage loan ending in 2027, of initial amount € 7.000 thousand, and after interest and principal payments amounting to € 6.417 thousand.
 - The mortgage loan ending in 2027, of initial amount € 6.000 thousand, and after interest and principal payments amounting to € 5.250 thousand.
 - The mortgage loan ending in 2027, of initial amount € 5.000 thousand, and after interest and principal payments amounting to € 3.889 thousand.
 - The mortgage loan ending in 2028, of initial amount € 7.000 thousand, and after interest and principal payments amounting to € 4.500 thousand.
 - The mortgage loan ending in 2028, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 1.333 thousand.
 - The mortgage loan ending in 2033, of initial amount € 2.400 thousand, and after interest and principal payments amounting to € 2.400 thousand.
 - The mortgage loan ending in 2033, of initial amount € 1.440 thousand, and after interest and principal payments amounting to € 1.440 thousand.
 - The mortgage loan ending in 2026, of initial amount € 700 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 350 thousand
 - The mortgage loan ending in 2026, of initial amount € 800 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 445 thousand
 - The mortgage loan ending in 2026, of initial amount € 1.000 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 562 thousand
 - The mortgage loan ending in 2032, of initial amount € 960 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 960 thousand
 - The mortgage loan ending in 2032, of initial amount € 1.600 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 1.600 thousand
-

The fair value of the short- and long-term borrowings approximates the book value. The rate used in the company's and the Group's borrowings is floating and renegotiable within a six-month period. The average interest rate applied is 6,50 %.

The Group's other long-term liabilities amount to € 5.313 thousand compared to € 4.566 thousand for the year 2022.

The Group's short-term loans amount to € 49.885 thousand compared to € 22.683 thousand for the year 2022. This increase is due to the financing of important projects of the Company.

The Group's other short-term liabilities amount to € 48.130 thousand compared to € 66.420 thousand for the year 2022.

2.1.1.4 Cash Flow

| | Group | | Company | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 01.01- 30.06.2023 | 01.01- 30.06.2022 | 01.01- 30.06.2023 | 01.01- 30.06.2022 |
| Amount ins € thousand | | | | |
| Total cash inflow/(outflow) from operating activities | -36.007 | -23.383 | -36.047 | -23.142 |
| Total cash inflow/(outflow) from investing activities | -5.645 | -2.323 | -4.605 | -499 |
| Total cash inflow/(outflow) from financing activities | 21.489 | 16.177 | 18.580 | 15.929 |

Cash flow from operating activities is negative amounting to € 36.007 thousand. This is typical of the Group's interim results throughout the years as there is a repayment of significant costs related to third-party services at the beginning of each year. The burden of this year's operating cash flows is attributable to both the increase in the Group's turnover, complex public works over a longer period, and the Group's effort to maintain the market prices of products and services constant, in a period characterized by delays on deliveries, but also increases in transport costs worldwide.

Cash flow from investing activities is negative amounting to € 5.645 thousand attributable to the execution of the investment in new technological sectors.

The cash flow from financing activities is positive amounting to € 21.489 thousand. This result confirms the Group's ease of access to financial institutions for the financing of its activities with the main focus the successful completion of complex projects and the implementation of the Group's investment plan.

2.1.1.5 Performance ratios

The Group measures its efficiency using financial performance indicators that are used internationally. Below is a table with the financial indicators of the Group and the company for both the current and the previous period:

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 30.06.2023 | 30.06.2022 | 30.06.2023 | 30.06.2022 |
| A. LIQUIDITY RATIOS | | | | |
| A1. CURRENT RATIO | 121,98% | 124,71% | 124,47% | 130,60% |
| A2. QUICK RATIO | 102,10% | 105,48% | 102,21% | 109,24% |
| A3. ACID TAST RATIO | 9,10% | 17,81% | 6,11% | 17,33% |
| A4. WORKING CAPITAL TO CURRENT ASSETS | 0,18 | 0,2 | 0,20 | 0,23 |
| B. CAPITAL STRUCTURE RATIOS | | | | |
| B1. DEBT TO EQUITY | 455,99% | 447,90% | 522,38% | 494,84% |
| B2. CURRENT LIABILITIES TO NET WORTH | 302,53% | 279,52% | 344,77% | 304,84% |
| B3. OWNER'S EQUITY TO TOTAL LIABILITIES | 21,93% | 22,30% | 19,14% | 20,21% |
| C. PROFITABILITY RATIOS | | | | |
| C1. GROSS PROFIT MARGIN | 26,25% | 20,87% | 25,37% | 21,03% |
| C2. NET PROFIT MARGIN | 4,58% | 5,00% | 4,35% | 6,40% |
| D. OPERATING EXPENSES RATIOS | | | | |
| D1. OPERATING RATIO | 90,08% | 99,27% | 90,17% | 93,90% |
| D2. LOANS TO TOTAL ASSETS | 50,93% | 49,07% | 55,07% | 53,61% |

2.1.1.6 Share Capital

The company's shares are ordinary registered shares and have been listed in ASE since 29.09.2000.

There are no changes during the period.

| Number of shares and nominal value | 30.06.2023 | 31.12.2022 |
|------------------------------------|------------|--------------|
| Paid up capital | 6.973.052 | 6.973.052,40 |
| Number of ordinary shares | 6.456.530 | 6.456.530 |
| Nominal value each share | 1,08 € | 1,08 € |

The earnings per share have been calculated taking into account the weighted average number of ordinary shares in issue which, for the period was 6.456.530.

The earnings per share for the preview period have been calculated taking into account the weighted average number of ordinary shares in issue which, was 6.225.010.

2.1.1.7 Own Shares

As of 30.06.2023, there were no own shares in possession of the company.

On 12-29-2022, the decision of the Extraordinary General Meeting of the company's shareholders dated 12-20-2022 was registered in the General Commercial Register (G.E.M.H)

with Registration Code No. 3386053, according to which the conditions for the acquisition of own shares of the Company were approved, in accordance with article 49 of Law 4548/2018, as well as the provision of relevant authorizations. In particular, the General Assembly approved in its entirety the proposal of the company's board of directors and the purchase of own shares in accordance with article 49 of Law 4548/2018 with the following general characteristics: duration of approval twenty-four (24) months, acquisition up to 5% of the total share capital, method of acquisition through stock market transactions and price limits of €3 (nominal value) up to €13 per share, so that the company, once it acquires these shares, can use them for future cooperation strategies and/or for the establishment of an incentive program for its executives and other staff and/or the reduction of its share capital and/or for other legal purposes, in each case in accordance with the relevant decision of the board of directors by virtue of a special authorization to this end. Purchases of own shares will be carried out to the extent deemed advantageous and the available liquidity of the company will allow it. Furthermore, the general meeting of the company's shareholders decided to grant authorization to the company's board of directors for the implementation of the decision of the general meeting and the regulation of any other more specific matter, which is not defined in the said decision, respecting in any case the provisions of relevant legislation.

2.1.1.8 Dividend policy

According to the current legislation, the company is legally obliged to form the legal reserve and to distribute to its shareholders, at least 35% of the earnings that are distributable according to IFRS, after the calculation of taxes and legal reserve.

The dividends are proposed by the management of the company at the end of each fiscal year subject to the approval of the Annual Ordinary General Meeting of shareholders.

The Ordinary General Meeting of shareholders of June 12, 2023 decided to distribute a dividend of a gross amount of 848,388.04 euros, i.e. 0.1314 euros per share, with Beneficiary Determination Date: Tuesday, July 18, 2023, Cut-off Date: Monday, July 17, 2023, Date start of dividend payment: on Friday 21 July 2023 and Paying bank: Alpha Bank.

It should be noted that according to law 4646/2019, the profits distributed by legal entities, from the year 2019 onwards, are subject to withholding tax at a rate of 5%.

2.1.1.9 Participating interests and investments

| Corporate name | Country | Sector | Ownership | | Consolidation method |
|---|-------------|---|-----------|----------|----------------------|
| | | | Direct | Indirect | |
| Subsidiaries | | | | | |
| SPACE HELLAS (CYPRUS) LTD | Cyprus | ICT | 100% | - | Full Consolidation |
| SPACE HELLAS Doo Beograd-Stari Grad | Serbia | ICT | - | 100% | Full Consolidation |
| SPACE HELLAS (MALTA) LTD | Malta | ICT | - | 100% | Full Consolidation |
| SPACE ARAB LEVANT TECHNOLOGIES COMPANY | Jordan | ICT | - | 100% | Full Consolidation |
| SENSE ONE TECHNOLOGIES Single Member S.A. | Greece | Internet of Things (IoT) | 100% | - | Full Consolidation |
| SINGULARLOGIC S.A. | Greece | IT and Information Systems | 60% | - | Full Consolidation |
| G.I.T. HOLDINGS S.A. | Greece | Holding company | - | 100% | Full Consolidation |
| G.I.T. CYPRUS LIMITED. | Cyprus | Holding company | - | 100% | Full Consolidation |
| SINGULARLOGIC ROMANIA COMPUTER APPLICATION S.R.L. | Romania | IT and Information Systems | - | 40% | Equity method |
| SINGULARLOGIC CYPRUS LIMITED | Cyprus | IT and Information Systems | - | 98,80% | Full Consolidation |
| Associates | | | | | |
| Web-IQ B.V. | Netherlands | Specialised applications | 32,28% | - | Equity method |
| AgroApps Private Company | Greece | Specialised applications in the agricultural sector | 35% | - | Equity method |
| EPSILON SINGULARLOGIC S.A. | Greece | Software Development | 39,973% | - | Equity method |
| Other investments | | | | | |
| MOBICS S.A. | Greece | Software Development | 18,10% | - | - |
| P-NET Emerging New Generation Networks and Applications P.C. | Greece | Software Development | 2,27% | - | - |
| 14ByDesign | Greece | Spin off | 2,00% | - | - |

On November 18, 2022, it was decided to dissolve and liquidate the sub-subsidiary company SPACE HELLAS SYSTEM INTEGRATOR SLR, which was deleted from the relevant Romanian register in the first quarter of 2023. The result of the liquidation weighed on the results of the group.

On 12/22/2022, the agreement for the transfer of part of the shares of SINGULARLOGIC ROMANIA COMPUTER APPLICATION SRL was signed, for the 59.97% owned by SINGULARLOGIC AE and 0.03% owned by the associated company GREEK INFORMATION TECHNOLOGY CYPRUS LTD. Following the aforementioned transfer, SINGULARLOGIC's shareholding in SINGULARLOGIC ROMANIA amounts to 40% and is consolidated using the equity method.

2.1.1.10 Commitments -Guarantees

The contingent liabilities for letters of guarantee granted both for the Company and the Group are the following:

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in € thousand | | | | |
| Guarantee letters to secure good performance of contract terms | 13.350 | 11.997 | 11.839 | 11.121 |
| Total contingent liabilities | 13.350 | 11.997 | 11.839 | 11.121 |

- The company had guaranteed against banks, for its subsidiary SINGULARLOGIC A.E, a total amount of €22,755 thousand, out of the approved guaranteed financing limits, the amount used amounts to €10,937 thousand.

2.1.1.11 Excess clause provisions and Disputed claims

There are no cases that might have significant impact on the financial position both of the Group and the Company.

2.1.1.12 Other contingent liabilities

For the unaudited tax years of the Group companies as mentioned in note 4.6.30, there is the possibility of imposing additional taxes and surcharges at the time of their examination and finalization by the competent tax authorities. The company has formed a cumulative provision of € 61 thousand in order to cover the possibility of imposing additional taxes in the event of an audit by the tax authorities. For the other Group companies, no provision has been made for unaudited tax years as it is estimated that the charge for the imposition of additional taxes will be insignificant.

It should be noted that, for the companies that are under the Greek tax jurisdiction, the tax years 2016 and previous, are considered permanently finalized.

Apart from those mentioned above, there are no other significant contingent liabilities.

2.2 SIGNIFICANT FACTS DURING THE FIRST SEMESTER OF 2023 AND THEIR IMPACT ON THE FINANCIAL STATEMENT

Significant facts that took place during the period from 1st January to 30th June 2023 are the following:

- On March 23, 2023, SPACE HELLAS announced the issuance of a joint bond loan with a total nominal value (capital) of nine million six hundred thousand euros (€9,600,000) based on the provisions of Law 4548/2018 (Articles 59 to 74) and Law 3156/2013 (article 14), as they apply to the financing of eligible costs of an investment project within the context of

the Recovery and Resilience Fund (RAF). The issuer is SPACE HELLAS and bond lenders: a) the Hellenic State (bond holder A') at a rate of 62.5% and b) "ALPHA BANK JSC" (bond holder B) at a rate of 37.5%. The payment manager and representative of the bondholders is "ALPHA BANK STOCK". The loan will be used by the issuer for the implementation of its investment plan regarding its digital transformation with modern technologies and based on its needs, in the context of which (digital transformation) infrastructure upgrade, network upgrade, security upgrade and upgrade applications, and has been determined definitively eligible to receive funding through the TAA. The loan will have a duration of ten (10) years.

Also on December 30, 2022 our subsidiary SINGULARLOGIC A.E entered into an agreement for the issuance of a joint bond loan with a total nominal value (capital) of six million four hundred thousand euros (€ 6,400,000) based on the provisions of Law 4548/2018 (Articles 59 to 74) and of Law 3156/2013 (article 14), as they apply to the financing of eligible costs of an investment plan within the context of the Recovery and Resilience Fund (RAF). The issuer is SINGULARLOGIC A.E. and bond lenders: a) the Hellenic State (bond holder A) at a rate of 62.5% and b) Optima bank A.E. (bond holder B) at a rate of 37.5%. The payment manager and representative of the bondholders is Optima bank A.E. The loan will be used by the issuer for the implementation of its investment plan regarding its digital transformation with modern technologies and based on its needs, in the context of which (digital transformation) infrastructure upgrade, network upgrade, security upgrade and upgrade applications, and has been determined definitively eligible to receive funding through the TAA. The loan will have a duration of ten (10) years.

- Thirty-sixth Ordinary General Meeting of shareholders of 12-06-2023: The following agenda items were discussed and decided upon:
 - Topic 1: Submission and approval of the annual financial statements (corporate and consolidated) drawn up in accordance with international financial reporting standards for the corporate year 2022 (1/1/2022 - 31/12/2022) after the relevant reports and statements of the board of directors and the statutory auditor.
 - Topic 2: Approval of the distribution of the results of the corporate year 2022 (1/1/2022 - 31/12/2022), including the distribution of dividends for the year in question. Provision of authorizations to the board of directors of the company.
 - Topic 3rd: Approval of the overall management that took place during the corporate year 2022 (1/1/2022 - 12/31/2022) and relief of the statutory auditors for the aforementioned corporate year in accordance with articles 108 and 117 par 1 para. c) Law 4548/2018.
 - Topic 4th: Election of an auditing firm of statutory auditors for (i) the audit of the annual and the overview of the interim financial statements (corporate and consolidated) for the corporate year 2023 (1/1/2023 - 31/12/2023), in accordance

- with international financial reporting standards, and (ii) issuing a tax certificate for the use in question, as well as determining the fee thereof.
- Topic 5th: Submitting for discussion and providing an advisory vote on the remuneration report for the corporate year 2022 (1/1/2022 - 31/12/2022).
 - Item 6th: Approval of paid fees and compensations to the members of the board of directors for the corporate year 2022 (1/1/2022 - 31/12/2022) and pre-approval of fees and compensations for the corporate year 2023 (1/ 1/2023 - 31/12/2023).
 - Item 7th: Submission for approval of the new remuneration policy due to the lapse of four (4) years since its last approval in accordance with article 110 par. 2 sec. 2 n. 4548/2018.
 - Topic 8th: Submission of the audit committee's annual report to the shareholders for the 2022 corporate year (1/1/2022 - 31/12/2022).
 - Topic 9th: Announcing the decision of the company's board of directors to elect a new independent non-executive member of the board of directors to replace a resigned independent non-executive member and making a decision to confer the status of independent non-executive member of the board of directors to the new member elected by the board of directors . Confirmation of the number of independent non-executive members of the board of directors.
 - Item 10th: Submission of the reports of the independent non-executive members of the board of directors for the period from 1/1/2022 to 12/6/2023 in accordance with article 9 par. 5 of Law 4706/2020.
 - Topic 11th: Various announcements.
- On 16/6/2023 the company SINGULARLOGIC A.E paid in full the interest-bearing loan granted to it by SPACE HELLAS in accordance with the contract signed on 1 July 2021 and announced to the investing public by the 13-04-2021 decision of the Administrative Board Council of SPACE HELLAS for the provision of a special license, in accordance with articles 99 et seq. of Law 4548/2018, for the granting of an interest-bearing loan to SINGULARLOGIC A.E. in the form of a precautionary financing line and for a capital amount of up to €1,000,000.00 with repayment of the entire amount at maturity.

Given the energy crisis and inflationary pressures as well as rising interest rates, it is difficult to predict the range of possible outcomes for the global economy at this point.

The future impact will be assessed in light of the going concern basis of accounting used in the preparation of these Financial Statements. As far as the Group's activities are concerned, the Management closely monitors developments by implementing emergency plans where necessary to limit possible adverse effects.

After the clarifications that have been cited in the relevant paragraphs above regarding the spread of the coronavirus, the energy crisis and the inflationary pressures that constitute a non-adjusting event, there are no other events subsequent to the financial statements that concern either the Group or the company and which are required to be reported by the International Financial Reporting Standards.

2.3 DISTINCTIONS OF THE COMPANY AND THE GROUP

BITE Awards 2023.

Gold Award in the category Public Sector Organizations for the implementation of the project of the Ministry of Justice "Video conferencing services in courts and prisons and provision of information services on the course of the courts and exhibits", in collaboration with NOVA.



Silver Award in the Tourism/Culture category for the project of the Museum of Byzantine Culture of Thessaloniki, "Digital Museum of Byzantine Culture", in collaboration with Radiant Technologies.

Silver Award in the Networks & Communications category for our collaboration with ADMIE and Grid Telecom for the "DWDM Technology Telecommunications Network" project.



Space Hellas is the first Cisco partner in Greece to obtain the right to provide "Partner Lifecycle Services - Support" services (PLS-Support). By providing PLS-Support services, Space Hellas is given the opportunity to offer the same high level of support as Cisco's Cisco Solution Support services, expanding the scope of its services to multi-vendor solutions and strengthening the its relations with its customers.

Space Hellas was certified as a "Legrand Data Center Solutions Accredited Partner", after the successful completion of Legrand's Data Center Academy training course and the required specifications. Legrand Data Center Solution offers specialized solutions, following all stages of planning and construction of a Data Center. The Legrand Data Center solutions offered by Space Hellas are designed based on four important pillars, the efficiency, availability, scalability and security of its customers' Data Centers.



Space Hellas was awarded the "ICT Jubilee Award" at the Greek ICT Forum for its many years of contribution. in the Greek IT market. A distinction that confirms the company's contribution to the technology industry, ranking it as a leading Digital Integrator.

Space Hellas distinguished itself at the CHRIMA 2022 Business Awards with the first Business Innovation Award. This award confirms its continuous commitment to the development of innovative solutions. With a steadfast commitment to quality and excellence, the company has created pioneering services that have opened new horizons in the field of technology. This award recognizes the dedication and excellence of Space Hellas in the field of innovation and highlights the company as a leading force in the field of IT.



2.4 BUSINESS PERSPECTIVES FOR THE GROUP AND THE COMPANY

2.4.1 INTRODUCTION

The Greek economy continues to grow in the first half of 2023 with strong growth rates and this is expected to continue for the rest of the year. Despite the tragic events of the Tempe accident and natural disasters, which will probably lead to a redefinition of the state's priorities, and the dual elections with the corresponding delays in decision-making and the placement of new state officials in positions of responsibility, the projects that concerning the digitization of the state and other large private sector entities are still a top priority with the aim of utilizing the resources of the Recovery and Resilience Fund (RRF) as well as the new NSRF 2021-2027.

The Space Hellas group of companies implements a number of very important projects in both the public and private sectors, covering a wide range of telecommunications, IT and security

technologies. At the same time, it is constantly looking for new business opportunities and investments to prepare and claim new projects in the coming years.

The Space Hellas group of companies implements a number of very important projects in both the public and private sectors, covering a wide range of telecommunications, IT and security technologies. At the same time, it is constantly looking for new business opportunities and investments to prepare and claim new projects in the coming years.

2.4.2 PRIVATE SECTOR AND STATE OWNED COMPANIES

In the private sector projects and service contracts progressed without significant delays. The group's traditional clientele includes large banking organizations, telecommunications providers, retail chains, industries and energy providers. SPACE HELLAS executes projects and maintains support and service contracts to clients such as OTE, NOVA, OPAP, Piraeus Bank, National Bank, Alpha, Bank of Greece, DEDIE, ADMIE, PPC, ELPE, ELTA, AIA, FRAPORT, Medical Group, VELPI etc., leveraging its expertise in technologies such as network solutions, IT, Cyber Security, cloud applications, data centers, infrastructure and physical security solutions.

2.4.3 PUBLIC SECTOR

In the public sector, Space Hellas is active in entities that have secured financing, offering services and support contracts with a long-term horizon. It also selects projects in which it has expertise and has the necessary specialized and certified potential in the technological objects it undertakes in the role of Systems Integrator. It also creates significant surplus value from the use and development/customization of specialized tools with the cooperation of international construction companies, so that this experience can be used in corresponding projects in other agencies and abroad.

An indicative list of the most important public projects under implementation is the following:

- Ministry of Education: "Supply and installation of interactive learning systems" (as a subcontractor), 32 million euros.
- Information Society (association of companies): "Modernization and strengthening of the existing on-premises infrastructure of the Government Computing Cloud (G-Cloud) and creation of a second hub and provision of Public Cloud & Platform services //AaaS//", 18 million euros.
- Ministry of Education: "Supply and installation of laboratory equipment for Vocational Education and Training structures", 15.4 million euros.
- EDYTE: "Provision of IP telephony infrastructure for the bodies of the country's academic and research community", 4.7 million euros.

- Information Society: SYZEFXIS II, Signing of execution contracts in a company association for the Subproject: 3: "Security, Telephony, Teleconferencing, Cabling" framework agreement of total budget 132.6 million euros including extension option plus VAT, and withholding amounts.
- Information Society: Project Syzeuxis II, Sub-project 5 (association of companies): "Central ISP & SLA Services" contract price 16.2 million euros plus VAT and withholding amounts.
- Ministry of Citizen Protection: "Development of IT and Telecommunications systems to Strengthen the national ability to control and monitor external borders", 26 million euros.
- Ministry of Justice (association of companies): Video conferencing services in courts and penitentiaries and provision of information services on the course of the courts' tables and exhibits (Electronic Board), 13.5 million euros.
- KIP (EMY): Installation of Meteorological Stations & Development of Internet Portal Infrastructure, 9.6 million euros.
- Ministry of Education: "Supply of robotics and STEM equipment for education", as subcontractor 8 million euros.
- Ministry of Immigration and Asylum: Integrated digital Electronic and Physical Security management system with Cyber Security support for the protection of human life, property and operations of reception and hospitality structures for citizens of third countries. 3.4 million euros.
- Region of Attica: Supply of Equipment for the completion of the construction of the AEK stadium, as a subcontractor, 2 million euros.
- Information Society (association of companies): "Upgrading the network infrastructures of the PSD", 9.8 million euros.

Public works - to sign a contract:

- Information Society (association of companies): "Support to public bodies with the aim of complying with the European data protection regulation GDPR (General Data Protection Regulation)", 11.5 million euros.
- Information Society: "National Telemedicine Network (EDIT)", 7 million Euros.
- Ministry of Foreign Affairs: Expansion and upgrade of data centers (Data Centers) of the Ministry of Foreign Affairs that host equipment of the EES, ETIAS, VIS and other Interoperability systems, 1.6 million Euros.

The most important State projects - under evaluation are the following:

- Ministry of Shipping and Island Policy: "Development of the National System of Integrated Maritime Surveillance", 50 million euros. Participation as a subcontractor.

- EETT (association of companies): "Development of a Network of Fixed and Mobile Radio Frequency Spectrum Monitoring Stations, Wireless Digital Voice Network and Wireless Data Transmission Network" (Section-3), 4 million euros.
- Ministry of Foreign Affairs: Development of a National Information System for the European Travel Information and Authorization System (ETIAS), 2.5 million Euros.
- Coast Guard: Supply of information and telecommunication equipment for the Headquarters of the Coast Guard - Hellenic Coast Guard, 2.5 million Euros.
- Coast Guard: Procurement of a fingerprint/palm print acquisition and identification system (AFIS) - taking photos of a person/person, 1.6 million Euros.
- CAA: Procurement of Air Navigation Systems for the purpose of relocation of the Athens approach, 4.2 million Euros
- CAA: Supply & Installation of Airport Terminal Area Automatic Information Broadcasting Service Systems (Voice/Data Link-ATIS) & Meteorological Information Automatic Broadcasting Service System, 1.8m Euro.
- EFKA: Supply of software for the management of the e-EFKA central user directory, the central management of the e-EFKA systems, 4.1 million Euros.
- Ministry of Foreign Affairs (association of companies): Development - Expansion of Telecommunications Infrastructure of the Ministry of Foreign Affairs, 6.7 million Euros.

2.4.4 INTERNATIONAL PRESENCE

The group's presence in the field of telecommunications services in more than 40 countries follows a steady course through 8 telecommunications hubs, in cooperation with more than 50 international providers and subsidiaries of Space Hellas in Cyprus, Malta, Serbia and Jordan, countries in which it is and licensed telecommunications provider. It also selectively participates in ICT projects in which the Group has expertise and a competitive advantage.

The updated list of the group's projects abroad is as follows

- **Cyprus:**
 - Implementation of a contract for the Access control System of the City of Dreams Mediterranean International Casino Resort Limassol, 1 million euros.
 - Continuation of 13 years of service to the Department of Meteorology for the project "Provision of Meteorological Radar Services" for the Government of the Republic of Cyprus, Ministry of Agriculture, Rural Development and Environment.
 - Support for the ticketing and access control system at the GSP stadium in Nicosia
 - Evaluation of an offer to the Cyprus Police for premises surveillance systems.
 - Bid evaluation (as a subcontractor) in the Integrated Municipality System tender, 5.7 million euros

- Bid evaluation in the tender of the Ministry of Foreign Affairs for the ETIAS project, 8.5 million euros.
- Bid evaluation (as a subcontractor) in the Ministry of Foreign Affairs tender for the VIS project, 14.5 million euros.
- **Malta**
 - Continue the 7-year hybrid cloud service contract with the Maltese Government (MITA: Malta IT Agency).
- **Jordan**
 - Provision of telecommunication services through the subsidiary company Space Arab Levant Technologies
- **Serbia:**
 - Provision of telecommunication services through the subsidiary company Space Hellas D.O.O. Belgrade-StariGrad
- **Germany:**
 - Provision of telecommunications services and interconnection with international data networks and cloud providers.

2.4.5 RESEARCH AND DEVELOPMENT

In the field of research and development (R&D), twenty-one projects (European and National) are underway, with a total amount of funding for Space Hellas of approximately 6.4 million euros. Space Hellas participates with particular success in the programs of the European Commission (H2020, EDF, DIGITAL EUROPE) holding a leading role in the EU in Cyber Security, Artificial Intelligence, advanced 6G Communication Systems, and Quantum Systems of secure communications as well. In addition, ten new approved projects are contracted within the year (five projects of the Horizon Europe Program, three of the European Defense Fund (EDF) and two of Digital Europe), with a total funding for Space Hellas of €5.1m.

The aim is to acquire know-how and develop innovative solutions and applications that can strengthen the company's commercial activity in new areas and differentiate it from the competition

Space Hellas participates in two Private Capital Companies - Technovlastos with the aim of exploiting the results of scientific research and know-how:

- p-NET Emerging New Generation Networks and Applications.
- Competence Center for Industry 4.0 from Design to Implementation.

Space Hellas also participates, as a Full Industry Member, of the 6G Infrastructure Association (6G IA), which is the voice of the European industry for research and innovation in next-generation networks and services.

2.4.6 PERSPECTIVES

The prospects for strong growth of the Greek economy and its looming return to the investment grade create strong mobility in the business community and an optimistic investment climate in many sectors. The technology space is an important tool for accelerating investment plans, which is reflected in the increase in turnover in all companies active in ICT technologies. On the contrary, the increase in borrowing costs, intense inflationary pressures, delays in equipment deliveries, combined with the lack of human resources affect the schedules of the projects in progress and exert strong pressure on the profitability of companies. Despite any difficulties Space Hellas has built a significant backlog for 2023 and the following years and expects to smooth cash flows within the year through significant collections of existing projects.

The growing path of the Space Hellas Group in recent years has focused on the strengthening of human resources, know-how, infrastructure and also on acquisitions of companies that expand ICT products and services, such as those in the software field with SingularLogic, in IOT with Senseone, in Open-Source Intelligence with Web-IQ and in Smart Agriculture with AgroApps. SPACE HELLAS with the recent acquisition of 39.973% became the main shareholder in its subsidiary, SINGULARLOGIC with a percentage of 99.9335% and focuses on strengthening the group's leadership position in Digital Integration by leveraging cooperation and tools from the largest software manufacturers worldwide and SINGULARLOGIC's proprietary software as well. Finally, within 2023, the company undertook and successfully executed two consecutive election contests and is preparing for the next ones. The activity of SingularLogic in the area of software and applications in combination with the synergies that arise with the activity of SPACE HELLAS in the area of equipment, infrastructure, security, data center, cloud services and telecommunication services as well as the 100% subsidiary of SPACE HELLAS, SenseOne in the dynamically developing IOT space create significant goodwill and end-to-end solutions in the ICT space.

The comparative advantage of the group is the know-how in the integration and support of systems and applications as well as the integration of different technologies and services, where the companies of the group focus on medium and large private sector clients as well as targeted public sector projects. Long-term cooperation and specialized knowledge and certifications in the provision of services with global equipment and software manufacturers and such as CISCO, DELL, HP, Huawei, Checkpoint, Fortinet, Microsoft, Amazon Web Services, Google, SAP, Oracle, ServiceNow, Genetec, Bosch, Hikvision etc. give the SPACE HELLAS group a unique lead in the market to take the lead in the implementation of important digital transformation projects at a regional level.

2.5 CORPORATE GOVERNANCE STATEMENT

The corporate governance code is drafted in compliance with the provisions of applicable law. The text is codified and modified whenever decided by the board of directors of the company. For more complete information on the company's shareholders, the corporate governance code includes legal provisions and provisions of the company's articles of association that prevail over it.

The corporate governance code is drafted by a decision of the company's board of directors. After its approval by the company's board of directors, the code is posted on the company's website in non-editable form.

The corporate governance code is valid from its posting on the company's website <http://www.space.gr>.

2.6 GOVERNANCE STRUCTURE

An effective governance structure for risk management is a key element in developing a framework for identifying, assessing, accepting and rejecting risks while pursuing the achievement of the organization's objectives. In addition, governance is the foundation for an effective risk management framework, providing oversight, clear communication, regular dialogue with leadership and defining roles, responsibilities and reporting lines. The framework described below presents the basic elements of the governance structure for the management of business risks of SPACE HELLAS.

2.6.1 COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors (BoD) of the Company consists of 9 members, with different skills and characteristics. His responsibilities concern the supervision and management of the Company's governance issues and affect both its daily operation and its long-term development. The effectiveness of the Board of Directors is evaluated on an annual basis by the General Assembly of the Company's Shareholders, which as the highest administrative body of Space Hellas evaluates the action of the Board of Directors based on the goals that have been set. The operation of the Board of Directors is determined by the Internal Operating Regulations of the Company, as well as the applicable legislation regarding Corporate Governance, including the training and education of the Board.

The selection of members is based on a specific procedure and criteria, and the search for suitable persons is carried out by the Company's single Remuneration and Nominations Committee. The way in which the remuneration of the members of the Board of Directors is

structured follows the provisions of the Remuneration policy. All of the above are decisive elements for the Company's regulatory compliance, while enhancing the transparency of its management and the trust of the interested parties. The Board of Directors constantly monitors the Company's Sustainability issues which are transferred through its competent bodies. The management of these issues is a key priority for the Management, as it recognizes their importance for the smooth operation of the Company as well as the significant influence they exert on its external and internal environment. On 10-14-2022 with Registration Code number 3110971, the 10-10-2022 decision of the minutes of the Board of Directors of the company and its validation in accordance with the decision of the 37th regular general meeting of the company's shareholders on 12-06-2023, the Board of Directors is as follows:

- ❑ Spyridon D. Manolopoulos, Chairman of the Board, executive member
- ❑ Hadjistamatiou N. Theodoros, Vice president non-executive member.
- ❑ Panagiotis C. Mpellos, Vice President executive member.
- ❑ Ioannis A. Mertzanis Chief Executive Officer, executive member.
- ❑ Ioannis A. Doulaveris, executive member
- ❑ Paparizou K. Anastasia, executive member.
- ❑ Anna S. Kaliani, Independent non-executive member
- ❑ Hatiras I. Emmanuel, independent non-executive member
- ❑ Irinaios G. Theodorou independent non-executive member

The operation of the Board of Directors is supported by the Board Committees which have certain areas of responsibility, as well as by internal units which, in cooperation with the Committees, monitor and ensure the orderly and efficient activity of Space Hellas. Specifically, the Company has the following Board Committees and Units:

- ❑ Audit committee
- ❑ Internal control unit
- ❑ Board remuneration and nominations committee
- ❑ Risk Management Unit
- ❑ Regulatory Compliance Unit

2.6.2 AUDIT COMMITTEE

The Audit Committee is a supporting body of the Board of Directors and oversees matters of the Company's internal operation, such as the preparation of financial statements, financial information and the effectiveness of control systems. A detailed description of the operation and responsibilities of the Audit Committee is presented in the Regulation of the Operation of the Audit Committee, which is publicly available on the Company's website. Finally, the

activities of the Committee for each year are reflected in the Committee's report which is delivered to the Company's Board of Directors and is included in the Management Report accompanying the Group's annual financial statements. The existing audit committee of the company was formed in a body during its meeting from 11.10.2022 as follows:

- Irinaios Theodorou of George, Chairman, independent non-executive member of the company's board of directors.
- Emmanuel Hatiras of Ioannis, Member, independent non-executive member of the company's board of directors.
- Theodoros Hadjistamatiou of Nikolaos non-executive Vice-Chairman of the company's board of directors.

2.6.3 REMUNERATION AND NOMINATION COMMITTEE

The matters of the staffing and remuneration of the members of the Board of Directors are the subject of the unified Remuneration and Nominations Committee of the Board of Directors. The Committee uses the knowledge and skills of its members in order to implement both the Eligibility Policy of the Board Members and the Remuneration Policy which, among other things, include the criteria for the selection of suitable executives and the formation of remunerations that reflect the professional and knowledge background of the members as well as their contribution to the Company. The operation of the Committee is governed by the relevant Regulation of the Operation of the Remuneration and Nominations Committee, which clarifies to its members the responsibilities and activities that concern them and is publicly available on the Company's website. At the same time, it informs the interested parties of Space Hellas about the functioning of the Commission, promoting Transparency and Accountability at all levels of the Administration. The existing remuneration and nominations committee of the company was formed in a body during its meeting from 11.10.2022 as follows:

- Irinaios Theodorou of George, Chairman, independent non-executive member of the company's board of directors.
- Emmanuel Hatiras of Ioannis, Member, independent non-executive member of the company's board of directors.
- Theodoros Hadjistamatiou of Nikolaos non-executive Vice-Chairman of the company's board of directors.

2.6.4 INTERNAL CONTROL UNIT (ICU) & INTERNAL CONTROL SYSTEM (ICU)

Internal Audit is carried out by the Internal Audit Unit (IAU), which is an independent organizational unit and provides unbiased, independent and objective risk management assurance services at all levels of the Company through the correct application of regulations, procedures and information. In addition, it has an advisory role, such that it adds value to the Company, through proposals to improve and update the internal processes of business actions

as well as the control of business risks (risk assessment). Space Hellas has created a specialized Internal Audit operating regulation, which promotes the transparent and efficient operation of the Company's Internal Audit Unit by presenting details about the organization, responsibilities and other issues related to its activity and is publicly available on its website Company. The head of the Internal Audit Unit, who is an independent internal auditor, is appointed by the Board of Directors and must attend the Company's general meetings

Internal Auditor – Mrs. Konstantina V. Zervou has been appointed as the head of the company's Internal Audit Unit and assumed duties from 05/03/2022.

The Internal Control System aims mainly at the consistent implementation of the Company's business strategy with the effective use of available resources. However, it also includes the monitoring and management of the Company's risks, monitoring and compliance with the applicable regulatory framework, while guaranteeing the reliability of financial information. The effectiveness of the SEE is ensured by its regular evaluation which is done by order of the Company's Board of Directors by independent evaluators.

2.6.5 REGULATORY COMPLIANCE UNIT (RCU)

The Regulatory Compliance Unit is an organizational unit within the Company, part of the Legal Services and Regulatory Compliance Department with the sole purpose of continuously aligning the Company's operation with the applicable regulatory framework. Its responsibilities are defined both by its operating regulations and by Space Hellas' internal operating regulations and include, among other things, submitting proposals to the Board of Directors for new policies/procedures, developing an annual action plan for regulatory compliance and conducting audits compliance.

2.6.6 RISK MANAGEMENT UNIT (RISK)

The Risk Management Unit supports the long-term good course of the Company. It reports to the Audit Committee and the Chairman of the Board of Directors. Its role focuses on the identification and management of financial and non-financial risks that the Company may face in all its activities. To achieve this goal, he is directly involved or provides support to the executives and teams of Space Hellas both in the decision-making process for important contracts with third parties or investment projects, as well as in the policy formulation/revision processes where risk elements are involved.

The work of the MDC is continuous, while at regular intervals it develops and submits reports on the state of risk management in the Company and related matters of interest. Specifically, the Unit submits annual, half-yearly and extraordinary internal reports to the various administrative bodies (audit committee, board, etc.) as well as external reports to the supervisory authorities whenever they are required.

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2.6.7 RISK MANAGEMENT

Risk Management is a fundamental element of Space Hellas' Internal Control System. The coordinated action of the Risk Management Unit within its responsibilities includes identifying, identifying, planning and dealing with the factors that may affect the development and general smooth operation of the Company. The assessment of the probability, extent and impact of said risks is based on the "Enterprise Risk Management" (ERM) methodology which allows for the systematic identification, assessment and management of risks through a structured approach. The COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM framework and related guidelines are taken into account for the integration of ERM practices into Space Hellas' processes. In the context of this process, MDC has recognized potential non-financial risks for the management of which a coordinated and collective effort is required. The following are indicated as examples:

| | |
|---|--|
| <p style="text-align: center;">Climate risks</p> <p>Rapid global climate changes have potentially major impacts across the entire Space Hellas value chain. Extreme weather can make it difficult for both workers to complete their work and suppliers to deliver their supplies. At the same time, the good operation and maintenance of the equipment can be significantly affected, while the increased energy needs combined with the reduced production and availability of energy, due to climate change, can affect the provision of the Company's services.</p> | <p style="text-align: center;">Technological risks</p> <p>Technological developments have always affected the dynamics of markets worldwide, regardless of the industry. Increased costs that may be linked either to technological upgrade requirements of the equipment necessary to carry out the Company's activities, or to increased digital security requirements against new threats, can have a direct impact on the operation and services of Space Hellas.</p> |
| <p style="text-align: center;">Reputational risks</p> <p>In the security services industry, whether physical or digital, a provider's "image" is critical to its ability to cope with market conditions and offer competitive services to its customers. Incidents such as the failure to protect customer data can affect the organization's reputation and operations.</p> | <p style="text-align: center;">Moral hazards</p> <p>A widespread category of risk in the field of technology is moral hazard. Unlike most other types of risks, these risks may arise from the Company's internal environment and create problems in many aspects of the Company, from smooth internal operations and resource management, to customer and regulatory relations.</p> |

2.6.8 PROTECTION OF PERSONAL DATA

Space Hellas sets as its main priority the Protection of Personal Data. To ensure the security and integrity of data, as well as the trust of its customers, the Company has developed and implements strict measures within an integrated Information Security framework that covers the entire scope of its activity. The services of Space Hellas are distinguished by great complexity and sensitivity, especially to online attacks from the external environment which can endanger the large volumes of data managed by the Company. The company's state-of-the-art "Security Operations Center" undertakes the identification and prevention of internal weaknesses and risks in order to detect potential incidents and deal with them in a timely manner. Structured with a "hub" architecture, it combines a multitude of differentiated systems into an integrated digital ecosystem in order to achieve the maximum degree of security and the minimum response time to potential threats.

The Security Operations Center operates continuously by collecting and analyzing data from Space Hellas' internal systems, performing checks for unusual phenomena both by applying predefined rules in "System information Event Management" ("SIEM") software, and manually by "Threat Hunters". ("Threat Hunters"). At the same time, with the aim of the best possible management and protection of all data, Space Hellas has developed and implements a specialized Information Security Management System, while also following a specific Information Technology Service Management System (IT Service Management System). The Systems in question are based on international best practices and have received ISO 20000-1:2018 and ISO 27001:2013 certification, respectively, from the International Organization for Standardization ("ISO"). The general data management as well as all related procedures and obligations are monitored by the Company's Personal Data Protection Officer ("DPO"/"DPO"). The role of the DPO is determined by the applicable legislation as well as by the Company's Internal Operating Regulations.

During 2022, Space Hellas proceeded with additional actions in the field of personal data protection, developing a Privacy Information Management System which was certified by the International Organization for Standardization according to the ISO/IEC 27701:2018 standard. This certification officially confirms the Company's alignment with the GDPR and other relevant legislation on the protection of personal data and privacy.

2.6.9 ISSUES OF CONFLICT OF INTEREST, COMPETITION AND CORRUPTION

The Company has developed and implements a specialized procedure to prevent and deal with potential conflict of interest situations. Additional procedures are applied especially for the persons exercising managerial duties for the disclosure of holdings they hold as well as their transactions and those closely related to them. The above procedures are included in the Internal Operating Regulations together with the procedures for the disclosure of transactions to the Company's shareholders and other related procedures. At the same time, the Code of

Ethics of Space Hellas describes the Company's expectations for the behavior of employees in relevant incidents. When developing new political regulations and procedures, the Company, through the Directorate of Legal Services and Regulatory Compliance, ensures that the legislative provisions are met as a minimum and that international best practices are taken into account, as well as the recommendations of international organizations, such as the .OECD and the UN Global pact. Space Hellas demonstrates zero tolerance for incidents of corruption, bribery as well as practices against the rules of healthy competition and the provisions of current legislation. In any case, the Department of Legal Services and Regulatory Compliance is vigilant in dealing with incidents of doubt and is constantly accessible to all the staff of the Company concerned to inform and support them in dealing with such matters.

2.7 RISK MANAGEMENT AND COMPENSATION POLICIES

The Group and the Company, in the context of normal business activities, are exposed to a series of financial and business risks and uncertainties, linked both to the general economic situation and to the more specific conditions emerging in the sector.

The constant targeting of the Company and the Group to improve specialized know-how, the continuous investment in well-qualified human resources and the constantly improved infrastructures combined with the development of new products help the Group to be competitive and approach new markets, limiting risks. In addition, the significant amount of uncompleted projects, the commitment to adapting the group's structures to the new business environment and the continuous evaluation of business opportunities with a view to creating goodwill, give us the right to believe that we will meet the needs of the critical year ahead.

Common risks to which the Group is exposed are the following:

□ Financial risk factors

The Group is exposed to various financial risks such as, unpredictable fluctuations in exchange rates and interest rates, market risks, credit risks and liquidity risks. The Group's overall risk management program aims to minimize the potential adverse effects of these fluctuations on the Group's financial performance.

The risk management policy is implemented by the Group's management, which assesses the risks related to its activities and operations and proceeds with planning the methodology by selecting the appropriate financial products to reduce the risk.

The financial products used by the Group mainly consist of bank deposits, transactions in foreign currency at current prices or futures contracts, credit guarantees, bank overdrafts, accounts receivable and payable.

▫ **Exchange rate risk**

The Group's exposure to currency risks comes mainly from existing or expected cash flows in foreign currency (imports - exports). The management of the Group constantly monitors the fluctuations and the trend of foreign currencies and evaluates each case separately, taking the necessary measures where necessary, through agreements to cover exchange risks. The situation shaped today both by the war in Ukraine and the energy crisis and by the increasing trend of interest rates worldwide inevitably also affect exchange rates.

The management of exchange risk requires complex policies that link exchange risk coverage tools (currency options) with the Group's commercial and cost strategy. The rapid changes oblige us to closely monitor offers and contracts that include currency risks, to reform them where possible and to cover the currency risk using futures contracts.

The main trading currencies in the Group are the Euro and the US dollar.

Below is a table of sensitivity analysis of earnings before taxes to currency changes:

| Currency | 30.06.2023 | | 30.06.2022 | |
|----------|------------------------------------|---------------------------|------------------------------------|---------------------------|
| USD | Currency exchange rates volatility | Effect on pretax earnings | Currency exchange rates volatility | Effect on pretax earnings |
| | 10% | -650 | 12% | -750 |
| | -10% | 650 | -12% | 750 |

▫ **Price Risk**

The Group does not own any negotiable securities and therefore is not exposed to the risk of changes in the stock market prices of securities.

The Group is mainly exposed to changes in the value of the goods it supplies and therefore its inventory policy and commercial policy are adjusted accordingly. To deal with the risk of the obsolescence of its stocks, the Group implements rational management and administration of them, related to the projects and sales they are a concern. The nature of the market in which we operate (medium and large markets) allows us to manage stocks by project and type of sale.

However, the situation we have been experiencing lately has affected the supply chain and has led to the management of orders being based on the delivery time of the goods and not on the minimization of the holding time in the warehouses, considering the completion of the projects in the contractual times. For the same reason, the Group invests significantly in the field of Project Management by empowering the teams with specialized human resources and also by using modern project management tools in order to smooth out the problems that arise as much as possible. The careful management of projects in terms of continuous control of costs and schedules is imperative.

▫ **Interest Rate Risk**

The Group's policy is to constantly monitor interest rate trends as well as the duration of financing needs. Therefore, decisions on the duration as well as the relationship between fixed and variable costs of new loans are made individually for each case and at each point in time. Therefore, most loans have been concluded with variable interest rates.

The period we are going through is characterized by a continuous increase in interest rates, a fact that inevitably affects both the financial cost of project management and the cost of investments. As the majority of loans have been contracted with floating interest rates, the group intervenes using interest rate risk management tools (interest rate swaps) for part of the loans contracted. An important factor taken into account is the Euribor interest rate curve which predicts that at the end of the year the Euribor will fluctuate in the region of 4%, compared to the end of 2022 which was at the level of 2%. This increase has already been reflected in the six months and will continue until the end of the year.

Sensitivity Analysis of the Group's Loans to Interest Rate Changes:

| Currency | 30.06.2023 | | 30.06.2022 | |
|----------|--------------------------|---------------------------|--------------------------|---------------------------|
| | Interest rate volatility | Effect in pre tax profits | Interest rate volatility | Effect in pre tax profits |
| euro | 200 | -1.400 | 200 | -820 |
| | -200 | 1.400 | -200 | 820 |

▫ **Credit Risk**

Credit risk arises from cash and cash equivalents, bank deposits, derivative financial instruments, and credit risk exposures from customers.

Trade receivables come mainly from large organizations in the private and public sectors. The financial position of the customers is closely monitored and redefined according to the new conditions. The Group evaluates the creditworthiness of each customer, either through an independent rating body or internally considering its financial position, previous transactions, and other parameters, monitoring the amount of credit provided. Customer credit limits are set based on internal or external ratings in accordance with limits set by the Management.

The current situation of both the energy crisis fueling inflationary pressures and rising production costs, as well as the war in Ukraine, demand extra vigilance. The structure of the Group's clientele consisting of medium-sized and large private sector clients, as well as large public sector clients involved in the digitization of the country, reduces the above risk.

For special credit risks, provisions are made for losses taking into account the data that arise on a case-by-case basis. The rescheduling of collections is a matter to be managed but is not linked to the creditworthiness of our debtors.

To minimize the credit risk on cash and cash equivalents, the Group under policies approved by the Board of Directors sets limits on the amount to be exposed. Also, regarding money market instruments, the Group only does business with recognized financial rating institutions.

▫ **Liquidity Risk**

Liquidity risk is addressed both by the steady flow of receipts and by securing sufficient cash from bank financing (focusing on on-the-project basis funding), which is based on the excellent relationship the company has with the largest credit institutions in the country and provides sufficient credit lines to finance our business plans.

Medium-term strategic plans are financed by long-term funds with particular attention to the costs that follow (reference is made to the interest rate risk section).

In addition, excellent relationships with our suppliers, which are based on long-lasting, reliable, and stable relationships, provide us with significant help in trying to smooth cash flow.

The table below summarizes the maturity profile of financial liabilities for 30.06.2023 and 31.12.2022 respectively.

| Amounts in € thousand | Group | | | | | | | |
|-----------------------------|---------------|---------------|--------------------|------------|---------------------|------------|-------------------|------------|
| | Total | | Less than 1 | | 1 to 5 years | | >5years | |
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Borrowings | 92.773 | 70.602 | 49.885 | 22.683 | 36.488 | 41.419 | 6.400 | 6.500 |
| Leases | 3.181 | 2.851 | 1.103 | 1.253 | 2.078 | 1.598 | - | 0 |
| Trade and Other liabilities | 48.130 | 66.420 | 48.130 | 66.420 | - | - | 0 | 0 |

| Amounts in € thousand | Company | | | | | | | |
|-----------------------------|----------------|---------------|------------------------|------------|---------------------|------------|-------------------|------------|
| | Total | | Less than 1Year | | 1 to 5 years | | >5years | |
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Borrowings | 85.462 | 66.523 | 46.491 | 20.263 | 35.131 | 39.760 | 3.840 | 6.500 |
| Leases | 2.355 | 1.835 | 670 | 661 | 1.685 | 1.174 | - | 0 |
| Trade and Other liabilities | 38.814 | 57.966 | 38.814 | 57.966 | - | 0 | 0 | 0 |

▣ **Capital Management**

The primary objective of the Group's capital management is to ensure that it maintains a strong investment grade credit rating and healthy capital ratios to support its operations and expand the Group's activities.

The leverage ratio is calculated by dividing net borrowing by total capital employed

| | Group | | Company | |
|--|----------------|----------------|---------------|----------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in € thousand | | | | |
| Short term Borrowings | 49.885 | 22.683 | 46.491 | 20.263 |
| Long term Borrowings | 42.888 | 47.919 | 8.971 | 46.260 |
| Less: cash and cash equivalents | <u>-9.022</u> | <u>-29.185</u> | <u>-5.257</u> | <u>-27.329</u> |
| Net Debt | 83.751 | 41.417 | 50.205 | 39.194 |
| Equity | <u>32.764</u> | <u>30.632</u> | <u>24.938</u> | <u>23.315</u> |
| Total capital employed | 116.515 | 72.049 | 75.143 | 62.509 |
| Gearing ratio | 71.88% | 57.48% | 66.81% | 62.70% |

The participation of the company and the Group in the important digitization projects carried out in the last three years in the country are a main strategic objective as they are expected to create an important source of service contracts in the medium- to long-term.

The financing of the aforementioned projects, which exceeds the horizon of one financial year combined with the continuous increase in turnover, affects, through the increase in net debt, the leverage ratio. The simultaneous implementation of the medium-long-term investment plan works in the same direction

▣ **Risk regarding geopolitics and the energy crisis**

The indicator of the economic climate both globally and at the European level shows signs of recession, as the geopolitical crisis in Ukraine continues, which triggered an unprecedented energy crisis that simultaneously strengthened the already existing inflationary pressures, the economies of Europe have slowed down significantly and it is expected to record the lowest growth rate of the last decade with the exception of 2020, the first year of the pandemic.

The beginning of 2022 was marked by Russia's invasion of Ukraine, which marked the beginning of a war that is still ongoing. At a time when Europe, as well as the whole world, was recovering from the shock of the pandemic, before it could return to a "normality", it was faced with a new, unprecedented condition which strengthens economic and social instability. The economic effects of the conflict have been felt mainly through rising energy and food prices, deteriorating confidence, turmoil in financial markets, and further disruptions in supply chains. Despite the positive impact from EU funding and the Recovery Fund, the outlook for this year faces growing headwinds.

Inflation continued to be an important factor with energy, transport and food prices being the main drivers of the upward trend. To mitigate the negative impact of higher energy costs on households and businesses, the European Council called on Member States and the Commission to continue to make the best use of the energy price toolbox and the temporary State aid framework for the crisis. The Greek government has already extended further subsidies to protect the most vulnerable and announced additional relief measures.

Investments, on the other hand, will continue to support the recovery. With NGEU funds to be spent in 2021-26 at around €31 billion (€17.8 billion in grants and €12.7 billion in loans), investment is expected to remain resilient.

The geopolitical and economic developments due to the war are expected to be a key factor shaping the conditions in the Greek and global economy in the next period. On an economic level, the initial impacts on energy costs have extended to the supply of certain consumer products and raw materials.

The Group has zero exposure to the markets of Ukraine and Russia as they are not part of its supply chain nor do they contribute to turnover, so no negative effects are expected due to the economic sanctions of the EU and the countermeasures of the Russian Federation against member countries of the EU.

The group, realizing the above challenges in time and taking appropriate and targeted measures, especially regarding energy costs and security of supply, manages not only to remain unscathed but also to record historically high performances.

▣ **Risk factors related to Project Planning and Execution**

SPACE HELLAS, through its business activities, is exposed to potential risk factors related to the undertaking and completion of project execution, such as cost and schedule overruns, incomplete understanding of the complexity of key factors necessary for the successful completion of the project, the non-thorough evaluation of the contractual terms and conditions of the project, the lack of monitoring of the progress of the project, as well as the ineffective management of non-compliance with contractual commitments by third parties (withdrawal from the project).

Proper execution and delivery of projects is a key priority for SPACE HELLAS, which is achieved through a structured project planning and monitoring process as well as long-term, strong business relationships with key stakeholders. The project management department is staffed with well-qualified human resources. Planning, monitoring and reporting on the progress of projects is achieved through established project management procedures, at regular intervals, which are reviewed and updated whenever deemed necessary.

SPACE HELLAS clearly defines the roles, responsibilities, milestones and corresponding tasks before they start, ensuring the optimal composition of the teams that will execute the project and the timely planning of the activities. The stages of preliminary control and planning of each project include risk identification and assessment actions. In addition, SPACE HELLAS carries out thorough evaluations of its suppliers, subcontractors and external partners before entering into any business agreement and throughout the execution of the projects. In addition, the project teams, in full collaboration with the project management department, carry out a review of what has been done at the end of each project in order to obtain an overview of the overall execution and their results, with the aim of drawing conclusions that will improve the performance in future projects.

▣ **Risk factors related to Human Resources**

Human Resources Risk involves the potential difficulty in attracting, hiring and retaining human resources or the potential inability to create a positive work environment due to a lack of effective communication with employees or ensuring the continuation of critical operations due to an inadequate succession plan.

SPACE HELLAS Group considers its people a necessary element for its smooth operation and its priority is to attract, hire and retain specialized personnel. This is achieved by ensuring a desirable working environment and an effective industrial relations framework that enables the development of its employees.

Defined human resources policies and procedures, identification of critical positions within the organization and development of the corresponding succession plans, recruitment practices that ensure the selection of suitable and competent executives with merit and equal treatment, the continuous training and development of employees aimed at empowering personal and technical skills and abilities, providing incentives, both at the level of remuneration and benefits as well as at the level of development and growth opportunities, with the aim of increasing the commitment and retention of employees as well as the integration into its daily operation of the principles of diversity, equality and equal opportunities, are factors that help in this direction.

▣ **Risk from effects of climate change**

Climate change has made the occurrence of unpredictable situations more frequent with unpredictable consequences. Due to their nature, such phenomena affect those parts of the

economy that on the one hand are related to weather phenomena, such as the primary sector, but also to the direct effects of floods and fires that could affect tourism businesses. The Group and the Company currently have zero exposure to both the primary sector and tourism businesses.

▫ **Risk regarding the spread of COVID-19**

The health crisis of COVID19 had led the global economy into a period of uncertainty and instability. The uncertainty that has prevailed worldwide for two years since the outbreak of the pandemic has subsided and trading activity has returned to normal to a large extent. The Space Hellas Group, in the context of its obligation to publicize information (market disclosure), estimates that at this stage there is no significant impact on its fundamentals as well as on its financial situation.

2.8 SIGNIFICANT RELATED PARTY TRANSACTIONS

Each affiliated company follows the rules regarding transparency, independent financial management, accuracy and correctness of its transactions, as defined by law. Transactions between the Company and its affiliated companies are carried out at a price or consideration, which is comparable to that which would be carried out if the transaction was carried out with any other third party, natural or legal person, with the conditions prevailing in the market at the time of the transaction.

The following transactions concern transactions with related parties, as defined by IAS 24, cumulatively from the beginning of the financial year until its end, as well as the balances of the receivables and liabilities of the company and the group at the end of the current year, which have arisen from the specific transactions of the related parties.

The commercial transactions of the Group and the Company with its affiliated persons during the year have been carried out under the usual market conditions.

The Group and the Company are not involved in any transaction of an unusual nature or content which is material to the Group, or the Companies and persons closely related to it and does not intend to engage in such transactions in the future. None of the transactions contain special terms and conditions.

The tables below show the main intercompany transactions between the Company, its subsidiaries, related and other companies and the members of the Management both during the period under review and during the previous period.

| Amounts in € thousand | Revenue from dividends | | Sales | | Income from investment property | | Total income-Parent company | | Total income-Group | |
|------------------------------------|------------------------|------------|------------|------------|---------------------------------|-----------|-----------------------------|------------|--------------------|-----------|
| | 30.06 | | 30.06 | | 30.06 | | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 568 | 363 | - | - | - | - | 568 | 363 | - | - |
| SPACE HELLAS (MALTA) LTD | - | - | - | - | - | - | 0 | 0 | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | - | - | - | - | - | - | 0 | 0 | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | - | - | - | - | - | - | 0 | 0 | - | - |
| Sense One Single member S.A. | - | - | 19 | 2 | - | - | 19 | 2 | - | - |
| SingularLogic S.A. | - | - | 456 | 459 | 67 | 26 | 523 | 485 | - | - |
| Total Subsidiaries | 568 | 363 | 475 | 461 | 67 | 26 | 1110 | 850 | 0 | 0 |
| Web-IQ B.V. | - | - | 43 | 37 | - | - | 43 | 37 | 43 | 37 |
| AgroApps P.C. | - | - | - | - | - | - | 0 | 0 | 0 | 0 |
| Epsilon Singularlogic | - | - | 4 | 3 | - | - | 4 | 3 | 4 | 3 |
| Total Associates | 0 | 0 | 47 | 40 | 0 | 0 | 47 | 40 | 47 | 40 |
| MOBICS S.A. | - | - | - | - | - | - | 0 | 0 | 0 | 0 |
| Total other related parties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 568 | 363 | 522 | 501 | 67 | 26 | 1.157 | 890 | 47 | 40 |

| Amounts in € thousand | Total Company expenses | | Total Group expenses | |
|------------------------------------|------------------------|------------|----------------------|----------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 24 | 17 | - | - |
| SPACE HELLAS (MALTA) LTD | 5 | - | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | 20 | 14 | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | 254 | 140 | - | - |
| SINGULARLOGIC S.A. | 8 | - | - | - |
| Total Subsidiaries | 311 | 171 | 0 | 0 |
| Web-IQ B.V. | 0 | 0 | 0 | 0 |
| AgroApps P.C. | - | - | - | - |
| Epsilon SingularLogic S.A. | 298 | - | 298 | - |
| Total Associates | 298 | 0 | 298 | 0 |
| MOBICS S.A. | - | - | - | - |
| Total other related parties | 0 | 0 | 0 | 0 |
| | 609 | 171 | 298 | 0 |

| Amounts in € thousand | Total Receivables - Company | | Total Receivables - Group | |
|------------------------------------|------------------------------------|--------------|----------------------------------|-------------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 568 | 782 | - | - |
| SPACE HELLAS (MALTA) LTD | - | - | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | - | - | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | - | - | - | - |
| SingularLogic S.A. | 315 | 1.876 | - | - |
| Sense One Single Member S.A. | 386 | 67 | - | - |
| Total Subsidiaries | 1.269 | 2.725 | 0 | 0 |
| Web-IQ B.V. | 9 | 6 | 9 | 6 |
| AgroApps P.C. | - | - | - | - |
| Epsilon SingularLogic S.A. | 5 | 4 | 5 | 4 |
| Total Associates | 14 | 10 | 14 | 10 |
| MOBICS S.A. | - | - | - | - |
| Total other related parties | 0 | 0 | 0 | 0 |
| | 1.283 | 2.735 | 14 | 10 |

| Amounts in € thousand | Total Liabilities - Company | | Total Liabilities - Group | |
|------------------------------------|------------------------------------|-------------|----------------------------------|-------------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 69 | 28 | - | - |
| SPACE HELLAS (MALTA) LTD | 10 | - | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | 67 | 28 | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | 52 | 48 | - | - |
| SingularLogic S.A. | 10 | - | - | - |
| Total Subsidiaries | 208 | 104 | 0 | 0 |
| Web-IQ B.V. | 32 | 0 | 32 | 0 |
| AgroApps P.C. | - | - | - | - |
| Epsilon SingularLogic S.A. | 370 | - | 370 | - |
| Total Associates | 402 | 0 | 402 | 0 |
| MOBICS S.A. | - | - | - | - |
| Total other related parties | 0 | 0 | 0 | 0 |
| | 610 | 104 | 402 | 0 |

- Both the services from and towards the related parties as well as the sales and purchase of goods are contracted with the same trade terms and conditions as for the non-related parties.
- From the above table, the transactions between the Company and related parties have been eliminated from the consolidated financial statements.

Table of Key management compensation:

| Amounts in € thousand | Group | | Company | |
|--|--------------|-------------|----------------|-------------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| Salaries and other employee benefits | 756 | 692 | 666 | 600 |
| Receivables from executives and members of the Board | 0 | 3 | 0 | 3 |
| Payables to executives and member of the Board | 17 | 16 | 17 | 16 |

- No loans have been given to members of the Board or other executive members nor to their family members.

Tables of Guarantees to third parties:

| Amounts in € thousand | Group | | Company | |
|--|------------|------------|------------|------------|
| | 30.06.2023 | 30.06.2022 | 30.06.2023 | 30.06.2022 |
| Guarantees to third parties on behalf of subsidiaries and joint ventures | 22.755 | 12.055 | 22.755 | 12.055 |
| Used guarantees to third parties on behalf of subsidiaries | 10.937 | 4.761 | 10.937 | 4.761 |
| Letters of guarantee for advance payment, good execution and counter-guarantee | 0 | 14 | 0 | 14 |

- The company had guaranteed against banks, for its subsidiary SINGULARLOGIC A.E, a total amount of €22.755 thousand, out of the approved guaranteed financing limits, the amount used amounts to €10.937 thousand.

2.9 ALTERNATIVE PERFORMANCE MEASURES

The European Securities and Markets Authority (ESMA / 2015 / 1415el) published the final guidelines on Alternative Performance Measures (APMs) applicable from 3 July 2016 to securities companies traded on organized exchanges. APMs are disclosed by publishers when publishing regulated information and are intended to enhance transparency and promote the usefulness and fair and full information for the investing public.

The Alternative Performance Measurement Score (EMMA) is an adjusted economic measurement of historical or future economic performance, financial position, or cash flow, other than the economic measurement set out in the applicable financial reporting framework. APM does not rely exclusively on the standards of financial statements but provides substantial additional information, excluding elements that may differ from operating results or cash flows.

EMMA should always be considered in conjunction with the financial results prepared under IFRSs and should under no circumstances be considered as replacing them. The Group uses the Custom Indicators (EMMA) to better reflect the financial and operating performance related to the Group's activity as such in the reference year as well as the corresponding previous comparable period.

Adjusting elements

Figures influencing the adjustment of the indices used by the Group to extract the ALPs according to the first half of financial statements 30th 2023 and the corresponding financial statements of the prior period are the provisions for trade receivables impairment.

The elements affecting the adjustment of the indicators (ALPs) on 30.06.2023 and 30.06.2022 are shown in the table below:

| Amounts in € thousand | Group | |
|--------------------------------|------------|------------|
| | 30.06.2023 | 30.06.2022 |
| Comprehensive Income Statement | | |
| Provisions for impairment | -98 | 0 |
| Total | -98 | 0 |

Based on the above adjustments, the EMMA's used by the Group are formed as follows:

Adjusted EBITDA

Adjusted EBITDA for the current period shows a small decrease of 1,06% compared to EBITDA, while compared to the previous period adjusted EBITDA is increased by 123,35%.

Adjusted EBIT

Adjusted EBIT for the current period shows a small decrease of 1,52% over EBIT, while compared to the previous period there is a growth of 149.92%.

Adjusted Cash Flows After Investments

The Adjusted Cash Flows after investments for the current compared to those of the previous period are unchanged while compared to the previous period, results to be increased by 62,41% due to the increase of investing activities of the Group.

Adjusted Net Borrowing

Both in the current and the previous period, the adjusted Net borrowing is almost equal to the net borrowing.

Regarding the definition and basis of the calculation of EDMA, a more detailed analysis is contained in note 4.7 of this financial report.

2.10 GOING CONCERNED

The management of the Group considers that the Company and the Group have sufficient resources that ensure the smooth continuation of their operation as a Going Concern in the foreseeable future.

2.11 SIGNIFICANT POST-BALANCE SHEET EVENTS

- SPACE HELLAS A.E. sold its minority stake (39.973%) in the company "Epsilon SingularLogic S.A." with the buyer company "EPSILON NET A.E." with the price amounting to 11.8 million euros, while at the same time it purchased a 39.933% stake in the company "SingularLogic S.A. (hereinafter "SINGULARLOGIC") from the company "EPSILON NET A.E." with the price amounting to 6.3 million euros. To determine the purchase price of the shares of SINGULARLOGIC S.A. and the sale price of the shares of Epsilon SingularLogic S.A., both the Equity of each company and the Reports of Independent Sworn Auditors were taken into account, from which it follows that the prices of sale & acquisition correspond to the fair value of the companies SINGULARLOGIC S.A. and Epsilon SingularLogic S.A. These two simultaneous moves make SPACE HELLAS the owner of 99.933% of "SINGULARLOGIC" and "EPSILON NET A.E." shareholder with a percentage of 99.973% in the company "Epsilon SingularLogic SA", capitalizing on both sides the values that were created through the joint creative process of the two companies that started with the acquisition of 50%-50% of "SINGULARLOGIC" on 11/01 /2021. The successful joint effort will continue to exist in the common commercial and technological fields of cooperation that have been created and in the joint process of finding new products and solutions as originally planned by the administrations of the two groups. According to the original plan, SINGULARLOGIC, as a member of the SPACE HELLAS group, focused on the field of large projects and clients, both private and public, and focused on the reorganization of the company, on capital reinforcement, on the strengthening of human resources, but also on all infrastructure of the company. The R&D and application development department was strengthened and the renewal of the software and applications supported by the company began vigorously. At the same time, he created structures and processes capable of providing 24-hour support with strict Service Level Agreements to the company's entire clientele. SINGULARLOGIC focused on creating new products and partnerships with international software houses and other Greek companies. Also, the company's commercial penetration in the market was significantly strengthened with the successful undertaking of projects that increased the outstanding amount by exploiting the synergies with the other companies of the group. Finally, within 2023, the company undertook and successfully executed

two consecutive election contests and is preparing for the next ones. SPACE HELLAS with the acquisition of 99.933% in its subsidiary SINGULARLOGIC, focuses on strengthening the group's leadership position in Digital Integration by leveraging the cooperation and tools from the largest software manufacturers worldwide such as SAP, Microsoft, ServiceNow etc. as well as self-produced SINGULARLOGIC software. With a comparative advantage of significant expertise in the integration and support of systems and applications and the integration of different technologies and services, SINGULARLOGIC focuses on medium and large private sector clients as well as targeted public sector projects with a multitude of systems and services.

- On July 5, 2023, the company SINGULARLOGIC A.E. fully repaid the interest-bearing loan granted to it by SPACE HELLAS based on the contract signed on December 14, 2022 and announced to the investing public with the 12-14-2022 decision of its Board of Directors to the provision of a special permit, in accordance with articles 99 et seq. of Law 4548/2018, for the granting of an interest-bearing loan to SINGULARLOGIC A.E. in the form of a preventive financing line for a capital amount of up to €1,500,000.00 with repayment of the entire amount to expiry.

Agia Paraskevi, 27 September 2023

The Chairman of the Board

S. MANOLOPOULOS

The Board of Directors

3 INDEPENDENT AUDITOR'S REPORT

PKF Euroauditing S.A.
Certified Public Accountants



Audit Tax &
Business advisory

To the Shareholders of SPACE HELLAS S.A

Report on the Review of the interim Consolidated Financial Statements

Introduction

We have reviewed the accompanying separate and consolidated statement of financial position of "SPACE HELLAS S.A." as of 30 June 2023 and the related separate 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 comprising the interim condensed financial information, which is an integral part of the six-month financial report of article 5 L. 3556/2007

Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed 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 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 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 the 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 did not identify any inconsistency or non-correspondence of the other information contained in the six-month financial report prepared in accordance with articles 5 and 5a of Law 3556/2007, in relation to the accompanying condensed separate and consolidated financial information.



PKF EUROAUDITING S.A.
Certified Public Accountants

Athens, 28 September 2023
Certified Public Accountant

124 Kifisias Avenue, 115 26 Athens
S.O.E.L. Reg. No. 132

DIMOS N. PITELIS
S.O.E.L. Reg. No 14481

4 FINANCIAL STATEMENTS FOR THE PERIOD FROM 1st JANUARY TO 30th JUNE 2023

4.1 TOTAL COMPREHENSIVE INCOME STATEMENT

4.1.1 INCOME STATEMENT

| Amounts in € thousand | NOTES | Group | | Company | |
|---|-----------------------|----------------------|----------------------|----------------------|----------------------|
| | | 01.01- 30.06.2023 | 01.01- 30.06.2022 | 01.01- 30.06.2023 | 01.01- 30.06.2022 |
| Revenue | 4.6.1 | 62.268 | 52.972 | 47.952 | 44.622 |
| Cost of sales | | -45.924 | -41.918 | -35.785 | -35.240 |
| Gross profit | | 16.344 | 11.054 | 12.167 | 9.382 |
| Other income | 4.6.2 | 3.311 | 3.131 | 2.184 | 704 |
| Administrative expenses | 4.6.3 | -5.210 | -4.575 | -3.667 | -3.026 |
| Research and development cost | 4.6.3 | -1.052 | -802 | -1.052 | -802 |
| Selling and marketing expenses | 4.6.3 | -5.429 | -5.761 | -3.763 | -3.252 |
| Other expenses | 4.6.4 | -1.526 | -471 | -1.029 | -420 |
| Earnings before taxes, investing and financial results | | 6.438 | 2.576 | 4.840 | 2.586 |
| Interest & other similar income | | 201 | 1.817 | 173 | 1.842 |
| Interest and other financial expenses | | -3.814 | -2.108 | -3.497 | -1.893 |
| in subsidiaries - associated companies | 4.6.5 | 28 | 404 | 568 | 362 |
| Profit/(loss) before taxes | | 2.853 | 2.689 | 2.084 | 2.897 |
| Less: Taxes | 4.6.6 | -773 | -687 | -455 | -624 |
| Profit after taxes (A) | | 2.080 | 2.002 | 1.629 | 2.273 |
| - Equity holders of the parent | | 1.780 | 2.160 | 1.629 | 2.273 |
| - Minority Interests in subsidiaries | | 300 | -158 | 0 | 0 |
| Earnings per share - basic (in €) | | 0,2757 | 0,3470 | 0,2523 | 0,3651 |

SUMMARY OF INCOME STATEMENT

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Profit before interest, taxes, depreciation and amortization (EBITDA) | 9.287 | 4.158 | 6.576 | 3.732 |
| Less depreciation | 2.849 | 1.582 | 1.736 | 1.146 |
| Profit before interest and taxes, (EBIT) | 6.438 | 2.576 | 4.840 | 2.586 |
| Profit before taxes | 2.853 | 2.689 | 2.084 | 2.897 |
| Profit after taxes | 2.080 | 2.002 | 1.629 | 2.273 |

4.1.2 OTHER COMPREHENSIVE INCOME STATEMENTS

| Amounts in € thousand | Notes | Group | | Company | |
|---|-------|----------------------|----------------------|----------------------|----------------------|
| | | 01.01- 30.06.2023 | 01.01- 30.06.2022 | 01.01- 30.06.2023 | 01.01- 30.06.2022 |
| Profit after taxes (A) | | 2.080 | 2.002 | 1.629 | 2.273 |
| - Company Shareholders | | 1.780 | 2.160 | 1.629 | 2.273 |
| - Minority Interests in subsidiaries | | 300 | -158 | - | - |
| Other comprehensive income after taxes | | | | | |
| Items that might be recycled subsequently | | | | | |
| Currency exchange differences from consolidation of subsidiaries | | 0 | 2 | 0 | 0 |
| Total Items that might be recycled subsequently | | 0 | 2 | 0 | 0 |
| Items that will not be recycled subsequently | | | | | |
| Revaluation of Buildings | | 0 | 1.944 | 0 | 1.944 |
| Deffered tax from revaluation of buildings | | 0 | -427 | 0 | -427 |
| Effect from change in income tax rate on revaluation deferred tax | | 0 | 0 | 0 | 0 |
| Actuarial losses due to accounting policy change (IAS19) | | -8 | -52 | -8 | -78 |
| Actuarial loss taxes | | 2 | 11 | 2 | 17 |
| Deletion of Reserves due to dissolution - liquidation of a Subsidiary | | 58 | 0 | 0 | 0 |
| Total Items that will not be recycled subsequently | | 52 | 1.476 | -6 | 1.456 |
| Other comprehensive income after taxes (B) | | 52 | 1.478 | -6 | 1.456 |
| Total comprehensive income after taxes (A) + (B) | | 2.132 | 3.480 | 1.623 | 3.729 |
| - Company Shareholders | | 1.832 | 3.631 | 1.623 | 3.729 |
| - Minority Interests in subsidiaries | | 300 | -151 | - | - |
| <u>SUMMARY OF OTHER COMPREHENSIVE INCOME STATEMENT</u> | | | | | |
| Profit after taxes | | 2.080 | 2.002 | 1.629 | 2.273 |
| Other comprehensive income after taxes | | 52 | 1.478 | -6 | 1.456 |
| Total comprehensive income after taxes | | 2.132 | 3.480 | 1.623 | 3.729 |

Note

Current year

- The net amount after taxes of -6 thousand € refers to the actuarial results (IAS 19) and the amount of €58 thousand refers to the write-off of reserves of the sub-subsidiary SPACE HELLAS SYSTEM INTEGRATOR SRL due to liquidation.

Previous year

- The amount of €1,944 thousand which was charged directly to the Equity concerns the property value adjustment, and the amount -427 the tax thereof, the net amount after taxes of -€41 thousand refers to the actuarial results (IAS 19), and the amount of €2 thousand comes from exchange differences in the conversion of values into €.

4.2 FINANCIAL POSITION STATEMENT

| Amounts in € thousand | notes | Group | | Company | |
|--|------------------------|----------------|----------------|----------------|----------------|
| | | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant & equipment | 4.6.7 | 22.668 | 21.270 | 21.494 | 20.027 |
| Rights of use | 4.6.9 | 3.016 | 2.766 | 2.254 | 1.814 |
| Goodwill | 4.6.11 | 2.621 | 2.621 | 428 | 428 |
| Intangible assets | 4.6.8 | 18.841 | 17.541 | 3.999 | 3.034 |
| Investments in subsidiaries | 4.6.13 | 0 | 0 | 6.917 | 6.917 |
| Investments in associates | 4.6.13 | 13.951 | 13.620 | 11.554 | 11.554 |
| Other long term receivables | 4.6.14 | 160 | 158 | 1.546 | 2.545 |
| Total Non-current assets | | 61.257 | 57.976 | 48.192 | 46.319 |
| Current assets | | | | | |
| Inventories | 4.6.15 | 19.706 | 17.381 | 19.138 | 16.820 |
| Trade debtors | 4.6.16 | 67.604 | 55.366 | 61.943 | 51.591 |
| Other debtors | 4.6.17 | 13.373 | 9.218 | 9.256 | 4.786 |
| Financial assets | | 13 | 13 | 13 | 13 |
| Advanced payments | 4.6.18 | 11.186 | 5.932 | 11.404 | 5.916 |
| Cash and cash equivalents | 4.6.19 | 9.022 | 29.185 | 5.257 | 27.329 |
| Total Current assets | | 120.904 | 117.095 | 107.011 | 106.455 |
| TOTAL ASSETS | | 182.161 | 175.071 | 155.203 | 152.774 |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to equity holders of the parent | | | | | |
| Share Capital | 4.6.20 | 6.973 | 6.973 | 6.973 | 6.973 |
| Share premium | 4.6.21 | 53 | 53 | 53 | 53 |
| Fair value reserves | 4.6.21 | 4.275 | 4.275 | 4.275 | 4.275 |
| Other Reserves | 4.6.21 | 1.408 | 1.350 | 1.408 | 1.408 |
| Treasury shares | | 16.155 | 14.381 | 12.229 | 10.606 |
| Retained earnings | | 28.864 | 27.032 | 24.938 | 23.315 |
| Equity attributable to equity holders of the parent | | 3.900 | 3.600 | - | - |
| Minority interests | | 32.764 | 30.632 | 24.938 | 23.315 |
| Total equity | | 36.664 | 34.232 | 24.938 | 23.315 |
| Non-current liabilities | | | | | |
| Other non-current liabilities | 4.6.22 | 42.888 | 47.919 | 38.971 | 46.260 |
| Long term loans | | 2.078 | 1.598 | 1.685 | 1.174 |
| Long term leases | 4.6.28 | 61 | 61 | 61 | 61 |
| Provisions | 4.6.25 | 948 | 866 | 406 | 360 |
| Retirement benefit obligations | 4.6.26 | 4.304 | 3.639 | 3.167 | 2.714 |
| Deferred income tax liability | | 50.279 | 54.083 | 44.290 | 50.569 |
| Total Non-current liabilities | | 99.118 | 90.356 | 85.975 | 78.890 |
| Current liabilities | | | | | |
| Trade and other payables | 4.6.27 | 44.035 | 61.063 | 35.938 | 53.351 |
| Income tax payable | | 4.095 | 5.357 | 2.876 | 4.615 |
| Short-term borrowings | | 49.885 | 22.683 | 46.491 | 20.263 |
| Short term leases | | 1.103 | 1.253 | 670 | 661 |
| Total Current liabilities | | 99.118 | 90.356 | 85.975 | 78.890 |
| Total Equity and Liabilities | | 182.161 | 175.071 | 155.203 | 152.774 |

4.3 STATEMENT OF CHANGES IN EQUITY

4.3.1 STATEMENT OF CHANGES IN COMPANY'S EQUITY

| Amounts in € thousand | Share Capital | Share premium | Fair value reserves | Treasury shares | Other Reserves | Retained earnings | Total |
|--|---------------|---------------|---------------------|-----------------|----------------|-------------------|---------------|
| Balance at 1 January 2022 | 6.973 | 53 | 2.758 | -602 | 1.241 | 8.250 | 18.673 |
| Profit for the year | 0 | 0 | 0 | 0 | 0 | 2.273 | 2.273 |
| Share capital increase/decrease | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends distributed (profits) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Income through equity | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation of property | 0 | 0 | 1.944 | 0 | 0 | 0 | 1.944 |
| Deferred tax on revaluation of property | 0 | 0 | -427 | 0 | 0 | 0 | -427 |
| Effect of tax rate change in the Deferred taxation | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Treasury shares purchased | 0 | 0 | 0 | -257 | 0 | 0 | -257 |
| Actuarial loss | 0 | 0 | 0 | 0 | 0 | -78 | -78 |
| Actuarial loss tax | 0 | 0 | 0 | 0 | 0 | 17 | 17 |
| Balance at 30 June 2022 | 6.973 | 53 | 4.275 | -859 | 1.241 | 10.462 | 22.145 |
| Balance at 1 January 2023 | 6.973 | 53 | 4.275 | 0 | 1.408 | 10.606 | 23.315 |
| Profit for the year | 0 | 0 | 0 | 0 | 0 | 1.629 | 1.629 |
| Share capital increase/decrease | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends distributed (profits) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Income through equity | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation of property | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred tax on revaluation of property | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Effect of tax rate change in the Deferred taxation | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Actuarial loss | 0 | 0 | 0 | 0 | 0 | -8 | -8 |
| Actuarial loss tax | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Balance at 30 June 2023 | 6.973 | 53 | 4.275 | 0 | 1.408 | 12.229 | 24.938 |

Note:

Current period

□ The amount after taxes -6 thousand € which was entered directly in the net position concerns an actuarial loss recognized in Other Comprehensive Income (IPL 19)..

Previews period

□ The amount of 1,944 thousand € which was charged directly to the Equity concerns the real estate value adjustment, and the amount -427 the tax thereof .

□ The amount after taxes -€61 thousand which was charged directly to the Equity concerns an actuarial loss recognized in Other Comprehensive Income (IPL 19)..

□ The amount of €257,000 concerns the purchase of 27,662 own shares

4.3.2 STATEMENT OF CHANGES IN GROUP'S EQUITY:

| Amounts in € thousand | Share Capital | Share premium | Fair value reserves | Treasury shares | Other Reserves | Accumulated profit / (loss) | Total | Non controlling interests | Total net Equity |
|---|---------------|---------------|---------------------|-----------------|----------------|-----------------------------|---------------|---------------------------|------------------|
| Balance at 1 January 2022 as previously reported | 6.973 | 53 | 2.758 | -602 | 1.179 | 10.720 | 21.081 | 3.295 | 24.376 |
| Profit for the year | 0 | 0 | 0 | 0 | 0 | 2.160 | 2.160 | -158 | 2.002 |
| Share Capital increase/ (decrease) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends distributed (profits) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation of assets tax | 0 | 0 | 1944 | 0 | 2 | 0 | 1.946 | 0 | 1.946 |
| Deffered taxation from revaluation of assets | 0 | 0 | -427 | 0 | 0 | 0 | -427 | 0 | -427 |
| Effect of tax rate change in the Deffered taxation from revaluation of assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Treasury shares (sales) / purchases | 0 | 0 | 0 | -257 | 0 | 0 | -257 | 0 | -257 |
| Non controlling interests | 0 | 0 | 0 | 0 | 1 | 0 | 1 | -1 | 0 |
| Actuarial loss | 0 | 0 | 0 | 0 | 0 | -62 | -62 | 10 | -52 |
| Actuarial loss tax | 0 | 0 | 0 | 0 | 0 | 13 | 13 | -2 | 11 |
| Balance at 30 June 2022 | 6.973 | 53 | 4.275 | -859 | 1.182 | 12.831 | 24.455 | 3.144 | 27.599 |
| Balance at 1 January 2023 as previously reported | 6.973 | 53 | 4.275 | 0 | 1.350 | 14.381 | 27.032 | 3.600 | 30.632 |
| Profit for the year | 0 | 0 | 0 | 0 | 58 | 1.780 | 1.838 | 300 | 2.138 |
| Share Capital increase/ (decrease) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends distributed (profits) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation of assets tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Deffered taxation from revaluation of assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Effect of tax rate change in the Deffered taxation from revaluation of assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Treasury shares (sales) / purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non controlling interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Actuarial loss | 0 | 0 | 0 | 0 | 0 | -8 | -8 | 0 | -8 |
| Actuarial loss tax | 0 | 0 | 0 | 0 | 0 | 2 | 2 | 0 | 2 |
| Balance at 30 June 2023 | 6.973 | 53 | 4.275 | 0 | 1.408 | 16.155 | 28.864 | 3.900 | 32.764 |

Note:

Current period

- The amount after taxes -6 thousand € which was entered directly in the net position concerns an actuarial loss recognized in Other Comprehensive Income (IAS 19).
- The amount of €58, thousand refers to the write-off of reserves of the subsidiary SPACE HELLAS SYSTEM INTEGRATOR SRL due to a wound up and liquidation.

Previews period

- The amount of € 2 thousand, which was recorded directly in equity, relates to an exchange rate difference of euro.
- The amount of €1,944 thousand which was entered directly in the net position concerns the real estate value adjustment, and the amount -427 the tax thereof.
- The net amount after taxes of €-41 thousand concerns actuarial results (IAS 19).
- The item amounting to €257,000 pertains to the purchase of 27,662 own shares.

4.4 CASH FLOW STATEMENT

Amounts in € thousand

| | Group | | Company | |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| | 01.01- 30.06.2023 | 01.01- 30.06.2022 | 01.01- 30.06.2023 | 01.01- 30.06.2022 |
| Cash flows from operating activities | | | | |
| Profit/(Loss) Before Taxes | 2.853 | 2.689 | 2.084 | 2.897 |
| Adjustments for: | | | | |
| Depreciation & amortization | 2.849 | 1.582 | 1.736 | 1.146 |
| Impairment of assets | 0 | 0 | 0 | 0 |
| Provisions | -25 | 115 | 51 | 84 |
| Foreign exchange differences | 558 | -38 | 553 | -40 |
| Net (profit)/Loss from investing activities | -311 | -412 | -571 | -372 |
| Interest and other financial expenses | 3.813 | 2.108 | 3.496 | 1.893 |
| Plus or minus for Working Capital changes: | | | | |
| Decrease/(increase) in Inventories | -2.325 | -4.736 | -2.318 | -4.749 |
| Decrease/(increase) in Receivables | -20.222 | -6.442 | -20.283 | -10.449 |
| (Decrease)/increase in Payables (excluding banks) | -19.722 | -16.766 | -17.523 | -11.879 |
| Less: | | | | |
| Interest and other financial expenses paid | -3.464 | -1.797 | -3.272 | -1.673 |
| Taxes paid | -11 | 314 | 0 | 0 |
| Total cash inflow/(outflow) from operating activities (a) | -36.007 | -23.383 | -36.047 | -23.142 |
| Cash flow from Investing Activities | | | | |
| Acquisition of subsidiaries, associated companies, joint ventures and other investments | 0 | -17 | 0 | -17 |
| Purchase of tangible and intangible assets | -5.734 | -2.322 | -4.612 | -1.209 |
| Proceeds from sale of tangible and intangible assets | 10 | 14 | 7 | 14 |
| Interest received | 79 | 2 | 0 | 0 |
| Dividends received | 0 | 0 | 0 | 713 |
| Total cash inflow/(outflow) from investing activities (b) | -5.645 | -2.323 | -4.605 | -499 |
| Cash flow from Financing Activities | | | | |
| Proceeds from Borrowings | 32.459 | 21.794 | 28.289 | 20.994 |
| Payments of Borrowings | -10.287 | -4.781 | -9.350 | -4.488 |
| Proceeds from leases | -683 | -579 | -359 | -320 |
| Purchase of Treasury shares | 0 | -257 | 0 | -257 |
| Dividends paid | 0 | 0 | 0 | 0 |
| Total cash inflow/(outflow) from financing activities (c) | 21.489 | 16.177 | 18.580 | 15.929 |
| Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c) | -20.163 | -9.529 | -22.072 | -7.712 |
| Cash and cash equivalents at beginning of period | 29.185 | 23.265 | 27.329 | 19.413 |
| Cash and cash equivalents at end of period | 9.022 | 13.736 | 5.257 | 11.701 |

4.5 NOTES ON SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

4.5.1 INFORMATION ON SPACE HELLAS S.A

4.5.1.1 General Information

The company operating under the corporate name "SPACE HELLAS S.A", by virtue of the revised Deed of Association (revision date 08.07.2007) and approved by the Ministry of Development (decision K2-10518), was founded in 1985, (Deed of Association, upon power of attorney n.86369/15.07.1985, approved by the Prefecture of Attiki, EM 4728/1.8.85, and published in the Official Gazzete of Greece, ΦΕΚ 2929/8.8.85 ΤΑΕ & ΕΠΕ) as amended by the 8-7-2007 Decision with no. K2-10518 of the Ministry of Development. The company's duration has been set to 100 years, its legal address is Mesogion Ave 312, Agia Paraskevi, Attica, Greece. On 30.06.2008, the descision of the General Meeting, approved by the Ministerial Decision K2 9624/1-9-2008 (registerd in the Societers Anonymes Register at 01.09.2008) and published in the Official Gazette of Greece (ΦΕΚ 10148/3.9.2008 ΤΑΕ & ΕΠΕ), has extended the company's up to 23.7.2049.

The company's S.A. Business Register Number (GE.M.I) is 375501000 and the Tax Identification-VAT Number is 094149709. The company's shares are ordinary registerd shares and have been listed in ASE since 29.09.2000. Its headquarters are in the municipality of Agia Paraskevi, Attica, 312 Messogion Ave.The URL address is <http://www.space.gr>.

4.5.1.2 Operating Activities

For more than 38 years, Space Hellas has consistently confirmed its leading role in the ICT market (Information and Communication Technologies), whether in the design, installation and configuration of complex Informatics and Security infrastructures or in the implementation and completion of demanding System Integration projects.

Space Hellas is a leading System Integrator and Value Added Solutions Provider in the field of Telecommunications, Information Technology and Security. It offers complete technological solutions, certified according to the quality assurance standard ISO 9001: 2015 and information security ISO / IEC 27001: 2013, which ensures that its processes include all the necessary controls on issues of confidentiality, integrity and availability of information so that data and resources involved in any commercial activity are protected.

As an innovative company, it pioneers new technology trends such as Cloud Based Services, Internet Of Things, Smart Cities, Big Data, Blockchain, AI, etc. The wide range of solutions and services available covers all types of needs in ICT and security technologies such as data communications, IT and IT infrastructure, telecommunications, unified communications, information security and physical security, audiovisual systems, etc. Also, remote access services (managed services) are provided, as well as consulting, training and transfer of know-how, project management, information security management system development services, personal data protection program development services in order to adapt to the requirements of GDPR and DPO Services.

Space Hellas, offers unparalleled quality of technical support services to its customers according to the IT service management standard ISO 20000: 2018 and through the award-winning state-of-the-art Network and Business Support Center, which operates according to the ITILv3 standard serves the largest companies, financial institutions and public organizations on a 24-hour basis, offering the ability to repair damage within 2 hours for customers who have strict SLAs. Through this, all technical support services are coordinated at national level and abroad.

Its clientele includes the largest banks and private companies, industries, store chains, telecommunications service providers, ministries and government agencies, as well as the Armed Forces.

The superiority of Space Hellas is recognized by its customers who trust it in the course of its many years of presence, the company has entered into strategic partnerships with the most important international high-tech providers, which allows it to successfully carry out large and complex projects for companies of high prestige and organizations in Greece, but also abroad.

Space Hellas' commitment to research and development offers a significant lead in ICT markets (IT and Communication Technologies), and security that revolve around innovation and knowledge activities. The company's ongoing investments, as well as its participation in National and International research and innovative programs in close cooperation with internationally recognized organizations, enable it to identify excellent opportunities for innovation, explore and develop new technologies and implement the acquired knowledge in the direction of meeting the future and ever-changing requirements of its customers.

4.5.1.3 Composition of the Board of Directors

The Board of Directors (BoD) of the Company consists of 9 members, with different skills and characteristics. His responsibilities concern the supervision and management of the Company's governance issues and affect both its daily operation and its long-term development.

On 10-14-2022 with Registration Code number 3110971, the 10-10-2022 decision of the minutes of the Board of Directors of the company and its validation in accordance with the decision of the 37th regular general meeting of the company's shareholders on 12-06-2023, the Board of Directors is as follows:

- ❑ Spyridon D. Manolopoulos, Chairman of the Board, executive member
- ❑ Hadjistamatiou N. Theodoros, Vice president non-executive member.
- ❑ Panagiotis C. Mpellos, Vice President executive member.
- ❑ Ioannis A. Mertzanis Chief Executive Officer, executive member.
- ❑ Ioannis A. Doulaveris, executive member
- ❑ Paparizou K. Anastasia, executive member.
- ❑ Anna S. Kaliani, Independent non-executive member
- ❑ Hatiras I. Emmanuel, independent non-executive member
- ❑ Irinaios G. Theodorou independent non-executive member

The operation of the Board of Directors is supported by the Board Committees which have certain areas of responsibility, as well as by internal units which, in cooperation with the Committees, monitor and ensure the orderly and efficient activity of Space Hellas. Specifically, the Company has the following Board Committees and Units:

- ❑ Audit committee
- ❑ Internal control unit
- ❑ Board remuneration and nominations committee
- ❑ Risk Management Unit
- ❑ Regulatory Compliance Unit

4.5.1.4 Group's Structure

SPACE HELLAS S.A. is the parent company of the Group. The consolidated financial statements (Group) include the financial statements of the parent Company, its subsidiaries, affiliates and joint ventures. A table showing the Group's investments and the method of consolidation as at 30.06.2023 is presented below:

| Corporate name | Country | Sector | Ownership percentage | | Ownership percentage | | Consolidation method |
|---|-------------|---|----------------------|----------|----------------------|----------|----------------------|
| | | | Direct | Indirect | Direct | Indirect | |
| Subsidiaries | | | 2023 | | 2022 | | |
| SPACE HELLAS (CYPRUS) LTD | Cyprus | ICT | 100% | - | 100% | - | Full Consolidation |
| SPACE HELLAS SYSTEM INTEGRATOR S.R.L. | Romania | ICT- Investment Properties | - | - | - | 100% | Full Consolidation |
| SPACE HELLAS Doo Beograd-Stari Grad | Serbia | ICT | - | 100% | - | 100% | Full Consolidation |
| SPACE HELLAS (MALTA) LTD | Malta | ICT | - | 100% | - | 100% | Full Consolidation |
| SPACE ARAB LEVANT TECHNOLOGIES COMPANY | Jordan | ICT | - | 100% | - | 100% | Full Consolidation |
| SENSE ONE Single Member SA | Greece | Internet of Things (IoT) | 100% | - | 100% | - | Full Consolidation |
| SINGULARLOGIC SA | Greece | IT and Information Systems | 60% | - | 60% | - | Full Consolidation |
| G.I.T. HOLDINGS S.A. | Greece | Holding company | - | 100% | - | 100% | Full Consolidation |
| G.I.T. CYPRUS LIMITED. | Romania | Holding company | - | 100% | - | 100% | Full Consolidation |
| SINGULARLOGIC ROMANIA COMPUTER APPLICATION S.R.L. | Pousovia | IT and Information Systems | - | 40% | - | 40% | Equity method |
| SINGULARLOGIC CYPRUS LIMITED | Cyprus | IT and Information Systems | - | 98,80% | - | 98,80% | Full Consolidation |
| Associates | | | | | | | |
| Web-IQ B.V. | Netherlands | Specialised applications | 32,28% | - | 32,28% | - | Equity method |
| AgroApps Private Company | Greece | Specialised applications in the agricultural sector | 35% | - | 35% | - | Equity method |
| EPSILON SINGULARLOGIC S.A. | Greece | Software Development | 39,973% | - | 39,973% | - | Equity method |
| Other investments | | | | | | | |
| MOBICS S.A. | Greece | Software Development | 18,10% | - | 18,10% | - | - |
| P-NET Emerging New Generation Networks and Applications P.C. | Greece | Software Development | 2,27% | - | 2,27% | - | - |
| Skills Center for Industry 4.0 from Design to Implementation | Greece | Software Development | 2,00% | - | 2,00% | - | - |

On November 18, 2022, it was decided to dissolve and liquidate the sub-subsubsidiary company SPACE HELLAS SYSTEM INTEGRATOR SLR, which was deleted from the relevant Romanian register in the first quarter of 2023. The result of the liquidation burdened the results of the group. On 12/22/2022, the agreement for the transfer of part of the shares of SINGULARLOGIC ROMANIA COMPUTER APPLICATION SRL was signed, 59.97% owned by SINGULARLOGIC AE and 0.03% owned by the associated company GREEK INFORMATION TECHNOLOGY CYPRUS LTD. Following the aforementioned transfer, SINGULARLOGIC's shareholding in SINGULARLOGIC ROMANIA amounts to 40% and is consolidated using the equity method.

4.5.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.5.2.1 Basis of Preparation

The interim financial statements of the first semester of 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accompanying financial statements do not include all the information and notes required in the annual financial statements and should be read in conjunction with the financial statements of the Group and the Company as of 31 December 2021. Nevertheless, the financial statements include selected notes for an explanation of events and transactions that are important to understand the changes in the financial position of the Group and the Company with the latest annual published financial statements.

The accounting policies used for the preparation of the interim condensed financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended December 31, 2022, except for the new standards and interpretations adopted, the application of which became mandatory for periods after 1 January 2023. There are no Standards that have been applied before the date of their application.

The interim financial statements have been prepared to comply with the historical cost convention, adjusted with the revaluation of certain assets and liabilities at fair values and with the principle of going concerned «going concern».

The Group's comparative advantage is its satisfied customers, its specialized know-how, its excellent organization, continuous investment in modern equipment, its staffing with highly specialized human resources, the development of new products, the recognition of its credibility demonstrated by the excellent relations of the Group with its suppliers and the largest credit institutions in the country and abroad are the guarantee for long-term survival with significant benefits for the shareholders.

The amounts in this report are disclosed in thousands of Euros unless expressly stated otherwise. Any discrepancies between the items in the financial statements and the corresponding items in the notes are due to rounding. Where necessary, comparative data have been classified to match any changes in the presentation of data for the current period.

The preparation of financial statements was made in accordance with International Financial Reporting Standards, and the Group Management is required to make assumptions and accounting estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of preparing financial statements as well as the reported revenues and expenses during the reporting period.

Management evaluates these estimates and assumptions on an ongoing basis, which mainly include any pending legal cases, the provision for expected credit losses, the useful life of non-financial assets, the impairment of property, plant and equipment, impairment of goodwill, impairment of intangible assets, impairment of participations, provision for staff compensation due to retirement, recognition of income and expenses and income taxes. These estimates and assumptions are based on existing experience and various other factors that are considered reasonable and form the basis for making decisions about the carrying amounts of assets and liabilities that are not readily available from other sources. Actual results may differ from the above estimates under different assumptions or conditions. Significant accounting estimates and assumptions about future and other major sources of uncertainty at the date of preparation of the financial statements, which carry a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the following financial year, are as follows:

Impairment of goodwill

The Group assesses whether there is an impairment of goodwill at least on an annual basis. For this reason, it is necessary to estimate the use value of each cash-generating unit to which a goodwill amount has been allocated. The valuation of the use requires the Group to estimate the future cash flows of the cash-generating unit and to select the appropriate discount rate, based on which the present value of the above future cash flows will be determined. Additional details on impairment testing are included in note 4.6.11.

Income tax provision

The provision for income tax under IAS 12 "Income Taxes" refers to the amounts of taxes expected to be paid to the tax authorities and includes the provision for current income tax and the provision for any additional taxes that may arise because of the audit by the tax authorities. The Group companies are subject to different laws regarding income tax and therefore a significant assessment is required by the management to determine the Group's provision for income taxes. Income taxes may differ from these estimates due to future changes in tax legislation, significant changes in the laws of the countries in which the Group and the Company operate, or unforeseen consequences from the final determination of the tax liability of each fiscal year by the tax authorities. These changes can have a significant impact on the financial position of the Group and the Company. If the resulting final surcharges are different

from the amounts originally recorded, these differences will affect income tax and deferred tax provisions for the year in which the tax differences were determined. Additional details are included in Note 4.6.6.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized in the event of temporary differences between the accounting base and the tax base of the assets and liabilities using the tax rates that have been enacted and are expected to apply in the periods in which those differences are expected to be eliminated. Deferred tax liabilities are recognized for all deductible temporary differences and transferable tax losses, to the extent that taxable income will probably be available that will be used against the deductible temporary differences and the transferable unused taxable assets. The Group and the Company take into account the existence of future taxable income and follow a continuous conservative tax planning strategy when estimating the recovery of deferred tax assets. Accounting estimates related to deferred tax assets require management to make assumptions about the timing of future events, such as the probability of expected future taxable income and the tax planning options available. Additional details are included in Note 4.6.26.

Provisions for expected credit losses from receivables from customers and contractual assets

The Group and the Company apply the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which, the loss forecast is always measured at an amount equal to the expected lifetime credit losses for receivables from customers and contractual assets. The Group and the Company have formed a provision for expected credit losses in order to adequately cover the loss that can be reliably estimated and derived from these receivables. At each financial statement date, all receivables are estimated based on historical trends, statistics, and future expectations regarding the collection of receivables from overdue customers. The formed forecast is adjusted by burdening the results of each year. Any write-offs of receivables from accounts receivable are made through the formed provision. Additional details are included in Note 4.6.16.

Post-employment benefits and other defined benefit plans

Liabilities for staff compensation due to retirement are calculated at the discounted present value of the future compensation benefits accrued at the end of the year. Liabilities for these benefits are calculated based on financial and actuarial assumptions that require management to make assumptions about discount rates, wage increases, mortality and disability rates, retirement ages and other factors. Changes in these key assumptions can have a significant effect on the liability and related costs of each period. The net cost of the period consists of the present value of the benefits incurred during the year, the interest-bearing future liability, the accrued service costs and the actuarial gains or losses. Due to the long-term nature

of these defined benefit plans, these assumptions are subject to a significant degree of uncertainty. Additional details are included in Note 4.6.25.

Assessment of the useful life of assets

The Group and the Company must assess the useful life of tangible assets as well as intangible assets which are recognized either through acquisition or through business combinations. These estimates are reviewed at least annually, considering new data and market conditions.

Contingent liabilities

The Group and the Company examine the cases of any legal case or dispute periodically and assess the potential financial risk, based on the opinion of the legal services. If the potential loss from any dispute or legal case is considered probable and the amount can be estimated reliably, the Group and the Company calculate a provision for the estimated loss. Both in determining the probability and in determining whether the risk can be reliably assessed, management judgment is required to a significant degree. When additional information becomes available, the Group and the Company review the contingent liability and litigation and may revise estimates of the likelihood of an adverse outcome and the related estimate of the potential loss. Such revisions to the estimates of the contingent liability may have a material effect on the financial position and results of the Group and the Company.

Impairment of property, plant, and equipment

Determining the impairment of property, plant and equipment requires estimates, but is not limited to the cause, time and amount of the impairment. Impairment is based on several factors, such as technological depreciation, service interruption, current replacement costs, and other changes in circumstances that indicate impairment. The recoverable amount is usually determined using the discounted cash flow method. The determination of impairment, as well as the estimation of future cash flows and the determination of the fair values of assets (or groups of assets), require management to make significant estimates regarding the determination and assessment of impairment, expected cash flows, the discount rates to be applied, the useful lives and the residual values of the fixed assets.

Determining the duration of the lease of contracts with extension or termination rights

The Group and the Company determine the duration of the lease as the irrevocable period of the lease, in combination with the periods covered by the right to extend the lease if it is rather certain that they will be exercised, or the periods covered by the right to terminate the lease if it is rather certain that they will not be exercised. The Group and the Company have certain lease agreements that include extension and termination rights and apply judgment to assess

whether the exercise of the extension right or the non-exercise of the right to terminate the lease is more certain. For this reason, all relevant events that create a financial incentive for the lessee to exercise the right to extend the lease or not to exercise the right to terminate the lease are examined. After the start date of the lease term, the Group and the Company reassess the duration of the lease in the event of a significant event or significant change in circumstances that come under their control and affect whether or not they are likely to exercise the lease right of extension or termination (e.g., making significant improvements or significant adjustments to the leased asset, ability to replace leased assets without significant cost or disruption of activities). Additional details are included in Note 4.6.9.

Leases - Estimation of the interest rate increase

The Group and the Company use the Incremental Borrowing Rate (I.B.R.) to determine the lease interest rate so that their lease liabilities can be measured. The incremental interest rate is the interest rate that the Group would bear if it borrowed the necessary funds to purchase an asset of similar value to the asset with a right of use, for a similar period, with similar collateral and in a similar financial environment.

In order to determine this interest rate, the following methodological approach is followed:

- Determination of existing borrowing rate which is defined as the average borrowing rate of the Group.
- Assessment of the creditworthiness of the company and its credit rating based on the credit rating methodology of the recognized international rating agency Moody's Investors Service.
- Assessment of the Group's creditworthiness and its credit rating after the Additional Debt based on the credit rating - rating methodology of the recognized international rating agency Moody's.
- Determination of the change that will occur in the credit rating of the Group due to the increase of the total debt with the total nominal value of all the rents of the Group foreseen for the following years, according to the methodology of Moody's.
- Calculation of the incremental interest rate (IBR) that will be used to estimate the present value of the projected rents of each professional (operating) lease, which will result from the existing borrowing rate increased by a premium due to the Additional Debt assumed by the Group.

Impairment of Inventories

Provisions are formed for depreciated, useless and stocks with very low market movement. Reductions in the value of inventories to net realizable value and other impairment losses on

inventories are recognized in the income statement during the period in which they are incurred.

Construction contract budgets

The handling of the revenue and expenses of a construction contract depends on whether the final result from the execution of the contractual project can be estimated reliably. When the result of a project contract can be estimated reliably, then the revenue and expenses of the contract are recognized during the contract period, respectively, as revenue and expense. The Group uses the completion stage to determine the appropriate amount of income and output to recognize in a given period. The completion stage is measured based on the contractual cost incurred up to the reporting date in relation to the total estimated construction cost of each project. Therefore, significant estimates of the management are required, regarding the gross margin with which the executed construction contract will be executed (estimated execution cost).

4.5.2.2 New standards, standard revisions, and interpretations

Standards and interpretations mandatory for the current year:

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and are mandatory from 01/01/2023 onwards.

[Amendments to IAS 1 "Presentation of Financial Statements"](#) (applicable for annual periods beginning on or after 01/01/2023). In February 2021, the IASB issued limited-purpose amendments to accounting policy disclosures. The purpose of the amendments is to improve the disclosures of accounting policies in order to provide more useful information to investors and other users of the Financial Statements. More specifically, the amendments require the disclosure of significant information related to accounting policies, rather than the disclosure of significant accounting policies. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have been adopted by the European Union.

[Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates"](#) (applicable for annual periods beginning on or after 01/01/2023). In February 2021, the IASB issued amendments of limited scope which clarify the difference between a change in accounting estimate and a change in accounting policy. This distinction is important, as the change in accounting estimate is applied without retroactive

effect and only to future transactions and other future events, in contrast to the change in accounting policy which has retrospective effect and is applied to transactions and other events of the past. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have been adopted by the European Union.

[Amendments to IAS 12 "Income Taxes: Deferred Tax Related to Assets and Liabilities Arising from an Individual Transaction" \(applicable for annual periods beginning on or after 01/01/2023\)](#) In May 2021, the IASB issued targeted amendments to IAS 12 to specify how entities should treat deferred tax arising from transactions such as leases and release obligations – transactions for which entities recognize both an asset and a liability. In certain cases, financial entities are exempted from recognizing deferred tax when they recognize receivables or liabilities for the first time. The amendments clarify that this exemption does not apply and financial entities are required to recognize deferred tax on these transactions. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have been adopted by the European Union.

[IFRS 17 "Insurance Contracts" \(applicable for annual periods beginning on or after 01/01/2023\)](#) In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The purpose of the IASB's work was to develop a single principle-based standard for accounting for all types of insurance contracts, including reinsurance contracts held by an insurance company. A single principles-based Standard will enhance the comparability of financial reporting across financial entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply to the financial information relating to insurance contracts it issues and reinsurance contracts it holds. In addition, in June 2020, the IASB issued amendments which, however, do not affect the fundamental principles introduced when IFRS 17 was originally issued. The amendments are designed to reduce costs by simplifying certain requirements of the Standard, lead to more easily explainable financial performance, as well as facilitate the transition by postponing the implementation date of the Standard to 2023, while providing additional assistance in reducing the effort required when first implementing the Standard. The Group does not expect to have any impact on its Financial Statements. The above have been adopted by the European Union.

[Amendments to IFRS 17 "Insurance Contracts: First-time Application of IFRS 17 and IFRS 9 – Comparative Period Information" \(effective for annual periods beginning on or after 01/01/2023\)](#) In December 2021, the IASB issued an amendment limited purpose to IFRS 17 transition requirements to address a significant issue related to temporary accounting

mismatches between insurance contract liabilities and financial assets in comparative information in the context of first-time application of IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments". The amendment is intended to improve the usefulness of the financial information presented in the comparative period for the users of the Financial Statements. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have been adopted by the European Union.

New Standards, Interpretations, Revisions and Amendments to existing Standards which have not yet entered into force or have not been adopted by the European Union

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), but have either not yet entered into force or have not been adopted by the European Union.

Amendments to IAS 12 "Income Taxes": International Tax Reform – Pillar II Standard Rules (effective immediately and for annual periods beginning on or after 01/01/2023) In May 2023, the International Accounting Standards Board (IASB) issued amendments in IAS 12 "Income Taxes" on the Pillar Two Rules of International Tax Reform. The amendments introduced: a) a temporary exemption from the recognition requirements for accounting for deferred taxes arising from the implementation of the international tax reform (Pillar II) and b) additional disclosures for affected businesses. Entities can apply the temporary exemption immediately, but disclosures are required for the annual period beginning on January 1, 2023. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 1 'Classification of Liabilities as Current or Non-current' (applicable for annual periods beginning on or after 01/01/2024) In January 2020, the IASB issued amendments to IAS 1 that affect the presentation requirements of obligations. Specifically, the amendments clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: a) clarification that an entity's right to defer settlement should exist at the reporting date, b) clarification that the classification of the liability is not affected by management's intentions or expectations regarding the exercise of the right to defer settlement, c) explain how the borrowing conditions affect the classification, and d) clarify the requirements regarding the classification of liabilities of an entity that is to or may settle through the issue of own equity securities. In addition, in July 2020, the IASB issued an amendment to postpone by one year the effective date of the originally issued amendment to IAS 1, as a result of the spread of the Covid-19 pandemic. However, in October 2022, the IASB issued an

additional amendment aimed at improving the information companies provide about long-term debt commitments. IAS 1 requires a company to classify a loan as non-current only if the company can avoid settling the loan within 12 months after the reporting date. However, a company's ability to do so often depends on compliance with its commitments. The amendments to IAS 1 specify that commitments to be met after the reporting date do not affect the classification of the loan as short-term or long-term at the reporting date. Instead, the amendments to the standard require a company to disclose information about these commitments in the notes to the financial statements. The amendments are effective for annual periods beginning on or after January 1, 2024, with early adoption permitted. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have not been adopted by the European Union.

Amendments to IFRS 16 "Leases: Lease Obligations on a Sale and Leaseback" (effective for annual periods beginning on or after 01/01/2024) In September 2022, the IASB issued limited scope amendments to IFRS 16 "Leases " which add requirements for how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction in which, a company sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements regarding the accounting treatment of a sale and leaseback at the date the transaction takes place. However, the Standard did not specify how to measure the transaction after that date. The issued amendments add to the requirements of IFRS 16 regarding sale and leaseback, thus supporting the consistent application of the accounting standard. These amendments will not change the accounting treatment for leases other than those arising from a sale and leaseback transaction. The Group will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have not been adopted by the European Union.

4.5.2.3 Accounting Methods and Changes

There are no changes in the accounting policies applied concerning those used in the preparation of the financial statements as of 31 December 2022.

4.5.2.4 Tangible Fixed Assets and Intangible Assets

Fixed assets are presented in the financial statements at their acquisition values or fair value. Fair value is the amount for which a fixed asset can be exchanged between parties having knowledge of the subject matter and acting voluntarily in a purely commercial transaction. The initial registration/recognition of an asset is always done at cost. The acquisition cost of fixed assets includes the directly distributed costs (purchase price, shipping, insurance premiums,

non-refundable purchase taxes, etc.) to get the items in working order by the date of preparation of the financial statements.

Land and buildings of the Company and the Group have been valued at their fair value on 30.06.2023, which was determined after a study by an independent house of certified appraisers.

The remaining tangible fixed assets acquired by the company and the Group are shown at cost, less accumulated depreciation. Depreciation is charged to the Income Statement on a straight-line basis over the estimated useful lives of the assets. The land is not depreciated.

Intangible assets include goodwill, concessions, and industrial property rights, as well as computer software both acquired and internally generated as well. The cost of internally generated software comprises the cost of materials and the cost of personnel as well as other costs incurred in order to prepare the asset for the intended use. The criteria used in order to recognize the costs incurred as intangible assets are:

- The Group intends to proceed with the creation of the asset.
- Technical possibility of completion of the asset to make it ready for use or sale.
- Adequate technical, financial, and other resources for the completion of the asset.
- Group's ability to use or sell the asset.
- The capability of the maternally generated asset to create future economic benefits for the Group.
 - ❑ Creation of future financial benefits for the Group from the self-produced asset.
 - ❑ Reliable valuation of the expense imposed on the self-produced asset during its development period.

The cost of purchasing and deploying software recognized as intangible assets is depreciated using the straight-line method over its useful life.

Other intangible assets (acquisition value of a trademark) are not depreciated due to the inability to reliably measure their commercial viability and inflow in the near future

The estimated useful life, by category of assets, is as follows:

| Description | Useful live (in years) |
|--|------------------------|
| Buildings and buildings installations | 50 |
| Buildings and buildings installations in third parties | 12 |
| Plant and machinery | 16 |
| Plant and machinery Leased | 10 |
| Furniture | 16 |
| Fittings | 10 |
| Office equipment | 10 |
| Telecommunication equipment | 10 |
| Other equipment | 10 |
| Electronics equipment | 5 |
| Cars | 5 |
| Trucks | 10 |
| Other means of transportation | 5 |
| Intangible assets (software acquired/internally generated) | 5 |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

4.5.2.5 Investment property

Investment property is intended to generate rental income or profit from its resale. The properties used for the Group's operating activities are not considered an investment but operational. This is also the criterion of separation between investment and operating real estate.

Investment properties as long-term assets are disclosed at fair value, which will be revalued at the end of the year. Any changes in fair value, which represents the free market price, are recognized in the other income/expense of the income statement.

Investment properties as long-term assets are shown at fair value which will be revalued at the end of the year. Any changes in the fair value, which represents the free market price, are recorded in the other income/expenses of the income statement.

4.5.2.6 Impairment of Assets

Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash generating unit- CGU) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life

4.5.2.7 Goodwill

Goodwill is the difference between the purchase cost and the fair value of the Assets and Liabilities of a subsidiary / associate at the date of acquisition.

The company at the date of purchase recognizes the goodwill arising from the acquisition, as an asset, and displays it at cost. This cost is equal to the amount of the combination cost which exceeds the share of the company, in the assets, in the liabilities and in the contingent liabilities of the acquired company. Goodwill is subject to an impairment test on an annual basis and is measured at cost less any accumulated impairment losses. At each balance sheet date, the Group assesses whether there are indications of impairment. If such evidence exists, an analysis is performed to assess whether the carrying amount is fully recoverable. For easier processing of impairment tests (impairment test), the amount of goodwill is distributed in cash-generating units

4.5.2.8 Consolidation

□ □ Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. Note 1.6(a) outlines the accounting policy on goodwill. The cost of an acquisition is measured as the sum of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquired plus any costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests.

The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Where the cost of the acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless cost cannot be recovered. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

□ Transactions with minority interests

For the accounting treatment of minority transactions, the Group applies the accounting principle in which it treats these transactions as transactions with third parties outside the Group. Minority sales create gains and losses for the Group which are recorded in the income

statement. Minority purchases generate goodwill, which is the difference between the consideration paid and the percentage of the book value of the net worth of the subsidiary acquired.

▣ Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence, but which it does not control. Investments in associates are accounted for by the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified in acquisition. At the end of each year, the cost increases with the ratio of the investing company to the changes of the net position of the invested company and decreases with the dividends received from the associate. The Company records its investments in affiliated companies, in its separate financial statements, at cost less any impairment losses.

▣ Joint Ventures

The company's investments in joint ventures are accounted for using the equity method. The equity method is an accounting treatment in which a shareholding in a jointly controlled entity is initially recognized at cost and subsequently adjusted for a change in the consortium's equity after net acquisition of the joint venture. entity. The results of the consortium member include its share in the profits and losses of the jointly controlled entity.

▣ Other companies

Other companies include the value of shares that are not traded on stock markets with a percentage of less than 20%. These companies do not exercise any control by the Group. According to the principles of IAS 32 and 39, these investments are presented in the financial statements at cost less any provision for impairment.

4.5.2.9 Inventories

Inventories are shown at the lower of cost and net realizable value. Net realizable value is the estimated selling price, within the ordinary course of business, less the estimated cost of selling. The cost of inventories is determined by the weighted average method and includes the costs of acquiring inventories and their specific purchase costs (shipping, insurance premiums, etc.). Appropriate provisions are formed for devalued, useless and stocks with very low traffic speed. Reductions in the value of inventories to net realizable value and other impairment losses are recognized in the income statement during the period in which they are incurred.

4.5.2.10 Trade and other Receivables - provisions

Receivables are initially recognized at their fair value which is at the same time the transaction value. They are subsequently valued at their amortized cost, reduced by the bad debt provision, which is formed when there is a risk of non-collection of all or part of the amount owed. The Management of the Group periodically reassesses the adequacy of the provision regarding doubtful receivables in relation to its credit policy and taking into account data of the Legal Service of the Group, which arise based on historical data processing and recent developments in the cases it manages. The amount of the impairment provision is the difference between the carrying amount of receivables and the present value of estimated future cash flows and is included in the income statement. If, at a later date, the impairment loss decreases and this decrease may be objectively related to events that occurred after the impairment loss was recognized (for example, the debtor's credit rating improved), the reversal of the loss is recognized in the period results. The fair value of trade and other receivables approximates the carrying amount.

The commercial and other receivables of both the company and the Group, except for those for which a provision has been made, are all considered receivable.

4.5.2.11 Cash and Cash Equivalents

Cash and cash equivalents consist of cash and short-term deposits with an initial maturity of less than three (3) months.

4.5.2.12 Statutory Reserves

Legal Reserve: the company is obliged according to the applicable commercial law to form as legal reserve of 5% of their annual net profits up to 1/3 of the paid-up share capital. This reserve cannot be distributed during the operational life of the company, but can be used to cover losses following appropriate decision of the Shareholders' General Meeting.

Tax exempted reserves. These reserves are formed when there are:

Tax exempted Earnings, in accordance with the applicable tax framework in Greece. In case of distribution of these gains these will be taxable at the corporate tax rate in force at the time of distribution to shareholders or converted to equity after the Annual General Meeting of shareholders taking into account the restrictions that may apply every time.

Partially taxed earnings which are taxed at a lower tax rate than the then current rate in Greece. In case of distribution of the gains will be taxable at the corporate tax rate in force at the time of distribution to shareholders or converted to equity after the Annual General Meeting of shareholders taking into account the constraints that may apply each time.

4.5.2.13 Share Capital

The company's shares were listed on the parallel market of the Athens Stock Exchange on 9-29-2000 and are of common nominal value. The share capital of the company after its reduction, by the decision of the Ordinary General Meeting of shareholders from 13-6-2017, amounts to six million nine hundred and seventy-three thousand and fifty-two Euros and forty cents (€6,973,052.40) and is divided six million four hundred fifty-six thousand five hundred and thirty (6,456,530) common registered voting shares with a nominal value of 1.08 Euro each, fully paid.

Upon the acquisition of treasury shares, the amount paid, including related expenses, is deducted from equity in a separate "Equity Reserve". The Own Shares do not incorporate voting rights. The Own Shares of the Group's subsidiaries (which do not relate to shares of the parent company) are treated in the Group as available-for-sale assets.

4.5.2.14 Earnings per Share

The basic earnings per share are calculated by dividing the net earnings attributed to the shareholders of the parent company by the weighted average number of shares. Impairment earnings per share are calculated by dividing the net return attributable to the shareholders of the parent company by the weighted average number of shares outstanding during the year, adjusted for the effect of the stock option.

4.5.2.15 Dividend distribution

Dividends distributed to shareholders are recognized as a liability at the time they are approved for distribution by the General Meeting of Shareholders.

4.5.2.16 Revenue and Expense Recognition

Revenue: The Group and the Company recognize revenue, excluding interest income, dividends and any other source of financial instruments (recognized under IFRS 9), to the extent that they reflect the price to which the Company is entitled. from the transfer of goods and services based on a five-step approach:

- ❑ Recognition of contracts with customers
- ❑ Recognition of the terms of execution of the contracts
- ❑ Determining the price of the transaction
- ❑ Divide the price of the transaction according to the terms of execution of the contracts
- ❑ Recognition of revenue when the Company fulfills the terms of execution of the contracts

Revenue includes sales of goods and services, net of Value Added Tax, discounts and rebates. Revenue is recognized when there is a possibility (highly probable) of financial benefits flowing into the Group and can be measured reliably. Revenues from technical projects are recognized in the results of the period, depending on the stage of completion of the contractual activity at the date of preparation of the financial statements (input method). Therefore, the cost of the projects that has been executed, but has not been invoiced accordingly to the customer, is recorded in the income statement period together with the corresponding contractual income.

Any variable price is included in the contract price, only to the extent that it is highly probable that this revenue will not be reversed in the future and is calculated using either the 'expected value' method or the 'most probable amount' method. ». In the process of assessing the possibility of recovering the variable price, the previous experience adapted to the conditions of the existing contracts is taken into account. Additional claims and additional work are recognized if the recovery negotiations are at an advanced stage of negotiation or are supported by independent professional assessments. Costs such as, costs of bidding, construction of temporary construction sites, relocation of equipment and workers, etc. that arise after the undertaking of a project, according to the new standard can be capitalized. For the calculation of the costs incurred until the end of the year, any costs related to future work related to the contract are excluded and appear as an ongoing project. The total cost incurred and the profit / loss recognized for each contract are compared with the progressive pricing until the end of the year. Where the costs incurred in addition to the recognized net profit (less losses) outweigh the progressive pricing, the difference arises as a receivable from 'Contract assets' in the 'Customer receivables' item in Current Assets. When progressive pricing exceeds the costs incurred in addition to the net profit (less losses) recognized, the balance is presented as a "Contractual Liabilities" liability in the "Suppliers and Other liabilities" item.

Interest income: Interest income is recognized in profit or loss on a pro rata basis, based on time and the use of the effective interest rate.

Dividend income: Dividend income is recognized when the right to receive payment is established.

Expenses: Expenses are recognized in profit or loss on an accrual basis. Payments made under operating leases are transferred to the Income Statement as an expense at the time of the lease.

Intercompany income / expenses within the Group are completely eliminated.

4.5.2.17 Research & Development Expenses Grants

Continuous progress is an integral part of the Group's role as the market is characterized by rapidly changing developments in the field of technologies. Many software products are based on proprietary technologies. The Group invests significant resources in the R&D sector for the development of innovative products in order to be able to meet the requirements of its customers, but also to be able to compete effectively in the markets.

4.5.2.18 Grants

Government grants are recognized at their fair value when it is expected with certainty that the grant will be received and the Group will comply with all the terms provided.

Government grants related to expenses are deferred and recognized in the results so that they correspond to the expenses intended to reimburse.

4.5.2.19 Financial products - Fair value

The Group and the Company use the following hierarchy to determine and disclose the fair value of financial instruments per valuation technique:

Level 1: Negotiable (non-adjusted) prices in active markets for similar assets or liabilities. The fair value of financial assets traded in active money markets is determined based on the published prices valid at the balance sheet date. An "active" money market exists when prices are readily available and regularly reviewed, published by a stock exchange, stockbroker, industry, rating agency or regulator, representing real and frequently repeated trades under normal trading conditions.

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly. The fair value of financial assets that are not traded in active money markets (eg derivatives contracts outside the derivatives market) is determined using valuation techniques, which rely largely on available information for transactions that are performed in active markets while using as few estimates of the entity as possible.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

Techniques used to measure financial assets include:

- ❑ Purchase prices or negotiator prices for similar items.
- ❑ The fair value of hedging transactions, which is defined as the present value of future cash flows (based on available performance curves).

During the period there were no transfers between levels 1 and 2 nor transfers in and out of level 3 for fair value measurement. The amounts appearing in the Financial Statements for cash,

trade and other receivables, trade and other short-term liabilities as well as Bank short-term liabilities approximate their respective fair values due to their short-term maturity.

The valuation method was determined taking into account all the factors in order to accurately determine the fair value and is measured at Level 3 of the hierarchy to determine the fair value.

There were no changes in the valuation techniques used by the Group during the period.

4.5.2.20 Provisions

Provisions are recognized in accordance with the requirements of IAS 37, when the Group can form a reliable estimate of a reasonable legal or contractual liability, which arises as a result of prior events and there is a possibility that an outflow of resources may be required to settle that liability. . The Group creates a provision for onerous contracts when the expected benefit that will result from these contracts, is less than the unavoidable costs of compliance with the contractual obligations. Restructuring provisions include penalties for early termination of leases and payment of compensation for employees due to retirement and are recorded in the period created for the Group legal or contractual obligation to settle the payment. Expenses related to the usual activities of the Group are not recorded as provisions. The long-term provisions of a particular liability are determined by discounting the expected future cash flows relating to the liability, taking into account the relevant risks.

4.5.2.21 Loans

Borrowing costs are recognized as an expense in the period in which they are incurred in accordance with IAS 23 "Borrowing Costs". Loans are initially recognized at cost, which is the fair value of the loan received, less borrowing costs associated with the issue. After initial recognition, they are valued at amortized cost using the effective interest method.

4.5.2.22 Benefits for staff

Current benefits: Current benefits to employees (excluding termination benefits) in cash and in kind are recognized as an expense in the year in which they are paid. In case of outstanding amount, at the date of preparation of the financial statements, this amount is recorded as a liability, while in case the amount paid exceeds the amount of benefits, the Group recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction in future payments or a refund.

Post-employment benefits: Post-employment benefits include both defined contribution plans and defined benefit plans.

Defined contributions program: Based on the defined contributions program, the Group's obligation (legal) is limited to the amount determined to contribute to the body (insurance fund) that manages the contributions and provides the benefits (pensions, medical care, etc.). The accrued cost of defined contribution plans is recognized as an expense in the period in question.

Defined benefit plan: The defined benefit plan of the Group concerns its legal obligation to pay the staff a lump sum compensation on the date of departure of each employee from the service. The liability recorded in the balance sheet is calculated based on the expected accrued right of each employee, discounted at its present value, in relation to the time when this benefit is expected to be paid. The commitment of the defined benefit is calculated annually by an independent actuary using the projected unit credit method. The interest rate on long-term Greek government bonds is used to discount it.

4.5.2.23 Leases

At the entry into force of a contract, the Group assesses whether the contract constitutes, or contains, a lease. A contract is, or contains, a lease if the contract transfers control over the use of an identifiable asset for a specified period of time in return for consideration

▫ Lease accounting by the lessee

The Group applies a single recognition and measurement approach for most leases, except for short-term (leases less than one year) as well as leases whose underlying asset is of low value (under approximately € 4,500). The Group recognizes lease liabilities for lease payments and usufruct assets that represent the right to use the underlying assets.

▫ Assets with right of use

The Group and the Company recognize the assets with the right of use at the date of the beginning of the lease period (i.e., the date when the underlying asset is available for use). Eligible assets are measured at cost less any accumulated depreciation and impairment losses and are adjusted based on any recalculation of the lease liability. The cost of eligible assets consists of the amount of the lease liability recognized, the initial direct costs and any rents paid at the commencement date of the lease term or earlier, less any lease incentives received. Eligible assets are depreciated on a straight-line basis over the shortest period of time between the term of the lease and its useful life. If the ownership of the leased asset is transferred to the Group or the Company at the end of the lease term or if its cost reflects the exercise of the right to purchase, the depreciation is calculated according to the estimated useful life of the asset. The Group and the Company have contracts for means of transport as well as other equipment

used in their activities. Assets with the right to use are subject to impairment testing as described in note 4.5.2.6 Impairment of Assets.

▫ **Liabilities from leases**

At the effective date of the lease, the Group and the Company measure the lease liability at the present value of the leases to be paid during the lease. Leases consist of fixed rents (including substantially fixed rents) less any lease incentives receivable, floating rates that depend on an index or interest rate, and amounts expected to be paid under residual value guarantees. Leases also include the exercise price of the lease if it is probable that the Group or Company will exercise that right and the payment of a lease termination clause if the term of the lease reflects the exercise of a right of termination. Floating rents that do not depend on an index or interest rate are recognized as an expense in the period in which the event or the activation of those payments occurred. For the discounting of rents, the Group and the Company use the Increase rate as the imputed lease rate cannot be easily determined. After the date of commencement of the lease, the amount of the lease liability increases on the basis of interest on the lease and decreases with the payment of the lease. In addition, the carrying amount of the lease liability is revalued if there are revaluations or modifications to the lease.

▫ **Lease accounting by the lessor**

Leases in which the lessor does not transfer substantially all the financial benefits and risks arising from the ownership of the leased asset are classified as operating leases. When assets are leased under operating leases, the asset is included in the statement of financial position based on the nature of the asset. Rental income from operating leases is recognized under the terms of the lease using the straight-line method. A lease that transfers substantially all the financial benefits and risks arising from the ownership of the leased asset is classified as a finance lease. Leased assets are derecognized, and the lessor recognizes a receivable equal to the net investment in the lease. The lease receivable is discounted using the effective interest method and the carrying amount is adjusted accordingly. Rents receivable increase based on interest on the receivable and decrease with the collection of rents.

4.5.2.24 Suppliers

Trade liabilities are liabilities payable for goods or services acquired in the ordinary course of business by suppliers. Accounts payable are classified as current liabilities if the payment is due within one year or less or long-term liabilities if the payment is due for more than one year. Liabilities to suppliers are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

4.5.2.25 Income Tax & Deferred Taxation

Income tax consists of current taxes, deferred taxes, i.e., tax charges or deductions related to the financial benefits accruing in the period but have already been or will be charged by the tax authorities at different times, and provisions for additional taxes which may arise under the control of the tax authorities.

Income tax is recognized in the statement of comprehensive income for the period, both that relating to transactions recorded directly in equity and that relating to the results of the period. The current income tax refers to the tax on the taxable profits of the companies included in the consolidation, as amended in accordance with the requirements of the tax laws, and was calculated based on the applicable tax rates of the countries in which the group companies operate.

Deferred income tax is calculated using the liability method, in all temporary differences, at the balance sheet date, between the tax base and the carrying amount of the assets and liabilities. Expected tax effects from temporary tax differences are identified and presented as either deferred tax liabilities or deferred receivables. Deferred tax is determined based on the tax rates applicable at the balance sheet date. Deferred tax assets are recognized in respect of all taxable deductibles and transferable tax losses to the extent that it is probable that future taxable profits will be available against which the deductible taxable amount can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and decreases to the extent that it is probable that there will be taxable profits against which part or all of the deferred tax assets are used.

4.5.2.26 Foreign Currency Transactions

Amounts of the financial statements of the companies of the Group are measured based on the currency of the primary economic environment, in which the Group operates (operating currency). The consolidated financial statements are presented in Euro, which is the operating currency and the presentation currency of the parent Company and all its subsidiaries. Gains and exchange differences arising on the settlement of such transactions during the period and on the conversion of foreign currency denominated currency at the exchange rates ruling at the date of the financial statements are recognized in the Income Statement.

Foreign exchange differences arising on the conversion of financial statements of foreign holdings are recognized in equity reserve through the statement of comprehensive income.

4.5.2.27 Financial Instruments

Financial instruments valued at fair value

Financial assets and liabilities in the balance sheet include cash, securities, other receivables, equity, short-term and long-term liabilities.

Financial instruments are presented as receivables, liabilities or equity items, based on the substance and content of the relevant contracts from which they arise. Interest, dividends, gains or losses arising from financial products that are classified as receivables or liabilities are accounted for as income or expense respectively.

The Group considers that the values at which financial assets and financial liabilities are recognized in the financial statements do not differ materially from fair values.

4.5.2.28 Financial Risk Management

The Group and the Company, in the context of normal business activities, are exposed to a series of financial and business risks and uncertainties, linked both to the general economic situation and to the more specific conditions emerging in the industry.

The continuous aiming of the Company and the Group to improve specialized know-how, the continuous investment in well-qualified human resources and the constantly improved infrastructures combined with the development of new products help the Group to be competitive and approach new markets, limiting risks.

In addition, the significant amount of uncompleted projects, the commitment to adapting the group's structures to the new business environment and the continuous evaluation of business opportunities with a view to creating goodwill, give us the right to believe that we will meet the needs of the critical year ahead.

Common risks to which the Group is exposed are the following:

□ Factors of financial risks

The Group is exposed to various financial risks, including unpredictable fluctuations in exchange rates and interest rates, market risks, credit risks and liquidity risks. The overall risk management program of the Group seeks to minimize the possible adverse effects of these fluctuations on the financial performance of the Group

Risk management policy is applied by the Group's management, through the assessment of the risks associated with the Group's activities and functions and carry out the design of the methodology by selecting the appropriate financial products in order to achieve risk reduction.

The financial instruments used by the Group consist mainly of bank deposits, transactions in foreign currency at current prices or short-term currency futures, bank overdrafts, accounts receivable and payables.

▫ **Foreign Exchange Risk**

The Group's exposure to currency risks comes mainly from existing or expected cash flows in foreign currency (imports - exports). The management of the Group constantly monitors the fluctuations and the trend of foreign currencies and evaluates each case separately, taking the necessary measures where necessary, through agreements to cover exchange risks. The situation shaped today both by the war in Ukraine and the energy crisis and by the increasing trend of interest rates worldwide inevitably also affect exchange rates.

The management of exchange risk requires complex policies that link exchange risk coverage tools (currency options) with the Group's commercial and cost strategy. The rapid changes oblige us to closely monitor offers and contracts that include currency risks, to reform them where possible and to cover the currency risk using futures contracts.

The main trading currencies in the Group are the Euro and the US dollar.

Below is a table of sensitivity analysis of earnings before taxes to currency changes:

| Currency | 30.06.2023 | | 30.06.2022 | |
|----------|------------------------------------|---------------------------|------------------------------------|---------------------------|
| USD | Currency exchange rates volatility | Effect on pretax earnings | Currency exchange rates volatility | Effect on pretax earnings |
| | 10% | -650 | 12% | -750 |
| | -10% | 650 | -12% | 750 |

▫ **Price Risk**

The Group does not own any negotiable securities and therefore is not exposed to the risk of changes in the stock market prices of securities.

The Group is mainly exposed to changes in the value of the goods it supplies and therefore its inventory policy and commercial policy are adjusted accordingly. To deal with the risk of the obsolescence of its stocks, the Group implements rational management and administration of them, related to the projects and sales they are a concern. The nature of the market in which we operate (medium and large markets) allows us to manage stocks by project and type of sale.

However, the situation we have been experiencing lately has affected the supply chain and has led to the management of orders being based on the delivery time of the goods and not on the minimization of the holding time in the warehouses, considering the completion of the projects in the contractual times. For the same reason, the Group invests significantly in the field of Project Management by empowering the teams with specialized human resources and also by using modern project management tools in order to smooth out the problems that arise as much as possible. The careful management of projects in terms of continuous control of costs and schedules is imperative.

▫ **Interest Rate Risk**

The Group's policy is to constantly monitor interest rate trends as well as the duration of financing needs. Therefore, decisions on the duration as well as the relationship between fixed and variable costs of new loans are made individually for each case and at each point in time. Therefore, most loans have been concluded with variable interest rates.

The period we are going through is characterized by a continuous increase in interest rates, a fact that inevitably affects both the financial cost of project management and the cost of investments. As the majority of loans have been contracted with floating interest rates, the group intervenes using interest rate risk management tools (interest rate swaps) for part of the loans contracted. An important factor taken into account is the Euribor interest rate curve which predicts that at the end of the year the Euribor will fluctuate in the region of 4%, compared to the end of 2022 which was at the level of 2%. This increase has already been reflected in the six months and will continue until the end of the year.

Sensitivity Analysis of the Group's Loans to Interest Rate Changes:

| Currency | 30.06.2023 | | 30.06.2022 | |
|----------|--------------------------|---------------------------|--------------------------|---------------------------|
| euro | Interest rate volatility | Effect in pre tax profits | Interest rate volatility | Effect in pre tax profits |
| | 200 | -1.400 | 200 | -820 |
| | -200 | 1.400 | -200 | 820 |

▫ **Credit Risk**

Credit risk arises from cash and cash equivalents, bank deposits, derivative financial instruments, and credit risk exposures from customers.

Trade receivables come mainly from large organizations in the private and public sectors. The financial position of the customers is closely monitored and redefined according to the new conditions. The Group evaluates the creditworthiness of each customer, either through an independent rating body or internally considering its financial position, previous transactions, and other parameters, monitoring the amount of credit provided. Customer credit limits are set based on internal or external ratings in accordance with limits set by the Management.

The current situation of both the energy crisis fueling inflationary pressures and rising production costs, as well as the war in Ukraine, demand extra vigilance. The structure of the Group's clientele consisting of medium-sized and large private sector clients, as well as large public sector clients involved in the digitization of the country, reduces the above risk.

For special credit risks, provisions are made for losses taking into account the data that arise on a case-by-case basis. The rescheduling of collections is a matter to be managed but is not linked to the creditworthiness of our debtors.

To minimize the credit risk on cash and cash equivalents, the Group under policies approved by the Board of Directors sets limits on the amount to be exposed. Also, regarding money market instruments, the Group only does business with recognized financial rating institutions.

▫ **Liquidity Risk**

Liquidity risk is addressed both by the steady flow of receipts and by securing sufficient cash from bank financing (focusing on on-the-project basis funding), which is based on the excellent relationship the company has with the largest credit institutions in the country and provides sufficient credit lines to finance our business plans.

Medium-term strategic plans are financed by long-term funds with particular attention to the costs that follow (reference is made to the interest rate risk section).

In addition, excellent relationships with our suppliers, which are based on long-lasting, reliable, and stable relationships, provide us with significant help in trying to smooth cash flow.

The table below summarizes the maturity profile of financial liabilities for 30.06.2023 and 31.12.2022 respectively.

| Amounts in € thousand | Group | | | | | | | |
|-----------------------------|-------------------|-------------------|-------------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| | Total | | Less than 1 year | | 1 to 5 years | | >5years | |
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Borrowings | 92.773 | 70.602 | 49.885 | 22.683 | 36.488 | 41.419 | 6.400 | 6.500 |
| Leases | 3.181 | 2.851 | 1.103 | 1.253 | 2.078 | 1.598 | - | 0 |
| Trade and Other liabilities | 48.130 | 66.420 | 48.130 | 66.420 | - | - | 0 | 0 |

| Amounts in € thousand | Company | | | | | | | |
|-----------------------------|-------------------|-------------------|------------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| | Total | | Less than 1Year | | 1 to 5 years | | >5years | |
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Borrowings | 85.462 | 66.523 | 46.491 | 20.263 | 35.131 | 39.760 | 3.840 | 6.500 |
| Leases | 2.355 | 1.835 | 670 | 661 | 1.685 | 1.174 | - | 0 |
| Trade and Other liabilities | 38.814 | 57.966 | 38.814 | 57.966 | - | 0 | 0 | 0 |

▫ **Capital Management**

The primary objective of the Group's capital management is to ensure that it maintains a strong investment grade credit rating and healthy capital ratios to support its operations and expand the Group's activities.

The leverage ratio is calculated by dividing net borrowing by total capital employed

| Amounts in € thousand | Group | | Company | |
|--|----------------|----------------|---------------|----------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Short term Borrowings | 49.885 | 22.683 | 46.491 | 20.263 |
| Long term Borrowings | 42.888 | 47.919 | 8.971 | 46.260 |
| Less: cash and cash equivalents | <u>-9.022</u> | <u>-29.185</u> | <u>-5.257</u> | <u>-27.329</u> |
| Net Debt | 83.751 | 41.417 | 50.205 | 39.194 |
| Equity | <u>32.764</u> | <u>30.632</u> | <u>24.938</u> | <u>23.315</u> |
| Total capital employed | 116.515 | 72.049 | 75.143 | 62.509 |
| Gearing ratio | 71,88% | 57,48% | 66,81% | 62,70% |

The participation of the company and the Group in the important digitization projects carried out in the last three years in the country are a main strategic objective as they are expected to create an important source of service contracts in the medium- to long-term.

The financing of the aforementioned projects, which exceeds the horizon of one financial year combined with the continuous increase in turnover, affects, through the increase in net debt, the leverage ratio. The simultaneous implementation of the medium-long-term investment plan works in the same direction

▫ **Risk regarding geopolitics and the energy crisis**

The indicator of the economic climate both globally and at the European level shows signs of recession, as the geopolitical crisis in Ukraine continues, which triggered an unprecedented energy crisis that simultaneously strengthened the already existing inflationary pressures, the economies of Europe have slowed down significantly and it is expected to record the lowest growth rate of the last decade with the exception of 2020, the first year of the pandemic.

The beginning of 2022 was marked by Russia's invasion of Ukraine, which marked the beginning of a war that is still ongoing. At a time when Europe, as well as the whole world, was recovering from the shock of the pandemic, before it could return to a "normality", it was faced with a new, unprecedented condition which strengthens economic and social instability. The economic effects of the conflict have been felt mainly through rising energy and food prices, deteriorating confidence, turmoil in financial markets, and further disruptions in supply chains. Despite the positive impact from EU funding and the Recovery Fund, the outlook for this year faces growing headwinds.

Inflation continued to be an important factor with energy, transport and food prices being the main drivers of the upward trend. To mitigate the negative impact of higher energy costs on households and businesses, the European Council called on Member States and the Commission to continue to make the best use of the energy price toolbox and the temporary State aid framework for the crisis. The Greek government has already extended further subsidies to protect the most vulnerable and announced additional relief measures.

Investments, on the other hand, will continue to support the recovery. With NGEU funds to be spent in 2021-26 at around €31 billion (€17.8 billion in grants and €12.7 billion in loans), investment is expected to remain resilient.

The geopolitical and economic developments due to the war are expected to be a key factor shaping the conditions in the Greek and global economy in the next period. On an economic level, the initial impacts on energy costs have extended to the supply of certain consumer products and raw materials.

The Group has zero exposure to the markets of Ukraine and Russia as they are not part of its supply chain nor do they contribute to turnover, so no negative effects are expected due to the economic sanctions of the EU and the countermeasures of the Russian Federation against member countries of the EU.

The group, realizing the above challenges in time and taking appropriate and targeted measures, especially regarding energy costs and security of supply, manages not only to remain unscathed but also to record historically high performances.

▫ **Risk factors related to Project Planning and Execution**

SPACE HELLAS, through its business activities, is exposed to potential risk factors related to the undertaking and completion of project execution, such as cost and schedule overruns, incomplete understanding of the complexity of key factors necessary for the successful completion of the project, the non-thorough evaluation of the contractual terms and conditions of the project, the lack of monitoring of the progress of the project, as well as the ineffective management of non-compliance with contractual commitments by third parties (withdrawal from the project).

Proper execution and delivery of projects is a key priority for SPACE HELLAS, which is achieved through a structured project planning and monitoring process as well as long-term, strong business relationships with key stakeholders. The project management department is staffed with well-qualified human resources. Planning, monitoring and reporting on the progress of

projects is achieved through established project management procedures, at regular intervals, which are reviewed and updated whenever deemed necessary.

SPACE HELLAS clearly defines the roles, responsibilities, milestones and corresponding tasks before they start, ensuring the optimal composition of the teams that will execute the project and the timely planning of the activities. The stages of preliminary control and planning of each project include risk identification and assessment actions. In addition, SPACE HELLAS carries out thorough evaluations of its suppliers, subcontractors and external partners before entering into any business agreement and throughout the execution of the projects. In addition, the project teams, in full collaboration with the project management department, carry out a review of what has been done at the end of each project in order to obtain an overview of the overall execution and their results, with the aim of drawing conclusions that will improve the performance in future projects.

▣ **Risk factors related to Human Resources**

Human Resources Risk involves the potential difficulty in attracting, hiring and retaining human resources or the potential inability to create a positive work environment due to a lack of effective communication with employees or ensuring the continuation of critical operations due to an inadequate succession plan.

SPACE HELLAS Group considers its people a necessary element for its smooth operation and its priority is to attract, hire and retain specialized personnel. This is achieved by ensuring a desirable working environment and an effective industrial relations framework that enables the development of its employees.

Defined human resources policies and procedures, identification of critical positions within the organization and development of the corresponding succession plans, recruitment practices that ensure the selection of suitable and competent executives with merit and equal treatment, the continuous training and development of employees aimed at empowering personal and technical skills and abilities, providing incentives, both at the level of remuneration and benefits as well as at the level of development and growth opportunities, with the aim of increasing the commitment and retention of employees as well as the integration into its daily operation of the principles of diversity, equality and equal opportunities, are factors that help in this direction.

▣ **Risk from effects of climate change**

Climate change has made the occurrence of unpredictable situations more frequent with unpredictable consequences. Due to their nature, such phenomena affect those parts of the economy that on the one hand are related to weather phenomena, such as the primary sector, but also to the direct effects of floods and fires that could affect tourism businesses. The Group and the Company currently have zero exposure to both the primary sector and tourism businesses.

□ **Risk regarding the spread of COVID-19**

The health crisis of COVID19 had led the global economy into a period of uncertainty and instability. The uncertainty that has prevailed worldwide for two years since the outbreak of the pandemic has subsided and trading activity has returned to normal to a large extent. The Space Hellas Group, in the context of its obligation to publicize information (market disclosure), estimates that at this stage there is no significant impact on its fundamentals as well as on its financial situation.

□ **Other operational risk**

The company's Management has installed a reliable internal control system to detect malfunctions and exceptions in the context of its commercial operations. The insurance coverage of property and other risks is considered sufficient. The Group and the Company will not face significant risks in the short-term and generally the time horizon. The specialized know-how of the company and the group, the continuous investment in well-qualified human resources and strong infrastructures combined with the development of new products help and support the Group so that it is constantly competitive and penetrates new markets, limiting its risks competitive horizon.

4.6 NOTES TO THE INTERIM FINANCIAL STATEMENTS OF THE FIRST SEMESTER OF 2023

4.6.1 OPERATING SEGMENTS

Business segment is a distinct part of the Company and the Group which provides products and services subject to different grades of risk and performance that is different from those of other business segments.

Geographical segments provide products or services within a particular economic environment that is subject to risks and performances that are different from those of components operating in other economic environments.

The Group and the company's segments are based on the products and services provided.

□ **Primary segment – Business segments**

The Group organizes its activities into three segments:

- Technology providers of solutions and services to the business environment. (Value Added Solutions).
- IT projects (integration).
- Resellers' network for mobile telecommunications.

The segment consolidated results for the current and previews period are as follows:

| | Group | | | | | | | | | | | |
|------------------------------|-----------------------------------|--------|--------|----------------------|--------|---------|---------------------------|------|--------|---------------|---------------|---------|
| | Technology Solutions and Services | | | Integration projects | | | Mobile telecommunications | | | Total | | |
| | 30.06 | | | 30.06 | | | 30.06 | | | 30.06 | | |
| | 2023 | 2022 | +/-% | 2023 | 2022 | +/-% | 2023 | 2022 | +/-% | 2023 | 2022 | +/-% |
| Revenue | 34.406 | 30.840 | 11,56% | 27.110 | 21.450 | 26,39% | 752 | 682 | 10,26% | 62.268 | 52.972 | 17,55% |
| Gross profit | 8.204 | 5.956 | 37,74% | 7.794 | 4.789 | 62,75% | 340 | 309 | 10,03% | 16.338 | 11.054 | 47,80% |
| EBIT | 4.650 | 2.440 | 90,57% | 4.490 | 1.590 | 182,39% | 147 | 128 | 14,84% | 9.287 | 4.158 | 123,35% |
| Earnings before taxes | - | - | - | - | - | - | - | - | - | 2.853 | 2.689 | 6,10% |
| Earnings after taxes | - | - | - | - | - | - | - | - | - | 2.080 | 2.002 | 3,90% |

□ Secondary segment – Geographical segment

The Group's main geographical space is Greece, where the parent company's registered office is located.

The subsidiary company «SPACE HELLAS CYPRUS LTD», has its registered offices in Cyprus and is a parent of subsidiaries:

- SPACE HELLAS SYSTEM INTEGRATOR SRL headquartered in Romania,
- SPACE HELLAS HELLAS Doo Beograd-Stari Grad based in Serbia,
- SPACE HELLAS (MALTA) LTD based in Malta,
- SPACE AAB LEVANT TECHNOLOGIES COMPANY headquartered in Jordan

with growing activities, though not significant in relation to the totality of the Group.

The subsidiary company «SINGULARLOGIC S.A.», has its registered offices in Greece and is a parent of subsidiaries

- GREEK INFORMATION TECHNOLOGY HOLDINGS S.A «G.I.T. HOLDINGS S.S.» headquartered in Greece.
- GREEK INFORMATION TECHNOLOGY(CYPRUS) LIMITED is headquartered in Cyprus.
- SINGULARLOGIC CYPRUS LIMITED is headquartered in Cyprus.

The above companies based abroad have developing activities but are not significant in relation to the integrity of the Group.

4.6.2 OTHER OPERATING INCOME

| | Group | | Company | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 01.01 - 30.06.2023 | 01.01 - 30.06.2022 | 01.01 - 30.06.2023 | 01.01 - 30.06.2022 |
| Amounts in € thousand | | | | |
| Service provision | 0 | 2 | 0 | 2 |
| Income from property leases | 23 | 95 | 18 | 27 |
| Government Grants | 2.194 | 775 | 1.744 | 278 |
| Other extraordinary income | 115 | 1.854 | 2 | 17 |
| Other extraordinary gains | 6 | 9 | 3 | 9 |
| Currency exchange gains | 414 | 371 | 414 | 370 |
| Unused provisions | 353 | 25 | 3 | 1 |
| Prior year's income | 206 | 0 | 0 | 0 |
| Total other operating income | 3.311 | 3.131 | 2.184 | 704 |

4.6.3 OPERATING EXPENSES

| | Group | | | Company | | |
|---------------------------------------|----------------------|----------------------|--------------|----------------------|----------------------|---------------|
| | 01.01- 30.06.2023 | 01.01- 30.06.2022 | +/-% | 01.01- 30.06.2023 | 01.01- 30.06.2022 | +/-% |
| Amounts in € thousand | | | | | | |
| Payroll expenses | 7.069 | 6.256 | 13,00% | 4.977 | 4.166 | 19,47% |
| Third parties' fees and expenses | 1.393 | 2.010 | -30,70% | 900 | 901 | -0,11% |
| Third parties' utilities and services | 821 | 932 | -11,91% | 594 | 521 | 14,01% |
| Taxes and dues | 182 | 239 | -23,85% | 167 | 219 | -23,74% |
| Sundry expenses | 945 | 738 | 28,05% | 798 | 527 | 51,42% |
| Depreciations | 1.230 | 879 | 39,93% | 995 | 662 | 50,30% |
| Provisions | 51 | 84 | -39,29% | 51 | 84 | -39,29% |
| Total admin expenses | 11.691 | 11.138 | 4,96% | 8.482 | 7.080 | 19,80% |

4.6.4 OTHER OPERATING EXPENSES

| | Group | | Company | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 01.01 - 30.06.2023 | 01.01 - 30.06.2022 | 01.01 - 30.06.2023 | 01.01 - 30.06.2022 |
| amounts in € thousand | | | | |
| Extraordinary expenses | 86 | 126 | 59 | 88 |
| Loss from currency exchange | 967 | 332 | 967 | 330 |
| Provisions for receivables of doubtful collection | 93 | 0 | 0 | 0 |
| Extraordinary losses | 0 | 0 | 0 | 0 |
| Prior year's expenses | 380 | 13 | 3 | 2 |
| Total other operating expenses | 1.526 | 471 | 1.029 | 420 |

4.6.5 FINANCIAL RESULTS

| amounts in € thousand | Group | | Company | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | 01.01-30.06.2023 | 01.01-30.06.2022 | 01.01-30.06.2023 | 01.01-30.06.2022 |
| Gain/Loss from affiliated companies | 28 | 404 | 0 | 0 |
| Impairments of investments/goodwill | 0 | 0 | 0 | 0 |
| Dividends | 0 | 0 | 568 | 362 |
| Total financial results | 28 | 404 | 568 | 362 |

During the current fiscal year, the group's investment results show an amount of €28 thousand, which concerns an income of €333 thousand from the consolidation with the equity method of our relatives WEB IQ, and Epsilon SingularLogic S.A. and an outflow of €305 from the deletion due to liquidation of our subsidiary SPACE SYSTEM INTEGRATOR SRL as well as the participation of our subsidiary SINGULARLOGIC in a joint venture.

During the previous year, the group's investment results show an amount of €404 thousand, which concerns income from the equity method consolidation of our relatives WEB IQ, AgroApps and Epsilon SingularLogic SA.

Both in the current and in the previous fiscal year, profits from previous fiscal years were distributed to the company as a dividend from its subsidiary SPACE HELLAS CYPRUS LTD.

4.6.6 INCOME TAX

The income tax expense imputed the results as follows:

| Amounts in € thousand | Note | Group | | Company | |
|--|--------|--------------------|--------------------|--------------------|--------------------|
| | | 01.01 - 30.06.2023 | 01.01 - 30.06.2022 | 01.01 - 30.06.2023 | 01.01 - 30.06.2022 |
| Current Income Tax | | -106 | -284 | 0 | -155 |
| Additional tax | 4.6.26 | -667 | -403 | -455 | -469 |
| Deferred tax imputed to results | | -773 | -687 | -455 | -624 |
| Total income tax charge to income statement (a) | 4.6.26 | 2 | -416 | 2 | -410 |
| Deferred tax recognized directly in equity (b) | | -771 | -1.103 | -453 | -1.034 |
| Total tax (a+b) | | | | | |

It is noted that, for companies subject to the Greek tax jurisdiction, the 2016 and earlier tax years have been definitively time-barred.

From the fiscal year 2016 onwards, the tax certificate of article 65A of N4174/2014 is granted by the Statutory Auditor or audit firm that audits the annual financial statements on an optional basis

For the Company, this audit until 2021 has been completed with the issuance of the relevant Tax Compliance Reports without reservation.

For the fiscal year 2022, the tax audit of the Certified Auditors to obtain a Tax Compliance Report is in progress. Upon completion of the tax audit, management does not expect any significant tax liabilities to arise other than those recorded and reflected in the financial statements.

The basic tax rate for Public Limited Companies in Greece for the current and the previews fiscal year is 22% while or the previews fiscal year was 24%.

4.6.7 PROPERTY, PLANT AND EQUIPMENT

The land and the buildings of the Company and the Group have been valued at their fair value on 30.06.2022, which was determined after a study by an independent house of certified appraisers.

The valuers applied the European and International Valuation Standards (EVS 2020, IVS 2020), as defined by TEGova and IVSC (The European Group Of Valuers' Associations and International Valuation Standards Council respectively) as well as the instructions and guidelines of the Manual (Red Book) of the Royal Institution of Chartered Surveyors of Great Britain (Royal Institution of Chartered Surveyors - RICS - Valuation Professional Standards 2020).

For the valuation of the Market Value of the property in question, the **Market Value Method and the Income Method** were used, which are the most appropriate in accordance with the International Valuation Standards (IVS) and the guidelines and directions of the Royal Institution of Chartered Surveyors (R.I.C.S).

The Market method is based on the assumption that an informed buyer would not pay more for the purchase of an asset than the market value of a similar asset for exactly the same use and purpose.

The Income Method is based on "prediction" and the "principle of supply and demand". It is used to value shops, hotels, shopping centers and general commercial properties that generate income.

Then the 2 methods are weighted by applying appropriate weighting factors by the appraiser, in order to obtain the Market Commercial Value (Fair Value) of the property under appraisal.

Factors Influencing Value

To determine the Commercial Value of the properties under investigation, the appraisers took into account the following factors:

- ❑ The current state of the immovable assets, as described below.
- ❑ The information provided by our company regarding our appraised properties (titles, plans - floor plans - topographical diagrams, etc. - declarations of compliance with relevant laws on settlement of wrongdoings N.4178/13, N.4495/2017, etc.).
- ❑ The information received from various sources regarding the current sale prices of real estate as well as the conditions of demand and supply that apply in each local real estate market.

| Amounts in € thousand | Group | | | | | Total |
|-----------------------------------|--------------|--------------------------------------|---------------------|----------------|------------------------|---------------|
| | Land | Buildings and buildings installation | Plant and machinery | Motor Vehicles | Furniture's & Fittings | |
| Opening Balance 01.01.2022 | 7.264 | 7.246 | 11.474 | 535 | 9.727 | 36.246 |
| Plus: Additions | 0 | 0 | 174 | 0 | 1274 | 1.448 |
| Additions from business | 2.558 | -864 | 0 | 0 | 0 | 1.694 |
| Minus: Disposals | 0 | 0 | 7 | 0 | 56 | 63 |
| Ending balance 30.06.2022 | 9.822 | 6.382 | 11.641 | 535 | 10.945 | 39.325 |
| Depreciation at 01.01.2022 | 0 | 3.245 | 6.025 | 507 | 8.744 | 18.521 |
| Plus: Additions | 0 | 84 | 268 | 2 | 172 | 526 |
| Additions from business | 0 | -250 | 0 | 0 | 0 | -250 |
| Minus: Disposals | 0 | 0 | 2 | 0 | 56 | 58 |
| Depreciation at 30.06.2022 | 0 | 3.079 | 6.291 | 509 | 8.860 | 18.739 |
| Ending balance 30.06.2022 | 9.822 | 3.303 | 5.350 | 26 | 2.085 | 20.586 |
| Opening Balance 01.01.2023 | 9.823 | 6.396 | 12.703 | 535 | 10.801 | 40.258 |
| Plus: Additions | 0 | 3 | 1804 | 0 | 325 | 2.132 |
| Minus: Disposals | 0 | 2 | 4 | 2 | 71 | 79 |
| Ending balance 30.06.2023 | 9.823 | 6.397 | 14.503 | 533 | 11.055 | 42.311 |
| Depreciation at 01.01.2023 | 0 | 3.160 | 6.520 | 512 | 8.796 | 18.988 |
| Plus: Additions | 0 | 85 | 379 | 3 | 263 | 730 |
| Minus: Disposals | 0 | 2 | 0 | 2 | 71 | 75 |
| Depreciation at 30.06.2023 | 0 | 3.243 | 6.899 | 513 | 8.988 | 19.643 |
| Ending balance 30.06.2023 | 9.823 | 3.154 | 7.604 | 20 | 2.067 | 22.668 |

| Amounts in € thousand | Company | | | | | Total |
|-----------------------------------|--------------|--------------------------------------|---------------------|----------------|------------------------|---------------|
| | Land | Buildings and buildings installation | Plant and machinery | Motor Vehicles | Furniture's & Fittings | |
| Opening Balance 01.01.2022 | 7.264 | 4.413 | 11.309 | 55 | 3.327 | 26.368 |
| Plus: Additions | 0 | 0 | 174 | 0 | 161 | 335 |
| Revaluation | 2.558 | -864 | 0 | 0 | 0 | 1.694 |
| Minus: Disposals | 0 | 0 | 7 | 0 | 0 | 7 |
| Ending balance 30.06.2022 | 9.822 | 3.549 | 11.476 | 55 | 3.488 | 28.390 |
| Depreciation at 01.01.2022 | 0 | 440 | 5.891 | 28 | 2.678 | 9.037 |
| Plus: Additions | 0 | 74 | 266 | 2 | 82 | 424 |
| Revaluation | 0 | -250 | 0 | 0 | 0 | -250 |
| Minus: Disposals | 0 | 0 | 2 | 0 | 0 | 2 |
| Depreciation at 30.06.2022 | 0 | 264 | 6.155 | 30 | 2.760 | 9.209 |
| Ending balance 30.06.2022 | 9.822 | 3.285 | 5.321 | 25 | 728 | 19.181 |
| Opening Balance 01.01.2023 | 9.823 | 3.554 | 12.615 | 55 | 3.641 | 29.688 |
| Plus: Additions | 0 | 3 | 1804 | 0 | 221 | 2.028 |
| Minus: Disposals | 0 | 0 | 4 | 0 | 0 | 4 |
| Ending balance 30.06.2023 | 9.823 | 3.557 | 14.415 | 55 | 3.862 | 31.712 |
| Depreciation at 01.01.2023 | 0 | 339 | 6.434 | 33 | 2.855 | 9.661 |
| Plus: Additions | 0 | 73 | 374 | 3 | 107 | 557 |
| Minus: Disposals | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation at 30.06.2023 | 0 | 412 | 6.808 | 36 | 2.962 | 10.218 |
| Ending balance 30.06.2023 | 9.823 | 3.145 | 7.607 | 19 | 900 | 21.494 |

4.6.8 INTANGIBLE ASSETS

Group and company intangibles include software programs purchased externally, other intangible assets and proprietary software.

Investments in self-produced intangible assets are costs of developing products in the form of integrated software to be made available within the framework of our Technology Solutions and Services functional area.

The amount in the other intangible fixed assets concerns the acquisition value of the trademark, but due to the impossibility to reliably measure their commercial viability and their cashflow in the immediate future, no amortization is made.

Here are tables of intangible fixed assets of the Group and the company:

Group

| Amounts in € thousand | Software | Other intangibles | SW development | Total Intangibles |
|-----------------------------------|---------------|-------------------|----------------|-------------------|
| Opening Balance 01.01.2022 | 21.936 | 10.572 | 0 | 32.508 |
| Plus: Additions/transfers | 80 | 0 | 311 | 391 |
| Minus: Disposals | 0 | 0 | 0 | 0 |
| Ending balance 30.06.2022 | 22.016 | 10.572 | 311 | 32.899 |
| Depreciation at 01.01.2022 | 16.076 | 322 | 0 | 16.398 |
| Plus: Additions/transfers | 446 | 79 | 0 | 525 |
| Minus: Disposals | 0 | 0 | 0 | 0 |
| Depreciation at 30.06.2022 | 16.522 | 401 | 0 | 16.923 |
| Ending balance 30.06.2022 | 5.494 | 10.171 | 311 | 15.976 |
| Opening Balance 01.01.2023 | 23.333 | 11.824 | 0 | 35.157 |
| Plus: Additions/transfers | 1.978 | 0 | 730 | 2.708 |
| Minus: Disposals | 1 | 0 | 0 | 1 |
| Ending balance 30.06.2023 | 25.310 | 11.824 | 730 | 37.864 |
| Depreciation at 01.01.2023 | 17.136 | 480 | 0 | 17.616 |
| Plus: Additions | 1.231 | 177 | 0 | 1.408 |
| Minus: Disposals | 1 | 0 | 0 | 1 |
| Depreciation at 30.06.2023 | 18.366 | 657 | 0 | 19.023 |
| Ending balance 30.06.2023 | 6.944 | 11.167 | 730 | 18.841 |

Company

| Amounts in € thousand | Software | Other intangibles | SW development | Total Intangibles |
|-----------------------------------|---------------|-------------------|----------------|-------------------|
| Opening Balance 01.01.2022 | 7.923 | 714 | 0 | 8.637 |
| Plus: Additions/transfers | 80 | 0 | 311 | 391 |
| Minus: Disposals | 0 | 0 | 0 | 0 |
| Ending balance 30.06.2022 | 8.003 | 714 | 311 | 9.028 |
| Depreciation at 01.01.2022 | 5.466 | 308 | 0 | 5.774 |
| Plus: Additions/transfers | 421 | 0 | 0 | 421 |
| Minus: Disposals | 0 | 0 | 0 | 0 |
| Depreciation at 30.06.2022 | 5.887 | 308 | 0 | 6.195 |
| Ending balance 30.06.2022 | 2.116 | 406 | 311 | 2.833 |
| Opening Balance 01.01.2023 | 9.338 | 330 | 0 | 9.668 |
| Plus: Additions/transfers | 1.355 | 0 | 350 | 1.705 |
| Minus: Disposals | 0 | 0 | 0 | 0 |
| Ending balance 30.06.2023 | 10.693 | 330 | 350 | 11.373 |
| Depreciation at 01.01.2023 | 6.325 | 309 | 0 | 6.634 |
| Plus: Additions | 737 | 3 | 0 | 740 |
| Minus: Disposals | 0 | 0 | 0 | 0 |
| Depreciation at 30.06.2023 | 7.062 | 312 | 0 | 7.374 |
| Ending balance 30.06.2023 | 3.631 | 18 | 350 | 3.999 |

4.6.9 RIGHTS OF USE

| Amounts in € thousand | Group | | |
|--|--------------|-------------------------|---------------------|
| | Buildings | Transportation vehicles | Total rights of use |
| Opening Balance 01.01.2022 | 2.455 | 2.551 | 5.006 |
| Plus: Additions/transfers | 15 | 857 | 872 |
| Minus: Disposals | 0 | 322 | 322 |
| Ending balance 30.06.2022 | 2.470 | 3.086 | 5.556 |
| Depreciation at 01.01.2022 | 1.461 | 1.354 | 2.815 |
| Plus: Depreciation expense | 228 | 297 | 525 |
| Minus: Depreciation of disposed elements | 0 | 307 | 307 |
| Depreciation at 30.06.2022 | 1.689 | 1.344 | 3.033 |
| Ending balance 30.06.2022 | 781 | 1.742 | 2.523 |
| Opening Balance 01.01.2023 | 2.875 | 3.329 | 6.204 |
| Plus: Additions/transfers | 77 | 915 | 992 |
| Minus: Disposals | 40 | 455 | 495 |
| Ending balance 30.06.2023 | 2.912 | 3.789 | 6.701 |
| Depreciation at 01.01.2023 | 1.946 | 1.492 | 3.438 |
| Plus: Depreciation expense | 270 | 443 | 713 |
| Minus: Depreciation of disposed elements | 11 | 455 | 466 |
| Depreciation at 30.06.2023 | 2.205 | 1.480 | 3.685 |
| Ending balance 30.06.2023 | 707 | 2.309 | 3.016 |

| Amounts in € thousand | Company | | |
|--|------------|-------------------------|---------------------|
| | Buildings | Transportation vehicles | Total rights of use |
| Opening Balance 01.01.2022 | 364 | 2.012 | 2.376 |
| Plus: Additions/transfers | 15 | 467 | 482 |
| Minus: Disposals | 0 | 303 | 303 |
| Ending balance 30.06.2022 | 379 | 2.176 | 2.555 |
| Depreciation at 01.01.2022 | 214 | 877 | 1.091 |
| Plus: Depreciation expense | 34 | 264 | 298 |
| Minus: Depreciation of disposed elements | 0 | 303 | 303 |
| Depreciation at 30.06.2022 | 248 | 838 | 1.086 |
| Ending balance 30.06.2022 | 131 | 1.338 | 1.469 |
| Opening Balance 01.01.2023 | 772 | 2.253 | 3.025 |
| Plus: Additions/transfers | 63 | 816 | 879 |
| Minus: Disposals | 0 | 455 | 455 |
| Ending balance 30.06.2023 | 835 | 2.614 | 3.449 |
| Depreciation at 01.01.2023 | 299 | 912 | 1.211 |
| Plus: Depreciation expense | 79 | 360 | 439 |
| Minus: Depreciation of disposed elements | 0 | 455 | 455 |
| Depreciation at 30.06.2023 | 378 | 817 | 1.195 |
| Ending balance 30.06.2023 | 457 | 1.797 | 2.254 |

4.6.10 INVESTMENT PROPERTIES

During the current period, there were no assets that should be classified as investment property.

4.6.11 GOODWILL

The Goodwill, amounting to € 2.621 thousand, included in the noncurrent assets, resulted from the following operations.

| Amounts in € thousand | Group - Company | | | | | Total Group Goodwill |
|-----------------------------------|-----------------|--|------------------------|------------------|------------------------------|----------------------|
| | SPACEPHONE S.A. | SPACE TECHNICAL CONSTRUCTION BUILDING SA | Total Company Goodwill | SingularLogic SA | SENSE ONE Single Member S.A. | |
| Opening Balance 01.01.2022 | 428 | 169 | 597 | 1.494 | 699 | 2.790 |
| Additions | 0 | 0 | 0 | 0 | 0 | 0 |
| Imapairments | 0 | 169 | 169 | 0 | 0 | 169 |
| Ending balance 31.12.2022 | 428 | 0 | 428 | 1.494 | 699 | 2.621 |
| Opening Balance 01.01.2023 | 428 | 0 | 428 | 1.494 | 699 | 2.621 |
| Additions | 0 | 0 | 0 | 0 | 0 | 0 |
| Imapairments | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending balance 30.06.2023 | 428 | 0 | 428 | 1.494 | 699 | 2.621 |

Goodwill is subject to impairment testing when there is evidence of impairment and is measured at cost less any accumulated impairment losses. At each balance sheet date, the Group conducts an analysis to assess whether the carrying amount of goodwill is recoverable.

- the amount of € 428 thousand comes from the acquisition of the remaining 50% of the 29/6/2007 after the absorption of the subsidiary "SPACEPHONE SA".
- The amount of € 1,494 thousand comes from, the acquisition of the remaining 10.03% of "SINGULARLOGIC A.E." that took effect from 15/7/2021. By this purchase the percentage of participation of SPACE HELLAS in SINGULARLOGIC S.A amounted at 60%, and obtaining the control of this company
- The amount of € 699 thousand comes from the acquisition of 100% of the share capital of the company SENSE Single Member S.A.

Goodwill is allocated to cash-generating units for impairment testing purposes. Allocation is made to cash-generating units that are expected to benefit from the acquisition from which goodwill originated. The recoverable value of a cash-generating unit is determined using its value in use calculation. This calculation uses cash flow forecasts derived from budgets that have been approved by the management.

Below are the main assumptions adopted by Management in cases where there was a need for impairment, taking into account the specific characteristics:

Market Risk Premium: 8,6%, Risk Free Rate : 4,6% , Growth rate in perpetuity: 2%

At each balance sheet date where the Group assesses whether there are signs of impairment, the decision to carry out an impairment is made after examining the change in key factors and if this is deemed to be materially significant.

External factors :

- ❑ Falling Values
- ❑ Legal economic and technological developments
- ❑ Interest rates
- ❑ Political instability and crises

Internal Information and Other Indications:

- ❑ Obsolescence – Natural Wear and tear
- ❑ Change in use / Change in useful life
- ❑ Stop active market

After carrying out the impairment test, it was found that there are no negative indications of the resulting goodwill at the reporting date.

4.6.12 LIENS AND PLEDGES

There are no other real liens on non-current assets or property, except, at the Company level, the underwriting, amounting to € 1.200 thousand, on the property situated at 6 Loch. Dedousi St., Cholargos, Athens, and the underwriting amounting to € 4.335 thousand, on the property situated at 302 Ave. Mesogeion, Cholargos, Athens and, at the Group level, the underwriting, amounting to € 7.200 thousand, on the property situated at 312 Ave. Mesogeion, Cholargos, Athens, the underwriting, amounting to € 1.200 thousand, on the property situated at St. Gianniton-I.Kariofylli & Patr. Kyrrilou, Thessaloniki.

4.6.13 SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES

The company's shareholding in subsidiaries, associates and investments as of 30.06.2023, is disclosed at their acquisition cost with fewer provisions for impairment.

| Corporate name | Country | Sector | Ownership percentage | | Ownership percentage | | Consolidation method |
|---|-------------|---|----------------------|----------|----------------------|----------|----------------------|
| | | | Direct | Indirect | Direct | Indirect | |
| Subsidiaries | | | 2023 | | 2022 | | |
| SPACE HELLAS (CYPRUS) LTD | Cyprus | ICT | 100% | - | 100% | - | Full Consolidation |
| SPACE HELLAS SYSTEM INTEGRATOR S.R.L. | Romania | ICT- Investment Properties | - | - | - | 100% | Full Consolidation |
| SPACE HELLAS Doo Beograd-Stari Grad | Serbia | ICT | - | 100% | - | 100% | Full Consolidation |
| SPACE HELLAS (MALTA) LTD | Malta | ICT | - | 100% | - | 100% | Full Consolidation |
| SPACE ARAB LEVANT TECHNOLOGIES COMPANY | Jordan | ICT | - | 100% | - | 100% | Full Consolidation |
| SENSE ONE Single Member SA | Greece | Internet of Things (IoT) | 100% | - | 100% | - | Full Consolidation |
| SINGULARLOGIC SA | Greece | IT and Information Systems | 60% | - | 60% | - | Full Consolidation |
| G.I.T. HOLDINGS S.A. | Greece | Holding company | - | 100% | - | 100% | Full Consolidation |
| G.I.T. CYPRUS LIMITED. | Romania | Holding company | - | 100% | - | 100% | Full Consolidation |
| SINGULARLOGIC ROMANIA COMPUTER APPLICATION S.R.L. | Pousovia | IT and Information Systems | - | 40% | - | 40% | Equity method |
| SINGULARLOGIC CYPRUS LIMITED | Cyprus | IT and Information Systems | - | 98,80% | - | 98,80% | Full Consolidation |
| Associates | | | | | | | |
| Web-IQ B.V. | Netherlands | Specialised applications | 32,28% | - | 32,28% | - | Equity method |
| AgroApps Private Company | Greece | Specialised applications in the agricultural sector | 35% | - | 35% | - | Equity method |
| EPSILON SINGULARLOGIC S.A. | Greece | Software Development | 39,973% | - | 39,973% | - | Equity method |
| Other investments | | | | | | | |
| MOBICS S.A. | Greece | Software Development | 18,10% | - | 18,10% | - | - |
| P-NET Emerging New Generation Networks and Applications P.C. | Greece | Software Development | 2,27% | - | 2,27% | - | - |
| Skills Center for Industry 4.0 from Design to Implementation | Greece | Software Development | 2,00% | - | 2,00% | - | - |

On November 18, 2022, it was decided to dissolve and liquidate the sub-subsubsidiary company SPACE HELLAS SYSTEM INTEGRATOR SLR, which was deleted from the relevant Romanian register in the first quarter of 2023. The result of the liquidation weighed on the results of the group.

On 12/22/2022, the agreement for the transfer of part of the shares of SINGULARLOGIC ROMANIA COMPUTER APPLICATION SRL was signed, for the 59.97% owned by SINGULARLOGIC AE and 0.03% owned by the associated company GREEK INFORMATION TECHNOLOGY CYPRUS LTD. Following the aforementioned transfer, SINGULARLOGIC's shareholding in SINGULARLOGIC ROMANIA amounts to 40% and is consolidated using the equity method.

Subsidiaries' activities

- Space Hellas (Cyprus) Limited was incorporated in Cyprus on September 8, 2005 as a private limited company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The main activities of the company is the provision of telecommunications services and investments property. The share capital of the company consists of 20 thousand shares with a nominal value of 1.71 each. Space Hellas participates with 100%

- SPACE HELLAS SYSTEM INTEGRATOR S.R.L. was founded in 2010 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The company was established to serve the group's strategy for penetrating new markets. The main activities of the company is the provision of telecommunications services, security systems, information technology, trade and investment property. Its share capital consists of 418.3 thousand shares worth € 2,247 each. Space Hellas (Cyprus) Limited participates with a percentage of 99.45%

- SPACE HELLAS (MALTA) LTD was founded at the end of 2012 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The company was established to serve the group's strategy for penetrating new markets. Because of the conditions and commercial practices prevailing in the telecommunications sector in Malta, it was decided to operate through a subsidiary. This new company has installed telecommunications hub and node services offered in the local market. Its share capital consists of 5 thousand shares worth € 1 each. Space Hellas (Cyprus) Limited participates with a percentage of 100%

- SPACE HELLAS Doo Beograd-Stari Grad was founded at the end of 2012 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The company was established to serve the group's strategy for penetrating new markets. Because of the conditions and commercial practices prevailing in the telecommunications sector in Serbia, it was decided to operate through a subsidiary. This new company has installed telecommunications hub and node services offered in the local market. Its share capital amounts to Rs 1,172 thousand. Space Hellas (Cyprus) Limited participates in the capital with 100%

- SPACE ARAB LEVANT TECHNOLOGIES COMPANY was founded at the end of 2017 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The share capital consists in 50 thousand shares of 1JD each. The company was established to serve the group's strategy for penetrating new markets. Because of the conditions and commercial practices prevailing in the telecommunications sector in Jordan, it was decided to operate through a subsidiary. This new company has installed telecommunications hub and node services offered in the local market

- Web-IQ B.V. is a Dutch technology company active in the international Web-Intelligence specialized applications market and Big Data analytics for businesses and organizations. Web-IQ is actively working with many security authorities around the world to combat online child abuse. The total share capital of Web-IQ B.V after the share capital increase that took place on 13.6.2019, consists of 284.137 shares. Space Hellas participates with a percentage of 32.28%.
- Founded in 2015, AgroApps specializes in the development of digital solutions for the agricultural sector, which include farming monitoring and management systems, high-resolution weather forecasting, water resources monitoring and control services, agricultural insurance services, as well as personalized solutions for companies and public bodies. The company is based in Thessaloniki. The total company shares of the company amount to 10,000 with a nominal value of € 1 per company share. Space Hellas participates with a percentage of 35%.
- Mobics Telecommunication and Consulting Services AE was founded in 2006 as a spin-off of the National University of Athens (Department of Informatics and Telecommunications), based in Athens. The Mobics specializes in the design, development and provision of value-added services for mobile and pervasive computing environments and the Internet, focusing on geographical and information and generally aware framework (context-aware services). The company is based in the region of the municipality of Athens. The total share capital of the company amounts to 120,000 with a nominal value of € 3 per share. Space Hellas participates with a percentage of 18.10%.
- SINGULARLOGIC SA was founded in 2009, specializes in the development and distribution of innovative business software products, the study, design and implementation of integrated IT projects for the Private and Public sector, as well as the distribution and support of products of renowned international IT companies. The company is based in Kifissia. The total share capital of the company amounts to 9,000,000 with a nominal value of € 1 per share. Space Hellas participates with a percentage of 60 %.
- EPSILON SINGULARLOGIC SA was founded in 2021, specializing in the field of self-produced software of commercial applications for companies and ERP systems. The company is based in Thessaloniki. The total share capital of the company amounts to 19,595,000 with a nominal value of € 1 per share. Space Hellas participates with a percentage of 39,973%.
- SENSE ONE TECHNOLOGIES Sole Member S.A. was founded in 2007, specializing in the provision of integrated Internet of Things (IoT) solutions. The company is based in Kifissia.

The total share capital of the company amounts to 1,260,000 with a nominal value of € 15 per share. Space Hellas participates with 100%.

4.6.14 OTHER LONG TERM RECEIVABLES

| Amounts in € thousand | Group | | Company | |
|--|------------|------------|--------------|--------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Rental guarantees | 160 | 158 | 46 | 45 |
| Long term receivables from related parties | 0 | 0 | 1.500 | 2.500 |
| Total Other Long term receivables | 160 | 158 | 1.546 | 2.545 |

On 16/6/2023 the company SINGULARLOGIC A.E paid in full the interest-bearing loan granted to it by SPACE HELLAS in accordance with the contract signed on 1 July 2021 and announced to the investing public by the decision of the Board of Directors dated 13-04-2021 of SPACE HELLAS for the provision of a special license, in accordance with articles 99 et seq. of Law 4548/2018, for the granting of an interest-bearing loan to SINGULARLOGIC A.E. in the form of a precautionary financing line and for a capital amount of up to €1,000,000.00 with repayment of the full amount at maturity.

On December 14, 2022, the contract between SPACE HELLAS and SINGULARLOGIC A.E. was signed, as announced to the investing public by the decision of its Board of Directors dated 12-14-2022 for the provision of a special license, in accordance with articles 99 et seq. of the 4548/2018, for the granting of an interest-bearing loan to SINGULARLOGIC A.E. in the form of a auxiliary financing line for a capital amount of up to €1,500,000.00 with repayment of the entire amount at maturity. The said loan was repaid in full on July 5, 2023.

4.6.15 INVENTORIES

The Group takes all necessary measures (insurance, safekeeping) to minimize the risk and possible losses due to loss of inventories from natural disaster theft, etc. Management also continuously reviews the net realizable value of inventories and makes appropriate provisions for the impairment of obsolete and slow-moving stocks.

The level of inventory reflects the company's strategy to achieve the goal of proper warehouse management without compromising reliable customer service.

| | Group | | Company | |
|---------------------------|---------------|---------------|---------------|---------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Goods | 14.441 | 12.508 | 14.015 | 12.074 |
| Materials | 3.855 | 3.599 | 3.855 | 3.599 |
| Consumables | 1.410 | 1.274 | 1.268 | 1.147 |
| Total inventories | 19.706 | 17.381 | 19.138 | 16.820 |

4.6.16 TRADE RECEIVABLES

Trade receivables are recognized at their acquisition cost (invoice value) less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due according to the original terms of receivables. The provisions formed are then used for the cancellation of the receivables of doubtful liquidation.

| | Group | | Company | |
|---|---------------|---------------|---------------|---------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Trade receivables | 67.672 | 57.973 | 34.277 | 26.366 |
| Less: Provisions for doubtful liquidation | 32.355 | 32.453 | 4.750 | 4.750 |
| Less: cummulative effect IFRS 9 | 203 | 203 | 74 | 74 |
| Trade receivables | 35.114 | 25.317 | 29.453 | 21.542 |
| Plus: Contract receivables | 32.490 | 30.049 | 32.490 | 30.049 |
| Total trade receivables | 67.604 | 55.366 | 61.943 | 51.591 |

The provision for doubtful liquidation has been formed taking into account the maturity of the receivables in line with the credit policy, as well as historical data and information on clients' solvency.

The above table contains the item "Contract Receivables" of € 32.490 thousand and refers to non-invoiced project receivables which are expected to be invoiced in the next period.

The company during the year started the execution of projects totaling 83.684 thousand €. At the end of the current year the company had completed some of these projects. The executed part is monitored based on the periodic certifications that follow the execution of the project. At the end of the year, the executed part and the corresponding income appear as follows:

| Group - Company | 30.06.2023 | 31.12.2022 |
|-------------------------------------|-------------------|-------------------|
| Amounts in Euro thousands | | |
| Contract Receivables | 44.310 | 41.869 |
| Contractual Cost occurred | 30.06.2023 | 31.12.2022 |
| Plus profit recognised (cumulative) | 56.957 | 51.239 |
| Minus Loss recognised (cumulative) | 11.380 | 10.464 |
| Minus Invoices (cumulative) | -24.027 | -19.834 |
| Minus advances | -11.820 | -11.820 |
| Contract Receivables | 32.490 | 30.049 |

For the calculation of costs incurred until the end of the year, any costs related to future work related to the contract are excluded and appear as an ongoing project. The total cost incurred and the profit / loss recognized for each contract are compared with progressive invoicing until the end of the year. Where the costs incurred in addition to the recognized net profit (less losses) outweigh the progressive pricing, the difference is recognized as a receivable from 'Contract Receivables' in the 'Trade receivables' item in Current Assets. When progressive invoicing exceeds the costs incurred in addition to the net profit (less losses) recognized, the balance is presented as a "Contractual Liabilities" liability in the "Suppliers and Other liabilities" item.

The fair value of customer receivables approximates the book value. Receivables from customers of both the company and the Group, except for those for which a provision has been made, are all considered collectible.

Provisions for receivables of doubtful collection

| | Group | | Company | |
|---------------------------|-------------------|-------------------|-------------------|-------------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Opening balance | 32.453 | 34.073 | 4.750 | 5.471 |
| Additions | 10 | 0 | 0 | 0 |
| Write offs | -108 | -1.620 | 0 | -721 |
| Total charge | -98 | -1.620 | 0 | -721 |
| Closing balance | 32.355 | 32.453 | 4.750 | 4.750 |

Cumulative effect of IFRS 9:

| | Group | | Company | |
|---------------------------|------------|------------|------------|------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Opening balance | 204 | 214 | 74 | 84 |
| Additions | 0 | 0 | 0 | 0 |
| Write offs | 0 | -10 | 0 | -10 |
| Total charge | 0 | -10 | 0 | -10 |
| Closing balance | 204 | 204 | 74 | 74 |

In the context of working capital management, the Group uses factoring services for the earliest collection of receivables from its customers in Greece

The trade receivables accounts are not bearing any interest. And are usually arranged as following: Group 1 - 180 Days, Company 1 - 180 days. The collection of receivables related to projects depends on the completion stage.

Ageing for receivables:

| | Group | | Company | |
|--------------------------------|---------------|---------------|---------------|---------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| 1 - 90 days | 21.499 | 19.556 | 17.520 | 17.204 |
| 91 - 180 days | 6.576 | 2.555 | 5.834 | 1.320 |
| 181 - 360 days | 4.409 | 1.196 | 3.813 | 1.048 |
| > 360 days | 2.630 | 2.010 | 2.286 | 1.970 |
| Total trade receivables | 35.114 | 25.317 | 29.453 | 21.542 |

Ageing for receivables from related parties:

| | Group | | Company | |
|--------------------------------|------------|------------|------------|------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| 1 - 90 days | 14 | 6 | 376 | 636 |
| 91 - 180 days | 0 | 0 | 44 | 0 |
| 181 - 360 days | 0 | 0 | 4 | 0 |
| > 360 days | 0 | 0 | 34 | 189 |
| Total trade receivables | 14 | 6 | 458 | 825 |

The specific conditions we are experiencing clearly affect, at least in the short term, the economic environment and lead us to assess whether we have a significant increase in credit risk (SICR). The nature of the effects of the economic shock is considered temporary and, combined with the impact of government support and relief measures, lead us to conclude that these counterbalanced forces are offset.

Using past information and more specifically the crisis of 2015 in our country we can say that the increase in credit risk did not significantly affect our company as credit risk management policies worked satisfactorily.

The management estimates that at this time, there is no need to change the data affecting IFRS 9 and consequently the increase in credit risk.

4.6.17 OTHER RECEIVABLES

| | Group | | Company | |
|--|---------------|---------------|---------------|--------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Cheques receivable | 1.385 | 339 | 1.184 | 132 |
| Cheques overdue* | 7.685 | 7.685 | 1.709 | 1.709 |
| Deducted Taxes & other receivables | 2.188 | 1.614 | 1.101 | 888 |
| Salary prepayments | 22 | 19 | 12 | 9 |
| Advances to account for | 70 | 10 | 70 | 10 |
| Amounts owed by affiliated undertakings | 145 | 126 | 568 | 0 |
| Deferred charges | 3.998 | 3.459 | 3.796 | 2.867 |
| Income earned | 2.802 | 2.485 | 1.113 | 786 |
| Other receivables** | 3.158 | 1.565 | 1.441 | 123 |
| Total other receivables | 21.453 | 17.302 | 10.994 | 6.524 |
| Less: provisions for doubtful liquidation | 8.080 | 8.084 | 1.738 | 1.738 |
| Total other receivables | 13.373 | 9.218 | 9.256 | 4.786 |

* For the account in the "Checks overdue" a provision of equal amount has been made.

** For the amount appearing in the Group's Other Receivables, "Other Debtors" amounting to € 3.158 thousand, mainly concerns Other receivables, a provision of € 430 thousand has been made

"Deferred charges " comprise the following:

- Approximately 99% of the costs are related to foreign firm contractual obligation to cover maintenance contracts of our customers, where such obligations are not in line with the customers' demands having different maturation beyond the year and
- Approximately 1% of the costs are operating costs (rent, insurance, etc.).

Expenses are recognized on an accrual basis.

The trade receivables' fair value is approximately equal to the book value. The trade receivables after impairment, for both the Group and the company, are fully collectable

4.6.18 PREPAYMENTS

| | Group | | Company | |
|--------------------------------|---------------|--------------|---------------|--------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Orders placed abroad | 7.560 | 5.084 | 7.560 | 5.084 |
| Prepayments to other creditors | 3.626 | 848 | 3.844 | 832 |
| Total prepayments | 11.186 | 5.932 | 11.404 | 5.916 |

4.6.19 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less:

| | Group | | Company | |
|--|--------------|---------------|--------------|---------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Cash on hand | 84 | 67 | 83 | 65 |
| Short term Bank deposits | 8.938 | 29.118 | 5.174 | 27.264 |
| Total Cash and Cash equivalents | 9.022 | 29.185 | 5.257 | 27.329 |

4.6.20 SHARE CAPITAL

The company's shares are ordinary registered shares and have been listed in ASE since 29.09.2000. No changes have occurred during the current period.

| Number of shares and nominal value | 30.06.2023 | 31.12.2022 |
|------------------------------------|--------------|--------------|
| Paid up capital | 6.973.052,40 | 6.973.052,40 |
| Number of ordinary shares | 6.456.530 | 6.456.530 |
| Nominal value each share | 1,08 € | 1,08 € |

The earnings per share have been calculated taking into account the weighted average number of ordinary shares in issue which, for the period was 6.456.530.

The earnings per share for the previous period have been calculated taking into account the weighted average number of ordinary shares in issue which, was 6.225.010.

4.6.21 RESERVES

| <i>Amounts in € thousand</i> | Group | | | | | Total |
|--------------------------------------|---------------|---------------------|---------------|-----------------|-------------------|-------|
| | Share premium | Fair value reserves | Legal Reserve | Special reserve | Currency exchange | |
| Balance at 1 January 2022 | 53 | 2.758 | 752 | 492 | -64 | 3.991 |
| Legal reserve formation | 0 | 0 | 168 | 0 | 0 | 168 |
| Property revaluation | 0 | 1.944 | 0 | 0 | 0 | 1.944 |
| Deffered tax of property revaluation | 0 | -427 | 0 | 0 | 0 | -427 |
| Currency exchange | 0 | 0 | 0 | 0 | 3 | 3 |
| Balance at 31 December 2022 | 53 | 4.275 | 920 | 492 | -61 | 5.679 |
| Balance at 1 January 2023 | 53 | 4.275 | 920 | 492 | -61 | 5.679 |
| Legal reserve formation | 0 | 0 | -3 | 0 | 61 | 58 |
| Property revaluation | 0 | 0 | 0 | 0 | 0 | 0 |
| Deffered tax of property revaluation | 0 | 0 | 0 | 0 | 0 | 0 |
| Currency exchange | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2023 | 53 | 4.275 | 917 | 492 | 0 | 5.737 |

| <i>Amounts in € thousand</i> | Company | | | | Total |
|--------------------------------------|---------------|---------------------|---------------|-----------------|-------|
| | Share premium | Fair value reserves | Legal Reserve | Special reserve | |
| Balance at 1 January 2022 | 53 | 2.758 | 749 | 492 | 4.052 |
| Legal reserve formation | 0 | 0 | 167 | 0 | 167 |
| Property revaluation | 0 | 1.944 | 0 | 0 | 1.944 |
| Deffered tax of property revaluation | 0 | -427 | 0 | 0 | -427 |
| Balance at 31 December 2022 | 53 | 4.275 | 916 | 492 | 5.736 |
| Balance at 1 January 2023 | 53 | 4.275 | 916 | 492 | 5.736 |
| Legal reserve formation | 0 | 0 | 0 | 0 | 0 |
| Property revaluation | 0 | 0 | 0 | 0 | 0 |
| Deffered tax of property revaluation | 0 | 0 | 0 | 0 | 0 |
| Balance at 30 June 2023 | 53 | 4.275 | 916 | 492 | 5.736 |

4.6.22 LONG TERM LOANS

The Group's long-term loans amount to € 42.888 thousand compared to € 47.919 thousand compared to the year 2022. The loans comprise:

- The mortgage loan ending in 2024, of initial amount € 2.700 thousand, and after interest and principal payments amounting to € 193 thousand.
- The mortgage loan ending in 2024, of initial amount € 8.000 thousand, and after interest and principal payments amounting to € 7.460 thousand.
- The mortgage loan ending in 2025, of initial amount € 6.500 thousand, and after interest and principal payments amounting to € 1.000 thousand.
- The mortgage loan ending in 2025, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 750 thousand.

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- The mortgage loan ending in 2025, of initial amount € 400 thousand, and after interest and principal payments amounting to € 110 thousand.
 - The mortgage loan ending in 2025, of initial amount € 800 thousand, and after interest and principal payments amounting to € 320 thousand.
 - The mortgage loan ending in 2025, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 750 thousand.
 - The mortgage loan ending in 2026, of initial amount € 500 thousand, and after interest and principal payments amounting to € 281 thousand.
 - The mortgage loan ending in 2026, of initial amount € 500 thousand, and after interest and principal payments amounting to € 278 thousand.
 - The mortgage loan ending in 2027, of initial amount € 4.000 thousand, and after interest and principal payments amounting to € 2.600 thousand.
 - The mortgage loan ending in 2027, of initial amount € 7.000 thousand, and after interest and principal payments amounting to € 6.417 thousand.
 - The mortgage loan ending in 2027, of initial amount € 6.000 thousand, and after interest and principal payments amounting to € 5.250 thousand.
 - The mortgage loan ending in 2027, of initial amount € 5.000 thousand, and after interest and principal payments amounting to € 3.889 thousand.
 - The mortgage loan ending in 2028, of initial amount € 7.000 thousand, and after interest and principal payments amounting to € 4.500 thousand.
 - The mortgage loan ending in 2028, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 1.333 thousand.
 - The mortgage loan ending in 2033, of initial amount € 2.400 thousand, and after interest and principal payments amounting to € 2.400 thousand.
 - The mortgage loan ending in 2033, of initial amount € 1.440 thousand, and after interest and principal payments amounting to € 1.440 thousand.
 - The mortgage loan ending in 2026, of initial amount € 700 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 350 thousand
 - The mortgage loan ending in 2026, of initial amount € 800 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 445 thousand
 - The mortgage loan ending in 2026, of initial amount € 1.000 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 562 thousand.
 - The mortgage loan ending in 2032, of initial amount € 960 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 960 thousand.
 - The mortgage loan ending in 2032, of initial amount € 1.600 thousand, in favour of SingularLogic and after interest and principal payments amounting to € 1.600 thousand.
-

The fair value of the short- and long-term borrowings approximates the book value. The rate used in the company's and the Group's borrowings is floating and renegotiable within a six-month period. The average interest rate applied is 6,50 %.

4.6.23 OTHER LONG TERM LIABILITIES

Liabilities are characterized as long term when they due over 12 months otherwise there are consider as short-term liabilities. Both for the Group and for the company there are no received guarantees.

4.6.24 FAIR VALUE MEASUREMENT

The financial assets measured by the Group and the Company, at the fair value as of the balance sheet date are classified under the following levels, in accordance with the method used for determining their fair value:

Level 1: for assets traded in an active market and whose fair value is determined by the market prices (unadjusted) of similar assets.

Level 2: for assets whose fair value is determined by factors related to market data, either directly (prices) or indirectly (prices derivatives).

Level 3: for assets whose fair value is not determined by observations from the market, but is mainly based on internal estimates

During the period, there were no transfers between Levels 1 and 2, nor transfers within and outside Level 3 for the measurement of fair value. The amounts presented in the Financial Statements for cash, trade and other receivables, trade and other short-term liabilities and Bank short-term liabilities approximate their respective fair values due to their short-term maturity.

The method used for the fair value measurement considers all possible parameters in order to approximate the fair value and the financial assets are classified at level 3 except for banking loans classified a level 2.

4.6.25 PERSONELL EMPLOYEED – EMPLOYEE BENEFITS

The personnel employed at 30.06.2023 for the Group have reached 856 persons and for the company has reached 588 persons while as at 30.06.2022 amounted to 786 and 529 respectively.

4.6.25.1 Provisions for employees benefits

The management of the Group commissioned an independent actuary to prepare a study in order to investigate and calculate the actuarial figures, based on the specifications set by the International Accounting Standards (IAS 19), which provide for their mandatory entry in the balance sheet and the statement of total income for the year. During the actuarial valuation, all economic and demographic parameters related to the Group's employees were taken into account.

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in Euro thousands | | | | |
| Present value of unfunded obligations | 948 | 866 | 406 | 360 |
| Not recognized actuarial gains\ losses | 0 | 0 | 0 | 0 |
| Reserves to be formed | 948 | 866 | 406 | 360 |
| Provisions for employers benefits recognized in the income statement | | | | |
| Current service cost | 64 | 105 | 34 | 41 |
| Cost of interest | 13 | 19 | 7 | 7 |
| Actuarial loss / (gain) | 0 | 0 | 0 | 0 |
| Past service cost | 10 | 94 | 10 | 67 |
| Net periodic cost | 87 | 218 | 51 | 115 |
| Liability recognized in the Statement of financial position | | | | |
| Net liability – opening balance as at 01.01 | 866 | 805 | 360 | 328 |
| Benefits paid | -13 | -167 | -13 | -127 |
| Cost recognized in the income statement | 87 | 218 | 51 | 115 |
| Gains/Losses recognized in Equity | 8 | 10 | 8 | 44 |
| Net liability | 948 | 866 | 406 | 360 |
| Present value of the liability | | | | |
| Net liability – opening balance as at 01.01 | 866 | 805 | 360 | 328 |
| Current service cost | 64 | 105 | 34 | 41 |
| Cost of interest | 13 | 19 | 7 | 7 |
| Past service cost | 10 | 94 | 10 | 67 |
| Benefits paid | -13 | -167 | -13 | -127 |
| Actuarial loss / (gain) | 0 | 0 | 0 | 0 |
| Gains/Losses recognized in Equity | 8 | 10 | 8 | 44 |
| Present value of the liability | 948 | 866 | 406 | 360 |

The assumptions used are the following:

- A. Mortality Scoreboard: Swiss EVK 2000 Mortality Scoreboard.
- B. Probabilities of voluntary departure (Turnover table)

| TURNOVER | | | | | |
|------------------------------|------------|------------|--------------|--------------|------------|
| Age/ Years in service | 0-4 | 5-9 | 10-14 | 15-19 | 20+ |
| 18-24 | 2,5% | 0,0% | 0,0% | 0,0% | 0,0% |
| 25-29 | 2,5% | 2,5% | 0,0% | 0,0% | 0,0% |
| 30-34 | 2,5% | 2,5% | 2,0% | 0,0% | 0,0% |
| 35-39 | 2,0% | 2,0% | 2,0% | 1,5% | 0,0% |
| 40-44 | 2,0% | 2,0% | 1,5% | 1,5% | 0,0% |
| 45-49 | 2,0% | 1,5% | 1,0% | 1,0% | 0,0% |
| 50-54 | 1,0% | 1,0% | 1,0% | 1,0% | 0,0% |
| 55-59 | 1,0% | 0,5% | 0,5% | 0,5% | 0,0% |
| 60+ | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |

C. Age of Normal Retirement: According to the statutory provisions of the main insurance Fund of each employee.

D. Inflation: 4,8% for year 2023/2,4% for year 2024/ 2,2% for year 2025 (according to European Central Bank data)

E. Annual Salary Increase: 1,5%

F. Discount Rate : 3.95% (the discount rate chosen follows the trend of the European bond index iBoxx € Financials AA 10+ as produced by the International Index Company).

G. Valuation Date: 30/06/2023

H. Population Data: The data of the Group's employees on 30/06/2023

I. Valuation Method: Projected Unit Credit. According to this method, the present value of the part of the benefit due to the previous service of the active insured (PVB) is estimated. The cost of the current service for next year should be able and necessary to cover the "jump" that the new PVB will make due to another year of service in the calculation of the supply, i.e., the addition of another accrual, to the supply we had at the end of the previous year.

4.6.26 DEFERRED INCOME TAX

Taxes are calculated on temporary differences, according to the liability method, using the tax rates applicable in the countries in which the Group companies operate. The calculation of the deferred taxes of the Group and the Company is re-examined in each fiscal year, in order for the balance that appears in the financial statements to be in accordance with the applicable tax rates. The movement of deferred taxes after set-off is as follows:

| Amounts in € thousand | Group | | | |
|--|---------------|---|---|---------------|
| | 31.12.2022 | Amounts recognised through income | Amounts recognised through equity | 30.06.2023 |
| Deferred tax liabilities | | | | |
| Depreciation rate difference effect | -1.224 | -105 | 0 | -1.329 |
| Fair value adjustments Property, plant and equipment | -1.206 | 0 | 0 | -1.206 |
| Other current receivables | -202 | 61 | 0 | -141 |
| Liabilities related to construction contracts | -1.344 | -563 | 0 | -1.907 |
| Intangibles and fixed assets through IFRS 3 | -1.509 | 68 | 0 | -1.441 |
| Other payables | 14 | -4 | 0 | 10 |
| Total Deferred tax liabilities | -5.471 | -543 | 0 | -6.014 |
| Deferred tax assets | | | | |
| Provisions for Trade and other receivables | 221 | 0 | 0 | 221 |
| Post-employment and termination benefits | 192 | 16 | 2 | 210 |
| Impairment of long term Receivables | 35 | 0 | 0 | 35 |
| Rights of Use | 47 | 13 | 0 | 60 |
| Inventory impairments | 0 | 0 | 0 | 0 |
| Tax deductible losses | 1337 | -153 | 0 | 1184 |
| Total Deferred tax assets | 1.832 | -124 | 2 | 1.710 |
| Total Deferred tax | -3.639 | -667 | 2 | -4.304 |

| Amounts in € thousand | Company | | | |
|--|---------------|--|---|---------------|
| | 31.12.2022 | Amounts recognised through income statement | Amounts recognised through equity | 30.06.2023 |
| Deferred tax liabilities | | | | |
| Depreciation rate difference effect | -689 | -35 | 0 | -724 |
| Fair value adjustments Property, plant and equipment | -1.206 | 0 | 0 | -1.206 |
| Liabilities related to construction contracts | -1.344 | -563 | 0 | -1.907 |
| Total Deferred tax liabilities | -3.239 | -598 | 0 | -3.837 |
| Deferred tax assets | | | | |
| Provisions for Trade and other receivables | 214 | 0 | 0 | 214 |
| Post-employment and termination benefits | 80 | 8 | 2 | 90 |
| Impairment of long term Receivables | 35 | 0 | 0 | 35 |
| Rights of Use | 5 | 17 | 0 | 22 |
| Inventory impairments | 0 | 0 | 0 | 0 |
| Tax deductible losses | 191 | 45 | 0 | 236 |
| Total Deferred tax assets | 525 | 70 | 2 | 597 |
| Total Deferred tax | -2.714 | -528 | 2 | -3.240 |

Deferred tax assets are offset against deferred tax liabilities when there is a legal right to set off and both are subject to the same tax authority.

4.6.27 TRADE AND OTHER PAYABLES

Liabilities are characterized as long term when their due is less than 12 months otherwise considered as long-term liabilities.

| Amounts in € thousand | Group | | Company | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Trade payables | 26.573 | 36.547 | 22.836 | 31.258 |
| Checks payables | 3.158 | 4.798 | 1.365 | 4.022 |
| Customer down payments/advances | 6.223 | 11.756 | 6.221 | 11.736 |
| Social security | 630 | 1.219 | 408 | 806 |
| Wages and salaries payable | 7 | 12 | 1 | 0 |
| Short term liabilities to factors | 179 | 502 | 179 | 490 |
| Other payables | 1.867 | 1.332 | 450 | 477 |
| Amounts due to related parties | 0 | 0 | 2 | 0 |
| Next year's Income | 172 | 140 | 11 | 8 |
| Accrued expenses | 826 | 515 | 65 | 312 |
| Purchases under arraignment | 4.400 | 4.242 | 4.400 | 4.242 |
| Total Trade and other payables | 44.035 | 61.063 | 35.938 | 53.351 |

4.6.28 PROVISIONS

It is noted that the Group has formed provisions for doubtful customers amounting to €32,355 thousand and Doubtful Debtors amounting to €8,080 thousand, which are included as offsets in trade, in other receivables respectively.

| Amounts in € thousand | Group | | | | |
|------------------------------------|------------|----------------|-----------------|-----------|--------------|
| | 31.12.2022 | New Provisions | Used Provisions | Decreases | 30.06.2023 |
| Provisions for tax unaudited years | 61 | 0 | 0 | 0 | 61 |
| Provisions for employers benefits | 866 | 95 | 13 | 0 | 948 |
| Other provisions | 0 | 0 | 0 | 0 | 0 |
| Total | 927 | 95 | 13 | 0 | 1.009 |

| Amounts in € thousand | Company | | | | |
|------------------------------------|------------|----------------|-----------------|-----------|------------|
| | 31.12.2022 | New Provisions | Used Provisions | Decreases | 30.06.2023 |
| Provisions for tax unaudited years | 61 | 0 | 0 | 0 | 61 |
| Provisions for employers benefits | 360 | 59 | 13 | 0 | 406 |
| Other provisions | 0 | 0 | 0 | 0 | 0 |
| Total | 421 | 59 | 13 | 0 | 467 |

The Company, using tax audit data from past tax audited fiscal years, reserves an amount of € 61 thousand to cover the possibility of additional taxes being imposed in the event of an audit by the tax authorities.

4.6.29 DISPUTED CLAIMS

There are no disputed claims that might have significant impact on the financial position both of the Group and the Company.

4.6.30 UNAUDITED FISCAL YEARS BY THE TAX AUTHORITIES

| Company | Tax Unaudited Years |
|-------------------------------------|---------------------|
| SPACE HELLAS (CYPRUS) LTD | 2011 – 2022 |
| SPACE HELLAS Doo Beograd-Stari Grad | 2012 - 2022 |
| SPACE HELLAS (MALTA) LTD | 2012 - 2022 |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | 2017 - 2022 |
| SINGULARLOGIC A.E. | 2017 - 2022 |
| SENSE ONE ΜΟΝΟΠΡΟΣΩΠΗ Α.Ε. | 2017 - 2022 |
| GIT HOLDINGS A.E. | 2017 - 2022 |

For the unaudited tax years of the Group companies, there is the possibility of imposing additional taxes and surcharges at the time of their examination and finalization by the competent tax authorities. The company has formed a cumulative provision of € 61 thousand in order to cover the possibility of imposing additional taxes in the event of an audit by the tax authorities. For the other Group companies, no provision has been made for unaudited tax years as it is estimated that the charge for the imposition of additional taxes will be insignificant.

Greek tax law and related provisions are subject to interpretation by the tax authorities and the administrative courts. Income tax returns are filed on an annual basis. Profits or losses declared for tax purposes remain temporary until the tax authorities examine the taxpayer's tax returns and books, at which time the relevant tax liabilities are settled. According to the current tax legislation (article 36, law 4174/2013), the Greek tax authorities may impose additional taxes and fines upon tax audits, within the prescribed limitation period which, in principle, is five years from the end of the next year in which the deadline for submitting the income tax return expires. Based on the above, in principle and based on the general rule, the years up to 2016 are considered, finalized.

There is no statutory tax audit system for subsidiaries based abroad. Audits are carried out exceptionally where appropriate by the tax authorities of each country on the basis of specific criteria. Tax liabilities resulting from the submission of the annual tax return remain under audit of the tax authorities for a certain period of time, in accordance with the tax laws of each country.

From the fiscal year 2016 onwards, the tax certificate of article 65A of N4174/2014 is granted by the Statutory Auditor or audit firm that audits the annual financial statements on an optional basis.

For the Company, this audit until 2021 has been completed with the issuance of the relevant Tax Compliance Reports without reservation.

A tax audit of the company for the year 2022 by the statutory auditors is underway, from which no significant further charges are expected to arise other than those recorded and disclosed in the financial statements.

From January 1, 2014 onwards, dividends distributed within the same group by companies within the E.U. are exempt from both income tax and withholding tax, provided, among other things, that the parent company participates in the company distributing the dividend with a minimum percentage of 10% for at least two consecutive years.

The Group forms a provision, when necessary, by case and by company, against possible additional taxes that may be imposed by the tax authorities.

4.6.31 CONTINGENT EVENTS

4.6.31.1 Commitments -Guarantees

The contingent liabilities for letters of guarantee for the Company and the Group in the ordinary course of business are:

| | Group | | Company | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 |
| Amounts in € thousand | | | | |
| Guarantee letters to secure good performance of contract terms | 13.350 | 11.997 | 11.839 | 11.121 |
| Total Contingent Liabilities | 13.350 | 11.997 | 11.839 | 11.121 |

- The company had guaranteed against banks, for its subsidiary SINGULARLOGIC A.E, a total amount of €22,755 thousand, out of the approved guaranteed financing limits, the amount used amounts to €10,937 thousand.

4.6.31.2 Excess clause provisions and Disputed claims

There are no cases (note. 4.6.29) that might have significant impact on the financial position both of the Group and the Company

4.6.31.3 Other contingent liabilities

The tax framework and tax practices in Greece, which determine the tax base for the transactions of Group companies, may give rise to uncertainties inherent in their complexity and the fact that they are subject to changes and alternative interpretations by the competent authorities at different times. Therefore, there may be categories of costs or handling of various issues for which a company may have evaluate on a different basis from that applied during the preparation of the tax returns or the preparation of the financial statements. It is customary for tax inspections to be carried out by Tax Authorities, on average 5-7 years after filing the tax return. All of this leads to inherent difficulties in identifying and accounting for tax liabilities. As a result, the management aims to define its policy based on the legislation available at the time of accounting for a transaction, by obtaining specialized legal and tax advice.

For the unaudited tax years of the Group companies as mentioned in note 4.6.30, there is the possibility of imposing additional taxes and surcharges at the time of their examination and finalization by the competent tax authorities. The company has formed a cumulative provision of € 61 thousand in order to cover the possibility of imposing additional taxes in the event of an audit by the tax authorities. For the other Group companies, no provision has been made for unaudited tax years as it is estimated that the charge for the imposition of additional taxes will be insignificant.

4.6.31.4 Capital commitments

As at 30.06.2023 there were no capital commitments for the Group and the Company

4.6.32 CASH FLOW

| | Group | | Company | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 01.01- 30.06.2023 | 01.01- 30.06.2022 | 01.01- 30.06.2023 | 01.01- 30.06.2022 |
| Amount ins € thousand | | | | |
| Total cash inflow/(outflow) from operating activities | -36.007 | -23.383 | -36.047 | -23.142 |
| Total cash inflow/(outflow) from investing activities | -5.645 | -2.323 | -4.605 | -499 |
| Total cash inflow/(outflow) from financing activities | 21.489 | 16.177 | 18.580 | 15.929 |

Cash flow from operating activities is negative amounting to € 36.007 thousand. This is typical of the Group's interim results throughout the years as there is a repayment of significant costs

related to third-party services at the beginning of each year. The burden of this year's operating cash flows is attributable to both the increase in the Group's turnover, complex public works over a longer period, and the Group's effort to maintain the market prices of products and services constant, in a period characterized by delays on deliveries, but also increases in transport costs worldwide.

Cash flow from investing activities is negative amounting to € 5.645 thousand attributable to the execution of the investment in new technological sectors.

The cash flow from financing activities is positive amounting to € 21.489 thousand. This result confirms the Group's ease of access to financial institutions for the financing of its activities with the main focus the successful completion of complex projects and the implementation of the Group's investment plan.

4.6.33 CONTINGENT EVENTS - TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES (IAS 24) FROM 01-01-2023 TO 30-06-2023

Each affiliated company follows the rules regarding transparency, independent financial management, accuracy and correctness of its transactions, as required by law. Transactions between the Company and its affiliated companies are made at a price or exchange, which is proportional to whether the transaction was made with any third party, natural or legal person, under the conditions prevailing in the market at transaction time.

The transactions below relate to transactions with related parties as defined in IAS 24, cumulatively from the beginning of the financial year to the end of the period, as well as the balances of the receivables and liabilities of the company and the group at the end of the current fiscal year, have arisen from the specific transactions of the related parties.

The sales to and purchases from related parties, during the period, are made at normal market prices.

The Group and the Company do not participate in any transaction of unusual nature or content that is essential to the Group, or the Companies and individuals closely associated with, and does not intend to participate in such transactions in the future. None of the transactions contain special terms and conditions.

The following tables present the main intercompany transactions between the Company, its subsidiaries, associates and other companies and the members of the Management both during the examined period and during the previous period as well.

| Amounts in € thousand | Revenue from dividends | | Sales | | Income from investment property | | Total income-Parent company | | Total income-Group | |
|------------------------------------|------------------------|------------|------------|------------|---------------------------------|-----------|-----------------------------|------------|--------------------|-----------|
| | 30.06 | | 30.06 | | 30.06 | | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 568 | 363 | - | - | - | - | 568 | 363 | - | - |
| SPACE HELLAS (MALTA) LTD | - | - | - | - | - | - | 0 | 0 | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | - | - | - | - | - | - | 0 | 0 | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | - | - | - | - | - | - | 0 | 0 | - | - |
| Sense One Single member S.A. | - | - | 19 | 2 | - | - | 19 | 2 | - | - |
| SingularLogic S.A. | - | - | 456 | 459 | 67 | 26 | 523 | 485 | - | - |
| Total Subsidiaries | 568 | 363 | 475 | 461 | 67 | 26 | 1110 | 850 | 0 | 0 |
| Web-IQ B.V. | - | - | 43 | 37 | - | - | 43 | 37 | 43 | 37 |
| AgroApps P.C. | - | - | - | - | - | - | 0 | 0 | 0 | 0 |
| Epsilon Singularlogic | - | - | 4 | 3 | - | - | 4 | 3 | 4 | 3 |
| Total Associates | 0 | 0 | 47 | 40 | 0 | 0 | 47 | 40 | 47 | 40 |
| MOBICS S.A. | - | - | - | - | - | - | 0 | 0 | 0 | 0 |
| Total other related parties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 568 | 363 | 522 | 501 | 67 | 26 | 1.157 | 890 | 47 | 40 |

| Amounts in € thousand | Total Company expenses | | Total Group expenses | |
|------------------------------------|------------------------|------------|----------------------|----------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 24 | 17 | - | - |
| SPACE HELLAS (MALTA) LTD | 5 | - | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | 20 | 14 | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | 254 | 140 | - | - |
| SINGULARLOGIC S.A. | 8 | - | - | - |
| Total Subsidiaries | 311 | 171 | 0 | 0 |
| Web-IQ B.V. | 0 | 0 | 0 | 0 |
| AgroApps P.C. | - | - | - | - |
| Epsilon SingularLogic S.A. | 298 | - | 298 | - |
| Total Associates | 298 | 0 | 298 | 0 |
| MOBICS S.A. | - | - | - | - |
| Total other related parties | 0 | 0 | 0 | 0 |
| | 609 | 171 | 298 | 0 |

| Amounts in € thousand | Total Receivables - Company | | Total Receivables - Group | |
|------------------------------------|------------------------------------|--------------|----------------------------------|-------------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 568 | 782 | - | - |
| SPACE HELLAS (MALTA) LTD | - | - | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | - | - | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | - | - | - | - |
| SingularLogic S.A. | 315 | 1.876 | - | - |
| Sense One Single Member S.A. | 386 | 67 | - | - |
| Total Subsidiaries | 1.269 | 2.725 | 0 | 0 |
| Web-IQ B.V. | 9 | 6 | 9 | 6 |
| AgroApps P.C. | - | - | - | - |
| Epsilon SingularLogic S.A. | 5 | 4 | 5 | 4 |
| Total Associates | 14 | 10 | 14 | 10 |
| MOBICS S.A. | - | - | - | - |
| Total other related parties | 0 | 0 | 0 | 0 |
| | 1.283 | 2.735 | 14 | 10 |

| Amounts in € thousand | Total Liabilities - Company | | Total Liabilities - Group | |
|------------------------------------|------------------------------------|-------------|----------------------------------|-------------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| SPACE HELLAS (CYPRUS) LTD | 69 | 28 | - | - |
| SPACE HELLAS (MALTA) LTD | 10 | - | - | - |
| SPACE HELLAS D.o.o. BEORGRAD | 67 | 28 | - | - |
| SPACE ARAB LEVANT TECHNOLOGIES LLC | 52 | 48 | - | - |
| SingularLogic S.A. | 10 | - | - | - |
| Total Subsidiaries | 208 | 104 | 0 | 0 |
| Web-IQ B.V. | 32 | 0 | 32 | 0 |
| AgroApps P.C. | - | - | - | - |
| Epsilon SingularLogic S.A. | 370 | - | 370 | - |
| Total Associates | 402 | 0 | 402 | 0 |
| MOBICS S.A. | - | - | - | - |
| Total other related parties | 0 | 0 | 0 | 0 |
| | 610 | 104 | 402 | 0 |

- Both the services from and towards the related parties as well as the sales and purchase of goods are contracted with the same trade terms and conditions as for the non-related parties.
- From the above table, the transactions between the Company and related parties have been eliminated from the consolidated financial statements.

Table of Key management compensation:

| Amounts in € thousand | Group | | Company | |
|--|--------------|-------------|----------------|-------------|
| | 30.06 | | 30.06 | |
| | 2023 | 2022 | 2023 | 2022 |
| Salaries and other employee benefits | 756 | 692 | 666 | 600 |
| Receivables from executives and members of the Board | 0 | 3 | 0 | 3 |
| Payables to executives and member of the Board | 17 | 16 | 17 | 16 |

- No loans have been given to members of the Board or other executive members nor to their family members.

Tables of Guarantees to third parties:

| Amounts in € thousand | Group | | Company | |
|--|------------|------------|------------|------------|
| | 30.06.2023 | 30.06.2022 | 30.06.2023 | 30.06.2022 |
| Guarantees to third parties on behalf of subsidiaries and joint ventures | 22.755 | 12.055 | 22.755 | 12.055 |
| Used guarantees to third parties on behalf of subsidiaries | 10.937 | 4.761 | 10.937 | 4.761 |
| Letters of guarantee for advance payment, good execution and counter-guarantee | 0 | 14 | 0 | 14 |

- The company had guaranteed against banks, for its subsidiary SINGULARLOGIC A.E, a total amount of €22,755 thousand, out of the approved guaranteed financing limits, the amount used amounts to €10,937 thousand.

4.7 ALTERNATIVE PERFORMANCE MEASURES

The European Securities and Markets Authority (ESMA / 2015 / 1415el) published the final guidelines on Alternative Performance Measures (APMAs) applicable from 3 July 2016 to companies listed in organized exchange systems. ALPs are disclosed by publishers when publishing regulated information and are intended to enhance transparency and promote the usefulness and fair and full information of the investing public.

The Alternative Performance Measurement Score (ALP) is an adjusted economic measurement of historical or future economic performance, financial position or cash flow, other than the economic measurement set out in the applicable financial reporting framework. That is to say, ALP does not rely exclusively on the standards of financial statements, but provides substantial additional information, excluding elements that may differ from operating results or cash flows. Transactions with non-functional or non-cash valuation with a significant effect on the Statement of Comprehensive Income are considered as factors influencing the adjustment of the indicators to EMMA. These non-recurring items, in most cases, could arise, among others, from:

- ❑ impairment of assets
- ❑ Restructuring measures
- ❑ consolidation measures

- sale of assets or concessions
- changes in legislation, damages for damages or legal claims.

ALPs should always be taken into account in conjunction with the financial results prepared under IFRSs and should under no circumstances be considered as replacing them. The Group uses the adjusted indicators to better reflect the financial and operating performance that is related to the Group's activity as such in the reference year as well as the corresponding comparable period last year.

The definition, analysis and basis of calculation of the ALPs used by the Group is set out below.

Elements Affecting Adaptation

Figures influencing the adjustment of the indices used by the Group to extract the SNAUs according to the first half financial statements 2023 and the corresponding financial statements of the prior period are the provisions of doubtfulness.

The data that affect the adjustment of the indicators (SEMCs) on 30.06.2023 and 30.06.2022 are shown in the table below:

| | Group | |
|---------------------------------------|------------|------------|
| | 30.06.2023 | 30.06.2022 |
| Amounts in € thousand | | |
| Comprehensive Income Statement | | |
| Provisions for impairment | -98 | 0 |
| Total | -98 | 0 |

Adjusted EBITDA

Adjusted EBITDA is defined as the sum of Earnings Before Taxes, Financials, Investments and Depreciation, minus the items that affect the adjustment (payments of voluntary retirement). The definition, analysis and basis of calculation of the EMMA used by the Group are set out below:

$$\text{EBITDA adjusted} = \text{EBITDA} - \text{Adjusting elements}$$

| Amounts in € thousand | Group | | |
|---------------------------|-------------------|-------------------|--------------------|
| | 30.06.2023 | 30.06.2022 | Variation % |
| EBITDA | 9.287 | 4.158 | 123,35% |
| Provisions for impairment | -98 | 0 | |
| EBITDA adjusted | 9.189 | 4.158 | 121,00% |
| Variation % | -1,06% | 0,00% | |

The adjusted EBITDA of the current period decreased by 1,06% compared to EBITDA, while compared to the previous period the adjusted EBITDA is increased by 123,35%.

Adjusted EBIT

Adjusted EBITDA is defined as the sum of Earnings Before Taxes, Financials and Investments results, minus the items that affect the adjustment (payments of voluntary retirement plans, doubtful debts, reimbursement fees and non-recurring legal cases).

$$\text{EBIT adjusted} = \text{EBIT} - \text{Adjusting elements}$$

| Amounts in € thousand | Group | | |
|---------------------------|-------------------|-------------------|--------------------|
| | 30.06.2023 | 30.06.2022 | Variation % |
| EBIT | 6.438 | 2.576 | 149,92% |
| Provisions for impairment | -98 | 0 | |
| EBIT adjusted | 6.340 | 2.576 | 146,12% |
| Variation % | -1,52% | 0,00% | |

Adjusted EBIT for the current period shows a small decrease of 1,52% over EBIT, while compared to the previous period there is a growth of 149.92%.

Adjusted Cash Flows After Investments

Adjusted cash flows after Investments are defined as the sum of net cash inflows from operating activities less the components that affect the adjustment (payments of voluntary retirement plans, doubtful debts, reimbursement costs and non-recurring legal cases) and by suggesting net cash flows from investing activities, as shown in the table below.

$$\text{Cash Flows After Investments adjusted} = \text{Net operating Cashflow} - \text{Adjusting elements} - \text{Net Cash flow from investing activity}$$

| Amounts in € thousand | Group | | |
|--|----------------|----------------|-------------|
| | 30.06.2023 | 30.06.2022 | Variation % |
| Net Cash flow from operating activities | -36.007 | -23.383 | 53,99% |
| Net Cash flow from investing activity | -5.645 | -2.323 | 143,00% |
| Cash Flows After Investments | -41.652 | -25.706 | 62,03% |
| Provisions for impairment | -98 | 0 | |
| Cash Flows After Investments adjusted | -41.750 | -25.706 | 62,41% |
| Variation % | 0% | 0% | |

The Adjusted Cash Flows after investments for the current compared to those of the previous period are unchanged while compared to the previous period, results to be increased by 62,41% due to the increase of investing activities of the Group.

Adjusted Net Borrowing

Adjusted net borrowing is defined as net borrowing, which includes other financial assets as these are relatively readily convertible assets. The calculations are presented in the table below.

$$\text{Adjusted Net Borrowing} = \text{Net Borrowing} - \text{Other financial Assets}$$

| Amounts in € thousand | Group | | |
|-------------------------------|---------------|---------------|-------------|
| | 30.06.2023 | 30.06.2022 | Variation % |
| Long term loans | 42.888 | 40.655 | 5,49% |
| Shor term loans | 49.885 | 33.543 | 48,72% |
| Cash and Cash equivalents | -13.736 | -13.736 | 0,00% |
| Net Borrowing | 79.037 | 60.462 | 30,72% |
| Other financial Assets | -13 | -13 | 0,00% |
| Adjusted Net Borrowing | 79.024 | 60.449 | 30,73% |
| Variation % | -0,02% | -0,02% | |

Both in the current and the previous period, the adjusted Net borrowing is almost equal to the net borrowing.

4.8 SIGNIFICANT POST-BALANCE SHEET EVENTS

- SPACE HELLAS A.E. sold its minority stake (39.973%) in the company "Epsilon SingularLogic S.A." with the buyer company "EPSILON NET A.E." with the price amounting to 11.8 million euros, while at the same time it purchased a 39.933% stake in the company "SingularLogic S.A. (hereinafter "SINGULARLOGIC") from the company "EPSILON NET A.E." with the price amounting to 6.3 million euros. To determine the purchase price of the shares of SINGULARLOGIC S.A. and the sale price of the shares of Epsilon SingularLogic

S.A., both the Equity of each company and the Reports of Independent Sworn Auditors were taken into account, from which it follows that the prices of sale & acquisition correspond to the fair value of the companies SINGULARLOGIC S.A. and Epsilon SingularLogic S.A. These two simultaneous moves make SPACE HELLAS the owner of 99.933% of "SINGULARLOGIC" and "EPSILON NET A.E." shareholder with a percentage of 99.973% in the company "Epsilon SingularLogic SA", capitalizing on both sides the values that were created through the joint creative process of the two companies that started with the acquisition of 50%-50% of "SINGULARLOGIC" on 11/01 /2021. The successful joint effort will continue to exist in the common commercial and technological fields of cooperation that have been created and in the joint process of finding new products and solutions as originally planned by the administrations of the two groups. According to the original plan, SINGULARLOGIC, as a member of the SPACE HELLAS group, focused on the field of large projects and clients, both private and public, and focused on the reorganization of the company, on capital reinforcement, on the strengthening of human resources, but also on all infrastructure of the company. The R&D and application development department was strengthened and the renewal of the software and applications supported by the company began vigorously. At the same time, he created structures and processes capable of providing 24-hour support with strict Service Level Agreements to the company's entire clientele. SINGULARLOGIC focused on creating new products and partnerships with international software houses and other Greek companies. Also, the company's commercial penetration in the market was significantly strengthened with the successful undertaking of projects that increased the outstanding amount by exploiting the synergies with the other companies of the group. Finally, within 2023, the company undertook and successfully executed two consecutive election contests and is preparing for the next ones. SPACE HELLAS with the acquisition of 99.933% in its subsidiary SINGULARLOGIC, focuses on strengthening the group's leadership position in Digital Integration by leveraging the cooperation and tools from the largest software manufacturers worldwide such as SAP, Microsoft, ServiceNow etc. as well as self-produced SINGULARLOGIC software. With a comparative advantage of significant expertise in the integration and support of systems and applications and the integration of different technologies and services, SINGULARLOGIC focuses on medium and large private sector clients as well as targeted public sector projects with a multitude of systems and services.

- On July 5, 2023, the company SINGULARLOGIC A.E. fully repaid the interest-bearing loan granted to it by SPACE HELLAS based on the contract signed on December 14, 2022 and announced to the investing public with the 12-14-2022 decision of its Board of Directors to the provision of a special permit, in accordance with articles 99 et seq. of

Law 4548/2018, for the granting of an interest-bearing loan to SINGULARLOGIC A.E. in the form of a preventive financing line for a capital amount of up to €1,500,000.00 with repayment of the entire amount to expiry.

After the above, there are no other events subsequent to the financial statements which concern either the Group or the company and which are required to be reported by the International Financial Reporting Standards.

SPACE HELLAS A.E
Financial Report for the six-month period
(From 1st January 2023 to 30th June 2023)



5 FIGURES AND INFORMATION FROM 1ST JANUARY TO 30th JUNE 2023

| | | SPACE HELLAS S.A. GEMIS:378501000 Mesogion Av. 312 Ag. Paraskevi Financial statement and information for the period 1 January 2023 to 30 June 2023 | | | |
|---|---|---|---|-----------------------------------|--|
| <p>The following results and information, that arise from the financial statements, provide a general picture of the financial position and financial results of the SPACE HELLAS S.A. Thus we suggest the reader, before entering into any sort of investment decision or other transaction with the company, to gain access to the company's web site, where the financial statements can be downloaded, as well as the independent Auditor's Report.</p> | | | | | |
| Company Information | | | | | |
| Prefecture Company's web site Date of approval by the Board of Directors Certified Auditor Accountant Auditing Company Type of Auditor's report | Ministry of Development, Department of Commerce http://www.space.gr 27 September 2023 Dimos H. Piliadis (S.O.E.L. Reg. No 14481) PKF Euroauditing S.A. Without qualification | Board of Directors | | | |
| | | Manolopoulos Spyridon Chatzistamatou Theodoros Mpsellos Panagiotis Mertzanis Ioannis Doulaveris Ioannis Papanizou Anastasia Eiriniotis Theodoros Kalliani Anna Chatiras Emmanouil | Chairman, executive member Vice President, non executive member Vice President, executive member CEO, executive member Executive member Executive member Independent - non executive member Independent - non executive member Independent - non executive member | | |
| 1.1 STATEMENT OF FINANCIAL POSITION | | | | | |
| (consolidated and non consolidated) Amounts in € thousand | | | | | |
| | GROUP | | COMPANY | | |
| | 30.06.2023 | 31.12.2022 | 30.06.2023 | 31.12.2022 | |
| ASSETS | | | | | |
| Property, plant and equipment | 22,668 | 21,270 | 21,494 | 20,027 | |
| Rights of Use | 3,016 | 2,766 | 2,254 | 1,814 | |
| Intangible assets | 18,841 | 17,541 | 3,999 | 3,034 | |
| Other non current assets | 16,732 | 16,399 | 20,445 | 21,444 | |
| Inventory | 19,706 | 17,381 | 19,138 | 16,820 | |
| Receivables (trade debtors) | 67,604 | 55,366 | 61,943 | 51,591 | |
| Other current assets | 24,572 | 15,163 | 20,673 | 10,715 | |
| Cash and Cash equivalents | 9,022 | 29,185 | 5,257 | 27,329 | |
| TOTAL ASSETS | 182,141 | 175,071 | 155,203 | 152,774 | |
| EQUITY AND LIABILITIES | | | | | |
| Share capital | 6,973 | 6,973 | 6,973 | 6,973 | |
| Other components of equity | 21,891 | 20,059 | 17,965 | 16,342 | |
| Total equity attributable to owners of the parent (a) | 28,864 | 27,032 | 24,938 | 23,315 | |
| Non controlling interests (b) | 3,900 | 3,600 | - | - | |
| Total Equity (c) = (a)+(b) | 32,764 | 30,632 | 24,938 | 23,315 | |
| Long term borrowings | 42,558 | 47,919 | 35,971 | 46,260 | |
| Long term provisions / Non current liabilities | 7,391 | 6,164 | 5,319 | 4,309 | |
| Short term borrowings | 49,855 | 22,683 | 46,491 | 20,263 | |
| Other current liabilities | 49,233 | 67,673 | 39,454 | 58,627 | |
| Total Liabilities (d) | 149,377 | 144,437 | 130,265 | 129,457 | |
| TOTAL EQUITY AND LIABILITIES (c)+(d) | 182,141 | 175,071 | 155,203 | 152,774 | |
| 1.2 STATEMENT OF COMPREHENSIVE INCOME | | | | | |
| (consolidated and non consolidated) Amounts in € thousand | | | | | |
| | GROUP | | COMPANY | | |
| | 30.06.2023 | 30.06.2022 | 30.06.2023 | 30.06.2022 | |
| Turnover | 62,265 | 52,972 | 47,952 | 44,622 | |
| Gross Profit | 16,344 | 11,054 | 12,167 | 9,382 | |
| Profit before taxes, financing and investing activity | 6,438 | 2,576 | 4,840 | 2,586 | |
| Profit before taxes | 2,853 | 2,487 | 2,084 | 2,897 | |
| Profit after taxes (A) | 2,080 | 1,629 | 1,629 | 2,273 | |
| - Owners of the parent | 1,750 | 1,150 | 1,150 | 1,629 | |
| - Non controlling interests | 300 | - | - | - | |
| | 2,080 | 1,629 | 1,629 | 2,273 | |
| Other comprehensive income after taxes (B) | 52 | 1,478 | -6 | 1,456 | |
| Total comprehensive income after taxes (A)+(B) | 2,132 | 3,107 | 1,623 | 3,729 | |
| - Owners of the parent | 1,832 | 3,431 | 1,623 | 3,729 | |
| - Non controlling interests | 300 | - | - | - | |
| Earnings (after taxes) per share - basic in € | 0,2757 | 0,3470 | 0,2523 | 0,3651 | |
| Profit before taxes, financing and investing activity and depreciation | 9,287 | 4,158 | 4,674 | 3,732 | |
| Additional information | | | | | |
| 1. The shares of the company were listed on the Athens Stock Exchange on 29-9-2000. The earnings per share for the current year were calculated based on the weighted average number of ordinary shares in issue amounting to 4,456,330 while for the previous period were amounting to 4,225,015. 2. The companies of the Group, the percentage ownership and the consolidation method for the ending period are disclosed in note 4.6.13 of the interim financial report of 2023. 3. The tax un-audited years of the Company and the Group are disclosed in note 4.6.30 of the interim financial report of 2023. 4. The company has formed a provision for the tax unaudited years, for the amount of €1 thousand, in order to cover the possibility of additional taxes (note 4.6.30). No other reserves are formed (note 4.6.28). 5. There are no other disputed or under arbitration cases of national or administrative courts that may have a material effect on the financial position of the Company. 6. There are no other real liens on non-current assets or property, except, at the Company level, the underwriting, amounting to € 1,200 thousand, on the property situated at 4 Loch, Dedouli St., Chologos, Athens, and the underwriting amounting to € 4,335 thousand, on the property situated at 302 Ave, Mesogion, Chologos, Athens, and of the Group level, the underwriting, amounting to € 7,200 thousand, on the property situated at 312 Ave, Mesogion, Chologos, Athens, and the underwriting, amounting to € 1,200 thousand, on the property situated at St. Geronimos-Karolyfi & Patr, Kynioli, Thessaloniki. 7. The personnel employed at 30.06.2023 for the Group amounted to 856 persons and for the Company amounted to 588 while as at 30.06.2022 amounted to 786 and 529 respectively. 8. The same Accounting Policies have been followed as for the financial statements as at 31.12.2022. 9. Note 4.3 of the interim financial report of 2023 refers to the comprehensive income after taxes for the company and the Group. 10. Intercompany transactions for the period from 1 January 2023 to 30 June 2023 according to I.A.S. 24 are as follows: | | | | | |
| | GROUP | | COMPANY | | |
| | 47 | 1,157 | 47 | 1,157 | |
| a) Sales of goods and services | 298 | 609 | 298 | 609 | |
| b) Purchases of goods and services | 14 | 1,283 | 14 | 1,283 | |
| c) Receivables from related parties | 402 | 610 | 402 | 610 | |
| d) Payables to related parties | 756 | 666 | 756 | 666 | |
| e) Key management compensations | 0 | 0 | 0 | 0 | |
| f) Receivables from key management | 0 | 0 | 0 | 0 | |
| g) Payables to key management included in above | 17 | 17 | 17 | 17 | |
| The company has guaranteed to financial institutions for bank credit limit for its subsidiaries up to the amount of € 22,765 thousand, of which € 10,937 thousand have been made available. | | | | | |
| CHAIRMAN OF THE BOARD OF DIRECTORS | | Agia Paraskevi, 27 September 2023 | | CHIEF FINANCIAL OFFICER | |
| SPYRIDON MANOLOPOULOS | | CHIEF EXECUTIVE OFFICER | | AND EXECUTIVE MEMBER OF THE BOARD | |
| IOANNIS MERTZANIS | | CHIEF ACCOUNTANT | | AND EXECUTIVE MEMBER OF THE BOARD | |
| IOANNIS DOULAVERIS | | ANASTASIA PAPANIZOU | | | |

6 GROUP'S WEBSITE AND AVAILABILITY OF THE PUBLISHED FINANCIAL REPORT

We certify that the attached annual financial report, from pages 1 to 127, which has been approved by the Board of Directors of SPACE HELLAS SA on September 27th, 2023, has been published by posting them on the internet, at the address <http://www.space.gr>, and have been signed by the following:

**CHAIRMAN OF
THE BOARD OF
DIRECTORS**

**CHIEF EXECUTIVE
OFFICER**

**CHIEF FINANCIAL
OFFICER AND
MEMBER OF THE
BOARD**

**CHIEF
ACCOUNTANT**

SPYRIDON
MANOLOPOULOS

IOANNIS
MERTZANIS

IOANNIS
DOULAVERIS

ANASTASIA
PAPARIZOU