ENTERSOFT S.A.

Interim Financial Report

(TRANSLATED FROM THE GREEK ORIGINAL)

For the period from January 1, 2021 to June 30, 2021

In accordance with article 5 of the Law 3556/2007

STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS
(In accordance with article 5 paragraph 2 of the Law 3556/2007)

The members of the Board of Directors of Entersoft S.A.:

- Pantelis Nikolopoulos, Chairman of the Board of Directors and Non-Executive Member,
- Antonios Kotzamanidis, Chief Executive Officer and Executive Member of the Board of Directors,
- Charalampos Avratoglou, Executive Member of the Board of Directors,

in our above-mentioned capacity, specially appointed for this by the Board of Directors of ENTERSOFT S.A., we confirm that to the best of our knowledge:

1. The Interim Condensed Financial Statements of ENTERSOFT, Group and Company, for the period from January 1, 2021 to June 30, 2021, prepared in accordance with the applicable International Financial Reporting Standards (IFRS), give a true and fair view of the Assets and Liabilities items, the Equity and the Results of the Company for the period from 1/1/2021-30/6/2021 as well as the companies included in the consolidation taken as a whole, in accordance with paragraphs 3 to 5 of article 4 of L.3556/2007.

2. The Report of the Board of Directors for the first half of the year gives a true and fair view of the information required according to paragraph 6 of the article 5 of the Law 3556/2007, i.e. the significant events that took place during the first half of the financial year and their impact on the Interim Condensed Financial Statements, the development, performance and the financial position of the Company and its subsidiaries that are consolidated, the main risks and uncertainties for the second half of the financial year, as well as the significant transactions that took place between the Company and its subsidiaries that are consolidated and on the other hand the individuals that are related to them.

Pantelis N. Nikolopoulos	Antonios N. Kotzamanidis	Charalampos F. Avratoglou
Chairman of the Board of Directors	Chief Executive Officer	Executive Member of the Board of Directors

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1. <u>HALF YEAR REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD 01.01.2021 TO 30.06.2021</u>

<u>Introduction</u>

The present half year report of the Board of Directors of ENTERSOFT S.A. (the "Company") was prepared in accordance with article 5 of L. 3556/2007 as well as the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and refers to the Interim Condensed Financial Statements (Consolidated and Separate) as of June 30, 2021 and to the six-month period then ended. Entersoft Group (the "Group") apart from the company also includes the subsidiaries over which the Company has direct or indirect control (the "Group"). The Consolidated and Separate Interim Condensed Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU).

This report includes the financial assessment of the results of the period from January 1, 2021 to June 30, 2021, the outlook for the second semester of 2021, the significant events that took place during the first semester of 2021, a presentation of the main risks and uncertainties for the second semester of the year, the significant transactions of the Group's and Company's related parties and the significant events that took place after the end of the first semester of 2021.

This report also refers to Alternative Performance Measures. For details on purpose and calculations refer to "Alternative Performance Measures of Group" and "Alternative Performance Measures of Company".

The Condensed Interim Financial Statements (Consolidated and Separate), the Independent Auditor's Report on Review and the half year Report of the Board of Directors of the Company can be found on the website: https://www.entersoft.gr/investors/

During the first semester of 2021, the Company's activities were in accordance with applicable law and its purposes, as defined in its Articles of Association.

The Board of Directors, in its attempt to make a review of the Company's operations and figures of the Company and of its subsidiaries (the "Group"), wishes to notify the following:

<u>Overview of significant events that occurred in the first semester of 2021</u>

General Assembly Meetings

Ordinary General Assembly Meeting on 03/06/2021 at which:

1. Approval was given for the annual Separate and Consolidated Financial Statements, prepared in accordance with IFRS, for the relevant reports of the Board of Directors, of the Certified Auditors report, the Explanatory Board of Directors report and the Corporate Governance Statement in accordance with the article 152 of the Law 4548/2018. Furthermore, the distribution of dividends to shareholders of EURO 0,06 per share was approved, i.e. an amount of EURO 1.800.000 and the remaining amount of EURO 1.194.461 to be transferred to retained earnings.

2. Approval was given for the overall management of the Board of Directors for the fiscal year 2020 according to the article 108 of the Law 4548/2018 and it was decided to release the Certified Auditors from any relevant liability for compensation for activities of the fiscal year 2020 according to the article 117 paragraph 1 case C of the Law 4548/2018.
3. Approval was given for the fees and compensations for the year 2020 and pre-approval was given for the payment of fees and compensations for the year 2021 to the members of the Board of Directors and the persons referred to the article 99 of Law 4548/2018, within the framework of tasks assigned to them and/or framework of dependent employment contracts following the decisions of the Board of Directors.
4. The auditing firm KPMG CERTIFIED AUDITORS SA (SOEL Reg. No. 114), was elected for the Statutory Audit of the Separate and Consolidated Financial Statements for the fiscal year 01/01/2021 – 31/12/2021
5. Approval was given for the Remuneration Report in accordance with the article 112 par. 3 of Law 4548/2018.
6. Approval was given for the Annual Report of the Audit Committee for the fiscal year 01/01/2020 – 31/12/2020 according to the article 44 of the Law 4449/2017, as it applies.
7. Approval was given for the Suitability Policy of the members of the Board of directors, which was prepared in accordance with the article 3 of the Law 4706/2020 and the circular number 60 of 18/09/2020 of the Hellenic Capital Market Commission on the subject: "Guidelines for the Suitability Policy of the article 3 of the Law 4706/2020" and was approved and submitted to the Ordinary General Meeting following the decision of the Board of Directors on 11/05/2021.
8. Approval was given for the election of a new nine-member Board of Directors with a five-year term, i.e. until 03.06.2026 and in any case until the day when the Ordinary General Meeting will convene for the approval of the annual Financial Statements of the fiscal year 01/01/2025 – 31/12/2025 (until 10.09.2026). The new Board of Directors consists of the following members: 1) Pantelis Nikolopoulos of Nikolaos, 2) Konstantinos Dimitrakopoulos of Lambros, 3) Antonios Kotzamanidis of Nikolaos, 4) Aikaterini Papachristopoulou of Christos, 5) Charalambos Avratoglou of Philippos, 6) Stavros Menegos of Konstantinos, 7) Marika Lambrou of Evangelos, 8) Aikaterini Pramatari of Chrysanthos, 9) Georgios Xirogiannis of Panagiotis. From the above members of the Board of Directors, Mrs. Aikaterini Pramatari of Chrysanthos, Mrs. Marika Lambrou of Evangelos and Mr. Georgios Xirogiannis of Panagiotis were appointed as independent non-executive members. The above members meet the conditions of independence of the article 4 of the Law 3016/2002, as well as of the article 9 of the Law 4706/2020.
9. Approval was given for the election of the new Audit Committee, following the election of the new Board of Directors, which was established as an independent committee of three members and in particular it is consisting of two (2) independent non-executive members of the Board of Directors and of one (1) independent third party, non-member of the Board of Directors with a three-year term, ie until 03.06.2024. The members of the new Audit Committee, who were elected are: 1) Marika Lambrou of Evangelos, independent non-executive member of the Board of Directors 2) Aikaterini Pramatari of Chrysanthos, independent non-executive member of the Board of Directors 3) Panagiota Kosta of Anastasios, independent third party- non-member of the Board of Directors. The members of the Audit Committee have sufficient knowledge in the field which the Company operates, and they are independent of the Company, in accordance with the provisions of the Law 4706/2020.
10. Approval was given for the Board of Directors' activities for the fiscal year 2020. In addition to the General Assembly Meetings, the most significant events for the first half of 2021 are mentioned in the next chapter.

Significant events that occurred in the first half of 2021

The first half of the current year 2021, was full of business and equity related events. The increase in demand created needs for an enhanced commercial presence while the recent acquisitions created the need for the immediate integration of the new subsidiaries in the structures and processes of the Group. The Management moved quickly and by April, in record time, the operating integration of Optimum executives in the new structure for the Supply Chain of the Group was completed, while the commercial team was greatly strengthened. At the same time, the integration of financial services and IT infrastructure and ERP / CRM software was completed. The processes for the integration of Wedia started just as fast and are expected to be completed in the third quarter of the year. The Management presented the results and plans of the Group in several one-to-one presentations but also in events as mentioned below.

The most important events for the Group in chronological order were the following:

January 15, 2021: Following an invitation, the Company's CEO participated in the ATHEX event "Greek IT companies in the post-COVID era" presenting the dynamic impetus that the investment community can give to software development companies and the experience of Entersoft from the first 10 months in the Main Market.

February 5, 2021. Our subsidiary Retail Link, being one of the two companies that is certified for electronic invoicing from the State based on the European standard PEPPOL, participates in the presentation of the General Secretariat of Information Systems (GIS) on how to implement the upcoming Business to Government e-invoicing.

March 1, 2021: The Parent Company enters dynamically in the field of software for eCommerce by acquiring all the total shares (100%) of the limited liability company "WEDIA LTD". The total price amounted to five hundred thousand euros (EURO 500,000.00) and was fully paid in from the Company's cash and cash equivalents. Wedia specializes in the design and development of demanding Web and eCommerce applications, as well as digital marketing services, offering complete digital transformation solutions. The acquisition is part of Entersoft's broader strategy to fully support the transformation of businesses using eCommerce, in conjunction with the remaining necessary supply chain softwares at the omnichannel level. Following the acquisition of Optimum and the strengthening of the software sector for logistics, Entersoft is dynamically strengthening the range of its products and services in the field of business extroversion. For the first time an organization can cover, with its own products and services, the whole experience of a consumer (customer journey), from the product promotion campaign to the completion of the transaction (business transaction), combining User Experience, eCommerce, Logistics, CRM Analytics and Digital Marketing products and services.

May 18, 2021: Entersoft announces that it has acquired all of the minority stake in its subsidiary Retail Link from two individuals. Following the acquisition of minority shares, Retail-Link's sole shareholder is Entersoft.

June 8, 2021: Entersoft is among the 34 listed companies participating in the 10th Greek Investment Forum in New York organized by HELEX. Our participation is of great interest and Entersoft is one of the companies with the most presentations.

At the same time, throughout this semester, the Group successfully faced the effects of the COVID-19 pandemic and managed to maintain its growth momentum by signing a large number of new contracts for all its products and services.

Most notably, most of the revenue growth came from the organic growth from the new clients and not from the contribution of the acquisitions. This gives a strong sign of growth for the future.

New products, solutions and services

After the initial shock of the pandemic last spring, the current year started strongly enough for the Group. The companies, now aware of the need to invest in their digitization, gave a strong signal of demand for the Group's products and services. At the same time, the need for further strengthening and expansion of some of the Group's basic products as well as the investment in new products is evident. Regarding the first, the Group is dynamically expanding:

1. The main product of the company Entersoft Business Suite in areas related to Raw Materials Planning for Production, Production Schedule (scheduling) and quality control in Industry. With these expansions, the Company widens the distance that separates it from its competitors in the Industry and Manufacturing Sector, increasing its competitiveness. The product is also expanded with integration capabilities with the Retail Link Electronic Invoicing Provider to automate the integration of customers with Entersoft ERPs in the Outsourcing invoicing process through a Provider.
2. To the Web CRM product extensions, part of Entersoft CRM, for Sales processes.
3. The third major investment concerns the continuous expansion of Retail Link S.A. in the field of electronic books and the Electronic Invoicing Provider, in order to support the constant changes and adaptations of the AADE systems in the view of the start of operation of the Electronic Books from October 2021.

Along with the acquisitions and the organic development, the Group starts investments in new products and services.

At the meeting of the Board of Directors on 15/07/2021 it was decided to immediately start investing in the following new products:

1. Investing in a new product for personnel management, hours’ measurement and calculation and issuance of payroll by Entersoft (Entersoft HRM and Entersoft Payroll). The product will be addressed in different versions to small, medium and large companies regardless of whether they have an ERP product of Entersoft.
2. Invest in a new product from Wedia for the management and automation of B2B transactions on the Internet. Wedia B2B eCommerce will reuse investments and experience that have already been made in the ERP and CRM systems by Entersoft. The new product will be addressed to all companies in industries such as Industry, Manufacturing, Wholesale and retail companies with B2B activity.
3. Investing in a new Wedia B2C product that aims to automate the implementation of demanding eShops with ready-made scenarios and functionalities. Its technology will be based on that of Wedia B2B eCommerce and will reuse investments made on it.

The investment in the two new products has already started while the Wedia B2C product will start in the first quarter of 2022.
All the above investments will give a significant competitive advantage to the Group and opportunities for growth in the following years.

Significant commercial agreements

The first half of 2021 was characterized by the arrhythmias brought to market as a result of the outbreak of the third wave of COVID-19 pandemic. At the end of the semester, a positive image was created from the expectations for the tourist season but also from the increase of the vaccination rate. The Group continued to increase its market share. The rate at which the new agreements were concluded was intense in the first two quarters of the year for all the products and services of the Group. The growth mainly concerned organic growth in Greece and abroad while also a smallest part is attributed to acquisitions. This dynamic recovery has created a significant backlog of new projects for the remaining 2021 while the favorable conditions created by the implementation of AADE e-books and the new institution of e-invoicing providers are gradually creating an influx of new customers.

As every year, the Group relied on the one hand on the annual recurring income from the companies that are already its customers but also on the conclusion of new commercial agreements in the field of ERP, CRM and Mobile Field Sales (SFA) systems with several medium and large companies such as MARKS AND SPENCER, the retail chains COOK SHOP, PAROUSIASI and BAG Stories, the VECHRO PAINT INDUSTRY, the Pharmaceutical Cannabis Industry TIKUN OLAM, the Energy Company Eunice Laboratories, ETPA Packaging, Innovis Pharma, FlexCar, Souroti SA, Smirdex SA and other smaller companies. In the field of WMS and automation software for large warehouses, agreements were concluded both by the parent and the subsidiary Optimum with large Groups such as DELTA Food, Neurosoft (subsidiary of OPAP), Damavand, the COOPERATIVE PHARMACISTS of WESTERN GREECE and GREECE 3 Parametros Logistics like Athinaiki and Parametros Logistics and several smaller companies. The subsidiary Retail-Link S.A. continued its successful course with new agreements for EDI services, e-invoicing and e-books AADE with major companies such as CardLink, Esti Foods, DunaPack Packaging, Somfy Hellas, Amdocs Hellas, Yfantis, Souroti, VIOMAL, Gegos Super Market and many more smaller companies.

Significant events from 30/06/2021 until today:

Apart from the events already mentioned, there are no subsequent events of the Financial Statements, which concern the Group and the Company, to which reference is required by the International Financial Reporting Standards.

Outbreak of COVID-19 pandemic

The coronavirus disease (COVID-19) has led governments almost all over the world to unprecedented measures (e.g. lockdown). The management immediately took all the necessary measures to protect the employees who are a key pillar of its business development. In particular, in all the Group's companies the following took place:

- A special crisis management team has been appointed consisting of senior executives who use video conferencing every 2-3 days to re-evaluate the data and make ongoing decisions.
- All instructions of the competent bodies (EODY, Ministry of Health and Labor) were immediately implemented
- All appropriate precautions and hygiene rules were taken within the workplace with constant updates of our staff
- All business trips stopped immediately and completely.
- Instructions for staying at home were given immediately to those who may show even mild symptoms of seasonal flu or even symptoms of seasonal allergy.
- An immediate instruction was given if, despite the measures, an employee infected with the virus should return to his workplace only after obtaining the relevant permission from the competent authorities

- All remote working infrastructures that the Group had already prepared were activated and gradually all the departments of the company t worked remotely, continuing the normal business activities of the Group. The staff working remotely is over 90%. At the same time, we have already planned remote working even for 100% in case a complete shutdown of the company is imposed and we are ready to continue the support of our customers smoothly.

Although at the beginning of the financial year 2020 with the appearance of the pandemic and the first restrictive measures of the economy (lockdown), there was intense uncertainty about the financial results, the Group quickly overcame the initial negative forecasts and achieved an increase in size both in the revenues as well as in profits. The general culture of Digital Transformation strengthened during the pandemic and it is expected to lead to higher business investment in the coming years. In the first months of 2021, there is already a significant increase in demand that leads to higher rates of organic growth.

The Management of the Company in recent years focuses on the liquidity of the Group which is strong and this gives it the opportunity to soberly plan its future actions. It monitors developments on a daily basis and takes all necessary measures to protect both the health of its employees and the continuation of its business activities. The company's infrastructure is perfect and ready to support remote working of all staff in collaboration with customers.

Of course, it always remains possible for the COVID - 19 pandemic to have further negative effects on the global economy for 2021 and to negatively affect the Group's activities or to reduce the demand for its products and services. Each of these developments could have an impact on the financial results of 2021. However, our experience so far in managing the pandemic during the year 2020, makes us optimistic about achieving the goals set for 2021.

The general culture of digital transformation of the economy that is spreading rapidly in combination with the recent investments of the Group, but also the apparent utilization of the available resources of the Recovery Fund amounting to EURO 32 billion, which are expected to reach the amount of EURO 72 billion, considering the rest of European resources that will flow in by 2027, are emerging as catalysts for the acceleration of the economy recovery. The Group, having recently invested in software and cloud services ERP/CRM, electronic invoicing, eCommerce and Logistics is in an advantageous position to take this opportunity. It is likely that a possible further spread of COVID-19 as well as potential delays in vaccination programs will cause a further economic slowdown, which could adversely affect the demand for the Group's products or cause other unforeseen events that could affect the business activity and the financial position of the Group. Nevertheless, the management remains optimistic for the reasons mentioned above that the final impact of the pandemic in 2021 will have no significant negative consequences on the financial position of the Group, as in 2020.

Review of the Financial Results

The realized turnover during the period 01/01/2021 – 30/06/2021 amounted for the Group to EURO 12.575.003 compared to the amount of EURO 8.026.560 in the previous period, increase of 56,67%.

For the Company, the realized turnover amounted to EURO 8.167.712 compared to the amount of EURO 6.152.831 in the previous period, increase of 32,75%.
During this period, the Group had profit before tax of EURO 4.159.216 compared to EURO 2.617.896 in the previous period, increase of 58,88%. The Company had profit before tax amounting to EURO 2.987.771, compared to EURO

1.803.625 in the previous period, increase of 65,65%. This increase is considered significant given the general economic situation of the market and we aim at the even more dynamic promotion of our products and services in the market through the aforementioned investment programs.
Total comprehensive income for the Group amounted to EURO 3.336.375 compared to the amount of EURO 2.039.476 of the previous period. For the Company the respective figure was EURO 2.485.237 compared to EURO 1.319.606 in the previous period.

The Group, being labor-intensive and in fact with individuals in whom it invests on the long-term, increased its jobs positions in order to implement its investment development plans. During the same period, the Group's Equity amounted to EURO 17.925.634 compared to EURO 16.513.009 in the previous year.

Alternative Performance Measures

The Group and the Company present certain Alternative Performance Measures Indicators (based on the ESMA Guidelines on Alternatives Measures of 05.10.2015) excluding IFRS arising from the Financial Statements and in particular the ratio "Earnings before taxes, interest, depreciation and amortization (EBITDA) / Debt Interest". The index defined and calculated in detail below, is used to calculate the degree of coverage of financial expenses from the operating profitability of the Group and the Company. Alternative Performance Measurement Indicators should not be construed as substituting for other quantities calculated in accordance with IFRS.

Financial Ratios Tables

Financial Structure Ratios

Financial Structure Ratios

	GROUP				COMPANY			
	30/6/2021		31/12/2020		30/6/2021		31/12/2020	
Current Assets	16.849.457	59,49%	15.290.332	58,41%	11.952.770	49,64%	11.941.823	50,85%
Total Assets	28.321.575		26.177.833		24.077.022		23.485.375	
Tangible and Intangible Assets	8.700.878	30,72%	8.621.193	32,93%	4.802.581	19,95%	4.923.464	20,96%
Total Assets	28.321.575		26.177.833		24.077.022		23.485.375	
The above ratios show the ratio of funds allocated to current and non-current assets.								
Equity	17.925.634	63,29%	16.513.009	63,08%	16.745.301	69,55%	16.060.064	68,38%
Total Equity and Liabilities	28.321.575		26.177.833		24.077.022		23.485.375	
The above ratio shows the degree of the Group's financial independence (self-sufficiency).								

Liabilities	10.395.940	36,71%	9.664.825	36,92%	7.331.722	30,45%	7.425.312	31,62%
Total Equity and Liabilities	28.321.575		26.177.833		24.077.022		23.485.375	
The above ratios show borrowing dependence of the Group								
Equity	17.925.634	206,02%	16.513.009	191,54%	16.745.301	348,67%	16.060.064	326,19%
Tangible and Intangible Assets	8.700.878		8.621.193		4.802.581		4.923.464	
This ratio showss the degree of financing of Group's tangible and intangible assets by equity.								
Current Assets	16.849.457	230,70%	15.290.332	272,84%	11.952.770	223,82%	11.941.823	276,94%
Current Liabilities	7.303.648		5.604.097		5.340.260		4.311.998	
This ratio shows Groups ability to cover current liabilities with current assets								
Working Capital	9.545.809	56,65%	9.686.235	63,35%	6.612.510	55,32%	7.629.825	63,89%
Current Assets	16.849.457		15.290.332		11.952.770		11.941.823	
This ratio shows in percentage the part of Current Assets which is financed by surplus of long-term capital (Equity and Non-current Liabilities)								

Working capital is defined as the difference between current assets and current liabilities.

Performance and Efficiency Ratios

Performance and Efficiency Ratios

	GROUP				COMPANY			
	30/6/2021		**30/6/2020**		**30/6/2021**		**30/6/2020**	
Profit for the period net of tax	3.328.543	26,47%	2.024.778	25,23%	2.485.237	30,43%	1.319.606	21,45%
Revenues (net)	12.575.003		8.026.560		8.167.712		6.152.831	
This ratio shows the total Group profitability without other operating income.								
Profit before income tax	4.159.216	32,79%	2.617.896	31,66%	2.987.771	36,41%	1.803.625	28,39%
Revenues & Other operating income	12.685.902		8.268.042		8.206.307		6.352.938	
This ratio shows Group's profitability in comparison to Revenues.								
Profit before income tax	4.159.216	23,20%	2.617.896	15,85%	2.987.771	17,84%	1.803.625	11,23%
Equity	17.925.634		16.513.009		16.745.301		16.060.064	
This ratio shows Group's performance Equity								

Gross Profit	7.895.541	62,79%	5.389.246	67,14%	5.300.714	64,90%	4.165.239	67,70%
Revenues (net)	12.575.003		8.026.560		8.167.712		6.152.831	
This ratio shows the percentage of gross profit on Revenues								
			GROUP				COMPANY	
Alternative Group ratios	**30/6/2021**		**30/6/2020**		**30/6/2021**		**30/6/2020**	
Earnings before interest, tax, depreciation and amortization (EBITDA)	5.273.560		3.386.089		3.237.076		2.523.761	
EBITDA	5.273.560	4073,73%	3.386.089	3818,24%	3.237.076	3000,93%	2.523.761	3234,68%
Interest expenses	129.453		88.682		107.869		78.022	

Earnings before interest, taxes, depreciation and amortization (EBITDA) as a percentage of Interest expense is defined as the quotient of Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for Financial Expenses.

Forecast for 2021

Company's acquisitions in 2020, investments in new products as well as the developments in the issues of electronic invoicing significantly affect our goal for 2021 which is summarized as follows:

- Enhancement of the organic growth rates in relation to the corresponding rates of previous years in terms of core products and services of the Group such as the ERP, CRM and Enterprise Mobility systems. Gaining more new customers with direct sales and through the network of resellers is our main goal.
- Exploitation of the synergies that arise in the clienteles acquired with the acquisitions of Plexis ERP activity of Computer Life, Optimum and Wedia.
- Further strengthening of the growth rates in Logistics and Warehouse management systems (WMS) and exploitation of the leading position we have in the market, especially after the acquisition of Optimum, but also the general trend for the organization of Logistics, especially in eCommerce environments.
- Development of the Group's clientele for eCommerce systems after the acquisition of Wedia.
- Strengthening of the leadership position of the subsidiary Retail-Link A.E. with further development in the systems of myData AADE and Electronic invoicing Provider.
- Enhancing growth in Romania and Bulgaria.
- Exploitation of the good liquidity of the Group in order to search for further acquisition opportunities.

All of the above are constantly under review due to the COVID-19 pandemic but also the general reclassifications in our industry.

Information about the Group

Parent Company

The Company "ENTERSOFT S.A." under the distinctive name "Entersoft S.A." was established in 2002 and is registered with the Companies Register with No. 52460/01NT/B/02/200 and G.E.MI. No.: 122264001000. The Company's Registered office is set at the Municipality of Kallithea (362, Syngrou Ave. & Evripidou Str.) and according to its Articles of Association, its duration is fifty (50) years. The Company keeps a branch in Thessaloniki at 21, Ant. Tritsi Street.

The purpose of the company according to article 3 of its articles of association is:
1. Software development.
2. The provision of computerized and related services with or without the use of computers as well as the computerized processing of information on behalf of third parties.
3. The promotion of research and development of technology in the fields of information technology (IT).
4. The import from abroad and the purchase from Greece of computer assemblies, machinery, devices, computer related products and software products for resale.
5. The representation of other similar firms in Greece.
6. The trade of the above, and
7. Generally, any activity related to the above.

In order to achieve its purpose, the company may participate in companies of any kind of the same or similar purpose. The Company's revenue mainly derives from the sale of software programmes.

Group Structure

Group's structure as at June 30, 2021 has as follows:

Company	Consolidation method	%
ENTERSOFT S.A. 362, Syngrou Ave. and Evripidou Str. Kallithea, Athens - Greece		Parent
ENTERSOFT BULGARIA EOOD Evrotur Business Center 12 Mihail Tenev 6th fl/21st Sofia - Bulgaria	Full consolidation	100,00%
ENTERSOFT ROMANIA SOFTWARE SRL 43 Polona Str., 6th floor, Bucharest - Romania	Full consolidation	100,00%
RETAIL- LINK S.A. 362, Syngrou Ave. and Evripidou Str. Kallithea, Athens - Greece	Full consolidation	100,00%
ENTERSOFT MIDDLE EAST FZ LLC IMPZ, Publishing Pavilion, Office 220, P.O. BOX: 500424, Dubai UAE	Full consolidation	100,00%
Optimum S.A. Acharnon 457 & Thespieon, Athens - Greece	Full consolidation	100,00%
WEDIA LTD, Acharnon 457 & Thespieon, Athens - Greece	Full consolidation	100,00%

Important Agreements

The Company, or any other company of its Group, during the two previous years, had no significant contracts (except for contracts entered in the ordinary course of business), except for those described below in the section "Loan Contracts". In addition, the Company or any other company of the Group has not entered into any contract (other than the contracts entered in the ordinary course of business) including provisions under which the Company or any other company of the Group has undertaken an obligation or commitment that is important for the Group, except for those described below in the section "Loan Agreements".

Loan Agreements

The following table presents the important loan agreements of the Company. It is pointed out that the balances in the contracts presented are stated with reference date 30.06.2021.

COMPANY	Counterparty	Loan	Loan termination date	Discount rate	Nominal Value (amounts in EURO)	Book Value 30-6-2021 (amounts in EURO)
ENTERSOFT S.A.	Piraeus Bank	Working Capital	25.09.2021	4,60%	500.000	30.238
ENTERSOFT S.A.	Alpha Bank	Working Capital	23.11.2021	4,75%	1.000.000	145.190
	Total				**1.500.000**	**175.428**

These loans are floating rate loans and are timely paid within the maturity period.

Apart from the above, ENTERSOFT or any other company of the Group is not dependent on industrial and commercial contracts, as well as patents, the existence of which would affect its business activities or profitability.

Intercompany balances and transactions

At the below tables are stated the intercompany balances and transactions according to IAS 24

INTERCOMPANY SALES / PURCHASES 1/1 -30/6/2021

PURCHASER

SELLER

30/6/2021	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		24.345	65.132	43.895	20.660	1.267	
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.	38.325						
WEDIA LTD							

INTERCOMPANY SALES / PURCHASES 1/1 -30/6/2020

SELLER

30/6/2020	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		9.120	79.537	46.787	22.425		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.							
WEDIA LTD							

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 30/6/2021

PURCHASER

SELLER

30/6/2021	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		9.290	-3.786	6.499	291.676		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.	47.523						
WEDIA LTD							

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 31/12/2020

PURCHASER

SELLER

31/12/2020	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		84.670	1.081	6.955	268.354		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.							
WEDIA LTD							

All the above intercompany transactions have been carried out according to the arm’s length principle.

More specifically, the sales of the parent company to its subsidiaries in the years 2020-2021 mainly concern the sale of software for resale. The Company has provided guarantees to banks for the conclusion of loan agreements of its subsidiary Retail-Link SA, amounting to EURO 250.000, and the subsidiary Wedia LTD, amounting to EURO 400.000.

Benefits to the Management and Executives

	GROUP		COMPANY	
Amounts in EURO	1/1-30/6/2021	1/1-30/6/2020	1/1-30/6/2021	1/1-30/6/2020
Benefits to executives and members of the BOD				
- Salaries and social security expenses of members of the BOD	242.248	222.352	242.248	222.352
- Fees for Board of Directors meetings	69.444	56.657	69.444	56.657
- Salaries and social security expenses of first-degree relatives with members of BOD	100.872	92.232	56.924	49.936
- Salaries and social security expenses of executives	12.785	11.896	12.785	11.896
Total	**425.349**	**383.137**	**381.401**	**340.841**

Significant Risks

Financial risk factors

The Group is exposed to financial risks such as market risks (changes in exchange rates, interest rates, market prices), credit risk, liquidity risk, cash flow risk and fair value risk from interest rate changes.

Foreign exchange risk

The Group has investments abroad whose net assets are exposed to foreign exchange risk. This foreign exchange risk arises from the Bulgarian lev (BGN) / EUR, Romanian RON / EUR and the United Arab Emirates AED / EUR exchange rates. The Group does not use financial instruments for reducing this risk. Management monitors the Group's position for this risk on an ongoing basis and assesses the need to use specific financial instruments to limit it.
The Company does not carry out transactions in foreign currency.

Risk of technological developments

Technological developments in software development technology and operating systems, under conditions, may affect a software development company. Continuous upgrading of products to the latest technological environments is an important factor of the company's competitiveness. The Group does not consider that there is such risk for the next few years, since its products are developed and constantly adjusting to all new versions of the latest Microsoft .net technological platform. This is a strong element of its competitiveness that differentiates it in the market.

In any case, the group closely keeps up to date with technological developments through its capacity as Microsoft Gold ISV Partner and adapts its products and services accordingly. In addition, the Group's Technical Director participates in the Microsoft Architect Council, which aims to inform Microsoft's partners about the latest technological developments in due time. Also, it should be noted that he was recently given the outstanding distinction of Microsoft Regional Director for South East Europe. Microsoft, with this honorary title vindicates its long experience and deep knowledge that forms the basis for the company's investment strategy. Regional Directors' program was created in 1993 and consists of the world's 175 leading technological visionaries of the world. Regional Directors are selected by Microsoft based on a rigorous set of ratings.

Credit risk

The Group does not have significant credit risk concentration due to large clientele diversification. Sales are made through two channels, i) affiliates-resellers and ii) final customers. Partners are specially selected and there is an evaluated credit history. The same applies to final customers who are usually medium and large-sized enterprises with a positive credit history

Liquidity risk

The Group manages its liquidity needs by careful monitoring of the financial liabilities and the payments made on a daily basis. Liquidity needs are monitored on a monthly, six-monthly and annual basis. The Group keeps cash in current accounts to cover liquidity needs.

Cash flow risk and risk of fair value changes due to changes in interest rates

Group's operating income and cash flows are substantially independent of the changes in interest rates. The Group does not have significant interest-bearing assets, and the Group's policy is to maintain approximately all of them in products with floating interest rates with guaranteed performance.

At the end of the management period, total borrowings consist of floating interest rate loans and concerned overdrafts to serve the Company's fixed needs. The Group does not have any long-term loans, therefore, no interest rate risk on these loans exists.

Board of Directors

According to the Company's Articles of Association, the management of the company property is exercised by the Board of Directors, which consists of 3 to 15 members and is elected by the General Meeting of the Company's shareholders, except in the case of resignation or death or any other reason for loss of membership, where in this case the remaining members of the Board of Directors, if there are at least three, may elect members in their place. The decision of the election shall be made public and communicated to the next General Meeting, which may replace the elected member, even if no matter exists on the agenda. In particular, the existing Board of Directors of the Company was elected by the Extraordinary General Meeting of the Company's shareholders on 03.06.2021 and was formed into body at the 04.06.2021 meeting of the Board of Directors. Also, the above-mentioned General Meeting elected the independent members of the Board of Directors, who fulfil the conditions of independence of article 4 of L. 3016/2002, from their election until today. The composition of this Board of Directors is as follows:

Name	**Role**
Pantelis Nikolopoulos of Nikolaos	Chairman, non-executive member
Antonios Kotzamanidis of Nikolaos	Managing Director, executive member
Konstantinos Dimitrakopoulos of Lampros	Vice-Chairman, executive member
Charalampos Avratoglou of Filippos	Executive member
Stavros Menegos of Konstantinos	Executive member
Aikaterini Papachristopoulou of Christos	Executive member
Marika Lamprou of Evangelos	Independent non-executive member
Aikaterini Pramatari of Chrysanthos	Independent non-executive member
Georgios Xirogiannis of Panagiortis	Independent non-executive member

The term of the above new Board of Directors is five years and ends on **03.06.2026** and in any case until the day on which the Ordinary General Assembly will convene for the approval of the annual Financial Statements of the management period 01.01.2025 to 31.12.2025 (until 10.09.2026).

Audit Committee

The Audit Committee, which consists of three (3) members, has been re-elected, for the first time, by the decision of 03.06.2021 of the Extraordinary General Meeting of the Company's shareholders with the following composition and a three-year term, ie until 03.06.2024.

Name	Role
Marika Lamprou of Evaggelos	Chairman
Aikaterini Pramatari of Chrisanthos	Member
Panagiota Kosta of Anastasios	Member

Significant direct or indirect contributions.

As of June 30, 2021, the individuals who maintain significant direct or indirect participation within the meaning of articles 9 to 11 of the Law 3556/2007 are the following:

Shareholder	Number of shares	% of participation
Nikolopoulos Pantelis	6.088.946	20,30%
Kotzamanidis Antonios	2.670.443	8,90%
Menegos Stavros	1.912.508	6,38%
Avratoglou Charalampos	1.885.736	6,29%
Kansouzidis Fragkiskos-Panagiotis	1.692.500	5,64%
Kansouzidis Andreas-Apostolos	1.663.000	5,54%
Fund Squad Growth	1.502.386	5,01%

No other individual or legal entity maintains more than 5% of the share capital.

The Chairman of the Board of Directors
Pantelis N. Nikolopoulos

Chief Executive Officer
Antonios N. Kotzamanidis

Independent Auditor's Report on Review of Condensed Interim Financial Information

(Translated from the original in Greek)

To the Shareholders of

ENTERSOFT S.A.

Report on the Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying interim condensed Statement of Financial Position of ENTERSOFT S.A. (the "Company") as at 30 June 2021 and the related condensed Statements of Comprehensive Income, Changes in Equity and Cash Flows for the six-month period then ended and the selected explanatory notes, which comprise the condensed interim financial information and which forms an integral part of the six-month financial report of articles 5 and 5a of Law 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the International Financial Reporting Standards adopted by the European Union and specifically with International Accounting Standard (IAS) 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2021 is not prepared, in all material respects, in accordance with IAS 34 “Interim Financial Reporting”.

Report on Other Legal and Regulatory Requirements

Our review did not identify any material inconsistency or error in the statements of the members of the Board of Directors and in the information of the six-month Financial Report of the Board of Directors as defined in articles 5 and 5a of L. 3556/2007 in relation to the accompanying interim condensed financial information.

Athens, 28 July 2021

KPMG Certified Auditors S.A.

Dimitrios Tanos, Certified Auditor Accountant
AM SOEL 42241

3. INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD 01 JANUARY TO 30 JUNE 2021

3.1 Interim condensed Statement of Financial Position of Group and Company (amounts in EURO)

		GROUP		COMPANY	
	NOTE	30/6/2021	31/12/2020	30/6/2021	31/12/2020
ASSETS					
Non-current assets					
Property, plant and equipment	10.1	2.972.459	2.517.911	2.332.938	2.222.184
Intangible assets	10.2	5.728.419	6.103.282	2.469.643	2.701.280
Goodwill	10.4	2.633.080	2.152.017		
Investments in subsidiaries	10.5	-	-	6.861.960	6.158.210
Deferred tax assets		-	-	359.372	377.997
Other non-current assets		138.160	114.291	100.338	83.881
Total Non-current assets		**11.472.118**	**10.887.501**	**12.124.251**	**11.543.552**
Current assets					
Inventories		58.874	24.544		
Trade and other receivables	10.7	8.554.450	7.192.436	6.410.358	6.112.479
Other receivables		312.529	383.099	27.642	158.896
Other current assets		6.199	25.191	-	-
Financial assets at fair value through profit or loss	10.8	873.557	480.726	873.557	480.726
Cash and cash equivalents	10.9	7.043.848	7.184.337	4.641.213	5.189.723
Total Current assets		**16.849.457**	**15.290.332**	**11.952.770**	**11.941.823**
Total Assets		**28.321.574**	**26.177.833**	**24.077.022**	**23.485.375**
Equity & Liabilities					
Equity					
Share capital	10.10	1.500.000	1.500.000	1.500.000	1.500.000
Share premium	10.10	3.626.323	3.626.323	3.626.323	3.626.323
Reserves	10.10	1.503.731	1.503.731	1.464.226	1.464.226
Exchange differences arising from translation of foreign subsidiaries		-2.267	-10.099		
Retained earnings	10.11	11.297.847	9.871.486	10.154.752	9.469.516

Equity attributable to owners of the Company		**17.925.634**	**16.491.441**	**16.745.301**	**16.060.064**
Non-controlling interest		**-**	**21.568**		
Total Equity		**17.925.634**	**16.513.009**	**16.745.301**	**16.060.064**
Non-current liabilities					
Deferred tax liabilities		314.083	394.071		
Employee benefits		800.673	778.195	551.821	522.106
Other non-current liabilities	10.12	1.834.536	2.745.462	1.439.641	2.591.207
Other provisions		143.000	143.000		
Total non-current liabilities		**3.092.292**	**4.060.728**	**1.991.462**	**3.113.313**
Current liabilities					
Trade and other payables		66.076	468.859	159.229	219.642
Current income tax liabilities	10.13	1.244.371	638.494	612.713	325.423
Other current tax liabilities		856.292	873.057	573.068	658.881
Short-term bank borrowing	10.14	175.428	380.053	175.428	380.053
Other current liabilities		4.961.481	3.243.634	3.819.821	2.727.999
Total current liabilities		**7.303.648**	**5.604.097**	**5.340.259**	**4.311.998**
Total liabilities		**10.395.940**	**9.664.825**	**7.331.722**	**7.425.312**
Total Equity and liabilities		**28.321.574**	**26.177.833**	**24.077.022**	**23.485.375**

The notes on pages 32 to 67 are integral part of the Interim Condensed Financial Statements

3.2 Interim Condensed Statement of Comprehensive Income (amounts in EURO)

	NOTE	GROUP 1/1 - 30/6/2021	GROUP 1/1 - 30/6/2020	COMPANY 1/1 - 30/6/2021	COMPANY 1/1 - 30/6/2020
Sales	9	**12.575.003**	**8.026.560**	**8.167.712**	**6.152.831**
Cost of sales		4.679.461	2.637.314	2.866.999	1.987.592
Gross profit		**7.895.541**	**5.389.246**	**5.300.714**	**4.165.239**
Other income		110.899	241.482	38.595	200.108
Distribution expenses		1.125.920	1.048.674	797.118	849.076
Administrative expenses		1.398.413	897.497	964.252	770.027
Research expenses		1.186.590	953.658	1.043.993	848.742
Other expenses		6.849	27.877	2.976	25.943
Earnings before taxes, financing and investing results (EBIT)		**4.288.669**	**2.703.022**	**2.530.969**	**1.871.560**
Finance income			3.557	564.671	10.086
Finance expenses		129.453	88.682	107.869	78.022
Profit before tax		**4.159.216**	**2.617.896**	**2.987.771**	**1.803.625**
Income tax expense	10.15	-830.673	-593.118	-502.534	-484.018
Profit net of tax (A)		**3.328.543**	**2.024.778**	**2.485.237**	**1.319.606**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Total items that will not be reclassified to profit or loss (B)		**-**	**-**	**-**	**-**
Items that are or may be reclassified subsequently to profit or loss					
Exchange differences arising from translation of foreign operations		7.832	14.699	-	-
Total items that are or may be reclassified subsequently to profit or loss (C)		**7.832**	**14.699**	**-**	**-**
Total comprehensive income net of tax (A+B+C)		**3.336.375**	**2.039.476**	**2.485.237**	**1.319.606**
Profit net of tax attributable to:					
Owners of the parent		3.318.466	2.016.564	2.485.237	1.319.606
Non controlling interests		10.077	8.214		
		3.328.543	2.024.778	2.485.237	1.319.606

Total comprehensive income attributable to:					
Owners of the parent		3.326.298	2.031.263	2.485.237	1.319.606
Non controlling interests		10.077	8.214	-	-
		3.336.375	2.039.476	2.485.237	1.319.606
Total Basic and diluted earnings per share (net of tax)	10.16	0,1106	0,0701	0,0828	0,0459
Profit before interest, taxes, depreciation & amortization (EBITDA)	10.19	5.273.560	3.386.089	3.237.076	2.523.761
Profit before interest and tax (EBIT)		4.288.669	2.703.022	2.530.969	1.871.560

The notes on pages 32 to 67 are integral part of the Interim Condensed Financial Statements.

ENTERSOFT

3.3 Interim Condensed Statement of Changes in Shareholders Equity (amounts in EURO)

GROUP

(amounts in EURO)	Share capital	Share premium	Other reserves	Retained earnings	Exchange differences arising from translation of foreign operations	Total	Non-controlling interest	Total Equity
Balance at January 01, 2020	**1.336.800**	**563**	**1.394.953**	**8.008.892**	**-25.398**	**10.715.811**	**17.630**	**10.733.441**
Total comprehensive income for the year								
Profit of the year				3.498.033		3.498.033	14.085	3.512.118
Other comprehensive income for the year				-31.036	15.299	-15.737		-15.737
Total comprehensive income for the year	-	-	--	3.466.998	15.299	3.482.296	14.085	3.496.381
Transactions with owners of the Company								
Share capital increase	163.200	3.625.760				3.788.960		3.788.960
Transfer to statutory reserve			108.777	-108.777		-		-
Share capital increase costs				-145.624		-145.624		-145.624
Distribution of subsidiary dividend to non-controlling interests							-10.148	-10.148
Dividend distribution				-1.350.000		-1.350.000		-1.350.000
Total transactions with the Owners of the Company	**163.200**	**3.625.760**	**108.777**	**-1.604.401**	**-**	**2.293.336**	**-10.148**	**2.283.186**
Balance as at December 31, 2020	**1.500.000**	**3.626.323**	**1.503.730**	**9.871.487**	**-10.099**	**16.491.443**	**21.568**	**16.513.009**
Balance at January 01, 2021	**1.500.000**	**3.626.323**	**1.503.730**	**9.871.487**	**-10.099**	**16.491.443**	**21.568**	**16.513.009**
Total comprehensive income for the period								
Profit of the period				3.318.466		3.318.466	10.077	3.328.543
Other comprehensive income for the period					7.832	7.832		7.832
Total comprehensive income for the period				**3.318.466**	**7.832**	**3.326.298**	**10.077**	**3.336.375**
Transactions with owners of the Company								
Dividend distribution				-1.800.000		-1.800.000		-1.800.000
Acquisition of NCI				-92.105		-92.105	-31.645	-123.750
Total transactions with the Owners of the Company				**-1.892.105**		**-1.892.105**	**-31.645**	**-1.923.750**
Balance as at June 30, 2021	**1.500.000**	**3.626.323**	**1.503.730**	**11.297.847**	**-2.267**	**17.925.636**	**-**	**17.925.634**

COMPANY

(amounts in EURO)	Share capital	Share premium	Other reserves	Retained earnings	Total Equity
Balance at January 01, 2020	**1.336.800**	**563**	**1.380.154**	**8.084.914**	**10.802.432**
Total comprehensive income for the year					
Profit of the year				2.994.461	2.994.461
Other comprehensive income for the year				-30.164	-30.164
Total comprehensive income for the year				**2.964.297**	**2.964.297**
Transactions with owners of the Company					
Share capital increase	163.200	3.625.760			3.788.960
Dividend distribution				-1.350.000	-1.350.000
Share capital increase costs				-145.624	-145.624
Transfer to statutory reserve			84.072	-84.072	-
Total transactions with the Owners of the Company	**163.200**	**3.625.760**	**84.072**	**-1.579.696**	**2.293.336**
Balance as at December 31, 2020	**1.500.000**	**3.626.323**	**1.464.226**	**9.469.515**	**16.060.064**
Balance at January 01, 2021	**1.500.000**	**3.626.323**	**1.464.226**	**9.469.515**	**16.060.064**
Total comprehensive income for the period					
Profit of the period				2.485.237	2.485.237
Total comprehensive income for the period	**-**	**-**	**-**	**2.485.237**	**2.485.237**
Transactions with owners of the Company					
Dividend distribution				-1.800.000	-1.800.000
Total transactions with the Owners of the Company	**-**	**-**	**-**	**-1.800.000**	**-1.800.000**
Balance as at June 30, 2021	**1.500.000**	**3.626.323**	**1.464.226**	**10.154.752**	**16.745.301**

The notes on pages 32 to 67 are integral part of the Interim Condensed Financial Statements.

3.4 Interim Condensed Cash Flow Statement (amounts in EURO)

		GROUP		COMPANY	
Indirect method		**30.06.2021**	**30.06.2020**	**30.06.2021**	**30.06.2020**
Cash Flows from Operating Activities					
Profit before taxes		**4.159.216**	**2.617.896**	**2.987.771**	**1.803.625**
Adjustments for:					
Depreciation and Amortization		984.891	683.067	706.107	652.201
Provisions		75.566	158.483	35.779	138.041
Loss/(Gain) on valuation of financial assets at fair value through profit or loss		7.169	-	7.169	-
Depreciation of granted fixed assets		-	-39.302	-	-39.302
Dividend income		-	-	-571.840	-
Interest income		-236	-3.557	-	-10.086
Interest expense and similar charges		122.252	88.682	107.869	78.022
Plus/less adjustments of working capital to net cash or related to operating activities:					
Decrease / (increase) of Inventories		-34.330	-	-	-
Decrease / (increase) of Receivables		-585.186	276.302	-315.451	489.610
Decrease / (increase) of payable accounts (except borrowings and taxes)		-881.674	-258.269	-158.733	-10.781
Decrease / (increase) of tax liabilities		-158.871	-197.974	-138.145	-189.440
Less:					
Interest expense and similar charges paid		-71.775	-49.479	-58.031	-39.893
Income Tax paid		-204.112		-144.288	-
Net cash from operating activities (a)		**3.412.910**	**3.275.849**	**2.458.207**	**2.871.997**
Cash Flows from Investing Activities					
Purchases of property, plant and equipment (PPE)		-176.025	-63.840	-133.983	-42.940
Development expenses		-192.089	-335.897	-150.965	-296.814
Net cash outflows for the acquisition of a subsidiary		-319.340	-	-500.000	-
Interest received		236	3.557	-	10.086
Dividends received				571.840	-
Purchase of Financial assets at fair value through profit or loss		-400.000		-400.000	-
Net cash used in investing activities (b)		**-1.087.218**	**-396.180**	**-613.108**	**-329.668**
Cash Flows from Financing Activities					
Proceeds from issue of share capital		-	3.788.960	-	3.788.960
Dividend distribution		-1.800.000		-1.800.000	
Payment of lease liabilities		-337.806	-249.293	-265.234	-241.954
Share Capital increase expenses recognized directly in equity		-	-145.624	-	-145.624
Increase /(decrease) of short-term bank borrowings	10.14	-204.625	-191.234	-204.625	-159.651
Cash outflow from the acquisition of NCI	10.6	-123.750	-	-123.750	-
Net cash from/(used in) financing activities (c)		**-2.466.181**	**3.202.809**	**-2.393.609**	**3.241.731**

Net (decrease)/ increase in cash and cash equivalents for the period (a) + (b) + (c)	**-140.489**	**6.082.478**	**-548.510**	**5.784.060**
Cash and cash equivalents at beginning of the period	**7.184.337**	**2.788.582**	**5.189.723**	**1.837.662**
Cash and cash equivalents at the end of the period	**7.043.848**	**8.871.060**	**4.641.213**	**7.621.722**

The notes on pages 32 to 67 are integral part of the Interim Condensed Financial Statements.

Notes to Interim Condensed Financial Statements

4. <u>Information about the Group and Company</u>

4.1 The Company

The Company "ENTERSOFT S.A." under the distinctive name "Entersoft S.A." was established in 2002 and is registered with the Companies Register with No. 52460/01NT/B/02/200 and G.E.MI. No.: 122264001000. The Company's registered office is set at the Municipality of Kallithea (362, Syngrou Ave. & Evripidou Str.) and according to its Articles of Association, its duration is fifty (50) years

The purpose of the company according to article 3 of its articles of association is:

1. Software development.
2. The provision of computerized and related services with or without the use of computers as well as the computerized processing of information on behalf of third parties (façon).
3. The promotion of research and development of technology in the fields of information technology (IT).
4. The import from abroad and the purchase from Greece of computer assemblies, machinery, devices, computer related products and software products for resale.
5. The representation of other similar firms in Greece.
6. The trade of the above, and
7. Generally, any activity related to the above.

In order to achieve its purpose, the company may participate in companies of any form of the same or similar purpose.

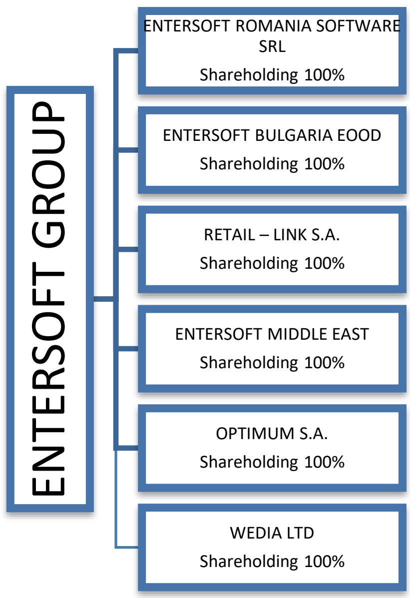
The company's revenue derives mainly from the sale of software programs.

The Board of Directors of the company at 30/06/2021 is as follows:

Name	Position on the Board and Capacity
Nikolopoulos Pantelis of Nikolaos	Chairman, Non-executive member
Kotzamanidis Antonios of Nikolaos	Managing Director, executive member
Dimitrakopoulos Konstantinos of Lampros	Vice Chairman, executive member
Avratoglou Charalampos of Philippos	Executive member
Menegos Stavros of Konstantinos	Executive member
Papachristopoulou Aikaterini of Christos	Executive member
Lamprou Marika of Evangelos	Independent non-executive member
Pramatari Aikaterini of Chrisanthos	Independent non-executive member
Georgios Xirogiannis of Panagiotis	Independent non-executive member

The terms of the new Board of Directors is five years, starting from the date of the decision of the Ordinary General Meeting, from June 03, 2021 and lasts for five (5) years from its election, until June 03, 2026 and in any case until the day on which the Ordinary General Meeting will convene for the approval of the annual Financial Statements of the period 01/01/2025 to 31/12/2025 (until 10/09/2026)

4.2 Subsidiaries



5. Basis of preparation of the Interim Condensed Financial Statements

The attached Interim Condensed Financial Statements of Group and Company are related to six-month period ended from 1 January 2021 to 30 June 2021 and have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accompanying Separate and Consolidated Interim Condensed Financial Statements do not include all the information required in the annual Financial Statements and, therefore, should be read in conjunction with the published annual Financial Statements for year ended as at December 31, 2020, which are available in the Company's website www.entersoft.gr.

The interim financial statements have been prepared on a historical cost basis, except for financial assets which have been measured at fair value through profit or loss.

Seasonality does not have a significant effect on the Group and Company activities.

Where necessary, comparative figures have been reclassified to agree with any changes in the presentation of the current period.

The Interim Condensed Separate and Consolidated Financial Statements were approved by the Board of Directors on July 27, 2021.

6. Significant accounting policies

The accounting principles that were used for the preparation and presentation of the accompanying Interim Condensed Financial Statements are consistent with those used in the preparation of the Financial Statements for the comparative year 2020 and have been applied consistently throughout the periods presented. The Group has adopted all the new standards and their interpretations, the application of which is mandatory for the periods beginning on January 01, 2021. The International Financial Reporting Standards Interpretations Committee ("IFRIC") issued in May 2021 the final decision agenda entitled "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding the distribution of benefits in periods of service on a specific defined benefit plan. The effect of the implementation of the final decision on the agenda of the Commission is immediate. The implementation of the above decision is expected to lead to a change in the existing accounting policy that is applied. The estimated completion date of its implementation plan is the annual Financial Statements of December 31, 2021. At this time, it is not possible to reasonably determine the expected impact of the change in the aforementioned accounting policy.
Reference of the new standards is made below:

6.1 New standards, interpretations and amendments to existing standards and interpretations that were adopted by the Group and the Company

The amendments and interpretations that first applied in 2021 do not have a material effect on the Interim Condensed separate and consolidated Financial Statements for the period ended June 30, 2021. These are also included below:

Standards and Interpretations effective for the current financial year:

- IFRS 16 (Amendment) "COVID-19 Related Rental Concessions" (effective for annual periods beginning on or after 1 June 2020).
  The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

- IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) "Reference rate adjustment - Phase 2" (effective for annual periods beginning on or after 1 January 2021)
  The amendments complement those issued in 2019 and focus on the impact on the Financial Statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More

specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for changes in its hedging relationships and the information it needs to disclose.

Standards and Interpretations effective for subsequent periods:

- IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022)
  The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract. The amendment has not yet been endorsed by the EU.

- Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after 1 January 2022)
  The amendments set out below include changes to four IFRSs. The amendments have not yet been endorsed by the EU.
  IFRS 9 'Financial instruments'
  The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.
  IFRS 16 'Leases'
  The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

- IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use' (effective for annual periods beginning on or after 1 January 2022)
  The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities. The amendment has not yet been endorsed by the EU.

- IFRS 3 (Amendment) 'Reference to the Conceptual Framework' (effective for annual periods beginning on or after 1 January 2022)
  The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date. The amendment has not yet been endorsed by the EU.

- IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2023)
  The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

- IAS 1 (Amendment) "Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies":
  The Amendments are effective for annual periods beginning on or after 1 January 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures.

- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments):
  The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors.

6.2 Significant accounting judgments and estimates

The preparation of financial statements according to IFRS requires management to make estimates, assumptions and judgments which affect the reported amounts of assets and liabilities as also the disclosure of contingent assets and liabilities at the date of preparation of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those, which have been estimated. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. Estimates and management judgments are continually evaluated and are based on historical data and expectations of future events that are believed to be reasonable under present circumstances.

7. Risk Management

7.1 Financial risk factors

The Group is exposed to financial risks such as market risks (changes in exchange rates, interest rates, market prices), credit risk, liquidity risk, cash flow risk and fair value risk from interest rate changes.

The Board of Directors of the Company has the overall responsibility for the risk management. Risk management is managed by the central cash management service. The Central Cash Management Service identifies, assesses and hedges financial risks in cooperation with the services that deal with these risks. Prior to the relevant transactions, approval is obtained from the executives who have the right to commit the company to its counterparties.

7.2 Foreign exchange Risk

Foreign exchange risk is the probability that the fair value of a financial instrument's cash flows will fluctuate due to changes in foreign exchange rates.

The Group has investments abroad whose net assets are exposed to foreign exchange risk. Foreign exchange risk arises in Romanian RON / EUR and UAE AED / EUR. BGN has a locked exchange rate with the EURO which is the official currency of Group and Company with an exchange rate of 1,9558 and therefore there is no foreign exchange risk.

The Group does not use financial instruments to reduce this risk. Management monitors the Group's position on this risk on an ongoing basis and assesses the need to use specific financial instruments to limit it.

7.3 Risk of technological developments

Technological developments in software production technology and operating systems, under certain conditions, can affect a software company. The continuous upgrade of products in the latest technological environments is an important factor of competitiveness of the Company. The Group assesses that there is no such risk for the next few years, since its products are developed and constantly adapted to all the new versions of the technological platform Microsoft .net. This is a strong element of its competitiveness that differentiates the Company in the market.
In any case, the group closely monitors technological developments through our capacity as a Microsoft Gold ISV Partner and adapts its products and services accordingly. In addition, the Technical Director of the Group participates in the institution of Microsoft Architect Council which aims to inform Microsoft partners about the latest technological developments. It should be noted that he was recently awarded as the Microsoft Regional Director of Excellence for South East Europe. Microsoft, with this honorary title, justifies its long experience and deep knowledge that form the basis for the Company's investment strategy. The Regional Directors program was created in 1993 and consists of the world’s 175 leading technology visionaries. Regional Directors are selected by Microsoft based on a rigorous set of ratings.

7.4 Credit Risk

Credit risk is the possibility that a counterparty will cause financial loss to the Group and the Company due to the breach of its contractual obligations.

The maximum credit risk to which the Group and the Company are exposed, at the date of preparation of the Financial Statements, is the book value of their financial assets, which at the Balance Sheet date are analyzed as follows:

GROUP

Amounts in EURO	30/6/2021	31/12/2020
Other non-current assets	138.160	114.291
Trade receivables	8.554.450	7.192.436
Other receivables	312.529	383.099
Other current assets	6.199	25.191
Financial assets at fair value through profit or loss	873.557	480.726
Cash and cash equivalents	7.043.848	7.184.337
Total	**16.928.743**	**15.380.080**

COMPANY

Amounts in EURO	30/6/2021	31/12/2020
Other non-current assets	100.338	83.881
Trade receivables	6.410.358	6.112.479
Other receivables	27.642	158.896
Other current assets	-	-
Financial assets at fair value through profit or loss	873.557	480.726
Cash and cash equivalents	4.641.213	5.189.723
Total	**12.053.108**	**12.025.705**

Default payments from customers may adversely affect the smooth liquidity of the Group and the Company. However, due to the large number of customers and the dispersion of the Group's customer base, there is no concentration of credit risk in relation to these receivables. The sales are made in two channels, partners-resellers and end customers. The partners are specially selected and there is an evaluated credit history. The same goes for end customers who are usually medium and large companies with a positive credit history.

The Group and the Company apply a specific credit policy that focuses on the one hand on the control of the creditworthiness of the customers and on the other hand on the effort of effective management of the receivables before they become overdue but also when they become overdue or doubtful. To monitor credit risk, customers are grouped according to their credit characteristics, the maturity of their receivables and any past collection problems they have shown, considering future factors in relation to customers as well as the financial environment.

Considering the impact of the COVID-19 pandemic, the Group and the Company have incorporated in the estimate for expected credit losses, the increase of the credit risk to their customers.

Cash and cash equivalents of the Group are mainly invested in counterparties with a high credit rating and for a short period of time.

Impairment of financial assets

The Group and the Company have the following categories of financial assets that are subject to the expected credit loss model:

- Trade receivables

- Other receivables

- Other current assets

- Financial assets at fair value through profit or loss

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the recognized impairment loss was negligible.

The Group applies 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 trade receivables.

The following tables present the exposure of the Group and the Company to the credit risk of trade receivables:

	GROUP		**COMPANY**	
	30/6/2021	**31/12/2020**	**30/6/2021**	**31/12/2020**
Total Trade Receivables	10.127.167	8.680.722	7.722.999	7.419.056
Less: Allowance for impairment of Trade receivables	-1.572.717	-1.488.286	-1.312.641	-1.306.577
Net Trade Receivables	**8.554.450**	**7.192.436**	**6.410.358**	**6.112.479**

7.5 Liquidity Risk

Liquidity risk is the risk that the Group or Company will not be able to meet their financial obligations when required. Liquidity risk is kept low through the availability of sufficient cash and/or credit limits, which ensure that financial obligations maturing over the next 12 months. Cash and cash equivalents and other financial assets at fair value of Group and Company as of June

31, 2021 amounted to EURO 7.043.848 AND EURO 4.641.213 respectively and the short-term borrowing obligations are EURO 175.428 and EURO 175.428 respectively.

The Group manages its liquidity needs by carefully monitoring of the financial liabilities and payments performed in a daily basis. Liquidity needs are monitored on a monthly, six-months and on an annual basis. Group maintains cash in current accounts to meet its liquidity needs.

The Group maintains the following credit lines, as stated at the below table, which includes the accounting balance and their limit:

COMPANY	Counterparty	Loan	Loan termination date	Discount rate	Nominal Value	Book Value 30-6-2021
					(amounts in EURO)	(amounts in EURO)
ENTERSOFT S.A.	Piraeus Bank	Working Capital	25.09.2021	4,60%	500.000	30.238
ENTERSOFT S.A.	Alpha Bank	Working Capital	23.11.2021	4,75%	1.000.000	145.190
	Total				**1.500.000**	**175.428**

7.6 Cash flow risk and fair value interest rate risk

The Group’s operating income and cash flows are substantially independent from the changes in interest rates. The Group does not have significant interest-bearing assets and the Group's policy is to keep almost all floating-rate products with secured return.

At the end of the fiscal period, total borrowings consisted of two floating rate loans that are related to overdrafts with an expiration date within 2021, as presented above in Note 7.5. The Group does not have any long-term loans and, therefore, no interest rate risk on these loans exists.

7.7 Other market risks

The Company and the Group maintain investments in financial assets at fair value through profit or loss, as they monitor their return on an ongoing basis and measure them at fair value.

7.8 Capital management policies and procedures

The objectives of the Group in terms of capital management are the following:

- to ensure its ability to continue in operation as a going concern and

- to enhance the Group's liquidity in order to remain strong in the current situation but also to be ready to take advantage of any investment opportunities.

The Group monitors the capital on the basis of, the amount of equity plus unsecured loans less cash and cash equivalents as shown in the Statement of Financial Position.

The capital as of 30.06.2021 and 31.12.2020 is analyzed as follows:

GROUP		
Amounts in EURO	**30/6/2021**	**31/12/2020**
Equity	17.925.634	16.513.009
Plus: Unsecured loans	-	-
Less: Cash and cash equivalents	-7.043.848	-7.184.337
Adjusted Equity	**10.881.786**	**9.328.672**
Equity	17.925.634	16.513.009
Plus: Unsecured loans	-	-
Total Equity	**17.925.634**	**16.513.009**
Adjusted Equity to Total Equity	**60,71%**	**56,50%**

COMPANY		
Amounts in EURO	**30/06/2021**	**31/12/2020**
Equity	16.745.301	16.060.064
Plus: Unsecured loans	-	-
Less: Cash and cash equivalents	-4.641.213	-5.189.723
Adjusted Equity	**12.104.088**	**10.870.341**
Equity	16.745.301	16.060.064
Plus: Unsecured loans	-	-
Total Equity	**16.745.301**	**16.060.064**
Adjusted Equity to Total Equity	**72,28%**	**67.7%**

8. Group Structure

Group's structure as at June 30, 2021 has as follows:

Company	Consolidation method	%
ENTERSOFT S.A. 362, Syngrou Ave. and Evripidou Str. Kallithea, Athens - Greece		Parent
ENTERSOFT BULGARIA EOOD Evrotur Business Center 12 Mihail Tenev 6th fl/21st Sofia - Bulgaria	Full consolidation	100,00%
ENTERSOFT ROMANIA SOFTWARE SRL 43 Polona Str., 6th floor, Bucharest - Romania	Full consolidation	100,00%
RETAIL- LINK S.A. 362, Syngrou Ave. and Evripidou Str. Kallithea, Athens - Greece	Full consolidation	100,00%
ENTERSOFT MIDDLE EAST FZ LLC IMPZ, Publishing Pavilion, Office 220, P.O. BOX: 500424, Dubai UAE	Full consolidation	100,00%
Optimum S.A. Acharnon 457 & Thespieon, Athens - Greece	Full consolidation	100,00%
WEDIA LTD, Acharnon 457 & Thespieon, Athens - Greece	Full consolidation	100,00%

9. Segment Information and Revenue analysis

The following information refers to the segments that must be reported separately in the Financial Statements and are regularly reviewed by the Group's decision makers. The results of all areas are reviewed by the chief business officer, the Board of Directors, which is responsible for measuring the business performance of the operating sectors. The segments are defined based on Group business activities.

Revenue distribution by Operating and Geographical Segment.

The Group is organized in 2 main business segments, which are:
1)Software sales and software support services, and

2)Provision of services through internet

The following tables present the analysis of consolidated sales per business segment and geographical segment as at 30-06-2021 and 30-06-2020:

Revenue Stream	**01/01 - 30/6/2021**	**01/01 - 30/6/2020**
Revenue from sale of software and support services on software programs	11.328.770	7.064.934
Revenue from Internet services	1.246.233	961.626
Total	**12.575.003**	**8.026.560**

Group's sales per geographical segment

Group's sales per geographical segment are presented as follows:

Country	**01/01-30/6/2021**	**01/01-30/6/2020**
Greece	11.209.068	6.788.227
Romania	568.079	736.380
Bulgaria	338.595	93.745
United Arab Emirates	221.534	212.986
Sales to other European countries	203.043	115.005
Parent company's sales to third counties	34.684	80.215
	12.575.003	**8.026.560**

ANALYSIS PER BUSINESS SEGMENT

	Software	**Eliminations**	**Revenue from Internet Services**	**Total**
	30/6/2021		**30/6/2021**	**30/6/2021**
ASSETS				
Non-current Assets	11.147.352		324.767	11.472.119
Current Assets	16.120.776	-351.201	1.079.881	16.849.456
Total Assets	**27.268.128**		**1.404.648**	**28.321.575**
LIABILITIES				
Equity attributable to equity holders of the Parent	16.922.499		1.003.135	17.925.634
Non-controlling interests	0		0	0
Total Equity	**16.922.499**		**1.003.135**	**17.925.634**
Non-current Liabilities	3.020.812		71.481	3.092.293
Current Liabilities	7.324.817	-351.201	330.032	7.303.648
Total Liabilities	10.345.628		401.513	10.395.940
Total Equity and Liabilities	**27.268.128**		**1.404.648**	**28.321.574**

ANALYSIS PER BUSINESS SEGMENT

	Software	Eliminations	Revenue from internet services	Total
	30/6/2021		30/6/2021	30/6/2021
Sales	11.495.041	-166.271	1.246.233	12.575.003
Cost of Sales	4.569.407	-182.682	292.736	4.679.461
Gross profit	**6.925.634**	**16.411**	**953.497**	**7.895.541**
Other income	134.000	-27.353	4.252	110.899
Distribution expenses	1.015.222	-5.471	116.169	1.125.920
Administrative expenses	1.309.417	-5.471	94.467	1.398.413
Research expenses	1.043.993		142.597	1.186.590
Other expenses	6.776		73	6.849
Earnings/(loss) before taxes, financing and investing results (EBIT)	3.684.226		604.443	4.288.669
Finance income	0		0	0
Finance expenses	126.303		3.150	129.453
Profit before income tax	3.557.923		601.293	4.159.216
Income tax expense	-717.441		-113.232	-830.673
Profit net of tax (A)	2.840.482		488.062	3.328.543
Earnings before interest, taxes, depreciation and amortization (EBITA)	4.669.117		604.443	5.273.560
Earnings before interest and taxes (EBIT)	3.652.990		635.679	4.288.669

ANALYSIS PER GEOGRAPHICAL SEGMENT

	GREECE	BULGARIA	ROMANIA	UAE	TOTAL
	30/06/2021	30/06/2021	30/06/2021	30/06/2021	30/06/2021
ASSETS					
Non-current assets	11.443.691	3.017	14.700	10.711	11.472.119
Current assets	15.522.308	401.985	748.243	176.920	16.849.456
Total Assets	26.965.999	405.002	762.943	187.631	28.321.574

	Software	Eliminations	Revenue from Internet Services	Total
	31/12/2020		31/12/2020	31/12/2020
ASSETS				
Non-current Assets	10.597.351		290.150	10.887.501
Current Assets	14.423.204	-361.060	1.228.188	15.290.332
Total Assets	**25.020.555**		**1.518.338**	**26.177.833**
LIABILITIES				
Equity attributable to equity holders of the Parent	15.404.528		1.086.913	16.491.441
Non-controlling interests	21.568		0	21.568
Total Equity	**15.426.096**		**1.086.913**	**16.513.009**
Non-current Liabilities	3.987.844		72.884	4.060.728
Current Liabilities	5.606.616	-361.060	358.540	5.604.096
Total Liabilities	**9.233.400**		**431.424**	**9.664.824**
Total Equity and Liabilities	**24.659.496**		**1.518.337**	**26.177.833**

	Software	Eliminations	Revenue from internet services	Total
	30/6/2020		30/6/2020	30/6/2020
Sales	7.064.934		961.626	8.026.560
Cost of Sales	2.311.506		325.808	2.637.314
Gross profit	**4.753.427**		**635.818**	**5.389.246**
Other income	173.249		68.233	241.482
Distribution expenses	951.085		97.588	1.048.674
Administrative expenses	852.644		44.853	897.497
Research expenses	848.742		104.916	953.658
Other expenses	26.507		1.370	27.877
Earnings/(loss) before taxes, financing and investing results (EBIT)	2.247.699		455.323	2.703.022
Finance income	3.519		38	3.557
Finance expenses	84.447		4.235	88.682
Profit before income tax	2.247.699		451.126	2.617.896
Income tax expense	-490.034		-103.084	-593.118
Profit net of tax (A)	1.676.736		348.042	2.024.778

	GREECE 31/12/2020	BULGARIA 31/12/2020	ROMANIA 31/12/2020	UAE 31/12/2020	TOTAL 31/12/2020
ASSETS					
Non-current assets	10.843.460	2.581	27.260	14.200	10.887.501
Current assets	14.375.582	150.950	612.184	151.616	15.290.332
Total Assets	25.219.042	153.531	639.444	165.816	26.177.833

Group's non-current assets, located out of Greece, amounted to approximately 1% of the Group's total non-current assets. The Group does not maintain single external customer at the rate more that 5% of the total revenue.

The above tables show that approximately 90,1% of the total income of the Group for the period 1/1/ 2021-30 6/2021 comes from the sale of software and the provision of support services in software programs, while the remaining 9,9% from the provision of services through the internet.

Also, during the same period, an average of 89.1% of total revenue was generated in Greece, 10.6% in European Union countries (excluding Greece) and 0.3% on average in Third Countries . In addition to the Greek market, the Group operates in the markets of Romania, Bulgaria and the United Arab Emirates through its subsidiaries there. With a focus on these subsidiaries, it also implements projects in other countries such as Cyprus, Serbia, Albania, Spain, Poland, Qatar, Slovakia, Czech Republic, Portugal, Moldova, United Kingdom, Saudi Arabia, Hungary, Israel and Russia, resulting in 2021 the Group has customers in 21 countries

10. <u>Notes to the Financial Statements</u>

10.1 Property, plant and equipment

The Property, plant and equipment of the Group and the Company are stated at acquisition cost less accumulated depreciation and any impairment loss. There are no mortgages, pre-notices or other liens on non-current assets against borrowing. The changes in the property, plant and equipment of the Group and the Company are as follows:

GROUP	Buildings	Mechanical Equipment	Vehicles	Furniture and other equipment	Right of use of assets (Buildings)	Right of use of assets (Cars)	Total
Cost							
Balance as at January 01, 2020	**380.468**	**11.835**	**0**	**1.573.833**	**1.367.288**	**970.122**	**4.303.547**
Additions	141.984	208.599	7.264	476.258	295.529	539.918	1.669.552
Disposals	-7.316	-	-	-9.513	-	-190.971	-207.800
Balance as at December 31, 2020	**515.136**	**220.435**	**7.264**	**2.040.578**	**1.662.817**	**1.319.069**	**5.765.299**
Additions	39.071	109	-	141.180	300.852	220.975	702.187
Wedia Acquisition costs	-	-	-	79.345	162.828	44.759	286.932
Disposals	-	-	-	-2.242	-	-83.679	-85.921
Balance as at June 30, 2021	**554.208**	**220.544**	**7.264**	**2.258.861**	**2.126.497**	**1.501.124**	**6.668.497**
Accumulated depreciation							
Balance as at January 01, 2020	**246.454**	**6.162**	**-**	**1.204.043**	**205.768**	**215.502**	**1.877.928**
Depreciation	141.479	209.299	5.234	407.503	295.359	338.318	1.397.192
Disposals	-	-	-	-3.783	-	-23.949	-27.732
Balance as at December 31, 2020	**387.933**	**215.461**	**5.234**	**1.607.763**	**501.127**	**529.870**	**3.247.388**
Depreciation	17.827	2.631	-	66.586	154.773	176.120	417.936
Wedia Accumulated Depreciation	-	-	-	69.666	3.972	1.335	74.973
Disposals	-	-	-	-1.732	-	-42.527	-44.259
Balance as at June 30, 2021	**405.760**	**218.092**	**5.234**	**1.742.282**	**659.872**	**664.798**	**3.696.038**
Net book value							
Net book value as at January 01, 2020	**134.014**	**5.674**	**-**	**369.791**	**1.161.520**	**754.620**	**2.425.619**
Net book value as at December 31, 2020	**127.203**	**4.974**	**2.031**	**432.815**	**1.161.689**	**789.199**	**2.517.911**
Net book value as at June 30, 2021	**148.448**	**2.452**	**2.031**	**516.578**	**1.466.625**	**836.325**	**2.972.459**

The additions and the depreciation of the Group's property, plant and equipment on 30/6/2020 were EURO 63.840 and EURO 105.461 respectively.

The additions and the depreciation of the Group's Right-of-Use Assets on 30/6/2020 were EURO 65,822 and EURO 239,603 respectively.

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	Buildings	Mechanical Equipment	Vehicles	Furniture and other equipment	Right of use of assets (Buildings)	Right of use of assets (Cars)	Total
Cost							
Balance as at January 01, 2020	**365.591**	**2.377**	**-**	**1.295.720**	**1.367.288**	**888.155**	**3.919.131**
Additions	-	-		96.006	262.506	309.859	668.371
Disposals	-7.316	-		-7.253	-	-146.499	-161.068
Balance as at December 31, 2020	**358.275**	**2.377**	**-**	**1.384.473**	**1.629.794**	**1.051.515**	**4.426.434**
Additions	38.400			95.582	150.426	191.109	475.517
Disposals				-1.571	-	-83.679	-85.250
Balance as at June 30, 2021	**396.675**	**2.377**	**-**	**1.478.484**	**1.780.220**	**1.158.945**	**4.816.701**
Accumulated depreciation							
Balance as at January 01, 2020	**233.296**	**2.377**	**-**	**964.576**	**205.768**	**208.318**	**1.614.335**
Depreciation	-	-	-	81.797	278.848	253.372	614.017
Balance as at December 31, 2020	-	-	-	-3.127		-20.975	-24.102
Accumulated depreciation	**233.296**	**2.377**	**-**	**1.043.246**	**484.616**	**440.715**	**2.204.250**
Depreciation	16.966	-		46.269	127.465	132.806	323.506
Disposals	-	-		-1.465	-	-42.528	-43.993
Balance as at June 30, 2021	**250.262**	**2.377**	**-**	**1.088.050**	**612.081**	**530.993**	**2.483.763**
Net book value							
Net book value as at January 01, 2020	**132.295**	**-**	**-**	**331.144**	**1.161.520**	**679.837**	**2.304.796**
Net book value as at December 31, 2020	**124.979**	**-**	**-**	**341.227**	**1.145.178**	**610.800**	**2.222.184**
Net book value as at June 30, 2021	**146.413**	**-**	**-**	**390.434**	**1.168.139**	**627.952**	**2.332.938**

The additions and the depreciation of the Company's property, plant and equipment on 30/6/2020 were EURO 42.940 and EURO 94.191 respectively.
The additions and the depreciation of the Company's Right-of-Use Assets on 30/6/2020 were EURO 92.311 and EURO 232.521 respectively.

10.2 Intangible assets

The intangible assets of Group and Company are mainly internally generated software which are sold to third parties and other intangible assets that have been acquired from the acquisition of a subsidiary by the Group.

In particular, the carrying and the net book value of the Group's investments that relate to the internally generated new products and significant additions on the existing software products, as well as other intangible assets is analyzed as follows:

GROUP	Software development	Other software	Customer relationships	Total
Cost				
Balance as at January 01, 2020	**7.508.379**	**2.029.702**	**442.400**	**9.980.481**
Additions	681.365	323.339	30.000	1.034.704
Acquisition of subsidiary Optimum SA	-	432.627	2.821.758	3.254.385
Disposals	**8.189.744**	**2.785.668**	**3.294.158**	**14.269.570**
Additions	192.089			192.089
Balance as at June 30, 2021	**8.381.833**	**2.785.668**	**3.294.158**	**14.461.659**
Accumulated amortization				
Balance as at January 01, 2020	**6.019.736**	**1.019.652**	**442.400**	**7.481.788**
Amortization	467.547	215.283	1.667	684.497
Balance as at December 31, 2020	**6.487.283**	**1.234.935**	**444.067**	**8.166.287**
Amortization	267.843	153.024	146.088	566.955
Balance as at June 30, 2021	**6.755.126**	**1.387.959**	**590.155**	**8.733.240**
Net book value				
Net book value as at January 01, 2020	**1.488.643**	**1.010.050**	**-**	**2.498.693**
Net book value as at December 31, 2020	**1.702.461**	**1.550.733**	**2.850.091**	**6.103.285**
Net book value as at June 30, 2021	**1.626.707**	**1.397.709**	**2.704.003**	**5.728.419**

The additions and the amortization of the Group's intangible assets on 30/6/2020 were EURO 335.897 and EURO 338.003 respectively.

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	Software development	Other software	Customer relationships	Total
Cost				
Balance as at January 01, 2020	**6.911.083**	**1.943.721**	**121.400**	**8.976.204**
Additions	597.228	320.000	30.000	947.228
Balance as at December 31, 2020	**7.508.311**	**2.263.721**	**151.400**	**9.923.432**
Additions	150.965			150.965
Balance as at June 30, 2021	**7.659.276**	**2.263.721**	**151.400**	**10.074.397**
Accumulated amortization				
Balance as at January 01, 2020	**5.497.310**	**943.840**	**121.400**	**6.562.550**
Amortization	449.275	208.659	1.667	659.601
Balance as at December 31, 2020	**5.946.585**	**1.152.499**	**123.067**	**7.222.151**
Amortization	256.173	121.428	5.000	382.601
Balance as at June 30, 2021	**6.202.758**	**1.273.927**	**128.067**	**7.604.752**
Net book value				
Net book value as at January 01, 2020	**1.413.773**	**999.881**	**-**	**2.413.654**
Net book value as at December 31, 2020	**1.561.726**	**1.111.222**	**28.333**	**2.701.281**
Net book value as at June 30, 2021	**1.456.518**	**989.794**	**23.333**	**2.469.643**

The additions and the amortization of the Company's intangible assets on 30/6/2020 were EURO 296.814 and EURO 325.489 respectively.

10.3 Acquisition of subsidiary

On March 01, 2021 the Group acquired 100% of the share capital of WEDIA LTD (hereinafter "WEDIA").
Among the total assets and liabilities that were recognized at the acquisition date, customer relationships, software, procedures and staff were included. The Group decided that the aforementioned additions will significantly contribute to generate revenue and therefore, the Group concluded that all the acquisitions from Wedia should be classified as Business Combination.

While the control of the subsidiary was obtained on March 1, 2021, the information that can practically be provided about the event is that for the four-month period (4 months) that Wedia has been consolidated, contributed revenue of EURO 447.589 and Losses after taxes of EURO 6.883. If the acquisition of Wedia had taken place on January 1, 2021, the Management estimates that the revenue that would have been contributed would be EURO 650.234 and the Profit after taxes would be EURO 24.886.

Price

The price of Wedia LTD acquisition, was EURO 500.000 and was fully paid by the Company's cash and cash equivalents.

Assets and liabilities acquired

In the table below the assets and liabilities acquired from Wedia are presented:

	Book Value	Fair value adjustments	Fair value at the date of acquisition
ASSETS			
Non-current assets			
Property, plant and equipment	211.959		211.959
Total non-current assets	**211.959**		**211.959**
Current assets			
Trade and other receivables	470.261		470.261
Other receivables	34.127		34.127
Cash and cash equivalents	180.660		180.660
Total current assets	**685.049**		**685.049**
Total Assets	**897.008**		**897.008**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	1.622		1.622
Other non-current liabilities	279.372		279.372
Employee benefits	21.590		21.590
Total non-current liabilities	**302.584**		**302.584**
Current Liabilities			
Trade and other payables	61.185		61.185
Income tax payable	55.482		55.482
Other current tax liabilities	84.832		84.832
Other current liabilities	373.987		373.987
Total Current liabilities	**575.487**		**575.487**
Total liabilities	**878.071**		**878.071**
Net assets acquired			**18.937**
Percentage acquired by the Group			**100%**
Value of items acquired by the Group			**18.937**
Total acquisition cost			**500.000**
Goodwill of WEDIA LTD			**481.063**

Goodwill of Wedia LTD

The goodwill recognized from the acquisition of Wedia LTD is as follows:

Amounts in Euro	**30/06/2021**
Consideration paid	500.000
Fair Value of net assets acquired	(18.937)
Goodwill	**481.063**

The goodwill recognized, is mainly due to sales synergies of products and services that are expected regarding the integration of Wedia LTD technological solutions in the Group's portfolio. The goodwill recognized is not tax deductible.

The finalization of the resulting goodwill is expected to be completed within 12 months from the date of the acquisition of Wedia LTD.

10.4 Goodwill

In the Group's Consolidated Financial Statements as at June 30, 2021 the goodwill of amount of EURO 2.633.080 is analyzed as follows:

	30/6/2021	**31/12/2020**
Subsidiary		
Retail Link S.A.	138.095	138.095
Optimum S.A.	2.013.922	2.013.922
Wedia LTD	481.063	-
Total	**2.633.080**	**2.152.017**

The variation of goodwill in the first semester of 2021 concerns goodwill generated from:

The 100% acquisition of Wedia LTD (hereinafter "Wedia") as at March 01, 2021.

Wedia is fully consolidated effective from March 01, 2021. From this date and thereafter, Entersoft SA has the control over the acquired subsidiary.

Wedia provides customers with specialized design and development of demanding Web and eCommerce applications, as well as digital marketing services, offering complete digital transformation solutions.

Wedia has implemented projects in well-known large companies such as MINOAN LINES, EUROLIFE FFH, MARKETING GREECE, PIRAEUS BANK, AXA INSURANCE, LEASEPLAN, GROUPAMA INSURANCE, EUROBANK, PAPASTRATOS SA (Philip Morris), ICAP SA, STAVROS NIARCHOS FOUNDATION CULTURAL CENTER as well as many other medium and large businesses.

With this acquisition, Entersoft is dynamically enhancing the range of its products and services in the field of business extroversion. Following the acquisition of Wedia Ltd, the Group can fully cover, with its own products and services, the whole experience of a consumer (customer journey), from the product promotion campaign to the completion of the transaction (business transaction), combining products and services User Experience, eCommerce, Logistics, CRM Analytics and Digital Marketing.

The goodwill of EURO 481.063 recognized, is mainly due to sales synergies of products and services that are expected regarding the integration of Wedia LTD technological solutions in the Group's portfolio. The Company performs annual goodwill impairment test.

10.5 Investment in subsidiaries

The investment in subsidiaries is analyzed as follows

Company	30/6/2021	31/12/2020
ENTERSOFT BULGARIA EOOD	180.000	100.000
ENTERSOFT ROMANIA SOFTWARE SRL	100.000	100.000
RETAIL- LINK S.A.	730.372	606.622
ENTER SOFT MIDDLE EAST FZ LLC	393.705	393.705
OPTIMUM S.A.	4.957.883	4.957.883
WEDIA LTD	500.000	-
Balance	**6.861.960**	**6.158.210**

On March 1, 2021, the Company acquired 100% of the total shares of WEDIA LTD. The acquisition price of Wedia Ltd. amounted to EURO 500.000 and was paid in cash from the Company's cash (Note 10.3).

The Company acquired all the minority shares of its subsidiary Retail Link SA. on May 18, 2021, which corresponds to 2.475 shares, ie approximately 2,3603% of the total shares of Retail Link SA. by two individuals. The total price for the above acquisition amounts to EURO 123.750 (**Note 10.6**).

Finally, the Company increased its participation in the share capital of ENTERSOFT BULGARIA EOOD by EURO 80,000 with equal capitalization of receivables from its subsidiary.

The Company annually examines if there are any impairment indicators of its investment in subsidiaries and for the investments that there are indicators, it performs an impairment test.

10.6 Acquisition of non-controlling interest

The Company acquired the minority interest of its subsidiary Retail Link SA on May 18, 2021, which corresponds to 2.475 shares, i.e. approximately 2,3603% of the total shares of Retail Link SA. by two individuals. The total price of the above acquisition was EURO 123.750 and was fully paid by the Company on the acquisition date. Following the acquisition, Entersoft S.A. is the only shareholder of Retail Link. Total equity of Retail Link in its Financial Statements on April 30, 2021 was EURO 1.340.725. The difference between April 30, 2021 and May 18, 2021 (acquisition date) is considered insignificant.

The below table summarizes the effect of the aforementioned changes:

	Retail Link S.A.
Carrying amount of NCI acquired (1.340.725*2,3603%)	31.645
Consideration paid to NCI in cash	123.750
Decrease in equity attributable to owners of the Company	**-92,105**

10.7 Trade and other receivables

Trade receivables of Group and Company are analyzed as follows:

	Group		COMPANY	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Customers	6.949.056	5.904.532	4.827.324	4.853.259
Suppliers' adnvances	187.068	81.352	172.979	71.237
Cheques receivable (in portfolio)	2.955.649	2.651.843	2.717.896	2.489.760
Cheques receivable transferred to Banks	30.593	38.195	0	0
Notes receivable	4.800	4.800	4.800	4.800
Less: allowance for impairment of receivables	-1.572.717	-1.488.286	-1.312.641	-1.306.577
Net Trade Receivables	**8.554.450**	**7.192.436**	**6.410.358**	**6.112.479**

10.8 Financial assets at fair value through profit or loss

Financial Assets amounting to EURO 873.557 refer to Company's foreign bank bond (Switzerland) of UBS, that has high credit rating (Credit Rating: Aa2) according to Moody's rating. The bond has been acquired for the purpose of better performance of the Company's cash. It is measured at fair value through profit and loss. The fair value hierarchy of Financial Assets at fair value through profit and loss is Level 1, which is actual Level 1, because it is based on observable active market items.

	GROUP		COMPANY	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Banking product (bond)				
Opening balance	480.726	468.450	480.726	468.450
Period acquisitions	400.000		400.000	
Fair value measurement	-7.169	12.276	-7.169	12.276
Closing balance	**873.557**	**480.726**	**873.557**	**480.726**

10.9 Cash and cash equivalents

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

	GROUP		COMPANY	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Cash on hand	1.849	4.813	549	3.704
Cash at banks	7.041.999	7.179.524	4.640.664	5.186.019
Total:	**7.043.848**	**7.184.337**	**4.641.213**	**5.189.723**

Group's cash and cash equivalents, are mainly invested in counterparties with high credit rate and for a short period of time.

10.10 Equity

Share capital and share premium

The paid up and authorized share capital of the Company at June 30, 2021 amounted to EURO 1.500.000 divided into 30.000.000 ordinary registered voting shares, with a nominal value of EURO 0,05 each. From 2016 up to 30.06.2021, the share capital of the Company had the following change:

With the decision of the General Assembly Meeting of shareholders, held on 23.6.2016, the share capital of the Company decreased by EURO 534.720 with a cash return to shareholders, by reducing the nominal value of the shares by EURO0,12 each.

On 11.10.2019, the increase of the Company's share capital was approved with the payment of cash of up to EURO 163.200 and the issuance of up to 544.000 new ordinary registered voting shares with a nominal value of EURO 0,30 each, which were disposed in a Public Offering.

Following the decision of the Extraordinary General Assembly Meeting held on 11/10/2019 the Athens Stock Exchange (ATHEX) at its session of 18/2/2020, approved the admission to trading on the Main Market of the Stock Exchange (ATHEX) of 5.000.000 ordinary registered shares of the Company. On February 26, 2020, the disposal to a limited circle of persons was completed and 27.200 shares were disposed. On March 05, 2020, the Public Offering and the disposal of 516.800 new ordinary registered shares of the Company were completed.

Following the decision of the Extraordinary General Assembly Meeting held at 12/05/2020, the nominal value of each common voting share reduced from EURO 0,30 to EURO 0,05 and the replacement of each old common share with six (6) new common shares by increasing the total number of common shares of Company from 5.000.000 to 30.000.000 new common voting shares of nominal value EURO 0,05 (Stock split 1:6). Following the aforementioned reduction, the total share capital remained the same.

Company's share capital is fully paid and its shares are fully repaid. There are no shares which do not represent Company's capital.

Company, does not hold own Shares. The subsidiaries do not hold Shares of the Company.

There are no convertible securities, exchangeable securities or securities with warrants.

There are no agreements for the right and/or obligation to acquire a participation in Company's capital. There is no pending commitment to increase Company's share capital.

There are no agreements to provide that the capital of any Group member will be subject of an option.

All the shares have the same rights and obligation and each share incorporates all the rights and obligations provided by the law and Company's Article of Association.

Reserves

Group and Company's reserves are analyzed as follows:

	GROUP			COMPANY		
	Statutory reserve	**Own contribution in ICT4GROWTH program**	**Total**	**Statutory reserve**	**Own contribution in ICT4GROWTH program**	**Total**
Balance as at December 31, 2020	592.147	911.584	1.503.731	552.642	911.584	1.464.226
Reserves set up during the period	-	-	-	-	-	-
Balance as at June 30, 2021	**592.147**	**911.584**	**1.503.731**	**552.642**	**911.584**	**1.464.226**

The statutory reserve is formed in accordance with the Greek Legislation (article 158, of Law 4548/2018) according to which an amount at least equal to 5% of the annual net (after taxes) profit, is mandatory to be transferred to statutory reserve until such reserve equals one-third of the paid in share capital.

According to the decision of the Board of Directors at 01/04/2013 and following the decision of the General Assembly Meeting of the Company dated 19/6/2012, decision was taken on the daily agenda item "Participation of Company's plan in the framework of the Action "Business Support for the implementation of investment "Plans for the development-provision of innovative products and services of added value ICT4Growth", Financing of the project, as well as coverage of the required Own participation". According to the guide of "Drasi", the percentage of Own Participation cannot be less than 25% of the total budget of the proposal amounting to EURO 1.560.324. Following the 16/06/2012 General Assembly Meeting decision, the Company decided not to use a loan for the rest of the private participation (Budget – Public Grant – Minimum Equity Participation 25%), but cover it with Equity Participation instead. Therefore, the Company decided that the required Equity Participation (Minimum Equity participation and Other Private Participation) amounted to EURO 911.584 and would be covered by taxable reserves, based on existing Company's results.

10.11 Retained Earnings

Group and Company's retained earnings are analyzed as follows:

	GROUP		COMPANY	
	30/6/2021	**31/12/2020**	**30/6/2021**	**31/12/2020**
Opening balance	9.871.486	8.008.892	9.469.516	8.084.915
Profit for the period	3.318.466	3.498.033	2.485.237	2.994.461
Expense/Income directly to Equity		-145.624		-145.624
Acquisition of NCI	-92.105	-31.037		-30.164
Dividend distribution	-1.800.000	-1.350.000	-1.800.000	-1.350.000
Set up Statutory Reserves		-108.777		-84.071
Balance	**11.297.847**	**9.871.486**	**10.154.752**	**9.469.516**

10.12 Other Non-Current Liabilities

Other Non-Current Liabilities of the Group and Company are analyzed as follows:

	GROUP		COMPANY	
	30/6/2021	**31/12/2020**	**30/6/2021**	**31/12/2020**
Lease liabilities	1.752.536	1.555.344	1.439.641	1.401.089
Non-current liabilities from the acquisition of subsidiary	-	1.190.118	-	1.190.118
Other non-current liabilities	82.000	-	-	-
Total:	**1.834.536**	**2.745.462**	**1.439.641**	**2.591.207**

The total long-term liabilities from the acquisition of Optimum A.E. as at December 31, 2020 of EURO 1.190.118 was transferred to the line item "Other current liabilities" for the period ended June 30, 2021 as it relates to part of the price to be repaid on 29/06/2022.

10.13 Income tax liabilities

Current income tax liabilities of the Group and Company amount to EURO 1.224.371 and EURO 612.713 respectively.

10.14 Short-term borrowings

The bank borrowings of the Group and Company, based on the existing agreements with the collaborating banks amount to EURO 175.428 and concern short-term borrowings. The analysis of these loans is as follows:

COMPANY	Counterparty	Loan	Loan termination date	Discount rate	Nominal Value (amounts in EURO)	Book Value 30-6-2021 (amounts in EURO)
ENTERSOFT S.A.	Piraeus Bank	Working Capital	25.09.2021	4,60%	500.000	30.238
ENTERSOFT S.A.	Alpha Bank	Working Capital	23.11.2021	4,75%	1.000.000	145.190
	Total				**1.500.000**	**175.428**

10.15 Income tax expense

Income tax expense of the Group and Company is analyzed as follows:

	GROUP		COMPANY	
	1/1-30/6/2021	1/1-30/6/2020	1/1-30/6/2021	1/1-30/6/2020
Current income tax	836.670	521.521	483.909	416.763
Deferred tax	-5.996	71.598	18.625	67.256
Total income tax:	**830.673**	**593.118**	**502.534**	**484.018**

The actual tax rate of the Group and the Company for the six months ended June 30, 2021 was 20% and 17% (six months period ending June 30, 2020: 23% and 27% respectively). The change is mainly due to the following reasons:

- The income tax rate was reduced from 24% applicable for the fiscal year 2020 to 22% applicable for the fiscal year 2021 and

- According to the Law 4172/2020, the tax incentive for companies that carry out scientific and technological research expenses was strengthened as these expenses are deducted at the time of their realization from the companies' gross income and an additional percentage of these costs is deducted (100%), significantly improved compared to the previous percentage increase of the discount by thirty percent (30%) that was valid in 2020.

10.16 Earnings per share

Earnings per share are as follows:

	GROUP		COMPANY	
	1/1-30/6/2021	1/1-30/6/2020	1/1-30/6/2021	1/1-30/6/2020
Profit attributable to the owners of Company	3.318.466	2.016.564	2.485.237	1.319.606
Weighted average number of shares	30.000.000	28.766.933	30.000.000	28.766.933
Earnings per share (EURO per share)	0,1106	0,0701	0,0828	0,0459

10.17 Payroll cost

Payroll cost of Group and Company is analyzed as follows:

	GROUP		COMPANY	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
Wages, salaries and allowances	4.193.393	2.729.059	2.886.754	2.072.005
Social security contributions	871.674	646.806	632.429	568.564
Severance pay	13.302	-	13.302	-
Expenses related to the employee Benefits	228.745	106.335	126.247	97.109
Total	**5.307.114**	**3.482.201**	**3.658.732**	**2.737.588**

10.18 Number of personnel

The number of personnel of the Group and the Company is analyzed as follows:

	GROUP		COMPANY	
	30/6/2021	31/06/2020	30/6/2021	30/06/2020
Employees	342	257	222	194

10.19 EBITDA

EBITDA: It is the entity's profitability index before taxes, financial results and depreciation. It is calculated by adjusting the depreciation to the result before taxes, financial and investment results as stated in the statement of comprehensive income.

	GROUP		COMPANY	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
Earnings before taxes, financing and investing results (EBIT)	4.288.669	2.703.022	2.530.969	1.871.560
Adjustments for:				
Tangible and Intangible assets depreciation and amortization	984.891	683.067	706.107	652.201
EBITDA	**5.273.560**	**3.386.089**	**3.237.076**	**2.523.761**

10.20 Related party transactions

The following tables analyze the intercompany balances and transactions in accordance with IAS 24:

Intercompany transactions according to IAS 24

INTERCOMPANY SALES / PURCHASES 1/1 -30/6/2021

PURCHASER

SELLER	**30/6/2021**	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
	ENTERSOFT S.A.		24.345	65.132	43.895	20.660	1.267	
	ENTERSOFT BULGARIA							
	ENTERSOFT ROMANIA							
	RETAIL LINK AE							
	ENTER SOFT MIDDLE EAST FZ LLC							
	OPTIMUM S.A.	38.325						
	WEDIA LTD							

INTERCOMPANY SALES / PURCHASES 1/1 -30/06/2020

SELLER

30/6/2020	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		9.120	79.537	46.787	22.425		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.							
WEDIA LTD							

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 30/6/2021

PURCHASER

SELLER

30/6/2021	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		9.290	-3.786	6.499	291.676		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.	47.523						
WEDIA LTD							

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 31/12/2020

PURCHASER

SELLER 31/12/2020	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA LTD
ENTERSOFT S.A.		84.670	1.081	6.955	268.354		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.							
WEDIA LTD							

The terms of the transactions carried out with related parties provide that sales to the related parties as well as purchases from them are made at normal market prices at the time. More specifically, sales of the parent company to its subsidiaries for the years 2021-2020 concern entirely the sale of software for resale purposes.

The parent company has provided guarantees to the banks for the conclusion of loan agreements of its subsidiary Retail Link SA, amounting to EURO 250.000 and of Wedia LTD of EURO 400.000.

10.21 Benefits to Management and Executives

At the line item "Salaries and social security expenses of first-degree members of the management" for the period 1/1-30/6/2021 and 1/1-30/6/2020, the total amount refers to remuneration of salaried staff whose contracts have been approved by the annual General Assembly Meeting upon their recruitment. On an annual basis the General Assembly Meeting approves their remuneration. The executive members of the Management and the Executives hold a total of 25% of the share capital.

	GROUP	COMPANY

Amounts in Euro	1/1-30/6/2021	1/1-30/6/2020	1/1-30/6/2021	1/1-30/6/2020
Benefits to executives and members of the BOD				
- Salaries and social security expenses of members of the BOD	242.248	222.352	242.248	222.352
- Fees for Board of Directors meetings	69.444	56.657	69.444	56.657
- Salaries and social security expenses of first-degree relatives with members of BOD	100.872	92.232	56.924	49.936
- Salaries and social security expenses of executives	12.785	11.896	12.785	11.896
Total	**425.349**	**383.137**	**381.401**	**340.841**

10.22 Contingent assets – liabilities

Information about contingent assets

A) Legal issues

Sufficient provisions have been made for the disputed claims of the Company and the Group against third parties, considering the opinion of the legal advisor. There are no disputed or under arbitration cases that have a significant impact on the financial position or operations of the Company and the Group.

B) Tax Issues

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

COMPANY	% PARTICIPATION	CONSOLIDATION METHOD	UNAUDITED TAX YEARS
ENTERSOFT S.A. 362, Syngrou Ave. and Evripidou Str. Kallithea, Athens - Greece	Parent Company		2020
RETAIL - LINK S.A. 362, Syngrou Ave. and Evripidou Str. Kallithea, Athens - Greece	100,00%	Full Consolidation	2020
ENTERSOFT MIDDLE EAST FZ LLC Dubai	100,00%	Full Consolidation	It belongs to FREE ZONE of United Arab Emirates
ENTERSOFT BULGARIA EOOD Evrotur Business Center 12 Mihail Tenev 6th fl/21st Sofia - Bulgaria	100,00%	Full Consolidation	2008 - 2020
ENTERSOFT ROMANIA SOFTWARE SRL 43 Polona Str., 6th floor, Bucharest - Romania	100,00%	Full Consolidation	2008 - 2020
Optimum S.A. INFORMATION TECHNOLOGIES ACHARNON 457 & THESPIEON, ATHENS	100,00%	Full Consolidation	2015-2020
Wedia LTD Andrea Papandreou 27, Marousi, Athens - Greece	100,00%	Full Consolidation	2015-2020

The Group management estimates that there will be no future charges from a possible tax audit.

For the years 2011 to 2015, the Greek Societes Anonymes and the Limited Liability Companies whose annual Financial Statements are compulsorily audited, are obliged to receive an "Annual Tax Certificate" provided in par. 5 of article 82 of Law 2238/1994 and the article 65A of L.4174 / 2013, which is issued after a tax audit carried out by the same Statutory Auditor or audit firm that audits the annual Financial Statements. Upon completion of the tax audit, the Statutory Auditor or audit firm issues to the Company a "Tax Compliance Certificate" and then submits it electronically to the Ministry of Finance.

From the year 2016 onwards, the issuance of the "Annual Tax Certificate" is optional. The tax authority has the right to proceed with a tax audit within the established framework as defined in article 36 of L.4174 / 2013.

For the Company and its subsidiary Retail - Link SA, the "Tax Compliance Report" for the years 2011 to 2019, has been issued and submitted unqualified.

The tax audit for the year 2020 is in progress for the Company and its subsidiary Retail - Link SA. Upon completion of the tax audit, the Management does not expect significant tax liabilities to arise. The years 2011,2012,2013 and 2014 are considered final in accordance with the provisions of Greek Tax Legislation.

Regarding Optimum S.A., the subsidiary has not received a tax certificate and has not been audited by the tax authorities for all the years until 2020. The company has booked a provision for its unaudited tax years amounting to EURO 143.000.

Regarding Wedia LTD., the subsidiary has not received a tax certificate and has not been audited by the tax authorities for all fiscal years until 2020.

C) Other issues

The Parent company has provided guarantees to the banks for the conclusion of loan agreements of its subsidiary Retail Link SA, amounting to EURO 250.000 and for the subsidiary Wedia LTD of a total amount of EURO 400.000.

10.23 Impact of COVID-19

The coronavirus disease (COVID-19) has led governments almost all over the world to unprecedented measures (e.g. lockdown). The management immediately took all the necessary measures to protect the employees who are a key pillar of its business development. In particular, in all the Group's companies the following took place:

- A special crisis management team has been appointed consisting of senior executives who use video conferencing every 2-3 days to re-evaluate the data and make ongoing decisions.
- All instructions of the competent bodies (EODY, Ministry of Health and Labor) were immediately implemented
- All appropriate precautions and hygiene rules were taken within the workplace with constant updates of our staff
- All business trips stopped immediately and completely
- Instructions for staying at home were given immediately to those who may show even mild symptoms of seasonal flu or even symptoms of seasonal allergy.
- An immediate instruction was given if, despite the measures, an employee infected with the virus should return to his workplace only after obtaining the relevant permission from the competent authorities
- All remote working infrastructures that the Group had already prepared were activated and gradually all the departments of the company t worked remotely, continuing the normal business activities of the Group. The staff working remotely is over 90%. At the same time, we have already planned remote working even for 100% in case a complete shutdown of the company is imposed and we are ready to continue the support of our customers smoothly.

Although at the beginning of the financial year 202 with the appearance of the pandemic and the first restrictive measures of the economy (lockdown), there was intense uncertainty about the financial results, the Group quickly overcame the initial negative forecasts and achieved an increase in size both in the revenues as well as in profits. The general culture of Digital Transformation strengthened during the pandemic and it is expected to lead to higher business investment in the coming years.

The management of the company in recent years focuses on the liquidity of the Group which is strong and this gives it the opportunity to soberly plan its future actions. It monitors developments on a daily basis and takes all necessary measures to protect both the health of its employees and the continuation of its business activities. The company's infrastructure is perfect and ready to support remote working of all staff in collaboration with customers.

Of course, it always remains possible for the COVID - 19 pandemic to have further negative effects on the global economy for 2021 and to negatively affect the Group's activities or to reduce the demand for its products and services. Each of these developments could have an impact on the financial results of 2021. However, our experience so far in managing the pandemic during the year 2020, makes us optimistic about achieving the goals set for 2021.

The general culture of digital transformation of the economy that is spreading rapidly in combination with the recent investments of the Group, but also the apparent utilization of the available resources of the Recovery Fund amounting to EURO32 billion, which are expected to reach the amount of EURO 72 billion, considering the rest of European resources that will flow in by 2027, are emerging as catalysts for the acceleration of the economy recovery. The Group, having recently invested in software and cloud services ERP/CRM, electronic invoicing, eCommerce and Logistics is in an advantageous position to take this opportunity. Nevertheless, the dynamic nature of the epidemic and the extent to which COVID-19 will affect Group's results for 2021, will depend on general future developments, which remain uncertain and cannot be safely predicted at this time. It is likely that a possible further spread of COVID-19 as well as potential delays in vaccination programs will cause a further economic slowdown, which could adversely affect the demand for the Group's products or cause other unforeseen events that could affect the business activity and the financial statements of the Group. Nevertheless, the management remains optimistic for the reasons mentioned above that the final impact of the pandemic in 2021 will have no significant negative consequences on the financial statements of the Group, as it did in 2020.

10.24 Subsequent events

There are no significant events after the reporting date and before the publication of the Financial Statements.

Kallithea, 27 July 2021

Pantelis N. Nikolopoulos	Antonios N. Kotzamanidis	Nektaria A. Livaniou
Chairman of the Board of Directors	Chief Executive Officer	Accounting Manager

REPORT ON THE DISPOSAL OF FUNDS RAISED

ENTERSOFT S.A.

GEMI No.: 122264001000

KALLITHE ATTICA

(LEOFOROS SIGROU 362 AND EVRIPIDOU)

This disclosure is in accordance with the provisions of articles 4.1.2., Part A of the decision 25 / 17.7.2008 of the ATHEX Stock Market Governing Committee and decision 8/754/ 14.4.2016 of the Board of Directors of the Hellenic Capital Market Commission each as applicable.

The meeting of the Hellenic Capital Market Commission of 24.02.2020, approved the Prospectus of Entersoft S.A. (hereinafter "Company") for the Public Offering of New Shares of the Company from the Share Capital Increase, and the listing of all the Shares in the Regulated Market of ATHEX, based on the decision of 11.10.20219 of the Extraordinary General Meeting of Shareholders of the Company and the decision of 13.02.2020 of the Board of Directors.

Specifically, the increase concerns the issuance of up to 54.000 new common registered voting shares with a nominal value of EURO0,30 each with cash payment and waiver of the right of the old shareholders, which will be offered through a Limited Circle of Persons and through a Public Offer.

On February 26, 2020, the distribution to a limited number of persons was completed, i.e. to employees of the Company ("Distribution to a Limited Circle of Persons"), the results of which are as follows: A total of 27.700 shares were intended for distribution to employees of the Company and, therefore, no unallocated shares emerged to be transferred to the Public Offering. On March 08, 2020 the Public offer and the offer of 516.800 new common registered shares of the Company were completed. The offering price of the New Shares (hereinafter the "Offering Price) was set at EURO7,00 per Share for the total Public Offering (Special and Private investors). It is noted that the offer price for the part of the Offering to a Limited Circle of Persons that was intended for the Company's employees was set to EURO 6,30 (ie reduced by 10% from the Offering Price). The total funds raised from the Public Offering, before the deduction of commissions and expenses, amounted to EURO3.788.960 (Public Offer (EURO7,00*516.800 shares), offering to a Limited Circle of Persons to 50 employees (EURO6,30*27.200 shares)).

Revenues from the Public Offering and the Offer to a Limited Circle of Persons amounted to EURO3.788.960, which after deducting the issuance costs of EURO 212.112, amounted to EURO3.576.848 and will be used for the redemption of majority percentages (i.e. 50%+1 of the shares and equal number of voting rights and the total consolidation in the Financial Statements of the Company) in up to five companies, mainly in Greece and secondarily aboard.

TABLE OF DISPOSAL OF FUNDS RAISED

METHOD OF DISTRIBUTION OF RAISED FUNDS ACCORDING TO THE PROSPECTUS METHOD OF DISTRIBUTION OF RAISED FUNDS DATABASE BASE (section 3.1.4 reasons for the offer and use of revenue)	DISPOSAL OF RAISED FUNDS AS PROVIDED BY NEWSLETTER (Amounts in EURO)	CAPITAL SPEND BY 31.12.2020 (Amounts in EURO)	AVAILABLE CAPITAL BY 31.12.2020 (Amounts in EURO)
Acquisition of majority of percentages (ie 50%+1 of the shares and equal number of voting rights and the total consolidation in Company's Financial Statements) in up to five companies, mainly in Greece and secondarily abroad. Search for companies abroad will start from 01.11.2021 and only if majority percentages in Greece have not been redeemed by 31.10.2021. These acquisitions concern companies generating software and related services, smaller compared to Group in sales and staff. The disposal of the funds raised from the increase will be completed by the end of 2022. However, in case that theCompany's efforts for these acquisitions have not been achieved by 31.12.2022, the Company will use the funds in research for the development of new products and in particular new software products for Human Resources Management, Personnel and Time Management.	3.576.848		
29/12/2020 Acquisition of 100% of Optimum S.A.		2.550.000	1.026.848

The available capital of EURO1.026.848 is maintained as at June 30, 2021 in a bank account at Piraeus Bank and cannot be used for any purpose other than those explicitly mentioned above in the disclosure.

Kallithea, July 27, 2021

Pantelis N. Nikolopoulos	Antonios N. Kotzamanidis	Nektaria A. Livaniou
Chairman of the Board of Directors	Chief Executive Officer	Accounting Manager