



ENTERSOFT S.A.
**Interim Financial Report (TRANSLATED FROM THE
GREEK ORIGINAL)**

Semi-annual Financial Report
Period
From 1 January 2023 to 30 June 2023
according to article 5 of Law 3556/2007

STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS**(In accordance with Article 4 paragraph 2 of the Law 3556/2007)**

The members of the Board of Directors of ENTERSOFT SA:

- 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 Summary Financial Statements of ENTERSOFT SOCIETE ANONYME FOR THE PRODUCTION AND TRADE OF SOFTWARE AND SERVICES (Consolidated and Corporate) for the period from 1 January 2023 to 30 June 2023, 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 1/1/2023-30/6/2023 as well as the companies included in the consolidation taken as a whole, in accordance with paragraphs 3 to 5 of Article 5 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 Article 5 (6) of 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 Summary 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. HALF YEAR REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD 01.01.2023 TO 30.06.2023

Introduction

This report of the Board of Directors of the company under the name "ENTERSOFT SOCIETE ANONYME FOR THE PRODUCTION AND TRADE OF SOFTWARE AND SERVICES" (hereinafter the "Company") concerns the period from 1 January 2023 to 30 June 2023 and has been prepared in accordance with the provisions of Article 5 of Law 3556/2007 as well as the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and refers to the Interim Summary Financial Statements (Consolidated and Corporate) as of 30 June 2023 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 Corporate Interim Summary 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, 2023 to June 30, 2023, the outlook for the second semester of 2023, the significant events that took place during the first semester of 2023 and their impact on the half-yearly financial statements, 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 2023.

This report also refers to Alternative Performance Measures. For explanations and calculation of the indicators see "Alternative Group Performance Indicators" and "Alternative Company Performance Indicators".

The Semi-Annual Summary Financial Statements (Consolidated and Corporate), 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 2023, 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:

Overview of significant events that occurred in the first semester of 2023

General assemblies

Ordinary General Meeting on 26/5/2023 at which

1. Approval was given for the submitted corporate and consolidated Financial Statements, prepared in accordance with IFRS, for the fiscal year 01.01.2022 to 31.12.2022 for the relevant reports of the Board of Directors and of the Certified Auditors, the Explanatory Board of Directors Report and the Corporate Governance Statement in accordance with Article 152 of Law 4548/2018.
2. The distribution of dividends to shareholders of EUR 0.10 per share was approved, i.e. an amount of EUR 3,000,000, and approval was given to the remaining amount of EUR 921,661 being transferred to retained earnings.
3. Approval was given for the overall management of the Board of Directors for the fiscal year 2022 in accordance with Article 108 of Law 4548/2018 and it was decided to release the Certified Auditors from any relevant liability for compensation for activities of the fiscal year 2022 in accordance with Article 117 (1)(c) of Law 4548/2018.
4. Approval was given for the fees and compensations for the year 2022 and pre-approval was given for the payment of fees and compensation for the year 2023 to Directors.
5. Following a relevant recommendation of the Audit Committee, the audit firm "COOPERATING CERTIFIED PUBLIC ACCOUNTANTS Certified Auditors Societe Anonyme" and the distinctive title "SOL S.A." was selected for the Regular Audit of the simple and consolidated financial statements of the fiscal year 1/1/2023 - 31/12/2023, with this firm having its registered office in Athens at 3 Fokionos Negri street no. (Institute of Certified Public Accountants Reg. No. 125).
6. Approval was given for the Remuneration Report for the members of the Board of Directors for the fiscal year 2022 in accordance with Article 112 (3) of Law 4548/2018.
7. The Annual Report of the Activities of the Audit Committee for the fiscal year 01.01.2022-31.12.2022 was submitted and presented to the General Meeting in accordance with Article 44 of Law 4449/2017, as in force.
8. The following items were submitted to and presented at the General Meeting: a) the joint report of the Board of Directors' independent non-executive members for the period 01.01.2022 to 31.03.2023 in accordance with Article 9(5) of Law 4706/2020 and b) the joint report of the Board of Directors' independent non-executive members for the period 01.04.2023 to 26.04.2023 in accordance Article 9(5) of Law 4706/2020
9. The Annual General Meeting, after the Board of Directors was informed in accordance with Article 82 (1) of Law 4548/2018 and Article 9 (4) of Law 4706/2020, at its meeting on 1/4/2023, following the resignation of Mrs. Aikaterini Pramadari from the position of independent non-executive member of the Board of Directors with effect from 31/03/2023, elected Mr. Georgios Lysseos, son of Ilias, as a new independent non-executive member to replace the resigned until the next General Meeting and that, as the Annual General Meeting of 26/5/2023 was the immediately following the above election, assigned Mr. Georgios Lysseos, son of Ilias, as independent non-executive member of the Board of Directors to replace the resigned independent non-executive member, Ms. Pramadari, for the remainder of her term, i.e. until 03/06/2026, extended, until the expiration of the deadline within which the next Ordinary General Meeting of the Company's Shareholders must be convened and until the relevant decision is taken.

10. Furthermore, it appointed Mr. Georgios Lysseos, son of Ilias, as a new member of the Audit Committee in place of the resigned member of the Audit Committee and independent non-executive member of the Board of Directors, Mrs. Aikaterini Pramatati, for a term of office until the end of the resigned member's term of office, i.e. until 03/06/2024.
11. Following the relevant notification of the General Meeting regarding the completion of the merger by absorption on 01/06/2022 of the Company's 100% subsidiaries (non-listed) under the names "RETAIL-LINK SINGLE MEMBER INTERNET SERVICES SOCIETE ANONYME" (hereinafter "Retail Link"), "OPTIMUM SINGLE MEMBER INFORMATION TECHNOLOGIES SOCIETE ANONYME" (hereinafter "Optimum") and "LOG ON SINGLE MEMBER INFORMATION APPLICATIONS SOCIETE ANONYME" (hereinafter "Log On") by the Company, approved a) Retail-Link's financial statements for the management period from 01.01.2022 to 01.06.2022, b) Optimum's financial statements for the management period from 01.01.2022 to 01.06.2022, and c) Log On's financial statements for the management period from 01.01.2022 to 01.06.2022.
12. Finally, the Board of Directors' activities for fiscal year 2022 were approved.

Apart from the above General Meeting, the most important events for the first semester of 2023 are listed in the next chapter.

Significant events that occurred in the first half of 2023

The Group managed strong incoming demand from existing and new customers for the whole spectrum of solutions it offers in the first half of this year. The advent of subsidies programs such as the new development law, the Recovery Fund, and the NSRF, with a considerable budget dedicated for digital transformation actions of Greek enterprises, contributed to investment decisions by the Group's client companies for the adoption of innovative technologies. At the same time, the Group worked to integrate and optimize recent acquisitions so that they might be commercially integrated into the Group's other structures.

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

30 January 2023: Continuing its investment plan, the Parent Company signed the acquisition of 100% of the shares of the company "MODERN INFORMATION TECHNOLOGY COMPANY LIMITED LIABILITY" and the distinctive title CGSoft, in accordance with the necessary approval of the company's Board of Directors of 27/01/2023. CGSoft is one of the most established Property & Real Estate Management software companies in Greece, and its clientele includes the largest financial institutions and real estate management companies in the country. In addition, it has ERP and CRM solutions with an additional clientele of dozens of customers. The agreed price amounts to EUR 3,5 million. In addition, it was agreed to pay an earnout bonus depending on the achievement of revenue and profitability targets for the next two years. This acquisition was financed from the Company's cash resources.

On 1 February 2023, the corporate transformation of the companies controlled by the Parent Company in Romania was completed, with the absorption of ENTERSOFT ROMANIA SOFTWARE SRL and SINOPTIX S.A. from BIT Software S.A. The legal merger took place in order to consolidate the Group's presence in the local market, but also for reasons of simplification of the corporate structure, in accordance with the announcement made by Entersoft on 26 May 2022 during the acquisition of Bit Software.

On 1 March 2023, the dissolution and liquidation of ENTERSOFT MIDDLE EAST FZ LLC was completed, following the decision of the Board of Directors of the Parent Company dated 7/6/2022, as it was deemed to be in the best interest of the Company to continue its activities in the UAE directly from Greece and not through a local legal entity.

8 May 2023: Continuing its investment plan, the Parent Company signed an agreement to acquire 62% of the shares of the company "SMARTCV PC" in accordance with the relevant decision of the company's Board of Directors on 4/5/2023. The participation was achieved by combining the purchase of shares with a capital increase. SmartCV is a rapidly expanding Applicant Tracking Software company. The SaaS system is entirely cloud-based, with a pay-per-use subscription approach. The acquisition is part of Entersoft's overarching aim to gain a dynamic foothold in the Payroll and Human Resources software industry through a diverse product mix. The agreed price for 62% of the company shares is 528 thousand euros, with 390 thousand euros paid as a purchase price of 55.6% by current partners and the remainder

as a capital increase to support the company's business plan implementation. Furthermore, Entersoft has already committed to buy the remaining stake after four years. This acquisition was financed from the Company's cash resources.

29 June 2023: On 28/6/2023, the purchase of an additional 8% of the shares of the company "SMARTCV PC" was signed in accordance with the appropriate permission of the company's Board of Directors. The agreed-upon price for this proportion is 68.1 thousand euros. This acquisition was paid for with cash from the company's reserves. Following the foregoing acquisition, as well as the acquisition and participation in a capital increase as of 08.05.2023, the Company owns 70% of the company shares of "SMARTCV PC."

New products, solutions and services

In the last two years, in addition to the continued development of the Group's core products and their strengthening with new Modules and Subsystems, the Group has begun investing in software development in order to enter 3 new dynamic markets in which it now has no presence. These markets relate to:

1. Small and very small businesses in Greece for software pertaining to Customer and Supplier Management, Purchasing and Sales, Warehouse, Invoicing, Finance, and customer relations functionalities (CRM Offers, Leads, Pipeline, and so on). This market has over 200,000 small and micro businesses that frequently require vertical solutions.
2. The market of software for Recruitment Management, Personnel Management, and Payroll initially in medium and large companies, but also in accounting firms, which frequently handle the payroll of small businesses. We estimate that this sector of software comprises more than 15,000 companies and tens of thousands of accounting firms.
3. The fast expanding eCommerce market for both B2B and B2C (eShop) transactions, which involves over 200,000 enterprises, with competition primarily from small businesses deploying custom solutions or costly multinational products.

For the first and second markets, the Entersoft Quickbiz and Entersoft HR 360 product families, which offer functions suited for practically all of the above enterprises, were recently showcased at a special event for Entersoft commercial resellers. These are significant multimillion markets that will accelerate the company's growth trajectory in the future years. They are the only ones in the market that work entirely and solely through a Web browser (e.g., Chrome) in the Cloud, making them far more competitive than those that the main competitors have and/or use in enterprises today. During the 1st and 2nd half-year, the applications were installed and operational in dozens of businesses, and their universal commercial course will begin in the autumn. The most recent acquisitions of Smart Retail, Smart Pharmacy, and Smart CV products, which supplement the product range in specific significant vertical markets, are complementary to this strategy.

We anticipate that the third big investment will be announced commercially by the end of 2023, beginning with B2B eCommerce. Pilot projects are already being carried out by high-demand businesses to ensure that everything is in place for the commercial launch.

All of the aforementioned products and technologies (Web, Cloud, SaaS) represent the company's largest investment in state of the art framework, as well as the necessary initial step in the complete upgrading of all Group applications to related technologies over the next few years. As a result, these are not simply incremental investments, but rather a thorough redesign and upgrade of all applications with technology far ahead of the competition, positioning the Company as a technological leader for at least the next decade.

Concurrently with these massive investments, new greatly updated versions of CRM, WMS, and ERP software in modern Web technologies are being developed.

Significant commercial agreements

During the first half of the year, the Group was assigned a big number of new projects across the product range and from several economic sectors.

Dynamic Pharma, one of Greece's major private pharmaceutical distributors, assigned us a project in ERP, CRM, and mobile solutions. The project entails ERP replacement, new e-commerce B2B for pharmacies, WMS for warehouse management, and integration with robotic equipment. The Antipollution/Footprint initiative represents a watershed moment for world shipping, with the computerisation of transit management and garbage collection and handling for all Suez Canal passing ships in Egypt. The solution incorporates ERP and CRM into all workflows of the management company in Egypt. V+O is ranked among the Top 120 Global Public Relations Agencies, and is the only Greek group of communication consultants among the world's top PR agencies. The project entails the replacement of the company's ERP and CRM systems. OLYMPIA ELECTRONICS SA, which is active in the creation of unique electronic security systems and exports to 72 countries worldwide; NOMEAS HELLENIC FOOD SA, a specialized network of refrigerated food marketing, distribution, and logistics specializing in shelf items; LATOCHEMA CO LIMITED, an innovative, flexible, international supplier of chemical products; LARIPLAST S.A., a market leader in single-use plastics; LYKOMITROS S.A. a steel construction company with a global presence and IKOS SPANISH HOTEL MANAGEMENT (member of SANI/IKOS GROUP), which manages the group's hotel units on the Iberian Peninsula.

Our Warehouse Management systems and automation systems for large warehouses was chosen by Interwood, Duty Free (K.A.E.), Dynamic Pharmaceutical Wholesaler, Olympia Electronics, Ancient Greek Sandals, Alfa Distributions, ATI Trans, the company VAMVALIS FOODS SA, which has been active in the processing and packaging of nuts for more than 50 years, PROVYL SA, a company producing auxiliary materials for the food industry, mass catering, and meat retail, BISCUIT MANUFACTURE DERMISI SA, a Greek traditional biscuit production company, BREZAS DIAKINISI S.A., a transport firm, DAVAS S.A., which deals in wood products and furniture supplies, and BAZAKAS PLUS LTD, which is active in agricultural machinery.

Our certified solution "**My e-Invoicing**" was chosen by VIANEX Group (the largest Greek pharmaceutical company), SYNKA CRETE (with a large volume of "digital" retail receipts), FOURLIS Group in its nationwide network of 74 stores (IKEA & INTERSPORT), ELPEN Group, and KONSTANTINIDIS GR. SINGLE MEMBER SA, Fresh Confectionery and Sweets Manufacturing, ELMA TYRES SA, the official Michelin distributor in Greece, BAYER, NIELSEN, FARAN Group, RAFARM, MOTODYNAMICS, SOYA HELLAS, Sarafidis Group (Cook Shop, Presentation), EMA, AIROTEL, LINDE, and more than 50 new key projects to new customers. We implemented the e-Invoicing application for Jumbo (for the e-Shop in Greece and Romania), whereas MASOUTIS and CHALKIADAKIS picked the EDI solution.

New projects were undertaken in the Group's international activities, including in Romania with Bit Software ERP in SYSTEM BAU (construction & profile manufacturing), in VITISIM COTESTI Winery, and in RADACINI S.A. with presence throughout Romania in car trading, construction industry, and building and infrastructure management, while a complete Entersoft ERP solution, WMS, and CRM were installed at TOPANEL PRODUCTION PANELS. In Bulgaria, ENERGY DELIVERY SOLUTIONS (EDS), the largest energy provider and distributor in North Macedonia (and a subsidiary of PPC) and the only one with a developed network in the region, and BESTIMEX (Distribution Services) chose an Entersoft CRM solution.

Significant events from 30/06/2023 until today

On 3 July 2023, the Parent Company signed an agreement for the acquisition of 100% of the shares of the company "SW RETAILSOFT S.A." in accordance with the relevant approval of the company's Board of Directors on 30/6/2023. The acquisition is part of Entersoft's strategic objective to increase its footprint in the sector of Intensive Retail Software, particularly in the market for Supermarkets, Mini Markets, and Department Stores. The agreed price amounted to EUR 1,2 million euros. In addition, it was agreed to pay an earnout bonus depending on the achievement of revenue and profitability targets for the year 2023. The acquisition was financed from Entersoft's own resources.

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.

Energy crisis

The global energy crisis that started in 2021 is marked by a continued energy shortage worldwide, as well as ever-increasing energy prices, affecting countries such as the United Kingdom, China, and also the European Union. Prices for all types of energy are increasing significantly in Greece. The Company and the Group, as a high-intensity operations company, are not seriously affected by the energy crisis because energy costs are low. Nonetheless, the Management keeps a close eye on the situation on a daily basis and is prepared to take any required action.

Of course, it always remains possible that the energy crisis will have further negative effects on the global economy for the year 2023 and will negatively affect the Group's activities or reduce the demand for its products and services. Any of these developments could have an impact on the financial results of 2023.

However, our experience so far in managing the crisis during the year 2021 and 2022 makes us optimistic about achieving the goals set for 2023.

Consequences of the Russian invasion of Ukraine

The Group is not active in the affected markets and does not have significant exposure to commodities that have been affected by the Russian invasion of Ukraine (such as energy or agriculture) and therefore this has not significantly affected the Group's financial figures. In any case, since this is an ongoing event, the Management is monitoring the developments and is prepared to take the necessary measures, should the circumstances require so.

Review of the Financial Results

The realised turnover during the period 1/1/2023 – 30/6/2023 for the Group amounted to EUR 19,202,149 compared to EUR 14,559,614 in the previous year, an increase of 31.89%.

For the Company, the realized turnover amounted to EUR 15,526,700 compared to the amount of EUR 9,166,101 in the previous period, increase of 69.39%. 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.

For the Group, profitable result before tax amounted to EUR 5,011,027 compared to the amount of EUR 3,268,072 in the corresponding previous period. For the Group, profitable result before tax amounted to EUR 5,093,916 compared to the amount of EUR 1,140,908 in the corresponding previous period.

The Group's profit after tax was EUR 4,263,705 compared to EUR 3,038,357 in the corresponding previous period. For the Company the respective figure was EUR 4,390,687 compared to EUR 1,251,956 in the corresponding previous period.

The Group, being labor-intensive and in fact with people 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 EUR 24,679,818 from EUR 20,886,239 in the corresponding previous period, while for the Company equity amounted to EUR 24,088,320 from EUR 20,039,116 in the corresponding previous period.

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 amortisation (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.

Tables of Financial Indicators

Financial Structure Ratios (Group)

	<u>30/6/2023</u>		<u>31/12/2022</u>	
Total current assets	23,195,030	47%	25,460,872	56%
Total Assets	48,980,531		45,576,413	
Property, plant and equipment	12,160,641	25%	11,538,978	25%
Total Assets	48,980,531		45,576,413	
The above indicators denote the proportion of funds allocated to current and non-current assets.				
Total Equity	24,679,818	50%	23,873,947	52%
Total equity and liabilities	48,980,531		45,576,413	
The above indicator shows economic self-sufficiency				
Total liabilities	24,300,715	50%	21,702,466	48%
Total Equity and liabilities	48,980,531		45,576,413	
The above ratios reflect the company's dependence on borrowings.				
Total Equity	24,679,818	203%	23,873,947	207%
Property, plant and equipment	12,160,641		11,538,978	
This ratio reflects the level of financing of the Company's fixed assets from Equity.				
Total Current Assets Current assets Current assets	23,195,030	181%	25,460,872	232%
Current Liabilities	12,816,683		10,970,345	
This indicator shows the ability to cover short-term liabilities with elements of current assets				
Working capital	10,378,347	45%	14,490,527	57%
Total current assets	23,195,030		25,460,872	
This ratio shows the percentage of current assets financed by the surplus of permanent capital (Equity and Long-term liabilities).				

Performance and Efficiency Ratios (Group)

	1/1-30/6/2023		1/1-30/6/2022	
Profit after tax	4,263,705	22%	3,038,357	21%
Sales	19,202,149		14,559,614	
This ratio shows the performance, excluding other income				
Profit before income tax	5,011,027	26%	3,268,072	22%
Sales & Other income	19,410,462		14,859,348	
This ratio reflects the overall performance compared to total revenue.				
Profit before income tax	5,011,027	20%	3,268,072	16%
Total Equity	24,679,818		20,886,239	
This ratio presents the return on investment of equity.				
Gross profit	11,072,471	58%	8,428,364	58%
Sales	19,202,149		14,559,614	
This ratio shows the percentage of gross profit on sales				
Alternative Group Performance Indicators				
Earnings before interest, taxes, depreciation and amortisation (EBITA)	6,738,963		4,559,799	
EBITDA	6,738,963	1402%	4,559,799	1844%
Interest owed	480,816		247,238	

Financial Structure Ratios (Company)

	<u>30/6/2023</u>		<u>31/12/2022</u>	
Current assets	19,777,785	43%	22,441,010	52%
<hr/> Total assets	<hr/> 46,063,236		<hr/> 42,937,460	

Tangible & intangible fixed assets	9,951,804	22%	10,169,145	24%
<hr/> Total assets	<hr/> 46,063,236		<hr/> 42,937,460	

The above indicators denote the proportion of funds allocated to current and non-current assets.

Equity	24,088,320	52%	22,697,633	53%
<hr/> Total Equity capital provisions & liabilities	<hr/> 46,063,236		<hr/> 42,937,460	

The above indicator shows economic self-sufficiency

Total Long-term & Short-term liabilities	21,974,916	48%	20,239,828	47%
<hr/> Total Equity capital provisions & liabilities	<hr/> 46,063,236		<hr/> 42,937,460	

The above ratios reflect the company's dependence on borrowings.

Equity	24,088,320	242%	22,697,633	223%
<hr/> Tangible & intangible fixed assets	<hr/> 9,951,804		<hr/> 10,169,145	

This ratio reflects the level of financing of the Company's fixed assets from Equity.

Current Assets	19,777,785	173%	22,441,010	225%
<hr/> Current liabilities	<hr/> 11,424,276		<hr/> 9,975,056	

This indicator shows the ability to cover short-term liabilities with elements of current assets

Working capital	8,353,509	42%	12,465,954	56%
<hr/> Current Assets	<hr/> 19,777,785		<hr/> 22,441,010	

This ratio shows the percentage of current assets financed by the surplus of permanent capital (Equity and Long-term liabilities).

Performance and Efficiency Ratios (Company)

	1/1-30/6/2023		1/1-30/6/2022	
Results for the period after tax	4,390,687	28%	1,251,956	14%
Sales	15,526,700		9,166,101	

This ratio shows the performance, excluding other income

Results before tax	5,093,916	32%	1,140,908	12%
Sales & Other income	15,685,272		9,339,002	

This ratio reflects the overall performance compared to total revenue.

Results before tax	5,093,916	21%	1,140,908	6%
Equity	24,088,320		20,039,116	

This ratio presents the return on investment of equity.

Gross results	10,076,009	65%	5,336,529	58%
Sales	15,526,700		9,166,101	

This ratio shows the percentage of gross profit on sales

Alternative Group Performance Indicators

Earnings before interest, taxes, depreciation and amortisation (EBITA)	6,168,904		1,908,207	
EBITDA	6,168,904	1735%	1,908,207	852%
Interest owed	355,582		224,090	

Prospects for the second half of 2023

The Group's targeting for the current fiscal year 2023, and particularly for the second half of 2023, focuses briefly on the following axes:

- ▶ 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.
- ▶ Utilisation of synergies resulting from recent acquisitions
- ▶ Strengthening the remote implementation centres in Patras and Larissa
- ▶ Launch of the new products in which the Group has invested in recent years, in the areas of Payroll and HR Management and B2B/B2C eCommerce
- ▶ Continued search for attractive targets for acquisitions in Greece and abroad
- ▶ Focus on achieving healthy and sustainable growth in the Romanian market

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 in the Municipality of Kallithea (362, Syngrou Ave. & Evripidou Str.) and according to its Articles of Association, its duration is fifty (50) years. The Company has 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 computerised and related services with or without the use of computers as well as the computerised processing of information on behalf of third parties (under contract).
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 and with the same or similar purpose.

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

Group Structure

Group's structure as at 30 June 2023 is as follows:

Company	Country	Consolidation method	Immediate Parent	Indirect Parent
ENTERSOFT S.A.	Greece			
WEDIA INTERNET AND COMMUNICATION SERVICES SINGLE MEMBER S.A.	Greece	Full consolidation	100.00%	0%
MODERN INFORMATION TECHNOLOGY LIMITED LIABILITY COMPANY CGSoft,	Greece	Full consolidation	100.00%	0%
SMARTCV PC	Greece	Full consolidation	70.00%	0%
ENTERSOFT BULGARIA EOOD	Bulgaria	Full consolidation	100.00%	0%
BIT Software S.A.	Romania	Full consolidation	84.20%	0%
WISOFT PROFESSIONAL SERVICES S.R.L	Romania	Full consolidation	0%	58.90%
PAYDEMIC S.R.L	Romania	Full consolidation	0%	50.10%

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 table below shows the loan agreements concluded by the Group. It is noted that the balances of these contracts are listed with reference date 30.06.2023

COMPANY	Loan	Date of Loan Termination	Discount rate	Nominal Contract Amount (amounts in EURO)	Accounting Balance (amounts in EURO)	Short- term Amount 30/6/2023 (amounts in EURO)	Long- Term Amount 30/6/2023 (amounts in EURO)
ENTERSOFT S.A.	Working Capital	22.06.2027	Euribor 3 months + spread 2,2%	3,000,000	2,402,641	602,641	1,800,000
ENTERSOFT S.A.	Working Capital	28.09.2024	Euribor 3 months + spread 2,3%	2,000,000	833,331	666,668	166,663
ENTERSOFT S.A.	Working Capital	17.09.2026	Euribor 3 months + spread 2,2%	5,000,000	3,824,000	1,176,000	2,648,000
ENTERSOFT S.A.	Working Capital	14.04.2023	Euribor 3 months + spread 2,0%	1,000,000	1,010,980	1,010,980	0
ENTERSOFT S.A.	Working Capital	16.05.2023	Euribor 3 months + spread 2,0%	4,000,000	1,527,675	1,527,675	0
Total debt liabilities of the parent company				15,000,000	9,598,627	4,983,964	4,614,663
WEDIA LTD	Working Capital	16.7.2024	Euribor 3 months + spread 3,5%	400,000	169,000	132,000	37,000
Total Group borrowings				15,400,000	9,767,627	5,115,964	4,651,663

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 -30/06/2023

PURCHASER

30/6/2023	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	BIT SOFTWARE SA	WEDIA M AE	CG SOFT LTD	SMART CV IKE
ENTERSOFT S.A.		25,062	28,596	53,639	24,273		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
BIT SOFTWARE SA	67,640						
WEDIA M AE	11,825						
CG SOFT LTD							
SMART CV IKE							

INTERCOMPANY SALES / PURCHASES 1/1 -30/06/2022

PURCHASER

31/12/2022	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	ENTER SOFT MIDDLE EAST FZ LLC	WEDIA SINGLE MEMBER SA	OPTIMUM SA	RETAIL LINK SA	LOGON SA	BIT SOTWARE SA
ENTERSOFT S.A.		24,412	107,519	1,850	23,799	16,500	56,207	187,208	
ENTERSOFT BULGARIA									
ENTERSOFT ROMANIA									
ENTER SOFT MIDDLE EAST FZ LLC									
WEDIA M AE	400								
OPTIMUM S.A.	1,944								
RETAIL LINK AE	1,020								
LOG ON	12,186								
BIT SOTWARE SA									

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 30/06/2023 - 31/12/2021

PURCHASER

30/6/2023	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	BIT SOFTWARE SA	WEDIA M AE	CG SOFT LTD	SMART CV IKE
ENTERSOFT S.A.		21,685	1,219	53,639	58,428		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
BIT SOFTWARE SA	67,640						
WEDIA M AE	3,379						
CG SOFT LTD							
SMART CV IKE							

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 31/12/2022 - 31/12/2021
PURCHASER

31/12/2022	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA SINGLE MEMBER SA
ENTERSOFT S.A.		49,647	156,761				56,786
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.							
WEDIA SINGLE MEMBER SA	491						

Sales to affiliated parties, as well as purchases from them, are made at regular market pricing at the time of the transaction, in accordance with the terms of the transaction.

The parent company has provided a guarantee to a bank for the conclusion of a loan agreement of its subsidiary WEDIA M SA in the amount of EUR 400,000, as well as a loan up to the amount of € 900,000.

As at 30 December 2023, the loan obligation of WEDIA SINGLE MEMBER SA to the parent company amounted to EUR 710,000 (31 December 2021: EUR 530,000).

Main Risks and Uncertainties for the second half of 2023

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 form of exchange rate risk is mostly caused by the exchange rates of the Bulgarian LEVA / euro and the Romanian RON / euro. The Group does not employ financial instruments to mitigate 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.

The Company does not carry out transactions in foreign currency.

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 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 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's also worth noting that he was recently awarded the outstanding distinction of Microsoft Regional Director for Southeast 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.

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. 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.

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, semi-annual and annual basis. Group maintains cash in current accounts to meet its liquidity needs.

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

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 management period, total borrowings consist of floating interest rate loans and concerned overdrafts to serve the Company's fixed needs.

Board of Directors

In accordance with the Company's Articles of Association, the Board of Directors cannot have more than fifteen (15) or less than three (3) members. The General Meeting of Shareholders, which is the competent body for electing the Directors, is also responsible for determining the number of Directors as well as for increasing or decreasing this number by amending the Company's Articles of Association as necessary. Alternate Directors may be elected at the General Meeting of Shareholders, although their number cannot exceed the number of regular Directors elected.

Whether or not Directors are executive members is decided by the Board of Directors. The independent non-executive members are appointed by the General Meeting or the Board of Directors in accordance with Article 9(4) of Law 4706/2020. If the Board of Directors elects an interim member until the first General Meeting to replace another independent member who has resigned, died, or been disqualified for any reason, the interim member must also be independent.

The Executive members are the senior executives of the Company who are responsible for its management. They are engaged in the Company's daily management issues, have the power to execute the Board of Directors' decisions and are responsible for the ongoing monitoring of the Company's activities.

Non-Executive members are responsible for supervising all business matters in general. They are individuals who come from a broader business environment and are well-respected by the business community. They complement the actions of the executive Directors with their knowledge and experience. They aim to add value to the Board of Directors' collective decisions by giving their objective judgment based on knowledge and experience collected from various business sectors, which is critical for the Company's direction-setting and decision-making.

The number of Independent Non-Executive Members cannot be less than 1/3 of the total number of members of the Board of Directors and in the event that this results in a fraction, the number of Non-Executive Members is rounded up to the next whole number (Article 5 (2) of Law 4706/2020).

When selecting, renewing the term of office or replacing a Director, individual and collective suitability is taken into account, pursuant to the provisions of the Suitability Policy for Company Directors. Furthermore, the suitability of the Directors is continuously monitored in order to identify any cases in which reassessment is required.

The Operating Regulations of the Remuneration and Nominations Committee includes the procedure for appointing candidates for membership of the Board of Directors, which also takes into account the members of the approved Suitability Policy for Company Directors.

In particular, the existing Board of Directors of the Company was elected by the Annual Ordinary General Meeting of the Company's shareholders on 03.06.2021 and was formed into a body at the 04.06.2021 meeting of the Board of Directors. Also, the above-mentioned General Meeting elected the independent

Directors, who fulfil the conditions of independence in Article 9 (1) and (2) of Law 4706/2020, from their election and until today.

The Board of Directors was made up of the following individuals till 31.03.2023:

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

Furthermore, following Mrs. Aikaterini Pramadari's resignation as an independent non-executive member of the Board of Directors on 31.03.2023, the Board of Directors of the Company, the Board of Directors of the Company in accordance with Article 82 (1) of Law 4548/2018 and Article 9 (4) of Law 4706/2020, at its meeting on 01.04.2023, elected Mr. Georgios Lysseos, son of Ilias as a new independent non-executive member to replace the one who resigned until the next General Meeting and the Annual General Meeting of the Company's shareholders on 26.05.2023 attributed to Mr. Georgios Lysseos, son of Ilias, the status of independent non-executive member for the remainder of the term of office of the resigned Mrs. Aikaterini Pramadari, i.e. until 03.06.2026, extended, until the expiration of the deadline within which the next Ordinary General Meeting of the Company's Shareholders must be convened and until the relevant decision is taken. On the same date, i.e. 26.05.2023, the Board of Directors was reconstituted as a body.

The current Board of Directors (from 01.04.2023 to the present) is as follows:

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

The term of office of the above Board of Directors is five years and expires on 03.06.2026. Directors may be re-elected or freely recalled.

Audit Committee

By decision of 03.06.2021 of the Annual Ordinary General Meeting of the Company's shareholders it was decided to appoint the Company's Audit Committee as an independent joint committee, consisting of three (3) members in total and, more specifically, of two (2) independent non-executive members the Board of Directors and of an independent non-executive Directors, with a three-year term of office, i.e. until 03.06.2024:

The Audit Committee was made up of the following people **up until 31.03.2023**:

Name	Role
Marika Lamprou, daughter of Evangelos	Chairman, Independent Non-Executive Director
Aikaterini Pramataris	Chairman, Independent Non-Executive Director
Panagiota Kosta, daughter of Anastasios	Member, independent third party

Following the resignation of Mrs. Aikaterini Pramataris as an independent non-executive member of the Board of Directors and a member of the Audit Committee on 31.03.2023, the Board of Directors elected Mr. Aikaterini Pramataris as a new member of the Audit Committee at its meeting on 01.04.2023 to replace the resigned Mr. Georgios Lysseos, son of Ilias. Following the election of Mr. Lysseos in place of Mrs. Pramataris, the Annual General Meeting on 26/05/2023 designated Mr. Georgios Lysseos as a new member of the Audit Committee with a period of office until 03.06.2024. Consequently, as a result of the Audit Committee's resolution of 26.05.2023 to reconstitute the Committee into a body, the present Audit Committee composition (from 01/04/2023 to today) is as follows:

Name	Role
Marika Lamprou, daughter of Evangelos	Chairman, Independent Non-Executive Director
Lyssaïos Georgios, son of Ilias	Chairman, Independent Non-Executive Director
Panagiota Kosta, daughter of Anastasios	Member, independent third

Remuneration and Nominations Committee

By decision of the Board of Directors dated 16.07.2021, it was decided to appoint the Remuneration and Nominations Committee as a single committee in accordance with Article 10 (2) of Law 4706/2020, which committee comprises of three (3) non-executive Directors, two (2) of whom will be independent non-executive Directors, and it elected the following Remuneration and Nominations Committee, which was formed into a body by its Decision dated 16.07.2021: The Remuneration and Nominations Committee was comprised of the following persons up until 31.03.2023:

Name	Capacity in the BoD	Position in the Remuneration and Nominations Committee
Aikaterini Pramadari, daughter of Chrysanthos	Independent Non-Executive Member	Chairman
Marika Lamprou, daughter of Evangelos	Independent Non-Executive Member	Member
Pantelis Nikolopoulos son of Nikolaos	President, Non-Executive Member	Member

Following the resignation of Mrs. Aikaterini Pramadari as an independent non-executive member of the Board of Directors, as well as President of the Remuneration Committee, effective 31.03.2023, the Board of Directors, at its Meeting on 01.04.2023, elected Mr. Georgios Xirogiannis, independent non-executive member of the Board of Directors, as a new member of the Remuneration and Nominations Committee at its meeting on 01.04.2023 and the Remuneration and Nominations Committee was reorganised into a body with its Decision dated 01.04.2023. The current Remuneration and Nominations Committee (from 01.04.2023 until now) is as follows:

Name	Capacity in the BoD	Position in the Remuneration and Nominations Committee
Georgios Xirogiannis, son of Panagiotis	Independent Non-Executive Member	Chairman
Marika Lamprou, daughter of Evangelos	Independent Non-Executive Member	Member
Pantelis Nikolopoulos son of Nikolaos	President, Non-Executive Member	Member

The Remuneration and Nominations Committee's term of office will be the same as that of the Board of Directors, i.e. until 03.06.2026.

The Chairman of the Board of Directors

Pantelis N. Nikolopoulos

Chief Executive Officer

Antonios N. Kotzamanidis



2. Review Report by Independent Certified Requirements

To the Board of Directors of the company ENTERSOFT S.A.

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of the Company ENTERSOFT S.A. as at 30 June 2023 and the relative condensed separate and consolidated statements of income and other comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the condensed interim financial information, which is an integral part of the six-month financial report under the L. 3556/2007.

Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We have carried out this review in accordance with 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 that have been incorporated into the Greek Legislation 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 is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

Report on Other Legal and Regulatory Issues

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 semi-annual Management Report of the Board of Directors,



as there are specified in Article 5 and 5a of Law 3556/2007, in relation to the interim summary company and consolidated financial information.

Athens, 31 July 2023

Charalampos D. Bineris
Certified Auditor & Accountant
Institute of Certified Public Accountants Reg. No. 38101

SOL SA
Member of the Crowe Global Network
3, Fokionos Negri St., 112 57 Athens
Institute of Certified Public Accountants Reg. No. 125

3. INTERIM SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD 01 JANUARY TO 30 JUNE 2023 AND FOR THE SEMI-ANNUAL PERIOD ENDED ON THAT DATE

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

	NOTE	GROUP		COMPANY	
		30/6/2023	31/12/2022	30/6/2023	*Restated 31/12/2022
ASSETS					
Non-current assets					
Property, plant and equipment	10.1	1,315,547	1,258,145	1,006,322	1,009,935
Intangible assets	10.2	7,891,332	7,893,310	6,794,536	6,923,343
Rights of use		2,953,762	2,387,523	2,150,946	2,235,868
Goodwill	10.4	13,113,149	8,360,913	4,836,563	4,836,563
Investments in subsidiaries	10.5	0	0	10,985,115	5,300,379
Deferred tax assets		295,779	14,612	360,109	40,031
Other long-term assets		215,931	201,038	151,860	150,332
Non-current assets		25,785,500	20,115,541	26,285,451	20,496,451
Current assets					
Inventories		63,516	77,051	63,516	66,419
Trade and other receivables	10.6	11,728,740	10,396,020	10,390,694	9,278,731
Other receivables		2,012,387	188,316	2,473,014	587,195
Other current assets		13,023	19,741	0	0
Financial assets at fair value through profit or loss	10.7	757,538	758,369	757,538	758,369
Cash and cash equivalents	10.8	8,619,826	14,021,375	6,093,024	11,750,296
Current assets		23,195,030	25,460,872	19,777,785	22,441,010
Total Assets		48,980,531	45,576,413	46,063,236	42,937,460
Equity & Liabilities					
Equity					
Share capital	10.9	1,500,000	1,500,000	1,500,000	1,500,000
Share premium		3,626,323	3,626,323	3,626,323	3,626,323
Reserves	10.9	1,650,820	1,670,302	1,622,641	1,622,641
Other Equity items		-1,882,589	-1,168,538	0	0
Exchange differences arising from translation of foreign operations		-239	-943	0	0
Retained earnings		18,479,494	17,217,714	17,339,356	15,948,668
Equity attributable to equity holders of the Company		23,373,808	22,844,858	24,088,320	22,697,633
Non-controlling interests		1,306,009	1,029,089	0	0
Total Equity		24,679,818	23,873,947	24,088,320	22,697,633
Non-current liabilities					
Deferred tax liabilities		0	0	0	0
Employee benefits	10.10	410,247	369,198	410,247	369,198
Long-term lease obligations		2,048,064	1,529,128	1,366,482	1,461,968
Long-term bank borrowing	10.12	4,651,663	5,938,997	4,614,663	5,835,997
Other non-current liabilities		4,201,031	2,677,976	3,991,249	2,429,608
Other provisions		173,027	216,822	168,000	168,000
Non-current Liabilities		11,484,031	10,732,121	10,550,640	10,264,770
Current liabilities					
Trade and other payables		227,368	526,291	182,602	187,534
Current income tax liabilities	10.11	1,173,826	289,515	1,014,068	242,481
Other current tax liabilities		933,554	1,274,586	769,250	1,066,230
Short-term lease obligations		1,110,130	1,057,822	915,857	913,964
Short-term bank borrowing	10.12	5,115,964	5,102,777	4,983,964	4,970,777
Other current liabilities		3,416,596	2,285,817	2,719,290	2,160,533
Deferred Revenue		839,245	433,537	839,245	433,537
Current Liabilities		12,816,683	10,970,345	11,424,276	9,975,056
Total Liabilities		24,300,715	21,702,466	21,974,916	20,239,828
Total Equity and Liabilities		48,980,531	45,576,413	46,063,236	42,937,460

The accompanying notes on pages 31 to 73 form an integral part of the Interim Summary Financial Statements.

*In the previous year's corporate statement of financial position, an item worth € 1,168,538 was calculated and added, which was recorded in equal amounts in the accounts "Investments in subsidiaries" and "Other Long-term liabilities" due to a change in the valuation of the value of the participation in BIT Software..

3.2 Interim Summary Statement of Comprehensive Income (amounts in EUR)

	NOTE	GROUP		COMPANY	
		1/1 - 30/6/2023	1/1 - 30/6/2022	1/1 - 30/6/2023	1/1 - 30/6/2022
Sales		19,202,149	14,559,614	15,526,700	9,166,101
Cost of Sales		8,129,678	6,131,249	5,450,691	3,829,572
Gross profit		11,072,471	8,428,364	10,076,009	5,336,529
Other income		208,313	299,734	158,572	172,901
Distribution expenses		1,720,719	1,683,263	1,518,139	1,204,962
Administrative expenses		2,078,383	1,831,665	1,786,454	1,268,081
Research expenses		1,934,527	1,668,053	1,781,666	1,354,643
Other expenses		78,142	66,196	41,661	587,979
Earnings/(loss) before taxes, financing and investing results (EBIT)		5,469,014	3,478,920	5,106,662	1,093,764
Finance income		22,829	36,389	342,836	271,233
Finance expenses		480,816	247,238	355,582	224,090
Profit before income tax		5,011,027	3,268,072	5,093,916	1,140,908
Income tax expense	10.14	-747,322	-229,715	-703,229	111,048
Profit net of tax (A)		4,263,705	3,038,357	4,390,687	1,251,956
Other comprehensive income					
Items not to be classified subsequently in the income statement			85		
Recalculations of defined benefit plans		0	0	0	0
Income tax expense		0	0	0	0
Total items not to be classified (B) subsequently in the income statement		0	85	0	0
Items that are or may be reclassified subsequently to profit or loss					
Exchange differences arising from translation of foreign operations		-9	35,048	0	0
Total items that may be subsequently classified in the income statement (C)		-9	35,048	0	0
Total comprehensive income net of tax (A+B+C)		4,263,696	3,073,320	4,390,687	1,251,956
Profit net of tax attributable to:					
Owners of the Company		4,242,295	3,016,736	4,390,687	1,251,956
Non- controlling interest		21,410	21,621	0	0
		4,263,705	3,038,357	4,390,687	1,251,956
Total comprehensive income attributable to:					
Owners of the Company		4,242,295	3,051,698	4,390,687	1,961,756
Non- controlling interest		21,410	21,621	0	0
		4,263,705	3,073,320	4,390,687	1,961,756
Total basic and diluted earnings per share (net of tax)	10.15	0.1414	0.1006	0.1464	0,0417
Earnings before interest, taxes, depreciation and amortization (EBITA)	10.13	6,738,963	4,559,799	6,168,904	1,908,207
Earnings before interest and taxes (EBIT)		5,469,014	3,478,920	5,106,662	1,093,764

The accompanying notes on pages 31 to 73 form an integral part of the Interim Summary Financial Statements.

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

GROUP

	<u>Share capital</u>	<u>Share premium</u>	<u>Other Reserves</u>	<u>Other Equity items</u>	<u>Balance of retained earnings</u>	<u>Exchange differences arising from translation of foreign operations</u>	<u>Total</u>	<u>Non-controlling interest</u>	<u>Total Equity</u>
(amounts in €)									
Balance as at 1 January 2022	1,500,000	3,626,323	1,532,691		14,024,432	-1,989	20,681,457	0	20,681,457
Total comprehensive income for the period									
Profit of the period					6,015,029		6,015,029	21,916	6,036,945
Other comprehensive income for the period					20,165	1,046	21,211		21,211
Total comprehensive income for the period					6,035,194	1,046	6,036,240	21,916	6,058,156
Other adjustments			106,150		-123,070	0	-16,920	7,173	-9,747
Minority buy-back right				-1,168,538			-1,168,538		-1,168,538
Acquisition of a subsidiary			12,619		0	0	12,619	1,000,000	1,012,619
Transactions with owners of the Company			18,842		-18,842	0	0	0	0
Dividend distribution					-2,700,000	0	-2,700,000	0	-2,700,000
Total transactions with the Owners of the Company			137,611	-1,168,538	-2,841,912	0	-3,872,839	1,007,173	-2,865,666
Balance as at 31 December 2022	1,500,000	3,626,323	1,670,302	-1,168,538	17,217,714	-943	22,844,858	1,029,089	23,873,947
Profit of the period	0	0	0		4,242,295		4,242,295	21,410	4,263,705
Other comprehensive income for the period	0	0	0		0	-9	-9	0	-9
Total comprehensive income	0	0	0	0	4,242,295	-9	4,242,286	21,410	4,263,696
Other adjustments	0	0	-19,482		19,482	713	713	0	713
Minority buy-back right				-714,051	0		-714,051		-714,051
Acquisition of a subsidiary	0	0	0		0	0	0	255,510	255,510
Transactions with owners of the Company	0	0	0	0	0	0	0	255,510	0
Dividend distribution	0	0	0		-3,000,000	0	-3,000,000	0	-3,000,000
Total transactions with the Owners of the Company	0	0	-19,482	-714,051	-2,980,518	713	-3,713,338	255,510	-3,457,828
Balances as at 30 June 2023	1,500,000	3,626,323	1,650,820	-1,882,589	18,479,494	-239	23,373,806	1,306,009	24,679,818

COMPANY

	<u>Share capital</u>	<u>Share premium</u>	<u>Other Reserves</u>	<u>Balance of retained earnings</u>	<u>Exchange differences arising from translation of foreign operations</u>	<u>Total</u>	<u>Non-controlling interest</u>	<u>Total Equity</u>
Equity								
Balance as at 1 January 2022	1,500,000	3,626,323	1,464,226	12,044,597	0	18,635,145	0	18,635,145
Total comprehensive income for the period								
Profit of the period				3,921,661		3,921,661	0	3,921,661
Other comprehensive income for the period				17,699		17,699		17,699
Total comprehensive income for the period	0	0	0	3,939,360	0	3,939,360	0	3,939,360
Transactions with owners of the Company								
Results from absorption of subsidiaries	0	0	158,415	2,664,712	0	2,823,127	0	2,823,127
Share capital increase	0	0	0	0	0	0	0	0
Share Capital increase expenses recognised directly in equity	0	0	0	0	0	0	0	0
Dividend distribution	0	0	0	-2,700,000	0	-2,700,000	0	-2,700,000
Acquisition of a majority shareholding	0	0	0	0	0	0	0	0
Total transactions with the Owners of the Company	0	0	158,415	-35,288	0	123,127	0	123,127
Balance as of 31 December 2022	1,500,000	3,626,323	1,622,641	15,948,668	0	22,697,633	0	22,697,633
Profit of the period	0	0	0	4,390,687	0	4,390,687	0	4,390,687
Results from absorption of subsidiaries			0					
Other comprehensive income for the period	0	0	0	0		0	0	0
Total comprehensive income	0	0	0	4,390,687	0	4,390,687	0	4,390,687
Transactions with owners of the Company								
Share capital increase	0	0	0	0	0	0	0	0
Share Capital increase expenses recognized directly in equity	0	0	0	0	0	0	0	0
Dividend distribution	0	0	0	-3,000,000	0	-3,000,000	0	0
Acquisition of a majority shareholding	0	0	0	0	0	0	0	0
Total transactions with the Owners of the Company	0	0	0	-3,000,000	0	-3,000,000	0	-3,000,000
Balances as at 30 June 2023	1,500,000	3,626,323	1,622,641	17,339,356	0	24,088,320	0	24,088,320

The accompanying notes on pages 31 to 73 form an integral part of the Interim Summary Financial Statements.

3.4 Interim Summary Cash Flow Statement (amounts in EURO)

	GROUP		COMPANY	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022
Cash Flows from Operating Activities				
Profit before income tax	5,011,027	3,268,072	5,093,916	1,140,908
Adjustments for:				
Depreciation and Amortization	1,269,949	1,080,879	1,062,242	814,443
Provisions	41,049	21,229	41,049	-49,979
Losses/(Profits) on fair value assessment of financial assets at fair value through profit or loss	831	85,487	831	85,487
Depreciation of subsidized fixed assets	0	0	0	0
Impairment of assets	0	0	0	573,983
Income from dividends	0	0	-338,530	-270,985
Credit interest	-22,829	-36,389	-4,306	-249
Interest expense and similar charges	480,816	247,238	355,582	224,090
Adjustments for changes to working capital accounts:				
Decrease / (increase) in inventories	13,535	-12,946	2,903	0
Decrease / (increase) of Receivables	-2,522,006	-911,644	-2,456,195	-417,054
(Decrease) / increase in liabilities (excluding banks and taxes)	737,563	313,091	459,533	662,604
Decrease / (increase) of tax liabilities	543,279	-195,267	474,606	-320,097
Less:				
Interest expense and similar charges paid	-480,816	-247,238	-355,582	-224,090
Income Tax paid	-359,609	-384,162	-285,471	-163,386
Net cash inflows from operating activities (a)	4,712,789	3,228,350	4,050,578	2,055,674
Cash Flows from Investing Activities				
Purchase of tangible assets	-291,210	-209,196	-131,809	-132,222
Purchase of intangible assets	0	0	0	0
Development expenses	-502,097	-437,697	-343,508	-272,377
Net cash outflows for the acquisition of subsidiaries	-4,463,131	-3,177,934	-4,871,190	-4,310,000
Purchase of financial assets at fair value through profit or loss	0	0	0	0
Dividends received	0	0	338,530	270,985
Interest received	22,829	36,389	4,306	240
Net cash flows from investing activities (b)	-5,233,609	-3,788,438	-5,003,671	-4,443,365
Cash Flows from Financing Activities				
Proceeds from share capital increase	0	0	0	0
Dividend distribution	-3,000,000	-2,700,000	-3,000,000	-2,700,000
Payment of lease liabilities	-600,075	-459,293	-496,033	-398,145
Loans taken out	0	10,500,000	0	10,500,000
Loan repayment	-1,280,654	-400,329	-1,208,147	-333,334
Share capital increase expenses	0	0	0	0
Cash outflow for the purchase of non-controlling interests	0	0	0	0
Cash (outflows)/inflows / from financing activities (c)	-4,880,729	6,940,378	-4,704,180	7,068,521
Net increase in cash and cash equivalents for the period (a) + (b) + (c)	-5,401,549	6,380,290	-5,657,272	4,680,830
Exchange differences arising from consolidation of foreign operations	0	0	0	0
Cash and cash equivalents at the beginning of the period	14,021,375	9,450,207	11,750,296	6,296,011
Cash and cash equivalents of merged subsidiaries	0	0	0	3,044,692
Cash & cash equivalents at the end of the period	8,619,827	15,830,497	6,093,024	14,021,533

The accompanying notes on pages 31 to 73 form an integral part of the Interim Summary Financial Statements.

4. Information about the Group

4.1 The Parent Company

The Company "ENTERSOFT S.A." under the distinctive name "Entersoft S.A." (the Company or the Group), 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 computerised and related services with or without the use of computers as well as the computerised processing of information on behalf of third parties (under contract).
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 and with the same or similar purpose.

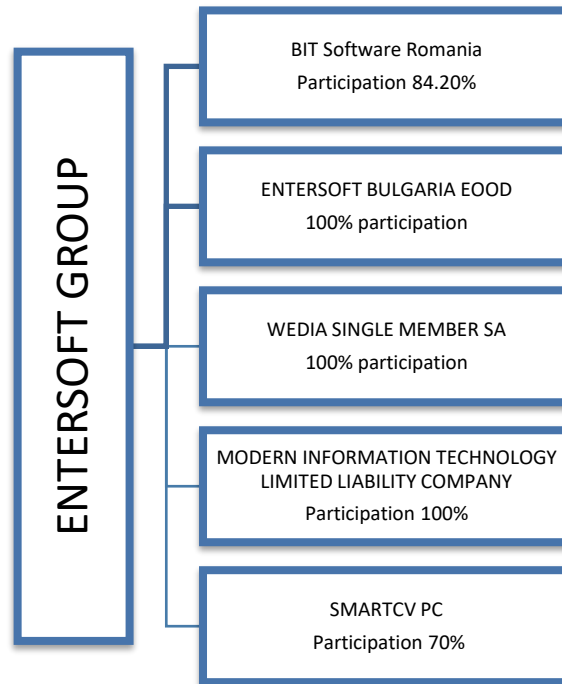
The company's revenue derives mainly from the sale of software programs.

The Board of Directors of the company at 30/6/2023 is as follows:

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

The term of office of the above Board of Directors is five years and expires on 03.06.2026. Directors may be re-elected or freely recalled. The address of the members of the Board of Directors is the headquarters of the Company at 362, Syggrou Avenue, 17674 74 Kallithea, tel: 211 1015000.

4.2 The Subsidiaries



BIT SOFTWARE SA: Bit Software was acquired by Entersoft on 26 May 2022. On 1 February 2023, the corporate transformation of the companies controlled by the Parent Company in Romania was completed, with the absorption of ENTERSOFT ROMANIA SOFTWARE SRL and SINOPTIX S.A. from BIT Software S.A. The legal merger took place in order to consolidate the Group's presence in the local market, but also for reasons of simplification of the corporate structure, in accordance with the announcement made by Entersoft on 26 May 2022 during the acquisition of Bit Software.

ENTERSOFT BULGARIA EOOD: The company was established on 5/9/2008 with headquarters in Sofia, Bulgaria. The objective of the business is to resell Entersoft products in the Bulgarian market.

WEDIA SINGLE MEMBER S.A.: On 1/3/2021, the Company acquired WEDIA. The objective of the business is to design and create demanding Web and eCommerce applications, as well as digital marketing services, with the purpose of providing complete digital transformation solutions.

MODERN INFORMATION TECHNOLOGY LIMITED LIABILITY COMPANY: On 30 January 2023, the Parent Company signed the acquisition of 100% of the shares of the company "MODERN INFORMATION TECHNOLOGY COMPANY LIMITED LIABILITY" and the distinctive title CGSoft, in accordance with the necessary approval of the company's Board of Directors dated 27/01/2023. CGSoft is one of the most established Property & Real Estate Management software companies in Greece, and its clientele includes the

largest financial institutions and real estate management companies in the country. In addition, it has ERP and CRM solutions with an additional clientele of dozens of customers. The agreed price amounts to EUR 3,5 million. In addition, it was agreed to pay an earnout bonus depending on the achievement of revenue and profitability targets for the next two years. This acquisition was financed from the Company's cash resources.

SMARTCV PC On 8 May 2023, the Parent Company signed an agreement to acquire 62% of the shares of the company "SMARTCV PC" in accordance with the relevant decision of the company's Board of Directors on 4/5/2023. SmartCV is a rapidly expanding Applicant Tracking Software company. The SaaS system is entirely cloud-based, with a pay-per-use subscription approach. The acquisition is part of Entersoft's overarching aim to gain a dynamic foothold in the Payroll and Human Resources software industry through a diverse product mix. The agreed price for 62% of the company shares is 528 thousand euros, with 390 thousand euros paid as a purchase price of 55.6% by current partners and the remainder as a capital increase to support the company's business plan implementation. Furthermore, Entersoft has already promised to buy the remaining stake after four years. This acquisition was financed from the Company's cash resources. The purchase of an additional 8% of the shares of the company "SMARTCV PC" was signed on 29/6/2023. The agreed-upon price is 68.1 thousand euros. Thus, the total participation rate of INTERSOFT on 30 June 2023 is 70%.

5. Framework for preparing Financial Statements

The attached Interim Summary Financial Statements of Group and Company are related to six-month period ended from 1 January 2023 to 30 June 2023 and have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accompanying Separate and Consolidated Interim Summary 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 31 December 2022, 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.

The Interim Summary Corporate and Consolidated Financial Statements were approved by the Board of Directors on 28/7/2023.

6. Significant accounting policies

The accounting principles that were used for the preparation and presentation of the accompanying Interim December Financial Statements are consistent with those used in the preparation of the Financial Statements for the comparative year 2022 and have been applied consistently throughout the periods presented. As at 30 June 2023, the management of the Group and the Company considers that the use of continuing operations is appropriate for the financial position and liquidity level of the Group and the Company. The Group has adopted the new standards and interpretations, the application of which became mandatory for the financial years beginning on 1 January 2023. Reference of the new standards is made below:

6.1 Amendments to Published Standards

Adoption of New and Revised International Standards

New standards, amendments to standards and interpretations have been issued, which are mandatory for annual accounting periods beginning on or after 1 January 2023.

Where not otherwise stated, the amendments and interpretations that apply for the first time in the fiscal year 2023 have no effect on the consolidated financial statements of the Group. The Group did not proceed with early adoption of any standards, interpretations or amendments which have been issued by the IAS and adopted by the European Union but which do not have to be applied mandatorily in the fiscal year 2023.

Standards and Interpretations effective for the current financial year 2023

IFRS 17 Insurance Policies

The International Accounting Standards Board enacted IFRS 17 on 18 May 2017, which, along with revisions released on 25 June 2020, will replace the existing IFRS 4.

IFRS 17 establishes the principles for the registration, valuation, presentation and disclosure of policies to provide a more uniform valuation and presentation approach for all insurance policies.

IFRS 17 requires that the measurement of insurance liabilities should not be conducted at historical cost, but at fair value in a consistent manner, and with the use of:

- impartial expected weighted estimates of future cash flows based on updated assumptions,
- discount rates that reflect the cash flow characteristics of contracts and the estimates of the financial and
- estimates of financial and non-financial risks arising from the issuance of insurance policies.

The new standard applies to annual accounting periods beginning on or after 1 January 2023.

IFRS 17 Insurance Contracts (Amendment)- 'Initial Application of IFRS 17 and IFRS 9 - Comparative Information' On 9 December 2021 the International Accounting Standards Board adopted limited-purpose amendment to the requirements for transition to IFRS 17 in order to smooth out accounting mismatches arising between insurance contract obligations and related financial assets in the comparative information in the initial application of IFRS 9, and thereby improving the usefulness of comparative information for those

using the financial statements. It allows comparative information on financial assets to be presented in a way that is more consistent with IFRS 9.

The amendment is applicable to annual accounting periods beginning on or after 1 January 2023.

IAS 12 Income Taxes (Amendment) — 'Deferred tax related to assets and liabilities arising from a single transaction'

On 7 May 2021 the International Accounting Standards Board adopted an amendment to IAS 12 limiting the scope of the recognition exemption under which companies were exempted in specific cases from the obligation to recognise deferred tax when assets or liabilities were recognised for the first time. The amendment clarifies that this exemption no longer applies to transactions which, at the time of first recognition, result in the creation of equivalent taxable and deductible temporary differences, such as leases for lessees and restitution liabilities.

The amendment is applicable to annual accounting periods beginning on or after 1 January 2023.

IAS 1 Presentation of Financial Statements and Practical Implementation Directive of IFRSs No 2: Accounting Policy Disclosures (Amendments)

On 12 February 2021, the International Accounting Standards Board issued an amendment to IAS 1 which clarified that:

- The definition of accounting policies is given in paragraph 5 of IAS 8.
- An entity should disclose material accounting policies. Accounting policies are material when, together with the other information contained in the financial statements, they can influence the decisions taken by the main users of the financial statements.
- Accounting policies for immaterial transactions are considered to be immaterial and do not need to be disclosed. Accounting policies, however, can be material because of the nature of some transactions, even if the amounts involved are not material. Accounting policies related to material transactions and events are not always material in their entirety.
- Accounting policies are material when users of financial statements need them in order to understand other material information in the financial statements.
- Users of financial statements benefit more from information about how an entity has used an accounting policy than from standard information or a summary of IFRS provisions.
- Where an entity chooses to include immaterial information on accounting policies, this information should not obscure material information on accounting policies.

In addition, guidance and illustrative examples are added to the second Statement of Practice to assist in applying the concept of materiality in making judgements in accounting policy disclosures.

The amendments are effective for annual accounting periods beginning on or after 1 January 2023.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment) - "Definition of Accounting Estimates"

On 12 February 2021, the International Accounting Standards Board issued an amendment to IAS 8 which:

- It defined accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty.
- He clarified that an accounting policy may require that the data in the financial statements are valued in such a way as to create uncertainty. In this case the entity must make an accounting estimate. Making an accounting estimates involves the use of judgments and hypotheses.
- When making an accounting estimates, an entity should use valuation techniques and data.

- An entity may be required to change its accounting estimates. This fact by its very nature is not related to previous fiscal years nor does it constitute a correction of error. Changes in valuation data or techniques are changes in accounting estimates unless they relate to a correction of an error.

The amendment is applicable to annual accounting periods beginning on or after 1 January 2023.

Standards and Interpretations mandatory for subsequent periods, which were not applied by the Company and the Group and which have not been adopted by the EU:

The following amendments are not expected to have a significant impact on the financial statements of the Company and the Group unless otherwise stated.

IAS 1 Presentation of financial statements (Amendment) - "Classification of liabilities as short or long term"

The International Accounting Standards Board amended IAS 1 on 23 January 2020, to differentiate between short- and long-term liabilities. The amendment only affects the presentation of liabilities in the statement of financial position. The amendment clarifies that the classification of liabilities should be based on existing allowances at the end date of the reporting period. Furthermore, the amendment clarified that the Management's expectations of events anticipated to occur after the date of the balance sheet should not be taken into account and also clarified the cases which constitute settlement of the obligation. The International Accounting Standards Board extended the mandatory date of application of the standard by one year on 15 July 2020, to account for the impact of the pandemic.

The amendment is applicable to annual accounting periods beginning on or after 1 January 2024.

IAS 1 Presentation of Financial Statements (Amendment) - "Presentation of Financial Statements": Long-term liabilities that must be met'

The International Accounting Standards Board issued amendments to IAS 1 Presentation of Financial Statements on 31 October 2022, regarding the categorisation of long-term liabilities when terms exist.

The amendments to IAS 1 clarify that the terms that must be completed after the reporting date have no bearing on whether debt is classified as short-term or long-term at the reporting date. Rather, amendments require an entity to disclose information concerning contract terms in the financial statements' notes.

The amendment is applicable to annual accounting periods beginning on or after 1 January 2024.

IFRS 16 Leases (Amendment) - "Lease Liability in a Sale and Leaseback"

On September 22, 2022, the International Accounting Standards Board approved modifications to IFRS 16 regarding the future measurement of lease liabilities arising from sales and leaseback contracts with variable rents that are not index- or rate-dependent.

The amendment is applicable to annual accounting periods beginning on or after 1 January 2024.

Amendments to IAS 7 Cash Flow Statement and IFRS 7 Financial Instruments - Supplier Financing Agreements

The International Accounting Standards Board adopted modifications to IAS 7 and IFRS 7 on May 25, 2023, to add disclosure requirements and 'guidelines' within existing disclosure requirements for entities to disclose qualitative and quantitative information on reverse factoring arrangements for entities.

The modifications apply to reference periods beginning on or after 1 January 2024.

IAS 12 Income Taxes (Amendment) International Tax Reform—Pillar Two Model Rules

The OECD provided technical recommendations on the global minimum tax of 15% agreed upon as the second "pillar" of a programme to solve tax difficulties stemming from economic digitalization in March 2022. This guidance expands on the implementation and operation of the Global Anti-Base Erosion Rules (GloBE), which were agreed and released in December 2021 and establish a coordinated system to ensure that multinational enterprises with revenues exceeding €750 million pay at least 15% tax on income earned in each jurisdiction in which they operate.

The International Accounting Standards Board released modifications to IAS 12 regarding International Tax Reform on 23 May 2023. The amendments include the implementation of a temporary exemption from the recognition and disclosure of information on deferred tax assets and liabilities related to OECD second pillar income taxes, as well as the requirement that affected entities disclose their exposure to income taxes arising from second pillar legislation.

Disclosure requirements apply to annual reporting periods beginning on or after 1 January 2023.

The adoption of the above standards, interpretations and amendments is not expected to have a significant impact on the Financial Statements of the Company and the Group.

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 and liquidity risk.

The Board of Directors of the Company has the overall responsibility for 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. This type of exchange rate risk emerges in the RON Romanian / EUR pair. 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.

In any case, the Group closely keeps up to date with technological developments through our capacity as 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.

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 analysed as follows:

Amounts in EURO	GROUP		COMPANY	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Other non-current assets	215,931	201,038	151,860	150,332
Trade receivables	11,728,740	10,396,020	10,390,694	9,278,731
Other receivables	2,012,387	188,316	2,473,014	587,195
Other current assets	13,023	19,741	0	0
Financial assets at fair value through profit or loss	757,538	758,369	757,538	758,369
Cash and cash equivalents	8,619,826	14,021,375	6,093,024	11,750,296
Total	23,347,445	25,584,859	19,866,129	22,524,923

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 to 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.

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 recognised 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	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Total Trade Receivables	13,434,580	12,214,939	12,025,600	10,913,637
Less: Allowance for impairment of Trade receivables	-1,705,840	-1,818,919	-1,634,906	-1,634,906
Net Trade Receivables	11,728,740	10,396,020	10,390,694	9,278,731

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 are met. As of 30 June 2023, the sum of cash, cash equivalents, and other financial assets at fair value through Group and Company results was EUR 9,377,364 and EUR 6,850,562, respectively, and current and long-term debt liabilities were EUR 9,767,627 and EUR 9,598,627, respectively.

The Group manages its liquidity needs by carefully monitoring of the financial liabilities and payments performed on a daily basis. Liquidity needs are monitored on a monthly, semi-annual and 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	Loan	Date of Loan Termination	Discount rate	Nominal Contract Amount (amounts in EURO)	Accounting Balance (amounts in EURO)	Short-term Amount 30/6/2023 (amounts in EURO)	Long-Term Amount 30/6/2023 (amounts in EURO)
ENTERSOFT S.A.	Working Capital	22.06.2027	Euribor 3 months + spread 2,2%	3,000,000	2,402,641	602,641	1,800,000
ENTERSOFT S.A.	Working Capital	28.09.2024	Euribor 3 months + spread 2,3%	2,000,000	833,331	666,668	166,663
ENTERSOFT S.A.	Working Capital	17.09.2026	Euribor 3 months + spread 2,2%	5,000,000	3,824,000	1,176,000	2,648,000
ENTERSOFT S.A.	Working Capital	14.04.2023	Euribor 3 months + spread 2,0%	1,000,000	1,010,980	1,010,980	0
ENTERSOFT S.A.	Working Capital	16.05.2023	Euribor 3 months + spread 2,0%	4,000,000	1,527,675	1,527,675	0
Total debt liabilities of the parent company				15,000,000	9,598,627	4,983,964	4,614,663
WEDIA LTD	Working Capital	16.7.2024	Euribor 3 months + spread 3,5%	400,000	169,000	132,000	37,000
Total Group borrowings				15,400,000	9,767,627	5,115,964	4,651,663

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

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 related to six floating rate loans involving the granting of credit to an open mutual account with a maturity date within 2027, as presented above in Note 7.5).

A possible increase in interest rates by 100 basis points at the balance sheet date would result in an increase of approximately EUR 110 thousand in financial expenses, while a potential decrease in interest rates by 100 basis point at the balance sheet date would result in a reduction of approximately EUR 110 thousand in financial expenses.

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 Group's objectives in terms of capital management are as follows:

- ensure its ability to continue its activity (going-concern) and
- strengthen the Group's liquidity so that it remains strong in the current situation but also 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 30.06.2023 and 31.12.2022 is analysed as follows:

Amounts in EURO	GROUP		COMPANY	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Equity	24,679,818	23,873,947	24,088,320	22,697,633
Plus: Unsecured loans	0	0	0	0
Less: Cash and cash equivalents	-8,619,826	-14,021,375	-6,093,024	-11,750,296
Adjusted Equity	16,059,991	9,852,572	17,995,297	10,947,337
Equity attributable to equity holders of the Company	23,373,808	22,844,858	24,088,320	22,697,633
Plus: Unsecured loans	0	0	0	0
Total Equity	23,373,808	22,844,858	24,088,320	22,697,633
Adjusted Equity to Total Equity	68.71%	43.13%	74.71%	48.23%

8. Group structure

Group's structure as at 30 June 2023 is as follows:

Company	Country	Consolidation method	Immediate Parent	Indirect Parent
ENTERSOFT S.A.	Greece			
WEDIA INTERNET AND COMMUNICATION SERVICES SINGLE MEMBER S.A.	Greece	Full consolidation	100.00%	0%
MODERN INFORMATION TECHNOLOGY LIMITED LIABILITY COMPANY CGSoft,	Greece	Full consolidation	100.00%	0%
SMARTCV PC	Greece	Full consolidation	70.00%	0%
ENTERSOFT BULGARIA EOOD	Bulgaria	Full consolidation	100.00%	0%
BIT Software S.A.	Romania	Full consolidation	84.20%	0%
WISOFT PROFESSIONAL SERVICES S.R.L	Romania	Full consolidation	0%	58.90%
PAYDEMIC S.R.L	Romania	Full consolidation	0%	50.10%

9. Information on Operational Segments and Sales Revenue

The following information relates to the segments that must be reported separately in the Financial Statements and are regularly reviewed by the Group's decision makers. The outcomes of all segments are assessed by the main business decision maker, which is the Board of Directors, and is in charge of measuring the business success of operational segments. The segments are defined based on Group business activities.

Revenue Distribution by Operating Segment

The Group is organized in 2 main business segments, which are:

- Entersoft Business Suite, Entersoft Retail, Entersoft WMS, Entersoft CRM, aberon, Entersoft SCM 360, Entersoft Mobile, Entersoft cloud store, Entersoft e-Commerce) software sales and support
- Internet-based service delivery (cloud services for collaboration and data exchange, electronic invoicing, document preservation, dealer endpoint data gathering, data interchange via the widely accepted EDI standard). These were the services provided by the 100% subsidiary company of the RETAIL - LINK SINGLE MEMBER S.A. Group, which was absorbed by ENTERSOFT S.A. on 1/6/2022 and is now a sector under the Parent Company.

The tables below provide a breakdown of consolidated sales by business segment as at 30/6/2023 compared to 30/6/2022.

Revenue type	01/01-30/6/2023	01/01-30/6/2022
Revenue from the sale of software and the provision of support services in software programs	17,570,569	13,020,794
Revenue from Internet services	1,631,580	1,538,820
Total	19,202,149	14,559,614

Revenue Distribution by Geographical Area

Group sales per geographical segment are presented as follows:

Country -Geographical area	01/01-30/6/2023	01/01-30/6/2022
Greece	15,766,431	12,639,949
Romania	2,584,074	1,324,741
Bulgaria	186,995	267,470
United Arab Emirates	140,827	72,755
Sales to other European Union countries	290,025	158,976
Sales to Third Countries	233,797	95,723
	19,202,149	14,559,614

STATEMENT OF FINANCIAL POSITION BY BUSINESS SEGMENT 2023

	Software segment	Intragroup Deletions	Internet services segment	Total
	30/6/2023		30/6/2023	30/6/2023
ASSETS				
Non-current assets	25,441,151	0	344,349	25,785,500
Current assets	22,856,912	0	338,118	23,195,030
Total assets	48,298,063		682,467	48,980,531
LIABILITIES				
Total Liabilities	24,081,773	0	218,942	24,300,715
Total Net Assets	24,216,291	0	463,525	24,679,818

STATEMENT OF FINANCIAL POSITION BY BUSINESS SEGMENT 2022

	Software segment	Intragroup Deletions	Internet services segment	Total
	31/12/2022		31/12/2022	31/12/2022
ASSETS				
Non-current assets	19,816,778	-48,700	347,463	20,115,541
Current assets	21,382,599	1,043,415	3,034,858	25,460,872
Total assets	41,199,377		3,382,321	45,576,413
LIABILITIES				
Total Liabilities	21,169,659	15,977	516,829	21,702,465
Total Net Assets	20,029,718		2,865,492	23,873,948

INCOME STATEMENT BY BUSINESS SEGMENT 2023

	Software segment	Intragroup Deletions	Internet services segment	Total
	30/6/2023		30/6/2023	30/6/2023
Sales	17,570,569	0	1,631,580	19,202,149
Other income	208,313	0	0	208,313
Total operating expenses	13,414,955		526,494	13,941,449
Earnings/(loss) before taxes, financing and investing results (EBIT)	4,363,927		1,105,087	5,469,014

INCOME STATEMENT BY BUSINESS SEGMENT 2022

	Software segment 30/6/2022	Intragroup Deletions	Internet services segment 30/6/2022	Total 30/6/2022
Sales	12,827,941	192,853	1,538,820	14,559,614
Other income	299,734	0	0	299,734
Total productive expenses	10,742,430	-96,660	735,058	11,380,426
Earnings/(loss) before taxes, financing and investing results (EBIT)	2,385,245		803,762	3,478,920

STATEMENT OF FINANCIAL POSITION BY GEOGRAPHIC SEGMENT 2023

	GREECE	BULGARIA	ROMANIA	UNITED ARAB EMIRATES	TOTAL 30/06/2023
ASSETS					
Non-current assets	24,856,872	2,788	925,841	0	25,785,500
Current assets	20,006,448	295,485	2,893,098	0	23,195,030
Total Assets	44,863,319	298,273	3,818,938	0	48,980,531

STATEMENT OF FINANCIAL POSITION BY GEOGRAPHIC SEGMENT 2022

	GREECE	BULGARIA	ROMANIA	UNITED ARAB EMIRATES	TOTAL 31/12/2022
ASSETS					
Non-current assets	19,648,313	2,166	465,062	0	20,115,541
Current assets	22,282,295	619,396	2,559,181	0	25,460,872
Total Assets	41,930,608	621,562	3,024,243	0	45,576,413

The Group's non-current assets located outside Greece, amount to approximately 4% of the Group's total non-current assets. The Group does not maintain single external customer at the rate more that 10% of the total revenue.

The above tables show that approximately 91.50% of the total income of the Group for the fiscal year 2023 (91.45% for 2022) comes from the sale of software and the provision of support services in software programs, while the remaining 8.50% from the provision of services via internet (8.55% for 2022)

Also, during the same period, on average 82.11% of total revenues were generated in Greece (83% for 2022), 15.94% in countries of the European Union (outside Greece) (16% for 2022) and 1,95% on average in third countries (1% for 2022). 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 and Israel, resulting in the Group having customers in 40 countries in 2023.

10. Other Notes to the Financial Statements

10.1 Tangible fixed assets

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	Rights of use of fixed assets - Buildings	Rights of use of fixed assets - Vehicles	Total
Cost							
Balance as at 01 January 2022	736,055	2,377	0	2,042,423	2,375,656	1,338,074	6,494,585
Additions	30,526	19,415	19,107	190,445	189,302	675,521	1,124,316
Additions from Log on acquisition	149,578	6,743	93,179	277,924	77,682	0	605,106
Additions from BIT Software acquisition	11,157	133,804	378,123	135,897	155,467	22,104	836,552
Disposals	0	0	0	-3,350	0	0	-3,350
Other adjustments	0	0	0	0	-54,331	0	-54,331
Balance as at 31 December 2022	927,316	162,339	490,409	2,643,339	2,743,776	2,035,699	9,002,878
Additions	4,839	84,773	56,665	150,138	633,288	251,274	1,180,977
Additions from the acquisition of CG Soft	0	0	21,480	158,976	158,593	81,503	420,552
Additions from the acquisition of Smart CV PC	0	0	0	5,534	0	0	5,534
Disposals	0	-4,349	-16,444	-8,764	0	-122,229	-151,786
Other adjustments			-2,142	-88,342	-152,469	144,994	-97,959
Balance as at 30 June 2023	932,154	242,763	549,968	2,860,881	3,383,188	2,391,241	10,360,195
Accumulated amortisation							
Balance as at 01 January 2022	297,205	2,377	0	1,406,944	838,619	598,073	3,148,624
Depreciation and Amortisation	124,593	10,920	35,195	171,036	572,690	390,760	1,305,193
Amortisation from the acquisition of Log on	134,102	6,743	67,170	269,959	0	0	477,974
Amortisation from BIT Software acquisition	8,184	111,116	220,614	93,940	7,057	1,120	442,031
Exchange differences arising from translation of foreign operations	0	0	-244	0	1,060	0	816
Other adjustments	0	0	0	0	-12,965	0	-12,965
Depreciation of deductions	0	0	0	0	0	0	0
Balance as at 31 December 2022	564,084	131,156	322,735	1,947,284	1,406,462	989,953	5,373,821
Depreciation and Amortisation	61,495	48,364	17,281	80,248	329,539	213,827	750,754
Depreciation due to Absorption of Subsidiaries	0	35,161	4,893	0	0	0	40,054
Amortisation from the acquisition of CG Soft	0	0	13,765	123,399	20,332	11,007	168,504
Amortisation from the acquisition of Smart CV PC	0	0	0	4,270	0	0	4,270
Exchange differences arising from translation of foreign operations	0	0	0	0	0	0	0
Depreciation of deductions	0	-3,838	0	0	0	0	-3,838
Other adjustments	0	0	-4,850	-75,121	-150,453	0	-230,424
Balance as at 30 June 2023	625,580	210,843	353,825	2,080,080	1,605,881	1,214,787	6,090,994
Net book value							
Net book value as at 1 January 2022	438,850	0	0	630,183	1,537,037	740,001	3,346,073
Net book value as at 31 December 2022	363,233	31,183	167,674	696,055	1,337,314	1,045,746	3,641,206
Net book value as at 30 June 2023	306,575	31,920	196,145	780,910	1,777,307	1,176,454	4,269,309

COMPANY

	Buildings	Mechanical Equipment	Vehicles	Furniture and Other equipment	Rights of use of fixed assets -Buildings	Rights of use of fixed assets -Vehicles	Total
Cost							
Balance as at 01 January 2022	733,241	2,377	0	1,595,454	2,217,922	973,113	5,522,107
Additions	30,526	0	0	164,846	141,785	629,602	966,758
Additions due to absorption of subsidiaries	149,578	215,342	100,444	995,728	232,369	257,528	1,950,989
Disposals	0	0	0	-3,350	0	0	-3,350
Other adjustments	0	0	0	0	-54,331	0	-54,331
Balance as at 31 December 2022	913,345	217,719	100,444	2,752,678	2,537,745	1,860,243	8,382,174
Additions	4,839	0	0	129,400	105,520	251,274	491,033
Additions due to absorption of subsidiaries	0	0	0	0	0	0	0
Disposals	0	0	0	-1,779	0	-122,229	124,008
Other adjustments	0	0	-2,142	-88,342	-152,469	3,463	-239,490
Balance as at 30 June 2023	918,184	217,719	98,302	2,791,957	2,490,796	1,992,751	8,509,709
Accumulated amortisation							
Balance as at 01 January 2022	295,096	2,377	0	1,139,374	793,312	412,400	2,642,558
Depreciation and Amortisation	121,176	0	3,823	137,443	468,255	327,367	1,058,066
Depreciation due to Absorption of Subsidiaries	136,473	215,342	77,149	845,998	52,262	129,347	1,456,571
Depreciation of deductions	0	0	0	0	0	0	0
Other adjustments	0	0	0	0	-20,823	0	-20,823
Balance as at 31 December 2022	552,745	217,719	80,972	2,122,815	1,293,006	869,114	5,136,373
Depreciation and Amortisation	61,495	0	5,663	79,608	256,912	186,251	589,929
Depreciation due to Absorption of Subsidiaries	0	0	0	0	0	0	0
Depreciation of deductions	0	0	0	4	0	-122,229	-122,225
Other adjustments	0	0	-4,850	-96,330	-150,453	0	-251,633
Balance as at 30 June 2023	614,240	217,719	81,785	2,106,096	1,399,465	933,136	5,352,444
Net book value							
Net book value as at 1 January 2022	438,145	0	0	456,080	1,424,610	560,713	2,879,549
Net book value as at 31 December 2022	360,600	0	19,472	629,862	1,244,738	991,129	3,245,803
Net book value as at 30 June 2023	303,944	0	16,517	685,860	1,091,330	1,059,615	3,157,267

The additions and the depreciation of the Company's property, plant and equipment on 30/6/2023 were EUR 134,239 and EURO 144,766 respectively.

The additions and the depreciation of the Company's Right-of-Use Assets on 30/6/2023 were EUR 356,794 and EUR 443,163 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 01 January 2022	9,390,782	2,875,968	3,357,928	15,624,678
Additions	1,037,811	56,460	0	1,094,271
Additions from Smartware acquisition	0	1,333,333	0	1,333,333
Additions from Log on acquisition	0	90,466,80	0	90,467
Additions from BIT Software acquisition	26,068	117,225	141,000	284,293
Disposals	0	0	0	0
Balance as at 31 December 2022	10,454,661	4,473,453	3,498,928	18,427,042
Additions	502,097	0	0	502,097
Additions from the acquisition of CG Soft	0	64,589	0	64,589
Additions from the acquisition of SmartCV	0	0	0	0
Disposals	0	0	0	0
Balance as at 30 June 2023	10,956,758	4,538,042	3,498,928	18,993,728
Accumulated amortisation				
Balance as at 01 January 2022	7,088,691	1,479,200	742,620	9,310,511
Depreciation and Amortisation	606,546	156,842	306,778	1,070,466
Additions from Log on acquisition	0	90,467	0	90,767
Additions from BIT Software acquisition	6,184	56,405	0	62,889
Depreciation of deductions	0	0	0	300
Balance as at 31 December 2022	7,701,421	1,782,914	1,049,398	10,533,733
Depreciation and Amortisation	308,441	69,666	141,088	519,195
Additions from the acquisition of CG Soft	0	49,469	0	49,469
Additions from the acquisition of SmartCV	0	0	0	0
Depreciation of deductions	0	0	0	0
Balance as at 30 June 2023	8,009,862	1,902,049	1,190,486	11,102,397
Net book value as at 1 January 2022	2,302,092	1,396,768	2,615,308	6,314,165
Net book value as at 31 December 2022	2,753,240	2,690,541	2,449,530	7,893,310
Net book value as at 30 June 2023	2,946,896	2,635,993	2,308,442	7,891,332

COMPANY

	Software development	Other software	Customer relationships	Total
Cost				
Balance as at 01 January 2022	8,289,232	2,263,721	151,400	10,704,353
Additions	711,597	16,800	0	728,397
Additions from Smartware acquisition	0	1,333,334	0	1,333,334
Additions due to absorption of subsidiaries	801,452	630,526	2,821,758	4,253,736
Disposals	0	0	0	0
Balance as at 31 December 2022	9,802,281	4,244,381	2,973,158	17,019,820
Additions	343,508	0	0	343,508
Additions from Smartware acquisition	0	0	0	0
Additions due to absorption of subsidiaries	0	0	0	0
Disposals	0	0	0	0
Balance as at 30 June 2023	10,145,789	4,244,381	2,973,158	17,363,328
Accumulated amortisation				
Balance as at 01 January 2022	6,528,789	1,328,567	133,067	7,990,423
Depreciation and Amortisation	585,190	84,337	174,603	844,130
Depreciation due to Absorption of Subsidiaries	580,763	281,413	399,749	1,261,925
Depreciation of deductions	0	0	0	0
Balance as at 31 December 2022	7,694,742	1,694,317	707,419	10,096,478
Depreciation and Amortisation	304,089	27,137	141,088	472,314
Depreciation due to Absorption of Subsidiaries	0	0	0	0
Depreciation of deductions	0	0	0	0
Balance as at 30 June 2023	7,998,831	1,721,454	848,507	10,568,792
Net book value as at 1 January 2022	1,760,443	935,154	18,333	2,713,928
Net book value as at 31 December 2022	2,107,539	2,550,064	2,265,739	6,923,342
Net book value as at 30 June 2023	2,146,958	2,522,927	2,124,651	6,794,536

The additions and the amortization of the Company's intangible assets on 30/6/2023 were EUR 343,508 and EUR 472,314 respectively.

10.3 Acquisition of subsidiary

A) CGSoft

On 30 January 2023, the Parent Company signed the acquisition of 100% of the shares of the company "MODERN INFORMATION TECHNOLOGY COMPANY LIMITED LIABILITY" and the distinctive title CGSoft, in accordance with the necessary approval of the company's Board of Directors of 27/01/2023. CGSoft is one of the most established Property & Real Estate Management software companies in Greece, and its clientele includes the largest financial institutions and real estate management companies in the country. In addition, it has ERP and CRM solutions with an additional clientele of dozens of customers. The agreed price amounts to EUR 3,5 million. In addition, it was agreed to pay an earnout bonus depending on the achievement of revenue and profitability targets for the next two years. This acquisition was financed from the Company's cash resources.

Assets and liabilities acquired

In the table below the assets and liabilities acquired from CGSoft as of the date of acquisition are presented:

	Book value	30/1/2023 Adaptations of fair value	Fair value recognised in the acquisition
ASSETS			
Non-current assets			
Tangible fixed assets			
Other equipment	55,681		55,681
Rights of use	213,910		213,910
Other long-term assets	8,400		8,400
	277,991	0	277,991
Financial assets			
Other	0		0
Total non-current assets	277,991	0	277,991
Current Assets			
Financial assets and advances			
Trade receivables	192,110		192,110
Other current assets	12,400		12,400
Cash and cash equivalents	149,120		149,120
Total current assets	353,630	0	353,630
Total assets	631,621	0	631,621
LIABILITIES			
Non-current liabilities			

Other provisions	0	0
Long-term lease obligations	149,273	149,273
Other Long-term liabilities	0	0
Total	149,273	0 149,273
Liabilities		
Current liabilities		
Commercial liabilities	9,954	9,954
Income tax expense	141,734	141,734
Other current tax liabilities	38,580	38,580
Social security institutions	0	0
Short-term lease obligations	64,638	64,638
Other current liabilities	15,596	15,596
Total	270,502	270,502
Total liabilities	419,775	0 419,775
Net assets acquired		211,846

CGSoft Goodwill

The resulting temporary goodwill from the acquisition of CGSoft has been recognised as follows:

Amounts in EURO	30.06.2023
Consideration paid	3,025,000
Plus:	
Earnout bonus (Present Value)	1,349,495
Less:	
Fair Value of net assets acquired	211,846
Goodwill	4,162,649

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

B) SMARTCV PC

On 8 May 2023, the Parent Company signed an agreement to acquire 62% of the shares of the company "SMARTCV PC" in accordance with the relevant decision of the company's Board of Directors on 4/5/2023. The participation was achieved by combining the purchase of shares with a capital increase. SmartCV is a rapidly expanding Applicant Tracking Software company. The SaaS system is entirely cloud-based, with a pay-per-use subscription approach. The acquisition is part of Entersoft's overarching aim to gain a dynamic foothold in the Payroll and Human Resources software industry through a diverse product mix. The agreed price for 62% of the company shares is 528 thousand euros, with 390 thousand euros paid as a purchase price of 55.6% by current partners and the remainder as a capital

increase to support the company's business plan implementation. Furthermore, Entersoft has already committed to buy the remaining stake after four years. This acquisition was financed from the Company's cash resources.

Following that, on 29 June 2023, the Company signed an agreement to purchase an additional 8% of the shares of the company "SMARTCV PC" in implementation of the relevant consent of the company's Board of Directors given on 28/6/2023. The agreed-upon price for this proportion is 68.1 thousand euros. Following the foregoing acquisition, as well as the acquisition and participation in a capital increase as of 08.05.2023, the Company owns 70% of the company shares of "SMARTCV PC."

Assets and liabilities acquired

In the table below the assets and liabilities acquired from SMARTCV PC as of the date of acquisition are presented:

	Book value	8/5/2023 Adaptations of fair value	Fair value recognised in the acquisition
ASSETS			
Non-current assets			
Tangible fixed assets			
Other equipment	2,233		2,233
Rights of use	0		0
Other long-term assets	0		0
	<hr/>		<hr/>
Financial assets			
Other	0		0
Total non-current assets	2,233	0	2,233
	<hr/>		<hr/>
Current Assets			
Financial assets and advances			
Trade receivables	14,807		14,807
Other current assets	0		0
Cash and cash equivalents	258,939		258,939
Total current assets	273,746	0	273,746
	<hr/>		<hr/>
Total assets	275,980	0	275,980
	<hr/>		<hr/>
LIABILITIES			
Non-current liabilities			
Other provisions	0		0
Long-term lease obligations	0		0
Other Long-term liabilities	0		0
	<hr/>		<hr/>
Total	0	0	0
	<hr/>		<hr/>

Liabilities			
Current liabilities			
Commercial liabilities	896		896
Income tax expense	0		0
Other current tax liabilities	9,640		9,640
Social security institutions	0		0
Short-term lease obligations	0	0	64,638
Other current liabilities	3,331		3,331
Total	13,866		13,866
Total liabilities	13,866	0	13,866
Net assets acquired			262,113

Goodwill of SMARTCV PC

The resulting temporary goodwill from the acquisition of SMARTCV PC has been recognised as follows:

Amounts in EURO	30.06.2023
Consideration paid	596,190
Plus:	
Non-controlling interests	255,510
Less:	
Fair Value of net assets acquired	262,113
Goodwill	589,587

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

10.4 Goodwill

In the Financial Statements of the Group as at 30.06.2023 and 31.12.2022, goodwill of EUR 13,113,149 and EUR 8,360,913 respectively, is shown, and is analysed as follows:

GROUP	30/6/2023	31/12/2022
RETAIL- LINK S.A.	138,095	138,095
OPTIMUM S.A.	2,013,922	2,013,922
WEDIA SINGLE MEMBER SA	417,293	417,293
LOG ON SA	978,880	978,880
BIT SOFTWARE	3,107,057	3,107,057
Smartware	1,705,667	1,705,667
CG Soft	4,162,649	0
SMARTCV PC	589,587	0
Balance	13,113,149	8,360,913

Following the acquisitions of the Group's 100% subsidiaries (Retail - link SINGLE MEMBER SA, Optimum SINGLE MEMBER SA, Log On SINGLE MEMBER SA) during the fiscal year 2022 and the acquisition of new subsidiaries, the following table presents the analysis of the Company's goodwill as at 30.06.2023 and 31.12.2022.

COMPANY

	30/6/2023	31/12/2022
RETAIL- LINK S.A.	138,095	138,095
OPTIMUM S.A.	2,013,922	2,013,922
LOG ON SA	978,880	978,880
Smartware	1,705,667	1,705,667
Balance	4,836,563	4,836,563

10.5 Participations in subsidiaries

The investment in subsidiaries is analysed as follows

	30/6/2023	31/12/2022
ENTERSOFT BULGARIA EOOD	180,000	180,000
ENTERSOFT ROMANIA SOFTWARE SRL	0	450,000
CG SOFT LTD	4,374,495	0
SmartCV	1,310,241	0
WEDIA SINGLE MEMBER SA	501,841	501,841
BIT SOFTWARE	4,618,538	4,168,538
Balance	10,985,115	5,300,379

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 Trade receivables

Trade receivables of Group and Company are analysed as follows:

	GROUP		COMPANY	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Customers	9,322,240	9,474,669	7,931,649	8,196,129
Suppliers' advances	277,120	182,719	266,171	159,958
Cheques receivable (in portfolio)	1,537,474	951,418	1,530,034	951,418
Cheques receivable transferred to Banks	2,256,758	1,565,317	2,256,758	1,565,317
Notes receivable	40,989	40,815	40,989	40,815
Less: Allowance for impairment of Trade receivables	-1,705,840	-1,818,919	-1,634,906	-1,634,906
Net Trade Receivables	11,728,740	10,396,020	10,390,694	9,278,731

The Customers line of the Corporate Financial Statements includes intragroup receivables of the amount of EUR 250,990 (2022: EUR 263,194).

10.7 Financial assets at fair value through profit or loss

Financial Assets amounting to EUR 757,538 refer to Company's foreign bank bond (Switzerland) of UBS (a corporation that is publicly traded on a regulated market), 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	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Banking product (bond)				
Fiscal year opening balance	758,369	862,907	758,369	862,907
Purchase	0	0	0	0
Fair value measurement	-831	-104,538	-831	-104,538
Closing balance	757,538	758,369	757,538	758,369

10.8 Cash and cash equivalents

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

	GROUP		COMPANY	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Cash on hand	79,108	7,887	2,966	5,059
Cash at banks	8,540,718	14,013,488	6,090,058	11,745,238
Total:	8,619,826	14,021,375	6,093,024	11,750,297

The Group's cash and cash equivalents are mainly invested in counterparties with high credit ratings and for a short period of less than three months.

10.9 Equity

Share capital and share premium

The paid up and authorized share capital of the Company at June 30, 2023 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 12/5/2020, the share capital of the Company had the following change:

With the decision of the General Meeting of shareholders, held on 23.06.2016, the share capital of the Company decreased by EURO 534,720.00 with a cash return to shareholders, by reducing the nominal value of the shares by EUR 0.12 each.

On 11.10.2019, the increase of the Company's share capital was approved with the payment of cash up to the amount of EUR 163,200 and the issue of up to 544,000 new common nominal shares with voting rights of nominal value EUR 0.30 each, which were allocated in a Public Offer.

Following the decision of the Extraordinary General 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 26 February 2020, the disposal to a limited circle of persons was completed and 27,200 shares were disposed. On 5 March 2020 the Public offer and the offer of 516,800 new common registered shares of the Company were completed.

It was decided at the Extraordinary General Meeting on 12/5/2020 to reduce the nominal value of each common share with voting rights of the Company from thirty cents (EUR 0.30) to five cents (EUR 0.05) and to replace each one (1) old common share of the Company with six (6) new common shares of the Company by increasing the total number of common shares of the Company from 5,000,000 to 30,000,000 new common shares with voting rights of a nominal value of EUR 0.05. (stock split 1:6). Following the aforementioned reduction, the total share capital remained the same.

The Company's share capital is fully paid-up and the Company's shares have been entirely repaid. There are no Company Shares that do not represent capital.

The Company, does not hold own Shares. Subsidiary companies do not own any Company Shares.

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 Shares have the same rights and obligations and every share incorporates all rights and obligations provided by Law and the Company's Corporate Charter.

Reserves

Group and Company's reserves are analysed as follows:

	GROUP				COMPANY			
	Statutory Reserve	Other Reserves	Own contribution to the ICT4GROWTH project	Total	Statutory Reserve	Other Reserves	Own contribution to the ICT4GROWTH project	Total
Balance as at 31 December 2022	758,718	0	911,584	1,670,302	663,138	47,919	911,584	1,622,641
Other changes	0	-19,482	0	-19,482	0	0	0	0
Balance as at 31 December 2022	758,718	-19,482	911,584	1,650,820	663,138	47,919	911,584	1,622,641

According to the decision of the Board of Directors at 01/04/2013 and following the decision of the General 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 the Action, 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 19/6/2012 General 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.

Other Equity items in the consolidated Financial Statements totaling Euro 1,882,589 relate the recognition of a financial obligation to the minority shareholders of BIT Software, SG Soft, and Smart CV to pay consideration for the future acquisition of the minority shares of these companies.

10.10 Provision for employee retirement benefits

	The Group		The Company	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Changes in the liability in the Statement of Financial Position				
Net liability at the beginning of the fiscal year	369,198	308,460	369,198	248,281
New Liabilities incurred as a result of the acquisition of a subsidiary	0	13037	0	0
New Liabilities from Absorption of Subsidiaries	0	0	0	77194.13
Expenditure in the statement of comprehensive income	41,049	87,378	41,049	71,080
Benefits paid during the current year	0	-14,436	0	-4,667
Amount entered in Other Comprehensive Income	0	-25,242	0	-22,691
Staff transportation costs	0	0	0	0
Net liability at the end of the fiscal year	410,247	369,198	410,247	369,198
Changes in the present value of the obligation				
Present value of the obligation at the beginning of the fiscal year	369,198	308,460	369,198	248,281
New Liabilities incurred as a result of the acquisition of a subsidiary	0	13,037	0	0
New Liabilities from Absorption of Subsidiaries	0	0	0	77,194
Interest expense	5,169	2,323	5,169	2,200
Cost of current service	35,880	70,620	35,880	64,214
Cost of settlements	0	14,436	0	4,667
Benefits paid during the current year	0	-14,436	0	-4,667
Actuarial loss	0	-25,242	0	-22,691
Present value of the obligation at the end of the fiscal year	410,247	369,198	410,247	369,198

According to the law, employees are entitled to receive a severance payment on retirement, the amount of which varies according to salary, years of service and the method of retirement.

The main actuarial assumptions used for accounting purposes are:

	<u>30/6/2023</u>	<u>31/12/2022</u>
Discount rate	2.80%	2.80%
Inflation	2.20%	2.20%
Future salary increases	2.20%	2.20%

10.11 Income tax payable

Current income tax liabilities of the Group and Company amount to EUR 1,173,827 and EUR 1,014,068 respectively.

10.12 Short-term and Long-term loan liabilities

Based on current agreements with cooperating banks, the Group and the Company's bank loan commitments total EUR 9,767,627, of which EUR 5,115,964 are short-term loan obligations and EUR 4,651,663 are long-term loan obligations. The analysis of these loans is as follows:

COMPANY	Loan	Date of Loan Termination	Discount rate	Nominal Contract Amount (amounts in EURO)	Accounting Balance (amounts in EURO)	Short-term Amount 30/6/2023 (amounts in EURO)	Long-Term Amount 30/6/2023 (amounts in EURO)
ENTERSOFT S.A.	Working Capital	22.06.2027	Euribor 3 months + spread 2,2%	3,000,000	2,402,641	602,641	1,800,000
ENTERSOFT S.A.	Working Capital	28.09.2024	Euribor 3 months + spread 2,3%	2,000,000	833,331	666,668	166,663
ENTERSOFT S.A.	Working Capital	17.09.2026	Euribor 3 months + spread 2,2%	5,000,000	3,824,000	1,176,000	2,648,000
ENTERSOFT S.A.	Working Capital	14.04.2023	Euribor 3 months + spread 2,0%	1,000,000	1,010,980	1,010,980	0
ENTERSOFT S.A.	Working Capital	16.05.2023	Euribor 3 months + spread 2,0%	4,000,000	1,527,675	1,527,675	0
Total debt liabilities of the parent company				15,000,000	9,598,627	4,983,964	4,614,663
WEDIA LTD	Working Capital	16.7.2024	Euribor 3 months + spread 3,5%	400,000	169,000	132,000	37,000
Total Group borrowings				15,400,000	9,767,627	5,115,964	4,651,663

10.13 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	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022
Earnings before taxes, financing and investing results (EBIT)	5,469,014	3,478,920	5,106,662	1,093,764
Adjustments for:				
Depreciation of tangible and intangible fixed assets	1,269,949	1,080,879	1,062,242	814,443
EBITDA	6,738,963	4,559,799	6,168,904	1,908,207

10.14 Income tax

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

	GROUP		COMPANY	
	1/1-30/6/2023	1/1-30/6/2022	1/1-30/6/2023	1/1-30/6/2022
Income tax for the period	1,024,083	540,143	990,630	185,587
Tax of previous fiscal years	32,676	0	32,676	0
Deferred Tax	-309,437	-310,429	-320,076	-296,636
Total income tax	747,322	229,715	703,229	-111,048

10.15 Earnings per share

Earnings per share are as follows:

	GROUP		COMPANY	
	1/1-30/6/2023	1/1-30/6/2022	1/1-30/6/2023	1/1-30/6/2022
Profit attributable to the owners of Company	4,242,295	3,016,736	4,390,687	1,251,956
Weighted average number of shares	30,000,000	30,000,000	30,000,000	30,000,000
Earnings per share (EUR per share)	0.1414	0.1006	0.1464	0,0417

10.16 Payroll cost

Payroll cost of Group and Company is analyzed as follows:

	GROUP		COMPANY	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022
Wages, salaries and allowances	7,309,058	4,906,562	5,512,993	2,886,754
Social security contributions	1,174,360	1,088,684	1,043,476	632,429
Severance pay	18,667	9,769	12,834	13,302
Expenses related to the employee Benefits	199,325	161,622	182,814	126,247
Retirement cost of defined benefit plans	35,880	0	35,880	0
Total	8,737,290	6,166,637	6,787,996	3,658,732

10.17 Number of personnel

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

	GROUP		COMPANY	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022
Employees	526	473	372	352

10.18 Intercompany balances and transactions

The following tables analyse the transactions with related parties in accordance with IAS 24 with the Group's subsidiaries:

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

INTERCOMPANY SALES / PURCHASES 1/1 -30/06/2023

PURCHASER

30/6/2023	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	BIT SOFTWARE SA	WEDIA M AE	CG SOFT LTD	SMART CV IKE
ENTERSOFT S.A.		25,062	28,596	53,639	24,273		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
BIT SOFTWARE SA	67,640						
WEDIA M AE	11,825						
CG SOFT LTD							
SMART CV IKE							

INTERCOMPANY SALES / PURCHASES 1/1 -30/06/2022

PURCHASER

31/12/2022	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	ENTER SOFT MIDDLE EAST FZ LLC	WEDIA SINGLE MEMBER SA	OPTIMUM SA	RETAIL LINK SA	LOGON SA	BIT SOTWARE SA
ENTERSOFT S.A.		24,412	107,519	1,850	23,799	16,500	56,207	187,208	
ENTERSOFT BULGARIA									
ENTERSOFT ROMANIA									
ENTER SOFT MIDDLE EAST FZ LLC									
WEDIA M AE	400								
OPTIMUM S.A.	1,944								
RETAIL LINK AE	1,020								
LOG ON	12,186								
BIT SOTWARE SA									

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 30/06/2023 - 31/12/2021
PURCHASER

30/6/2023	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	BIT SOFTWARE SA	WEDIA M AE	CG SOFT LTD	SMART CV IKE
ENTERSOFT S.A.		21,685	1,219	53,639	58,428		
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
BIT SOFTWARE SA	67,640						
WEDIA M AE	3,379						
CG SOFT LTD							
SMART CV IKE							

INTERCOMPANY RECEIVABLES / PAYABLES 1/1- 31/12/2022 - 31/12/2021
PURCHASER

31/12/2022	ENTERSOFT S.A.	ENTERSOFT BULGARIA	ENTERSOFT ROMANIA	RETAIL LINK AE	ENTER SOFT MIDDLE EAST FZ LLC	OPTIMUM S.A.	WEDIA SINGLE MEMBER SA
ENTERSOFT S.A.		49,647	156,761				56,786
ENTERSOFT BULGARIA							
ENTERSOFT ROMANIA							
RETAIL LINK AE							
ENTER SOFT MIDDLE EAST FZ LLC							
OPTIMUM S.A.							
WEDIA SINGLE MEMBER SA	491						

Sales to affiliated parties, as well as purchases from them, are made at regular market pricing at the time of the transaction, in accordance with the terms of the transaction.

The parent company has provided a guarantee to a bank for the conclusion of a loan agreement of its subsidiary WEDIA M SA in the amount of EUR 400,000, as well as a loan up to the amount of € 900,000.

As at 30 December 2023, the loan obligation of WEDIA SINGLE MEMBER SA to the parent company amounted to EUR 710,000 (31 December 2022: EUR 530,000).

10.19 Benefits to Management and Executives

At the line item "Salaries and social security expenses of first-degree members of the management" for the period 2023 and 2022, the total amount refers to remuneration of salaried staff whose contracts have been approved by the annual General Meeting upon their recruitment. On an annual basis the General Meeting approves their remuneration.

Amounts in EURO	GROUP		COMPANY	
	1/1-30/06/2023	1/1-30/06/2022	1/1-30/06/2023	1/1-30/06/2022
Benefits to executives and management members				
- Salaries and social security costs to members of the management	249,617	233,075	249,617	233,075
- Meeting fees of the Board of Directors	75,042	72,451	75,042	72,451
- Salaries and social security costs to first-degree relatives of members of the management	121,398	87,150	121,398	52,648
- Salaries and social security costs to Executives	62,200	59,765	62,200	59,765
Total	508,257	452,441	508,257	417,939

10.20 Contingent assets – liabilities

Information on contingent liabilities

A) Legal issues

Sufficient provisions have been made for the disputed claims of the Company and the Group against third parties, considering also 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	Fiscal Year
ENTERSOFT S.A.	2022
ENTERSOFT BULGARIA EOOD	2008 – 2022
WEDIA INTERNET AND COMMUNICATION SERVICES SINGLE MEMBER S.A.	2017- 2022
MODERN INFORMATION TECHNOLOGY LIMITED LIABILITY COMPANY CG SOFT	2017
SMARTCV PC	2019
BIT Software S.A.	2016-2022
WISOFT PROFESSIONAL SERVICES S.R.L	2016-2022
PAYDEMIC S.R.L	2016-2022

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.

C) Other issues

The parent company has provided a guarantee to a bank for the conclusion of a loan agreement of its subsidiary WEDIA SA in the amount of EUR 400,000, as well as a loan up to the amount of € 900,000.

10.21 Impact of the Energy Crisis on activities

The global energy crisis that started in 2021 is marked by a continued energy shortage worldwide, as well as ever-increasing energy prices, affecting countries such as the United Kingdom, China, and also the European Union. Prices for all types of energy are increasing significantly in Greece. The Company and the Group, as a high-intensity operations company, are not seriously affected by the energy crisis because energy costs are low. Nonetheless, the Management keeps a close eye on the situation on a daily basis and is prepared to take any required action.

Of course, it always remains possible that the energy crisis will have further negative effects on the global economy for the year 2022 and will negatively affect the Group's activities or reduce the demand for its products and services. Any of these developments could have an impact on the financial results of 2022. However, our experience so far in managing the crisis during the year 2021 makes us optimistic about achieving the goals set for 2022.

10.22 Consequences of the Russian invasion of Ukraine

The Group is not active in the affected markets and does not have significant exposure to commodities that have been affected by the Russian invasion of Ukraine (such as energy or agriculture) and therefore this has not significantly affected the Group's financial figures. In any case, since this is an ongoing event, the Management is monitoring the developments and is prepared to take the necessary measures, should the circumstances require so.

10.23 Events after the date of the Financial Statements

On 3 July 2023, the Parent Company signed the acquisition of 100% of the shares of the company "SW RETAILSOFT S.A." in accordance with the relevant approval of the company's Board of Directors on 30/6/2023. The acquisition is part of Entersoft's strategic objective to increase its footprint in the sector of Intensive Retail Software, particularly in the market for Supermarkets, Mini Markets, and Department Stores. The agreed price amounted to EUR 1,2 million euros. In addition, it was agreed to pay an earnout bonus depending on the achievement of revenue and profitability targets for the year 2023. The acquisition was financed from Entersoft's own resources.

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.

Kallithea, 28/7/2023

Pantelis N. Nikolopoulos	Antonios N. Kotzamanidis	Gregorios G. Tsourtos	Nektaria A. Livaniou
Chairman of the Board of Directors	Chief Executive Officer	Financial and Administrative Director	Accounting Manager