



EPSILON NET
INFORMATION TECHNOLOGY, TRAINING AND
HIGH-TECH PRODUCTS SOCIETE ANONYME

G.E.MI. No: 038383705000

SEMI-ANNUAL FINANCIAL
STATEMENT

(IN ACCORDANCE WITH Law 3556/2007)

for the fiscal year from 1st January to 30th June 2021

THESSALONIKI
SEPTEMBER 2021

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STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

(According to Article 5 of Law 3556/2007)

“EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME”

In compliance with the provisions of article 5 of Law 3556/2007 we state that to the best of our knowledge:

a) The semi-annual condensed financial statements of “EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME” for the period from 1 January 2021 to 30 June 2021, which were prepared pursuant to the applicable accounting standards, give a fair view of the assets and liabilities, equity and comprehensive income items of the Company as well as of the entities included in the consolidation, taken as a whole, pursuant to the stipulations of Article 5(3)-(5) of Law 3556/2007.

b) The Semi-annual Report of the Board of Directors gives a fair view of the information required as per article 5(6) of Law 3556/2007, namely the important events that took place during the first half of the financial year and their effect on the Semi-annual Financial Statements, the progress, performance and position of the Company and the entities included in the consolidation, taken as a whole, the main risks and uncertainties for the second half of the year, as well as the important transactions concluded between the Company and the entities included in the consolidation, as well as between their related parties.

THESSALONIKI, 20 SEPTEMBER 2021

The CHAIRMAN OF THE BoD
& CHIEF EXECUTIVE OFFICER

THE DEPUTY
& CHIEF EXECUTIVE OFFICER

THE MEMBER OF THE BoD

IOANNIS N. MICHOS
ID Card No: AN 002369/07.10.2016

VASILIKI D. ANAGNOSTOU
ID Card No: AZ 194497/14.12.2007

IOANNIS A. KOUTKOUDAKIS
ID Card No: AE 368674 / 15.03.2007

Semi-annual Management Report of the Board of Directors

Of “EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME”

On the Consolidated and Separate Financial Statements for the period from 1 January to 30 June 2021

Introduction

This report of the Board of Directors of “EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME” (hereinafter the “Company”) has been prepared based on the provisions of article 5 of Law 3556/2007 and the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and refers to the Condensed Interim Financial Statements (Consolidated and Separate) as of 30 June 2021.

The Report is included as is in the semi-annual financial report on the period 01/01/2021-30/06/2021 together with the financial statements of the Company and the Group and the other information and statements required by the law.

The Condensed Interim Consolidated and Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU) and applying in compliance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

This report sums up financial information on the period from 01/01/2021 to 30/06/2021, the important events that took place during the first half of 2021, the prospects for the second half of 2021, a description of main risks and uncertainties for the second half of the financial year, the important transactions of the Group and the Company with their related parties and finally the major events that took place after the end of the first half of 2021.

The Semi-annual Condensed Financial Statements (consolidated and separate) and the semi-annual report of the Company’s Board of Directors are uploaded on: www.epsilonnet.gr.

Financial Position and Performance of H1 2021

The last few years both the Company and the Group have been recording high fundamental financials, allowing them to deal effectively with the adverse economic circumstances.

This section presents in brief the development, performance and activities of both the Group and Company.

Consolidated Results

Turnover: The Group's turnover stood at €17.83 million in H1 2021 compared to €8.45 million in the respective H1 2020, registering a 111.10% increase.

Profit before tax: Profit before tax amounted to €4,976.27 thousand in H1 2021 compared to €982.69 thousand in H1 2020, recording a 406.39% increase while **profit after taxes** in H1 2021 amounted to €4.30 million compared to €1.00 million in H1 2020, registering a 330.06% increase.

Earnings before interest, taxes, depreciation and amortisation (EBITDA): Earnings before interest, taxes, depreciation and amortisation (EBITDA) in H1 2021 amounted to €6.19 million compared to €1.83 million in H1 2020, registering a 238.58% increase.

Property, plant and equipment: In H1 2021 the total value of property, plant and equipment amounted to €6.27 million compared to €4.63 million in H1 2020 while the respective value of property, plant and equipment amounted to €4.67 million compared to €2.72 million in H1 2020. The amount of finance leases which, as per IFRS 16, is reflected on the Group's property, plant and equipment amounts to €2.35 million.

Shareholder's equity: In H1 2021 the Group's shareholder's equity increased to €29.31 million from €15.19 million in H1 2020, thus recording a 93.00% increase.

Company results

Turnover: The Company's turnover stood at €8.35 million in H1 2021 compared to €6.26 million in H1 2020, registering a 33.41% increase.

Profit before tax: Profit before tax amounted to €3,470.00 thousand in H1 2021 compared to €735.84 thousand in H1 2020, recording a 371.57% increase while **profit after taxes** in H1 2021 amounted to €2,826.29 thousand compared to €757.82 thousand in H1 2020, registering a 272.95% increase.

Earnings before interest, taxes, depreciation and amortisation (EBITDA): Earnings before interest, taxes, depreciation and amortisation (EBITDA) in H1 2021 amounted to €4.13 million compared to €1.42 million in H1 2020, registering a 190.52% increase.

Property, plant and equipment: In H1 2021 the total value of property, plant and equipment amounted to €1.30 million compared to €1.72 thousand in H1 2020 while the respective value of intangible assets

amounted to €3.06 million compared to €4.56 million in H1 2020. The amount of finance leases which, as per IFRS 16, is reflected on the Company's property, plant and equipment amounts to €0.68 million.

Shareholder's equity: In H1 2021 the Company's shareholder's equity increased to €34.82 million from €13.98 million in H1 2020, thus recording an 149.13% increase.

Real estate properties

During H1 2021 the Company and the Group's subsidiaries did not own any real estate properties.

Dividend Yield

Based on a decision made by the Company's Ordinary General Meeting of Shareholders on 30/06/2021, the appropriation of profits of the accounting period from 01/01/2020 to 31/12/2020 was approved together with the distribution of dividend to the Company's shareholders, which totals six hundred twenty-nine thousand and eight hundred Euros (€629,800), this accounting for €0.047 per share. Of this amount, tax was withheld to be paid to the Greek State and, therefore, the net payable dividend per share amounted to €0.04465. 20/07/2021 and 21/07/2021 were approved as cut-off date and beneficiary designation date, respectively (based on the record date rule) while the respective dividend amount started being paid to the shareholders as of 27/07/2021.

IMPORTANT EVENTS DURING THE FIRST HALF OF 2021

- On 11 January 2021 **EPSILON NET** announced, further to the Announcements dated 21/10/2020, 30/11/2020 and 30/12/2020, the successful completion of the purchase process regarding the participation of **“MARFIN INVESTMENT GROUP HOLDINGS S.A.” (“MIG”) in “SINGULARLOGIC INFORMATION TECHNOLOGY SYSTEMS AND SOFTWARE APPLICATIONS S.A.” (“SINGULARLOGIC”)** by the investment scheme **“EPSILON NET” and “SPACE HELLAS”** by signing today the transfer deed for the entire stake held by “MIG” directly and indirectly (through its wholly owned subsidiary “TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LIMITED”) in SINGULARLOGIC.

The total consideration of the transaction, including the consideration for the transfer of shares and the consideration for the transfer of **SINGULARLOGIC’s loan liabilities towards PIRAEUS BANK, amounted to €18,050,000** and was fully paid by the buyers.

SINGULARLOGIC was transferred free of loan liabilities to PIRAEUS BANK and MIG, while on 31/12/2020 its cash stood at approximately €2 million.

- On 12 January 2021, **SingularLogic, Epsilon Net and Space Hellas** announced that the election and formation of the new Board of Directors of SingularLogic had been completed, which consists of the following members:

- **Spyridon Manolopoulos, Chairman**
- **Vasiliki Anagnostou, Vice-Chairman**
- **Ioannis Michos, CEO**
- **Ioannis Mertzanis, Deputy CEO**

The management teams of both companies, Epsilon Net and Space Hellas, based on their existing specialisation and know-how, invest in SingularLogic, provide perspectives to the company’s executives and employees, meet all needs of their clients and create added value.

- On 22 January 2021 the establishment of **Epsilon SingularLogic S.A.** was announced, which will serve as the commercial arm of the new scheme by SINGULARLOGIC, EPSILON NET and SPACE HELLAS in the sector of self-produced software in business and accounting applications for businesses

and ERP systems. The key goal is to ensure a common communication and marketing strategy of the network of partners while meeting more efficiently the end customers' needs.

- The establishment of **Epsilon SingularLogic S.A.** was the first strategic move in the implementation of the business plan already announced, showing consistency in the adoption of the principle of expertise and management by area of responsibility, with the ultimate goal of maximising the results of SINGULARLOGIC, EPSILON NET and SPACE HELLAS.

- On 2 February 2021, **Athens Water Supply and Sewerage Company**, the largest company in Greece which operates in the market of water supply, entrusted **Data Communication**, a member of **Epsilon Net** Group and **Deloitte**, a leader in the field of consulting services, with implementing the **myData Connector** application, the innovative SaaS solution, which is certified by **Microsoft**, thanks to the direct and flexible interconnection of its IT system with the platform 'myDATA' of the Independent Authority for Public Revenues (IAPR) as part of the mandatory alignment with the requirements of IAPR online accounting books.

- On February 19, 2021, it was announced the sale of the parent company's participation in the company "SUPERVISOR A.E." (35.16% in the share capital of "SUPERVISOR SA") against a total price of € 150,470.00 and its withdrawal from this activity.

- On the 1st of March 2021, EPSILON NET S.A. and SPACE HELLAS S.A., following the announcement of 22/01/2021 regarding the establishment of Epsilon SingularLogic S.A., announced the next steps of their business plan with the ultimate goal of capitalising on any business opportunities created by the challenge of the digital transformation in the public and private sectors. The central aspect of the business plan is to build on the significant advantages of SingularLogic S.A., in terms of products, level of provided services and know-how of its human resources. The management teams of EPSILON NET S.A. and SPACE HELLAS S.A. undertake the area of responsibility in which each one of them boasts a high level of specialisation and can make a thorough contribution.

In this context, EPSILON NET S.A., through the newly-established company Epsilon SingularLogic S.A., undertakes a) to manage the business sector of self-produced software of business and accounting

applications for businesses and ERP systems; and b) manage and strengthen the network of agents – resellers.

Such activities, as a whole, will be transferred from SingularLogic S.A. to Epsilon SingularLogic S.A. For the business consolidation to be implemented, the relevant sector of SingularLogic will be split (sector 1) and will be absorbed by Epsilon SingularLogic S.A. while in parallel EPSILON NET S.A. will contribute the relevant sector of business and accounting applications for businesses and ERP systems of the Pylon platform (sector 2) of EPSILON NET S.A. to Epsilon SingularLogic S.A. At the same time, EPSILON NET will ensure product connectivity with the other sectors that the parent company will maintain, such as the products and services sector for accounting offices of Epsilon HR S.A., which is specialised in business payroll, the Epsilonsmart Web platform for micro businesses, the solutions of electronic invoicing through the Epsilondigital platform which has been certified by the IAPR etc. Both actions will be carried out having regard to the transformation balance sheets dated 28/2/2021 to be prepared by SingularLogic S.A. and EPSILON NET S.A., respectively.

Based on the agreed valuation of the above two (2) sectors, the value of sector 2 in relation to sector 1 will be approximately in a ratio of 1/0.75 respectively. Once the above actions are completed, a total corporate value is created, in which the shareholding relationship of the two companies, following the above procedures and the simultaneous payment of the amount of €3,500,000 by SPACE HELLAS S.A. to EPSILON NET S.A., is estimated to be established at 60% and 40% for EPSILON NET S.A. and SPACE HELLAS S.A., respectively (the final percentages and amounts will be established once the relevant procedures are completed without any significant variation from the initial estimation being expected). Therefore, as regards Epsilon SingularLogic S.A. most of its shares will be owned by EPSILON NET S.A. Group and its results will be consolidated by applying the method of full consolidation.

In parallel and according to the business plan, SPACE HELLAS S.A. undertakes to; a) develop the existing Integration sector and the projects for major customers in both the Private and Public sectors; b) extend its activity to solutions implemented with international information systems; and c) manage solutions in vertical sectors of the high-level market that have been developed in the past by SingularLogic S.A. Such activities will be pursued and improved through SingularLogic S.A.

As far as shareholding is concerned, following the payment of the amount of €550,000 by SPACE HELLAS S.A. to EPSILON NET S.A. and once the above procedures are completed, a 60% majority

holding of SingularLogic S.A. will be owned by SPACE HELLAS S.A. and its results will be consolidated with the method of full consolidation while 40% of shares will be owned by EPSILON NET S.A. (the final percentages and amounts will be established once the relevant procedures are completed without any significant variation from the initial estimation being expected).

It should be noted that the “minority” holdings of EPSILON NET S.A. and SPACE HELLAS S.A. in both schemes, i.e., in the existing SingularLogic S.A. and the newly established Epsilon SingularLogic S.A. respectively, will remain strong (percentage of 40%) highlighting the commitment of their Management to a common path in the future, ensuring high-profile synergies that will develop the overall structure.

- On April 19, 2021, it was announced that the **localisation of Dynamics 365 Business Central as a cloud service** was made available on the Greek market by **Epsilon Net Group. SaaS, a localised** version for Greece combines the innovative functionalities of a worldwide leading all-in-one solution with the extensive experience of Epsilon Net Group in the specificities of the Greek market, tailored to meet the needs of all large and medium sized enterprises in Greece and Cyprus, while being fully aligned with the requirements of Greek Laws.
- On April 26, 2021, it was announced that **Epsilon Net** was classified for the **7th running year** among the companies with the best workplace in Greece by **the internationally acclaimed organisation “Great Place to Work”**, being ranked **4th**. This is the **8th distinction** for **Epsilon Net** in the **Best Workplaces Awards**, as the company currently numbers **1 European and 7 national awards** having participated in the survey an equal number of times since 2015, demonstrating over time its people-centred nature which is based on trust between employers and employees.
- On May 20, 2021, **Epsilon Net Group** announced its partnership with **Eurobank** aiming at business interconnection with the IAPR’s **myDATA** platform through the range of **Epsilon Smart** online invoicing products which the businesses-customers of Eurobank will be able to obtain at **preferential subsidy terms** provided by the Bank through its subsidiary “Business Exchanges”.
- On May 24, 2021, the Board of Directors of the societe anonyme trading as “**EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME**” and trade name “**EPSILON NET S.A.**” informed investors about the acquisition of all minority shares of the subsidiary **DATA COMMUNICATION S.A.** (DATA COMMUNICATION S.A. SOFTWARE

DEVELOPMENT COMPANY). Following this acquisition **EPSILON NET S.A.** is the unique shareholder of **DATA COMMUNICATION S.A.**

More specifically, **EPSILON NET S.A.** acquired **750,000 shares** from 2 legal entities, which account for 20% of the share capital of **DATA COMMUNICATION S.A.** In particular, **EPSILON NET** acquired **412,500 shares** from EASMUIN HOLDINGS LTD which account for **11%** of the share capital of **DATA COMMUNICATION S.A.**, in exchange for **€302,486.25**, and **337,500 shares** from DELMAR CONSULTING LTD, which account for **9%** of the share capital of **DATA COMMUNICATION S.A.**, in exchange for **€247,488.75**.

- On June 2, 2021, Epsilon Net Training was given the **Gold Award** in the category **Human Resources**, nomination "**Best Place to Work**". The award was received by **Valantis Bilis, Training Manager** and **Nasia Skountzou, Group HR Manager** of Epsilon Net Group.

- On June 7, 2021, as part of the consistent implementation of its business plan, **EPSILON NET** announced the **acquisition of a majority stake (60%) in "TECHNOlife Limited Liability Company"** and trade name "**TECHNOlife Ltd**" which provides integrated business solutions in the field of **business software**.

TECHNOlife was founded in 1994 by **executives with long expertise** in the field of information technology and in particular business computer organisation. The company undertakes the analysis - configuration - installation - support of business ERP software applications, the **development of special custom** applications, when necessary, the installation - optimisation - support of multi-user network systems, telecommunication networks (VPN, Cloud Services) etc. Its clientele includes companies from almost the entire spectrum of professional activities such as industries, craft industries, trade, services, accounting offices, etc.

- On June 18, 2021, an Extraordinary General Meeting was convened and took the following decisions on the items on the agenda:

1. They approved a Draft Agreement dated 15/05/2021 for the spin-off of the sector of business and accounting applications for businesses and ERP systems developed to be used in the PYLON platform

and in particular the products of Pylon Commercial, Pylon ERP, Pylon CRM, Pylon Shop, Pylon Auto Service, Pylon Auto & Moto Cube, Pylon Retail, Pylon Entry, and the sector's contribution to its subsidiary (by 57.60%) under the name “Epsilon SingularLogic S.A. IT Company” and trade name “Epsilon SingularLogic S.A.” (General Commercial Registry No. 157876205000) (recipient company), which has its registered office at the Municipality of Pylea-Chortiatis and is lawfully represented, in return for the acquisition of an equity stake in the recipient company following presentation of the following: a) the Accounting Statement of the Contributed Sector as at 28/02/2021; b) the explanatory report dated 15/05/2021 of the Company’s Board of Directors in accordance with article 61 of Law 4601/2019; and c) the report dated 14/05/2021 of the audit company trading as “HBP CERTIFIED PUBLIC ACCOUNTANTS SOCIETE ANONYME” and trade name “HBP S.A.”, in compliance with article 17 of Law 4548/2018; and d) the report dated 15/05/2021 of the audit company trading as “HBP CERTIFIED PUBLIC ACCOUNTANTS SOCIETE ANONYME” and trade name “HBP S.A.” on the Draft Spin-off Agreement pursuant to article 10 of Law 4601/2019.

2. The spin-off of the sector of business and accounting applications for businesses and ERP systems developed to be used in the PYLON platform was approved and in particular the products of Pylon Commercial, Pylon ERP, Pylon CRM, Pylon Shop, Pylon Auto Service, Pylon Auto & Moto Cube, Pylon Retail, Pylon Entry, and the sector's contribution to its subsidiary (by 57.60%) under the name “Epsilon SingularLogic S.A. IT Company” and trade name “Epsilon SingularLogic S.A.” (General Commercial Registry No. 157876205000) (recipient company) in return for the acquisition of an equity stake in the recipient company pursuant to articles 57(2) and 58 of Law 4601/2019 and the provisions of Law 4548/2018 and article 52 of Law 4172/2013.

3. All decisions and actions taken up to date by the Board of Directors and the Company's representatives involving the above spin-off and contribution of sector were approved.

4. The authorisation granted to Mr Ioannis Michos, Chairman of the Board of Directors and CEO, to sign the notarial deed of spin-off and carry out any other action required for completing the spin-off was approved.

- On June 30, 2021, the Ordinary General Meeting was convened and approved all items on the agenda. More specifically, they made the following decisions:

Item 1: The Annual Financial Statements of the Company and the Consolidated Financial Statements of the financial year 2020 (from 01/01/2020 to 31/12/2020) together with the Reports of the Board of Directors and the Certified Public Accountant thereon were approved.

Item 2: The appropriation of profits of the accounting period from 01/01/2020 to 31/12/2020 was approved together with the distribution of dividends to the Company's shareholders, which total six hundred twenty-nine thousand and eight hundred Euros (€629,800.00), this accounting for €0.047 per share. Of this amount, tax will be withheld to be paid to the Greek State and, therefore, the net payable dividend per share amounts to €0.04465. 20/07/2021 and 21/07/2021 were approved as cut-off date and beneficiary designation date, respectively (based on the record date rule) while the respective dividend amount will start being paid to the shareholders as of 27/07/2021. The Company will publish a separate announcement about how dividends will be paid to the shareholders in accordance with article 4.1.3.4 of the Athens Exchange's Rulebook.

Item 3: Overall management of the financial year 2020 by the Board of Directors was approved in compliance with article 108 of Law 4548/2018 and the discharge of certified public accountants from any liability for compensation was decided.

Item 4: The audit firm trading as "Collaborating Chartered Accountants S.A." (SOL S.A.) was elected to audit the financial year 2021 and the relevant audit will be conducted by its certified public accountants below: Mr Dimitrios Drakopoulos (Reg. No. in Body of Cert. Public Acc. 40061, Taxpayer Reg. No. 117802410 and ID Card No. AB201507) as ordinary auditor, and Ms Eleni Skaliotou (Reg. No. in Body of Cert. Public Acc. 23671, Taxpayer Reg. No. 053800096 and ID Card No. AE054321) as alternate auditor.

Item 5: The Remuneration Report involving the members of the Company's Board of Directors for the accounting period 2020 was approved, in compliance with the provisions of article 112 of Law 4548/2018.

Item 6: The compensation and fees paid to the members of the Board of Directors during 2020 for the services provided by them were approved together with the advance payment of compensation and fees for 2021 until the next annual Ordinary General Meeting.

Item 7: The annual management report on the accounting period 2020 (1/1/2020 to 31/12/2020) of the Audit Committee was approved. Such report was presented by its Chairman who informed the Ordinary General Meeting of the Company's shareholders about the activities of the Audit Committee.

Item 8: The Suitability Policy involving the members of the Company's Board of Directors was approved in line with article 3 of Law 4706/2020.

Item 9: A new Board of Directors was elected consisting of the following members: 1. Ioannis Michos of Nikolaos; 2. Vasiliki Anagnostou of Dimitrios; 3. Ioannis Koutkoudakis of Antonios; 4. Vasilios Prasas of Gavriil; 5. Paschalis Michalopoulos of Georgios; 6. Andreas Gribelas of Dimitrios; 7. Ekaterini Daskalopoulou of Georgios; 8. Nikolaos Komninos of Zacharias; 9. Spyridon Avdimiotis of Konstantinos; and 10. Eleftherios Karabinas of Michail. The tenure of the Board of Directors is set at four (4) years. The Meeting established that Nikolaos Komninos, Spyridon Avdimiotis and Eleftherios Karabinas meet the independence criteria in accordance with article 4 of Law 3016/2002 and article 9 of Law 4706/2020. The new Board of Directors will be formally established soon.

Item 10: It was decided that the Audit Committee should be a committee of the Board of Directors and consist of three (3) non-executive members of the Board of Directors who, in their majority or as a whole,

will be independent (non-executive) members meeting the independence conditions under article 4 of Law 3016/2002, and article 9 of Law 4706/2020, whose tenure will coincide with their tenure as Directors. Its members will be appointed by the Board of Directors once the latter is formally established.

Item 11: The authorisation granted to the Board of Directors to establish and implement a two-year Stock Option Plan in the form of stock options was approved, in accordance with article 113 of Law 4548/2018, in relation to Management Executives and employees of the Company and its affiliated entities within the meaning of article 32 of Law 4308/2014. Up to four hundred thousand (400,000) new ordinary registered shares of the Company will be issued and distributed at a selling price of €2.40 each.

Item 12: The activities of the Board of Directors during 2020 were approved.

Effect of the COVID-19 Pandemic

The emergence and evolution of the COVID-19 pandemic, in combination with the measures taken to deal with it, had a negative impact on economic activity both internationally, nationally and locally.

In this context, the Epsilon Net Group, with responsibility, determination and commitment to its corporate values in this difficult time, actively participated in the effort of the Greek state to limit the spread of coronavirus (COVID-19) in the protection of public and of private health, successfully implementing a series of special measures to deal with its transmission, in accordance with the decisions and suggestions of the Ministry of Health, NPHO, of the Committee of Infectious Diseases, which in full harmonization with the decisions of the ECDC and the recommendations of the World Health Organization, aimed at the health and safety of employees, customers, and associates of the Group and their families.

The Management of the Group responsibly acted immediately taking measures to ensure:

- a) The health and safety of employees, customers and partners.
- b) The business continuity of the Group's activities with the utilization of the Group's technological infrastructures
- c) Minimizing the operational and financial consequences of COVID-19 dispersion measures.

Specifically:

- The Company proceeded to total disinfection of all its premises and offices in Thessaloniki & Athens as a general preventive measure
- The Occupational Physician initially informed the Company staff in detail about the pandemic and its consequences, while then he was in constant contact with them to solve all the questions, giving clarifications and medical instructions where required.
- Systematically and at regular intervals, the Human Resources Department informed and continues to inform about the ways of prevention and protection of employees and their families (with emphasis on vulnerable groups) in accordance with the instructions of NPHO.

-
- Instructions for staying at home were given immediately to those who showed even mild symptoms of seasonal flu.
 - All teleworking infrastructures in which the Group had already invested were activated and from 23.03.2020 90% of the Company's staff and all its subsidiaries implemented teleworking with absolute success and safety
 - The staff was informed about the possibility of utilizing and issuing special purpose permits.
 - Continuous instructions are given for the protection of employees both during business trips and for visits to and from external partners and clients.

The Epsilon Net Group, having steadily invested in technologies and equipment that support remote work and guarantee maximum security in data management, with the appropriate training of all its staff, designed and implemented policies & procedures for full remote work, without changing the high level in the way of communication / support with its customers and external partners.

With an absolute sense of responsibility for the health and safety of the Group's employees and their families, almost all the staff work consistently from home and with absolute success the operation of all the companies of the Group continues smoothly and efficiently.

Furthermore, having started the gradual return of the employees to their working place, the Company has taken care to ensure all the necessary precautionary measures by distributing daily masks and protective gloves, antiseptic liquid while at the same time taking care to observe the necessary distances between working places according to the updated protocols of the Ministry of Health

The effects of the pandemic are expected to have a negative impact on global economic activity and the fiscal targets of the Greek government.

The rapid spread of the COVID - 19 pandemic worldwide has led to a reduction in the level of operation or even under-operation of many companies. The Group is likely to face the effects of the imposition of traffic restrictions, market downturns, changes in customer behavior due to fear of the effects of the pandemic, as well as the negative impact on the Group's workforce, if the virus is widely spread in the areas of activity of the Group.

The impact of the extremely difficult situation of the domestic and global economy for the duration of 2021, is considered not to have particularly negative consequences on the financial situation of the Group (as in 2020) for several reasons, the main ones of which are:

- A) The Group has a very strong clientele, numbering over **75,000** active customers, with a wide range of software programs, which does not create dependencies on specific customers and shares the risk.
 - B) The Group's clientele covers a wide range of activities of the domestic economy and is not expected to expose it to major negative changes that may occur due to COVID-19 in specific sectors of the Greek economy.
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C) In addition, the non-dependence on high value contracts (which may exist in other IT companies), creates financial stability as the Group's average pricing per customer is low, leads to high receivables and drastically reduces exposure and dependence on "large" customers.

D) The software and services of the Group are necessary for the daily operation of the companies, as they are commercial programs but also payroll calculations and personnel management programs, which are the absolutely necessary tools for all companies to continue their operation and data exchange. with state authorities. The essential usefulness of the Group's tools was enhanced by the impact of the measures to deal with the financial consequences of COVID-19, as their utilization by companies and accounting required robust and up-to-date information systems with immediate adaptation to the constant changes of special Employment, Insurance and Tax provisions.

The high rate of return enables the Group (in any possible development of the effects of the pandemic) not to require significant additional funds or significant additional credit lines in relation to the existing ones to meet its financing needs and to continue its operation smoothly in every level.

At the date of preparation of the Financial Statements, because of the COVID-19 pandemic, there was no termination of existing customers' contracts and therefore the part of sales coming from existing customers was not affected.

At the moment there is not the slightest indication of a decrease in demand for the Group's products and services, while on the contrary there are serious indications for an even greater increase in demand for new products and services of the Group due to recent developments in e-bookkeeping and the obligation of all companies to adapt to the new context in the near future, seems to dynamically stimulate the demand for services from the existing clientele.

The Management is constantly monitoring all developments and preparing for all contingencies for the second semester of this year.

Due to the high degree of uncertainty that exists, although it is not the most likely scenario, it may hit the second semester of the year in a way that cannot be predicted.

The strong liquidity of the Group and the adaptability shown by the Group in respective crises create the reasonable optimism that a possible new wave of the pandemic will be successfully dealt with.

1. FINANCIAL RISKS MANAGEMENT

a) Significant judgments, estimates and assumptions

The preparation of the Financial Statements presupposes estimates and assumptions-making, which may affect the accounting balances of the assets and liabilities and the required disclosures for possible receivables and liabilities as well as the amount of income and expenses identified.

The activities conducted by the Group and the Company generate various financial risks such as credit risks, liquidity risks and market risks. The Group's and Company's strategy and policy is to prevent and minimize the unfavorable impacts that may arise from these risks.

The financial products that the Group and Company primarily use consist of trade receivable accounts, bank deposits, trade receivables discounting accounts, investments in securities and accounts payables. The accounting department in collaboration with its other divisions that manage these risks, is responsible for their detection, assessment, and hedging, where necessary.

The use of adequate information and the application of subjective judgment are integral to conducting valuations of assets, liabilities from staff benefits, impairment of receivables, pending tax liabilities and pending legal proceedings. Estimates are considered important but not binding. Actual future results may differ from the above estimates. The most important sources of uncertainty in the Management's accounting estimates mainly concern the disputed cases and the unaudited fiscal years. Other sources of uncertainty are related to the management's assumptions regarding staff retirement plans such as salary increases, remaining years of service, inflation, etc. Also, a source of uncertainty is the estimate of the useful life of fixed assets. The above estimates and assumptions are based on the experience of the Management so far and are re-evaluated to be updated in the current market conditions.

(b) Significant contingencies and risks

Current Economic Developments in Greece

The digital transformation that is taking place today in both the private and the wider public sector is the most important factor for the development of the examined market. New international trends that demand the shift of businesses to Cloud Computing (which is a more flexible way of distributing software than on-premises software) and the utilization of their data (ICAP industry study - March 2020) also affect the domestic market

Furthermore, the intention of the Independent Public Revenue Authority (AADE) to compulsorily implement electronic invoicing and transmission as well as the application of electronic books (My Data) for all businesses, drives the developments of the digital transformation of businesses at a faster pace. The ability to use software applications via mobile (Mobile Applications) and the need to operate businesses remotely, especially currently due to the COVID-19 pandemic, create new conditions in the business software market.

- **Market Risk**

Market risk, which include foreign exchange risk, due to changes in foreign exchange rates, fluctuations that affect the prices of financial instruments due to a change in the interest rate and price risk, i.e. is the

risk of a decline in the value of a financial instrument, due to a change in market prices either caused by factors that are specifically related to the instrument or to the issuer, or by factors that generally affect the market's tradable instruments.

Although the company is exposed to this risk, which primarily concerns foreign currency commercial transactions, management does not use financial tools to reduce this risk because it does not consider that the transactions are significant due to their value and frequency. However, the company's position in relation to the above risk and the use of specific financial management tools to reduce the risk is reviewed on an annual basis.

i. Foreign exchange Risk

Almost all transactions of the Group and the Company take place in euros, therefore there is no exposure to foreign exchange risk.

ii. Risk of Changes in Market Interest Rates and Price Risk

The Group and the Company have interest-bearing financial assets, such as demand and term deposits and equity securities. In addition, the Management's policy is to have a floating interest rate for the borrowing products of the Company and the Group. Despite the fact that there is a risk for the group and the company, the management does not use financial tools to reduce this risk, because it does not consider the transactions important, due to their value and frequency. However, on an annual basis, the position of the company reassessed in relation to the above risk and the need to use specific financial instruments to mitigate it is evaluated.

iii. Cash flow interest rate risk

Cash flow interest rate risk is the risk of fluctuating future cash flows of a financial instrument due to a change in market interest rates.

With respect to the Group and the Company, this risk primarily stems from long-term loans, of which those that have been concluded with a variable interest rate expose it to a cash flow risk, whereas those that have been concluded with a fixed interest rate expose it to the risk of fair value changes of these loans. The Group and the Company's policy is to conclude loans with a variable interest rate, thus hedging the future cash flow risk with changes in the values of its sold goods, when significant changes are anticipated in the loan interest payments.

- **Credit Risk**

Credit risk is the chance of loss due to one of the contracting parties to a financial instrument not meeting contractual obligations causing financial loss to the other party. The Group and the Company are not significantly exposed to credit risk because on the one hand, wholesale trading is carried out with credible customers with a positively evaluated credit history and on the other hand, retail sales are primarily made in cash.

The Group and the Company's transactions with customers are developed after an assessment of their solvency and reliability, to avoid problems of late payments and bad debts. Customers' credit limits are monitored at regular intervals and redefined if necessary. Receivables from customers are widely dispersed and therefore credit risk is kept to a minimum. The fair value of the financial data at the closing of the balance sheet on 30/06/2021 is presented below:

	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Customers and other trade receivables	13,739,763.37	11,488,567.46	6,529,026.15	7,235,655.68
Relevant provisions	(1,347,483.60)	(1,339,929.42)	(893,144.01)	(1,101,651.12)
	12,392,279.77	10,148,638.04	5,635,882.14	6,134,004.56

At the closing of the Balance Sheet as at 30/06/2021 the Management deems that there is no credit risk not covered by the provision for bad-debt receivables.

- **Liquidity risk**

Liquidity risk is due to difficulties in finding capital to cover liabilities that are related to financial instruments.

The Group and the Company have a low exposure to liquidity risk as they have sufficient cash and cash equivalents to cover short-term liabilities. In addition, it has high limits on unsecured bank financing. The ratio of current assets to short-term liabilities for the Group on 30/06/2021 was set at 212.0% compared to 263.0% on 31/12/2020 and respectively for the Company on 30/06/2021 it was 204.0% compared to 261.0% on 31/12/2020.

The following table presents the maturity analysis of the financial obligations of the Group and the Company:

GROUP				
30.06.2021				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	5,590,763.98	9,988,776.28	-	15,579,540.26
Lease liabilities	580,768.59	1,601,734.43	231,460.56	2,413,963.58
Suppliers and Other Trade Liabilities	9,516,275.32	139,713.02	-	9,655,988.34
	15,687,807.89	11,730,223.73	231,460.56	27,649,492.18

31.12.2020				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	4,185,465.68	10,865,126.36	-	15,050,592.04
Lease liabilities	584,347.88	1,692,084.50	281,159.84	2,557,592.22
Suppliers and Other Trade Liabilities	7,849,924.05	138,598.06	-	7,988,522.11
	12,619,737.61	12,695,808.92	281,159.84	25,596,706.37

COMPANY				
30.06.2021				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	4,076,317.35	4,328,362.87	-	8,404,680.22
Lease liabilities	315,797.63	703,885.58	241,429.30	1,261,112.51
Suppliers and Other Trade Liabilities	3,984,817.56	132,897.30	-	4,117,714.86
	8,376,932.54	5,165,145.75	241,429.30	13,783,507.59

31.12.2020				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	2,941,021.22	9,068,278.40	-	12,009,299.62
Lease liabilities	313,012.06	747,980.43	217,880.87	1,278,873.36
Suppliers and Other Trade Liabilities	4,977,172.41	132,897.30	-	5,110,069.71
	8,231,205.69	9,949,156.13	217,880.87	18,398,242.69

• Other Operating Risks

The insurance coverage for assets and other risks is deemed adequate as at 30/06/2021 for the Group and the Company. Moreover, the Management of the Group and Company has installed an adequate and reliable internal control system to prevent risks associated with its commercial operations.

• Capital Management Risk

The objectives of the Company in relation to capital management are to ensure the possibility of smooth operation of the Company in the future in order to provide satisfactory returns to shareholders and other participants and to maintain an ideal distribution of capital thus reducing the cost of capital.

To maintain or adjust its capital structure, the Company may change the dividend to shareholders, return capital to shareholders, issue new shares or sell assets to reduce its debt.

In accordance with similar practices in the industry, the Company monitors its capital based on the leverage ratio. This ratio is calculated by dividing net borrowing by total capital employed. Net borrowing is calculated as “Total borrowing” (including “short-term and long-term borrowing” and the balance of lease liabilities as shown in the statement of financial position) less “Cash and cash equivalents”. Total employed capital is calculated as “Own Equity” as shown on the balance sheet plus net borrowing.

The leverage ratio on 30/06/2021 and 31/12/2020 respectively was as follows:

<i>(amounts in 000 €)</i>	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Total borrowing liabilities (Note 15)	15,549,540.26	15,050,592.04	8,404,680.22	12,009,299.62
Lease liabilities (Note 16)	2,413,963.58	2,557,592.22	1,261,112.51	1,278,873.36
Less:				
Cash and cash equivalents (Note 13)	18,963,503.75	20,788,875.39	9,824,233.57	13,844,031.22
Net borrowing amount	(969,999.91)	(3,180,691.13)	(158,440.84)	(555,858.24)
Total Equity	29,309,604.00	22,205,642.44	34,816,515.05	19,253,716.06
Total employed capital	28,339,604.09	19,024,951.31	34,658,074.21	18,697,857.82
Leverage ratio	(3.42%)	(16.72%)	(0.46%)	(2.97%)

PROSPECTIVE WORKS PROGRESS

Information about the Prospects and the Development of the Group & the Company

The IT sector is one of the most important sectors of the Greek economy, due to the growing demand for automation and digitization observed in recent years in both the private and public sectors. At the same time, as Greek international competitiveness is limited due to the low degree of digitization of its small and medium-sized businesses, emphasis is placed on the digital capabilities and advanced skills needed to meet global competition and social challenges, as well as to deliver the benefits of digital transformation to every citizen and business.

Epsilon Net Group Management observes the developments in the Greek economy and in particular in the developments of the sector in which it operates and using the experience of successful management of previous years, evaluates the existing conditions aiming at the continuous assessment of future investment

and operational needs and the immediate adjustment of the Group's Business Plan as necessary, with the aim of maintaining and increasing the operational efficiency of the Group's companies, the expansion of clientele and the implementation of new investments.

At the same time, the Group continues to move in the long-term interest of the participants (stakeholders) of the company, focusing on market penetration of small, medium and large companies in Greece, in terms of the business software sector as a whole, further penetration of software payroll and human resource management applications (Payroll & HRM Systems) in companies and further penetration in the market of accounting offices and freelance accountants - tax experts with new programs and specialized services as well as new technologically developed solutions that pioneer in the Greek market such as the Digital Accounting solution.

At the same time, it develops strategies aiming at the development and investment in the field of Financial Technology (FinTech). Furthermore, the decision of the Independent Public Revenue Authority to compulsorily implement electronic invoicing and transmission as well as the application of electronic books (My Data) for all businesses, drives the developments of the digital transformation of businesses at a faster pace; the Company monitors this and is already offering new products, systems and services completely adapted to the new legal requirements.

At the same time, based on its comprehensive contribution to the Digital Transformation of the private sector, Epsilon Net Group systematically monitors the developments in the field of new financing possibilities that will arise in the near future from the EU "Recovery and Resilience Fund" and the "NSRF 2021-2027" and has strategically prepared partnerships with both financial institutions and multinational technology providers in order to make the most of the business opportunities which globally arise related to technological development.

The Group, loyal to its vision for continuous development and pioneering in the digital transformation of companies, is at the forefront of developments to provide leading technology services in the Greek market.

The strategy of the Epsilon Net Group concerns both the level of business development and expansion as well as the development-provision of integrated IT solutions and services. In particular, the areas in which it focuses with targeted actions are the following:

- Strengthening the anthropocentric management model and the further utilization of the human resources of the Company and the Group, aiming at the development and the possibility of supporting the requirements of the growing clientele of the Group.
- Expansion in Greece and abroad through technological collaborations utilizing the PYLON platform (ISV partnership agreement).

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- Expanding market share in the category of accounting firms and tax authorities through the constant provision of support services, information, and innovative solutions.
 - Increase of sales in the fields of Human Resources (HR) and payroll systems with the extension of solutions to specialized categories of companies and objects of monitoring, training and evaluation of staff.
 - Increase of sales to companies with needs for new business software systems, which include:
 - a) Enterprise Resource Planning (ERP),
 - b) Customer Relationship Management (CRM), and c) Trading Accounting Applications.
 - Integrated approach and coverage of the needs of the "very small" and "small" and "individual" companies of the Greek market which due to the new framework of "Digital Transformation" prepared by AADE for e-books (myDATA), they will also proceed with the digitalization and monitoring of their financial activities.
 - Strengthening the cooperation with alternative channels for the distribution of products in the Greek market.
 - Utilization of the hybrid technology of the PYLON platform and the expansion in modern technologies and applications in the field of Financial Technology (FinTech).
 - Maintaining sufficient liquidity by expanding commercial partnerships and taking advantage of the comparative advantage held by the Group in the industry
 - Continuous increase of the operational efficiency of the business actions of the companies of the Group in combination with the cost advantages which derive from the maximization of the synergies within the Group.
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Group's Structure – Subsidiaries & Associated Companies

Name	Address	Purpose	Share Capital	Date of Establishment/Acquisition	Participation Rate (%)	Consolidation Method
EPSILON PYLON SA	Side Road, 87, 17th November - 555 34 - Pylaia - Thessaloniki	Provision of Educational Services	60,000 shares of 1.00 € each	05.01.2009 (establishment)	99,983%	Full Consolidation
EPSILON EUROPE PLC	2 Agias Fylaxeos & Zinonos Rossidi - POBox 596 55 - 4011 - Limassol - Cyprus	Development of Group's Operations in Europe	300,000 shares of 1.00 € each	23.01.2009 (establishment)	99,966%	Full Consolidation
EVOLUTIONSNT PLC	80 Strafford Gate Potters Bar - Herts - United Kingdom - EN6 1PG	Development of Group's Operations in Europe	2,035,345 shares of 1.00 £ each	26.09.2012 (establishment)	99,956% (indirect participation)	Full Consolidation
EVOLUTIONSNT (UK) LTD	80 Strafford Gate Potters Bar - Hertfordshire - England - EN6 1PG - United Kingdom	Development of Group's Operations in Europe	1,000 shares of 1.00 £ each	02.10.2014 (establishment)	100,000% (indirect participation)	Full Consolidation
EPSILON HR SA	Side Road, 87, 17th November - 555 34 - Pylaia - Thessaloniki	Software Production and Marketing	25,000 shares of 1.00 € each	22.02.2016 (establishment)	65,000%	Full Consolidation
EPSILON SUPPORT CENTER A.E.	5-7 Andromachis - 562 24 - Evosmos - Thessaloniki	Provision of IT Services	20,000 shares of 10,00 € each	02.08.2019 (establishment)	51,000%	Full Consolidation
HOTELIGA INTERNATIONAL Sp. Z o.o.	Al. Jana Pawla II 43b 20 31-864, Krakow, Poland	Provision of IT Services	143 shares of 50,00 PLN (€) each	21.07.2020 (acquisition)	51,000%	Full Consolidation
DATA COMMUNICATION A.E.	2 Panagi Tsaldari & Zaimi - 151 27 - Melissia - Attica	Provision of IT Services	3,750,000 shares of 0,53 € each	27.10.2020 (acquisition)	100,000%	Full Consolidation
EPSILON SINGULARLOGIC A.E.	Side Road, 87, 17th November - 555 34 - Pylaia - Thessaloniki	Provision of IT Services	10,025,000 share of 1,00 € each	20.01.2021 (establishment)	67,505%	Full Consolidation
TECHNOLIFE E.I.E.	6 Agisilaou str- 542 50 - Charilaou - Thessaloniki	Provision of IT Services	350 shares of 100,00 € each	07.06.2021 (acquisition)	60,000%	Full Consolidation
HIT HOSPITALITY INTEGRATED TECHNOLOGIES A.E.	350 Sygrou Ave, 176 74 Kallithea	Provision of IT Services	86,020 share of 2,93 € each	20.12.2019 (acquisition)	34,00%	Equity
SINGULARLOGIC A.E.	3 Achaia str & Trizinias - 145 64 - Kifisia-Attiki	Provision of IT Services	9,000,000 shares of 1,00 € each	11.01.2021 (acquisition)	49,835%	Equity

On September 14, 2021, EPSILON NET announced that its subsidiary Epsilon SingularLogic S.A. completed the acquisition of a majority stake (80%) in “A. Triantafyllidis - D. Zachos General Partnership” trading as iQom and operating in the provision of specialised IT solutions to private sector entities.

RELATED PARTY TRANSACTIONS

The amounts of the parent company's transactions resulting from transactions with its related parties, in accordance with IAS 24, during the period from 01.01 to 30.06.2021 are as follows:

BUYER															
Amounts in €	TOTALLY CONSOLIDATED									CLEAR POSITION METHOD	OTHER RELATED COMPANIES				TOTAL AMOUNT
	EPSILON NET S.A.	EPSILON PYLON S.A.	EPSILON EUROPE PLC	EPSILON HR S.A.	EPSILON SUPPORT CENTER S.A.	HOTELIGA INTERNATIONAL SP ZOO	DATA COMMUNICATION S.A.	EPSILON SINGULARLOGIC S.A.	TECHNOLIFE LTD	HIT HOSPITALITY INTEGRATED TECHNOLOGIES S.A.	OIKONOMIKES & MECHANOGRAFIKES LYSEIS L.P.	OIKONOMIKES EKDOSEIS L.P.	SCAN S.A.	TAX-RIGHT LTD	
S E I L E A	EPSILON NET S.A.	-	642,652.91	-	749,964.48	6,985.88	3,008.41	3,364.00	6,915.00	11,925.09	736.94	-	-	-	1,425,552.71
	EPSILON PYLON S.A.	-	-	-	-	-	-	-	-	-	3,406.02	-	-	-	3,406.02
	EPSILON EUROPE PLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	EPSILON HR S.A.	10,021.22	7,700.00	-	-	-	-	-	-	-	-	-	-	-	21,040.22
	EPSILON SUPPORT CENTER S.A.	137,856.01	1,324.40	-	-	-	-	-	2,628.00	-	-	-	700.00	-	142,518.81
	HOTELIGA INTERNATIONAL SP ZOO	4,884.18	11,251.00	-	-	-	-	3,138.40	-	-	-	-	-	-	16,135.18
	DATA COMMUNICATION S.A.	26,296.00	-	-	95,624.87	-	-	8,990.00	-	-	-	-	-	-	130,910.87
	EPSILON SINGULARLOGIC S.A.	-	-	-	3,173.00	-	-	-	-	2,911.74	-	-	-	-	6,086.74
	TECHNOLIFE LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	HIT HOSPITALITY INTEGRATED TECHNOLOGIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	OIKONOMIKES & MECHANOGRAFIKES LYSEIS L.P.	30,000.00	-	-	-	-	-	-	-	-	-	-	-	-	30,000.00
	OIKONOMIKES EKDOSEIS L.P.	42,619.93	-	-	-	-	-	-	-	-	-	-	-	-	42,619.93
SCAN S.A.	35.00	-	-	42,372.31	-	-	-	-	-	-	-	-	-	42,407.31	
TAX-RIGHT LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL AMOUNT		251,712.34	662,928.31	-	891,136.66	6,985.88	3,008.41	3,364.00	19,043.40	17,464.83	4,142.96	-	700.00	-	1,860,486.79

The companies “OIKONOMIKES EKDOSEIS LP”, “OIKONOMIKES & MECHANOGRAFIKES LYSEIS LP”, “SCAN S.A.” and “TAX RIGHT LTD” are not consolidated with the EPSILON NET Group.

LIABILITIES																
R E C E I V A B L E S	Amounts in €	TOTALLY CONSOLIDATED									CLEAR POSITION METHOD	OTHER RELATED COMPANIES				TOTAL AMOUNT
		EPSILON NET S.A.	EPSILON PYLON S.A.	EPSILON EUROPE PLC	EPSILON HR S.A.	EPSILON SUPPORT CENTER S.A.	HOTELIGA INTERNATIONAL SP ZOO	DATA COMMUNICATION S.A.	EPSILON SINGULARLOGIC S.A.	TECHNO LIFE LTD	HIT HOSPITALITY INTEGRATED TECHNOLOGIES S.A.	OIKONOMIKES & MECHANOGRA PHICS LYSEIS L.P.	OIKONOMIKES EKDOSES L.P.	SCAN S.A.	TAX- RIGHT LTD	
	EPSILON NET S.A.	-	40,130.27	-	498,260.36	7.60	1,207.22	-	533,221.79	22,671.68	-	46.82	-	0.07	-	1,095,545.81
	EPSILON PYLON S.A.	-	-	-	236.22	-	-	-	-	2,715.84	-	-	-	-	-	2,952.06
	EPSILON EUROPE PLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	EPSILON HR S.A.	9,893.59	2,265.46	-	-	-	-	-	-	8,404.88	-	-	-	-	-	20,563.93
	EPSILON SUPPORT CENTER S.A.	7,754.59	-	-	-	-	-	-	76,860.66	-	-	-	-	-	-	84,615.25
	HOTELIGA INTERNATIONAL SP ZOO	4,884.18	3,879.00	-	-	-	-	-	-	-	-	-	-	-	-	8,763.18
	DATA COMMUNICATION S.A.	11,522.08	-	-	92,700.99	-	-	-	-	-	-	-	-	-	-	104,223.07
	EPSILON SINGULARLOGIC S.A.	-	-	-	3,937.00	-	-	-	-	-	-	-	-	-	-	43,030.66
	TECHNO LIFE LTD	-	-	-	-	-	-	-	-	39,093.66	-	-	-	-	-	-
	HIT HOSPITALITY INTEGRATED TECHNOLOGIES S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	OIKONOMIKES & MECHANOGRA PHICS LYSEIS L.P.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	OIKONOMIKES EKDOSES L.P.	38,577.41	-	-	-	-	-	-	-	-	-	-	-	-	-	38,577.41
	SCAN S.A.	-	-	-	20,887.48	-	-	-	-	-	-	-	-	-	-	20,887.48
	TAX- RIGHT LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL AMOUNT	72,631.85	46,274.73	-	616,022.05	7.60	1,207.22	-	610,082.45	72,886.06	-	46.82	-	0.07	-	1,419,158.85

The amounts of the transactions of the Group and the Company, which relate to transactions with executives & members of management, according to IAS 24, at the end of the current period are as follows:

Amounts in Euro €	GROUP		COMPANY	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
Transactions and remuneration of Executives and Management Members	470,418.55	339,708.92	255,519.29	222,638.27
Requirements from Executives and Members of Management	61,497.39	34,589.01	29,911.94	30,751.82
Obligations to Executives and Management Members	21,566.19	20,067.58	21,558.71	20,066.66

MAIN FINANCIAL PERFORMANCE INDICATORS

Financial Performance Indicators (FPIs) aims at a better understanding of the financial and operating results of the company and the group, their financial position as well as their cash flow statement. The alternative indicators (EDMA) must be considered in conjunction with the financial results prepared in accordance with IFRS and in no way replace them.

The most important measure of performance is the EBITDA which concerns the result before taxes, interest and depreciation and arises directly from the Statement of Comprehensive Income of the Financial Statements. The EBITDA index on 30/06/2021 amounted to € 6.19 million for the group and € 4.13 million for the company. The corresponding amounts of last year were € 1.83 million for the group and € 1.42 million for the company.

Group		30/06/2021		30/06/2020	
GROSS PROFIT MARGIN	Gross profit	10,757,790.85	60%	4,796,107.45	57%
	Sales	17,828,511.71		8,445,357.82	
NET PROFIT MARGIN BEFORE TAXES	Net Profit Before Taxes	4,976,270.66	28%	982,689.00	12%
	Sales	17,828,511.71		8,445,357.82	
CURRENT ASSETS / TOTAL ASSETS		30/6/2021		31/12/2020	
	Current Assets	33,204,340.80	56%	33,194,288.69	67%
	Total Assets	59,135,353.30		49,854,233.32	
DEGREE OF FIXED ASSETS FINANCING FROM EQUITY	Equity	29,309,604.00	268%	22,205,642.44	204%
	Fixed Assets	10,933,065.94		10,891,019.48	
ASSET LIQUIDITY RATIO	Current Assets	33,204,340.80	212%	33,194,288.69	263%
	Current Liabilities	15,687,807.89		12,619,737.61	
FOREIGN TO OWN CAPITAL	Total Liabilities	29,825,749.30	102%	27,648,590.88	125%
	Equity	29,309,604.00		22,205,642.44	
CAPITALIZATION INDEX	Fixed Assets	10,933,065.94	18%	10,891,019.48	22%
	Total Assets	59,135,353.30		49,854,233.32	
Company		30/06/2021		30/06/2020	
GROSS PROFIT MARGIN	Gross profit	5,036,565.91	60%	3,257,854.61	53%
	Sales	8,353,655.82		6,261,743.37	
NET PROFIT MARGIN BEFORE TAXES	Net Profit Before Taxes	3,470,002.32	42%	735,836.99	12%
	Sales	8,353,655.82		6,261,743.37	
CURRENT ASSETS / TOTAL ASSETS		30/6/2021		31/12/2020	
	Current Assets	17,118,220.21	35%	21,514,093.48	55%
	Total Assets	49,317,593.28		38,766,322.65	
DEGREE OF FIXED ASSETS FINANCING FROM EQUITY	Equity	34,816,515.05	799%	19,253,716.06	327%
	Fixed Assets	4,355,784.37		5,890,029.96	
ASSET LIQUIDITY RATIO	Current assets	17,118,220.21	204%	21,514,093.48	261%
	Current Liabilities	8,376,932.54		8,231,205.69	
FOREIGN TO OWN CAPITAL	Total Liabilities	14,501,078.23	42%	19,512,606.59	101%
	Equity	34,816,515.05		19,253,716.06	
CAPITALIZATION INDEX	Fixed Assets	4,355,784.37	9%	5,890,029.96	15%
	Total Assets	49,317,593.28		38,766,322.65	

OTHER INFORMATION

Shareholder composition

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

On 30/06/2021 shareholders, whether be natural or legal entities, which hold directly or indirectly a stake higher than 5% of the share capital are the following:

Shareholder	No. of Shares	% of share capital
Ioannis Michos	8,625,000	64.36%
BARCA CAPITAL MASTER FUND	1,108,029	8.27%
Shareholders owing < 5%	3,666,971	27.37%
Total	13,400,000	100.00%

Currently, shareholders, whether be natural or legal entities, which hold directly or indirectly a stake higher than 5% of the share capital are the following:

Shareholder	No. of Shares	% of share capital
Ioannis Michos	8,575,000	63.99%
BARCA CAPITAL MASTER FUND	1,108,029	8.27%
Total	9,683,029	72.26%

Board of Directors

Currently the Board of Directors of “EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME” consists of the following persons:

Name	Capacity of Member
Ioannis Michos of Nikolaos	Chairman & CEO, Executive Director
Avdimiotis Spiridon of Konstantinos	Vice president, Independent Non-Executive Director
Vasiliki Anagnostou of Dimitrios	Deputy CEO - Executive Director
Ioannis Koutkoudakis of Antonios	Executive Director
Vasilios Prasas of Gavriil	Executive Director
Paschalis Michalopoulos of Georgios	Executive Director
Andreas Gribelas of Dimitrios	Executive Director
Ekaterini Daskalopoulou of Georgios	Non-Executive Director
Eleftherios Karabinas of Michail	Independent Non-Executive Director
Nikolaos Komninos of Zacharias	Independent Non-Executive Director

The current Board of Directors of the Company was elected by the Ordinary General Meeting of the Company's shareholders on June 30, 2021, and was formally established during the meeting held on June 30, 2021 by the Board of Directors.

Two (2) committees operate within the Board of Directors:

- Audit Committee
- Remuneration & Nomination Committee

The Audit Committee of "EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME" consists of the following persons:

Name	Title	Title
Eleftherios Karabinas of Michail	Independent Non-Executive Director	Chairman
Nikolaos Komninos of Zacharias	Independent Non-Executive Director	Member
Spyridon Avdimiotis of Konstantinos	Independent Non-Executive Director	Member

The Audit Committee holds at least four (4) meetings per annum and also on an extraordinary basis, if necessary. There is a quorum when three (3) of its members are present.

The Remuneration & Nomination Committee of "EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME" consists of the following persons:

Name	Title	Title
Spyridon Avdimiotis, son of Konstantinos	Independent Non-Executive Director	Chairman
Ekaterini Daskalopoulou of Georgios	Non-Executive Director	Member
Eleftherios Karabinas of Michail	Independent Non-Executive Director	Member

Important events after the end of H1 2021

- On 14.07.2021 by virtue of the decision of the Ministry of Development and Investment registered in the General Commercial Register on the same day with Registration Number 2582833, the demerger of the company SingularLogic (the “Demerged Company”) was completed, with the transfer to the subsidiary company of EPSILON NET under the name “Epsilon SingularLogic IT S.A” with the distinctive title “Epsilon SingularLogic S.A.” (“ the Beneficiary Company”) of the sector of self-produced software for commercial applications for businesses and ERP Sector in accordance with L. 4601/2019 (article 57 par.2), L. 4548/2018 and L. 4172/2013, under the agreement that the shareholders of the Demerged Company will acquire share capital of the Beneficiary Company.

Following the approval of the demerger the following consequences occur:

1. The Beneficiary Company substitutes, by way of universal succession, to all the transferred assets and liabilities, as it is set out in the transformation balance sheet of the hived down Sector (as at 28.02.2021) and formed up to today, day of the demerger’s completion.
2. the share capital of the Beneficiary Company, increased by the amount of € 7,500,000 with the issue of 7,500,000 new common registered shares of a nominal value of € 1 each, taken in their entirety by the shareholders of the Demerged Company by analogy to their stake percentages in the Demerged Company (pro rata).

After the above increase, the share capital of Epsilon SingularLogic S.A. (the Beneficiary Company) amounts to the total amount of € 17,525,000.00 divided into 17,525,000 common registered shares of a nominal value of € 1.00 each.

According to the above mentioned and after the transfer of 3,247,000 common shares of Epsilon SingularLogic S.A. dated 29.06.2021, from EPSILON NET S.A. to SPACE HELLAS S.A., for a total amount of € 3.247.000,00,

the shareholders structure of the Beneficiary Company is today as follows:

- 1) EPSILON NET S.A. 10,514,925 common shares or 60.00% stake
- 2) SPACE HELLAS S.A. 7,005,125 shares or 39.972% stake.
- 3) GLOBAL EQUITY INVESTMENTS S.A. 4,950 shares or 0.028% stake.

Additionally, in the frame of the implementation of the strategic plan for SingularLogic announced on 01.03.2021, EPSILON NET S.A. transferred to SPACE HELLAS S.A. 902,989 common shares of a nominal value of € 1.00 each, for a total amount of €930,078.67.

After this transfer, the shareholders structure of SingularLogic is as follows:

- 1) EPSILON NET S.A. 39.934% stake
- 2) SPACE HELLAS S.A. 60.000% stake.
- 3) GLOBAL EQUITY INVESTMENTS S.A. 0.066% stake.

The completion of this strategy is the solid proof of the strong cooperation between the two Groups (EPSILON NET & SPACE HELLAS) and is a milestone, on the way for the creation of the biggest corporate scheme in the IT industry in Greece.

- On July 28, 2021, Epsilon SingularLogic announced the composition of its management team as part of its intent to shape its technology strategy and implement its dynamic vision.

Mr **Andreas Gribelas, Chief Technology Officer (CTO)** of Epsilon Net already since 2013, **PYLON Platform Director** and **member of the BoD of Epsilon Net**, assumes the **General Management of Epsilon SingularLogic**. Mr Gribelas has long experience in software design and deployment for SME, ERP, Retail, CRM applications etc. for major IT companies in Greece having

worked as Software Platforms Unit Manager in SingularLogic, where he designed the Galaxy application platform, and as Technical Director and R&D Manager in IT companies for a number of years.

Mr **Ioannis Filippou**, having more than 25 years of experience in the IT sector, assumes the **General Management of Epsilon SingularLogic Integrator and PYLON ERP, GALAXY ERP, Compak solutions**, while undertaking the responsibility for connectivity of **Microsoft Dynamics 365, Epsilon Digital and myDATA solutions**. From this new position and relying on his long experience, Mr Filippou aims at the consolidation and penetration of **Epsilon SingularLogic** in demanding Greek digital transformation projects, focusing on medium-large and very large enterprises as well as on vertical solutions requiring specialisation, vertical integration and complex implementation.

Mr **Nikolaos Michos** has 12-year experience in the IT sector. Being closely and inextricably associated with the Partners Network throughout these years, he assumes the tasks of **Partners Network Commercial Manager of Epsilon SingularLogic**. Mr Michos assumes responsibility for an ever-increasing network which numbers more than 400 partners across Greece and is one of the most important pillars of development of Epsilon Net Group thanks to the long-standing and trustful partnerships with the entrepreneurs making up the Partners Network across the Greek territory.

- On July 29, 2021, the first **Epsilon Net Coding School** was completed and was met with great success using .NET technologies for new IT graduates and postgraduates by **Epsilon Net Group**.

The purpose of Epsilon Net Coding School was to **provide specialised knowledge**, bridging the gap between university education and labour market, offering young people, Junior Developers, the opportunity to set off their careers, obtain on-the-job training and upgrade their programming knowledge next to experienced executives. The ultimate goal is their professional advancement within the largest IT Group in Greece which fosters innovation and technology and develops dynamically.

- On September 14, 2021, **EPSILON NET** announced that its subsidiary **Epsilon SingularLogic S.A.** completed the acquisition of a majority stake (80%) in “A. Triantafyllidis - D. Zachos General Partnership” trading as **iQom** and operating in the provision of specialised IT solutions to private sector entities.

iQom has long experience in the development of special applications of standardised business software in the dynamic segment of **retail software**.

The company has a leading position among the entities operating **exclusively** in the Retail sector while being the fastest growing in its category. The company has provided more than 1,300 facilities to more than 550 customers while supporting more than 2,400 active users across Greece on a daily basis.

iQom has offices in Thessaloniki and Athens while its solutions are also promoted across Greece by a network of specialised agents who take part in the **onsite** support of its products in retail stores.

The total consideration for the acquisition of **80% of the company** amounted to **€1.8 million**, while the company's founders Messrs Achileas Triantafyllidis and Dimitrios Zachos will own the remaining 20% of **iQom** and will continue to contribute every day to the development of the company's operations across Greece.

The price of acquisition was paid through the share capital increase of Epsilon SingularLogic S.A. which was decided by the Extraordinary General Meeting of its shareholders (Epsilon Net 60%, Space Hellas 39.972%, Global Equity Investment 0.028%), thus reinforcing the commitment of Management of both Groups, i.e., Epsilon Net and Space Hellas, to robust business synergies.

Review Report on Interim Financial Information of Independent Certified Public Accountant

To the Board of Directors of EPSILON NET S.A.

Introduction

We have reviewed the accompanying separate and consolidated statement of financial position of EPSILON NET S.A. as of 30 June 2021 and the relative separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, 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 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 interim financial information based on our review.

Scope of Review

We conducted our 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 interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard “IAS 34”.

Report on other Legal and Regulatory Requirements

Our review did not identify material inconsistency or error in the statements of the members of the Board of Directors and the information of the six-month Financial Report of the Board of Directors as these are defined in article 5 and 5a of L. 3556/2007, with respect to the condensed separate and consolidated financial information.

Athens, 20 September 2021

Dimitrios Drakopoulos

Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 40061

SOL S.A.
Member of Crowe Global
3, Fok. Negri Str., 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

A. Financial Statements as of 30th June 2021

Statement of Financial Position

		GROUP		COMPANY	
Amounts in Euro €	Note	30.06.2021	31.12.2020	30.06.2021	31.12.2020
ASSETS					
Non-Current Assets					
Tangible Assets	6	4,667,489.58	4,662,583.03	1,295,624.74	1,655,482.87
Intangible Assets	7	6,265,576.36	6,228,436.45	3,060,159.63	4,234,547.09
Goodwill	8	4,382,524.23	4,112,733.28	-	-
Investments in Subsidiary Companies	9	-	-	17,244,398.02	9,502,023.02
Investments in Associates	10	10,178,588.72	1,039,451.47	10,025,000.00	1,000,000.00
Other Participation Titles		3,521.30	3,521.30	3,521.30	3,521.30
Deferred Tax Receivables	11	276,596.96	276,792.49	-	102,259.89
Lease Receivables		2,680.68	2,910.35	504,736.01	535,147.87
Other Long-term Receivables		154,034.67	183,046.26	65,933.37	68,777.13
Total Non-Current Assets		25,931,012.50	16,509,474.63	32,199,373.07	17,101,759.17
Current assets					
Inventories		50,314.54	42,768.85	34,985.74	32,549.18
Customers and Other Trade Receivables	12	12,392,279.77	10,148,638.04	5,635,882.14	6,134,004.56
Commercial Portfolio Securities		304,043.62	308,513.62	-	-
Lease Receivables		1,259.84	1,660.09	103,658.60	97,041.96
Other Receivables		1,492,939.28	1,903,832.70	1,519,460.16	1,406,466.56
Cash and Equivalents	13	18,963,503.75	20,788,875.39	9,824,233.57	13,844,031.22
Total Current Assets		33,204,340.80	33,194,288.69	17,118,220.21	21,514,093.48
Non-current Assets held for Sale		-	150,470.00	-	150,470.00
Total Assets		59,135,353.30	49,854,233.32	49,317,593.28	38,766,322.65
EQUITY AND LIABILITIES					
Equity					
Share Capital	14	4,020,000.00	4,020,000.00	4,020,000.00	4,020,000.00
Share Premium		4,614,507.96	4,614,507.96	4,614,507.96	4,614,507.96
Reserves		1,517,152.88	1,506,056.61	1,430,432.27	1,430,432.27
Retained Earnings		14,717,718.30	10,788,883.17	24,751,574.82	9,188,775.83
Total Equity Attributable to Parents Shareholders		24,869,379.14	20,929,447.74	34,816,515.05	19,253,716.06
Non-controlling Interests		4,440,224.86	1,276,194.70	-	-
Total equity		29,309,604.00	22,205,642.44	34,816,515.05	19,253,716.06
Non-current Liabilities					
Long-term Bank Debt	15	9,988,776.28	10,865,126.36	4,328,362.87	9,068,278.40
Lease Liabilities	16	1,833,194.99	1,973,244.34	945,314.88	965,861.30
Deferred Tax Liabilities	11	-	-	43,115.99	-
Liabilities for Pension Plans		2,176,257.12	2,051,884.51	674,454.65	1,114,363.90
Other Long-term Liabilities		139,713.02	138,598.06	132,897.30	132,897.30
Total Non-current Liabilities		14,137,941.41	15,028,853.27	6,124,145.69	11,281,400.90
Current Liabilities					
Suppliers and Other Trade Liabilities	17	3,704,129.01	2,687,859.34	664,950.48	1,802,102.22
Current Portion of Non-current Bank Debt	15	4,782,584.04	4,185,465.68	4,076,317.35	2,941,021.22
Current Portion of Lease Liabilities	15	580,768.59	584,347.88	315,797.63	313,012.06
Current Tax Liabilities	16	2,885,828.74	2,446,547.69	1,662,347.72	1,413,572.46
Other Short-term Liabilities		2,926,317.57	2,715,517.02	1,657,519.36	1,761,497.73
Total Current Liabilities		15,687,807.89	12,619,737.61	8,376,932.54	8,231,205.69
Total Liabilities		29,825,749.30	27,648,590.88	14,501,078.23	19,512,606.59
Total Equity and Liabilities		59,135,353.30	49,854,233.32	49,317,593.28	38,766,322.65

The notes on pages 41 to 78 constitute an integral part of these Financial Statements.

Total Income Statement

Amounts in €	Note	GROUP		COMPANY	
		1.1-30.06.2021	1.1-30.06.2020	1.1-30.06.2021	1.1-30.06.2020
Sales	19	17,828,511.71	8,445,357.82	8,353,655.82	6,261,743.37
Cost of Sales		(7,070,720.86)	(3,649,250.37)	(3,317,089.91)	(3,003,888.76)
Gross Profit		10,757,790.85	4,796,107.45	5,036,565.91	3,257,854.61
Other Operating Income		278,286.06	29,298.82	256,095.76	28,826.52
Administrative Expenses		(271,855.57)	(134,705.01)	(90,729.25)	(99,331.68)
Research & Development Expenses		(3,564,458.11)	(2,322,981.44)	(1,164,639.12)	(1,624,851.68)
Distribution Expenses		(1,817,082.58)	(1,170,023.68)	(398,133.26)	(694,375.95)
Other Operating Expenses		(178,463.54)	(71,994.22)	(10,486.33)	(29,244.72)
Operating Profit		5,204,217.11	1,125,701.92	3,628,673.71	838,877.10
Financial Revenue		19,633.12	16,088.21	20,967.51	23,143.01
Financial Expenses		(361,716.82)	(214,047.70)	(179,638.90)	(181,129.69)
Share of Profit / (Loss) of Associates		114,137.25	54,946.57	-	54,946.57
Net Profit before Taxes		4,976,270.66	982,689.00	3,470,002.32	735,836.99
Income Tax	11	(675,287.93)	17,407.82	(643,709.10)	21,986.30
Net Profit After Taxes (A)	18	4,300,982.73	1,000,096.82	2,826,293.22	757,823.29
<u>Attributable to:</u>					
- Parent's Shareholders		3,841,242.06	932,074.71	2,826,293.22	757,823.29
- Non-controlling Interests		459,740.67	68,022.11	-	-
		4,300,982.73	1,000,096.82	2,826,293.22	757,823.29
Other Comprehensive Income:					
Result of a Branch Contribution under common control of subsidiary company		-	-	12,750,000.00	-
Actuarial Profits / (losses) on Personnel Benefit Programs		-	-	-	-
Deferred Tax		(18,314.73)	-	(13,494.23)	-
Total Other Comprehensive Income (B)		(18,314.73)	-	12,736,505.77	-
Total Comprehensive Income (A) + (B)	18	4,282,668.00	1,000,096.82	15,562,798.99	757,823.29
<u>Attributable to:</u>					
- Parent's Shareholders		3,822,927.33	932,074.71	15,562,798.99	757,823.29
- Non-controlling Interests		459,740.67	68,022.11	-	-
		4,282,668.00	1,000,096.82	15,562,798.99	757,823.29
Weighted Average Number of Shares					
Ordinary Shares in Issue		13,400,000	11,175,440	13,400,000	11,175,440
Basic Earnings per Ordinary Share (in €)	18	0.2867	0.0834	0.2109	0.0678

The notes on pages 41 to 78 constitute an integral part of these Financial Statements.

Statement of Changes in Equity

GROUP

Amounts in Euro €

	Attributable to Parent's Owners					Non-controlling Interests	Total
	Share Capital	Treasury Shares	Reserves	Retained Earnings	Share Premium		
Balance 01 January 2020	3,352,632.00	(35,863.68)	1,415,485.10	8,304,742.08	8.61	569,547.95	13,506,552.06
Net Results for the Period 01.01 - 30.06.2020 After Taxes	-	-	-	1,000,096.82	-	-	1,000,096.82
Share Capital Increase	667,368.00	-	-	-	-	-	667,368.00
Transfer to Other Reserves	-	-	-	11,942.17	-	-	11,942.17
Change of Participation in a Subsidiary corresponding to Minority Rights	-	-	-	233,312.21	-	(233,312.21)	-
Non-controlling Interests corresponding to the Total Income for the Period 01.01 - 30.06.2020	-	-	-	(68,022.11)	-	68,022.11	-
Balance 30th June 2020	4,020,000.00	(35,863.68)	1,415,485.10	9,382,071.17	8.61	404,257.85	15,185,959.05

Balance 01 January 2021

Balance 01 January 2021	4,020,000.00	-	1,506,056.61	10,788,883.17	4,614,507.96	1,276,194.70	22,205,642.44
Net Results for the Period 01.01 - 30.06.2021 After Taxes	-	-	-	4,300,982.73	-	-	4,300,982.73
Transfer to Other Reserves	-	-	11,096.27	-	-	-	11,096.27
Actuarial Results	-	-	-	(18,314.73)	-	-	(18,314.73)
Change Due to Additional Acquisition of an Existing Subsidiary corresponding to Minority Rights	-	-	-	105,907.80	-	(655,882.80)	(549,975.00)
Change of Participation in a Subsidiary corresponding to Minority Rights	-	-	-	-	-	3,360,172.29	3,360,172.29
Non-controlling Interests corresponding to the Total Income for the Period 01.01 - 30.06.2021	-	-	-	(459,740.67)	-	459,740.67	-
Balance 30th June 2021	4,020,000.00	-	1,517,152.88	14,717,718.30	4,614,507.96	4,440,224.86	29,309,604.00

Amounts in Euro €

COMPANY

	Share Capital	Treasury Shares	Reserves	Retained Earnings	Share Premium	Total
Balance 01 January 2020	3,352,632.00	(35,863.68)	1,336,448.88	7,897,086.83	8.61	12,550,312.64
Share Capital Increase	667,368.00	-	-	-	-	667,368.00
Net Results for the Period 01.01 - 30.06.2020 After Taxes	-	-	-	757,823.29	-	757,823.29
Transfer to Regular Reserve	-	-	-	-	-	-
Balance 30th June 2020	4,020,000.00	(35,863.68)	1,336,448.88	8,654,910.12	8.61	13,975,503.93

Balance 01 January 2021

Balance 01 January 2021	4,020,000.00	-	1,430,432.27	9,188,775.83	4,614,507.96	19,253,716.06
Net Results for the Period 01.01 - 30.06.2021 After Taxes	-	-	-	2,826,293.22	-	2,826,293.22
Result of a Branch Contribution under common control of subsidiary company	-	-	-	12,750,000.00	-	12,750,000.00
Actuarial Results	-	-	-	(13,494.23)	-	(13,494.23)
Balance 30th June 2021	4,020,000.00	-	1,430,432.27	24,751,574.82	4,614,507.96	34,816,515.05

The notes on pages 41 to 78 constitute an integral part of these Financial Statements.

Cash Flow Statement

Indirect Method

Amounts in Euro €

	GROUP		COMPANY	
	1.1-30.06.2021	1.1-30.06.2020	1.1-30.06.2021	1.1-30.06.2020
Operating Activities				
Profit before tax	4,976,270.66	982,689.00	3,470,002.32	735,836.99
<i>Plus / minus adjustments for:</i>				
Depreciation	990,269.35	703,841.47	497,659.79	581,435.41
Provisions	70,988.79	180,655.13	(136,885.57)	102,301.16
Exchange differences	(4,470.00)	(9,434.00)	-	-
Results (income, expenses, profits and losses) of investment activity	(137,257.61)	(28,546.51)	(20,143.60)	(23,930.23)
Debt interest and related expenses	353,369.63	227,909.78	95,597.43	201,969.51
<i>Plus / minus adjustments for changes in working capital accounts or related to operating activities:</i>				
Decrease / (increase) of Reserves	(7,545.69)	(15,167.04)	(2,436.56)	(15,352.02)
Decrease / (increase) of receivables	(1,107,340.90)	(324,320.83)	844,793.93	851,805.94
(Decrease) / increase in liabilities (excluding banks)	1,014,610.02	1,722,299.71	(1,322,039.53)	643,549.39
<i>(Less):</i>				
Debt interest and related expenses paid	(319,649.36)	(203,945.74)	(174,411.41)	(198,571.60)
Taxes paid	(688,078.22)	(47,201.46)	(511,827.45)	(20,277.72)
Total inflows / (outflows) from operating activities (a)	5,141,166.67	3,188,779.51	2,740,309.35	2,858,766.83
Investment Activities				
Acquisition of subsidiaries, relatives, joint ventures and other investments	(10,014,375.00)	(64,378.57)	(10,014,375.00)	(64,378.57)
Proceeds from sales of subsidiaries, relatives, joint ventures and other investments	3,397,470.00	-	3,397,470.00	-
Purchase of tangible and intangible assets	(864,022.37)	(251,327.76)	(360,991.54)	(249,392.64)
Proceeds from sales of tangible and intangible assets	1,917.34	2,000.00	-	2,000.00
Rents received	629.92	-	35,911.12	38,239.01
Interest received	40,265.66	25,971.95	20,967.51	23,143.01
Grant Receipts	-	1,875.00	-	-
Other elements of investment flows	1,486.52	9,434.00	(823.90)	-
Total inflows / (outflows) from investment activities (b)	(7,436,627.93)	(276,425.38)	(6,921,841.81)	(250,389.19)
Funding Activities				
Proceeds from issued capital	25,000.00	-	-	-
Proceeds from issued / undertaken loans	838,000.00	-	640,000.00	-
Loan repayments	(357,422.86)	(172,652.10)	(357,026.08)	(198,708.54)
Repayments of liabilities from financial leases (amortization)	(307,434.14)	(206,110.10)	(121,239.11)	(131,896.30)
Other Financial Flows	-	-	-	-
Total inflows / (outflows) from financing activities (c)	198,143.00	(378,762.20)	161,734.81	(330,604.84)
Net Increase / (Decrease) in Cash and Cash Equivalents (a) + (b) + (c)	(2,097,318.26)	2,533,591.93	(4,019,797.65)	2,277,772.80
Cash and Cash Equivalents at the beginning of the Period	21,060,822.01	8,593,947.46	13,844,031.22	5,320,158.43
Cash and Cash Equivalents at the end of the Period	18,963,503.75	11,127,539.39	9,824,233.57	7,597,931.23

The notes on pages 41 to 78 constitute an integral part of these Financial Statements.

B. Notes to the Interim Condensed Financial Statements on H1 2021

1. General Information on the Company

The parent company “*EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME*” and trade name “*EPSILON NET S.A.*” was set up in its current form in 1999 (Government Gazette 6383 / 04.08.1999). Its initial corporate name was specified as: “GREEK DEVELOPMENT COMPANY - Craft and Commercial Company of Publishing, IT and High Technology Products” with trade name “GREEK DEVELOPMENT S.A.” and was changed into the current one following the decision of 14/02/2004 taken by the 12th Extraordinary General Meeting of Shareholders (Greek Government Gazette 2497 / 24.03.2004), and the decision of 22/05/2008 of the 9th Ordinary General Meeting of Shareholders (Government Gazette 6356 / 04.07.2008).

The Company’s registered office is located at the Municipality of Pylea, Prefecture of Thessaloniki, side road of 87, 17 Noemvri Street - EMO Zone, Greece. The Company’s electronic address is www.epsilonnet.gr.

When established, the company was recorded in the Public Companies Register (No. 43452/62/B/99/194) and its term was fixed at fifty (50) years, i.e., until July 22, 2049. The Company has been recorded with the General Commercial Registry (GEMI) with number 038383705000.

“*EPSILON NET S.A.*” operates in the IT sector and in particular in the deployment of software programmes for economists, accountants - tax consultants, accounting offices and departments and corporate financial divisions. Moreover, the company organises training seminars of economic and scientific content. Finally, it publishes and sells the weekly financial magazine “EPSILON 7” and markets scientific - tax books.

The attached condensed consolidated financial statements of “EPSILON NET S.A.” (“the Group”) include the financial statements of the parent “EPSILON NET S.A.” and its subsidiaries EPSILON EUROPE PLC

- ✓ EPSILON PYLON S.A.
- ✓ EVOLUTIONSNT PLC
- ✓ EVOLUTIONSNT (UK) LTD
- ✓ EPSILON HR S.A.
- ✓ EPSILON SUPPORT CENTER S.A.
- ✓ HOTELIGA International Sp. Z O. O.
- ✓ DATA COMMUNICATION S.A.
- ✓ EPSILON SINGULARLOGIC S.A.
- ✓ TEXNOΛΑΪΦ LTD

The interim condensed separate and consolidated financial statements for H1 2021 (from January 1 to June 30, 2021) were approved by the Board of Directors of “**EPSILON NET - IT, TRAINING AND HIGH TECHNOLOGY PRODUCTS SOCIETE ANONYME**” on September 20, 2021.

In brief, the main information about the Company is as follows:

Composition of Board of Directors

The Board of Directors of EPSILON NET S.A., as established as a body on November 15, 2019, currently consists of the following members:

- | | |
|---------------------------------------|--|
| - Ioannis Michos of Nikolaos | : Chairman & CEO, Executive Director |
| - Spyridon Avdimiotis of Konstantinos | : Vice President, Independent Non-Executive Director |
| - Vasiliki Anagnostou of Dimitrios | : Deputy CEO - Executive Director |
| - Ioannis Koutkoudakis of Antonios | : Executive Director |
| - Vasilios Prasas of Gavriil | : Executive Director |
| - Paschalis Michalopoulos of Georgios | : Executive Director |
| - Andreas Gribelas of Dimitrios | : Executive Director |
| - Ekaterini Daskalopoulou of Georgios | : Non-Executive Director |
| - Nikolaos Komninos of Zacharias | : Independent Non-Executive Director |

The Company’s current Board of Directors was elected by the Extraordinary General Meeting of the Company’s shareholders on 15/11/2019 and was formally established by the meeting held on 15/11/2019 by the Board of Directors, in conjunction with the decision of 16/04/2020 of the BoD by virtue of which and pursuant to article 82(1) of Law 4548/2018 Ms Ekaterini Daskalopoulou was elected as new non-executive director as a replacement of the resigned Director, Mr Spyridon Paboukidis.

- | | |
|---------------------------------|--|
| Supervisory Authority: | : General Secretariat of Commerce & Consumer Protection |
| General Commercial Registry No. | : 038383705000 |
| Tax Registration Number | : 099357493 |
| Legal Advisors | : Paschalis Michalopoulos |
| Auditor | : Dimitrios Daskalopoulos SOEL Reg. No. 40061
Collaborating Certified Public Accountants (SOL) S.A.
Member of Crowe Global Network |

2. Accounting principles applied – Basis of preparation of financial statements

The consolidated and separate interim financial statements of “EPSILON NET S.A.” as at 30 June 2021 comply with the International Financial Reporting Standards (IFRS) as adopted by the European Union, pursuant to Regulation (EU) No 1606/2002 of the European Council and of the Council of 19 July 2002.

The condensed interim financial statements for the period ended on 30 June 2021 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. These financial statements do not contain all the information and notes required by annual financial statements and should be read in conjunction with the financial statements of the Company and the Group as at 31 December 2020, which are available on the Company’s website <https://www.epsilonnet.gr>.

The amounts included in the consolidated and separate financial statements are presented in euro, unless otherwise indicated in separate notes.

The accounting principles applied by the Company to the preparation of the interim financial statements are consistent with those described in the published financial statements of the year ended on 31/12/2020. In addition, the accounting principles applied to the current period took into account the following new standards and amendments to 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 2021.

Unless otherwise indicated, the amendments and interpretations applying for the first time to the year 2021 have no effect on the (consolidated) financial statements of the Group (Company). The Group (Company) has not adopted early any standards, interpretations or amendments that have been issued by the International Accounting Standards Board (IASB) and adopted by the European Union but have no mandatory effect for the year 2021.

Standards and Interpretations mandatory for the current financial year 2021

IFRS 4 “Insurance Contracts” (Amendment) Deferral of IFRS 9 (published on 25 June 2020)

This amendment defers the date of initial application of amended IFRS 17 by two years to annual reporting periods beginning on or after 1 January 2023 in order to provide ample time for the smooth adoption of such IFRS by jurisdictions across the world. This will enable more insurance entities to apply

the new standard at the same time. Moreover, IFRS 4 was amended so that insurance entities can apply IFRS 9 – Financial instruments in parallel with IFRS 17.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) “Interest Rate Benchmark Reform – Phase 2”

The International Accounting Standards Board adopted IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 as part of Phase 2 of the project to address issues that arise during the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one. The main practical expedients (or exemptions from the application of accounting provisions of separate standards) provided by these amendments refer to the following:

- Changes in contractual cash flows: When changing the basis for determining the contractual cash flows of a financial asset and a financial liability (including lease liabilities), the changes resulting from interest rate benchmark reform will not result in the recognition of gain or loss through profit or loss but in revising the interest rate. The above shall also apply to those insurance companies making use of the temporary exemption from the application of IFRS 9.
- Hedge accounting: Pursuant to the amendment’s provisions, changes in the documentation of a hedge accounting relationship that result from interest rate benchmark reform do not result in the discontinuation of hedge accounting or the designation of a new hedging relationship, provided that they refer to changes allowed by Phase 2 of amendments. These changes include redesignation of the hedged risk for reference to a risk-free interest rate and redesignation of the hedging items and/or the hedged items to reflect the risk-free interest rate. However, any additional ineffectiveness should be recognised through profit or loss.

IAS 19 “Employee benefits” - Transitory provisions for applying the agenda final decision titled “Attributing Benefit to Periods of Service”

In May 2021 the International Financial Reporting Interpretations Committee (IFRIC) published the final agenda decision titled “Attributing Benefits to Periods of Service (IAS 19)” which includes explanatory material regarding the way benefits are attributed to periods of service for a particular defined benefit plan equivalent to the plan specified in article 8 of Greek Law 3198/1955 in relation to the benefit payment associated with retirement (“Defined Benefit Plan under Labour Law”).

More specifically, the Committee’s aforementioned final agenda decision provides explanatory information about the application of the key principles and rules of IAS 19 as to how benefits are attributed to periods of service for a defined benefit plan equivalent to the plan specified in the Defined Benefit Plan under Labour Law. Such explanatory information differentiates the way in which the key principles and rules of

IAS 19 were implemented in the past with respect to this issue and, therefore, pursuant to the provisions of the “IASB Due Process Handbook (par. 8.6)”, the Group (Company) is required to amend accordingly its accounting policy in relation to this subject.

The above final agenda decision of the Committee will be treated as a change in accounting policy according to the provisions of IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and in particular paragraphs 14-22.

The Group (Company) is in the process of assessing the effect of the above decision on its financial statements. The changes that will arise from the aforementioned decision are expected to be put into effect as soon as possible and no later than the annual reporting periods beginning on or after 31 December 2021.

Mandatory Standards and Interpretations for subsequent periods that have been adopted by the EU and have not been applied earlier by the Company (or the Group):

The following amendments are not expected to have significant effect on the Company’s (or the Group’s) financial statements unless otherwise indicated.

Annual Improvements to International Financial Reporting Standards 2018-2020

On 14 May 2020, the International Accounting Standards Board published the annual improvements containing the following amendments to the International Financial Reporting Standards below, which apply to the annual accounting periods beginning on or after 1 January 2022:

IFRS 1 “First-time adoption of international financial reporting standards” - Subsidiary as a First-time Adopter

The amendment requires a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to IFRSs.

IFRS 9 “Financial Instruments: Fees included in the “10 per cent” Test for Derecognition of Financial Liabilities”

The amendment clarifies the fees an entity should include when applying the “10 per cent” test under paragraph B.3.3.6 of IFRS 9 to determine whether it should derecognise a financial liability. The entity includes fees paid or received between the entity (borrower) and the lender, including fees paid or received by either the borrower or lender on other party’s behalf.

IFRS 16 “Leases” - Lease incentives

The amendment to Illustrative Example 13 of IFRS 16 deletes from the example the reimbursement made by the lessor for leasehold improvements in order to avoid any confusion as to how a lessee should account for lease incentives, which could be created by the way in which lease incentives are presented in the example.

IAS 41 “Agriculture - Taxation in fair value measurements”

This amendment removes the requirement of paragraph 22 of IAS 41 which required entities not to include cash flows from taxation when measuring the fair value of biological assets, using the present value technique. This amendment ensures consistency with the requirements of IFRS 13.

IAS 16 (Amendment) “Property, Plant and Equipment – Proceeds before Intended Use”

The amendment changes the accounting treatment of the costs of testing whether an asset is functioning properly, and the net proceeds from selling items produced while bringing such asset into a specific location and condition. The proceeds and costs of producing such items will now be recognised in profit or loss instead of being deducted from the acquisition cost of an item of property, plant and equipment.

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

IAS 37 (Amendment) “Provisions, Contingent Liabilities and Contingent Assets” - Onerous contracts - Cost of Fulfilling a Contract

The amendment clarifies the costs an entity should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment clarifies that the ‘costs to fulfil a contract’ includes the direct cost of fulfilling this contract and an allocation of other costs that relate directly to fulfilling the contract. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

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

IFRS 3 (Amendment) “Reference to the Conceptual Framework”

On 14 May 2020, the IASB has published “Reference to the Conceptual Framework (Amendments to IFRS 3)” with amendments to IFRS 3 ‘Business Combinations’. The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Lastly, it should be clarified that the acquirer must not recognise contingent assets as defined in IAS 37 on the acquisition date.

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

Mandatory Standards and Interpretations for subsequent periods that have been adopted by the EU and have not been applied earlier by the Company (and/or the Group):

The following amendments are not expected to have significant effect on the Company's (or the Group's) financial statements unless otherwise indicated.

IFRS 17 “Insurance Contracts”

On 18 May 2017, the IASB published IFRS 17 which replaces existing standard IFRS 4.

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosures of insurance contracts in order to provide a more uniform measurement and presentation approach for all insurance contracts.

IFRS 17 requires that insurance liabilities should not be measured at historic cost but at present value in a manner consistent with the use of:

- impartial expected weighted estimates of future cash flows based on updated assumptions;
- discount rates reflecting the characteristics of cash flows of contracts; and
- estimates about the financial and non-financial risks arising from the issue of insurance contracts.

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

IAS 1 (Amendment) “Classification of liabilities as current or non-current”

The amendment affects only the presentation of liabilities in the statement of financial position. The amendment clarifies that liabilities should be classified depending on the rights that exist at the expiry date of the reporting period. Moreover, the amendment clarified that classification is unaffected by Management's expectations about the events expected to occur after the balance sheet date and specified the cases that constitute settlement of a liability.

The amendment applies to annual accounting periods beginning on or after 1st January 2023.

IAS 1 (Amendment) “Presentation of Financial Statements - Disclosure of Accounting Policies”

On 12/2/2021 the International Accounting Standards Board published an amendment to IAS 1, thereby clarifying that:

- The definition of accounting policies is set out in paragraph 5 of IAS 8.
- The economic entity should disclose the significant accounting policies. Accounting policies are significant when, considered together with other information included in an entity's financial statements, they can reasonably be expected to influence decisions that the primary users of financial statements make.

- The accounting policies that relate to immaterial transactions are considered immaterial and need not be disclosed. Accounting policies, however, may be significant because of the nature of the related transactions even if the amounts are immaterial. However, not all accounting policy information relating to material transactions and events is itself material.
- Accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements.
- Information as to how an entity has applied an accounting policy is more useful to users of financial statements than standardised information or a summary of the provisions of IFRSs.
- In case the entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

The amendment applies to annual accounting periods beginning on or after 1st January 2023.

IAS 8 (Amendments) “Accounting Policies, Changes in Accounting Estimates and Errors” - Definition of Accounting Estimates

On 12/2/2021 the International Accounting Standards Board issued an amendment to IAS 8, thereby:

- defining accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty.
- clarifying that accounting policies may require items in financial statements to be measured in a way that involves measurement uncertainty. In this case the entity develops an accounting estimate. Development an accounting estimate requires the use of judgments and assumptions.
- When developing accounting estimates, an entity uses measurement techniques and inputs.
- An entity may be required to change its accounting estimates. This fact is neither related per se to previous financial years nor is the correction of an error. Changes in an input or a measurement technique are changes in accounting estimates unless resulting from the correction of errors.

The amendment applies to annual accounting periods beginning on or after 1st January 2023.

IFRS 16 (Amendment) “Leases” - Covid-19-Related Rent Concessions beyond 30 June 2021

On 31/03/2021 the International Accounting Standards Board published an amendment to IFRS 16 which extended by one year the availability of the practical expedient of permitting lessees not to assess whether particular rent concessions are lease modifications. This expedient had been granted by the amendment to the standard on 28/05/2020.

The amendment applies to annual accounting periods beginning on or after 1 April 2021.

IAS 12 (Amendments) “Income Taxes” - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

On 7/5/2021 the International Accounting Standards Board issued an amendment to IAS 12 which narrowed the scope of the recognition exemption whereby entities were exempted, on certain occasions, from the obligation to recognise deferred tax on initial recognition of assets or liabilities. The amendment clarifies that this exemption no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The amendment applies to annual accounting periods beginning on or after 1st January 2023.

3. Accounting Estimates and Judgments made by Management

The preparation of semi-final financial statements in accordance with International Accounting Standards requires the making of estimates, judgments and assumptions, which may affect the accounting balances of assets and liabilities and the required disclosures for any receivables and liabilities as well as the identified number of receivables and liabilities.

At the preparation of these semi-final condensed financial statements, the significant accounting judgments and estimates adopted by the Management for the implementation of the Group's accounting policies, as well as the main sources of uncertainty estimates, remained the same as those applied to the annual financial statements of 31 December 2020.

4. Financial Risk Management

The activities conducted by the Group and the Company generate various financial risks such as credit risks, liquidity risks and market risks. The Group's and Company's strategy and policy is to prevent and minimize the unfavorable impacts that may arise from these risks.

The financial products that the Group and Company primarily use consist of trade receivable accounts, bank deposits, trade receivables discounting accounts, investments in securities and accounts payables. The accounting department in collaboration with its other divisions that manage these risks, is responsible for their detection, assessment and hedging, where necessary.

- **Market Risk**

Market risk, which include foreign exchange risk, due to changes in foreign exchange rates, fluctuations that affect the prices of financial instruments due to a change in the interest rate and price risk, i.e. is the risk of a decline in the value of a financial instrument, due to a change in market prices either caused by factors that are specifically related to the instrument or to the issuer, or by factors that generally affect the market's tradable instruments.

The rapid spread of the coronavirus (COVID-19) found the global financial system and businesses largely unprepared. The economy is entering a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far. The economic consequences will depend on the duration, intensity and degree of the spread of the disease in Greece and worldwide. Depending on the duration and extent of the financial instability, the Group will be exposed to the corresponding market risk.

Even though there is a risk for the company, which arises mainly from trading in foreign currencies, the management does not use financial tools to reduce this risk, because it does not consider the transactions to be significant due to their value and frequency. However, the company's position in relation to the above risk and the use of specific financial management tools to reduce the risk is reviewed on an annual basis.

i. Foreign exchange Risk

Almost all transactions of the Group and the Company are taken place in euro whenever there is no exposure to foreign exchange risk.

Foreign exchange risk arises from future trade transactions, recognized assets and liabilities and equity position of investments in holdings operating in foreign countries.

The Group, on a regular basis, does not pre-purchase foreign exchange and does not enter into foreign exchange futures contracts with external counterparties and foreign exchange hedging.

The Group has holdings in subsidiaries operating in foreign countries whose equity position is exposed to foreign exchange risk when converting their financial statements for the purpose of consolidation. Also, the Group's activities outside Greece do not include significant commercial transactions and therefore there is no significant foreign exchange risk.

ii. Risk of Changes in Market Interest Rates and Price Risk

The Group and the Company have interest-bearing financial assets, such as demand and term deposits and equity securities. In addition, the Management's policy is to have a floating interest rate for the borrowing products of the Company and the Group. Even though there is a risk for the group and the company, the management does not use financial tools to reduce this risk, because it does not consider the transactions important, due to their value and frequency. However, on an annual basis, the position of the company reassessed in relation to the above risk and the need to use specific financial instruments to mitigate it is evaluated.

iii. Cash flow interest rate risk

Cash flow interest rate risk is the risk of fluctuating future cash flows of a financial instrument due to a change in market interest rates.

With respect to the Group and the Company, this risk primarily stems from long-term loans, of which those that have been concluded with a variable interest rate expose it to a cash flow risk, whereas those

that have been concluded with a fixed interest rate expose it to the risk of fair value changes of these loans. The Group and the Company's policy is to conclude loans with a variable interest rate, thus hedging the future cash flow risk with changes in the values of its sold goods, when significant changes are anticipated in the loan interest payments.

- **Credit Risk**

Credit risk is the chance of loss due to one of the contracting parties to a financial instrument not meeting contractual obligations causing financial loss to the other party. The Group and the Company are not significantly exposed to credit risk because on the one hand, wholesale trading is carried out with credible customers with a positively evaluated credit history and on the other hand, retail sales are primarily made in cash.

The Group and the Company's transactions with customers are developed after an assessment of their solvency and reliability, in order to avoid problems of late payments and bad debts. Customers' credit limits are monitored at regular intervals and redefined if necessary. Receivables from customers are widely dispersed and therefore credit risk is kept to a minimum. The fair value of the financial data at the closing of the balance sheet on 30/06/2021 is presented below:

	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Customers and other trade receivables	13,739,763.37	11,488,567.46	6,529,026.15	7,235,655.68
Relevant provisions	(1,347,483.60)	(1,339,929.42)	(893,144.01)	(1,101,651.12)
	12,392,279.77	10,148,638.04	5,635,882.14	6,134,004.56

At the closing of the Balance Sheet as at 30/06/2021 the Management deems that there is no credit risk not covered by the provision for bad-debt receivables.

The rapid spread of the coronavirus (COVID-19) found the global financial system and businesses largely unprepared. The economy is entering a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far. The economic consequences will depend on the duration, intensity and degree of the spread of the disease in Greece and worldwide. Depending on the duration and extent of the financial instability, the Group will be exposed to the corresponding market risk.

- **Liquidity risk**

Liquidity risk is due to difficulties in finding capital to cover liabilities that are related to financial instruments.

The Group and the Company have a low exposure to liquidity risk as they have sufficient cash and cash equivalents to cover short-term liabilities. In addition, it has high limits on unsecured bank financing. The ratio of current assets to short-term liabilities for the Group on 30/06/2021 was set at 212.0% compared to 263.0% on 31/12/2020 and respectively for the Company on 30/06/2021 it was 204.0% compared to 261.0% on 31/12/2020.

The following table presents the maturity analysis of the financial obligations of the Group and the Company:

GROUP				
30.06.2021				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	5,590,763.98	9,988,776.28	-	15,579,540.26
Lease liabilities	580,768.59	1,601,734.43	231,460.56	2,413,963.58
Suppliers and Other Trade Liabilities	9,516,275.32	139,713.02	-	9,655,988.34
	15,687,807.89	11,730,223.73	231,460.56	27,649,492.18
31.12.2020				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	4,185,465.68	10,865,126.36	-	15,050,592.04
Lease liabilities	584,347.88	1,692,084.50	281,159.84	2,557,592.22
Suppliers and Other Trade Liabilities	7,849,924.05	138,598.06	-	7,988,522.11
	12,619,737.61	12,695,808.92	281,159.84	25,596,706.37
COMPANY				
30.06.2021				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	4,076,317.35	4,328,362.87	-	8,404,680.22
Lease liabilities	315,797.63	703,885.58	241,429.30	1,261,112.51
Suppliers and Other Trade Liabilities	3,984,817.56	132,897.30	-	4,117,714.86
	8,376,932.54	5,165,145.75	241,429.30	13,783,507.59
31.12.2020				
	Up to 1 year	From 2 to 5 years	Over 5 years	Total
Borrowing	2,941,021.22	9,068,278.40	-	12,009,299.62
Lease liabilities	313,012.06	747,980.43	217,880.87	1,278,873.36
Suppliers and Other Trade Liabilities	4,977,172.41	132,897.30	-	5,110,069.71
	8,231,205.69	9,949,156.13	217,880.87	18,398,242.69

• Other Operating Risks

The insurance coverage for assets and other risks is deemed adequate as at 30/06/2021 for the Group and the Company. Moreover, the Management of the Group and Company has installed an adequate and reliable internal control system to prevent risks associated with its commercial operations.

• Capital Management Risk

The objectives of the Company in relation to capital management are to ensure the possibility of smooth operation of the Company in the future in order to provide satisfactory returns to shareholders and other participants and to maintain an ideal distribution of capital thus reducing the cost of capital.

In order to maintain or adjust its capital structure, the Company may change the dividend to shareholders, return capital to shareholders, issue new shares or sell assets to reduce its debt.

In accordance with similar practices in the industry, the Company monitors its capital based on the leverage ratio. This ratio is calculated by dividing net borrowing by total capital employed. Net borrowing is calculated as “Total borrowing” (including “short-term and long-term borrowing” and the balance of lease liabilities as shown in the statement of financial position) less “Cash and cash equivalents”. Total employed capital is calculated as “Own Equity” as shown on the balance sheet plus net borrowing.

The leverage ratio on 30 June 2021 and 31/12/2020 respectively was as follows:

<i>(amounts in 000 €)</i>	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Total borrowing liabilities (Note 15)	15,549,540.26	15,050,592.04	8,404,680.22	12,009,299.62
Lease liabilities (Note 16)	2,413,963.58	2,557,592.22	1,261,112.51	1,278,873.36
Less:				
Cash and cash equivalents (Note 13)	18,963,503.75	20,788,875.39	9,824,233.57	13,844,031.22
Net borrowing amount	(969,999.91)	(3,180,691.13)	(158,440.84)	(555,858.24)
Total Equity	29,309,604.00	22,205,642.44	34,816,515.05	19,253,716.06
Total employed capital	28,339,604.09	19,024,951.31	34,658,074.21	18,697,857.82
Leverage ratio	(3.42%)	(16.72%)	(0.46%)	(2.97%)

5. *Group's Structure*

The structure of the Group as of June 30, 2021, is as follows:

Name	Address	Purpose	Share capital	Date of establishment/ consolidation	Participation percentage (%)	Consolidation method
EPSILON PYLON SA	Side Road, 87, 17th November - 555 34 - Pylaia - Thessaloniki	Provision of Educational Services	60,000 shares of 1.00 € each	05.01.2009 (establishment)	99,983%	Full Consolidation
EPSILON EUROPE PLC	2 Agias Fylaxeos & Zinonos Rossidi - POBox 596 55 - 4011 - Limassol - Cyprus	Development of Group's Operations in Europe	300,000 shares of 1.00 € each	23.01.2009 (establishment)	99,966%	Full Consolidation
EVOLUTIONSNT PLC	80 Trafford Gate Potters Bar - Herts - United Kingdom - EN6 1PG	Development of Group's Operations in Europe	2,035,345 shares of 1.00 £ each	26.09.2012 (establishment)	99.956% (indirect participation)	Full Consolidation
EVOLUTIONSNT (UK) LTD	80 Trafford Gate Potters Bar - Hertfordshire - England - EN6 1PG - United Kingdom	Development of Group's Operations in Europe	1,000 shares of 1.00 £ each	02.10.2014 (establishment)	100.000% (indirect participation)	Full Consolidation
EPSILON HR SA	Side Road, 87, 17th November - 555 34 - Pylaia - Thessaloniki	Software Production and Marketing	25.000 shares of 1.00 € each	22.02.2016 (establishment)	65,000%	Full Consolidation
EPSILON SUPPORT CENTER SA	5-7 Andromachis - 562 24 - Evosmos - Thessaloniki	Provision of IT Services	20,000 shares of 10.00 € each	02.08.2019 (establishment)	51,000%	Full Consolidation
HOTELIGA INTERNATIONAL Sp. Z O.O.	Al. Jana Pawla II 43b 20 31-864, Krakow, Poland	Provision of IT Services	143 shares of 50,00 PLN (€) each	21.07.2020 (acquisition)	51,000%	Full Consolidation
DATA COMMUNICATION SA	2 Panagi Tsaldari & Zaimi - 151 27 - Melissa - Attica	Provision of IT Services	3.750.000 shares of 0,53 € each	27.10.2020 (acquisition)	100,000%	Full Consolidation
EPSILON SINGULARLOGIC SA	Side Road, 87, 17th November - 555 34 - Pylaia - Thessaloniki	Provision of IT Services	10.025.000 shares of 1,00 € each	20.01.2021 (establishment)	67,505%	Full Consolidation
TECHNOLIFE LTD	6 Agisilaou str- 542 50 - Charilaou - Thessaloniki	Provision of IT Services	350 shares of 100,00 € each	07.06.2021 (acquisition)	60,000%	Full Consolidation

6. *Tangible Assets*

GROUP

Amounts in €	Buildings - Technical Works in Third Party Properties	Right-of-Use Buildings - Technical Works in Third Party Properties	Vehicles	Right-of-Use Vehicles	Furniture & Other Equipment	Machinery	Total
Acquisition Cost							
1st January 2021	4,627,455.98	2,809,504.06	294,858.35	536,595.13	3,633,719.15	923.96	11,903,056.63
Additions due to Acquisition of Subsidiaries	54,449.49	95,005.65	449.33	16,724.17	76,104.94	-	242,733.58
Additions Period 01.01 - 30.06.2021	15,600.00	736.61	121,565.60	14,037.23	207,316.31	-	359,255.75
Reductions Period 01.01 - 30.06.2021	-	(1,801.45)	(37,416.25)	-	(2,211.42)	-	(41,429.12)
30th June 2021	4,697,505.47	2,903,444.87	379,457.03	567,356.53	3,914,928.98	923.96	12,463,616.84
Accumulated Depreciation							
1st January 2021	2,981,484.34	616,745.34	269,899.48	218,890.85	3,152,529.92	923.67	7,240,473.60
Depreciations due to Acquisition of Subsidiaries	5,485.97	13,249.46	449.32	3,216.19	72,014.76	-	94,415.70
Depreciation for the Period 01.01 - 30.06.2021	133,811.17	190,099.48	12,335.89	81,197.52	81,464.09	259.98	499,168.13
Depreciation impairment for the period 01.01 - 30.06.2021	-	(1,801.45)	(34,023.48)	-	(2,105.24)	-	(37,930.17)
30th June 2021	3,120,781.48	818,292.83	248,661.21	303,304.56	3,303,903.53	1,183.65	7,796,127.26
ACCOUNTING BALANCE as at 30th June 2021	1,576,723.99	2,085,152.04	130,795.82	264,051.97	611,025.45	(259.69)	4,667,489.58

Acquisition Cost							
1st January 2020	2,080,293.22	1,798,508.43	229,818.18	300,947.38	2,454,449.55	-	6,864,016.76
Additions Due to Acquisition of Subsidiaries	2,405,189.26	1,046,956.59	79,710.17	101,855.08	1,111,829.66	923.96	4,746,464.72
Additions Period 01.01 - 30.06.2020	141,973.50	10,043.71	-	134,223.76	67,439.94	-	353,680.91
Reductions Period 01.01 - 30.06.2020	-	(46,004.67)	(14,670.00)	(431.09)	-	-	(61,105.76)
30th June 2020	4,627,455.98	2,809,504.06	294,858.35	536,595.13	3,633,719.15	923.96	11,903,056.63
Accumulated Depreciation							
1st January 2020	1,374,673.66	265,301.00	181,289.70	88,383.29	2,072,771.60	-	3,982,419.25
Depreciation Due to the Acquisition of Subsidiaries	1,473,430.11	64,428.10	75,820.79	18,238.22	990,133.11	923.67	2,622,974.00
Depreciation for the Period 01.01 - 31.12.2020	153,535.18	314,678.19	25,246.21	112,269.34	89,625.21	-	695,354.13
Depreciation impairment for the period 01.01 - 31.12.2020	(20,154.61)	(27,661.95)	(12,457.22)	-	-	-	(60,273.78)
31st December 2020	2,981,484.34	616,745.34	269,899.48	218,890.85	3,152,529.92	923.67	7,240,473.60
ACCOUNTING BALANCE as at 31st December 2020	1,645,971.64	2,192,758.72	24,958.87	317,704.28	481,189.23	0.29	4,662,583.03

COMPANY

	Buildings - Technical Works in Third Party Properties	Right-of-Use Buildings - Technical Works in Third Party Properties	Vehicles	Right-of-Use Vehicles	Furniture & Other Equipment	Total
Amounts in €						
<u>Acquisition Cost</u>						
1st January 2021	2,129,959.70	797,238.23	162,988.18	296,663.96	2,454,823.91	5,841,673.98
Additions Period 01.01 - 30.06.2021	15,600.00	135,539.18	75,075.00	5,448.49	102,425.57	334,088.24
Reductions Period 01.01 - 30.06.2021	(513,090.94)	(12,115.90)	(1.25)	-	(255,805.21)	(781,013.30)
30th June 2021	<u>1,632,468.76</u>	<u>920,661.51</u>	<u>238,061.93</u>	<u>302,112.45</u>	<u>2,301,444.27</u>	<u>5,394,748.92</u>
<u>Accumulated Depreciation</u>						
1st January 2021	1,478,636.25	300,240.64	159,769.04	130,087.49	2,117,457.69	4,186,191.11
Depreciation for the Period 01.01 - 30.06.2021	49,916.14	75,740.55	7,019.98	35,176.76	46,480.06	214,333.49
Depreciation impairment for the period 01.01 - 30.06.2021	(119,295.37)	-	(1.24)	-	(182,103.81)	(301,400.42)
30th June 2021	<u>1,409,257.02</u>	<u>375,981.19</u>	<u>166,787.78</u>	<u>165,264.25</u>	<u>1,981,833.94</u>	<u>4,099,124.18</u>
ACCOUNTING BALANCE as at 30th June 2021	<u>223,211.74</u>	<u>544,680.32</u>	<u>71,274.15</u>	<u>136,848.20</u>	<u>319,610.33</u>	<u>1,295,624.74</u>

<u>Acquisition Cost</u>						
1st January 2020	1,987,986.20	814,266.39	175,158.18	208,216.82	2,396,489.08	5,582,116.67
Additions Period 01.01 - 31.12.2020	141,973.50			88,878.23	58,334.83	289,186.56
Reductions Period 01.01 - 31.12.2020		(17,028.16)	(12,170.00)	(431.09)		(29,629.25)
31st December 2020	<u>2,129,959.70</u>	<u>797,238.23</u>	<u>162,988.18</u>	<u>296,663.96</u>	<u>2,454,823.91</u>	<u>5,841,673.98</u>
<u>Accumulated Depreciation</u>						
1st January 2020	1,355,312.01	145,383.19	155,099.12	59,541.19	2,044,344.87	3,759,680.38
Depreciation for the Period 01.01 - 31.12.2020	123,324.24	154,857.45	15,627.14	70,546.30	73,112.82	437,467.95
Depreciation impairment for the period 01.01 - 31.12.2020	-		(10,957.22)			(10,957.22)
31st December 2020	<u>1,478,636.25</u>	<u>300,240.64</u>	<u>159,769.04</u>	<u>130,087.49</u>	<u>2,117,457.69</u>	<u>4,186,191.11</u>
ACCOUNTING BALANCE as at 31st December 2020	<u>651,323.45</u>	<u>496,997.59</u>	<u>3,219.14</u>	<u>166,576.47</u>	<u>337,366.22</u>	<u>1,655,482.87</u>

7. Intangible Assets

GROUP

Amounts in €	Software Development - Complete	Trademarks	Software - Purchase from Third Parties	Software Development - Incomplete	Total
<u>Acquisition Cost</u>					
1st January 2021	29,583,912.12	57,554.70	1,956,593.07	-	31,598,059.89
Additions due to acquisition of subsidiaries	34,334.00	-	16,840.00	-	51,174.00
Additions Period 01.01 - 30.06.2021	-	110.00	21,489.30	497,941.16	519,540.46
Transfers Period 01.01 - 30.06.2021	-	-	-	-	-
30th June 2021	29,618,246.12	57,664.70	1,994,922.37	497,941.16	32,168,774.35
<u>Accumulated Depreciation</u>					
1st January 2021	23,436,652.05	48,266.22	1,884,705.17	-	25,369,623.44
Depreciations due to Acquisition of subsidiaries	34,334.00	-	8,139.33	-	42,473.33
Depreciation Period 01.01 - 30.06.2021	456,227.54	780.40	34,093.28	-	491,101.22
30th June 2021	23,927,213.59	49,046.62	1,926,937.78	-	25,903,197.99
ACCOUNTING BALANCE as at 30th June 2021	5,691,032.53	8,618.08	67,984.59	497,941.16	6,265,576.36

<u>Acquisition Cost</u>					
1st January 2020	27,297,567.91	54,966.70	1,332,850.43	90,890.86	28,776,275.90
Additions Due to the Acquisition of Subsidiaries	1,689,964.60	1,050.00	614,785.84	-	2,305,800.44
Additions Period 01.01 - 31.12.2020	303,828.19	1,538.00	8,956.80	201,660.56	515,983.55
Transfers Period 01.01 - 31.12.2020	292,551.42	-	-	(292,551.42)	-
31st December 2020	29,583,912.12	57,554.70	1,956,593.07	-	31,598,059.89
<u>Accumulated Depreciation</u>					
1st January 2020	22,646,318.40	45,756.58	1,246,981.42	-	23,939,056.40
Depreciation Due to the Acquisition of Subsidiaries	47,988.70	1,049.99	573,808.50	-	622,847.19
Depreciation Period 01.01 - 31.12.2020	742,344.95	1,459.65	63,915.25	-	807,719.85
31st December 2020	23,436,652.05	48,266.22	1,884,705.17	-	25,369,623.44
ACCOUNTING BALANCE as at 30th June 2020	6,147,260.07	9,288.48	71,887.90	-	6,228,436.45

COMPANY

Amounts in €	Software Development - Complete	Trademarks	Software - Purchase from Third Parties	Software Development - Incomplete	Total
Acquisition Cost					
1st January 2021	27,564,911.98	55,034.70	1,040,681.57	-	28,660,628.25
Additions Period 01.01 - 30.06.2021	-	110.00	21,489.30	146,291.67	167,890.97
Reductions for the Period 01.01 - 30.06.2021	(2,275,170.73)	-	-	-	(2,275,170.73)
30th June 2021	25,289,741.25	55,144.70	1,062,170.87	146,291.67	26,553,348.49
Accumulated Depreciation					
1st January 2021	23,346,527.66	46,964.22	1,032,589.28	-	24,426,081.16
Depreciation Period 01.01 - 30.06.2021	281,007.42	706.90	1,611.98	-	283,326.30
Depreciation Reductions for the Period 01.01 - 30.06.2021	(1,216,218.60)	-	-	-	(1,216,218.60)
30th June 2021	22,411,316.48	47,671.12	1,034,201.26	-	23,493,188.86
ACCOUNTING BALANCE as at 30th June 2021	2,878,424.77	7,473.58	27,969.61	146,291.67	3,060,159.63

Acquisition Cost					
1st January 2020	27,268,532.37	53,496.70	1,031,724.77	90,890.86	28,444,644.70
Additions Period 01.01 - 31.12.2020	3,828.19	1,538.00	8,956.80	201,660.56	215,983.55
Transfers Period 01.01 - 31.12.2020	292,551.42	-	-	(292,551.42)	-
31st December 2020	27,564,911.98	55,034.70	1,040,681.57	-	28,660,628.25
Accumulated Depreciation					
1st January 2020	22,640,252.34	45,651.57	1,031,306.03	-	23,717,209.94
Depreciation Period 01.01 - 31.12.2020	706,275.32	1,312.65	1,283.25	-	708,871.22
31st December 2020	23,346,527.66	46,964.22	1,032,589.28	-	24,426,081.16
ACCOUNTING BALANCE as at 31st December 2020	4,218,384.32	8,070.48	8,092.29	-	4,234,547.09

8. Goodwill

The balance of the “Goodwill” account refers to the difference between the total acquisition price and the fair value (corresponding to the acquisition) of the businesses acquired by the Company, during the fiscal year 2020 and the first semester 2021. The resulting goodwill per acquired business is as follows:

Amounts in Euro €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
HOTELIGA INTERNATIONAL Sp. Z. O. O.	79,274.94	79,274.94	-	-
DATA COMMUNICATION S.A.	4,033,458.34	4,033,458.34	-	-
TECHNOLIFE LTD	269,790.95	-	-	-
	4,382,524.23	4,112,733.28	-	-

On 26th October 2020, the Company acquired 80% of the issued share capital of DATA COMMUNICATION S.A., based in Greece, which is active in the field of software and IT products development, for a price of € 6,300,000.00.

On May 24, 2021, it acquired for a price of € 549,975.00 the remaining 20% of the issued share capital of the above company, at which point it now owns 100% of it.

On 21st July 2020, the Company acquired 51% of the issued share capital of HOTELIGA INTERNATIONAL Sp. Z.o.o, based in Poland, which is active in the field of software and IT products development, for a price of € 150,000.00.

On June 7, 2021, the Company acquired for a price of € 425,000.00 60% of the issued share capital of TECHNOLIFE Ltd., based in Greece, which is active in providing integrated business solutions in the field of business software.

The acquisition goodwill of the above companies was calculated based on the fair value of the net assets of the acquired companies at the date of their acquisition. Due to the recent acquisition and the absence of negative indications, no impairment test was performed on the resulting goodwill at the reporting date.

The acquisition date, the redemption rate, the assets' fair value, the acquisition price and the resulting goodwill per acquired business are as follows:

30th June 2021

Amounts in Euro €	Date of calculation of goodwill	% Acquisition rate	Fair value of assets	Acquisition price	GROUP	COMPANY
					Goodwill	Goodwill
HOTELIGA INTERNATIONAL Sp. Z. O. O.	21/7/2020	51%	70,725.06	150,000.00	79,274.94	-
DATA COMMUNICATION S.A.	26/10/2020	80%	2,266,541.66	6,300,000.00	4,033,458.34	-
TECHNOLIFE LTD	7/6/2021	60%	155,209.05	425,000.00	269,790.95	-
			2,492,475.77	6,875,000.00	4,382,524.23	-

The fair value, at the acquisition date, of each asset category and liability, per new acquired Technolife LTD, is analyzed as follows:

	TECHNOLIFE LTD	
Acquisition price of acquired companies		425,000.00
Less:		
Net position of acquired companies:		
Assets		
Tangible and intangible assets	156,143.60	
Other long-term receivables	2,344.43	
Customers and other Liabilities	156,848.57	
Cash available	271,946.62	587,283.22
Less: Liabilities		
Long term loans	11,132.15	
Provisions of employees benefits	146,074.18	
Short-terms loans	8,609.10	
Taxes and insurance organizations	28,744.91	
Suppliers - Other liabilities	134,041.13	328,601.47
Net asset value		258,681.75
Percentage (%) acquired	60%	
Net assets acquired		155,209.05
Goodwill		269,790.95
Cash outflow / (inflow) of acquisition:		
Acquisition price in cash		425,000.00
Cash and cash equivalents of acquired company		271,946.62
Net cash (inflow) / outflow of acquisition:		153,053.38

The initially estimated goodwill upon delivery of the assets and liabilities was adjusted after determining the fair values of the assets and liabilities. The financial statements of the above companies were incorporated in the consolidated financial statements of the Group using the full consolidation method for the first time on 07 June 2021.

9. *Investments in Subsidiary Companies*

Investments of the Company in the Group's subsidiaries are presented in the table below:

Amounts in €	EPSILON PYLON SA	EPSILON HR SA	EPSILON SUPPORT CENTER SA	DATA COMMUNICATION SA	EPSILON SINGULARLOGIC SA	TECHNOLIFE LTD	HOTELIGA INTERNATIONAL SP ZOO	EPSILON EUROPE PLC	TOTAL
1st January 2020	33,630.00	8,750.00	102,000.00	-	-	-	-	2,898,211.02	3,042,591.02
Additions Period 01.01 - 31.12.2020	-	9,432.00	-	6,300,000.00	-	-	150,000.00	-	6,499,432.00
Reductions Period 01.01 - 31.12.2020	-	-	-	-	-	-	-	-	-
ACCOUNTING BALANCE as at 31st DECEMBER 2020	33,630.00	18,182.00	102,000.00	6,300,000.00	-	-	150,000.00	2,898,211.02	9,502,023.02
1st January 2021	33,630.00	18,182.00	102,000.00	6,300,000.00	-	-	150,000.00	2,898,211.02	9,502,023.02
Additions period 01.01 - 30.06.2021	-	-	-	549,975.00	10,014,400.00	425,000.00	-	-	10,989,375.00
Reductions Period 01.01 - 30.06.2021	-	-	-	-	(3,247,000.00)	-	-	-	(3,247,000.00)
ACCOUNTING BALANCE as at 30th June 2021	33,630.00	18,182.00	102,000.00	6,849,975.00	6,767,400.00	425,000.00	150,000.00	2,898,211.02	17,344,398.02

The joint acquisition of "SINGULARLOGIC S.A." was announced on 11/1/21 from the investment scheme consisting of "EPSILON NET" and "SPACE HELLAS", participation of 49.835% for each company (Note 10). Epsilon SingularLogic S.A. was established on 22/1/2021, in order to be the commercial arm of the new business scheme consisting of SINGULARLOGIC, EPSILON NET and SPACE HELLAS. The initial capital amounted to € 25,000, participation of 57.60% for "EPSILON NET" and 42.40% for "SPACE HELLAS".

The Extraordinary General Meeting of "EPSILON NET's " shareholders held on 18/6/2021 approved the demerger of the commercial applications sector of the company's PYLON platform which was announced on 1/3/2021 and its following contribution to Epsilon SingularLogic S.A. against participation in the beneficiary company (Law 4601/2019, Law 4548/2018 and Law 4172/2013).

On 28/06/2021 the abovementioned demerger and contribution to the subsidiary Epsilon SingularLogic S.A. was approved by decision no. 72046 / 28.06.2021 of the Ministry of Development and Investments (ON LINE PUBLICATION NUMBER: 9NO646MTAP-I69), which was registered in the General Commercial Registry on the same day with ENTRY CODE NUMBER: 2571373.

Pursuant to the above, the share capital of Epsilon SingularLogic S.A., increased by € 10 million with the issuance of 10,000,000 new ordinary shares, with nominal value € 1 each, acquired in their entirety by the Company, 99.894% participation for "EPSILON NET" and 0.00106% for "SPACE HELLAS".

On 29/6/2021 the Company transferred to "SPACE HELLAS" 32,389% of Epsilon SingularLogic S.A. shares, for € 3,247,000.00.

On 30/6/2021 "EPSILON NET" owns 67.505% of the shares of Epsilon SingularLogic S.A.

The abovementioned demerger of EPSILON NET'S PYLON sector and its following contribution to the subsidiary Epsilon SingularLogic S.A. is a merger of companies under joint control.

The IFRS 3 (paragraph 3) excludes from its scope mergers under joint control. In the absence of special provision in the relevant standard (IFRS 3), it was decided to apply what is mentioned in IAS 8 (par. 10-12) and the management considered that the "acquisition method" (Acquisition method) is the most appropriate accounting method to present the above merger under joint control in the Company's financial statements, using the fair value approach since the contributor and the beneficiary are two separate entities and therefore the accounting entry of the transaction should not differ from that of any other transaction between willing and informed parties operating under normal market conditions.

The acquisition cost of the transaction was estimated by the fair value of the consideration received and the positive difference between the contributed sector and the equity securities received

amounting to € 12.75 million and was reflected directly in equity through the statement of comprehensive income.

The financial statements of Epsilon SingularLogic S.A. were incorporated in the consolidated financial statements of the Group on 30/6/2021 by the method of total consolidation.

The parent company EPSILON NET on 24/05/2021 acquired all minority shares of its subsidiary DATA COMMUNICATION S.A. In particular, EPSILON NET S.A. acquired 750,000 shares from two legal entities, representing 20% of the share capital of DATA COMMUNICATION S.A. Specifically, EPSILON NET acquires 412,500 shares from EASMUINHOLDINGS LTD representing 11% of the total share capital of DATA COMMUNICATION S.A. for 302,486.25 euros and 337,500 shares from DUL representing 9% of the total share capital of DATA COMMUNICATION S.A. for an amount of 247,488.75 euros. The total price of this acquisition amounted to € 549,975.00 and the difference of € 105,907.80, between acquisition cost and fair value, was reflected directly in the equity.

Following this acquisition, the sole shareholder of DATA COMMUNICATION S.A. is EPSILON NET S.A.

On 7/6/2021, "EPSILON NET" acquired 60% of the share capital of TECHNOLIFE Ltd. for € 425,000. Registered in Greece, the company provides integrated business solutions in the field of business software.

The financial statements of the above subsidiary were incorporated in the consolidated financial statements of the Group, on 30/6/2021 with the method of total consolidation.

10. Investments in Associates

Investments of the Company in the Group's Associated Companies are presented in the table below:

Amounts in €	HIT HOSPITALITY A.E.	SINGULARLOGIC SA	SUPERVISOR SA	TOTAL
1st January 2020	1,000,000.00	-	145,889.61	1,145,889.61
Participation in the profit-loss of associated companies	92,089.95	-	-	92,089.95
Valuation of participation increase	-	-	4,580.39	4,580.39
Transfer to Non-current Assets held for Sale	-	-	(150,470.00)	(150,470.00)
Reductions Period 01.01 - 31.12.2020	(52,638.48)	-	-	(52,638.48)
ACCOUNTING BALANCE as at 31st DECEMBER 2020	1,039,451.47	-	-	1,039,451.47
1st January 2021	1,039,451.47	-	-	1,039,451.47
Additions period 01.01-30.06.2021	-	9,025,000.00	-	9,025,000.00
Participation in the profit-loss of associated companies	67,829.60	46,307.65	-	114,137.25
Reductions Period 01.01 - 30.06.2021	-	-	-	-
ACCOUNTING BALANCE as at 30th June 2021	1,107,281.07	9,071,307.65	-	10,178,588.72

The Company participates by 35,156% in the company SUPERVISOR S.A., which is active in computer and software marketing. In the context of the implementation of its strategic planning, the Company announced on 19th February 2021 the sale of this participation for the amount of 150,470.00 euros. Therefore, this holding was reclassified as “non-current assets held for sale”.

According to the Private Share Transfer Agreement dated 20.12.2019 between its main shareholder “HIT HOSPITALITY INTEGRATED TECHNOLOGIES SA”, “HIT EXELIXIS INTEGRATED HOTEL - TOURIST APPLICATIONS AND INTERNET CONTENT SA” and “EPSILON NET - INFORMATION TECHNOLOGY, TRAINING AND HIGH-TECH PRODUCTS SOCIETE ANONYME”, eighty-six thousand twenty (86,020) registered shares were sold, granted, transferred and delivered to the Company, with a nominal value of two euros and ninety three cents (€ 2.93) each, representing thirty-four percent (34%) of the share capital and voting rights of “HIT HOSPITALITY INTEGRATED TECHNOLOGIES SA”, in compliance with the provisions of article 41 of L. 4548.2018, for a price of € 11.6252034 for each sold share of nominal value of € 2.93 and for an amount of one million Euros (€ 1,000,000.00) in total.

According to the Private Share Transfer Agreement from 11/01/2021 between the main shareholder of "SINGULARLOGIC SA" and "EPSILON NET - Information Technology, Education and High Technology Products Societe Anonyme", were sold, assigned, transferred and delivered to the Company nineteen million two hundred one thousand six hundred fifty (19,201,650) registered shares of a nominal value of € (1) 00 each, by full ownership, prefecture and possession and together with all the rights and obligations on them and of them representing thirty four percent (49,835%) of the share capital and voting rights of "SINGULARLOGIC SA", subject to the formalities of article 41 of Law 4548/2018, for a price of € 0.47 for each sold share with a nominal value of € 1.00 and in total for an amount of nine million twenty five thousand Euros (€ 9,025,000.00).

11. Deferred Tax (Receivables / Liabilities)

The tax expense is calculated as follows:

Amounts in €	GROUP		COMPANY	
	01.01.-30.06.2021	01.01.-30.06.2020	01.01.-30.06.2021	01.01.-30.06.2020
<i>The amounts of Income Tax that charge / benefit the Fiscal year are as follows</i>				
Deferred Tax Expense / (Income) (see next page analysis)	(12,790.29)	(64,609.28)	131,881.65	(42,264.02)
Current Tax	688,078.22	47,201.46	511,827.45	20,277.72
Total Tax Expense / (Income)	675,287.93	(17,407.82)	643,709.10	(21,986.30)

Deferred tax assets and liabilities are offset in the Statement of Financial Position as at 30 June 2021.

With the provisions of L.4799 / 2021 - (Government Gazette A '78 / 18.05.2021) article 58 of KFE (law 4172/2013) was amended. The new provisions set a fixed tax rate on profits from business activity acquired by legal entities and legal entities at 22%, starting with the reduction of income for the tax year 2021.

The calculation of the deferred taxes was made with the new tax rate and from this adjustment resulted in a reduction of the deferred tax of the Group and the Company by 39,022.32 € which was recorded in the income statement in the income tax and was fully attributed to the results of the period 01/01 / -30 / 06/2021 on the one hand in the results amount of € 20,707.59 and on the other hand directly in the Equity amount of € 18,314.73.

12. Customers and Other Trade Receivables

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Customers	9,650,622.48	8,551,583.07	3,770,582.52	4,588,714.37
Notes Receivable	315,401.47	339,545.86	232,896.95	238,846.95
Cheques receivable	3,773,739.42	2,597,438.53	2,525,546.68	2,408,094.36
	13,739,763.37	11,488,567.46	6,529,026.15	7,235,655.68
Less: Impairment Provisions	(1,347,483.60)	(1,339,929.42)	(893,144.01)	(1,101,651.12)
Total	12,392,279.77	10,148,638.04	5,635,882.14	6,134,004.56

The movement of impairment provisions for doubtful receivables of the Group and the Company for the years ended 30th June 2020 and 31st December 2020, is analyzed as follows:

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Balance at the beginning of the year	1,339,929.42	1,044,834.35	1,101,651.12	938,587.14
Provisions from Acquisition of Subsidiary	41,389.04	9,540.73	-	-
Formed provisions for the year	174,685.31	285,554.34	-	163,063.98
Provisions Inversions	(208,520.17)	-	(208,507.11)	-
Balance at the end of the year	1,347,483.60	1,339,929.42	893,144.01	1,101,651.12

The maturity of trade receivables is set out below:

GROUP						
30.06.2021						
	Balance	Updated not impaired	Overdue	Overdue	Overdue	Overdue
	30.06.2021	Receivables	from 1 to 90 days	from 91 to 120 days	from 121 to 360 days	over 360 days
Customers receivable	8,705,525.34	7,033,701.26	1,020,065.89	323,894.73	327,863.46	-
Cheques receivable	3,568,903.76	3,563,908.35	4,995.41	-	-	-
Notes receivable	117,850.67	49,551.76	11,500.00	2,500.00	54,298.91	-
Total	12,392,279.77	10,647,161.37	1,036,561.30	326,394.73	382,162.37	-

31.12.2020						
	Balance	Updated not impaired	Overdue	Overdue	Overdue	Overdue
	31.12.2020	Receivables	from 1 to 90 days	from 91 to 120 days	from 121 to 360 days	over 360 days
Customers receivable	7,586,642.28	5,062,924.55	1,501,051.42	648,105.69	374,560.62	-
Cheques receivable	2,419,158.10	2,272,027.68	117,374.58	29,755.84	-	-
Notes receivable	142,837.66	57,720.49	42,123.65	1,750.00	41,243.52	-
Total	10,148,638.04	7,392,672.72	1,660,549.65	679,611.53	415,804.14	-

COMPANY						
30.06.2021						
	Balance	Updated not impaired	Overdue	Overdue	Overdue	Overdue
	30.06.2021	Receivables	from 1 to 90 days	from 91 to 120 days	from 121 to 360 days	over 360 days
Customers receivable	3,249,556.62	2,372,420.06	575,605.97	219,210.33	82,320.26	-
Cheques receivable	2,349,549.21	2,349,549.21	-	-	-	-
Notes receivable	36,776.31	9,576.61	1,000.00	-	26,199.70	-
Total	5,635,882.14	4,731,545.88	576,605.97	219,210.33	108,519.96	-

31.12.2020						
	Balance	Updated not impaired	Overdue	Overdue	Overdue	Overdue
	31.12.2020	Receivables	from 1 to 90 days	from 91 to 120 days	from 121 to 360 days	over 360 days
Customers receivable	3,853,916.23	2,257,253.16	888,542.31	549,557.38	158,563.38	-
Cheques receivable	2,237,297.21	2,229,513.53	7,783.68	-	-	-
Notes receivable	42,791.12	10,341.42	10,556.18	-	21,893.52	-
Total	6,134,004.56	4,497,108.11	906,882.17	549,557.38	180,456.90	-

The fair values of trade and other receivables are not presented separately as, due to their short-term duration, Management considers that the book values recognized in the balance sheet are a reasonable approximation of fair values.

From January 1, 2018, the Group and the Company apply the simplified approach of IFRS 9 and calculate the expected credit losses throughout the life of their receivables. At each balance sheet date, impairment of receivables is performed using a table on the basis of which the expected credit losses are calculated.

The receivables of the Group and the Company on 30.06.2021, which remain uncollected for more than one year, are covered 100% by relevant impairment provisions.

13. Cash and Cash Equivalents

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Cash - Headquarter	34,829.04	15,303.43	1,158.51	757.68
Cash - Branch	602.80	652.70	602.80	652.70
Deposits in Bank accounts	18,928,071.91	20,772,919.26	9,822,472.26	13,842,620.84
Total	18,963,503.75	20,788,875.39	9,824,233.57	13,844,031.22

14. Share Capital

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Share Capital consisting of 13,400,000 Common Nominal Shares of thirty cents (€ 0.30) each	4,020,000.00	4,020,000.00	4,020,000.00	4,020,000.00

On 10th July 2020, the Public Bidding and the sale of 2,224,560 new common registered shares of the Company were completed.

The Bidding price of the New Shares (hereinafter the “Bidding Price”) was set at € 2.40 per Share for the total Public Bidding (Special and Private Investors).

The total funds raised from the Public Bidding, before the deduction of commissions and expenses, amount to Euro € 5,338,944 (€ 2.40 x 2,224,560). More specifically, 866,940 new common registered shares (or 38.97% of the total Public Bidding) were distributed to Private Investors and 1,357,620 new common registered shares (or 61.03% of the total Public Bidding) were distributed to Special Investors.

The total demand from the applications of the Special Investors submitted during the Public Bidding, at the Bidding Price, amounted to 2,589,132 New Shares, exceeding the ones offered in this category, i.e.,

1,357,620 new common registered shares by approximately 1.91 times. Applications were submitted by 23 Special Investors in total.

The total demand from the applications of 368 Private Investors, submitted during the Public Bidding, amounted to 963,267 New Shares.

Therefore, the total demand from the applications of Special Investors and Private Investors submitted during the Public Bidding amounted to 3,552,399 New Shares, exceeding the available 2,224,560 New Shares, by approximately 1.60 times.

Then, on Tuesday, 14.07.2020, the following actions were performed:

- Release of investors' funds and payment for the distributed Shares by the Special and Private Investors
- Certification of the payment of the raised funds by the Issuer
- Delivery of Shares to investors through registration in their Shares in the Intangible Securities System
- Publication of an announcement for the commencement of trading

Furthermore, on Wednesday 15.07.2020, the process of listing the Company's shares in the Regulated Market of the Athens Stock Exchange was completed through the following actions:

- Deletion of the Shares from the Alternative Market of the ATHEX.
- Commencement of trading of the Company's Shares in the Regulated Market of the ATHEX.

Therefore, the paid-up share Capital of the Company after the decision of the Extraordinary General Meeting of 15.11.2019 and the above listing of the Company's shares on the Regulated Market of the Athens Stock Exchange, as of 31st December 2020, amounts to four million twenty thousand euros (€ 4,020,000.00), divided into thirteen million four hundred thousand (13,400,000) common registered shares, with a nominal value of thirty cents (€ 0.30) each.

15. Bank Debt

As part of the implementation of its investment plan, the Company has received long-term borrowing with a maturity of five years, to meet its investment needs. The Company has no short-term loans as at 30/06/2021.

The outstanding balance of the company's loans during the year ended 30th June 2021 and during the previous year, is shown as follows:

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
<u>Long-term borrowing</u>				
Bank borrowing	9,988,776.28	10,865,126.36	4,328,362.87	9,068,278.40
<u>Short-term borrowing</u>				
Bank borrowing	808,179.94	-	-	-
Long-term bank borrowing	4,782,584.04	4,185,465.68	4,076,317.35	2,941,021.22
Payable in the coming 12 months	5,590,763.98	4,185,465.68	4,076,317.35	2,941,021.22
Total	15,579,540.26	15,050,592.04	8,404,680.22	12,009,299.62

The long-term loans of the Group and the Company as at 30th June 2021 and 31st December 2020 respectively relate to common long-term bank borrowing. The Group and the Company have not issued bond loans.

16. Lease Liabilities

The Group's lease liabilities are presented below according to the IFRS 16 requirements:

	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Lease Liabilities	2,413,963.58	2,557,592.22	1,261,112.51	1,278,873.36
Less: Short-term portion	(580,768.59)	(584,347.88)	(315,797.63)	(313,012.06)
Long-term portion	1,833,194.99	1,973,244.34	945,314.88	965,861.30

The financial cost of leases was recorded in the income statement.

17. Suppliers and Other Trade Liabilities

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Suppliers	2,511,678.56	1,308,368.15	340,557.52	650,747.97
Checks Payable (Postdated)	151,444.27	822,141.07	16,032.77	762,190.69
Customers' advance payments	442,913.91	507,323.27	273,107.40	354,172.30
Transitional Liabilities Accounts - Accrued Expenses	598,092.27	50,026.85	35,252.79	34,991.26
Total	3,704,129.01	2,687,859.34	664,950.48	1,802,102.22

18. Profits per Share

	GROUP		COMPANY	
	01.01-30.06.2021	01.01-30.06.2020	01.01-30.06.2021	01.01-30.06.2020
Net Profit after Taxes	4,300,982.73	1,000,096.82	2,826,293.22	757,823.29
Attributable to:				
- Parent's Shareholders	3,841,242.06	932,074.71	2,826,293.22	757,823.29
- Non-controlling Interests	459,740.67	68,022.11	-	-
	4,300,982.73	1,000,096.82	2,826,293.22	757,823.29
Other Comprehensive Income:				
Result of a Branch Contribution under common control of Subsidiary	-	-	12,750,000.00	-
Actuarial Gains / (losses) on Personnel Benefit Programs	-	-	-	-
Deferred Tax	(18,314.73)	-	(13,494.23)	-
Total Other Comprehensive Income	(18,314.73)	-	12,736,505.77	-
Total Comprehensive Income	4,282,668.00	1,000,096.82	15,562,798.99	757,823.29
Attributable to:				
- Parent's Shareholders	3,822,927.33	932,074.71	15,562,798.99	757,823.29
- Non-controlling Interests	459,740.67	68,022.11	-	-
	4,282,668.00	1,000,096.82	15,562,798.99	757,823.29
Weighted Average Number of Shares				
Regular Shares in issue	13,400,000	11,175,440	13,400,000	11,175,440
Basic Earnings per Share (in €)	0.2867	0.0834	0.2109	0.0678

19. Information per Sector

Primary Information - Business Sector

GROUP

Amounts in €

30.06.2021

	Software	Education	Non-attributable	Total
Business Sector				
Turnover	17,296,078.70	532,433.01	-	17,828,511.71
Operating Profit / (Loss)	4,951,521.60	252,695.51	-	5,204,217.11
Financial Income	15,263.57	-	4,369.55	19,633.12
Financial Expenses	(175,285.66)	-	(186,431.16)	(361,716.82)
Share of Profit of Associates	-	-	114,137.25	114,137.25
Net Profit / (Loss) before Taxes	4,791,499.51	252,695.51	(67,924.36)	4,976,270.66
Income Tax	(634,283.66)	(41,004.27)	-	(675,287.93)
Net Profit / (Loss) After Taxes	4,157,215.85	211,691.24	(67,924.36)	4,300,982.73
ASSETS				
Non-Current Assets				
Tangible Assets	4,667,489.58	-	-	4,667,489.58
Intangible Assets	10,648,100.59	-	-	10,648,100.59
Other Non-current Assets	10,615,422.33	-	-	10,615,422.33
	25,931,012.50	-	-	25,931,012.50
Current Assets	29,726,637.92	279,007.03	3,198,695.85	33,204,340.80
Total Assets	55,657,650.42	279,007.03	3,198,695.85	59,135,353.30
LIABILITIES				
Non-current Liabilities	13,982,713.12	112,112.30	43,115.99	14,137,941.41
Current Liabilities	13,843,753.35	34,142.70	1,809,911.84	15,687,807.89
Total Liabilities	27,826,466.47	146,255.00	1,853,027.83	29,825,749.30

GROUP

Amounts in €

30.06.2020

	Software	Education	Non-attributable	Total
<i>Business Sector</i>				
Turnover	8,087,084.71	358,273.11	-	8,445,357.82
Operating Profit / (Loss)	1,027,515.47	79,149.77	19,036.68	1,125,701.92
Financial Income	-	-	16,088.21	16,088.21
Financial Expenses	-	-	(214,047.70)	(214,047.70)
Share of Profit / (Loss) of Associates	-	-	54,946.57	54,946.57
Net Profit / (Loss) before Taxes	1,027,515.47	79,149.77	(123,976.24)	982,689.00
Income Tax	-	-	17,407.82	17,407.82
Net Profit / (Loss) After Taxes	1,027,515.47	79,149.77	(106,568.42)	1,000,096.82

31.12.2020

ASSETS				
Non-current Assets				
Tangible Assets	4,662,583.03	-	-	4,662,583.03
Intangible Assets	6,228,436.45	-	-	6,228,436.45
Other Non-current Assets	2,647,945.70	-	2,970,509.45	5,618,455.15
	13,538,965.18	-	2,970,509.45	16,509,474.63
Current Assets	29,672,060.57	294,085.17	3,228,142.95	33,194,288.69
Non-current assets held for sale	150,470.00			150,470.00
Total Assets	43,361,495.75	294,085.17	6,198,652.40	49,854,233.32
LIABILITIES				
Non-current Liabilities	15,019,000.86	112,112.30	(102,259.89)	15,028,853.27
Current Liabilities	11,010,040.34	27,555.32	1,582,141.95	12,619,737.61
Total Liabilities	26,029,041.20	139,667.62	1,479,882.06	27,648,590.88

COMPANY

Amounts in €

30.06.2021

	Software	Education	Non-attributable	Total
<i>Business Sector</i>				
Turnover	7,821,222.81	532,433.01	-	8,353,655.82
Operating Profit / (Loss)	3,375,978.20	252,695.51	-	3,628,673.71
Financial Income	-	-	20,967.51	20,967.51
Financial Expenses	-	-	(179,638.90)	(179,638.90)
Share of Profit os Associates				-
Net Profit / (Loss) before Taxes	3,375,978.20	252,695.51	(158,671.39)	3,470,002.32
Income Tax	-	-	(643,709.10)	(643,709.10)
Net Profit / (Loss) After Taxes	3,375,978.20	252,695.51	(802,380.49)	2,826,293.22
ASSETS				
Non-current Assets				
Tangible Assets	1,295,624.74	-	-	1,295,624.74
Intangible Assets	3,060,159.63	-	-	3,060,159.63
Other Non-current Assets	24,875,923.01	-	2,967,665.69	27,843,588.70
	29,231,707.38	-	2,967,665.69	32,199,373.07
Current Assets	16,839,213.18	279,007.03	-	17,118,220.21
Total Assets	46,070,920.56	279,007.03	2,967,665.69	49,317,593.28
LIABILITIES				
Non-current Liabilities	5,968,917.40	112,112.30	43,115.99	6,124,145.69
Current Liabilities	6,680,442.12	34,142.70	1,662,347.72	8,376,932.54
Total Liabilities	12,649,359.52	146,255.00	1,705,463.71	14,501,078.23

COMPANY

Amounts in €

30.06.2020

	Software	Education	Non-attributable	Total
Business Sector				
Turnover	5,903,470.26	358,273.11	-	6,261,743.37
Operating Profit / (Loss)	759,727.33	79,149.77	-	838,877.10
Financial Income	-	-	23,143.01	23,143.01
Financial Expenses	-	-	(181,129.69)	(181,129.69)
Share of Profit / (Loss) of Associates	-	-	54,946.57	54,946.57
Net Profit / (Loss) before Taxes	759,727.33	79,149.77	(103,040.11)	735,836.99
Income Tax	-	-	21,986.30	21,986.30
Net Profit / (Loss) After Taxes	759,727.33	79,149.77	(81,053.81)	757,823.29

31.12.2020

ASSETS				
Non-current Assets				
Tangible Assets	1,655,482.87	-	-	1,655,482.87
Intangible Assets	4,234,547.09	-	-	4,234,547.09
Other Non-current Assets	8,241,219.76	-	2,970,509.45	11,211,729.21
	14,131,249.72	-	2,970,509.45	17,101,759.17
Current Assets	21,220,008.31	294,085.17		21,514,093.48
Non-current assets held for sale	150,470.00			150,470.00
Total Assets	35,501,728.03	294,085.17	2,970,509.45	38,766,322.65
LIABILITIES				
Non-current Liabilities	11,169,288.60	112,112.30	-	11,281,400.90
Current Liabilities	6,790,077.91	27,555.32	1,413,572.46	8,231,205.69
Total Liabilities	17,959,366.51	139,667.62	1,413,572.46	19,512,606.59

Secondary Sector Information – Geographical

SALES	GROUP		COMPANY	
Amounts in €	1.1 - 30.6.2021	1.1 - 30.6.2020	1.1 - 30.6.2021	1.1 - 30.6.2020
North Hellas Sales	5,345,594.79	2,410,551.82	3,697,539.24	2,491,389.36
South Hellas Sales	12,320,078.05	6,034,806.00	4,656,116.58	3,770,354.01
Foreign Sales	162,838.87	-	-	-
	17,828,511.71	8,445,357.82	8,353,655.82	6,261,743.37

20. Capital Commitments

The Group's companies have no commitments for the acquisition of assets, facilities and equipment.

21. Contingent Assets and Contingent Liabilities

There are no court or arbitration disputes of court or arbitration bodies that have a significant impact on the financial situation or the operation of the Group's companies.

The Company and the Group have contingent liabilities in relation to banks, other guarantees and other matters arising in the course of their ordinary business, as follows:

Amounts in €	GROUP		COMPANY	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Guarantees to secure receivables	82,662.00	82,662.00	82,662.00	82,662.00
Guarantees to secure the sound performance of contracts with customers	1,363.50	1,363.50	1,363.50	1,363.50
Guarantees to secure the sound performance of contracts of acquisition	90,000.00	90,000.00	90,000.00	90,000.00
Guarantees to secure the sound performance of commission contracts	36,665.00	45,415.00	-	-
Guarantees to secure the sound payment of suppliers	16,800.00	16,800.00	16,800.00	16,800.00
	227,490.50	236,240.50	190,825.50	190,825.50

22. Related Party Transactions

The amounts of the parent company's transactions resulting from transactions with its related parties, in accordance with IAS 24, during the period from 01.01 to 30.06.2021 are as follows:

BUYER																
Amounts in €		TOTALLY CONSOLIDATED								CLEAR POSITION METHOD	OTHER RELATED COMPANIES					TOTAL AMOUNT
		EPSILON NET S.A.	EPSILON PYLON S.A.	EPSILON EUROPE PLC	EPSILON HR S.A.	EPSILON SUPPORT CENTER S.A.	HOTELIGA INTERNATIONAL AL SP ZOO	DATA COMMUNICATI ON S.A.	EPSILON SINGULARLOG IC S.A.		TECHNOLIFE LTD	HIT HOSPITALITY INTEGRATED TECHNOLOGIES S.A.	OIKONOMIKES & MECHANOGRAFHIKES LYSEIS L.P.	OIKONOMIKES EKDOSEIS L.P.	SCAN S.A.	
S E T T L E R	EPSILON NET S.A.	-	642,652.91	-	749,964.48	6,985.88	3,008.41	3,364.00	6,915.00	11,925.09	736.94	-	-	-	-	1,425,552.71
	EPSILON PYLON S.A.	-	-	-	-	-	-	-	-	-	3,406.02	-	-	-	-	3,406.02
	EPSILON EUROPE PLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	EPSILON HR S.A.	10,021.22	7,700.00	-	-	-	-	-	-	2,628.00	-	-	-	700.00	-	21,049.22
	EPSILON SUPPORT CENTER S.A.	137,856.01	1,324.40	-	-	-	-	-	3,138.40	-	-	-	-	-	-	142,318.81
	HOTELIGA INTERNATIONAL SP ZOO	4,884.18	11,251.00	-	-	-	-	-	-	-	-	-	-	-	-	16,135.18
	DATA COMMUNICATION S.A.	26,296.00	-	-	95,624.87	-	-	-	8,990.00	-	-	-	-	-	-	130,910.87
	EPSILON SINGULARLOGIC S.A.	-	-	-	3,175.00	-	-	-	-	2,911.74	-	-	-	-	-	6,086.74
	TECHNOLIFE LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	HIT HOSPITALITY INTEGRATED TECHNOLOGIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	OIKONOMIKES & MECHANOGRAFHIKES LYSEIS L.P.	30,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000.00
	OIKONOMIKES EKDOSEIS L.P.	42,619.93	-	-	-	-	-	-	-	-	-	-	-	-	-	42,619.93
SCAN S.A.	35.00	-	-	42,372.31	-	-	-	-	-	-	-	-	-	-	42,407.31	
TAX-RIGHT LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL AMOUNT		251,712.34	662,928.31	-	891,136.66	6,985.88	3,008.41	3,364.00	19,043.40	17,464.83	4,142.96	-	-	700.00	-	1,860,486.79

The companies “OIKONOMIKES EKDOSEIS LP”, “OIKONOMIKES & MECHANOGRAFIKES LYSEIS LP”, “SCAN SA” and “TAX RIGHT LTD” are not consolidated with the EPSILON NET Group.

LIABILITIES																
Amounts in €	TOTALLY CONSOLIDATED									CLEAR POSITION METHOD	OTHER RELATED COMPANIES				TOTAL AMOUNT	
	EPSILON NET S.A.	EPSILON PYLON S.A.	EPSILON EUROPE PLC	EPSILON HR S.A.	EPSILON SUPPORT CENTER S.A.	HOTELIGA INTERNATIO NAL SP ZOO	DATA COMMUNICA TION S.A.	EPSILON SINGULAR LOGIC S.A.	TECHNOLIFE LTD		HIT HOSPITALITY INTEGRATED TECHNOLOGIES S.A.	OIKONOMIKES & MECHANOGRA PHIKES LYSEIS L.P.	OIKONOMIKES EKDOSES L.P.	SCAN S.A.		TAX- RIGHT LTD
R E C E I V A B L E S	EPSILON NET S.A.	-	40,130.27	-	498,260.36	7.60	1,207.22	-	533,221.79	22,671.68	-	46.82	-	0.07	-	1,095,545.81
	EPSILON PYLON S.A.	-	-	-	236.22	-	-	-	-	2,715.84	-	-	-	-	-	2,952.06
	EPSILON EUROPE PLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	EPSILON HR S.A.	9,893.59	2,265.46	-	-	-	-	-	8,404.88	-	-	-	-	-	-	20,563.93
	EPSILON SUPPORT CENTER S.A.	7,754.59	-	-	-	-	-	-	-	-	-	-	-	-	-	84,615.25
	HOTELIGA INTERNATIONAL SP ZOO	4,884.18	3,879.00	-	-	-	-	76,860.66	-	-	-	-	-	-	-	8,763.18
	DATA COMMUNICATION S.A.	11,522.08	-	-	92,700.99	-	-	-	-	-	-	-	-	-	-	104,223.07
	EPSILON SINGULARLOGIC S.A.	-	-	-	3,937.00	-	-	-	-	39,093.66	-	-	-	-	-	43,030.66
	TECHNO LIFE LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	HIT HOSPITALITY INTEGRATED TECHNOLOGIES S.A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	OIKONOMIKES & MECHANOGRAPHIKES LYSEIS L.P.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	OIKONOMIKES EKDOSES L.P.	38,577.41	-	-	-	-	-	-	-	-	-	-	-	-	-	38,577.41
	SCAN S.A.	-	-	-	20,887.48	-	-	-	-	-	-	-	-	-	-	20,887.48
TAX-RIGHT LTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL AMOUNT	72,631.85	46,274.73	-	616,022.05	7.60	1,207.22	-	610,082.45	72,886.06	-	46.82	-	0.07	-	1,419,158.85	

The amounts of the transactions of the Group and the company, which resulted from transactions with executives & members of management, according to IAS 24, at the end of the current period are as follows :

Amounts in €	GROUP		COMPANY	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Transactions and remuneration of Executives and Members of Management	470,418.55	339,708.92	255,519.29	222,638.27
Receivables from Executives and Members of Management	61,497.39	34,589.01	29,911.94	30,751.82
Liabilities to Executives and Members of Management	21,566.19	20,067.58	21,558.71	20,066.66

23. Unaudited Tax Years

The following table shows the unaudited tax years of the parent company and the group's subsidiaries:

Name	Audit or completion or expiry until fiscal year	Unaudited fiscal years having received tax certificate
EPSILON NET - INFORMATION TECHNOLOGY, TRAINING AND HIGH-TECH PRODUCTS SOCIETE ANONYME	2014	2015-2020
EPSILON PYLON S.A.	2014	2015-2020
EPSILON HR S.A.	-	2016-2020
EPSILON SUPPORT CENTER S.A.	-	2019-2020
DATA COMMUNICATION S.A.	-	2014-2020
EPSILON SINGULARLOGIC SA	-	-
TECHNOLIFE LTD	2014	2015-2020

For the fiscal year 2020, the tax audit of the Certified Public Accountants for the receipt of the Tax Compliance Report is in progress and the relevant tax certificate is expected to be issued after the publication of the Financial Statements of the first semester of 2021. At the end of the tax audit, management expects no tax liabilities to arise other than those recorded in the financial statements.

24. Encumbrances

There are no mortgages or prenotations registered on the movable and immovable property of the Group's companies.

25. Number of employees

The number of the Group and the Company's employees (EME) at the end of the current and previous period was:

	GROUP		COMPANY	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Employed Personnel	555	374	308	280

26. Events after the Balance Sheet date

on 14.07.2021 by virtue of the decision of the Ministry of Development and Investment registered in the General Commercial Register on the same day with Registration Number 2582833, the demerger of the company SingularLogic (the "Demerged Company") was completed, with the transfer to the subsidiary company of EPSILON NET under the name "Epsilon SingularLogic IT S.A" with the

distinctive title “Epsilon SingularLogic S.A.” (“ the Beneficiary Company”) of the sector of self-produced software for commercial applications for businesses and ERP Sector in accordance with L. 4601/2019 (article 57 par.2), L. 4548/2018 and L. 4172/2013, under the agreement that the shareholders of the Demerged Company will acquire share capital of the Beneficiary Company.

Following the approval of the demerger the following consequences occur:

1. The Beneficiary Company substitutes, by way of universal succession, to all the transferred assets and liabilities, as it is set out in the transformation balance sheet of the hived down Sector (as at 28.02.2021) and formed up to today, day of the demerger’s completion.
2. the share capital of the Beneficiary Company, increased by the amount of € 7,500,000 with the issue of 7,500,000 new common registered shares of a nominal value of € 1 each, taken in their entirety by the shareholders of the Demerged Company by analogy to their stake percentages in the Demerged Company (pro rata).

After the above increase, the share capital of Epsilon SingularLogic S.A. (the Beneficiary Company) amounts to the total amount of € 17,525,000.00 divided into 17,525,000 common registered shares of a nominal value of € 1.00 each.

According to the above mentioned and after the transfer of 3,247,000 common shares of Epsilon SingularLogic S.A. dated 29.06.2021, from EPSILON NET S.A. to SPACE HELLAS S.A., for a total amount of € 3.247.000,00,

the shareholders structure of the Beneficiary Company is today as follows:

- 1) EPSILON NET S.A. 10,514,925 common shares or 60.00% stake
- 2) SPACE HELLAS S.A. 7,005,125 shares or 39.972% stake.
- 3) GLOBAL EQUITY INVESTMENTS S.A. 4,950 shares or 0.028% stake.

Additionally, in the frame of the implementation of the strategic plan for SingularLogic announced on 01.03.2021, EPSILON NET S.A. transferred to SPACE HELLAS S.A. 902,989 common shares of a nominal value of € 1.00 each, for a total amount of €930,078.67.

After this transfer, the shareholders structure of SingularLogic is as follows:

- 1) EPSILON NET S.A. 39.934% stake
- 2) SPACE HELLAS S.A. 60.000% stake.
- 3) GLOBAL EQUITY INVESTMENTS S.A. 0.066% stake.

The completion of this strategy is the solid proof of the strong cooperation between the two Groups (EPSILON NET & SPACE HELLAS) and is a milestone, on the way for the creation of the biggest corporate scheme in the IT industry in Greece.

- On September 14, 2021 EPSILON NET announced that its subsidiary Epsilon SingularLogic S.A. completed the acquisition of a majority stake (80%) in “A. Triantafyllidis - D. Zachos General Partnership” trading as iQom and operating in the provision of specialised IT solutions to private sector entities. iQom has long experience in the development of special applications of standardised business software in the dynamic segment of retail software.

Other than the events already presented, no other events took place after the Interim Financial Statements as of June 30, 2021, which concern the Group and to which reference is required by the International Financial Reporting Standards.

THESSALONIKI, 20 SEPTEMBER 2021

**CHAIRMAN OF THE BoD
& CHIEF EXECUTIVE OFFICER**

THE BOARD MEMBER

**THE HEAD OF THE
ACCOUNTING DEPARTMENT**

IOANNIS N. MICHOS
ID Card No: AN 002369 / 07.10.2016

IOANNIS A. KOUTKOUDAKIS
ID Card No: AE 368674 / 15.03.2007

THOMAS A. KAZINERIS
ID Card No: Π 782615 / 03.12.1990
LICENSE NO./BODY OF
CERTIFIED PUBLIC
ACCOUNTANTS 50345, CLASS A

Table of Disposal of Raised Capital as of 30 June 2021

Notification in accordance with the provisions of the decision 8/754/14.04.2016 of the Hellenic Capital Market Commission and the Decision 25/06.12.2017 of the Athens Stock Exchange (hereinafter “ATHEX”), as in force.

At its 885th/1.7.2020 meeting, the Board of Directors of the Hellenic Capital Market Commission approved the content of the newsletter of EPSILON NET S.A. for the public Bidding of new common, intangible, registered, voting shares with cash payment and abolition of the right of old shares and the listing of all shares on the Regulated Market of the Athens Stock Exchange. The public Bidding of up to 2,224,560 new shares of the Company was completed successfully by raising capital amounting to € 5,338,944 corresponding to 2,224,560 new common registered with a sale price of € 2.40 per share, in accordance with the decision of the Company’s shareholders’ Extraordinary General Meeting dated 15.11.2019 and the decision of the Company’s Board of Directors dated 25.06.2020, which took place from Wednesday 8 July 2020 to Friday 10 July 2020 according to the Decision No. 9/687/3.7.2014 of the Hellenic Capital Market Commission and the Regulation of the Athens Stock Exchange through the Electronic Bidding procedure. More specifically, 866,940 new common registered shares (or 38.97% of the total Public Bidding) were distributed to Private Investors and 1,357,620 new common registered shares (or 61.03% of the total Public Bidding) were distributed to Special Investors. The certification of the payment of the Share Capital increase took place on 14/07/2020.

The total net income after deduction of issuance expenses of 419,940.63 euros amounted to € 4,919,003.37, in order to be used:

- 1) For the participation in IT & technology companies and the development of new software products for Vertical Markets in Greece and/or abroad and
- 2) For the participation in international IT exhibitions with the aim of finding partners for the expansion of the Group abroad.

30.06.2021 TABLE OF DISPOSAL OF RAISED CAPITALS

METHOD OF DISPOSAL OF RAISED CAPITAL BASED ON NEWSLETTER (section 4.4 Reasons for the Bid and Use of Revenue)	DISPOSAL OF RAISED CAPITAL AS PROVIDED BY THE NEWSLETTER (Amounts €)	DISPOSED CAPITAL UNTIL 30.06.2021	UNDISPOSED CAPITAL AT 30.06.2021
1. Participation in IT & technology companies Participation in the share or company capital of IT and technology companies in Greece and/or abroad. The participation will be made through the purchase of existing shares and/or company shares and/or through participation in capital increases and/or through participation in bond loans convertible into voting shares.	4,427,103.03	4,915,000,00	4,003.37
2. Development of new software products for Vertical Markets in Greece and / or abroad Expansion of the company's product line to meet the needs of companies and entities in Vertical markets, new and/or existing.			
3. Participation in international IT exhibitions with the aim of finding partners for the expansion of the Group abroad Coverage of participation costs (rental and configuration of an exhibition stand, equipment rental, promotional material, costs of parallel events for prospective clients / partners, entries in printed and electronic catalogs & promotional actions to increase visitors) in international IT exhibitions.	491,900.34	0.00	0.00
Total	4.919.003,37	4.915.000,00	4.003,37
<p>NOTE 1: The remaining amount of 4.003,37 euros as at 30.06.2021 was deposited in short-term bank deposits and it is included in the "Cash and Cash Equivalents" item of the Balance Sheet.</p> <p>NOTE 2: By its decision on 10.01.2021 the Company's Board of Directors decided an insignificant change in the use of the funds for participation in exhibitions and trips abroad for the obvious reason of being unable to travel due to the pandemic. With the above decision, an amount of 487,696.96 euros from the aforementioned item was used for the acquisition of SINGULAR LOGIC together with the remaining amount of 52,103.04 euros that had remained for this fiscal year. The total amount allocated for the acquisition of SINGULARLOGIC amounted to 540,000 euros and the remaining funds raised for disposal now amount to 4.003,37 euros.</p>			