QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA

Annual Management Report and Annual Financial Statements in accordance with the International Financial Reporting Standards for the year ended 31 December 2020

No. GEMI: 002916401000

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Directors' Management Report

Dear shareholders

Pursuant to Article 43a, para. 3 of C.L. 2190/1920 and the relevant provisions of Law 4548/2018, we hereby submit the company's financial statements for the year ended 31 December 2020 and our notes on these to the ordinary general assembly for your approval.

The Company's BoD, which is composed of the following persons, is responsible for the preparation of the financial statements:

1) Orestis Tsakalotos, Chairman
2) Miltiadis Georgantzis, CEO
3) Spyridon Retzekas, Board Member
4) Dimokritos Amallos, Board Member
5) Nikolaos Kontopoulos, Board Member

It is noted that the Company's financial statements were prepared according to the International Financial Reporting Standards.

This report contains financial and non-financial information concerning "Qualco SA" (hereinafter the "Company") for FY 2020.

Fiscal period report

The financial position of the Company and its performance in the period ended 31/12/2020 is presented in the attached statements and having regard to the prevailing conditions in Greece, it is deemed satisfactory.

The results of the company's activities are consistent with the estimates made by Management.

The Company's equity increased from €6,405,088 in 2019 to € 15,451,820 in 2020 (an increase of € 9,046,732 or 141%).

This increase is due to the significant profitability of the closing FY 2020 as presented below.

In the current year, the Company paid dividends. It proposed the distribution of dividends amounting to € 5,000,000 to shareholders from profits in FY 2020.

Ratios

Management provided the following ratios

	31/12/2020	**31/12/2019**
Current Assets / Total Assets	58.59%	67.47%
Current Assets / Short-term Liabilities	110.90%	101.87%
Equity / Total Liabilities	38.13%	25.39%
Equity / Fixed Assets	88.14%	74.64%

The first two indicators measure the company's liquidity portraying the proportion of capital that has been made available to current and fixed assets. Thus, they indicate the company's ability to cover its short-term obligations with its current assets.

The next indicator measures the company's financial self-sufficiency by portraying its dependence on loan capital and its dependence on foreign borrowing.

The last indicator is a measure of the degree to which the company finances its assets with wholly-owned funds.

Adjusted EBITDA

The Board evaluates the company's profitability by using the **adjusted EBITDA** ratio (Earnings Before Interest, Taxes, Depreciation, Amortisation and non-recurring expenditure). Non-recurring expenditure include the amounts of fines and surcharges from debt settlement arrangements to the Greek State from taxes and liabilities to insurance funds (essentially a financing expense), as well as any imposition of additional and non-recurring amounts resulting from tax or other administrative audits.

		01/01 - 31/12/2020	**01/01 - 31/12/2019**
Operating income - Earnings before interest and taxes (EBIT)		**13,006,565**	**4,956,268**
Depreciations	**5,6**	2,987,182	2,400,008
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)		**15,993,747**	**7,356,277**
Fines and surcharges	**31**	155,551	704,629
Fines and surcharges from previous years	**31**	-	9,985
Adjusted EBITDA		**16,149,298**	**8,070,891**

Investment Strategy (Research & Development)

The Company's investment plan included actions concerning both the development of new products and business development in specific markets.

In its effort to establish its position in the software and services market, the Company has given special priority to the research and development of its new products.

The company is continuing a well-defined investment project for the leading product "Qualco Collections and Recovery", with the aim of switching to a new, complete online platform and cloud technology. The new version of the product will be gradually launched in 2021. In addition, the company continues to invest in the Analytics and Modeling (D3E) platform with the aim of providing new opportunities that will further strengthen the added value of the product for the assessment and management of NPL portfolios.

Within 2020, the Company capitalized staff fees totaling € 1 million, an expenditure related to the development of new software.

Review of important events that occurred during the year

a. COVID-19 Pandemic

Recent developments relating to the spread of the COVID 19 pandemic and the necessary mobility restrictions have affected the entire economy in FY 2020. The consequences of the pandemic for FY 2020 have been fully addressed to date, by intensively using the work from home methodology for all company employees since mid-March 2020 and by using the cutting-edge technological systems in which the company constantly has been investing in since its incorporation.

b. Income

The year 2020 marked a significant year for the company's relationship with the PPC. The execution of a contract valued at € 15 million was completed in the 2nd quarter of 2020 and as foreseen by the contract, the € 4.5 million extension was continued in May 2020. A new cooperation agreement which defines the principles and commercial terms of the relationship with Qualco as PPC Sub-Servicer, was signed in August. With this new agreement, a new pricing policy will be adopted, which will be applied to all the PPC projects. The contract does not have a specific budget as in previous contracts and a ceiling has not been provided for procurement by Qualco. In addition, the PPC assigned the servicing of the recently securitized Energia portfolio to Qualco.

Today, digital transformation is a top priority for the Company's customers. The Company responds by introducing QUALCO 360, a constantly expanding technology ecosystem that enables associates to rapidly align operational activity with ever changing customer behavior by combining predictive analytics and a comprehensive multi-channel collections system (Omnichannel).

Risk management

The company is exposed to financial risks, such as market risks (changes in foreign currency exchange rates, interest, market prices), credit risk, liquidity risk, technological advances risk and macroeconomic risk.

i) Liquidity risk

Liquidity risk is kept at low levels by maintaining sufficient cash and adequate credit limits offered by collaborating banks.

The company's policy is to minimize its exposure to cash flow interest rate risk regarding long-term financing. Long-term financing is usually at a floating interest rate based on Euribor.

With reference to interest rates, Management believes that the amount paid in relation to the loans concluded is equivalent to the current fair market interest rates and therefore their value does not differ from the value at which these liabilities are presented.

ii) Foreign exchange risk

Foreign exchange risk arises from foreign currency transactions. The Company carries out commercial operations with foreign companies, thus, it is essentially exposed to foreign exchange risk, although most of its transactions are carried out in euro (€).

Notably, foreign exchange risk arises occasionally, particularly when consultants' fees arise, and expenses for projects that are carried out in foreign currencies. The Company periodically reviews and assesses its exposure to foreign exchange risk, individually and jointly, and if required it will use derivative financial instruments for its management.

iii) Credit risk

Credit risk is the possible untimely repayment of the counterparties' existing and contingent liabilities to the Company which consist mainly of trade and other receivables, as well as cash and cash equivalents.

Trade receivables comes from a large customer base. Due to the current market conditions, very strict control is exercised in the conclusion of new contracts and in the procedures of monitoring the progress of works, invoicing and receipts. A large part of the receivables from customers is insured against credit risk with bank guarantees from banking institutions.

Cash and cash equivalents also carry a potential credit risk. In these cases, the risk may arise from the counterparties' inability to meet their obligations to the Company. In order to manage this credit risk, within the framework of policies approved by the Boards of Directors, the Company collaborates with highly rated financial institutions and continuously assesses and sets limits on the degree of its exposure to each individual financial institution.

Moreover, a large part of the debts concerns either receivables from the Greek State, or receivables that correspond to obligations to the Greek State. According to Management, appropriate provisions have been formed for losses resulting from the impairments of debts due to specific credit risks.

iv) Risk of technological advances

Technological developments in software production technology and operating systems may, under certain conditions, affect a software company. The continuous upgrading of products to the latest technological environments plays an important role in the company's competitiveness. The Company does not foresee that such a risk may arise in the immediate future, since its products are cutting edge which in fact this constitutes a key element of its competitiveness that differentiates it in the market.

In any case, the Company closely monitors the technological developments and adjusts its products accordingly.

The risks incurred by the company and their management are detailed in paragraph 4 of the financial statements.

Related party transactions

The company's related parties include:

Parent: Qualco Holdo UK

Qualco SA is 100% owned by Qualco Holdo UK.

Subsidiaries:

		% Holding	
Name	**Seat**	**31/12/2020**	**31/12/2019**
QQuant Master Servicer Single Member SA	Greece	100%	100%
Qualco (UK) Limited	United Kingdom	90%	90%
Qualco Cyprus Ltd	Cyprus	100%	100%
Qualco SAS	France	1%	1%

Associates:

		% Holding	
Name	**Seat**	**31/12/2020**	**31/12/2019**
Incubator	Greece	50%	50%
PQH Unified Special Clearance SA	Greece	33.33%	33.33%

The transactions of the company with related parties are analyzed below:

	Trade payables		Financial liabilities	
Liabilities payable to related parties	**2020**	**2019**	**2020**	**2019**
Qualco Holdco Limited	1,792	477,201	32	32
Qualco (UK) Limited	120,561	90,906	-	-
QQuant Master Servicer Single Member SA	-	60,000	-	-
PQH Unified Special Clearance SA	289,011	-	-	-
Other related parties	1,042,685	-	-	98,776
Total	**1,454,049**	**628,107**	**32**	**98,808**

	Trade receivables		Financial assets	
Related Party Receivables	**2020**	**2019**	**2020**	**2019**
Qualco Holdco Limited	862,964	720,664	2,251,540	-
Qualco (UK) Limited	434,155	587,174	787,823	787,823
Qualco SAS	247,791	190,523	-	-
Qualco Cyprus Ltd	245,770	245,770	1,581,965	1,374,555
QQuant Master Servicer Single Member SA	4,533,888	3,381,498	14,421	14,421
PQH Unified Special Clearance SA	-	25462	-	-
Other related parties	567,881	-	1,960,740	2,236,679
Total	**6,892,450**	**5,151,091**	**6,596,488**	**4,413,478**

Purchase from/Sales to related parties	**Sales of goods and services**		**Purchases of goods and services**	
	2020	**2019**	**2020**	**2019**
Qualco Holdco Limited	145,427	19,480	89,583	440,458
Qualco (UK) Limited	321,053	436,882	449,105	43,742
Qualco SAS	120,094	125,424	-	-
Qualco Cyprus Ltd	5,157	219,475	-	-
QQuant Master Servicer Single Member SA	2,434,873	1,725,323	617,578	60,000
PQH Unified Special Clearance SA	2,634,311	4,150,666	-	-
Other related parties	600	-	1,561,250	881,368
Total	**5,661,515**	**6,677,250**	**2,717,516**	**1,425,568**

Board member and managerial executive remunerations	**2020**	**2019**
Salaries and other employee benefits	1,548,863	1,621,788
Total	**1,548,863**	**1,621,788**

Environmental and labor issues

Corporate and Social Responsibility

One of the Qualco's fundamental values and the most important operating principles, which largely determines its sustainable business activity, is its contribution to the progress and prosperity of society.

Corporate Social Responsibility concerns the manner in which we achieve our goals and utilize our business incentives, operating in a way that reflects the company's values in areas that include the market, employees, consumers, society and the environment.

For us, the people of Qualco, Corporate Social Responsibility actions are an integral part of our culture and our overall philosophy as an organization. With our "fellow man" and "support without consideration" in mind, the foundations are laid for the main strategy of the company's actions, while the active development of the above two points are a key priority for Qualco in Greece, despite the difficult conditions we all face today.

The philosophy of social responsibility covers three key strategic pillars in all the countries where Qualco operates. Initially, it includes all actions and initiatives that differentiate us from the competition. It then includes initiatives that support local communities, institutions and people in actual need. This is our second strategic pillar. Finally, the third pillar of our strategy is inextricably linked to the employees' ability to participate in all actions and activities.

Environmental Issues

Qualco has demonstrated its respect for the environment all this time, thus it ranks at the top of the code of ethics that governs all our operations.

Our operation falls in line with all regulations - best environmental practices - while supporting local and international environmental actions and initiatives by participating in or encouraging the participation in these for sustainable development.

Labor Issues

The Company had 251 employees as at 31/12/2020. With full awareness of the prevailing economic conditions, we realize that our people are our most important asset and the key players in achieving our strategic goals.

The Company aims to achieve its objectives through transparent and merit-based frameworks for the selection, performance evaluation and rewarding of our human resources and a network of appropriate procedures and rational organizational structures. Progress and promotional opportunities are part of our people-centered philosophy.

Finally, relationships of trust are built among its members through the implementation of structured communication policies between the levels of hierarchy.

Equal opportunities

The Company's executives, employees and associates respect their colleagues and every trading party and comply fully with the legislation on equal opportunities. No form of harassment against any company employee or third party will be tolerated.

The value, qualifications and performance of individuals are the main reasons for the assignment of more complex and demanding roles in the organization chart, while characteristics related to gender, age, religion, origin, color, or beliefs of the candidates do not constitute reasons for their preference or exclusion over their fellow candidates.

Personnel health and safety

In the context of safeguarding the health and safety of employees, the Company has appointed a Safety Technician and an Occupational Physician, in order to investigate any contingent hazards in the workplace and to propose preventive measures. Protecting health and safety in all areas of activity is a matter of paramount importance and priority. The Company ensures for the creation of a working environment with satisfactory and pleasant work conditions. The standards that has been set to ensure health and safety in the workplace are particularly high.

Society

The Company ensures for the implementation of minimum social standards and aims at their ongoing improvement. These minimum social standards are the foundation of its operation:

- Human dignity
- Compliance with legislative provisions
- Prohibition of child labor
- Prohibition of forced labor and disciplinary measures
- Freedom of organization and assembly
- Environmental protection

The implementation and monitoring of the aforementioned social standards is carried out through an intra-corporate social responsibility strategy and a corresponding intra-corporate process. Punishment or unfavorable treatment of employees who report such violations in relation to these social standards is prohibited.

Projected course and development

The significant amount of unfinished awarded projects creates an expectation for a stronger growth in 2021 for the Company. The growth rates are also supported by the revenues from products and services from our ever-growing customer base of large and medium-sized customers.

In view of the Company's strong orientation towards exports, the prospects, results and course for FY 2021, are directly related to the situation prevailing both in the domestic and in the global economy and market; however, without ignoring the unfavorable conditions still prevailing in the domestic economy, despite the fact that after such a long period of recession, there are signs that attempts for the return to growth, the improvement of business operation conditions and the increase in business investments are being made, while the hope has been cultivated that the end of fiscal surveillance may be the starting point of growth and return to normality.

In any event, although developments cannot be predicted with certainty and any assessment in terms of the development and course of activities and financial figures would be uncertain, given that transaction activities have not been restored, Management has increased its outreach and will focus its efforts on the market shares that are expected to emerge:

- by further strengthening its activity abroad,
- from the contribution of new and specialized personnel,
- from the development and presentation of new operations and innovative products in the domestic and international market,
- from the targeted approach to new projects and complex IT projects in particular, and
- from the search of new investment opportunities that will help in further growth.

The flexibility of the internal structure and organization that has already been created by the Company allows for its quick and efficient adaptation to the newly-formed market conditions, in order to effectively utilize any substantial growth opportunities should these arise.

In addition, the development of the Company's operations in sectors with high added value, is expected to have a beneficial effect on profit margins and financial figures.

The Company systematically strengthens its presence and its activities in the markets in order to cover and serve the needs of the banking and investment sector, in which it has significant expertise.

The Company follows its plan, to contribute with its technology in the development of its customers' activities. It constantly invests a significant portion of its annual revenue to improve QUALCO 360, the core software it offers its customers, and to grow in areas such as cloud deployment, explainable AI, and value-added advanced data services.

The management of securitized and non-secured receivables of the PPC portfolio continues in 2021. At the beginning of 2021, the new securitization of PPC (Dias/Zeus) is expected to be signed for which the Company will continue to offer portfolio management services for at least the next three years.

Events after the reporting date of the Statement of Financial Position

In March 2021, the company signed a 2 million euro loan contract with the National Bank of Greece. The loan was financed by the "Hellenic Development Bank" (HDB) to support increased liquidity needs of businesses arising from the COVID-19 pandemic.

True copy of the BoD minutes.

Maroussi, Attica, 05 April 2021

BoD Chairman

Orestis Tsakalotos

Audit Report by an Independent Certified Public Auditor/Accountant

To the shareholders of QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA

Audit report on the financial statements

Opinion

We have audited the financial statements of QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA (the Company), which comprise of the statement of financial position as at 31st December 2020, the statements of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the attached financial statements fairly present, in all material aspects, the financial position of QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA as at 31st December 2020, and its financial performance and cash flows for the year then ended, in line with the International Financial Reporting Standards, as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with the International Auditing Standards (IAS), as transposed into Greek Law. Our responsibilities, according to these standards, are further described in the section of our report “Auditor's responsibilities for the audit of the financial statements”. We remain independent of the Company, throughout our appointment, in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), which has been incorporated into Greek Law, and ethical requirements relating to the audit of financial statements in Greece and we have fulfilled our ethical obligations according to the Law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and adequate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as these have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance on whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been transposed into Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit, in accordance with ISAs, as these have been transposed into Greek Law, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Having regard to the fact the management is responsible for the preparation of the Board of Directors' Management Report with respect to the provisions of paragraph 5, Article 2 (part B) of Law 4336/2015, we note that:

a) In our opinion, the Management Report has been prepared in accordance with the current statutory requirements of Article 150 of Law 4548/2018 and its content corresponds to the accompanying financial statements for the fiscal period that ended on 31/12/2020.

b) Based on the knowledge that we acquired during our audit about QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA and its environment, we have not identified any material misstatement in the Management Report.

Athens, 05 April 2021

Certified Auditor/Accountant

Christina Tsironi

SOEL Reg. No. 36671

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Statement of Financial Position

ASSETS	**Note**	**31/12/2020**	**31/12/2019**
Non-current assets			
Tangible Assets	**5**	2,976,075	674,359
Intangible assets	**6**	6,392,945	7,220,493
Investments in subsidiaries and associates	**7**	4,609,464	303,114
Deferred tax assets	**8**	778,221	459,148
Right-of-use assets	**9**	8,161,740	686,087
Other long-term assets	**10**	262,043	947,695
Total non-current assets		**23,180,488**	**10,290,896**
Current assets			
Customers and other receivables	**11**	14,329,008	9,982,225
Current tax assets	**12**	16,152	11,118
Accrued income	**13**	9,329,207	4,156,972
Other financial assets	**14**	6,596,456	4,261,610
Other receivables	**15**	512,230	1,221,047
Cash and cash equivalents	**16**	2,014,894	1,706,411
Total current assets		**32,797,947**	**21,339,384**
Total assets		**55,978,435**	**31,630,280**
EQUITY AND LIABILITIES			
Equity			
Share capital and above par difference	**17**	7,239,363	7,239,363
Other reserves	**17**	2,780,303	2,821,343
Retained earnings		5,432,155	(3,655,617)
Total equity		**15,451,820**	**6,405,088**
Liabilities			
Long-term liabilities			
Long-term loans	**18**	1,929,624	2,609,946
Long-term financing lease obligations	**19**	7,197,832	456,398
Deferred tax liabilities	**8**	155,614	151,569
Tax liabilities	**24**	859,055	626,112
Employee benefits due to retirement	**20**	804,073	416,725
Other long-term liabilities	**21**	4,891	16,854
Total long-term liabilities		**10,951,089**	**4,277,604**
Short-term liabilities			
Suppliers and other obligations	**22**	9,247,539	6,958,258
Short-term loan liabilities	**18**	4,280,666	4,824,393
Short-term financing lease obligations	**19**	981,552	178,789
Other financial liabilities	**23**	37,186	37,186
Other tax liabilities	**24**	3,427,756	3,646,533
Deferred income	**25**	1,496,968	1,198,926
Other obligations	**26**	6,231,192	3,778,562
Current tax liabilities	**27**	3,872,667	324,943
Total short-term liabilities		**29,575,526**	**20,947,588**
Total liabilities		**40,526,615**	**25,225,192**
Total equity and liabilities		**55,978,435**	**31,630,280**

The notes on pages 17 to 50 are an integral part of these financial statements.

Statement of Comprehensive Income

	Note	01/01 - 31/12/2020	01/01 - 31/12/2019
Turnover	**29**	56,691,528	38,651,238
Cost of goods sold	**30**	(30,265,073)	(24,616,478)
Gross Profit		**26,426,455**	**14,034,760**
Selling expenses			
Administrative expenses	**30**	(11,144,713)	(7,027,564)
Selling expenses	**30**	(2,377,034)	(1,666,701)
Other income	**31**	619,008	387,721
Other expenses	**31**	(517,151)	(771,947)
Operating results		**13,006,565**	**4,956,268**
Financial income	**32**	26,363	153,946
Other financial results	**7**	-	(31,908)
Financial expenses	**32**	(699,498)	(718,231)
Financial expenses - net		**(673,136)**	**(596,194)**
Gains before taxes		**12,333,429**	**4,360,075**
Income tax	**28**	(3,245,657)	(1,206,715)
Period profit		**9,087,772**	**3,153,360**
Other total operating income:			
Items that were not subsequently transferred to the income statement			
Actuarial gains/(losses)	**20**	(54,000)	309,086
Deferred tax on actuarial gains/(losses)		12,960	(74,181)
Other total (expenses) / income for period		**(41,040)**	**234,905**
Accumulated total income for the period after taxes		**9,046,732**	**3,388,266**

The notes on pages 17 to 50 are an integral part of these financial statements.

Statement of changes in equity

	Share capital	Above par	Other reserves	Retained earnings	Total equity
Balance at 1 January 2019	**849,213**	**6,390,150**	**2,586,437**	**(6,808,979)**	**3,016,821**
Net period profit	-	-	-	3,153,360	3,153,360
Recalculation of employee benefits	-	-	309,086	-	309,086
Deferred tax on revaluation of the employee benefit obligation	-	-	(74,181)	-	(74,181)
Accumulated total income for the period	**-**	**-**	**234,905**	**3,153,360**	**3,388,266**
Share capital increase					
Share capital increase expenses	-	-	-	-	-
Balance at 31 December 2019	**849,213**	**6,390,150**	**2,821,342**	**(3,655,618)**	**6,405,087**

	Share capital	Above par	Other reserves	Retained earnings	Total equity
Balance at 1 January 2020	**849,213**	**6,390,150**	**2,821,342**	**(3,655,618)**	**6,405,087**
Net period profit	-	-	-	9,087,772	9,087,772
Recalculation of employee benefits	-	-	(54,000)	-	(54,000)
Deferred tax on revaluation of the employee benefit obligation	-	-	12,960	-	12,960
Accumulated total income for the period	**-**	**-**	**(41,040)**	**9,087,772**	**9,046,732**
Share capital increase					-
Share capital increase expenses	-	-	-	-	-
Balance at 31 December 2020	**849,213**	**6,390,150**	**2,780,302**	**5,432,154**	**15,451,819**

The notes on pages 17 to 50 are an integral part of these financial statements.

Statement of cash flows

	01/01 - 31/12/2020	01/01 - 31/12/2019
Gains/(Losses) before taxes	**12,333,429**	**4,360,075**
Adjustments for:		
Depreciations of tangible assets	319,414	196,519
Depreciations of right of use assets	659,526	223,406
Depreciations of intangible assets	2,008,242	1,980,084
Change in provisions, retirement reserves and grants	333,348	162,905
Interest income	(26,363)	(153,946)
Interest expenses	699,498	718,231
Depreciation of grants	(16,854)	(56,446)
Impairment of assets and other investments	-	31,908
	16,310,241	**7,462,736**
Changes in working capital		
Decrease / (Increase) in inventories		
Decrease / (Increase) in trade and other receivables	(11,111,447)	(3,122,106)
Decrease / (Increase) in accrued income	(5,172,235)	66,950
Increase / (Decrease) in trade and other payables	10,242,897	1,807,967
Increase/(Decrease) of revenue carried forward	298,042	(53,066)
Increase / (Decrease) in accrued expenses	2,452,630	(556,718)
(Decrease) / increase in other tax liabilities	14,166	(800,133)
Cash flow from operating activities	**13,034,295**	**4,805,628**
Income tax	-	(51,621)
Cash outflow from operating activities	**13,034,295**	**4,754,007**
Cash flow from investing activities		
Purchase of tangible assets	(2,612,471)	(412,696)
Purchase of intangible assets	(1,178,194)	(988,263)
Increased holding in affiliate	(4,306,350)	-
Interest received	823	331
Net cash outflow from investing activities	**(8,096,192)**	**(1,400,628)**
Cash flow from financing activities		
Assumed loans	2,000,000	7,000,000
Loan repayments	(3,374,086)	(7,518,446)
Finance lease payments	(722,642)	(214,585)
Loans to related parties	(2,526,312)	(1,178,102)
Repayment of loan capital from related parties	235,926	224,698
Interest paid	(242,506)	(396,630)
Net cash outflow from financing activities	**(4,629,620)**	**(2,083,065)**
Net increase/(decrease) in cash and cash equivalents	**308,484**	**1,321,935**
Cash and cash equivalents at beginning of period	1,706,411	384,476
Cash and cash equivalents at end of period	**2,014,894**	**1,706,411**

The notes on pages 17 to 50 are an integral part of these financial statements.

Notes on the financial statements

1. General Information

These financial statements include the annual corporate financial statements of the company under the corporate name "QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA" (hereinafter "Qualco" or "Company").

"QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA" was incorporated in Greece in 1998.

It is headquartered at 40 Agiou Konstantinou Street, Maroussi, P.C. 15124, Attica, holder of VAT Reg. No. 094503426 and GEMI number 002916401000.

The main activities of the company include: a) the development, sale and support of advanced software and business solutions for the wider financial and construction sector; b) the provision of a wide range of services related to IT Infrastructures; c) the design, implementation and support of complex systems for the purpose of efficiency and development of business intelligence and management information (MIS); d) the design and implementation of large scale mission-critical, line-of-business IT projects; and e) the design and implementation of risk calculation methods.

The Company's financial period starts on 1st January and ends on 31st December every year.

The current financial statements are presented in euro which is the currency of the primary economic environment in which the entity operates.

The financial statements for the year ended 31st December 2020 were incorporated in the consolidated financial statements of Qualco Holdco Ltd based in the UK using the full consolidation method.

These financial statements have been approved for publication by the Company's Board of Directors on 05 April 2021 and are pending approval by the ordinary General Assembly of shareholders.

2. Preparation framework of the financial statements

2.1 Basis for preparation

The present financial statements for QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA as at 31st December 2020, which cover the period 01/01/2020 - 31/12/2020, have been prepared in accordance with International Financial Reporting Standards (IFRS) as these have been published by the International Accounting Standards Board (IASB) and their related Interpretation as published by the International Financial Reporting Interpretations Committee (IFRIC) and are relevant to the company's activities and are valid during the preparation of the financial statements, as adopted by the European Commission.

The financial statements have been prepared in accordance with the principle of historical cost or fair value, fiscal period independence, uniformity, presentation, materiality and the principle of accrued income and expenses.

The financial statements have also been prepare in accordance with the principle of going concern. The consequences of the COVID 19 pandemic have been fully addressed to date by intensively using the work-from-home methodology for all company employees since mid-March 2020 and by using cutting-edge technological systems in which the company constantly has been investing in since its incorporation. Employee productivity has not decreased, in fact, in some operations there is an increase in productivity.

All the revised or newly-issued standards and interpretations that apply to the company and are effective on 31/12/2020 were taken into consideration when preparing the current FY financial statements to the extend that these are enforceable.

The preparation of the financial statements in accordance with generally accepted accounting principles require the adoption of estimations and assumptions affecting the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the reporting date and the reported revenues and expenses during the reporting period. The use of adequate information and the application of subjective judgment are integral in conducting estimations on asset valuations, classifying financial instruments, impairing the value of receivables, forming provisions for income tax and pending litigation. Actual future results may differ from such estimates.

2.2 Estimate of the impact of COVID-19

Recent developments relating to the spread of the COVID 19 pandemic and the necessary mobility restrictions have affected the entire economy in FY 2020.

Income assumptions
We reviewed and assessed the contracts with existing customers. Most of the customers are extremely large and sound companies and significant in their industry. All contracts continue to be in effect and there is no indication that any collaboration will be terminated. On the contrary, the company's revenues are expected to increase in the coming period, primarily due to the new collaboration with the PPC. The Company's turnover from the PPC is expected to increase significantly due to the larger assignment base. In the IT sector too, the company’s turnover is expected to show an increase, due to new collaborations with customers that have already been undertaken or are expected to be undertaken shortly. Overall, the company’s turnover is expected to present an increase in excess of 40%.

Estimated Expenditure
A significant volume of the company’s expenses is directly linked to the company’s revenue and are expected to rise in proportion to revenue. Payroll cost will increase in order to cover the needs that will be created due to the increase in turnover. That said, the net profit margin ratio will show a 20% improvement due to better intra-company management and economies of scale. Management monitors expenses on a monthly basis, both against the budget and against total revenue.

Overdue debts
The company pays any debts owing to the State and does not have any overdue debts. There are regulated tax debts which are paid without creating a problem in the company's liquidity. The debt collection cycle is less than 60 days, while the payment cycle is 90 days. Significant changes are not expected in 2021.

2.3 New standards, Interpretations, Revisions and Amendments of existing Standards which have entered into force and have been adopted by the European Union

The following new standards, interpretations, and amendments of existing standards have been issued by the International Accounting Standards Board (IASB), they have been adopted by the European Union and are mandatorily effective on or after 01/01/2020.

Revision of the Conceptual Framework for Financial Reporting (effective for annual reporting periods beginning on or after 01/01/2020)

In March 2018, the IASB moved forward with the revision of the Conceptual Framework for Financial Reporting, aimed at incorporating important issues that were not covered, and updating and providing clarifications regarding specific guidelines. The revised Conceptual Framework for Financial Reporting consists of a new chapter on measurement, which analyzes the measurement concept, including factors that must be taken into consideration when selecting a measurement basis, issues related to the presentation and disclosure of financial statements and guidance on the derecognition of assets and liabilities from the financial statements. Moreover, the revised Conceptual Framework for Financial Reporting includes improved definitions of an asset and a liability, guidance supporting these definitions, updated criteria for including assets and liabilities in financial statements, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendments do not have an impact on the financial statements.

Amendments to References of the Conceptual Framework for Financial Reporting (effective for annual reporting periods beginning on or after 01/01/2020)

In March 2018, the IASB issued the Amendments to References of the Conceptual Framework for Financial Reporting, following its revision. Some standards include explicit references to previous versions of the Conceptual Framework for Financial Reporting. These amendments aim to update the above references and support the transition to the revised Conceptual Framework for Financial Reporting. The amendments do not have an impact on the financial statements.

Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual reporting periods beginning on or after 01/01/2020)

In October 2018, the IASB issued amendments to the definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The new definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The amendments do not have an impact on the financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual reporting periods beginning on or after 01/01/2020)

In September 2019, the IASB issued amendments to some of requirements for hedge accounting in order to provide relief from potential effects of the uncertainty caused by the IBOR reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest-rate benchmarks such as interbank offered rates. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments do not have an impact on the financial statements.

Amendments to IFRS 3: "Definition of a Business" (effective for annual reporting periods beginning on or after 01/01/2020)

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments make it easier for companies to decide an acquisition is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The amendments do not have an impact on the financial statements.

Amendments to IFRS 16 "Leases" for COVID-19-related rent concessions (effective for annual reporting periods beginning on or after 01/06/2020)

In May 2020 the IASB issued amendments to IFRS 16 which provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. In particular, the amendments clarify that if conditions are met, exempts lessees from having to consider whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. Instead, lessees who implement this practical expedient will be allowed to account for such rent concessions as if they were not lease modifications. The above was applied to COVID-19-related rent concessions rent concessions for which any reduction in lease payments affects only payments due on or before 30 June 2021. The company applied the amendment and the impact of the new standard is presented in note 19.

2.4 New standards, Interpretations, Revisions and Amendments of existing Standards which have not entered into force and have not been adopted by the European Union

The following new standards, interpretations, and amendments of existing standards have been issued by the International Accounting Standards Board (IASB), but are either not yet effective, or have yet to be adopted by the European Union.

Amendments to IFRS 4 "Insurance contracts" - deferral of effective date of IFRS 9 (effective for annual reporting periods beginning on or after 01/01/2021)

In June 2020, the IASB issued amendments based on which the effective date of IFRS 17 is deferred by two years, i.e., it will be effective for annual reporting periods beginning on or after 1st January 2023. As a result, the IASB also deferred the fixed expiry date of the temporary exemption from applying IFRS 9 "Financial Instruments" in IFRS 4 "Insurance Contracts"; thus entities will be required to apply IFRS 9 to annual reporting periods beginning on or after 1st January 2023. The company does not expect the amendments to have a material impact on its financial statements. The above have been adopted by the European Union beginning on 01/01/2021.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform—Phase 2" (effective for annual reporting periods beginning on or after 01/01/2021)

In August 2020, the IASB completed the assessment and response procedure in the reform of interbank offered rates and other interest rate benchmarks by issuing a number of amendments to five Standards. The amendments which were issued in 2019, address the financial reporting effects when a prior interest rate benchmark is replaced with an alternative interest rate benchmark. In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest and the information it should disclose. The company does not expect the amendments to have a material impact on its financial statements. The above have been adopted by the European Union beginning on 01/01/2021.

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements to IFRS Standards 2018 - 2020" (effective for annual reporting periods beginning on or after 01/01/2022)

In May 2020, the IASB issued a number of narrow-scope amendments to three IFRS Standards, as well as Annual Improvements. These amendments provide clarifications with respect to the wording of the Standards or correct consequences of lesser importance, omission or conflicts among the requirements of the Standards. Specifically:

- **The amendments to IFRS 3 "Business Combinations"** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **The amendments to IAS 16 "Property, Plant and Equipment"** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **The amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
- **Annual Improvements to IFRS Standards - Cycle 2018 - 2020** make minor amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" and the illustrative examples accompanying IFRS 16 "Leases".

The company does not expect the amendments to have a material impact on its financial statements. The above have not been adopted by the European Union.

IFRS 17 "Insurance Contracts" (effective for annual reporting periods beginning on or after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces the interim Standard IFRS 4. The objective of the IASB project was to develop a single principle-based standard for accounting treatment of all types of insurance contracts, including reinsurance contracts held by an insurance company. A single principle-based standard will strengthen comparability in financial reporting between entities, jurisdictions and capital markets. IFRS 17 sets out requirements that an entity should apply to financial information related to insurance contracts that it issues and reinsurance contracts it holds. In addition, in June 2020, the IASB issued amendments; however, the fundamental principles introduced when the Board first issued IFRS 17 remain unaffected. The amendments have been designed to reduce costs by simplifying some requirements in the Standard; make financial performance easier to explain; and facilitate the transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The company does not expect the amendments to have a material impact on its financial statements. The above have not been adopted by the European Union.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual reporting periods beginning on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 which affect the requirements for the presentation of liabilities. In particular, the amendments clarify that in order for a liability to be classified as a non-current liability, the entity should have the right to defer its settlement for at least 12 months at the end of the reporting period. The amendments: a) clarify that an entity's right to defer settlement should exist on the reporting date; b) clarify that classification is not affected by management's intentions or expectations about whether and when the company will exercise its right; c) explain that classification is affected by borrowing conditions; and d) state that settlement of a liability includes transferring a company's own equity instruments to the counterparty. In addition, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1 due to the spread of the COVID-19 pandemic. The company does not expect the amendments to have a material impact on its financial statements. The above have not been adopted by the European Union.

2.5 Foreign currency conversion

(a) Functional currency and presentation currency.

Financial statements are presented in euro, the functional currency and presentation currency of the company's financial statements.

(b) Transactions and balances

Foreign currency transactions are converted into the functional currency using the exchange rates prevailing as at the transaction date. Gains and losses from foreign currency exchange differences which result from the settlement of such transactions in the period and from the conversion of foreign currency monetary items using the exchange rates as of the date of the Statement of Financial Position are recorded in profit or loss.

2.6 Tangible fixed assets

Fixed assets are presented in the financial statements at acquisition cost, less any accumulated depreciation and any impairment provisions.

Depreciation is charged to profit and loss on the basis of the fixed depreciation method throughout the estimated useful life of the fixed assets. The estimated useful life of the most significant tangible fixed assets is as follows:

s/n	Description	Useful life
1	Machinery	10 years
2	Transportation (passenger vehicles)	8 years
3	Transportation (freight vehicles)	6 years
4	Furniture and other equipment	10 years
5	Computer equipment	5 years

The useful lives of tangible fixed assets are subject to review at the reporting date of the statement of financial position. When the carrying values of the tangible assets exceed their recoverable value, the difference (impairment) is directly recorded as an expense in profit or loss.

No residual value is calculated for tangible fixed assets.

When tangible assets are sold, the differences between the price that is received and the carrying value are recorded as gains or losses in profit or loss. Repairs and maintenances are recorded in the expenses of the period that they were incurred.

2.7 Intangible fixed assets

The Company considers that the useful value of the intangible fixed assets that it holds is not indefinite.

Intangible fixed assets are initially recognized at acquisition cost.

Subsequent recognition:

a) intangible assets with a finite useful life are measured at acquisition cost less depreciations and impairment losses, where impairment losses are considered to be permanent. Depreciation of intangible assets on the basis of a contractually determined period of use is made during that period. For items with no contractually defined period of use, depreciation is carried out over their estimated useful life.

The company's other intangible assets concern:

Research expenses for the development of new software programs

a) Research expenses for the development of new software programs are depreciated at a rate of 15%. Their acquisition value amounts to 16,420,012 euro and at the end of the FY they were depreciated by the amount of 10,244,406 euro.

Software

b) Software acquisition expenses that are depreciated at a rate of 20% per annum. Their acquisition value amounts to 1,544,246 euro and at the end of the FY these expenses were depreciated by the amount of 1,326,907 euro.

Software licenses

c) Software licenses which are depreciated at a rate of 20% per annum. Their acquisition value amounts to 71,553 euro and at the end of the FY these licenses were depreciated by the amount of 71,553 euro.

2.8 Cash and cash equivalents are expressed

Cash and cash equivalents consist of cash and sight accounts.

2.9 Share capital

The share capital concerns the Company's ordinary shares and appear in total equity. Direct expenses related to the issue of shares appear after the premium amount is deducted to reduce the issue amount.

2.10 Leases

As a Lessee: Leases of fixed assets which transfer all the risks and rewards incident to ownership to the Company, regardless of the final transfer or not of ownership of that asset, constitute finance leases. At commencement of the lease term, these leases should be capitalized at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability so as to produce a constant periodic rate of interest on the remaining balance of the liability. The respective lease liabilities net of financial charges appear in liabilities. The part of the financial charge that relates to finance leases is recognized in the profit or loss for the period during the term of the lease. Assets held under finance leases are depreciated over the shorter of their useful life or their lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period, without transferring the risks and rewards incident to ownership are classified as operating leases. The lease payments for operating leases (net of incentives offered by the lessor) are recognized as an expense in the income statement over the lease term.

As the lessor: When assets are leased under a finance lease, the present value of the lease payments is recorded as a receivable. The difference between the gross receivable and the present value of the receivable is entered as a deferred financial income. Lease income is recognized in the income statement over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment outstanding.

Assets held for operating leases are included under tangible assets in the statement of financial position. They are depreciated over the duration of their expected useful life as for owned tangible assets. Lease income (net of any incentives given to the lessees) is recognized over the lease term on a straight-line basis.

2.11 Income Tax & Deferred Tax

Tax expense is the aggregate amount included in the determination of net profit or loss for the period and relates to current and deferred tax under applicable tax law.

Current tax is the income tax payable based on the taxable profit for the year. Taxable profit differs from the net accounting profit, as this appears in the statement of comprehensive income, because it excludes income or expenses that are taxed or tax exempt in other fiscal years and also excludes items that are not taxed or are tax exempt. Tax is calculated according to the applicable tax rates that have been enacted until the reporting date of the statement of financial position or the average tax rates in the case of long-term tax liabilities and based on law current tax rates will change.

Deferred tax is the tax income amount that will be paid or is refundable in future periods with reference to taxable or deductible temporary differences. Temporary differences are the differences between the carrying amount of an asset or liability in the statement of financial position and its tax bases. Tax assets and liabilities are not recognized if temporary differences arise from goodwill or from initial recognition (other than in a business combination) of assets or liabilities which, at the time of the transactions, do not affect accounting profit or taxable profit.

Deferred tax liabilities concern taxable temporary differences and deferred tax assets concern deductible temporary differences, the carryforward of unused tax losses, and the carryforward of unused tax credits.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period of the statement of financial position or interim financial statements and reduced to the extent that it is no longer probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period of the statement of financial position.

Deferred tax is recorded in the profit or loss, other than tax attributable to transactions that were recorded directly in equity. In this case, it is accordingly recognised directly in equity.

Deferred tax assets and deferred tax liabilities can only be offset if the Entity has the legal right to offset the recorded amounts and further intends to realise the asset and settle the liability at the same time.

2.12 Retirement benefit obligation

Termination benefits include retirement benefits, including pensions and lump sum payments and post-employment benefits are paid to employees in exchange for service. The Company's obligation for retirement benefits concern both defined contribution plans and defined benefit plans. The accrued cost of a defined contribution plan is recognized as an expense in the period it occurred.

(a) Defined contribution plan

Under a defined contribution plan, the Entity pays fixed contributions into a social security fund, but has no legal obligation to make further payments if the fund does not have sufficient assets to pay all of the employees' entitlements to post-employment benefits. The employer's obligation is therefore limited to the amount it agrees to contribute to the fund. The contribution that is payable in a defined contribution plan by the Entity is recognized as a liability after deducting any contribution already paid, whereas service cost is recognized as an expense in profit or loss for the period.

(b) Defined benefit plan

Pursuant to Laws 2112/20 and 4093/2012, an Entity compensates its employees in case of dismissal or retirement. The compensation amount depends on the years of service, earnings received and the manner by which their employment relationship ended (dismissal or retirement). Establishing the right to participate in these plans is usually based on the employee's years of service until retirement. The liability that is entered in the statement of financial position for the defined-benefit plans constitutes the present value of the amount for the defined benefit less the fair value of the plan's assets (reserves from insurance company payments) and the changes that arise from any actuarial gain or loss and the past service cost. The defined benefit obligation is calculated annually by an independent actuary based on the projected unit credit method. For discounting the FY 2019, the selected interest rate follows the trend of iBoxx AA Corporate Overall 10+ EUR indices, which is considered to be in compliance with the principles of IAS 19, i.e. is based on bonds that correspond with the currency and estimated duration of the employee benefits, as appropriate for long-term provisions. A defined benefit plan which uses a formula that factors in age, years of service, and average salary, calculates specific benefits or payouts. Provisions relating to the period are included in the relevant personnel cost in the income statement and consists of the current and past service cost, the relevant financial cost, actuarial gains or losses and any additional charges. With reference to unrecognized actuarial gains and losses, the revised IAS 19 is followed which includes a number of amendments to the accounting treatment of defined-benefit plans, including:

- the recognition of actuarial gains or losses in other comprehensive income and their final exclusion from profit or loss,
- the non-recognition of expected returns of investments in the plans in the profit or loss, but the recognition of net interest on the net defined benefit liability/(asset), determined using the discount rate that is used to measure the defined-benefit liability,
- the recognition of past service cost in the profit or loss at the earlier of the date when a plan amendment occurs or when the date when an entity recognises any termination benefits, or related restructuring costs,
- other changes include new disclosures such as quantitative sensitivity analysis.

2.13 Provisions

Provisions are formed when:

- A present legal or constructive obligation has arisen as a result of a past event,
- If it probable that an outflow of resources will be required to settle the obligation,
- The required amount can be measured reliably.

Provisions are reviewed at the end of each fiscal period and adjusted to reflect the best possible estimates.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation of the date of the statement of financial position. The discount rate that is used to determine the present value reflects the current market assessments of the time value of money and the risks specific to the liability.

2.14 Recognition of revenue and expenses

Revenue from the rendering of services: Revenue arising from the rendering of services are recognized by reference to the stage of completion of the transaction compare to the total rendering of services (the percentage-of-completion method).

Revenue from the sale of goods: Revenue should be measured at the fair value of the consideration received or receivable and takes into account the amount for goods sold, which are provided in the Entity's normal course of business, net of rebates, VAT and other sales-related taxes. The Company recognizes the sale of goods in the profit or loss when the risks and rewards of ownership of the goods are transferred to the customer.

Revenue from interest: Revenue from interest is accounted for using the accrual method.

Income from dividends: Dividends or any revenue from participation in the equity of other entities are recognized as income when approved by the competent body responsible for their distribution. Royalties are recognized as income under the relevant contract terms.

Expenses: Expenses are recognized in the profit or loss using the accrual basis of accounting. Operating lease payments are transferred to the profit or loss as expenses over the lease term. Interest expense shall be recognized using the accrual basis of accounting.

2.15 Financial instruments

i) Initial recognition

A financial asset or a financial liability is recognized in the company's statement of financial position when it occurs or when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are classified at initial recognition and subsequently measured at amortized cost at fair value through other comprehensive income and at fair value through profit or loss. The Company initially measures financial assets at their fair value. Trade receivables (without a significant financing component) are measured at the transaction price.

The classification of financial assets at initial recognition is based on the contractual cash flows of the financial assets and the business model within which the financial asset is held.

ii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified into the following categories:

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

Financial assets that are measured at fair value through profit or loss include financial assets held specifically for trading purposes, financial assets which at initial recognition are measured at fair value through profit or loss, or financial assets that must be measured at fair value. Financial assets are held for trading if the entity acquired them for the purpose of selling or repurchasing them in the near future. Derivative, including embedded derivatives are classified as held for trading, unless they are effective hedging instruments. Financial assets with cash flows which are not only payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model.

b) Financial assets measured at amortized cost

The Company measures financial assets at amortized cost if the following two conditions are met: 1) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and 2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

c) Financial assets classified at fair value through comprehensive income

At initial recognition, the Company may choose to irrevocably classify its equity investments as equity instruments determined at fair value through comprehensive income when they meet the definition of equity and are not held for trading. Classification is determined for each financial instrument. Gains and losses from these financial assets are never recycled in profit or loss. Equity instruments that are determined at fair value through comprehensive income are not subject to impairment testing. The Company has classified investments in subsidiaries and associates as financial instruments at fair value through comprehensive income.

iii) Derecognition

A financial assets is derecognized when:

• the contractual rights to the cash flows from the financial asset expire, or

• the Company transferred the contractual rights to the cash flows from the financial asset or assumes a contractual obligation to pay the cash flows to one or more recipients without delay and either (a) transfers substantially all the risks and rewards of ownership of the financial asset or (b) neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but has transferred the control of the financial asset.

iv) Impairment

The Company shall recognize a loss allowance for expected credit losses on all the financial assets that are not measured at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows that are due to an entity and the cash flows that the Company expects to receive discounted. Regarding receivables from customers and contractual assets, the Company applies the simplified approach to the calculation of expected credit losses. Thus, at each reporting date, the loss provision for a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk.

v) Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when an entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The legally right to set-off should not be contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.16 Determination of fair value

The fair value of financial assets not traded on active markets shall be determined using valuation and assumptions methods based on market data at the end of the reporting period.

2.17 Government grants

2.18.1 Grants concerning assets

Grants relating to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets.

Government grants are recognized when there is a reasonable assurance that:

a) Entity will comply with any conditions attached to the grant.

b) The grants will be received.

Grants relating to assets appear as deferred income and are recorded on a systematic basis in revenue over the useful life of the asset.

2.18.2. Grant relating to income

Government grants relating to income are recognized as income on a systematic and rational basis over the periods necessary to match them with the related costs.

2.18 Subsidiaries and Associates

Subsidiaries are entities in which the Company has a holding of more than 50% in their share capital. Subsidiaries are entities over which the Company can exercise significant influence, but do not satisfy the conditions to be characterized either as subsidiaries or as part of a joint venture. Investments in subsidiaries and associates are initially recognized at the cost representing the fair value of the consideration. According to IFRS 9, on 31/12/2019 the Company's investments in subsidiaries and associates are classified in the category "Financial assets classified at fair value through comprehensive income".

2.19 Distribution of dividends

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

3. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in accordance with IFRSs requires Management to form judgments, estimates and assumptions that affect the published assets and liabilities as well as the disclosure of contingent assets and liabilities at the preparation date of the financial statements and the published revenue and expense amounts during the reporting period. The actual results may differ from the estimates.

Estimates and judgments are constantly reviewed and are based on past experience and other factors, including the expectations of future events that are considered reasonable under the circumstances.

Management's estimates and judgments are reviewed on a regular basis and are based on historical data and the expectations of future events that are considered reasonable under the circumstances.

Certain amounts that are included or affect the financial statements and the relevant disclosures should be assessed requiring management to use assumptions about values or conditions that may not be known with certainty at the reporting period of the financial statements. A "critical accounting estimate" is one which combines the materiality of the presentation of the financial statements and its results and requires Management to make difficult, subjective or complex judgments, while it is often necessary to account for highly uncertain matters or the susceptibility of such matters to change. The Company makes such judgments on a regular basis based on historical data and experience, advice from experts, trends and methods which are considered reasonable in relation to the circumstances, as well as provisions with reference to how these may change in the future.

Recognition of expenses for the development of software programs

Expenses for internally developed software program, are recognized as intangible assets in the financial statements when it is it is probable that future economic benefits from the asset will flow to the entity. When estimating future economic benefits the Company takes into account the technical feasibility of completing the asset so that it will be available for use or sale; demonstrates the existence of a market or the usefulness of the asset if it is to be used internally; and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Provisions for the impairment of assets

In relation to non-doubtful trade receivables, the Company applies the simplified approach of IFRS 9 and calculates expected credit losses over the lifetime of the receivables. For this purpose, it uses a credit loss provisions matrix based on the age of receivables, built around the historical credit loss data, adjusted for future factors in relation to debtors and the financial environment. Doubtful debts are assessed individually to calculate the relevant provision. The provision amount is recognized in the statement of comprehensive income.

Contingent assets and liabilities

The Company may be involved in litigation and claims during its normal course of business. Management is of the opinion that any settlements reached will not significantly affect the financial position of the Company as it is presented on 31st December 2020. However, identifying contingent liabilities that are related to litigation and claims is a complex process, requiring judgments regarding the outcome and implementation of laws and regulations. Changes in judgments or implementation may result in an increase or decrease in the Company's contingent liabilities in the future. Management estimates that sufficient provisions have been formed to address any litigation-related liabilities.

Income tax

In order to determine the Company's income tax liability, a judgment needs to be exercised. During an entity's normal course of business, transactions and calculations take place for which the exact calculation of the tax is uncertain. In the event that the resulting final taxes after tax audits are different to the amounts that were initially recognized, these differences affect income tax and provisions for deferred taxes in the period that the determination of tax differences took place.

4. Management of financial risk

4.1 Financial risk factors

The Company is exposed to various financial risks such as market risk (foreign exchange risk, interest rate risk, etc.), credit risk and liquidity risk. The financial risks are related to the following financial instruments: trade receivables, cash and cash equivalents, suppliers and other liabilities and borrowing.

Risk management is monitored by the financial department and is formulated within the framework of guidelines, directions and rules approved by the Board of Directors regarding interest rate risk, credit risk, as well as the short-term investment of cash.

(a) Market risk

Market risk is associated with the business sectors in which the Company engages. It is common knowledge that the company operates in an ever-changing competitive and extremely demanding international environment, and based on a specific development plan, in recent years has been systematically trying to steadily and safely strengthen its outreach, not in a single direction, but in geographical areas of strategic interest, with emphasis on cutting-edge technologies and the continuous technological upgrading of its products and solutions, while developing new activities and boosting its entry into new markets, in order to further strengthen its competitiveness, given that the domestic market presents highly negative prospects, due to the ongoing recession.

Its specialized know-how, years of experience and presence in the field, its organization and active involvement of all its executives, its wide recognition in combination with the design, development and marketing of new products, but also the continuous improvement and upgrading existing products, placing emphasis on the quality and immediate satisfaction of the demand and the changing needs of end customers, as well as the creation of sound infrastructures and the penetration into new markets, help the Company to remain competitive, despite the inherent problems faced by the industry, which were intensified with the economic crisis.

The Company’s restricted and controlled financial exposure and its significant qualitative and product differentiation, combined with the continuous development and upgrading of its products, are its main tools to minimize the negative effects of the unprecedented economic crisis; however, it is expected that in the current period, its revenue and overall results will inevitably be affected, due to the intensity and duration of the phenomenon and the general choking and lack of liquidity in the market, resulting in a large portion of the Company’s broad customer base placing their investment and upgrading projects on hold.

i) Foreign exchange risk

Foreign exchange risk arises from foreign currency transactions. The Company carries out commercial operations with foreign companies, thus, it is essentially exposed to foreign exchange risk, although most of its transactions are carried out in euro (€).

Notably, foreign exchange risk arises when consultants’ fees arise, and expenses for projects that are carried out in foreign currencies. The Company periodically reviews and assesses its exposure to foreign exchange risk, individually and jointly, and if required it will use derivative financial instruments for its management.

The analysis of the Company’s financial assets and liabilities by currency, converted into euro on 31/12/2020 and 31/12/2019 is as follows:

	31/12/2020	**31/12/2019**
Financial assets in foreign currency	751,856	834,767
Financial liabilities in foreign currency	(30,642)	(81,031)
Total	**721,214**	**753,736**

The table below shows the sensitivity of the FY results and equity in the event that the exchange rate changes by +/- 10% in relation to the financial assets, financial liabilities and the euro exchange rate:

	+10%	**-10%**	**+10%**	**-10%**
	31/12/2020		**31/12/2019**	
	GBP		**GBP**	
Impact on pre-tax profit and loss	81,309	**(81,309)**	88,591	**(88,591)**
Impact on equity	81,309	**(81,309)**	83,809	**(83,809)**

ii) Cash flow risk and risk arising from fair value change due to a change in interest rates

The Company's exposure to the risk of interest rate fluctuations results from loans at floating rates. The Company is exposed to the market's interest rate fluctuations which affect its financial position and cash flows.

Borrowing cost may increase as a result of these changes thus creating losses, or it can decrease with the occurrence of unexpected events. It should be clarified that in recent years the fluctuation in interest rates is greatly due to the increase in borrowing costs due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and, to a lesser extent to the increase in base interest rates (e.g., Euribor).

With respect to long-term borrowings, Management systematically and constantly monitors interest rate fluctuations and assesses the need to take relevant position to hedge the risks, when and if necessary. The Company constantly monitors rate trends. Decisions on loan terms as well as the relation between floating and fixed interest rate are considered on a case-by-case basis.

Changes in interest rates will have the following effect on the Company's long-term borrowing.

31/12/2019	**+0.5%**	**-0.5%**
Impact on equity	2,250	(2,250)
Impact on the period's results	(2,250)	2,250

31/12/2020	**+0.5%**	**-0.5%**
Impact on equity	16,140	(16,140)
Impact on the period's results	(16,140)	16,140

(b) Credit risk

Credit risk is the possible untimely repayment of the counterparties' existing and contingent liabilities to the Company which consist mainly of trade and other receivables, as well as cash and cash equivalents.

Trade receivables comes from a large customer base. Due to the current market conditions, very strict control is exercised in the conclusion of new contracts and in the procedures of monitoring the progress of works, invoicing and receipts. A large part of the receivables from customers is insured against credit risk with bank guarantees from banking institutions.

Cash and cash equivalents also carry a potential credit risk. In these cases, the risk may arise from the counterparties' inability to meet their obligations to the Company. In order to manage this credit risk, within the framework of policies approved by the Boards of Directors, the Company collaborates with highly rated financial institutions and continuously assesses and sets limits on the degree of its exposure to each individual financial institution.

Moreover, a large part of the debts concerns either receivables from the Greek State, or receivables that correspond to obligations to the Greek State. According to Management, appropriate provisions have been formed for losses resulting from the impairments of debts due to specific credit risks.

The maturity of the company's financial assets as at 31st December 2020 and 2019 is analyzed as follows:

	31/12/2020	**31/12/2019**
They are not in arrears and they are not impaired	8,102,999	2,203,583
They are in arrears and they are impaired:		
< 3 months	896,851	1,577,230
3 - 6 months	651,826	675,391
6 months - 1 year	1,951,797	775,557
More than 1 year	4,404,911	3,907,773
	7,905,385	**6,935,951**
They are in arrears and they are impaired		
Less: Impairment provisions	(1,708,376)	(1,252,833)
	(1,708,376)	**(1,252,833)**
Net receivables	**14,300,008**	**7,886,701**

(c) Liquidity risk

The Company manages its liquidity needs by carefully monitoring the debts of long-term financial liabilities, as well as day-to-day payments. Liquidity needs are monitored at different time periods, on a daily and weekly basis, and in a 30-day stress period. Long-term liquidity needs for the next 6 months and the next year are determined on a monthly basis.

	01/01 - 31/12/2020			
	Within 1 year	**1-5 years**	**More than 5 years**	**Total**
Suppliers and other obligations	9,247,539	-	-	**9,247,539**
Financing lease liabilities	981,552	3,878,366	3,319,467	**8,179,385**
Loans	4,280,666	1,929,624	-	**6,210,289**
Other obligations	6,231,192	-	4,891	**6,236,083**
Total liquidity risk	**20,740,949**	**5,807,990**	**3,324,358**	**29,873,296**

	01/01 - 31/12/2019			
	Within 1 year	**1-5 years**	**More than 5 years**	**Total**
Suppliers and other obligations	6,958,258	-	-	**6,958,258**
Financing lease liabilities	178,789	403,922	52,476	**635,187**
Loans	4,824,393	2,609,946	-	**7,434,339**
Other obligations	3,778,562	-	16,854	**3,795,416**
Total liquidity risk	**15,740,002**	**3,013,868**	**69,330**	**18,823,199**

4.2 Risk of technological advances

Technological advances have a major impact on the competitiveness of IT companies. Companies operating in the IT sector must be constantly up-to-date about possible changes in existing technology and make the necessary investments to ensure a high level of technology.

In addition, the recoverability of fixed research expenditure for the development of new software should be regularly reviewed.

Based on the above and for the greatest possible mitigation of the technological advances risk, the Company:

- develops products on highly efficient and internationally recognized platforms
- provides continuous training to its personnel on technological issues, in cooperation with internationally acclaimed organizations that specialize in high-tech industries
- offers innovative applications based on market needs and requirements
- renews and enriches its managerial staff

For the above reasons this risk is not deemed to be particularly significant in the given period.

4.3 Capital management

With respect to capital management, the Company's objectives include:
- to ensure the ability to continue as a going concern and
- to ensure a satisfactory return to shareholders.

The Company monitors capital based on the amount of equity plus the subordinated loans, less cash and cash equivalents as presented in the Statement of Financial Position.
Equity and total capital used as well as the leverage ratios for 2020 and 2019 are analyzed in the following table:

	31/12/2020	**31/12/2019**
Total loans	14,389,674	8,069,526
Less: Cash and cash equivalents	2,014,894	1,706,411
Net borrowing	**12,374,780**	**6,363,115**
Total equity	**15,451,820**	**6,405,088**
Leverage ratio	**80.09%**	**99.34%**

5. Tangible assets

	Installations in third-party buildings	Machinery	Passenger vehicles	Furniture and other equipment	Finance leasing	Total
Acquisition value						
Opening balance at 01/01/2019	**490,658**	**93,322**	**21,680**	**2,391,351**	**281,164**	**3,278,175**
Adjustment from the initial application of IFRS 16	**-**	-	-	-	(281,164)	(281,164)
Additions	60,509	-	-	355,409	-	415,918
Balance at 31/12/2019	**551,167**	**93,322**	**21,680**	**2,746,760**	**-**	**3,412,929**
Accumulated depreciations						
Opening balance at 01/01/2019	**393,319**	**92,695**	**13,779**	**2,042,258**	**158,221**	**2,700,272**
Adjustment from the initial application of IFRS 16	**-**	-	-	-	(158,221)	(158,221)
Write offs - Sales						-
Depreciations	30,674	626	2,168	163,052	-	196,519
Balance at 31/12/2019	**423,993**	**93,321**	**15,947**	**2,205,310**	**-**	**2,738,570**
Undepreciated value at 31/12/2019	**127,174**	**1**	**5,733**	**541,450**	**-**	**674,359**
Acquisition value						
Opening balance at 01/01/2020	**551,167**	**93,322**	**21,680**	**2,746,760**	**-**	**3,412,929**
Additions	1,484,336	-	-	1,136,794		2,621,129
Balance at 31/12/2020	**2,035,503**	**93,322**	**21,680**	**3,883,554**	**-**	**6,034,058**
Accumulated depreciations						
Opening balance at 01/01/2020	**423,993**	**93,321**	**15,947**	**2,205,310**	**-**	2,738,570
Write offs - Sales	-	-	-	-	-	-
Depreciations	97,967	-	2,168	219,279	-	319,414
Balance at 31/12/2020	**521,960**	**93,321**	**18,115**	**2,424,588**	**-**	**3,057,984**
Undepreciated value at 31/12/2020	**1,513,543**	**1**	**3,565**	**1,458,965**	**-**	**2,976,075**

Finance leases for FY 2018 were reclassified due to the application of IFRS 16 to the “Rights of use” item based on note 9.

6. Intangible assets

	Software development costs	Computer software programs	Licenses	Total
Acquisition value				
Opening balance at 01/01/2019	**14,516,875**	**1,278,426**	**71,553**	**15,866,854**
Additions	900,484	87,779	-	988,263
Balance at 31/12/2019	**15,417,359**	**1,366,205**	**71,553**	**16,855,117**
Accumulated depreciations				
Opening balance at 01/01/2019	**6,373,302**	**1,209,686**	**71,553**	**7,654,541**
Depreciations	1,920,300	59,784	-	1,980,084
Balance at 31/12/2019	**8,293,602**	**1,269,470**	**71,553**	**9,634,625**
Undepreciated value at 31/12/2019	**7,123,757**	**96,735**	**-**	**7,220,492**
Acquisition value				
Opening balance at 01/01/2020	**15,417,359**	**1,366,205**	**71,553**	**16,855,117**
Additions	1,002,653	178,041	-	1,180,694
Balance at 31/12/2020	**16,420,012**	**1,544,246**	**71,553**	**18,035,811**
Accumulated depreciations				
Opening balance at 01/01/2020	**8,293,602**	**1,269,470**	**71,553**	**9,634,625**
Depreciations	1,950,805	57,437	-	2,008,242
Balance at 31/12/2020	**10,244,406**	**1,326,907**	**71,553**	**11,642,867**
Undepreciated value at 31/12/2020	**6,175,605**	**217,339**	**-**	**6,392,944**

Additions for the year relate to new Qualco SA software.

7. Investments in subsidiaries and associates

At 31.12.2020, investments in subsidiaries are analyzed as follows:

Investments in subsidiaries	**31/12/2020**	**31/12/2019**
Shares not listed on the domestic Stock Exchange QQuant	4,500,000	194,000
Shares not listed on the foreign Stock Exchange QUALCO UK	114	114
Shares not listed on the foreign Stock Exchange QUALCO FR	100,000	100,000
Shares not listed on the foreign Stock Exchange QUALCO CY	1,000	1,000
	4,601,114	**295,114**

		% Holding	
Name	**Seat**	**31/12/2020**	**31/12/2019**
QQuant Master Servicer Single Member SA	Greece	100%	100%
Qualco (UK) Limited	United Kingdom	90%	90%
Qualco Cyprus Ltd	Cyprus	100%	100%
Qualco SAS	France	1%	1%

At 31.12.2020, investments in associates are analyzed as follows:

Investments in associates	31/12/2020	31/12/2019
Shares not listed on the domestic Stock Exchange Incubator	-	-
Shares not listed on the domestic Stock Exchange PQH SA	8,350	8,000
	8,350	**8,000**

During the current FY, the Company proceeded to completely impair the holding in the related Incubator due to the liquidation of the company.

		% Holding	
Name	**Seat**	**31/12/2020**	**31/12/2019**
Incubator	Greece	50%	50%
PQH	Greece	33.33%	33.33%

8. Deferred tax

Below are the main deferred tax liabilities and assets recognized by the Company and their movements during the current and previous reporting period.

	31/12/2020	31/12/2019
Deferred tax assets		
Tangible assets	69,239	69,239
Other intangible assets	301,865	185,087
Employee benefits due to retirement	407,116	204,822
Total deferred tax assets	**778,221**	**459,148**
Deferred tax liabilities		
Other current liabilities	(155,613)	(151,569)
Total deferred tax liabilities	**(155,613)**	**(151,569)**

	Tangible assets	Other intangible assets	Other current liabilities	Employee benefits due to retirement	Tax losses	Qualco S.A.
Opening balance at 01/01/2019	72,124	236,945	(157,884)	140,727	971,640	**1,263,552**
(Debit)/ Credit to profit or loss	(2,885)	(51,858)	6,315	138,276	(971,640)	(881,792)
(Debit)/ Credit to other comprehensive income	-	-	-	(74,181)	-	(74,181)
Balance at 31/12/2019	69,239	185,087	(151,569)	204,822	-	307,579
Opening balance at 01/01/2020	**69,239**	**185,087**	**-151,569**	**204,822**	**-**	**307,579**
(Debit)/ Credit to profit or loss		**116,779**	**(4,045)**	**189,334**	**-**	**302,068**
(Debit)/ Credit to other comprehensive income	-	-	-	12,960	-	12,960
Balance at 31/12/2020	**69,239**	**301,865**	**(155,613)**	407,116	**-**	622,607

9. Right-of-use assets

	Right-of-use buildings	Right-of-use software	Right-of-use telecommunication network and equipment	Right-of-use of transportation	Total
Acquisition value					
Opening balance at 01/01/2019	**403,829**	**281,164**	**1,628**	**381,092**	**1,067,713**
Additions					-
Balance at 31/12/2019	**403,829**	**281,164**	**1,628**	**381,092**	**1,067,713**
Accumulated depreciations					
Opening balance at 01/01/2019	**-**	**158,221**	**-**	**-**	**158,221**
Depreciations	149,301	32,067	586	41,451	223,406
Balance at 31/12/2019	**149,301**	**190,288**	**586**	**41,451**	**381,627**
Undepreciated value at 31/12/2019	**254,529**	**90,876**	**1,042**	**339,640**	**686,087**
Acquisition value					
Opening balance at 01/01/2020	**403,829**	**281,164**	**1,628**	**381,092**	**1,067,713**
Additions	7,993,612	-	-	141,568	8,135,179
Balance at 31/12/2020	**8,397,441**	**281,164**	**1,628**	**522,659**	**9,202,893**
Accumulated depreciations					
Opening balance at 01/01/2020	**149,301**	**190,288**	**586**	**41,451**	**381,627**
Depreciations	500,311	31,848	782	126,586	659,526
Balance at 31/12/2020	**649,612**	**222,136**	**1,368**	**168,037**	**1,041,153**
Undepreciated value at 31/12/2020	**7,747,829**	**59,028**	**261**	**354,622**	**8,161,740**

10. Other long-term assets

	31/12/2020	31/12/2019
Rent security bonds	245,078	82,573
Committed Deposits	16,965	865,122
Total	**262,043**	**947,695**

The Company’s committed deposits concern the Ethniki Factors contract dated 14/8/2018

11. Trade and other receivables

	31/12/2020	31/12/2019
Customers	16,008,384	9,139,534
Less: Provisions for doubtful customers	(1,708,376)	(1,252,833)
Final trade receivables	**14,300,008**	**7,886,701**
Domestic customers assigned through Factoring	-	2,070,524
Cheques receivable	29,000	25,000
Total	**14,329,008**	**9,982,225**

The change in the doubtful debt provisions is analyzed as follows:

	31/12/2020
Impairment provision	(1,252,833)
Provisions within the period	
Write off of receivables in the fiscal period	
Balance at 31/12/2019	**(1,252,833)**
Provisions within the period	(455,544)
Write off of receivables in the fiscal period	
Balance at 31/12/2020	**(1,708,376)**

Analysis of accounts receivable aging:

	31/12/2020	31/12/2019
They are not in arrears and they are not impaired	8,102,999	2,203,583
They are in arrears and they are impaired:		
< 3 months	896,851	1,577,230
3 - 6 months	651,826	675,391
6 months - 1 year	1,951,797	775,557
More than 1 year	4,404,911	3,907,773
	7,905,385	**6,935,951**
They are in arrears and they are impaired		
Less: Impairment provisions	(1,708,376)	(1,252,833)
	(1,708,376)	**(1,252,833)**
Net receivables	**14,300,008**	**7,886,701**

12. Current tax assets

	31/12/2020	31/12/2019
Withheld income tax	16,152	11,118
Total	**16,152**	**11,118**

13. Accrued income

The Company recognizes income when this can be reliably measured and it is probable that the economic benefits of the transaction will flow to the Company. Income comprises the fair value of the sale of goods and services, net of value-added tax, rebates and returns.

Accrued income is analyzed as follows:

	31/12/2020	31/12/2019
Accrued revenue	9,329,207	4,156,972
Total	**9,329,207**	**4,156,972**

Accrued income for the FY relates to the rendering of services to customers in 2020, which will be invoiced in 2021 based on relevant contracts.

14. Other financial assets

	31/12/2020	31/12/2019
Claims against BoD members and related parties	6,596,456	4,261,610
Total	**6,596,456**	**4,261,610**

The claims against BoD members on 31/12/2020 amount to €1,848,918 (2019: € 2,084,843).

15. Other receivables

	31/12/2020	31/12/2019
Advances to staff	40,000	77,428
Suppliers' debt balances	-	203,469
Other third-party associates - Current account	25,926	23,021
Expenses of subsequent periods	424,849	177,973
Value added tax offset to the next fiscal year	21,454	44,756
Committed deposits	-	694,400
Total	**512,230**	**1,221,047**

The Company's committed deposits concern the ABC Factors contract dated 01/03/2016 which were released in January 2020.

The Company's expenses of subsequent periods, amounting to €424,849 (2019: €177,973), relate to fees by law firms and other consulting companies related to the Company's investments, which will be completed in 2021 (were completed in 2020 respectively).

16. Cash and cash equivalents

	31/12/2020	31/12/2019
Cash on hand	66	624
Sight deposits	2,014,828	1,705,787
Total	**2,014,894**	**1,706,411**

17. Share capital and reserves

On 31/12/2020, the Company's total issued ordinary shares amounts to €849,213 and is divided into 28,934 ordinary shares, each having a nominal value of EUR 29.35, while the premium on capital stock amounts to € 6,390,150.

	Number of shares	Nominal value	Share capital	Premium reserves	Total
Balance at 1 January 2019	28,934	29.35	849,213	**6,390,149**	7,239,362
Share capital increase	-		-	-	-
Balance at 31 December 2019	**28,934**		**849,213**	**6,390,149**	**7,239,362**
Balance at 1 January 2020	28,934	29.35	849,213	6,390,149	7,239,362
Share capital increase	-		-	-	-
Balance at 31 December 2020	**28,934**		**849,213**	**6,390,149**	**7,239,362**

The share capital has been fully paid up.

The following table presents the company's reserves:

Other reserves	**31/12/2020**	**31/12/2019**
Statutory reserve	159,120	159,120
Other reserves	2,621,182	2,662,222
	2,780,302	**2,821,342**

Other reserves are analyzed as follows:

INTEREG III Program	28,000	28,000
NSRF Manufacturing Program	125,202	125,202
Development Law 3299	957,808	957,808
Recalculation of employee benefits	255,199	296,239
ICT4GROWTH	1,310,213	1,310,213
Capital increase expenses	(55,240)	(55,240)
Total	**2,621,182**	**2,662,222**

Statutory reserve

According to Greek corporate law, companies are required to transfer 5% of their profit after tax to the statutory reserve until their statutory reserve is equal to 1/3 of the share capital. This reserve may not be distributed, but can be used to offset losses.

The Company's Board of Directors proposes the distribution of a dividend of € 4,000,000 to the shareholders from the profits of FY 2020.

18. Bank borrowing

	31/12/2020	31/12/2019
Long-term borrowing		
Bond loan	1,929,624	2,609,946
Total long-term loans	**1,929,624**	**2,609,946**
Short-term borrowing		
Bank borrowing	4,261,613	4,778,275
Credit cards	19,052	46,118
Total short-term loans	**4,280,666**	**4,824,393**
Total	**6,210,290**	**7,434,339**

On 07/09/2020, the Company obtained a new loan of €2,000,000 with an interest rate of 3.85% plus Euribor. The loan will be repaid by 30/09/2025 with the payment of seven half-yearly amortized installments. The loan was financed by the "Hellenic Development Bank" (HDB) to support increased liquidity needs of businesses arising from the COVID-19 pandemic.

Moreover, on 31 December 2020, the Company was not in compliance with specific financial indicators that had been set by the bond loan agreement that was signed on 06/11/2019 and proceeded with the reclassification of this amount in short-term loan liabilities.

The maturity of loan liabilities is analyzed as follows:

Loan liabilities	**31/12/2020**	**31/12/2019**
Up to 1 year	4,280,666	4,824,393
Between 1 year and 5 years	1,929,624	2,609,946
Over 5 years	-	-
	6,210,289	**7,434,339**

The actual interest rates which were charged to the results are as follows

	31/12/2020
	€
Joint Venture Bond Loan	-
Bond loan	6.0%

	31/12/2019
	€
Joint Venture Bond Loan	-
Bond loan	6.5%

The impact of the interest rate change is presented below:

31/12/2019	**+0.5%**	**-0.5%**
Impact on equity	2,250	(2,250)
Impact on the period's results	(2,250)	2,250

31/12/2020	**+0.5%**	**-0.5%**
Impact on equity	16,140	(16,140)
Impact on the period's results	(16,140)	16,140

The analysis of cash flows from financing activities is presented below:

	Long-term loans	**Short-term Loan Liabilities**	**Totals**
	222,688	**7,824,884**	**8,047,572**
Cash flow from financing activities			
Assumed loans	2,700,000	4,300,000	7,000,000
Paid loans	(200,000)	(7,318,446)	(7,518,446)
Interest paid	(25,963)	(370,667)	(396,630)
Non-cash changes			
Change due to discount			-
Accrued			-
Offsetting	(17,425)	(136,988)	(154,413)
Other changes	(90,054)	(55,132)	(145,187)
Financial expenses	20,700	580,744	601,444
31/12/2019	**2,609,946**	**4,824,393**	**7,434,339**

	Long-term loans	**Short-term Loan Liabilities**	**Totals**
31/12/2019	**2,609,946**	**4,824,393**	**7,434,339**
Cash flow from financing activities			
Assumed loans	2,000,000		2,000,000
Paid loans		(3,374,086)	(3,374,086)
Interest paid	4,492	(246,951)	(242,459)
Non-cash changes			
Reclassification	(2,767,500)	2,767,500	
Financial expenses	82,685	309,809	392,494

19. Finance lease liabilities

	31/12/2020	31/12/2019
Long-term Finance lease liabilities	7,197,832	456,398
Short-term Finance lease liabilities	981,552	178,789
Total	**8,179,385**	**635,187**

	Up to 1 year	Between 1 year and 5 years	Over 5 years	Total
Lease liabilities	1,295,239	4,704,682	3,546,400	**9,546,320**
Less: Amounts that constitute financial expenses	(313,687)	(826,316)	(226,933)	(1,366,936)
Total present value of minimum future payments	**981,552**	**3,878,366**	**3,319,467**	**8,179,385**

The impact that the application of the amendment to IFRS 16 for COVID-19 related rent concessions had on the Company, corresponds to € 16 thousand, which is deducted in administrative expenses.

20. Provisions for post-employment compensation

The amounts recorded in the Statement of Financial Position are:

The change of the present value of the defined benefit obligation includes:	31/12/2020	31/12/2019
Defined benefit obligation	804,073	416,725
	804,073	**416,725**

The amounts recognized in the Income Statement are:	31/12/2020	31/12/2019
Current employment cost	122,178	153,464
Interest expense	3,243	8,781
Past service cost	215,623	-
Cost (result) of arrangement plans	55,004	660
Cost of compensations that were paid in the period	(62,700)	-
Total expenses recognized in the Income Statement	**333,348**	**162,905**

The amounts that were recognized in other comprehensive of the Statement of Other Comprehensive Income include:	31/12/2020	31/12/2019
Actuarial gains/(losses) from changes in financial assumptions	(68,381)	(65,400)
Actuarial gains/(losses) from experience acquisition	14,381	24,621
Other changes recognized in the Statement of Other Comprehensive Income	-	349,865
Total income /(expenses) recognized in other comprehensive income	**(54,000)**	**309,086**

The change of the present value of the defined benefit obligation includes:	**31/12/2020**	**31/12/2019**
Defined benefit obligation on 1st January	416,726	562,906
Total expenses recognized in the Income Statement	333,348	162,905
Total income /(expenses) recognized in other comprehensive income	54,000	(309,086)
Defined benefit obligation on 31st December	**804,074**	**416,726**

Changes to the present value of the defined obligation:

	31/12/2020	**31/12/2019**
Defined benefit obligation on 1st January	416,726	562,906
Current employment cost	122,178	153,464
Interest expense	3,243	8,781
Paid benefits	(62,700)	-
Cost (result) of arrangement plans	55,004	660
Other changes recognized in the Statement of Other Comprehensive Income	-	(349,865)
Past service cost	215,623	-
Actuarial gains/(losses) from changes in financial assumptions	68,381	65,400
Actuarial gains/(losses) from experience acquisition	(14,381)	(24,621)
Defined benefit obligation on 31st December	**804,074**	**416,726**

The main actuarial assumptions that were used for accounting purposes for the Company's figures, include:

The significant actuarial assumptions that were used for valuation include:

Discount rate as at 31st December	0.35%	0.78%
Future salary increases	2%	2%
Average remaining duration of working life	25.73	25.58
Average economic length	20.81	22.20

Sensitivity analysis of pension funds from changes in the main assumptions include:

The impact of changes in significant actuarial assumptions is:

	Discount rate + 0.1%	**Discount rate - 0.1%**
Increase / (decrease) in the defined benefits obligation	(16,484)	16,865

	Future salary increases + 0.1%	**Future salary decreases - 0.1%**
Increase / (decrease) in the defined benefits obligation	16,573	(16,235)

21. Other long-term liabilities

	31/12/2020	31/12/2019
Government grants	-	16,854
Rent security bonds	4,891	-
Total	**4,891**	**16,854**

22. Suppliers and other liabilities

	31/12/2020	31/12/2019
Creditors	8,912,819	6,240,958
Cheques payable	334,720	717,299
Total	**9,247,539**	**6,958,258**

23. Other current financial liabilities

	31/12/2020	31/12/2019
Other liabilities	37,186	37,186
Total	**37,186**	**37,186**

24. Other tax liabilities

	31/12/2020	31/12/2019
Taxes-duties of staff fees	706,368	320,903
Taxes-duties of third-party fees	377,999	263,574
Other taxes - duties	67,700	12,110
Tax adjustments	3,133,053	3,674,367
Prior period taxes - duties	1,691	1,691
Total	**4,286,811**	**4,272,645**
Current tax liabilities	3,427,756	3,646,533
Long-term tax liabilities	859,055	626,112
	4,286,811	**4,272,645**

25. Deferred income

Deferred income	31/12/2020	31/12/2019
Deferred income	1,496,968	1,198,926
Total	**1,496,968**	**1,198,926**

Deferred income relates to invoiced support services, which will be accrued in the next fiscal year.

26. Other obligations

	31/12/2020	31/12/2019
Staff fees due	18,792	18,792
Accrued expenses	5,008,577	3,315,416
Insurance Funds	1,203,822	444,353
Total	**6,231,192**	**3,778,562**

27. Current tax liabilities

	31/12/2020	31/12/2019
Tax-duty clearance account from annual income tax return	3,872,667	324,943
Total	**3,872,667**	**324,943**

28. Income tax

	01/01 - 31/12/2020	01/01 - 31/12/2019
Current tax expense	(3,547,725)	(324,943)
Deferred tax on results	302,068	(881,772)
Prior period tax expense		
Total	**(3,245,657)**	**(1,206,715)**
Gains before taxes	12,333,429	4,360,075
Tax rate	24%	24%
Anticipated tax expense	**(2,960,023)**	**(1,046,418)**
Effect of tax rate changes	-	(79,533)
Impact of foreign subsidiaries' tax rate differences		
Other expenses that are not discounted	(753,997)	(354,453)
FY losses for which no deferred tax assets were recognized.	-	144,612
Tax impact of deduction of research & development costs	316,800	129,078
Tax attributable to untaxed reserves		
Other	151,564	-
Prior period tax differences		
Total tax	**(3,245,656)**	**(1,206,714)**

The company's tax returns for FY 2010 have not been audited by tax authorities.

For FY 2011 through to FY 2018, the Company was tax audited by certified auditors as defined in the provisions of Article 65A of Law 4174/2013. Within 2018, a regular tax audit mandate was issued for FY 2014-2016. The audit was completed in FY 2018 and income tax differences amounting to a total of € 925,016 were imposed, which were recognized in income tax for the year. The company received a Tax Compliance Report for 2018 in 2020. The company has not received a tax compliance report for 2019, even though Management does not expect any significant tax liabilities to arise other than those recorded and presented in the financial statements.

With respect to FY 2020, the tax audit by certified auditors for receipt of the tax compliance report is currently in progress. Upon completion of the tax audit, management does not expect any significant tax liabilities to arise other than those stated in the financial statements.

29. Turnover

	01/01 - 31/12/2020	01/01 - 31/12/2019
Product sales	13,390,877	13,206,928
Provision of technology services	24,197,685	6,341,343
Provision of portfolio management services (Energy Sector)	19,102,966	19,102,966
Total	**56,691,528**	**38,651,238**

30. Operating expenses by category

	01/01 - 31/12/2020			
	Cost of sales	Administrative Expenses	Selling expenses	Total
Payroll and other employee benefits	8,295,085	6,009,435	1,658,422	**15,962,942**
Taxes	-	129,354	-	**129,354**
Other Expenses	399,043	1,179,869	11,833	**1,590,744**
Depreciations	2,749,032	238,150	-	**2,987,182**
Professional fees & legal expenses	3,615,682	2,299,607	256,200	**6,171,489**
Outsourcing of operations	14,887,779	97,384	15,642	**15,000,805**
Establishment expenses	-	434,649	-	**434,649**
Advertising expenses	175	308,323	402,610	**711,107**
Travel expenses	37,278	447,942	32,327	**517,547**
Provisions	-	-	-	**-**
Inventory usage	281,000	-	-	**281,000**
Total	**30,265,073**	**11,144,713**	**2,377,034**	**43,786,820**

The defined-contribution plan amount that was recognized in the Statement of Comprehensive Income amounted to € 500 thousand for the period 01/01 – 31/12/2020. The above amounts are included in the item "Payroll and other employee benefits".

In addition, the impact that the application of the amendment to IFRS 16 for COVID-19 related rent concessions had on the Company, corresponds to € 16 thousand, which is deducted in administrative expenses.

	01/01 - 31/12/2019			
	Cost of sales	**Administrative expenses**	**Selling expenses**	**Total**
Payroll and other employee benefits	7,865,735	3,591,517	1,115,781	**12,573,033**
Taxes	-	9,644	-	**9,644**
Other Expenses	490,362	821,367	13,441	**1,325,170**
Depreciations	2,208,670	191,338	-	**2,400,008**
Professional fees & legal expenses	936,983	1,006,926	49,292	**1,993,201**
Outsourcing of operations	12,453,861	19,325	185,500	**12,658,686**
Establishment expenses	-	306,182	-	**306,182**
Advertising expenses	29,839	412,009	194,376	**636,224**
Travel expenses	298,204	669,255	108,311	**1,075,770**
Inventory usage	332,824	-	-	**332,824**
Total	**24,616,478**	**7,027,564**	**1,666,701**	**33,310,743**

31. Other Income/Expenses and Other Gains/Losses

	01/01 - 31/12/2020	**01/01 - 31/12/2019**
Various operating income		
Exchange difference income	27,606	8,648
Other income	452,804	243,126
Rent	121,744	79,500
Fixed investment grants	16,854	56,446
Total	**619,008**	**387,721**
Various operating expenses		
Fines and surcharges	155,551	704,629
Fines and surcharges from previous years	-	9,895
Debit exchange differences	357,847	15,096
Other prior period expenses	3,753	42,327
Total	**517,151**	**771,947**

Other income refers to income from the provision of support services within the Qualco Holdco Group.

Prior period fines and surcharges in FY 2019 mainly concern fines and surcharges from the 2014-2016 tax audit.

32. Financial income and expenses

	01/01 - 31/12/2020	01/01 - 31/12/2019
Financial income		
Interest income	26,363	331
Other	-	153,615
	26,363	**153,946**
Financial expenses		
Expenses and interest on bank loans	388,873	465,209
Guarantee letter commissions and other bank-related expenses	80,843	94,643
Payroll interest and expenses	229,782	158,379
	699,498	**718,231**
Net financial expenses	**673,135**	**564,285**

33. Employee benefits

	01/01 - 31/12/2020	01/01 - 31/12/2019
Salaries, daily wages & allowances	13,786,239	10,615,654
Social security expenses	2,086,806	1,789,754
Severance pay	59,478	153,464
Other employee benefits	30,419	14,161
Total	**15,962,942**	**12,573,033**

In 2020, the Company employed an average of 246 people while in 2019 it employed an average of 223 people.

34. Related party transactions

	Trade payables		Financial liabilities	
Liabilities payable to related parties	**2020**	**2019**	**2020**	**2019**
Qualco Holdco Ltd	1,792	477,201	32	32
Qualco (UK) Limited	120,561	90,906	-	-
QQuant Master Servicer Single Member SA	-	60,000	-	-
PQH Unified Special Clearance SA	289,011	-	-	-
Other related parties	1,042,685	-	-	98,776
Total	**1,454,049**	**628,107**	**32**	**98,808**

	Trade receivables		Financial assets	
Related Party Receivables	**2020**	**2019**	**2020**	**2019**
Qualco Holdco Ltd	862,964	720,664	2,251,540	-
Qualco (UK) Limited	434,155	587,174	787,823	787,823
Qualco FR	247,791	190,523	-	-
Qualco Cyprus Limited	245,770	245,770	1,581,965	1,374,555
QQuant Master Servicer Single Member SA	4,533,888	3,381,498	14,421	14,421
PQH Unified Special Clearance SA	-	25,462	-	-
Other related parties	567,881	-	1,960,740	2,236,679
Total	**6,892,450**	**5,151,091**	**6,596,488**	**4,413,478**

Purchase from/Sales to related parties	Sales of goods and services		Purchases of goods and services	
	2020	**2019**	**2020**	**2019**
Qualco Holdco Ltd	145,427	19,480	89,583	440,458
Qualco (UK) Limited	321,053	436,882	449,105	43,742
Qualco FR	120,094	125,424	-	-
Qualco Cyprus Limited	5,157	219,475	-	-
QQuant Master Servicer Single Member SA	2,434,873	1,725,323	617,578	60,000
PQH Unified Special Clearance SA	2,634,311	4,150,666	-	-
Other related parties	600	-	1,561,250	881,368
Total	**5,661,515**	**6,677,250**	**2,717,516**	**1,425,568**

Board member and managerial executive remunerations	**2020**	**2019**
Salaries and other employee benefits	1,548,863	1,621,788
Total	**1,548,863**	**1,621,788**

35. Contingent assets - liabilities

At 31/12/2020, the Company’s letters of guarantee in force amounted to € 815,858.

36. Events after the reporting date of the Statement of Financial Position

In March 2021, the company signed a 2 million euro loan contract with the National Bank of Greece. The loan was financed by the "Hellenic Development Bank" (HDB) to support increased liquidity needs of businesses arising from the COVID-19 pandemic.

Maroussi, Attica, 05 April 2021

BoD Chairman	Chief Executive Officer	For the Accounting Department
Orestis Tsakalotos	Miltiadis Georgantzis	Computax SA
ID AB 287794	ID AB 570411	VAT Reg. No. 094306420, License No. 85
		ISMINI GKOUMA