Grant Thornton
An instinct for growth™

# Annual Corporate and Consolidated Financial Statements
# for the year from 1st July 2019 till 30th June 2020
# according to IFRS,
# as adopted by the European Union

The attached annual Financial Statements were approved by the Board of Directors of Grant Thornton SA on 30/09/2020 and have been posted on the Company's website **www.grant-thornton.gr.**

It is noted that the publicized condensed financial data and information arising from the Financial Statements aim at providing the reader with a general view of the Company's financial condition and results but do not provide a complete picture of the financial position and developments as well as cash flows of the Company according to the International Financial Reporting Standards.

**GRANT THORNTON SA CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS**
**Zefirou Str. 56, PC 175 64, Palaio Faliro**
**T. +30 210 72 80 000**
**GEMI Reg. Num. 121548701000**
**Societe Anonyme Registry Num.: 30422/01NT/B/94/49(09)**
**SOEL REG. NUM.: 127**

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# I. STATUTORY AUDITOR'S REPORT

To the Shareholders of **"GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS".**

## Report on Separate and Consolidated Financial Statements

### Opinion

We have audited the accompanying separate and consolidated financial statements of **GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS** ("the Company"), which comprise the statement of financial position as at June 30th, 2020, the separate and consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company **GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS** and its subsidiaries ("the Group") at June 30th, 2020, their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

### Basis for opinion

We concluded our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries, within the entire course of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

Management is responsible for the other information. The other information comprises the Report of the Board of Directors referred to in the relative paragraph "Report on Other Legal and Regulatory Requirements" of the current Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Based on the procedures we

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have performed, if we conclude that there is a material misstatement therein, we are required to communicate that matter to those charged with governance. Nothing has come to our attention in respect of this matter.

**Management's responsibility for the separate and consolidated financial statements**

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of separate and consolidated 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 and the Group'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 the management's intention is to proceed with liquidating the Company and the Group or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

**Auditor's responsibilities for the audit of the separate and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as an aggregate, 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, incorporated into the Greek Legislation, 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 affect the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated 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 that 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 and Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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

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or conditions that may cast significant doubt on the Company's and Group'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 and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding financial information of entities or business activities within the Group for the purpose of expressing an opinion on the separate and consociated financial statements to be able to draw reasonable conclusions on which to base the auditor's opinion. Our responsibility is to design, supervise and perform the audit of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

We disclose to the management, 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.

**<u>Report on Other Legal and Regulatory Requirements</u>**

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report, the following is to be noted:

a) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Articles 150 and 153 of Law 4548/2018 and its content corresponds to the accompanying financial statements for the year ended as at 30/06/2020.

b) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company **GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS** and its environment.

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| | |
|---|---|
| | **Athens, 28 December 2020** |
| **PKF EUROELEGKTIKI S.A.** | **Certified Public Accountant** |
| **Certified Public Accountants** | |
| **Kifisias Ave. 124,** | |
| **115 26 Athens** | |
| **SOEL Reg. Num. 132** | **GEORGIOS TH. PAPATHOMAS** |
| **PKF EUROELEGKTIKI S.A.** | **SOEL REG. NUM.: 29811** |

## II. REPORT OF THE BOARD OF DIRECTORS OF «GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS» ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT 30th JUNE 2020

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*The Board of Directors and the CEO of Grant Thornton SA hereby present the report on the Company's Consolidated audited Financial Statements for the year ended as at 30th June 2020.*

Dear Shareholders,

We are presenting to your attention the consolidated financial statements of the company **"GRANT THORNTON S.A."**, for the year ended as at 30/06/2020.

The consolidated financial statements comprise the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows.

**FINANCIAL AND BUSINESS INFORMATION**

**A. COURSE OF DEVELOPMENT**

The income statement is presented as positive, since consolidated earnings before tax amounted to Euro 5,561,707. The Consolidated Statement of Financial Position presents the general total of Assets and Liabilities of Euro 23,256,774.

The following is to be noted in respect of the individual items of the Statement of Financial Position:

**A.1. NON-CURRENT ASSETS**

1. The net book value of tangible assets in the consolidated financial statements amounts to Euro 137,338.
2. The net book value of rights-of-use assets in the consolidated financial statements amounts to Euro 1,447,272.
3. The net book value of intangible assets in the consolidated financial statements amounts to Euro 382,009.
4. Other non-current assets in the consolidated financial statements amount to Euro 214,490.
5. Deferred tax assets amount to Euro 272,274.

**A.2 CURRENT ASSETS**

As far as the Current Assets in the consolidated financial statements are concerned, the following is to be noted:

1. The receivables, amounting to Euro 15,936,310, arise from the current transactions of the group and are due receivables, apart from those defined as bad receivables.

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2. Cash available as at 30/06/2020 amount to Euro 4,853,590 and cover the group's needs.

## A.3 EQUITY AND LIABILITIES ACCOUNTS

1. The group's Equity amounts to Euro 7,512,912
2. The Company's and the Group's share capital currently amounts to Euro 593,876 divided into 179,843 nominal ordinary shares of nominal value of € 2.93 each, as well as 22,845 nominal preference shares of nominal value of € 2.93 each.
3. The short-term maturity obligations of the group amount to Euro 14,311,012.
4. The long-term maturity obligations of the group amount to Euro 1,432,850.

## A.4 INCOME STATEMENT

The Group turnover amounted to euro 39,073,787, increased by 13% compared to the previous year. Cost of sales amounted to Euro 26,049,785 decreased by 4% while gross results amounted to Euro 13,024,002 increased by 75%. Net earnings before tax amounted to Euro 5,561,707 increased by 460% compared to the FY.

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## A.5 FINANCIAL RATIOS

| FINANCIAL RATIOS (CONSOLIDATED ITEMS) | | 30/6/2020 | 30/6/2019 |
|---|---|---|---|
| **LIQUIDITY RATIOS** | | | |
| **Current Ratio** | Current Assets | 145% | 122% |
| | Current Liabilities | | |
| **Quick Ratio** | Current Assets- Inventory | 145% | 122% |
| | Current Liabilities | | |
| **Acid Test Ratio** | Cash available | 34% | 23% |
| | Current Liabilities | | |
| **CAPITAL STRUCTURE RATIOS** | | | |
| **Debt to Equity** | Debt Capital | 210% | 423% |
| | Equity | | |
| **Current liabilities to Equity** | Current Liabilities | 190% | 406% |
| | Equity | | |
| **Equity to total liabilities** | Equity | 48% | 24% |
| | Total Liabilities | | |
| **Current assets to Total assets** | Current Assets | 89% | 95% |
| | Total Assets | | |
| **PROFITABILITY RATIOS** | | | |
| **Gross Profit Margin** | Gross Profit | 33% | 22% |
| | Turnover | | |
| **Net Profit Margin** | Total Operating Profit | 15% | 3% |
| | Turnover | | |
| **Return on Equity/ Profit (loss) before interest, taxes, depreciation and amortization** | Profit (loss) before interest, taxes, depreciation and amortization | 96% | 36% |
| | Equity | | |
| **OPERATING EXPENSES RATIOS** | | | |
| **Operating expenses ratio** | Cost of Sales + Operating Expenses | 85% | 96% |
| | Turnover | | |

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## B. PROJECTED COURSE OF DEVELOPMENT

We believe that through taking advantage of its experience, sound reputation, as well as relying on good organization and dedication of the skilled personnel, the group will continue making good progress.

## C. RISKS AND UNCERTAINTIES – RISK HEDGING POLICIES

The group does not face particular risks, apart from the following:

**(1) Currency risk**

A very small part of the company's receivables and liabilities arise from non-Euro zone countries.

**(2) Interest rate risk**

The company's and the group's operating income is not affected by interest rates fluctuation since there is no borrowing burden.

**(3) Credit risk**

The company faces credit risk, arising from its clients; therefore, their financial condition is constantly monitored and relative provisions for impairment are made when deemed necessary.

**(4) Liquidity risk**

The amount of the group's cash available is deemed sufficient to meet any possible need for cash.

There are no significant uncertainties related to its operation.

## D. BRANCHES

The Company has offices in Athens, Thessaloniki, Crete and Ioannina.

## E. NON-FINANCIAL REPORTING

*Non-financial information presented below pertains to the company Grant Thornton Chartered Accountants Management Consultants S. A. as well as its subsidiary Grant Thornton Business Solutions S.A., hereinafter referred to as "Grant Thornton" or the Company.*

Grant Thornton operates in accordance with the principles of Corporate Responsibility, pursuing Sustainable Development and value creation for all its participants. The Company has recognized the crucial contribution of Corporate Social Responsibility actions to achieving Sustainable Development and has adopted the 10 Principles of the UN Global Compact. In particular, Grant Thornton is one of the founding members of the organization in Greece, the Global Compact Network Hellas. The Global Compact Network Hellas is included in the 70 Networks of the Ecumenical Pact worldwide, as part of the global organization strategy.

As a member of the Global Compact, Grant Thornton publishes an annual report on Corporate Social Responsibility, the Communication On Progress Report (C.O.P.). The publications are available on the

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Company's website (www.grant-thornton.gr) and on the Global Compact website (*https://www.unglobalcompact.org/what-is-gc/participants/18998-Grant-Thornton-Greece#cop*

At Grant Thornton, responsibility is expressed in many ways as it is integrated into all its activities. In particular the Company:

- operates ethically and implements Corporate Governance system in line with the international best practices
- operates responsibly rendering services that add value to clients and selects suppliers applying not only quantitative but also qualitative criteria
- recognizes people as one of the most important factors in respect of business development by applying modern management systems and providing opportunities for personal and professional development through specialized training programs and other activities that contribute to personnel development
- seeks to minimize its environmental footprint by taking relevant energy, water and raw materials, while proceeding with recycling at all levels.
- cooperates and supports various NGOs and vulnerable social groups with the valuable participation and voluntary contribution of its employees.

Grant Thornton is a member of the CSR Hellas and actively participates in working groups promoting corporate responsibility practices in modern business. In addition, an executive of the Company has been elected and participates in the Board of Directors of CSR Hellas. The Hellenic Network for Corporate Social Responsibility (CSR HELLAS) has as its mission the development of the principles and practical applications of responsible entrepreneurship, for the strengthening of sustainability, innovation and social cohesion at national and local level.

### Grant Thornton Business Model

A condensed and comprehensive overview of Grant Thornton's business model includes the following:

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### Significant Collaborations

- Cooperation with Grant Thornton International Network (GTIL)
- Cooperation with external consultants of various specialties

### Key Operations

Provision of auditing services (for Grant Thornton S.A.) and counseling and tax services (for Grant Thornton Business Solutions).
In particular, the Company's services are classified in the following categories:

- Assurance Services
- Tax & Outsourcing services
- Advisory services
- Energy Sector Services
- Financial services
- Public Sector Services

### Value/Use

Grant Thornton renders high-quality services provided by excellent executives with extensive sector experience.

Strong global structure and presence, combined with deep understanding of both - the local market and the dynamic economies all over the world, distinguishes us as the firm effectively supporting all our clients' strategic plans, as well as the fastest growing auditing firm trusted by the capital markets, regulators and international supervisors.

### Addressed market segments

Grant Thornton's services are primarily addressed to private sector companies, though it also cooperates with major entities belonging to the broader public sector.

Grant Thornton most significant clients are large companies/groups listed on Athens Stock Exchange (ASE) and more than 50 multinational companies.

### Cost structure

- Building facilities rentals and maintenance costs
- Employees fees and benefits
- Professional training and verification costs
- External consultants fees

### Revenue structure

Grant Thornton revenue come from provision of services to large businesses and organizations.

### **Our competitive advantages**

- 750 specialized executives who make a difference every day
- 5 offices in 4 cities of Greece
- 26 years of presence
- Quality Assurance System, based on requirements of the International Standard BS EN ISO 9001: 2015
- Information Security Management System, certified based on ISO / IEC 27001: 2013
- No. 1 selection of listed companies
- Among the highest NPS in Grant Thornton's network
- Customer-centric approach

### Channels

The main channels through which Grant Thornton contacts prospective customers are:

- Specialized newsletters / updates
- Conferences (such as
- Growth Awards)
- Systematic articles in the media
- Speeches and trends analysis at conferences and forums
- Grant Thornton Network
- Participation of the Company in sectoral institutions & organizations.

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## Grant Thornton's contribution to the Global Goals for Sustainable Development

## (UN Sustainable Development Goals)

The Company, as a member of the global business community and the Grant Thornton network, closely monitors international trends related to sustainable development. In this context, it has recognized the importance of the 17 Global Goals for the Sustainable Development of the United Nations. and through its activity, contributes to the following 7 Goals:


## Our communication and commitment with stakeholders

Grant Thornton seeks to communicating on a regular basis and to working with all stakeholder groups or participants. For Grant Thornton, a participant or stakeholder is any group or individual that influences or is influenced by its operations. In the context of continuous communication, the Company listens to the concerns, expectations and main issues concerning every group of its participants and designs an action plan in order to respond successfully to them. Communicating with stakeholders and recording the main issues at the heart of the discussion with every team is significant for the Company, as it is a key mechanism for its improvement and an integral part of its corporate responsibility. The stakeholder groups that the Company has identified as the most significant are: clients, employees, shareholders, suppliers and partners, Grant Thornton's global network, government and institutions, as well as the broader society and NGOs.

### Our human resources

We consider our human resources as a key to our success. Implementing Grant Thornton's long-term strategy, as well as maintaining its dynamic performance, is inextricably linked to our people. We aim to be a model working environment company, which the workforce will be proud to be part of.

Notwithstanding complying with relevant employment legislation, we adopt best practices in all aspects of our employment policy, aiming at maintaining our corporate culture characterized by equal opportunities, skills development and ongoing training as well as the fulfilment of the employees goals. On matters of recruitment, remuneration, benefits, promotions and training, we apply specific procedures with non-discriminatory criteria, which are not linked to any form of discrimination based on sex, nationality, age, marital status and other characteristics.

At Grant Thornton, we establish strong foundations and values through all of our policies and procedures, as well as through the implementation of the Company's Rules of Procedure.

During the reporting period, the Company proceeded to adoption of the Whistleblowing Policy, encouraging employees to communicate anonymously without fear of ethics and illegal acts. Grant Thornton, by creating this open, secure, way of communicating with our executives, we seek to achieve an even fairer and more transparent work environment.

Grant Thornton, for the period 1/7/2019 – 30/6/2020, employed 738 personnel members, 352 of whom are women and 20% of whom hold positions of broader responsibility.

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The percentage of employees of higher education was 97% while the corresponding percentage with postgraduate studies / professional certifications was 71%. The proportion of employees belonging to national minorities is 1%, while the proportion of employees by descent outside large urban centres is 12%. 33% of executives have worked at Grant Thornton for more than five years.

| Human Resources per geographical area | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2013-2014 | 2014-2015 | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 |
| Athens | 388 | 393 | 427 | 436 | 500 | 568 | 650 |
| Thessaloniki | 21 | 21 | 21 | 25 | 27 | 31 | 37 |
| Crete | **23** | **27** | **31** | **31** | **35** | **36** | **39** |
| Ioannina | 0 | 0 | 0 | 8 | 8 | 10 | 12 |
| **TOTAL** | **432** | **441** | **479** | **500** | **570** | **645** | **738** |

| Human Resources per gender | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2013-2014 | 2014-2015 | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 |
| Men | 242 | 270 | 279 | 281 | 309 | 343 | 386 |
| Women | 174 | 191 | 200 | 219 | 261 | 302 | 352 |
| **TOTAL** | **416** | **461** | **479** | **500** | **570** | **645** | **738** |
| *% increase* | *15%* | *11%* | *4%* | *4%* | *14%* | *13%* | *14%* |

| Employee turnover | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 2013-2014 | 2014-2015 | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 |
| **Recruitments** | Men | 39 | 40 | 73 | 44 | 70 | 101 | 122 |
| | Women | 38 | 30 | 40 | 44 | 76 | 94 | 124 |
| **Departures** | Men | 17 | 40 | 95 | 56 | 42 | 66 | 95 |
| | Women | 11 | 21 | 65 | 40 | 34 | 51 | 79 |

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| Age distribution of human resources 2018-2019 | | | |
|---|---|---|---|
| | **<30** | **30-50** | **51+** |
| Men | 117 | 198 | 28 |
| Women | 125 | 165 | 12 |
| **TOTAL** | **242** | **363** | **40** |

| Age distribution of human resources 2019-2020 | | | |
|---|---|---|---|
| | **<30** | **30-50** | **51+** |
| Men | 150 | 205 | 31 |
| Women | 159 | 179 | 14 |
| **TOTAL** | **309** | **384** | **45** |

**Equal job opportunities**

At Grant Thornton, we recognize and demonstrate in practice the importance of the role of women in higher management positions and consider it necessary to have equal gender representation in order to achieve our corporate goals.

The Company adopts and implements practices of equal opportunities, with the result that women constitute 48% of the total number of our executives. Also important is the percentage of women in administrative positions (10% of the total and 20% of women holding positions of responsibility).

| Women holding positions of responsibility | | |
|---|---|---|
| | **2018-2019** | **2019-2020** |
| Board of Directors | 2 | 2 |
| Partners & Principals | 13 | 14 |
| Senior executives (Directors, Senior Managers & Managers) | 50 | 55 |
| **TOTAL** | **65** | **71** |

**Training**

The basic development strategies comprise:

- Training and development: our company is based on skills and experience of our people and that is why we substantially invest in education and development. Nevertheless, we recognize that our people have different needs and develop innovative opportunities for them on a constant basis. The company provides a range of career opportunities, so that all our people can develop and enhance their skills and experience. The percentage of employees participating in external educational programs is 98% and in internal educational programs is 41%.

- Benefits and bonuses: our objective is to continue and strengthen the concession allowance (bonus) for successful completion of professional examinations (e.g. ACCA, ACA, SOEL, CFA, CIA, CISA and

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more).

| Employees who were trained in internal seminars (%) | | | | | | |
|---|---|---|---|---|---|---|
| % Percentage of the total | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| | 54% | 70% | 77% | 84% | 89% | 98% |

| Employees who were trained in third parties seminars (%) | | | | | | |
|---|---|---|---|---|---|---|
| % Percentage of the total | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| | 25% | 30% | 0% | 23% | 36% | 41% |

**Assessment**

The Company applies the institution of Counselors, under which a colleague is appointed for all employees, who will be responsible for their growth and development (counselor). Main responsibility of the counselor is guiding the employee (counselee), widening of their horizons and interests, constructive dialogue to set up specific training objectives, as well as ongoing cooperation through regular statutory personal meetings.

Once a year, the counselor is required to evaluate their counselee in writing, based on their overall picture and the degree of achievement of the objectives set. This assessment, along with evaluation of the counselee's superior, is taken into account under assessing every employee. Through this specific institution, the company promotes merit – based development of its people and strengthens its business culture.

The assessment procedure pertains all levels and is implemented on an annual basis. During the year 2019-20, a total of 419 employees were evaluated, from all hierarchical levels.

**Global employees satisfaction study – PeopleVoice**

The annual Grant Thornton employees satisfaction study, is implemented globally, is an important tool in achieving strategic and business objectives. Through the results of the study, the Company is able to know the employee's opinion about the working conditions, the opportunities given, as well as the points of improvement they propose. Participating in the study offers the employees the following advantages:

- Making use of effective study tool, through which essential answers are received that help shaping our strategy.
- Comparing replies with the data from the Global Professional Services Firms index as well as the data from Grant Thornton member firms, which took part in the study.
- Promoting our strengths and our competitive advantages.
- Recognizing the "key issues" that affect the relationship between employees and Senior Management of the company.
- Undertaking improvement actions to address any weaknesses.
- Improving financial results through achieving high level of commitment.

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**Contribution to the Covid-19 pandemic**

Undoubtedly, the biggest crisis of coronavirus pandemic concerns the uncertainty and the fear generated among the people worldwide and, consequently, among the human resources of the companies. Our Company, closely monitoring the developments and faithfully complying with the instructions of the competent authorities, has taken and currently takes all the necessary measures to protect employees, adopting a Covid-19 Protection Policy and communicating to all the protection measures in the workplace.

Pandemic challenges such as the ability to use technology, working at home with children or dependents, maintaining productivity, worrying about our family members, and wellness breakdown have brought to the fore the significance of taking on extra actions for our human resources.

In order to protect the emotional and mental health of our people, we have included, since April 2020, in the Company's benefits program the "Counseling Line", in collaboration with a special external partner. This line is available 24 hours a day, 7 days a week to anyone who wants to share their concerns, or is unable to manage an issue.

**Work life Balance**

Grant Thornton's key priority is to promote the balance and reconciliation between professional and personal life, for all its employees. In this context, the company seeks to implement specific programs, which will contribute not only to the increase of productivity, but also to the enhancement of the working culture, as well as to the increase of the employee's satisfaction. The following programs have been implemented during the reporting period:

- all employee were provided with 5 days of early leave during the year. Early leave is also provided regarding the eves of all the major holidays (Christmas, Easter, etc)
- participation in voluntary activities. Every year, the Company devotes two entire days to volunteering.

Arrangements within WLB were implemented, reinforcing entertainment of our people, including theatre and movie ticket draws on a monthly basis and other actions promoting athletic activities and cooperation with corporate athletic teams.

## Caring for the environment

Our company operates in the domain of rendering services and, thus, there are two key issues of environmental concern: indirect emissions of carbon dioxide into the atmosphere from the electricity consumption in our buildings (indirect emissions of carbon dioxide) and waste management.

Although our environmental footprint is limited, we are always looking for ways to reduce our impact on the environment. Since energy consumption arises from our buildings, we monitor, measure and consider to reduce electricity consumption in all offices. For the reporting period, the total electricity consumption amounted to 419,684 KWh recording a small increase due to the addition of one more office floor in Attica. Specific energy consumption per square meter has decreased by 11% compared to the previous year.

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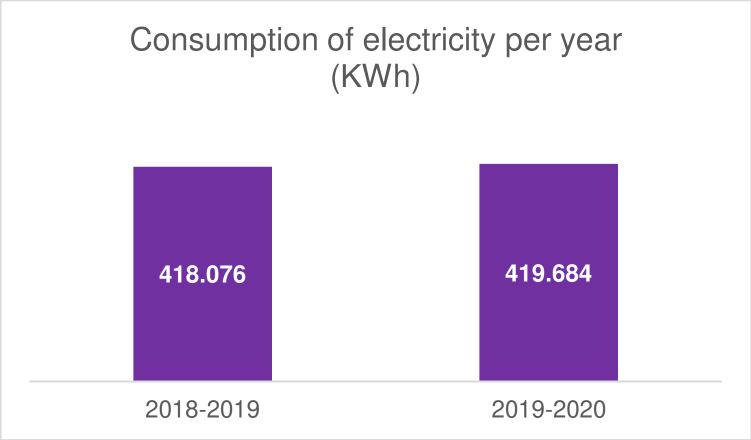
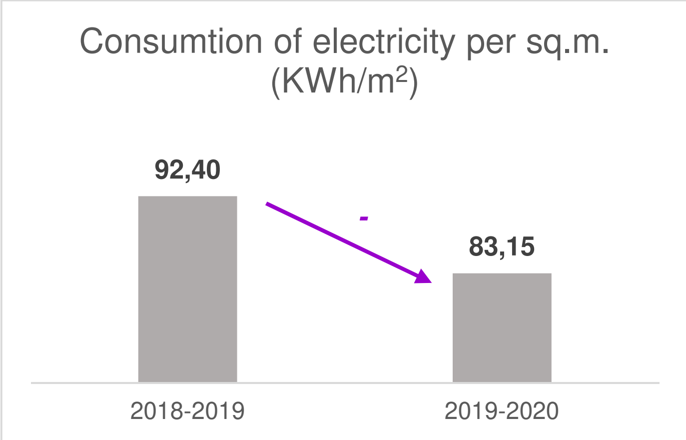
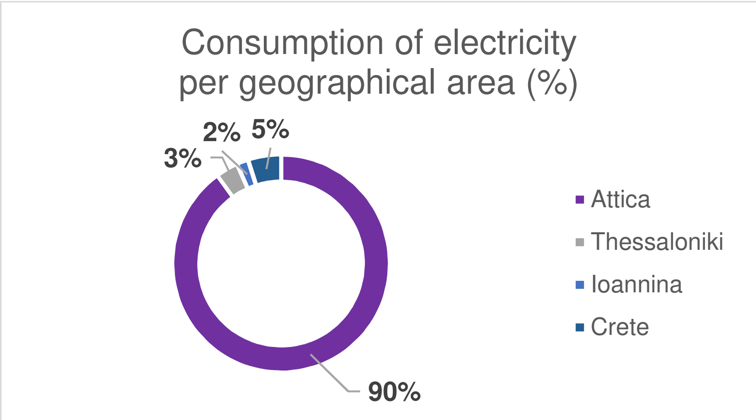
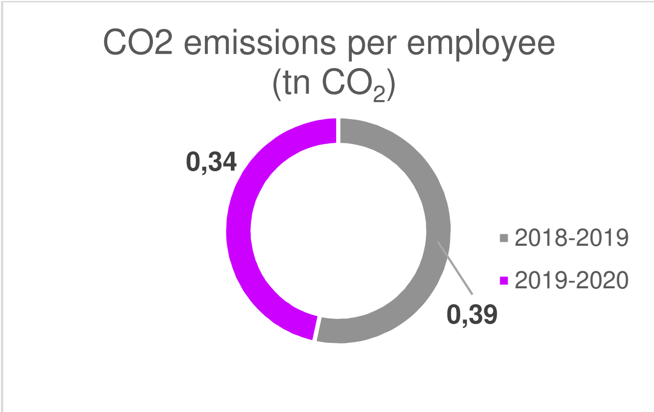


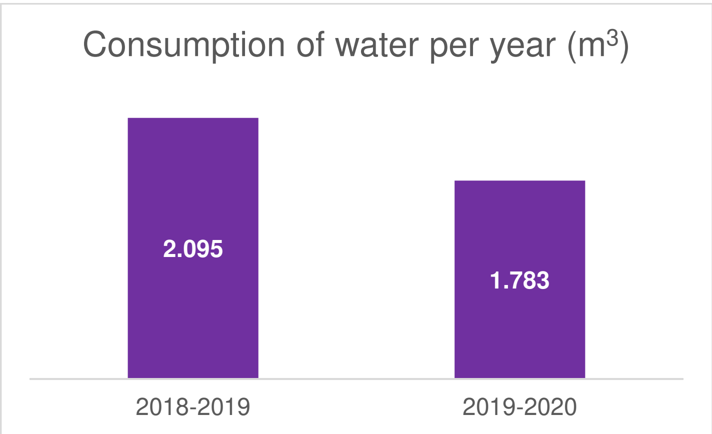



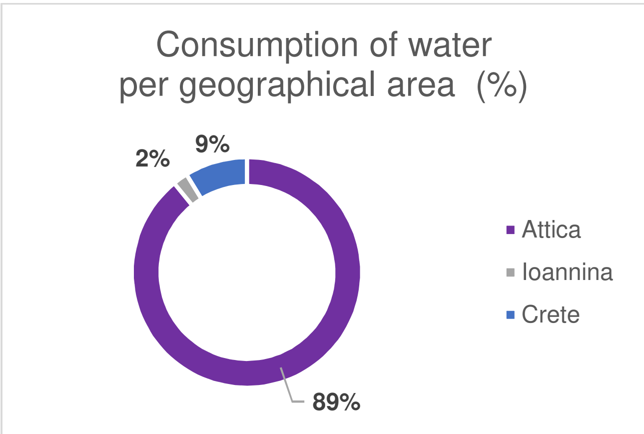




By monitoring and measuring the use of electricity in our facilities, we aim to identify energy saving opportunities and reduce operating costs.
During the 2019-2020 fiscal year, we achieved a small but substantial reduction in specific $CO_2$ emissions (tons of carbon dioxide per employee).

The main sources of electricity consumption in our buildings are office lighting and heating / cooling of these spaces. For this reason, during 2017 we proceeded to replace the lights of the building of our headquarters with more environmentally friendly LED lights.

Furthermore, we are monitoring the water consumption in our facilities, making efforts for substantial savings. During the reporting period, a slight decrease was observed compared to the previous year.

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** water consumption of Thessaloniki offices is not calculated, as water bills are paid through utilities of the building*

**SharePoint – environmental dimension**
Our SharePoint online system and the relevant updated approval workflow for employee costs eliminate the transfer of documents on paper, allowing all processes to be monitored electronically. In this way, we encourage employees to use paper effectively and move forward without unnecessary printing, automating almost all management tasks.

In addition, our offices have a collection of batteries (for home use) which are regularly delivered to the licensed AFIS institution.

## F. SIGNIFICANT POST REPORTING DATE EVENTS

There are no events that affect the current report up to date (30/09/2020).

**CONCLUSIONS**

The development of the group in the current year, given the economic conditions of the country and the effects of the outbreak of the coronavirus pandemic (Covid-19) in February 2020 in Greece as well as its global economy is considered positive, since turnover increased by 13%, which is due to the ongoing efforts of all group personnel. The group is fully in line with all hygiene protocols and measures announced by the Government of the country, taking all the necessary measures for the sound information of its people, the protection of their health, their psychological support and the security of their work to ensure its smooth going concern, while protecting public health.

The present Board of Directors members have every potential for good operation and development of the company, maintaining its high growth rate, and it is certain that the company and the group will continue their rising course.

The group's employees make every effort to contribute to sound operation.

We would like to assure you that the efforts of all of us will be continued in order to achieve better results in the following years.

Following the aforementioned, the shareholders are kindly asked to provide their approval, which can be modified, of the consolidated and separate financial statements of the 25th financial year as from 1/7/2019 to 06/30/2020, and release the members of the Board of Directors and Auditors from any liability and appoint two auditors for the following year.

Athens, 30 September 2020

As on behalf of the Board of Directors

Vassilis Kazas
Managing Director

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# III.STATEMENT ON FINANCIAL POSITION

| | | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| *Amounts in €* | **Note** | **30/6/2020** | **30/6/2019** | **30/6/2020** | **30/6/2019** |
| **ASSETS** | | | | | |
| **Non-Current Assets** | | | | | |
| Tangible assets | 5 | 137.338 | 159.334 | 95.267 | 128.810 |
| Fixed assets with right-of-use | 2.3.3 | 1.447.272 | 0 | 1.061.152 | 0 |
| Intangible assets | 6 | 382.009 | 355.554 | 92.779 | 61.021 |
| Investments in subsidiaries | 7 | 0 | 0 | 369.000 | 349.000 |
| Other non-current assets | 8 | 214.490 | 193.108 | 165.493 | 160.056 |
| Deferred tax assets | 9 | 272.274 | 358.272 | 89.563 | 137.015 |
| **Total** | | **2.453.383** | **1.066.269** | **1.873.253** | **835.903** |
| **Current Assets** | | | | | |
| Inventories | 10 | 13.491 | 13.491 | 13.491 | 13.491 |
| Clients and other trade receivables | 11 | 14.253.072 | 14.734.765 | 8.830.037 | 10.258.841 |
| Other receivables | 12 | 1.683.238 | 1.132.176 | 545.207 | 674.398 |
| Other current assets | 13 | 0 | 500.729 | 0 | 47.375 |
| Cash and cash equivalents | 14 | 4.853.590 | 3.789.554 | 1.972.475 | 2.068.257 |
| **Total** | | **20.803.391** | **20.170.715** | **11.361.210** | **13.062.362** |
| **Total Assets** | | **23.256.774** | **21.236.984** | **13.234.464** | **13.898.265** |
| **EQUITY & LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Share capital | 15 | 593.876 | 593.876 | 593.876 | 593.876 |
| Other reserves | 15 | 300.372 | 213.468 | 297.418 | 230.825 |
| Retained earnings | 15 | 5.150.432 | 2.518.885 | 3.449.368 | 1.986.483 |
| **Equity attributable to the shareholders of the Parent** | | **6.044.680** | **3.326.229** | **4.340.662** | **2.811.183** |
| Non-controlling interest | | 1.468.232 | 736.039 | 0 | 0 |
| **Total equity** | | **7.512.912** | **4.062.268** | **4.340.662** | **2.811.183** |
| **Long-term liabilities** | | | | | |
| Employee termination benefits liabilities | 16 | 634.476 | 695.778 | 373.180 | 482.749 |
| Long-term lease liabilities | 2.3.3 | 798.374 | | 588.237 | 0 |
| **Total** | | **1.432.850** | **695.778** | **961.416** | **482.749** |
| **Short-term liabilities** | | | | | |
| Suppliers and other liabilities | 17 | 2.728.764 | 4.862.074 | 1.651.267 | 2.860.263 |
| Income taxes payable | 18 | 1.761.313 | 438.583 | 210.499 | 304.772 |
| Short-term lease liabilities | 2.3.3 | 677.763 | 0 | 494.038 | 0 |
| Other short-term liabilities | 19 | 9.143.172 | 11.178.281 | 5.576.581 | 7.439.298 |
| **Total** | | **14.311.012** | **16.478.938** | **7.932.385** | **10.604.332** |
| **Total Liabilities** | | **15.743.862** | **17.174.716** | **8.893.801** | **11.087.082** |
| **Total Equity and Liabilities** | | **23.256.774** | **21.236.984** | **13.234.464** | **13.898.265** |

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# IV. STATEMENT OF COMPREHENSIVE INCOME

| *Amounts in €* | | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| | **Note** | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Sales | 20 | 39.073.787 | 34.608.898 | 17.937.725 | 19.711.617 |
| Cost of sales | | -26.049.785 | -27.164.271 | -12.605.738 | -15.306.893 |
| **Gross profit** | | **13.024.002** | **7.444.627** | **5.331.988** | **4.404.724** |
| Administrative expenses | | -6.546.418 | -5.273.592 | -3.618.255 | -3.558.949 |
| Distribution expenses | | -739.580 | -945.837 | -305.503 | -467.750 |
| Other operating income | 21 | 374.424 | 149.168 | 495.950 | 444.170 |
| Other operating expenses | 21 | -430.864 | -336.460 | -386.102 | -301.933 |
| **EBITDA** | | **5.681.565** | **1.037.907** | **1.518.078** | **520.262** |
| Other financial results | 22 | -5.389 | -10.247 | -3.739 | -7.348 |
| Financial expenses | 23 | -115.994 | -39.488 | -73.032 | -15.247 |
| Financial income | 23 | 1.525 | 4.659 | 701.130 | 3.583 |
| **Earnings before tax** | | **5.561.707** | **992.830** | **2.142.436** | **501.251** |
| Income tax | 24 | -1.281.891 | -475.557 | -284.677 | -299.497 |
| **Earnings after tax** | | **4.279.815** | **517.273** | **1.857.760** | **201.753** |

| | | | | | |
|---|---|---|---|---|---|
| **Earnings after tax** | | **4.279.815** | **517.273** | **1.857.760** | **201.753** |
| **Other comprehensive income:** | | | | | |
| Revaluation of employee benefit obligations | 16 | 230.152 | -18.682 | 203.427 | -4.852 |
| Deferred tax from employees benefits revaluation: | | -55.236 | 4.670 | -48.822 | 1.213 |
| **Other comprehensive income after tax** | | **174.915** | **-14.012** | **154.604** | **-3.639** |
| **Total comprehensive income after tax** | | **4.454.731** | **503.261** | **2.012.364** | **198.114** |

| | | |
|---|---|---|
| **Earnings after taxes** | | |
| Distributable to: | | |
| Shareholders of the parent | 2.977.618 | 372.134 |
| Non-controlling interest | 1.302.198 | 145.139 |
| | | |
| **Total comprehensive income after tax** | | |
| Distributable to: | | |
| Shareholders of the parent | 3.144.063 | 362.894 |
| Non-controlling interest | 1.310.667 | 140.368 |

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# V. STATEMENT OF CHANGES IN EQUITY

THE GROUP

| *Amounts in €* | Share capital | Other reserves | Retained earnings | Total | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|
| **Balance as at 1/7/2018** | **593.876** | **227.480** | **2.299.440** | **3.120.796** | **440.210** | **3.561.006** |
| Profit/loss for the year | | | 372.134 | **372.134** | 145.139 | **517.273** |
| Transfer to reserves | | | | | | **0** |
| Acquisition of equity shares | | | | | | **0** |
| Share capital increase/decrease | | | | | | **0** |
| Acquisition of subsidiary share | | | -152.689 | **-152.689** | 150.689 | **-2.000** |
| Distribution | | | | | | **0** |
| **Total recognized income and expenses for the year** | **0** | **227.480** | **2.518.885** | **3.340.241** | **736.038** | **4.076.279** |
| Other changes | | | | | | |
| Revaluation of employee benefit obligations | | | | | | |
| Revaluation of employee benefit obligations | | -14.012 | | **-14.012** | | **-14.012** |
| **Balance as at 30/6/2019** | **593.876** | **213.468** | **2.518.885** | **3.326.229** | **736.038** | **4.062.267** |
| **Balance as at 1/7/2019** | **593.876** | **213.468** | **2.518.885** | **3.326.229** | **736.038** | **4.062.267** |
| Profit/loss for the year | | | 2.977.618 | **2.977.618** | 1.302.198 | **4.279.815** |
| Transfer to reserves | | | | | | **0** |
| Acquisition of equity shares | | -88.011 | | **-88.011** | | **-88.011** |
| Share capital increase/decrease | | | | | | **0** |
| Acquisition disposal of subsidiary share | | | 48.804 | **48.804** | -68.804 | **-20.000** |
| Distribution | | | -394.874 | **-394.874** | -501.200 | **-896.075** |
| **Total recognized income and expenses for the year** | **0** | **-88.011** | **2.631.547** | **2.543.537** | **732.194** | **3.275.730** |
| Revaluation of employee benefit obligations | | 174.915 | | 174.915 | | **174.915** |
| **Balance as at 30/6/2020** | **593.876** | **300.373** | **5.150.432** | **6.044.681** | **1.468.232** | **7.512.913** |

THE COMPANY

| *Amount in €* | Share capital | Other reserves | Retained earnings | Total | Non-controlling interest |
|---|---|---|---|---|---|
| **Balance as at 1/7/2018** | **254.800** | **593.876** | **234.464** | **1.784.729** | **2.613.069** |
| Profit/loss for the year | | | | 201.753 | **201.753** |
| Transfer to reserves | | | | | **0** |
| Distribution | | | | | **0** |
| | | | | | **0** |
| **Total recognized income and expenses for the year** | | **593.876** | **234.464** | **1.986.483** | **2.814.823** |
| Revaluation of employee benefit obligations | | 0 | -3.639 | | **-3.639** |
| **Balance as at 30/6/2019** | **254.800** | **593.876** | **230.825** | **1.986.483** | **2.811.184** |
| **Balance as at 1/7/2019** | **254.800** | **593.876** | **230.825** | **1.986.483** | **2.811.184** |
| Profit/loss for the year | | | | 1.857.760 | **1.857.760** |
| Transfer to reserves | | | -88.011 | | **-88.011** |
| Distribution | | | | | **0** |
| Revaluation of employee benefit obligations | | | | -394.874 | **-394.874** |
| **Total recognized income and expenses for the year** | **0** | **0** | **-88.011** | **1.462.885** | **1.374.875** |
| Revaluation of employee benefit obligations | | | 154.604 | | **154.604** |
| **Balance as at 30/6/2020** | **254.800** | **593.876** | **297.419** | **3.449.368** | **4.340.663** |

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# VI. STATEMENT OF CASH FLOWS

| *Amounts in €* | Note | THE GROUP 30/6/2020 | THE GROUP 30/6/2019 | THE COMPANY 30/6/2020 | THE COMPANY 30/6/2019 |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| **Profit /(loss) for the year before tax** | | **4.279.815** | **517.273** | **1.857.760** | **201.753** |
| **Adjustments for:** | | | | | |
| Income tax | | 1.281.891 | 475.557 | 284.677 | 299.497 |
| Depreciation | **5,6,2.3.3** | 1.525.230 | 438.200 | 986.261 | 300.182 |
| (Profit)/Loss from assets disposal | | | 126.536 | | 74.550 |
| Changes in liabilities due to personnel retirement | | 142.125 | 0 | 93.857 | 0 |
| Income from dividends | | 0 | 0 | -700.720 | 0 |
| Provisions | | 208.032 | 0 | 185.836 | 0 |
| Credit interest and related income | **23** | -1.525 | -4.659 | -410 | -3.583 |
| Debit interest and related expenses | **23** | 115.994 | 39.488 | 73.032 | 15.247 |
| Foreign exchange differences | | 1.880 | 0 | 1.880 | 0 |
| Other adjustments | | 174.437 | 0 | 174.437 | 0 |
| **Total adjustments** | | **3.448.064** | **1.075.123** | **1.098.850** | **685.893** |
| **Cash flows from operating activities prior to changes in working capital** | | **7.727.880** | **1.592.396** | **2.956.609** | **887.646** |
| **Changes in working capital** | | | | | |
| (Increase) / decrease in inventory | | 0 | 0 | 0 | 0 |
| (Increase) / decrease in receivables | | 95.278 | -1.117.398 | 1.285.233 | 357.217 |
| Increase / (decrease) in liabilities | | -4.032.234 | 1.110.638 | -3.259.713 | -738.208 |
| **Cash flows from operating activities** | | **3.790.923** | **1.585.636** | **982.129** | **506.655** |
| Interest paid | | -115.994 | -39.488 | -73.032 | -15.247 |
| Income tax paid | | -373.583 | -918.359 | -239.772 | -26.164 |
| **Net cash flows from operating activities** | | **3.301.347** | **627.789** | **669.325** | **465.244** |
| **Cash flows from investing activities** | | | | | |
| Purchase of tangible assets | **5** | -186.721 | -180.105 | -62.502 | -77.386 |
| Purchase of intangible assets | **6** | -446.014 | -522.387 | -214.826 | -253.354 |
| Dividends received | | 0 | 0 | 700.720 | 0 |
| Interest received | **23** | 1.525 | 4.659 | 410 | 3.583 |
| Investments in subsidiaries | | -20.000 | -2.000 | -20.000 | -2.000 |
| **Net cash flows from investing activities** | | **-651.209** | **-699.833** | **403.802** | **-329.156** |
| **Cash flows from financing activities** | | | | | |
| Disposal / (Acquisition) of Treasury Shares | | -88.011 | 0 | -88.011 | 0 |
| Repayments of lease liabilities | | -868.090 | 0 | -686.025 | 0 |
| BoD dividends and fees payable | | -630.001 | 0 | -394.874 | 0 |
| **Net cash flows from financing activities** | | **-1.586.101** | **0** | **-1.168.910** | **0** |
| **Net (decrease) /increase in cash and cash equivalents** | | **1.064.036** | **-72.044** | **-95.782** | **136.088** |
| Opening cash and cash equivalents | **14** | 3.789.554 | 3.861.598 | 2.068.257 | 1.932.170 |
| **Closing cash and cash equivalents** | **14** | **4.853.590** | **3.789.554** | **1.972.475** | **2.068.257** |

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## 1. Information about the Company

Grant Thornton Greece was founded in 1994. Its legal status is Societe Anonyme and the full title is «GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS» and its registered office is in Palaio Faliro.

Grant Thornton has been a member firm of Grant Thornton International since 1998 and has all the rights and liabilities arising from this membership. The Company is registered in SOEL Registry, Reg. Num. 127 as well as in the Public Company Accounting Oversight Board (PCAOB). The PCAOB is a non-profit entity, created following the Sarbanes-Oxley Act in 2002 for the supervision of auditors of public entities in order to further protect the interests of investors and the public interest in general. The enrolment in the PCAOB provides Grant Thornton with the possibility to participate in auditing of the companies, listed on American Stock Exchanges.

Today, Grant Thornton is one of the largest firms of Chartered Accountants and Management Consultants in Greece, having developed a new approach to providing integrated and modern high quality services.

The Company has offices in 4 largest cities of Greece, in particular, in Athens, Thessalonica, Heraklion (Crete) and Ioannina, while as at 24/7/2012, the company proceeded with establishing "Grant Thornton Business Solutions S.A.", in which it holds participating interest of 58,3%.

The Company's personnel as at June 30$^{th}$, 2020 comes to 738 persons (30/06/2019: 645 persons).

The attached Financial Statements as of June 30$^{th}$, 2020 were approved by the Company Board of Directors on September 30$^{th}$, 2020 and are subject to the final approval of the Regular General Meeting of the shareholders.

## 2. Basis for preparation of Financial Statements

### 2.1 IFRS compliance statement

The Group's and the Company's Financial Statements for the financial year ended 30$^{th}$ June 2020, covering the financial year from July 1$^{st}$ 2019 to 30th June 2020, have been prepared on the basis of the going concern principle, according to the International Financial Reporting Standards (IFRS), which were issued by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union up to June 30$^{th}$, 2020.

The Group and the Company implement all the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and interpretations as they apply to its operations. The relevant accounting policies, a summary of which is presented below in Note 3, have been applied consistently to all the periods presented.

The Group's and the Company's Financial Statements have been prepared based on historic cost principle and are presented in Euro, which is the Company's operating currency.

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## 2.2 Use of estimates

The preparation of the financial statements according to IFRS requires the use of estimates and judgments on applying the Company's accounting policies. Opinions, assumptions and Management estimations affect the valuation of several asset and liability items, the amounts recognized during the financial year regarding specific income and expenses as well as the presented estimates and contingent liabilities.

The assumptions and estimates are assessed on a continuous basis according to experience and other factors, include expectations on future event outcomes, considered as reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may deviate from the accounting calculations.

The items requiring the highest degree of judgment as well as the assumptions and estimates affecting the Financial Statements are presented in note 4 to the Financial Statements.

## 2.3 Changes in Accounting Policies

### 2.3.1 New Standards, Interpretations, revisions and amendments to the existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/07/2019.

**IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The new Standard affects the consolidated Financial Statements. The effect from the Group's implementation is described in Note 3.1.3.

**IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The new Interpretation does not affect the consolidated Financial Statements.

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### Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The amendments do not affect the consolidated Financial Statements.

### Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The amendments do not affect the consolidated Financial Statements.

### Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following:

IFRS 3 - IFRS 11: Previously held interest in a joint operation,

IAS 12: Income tax consequences of payments on financial instruments classified as equity,

IAS 23: Borrowing costs eligible for capitalization.

The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the consolidated Financial Statements.

### Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments are not expected to significantly affect the consolidated Financial Statements.

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## 2.3.2 New Standards, Interpretation, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

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

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

**Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

**Amendments to IAS 1 and IAS 8: “Definition of Material” (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its 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 updated 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

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Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

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

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark 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 (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

**Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting 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 will help companies determine whether an acquisition made 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 Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

**IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2022)**

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The

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amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

### 2.3.3 Changes in accounting policies

**IFRS 16 "Leases"**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The above have been adopted by the European Union with effective date of 01.01.2019.

The Group and the Company implemented IFRS 16 "Leases" from July 1st, 2019.

The Group implemented IFRS 16 using the modified retroactive approach. Based on this approach, the cumulative effect from the initial application of the Standard was recognized as an adjustment to the equity on the date of the initial application, without restating the comparative information. On the date of the first application, the Group recognized (a) a lease liability measured at the present value arising from the discount of the remaining lease payments using the marginal borrowing rate, as applicable on the day of initial application, and (b) a right-of-use asset as measured at an amount equal to the corresponding lease liability, adjusted by the amount of any discounted or accrued lease payments.

For short-term leases and leases for which the identified asset is of low value, the Group recognized the leases as an expense in the Income Statement using the fixed method, according to the relevant exceptions provided by IFRS 16. At the same time, the Group applied the practical implementation of the Standard and will not separate the non-lease items from the lease items, addressing each lease and related non-lease item as a single lease item.

The Group and the Company leases buildings and vehicles. As a lessee, following the previous accounting policy, the Group and the Company classified leases as operating or finance based on an assessment of whether all risks and rewards relating to the ownership of an asset are transferred, notwithstanding the final transferor non-transfer of the ownership tight of this asset. IFRS 16 recognizes the right-of-use assets and lease liabilities for a lot of leases, where the entity is contracted as a lessee, except for assets of low low leases, whose payments are recorded on a straight-line basis over the entire term of the lease.

Recognized right-of-use assets are related to the following categories of assets and on July 1, 2019, are presented in the item "Right-of use-assets", analyzed as follows:

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| | THE GROUP | THE COMPANY |
|---|---|---|
| **Right-of-use assets** | **1/7/2019** | **1/7/2019** |
| Right-of-use buildings | 990.846 | 727.442 |
| Right-of-use vehicles | 1.353.380 | 1.040.857 |
| **Total assets** | **2.344.226** | **1.768.299** |

The Group and the Company record lease liabilities in the items "Long-term Lease Liabilities" and "Short-term Lease Liabilities" in the Statement of Financial Position.

| | THE GROUP | THE COMPANY |
|---|---|---|
| **Lease liabilities** | **1/7/2019** | **1/7/2019** |
| Long-term lease liabilities | 1.476.137 | 1.082.274 |
| Short-term lease liabilities | 868.090 | 686.025 |
| **Total lease liabilities** | **2.344.226** | **1.768.299** |

**Effect of IFRS 16 implementation on the Financial Statements under transition:**

The effect of IFRS 16 implementation on the Income Statement as for FY 01/07/2019-30.06.2020 is analyzed as follows:

| | THE GROUP | THE COMPANY |
|---|---|---|
| **Income Statement** | **01/07/2019 - 30/06/2020** | **01/07/2019 - 30/06/2020** |
| Amortization of right-of-use assets | 896.955 | 707.147 |
| Interest form lease liabilities | 77.855 | 57.616 |
| **Total amounts recognised in the Income Statement** | **974.809** | **764.763** |

Under IFRS 16, right-of-use assets include as follows:

| Right-of-use assets: | | THE GROUP | |
|---|---|---|---|
| **Statement of Financial Position** | **Buildings** | **Vehicles** | **Total** |
| **Opening balance after IFRS 16 implementation** | 990.846 | 1.353.380 | **2.344.226** |
| Less: Amortization | -543.811 | -353.143 | **-896.955** |
| **Closing balance** | **447.035** | **1.000.237** | **1.447.272** |

| Lease liabilities : | | THE COMPANY | |
|---|---|---|---|
| **Statement of Financial Position** | **Buildings** | **Vehicles** | **Total** |
| **Opening balance after IFRS 16 implementation** | 727.442 | 1.040.857 | **1.768.299** |
| Plus: Lease interest | -460.631 | -246.516 | **-707.147** |
| Less: Payments | **266.811** | **794.341** | **1.061.152** |

Under IFRS 16, lease liabilities include as follows :

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| Lease liabilities | THE GROUP | | |
|---|---|---|---|
| **Statement of Financial Position** | **Buildings** | **Vehicles** | **Total** |
| **Opening balance after IFRS 16 implementation** | 990.846 | 1.353.380 | **2.344.226** |
| Lease interest | 23.852 | 54.003 | **77.855** |
| Payments | -560.472 | -385.472 | **-945.944** |
| **Closing balance** | **454.225** | **1.021.912** | **1.476.137** |

| Lease liabilities | THE COMPANY | | |
|---|---|---|---|
| **Statement of Financial Position** | **Buildings** | **Vehicles** | **Total** |
| **Opening balance after IFRS 16 implementation** | 727.442 | 1.040.857 | **1.768.299** |
| Lease interest | 16.289 | 41.327 | **57.616** |
| Payments | -472.709 | -270.931 | **-743.641** |
| **Closing balance** | **271.021** | **811.253** | **1.082.274** |

# 3. Summary of key accounting policies

## 3.1 Consolidation

The consolidated financial statements include the financial statement of the company and its subsidiary. Subsidiaries are all entities regarding which the group exercises control over the operations. Control exists when the Group has the power to define decisions concerning the financial and operating policies of a company. The group considers the existence of control when it can define the financial and operating policies of a company based on the de-facto control, while it does not hold more than 50% of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the group and cease to be consolidated from the date on which control ceases.

In the financial statements of the parent, investments in subsidiaries are stated at cost less impairment losses, if any. The financial statements of subsidiaries are prepared on the same date. Intercompany transactions, balances and not accrued gains / losses on transactions between the group companies are eliminated.

## 3.2 Tangible assets

Tangible assets are recognized in the Financial Statements at acquisition cost, less the accumulated depreciation and any potential impairment losses. The acquisition cost includes all the direct costs stemming from the acquisition of the assets.

Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the degree that the said expenses increase the future financial gains anticipated from the use of the fixed asset and their cost can be measured reliably. The cost of repair and maintenance works is recognized in the income statement when the said works are carried out.

Depreciation of tangible assets is calculated based on the straight-line method over their estimated useful life as follows:

| Tangible Assets | Useful Life (in years) |
|---|---|
| Buildings on third party property | 1-10 |
| Office and other equipment | 1-5 |

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No residual value is calculated in respect of tangible assets, while their useful life is re-examined at the end of every financial year. When the book values of tangible assets are higher than their recoverable value, then the difference (impairment) is recognized directly as an expense in the income statement. Upon sale of tangible assets, the differences between the sale price and their book value are recognized as profit or loss in the income statement.

## 3.3 Intangible assets

Intangible assets include mainly software licenses. An intangible asset is initially recognized at acquisition cost. Following initial recognition, the intangible assets are measured at cost less amortization or impairment loss. Amortization is recorded based on the straight-line method during the useful life of the said assets. All intangible assets have a finite useful life which is between 1 and 5 years. The period and method of amortization are redefined at least at the end of every financial year.

**Software**

The maintenance of software programs is recognized as an expense when it is incurred. On the contrary, the costs incurred for the improvement or prolongation of the efficiency of software programs beyond their initial technical specifications, or respectively the costs incurred for the modification of software, are incorporated into the acquisition cost of the intangible asset, up on the necessary condition that they can be measured reliably.

## 3.4 Inventory

Inventory is valued at the lowest price between cost and net liquidation value. The cost of inventory includes all costs incurred to obtain and utilize all raw materials, labor costs, general industrial expenses (based on normal operating capacity but excluding cost of debt) and packaging costs. Costs of raw material and finished products are defined according to the average cost. The net realizable value of finished and semi-finished products is the estimated selling price during the regular Company operations less the estimated costs for the completion and the estimated costs for their sale. Raw materials net liquidation value is the estimated replacement cost during the Company’s normal operating activity. A provision for slow-moving or impaired inventories is formed when necessary.

## 3.5 Receivables and credit policy

Short-term receivables are presented at their nominal value after provisions for bad debts whereas the long-term receivables (balances which are not compatible with the regular credit policies) are measured at amortized cost based on the effective rate method. The Company has set criteria for credit facilities to customers generally based on the volume of the customer’s activities with a simultaneous assessment of financial information. On reporting date all delays or bad debts are assessed to define the necessity to form a provision for bad debts. The remaining balance of bad debts is adjusted accordingly on every balance sheet closing date in order to reflect the possible risks. Every write-off of various clients is performed by debiting the provision for doubtful debts. It is the Company’s policy not to write-off any doubtful debts until every possible legal action has been taken for the collection of the debts.

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## 3.6 Cash and cash equivalents

Cash and cash equivalents include cash held in banks, sight deposits and term deposits. The Company considers time deposits that have a maturity of less than 3 months as cash available.

## 3.7 Share capital

The company's shares are mandatory nominal and reserved in their entirety. Following a decision of the General Meeting, it is permitted to define a preference in favor of existing or newly issued shares. The preference constitutes the right to exclusively participate in profits from the corporate operation in respect of services provided by the shareholders who hold preference, without a possibility of participating in profits from the corporate operation in respect of other (common) shareholders.

**Dividends**

Dividends to be paid to shareholders are recognized as a liability in the financial year when they are approved by the Company Shareholders General Meeting.

## 3.8 Income tax and deferred tax

The income tax charge includes current taxes, deferred tax and the differences of preceding financial years' tax inspection.

**Current income tax**

Current tax is calculated based on tax assets of the Company according to the tax legislation applicable in Greece. The income tax expense includes income tax based on the Company's profits as presented on tax declarations and provisions for additional taxes and potential ones in case of unaudited tax years and is calculated based on the tax rates set by the regulators.

**Deferred tax**

Deferred taxes are the taxes or the tax relieves from the financial encumbrances or benefits of the financial year in question, which have been allocated or shall be allocated to different financial years by tax authorities. Deferred income tax is determined under the liability method deriving from the temporary differences between the book value and the assets and liabilities tax base. There is no deferred income tax if it derives from the initial recognition of an asset or liability in transaction other than a business combination and the recognition did not affect either the accounting or the tax profit or loss.

Deferred tax assets and liabilities are measured in accordance with the tax rates set to be in effect in the financial year during which an asset or a liability shall be settled, taking into account tax rates (and tax regulations) which have been and effectively are in force until the Balance Sheet date. In case it is not possible to clearly determine the time needed to reverse the temporary differences, the tax rate to be applied is the one in force in the financial year under the following reporting date.

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Deferred tax assets are recognized when there is taxable income and a temporary difference which creates a deferred tax asset. Deferred tax assets are re-examined on each reporting date to assess the extent to which there will be sufficient taxable income to make use of the benefit of the whole or part of the deferred tax asset.

Changes in deferred tax assets and liabilities are recognized as a part of tax expenses in the income statement for the financial year. Only those changes in assets and liabilities which affect the items recognized in other comprehensive income or directly in equity are also recognized in other comprehensive income or directly in equity.

## 3.9 Revenue-Expenses recognition

Revenue comprises the fair value of consideration collected from professional services rendered during the year, including direct costs associated with clients and net of VAT. Revenue is recognized when it is probable that future economic benefits will flow into the entity and these benefits can be reliably measured. The amount of revenue can be efficiently measured when all liabilities relating to the sale have been settled. When the result of a transaction can be measured reliably, revenue associated with the transaction is recognized in the Income Statement based on the stage of completion at the date of the Financial Statements and on the fact that the right to receive consideration has been achieved through the provision of services. Thus, the service contracts revenue represents the costs analogous to the stage of completion of any contract plus attributable profit less any amounts recognized in prior periods where applicable.

When the result of a transaction cannot be estimated reliably, revenue is recognized only to the extent the cost of rendering services is recoverable. No amount of revenue is recognized if there is material uncertainty regarding the recoverability of the receivable consideration or when the right to receive consideration is not effective for reasons out of the control of the company. The expected losses are recognized immediately when deemed possible under the latest estimates of revenue and costs.

**Interest and dividend income**

Interest income is recognized as earned using the effective rate method. Dividends are recognized as income upon establishing their collection right.

**Operating expenses**

Operating expenses are recognized in the Income Statement as the services are consumed or at the date costs are incurred.

## 3.10 Employee benefits

**Short-term benefits**

Short-term benefits to personnel (except for termination of employment benefits) in cash and kind are recognized as an expense when considered accrued. Any unpaid amount is recognized as a liability, whereas in case the amount already paid exceeds the benefits' amount, the Company identifies the excessive amount as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments' reduction or refund.

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**Retirement benefits**

Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Company's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans.

The defined contribution plan accrued cost is recognized as an expense in the financial year in question. Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

**(a) Defined Contribution Plan:** Defined contribution plans pertain to contribution payment to Social Security Organizations (e.g. Social Security Fund (IKA) and therefore, the Company does not have any legal obligation in case the State Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Company in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as an expense in the income statement.

**(b) Defined Benefit Plan (non-funded):** The Company's defined benefit plan regards the legal commitment to pay lump-sum severance grant, pursuant to Law 2112/1920. Vesting participation right in these plans is conditional upon the employee's work experience until retirement.

The liability recognized in the Statement of Financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserve from payments to an insurance company), the changes deriving from any actuarial profit or loss and the service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. A Long-term Greek bonds' rate is used for discounting.

Actuarial profits and losses form part of the Company's commitment to grant the benefit and of the expense which shall be recognized in the income statement. The adjustments' outcome based on historical data, if below or above a 10% margin of the accumulated liability, is recognized in the income statement within the expected insurance period of the plan's participants. Service cost is directly recognized in the income statement except for the case where plan's changes depend on employees' remaining years of service. In such a case, the service cost is recognized in the income statement using the fixed method during the maturity period.

## 3.11 Provisions, contingent liabilities and assets

Provisions are recognized when the Company has present legal or imputed liabilities as a result of past events; their settlement is possible through resources' outflow and the exact liability amount may be estimated reliably. On the reporting date, provisions are examined and adjusted accordingly to reflect the present value of the expense expected to be necessary for the liability settlement. When the effect of time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability.

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If it is not probable that an outflow will be required in order to settle a liability for which a provision has been formed, then it is reversed. In cases where the outflow due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the Financial Statements.

Contingent liabilities are not recognized in the Financial Statements but are disclosed except if there is a probability that there will be an outflow which encompasses economic benefits. Possible outflows from economic benefits of the Company which do not meet the criteria of an asset are considered a contingent asset and are disclosed when the outflow of economic benefits is probable.

### 3.12 Impairment of assets

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

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

## 4. Significant accounting estimates and judgments of the Management

Significant estimates of the Management pertaining to application of the Company's accounting policy, mostly affecting its Financial Statements, are presented below.

### 4.1 Estimates

**Revenue**

The Management estimates the stage of completion of every contract, taking into account all the available information at the end of the reporting period. In this process, the Management determines all significant considerations in respect of the main points of each contract, the actual work performed and the estimated costs until the completion of each project.

**Deferred tax assets**

In determining the amount of the deferred tax assets that can be recognized, there are required considerable assessments and estimates of the Management, based on future tax profits in combination with future tax strategies to be followed. In particular, the assessment of the potential existence of future taxable income on which the deferred tax assets will be used is based on the calculations of the Management that are adapted following the substantial amounts of non-taxable income and expenses as well as particular limits to using any unused tax profit or loss.

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## 4.2 Estimates in respect of uncertainties

Preparation of the Financial Statements requires making evaluations, estimates and assumptions in respect of assets and liabilities, contingent assets and liabilities disclosures as well as revenue and expenses during the periods presented.

The actual results may differ from assessments, estimates and assumptions made by the Management and rarely coincide with the estimated results.

Information on assessments, estimates and assumptions that have the most significant effect on the recognition and valuation of assets, liabilities, revenues and expenses of the Company is presented below.

**Useful life of depreciated assets**

The Management examines depreciated assets useful life every reporting period. On 30/06/2020, the Management estimates that the useful lives represent the anticipated assets remaining useful life (further information in Notes 3.2 and 3.3). Actual results, however, may differ mainly because of technological obsolescence of specific equipment, software and information systems.

**Revenue**

Revenue recognized from the service contracts of the Company constitutes the best estimate of the Management regarding the outcome of the contract and the stage of its completion. The Management estimates the profitability of contracts in progress on a monthly basis using extensive project management processes.

**Provision for personnel compensation**

The provision amount for personnel compensation is based on actuarial study under specific assumptions on discount rate, employees' remuneration increase rate, consumer price index increase and the expected remaining working life. The assumptions used have a significant uncertainty and the Company Management makes a continuous estimate (see further information in Note 16).

**Provision for doubtful debts**

The adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets as it replaced the treatment of IAS 39 to identify realized losses with the recognition of expected credit losses.

Contractual assets and trade receivables: The company applies the simplified approach of IFRS 9 to calculate the expected credit losses, according to which, the provision of loss is always measured at an amount equal to the expected credit losses throughout useful life for trade receivables and contractual assets. To determine expected credit losses in relation to trade receivables, the company uses a credit loss provision table based on the maturity of the balances, based on historical data on credit losses, adjusted to future factors in relation to debtors and the economic environment.

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## 5. Tangible assets

The Company's and the group's tangible assets comprise buildings and facilities on third party property, furniture and other equipment. The book value of tangible assets is analyzed as follows:

| *Amounts in €* | | THE GROUP | |
|---|---|---|---|
| | **Buildings and facilities** | **Furniture and other equipment** | **Total** |
| Book value as at 1/7/2018 | 396.447 | 2.747.076 | 3.143.523 |
| Accumulated depreciation | -374.363 | -2.591.126 | -2.965.489 |
| **Net Book value as at 1/7/2018** | **22.084** | **155.950** | **178.034** |
| Additions | | **179.928** | **179.928** |
| Other changes | | | **0** |
| Depreciation for the period | -1.084 | -197.721 | **-198.806** |
| Other transfers | | 177 | **177** |
| Book value as at 30/6/2019 | 396.447 | 2.927.181 | 3.323.628 |
| Accumulated depreciation | -375.447 | -2.788.847 | -3.164.295 |
| **Net book value as at 30/6/2019** | **21.000** | **138.334** | **159.334** |
| Book value as at 1/7/2019 | 396.447 | 2.927.181 | 3.323.628 |
| Accumulated depreciation | -375.447 | -2.788.847 | -3.164.295 |
| **Net book value as at 1/7/2019** | **21.000** | **138.334** | **159.334** |
| Additions | | 186.721 | **186.721** |
| Other transfers | | | **0** |
| Depreciation for the period | | -208.717 | **-208.717** |
| Other transfers | | | **0** |
| Book value as at 30/6/2020 | 396.447 | 3.113.902 | **3.510.349** |
| Accumulated depreciation | -375.447 | -2.997.564 | **-3.373.011** |
| **Net book value as at 30/6/2020** | **21.000** | **116.338** | **137.338** |

| *Amounts in €* | | THE COMPANY | |
|---|---|---|---|
| | **Buildings and facilities** | **Furniture and other equipment** | **Total** |
| Book value as at 1/7/2018 | 394.032 | 2.570.780 | 2.964.812 |
| Accumulated depreciation | -374.364 | -2.444.291 | -2.818.655 |
| **Net book value as at 1/7/2018** | **19.668** | **126.489** | **146.157** |
| Additions | | 77.217 | 77.217 |
| Other transfers | | | 0 |
| Depreciation for the period | -1.084 | -93.649 | -94.733 |
| Other transfers | | 168 | 168 |
| Book value as at 30/6/2019 | 394.032 | 2.648.166 | 3.042.198 |
| Accumulated depreciation | -375.448 | -2.537.940 | -2.913.388 |
| **Net book value as at 30/6/2019** | **18.584** | **110.226** | **128.810** |
| | | | |
| Book value as at 1/7/2019 | 394.032 | 2.647.997 | 3.042.029 |
| Accumulated depreciation | -375.448 | -2.537.771 | -2.913.219 |
| **Net book value as at 1/7/2019** | **18.584** | **110.226** | **128.810** |
| Additions | | 62.502 | 62.502 |
| Other transfers | | | 0 |
| Depreciation for the period | | -96.045 | -96.045 |
| Other transfers | | | 0 |
| Book value as at 30/6/2020 | 394.032 | 2.710.499 | 3.104.531 |
| Accumulated depreciation | -375.448 | -2.633.816 | -3.009.265 |
| **Net book value as at 30/6/2020** | **18.584** | **76.683** | **95.267** |

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Tangible assets are recorded in the Financial Statements at cost less accumulated depreciation and any impairment losses on fixed assets. Acquisition costs include all costs directly attributable to the acquisition of such items.

## 6. Intangible assets

Intangible assets comprise only software programs. Their book value in respect of all the periods is analyzed as follows:

*Amounts in €*

| | THE GROUP | THE COMPANY |
|---|---|---|
| Book value as at 1/7/2018 | 1.057.903 | 975.342 |
| Accumulated amortization | -985.341 | -962.226 |
| **Net book value as at 1/7/2018** | **72.562** | **13.116** |
| Additions | 488.891 | 219.858 |
| Amortization for the period | -205.899 | -171.953 |
| Book value as at 30/6/2019 | 1.546.794 | 1.195.200 |
| Accumulated amortization | -1.191.240 | -1.134.179 |
| **Net book value as at 30/6/2019** | **355.554** | **61.021** |
| Book value as at 1/7/2019 | 1.546.794 | 1.195.200 |
| Accumulated amortization | -1.191.240 | -1.134.179 |
| **Net book value as at 1/7/2019** | **355.554** | **61.021** |
| Additions | 446.014 | 214.826 |
| Amortization for the period | -419.559 | -183.069 |
| Book value as at 30/6/2020 | 1.992.808 | 1.410.026 |
| Accumulated amortization | -1.610.799 | -1.317.248 |
| **Net book value as at 30/6/2020** | **382.009** | **92.778** |

## 7. Investments in subsidiaries

As at 30.06.2020, the Group structure is as follows:

| COMPANY | Country of operation | % Parent Investment | Consolidation method |
|---|---|---|---|
| GRANT THORNTON S.A. | Greece | **Parent** | |
| GRANT THORNTON BUSINESS SOLUTIONS S.A. | Greece | 58,3% | Full consolidation |

In the separate financial statements, the subsidiary GRANT THORNTON BUSINESS SOLUTIONS S.A. is presented at acquisition cost amounting to Euro 369.000 while there are no indications of impairment

## 8. Other non-current assets

Other non-current assets of the group and the company are analyzed in the table below:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Guarantees | 214.490 | 193.108 |
| **Net book value** | **214.490** | **193.108** |

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| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Guarantees | 165.493 | 160.056 |
| **Net book value** | **165.493** | **160.056** |

## 9. Deferred tax assets

Deferred income tax derives from temporary differences between book value and tax bases of the assets and liabilities and is calculated based on the tax rate which is expected to be applied in the financial years when it is expected that the temporary taxable and deductible differences will reverse. Deferred tax assets and liabilities are offset when there exists an applicable legal right to offset current tax assets against current tax liabilities and when the deferred taxes refer to the same tax authority. A deferred tax asset is recognized for tax losses carried forward to the extent that the realization of a relevant tax benefit is possible through future taxable profits. Deferred tax assets of the company which have been calculated at a rate of 24% are analyzed as follows:

| *Amounts in €* | THE GROUP | | | |
|---|---|---|---|---|
| | **30/6/2020** | | **30/6/2019** | |
| | **Def.Tax assets** | **Def. tax liability** | **Def.Tax assets** | **Def. tax liability** |
| Employee termination benefit liabilities | 152.274 | 0 | 190.272 | 0 |
| Other short-term liabilities | 120.000 | 0 | 168.000 | 0 |
| **Total** | **272.274** | **0** | **358.272** | **0** |
| **Offset deferred tax assets & liabilities** | 0 | 0 | 0 | 0 |
| **Deferred tax asset / (liability)** | **272.274** | **0** | **358.272** | **0** |

| *Amounts in €* | THE COMPANY | | | |
|---|---|---|---|---|
| | **30/6/2020** | | **30/6/2019** | |
| | **Def.Tax assets** | **Def. tax liability** | **Def.Tax assets** | **Def. tax liability** |
| Employee termination benefit liabilities | 89.563 | 0 | 137.015 | 0 |
| Other short-term liabilities | | | | |
| **Total** | **89.563** | **0** | **137.015** | **0** |
| **Offset deferred tax assets & liabilities** | 0 | 0 | 0 | 0 |
| **Deferred tax asset / (liability)** | **89.563** | **0** | **137.015** | **0** |

## 10. Inventory

| *Amounts in €* | THE GROUP/THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Inventory (Books) | 13.491 | 13.491 |
| **Net book value** | **13.491** | **13.491** |

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## 11. Trade and other receivables

The trade receivables of the group and the company are analyzed as follows:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Third party trade receivables | 14.363.792 | 14.026.525 |
| Notes receivable | 4.600 | 4.700 |
| Checks receivable | 1.028.267 | 1.639.095 |
| Less: Provision for impairment | -1.143.588 | -935.555 |
| **Net trade receivables** | **14.253.072** | **14.734.765** |
| Current assets | **14.253.072** | **14.734.765** |
| Current assets | 14.253.072 | 14.734.765 |
| **Total** | **14.253.072** | **14.734.765** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Third party trade receivables | 9.037.501 | 9.670.371 |
| Notes receivable | 4.600 | 4.700 |
| Checks receivable | 801.869 | 1.411.867 |
| Less: Provision for impairment | -1.013.933 | -828.098 |
| **Net trade receivables** | **8.830.037** | **10.258.840** |
| Current assets | 8.830.037 | 10.258.840 |
| Current assets | 8.830.037 | 10.258.840 |
| **Total** | **8.830.037** | **10.258.840** |

The total of trade receivables pertains to short-term receivables from clients. The net book value of the item is a reasonable estimate of its fair value.

Changes in provisions for doubtful receivables within the years ending as at 30/06/2020 and 30/06/2019 are as follows:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| **Balance as at 1st July** | **935.555** | **791.205** |
| Write off | -16.512 | 0 |
| Provisions for the period | 224.544 | 144.350 |
| **Balance as at 30th June** | **1.143.588** | **935.555** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| **Balance as at 1st July** | **828.098** | **751.205** |
| Write off | -16.512 | 0 |
| Provisions for the period | 202.348 | 76.893 |
| **Balance as at 30th June** | **1.013.934** | **828.098** |

## 12. Other receivables

Other receivables of the group and the company are analyzed as follows:

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| *Amounts in €* | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Receivables from Greek State | 1.133.946 | 606.091 |
| Advance payments to employees | 47.711 | 1.650 |
| Other receivables | 501.581 | 524.436 |
| **Total** | **1.683.238** | **1.132.176** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Receivables from Greek State | 199.279 | 286.263 |
| Advance payments to employees | 46.539 | 0 |
| Other receivables | 299.389 | 388.136 |
| **Total** | **545.207** | **674.398** |

## 13. Other current assets

Other current assets of the group and the company are analyzed as follows:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Other current assets | 0 | 500.729 |
| **Total** | **0** | **500.729** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Prepaid expenses | 0 | 0 |
| Other current assets | 0 | 47.375 |
| **Total** | **0** | **47.375** |

## 14. Cash and cash equivalents

The group and the company cash and cash equivalents include the following items:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Cash on hand | 3.165 | 3.799 |
| Cash equivalent balance in bank | 4.850.425 | 3.785.754 |
| **Total cash and cash equivalent** | **4.853.590** | **3.789.554** |
| | | |
| Cash and cash equivalent in € | 4.853.590 | 3.789.550 |
| Cash and cash equivalent in FX | 0 | 4 |
| **Total cash and cash equivalents** | **4.853.590** | **3.789.554** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Cash on hand | 1.833 | 3.164 |
| Cash equivalent balance in bank | 1.970.642 | 2.065.093 |
| **Total cash and cash equivalent** | **1.972.475** | **2.068.257** |
| | | |
| Cash and cash equivalent in € | 1.972.475 | 2.068.253 |
| Cash and cash equivalent in FX | 0 | 4 |
| **Total cash and cash equivalents** | **1.972.475** | **2.068.257** |

Bank deposits are on a floating rate and are based on monthly bank deposits interest rates. There are no blocked accounts of the Company.

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## 15. Share capital and other reserves

The group's and the company's share capital as at 30/06/2020 amounted to € 593.876 divided into 179.843 common nominal shares of a nominal value of € 2,93 each share and 22.845 preference shares of a nominal value of € 2,93 each share.

The group's and the company's other reserves are analyzed as follows:

| *Amounts in €* | THE GROUP | | | | | |
|---|---|---|---|---|---|---|
| | **Statutory reserves** | **Special purpose reserves** | **Tax exempted reserves** | **Other reserves** | **Extraordinary reserves** | **Total** |
| **Opening balance as at 1/7/2018** | **272.765** | **235** | **65.325** | **170.597** | **-281.443** | **227.479** |
| Changes within the year | 0 | 0 | 0 | -14.011 | 0 | -14.011 |
| **Closing balance as at 30/6/2019** | **272.765** | **235** | **65.325** | **156.586** | **-281.443** | **213.468** |
| **Opening balance as at 1/7/2019** | **272.765** | **235** | **65.325** | **156.586** | **-281.443** | **213.468** |
| Changes within the year | 0 | 0 | 0 | 86.905 | 0 | 86.905 |
| **Closing as at 30/6/2020** | **272.765** | **235** | **65.325** | **243.490** | **-281.443** | **300.372** |

| *Amounts in €* | THE COMPANY | | | | | |
|---|---|---|---|---|---|---|
| | **Statutory reserves** | **Special purpose reserves** | **Tax exempted reserves** | **Other reserves** | **Extraordinary reserves** | **Total** |
| **Opening balance as at 1/7/2018** | **248.855** | **235** | **65.325** | **201.491** | **-281.443** | **234.463** |
| Changes within the year | 0 | 0 | 0 | -3.639 | 0 | -3.639 |
| **Closing balance as at 30/6/2019** | **248.855** | **235** | **65.325** | **197.852** | **-281.443** | **230.824** |
| **Opening balance as at 1/7/2019** | **248.855** | **235** | **65.325** | **197.852** | **-281.443** | **230.824** |
| Changes within the year | 0 | 0 | 0 | 66.594 | 0 | 66.594 |
| **Closing balance as at 30/6/2020** | **248.855** | **235** | **65.325** | **264.446** | **-281.443** | **297.418** |

## 16. Employee termination benefits obligations

In accordance with the labor legislation of Greece, employees are entitled to compensation in case of dismissal or retirement. The amount of compensation varies depending on employee salary, the years of service and the mode of stepping down (be made redundant or retirement). Employees resigning or being dismissed on a grounded basis are not entitled to compensation. In case of retirement, lump sum compensation shall be paid up pursuant to Law 2112/20. The Company recognizes as a liability the present value of the legal commitment for lump sum compensation payment to the personnel stepping down due to retirement. These are non-financed defined benefit plans according to IAS 19 and the relevant liability was calculated on the basis of an actuarial study.

The amounts recognized in the Income Statement are as follows:

| | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |

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| *Amounts in €* | Defined benefit plans | Defined benefit plans |
|---|---|---|
| Current service cost | 181.419 | 103.235 |
| Interest cost | 5.389 | 10.247 |
| Cost (result) of Settlements | 32.483 | 29.811 |
| **Expenses recognized in the Income Statement** | **219.292** | **143.293** |

| | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| *Amounts in €* | **Defined benefit plans** | **Defined benefit plans** |
| Current service cost | 100.702 | 63.064 |
| Interest cost | 3.739 | 7.348 |
| Cost (result) of Settlements | 12.908 | 6.723 |
| **Expenses recognized in the Income Statement** | **117.349** | **77.135** |

The amounts recognized in the Other Comprehensive Income are as follows:

| | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| *Amounts in €* | **Defined benefit plans** | **Defined benefit plans** |
| Actuarial gains/losses recognized within the year | -230.152 | -18.682 |
| **Comprehensive income /(expenses)recognized in other comprehensive income** | **-230.152** | **-18.682** |

| | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| *Amounts in €* | **Defined benefit plans** | **Defined benefit plans** |
| Actuarial gains/losses recognized within the year | 203.427 | -4.852 |
| **Comprehensive income /(expenses)recognized in other comprehensive income** | **203.427** | **-4.852** |

Changes in the net liability in the Statement of Financial Position are as follows:

| **Changes in the present value of liability for defined benefit plans are as follows:** | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |

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| Amounts in € | Defined benefit plans | Defined benefit plans |
|---|---|---|
| **Opening balance** | **695.778** | 569.242 |
| Service cost | 181.419 | 103.235 |
| Interest cost | 5.389 | 10.247 |
| Actuarial loss / (gains) | -230.152 | 18.682 |
| Cost (result) of Settlements | 32.483 | 29.811 |
| Benefits paid | -50.442 | -35.438 |
| **Closing balance** | **634.476** | **695.778** |

**Changes in the present value of liability for defined benefit plans are as follows:**

| | THE COMPANY | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Amounts in € | Defined benefit plans | Defined benefit plans |
| **Opening balance** | **482.750** | **408.200** |
| Service cost | 100.702 | 63.064 |
| Interest cost | 3.739 | 7.348 |
| Actuarial loss / (gains) | -203.427 | 4.852 |
| Cost (result) of Settlements | 12.908 | 6.723 |
| Benefits paid | -23.492 | -7.437 |
| **Closing balance** | **373.180** | **482.750** |

**Changes in the present value of liability for defined benefit plans are as follows:**

| | THE GROUP | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Amounts in € | Defined benefit plans | Defined benefit plans |
| **Opening balance** | - | - |
| Benefits paid within current year | -50.442 | -35.438 |
| Employees' contributions | 0 | 0 |
| Employer's contributions | 50.442 | 35.438 |
| **Closing balance** | **0** | **0** |

**Changes in the present value of liability for defined benefit plans are as follows:**

| | THE COMPANY | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Amounts in € | Defined benefit plans | Defined benefit plans |
| **Opening balance** | - | - |
| Benefits paid within current year | -23.492 | -7.437 |
| Employees' contributions | 0 | 0 |
| Employer's contributions | 23.492 | 7.437 |
| **Closing balance** | **0** | **0** |

The key actuarial assumptions applied for the aforementioned accounting purposes are as follows:

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| | 30/6/2020 | 30/6/2019 |
|---|---|---|
| Discount interest rate | 0,74% | 0,77% |
| Salary increases | 2,70% | 2,70% |
| Inflation | 1,70% | 1,70% |

## 17. Suppliers and other liabilities

The group's and the company's trade payables are analyzed as follows:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Suppliers | 2.639.668 | 4.296.494 |
| Cheques payable | 89.096 | 565.580 |
| **Total** | **2.728.764** | **4.862.074** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Suppliers | 1.651.267 | 2.316.616 |
| Cheques payable | 0 | 543.647 |
| **Total** | **1.651.267** | **2.860.263** |

The total of trade payables pertains to short-term payables to suppliers. The net book value of the item is a reasonable estimate of its fair value.

## 18. Income tax payable

The current tax liabilities of the group and the company pertain to current liabilities from income tax:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Income tax | 1.696.313 | 373.583 |
| Provision for tax expenses from non-inspected years | 65.000 | 65.000 |
| **Total** | **1.761.313** | **438.583** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Income tax | 145.499 | 239.772 |
| Provision for tax expenses from non-inspected years | 65.000 | 65.000 |
| **Total** | **210.499** | **304.772** |

## 19. Other short-term liabilities

Other short-term liabilities for the group and the company are analyzed as follows:

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| *Amounts in €* | THE GROUP | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Social security insurance | 715.627 | 897.578 |
| Other Tax liabilities | 1.580.257 | 2.317.389 |
| Other liabilities | 6.847.288 | 7.963.315 |
| **Total** | **9.143.172** | **11.178.281** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | 30/6/2020 | 30/6/2019 |
| Social security insurance | 328.105 | 561.277 |
| Other Tax liabilities | 958.445 | 1.443.268 |
| Other liabilities | 4.290.031 | 5.434.753 |
| **Total** | **5.576.581** | **7.439.298** |

## 20. Sales

The sales of the group and the company are analyzed as follows:

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | 01/07/2019 - 30/06/2020 | 01/07/2018 - 30/06/2019 |
| Assurance Services | 13.160.564 | 15.411.811 |
| Tax and Accountancy Services | 6.682.233 | 6.206.930 |
| Consulting services | 19.230.989 | 12.990.158 |
| **Total** | **39.073.787** | **34.608.898** |

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | 01/07/2019 - 30/06/2020 | 01/07/2018 - 30/06/2019 |
| Assurance Services | 13.160.564 | 15.411.811 |
| Consulting services | 4.777.161 | 4.299.806 |
| **Total** | **17.937.725** | **19.711.617** |

## 21. Other operating income /(expenses)

The other operating income and expenses are analyzed as follows:

**Other operating income**

| *Amounts in €* | THE GROUP | |
|---|---|---|
| | 01/07/2019 - 30/06/2020 | 01/07/2018 - 30/06/2019 |
| Income from grants | 122.624 | 82.545 |
| Other income | 251.800 | 44.764 |
| Rentals | 0 | 21.860 |
| **Total** | **374.424** | **149.168** |

**Other operating income**

| *Amounts in €* | THE COMPANY | |
|---|---|---|
| | 01/07/2019 - 30/06/2020 | 01/07/2018 - 30/06/2019 |
| Income from grants | 122.624 | 81.175 |
| Other income | 61.745 | 44.618 |
| Rentals | 311.580 | 318.376 |
| **Total** | **495.950** | **444.170** |

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| **Other operating expenses** *Amounts in €* | **THE GROUP** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Provision for trade receivables impairment | 224.544 | 59.561 |
| Other expenses | 206.320 | 276.899 |
| **Total** | **430.864** | **336.460** |

| **Other operating expenses** *Amounts in €* | **THE COMPANY** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Provision for trade receivables impairment | 202.348 | 45.947 |
| Other expenses | 183.755 | 255.986 |
| **Total** | **386.102** | **301.933** |

## 22. Other financial results

The other financial results are analyzed as follows:

| *Amounts in €* | **THE GROUP** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Provision for employee compensation | -5.389 | -10.247 |
| **Total** | **-5.389** | **-10.247** |

| *Amounts in €* | **THE COMPANY** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Provision for employee compensation | -3.739 | -7.348 |
| **Total** | **-3.739** | **-7.348** |

## 23. Financial income /(expenses)

The financial income and expenses are analyzed as follows:

| **Financial expenses** *Amounts in €* | **THE GROUP** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Commissions | -38.139 | -39.488 |
| Interest from leases | -77.855 | |
| **Total** | **-115.994** | **-39.488** |

| **Financial expenses** *Amounts in €* | **THE COMPANY** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Commissions | -15.416 | -15.247 |
| Interest from leases | -57.616 | |
| **Total** | **-73.032** | **-15.247** |

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| **Financial income** | | |
|---|---|---|
| *Amounts in €* | **THE GROUP** | |
| Bank deposits interest | 1.525 | 4.659 |
| **Total financial income** | **1.525** | **4.658,64** |

| **Financial income** | | |
|---|---|---|
| *Amounts in €* | **THE COMPANY** | |
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Income from dividends | 700.720 | 0 |
| Bank deposits interest | 410 | 3.583 |
| **Total financial income** | **701.130** | **3.583** |

## 24. Income tax

According to the tax legislation, the tax rate applied for the closing year is 24%.

The income tax presented in the Financial Statements is analyzed as follows:

| *Amounts in €* | **THE GROUP** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Current income tax | 1.249.541 | 664.079 |
| Deferred income tax | 32.351 | -188.522 |
| **Total** | **1.281.891** | **475.557** |

| *Amounts in €* | **THE COMPANY** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Current income tax | 284.458 | 316.922 |
| Deferred income tax | 219 | -17.425 |
| **Total** | **284.677** | **299.497** |

The conciliation on the income tax amount as defined by the Greek tax rate application on the income before tax is summarized as follows:

| *Amounts in €* | **THE GROUP** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Earnings before tax | 5.561.707 | 992.830 |
| Nominal tax rate | 24% | 29% |
| **Expected tax on Income** | **1.334.810** | **287.921** |
| **Adjustments for non- taxable income** | | |
| **Adjustments for non- deductible expenses for tax purposes** | | |
| - Non tax deductible expenses | 33.453 | 108.543 |
| - Other | -107.526 | 79.093 |
| - Effect from change in Tax Rate | 21.155 | |
| **Total** | **1.281.891** | **475.557** |

| *Amounts in €* | **THE COMPANY** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |

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| | | |
|---|---|---|
| Earnings before tax | 2.142.436 | 501.251 |
| Nominal tax rate | 24% | 29% |
| **Expected tax on Income** | **514.185** | **145.363** |
| | | |
| **Adjustments for non- taxable income** | | |
| **Adjustments for non- deductible expenses for tax purposes** | | |
| - Non tax deductible expenses | 33.453 | 91.736 |
| - Other | -284.116 | 62.398 |
| - Effect from change in Tax Rate | 21.155 | |
| **Total** | **284.677** | **299.497** |

In Greece the results disclosed to the tax authorities are considered temporary and may be revised until books and data are reviewed by tax authorities and tax declarations are judged as finalized. Therefore, companies may be subject to eventual sanctions and taxes which may be imposed upon reviewing the books and data.

According to the method of carrying out tax liabilities in Greece, the Company has a contingent liability for additional sanctions and taxes from non-audited financial years, for which sufficient provisions have been made. The Company's non-tax inspected years are presented in Note 27.

Deferred tax details are presented in Note 9.

## 25. Number of employees

The number of employees of the group and the company is analyzed in the tables below as follows:

| | **THE GROUP** | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Number of employees | 636 | 645 |
| | **THE COMPANY** | |
| | **30/6/2020** | **30/6/2019** |
| Number of employees | 272 | 346 |

## 26. Key management remuneration

The group and the company key manag ement remuneration is analyzed as follows:

| *Amounts in €* | **THE GROUP** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| Salaries & other short-term remunerations, social security costs | 1.317.384 | 1.248.716 |
| Fees to members of the BoD. | 740.000 | 0 |
| **Total** | **2.057.384** | **1.248.716** |

| *Amounts in €* | **THE COMPANY** | |
|---|---|---|
| | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |

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| | | |
|---|---|---|
| Salaries & other short-term remunerations, social security costs | 242.166 | 405.039 |
| Fees to members of the BoD. | 740.000 | 0 |
| **Total** | **982.166** | **405.039** |

| | THE GROUP | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Number of key management executives | 11 | 14 |

| | THE COMPANY | |
|---|---|---|
| | **30/6/2020** | **30/6/2019** |
| Number of key management executives | 6 | 7 |

## Related party transactions

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| *Amounts in €* | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| **<u>Sales of Services</u>** | | | | |
| Subsidiary | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **0** | **0** |
| **<u>Acquisition of Services</u>** | | | | |
| Subsidiary | 0 | 0 | 0 | 0 |
| Management executives | 2.057.384 | 1.248.716 | 982.166 | 405.039 |
| **Total** | **2.057.384** | **1.248.716** | **982.166** | **405.039** |
| **<u>Other income</u>** | | | | |
| Subsidiary | 0 | 0 | 311.580 | 325.866 |
| **Total** | **0** | **0** | **311.580** | **325.866** |
| **Total** | **2.057.384** | **1.248.716** | **1.293.746** | **730.905** |

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| *Amounts in €* | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** | **01/07/2019 - 30/06/2020** | **01/07/2018 - 30/06/2019** |
| **<u>Balance of receivables from sales of services</u>** | | | | |
| Subsidiary | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | 0 | 0 |
| **<u>Balance of liabilities from acquisition of services</u>** | | | | |
| Subsidiary | 0 | 0 | 0 | 0 |
| Management executives | 761.451 | 499.756 | 471.650 | 292.433 |
| **Total** | **761.451** | **499.756** | **471.650** | **292.433** |
| **Total** | **761.451** | **499.756** | **471.650** | **292.433** |

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## 27. Contingent liabilities

The group's and the company's contingent liabilities include the following categories:

**Guarantees**

As at 30/06/2020, the group and the company had the following liabilities arising from guarantees provision:

| | |
|---|---|
| ADVANCE L/G | 255.600 |
| L/G FOR PARTICIPATION IN TENDERS | 83.990 |
| L/G FOR GOOD PERFORMANCE | 220.186 |
| **Total** | **559.776** |

**Encumbrances**

There are no mortgages or pledges, or any other encumbrances on the fixed assets against borrowing.

**Litigations**

There are no disputed or under arbitration litigations pertaining to court or arbitration bodies that have a significant impact on the financial position and operations of the Company.

**Contingent tax liabilities**

The tax liabilities of the company are not conclusive since it has been tax inspected till 31/12/2007. The company has assessed its contingent liabilities which may result from tax inspection of preceding financial years making provisions for non-tax inspected years amounting to € 65.000. The tax audit conducted in compliance with the provisions of par. 5, article 82, Law 2238/1994 and article 65a, Law 4174/2013 (the company has been tax audited for years from 30/06/2011 to 30/6/2018 inclusively in compliance with the provisions of par. 5, article 82, Law 2238/1994 and article 65a, Law 4174/2013 by statutory auditors) is not expected to differentiate the tax obligations incorporated in the Financial Statements. The Management considers that apart from the provisions that have been made, additional taxes which may incur will not have a significant effect on the equity, results and cash flows of the company. The Subsidiary has not been tax-inspected since its first corporate FY (24/07/2012-30/06/2013). The group Management considers that taxes which may incur will not have a significant effect on the equity, results and cash flows of the subsidiary and therefore, no relative provisions have been made.

## 28. Risk management policies

The risk factors to which the Company is exposed are market risk, liquidity risk and credit risk.

The Company periodically reviews and assesses its exposure to the risks cited above on a one by one basis and jointly. In the context of assessing and managing risks, the Company has established a Risk Management

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Committee. The main objective of the Risk Management Committee is to monitor and assess any aspect of risk the Company is exposed to through its business activities.

**Credit risk**

Credit risk is the risk of the potential delayed payment to the group of the current and of potential liabilities of the counterparties.

The assets exposed to credit risk as at reporting period date are analyzed as follows:

| | THE GROUP | |
|---|---|---|
| *Amounts in €* | **30/6/2020** | **30/6/2019** |
| **Financial assets categories** | | |
| Cash and cash equivalents | 4.853.590 | 3.789.554 |
| Trade and other receivables | 14.253.072 | 14.734.765 |
| **Net book value** | **19.106.662** | **18.524.319** |

| | THE COMPANY | |
|---|---|---|
| *Amounts in €* | **30/6/2020** | **30/6/2019** |
| **Financial assets categories** | | |
| Cash and cash equivalents | 1.972.475 | 2.068.257 |
| Trade and other receivables | 8.830.037 | 10.258.841 |
| **Net book value** | **10.802.512** | **12.327.098** |

Aiming at the minimization of the credit risks and bad debts the group has adopted efficient processes and policies in relation to the limits of exposure per counterparty based on the counterparties credibility. The clients' credit limits are set based on internal or external assessments always pertaining to the limits set by the Management. For certain credit risks, provisions for impairment losses are made.

The Management of the group sets limits as to the size of risk it may be exposed to per financial institution. It assumes that the amounts of cash available are of high credit quality based on the fact that the counterparty financial institutions enjoy a high credit rating.

**Liquidity risk**

The group is managing its liquidity requirements on a daily basis through systematic monitoring of its financial liabilities and of the payments that are made on a daily basis. All the group's financial liabilities are short-term.

The group constantly monitors the maturity of its receivables and payables, in order to retain a balance of its capital employed and its flexibility via its bank credit worthiness, which is considered good.

The maturity of the financial liabilities as of 30/06/2020 and 30/06/2019 is analyzed as follows:

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| Amounts in € | THE GROUP 30/6/2020 Short-term Within 6 months | 6 to 12 months | 30/6/2019 Short-term Within 6 months | 6 to 12 months |
|---|---|---|---|---|
| Suppliers and other liabilities | 2.728.764 | 0 | 4.862.074 | 0 |
| Other short-term liabilities | 9.143.172 | 0 | 11.178.281 | 0 |
| **Total** | **11.871.936** | **0** | **16.040.355** | **0** |

| Amounts in € | THE COMPANY 30/6/2020 Short-term Within 6 months | 6 to 12 months | 30/6/2019 Short-term Within 6 months | 6 to 12 months |
|---|---|---|---|---|
| | 1.651.267 | 0 | 2.860.263 | 0 |
| Suppliers and other liabilities | 5.576.581 | 0 | 7.439.298 | 0 |
| Other short-term liabilities | **7.227.848** | **0** | **10.299.561** | **0** |

## Capital Management policies and procedures

The objectives of the group in relation to the management of capital are as follows:

- to ensure the company's ability to continue as a going concern, and
- to increase the value of the group and, in consequence, of its shareholders.

The group monitors the capital in relation to amount of shareholders equity less the cash and cash equivalents as presented in the Statement of Financial Position. The capital for the financial years ending as at 30/06/2020 and 30/06/2019 is analyzed as follows:

| Amounts in € | THE GROUP 30/6/2020 | 30/6/2019 |
|---|---|---|
| Total equity | -7.512.912 | -4.062.268 |
| Cash and cash equivalents | 4.853.590 | 3.789.554 |
| **Capital** | **-2.659.322** | **-272.714** |
| **Total capital** | **7.512.912** | **4.062.268** |
| Capital to Total capital | -0,35 | -0,07 |

| Amounts in € | THE COMPANY 30/6/2020 | 30/6/2019 |
|---|---|---|
| Total equity | -4.340.662 | -2.811.183 |
| Cash and cash equivalents | 1.972.475 | 2.068.257 |
| **Capital** | **-2.368.187** | **-742.926** |
| **Total capital** | **2.811.183** | **2.811.183** |
| Capital to Total capital | -0,84 | -0,26 |

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## 29. Approval of Financial Statements

The Financial Statements for the year ended as at 30th 2020 were approved by the Board of Directors of Grant Thornton S.A. on 30/09/2020.

## 30. Post Statement of Financial Position events

There are no subsequent events to the statement of financial position that affect the Group or the Company, for which disclosure due to IFRS is required.

| PRESIDENT OF THE BoD. | MANAGING DIRECTOR | ACCOUNTANT |
|---|---|---|
| **SOTIRIS CONSTANTINOU**<br>**ID of Cyprian Republic**<br>**506581** | **VASSILIS KAZAS**<br>**ID NUM AH 610963** | **GEORGIOS PIRLIS**<br>**ID NUM AM050868**<br>**A.A. O.E.E. 0001543 A' CLASS** |

## CONFIRMATION

We hereby confirm that the above Financial Statements on p.p. 21 – 56 are those referred to in the Auditor's Report provided by us to the company on December 28, 2020.

**Athens, 28 December 2020**

**CERTIFIED PUBLIC ACCOUNTANT**

**GEORGIOS TH. PAPATHOMAS**

**SOEL REG. NUM. 29811**

**PKF EUROELEGKTIKI S.A.**

**Kifisias Ave. 124, 115 26 Athens**

**SOEL REG. NUM. 132**

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