

Registered number: 10878966

QUALCO HOLDCO LIMITED

ANNUAL FINANCIAL REPORT

For the financial year from 1 January to 31 December 2022

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QUALCO HOLDCO LIMITED
Annual Financial Report
for the year from 1 January to 31 December 2022

COMPANY INFORMATION

Directors

Orestis Tsakalotos
Robert Badenosh Scott (resigned on April 25, 2023)
Nils Melngailis
Omar Maasarani (appointed on April 25, 2023)
Steven Edwards
Miltiadis Georgantzis

Secretary

Milbank LLP

Company number

10878966

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Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
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QUALCO HOLDCO LIMITED
Annual Financial Report
for the year from 1 January to 31 December 2022

Contents of Annual Financial Report

STRATEGIC REPORT	5
DIRECTORS' REPORT	12
DIRECTORS' RESPONSIBILITIES STATEMENT	16
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUALCO HOLDCO LIMITED	17
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	21
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)	22
COMPANY STATEMENT OF FINANCIAL POSITION	23
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	24
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	25
COMPANY STATEMENT OF CHANGES IN EQUITY	26
STATEMENT OF CASH FLOWS	27
STATEMENT OF CASH FLOWS (CONTINUED)	28
NOTES TO THE FINANCIAL STATEMENTS	29
1. GENERAL INFORMATION	29
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	29
2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS	29
2.2. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS	30
2.3. BASIS OF CONSOLIDATION	32
2.4. GOODWILL	34
2.5. FOREIGN CURRENCY TRANSLATION	34
2.6. PROPERTY, PLANT AND EQUIPMENT	35
2.7. INTANGIBLE ASSETS	35
2.8. LEASES	36
2.9. IMPAIRMENT OF NON-CURRENT ASSETS EXCLUDING GOODWILL	37
2.10. FINANCIAL INSTRUMENTS	38
2.11. TRADE AND OTHER RECEIVABLES	40
2.12. CASH AND CASH EQUIVALENTS	41
2.13. RESTRICTED CASH	41
2.14. SHARE CAPITAL AND SHARE PREMIUM	41
2.15. CAPITAL CONTRIBUTIONS	41
2.16. CURRENT INCOME TAX AND DEFERRED TAX	41
2.17. BORROWINGS	42
2.18. EMPLOYEE BENEFITS	42
2.19. TRADE PAYABLES AND OTHER PAYABLES	43
2.20. PROVISIONS	43
2.21. REVENUE RECOGNITION	43
2.22. DIVIDEND DISTRIBUTION	44
2.23. GOVERNMENT GRANTS	44
2.24. RECLASSIFICATIONS	45
3. FINANCIAL RISK MANAGEMENT	45
3.1. FINANCIAL RISK FACTORS	45

QUALCO HOLDCO LIMITED
Annual Financial Report
for the year from 1 January to 31 December 2022

3.2.	CAPITAL MANAGEMENT	49
3.3.	FAIR VALUE ESTIMATION	50
4.	SIGNIFICANT ESTIMATES AND JUDGMENTS OF THE MANAGEMENT	50
5.	PROPERTY, PLANT AND EQUIPMENT	53
6.	LEASES	54
7.	INTANGIBLE ASSETS	56
8.	DISPOSAL OF SUBSIDIARY & DISCONTINUED OPERATIONS	57
9.	INVESTMENTS IN SUBSIDIARIES	58
10.	INVESTMENTS IN ASSOCIATES	59
11.	FINANCIAL ASSETS	60
12.	NON-CURRENT FINANCIAL ASSETS - COMPANY BALANCE SHEET	62
13.	OTHER NON-CURRENT ASSETS	62
14.	TRADE AND OTHER RECEIVABLES	62
15.	INCOME TAX ASSETS	63
16.	CONTRACT ASSETS	63
17.	OTHER CURRENT ASSETS	63
18.	CASH AND CASH EQUIVALENTS	63
19.	FINANCIAL INSTRUMENTS	64
20.	SHARE CAPITAL AND SHARE PREMIUM	64
21.	OTHER RESERVES	65
22.	BORROWINGS	66
23.	DEFERRED TAXATION	68
24.	RETIREMENT BENEFIT OBLIGATIONS	69
25.	TRADE AND OTHER PAYABLES	71
26.	OTHER LIABILITIES	72
27.	CONTRACT LIABILITIES	72
28.	INCOME TAX LIABILITIES	72
29.	REVENUE	72
30.	AUDIT FEES	73
31.	EMPLOYEE BENEFITS	73
32.	FINANCE INCOME AND EXPENSES	73
33.	INCOME TAX	74
34.	RELATED PARTY TRANSACTIONS AND BALANCES	74
35.	CONTINGENCIES	76
36.	EVENTS AFTER THE REPORTING DATE	76

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

STRATEGIC REPORT

The directors present their strategic report on the Group for the year ended 31 December 2022.

This report sets out the performance of Qualco Holdco Limited (hereinafter "the Company"), and its subsidiaries (together "the Group") for the year ended 31 December 2022. The report also contains details of the Group's financial position at the year end, a report of the significant events during the year ended 2022, the significant events that occurred since the year end, the Group's future developments and a description of the principal risks and uncertainties.

The subsidiaries consolidated within the Qualco Holdco financial statements, and the proportion of share ownership within the Group, are as follows:

Name	Registered office	Ownership
Qualco Information Systems Single Member S.A.	Greece	100%
QQuant Master Servicer Servicing of Loans and Credits Single Member SA	Greece	100%
Qualco (UK) Limited	Great Britain	93.74%
Qualco Cyprus Ltd	Cyprus	100%
Qualco SAS	France	100%
QRES Cyprus Ltd	Cyprus	100%
QQuant Master Servicer Cyprus (disposed of in October 22')	Cyprus	38.2%
Qualco FIN Limited	Great Britain	51%
Tensorfin SA (absorbed by Qualco S.A. in May 22')	Greece	100%
Daedalus Technologies FZE	UAE	100%

General overview of the year

Throughout 2022 Qualco took steps to transform and enable its clients' success. It maintained that spirit of innovation, constantly reimagining how technology should evolve to help businesses radically decrease non-performing exposures, bringing money back to the real economy. In parallel, its business engagement and delivery model has moved towards a remote working basis, allowing the Qualco Group to continue delivering to clients during this period without compromising on the quality of its solutions or delivery approach but tailoring it to a new way of working.

Digital transformation is a top priority for Qualco Group's clients today and it adapted to that demand by the QUALCO 360 offering, a constantly expanding technology ecosystem that enables creditors and collections functions to rapidly align operational activity with the ever-changing customer behavior, by combining predictive analytics and a comprehensive collections system with self-service and omnichannel capabilities.

In FY 2022 Qualco Information Systems Single Member S.A. continued with its acquisition strategy which has started in FY 2021, aiming to expand services rendered to clients as well as entering to new markets. Additional acquisition deals have been closed also in Q1 2023 (further information is provided in the "significant events 2022" and the "subsequent events" sections of the report). Also, in FY 2022 the relationship with Public Power Corporation ("PPC"), a key customer of the company, further increased and strengthened Qualco's position as PPC's Sub-Servicer.

With regards to QQuant Master Servicer Single Member S.A., in FY 2022 the company continued, with exception of one, the servicing of the portfolios it had in the prior year while also taking over the servicing of the non-performing loans portfolio of Olympus Bank. Also, it is noted that in 2022 Fitch Ratings has upgraded the company's asset-backed special servicer rating to 'ABSS2+' from 'ABSS2' and affirmed the servicer's commercial special servicer rating at 'CSS2'. Fitch has assigned a Stable and Positive Outlook to the ratings, respectively.

With regards to Qualco (UK), in FY 2022 the company continued to support Public and Private Sector Clients in their management of debt portfolios; support which has become increasingly valuable following the Global Pandemic and subsequently navigating the current Cost of Living Crisis. The Business has been able to diversify product offerings and has recently established a highly effective, end-to-end, Open Banking solution being offered to all Clients in all Industry Sectors. Qualco UK also onboarded a key strategic client towards the end of the year as it continues its growth in the Utility sector.

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Significant events in FY 2022

On October 5th 2022 the Group signed an agreement with Astrobank Public Company Limited for the disposal of its shares in QQuant Master Servicer Cyprus. The disposal proceeds amounted to €13.0 mil. while the accounting gain from the disposal (separately presented in the current year's profit and loss in "Profit for the year from discontinued operations") amounted to €1.14 million (note 8). The Group will keep its presence in the Cypriot market through ongoing collaboration with Astrobank and local partners.

As part of its strategy for new product development and expansion of its digital footprint, the Group proceeded in July 2022 in the acquisition of a software application platform named "VIA.Process" which is a business process management (BPM) software platform, from Motivian Holdings Limited. Through the acquisition of this software, Qualco aims to fortify the Group's revenue stream and overall solution / platform offering, by complementing Qualco's product base in Loans & Receivables (i.e., Back Office Offering), in New Credit (i.e., factoring, microcredit products, Alternative retail lending, BNPL offerings), and in Government (i.e., Process digitization and automation) with a reliable process automation tool leveraging Qualco's data, operational and analytics platforms.

Furthermore, on November 14th, 2022 the Group converted the bonds which had previously been acquired from the Company Bricklane Technologies Ltd in February of the same year, thus obtaining a shareholding of 2.5% in the Company. Founded in 2016, Bricklane is a UK developer of an investment platform designed to aggregate portfolios at scale in order to access returns from the housing market. The company's platform guides users to invest in property to earn returns on their investments and track value change and rental income, enabling users to invest in expertly chosen property portfolios. The purpose of this transaction is to enhance the Group's activities within the proptech vertical and potentially implement a similar business model in the Greek market.

Financial Review

The financial position of the Group and the performance during the year ended 31 December 2022 is presented in the accompanying statements and, taking into consideration the prevailing conditions in Greece where the main activity of the Group is located, the directors consider the results to be satisfactory. The results of the Group for the year ended 31 December 2022 are also in accordance with management's estimates.

Key performance indicators

The directors consider the following to be the Group's key performance indicators:

	<u>31/12/2022</u>	<u>31/12/2021</u>
Total Current Assets/Total Assets	58,99%	51,60%
Total Current Assets/Total Current Liabilities	136,13%	117,49%
Total Equity/Total Liabilities	42,13%	35,04%
Total Equity/Total Assets	29,64%	25,95%

The first two ratios measure the liquidity of the Group by reflecting the proportion of funds allocated to current and fixed assets. They are also an indication of the coverage of short-term liabilities by current requirements.

The total equity to total liabilities ratio measures the Group's financial self-sufficiency, reflecting its dependence on borrowed funds.

The total equity to total assets ratio measures the extent of the Group's equity financing.

EBITDA

Management assesses the Group's profitability by calculating EBITDA (Earnings before interest, taxes, depreciation and amortization) as follows:

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

	Note	FY 2022	FY 2021
Net Profit		19,207,130	20,889,815
<i>Add back (+) / Deduct (-)</i>			
Depreciation & amortization	5,6,7	10,499,850	9,419,569
Financial income / expenses		2,159,990	1,594,986
Tax expense (<i>incl. tax expense attributing to discontinued operations</i>)		7,102,091	6,510,081
Gain from disposal of discontinued operation	8	-1,144,505	0
Share of results of associates		-25,351	-255,011
Total EBITDA		37,799,205	38,159,439
 <i>Analyzed as:</i>			
EBITDA from continuing operations		34,506,926	34,401,229
EBITDA from discontinued operations		3,292,278	3,758,210

Principal Risks and Uncertainties

Counterparty risk

The Group has relationships with both the end user of its products and services, as well as trading with a small number of key counterparties who are headquartered in a number of jurisdictions. The Group is, therefore, exposed to the risk of not collecting outstanding receivables in time or at all. The Group constantly monitors the collection of outstanding receivables which historically has been satisfactory.

Key employees

The Group's future development and prospects depend to a significant degree on the continuing contribution of key members of its Board and senior management. The Group relies on a core team of staff and is therefore exposed to any significant departures of key personnel. The Group operates in a highly competitive field where technology companies are constantly seeking for talented employees. To seek to mitigate the potential risk of departures, the Group has adopted a competitive remuneration structure.

Technological development risk

Technological developments have a major impact on the competitiveness of companies active in the IT sector. Companies that are active in the IT industry must be constantly informed about changes and developments in existing technology and make the necessary investments to ensure the most up-to-date technology.

It is also necessary to regularly review the recoverability of the capitalized costs that have been implemented for the development of new software.

Based on the above and in order to reduce the negative impact of technological developments on the Group, the following strategies have been adopted:

- ensuring the development of products on highly efficient and internationally recognized platforms
- providing regular training to the Group's staff to educate them in potential technological issues, in cooperation with internationally recognized organizations, who specialize in technology
- offering innovative applications which meet the requirements of customers and ever-changing markets; and
- renewing and enriching the potential of the Group's staff.

Through the adoption of the above strategies, management consider the risk of technological development not to be significant during the given time period, as its suite of products are well developed.

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Investment strategy – Research and development

The Group's investment strategy includes investment both in new product development and in the business development of specific identified markets. At the same time the Group, in its efforts to consolidate its position in the market for software and services products, has given particular priority to the research and development of new products.

Throughout FY 2022 the Group continued its investment in its proprietary solution QUALCO Loan Manager, a web-based platform specifically designed to covers all stages of credit processing, from portfolio onboarding and loan disbursement to termination and restructuring, while supporting fully the management of performing, non-performing and terminated portfolios.

Financial Risk management

The Group is exposed to financial risks such as market risks, including changes in foreign exchange rates, interest rates and market prices, credit risk, liquidity risk, technological risk and macroeconomic risks. The Group does not currently use derivative financial instruments to hedge certain risk exposures. The principal financial risks and uncertainties facing the group are set out in Note 4 of the financial statements.

Environmental and labour issues

Corporate social responsibility

Contributing to the progress and prosperity of society is one of the Group's fundamental values and key operating principles, largely determining its sustainable business performance. Employees are being trained throughout their carrier in the Group. Well educated people promote society's progress, and the Group supports this through actions. In addition, the Group offers psychological support to employees via professionals to promote employee well-being.

Corporate social responsibility is about how we achieve our goals and leverage our business incentives, operating in a way that reflects Company values in areas that include the market, employees, consumers, society and the environment.

For us, the people of Qualco Group, actions relating to corporate social responsibility are an integral part of our culture and our overall philosophy as an organization. Our focus on "humanity" and "support without compensation" are the main strategic structures of the Group, and the active development of the above two points is a key priority for Qualco Group.

The corporate social responsibility philosophy covers all the key strategic areas of Qualco in all countries. Firstly, it includes all the actions and initiatives that differentiate us from our competition. Secondly, it includes initiatives that support local communities, agencies and people who really need it. Finally, the third pillar of our strategy, is to ensure that all employees are able to participate in all actions and activities pertaining to corporate social responsibility.

Environmental issues

The Group has shown great respect for the environment throughout the history of the Group, and continuing this respect ranks very highly in the ethical practice that governs all of our business.

Our operations comply with all applicable regulations, and frameworks on good environmental practices. Office buildings meet the requirements of the legislation for the protection of the environment. All Entities participate in recycling programs and all Company cars have a low carbon footprint.

Labour issues

Being fully aware of the prevailing economic conditions, we recognize that human resources are our most important asset and a key factor in achieving our strategic goals.

Through transparent and merit-based frameworks for selecting and evaluating the performance and rewards of our human resources and utilising a set of appropriate processes and rational organisational structures, the Group aims to achieve its goals with regards to employees. Opportunities for development and progression are part of our anthropocentric philosophy.

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Finally, through the implementation of structured communication policies between hierarchical levels, we build trust between our employees at all levels.

Equal opportunities

Company executives, employees, and affiliates are required to treat their colleagues with respect, and every partner of the Company fully complies with equal opportunity legislation. Any form of harassment against any employee, or a third party that deals with the Group, is not acceptable.

The ability, qualifications and performance of individuals are the main reasons for assigning more complex and demanding employment roles, whilst traits related to gender, age, religion, origin, color, or beliefs are not reasons for their preference or exclusion compared to their colleagues.

Health and safety of staff

In the context of safeguarding the safety and health of its employees, a Safety Technician and Occupational Therapist has been designated to investigate potential hazards in the workplace and to propose measures to avoid them. Protecting health and safety in all areas of the Group's activities are issues of paramount importance and priority as the directors wish to ensure the conditions of the working environment are appropriate and pleasant for all employees. As a result, the criteria set to ensure health and safety in the workplace are particularly high.

Society

The Group ensures the implementation of minimum social standards and aims to continuously improve them. These minimum social standards are the foundation of its functioning, and include:

- Human dignity
- Law compliance
- Prohibition of working minors
- Prohibition of forced labor and disciplinary actions
- Freedom of association and assembly
- Environmental protection

The implementation and monitoring of the aforementioned social standards is carried out through an intra-corporate social responsibility strategy and an associated intra-corporate process. The punishment or disadvantage of workers who report any violation of these social standards is not permitted.

Future developments

The significant amount and value of projects already underway in 2022 creates the expectation for further growth in 2023 for the Group. Growth is driven by revenue from products and services from the expanding base of large and medium-sized customers.

Based on its most recently formulated strategy, the Group will from FY2023 and onwards, focus on expanding its fintech footprint in the following fields:

- **Credit tech**, by offering Technologies and Solutions used to transform the provision and management of Credit and Receivables
- **Property tech**, by offering Technologies and Solutions used to digitalise the Purchase, Rental, Management and Disposal of Real Estate Assets
- **Digital Tech**, by offering Technologies and Solutions that accelerate & facilitate Customer Interactions using extensive automation, digitalisation and adoption of Data Analytics and Machine Learning

In view of the strong international presence of the Group, the prospects, results and forecasts for the year ending 31 December 2023 are directly related to the situation in both domestic markets and the World economy. From an international perspective the continuing war in Ukraine creates overall economic uncertainty and has a negative impact on the global economy and major financial markets. From a domestic perspective, in Greece, unfavorable conditions still prevail in the economy, especially in anticipation of the National Elections, although there is evidence that after a long period of recession there is a return to growth, improved business conditions and increased business investment, with the hope that the end of closely monitored national budgeting can be a starting point for growth in the future and allow for a return to normality. It is also stressed that the Covid-19 pandemic has had in the last three years no actual financial impact on the Group operations.

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Although developments cannot be predicted with absolute certainty, and any estimation of the course and development of activities and financial figures is uncertain in nature, since the domestic trading conditions have not yet been restored, the Group's management will focus its efforts on the following strategies going forward:

- Strengthening its activity abroad, with plans to begin operating outside Europe,
- On-boarding the contribution of new and qualified staff,
- Developing and introducing new features and innovative products to the domestic and international markets,
- Taking a targeted approach to new projects, in particular complex IT projects,
- Taking a targeted approach to obtain servicing portfolios as they become available in the market,
- Exploring M&A opportunities to attract additional growth.

The flexibility of the internal structure and organisation already created in the Group enables it to adapt more rapidly and effectively to the new market conditions in order to exploit real growth opportunities. In addition, the growth of the Group's operations in sectors with high added value are expected to have a beneficial effect on financial results and profitability.

The Group has been systematically enhancing its presence and market activities in order to provide the most complete coverage and services to the banking and investment sector, in which it has significant expertise.

Qualco continues its well-defined plan to help clients do great things with its technology, re-investing a significant part of its annual revenue to optimize its offering and enhance QUALCO 360 with new capabilities covering areas such as cloud deployment options, explainable AI, and value-adding data services. Additionally, all along the way, Qualco continues to work on driving sustainable growth with very good margins for another year by executing a demanding plan that aims to expand its client base across EMEA either organically or through an established partner network, while shifting its commercial model from being professional services dependent, to a more agile one, focusing on recurring license fees (AUF).

In the first months of 2023 the servicing of both the securitized and non-securitized Portfolio of PPC continued at the same pace as in 2022, with Qualco SA acting as sub-servicer.

Also, in June 2023 QQuant has obtained the servicing of a mortgage loans portfolio of a total value of €2.5 billion.

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Events after the reporting date

On February 17th, 2023 Qualco Information Systems Single Member S.A. completed the acquisition of a property in the center of Athens for a total purchase price of €6.2 million. The property will be used as additional employees' office space. The acquisition was funded by a €4.7 million bond loan provided by Optima Bank which has a duration of 5 years while the remaining amount was paid in cash by the company.

On March 3rd, 2023 Qualco Information Systems Single Member S.A. acquired a 51% shareholding in the company A.I. Synthetica Solutions Limited for a total purchase price of €2.66 million. Synthetica designs, produces and installs proprietary software solutions connected with the areas of artificial intelligence, machine learning and the internet of things (IoT). With this transaction the Qualco Group aims to expand its technology footprint and this way enter new business industries as well as further diversify Group's revenue streams.

On March 22, 2023 Qualco Information Systems Single Member S.A. acquired a 30 % shareholding in the company Indice S.A. for a purchase price of €1.8 million. Indice S.A. has developed a digital enablement platform and specializes in the design, development and distribution of software products and applications with emphasis in the area of non-performing loans and receivables management. With this transaction Qualco Group aims to expand its product offering and also use Indice's know-how for the implementation of new business lines in the Group.

On March 21 2023 the Board of Directors of the Company approved the distribution to the shareholders of an interim dividend amounting to €4.25 million relating to the profits of the year ending on 31.12.2023. It is noted that the Company had previously received a cash amount of €4.75 million (net of tax) as an interim dividend relating to the profits of the year ended 31.12.2022 of Qualco Information Systems Single Member SA (approved by the BOD of Qualco Information Systems Single Member SA on 17.1.2023).

By order of the board



Orestis Tsakalotos

The Chairman of the Board of Directors

June 21, 2023

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Section 172(1) statement

The following 'Section 172' disclosure, which is required by the Companies Act 2006, describes how the directors have had regard to the views of the Company's stakeholders in their decision making.

During the year the Directors have had regard to the following matters when performing their duties under section 172:

- The likely consequence of any decision in the long-term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment; • The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Company.

The Board ensures that it addresses the s172 requirements by allocating responsibility for specific areas to senior management, Board and committee meetings, the use of clear agendas, appropriate board papers, budgeting and reforecasting, and strategy events at both holding company and subsidiary company level.

Key stakeholders are identified during board and committee meetings. The culture that the Group strives for and the way that it works means there is a continuous communication with the Group's key stakeholders. The board receives quarterly reports, including strategic updates, financial performance, business updates, regulatory updates, legal matters, risks and omissions, client updates and team updates. Actions resulting from discussion of these reports are agreed and then shared with stakeholders as appropriate.

Long-term consequences of decisions

The Group's long-term model reflects its determination to share success and to grow in a responsible, sustainable way. This goes beyond environmental and societal impacts; it influences the products that the Group offers, the talent it hires and how the Group manages its future. The Directors strive for a balance between growth through acquisition, organic growth, cashflow and liquidity considerations, performance and reward, culture at work, diversity and inclusion, wellbeing and equal pay.

Decisions discussed and reached in board meetings are reported against agreed strategic objectives from strategy days. The directors maintain regular contact with management, which allows the directors to appreciate the context of current projects and to be on hand to assist and advise where necessary.

Examples of a key board decisions taken during the year were the consideration and approval of a number of minority company stakes' acquisitions as detailed in the "Significant events FY 2022" section of the strategic report. The long-term consequences of these decisions were considered using extensive proposals, budgeting and forecasting summaries.

The interests of the company's employees

For Qualco Group people are a vital source of value creation, and their prosperity is Group's utmost priority. To this end, Qualco has adopted an all-encompassing wellbeing approach for all employees, and their families focused on the career, financial, physical, mental, emotional, and community aspects. In order for its people to achieve their personal and professional aspirations, Qualco has adopted a Well-being Policy, creating an inclusive workplace culture at its core, where healthy lifestyle choices are valued and promoted. In this respect, Qualco takes great pride in receiving the 'Great Place to Work' Certification (Greece) in October 2022, officially recognised as an employer of choice in the local market. More information is provided in the "Environmental and labour issues" section of the strategic report

The company's relationships with suppliers, customers and others

Digitalisation is being rapidly adopted worldwide, unlocking new opportunities and business models. Through a series of technology products, and tech-enabled solutions and services, Qualco Group makes a positive impact by:

- Enabling Business Growth. Qualco's technology helps enterprises scale their operations and sustainably grow their customer base while making more informed decisions by providing real-time data and analytics
- Supporting Vulnerable Customers. Qualco enables its clients to identify vulnerable customers and provide them with viable plans based on their actual financial position with fairness and transparency.

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

- Raising Financial Awareness. Qualco's Fintech offering enables financial institutions and customers to gain a clear view of personal financial circumstances and responsibly access financial resources.
- Cultivating Talent and Innovation. Qualco promotes its human capital across global markets by providing ongoing professional development opportunities as well as significant rewards and recognition. Group's investment in R&D supports and leverages innovation in the Fintech ecosystem.

In addition, Qualco Group identifies as its stakeholders those groups which, directly or indirectly, are connected to, affect, or are affected by its decisions and performance. Qualco Group engages its stakeholders in a continuous dialogue and collaboration, to understand and respond to their expectations, needs, concerns, and requests. To effectively communicate with its stakeholders and build strong relationships, Qualco Group proceeded with a stakeholder mapping process which can be found in the "Qualco Group Sustainability Report" in <https://qualco.group>.

Impact on communities and the environment

Through its business operations, service provision, business partnerships, and investment, Qualco Group generates multiple positive impacts, both direct and indirect, across the whole economy. These impacts extend beyond the scope of its operations, supporting the broader FinTech ecosystem and creating jobs in local communities.

With regards to the environment and being a FinTech organisation, the Group operates in an industry with a relatively low environmental impact. However, Group's top priority is to systematically monitor, review and measure data in this respect, alongside setting specific targets and objectives for energy use and emission reduction for the upcoming years. In addition, the Group's primary goal is raising employee awareness about environmental responsibility through multiple activities (e.g. training and informative sessions, communication through the internal Workplace Platform, volunteer and other initiatives).

Maintaining high standards of business conduct

The directors are responsible for setting high standards of business conduct, to ensure that the Group's commitments to stakeholders are met. Qualco Group's policies, directives, and principles govern business activities and relationships while being an integral part of serving and sustaining stakeholder relationships. The Group has established a Compliance Function, a critical component of the internal control system in safeguarding us against compliance risks. Based on the global trend and accumulated experience, the Code of Conduct programme lies at the core of the Group's compliance. It constitutes a commitment by the Group companies, aiming to create a unified culture based on commonly accepted values. Qualco Group is certified under ISO 37001 Anti-bribery management systems.

Furthermore, Qualco Group has identified "Corporate Governance, Business Ethics, and Risk" as one of the most material topics for its performance, including identifying and managing potential risks and ensuring its business continuity.

The need to act fairly between members of the company

The Group emphasises that the Board should be composed of members with an excellent overall balance of knowledge, experience, and skills to effectively perform the role and responsibilities alongside ensuring diversity and the appropriate size. The Group needs to conduct comprehensive and multifaceted management for diverse business domains. Consequently, it examines the Board's composition, considering diversity from a multidimensional perspective, and appoints such people with appropriate knowledge of finance, law, business, technology, and accounting.

By order of the board



Orestis Tsakalotos

The Chairman of the Board of Directors

June 21, 2023

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

DIRECTORS' REPORT

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2022.

Principal activities

The principal activities of the Group are as follows:

- a) the development, distribution and support of advanced software products and business solutions for the broader financial and real estate sectors;
- b) the rendering of a wide range of services concerning Information Technology Infrastructure (IT Infrastructures);
- c) the design, implementation and support of complex Business Intelligence and Management Information Systems (MIS);
- d) the design and implementation of mission-critical, large-scale (line-of-business) IT projects;
- e) the design and implementation of risk calculation.

Climate change reporting

None of the Company's UK subsidiaries are large companies and, therefore, they are not obliged to report under the SECR regulations. Accordingly, the Company has excluded the data from these companies from its report. The parent company consumes less than 40MWh of energy per year and is, therefore, exempt from providing full disclosure in this directors' report.

Future developments

Details of future developments are included in the Strategic Report.

Results and dividends

The results for the year are set out on pages 20-28.

Dividends amounting to €12,000,000 were received by the Company during the period by its subsidiary Qualco Information Systems Single Member Societe Anonyme. The Company paid out to its shareholder dividends amounting to €8,300,000.

Events after the reporting period

Details of events after the reporting period are included in the Strategic Report.

Directors

The directors who held office during the period and up to the date of approval of the financial statements were as follows:

- | | |
|---|------------------------------|
| 1) Orestis Tsakalotos, Executive Chairman | (appointed 21 July 2017) |
| 2) Robert Badenosh Scott, Investor Director | (resigned 25 April 2023) |
| 3) Nils Melngailis, Independent non-executive Director | (appointed 29 March 2018) |
| 4) Steven Edwards, Independent non-executive Director | (appointed 29 November 2018) |
| 5) Miltiadis Georgantzis, Group Chief Executive Officer | (appointed 29 March 2018) |
| 6) Omar Maasarani, Investor Director | (appointed 25 April 2023) |

QUALCO HOLDCO LIMITED
Director's Report
for the year from 1 January to 31 December 2022

Financial instruments

Details on the Group's exposure to liquidity risk, foreign exchange risk and credit risk are shown in the Strategic Report.

Provision of information to the auditor

The directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The Directors have considered the applicability of the going concern basis in the preparation of the financial statements. This included the review of internal budgets, cash flow projections covering at least the going concern period and the financial results in the management accounts to date for 2023.


Taking into account reasonably probable changes in financial performance, the Group and Company will be able to operate within the level of its current funding arrangements (refer to note 2.1.1 for further information).

The Directors believe that the Group and the Company have adequate resources to continue in operation for the foreseeable future. For this reason, they have adopted the going concern basis in the preparation of the financial statements.

Auditor

Grant Thornton UK LLP were appointed as auditor to the Group and Company in accordance with section 485 of the Companies Act 2006. Grant Thornton UK LLP has signified its willingness to continue in office as auditor.

This report was approved by the Board on June 14, 2023 and was signed on its behalf on June 21, 2023.



Orestis Tsakalotos

Director

QUALCO HOLDCO LIMITED
Statement of Directors' Responsibilities

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic and Directors Report / Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including UK-adopted international accounting standards). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUALCO HOLDCO LIMITED

Opinion

We have audited the financial statements of Qualco Holdco Limited (the 'company') and its subsidiaries (the 'group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as the impact of the Russian invasion of Ukraine and rising inflation, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information 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. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting accounting frameworks;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included checking the completeness of journal entries and identifying and testing journal entries, in particular manual journal entries processed at the year-end for financial statement preparation. We also reviewed the financial statement's disclosures and the corresponding supporting documentation.
- Our audit procedures involved:
 - Evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - Journal entry testing, with a focus on material manual journals, including those with unusual account combinations, and those that were considered higher risk given the engagement team's understanding of the Company and group;
 - Challenging assumptions and judgements made by management in its significant accounting estimates;
 - Testing the completeness of the Company's related party transactions through information obtained at the parent entity and testing that these transactions had a valid business purpose; and
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures

In addition, we completed audit procedures to conclude on the compliance of disclosures in the Annual Financial Report with applicable financial reporting requirements.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - Knowledge of the industry in which the client operates;
 - Understanding of the legal and regulatory requirements specific to the Company including:
 - The provisions of the applicable legislation; and
 - The applicable statutory provisions

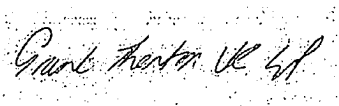
QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We corroborated the results of our enquiries to relevant supporting documentation.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The Company's operations, including the nature of its revenue and its objectives and strategies, to understand the classes of transactions, account balances, expected financial statement disclosures, and business risks that may result in risks of material misstatement;
 - The applicable statutory provisions; and
 - The Company's control environment, including the policies and procedures implemented to comply with the requirements of applicable accounting standards, the adequacy of procedures for authorisation of transactions, internal review procedures over the Company's compliance with regulatory requirements, the authority of, and, procedures to ensure that possible breaches of requirements are appropriately investigated and reported

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Pearson

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

21 June 2023

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		GROUP	
	Note	31/12/2022	31/12/2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	8,988,151	6,091,528
Right-of-use assets	6	19,999,326	18,098,055
Intangible assets	7	11,232,510	24,993,306
Investments in associates	10	659,751	631,400
Deferred tax assets	23	241,082	429,970
Financial assets	11	5,716,991	2,673,061
Other non-current assets	13	610,428	493,612
Total non-current assets		47,448,239	53,410,932
Current assets			
Trade and other receivables	14	14,877,913	8,649,270
Income tax assets	15	5,859,960	2,559,106
Contract assets	16	12,431,581	16,822,667
Financial assets		9,606,464	59,728
Other current assets	17	6,205,482	6,111,497
Cash and cash equivalents	18	19,277,184	22,728,856
Total current assets		68,258,583	56,931,124
Total assets		115,706,822	110,342,056
EQUITY AND LIABILITIES			
Equity			
Share capital	20	5,000,000	5,000,000
Other reserves	21	1,380,246	2,227,137
Retained earnings		27,716,860	10,534,279
Translation reserve		(21,793)	(14,928)
Equity attributable to owners of the Company		34,075,312	17,746,488
Non-controlling interests		224,054	10,886,175
Total equity		34,299,366	28,632,663

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

		GROUP	
	Note	31/12/2022	31/12/2021
LIABILITIES			
Non-current liabilities			
Borrowings	22	12,824,574	12,550,726
Lease liabilities	6	17,920,397	16,419,646
Deferred tax liabilities	23	-	3,292,746
Retirement benefit obligation	24	488,165	387,397
Other non-current liabilities		33,394	601,694
Total non-current liabilities		31,266,530	33,252,209
Current liabilities			
Trade and other payables	25	11,117,225	11,550,218
Borrowings	22	7,465,946	7,385,504
Lease liabilities	6	2,849,112	2,156,773
Contract liabilities	27	2,137,517	1,988,276
Other current liabilities	26	16,845,693	16,935,744
Dividends payable		-	199,730
Income tax liabilities	28	9,725,433	8,240,939
Total current liabilities		50,140,927	48,457,184
Total liabilities		81,407,456	81,709,393
Total equity and liabilities		115,706,822	110,342,056

The notes on pages 29 to 76 are an integral part of these financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on June 14, 2023, and were signed on its behalf on June 21, 2023 by

Orestis Tsakalotos

Orestis Tsakalotos

Director

Registered number: 10878966

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

COMPANY STATEMENT OF FINANCIAL POSITION

		COMPANY	
	Note	31/12/2022	31/12/2021
ASSETS			
Non-current assets			
Investments in subsidiaries	9	11,125,680	8,334,427
Non-current financial assets	12	-	1,161,000
Total non-current assets		11,125,680	9,495,427
Current assets			
Trade and other receivables	14	46,835	18,971
Other current assets	17	617,069	726,593
Cash and cash equivalents	18	1,052,069	79,765
Total current assets		1,715,973	825,329
Total assets		12,841,653	10,320,756
EQUITY AND LIABILITIES			
Equity			
Share capital and share premium	20	5,000,000	5,000,000
Other reserves		1,522,548	1,522,548
Retained earnings		3,323,983	(2,548,174)
Total equity		9,846,531	3,974,374
Liabilities			
Non-current liabilities			
Borrowings	22	2,755,000	5,261,000
Total non-current liabilities		2,755,000	5,261,000
Current liabilities			
Trade and other payables	25	87,545	977,298
Other current liabilities	26	152,577	108,084
Total current liabilities		240,122	1,085,382
Total liabilities		2,995,122	6,346,382
Total equity and liabilities		12,841,653	10,320,756

The notes on pages 29 to 76 are an integral part of these financial statements.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent Company Statement of Comprehensive Income.

The profit for the parent Company for the year was €14,172,157 (2021: Profit €4,067,350).

The financial statements were approved and authorized for issue by the Board of Directors on June 14, 2023, and were signed on its behalf on June 21, 2023 by

Orestis Tsakalotos

Orestis Tsakalotos

Director

Registered number: 10878966

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		GROUP	
	Note	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Revenue	29	152,663,189	132,714,758
Cost of sales		<u>(81,843,543)</u>	<u>(72,770,138)</u>
Gross profit		<u>70,819,647</u>	<u>59,944,620</u>
Administrative expenses		(27,246,065)	(22,981,877)
Sales & marketing expenses		(18,316,270)	(9,377,414)
Other income		417,860	1,547,965
Other expenses		<u>(433,175)</u>	<u>(393,423)</u>
Operating profit		<u>25,241,996</u>	<u>28,739,871</u>
Finance income	32	108,327	1,416
Finance expenses	32	<u>(2,268,317)</u>	<u>(1,596,402)</u>
Finance expense - net		<u>(2,159,990)</u>	<u>(1,594,986)</u>
Share of results of associates accounted for using the equity method	10	<u>25,351</u>	<u>255,011</u>
Profit before income tax		<u>23,107,357</u>	<u>27,399,896</u>
Income tax	33	<u>(6,246,638)</u>	<u>(6,510,081)</u>
Profit for the year from continuing operations		<u>16,860,719</u>	<u>20,889,815</u>
Profit for the year from discontinued operations	8	<u>2,346,411</u>	-
Profit for the year		<u>19,207,130</u>	<u>20,889,815</u>
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Foreign exchange differences on translation of foreign operations		(9,299)	(36,387)
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit obligation	24	26,923	38,235
Deferred tax on actuarial gains	33	(5,923)	(8,412)
Remeasurement of fair value through OCI		-	1,391
Other comprehensive income / (loss) for the year		<u>11,701</u>	<u>(5,173)</u>
Total comprehensive income for the year after tax		<u>19,218,831</u>	<u>20,884,642</u>
Profit for the year attributable to:			
- Owners of the parent company		19,294,685	19,282,508
- Non-controlling interests		<u>(87,555)</u>	<u>1,607,307</u>
		<u>19,207,130</u>	<u>20,889,815</u>
Total comprehensive income for the year attributable to:			
- Owners of the parent company		19,306,386	19,280,806
- Non-controlling interests		<u>(87,555)</u>	<u>1,603,836</u>
		<u>19,218,831</u>	<u>20,884,642</u>

The notes on pages 29 to 76 are an integral part of these financial statements.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		GROUP							
		Attributed to equity holders of the Parent							
	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Translation Reserves	Total	Non-controlling Interests	Total Equity
Balance as at 1 January 2020		18,713	9,996,257	4,280,953	(8,088,213)	17,988	6,225,696	9,667,120	15,892,817
Profit for the year		-	-	-	19,282,508	-	19,282,508	1,607,307	20,889,815
Other comprehensive loss for the year		-	-	31,214	-	(32,916)	(1,701)	(3,471)	(5,173)
Total comprehensive income for the year		-	-	31,214	19,282,508	(32,916)	19,280,806	1,603,835	20,884,642
Share capital increase		-	-	-	-	-	-	59,474	59,474
Share capital decrease		-	(7,100,000)	-	-	-	(7,100,000)	1,000	(7,099,000)
Movement in non-controlling interests from the acquisition / part-disposal of subsidiaries		-	-	-	(660,015)	-	(660,015)	(15,041)	(675,056)
Transfer from reserves		2,085,030	-	(2,085,030)	-	-	-	-	-
Dividend Distribution		-	-	-	-	-	-	(430,214)	(430,214)
Balance as at 31 December 2021		2,103,743	2,896,257	2,227,137	10,534,280	(14,928)	17,746,488	10,886,175	28,632,663
Balance as at 1 January 2022		2,103,743	2,896,257	2,227,137	10,534,279	(14,928)	17,746,488	10,886,175	28,632,663
Profit for the year		-	-	-	19,294,685	-	19,294,685	(87,555)	19,207,130
Other comprehensive income for the year		-	-	21,000	-	(9,299)	11,701	-	11,701
Total comprehensive income for the year		-	-	21,000	19,294,685	(9,299)	19,306,386	(87,555)	19,218,831
Movement in non-controlling interests from the disposal of subsidiary		-	-	-	5,320,001	-	5,320,001	(10,574,566)	(5,254,565)
Transfer to / from reserves	21	-	-	(867,891)	867,895	2,434	2,438	-	2,438
Dividend Distribution		-	-	-	(8,300,000)	-	(8,300,000)	-	(8,300,000)
Balance as at 31 December 2022		2,103,743	2,896,257	1,380,246	27,716,860	(21,793)	34,075,312	224,054	34,299,366

The notes on pages 29 to 76 are an integral part of these financial statements.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

COMPANY STATEMENT OF CHANGES IN EQUITY

	Note	COMPANY			
		Share Capital	Share Premium	Other Reserves	Retained Earnings
Balance as at 1 January, 2021		18,713	9,996,257	3,607,578	(6,615,524)
Profit for the year		-	-	-	4,067,350
Total comprehensive income for the year		-	-	-	4,067,350
Share capital decrease		-	(7,100,000)	-	(7,100,000)
Transfer from reserves		2,085,030	-	(2,085,030)	-
Balance as at 31 December 2021		2,103,743	2,896,257	1,522,548	(2,548,174)
Balance as at 1 January, 2022		2,103,743	2,896,257	1,522,548	(2,548,174)
Profit for the year		-	-	-	14,172,157
Total comprehensive income for the year		-	-	-	14,172,157
Dividend distribution		-	-	-	(8,300,000)
Balance as at 31 December 2022		2,103,743	2,896,257	1,522,548	3,323,983

The notes on pages 29 to 76 are an integral part of these financial statements.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

STATEMENT OF CASH FLOWS

	Note	GROUP		COMPANY	
		1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Profit for the year before tax		23,107,357	27,399,896	14,172,157	4,067,350
Adjustments for:					
Share of results of associates	10	(25,351)	(255,011)	-	-
Gain from reversal of impairment of investment in subsidiaries		-	-	(2,083,253)	-
Depreciation of property, plant and equipment	5	1,454,656	1,076,967	-	-
Depreciation of right-of-use assets	6	2,828,157	1,909,116	-	-
Amortisation of intangibles assets	7	6,217,038	6,428,779	-	-
Provisions for employee benefits		149,889	(597,664)	-	-
Finance income	32	(108,327)	(1,416)	(71,378)	(375,223)
Finance expenses	32	2,268,317	1,596,402	178,142	539,017
Dividend Income		-	-	(12,000,000)	(5,000,000)
Impairment of assets and other investments			2,097,735		
		35,891,735	39,654,804	195,667	(768,856)
Changes in working capital:					
(Increase) / decrease in trade and other receivables		(6,515,813)	(7,115,452)	(626,340)	(2,503)
(Increase) / decrease in contract assets (accrued income)		598,422	(2,082,240)	-	52,249
Increase / (decrease) in trade and other payables		256,490	(3,070,696)	(729,127)	(110,005)
Increase / (decrease) in contract liabilities (deferred income)		149,241	680,154	-	-
Increase / (decrease) in other liabilities		540,243	5,548,826	-	11,321
Cash flows from operating activities		30,920,318	33,615,396	(1,159,800)	(817,794)
Corporate income tax paid		(8,570,772)	(4,054,799)	-	-
Net cash flows generated from/(used in) operating activities		22,349,545	29,560,597	(1,159,800)	(817,794)
Cash flows from investing activities:					
Purchase of property, plant and equipment		(4,374,955)	(3,271,783)	-	-
Purchases of intangible assets		(8,225,723)	(2,754,061)	-	-
Proceeds from sale of Property, Plant and Equipment		-	(4,704)	-	-
Payments to acquire financial assets		(4,482,338)	(2,253,061)	-	-
Acquisition of subsidiary		-	(6,835,893)	-	-
Increase in investment in subsidiary		-	(1,210,320)	-	(102)
Increase in investment in associate	10	(3,000)	-	-	-
Proceeds from disposal of subsidiary	8	6,000,000	-	-	-
Dividend received		-	-	12,000,000	5,000,000
Dividend paid		-	(230,484)	-	-
Interest received		-	(153,347)	45,846	375,223
Net cash flows generated from/(used in) investing activities		(11,086,016)	(16,713,652)	12,045,846	5,375,121

The notes on pages 29 to 76 are an integral part of these financial statements.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

STATEMENT OF CASH FLOWS (continued)

		GROUP		COMPANY	
		1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Cash flows from financing activities:					
Proceeds on issue of shares		-	312,825	-	-
Participation of non-controlling interests in share capital increase of subsidiary		-	102	-	-
Share capital reduction		-	(7,100,000)	-	(7,100,000)
Proceeds from borrowings	22	4,000,000	15,618,575	-	-
Repayment of borrowings		(4,286,967)	(6,635,100)	-	(4,643,800)
Repayment of lease liabilities		(3,451,275)	(2,259,622)	-	-
Proceeds from related parties borrowings		-	1,946,477	1,161,000	9,368,800
Loans granted to related parties		(1,000,000)	-	-	-
Repayment of related party borrowings		-	-	(2,506,000)	(1,851,427)
Interest paid		(703,411)	(843,423)	(268,742)	(358,030)
Dividends paid		(8,300,000)	-	(8,300,000)	-
Net cash flows generated from / (used in) financing activities		(13,741,653)	1,039,834	(9,913,742)	(4,584,457)
Net increase/(decrease) in cash and cash equivalents					
		(2,478,123)	13,886,779	972,305	(27,130)
Cash and cash equivalents at beginning of year		22,728,856	8,684,626	79,765	106,895
Cash and cash equivalents of subsidiaries acquired		-	89,275	-	-
Effect of foreign exchange rate changes		-	68,176	-	-
Effect from disposal of subsidiary	8	(973,549)	-	-	-
Cash and cash equivalents at end of year		19,277,184	22,728,856	1,052,070	79,765

The notes on pages 29 to 76 are an integral part of these financial statements.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Notes to the financial statements

1. General information

Qualco Holdco Limited (the "Company") is a private limited Company that is domiciled and incorporated in England and Wales. The registered office address is Building 1, The Heights Brooklands, Weybridge, England, KT13 0NY.

Qualco Holdco Limited was incorporated in England and Wales on 21 July 2017. On 9 February 2018, Qualco Holdco Limited acquired the entire issued share capital of Qualco SA, a Company incorporated in Greece, by way of a share for share exchange. This transaction has been treated as a Group reorganization and has been accounted for using the reverse merger accounting method given the same controlling parties before and after the reorganization.

The Company is the direct holding Company of Qualco France SAS, of which it has a 99% shareholding, Qualco SA, of which it has a 100% shareholding and Q RES Cyprus Limited of which it has a 100% shareholding. It is noted that during the current year 2022 the Company disposed of its 38.2% shareholding in QQuant Master Servicer Cyprus Limited.

The principal activities of the Company's subsidiaries, as presented in note 9, are as follows:

- a) The development, distribution and support of software advanced products and business solutions for the broader financial and construction sectors,
- b) The rendering of a wide range of services concerning Information Technology Infrastructure (IT Infrastructures),
- c) Management of non- performing loan portfolios
- d) Real estate asset management.

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively the "Group"). The interests held by the Group are presented in notes 8 and 9.

The Company is a subsidiary of Wokalon Finances Limited, which holds 80% of the Company's shares. Amely S.a.r.l. holds the remaining 20% of the Company's shares. The ultimate parent Company into which these results are consolidated is Wokalon Finances Limited.

2. Summary of significant accounting policies

2.1. Basis of preparation of financial statements

The main accounting principles applied for the preparation of these financial statements are presented below. These principles have been applied with consistency for all the financial periods presented, except stated otherwise.

These separate and consolidated financial statements of Qualco Holdco Limited have been prepared in accordance with the UK-adopted international accounting standards.

The financial statements have been prepared under the historical cost convention, except for financial instruments that are measured at fair value, and the going concern basis of accounting.

The Group and the Company present their financial statements in Euros since, despite the incorporation of the parent Company in England and Wales, the majority of the Group's activities occur in Greece and EU countries and are therefore denominated in Euros. Monetary amounts in these financial statements are rounded to the nearest €. The functional currency of the parent Company is British pounds.

The preparation of financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies adopted. Actual results may differ from these estimates under different assumptions or conditions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

2.1.1 Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. As part of their assessment the Directors also performed a stress testing of the assumptions included in their cash flow forecast of the 12 months following the date of approval of the Group financial statements, taking into account key risks which could potentially pose a threat to the viability of the Group. This stress testing did not reveal any significant liquidity pressure or any particular threat which cannot be mitigated.

More specifically the key risks considered were:

- The further increase in Euribor rates expected in FY 2023 and its impact in meeting debt obligations
 The Directors have assessed the risk of significant increases in Euribor posing threat in the ability of the Group to meet its debt obligations. Based on the approved Budget for FY 2023 and although the Group expects some pressure on margins, the EBITDA and overall profitability is expected to remain at the same levels as in FY 2022. Cash flow generation for FY 2023 is also expected to be strong and cash reserves at the end of FY 2023 are expected to be even higher than the current year's levels. Taking the aforementioned factors into accounts and combined with the significant headroom that exists in key ratios of DSCR / EBITDA and the Net debt / EBITDA, the Directors have concluded that any Euribor increases cannot pose any significant threat on the Group's debt repayment obligations.
- The lower than expected onboarding of new customer contracts
 The Directors have assessed the impact on EBITDA and cash flow in the event that the acquisition of new customer contracts is significantly lower than that already planned for in the Budget of FY 2023. The Directors have concluded that, given the materiality of the value of customer contracts already in place, even in the most adverse scenario of no new customer contracts being made in 2023, the Group would still be in a positive cash flow position. Directors' assessment was based on the fact that even in those adverse scenarios the Group would still be able to preserve cash through lower or nil dividend distributions, cuts on performance related bonus payouts and/or significantly reduced or nil new staff hirings.

Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The Group has reported a profit for the year of € **19,207,130**

The Directors believe that the Group and the Company have adequate resources to continue in operation for the foreseeable future. For this reason, they have adopted the going concern basis in the preparation of the financial statements.

2.2. New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years.

Standards and Interpretations effective for the current financial year

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

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

- Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations
- Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making
- Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases

The adoption of the above amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

New Standards, Interpretations, 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

IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2023)
Amendments to IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information" (effective for annual periods starting on or after 01/01/2023)

The above standard and related amendment are not applicable to the Company's and the Group's operations.

Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Group/ Company 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 01/01/2023

Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Group/ Company 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 01/01/2023

Amendments to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Group/ Company 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 01/01/2023

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

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 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. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

pandemic. The Group/ Company 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 IFRS 16 “Leases: Lease Liability in a Sale and Leaseback” (effective for annual periods starting on or after 01/01/2024)

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 “Leases” which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. The Group/ Company 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 IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent’s profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent’s profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture. The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The Group/ Company will examine the impact of the above on its Financial Statements.

2.3. Basis of consolidation

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control, either directly or indirectly through other subsidiaries. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred in a business combination for the acquisition of a subsidiary is measured at fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal Groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

The costs related to the acquisition of investments in subsidiaries (e.g. advisory, legal, accounting, valuation and other professional or consulting fees) are recognized as expenses through profit or loss over the period in which the costs are incurred.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Non-controlling interests in subsidiaries are identified separately from the Group's equity. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the subsidiaries are prepared as of the same reporting period as the parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All inter-Company transactions, balances and any Intercompany profit or loss between Group companies are eliminated in the consolidated financial statements.

In the separate financial statements, investments in subsidiaries and associates are recognized at cost, adjusted for any impairment where necessary, which is the amount of cash or cash equivalents paid or the fair value of the other consideration given at the time of acquisition.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in change of control are accounted for as equity transactions. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interest are also recorded in equity.

(c) Disposal of / loss of control over subsidiaries

When the Group disposes of or ceases to have control over a subsidiary, any retained interest in the subsidiary is remeasured to its fair value at the date of disposal or when control is lost, with the change in carrying amount recognized in profit or loss. Subsequently, this asset is classified as an associate or financial asset and its acquisition cost equals that fair value. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are reclassified to profit or loss.

(d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

In case of sale of a holding in an associate on which the Group continues, however, to exercise significant influence, only a proportionate share of the amounts previously recognized directly in other comprehensive income will be reclassified to profit or loss.

The Group's share of post-acquisition profit or loss is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share in the losses of an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has assumed further obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of profit/(loss) of associates' in the income statement.

Gains and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4. Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and the acquisition date fair value of any previous equity interest held over the fair value of the identifiable net assets acquired. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, the excess is recognised immediately in profit or loss as a bargain purchase gain.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or Group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Where goodwill forms part of a cash-generating unit and part of the operation of this unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

2.5. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the parent Company is Pounds sterling (£). The consolidated financial statements are presented in Euros, since the majority of the Group's activities occur in Greece and are therefore denominated in Euros.

Monetary amounts in these financial statements are rounded to the nearest €.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange gains and losses are presented in the income statement within "Other income/(expenses)".

(c) Group Companies

The financial statements of all Group entities that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- i) assets and liabilities are translated using the rates in effect at the date of the statement of the financial position;
- ii) income and expenses are translated using the average rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- iii) all resulting exchange differences are recognized in other comprehensive income and are transferred to the income statement upon disposal of these companies.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

2.6. Property, Plant and Equipment

Items of property, plant and equipment are measured at acquisition cost, less accumulated depreciation and any impairment in value (note 2.9). Acquisition cost includes all expenditure directly attributable to the acquisition of property plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

-	Leasehold property improvements	10 years
-	Machinery	5 years
-	Motor vehicles	10 years
-	Furniture and other equipment	3-10 years
-	Computer hardware	5 years

The residual values and useful economic life of property, plant and equipment are subject to reassessment, at each balance sheet date.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.9).

Upon the sale of PPE, any difference between the proceeds and the net book value is recorded as gain or loss in the income statement.

2.7. Intangible assets

2.7.1. Intangible assets acquired separately

An acquired intangible asset is initially recognized at cost. Following initial recognition, intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Group's acquired intangible assets include computer software and software licenses, which are capitalized on the basis of the costs incurred to acquire and bring them into use. These costs are amortized over their estimated useful lives of five years.

Costs associated with maintaining computer software are recognized as an expense as incurred.

2.7.2. Internally – generated intangible assets (Software development) – research and development expenses

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Computer software development costs recognized as intangible assets are amortized over their estimated useful lives of 5 – 7 years, on a straight line basis.

Software under construction relates to costs capitalized in accordance to the same criteria as above, but where the software being developed is not yet available for use. Software under construction is not subject to amortization.

2.7.3. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are recognized initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognised.

2.8. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases (including short-term leases and leases of low-value assets). The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets. If ownership of the leased asset is transferred to the Group at the end of the lease term or its cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The right-of-use assets are also subject to impairment, as described in note 2.9.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the statement of comprehensive income in the period in which the event or condition that triggers those payments occurs.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments that are not paid at that date. The lease payments will be discounted using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Group will use the incremental borrowing rate.

At the commencement date of the lease period, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date of the lease period:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be paid by the lessee under the residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate because the interest rate implicit in the lease is not readily determinable.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Lease liabilities are presented as a separate line in the consolidated statement of financial position.

Interest on the lease liability is allocated during the lease term in such a manner so that the amount produces a constant periodic rate of interest on the remaining balance of the lease liability.

After the commencement date of the lease period, the Group recognizes in profit or loss (unless the costs are included in the carrying amount of another asset applying other applicable Standards) both:

- (a) interest on the lease liability; and
- (b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

2.9. Impairment of non-current assets excluding goodwill

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Intangible assets not yet ready to use and not yet subject to amortization are reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2.10. Financial instruments

i) Initial recognition

Financial assets or financial liabilities are recognized in the statement of financial position of the Group and Company when the Group or Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

ii) Classification and subsequent measurement

a) Financial assets

Financial assets at amortized cost

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

With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus transaction costs, in the case of a financial asset that is not measured at fair value through profit or loss. Trade receivables are initially measured at transaction value as defined by IFRS 15.

In order for a financial asset to be classified and measured at amortised cost it needs to give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest' (SPPI) test and is performed at financial instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within (a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group measures financial assets at amortized cost if both of the following conditions are met:

- (1) the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- (2) the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVTOCI

Equity instruments at fair value through the statement of comprehensive income, without transfer of profit or loss to the income statement when derecognised. This category includes only equity instruments which the Group intends to hold for the foreseeable future and has irrevocably decided to classify them in this manner upon initial recognition. Equity instruments at fair value through the statement of comprehensive income are not subject to impairment. Dividends from such investments continue to be recognised in the income statement, unless they represent recovery of the investment cost.

For investments that are traded on an active market, fair value is calculated based on market bid prices. For investments for which there is no active market, fair value is determined by valuation techniques, unless the range of rational estimates of fair value is significantly large and the probable accuracy of the various estimates cannot reasonably be assessed, when valuation of such investments at fair value is prohibited. The purchase or sale of financial assets that require the delivery of assets within a timeframe provided for by a regulation or market assumption is recognised at the settlement date (i.e. the date when the asset is transferred or delivered to the Group or the Company).

b) Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. Financial liabilities measured at amortized cost using the effective interest rate method include current borrowings and trade and other payables that are short term in nature.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate ("EIR"). The EIR amortization is included as finance costs in profit or loss. Trade payables other payables are non-interest bearing and are stated at amortized cost using the effective interest method.

Fair value is determined in the manner described in note 3.3.

iii) Derecognition of financial assets and financial liabilities

a) A financial asset is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group or the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group or the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group or the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group or the Company also recognize an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained

b) Financial liabilities are derecognized if the Group's obligations specified in the contract expire or are discharged or cancelled. When an existing financial liability is replaced by another to the same lender but under substantially different terms or the terms of an existing liability are significantly modified, such exchange or amendment is treated as a recognition of the original liability and recognition of a new liability. The

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognized in profit or loss as gain or loss on modification within "other gains/(losses) - net".

iv) Impairment of financial assets

The Group assesses at each reporting date, whether a financial asset or Group of financial assets is impaired and recognizes, if necessary, an allowance for Expected Credit Losses (ECLs) regarding all financial assets not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected credit loss in relation to contract assets, is measured based on the expected early contract termination rate, the penalty for early termination and its collectability rate.

For all other Group's financial assets at amortized cost, the general approach is applied.

v) Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Group or the Company has a legal right to set off the recognized amounts and intends either to settle such asset and liability on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.11. Trade and other receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, except if the discount outcome is not material, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant difficulties of the debtor, the possibility of bankruptcy or financial reorganization and the inability of scheduled payments are considered evidence that the value of the receivable has been impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate, and is charged as an expense in the Statement of Comprehensive Income. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the income statement.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

2.12. Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank deposits.

2.13. Restricted cash

Restricted cash is cash not available for immediate use. Such cash cannot be used by a Company until a certain point or event in the future. In cases when restricted cash is expected to be used within one year after the reporting date, it is classified as a current asset. However, if restricted cash is not expected to be used within one year after the reporting date, it is classified as a non-current asset. Restricted cash is not included in line "Cash and cash equivalents".

2.14. Share capital and share premium

Share capital consists of ordinary shares. Share premium account represents the excess of the issue price over the par value on shares issued. Direct expenses for the issue of shares appear net of any tax, as a reduction from share premium.

2.15. Capital contributions

Capital contributions are recognized separately within other reserves.

Capital contributions are not defined in IFRSs but is generally accepted as meaning a contribution by owner, which increases the entity's equity without any obligation for the entity to make repayment or to do anything in consideration for receiving it.

Since, there is no guidance in IFRSs as to where in equity capital contributions shall be recognized, the Group, has implemented the guidance of IAS 8 "Accounting policies, changes in accounting estimates and errors", which requires entities to use their judgment to develop and apply an accounting policy for transactions for which no specific standard or interpretation exists. The accounting policy developed should reflect the economic substance of the transaction and not merely the legal form and be relevant and reliable to the users.

According to IAS 1 para 106 (d) (iii), transactions with owners in their capacity as owners, such as contributions by owners, are recognized directly in the statement of changes in equity. Whether a particular transaction should be recognised as a capital contribution is a matter of judgment in the context of the particular facts and circumstances.

Capital contributions are not considered income, which is defined in the Conceptual Framework for Financial Reporting as increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity, other than those relating to contributions from equity participants. Therefore, capital contributions cannot be included in profit or loss for the period, nor within other comprehensive income.

2.16. Current income tax and deferred tax

Income tax comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax is measured on the taxable income for the year using enacted or substantively enacted tax rates at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is intention to settle the balances on a net basis.

2.17. Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. After initial recognition, loans are measured at the amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

In general, borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss within "other gains / (losses) – net.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18. Employee benefits

According to Greek laws 2112/20 and 4093/2012, Group entities incorporated in Greece must pay to their personnel benefits at their termination of employment or retirement. The benefits are related to, employment years, remuneration amount and whether the employment was terminated or left employment due to retirement. The maturity of the right to participate in these schemes usually depends upon service years of the employee before retirement.

(a) Post-employment benefits

The Group contributes to both defined benefit and defined contribution plans. The Group operates various postemployment schemes. Payments are defined by the applicable local legislation and the fund's regulations.

Defined contribution plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly administered pension insurance plans on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

Defined benefit plan is a pension plan which defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability of the defined benefit plan is calculated annually by an independent actuary with the use of the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

The current service cost of the defined benefit plan which is recognized in the income statement in employee benefit expense reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Past-service costs are recognized immediately in the income statement.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in the income statement.

(b) Employment termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Termination benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

In case of termination of employment where the number of employees who will use such benefits cannot be determined, the benefits are disclosed as contingent liabilities and are not accounted for.

2.19. Trade payables and other payables

Trade payables are usually obligations to make payment for products or services acquired during the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the payment is due within no more than one year. If not, they are classified as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

2.20. Provisions

Provisions are recognized when: there is a present obligation (legal or constructive) as a result of past events, when it is highly probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments for the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. Provisions are reviewed at each reporting date, and if it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, they are reversed. Provisions are used only for expenditures for which they were originally recognized. No provisions are recognized for future operating losses.

2.21. Revenue recognition

(a) Revenue from contracts with customers

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, discounts and returns. Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Control over goods sold and services rendered is transferred to the customer upon delivery of the respective products or service respectively. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Under IFRS 15 there is a five-step approach to revenue recognition which is adopted across all revenue streams.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

The process is:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognize revenue as and when the entity satisfies the performance obligation.

The basis for the recognition of revenue for the key revenue streams is as follows:

Provision of services

For sales of services, revenue is recognized in the accounting period in which the services are rendered, as the customer obtains control over the promised services, by reference to stage of completion of each specific performance obligation and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Sales of goods

Revenue is recognized when a contractual promise to a customer (performance obligation) is fulfilled by transferring the promised goods (which is when the customer obtains control over the promised goods).

Contract assets

When the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is the Group's right to consideration in exchange for goods or services that the entity has transferred to a customer.

Contract liabilities

When customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). Incremental costs of obtaining a contract are expensed as incurred.

(b) Interest income

Interest income is recognized on the accruals basis using the effective interest method. In the case of impairment of borrowings and receivables, interest income is recognized using the rate which discounts future flows for impairment purposes.

2.22. Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the period they are approved by the General Assembly of the Company's shareholders.

2.23. Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all stipulated conditions of the grant.

(a) Grants relating to assets

Government grants relating to the purchase of fixed assets or the construction of projects are included in non-current liabilities as deferred government grants and are recognized as income through profit or loss using the straight line method according to the asset's expected useful life.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

(b) Grants relating to costs

Government grants relating to costs are deferred and recognized in profit or loss to match with the costs that they are intended to compensate.

2.24. Reclassifications

Certain reclassifications have been made to prior year balances to conform to current year classifications.

The reclassification that was performed in the Group's statement of financial position as of 31.12.2021, is as follows:

- An amount of €420,000 was reclassified from "Other non-current assets" to "Financial Assets – Non-current".

In addition certain reclassifications have been made within the notes for comparability purposes. The above reclassifications did not have any impact on the Group's equity or results.

3. Financial risk management

3.1. Financial risk factors

The Group is exposed to various financial risks, such as market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Financial risks are associated with the following financial instruments: accounts receivable, cash and cash equivalents, accounts payable, other liabilities and borrowings. The accounting principles referred to the above financial instruments are presented in note 2.

The Group's risk management plan seeks to limit the negative impacts on Group financial results arising from inability to predict how financial markets will perform and from fluctuations in costs and sales variables.

The procedure followed is outlined below:

- assessment of risks relating to the Group's activities and functions;
- planning of the methodology and selection of adequate financial instruments for risk mitigation; and
- the application and execution of the risk management procedures, in accordance with those approved by Management.

(a) Market Risk

Market risk is the risk related to the business sectors in which the Group operates. The Group operates, as is well known, in a competitive and highly demanding international environment, which is subject to significant and rapid changes. Over the last few years, the Group has been systematically reinforcing and furthering its outward-looking approach in geographically strategic areas. The focus in these areas has been on up-to-date technologies and on the continuous technological upgrade of its products and solutions, whilst also developing new activities and promoting entry into new markets, with a view to further enhancing the Group's competitiveness.

The Group remains competitive despite inherent problems faced by the industry which have been caused due to the Greek economic crisis. This is because of its specialized expertise, its many years of experience and presence in the field, the organization and structure of the Group allowing for the strong engagement of all its executives, its wide recognition in connection with the research, development and marketing of new products, as well as the continuous improvement and upgrading of existing products, whilst also focusing on the quality of the product and the ability to meet demand directly and changing the needs of end customers.

The Group's significant qualitative diversification, combined with the continuous development and upgrading of its products, are the main means available in order to minimize the negative consequences of the unprecedented economic crisis. However, it is expected that in the current period, the revenues and the overall results will inevitably be affected due to the continuation of the above mentioned economic crisis and the lack of liquidity in the market, which has led to a wide customer base on which the Group relies, the suspension of investment plans and the postponement of programmes for business transformation.

(i) Foreign currency risk

Foreign current risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes. The Group mainly operates in the EU, and most of its transactions are settled in

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Euros, however there are also transactions in British pounds. As a result, the Group is exposed to foreign exchange rate risk.

In particular, foreign currency risk arises when advisory fees, as well as project costs, are incurred in foreign currencies. The Group does not make use of currency forward contracts but it verifies and evaluates on a periodic basis its exposure to foreign exchange risk and its significance in order to take appropriate actions if required to mitigate its risk.

The financial assets and the respective liabilities in foreign currency are broken down as follows:

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Assets in foreign currency	179,709	515,478	-	-
Liabilities in foreign currency	65,092	(490,997)	44,785	25,554
Total Exposure	244,801	24,481	44,785	25,554

The table below presents the changes in the operating result and equity in relation to the financial assets and financial liabilities, if floating rates with British pound sterling (GBP) were to vary by 10%. This sensitivity analysis has been calculated for the financial instruments in foreign currency held by the Group for each reporting period.

Sensitivity analysis to foreign exchange changes:

	GROUP			
	+10%	-10%	+10%	-10%
	31/12/2022		31/12/2021	
	GBP		GBP	
Impact on profit before tax	18,328	(18,328)	561,025	(561,025)
Impact on equity	18,328	(18,328)	450,089	(450,089)

	COMPANY			
	+10%	-10%	+10%	-10%
	31/12/2022		31/12/2021	
	GBP		GBP	
Impact on profit before tax	(320)	320	3,006	(3,006)
Impact on equity	(320)	320	3,006	(3,006)

The Group's exposure to foreign exchange risk varies during the year depending on the volume of transactions in foreign currency. Yet, the above analysis is considered representative of the Group's foreign exchange exposure and is considered to be highly immaterial to the Group.

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

The Group is exposed to risk from the fluctuations of interest rates, arising from bank loans with floating rates. The Group is therefore exposed to the floating interest rates prevailing in the market, which affect both the financial position and the cash flows. The cost of borrowings may increase, or decrease, as a result of these changes creating profit or losses. It should be noted that the fluctuation in interest rates in recent years has been a result of extremely high spreads in Greek government bonds, due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and, to a lesser extent, due to the increase in base interest rates (eg. Euribor).

With regards to long-term borrowings, the Group's management regularly monitors interest rate fluctuations and assesses the need to take relevant positions to hedge risks, when and if necessary. A significant part of the Group's borrowings is linked to floating rates, and all borrowings are denominated in Euros.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

The Group monitors interest rate trends, as well as the duration and nature of the Group's financing requirements. Decisions on loan terms, as well as the extent of loans with variable or fixed interest rates, are considered separately on an individual case-by-case basis.

The Group is exposed to the risk of variances in future cash flows due to changes in interest rates. The sensitivity analysis showing the impact of a change in the variable rate of interest is shown below:

As at 31/12/2022	+0,5%	-0,5%
Impact on Equity	101,453	(101,453)
Impact on Profit and Loss	(101,453)	101,453

As at 31/12/2021	+0,5%	-0,5%
Impact on Equity	74,263	(74,263)
Impact on Profit and Loss	(74,263)	74,263

(b) Credit risk

Risk management

Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations. Defaulted payments of trade receivables and other receivables could potentially adversely affect the liquidity of the Group.

Trade receivables are due from a large customer base, therefore there is no significant concentration of receivables from an individual counterparty. As a result of the current market conditions, management ensure that procedures are being followed to monitor work in progress, ensuring invoicing and receipts are strictly controlled, particularly in relation to new contracts. For several customers, the Group is protected against credit risk by management obtaining letters of guarantee from a bank to ensure the execution and full payment of the contracts in place.

In addition, most of the receivables comes from large organizations, (eg. multinational companies, banks, etc). In the judgment of management, appropriate provisions are recognized for impairment loss on the basis of specific credit risk.

Potential credit risk also exists in relation to cash and cash equivalents. In such cases, the risk may arise from counterparty failure to fulfil their obligations towards the Group. In order to manage this credit risk, the Group sets limits to the degree of exposure for each financial institution, within the scope of the policies of the Board of Directors.

Impairment of financial assets

The Group has the following assets that are subject to the expected credit loss model:

- Trade receivables for sales and from the provision of services; and
- Contract assets relating to customer contracts.

Trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables and contract assets.

The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery.

The ageing analysis of trade receivables and the provision recognized are disclosed in note 14.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

There are no contract assets which are overdue and non-impaired, and no impairment losses have been recognized in respect of these assets for the year ended 31 December 2021.

Whilst cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company has no receivables other than those from Group entities, which are eliminated during the consolidation process.

(c) Liquidity risk

The Group manages its liquidity needs by carefully monitoring its debts, long-term and short-term financial liabilities, monitoring available funding and maintaining sufficient cash to meet the Group's obligations. Liquidity requirements are monitored in various time zones on a daily and weekly basis and on a rolling 30-day basis. Long-term liquidity requirements for the 6 months ahead and the following year are calculated on a monthly basis.

The tables below analyze the Group's and Company's financial liabilities as at 31 December 2022 and 2021 respectively into relevant maturity groupings based on their contractual maturities for:

- a) all non-derivative financial liabilities; and
- b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

	GROUP			
	31/12/2022			Total
	Within 1 year	Between 1 and 5 years	Over 5 years	
Trade and other payables	11,117,225	-	-	11,117,225
Lease liabilities	(1,148,978)	16,609,678	5,308,808	20,769,508
Borrowings	7,465,946	15,579,574	(2,755,000)	20,290,521
Other liabilities	16,852,584	-	26,503	16,879,087
Total	34,286,777	32,189,252	2,580,311	69,056,340

	GROUP			
	31/12/2021			Total
	Within 1 year	Between 1 and 5 years	Over 5 years	
Trade and other payables	11,550,219	-	-	11,550,219
Lease liabilities	2,303,917	8,855,822	7,416,681	18,576,420
Borrowings	7,385,504	12,550,726	-	19,936,230
Other liabilities	17,537,438	-	-	17,537,438
Total	38,777,078	21,406,548	7,416,681	67,600,307

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

	COMPANY			
	31/12/2022			
	Within 1 year	Between 1 and 5 years	Over 5 years	Total
Trade and other payables	87,545	-	-	87,545
Borrowings	2,755,000	-	-	2,755,000
Other liabilities	152,577	-	-	152,577
Total non-derivatives	2,995,122	-	-	2,995,122

	COMPANY			
	31/12/2021			
	Within 1 year	Between 1 and 5 years	Over 5 years	Total
Trade and other payables	977,298	-	-	977,298
Borrowings	-	-	5,261,000	5,261,000
Other liabilities	108,085	-	-	108,085
Total non-derivatives	1,085,383	-	5,261,000	6,346,383

3.2. Capital management

Regarding cash management, the Group's intention is to ensure its ability to continue its operations unhindered so as to secure returns for shareholders and benefits for other parties associated with the Group, whilst maintaining an optimal capital structure in order to achieve capital cost reductions.

In line with industry practice, the Group monitors the capital structure using the leverage ratio. Leverage is calculated as the ratio of net debt to equity. Net debt includes interest bearing loans, as well as long-term and short-term lease liabilities, less cash and cash equivalents.

The Group's and Company's gearing ratios as at 31 December 2022 and 31 December 2021 are presented in the following table:

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Long-term borrowings	12,824,574	12,550,726	2,755,000	5,261,000
Short-term borrowings	7,465,946	7,385,504	-	-
Long-term lease liabilities	17,920,397	16,419,646	-	-
Short-term lease liabilities	2,849,112	2,156,773	-	-
Cash and cash equivalents	(19,277,184)	(22,728,856)	(1,052,069)	(79,765)
Net debt	21,782,845	15,783,793	1,702,931	5,181,234
Total equity	34,299,366	28,632,663	9,846,531	3,974,374
Net debt to equity	0.64	0.55	0.17	1.30

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

3.3. Fair value estimation

(i) Fair value hierarchy

The fair value hierarchy levels 1 to 3, prescribed under the accounting standards, are based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	GROUP			
	31/12/2022		31/12/2021	
	Level 1	Level 3	Level 1	Level 3
Investments in equity instruments designated as at FVOCI				
Listed Shares (designated as at FVTPL)	293,355	-	253,061	-
Unlisted Shares (designated as at FVTOCI)	-	3,578,704	-	2,000,000
	293,355	3,578,704	253,061	2,000,000

4. Significant estimates and judgments of the management

Annual financial statements along with the accompanying notes and reports may involve certain judgments and calculations that refer to future events regarding operations, developments and financial performance of the Company and the Group. Despite the fact that such assumptions and calculations are based on the best possible knowledge of the Company's and the Group's management with regard to current conditions and actions, the actual results may eventually differ from calculations and assumptions taken into consideration in the preparation of the Group's and the Company's annual financial statements.

Significant accounting estimates and assumptions that involve important risk of causing future material adjustments to the assets' and liabilities' carrying values are discussed below:

(a) Judgment used to develop and apply an accounting policy

There might be no standard or interpretation that specifically applies to a transaction, other event or condition. In such cases, management uses its judgment to develop and apply an accounting policy that is both relevant and reliable to the users. In exercising its judgment to develop and apply an accounting policy, management considers other guidance by referring to the following sources and considering their applicability in descending order:

- Requirements in IFRSs and interpretations that deal with similar and related issues;
- The definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

Management has exercised its judgment based on the above to develop an accounting policy for capital contributions by owners, as described in note 2.15.

(b) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (note 2.11). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

(c) Control over subsidiary

The directors of the Company assess whether or not the Group has control over a subsidiary based on whether the Group has the practical ability to direct the relevant activities of the subsidiary unilaterally. In making their judgment, the directors consider the Group's absolute size of holding in a subsidiary and the relative size of and dispersion of the shareholdings owned by the other shareholders. After assessment, the directors concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of its subsidiary Qualco Fin Limited and therefore the Group has control over Qualco Fin Limited.

(d) Impairment of investments in subsidiaries

The Company's Management evaluates on a yearly basis whether there are indications of impairment of its investments in subsidiaries. The assessment includes both external and internal factors which include inter-alia, significant changes with an adverse effect in the regulatory or technological environment or evidence available from internal reporting that indicates that the economic performance of subsidiaries is or will be worse than expected. If there are such indications, the Company tests for impairment the value of its investments in subsidiaries by comparing the recoverable amount of each investment with its book value. Management calculates the recoverable amount as the higher of value in use and fair value less selling costs. The key estimates used by Management for the purposes of determining the recoverable amount of investments relate to future cash flows and performance based on the business plans of the companies tested for impairment, the perpetual growth rate, future working capital as well as the discount rate. There is a high level of subjectivity involved in the key assumptions used by Management.

(e) Capitalization of software development costs

The expenses attributed to the development of the Group's software programs are recognized as intangible assets only when it is likely that the future economic benefits arising from the intangible assets will accrue to the entity. When estimating the future economic benefits, the Group takes also into account the technical capability to complete the intangible asset and make it available for sale or use, the existence of a market for the product producing the intangible asset or, in case it will be internally used, the usefulness of the intangible assets as well as the capability to measure reliably the expenses attributable to the intangible asset during its development.

The useful economic life over which intangible assets are amortized is based on management's estimate of the period over which revenue will be received, and the expected technical obsolescence of such assets. However, the actual useful economic life might be different, depending on technical innovations and competitor actions. The Group estimates the useful economic life of computer software development intangible assets to be at least five years. As at 31 December 2022, the carrying amount of this software was €7,309,977 (31.12.2021: €6,431,724).

(f) Impairment of intangible assets

The carrying values of intangible assets are assessed for indications of impairment on an annual basis. The assessment includes both external and internal sources of information, such as significant adverse changes that have taken place, or are about to take place, in the technological, market, economic or legal environment, evidence of obsolescence or poor performance of an asset. To assess impairment, the recoverable amount of the asset is estimated based on value in use calculation. The calculations estimate future cash flows, discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money. This calculation includes estimations and assumptions about the future cash flows, and about the appropriateness of the discount rate applied.

(g) Uncertain tax positions

In recognizing income tax assets and liabilities, management makes estimates of the likely outcome of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

is made. The carrying values of income tax assets and liabilities are disclosed separately in the consolidated statement of financial position.

(h) Deferred tax assets

The Group recognizes deferred taxes on provisional tax differences, taking into consideration the applicable tax rates, and estimating the future benefits and future liabilities from taxes. When recognising deferred tax assets on unutilised tax losses, as well as during the evaluation of their recoverability, the best possible estimates by management are taken into consideration for the progress of the tax results of the group companies in the foreseeable future.

(i) Retirement benefit obligation

As at 31 December 2022, the Group recognized a retirement benefit obligation of €488,165 (2021: €387,397) in relation to Greek registered entities, as required by local law. The present value of the pension obligations for the Group's defined benefit plans is calculated on the basis of financial and actuarial assumptions that require management to make assumptions regarding discount rates, pay increases, mortality and disability rates, retirement ages and other factors. Changes in these key assumptions can have a significant impact on the obligation and pension costs for the period. The methods and types of assumptions used in calculating this obligation did not change compared to the prior period. Due to the long term nature of these defined benefit plans, these assumptions are subject to a significant degree of uncertainty.

(j) Recoverability of trade receivables

Provisions for bad debts within trade receivables are based on assumptions using historical data on recoverability of individual trade receivables, the risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward looking estimates at the end of each reporting period. The movement in the provision for bad debts has been included in note 14.

(k) Useful lives - Depreciation rates

The Group's assets are depreciated over their estimated remaining useful lives. These useful lives are periodically reassessed to determine whether the original period continues to be appropriate. The actual lives of these assets can vary depending on a variety of factors such as technological innovation and maintenance programs.

(l) Revenue from contracts with customers – determining the timing of meeting performance obligations

The accounting policy for revenue is set out in note 2.19. With regards to the recognition of revenue under contracts with customers, management's judgment in determining whether performance obligations have been met affects the amount and timing of revenue from contracts. The Group determined that the percentage completion basis is the best method for measuring progress because there is a direct relationship between the Group's effort and the transfer of services to the customer. The judgment used in applying the percentage completion basis affects the amount and timing of revenue from contracts.

(m) Determination of lease term – Accounting by lessee

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors are normally the most relevant: If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate). If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate). Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices and vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

(n) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors (BoD) and Chief Financial Officer (CFO) of the Company determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group and Company engage third party qualified valuers to perform the valuation. The BoD and CFO work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

(o) Astrobank bonds collection date

As it is further explained in notes 8 and 11, in October 2022 Qualco FIN Limited disposed of its interest in QQuant Master Servicer Cyprus Ltd with part of the sales consideration being settled by the purchaser in bonds which carry call dates falling four, eight and twelve months from their issuance date, which was November 2nd, 2022 (so for bonds No 1, No 2 and No 3 the call dates are in February, June and October 2023 respectively), while their actual maturity dates are falling sixteen, twenty and twenty-four months from their issuance dates. The Group has considered the intention of the purchaser as well as the interest that the bonds carry from their call till their maturity dates and have assessed that for finance income calculation and balance sheet presentation purposes the estimated collection dates of the bonds should be their call dates. Indeed, the first bond of €2,350,000 was collected subsequent to the year end in February 2023, as expected.

5. Property, plant and equipment

	GROUP			
	Installations of buildings in third-party properties	Machinery / Motor Vehicles / Computer Hardware	Furniture and other equipment	Total
Cost				
Balance at 1/1/2021	2,066,333	170,358	4,524,199	6,760,890
Additions	1,465,292	78,437	2,155,217	3,698,946
Write off / Sales	(9,199)	(12,471)	(3,220)	(24,890)
Balance at 31/12/2021	3,522,426	236,324	6,676,196	10,434,947
Accumulated depreciation				
Balance at 1/1/2021	(523,300)	(137,847)	(2,625,176)	(3,286,324)
Write off / Sales	8,643	8,009	3,221	19,873
Depreciation	(496,405)	(19,481)	(561,082)	(1,076,968)
Balance at 31/12/2021	(1,011,062)	(149,319)	(3,183,037)	(4,343,418)
Net book amount 31/12/2021	2,511,364	87,005	3,493,160	6,091,528
Cost				
Balance at 1/1/2022	3,522,426	236,324	6,676,196	10,434,947
Additions	2,051,911	39,592	2,303,157	4,394,660
Write off / Sales	1,250	-	(22,597)	(21,347)
Disposal of subsidiary	-	(19,171)	(14,122)	(33,293)
Balance at 31/12/2022	5,575,587	256,745	8,942,634	14,774,966
Accumulated depreciation				
Balance at 1/1/2022	(1,011,062)	(149,319)	(3,183,037)	(4,343,418)
Write offs	-	-	6,668	6,668
Depreciation	(384,957)	(23,902)	(1,045,797)	(1,454,656)
Disposal of subsidiary	-	1,396	3,195	4,591
Balance at 31/12/2022	(1,396,019)	(171,825)	(4,218,971)	(5,786,815)
Net book amount 31/12/2022	4,179,568	84,920	4,723,664	8,988,151

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

There is no property, plant and equipment pledged as security.

As at December 31, 2022 the Group had a commitment for the purchase of property amounting to €5.2 mil.

The Company has no property, plant and equipment as at 31 December 2022 and 2021.

6. Leases

Right-of-use assets are analyzed as follows:

	GROUP			
	Buildings	IT & Telecom Equipment	Motor Vehicles	Total
Cost				
Balance at 1/1/2021	11,328,475	310,573	586,826	12,225,875
Additions	10,934,035	-	542,932	11,476,967
Modifications	(2,430,397)	-	-	(2,430,397)
Termination of leases	(79,734)	-	-	(79,734)
Balance at 31/12/2021	19,752,379	310,573	1,129,759	21,192,711
Accumulated depreciation				
Balance at 1/1/2021	(993,551)	(235,074)	(177,855)	(1,406,480)
Depreciation	(1,661,942)	(30,424)	(216,750)	(1,909,117)
Modifications	220,941	-	-	220,941
Balance at 31/12/2021	(2,434,552)	(265,498)	(394,605)	(3,094,656)
Net book amount 31/12/2021	17,317,827	45,075	735,154	18,098,055
Cost				
Balance at 1/1/2022	19,752,379	310,573	1,129,759	21,192,711
Additions	5,336,031	-	417,326	5,753,358
Termination of leases	(483,207)	-	(17,430)	(500,637)
Disposal of subsidiary	(943,401)	-	(21,160)	(964,561)
Balance at 31/12/2022	23,661,803	310,573	1,508,496	25,480,870
Accumulated depreciation				
Balance at 1/1/2022	(2,434,552)	(265,498)	(394,605)	(3,094,656)
Depreciation	(2,484,144)	(37,737)	(306,276)	(2,828,157)
Termination of leases	333,959	-	7,263	341,222
Disposal of subsidiary	95,400	-	4,645	100,045
Balance at 31/12/2022	(4,489,337)	(303,235)	(688,973)	(5,481,545)
Net book amount 31/12/2022	19,172,466	7,338	819,522	19,999,326

The Company has no right-of-use assets as at 31 December 2022 and 2021.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

The consolidated statement of financial position as of 31 December 2022 and 2021 includes the following amounts related to lease liabilities:

	31/12/2022	31/12/2021
Lease liabilities (short-term portion)	2,849,112	2,156,773
Lease liabilities (long-term portion)	17,920,397	16,419,646
Total lease liabilities	20,769,509	18,576,419

The maturity analysis of lease liabilities is presented below:

	31/12/2022	31/12/2021
Lease liabilities-minimum lease payments		
Up to 1 year	3,757,088	3,130,320
1 to 5 years	16,363,849	11,468,774
Over 5 years	4,413,076	7,820,475
Total	24,534,013	22,419,569
Less: Future finance cost of lease liabilities	(3,764,504)	(3,843,149)
Present value of lease liabilities	20,769,509	18,576,419

The present value of lease liabilities is analyzed below:

	31/12/2022	31/12/2021
Up to 1 year	2,849,112	2,303,917
1 to 5 years	12,740,339	9,022,478
Over 5 years	5,180,058	7,250,024
Total	20,769,509	18,576,419

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

7. Intangible assets

	GROUP			
	Service contract	Software development costs	Software & Other Intangibles	Total
Cost				
Balance at 1/1/2021	19,136,000	18,265,506	4,115,078	41,516,584
Recognized on acquisition of subsidiary	-	1,349,289		1,349,289
Additions	-	2,006,724	1,376,337	3,383,061
Balance at 31/12/2021	19,136,000	21,621,520	5,491,414	46,248,935
Accumulated amortisation				
Balance at 1/1/2021	(1,240,296)	(11,322,792)	(2,263,761)	(14,826,849)
Amortisation	(2,126,222)	(3,375,901)	(926,656)	(6,428,779)
Balance at 31/12/2021	(3,366,519)	(14,698,693)	(3,190,417)	(21,255,628)
Net book amount 31/12/2021	15,769,481	6,922,827	2,300,998	24,993,306
Cost				
Balance at 1/1/2022	19,136,000	21,621,520	5,491,414	46,248,935
Additions	-	4,328,027	2,517,880	6,845,907
Disposal of subsidiary	(19,136,000)		(268,094)	(19,404,094)
Transfers	-	-	50,367	50,367
Balance at 31/12/2022	-	25,949,547	7,791,567	33,741,114
Accumulated amortisation				
Balance at 1/1/2022	(3,366,519)	(14,698,693)	(3,190,417)	(21,255,628)
Transfers	-	-	(2,556)	(2,556)
Amortization	(1,600,100)	(3,449,774)	(1,167,164)	(6,217,038)
Disposal of subsidiary	4,966,618			4,966,618
Balance at 31/12/2022	-	(18,148,467)	(4,360,137)	(22,508,604)
Net book amount 31/12/2022	-	7,801,080	3,431,430	11,232,510

The Company has no intangible assets as at 31 December 2022 and 2021.

The disposal of the "Service contract" within FY 2022 reflects the derecognition of the intangible assets which had been recognized in the past as part of the acquisition of subsidiary QQuant Cyprus Master Servicer Cyprus Limited. The subsidiary was disposed of in October 2022 for a total consideration price of €13,000,000 (see note 8).

Included in the additions of "Software & licence" for the year is an amount of €1,200,000 relating to the acquisition of a software & know-how from Motivian Holdings Ltd.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

8. Disposal of subsidiary & discontinued operations

On October 5th, 2022, the Group entered into a sale agreement to dispose of QQuant Master Servicer Cyprus Ltd, the company being a 100% subsidiary of Qualco Fin Limited. The disposal was effected in order to generate cash flows for the expansion of the Group's other businesses. The Group will keep its presence in the Cypriot market through ongoing collaboration with Astrobank and local partners. The disposal was completed on October 5th, 2022, on which date control of QQuant Master Servicer Cyprus Ltd passed to the acquirer. Details of the assets and liabilities disposed of, and the calculation of the profit on disposal, are shown below:

	Group	
	5/10/2022	
Property, plant and equipment	28,702	
Intangible assets	268,094	
Right-of-use assets	864,516	
Trade and other receivables	4,645,879	
Accrued revenue	3,296,535	
Cash and cash equivalents	253,487	
Long term finance lease obligations	(894,642)	
Trade and other payables	(84,708)	
Other tax liabilities	(372,160)	
Other liabilities	(1,572,592)	
Dividends payable	(199,730)	
Income tax liabilities	(296,502)	
Non-controlling interests	(10,574,567)	
Attributable intangible assets net of deferred tax	11,173,181	
Net assets disposed of	6,535,494	A
Gain on disposal	1,144,505	B
Reversal through equity of non-controlling interest that had initially been recognised directly in retained earnings in FY 2020	5,320,001	C
Total consideration	13,000,000	=A+B+C
Satisfied by:		
Cash and cash equivalents	6,000,000	
Deferred consideration	7,000,000	
Total consideration transferred	13,000,000	
Net cash inflow arising on disposal:		
Consideration received in cash and cash equivalents	6,000,000	
Less: cash & cash equivalents disposed of	(253,487)	
	5,746,513	

The deferred consideration of €7,000,000 consists of 3 senior preferred bonds (two bonds of €2,350,000 and one bond of €2,300,000) which have been transferred by the purchaser to the Group. The bonds are expected to be collected within the financial year 2023.

The gain on disposal is included in the profit for the year from discontinued operations.

There were no disposals of subsidiaries made in 2021.

The results of the discontinued operation relating to QQuant Master Service Cyprus Limited, which have been included in the profit for the year, were as follows:

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

	Group
	1.1 -
	30.9.2022
<u>Discontinued Operations</u>	
Revenue	5,932,129
Expenses	(3,874,771)
Profit before tax	<u>2,057,359</u>
EBITDA	<u>3,292,278</u>
Attributable tax expense	(855,452)
Gain from disposal of subsidiary	<u>1,144,505</u>
Net profit attributable to discontinued operations (attributable to owners of the Company)	<u>2,346,411</u>

9. Investments in subsidiaries

The change in the carrying value of Company's investments in subsidiaries is as follows:

	COMPANY	
	31/12/2022	31/12/2021
Opening balance	8,334,427	8,334,325
Additions	708,000	102
Impairment reversal	2,233,253	-
Impairment charge	(150,000)	-
Closing Balance	<u>11,125,680</u>	<u>8,334,427</u>

The cost and the accumulated impairment losses which constitute the carrying value of the Company's investments in subsidiaries as of 31 December 2022 as follows:

	COMPANY		
	Cost	Accumulated impairment	Carrying value
Qualco Information Systems Single Member S.A.	10,407,578	-	10,407,578
Qualco SAS (France)	1,850,000	(1,850,000)	-
Qualco FIN Limited	102	-	102
Qres Cyprus Ltd	718,000	-	718,000
	<u>12,975,680</u>	<u>(1,850,000)</u>	<u>11,125,680</u>

In the current year the Company reassessed the value in use of its investment in Qualco Information Systems Single Member SA and has determined that that factors that in the past had led to its devaluation no longer exist and that its value in use as of 31 December 2022 significantly exceeded the carrying amount of the investment. Therefore, the Company booked an impairment reversal in the current year's profit and loss in accordance with IAS 36. In addition, the value in use of the Company's subsidiary Qualco SAS has been determined as NIL, thus the Company has recorded an additional impairment of €150,000 in the current year's profit and loss.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Principal subsidiaries

The Group's subsidiaries as at 31 December 2022 and 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Non-controlling interest in Qualco Group at 31 December 2022 are as follows:

Company Name	Registered office	Direct ownership		Indirect ownership		Non-controlling interests	
		2022	2021	2022	2021	2022	2021
QUALCO INFORMATION SYSTEMS SINGLE MEMBER SA	Greece	100%	100%	-	-	-	-
QQUANT MASTER SERVICER SA	Greece	-	-	100%	100%	-	-
QUALCO (UK) LIMITED	United Kingdom	-	-	93.75%	93.75%	6.25%	6.25%
QUALCO CYPRUS LTD	Cyprus	-	-	100%	100%	-	-
QUALCO SAS (FRANCE)	France	99%	99%	1%	1%	-	-
QRES CYPRUS LTD	Cyprus	100%	100%	-	-	-	-
QUALCO FIN LIMITED	United Kingdom	51%	51%	-	-	49%	49%
QQUANT MASTER SERVICER CYPRUS LIMITED*	Cyprus	-	-	0%	38.2%	0%	61.8%
TENSORFIN SA**	Greece	-	-	100%	-	-	-
DAEDALUS TECHNOLOGIES FZE	UAE	-	-	100%	-	-	-

* The Group disposed of its investment in QQuant Master Servicer Cyprus Limited on October 5th 2022 (refer to note 8)

** It is noted that in May 2022 Tensorfin Single Member SA was absorbed by Qualco S.A. through a legal restructuring approved by the Commercial Registry in Greece. Hence, the entity no longer exists as a separate legal entity. The absorption (merger) has had no effect at Qualco Group consolidation level.

All subsidiaries are included in the consolidation share the same principal activity.

10. Investments in associates

The movement of investments in associates is as follows:

	GROUP	
	31/12/2022	31/12/2020
Opening balance	631,400	-
Additions-increase in investment cost	3,000	375,000
Share of profit	25,351	255,011
Other movements	-	1,389
Closing balance	659,751	631,400

The Group's investments in associates are as follows:

Entity Name	Activity	Country of establishment	% holding
PQH Single Special Liquidation SA ("PQH")	Single Special Liquidator in Greece	Greece	33.33%
QCG General Partner SARL	Special Opportunities fund	Luxemburg	25.00%
QCG Capital LTD	Special Opportunities fund	Cyprus	25.00%
CNL AIFM	Alternative Investment Fund Manager	Greece	20.00%

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

PQH was established in 2016 and appointed by the Bank of Greece to act as the Single Special Liquidator for all credit and financial institutions under special liquidation in Greece. There are currently 20 institutions under special liquidation, with several billion-euro worth of assets, the majority of which consist of corporate and retail non-performing loans.

On 29 July 2021 Qualco S.A. entered into a Subscription & Shareholders' Agreement ("SSA") with CNL Alternative Investment Fund Manager S.A. ("CNL AIFM") and CNL AIFM's managing shareholders for the acquisition of 73,940 registered common shares corresponding to a 20% of CNL AIFM's total share capital. The purchase consideration amounted to €300,000. Qualco S.A. also has the option to acquire in the future a further 15% shareholding in CNL AIFM.

CNL AIFM is an independent alternative investment fund manager located in Athens, Greece. It manages the first venture capital participation Company in Greece, CNL CAPITAL EKES, which was founded in 2014 and its shares were listed at the Athens Stock Exchange in 2018.

On 5 April 2021 Qualco Cyprus acquired 75 ordinary shares of QCG Capital Ltd for a consideration of €75,000, corresponding to a 25% shareholding.

QCG is a special opportunities fund, domiciled in Luxembourg, acquiring high-quality assets in Greece and Cyprus, that have been underserved as a result of financial distress of the original borrowers.

QCG invests primarily in non-performing loans (NPLs) secured by real estate assets within the residential, commercial, hospitality, agriculture and industrial sectors.

PQH, CNL AIFM and QCG are private companies and there is no quoted market price available for their shares. There are no contingent liabilities relating to the Group's interest in the associate.

11. Financial Assets

	GROUP			
	Current		Non-Current	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Investments in equity instruments designated as at FVOCI (i)				
Shares in unlisted companies	-	-	3,578,704	2,000,000
	-	-	3,578,704	2,000,000
Financial assets measured at fair value through P&L (ii)				
Shares in listed companies	-	-	293,355	253,061
	-	-	293,355	253,061
Financial assets measured at amortized cost (iii)				
Investments in corporate bonds, government bonds and treasury bills	1,557,200	-	1,424,932	-
Loans to related parties	1,000,000	-	420,000	420,000
Other financial assets	49,263	59,728	-	-
Bonds received as deferred consideration for the sale of QQuant Cyprus (Note 8)	7,000,000	-	-	-
	9,606,464	59,728	1,844,932	420,000
TOTAL	9,606,464	59,728	5,716,991	2,673,061

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

(i) Investments in equity instruments designated as at FVTOCI

The financial assets at FVTOCI are comprised of the investment in the following non-listed entities:

- the investments of Qualco S.A. in Linked Business S.A. (shareholding of 10% acquired in FY 2021 for an amount of €1,250,000 plus an amount € 350,000 subscribed in FY 2022 in view of a further shareholding increase to take place in FY 2023),
- and investment of Qualco SA in Clever Service S.A. (shareholding of 15% acquired in FY 2021 for an amount of €750,000),
- the investment of Qualco S.A. in Bricklane Technologies Ltd, a technology - real estate Company incorporated in the UK, (shareholding of 2.5% acquired in FY 2022 for an amount of €1,028,120),
- the investment of Qualco S.A. in Convert Group (shareholding of 1.03% acquired in FY 2022 for an amount of €200,585

The above investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

The above carrying values of the investments in equity instruments also represent a close approximation of their fair values as at 31/12/2022.

(ii) Investments in equity instruments designated as at FVTPL

- the investment of Qualco S.A. in CNL Capital EKES (listed entity in the Athens Stock Exchange) for an amount of €338,430 representing a total shareholding of 4,99%.

(iii) Financial assets measured at amortized cost

The Group holds the following financial assets within a business model whose objective is to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence, all of those financial assets are classified as at amortized cost:

- a) Investments made in FY 2022 by Qualco S.A. in corporate bonds, government bonds and treasury bills which have maturity dates ranging from March 2023 to December 2024 and in total have a yield to maturity of 2,7%. The counterparties have a minimum BBB credit rating. These investments represent investment of excess cash of the Group and have been made with a view to interest income generation.
- b) The loans to related parties are comprised of:
 - a common bond loan of €420,000 issued by the Group associate CNL Alternative Investment Fund Manager S.A. ("CNL AIFM") and subscribed entirely by Qualco S.A. in December 2021. The common bond loan carries an interest rate of 3,9% and will be repaid by the borrower via a bullet payment in December 2024.
 - a common bond loan of initial amount €2,000,000 issued by the related party CNL CAPITAL EKES on May 2022 and subscribed entirely by Qualco S.A. The bond loan was amended in November 2022 based on which an amount of €1,000,000 corresponding to the first series of bonds was repaid by the issuer while the outstanding amount of €1,000,000 corresponding to the second series of bonds is due in December 2023. The common bond loan carries an interest rate of 3,7%.
- c) The senior preferred bonds are comprised of 3 separate redeemable bonds totaling to €7,000,000 which have been issued by AstroBank Public Company Ltd and received by the Group in FY 2022 as deferred consideration for the disposal of the Group's subsidiary QQuant Master Servicer Cyprus Limited (refer to note 8). The bonds have call dates on February, June and October 2023 whereas their maturity dates are 12 months later than the aforementioned dates. The bonds earn an interest rate of 12% from the call date to the maturity date of each bond whereas the period from their issuance dates till their call dates is interest free. The Group estimates that the bonds will be collected at the call dates (the first bond of €2,350,000 has indeed been collected in February 2023 as planned) and has thus considered these call dates as the actual maturity dates of the bonds. The carrying amounts of the bonds are considered to be the same as the fair values, due to their short-term nature.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Impairment of financial assets

For the purposes of impairment assessment, the investments in corporate bonds, government bonds and treasury bills are considered to have low credit risk as the counterparties to these investments have a minimum BBB- credit rating. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12-month ECL. The impairment allowance calculated as at 31/12/2022 has been determined as immaterial for Group reporting purposes.

As for the loans to related and other parties, a lifetime ECL was provided upon initial application of IFRS 9 until these financial assets are derecognized as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9. The impairment allowance calculated as at 31/12/2022 has been determined as immaterial for Group reporting purposes.

12. Non-current financial assets - Company Balance Sheet

Non-current financial assets as at 31/12/2021 consisted of a loan that had been granted to the related party Qualco FIN Limited. The amount was repaid within FY 2022.

13. Other non-current assets

Other non-current assets are analyzed as follows:

	GROUP	
	31/12/2021	31/12/201
Rent guarantees	610,428	493,612

The Company has no other non-current assets as at 31 December 2022 and 2021.

14. Trade and other receivables

Trade and other receivables are analyzed as follows:

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Trade receivables	16,269,256	10,176,987	-	-
Trade receivables - Related parties	61,407	38,853	46,835	18,971
Less: Provision for impairment	(1,433,537)	(1,428,638)	-	-
Net trade receivables	14,897,126	8,787,201	46,835	18,971
Prepayments	(19,213)	(137,931)	-	-
Total	14,877,913	8,649,270	46,835	18,971

Due to the short-term nature of trade receivables, their carrying amount is considered to be the same as the fair value.

The Group's and Company's maximum exposure to credit risk on 31 December 2022 and 2021 is the fair value of the above trade and other receivables. The Group does not hold any collateral as security.

The Group applies the IFRS 9 simplified approach to measure expected credit losses, which uses a lifetime expected credit loss allowance for all trade receivables. To measure the expected credit losses trade receivables have been grouped based on shared credit risk characteristics and the days past due.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

15. Income tax assets

	GROUP	
	31/12/2022	31/12/2021
Income tax advance	5,238,601	2,503,466
Withholding income tax	621,360	55,640
Total	5,859,960	2,559,106

The Company has no current income tax assets as at 31 December 2022 and 31 December 2021.

16. Contract assets

Group contract assets as at 31 December in 2022 of €12,431,581 (31.12.2021: €16,822,667) relate to services that have been rendered to customers during 2022 and will be invoiced in 2023, according to the relevant customer contracts.

Company contract assets as at 31 December in 2022 of €46,385 are presented in line "Trade and other receivables" and relate to accrued interest income.

17. Other current assets

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Personnel advances	18,977	35,909	-	-
Other receivables	171,565	95,162	617,069	726,593
Deferred expenses	2,925,657	904,494	-	-
VAT recoverable	3,089,283	4,500,462	-	-
Restricted cash	-	575,470	-	-
	6,205,482	6,111,497	617,069	726,593

18. Cash and cash equivalents

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Cash on hand	278	1,103	-	-
Cash at bank	19,276,905	22,727,753	1,052,069	79,765
Total	19,277,184	22,728,856	1,052,069	79,765

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

19. Financial instruments

The Group and the Company hold the following financial instruments:

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	2	1	2	1
Financial assets:				
Trade and other receivables (note 14)	14,877,913	8,649,270	46,835	18,971
Financial assets (equity instruments, debt securities, other financial assets at amortized cost) (note 11)	15,323,454	2,732,789	617,069	1,869,000
Cash and cash equivalents (note 18)	19,277,184	22,728,856	1,052,069	79,765
Total	49,478,551	34,110,915	1,715,973	1,967,736
Financial liabilities:				
Trade and other payables	11,117,225	11,550,218	87,545	977,298
Other financial liabilities at amortized cost	14,976,118	13,285,018	152,577	108,084
Borrowings	20,290,521	19,936,230	2,755,000	5,261,000
Lease liabilities	20,769,509	18,576,419	-	-
Total	67,153,372	63,347,885	2,995,122	6,346,382

20. Share capital and share premium

	COMPANY		
	Share capital	Share Premium	Total
Fully paid ordinary shares (i)	2,103,743	2,896,257	5,000,000
Total share capital and share premium	2,103,743	2,896,257	5,000,000

(i) Movements in ordinary shares

	COMPANY				
	Number of shares	Par Value	Share capital	Share Premium	Total
Balance as at 1 January 2020	14,970	1.00	14,970	-	14,970
Share capital increase	3,743	1.00	3,743	9,996,257	10,000,000
Balance as at 31 December 2020	18,713		18,713	9,996,257	10,014,970
Balance as at 1 January 2021	18,713	1.00	18,713	9,996,257	10,014,970
Share capital decrease	-	1.00	-	(7,100,000)	(7,100,000)
Transfer from reserves	2,085,030	1.00	2,085,030	-	2,085,030
Balance as at 31 December 2021	2,103,743	1.00	2,103,743	2,896,257	5,000,000
Balance as at 1 January 2022	2,103,743	1.00	2,103,743	2,896,257	5,000,000
Balance as at 31 December 2022	2,103,743	1.00	2,103,743	2,896,257	5,000,000

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

On 9 February 2018, Qualco Holdco issued 14,970 ordinary shares to purchase the issued share capital of Qualco SA by way of a share for share exchange, which has been treated as a Group reconstruction and accounted for using the reverse merger accounting method.

On March, 1 2018 and subject to an Investment and Shareholders' Agreement dated on August, 8 2017, the Company issued and Amely S.a.r.l. (the "Investor") subscribed for 3,743 Convertible Preference Shares for a total amount of €10m. On December, 31 2020, according to the Written Resolutions of the members of the Company signed on December, 21 2020, the 3,743 Convertible Preference Shares of €1.00 each in the capital of the Company (being all of the Convertible Preference Shares in issue) were redesignated as 3,743 Ordinary Shares of €1.00 each in the capital of the Company.

The last share capital increase was made in FY 2020 and pertained to the conversion of the Convertible Preference Shares on December 31, 2020.

Ordinary shares have a par value of €1. They entitle the holder to participate in dividends, and to share in the process of winding up the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder shall have one vote; and, on a poll, each share is entitled to a vote.

By the Company's BoD resolutions passed on April and June 2021 it was decided to reduce the Company's reduce share premium by €2,350,000 and €4,750,000 respectively. The sum of the amount was returned in cash to the shareholders.

In June 2021, the Company's BoD decided that an amount of €2,085,030, standing to the credit of the merger reserve of the Company, be capitalized and appropriated as capital to the existing Company's shareholders.

21. Other reserves

21.1 Group's other reserves

The following table shows a breakdown of Group's 'other reserves' and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided in the table below:

	GROUP				
	Shareholders' contributions	Merger reserve	Legal reserve	Actuarial gains / (losses) reserve	Total other reserves
Balance as at 1 January 2021	991,846	2,948,758	-	340,350	4,280,953
Actuarial gains	-	-	-	29,823	29,823
Remeasurement of fair value through OCI				1,391	1,391
Transfer from reserves		(2,085,030)	-	-	(2,085,030)
Balance as at 31 December 2021	991,846	863,728	-	371,564	2,227,137
Balance as at 1 January 2022	991,846	863,728	-	371,564	2,227,137
Actuarial losses	-	-	-	21,000	21,000
Remeasurement of fair value through OCI	-	-	-	-	-
Transfer to retained earnings	(991,846)		-		(991,846)
Legal reserve	-		123,954	-	123,954
Balance as at 31 December 2022	-	863,728	123,954	392,564	1,380,245

Capital contributions

Capital contributions of €991,846 represents the 74.9% of a total GAP Fee of €1,324,227 contributed to Company's indirect subsidiary QQuant Master Servicer Cyprus Limited (QQuant Cyprus) by its former parent Company Astrobank Public Company Limited (the "Bank"). In the current year and following the disposal of the subsidiary (note 8) the amount was transferred to retained earnings.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

Merger reserve

A merger reserve was created on purchase of the entire share capital of Qualco SA in 2018, which was completed by way of a share for share exchange and which has been treated as a Group reconstruction and accounted for using the reverse merger accounting method.

Legal reserve

The legal reserve relates to Qualco SA and concerns the legal reserve created in accordance with the Greek Companies Law following the earnings distribution of the year FY 2021 (approved by the General Assembly of the Company in 2022).

21.2. Company's other reserves

The Company's other reserves initially included an amount of €3,607,578 which was recognized on February 9, 2018, when the Company acquired the entire issued share capital of its subsidiary Qualco SA, by way of a share for share exchange. On acquisition date, Qualco Holdco issued 14,970 ordinary shares to purchase the issued share capital of Qualco SA by way of a share for share exchange. Additionally, according to a valuation performed for Qualco SA at acquisition date, the fair value of its net assets and liabilities amounted to €3,622,548. The amount of €3,607,578, being the difference of Qualco SA's fair value on acquisition date of €3,622,548 and the amount of share capital of €14,970 (note 20) was recognized in other reserves with a corresponding increase in Company's investment in QSA.

In June 2021, the Company's BoD decided that an amount of 2,085,030 standing to the credit of the merger reserve of the Company, be capitalized and appropriated as capital to the existing Company's shareholders.

22. Borrowings

	Note	GROUP		COMPANY	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Long-term debt					
Bank Loans		12,824,574	12,550,726		
Loan from related parties	34	-	-	2,755,000	5,261,000
Total long-term debt		12,824,574	12,550,726	2,755,000	5,261,000
Short-term debt					
Bank Loans		7,316,723	7,308,400	-	-
Loan from third party		47,057	34,380	-	-
Credit cards		102,166	42,724	-	-
Total short-term debt		7,465,946	7,385,504	-	-
Total		20,290,521	19,936,230	2,755,000	5,261,000

All borrowings are expressed in Euros.

The Group has the following bank loans:

Loans payable by Qualco Information Systems Single Member SA ("Qualco S.A."):

a) A bank loan of initial amount of €3,000,000 issued by National Bank of Greece in November 2019 at an interest rate of Euribor plus 4.0% plus the L.128/75 Levy (0.6%). The outstanding amount of the loan as of December 31, 2022 was €1,000,000 and is repayable till October 2023, hence is has been classified entirely as short-term.

b) A bond loan of initial amount of €2,000,000 issued by National Bank of Greece in January 2021 at an interest rate of Euribor plus 3.8% and is repayable in semi-annual installments till June 2025. The bond loan is secured by 80% from the guarantee offered by the European Investment Bank acting on behalf of

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

the Pan-European Guarantee Fund which was created in EU in response to the financial impact from Covid-19 pandemic. The outstanding capital amount of the bond loan as of December 31, 2022 was €1,111,110 out of which an amount of €444,444 is repayable in FY 2023 and has been classified as short-term.

- c) A bond loan of initial total amount of €5,500,000 issued by National Bank of Greece. The first series of bonds totaling €2,500,000 were issued in December 2021 and the second series totaling €3,000,000 were issued in June 2022. According to the terms of the bond loan agreement, the bonds carry an interest rate of Euribor plus 3.25% and will be repayable in 11 semi-annual installments of €500,000 each with the first repayment started in December 2022. The bond loan is secured by 75% from the guarantee offered by the European Investment Bank acting on behalf of the Pan-European Guarantee Fund which was created in EU in response to the financial impact from Covid-19 pandemic. The outstanding capital amount of the loan as of December 31, 2022 was €5,000,000 out of which an amount of €1,000,000 is repayable in FY 2023 and has been classified as short-term.
- d) A bank loan of initial amount of €9,000,000 issued by Pancreta Bank in December 2021. The loan carries an interest rate of Euribor plus 4.0% plus the L.128/75 Levy (0.6%). The loan will be repayable in 20 quarterly installments of €450,000 each with the first having started in March 2022. The loan is secured over the trade receivables arising from a certain Qualco S.A.'s customer contract. Qualco S.A. is also obliged to meet during the period of the loan certain financial ratios (the obligation being applicable from the financial statements of 31 December 2022 onwards). The outstanding capital amount of the loan as of December 31, 2022 was €7,650,000 out of which an amount of €1,800,000 is repayable in FY 2023 and has been classified as short-term.
- e) A bank loan of initial amount of €2,000,000 issued by Alpha Bank in September 2020. The loan carries an interest rate of Euribor plus 3.25% plus the L.128/75 Levy (0.6%). The loan is repayable in quarterly installments of €120,000 and is repayable till September 2025. The outstanding capital amount of the loan as of December 31, 2022 was €1,375,000 out of which an amount of €500,000 is repayable in FY 2023 and has been classified as short-term.
- f) Two bank loans of initial amount of €1,000,000 each issued by Piraeus Bank in December 2021 and in May 2022 respectively. Both loans carry an interest rate of Euribor plus 3.3% plus the L.128/75 Levy (0.6%) and both will be repayable in eighteen quarterly installments of €55,555 with the repayment period ending in December 2016 and May 2027 respectively. One of the loan is secured from the guarantee offered by the Hellenic Development Bank's Covid-19 Guaranteed Loan Fund while the other is secured from the guarantee offered by the European Investment Bank acting on behalf of the Pan-European Guarantee Fund which was created in EU in response to the financial impact from Covid-19 pandemic. The total outstanding capital amount from the two loans as of December 31, 2022 was €1,888,890 out of which an amount of €444,444 is repayable in FY 2023 and has been classified as short-term.
- g) Two revolving credit facilities one with Piraeus Bank and one with Alpha Bank totaling to €669,291 classified as short-term.

Loans provided to QQuant Master Servicer Servicing of Loans and Credits Single Member S.A ("QQuant S.A.")

In March 2021 QQuant S.A. entered into a revolving credit facility agreement of €1,000,000 with Optima Bank. The facility carries an interest rate of Euribor plus 4.15% plus the L.128/75 Levy (0.6%) and is of indefinite duration. The loan is secured over the trade receivables arising from a certain QQ's customer contract.

Loans from related parties

In the current year the Company repaid two bank loans of total amount €2,506,000 which had been provided by Qualco SA. The remaining balances concern two loans granted from Qualco SA in the years 2020 and 2021 and which carry interest rate of 4.5% and are repayable on 31 December 2023.

The maturity of long-term debt is as follows:

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Between 1 and 2 years	4,188,886	-	2,755,000	-
2 to 5 years	8,635,688	12,550,726	-	5,261,000
	12,824,574	12,550,726	2,755,000	5,261,000

23. Deferred taxation

The deferred tax assets and liabilities recognized by the Group are as follows:

	GROUP	
	31/12/2022	31/12/2021
Deferred tax assets		
Property, plant and equipment	(15,895)	45,611
Intangible assets	(20,728)	128,687
Retirement benefit obligation	107,260	255,672
Provision for expected credit losses on trade receivables	170,445	0
Total Deferred tax assets	241,082	429,970
Deferred tax liabilities		
Intangible assets	0	(3,292,746)
Total Deferred tax liabilities	0	(3,292,746)

The movement of deferred tax is as follows:

	GROUP					
	Property, plant and equipment	Intangible assets	Other current liabilities	Retirement benefit obligation	Provision for expected credit losses on trade receivables	Total
At 1 January 2021	69,855	(3,094,082)	(155,614)	283,242	170,445	(2,726,153)
Deferred tax from acquisition of subsidiary	-	(149,972)	-	-	-	(149,973)
(Charge) / credit to profit or loss	(24,245)	79,996	155,614	(189,602)	-	21,762
Charge to other comprehensive income	-	-	-	(8,412)	-	(8,412)
At 31 December 2021	45,609	(3,164,058)	-	85,228	170,445	(2,862,776)
At 1 January 2022	45,609	(3,164,058)	-	85,228	170,445	(2,862,776)
(Charge) / credit to profit or loss	(61,506)	147,128	-	27,136	-	112,758
Disposal of subsidiary	-	2,996,201	-	-	-	2,996,201
Charge to other comprehensive income	-	-	-	(5,103)	-	(5,103)
At 31 December 2022	(15,897)	(20,728)	-	107,261	170,445	241,081

The Company has no deferred tax assets or liabilities as at 31 December 2022 and 2021.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

24. Retirement benefit obligations

The amounts recognized in the statement of financial position are the following:

	GROUP	
	31/12/2022	31/12/2021
Liabilities in the Statement of Financial Position for:		
Present Value of obligations	488,165	387,397
Total	488,165	387,397

The amounts recognized in the profit or loss are as follows:

	GROUP	
	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Charge / (credit) for:		
Current service cost	121,382	131,920
Interest cost	1,478	760
Past service cost	10,540	74,950
Settlement/curtailment/termination loss	5,944	32,477
Total charged to profit or loss	139,344	240,107

The amounts recognized in other comprehensive income are as follows:

	GROUP	
	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
(Charge) / credit for:		
Actuarial losses due to changes in assumptions	66,165	3,379
Actuarial gains due to experience adjustments	(46,096)	34,856
Total actuarial (losses) / gains recognized in OCI	20,069	38,235
Other adjustments recognised in OCI	6,855	-
Total amount recognised in OCI	26,923	38,235

The movement in the liability recognized in the statement of financial position is as follows:

	31/12/2022	31/12/2021
Movement in net liability		
Net liability at beginning of period	387,398	953,294
Benefits paid directly by the Company	(22,470)	(16,975)
Total expense recognized in the income statement	150,393	(510,686)
Amount recognized in OCI	(27,155)	(38,235)
Net liability at end of period	488,165	387,398

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

	GROUP	
	31/12/2022	31/12/2021
Defined benefit obligation at start of the period	387,396	953,291
Current service cost	186,546	131,920
Interest cost	1,478	760
Effect due to change in accounting policy IAS 19	-	(734,692)
Benefits paid directly by the Group	(97,698)	(33,075)
Settlement/curtailment/termination loss	91,952	32,477
Past service cost	10,540	74,950
Actuarial losses due to changes in financial assumptions	(66,396)	(3,379)
Gain on transfer of staff	(11,924)	-
Actuarial gains due to experience adjustments	(13,728)	(34,856)
Defined benefit obligation at end of period	488,166	387,396

The defined benefit plans are in respect of Greek companies, which are subject to the local legislation. Under Greek labor law, employees are entitled to termination payments in the event of dismissal or retirement with the amount of payment varying in relation to the employee's compensation, length of service and manner of termination (dismissal or retirement). The policy of the Greek companies in the Group is in alignment with L.4093/12, according to which:

- 40% of the compensation is paid upon normal retirement
- 100% of the compensation is paid upon dismissal
- No indemnities are paid upon death, voluntarily withdrawal or retirement due to permanent disability
- No maximum limit on the pensionable monthly salary is applied by the companies

These are unfunded plans with obligation of payment at the date when they fall due. In the following 12 months no significant cash outflows are expected.

These benefits are valued using the Projected Unit Credit ("PUC") method. This method sees each period of service as giving rise to an additional unit of benefit entitlement (meaning that the employee gains an additional retirement benefit by each year of employment) and measures each unit separately to build up the final obligation. The assumptions used are decomposed in Economic and Demographic.

The assumptions used for 2022 and 2021 results are as follows:

Economic assumptions:

- Discount rate: The index of European Corporate bonds AA iBoxx 3-5 index, has been used, as at 31 December 2022 and 2021, as shown in the table below,
- Price inflation (CPI): Following the companies' long-term expectation, CPI is set annually in line with the long-term CPI for the Eurozone. The CPI for 2022 and 2021 is presented in the table below,
- Salary increase: The rate of annual salary increase is based on companies' view and has been estimated as follows: 2023: 8.00%, 2024: 6.00%, 2025: 3.80%, 2026+: 2.8%

Demographic assumptions:

- Mortality: The Swiss mortality table EVK2000 for males and females,
- Entry age at social security: When no data are available, the first occupation date is considered at the age of 28 years old,
- Age at normal retirement – The following assumptions have been considered:
 - Expected retirement ages are determined based on the rules of the main social security pension plan and in alignment with L.4093/12.
 - 2 years of notional service is assumed

Limitations

Since projections of the future for valuation purposes are based on many assumptions, it is unlikely that future experience will match exactly what has been projected, even though these projections are carried out on a central estimate basis.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

The principal actuarial assumptions used for accounting purposes are:

	GROUP	
	31/12/2022	31/12/2021
Discount Rate	3.63%	0.45%
	2023: 8.00%, 2024: 6.00%, 2025: 3.80%, 2026+: 2.8%	2.0%
Annual salary increase		
Plan Duration (years)	9.0 – 9.2	9.65 – 10.98

The following table shows the change in actuarial liability of the Group if the discount rate was 0.1% higher or lower than that which has been used and the corresponding change if the expected rate of salary increase was 0.1% higher or lower than the one used:

Sensitivity analysis	Actuarial liability	Percentage change
Increase in discount rate by 0.1%	483,403	(0.98%)
Decrease in discount rate by 0.1%	491,741	0.73%
Increase of the expected salaries by 0.1%	491,734	0.73%
Decrease of the expected salaries by 0.1%	483,403	(0.98%)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the consolidated statement of financial position.

25. Trade and other payables

		GROUP		COMPANY	
	Note	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Trade payables		11,002,211	11,155,010	7,723	17,760
Trade payables - Related parties	34	115,014	105,209	79,822	959,538
Checks Payable		-	290,000	-	-
Total		11,117,225	11,550,218	87,545	977,298

The carrying amounts of financial liabilities are considered to be the same as the fair values, due to their short-term nature.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

26. Other liabilities

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
VAT payable	68,210	583,250	-	-
Payroll taxes payable	1,609,910	978,850	-	-
Other taxes payable	191,455	1,926,198	-	-
Accrued expenses	12,769,256	10,439,407	152,577	108,084
Social security payable	1,763,717	1,901,851	-	-
Other payables	443,145	1,106,188	-	-
Total	16,845,693	16,935,744	152,577	108,084

The carrying amounts of other liabilities are considered to be the same as the fair values, due to their short-term nature.

27. Contract liabilities

Contract liabilities represent Group's right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer.

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Deferred revenue	2,137,517	1,988,276	-	-
Total	2,137,517	1,988,276	-	-

28. Income tax liabilities

	GROUP	
	31/12/2022	31/12/2021
Corporate income tax payable	9,725,433	8,240,939
Total	9,725,433	8,240,939

The Company has no income tax liabilities as at 31 December 2022 and 2021.

29. Revenue

	GROUP	
	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Sales of goods (Software)	18,453,107	14,200,959
Services	134,210,083	118,513,799
Total	152,663,189	132,714,758

The Company had no revenue for the years ended 31 December 2022 and 2021.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

30. Audit Fees**Auditors' remuneration**

During the year, the Group, including its overseas subsidiaries, obtained the following services from the Company's auditor:

	<u>31/12/2022</u>	<u>31/12/2021</u>
Fees payable to the Company's auditor and its associates		
- For the audit of the parent Company and consolidated financial statements	160,000	139,500
- The provision of corporation tax services	27,500	25,000
Total	<u>187,500</u>	<u>164,500</u>

31. Employee benefits

	GROUP	
	<u>1/1/2022 - 31/12/2022</u>	<u>1/1/2021 - 31/12/2021</u>
Wages and salaries	43,091,570	31,247,975
Social Security	4,039,199	4,661,723
Cost of defined benefit plans	148,915	133,495
Other employee benefits	40,207	118,442
Total	<u>47,319,891</u>	<u>36,161,636</u>

The number of Group's employees as at 31 December 2022 was 791 (31/12/2021: 624).
The Company had no personnel in 2022.

32. Finance income and expenses

	GROUP		COMPANY	
	<u>1/1/2022 - 31/12/2022</u>	<u>1/1/2021 - 31/12/2021</u>	<u>1/1/2022 - 31/12/2022</u>	<u>1/1/2021 - 31/12/2021</u>
Finance income				
Interest income	108,327	1,416	71,378	375,223
	<u>108,327</u>	<u>1,416</u>	<u>71,378</u>	<u>375,223</u>
Finance expense				
Interest and bank expenses on bank loans	(1,250,423)	(807,766)	(178,142)	(520,745)
Commissions of letters of guarantee and other related bank charges	(94,246)	(242,406)	-	(18,272)
Interest cost on leasing	(923,648)	(546,230)	-	-
	<u>(2,268,317)</u>	<u>(1,596,402)</u>	<u>(178,142)</u>	<u>(539,017)</u>
Finance (expenses) / income, net	<u>(2,159,990)</u>	<u>(1,594,986)</u>	<u>(106,764)</u>	<u>(163,794)</u>

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

33. Income tax

	GROUP	
	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Current tax expense	(6,281,511)	(6,667,341)
Deferred Tax	34,873	157,260
	(6,246,639)	(6,510,081)

The tax on the Group's profit before tax is different from the theoretical amount that would arise using the weighted average tax rate applicable to losses of the consolidated entities as, follows:

	GROUP	
	31/12/2022	31/12/2021
Accounting profit before tax	21,810,522	27,399,896
Tax rate applicable in Greece	22%	22%
Tax based on applicable tax rate	(4,798,315)	(6,027,977)
Adjustments		
Remeasurement of deferred tax - change of tax rate	-	(38,667)
Tax effect of non-deductible expenses in determining taxable profit	(1,844,046)	(2,100,046)
Tax losses for which no deferred tax is recognized	(162,488)	740,733
Tax effect of deduction: R&D expenses	776,577	810,570
Effect from different tax rates applying in other countries where the Group operates	-	924,167
Other differences	(218,366)	(818,861)
Tax charge	(6,246,638)	(6,510,081)

The tax corresponding to Other Comprehensive Income is as follows:

	GROUP			GROUP		
	1/1/2022 - 31/12/2022			1/1/2021 - 31/12/2021		
	Before tax	Tax debit	After tax	Before tax	Tax debit	After tax
Actuarial gains	26.923	(5.923)	21.000	38.235	(8.412)	29.823
Remeasurement of fair value through OCI	-	-	-	1.391	-	1.391
	26.923	(5.923)	21.000	39.626	(8.412)	31.214

34. Related party transactions and balances

The aggregate amounts of sales and purchases from the beginning of the year, as well as the closing balances of receivables and liabilities at year end, which have resulted from transactions with related parties under IAS 24, are as follows:

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

(a) Transactions with related parties

	GROUP		COMPANY	
	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Sales of goods and services to associate	1,790,573	-	-	-
Other operating income	37,701	300	651,812	-
Finance income from subsidiaries	-	-	71,378	374,039
Purchases of services from subsidiaries	-	-	47,657	88,011
Purchases of services from other related parties	1,575,372	1,445,667	-	-
Finance expense to subsidiaries	-	-	314,723	239,396
Key management compensation (short term employee benefits)	6,256,153	3,912,992	102,875	98,744

(b) Year end balances arising from sales and purchases of goods and services

	GROUP		COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Trade receivables from subsidiaries	-	-	46,835	18,971
Other receivables from subsidiaries	-	-	604,437	1,875,770
Loan granted to subsidiary	-	-	-	1,161,000
Trade receivables from other related parties	61,407	38,853	-	-
Loans granted to other related parties	39,399	59,400	-	-
Trade payables to subsidiaries	-	-	79,822	959,538
Other liabilities to subsidiaries	-	-	152,577	-
Financing - Long-term borrowings (c)	-	-	2,755,000	5,261,000
Trade payables to other related parties	115,014	105,209	-	-

Payables to related parties, apart from financing as described in (c), are non-interest bearing and there is no fixed date of repayment.

QUALCO HOLDCO LIMITED
Annual Financial Statements
for the year from 1 January to 31 December 2022
(All amounts in € - Euros unless otherwise stated)

(c) Loans granted from subsidiary

In 2020 the Company entered into loan agreements of €1,161,000 and €1,065,000 with Qualco S.A. In January and in May 2021 the Company entered into loan agreements of €1,345,000 and €1,690,000 respectively. All loan agreements carry a fixed interest rate of 4.5%. The first loan is repayable in August 2025 and all others are repayable on 31 December 2023. Within 2022 the Company proceeded to the early repayment of the loans of €1,161,000 and of €1,345,000. Also, Qualco FIN Ltd repaid to the Company the loan of €1,161,000 (Note 12).

35. Contingencies

(a) Legal cases

No legal proceedings have been initiated against the Group or the Company that are expected to have a significant effect on the financial position or the operations of the Group or the Company.

(b) Guarantees

The Group has issued letters of guarantee to various beneficiaries to assure their liabilities. As at December 31, 2022 had issued letters of guarantee amounting to €4.2 million.

36. Events after the reporting date

On February 17th, 2023 Qualco Information Systems Single Member S.A. completed the acquisition of a property in the center of Athens for a total purchase price of €6.2 million. The property will be used as additional employees' office space. The acquisition was funded by a €4.7 million bond loan provided by Optima Bank which has a duration of 5 years while the rest amount was paid in cash by the company.

On March 3rd, 2023 Qualco Information Systems Single Member S.A. acquired a 51% shareholding in the company A.I. Synthetica Solutions Limited for a total purchase price of €2.66 million. Synthetica designs, produces and installs proprietary software solutions connected with the areas of artificial intelligence, machine learning and the internet of things (IoT). With this transaction Qualco Group aims to expand its technology footprint and this way enter new business industries as well as further diversify Group's revenue streams.

On March 22, 2023 Qualco Information Systems Single Member S.A. acquired a 30 % shareholding in the company Indice S.A. for a purchase price of €1.8 million. Indice S.A. has developed a digital enablement platform and specializes in the design, development and distribution of software products and applications with emphasis in the area of NPL and receivables management. With this transaction Qualco Group aims to expand its product offering and also use Indice's know-how for the implementation of new business lines in the Group.

On March 21 2023 the Board of Directors of the Company approved the distribution to the shareholders of an interim dividend amounting to €4.25 million relating to the profits of the year ending on 31.12.2023. It is noted that the Company had previously received a cash amount of €4.75 million (net of tax) as an interim dividend relating to the profits of the year ended 31.12.2022 of Qualco Information Systems Single Member SA (approved by the BOD of Qualco Information Systems Single Member SA on 17.1.2023).

Apart from the ones mentioned above, no other adjusting or significant non-adjusting events have occurred between the 31 December reporting date and the date of authorization.