

VALUATION REPORT

as of 31.12.2020

**of the Assets and Liabilities of the FINTECH Division of the Company
«NEUROSOFT SOFTWARE PRODUCTION SOCIETE ANONYME»**

in accordance with article 17 of the L.4548/2018,

**in the framework of the division spin off and the establishment of new company in
accordance with L.4601/2019 and L. 4172/2013**

April 2021

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Athens, April 08th 2021

To the Board of Directors of

VALUATION REPORT
as of 31.12.2020
of the Assets and Liabilities of FINTECH Division of the Company
« NEUROSOFT SOFTWARE PRODUCTION SOCIETE ANONYME»
in accordance with article 17 of the L.4548/2018 as contribution in kind,
in the framework of the division spin off and the establishment of new company in
accordance with L.4601/2019 and article 52 of the L. 4172/2013

Dear Sir/madam,

I. Introductory Notes

Upon your request, we have completed the valuation of the assets and liabilities of "FINTECH" Division of the company "NEUROSOFT SOFTWARE PRODUCTION SOCIETE ANONYME" ("the "Demerged Company"), in accordance with the provisions of Article 17 of Law 4548/2018, in order for this Division to break away and establish a new Company under the provisions of Law 4601/2019 and article 52 of Law 4172/2013.

For the above spin off were brought to our attention

- a) The decision of the meeting of 28-12-2020 of the Board of Directors of the Company "NEUROSOFT SOFTWARE PRODUCTION SOCIETE ANONYME"
- b) The Statement of financial position of "FINTECH" Division of the company being broken up as of 31.12.2020.

II. Demerged Company

A. History of the Demerged Company

The Company was established on 24-12-1998 with registered number Γ.Ε.ΜΗ 084923002000. The following information is derived from the codified articles of association of the above Company.

Name

According to article 1 of its articles of association, the Company was established with the registered name "NEUROSOFT SOFTWARE PRODUCTION SOCIETE ANONYME" and the trading name "NEUROSOFT".

Duration

The Company's duration is set at one hundred years (100 years). The company's duration may be extended by decision of the General Meeting taken with increased quorum and majority.

Headquarters

The registered office of the Company is the Municipality of Heraklion, Attica.

Scope

According to article 3 of the articles of association, the Company's scope is:

- 1) To handle all the matters relating to information technology (IT) and to consultancy on general management, on the analysis of IT systems and the management of IT systems offices, the provision of services, human resources both programmers and of other specialties, to maintain and operate any office employing persons who are involved or connected to automation, computing work, business administration, finance, accounting or other operations which will be assigned to it. To handle, undertake, organise and provide all the processes for scientific and technical research and to undertake experimental work with prototype instruments, devices, equipment, metals, tools and other means and equipment of all kinds. To discover and develop new processes and to secure rights for the development, manufacture and sales in respect of the above. To provide specialised training and preparation in respect of the above. To manage any operations in the provision of services, repair, maintenance, manufacture, design, installation, importing, exporting, subleasing, representation, resale of computers and data processing equipment, machinery of any description, office equipment in general and of any kind and especially electronic equipment, general electrical engineering equipment, printing machines and equipment for publishing houses, advertising agencies and generally any equipment necessary for one to perform works required by their customers or by persons who are related to the company and generally any action in order to achieve the objectives under the company's scope.
- 2) To undertake and carry out image composition works on computers, for production of models. To develop and commercially exploit multimedia applications and pages for internet use.
- 3) To obtain and exercise, by any means, every right, trademark, patent or privilege necessary or useful for or relevant to the objectives pursued by the company
- 4) The importing, exporting, representation, manufacture (production), exploitation and trade of high technology products and systems in the fields of information technology, computing work, automation and telecommunications.
- 5) The importing, exporting, representation and trade of spare parts, components, expendables and accessories for the technical support and maintenance of the aforementioned high technology products and systems.
- 6) The provision of any type of service regarding the technical support and maintenance of the aforementioned high technology products and systems.
- 7) The provision of any type of online service as well as the design, promotion, distribution, research, development, trade of products and services of electronic commerce and transactions.
- 8) The execution of any type of trade actions.
- 9) The representation of any type of firms in the country or abroad.
- 10) Imports and exports of any type of commercial goods or goods in general.

- 11) The provision of any type of advisory service.
- 12) The provision of telecommunications, e-commerce, information and security services.
- 13) The design, development, installation, distribution, marketing, maintenance, upgrading and operation of software products and applications, telecommunications, IT and IT security.
- 14) The design, development, installation, distribution, marketing, maintenance, upgrading and operation of products and applications for physical security and protection.
- 15) The development of security procedures for computer systems.
- 16) The provision of training for any type of software, special applications and integrated solutions for telematics, Internet, telecommunications and security and protection systems, as well as training for device operation and related methods and methodologies.
- 17) The provision of fleet management services.
- 18) The development, operation and support of electronic simulation systems.
- 19) Mediation, in the capacity of the main representative for the conclusion of contracts for the provision of telecommunication services, with subscriptions against commission.
- 20) Undertaking activity as a commercial distributor and / or representative, or sub distributor, on behalf of domestic or foreign firms, for telecommunications, information and security products and services.
- 21) The assembly and repair of computers, telecommunications equipment and equipment in general.
- 22) Undertaking any type of construction and infrastructure.
- 23) Undertaking all kinds of technical, computer, software, telecommunication, security, financial, investment and financial plans.
- 24) Providing guarantees to third parties either in favor of affiliated companies or other natural or legal persons, only after a decision of the Board of Directors of the company.

Share Capital

- 1) The shares of the company are common registered shares, with a par value of Euro 0,35 each.
- 2) The company, as long as its shares are negotiated in AIM Italia, , which operates in Milan, does not issue equity instruments on paper, but the company shares are entered without serial numbers in the Register –Book of shareholders and are monitored with entries in this Register - Book. The shareholders are registered in the Register – Book of shareholders, indicating their name or corporate name and their address or registered office, as well as the profession and the nationality of each shareholder. The shareholder's rights are proved with a relevant certificate which is issued by the company or another person explicitly authorized for this purpose by the Board of Directors.

The share capital of the Company currently amounts to eight million nine hundred fifty four thousand six hundred seven euro and ninety cents (€ 8.954.607,90) and is divided into twenty five millions five hundred eighty four thousand five hundred ninety four (25.584.594) ordinary registered shares of a nominal value of € 0,35 each.

Board of directors

The Board of Directors of the Company as formed in a Body, according to the Minutes of the Board of Directors dated 30.06.2016, consists of the following members:

- VASILONIKOLIDAKIS NIKOL ARI - President from 22/06/2020 to 22/06/2025
- PASCHALIDIS EPAMEINONDAS NIKOLAOS - CEO from 22/06/2020 to 22/06/2025
- XARCHAKOS PETROS ANDREAS - Executive Member from 22/06/2020 to 22/06/2025
- ZIEGLER KAMIL KAREL - Non-Executive Member from 22/06/2020 to 22/06/2025
- CHLADEK MARTIN FRANTISEK - Non-Executive Member from 22/06/2020 to 22/06/2025
- PAPANIKOLAOU IOANN NIK - Non-Executive Member from 22/06/2020 to 22/06/2025
- KOLLIAS EVANGELOS GEORGE - Non-Executive Member from 22/06/2020 to 22/06/2025

III. FINTECH Division

A. Description of the spin off division

The FinTech Division is the industry that provides basic software solutions in the financial sector, mainly in terms of alternative financing services, mainly services related to Factoring, Supply Chain Finance, Dynamic Discounting and Asset based / Open Accounts lending. These solutions are provided through two platforms, **Proxima +** and **Confirm**.

At the same time, the Unit offers E2E services in the above industry starting from consultancy on procedures, best practices, and workflows on green-field clients to customization, set up and running the platform for our customers.

The unit started in 2000 with the first software installation in Emporiki Bank. Currently having 3 out of the 4 systemic Banks as clients (NBG, ABC Factors, Piraeus Bank), as well as, international clients ranging from the Balkans (Romania, Serbia, North Macedonia) to UAE and Vietnam.

The platform can be installed on premise or run from the Cloud.

The Fintech industry is using disruptive technologies such as Blockchain and Machine Learning.

Proxima +, the industry flagship product, is an E2E Factoring and Supply Chain Finance platform and is used to manage Accounts Receivable and Payable that leverages predictive analytics

Proxima+ ticks all the following boxes:

- Advanced business intelligence analytics and simulations
- Transaction Risk Management (TRM)
- Credit Risk Management
- Mobile access to the system
- Support to international relationships
- Customization of the SCF service
- Communication tool between financial provider and client
- Cash planner
- Supplier on-boarding
- Real-time visibility on invoices' status
- Digitalization and dematerialization of documents
- Integration with ERP and management systems
- Report automation and data analysis
- Track of historical information

Confirm is a global service enabling suppliers, buyers and brokers to provide dynamic discount services over the Blockchain.

The major points on **Confirm** are the following:

- Timely resolution of disputes over invoices
- Buyers and Suppliers in synch, automatic reconciliation
- Cash flow optimization
- Initialization of internal processes without hard-copy receipt necessary
- Less phone calls, more focus on more important tasks
- maximized security
- Smart contract automation (payments and invoice settlement)
- Enhancement of process through ERP integration
- Payments direct notification through e-Banking integration
- Concentrated information in one place through platform-based solution

B. Data on which the valuation of corporate contributions in kind of a spin off Division was based on.

During the execution of the work, we chose the method of the re-adjusted net equity, taking into account mainly the company's scope, as well as the accounting principles and methods of valuation of its assets and liabilities. According to this method:

The re-adjusted net equity method is considered as a static method regarding to the enterprise business valuation. According to this method, the values of the main assets of the company are valued and re-adjusted accordingly. Therefore, this method usually requires the audit and possibly adjustment of the carrying amount (relative to their current value) of the following indicative asset categories:

1. Property, plant and equipment, such as land, buildings, equipment, machinery, etc.
2. Intangible assets such as patents, trademarks, clientele, workforce, good reputation, software programs, etc.
3. Investments
4. Inventory
5. Receivables recoverable value

According to this method, the value of each of the above assets is adjusted in case indication exists that their carrying value differentiates from their current market values.

In this context, as far as the determination of the Fair value of some assets categories of this industry were implemented other internationally accepted valuation methods such as the Multi Period Excess Earnings method and Replacement Costs method.

Specifically, Multi Period Excess Earnings method was used for the determination of customers relationships fair value and the applications/platforms (Software) fair value was determined by using the Replacement Cost method, since it was considered as the most appropriate method. Also, Company's Management assertions as well as the Certified Public Accountants qualifications, if any, in its most recently published financial statements were taken into account.

Further, to measure the net equity of the company's division, we proceeded with the following actions:

- a) We reviewed the unaudited financial statements of the Company of 30.06.2020.
- b) We have collected information regarding the financial figures and the activity of the Company and the Fintech division according to the accounting records and books kept from the Company. It is noted that the Company publishes its Financial Statements based on International Financial Reporting Standards (IFRS).

Data and information on which the valuation was based on

The basis of the work, which was carried out for the assessment of the assets and liabilities values of the Fintech Division of the Demerged Company, were the following:

a) The Statement of financial position of Fintech Division

For the purpose of the spin off, the Demerged Company on 31.12.2020 performed a verification of all assets and liabilities of Fintech division spin off and for this purpose prepared a Statement of Financial Position presenting the net assets of Fintech Division, which is attached in this report as **Appendix A**.

b) Various information

Collection of information relevant to the financial figures and the activity of Fintech Division of the the Demerged Company in accordance with its Books and Records. It is noted that the Demerged Company keeps its accounting books based on the principles and rules provided by the International Financial Reporting Standards (IFRS).

C. Financial Position of the FINTECH Division as at 31.12.2020

Assets

Intangible assets

Software applications / platforms (SOFTWARE) value

Estimated as at 31.12.2020 € 1.065.000

The above account represents the value of the IT software applications (SOFTWARE), Tesla, Blockchain and DLT and Proxima suite, which have been internally developed by the Company and the licenses will be transferred to the spin-off FINTECH Division.

In the Company's Books, the net book value of these software applications, which includes their development costs minus their accumulated amortization until the date of the Division Spin off, ie 31.12.2020 amounts to Euro 810.394,26.

However, the above "Software applications / platforms" of FINTECH Division were re-valuated by the international appraisers' firm, Deloitte. Based on the relevant Valuation report dated 07-04-2021, the value of these intangible assets was determined using the Cost approach, which was considered the most appropriate in terms of software valuation (Software) and in particular the Replacement Cost method was finally applied.

Based on this valuation report, the value of the replacement cost of these intangible assets was determined between a price range of Euro 1.065.000 and Euro 1.656.000 and an average price of Euro 1.356.000 taking into account the impact on their value of an obsolesce factor., ranging from 15% to 45%, which may exist, due to their nature, since these are assets directly related to technology. Therefore, the valutors, taking into account the nature of the aforementioned intangible assets and for conservative reasons accepted the Software applications /platforms(SOFTWARE) as at 31.12.2020 on the amount of **Euro 1.065.000**.

Trade Receivables

Estimated at 31.12.2020 € 75.927,88

The "**Trade Receivables**" account represents receivables from customers of the Company with active contracts for the provision of services related to the software applications of the FINTECH" Division.

Specifically, it includes the following sub-balances:

Name	Outstanding Balance in Euro
ΠΕΙΡΑΙΩΣ FACTORING A.E.	8.525,00
ABC FACTORS ΠΡΑΚΤΟΡΕΙΑ ΕΠΙΧΕΙΡΗΜΑΤΙΚΩΝ ΑΠΑΙΤΗΣΕΩΝ ΜΟΝΟΠΡΟΣΩΠΗ Α.Ε.	7.812,00
SBERBANK SRBIJA AD	30.592,60
ΤΩΡΑ ΓΟΥΟΛΕΤ ΜΟΝΟΠΡΟΣΩΠΗ Α.Ε.	719,20
EMIRATES NBD BANK (PJSC)	19.047,62
AL AIN FINANCE PJSC	81,46
CEDAR OXYGEN SAS	9.150,00
Total	75.927,88

Cumulative Euro 1.140.927,88

On a sample basis, the valutors performed procedures for the confirmation of the aforementioned customers outstanding balances by examining the collection of these balances subsequently to the date of 31.12.2020 and accepted the outstanding balance of the account "Trade Receivables" in the Company's Books as the estimated value of this as at 31.12.2020.

Cumulative Euro 1.140.927,88

Other Receivables

Estimated at 31.12.2020 € 27.693,81

The account "Other Receivables" represents prepaid expenses concerns subsequent years, prepaid subscriptions for subsequent years, as well as an amount of withholding tax.

An analysis of this account is presented below and is accepted by the Valutors:

	Outstanding Balance in Euro
Prepaid Expenses	10.036,92
Prepaid subscriptions	15.606,06
Withholding tax on Royalties	400,00
Other Debtors	1.650,83
Total	27.693,81

TOTAL ASSETS

EURO 1.168.621,69

SUMMARY TABLE OF FINTECH DIVISION ASSETS as at 31.12.2020

ASSETS	Fintech Division Books (Amounts in Euro)	Estimated Value (Amount in Euro)
Intangible Assets (Software applications / platforms (SOFTWARE))	810.394,26	1.065.000,00
Trade Receivables	75.927,88	75.927,88
Other Receivables	27.693,81	27.693,81
Total	914.015,95	1.168.621,69

Liabilities

Retirement Benefit Obligation

Estimated at 31.12.2020 € **64.519,00**

This account represents the obligation of the Demerged Company for compensation due to retirement (dismissal or retirement) of the staff that will be moved to the company that will be established after the spin-off of the FINTECH Division. The amount concerns the provision for staff indemnity obligation of totally 16 employees. This obligation was determined based on an actuarial valuation study. This amount of this kind of liability is accepted by the valutors.

Deferred Tax Liabilities

Estimated at 31.12.2020 € **126.923,21**

The account represents a provision for future income tax liabilities arising from temporary differences in Assets and Liabilities accounts of Fintech Division between the company's books prepared in accordance with the rules of International Financial Reporting Standards (IFRS) and current tax law by implementing the income tax rate (24%).

The deferred tax liability arises as follows and is accepted by the valutors

Type of Temporary difference	Temporary difference amount (Euro)	Deferred tax (Euro)	D.T.A/ D.T.L
Intangible Assets internally generated	- 593.365,71	- 142.407,77	D.T.L
Retirement Benefit Obligations	64.519,00	15.484,56	D.T.A
Total	- 528.846,71	- 126.923,21	D.T.L

Cumulative Euro 91.442,21

Trade Payables

Estimated at 31.12.2020

€ 135.494,27

This account represents obligations to suppliers of the Company related to services and goods provided to the FINTECH Division as at 31.12.2020.

An analysis of these is presented below.

Name	Outstanding Balance 31.12.2020 (Euro)
BCR PUBLISHING LIMITED	437,54
ALFA TECHNOLOGIES EUROPE LTD	1.800,00
FCI - Facilitating Open Account - Receivables Finance	10.000,00
DIGITAL OCEAN	37,58
DAEDALUS TECHNOLOGIES FZCO	50.000,00
CloudFlare, Inc.	-1.292,14
CEDAR MANAGEMENT CONSULTING INTERNATIONAL ME FZ-LLC	5.285,92
DIGITAL OCEAN	5,43
COSMOTE - ΚΙΝΗΤΕΣ ΤΗΛΕΠΙΚΟΙΝΩΝΙΕΣ Α.Ε.	-82,59
ENET SOLUTIONS LOGICOM ΑΝΩΝΥΜΗ ΕΜΠΟΡΙΚΗ ΚΑΙ ΒΙΟΜΗΧΑΝΙΚΗ ΕΤΑΙΡΕΙΑ ΣΥΣΤΗΜΑΤΩΝ ΠΛΗΡΟΦΟΡΙΚΗΣ	3.912,41
DHL EXPRESS ΕΛΛΑΣ ΑΕ	-96,59
ΓΕΝΙΚΗ ΤΑΧΥΔΡΟΜΙΚΗ ΑΕΕ	2,48
OFFICE LINE ΑΝΩΝΥΜΗ ΕΜΠΟΡΙΚΗ ΚΑΙ ΒΙΟΜΗΧΑΝΙΚΗ ΕΤΑΙΡΕΙΑ ΣΥΣΤΗΜΑΤΩΝ ΚΑΙ ΥΠΗΡΕΣΙΩΝ ΠΛΗΡΟΦΟΡΙΚΗΣ	1.782,00
GCC COMPUTERS ΕΛΛΑΣ ΕΜΠΟΡΙΑ ΕΙΔΩΝ ΚΑΙ ΠΑΡΟΧΗ ΥΠΗΡΕΣΙΩΝ ΠΛΗΡΟΦΟΡΙΚΗΣ ΚΑΙ ΤΗΛΕΠΙΚΟΙΝΩΝΙΩΝ ΜΟΝΟΠΡΟΣΩΠ	66.262,70
NN ΕΛΛΗΝΙΚΗ ΑΝΩΝΥΜΗ ΑΣΦΑΛΙΣΤΙΚΗ ΕΤΑΙΡΙΑ ΖΩΗΣ (Πρώην ING)	4,69
Π ΑΛΙΦΕΡΗΣ Α ΦΟΥΡΤΟΥΝΗ ΚΑΙ ΣΙΑ ΕΕ (ΑΛΦΑΤΕΡ Ε.Ε)	372,00
LAMDA HELLIX	-2.937,16
Total	135.494,27

On a sample basis, we performed alternative procedures for verifying outstanding balances with suppliers (eg subsequent payments after 31.12.2020).

Following this, the balance of the account "Trade Payables" as at 31.12.2020, as it appears in the Accounting Statement of Fintech Division is accepted by the Valuators.

Cumulative Euro 326.936,48

Other Current Liabilities

Estimated at 31.12.2020

€ 89.625,49

The account "Other Current Liabilities" represents mainly Deferred income provision based on in force customer service contracts of FINTECH Division, as well as a provision for accrued expenses of the Division. An analysis of the relevant amounts of this account is presented in the following table that is derived from the Books of the Demerged Company and is accepted by the valuers.

	Outstanding Balance (Euró)
Deferred income	89.068,01
Accrued expenses	557,48
Total	89.625,49

TOTAL LIABILITIES

EURO 416.561,97

SUMMARY TABLE OF FINTECH DIVISION LIABILITIES as at 31.12.2020

LIABILITIES	Fintech Division Books (Amounts in Euro)	Estimated Value (Amount in Euro)
Retirement Benefit Obligation	64.519,00	64.519,00
Deferred Tax Liability	126.923,21	126.923,21
Trade Payables	135.494,27	135.494,27
Other Current Liabilities	89.625,49	89.625,49
Total	416.561,97	416.561,97

Equity of Fintech Division

The above procedure of measurement of the assets and liabilities results in:

Total Assets	€1.168.621,69
Total Liabilities	€416.561,97
Total Equity of Fintech Division	€752.059,72

Therefore,

Amount to be capitalized	€752.059,72
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IV. Conclusion

Based on the above, the total Assets of the FINTECH Division on 31.12.2020 is estimated at Euro 1.168.621.69, the total Liabilities at Euro 416.561,97 and the Equity is estimated at Euro 752.059,72.

Therefore, the Equity of FinTech Division is estimated at Euro 752.059,72.

The Valuation Report was prepared based on the provisions of Law 4601/2019, article 17 of Law 4548/2018 and article 52 of Law 4172/2013 exclusively for the purpose of the spin-off of the FINTECH Division of the company "NEUROSOFT Anonymous Software Production Company" and the establishment of a new Company and should not be used for any other purpose.

Certified Public Accountants

VARVITSIOTIS PANAGIOTIS
Reg.No SOEL: 19861

GANOTAKIS DIMITRIOS
Reg.No SOEL: 19241

APPENDIX A

FINANCIAL STATEMENTS OF FINTECH AS OF 31.12.2020

ASSETS	31/12/2020
Non - current assets	
Intangible assets	810,394
Total non - current assets	810,394
Current assets	
Trade receivables	75,928
Other current assets	27,694
Total current assets	103,622
TOTAL ASSETS	914,016

Equity	497,454
Total equity	497,454
Current liabilities	
Deferred tax liabilities	126,923
Employee benefit plans	64,519
Trade Payables	135,494
Other current liabilities	89,625
Total liabilities	416,562
TOTAL EQUITY & LIABILITIES	914,016