



**AUDIT COMMITTEE REPORT
OF THE SOCIETE ANONYME
'PROFILE SYSTEMS & SOFTWARE S.A.'
FOR THE FISCAL YEAR 2020**

1. Introduction

1.1 The Audit Committee of the Société Anonyme under the name "PROFILE COMMERCIAL AND INDUSTRIAL INFORMATICS SOCIETE ANONYME" and the distinctive title "PROFILE SYSTEMS & SOFTWARE S.A." (hereinafter referred to as the "Company"), is a Committee of the Board of Directors, in accordance with the more specific provisions and regulations of the current regulatory framework and corporate governance principles.

2. Purpose – Responsibilities of the Audit Committee

2.1 The primary purpose of the Audit Committee is to provide the necessary assistance and support to the Board of Directors of the Company in its duties regarding the assurance of the integrity and completeness of financial reporting, the evaluation of the effectiveness of the Company's internal control and risk management systems, the monitoring of the mandatory audit of the annual and consolidated financial statements and the supervision of the Chartered Auditors-Accountants.

2.2 In carrying out its tasks, the Audit Committee had full, free and unsealed access to the necessary data and information for the fulfilment of its purpose, while it was provided by the Company's Management with the appropriate resources, means and infrastructure for the proper implementation of its work, as well as the possibility to use the services of external consultants, of which possibility, however, it did not make use of, since there was no case to that effect.

3. Composition of the Audit Committee

3.1 The existing Audit Committee of the Company, elected by the annual Ordinary General Meeting of Shareholders of 7 May 2020, for a five-year period, consists of two (2) independent non-executive members and one (1) non-executive member of the Board of Directors.

3.2 Particularly, the Audit Committee consists of:

- (a)** Mr. Emmanuel Tsiritakis of Demetrios, Chairman of the Audit Committee, Independent, Non-Executive Member of the BoD
- (b)** Mr. Antonios Roussos of Antonios, Independent, Non-Executive Member of the BoD and
- (c)** Mr. Aristides Iliopoulos of Spyridon, Non-Executive Member of the BoD.

4. Meetings of the Audit Committee

4.1 During the 2020 fiscal year (01.01.2020-31.12.2020) the Audit Committee met five (5) times with the participation of all its members, while all its decisions were taken unanimously. Where deemed necessary, the meetings of the Audit Committee were attended, without the right to vote, by managers responsible for the governance of the Company and the elected Chartered Auditor-Accountant, to provide any necessary clarifications or explanations.

5. Activities of the Audit Committee in the closing year 2020 (01.01.2020-31.12.2020)

5.1 The Audit Committee, at its above meetings, dealt with matters within its competence. Especially:

A. Financial Reporting Procedure - Statutory Audit

- ✓ It held meetings with the Chartered Auditors - Accountants of the Public Register of Article 14 of Law 4449/2017 of the Auditing Company under the name "SOL S.A." at the planning stage of the audit, during its execution, as well as during the preparation stage of the Audit Reports.
- ✓ It was informed of the procedure and methodology to be followed by the Auditing Company during the statutory audit of the annual and semi-annual financial statements (corporate and consolidated).
- ✓ It evaluated the statutory audit program and confirmed that it would cover the most important areas of control and consider the Company's main areas of business and financial risk.
- ✓ It held meetings with the Company's Management and was informed regarding the financial reporting process.
- ✓ It assessed the accuracy, correctness, and completeness of the annual and semi-annual financial statements (corporate and consolidated) in relation to the information taken into account and the accounting principles applied by the Company.
- ✓ It confirmed the preparation of the annual and semi-annual financial statements (corporate and consolidated) in accordance with the current legislative framework (IFRS, Law 3556/2007, Law 4548/2018) and informed the Board of Directors accordingly.
- ✓ It confirmed compliance with the statutory disclosure formalities of the annual and semi-annual financial statements and ensured immediate, easy and free access to them by the investors.
- ✓ Submitted a proposal to the annual Ordinary General Meeting of the Company's shareholders of 7 May 2020 concerning the election of the Audit Company under the name "SOL S.A.", after having previously assessed its experience and expertise, its prior service on the control of entities of corresponding size, the projects and services delivered by it, the time frame for the completion of the audit, the amount of its remuneration, which was deemed to be fair, reasonable and in accordance with the prevailing economic conditions, the smooth cooperation with that Audit Company existing up to the date of preparation of this Report, and its full compliance with the applicable legislative and regulatory framework and ethical principles in general.
- ✓ It became aware of the Audit Report of the Chartered Auditor-Accountant.
- ✓ It took note of the Supplementary Report in accordance with the provisions of Article 11 of Regulation No 537/2014 of the European Parliament and of the Council of 16 April 2014.

- ✓ It reviewed all the services provided by the Audit Society and confirmed that no services other than those required in the context of audits and tax audits had been provided.
- ✓ It confirmed the impartiality, objectivity, independence and integrity of the Chartered Auditors-Accountants, as well as the non-provision of any external direction, instruction, suggestion or recommendation by the Company's Management.

B. Internal Audit

- ✓ It evaluated the staffing, organizational structure and operation of the Internal Audit Dept. to identify any weaknesses.
- ✓ It was informed about the Internal Audit Dept.'s annual audit program prior to its implementation, carried out its assessment and found that it would take into account the Company's main areas of business and financial risk.
- ✓ It assessed the work, adequacy and effectiveness of the Internal Audit Dept., without in any way affecting its independence.
- ✓ It reviewed the published information regarding the internal audit and the main risks and uncertainties of the Company in relation to the financial information.
- ✓ It conducted meetings with the head of the Internal Audit Dept. to discuss issues of his competence, as well as problems that may arise during the internal audit process, and particularly to ensure the smooth implementation of the internal audit process.
- ✓ It took note of the Internal Audit Dept. Reports and reviewed and evaluated the methods used to identify, monitor and address the main risks, as well as to disclose/publish them in the financial statements in an appropriate manner.
- ✓ It confirmed that the head of the Internal Audit Dept. is a full-time and exclusive employee, personally and functionally independent in the performance of his duties, and that there is nothing incompatible with the provisions of the current legislative framework.
- ✓ It confirmed that the Internal Audit Dept. has continuous and uninterrupted access to all the Company's data, books, documents and records, which are necessary for the proper performance of its duties, that it has direct and unimpeded access to all its individual services and departments and that the members of the Company's Management and staff cooperate to the fullest extent possible with the Internal Audit Dept. and generally facilitate in any way its work, providing the necessary resources, resources and infrastructure.
- ✓ It informed the Board of Directors for the findings and results of its audit and submitted proposals for improvement to ensure that the Internal Audit Dept. is adequately staffed with sufficient human resources, equipped with the necessary theoretical skills, training and experience.

C. Other

- ✓ It provided the Company's Management with the necessary information regarding the new Corporate Governance Act (n. 4706/2020, GG 136/17.07.20200), and the relevant Circulars

issued by the competent Supervisory Authority, i.e. the Securities and Exchange Commission, in order for the Company to complete the process of compliance and harmonization with the new regulatory framework at the time of entry into force of the provisions (17.07.2021).

✓ It systematically and closely monitors all developments related to the unprecedented health crisis caused by the rapid and global spread of coronavirus Covid-19 and reviews on the one hand the health actions undertaken by the Company to protect the health and safety of staff, partners and all interested parties and on the other hand, the measures and financial options it makes use of to ensure its operational continuity and smooth functioning.

Nea Smyrni, 28 May 2021

The Chairman of the Audit Committee

Emmanuel Tsiritakis