

## Group INFORM P. LYKOS S.A.

### Sales growth (+7%), improved operating profitability (adjusted EBITDA +14%) and return to pre & after tax profitability (EBT & EAT)

- Sales increase to € 72.5 million (+7%) – Key factors, the project of security ballots for the Nigerian elections as well as the acquisitions in Romania
- Gross Profit Margin improvement by 3 pts.
- Improved operating profitability (adjusted EBITDA) reaching € 6.2 million (+14%)
- Positive profitability before & after tax (EBT & EAT) vs LY
- Increased contribution in results from digital transformation projects

*Koropi, 19/05/2020 – The consolidated financial statements of INFORM P. LYKOS S.A. HOLDINGS are published today, in accordance with the International Financial Reporting Standards (I.F.R.S.).*

During the year 2019, Group sales increased by € 4.5 million or 7% compared to 2018 and reached € 72.5 million. Key contributors to sales growth was the production of security ballots for the presidential elections in Nigeria, which was successfully implemented in the first quarter of 2019 in Greece and Romania, worth of € 4.6 million, as well as the contribution to the turnover of the two acquisitions that took place in 2019 in Romania and specifically the acquisition of 65% of the shares of SISTEC companies and the business transfer of STAR STORAGE customer contracts.

Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of the Group increased by 14% or € 0.7 million from reported € 5.5 million in 2018 to € 6.2 million in 2019 driven from sales growth, improved product mix, reduced production cost as a percentage of sales and therefore improved gross profit margin by 3 pts. from 13% in 2018 to 16% in 2019.

2019 was a milestone year for INFORM P. LYKOS S.A., considering the Group's ability to return to before & after tax profitability (EBT & EAT), reversing the trend of losses reported in previous years, rewarding the efforts of its management and the trust of its shareholders.

Specifically, in relation to the business performance by main geographical segment, by excluding the intercompany transactions, the sales in Greece reached € 32.1 million compared to € 32.8 million reported in 2018. The project of the production of security ballots in 2019 for the presidential elections in Nigeria contributed € 2.8 million to Greece and partially offset the ATH.ENA transportation project for cards and tickets worth of € 4.4 million in 2018. By excluding, the above-mentioned one-off projects, sales in Greece increased by € 0.9 million in 2019 thanks to increased organic sales in the categories of payment cards, lottery tickets, as well as the introduction of new customers in digital printing as well as in the distribution of the statements. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) in 2019 amounted to € 2.4 million compared to € 2.5 million in 2018.

In Romania, the sales increased by 14% compared to 2018 and reached € 39.5 million compared to € 34.6 million reported in 2018. This increase of € 4.9 million is attributed to a) the incorporation of € 2.3 million sales in digital printing category and the distribution of the statements from the transfer of STAR STORAGE customer contracts (acquisition took place in April 2019), b) the production of the security ballots for the presidential elections in Nigeria which was successfully implemented in the first quarter of 2019 worth of € 1.9 million and c) the consolidation of 2-month of business activity of the newly acquired SISTEC companies adding € 0.7 million in

turnover. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of 2019, amounted to € 3.7 million compared to € 2.8 million in 2018, significantly improved by € 0.9 million or 34%.

The Group operating cash flow generated in 2019 reached € 4.7 million compared to € 6 million in 2018. The negative variance of € 1.3 million was mainly due to the working capital needs. The Net Debt of the Group is reported at € 20 million in 2019 from € 15 million in 2018, higher by € 5 million, in order to finance the Romanian acquisitions that took place in 2019, as well as the new investments implemented by the Group. The acquisition value of the 65% of the shares of SISTEC companies amounted to € 3.5 million, the business transfer of the STAR STORAGE customer contracts amounted to € 2.5 million, while the new investments of the Group in machinery and other equipment as well as the software programs amounted to € 2.5 million, excluding financial leases and internally developed software.

In 2019, INFORM, focused on the goal of developing digital transformation solutions, has continued to dynamically create and provide technologically advanced services to support its customers in their own digital transformation journey by providing targeted specialized solutions. One representative example of the implementation of a digital transformation solution is the Digital on Boarding (DoB) for the National Bank of Greece (NBG). Through this application, every citizen has the ability to open a savings account, issue a debit card (Debit VISA or Debit MasterCard) and obtain credentials to i-bank Internet & Mobile Banking. This new service has already attracted the interest of at least 30.000 customers of NBG and has contributed to the Group's results. The above service (DoB) is complementary to the digital solutions that have already been implemented, such as the CCM (Customer Communication Management) service, Enterprise Document Management as well as Scanning & Archiving services.

INFORM, committed to its strategy to increase the participation of new digital solutions and services strengthens its team and expertise by adding specialized staff and partners. Additionally value added services have been developed that can contribute to the digital transformation journey of its customers as well as enabling the expansion of INFORM's client base.

#### About INFORM

**INFORM (LYK.ATH)** was founded in 1897, it has been listed on the Athens Stock Exchange since 1994 and provides products and services for secure document and information management, innovating in digital transformation of businesses and organizations for providing highly specialized solutions. It employs 520 workers in Greece, Romania and Albania and has a leading position in the markets of Central and Eastern Europe in the Public and Private Sector.

INFORM is a member of **AUSTRIACARD HOLDINGS**, an Austrian group of high-tech IT in **Hardware Embedded Security**, which employs **1.300** people and has an international presence in three Divisions, AUSTRIACARD, INFORM and NAUTILUS, in the fields of Digital Security, Information Management and IoT respectively, with a total turnover of € 135 million in 2019. The Group **AUSTRIACARD HOLDINGS** has a very strong European business footprint, from the United Kingdom to Greece and Turkey, with **six** production facilities and **eight** personalization centers in Europe, as well as **two** additional personalization centers in South America and the USA (at the construction stage), which allow to serve its customers, wherever they are, in the best possible way.

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