



BASIC FINANCIAL RESULTS – 3RD QUARTER 2020

Following the letter of the Hellenic Capital Market Commission dated 18/11/2020, **EPSILON NET Group** announces the basic financial figures and the evolution of its business activity during the third quarter of the fiscal year 2020.

Basic Financial Figures 1/1/2020 – 30/9/2020:

<i>Group (thousand €)</i>	1/1/2020- 30/09/2020	1/1/2019- 30/09/2019	(%)
Revenue	11.503,40	10.256,91	12,15%
EBITDA	2.470,80	2.094,59	17,96%
EBIT	1.420,56	966,90	46,92%
Net profit before Taxes	1.215,41	754,04	61,19%

Basic Financial Figures 1/7/2020 – 30/9/2020:

<i>Group (thousand €)</i>	1/7/2020- 30/09/2020	1/7/2019- 30/09/2019	(%)
Revenue	3.058,04	2.385,95	28,17%
EBITDA	641,26	531,87	20,57%
EBIT	294,86	162,68	81,25%
Net profit before Taxes	232,72	119,55	94,65%

Group Revenue in the nine month period of 2020 amounted to € 11.50 million compared to € 10.26 million in the nine month period of 2019, recording an increase of 12.15%, Group **EBITDA** amounted to € 2.47 million compared to € 2.09 million in 2019, recording an increase of 17.96%, while **Net Profit before Taxes** increased by 61.19% amounting to € 1.22 million compared to 0.75 million in the same period of 2019.

Group Revenue in the third quarter of 2020 amounted to € 3.06 million compared to € 2.39 million in the third quarter of 2019, recording an increase of 28.17%, Group **EBITDA** amounted to € 0.64 million compared to € 0.53 million in the same period of 2019, recording an increase of 20.57%, while **Net Profit before Taxes** increased by 94.65% amounting to 0.23 million € compared to 0.12 million € in the same period of 2019.

Basic Figures of Financial Position

<i>Group (thousand €)</i>	1/1/2020- 30/09/2020	1/1/2019- 30/09/2019
Cash & Cash equivalents	20.245,38	7.748,60
Long – Term Borrowing	7.296,59	4.911,80
Long – Term Leases	1.213,52	1.397,61
Short – Term Borrowing	3.109,56	1.069,71
Short – Term Leases	409,16	415,71
Share Capital	20.054,29	12.945,18
Net Borrowing	-8.216,55	46,23
Total Used Capitals	11.837,73	12.991,41
Leverage Rate	-0,6941	0,0036

Cash and cash equivalents amounted to € 20.25 million with an increase of 161.28% compared to the same period of 2019, **Long-Term borrowing** amounts to € 8.51 million, **Short-Term borrowing** to € 3.52 million and **Net Cash** to € 8.22 million.

Group Share Capital amounted to 20.05 million €.

During the nine months of 2020, Group proceeded with rapid steps in the implementation of its investment plan, utilizing the know-how and its important position in the field of business software.

During the third quarter of 2020, in July, shares of **EPSILON NET** were listed in the Main Market of the Athens Stock Exchange with a capital increase of € 5.34 million. During the same month, the acquisition of 51% of **hoteliga International sp Zoo** which is based in Poland, was completed.

In August 2020 **EPSILON NET** was certified as a provider of electronic invoicing services by the Tax Authorities in Greece, expanding the range of products and services offered by the Group to Greek companies in order to meet their needs regarding the electronic books (**myData**) and their digital transformation.

All the above led to an increase in demand for the Group's new products and services as well as the improvement of its financial figures.

From the comparison of the financial figures of the current period with the corresponding figures of 2019, Group moves forward with positive pace and increases its financial performance in this difficult situation of COVID-19 pandemic for the domestic and global economy, due to the following factors:

a) During the restrictive measures, the tendency of companies to acquire and use information systems based on web and cloud technologies that ensure the operation of the business remotely, increases. Group investments made in recent years meet the above needs of companies, resulting in increased demand for these products and services,

b) The Certification received by the Group for e-invoicing products and services in August 2020, ranks it among the first choices of companies for their harmonization with the new obligation of the e-books myData from the Tax Authorities in Greece,

c) Software applications and services of the Group are important for the daily operation of companies, as absolutely necessary tools in order to continue their operation and the exchange of data with the Greek authorities,

d) Group has a strong client base, with over 30,000 active customers, covering a wide range of domestic market activities. This results to non-significant exposure to major negative changes that may occur due to COVID-19 in certain sectors of the Greek economy.

In addition, **EPSILON NET Group**, heavily invested in technologies and equipment that guarantee maximum security in data management, designed and implemented policies & procedures of complete remote work, without changing high level of communication / support with customers and their external partners. Today, almost all of the employees work consistently and successfully from home and the operation of all Group companies, continues efficiently.

Group's products and services are enhanced by the impact of measures for the financial consequences of COVID-19, as their utilization by companies and accounting departments and offices, requires up-to-date information systems, with immediate adaptation to the constant changes of Labor, Insurance and Tax Laws.

The strategic position of the Group in the market is expected to be further strengthened, through important deals, such as the acquisition of 80% of **Data Communication** in October, as well as the acquisition agreement of **Singular Logic SA.** , by **EPSILON NET** and **SPACE HELLAS** equally, in November.

Strong liquidity and adaptability shown by the Group in similar crises, creates optimism that the new wave of the pandemic will be addressed successfully.