

**Epsilon Net Group: Basic Financial Figures for the Nine Months of 2021**

**Significant increase by 148% in Turnover and 354% increase in EBT**

**EPSILON NET Group of Companies** announces the financial results and the progress of its business activity during the Third Quarter of 2021.

**Basic Financial Figures 1/1/2021 – 30/9/2021:**

<i>Group (thousand €)</i>	<b>1/1/2021- 30/09/2021</b>	<b>1/1/2020- 30/09/2020</b>	<b>(%)</b>
<b>Turnover</b>	28,564.81	11,503.40	148.32%
<b>EBITDA</b>	7,832.21	2,470.80	216.99%
<b>EBIT</b>	5,819.28	1,420.56	309.65%
<b>EBT</b>	5,525.61	1,215.41	354.63%

**Basic Financial Figures 1/7/2021 – 30/9/2021:**

<i>Group (thousand €)</i>	<b>1/7/2021- 30/09/2021</b>	<b>1/7/2020- 30/09/2020</b>	<b>(%)</b>
<b>Turnover</b>	10,736.30	3,058.04	251.08%
<b>EBITDA</b>	1,637.73	641.26	155.39%
<b>EBIT</b>	615.06	294.86	108.59%
<b>EBT</b>	549.34	232.72	136.06%

**Group's Turnover** during the first nine months of 2021 amounted to € 28.56 million against € 11.50 million in the corresponding period of 2020, recording an **increase of 148%**. Group's **EBITDA** amounted to € 7.83 million against € 2.47 million in the corresponding period of 2020, recording an **increase of 217%**, **while EBT increased by 354%** amounting to € 5.53 million against € 1.22 million in the corresponding period of 2020.



It should be noted that the financial results of **Data Communication & Technolife**, as well as the results of the newly established **Epsilon SingularLogic** (based on the completion of the split, on 14/7/2021, on a legal level, and the process of the contribution of the corresponding sector by Singular Logic) are fully consolidated in the financial results of the 3rd Quarter 2021. The results of the newly acquired **iQom**, which specializes in the field of Retail, participate in the results of the Group from 14/9/2021 (date of acquisition of the company) onwards.

#### **Basic Figures of Financial Position**

<i>Group (thousand €)</i>	<b>1/1/2021- 30/09/2021</b>	<b>1/1/2020- 30/09/2020</b>
<b>Cash &amp; Cash equivalents</b>	18,120.46	20,245.38
<b>Long – Term Borrowing</b>	9,509.61	7,296.59
<b>Long – Term Leases</b>	1,691.39	1,213.52
<b>Short – Term Borrowing</b>	6,331.26	3,109.56
<b>Short – Term Leases</b>	570.20	409.16
<b>Net Borrowing</b>	(17.99)	(8,216.55)
<b>Equity</b>	34,039.01	20,054.29
<b>Total Used Capitals</b>	34,021.02	11,837.73
<b>Leverage Rate</b>	(0.0005)	(0.6941)

**Liquidity** of the group provides the ability to implement new business planning and utilize investment opportunities, while it is kept at a very satisfactory level (**Cash and Cash Equivalents 18.12 million Euros**), despite the **significant acquisitions that have been fully repaid** during the last quarter of 2020 and the first nine months of 2021, **amounting to over 18 million Euros** (Data Communication, SingularLogic, Technolife, iQom). Furthermore, during the first nine months of 2021, **Group's Equity** was significantly strengthened **(+69.7%)** amounting to **34.04 million Euros**.

## **Assessment of the potential effects due to COVID-19**

### **& the increase in energy costs**

**EPSILON NET Group**, as early as 2020, has **FULLY** adapted its operation and **SUCCESSFULLY** faced the difficulties that arose from the consequences of the pandemic due to COVID-19, utilizing the appropriate technologies and infrastructure that has developed for remote work, ensuring to the maximum extent the health of the employees, while maintaining the high quality of the services provided to customers and partners. The increase in the cost of energy and raw materials is not expected to affect the operation of the company, since, due to the nature of the sector, they do not participate in production costs, in the development of new products and in the provision of services.

The achievement of strong growth rates both in 2020 and 2021, proves the **adaptability and flexibility of all Group's companies**, strengthening the prospects for the continuation of its significantly positive course, for the whole financial year.

During the third quarter, the Group consistently continued the implementation of its investment plan, utilizing its expertise and its significant position in the field of business software. In September, the subsidiary of **Epsilon SingularLogic Group**, completed the acquisition of 80% of **iQom**, which provides specialized IT solutions to companies in the private sector.

### **Prospects**

Overall, the products, services and activities of the Group, recorded an impressive sales increase during January-September 2021, continuing the excellent course of the first half and strengthening the management's estimation for a strongly dynamic year, which will be **a milestone year** for the beginning of **a new development cycle** and a basis for Group's further expansion, both in the domestic market and abroad.

Within the first nine months of 2021, both the demerger and the integration of SingularLogic's proprietary software for private sector in the newly established

**Epsilon SingularLogic**, as well as the **corporate transformation of the Group** and the operational integration of the departments that came from the strategic acquisitions of 2020 & 2021, **were successfully completed**. Business and operational integration of different departments & specialized working groups, contributes decisively to the achievement of economies of scale and is the basis for the improvement of the operating margin, while it is also the business model for integrated utilization of future acquisitions.

Continuous utilization of **cutting-edge cloud mobility technologies** that are integrated in the Group's products and especially in the innovative software platforms **Galaxy and Pylon**, giving a significant technological advantage to the Group's products and services for medium and large companies and business groups, has a catalytic effect in the dynamic development of the Group.

At the same time, Group's dominant position in the field of **e-invoicing** and in **AADE's myDATA e-books**, in combination with the expanded portfolio of **EpsilonSMART** web applications for very small & small businesses and for freelancers, have contributed significantly to the further expansion of its already very large customer base, resulting in the increase of the Group's active facilities from 30,000 at the beginning of 2020, to **over 100,000** active facilities currently, which constitute both the starting point for achieving a significant degree of **annual recurring revenue** and the basis for its continuous and uninterrupted growth course.

At the same time based on its comprehensive contribution to the Digital Transformation of the private sector, Group systematically monitors the new financing possibilities that will arise in the near future by utilizing the financial tools from the "**Recovery and Sustainability Fund**" & the "**NSRF 2021-2027**" and has strategically prepared **structures & collaborations** (which will be gradually scaled from the first quarter of 2022) in order to make the most of the business opportunities that **the digital economy** has created worldwide.

**Epsilon Net Group of companies** continues during the last quarter of 2021 to consistently implement its strategic planning for the systematic expansion of its

customer base and the technological solutions it offers, both horizontally and in dynamic vertical markets in Greece, creating a comprehensive **all-in-one-solution ecosystem**, while at the same time plans its gradual expansion abroad.

**Mr. Ioannis Michos**, Founder of the Group, Chairman of the Board of Directors & CEO of EPSILONNET, commenting on the results, made the following statement:

*“Going through the last months of 2021, which has been a milestone year for our Group, I feel that we have succeeded in laying the foundations for a new creative cycle with strong growth rates.*

*Our leading role in the digital transformation of the Private Sector, is proven daily, by the acceptance of all the products and services we have developed for the electronic invoicing and the adaptation of businesses to myDATA, but also by the excellent course of EpsilonSmart Web applications.*

*Group is at its most mature moment, in relation to the experience and expertise of our people, the level of technological choices and our constant investments and also in relation to its ever-increasing dynamics for the future.*

*In the large family of Epsilon Net Group, guided by our anthropocentric approach, our corporate vision and our dedication to our customers, we continue all together with consistency and continuity to create our future steps. We build with method, a Group based on the all- in-one-solution, creating a strong working relationship with our customers. We contribute decisively to the digital transformation. Our goal is to have the corporate size that inspires security in our customers, in an ever-changing business and technological environment with successive legislative changes, but at the same time, to maintain the flexibility to meet the individual needs of each customer.*

*Our strategy remains, to produce daily, value for our people, our partners and our shareholders.*

*The results of the nine months of 2021, reward us and give us the strength and the responsibility to continue our development course as the leading software Group for businesses in Greece. "*

For more information, please contact:

Investor Relations Department:

Tel. + 30211 5007000 - email: [ir@epsilon.net.gr](mailto:ir@epsilon.net.gr)