

GROUP INFORM P. LYKOS HOLDINGS S.A.

Sales and operating profitability increase with major contributor the digital transformation solutions

- Sales at € 75 million increased by +7.5% compared to 2020
- Increased operating profitability (adjusted EBITDA) to € 7.2 million (+18.4%)
- Profit before taxes (adjusted EBT) at 1.5 million (+153.9%)
- Key pillar of development the digital transformation solutions

Koropi, 26/04/2022 – The consolidated financial statements of INFORM P. LYKOS HOLDINGS S.A. are published today, in accordance with the International Financial Reporting Standards (I.F.R.S.).

During the year 2021, Group sales increased by € 5.2 million or +7.5% compared to 2020 and reached € 75 million from € 69.8 million. This increase is mainly due to the contribution of the digital transformation solutions provided by the Group which increased by 68.0% compared to 2020, as well as the increase of all other product categories by 2.5% in total. Compared to the previous year, the key variances at the sales level were the following:

- the significant increase in turnover of digital transformation solutions by + € 3.7 million compared to 2020,
- the strengthening of the market share in the category of digital printing and postal services with the integration of new customers with a positive contribution of + € 1.4 million,
- the higher demand for security forms in Romania and Greece in combination with the one-off project of general population census in Greece, which offset the losses of forms from the COVID-19 restrictions and led to a net positive variance of + € 0.8 million, and
- the delay in the redesign of payment bank cards in Greece, which created a time lag in turnover of € -0.7 million.

Analysis per product category

Amounts in '000 €	Security Forms	Digital Printing & Postal	Banking Products & Payment Solutions	Digital Transformation Solutions	Total
Year 2021	17.367	41.145	7.372	9.097	74.981
Year 2020	16.526	39.727	8.111	5.414	69.779
DEVIATION	840	1.418	(739)	3.683	5.202
% Deviation	5,1%	3,6%	-9,1%	68,0%	7,5%

The focus of the Group and the investments in the development of specialized and technologically advanced solutions in order to support its customers in their own digital transformation is becoming obvious and the driver of the future growth, as the specific product category of digital transformation solutions is:

- 71% of the increase in turnover for the year 2021, and
- 12.1% of the total turnover 2021 compared to 7.8% in the previous year, recording an increase of 4.3 percentage points.

Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of the Group increased by 18.4% or € 1.1 million from € 6.1 million reported in 2020 to € 7.2 million in 2021, driven from

improved product mix, with higher contribution in the profitability of the digital transformation solutions despite the unrepresented increase in the cost of raw materials and energy.

Amounts in '000 €	THE GROUP			
	31/12/2021	31/12/2020	Deviation	%
Revenue	74.981	69.779	5.202	7,5%
Gross profit	13.410	12.118	1.292	10,7%
(adjusted EBITDA)	7.228	6.106	1.122	18,4%
(adjusted EBT)	1.484	584	899	153,9%
EBT	893	412	481	116,9%

Despite the great challenges the Group had to deal with related to the COVID-19 pandemic as well in 2021, we managed to double the earnings before tax (EBT) in the amount of € 0.9 million, rewarding the efforts of its management and the trust of its shareholders.

Specifically, in relation to the business performance by main geographical markets, and excluding the intercompany transactions, Sales in Greece reached € 29.3 million compared to € 28.1 million reported in 2020, recording an increase of € 1.2 million or +4.3%. This increase came from a) the higher contribution of digital transformation solutions such as electronic document management and digitization, automatic identification and registration of documents, process automation by € 0.9 million, b) the attractions of new customers in the category of document management and postal services by € 2.4 million, as well as c) the one-off project of the general population census in Greece amounting to € 1.2 million. On the other hand we had the following turnover reductions compared to the previous year from a) the delay in the redesign of payment bank cards in Greece, which created a time lag in turnover of € -0.7 million, and b) the revenue loss of € 2.6 million linked with COVID-19 pandemic. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of 2021 reached € 1.6 million compared to € 1.7 million in 2020, marginally reduced by € 0.1 million, as well impacted by the unprecedented increase in the cost of raw materials and energy in the second half of the year.

In the Romanian market, the sales reached € 45.2 million compared to € 40.9 million reported in 2020, recording an increase of € 4.3 million or + 10.6%. This increase was mainly due to a) the increased contribution of digital transformation solutions by € 2.8 million in the area of electronic document management and digitization, as well as scanning and archiving services, and b) by € 1.5 million from the highest demand for security forms as the market responded positively to the easing of measures in relation to COVID-19 restrictions resulting in a recovery of the domestic consuming. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of 2021 amounted to € 5.6 million compared to € 4.3 million in 2020, significantly improved by € 1.3 million or +29.3%, as a result of higher sales with improved mix mainly driven by the digital transformation solutions.

The Group operating cash flow generated in 2021 reached € 4.2 million compared to € 5.5 million in 2020. This decrease of € 1.3 million was mainly related to the increase in trade receivables due to higher sales in last months of the year. The Net Debt of the Group is reported at € 21.6 million in 2021 from € 18.6 million in 2020. This increase by € 3 million is related to the acquisitions and investments that took place in 2021. Specifically, the acquisition of 61.5% of the share capital in the Cypriot company CLOUDFIN LTD with consideration € 1.2 million as well as the consideration for the increase of the Group's participation by 15.52% and 14.55% respectively of NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L. in Romania amounting to € 1.3 million. Both

of the aforementioned investments are in companies with the sole object the provision of digital transformation solutions. In addition, the new investments of the Group in mechanical and other equipment and software amounted to € 2.5 million.

Despite the current difficult situation related to the COVID-19 pandemic and the recent uncertainty in the global economy from rising inflation, rising energy prices and geopolitical tensions, the Group focuses on providing high technology solutions in the field of secure document and information management and constantly investing in specialized personnel to create new innovative services.

The Group, having proved its ability to adapt to the rapidly changing and unpredictable conditions of the European market in which it operates, faced the challenges and continued to focus on the goal of developing higher value-added services, such as Enterprise Document Management, Scanning & Archiving services, as well as the provision of highly specialized and technologically advanced digitalization solutions such as Digital Onboarding (DoB), OCR / Data Capture Solutions for automatic document recognition and registration (Process Automation) using Machine Learning (ML), Robotic Process Automation and Cognitive Analytics Solutions, in order to support existing and new customers in their own digital transformation.

About **INFORM LYKOS**

INFORM LYKOS (LYK.ATH) was founded in 1897, it has been listed on the Athens Stock Exchange since 1994 and provides products and services for the secure management of documents and information, innovating in the digital transformation of companies and organizations by providing highly specialized solutions. It has **510** employees with four production units in Greece, Romania and Albania, while it holds a leading position in the markets of Central and Eastern Europe in the Public and Private Sector.

It is a member of **AUSTRIACARD HOLDINGS**, an Austrian group of high information technology in the field of **Hardware Embedded Security**, which employs **1.400** people and has an international presence with three Divisions, AUSTRIACARD, INFORM and NAUTILUS, in the fields of Digital Security (Information Security), Information Management (Information Management), as well as the IoT respectively. The **AUSTRIACARD HOLDINGS** Group has a very strong pan-European business footprint, from the United Kingdom to Greece and Turkey, with **eight** production facilities and **seven** personalization centers in Europe, as well as **two** additional personalization centers in South America and the USA, which allows serving its customers, wherever they are, in the best possible way. In 2021, at a pro-forma level, the Group achieved a **consolidated turnover** of 200 million euro.

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