

Thessaloniki, May 24, 2022

**EPSILON NET: 75.19% increase in Turnover &
80.26% increase in Earnings before Taxes during the 1st Quarter 2022**
Continuation of the investment - development plan

EPSILON NET Group of Companies, consistently implementing its business plan, recorded in the 1st quarter of 2022, a **strong growth** in all its financial figures, consolidating its leading position in the field of Business Software. The financial results confirm in the current financial year the Group's **strategic choices** for:

- ✓ focus on the digital transformation of the Greek economy
- ✓ high organic growth rates based on the continuous development of the product portfolio with all-in-one solutions
- ✓ emphasis on growth and through targeted acquisitions, to further strengthen the customer base & penetrate vertical markets

The main financial figures of **EPSILON NET Group** for the 1st Quarter of 2022 are as follows:

Basic Financial Figures of 01/01/2022 – 31/03/2022:

GROUP FINANCIAL FIGURES (in thousand €)	01/01/2022- 31/03/2022	01/01/2021- 31/03/2021	%
Revenue	14,133.76	8,067.73	75.19%
EBITDA	4,719.12	2,689.31	75.48%
Earnings before Taxes	4,029.75	2,235.49	80.26%

These high growth rates of financial figures with a total increase of 75.19% in Turnover, an increase of 75.48% in EBITDA and **an increase of 80.26% in Earnings before taxes** are the result of both the dynamic organic growth of EPSILON NET (an increase of +36%), and the contribution of the targeted acquisitions implemented by the Group in 2020-2021 and continues in 2022.

During the 1st quarter of 2022, the Group's Equity increased to **EUR 44.71 million.**, while cash balances & equivalents amounted to **EUR 22.83 million.**

Condensed Statement of Financial Position

GROUP FINANCIAL FIGURES (in thousand €)	01/01/2022- 31/03/2022	01/01/2021- 31/03/2021
Cash and Cash Equivalents	22,828.83	13,961.26
Long-Term Borrowing	11,246.22	9,215.81
Long-Term Leasing Liabilities	1,568.80	1,802.45
Short-Term Borrowing	6,972.82	4,873.71
Short-Term Leasing Liabilities	651.95	567.70
Net Borrowing	-2,389.05	2,498.41
Equity	44,712.88	25,749.26
Total Employed Capital	42,323.83	28,247.67
Leverage Rate	-0.0564	0.0884

Prospects

The Group with strategically planned moves creates an ecosystem of added value "**all in one solution**" and creating a total portfolio of products & services, aiming on the one hand at the continuous expansion of the clientele and in addition to the increase of final revenue per customer.

The significant increase in the 1st quarter is a strong starting point for the continuation and despite the particular and demanding conditions that have been created in the global and Greek economy, it confirms the management's estimate for an increase of +50% in annual revenues compared to 2021 and an EBITDA margin on an annual basis of more than 30%.

The number of active customers of the Group is now more than **105,000**, while the successful integration of the new subsidiaries and the operational consolidation of various departments, contribute decisively to the achievement of **economies of scale and the improvement of the operating margin**.

A significant impact on the Group's results is expected from:

- 1) the continuity of the implementation of the targeted acquisitions program. It should be noted that the Group has significant liquidity and negative net debt, despite the continuous investments, acquisitions and the recent acquisition of privately-owned facilities at the Group's headquarters.
- 2) the **increase of the annual revenue per customer**, due to the new products & services presented
- 3) the leverage of the **RECOVERY FUND's** plans for the private sector, such as the action "Digital Transformation of Enterprises" and more specifically the program "Digital Tools for SMEs", which is expected to start in June, with a subsidy rate of 70% and grants of a total budget of €180,000,000.

The Group's management, being the leading Company of Business Software in Greece, continues with consistency the execution of the business plan for 2022 and expects the further development of the customer base, the financial results



and the high liquidity to accelerate the Group's momentum and become the driving forces for the beginning of a **new growth cycle in Greece and abroad.**

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