

**EPSILON NET Group Basic Financial Figures of 2022.**

**Turnover € 75 million (+ 49%). Net Profit € 18 million (+ 70%)**

**EBITDA € 25 million (+66%)**

**EPSILON NET Group of Companies**, consistently implementing its business and investment plan, announces the achievement of **strong financial results for 2022**.

In particular, Group Turnover increased by 49%, Net Profit by 70%, while **EBITDA margin** improved significantly and stood at **33.36%** of Turnover compared to **29.88%** in 2021. The impressive rate of increase in the Group's financial figures was a result both from the significant organic growth rate (over 60%), as well as from the contribution of targeted acquisitions that accelerated the strategic goal of the Group's Management for products and services **all in one solution**, continuous expansion of its share in the IT market while achieving high final profitability performance.

Group's goal for 2022 was to strengthen its leading position in the IT market as **the largest provider of Business Software solutions** for the private sector in Greece while at the same time successfully execute the program of development & evolution of innovative applications, technological solutions and specialized services for its customers. Important achievement for 2022 was the further increase of the active installed customer base, with more than **132,000 customers**, to whom the Group's companies provide integrated solutions (360°), appropriately adapted to their size and the specific needs of the market in which they operate.

### **Basic Financial Figures**

According to the Consolidated Financial Statements for the year 2022, which were prepared based on the International Financial Reporting Standards (IFRS), the main financial figures of **EPSILON NET Group** are as follows:

**Basic Financial Figures of 1/1/2022 – 31/12/2022:**

<b>GROUP FINANCIAL FIGURES</b> (in thousand €)	<b>1/1/2022- 31/12/2022</b>	<b>1/1/2021- 31/12/2021</b>	<b>%</b>
<b>Turnover</b>	<b>75,107.33</b>	<b>50,511.28</b>	<b>48.69%</b>
<b>EBITDA</b>	<b>25,053.49</b>	<b>15,093.58</b>	<b>65.99%</b>
<b>Net Profit</b>	<b>18,303.32</b>	<b>10,778.82</b>	<b>69.81%</b>

More specifically, **Group Turnover** in 2022 amounted to € 75.11 million compared to € 50.51 million in 2021, recording increase of 49%, **Group EBITDA** amounted to € 25.05 million compared to € 15.09 million in 2021, recording an increase of 66%, while **Net Profit** increased by 70% amounting to € 18.30 million compared to € 10.78 million in 2021.

Respectively for the **parent Company**, in 2022 the **Turnover** amounted to € 28.70 million compared to € 18.95 million in 2021, recording an increase of 51%, **EBITDA** amounted to € 14.62 million compared to € 8.10 million in 2021, recording an increase of 81%, while **Net Profit** increased by 107% amounting to € 11.67 million compared to € 5.64 million in 2021.

### Condensed Statement of Financial Position

GROUP FINANCIAL FIGURES (in thousand €)	1/1/2022- 31/12/2022	1/1/2021- 31/12/2021
Cash and Cash Equivalents	26,648.94	23,354.16
Long-Term Borrowing	7,817.01	8,910.04
Long-Term Leasing Liabilities	3,047.09	1,563.49
Short-Term Borrowing	8,634.68	6,797.81
Short-Term Leasing Liabilities	777.46	607.24
Net Borrowing	-6,372.70	-5,475.57
Equity	58,295.00	41,454.66
Total Employed Capital	51,922.30	35,979.10
Leverage Rate	-0.1227	-0.1522

**Group's liquidity** continued its growth (Cash and Cash Equivalents of € 26.65 million), despite the significant acquisitions completed during 2022 (CSA, DIGITAL 4U, TAXHEAVEN, Hotel Availabilities, BookOnlineNow, HotelonCloud) and the purchase of the building complex in company's headquarters in Thessaloniki, providing the Group's Management with the ability to continue its acquisition program and implement new corporate actions in Greece and abroad. Furthermore, in 2022, the **Group's Equity** was significantly strengthened **(+41%)** and amounted to € 58.30 million.

Group has a **negative net debt of € 6.37 million**. (while the calculation of negative borrowing **has not included an amount of € 2.81 million**, invested in fixed-income securities, further increasing the final net assets).

EPSILON NET Group consistent with the shareholder reward policy, will also proceed this year to the **distribution of dividend**, the amount of which will be derived on the basis of the distributed profits and will be decided at the Ordinary General Meeting of shareholders.

## Goals and Prospects for 2023

The management estimates that growth will continue in 2023 and the Group's companies will play a leading role in the **digital transformation of the private sector** of the Greek economy based on:

- ✓ the evolution of the portfolio of products and services in the fields of **Business Software, eCommerce and Fintech**
- ✓ enhancing the integrated value-added ecosystem and providing an **"all-in-one solution"** for final customers, and
- ✓ the continuous increase of the **"final revenue per customer"**

Group's management estimates that in the context of the ongoing **digital transformation** of businesses, demand for technology products and services will move at high levels for 2023, without effect from the inflationary pressures observed in the general economy (and especially in consumption) while it will be further enhanced by **incentives through funding programs** by:

- ✓ the **RECOVERY FUND** for the private sector already underway
- ✓ the new **NSRF 2021-2027** that started from 15/02/2023 (with new aid of € 300 million)
- ✓ the specific **financial instruments** of the banking sector

Special mention should be made in relation to certain targets for 2023 as:

- the timely and complete execution of the planned projects undertaken with the utilization of the **PYLON Hybrid platform** and the Group's enhanced know-how in business software for medium & large enterprises (**ERP, CRM, WMS, MOBILE, MIS**, in combination with the **certified e-invoicing provider and myDATA solutions**)
- the continuation of the excellent course of the **"Epsilon SMART"** Web application series for **electronic invoicing** and their expansion into special markets
- the **utilization of the Group's leading position in PAYROLL / HRMS applications** by integrating new solutions for the harmonization of businesses in relation to the recent legislation on the **"DIGITAL WORK CARD"** and their successful interconnection with the ERGANI II system of the Ministry of Labor.
- the enhancement of the Group's **e-commerce solutions** and the accompanying interconnection, integration and Digital Marketing services

- the utilization in the Hospitality sector (which is a strategic sector for the Group's expansion in Greece and abroad) of the existing product portfolio (**PMS, Booking Engine, Channel Manager, B2B**) and its further expansion.

An important place in the Group's business planning for 2023 will be the beginning of the finalization and the implementation of the integrated strategic agreement with the **NATIONAL BANK of GREECE Group**, in application of a relevant Memorandum of Understanding (MoU) (see from 16.11.2022 press release of the company), which will expand and complete the strategic approach "**all in one solution**" by utilizing the combination of:

- the "**Business Software**" and "**Ecommerce**" information systems of the Group, with
- the innovative capabilities of the "**Embedded Banking**" and the "**Banking as a Service**" of NBG.

The implementation of the strategic agreement will gradually lead to the creation of a **unique for Greek standards "technological ecosystem"**, which will give through the Group's tools the ability of integrated services to the final customer – business (regardless of its size) while at the same time will enable EPSILON NET Group to:

- **leverage** and utilize the existing clientele of the two Groups
- attract new customers and new ecosystems
- **enhance the speed of implementation** of digital transformation projects by exploiting the combination of support incentives with financial instruments
- create new revenue lines, "**on top**" in the existing revenue categories from Business Software products

At the same time, based on the consistent execution of the business plan for 2023 and the strategic cooperation with NBG, Group's management estimates that the foundations have been laid for the detailed planning of the **new development cycle in Greece and abroad for 2023-2025**.

**Mr. Ioannis Michos**, Chairman & CEO of EPSILON NET, commenting on the results, made the following statement:

*"The excellent results we achieved make us proud and give us the strength to start **a new creative cycle in Greece and abroad**. Our strategy does not change, guided by the anthropocentric approach, with vision and dedication to our customers and their needs, we consistently continue to implement the **"all in one solution"** model. Our strategy was, is and will be to generate every day, **value for our people, our partners and our shareholders**.*

*As I have stated, 2022 was for EPSILON NET Group, **a year we confirmed our leading position** in the field of **Business Software** in Greece, while further the achievement of our **strategic partnership with the NBG Group is now the basis for the evolution of our Group and our complete expansion in the field of FinTech**.*

*Group's management, IT engineers and all our executives are already planning the next day. With passion and vision, **we continue our new development course** as the largest Software Group for businesses in Greece"*

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