

Press Release | 31/05/2023

### **EPSILON NET: Acquisition of 60% of the company DIGINET**

**EPSILON NET Group**, consistently implementing its growth plan and strengthening the model of strategic partnerships, announces the **acquisition of 60% of DIGINET L.P.** ([www.diginet.gr](http://www.diginet.gr)), specialized in the development, distribution and technical support of **modern tax & cash systems** and **specialized technology products & solutions** (Technology Distributor).

Specifically, EPSILON NET S.A. **acquires 60%** of the corporate capital of DIGINET L.P. from the founders of the company **Mr. Athanasios Papageorgiou** and **Mr. Chrysostomos Papageorgiou**, who will retain the remaining 40% of the corporate capital and will continue to exercise their administrative duties, contributing with their many years of experience to the new development cycle of the company. Particularly, Mr. Athanasios Papageorgiou will continue to exercise his duties, initially as Manager and then as CEO of the company, when its transformation into a Société Anonyme is completed. The total investment amounts to **€ 1,600,000** while an earn out bonus is foreseen to be paid to existing shareholders depending on the company's financial performance in 2023.

DIGINET L.P. **was founded in 2013** in Larissa as a continuation of the individual company PAPAGEORGIOU ATHANASIOS (since 1998) and has integrated activity both in Greece and Cyprus through an extensive nationwide network of **300 associates**. The main object of the company is the distribution and support of specialized technology products with particular emphasis on Tax Systems supporting their operation to more than **40,000 end customers**. The longtime involvement and know-how in the development of modern Tax Systems ranks it as one of the most important and specialized business entities in this field. The main categories of activity of Diginet are:

- development of **Tax Systems** (firmware and hardware development) and their distribution
- representation and distribution of Tax Systems of European & international firms such as the German company **QUORION** and the Italian **CUSTOM**
- representation, installation and support of **Weighing Devices & Systems** (from laboratory and retail balances to industrial weighing systems and sophisticated touch POS scales for modern

retail stores and supermarkets) representing in the Greek market 3 of the most important international firms, the companies **TEM, ELICOM & EPELSA**

- distribution and support of **special technological products** (Touch POS systems, kiosks, printers, payment terminals, Cash handling boxes & smart boxes) representing in the Greek market international manufacturing companies with excellent know-how
- distribution and interconnection of **mobility products** of the global leader in this field, **ZEBRA** as a premier business partner for Greece

For the financial year ended December 2022, the company's Turnover amounted to **€ 2.10 million**. and profit before tax amounted to € 210 thousand. The company on 31/12/2022, had zero bank loans, while its **cash reserves** were approximately **€ 655 thousand**.

The completion of the acquisition of DIGINET is part of EPSILON NET Group's strategic plan to increase its clientele and **provide specialized 360° solutions** to special categories of activity in Greece and abroad. The main criterion for the selection of the company was the **specialized know-how** of its staff & executives, the excellent portfolio of solutions and the comprehensive support to the strong network of partners throughout Greece

It is worth noting that the planning for the utilization of existing solutions and the joint development of new ones is estimated to enable full compliance with the **new legal framework of AADE** for the **transmission of retail transactions** and the automatic interconnection with EFT/POS electronic payment acceptance systems, both at DIGINET and at all EPSILON NET Group companies. In this context, it is estimated that the possibilities of financing the upgrade or replacement of "Tax Systems" by the **"DIGITAL TRANSACTIONS"** program of the Recovery Fund with a total aid budget of € 160,000,000 **will be fully exploited**.

Group's management, following the successful growth model of the period 2020-2022, through the combination of high organic growth rates and targeted acquisitions, **continues to consistently** execute its business plan in 2023. Group's main objective remains the continuous creation of **value for its staff, partners and shareholders**.



EPSILON SINGULARLOGIC



EPSILON HR



**Chairman and CEO of EPSILON NET Mr. Ioannis Michos stated:** *"I am really happy that a company like DIGINET, with deep knowledge and experience from its 25-year presence in the market, joins the large family of EPSILON NET. We move forward together with knowledge and vision to offer the most integrated solutions for the Greek market, the enterprises and our partners".*

**Founder and Manager of DIGINET Mr. Athanasios Papageorgiou stated:** *"The participation of our company in the EPSILON NET Group makes us proud and creates new excellent prospects for our large and quality portfolio of products & solutions. We already feel the warmth of the EPSILON NET family. We have already established that the same human and business values prevail on which we have developed and we are confident that in this environment we will significantly increase our presence in the Greek market with absolute respect for our extensive network of partners that has supported us over the last 25 years, contributing all together to the development of the Group".*