

Corporate Presentation

11/4/2019





Financial Technology

- ✦ **Company Introduction**
- ✦ Financials
- ✦ Products, Technology
- ✦ Looking forward

Company Introduction

Profile Software is

- ❖ a world-class **Financial Software Provider**
- ❖ of **Mission Critical Solutions**
- ❖ to the modern **Banking, Fintech and Investment Management** industries
- ❖ offering **innovative technologies and successful implementations**



 Profile
Software

Financial Technology

Overview

- ❖ Established in 1990, **29** years of experience
- ❖ **250** Clients in **38** Countries
- ❖ **7** International Offices
- ❖ **170** employees

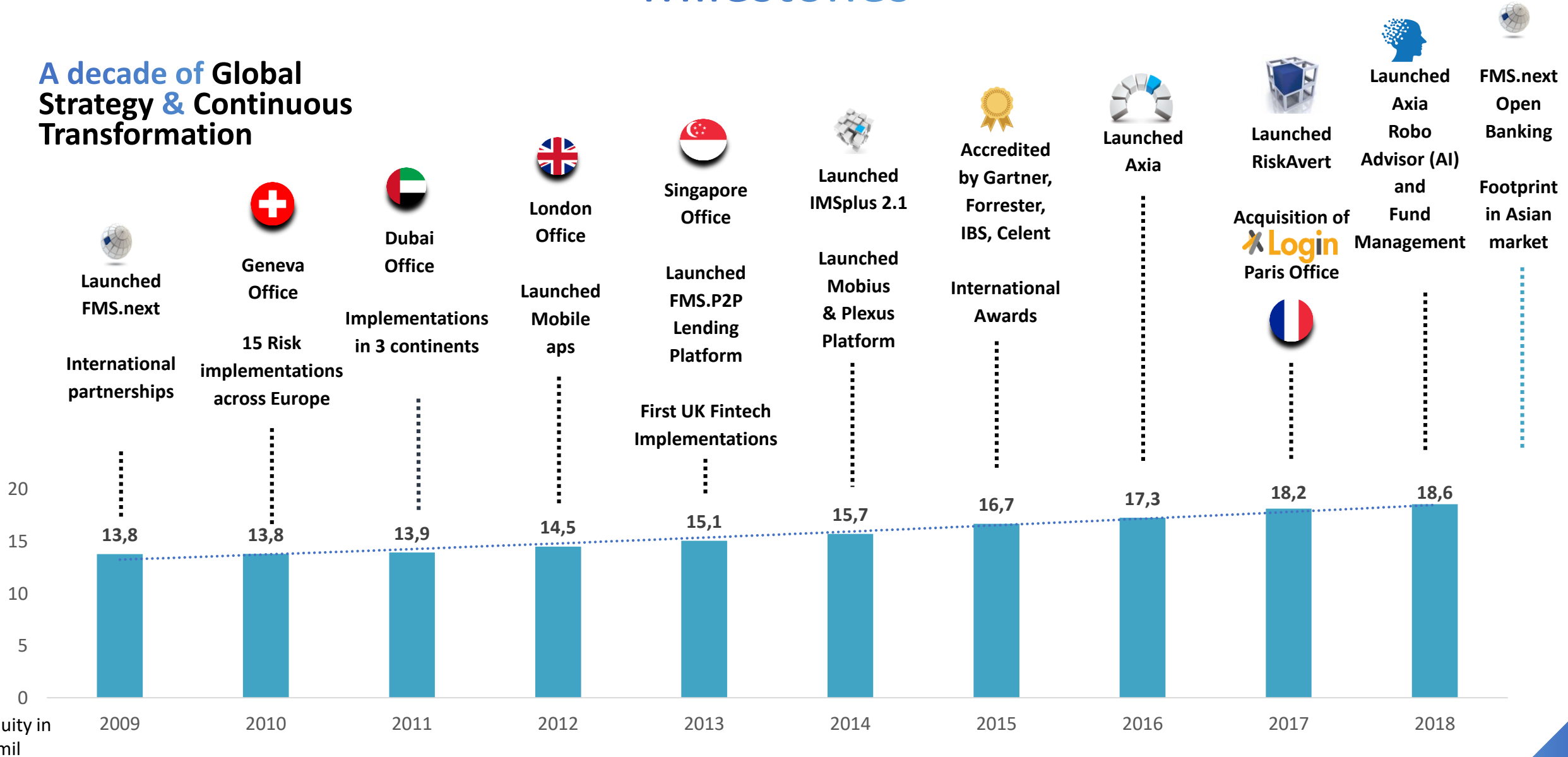
- ❖ **1st** to introduce a natively developed mobile wealth management app
- ❖ **1st** to introduce digital banking functionalities for challenger banks in the UK, France etc.
- ❖ **1st** to introduce an Omni-channel Investment Management Platform

- ❖ Listed on Athens Stock Exchange in **2003**
- ❖ Founder controls 49.9% of the company, Managers 13.1%, Treasury stocks 4.3% and **Free Float** 32.7% out of which c.10% Institutionals



Milestones

A decade of Global Strategy & Continuous Transformation



Global presence combined with strong local relationships and insights



- ❖ Athens, Greece
- ❖ London, UK
- ❖ Paris, France
- ❖ Dubai, UAE
- ❖ Nicosia, Cyprus
- ❖ Miami, USA
- ❖ Singapore

📍 Offices in 7 Key financial centers

● Presence in 38 countries

Clients

Greece



Europe



MEA, APAC



Americas



Investment Highlights

- ❖ **Proprietary technology**
 - ❖ Strategically positioned on new trends
 - ❖ Value to the Clients
- ❖ **Delivery automation**
 - ❖ Time to market
 - ❖ Flexible, Agile, Scaling mindset
- ❖ **Well established and highly respected player**
 - ❖ Servicing large clients for a long time
 - ❖ Industry reports; Gartner, IBS, Celent, Forrester
- ❖ **Solid Fundamentals**
 - ❖ Profitable business, Cash flows
 - ❖ Reinvestment in R&D and Clients' support
- ❖ **Sizeable and growing market**
 - ❖ c. €500bn in 2020
 - ❖ Non-traditional banking >37% by 2021
 - ❖ IT spending 5% - 10% of operating costs
 - ❖ Relatively high barriers to entry





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Financial Highlights

20%

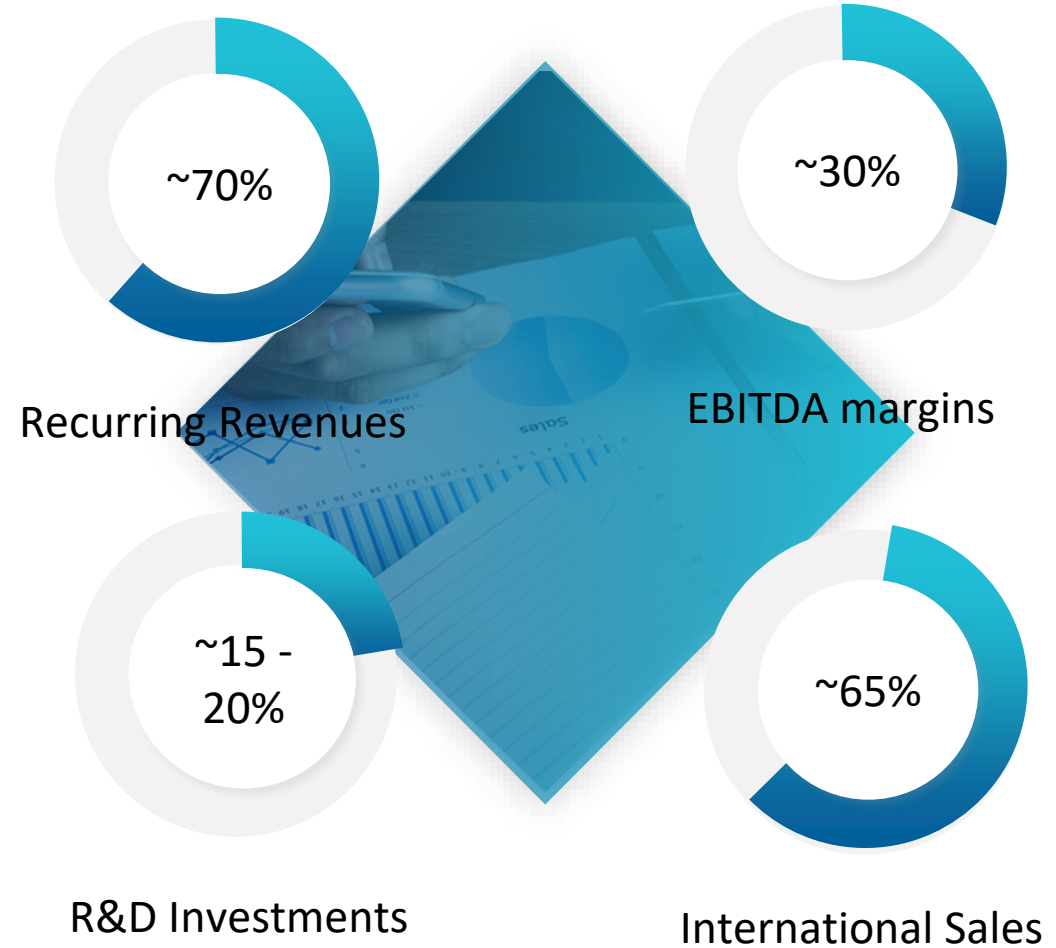
Growth

in Sales
(2018)

24%

Increase

in EAT
(2018)



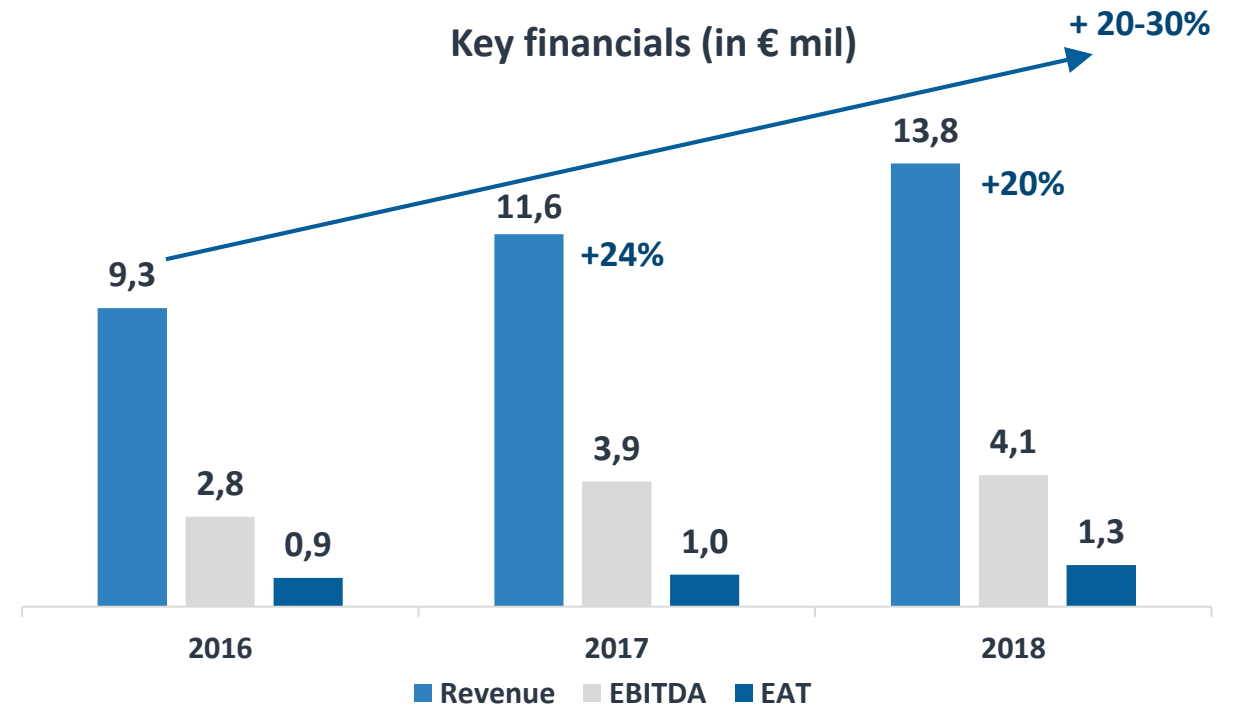
Growth & Solid margins

Revenues +20% in 2018,
on top of +24% in 2017

CAGR +22%
CAGR (Intl) +30%
EBITDA margins ~30%

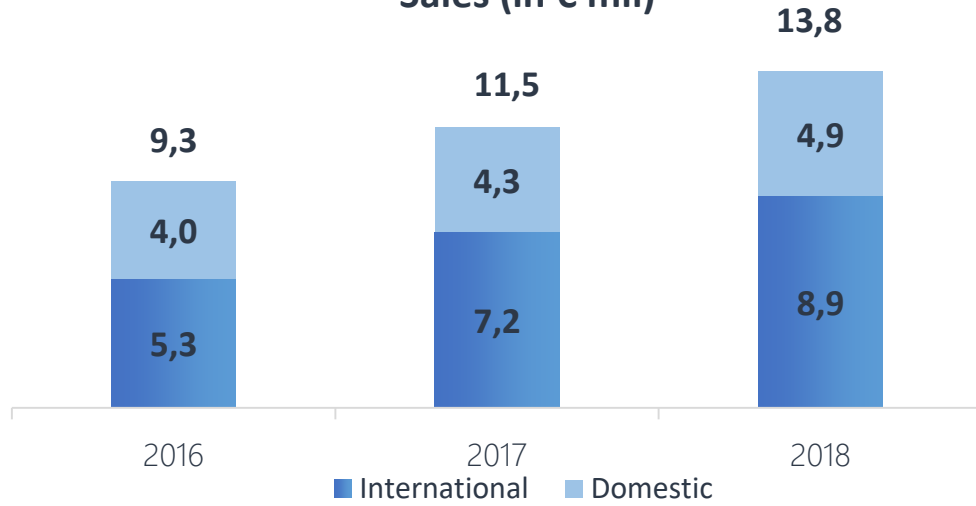
| P&L (in €'k) | FY2016 | FY2017 | FY2018 | Δ% |
|----------------------|--------|--------|--------|-------|
| Turnover | 9.293 | 11.557 | 13.829 | +20% |
| EBITDA | 2.817 | 3.930 | 4.056 | +3% |
| <i>EBITDA margin</i> | 30% | 34% | 29% | (5%) |
| PBT | 545 | 1.404 | 1.704 | +21% |
| EAT | 561 | 1.020 | 1.261 | +24% |
| <i>EAT margin</i> | 6% | 9% | 9% | +0,2% |
| EPS (in €) | 0,0477 | 0,0867 | 0,1091 | +26% |

EV('19)/Revenues ('18) 1,00x
EV('19)/EBITDA ('18) 3,40x

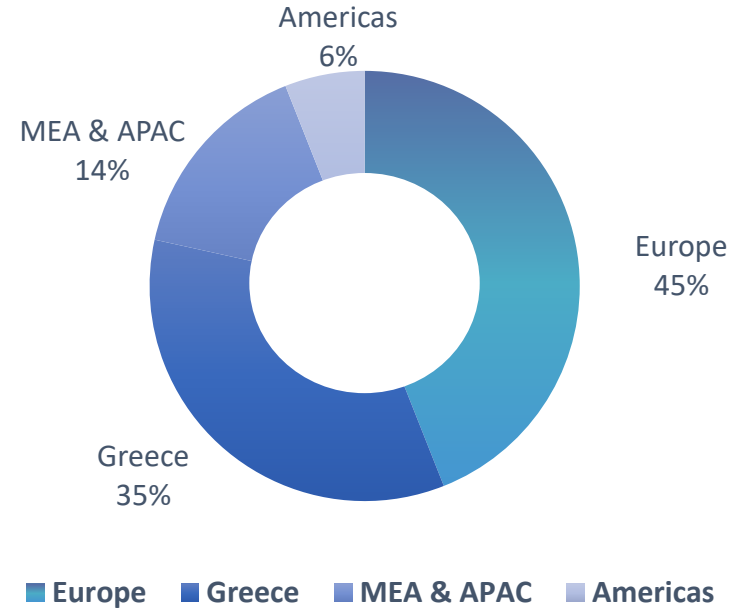


Global Revenue

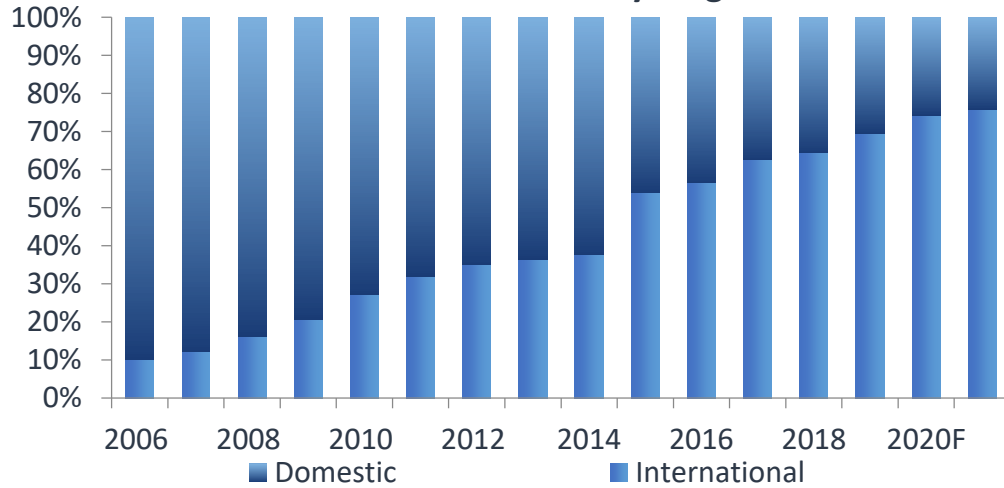
Sales (in € mil)



Revenue Breakdown by Geography (2018)



Revenue Evolution by Origin



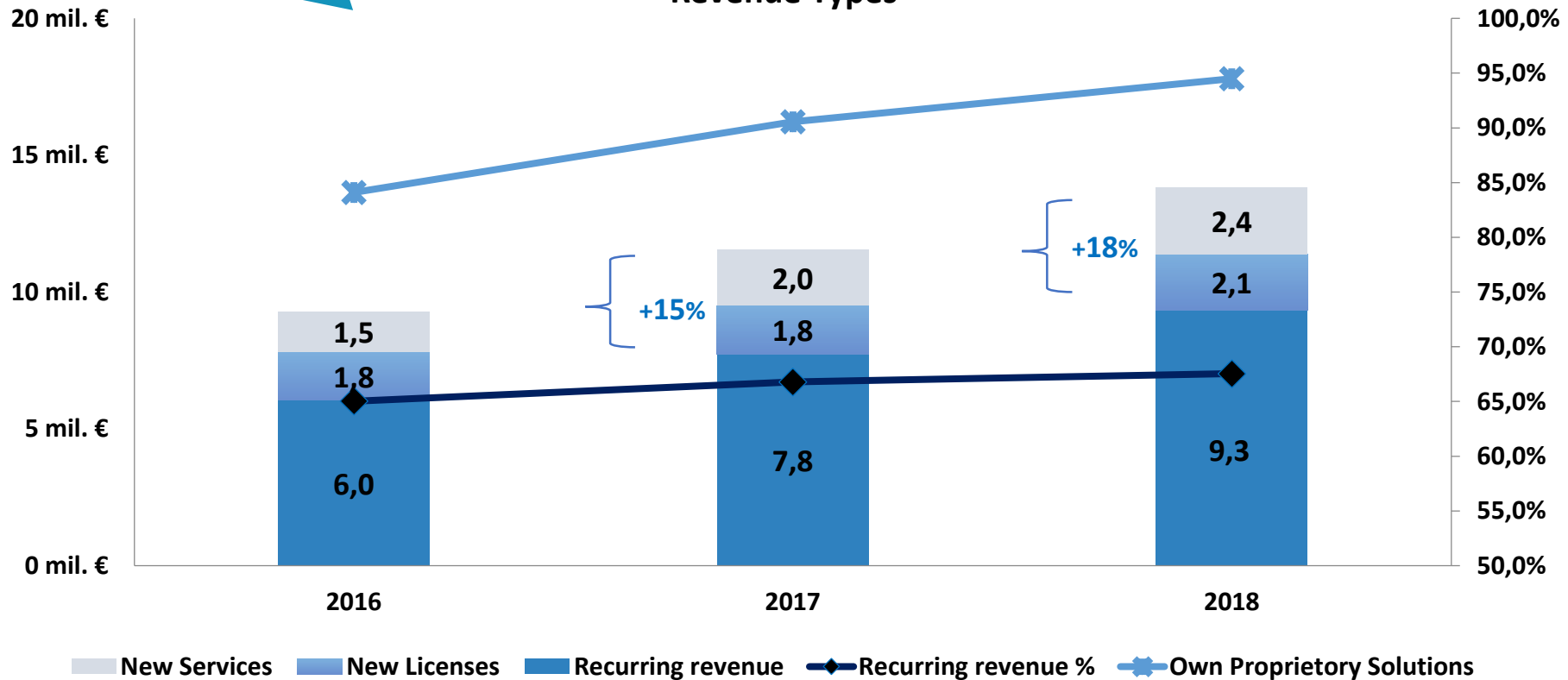
Quality Revenue

Recurring revenues ~70%,
from Maintenance, SaaS, PayG & Additional
Users
Loyal clientele ~99%, very low churn

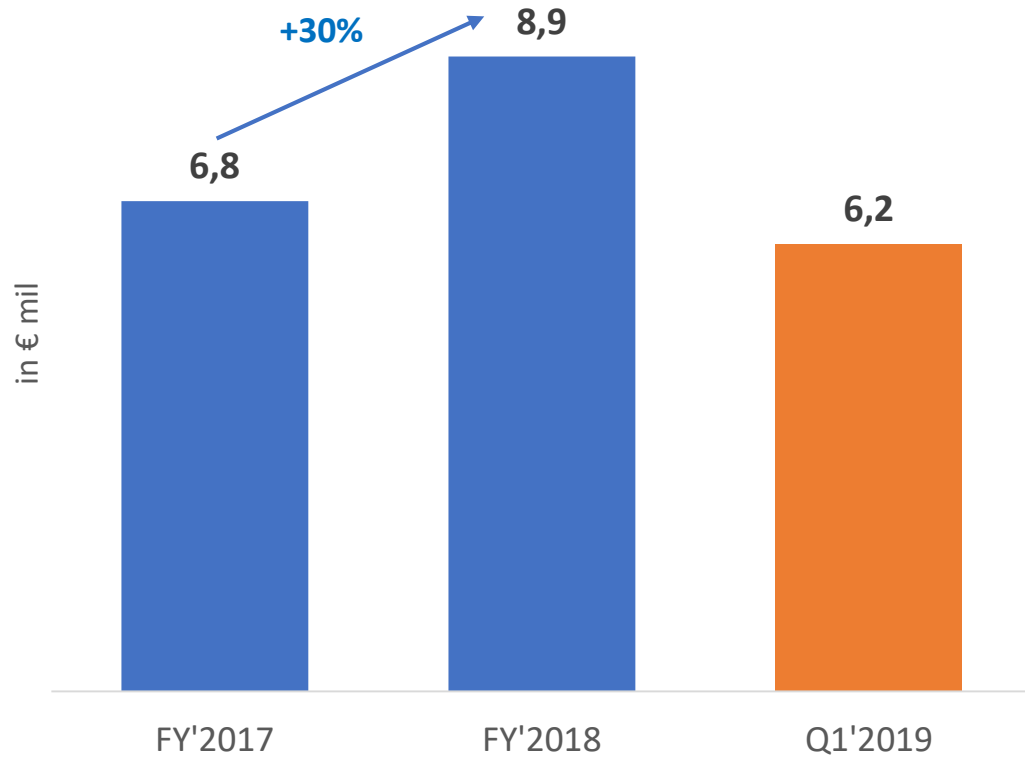
New clients' acquisition rate
~20%

Own developed products
~95%

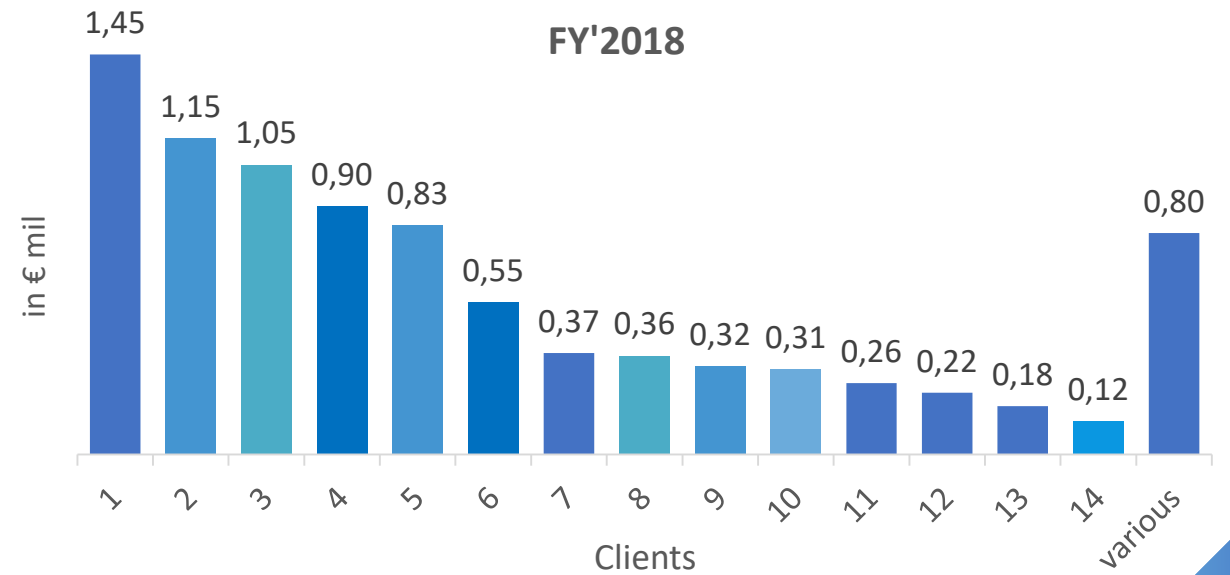
Revenue Types



New Contracts



FY'2018 €8.9 mil, vs
FY'2017 €6.8 mil (+30%), while
Q1'2019 €6.2 mil. already



Healthy Balance Sheet

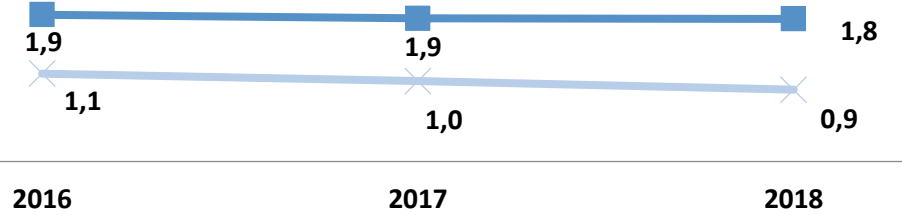
| Balance Sheet | FY2016 | FY2017 | FY2018 | Δ% |
|------------------------------|---------------|---------------|---------------|-------------|
| Assets | | | | |
| Tangible & Intangible Assets | 13.157 | 13.751 | 12.680 | (8%) |
| Other non Current Assets | 827 | 811 | 789 | (3%) |
| Non Current Assets | 13.984 | 14.561 | 13.469 | (8%) |
| Inventories | 308 | 188 | 184 | (2%) |
| Trade Receivables | 6.399 | 6.895 | 6.436 | (7%) |
| Other current assets | 2.922 | 2.392 | 2.053 | (14%) |
| Cash & Equivalents | 13.409 | 13.085 | 13.742 | 5% |
| Current Assets | 23.037 | 22.560 | 22.415 | (1%) |
| Total Assets | 37.022 | 37.121 | 35.884 | (3%) |

| | | | | |
|---------------------------------------|---------------|---------------|---------------|-------------|
| Equity | 17.352 | 18.232 | 18.653 | 2% |
| Non Controlling Interests | (78) | (77) | (78) | 0% |
| Debt | 6.112 | 5.217 | 4.620 | (11%) |
| Trade Payables | 3.553 | 2.834 | 2.703 | (5%) |
| Social Security and Taxes | 771 | 907 | 1.233 | 36% |
| Deferred liabilities | 1.736 | 3.294 | 3.274 | (1%) |
| Subsidies | 4.728 | 3.981 | 2.725 | (32%) |
| Provisions & Other liabilities | 2.847 | 2.734 | 2.753 | 1% |
| Total Liabilities | 19.747 | 18.967 | 17.309 | (9%) |
| Total Liabilities & Equity | 37.022 | 37.121 | 35.884 | (3%) |
| Net Cash | 7.297 | 7.869 | 9.121 | 16% |

Key Ratios

| | | | |
|---------------------|-------|-------|-------|
| Debt to Equity | 1,14x | 1,04x | 0,93x |
| Current Ratio | 1,90x | 1,85x | 1,85x |
| ROCE | 5,1% | 9,8% | 12,3% |
| ROE | 3,2% | 5,6% | 6,8% |
| Price to Book Value | 0,31x | 0,46x | 0,78x |

Ratios



—x— Debt to Equity —■— Current Ratio



Debt to Equity ratio fall to 0.9x in 2018



ROCE and ROE increased to 12.3% and 6,8% respectively



Current ratio stable at ~1.85x

A blue wireframe hand is shown pointing towards the right. The background is a dark blue gradient with various semi-transparent icons and data visualizations, including charts, graphs, and document outlines, creating a high-tech, digital atmosphere.

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- ✦ **Products, Technology**
- ✦ Looking forward

Cutting-edge technology

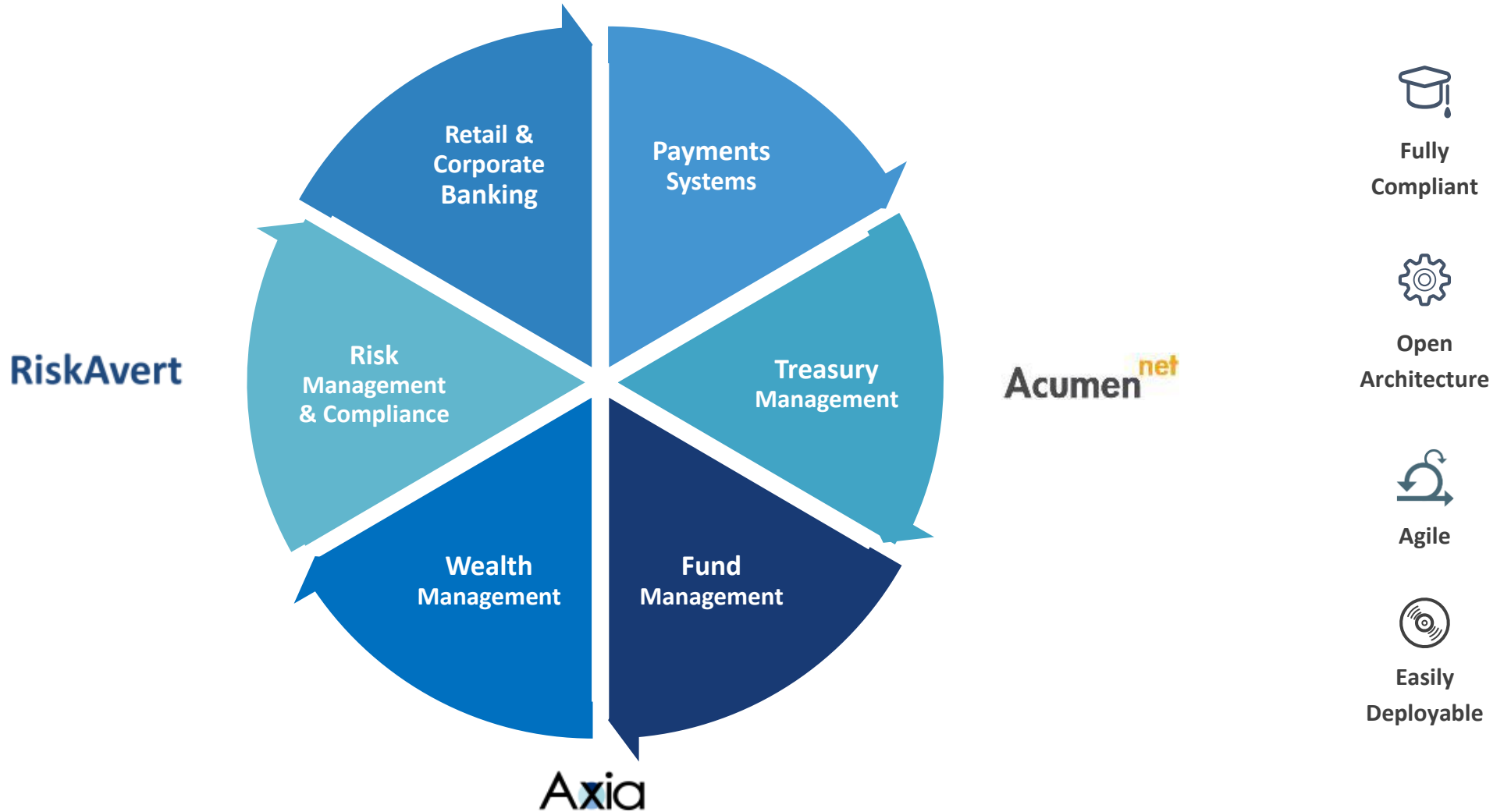
- ❖ Emerging technologies driving the evolution of Financial Industry (RPA, cloud, AI, etc.)
- ❖ Multiple deployment methods (SaaS, BPO, etc.)
- ❖ Enterprise agile practices enabling to innovate & deliver effectively
- ❖ DevOps engagement achieving higher efficiency & quality through end-to-end automation
- ❖ Unique flexibility, seamless integration and superior user/customer experience (UX/CX)
- ❖ Accelerate clients' operational growth



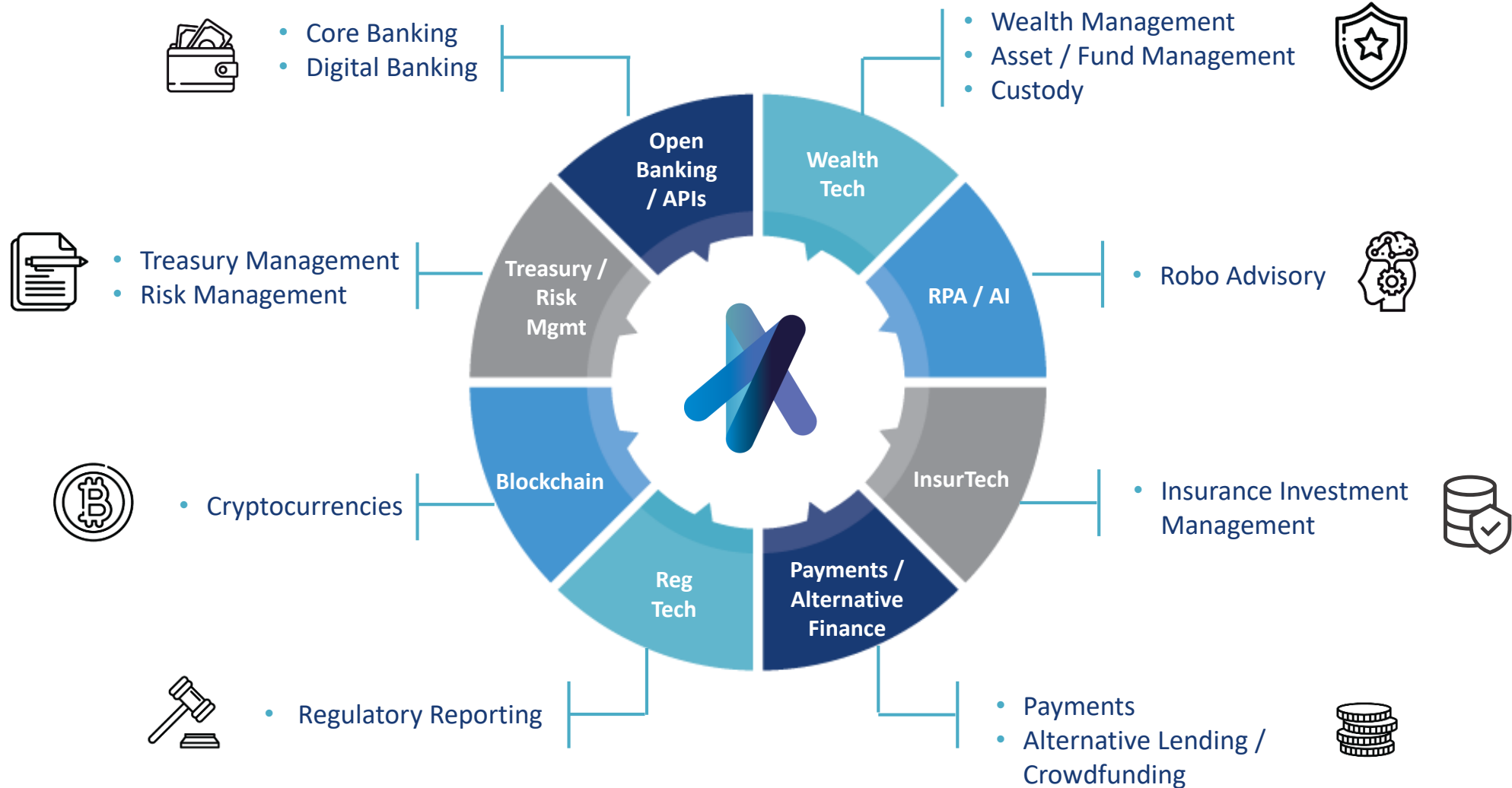
Products &
Technology

Complete Financial Services Solutions

FMS.next



Covering all new trends





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Looking forward

- ❖ Growing market
- ❖ Competent Team
- ❖ Continuously upgrade product & delivery offerings
- ❖ Strategy to deliver sustainable growth
- ❖ Outperforming Industry peers fundamentals
- ❖ Strong Q1'2019



Growing Market




**Financial Services
lead IT spending**


2020: \$475 bn

 **The Big tech firms (GAFA) are developing a digital ecosystem**

 **2 out of 3 millennials prefer online banking and payments**


 **Mobile commerce and omni-channel payments on the rise**

 **Banking-as-a-platform**


 **Mobile wallet to account for more than 160bn USD payments by 2022**


BAI, eMarketer, Capgemini

 **70% AI savings on operational tasks**

 **37% of banking customers will use non-traditional financial services firms by 2021**

 **APIs are key**

 **Global volume of net HNWI will increase by 25% to almost US\$70 trillion by 2021**

 **7.2bnGBP revenue opportunity created by Open Banking by 2022**

The financial brand, EY, PwC, ODI, Capgemini

The Team

ExCo



- ❖ Competent skills
- ❖ Global experience and culture
- ❖ Hiring from International peers
- ❖ Lean structure

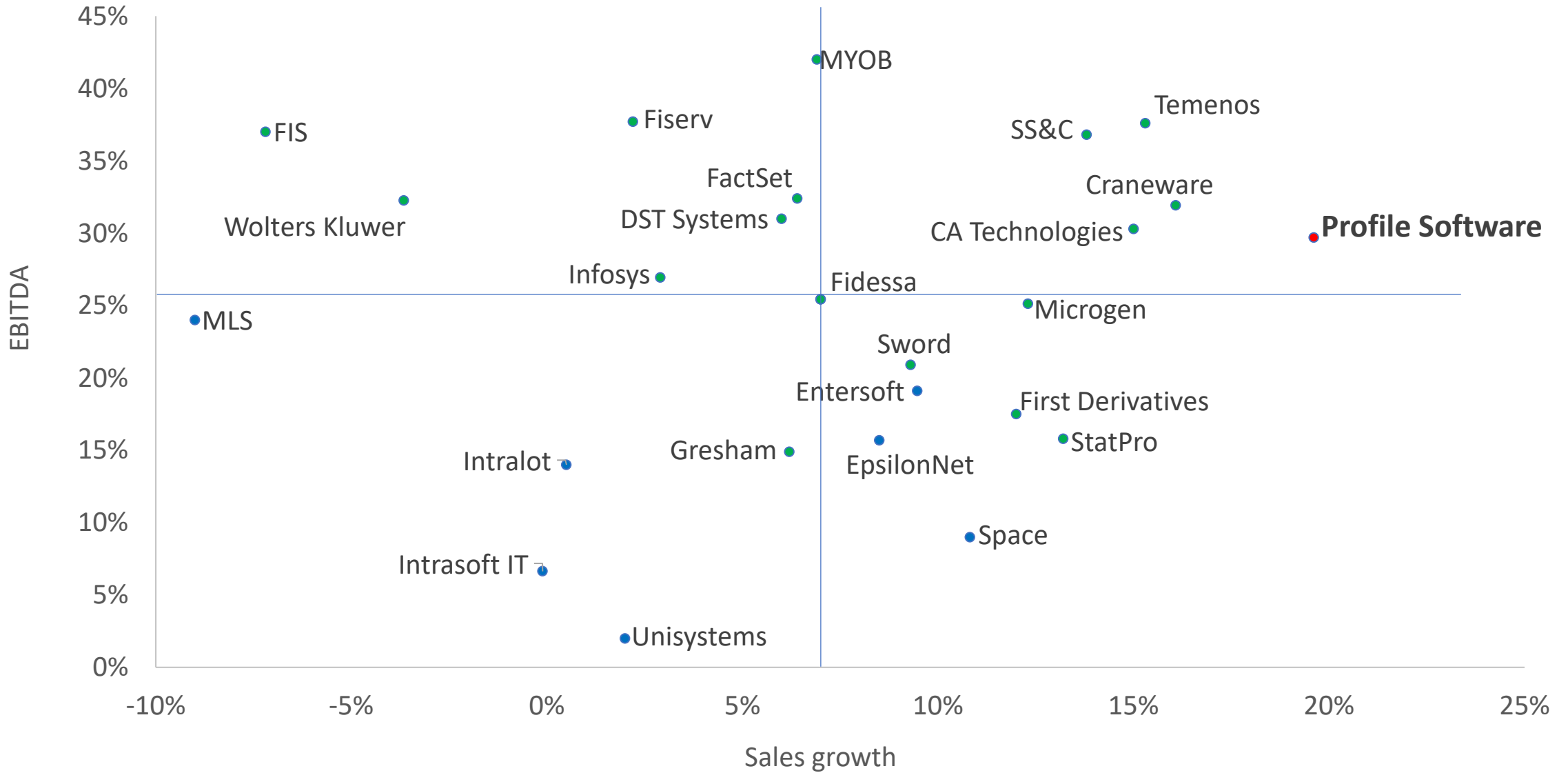
Business Units



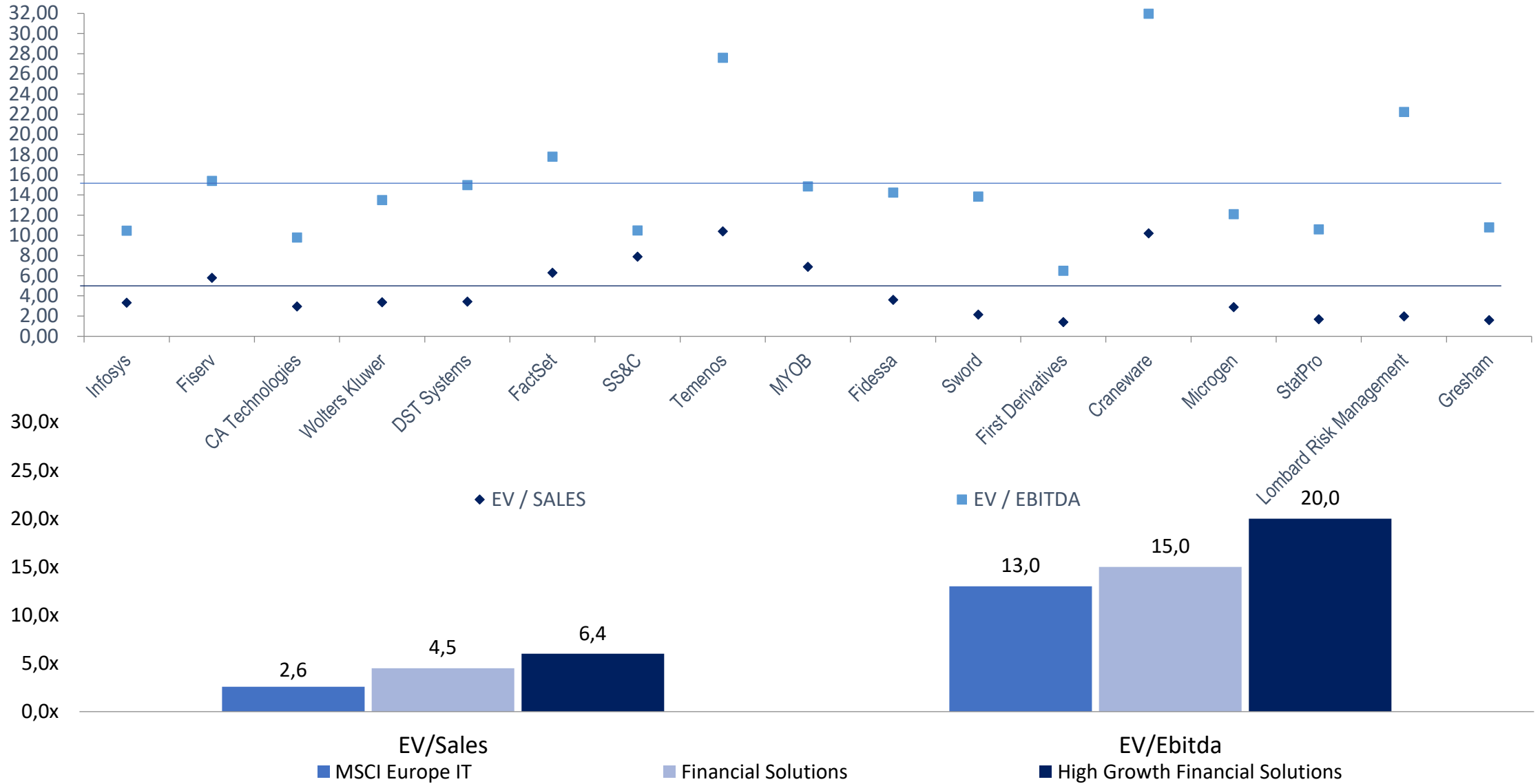
Commercial



Comparable fundamentals

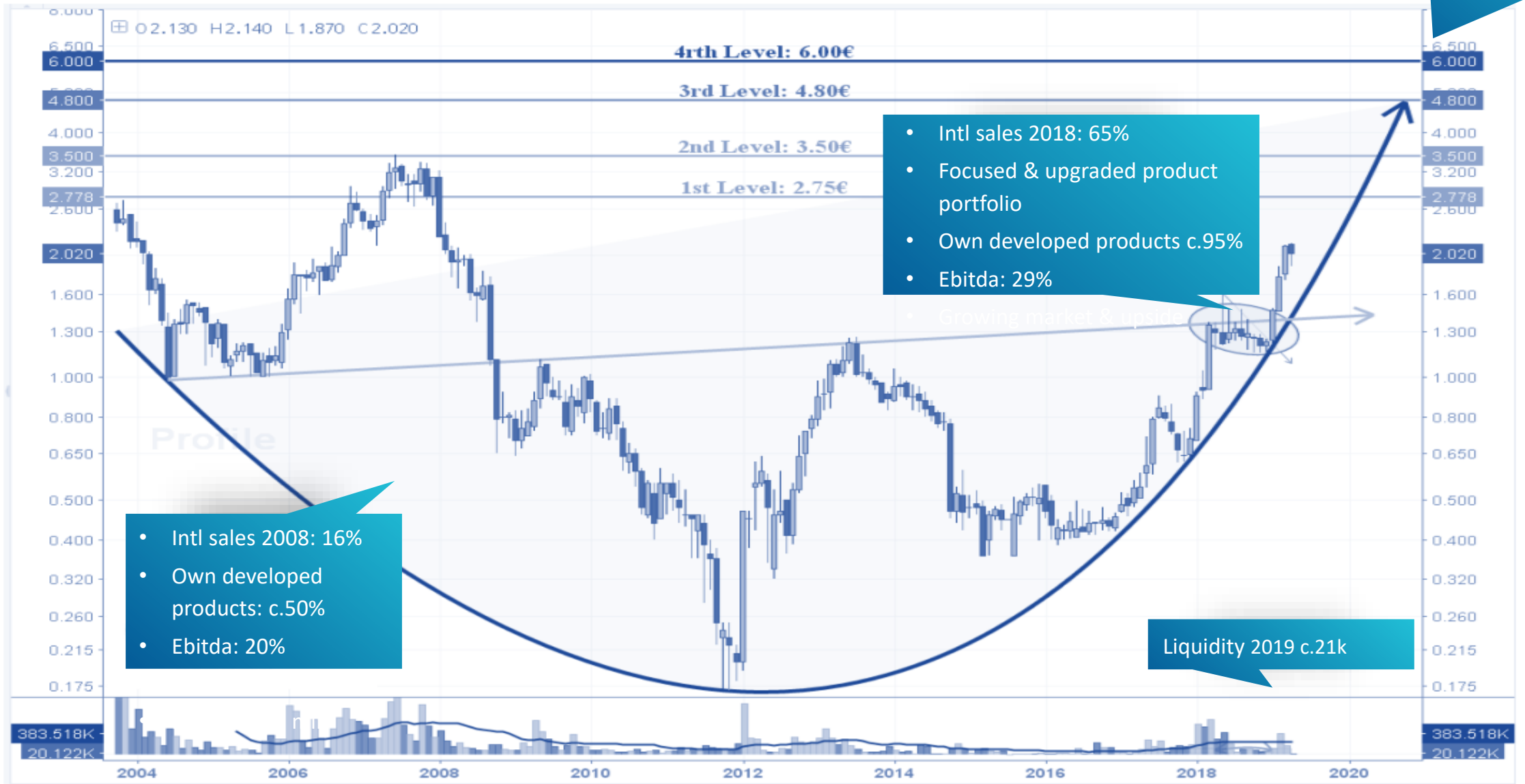


Comparable multiples

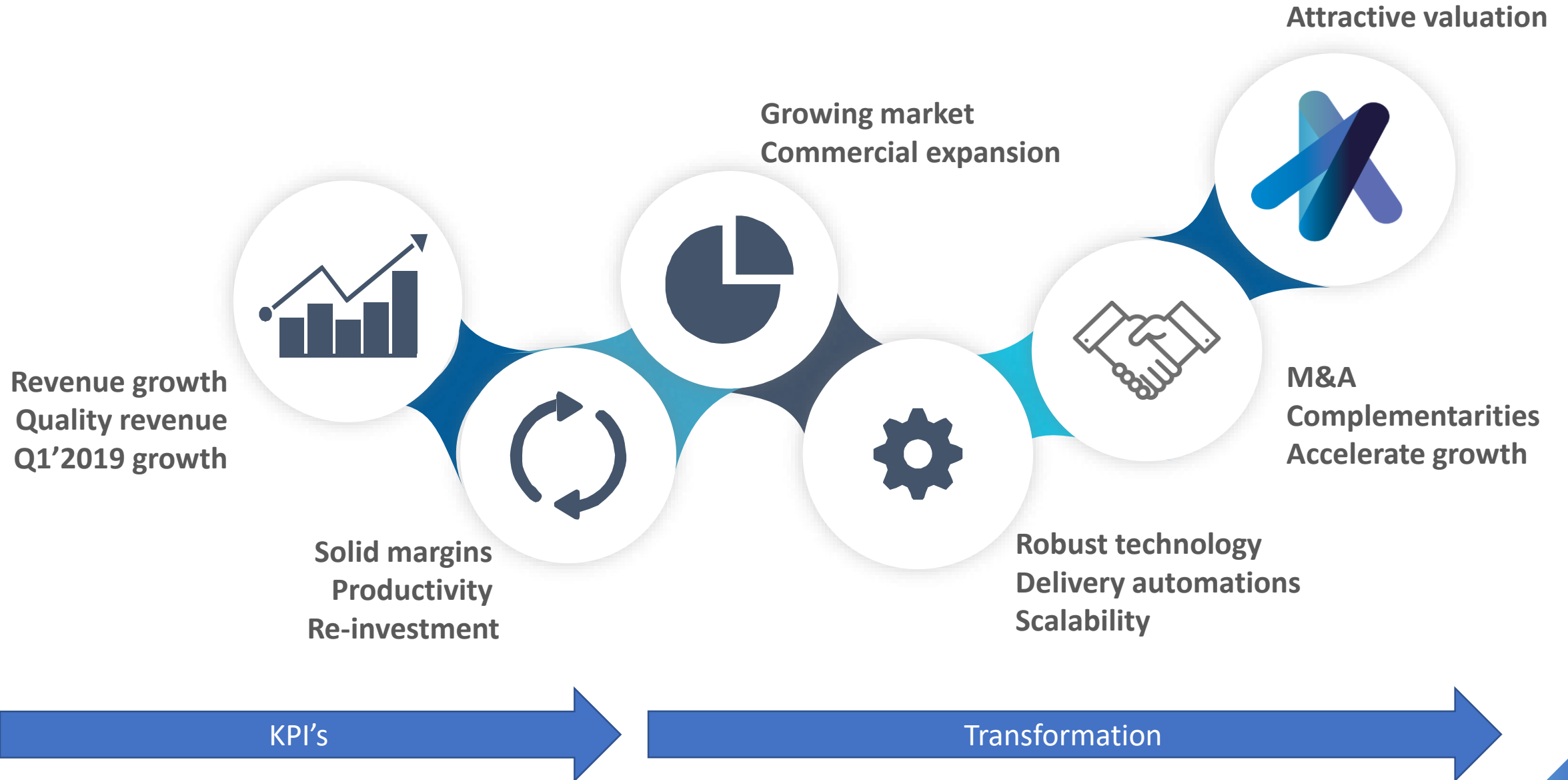


Strong value growth potential

Assuming c.20% growth in 2019 and 4x EV/Sales, 15x EV/Ebitda, Price corresponds to c.€6.50 ps.



Drivers of value



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