

**EPSILON NET: Dynamic entry in the market of software for pharmacies
with the acquisition of 100% of IT company CSA**

EPSILON NET announces the agreement for the acquisition of a 100% stake in the company under the name "SOTIRIS MATSOUKAS S.A." and the distinctive title "CSA" (hereinafter **CSA**), which is active in the development of specialized IT solutions and automation systems for pharmacies and businesses operating in the field of wholesale trade and distribution of pharmaceuticals in Greece (www.csagreece.com).

Since 1985, **CSA** has been active in the development of software for small and large commercial enterprises, constantly investing in cutting-edge technologies and human resources in order for its applications to offer a high level of usability and interoperability. The company has integrated applications and solutions in the field of medicine and more specifically:

- The **FARMAKON** application for pharmacies – retail outlets. The application has been developed and fully covers the needs of the Greek pharmacy in interconnection with IDIKA, EOPPY and other health insurance providers
- The specialized information system **FARMAKON ERP** for **pharmaceutical warehouses and wholesale companies** operating in the fields of pharmaceuticals, para-pharmaceutical and cosmetics.
- Application of connection with the German technology **robotic systems ROWA Vmax** for automation in product handling and order execution.

The systematic and long-term effort of the company's management and its executives have led CSA to a **leading position** with a share of more than 50% in the specific vertical market of the pharmaceuticals and in the service with software solutions of more than **5,200 pharmacies** in the total of approximately 10,400 operating throughout Greece (according to Hellenic Statistical Authority data for 2020).

It is worth noting that the **pharmacy** has now emerged as a **key point for the provision of primary health services** (vaccination services against influenza, rapid testing) and the field of pharmaceuticals and health in general, is one of the most privileged sectors in terms of innovation development, technological automations and **Business Intelligence (BI)** systems. As a result, the exceptional dynamics of the pharmacy sector and the pharmaceutical sector in general, constantly creates new needs for additional functionality in the use of software using Web and Cloud systems.

This trend has been particularly reinforced in the last period due to COVID-19 and will be the basis for the further future development of the company with the support of Epsilon Net Group. At the same time, the Group, guided by its integrated contribution to the Digital Transformation of the private sector, both for pharmacies and pharmaceutical trading companies as well as for all the other sectors in which it operates, it has analyzed all the new funding possibilities that will arise in the near future from the financial instruments of the "**Recovery and Resilience Fund**" & the "**NSRF 2021-2027**".



Epsilon NET will acquire by 5 shareholders all individuals, 100% of CSA. The total amount for the acquisition of 100% of CSA will be **EUR 2.73 million**. Turnover for the financial year 2021 stood at **EUR 2.75 million**, with estimated EBITDA of **EUR 455 thousand**, and estimated **EBT for 2021 of EUR 380 thousand**. It is noted that the company had on 31/12/2021 cash reserves of EUR 295 thousand, and borrowing of EUR 386 thousand. It should be noted that the company also owns an autonomous building complex of offices and storage spaces on a central road axis in the Municipality of Agia Paraskevi, Attica, with an estimated **commercial value of about EUR 1 million**.

This acquisition, on the one hand, implements **EPSILON NET's** strategic plan for entry into **special vertical markets**, providing innovative products and services with the goal of expanding the customer base and on the other hand, constitutes the first step for the gradual expansion of the Group's activities in IT systems for the Healthcare sector.

The Group consistently and continuously follows its business plan at the level of continuous organic growth, while at the same time it proceeds to acquisitions and technological partnerships with the aim of increasing its market shares and financial figures.

Mr. Ioannis Michos, Founder of the Group, President of the Board of Directors & CEO of EPSILON NET, stated the following:

*"2021 was **a landmark year** for our Group. As we have already estimated, the success of 2021 will be the beginning of a new creative cycle, with intense growth rates in the sectors where the company operates, with an emphasis on Web and Cloud technologies.*

*With the acquisition of **CSA**, we begin our activity in the special field of information systems for Health Sector. Together with CSA executives, we have designed and will implement a comprehensive plan to upgrade the company's systems and create new tools for the Greek Pharmacy and the wider pharmaceutical sector.*

*The large family of companies of Epsilon Net Group, continues with vision, human-centered approach and dedication, to serve the needs of our customers. Our central goal remains every day, to generate **value for our people, partners and shareholders**."*

Mr. Christos Delimargas, President of the Board of Directors & CEO of CSA, stated the following:

*"After **36 years of creative business** in the field of information technology and having created a series of renowned applications for pharmacies and businesses active in the wholesale trade of pharmaceuticals, our company has come to start a new page in its successful route and join the large family of the Epsilon Net Group.*

With the management and technological team of Epsilon Net we have already designed the implementation of an innovative plan to upgrade our applications and create new tools & services for the Greek Pharmacist and businesses operating in the wider health sector, with emphasis on Cloud technologies and E-commerce.

*I would like to especially thank the thousands of customers of our company for our long-term cooperation & their trust and especially our executives & staff for their daily effort and their contribution all the previous years. With the assistance of Epsilon Net Group, we continue all together, close to our customers, guided by our **many years of experience** and **technological innovation**."*