

Thessaloniki, May 30, 2023

**EPSILON NET: 47.04% increase in Turnover &
59.55% in Earnings before Taxes during the 1st Quarter 2023**

EPSILON NET Group of Companies continued successfully in the 1st quarter of 2023, the implementation of its business planning, resulting in a significant **increase** in its financial figures, which reflects its dominant position in the field of Business Software.

The main financial figures of **EPSILON NET Group** for the 1st Quarter of 2023 are as follows:

Basic Financial Figures of the period 01/01/2023 – 31/03/2023:

GROUP FINANCIAL FIGURES (in thousand €)	1/1/2023- 31/03/2023	1/1/2022- 31/03/2022	%
Revenue	20,782.33	14,133.76	47.04%
EBITDA	7,466.88	4,719.12	58.23%
Earnings before Taxes	6,429.39	4,029.75	59.55%

Specifically, Turnover increased by 47.04%, Earnings before Taxes by 59.55%, while at the same time a significant improvement in **EBITDA margin** was achieved, which stood at **35.93%** compared to 33.39% of the 1st quarter of 2022. The impressive growth rate in the Group's financial figures was driven both by the significant organic growth rate (**over 76%**) and by the contribution of **targeted acquisitions** that accelerated the strategic goal of the Group's Management for «**all-in-one solution**» **products and services, continuous expansion of market share and achievement of high final profitability performance.**

During the 1st quarter of 2023, Group's Equity increased to **€ 63.61 million**, while cash balances & equivalents amounted to **€ 28.97 million**. Group, despite the investments made during this period, such as the acquisition of OROSIMO PLIROFORIKI S.A., increased its **negative net debt to €10.7**

million (while the calculation of negative borrowing **has not included an amount of €3.18 million**, invested in fixed-income securities, further increasing final net assets).

Condensed Statement of Financial Position

GROUP FINANCIAL FIGURES (in thousand €)	01/01/2023- 31/03/2023	01/01/2022- 31/03/2022
Cash and Cash Equivalents	28,970.35	22,828.83
Long-Term Borrowing	4,447.35	11,246.22
Long-Term Leasing Liabilities	3,108.72	1,568.80
Short-Term Borrowing	9,898.56	6,972.82
Short-Term Leasing Liabilities	807.89	651.95
Net Borrowing	-10,707.82	-2,389.05
Equity	63,611.35	44,712.88
Total Employed Capital	52,903.52	42,323.83
Leverage Rate	-0.2024	-0,0564

Outlook for 2023

Management estimates for 2023 that both the parent company and the Group's subsidiaries will continue to play a leading role in the digital transformation of the private sector of the Greek economy. The Group's goal is to further expand the broad acceptance of its product and service portfolio and achieve significant growth in Turnover and customer base through **organic growth** and **new acquisitions planned for 2023**.

The significant increase in consolidated sales by **47%** in the **1st quarter of 2023**, is the result of the business planning developed by the Group in all markets in Greece and gradually abroad. The expansion of sales for 2023 is expected to be supported by:

- ✓ the evolution of the portfolio of products and services in the fields of **Business Software, eCommerce and Fintech** (in cooperation with NATIONAL BANK)
- ✓ 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**"



- ✓ the gradual development of operations abroad (Cyprus & Romania)

Group estimates that investments by Greek businesses in the field of **digital transformation** are expected **to intensify** due to the provision of **incentives through the financial programs** of the **RECOVERY FUND** and the new **NSRF 2021-2027**. Specifically, Group's sales teams and the member companies of the Network are expected to:

- ✓ further utilize the reinforcements (through vouchers) of the **DIGITAL TOOLS** program of the Recovery Fund (which received an extension of completion until 31/07/2023)
- ✓ leverage the reinforcements (through vouchers) of the Recovery Fund's **DIGITAL AID** program (for the modernisation of retail invoicing, EFT/POS interconnection and invoicing systems for cars with a total of €160 million)
- ✓ contribute to the utilization of the **3 Actions** of the DIGITAL TRANSFORMATION of the new **NSRF** (which started accepting applications from 15/02/2023 with new grants amounting to €300 million)
- ✓ further utilize the specific **financial instruments** of the banking sector and especially the tools of the **Hellenic Development Bank**

Important place in the Group's business planning for 2023 is the gradual implementation at technical & operational level of the implementation of the integrated strategic agreement with the **NBG Group**, which will broaden 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 enable through the Group's tools the possibility of integrated services to the final customer – business while at the same time it 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 (**bridge financing and midterm funds**)
- **create new revenue lines, "on top"** in the existing revenue categories from Business Software products

Group's management estimates, based on the successful execution of the business plan in 2022, the positive results of the first quarter of 2023, the expected benefits from the strategic partnership with NBG and the dynamic acquisition program, the foundations have been laid for the **Group's new growth cycle in Greece and abroad for the period 2023-2025.**

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