

**AUSTRIACARD HOLDINGS AG**  
**ANNOUNCES 9M 2023 RESULTS**

November 14<sup>th</sup>, 2023: AUSTRIACARD HOLDINGS AG (ACAG) continues its strong operating performance in 9M 2023.

- Group Revenues during 9M 2023 increased by 13.1% reaching € 261.5m. Excluding the effect of the one-off Kenyan elections project concluded in Q3 2022, revenues increased by 26.6%, or € 54.9m, driven by strong performance in payment products and solutions and the contribution of postal services business in Romania.
- 9M 2023 Group Adj. EBITDA reached € 36.5m, with a margin of 13.9% similar to that of 9M 2022. Excluding Kenya, Adj. EBITDA grew by 36.9%.
- Net Profit after Tax for the period increased by 33.2% to € 14.6m, margin of 5.6% improved compared to 4.7% in last year's 9M, due to significantly less Adjustments compared to 1-9 2022. Excluding Kenya for the same period, Net Profit Increased by 133.3%.

**CEO COMMENTARY**

**AUSTRIACARD HOLDINGS AG Deputy Chairman and Group-CEO, Panagiotis Spyropoulos, noted:**

*"In the first 9 months of 2023 we continued delivering strong results, posting 13.1% growth in Revenue, 11.6% growth in Adj. EBITDA and 33.2% growth in Net Profit. Excluding the Kenyan elections project in 2022, by its nature one-off, Group Revenues, Adj. EBITDA and Net Profit grew by 26.6%, 36.9% and 133.3% respectively. Note that we are pursuing further similar projects, as our expertise in executing complex Security printing projects is, we believe, unrivaled.*

*To safeguard our ability to support our future business growth in the face of fluctuating chip supply, we increased our inventory coverage during the last period.*

*In August a capital increase from own funds was implemented that effectively doubled the number of shares outstanding, something that is expected to enhance liquidity, while a share-buyback program has been approved by the AGM on 30 June 2023.*

*We are close to finalizing our refinancing, consolidating borrowings at AUSTRIACARD HOLDINGS level, removing structural obstacles, and thus significantly enhancing available funds for the pursuance of the company's strategic objectives."*

**1-9 2023 BUSINESS PERFORMANCE**

Key performance indicators in € million	1-9 2023	1-9 2022	D '23-'22	D '23-'22 %
Revenue	261.5	231.2	30.3	13.1%
Gross profit I	116.2	106.1	10.1	9.6%
Gross profit I margin	44.4%	45.9%	-1.4%	n/a
Gross profit II	63.2	55.7	7.4	13.4%
Gross profit II margin	24.2%	24.1%	0.1%	n/a
Total OPEX excluding depreciation	(82.0)	(73.3)	(8.7)	11.9%
Total OPEX excluding depreciation as % on sales	31.4%	31.7%	-0.3%	n/a
adjusted EBITDA	36.5	32.7	3.8	11.6%
adjusted EBITDA margin	13.9%	14.1%	-0.2%	n/a
adjusted EBIT	24.8	22.2	2.6	11.5%
adjusted EBIT margin	9.5%	9.6%	-0.1%	n/a
adjusted Profit before tax	20.2	19.4	0.9	4.4%
adjusted Profit before tax margin	7.7%	8.4%	-0.6%	n/a
adjusted Profit after tax	16.7	16.0	0.7	4.4%
adjusted Profit after tax margin	14.4%	15.1%	-0.7%	n/a
Profit after Tax	14.6	11.0	3.6	33.2%
Profit after Tax margin	5.6%	4.7%	0.8%	n/a
Net Equity / Total Assets	35.9%	30.6%	5.4%	n/a
Operating Cash Flow	(1.1)	14.7	(15.8)	-107.4%
Operating Cash Flow as % on sales	-0.4%	6.4%	-6.8%	n/a
Net Working Capital as of 30 September	57.9	45.1	12.8	28.5%
Working Capital as % on sales (12 months)	16.8%	15.9%	0.9%	n/a
Net Debt as of 30 September	96.7	92.8	3.9	4.2%
Net Debt / Adjusted EBITDA (12 months)	2.2	2.4	(0.2)	n/a

**Business Performance**

**Revenues** of AUSTRIACARD HOLDINGS Group reached € 261.5 million increasing by € 30.3 million or 13.1% compared to 1-9 2022. This growth was mainly driven by strong sales of payment products and services (€ +23m), especially in the Turkish market, and by printing and postal services (€ +12m) mainly attributed to the Romanian market through the majority stake acquisition of Pink Post solutions business. This strong performance more than compensated the reduction in forms revenue related to the Kenyan elections project implemented in 2022.

**Gross profit I** increased by € 10.1 million or 9.6% to reach € 116.2 million. Gross margin I reached to 44.4% slightly adjusted from 45.9% in 1-9 2022 mainly due the effect of the Kenyan elections project in 2022.

**Gross profit II** increased by € 7.4 million or 13.4% reaching € 63.2 million, while Gross margin II remained stable at 24.2% as economies of scale offset the reduction in Gross margin I.

**Operating expenses** excluding depreciation, amortization and impairment (OPEX) increased by € 8.7 million or 11.9% reaching € 82.0 million mainly as a result of incremental business activities, such as the Pink Post solutions business, and increased administrative expenses related to the stock exchange listing completed in 2023. As a percentage of revenues OPEX decreased by 0.3 percentage points to 31.4% vs. 31.7% in 1-9 2022.

**Adjusted EBITDA** increased by € 3.8 million or 11.6% from € 32.7 million to € 36.5 million as a result of an increased Gross profit, which was partially offset by the increase in operating expenses. The adjusted EBITDA margin remained at similar level with 1-9 2022, well above FY 2022 margin of 12.5%.

As presented in the table below, adjusting 1-9 2022 for the effect of the Kenya election project, 1-9 2023 Revenues and adjusted EBITDA grew by 26.6% and 36.9% respectively versus 1-9 2022 and Gross margin and adjusted EBITDA margin increased by 0.6 and 1.1 percentage points respectively, underscoring the strong operational performance in 2023.

<b>pro forma Key financial indicators</b> <i>excl. 2022 Kenya election project</i> <i>in € million</i>	<b>1-9 2023</b>	<b>1-9 2022</b>	<b>D '23-'22</b>	<b>D '23-'22 %</b>
Revenue	261.5	206.6	54.9	26.6%
Gross profit I	116.2	90.5	25.7	28.4%
Gross profit I margin	44.4%	43.8%	0.6%	n/a
Gross profit II	63.2	48.7	14.5	29.8%
Gross profit II margin	24.2%	23.5%	0.6%	n/a
Total OPEX excluding depreciation	82.0	64.9	17.1	26.4%
Total OPEX excluding depreciation as % on sales	31.4%	31.4%	0.0%	n/a
adjusted EBITDA	36.5	26.6	9.8	36.9%
adjusted EBITDA margin	13.9%	12.9%	1.1%	n/a
Profit after Tax	14.6	6.3	8.3	133.3%
Profit after Tax margin	5.6%	3.0%	2.6%	n/a

**Adjusted EBIT** increased by € 2.6 million or 11.5% as the increase in adjusted EBITDA was partially compensated by higher depreciation & amortization related to the significant investments made in 2022 to support our business growth.

**Adjusted Profit before tax** increased by € 0.9 million or 4.4%, with a margin of 7.7% vs. 8.4% in 1-9 2022, as the increase in adjusted EBIT was partially compensated by higher interest expenses related to the increased Euribor.

**Profit after tax** increased by € 3.6 million or 33.2% to € 14.6 million as a result of the strong operating performance and a lower (valuation-related) expenses included in Adjustments, with a margin of 5.6% vs. 4.7% in 1-9 2022.

### **Financial Position**

Total assets increased by € 20.7 million from € 270.2 million as of 31 December 2022 to € 290.9m as of 30 September 2023 which is mainly related to increases in current assets, especially with respect to inventory. As a result of the generated profits **Total Equity** increased by € 21.9 million to € 104.5 million. The Group's equity ratio increased from 30.6% as of 31 December 2022 to 35.9% as of 30 September 2023.

In August 2023, a capital increase from company funds was implemented, as a result of which the number of shares as well as the share capital of the Company in Euros was increased from 18.2 million to 36.4 million by converting an amount of € 18,176,934 from the appropriated additional paid-in capital into share capital (nominal capital increase) and issuing additional (for free) shares in the ratio of 1:1. The capital increase from company funds has not affected the overall amount of Total Equity of the Group.

Due to the business-driven increase in inventories, **Net working capital** increased by € 33.5 million or 136.9% from € 24.4 million as of 31 December 2022 to € 57.9 million as of 30 September 2023. As a result, the Group's cash flow from operating activities came in as a net outflow of € -1.1 million compared to a net inflow of € 14.7 million in 1-9 2022. As a percentage of rolling 12 month revenues, Net working capital came in at 16.8% increasing 0.9 percentage points versus 30 September 2022 due to a higher level of inventory.

**Net Debt** increased by € 20.1 million from € 76.6 million as of 31 December 2022 to € 96.7 million as of 30 September 2023 due to the increase in Net working capital. The Net Debt / Adjusted EBITDA (rolling 12 months) ratio improved from 2.4x in 1-9 2022 to 2.2x in 2023.

## **ABOUT AUSTRIACARD HOLDINGS AG**

AUSTRIACARD HOLDINGS AG, headquartered in Vienna, with an international presence and one of the leading providers of Secure Digital Technology Solutions in Europe.

AUSTRIACARD HOLDINGS AG is the one of the leading B2B providers of smart cards, personalization and payment solutions, as well as secure data management and digitalization solutions, in Austria, Scandinavia, Central and Eastern Europe and South Eastern Europe, while also having significant market share in many other European countries and Türkiye. The Group is expanding fast in geographical areas outside Europe, such as the USA where it has established a new personalization center, and the Middle East & Africa where sales units have been developed that have already drawn significant new business. In addition, the Company has become a payment products and solutions partner of choice for Challenger Banks/Neo Banks, a growing market segment world-wide.

The Company has a very strong pan-European operational footprint, reaching from the United Kingdom to Greece and Türkiye, with seven production facilities and seven personalization centers in Europe, as well as an additional personalization center in USA, employing currently around 2,600 people. It also has sales offices in Norway, Czech Republic, Germany, Croatia, Serbia, Jordan, the UAE and a network of partners and selling agencies around the world. This footprint enables the provision of a high service level to our customers, confirmed by the very long-lasting business relationships. The Group's international customer base benefits from a complementary product and services and solutions offering ranging from bill printing, direct mailing and document processing to payment, transit and ID cards increasingly bundled with online, mobile and digitalization transformation solutions.

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Stock Exchanges:	Vienna Prime Market, Athens Main Market

## **APPENDIX**

**A. BUSINESS PERFORMANCE AND FINANCIAL POSITION**

<b>Business performance</b> in € million	<b>1-9 2023</b>	<b>1-9 2022</b>	<b>D '23-'22</b>	<b>D '23-'22 %</b>	<b>Q3 2023</b>	<b>Q3 2022</b>
<b>Revenues</b>	<b>261.5</b>	<b>231.2</b>	<b>30.3</b>	<b>13.1%</b>	<b>80.4</b>	<b>94.1</b>
Costs of material & mailing	(145.3)	(125.1)	(20.2)	16.1%	(42.4)	(49.3)
<b>Gross profit I</b>	<b>116.2</b>	<b>106.1</b>	<b>10.1</b>	<b>9.6%</b>	<b>37.9</b>	<b>44.7</b>
<i>Gross margin I</i>	<i>44.4%</i>	<i>45.9%</i>	<i>-1.4%</i>		<i>47.2%</i>	<i>47.6%</i>
Production costs	(53.1)	(50.4)	(2.7)	5.3%	<b>(18.6)</b>	<b>(23.2)</b>
<b>Gross profit II</b>	<b>63.2</b>	<b>55.7</b>	<b>7.4</b>	<b>13.4%</b>	<b>19.3</b>	<b>21.5</b>
<i>Gross margin II</i>	<i>24.2%</i>	<i>24.1%</i>	<i>0.1%</i>		<i>24.0%</i>	<i>22.9%</i>
Other income	3.2	1.7	1.4	80.3%	1.7	0.4
Selling and distribution expenses	(16.5)	(15.1)	(1.4)	9.5%	(5.5)	(5.1)
Administrative expenses	(18.9)	(13.7)	(5.2)	38.3%	(6.4)	(4.5)
Research and development expenses	(5.2)	(4.6)	(0.6)	13.3%	(1.8)	(1.7)
Other expenses	(0.9)	(1.9)	1.0	-51.9%	(0.8)	(1.4)
+ Depreciation, amortization and impairment	11.7	10.4	1.2	12.0%	4.0	3.6
<b>adjusted EBITDA</b>	<b>36.5</b>	<b>32.7</b>	<b>3.8</b>	<b>11.6%</b>	<b>10.5</b>	<b>12.9</b>
<i>adjusted EBITDA margin</i>	<i>13.9%</i>	<i>14.1%</i>	<i>-0.2%</i>		<i>13.0%</i>	<i>13.7%</i>
- Depreciation, amortization and impairment	(11.7)	(10.4)	(1.2)	12.0%	(4.0)	(3.6)
<b>adjusted EBIT</b>	<b>24.8</b>	<b>22.2</b>	<b>2.6</b>	<b>11.5%</b>	<b>6.5</b>	<b>9.3</b>
Financial income	0.2	0.0	0.1	242.8%	0.0	0.0
Financial expenses	(4.8)	(3.0)	(1.8)	60.5%	(1.8)	(1.1)
Result from associated companies	0.1	0.0	0.0	18.4%	0.1	0.0
<b>Net finance costs</b>	<b>(4.6)</b>	<b>(2.9)</b>	<b>(1.7)</b>	<b>58.4%</b>	<b>(1.7)</b>	<b>(1.1)</b>
<b>adjusted Profit (Loss) before tax</b>	<b>20.2</b>	<b>19.4</b>	<b>0.9</b>	<b>4.4%</b>	<b>4.8</b>	<b>8.2</b>
Adjustments	(2.1)	(5.1)	2.9	-58.1%	(1.7)	(0.4)
<b>Profit (Loss) before tax</b>	<b>18.1</b>	<b>14.3</b>	<b>3.8</b>	<b>26.5%</b>	<b>3.1</b>	<b>7.7</b>
Income tax expense	(3.5)	(3.3)	(0.1)	4.4%	(0.8)	(1.5)
<b>Profit (Loss)</b>	<b>14.6</b>	<b>11.0</b>	<b>3.6</b>	<b>33.2%</b>	<b>2.4</b>	<b>6.2</b>

<b>Consolidated Statement of financial position</b> in € million	<b>30/09/2023</b>	<b>31/12/2022</b> restated	<b>D '23-'22</b>	<b>D '23-'22 %</b>
Non-current assets	155.7	153.7	2.0	1.3%
Current assets	135.1	116.4	18.7	16.1%
<b>Total assets</b>	<b>290.9</b>	<b>270.2</b>	<b>20.7</b>	<b>7.7%</b>
Total Equity	104.5	82.6	21.9	26.6%
Non-current liabilities	79.6	89.6	(10.0)	-11.1%
Current Liabilities	106.8	98.0	8.8	8.9%
<b>Total Equity and Liabilities</b>	<b>290.9</b>	<b>270.2</b>	<b>20.7</b>	<b>7.7%</b>

<b>Statement of cash flows</b> in € million	<b>01-09 2023</b>	<b>01-09 2022</b>	<b>D '23-'22</b>	<b>D '23-'22 %</b>
Cash flows from operating activities	(1.1)	14.7	(15.8)	-107.4%
Cash flows from investing activities	(9.3)	(13.1)	3.8	-29.0%
Cash flows from financing activities	0.5	3.5	(3.0)	-85.1%
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(9.9)</b>	<b>5.1</b>	<b>(15.0)</b>	<b>-291.9%</b>
<b>Capital expenditure incl. right-of-use assets, excl. M&amp;A (CAPEX)</b>	<b>(13.9)</b>	<b>(17.1)</b>	<b>3.2</b>	<b>-18.7%</b>

<b>Net Debt</b> in € million	<b>30/09/2023</b>	<b>31/12/2022</b>	<b>D '23-'22</b>	<b>D '23-'22 %</b>
Cash and cash equivalents	(11.2)	(21.6)	10.4	-48.1%
Loans and borrowings	108.0	98.2	9.7	9.9%
<b>Net Debt</b>	<b>96.7</b>	<b>76.6</b>	<b>20.1</b>	<b>26.3%</b>

**B) PRIMARY FINANCIAL STATEMENTS**
**Consolidated statement of financial position**

	30 September 2023	31 December 2022 restated	01 January 2022 restated
<b>Assets</b>			
Property, plant and equipment and right of use assets	93,801,133	90,417,978	82,955,114
Intangible assets and goodwill	56,633,850	57,165,908	60,650,884
Equity-accounted investees	323,732	291,790	260,000
Other receivables	3,542,037	4,533,021	634,484
Other long-term assets	181,821	318,187	500,008
Deferred tax assets	1,252,438	995,731	339,015
<b>Non-current assets</b>	<b>155,735,010</b>	<b>153,722,615</b>	<b>145,339,505</b>
Inventories	56,293,524	36,074,378	23,187,892
Contract assets	13,565,472	10,852,463	8,692,836
Current income tax assets	799,748	337,521	387,421
Trade receivables	41,636,788	40,037,312	29,266,953
Other receivables	11,620,375	7,500,523	8,026,225
Cash and cash equivalents	11,232,965	21,628,404	11,484,243
<b>Current assets</b>	<b>135,148,871</b>	<b>116,430,601</b>	<b>81,045,570</b>
<b>Total assets</b>	<b>290,883,881</b>	<b>270,153,216</b>	<b>226,385,076</b>
<b>Equity</b>			
Share capital	36,353,868	16,862,067	14,638,053
Share premium	32,749,185	34,510,986	6,999,933
Other reserves	14,890,317	6,874,926	6,224,775
Retained earnings	20,303,505	12,706,989	27,055,412
<b>Equity attributable to owners of the Company</b>	<b>104,296,876</b>	<b>70,954,968</b>	<b>54,918,173</b>
Non-controlling interests	210,248	11,610,180	12,971,476
<b>Total Equity</b>	<b>104,507,124</b>	<b>82,565,149</b>	<b>67,889,649</b>
<b>Liabilities</b>			
Loans and borrowings	67,268,767	70,625,737	75,842,814
Employee benefits	5,617,938	11,995,374	5,076,511
Other payables	11,332	11,332	8,644,733
Deferred tax liabilities	6,698,847	6,936,386	6,773,511
<b>Non-current liabilities</b>	<b>79,596,884</b>	<b>89,568,830</b>	<b>96,337,569</b>
Current tax liabilities	3,313,418	3,528,716	1,644,924
Loans and borrowings	40,703,880	27,599,805	20,737,061
Trade payables	38,638,565	43,969,030	24,279,428
Other payables	15,811,888	12,380,054	11,143,748
Contract liabilities	7,886,216	7,072,840	4,157,584
Deferred income	362,953	3,405,841	132,162
Provisions	62,951	62,951	62,951
<b>Current Liabilities</b>	<b>106,779,873</b>	<b>98,019,237</b>	<b>62,157,858</b>
<b>Total Liabilities</b>	<b>186,376,757</b>	<b>187,588,068</b>	<b>158,495,427</b>
<b>Total Equity and Liabilities</b>	<b>290,883,881</b>	<b>270,153,216</b>	<b>226,385,076</b>



**Consolidated income statement**

	<b>1-9 2023</b>	<b>1-9 2022 restated</b>	<b>Q3 2023</b>	<b>Q3 2022 restated</b>
Revenue	261,517,089	231,211,786	80,351,414	94,067,216
Cost of sales	(198,359,504)	(175,498,338)	(61,087,662)	(72,522,622)
<b>Gross profit</b>	<b>63,157,585</b>	<b>55,713,448</b>	<b>19,263,752</b>	<b>21,544,594</b>
Other income	3,152,228	1,747,763	1,668,675	449,880
Selling and distribution expenses	(16,491,001)	(15,064,451)	(5,492,930)	(5,111,355)
Administrative expenses	(20,759,795)	(15,590,724)	(7,609,798)	(5,182,645)
Research and development expenses	(5,239,679)	(4,626,337)	(1,779,912)	(1,653,291)
Other expenses	(900,054)	(1,970,224)	(795,171)	(1,541,789)
+ Depreciation, amortization and impairment	11,656,049	10,407,412	3,950,518	3,636,416
<b>EBITDA</b>	<b>34,575,333</b>	<b>30,616,886</b>	<b>9,205,135</b>	<b>12,141,811</b>
- Depreciation, amortization and impairment	(11,656,049)	(10,407,412)	(3,950,518)	(3,636,416)
<b>EBIT</b>	<b>22,919,284</b>	<b>20,209,475</b>	<b>5,254,617</b>	<b>8,505,395</b>
Financial income	159,015	74,839	(206,354)	(12,950)
Financial expenses	(5,034,085)	(6,024,154)	(1,993,582)	(760,585)
Result from associated companies	53,904	45,536	53,904	0
<b>Net finance costs</b>	<b>(4,821,166)</b>	<b>(5,903,778)</b>	<b>(2,146,033)</b>	<b>(773,536)</b>
<b>Profit (Loss) before tax</b>	<b>18,098,118</b>	<b>14,305,697</b>	<b>3,108,584</b>	<b>7,731,860</b>
Income tax expense	(3,485,331)	(3,336,968)	(754,815)	(1,537,656)
<b>Profit (Loss)</b>	<b>14,612,788</b>	<b>10,968,729</b>	<b>2,353,769</b>	<b>6,194,203</b>
<b>Profit (Loss) attributable to:</b>				
Owners of the Company	14,011,282	9,064,517	2,221,169	4,838,347
Non-controlling interests	601,505	1,904,212	132,600	1,355,856
<b>Profit (Loss)</b>	<b>14,612,788</b>	<b>10,968,729</b>	<b>2,353,769</b>	<b>6,194,203</b>
<b>Earnings (loss) per share</b>				
Basic and diluted	<b>0,687</b>	<b>0,619</b>	<b>0,086</b>	<b>0,331</b>

**Consolidated statement of cash flows**

	<b>1-9 2023</b>	<b>1-9 2022 restated</b>
<b>Cash flows from operating activities</b>		
Profit (Loss) before tax	18,098,118	14,305,697
<b>Adjustments for:</b>		
-Depreciation, amortization and impairment	11,656,049	10,407,412
-Net finance costs	4,821,166	5,903,778
- Net gain or loss on disposal of non-current assets	(19,279)	(37,655)
-Other non-cash transactions	354,139	2,698,227
	<b>34,910,193</b>	<b>33,277,458</b>
<b>Changes in:</b>		
-Inventories	(20,219,145)	(10,550,786)
-Contract assets	(2,713,009)	(2,670,690)
-Trade receivables and other receivables	(5,719,328)	(17,939,406)
-Contract liabilities	813,377	2,364,547
-Trade payables and other payables	(4,941,518)	12,337,447
Taxes paid	(3,219,234)	(2,070,238)
<b>Net cash from (used in) operating activities</b>	<b>(1,088,665)</b>	<b>14,748,333</b>
<b>Cash flows from investment activities</b>		
Interest received	151,277	44,130
Proceeds from sale of property, plant and equipment	3,718	40,401
Payments for acquisition of property, plant and equipment & intangible assets	(9,447,011)	(13,163,070)
<b>Net cash from (used in) investing activities</b>	<b>(9,292,016)</b>	<b>(13,078,539)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(3,856,188)	(2,818,773)
Acquisition of non-controlling interests	0	(3,090,605)
Proceeds from loans and borrowings	25,654,738	13,374,937
Repayment of borrowings	(17,689,477)	(2,580,000)
Payment of lease liabilities	(2,609,997)	(947,843)
Dividends paid to non-controlling interest	(71,964)	(468,957)
Dividends paid to owners of the company	(908,847)	0
<b>Net cash from (used in) financing activities</b>	<b>518,265</b>	<b>3,468,759</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(9,862,415)</b>	<b>5,138,553</b>
<b>Cash and cash equivalents at 1 January</b>	<b>21,628,404</b>	<b>11,484,243</b>
Effect of movements in exchange rates on cash held	(533,024)	467,599
<b>Cash and cash equivalents at 30 September</b>	<b>11,232,965</b>	<b>17,090,395</b>