

GROUP INFORM P. LYKOS HOLDINGS S.A.

Strong growth in sales (+37.7%) and operating profit (+84.9%) attributed to significant Security Forms project and Digital Transformation solutions implemented

Koropi, 06/09/2022 – The consolidated financial statements of INFORM P. LYKOS HOLDINGS S.A. are published today, in accordance with the International Financial Reporting Standards (I.F.R.S.).

The Group's focus on the implementation of its strategy with key pillars, the addition of new geographic service areas, as well as strengthening the contribution of digital transformation solutions in its turnover, is paying off as reflected in the results of the first half of 2022.

During the first half of 2022, Group sales increased by € 13.1 million or +37.7% and reached € 47.8 million compared to € 34.7 million in the corresponding half of 2021. The significant increase in turnover is mainly from:

- a) the initiation of the project implementation concerning the conduct of the 6 electoral events in Kenya. The Group has undertaken the production and delivery of all election materials necessary for the implementation of the elections in Kenya in August. The value recognized in June was € 3.4 million as the rest of the project was completed in July,
- b) the increase in sales by € 3.2 million in the sector of the digital printing and postal services, resulting mainly from the incorporation of new customers, the increase in the delivery volume, as well as the selling prices increase compared to last year, as a result of the increased service costs,
- c) the higher demand for printed forms in Greece and Romania by € 3.1 million both from sectors that were affected by the COVID-19 pandemic in the first half of 2021, as well as from the increase in costs and the consequent increase in selling prices ,
- d) the increased number of requested bank payment cards in the Greek market related to the redesign of the cards by € 2.1 million and
- e) the continued increase of digital transformation solutions contribution by 1.2 million by attracting new customers and increasing the solutions provided both in the Greek and Romanian markets.

Amounts in '000 €	01/01-30/6/2022	01/01-30/6/2021	Deviation	%
Revenue	47.807	34.729	13.078	37,7%
Gross profit	9.268	5.948	3.320	55,8%
<i>Gross margin</i>	<i>19,4%</i>	<i>17,1%</i>	<i>2,3%</i>	
EBITDA	6.000	3.245	2.755	84,9%
EBIT	3.742	1.015	2.727	268,8%
EBT	2.969	296	2.673	901,6%
EAT	2.229	114	2.115	

As a result of the increase in turnover, the key profitability figures of INFORM Group are presented below:

-The gross profit of the Group reached € 9.3 million compared to € 5.9 million in the corresponding first half of 2021, increased by € 3.3 million or +55.8% and the gross margin improved by 2.3 points from 17.1% to 19.4%. The Kenya project concerning the production of the electoral material has a significant contribution to the

improvement of the gross profit. At the same time, the Group managed to absorb the significant increase in raw material prices, energy prices and transportation costs without losing on a Gross Profit level,

-The earnings before interest, taxes, depreciation and amortization (EBITDA) of the Group reached € 6 million compared to € 3.2 million in the corresponding half of 2021, increased by € 2.8 million or +84.9%, as a result of the significant increase in turnover and the improvement of gross profit.

-The earnings before interest and taxes (EBIT) of the Group, reached € 3.7 million compared to € 1 million in the corresponding half of 2021, increased by € 2.7 million,

-The earnings before taxes (EBT) of the Group reached € 3 million compared to € 0.3 million in the corresponding half of 2021, increased by € 2.7 million,

-The earnings after taxes (EAT) of the Group reached € 2.2 million compared to € 0.1 million in the corresponding half of 2021, increased by € 2.1 million.

In relation to the business performance by main geographical markets, and excluding the intercompany transactions, sales in Greece reached € 21.0 million compared to € 13.1 million in the corresponding first half of 2021, having an increase of € 7.9 million or +37.6%, mainly coming from a) the beginning of the production of election materials necessary for the elections in Kenya by recognizing revenue of €3.4 million in June, b) the higher demand for forms by € 1.3 million in comparison with the first half of 2021, c) the increase in sales of payment cards due mainly to the redesign of the cards by € 2.1 million, d) the increase in digital printing and postal services from new customers by € 0.5 million and e) the increase in digital transformation solutions by attracting new customers by € 0.3 million.

In the Romanian market, the sales reached € 26.7 million compared to € 21 million in the corresponding first half of 2021, recording an increase of € 5.7 million or +21.3%, mainly coming from a) the increase in sales of digital printing and postal services with the incorporation of new customers and the increase in delivery volume by € 2.9 million, b) the increase in sales of forms by € 1.8 million both from existing and new customers, but also the increase in prices due to the increased cost of materials, energy, etc. in the first half of 2022 and c) the continued increase in the digital transformation solutions contribution by attracting new customers to the turnover by 1 million.

The Group operating cash flow generated in the first half of 2022 reached € 3.5 million compared to € 0.5 million in the corresponding half of 2021. The Net Debt of the Group amounted to € 25.2 million in the first half of 2022, compared to € 21.4 million in the corresponding half of 2021 and compared to € 21.7 million at the end of 2021. The increase of € 3.5 million compared to 2021 is related mainly to the increase of the Group's participation by 19.41% and 20% respectively in the companies NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L. in Romania amounting to € 3.1 million.

For the second half of 2022, the completion of the implementation of the project concerning the elections in Kenya will have a significant positive effect on the financial figures of the Group. Indicatively, we mention that this project will offer in 2022 approximately € 24 million turnover. At the same time, the Management of the Group monitors the developments in the global economy with rising inflation, rising energy prices and geopolitical tensions and with the adaptability shown by the management of the spread of the COVID-19 pandemic during the years 2020 and 2021, works in the direction to be able to face these external challenges without significant effects on the financial results. The Group having proved its ability to adapt to rapidly changing and unpredictable European market conditions, in which operates, faces challenges and also sees opportunities from the faster transition to digital transformation of enterprises. INFORM has the proven expertise to implement investment projects to be announced with the support of the European recovery instrument Next Generation EU (NGEU), which is expected to finance the implementation of important structural reforms.

About INFORM LYKOS

INFORM LYKOS (LYK.ATH) was founded in 1897, it has been listed on the Athens Stock Exchange since 1994 and provides products and services for the secure management of documents and information, innovating in the digital transformation of companies and organizations by providing highly specialized solutions. It has **510** employees with four production units in Greece, Romania and Albania, while it holds a leading position in the markets of Central and Eastern Europe in the Public and Private Sector.

It is a member of **AUSTRIACARD HOLDINGS**, an Austrian group of high information technology in the field of **Hardware Embedded Security**, which employs **1.400** people and has an international presence with three Divisions, AUSTRIACARD, INFORM and NAUTILUS, in the fields of Digital Security (Information Security), Information Management (Information Management), as well as the IoT respectively. The **AUSTRIACARD HOLDINGS** Group has a very strong pan-European business footprint, from the United Kingdom to Greece and Turkey, with **eight** production facilities and **seven** personalization centers in Europe, as well as **two** additional personalization centers in South America and the USA, which allows serving its customers, wherever they are, in the best possible way. In 2021, at a pro-forma level, the Group achieved a **consolidated turnover** of 200 million euro.

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