

Iraklio, Attica, September 18th, 2023

Press Release



**Board of Directors of Neurosoft S.A. approves
2023 1st Half Financial Statements**

- Consolidated Revenues in H1 2023 amounted to € 11.82 million in H1.2021 (€ 9.27 million in H1.2022)
- Gross Profit in H1 2023 amounted to €2.67 million (€2.35 million in H1.2022)
- EBITDA in H1 2023 amounted to € 1,32 million (€1,29 million in H1.2022)
- EBIT in H1 2023 amounted to € 0.65 million (€ 0.65 million in H1.2022)
- Net Profit in H1 2023 amounted to € 0.50 million (€0.52 million in H1.2022)
- Net Financial Position H1 2023 amounted to € 0.33 million (€(2.88) million in 2022)
- Total equity in H1 2023 amounted to € 5.84 million (€ 5.34 million in 2022)

Iraklio, Attica, September 18, 2023 - The Board of Directors of **Neurosoft S.A.**, a fully integrated ICT Company with System Integration and Cyber Security capabilities, met today and approved Neurosoft's Consolidated 1st Half Financial Statements (including the results for its subsidiaries, Neurosoft Cyprus Ltd and Neurosoft Romania Srl) for the 1st Semester ended June 30, 2023. Neurosoft, traded on Milan's Euronext Growth Italia market ([GRS802003004](#), [Reuters NRST.MI](#), [Bloomberg NRST:IM](#)), has **Banca Investis** as its Euronext Growth Advisor.

"Fiscal year 2023 will be another strong year for Neurosoft" said **Epameinondas Paschalidis**, Neurosoft CEO, commenting on the Group's half year results. "Despite the challenging economic environment, our company has achieved remarkable growth, demonstrating our resilience and commitment to excellence. We look forward to building on this success in the coming years, with a continued commitment to delivering exceptional value to our customers, shareholders, and the communities we serve. Our company remains optimistic about the future and is dedicated to sustaining its growth trajectory in the Managed Services field. We are actively pursuing new opportunities and partnerships while continuing to invest in research and development to stay at the forefront of the industry."

2023 – 1st Half Neurosoft Group Consolidated Performance

Neurosoft's reported H1.2023 consolidated revenues equal to € 11.82 million, an increase of 27% compared to H1.2022.

The main factors that drove this top line growth are: the market reopening, the capitalization of the company's efforts of the previous two years on developing innovative solutions portfolio as well as the securing of important contracts in Greece.

The Gross Profit landed at €2.67 million (14% growth) better-off compared to the respective amounts of previous year 1st semester. The EBITDA reached the amount of €1.32 million and the Net profit stood at € 0.52 million maintaining the same levels as H1.2022. The consistent EBITDA and Net Profit level are testaments to the company's financial stability and resilience.

H1.2023 Net Debt amounted to € 0.33 million, as compared with € (2.88) million at 31th December 2022.

H1.2023 Equity is equal to € 5.84 million (€ 5.34 million in 2022).

Cyber Security: Revenue and profitability exceeded the performance target of H1.2023. As cyber threats evolve, Neurosoft remains at the forefront, developing and delivering the most advanced cybersecurity solutions to its clients. Segment's performance in 2023 is proof of our unwavering commitment to protect the clients' digital assets in an increasingly complex threat landscape. The solutions portfolio was enhanced by new services in the areas of Security by Design, VMaaS and Ransomware assessment, that resulted in additional revenue streams and new projects from a considerably number of Tier 1 clients.

Field Services Operation: The company stayed focused on its strategic objective to ensure that telecom organizations and enterprises with geographically dispersed infrastructures will cope with their ultimate challenge i.e. a smooth, continuous and cost-effective operation. Towards this direction, Neurosoft undertook the technological optimization of the FSO business unit, more specifically the company invested in the modernization of the Warehousing Management System to create a state-of-the-art logistic center and to enhance the quality of services offered to the end customers either enterprise or telcos. Moreover, the Group expanded its country-wide network to support multiple, concurrent, large scale retail projects across the country.

Infrastructure and Cloud Operations: The ICO segment recorded remarkable revenue growth, reflecting the increasing demand for scalable and secure solutions. With a relentless focus on enabling digital transformation, Neurosoft has solidified its position and forged strategic partnerships with industry giants. The Company continued to innovate and launch cutting-edge cloud solutions, designed to empower businesses with agility, scalability, and security. The H1.2023 growth exemplifies Company's commitment to empowering businesses with the tools and technologies they need to thrive in today's digital age. It is specified that Neurosoft Separate and Consolidated 1st Half Financial Reports (including the results for its subsidiaries, Neurosoft Cyprus Ltd and Neurosoft Romania S.r.l. on June 30th, 2023 will be available to the public in compliance with the terms and conditions required by the law, on the company's website www.neurosoft.gr.

Neurosoft S.A., a Greek company listed on the Euronext Growth Milan market, organized and managed by the Italian Stock Exchange (ISIN GRS802003004, Reuters NRST.MI, Bloomberg NRST:IM), was founded in 1994 with the vision to provide superior products, innovative solutions and exclusive services to its international clients. Neurosoft is a fully integrated ICT company with Field Services,

Systems Integration and Cyber Security capabilities. The staff headcount exceeds 200+ highly skilled employees with deep experience in their field. The company is based in Athens with presence in Cyprus.

Business areas covered by Neurosoft: **Cyber Security Operations:** Provision of high-end Cyber Security solutions and services and development of innovative security products. In a world of viruses, malwares, and hackers, Neurosoft has compiled a suite of practical and technologically advanced tools and methods to significantly enhance the protection of your mission-critical data. **Infrastructure & Cloud Operations:** Design, implementation, operation and support of large-scale ICT infrastructure solutions for Operators of Critical Networks and Critical National Infrastructure Stakeholders. Our vast experience in complex projects makes Neurosoft the ideal partner for any ICT infrastructure requirement. **Field Services Operations:** Neurosoft offers high-quality, on-site logistic and warehousing services with 200+ field service technicians, offering 40+ service points in Greece and Cyprus.

The company is committed to client impact, continuous investments in R&D, innovation, adoption of advanced methodologies and well-known international standards (ISO9001, ISO27001, ISO 14001, ISO 45001, ISO 22301). It demonstrates a track record of successful local & international group (multi-country) installations & continuous technical support, always on time – on budget – on spec.

As of today, Banca Investis is Neurosoft's Euronext Growth Advisor for the Euronext Growth Milan market.

Press release available on www.neurosoft.gr

For further information please contact:

INVESTOR RELATIONS

Neurosoft S.A. | ir@neurosoft.gr | T: +30 2106855061

EURONEXT GROWTH ADVISOR

Banca Investis | corporatefinance@bancaintermobiliare.com

T: +39 0299968111

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
ASSETS				
Non-current assets				
Property, plant & equipment	403,019	359,464	403,019	359,464
Right-of-use assets	847,877	599,053	847,877	599,053
Intangible assets	656,460	705,406	656,460	705,406
Investments in subsidiaries	-	-	422,930	422,930
Other non - current assets	89,511	91,476	89,511	91,476
	1,996,868	1,755,399	2,419,797	2,178,329
Current assets				
Inventories	801,413	796,441	801,413	796,441
Trade receivables	5,868,459	6,651,399	5,845,964	6,647,479
Other current assets	2,506,803	842,482	2,500,723	811,338
Cash and cash equivalents	778,513	3,808,313	760,247	3,749,981
	9,955,187	12,098,635	9,908,347	12,005,239
Total assets	11,952,055	13,854,034	12,328,144	14,183,568
EQUITY				
Share capital	3,965,612	3,965,612	3,965,612	3,965,612
Share premium	600,000	600,000	600,000	600,000
Reserves	445,832	445,832	445,832	445,832
Retained earnings	825,736	331,538	1,202,604	708,286
Total equity	5,837,180	5,342,983	6,214,048	5,719,730
LIABILITIES				
Non-current liabilities				
Borrowings	160,338	206,149	160,338	206,149
Lease liabilities	498,029	272,609	498,029	272,609
Deferred tax liabilities	89,458	104,418	89,458	104,418
Employee benefit plans	80,170	66,383	80,170	66,383
	827,995	649,559	827,995	649,558
Current liabilities				
Trade payables	2,341,980	4,151,089	2,341,980	4,154,309
Borrowings	91,621	91,621	91,621	91,621
Lease liabilities	365,461	357,521	365,461	357,521
Income tax liabilities	592,489	424,279	592,489	424,279
Other tax liabilities	461,054	1,389,694	461,054	1,391,230
Other current liabilities	1,434,275	1,447,289	1,433,496	1,395,321
	5,286,880	7,861,492	5,286,101	7,814,281
Total liabilities	6,114,875	8,511,051	6,114,096	8,463,839
Total equity and liabilities	11,952,055	13,854,034	12,328,144	14,183,568

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	GROUP		COMPANY	
	01.01.2023 - 30.06.2023	01.01.2022 - 30.06.2022	01.01.2023 - 30.06.2023	01.01.2022 - 30.06.2022
Revenue	11,824,138	9,276,695	11,779,645	9,229,341
Cost of sales	(9,154,628)	(6,926,668)	(9,121,891)	(6,879,154)
Gross profit	2,669,509	2,350,026	2,657,754	2,350,188
Distribution expenses	(696,816)	(607,549)	(693,415)	(602,613)
Administrative expenses	(1,306,530)	(1,139,155)	(1,300,153)	(1,129,899)
Other income	45,697	169,350	45,697	169,350
Other gain - (losses)	(28,717)	(79,292)	(27,597)	(10,639)
Operating Profit	683,143	693,380	682,286	776,387
Finance income	8	47	8	47
Finance expenses	(35,703)	(38,936)	(34,724)	(38,225)
Profit before income tax	647,448	654,491	647,570	738,209
Income tax	(153,251)	(135,610)	(153,251)	(135,610)
Profit after tax	494,197	518,881	494,319	602,599
Other comprehensive income				
Total comprehensive income	494,197	518,881	494,319	602,599
Profit for the period attributable to:				
Equity holders of the parent	494,197	518,881	494,319	602,599
	494,197	518,881	494,319	602,599
Total comprehensive income				
Equity holders of the parent	494,197	518,881	494,319	602,599
	494,197	518,881	494,319	602,599

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

GROUP

	Share capital	Share premium	Reserves	Retained earnings	Total equity
1 January 2022	3,965,612	600,000	377,638	(877,935)	4,065,315
Net profit for the period	-	-	-	518,881	518,881
Total comprehensive profit for the period (net of tax)	-	-	-	518,881	518,881
30 June 2022	3,965,612	600,000	377,638	(359,054)	4,584,196
Net profit for the period				756,917	756,917
Other comprehensive income	-	-	-	1,868	1,868
Total comprehensive income for the year (net of tax)	-	-	-	1,277,666	1,277,666
Legal reserve	-	-	68,194	(68,194)	-
31 December 2022	3,965,612	600,000	445,832	331,538	5,342,983
1 January 2023	3,965,612	600,000	445,832	331,538	5,342,983
Net profit for the period	-	-	-	494,197	494,197
Total comprehensive income for the period (net of tax)	-	-	-	494,197	494,197
30 June 2023	3,965,612	600,000	445,832	825,736	5,837,180

COMPANY

	Share capital	Share premium	Reserves	Retained earnings	Total
1 January 2022	3,965,612	600,000	377,638	(589,265)	4,353,985
Net profit for the period	-	-	-	602,599	602,599
Total comprehensive income for the period (net of tax)	-	-	-	602,599	602,599
30 June 2022	3,965,612	600,000	377,638	13,334	4,956,584
Net profit for the period	-	-	-	761,279	761,279
Other comprehensive income	-	-	-	1,868	1,868
Total comprehensive income for the year (net of tax)	-	-	-	763,146	763,146
Legal reserve	-	-	68,194	(68,194)	-
31 December 2022	3,965,612	600,000	445,832	708,286	5,719,730
1 January 2023	3,965,612	600,000	445,832	708,286	5,719,730
Net profit for the period	-	-	-	494,319	494,319
Total comprehensive income for the period (net of tax)	-	-	-	494,319	494,319
30 June 2023	3,965,612	600,000	445,832	1,202,604	6,214,048

INTERIM CONDENSED CASH FLOW STATEMENT

	GROUP		COMPANY	
	01.01.2023 - 30.06.2023	01.01.2022 - 30.06.2022	01.01.2023 - 30.06.2023	01.01.2022 - 30.06.2022
Operating activities				
Profit before tax	647,448	654,491	647,570	738,209
Adjustments for:				
Depreciation & amortization	636,446	583,189	636,446	583,189
Employee benefit plans	13,190	9,725	13,190	9,725
Net finance expenses	35,695	38,889	34,716	38,178
Exchange differences	4,200	10,053	4,200	10,053
Gain on early termination of leases / rent concession	-	(2,403)	-	(2,403)
Increase in inventories	(4,972)	(1,855,804)	(4,972)	(1,855,804)
(increase)/decrease in receivables	(881,381)	239,187	(887,870)	174,830
(Decrease)/increase in payables	(2,756,121)	544,678	(2,709,689)	512,148
Less:				
Interest and other finance expenses paid	(18,310)	(32,175)	(17,331)	(31,464)
Net cash flows generated (used in) /from operating activities	(2,323,806)	189,831	(2,283,741)	176,663
Investing activities				
Purchase of property, plant and equipment and intangible assets	(406,531)	(333,310)	(406,531)	(333,310)
Interest received	8	47	8	47
Net cash flows used in investing activities	(406,523)	(333,262)	(406,523)	(333,262)
Financing activities				
Repayments of borrowings	(45,811)	(45,811)	(45,811)	(45,811)
Repayment of lease liabilities	(253,660)	(204,525)	(253,660)	(204,525)
Net cash flows used in financing activities	(299,471)	(250,336)	(299,471)	(250,336)
Net decrease in cash and cash equivalents	(3,029,800)	(393,768)	(2,989,734)	(406,937)
Cash and cash equivalents at beginning of period	3,808,313	1,676,697	3,749,981	1,647,393
Cash and cash equivalents at the end of the period	778,513	1,282,929	760,247	1,240,456