

Press Release | 22/09/2023

EPSILON NET: Purchase of 39.97% of the shares of **Epsilon SingularLogic S.A.** & simultaneous sale of 39.93% of the shares of **SINGULARLOGIC S.A.**

EPSILON NET Group announces the completion of the agreement with SPACE HELLAS Group under which the shares of **SINGULARLOGIC S.A.** and **Epsilon SingularLogic S.A.**, respectively held by the two Groups as minority stake, were transferred.

In particular, **EPSILON NET** acquired from SPACE HELLAS all its shares in **Epsilon SingularLogic S.A.**, which corresponded to 39.97% of the company's share capital, for the amount of **€11.8 million**. After the transfer, **EPSILON NET Group's** stake in Epsilon SingularLogic S.A. amounts to **99.97%** of its share capital. At the same time, **EPSILON NET** sold to SPACE HELLAS all its shares in **SINGULARLOGIC S.A.**, which corresponded to 39.93% of its share capital, for the amount of **€6.3 million**.

In order to determine the purchase price of the shares of Epsilon SingularLogic S.A. and the sale price of the shares of SINGULARLOGIC S.A., the following were considered:

- a) the Equity of each company, and
- b) the Independent Chartered Auditors Reports which indicate that the sale & acquisition prices correspond to the **fair value** of SINGULARLOGIC S.A. and Epsilon SingularLogic S.A.

Epsilon SingularLogic S.A. was founded in January 2021 as the first step in the implementation of the strategic planning of EPSILON NET and SPACE HELLAS, to become the arm of the two Groups in the field of self-produced software, commercial & accounting applications for businesses and ERP systems. Subsequently, with the spin-off of the Pylon business unit of EPSILON NET and its contribution to Epsilon SingularLogic, SPACE HELLAS bought, through an acquisition by EPSILON NET, a 32.39% stake in Epsilon SingularLogic for an amount of €3.25 million.

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Furthermore, the two shareholders of SINGULARLOGIC proceeded to split the company's self-produced software sector, which had already been acquired by the two Groups, and subsequently contributed to Epsilon SingularLogic, forming the final percentage of SPACE HELLAS in Epsilon SingularLogic to 39.97% of the company's shares.

An important milestone in the course of Epsilon SingularLogic was also the acquisition of **iQom** in September 2021 (a specialized company in the retail software sector), which was financed through a capital increase of approximately € 2.1 million from EPSILON NET and SPACE HELLAS according to their participation percentages.

It should be noted that Epsilon SingularLogic S.A. has the following subsidiaries & holdings with the respective percentages of participation in their share capital:

- System Soft S.A. (100%),
- iQom S.A. (80%),
- Infosupport S.A. (34%), και
- Infosupport Business S.A.(34%)

The cooperation between the two leading IT Groups, which began with the successful joint acquisition of **Singular Logic** by the MARFIN Group, is expected to continue in the future on a commercial and technological level, implementing the commitment undertaken by the management teams of the two Groups to make the optimal utilization of the synergies arising from the potential of **Epsilon SingularLogic & SINGULARLOGIC**.

The management of EPSILON NET Group considers, that in the current period of the undergoing digital transformation of businesses, this agreement is particularly important at a strategic level, since it ensures the **concentration of absolute majority** in one of the Group's key subsidiaries. We remind that the acquisition of minority stakes in the subsidiary company **EPSILON HR S.A.**, which was successfully completed 2 months ago, is part of the same framework.

The Group consistently implements its investment plan, guided by the continuous production of value and shaping the conditions for the unhindered achievement of the management's goal for **total Group sales** that will reach **€150 million** by the end of 2025, with **EBITDA margin** moving at a level above 30%.

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