

1/3/2021

ANNOUNCEMENT FOR THE STRATEGIC PLAN OF SingularLogic

EPSILON NET S.A. and SPACE HELLAS S.A. following the announcement of 22/01/2021 for the establishment of Epsilon SingularLogic S.A. hereby announce the next steps of their business plan with the goal to exploit business opportunities created by the challenge of the digital transformation in the public and private sector. The central aspect of the business plan is the exploitation of the significant advantages of SingularLogic S.A., in products, in the level of provided services and the knowhow of its human resources. The management teams of EPSILON NET S.A. and SPACE HELLAS S.A. undertake the area of responsibility in which each one of them obtains a high level of specialization and can contribute in a complete way.

In this context, EPSILON NET S.A., through the new established company Epsilon SingularLogic S.A., undertakes a) the management of the business of self-produced software of commercial and accounting applications for businesses and ERP systems and b) the management and strengthening of the network of representatives – resellers.

Such activities, as a total, will be transferred from SingularLogic S.A. to Epsilon SingularLogic S.A. For the implementation of the business integrity a fragmentation of the relevant sector of SingularLogic will take place (sector 1) with its absorption by Epsilon SingularLogic S.A. and in parallel EPSILON NET S.A. will contribute the relevant sector of commercial and accounting applications for businesses and ERP of the platform Pylon (sector 2) of EPSILON NET S.A. to Epsilon SingularLogic S.A. ensuring at the same time the product connectivity with the other sectors that the parent company will continue to maintain, such as the products and services sector for accounting offices, Epsilon HR S.A. which is



specialized in the business payroll, the Web platform EpsilonSmart for small businesses, the solutions of electronic invoicing with the certified platform of AADE – EpsilonDigital etc. Both actions will be made taking into consideration the financial transformation balance sheets of 28/2/2021 that will be conducted by SingularLogic S.A. και EPSILON NET S.A.

Based on the agreed valuation of the above two (2) sectors, the value of the sector 2 in relation to the sector 1 will be approximately in an analogy of 1/0,75 respectively. With the completion of the above actions a total corporate value is created, in which the shareholding relationship of the two companies, after the above procedures, and the simultaneous payment of the amount of 3,500,000 euros by SPACE HELLAS S.A. to EPSILON NET S.A. is estimated that will be in the percentages of 60% for EPSILON NET S.A. and 40% for SPACE HELLAS S.A. (the final percentages and amounts will arise after the completion of the relevant procedures without a significant difference to be expected from the initial estimation). Therefore, as regards Epsilon SingularLogic S.A. the majority of its shares will be owned by the Group EPSILON NET S.A. and its results will be consolidated with the method of full consolidation.

In parallel, and according to the business plan, SPACE HELLAS S.A. undertakes a) the development of the existing integration sector and the projects for major customers in both the Private and Public sector, b) the extension of the activity with solutions implemented with international information systems and c) the management of solutions in vertical sectors of the hi level market that have been developed in the past by SingularLogic S.A. Such activities will be continued and improved through SingularLogic S.A.

In a shareholding level, with the payment of the amount of 550,000 euros by SPACE HELLAS S.A. to EPSILON NET S.A., the majority, in the percentage of 60% of the shares of SingularLogic S.A. with the completion of the above procedures will be owned by SPACE HELLAS S.A. and its results will be consolidated with the method of complete consolidation and in the percentage of 40% will be owned by EPSILON NET S.A. (the final percentages and amounts will arise after the completion of the relevant procedures without a significant difference to be expected from the initial estimation).



It should be noted that the “minority” percentages of EPSILON NET S.A. and SPACE HELLAS S.A. in both schemes, i.e., in the existing SingularLogic S.A. and the new established Epsilon SingularLogic S.A. accordingly, will remain powerful (percentage of 40%) highlighting the commitment of their management for a common cooperation in the future, ensuring synergies of hi lever that will develop the overall structure.

The strategic choice of the two Groups (EPSILON NET S.A. & SPACE HELLAS S.A.) is the common coordination and the best exploitation of the advantages of the companies SingularLogic S.A. και Epsilon SingularLogic S.A. for the implementation of the common vision to create a much bigger business scheme in the area of Information Technology in Greece.

