

COMUNICATO STAMPA

**PITECO GROUP  
EXCELLENT PERFORMANCES IN H1 2021  
REVENUES +52%, EBITDA +54%, NET PROFIT +342%**

- **Revenues: EUR 18.2 million, +52% (H1 2020: EUR 12.0 million)**
- **Revenues from recurring fees +23% v/H1 2020, equal to 54% of Net Revenues**
- **EBITDA: EUR 7.5 million +54% (H1 2020: EUR 4.8 million), 41% Ebitda margin**
- **Pre-tax profit: EUR 4.2 million, +49% (H1 2020: EUR 2.8 million)**
- **Net Profit: EUR 10.2 million, +342% (H1 2020: EUR 2.3 million)**
- **Operating Cash Flow: EUR 6.2 million, equal to 84% of EBITDA**
- **Net Financial Position: EUR 40.7 million (FY2020: EUR 40.3 million)**
- **Net Financial Position including PUT option: EUR 64.7 million (FY2020: EUR 65.0 million)**

*Milan, 29 September 2021*

The Board of Directors of PITECO, listed on the MTA (Electronic Equity Market) and an important player in the financial software sector, today approved the consolidated half-year financial report as at 30 June 2021, drafted according to IAS/IFRS.

**Marco Podini**, President of Piteco: *"The significantly improved results registered in the first half of 2021 (Revenues +52%, Ebitda +54%, Ebitda Margin at 41%) emphasise the DNA of our Group, which combines a capacity for product innovation with the desire to be an aggregating hub in the financial software sector.*

*In fact, the Parent Company Piteco Spa cemented its leading position in the Italian Treasury and Financial Planning market, with revenue growth of 8%, thanks to the market launch of the new version of the product Piteco Evo 5.0 and of IDM, the new suite for Intelligent Data Matching. This is augmented by the excellent results of the newly acquired company Rad Informatica S.r.l., a leading company in Italy in the NPL management software sector, which shows huge potential for growth and high profit margins, with revenues of EUR 5.9 million in the half-year and EBITDA of EUR 2.8 million (Ebitda Margin at 47%).*

*The Group continues to look to the future, confirming the investments in the banking services sector with the American subsidiary Juniper Payments and in the Financial Risk Management sector with the Italian subsidiary Myrios Srl."*

**REVENUES UP BY 52%, DRIVEN BY TREASURY AND FINANCIAL PLANNING (+8%)**

**Revenues** amounted to EUR 18.2 million, marking an increase of 52% compared to EUR 12.0 million in H1 2020.

The growth was sustained by the entry to the Group of the company Rad Informatica Srl, which made a contribution of EUR 5.9 million, and the strong performances of the *Treasury and Financial Planning* sector, in which PITECO Spa recorded an increase of 8% in Revenues, thanks to the dynamic nature of the market and the launch of the new solutions Piteco Evo 5.0 and IDM.

The forecast growth in revenues of the two subsidiaries, Juniper Payments and Myrios, is still being impacted by the general slowdown in projects due to the effects of the COVID-19 pandemic: Myrios +3% vs H1 2020 and Juniper Payments -16% vs H1 2020.

Recurring fees, which continue to account for a large portion of Revenues (54%), rose by 23% over H1 2020. Significant market interest was also registered in the CLOUD solutions offered by our Group.

**EBITDA +54%, EBITDA MARGIN 41%, CONFIRMATION OF THE BUSINESS MODEL**

**EBITDA** totalled EUR 7.5 million, 54% higher than H1 2020 (EUR 4.8 million). **The Ebitda Margin** rose to 41%, compared to 40% in H1 2020, further confirmation of the effectiveness of our business model,

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which is characterised by a limited increase in operating costs as Revenues rise, thanks to the methods of service delivery and software quality.

The **Pre-Tax Result** stood at EUR 4.2 million, + 49% compared to H1 2020 (EUR 2.8 million).

**Net Profit**, amounting to EUR 10.2 million, rose by 342%, compared to EUR 2.3 million for H1 2020. The result was positively impacted by the tax realignment of the Goodwill of Piteco Spa, which generated tax savings of EUR 7.6 million, recorded in 2021 according to the IAS/IFRS.

**SIGNIFICANT CASH CONVERSION CAPACITY: OPERATING CASH FLOW AT EUR 6.2 MILLION**

The **Cash Flows** confirmed the significant cash conversion capacity of the Group in the half. The **Operating Cash Flow** amounted to EUR 6.2 million in the half, accounting for 84% of EBITDA.

**NET FINANCIAL POSITION IN LINE WITH FY 2020**

The **Net Financial Position** amounted to EUR 40.7 million, compared to EUR 40.3 million as at 31.12.2020.

It should be noted that dividends totalling EUR 3.7 million were recorded in the first half, and EUR 5.2 million was paid to purchase an additional 10% of shares in RAD Informatica Srl.

The Net Financial Position, which includes the value of the PUT options relating to the purchase of the remaining 40% of the capital of Juniper Payments LLC, 20% of RAD Informatica Srl and 39.15% of Myrios Srl (the latter with a minimum payment of 50% through the allocation of PITECO Spa shares), amounted to EUR 64.7 million (EUR 65.0 million as at 31.12.2020).

**SIGNIFICANT EVENTS AS AT 30 JUNE 2021 AND BUSINESS OUTLOOK**

On 28 July 2021, Piteco Spa acquired a stake of 4.85% of MYRIOS Srl, in execution of the Put Option in force vis-à-vis the minority shareholder; therefore, it currently holds 60.85% of the company.

The positive forecasts regarding the expansion of our reference market are confirmed, thanks to the diversification of the services offered by the Group and the recovery in the demand for software products in general, which will be reflected in further business growth in the second half of 2021.

*The Consolidated Half-Year Financial Report as at 30 June 2021 will be made available to the public, according to the legal terms, at the company's registered office, on the website [www.pitecolab.it](http://www.pitecolab.it) (section Investor Relations - Financial Statements and Reports) and on the authorised storage mechanism IInfo ([www.1info.it](http://www.1info.it)).*

*The manager responsible for drafting the corporate accounting documents, Riccardo Veneziani, hereby states that, pursuant to art. 154-bis, paragraph 2, of Legislative Decree no. 58/98, the accounting disclosure contained in this press release corresponds to the documentary results, the books and the accounting records.*

*The press release can be consulted on the websites [www.pitecolab.it](http://www.pitecolab.it) and [www.1info.it](http://www.1info.it)*

**PITECO Group (PITE:IM, ISIN: IT0004997984)** is an important player in the international financial software sector. With offices in Italy, Switzerland and USA and 160 employees, in the period 2015-2020 it has achieved an important organic growth supported by an intense M&A activity with the acquisition of Centro Data (2015), LendingTools.com Inc. (2017), Myrios S.r.l. (2018), Evermake (2020) and RAD Informatica (2020). The business model is characterized by the high levels of visibility of revenues, profitability and cash generation. The Group has a large portfolio of highly loyal customers belonging to different sectors and operates through 4 business areas:

- **TREASURY MANAGEMENT:** Piteco S.p.A. is the absolute leading software house in Italy in the solutions for the management of corporate treasury and financial planning used by over 650 national and international groups active in all industrial sectors. On the market for over 30 years, it has covered the entire software value chain: R&D, design, implementation, sale and assistance. The software is entirely owned, integrated with the main company information systems (Oracle, SAP, Microsoft etc.), can be customized according to customer needs and working in over 50 countries.
- **BANKING:** the subsidiary Juniper Payments LLC is leader in the USA with proprietary solutions in the digital payments and clearing house sector. Managing the accounting regulation of interbank financial flows (bank transfers and check cashing) of approximately 3,500 American banks and \$ 3 billion a day. It represents one of the largest US interbank networks.

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- **FINANCIAL RISK MANAGEMENT:** the subsidiary Myrios S.r.l. is an Italian software house that offers Risk Management, Capital Markets and Compliance services to banks and large companies. In 2019 Myrios Switzerland S.A. was established in Geneva to distribute the group's software solutions on the Swiss financial market.
- **NPL& UTP CREDIT MANAGEMENT:** RAD Informatica S.r.l. is the absolute leading software house in the market of software production for the management of the credit recovery process. It operates in the production, supply and commercialization of solutions for the management process of non-performing loans and recovery process of bank and financial credit, managing approximately 2/3 of the aggregate amount of Italian NPLs.

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All attached documents are prepared in compliance with the international accounting standards (IAS/IFRS). The data as at **30.06.2021** are subject to a limited scope audit by the Independent Auditors KPMG Spa:

- Profit & Loss
- Balance Sheet
- P&L by Business Sector
- Net Financial Position
- Cash Flow Statement

**PITECO GROUP**

Profit and Loss	H1 2021	%	H1 2020	%	Changes	Change %
Net Sales Revenues	17.035	93,7%	11.043	92,3%	5.992	54%
Other Revenues	900	5,0%	651	5,5%	249	38%
Work in Progress (change)	239	1,3%	267	2,2%	- 28	-10%
<b>TURNOVER</b>	<b>18.174</b>	<b>100,0%</b>	<b>11.961</b>	<b>100,0%</b>	<b>6.213</b>	<b>52%</b>
Raw Materials	539	3,0%	148	1,2%	391	264%
Labour Costs	6.997	38,5%	4.958	41,5%	2.039	41%
Services	2.836	15,6%	1.907	16,0%	929	49%
Other Costs	337	1,9%	104	0,9%	233	221%
<b>OPERATIVE COSTS</b>	<b>10.709</b>	<b>58,9%</b>	<b>7.117</b>	<b>59,5%</b>	<b>3.592</b>	<b>50%</b>
<b>EBITDA</b>	<b>7.465</b>	<b>41,1%</b>	<b>4.844</b>	<b>40,5%</b>	<b>2.621</b>	<b>54%</b>
Depreciation and Amortization	2.797	15,4%	1.743	14,6%	1.054	60%
<b>EBIT</b>	<b>4.668</b>	<b>25,7%</b>	<b>3.101</b>	<b>25,9%</b>	<b>1.567</b>	<b>51%</b>
Gain (Loss) Forex	205	1,1%	36	0,3%	169	469%
Financial Incomes (Costs)	-371	-2,0%	-281	-2,3%	- 90	32%
Fin. Incomes (Costs) Fair Value adj.	-3	0,0%	-63	-0,5%	60	-95%
Extraordinary Incomes (Costs)	-318	-1,7%	6	0,1%	- 324	-5400%
<b>EBT</b>	<b>4.181</b>	<b>23,0%</b>	<b>2.799</b>	<b>23,4%</b>	<b>1.382</b>	<b>49%</b>
Tax	-6.031	-33,2%	485	4,1%	- 6.516	-1344%
<b>NET PROFIT (Loss)</b>	<b>10.212</b>	<b>56,2%</b>	<b>2.314</b>	<b>19,3%</b>	<b>7.898</b>	<b>342%</b>

## PRESS RELEASE

	H1 2021					H1 2020					changes				
Summary by Business Sector	Total	Treasury Mng	Banking	Financial Risk Mng	NPL mng	Total	Treasury Mng	Banking	Financial Risk Mng	NPL mng	Total	Treasury Mng	Banking	Financial Risk Mng	NPL mng
Net Sales Revenues	17.035	8.483	1.856	1.306	5.390	11.043	7.607	2.205	1.231	-	54%	12%	-16%	6%	na
Other Revenues	900	312	45	182	361	651	402	70	179	-	38%	-23%	-36%	2%	na
Work in Progress (change)	239	58	-	56	125	267	177	-	90	-	-10%	-67%	na	-38%	na
<b>Turnover</b>	<b>18.174</b>	<b>8.853</b>	<b>1.901</b>	<b>1.544</b>	<b>5.876</b>	<b>11.961</b>	<b>8.186</b>	<b>2.275</b>	<b>1.500</b>	<b>-</b>	<b>52%</b>	<b>8%</b>	<b>-16%</b>	<b>3%</b>	<b>na</b>
Raw Materials	539	144	1	3	391	148	118	1	29	-	264%	22%	0%	-90%	na
Labour Costs	6.997	4.057	666	718	1.556	4.958	3.556	798	604	-	41%	14%	-17%	19%	na
Services	2.836	1.066	722	191	857	1.907	934	812	161	-	49%	14%	-11%	19%	na
Other Costs	337	32	18	4	283	104	82	13	9	-	221%	-61%	38%	-56%	na
<b>Operative Costs</b>	<b>10.709</b>	<b>5.299</b>	<b>1.407</b>	<b>916</b>	<b>3.087</b>	<b>7.117</b>	<b>4.690</b>	<b>1.624</b>	<b>803</b>	<b>-</b>	<b>50%</b>	<b>13%</b>	<b>-13%</b>	<b>14%</b>	<b>na</b>
<b>EBITDA</b>	<b>7.465</b>	<b>3.554</b>	<b>494</b>	<b>628</b>	<b>2.789</b>	<b>4.844</b>	<b>3.496</b>	<b>651</b>	<b>697</b>	<b>-</b>	<b>54%</b>	<b>2%</b>	<b>-24%</b>	<b>-10%</b>	<b>na</b>
<b>Ebitda Margin</b>	<b>41%</b>	<b>40%</b>	<b>26%</b>	<b>41%</b>	<b>47%</b>	<b>40%</b>	<b>43%</b>	<b>29%</b>	<b>46%</b>	<b>na</b>					

(\*) NPL Mng (RAD Srl) data H1 2020 N.D.

PRESS RELEASE

Balance Sheet	H12021	FY2020	changes
Work in progress	372	133	239
Trade credits	11.011	6.818	4.193
Tax Credits	400	165	235
Other current credits	627	487	140
<b>(A) Current Assets</b>	<b>12.410</b>	<b>7.603</b>	4.807
Accounts payable	1.628	2.329	-701
Debts from financial contracts	6.284	1.482	4.802
Tax Debts	1.483	542	941
Other current Debts	5.174	4.651	523
<b>(B) Current Liabilities</b>	<b>14.569</b>	<b>9.004</b>	5.565
<b>(A-B) Net Working Capital</b>	<b>-2.159</b>	<b>-1.401</b>	-758
Tangible Assets	2.647	3.931	-1.284
Intangible Assets	48.720	50.424	-1.704
Goodwill	70.094	70.094	0
Real Estate investments	1.114	0	1.114
Financial Assets	38	35	3
Tax Accounts	8.241	786	7.455
<b>(C) Non Current Assets</b>	<b>130.854</b>	<b>125.270</b>	5.584
Severance pay and other funds	2.513	2.382	131
Other non current Funds	60	57	3
Other non current Debts	505	129	376
Deferred Tax	11.980	12.330	-350
<b>(D) Non Current Liabilities</b>	<b>15.058</b>	<b>14.898</b>	<b>160</b>
<b>(NWC+C-D) Net Invested Capital</b>	<b>113.637</b>	<b>108.971</b>	<b>4.666</b>
Share Capital	30.796	30.796	0
Reserves	5.652	5.848	-196
Profit (loss) previous years + reserves FTA/IAS	2.256	254	2.002
Profit (loss) of the year	10.212	7.101	3.111
<b>(E) Total Equity</b>	<b>48.916</b>	<b>43.999</b>	<b>4.917</b>
Cash and Deposits	6.151	11.080	-4.929
Current Financial Assets	238	235	3
Non Current Financial Assets	459	510	-51
Bank Debts within 12 months	-7.746	-3.854	-3.892
Debts to other lenders within 12 months	-1.358	-5.860	4.502
Put Options over 12 months	-24.018	-24.655	637
Debts to other lenders over 12 months	-2.287	-2.482	195
Bank Debts over 12 months	-36.160	-39.946	3.786
<b>(NFP) Net Financial Position</b>	<b>-64.721</b>	<b>-64.972</b>	<b>251</b>
<b>(E-NFP) Total Sources</b>	<b>113.637</b>	<b>108.971</b>	<b>4.666</b>

PRESS RELEASE

Net Financial Position	H1 2021	FY2020	changes	% change
Cash and Deposits	6.151	11.080	-4.929	-44,5%
<b>CASH</b>	<b>6.151</b>	<b>11.080</b>	<b>-4.929</b>	<b>-44,5%</b>
Current Financial Assets	238	235	3	1,3%
Bank Debts within 12 months	-7.746	-3.854	-3.892	101,0%
Debts to other lenders within 12 months	-1.358	-5.860	4.502	-76,8%
<b>Current Financial Position</b>	<b>-8.866</b>	<b>-9.479</b>	<b>613</b>	<b>-6,5%</b>
<b>Current NET Financial Position</b>	<b>-2.715</b>	<b>1.601</b>	<b>-4.316</b>	<b>-269,6%</b>
Non Current Financial Assets	459	510	-51	-10,0%
Bank Debts over 12 months	-36.160	-39.946	3.786	-9,5%
Debts to other lenders over 12 months	-2.287	-2.482	195	-7,9%
<b>Non Current Financial Position</b>	<b>-37.988</b>	<b>-41.918</b>	<b>3.930</b>	<b>-9,4%</b>
<b>NET Financial Position</b>	<b>-40.703</b>	<b>-40.317</b>	<b>-386</b>	<b>1,0%</b>
Put Options over 12 months	-24.018	-24.655	637	-2,6%
<b>NET Financial Position with PUT</b>	<b>-64.721</b>	<b>-64.972</b>	<b>251</b>	<b>-0,4%</b>

PRESS RELEASE

Cash Flow Statement	H1 2021	H1 2020
<b>NET PROFIT (Loss)</b>	<b>10212</b>	<b>2312</b>
Financial Incomes (Costs)	375	345
Taxes	-6043	350
Depreciation and amortization	2799	1649
<b>Cash Flow from operation before change in NWC</b>	<b>7343</b>	<b>4656</b>
Financial Incomes (Costs) paid	-371	-276
Taxes paid	-790	0
Total changes N.W.C.	-31	2805
Total changes in funds	86	35
<b>Operating Cash Flow</b>	<b>6237</b>	<b>7220</b>
% on Net Sales % on Ebitda	37%	65%
	84%	149%
Capex	-958	-1036
<b>Free Cash Flow Before Debt Repairment</b>	<b>5279</b>	<b>6184</b>
Loan/Lease Disbursement (Repayment)	-5009	-1871
Equity changes	-5199	-4269
<b>Financial Changes</b>	<b>-10208</b>	<b>-6140</b>
<b>Changes in Liquidity</b>	<b>-4929</b>	<b>44</b>
<b>Cash beginning of the year</b>	<b>11.080</b>	<b>2.835</b>
<b>Cash at the end of the period</b>	<b>6.151</b>	<b>2.879</b>