



Matica Fintec: Board of Directors approves the Consolidated Half-Year Financial Report at June 30, 2023

Milan, August 03, 2023

The Board of Directors of **Matica Fintec S.p.A.** (the "**Company**" or "**Matica Fintec**"), an Innovative SME listed on the Euronext Growth Milan market organized and managed by Borsa Italiana S.p.A., active in the design, production and marketing of high-tech systems for the issuance of digital cards to Financial and Governmental Institutions, met today under the chairmanship of Sandro Camilleri and approved the Consolidated Half-Year Financial Report at June 30, 2023, prepared in accordance with International Financial Reporting Standards ("IAS/IFRS") and voluntarily subject to limited audit.

Key income and financial figures of the parent company Matica Fintec S.p.A. - half-year at June 30, 2023

Parent Company **sales** closed at €9.5 million (€8.3 million in first half 2022), up by over 14% YoY. The Company's trend remains on an upward trajectory, showing the resilience of Matica Fintec, in the face of inflationary dynamics and issues related to the shortage of electronic components.

EBITDA stood at €1.9 million (€2.3 million in first half 2022), down by 15% versus June 30, 2022, with a margin on sales of 21% versus 28% in first half 2022. The Company maintains impressive margin levels, despite noticeable supply chain lags, a growing reliance on brokers over traditional channels for raw materials acquisition, and a seasonal impact.

Net profit for the six-month period ended at €0.8 million (€1.2 million in first half 2022), down by 30% versus the same period of the prior year.

Net Financial Debt stood at a negative (debt) €0.1 million (debt of €0.04 million at December 31, 2022), while the **Adjusted NFD** improved by over €300 thousand from €0.7 million (debt) at December 31, 2022 to €0.3 million (debt) in first half 2023.

Key consolidated income and financial results at June 30, 2023

Despite the continued great uncertainty from the current macroeconomic climate and the ever-changing landscape of the payments market, the Group concluded the six months on a positive note, highlighting its adaptability and financial solidity.

Following the acquisition on July 14, 2022, from the Japanese group AI Holdings Corporation of 100% of the two companies CTC (Card Technologies Corp) and UbiQ (NBS Technologies (US) Inc.), the parent company is required to prepare the consolidated financial report at June 30, 2023. However, the figures in the statement of comprehensive income are not comparable with the corresponding figures of the prior period since the Parent Company at June 30, 2022 was not required to prepare such a document. Therefore, the figures are not available in the required form and a comparison between the two periods cannot be made.



Sales amounted to €11.4 million.

EBITDA stood at €2.1 million, with a margin on sales of 18.0%.

EBIT stood at €1.6 million.

The Group ended the period on a positive note with a **net profit** of €0.9 million.

Equity at June 30, 2023 stood at €13.3 million versus €12.5 million in the prior year, mainly due to the growth of profit.

Net Financial Debt stood at a cash positive €1.1 million versus a cash positive €1.4 million at December 31, 2022. Adjusted NFD, which also includes accrued tax and social security payables, was positive (cash) and stood at €0.9 million (cash of €0.8 million at December 31, 2022).

Significant events in the period

Effective **January 01, 2023**, the two companies acquired as part of the AIH transaction (Card Technologies Corp. and UBIQ (NBS Technologies (US) Inc.)) were merged into a single entity named UbiQ Software Inc. aligning the tax year with Matica Fintec's.

On **February 06, 2023**, Matica Fintec S.p.A. received disclosure from Matica Technologies Group SA that the significance threshold of 5% of the share capital of Matica Fintec S.p.A. had been exceeded as a result of the transaction described below. DISO Verwaltungs AG (majority shareholder of Matica Fintec S.p.A.) and Matica Technologies Group SA completed on February 1, 2023 the off-market block disposal by DISO Verwaltungs AG in favour of Matica Technologies Group SA of a total of 994,323 ordinary shares of Matica Fintec S.p.A., equal to 9.07% of the Company's share capital. As a result of the disposal, DISO Verwaltungs AG holds a 50.01% stake in the share capital of Matica Fintec S.p.A. The transaction is part of a reorganization of the corporate structure and streamlining of the chain of control in which Matica Technologies Group SA directly acquires a significant stake, in accordance with the Bylaws, in the Company. As a result of the transaction, the share capital of Matica Fintec S.p.A. remains in the hands of the Group of companies referring to Sandro Camilleri, Chairman of the Board of Directors of the Company, for a total 59.08% stake.

On **May 29, 2023**, Matica Fintec S.p.A. informed Intermonte SIM S.p.A. of its decision not to renew the assignment of Specialist upon its natural conclusion, and on **June 1, 2023**, designated Integrae SIM S.p.A. as the new Specialist effective September 1, 2023, inclusive.

Events after June 30, 2023

On **July 21, 2023**, Matica Fintec S.p.A. announced a change in the disclosure of consolidated half-year financial results at June 30, 2023 on August 3, 2023, and not on September 27, 2023 as initially announced on January 30, 2023.



Business outlook

At the close of the six-month period, taking account of the uncertainty brought by the persisting shortage of critical components (e.g., electronic components), the income and financial impacts on the Company's 2023 financial statements are to date hard to predict.

However, the figures held by the Company are proof of a positive trend, confirming that the decisions taken in terms of market positioning and value chain integration have proven to be successful. Ubiq Software Inc. will continue its product marketing activities and will enhance Software development.

Treasury shares

At 30.06.2023, the Company held a total of 19,800 treasury shares, equal to 0.181% of the share capital.

The Half-Year Financial Report at June 30, 2023 will be made publicly available on the Company website www.maticafintec.com Investor Relations section, and on www.borsaitaliana.it Azioni/Documenti section, within the time limits of law.

This press release is available on the website www.maticafintec.com Investor Relations - Comunicati Finanziari section and on the website www.1info.it.

Matica Fintec

With operational headquarters in Galliate (NO) and registered office in Milan, Matica Fintec is an Innovative SME active in the design, production and marketing of high-tech solutions for the issuance of digital cards to Financial Institutions (credit cards, ATM cards and rechargeable cards) and Governmental Institutions (ID cards, passports, driver's licenses, etc.) according to the highest security standards. The commitment and efforts made on the research and development front, with investments in R&D above 10% of annual sales, have enabled the Company to certify 9 patents and obtain Innovative SME status.

ISSUER

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Annexes:

- **Reclassified consolidated income statement at 30/06/2023**
- **Reclassified consolidated statement of financial position at 30/06/2023 (vs. 31/12/2022)**
- **Consolidated net financial debt at 30/06/2023 (vs. 31/12/2022)**
- **Reclassified income statement of the parent company at 30/06/2023 (vs. 30/06/2022)**
- **Reclassified statement of financial position of the parent company at 30/06/2023 (vs. 31/12/2022)**
- **Net financial debt of the parent company at 30/06/2023 (vs. 31/12/2022)**

Reclassified consolidated income statement

Income Statement	30/06/2023
(Figures in Euro Thousands)	
Revenue and income	11,438
Other revenue and income	0
Change in Wip and PF inventory	-
Capitalization of work on time and materials basis	381
Other write-downs and utilizations	-
Revenue	11,819
COGS (Incl. Change in inventory)	(4,209)
Gross margin	7,610
Services	(2,677)
Personnel	(2,608)
Rent and facility expense	(160)
Sundry operating expense	(109)
Ebitda	2,056
Ammortization, depreciation and provisions	(443)
Ebit	1,614
Financial income/(expense)	(306)
Extraordinary income/(expense)	(68)
Ebt	1,239
Tax	(355)
Profit/(loss)	884

Reclassified consolidated statement of financial position

<i>Amounts in Euro thousands</i>	30/06/2023	31/12/2022
Net intangible fixed assets	7,007	6,780
Net tangible fixed assets	440	379
Investments and other financial fixed assets	930	1,085
Fixed Capital	8,377	8,244
Inventory	4,722	4,652
Receivables from Customers and Other Receivables	6,077	4,880
Tax receivables and deferred tax assets	210	131
Non fixed financial assets	-	-
Accrued income and prepaid expense	252	294
Current operating assets	11,261	9,956
Payables to suppliers	(2,468)	(2,393)
Tax payables and deferred tax	(1,031)	(1,381)
Other payables	(3,200)	(2,938)
Current operating liabilities	(6,699)	(6,712)
Net working capital for the year	4,562	3,244
Post-employment benefits	(339)	(282)
Other medium- and long-term liabilities	(113)	(113)
Medium- and long-term liabilities	(452)	(395)
Net capital employed	12,487	11,093
Equity	13,336	12,542
Short-term net financial position	(8,777)	(10,622)
M/L-term net financial position	7,927	9,174
Equity and net financial debt	12,487	11,093

Consolidated net financial debt

Figures in Euro Thousands	30/06/2023	31/12/2022
A. Cash	11,505	12,612
B. Cash equivalents	-	-
C. Other current financial assets	429	232
D. Liquidity (A + B + C)	11,933	12,844
E. Current financial debt	700	700
F. Current portion of non-current financial debt	2,259	1,521
G. Current financial debt (E + F)	2,959	2,221
H. Net current financial debt (G - D)	(8,974)	(10,623)
I. Non-current financial debt	4,868	5,871
J. Debt instruments	2,982	3,303
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	7,849	9,174
M. Total financial debt (H + L)	(1,125)	(1,448)
N. Past due tax payables	131	556
O. Past due social security payables	61	81
P. PAST DUE SOCIAL SECURITY TAX PAYABLES (N) + (O)	192	638
Q. Adjusted financial debt (M) + (P)	(933)	(811)

Reclassified income statement of the parent company

Income statement	30/06/2023	30/06/2022
(Figures in Euro Thousands)		
Revenue and income	9,517	8,344
Other revenue and income	-	-
Change in WIP and PF inventory	-	-
Capitalization of work on time and materials basis	381	430
Other write-downs and utilizations	-	-
Revenue	9,898	8,775
COGS (Incl. change in inventory)	(3,495)	(3,393)
Gross margin	6,403	5,381
Services	(2,221)	(1,185)
Personnel	(1,946)	(1,682)
Rent and facility expense	(129)	(144)
Sundry operating expense	(109)	(29)
EBITDA	1,998	2,340
Amortization, depreciation and provisions	(432)	(398)
EBIT	1,565	1,942
Financial income/(expense)	(305)	(201)
Extraordinary income/(expense)	(68)	5
EBT	1,193	1,746
Tax	(353)	(539)
Profit (loss) for the year	840	1,207

Reclassified statement of financial position of the parent company

<i>Amounts in Euro thousands</i>	30/06/2023	31/12/2022
Net intangible fixed assets	5,774	5,595
Net tangible fixed assets	424	352
Investments and other financial fixed assets	3,514	3,661
Fixed Capital	9,712	9,608
Inventory	3,911	3,800
Receivables from Customers and Other Receivables	5,027	4,309
Tax receivables and deferred tax assets	210	131
Non fixed financial assets	-	-
Accrued income and prepaid expense	219	225
Current operating assets	9,367	8,465
Payables to suppliers	(2,034)	(2,083)
Tax payables and deferred tax	(1,031)	(1,381)
Other payables	(2,077)	(1,921)
Current operating liabilities	(5,141)	(5,385)
Net working capital for the year	4,226	3,080
Post-employment benefits	(339)	(282)
Other medium- and long-term liabilities	(91)	(113)
Medium- and long-term liabilities	(430)	(395)
Net capital employed	13,508	12,293
Equity	13,097	12,258
Short-term net financial position	(7,516)	(9,138)
M/L-term net financial position	7,927	9,174
Equity and net financial debt	13,508	12,293

Net financial debt of the parent company

Figures in Euro Thousands	30/06/2023	31/12/2022
A. Cash	10,244	11,128
B. Cash equivalents	-	-
C. Other current financial assets	429	232
D. Liquidity (A + B + C)	10,673	11,359
E. Current financial debt	700	700
F. Current portion of non-current financial debt	2,259	1,521
G. Current financial debt (E + F)	2,959	2,221
H. Net current financial debt (G - D)	(7,714)	(9,138)
I. Non-current financial debt	4,868	5,871
J. Debt instruments	2,982	3,303
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	7,849	9,174
M. Total financial debt (H + L)	135	36
N. Past due tax payables	131	556
O. Past due social security payables	61	81
P. PAST DUE SOCIAL SECURITY TAX PAYABLES (N) + (O)	192	638
Q. Adjusted financial debt (M) + (P)	327	674