



Matica Fintec: Board of Directors approves draft financial statements and consolidated financial statements at December 31, 2023

Key consolidated results of 2023:

- **Revenue: €22.6 million**
- **EBITDA: €4.5 million; EBITDA Margin at 19.85%**
- **EBIT: €3.6 million**
- **Net profit: €2.2 million**
- **Positive NFD (cash) of €1.8 million**

Milan, March 07, 2024

The Board of Directors of **Matica Fintec S.p.A. ("Matica")**, 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 for Financial and Government Institutions, met today under the chairmanship of Sandro Camilleri and approved the draft Financial Statements and Consolidated Financial Statements at December 31, 2023.

Mention should be made that on February 22, 2024 the Company released the preliminary consolidated results at December 31, 2023, which are unaudited (see [press release](#)), and that the results approved today are perfectly aligned.

In the words of **Sandro Camilleri**, Chairman of Matica Fintec S.p.A.: *"We are delighted with the 2023 results, which show record sales, evidence of effective business management and confirmation of our strategic decisions. Despite the ongoing challenges in the global economic and political context, we remain confident that we will achieve significant milestones in 2024, affirming the soundness of our decisions. We are committed to capitalizing on synergistic opportunities to foster the growth of our organization"*.

Key results of 2023¹

Throughout 2023, the global industry faced significant disruptions due to the persistent and escalating shortage of critical components, presenting an unprecedented challenge for numerous companies worldwide. Geopolitical tensions and resulting trade restrictions have exacerbated supply chain challenges for key materials and components, intensifying scarcity and driving up prices. Despite these challenges, Matica Fintec responded positively by ending the year with outstanding results, validating the success of its market positioning and value chain integration strategies.

¹ Mention should be made that the consolidated figures at December 31, 2022, presented for comparative purposes, have been partly changed from those approved last year, as required by IFRS 3, as a result of the final allocation of goodwill, transposed retroactively following the Purchase Price Allocation ("PPA") process. Specifically, in the Income Statement, amortization and depreciation and tax have been revised, while on the balance sheet, changes in intangible fixed assets and m/l term liabilities have been incorporated.



Sales reached a record €22.6 million (€19.5 million at December 31, 2022) with a YoY increase of +16%² versus 2022. This growth, due partly to the full-year consolidation of UBIQ, underscores the optimization process of the two companies acquired in 2022 and brought to full operation in 2023. They facilitated the integration of the value chain and expansion of the company's offerings in both Hardware and Software, while providing a local presence in the U.S., a key market for the Matica Group. Considering Matica Fintec stand alone, revenue amounted to €18.7 million, benefiting from solid organic growth of approximately 7% (€17.5 million at December 31, 2022).

Consolidated **EBITDA** amounted to €4.5 million (€5.0 million at December 31, 2022), with an **EBITDA Margin** of 19.85%. Despite a change attributable to a different product mix and higher raw material costs, the Group maintained positive margins, which recovered significantly in the second half of the year.

At the Parent Company level alone, **EBITDA** stood at €4.1 million (€4.7 million at December 31, 2022), with an **EBITDA Margin** of 21.9%, down from 26.7% in the prior year.

Consolidated **EBIT** amounted to €3.6 million (€3.8 million at December 31, 2022), with Consolidated **Net Profit** of €2.2 million (€2.5 million at December 31, 2022). At the Parent Company level, **EBIT** came to €3.5 million (€3.6 million at December 31, 2022) and **Net Profit** amounted to approximately €2 million (€2.3 million at December 31, 2022).

Group Equity at December 31, 2023 amounted to €14.5 million versus €12.5 million in the prior year, in line with the results recorded for this item at the Matica stand alone level (€14.2 million at December 31, 2023 and €12.3 million at December 31, 2022).

Consolidated Net Financial Debt ended with a positive (cash) €1.8 million, an improvement versus both December 31, 2022 (cash of €1.4 million) and June 30, 2023 (cash of €1.1 million). **Adjusted NFD**, which takes account of a small portion of overdue tax payables, stood at a positive (cash) €1.7 million (cash of €0.8 million at December 31, 2022). At the Matica level alone, **Net Financial Debt** stood at a positive (cash) €0.3 million, improving from a negative result (debt) of €0.04 million at December 31, 2022. **Adjusted NFD**, which takes account of the same portion of tax payables as above, stood at a positive (cash) €0.2 million versus a negative (debt) result of €0.7 million at December 31, 2022.

Significant events in the year

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

² Change calculated on the published 2022 figure, which consolidates only 6 months (July to December 2022) of the two companies acquired on July 14, 2022 from the Japanese AI Holdings Corporation group, CTC (Card Technologies Corp) and UBIQ (NBS Technologies (US) Inc.).



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.

Allocation of profit for the year

The Board of Directors resolved to propose to the Shareholders' Meeting to allocate profit for the year of €1,986,883.00, of which €99,344.00 to the legal reserve and €1,887,539.00 to retained earnings.

Treasury shares

At 31.12.2023, the Company held a total of 19,800 treasury shares, equal to 0.181% of the share capital.

Business outlook

Despite the macroeconomic uncertainty, we remain confident in continued sales growth and the maintenance of high margins in the future. Thanks to the strategy pursued by the company and its team of professionals, Matica is able to offer a complete range of solutions and will continue to invest in improving the solutions and offerings, strengthening the business model and sales network.

Other resolutions

Definition of the quantitative and qualitative criteria of the significance of relationships potentially relevant to the independence assessment pursuant to Article 6-bis of the Euronext Growth Milan Issuer Regulation; assessment of the requirements of independent director.

In order to comply with the recent amendments to the Euronext Growth Milan Issuer Regulation ("EGM Issuer Regulation") referred to in the Notice of Borsa Italiana S.p.A. no. 43747 of November 17, 2023, which came into force on December 4, 2023 with particular regard to the provisions contained in Article 6-bis, related to the appointment of the independent director, given the elimination of the expected burden on the Euronext Growth Advisor to assess the independence requirements of the candidates for the office of independent director of all companies already admitted to the EGM market, the Board of Directors has, *inter alia*, noted the need to repeal the "Procedure for submitting to the Euronext Growth Advisor the assessment of the independent director" previously adopted by the Company.

Therefore, in compliance with the provisions of Article 6-bis of the EGM Issuer Regulation in force today, which are aligned with the regulations currently in place for companies listed on the regulated market, the burden remains on the Board of Directors of Matica Fintec to assess the existence of independence requirements after appointment and once a year thereafter, based on information provided by the interested party or available to the Company itself. To this end, the Board of Directors today approved the quantitative and qualitative criteria to be taken into account in order to carry out this annual assessment, which will be valid until expiration of the current term of office (the "Policy").



The Policy is available on the Company website at www.maticafintec.com, Investor Relations/Documenti societari section

Calling of Ordinary Shareholders' Meeting and filing of documents

The Board of Directors resolved to convene the Shareholders' Meeting in ordinary session, in first call, on **April 10, 2024**, and, if required, on April 15, 2024, in second call, at the time and places to be disclosed in the relevant notice of meeting to be published in the manner and time limits envisaged by applicable laws and regulations.

The documents supporting the Meeting will be available, within the time limits of applicable laws and regulations, on the website www.maticafintec.com Investor Relations section, and at www.borsaitaliana.it, Azioni/Documenti section.

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:

- **Consolidated income statement at 31/12/2023 (vs 31/12/2022)**
- **Consolidated statement of financial position at 31/12/2023 (vs. 31/12/2022)**
- **Consolidated net financial debt at 31/12/2023 (vs. 31/12/2022)**
- **Parent company income statement at 31/12/2023 (vs. 31/12/2022)**
- **Parent company statement of financial position at 31/12/2023 (vs. 31/12/2022)**
- **Parent company net financial debt at 31/12/2023 (vs. 31/12/2022)**

Consolidated income statement

Income statement	31/12/2023	31/12/2022
(Figures in Euro Thousands)		
Revenue and income	22,590	19,486
Other revenue and income	23	30
Change in WIP and PF inventory	-	-
Capitalization of work on time and materials basis	702	705
Other write-downs and utilizations	-	-
Revenue	23,315	20,222
COGS (Incl. change in inventory)	(8,218)	(6,716)
Gross margin	15,097	13,506
Services	(5,057)	(4,071)
Personnel	(5,041)	(3,925)
Rent and facility expense	(467)	(287)
Sundry operating expense	(48)	(253)
EBITDA	4,484	4,970
Amortization, depreciation and provisions	(868)	(1,180)
EBIT	3,616	3,791
Financial income/(expense)	(600)	(493)
Extraordinary income/(expense)	(69)	131
EBT	2,947	3,429
Tax	(750)	(916)
Profit (loss) for the year	2,197	2,513

Consolidated statement of financial position

<i>Amounts in Euro thousands</i>	31/12/2023	31/12/2022
Net intangible fixed assets	7,282	6,891
Net tangible fixed assets	464	379
Investments and other financial fixed assets	871	1,085
Fixed Capital	8,616	8,354
Inventory	4,920	4,652
Receivables from Customers and Other Receivables	4,188	4,880
Tax receivables and deferred tax assets	535	131
Non-current Financial assets	-	-
Accrued income and prepaid expense	289	294
Current operating assets	9,932	9,956
Payables to suppliers	(2,528)	(2,393)
Tax payables and deferred tax	(295)	(1,381)
Other payables	(2,448)	(2,938)
Current operating liabilities	(5,271)	(6,712)
Net working capital for the year	4,661	3,244
Post-employment benefits	(334)	(282)
Other medium- and long-term liabilities	(236)	(304)
Medium- and long-term liabilities	(570)	(586)
Net capital employed	12,707	11,013
Equity	14,514	12,462
Short-term net financial position	(8,238)	(10,622)
M/L-term net financial position	6,431	9,174
Equity and net financial debt	12,707	11,013

Consolidated net financial debt

Figures in Euro Thousands	31/12/2023	31/12/2022
A. Cash	11,312	12,612
B. Cash equivalents	-	-
C. Other current financial assets	350	232
D. Liquidity (A + B + C)	11,662	12,844
E. Current financial debt	700	700
F. Current portion of non-current financial debt	2,670	1,521
G. Current financial debt (E + F)	3,370	2,221
H. Net current financial debt (G - D)	(8,292)	(10,623)
I. Non-current financial debt	3,846	5,871
J. Debt instruments	2,639	3,303
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	6,485	9,174
M. Total financial debt (H + L)	(1,807)	(1,448)
N. Past due tax payables	95	556
O. Past due social security payables	-	81
P. PAST DUE SOCIAL SECURITY TAX PAYABLES (N) + (O)	95	638
Q. Adjusted financial debt (M) + (P)	(1,711)	(811)

Parent company reclassified income statement

Income statement	31/12/2023	31/12/2022
(Figures in Euro Thousands)		
Revenue and income	18,692	17,509
Other revenue and income	23	30
Change in WIP and PF inventory	-	-
Capitalization of work on time and materials basis	702	705
Other write-downs and utilizations	-	-
Revenue	19,417	18,245
COGS (Incl. change in inventory)	(6,921)	(6,148)
Gross margin	12,496	12,097
Services	(4,176)	(3,683)
Personnel	(3,770)	(3,281)
Rent and facility expense	(406)	(203)
Sundry operating expense	(47)	(252)
EBITDA	4,096	4,678
Amortization, depreciation and provisions	(647)	(1,065)
EBIT	3,450	3,613
Financial income/(expense)	(604)	(492)
Extraordinary income/(expense)	(69)	131
EBT	2,777	3,252
Tax	(790)	(934)
Profit (loss) for the year	1,987	2,318

Parent company reclassified statement of financial position

<i>Amounts in Euro thousands</i>	31/12/2023	31/12/2022
Net intangible fixed assets	6,144	5,595
Net tangible fixed assets	414	352
Investments and other financial fixed assets	3,455	3,661
Fixed Capital	10,014	9,608
Inventory	3,699	3,800
Receivables from Customers and Other Receivables	3,650	4,309
Tax receivables and deferred tax assets	535	131
Non-current Financial assets	-	-
Accrued income and prepaid expense	247	225
Current operating assets	8,131	8,465
Payables to suppliers	(2,205)	(2,083)
Tax payables and deferred tax	(295)	(1,381)
Other payables	(1,327)	(1,921)
Current operating liabilities	(3,827)	(5,385)
Net working capital for the year	4,304	3,080
Post-employment benefits	(334)	(282)
Other medium- and long-term liabilities	(72)	(113)
Medium- and long-term liabilities	(407)	(395)
Net capital employed	13,911	12,293
Equity	14,223	12,258
Short-term net financial position	(6,743)	(9,138)
M/L-term net financial position	6,431	9,174
Equity and net financial debt	13,911	12,293

Parent company net financial debt

Figures in Euro Thousands	31/12/2023	31/12/2022
A. Cash	9,818	11,128
B. Cash equivalents	-	-
C. Other current financial assets	350	232
D. Liquidity (A + B + C)	10,168	11,359
E. Current financial debt	700	700
F. Current portion of non-current financial debt	2,670	1,521
G. Current financial debt (E + F)	3,370	2,221
H. Net current financial debt (G - D)	(6,797)	(9,138)
I. Non-current financial debt	3,846	5,871
J. Debt instruments	2,639	3,303
K. Trade payables and other non-current payables	-	-
L. Non-current financial debt (I + J + K)	6,485	9,174
M. Total financial debt (H + L)	(312)	36
N. Past due tax payables	95	556
O. Past due social security payables	-	81
P. PAST DUE SOCIAL SECURITY TAX PAYABLES (N) + (O)	95	638
Q. Adjusted financial debt (M) + (P)	(217)	674