

Hybrid Software Group PLC: Hybrid Software Group releases Q3 results

PRESS RELEASE - REGULATED INFORMATION

HYBRID SOFTWARE GROUP RELEASES Q3 RESULTS

Cambridge (UK) 20 October 2022 (18.00 CEST) – Hybrid Software Group PLC (Euronext: HYSG) provides a trading update for the nine months ended 30 September 2022.

CEO Mike Rottenborn comments, “The third quarter of 2022 was marked by consistent performance in the Enterprise Software and Printing Software segments. Revenue of the Printhead Solutions segment recovered to levels in line with the third quarter of 2021 after having experienced a severe downturn in H1 due to the global shortage of electronic components. Group revenue for the quarter was up 12% year-over-year despite experiencing more challenging business conditions than a year ago.

“The third quarter results were favourably impacted by the sale of an unused asset (approximately 69,000 IPv4 internet addresses) for a net amount of €3.3 million which closed in July. Given the nature of the sale this income is reported as “Other Income” and is not included in our revenue figures, but it is accretive to EBITDA.

“Group EBITDA was significantly up in Q3 thanks to better operational performance across the board and the sale of the IPv4 internet addresses. EBITDA for the quarter was €4.58 million compared to €1.61 million for Q3 2021. Credit is due to the entire team for rising to the challenge of these difficult business conditions, and our smaller businesses which focus on colour management, 3-D visualisation, and legacy printing devices deserve special mention for outperforming their revenue and cost targets.

“Although business conditions remain challenging, with rising inflation and the war in Ukraine causing uncertainty for our customers, we have delivered profitable growth throughout the difficult climate of the pandemic, and we expect to continue this in the future”.

Financial highlights for the nine months ended 30 September 2022

The following information is unaudited.

For the quarter ended 30 September 2022

- Revenue for the period was €11.29 million (2021: €10.09 million)
- EBITDA for the period was €4.58 million, or 41% of revenue (2021: €1.61 million, 16% of revenue)

For the nine months ended 30 September 2022

- Revenue for the period was €34.73 million (2021: €33.87 million)
- EBITDA for the period was €9.20 million, or 26% of revenue (2021: €7.42 million, 22% of revenue)

Segment analysis

The following tables provide unaudited information about revenue from external customers and EBITDA for the Group's operating segments for the current and previous financial years. EBITDA is calculated by adding back interest, tax, depreciation and amortisation to net profit.

For more information about the Group's operating segments, refer to the annual report for the year ended 31 December 2021, which is available from:

<https://www.hybridsoftware.group/investors/financial-reports>.

For the quarter ended 30 September 2022:

In millions of euros (unaudited)			Enterprise Software	Printhead Solutions	Printing Software	Group	Total
Revenue	from	external	5.14	2.49	3.66	-	11.29
customers							
Segment EBITDA			1.36	0.13	3.40*	(0.31)	4.58
as a % of revenue			27%	5%	93%		41%

*Includes "Other Income" of €3.3 million as outlined above.

For the quarter ended 30 September 2021:

In millions of euros (unaudited)			Enterprise Software	Printhead Solutions	Printing Software	Group	Total
Revenue	from	external	4.52	2.51	3.06	-	10.09
customers							
Segment EBITDA			1.46	0.14	0.28	(0.27)	1.61
as a % of revenue			32%	6%	9%		16%

For the nine months ended 30 September 2022:

In millions of euros (unaudited)			Enterprise Software	Printhead Solutions	Printing Software	Group	Total
Revenue	from	external	16.47	6.10	12.16	-	34.73
customers							
Segment EBITDA			4.33	0.35	6.14	(1.62)	9.20
as a % of revenue			26%	6%	51%		26%

For the nine months ended 30 September 2021:

In millions of euros (unaudited)			Enterprise Software	Printhead Solutions	Printing Software	Group	Total
Revenue	from	external	14.85	10.74	8.28	-	33.87
customers							
Segment EBITDA			5.17	2.52	0.53	(0.80)	7.42
as a % of revenue			35%	23%	6%	-	22%

About Hybrid Software Group

Through its operating subsidiaries, [Hybrid Software Group PLC](#) (Euronext: [HYSG](#)) is a leading developer of enterprise software for industrial print manufacturing. Customers include press

manufacturers such as HP, Canon, Durst, Roland, Hymmen, and hundreds of packaging printers, trade shops, and converters worldwide.

Hybrid Software Group PLC is headquartered in Cambridge UK. Its subsidiary companies are colour technology experts [ColorLogic](#), printing software developers [Global Graphics Software](#), enterprise software developer [HYBRID Software](#), 3D design and modelling software developers [iC3D](#), the industrial printhead driver solutions specialists, [Meteor Inkjet](#) and pre-press workflow developer [Xitron](#).

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