

# Hybrid Software Group PLC reports excellent results for 2021 with €48.6 million revenue and €12.2 million EBITDA

## PRESS RELEASE – REGULATED INFORMATION

### HYBRID SOFTWARE GROUP PLC REPORTS EXCELLENT RESULTS FOR 2021 WITH €48.6 MILLION REVENUE AND €12.2 MILLION EBITDA

**Cambridge (UK), 21 April 2022 (18:00 CEST):** Hybrid Software Group PLC (Euronext: HYSG) announces that it has published its annual report and financial statements for the financial year ended 31 December 2021.

The full document is available to download from the financial reports section of the Company's web site at: <https://www.hybridsoftware.group/investors/financial-reports>.

Mike Rottenborn, CEO comments, "2021 was a remarkable year for Hybrid Software Group. Despite the shadow of the lingering COVID-19 pandemic, we were able to successfully conclude two major acquisitions, rebrand the Group to reflect our focus on software for inkjet manufacturing, re-energise the core RIP business of Global Graphics Software, and more than double our revenue from 2020 largely due to the acquisition of HYBRID Software, while increasing our EBITDA to 25% and our cash position to more than €9 million. Our 275+ global employees are dedicated to the success of our customers through expert technical support and non-stop innovation. With another acquisition already under our belt in 2022, I look forward to the continued growth and success of Hybrid Software Group and all our customers worldwide."

Executive chairman, Guido Van der Schueren adds, "The acquisition of HYBRID Software in January 2021 broadened our focus from OEM component sales to high-margin enterprise software for both OEMs and end users, and we wasted no time integrating HYBRID Software into the Group. Despite the challenging business environment in 2021, we were able to grow revenues by nearly 25% and EBITDA by more than 20% when compared to the combined operating results of the previously separate entities in 2020. We have many plans for 2022 and beyond to leverage the power of the full Group and combine our OEM products with our end user products and sales channels to achieve further growth. With these results, we remain firmly on track to achieve our target of €100 million revenue and €35 million EBITDA in 2026."

## Financial highlights

In thousands of euros	For the year ended 31 December	
	2021	2020
<b>Continuing operations</b>		
Revenue	48,562	22,494
Operating profit	4,770	1,387
Profit before tax	4,565	1,693
Tax benefit	349	58
<b>Profit from continuing operations</b>	<b>4,914</b>	<b>1,751</b>
<b>Discontinued operation</b>		
Profit from discontinued operation, net of tax	-	4,167
<b>Profit for the year attributable to equity holders</b>	<b>4,914</b>	<b>5,918</b>
EBITDA - continuing operations	12,211	4,711
Adjusted operating profit - continuing operations	7,308	2,355
Adjusted net profit - continuing operations	6,390	2,522

Basic earnings per share (euro) - continuing operations	0.15	0.15
Adjusted earnings per share (euro) - continuing operations	0.20	0.22
Available cash	9,234	6,855

The consolidated profit before tax for continuing operations was €4.57 million compared with a profit of €1.69 million in 2020. The increase in profitability of €2.88 million is due to:

- an increase in revenue of €26.07 million;
- an increase in cost of sales of €3.23 million;
- an increase in selling, general and administrative expenses of €13.86 million;
- an increase in research and development expenses of €5.66 million;
- a decrease in other operating expenses of €0.03 million;
- an increase in other income of €0.03 million;
- an increase in net finance income of €0.55 million; and
- an increase in foreign exchange losses of €1.05 million.

Revenue for the Printing Software segment (previously named Software) included sales by ColorLogic from November 2021 and totalled €13.84 million for the year (2020: €12.67 million).

Revenue for the Printhead Solutions segment was €13.98 million for the year (2020: €9.82 million).

Revenue for the Enterprise Software segment (a new segment in the year as a result of the acquisition of HYBRID Software in January 2021) was €20.74 million for the year.

Gross profit for the period increased to 82.5% of revenue (2020: 76.7%), primarily due to the higher mix of software related sales during the year, particularly higher margin sales to end users by HYBRID Software.

Included in selling, general and administrative expenses is amortisation of €0.84 million (2020: €0.59 million) related to intangible assets recognised as a result of acquisitions.

Research and development expenses includes the capitalisation and amortisation of internally generated intangible assets and the amortisation of certain intangible assets recognised as a result of acquisitions. During the period there was a net capitalisation of development expenditure of €2.39 million (2020: €0.72) and amortisation of acquired intangible assets of €3.93 million (2020: €1.78 million).

The exchange rate losses are primarily due to the revaluation of currency balances held at the balance sheet date and the change in exchange rates during the year.

The Group presents EBITDA (earnings before interest, tax, depreciation and amortisation) and adjusted profit when reporting its financial results to provide investors with an additional tool to evaluate the Group's results in a manner that focuses on what the Group believes to be its underlying business operations. The Group's management believes that the inclusion of adjusted financial results provides consistency and comparability with past reports.

Additional commentary and analysis of the Group's consolidated results for the year ending 31 December 2021 can be found in the annual report and financial statements.

Should you wish to receive a printed copy of the annual report, please send an e-mail to [investor-relations@hybridsoftware.group](mailto:investor-relations@hybridsoftware.group) or make your request in writing, for the attention of the Company's Chief Financial Officer, to 2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW, UK.

### **Annual General Meeting**

The Company will hold its annual general meeting on Tuesday 10 May 2022. The official notice of the meeting is available on the Company's website at <https://www.hybridsoftware.group/investors/shareholders-annual-general-meeting>.

### **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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