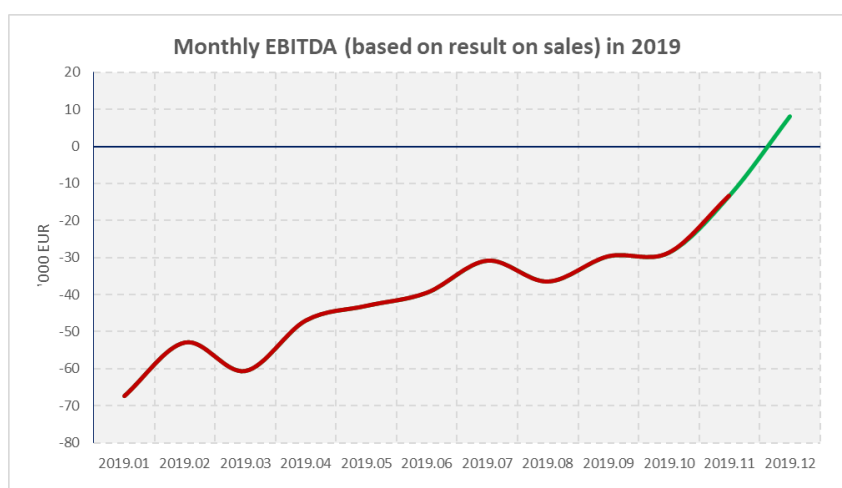


Preliminary 4Q2019 financial results

Item	000 EUR		change:
	2019 Q3	2019 Q4	
Net revenue from sales	249,1	268,3	7,7%
Operating expenses excl. deprec & amort.	-346,3	-302,4	-12,7%
EBITDA (based on result on sales)	-97,2	-34,1	+63,1
EBIT (operating result)	-236,1	-186,3	+49,8
Net result	-244,4	-201,8	+42,6

In accordance with the assumptions presented in the current ESPI report No. 4/2019, the company achieved breakeven on EBITDA¹ in December (amounted to +8 thousand EUR). In 2019, the Company remodelled sales processes and introduced on a large scale the sales of its products in the SaaS channel. At the same time, the Company has optimized current operating expenses, what together with mentioned sales changes, brought the expected improvement of financial results. In each subsequent quarter of the 2019 the Company reduced its EBITDA loss, which in December led to breakeven.

The chart below presents monthly EBITDA (based on the result on sales) in 2019.



The fourth quarter sales amounted to 268 thousand EUR, which is +7.7% increase compared to the previous one. Sales in the SaaS channel (via e-commerce platforms) that have been strongly developed since September, at the end of the year has already reached the 6.8% share of the total sales (this result was achieved in four months). For the total of fourth quarter, the share amounted 4.9%.

The fourth quarter of 2019 in operating costs line (excluding depreciation and amortization) was a period of further reduction of expenses: compared to the previous quarter these costs were lower about 44 thousand EUR. As a result of above changes, in the fourth quarter the Company achieved EBITDA (based on the result on sales) at the level of -34 thousand EUR, which means the better result about 63 thousand EUR than last quarter.

* * *

¹ In quarterly and monthly results, the Company presents EBITDA based on the sales result, while on an annual basis, also based on the operating result.

The Management Board of the Company emphasizes that the above data are preliminary results and may slightly differ from the final values, which will be presented in the financial report for the Q4 2019 which will be published on 14 February, 2020.