

PRESS RELEASE - REGULATED INFORMATION

HYBRID SOFTWARE GROUP ACCELERATES GROWTH IN FIRST QUARTER

- Revenue: €15 million, up 8.3% compared to last year
- EBITDA €5.25 million, up 63% over last year
- Adjusted operating profit €4.21 million, up 123% over last year

Cambridge (UK) 01 May 2024 (18.00 CEST) – Hybrid Software Group PLC (Euronext: HYSG) provides a trading update for the three months ended 31 March 2024.

CEO Mike Rottenborn comments, “Our operating performance for the first quarter demonstrated the beginning of a recovery from the difficult conditions of 2023, with each of our business segments experiencing year-over-year sales growth and consolidated revenues 8.3% higher than the first quarter of 2023. The cost optimizations completed last year contributed to more than €4 million in adjusted operating profit, up 123% from last year.

The Printing Software segment saw sales of its new Digital Front End, SmartDFE, gain traction and had a major multi-year licensing arrangement renewed for another 5 years, leading to a year-over-growth in revenue of 11% and segment EBITDA of 135%.

Sales in the Printhead Solutions segment grew 14% year-over-year, continuing the recovery which began last year after the component shortages of 2022 and against a backdrop of industrial sectors experiencing cyclical headwinds.

The Enterprise Software segment increased revenues 3% from last year, with strong sales in the largest regions of DACH and North America to power further growth in the future.

Stronger revenues plus continued vigilance on expenses resulted in an EBITDA growth of 62% year-over-year, from 23% of revenue to 35% of revenue. With the major industry trade show of Drupa coming up soon, we anticipate continued good results for the remainder of 2024.”

Financial highlights for the three months ended 31 March 2024

The following information is unaudited.

- Revenue for the period was €15.12 million (2023: €13.96 million)
- EBITDA for the period was €5.25 million, or 35% of revenue (2023: €3.24 million, 23% of revenue)
- Operating result for the period was €3.23 million, or 21% of revenue (2023: €0.97 million, 7% of revenue)
- Adjusted operating result for the period was €4.21 million, or 28% of revenue (2023: €1.89 million, 14% of revenue)

Segment analysis

The following tables provide unaudited information about revenue from external customers, EBITDA, operating result and adjusted operating result for the Group's operating segments for the current and previous financial years.

For the three months ended 31 March 2024:

In millions of euros (<i>unaudited</i>)	Enterprise Software	Printhead Solutions	Printing Software	Group	Total
Revenue from external customers	5.61	3.24	6.27	-	15.12
Segment EBITDA	1.21	0.58	3.63	(0.17)	5.25
as a % of revenue	22%	18%	58%	-	35%
Segment Operating result	0.99	0.37	3.22	(1.35)	3.23
as a % of revenue	18%	11%	51%	-	21%
Segment Adjusted operating result	0.75	0.38	3.24	(0.16)	4.21
as a % of revenue	14%	12%	52%	-	28%

For the three months ended 31 March 2023:

In millions of euros (unaudited)	Enterprise Software	Printhead Solutions	Printing Software	Group	Total
Revenue from external customers	5.44	2.85	5.67	-	13.96
Segment EBITDA	1.48	0.36	1.70	(0.30)	3.24
as a % of revenue	27%	13%	30%	-	23%
Segment Operating result	1.07	0.20	1.19	(1.49)	0.97
as a % of revenue	20%	7%	21%	-	7%
Segment Adjusted operating result	0.92	0.20	1.07	(0.30)	1.89
as a % of revenue	17%	7%	19%	-	14%

For more information about the Group's operating segments, refer to the annual report for the year ended 31 December 2023, which is available from: <https://www.hybridsoftware.group/investors/financial-reports>.

EBITDA is calculated by adding back interest, tax, depreciation and amortisation to net profit.

Adjusted operating result is calculated starting from IFRS reported operating (loss)/profit from continuing operations and deducting other expenses and capitalised development expenses, and adding back other income, amortisation of acquired intangibles and capitalised development expenses and other non-recurring items in nature.

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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