

## Safetech Innovations posts 6,2 million lei in net profit in 2021, double compared to 2020

**Bucharest, 21 February 2022** – Safetech Innovations (BVB: SAFE), a Romanian cybersecurity company listed on the AeRO market of the Bucharest Stock Exchange, posts total revenues of 32.5 million lei in 2021, an increase of 76% compared to 2020, a turnover of 23 million lei, an increase of 56% compared to last year and a net profit of 6.2 million lei, double compared to the 2020 result.

*"We are delighted with the performance of the Safetech Innovations team in 2021, especially that we achieved a net profit above our initial estimates. The number of cyberattacks has been on a constant rise, becoming one of the most prominent threats to corporations around the world, including in Romania. If unprevented, cyberattacks result in a threat of significant data and financial loss, not to mention reputational damage. Therefore, we expect an increase in the demand for cybersecurity solutions and cybersecurity services delivered by our teams. Given the current challenges in this area, we plan to expand our team this year with nine new experts to handle the growing demand for our services. In 2022, we will focus on continuing to grow our business both locally and internationally as well as we will initiate the process of moving to BVB's Main Market. We thank the shareholders who have supported us throughout the last year, and we look forward to making this next step together,"* stated Victor Gânsac, CEO of Safetech Innovations.

In 2021, the implementation of cybersecurity solutions contributed 57% to the company's total turnover, cybersecurity services with 42%, while the sale of goods accounted for 1% of the total turnover. In line with the company's historical results, the fourth quarter of the year was again the busiest period for Safetech Innovations, with 43% of turnover being generated in the last quarter alone. During the past year, the most requested services were implementing cybersecurity solutions and consulting services in compliance with Law 362/2018. Last year, Safetech Innovations added 19 new clients to its portfolio, both in Romania and abroad.

In the context of the results generated, the management of Safetech Innovations will submit to the shareholders' vote at the General Meeting of Shareholders, which will take place on April 18, 2022, the distribution of cash dividends amounting to 4.2 million lei, equivalent to one dividend per share of 0.25 lei. In addition, the company will distribute three bonus shares for each share held by capitalizing the issue premiums amounting to almost 10 million lei, from the last two share capital increases, from October 2020 and January 2022.

*"We strongly believe that growth companies can also be profitable companies that share the net profit with their shareholders. We have a strong cash position and a solid development plan. We, therefore, want this dividend proposal to reflect our confidence in the growth plans, as well as to serve as a thank you to the shareholders who supported us by participating in our private placement in October 2020, who still own our shares, those who bought SAFE shares during 2021, as well as shareholders who participated in the most recent share capital increase operation,"* added Victor Gânsac.

For 2022, the company targets total revenues of 43.9 million lei, a turnover of 40 million lei, and a net profit of 10.1 million lei. In terms of international expansion, Safetech Innovations set up a UK subsidiary a few weeks ago and is currently recruiting the team. As a first step, the company is looking for sales and pre-sales specialists and a product manager. Once the UK entity is well established, the company will focus on setting up the US entity between March and April of 2022.

In parallel, Safetech will set up a subsidiary in Abu Dhabi, United Arab Emirates, together with its local partner. The company is also looking at other global markets for a potential expansion, one of which is the Benelux area. Nonetheless, the potential expansion to the Benelux region will not be done through another subsidiary, but through a collaboration with intermediaries who can increase Safetech's visibility in this market.

Safetech Innovations listed on the AeRO market on January 29<sup>th</sup>, 2021. The company has a market capitalization of over 180 million lei. As of October 11<sup>th</sup>, 2021, SAFE shares are included in the BET-AeRO index developed by the Bucharest Stock Exchange for the AeRO market. In 2021, Safetech Innovations was the most traded company on the AeRO market.

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### **About Safetech Innovations**

*Established in 2011, Safetech Innovations (SAFE) is currently the only dedicated information security company on the Romanian market, specialized in cybersecurity and implementation of cybersecurity solutions. Safetech Innovations' services include data protection, identification of vulnerabilities and risks, implementation of cybersecurity solutions and measures, response to cybersecurity incidents through STI CERT - Safetech Cyber Security Incident Response Center, and creation of an organizational culture oriented towards safety. The company has a broad portfolio of clients, having worked with more than 10 key institutions from the local financial banking sector, international players, as well as local companies from the energy, FMCG, telecom, IT&C and transportation sectors. Safetech Innovations (SAFE) is listed on the AeRO market of the Bucharest Stock Exchange market. Since October 2021, the company is included in the BET-AeRO index of BVB. [www.safetech.ro](http://www.safetech.ro)*