

ANNUAL **REPORT** **2018**

THE INNOVATIVE
MIX OF SUBJECT
MATTER
EXPERTISE,
TALENT,
METHODOLOGY,
INNOVATION
AND CONTINUITY
IS TURNING
INTRASOFT INTO
THE DIGITAL
TRANSFORMATION
PARTNER OF
CHOICE FOR
ORGANISATIONS
AROUND THE
WORLD.
OUR VISION FOR
THE FUTURE IS
BASED ON SOLID
GROUND.



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■ MESSAGE FROM THE CHAIRMAN.

Athanasios
Kotsis
Chairman
of the Board
of Directors

2018 was a fruitful year for all our Business Units, despite the ongoing global challenges. We managed to acquire partners and clients in new regions of the world while managing to strengthen our presence across European Institutions and diverse regions, from East Africa to the Middle East and Asia. Our reputation as a partner of choice has been further solidified due to our commitment to service excellence and to helping our clients reach their digital transformation goals. We have set the stage for an even more exciting 2019 in regard to further expansion, and growth and innovation across our segments.

This year's performance would not have been possible without the ongoing efforts and creative input of #IntrasoftPeople, a multicultural, high-skilled team of people who continuously evolve and outdo themselves through qualitative work and dedication. If the past 20 years have taught us something is that we can. We can face challenges, develop strategies and make them produce results thanks to our people's versatility, confidence and teamwork skills. It is these traits that make our offering unique in our market segments.

I am confident that 2019 will be an exciting year for INTRASOFT International and its people. The blend of our people's skills and innovation-driven mentality guarantees our Company's evolution and success in the coming years.

MESSAGE FROM THE CEO.

Alexandros Manos
Chief Executive Officer

2018 was a remarkable year. INTRASOFT International grew not just in numbers but as importantly in talent and in the power of our brand.

We expanded through major new projects across the Business Units, and our new endeavours in the fields of analytics and credit risk management are already paying off. Our continuous investment in innovation the past years is paying dividends, as we are witnessing the growing customer base of our start-up, WeMetrix, and the technological advancement of our product line. At the same time, we continue our Research & Development in various areas, including Blockchain, Artificial Intelligence and the Internet of Things. It is these advances that will shape our future and that of our sector, as a whole.

2018 was another successful year for us, a year in which we continued improving our performance on

all levels: EBITDA year-on-year growth of 15.4% to €12m, revenue at €169.9m, a stable backlog of €355m and very satisfied customers in all our market segments.

Our leadership position in the European Union Institutions was reinforced in 2018; significant new wins and continuation of major projects for European Commission Directorates-General (DGs) and Agencies, including DG Environment and DG Informatics, underlined our European pedigree and steadfast commitment. At the same time, our Enterprise Solutions Business Unit exhibited strong growth for a third year, running securing Digital Transformation projects with major Telecommunication, Banking and Utilities clients. Our Public Sector projects are steadily expanding across the globe, spearheading our brand's development in new markets

with new contracts in the Middle East and Africa. INTRASOFT East Africa grew further with new wins in the region's banking sector, based on our iProfits banking software.

Over the past year, our people continued to form our highest priority. A brand-new Learning Management System was made available to each INTRASOFT employee globally, setting new standards across our industry. In 2018, we conducted our multi-annual engagement survey, giving our people an additional forum through which to provide their feedback. The exceptionally high response rates underlined the importance of the process, as we execute our strategy for the years ahead.

We named 2018 the Year of Coding for the INTRASOFT family; coding is what we do best, and it is through coding that we aim to improve our client's digital reality. The Year of Coding

initiative included a series of Corporate Social Responsibility activities aimed at reinforcing developer communities, strengthening STEM education in schools, providing access to coding skills and much more. It was a truly satisfying experience for all involved, and it paved the way for new volunteer activities across the Group.

During 2018, we cut the ribbon at our new Development Centre in Patras, Greece. A vibrant hub for software developers, Patras boasts one of the finest engineering schools in Greece and our Development Centre is already attracting the finest talent in the locality.

FUTURE OUTLOOK.

Alexandros Manos

INTRASOFT International understands better than most the impact of Digital Disruption in all aspects of both business and everyone's daily life. Our technological advancement, combined with our ability to plan, set goals and attain them, translate into a unique vision for our future.

The innovative mix of subject matter expertise, talent, methodology, innovation and continuity is turning INTRASOFT into the digital transformation partner of choice for organisations around the world. It is through Configurable and Bespoke Applications that we intend to improve multi-device user experience, while offering the best in security. Our vision for the future is based on solid ground. Our spotless reputation is our strongest calling card. Our decision to adopt an Agile Project Delivery model means that over the next three years, INTRASOFT International will not only transform the way projects are delivered, but also the way we perceive ourselves. This will be the final step towards our complete transformation into a flexible, global organisation catering to the needs of the public and private sectors.

The challenges ahead will be successfully met through the hard work and commitment of our most important asset: INTRASOFT people. Our diverse and multicultural blend of employees has made this company what it is, and this amazing team is coming together to take on the vision of the future. We will continue to develop our teams through brand-new learning and growth opportunities; at the same time, we aim to enhance our global character by offering new mobility options to our employees – thus building a unique INTRASOFT experience.

Over the past few years, we have witnessed unprecedented growth in our Corporate Social Responsibility (CSR) programme. This trend will continue in the next few years, and we are already planning our 2020 initiatives, which will be broader than ever before. These activities have been embraced by our employees and civil society, and we are keen to intensify our CSR programme to match our global growth.

**THE
CHALLENGES
AHEAD WILL BE
SUCCESSFULLY
MET THROUGH
THE HARD
WORK AND
COMMITMENT
OF OUR MOST
IMPORTANT
ASSET:
INTRASOFT
PEOPLE.**

GROUP OVERVIEW.



**2018:
A YEAR OF
CODING –
A LIFETIME OF
INNOVATION.**

**FOR INTRASOFT'S BUSINESS UNITS,
2018 YEAR OF CODING WAS A PERIOD
OF EXPANSION AND GROWTH.**

**FOLLOWING OUR THREE-YEAR
TRANSFORMATION, BOLD STEPS WERE
TAKEN TOWARDS EXPANDING THE SCOPE
OF OUR SERVICES AND THE GEOGRAPHICAL
POSITIONING OF OUR CLIENT BASE,
WHILE EXPLORING NEW MARKETS AND
TECHNOLOGICAL FIELDS. AT THE SAME
TIME, WE HAVE SUCCEEDED IN RETAINING
EXISTING CONTRACTS AS WELL AS
ACHIEVING NEW SIGNIFICANT VICTORIES.**

In 2018, we also expanded the Company's physical presence. As part of our strategic plan to attract the best talent on a local level, we inaugurated our new Development Center in the Greek city of Patras – a vibrant city in terms of software development. Other recent additions to the Group, including Nairobi and Thessaloniki, are already thriving.

#IntrasoftPeople are consistently at the core of our success. It is their skills, experience and innovative ideas that help the Company continually grow and evolve. Our team is a diverse pool of professionals, a multicultural hub of talents that blend together to provide customised solutions and meet specific client needs. We consider our people our human capital, and we continuously invest in their professional and personal growth, development and well-being. We aim to develop and sustain a working environment that will help people flourish, evolve and continuously re-invent themselves.

Having said that, in 2018 we launched our brand-new Learning Management System through which each employee has access to over 3,000 online videos and tutorials. Furthermore, we kicked off INTRASOFT Wellness Days, a recurring event that takes place at our premises to initiate our people into the fundamentals of well-being. Our CSR overarching action, 2018 Year of Coding, underlined our commitment to STEM education, support for computer literacy and celebrated the code that has transformed human lives in recent years.

THE YEAR'S KEY ACCOMPLISHMENTS ALSO INCLUDED



:

SOLID PRESENCE MAINTAINED ACROSS THE EUROPEAN INSTITUTIONS WITH SIGNIFICANT WINS, REINFORCING OUR PRESENCE IN THE MARKET AND EXPANDING OUR SCOPE



NEW CLIENT BASE ESTABLISHED IN EAST AFRICA, MOSTLY THROUGH OUR VERY OWN PROFITS® CORE BANKING SYSTEM



NEW VENTURES AND INNOVATION EMPHASISED BY INVESTING IN WEMETRIX, A START-UP THAT DEVELOPS DATA ANALYTICS SOLUTIONS FOCUSED ON CREDIT RISK MANAGEMENT



**PHYSICAL PRESENCE EXPANDED
WITH A NEW DEVELOPMENT
CENTRE IN PATRAS, GREECE**



**BREAKING NEW GROUND IN TERMS
OF TECHNOLOGICAL FIELDS,
LIKE BLOCKCHAIN, ARTIFICIAL
INTELLIGENCE, BLOCKCHAIN, DATA
ANALYTICS AND MACHINE LEARNING**



**INVESTING IN #INTRASOFTPEOPLE
WITH THE IMPLEMENTATION OF
THE NEW LEARNING MANAGEMENT
SYSTEM (MORE THAN 3,000 ONLINE
COURSES AVAILABLE FOR EVERY
EMPLOYEE), THE INTERNAL EMPLOYEE
ENGAGEMENT SURVEY, AND THE
RECURRING WELLNESS DAYS EVENTS**

**■ EUROPEAN
INSTITUTIONS.**



**2018 WAS A
SUCCESSFUL
YEAR FOR
INTRASOFT
INTERNATIONAL'S
EU BUSINESS
UNIT, WHICH
MANAGED TO
BREAK NEW
GROUND.**


THE COMPANY WON THE GENERAL SOFTWARE DEVELOPMENT PROJECT FOR THE EUROPEAN GNSS (GLOBAL NAVIGATION SATELLITE SYSTEMS) AGENCY. INTRASOFT ALSO WON TENDERS RELATED TO CLIENTS, LIKE THE OUTSOURCED IT SERVICE DESK" FOR EUROPEAN MEDICINES AGENCY UK - EMA AND THE "PROVISION OF EXTERNAL STAFF AND SERVICES IN SUPPORT OF IT INFRASTRUCTURE AND OPERATIONS SERVICES AT THE EIB GROUP LOT 1" FOR EUROPEAN INVESTMENT BANK LUXEMBOURG - EIB.

The main success was the continuation of the **DESIS** (**D**evelopment, **S**tudies and support for **I**nformation **S**ystems) project for European Commission's framework contract DIGIT TM, covering development, consultancy and support in the field of Information Systems. INTRASOFT managed to remain well positioned and secure revenues for the next 4 years, while reaffirming its position in the market. In addition, INTRASOFT successfully continued its collaboration with the **ITUSS** project on User


Support in Information Technologies for the European Parliament, Directorate-General for Innovation and Technological Support. Also, worth noting is the **Publications Office of the European Union** success following the "Help desk for users of Publications Office electronic services and other products" tender award, signifying INTRASOFT's long-term relationship with the client.

Throughout 2018, INTRASOFT's **Application Development** Department continued to develop innovative solutions, aimed at having a significant impact on European Research & Development initiatives.


Consequently, INTRASOFT International has successfully completed the implementation of the Customs Declaration management system



For **CARM** (Customs Administration of the Republic of North Macedonia), aligned with the EU directive. The new system will be launched in production in June 2019



For **HMRC** (HM Revenue & Customs UK), the new system has been launched in production



For **ANAF** (National Agency for Fiscal Administration in Romania), the new EMCS system has been aligned with the national and EU legislation

Moreover, INTRASOFT continued the provision of services to its customers within the EU Institutions; **Taxation and Customs Union** (DG TAXUD), **Maritime Affairs and Fisheries** (DG MARE), **Research and Innovation** (DG RTD), **European Maritime Safety Agency** (EMSA), **Mobility and Transport** (DG Move). In addition to that, the Company has been working on pilot projects in the Taxation and Customs Union in order to evaluate Blockchain, a technology that can bring business and financial benefits to all stakeholders.

MANAGED SERVICES

**IN 2018, INTRASOFT'S
MANAGED SERVICES
DEPARTMENT
CONTINUED ITS
SUCCESSFUL RUN
BY WINNING OR
RENEWING SEVERAL
KEY CONTRACTS:**



Renewed **Publications Office of the European Union (Luxembourg)** contract regarding the external helpdesk for its services and related products. The new contract includes additional tooling and hosting services. It has been implemented as of August 2018



Awarded **European Medicine Agency** contract for IT user support services. The take-over was completed in December 2018, and culminated with the transfer of the agency from London to Amsterdam beginning in January 2019



Awarded **European Investment Bank** contract for IT user support services (in collaboration with Fujitsu, CTG and Axians). The take-over phase was successfully completed in December 2018



Awarded IT User Support Services contract by the **European Parliament**

IN 2018, INTRASOFT'S PROFESSIONAL SERVICES DEPARTMENT DEMONSTRATED ITS OUTSTANDING SHOWING IN SEVERAL EUROPEAN INSTITUTION AWARD RANKINGS:



DIGIT TM LOT 2 (DG Informatics)

Delivery of external experts in the domain of IT development, management and architecture within Luxembourg for the European Commission. INTRASOFT was first in the cascade for this LOT.



DIGIT TM LOT 4 (DG Informatics)

Delivery of external experts in the domain of IT Support, IT System Administration and Web Operation management covering all of Europe for the European Commission. INTRASOFT was second in the cascade for this LOT.



CASIS LOT 1 (DG Employment, Social Affairs and Inclusion)

Delivery of external experts in the domain of IT (Development, Management, Architecture) within the area of Employment, Social affairs and Inclusion of the European Commission. INTRASOFT was second the cascade for this LOT.



ITGM LOT 1 (DG Research and Innovation)

Delivery of external experts in the domain of IT (Development, Analysis and Management) for the research-related DGs of the European Commission. INTRASOFT was second in the cascade for this LOT.

SOLUTIONS DEVELOPMENT

**IN 2018, INTRASOFT'S
SOLUTIONS
DEVELOPMENT
DEPARTMENT
ACHIEVED EXCITING
TECHNOLOGICAL
MILESTONES.
BELOW ARE SOME
HIGHLIGHTS.**



EUROPEAN UNION AGENCY FOR RAILWAYS OSS

In 2018, INTRASOFT designed and developed the first version of the **One-Stop Shop (OSS)** information system for the **European Union Agency for Railways (ERA)**. OSS is the single-entry point through which all application files for Single Safety Certificates, Vehicle Authorizations and ERTMS Trackside Approvals are submitted as defined in the 4th Railway Package (4RP) set of legislative texts. The system also allows ERA and the **National Safety Authorities (NSAs)** of the EU Member States to process the applications. The system has been built using the IBM Case Manager. The first version of the system was successfully put in production in early 2019.



TRILOGUE TABLE EDITOR

The first delivery of the **Trilogue Table Editor (TTE)** has been in pilot production since September 2018. Trilogue is an interinstitutional project aimed at delivering a structured XML content editor with enhanced features to support European Institution negotiations for the Ordinary Legislative Procedure (aka Trilogue negotiations).

It is the first ever joint software development collaboration between the **European Parliament** (leading the development effort), the **General Secretariat of the Council** (contributing to this effort with resources) and the **European Commission**. INTRASOFT International, as the main contracting party for the European Parliament, is coordinating the project's analysis, development and delivery efforts. The next delivery is scheduled for September 2019.

RESEARCH AND INNOVATION DEVELOPMENT (RID)

2018 proved to be a very fruitful year for INTRASOFT's **Research and Innovation Development (RID) Department**. It built on the successful track record of its activities in numerous **Horizon 2020** projects. INTRASOFT was awarded the coordination of a project that will act as a pilot case for the new research funding scheme (Innovation Action Lump Sum) to be applied during the next research and innovation framework programme (Horizon Europe). Moreover, the RID Department's successful outcomes are reflected in the Company's strategy and innovation development in important areas such as Big Data, Data Analytics and Blockchain.

Below are some key RID project achievements.

Big Data technologies remained a strategic focus for 2018. INTRASOFT launched a series of key research activities in this area

:

was the main technical integrator of the **Track and Know** project aimed at increasing the efficiency of Big Data applications in the transport, mobility, motor insurance and health sectors

was leading the Big Data Reference Architecture for Manufacturing within the framework of the project **Boost4.0** – a Horizon 2020 Big Data Value Lighthouse project with 49 partners from 15 countries. The main goal is to address the need for developing large-scale experimentation and demonstration of data-driven “connected smart” Factories 4.0 to retain European manufacturing competitiveness

was the technical coordinator and communication leader in **ManyLaws**, a Connecting Europe Facility (CEF) project. The overall objective is to enable access to legal information across the European Union and improve the efficacy of decision making in legislative procedures operated by public bodies using Big Data analytics

As **Industry 4.0** is an emerging trend of automation and data exchange, Digital Automation in Manufacturing is captured as an area of interest.
INTRASOFT International

:

won a series of projects, opening up opportunities to explore new solutions in Industry 4.0, such as the coordination of **MARKET4.0**, the new pilot funding project (Innovation Action Lump Sum) whose main goal is to define, develop and validate an open multi-sided marketplace for Industry 4.0

participated as the main technical integrator in **SHAREWORK** and **SHERLOCK**, two projects related to the adoption of robotic technologies in manufacturing processes

Further to the goal of exploring new markets like Agriculture, Aquaculture and Environment, INTRASOFT International

:

participated as the main technical integrator in **IMPAQT** - Intelligent management system for integrated multi-trophic aquaculture, also by disseminating the project results, aimed at promoting and supporting the eco-intensification of aquaculture production systems.

was the main technical integrator in the **AFarCloud** project, aiming to provide a distributed platform for autonomous farming that will allow the integration and cooperation of agriculture Cyber Physical Systems in real-time

RESEARCH AND INNOVATION DEVELOPMENT (RID)

In the areas of **health** and **well-being**, INTRASOFT

:

participated as the main technical integrator in the **NUTRISHIELD** and **PROTEIN** projects. The objective is to create a personalised nutrition platform for the young driven by their preferences, physical and physiological characteristics, and health status

contributed to **MULTI-ACT** as the main technical integrator. It aims to foster the true engagement of actors and stakeholders in Health Research and Innovation for people with brain diseases

Following up research developments in **transportation** and **logistics**, INTRASOFT is the main technical integrator in the project **COG-LO**. The main goal is to create the framework and tools that will add cognition and collaboration features to future logistics processes.

Furthermore, INTRASOFT contributes to the policy aspects of the project **5G-MOBIX** - 5G for cooperative & connected automated MOBility on X-border corridors. The aim is to propose views for new business opportunities for the 5G enabled cooperative.

scope

SCOPE, INTRASOFT International's Communication division (www.scope-communications.com) and part of the EU Business Units, celebrated a number of significant wins in 2018.

New projects involving **Directorates-General for Environment, Energy and Regional Policy**, to name but a few, were added to a rich portfolio of communication activities that SCOPE continues to provide to its European Institution clients.

Concerned mainly with digital communication and dissemination, SCOPE has undergone a significant transformation in recent years. It remains focused on its European Institution clientele but offers a **wider-than-ever spectrum of digital services**, including campaigns, design, UI/UX, SEO optimisation, consulting and performance. In addition, SCOPE successfully turned towards new regional markets, and is pursuing the development of a proprietary social-media-and-web-listening product that is already available for selected clients.

**■ PUBLIC
SECTOR.**



**DURING 2018,
INTRASOFT
INTERNATIONAL
CONTINUED ITS
SUCCESSFUL
STRATEGY PLAN
ON BUILDING
CONFIGURABLE
PRODUCTS OF
HIGH QUALITY
FOCUSED ON
EUROPEAN,
MIDDLE EASTERN
AND AFRICAN
MARKETS.**

INTRASOFT HAS BEEN PUTTING EMPHASIS ON FURTHER DEVELOPING ITS PRODUCTS THROUGH SELECTIVE ORGANISATION RESTRUCTURING AND ADDED FEATURES AND FUNCTIONALITY, TO OFFER MORE VALUE TO ITS CUSTOMERS.

INTRASOFT FOCUSED ON THE FOLLOWING KEY AREAS:



REVENUE AND COLLECTION MANAGEMENT

In terms of technological developments, INTRASOFT International invested in Cloud-based Offerings, Open Source Software integration and the use of Artificial Intelligence/Machine Learning techniques and toolsets to primarily address predictive and prescriptive Analytics.

More specifically



CUSTOMS AND TRADER SINGLE WINDOW

:

cloud enablement is provided within INTRASOFT's **Open Development Framework (ODF)** that embraces all primary features of today's cloud industry: scalability, availability and vendor agnostic operation



SOCIAL SECURITY

use of **Open Source software components** as building elements of INTRASOFT products, combined with the architectural and structural platform-agnostic feature of ODF, which makes the inclusion of any third-party commercial software subject to the end Customer Policy or investment



HEALTHCARE INSURANCE

inclusion of **Analytics techniques** and tools for **Descriptive Analytics** have been significantly empowered on a corporate level with the knowledge and expertise on Predictive and Prescriptive aspects of Artificial Intelligence and Machine Learning domains





RISK MANAGEMENT, AUDIT AND COMPLIANCE

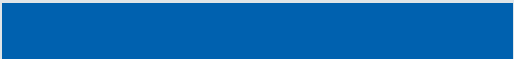
In parallel, the Company expanded its channel network through local and regional partnerships in select geographical and domain areas within the **EMEA region**. This has allowed INTRASOFT to increase its market penetration and presence, while further building on brand awareness. INTRASOFT is now considered as a leading provider of products, service and system integration to selected markets.

INTRASOFT International's brand name was further enhanced through own efforts and partners' channels, creating numerous opportunities for additional sales in existing accounts. The Company's commercial wins in **Africa** have led to further enhancement through new technical talent and resources hires in Kenya, Uganda and North Africa, apart from the addition of its new South African offices.

INTRASOFT's product implementation teams have successfully continued the delivery of ongoing projects for several complex implementations.



ICARUS: Revenue and Collection Management implementations in Mozambique, Croatia & Denmark



PERSEUS: Social Security and Healthcare in Kenya, Bahrain, Morocco

2018 HAS ALSO BEEN A MILESTONE YEAR WITH REFERENCE TO THE COMPLETION OF CRITICAL PROJECTS IN THE DOMAIN OF E-JUSTICE AND E-HEALTH IN GREECE, SUCH AS THE INTEGRATED JUDICIAL CASE MANAGEMENT SYSTEM FOR CIVIL AND CRIMINAL COURTS AND THE INTEGRATED HOSPITAL INFORMATION SYSTEM.

FURTHERMORE, INTRASOFT HAS ACHIEVED SIGNIFICANT SUCCESS IN THE FOLLOWING AREAS



VAT AND EXCISE TAX SYSTEM - UNITED ARAB EMIRATES

INTRASOFT International, as a world leading Oracle PSRM integrator, has acted as the strategic subcontractor to HPE and delivered enhanced functionality in the areas of VAT and Excise Tax. The project's scope was to provide Oracle PSRM implementation services for the required VAT and Excise Tax Administration functionality in a single, integrated Tax Administration environment.

CENTRALISED COLLECTIONS SYSTEM - GREECE

The purpose of this system is to optimally customise and automate the processes performed by the Greek Tax Administration regarding management and collection of debts, while continually conforming to the institutional framework for debt recovery. The new system will operate within the TAXIS/TAXISNet IIS environment but will also be fully integrated with all Contracting Authority systems related to debt data and debtors.

PENSION ADMINISTRATION SYSTEM - UGANDA

Following an international procurement process, NSSF has chosen INTRASOFT's Social Security and Pensions Administration Suite as the platform to support and automate their business processes and transformation exercise. The goal is to come up with a solution for the structure gaps of the system's core business processes. in a single, integrated Tax Administration environment.

VIRTUALISATION PROJECT - PORT OF PIRAEUS AUTHORITY

The main scope of this project is to migrate the existing central computing infrastructure of PPA into a new IT environment that hosts all the organisation's applications and services. As part of the project, the current infrastructure, which is mainly installed natively in physical IT equipment, will undergo a major transformation with three main objectives:

- physical-to-Virtual migration
- upgrade to newer versions of IT equipment and software
- elevation of high-availability and performance features

**■ ENTERPRISE
SOLUTIONS.**



**INTRASOFT
INTERNATIONAL
HAS GROWN
INTO ONE OF THE
KEY BANKING
PLAYERS IN
EASTERN AFRICA,
WHERE THE
COMPANY HAS
MADE SEVERAL
BANKING DEALS
(KENYA, ZAMBIA,
TANZANIA,
UGANDA,
RWANDA AND
ETHIOPIA),
IN CLOSE
COOPERATION
WITH ITS
SUBSIDIARY IN
NAIROBI, KENYA.**

**INTRASOFT
INTENSIFIED ITS
SALES APPROACH
IN GREECE, WITH
2 NEW CONTRACTS
REGARDING THE
PROFITS® INTEGRATED
CORE BANKING
SYSTEM: SERVICE
MANAGEMENT FOR
LOANS/CREDIT
RECEIVABLES OF
NON-PERFORMING-
LOANS (NPLS) AND
ELECTRONIC MONEY
(PAYMENTS THROUGH
NON-BANKING
ORGANISATIONS) VIA
ITS INTEGRATION
WITH THE CORTEX
ATM SWITCH & CARD
MANAGEMENT SYSTEM
OF FIS GLOBAL.**

INTRASOFT's **Customer Contact Solutions Department** continued to cooperate with Collab, Aspect, Avaya and Omilia, offering on-premise and **Cloud Omni-channel** Contact Centres/ Voice Self Service Phone Banking Solutions in Greece and abroad. These are based on innovations featuring **Artificial Intelligence (AI)** and emphasising on **Customer Experience (CX)** and **Digital Transformation**. Furthermore, several new developments further enhanced the PROFITS® Core Banking System capabilities in the context of the **PROFITS® Road Map**. The new PROFITS® Road Map is concentrated on PROFITS® Digitalization and Omni-Channel Architecture adoption, and Core Functionality Enhancements.

There were numerous highlights in 2018

:

Cepal Hellas, Greece: PROFITS® Core Banking System, on the provision of servicing management for loan and credit receivables, thus establishing PROFITS® in the area of NPLs

Tora Wallet, a subsidiary of OPAP Group, Greece: PROFITS® Core Banking System, ATM Switch and Card Management System Cortex of FIS Global with Tora Wallet, a subsidiary of OPAP Group

Zambia National Building Society (ZNBS) Zambia: PROFITS® Core Banking System implementation at Zambia National Building Society (ZNBS) Zambia, the largest building Society in Zambia

Housing Finance Corporation (HFC), Cyprus: PROFITS® Core Banking System implementation at Housing Finance Corporation (HFC), Cyprus that specialises in housing loans

Kenya Police Sacco (KPS), Kenya: PROFITS® Core Banking System implementation at Kenya Police Sacco (KPS), Kenya, one of the largest Savings and Credit Cooperatives in Kenya

Electronic Clearing House Limited (ZECHL), Zambia: Implementation of National Payments Switch of Zambia based on the IST Switch of FIS Global, along with support and maintenance services

Mwalimu National Sacco, Kenya: Joint Venture (JV) agreement between INTRASOFT and Mwalimu National Sacco, Kenya, for the launching and operation of PROFITS® for MFIs and SACCOs SaaS Centre

Centenary Bank, Uganda: Provision of maintenance and support services for PROFITS® Core Banking System and implementation of new functionalities

ENTERPRISE SOLUTIONS HIGHLIGHTS

:

HF Group in Kenya: Provision of maintenance and support services for PROFITS® Core Banking System and implementation of new functionalities

Mwalimu Bank, Tanzania: Provision of maintenance and support services for PROFITS® Core Banking System and implementation of new functionalities

Eurobank, Greece: Provision of maintenance and support services to Eurobank Greece upon Cortex ATM Switch and Card Management System of FIS Global

Eurobank, Serbia: Implementation and live operation of instant payment feature upon the Cortex ATM Switch and Card Management System of FIS Global

Hellenic Electricity Distribution Network Operator (HEDNO),

Greece: New deal for the Session Border Controller (SBC) Subsystem & Expansion of IVR with Faults Announcements System

Omnitouch, Cyprus: Deployment of Customer Care as a Service (CCaaS) installation, based on Collab technology

Intralot Hellenic Lotteries: Aspect Upgrade to version 7.3

Vodafone Greece: Development of new services based on One IVR voice portal

Vodafone, Cosmote, SEPE, FirstCall, Intralot, HEDNO: Provision of maintenance and support services based on installed contact centre solutions, while delivering additional functionality

NEW DEVELOPMENTS THAT FURTHER ENHANCE THE CAPABILITIES OF THE PROFITS® CORE BANKING SYSTEM

39.

A series of new developments in the context of the new Road Map have been planned out, including:

:

Design and launch of **Leasing Subsystem** development (expected to be concluded within 2019)

Web Banking UI/UX redesign and start of **Web Frontend** development (expected to be concluded within 2019)

Omni-channel layer featuring uniform services and user experience to external channels & systems

Development of specialised tool for **straight-through automatic generation of web pages** from core banking services

Over 450 Core Banking Web APIs have been exposed via PROFITS® Gateway & o-PROFITS® Omnichannel Layer

Customer Onboarding Automation

PROFITS® has been integrated with **Siron Embargo AML System** and enabled for **MS SQL Server database**

r-PROFITS® Report Framework has been delivered and is in production, providing reporting automation for new and old customers

Maintenance and Support services to Banking clients: Continuation of provision of maintenance and support services to all Banking clients in Greece and abroad

Business Development: A significant number of Core Banking and Digital Channels proposals, both in Europe and Africa, are currently under evaluation

INTRASOFT International is a **certified SAP Partner** and a **leading SAP Integrator** in the **EMEA** region. It services a variety of industries and specialises in the implementation and support of SAP ERP installations for large private and public sector companies.

INTRASOFT has won a 6.5-year contract for the implementation and maintenance of the **SAP Utilities Solution (ISU)** to the Electricity Distribution Company (EDCO) in Jordan, as part of its strategic investment in the **MENA** region.

In 2018, INTRASOFT has

:

expanded business volume, increased revenue in existing customer contracts and strengthened services portfolio

received certification and currently operates as an **SAP Centre of Expertise (PCoE)**

completed EDCO project for 3 major districts, with rollout of remaining country districts scheduled for 2019

successfully extended and executed several **maintenance contracts and Service Level Agreements** for customer base in Greece and abroad (Hellenic Petroleum Group (IS-Oil), National Bank of Greece (ERP), INTRALOT S.A. (ERP), University of Patras (SLcM), KENYA HOUSING FINANCE (ERP, CRM), THESSALONIKI PORT AUTHORITY (ERP))

NBG – Secession: Implementation of National Bank of Greece's secession project

completed **Attica Gas Supply (ISU) deregulation** project

In addition, INTRASOFT has been awarded several significant **new projects**, such as

Cosmote – One ERP: Support of COSMOTE GROUP's "One ERP" project

Cosmote Group – POS: Implementation of COSMOTE GROUP's on-line Retail POS in SAP S/4 Hana on premise ERP

NBG – SAP HCM: Implementation of National Bank of Greece's SAP HCM Talent management and Recruitment

PAEGAE – SAP ERP: Implementation of PAEGAE's SAP ERP

NBG – Secession: Implementation of National Bank of Greece's secession project

Intralot, Intrakat, Intracom Defense – Travel Management: Implementation of travel management functionality

:

In 2018, INTRASOFT International has

:

expanded the volume of its business, thus increasing **revenue** in existing customer contracts

strengthened portfolio by adding new solutions in the Customer Experience area and adding SaaS in its offering

enhanced delivery capabilities through completion of critical certifications and specialisations, such as **Oracle Order and Service Management Essentials Specialization 2018 and Oracle Monetization Cloud Accreditation 2018**

expanded software development capabilities by adapting **Agile** methodology and focusing on **cloud-based** technologies, such as microservices

Building on the successful results of 2017, capitalising on its momentum and investing in both people and relationships, INTRASOFT's **Telecommunications Department** has managed to expand its **customer base, solution portfolio, partnerships** and **reach**, while strengthening its position in the **Greek Market** and **Cyprus**.

TELECOMMUNICATIONS

INTRASOFT has been **awarded** several significant new projects, such as

:

MR Health Tech – Product development services: Provisioning of software development services for the revamping of specific products using Agile methodology

Intralot – Orion Sportsbook: Provisioning of software development services using modern cloud technologies

Intralot – Magnum Lottery: Development of Magnum Lottery's mobile application, on both iOS and Android platforms

Cyta Cyprus – RODOD Implementation: Major transformation project, implementation of Oracle's RODOD framework for Siebel/AIA/BRM infrastructure

Cyta Cyprus – SOA Implementation Services: Provision of implementation services on the Oracle SOA infrastructure

Elpedison – Intranet: Implementation of Elpedison's Intranet portal

NBG – IFRS16: Implementation of the IFRS16 requirements in NBG's Hyperion platform

Vodafone – Cyta Hellas Migration: Cyta Hellas' implementation in Vodafone's Fixed systems

Vodafone – Siebel Upgrade: Siebel platform's upgrade

Cosmote – Solvatio Services: Upgrade of Solvatio and implementation of additional functionality

INTRASOFT International has successfully completed numerous major projects, such as

:

EPA – Deployment of a Business Infrastructure:

Full business infrastructure of Physikion Aerio SA (EPA)

Vodafone Greece – Application Delivery:

Development and consulting services for the Vodafone Fixed BSS/OSS systems

Vodafone Greece – Fiber to The Home (FTTH): Completion of the implementation of the FTTH (High Speed Next Generation Network) related services on the Vodafone Fixed BSS/OSS systems

Vodafone Greece – Field Service Management:

Completion of the implementation of the workforce management for field engineers, technicians and subcontractors of Vodafone Greece

Vodafone Greece – VTV:

Completion of the implementation of the IT project on the new Vodafone TV (media services across all devices) relevant processes on the Vodafone Fixed BSS/OSS systems

National Bank of Greece – Group IFRS9 projects:

Completion of the implementation of NBG Group's IFRS9 consolidation solution

Piraeus Bank – Middleware implementation of Digital Channels:

Completion of the implementation of the middleware services to support the Digital Channels of Piraeus Bank

OTE/Cosmote – MyNet, Mobile MyNet:

Completion of OTE/Cosmote's Intranet development (web & mobile)

NEW VENTURES

In 2018, INTRASOFT's **New Ventures Business Department** continued to pursue its intrapreneurship activities initiated over the previous years by focusing on using innovation as the strategic enabler for business growth. Considerable effort was invested in exploring applicability of **Advanced Data Analytics, Blockchain, IoT** and **Artificial Intelligence** in the strategic business sectors of the Company, with practical results already carried out within the year

:

New Entity creation: WeMetrix SA (INTRASOFT International Group)

A start-up that provides state-of-the-art SaaS Econometrical analytics for the on-demand calculation of the exposure to credit risk, IFRS9 compliance reporting and Credit-to-Cash forecast. WeMetrix was founded during 2018 and already counts 40+ customers in the Greek market

Successful completion of innovative project for Waste Water Pollution

Monitoring based on a disruptive Internet of Things and predictive analytics platform partnership delivered to EYDAP

Award of a pioneering project for Credit Risk management at a leading Middle Eastern Telco Group

The solution, presented together with INTRASOFT's subsidiary WeMetrix, outpaced strong international competition by uniquely combining the structured econometrical approach with Machine learning and Artificial Intelligence capabilities. The proposed functionality targets the customer's Financial Department and business users, looking to explore its existing and potential customer base.

NEW VENTURES CONTINUED THE SUCCESSFUL PRACTICE OF EXPLORING THE GREEK AND INTERNATIONAL START-UP ECOSYSTEM, LEVERAGING PARTNERSHIPS AND CO-INVESTMENTS IN THE JEREMIE AND EQUIFUND VCS OF THE GROUP. IN 2018, THE FOCUS WAS ON THE FINTECH, E-GOVERNMENT AND ARTIFICIAL INTELLIGENCE DOMAINS THAT LED TO FULL-FLEDGED PARTNERSHIPS.

FINALLY, NEW VENTURES CONTINUED ITS SUCCESSFUL TRACK RECORD BY IMPLEMENTING AN AMBITIOUS GREEK GOVERNMENT PROJECT TO PROVIDE BROADBAND CONNECTIVITY TO THE MOST REMOTE AND UNDERSERVED REGIONS OF GREECE. BY THE END OF 2018, THE PROJECT HAD ACHIEVED MORE THAN 90% COVERAGE AND WILL BE CONCLUDED IN EARLY 2019.

■ FINANCIAL.

BALANCE SHEET

ASSETS		
Non-current assets	31/12/2018	31/12/2017
Property, plant and equipment	2.894.610,41	2.457.897,06
Goodwill	13.572.454,82	13.572.454,82
Other intangible assets	5.919.794,91	4.178.206,77
Investment property	706.996,05	206.107,42
Investment in associates (accounted for using the equity method)	993.567,30	817.797,51
Available-for-sale financial assets	0,00	829.517,86
Deferred income tax assets	65.580,44	88.565,35
Trade and other receivables	2.553.206,75	2.526.650,33
Financial assets at fair value through other comprehensive income	694.675,70	0,00
Total	27.400.886,38	24.677.197,12
Current assets	31/12/2018	31/12/2017
Inventories	2.378.148,96	1.042.098,27
Trade and other receivables	101.551.144,46	104.793.313,49
Current income tax receivables	2.336.876,32	789.306,27
Cash and cash equivalents	23.298.576,66	27.279.793,00
Total	129.564.746,39	133.904.511,02
Non-current assets classified as held for sale	0,00	708.083,98
Total assets	156.965.632,77	159.289.792,12
EQUITY		
Capital and reserves attributable to the Company's equity holders	31/12/2018	31/12/2017
Share capital	1.552.600,00	1.552.600,00
Fair value reserves	(510.322,45)	537.404,83
Other reserves	4.260.163,56	4.844.709,31
Retained earnings	8.064.299,33	6.069.948,82
Total	13.366.740,44	13.004.662,96
Minority interest	1.468.506,70	1.318.146,86
Total equity	14.835.247,14	14.322.809,82
LIABILITIES		
Non-current liabilities	31/12/2018	31/12/2017
Borrowings	43.212.338,81	0,00
Retirement benefit obligations	3.919.972,15	3.555.396,00
Long-term provisions for other liabilities and charges	2.246.037,67	654.037,67
Trade and other payables	104.157,67	20.000,00
Total	49.482.506,30	4.229.433,67
Current Liabilities	31/12/2018	31/12/2017
Trade and other payables	75.948.628,00	81.733.852,77
Current income tax liabilities	1.038.895,27	2.214.293,50
Borrowings	10.802.297,69	51.461.274,12
Short-term provisions for other liabilities and charges	4.858.058,37	4.808.578,92
Total	92.647.879,34	140.217.999,31
Liabilities directly associated with non-current assets classified as held for sale	-	519.549,31
Total liabilities	142.130.385,64	144.966.982,29
Total equity and liabilities	156.965.632,78	159.289.792,11

STATEMENT OF COMPREHENSIVE INCOME

49.

Continuing operations		
Profit	01/01- 31/12/2018	01/01- 31/12/2017
Sales	169.907.018,78	171.600.023,63
Cost of sales	(139.606.315,29)	(142.333.584,91)
Gross profit	30.300.703,49	29.266.438,73
Selling and marketing costs	(8.210.397,58)	(7.828.882,43)
Administrative expenses	(12.086.509,86)	(11.400.427,38)
Net impairment gains / (losses) of financial assets and contract assets	(441.020,37)	0,00
Other income	309.084,41	250.438,26
Other gains / (losses) - net	129.200,56	(273.841,82)
Operating profit	10.001.060,65	10.013.725,36
Finance income	234.764,07	168.633,56
Finance cost	(4.524.332,34)	(4.929.072,49)
Finance costs - net	(4.289.568,27)	(4.760.438,93)
Share of profit / (loss) of associates (after tax and minority interest)	(80.250,31)	15.815,47
Profit before income tax	5.631.242,07	5.269.101,90
Income tax expense	(4.194.440,53)	(1.526.386,00)
Profit after tax for the period from continuing operations	1.436.801,54	3.742.715,90
Discontinued operations:		
Profit / (loss) after tax for the period from discontinued operations	10.869,16	(1.129.074,59)
Profit / (loss) after tax for the year (from continuing and discontinued operations)	1.447.670,70	2.613.641,31
Profit / (loss) after tax attributable to:	-	-
Equity holders of the Company	1.313.443,71	2.499.661,56
Minority interest	134.226,99	113.979,75
Total	1.447.670,70	2.613.641,31

STATEMENT OF CHANGES IN EQUITY

Balance at 1 January 2017	Share capital	Other reserves	Fair value reserves
-	1.552.600,00	5.270.803,14	1.198.720,28
Available-for-sale financial assets – Fair value gain / (loss)	0,00	0,00	23.333,33
Transfer of available-for-sale to the income statement	0,00	0,00	-
Currency translation differences	0,00	0,00	(684.648,78)
Actuarial gains / (losses)	0,00	0,00	0,00
Tax effect related to the transfer of available-for-sale to the income statement	0,00	0,00	0,00
Net income / (expense) recognised directly in equity	-	-	-
Other comprehensive income	0,00	0,00	(661.315,45)
Net profit / (Loss)	0,00	0,00	0,00
Total recognized income / (expense) for the year	0,00	0,00	(661.315,45)
Transfer from other reserves to retained earnings	0,00	(426.093,83)	0,00
Other movements in other reserves	0,00	0,00	0,00
Dividends	0,00	0,00	0,00
Issue of share capital on acquisition of subsidiary	0,00	0,00	0,00
Other	0,00	0,00	0,00
Total	0,00	(426.093,83)	0,00
Balance at 31 December 2017	1.552.600,00	4.844.709,31	537.404,83

Balance at 1 January 2017	Retained earnings	Minority interest	Total equity
-	3.572.076,64	1.321.646,15	12.915.846,21
Available-for-sale financial assets – Fair value gain / (loss)	0,00	0,00	23.333,33
Transfer of available-for-sale to the income statement	0,00	0,00	0,00
Currency translation differences	0,00	(145.939,16)	(830.587,94)
Actuarial gains / (losses)	0,00	0,00	0,00
Tax effect related to the transfer of available-for-sale to the income statement	0,00	0,00	0,00
Net income / (expense) recognised directly in equity	-	-	-
Other comprehensive income	0,00	(145.939,16)	(807.254,61)
Net profit / (Loss)	2.501.889,94	111.751,37	2.613.641,32
Total recognized income / (expense) for the year	2.501.889,94	(34.187,79)	1.806.386,71
Transfer from other reserves to retained earnings	426.093,83	0,00	0,00
Other movements in other reserves	(430.503,93)	0,00	(430.503,93)
Dividends	(2,47)	0,00	(2,47)
Issue of share capital on acquisition of subsidiary	0,00	30.688,50	30.688,50
Other	394,80	0,00	394,80
Total	(4.017,77)	30.688,50	(399.423,10)
Balance at 31 December 2017	6.069.948,82	1.318.146,86	14.322.809,82

Balance at 1 January 2018	Share capital	Other reserves	Fair value reserves
-	1.552.600,00	4.844.709,31	537.404,83
Change in accounting policies due to the adoption of IFRS 9 and IFRS 15	-	-	(903.333,26)
Balance at 1 January 2018 restated	1.552.600,00	4.844.709,31	(365.928,43)
FVOCI financial assets - Fair value gains/losse	-	-	(413.475,62)
Currency translation differences	0,00	0,00	269.081,60
Actuarial gain/losses	0,00	(178.460,95)	0,00
Other comprehensive income	0,00	(178.460,95)	(150.384,70)
Net profit / (loss)	0,00	0,00	0,00
Total recognized income / (expense) for the year	0,00	(178.460,95)	(150.384,70)
Issue of share capital	0,00	0,00	0,00
Change in minority due to business combination	0,00	0,00	0,00
Other	0,00	0,00	0,00
Transfer from other reserves to retained earnings	0,00	32.515,20	0,00
Other movements in other reserves	0,00	(438.600,00)	0,00
Total	0,00	(406.084,80)	0,00
Balance at 31 December 2018	1.552.600,00	4.260.163,56	(510.322,45)

Balance at 1 January 2018	Retained earnings	Minority interest	Total equity
-	6.069.948,82	1.318.146,86	14.322.809,82
Change in accounting policies due to the adoption of IFRS 9 and IFRS 15	276.981,28	-	(626.351,98)
Balance at 1 January 2018 restated	6.346.930,10	1.318.146,86	13.696.457,84
FVOCI financial assets - Fair value gains/losse	-	-	(413.475,62)
Currency translation differences	0,00	16.132,85	285.214,45
Actuarial gain/losses	0,00	0,00	(178.460,95)
Other comprehensive income	0,00	16.132,85	(312.712,80)
Net profit / (loss)	1.313.443,71	134.226,99	1.447.670,70
Total recognized income / (expense) for the year	1.313.443,71	150.359,84	1.134.957,90
Issue of share capital	0,00	0,00	0,00
Change in minority due to business combination	0,00	0,00	0,00
Other	(2.159,28)	0,00	(2.159,28)
Transfer from other reserves to retained earnings	(32.515,20)	0,00	0,00
Other movements in other reserves	438.600,00	0,00	0,00
Total	403.925,52	0,00	(2.159,28)
Balance at 31 December 2018	8.064.299,33	1.468.506,70	14.835.247,14

CASH FLOW STATEMENT

Cash flow statement		
Profit	01/01- 31/12/2018	01/01- 31/12/2017
Profit after tax for the period from continuing operations	1.436.801,54	3.742.715,90
Profit after tax for the period from discontinued operations	10.869,16	(1.129.074,59)
Adjustments for:		
Tax	4.194.440,53	1.526.386,00
Depreciation of property, plant & equipment	1.020.533,85	730.606,79
Depreciation of investment property	13.798,47	
Amortisation of intangible assets	980.310,76	687.929,03
(Profit) / loss on disposal of property, plant & equipment	6.336,31	-
(Profit)/loss on disposal of available-for-sale financial assets	0,00	986,29
(Profit)/ loss on disposal of subsidiaries	9.089,15	-
Impairment charges on available-for-sale financial assets	0,00	-
Dividend income	0,00	-
Interest income	(234.764,07)	(168.633,56)
Interest expense	4.524.332,34	4.929.072,49
Amortisation of government grants	0,00	-
Exchange gains / (losses)	80.250,31	375.619,82
Share of result of associates	67.281,17	(15.815,47)
Other (specify)	0,00	-
Total	12.109.279,53	10.679.792,70
(Increase) / decrease in inventories	(1.336.050,69)	1.135.250,30
(Increase) / decrease in trade and other receivables	2.616.365,81	(6.107.096,99)
Increase / (decrease) in payables	(5.701.067,10)	(3.236.702,38)
Increase / (decrease) in provisions	1.641.479,45	265.250,83
Increase / (decrease) in pension & other benefits	364.576,15	(376.040,75)
Changes in working capital	(2.414.696,38)	(8.319.338,99)
Net cash generated from / (used in) operating activities	9.694.583,15	2.360.453,71
Cash flows from operating activities	-	-
Interest paid	(4.524.332,34)	(5.141.281,58)
Income tax paid	(6.894.453,51)	(1.657.334,69)
Net cash from operating activities	(1.724.202,71)	(4.438.162,56)

Cash flows from investing activities		
Cash flow	01/01- 31/12/2018	01/01- 31/12/2017
Purchase of property, plant and equipment	(1.981.278,42)	(1.322.983,68)
Purchase of intangible assets	(2.712.232,28)	(1.979.138,14)
Proceeds from sale of property, plant & equipment	9.344,13	48.578,80
Proceeds from sale of intangible assets	-	547,20
Purchase of available-for-sale financial assets	-	(2.005,90)
Acquisition of subsidiary, net of cash acquired	-	(24.661,50)
Proceeds from disposal of available-for-sale financial assets	(278.633,46)	-
Proceeds from disposal of subsidiaries	190.910,85	
Acquisition of associates and joint ventures	(256.020,10)	(242.700,00)
Dividends received	0,00	-
Interest received	234.764,07	168.633,56
Loans granted	0,00	0,00
Net cash used in investing activities	(4.793.145,22)	(3.353.729,66)
Cash flows from financing activities		
Proceeds from borrowings	2.553.362,38	1.552.890,77
Repayments of borrowings	-	-
Government grants received	0,00	0,00
Finance lease payments	0,00	0,00
Net cash used in financing activities	2.553.362,38	1.552.890,77
Net (decrease) / increase in cash & cash equivalents	(3.963.985,54)	(6.239.001,45)
Cash and cash equivalents at beginning of the period	27.279.793,00	33.523.721,99
Effects of exchange rate changes on cash and cash equivalents	(17.230,80)	(4.927,53)
Cash and cash equivalents at end of the period	23.298.576,65	27.279.793,01

For additional information, please visit our website
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