

## ifa systems successfully completes 2020

- Sales of € 7.3 million slightly above planned range, EBIT of € 0.3 million within target level
- Impact of Corona pandemic lower than expected
- Significant growth planned with Sophrona for 2021

ifa systems AG (ISIN DE0007830788), a leading global software company specializing in ophthalmology, today published figures for the 2020 financial year. Sales reached € 7.3 million (previous year: € 9.7 million), slightly above the target corridor of € 6.7 to 7.2 million. Revenue in the previous year was impacted by the special effect from the database licensing of Inoveon. The 2.5 percent growth in the Corona year resulted from the sales contribution of the new subsidiary Sophrona. The operating result developed as planned and reached € 0.3 million (previous year: € 1.2 million). The operating cash flow amounted to € 1.9 million (previous year € 3.4 million).

"ifa's business model has proven to be very resilient during the crisis," says Jörg Polis, Chairman of the Board of Management of ifa systems AG. "With the acquisition of Sophrona, we will now further accelerate our growth." U.S.-based Sophrona Solutions, Inc. became part of the group on November 1, 2020. With almost 2,000 installations, it is a leading portal platform in the USA for online communication between patients and doctors in ophthalmology.

### **Growth during the pandemic**

Recurring revenues from runtime licenses, which customers pay for the duration that the software is used by them, developed positively. They increased by 10.3 percent to € 4.3 million and, as recurring revenues, now represent more than 58 percent of total revenue. Hardware, third-party software and services also increased by 11.6 and 10.0 percent respectively. Some customers took advantage of the lockdown to catch up on deferred investments. Sales of base licenses, adjusted for the special effect in the previous year, declined due to the contact restrictions during the lockdown. They represent business with new customers and new products and amounted to € 1.1 million.

### **Stable cost structure**

The cost of purchased goods and services increased to € 1,010k, compared with € 934k in the previous year. This is attributable to increased sales of hardware and third-party software. Despite the addition of Sophrona, personnel expenses fell slightly from € 4.3 million to € 4.2 million. This was mainly due to shifts in new hirings in the wake of the Corona pandemic. Other operating expenses were reduced to € 1.3 million (previous year: € 1.5 million). Due to the pandemic, travel and advertising costs were down in particular, but consulting costs were also reduced. The operating result (EBIT) reached € 327k, the figure for the previous year

was € 1.2 million and was also positively influenced to a large extent by the special effect in revenues. Consolidated net income amounted to € 154k, compared to € 1.2 million in the previous year, corresponding to earnings per share outstanding of € 0.06 (previous year € 0.44).

As the free cash flow in 2020 was negative due to the acquisition of Sophrona (-1,357 k€), the Board of Management proposes to the Supervisory Board not to distribute a dividend for 2020.

"The entire ifa team mastered the challenges of the past fiscal year with the greatest possible flexibility, discipline and a healthy dose of imagination. With this spirit, we will continue to shape 2021 successfully," says Polis.

### **Financial Year 2021**

"We expect the ongoing digitization in healthcare to continue to have a positive impact on demand for our solutions in 2021. We will help to further strengthen the role of our portfolio as the integration platform through targeted developments, the expansion of technology partnerships and the use of existing innovative products from the Nexus portfolio. With the acquisition of Sophrona as well as ifa as a center of competence for ophthalmology in the Nexus Group, we also have state-of-the-art technology and a customer and prospect base that has potential far beyond the DACH market," says Polis.

The Board of Management expects sales of € 8.6 to 9.3 million for the financial year 2021. This would correspond to growth of 17 to 27 percent. The new subsidiary Sophrona Solutions, Inc. will make a major contribution to this in its first full year as part of the Group. These projections are subject to the proviso that economic developments over the course of the year largely correspond to the forecasts at the time of reporting and do not take into account any changes in exchange rates.

Profitability has recently developed encouragingly and consistent cost management is intended to ensure that the ifa Group continues to report appropriate earnings in the future. The operating result (EBIT) is expected to be positive again in the financial year 2021 and to reach a level of between € 0.2 and 0.5 million.

Furthermore, a positive operating cash flow is to be generated again in the financial year 2021, which will enable ifa to finance the planned growth.

### **Dates**

Annual Shareholder Meeting	April 30, 2021
Spring Conference (Frankfurt)	May 17 – 19, 2021

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### **Disclaimer**

Statements in this Corporate News relating to future developments are based on our careful assessment of future events. The Company's actual results may differ materially from those projected as they depend on a variety of market and economic factors, some of which are beyond the Company's control.

### **Download**

The Annual Report 2020 is available for download on the internet at <https://www.ifasystems.de/ueber-ifa/investor-relations/finanzpublikationen/> (German only).

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### **The company:**

ifa systems AG (ISIN DE0007830788) is a leading global software company specializing in ophthalmology. The software is used by ophthalmologists in practices and clinics worldwide. At the heart of its products is an electronic patient record (EPR) tailored to ophthalmology, in which all data from examinations and treatments are documented. It provides interfaces and APIs to also integrate all data from all hardware and software within the practice or clinic. In addition, it enables the integration of software solutions from external partners, such as online appointment scheduling, ERP systems and diagnostic systems. Thus, the software has become the integration platform for practices and clinics in ophthalmology. With the acquisition of the American company Sophrona Solutions Inc. in 2020, ifa has also secured future technology that enables genuine portal applications for doctors to communicate with patients and their partner network. In addition, ifa develops and hosts registries for health care research within ophthalmology and has various specialized databases that serve research. They are often also part of quality assurance or approval processes. The market for ifa's solutions is growing strongly as digitalization in healthcare (e-health) helps to provide patients with optimal and efficient care while reducing costs. The shares of ifa systems AG are listed on the Basic Board/Open Market of the Frankfurt Stock Exchange. Nexus AG (ISIN DE0005220909) holds 52.6 % of the shares.

**Key figures as of December 31, 2020**  
**ifa systems Group, acc. to IFRS**

in EUR '000, if not stated otherwise	2016	2017	2018	2019	2020
Revenue	8,864	8,553	6,611	9,674	7,303
own development work capitalized	1,596	824	522	491	454
Total performance	11,893	9,592	7,930	10,605	8,147
EBITDA	1,030	-2,942	1,266	3,901	1,620
EBITDA margin (%) in relation to total performance	8.7%	n.a.	16.0%	36.8%	19.9%
EBIT	-2,216	-7,797	106	1,212	327
EBIT margin (%) in relation to total performance	-18.6%	n.a.	1.3%	11.4%	4.0%
Consolidated net income / loss	-2,224	-9,291	740	1,202	157
Earnings per share (EUR)	-0.81	-3.38	0.27	0.44	0.06
Operating cash flow	1,222	544	-70	3,366	1,856
Free cash flow	-474	-296	-606	2,840	-1,357
Total	22,965	20,740	18,588	16,444	17,509
Shareholders' equity	15,806	8,267	7,612	8,775	8,923
Equity ratio (%)	68.8%	39.8%	41.0%	53.4%	51.0
Employees (average)	91	73	59	57	60
Performance per employee	131	131	134	170	122
Number of shares ('000)	2,750	2,750	2,750	2,750	2,750