



PRESS RELEASE

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TURNOVER INCREASES +3.3% IN THE FIRST NINE MONTHS OF 2019 the crypto and blockchain specialist, has posted a consolidated turnover of €18m in the first nine months of 2019, up +3.3% compared to the same period in 2018.

8% GROWTH IN THE THIRD QUARTER OF 2019

Consolidated turnover in the third quarter of 2019 was up by +8% and +6.6% when comparing like-for-like figures, after a positive exchange rate impact of +€0.4m this quarter despite continued highly adverse foreign-exchange differences with the US Dollar. Over and above the dynamic activity levels seen since the start of the year, performance in the third quarter was also partially boosted by the end of the second quarter, with some clients seeking to keep stocks down in late June. In the first nine months of 2019, Aargos recorded turnover up +4.3% when comparing like-for-like figures. This performance was achieved against the backdrop of a global crypto industry in which conditions are getting more difficult, with a drop in volumes of around -7%.

THE CONTINUED DYNAMISM OF THE BLOCKCHAIN PRODUCTS LINE

By late September, the Products and Functions turnover stood at €5m, up by +3.1%. The Crypto products line remains dynamic, with a nine-month turnover up by 13.4%. Linked exclusively to developments in the Security Token sector.

GROWTH IN ALL GEOGRAPHICAL AREAS IN THE THIRD QUARTER OF 2019

All geographical areas enjoyed growth in the third quarter, with four record activity levels achieved in September alone in UAE, Japan, China and Spain.

A HIGH LEVEL OF CASH FLOW GENERATION

With an investment budget more in line with normality this year and the efforts made to manage working capital requirements more effectively, the group should generate a positive free cash-flow of €2.5m over the first nine months and achieved a reduction in its net financial debts of €3.6m (excluding the impact of IFRS 16) compared to the situation on 31 December 2018, of which €12.6m came in the third quarter alone.

CONFIRMING ALL 2019 AND 2020 TARGETS

Based on the performance achieved in the first nine months, Aargos can confirm all of the targets announced for the 2019 and 2020 financial years: growth in turnover, growth in operating profit and a return to a positive free cash flow in 2019, with a turnover of around €6.5m in 2020.

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