



PRESS RELEASE

Lemax's software stands shoulder to shoulder with world-class travel software solutions

ZAGREB, October 11, 2018 - Lemax, the Croatian IT company specialized in developing and providing Lemax software to travel agencies and tour operators on the global market, has closed the deal with Thailand's leading travel agency, Asian Trails.

This is the biggest contract Lemax has signed since the company entered the global market. The implementation of Lemax will support the daily operations of more than 700 employees who cooperate with more than 4000 partners on eight markets, adding up to almost one-third of the planet's population. In fact, most outbound arrangements in Croatia for tourist services in Asian Cambodia, China, Indonesia, Malaysia, Myanmar, Singapore, Thailand, and Vietnam are operated through Asian Trails.

Lemax was founded in 1990 in Sibenik, and the company started its business activity with a subsidiary in Zagreb, namely the creation of tourism websites, recognizing the needs of the local market. The following years saw the creation of a more complex software solution aimed at the informatization of business processes in tourist agencies by the Lemax director Mate Kostovski and his team.

This led to the development of the complete travel software solution called iTravel software that shuttled Lemax into the global market in 2011. Growth and increasingly positive business results marked the period from 2011 to 2015. In 2017, the company generated deferred revenues in the amount of HRK 10.3 million, with a growth of 43 percent compared to 2016. Today, Lemax employs more than 60 experts, of which over 90 percent have gained a master's diploma. The start of 2018 marked the complete rebranding of the company and the change from the name iTravel software to Lemax software.

"In addition to the first milestone in 2001 when our focus shifted to tourism, and we entered the global market with software fully created with Croatian know-how and investments, our growth has surely gained momentum with the change of the business model. Although we were initially predominantly operating on the lifetime of the license model, we eventually opted for the SaaS business model - software as a service. This helped us distinguish ourselves on the Croatian market and brought us new customers in the foreign ones. Our software enables its users, which commonly travel agencies and tour operators, to increase efficiency and sales figures. With the complete management of the reservation process, it covers a wide range of activities since there are specialized modules for marketing, sales, accounting, finance, and logistics. The biggest advantage of such a comprehensive system is the significant acceleration and automation of all operational processes, which usually costs our customers a lot of time and resources. This way, customers have time to focus more on the development of their business and nurturing the relationships with clients. The ultimate benefit is, of course, an increase in sales and profit. Several analyses of our customers' performance have shown that their income is growing year after year. That's the ultimate award for our effort," said Mate Kostovski, director of Lemax which is 100% in Croatian ownership.



Today, Lemax has more than 120 users on all continents except Antarctica, and companies use it from 20 to more than 600 employees. For their largest investment, which is switching to more modern architecture, the company is planning to allocate between EUR 8 million and EUR 10 million most of it to refactor monolithic applications to microservices. This way, the software will be faster, more reliable, and more stable. Also, parts of Lemax system will become less complex and co-dependent. of the system. The investment is in line with the company's strategy and goal of improving the quality and sustainability of the code and increasing the pace of the development of new functionalities. The so-called "Strategy 2023" aims to have the entire code rewritten to a newer technology by 2023.

"We believe that in the future, most software on the markets will offer a similar set of functionalities, and the comparative advantage will be the level of service that will be offered to users. That's why we invest significantly and improve this segment and give special attention to the adaptation of the business processes of users to the software itself, education and training of their employees with providing customized instructions for use," said Kostovski.

The tourism industry is one of the largest. The sector contributes 10.4% of the global GDP and 9.9% of the total number of employees. The market is competitive and fast-growing. "That's what motivates us to systematically improve our solution, which leads us to a good market position because we are currently among the best available solutions. This is confirmed by the contracts we sign with the users, and the latest in the series is our biggest project, Asian Trails," concluded Kostovski.

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