



**ENTERSOFT**

Corporate Presentation  
Q4 & FY 2022

Software for ambitious enterprises

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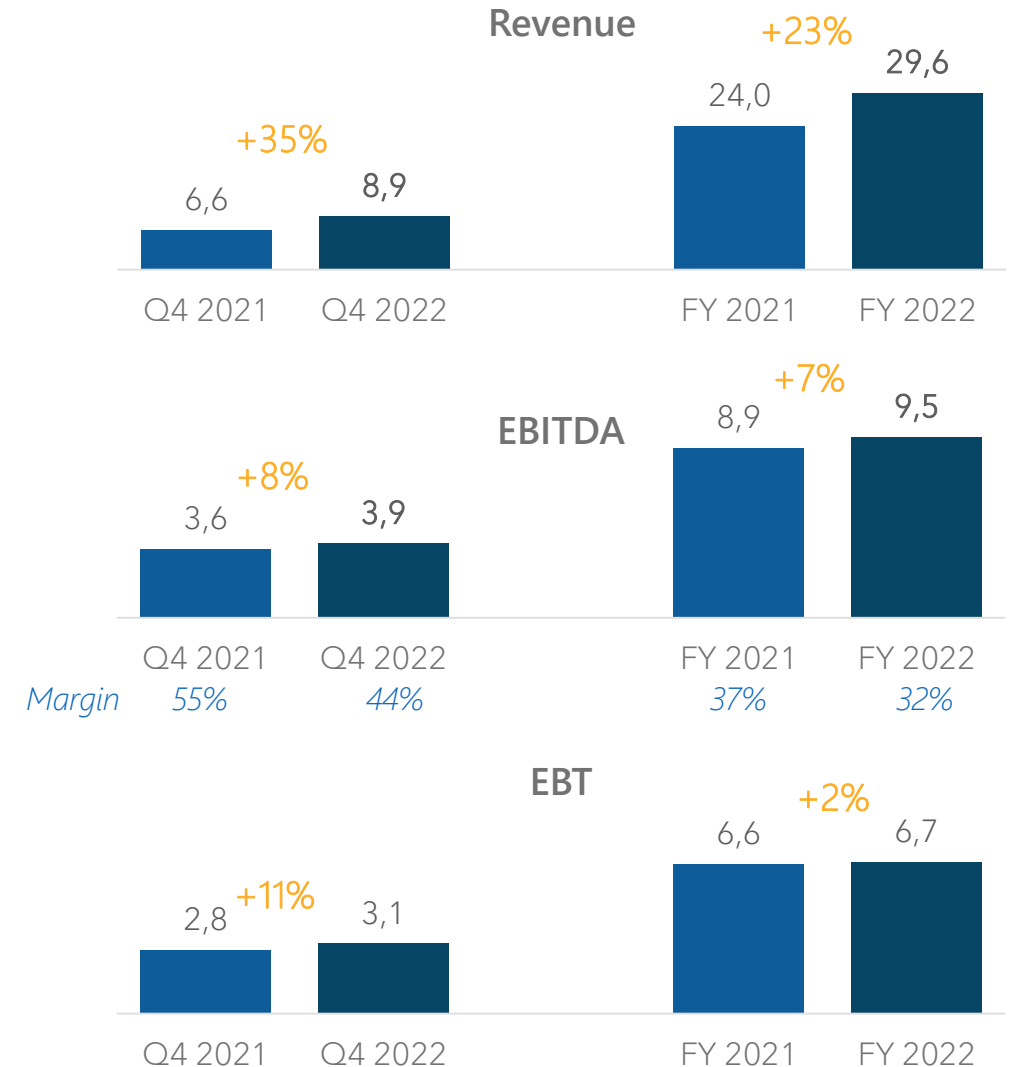
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# Q4 & FY 2022 at a glance

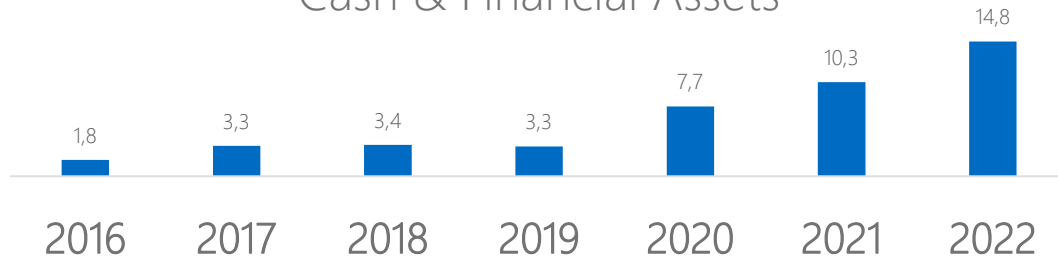
- Very good performance in Q4, with significant new customers and projects signed
- At Group level **revenues increased 23%** in a challenging environment and despite delays in the initiation of subsidies programs from the RRF and the EU
- Revenue grew organically by 10%, while the remaining 13% contributed by the acquisitions of Log On, Bit Software and Smartware
- 2022 and beginning of 2023 a period of intense activity for the Group, with 4 acquisitions closed in the last 13 months, new products development in final stages and close to launches, entrance into new geographic and vertical markets and internal restructuring and simplification
- Drop in EBITDA margin attributed to the restructuring of the new acquisitions. Expected to recover to mid 30%'s in the near term and be sustained at that level over the longer term

(amounts in millions €, Consolidated)  
Unaudited



# Strong liquidity

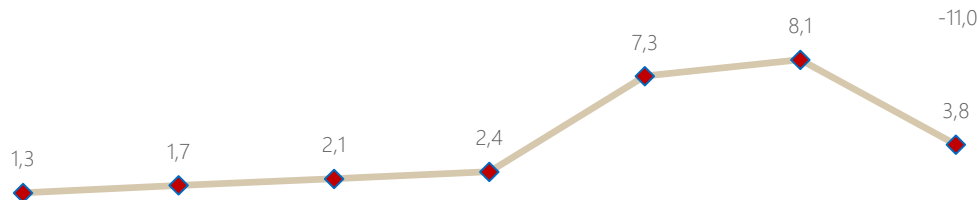
Cash & Financial Assets



Bank borrowings

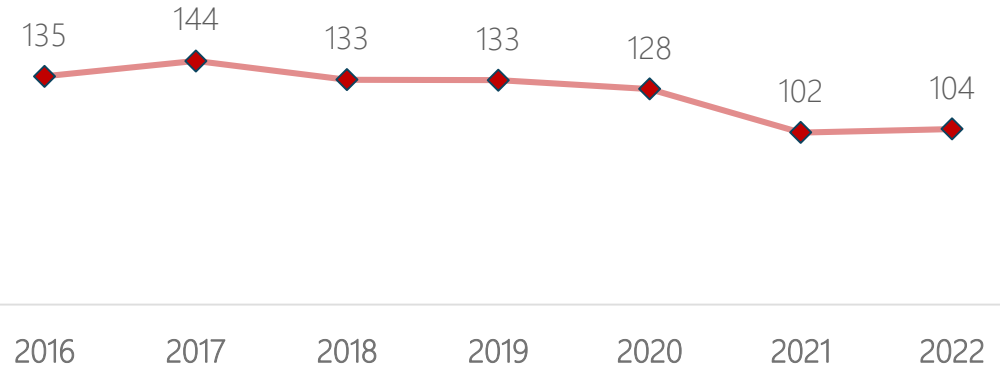


Net Cash

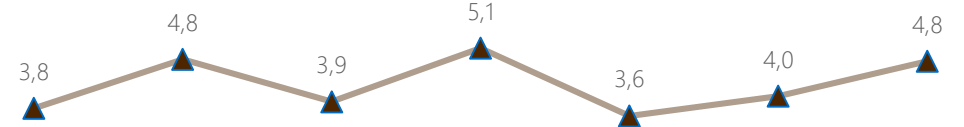


- Strong liquidity despite significant outlays for M&A (€5,7m) and dividends (€2,7m)
- Strong FCF generation capacity and very low leverage allows for more aggressive inorganic expansion mid term

DSO (Adjusted for VAT)

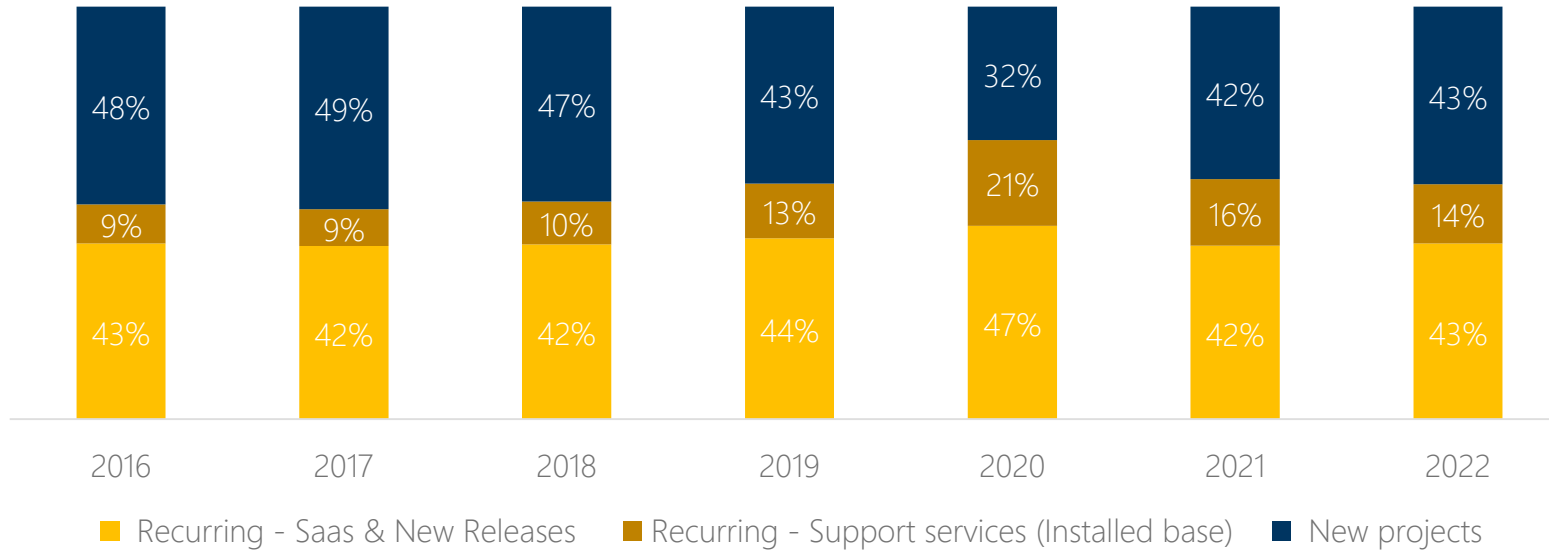


NWC

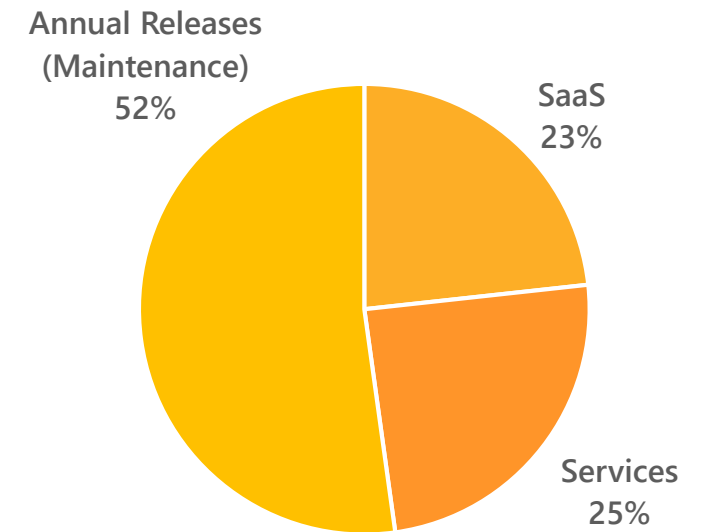


- Stable DSO, increase in NWC attributed to increased concentration of new projects in the last quarter
- Very healthy customer base with minimal historic bad debts and no concentration/dependency on large accounts

# Strong base of recurring revenue



Recurring revenue breakdown (FY 2022)

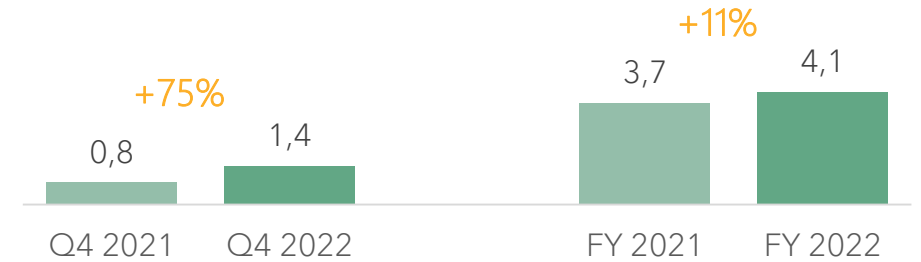


- 16,7 million Euro recurring revenue in FY 2022 (57% of total) versus 14 million Euro in FY 2021 (58% of total)
- Increase of new projects and new clients due to organic growth forms the basis for stronger recurring revenues in the future

# Revenue breakdown by activity

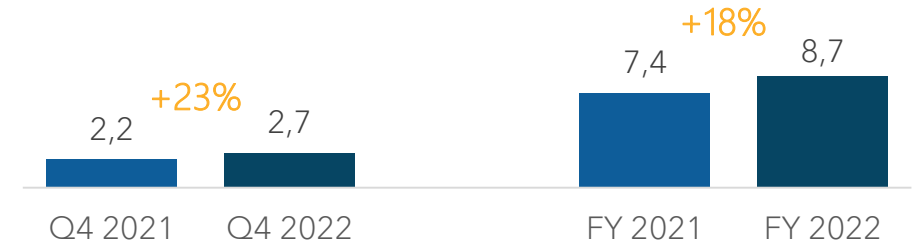
## Licenses

Significant new projects in Q4 from new customers as well as cross selling of new products to installed base customers.  
Growth almost entirely organic



## Annual Releases (Maintenance)

Very high renewal rate and impact from the acquisition of LogOn



## Services

Growth driven by increasing demand from the installed base and the acquisition of LogOn

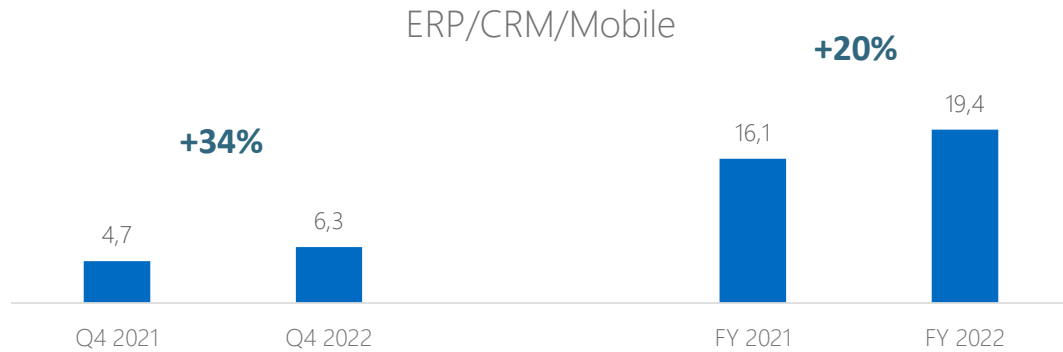


## SaaS

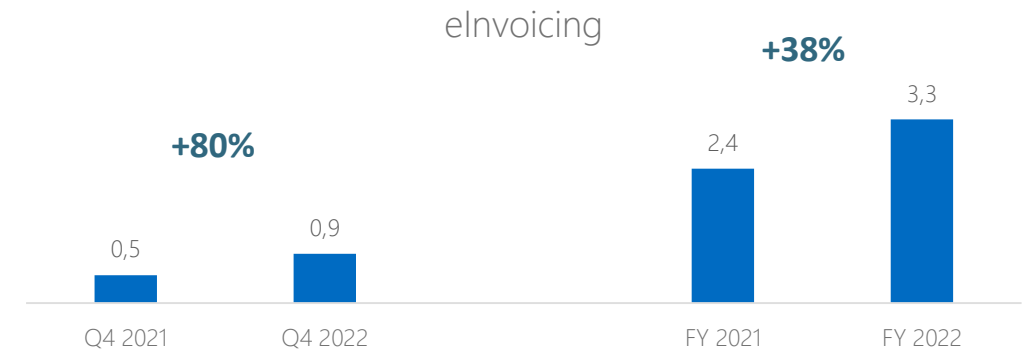
Growth driven mainly from invoicing, as well as from the acquisition of Bit, whose main product is a cloud only SaaS ERP-CRM



# Revenue breakdown by product family



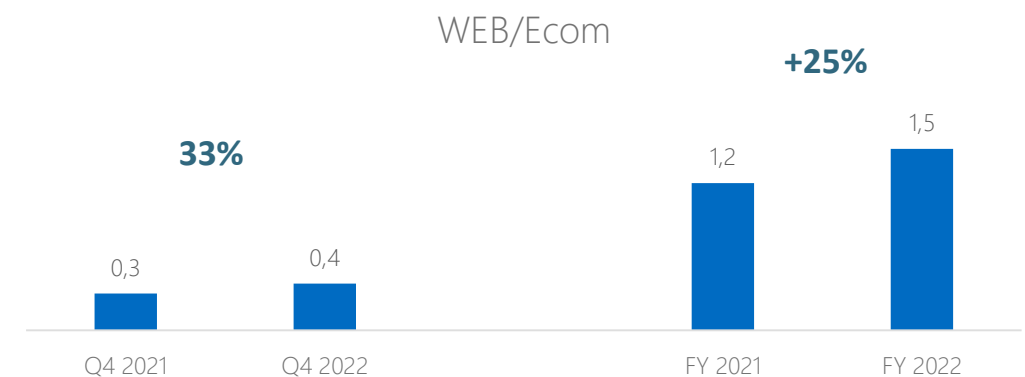
*Impacted by a growing number of new projects as well as the acquisition of BIT Software.*



*Strong growth due to B2B eInvoicing adoption in Greece. Very promising signs in the Romanian market*



*Although growing steadily, we notice a growth slowdown in Q4 due to deferral of investment decisions*

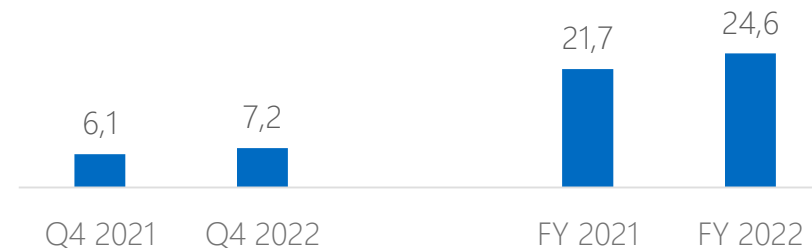


*Steady growth but relatively small segment of overall product line. Can create synergies with other units*

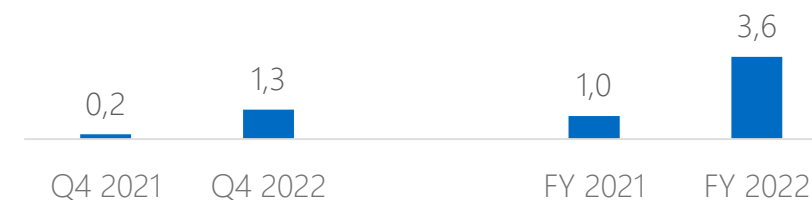
# Geographies

- Greek **revenues** of 24,6 mil Euros corresponding to **13%** growth **YoY**.
- Following the acquisition of Bit Software, strong potential in the Romanian market. Country will continue to be focus for Entersoft outside Greece for the mid term. Excluding Bit, organic unit in Romania recorded growth of +50%, demonstrating our ability to execute in the market.
- Other geographies steady and profitable, but not currently a focal point

## Greece



## Romania



## Other





# 2023 outlook

The growth of the group in the next years is expected to be driven

## 1. Main Drivers for Organic Growth:

- Growing number of new small and medium **ERP clients** driven by the newly announced subsidies
- Continuing expansion of **logistics software both in new and existing clients** selling either directly or through resellers
- Wider adoption of **electronic invoicing**, due to the recently enacted tax incentives and critical mass of installed systems
- Market boost attributed to RRF programs already **announced in Romania** for H2
- More aggressive pipeline for Property Management, Pharma Distributors and Pharmacies

## 2. New revenues coming from New Products Launch

- HRM/Payroll software now in PreRelease Phase with Pilot Projects implemented and running Live
- Web-based cloud only Accounting/Invoicing solution for very small clients to be launched by the end of Q2
- e-Commerce B2B now in Pilot Projects Implementation to be launched by the end of Q2

## 3. Acquisitions

- New entries in the Pipeline in Greece
- New project to build pipeline in Romania in Q3

# Business model

# Entersoft Group at a glance



Entersoft Group designs and develops business software and customized solutions in the market of ERP, CRM, Retail, e-Invoicing, Mobile, WMS, xVan and Business Intelligence. We aim for sustainable growth, technological leadership and an innovative way of dealing with business challenges in a changing economic environment, with focus to the customer.

4,000+ customers

400+ employees

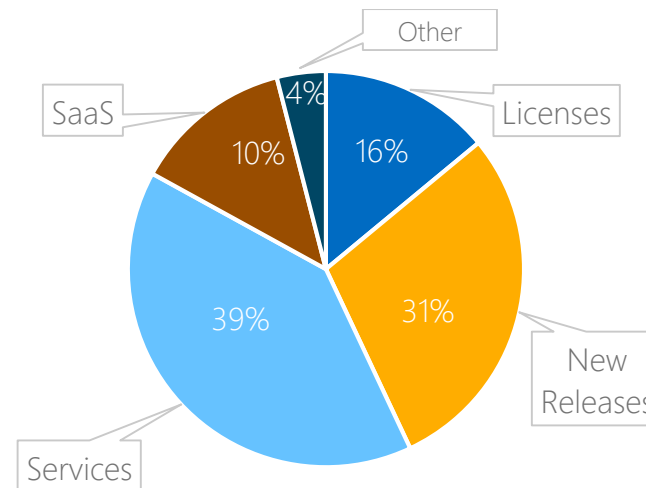
40 countries

400+ certified consultants

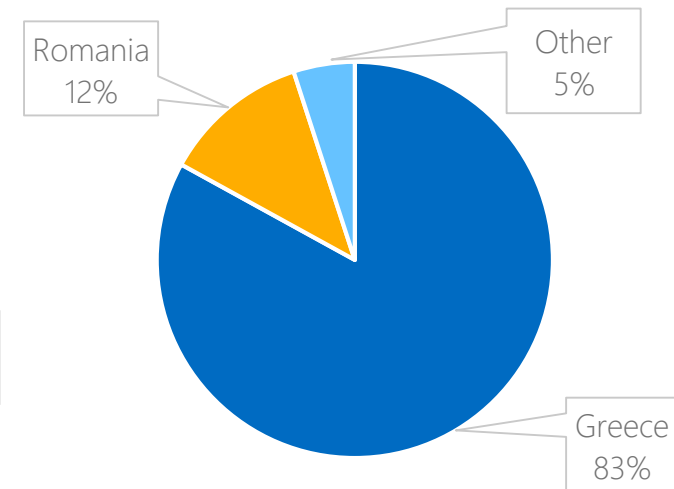
80+ certified partners

Market size focus	
Small, Mid and large businesses	
Industries	
Financial Institutions Construction Industrial Products Pharmaceuticals Cosmetics	Wholesale – Distributors Retail   Franchise Food & Drinks Fashion Furniture   Wood

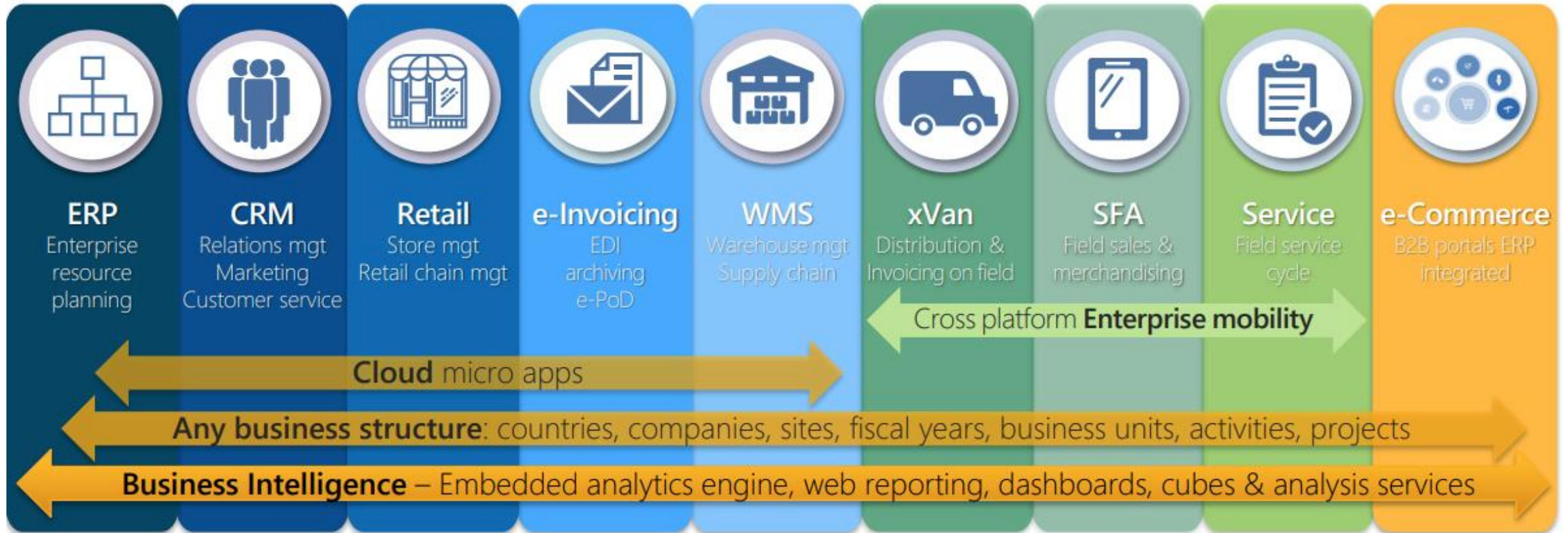
Revenue breakdown FY 2022



Revenue by geography FY 2022

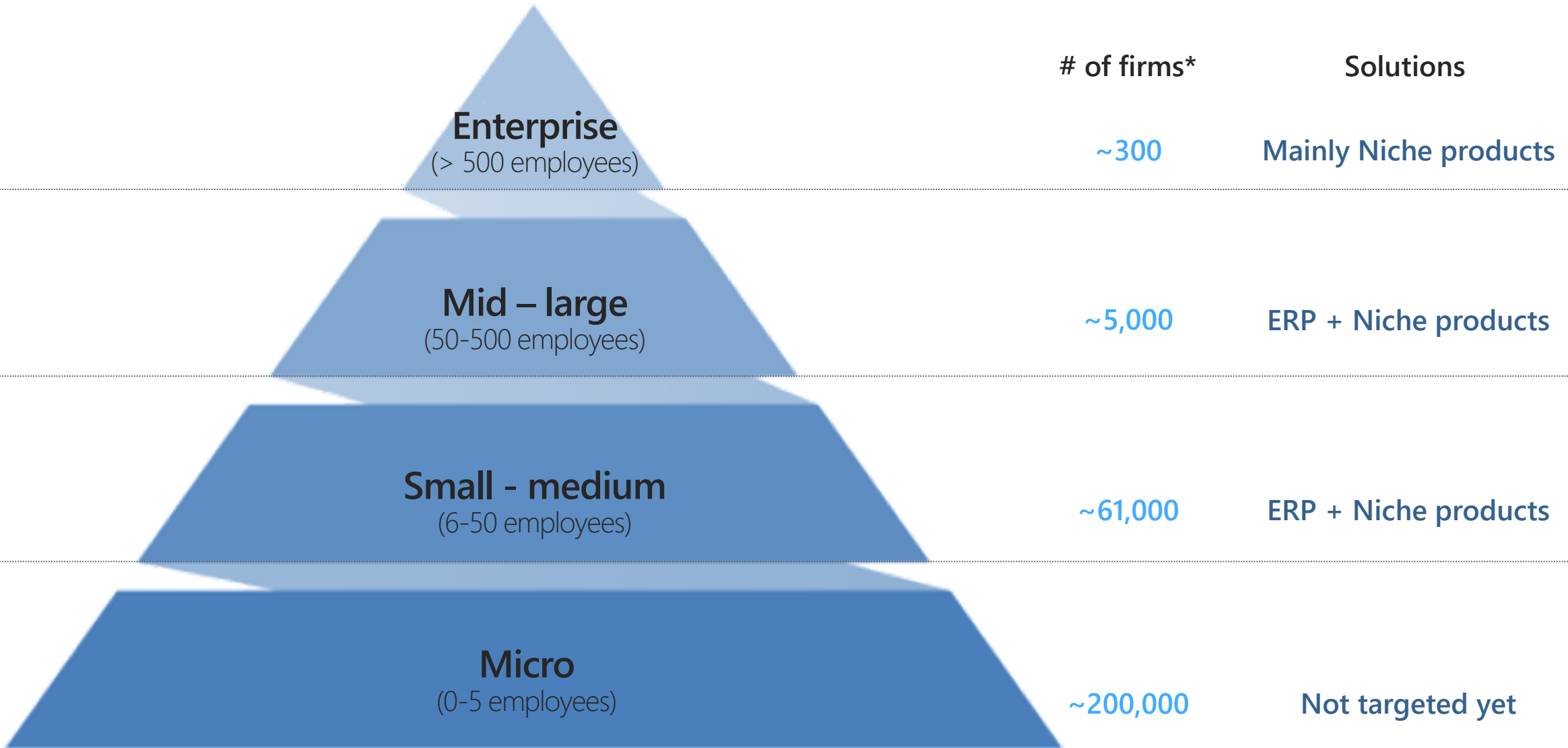


# Wide product range

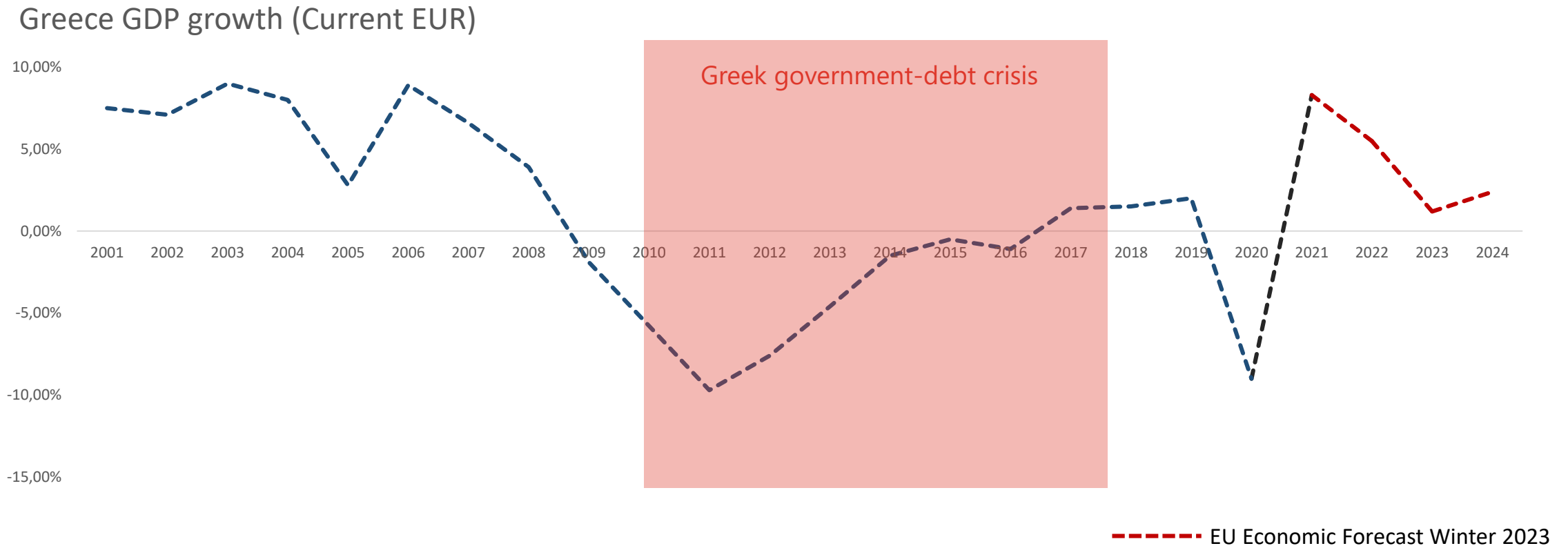


Common - unified platform

# Market segmentation (only Greek data)

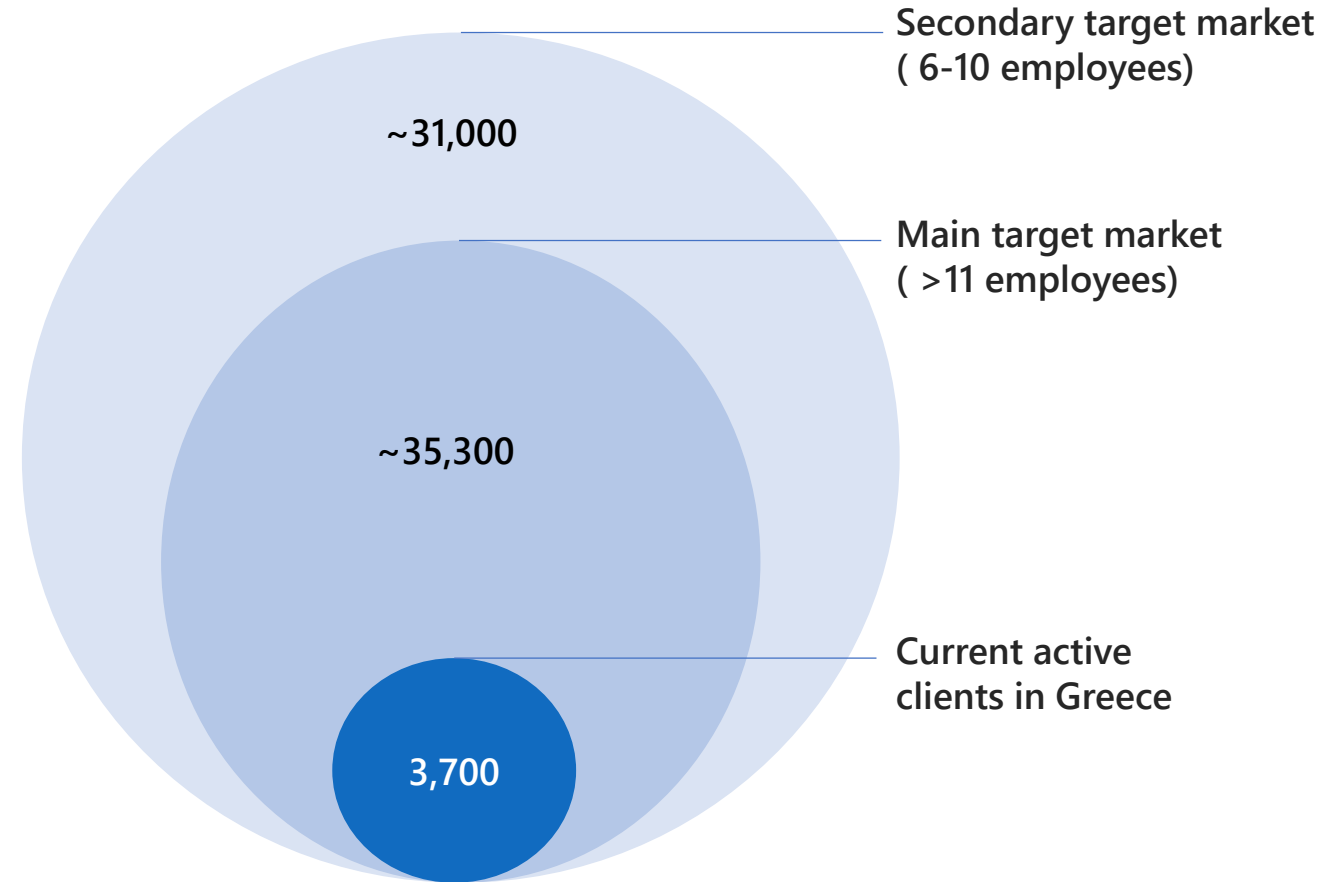


# Greek financial crisis and the pandemic left a 10-year **technological gap** to Greek enterprises that needs to be bridged



# Strong opportunity for continued growth in ERP customers

- Active clients in Greece around **4,000**
- Main target market includes **35,300** Small, medium and Large companies with >11 people personnel
- Secondary target market includes around **31,000** with 6-10 people
- ~**25%** of the above have ERP software from small non-competitive local vendors and custom solutions
- **More than 50%** of them have outdated ERP software and cannot exploit new technologies such as Cloud, Mobility, IoT, etc. (**Replacement Market**)



Source: Ministry of Labor

# Penetration remains low in Niche software products

## Industry adoption rate

## Our solutions

Customer relationship management ("CRM")

< 40%

Entersoft CRM®, Entersoft Mobile® Sales Force Automation, Entersoft Mobile® Medical Representative

Enterprise Mobility / Warehouse Management Systems

< 20%

Entersoft WMS®, aberon, Entersoft SCM 360, Entersoft Mobile® Sales Force Automation, Entersoft Mobile Field Service®, Entersoft Mobile xVan,

eInvoicing and EDI Services

~10-15%

Entersoft EDI & e-Invoicing portal

eCommerce (B2B and B2C)

Very low  
Highly segmented  
competition

Entersoft e-Commerce, Wedia



# Continued expansion of B2B eInvoice & EDI adoption

**e-Invoicing:** B2B exchange of electronic invoices, without paper, courier and archiving costs. Not compulsory yet but gaining increased attention in medium and large businesses

**e-Archiving:** Cloud-based electronic archiving of all business documents (added value service)

**Social Business Networking:** Easy and continuous expansion to invoice recipients through Entersoft's largest e-Invoicing network of interconnected commercial partners

SaaS Billing model is Pay Per Transaction

Number of new clients and documents exchanged increases

New opportunity for eInvoicing in Retail. A few deals already signed beginning of this year with large Retailers



55,000+ Commercial Partners



18,000,000 documents annually



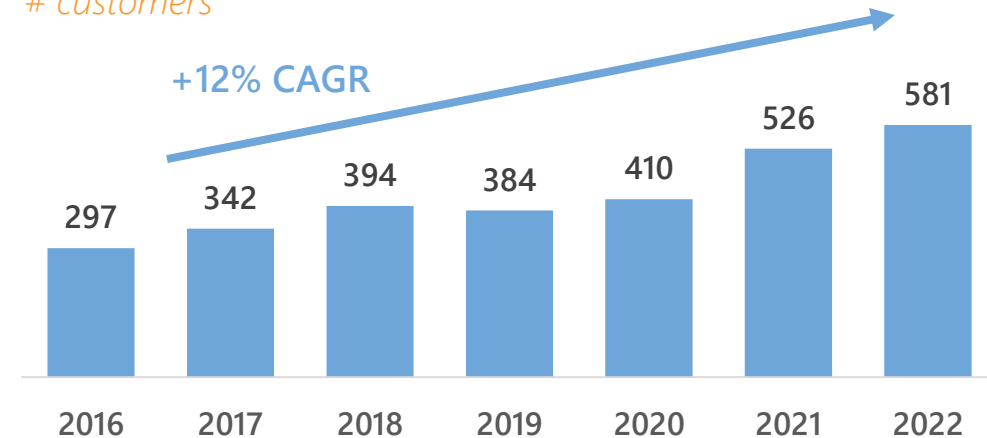
12 countries



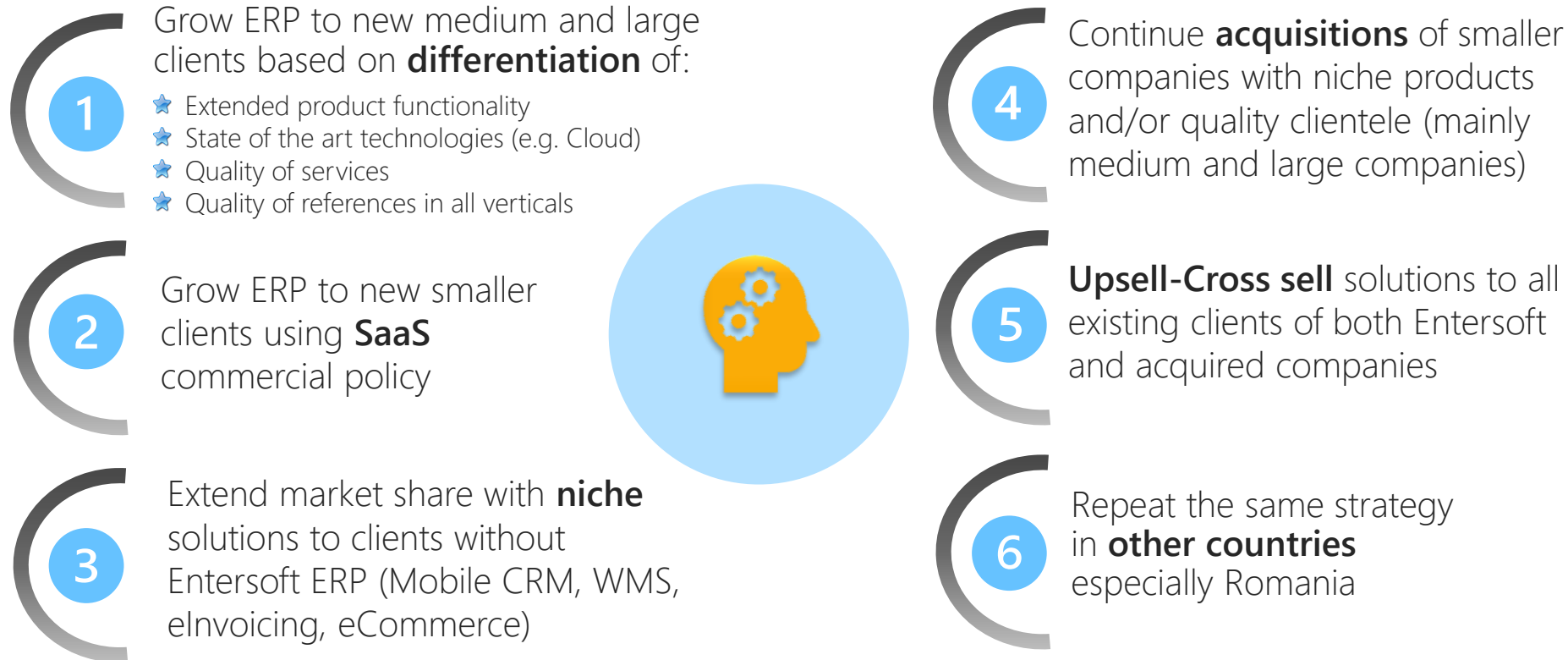
6,000,000 EDI Messages

## e-Invoicing & EDI customers

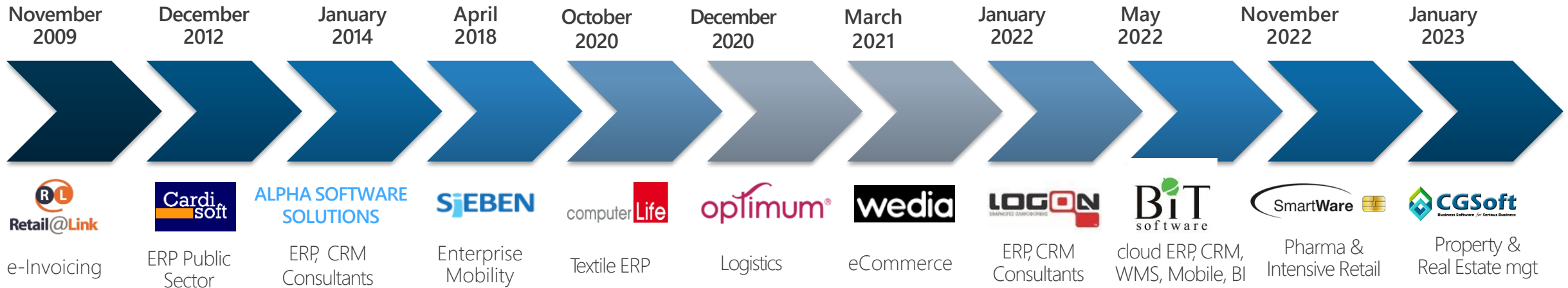
# customers



# Algorithm for continuous Growth & Profitability

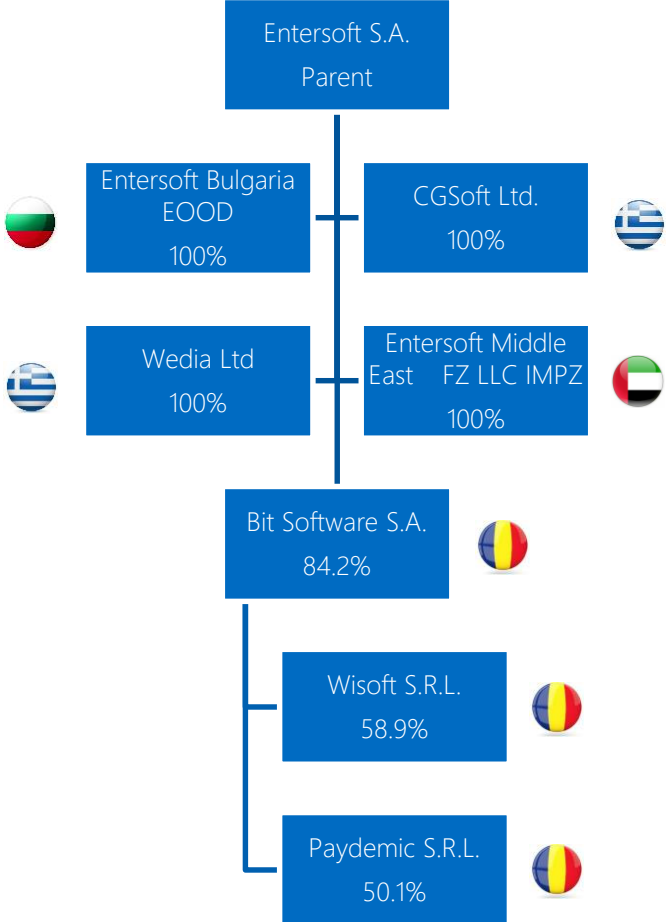


# Strong track record of accretive acquisitions



# Appendix

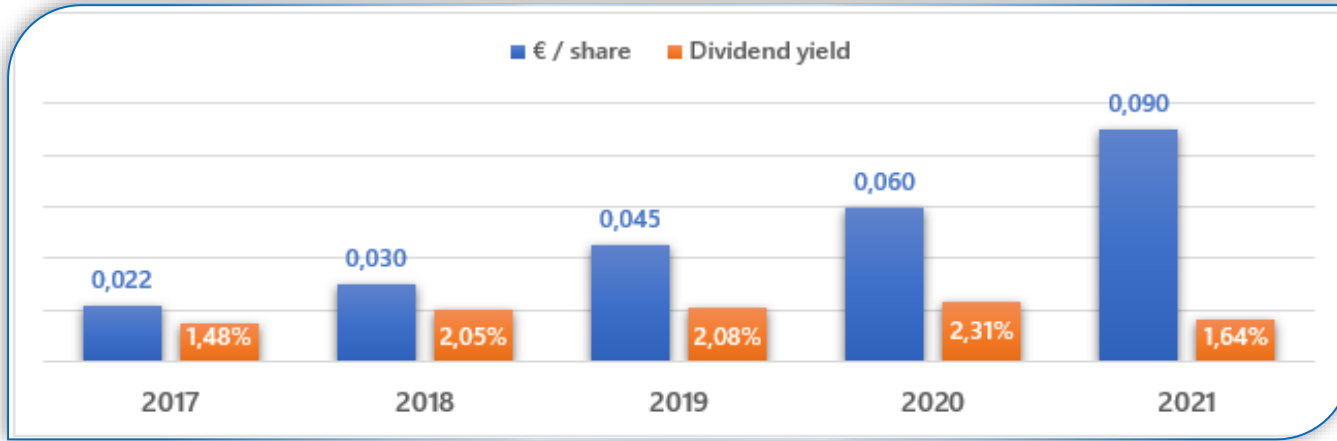
# Entersoft Group Structure *(as of 21-Feb-2023)*



*All entities are subject to full consolidation in accordance with prevailing accounting standards*

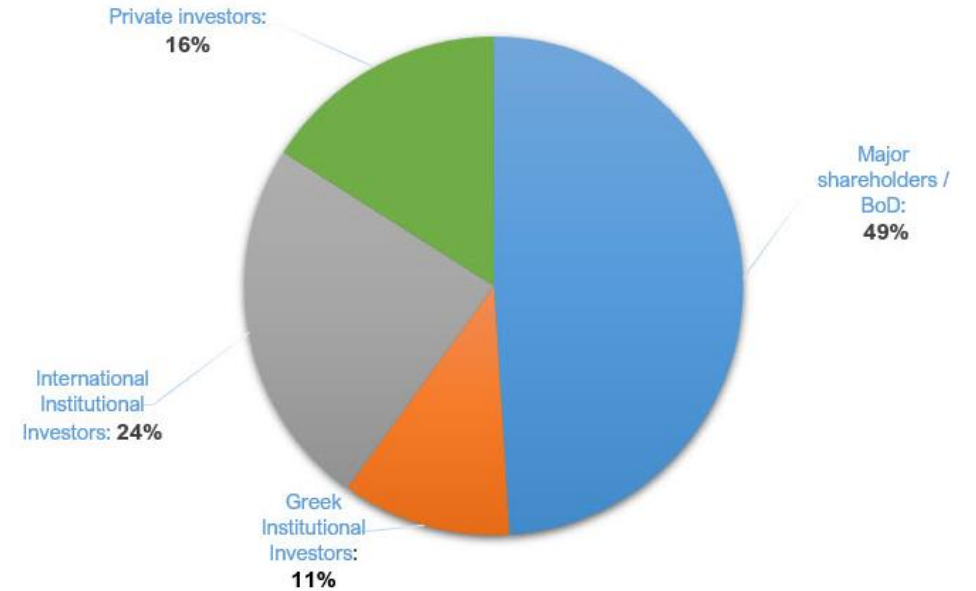
# Share information

## Dividend history



Dividend per share was restructured in previous years with the split 1:6 (12/6/2020)

## Shareholder structure



## Share price history



## Stock data

	16/02/2023	12/10/2022	30/06/2022	14/04/2022	15/02/2022
Capitalization	124.200.000	100.200.000	119.100.000	163.800.000	157.200.000
Number of shares	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000
HiLo Chg	2,95%	3,37%	3,65%	1,84%	3,52%
Marketability	0,0559%	0,0352%	Last 6 months (avg)		

# THANK YOU!

Contact us

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