

Press Release

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Entersoft: Key Financials for the first half of 2023: 32% increase in Turnover and 46% increase in EBITDA

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Entersoft announces its key financials for the first half of 2023:

- Revenue of **€19.2 million**, increased by **32%** compared to H1 2022 (€14.6 million)
- EBITDA of **€6.7 million**, increased by **46%** compared to the same period last year (€4.6 million)
- Profit before tax of **€5.0 million**, increased by **52%** compared to the same period last year (€3.3 million)
- Cash of **€9.4 million** compared to €14.8 million at the end of 2022 and Net Debt of €0.4 million net of bank borrowings of €9.8 million

In the second quarter of the year, the **positive organic trend** achieved in the first quarter in acquiring new customers and new projects continued. The high competitiveness of the Group's products and services, combined with the provision of liquidity to the market through subsidies programs, contributed to achieving high growth rates.

In addition to the healthy and sustainable organic growth, in the first half of the year the Group expanded into **new vertical markets through acquisitions**, namely the software for pharmacies and property management market segments. These two segments, in addition to introducing us to new markets, increase the installed customer base and recurring revenue base, while enabling cross selling and upselling with Entersoft's full product range. In early July, the Group completed a further acquisition of SW Retailsoft, which expands our presence in the Intensive Retail Software space, particularly in Super Markets, Mini Markets and Department Stores.

With regards to **internally developed new products**, at the end of the second quarter of this year, we launched commercially two product families, Entersoft QuickBiz and Entersoft HR 360, marking the Group's entry into two new markets. Entersoft QuickBiz is a Commercial and Financial Management software aimed at small and micro businesses that require solutions beyond simple electronic invoicing. Entersoft HR 360 covers Recruitment Management, Personnel Management and Payroll. Both product families are the only ones on the market that operate fully and exclusively on a Web browser in the Cloud, making them very competitive against other solutions currently on the market and/or already operating in businesses. The recent acquisition of SmartCV aims to supplement the commercial launch of Entersoft HR 360.

Finally, the integration and development of **Bit Software in Romania** is progressing according to planning and the annual budget. We estimate that the restructuring carried out in the current year will contribute to the gradual increase of Bit Software's operating margins to a level similar to Entersoft, enhancing the Group's overall profit margin as already planned by management for the future.

Overall, in the first half of the year, the Group overachieved its budget, with 32% growth in revenues, while the recurring revenue base exceeded 60% of total revenues.

For the second half of the year, strong incoming demand and a deep pipeline of new projects reinforces our assessment for maintaining similar revenue and profitability growth trends, while the previous years' investments in new products and geographic expansion set the basis for maintaining an equivalent growth profile in the medium term.

About Entersoft S.A. www.entersoft.eu Entersoft is an innovative IT company specializing in software production and business services. It leads the business software market by offering an integrated operating environment for all its products, ERP, CRM, HRM, Retail, Mobile, WMS, e-Commerce & B.I., designed on Microsoft's state-of-the-art .NET platform, on Premises or Cloud, licensed or SaaS, showing rapid growth and a qualitatively extended clientele in 40 countries. It has a Certified Partner Network, is listed in the Athens Stock Exchange, and maintains subsidiaries in Bulgaria, Romania, as well as the Greek companies Wedia, CGSoft, and SmartCV.