

Press Release

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Entersoft Key Financials for the third quarter of 2023: 29% Growth in Revenue and 45% in EBITDA

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Entersoft announces its key financials for the first nine months of 2023:

- Revenue of **€26.8 million**, an increase of 29% compared to the first nine months of 2022 (€20.7 million)
- EBITDA **€8.1 million**, up **45%** compared to the same period last year (€5.6 million)
- Profit before tax **€5.3 million**, up **47%** compared to the same period last year (€3.6 million)
- Cash of **€11.1 million** compared to €14.8 million at the end of last year and Net Cash of €2.1 million net of bank borrowings of €9.1 million

In the third quarter of the year, the **positive organic trend** that had developed during the first half of the year in terms of new projects and customers continued. The Electronic Invoicing business unit performed exceptionally well, while the other product families of ERP, WMS and other products also moved upwards, confirming the existence of healthy demand for the Group's products. This can also be seen from the almost 50% increase in recurring revenues from Annual Releases (Maintenance) and SaaS.

Entering **new vertical markets through acquisitions** remains a strategic objective for the Group, with the aim of providing a wide range of products to our customers, expanding our customer base, and achieving synergies in the technical development of our new generation of products. In this context, in 2023 we achieved the Group's entry into the pharmacy software and property

management segments with the acquisitions of the Smartware product and CGSoft respectively. Subsequently, with the acquisition of SW Retailsoft, we expanded our presence in the Intensive Retail Software sector, particularly in the Super Markets, Mini Markets and Department Stores market.

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. 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.

For the last quarter, 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.