



**ENTERSOFT**



# Corporate Presentation

July 2023

Software for ambitious enterprises

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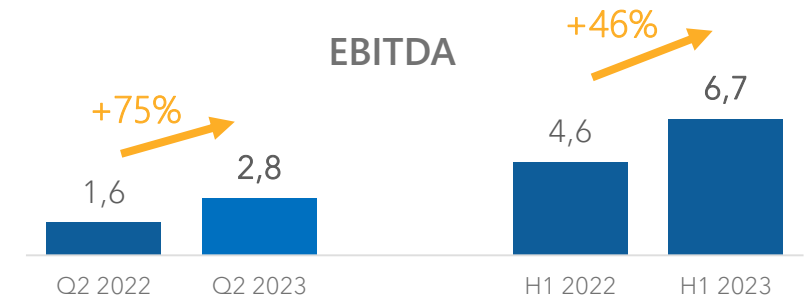
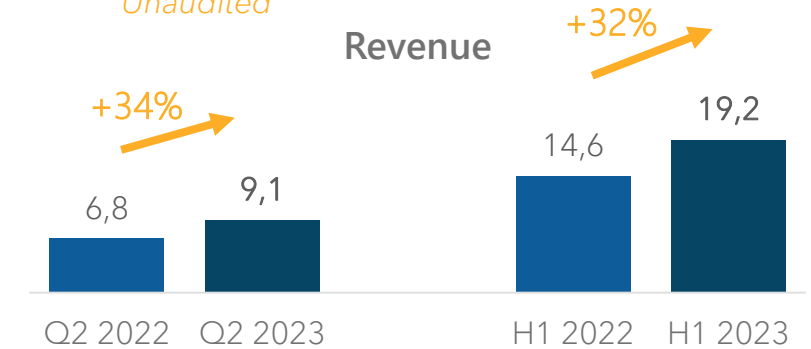
The Financial Results and the basic Financial information presented herein refer to unaudited financial figures and include the estimates of the Management and provisions relating to financial data or other events of the fiscal year 2023

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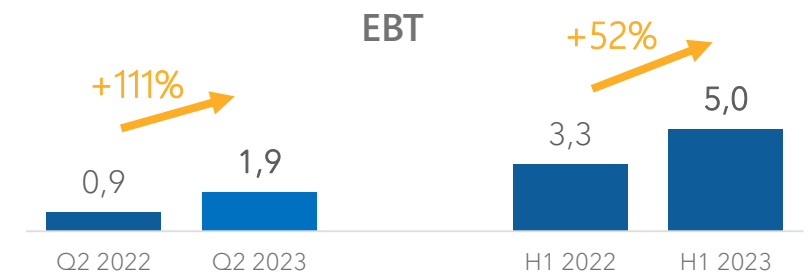
# Q2 & H1 2023 at a glance

- Strong incoming demand for new projects and up/cross-selling to installed base customers, attributed mainly to improved economic sentiment, lifting of political uncertainty and subsidies programs that have started to release funds
- Revenue growth almost evenly split between existing products and new acquisitions
- 2 new products launched in Q2:
  - Mini-ERP/CRM for small/micro companies in Greece
  - Recruitment, HR and Payroll management initially for medium and large companies in Greece, as well as for accounting offices
- 3 acquisitions concluded so far this year (GGSoft, SmartCV, SW RetailSoft), further expanding our presence in verticals and our installed customer base (GGSoft, SW RetailSoft), or supplementing our new product launches (SmartCV)
- Baseline FY2023 target for organic and inorganic revenue growth of 30%, with slight increase in profitability (EBITDA) margin compared to FY2022

(amounts in millions €, Consolidated)  
Unaudited



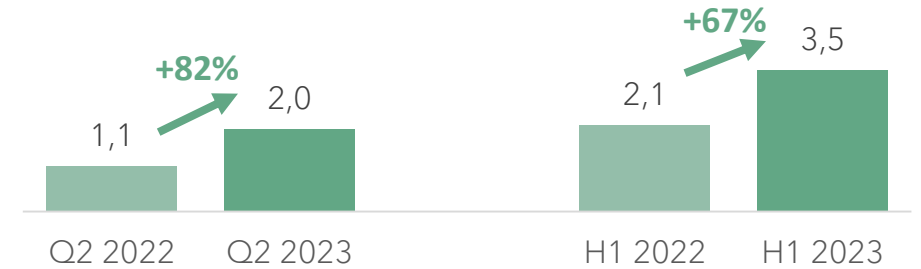
Margin 24% 31% 32% 35%



# Revenue breakdown by activity

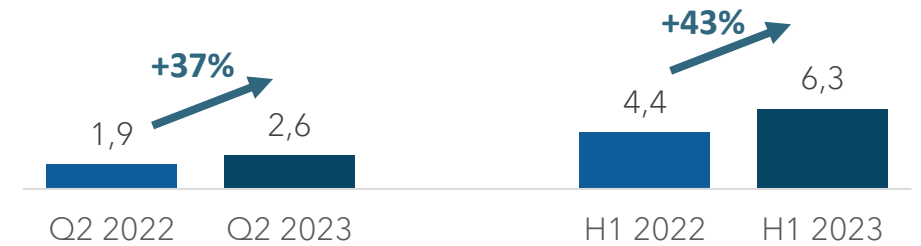
## Licenses

New License revenue benefited from first subsidies programs (RRF) that started to release funds in H1 2023. All growth organic



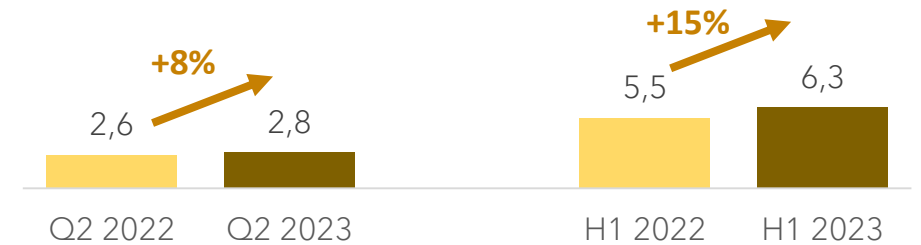
## Annual Releases (Maintenance)

Approximately half of growth attributed to recent acquisitions (Bit Software, Smartware and CGSoft)



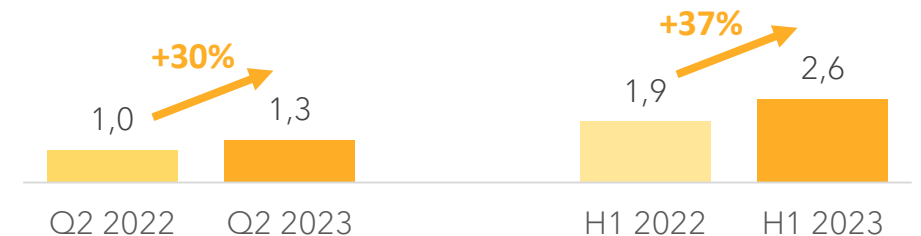
## Services

Growth attributed mainly to recent acquisitions (Bit Software, Smartware and CGSoft)

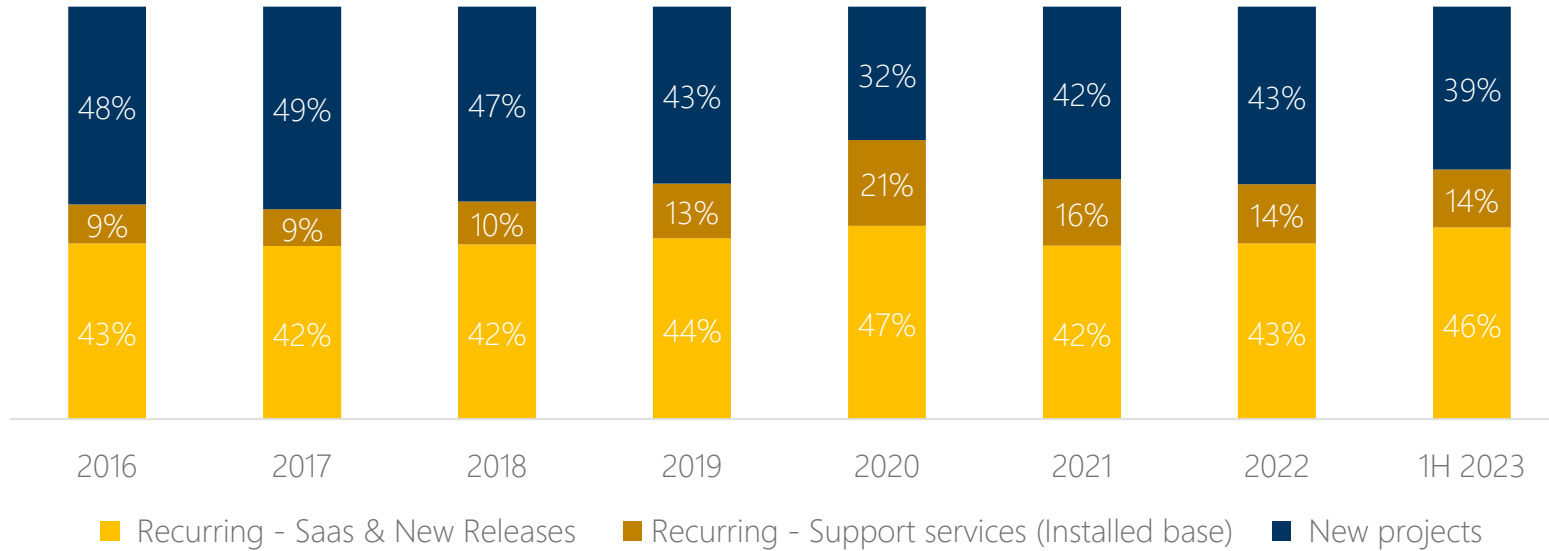


## SaaS

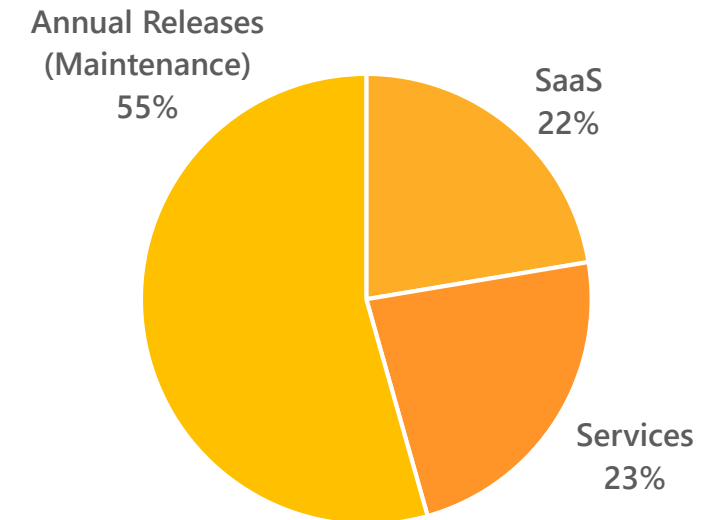
Growth driven mainly from elnvoicing and Bit Software



# Strong base of recurring revenue



Recurring revenue breakdown (1H 2023)

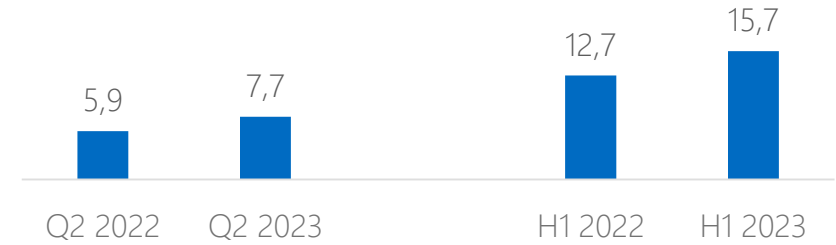


- 11,6 million Euro recurring revenue in 1H 2023 (61% of total) versus 8,3 million Euro in 1H 2022 (57% of total)
- Increase of new projects and new clients due to organic growth forms the basis for stronger recurring revenues in the future

# Geographies

- Strong double-digit growth in Greece, led primarily by ERP solutions
- Following one year from the acquisition of Bit Software, continue to uphold our strategic view for the local market. Potential to double our addressable market in the next years
- Other geographies steady and profitable, but not currently a focal point

## Greece



## Romania



## Other

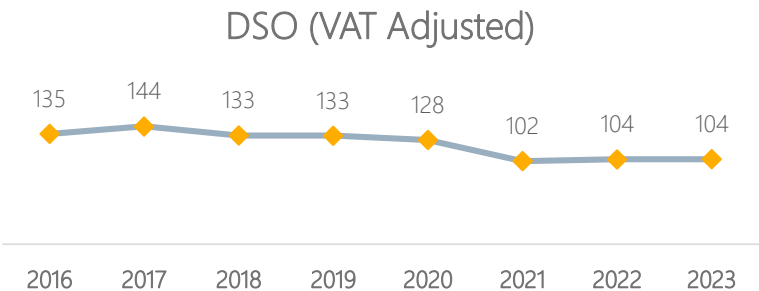


# Balance sheet structure

## Organic balance sheet expansion

	2016	2017	2018	2019	2020	2021	2022	1H 2023
Capex	0,3	0,3	0,5	0,5	0,6	1,1	1,3	1,3
Intangibles	2,1	1,8	2,7	2,5	6,1	6,3	7,9	7,9
Goodwill	0,7	0,5	0,5	0,1	2,2	2,6	8,4	13,1
Leases	0,0	0,0	0,0	1,9	1,9	2,3	2,4	3,0
Lease liabilities	0,0	0,0	0,0	-1,9	-2,1	-2,4	-2,6	-3,2
Other non-current	0,1	0,2	0,3	0,3	0,1	0,1	0,2	0,5
Provisions	-0,2	-0,4	-0,4	-0,5	-1,3	-0,7	-0,6	-0,6
Working capital	3,8	4,8	3,7	5,3	1,7	3,4	3,2	3,0
<b>Net Invested Capital</b>	<b>6,7</b>	<b>7,3</b>	<b>7,4</b>	<b>8,3</b>	<b>9,2</b>	<b>12,6</b>	<b>20,1</b>	<b>25,0</b>
L/T debt	0,0	0,0	0,0	0,0	0,0	-1,2	-5,9	-4,7
S/T debt	-0,5	-1,6	-1,4	-0,9	-0,4	-1,0	-5,1	-5,1
<b>Total Debt</b>	<b>-0,5</b>	<b>-1,6</b>	<b>-1,4</b>	<b>-0,9</b>	<b>-0,4</b>	<b>-2,2</b>	<b>-11,0</b>	<b>-9,8</b>
Cash	1,8	3,3	3,4	3,3	7,7	10,3	14,8	9,4
<b>Net Cash/(Debt)</b>	<b>1,3</b>	<b>1,7</b>	<b>2,1</b>	<b>2,4</b>	<b>7,3</b>	<b>8,1</b>	<b>3,7</b>	<b>-0,4</b>
<b>Equity</b>	<b>8,1</b>	<b>9,0</b>	<b>9,4</b>	<b>10,7</b>	<b>16,5</b>	<b>20,7</b>	<b>23,9</b>	<b>24,6</b>

- Very low leverage allows for ambitious acquisitions strategy
- Capital required to be tied up in NWC due to customarily longer payment periods in Greece and core market segment (mid/large businesses) that negotiate payment terms
- DSO has improved by ~30 days in the period but has leveled in the last years at ~100 days



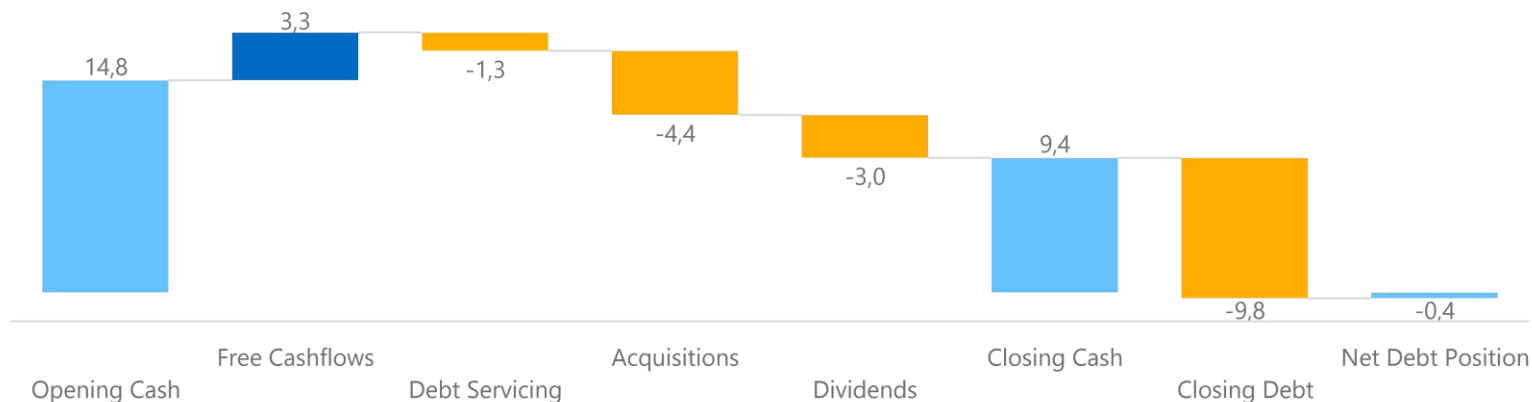
# Cashflow generation

Consistent free cashflow generation capacity

	2016	2017	2018	2019	2020	2021	2022	1H 2023
Operating Cashflows	0,7	1,4	2,9	1,8	5,6	6,3	5,1	3,9
Capex & Software Development	-0,5	-0,5	-2,0	-0,6	-1,2	-2,0	-1,5	-0,6
Free Cashflows	0,2	0,9	0,9	1,2	4,4	4,4	3,6	3,3
Acquisitions					-1,8	-1,7	-5,2	-4,4
Net share offerings/(share buybacks)	-0,5			-0,1	3,6			
Dividends		-0,6	-0,6	-0,8	-1,4	-1,8	-2,7	-3,0
Debt drawdowns/(Debt servicing)	0,2	1,2	-0,2	-0,5	-0,5	1,8	8,8	-1,3
<b>Δ Cash</b>	<b>-0,2</b>	<b>1,5</b>	<b>0,1</b>	<b>-0,2</b>	<b>4,4</b>	<b>2,7</b>	<b>4,6</b>	<b>-5,4</b>

- The company has funded its growth almost exclusively from organic free cashflows
- Latest round of debt financing raised to fund a more aggressive acquisitions plan
- Dividend payout ~50% of NI in the period, but no firm commitment to specific policy


1H 2023 Actual Cashflow



# Appendix


# Entersoft Group at a glance

Entersoft Group designs and develops business software in the market of ERP, CRM, Retail, e-Invoicing, Enterprise Mobility for Field Sales/Service, Warehouse Management Systems (WMS) and Vertical Solutions. We aim for long term sustainable growth, technological leadership and an innovative way of dealing with business challenges in a changing economic environment with customer focus.

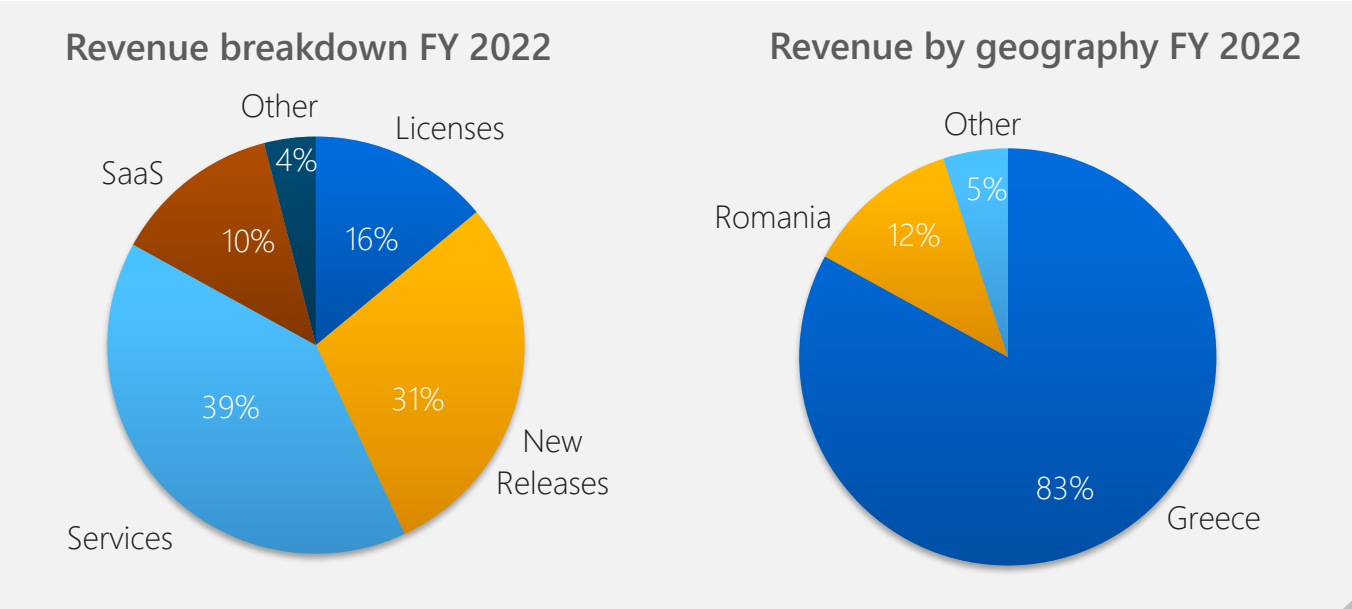
### Market size focus

- Small
- Mid
- Large



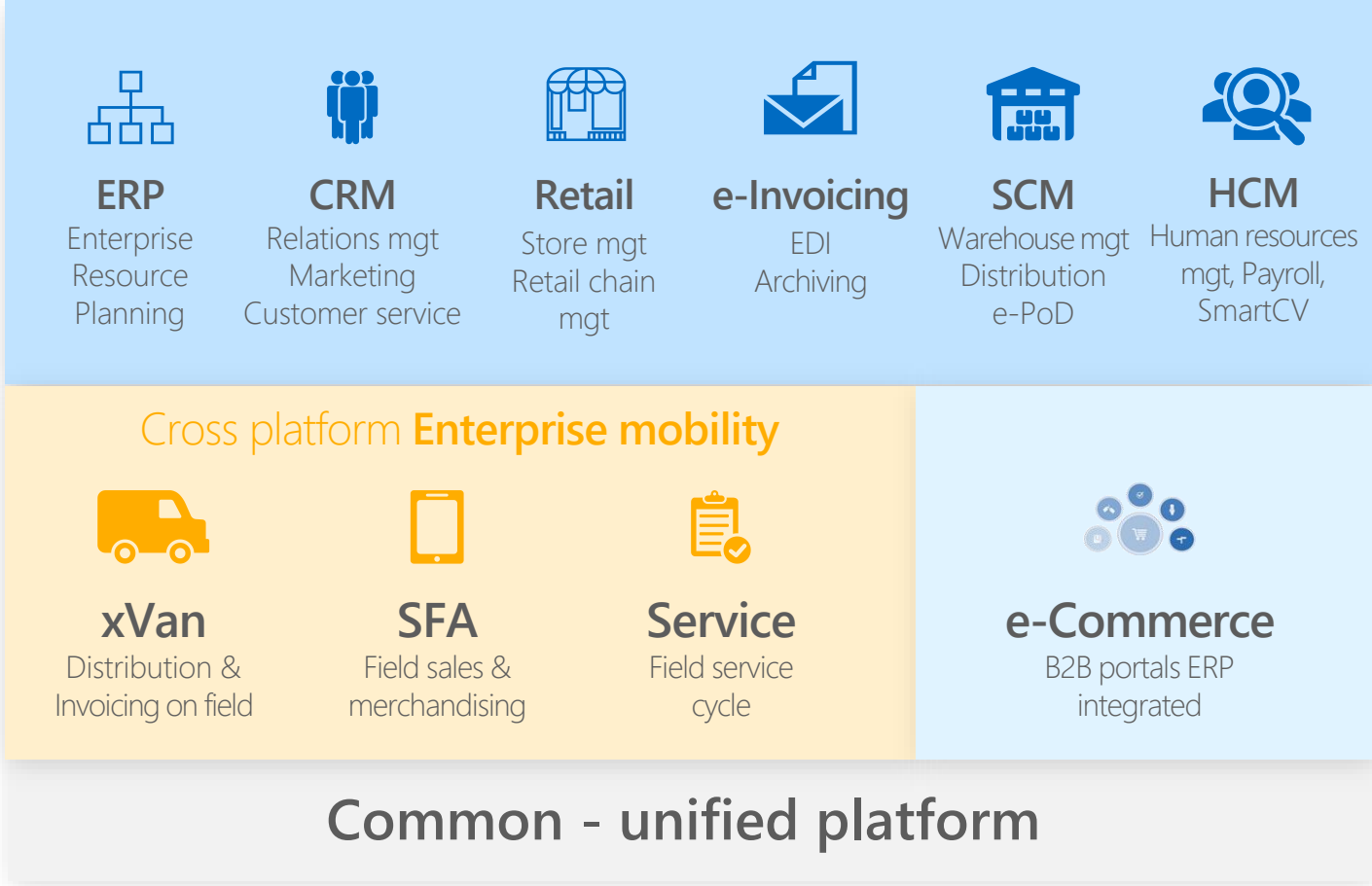
### Industries

- Financial Institutions
- Construction
- Industrial Products
- Pharmaceuticals
- Cosmetics
- Wholesale - Distributors
- Retail - Franchise
- Food & Drinks
- Fashion
- Furniture - Wood



# Wide product range

**Any business structure:**  
countries, companies, sites, fiscal years, business units, activities, projects

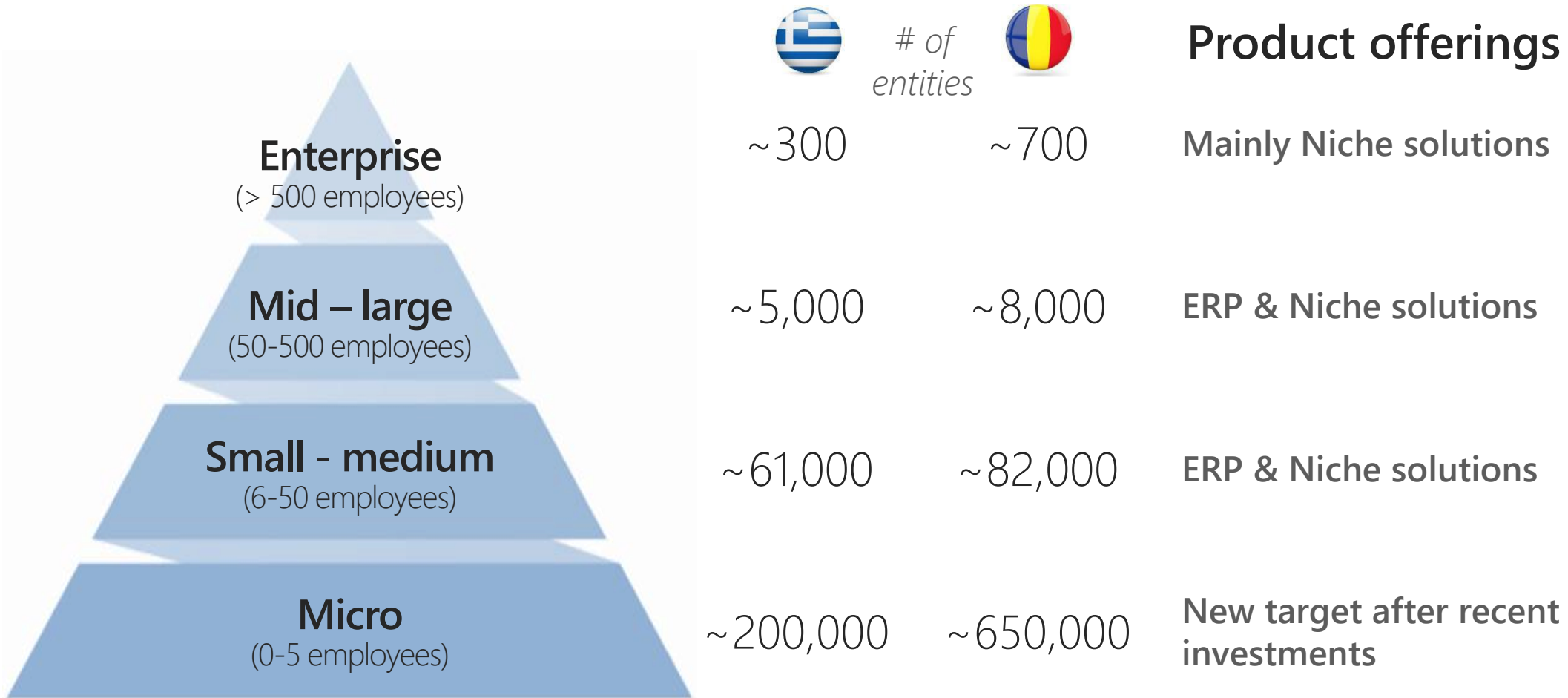



**Business Intelligence**  
Embedded analytics engine, web reporting, dashboards, cubes & analysis services

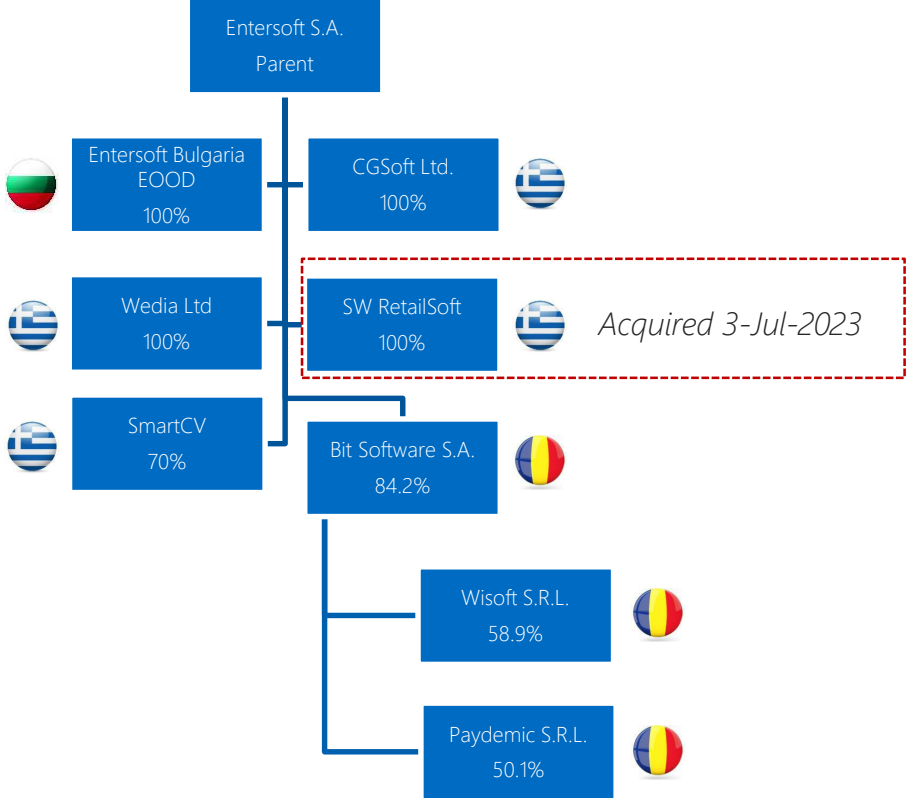


# Market segmentation (in main geographies)

Greece and Romania represent ~95% of earned revenue at present



# Entersoft Group Structure *(as of 24-Jul-2023)*

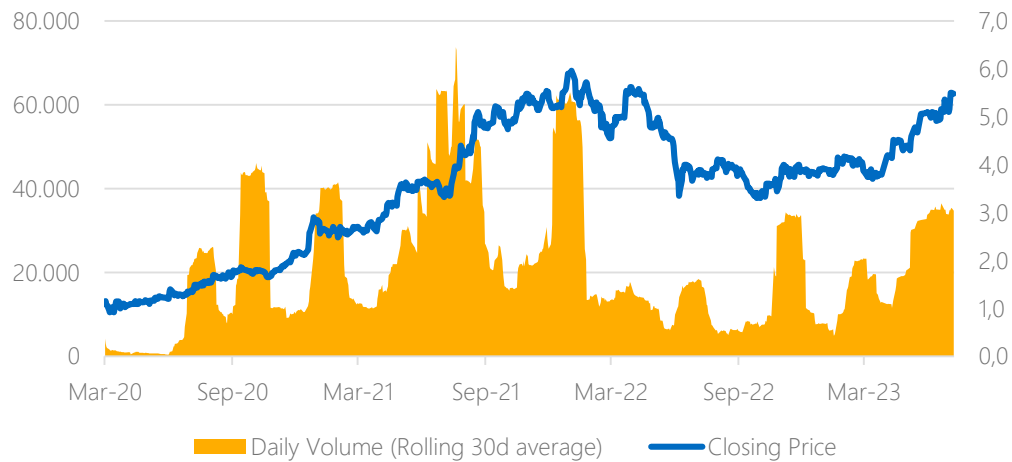


*All entities are subject to full consolidation in accordance with prevailing accounting standards*

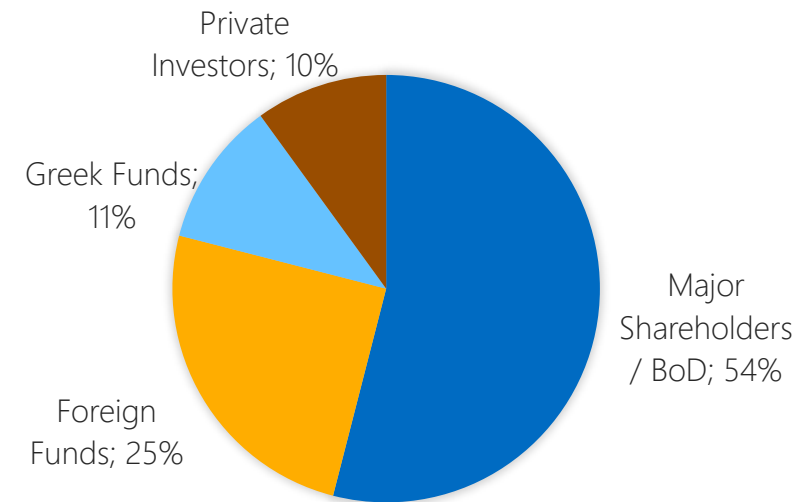
# Share Information

Total Shareholder Return of 437% (as of Jul-2023) since joining the main market (Mar-2020), 65% compounded annual return in the same period

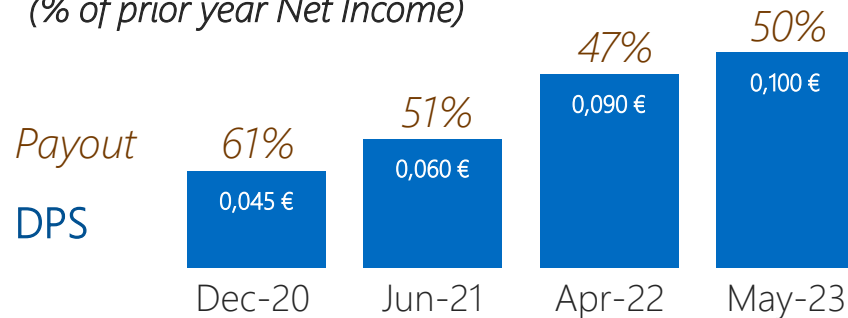
Share Price and Volume



Shareholding Structure



Dividend per Share and Payout (% of prior year Net Income)



# THANK YOU!

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