



**ENTERSOFT**



# Corporate Presentation

Q3 2023

Software for ambitious enterprises

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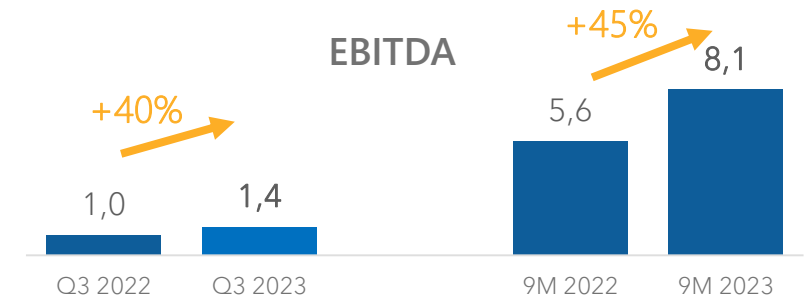
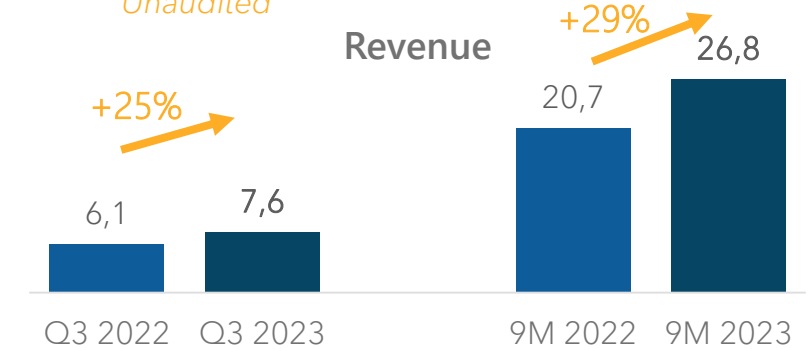
The Financial Results and the basic Financial information presented herein refer to unaudited financial figures and include the estimates of the Management and provisions relating to financial data or other events of the fiscal year 2023

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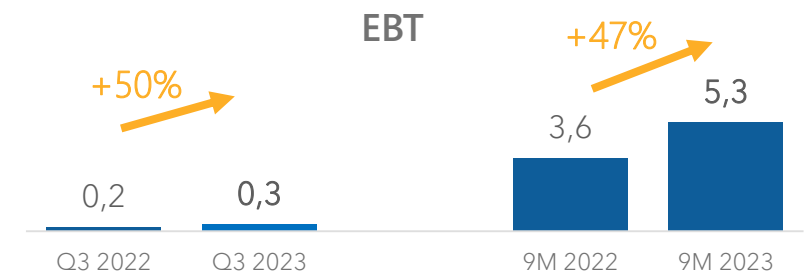
# Q3 & 9M 2023 at a glance

- Strong demand led to solid performance across all business units of the Group, in line with the annual budget
- Revenue growth almost evenly split between existing products and new acquisitions
- New products launched in Q2 (ERP/CRM for small/micro companies and Recruitment, HR and Payroll management software for medium and large entities) expected to help sustain double digit organic growth
- 3 acquisitions concluded so far this year (GGSoft, SmartCV, SW RetailSoft), further expanding our presence in new vertical markets
- 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



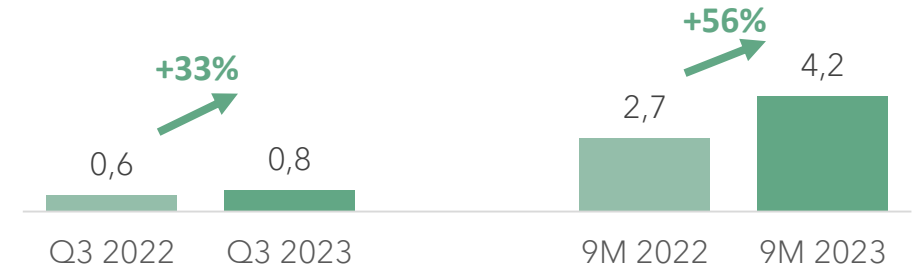
Margin 16% 18% 27% 30%



# Revenue breakdown by activity

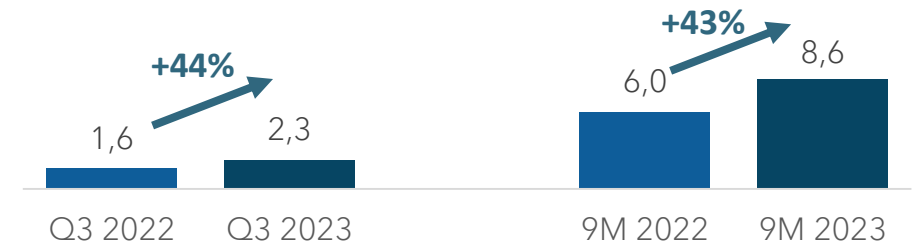
## Licenses

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



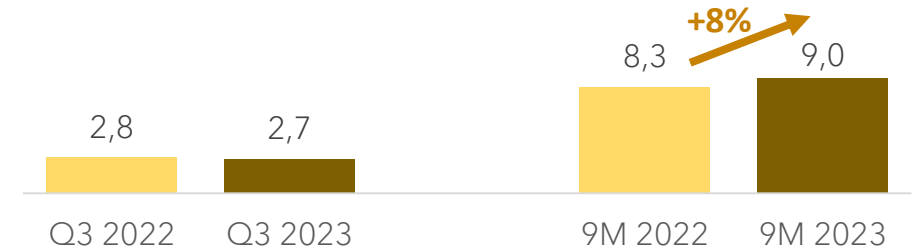
## Annual Releases (Maintenance)

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



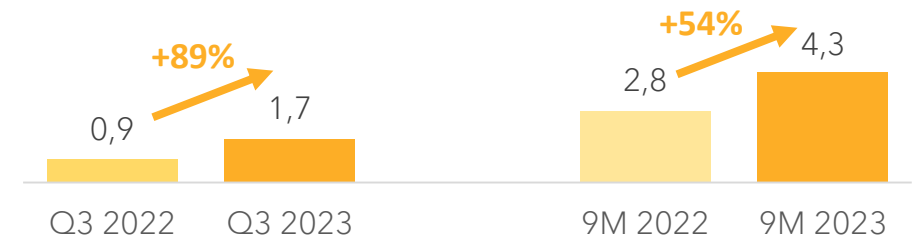
## Services

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

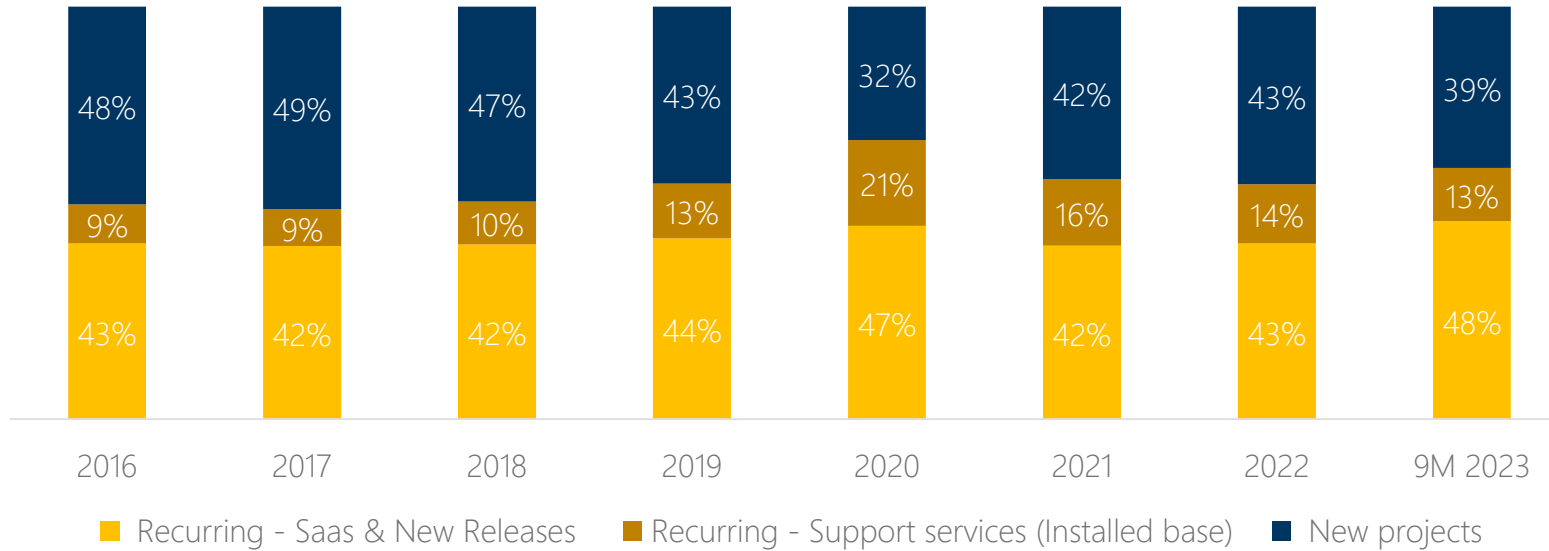


## SaaS

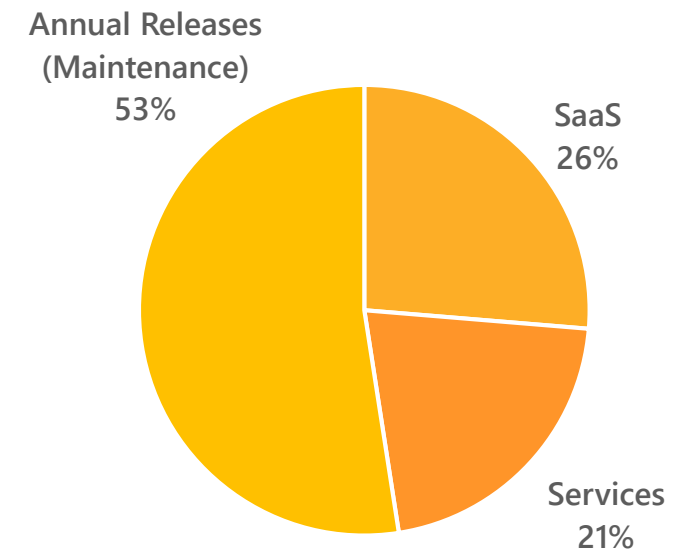
Growth driven mainly from elnvoicing and Bit Software



# Strong base of recurring revenue



Recurring revenue breakdown (9M 2023)

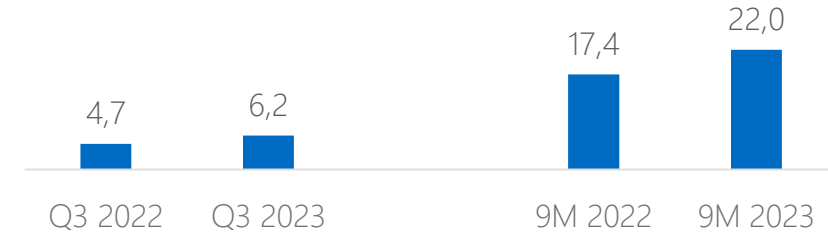


- 16,3 million Euro recurring revenue in 9M 2023 (61% of total) versus 11,8 million Euro in 9M 2022 (57% of total)
- Increase of new projects and new clients due to organic growth forms the basis for stronger recurring revenues in the future

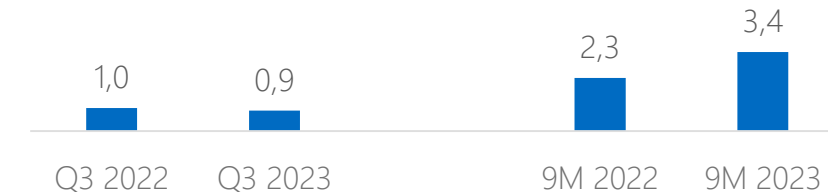
# Geographies

- 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

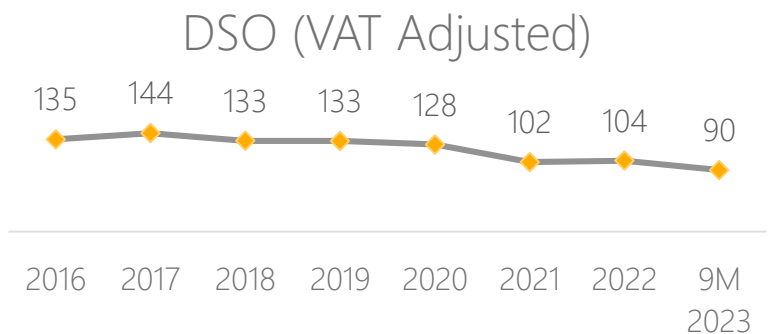


# Balance sheet structure

## Organic balance sheet expansion

	2016	2017	2018	2019	2020	2021	2022	Sep-2023
PP&E	0,3	0,3	0,5	0,5	0,6	1,1	1,3	1,1
Intangibles	2,1	1,8	2,7	2,5	6,1	6,3	7,9	7,3
Goodwill	0,7	0,5	0,5	0,1	2,2	2,6	8,4	15,0
Right of use assets	0,0	0,0	0,0	1,9	1,9	2,3	2,4	2,8
Lease liabilities	0,0	0,0	0,0	-1,9	-2,1	-2,4	-2,6	-3,0
Other non-current	0,1	0,2	0,3	0,3	0,1	0,1	0,2	0,4
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	-0,2
<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>22,8</b>
L/T debt	0,0	0,0	0,0	0,0	0,0	-1,2	-5,9	-4,0
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>-9,1</b>
Cash	1,8	3,3	3,4	3,3	7,7	10,3	14,8	11,1
Net Cash/(Debt)	1,3	1,7	2,1	2,4	7,3	8,1	3,7	2,1
<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>24,9</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
- Improvement in DSO in 2023 partially attributed to quick payments from the Voucher program (RRF)



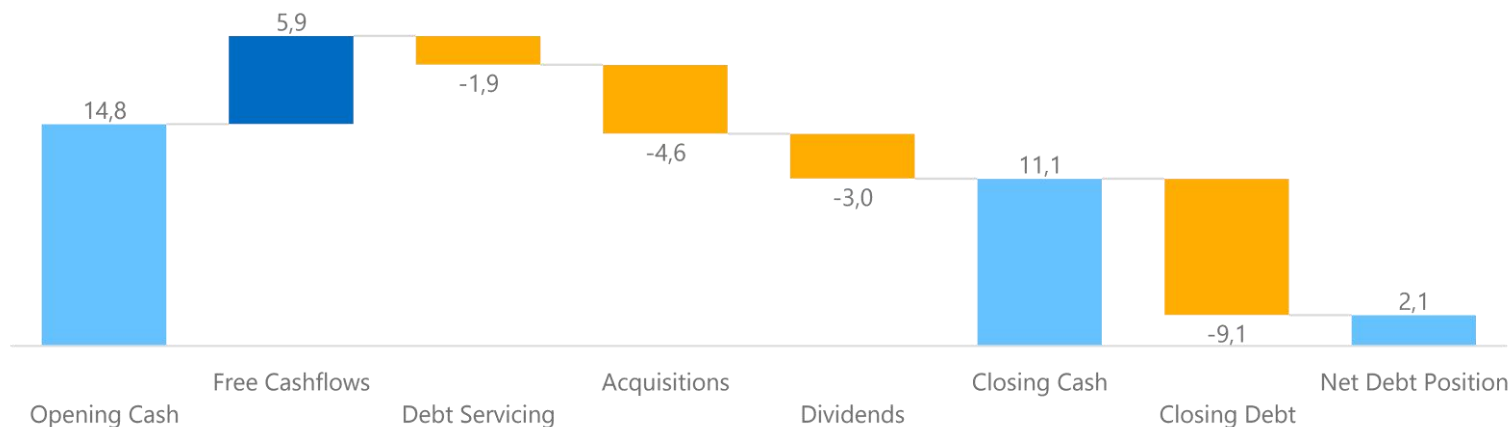
# Cashflow generation

Consistent free cashflow generation capacity

	2016	2017	2018	2019	2020	2021	2022	9M 2023
Operating Cashflows	0,7	1,4	2,9	1,8	5,6	6,3	5,1	7,1
Capex & Software Development	-0,5	-0,5	-2,0	-0,6	-1,2	-2,0	-1,5	-1,2
Free Cashflows	0,2	0,9	0,9	1,2	4,4	4,4	3,6	5,9
Acquisitions					-1,8	-1,7	-5,2	-4,6
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	-1,9
<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>-3,6</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


9M 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.

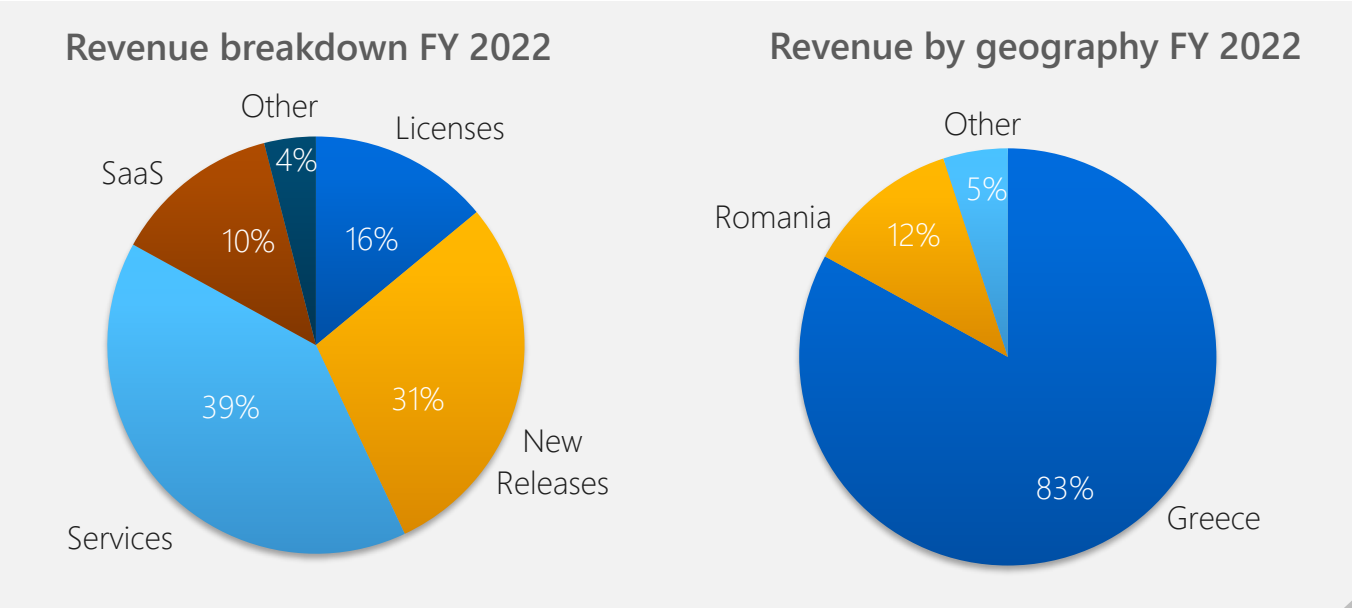
### Market size focus

- Small
- Mid
- Large



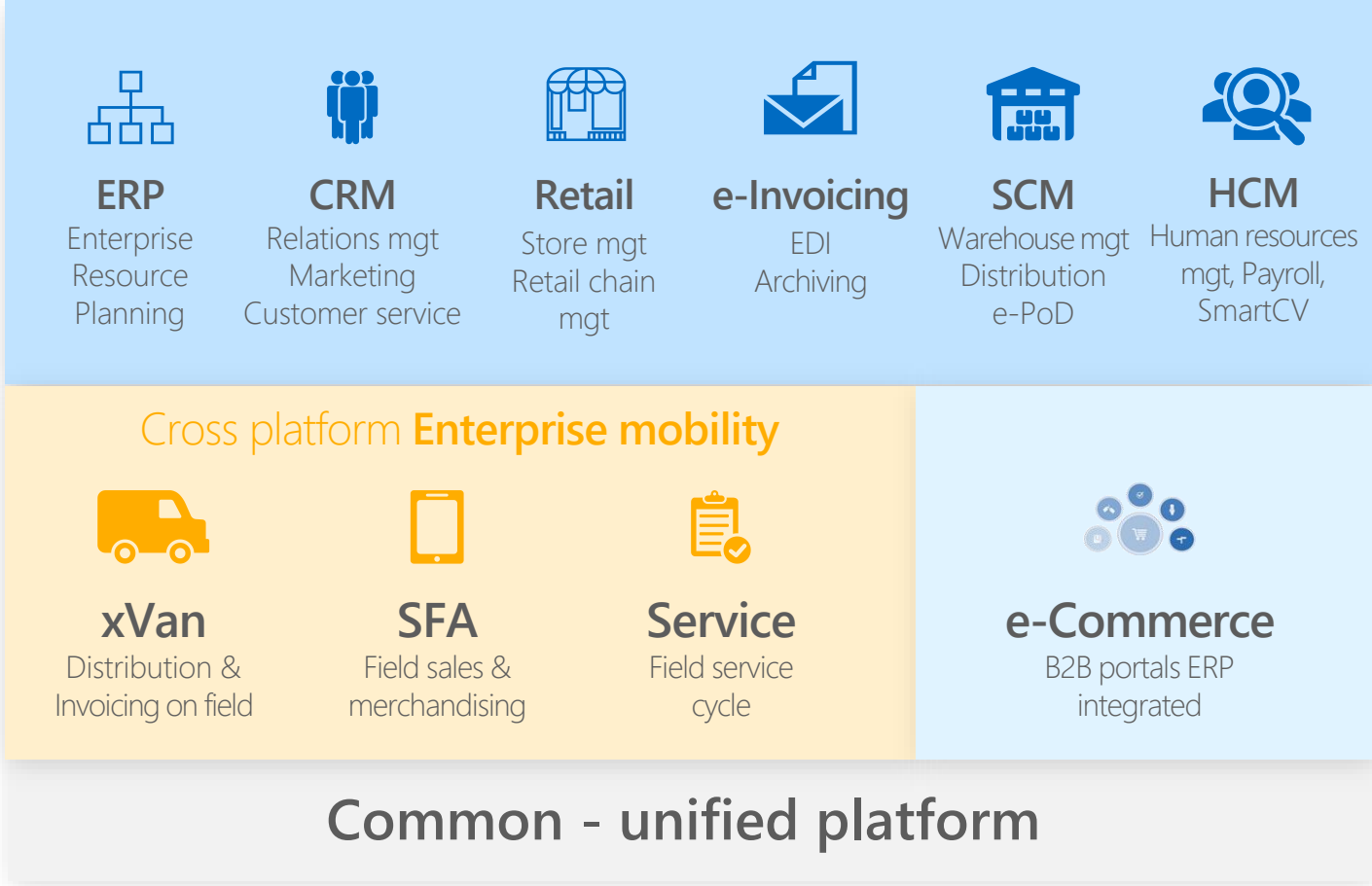
### Industries

- 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

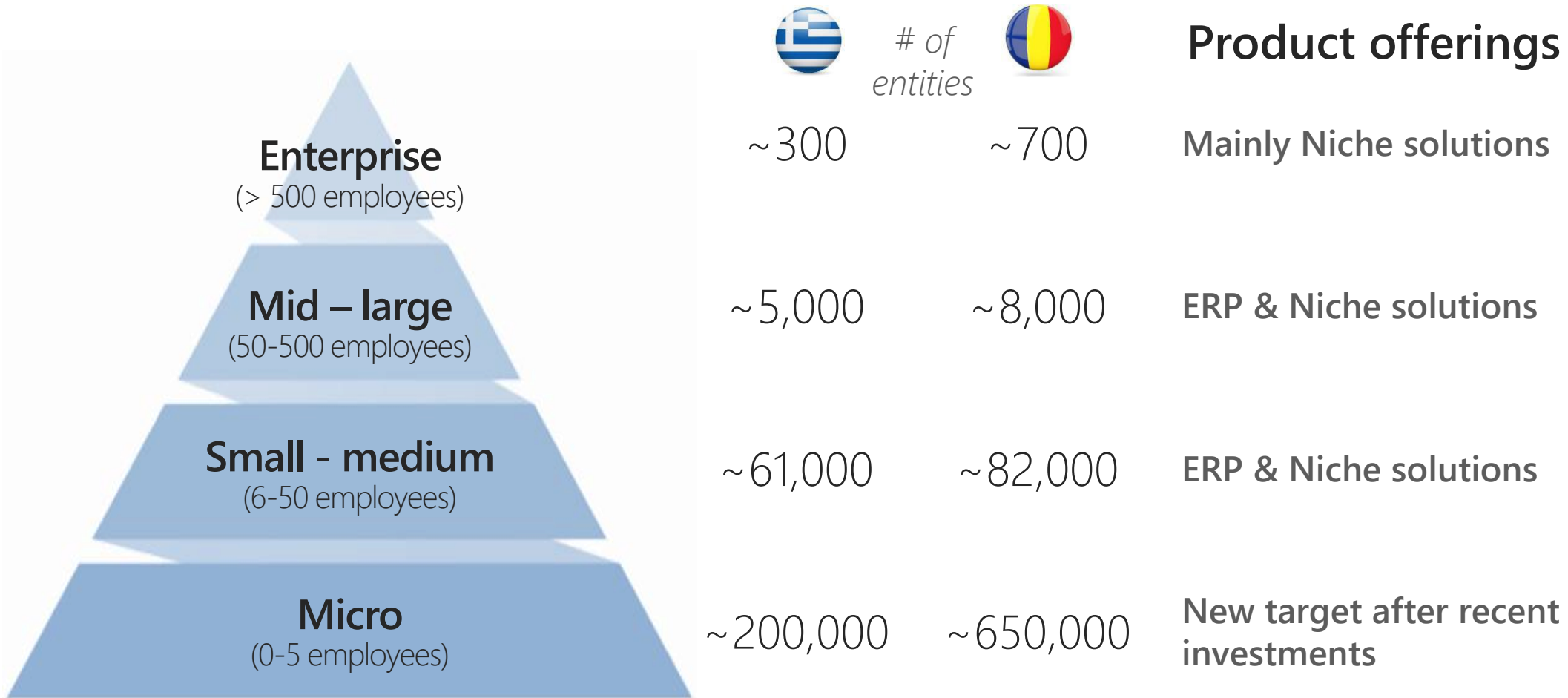



**Business Intelligence**  
Embedded analytics engine, web reporting, dashboards, cubes & analysis services

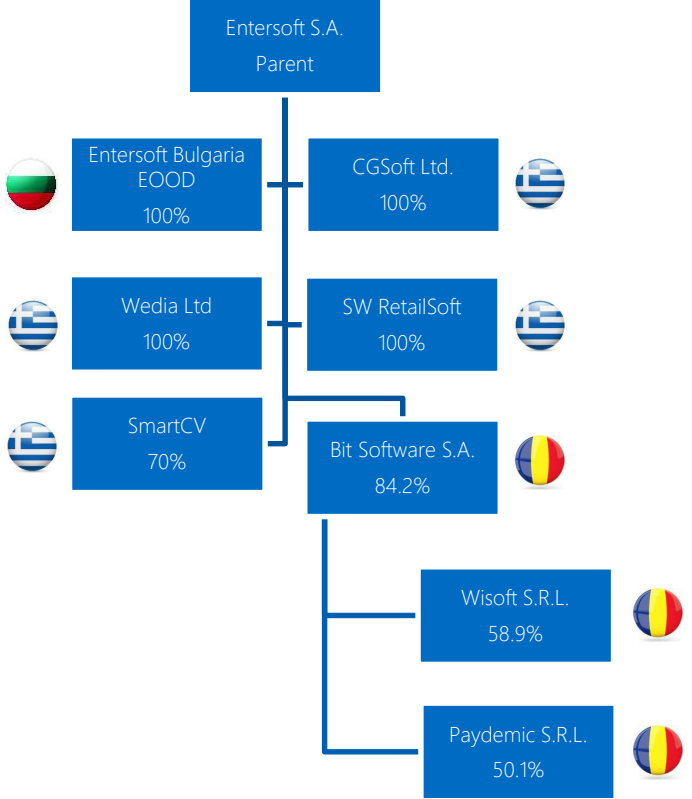


# Market segmentation (in main geographies)

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



# Entersoft Group Structure *(as of 11-Oct-2023)*

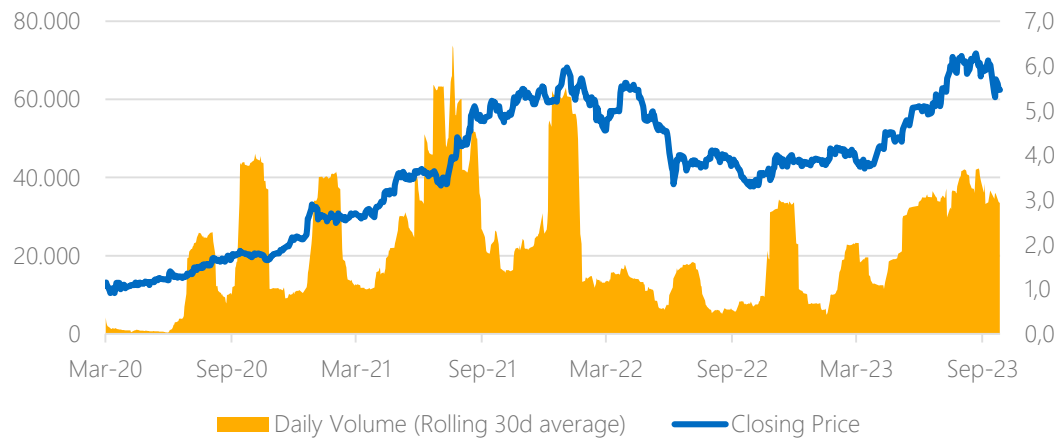


*All entities are subject to full consolidation in accordance with prevailing accounting standards*

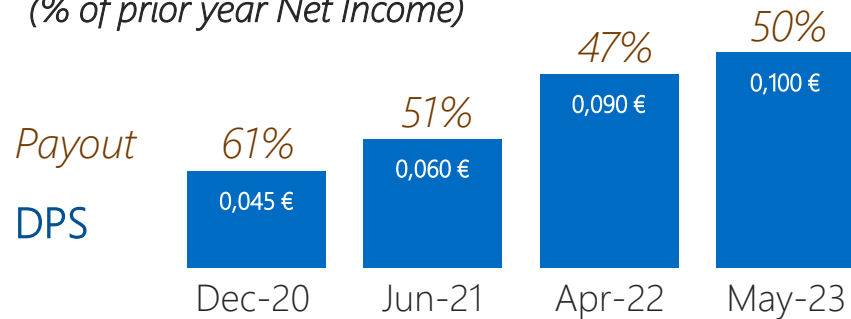
# Share Information

Total Shareholder Return of 435% (as of Oct-2023) since joining the main market (Mar-2020), 60% compounded annual return in the same period

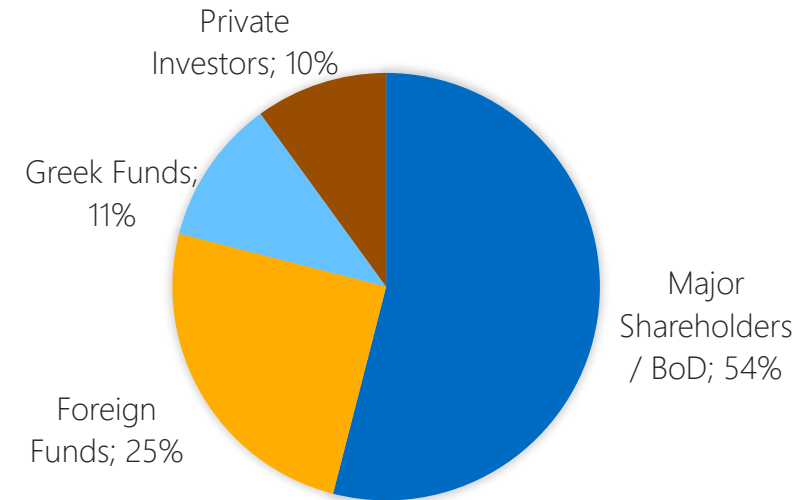
Share Price and Volume



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



Shareholding Structure



# THANK YOU!

Contact us

[info@entersoft.gr](mailto:info@entersoft.gr)



Athens | Thessaloniki | Patras | Larisa | Sofia | Bucharest



[www.entersoft.gr](http://www.entersoft.gr)



+30.211.101.5000

