

November 15, 2022

One1 Technologies reports another record quarter:

Revenues in the third quarter of 2022 grew by around 27%, to NIS 792 million;

Net profit in the quarter increased by around 32%, to around NIS 43 million;

Double-digit growth in all operating segments

During the last 3 years the Company doubled its revenues and profits

The rating company Midroog increased the Company's rating to Aa3.il

Adi Eyal, CEO of One1 Technologies: "One1 Technologies is continuing to grow significantly and consistently, at double the standard growth rate in the industry. During the last three years we doubled our revenues and profits, and today we are presenting another quarter with record results. We are continuing to work on expanding and deepening the Company's fields of activity, inter alia, through acquisitions and mergers, and as part of this process we recently acquired Webiks, a company engaged in the security segment, and we are continuing to evaluate other acquisitions, while continuing processes to accelerate organic growth, in order to continue maximizing value for our shareholders."

One1 Technologies published this morning its financial statements for the third quarter of 2022, which show record results in both revenues and profits. This quarter, the Company presented double-digit growth in all of its operating segments, improvement in operating efficiency, and additional improvement in the Company's financial strength, as reflected in the decrease in net financial debt. It is noted that One1 Group has doubled its current revenues and profits during the last 3 years.

Main results in the third quarter of 2022:

Revenues in the third quarter of 2022 grew by around 27% to around NIS 792 million, as compared with around NIS 624 million in the corresponding quarter last year. This quarter, the Company presented organic double-digit growth in all of its operating segments.

Gross profit in the third quarter of 2022 increased by around 22% to around NIS 126 million, as compared with around NIS 103 million in the corresponding quarter last year.

Operating profit in the third quarter of 2022 increased by around 28% to around NIS 60 million (around 7.6% of revenue), as compared with around NIS 47 million (around 7.5% of revenue) in the corresponding quarter last year. The growth in operating profit was mostly due to the significant growth in the Company's scopes of activity, along with the decrease in the rate of operating expenses.

EBITDA in the third quarter of 2022 increased by 15% to around NIS 87 million, as compared with around NIS 76 million in the corresponding quarter last year.

Net profit in the third quarter of 2022 increased by around 32% to a quarterly record of around NIS 43 million (around NIS 41 million attributable to majority shareholders), as compared with around NIS 33 million (around NIS 30 million attributable to majority shareholders) in the corresponding quarter last year, as stated above, due to the double-digit growth in the Company's scope of activity, along with the improvement in the Company's operating profitability.

Cash flows from operating activities in the third quarter of 2022 increased by around 71% to around NIS 90 million, as compared with around NIS 53 million in the corresponding quarter last year.

Main results in the first nine months of 2022:

The Company's **revenues** in the first nine months of 2022 increased by around 19% to around NIS 2.36 billion, as compared with around NIS 1.98 billion in the corresponding period last year. The double-digit growth in revenue was due to the organic growth in all of the Company's operating segments, especially the software segment, which grew by around 23% relative to the corresponding period last year.

Gross profit in the first nine months of 2022 increased by 18% to around NIS 370 million, as compared with around NIS 315 million in the corresponding period last year.

Operating profit in the first nine months of 2022 increased by around 23%, to around NIS 174 million (around 7.4% of revenue), as compared with around NIS 142 million (around 7.2% of revenue) in the corresponding period last year. The growth in operating profit was mostly due to the growth in the Company's scope of activity, along with the decrease in the rate of operating expenses.

EBITDA in the first nine months of 2022 increased by around 15% to around NIS 256 million, as compared with around NIS 224 million in the corresponding period last year.

Net profit in the first nine months of 2022 increased by around 25% to around NIS 125 million (around NIS 119 million attributable to majority shareholders), as compared with around NIS 100 million (around NIS 94 million attributable to majority shareholders) in the corresponding period last year, due to the



aforementioned growth in the Company's scope of activity, the improved operating efficiency, and the decrease in net financing expenses.

Cash flows from operating activities in the first nine months of 2022 increased by around 2% to around NIS 192 million, as compared with around NIS 188 million in the corresponding period last year.

Data from the balance sheet as of September 30, 2022 and major events:

Total cash and cash equivalents in the Company amounted to around NIS 253 million. On the other hand, the Company has **gross financial debt** in the amount of around NIS 304 million. Accordingly, **net financial debt** decreased to around NIS 51 million.

The Company's equity increased to around NIS 613 million, as compared with around NIS 564 million at the end of 2021, and representing around 32.3% of the total balance sheet. The growth in equity was mostly due to the growth in net profit, which was partly offset by a dividend distribution in the amount of around NIS 76 million since the beginning of the year, in accordance with the dividend distribution policy at a rate of around 66% of net profit.

In parallel with the approval of the reports, the company's board of directors announced a **dividend distribution to shareholders** in the amount of around NIS 27 million.

One1 Software Technologies is the second largest IT company in the Israeli market. The company provides various IT solutions to thousands of customers in various market sectors. The Company employs around 6,300 employees. The company's stock is included on the Tel Aviv 125 Index, and is traded at a market value of around NIS 3.6 billion. The Company's CEO and controlling shareholder is Mr. Adi Eyal.

For additional details, contact Eliash Eisenberg:

Naama Tzelner 054-5929150