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## **One Technologies reports its 12th consecutive quarter of double-digit growth in revenues and profits:**

**Revenues in the second quarter of 2023 grew by 13% to 881 million NIS**

**Net profits in the quarter increased by 10% to 47 million NIS.**

**In the first half of 2023 it recorded a 13% increase in net profits to 93 million NIS thanks to organic growth in all of the Company's operating sectors.**

Adi Eyal, CEO of One technologies: "We are showing strong results today for the first half of 2023, with record revenues and a 13% increase in net profits, in light of organic growth in all operating sectors. In the software sector, a high growth rate of 23% in revenues was recorded in the period. Among other things, with the support of the Company's mixture of customers, which has minimal exposure to the field of start-up companies, which is currently characterized by a slowdown in demand.

We are continuing to expand and increase the Company's activity in the various sectors of the IT world, and we are keeping close track of the possible impact of changes in Israeli legislation, and in this context this includes recent references on behalf of the rating companies which are warning of the implications of the steps on the Israeli economy.

Over the past two years, we have mainly focused on increasing our internal value and maximizing synergies inside the group, in light of price levels and the high multipliers of companies and activities purchased. This strategy has led to significant organic growth in these years and a significant strengthening of the Company's capital structure. The Company is now also considering expanding its activity by mergers and acquisitions, which will allow us to offer an additional and up-to-date basket of solutions for our customers, while constantly improving the Company's results.



This morning, **One Technologies** published its monetary results for the second quarter of 2023, showing another quarter with a double-digit growth in revenues and profits, alongside improvements in financial strength.

### **Key results from the second quarter of 2023:**

**Revenues** in the second quarter of 2023 grew by 13% to 881 million NIS, compared to 778 million NIS in the corresponding quarter last year. This quarter, the Company presented organic growth in most of its areas of activity – divided into operating sectors as follows:

- **Revenues from the software sector** increased by 26% this quarter to 537 million NIS, compared to 427 million NIS in the corresponding quarter last year.
- **Revenues from the IT and communications infrastructure sector** amounted to 268 million NIS this quarter, compared to 276 million NIS in the corresponding quarter last year.
- **Revenues from the business process outsourcing and technological support centers sector** climbed 6% to 84 million NIS this quarter, compared to 80 million NIS in the corresponding quarter last year.

**Gross profit** in the second quarter of 2023 increased by 10% to 133 million NIS, compared to 121 million NIS in the corresponding quarter last year.

**Operating profit** in the second quarter of 2023 increased by 12% to 65 million NIS (7.4% of revenues), compared to 58 million NIS (7.5% of revenues) in the corresponding quarter last year. The increase in operating profit derived, as noted, from the increase in the Company's levels of activity, primarily in the field of software, as well as from improved operational profitability in the field of IT and communications infrastructure. The following is the operating profit divided by operating sectors:

- **Operating profits from the software sector** in the quarter increased by 17% to 39 million NIS, compared to 33 million NIS in the corresponding quarter last year.
- **Operating profits in the IT and communications infrastructure sector** in this quarter increased by 9% to 22 million NIS, versus 20 million NIS in the corresponding quarter last year.
- **The operating profit from the outsourcing business processes and technological support centers sector** amounts to 9 million NIS, similar to the corresponding quarter last year.

**The EBITDA** in the second quarter of 2023 increased by 7% to 91 million NIS, compared to 85 million NIS in the corresponding quarter last year.

**Net profit** in the second quarter of 2023 increased by 10% to 47 million NIS (44 million NIS attributed to shareholders), compared to 42 million NIS (40 million NIS attributed to shareholders) in the corresponding quarter last year. The increase in profits derived, as noted, from the growth in activity, alongside the drop in operating costs.

**The cash flow from ongoing activity** in the second quarter of 2023 increased by 85% to 70 million NIS, compared to 38 million NIS in the corresponding quarter last year, as a result of the increase in net profit and changes in working capital items.

### **Key results of the first half of 2023:**

**Revenues** in the first half of 2023 grew by some 15% to 1.8 billion NIS, compared to 1.57 billion NIS in the corresponding period last year. During the period, the Company showed organic growth in all of its areas of activity.

**Gross profit** in the first half of 2023 increased by some 13% to 276 million NIS, compared to 245 million NIS in the corresponding period last year.

**Operating profit** in the first half of 2023 increased by some 13% to 129 million NIS (7.2% of revenues), compared to 114 million NIS (7.3% of revenues) in the corresponding period last year.

**The EBITDA** in the first half of 2023 increased by 7% to 181 million NIS, compared to 169 million NIS in the corresponding quarter last year.

**Net profit** in the first half of 2023 increased by 13 to 93 million NIS (89 million NIS attributed to shareholders), compared to 82 million NIS (78 million NIS attributed to majority shareholders) in the corresponding period last year. The increase in profits largely derived, as noted, from growth in all areas of activity.

**The cash flow from ongoing activity** in the first half of 2023 increased by 66% to 170 million NIS, compared to 102 million NIS in the corresponding period last year, as a result of the increase in net profit and changes in working capital items.

### **Data from the June 30 2023 Balance Sheet:**

**The Company's equity** amounted to 648 million NIS and constitutes 31.6% of the balance sheet total. The Company has a **net cash surplus** of 32 million NIS.



**Alongside the publication of the reports**, the Company Board of Directors announced that it would be distributing dividends to the sum of 29 million NIS, following additional distributions at an accumulated sum of 58 million NIS from the beginning of the year, in accordance with the dividend distribution policy according to which the Company would distribute dividends to its shareholders at a rate of 66% of the quarterly net profit.

**One Software Technologies** is the second-largest IT company in the Israeli market. The company provides a variety of technological IT solutions to thousands of customers in various sectors of the economy. There are 6,500 workers at the Company. The company's share is on the Tel Aviv 125 Index. The company's CEO and controlling shareholder is Mr. Adi Eyal.

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