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One Technologies concludes the fourth quarter of 2023 and presents record profits:

Revenues in the fourth quarter increased by 18% and for the first time crossed the threshold of 1 billion NIS per quarter, thanks to a 30% growth rate in the field of technological solutions and services.

Net profits in the quarter increased by 10% to a record NIS 51 million.

One finished 2023 with 15% growth in revenues to NIS 3.7 billion and a 11% increase in net profits to NIS 191 million.

Revenues in the Technological Solutions and Services segment increased by 24.1% in 2023 to NIS 2.19 billion.

One crossed the threshold of one billion dollars in revenues in 2023.

Over the past 5 years – revenues and profits increased by a factor of over 2.5;

Revenues in 2023 grew by 160% to NIS 3.7 billion, compared to NIS 1.4 billion in 2018.

Net profits in 2023 increased by 177% to NIS 191 million, compared to NIS 69 million in 2018.

Adi Eyal, CEO of One Technologies: “2023 was another year of growth in the One group, with the Technological Solutions and Services sector leading the Group's growth with a 24% increase in revenues. From a multi-yearly point of view, the One Group increased its scope of activities by over 160% in the past five years, thanks to organic growth in all areas of activity, and following the purchase of companies that increased the array of solutions the Group offers its customers in all operating segments, while deepening its activity in growing areas such as cyber, artificial intelligence, ERP, cloud computing, consulting and more. The business results for the end of 2023, and the results of the fourth quarter of the year in particular, are evidence of the strength of the One Group, which managed to grow at significant rates during a challenging year, which was characterized by a great deal of uncertainty in the Israeli market, and in particular in the fourth quarter, when the Iron Swords war began, which led to a downturn in activity in the economy and the recruitment of hundreds of our workers to active reserve duty. We are continuing to work to strength the One Group's lead in the Israeli market, as well as tightening our relationship with our existing customers, and increasing the Group's

basket of products and services in order to increase our circle of customers in coming years.

This morning, **One Technologies** published its monetary results for 2023, which show significant growth in revenues and profits, both in the year as a whole and in the fourth quarter of the year, in which the Group first crossed a quarterly threshold of over one billion NIS.

Key results for 2023:

Revenues in 2023 grew by 15% to NIS 3.7 billion, compared to NIS 3.2 billion in 2022. During the period, the Company presented organic growth in most of its areas of activity, with an emphasis on growth of some 24% in the field of Technological Solutions and Services. The following is the division into operating segments:

- **Revenues in the Technological Solutions and Services segment** increased in 2023 by 24.1% to NIS 2.19 billion, compared to NIS 1.76 billion in 2022.
- **Revenues in the IT and Communications Infrastructure segment** increased in 2023 by 5.9% to NIS 1.21 billion, compared to NIS 1.14 billion in 2022.
- **Revenues from the Business Process Outsourcing and Technological Support Centers segment** in 2023 amounted to NIS 320.5 million, compared to NIS 325.3 million in 2022.

Gross profits in 2023 increased by 9% to NIS 556 million, compared to NIS 508 million in 2022.

Operating profit in 2023 increased by 12% to NIS 264 million (7.2% of revenues), compared to NIS 237 million (7.4% of revenues) in 2022. The following is operating profit divided by operating segments:

- **Operating profits from the Technological Solutions and Services segment** increase in 2023 by 16.2% to NIS 170.9 million, compared to NIS 147.1 million in 2022.
- **Operating profits from the IT and Communications Infrastructures segment** increase in 2023 by 9.6% to NIS 86.6 million, compared to NIS 79 million in 2022.
- **Operating profits from the Business Process Outsourcing and Technological Support Centers segment** in 2023 amounted to NIS 26.9 million, compared to NIS 29.6 million in 2022.

EBITDA in 2023 increased by 8% to NIS 373 million, compared to NIS 345 million in 2022.

Net profit in 2023 increased by 11% to NIS 191 million (NIS 182 million attributed to shareholders), compared to NIS 172 million (NIS 163 million attributed to shareholders) in 2022. The increase in profit mainly derived from growth in areas of activity.

The cash flow from ongoing activity in 2023 increased by 13% to NIS 344 million, compared to NIS 304 million in 2022, as a result of the increase in net profit and from changes in working capital items.

Key results of the third fourth of 2023:

Revenues in the fourth quarter of 2023 grew by 18% to NIS 1 billion, compared to NIS 851 million in the corresponding quarter of 2022. The Company showed organic growth in the quarter both in the Technological Solutions and Services segment and in the IT and Communications Infrastructures segment. The following is the division into operating segments:

- **Revenues from the Technological Solutions and Services segment** increased by 30% in the quarter to NIS 601 million, compared to NIS 463 million in the corresponding quarter of 2022.
- **Revenues from the IT and Communications Infrastructure segment** increased by 8% in the quarter to NIS 331 million, compared to NIS 306 million in the corresponding quarter of 2022.
- **Revenues from the Business Process Outsourcing and Technological Support Centers segment** in the quarter amounted to NIS 74 million, compared to NIS 86 million in the corresponding quarter of 2022.

Gross profit in the fourth quarter of 2023 increased by 7% to NIS 148 million, compared to NIS 138 million in the corresponding quarter last year.

Operating profit in the fourth quarter of 2023 increased by 12% to NIS 70 million (7.0% of revenues), compared to NIS 62 million (7.3% of revenues) in the corresponding quarter of 2022. The increase in operating profit derived, as noted from the increase in the Company's levels of activity, from the increase in the activity in the Technological Solutions and Services field which is characterized by higher levels of profitability, as well as from streamlining in the operating expenses end.

EBITDA in the fourth quarter of 2023 increased by 12% to NIS 99 million, compared to 89 million NIS in the corresponding quarter of 2022.



Net profit in the third quarter of 2023 increased by 10% to a record NIS 51 million (NIS 49 million attributed to shareholders), compared to NIS 47 million (NIS 44 million attributed to shareholders) in the corresponding quarter of 2022. The increase in profits derives, as noted, from the growth in activities, alongside a drop in operating expenses.

Note that the increase in profits was achieved in spite of the impact of the Iron Swords war. During the months of fighting, hundreds of Group employees were called up to reserve duty. As of the publication of this report, the number of employees in active reserve duty is 202 employees, men and women, with the number of reservist serving from Company employees reaching over 500 employees over the course of the fourth quarter.

Cash flow from ongoing activity in the fourth quarter of 2023 increased by 11% to NIS 124 million, compared to NIS 112 million in the corresponding quarter of 2022.

Data from the December 31 2023 Balance Sheet:

The Company's equity increased, amounting to NIS 688 million and constitutes 32.3% of the balance sheet total. The Company has a strong balance sheet structure expressed by negligible leveraging and a **net capital surplus** of NIS 102 million.

Alongside publication of the Statements, the Company Board of Directors declared that it would be distributing dividends to the sum of NIS 32.5 million, following additional distributions to the cumulative sum of NIS 116 million over the course of 2023, 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 profits.

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. The Company has some 7,000 employees. The Company's share is traded at a value of NIS 3.4 billion and is included on the Tel Aviv 125 Index. The company's CEO and controlling shareholder is Mr. Adi Eyal.