

Softbinator Technologies posts a 57% turnover growth in the first half of 2023

Bucharest, September 4, 2023 – Softbinator Technologies, a Romanian company that provides complete software product development services (product management, product design, software development, blockchain development, and product marketing), posts, at a consolidated level, a 17.6 million lei turnover, a 57% increase compared to the same period last year and a net loss of 557 thousand lei. The recorded net loss was primarily caused by this year's technology crisis, which affected software development service providers. The financial results related to the first half of 2023 of Softbinator Technologies are presented according to IFRS standards.

"After 2022, in which we focused heavily on M&A transactions, in 2023, we focused on restructuring and developing sales and marketing activities to continue to grow, even in the current conditions of the technology field. Although 2023 brought a significant reduction in hiring and a slower period in startup and technology investments, we were able to adapt to this situation quickly. We have developed a solid plan to build a foundation of stability that will allow us to achieve predictable results in the coming years. Therefore, in the first half of this year, we focused on strengthening relationships with existing customers and leveraging growth potential with them," stated Daniel Ilinca, founder and CEO of Softbinator Technologies.

The company published its financial results for the first half of 2023 according to IFRS format. At the consolidated level, the results include the performances of Softbinator Technologies, [es-pres-oh], WiseUp, Ixperi, and Digital Tailors. In the first six months of the year, Softbinator Technologies went through an extensive consolidation process of the acquired companies, which led to restructurings, cost optimizations, and unification of accounting policies at the group level.

At an individual level, according to IFRS, Softbinator Technologies recorded a 10.3 million lei turnover, a 29% increase compared to the same period last year, and a net loss of 169 thousand lei, compared to a net profit of 1.8 million lei recorded in the first six months of 2022.

"In the first six months of 2023, high general inflation has put additional pressure on payroll and subcontractor costs, significantly increasing expenses far above the revenue growth. Although we still face an uncertain situation in the industry that we are part of and possible legislative changes to be decided, we are confident that through the measures taken in recent months, we have created a control structure that can react quickly, thus generating solutions for adapting to the new conditions," said Vlad Deliu, CFO of Softbinator Technologies.

The company's management underlines that the second half of the year is still subject to risks that can significantly impact the financial performance of the group and the tech industry. One of the main risk factors is the potential tax change related to income tax for software development employees. A change in the currently circulated draft in the media may considerably increase salary expenses within such companies.

For the year's final months, Softbinator Technologies intends to continue applying a rigorous cost control policy, allocating additional funds to the development of the sales and marketing department to generate a solid basis for growth for 2024.

Softbinator Technologies is listed on the AeRO market of the Bucharest Stock Exchange as of December 17, 2021, and trades under the symbol CODE. Currently, the company has a market capitalization of approximately 61 million lei.

About Softbinator Technologies

Softbinator Technologies, a Romanian company with accelerated growth, provides full-stack product development services (product management, product design, software development, blockchain development, and product marketing) using cutting-edge technologies and helps companies to launch high-performance and easily scalable products in a shorter time. The company's services and products are used globally by startups, SMEs, unicorns, and Fortune 500 clients, with which they build versatile teams that use the Agile methodology. The organization's profile is oriented toward product development, valued for its ability to deliver results quickly. Softbinator Technologies has approximately programmers and collaborators in its team in Bucharest, and Timisoara as well as in Cluj, Brasov, Constanta, Iasi. www.softbinator.com