

Elevate Digital Transformation

Teleconference for investors and analysts
Q3/9M 2024 Results
November 7, 2024

Jens Amail, CEO
Andreas Röderer, CFO

Agenda

Overview:
Q3/9M 2024 Results

Detailed Financials

Q&A



Agenda

Overview:
Q3/9M 2024 Results

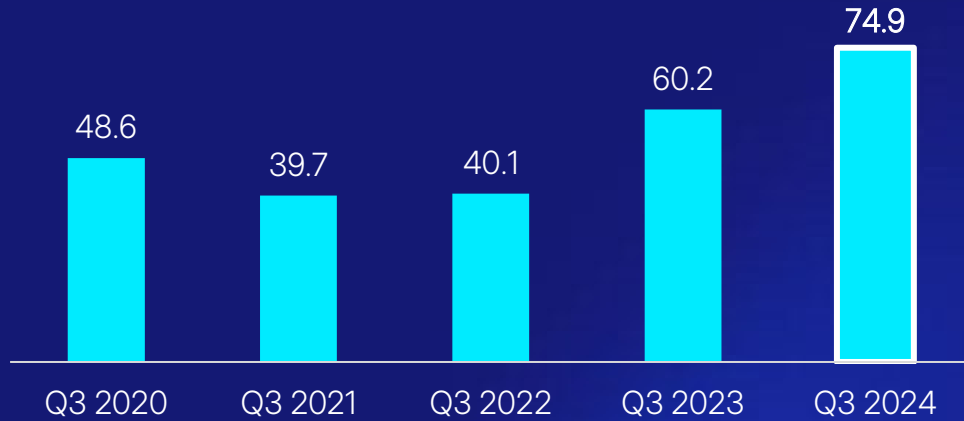
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Five-Year Overview

Order Entry (in €m)

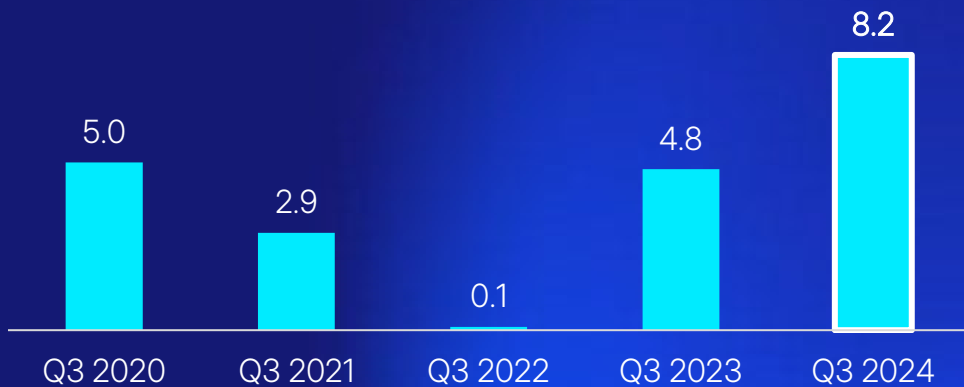


Revenue (in €m)

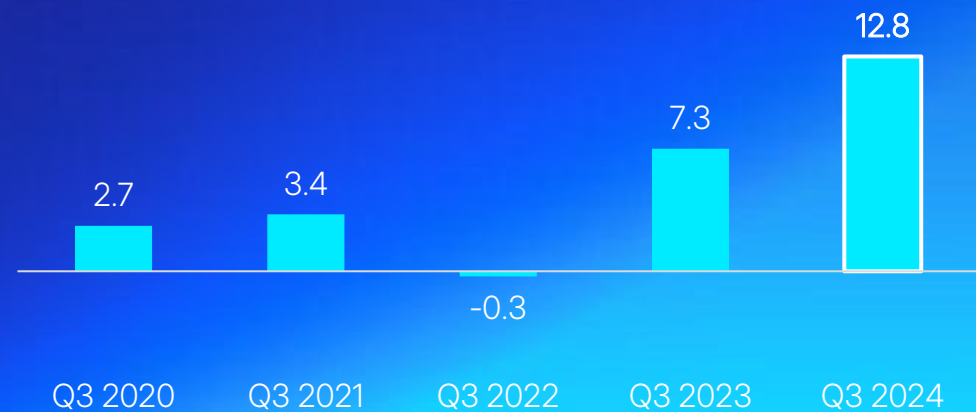


* Thereof Software.

EBIT (in €m)



Operating Cash Flow (in €m)



Key Results – 9M 2024

Best Q3 ever after record first half results and fast-growing previous year: After first nine months, order entry broke € 200m threshold; group revenue rose by 22% to € 182.8m.

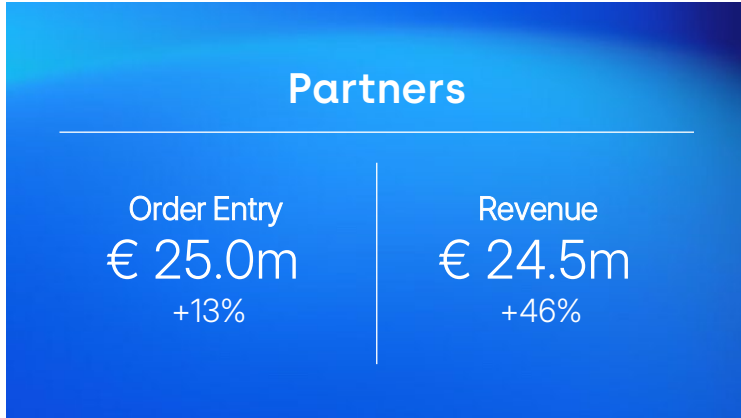
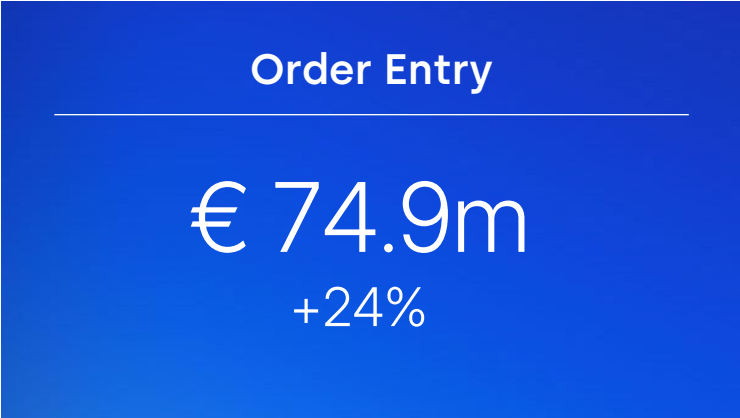
Significantly increased profitability: EBIT marked € 20.6m with a margin of 11.3% (5.5% in 9M 2023) in spite of continued non-operational effects. EXA with strongest margin increase at a segment level: EBIT up to € 3.0m (9M 2023: € 0.3m).

Strongly improved cash position: Continued positive development of operating cash flow totaling to € 17.4m (9M 2023: € -1.6m). Very strong cash & cash equivalents of € 51.9m compared to € 29.3m as of Sept. 30, 2023.

Continued high impact of strategic growth levers: Partner business accounts for 47% of total 9M order entry, sustained significant S/4 and RISE business (52% of 9M order entry) and ongoing internationalization with strongest order entry increases in NEMEA (+103% to € 28.9m) and NA (+40% to € 38.2m).

Guidance raised once again for 2024: Revenue range of € 240m – 250m; EBIT is predicted between € 21m – 25m; book-to-bill ratio unchanged greater than one.

Q3 2024 – Key Figures



9M 2024 – Key Figures

Order Entry

€ 209.5m
+24%

Group Revenue

€ 182.8m
+22%

EBIT

€ 20.6m
>+100%

Services [incl. EXA]

Order Entry
€ 137.8m
+17%

Revenue
€ 119.2m
+18%

Software [incl. EXA]

Order Entry
€ 71.7m
+40%

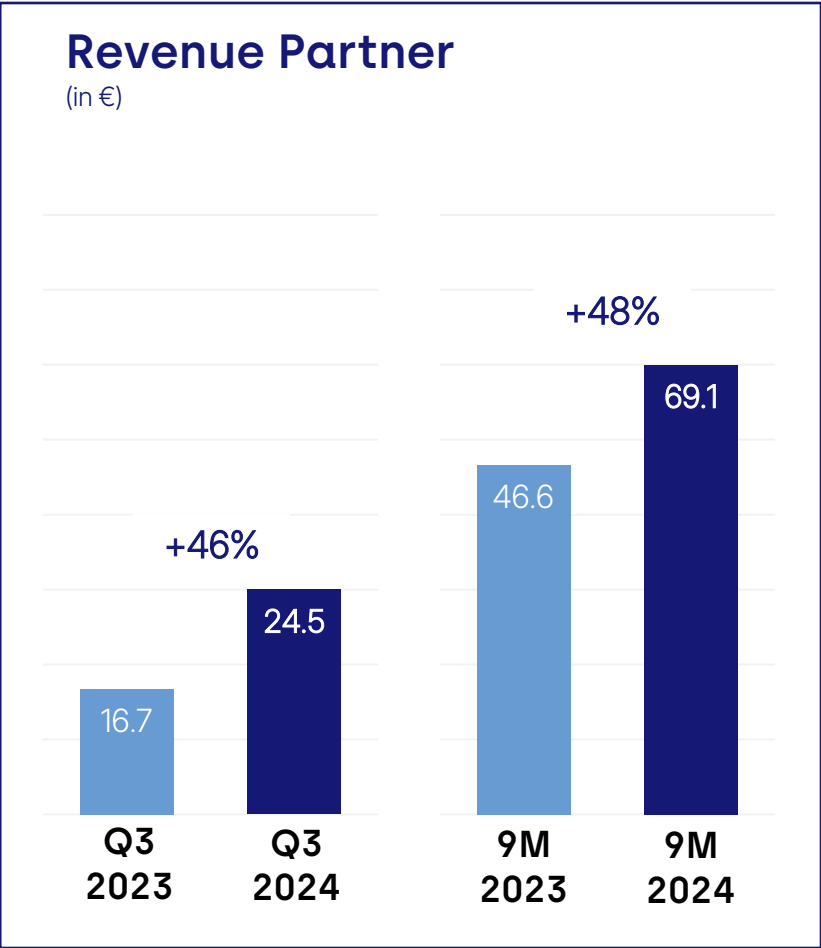
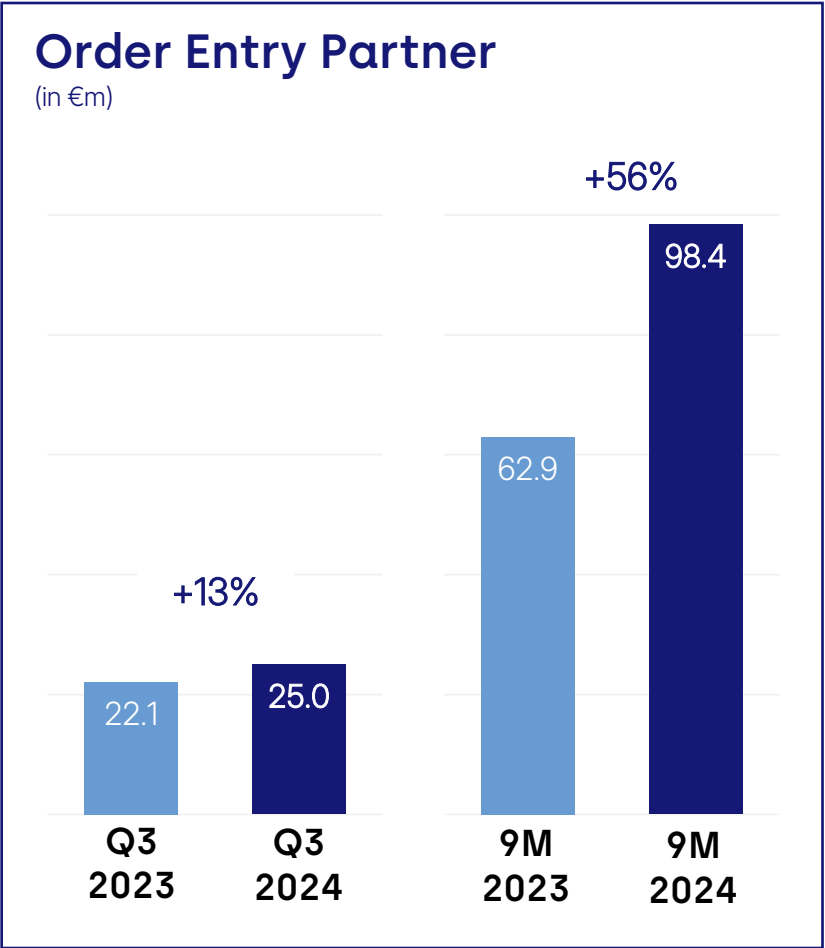
Revenue
€ 63.7m
+31%

Partners

Order Entry
€ 98.4m
+56%

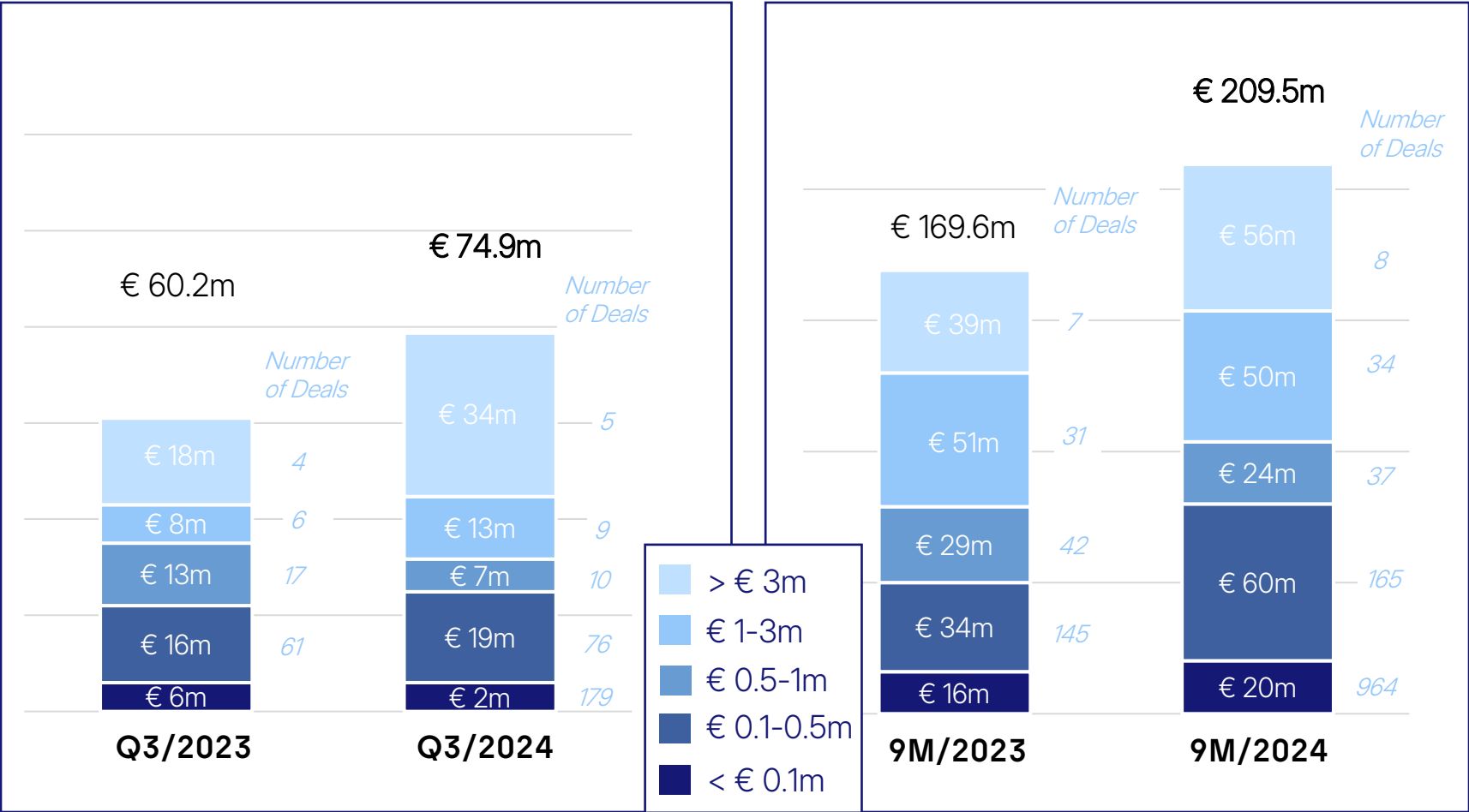
Revenue
€ 69.1m
+48%

Continued Strong Partner Business



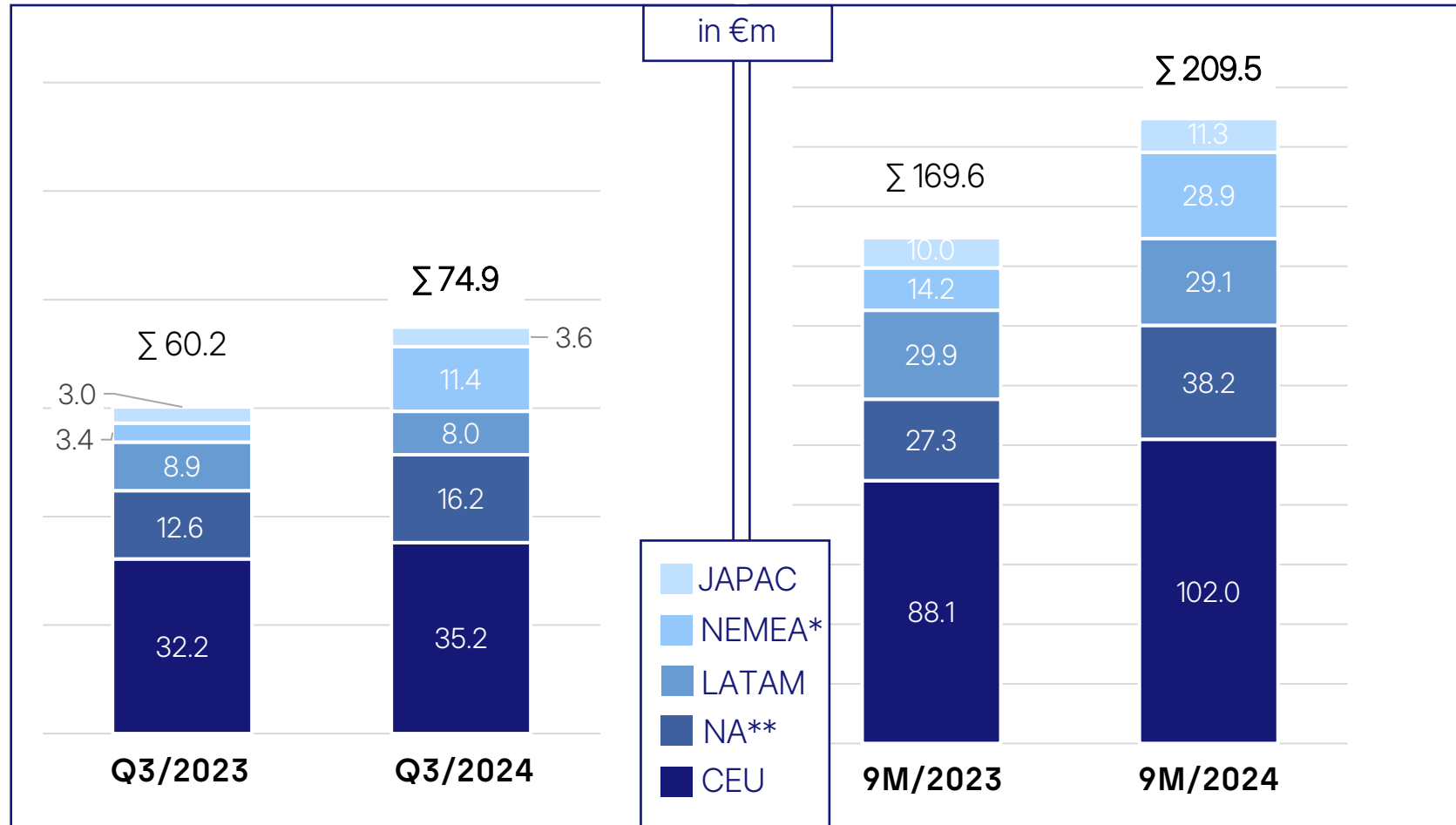
- Strong growth in partner business: 47% of **total order entry** are attributable to partners (37% in 9M 2023).
- Almost 50% of the **order entry by partners** are delivered by five strategic alliances.
- **Kyano rollout** at partners and increased focus on ecosystem capabilities of platform.

Order Entry by Deal Bands



- 24% growth in Q3 boosted by **five mega deals > € 3m**.
- Significant improvements with large transformational deals and run rate business: on a nine-month view, both **small to medium-sized** (+76% to € 60m) and **mega deal projects** (+44% to € 56m) with strong growth.

Order Entry by Region

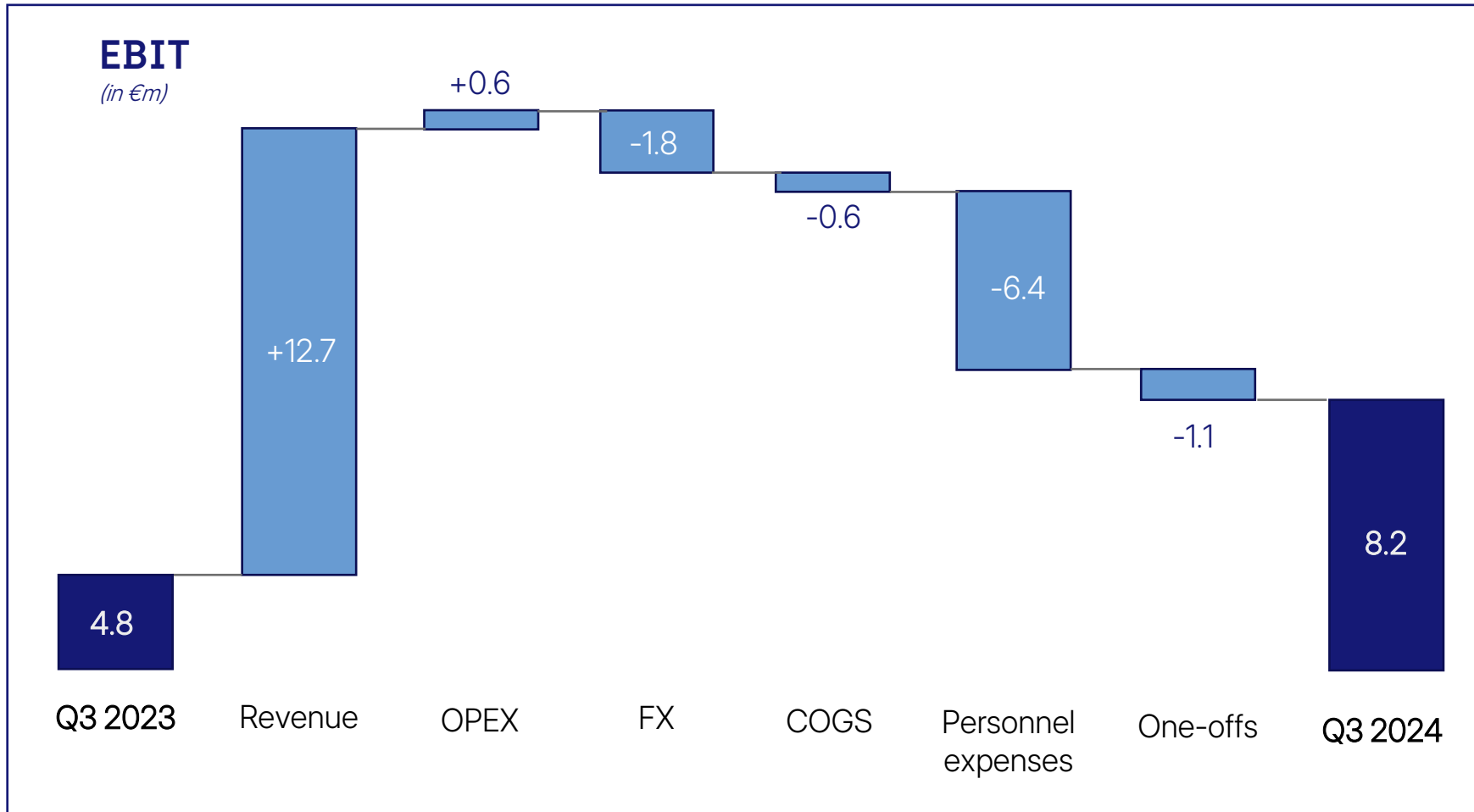


* Since the beginning of 2024, NEMEA has also included the Nordics and Middle East regions in addition to the United Kingdom and Ireland.

** North America; previously USA.

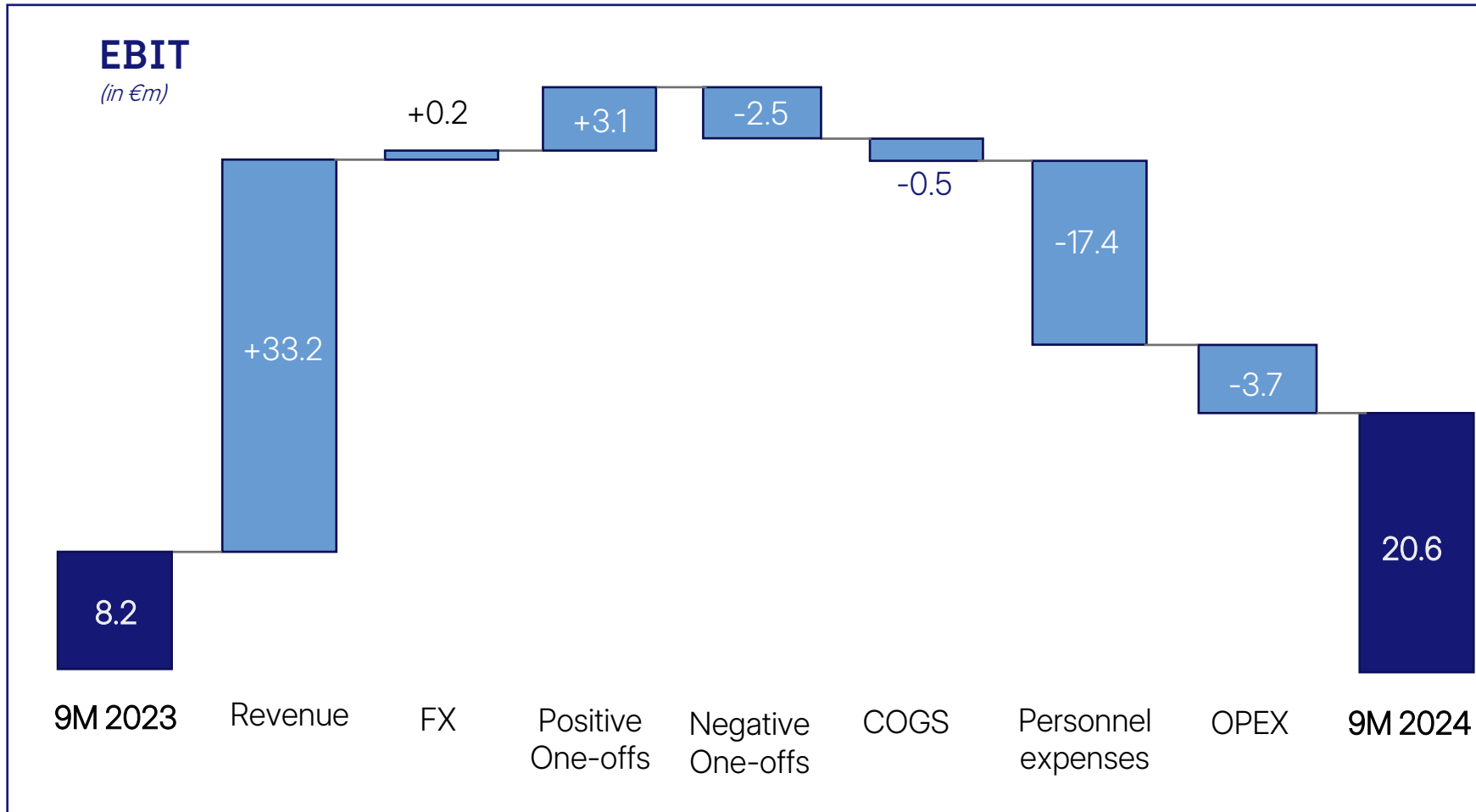
- Growth largely across all regions from quarterly and nine-month perspective.
- LATAM slightly declined due to the shift of business focus towards SNP core business.
- Strongest increases in NEMEA (+103% to € 28.9m) and NA (+40% to € 38.2m).
- Despite challenging economical environment, CEU up by 16% to € 102.0m with slightly decreasing share of total order entry (-3pp to 49%).
- Still strong order entry in relation to S/4 and RISE: +28% to € 108.7m (9M 2023: € 85.0m), accounting for 52% of the total order entry (9M 2023: 50%).

Reconciliation EBIT – Q3



- **Revenue:** Software incl EXA: € +4.9m (+27%); Service incl. EXA: € +7.8m (+22%).
- **FX:** Negative currency effect caused by the development of the US dollar.
- **Personnel expenses:** In addition to higher number of employees and salary increases in 2024, higher performance-related bonus accruals were particularly responsible for the increase.
- **One-offs** are based on write-downs on rights of use and adjustments to a purchase price obligation.

Reconciliation EBIT – 9M



- **Revenue:** Software incl EXA: € +15.1m (+31%); Service incl. EXA: € +18.1m (+18%).
- **Personnel expenses:** higher number of employees and salary increases in 2024.
- **Positive one-offs:** Settlement with community of heirs.
- **Negative one-offs:** Impairment of receivable, right-of-use assets and adjustments to a purchase price obligation.

Guidance for 2024 Raised Once Again

Current Raised
Guidance 2024

View in August 2024

Order entry

Book-to-Bill-Ratio >1

Book-to-Bill-Ratio >1

Revenue

€240m – 250m

€225m – 240m

EBIT

€21m – 25m

€16m – 20m

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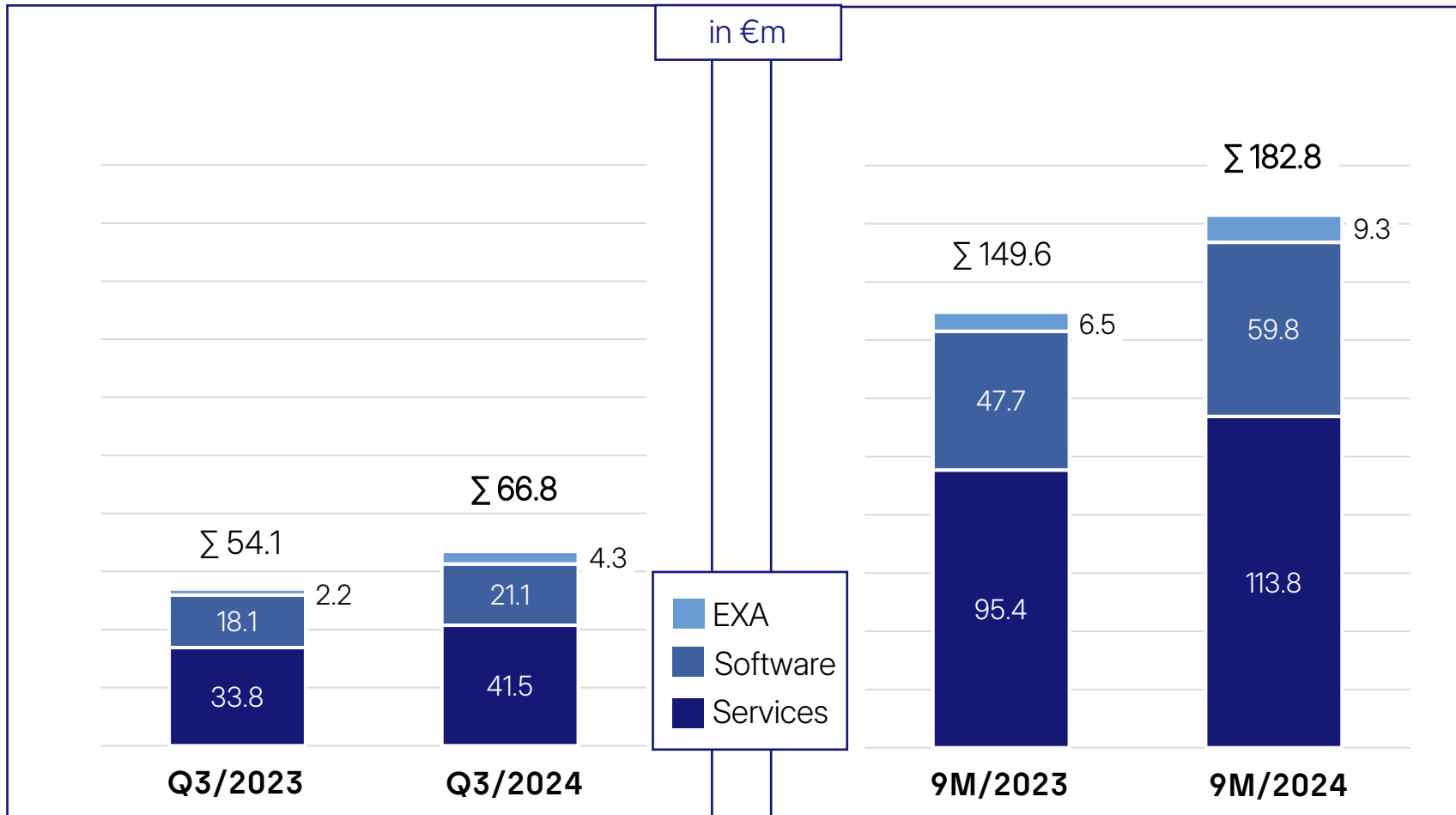


Income Statement Q3/9M 2024

(in €m)	Q3 2024	Q3 2023	Δ	9M 2024	9M 2023	Δ
Revenue	66.8	54.1	+24%	182.8	149.6	+22%
Gross profit	60.4	48.1	+25%	164.8	132.0	+25%
Personal expenses	-38.8	-32.4	+20%	-111.1	-93.0	+19%
Other income/expenses	-9.7	-7.6	+28%	-21.9	-21.9	0%
EBITDA	11.4	7.4	+54%	29.1	16.0	+81%
EBIT	8.2	4.8	+70%	20.6	8.3	+149%
EBT	7.2	4.2	+71%	18.4	6.5	+185%
Net income	5.0	2.9	+71%	12.9	4.5	+185%
Gross profit margin	90.3%	89.1%	+1.3pp	90.1%	88.2%	+1.9pp
EBITDA margin	17.1%	13.7%	+3.4pp	15.9%	10.7%	+5.2pp
EBIT margin	12.2%	8.9%	+3.3pp	11.3%	5.5%	+5.8pp

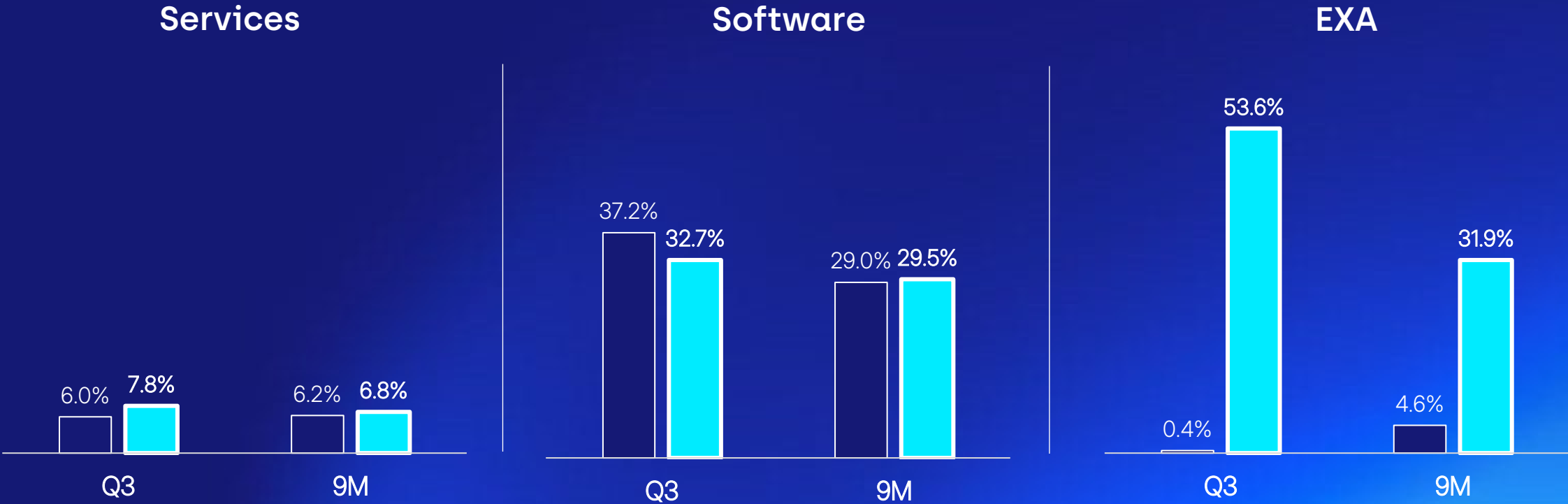
- Increased **personnel expenses** mainly due to (1) higher number of employees, (2) salary increases in 2024 and (3) higher accruals for bonuses.
- Other operating expenses** almost unchanged (9M 2024: € 30.7m); mainly due to reduced FX losses to € 3.6m (9M 2023: € 8.1m), and increased expenses for marketing and travel.
- Other operating income** decreased by € 0.9m to € 8.8m; mainly due to the **receivables purchase and assignment agreement** in June 2024 (€ 3.5m) and decreased **currency effects** by € 3.9m.
- EPS (undiluted)**: Significantly improved by € 1.15 to € 1.78.

Revenue Growth in all three Segments

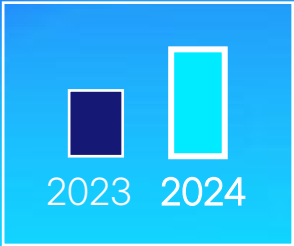


- **Services business segment** up by 19%, compared with 9M 2023, due to an improved order situation and higher customer prices.
- Revenue in the **Software business segment** increased well above average by 25%; primarily due to the increased sales of program licenses mainly for the implementation of numerous SAP S/4HANA projects.
- **EXA**: Strongly improved revenue and earnings situation.
- **Book-to-bill: 1.15**

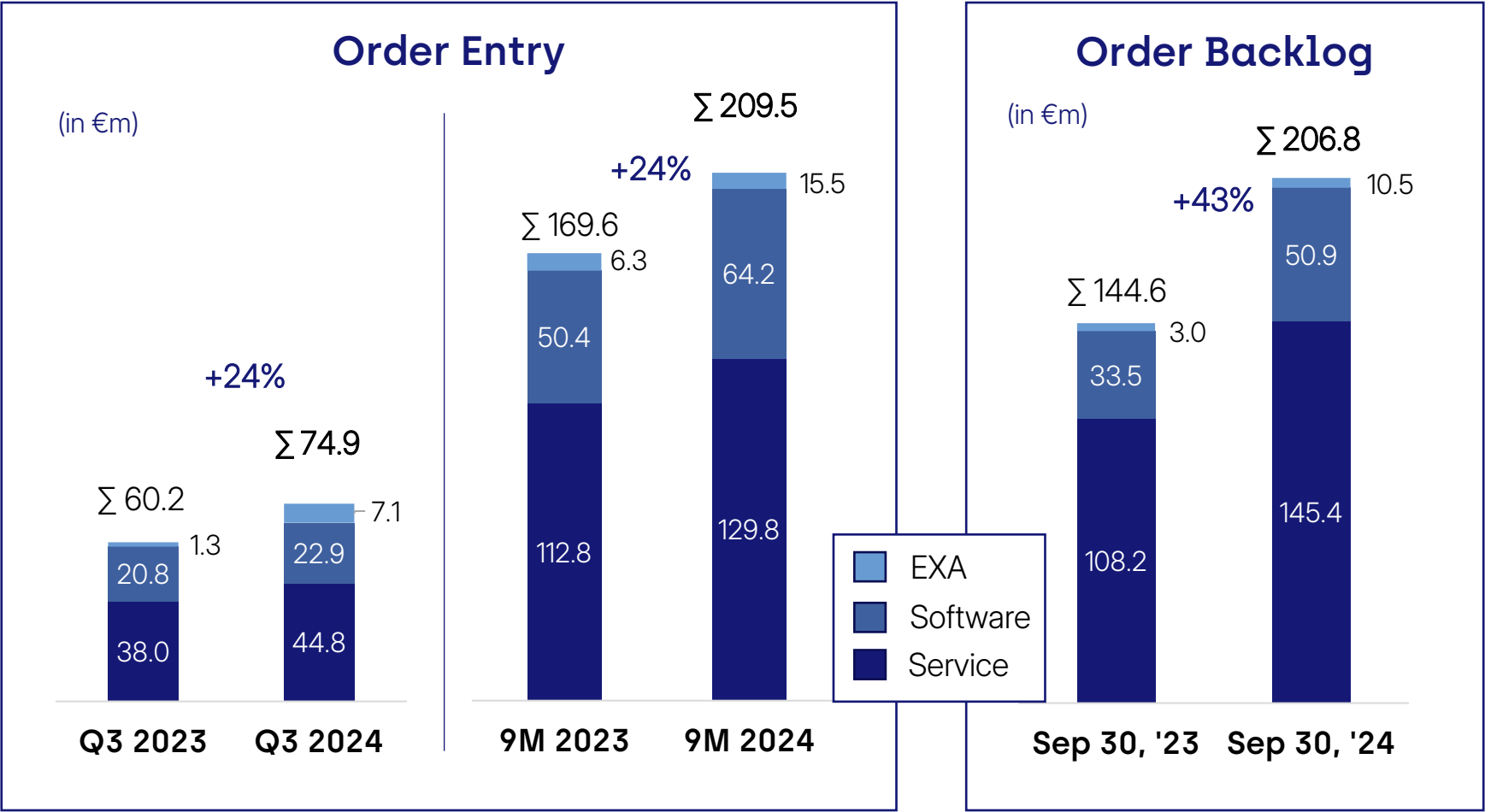
Strongly Improved Segment Margins



- Negative impact on the **service and software margin** in Q3 due to higher costs, particularly as a result of a significant decline in exchange rate results.
- **EXA** with positive development due to deals with big-name global customers.

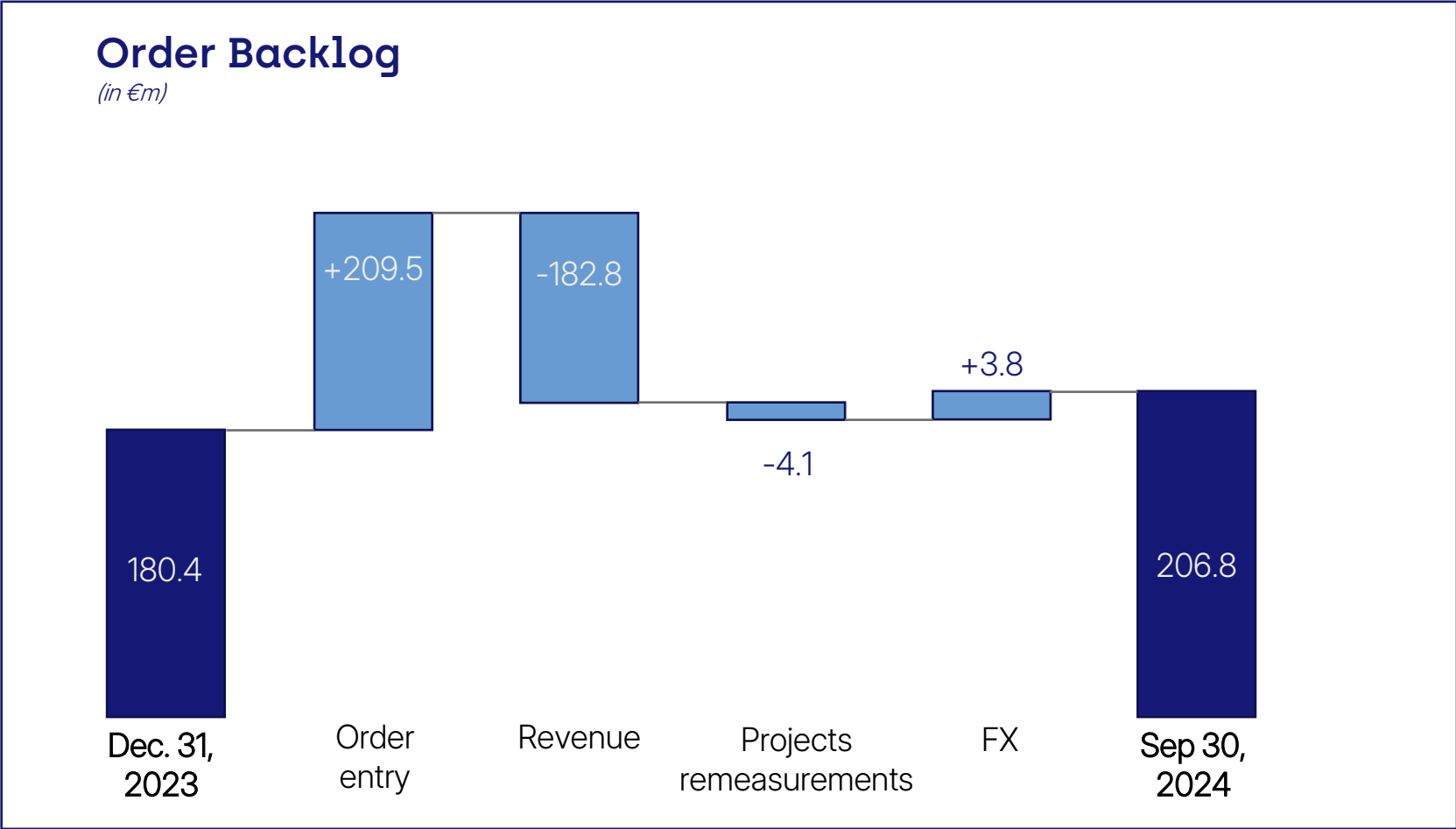


Order Entry Q3/YTD 2024 and Order Backlog



- **Order entry** volume increased year-over-year in 2024 to a new record level of € 209.5m.
- 43% increase in **order backlog** compared to Sept. 30, 2023.

Reconciliation Order Backlog 9M 2024



- Increase in order backlog by 15% compared to year end 2023.
- Projects remeasurements in 9M 2024 by € -4.1m.
- Order backlog includes €7.7 m from EXA.

Balance Sheet Structure

Assets (in €m)	Sept. 30, 2024	Dec. 31, 2023
Cash & cash equivalents	51.9	40.3
Other financial assets	0.2	5.0
Receivables & contract assets	105.3	88.9
Other currents assets	6.4	4.6
Total current assets	163.7	138.8
Total non-currents assets	127.3	123.0
Total assets	291.0	261.8
Equity & Liabilities (in €m)		
Total current liabilities	70.4	69.6
Total non-current liabilities	92.6	83.6
Equity	128.0	108.6
Total Equity & Liabilities	291.0	261.8

- Significantly increased **Cash and cash equivalents** resulting from positive operating cash flow and positive investing cash flow due to the payment of a purchase price installment in connection with the sale of All for One Poland.
- **Other financial assets** decreased due to the settlement of the purchase price receivable from the sale of minority shares in All for One Poland.
- Rising **receivables & contract assets** due to high order volume: **trade receivables** up by € 4.9m to € 83.2m and **contract assets** increased by € 11.4m to € 22.0m (Dec. 31, 2023: € 10.6m) due to higher POC (Percentage of Completion).
- Increase in **Non-current liabilities** due to increased financial liabilities as a result of the increase in long-term bank loans (€ +4.2m).
- **Equity ratio**: 44.0% (improvement of +3.5pp against Dec. 31, 2023).

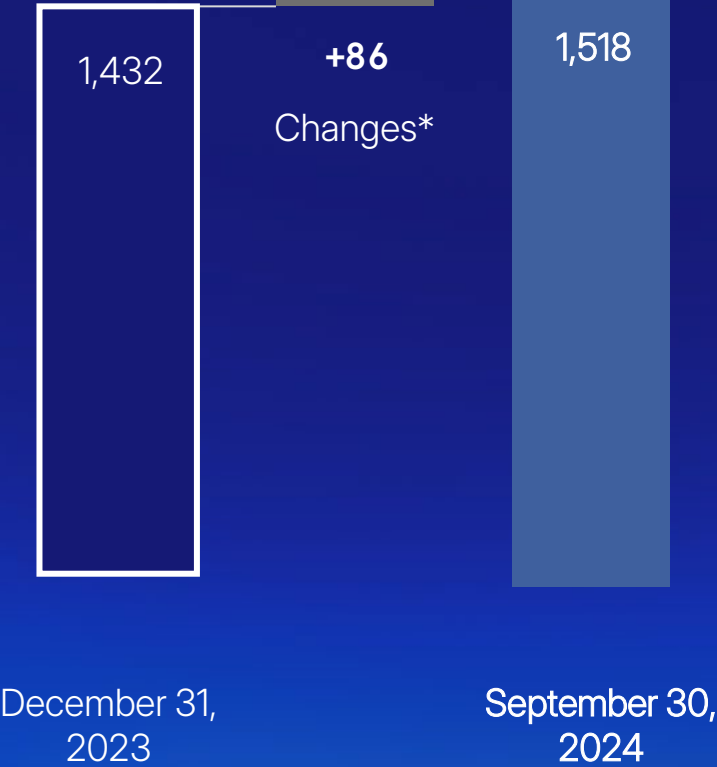
Cash flow Statement Q3/9M 2024

(in €m)	Q3 2024	Q3 2023	Δ (abs.)	9M 2024	9M 2023	Δ (abs.)
Net income	5.0	2.9	+2.1	12.9	4.5	+8.4
Depreciation	3.2	2.6	+0.6	8.4	7.7	+0.7
Change in W/C	1.1	0.0	+1.2	-9.0	-16.8	+7.8
Change in other items	3.4	1.8	+1.6	5.1	2.9	+2.2
Operating Cash flow	12.8	7.3	+5.4	17.4	-1.6	+19.0
Investing Cash flow	-1.9	-0.3	-1.6	2.2	3.8	-1.7
Repayment of lease liabilities	-1.3	-1.3	-0.1	-4.1	-3.7	-0.3
Free Cash flow	9.5	5.7	3.8	15.5	-1.5	+17.0
W/C ratio (LTM)				23.0%	29.7%	

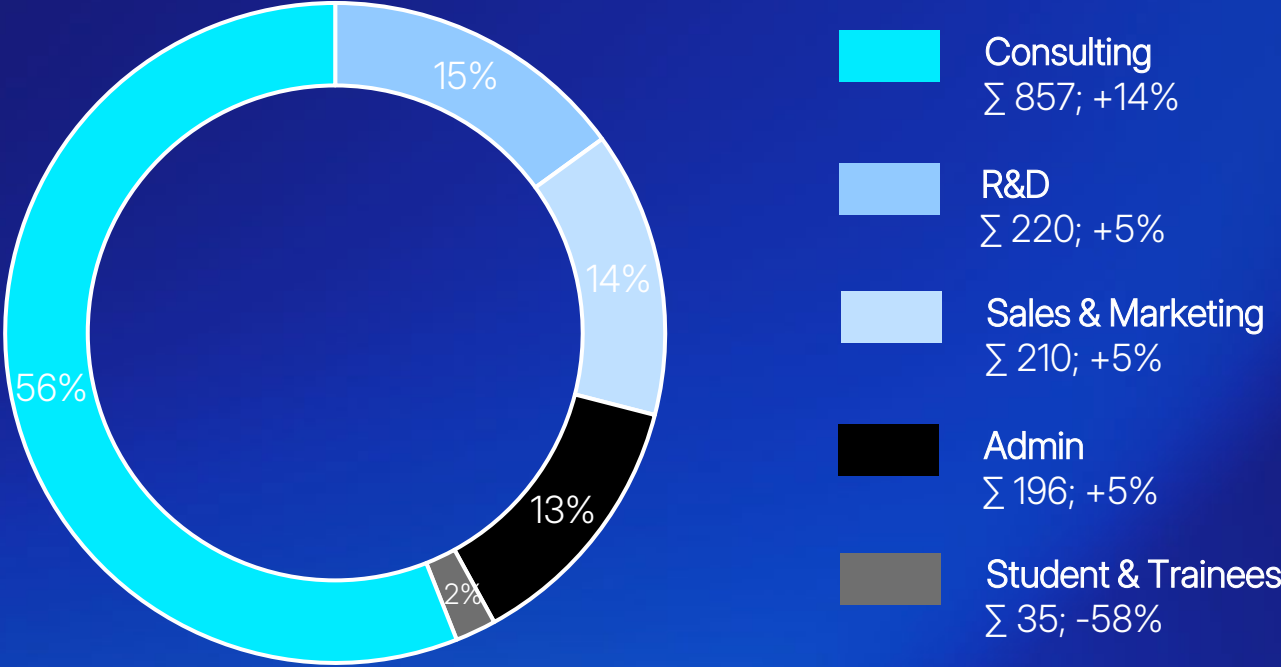
- Significant improvements in **Operating Cash flow** due to higher earnings contributions as well as improvements in **W/C management**.
- **Investing Cash flow:** outflows in Q3 mainly caused by payments from the Trigon acquisition; inflows after nine-month due to the payment of a purchase price installment in connection with the sale of All for One Poland.
- Significant surged **Free Cash flow**.

Headcount

Headcount evolution



Percentage headcount split by function per September 30, 2024



* 43 of the 86 additional employees are attributable to the Trigon Group; thereof 38 Consultants und 5 Admin.

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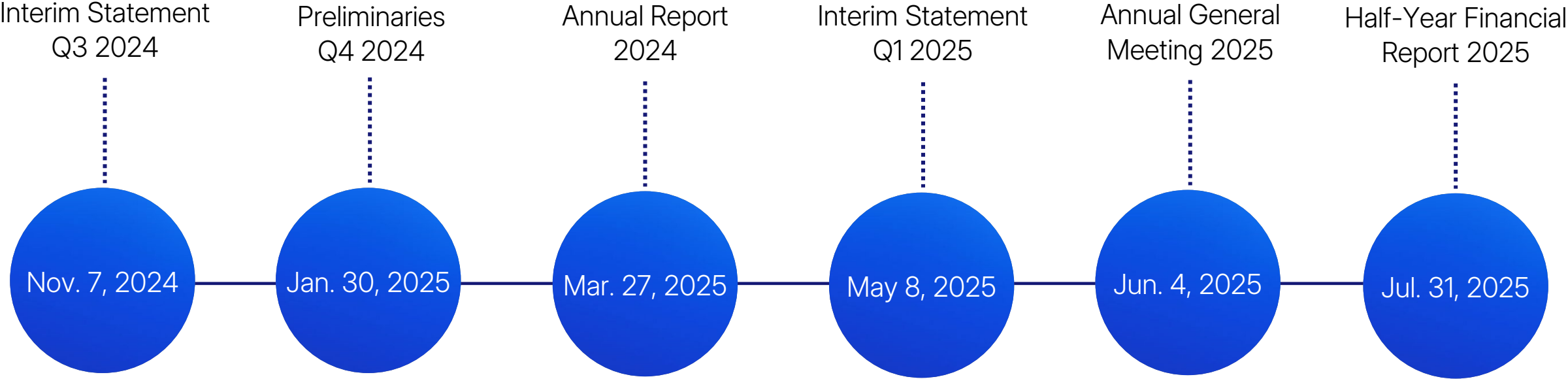
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Q&A



We are happy to take your questions!

Financial Calendar 2024 / 2025



Thank you

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