

ELEVATE DIGITAL TRANSFORMATION

Analyst & Investor Call
Full Year Results 2021
March 30, 2022

SNP | The Data Transformation Company



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FY 2021 - Highlights

- > Double-digit revenue growth in 2021: +16%; acquisitions of EXA AG & Datavard AG strengthen the growth momentum (organic growth at +10%)
- > Software rev. reported went up by slightly 1% despite high level of 2020 which benefited significantly from large-volume partnership agreements.
- > Software rev. adjusted grew in 2021 +19% w/o upfront partner rev.
- > Special costs for the M&A activities, depreciation and PPA impacted EBIT by around € 5 million.
- > Service positively impacted by the acquisition of Datavard AG
- > EXA with € 9.2m revenue since March 2021 (own segment)
- > Improved EBIT-margin from 0.6% to 3.8% on the back of higher topline, acquisitions and improved cost ratios
- > Group Order Entry in 2021 slowed down because of pandemic-related reluctance of major clients and reduced project volumes
- > Order Backlog up by 22% indicating accelerated growth in 2022
- > New guidance for 2022 and midterm guidance for 2024

Total Revenue: € 167.0m

+16%

Software Revenue: € 50.6m

+1%

Service Revenue: € 107.2m

+14%

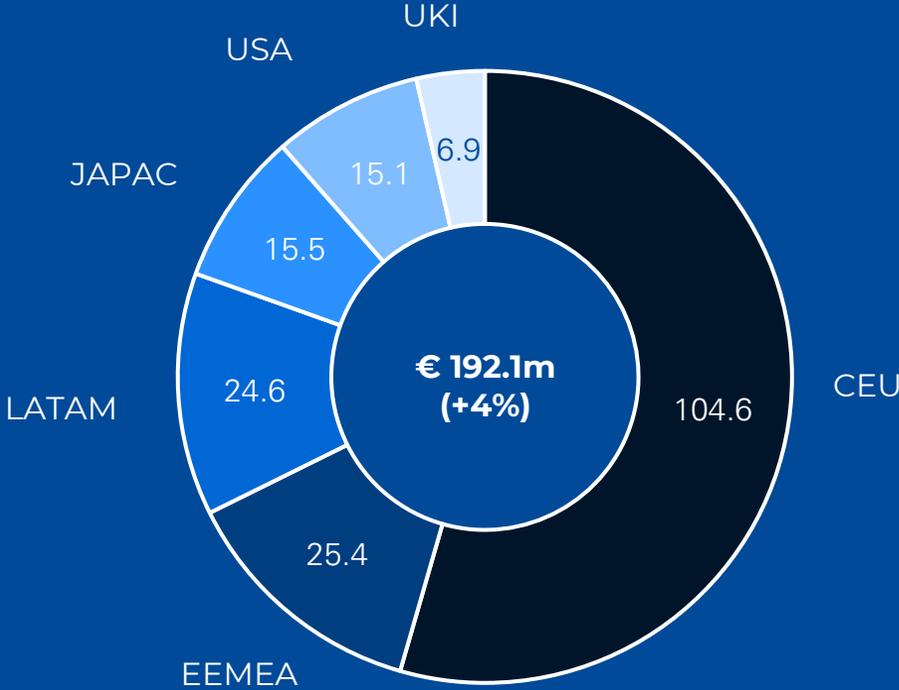
Order Entry: € 192.1m

+4%

Order entry and revenue by region 2021 – Book-to-bill: 1.15

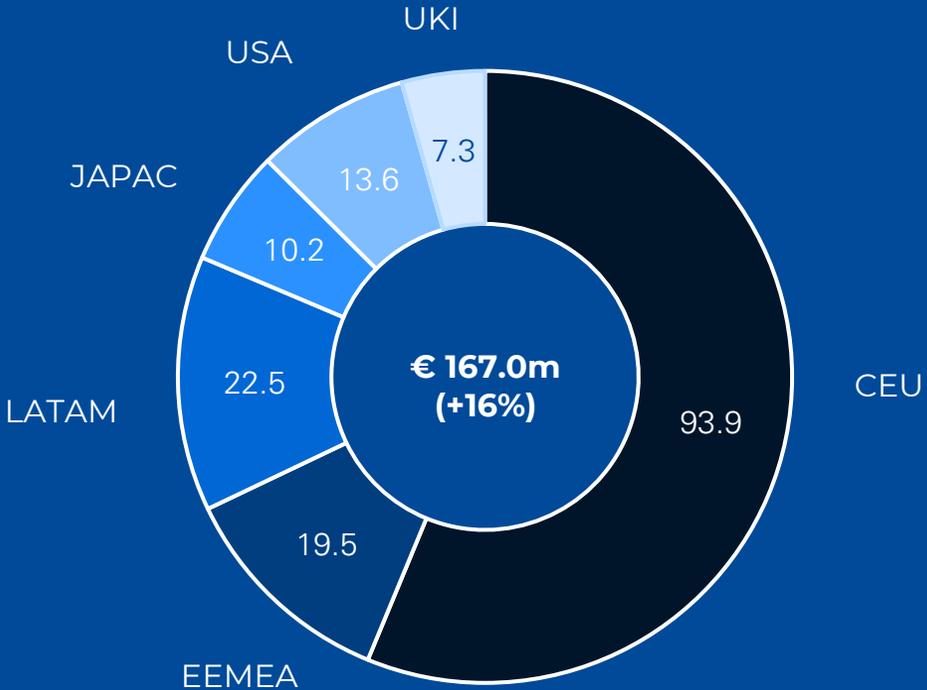
Order Entry

(in €m)



Revenue

(in €m)



Overview Partner Business 2021

- > Accenture & SNP are building a joint Data Transformation Factory
- > IBM gaining momentum in all regions
IBM, IBM Cloud & Kyndryl pipeline growing
- > New partners PWC and TCS
- > Shift from partner recruitment to partner enablement
- > Since 2nd half of 2021, new contracts with partner companies to be concluded only without pre-agreed fixed software quotas
- > Cross Enablement of Datavard & SNP Partners
- > Partnership with All for One: 11 completed successfully projects in 2021, 21 projects still running

Partner Revenue 2021: € 31.3m

19% of Group Revenue

Partner Order Entry 2021: € 54.6m

~ 30% of Group
Order Entry

Partner Network

Global alliances with leading system integrators

Closed partnerships in 2021



ADVANCED APPLICATIONS



Cognizant



nexus/ag

NTT DATA



rackspace
technology



tieto ERY

Certifications and Memberships



exptiva *
Integration with SAP S/4HANA*

SAP® Qualified
Partner - Packaged Solution



TISAX **



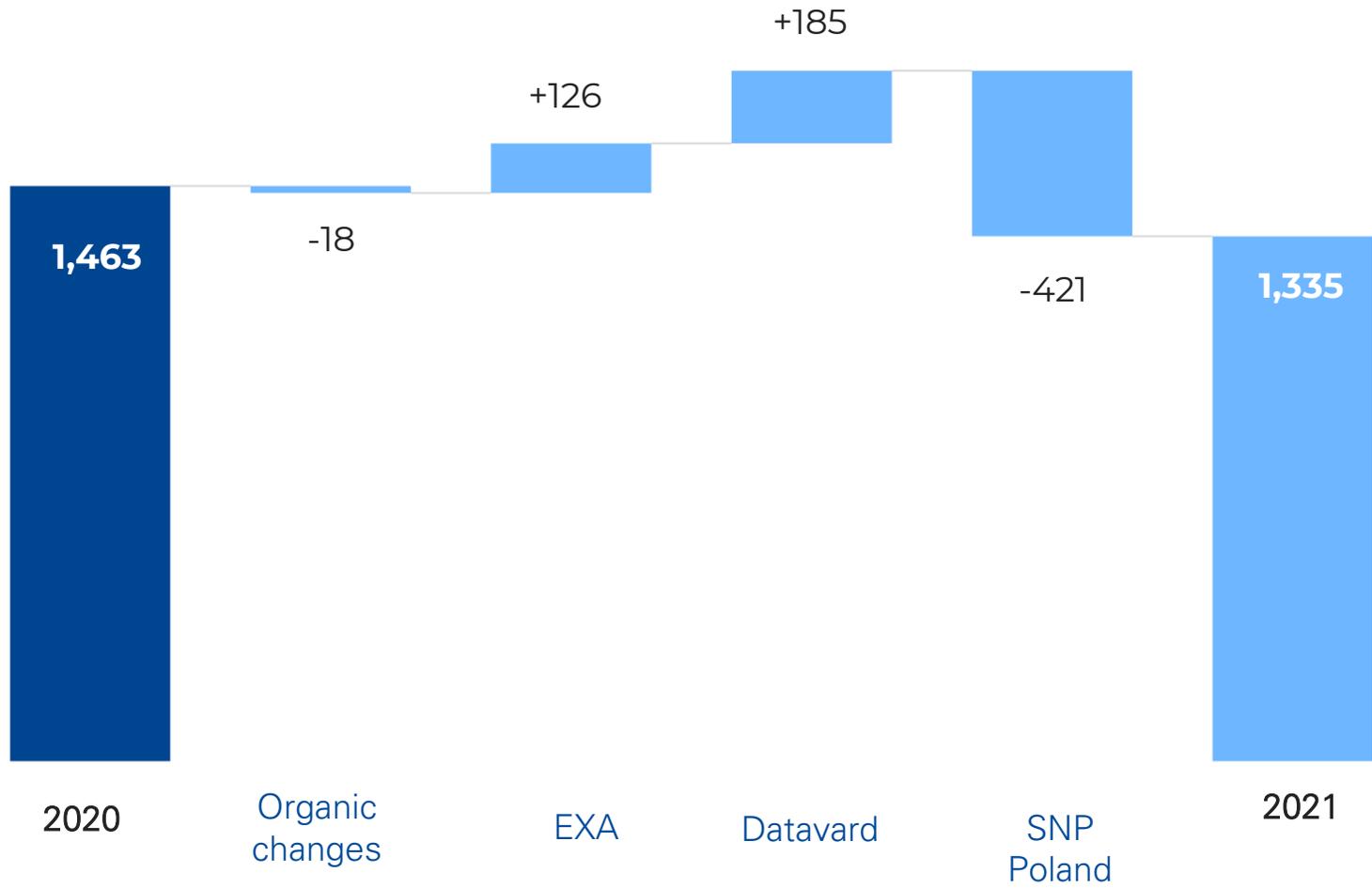
Edenhouse
THE FIRST NAME FOR SAP

* CrystalBridge Analysis Extractor & CrystalBridge Interface Discovery (ID)

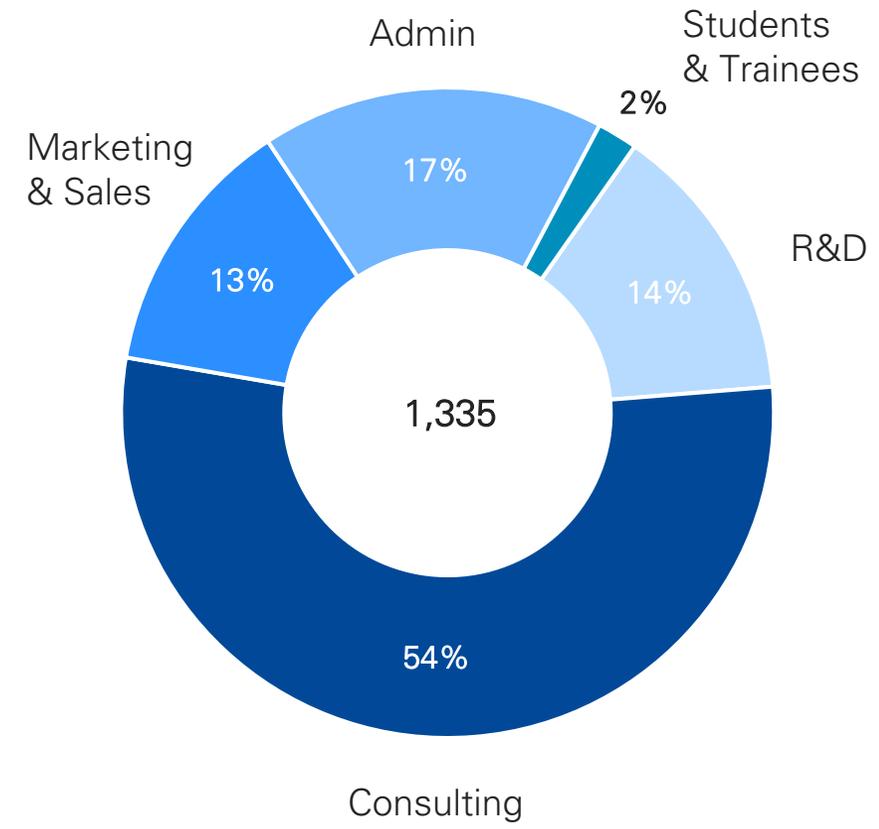
** SNP has passed the TISAX® audit, an assessment according to the requirements of the German Association of the Automotive Industry, which is governed by the ENX Association. The results are available for registered members via the [ENX portal](#).



Headcount Evolution 2021



Headcount split by function 2021



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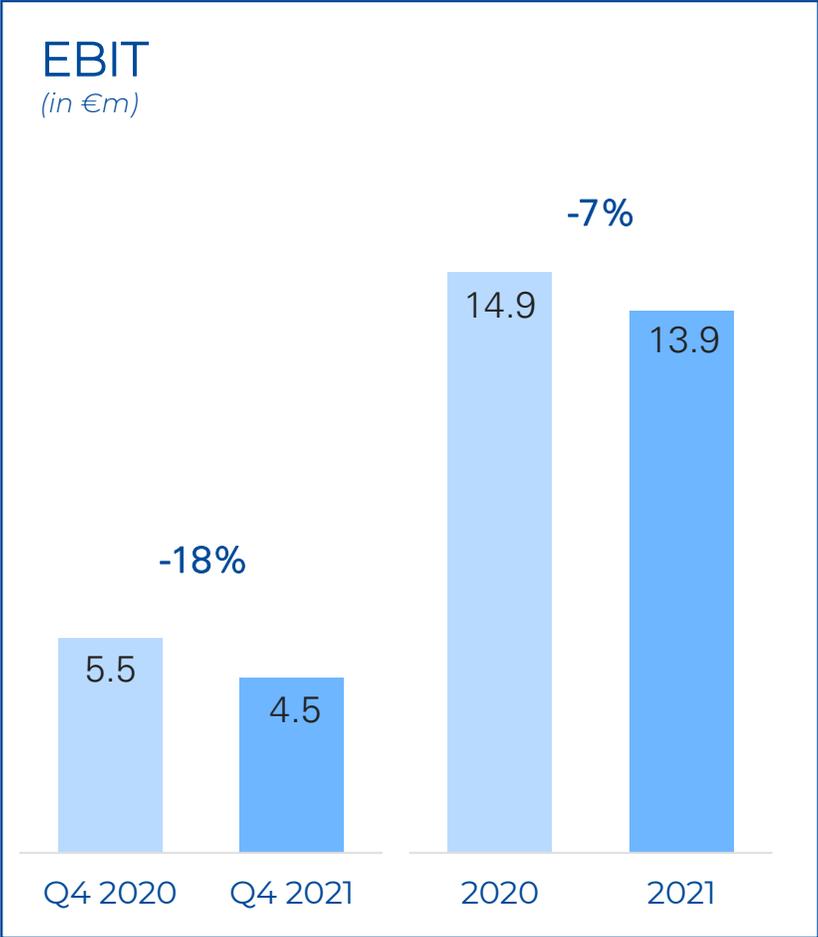
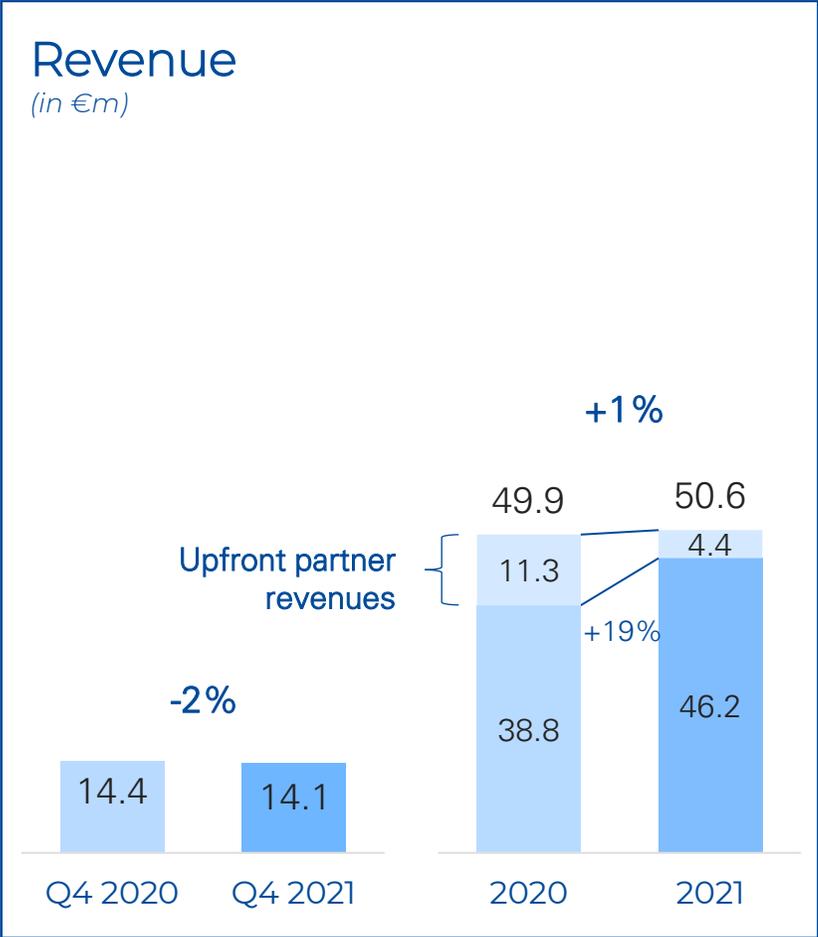
Income Statement Q4 / FY 2021

(in €m)	Q4 2021	Q4 2020	Δ (%)	2021	2020	Δ (%)
Revenue	45.3	37.5	+20.8	167.0	143.8	+16.1
Gross profit	39.3	32.4	+21.3	141.7	125.9	+12.5
Personal expenses	-26.7	-22.5	+18.7	-106.5	-93.5	+13.9
Other income/expenses	-4.7	-7.0	-32.9	-19.1	-23.3	-18.0
EBITDA	7.9	3.1	+154.8	16.3	9.2	+77.2
EBIT	4.5	0.5	+800.0	6.3	0.8	+687.5
EBT	4.1	0.0	n/a	4.6	-0.7	n/a
Net income	1.2	-1.3	n/a	0.6	-1.8	n/a
Gross profit margin	86.8%	86.5%	+0.3pp	84.8%	87.6%	-2.8pp
EBITDA margin	17.4%	8.2%	+9.2pp	9.7%	6.4%	+3.3pp
EBIT margin	9.8%	1.3%	+8.5pp	3.8%	0.6%	+3.2pp

Comments

- > Revenue in 2021 above last year`s level; EXA and Datavard contributed € 16.4m
- > Increase of personal expenses related to the acquisitions of EXA AG and Datavard AG
- > Improved operating results and margin in 2021
- > Increase of other operating income in 2021 about € 3.0 million mainly due to deconsolidation profit in connection with the sale of SNP Poland
- > Special costs for the M&A activities, depreciation and PPA impacted EBIT by around € 5 million.

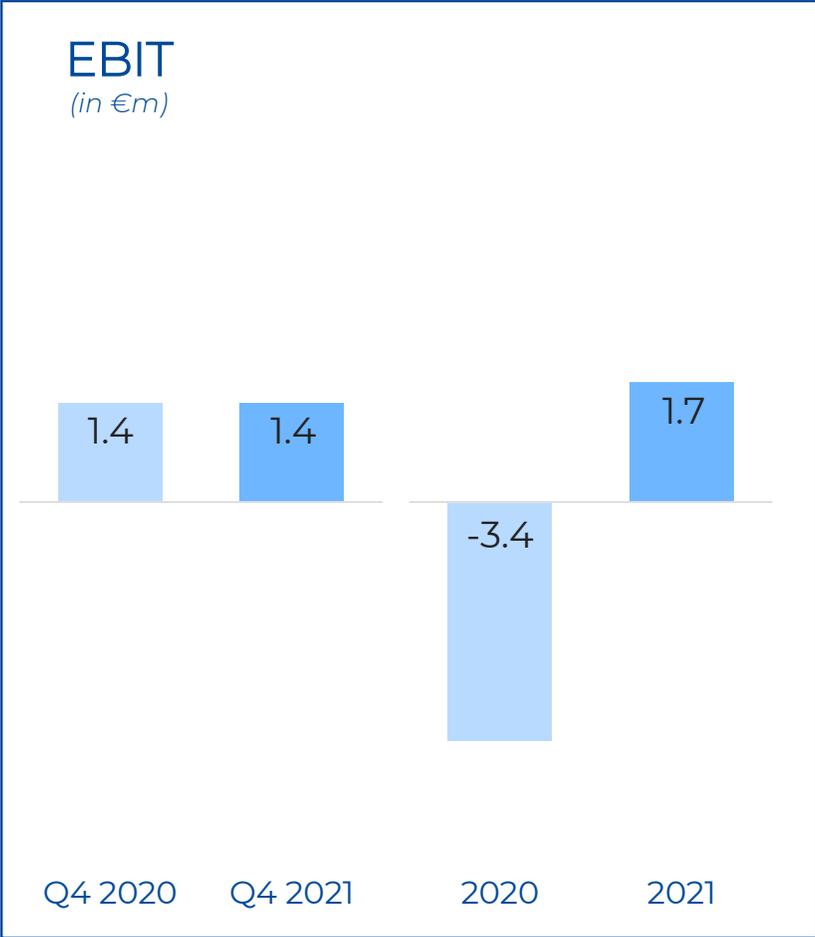
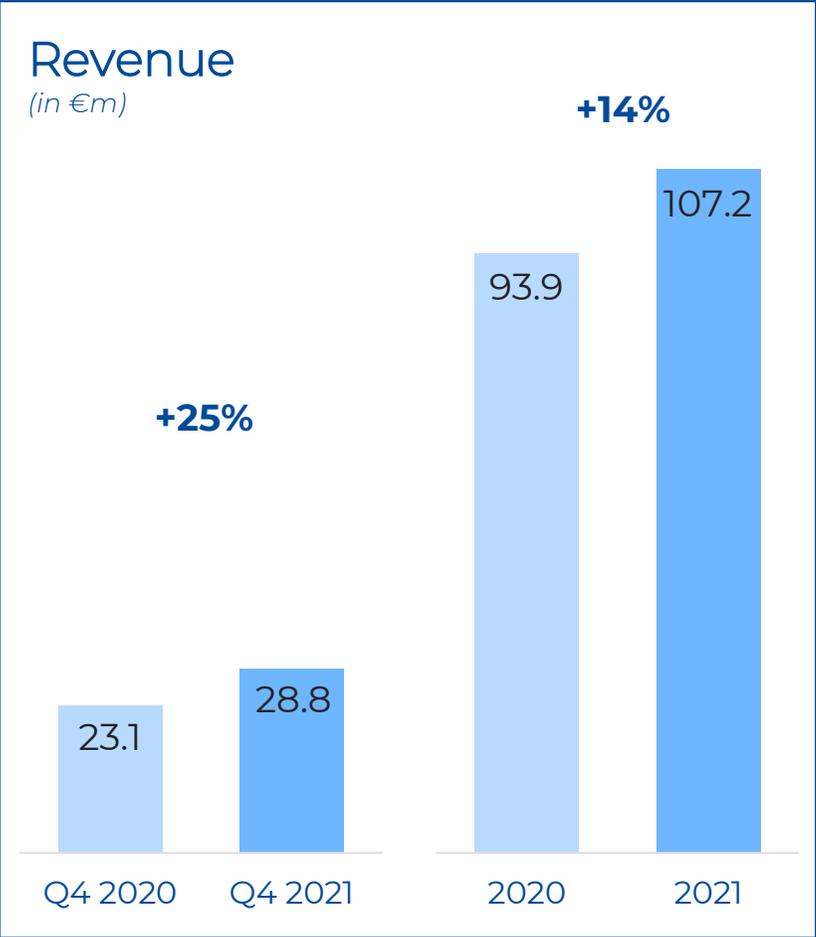
Segment Software – Revenue and EBIT Q4 / FY 2021



Comments

- > Software segment grew in 2021 +19% w/o upfront partner revenues.
- > Decline Q4/Q4 mainly due to a particularly strong Q4 20, which was largely affected by a multi-year partner contract with high software commitment
- > Declining sales in Q3 and Q4 and a change in product mix towards third-party licences weigh on EBIT segment margin

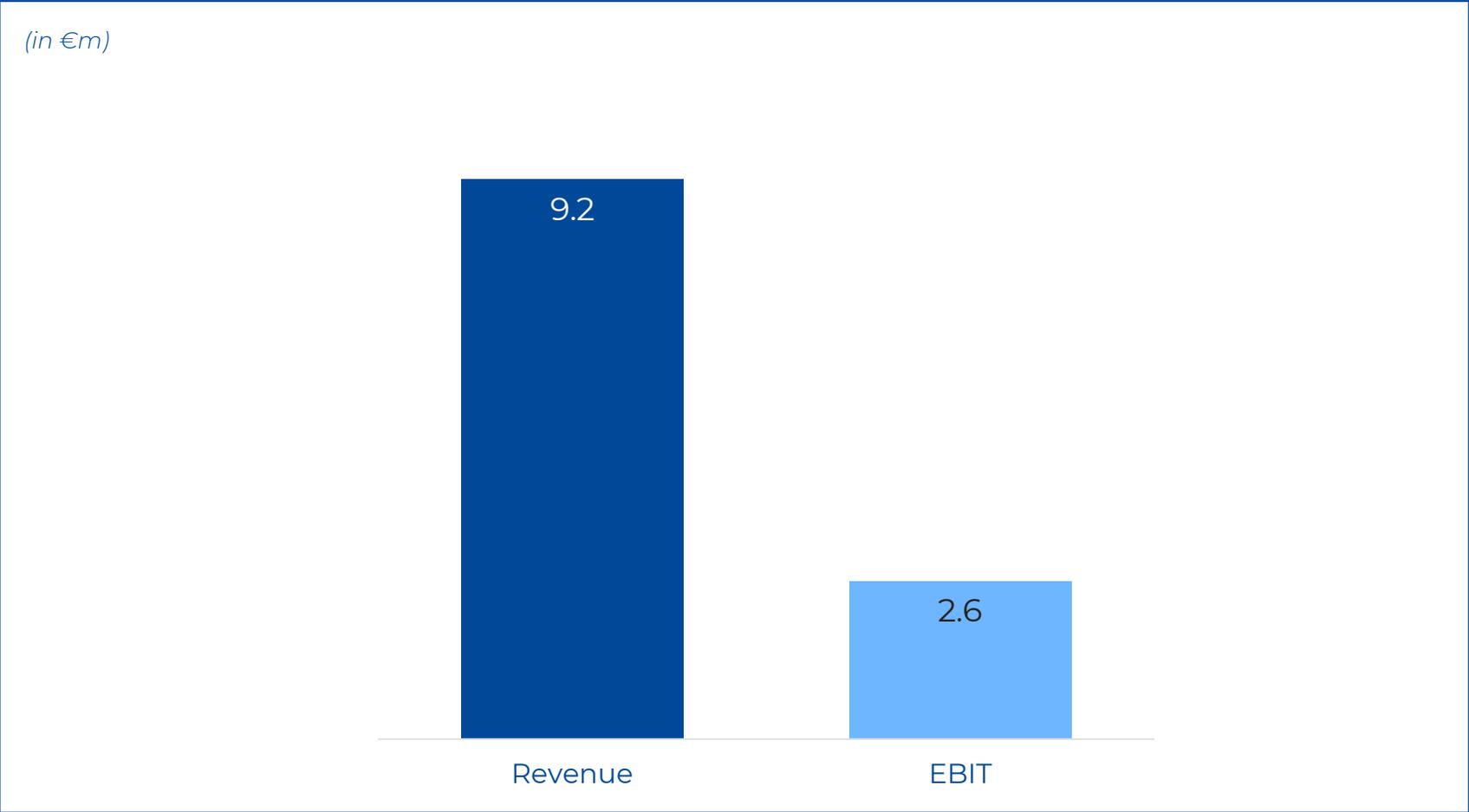
Segment Service – Revenue and EBIT Q4 / FY 2021



Comments

- > Service segment with strong topline in q3 and q4 mainly due to the acquisitions of Datavard – contribution in total of € 4.8 mn
- > Operating profit with strong positive development due to increased utilization
- > Organic growth: € 0.5 million additionally (Datavard acquisition: € +4.8 million; Polish divestiture: € -5.3 million)

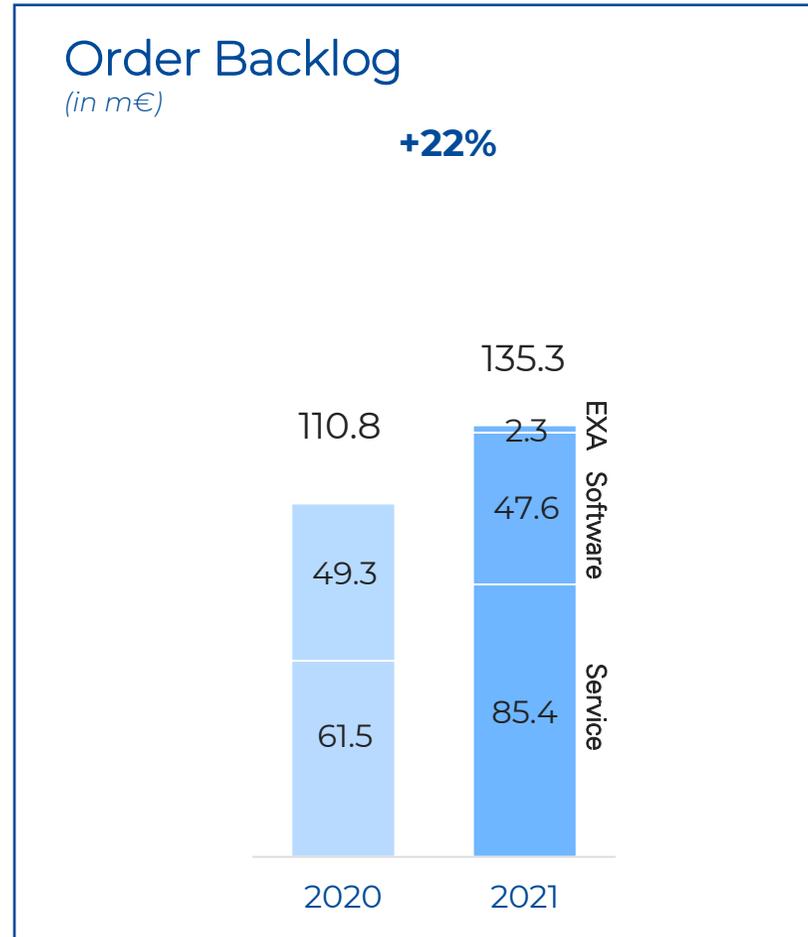
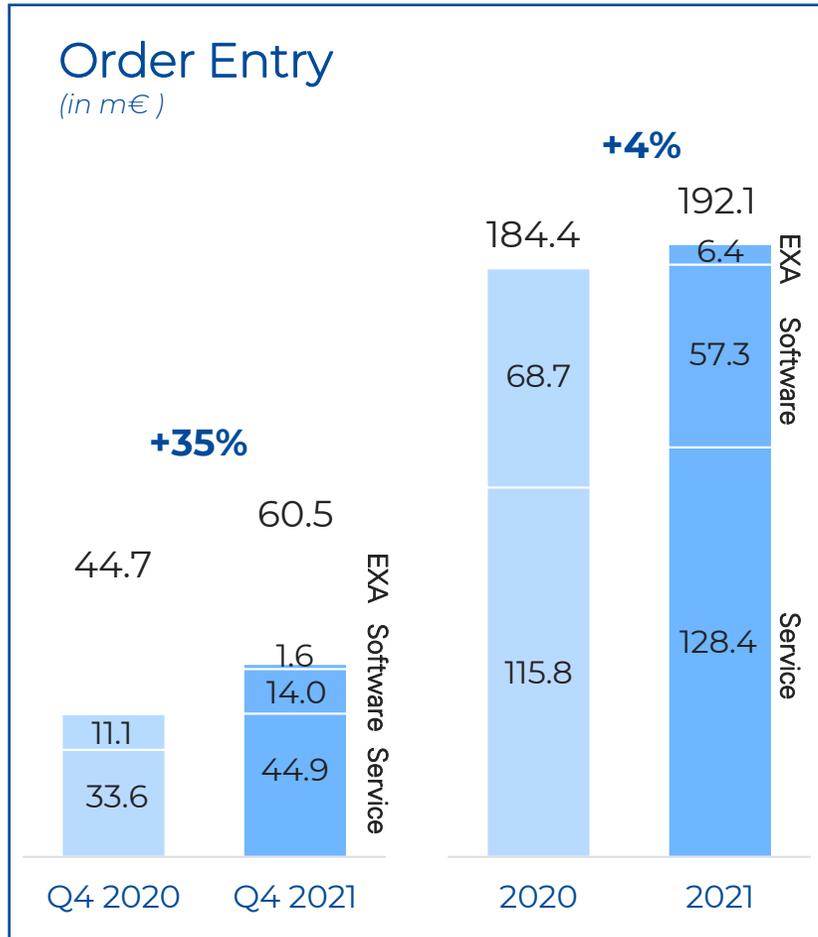
Segment EXA – Revenue and EBIT FY 2021



Comments

- > EXA was consolidated for the first time in 2021. Therefore, there are no comparative figures to the previous year
- > EBIT before PPA depreciation

Order Entry Q4 / FY 2021 and Order Backlog

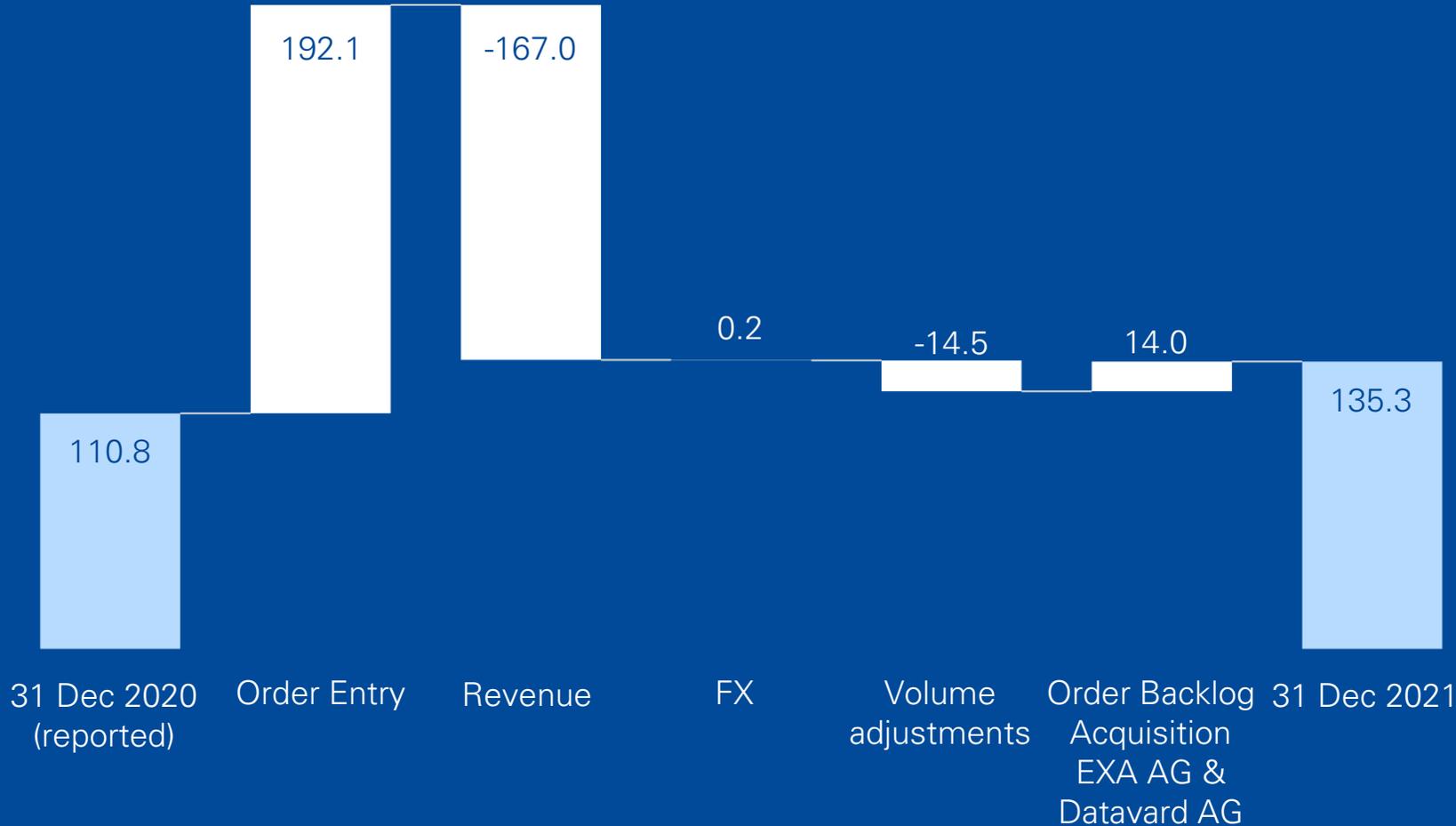


Comments

- > Order entry up due to strong service segment (+11 %)
- > Shift in timing of order entry due to the decision to close partner agreements mostly without committed volumes
- > € 12.5 mn of order entry are attributable to the acquisitions of EXA and Datavard
- > Order Backlog up some 22% giving a good starting point for further growth in 2022

Reconciliation Order Backlog 2021

(in €m)



Comments

- > Negative effect from volume adjustments - mainly due to removal of Ending Backlog of SNP Poland
- > Order backlog contributions from EXA and Datavard acquisition gave some tailwind to overall backlog development
- > Order Entry includes € 12.6m from EXA & Datavard

Balance sheet structure

Assets (in €m)	31/12/2021	31/12/2020
Cash, cash equivalents and other financial assets	41.5	46.3
Receivables & contract assets	63.7	45.3
Other currents assets	4.9	34.4
Total current assets	110.1	126.0
Total non-currents assets	156.0	80.7
Total assets	266.1	206.7
Equity & Liabilities (in €m)		
Total current liabilities	89.5	54.0
Total non-current liabilities	74.3	65.0
Equity	102.2	87.7
Total Equity & Liabilities	266.1	206.7

Comments

- > Decreased liquidity after closing of Datavard acquisition
- > Total assets increased as a result of EXA & Datavard acquisition
- > Increased equity primarily due to capital increase through contributions in kind for the Datavard acquisition
- > Equity ratio went down to 38.4% (from 42.4% end of 2020) following the increased balance sheet total

Cash flow Statement 2021

(in €m)	2021	2020	Δ (abs.)
Net income	0.6	-1.8	+2.4
Depreciation	10.0	8.4	+1.6
Change in W/C	-12.8	-3.0	-9.8
Change in other items	+0.8	-1.6	+2.4
Operating Cash flow	-1.4	2.0	-3.4
Investing Cash flow	+7.1	-23.2	+30.3
Repayment of lease liabilities	-4.3	-5.2	+0.9
Free cash flow	+1.4	-26.4	+27.8

Comments

- > After a good 2021 operating cash flow slightly negative due to growth-related increased working capital
- > Cash in from investing activities are related to dissolution of short-term invested funds
- > Total cash flow adds up to € 10.9 m, cash and cash equivalents increased to € 40.3 m

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Strategic Evolution of our Market approach

Each stage builds on the previous one and thus ensures continuity and seamless integration



2000 – 2017

- > Portfolio: Data Transformation - M&A, Divestiture & Harmonization
- > Software as enabler of Service business
- > Geographical expansion through M&A



2017 – 2021

- > Portfolio Expansion of Data Transformation to SAP S/4HANA Migrations
- > Software as enabler of Partner business
- > Technology M&A



As of 2022

- > Portfolio expansion Data Management & Analytics
- > Cloud as biggest driver for growth
- > Software as enabler of Partner business & Recurring revenues
- > Technology M&A

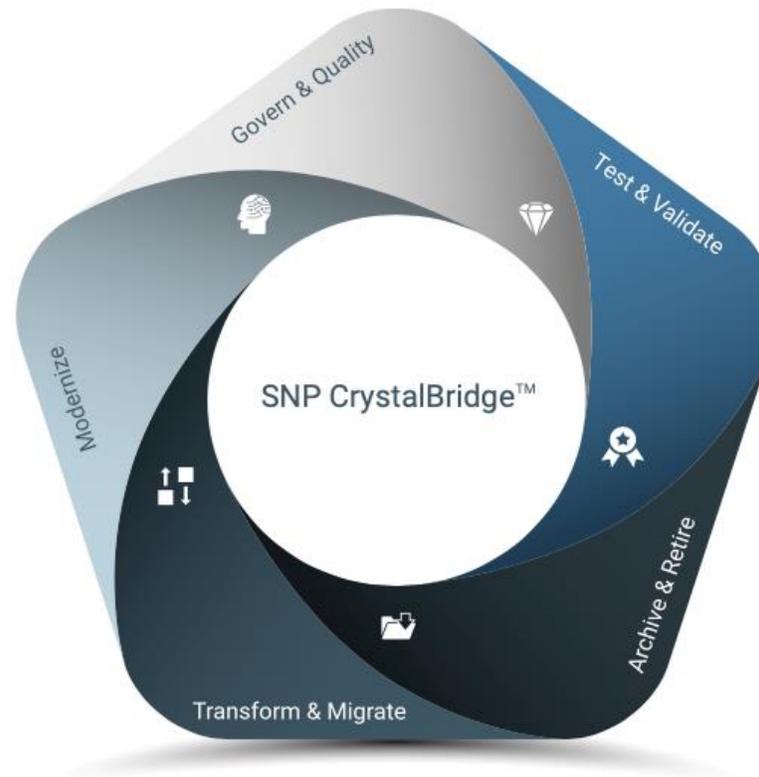
SNP CrystalBridge™

The platform to automate your SAP-centric technology transformation



Data Excellence

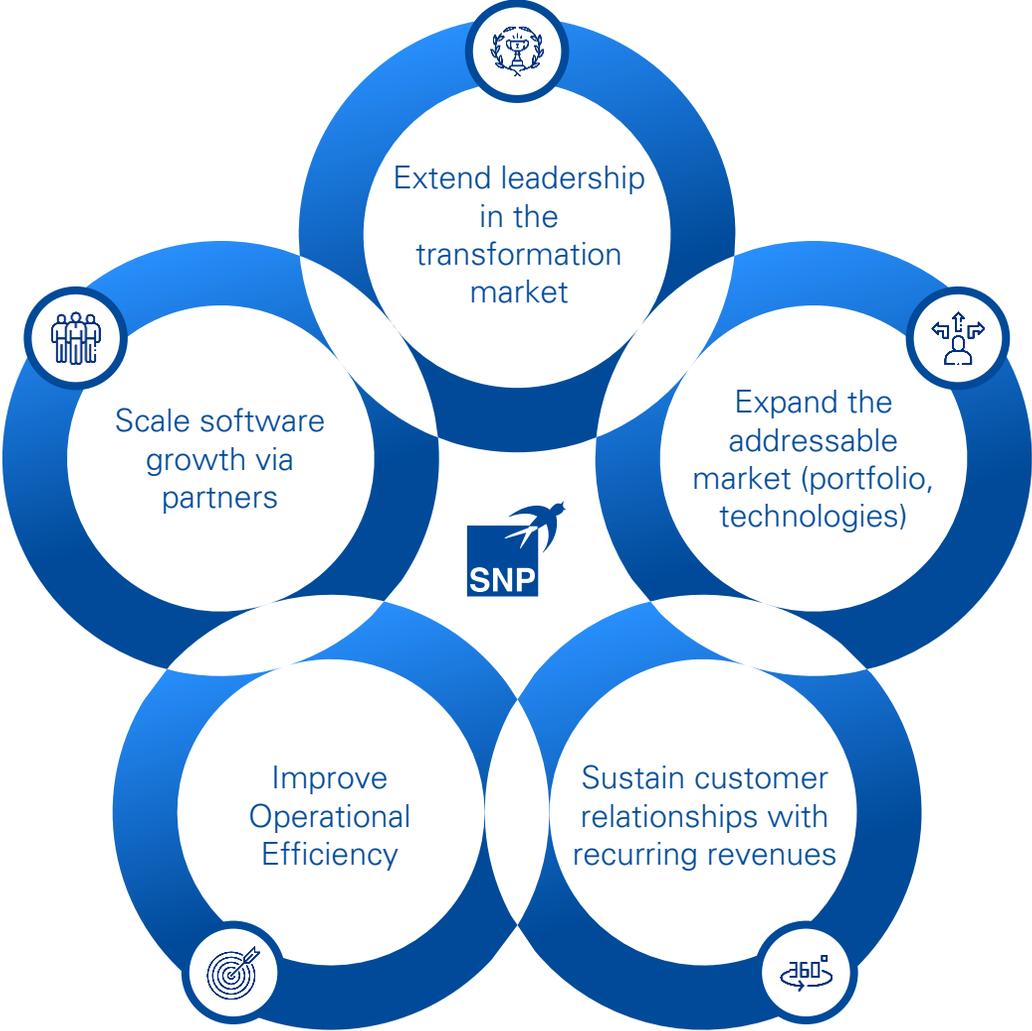
- > Reflect changes in reality
- > Monitor & ensure Quality
- > Apply Standardization & Harmonization
- > Manage TCO, Compliance & Privacy across the lifecycle



Data Value

- > Drive incremental insights & ask new questions
- > Democratize data consumption
- > Make or buy innovation apps that extend your core
- > Enable 360°Anything

New Strategy Program ELEVATE - Overview



2022 outlook & 2024 mid-term goals



1. "like-for-like": including the full-year sales of the acquired companies Datavard AG and EXA AG and excluding the sold company SNP Poland Sp. z o.o.
2. As a result of 2021 acquisitions
3. Updated compared to preliminary results published in Jan 2022. Audited figures to be presented March 30th 2022.

Summary – SNP Investment Highlights

1 Leading global provider and pioneer of software solutions for automated data migrations and digital transformation in the SAP environment.

2 Strategic partnerships with 7 of the world's 10 largest IT consulting companies accelerate the growth of the highly profitable software business globally.

3 With the expansion into the Cloud and Data Management market, SNP is expanding its software portfolio, addressing large and fast-growing markets while increasing recurring revenues.

4 Excellent customer portfolio – 21 of the German DAX40 as well as 95 of the Fortune Global 500. An ideal basis for further growth in a multi-billion-euro market.

5 With "ELEVATE", SNP is pursuing a clear strategy for sustainable and profitable growth: Sales are expected to grow to over 230 Mio. € until 2024 with an EBIT margin of over 13.8% driven by the software business.

Financial Calendar 2022

Mar 30, 2022

Publication of the Annual Report 2021

Apr 28, 2022

Publication of the Interim Statement Q1 2022

Jun 2, 2022

Annual General Meeting 2022

Aug 10, 2022

Publication of the Half-Year Financial Report 2022

Oct 27, 2022

Publication of the Interim Statement Q3 2022

WE ARE HAPPY TO TAKE
YOUR QUESTIONS!



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Consolidated Balance Sheet - Assets

ASSETS

in € thousand	Notes	Dec. 31, 2021	Dec. 31, 2020
Current assets			
Cash and cash equivalents	14.	40,337	25,961
Other financial assets	15.	1,176	20,383
Trade receivables and other receivables	16.	33,807	25,600
Contract asset values	17.	29,930	19,704
Other non-financial assets	18.	4,005	2,854
Tax receivables	31.	826	81
Disposal groups held for sale	11.	0	31,398
		110,081	125,981
Non-current assets			
Goodwill	9.	70,376	33,605
Other intangible assets	19.	23,284	5,422
Property, plant and equipment	20.	5,313	4,396
Rights of use	21.	16,426	17,511
Other financial assets	15.	20,092	592
Investments accounted for under the equity method	22.	225	225
Contract values	17.	15,051	12,571
Other non-financial assets	18.	134	147
Deferred taxes	31.	5,078	6,223
		155,979	80,692
		266,060	206,673

Consolidated Balance Sheet – Equity and Liabilities

EQUITY AND LIABILITIES

in € thousand	Notes	Dec. 31, 2021	Dec. 31, 2020
Current liabilities			
Trade payables and other liabilities	23.	8,339	4,613
Contract liabilities	17.	10,652	6,178
Tax liabilities	31.	1,930	2,269
Financial liabilities	24.	41,011	12,758
Other non-financial liabilities	26.	26,610	18,225
Provisions	27.	974	1,124
Liabilities resulting from assets held for sale	11.	0	8,819
		89,516	53,986
Non-current liabilities			
Trade payables and other liabilities	17.	1,036	2,134
Contract liabilities	24.	63,904	59,498
Financial liabilities	26.	131	246
Provisions for pensions	30.	3,151	2,829
Other provisions	27.	126	0
Deferred taxes	31.	5,972	297
		74,320	65,004
Equity			
Subscribed capital	32.	7,386	7,212
Capital reserve	34.	96,818	87,068
Retained earnings	34.	5,714	4,725
Other components of the equity		-2,153	-8,380
Treasury shares	33.	-4,892	-2,713
Equity attributable to shareholders		102,873	87,912
Non-controlling interests	35.	-649	-229
		102,224	87,683
		266,060	206,673

Consolidated Income Statement

in € thousand		Notes	2021	2020
Revenue			166,969	143,781
	Service	9.	115,808	93,913
	Software	9.	51,161	49,868
Capitalized own services			158	119
Other operating income		38.	6,448	3,451
Cost of material		39.	-25,284	-17,888
Personnel costs		40.	-106,484	-93,457
Other operating expenses		41.	-24,435	-25,914
Impairments on receivables and contract assets			-425	-293
Other taxes			-691	-574
EBITDA			16,256	9,225
Depreciation and impairments on intangible assets and property, plant and equipment			-9,954	-8,385
EBIT			6,302	840
Other financial income			200	46
Other financial expenses			-1,878	-1,622
Net financial income		42.	-1,678	-1,576
EBT			4,624	-736
Income taxes		31.	-4,022	-1,102
Consolidated income/net loss			602	-1,838
Thereof:				
Profit attributable to non-controlling shareholders			-387	-318
Profit attributable to shareholders of SNP Schneider-Neureither & Partner SE			989	-1,520
Earnings per share (€)		12.	€	€
- Undiluted			0.14	-0.22
- Diluted			0.14	-0.22
Weighted average number of shares		12.		
- Undiluted			7,115,145	6,810,391
- Diluted			7,115,145	6,810,391

Consolidated Statement of Comprehensive Income

in € thousand	2021	2020
Net income for the period	602	-1,838
Items that may be reclassified to profit or loss in the future		
Currency translation differences	5,620	-3,979
Deferred taxes on currency translation differences	0	0
	5,620	-3,979
Items that will not be reclassified to profit or loss		
Change from the revaluation of defined benefit pension plans	711	155
Deferred taxes on revaluation of defined benefit pension plans	-137	-64
	574	91
Income and expenses directly recognized in equity	6,194	-3,888
Total comprehensive income	6,796	-5,726
Profit attributable to non-controlling shareholders	-420	-315
Profit attributable to shareholders of SNP Schneider-Neureither & Partner SE in total comprehensive income	7,216	-5,411

Consolidated Cashflow Statement

in € thousand	2021	2020
Profit after tax	602	-1,838
Depreciation	9,954	8,385
Change in provisions for pensions	-1,003	-62
Other non-cash income/expenses	784	-1,572
Changes in trade receivables, contract assets, other current assets, other non-current assets	-18,529	-9,763
Changes in trade payables, contract liabilities, other provisions, tax liabilities, other current liabilities	6,814	6,847
Cash flow from operating activities (1)	-1,378	1,997
Payments for investments in property, plant and equipment	-2,254	-1,424
Payments for investments in intangible assets	-470	-696
Payments for investments in financial assets	20,000	0
Payments for investments in financial assets	0	-20,000
Payments for investments in at-equity investments	0	-200
Proceeds from the disposal of items of intangible assets and property, plant and equipment	221	110
Proceeds from the sale of consolidated companies and other business units	5,506	0
Payments resulting from the acquisition of consolidated companies and other business units	-15,902	-956
Cash flow from investing activities (2)	7,101	-23,166
Proceeds from capital increase	0	27,573
Payments for the purchase of treasury shares	-2,179	-1,204
Proceeds from loans taken out	24,618	17,022
Payments for the settlement of loans and other financial liabilities	-13,367	-5,938
Payments resulting from the settlement of lease liabilities	-4,254	-5,245
Cash flow from financing activities (3)	4,818	32,208
Changes in cash and cash equivalents due to foreign exchange rates (4)	391	-771
Cash change in cash and cash equivalents (1) + (2) + (3) + (4)	10,932	10,268
Cash and cash equivalents at the beginning of the fiscal year	29,405	19,137
Cash and cash equivalents as of December 31	40,337	29,405
Composition of cash and cash equivalents:	2021	2020
Cash and cash equivalents	40,337	29,405
Cash and cash equivalents as of December 31	40,337	29,405

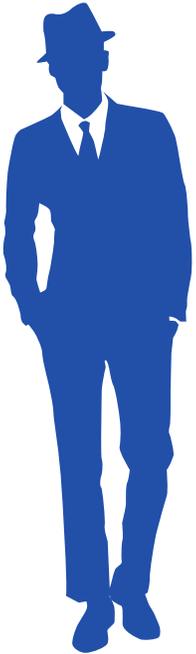
Thank you for your time

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