

Elevate Digital Transformation

Analyst & Investor Call
H1 2023 Results
August 4, 2023

Jens Amail, CEO
Andreas Röderer, CFO

Agenda

- Introduction
- Overview: H1 Results & Outlook
- Detailed Financials
- Questions & Answers



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Key Results – H1 2023

1. Continued strong performance in Q2 leads to record H1

- At € 109.4m, order entry across the Group in H1 2023 was up roughly 32% over previous year.
- Group revenue rose by 15% year-over-year to € 95.6m in the first six months.
- EBIT on positive growth course: € 3.5m are well ahead of last year's figure of € 1.8m.

2. Significant progress in strategic focus areas

- Continued rise in SAP S/4HANA projects; account for more than half of our total order entry.
- Strong software revenue growth.
- High growth rates generated through partner business and international expansion.

3. Positive momentum in growing market

- Successful Transformation World customer and partner conference hosted in Heidelberg in June.
- Technology partnership with Snowflake Inc.; offering "Data Streaming for SAP App" based on SNP Glue.



Voluntary Public Takeover Offer

May 17, 2023:

- Octapharma AG published its decision to submit a voluntary public takeover offer to the shareholders of SNP.
- The offer followed the combined acquisition of more than 30% of SNP shares by Octapharma AG and Mr. Wolfgang Marguerre.

July 7, 2023:

- The Board of Directors and the Managing Directors of SNP published their joint reasoned statement pursuant to Section 27 (1) of the German Securities Acquisition and Takeover Act (WpÜG) on the voluntary public takeover bid (cash offer) of Octapharma AG to the shareholders of SNP.
- Board of Directors and Managing Directors of SNP with neutral statement on voluntary public takeover offer.

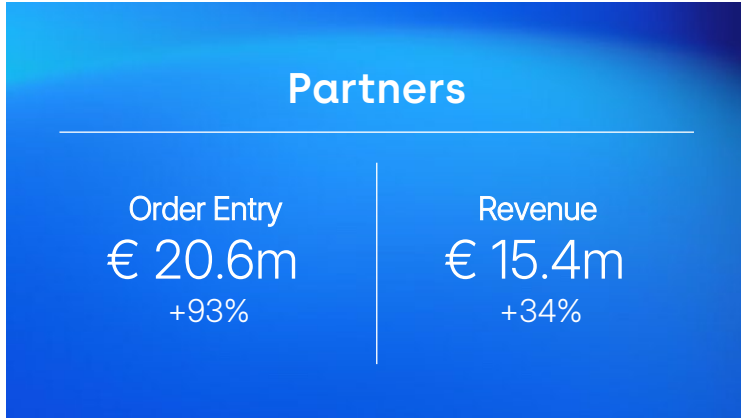
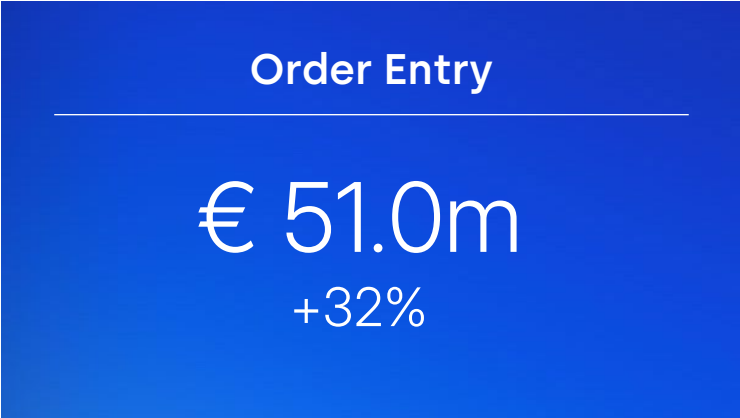
Until August 10, 2023: Additional acceptance period.

Currently, extraordinary general meeting (AGM) in preparation.

The detailed terms and conditions of the voluntary public takeover offer can be found in the offer document.

This is available at <https://www.angebot-2023.de>.

Q2 2023 – Key Figures



H1 2023 – Key Figures

Order Entry

€ 109.4m
+32%

Group Revenue

€ 95.6m
+15%

EBIT

€ 3.5m
+89%

Services [incl. EXA]

Order Entry
€ 78.9m
+34%

Revenue
€ 65.4m
+10%

Software [incl. EXA]

Order Entry
€ 30.4m
+29%

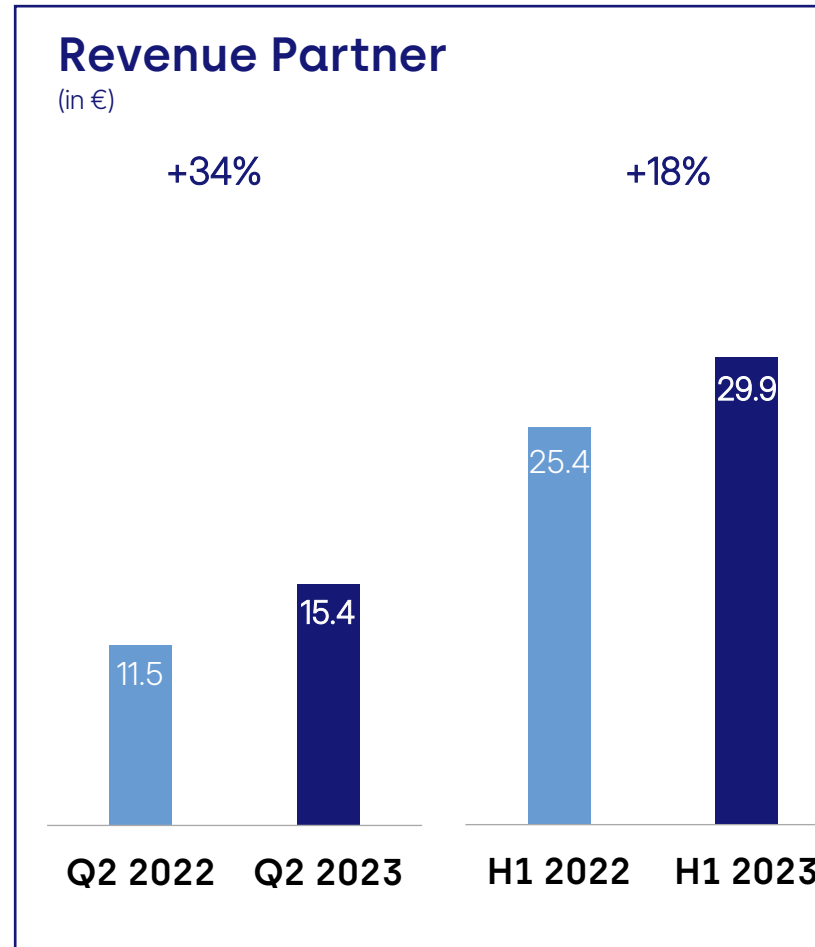
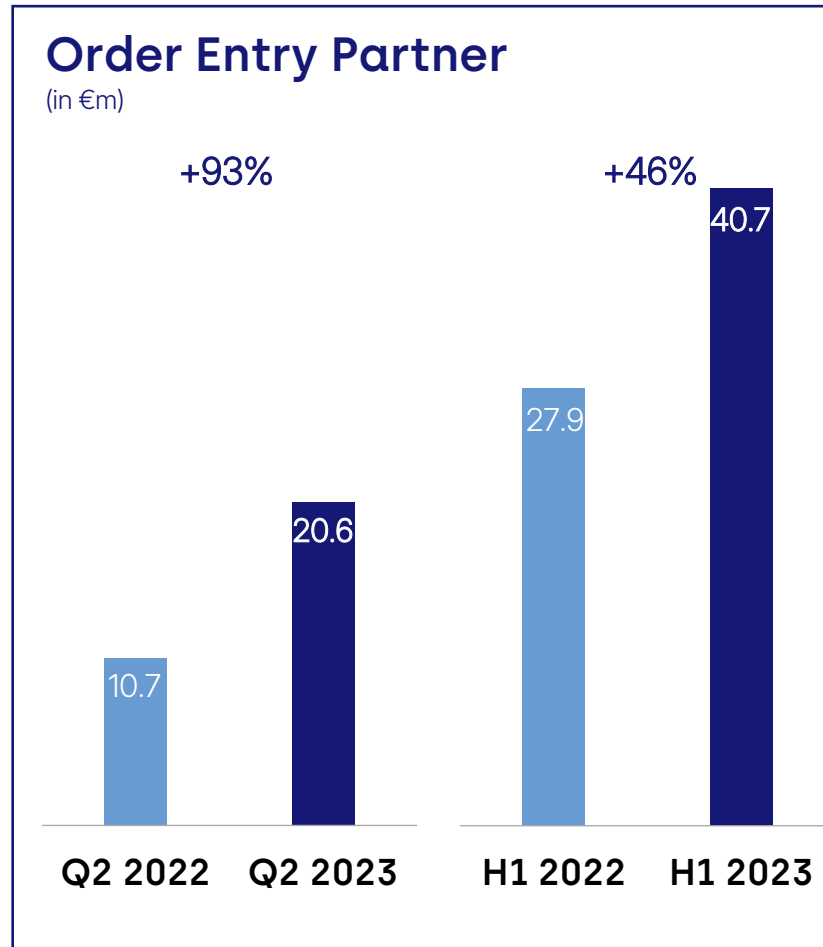
Revenue
€ 30.2m
+27%

Partners

Order Entry
€ 40.7m
+46%

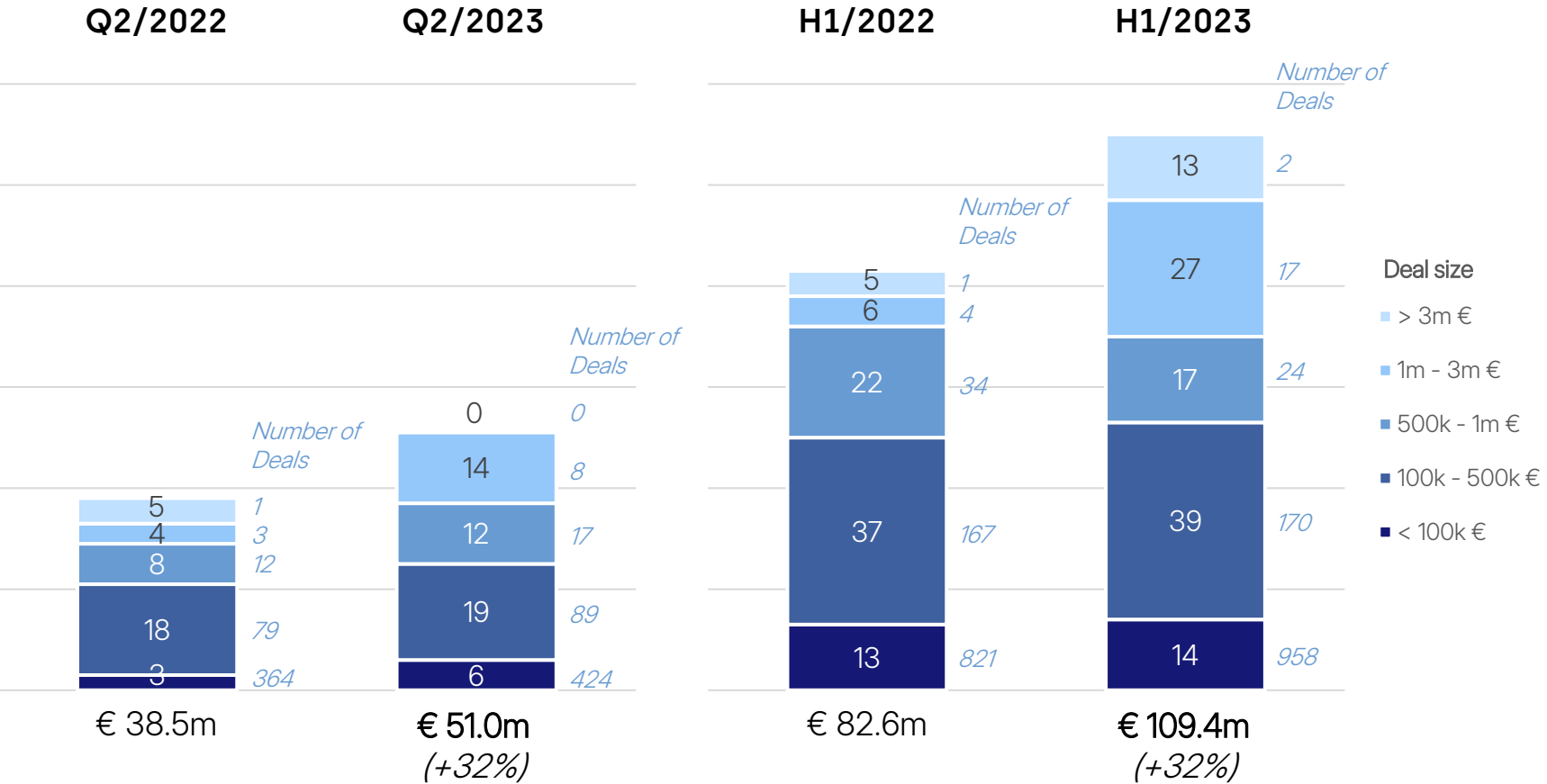
Revenue
€ 29.9m
+18%

Partner Business



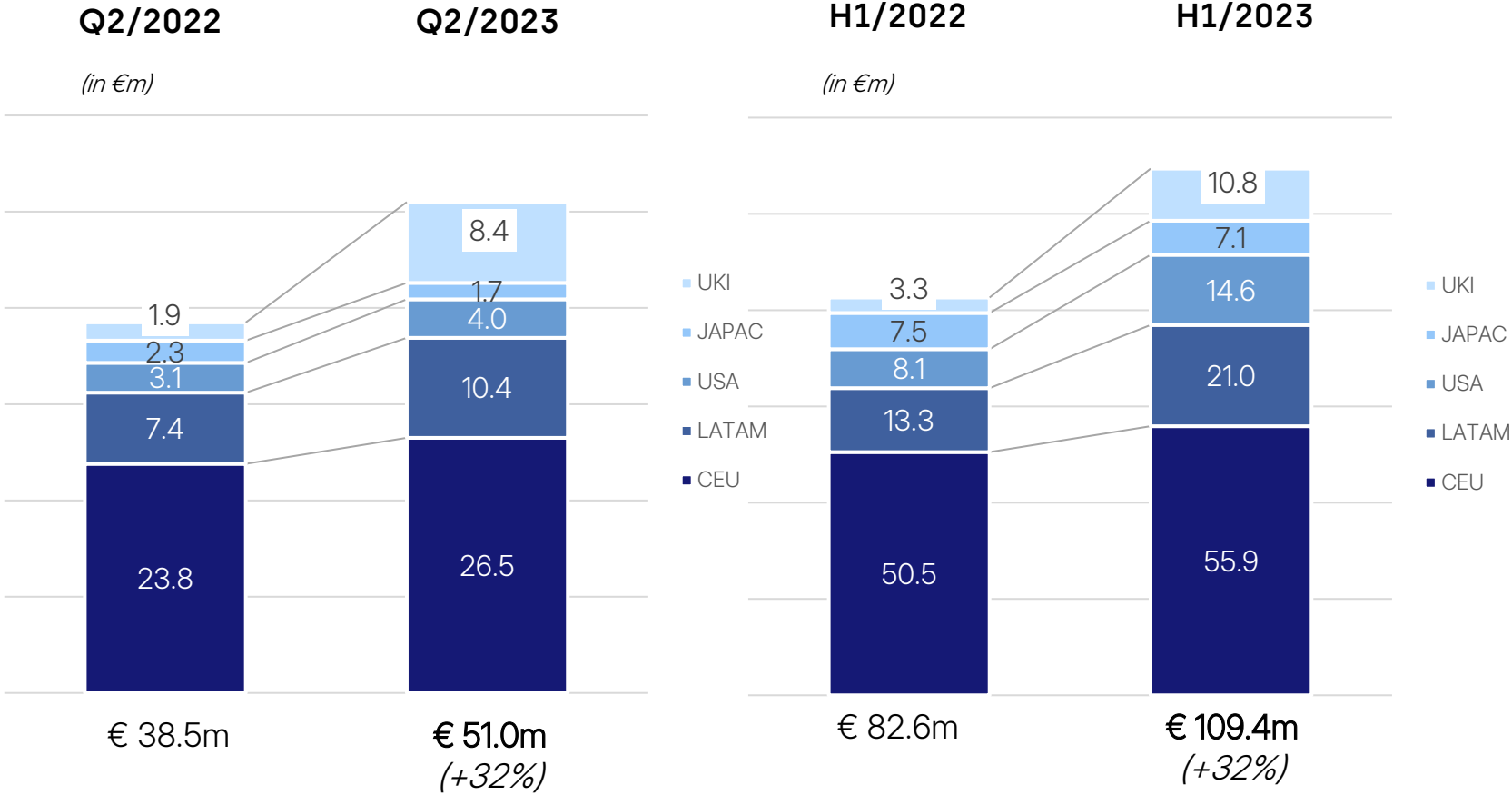
- Successful Partner Day with 362 Partner Participants at Transformation World.
- Strengthened technology partnership with US company Snowflake Inc. offering *Data Streaming for SAP App* based on SNP Glue solution.
- Further partnership agreement with SAP HCM expert scdsoft.
- 16 of the according to Gartner top 20 SAP System integration companies now partner with SNP.

Order Entry by Deal Bands



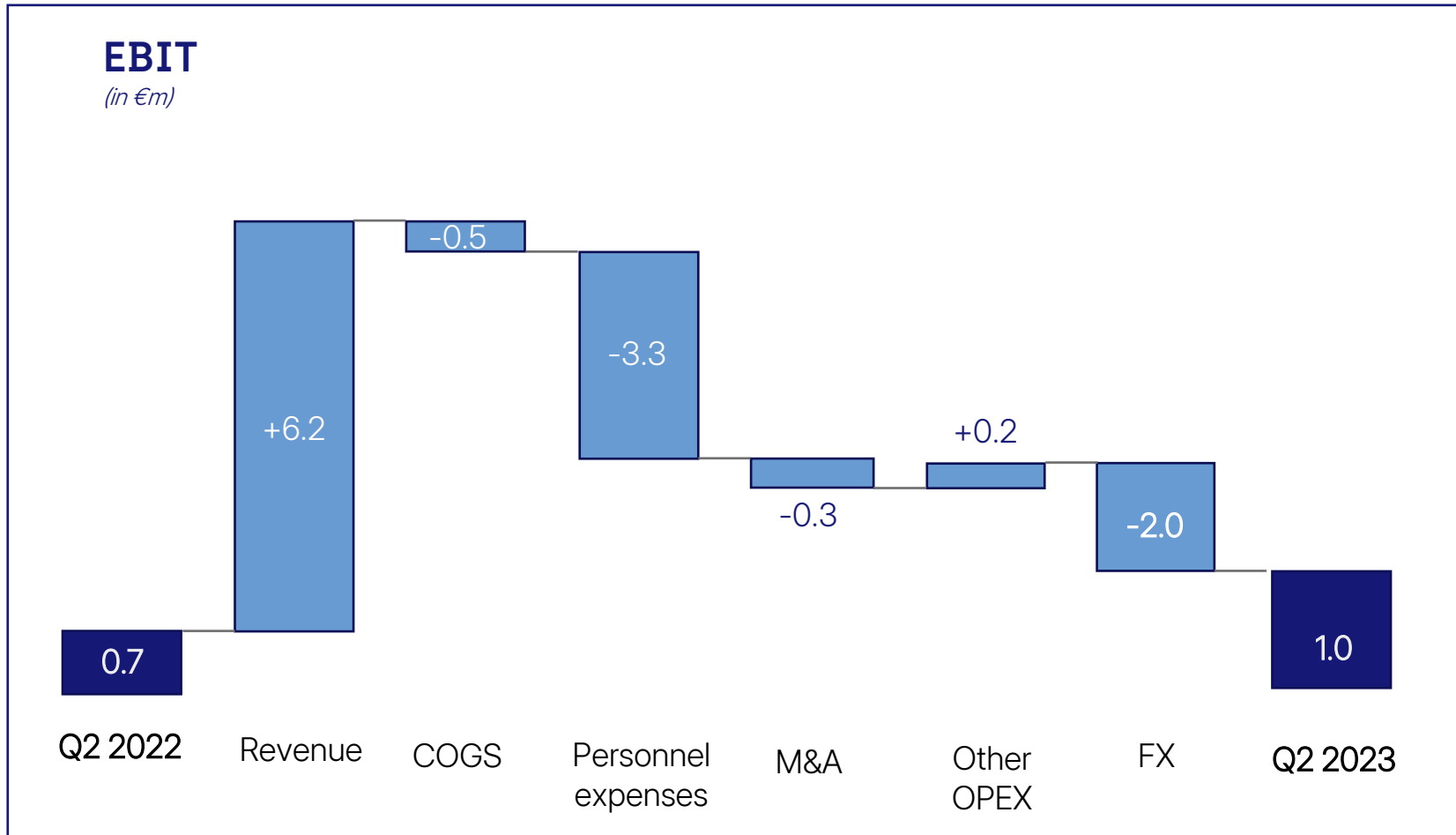
- 32% growth in Q2 achieved in spite of not having any mega deals > € 3m.
- Deals in the band of € 1m – 3m remain the key driver of growth in order entry.
- Increase by 14% to 1,171 projects in total (H1 2022: 1,027).

Order Entry by Region



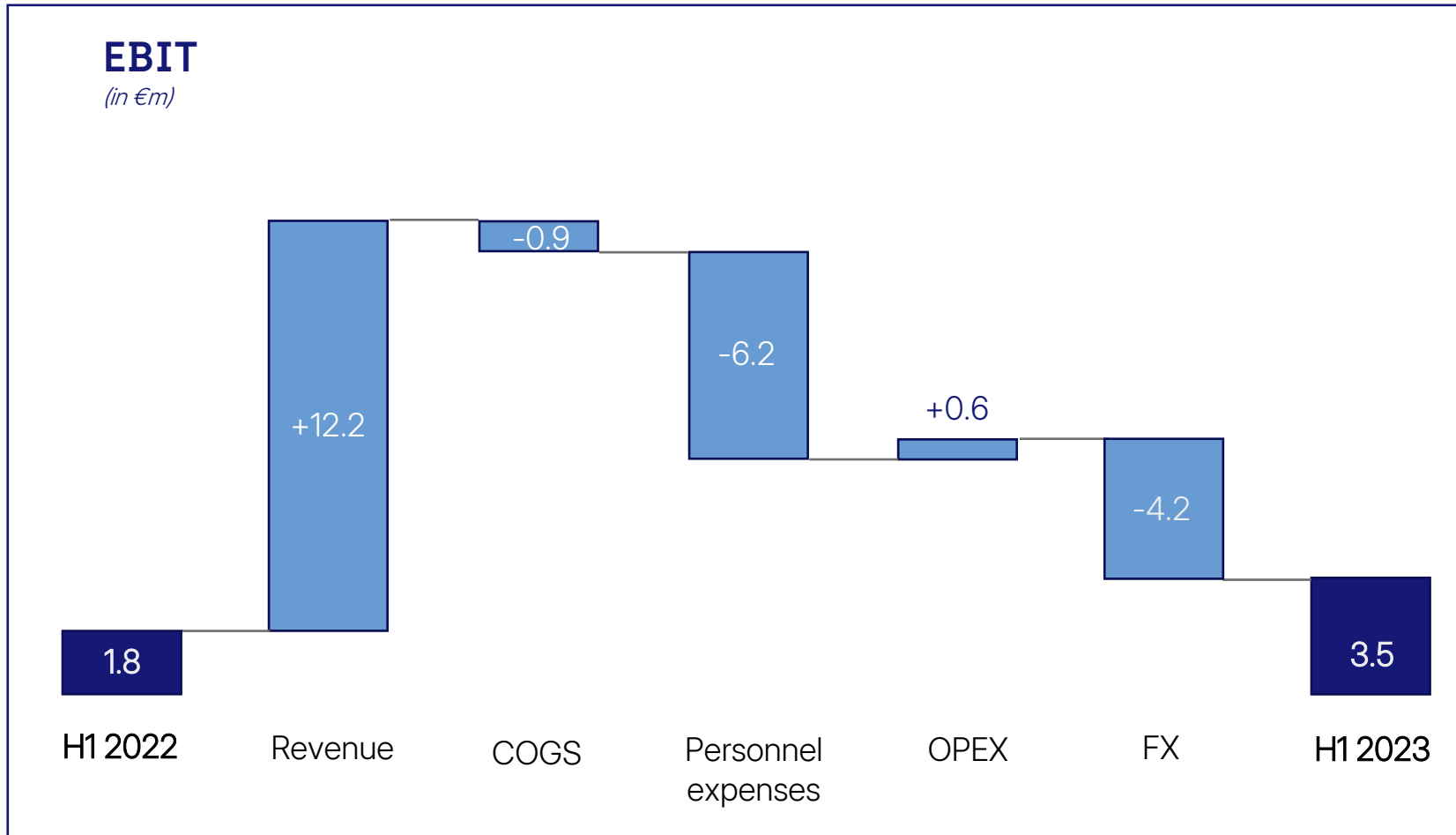
- Strongest percentage growth in the regions UKI (+227%), USA (+80%) and LATAM (+58%).
- Despite H1 growth decreasing CEU share (-10pp to 51% of total order entry).
- Strong order entry in relation to SAP S/4HANA projects: +83% to € 55.1m (H1 2022: € 30.0m).
- SAP S/4HANA projects account for more than 50% of the total order entry (H1 2022: 36%).

Reconciliation EBIT – Q2



- Personnel expenses, FX and external consultant COGS partially off-setting the positive impact of revenue growth.
- **Revenue:** € +2.8m by Software business segment (+25%); Service business segment: € +3.9m (+14%); EXA segment € -0.6m (-23%).
- **Personnel expenses:** (1) higher number of employees and (2) salary increases in 2022.
- **M&A:** Response to takeover offer.
- **FX:** Weak US dollar weighs on earnings compared to strong US dollar effect in Q2 2022.

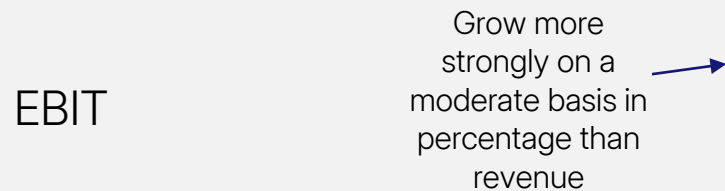
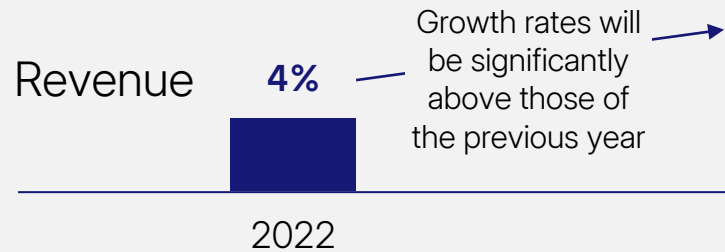
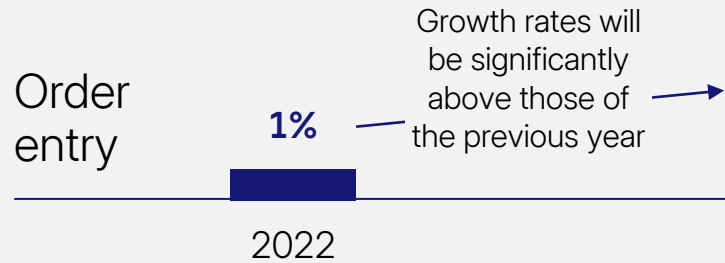
Reconciliation EBIT – H1



- **Revenue:** € +6.1m by Software business segment (+26%); Service business segment: € +6.7m (+12%); EXA segment: € -0.6m (-12%).
- **Personnel expenses:** (1) higher number of employees, (2) salary increases in 2022 and (3) inflation adjustment payment (in January 2023).
- **FX:** Weak US dollar weighs on earnings compared to strong US dollar effect in H1 2022.

2023 Outlook

Initial View (March 2023)



Updated View (August 2023)

€210m – 230m
(~14%)

€190m – 200m
(~13%)

€5m – 10m

- Negative currency effects
- Response to takeover offer
- Investments in transformation

2024 Outlook

- **Revenue** – increase by around 10% (€210m – €220m).

- **Order entry** – Book-to-bill ratio greater than one (€220m – €240m).

- **EBIT margin** – improvement by 1-2 percentage points.

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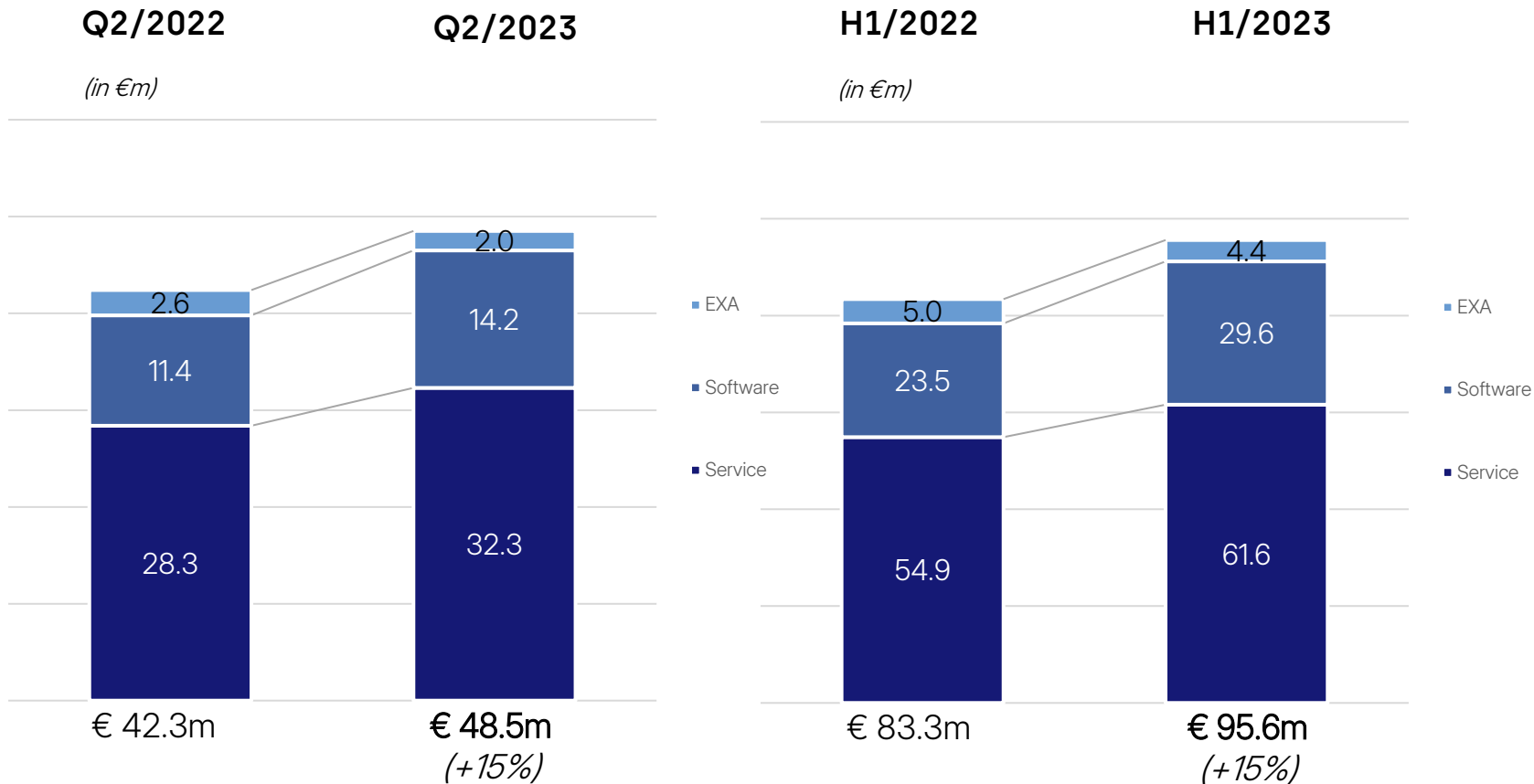


Income Statement Q2/H1 2023

(in €m)	Q2 2023	Q2 2022	Δ (%)	H1 2023	H1 2022	Δ (%)
Revenue	48.5	42.3	+14.7	95.6	83.3	+14.7
Gross profit	42.7	37.0	+15.4	83.9	72.5	+15.7
Personal expenses	-30.6	-27.3	+12.1	-60.6	-54.4	+11.3
Other income/expenses	-8.3	-6.2	+33.0	-14.4	-10.8	+32.9
EBITDA	3.6	3.4	+4.4	8.6	7.2	+20.0
EBIT	1.0	0.7	+44.0	3.5	1.8	+89.3
EBT	0.5	0.9	-50.6	2.3	0.2	+1,153.9
Net income	0.3	0.7	-53.3	1.6	0.1	+1,153.9
Gross profit margin	87.9%	87.4%	+0.5pp	87.8%	87.1%	+0.7pp
EBITDA margin	7.4%	8.1%	-0.7pp	9.0%	8.6%	+0.4pp
EBIT margin	2.1%	1.7%	+0.4pp	3.6%	2.2%	+1.4pp

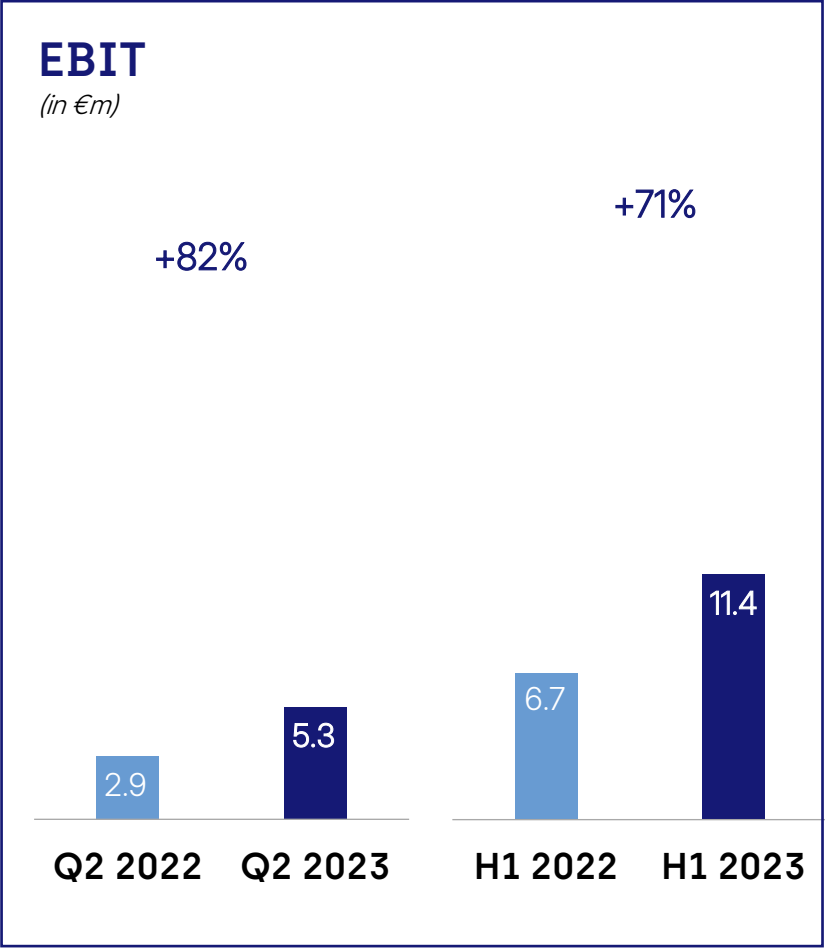
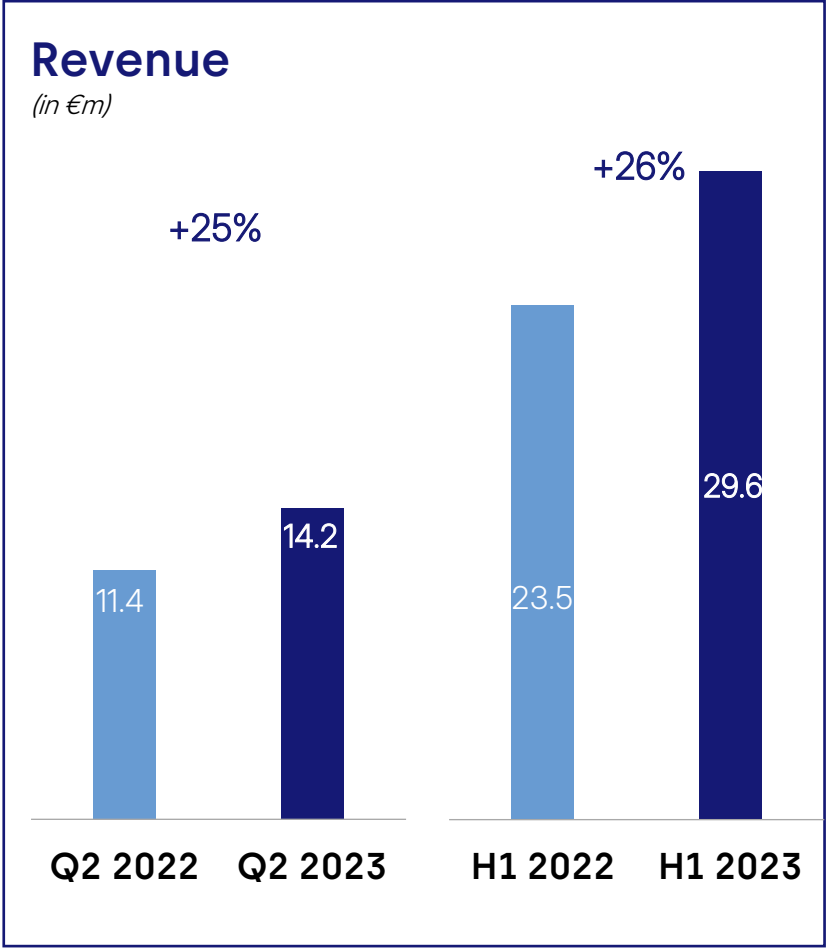
- Increased personnel expenses mainly due to (1) higher number of employees, (2) salary increases in 2023 and (3) inflation adjustment payment granted to employees in Germany in January 2023.
- Other income / expenses: Change mainly attributable to negative FX effect of € -1.4 m compared to a positive FX effect of € 2.8 m in the previous year
- One time M&A costs of € 0.3 m
- Improved earnings per share by € 0.21 to € 0.23.

Revenue by segments



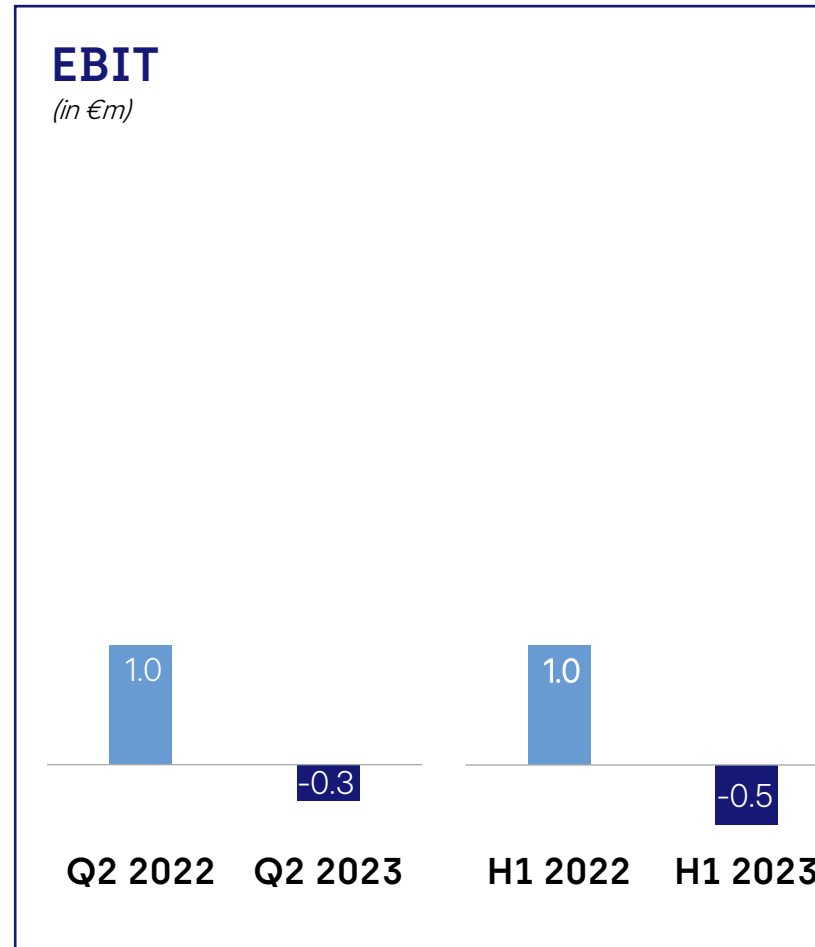
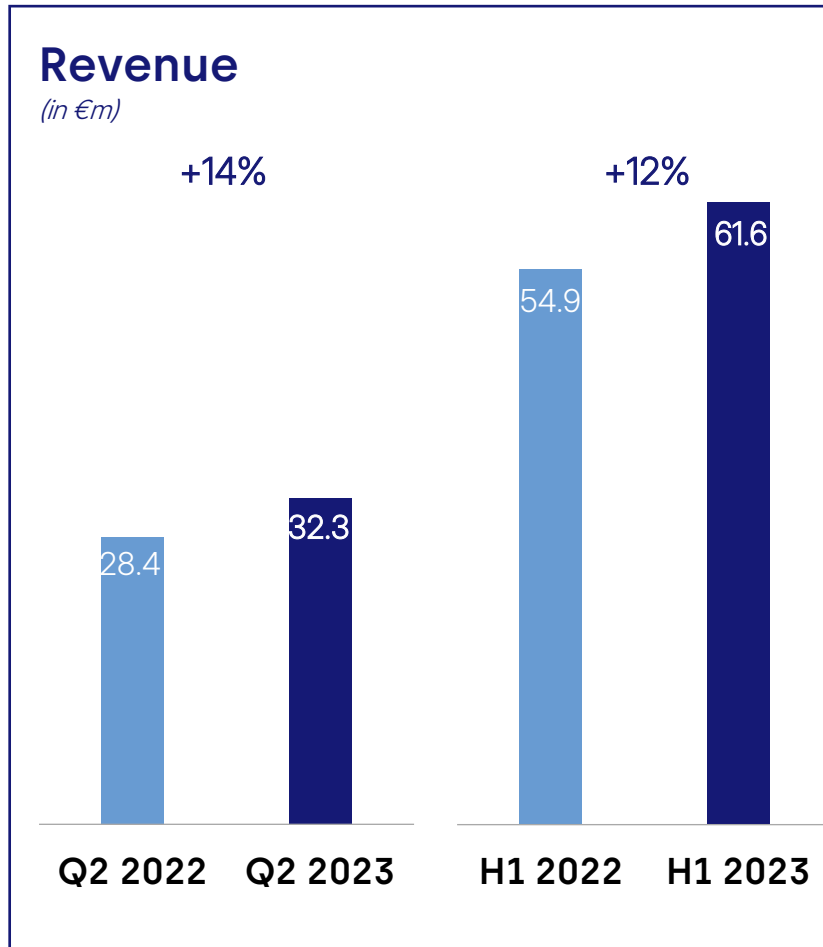
- Increase in revenue attributable to Service and Software business segments.
- In the Software business segment, revenue increased well above average by 26%;
- Revenue in the Software segment in the reporting period corresponds to a share of 31% of total revenue (previous year: 28%).
- Book-to-bill: 1.14

Segment Software – Revenue & EBIT Q2/H1 2023



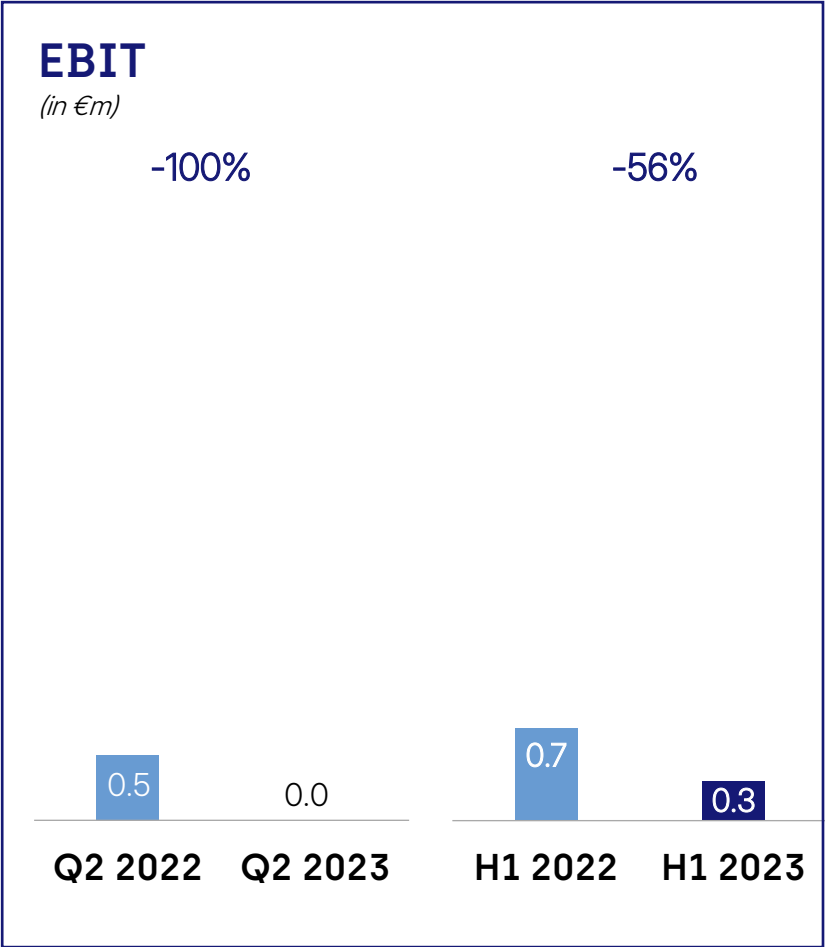
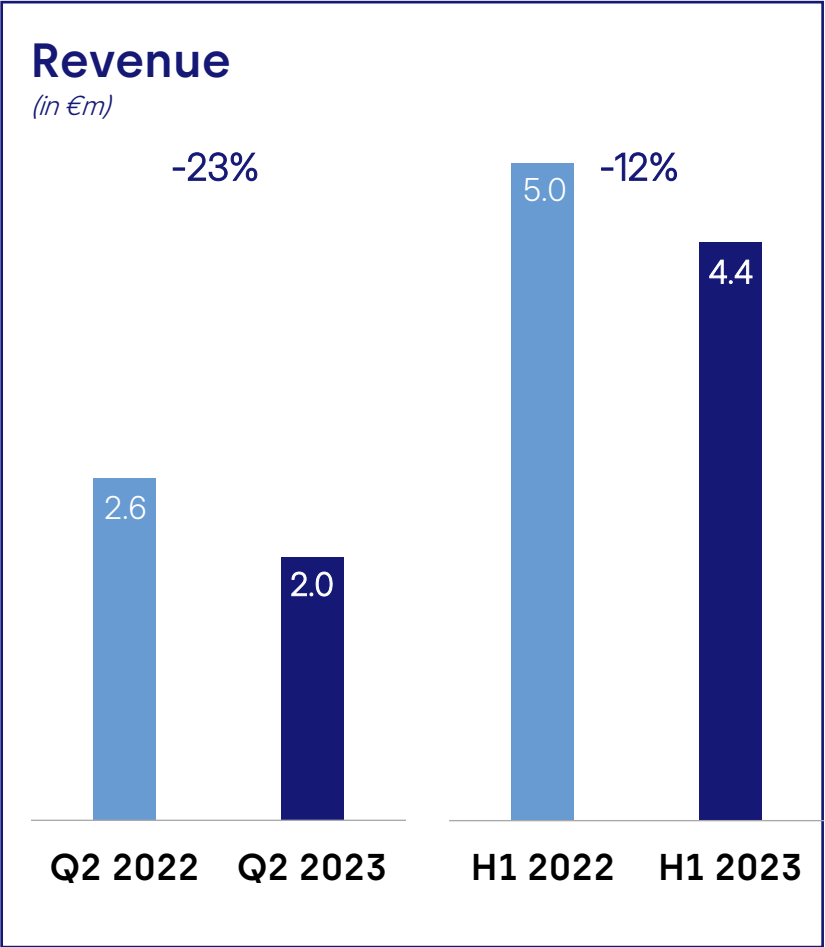
- Significantly higher revenues from software licenses with a volume of € 20.3m (H1 2022: 14.3m).
- Revenues from software support as well as cloud and SaaS revenues largely at the previous year's level.

Segment Service – Revenue & EBIT Q2/H1 2023



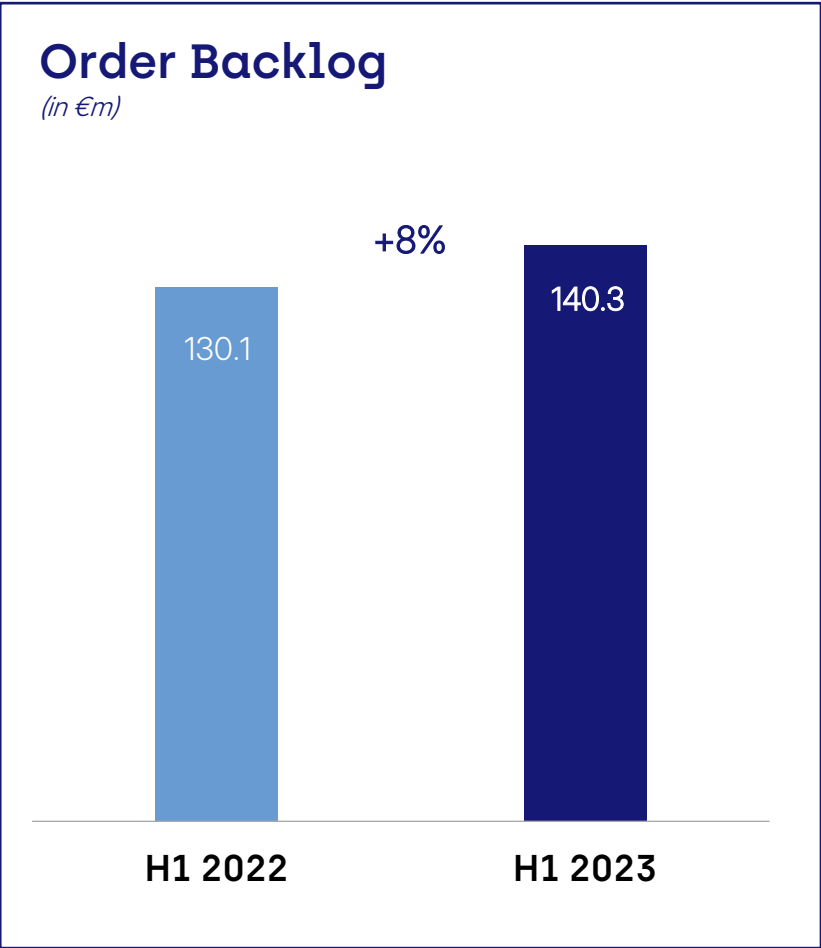
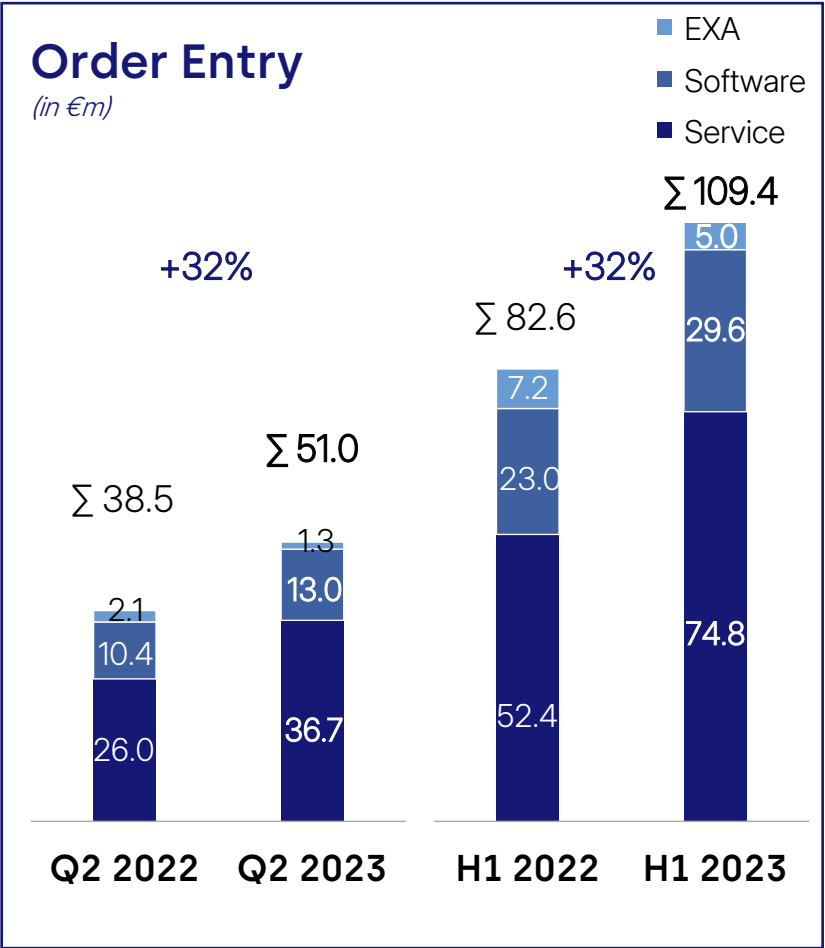
- Slightly negative margin despite increased revenues.
- Measures initiated to improve project profitability.

Segment EXA – Revenue & EBIT Q2/H1 2023



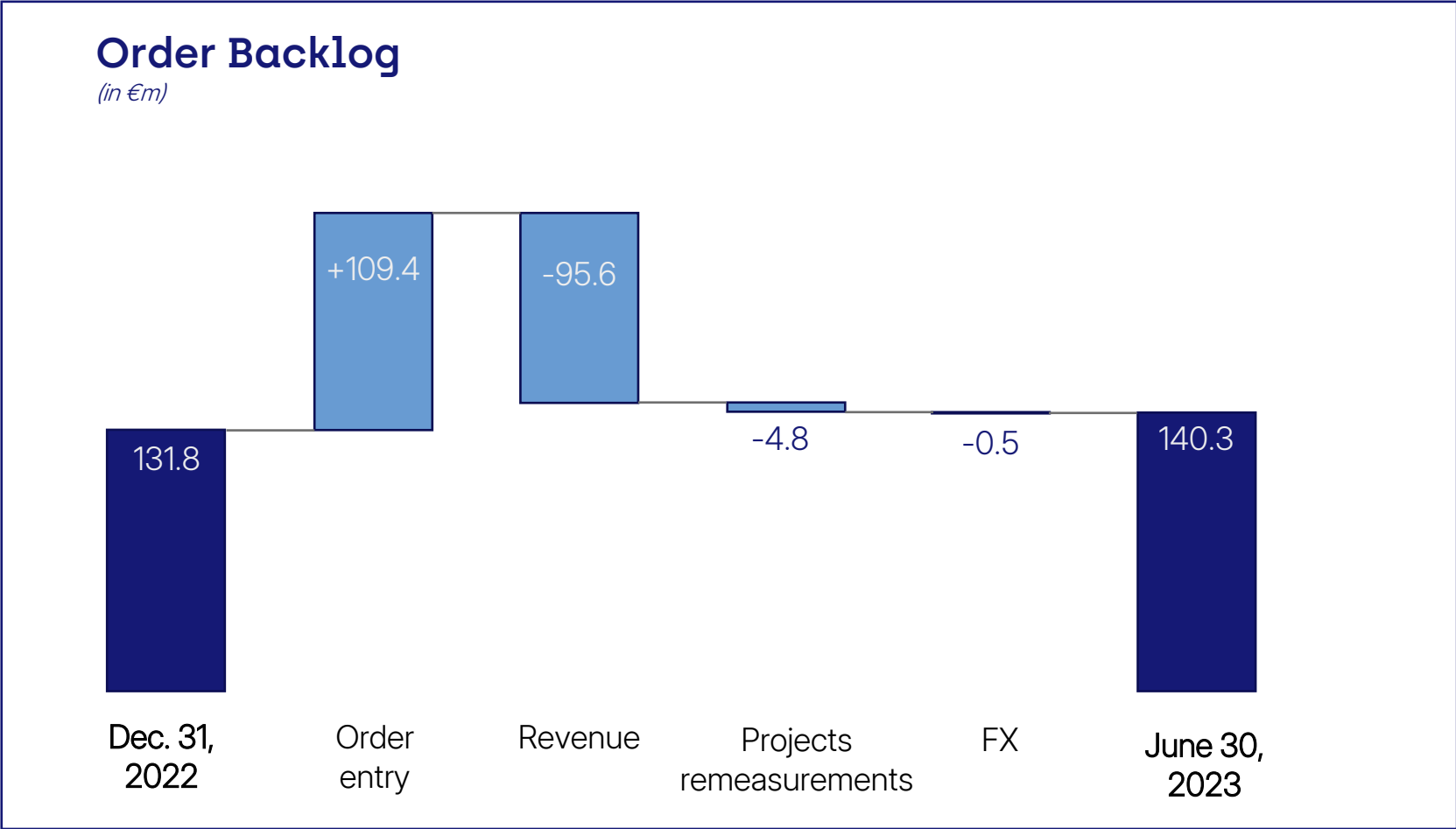
- Some Deals for HY1 have slipped.
- For the full year EXA will perform as planned.

Order Entry Q2/H1 2023 and Order Backlog



- Strong increasing order entry due to significant growth in the UKI, US and LATAM regions.
- SAP S/4HANA projects represent around 50% of the entire order entry volume (H1 2022: around 36%).
- Increase of order backlog compared to H1 2022.

Reconciliation Order Backlog H1 2023



- Increase in order backlog by 6% compared to year end 2022.
- Minor projects remeasurements in H1.
- Backlog includes €3.7 m from EXA.

Balance Sheet Structure

Assets (in €m)	June 30, 2023	Dec. 31, 2022
Cash & cash equivalents	24.9	38.4
Other financial assets	4.9	11.5
Receivables & contract assets	85.4	74.4
Other currents assets	7.9	5.9
Total current assets	123.1	130.2
Total non-currents assets	129.9	134.8
Total assets	253.0	265.0
Equity & Liabilities (in €m)		
Total current liabilities	60.3	64.6
Total non-current liabilities	82.5	93.2
Equity	110.1	107.2
Total Equity & Liabilities	253.0	265.0

- Higher trade receivables and contract assets as a result of a high sales volume in H1 and a one-time sale of receivables in December.
- Cash and cash equivalents decreased by €13.5m as of June 30, 2023 as a result of the repayment of loans, the payment of bonuses in April and the build-up of working capital.
- Liabilities: The change is mainly due to lower non-current liabilities to banks as a result of the reclassification from non-current to current financial liabilities.
- Improved equity ratio of 43.5% (+3.0pp).

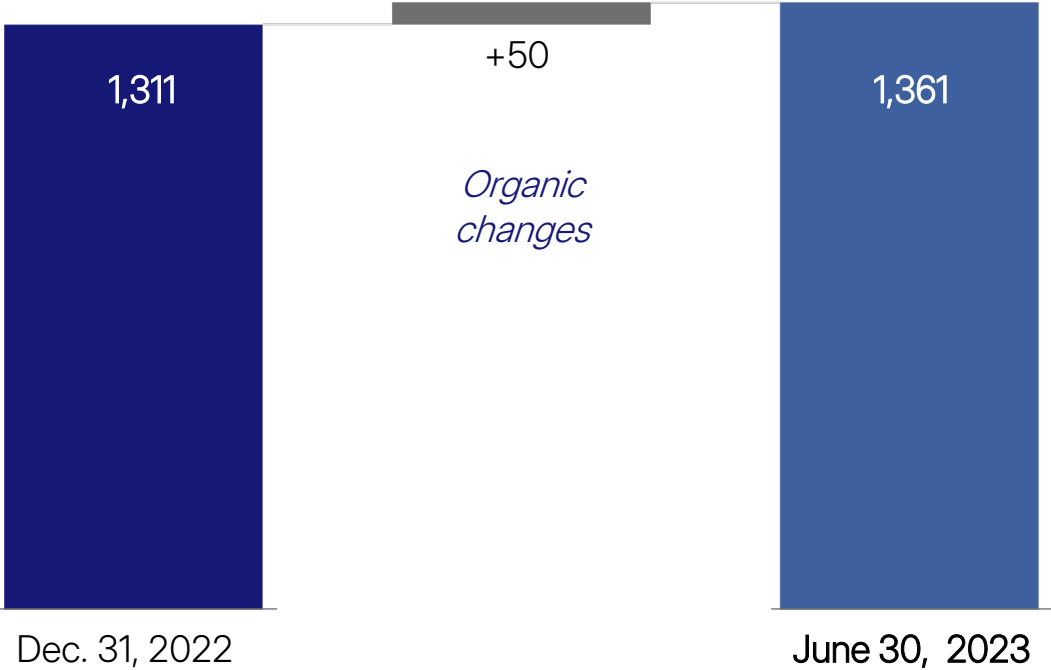
Cash flow Statement Q2/H1 2023

(in €m)	Q2 2023	Q2 2022	Δ (abs.)	H1 2023	H1 2022	Δ (abs.)
Net income	0.3	0.7	-0.4	1.6	0.1	+1.4
Depreciation	2.5	2.7	-0.2	5.1	5.3	-0.2
Change in W/C	-11.5	-8.5	-2.9	-16.8	-14.0	-2.8
Change in other items	0.7	-2.3	-3.0	1.1	-4.1	+5.2
Operating Cash flow	-7.9	-7.4	-0.5	-8.9	-12.6	+3.6
Investing Cash flow	4.4	-2.7	+7.1	4.2	-6.0	+10.2
Repayment of lease liabilities	-1.2	-1.2	-0.0	-2.5	-2.3	-0.2
Free Cash flow	-4.7	-11.3	+6.5	-7.3	-20.9	+13.6
W/C ratio (LTM)				29.7%	23.9%	

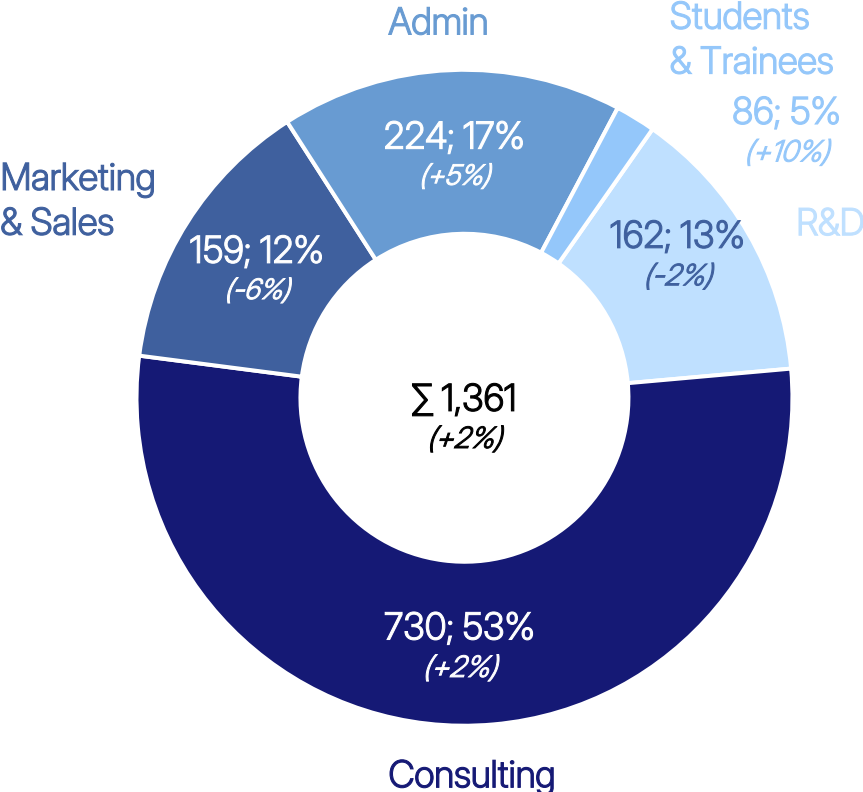
- **Operating Cash flow** at € -8.9m (improvement of € 3.6m). Cash outflow resulted mainly from W/C increase due the payment of bonuses in April and an increase in receivables and contract assets.
- **Investing Cash flow** positive due to a purchase price payment for the sale of shares in All for One Poland Sp. z.o.o.
- **Free Cash flow** at -7.3m compared to -20.9m in the previous year (improvement of € 13.6m).

Headcount

Headcount evolution



Headcount split by function June 30, 2023



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We are happy to take your questions!

Financial Calendar 2023

Publication of the
Annual Report
2022

Mar 30, 2023

Publication of the
Interim Statement
Q1 2023

Apr 27, 2023

Annual General
Meeting 2023

May 23, 2023

Publication of the
Half-Year Financial
Report 2023

Aug 4, 2023

Publication of the
Interim Statement
Q3 2023

Oct 26, 2023

Thank you

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Heidelberg, Germany 2023