

ELEVATE DIGITAL TRANSFORMATION

Analyst & Investor Call
Q1 2022 Results

SNP | The Data Transformation Company



AGENDA

OVERVIEW

FINANCIALS

OUTLOOK

QUESTIONS & ANSWERS

APPENDIX



Q1 2022 – Strong Start into Year 2022

- > Order entry via partners up more than 50% year over year; like-for-like* order entry volume of € 44.1m (-3% relative to Q1 2021)
- > Group revenue in Q1 2022 up by 24% compared to previous year's quarter due to strong demand in both direct sales and partner business
- > Positive EBIT of € 1.1m in traditionally weaker Q1; positive Q1-EBIT for the first time since 2016
- > Software revenue increased by 25% due to high demand for software licenses (€ 7.5m revenue) despite € 2.6m partner software sales without effects on earnings (realized in previous years)
- > Guidance for 2022 confirmed
- > Strong pipeline of more than € 500m (unweighted); more than 40% by partners

Order Entry: € 44.1m

-16%

(Like-for-like* -3%)

Total Revenue: € 41.0m

+24%

Software Revenue: € 12.1m

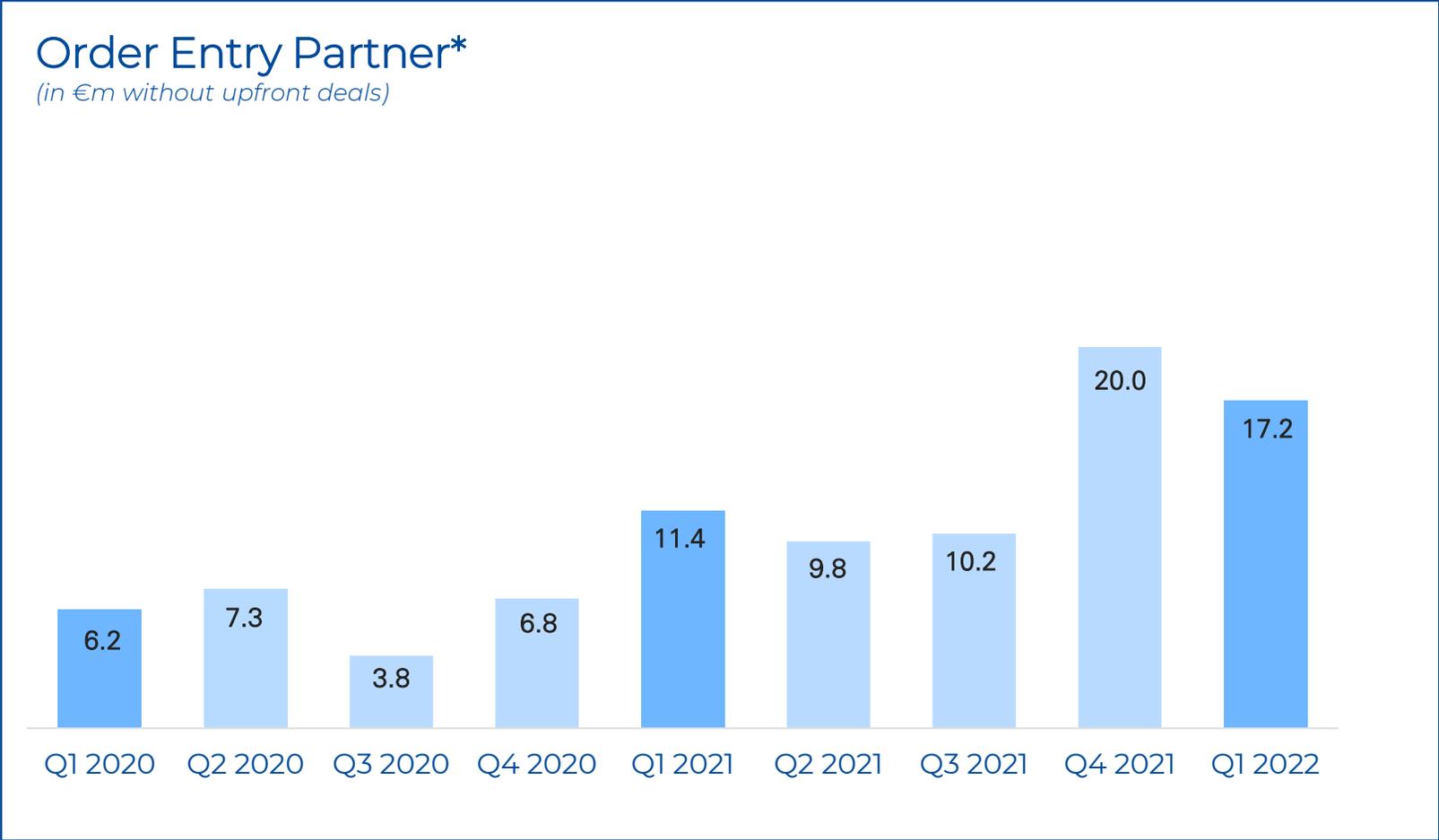
+25%

Service Revenue: € 26.5m

+19%

* As pro forma key figures, the like-for-like key figures for the first quarter of 2021 differ from the above key figures due to the addition of the key figures for Datavard and EXA in the first quarter of 2021 (EXA prior to their acquisition date of March 1, 2021) and the elimination of the key figures for SNP Poland in the first quarter of 2021.

Strong Development Partner Business



Comments

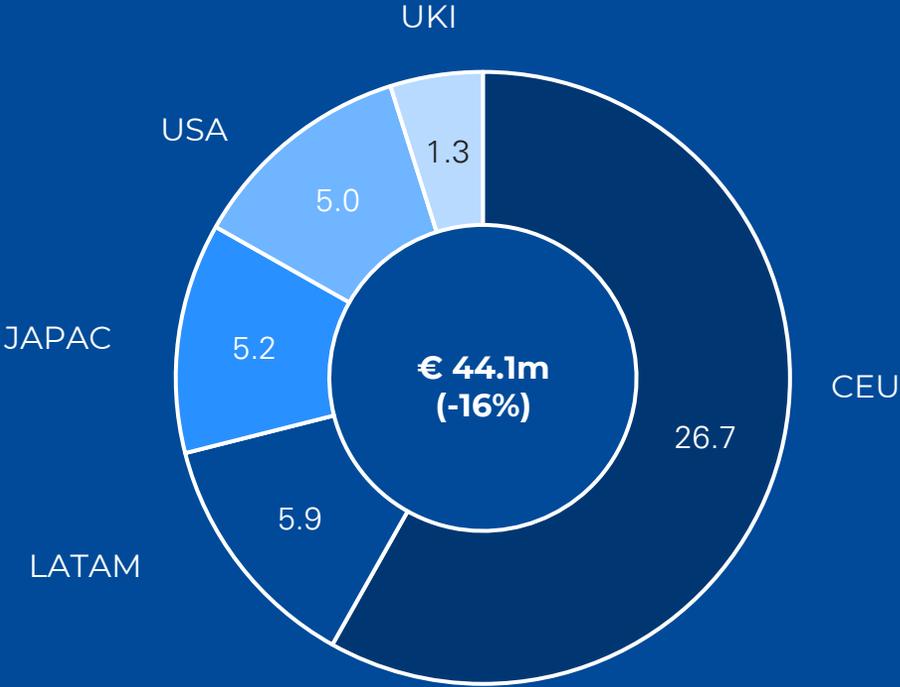
- > Deconsolidation effects of SNP Poland and acquisition effects of Datavard and EXA on software revenue not included
- > No partner upfront deals since Midst 2021
- > Strong increase in partner OE starting in 2021

* Adjusted values compared to the presentation version used in the call on April 28, 2022.

Order Entry and Revenue by Region Q1 2022 – Book-to-bill: 1.08

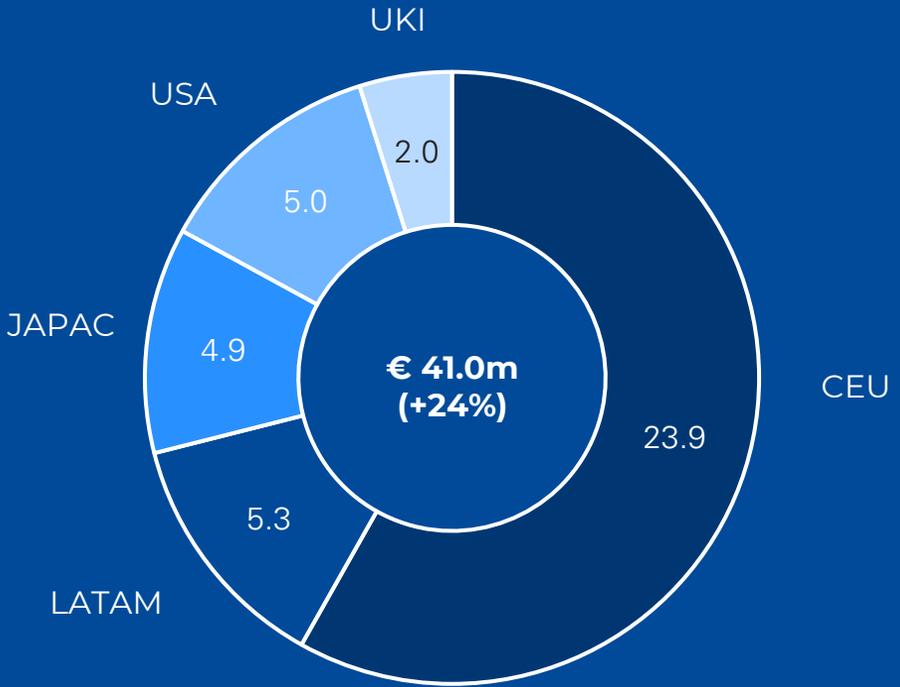
Order Entry

(in €m)



Revenue

(in €m)



Overview Partner Business Q1 2022

- > Strategic partnerships with 7 of the world's 10 largest IT consulting companies
- > Accenture & SNP joint Data Transformation Factory is up and running - already need to add additional delivery resources
- > New partnerships with PWC in LATAM & US, Deloitte in UK and US
- > 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
- > Order entry via partners up more than 50% year over year

Partner Revenue: € 14.9m

36% of Group Revenue

Partner Order Entry: € 17.2m*

33% of Group Order Entry

* Adjusted value compared to the presentation version used in the call on April 28, 2022.

Partners

Technology



"SNP's solution 'Cloud Move for Azure' offers our customers a fast and secure path to the Azure Cloud. SNP has many years of experience in the implementation of complex data migrations – customers benefit from the distinctive expertise of our partner."

Dr. Christine Haupt, General Manager Microsoft

Market

Global (12)



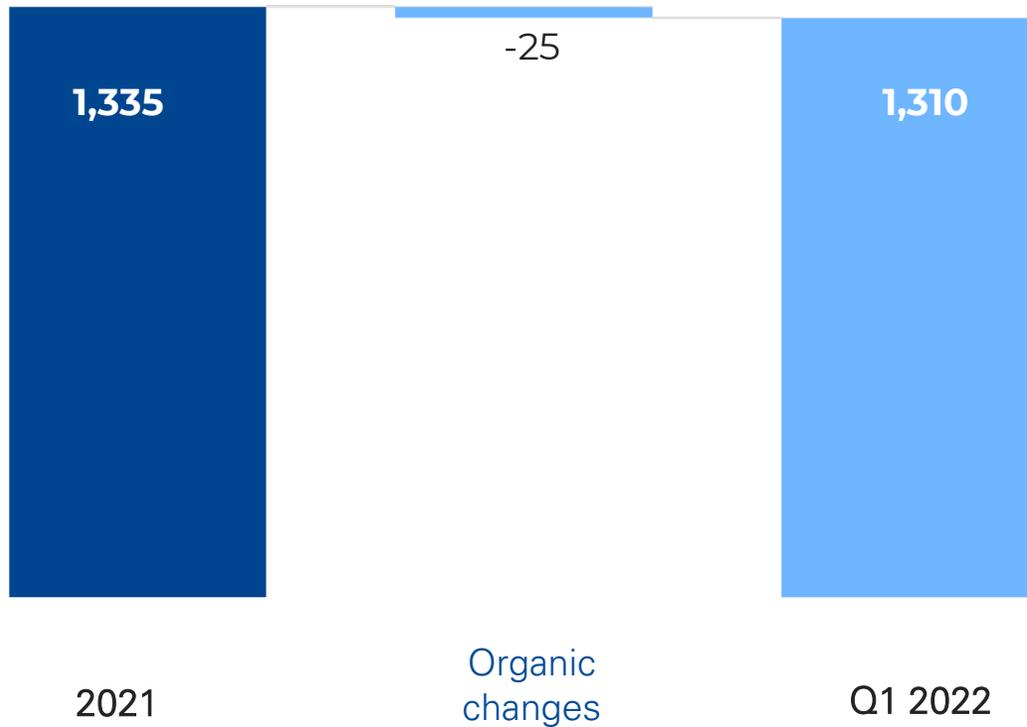
Regional (39)



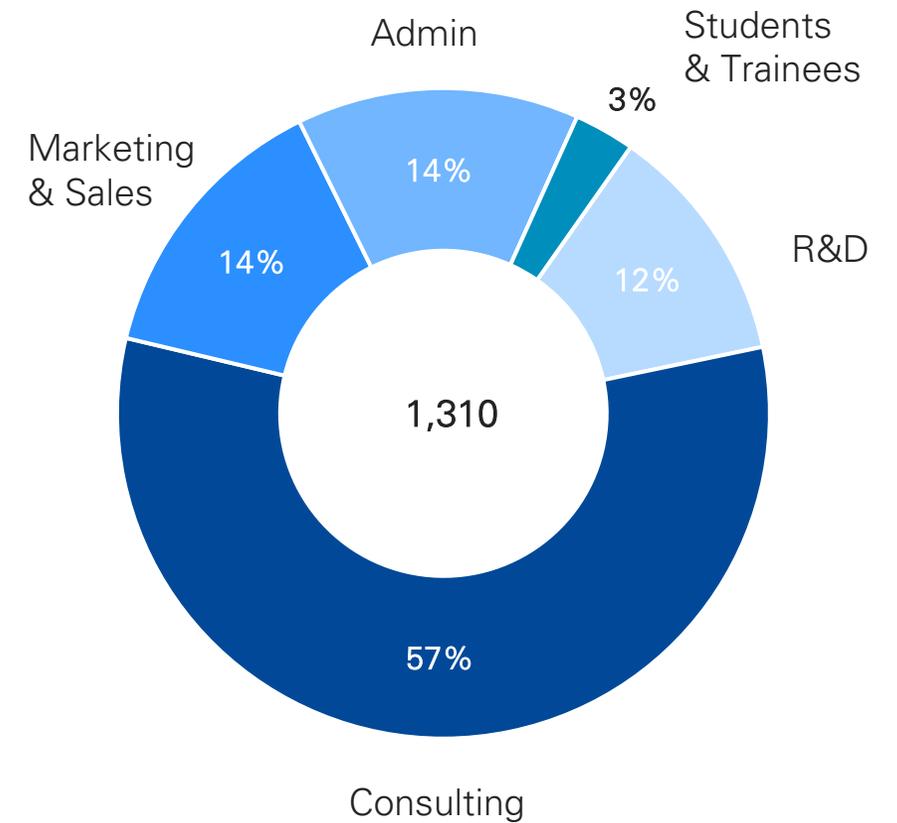
"Thanks to the cooperation with SNP, we offer our customers the perfect basis for their transformation projects - secured by the Data Transformation Platform CrystalBridge."

Mario Baldi, CEO Scheer Group

Headcount Evolution



Headcount split by function Q1 2022



AGENDA

OVERVIEW

FINANCIALS

OUTLOOK

QUESTIONS & ANSWERS

APPENDIX



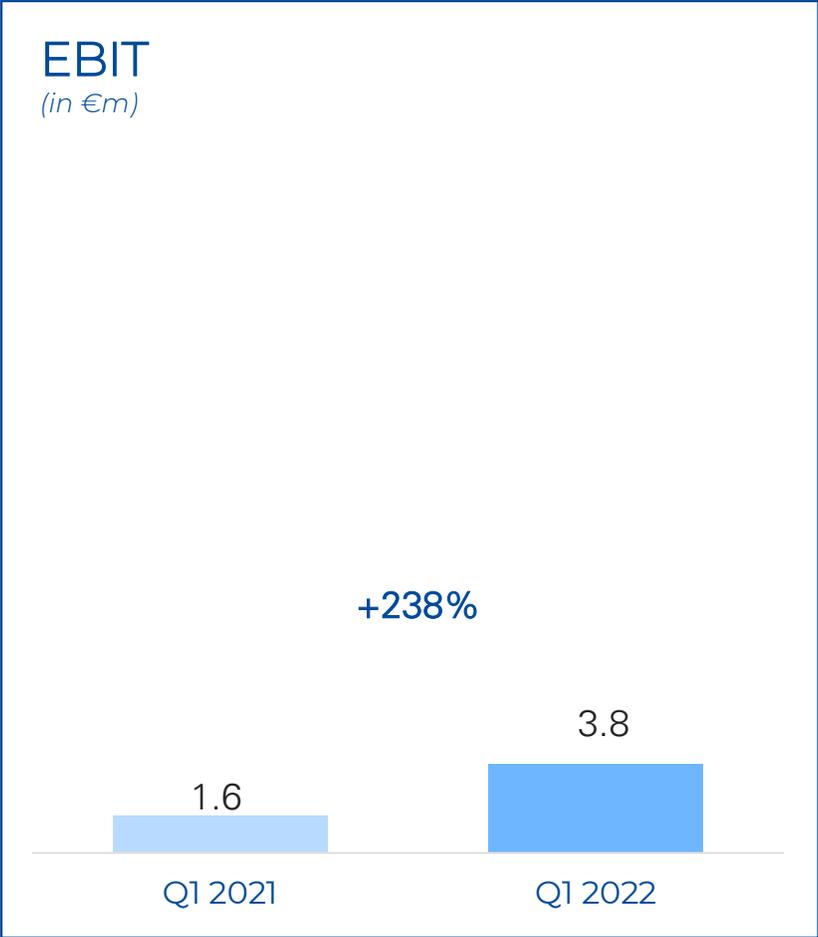
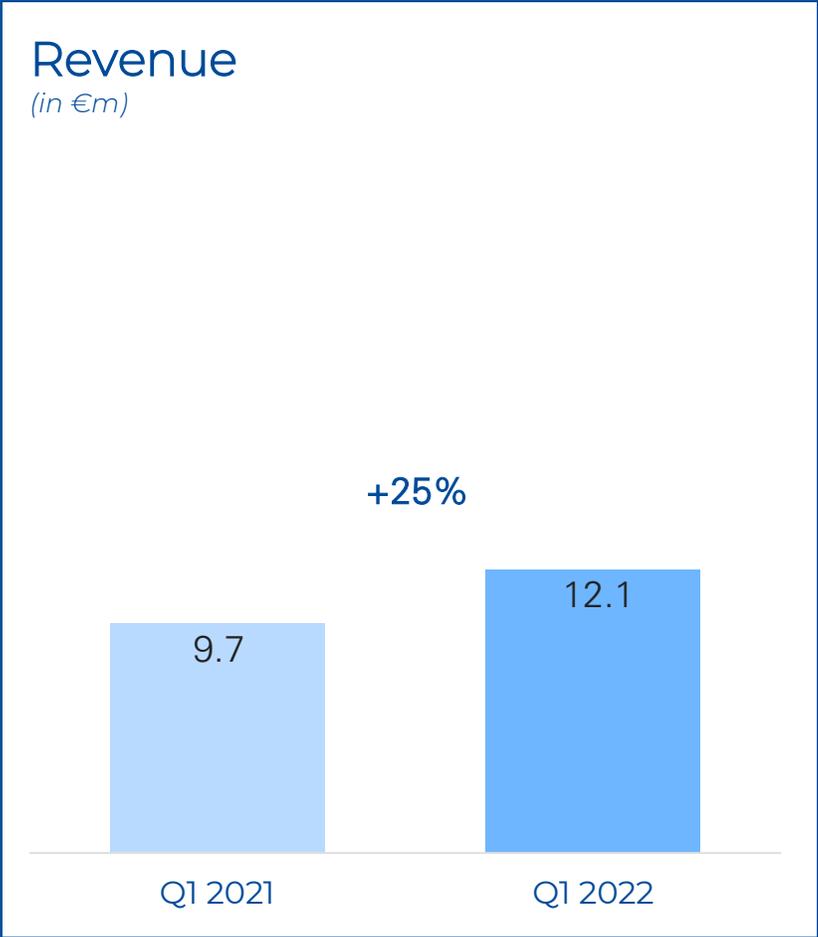
Income Statement Q1 2022

(in €m)	Q1 2022	Q1 2021	Δ (%)
Revenue	41.0	33.1	+24.1
Gross profit	35.6	27.7	+28.3
Personal expenses	-27.1	-25.4	+6.7
Other income/expenses	-4.6	-3.1	+44.9
EBITDA	3.8	-0.9	n/a
EBIT	1.1	-2.7	n/a
EBT	-0.8	-3.2	-76.1
Net income	-0.6	-2.5	-77.5
Gross profit margin	86.7%	83.7%	+3.0pp
EBITDA margin	9.2%	-2.8%	+12.0pp
EBIT margin	2.8%	-8.3%	+11.1pp

Comments

- > Strong revenue development in all segments
- > Higher personal expenses due to compensation payments
- > Positive FX effects of € 1.6m mainly by strong dollar
- > Operating profit improved in line with higher revenues and high utilisation

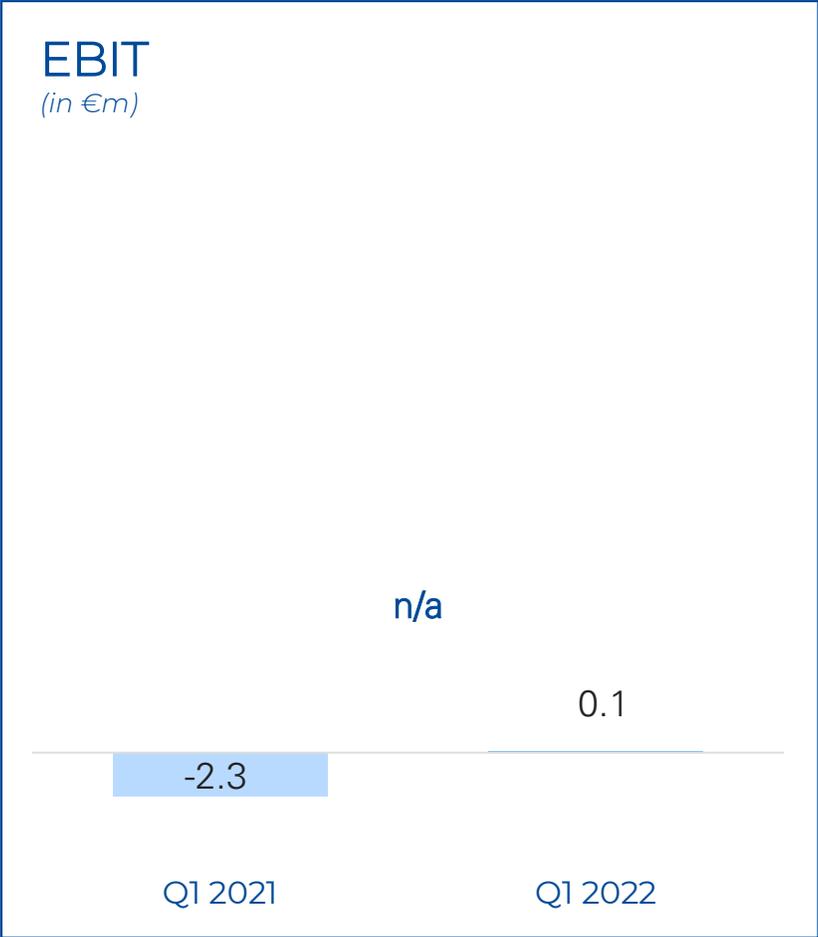
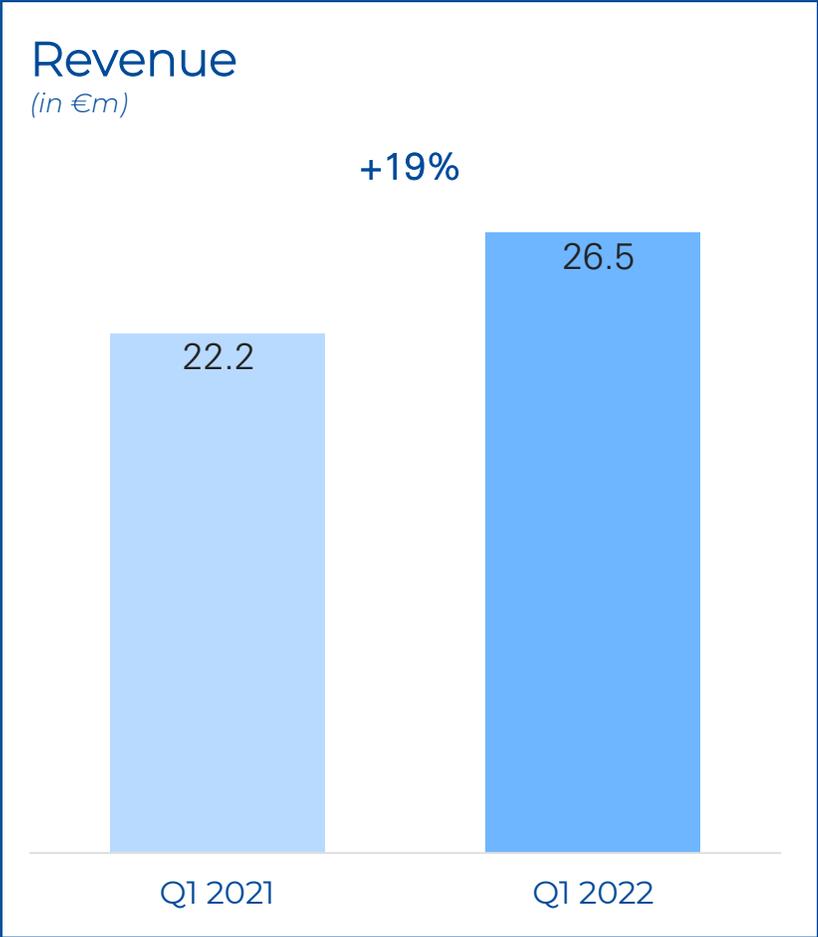
Segment Software – Revenue and EBIT Q1 2022



Comments

- > Software segment up 25%
- > Revenues with software licenses increase by 45% to 7.5m €
- > High EBIT segment margin of 31% confirms success of SNP strategy

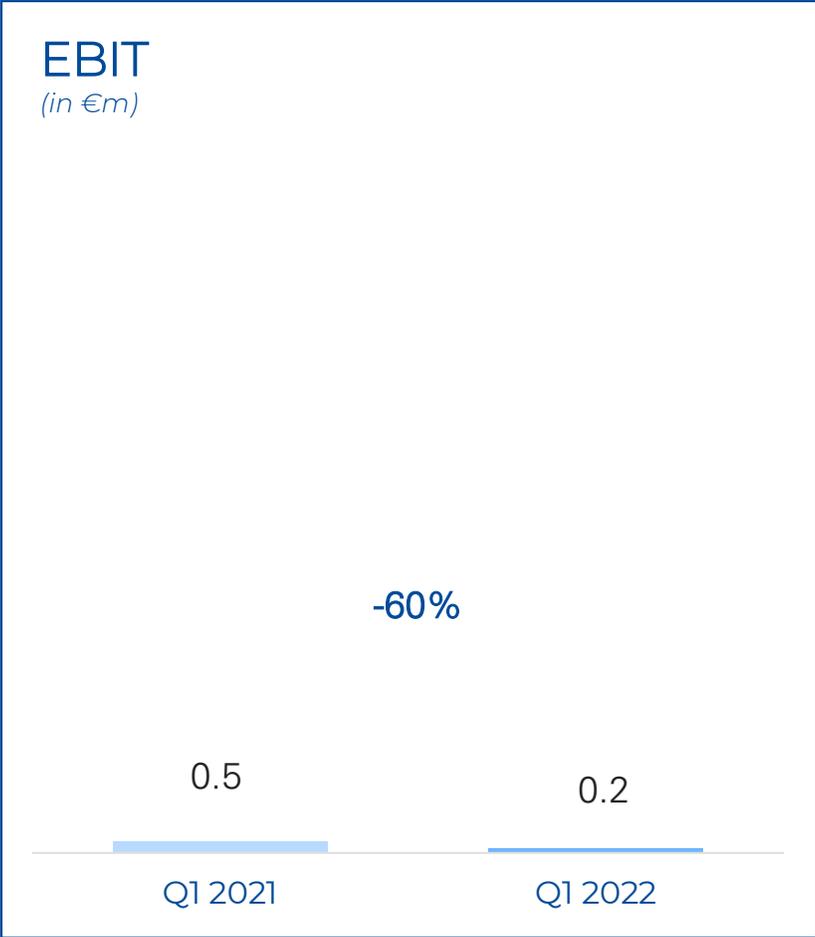
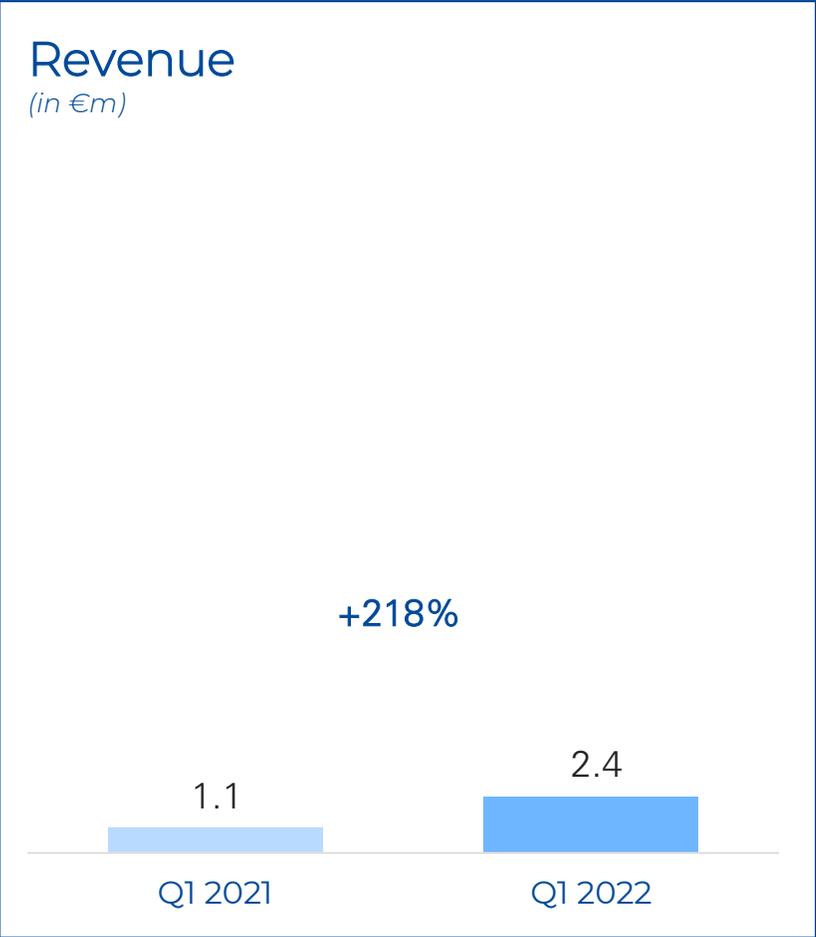
Segment Service – Revenue and EBIT Q1 2022



Comments

- > Service segment grew in Q1 2022 +19% due to good order backlog increased and utilization
- > Operating profit with positive development due to increased utilization

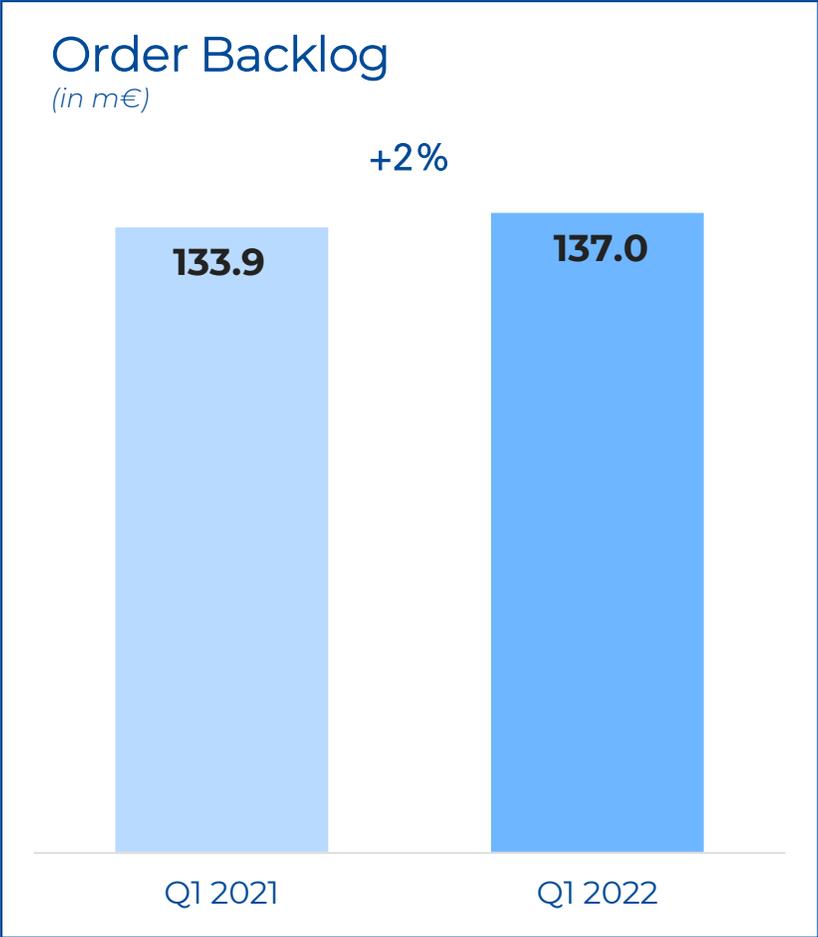
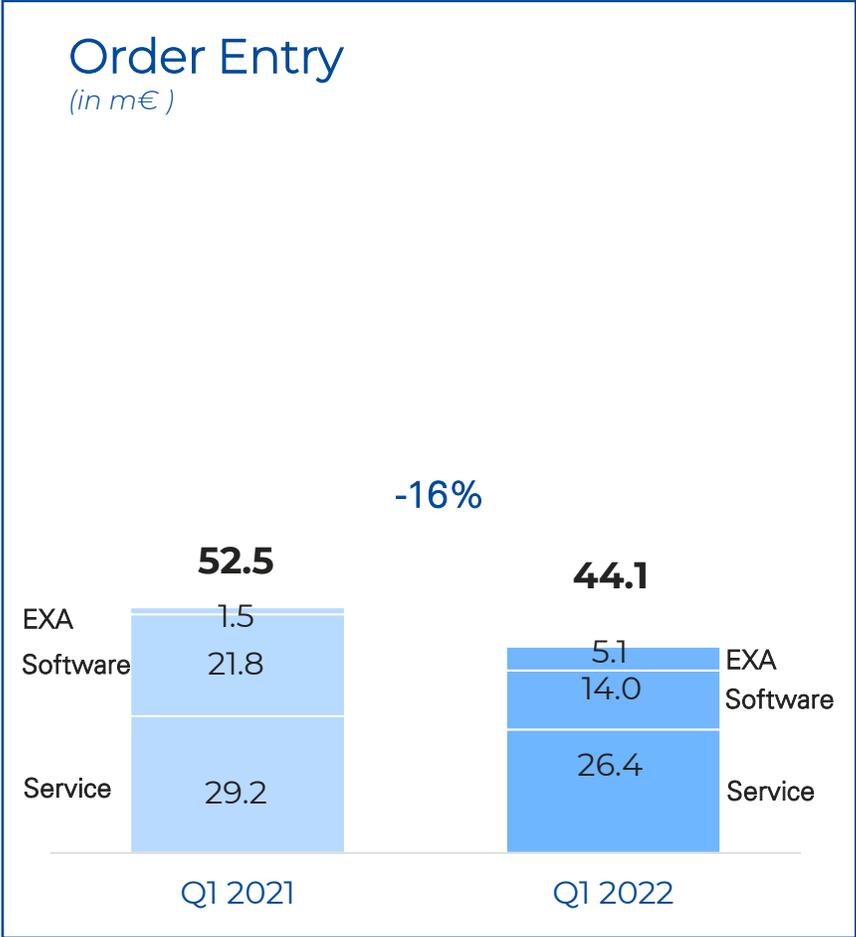
Segment EXA – Revenue and EBIT Q1 2022



Comments

- > EXA was consolidated for the first time in March 2021. Therefore, the comparison with the previous year not meaningful

Order Entry Q1 2022 and Order Backlog

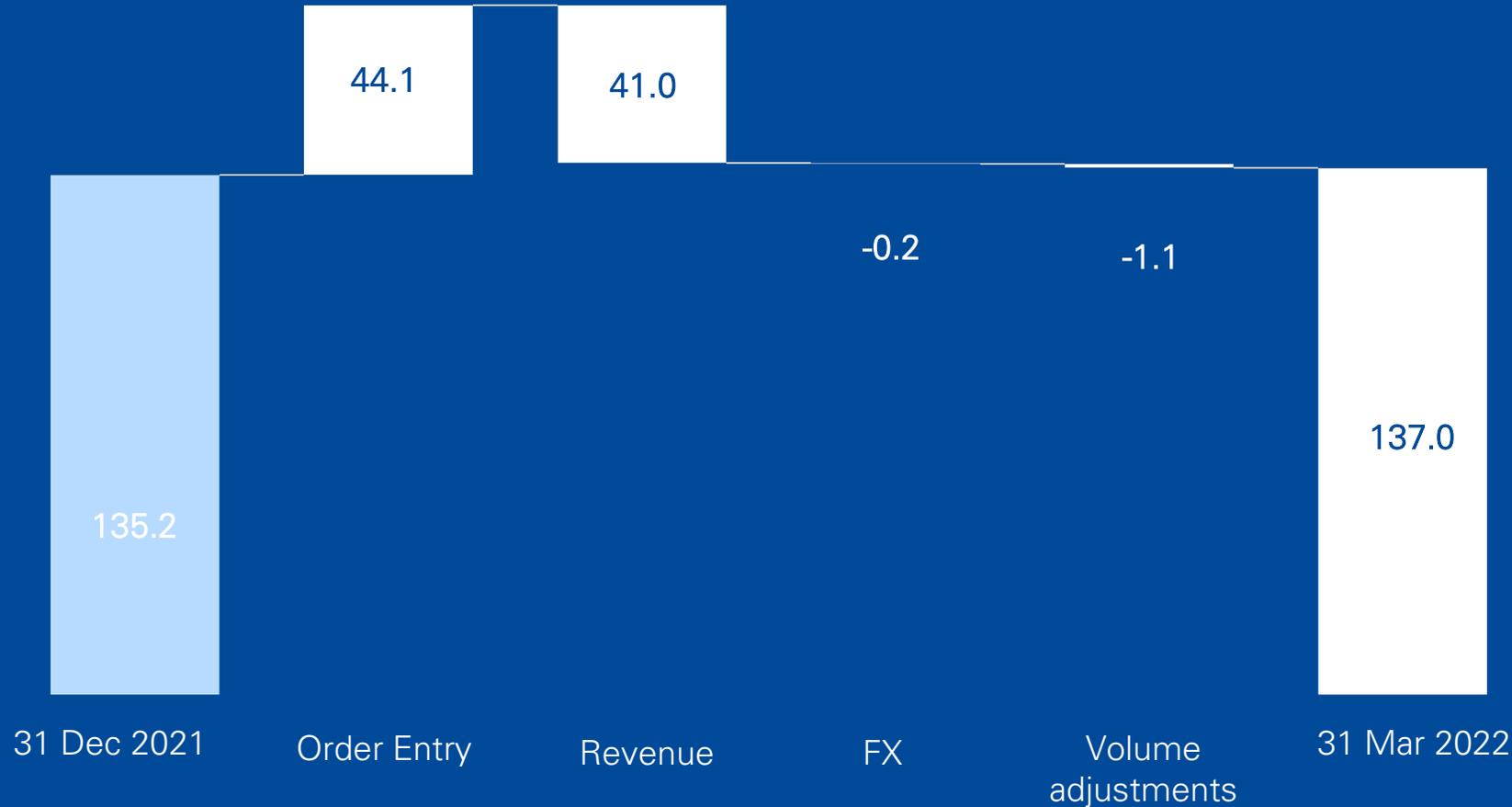


Comments

- > Order entry 16% decline mainly attributable to the changes made to the scope of consolidation as well as customers switching over from a strategic, program-based contract approach and instead increasingly placing orders for individual projects
- > In like-for-like terms the order entry volume has undergone a negative change of € -1.2 m or -3%.
- > Order Backlog up some 2% giving a good starting point for further growth in 2022

Reconciliation Order Backlog Q1 2022

(in €m)



Comments

- > Higher Backlog in Q1 2022 resulting mainly from Order Entry exceeding Revenue
- > Lower Volume Adjustments due to the absence of special effects (Mergers)
- > Order Entry includes € 8.0m from EXA & Datavard

Balance sheet structure

Assets (in €m)	31/03/2022	31/12/2021
Cash, cash equivalents and other financial assets	37.6	41.5
Receivables & contract assets	69.2	63.7
Other currents assets	6.9	4.9
Total current assets	113.7	110.1
Total non-currents assets	156.6	156.0
Total assets	270.3	266.1
Equity & Liabilities (in €m)		
Total current liabilities	62.9	89.5
Total non-current liabilities	104.8	74.3
Equity	102.6	102.2
Total Equity & Liabilities	270.3	266.1

Comments

- > Current assets increased due to increase in contract assets as result of higher revenues
- > Reduction of current liabilities and increase of non-current liabilities mainly due to taking up a promissory note loan with a total volume of € 32.5 million and associated reclassification of financial liabilities of around 26m € from current to non-current
- > Equity ratio went slightly down to 38.0% (from 38.4% end of 2021) following the increased balance sheet total

Cash flow Statement Q1 2022

(in €m)	Q1 2022	Q1 2021	Δ (abs.)
Net income	-0.6	-2.5	+1.9
Depreciation	2.6	1.8	+0.8
Change in W/C	-5.5	-1.4	-4.1
Change in other items	-1.8	-1.0	-0.8
Operating Cash flow	-5.2	-3.0	-2.2
Investing Cash flow	-3.3	-2.1	-1.2
Repayment of lease liabilities	-1.1	-1.0	-0.1
Free cash flow	-9.6	-6.1	-3.5

Comments

- > Operating cash flow negative due to growth-related increased working capital
- > Further Cash outflow trough bonus payments (€5 m), payment of the purchase price for Datavard (€3 m), seasonal increase in Prepaid expenses (€1.5 m) and distribution to minority shareholders EXA AG (€1.4 m)

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OVERVIEW

FINANCIALS

OUTLOOK

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APPENDIX



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.

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.

WE ARE HAPPY TO TAKE
YOUR QUESTIONS!



AGENDA

OVERVIEW

FINANCIALS

OUTLOOK

QUESTIONS & ANSWERS

APPENDIX



Consolidated Balance Sheet - Assets

ASSETS

in € thousand	March 31, 2022	Dec. 31, 2021	March 31, 2021
Current assets			
Cash and cash equivalents	36,486	40,337	33,022
Other financial assets	1,146	1,176	20,322
Trade receivables and other receivables	33,429	33,807	24,102
Contract asset values	35,755	29,930	23,225
Other non-financial assets	5,728	4,005	5,006
Tax receivables	1,136	826	90
Disposal groups held for sale	0	0	31,386
	113,680	110,081	137,153
Non-current assets			
Goodwill	71,334	70,376	45,531
Other intangible assets	22,270	23,284	15,502
Property, plant and equipment	5,145	5,313	4,855
Rights of use	15,750	16,426	17,189
Other financial assets	20,147	20,092	949
Investments accounted for under the equity method	225	225	225
Contract values	15,045	15,051	12,399
Other non-financial assets	110	134	156
Deferred taxes	6,552	5,078	7,336
	156,578	155,979	104,142
	270,258	266,060	241,295

Consolidated Balance Sheet – Equity and Liabilities

EQUITY AND LIABILITIES

in € thousand	March 31, 2022	Dec. 31, 2021	March 31, 2021
Current liabilities			
Trade payables and other liabilities	6,691	8,339	6,045
Contract liabilities	13,812	10,652	9,972
Tax liabilities	1,597	1,930	2,122
Financial liabilities	11,819	41,011	34,804
Other non-financial liabilities	27,943	26,610	19,162
Provisions	1,002	974	1,605
Liabilities resulting from assets held for sale	0	0	8,284
	62,864	89,516	81,994
Non-current liabilities			
Trade payables and other liabilities	1,035	1,036	2,025
Contract liabilities	94,668	63,904	66,814
Financial liabilities	107	131	214
Provisions for pensions	3,178	3,151	2,943
Other provisions	119	126	0
Deferred taxes	5,703	5,972	3,368
	104,810	74,320	75,364
Equity			
Subscribed capital	7,386	7,386	7,212
Capital reserve	96,939	96,818	87,120
Retained earnings	5,144	5,714	2,211
Other components of the equity	-1,334	-2,153	-7,889
Treasury shares	-4,892	-4,892	-4,410
Equity attributable to shareholders	103,243	102,873	84,244
Non-controlling interests	-659	-649	-307
	102,584	102,224	83,937
	270,258	266,060	241,295

Consolidated Income Statement

in € thousand	Q1 2022	Q1 2021
Revenue	41,036	33,063
	Service	23,309
	Software	9,754
Capitalized own services	0	62
Other operating income	1,838	1,003
Cost of material	-5,467	-5,349
Personnel costs	-27,114	-25,412
Other operating expenses	-6,396	-4,148
Impairments on receivables and contract assets	-2	-3
Other taxes	-122	-133
EBITDA	3,773	-917
Depreciation and impairments on intangible assets and property, plant and equipment	-2,647	-1,825
EBIT	1,126	-2,742
Other financial income	18	10
Other financial expenses	-1,901	-429
Net financial income	-1,883	-419
EBT	-757	-3,161
Income taxes	189	632
Consolidated income/net loss	-568	-2,529
Thereof:		
Profit attributable to non-controlling shareholders	3	-68
Profit attributable to shareholders of SNP Schneider-Neureither & Partner SE	-571	-2,461
Earnings per share (€)	€	€
- Undiluted	-0.08	-0.35
- Diluted	-0.08	-0.35
Weighted average number of shares	in thousand	in thousand
- Undiluted	7,273	7,132
- Diluted	7,273	7,132

Consolidated Cashflow Statement

in € thousand	Q1 2022	Q1 2021
Profit after tax	-568	-2,529
Depreciation	2,647	1,825
Change in provisions for pensions	27	37
Other non-cash income/expenses	-1,810	-1,016
Changes in trade receivables, contract assets, other current assets, other non-current assets	-6,798	-2,220
Changes in trade payables, contract liabilities, other provisions, tax liabilities, other current liabilities	1,323	870
Cash flow from operating activities (1)	-5,179	-3,033
Payments for investments in property, plant and equipment	-277	-689
Payments for investments in intangible assets	-40	-82
Proceeds from the disposal of items of intangible assets and property, plant and equipment	50	84
Payments resulting from the acquisition of consolidated companies and other business units	-3,033	-1,436
Cash flow from investing activities (2)	-3,300	-2,123
Payments for the purchase of treasury shares	0	-1,697
Proceeds from loans taken out	32,500	20,000
Payments for the settlement of loans and other financial liabilities	-26,886	-4,756
Payments resulting from the settlement of lease liabilities	-1,122	-1,009
Cash flow from financing activities (3)	4,492	12,538
Changes in cash and cash equivalents due to foreign exchange rates (4)	136	17
Cash change in cash and cash equivalents (1) + (2) + (3) + (4)	-3,851	7,399
Cash and cash equivalents at the beginning of the fiscal year	40,337	29,405
Cash and cash equivalents as of March 31	36,486	36,804
Composition of cash and cash equivalents:		
Cash and cash equivalents	36,486	36,804
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Segment Reporting

in € thousand	Service	Software	EXA	Total
External segment sales				
Jan. – March 2022	26,511	12,134	2,391	41,036
Jan. – March 2021 (adjusted)	22,242	9,713	1,108	33,063
Jan. – March 2021 (as reported)	23,309	9,754	0	33,063
Segment result (EBIT)				
Jan. – March 2022	71	3,761	211	4,043
Margin	0.3%	31.0%	8.8%	9.9%
Jan. – March 2021 (adjusted)	-2,286	1,607	476	-203
Margin	-10.3%	16.5%	43.0%	-0.6%
Jan. – March 2021 (as reported)	300	-309	0	-9
Margin	1.3%	-3.2%	0.0%	0.0%
Depreciation included in the segment result				
Jan. – March 2022	1,103	537	55	1,695
Jan. – March 2021 (adjusted)	967	547	14	1,528
Jan. – March 2021 (as reported)	962	556	0	1,518

RECONCILIATION in € thousand	Jan. – March 2022	Jan. – March 2021 (adjusted)	Jan. – March 2021 (as reported)
Result			
Total reportable segment	4,043	-203	-9
Expenses not allocated to the segments	-2,917	-2,539	-2,733
of which depreciation	-950	-298	-308
EBIT	1,126	-2,742	-2,742
Financial result	-1,883	-419	-419
Earnings before taxes (EBT)	-757	-3,161	-3,161

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

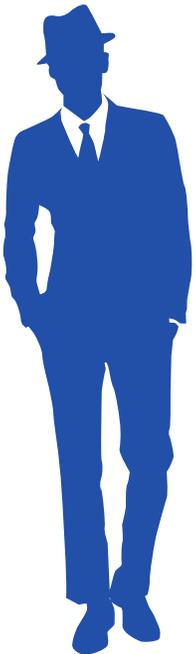
Thank you for your time

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