

ATOSS Software AG: Munich's workforce specialist impresses in the first half of 2022 with strong order numbers and double-digit sales growth

According to provisional figures, after closing the first half of the year, ATOSS Software AG remains on its growth trajectory and is once again reporting record numbers. Group revenues were up by 17 percent to EUR 53.6 million in the first half of the year. Operating earnings increased to EUR 13.9 million (previous year: EUR 12.0 million) with an EBIT margin of 26 percent (previous year: 26 percent). Against the backdrop of outstanding order growth and with progress on further implementing its cloud transformation well on track, the Management Board is reaffirming its sales and earnings forecast for the whole of 2022.

Munich, July 25, 2022

ATOSS Software AG has once again succeeded in maintaining the pace of its growth in the second quarter of the current financial year, further expanding its strong competitive position in the market for professional workforce management. The demand for innovative, software-based solutions for the strategic management of employees continues unabated given the present volatile market fluctuations. Companies can only unleash the full working time potential of their workforce with the aid of highly complex algorithms, thereby making a tangible contribution to greater value added and competitiveness. This development is reflected impressively in the current order numbers of the ATOSS Group. For example, the normalized order intake for software licenses increased by 50 percent in the first half of the year, rising to a total of EUR 24.9 million (previous year: EUR 16.6 million). Of this figure, EUR 18.5 million (previous year: EUR 11.9 million) – i.e. 74 percent of all software orders received – was accounted for by Cloud & Subscriptions. The proportion of cloud orders received in the 2021 financial year was still at 68 percent. Expansion of the cloud's share of the business led to a marked increase in Annual Recurring Revenue (ARR for short) of 72 percent to its current level of EUR 31.9 million (previous year: EUR 18.5 million).

The ATOSS Group's sales revenues growth in the first half of the year is equally impressive. Overall, software revenues in the period from January to June 2022 increased by an appreciable 18 percent, climbing to EUR 36.5 million (previous year: EUR 30.9 million). In Cloud & Subscriptions, ATOSS boosted revenues by 72 percent to EUR 15.1 million (previous year: EUR 8.8 million). The growth in software maintenance which has been positive for years, also continued. Revenues here rose by 9 percent to EUR 15.4 million (previous year: EUR 14.1 million). Overall, recurring revenues advanced year-on-year by 33 percent, reaching EUR 30.4 million (previous year: EUR 22.8 million). As a result, the proportion of recurring revenues in total sales – and consequently the central, key factor in the future growth of the ATOSS Group – continued to grow significantly and has now reached 57 percent (previous year: 50 percent). Revenues with consulting services expanded to EUR 13.8 million (previous year: EUR 12.1 million).

In spite of the increased proportion of cloud orders received and notwithstanding the significant year-on-year increase in expenses – particularly for R&D as part of the continuous refinement of ATOSS software solutions as well as higher personnel costs resulting from the international expansion of its sales organization – the half-yearly return on revenues relative to operating earnings (EBIT) is unchanged by comparison with the previous year at 26 percent (previous year: 26 percent). The financial result is affected entirely by the declines in the financial markets as a result of interest rate movements and the outbreak of the war in Ukraine. Overall, after the deduction of taxes, the Group recorded a net result in the first half of 2022 of EUR 8.3 million (previous year: EUR 8.3 million) and an earnings per share of EUR 1.04 (previous year: EUR 1.04).

Also subsequent to the dividend distribution of EUR 1.82 per share made on May 4, 2022 (EUR 14.5 million in total), ATOSS continues to enjoy a very substantial cash position of EUR 40.6 million (previous

year: EUR 33.8 million). The operating cash flow as of June 30, 2022 amounted to EUR 8.1 million (previous year: EUR 8.1 million).

With its sound business model, financial strength and predictability of sales continuously enhanced by progress in cloud business, ATOSS remains a role model of stability and profitable growth.

Combined with its excellent performance in the first half of the year, the Management Board is again reaffirming its forecast for the whole of 2022 which was raised at the start of the year. This forecast envisages revenues growth to EUR 110 million. Furthermore, an EBIT margin of at least 25 percent is expected for the year, taking account of the investments planned in the second half of the year, particularly in the sales organization to open up new markets and in development capacity. The increasing focus on the cloud as well as the Group's greater global alignment will also secure sustainable growth prospects for the company over the long term. As part of this process, the EBIT margin is expected to rise to at least 30 percent by 2025.

CONSOLIDATED OVERVIEW PURSUANT TO IFRS: HALF-YEAR COMPARISON IN KEUR

	01/01/2022 - 06/30/2022	Proportion of total sales	01/01/2021 - 06/30/2021	Proportion of total sales	Change 2022 / 2021
Sales revenues	53,573	100%	45,726	100%	17%
Software	36,532	68%	30,922	68%	18%
Licenses	6,084	11%	8,077	18%	-25%
Maintenance	15,369	29%	14,084	31%	9%
Cloud & Subscription	15,079	28%	8,761	19%	72%
Consulting	13,812	26%	12,119	27%	14%
Hardware	1,986	4%	2,059	5%	-4%
Others	1,243	2%	625	1%	99%
EBITDA	15,813	30%	13,851	30%	14%
EBIT	13,853	26%	11,976	26%	16%
EBT	12,434	23%	11,995	26%	4%
Net profit	8,294	15%	8,258	18%	0%
Cash flow	8,120	15%	8,054	18%	1%
Liquidity ⁽¹⁾	40,605		33,808		20%
EPS in euro	1.04		1.04		0%
Employees ⁽³⁾	650		588		11%

CONSOLIDATED OVERVIEW PURSUANT TO IFRS: QUARTERLY GROWTH IN KEUR

	Q2/22	Q1/22	Q4/21	Q3/21	Q2/21
Sales revenues	27,571	26,002	27,534	23,807	22,775
Software	19,438	17,094	18,922	16,127	15,562
Licenses	4,036	2,048	5,485	3,615	3,708
Maintenance	7,645	7,724	7,334	7,517	7,222
Cloud & Subscriptions	7,757	7,322	6,103	4,995	4,631
Consulting	6,584	7,228	7,200	5,924	5,831
Hardware	915	1,071	1,052	1,262	1,056
Others	633	610	361	495	326
EBITDA	8,833	6,980	9,929	7,571	6,898
EBIT	7,843	6,010	8,678	6,590	5,815
EBIT margin in %	28%	23%	32%	28%	26%
EBT	7,143	5,291	8,936	6,774	5,856
Net profit	4,749	3,545	6,669	4,416	4,113
Cash flow	2,060	6,060	2,249	15,981	960
Liquidity ^(1/2)	40,605	54,709	50,360	49,069	33,808
EPS in euro	0.60	0.45	0.84	0.55	0.52
Employees ⁽³⁾	650	646	630	612	588

(1) Cash and cash equivalents, other current and non-current financial assets (sight deposits, gold) as of the qualifying date, adjusted to exclude borrowings (loans)

(2) Dividend of EUR 1.82 on 05/04/2022 (KEUR 14,475); Dividend of EUR 1.67 on 05/05/2021 (KEUR 13,282)

(3) at the end of the quarter/year

Upcoming dates:

August 12, 2022

October 24, 2022

November 28 -30, 2022

Publication of the 6-monthly financial statements

Publication of the 9-monthly financial statements

ATOSS at the German Equity Forum

ATOSS

ATOSS Software AG is a provider of technology and consulting solutions for professional workforce management and demand-optimized workforce deployment. Whether conventional time management, mobile apps, detailed workforce forecasting, sophisticated workforce scheduling or strategic capacity and requirement planning, ATOSS has just the right solution – both in the cloud and on-premises. The modular product families feature the very highest level of functionality, browser-based high-end technology and platform independence. With around 12,000 customers in 50 countries, ATOSS workforce management solutions make a measurable contribution to increased value creation and competitiveness. At the same time, they ensure greater planning fairness and satisfaction at the workplace. Customers include companies such as ALDI SÜD, Coca-Cola, Deutsche Bahn, Douglas, Edeka, HUK-COBURG, Klinikum Leverkusen, Lufthansa, MEYER WERFT, Schmitz Cargobull, Sixt, Stadt Regensburg, thyssenkrupp Packaging Steel and W.L. Gore & Associates. Further information: www.atoss.com

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