

Excellence in Workforce Management

ATOSS Software AG



AGENDA

- 01 Key Investment Highlights & Market
- 02 Workforce Management @ ATOSS
- 03 Go to Market Strategy
- 04 ATOSS KPI's and Cloud Transformation
- 05 The ATOSS Share
- 06 ATOSS Key Figures Q3I2020

01

Key Investment Highlights & Market

CITY OF MUNICH | Services

ATOSS Annual Report 2019

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01 ATOSS – Outstanding on key levels

Highlights

<p>>30 years of experience in the market</p>	<p>Market leader for workforce management in DACH</p>	<p>Top line visibility as stock corporation </p>	<p>500+ employees </p>	<p>Technology & development leader with R&D expenditure of ~17% of sales </p>
<p>ATOSS is first mover and innovator in the field of workforce management</p>		<p>9 Currently available software languages </p>	<p>8,000+ customers worldwide from SMB to blue chips</p>	
	<p>Double-digit revenue growth (14% CAGR 2017-2019) </p>	<p>+60% CF¹ to EBIT ratio</p>		<p>+27% EBIT margin</p>

¹ Operating cash flow



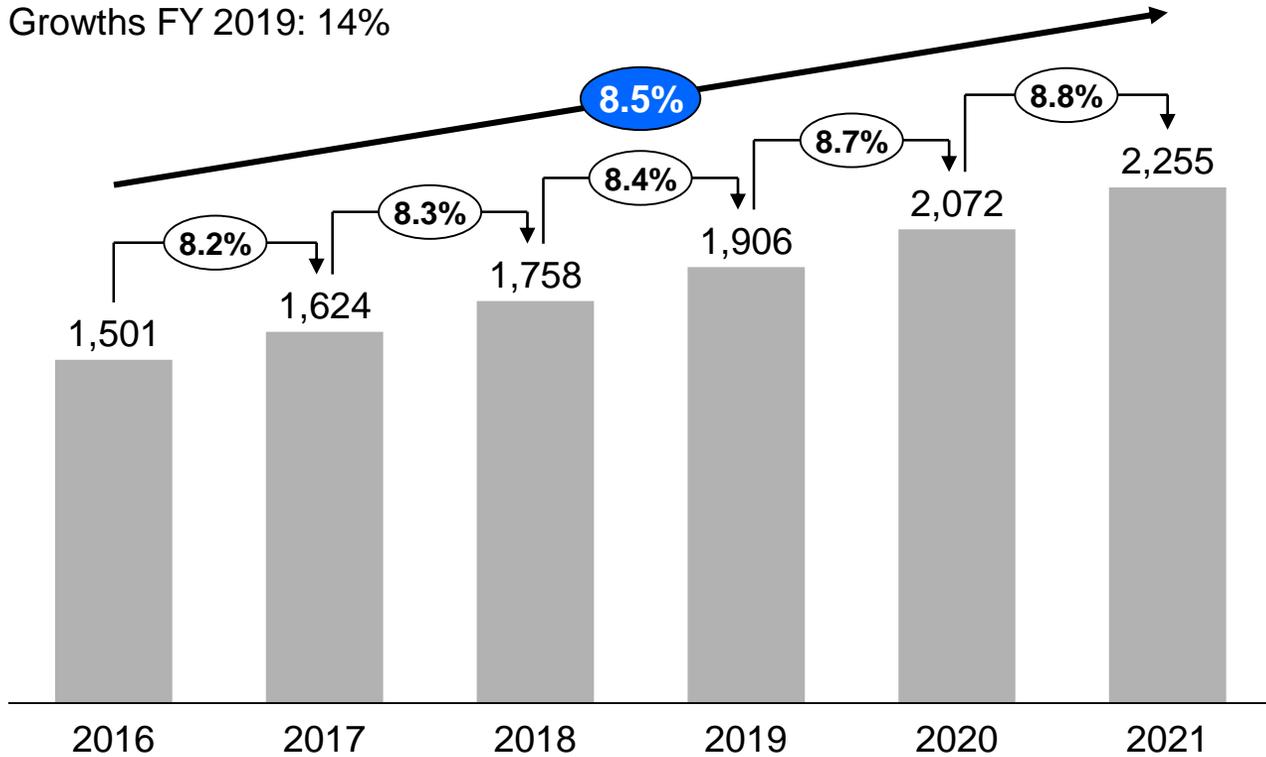
01 Workforce Management Market

Market Overview EMEA

EMEA Workforce Management Software Size (2016-2021) in \$mm



Growths FY 2019: 14%



Source: Technavio, introduced on January 1, 2015

Main growths drivers:

- Increasing HR software spend due to sustained focus on employee satisfaction
- Ongoing globalization of organizations driving demand for data analytics and predictive analytics as well as information sharing across company networks



01 Workforce Management Market

Main Drivers

Digitalization of labor world



Increasingly complex regulatory environment



Scarcity of resources and skilled staff



Digitalization, globalization and decentralization resulting in increasing complexity of enterprise organizations



The background image shows two men in dark suits and light blue shirts standing in a modern industrial or exhibition space. They are looking down at a large, white, curved component that is part of a display. The man on the right is gesturing with his hand towards the component. In the background, there are various pieces of machinery, including what appears to be a washing machine or dryer, and other industrial equipment. The lighting is bright and modern, with a clean, professional aesthetic.

02

Workforce Management @ ATOSS

EBM-PAPST | Manufacturing
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© Philipp Reinhard, 2019

02 Workforce Management in a Nutshell

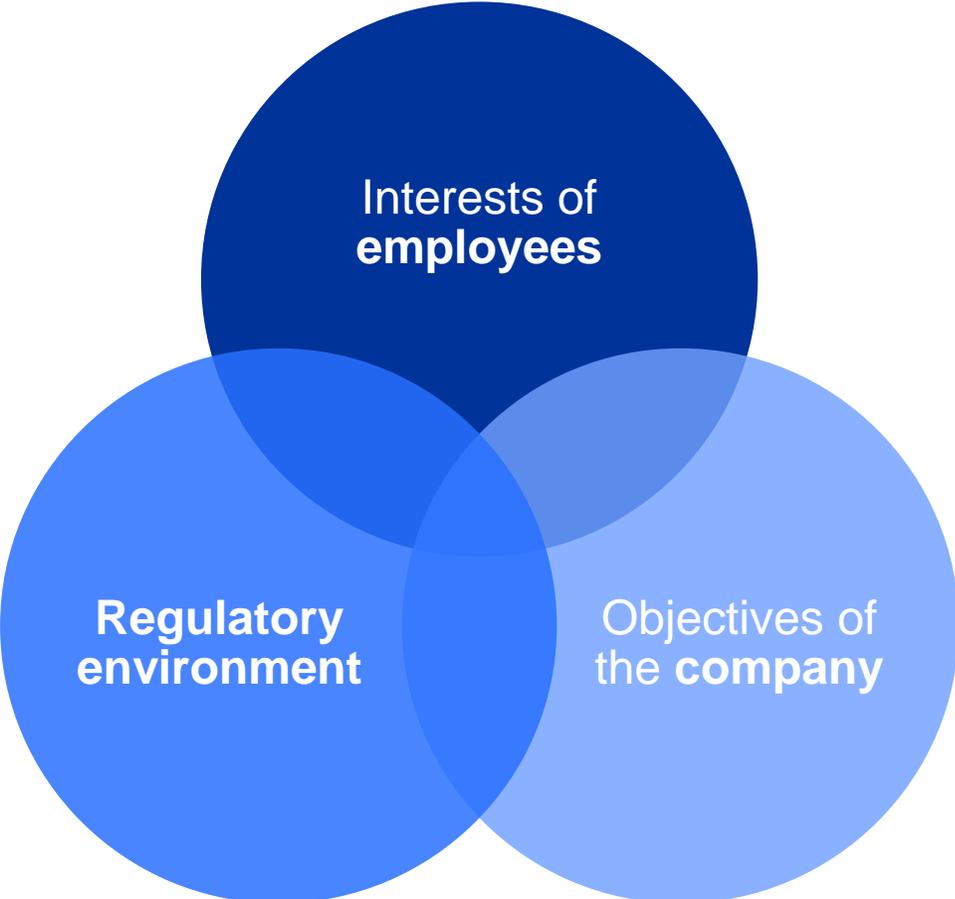
Efficiency via Highly Flexible Staff Deployment

ATOSS helps companies to have ...



02 Managing Complexity

Workforce Management



ATOSS Workforce Management enables

- Aggregation of all relevant interest groups
- Optimal workforce management

02 Highly flexible, demand-optimized workforce scheduling

Digital Workforce Management

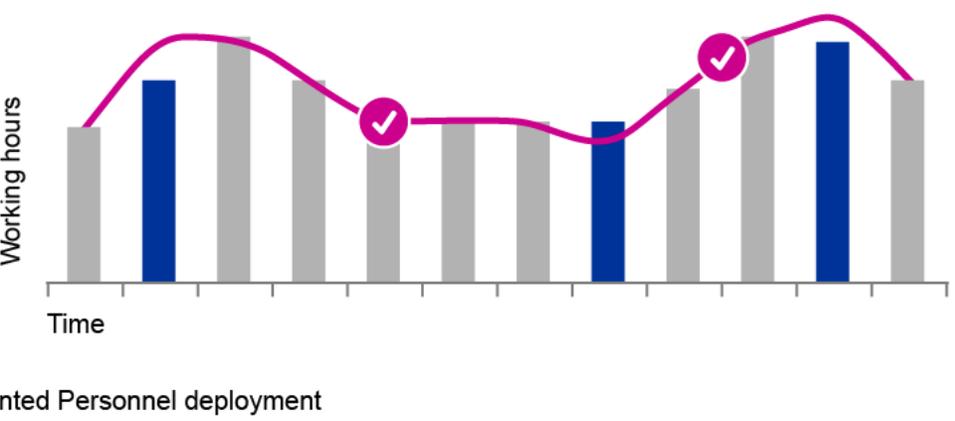
Current situation

Fluctuation in demand
Little flexibility and long response times



Goal

Demand and cost-optimized synchronization of working time and order volume



02 Challenges for companies in the era of the coronavirus

Five hurdles in opening the economy

- 1 Health Protection
- 2 Staff shortages
- 3 Disrupted logistics and cracks in the supply chains
- 4 Lack of orders and slow approval procedures
- 5 Financial bottlenecks



Source: Handelsblatt | 20.04.2020

03 Go to Market Strategy

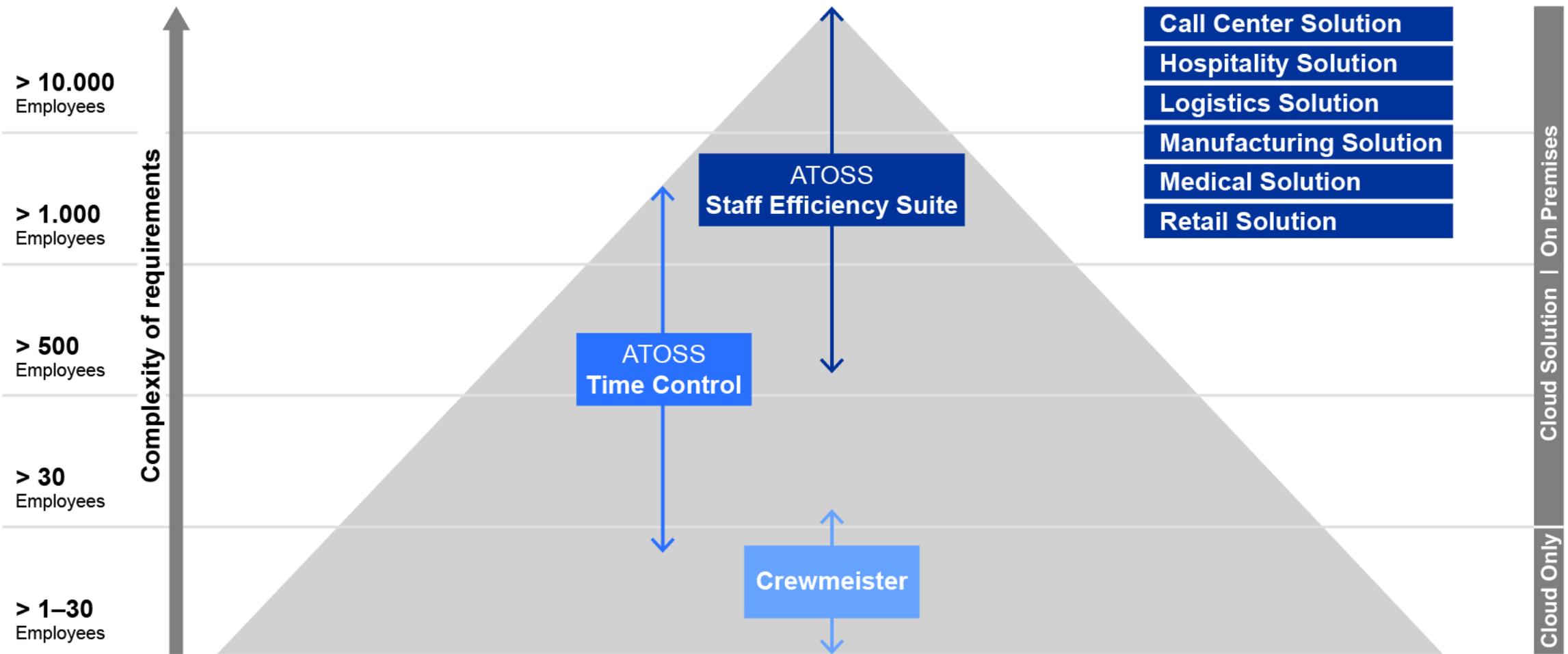
LACOSTE | Retail

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03 ATOSS Product Portfolio

As full-range provider, we offer solutions for every requirement

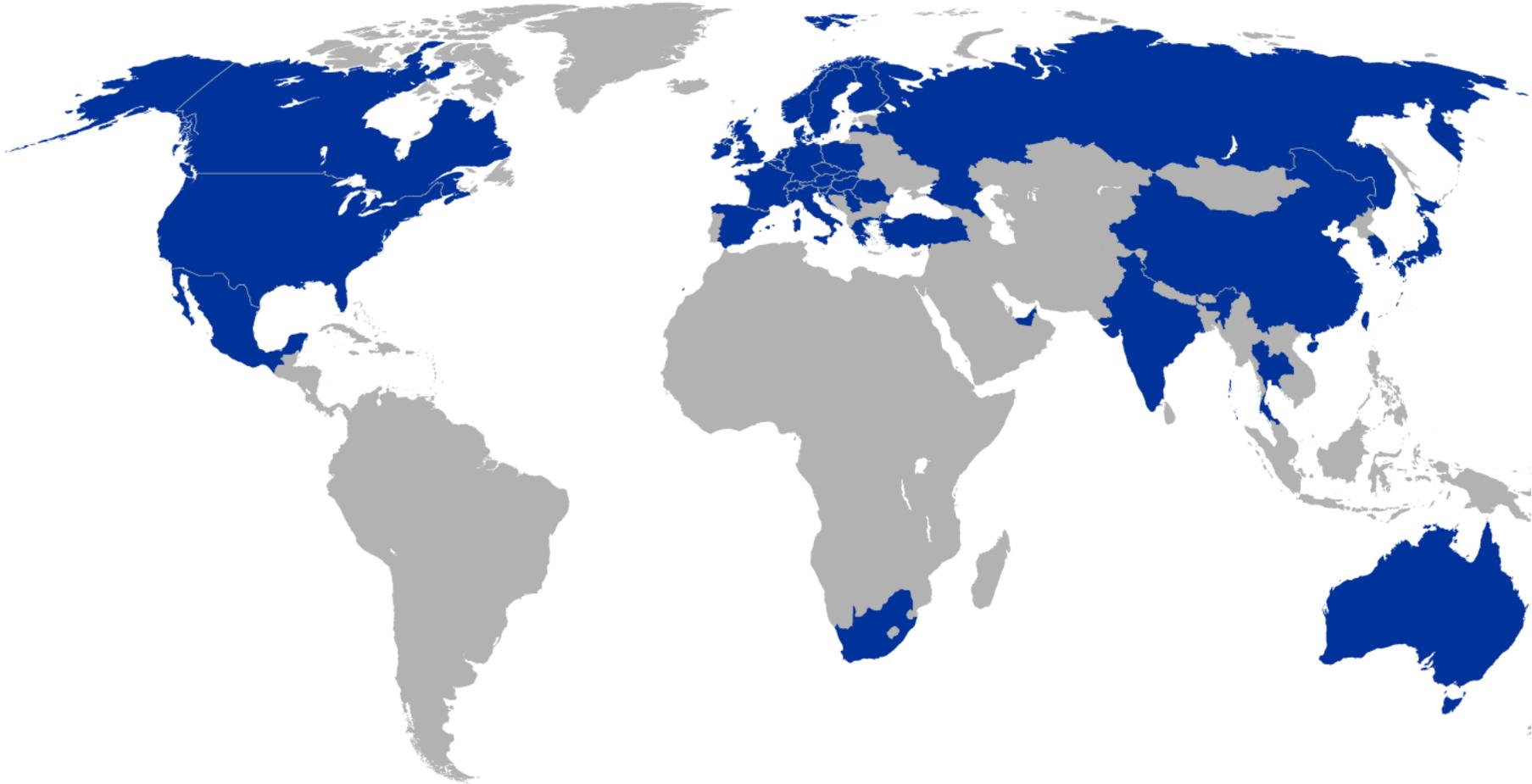


03 ATOSS continuously expands international footprint to further develop service offerings for global customers

International Revenue Share increases from 15% to 25% by 2025

ATOSS Solutions currently in 42 countries (9 standard languages + easy dictionary function for entire solution)

- ATOSS Strategy**
- **Expand regional Sales & Service Hubs**
 - **Set Up International Strategic Partners (Hyperscaler, Solution Partner)**



03 ATOSS Full Range Strategy



Crewmeister continues successful development

Highlights

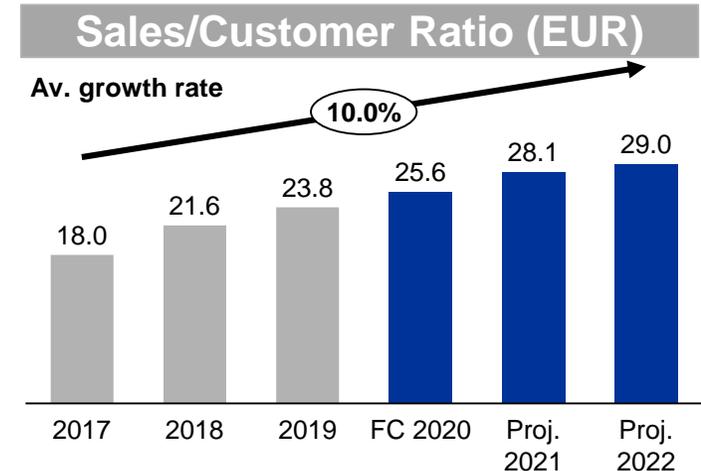
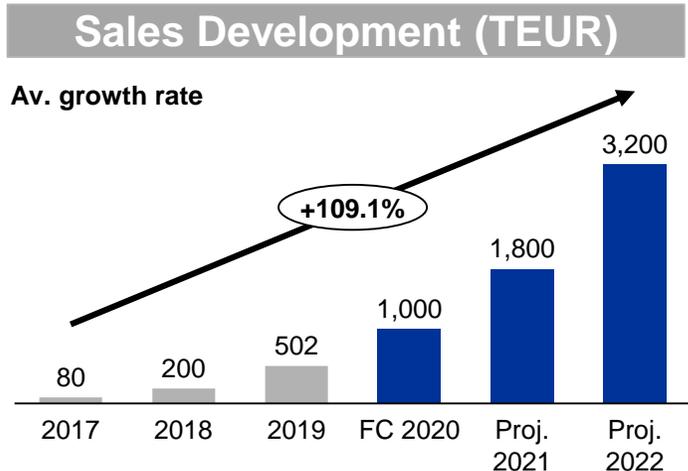
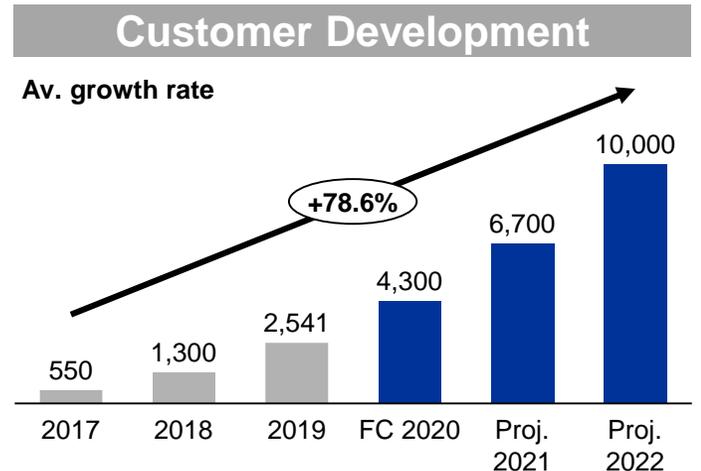
- Customers more than quadrupled in two years
- New product features developed
- High customer satisfaction

Key metrics

- Av. Customer Acquisition costs (CAC*): 300 EUR
- Av. Customer Lifetime Value (CLTV**): 1.150 EUR
- CLTV/CAC-Ratio: 3.83
- Av. Monthly Churnrate***: 1.6%
- Cloud Gross Margin: +70%

Outlook

- Continued growth of more than 100% p.a. expected
- Ongoing increase in sales per customer expected (new product features)
- Impact Covid 19:
 - Increase in Churn
 - More agility in customer acquisition



* **CAC** (Customer acquisition cost) (09/2020): cost of resources for the business in order to acquire a new customer. Customer acquisition cost involves sales and marketing costs.
 ** **CLTV** (Customer lifetime value) (09/2020): estimate of all the future gross profits to be accumulated from a relationship with a given customers
 *** **Churnrate**: Ratio, in the current year/month, of customer terminations (number) and the total number of customers (number) with an existing contract at the end of the year/month



04

ATOSS KPI's and Cloud Transformation

DB SCHENKER | Logistics

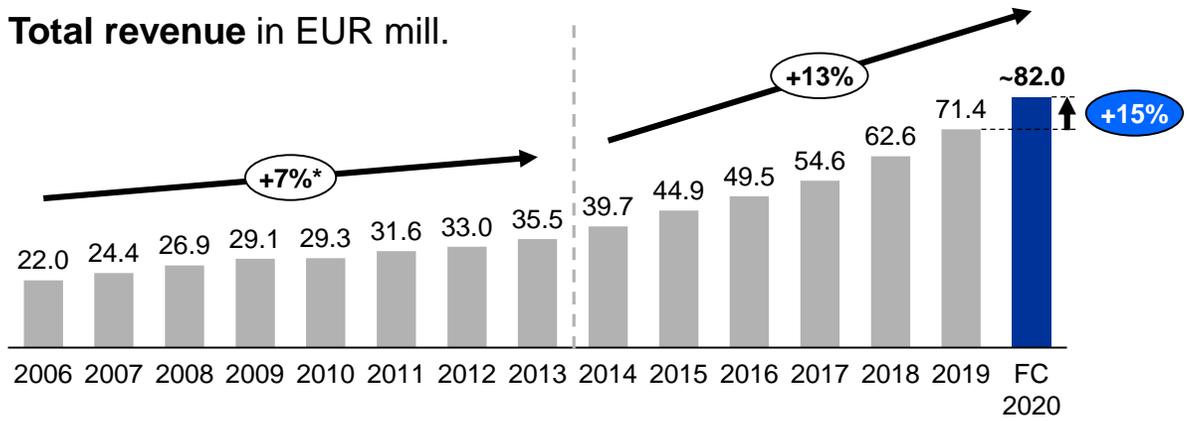
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© DB AG / MAX LAUTENSCHLAEGER

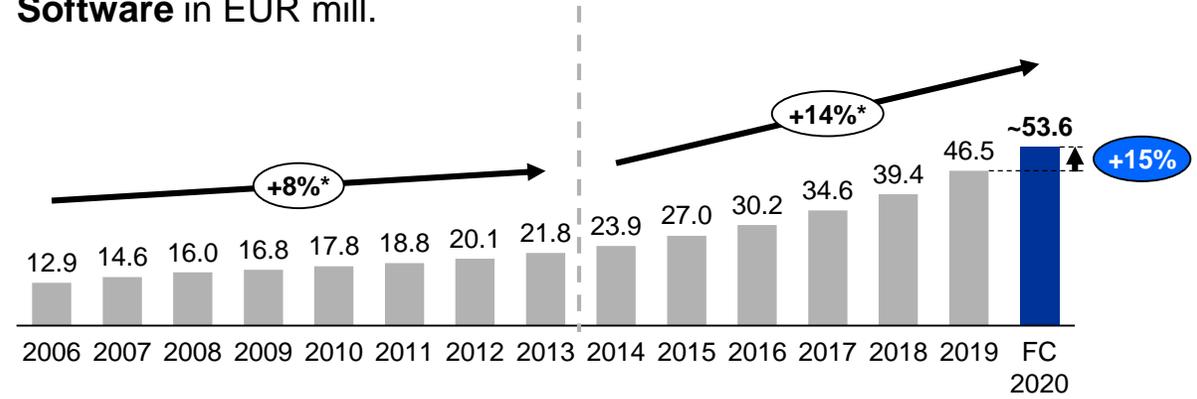
04 ATOSS – 15th Record Year anticipated

Running like Clockwork

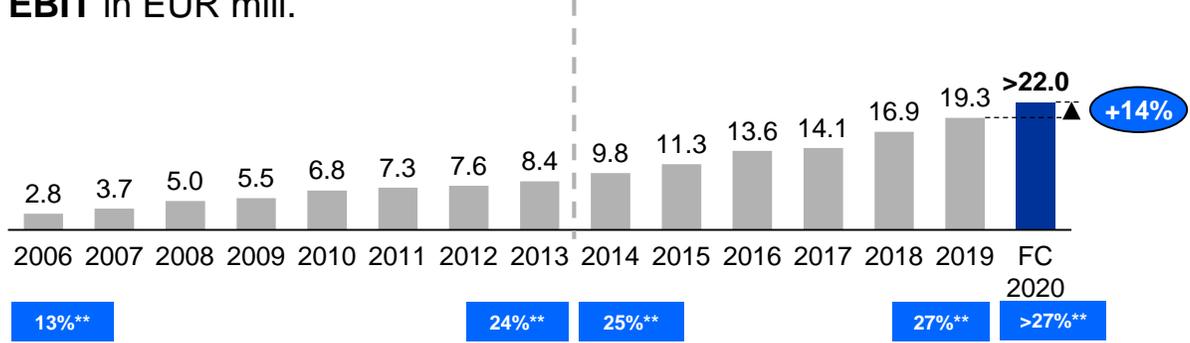
Total revenue in EUR mill.



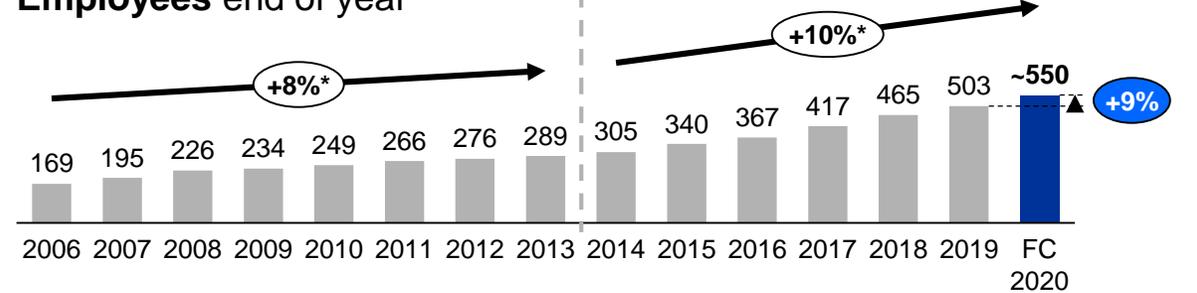
Software in EUR mill.



EBIT in EUR mill.



Employees end of year



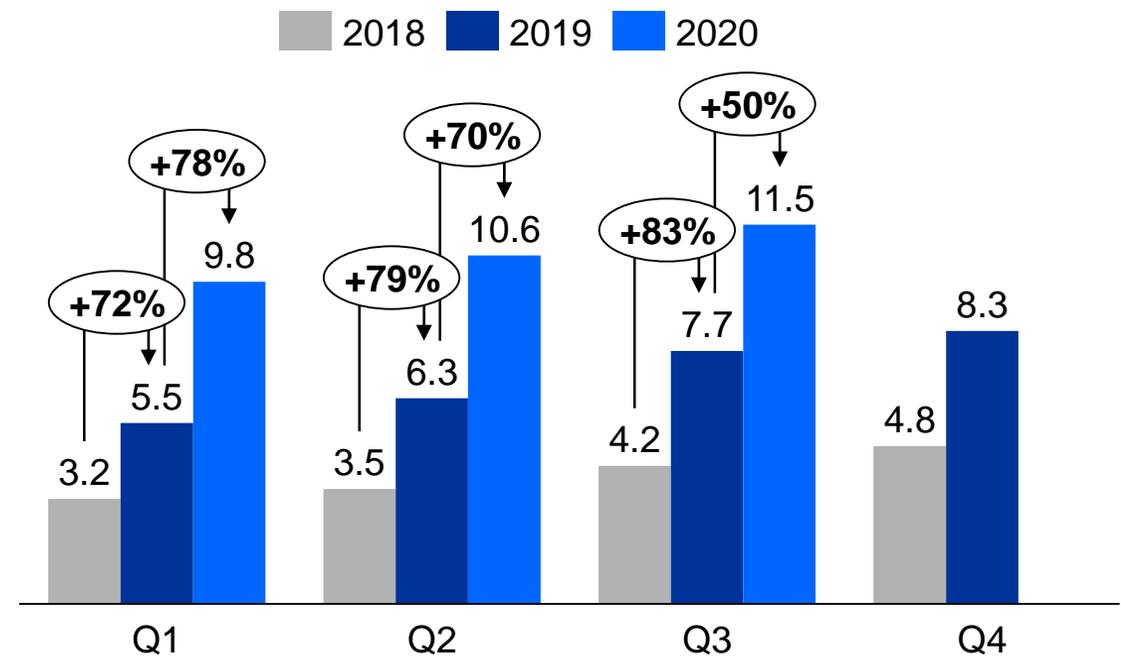
- Stable sales and continued positive earnings development
- Long-term security for our customers
- Consistent ongoing investments in portfolio and technology

* Average growth rate
 ** EBIT in % of total revenues

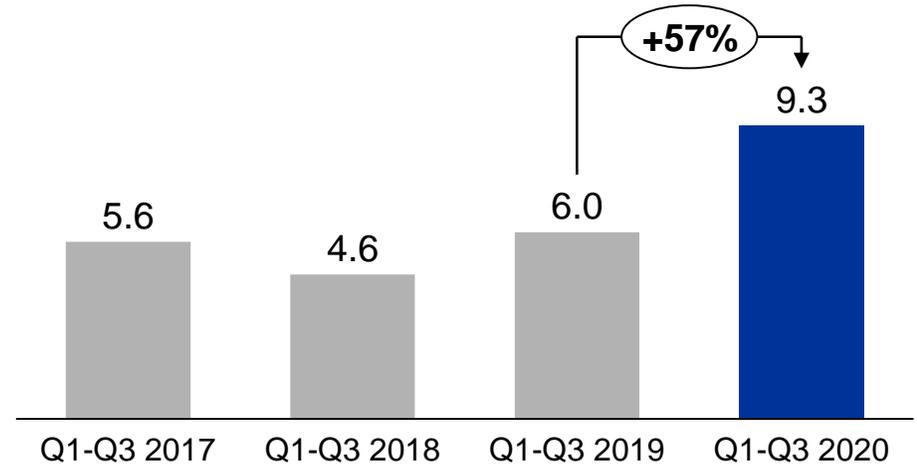


04 ATOSS Order Situation

Cloud ARR*: Quarterly development in EUR mill.



Orders on hand sw licenses in EUR mill.



- The strong demand for our cloud solutions and software licenses and provides an excellent basis for further development of ATOSS
- Average cloud contract duration – 42 months

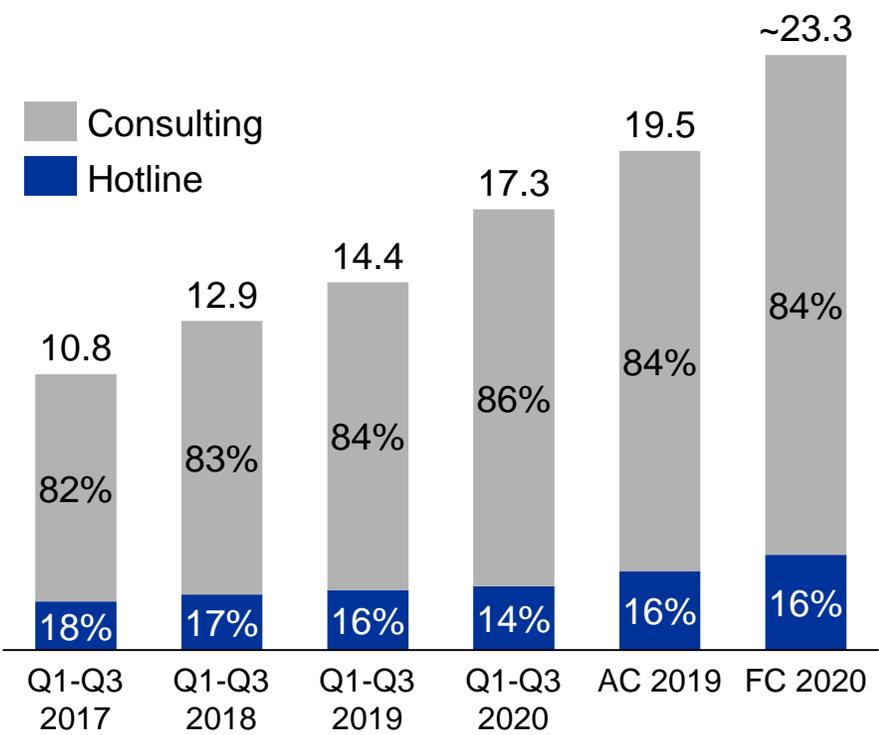
* ARR (Annual Recurring Revenue) comprises the turnover generated by the company over the next 12 months on the basis of current monthly cloud usage fees applicable as of the qualifying date incl. Crewmeister



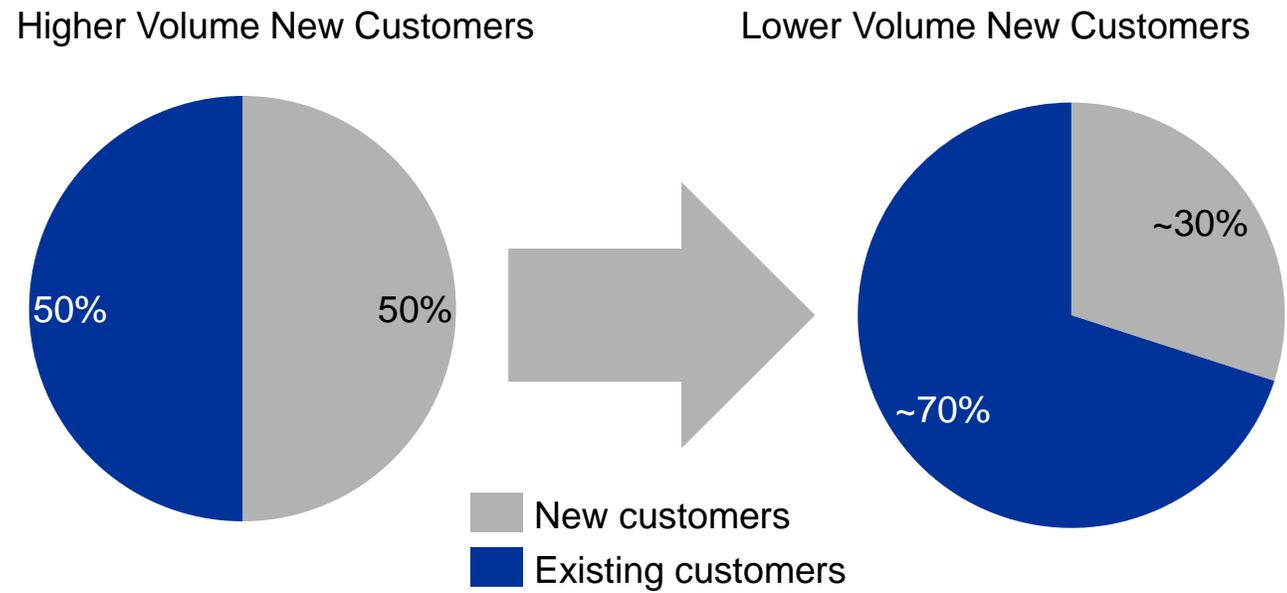
04 Capacity Utilization

Customer Services and Support

Consulting revenue in EUR mill.



Scenario: Agile Utilization of Consulting Capacity in %

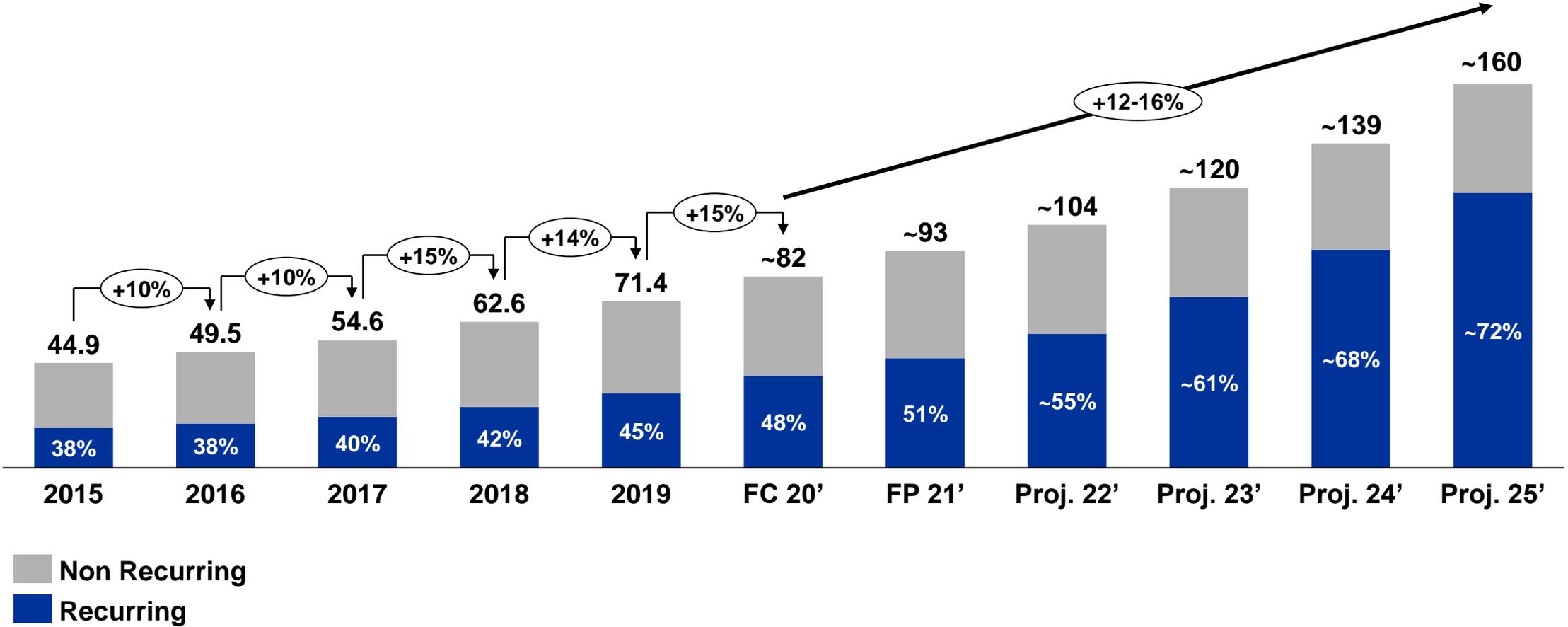


- Strong order development and shift to existing customers ensure high utilization of ATOSS Consulting Capacity in 2020
- Hotline services as another source of recurring revenues

04 ATOSS Cloud Transformation

Growth Leading the Way for Increased Recurring Revenue (Model Projectory)

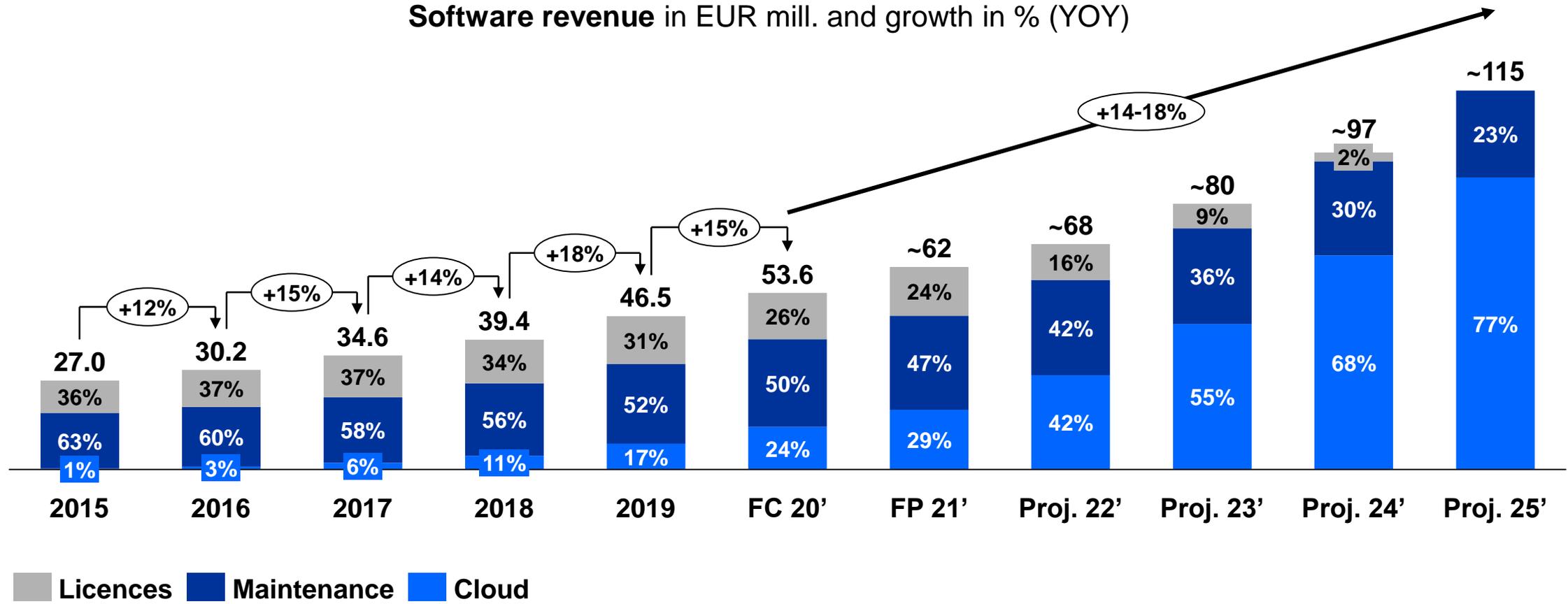
Revenue in EUR mill. and growth in % (YOY)



04 ATOSS Cloud Transformation (accelerated Model as of 2021)

Growth Leading the Way for Increased Recurring Revenue (Model Projectory)

Software revenue in EUR mill. and growth in % (YOY)

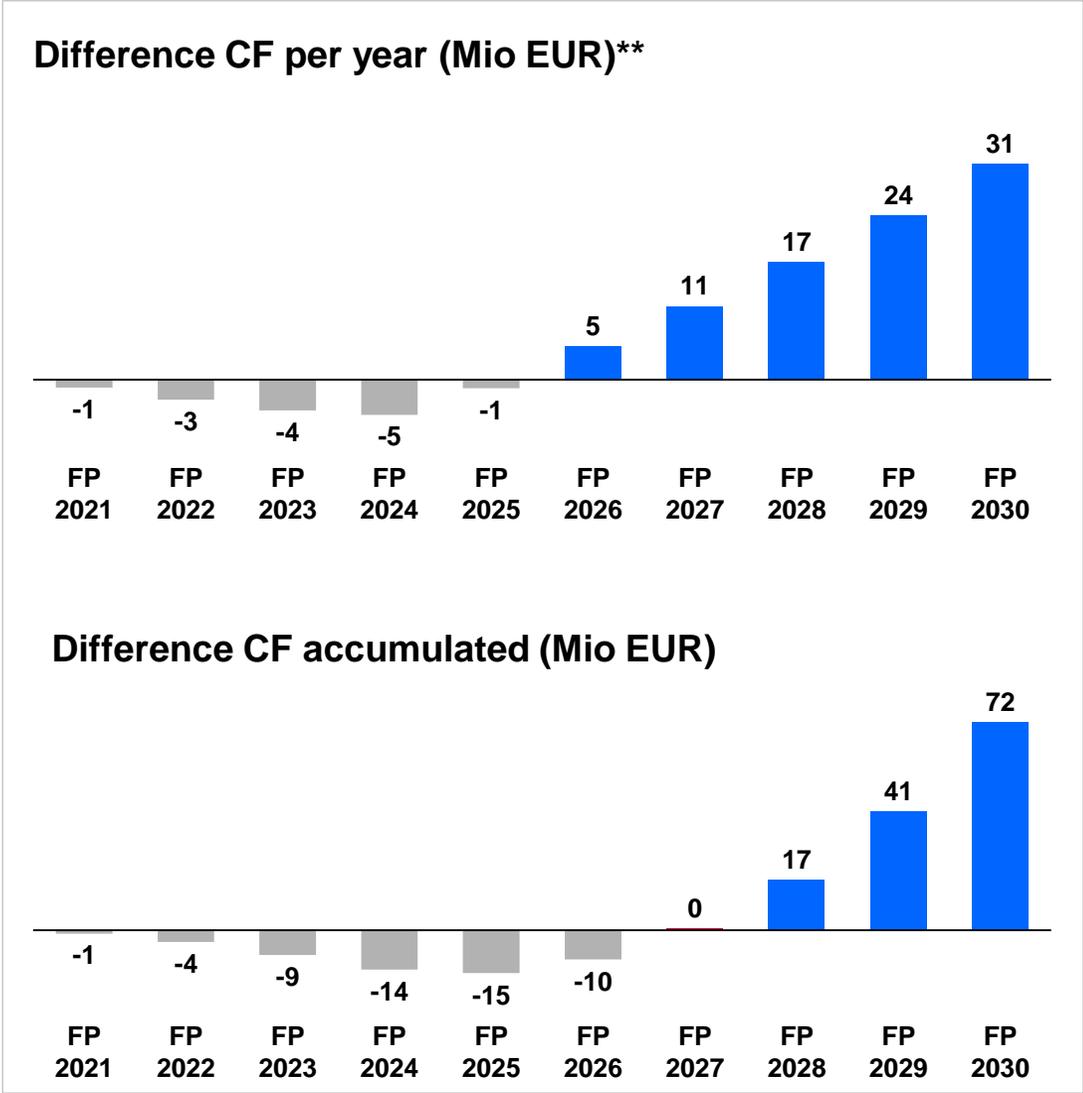


04 Results of Accelerated Cloud Transformation: Software Sales*

Current base model vs. Accelerated Cloud Transformation model

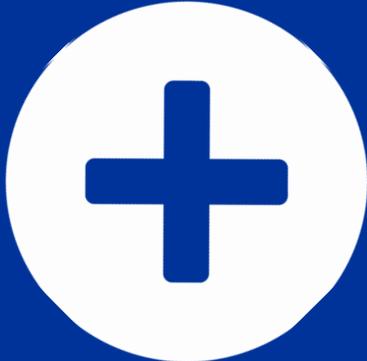
- Success in Cloud Transformation since 2015 sets the case for low Cash flow impact during accelerated cloud transformation.
- Significant positive effect on future Cash flow opens margin and/or future investment opportunities
- Assumption:
 - Effects for **Cash flow** will be similar to effects in sales
 - Investments in product rolled over at cost to sales ratio of 18% for R&D from 2021 onwards (2020e: 17%)

* Software Licences, Maintenance and Cloud incl. Aloud
 ** without considering TVM (Time Value Money)



04 ATOSS – Growth Projections 2020 – 2025

Strong Growth and Margins while building Recurring Revenue

Guidance 2020		Projections 2021 - 2025	
Total Revenue ~ 82 EUR Mill.		Total Revenue Growth p.a. 12-16%	Increasing Share of Recurring Revenue from >50 to >70%
EBIT Margin > 27%		Software Revenue Growth p.a. 14-18%	EBIT Margin from >25 to >30%
No visible impact of COVID-19 on the business			

05

The ATOSS Share

MEDGATE | Healthcare & social services

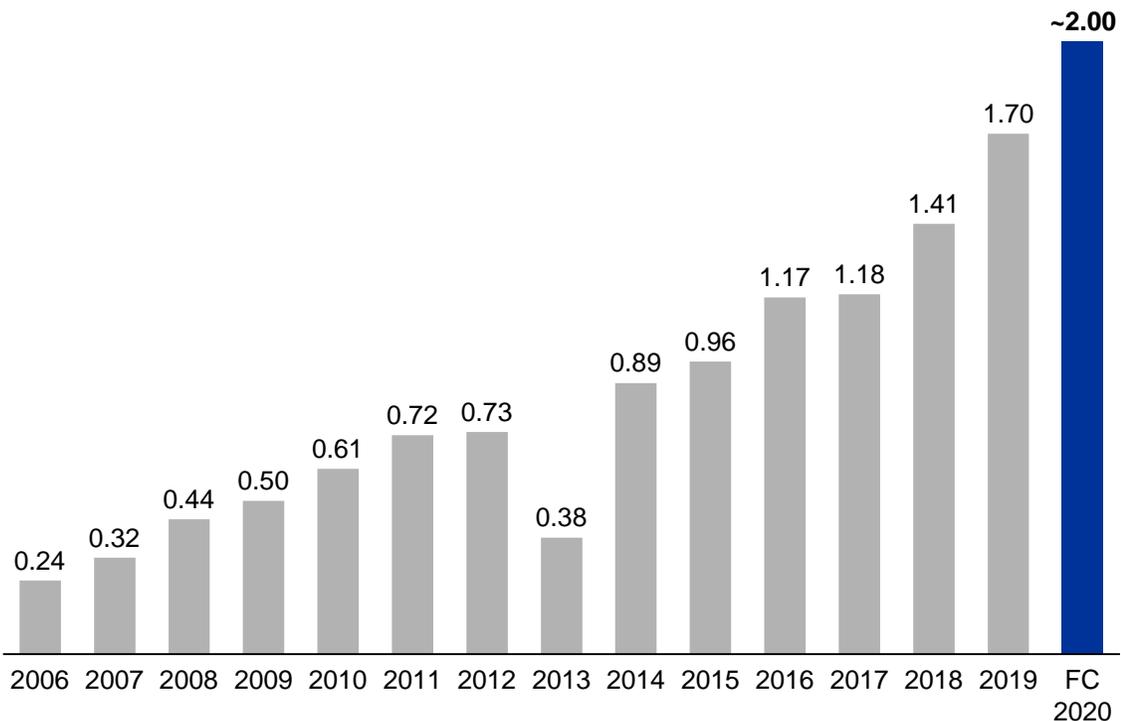
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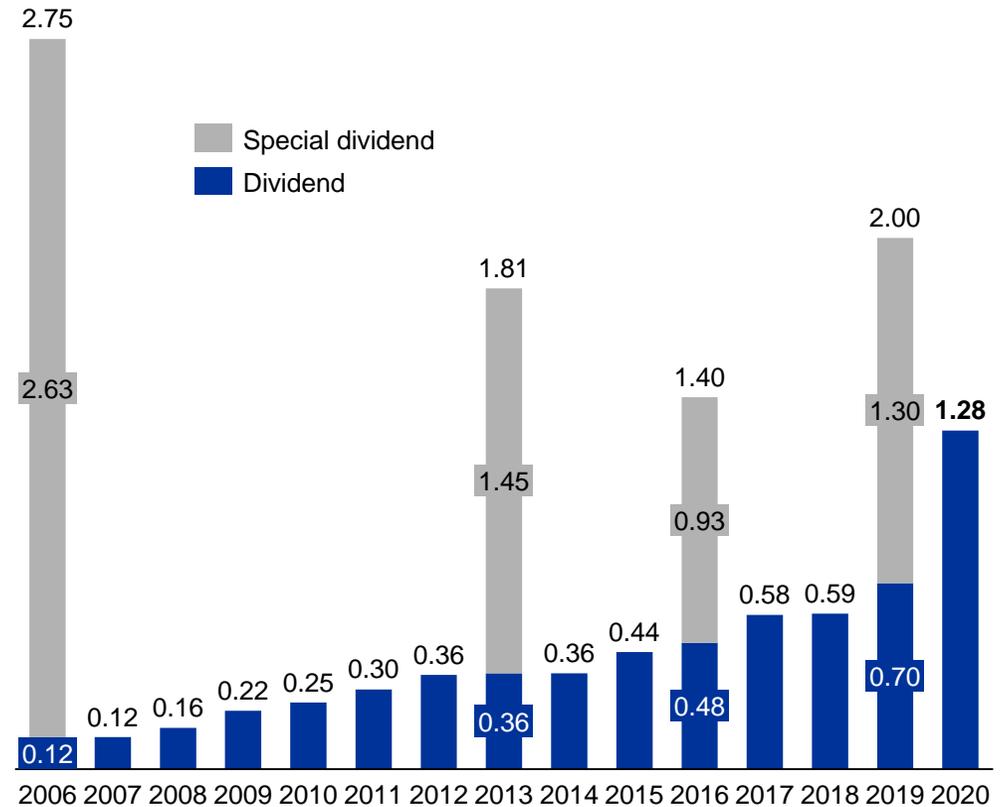
05 The ATOSS Share

Dividend Policy

EPS* per 31. December in EUR



Dividend* in EUR



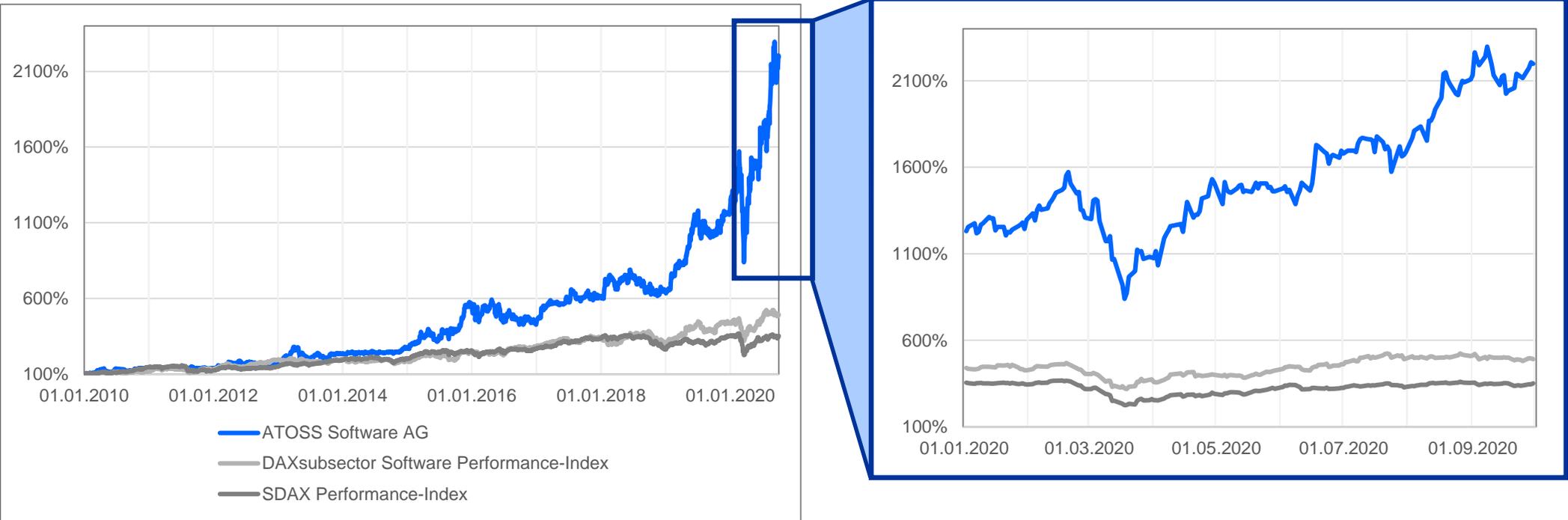
ATOSS stays true to its dividend policy with continuity to the previous year

* The previous year's figures have been adjusted due to stock split in 2020



05 The ATOSS Share

Development ATOSS Share 01/2010 – 09/30/2020



01/01/2010 – 09/30/2020: ATOSS share grows by 2.098%* while the DAXsubsector Software Performance Index gains 391% and the SDAX Performance Index 252%

Sustained increase of shareholder assets

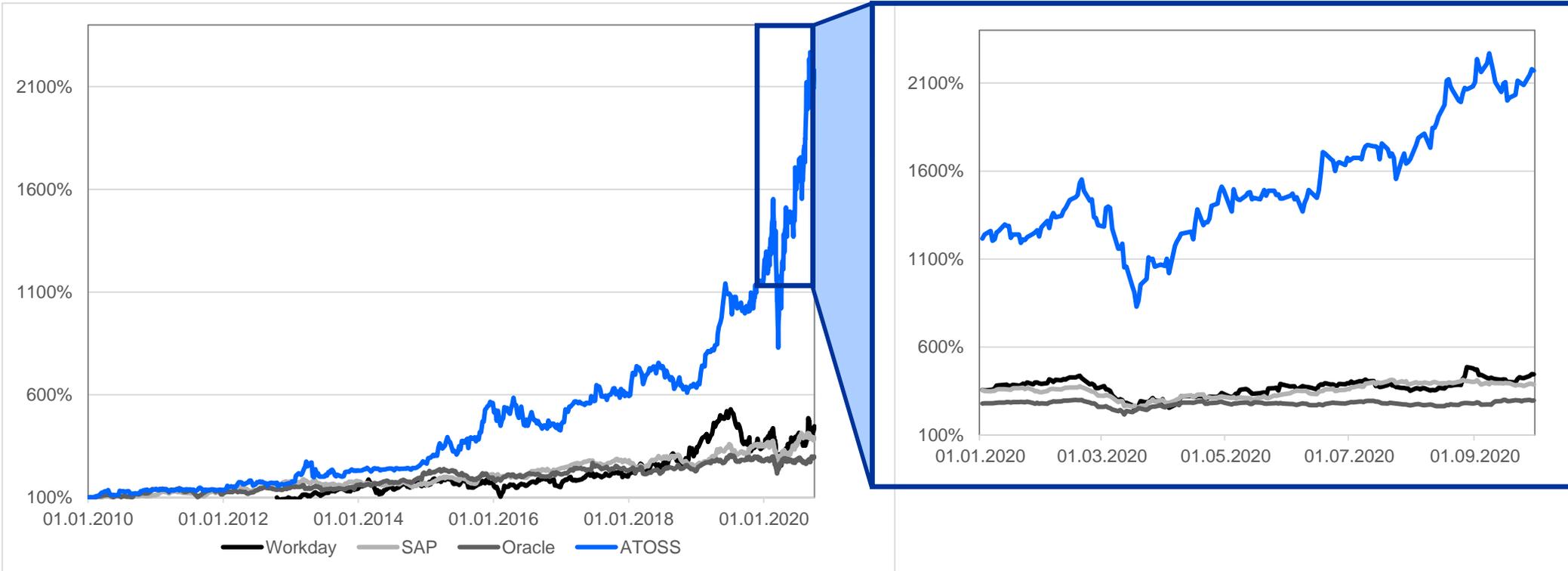
The ATOSS share offers additional upside potential

* XETRA Closing price 01/01/2010 and 09/30/2020 – without integration of special dividend



05 The ATOSS Share

ATOSS Performance – Oracle, SAP, Workday 01/2010 – 09/30/2020



Source: www.comdirect.de (ATOSS Software AG, SAP AG, XETRA; Oracle, Workday: Stock exchange Frankfurt)

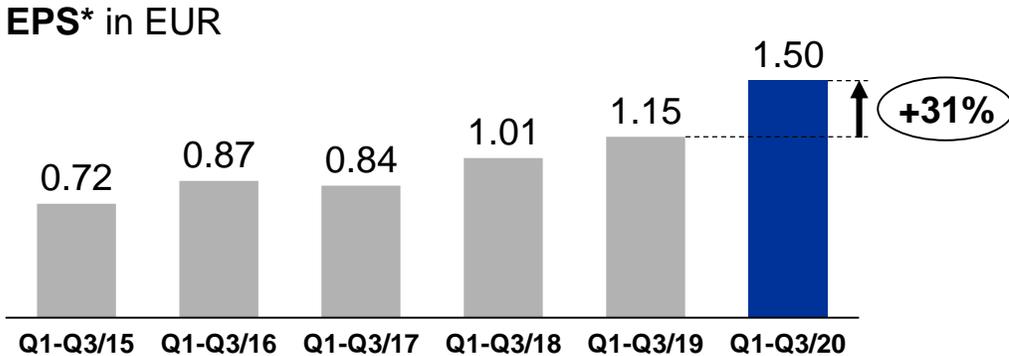
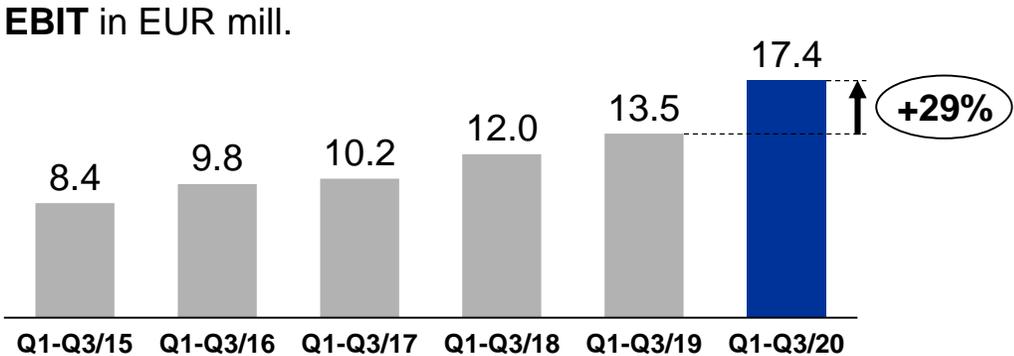
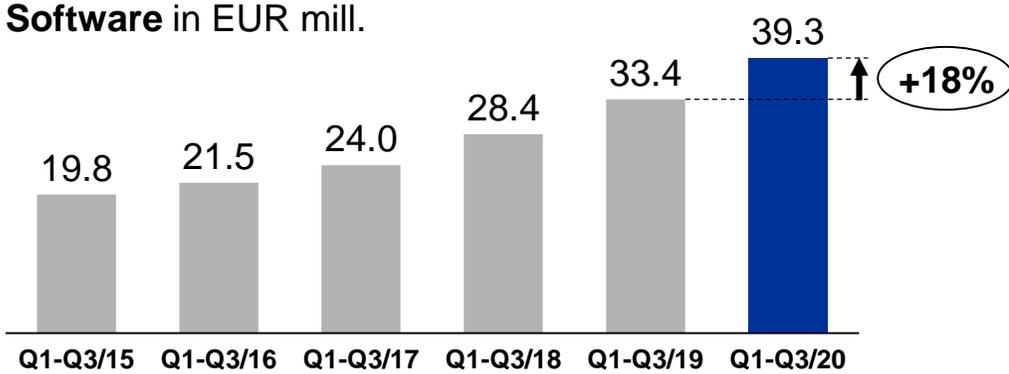
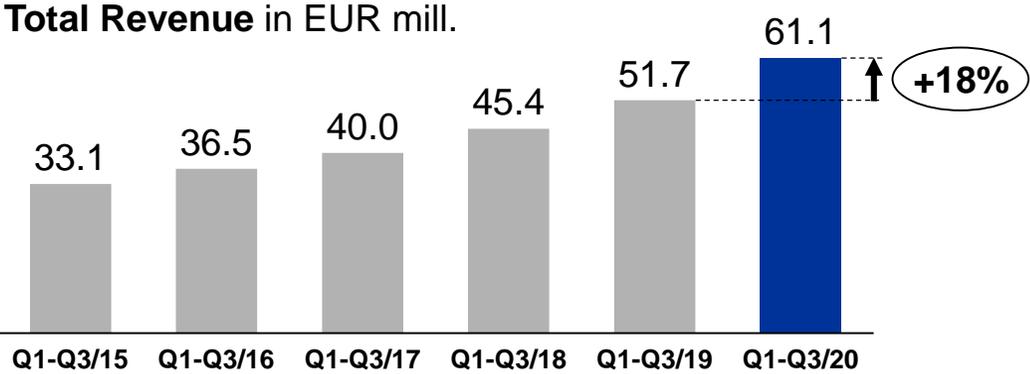


06 ATOSS Key Figures

ATOSS

Q3/2020

06 Continuous Growth in Q1-Q3 2020



- Stable sales and continued positive earnings development in the first 3 quarters of 2020
- Strong EBIT Margin of 28 Prozent

* The previous year's figures have been adjusted due to stock split in 2020





Thank You for Your Attention!

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