

ATOSS Software AG: Cloud business still taking the Group's excellent sales and earnings growth to the next level in the third quarter – outlook re-confirmed

ATOSS Software AG is maintaining its growth trajectory and once again reporting record numbers in the third quarter according to provisional figures. Group revenues increased by 18 percent to EUR 81.9 million in the first three quarters (previous year: EUR 69.5 million). Operating earnings rose to EUR 21.6 million (previous year: EUR 18.6 million) with an EBIT margin of 26 percent (previous year: 27 percent). The revenues growth from Cloud & Subscriptions was particularly impressive, and as of September 30, 2022, they comprise the largest share of total sales for the first time at 29 percent (previous year: 20 percent). Against the background of outstanding order growth and the continuous expansion of its cloud business, the Management Board is again reaffirming its sales and earnings forecast for the 2022 fiscal year and is convinced that it will close the year with further record figures.

Munich, October 24, 2022

According to provisional figures, ATOSS Software AG can look back on an extremely successful third quarter with new records set for sales and earnings. Even in these economically challenging times, the company once again succeeded in boosting the pace of growth in an impressive manner. The very volatility of the current environment has significantly increased the relevance of digital workforce management for companies in all sectors and market segments. Given this scenario, demand for workforce management solutions from the software specialist from Munich showed very pleasing growth overall. This development is also reflected impressively in the latest order figures of the ATOSS Group. For example, the normalized order intake for software licenses increased by 43 percent in the first three quarters, rising to a total of EUR 36.6 million (previous year: EUR 25.6 million). Of this figure, EUR 26.6 million (previous year: EUR 18.2 million) – i.e. 73 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 only 68 percent. Expansion of the cloud's share of the business led to a marked 80 percent increase in Annual Recurring Revenue (ARR for short) to its current level of EUR 36.9 million (previous year: EUR 20.5 million).

The ATOSS Group's sales growth in the period from January to September 2022 is equally impressive. Overall, software revenues in this period increased by an appreciable 20 percent, climbing to EUR 56.3 million (previous year: EUR 47.0 million). In Cloud & Subscriptions, ATOSS boosted sales by 75 percent to EUR 24.0 million (previous year: EUR 13.8 million). As a consequence, cloud revenues made the highest contribution to sales in the ATOSS Group – with a 29 percent share of total sales (previous year: 20 percent). Together with an 8 percent rise in software maintenance revenues totaling EUR 23.3 million (previous year: EUR 21.6 million), recurring revenues advanced year-on-year by 34 percent, reaching EUR 47.3 million (previous year: EUR 35.4 million). As a result, the share 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 58 percent overall (previous year: 51 percent). Revenues with consulting services expanded to EUR 20.4 million (previous year: EUR 18.0 million).

As of September 30, 2022, the return on sales in relation to operating earnings (EBIT) stands at 26 percent, above the forecast of 25 percent for the whole year. The EBIT margin in the third quarter stood at 27 percent. Thanks to this excellent financial growth of the last 9 months, liquidity also increased 15 percent year on year to EUR 56.2 million (previous year: EUR 49.1 million) in spite of the dividend of EUR 1.82 per share distributed on May 4, 2022 (EUR 14.5 million in total).

The financial result stabilized as a result of a shift into less volatile investments in the third quarter. Accordingly, net earnings per share increased by 24 percent in the third quarter compared with the previous year. The Group generated net income of EUR 13.7 million (previous year: EUR 12.7 million) in the nine-month period and earnings per share of EUR 1.73 (previous year: EUR 1.59).

The results of the first three quarters and the unbroken momentum of the cloud once again underline the strong position of ATOSS in the market for workforce management and the further potential for growth for the software group from Munich.

The Management Board is now assuming that it will slightly exceed its forecast for the whole of 2022, raised at the start of the year, for total revenue of EUR 110 million and an EBIT margin of over 25 percent.

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: 9-MONTH COMPARISON IN KEUR

	01/01/2022 - 09/30/2022	Proportion of total sales	01/01/2021 - 09/30/2021	Proportion of total sales	Change 2022 / 2021
Sales revenues	81,883	100%	69,533	100%	18%
Software	56,270	69%	47,049	68%	20%
Licenses	8,956	11%	11,692	17%	-23%
Maintenance	23,275	28%	21,601	31%	8%
Cloud & Subscription	24,039	29%	13,756	20%	75%
Consulting	20,444	25%	18,043	26%	13%
Hardware	3,088	4%	3,321	5%	-7%
Others	2,081	3%	1,120	2%	86%
EBITDA	24,564	30%	21,422	31%	15%
EBIT	21,616	26%	18,566	27%	16%
EBT	20,361	25%	18,769	27%	8%
Net profit	13,749	17%	12,674	18%	8%
Cash flow	24,654	30%	24,035	35%	3%
Liquidity ^(1/2)	56,242		49,069		15%
EPS in euro	1.73		1.59		9%
Employees ⁽³⁾	679		612		11%

CONSOLIDATED OVERVIEW PURSUANT TO IFRS: QUARTERLY GROWTH IN KEUR

	Q3/22	Q2/22	Q1/22	Q4/21	Q3/21
Sales revenues	28,310	27,571	26,002	27,534	23,807
Software	19,738	19,438	17,094	18,922	16,127
Licenses	2,872	4,036	2,048	5,485	3,615
Maintenance	7,906	7,645	7,724	7,334	7,517
Cloud & Subscriptions	8,960	7,757	7,322	6,103	4,995
Consulting	6,632	6,584	7,228	7,200	5,924
Hardware	1,102	915	1,071	1,052	1,262
Others	838	633	610	361	495
EBITDA	8,751	8,833	6,980	9,929	7,571
EBIT	7,763	7,843	6,010	8,678	6,590
EBIT margin in %	27%	28%	23%	32%	28%
EBT	7,927	7,143	5,291	8,936	6,774
Net profit	5,455	4,749	3,545	6,669	4,416
Cash flow	16,534	2,060	6,060	2,249	15,981
Liquidity ^(1/2)	56,242	40,605	54,709	50,360	49,069
EPS in euro	0.68	0.60	0.45	0.84	0.55
Employees ⁽³⁾	679	650	646	630	612

(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:

November 28 -30, 2022

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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