

Excellence in Workforce Management

ATOSS Software AG



Disclaimer



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ATOSS Software AG 2023

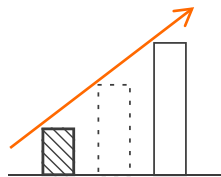
ATOSS – Leading in the field of Workforce Management

Highlights at a glance

>30 years

Market experience

ATOSS is first mover and innovator in the field of workforce management



Double-digit revenue growth
(16% CAGR 2018–2022)

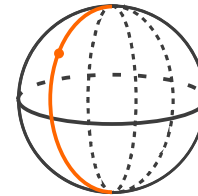
As of 12/31/2022; * incl. subsidiaries; **w/o subsidiaries

~15,000

Customers worldwide from SMB to blue chips*

Customers in

50+



countries worldwide, including 31 in Europe

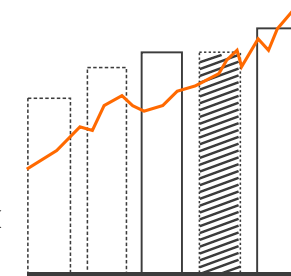
27%

EBIT margin

TecDAX

05/2023

High visibility as stock corporation



SDAX

07/2021

690+

Employees

11

Software languages

>4 million

Employees integrated in ATOSS solutions

~ 9,200

Cloud customers**

A young man and woman are lying on a dark grey couch, smiling and laughing. The man is holding a black coffee cup, and the woman is holding a clear water bottle. They are surrounded by numerous cardboard moving boxes, many of which are branded with the OBI logo. The boxes are stacked in the background and scattered on the floor. The scene is set in a bright, modern living room with large windows in the background.

Market for Workforce Management

OBI | Retail



Increasingly complex
regulatory
environment



Digitalization of labor world

The application of **artificial intelligence (AI)** in
WFM solutions for employees and managers
adds **significant business value** to WFM



Scarcity of resources and **skilled staff**

A **shortage of workers** have prompted
investment in advanced scheduling and
planning functions so **existing workers** are
deployed as effectively as possible.

Furthermore driven by the “**talent crunch**” many
employers have prioritized investments in
improving the **employee experience** to both
reduce worker attrition and **improve worker**
effectiveness.

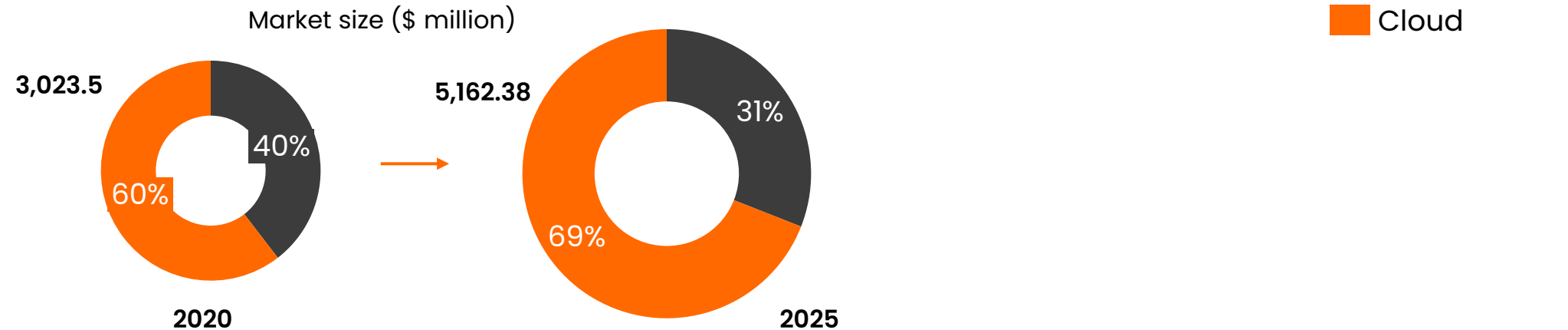
Workforce Management Market

Market Studies*

Growth Workforce Management Market

- Ø annual growth rate **cloud-based WFM-solutions**: 14.29% CAGR (2020 – 2025)
- Ø annual growth rate of **on premises WFM-solutions**: 5.98% CAGR (2020 – 2025)

Market segmentation by deployment



- 81.17% of incremental growth between 2020 and 2025 **contributed by Cloud**

* Technavio, Global Workforce Management Software Market by Deployment and Geography – Forecast and Analysis 2021-2025

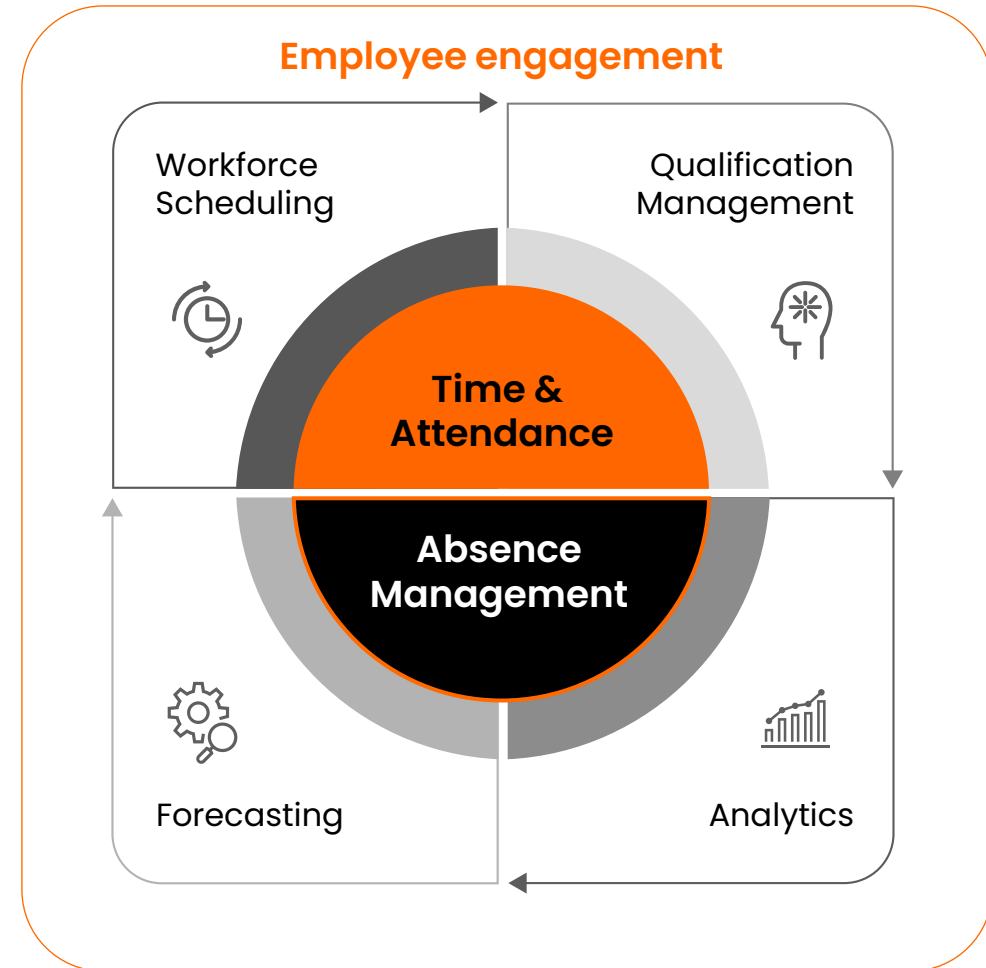
Business Model

Universitätsklinikum Frankfurt | Healthcare & Services

Workforce Management in a Nutshell

Efficiency via Highly Flexible Staff Deployment

ATOSS helps companies to have ...
...the right employee
...with the right qualification
...at the right place
...at the right time
...at the right cost
...at full compliance



Highly flexible, demand-optimized workforce scheduling

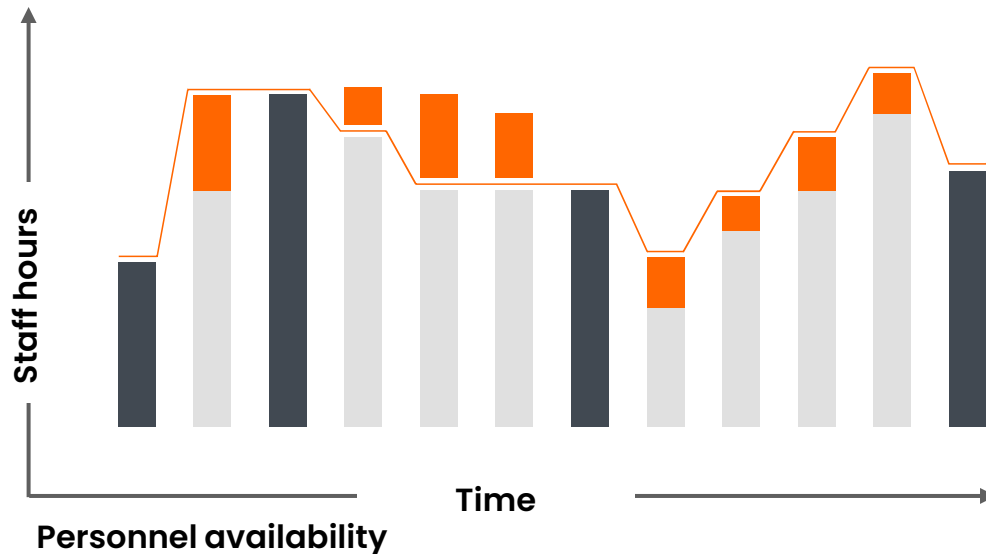
Digital Workforce Management

Current situation

Fluctuation in demand

Little flexibility and long response times

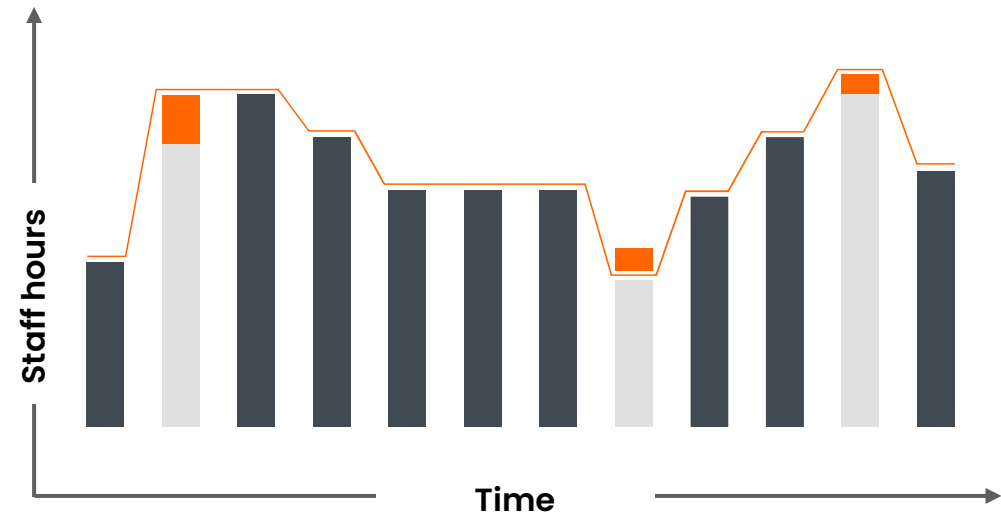
OPTIMIZATION POTENTIAL



Goal

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

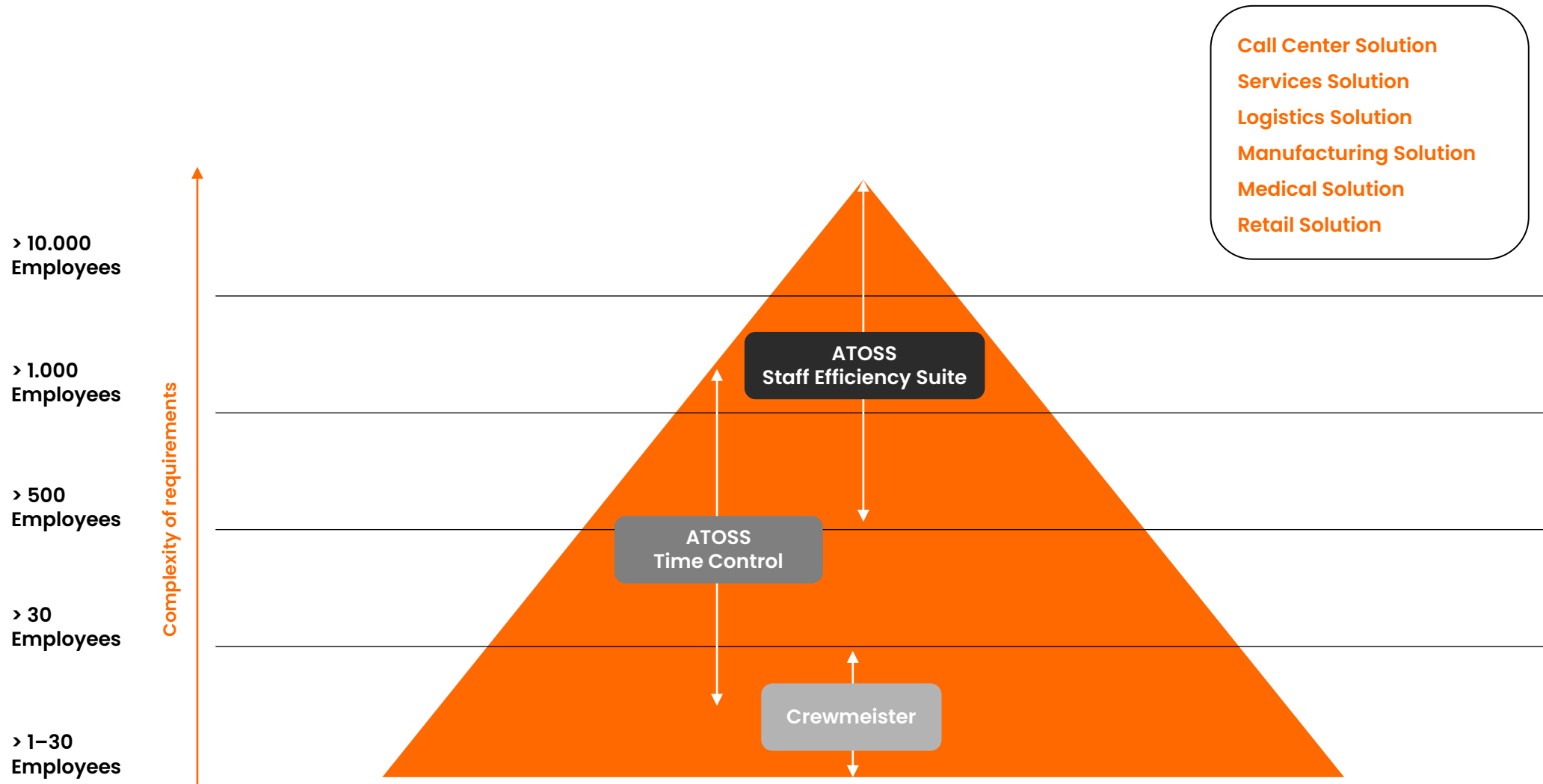
AFTER OPTIMIZATION



■ surplus/shortfall ■ non-demand-optimized ■ demand-optimized

ATOSS Product Portfolio

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





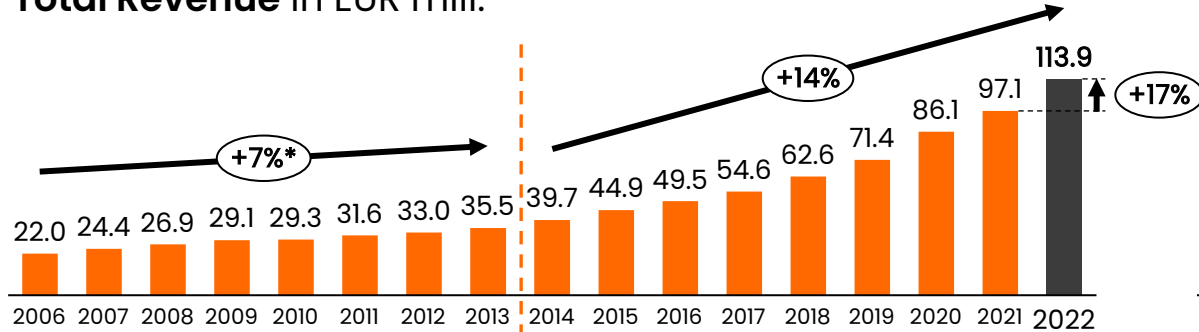
Financials & KPI's – FY 2022

STIHL | Manufacturing

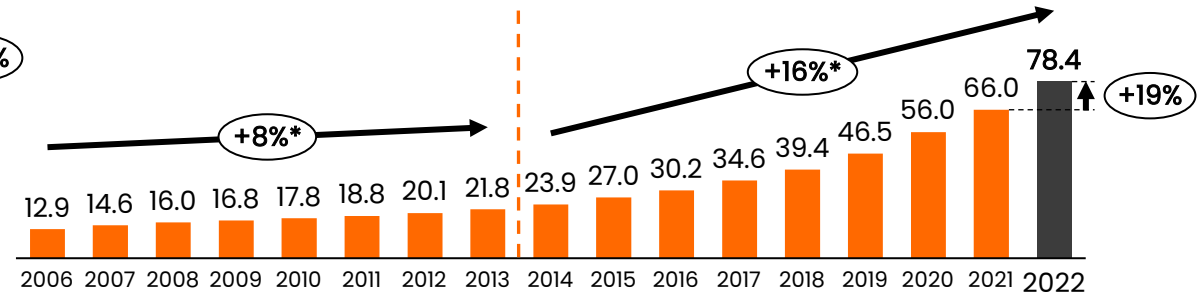
ATOSS – 17th Record Year in Succession

Running like Clockwork

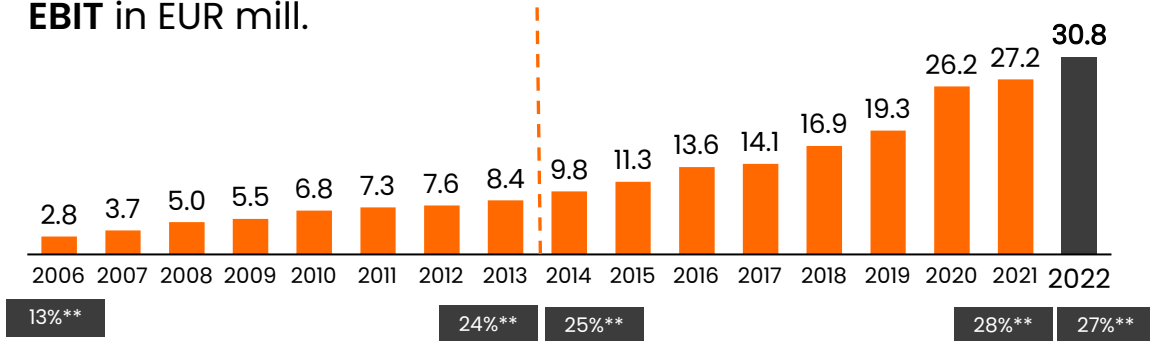
Total Revenue in EUR mill.



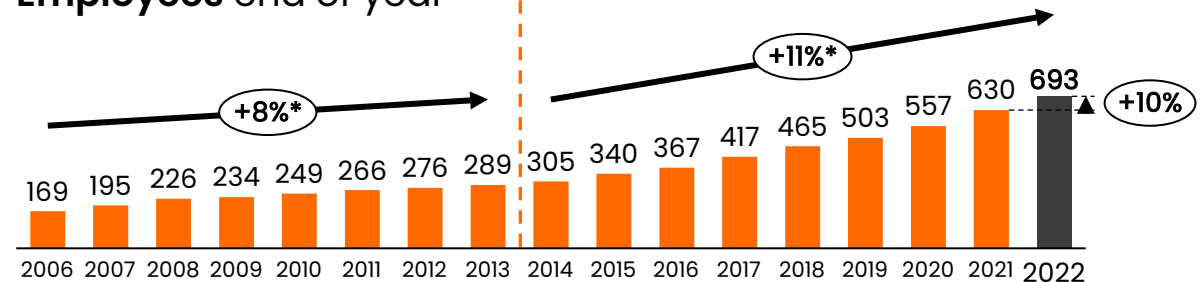
Software in EUR mill.



EBIT in EUR mill.



Employees end of year



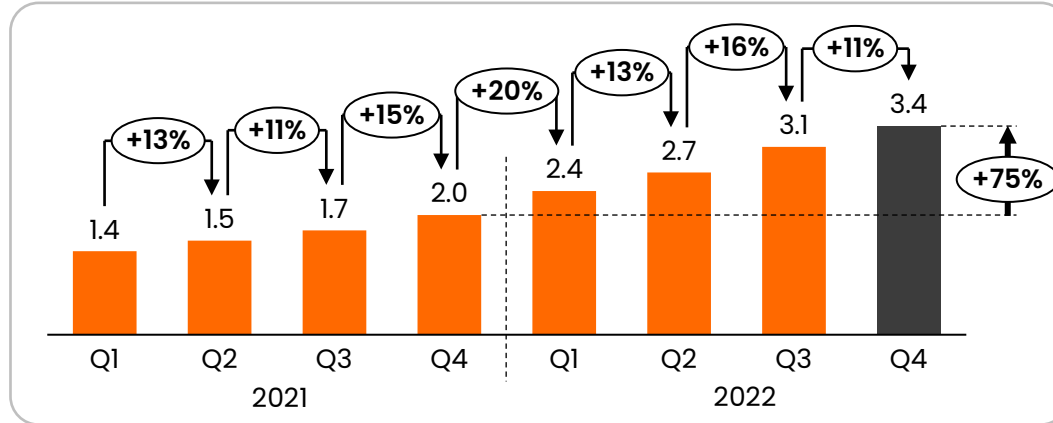
- Strong sales and continued positive earnings development
- Consistent ongoing investments in portfolio and technology
- Long-term security for our customers

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

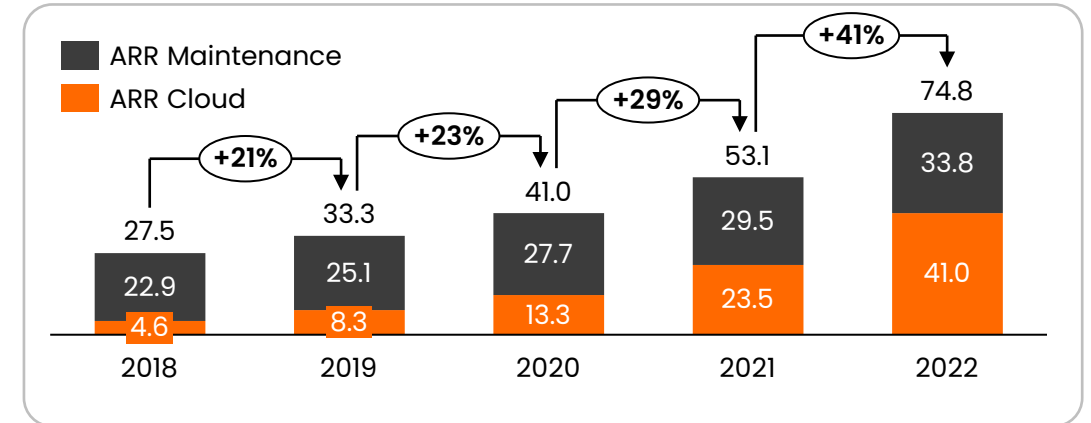
ATOSS Cloud Strategy and Software Revenues

Excellent foundation for further success

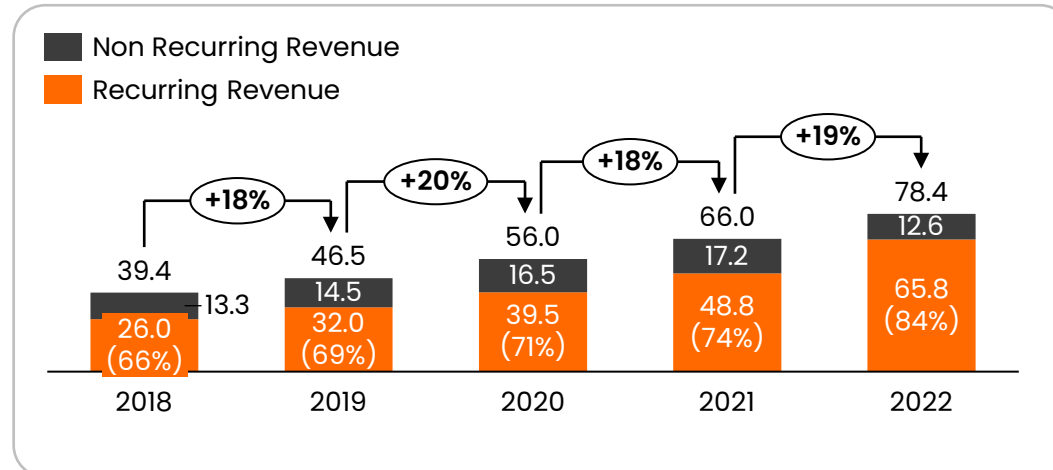
Cloud MRR: Quarterly development in EUR mill.



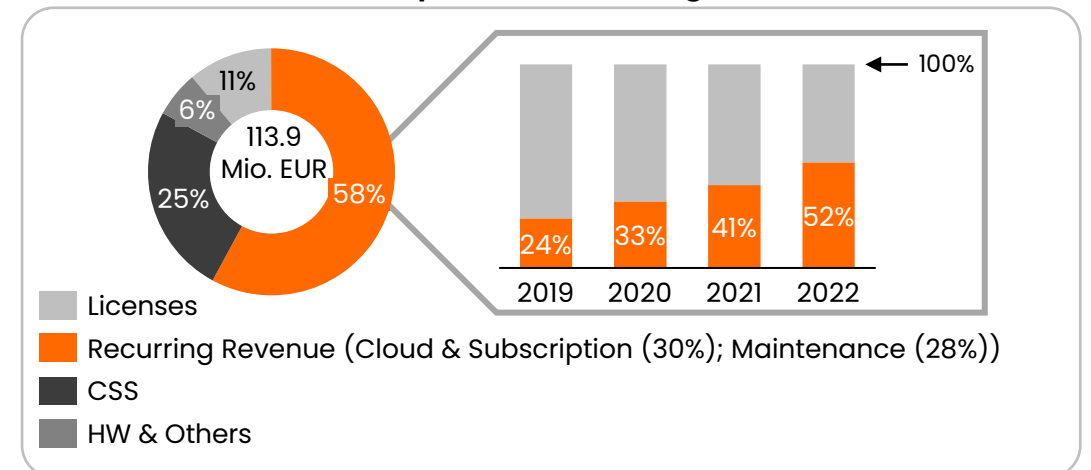
ARR Total (Cloud + Maintenance) in EUR mill.



Software Revenue in EUR mill.



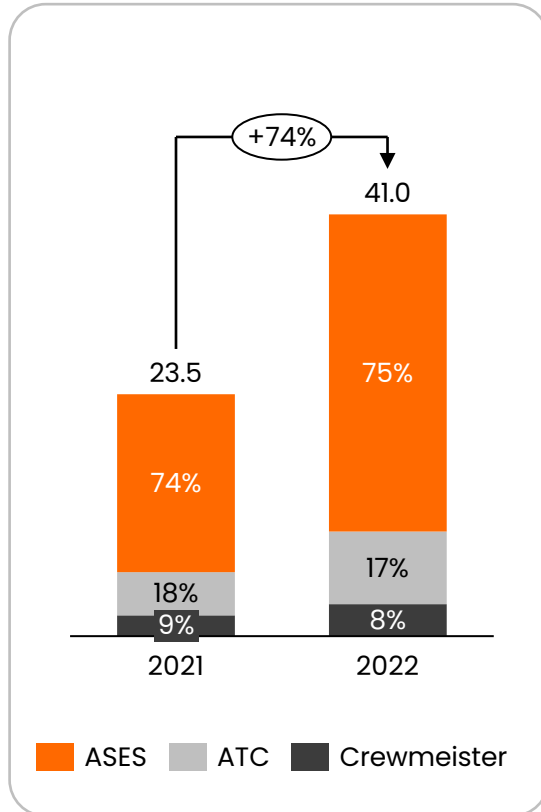
Share of Cloud & Subscription in Recurring Revenue in %



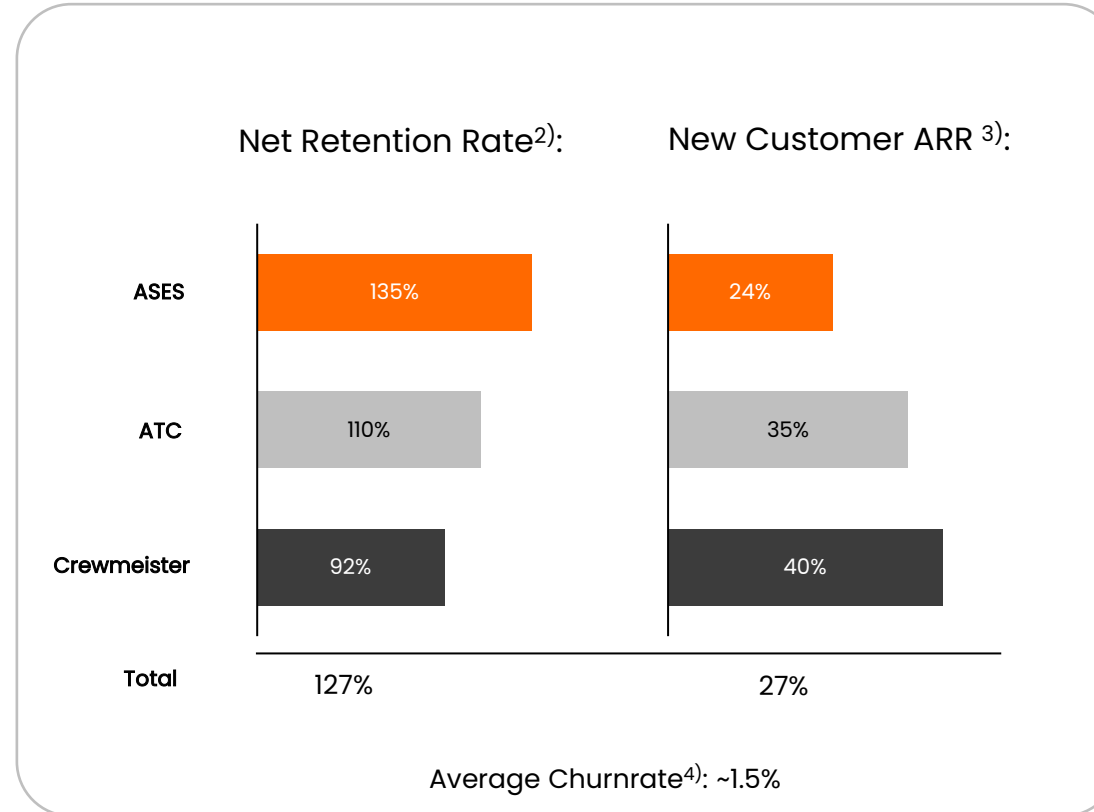
ATOSS Cloud development by products

FY 2022

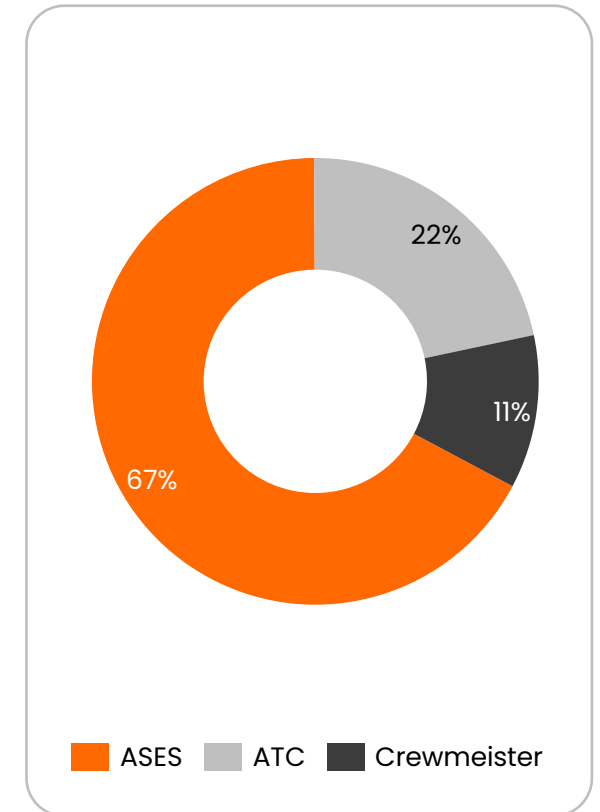
Cloud ARR¹
in EUR mill.



Cloud KPIs



New customer ARR
by product, in %



1) 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

2) Net Retention Rate: revenues generated from existing customers as of PY- taking into account expansion and churn

3) Share of New Customer ARR: revenues generated from new customers since Q4 PY – taking into account base, expansion, indexation and transfer of on-premise customers

4) Churnrate: calculated as contract terminations and contractions divided by ARR (w/o Crewmeister)

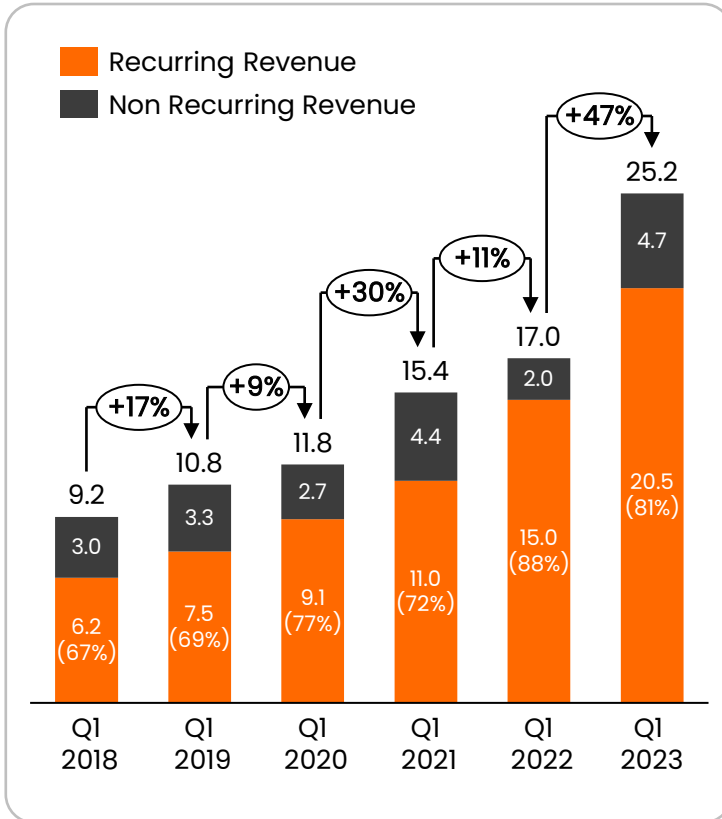
Financials & KPI's – Q1 2023

Landeshauptstadt München | Public & Social Services

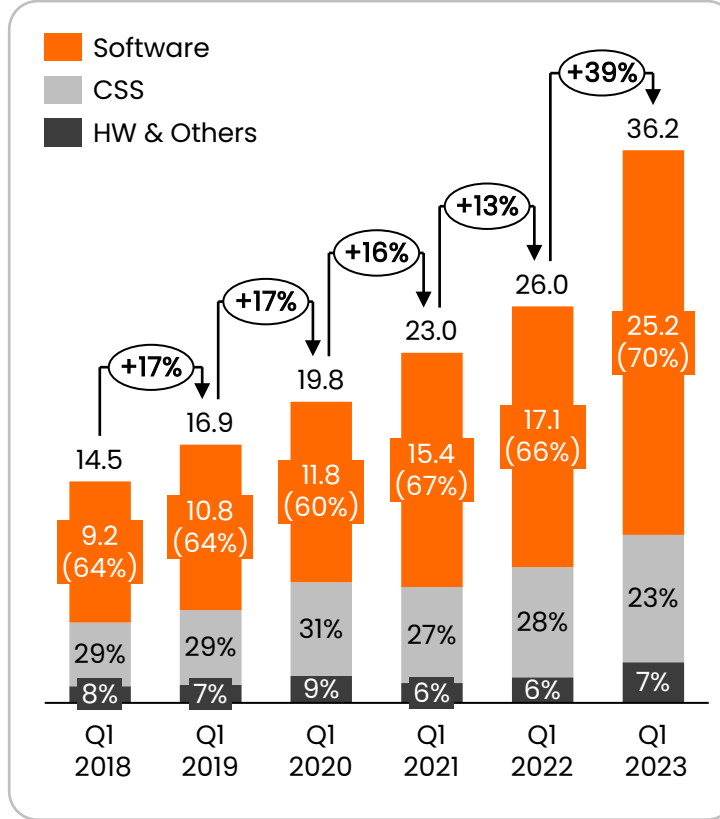
Top Key Figures

Q1 2023

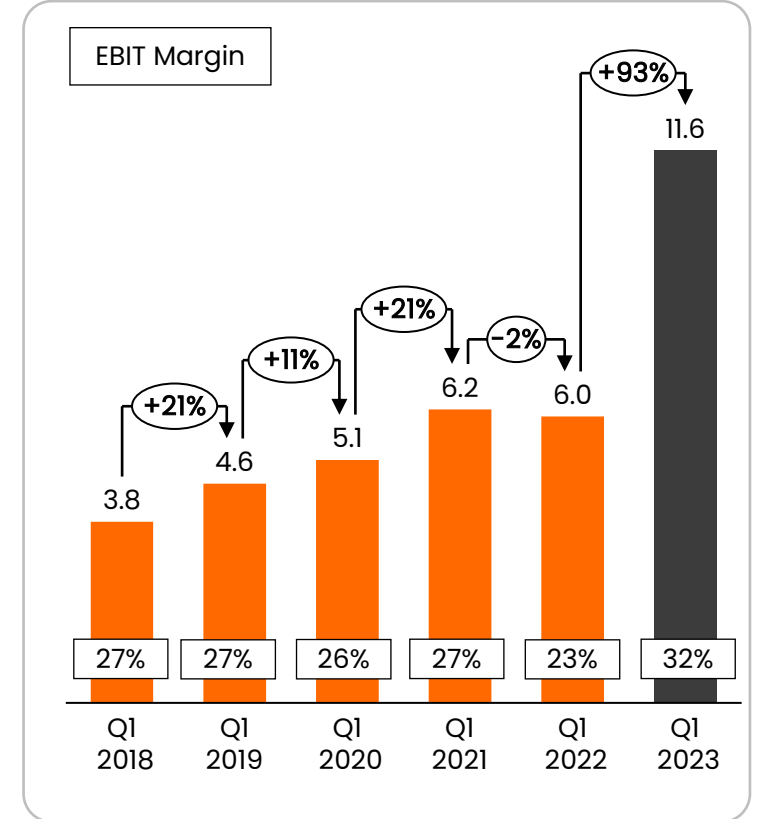
Software Revenue in EUR mill.



Total Revenue in EUR mill.



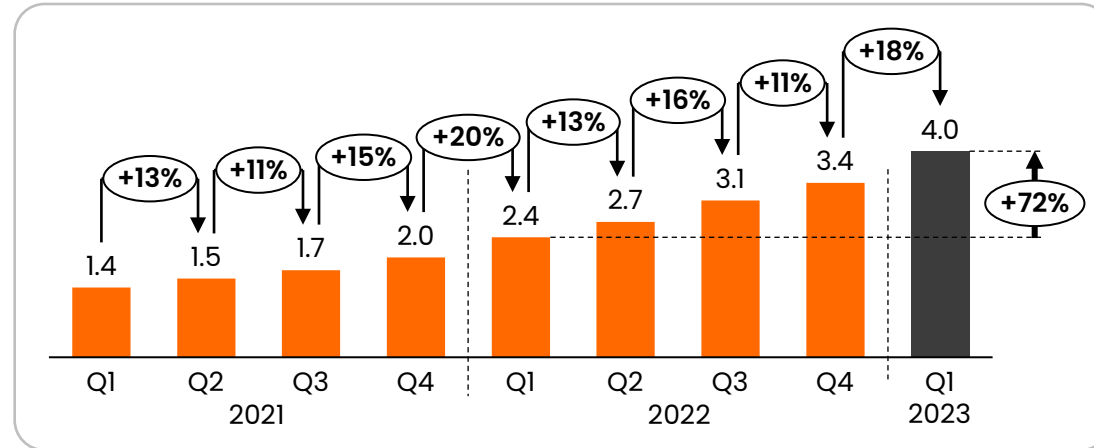
EBIT in EUR mill.



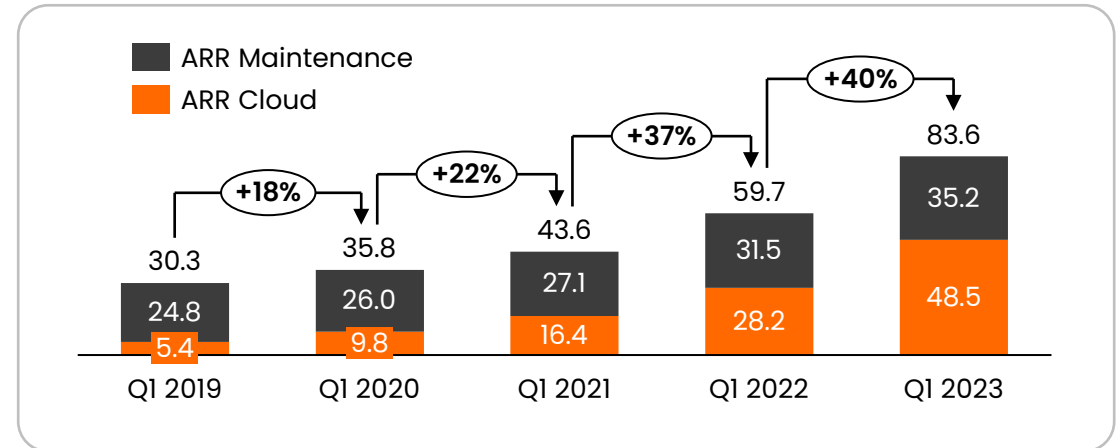
Cloud MRR & ARR (Cloud + Maintenance) Development

Q1 2023

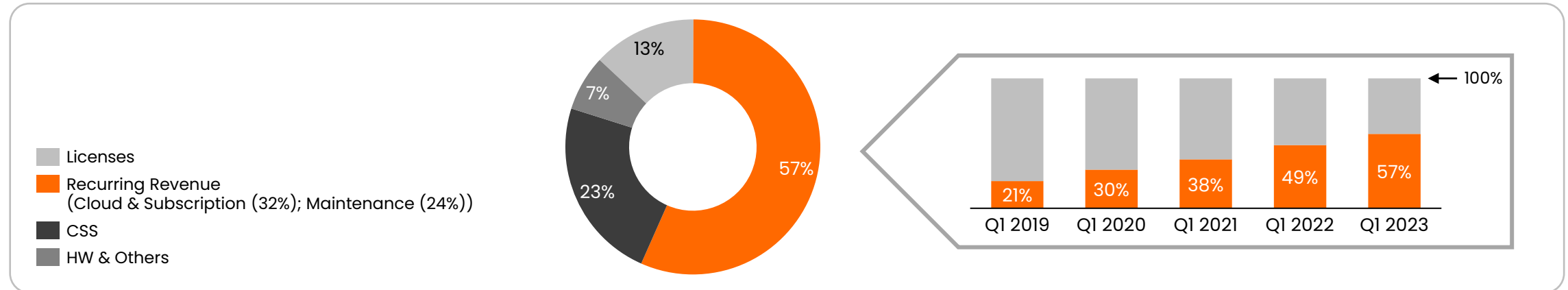
Cloud MRR: Quarterly development in EUR mill.



ARR Total (Cloud + Maintenance) in EUR mill.



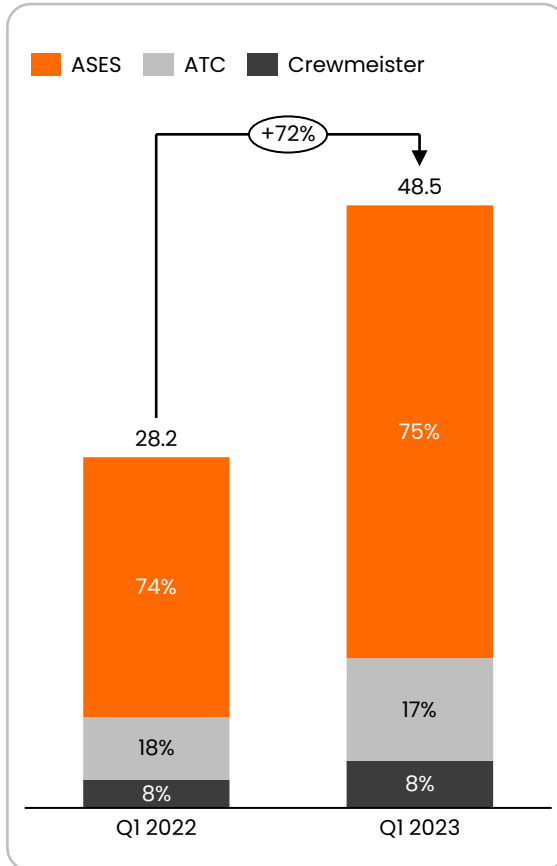
Share of Cloud & Subscription in Recurring Revenue in %



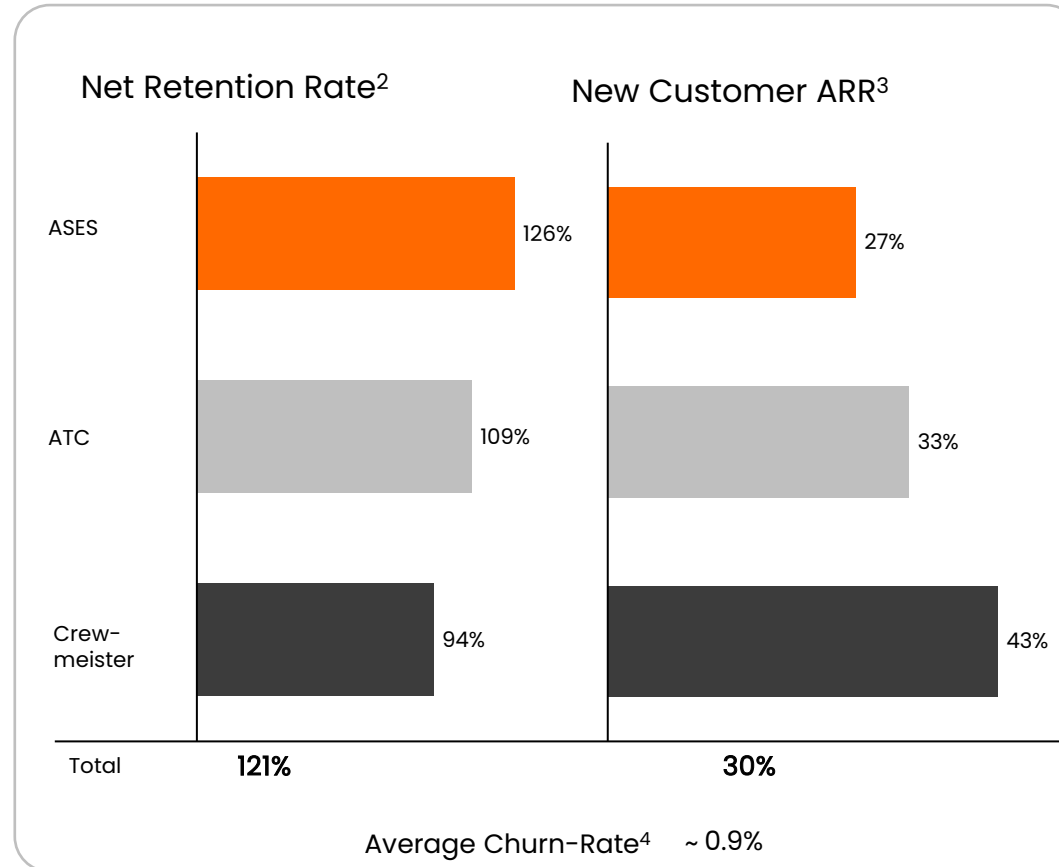
ATOSS Cloud development by products

Q1 2023

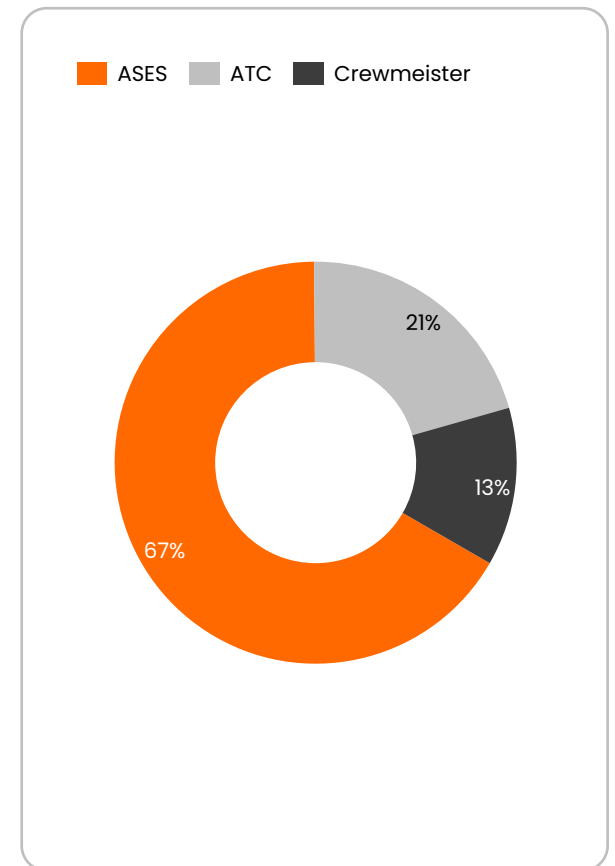
Cloud ARR¹
in EUR mill.



Cloud KPIs
in %



New customer ARR⁵
by product, in %



¹ 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

² Net Retention Rate: revenues generated from existing customers as of PY – taking into account expansion and churn

³ Share of New Customer ARR: revenues generated from new customers since Q4 PY – taking into account base, expansion, indexation and transfer of on-premise customers

⁴ Churn-Rate: calculated as contract terminations and contractions divided by ARR (w/o Crewmeister)

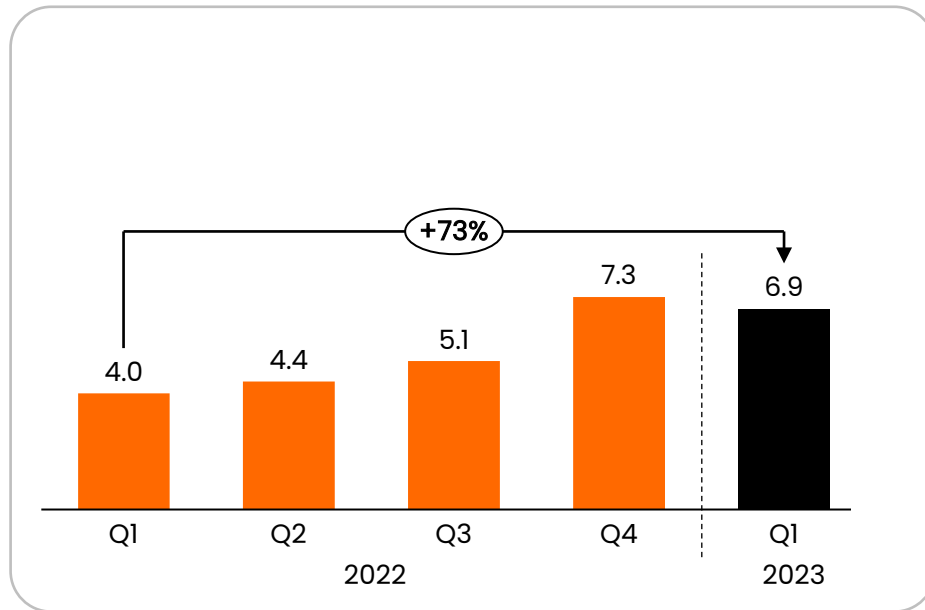
⁵ Share of New Customer ARR: revenues generated from new customers since Q4 PY – taking into account base, expansion, indexation and transfer; without migration of on-premise customers

Order backlog

Growth ambitions strongly supported by order backlog

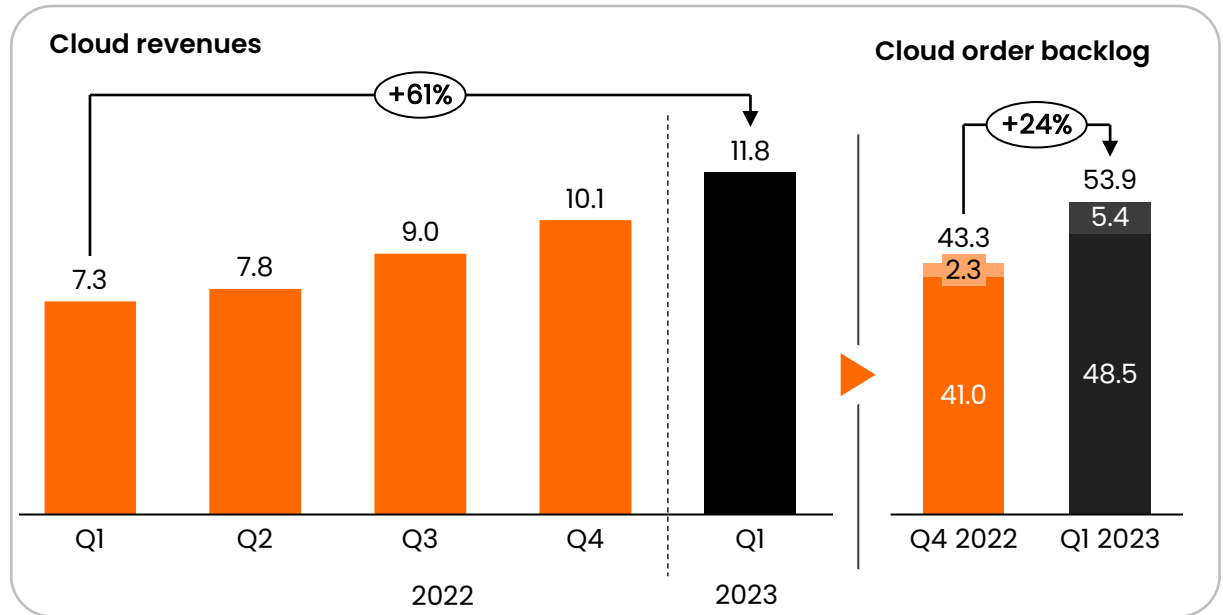
On-premises order backlog¹⁾

Quarterly development in EUR mill.



Cloud order backlog (12months)²⁾

in EUR mill.



1) Typically revenue transformation within 12-18 months

2) Cloud order backlog: ARR + contractually committed additions & expansions for the next 12 months

A photograph of three business professionals (two men and one woman) sitting at a long white table in a modern office setting at night. They are working on laptops and looking at each other, suggesting a collaborative meeting. The office has large glass windows that look out onto a city at night, with blurred lights visible outside. The interior is dimly lit, with light coming from the laptops and some ambient office lighting.

Q1 2023 Income Statement & Other Financials

Income Statement

Q1 2023

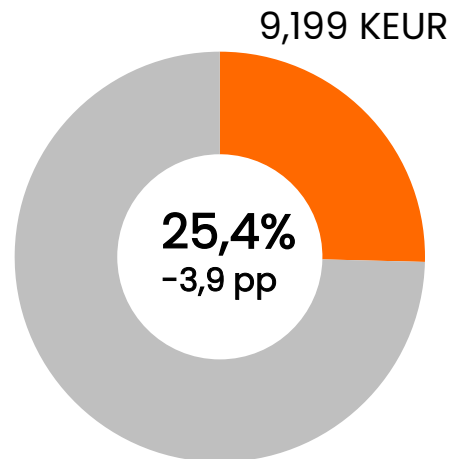
in KEUR	Q1 2023	Proportion of total revenues	Q1 2022	Proportion of total revenues	Change 2023 / 2022
Total revenues	36,223	100%	26,002	100%	39%
Software	25,213	70%	17,094	66%	47%
Licenses	4,685	13%	2,048	8%	129%
Maintenance	8,771	24%	7,724	30%	14%
Cloud & Subscription	11,757	32%	7,322	28%	61%
Consulting	8,337	23%	7,228	28%	15%
Hardware	1,794	5%	1,071	4%	68%
Others	879	2%	610	2%	44%
EBITDA	12,572	35%	6,980	27%	80%
EBIT	11,593	32%	6,010	23%	93%
EBT	11,662	32%	5,291	20%	120%
Net profit	7,731	21%	3,545	14%	118%
EPS in euro	0.97		0.45		118%

Cost ratios

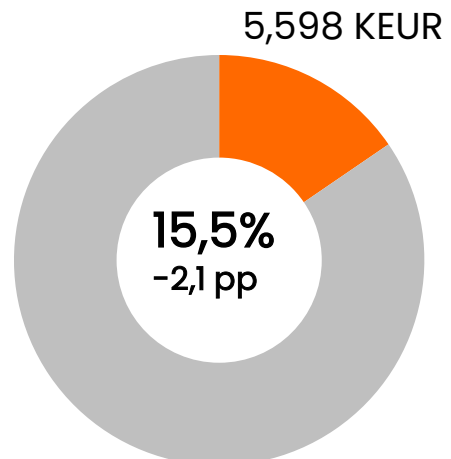
Q1 2023

Total revenue: EUR 36.2 million

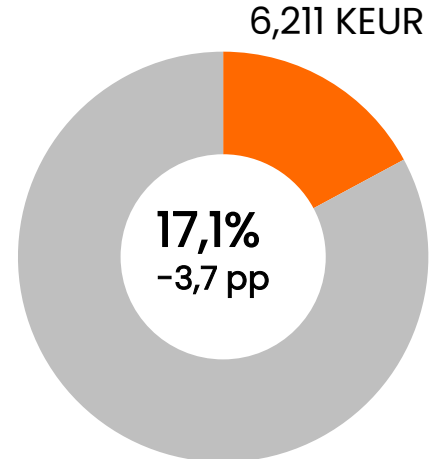
Cost of sales
as % of total revenue



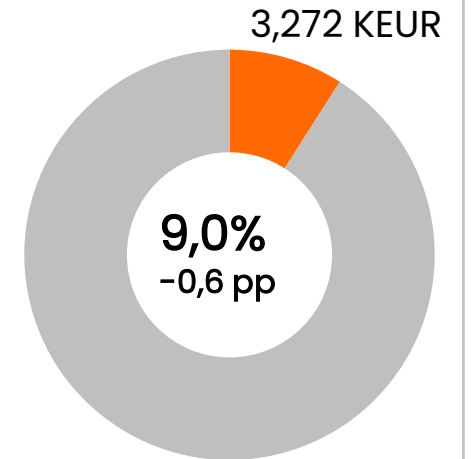
I&D
as % of total revenue



S&M
as % of total revenue

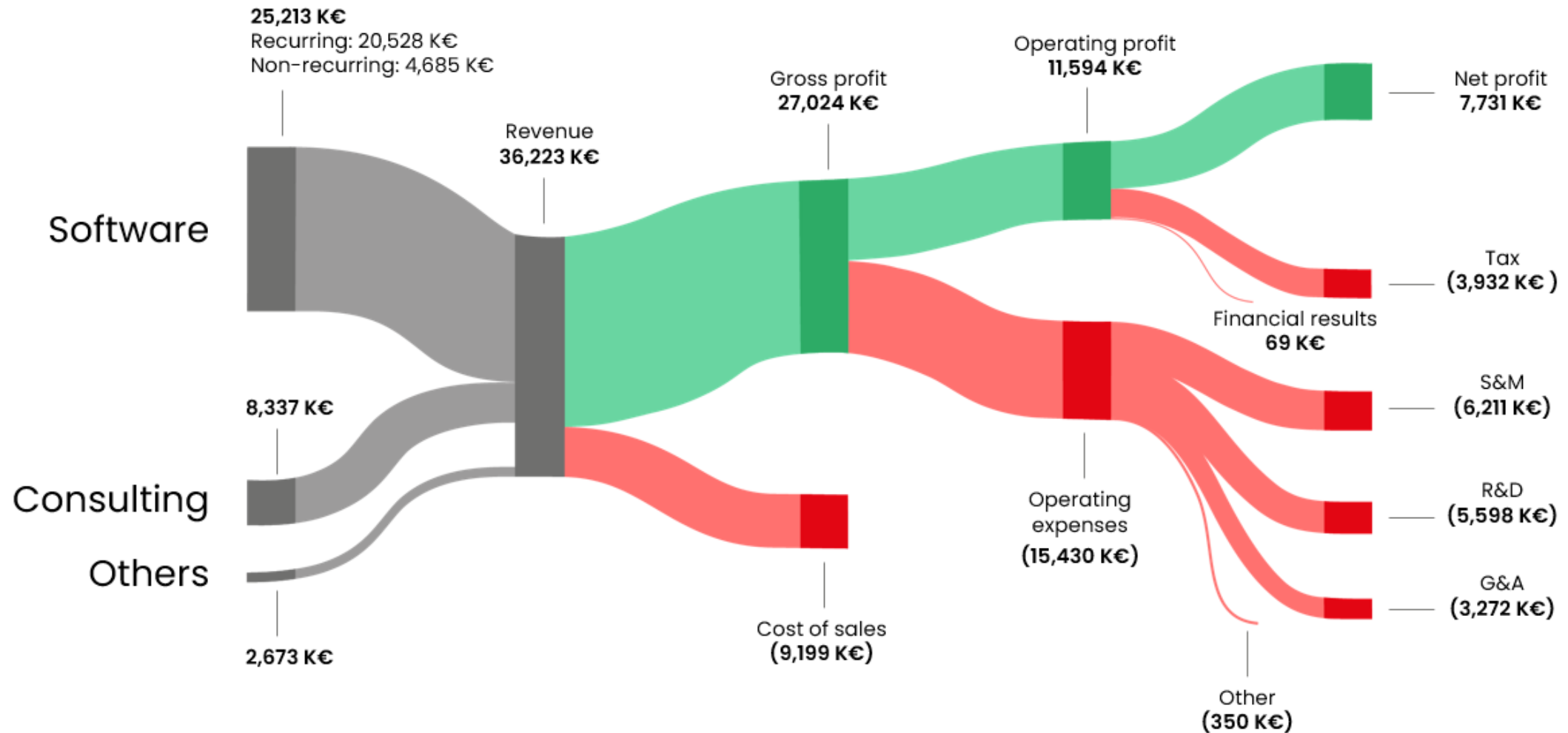


G&A
as % of total revenue



Income Statement

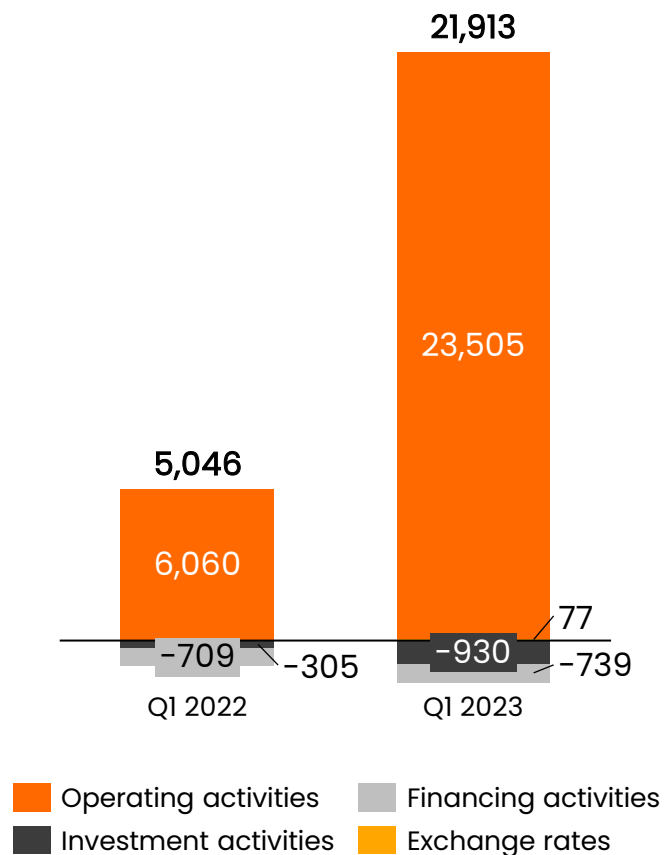
Q1 2023



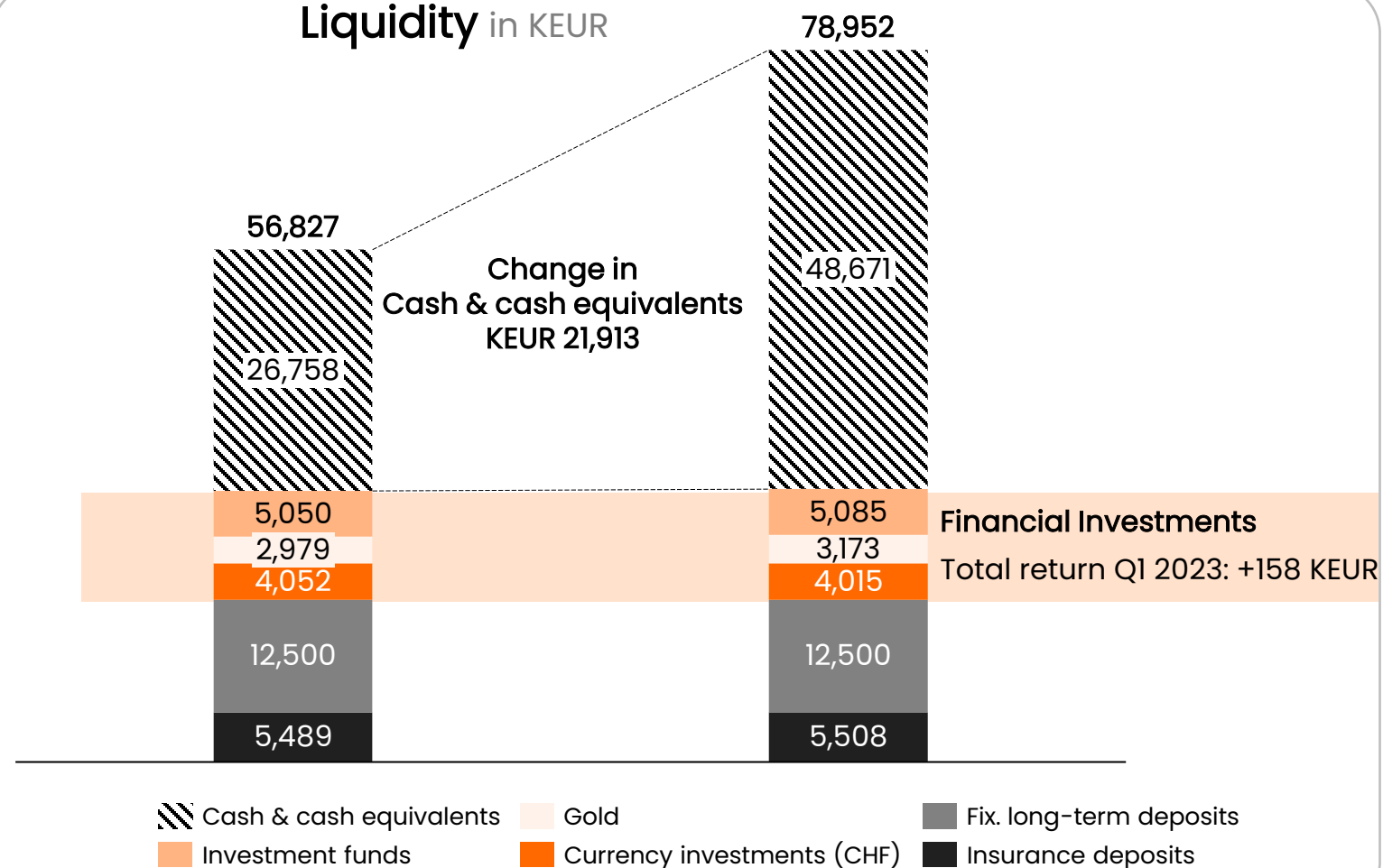
Financial Development Q1 2023

Impressive cash position

Cash Flow in KEUR



Liquidity in KEUR



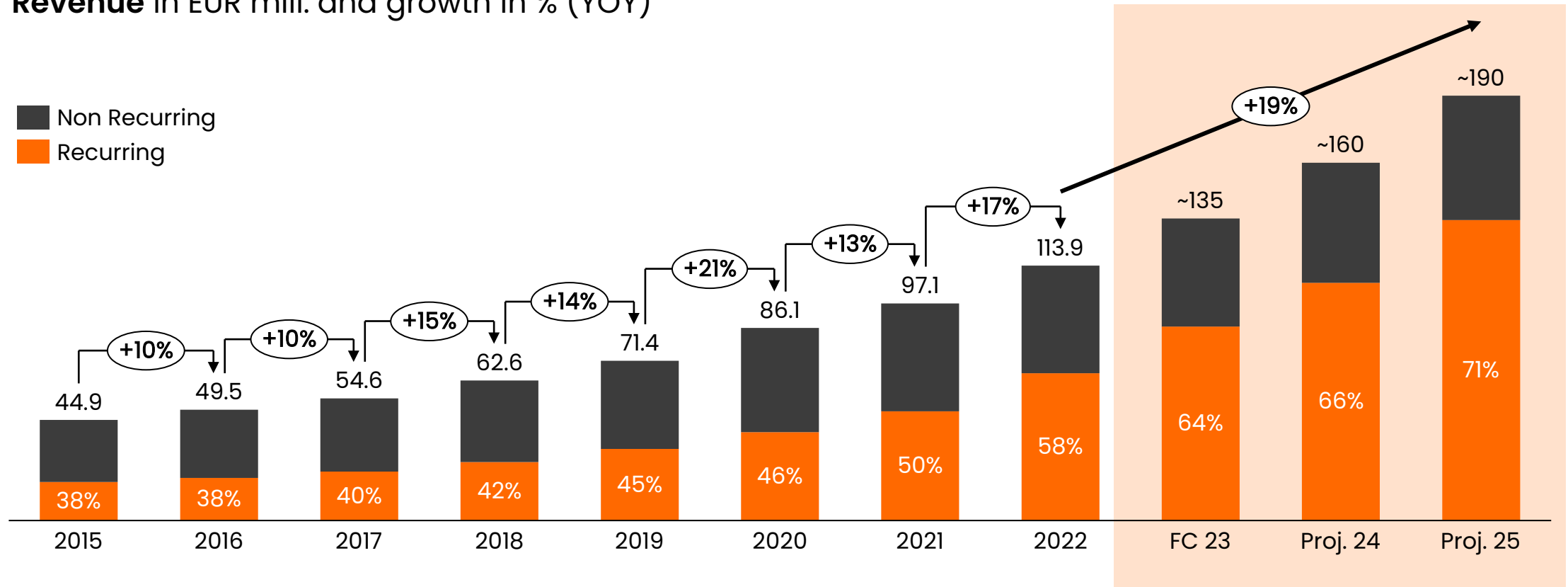
Growth Strategy

WISAG | Service Industry

ATOSS Cloud Transformation

Growth leading the way for increased Recurring Revenue (Model Projectory)

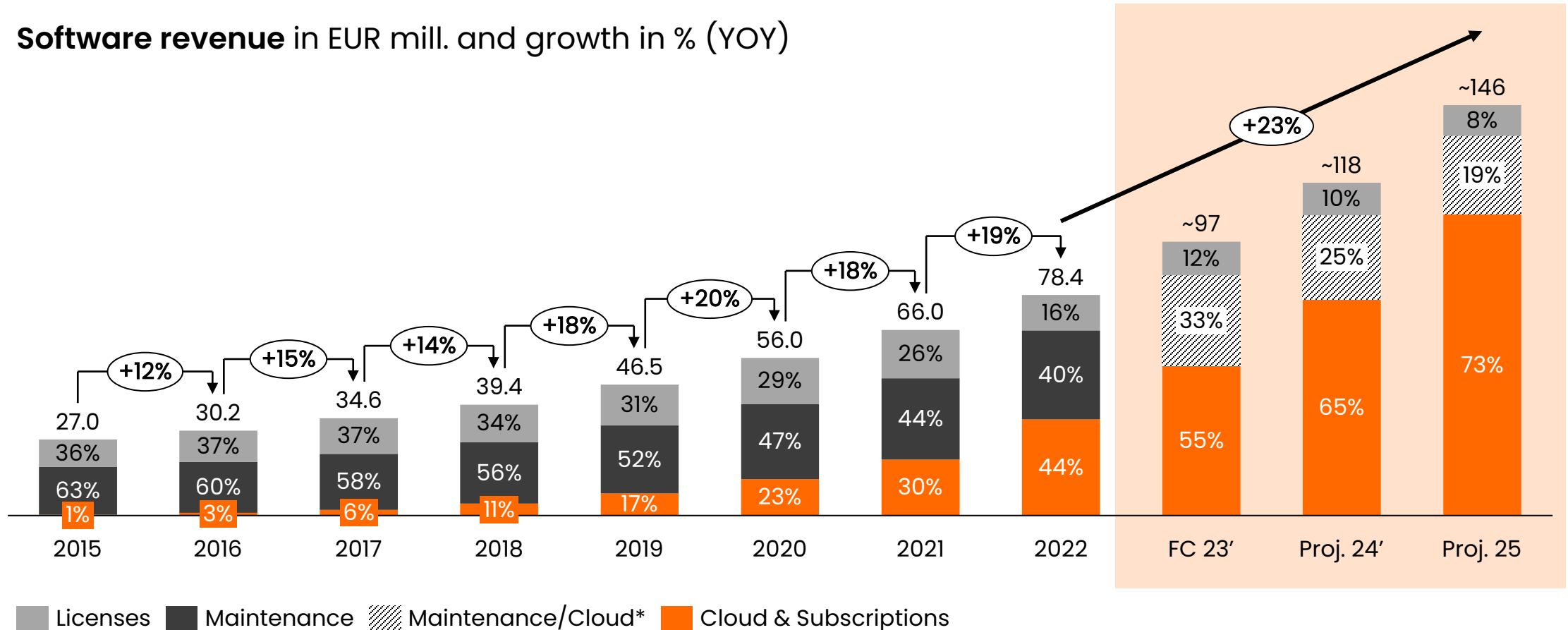
Revenue in EUR mill. and growth in % (YOY)



ATOSS Cloud Transformation

Growth Leading the way for increased Recurring Revenue (Model Projectory)

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



* depending on extent of transformation of existing on-premise customers into cloud and subscription customers

Internationalization strategy

ATOSS solutions operating worldwide

Increased International Revenue
Share non-DACH

ATOSS Solutions currently in **50+ countries: multilingual solutions, 11 software languages**

ATOSS Strategy

- **Expand regional sales & service hubs**
- **Expansion of international partner network**

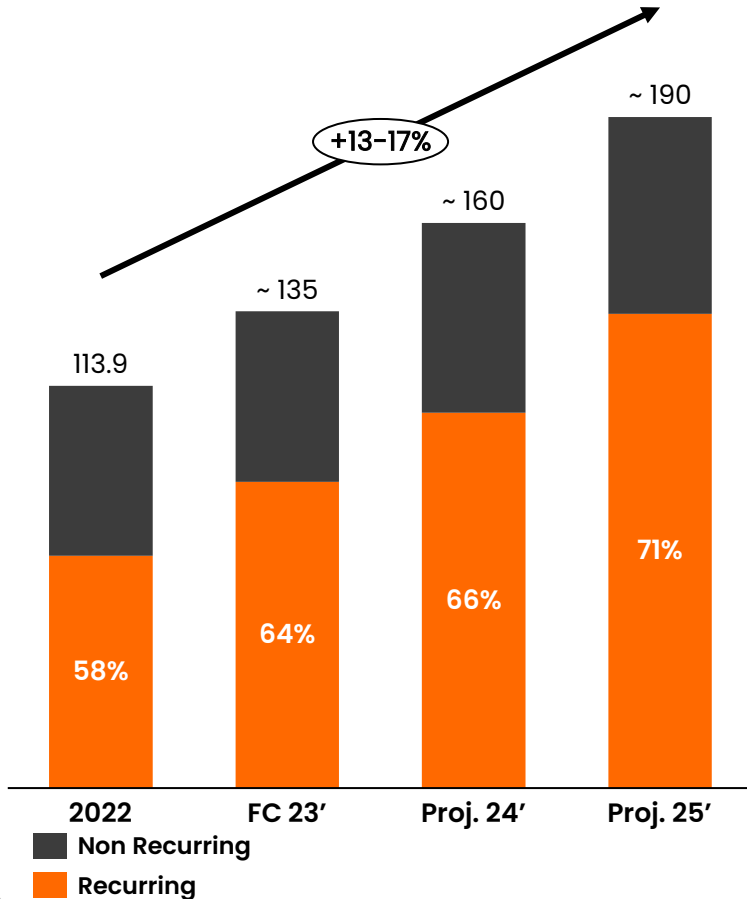
As of 31.12.2022



ATOSS Internationalization

Supporting overall growth strategy with expansion in non DACH countries

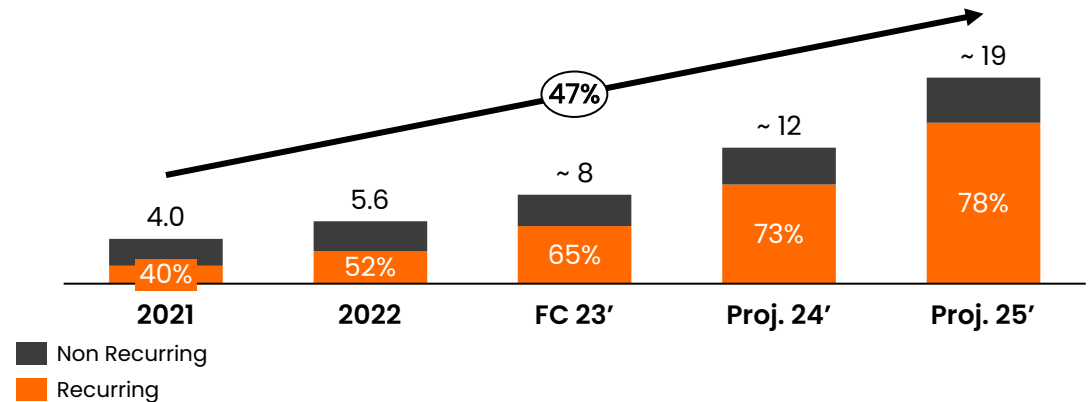
Total revenue (Projections, in EUR mill.)



Allocation of revenue shares (Projections)



Revenues non DACH (Projections, in EUR mill.)



ATOSS Full Range Strategy

Crewmeister continues successful development

Crewmeister

Highlights

- Positive impact by BAG decision
- New product features developed
- High customer satisfaction

Key metrics

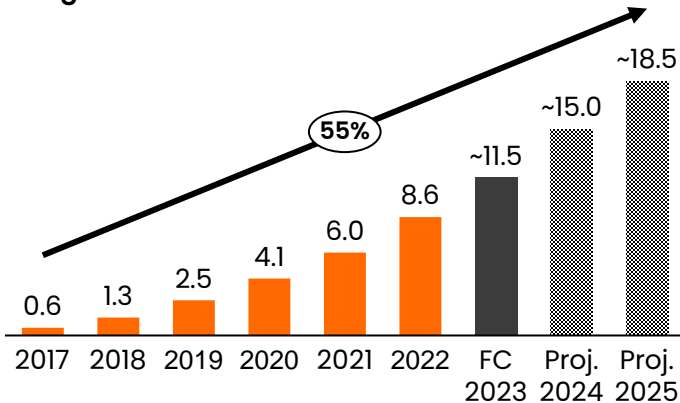
- Av. Customer Acquisition costs (CAC*): 290 EUR
- Av. Customer Lifetime Value (CLTV**): 1,331 EUR
- CLTV/CAC-Ratio: 4.5
- Av. Monthly Churnrate***: 1.71 %
- Cloud Gross Margin: +75%

Outlook 2025

- Positive EBIT
- ~18.500 Customers
- ARR of ~8m EUR

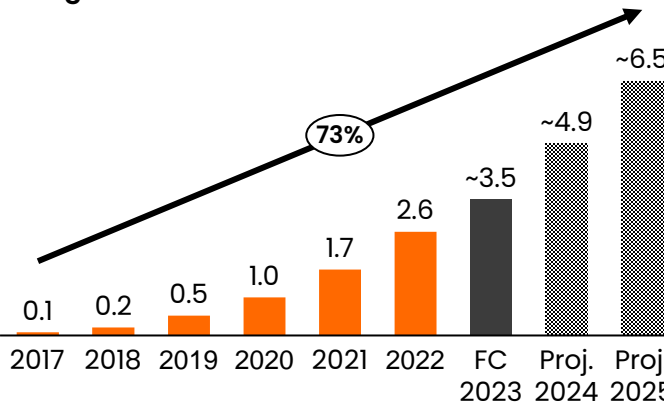
Customer Development (K)

Av. growth rate



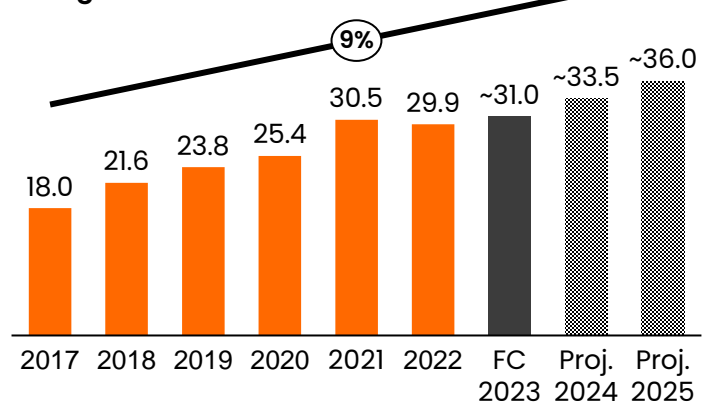
Sales Development (MEUR)

Av. growth rate



MRR/Customer Ratio (EUR)****

Av. growth rate



* CAC (Customer acquisition cost) (ø 2022): 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) (ø 2022): estimate of all the future gross profits to be accumulated from a relationship with a given customers

*** Churnrate (12/2022): Ratio, in the current year (12 month avg.), of customer terminations (number) and the total number of customers (number) with an existing contract at the end of the year/month

****MRR/Customer Ratio shows the monthly recurring revenues per customer calculated on the MRR and Customers as of the 31st of December each year

ATOSS – Growth Projections 2023 – 2025

Strong Growth and Margins while building Recurring Revenue

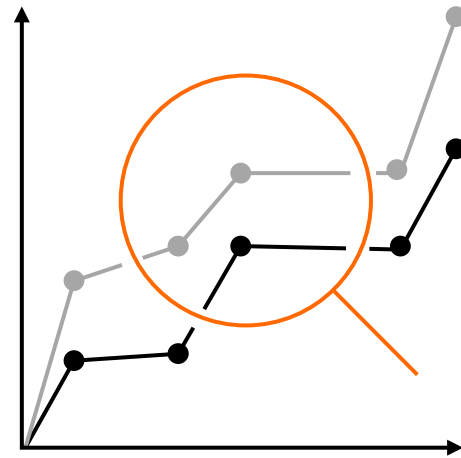
Guidance 2023

Total Revenue

135 EUR Mill.

EBIT Margin

≥27%



Projections 2023 – 2025

Total Revenue Growth

CAGR **19%**

Increasing Share of
Recurring Revenue

≥ 70%

Software Revenue
Growth

CAGR **23%**

EBIT Margin from

≥27% – ≥30%

Sustainability at ATOSS

”

It's our vision to create a
working world, in which
everyone benefits

Christof Leiber
CFO, ATOSS



Sustainability at ATOSS

Our sustainability pillars



Customer and society

- Data protection and data security
- Customer satisfaction
- Social and cultural activities

Employees at ATOSS

- Recruitment and retention
- Continuous training and learning
- Health promotion and recreation
- Diversity



Sustainability at ATOSS

Our sustainability pillars



Integrity and compliance

- Prevention of discrimination, corruption, bribery, respect for human rights
- Compliance Management System – acting in accordance with all laws, social guidelines and values

Environmental protection

- Energy & CO2 reduction
- Conservation of resources



Sustainability at ATOSS

Our goals (1/2)

Customer and society

Customers

Goals for 2025:

- Recurring revenue: >70%
- Revenue CAGR: 19%
- Grow Customer Number: 20,000+
- Expand International Customer base

In addition:

- Cloud Churn: < 2% per year
- Net Retention Rate: > 110%
- R&D investment: ≥ 17% of total revenue
- Net promoter score: ≥ 35

Social

- Continued donations in the areas of culture, environment, children and social projects
- Launch pilot project "ATOSS Impact Day"

Employees at ATOSS

Employee Experience

Goals by 2023:

- Employee Engagement Index: >80%
- Introduction of new HR-KPI's:
- Leadership Index
- Employee Net Promoter Score: ≥ 35
- Health Culture & Working Flexibility Satisfaction Index

Diversity & Inclusion

Goals by 2027:

- Company-wide gender distribution:
50% female / 50% male
- Gender distribution of managers:
40% female / 60% male
- Gender distribution Executive Leadership Team:
30% female / 70% male

Sustainability at ATOSS

Our goals (2/2)

Integrity and Compliance

Integrity and Compliance

- Compliance training: **100% success rate**
- Continuing to raise awareness of compliance and security issues
- Further internal training measures on topics such as equal treatment and compliance

Information security

- Extension of ISO 27001 certification & preparation of further certifications for IT security and data protection
- Availability of cloud services: **>99.5%**

Environmental protection

CO2 footprint

Goals by 2023:

- Establishment of an **environmental task force**
- Establishment **base line** for CO2-Emissions (travel & car-fleet)
- **100% green electricity** at our headquarters & data centre in Munich (since 2022)

Goals by 2025:

- Development of a **reduction path for CO2 emissions**
- **100% green electricity** at all ATOSS sites by 2025

Resource efficiency

Goals by 2023:

- Switch to recycled, certified or verified sustainable paper
- Switch to environmentally friendly cleaning agents at all sites

Employees at ATOSS

Working with Passion & Purpose

“The team is the key to sustainable success”

- Intensive and structured onboarding
- Detailed career model
- Working in diverse teams / short decision-making paths
- Meaningful working environment

„We are top employer”

- Employee Engagement Index: 81%



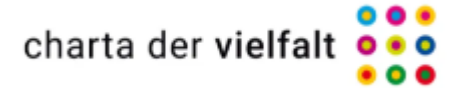
“Continuous employee growth”

- 693 employees (12/21: 630)



„We live diversity and promote equal opportunities and inclusion”

- Member of “Charta der Vielfalt”
- Employees from around 40 countries
- 57% male/43% female > ongoing diversity goals by 2027



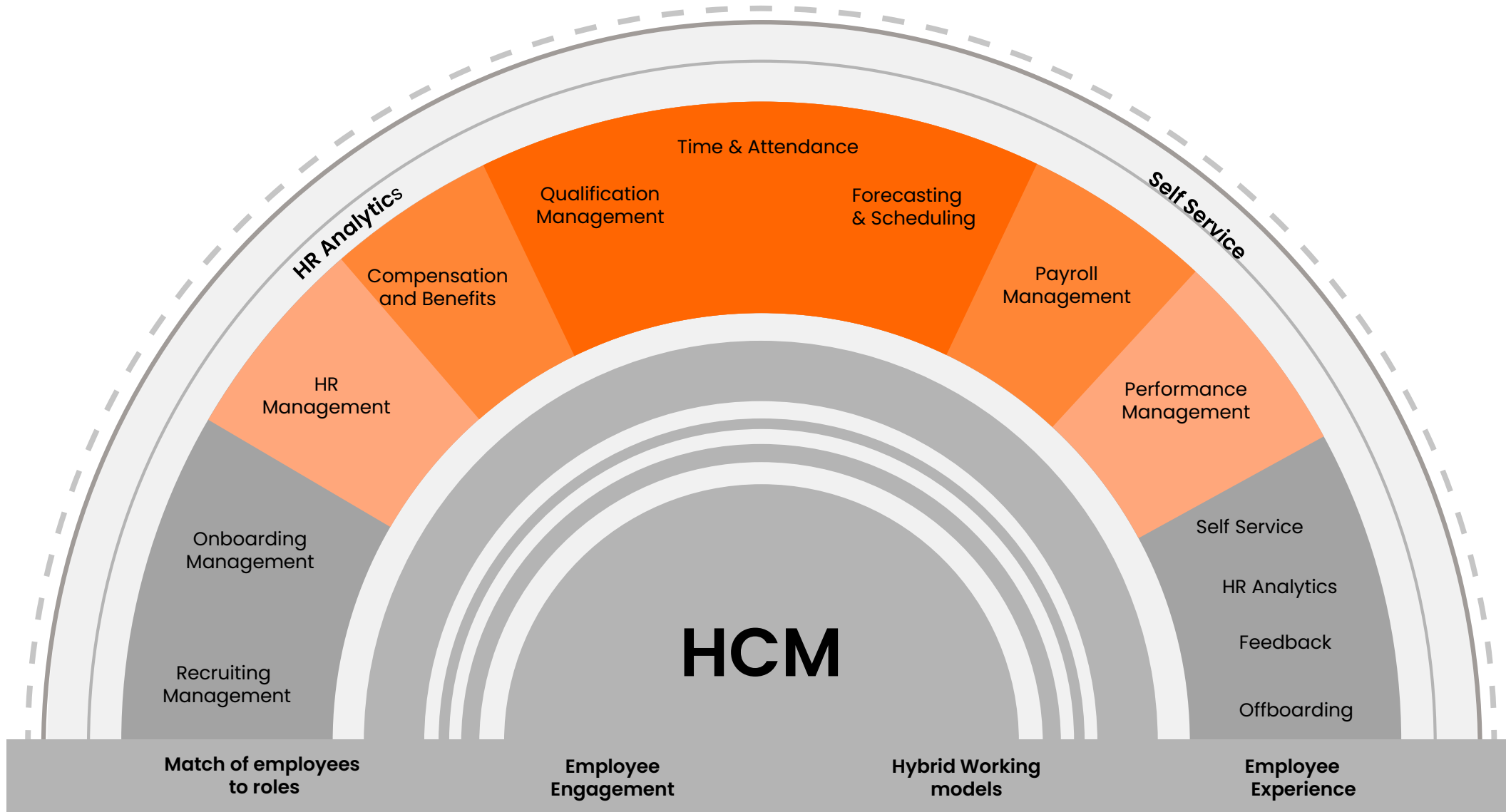
“Individuality in Working Life – Employee Well-being in Focus”

- Hybrid and flexible working model
- Sport offers and health management
- Team and after-work events

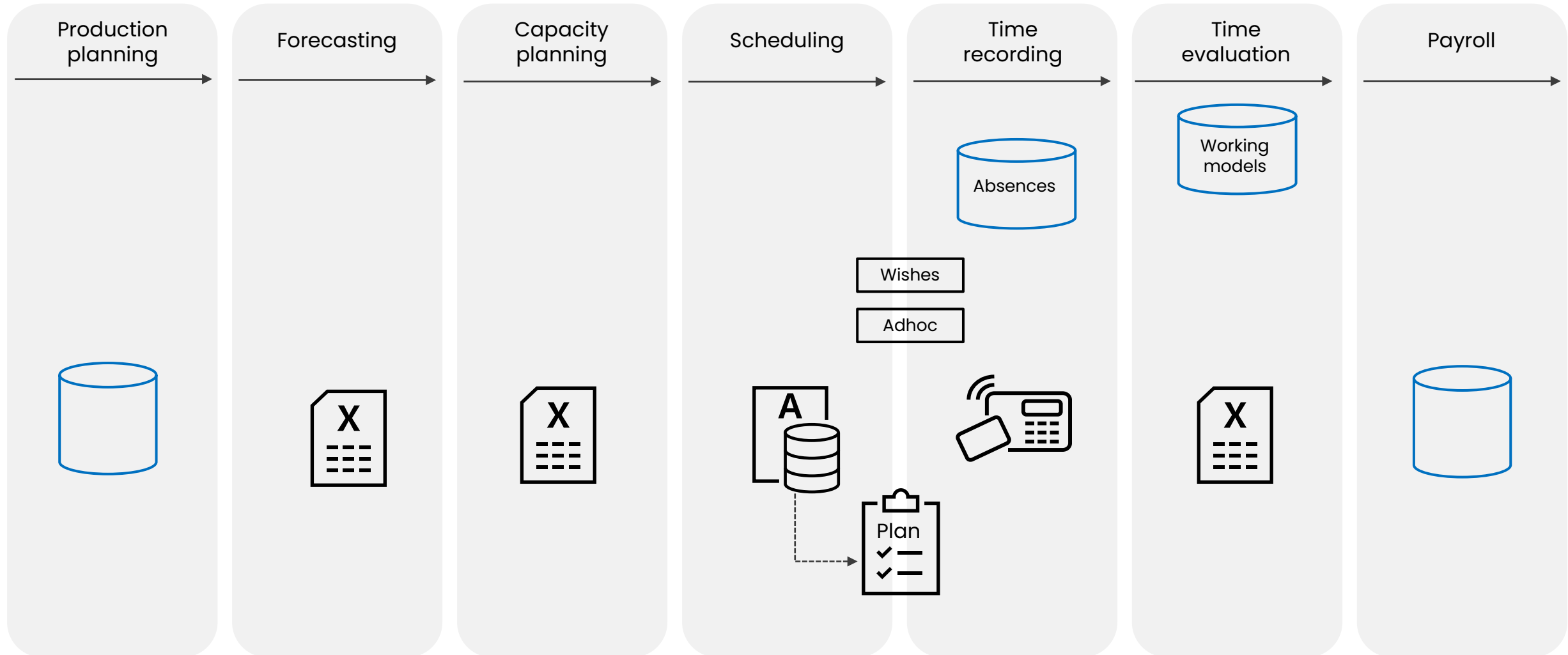


Additional Attachments

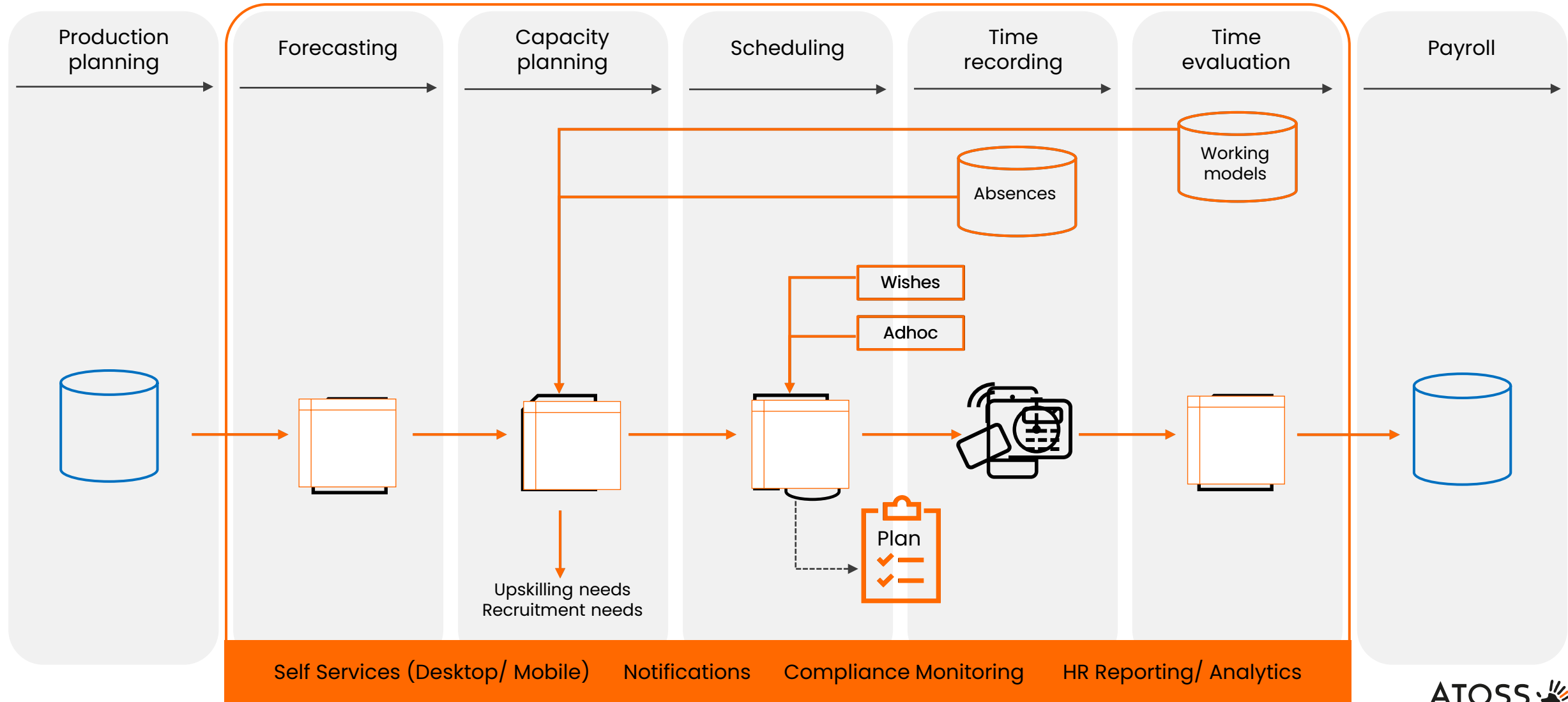
HCM Trends



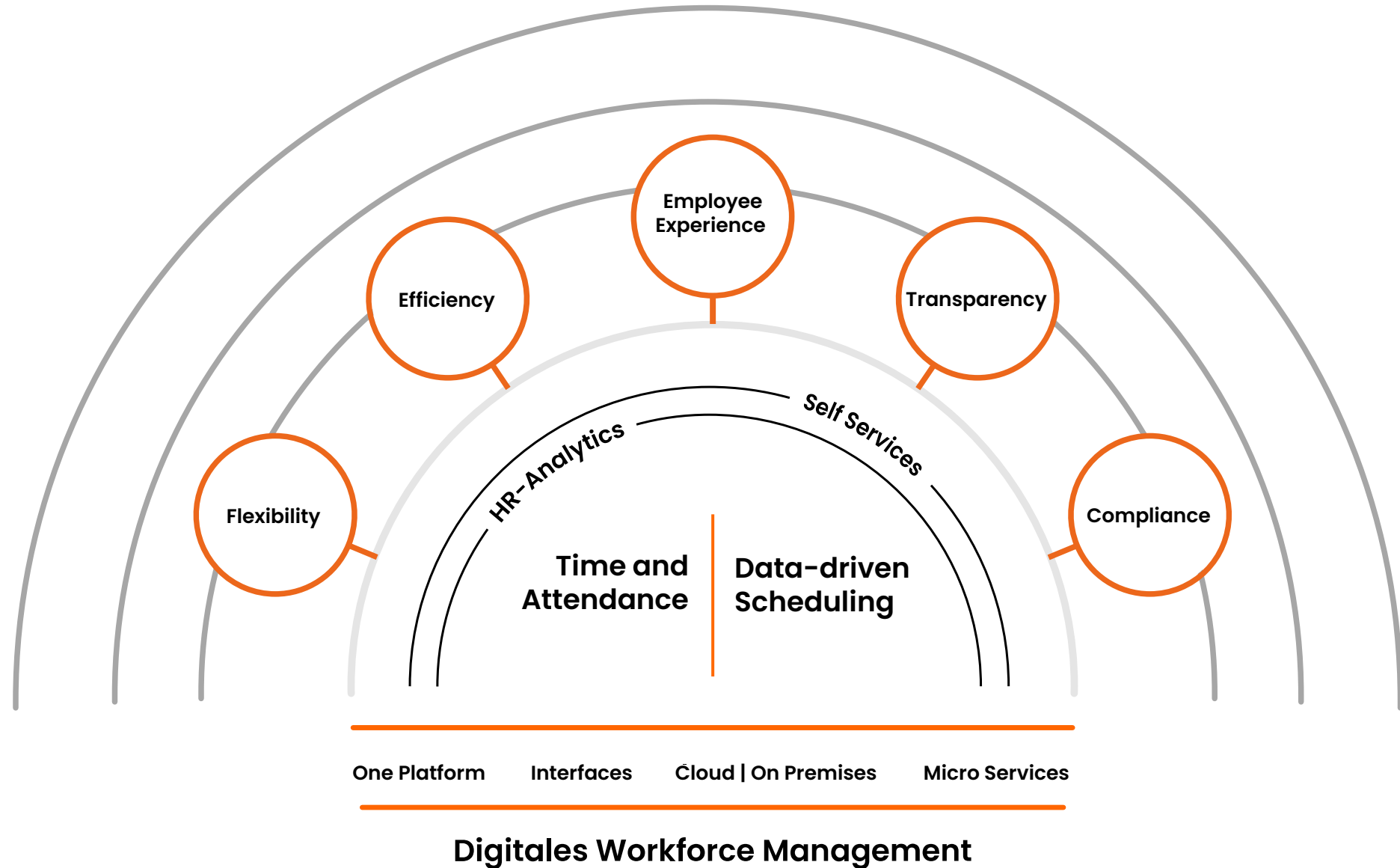
Workforce Management – without ATOSS



Workforce Management – without ATOSS

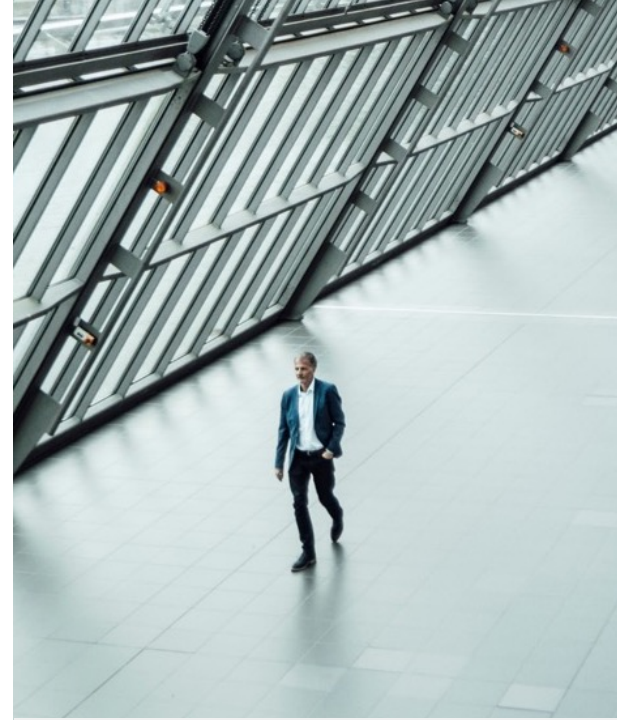


Data value – with ATOSS



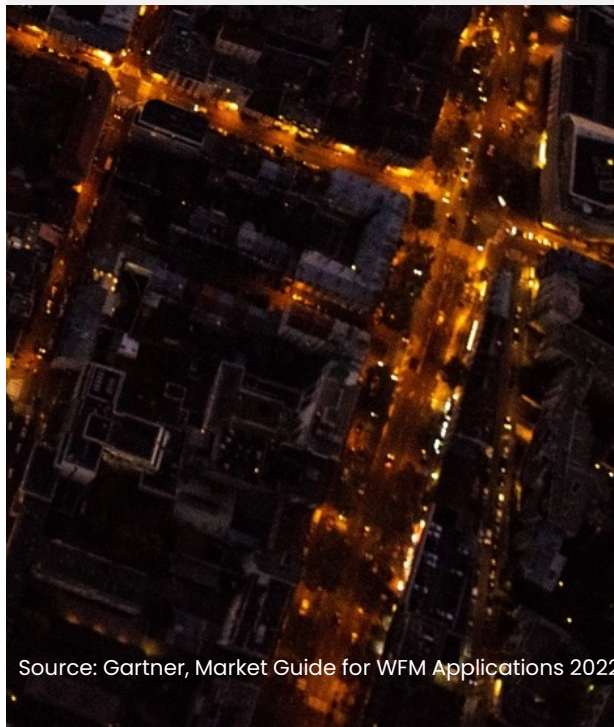


By 2023, at least 99% of new WFM application sales **will leverage cloud-based deployment models.**



By 2025, **60% of global midmarket and large enterprises** will have invested in a cloud-deployed HCM suite for administrative HR & talent management.

By 2025, 50% of large enterprises with hourly workers and variable demand for labor will use automation to drive workforce scheduling decisions.



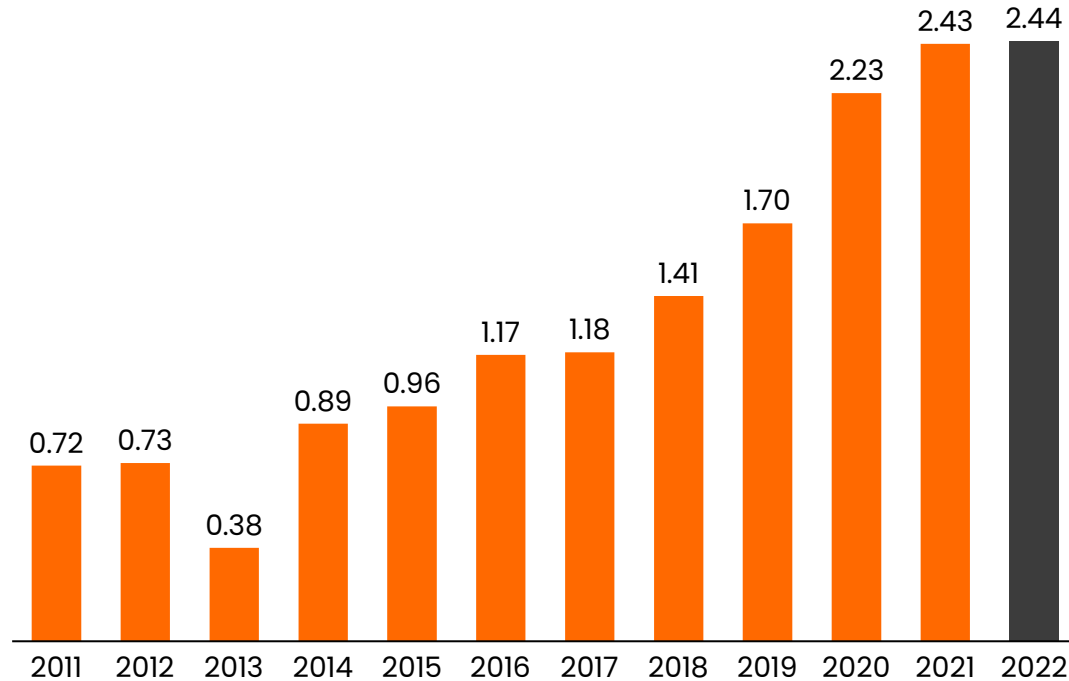
By 2025, 80% of large enterprises with hourly workers will have invested in WFM **to support the employee experience and/or digital workplace initiatives.**



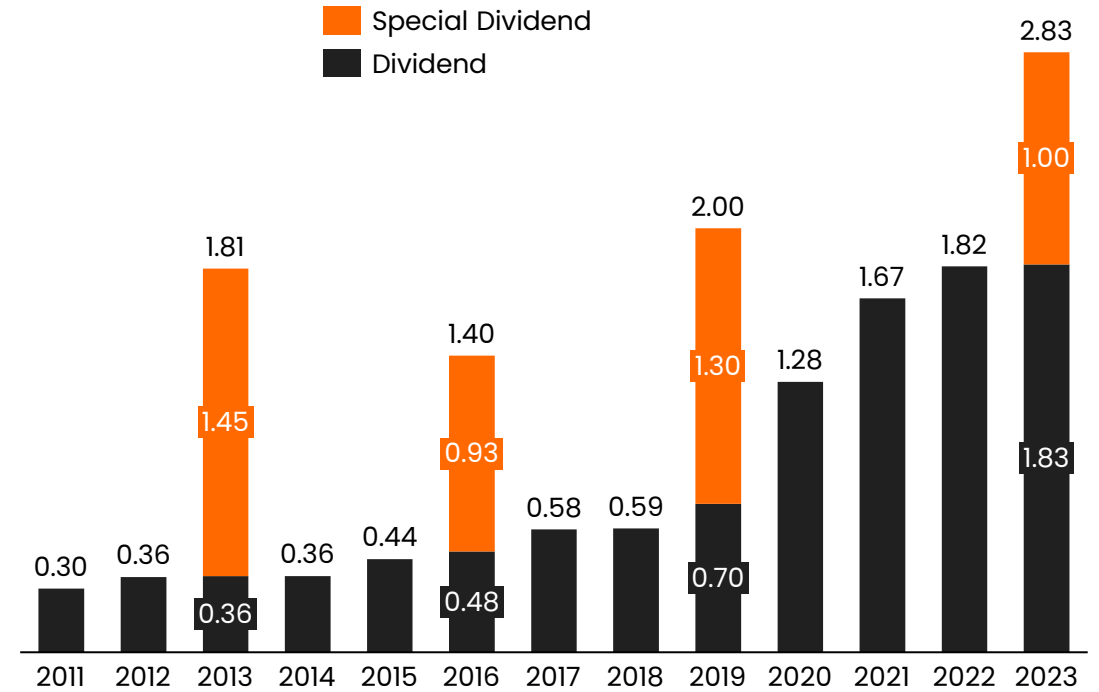
The ATOSS Share

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; Rounding up to 2 decimal places

The ATOSS Share

Share price performance* (01/2020 – 04/30/2023)

19 Jan 2021:

Preliminary FY 2020 results

Total rev. growth: +21%

Software growth: +20%

Recurring rev. growth: +23%

EBIT Margin: 30%

31 Jan 2022:

Preliminary FY 2021 results

Total rev. growth: +13%

Software growth: +18%

Recurring rev. growth: +23%

EBIT Margin: 28%

Mid-term sales growth
guidance upgraded to 13-17%

31 Jan 2023:

Preliminary FY 2022 results

Total rev. growth: +17%

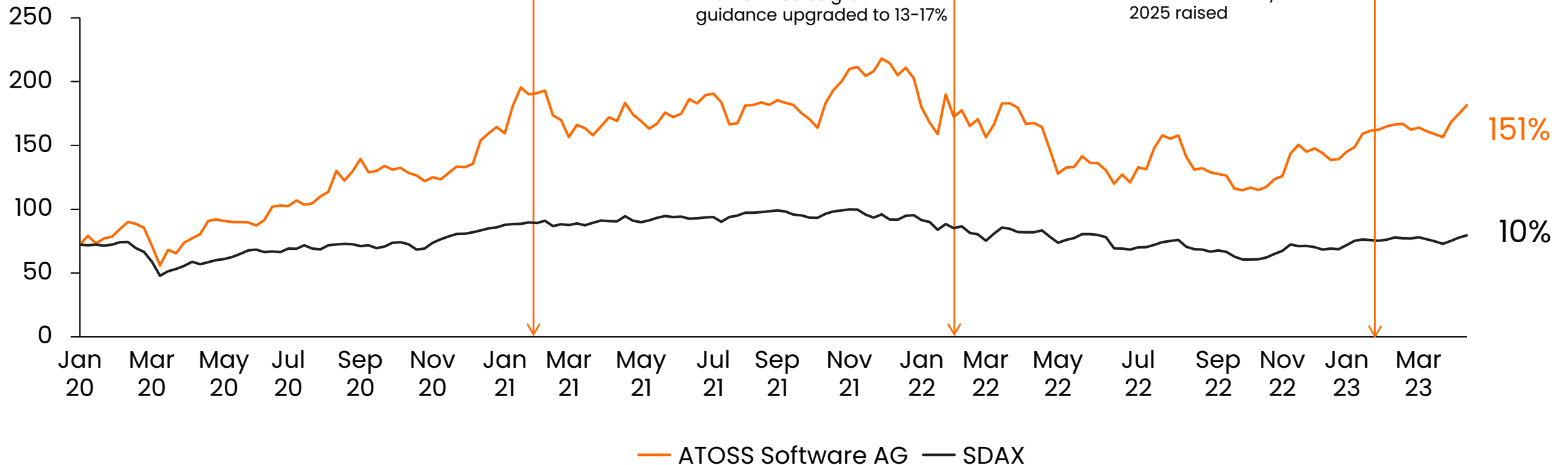
Software growth: +19%

Recurring rev. growth: +35%

EBIT Margin: 27%

Forecast for the years 2023-
2025 raised

(Share price in EUR)

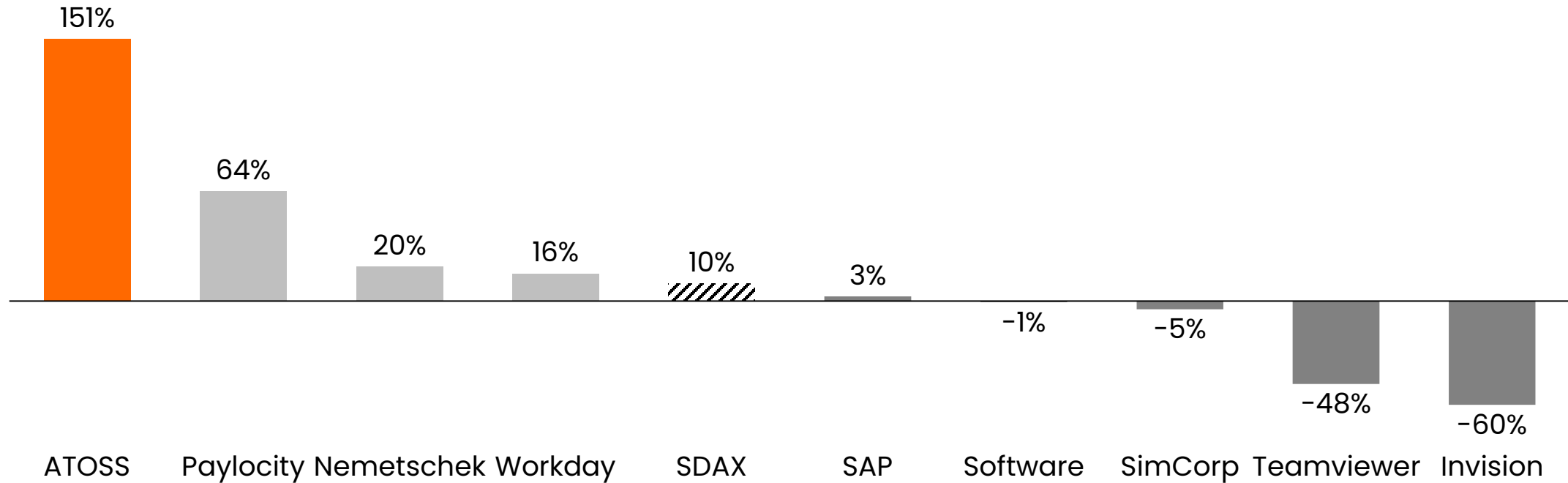


*SDAX Index rebased on ATOSS' share price of EUR 72,25 as of 01/02/2020

ATOSS Stock

High Performer in European Software and HCM Stocks since COVID

Share price performance* (01/2020 – 04/30/2023)



■ HCM Saas ■ European Software

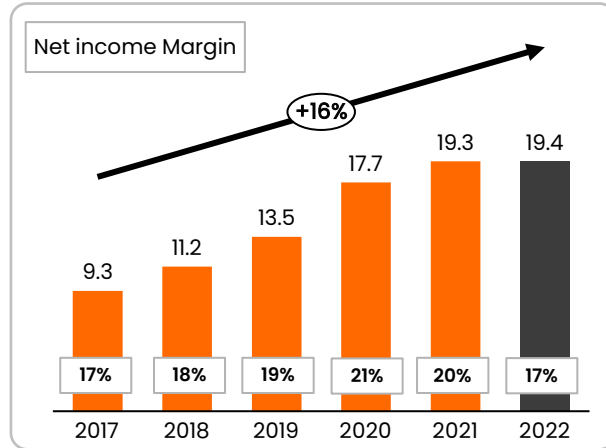
* ATOSS, Nemetschek, Software, Teamviewer, SAP, Invision, SDAX: XETRA-Opening price 01/02/2020 and -Closing price 04/30/2023; Paylocity: Frankfurt Stock Exchange-Opening price 01/02/2020 and -Closing price 04/30/2023; Workday, Simcorp: Tradegate-Opening price 01/02/2020 and -Closing price 04/30/2023

Financial KPIs

Financial strength excellent base for further growth

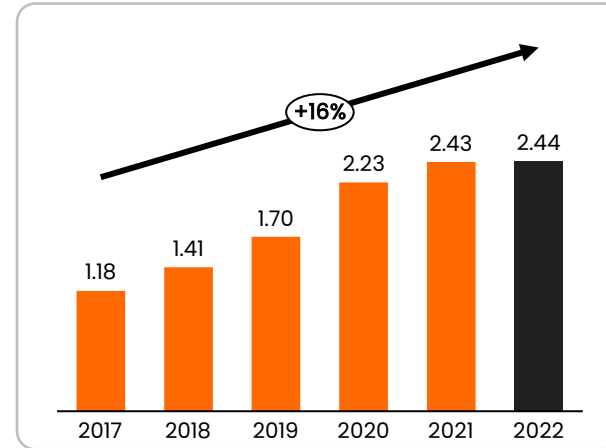
Net Income

EUR mill.



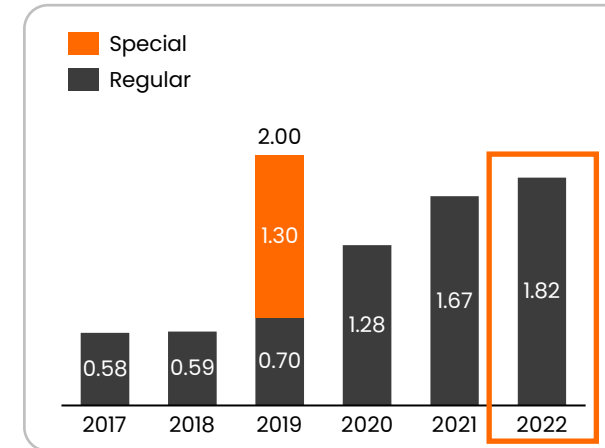
EPS

EUR



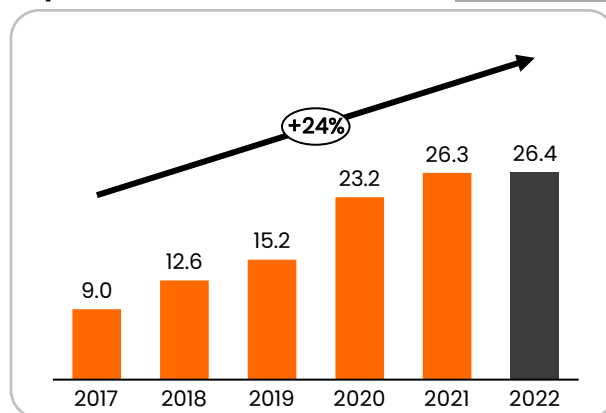
Dividend per share

EUR



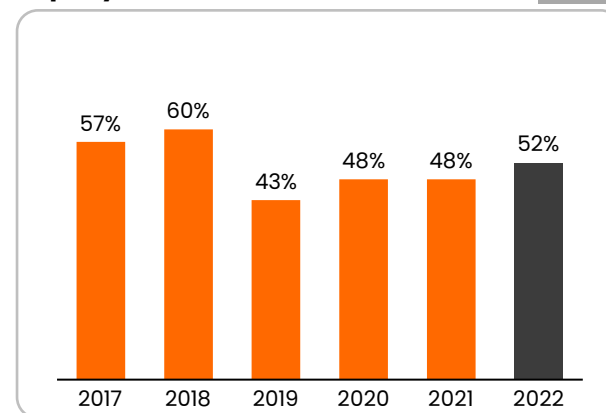
Operational Cashflow

EUR mill.



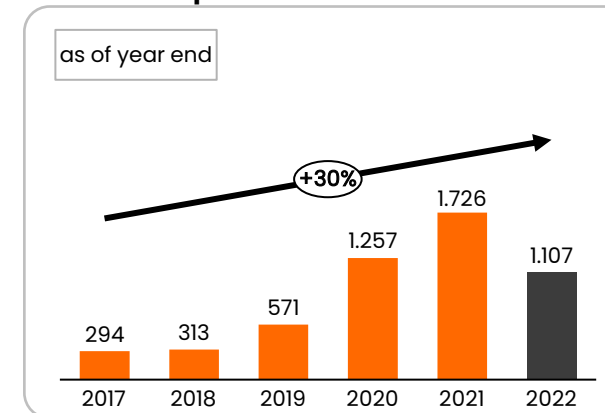
Equity Ratio

%



Market Capitalization

EUR mill.

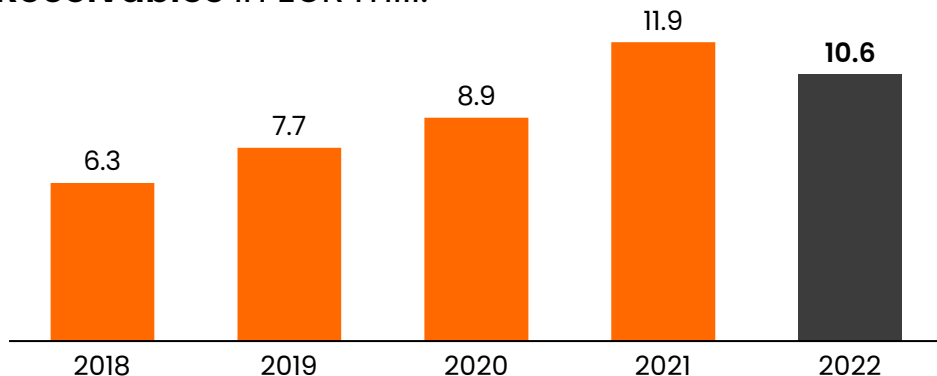


Highlights

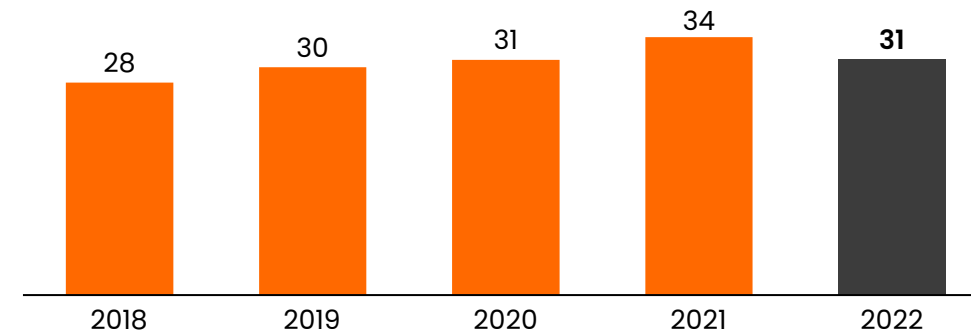
- **Strong EPS Performance:** EPS continuously increased
- **Market capitalization decreased to 1.1 EUR mill** (-36% vs. PY) due to the global economic recession and declined stock markets
- ATOSS stays true to its **dividend policy** with **continuity to the previous year**

Benchmark for Customer Satisfaction and Stability

Receivables in EUR mill.

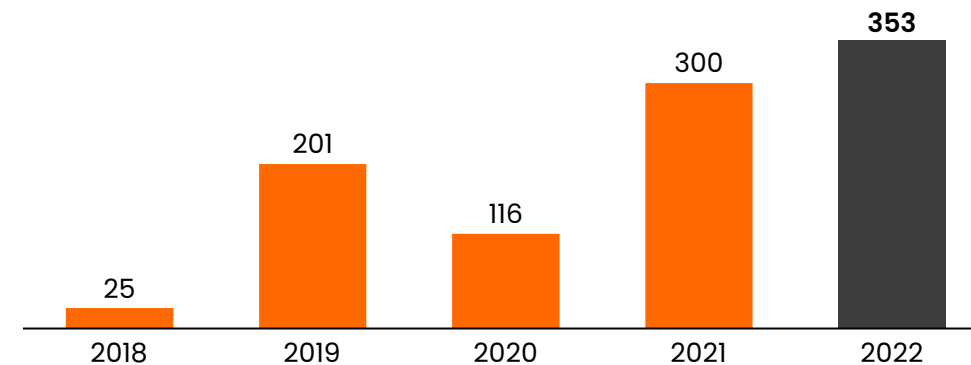


Collection period in days*



- Low volume of receivables and short collection periods reflect good customer relations and well structured business processes.
- The extremely low value adjustments are additional, impressive proof of the sound and reliable business model.

Value adjustments in kEUR

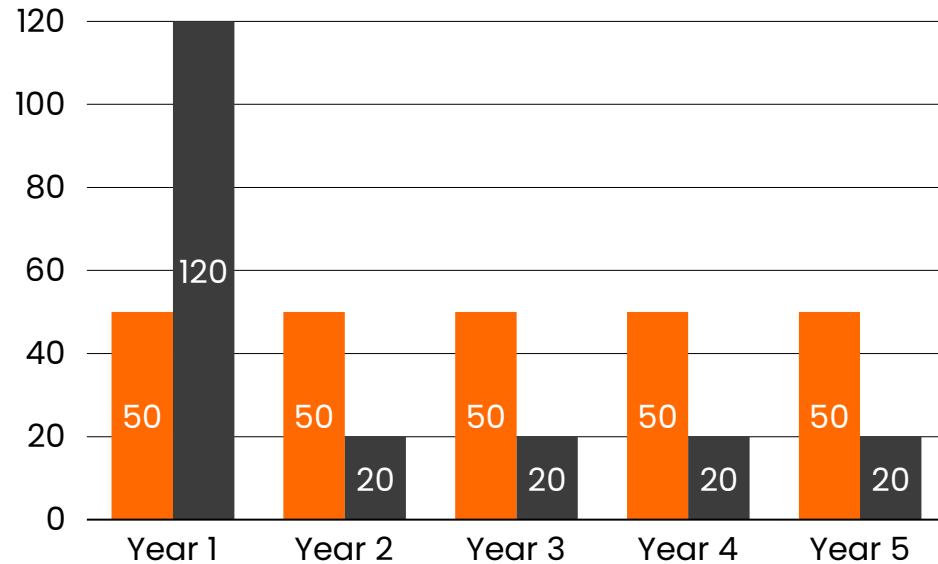


* Collection period = (average net receivables x 365)/revenues

On Premise vs. Cloud Model

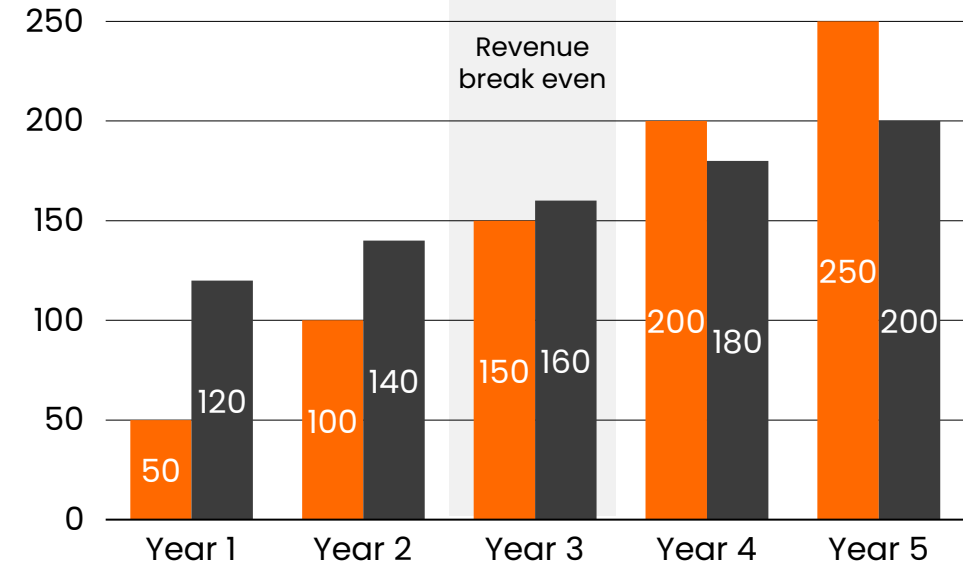
Revenue/Payment scheme

Cloud vs. On Premise



Cloud (Saas) On Premise

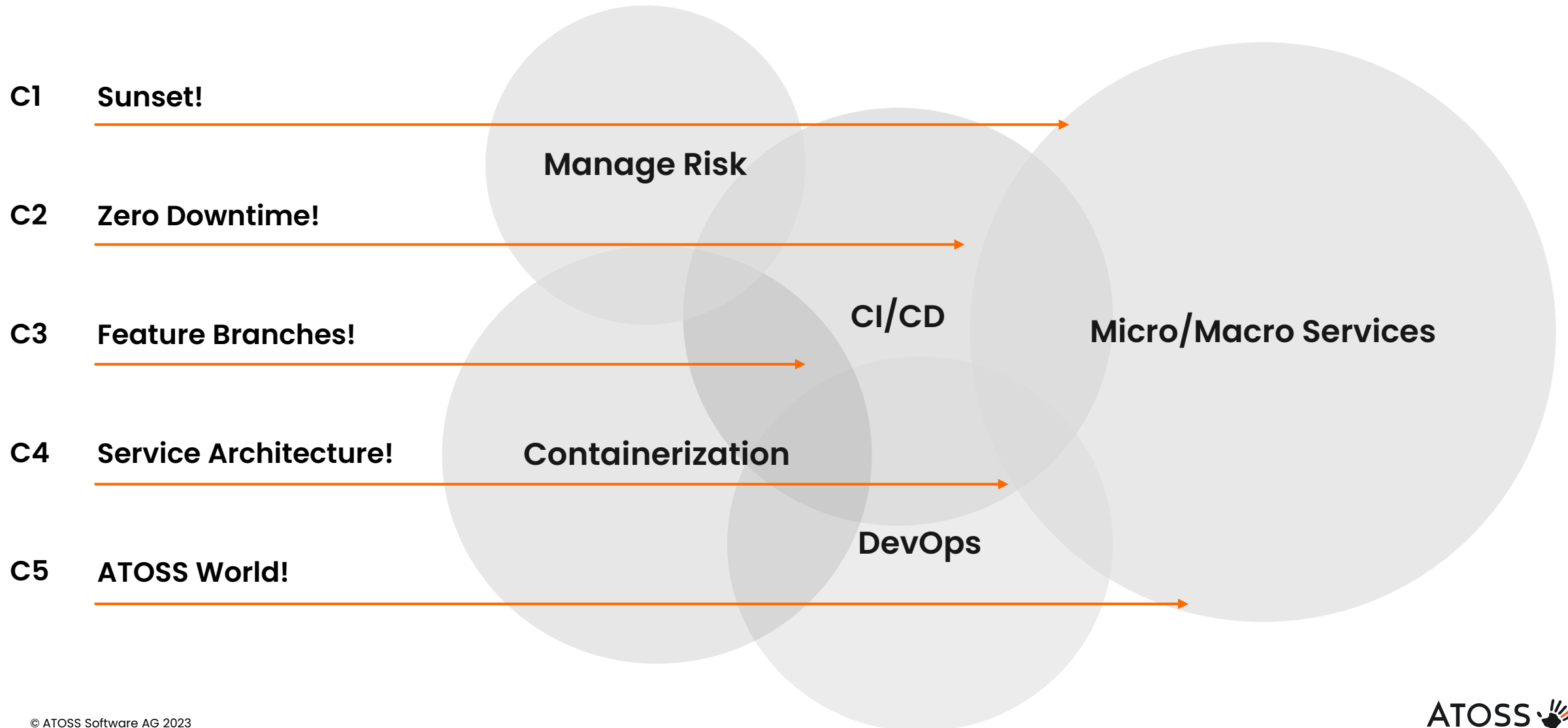
Cloud vs. On Premise (accumulated)



Cloud (Saas) On Premise

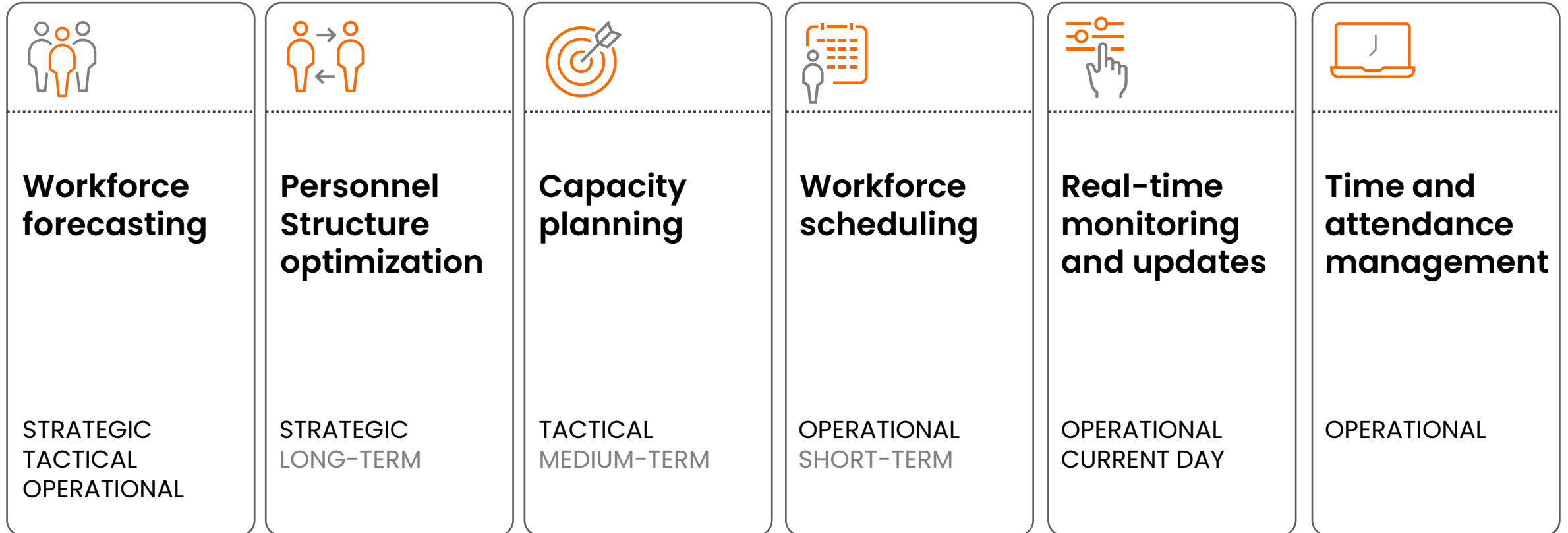
- Cloud Services lead to Service Optimization & Cost Savings for ATOSS Customers
- Service Optimization & Cost Savings allow for increased accumulated revenues after 3.5 years

Cloud Transformation – Technical Approach



Comprehensive Workforce Management

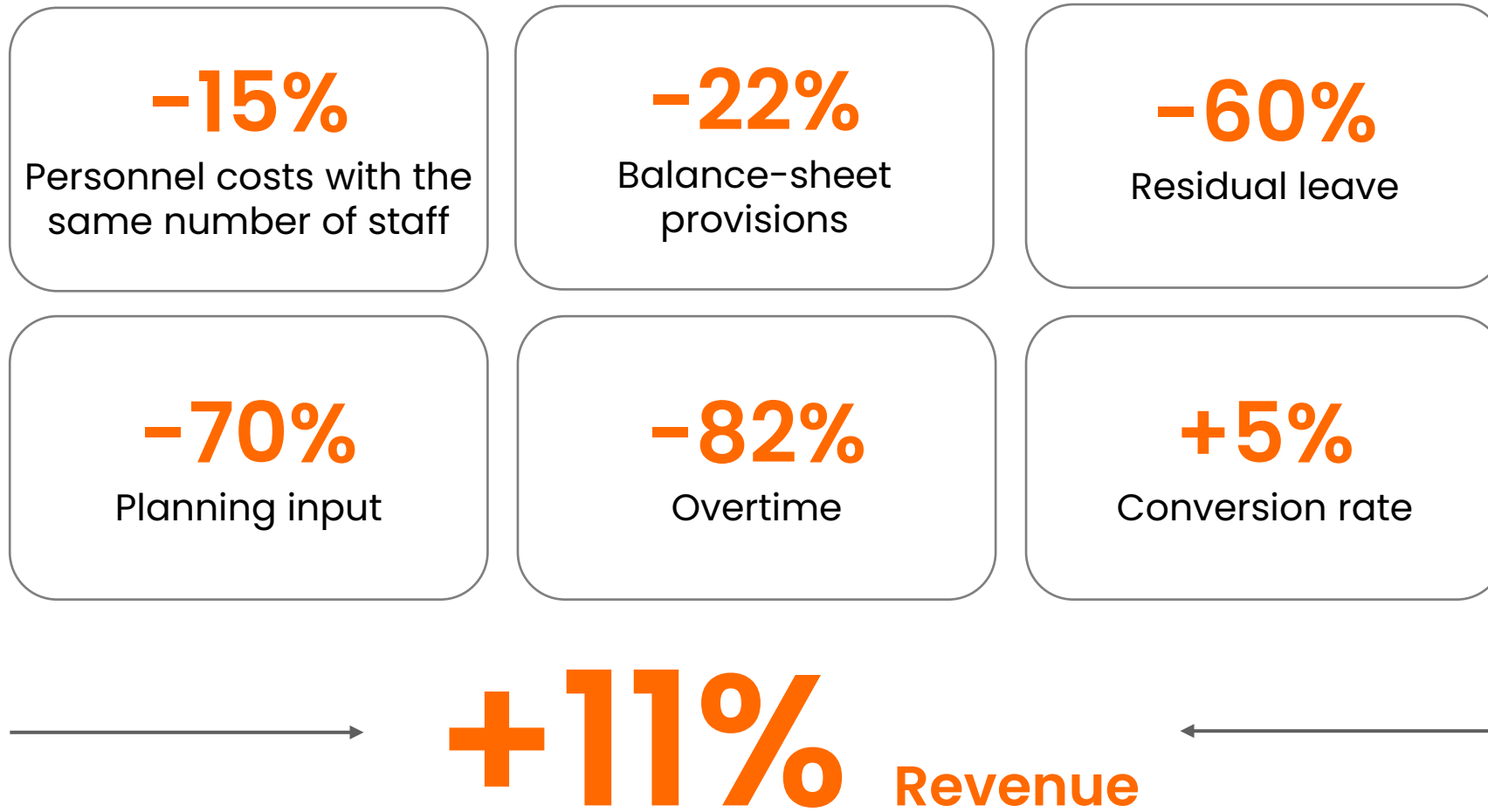
6 steps for success



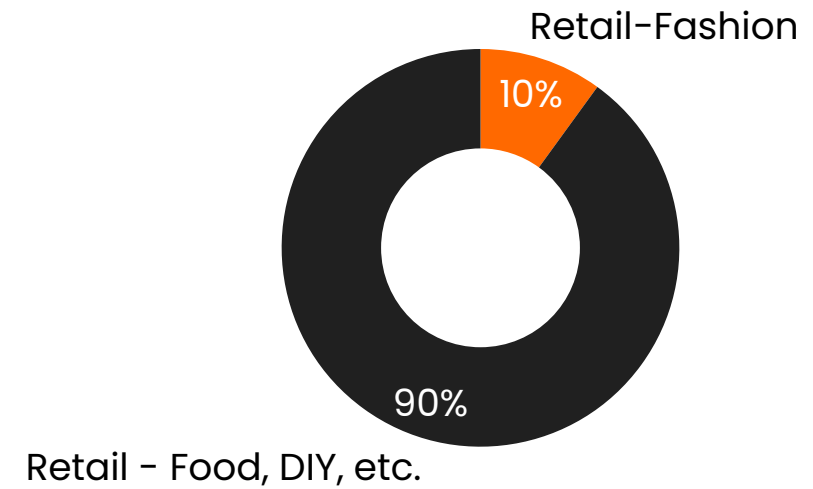
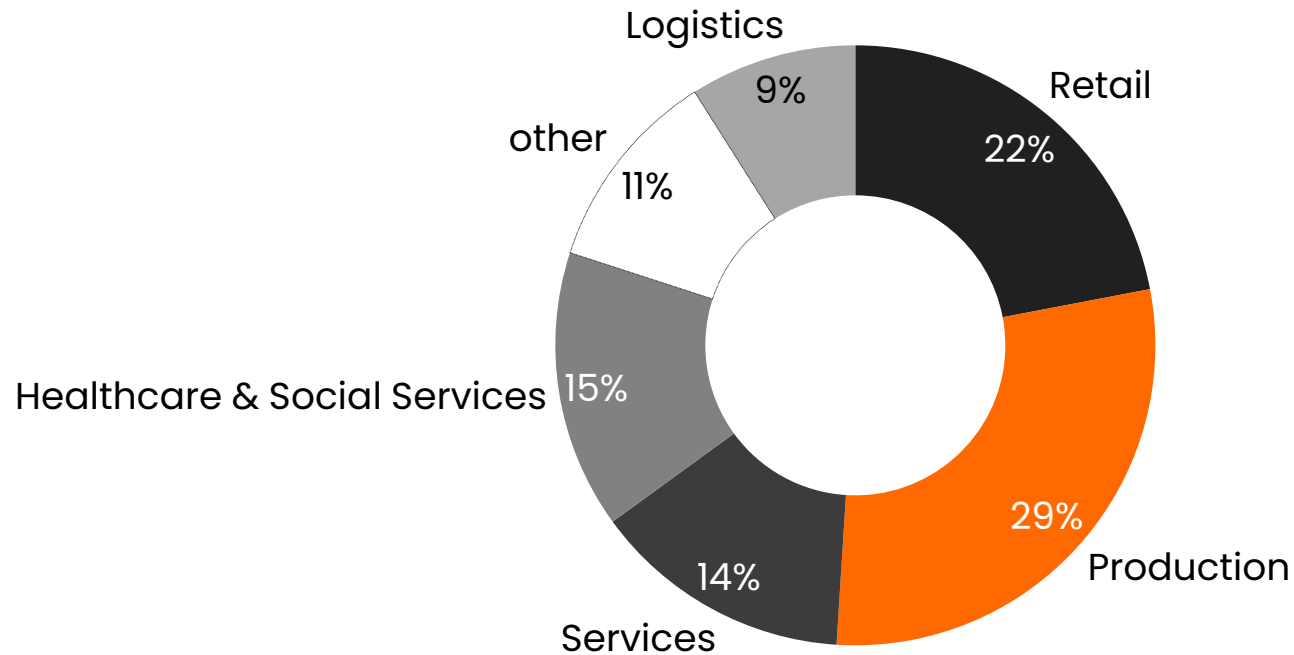
Flexibilisation of working time →

Effects generated from ATOSS Projects

Cross-industry



ATOSS Sales by Segment*



The five largest customers account for approx. 7 percent of company's sales.

* FY 2022/revenues