

# Excellence in Workforce Management

ATOSS Software AG

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ATOSS 

# ATOSS – Leading in the field of Workforce Management

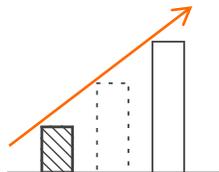
## Highlights at a glance

ATOSS creates state-of-the-art solutions for the new world of work. For more than 30 years, ATOSS has been focused on improving customers' efficiency, supporting their innovative capabilities, and enhancing employee motivation and satisfaction.

**>30 years**

Market experience

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



**Double-digit revenue growth (YoY since FY 2014)**

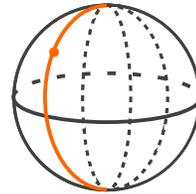
As of 12/31/2023; \* subscription & maintenance customers

**~ 15,600**

Customers worldwide from SMB to blue chips\*

Customers in

**50+**



countries worldwide, including 31 in Europe

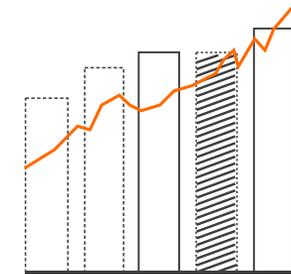
**34%**

EBIT margin

**SDAX**

07/2021

High visibility as stock corporation



**TecDAX**

05/2023

**770+**

Employees

**11**

Software languages

**> 4 million**

Employees integrated in ATOSS solutions

**~ 12,700**

Cloud customers\*

A young man and woman are laughing and relaxing on a dark grey sofa in a room filled with OBI moving boxes. The man is wearing a blue shirt and a plaid shirt, and the woman is wearing a pink top. They are both smiling and looking towards the right. The room is filled with OBI boxes, some stacked on top of each other and some on the floor. The boxes are orange and white with the OBI logo and 'M' or 'S' markings. The scene is brightly lit, suggesting a sunny day.

# Market for Workforce Management & Business Model

OBI | Retail

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# The Workforce Management Landscape Continues to Evolve

Global market trends are driving double-digit growth in the workforce management market.



## Digitalization of the labor world

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



## Increasingly complex regulatory environment

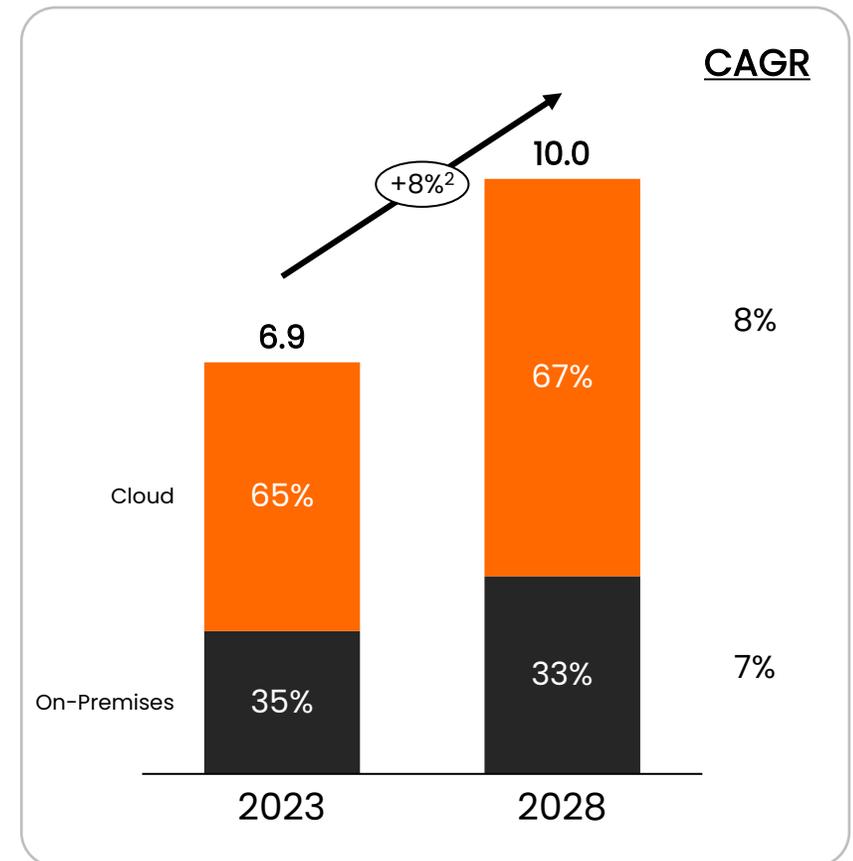


## Scarcity of resources and skilled staff

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

Driven by the "talent crunch", **many employers have prioritized investments in improving the employee experience** to both reduce worker attrition and improve worker effectiveness.

WFM market by deployment (\$ billion)<sup>1</sup>



(1) Technavio, Workforce Management (WFM) Software Market Analysis – North America, Europe, APAC, Middle East and Africa, South America-US, Canada, China, UK, Germany – Size and Forecast 2023-2028; (2) Average growth rate.

# ATOSS' Product Portfolio Supports Customers' Shifting Needs

Full-range solutions span varying areas of need and complexity, resulting in strong ROI for customers.

ATOSS helps companies to have ...

...the right employee

...with the right qualification

...at the right place

...at the right time

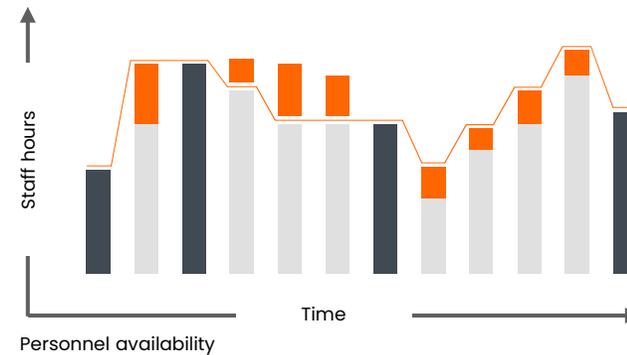
...at the right cost

...at full compliance

## Current situation

Fluctuation in demand  
Little flexibility and long response times

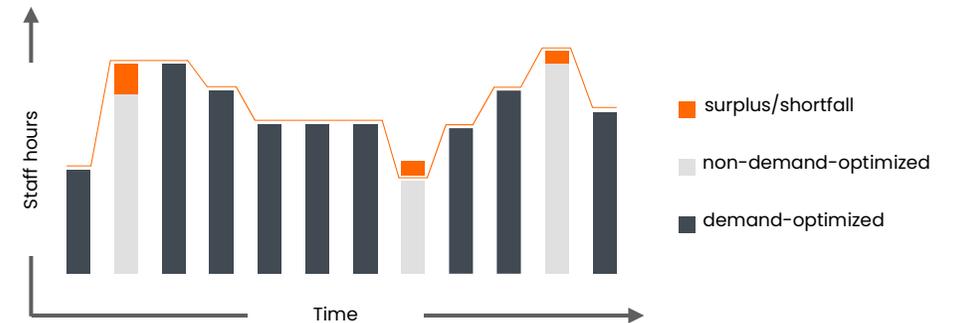
### OPTIMIZATION POTENTIAL



## Goal

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

### AFTER OPTIMIZATION



## Exemplary:

## Effects generated from ATOSS Projects – Cross-industry

**-15%**

Personnel costs with the same number of staff

**-22%**

Balance-sheet provisions

**-60%**

Residual leave

**-70%**

Planning input

**-82%**

Overtime

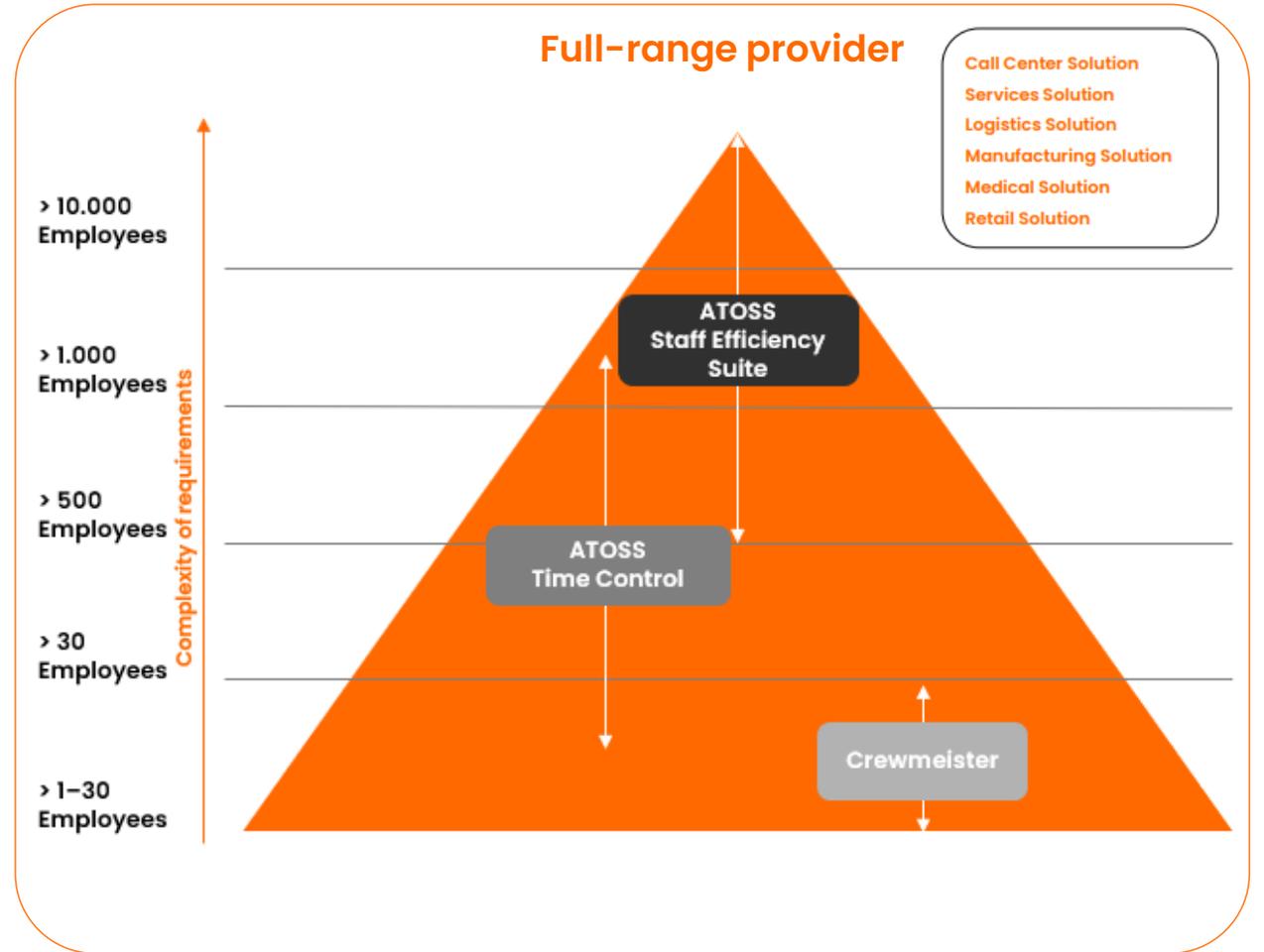
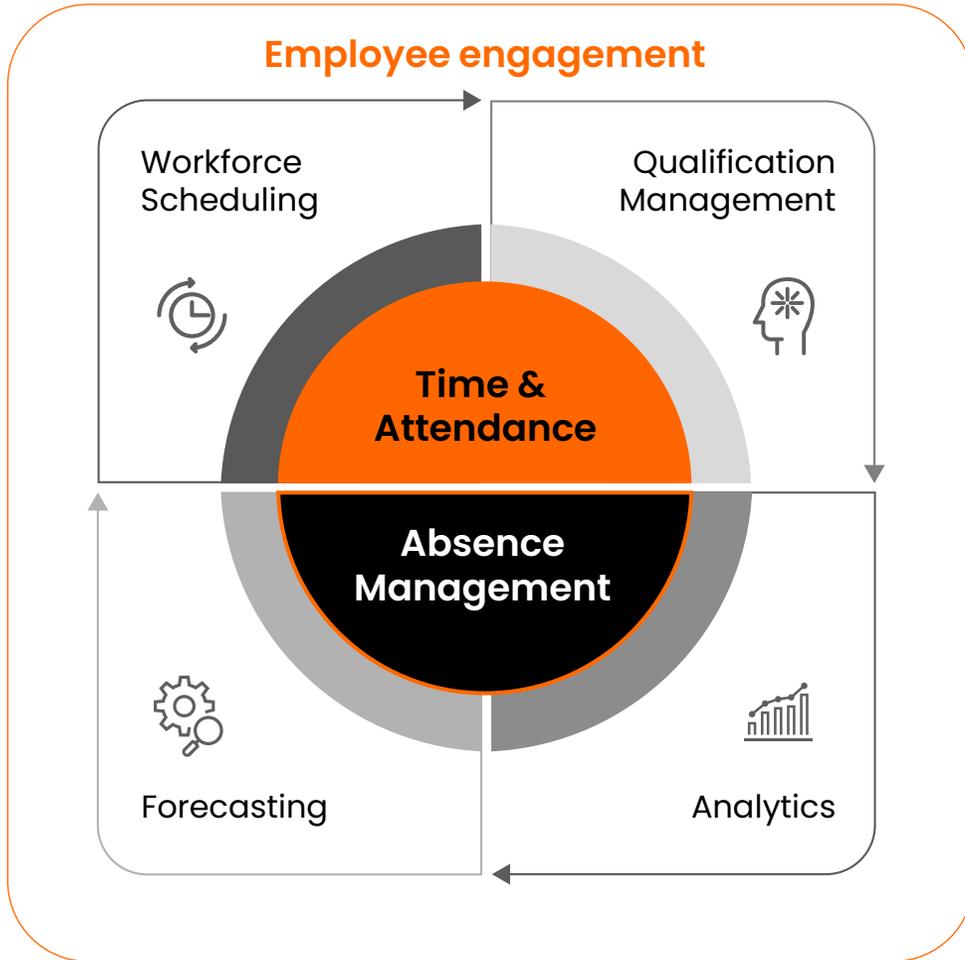
**+5%**

Conversion rate

**+11% Revenue**

# Workforce Management in a Nutshell

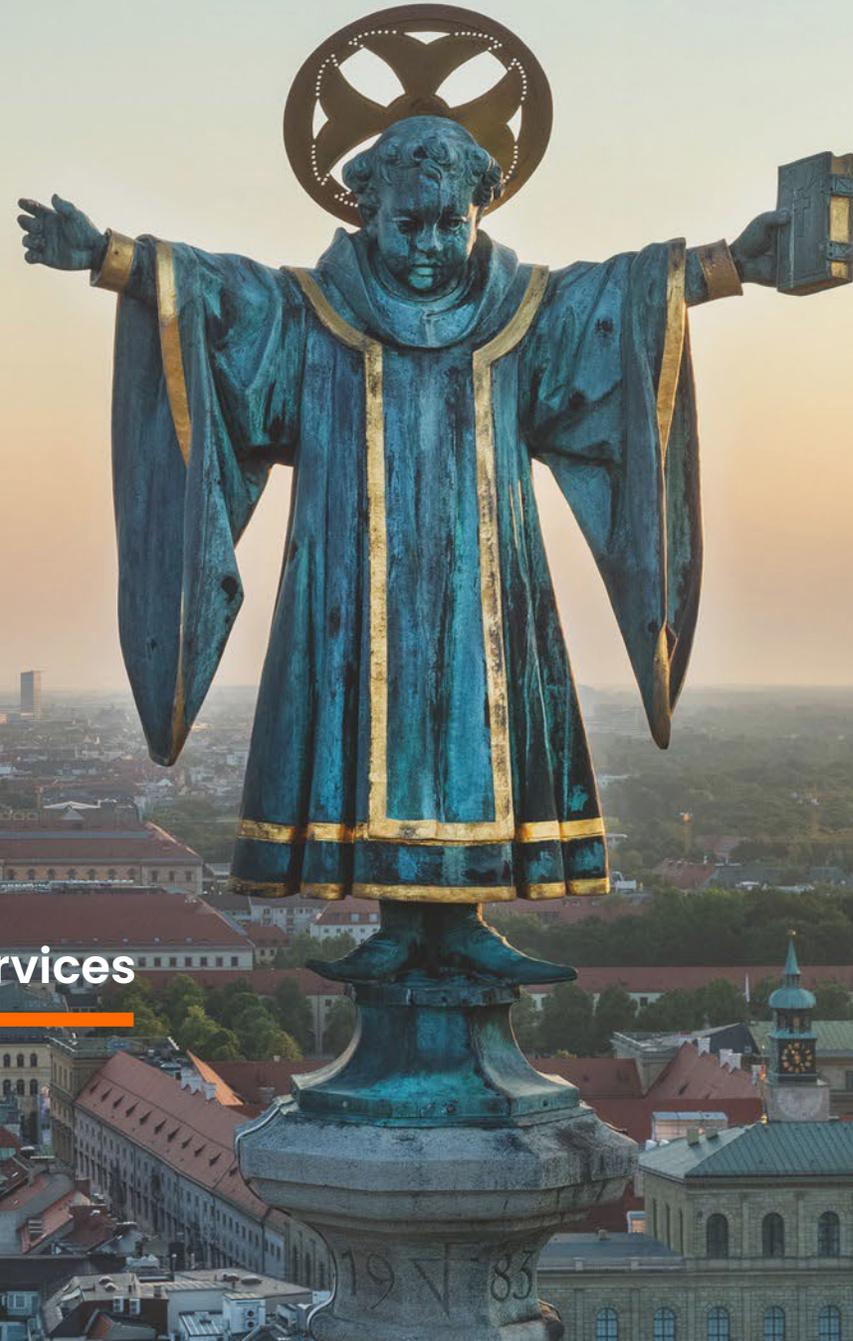
## Efficiency via Highly Flexible Staff Deployment



# Financials & KPI's

Landeshauptstadt München | Public & Social Services

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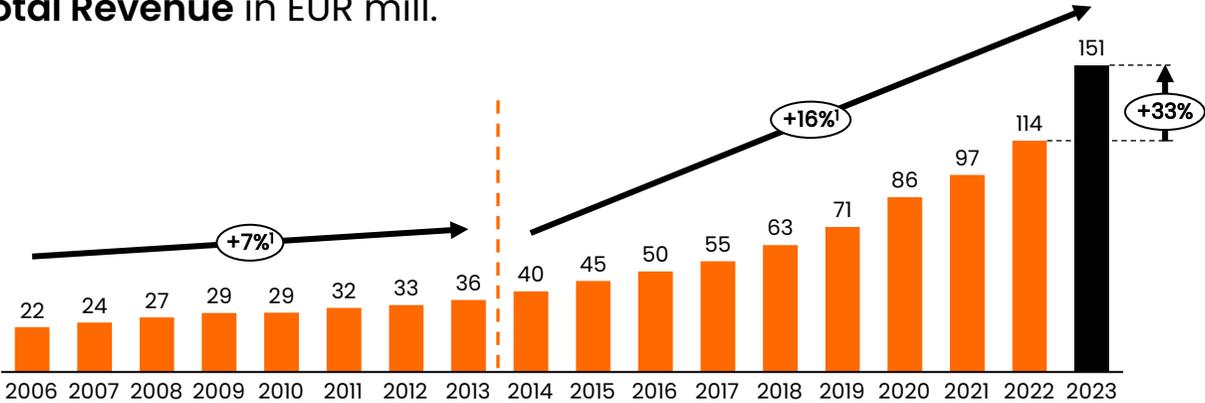


# ATOSS – 18<sup>th</sup> Record in Succession

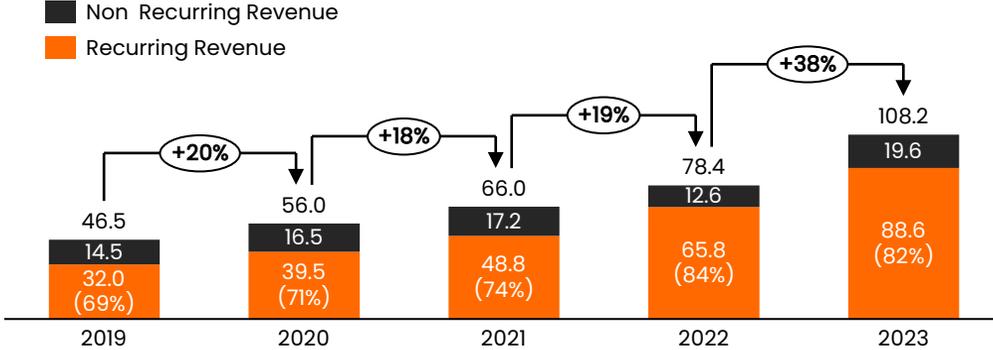
## Running like Clockwork

Strong growth track record, excellent traction in cloud transition and expansion outside the DACH region.

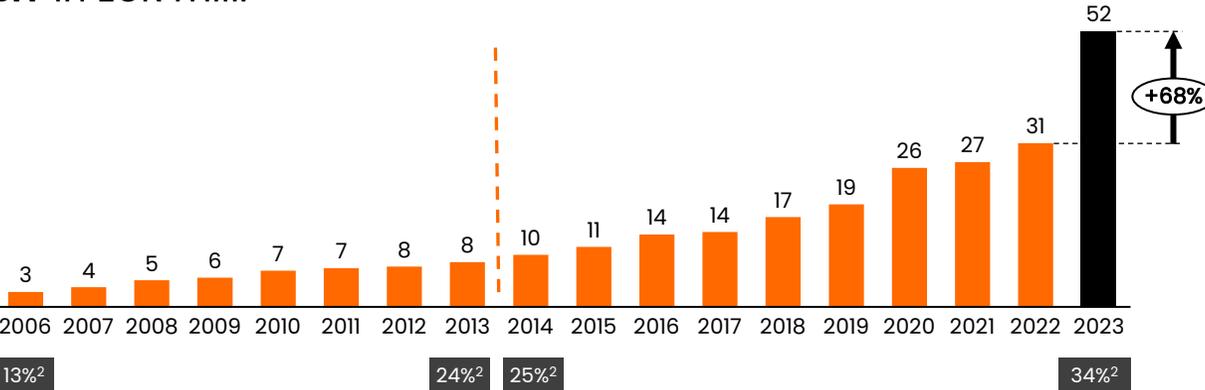
Total Revenue in EUR mill.



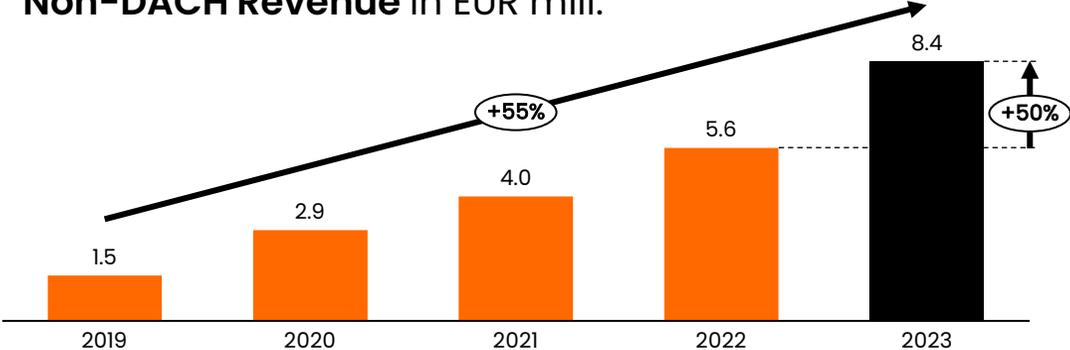
Software Revenue in EUR mill.



EBIT in EUR mill.



Non-DACH Revenue in EUR mill.



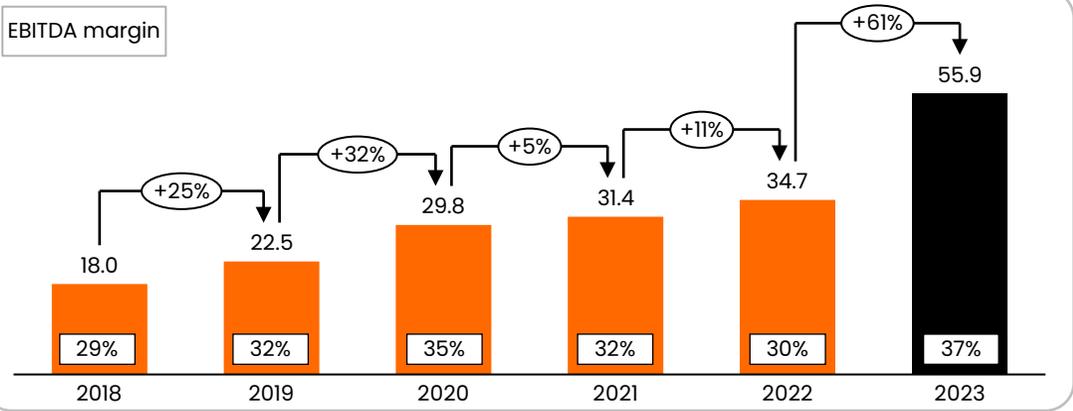
(1) Average growth rate; (2) EBIT as % of total revenue.

# ATOSS – 18<sup>th</sup> Record in Succession

## Top Key Figures 2023

### EBITDA in EUR mill.

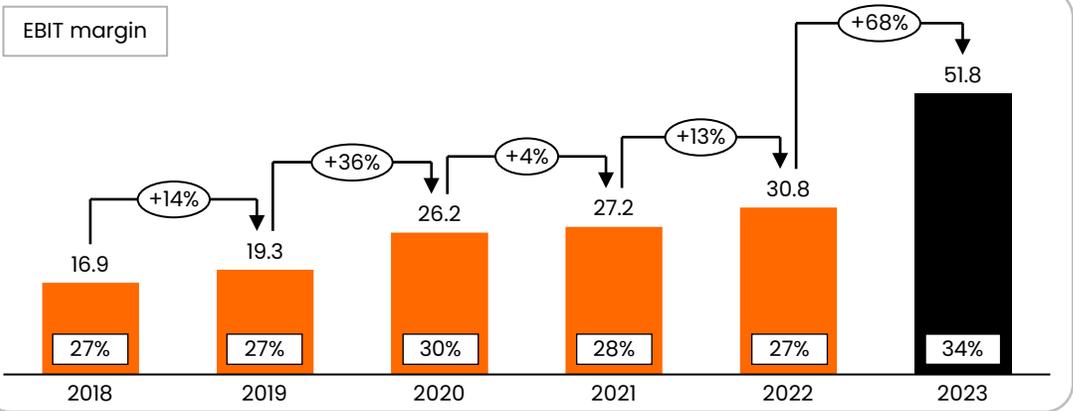
EBITDA margin



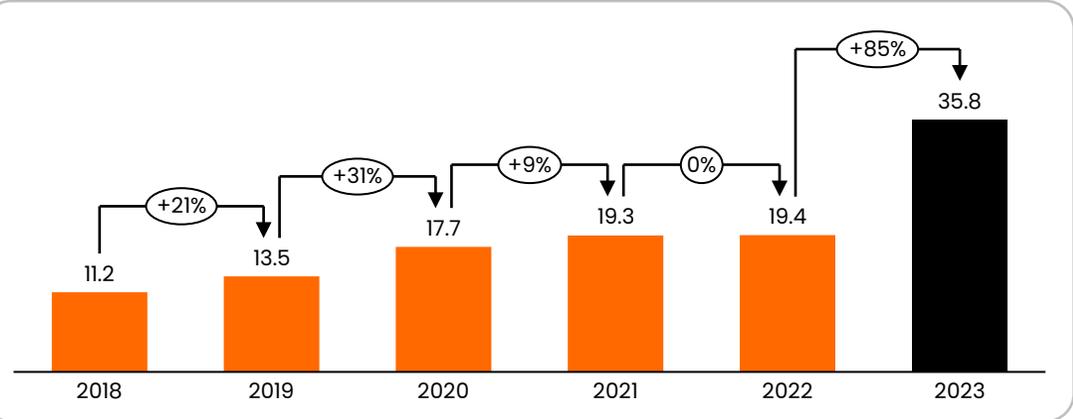
### EBIT

in EUR mill.

EBIT margin

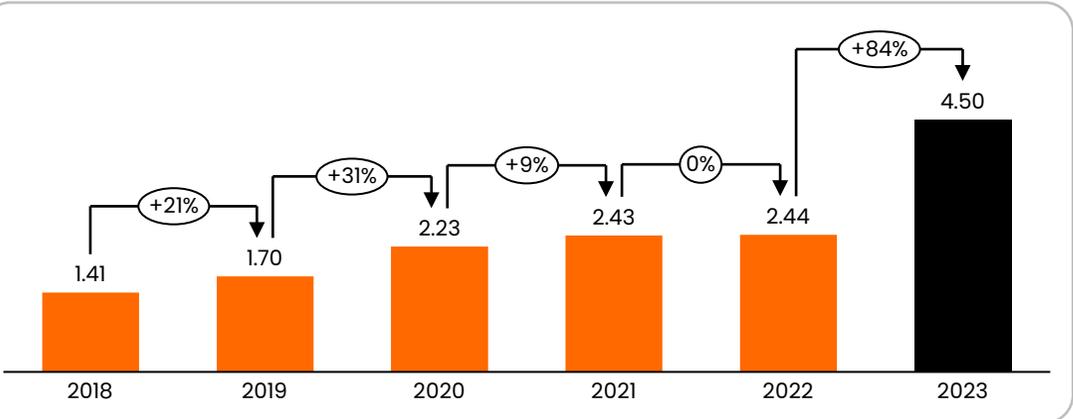


### Net profit in EUR mill.



### EPS

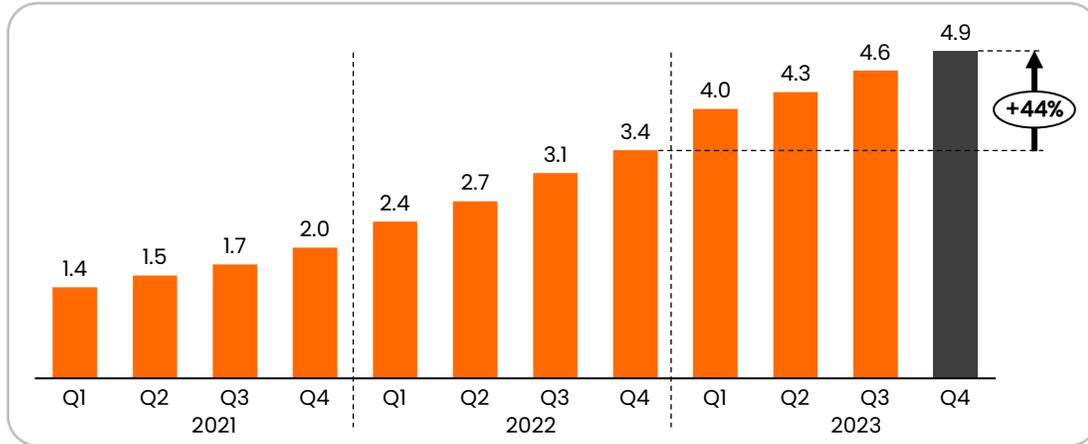
in EUR



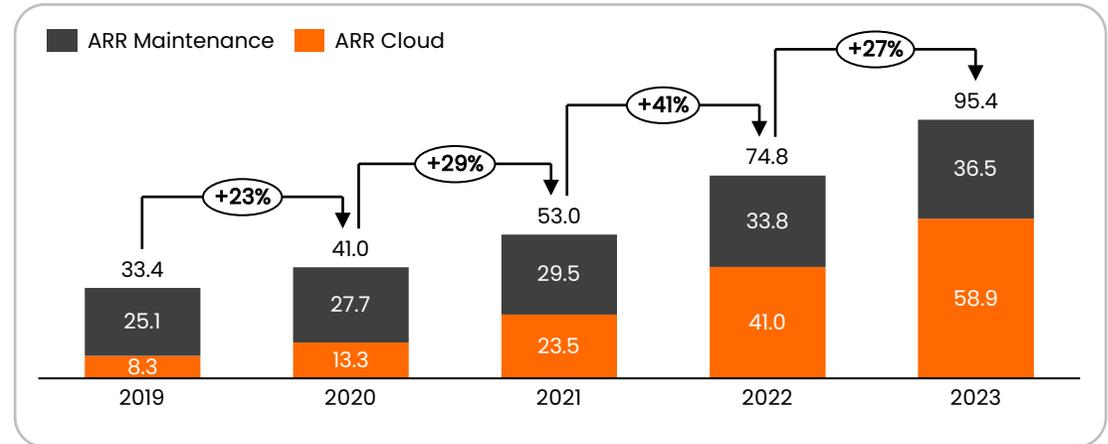
# ATOSS Cloud Strategy - Excellent foundation for further success

## (Cloud + Maintenance) Quarterly Development 2023

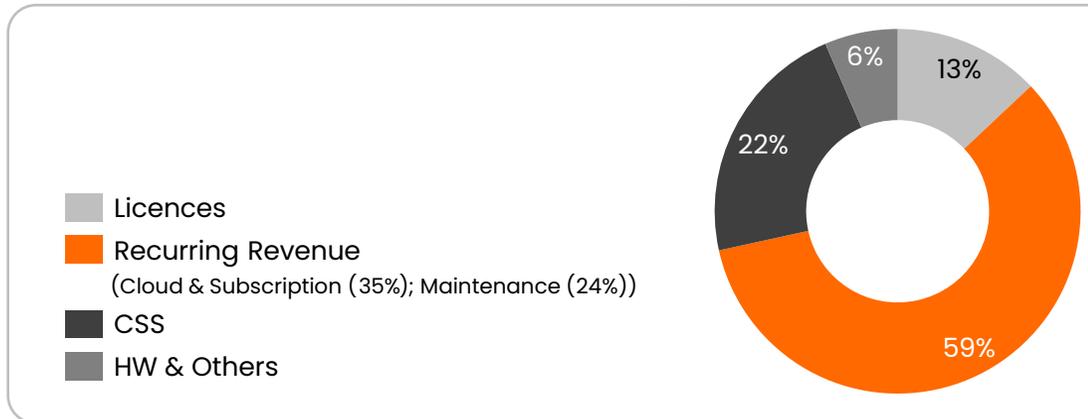
Cloud MRR: Quarterly development in EUR mill.



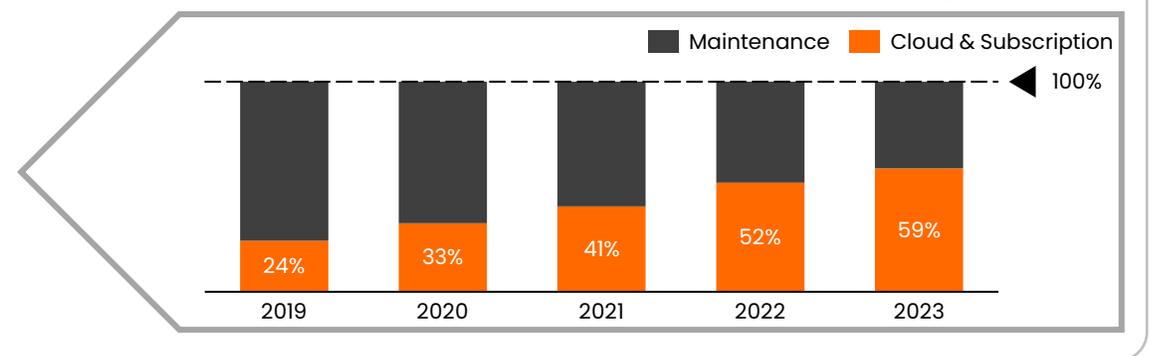
ARR Total (Cloud + Maintenance) in EUR mill.



Share of Cloud & Subscription in Recurring Revenue in %



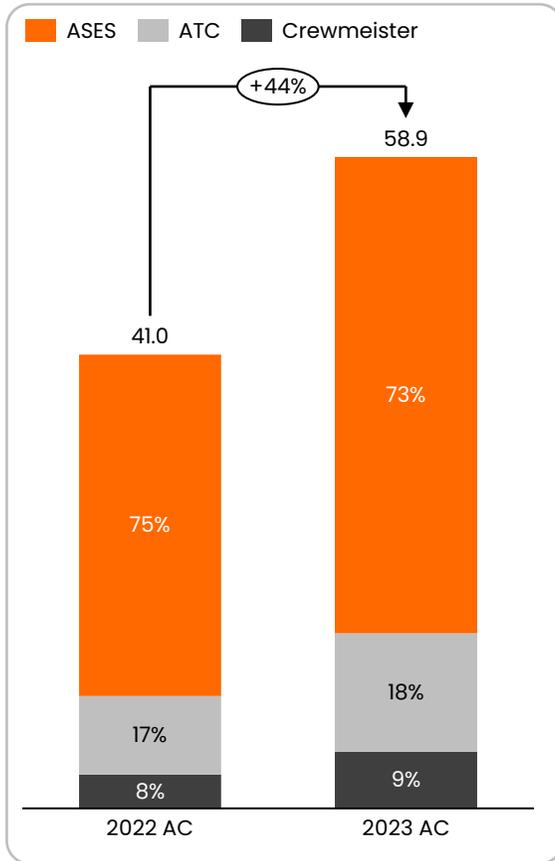
Increasing Share of Cloud & Subscription in Recurring Revenue



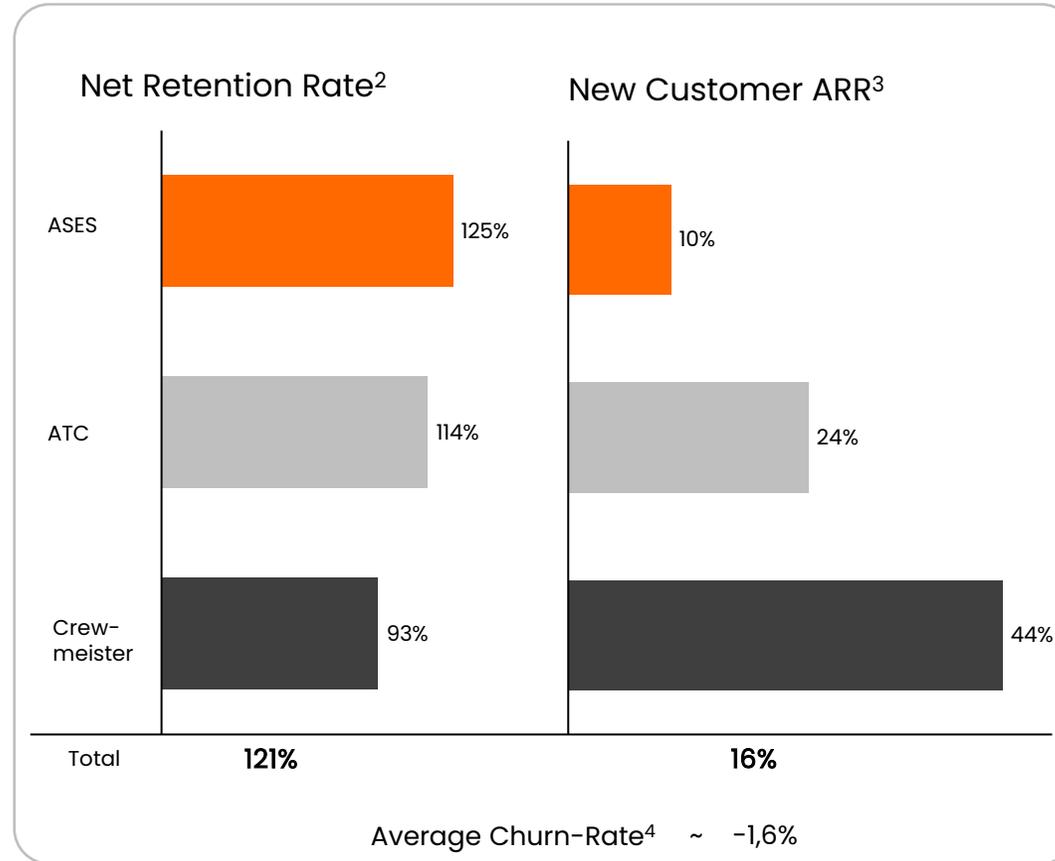
# ATOSS Cloud development by products

## Q4 2023

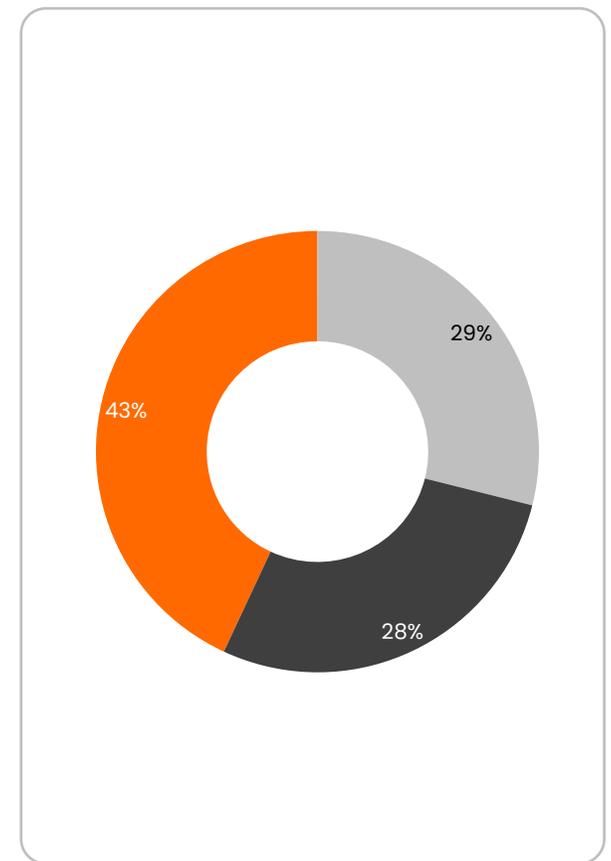
**Cloud ARR<sup>1</sup>**  
in EUR mill.



**Cloud KPIs**  
in %



**New customer ARR<sup>5</sup>**  
by product, in %



<sup>1</sup> 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

<sup>2</sup> Net Retention Rate: revenue generated from existing customers as of PY- taking into account expansion and churn

<sup>3</sup> Share of New Customer ARR: revenue generated from new customers since Q4 PY - taking into account base, expansion, indexation and transfer of on-premises customers

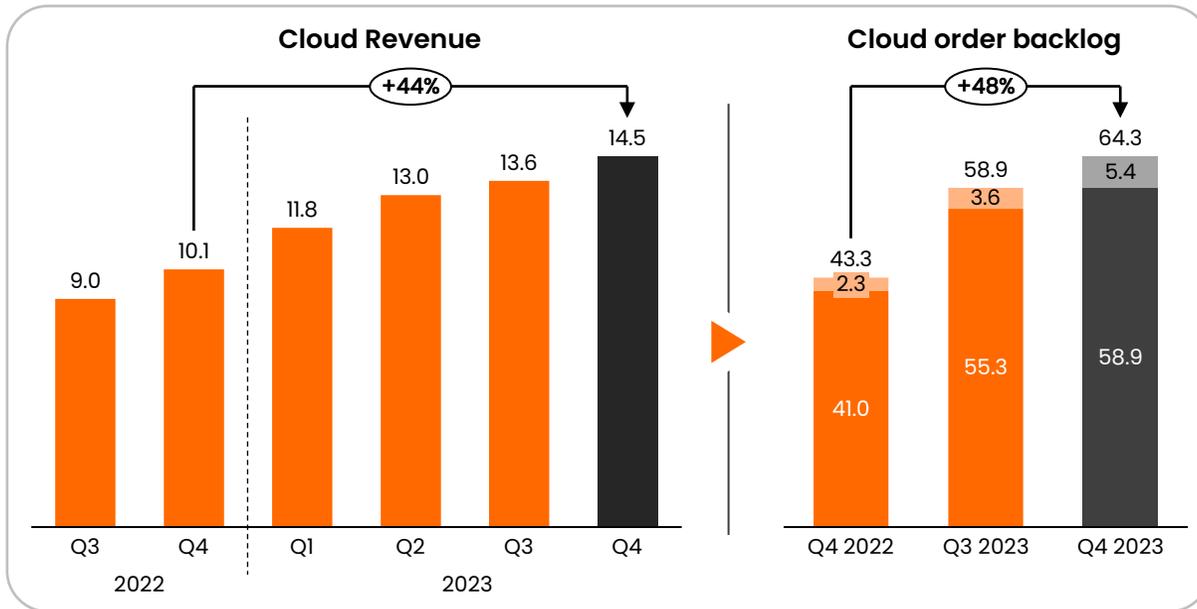
<sup>4</sup> Churn-Rate: calculated as contract terminations and contractions divided by ARR (w/o Crewmeister)

<sup>5</sup> Share of New Customer ARR: revenue generated from new customers since Q4 PY - taking into account base, expansion, indexation and transfer; without migration of on-premises customers

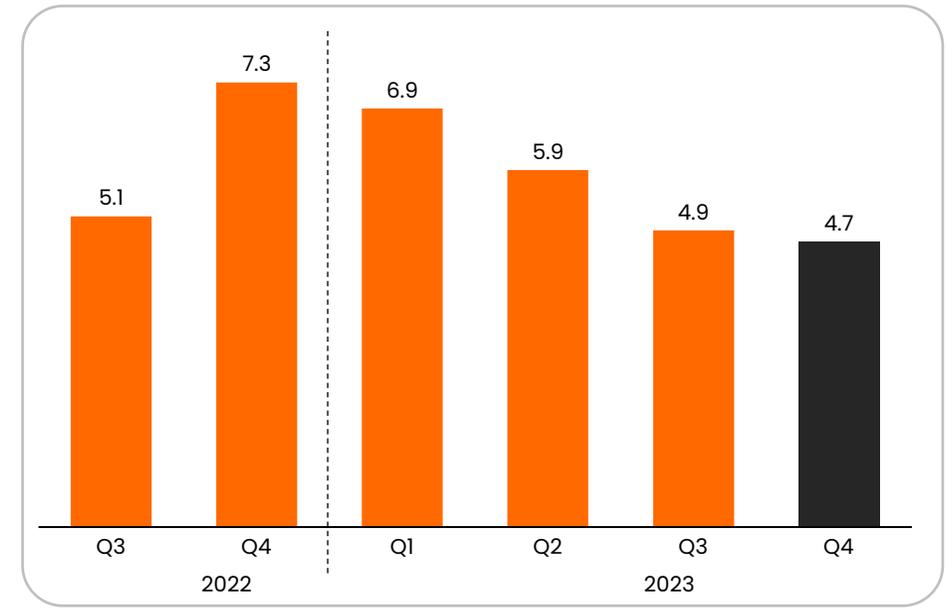
# Order backlog

Growth ambitions strongly supported by order backlog

**Cloud order backlog (12months)<sup>1)</sup>**  
in EUR mill.



**On-premises order backlog<sup>2)</sup>**  
Quarterly development in EUR mill.



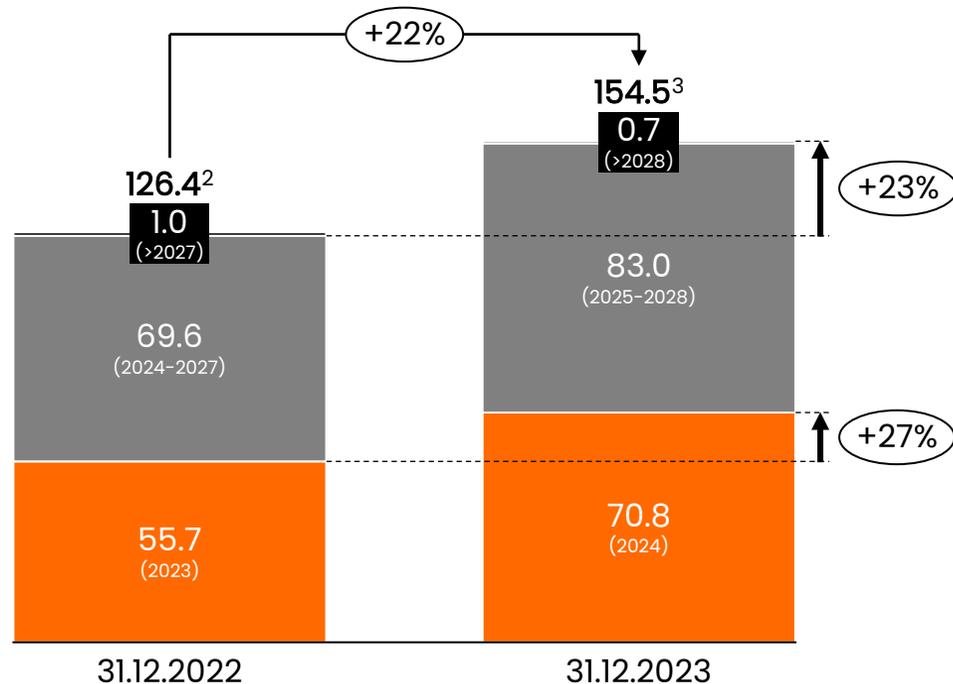
1) Cloud order backlog: ARR + contractually committed additions & expansions for the next 12 months

2) Typically revenue transformation within 12 -18 months

# Total committed future revenue from contracts with customers

## Cloud, Maintenance and Hotline

Future Revenue from contracts<sup>1</sup> (in EUR mill.)



<sup>1</sup> The total committed revenue from contracts with an original term of more than 12 months as of YE 2022 and YE 2023

<sup>2</sup> Cloud: 98.4 EUR mill. (78%); Maintenance & Hotline: 28.0 EUR mill. (22%)

<sup>3</sup> Cloud: 128.1 EUR mill. (83%); Maintenance & Hotline: 26.5 EUR mill. (17%)

Rise in total committed revenues from contracts with customers by **+ 22 %** vs. 31.12.2022

**70.8 EUR mill.**

contractually committed revenues from cloud & maintenance in 2024

Contractually committed revenues from contracts with customers within the next 2 – 5 years increased by **+23 %** (vs. 31.12.2022) to 83 EUR mill.

# Growth Strategy

WISAG | Service Industry

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# Core Pillars of ATOSS' Growth Strategy

Growth leading the way for increased Recurring Revenue from Cloud Business and an ever-growing global subscriber base.

Continuous steady growth while actively driving cloud transformation of business

Increase international revenue share outside the DACH region

Continued focus on operational excellence to maintain and further expand margins of business

Advance full range strategy with solutions for enterprise, mid-market and SMEs customers (Crewmeister)

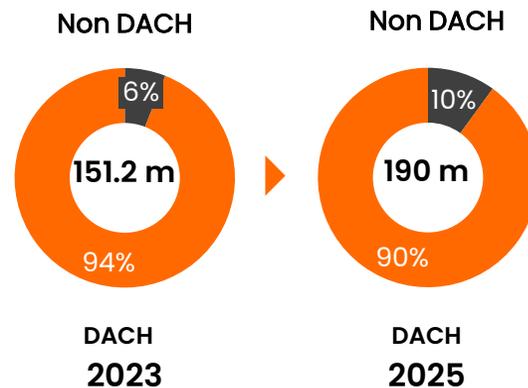
Maintain commitment of further product development

Projections 2023-2025

Total Revenue Growth CAGR\*  
**19%**

Increasing Share of Recurring Revenue  
**~ 70%**

Allocation of revenue shares (Projections)



EBIT Margin from **≥30%**

Crewmeister Outlook 2025

- Positive EBIT
- ~19.000 customers
- ARR of ~9m EUR

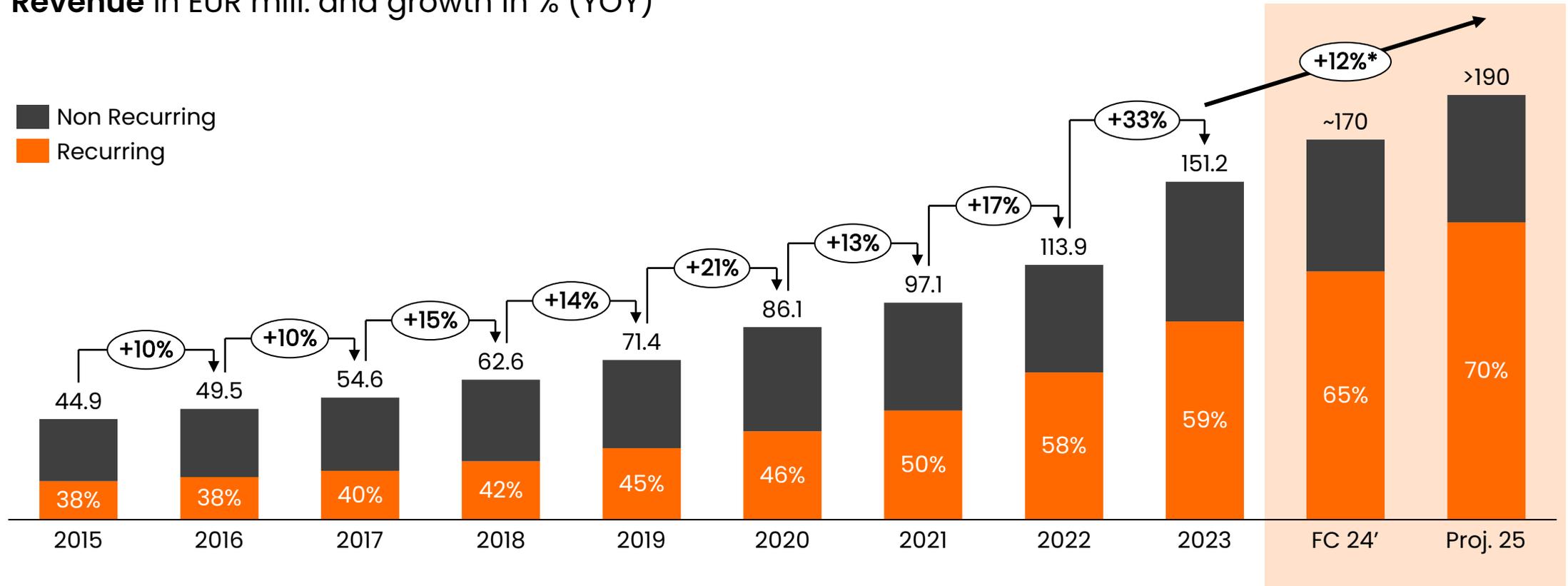
R&D investment  
**~ 17% of total revenue**

\*Base: Year end 2022

# ATOSS Cloud Transformation

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

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

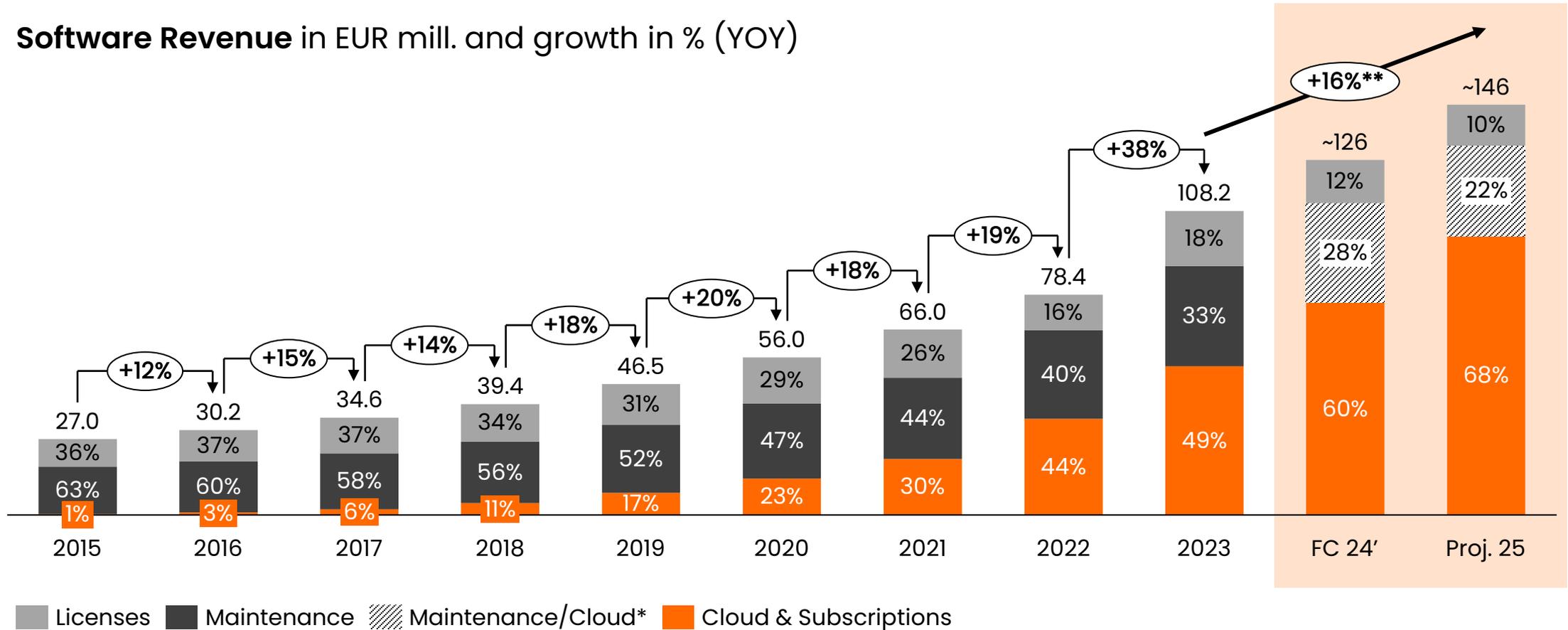


\* Compound Annual Growth Rate

# 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; \*\* Compound Annual Growth Rate

# 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

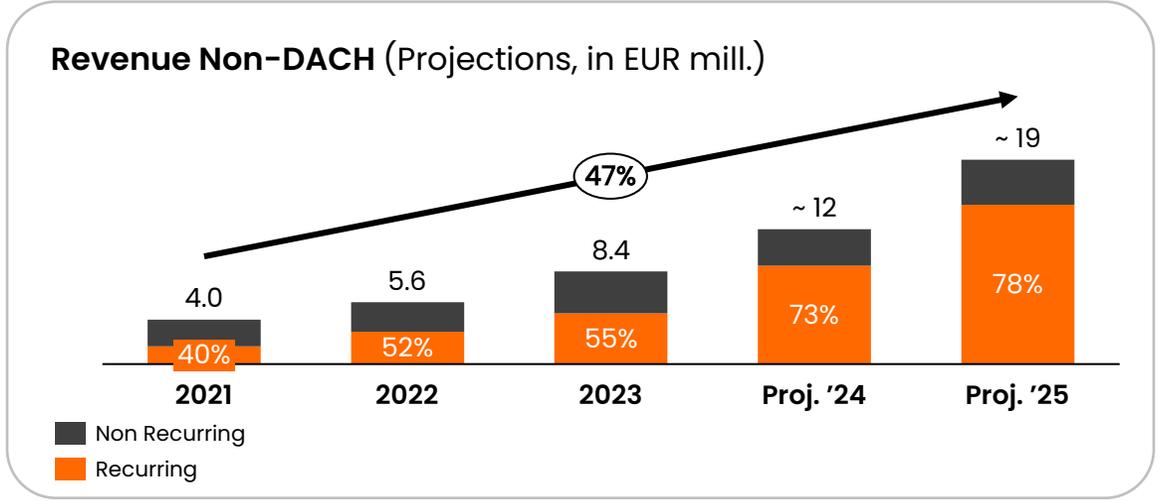
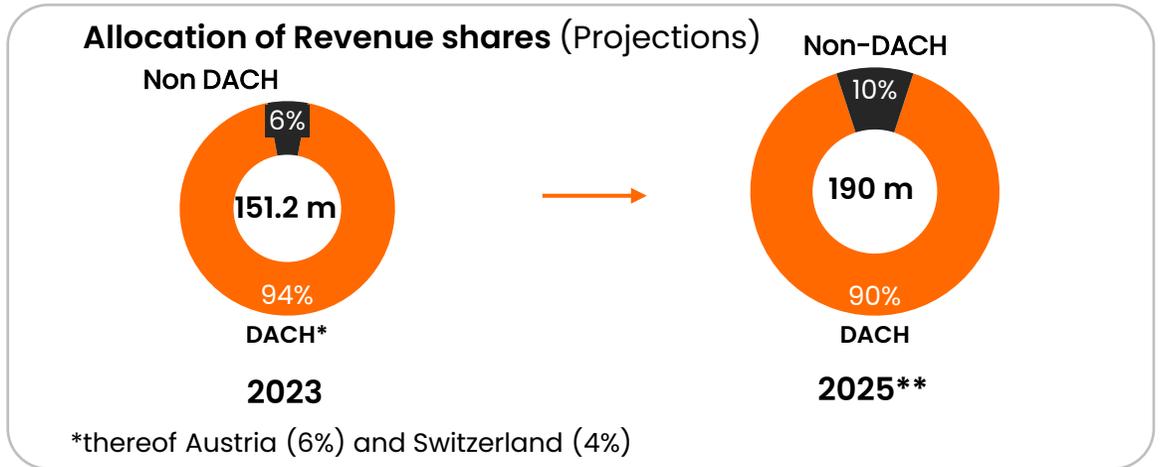
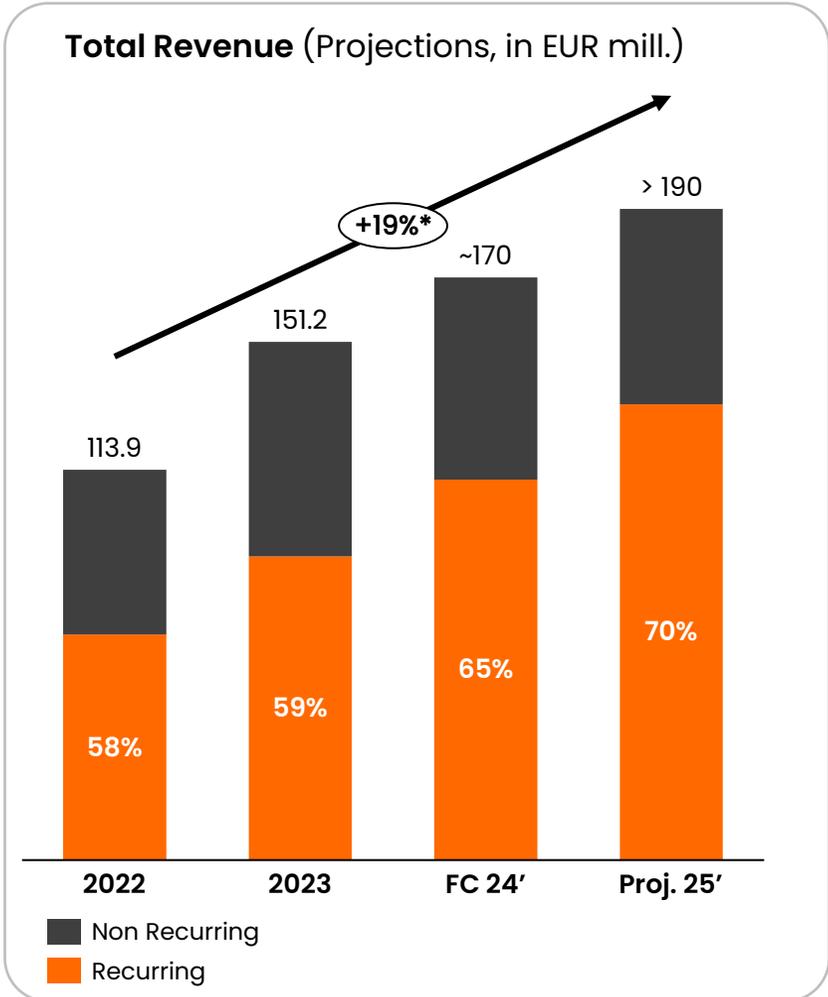
- **Expand regional sales & service hubs**
- **Expansion of international partner network**

As of 31.12.2023



# ATOSS Internationalization

Supporting overall growth strategy with expansion in Non-DACH countries



\* Compound Annual Growth Rate;

# ATOSS Full Range Strategy

## Crewmeister continues successful development



### Highlights

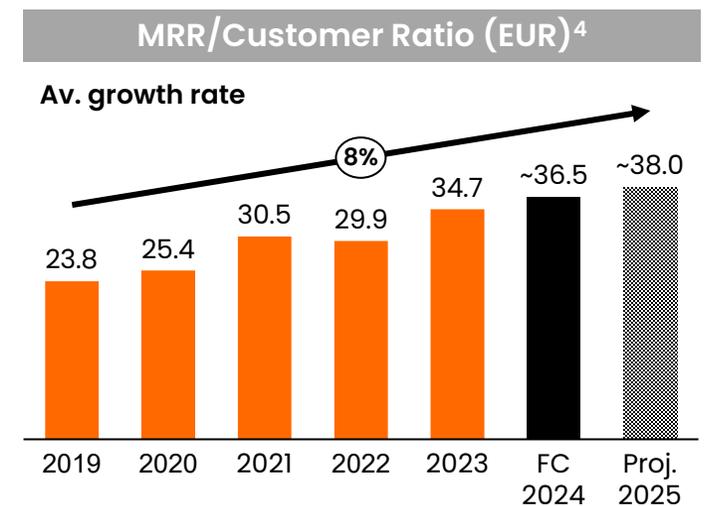
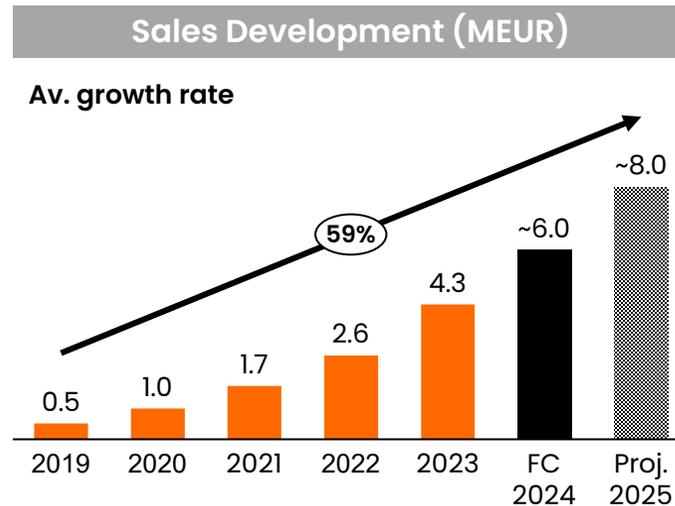
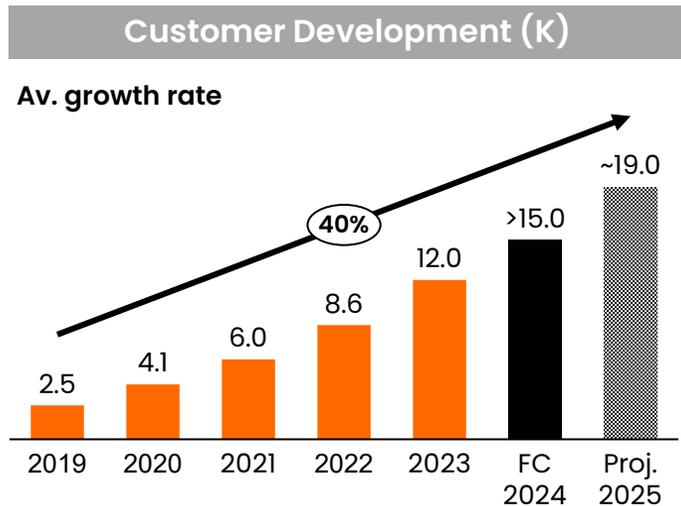
- Positive impact by BAG decision
- New product features developed
- High customer satisfaction

### Key metrics

- Av. Customer Acquisition costs (CAC<sup>1</sup>): 299 EUR
- Av. Customer Lifetime Value (CLTV<sup>2</sup>): 1,736 EUR
- CLTV/CAC-Ratio: 5.8
- Av. Monthly Churnrate<sup>3</sup>: 1.52 %
- Cloud Gross Margin: +79%

### Outlook 2025

- Positive EBIT
- ~19.000 Customers
- ARR of ~9m EUR



<sup>1</sup> CAC (Customer acquisition cost) (ø 2023): cost of resources for the business in order to acquire a new customer. Customer acquisition cost involves sales and marketing costs.

<sup>2</sup> CLTV (Customer lifetime value) (ø 2023): estimate of all the future gross profits to be accumulated from a relationship with a given customers

<sup>3</sup> Churnrate (12/2023): 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

<sup>4</sup> MRR/Customer Ratio shows the monthly recurring revenue per customer calculated on the MRR and Customers as of the 31<sup>st</sup> of December each year

# ATOSS – Growth Projections

Strong Growth and Margins while building Recurring Revenue

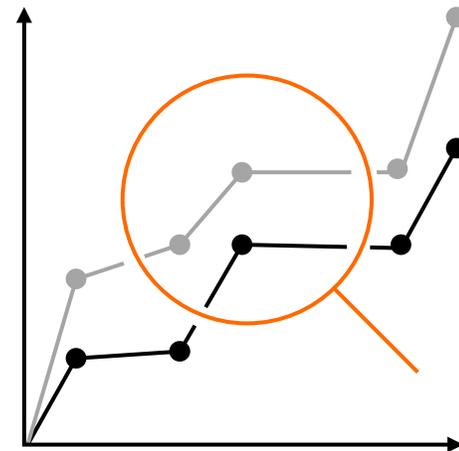
## Guidance 2024

Total Revenue

**170 EUR Mill.**

EBIT Margin

**30%**



## Projections 2023 – 2025

Total Revenue Growth  
(Base: Year end 2022)

CAGR **19%**

Increasing Share of  
Recurring Revenue  
(Target: Year end 2025)

**~ 70%**

Software Revenue  
Growth  
(Base: Year end 2022)

CAGR **23%**

EBIT Margin  
(Target: Year end 2025)

**≥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: ≥ 10

#### Social

- Continued donations in the areas of culture, environment, children and social projects

### Employees at ATOSS

#### Employee Experience

Goals by 2024:

- Employee Engagement Index: >80%
- Leadership Index: 3.7
- Employee Net Promoter Score: ≥ 25
- Working Flexibility Satisfaction Index: ≥ 75

#### 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

- Recertification according to ISO/IEC 27001:2022
- Availability of cloud services: **>99.5%**

### Environmental protection

#### CO2 footprint

Goals by 2024:

- Development of a **reduction path** for CO2 emissions till 2030 (incl. base line for CO2-Emissions acc. Scope 1,2 and 3)
- Extension ATOSS **sustainability reporting** due to new legal requirements (“Corporate Sustainability Reporting Directive” (CSRD))
- Further actions for reducing emissions in the **area of employee mobility**

Goals by 2025:

- **100% green electricity** at all ATOSS sites by 2025

#### Resource efficiency

Goals by 2024:

- Rollout **electronic-signature software**

# 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: 80%

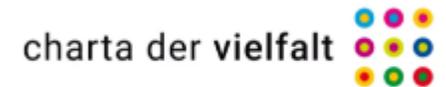


### “Continuous employee growth”

- 775 employees (12/22: 693)

### „We live diversity and promote equal opportunities and inclusion“

- Member of “Charta der Vielfalt”
- Employees from around 49 countries
- 59% male/41% female > ongoing diversity goals by 2027

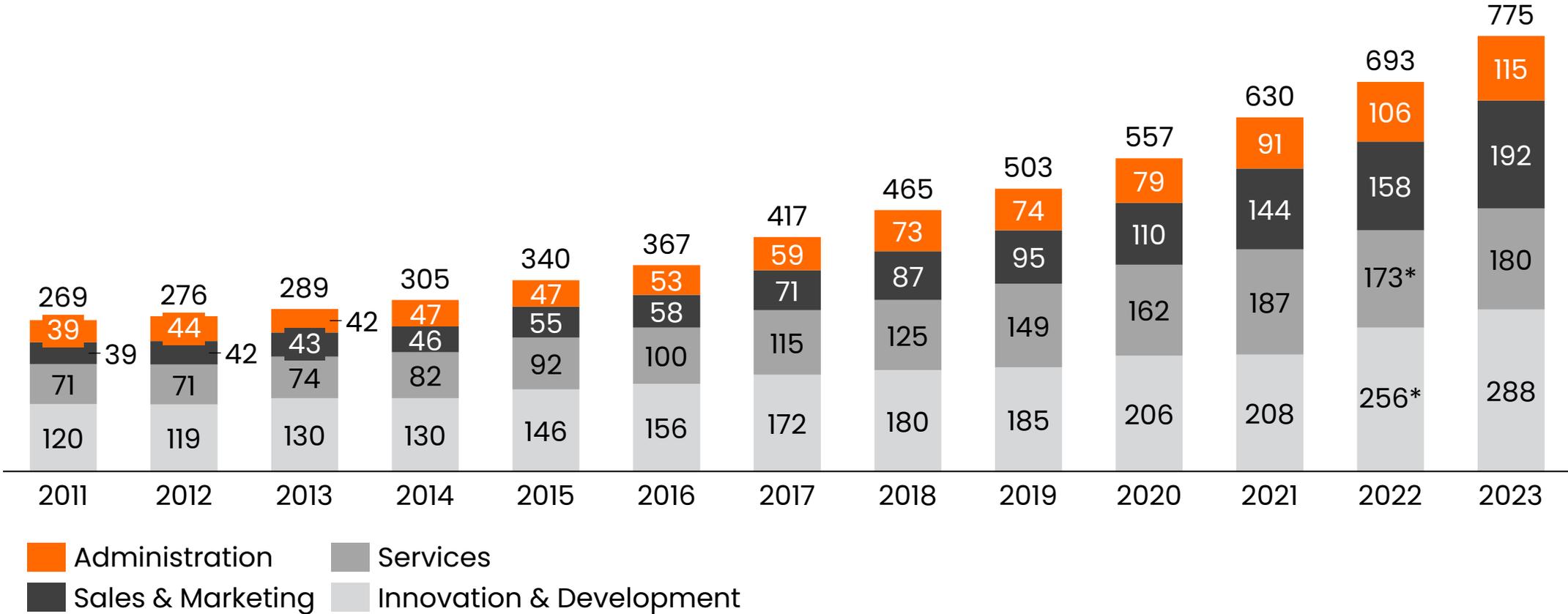


### “Individuality in Working Life - Employee Well-being in Focus”

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



# Continuous Expansion of Personnel Capacities



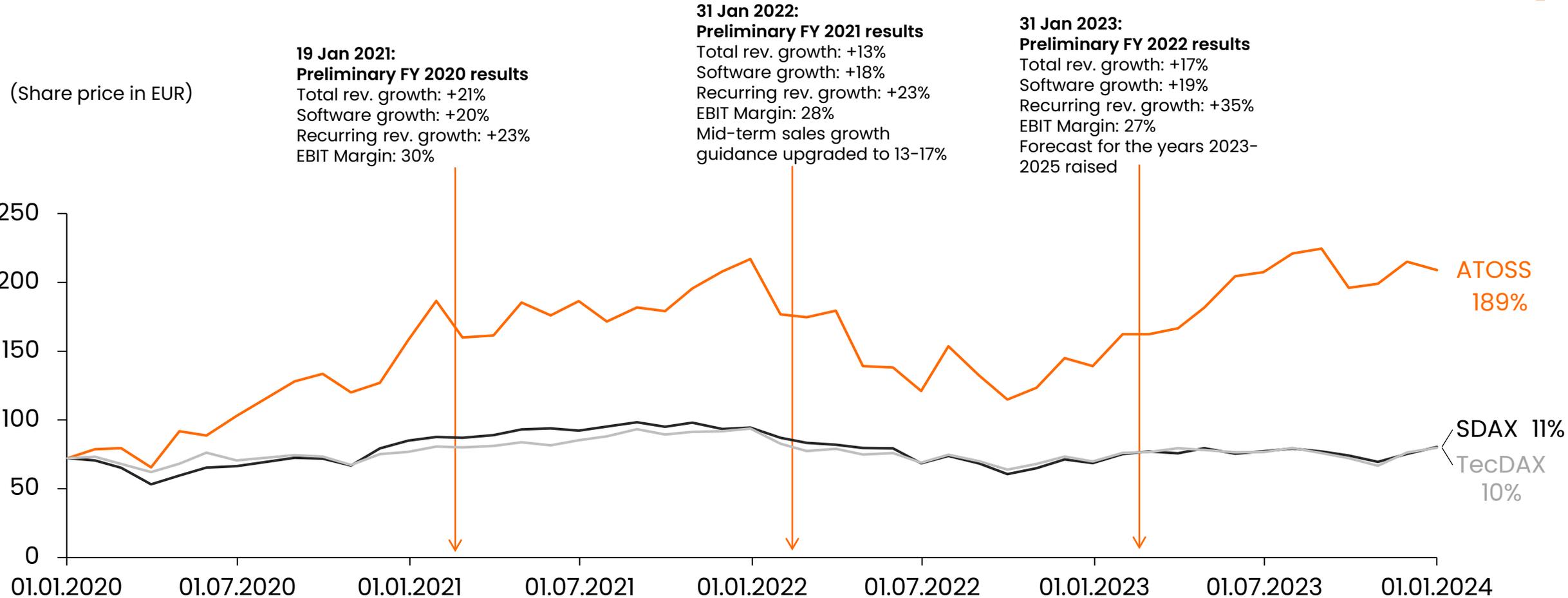
\* In FY 2022 shift of Cloud Services Team from Services Department to Innovation & Development Department



# Additional Attachments

# The ATOSS Share

## Share price performance\* (01/2020 – 12/2023)

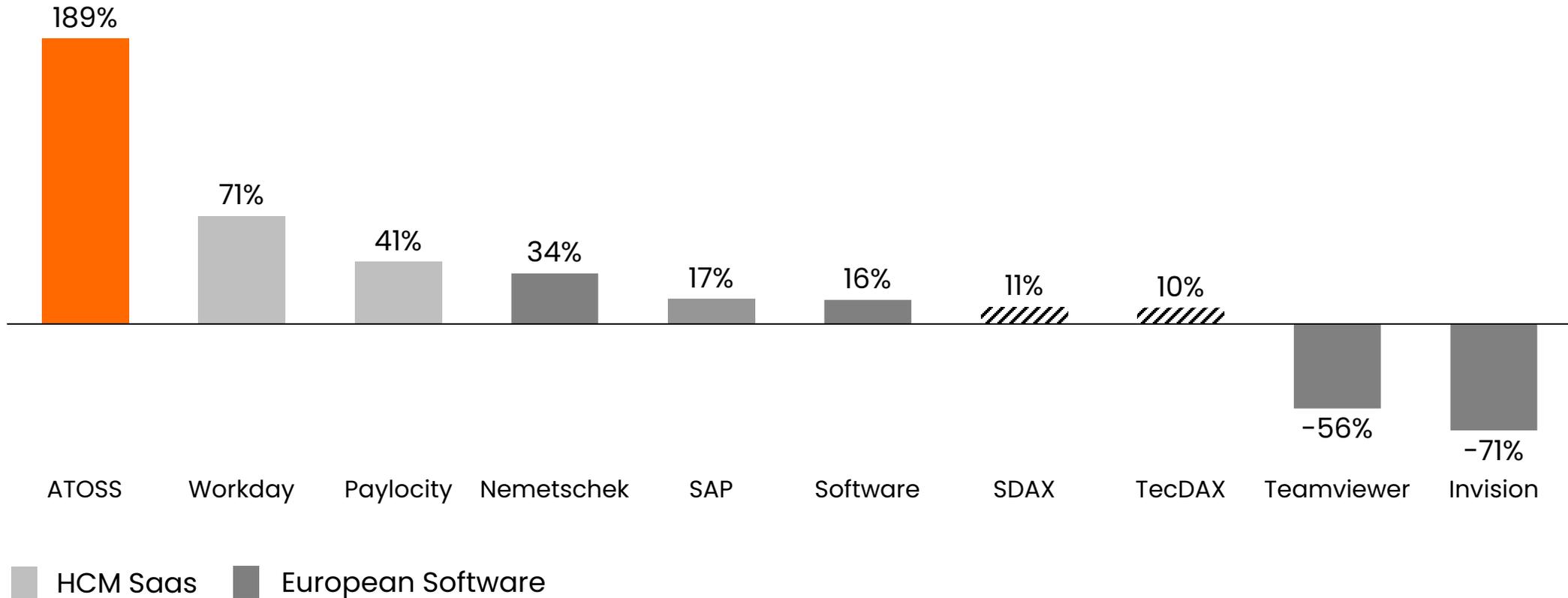


\*SDAX/TecDax Index rebased on ATOSS' share price of EUR 72,25 as of 01/02/2020

# ATOSS Stock

## High Performer in European Software and HCM Stocks since COVID

Share price performance\* (01/2020 – 12/2023)

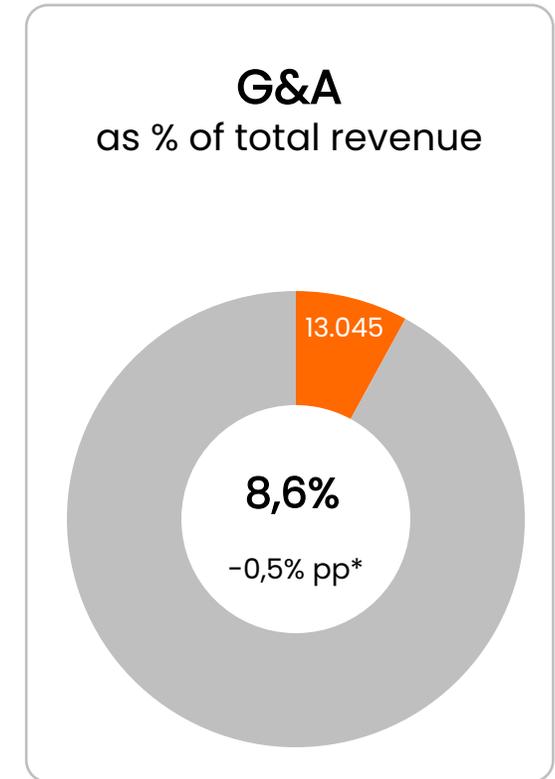
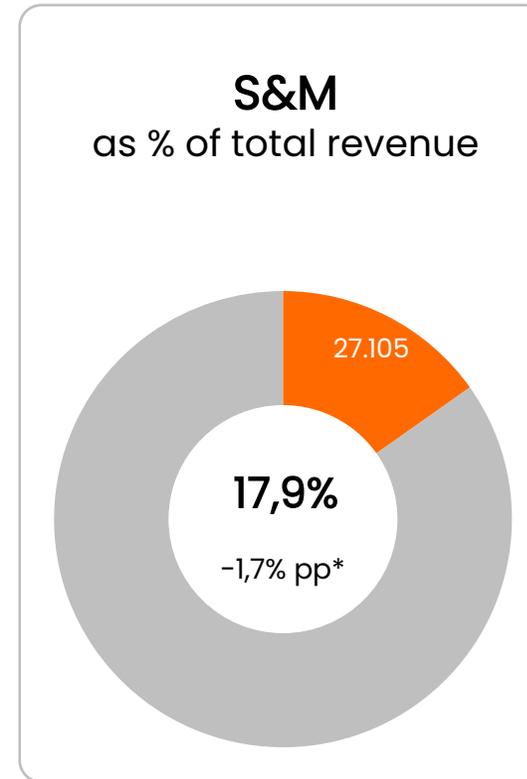
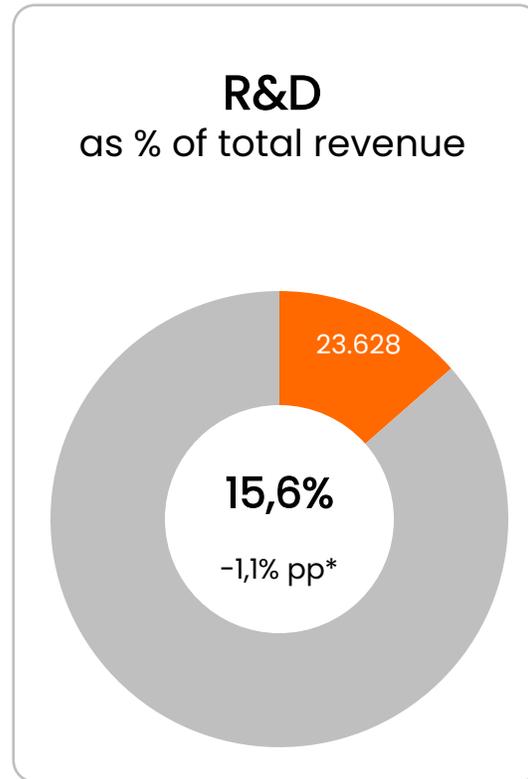
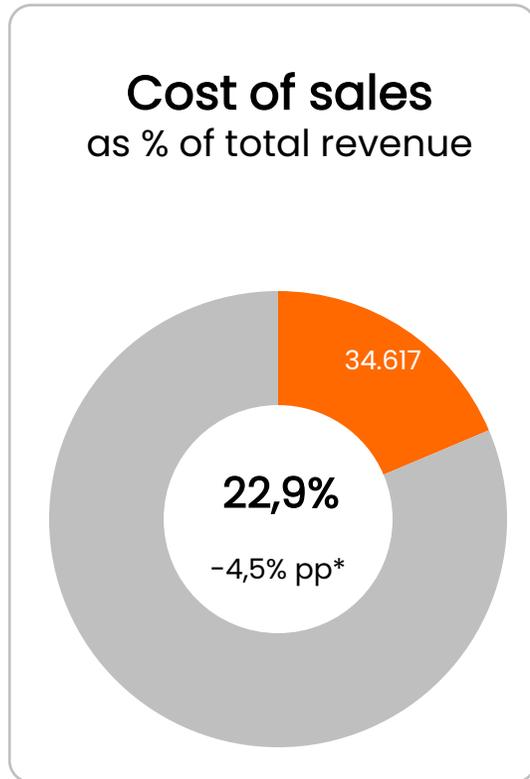


\* ATOSS, Nemetschek, Software, Teamviewer, SAP, Invision, SDAX: XETRA-Opening price 01/02/2020 and -Closing price 12/31/2023; Paylocity: Frankfurt Stock Exchange-Opening price 01/02/2020 and -Closing price 12/31/2023; Workday: Tradegate-Opening price 01/02/2020 and -Closing price 12/31/2023

# Cost ratios

## 2023 (preliminary)

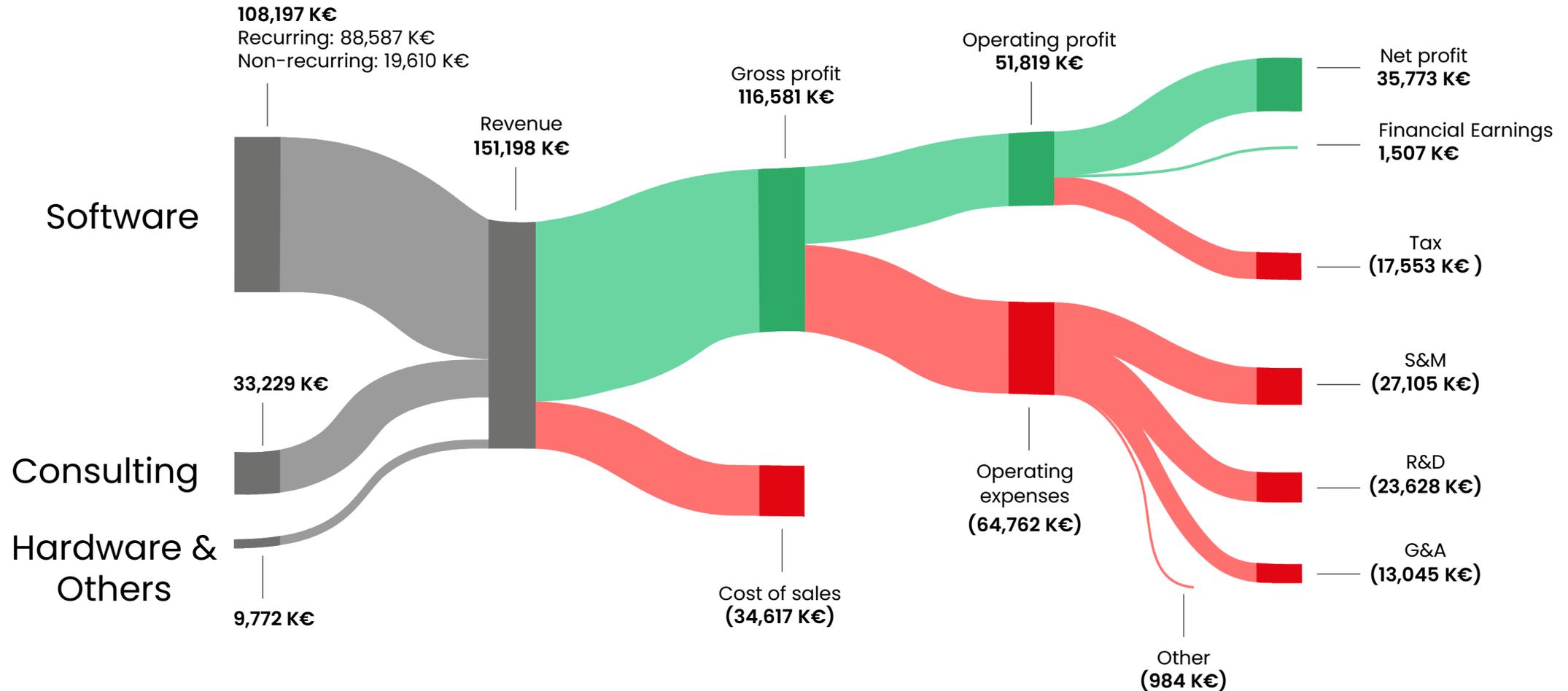
Total Revenue: EUR 151.2 million



\* Delta to PY YTD

# Income Statement

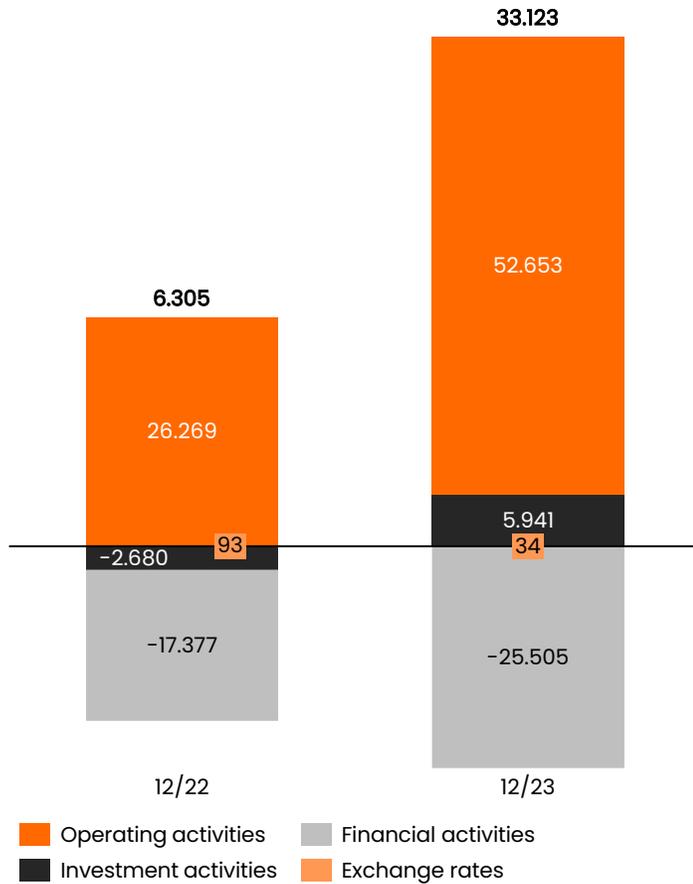
## 2023 (preliminary)



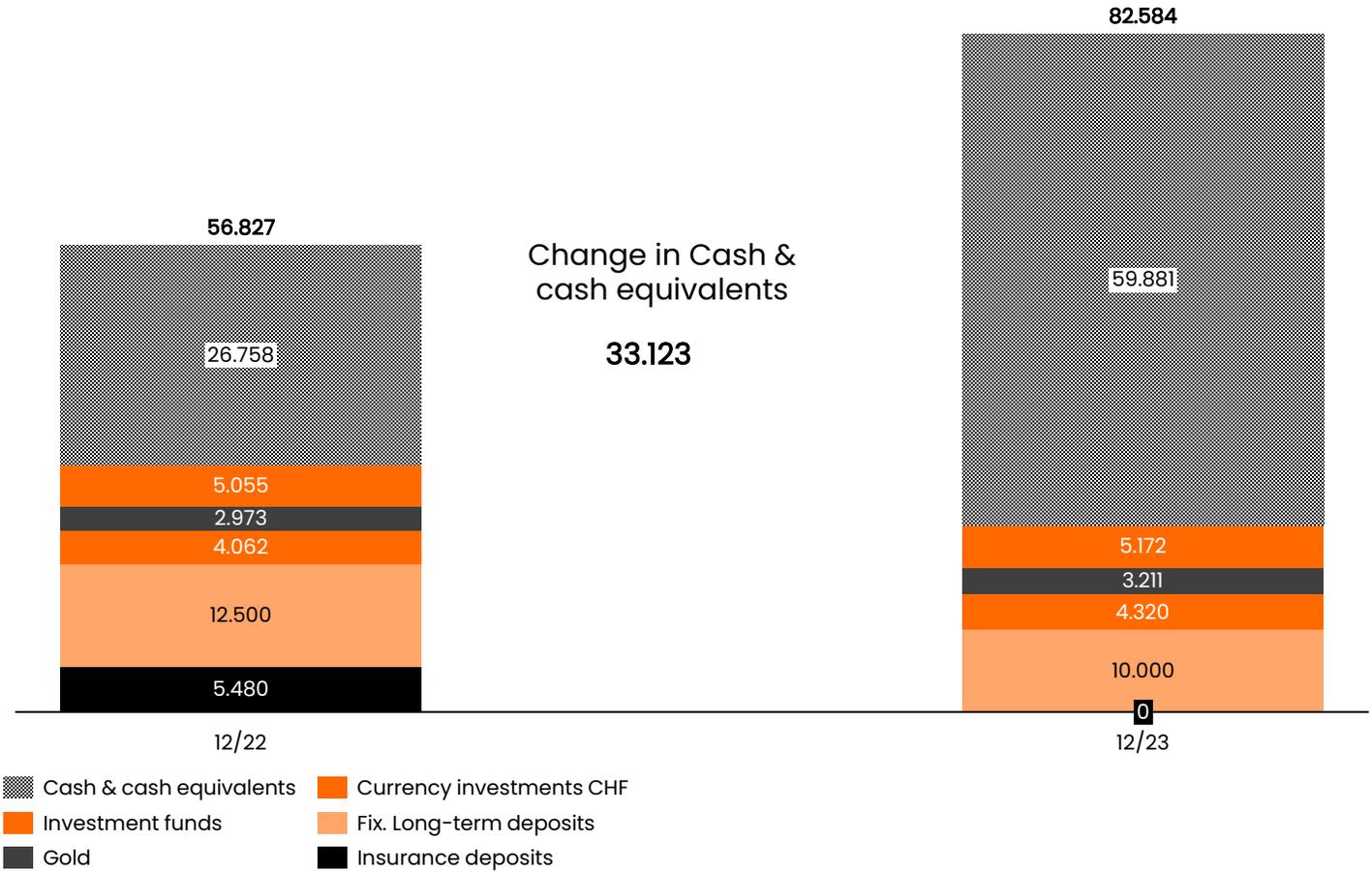
# Financial Development Q4 2023

## Impressive cash position

### Cash Flow in KEUR



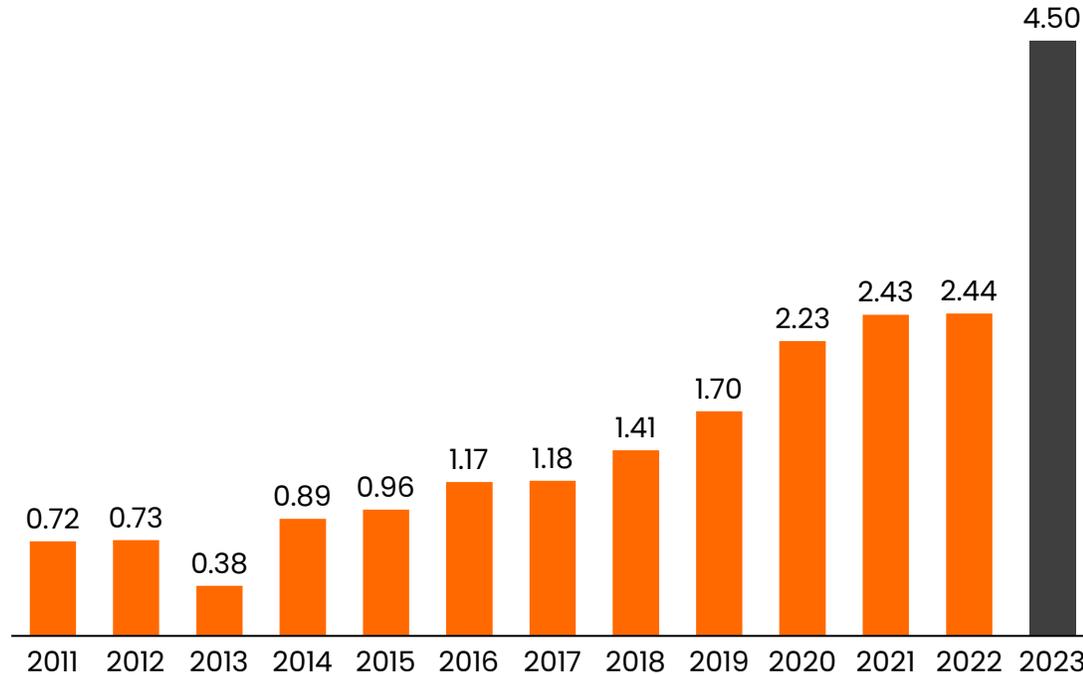
### Liquidity in KEUR



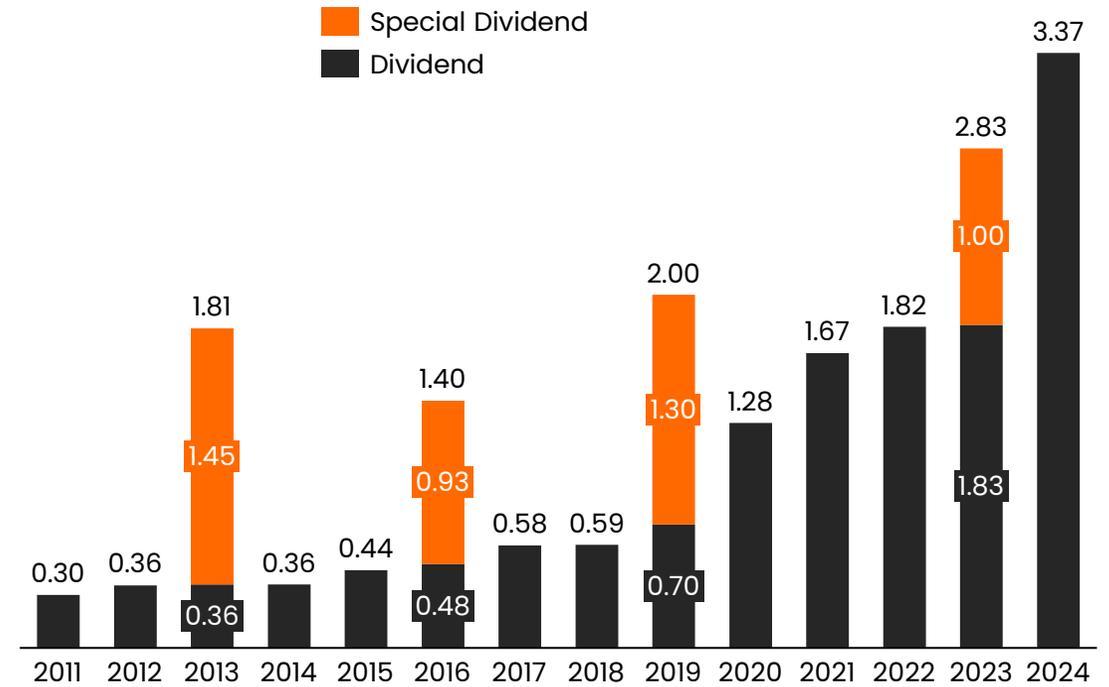
# The ATOSS Share

## Dividend Policy

EPS\* per 31. December in EUR



Dividend\* in EUR



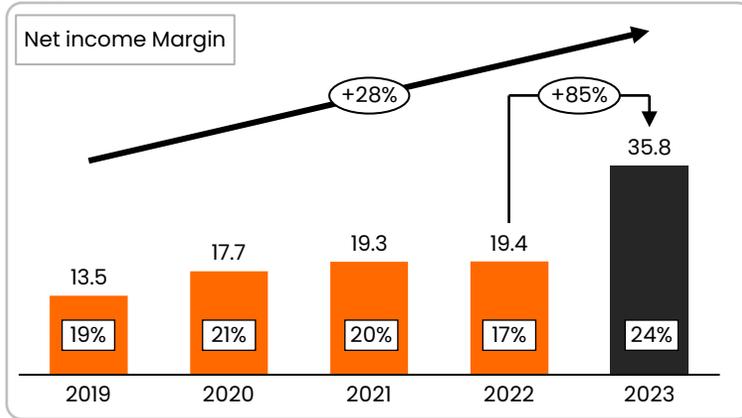
ATOSS stays true to its dividend policy with continuity to the previous year

\* The previous year's figures have been adjusted due to stock split in 2020; Rounding up to 2 decimal places

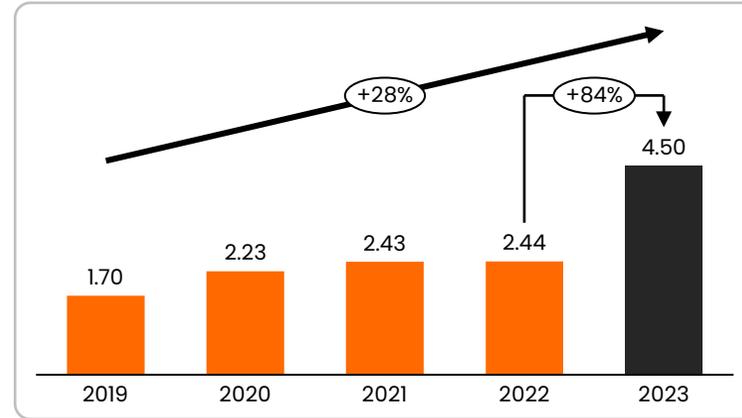
# Financial KPIs

Financial strength excellent base for further growth

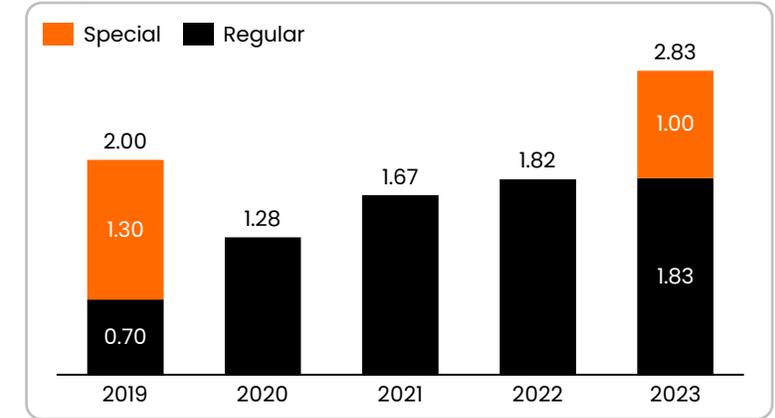
## Net income in EUR mill.



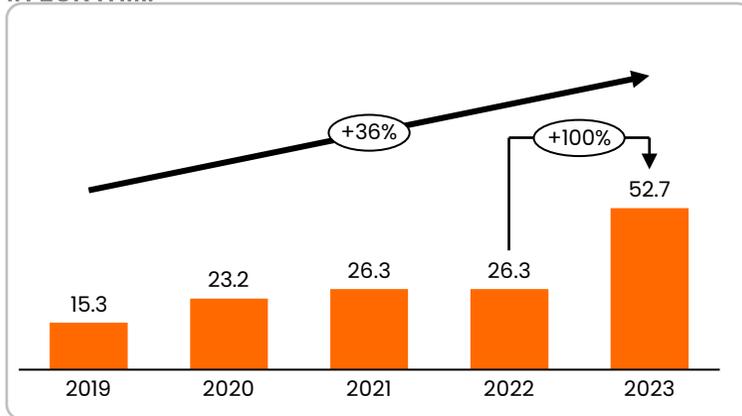
## EPS\* in EUR



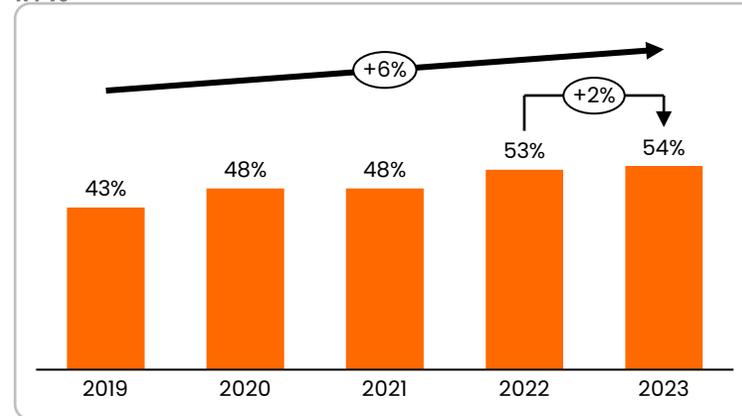
## Dist. Dividend per share\* in EUR



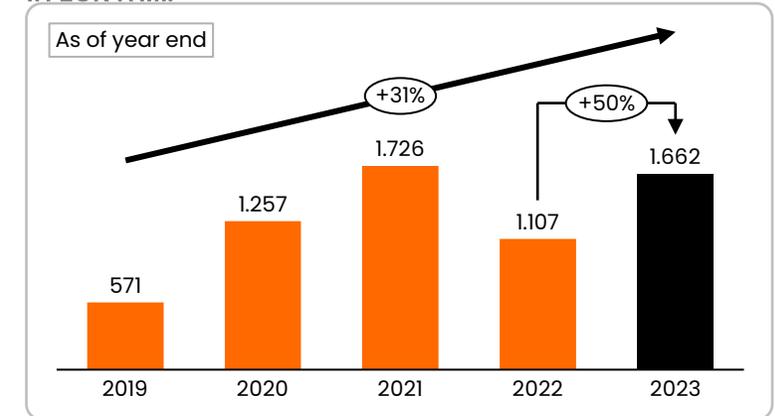
## Operational Cashflow in EUR mill.



## Equity Ratio in %



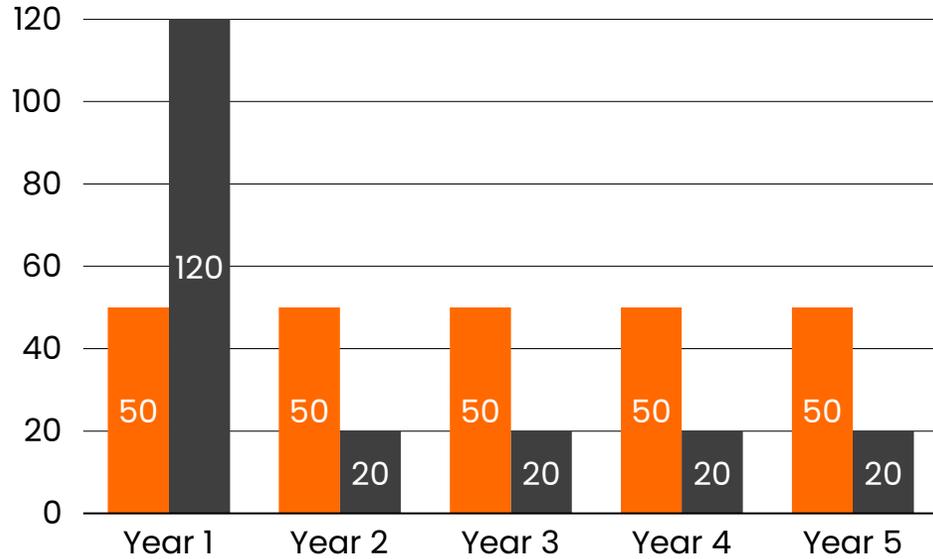
## Market capitalization in EUR mill.



# On-Premises vs. Cloud Model

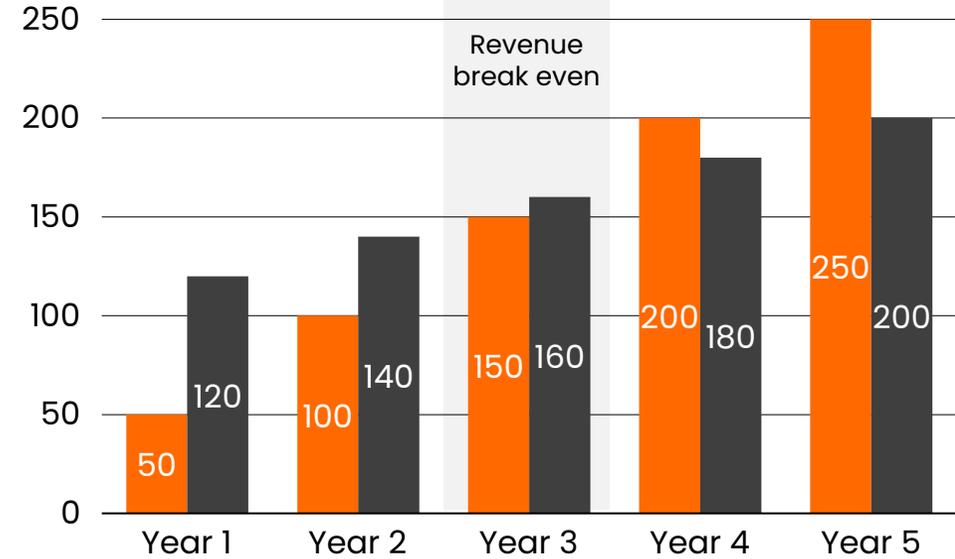
## Revenue/Payment scheme

Cloud vs. On-Premises



Cloud (Saas) On-Premises

Cloud vs. On-Premises (accumulated)



Cloud (Saas) On-Premises

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

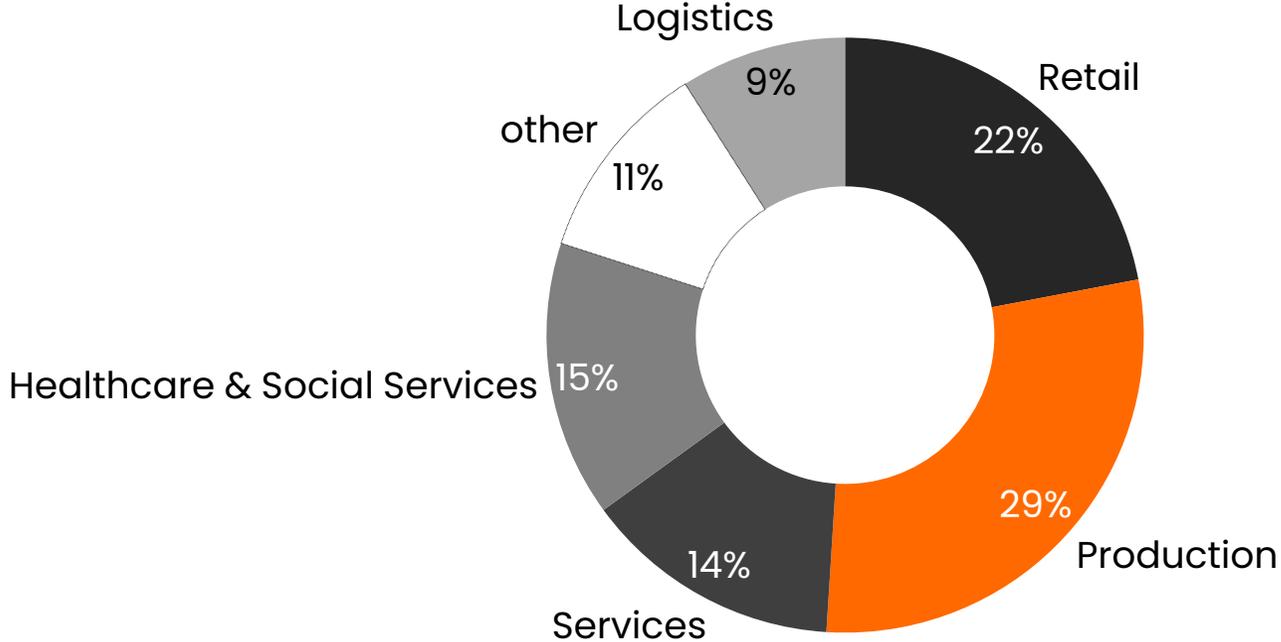
# Comprehensive Workforce Management

6 steps for success



**Flexibilisation of working time** →

# ATOSS Sales by Segment\*



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

\* FY 2022/revenue

# Disclaimer



This presentation contains forward-looking statements based on the beliefs of ATOSS Software AG. Such statements reflect current views of ATOSS Software AG with respect to future events and results and are subject to risks and uncertainties. Actual results may vary materially from those projected here, due to factors including changes in general economic and business conditions, the introduction of competing products, lack of market acceptance of new products, services or technologies and changes in business strategy. ATOSS Software AG does not intend or assume any obligation to update these forward-looking statements.

**ATOSS Software AG 2024**