

# Excellence in Workforce Management

ATOSS Software AG

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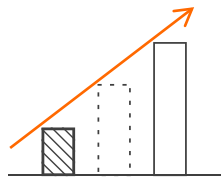
# ATOSS – Leading in the field of Workforce Management

## 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)

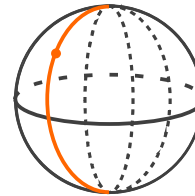
As of 12/31/2022; \* incl. subsidiaries; \*\*w/o subsidiaries

~15,000

Customers worldwide from SMB to blue chips\*

Customers in

50+



countries worldwide, including 31 in Europe

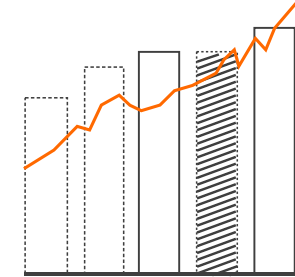
27%

EBIT margin

SDAX

07/2021

High visibility as stock corporation



690+

Employees

11

Software languages

>4 million

Employees integrated in ATOSS solutions

~ 9,200

Cloud customers\*\*

# Market for Workforce Management



## Digitalization of labor world

The application of **artificial intelligence (AI)** in 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** 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**.

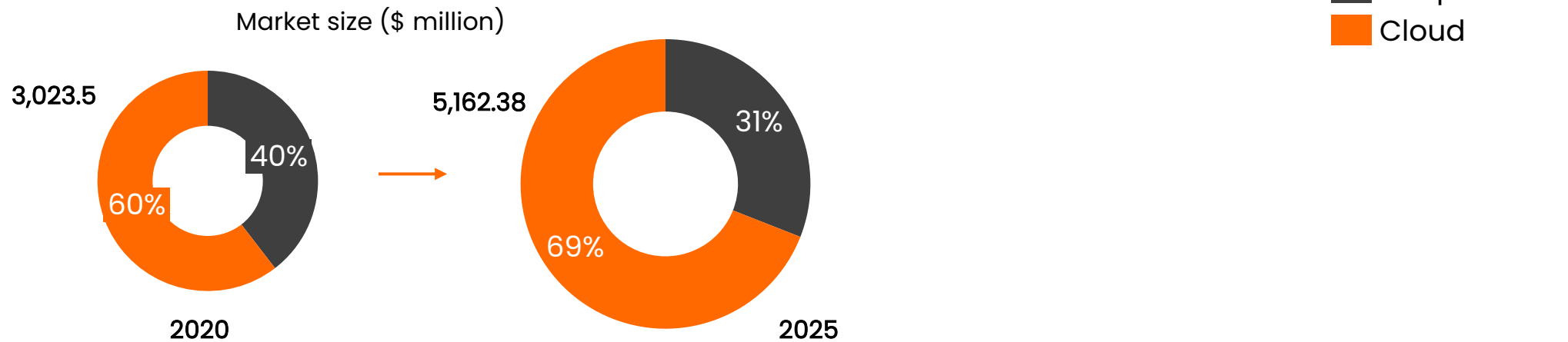
# Workforce Management Market

## 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

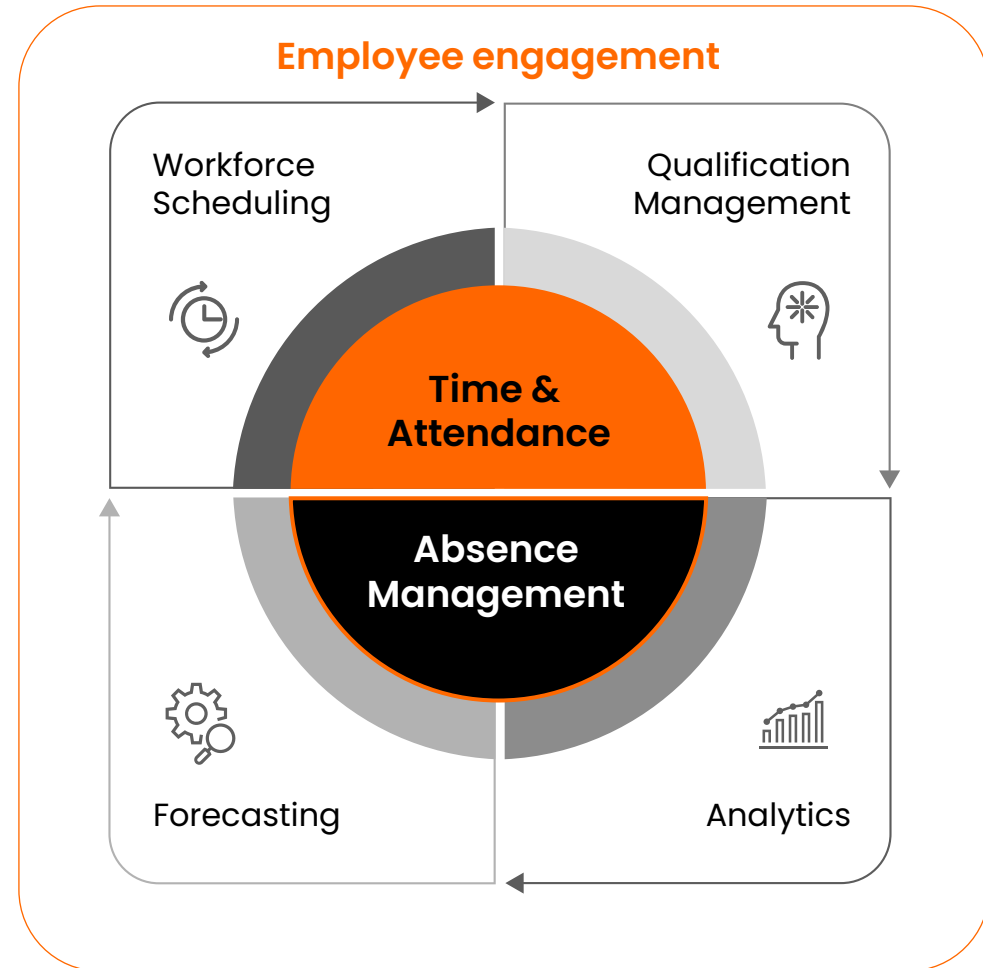
Paracelsus-Kliniken | Healthcare & Services

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# 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

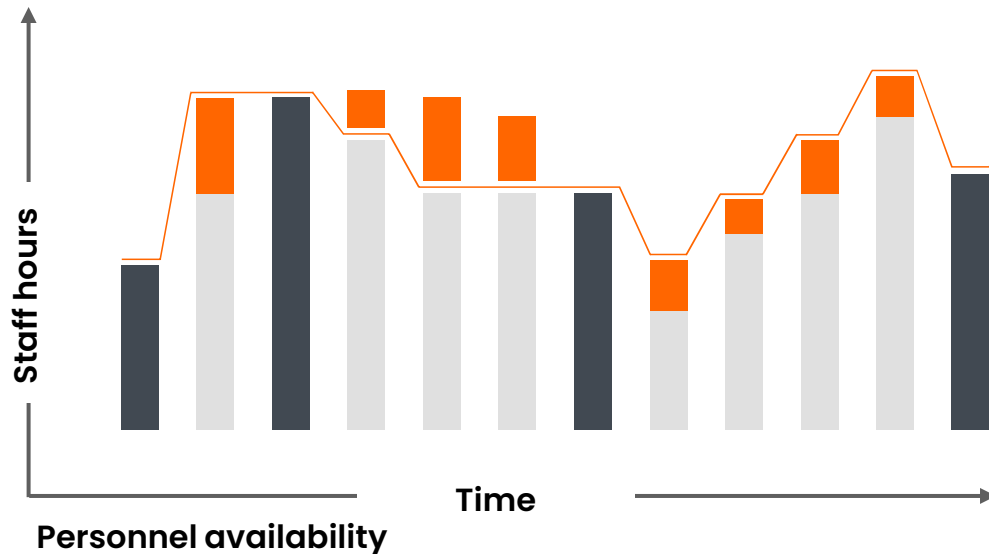
## Digital Workforce Management

### Current situation

Fluctuation in demand

Little flexibility and long response times

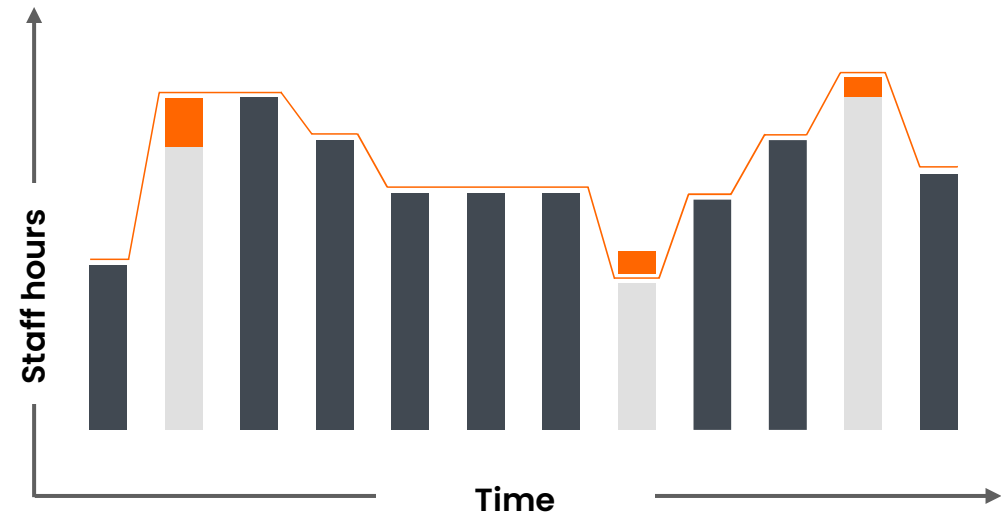
### OPTIMIZATION POTENTIAL



### Goal

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

### AFTER OPTIMIZATION

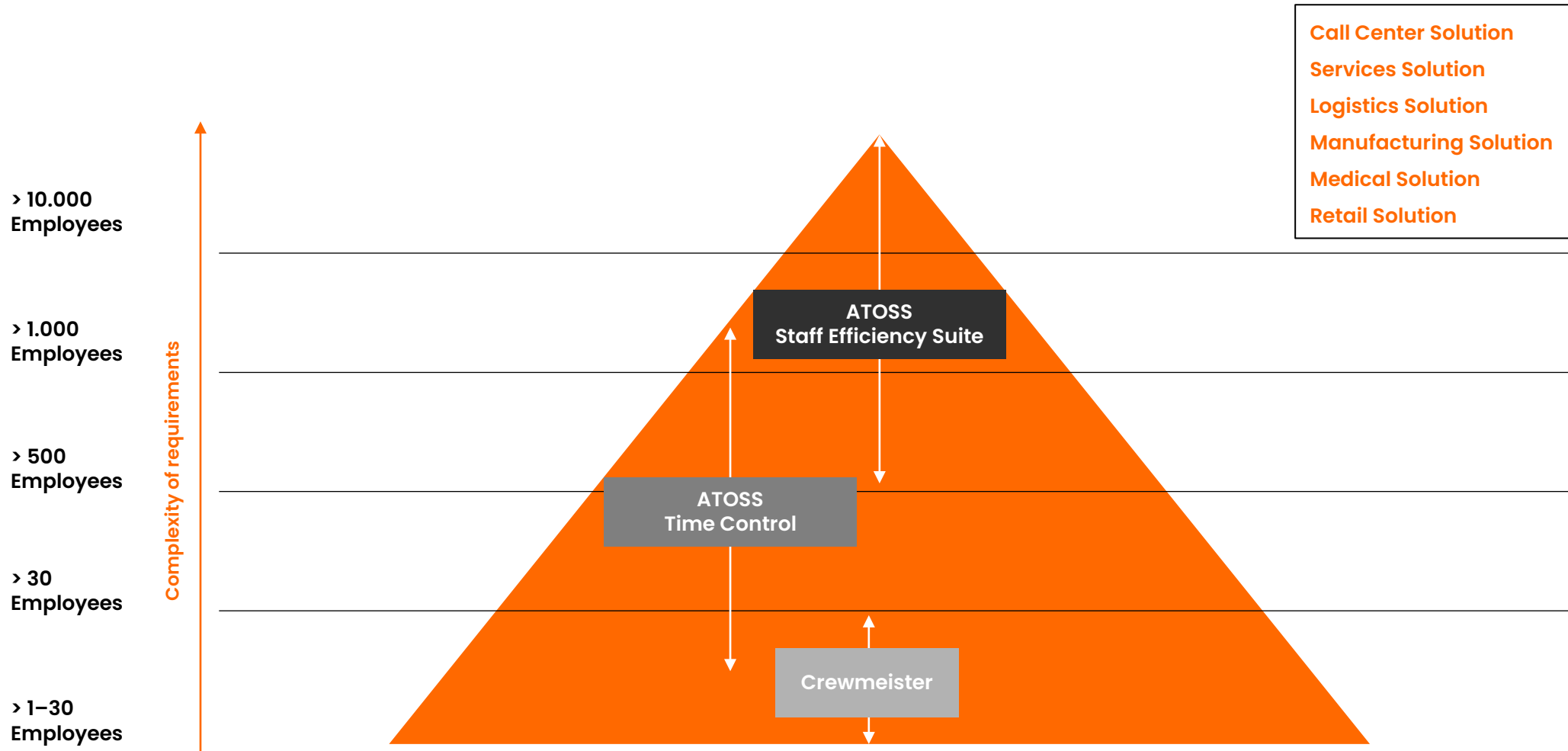


■ surplus/shortfall    ■ non-demand-optimized    ■ demand-optimized



# ATOSS Product Portfolio

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



A worker in a dark uniform and cap is holding a clear glass bottle in a factory setting. The worker is wearing a dark cap with a yellow light and a dark uniform with a yellow patch. The background is dark with blurred lights, suggesting a factory environment. The worker is looking at the camera with a slight smile.

# Financials & KPI's

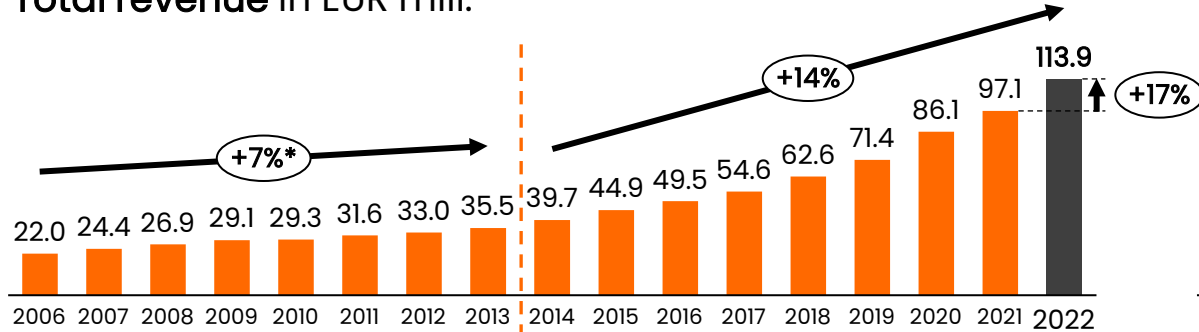
HEINZ-GLAS | Manufacturing

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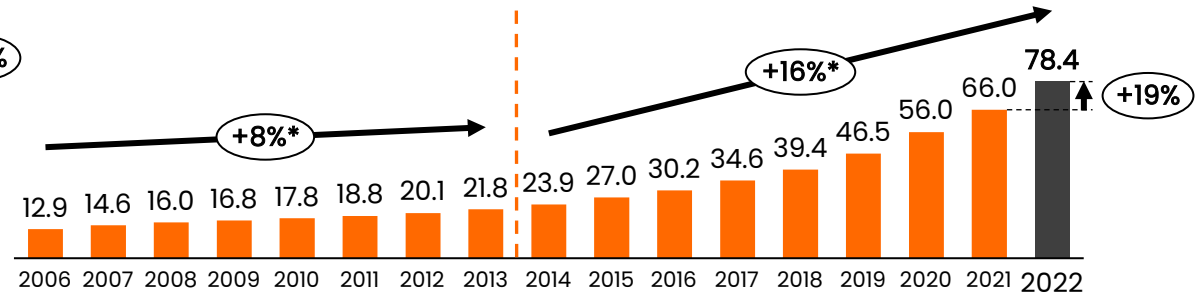
# ATOSS – 17th Record Year in Succession

## Running like Clockwork

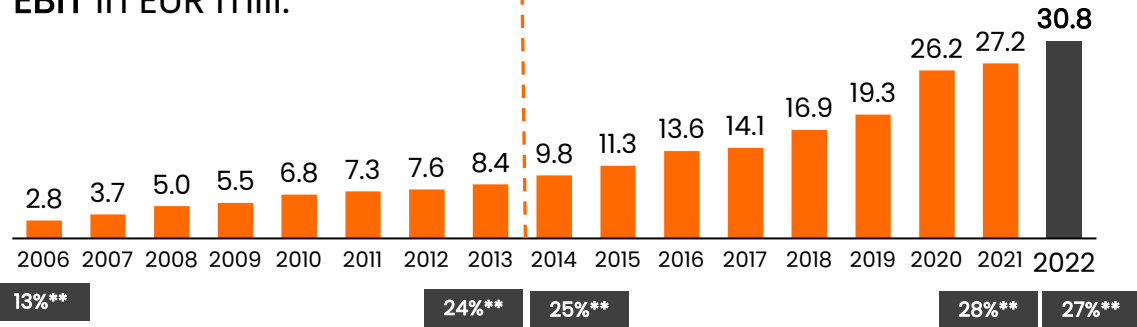
Total revenue in EUR mill.



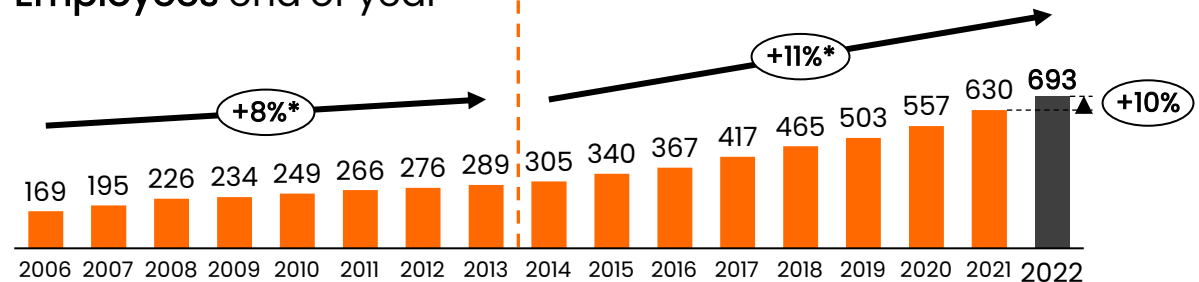
Software in EUR mill.



EBIT in EUR mill.



Employees end of year



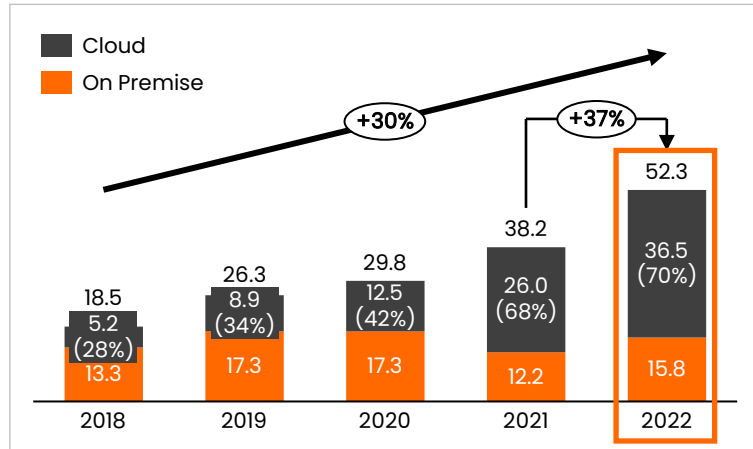
- Strong sales and continued positive earnings development
- Consistent ongoing investments in portfolio and technology
- Long-term security for our customers

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

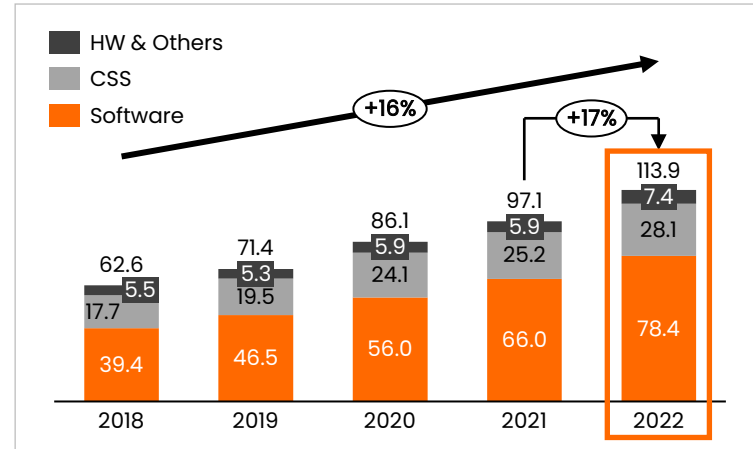
# Financial KPIs

## 17<sup>th</sup> Record in Succession

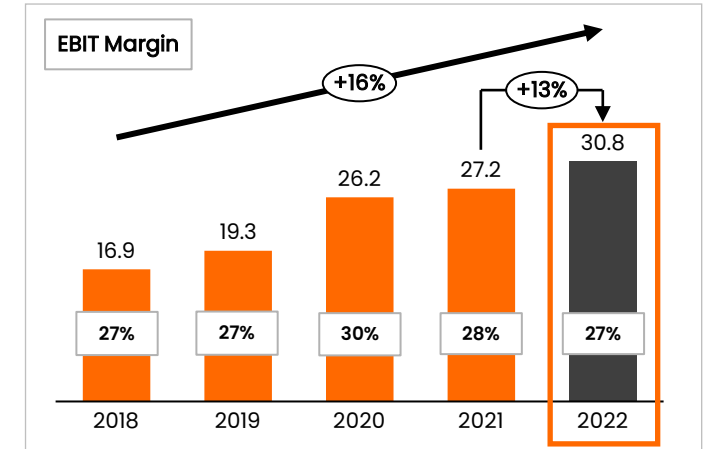
### Order intake



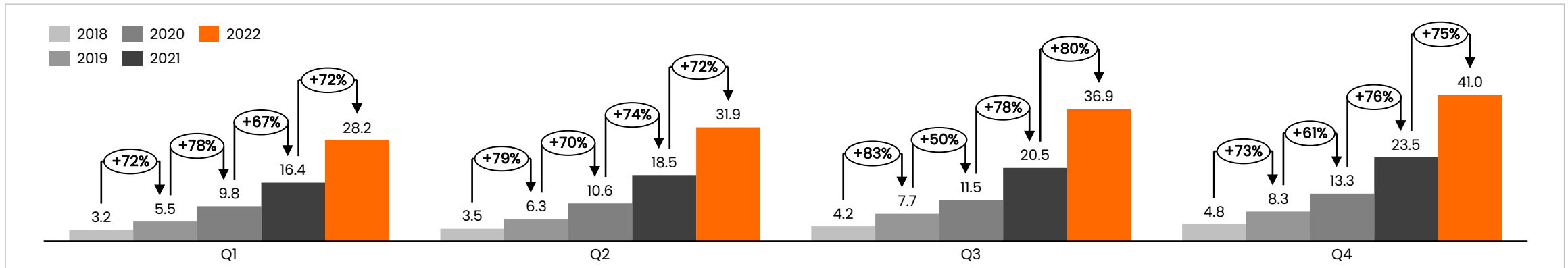
### Sales total



### EBIT



### Cloud ARR\*: Quarterly development

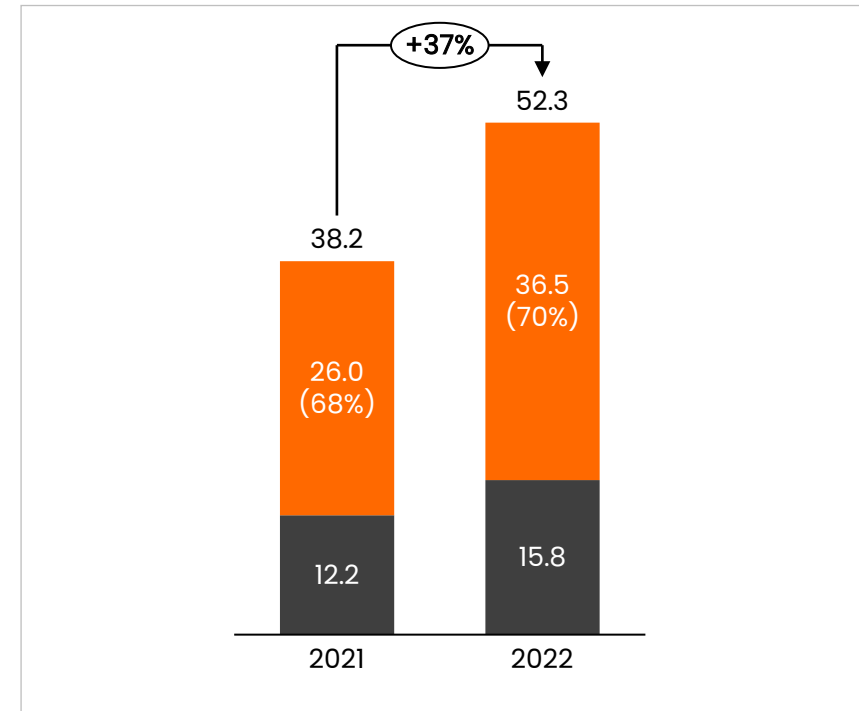
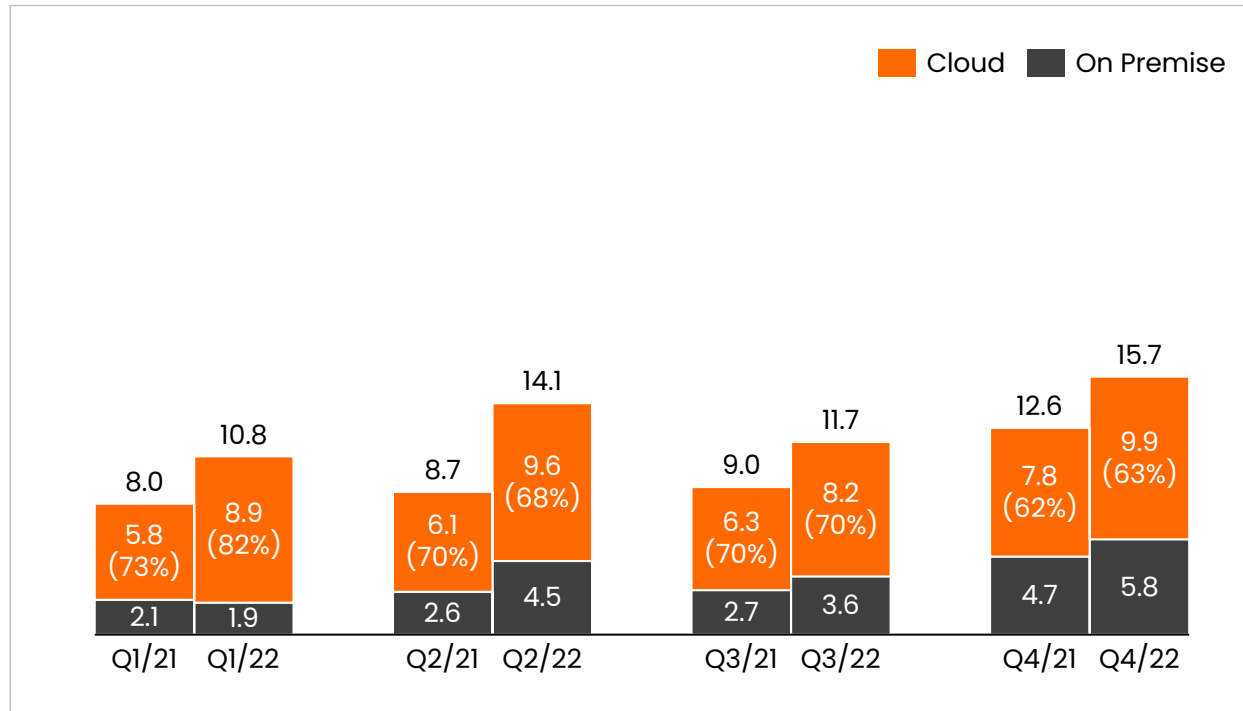


\*ARR (Annual Recurring Revenue) comprises the turnover generated by the company over the next 12 months on the basis of current monthly cloud usage fees applicable as of the qualifying date incl. Crewmeister

# ATOSS Order Situation

## FY 2022

### Share of Cloud<sup>1)</sup> in software order intake: in %



- Standard initial cloud contract duration: 48 months

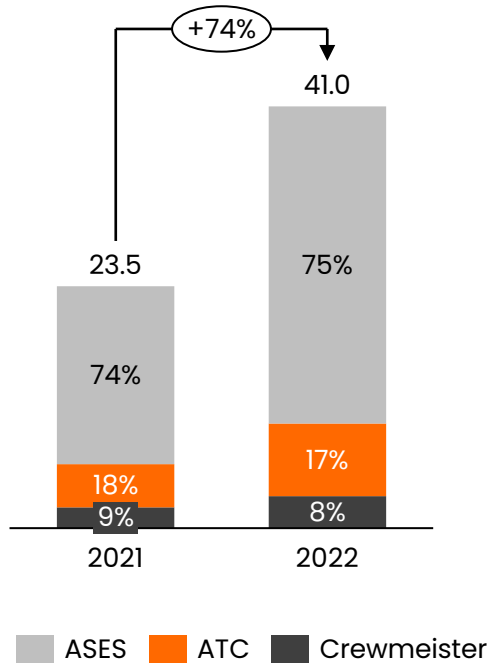
<sup>1)</sup> Cloud share of software order intake expressed as normalized value of licenses in cloud and on prem orders

<sup>2)</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 incl. Crewmeister I ARR Crewmeister: Q4 YTD 2022: 3.1 EUR mill. (Q4 YTD 2021: 2.0 EUR mill.)

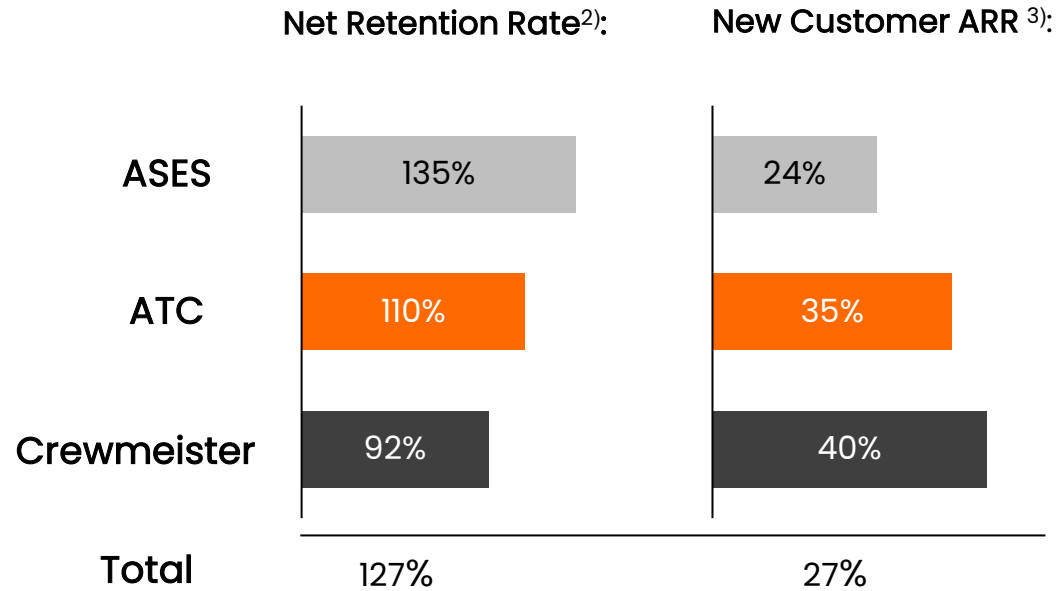
# ATOSS Cloud development by products

## FY 2022

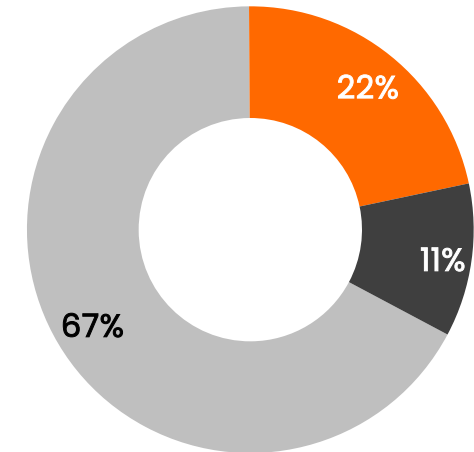
Cloud ARR<sup>1)</sup>: in EUR mill.



Cloud KPIs



New Customer ARR, by product:



Average Churnrate<sup>4)</sup>: ~1.5%

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

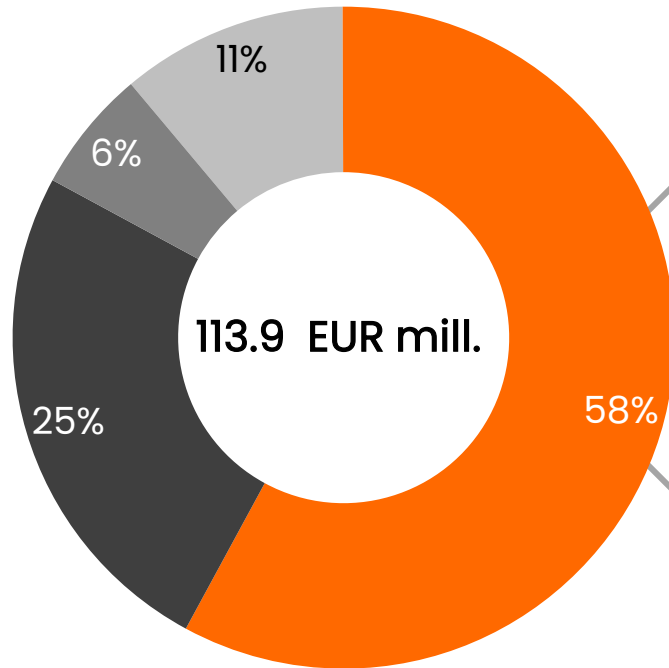
3) Share of New Customer ARR: revenues generated from new customers since Q4 PY – taking into account base, expansion, indexation and transfer of on-premise customers

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

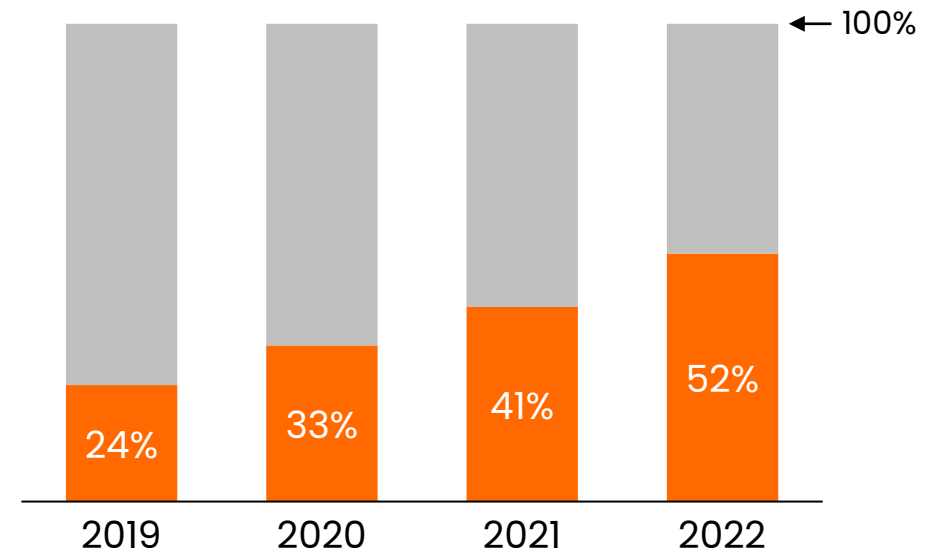
# Recurring revenue

## Revenue share FY 2022

Revenue share by type in %

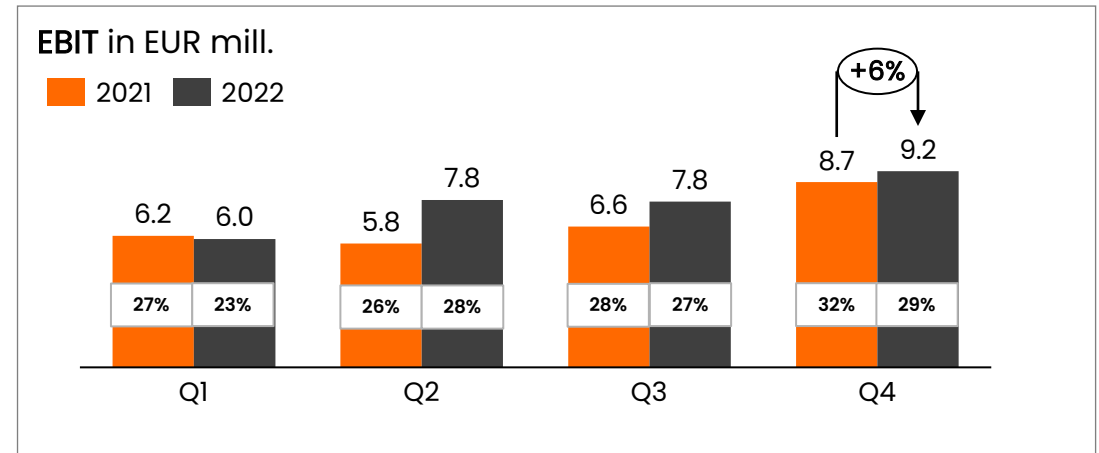
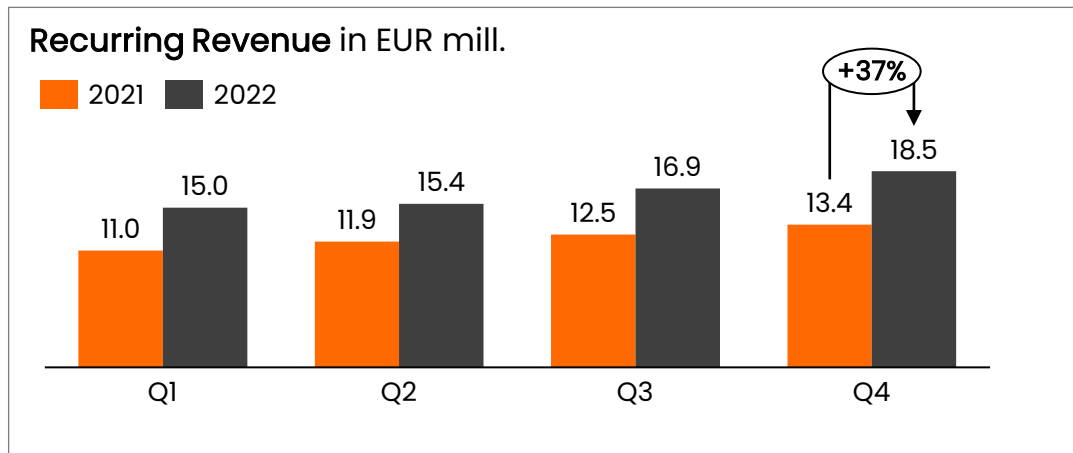
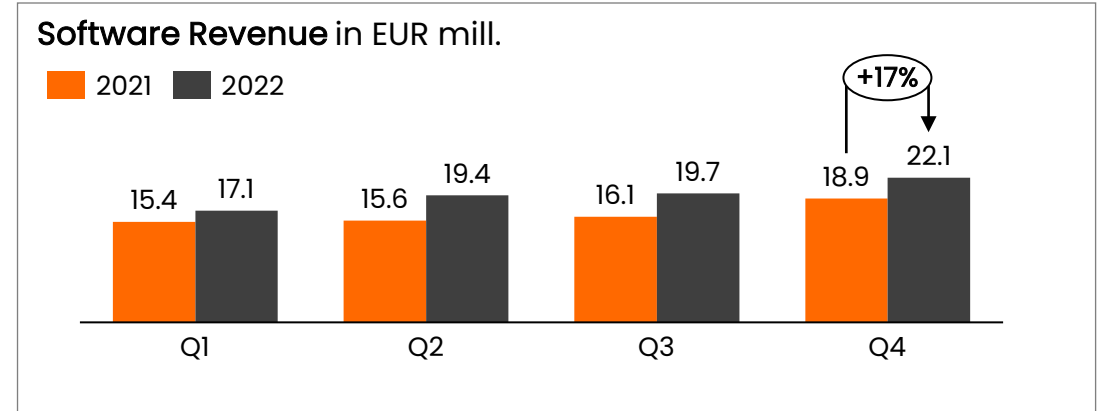
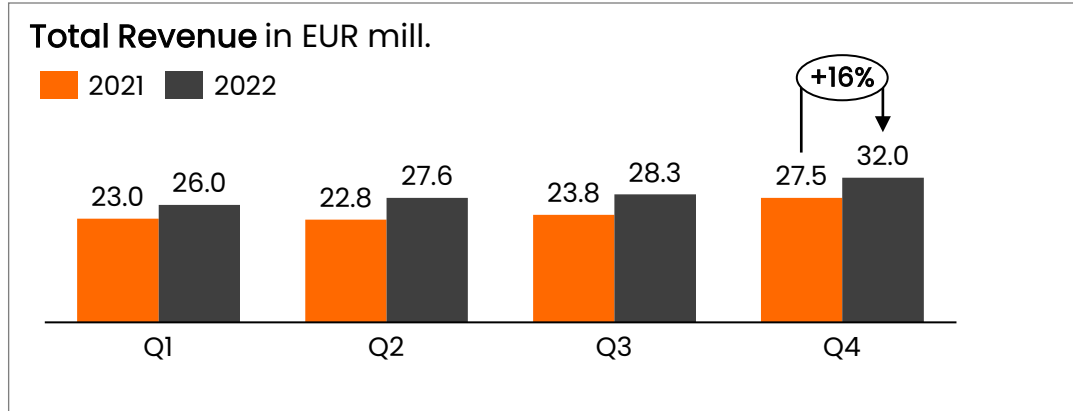


Share of Cloud & Subscription in recurring revenue in %



- Licenses
- Recurring revenue (Cloud & Subscription (30%); Maintenance (28%))
- CSS
- HW & Others

# Top Key Figures Q1-Q4 2022



- Ongoing expansion of the share of recurring revenues
- Strong EBIT margin of 27 percent



# Growth Strategy

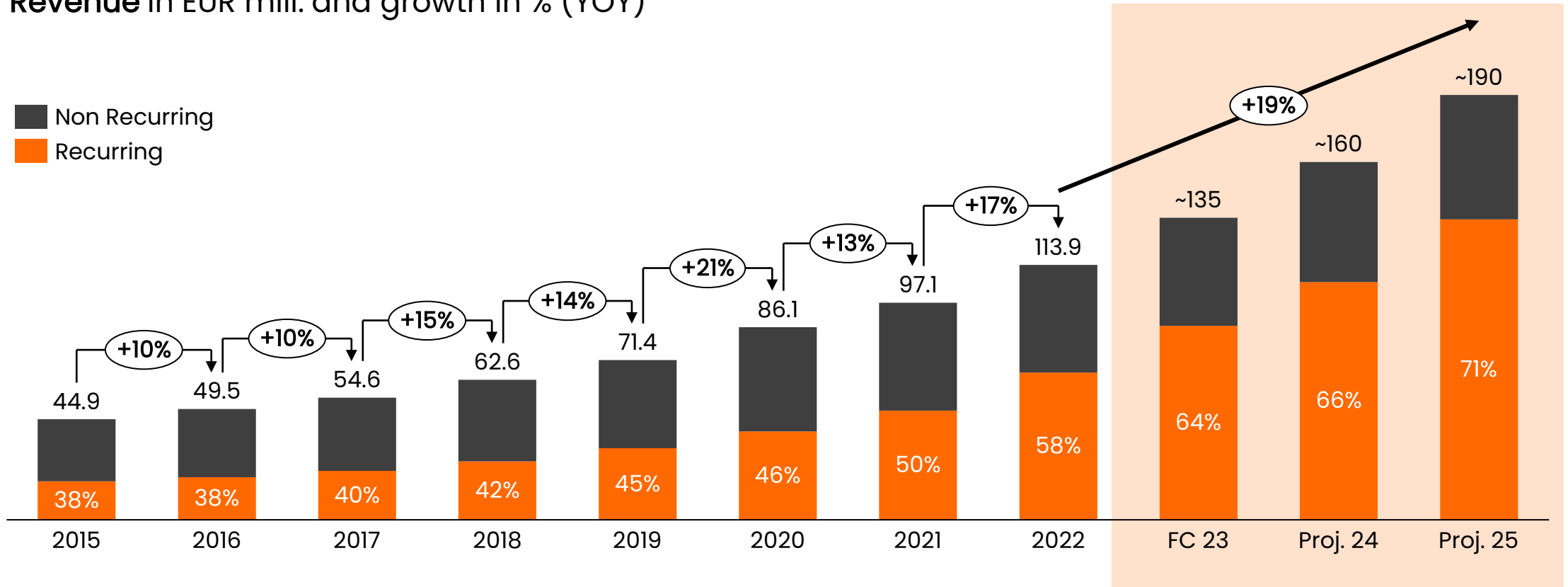
Digitec Galaxus | Retail

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# ATOSS Cloud Transformation

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

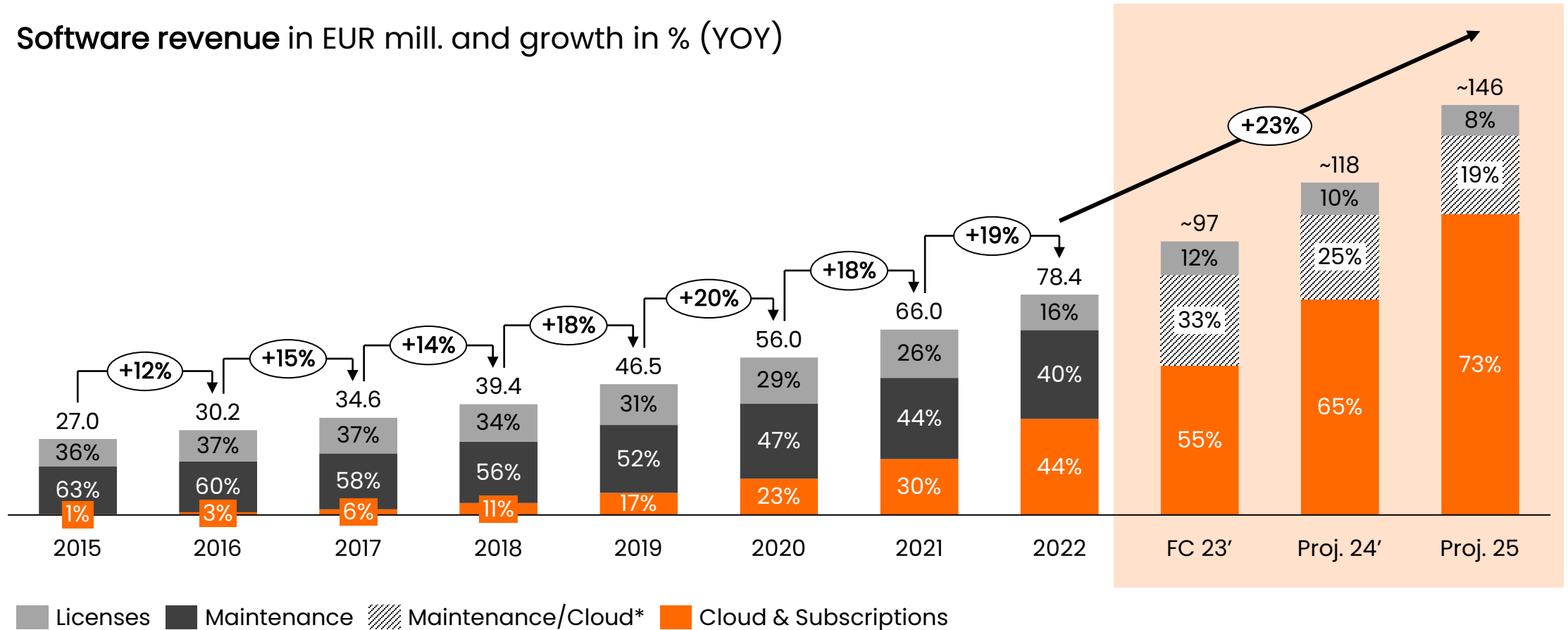
Revenue in EUR mill. and growth in % (YOY)



# 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**

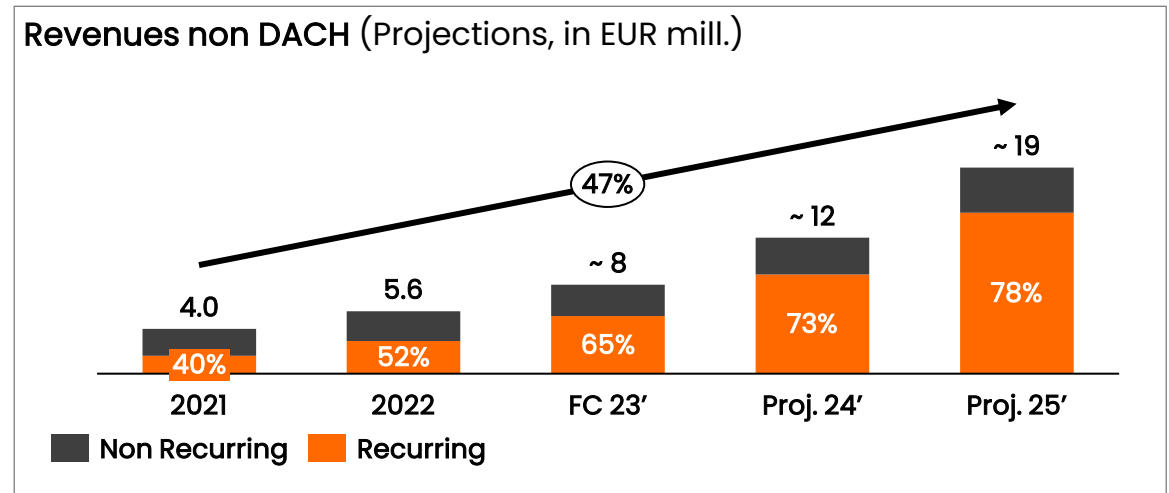
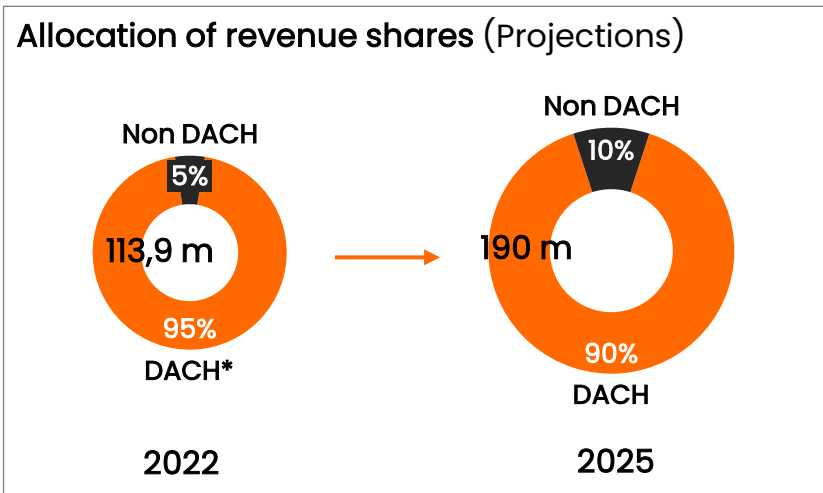
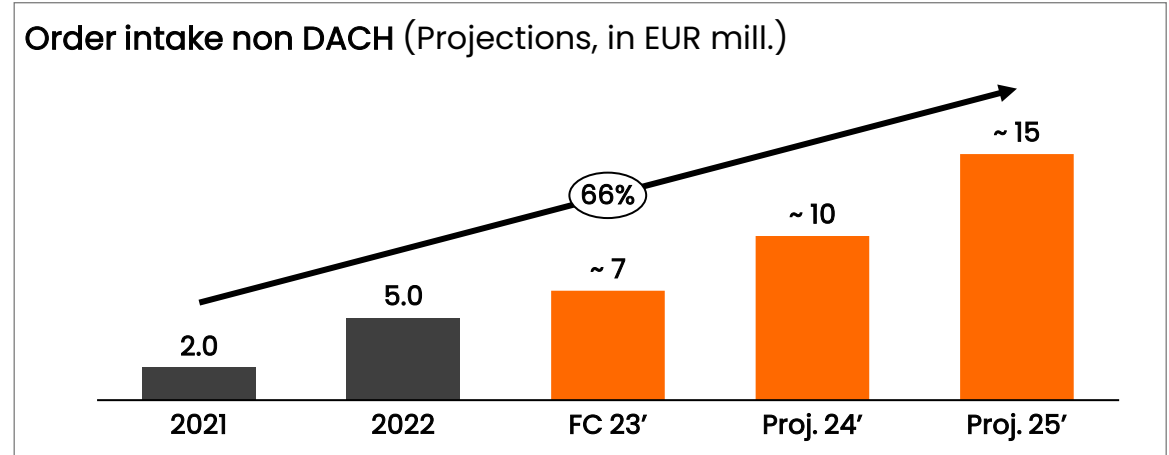
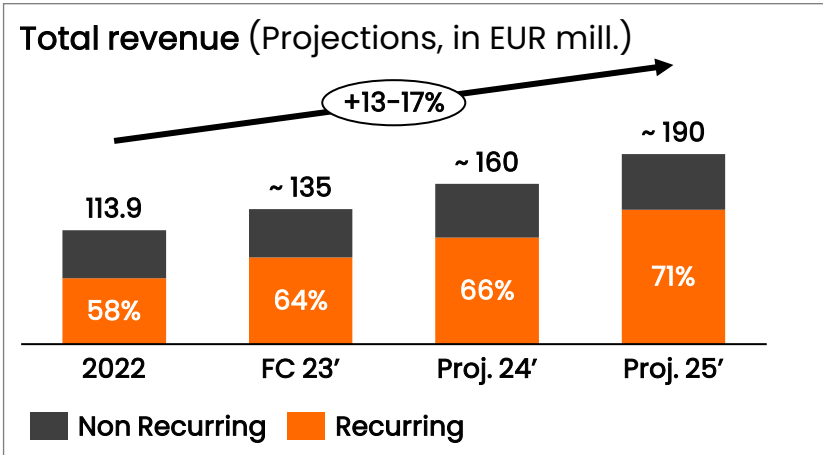
- **Expand regional sales & service hubs**
- **Expansion of international partner network**

As of 31.12.2022



# ATOSS Internationalization

Supporting overall growth strategy with expansion in non DACH countries



\*thereof Austria (6%) and Switzerland (5%)

# ATOSS – Growth Projections 2023 – 2025

## Strong Growth and Margins while building Recurring Revenue

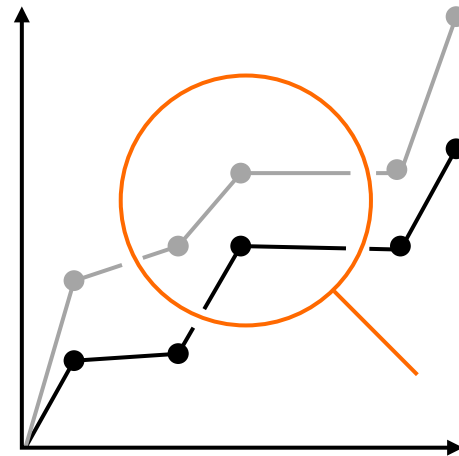
### Guidance 2023

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%**

**Thank You for Your Attention!**

# 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%



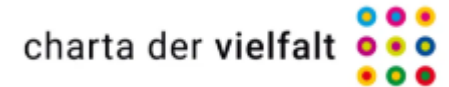
### “Continuous employee growth”

- 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



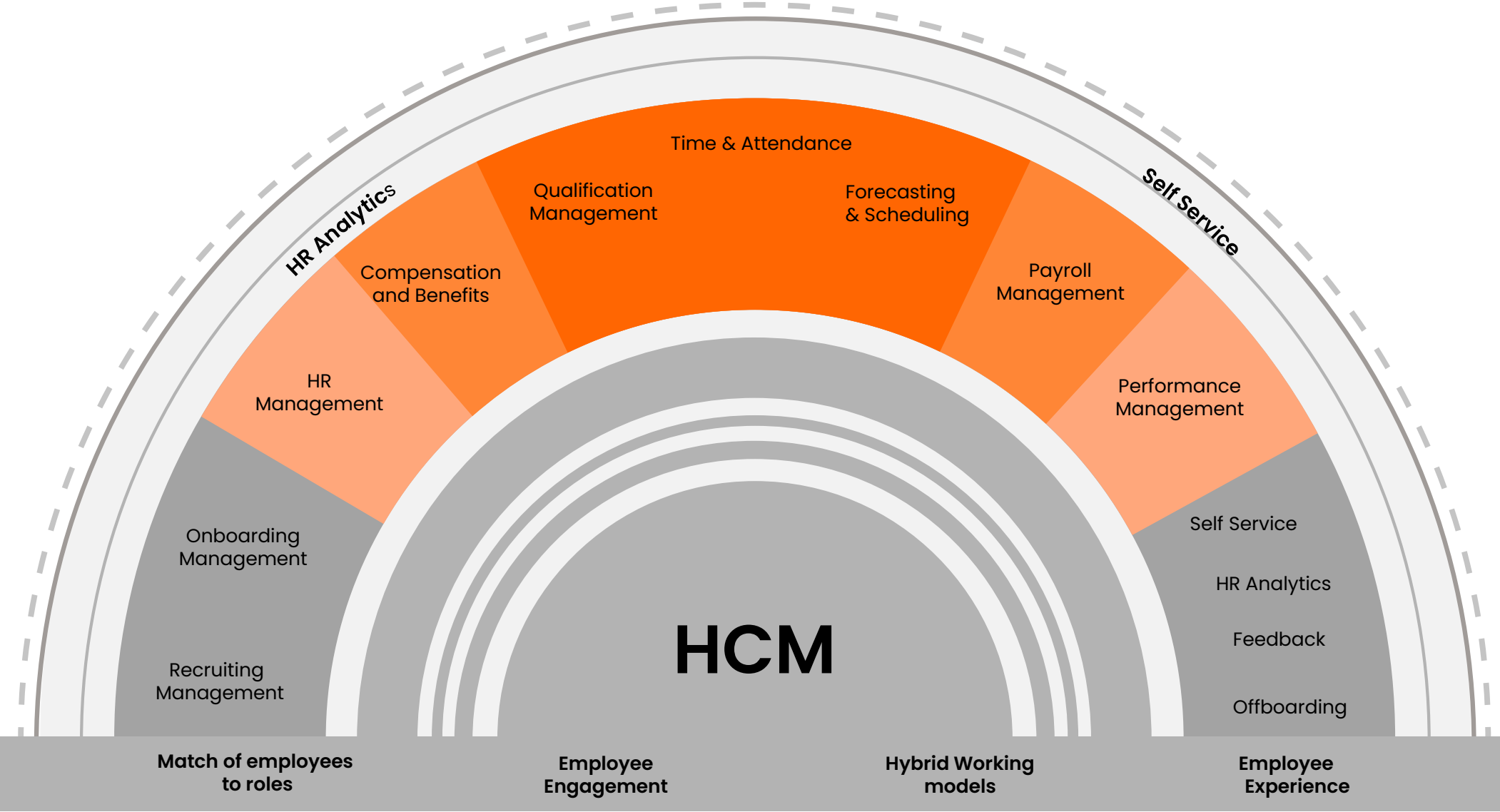
### “Individuality in Working Life – Employee Well-being in Focus”

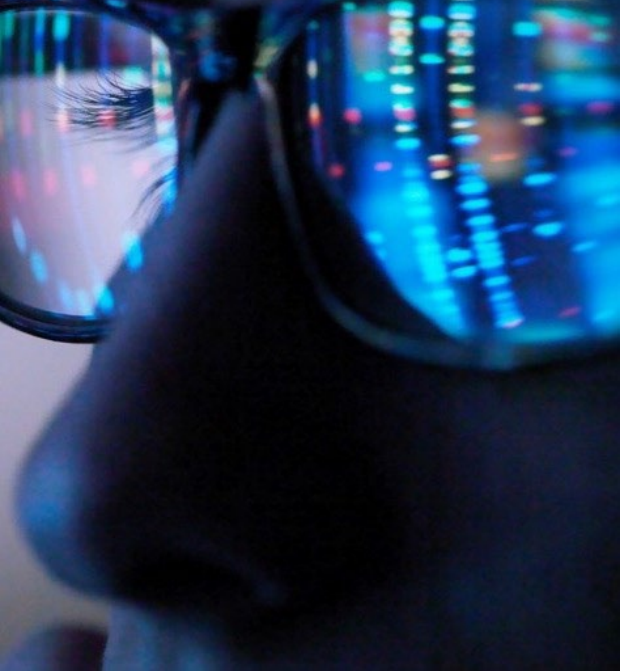
- Hybrid and flexible working model
- Sport offers and health management
- Team and after-work events



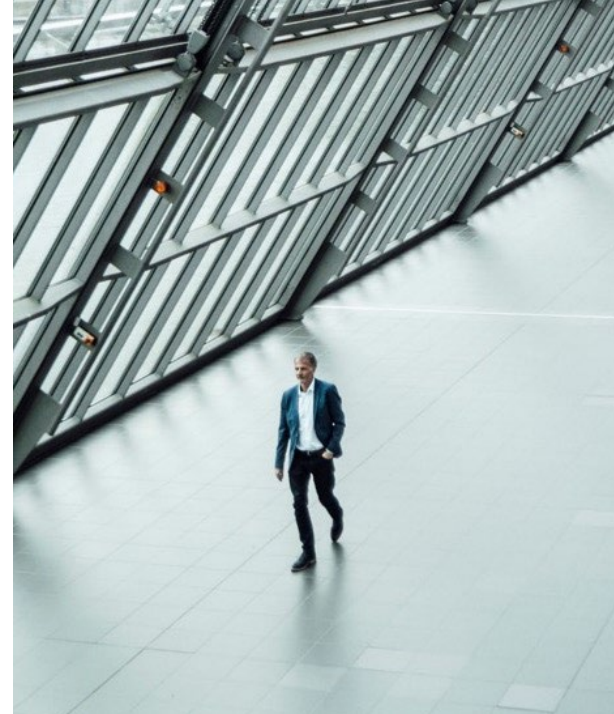
# Additional Attachments

# HCM Trends



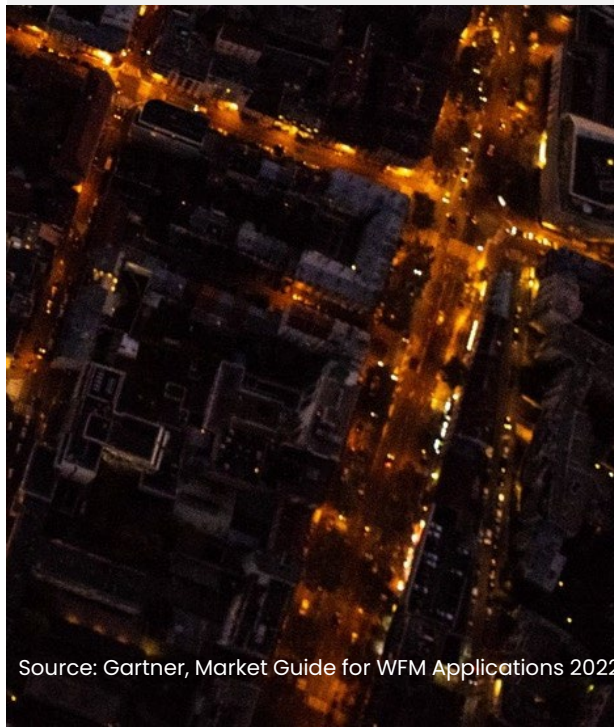


By 2023, at least 99% of new WFM application sales **will leverage cloud-based deployment models.**



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.**

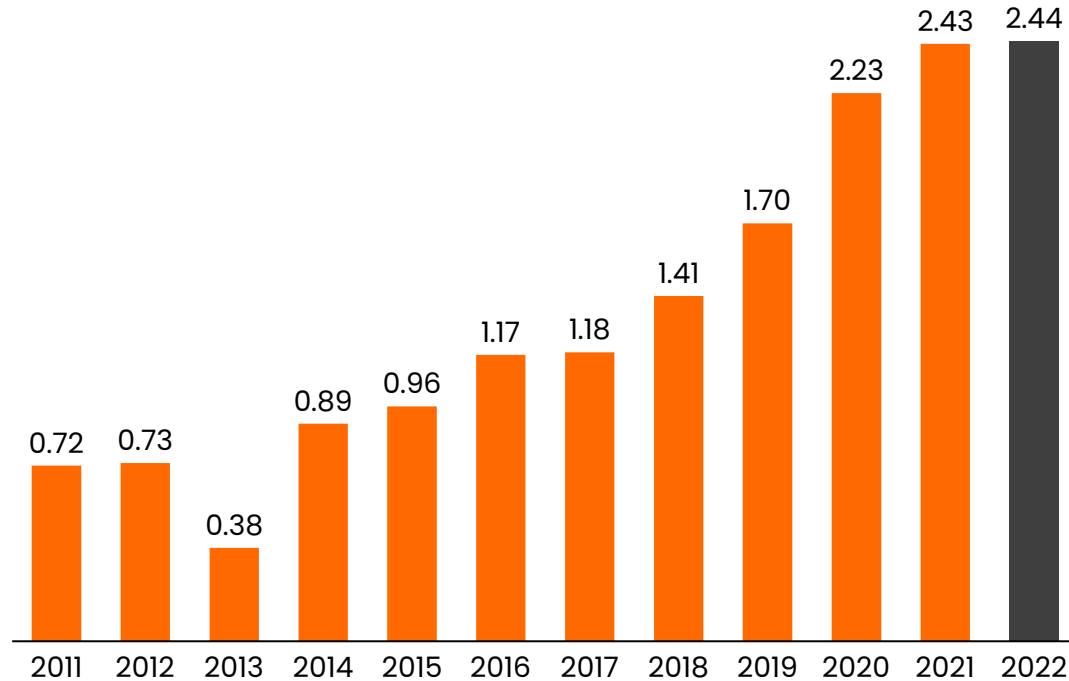




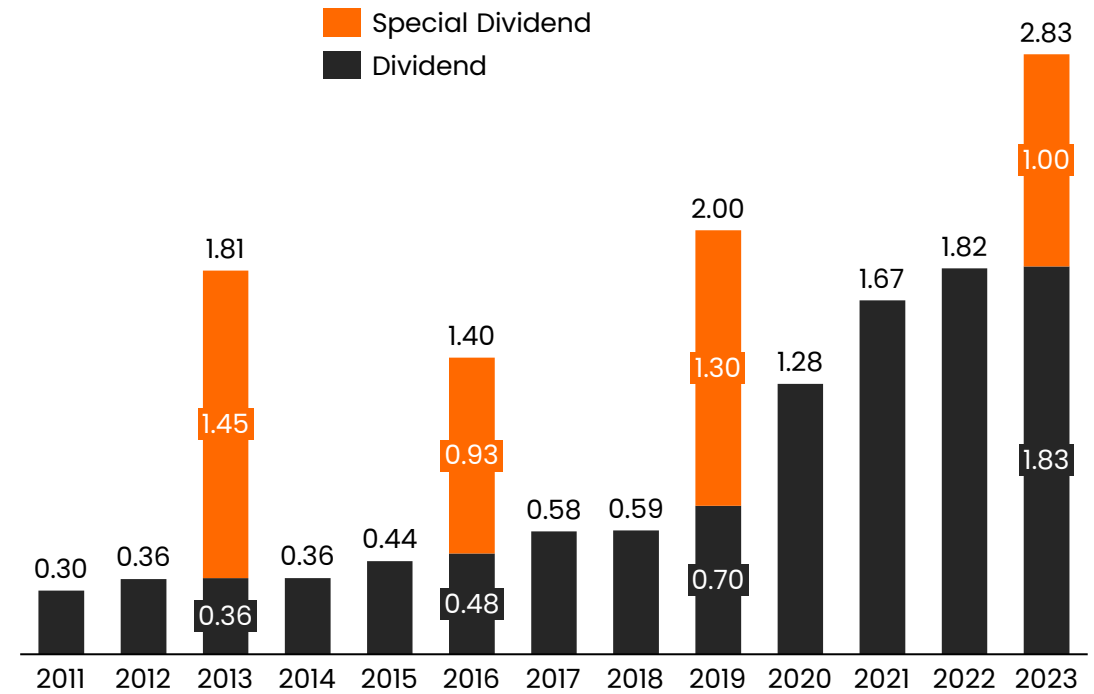
# The ATOSS Share

## Dividend Policy

EPS\* per 31. December in EUR



Dividend\* in EUR

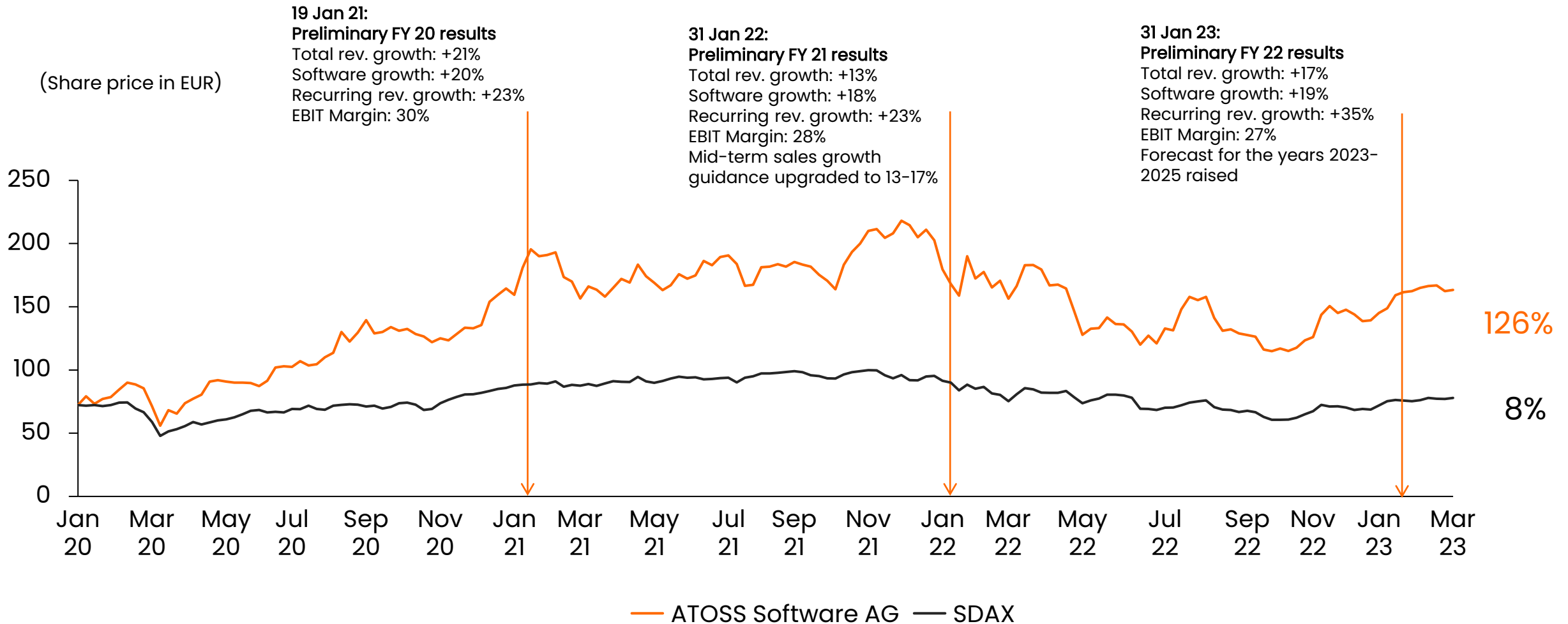


ATOSS stays true to its dividend policy with continuity to the previous year

\* 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 – 03/09/2023)

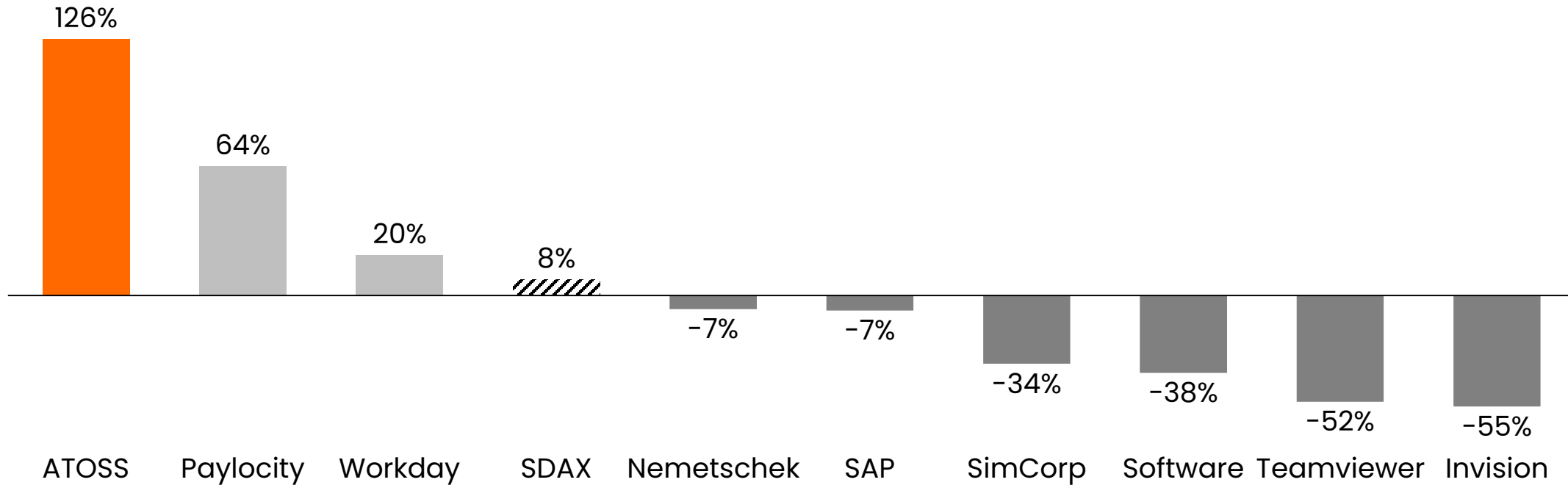


\*SDAX Index rebased on ATOSS' share price of EUR 72,25 as of 01/02/2020

# ATOSS Stock

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

Share price performance\* (01/2020 – 03/09/2023)



■ HCM Saas ■ European Software

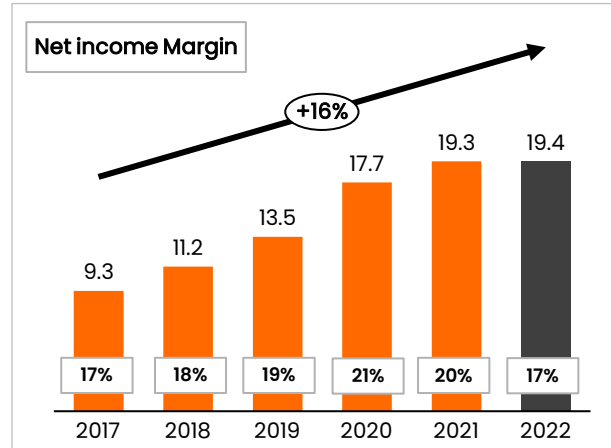
\* ATOSS, Nemetschek, Software, Teamviewer, SAP, Invision, SDAX: XETRA-Opening price 01/02/2020 and -Closing price 03/09/2023; Paylocity: Frankfurt Stock Exchange-Opening price 01/02/2020 and -Closing price 03/09/2023; Workday, Simcorp: Tradegate-Opening price 01/02/2020 and -Closing price 03/09/2023

# Financial KPIs

Financial strength excellent base for further growth

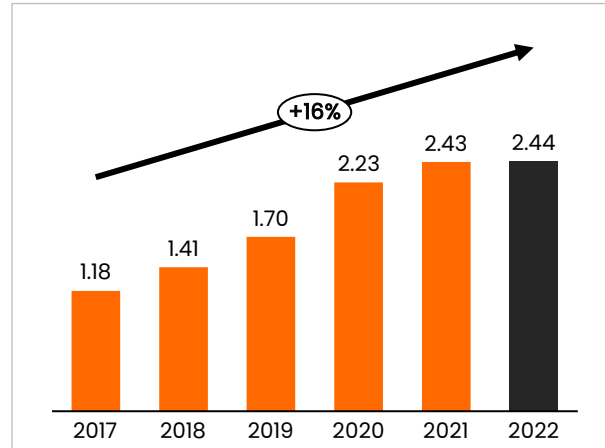
## Net Income

EUR mill.



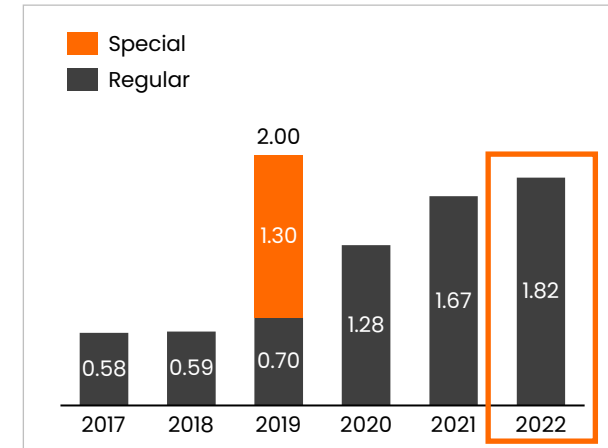
## EPS

EUR



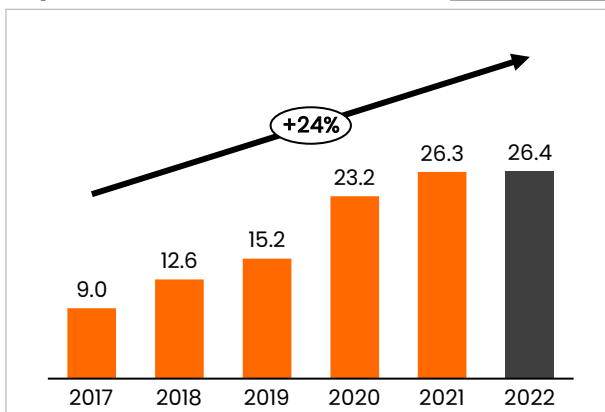
## Dividend per share

EUR



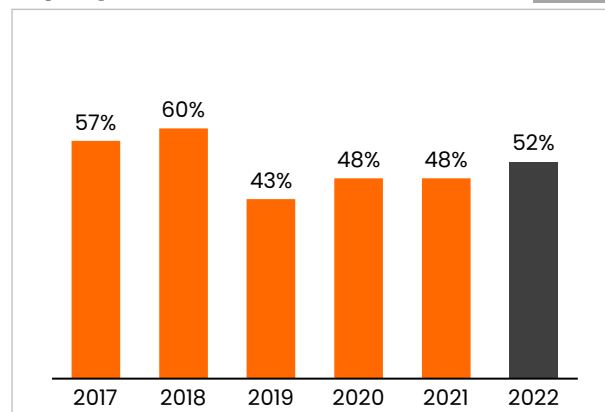
## Operational Cashflow

EUR mill.



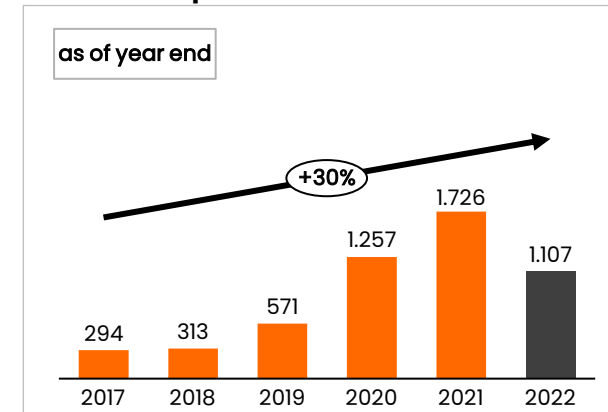
## Equity Ratio

%



## Market Capitalization

EUR mill.

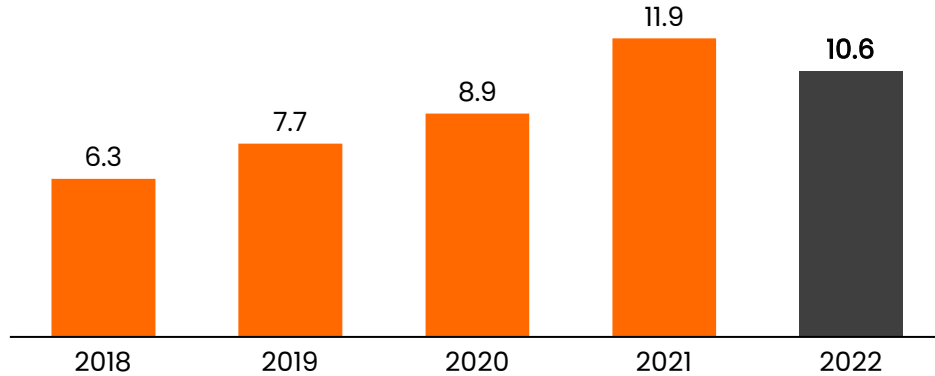


## Highlights

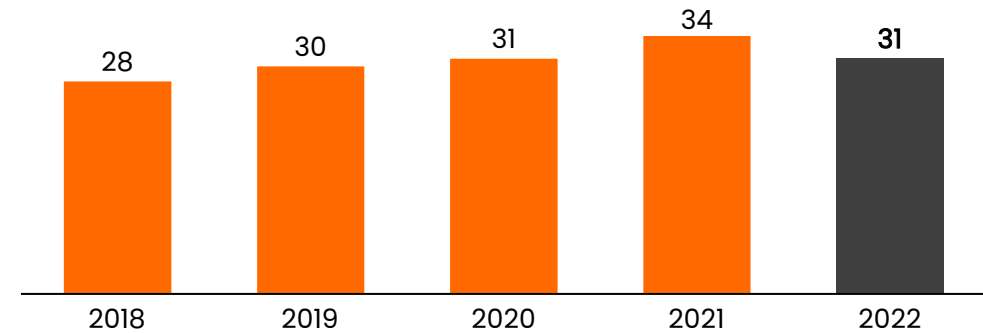
- **Strong EPS Performance:** EPS continuously increased
- **Market capitalization decreased to 1.1 EUR mill** (-36% vs. PY) due to the global economic recession and declined stock markets
- ATOSS stays true to its **dividend policy with continuity to the previous year**

# Benchmark for Customer Satisfaction and Stability

Receivables in EUR mill.

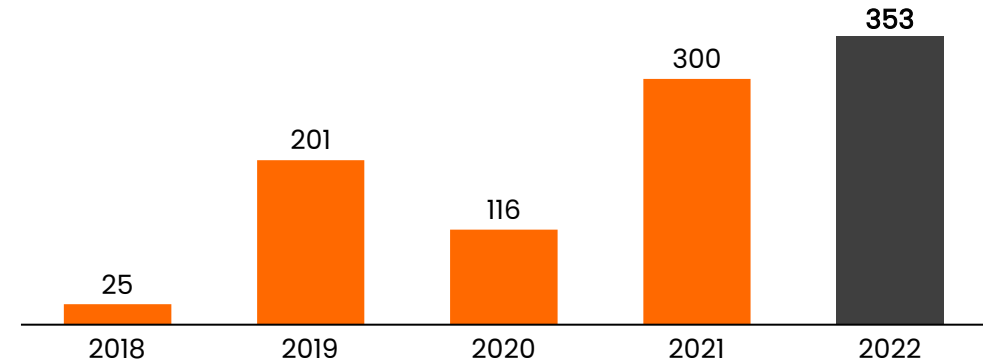


Collection period in days\*



- 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

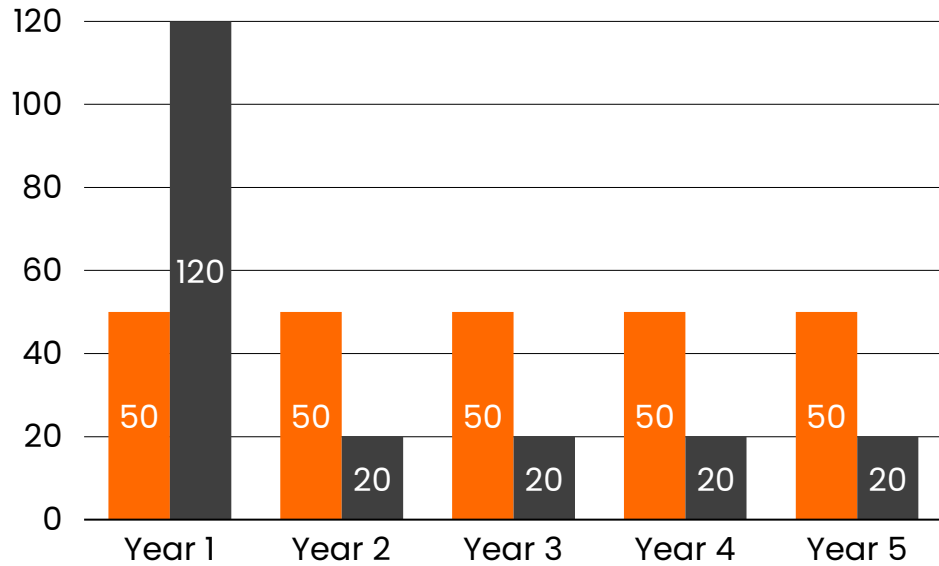


\* Collection period = (average net receivables x 365)/revenues

# On Premise vs. Cloud Model

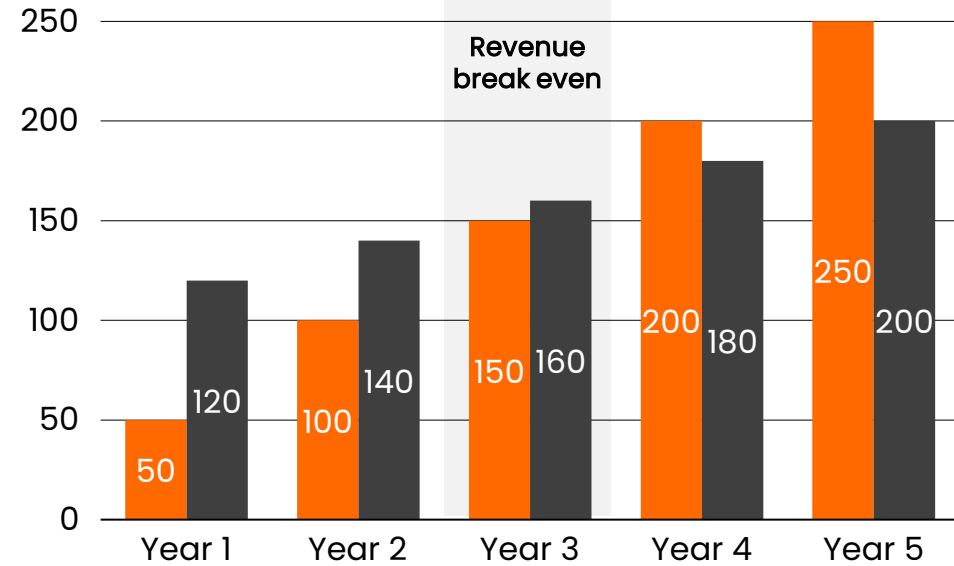
## Revenue/Payment scheme

Cloud vs. On Premise



Cloud (Saas) On Premise

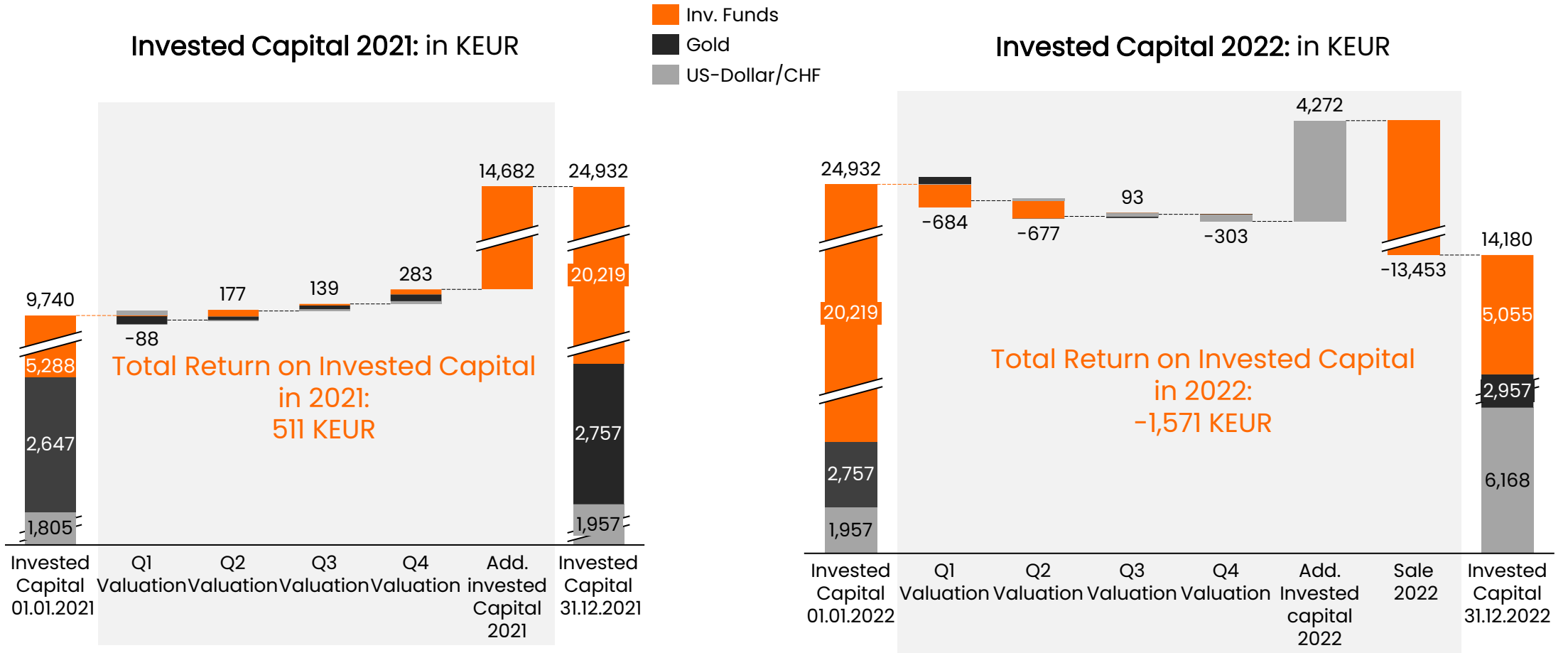
Cloud vs. On Premise (accumulated)



Cloud (Saas) On Premise

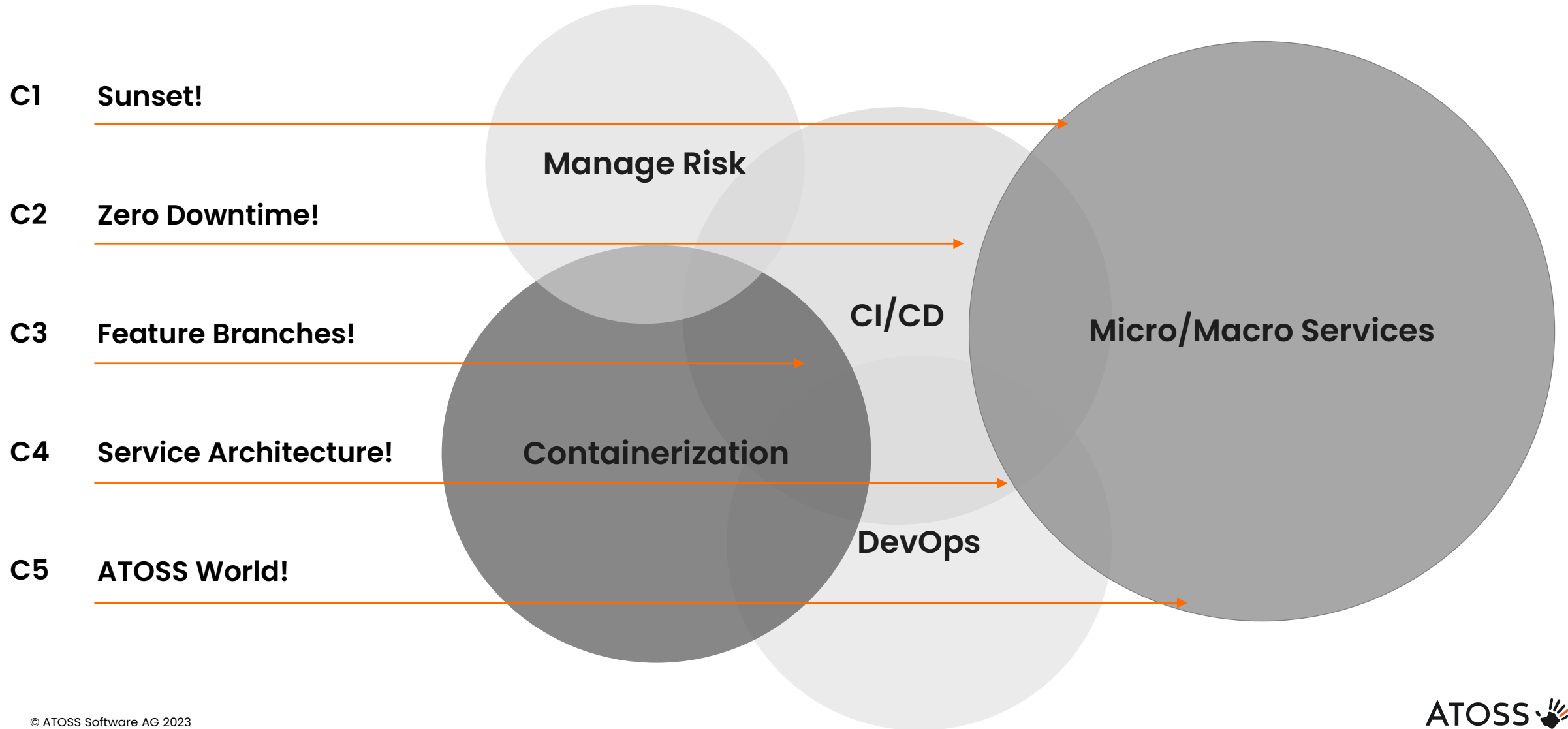
- Cloud Services lead to Service Optimization & Cost Savings for ATOSS Customers
- Service Optimization & Cost Savings allow for increased accumulated revenues after 3.5 years

# Financial Investments Development



- Persistently impressive cash position through high cash and cash equivalents (fixed term deposits, cash at banks) (31.12.2022): KEUR 30,820 (31.12.2021: KEUR 20,452)
- **Liquidity** in total (31.12.2022): KEUR 56,827 (31.12.2021: KEUR 50,360)

# Cloud Transformation – Technical Approach





# Comprehensive Workforce Management

6 steps for success

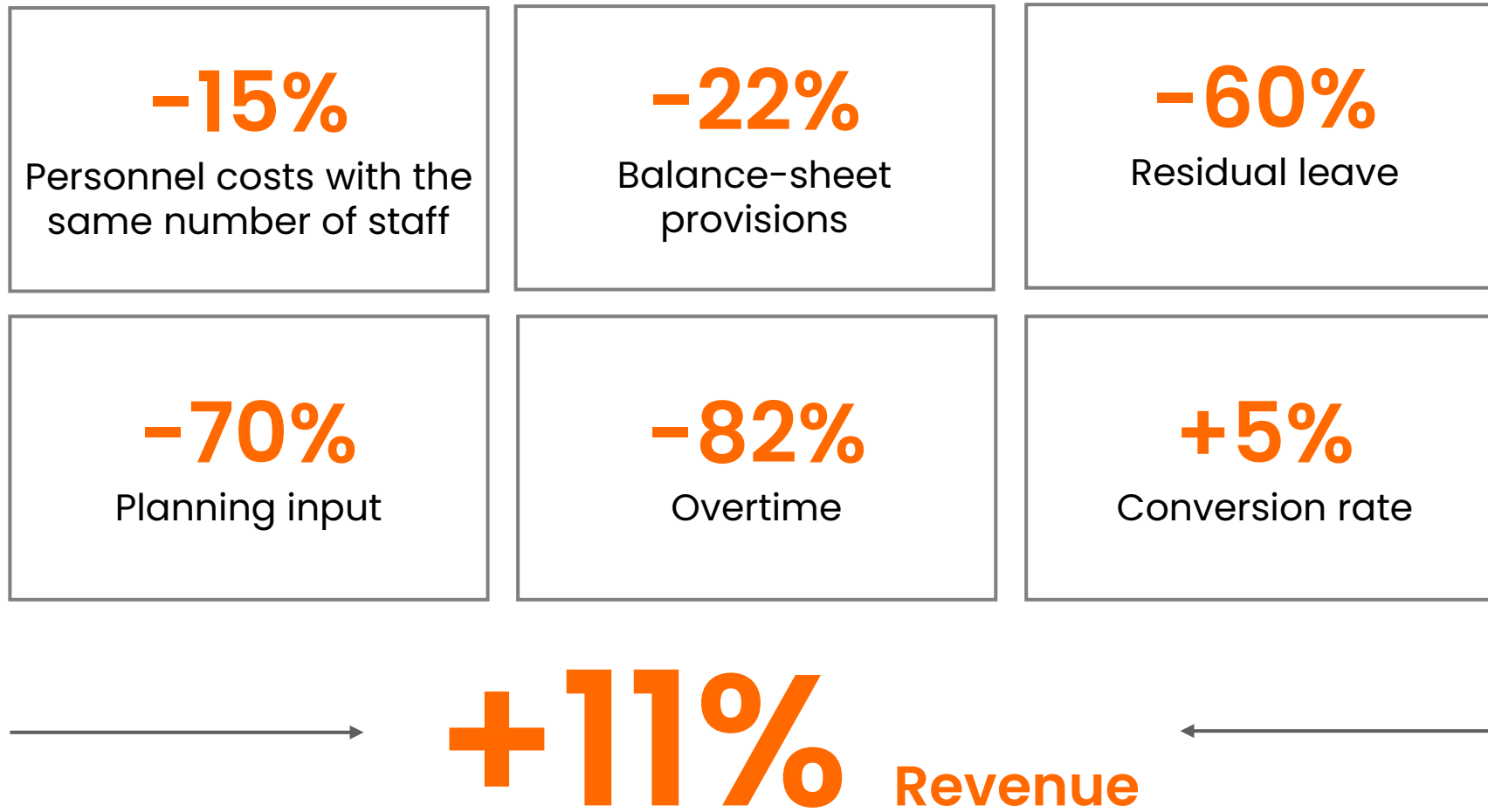


Flexibilisation of working time

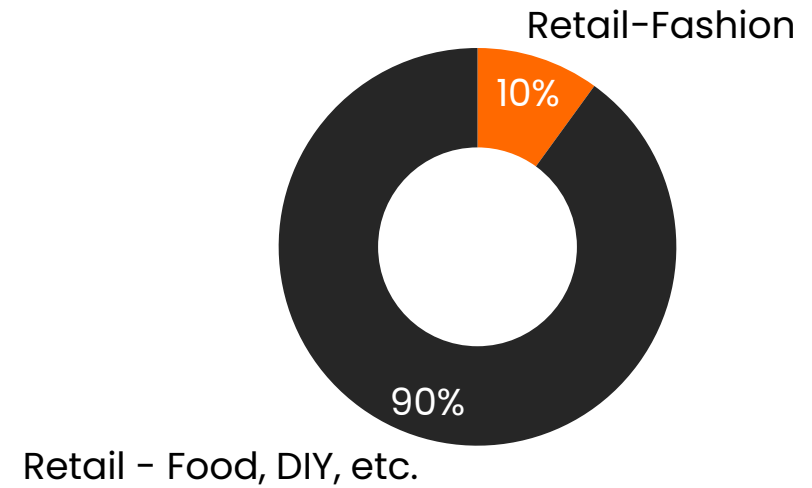
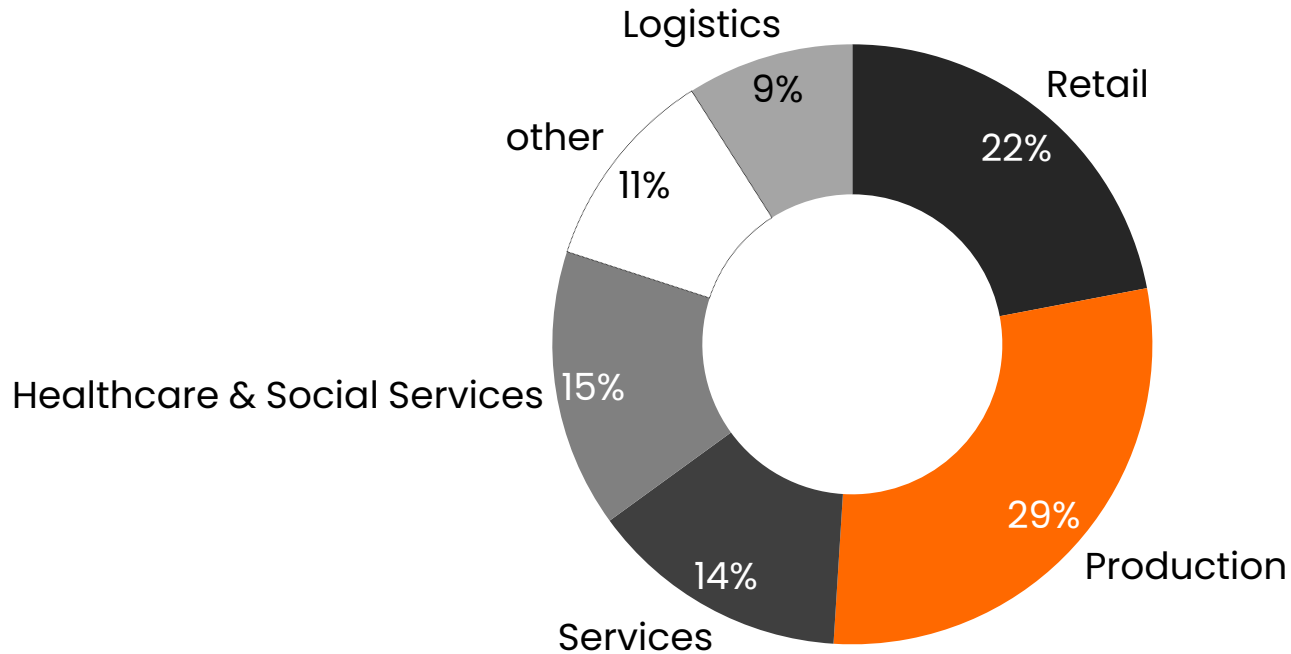


# Effects generated from ATOSS Projects

## Cross-industry



# ATOSS Sales by Segment\*



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

\* FY 2022/revenues

# ATOSS Full Range Strategy

## Crewmeister continues successful development



### Highlights

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

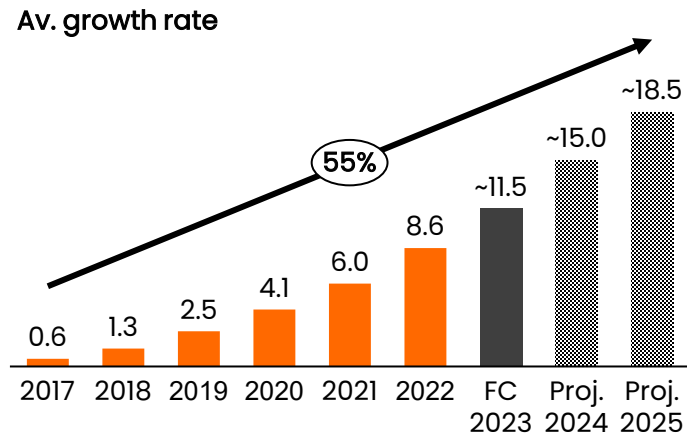
### Key metrics

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

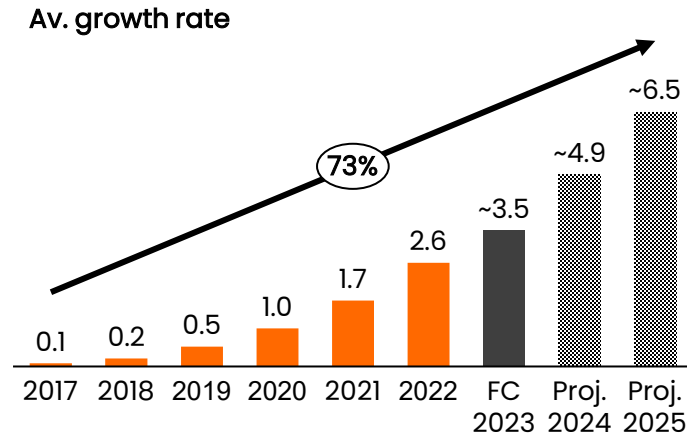
### Outlook 2025

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

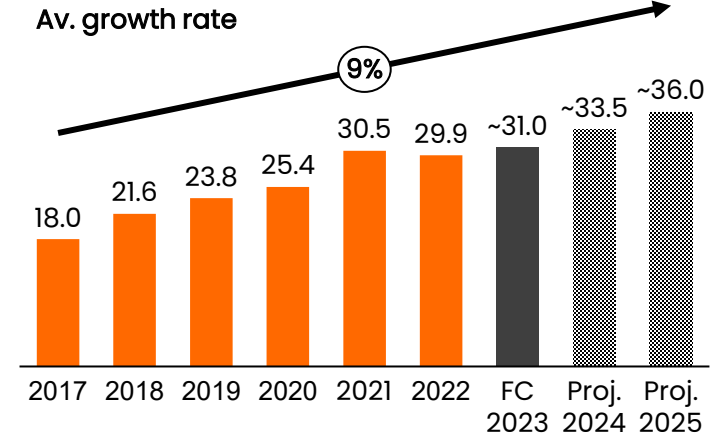
### Customer Development (K)



### Sales Development (MEUR)



### MRR/Customer Ratio (EUR)\*\*\*\*



\* **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 31<sup>st</sup> of December each year



# 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 2023**