

# ALLGEIER

Investor Presentation

Warburg Highlights 2022 – Hamburg

June 24, 2022



# Agenda

## **Allgeier at a glance**

Market trends

Business overview

Group financials

Value creation highlights



# Allgeier is a software and IT services company specialized in the digitization of mission-critical enterprise processes



Allgeier is a proven specialist in the **digitization** of **business models**



**€403m** Revenue 2021<sup>e1</sup>

**11%** Adj. EBITDA margin 2021<sup>1,3</sup>

**30%** Adj. EBITDA CAGR<sup>1,2,3</sup> (2018-2021)



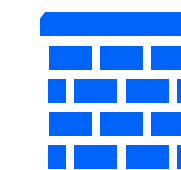
Broad and stable customer base of **large enterprises, medium-sized companies & public sector clients**



**Key growth & future sectors** such as e-commerce, cloud, cyber security & open-source software development



**>3,000** highly skilled employees<sup>4</sup> & **>1,000** freelance IT & software experts<sup>4</sup>



**Buy & build track record** with 80+ value-adding acquisitions<sup>1</sup>

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# Allgeier is driven by major software & IT services market trends and the huge demand for digital transformation



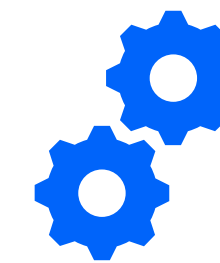
German IT & software services market<sup>1</sup>

**€68.6bn 2021**



Investment in the digitization of public administration in Germany<sup>3</sup>

**>€3.3bn 2021/2022**



Global spending on digital transformation technology & services<sup>5</sup>

**\$1,800bn 2022**



Global IT & software services market<sup>2</sup>

**8% CAGR 2021-26**



Global cyber security market<sup>4</sup>

**12% CAGR 2021-28**  
**▶ \$366bn 2028**



Global e-commerce market<sup>6</sup>

**6.1% CAGR 2021-25**  
**▶ \$3,400bn 2025**

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**Allgeier organizes its software & IT services in two segments with strong & well-established brands**



**Enterprise IT**



**mgm  
technology partners**

# Enterprise IT is specialized in large digital transformation projects with recurring nature at the core of the customers' operations



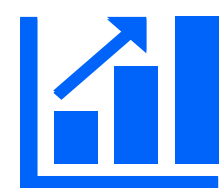
Full-range IT solutions & software services provider for customers' **mission-critical digitization processes**



Focused on large IT & software **projects** for **digital transformation**, long-term **managed services** & **proprietary software solutions**



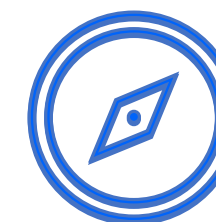
- Open-source/E-government
- Cyber security
- Cloud
- E-commerce
- ERP & ECM



**€308m** Revenue 2021<sup>1</sup>  
**€31m** Adj. EBITDA 2021<sup>1,2</sup>



**>2,000** IT & software specialists<sup>1</sup>  
**>600** freelance IT experts<sup>1</sup>



**19** locations in Germany<sup>1</sup>  
**7** locations in Austria, Switzerland, USA & India<sup>1</sup>

<sup>1</sup>Based on segment financials according to IFRS as of December 31, 2021

<sup>2</sup>Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating units w/o holding company costs



## Enterprise IT has a broad base of enterprise, Mittelstand & public customers ...

### Customer story Vodafone Project OneDMS:

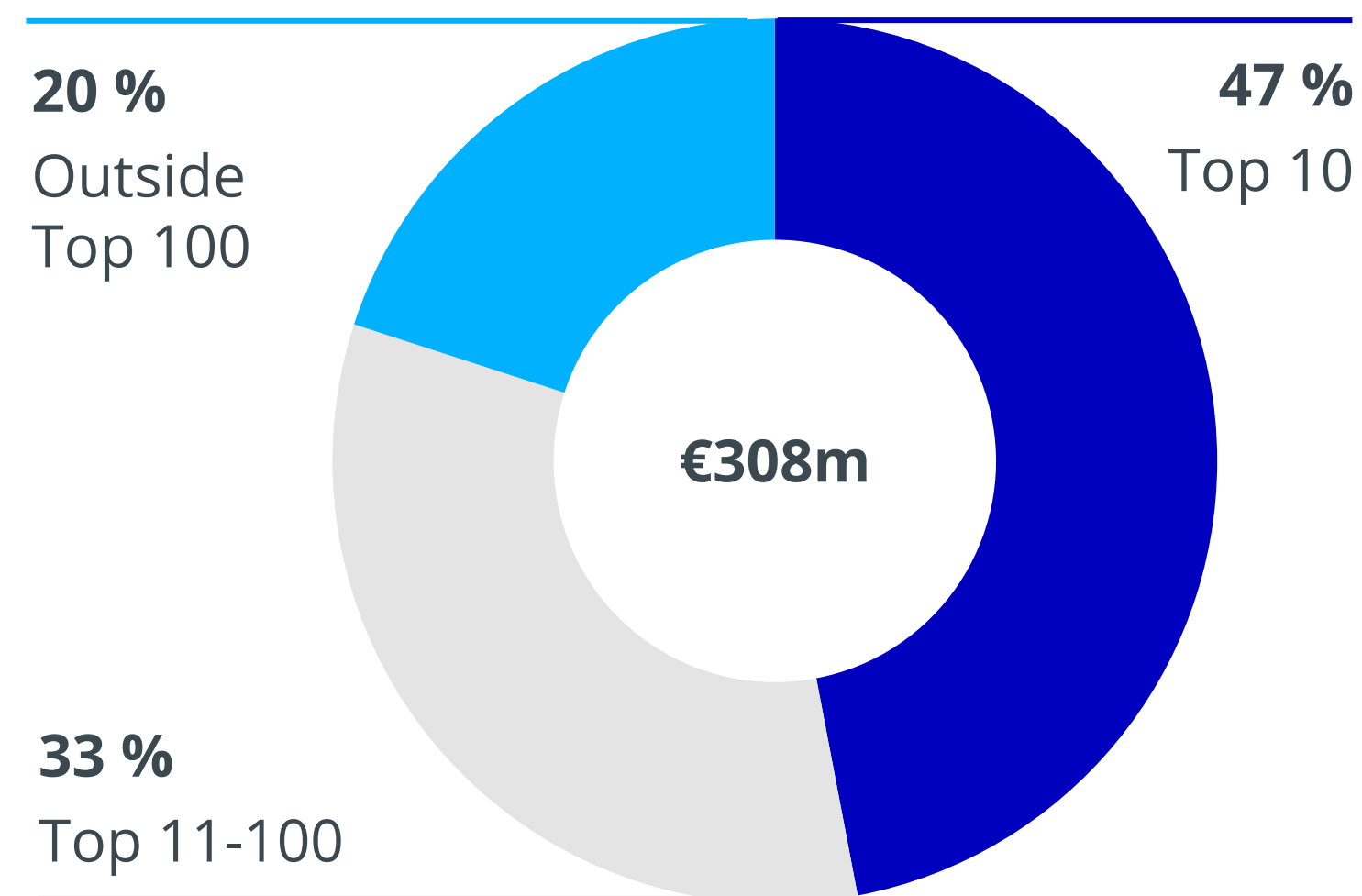
- Building a central document collaboration platform for Vodafone in Germany and other countries as well as subsidiaries of Vodafone
- Migration of >4.5bn documents accessible by 4,500 users
- Technical basis is our proprietary DMS software that got highly customized for the specific Vodafone requirements, all architecture and software engineering is done by us
- The project is ongoing for 4 years and with a deployment of over 14,000 person days so far
- Our revenue from the project comprises of T&M & license fees

### Selected clients

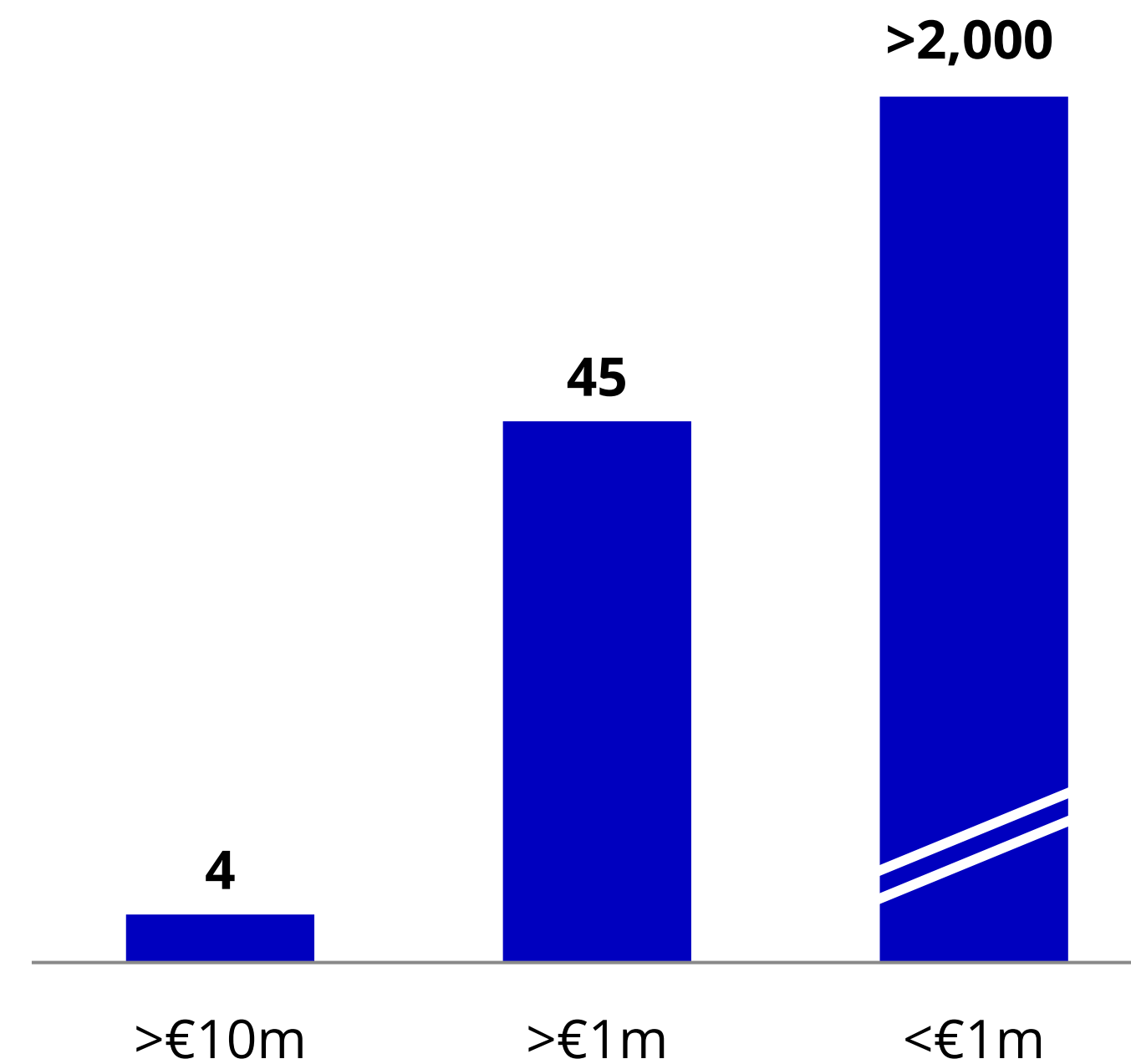


# ... across major industries and with significant growth potential

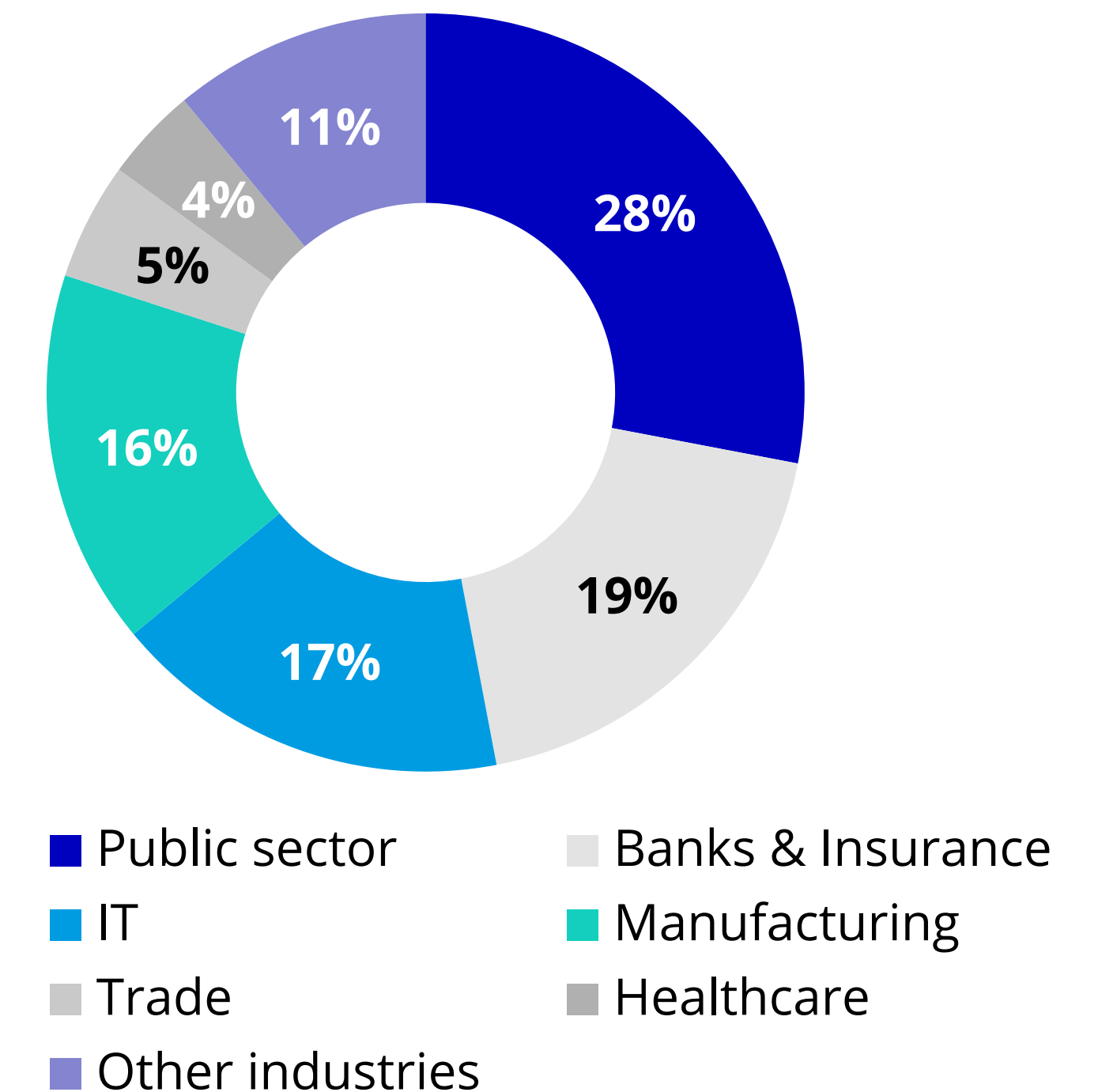
Customer diversification<sup>1</sup>



Number of accounts<sup>1</sup>

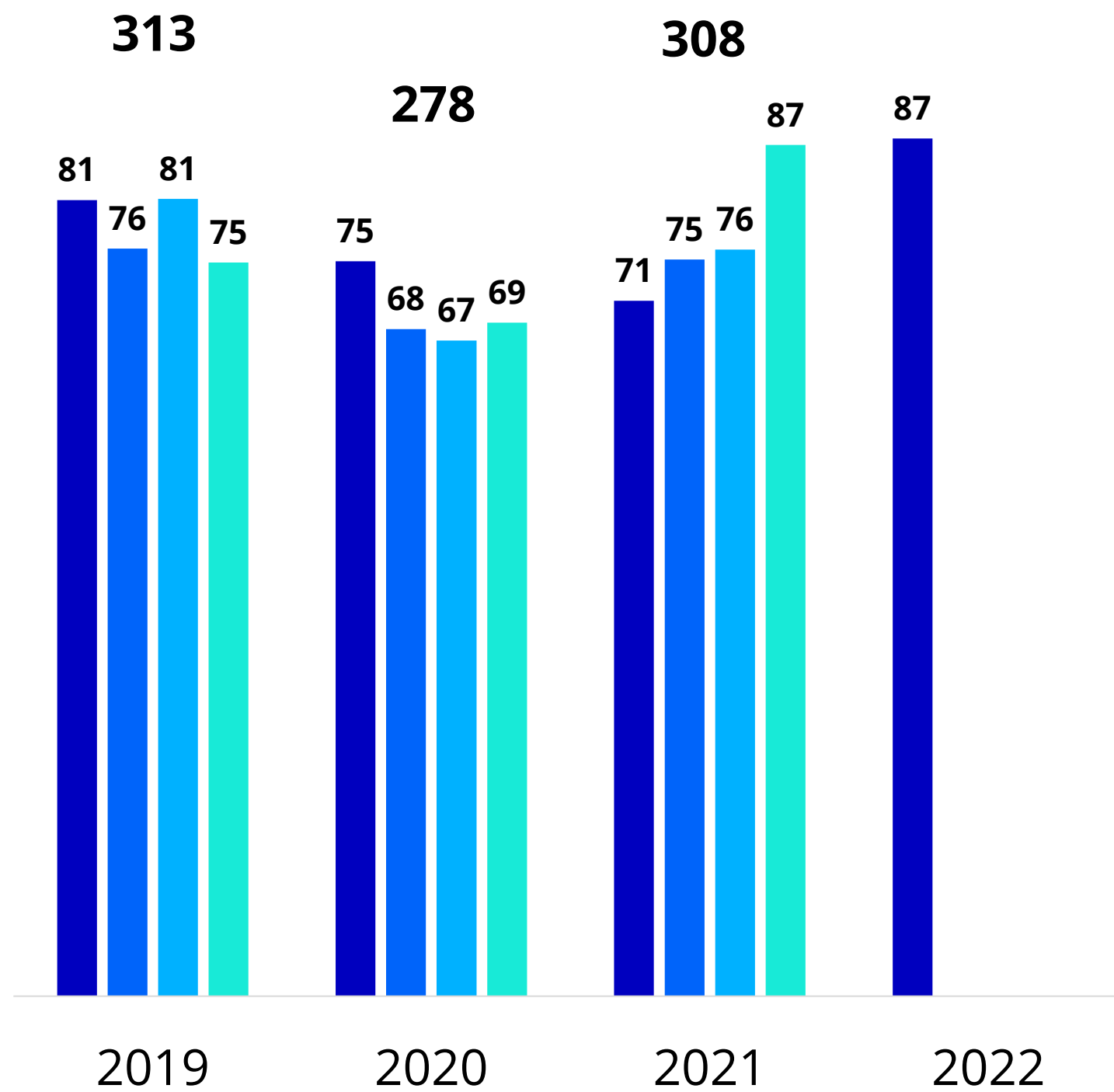


Industry segmentation<sup>1</sup>

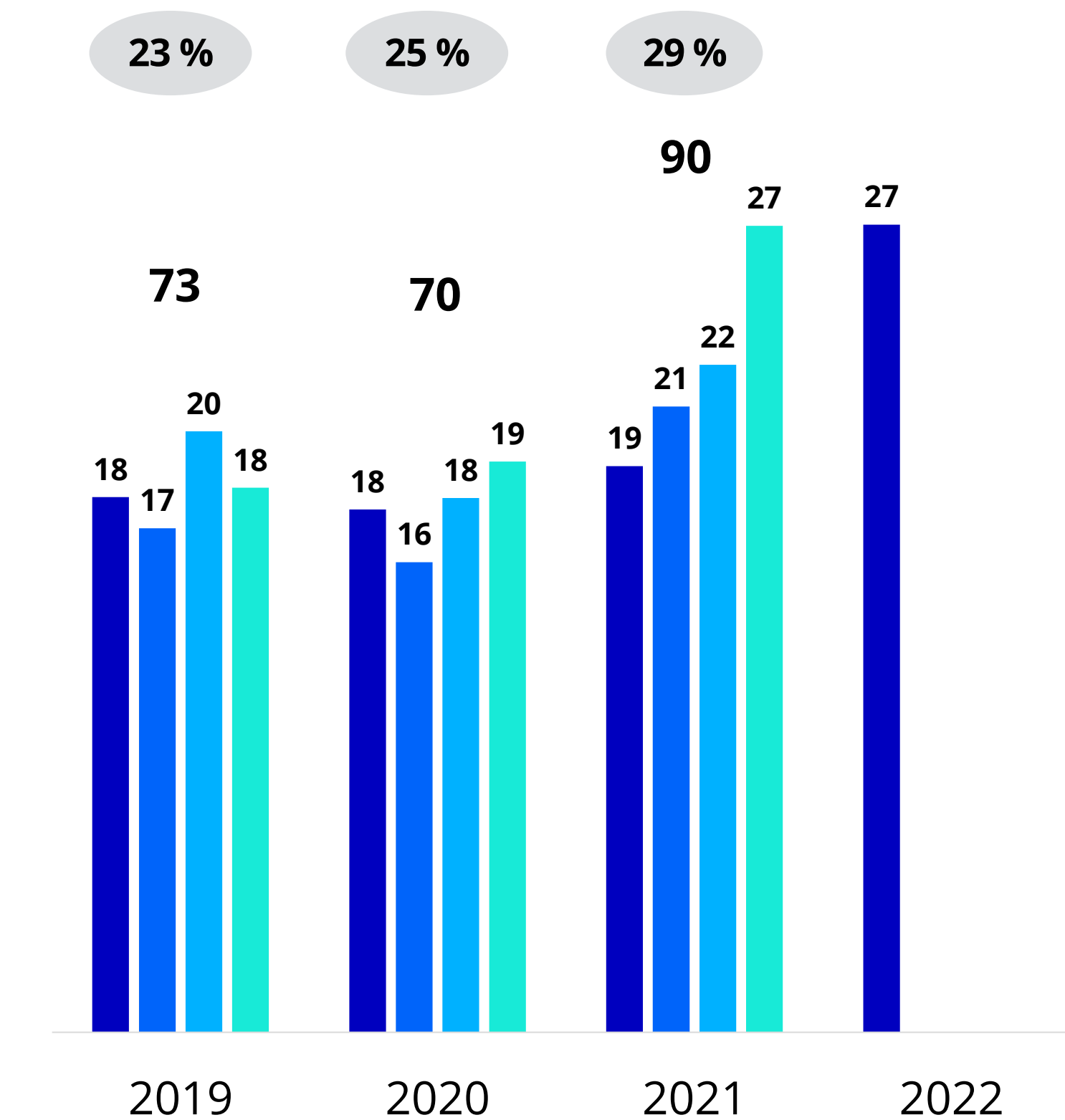


# Enterprise IT continues increase in earnings & margins

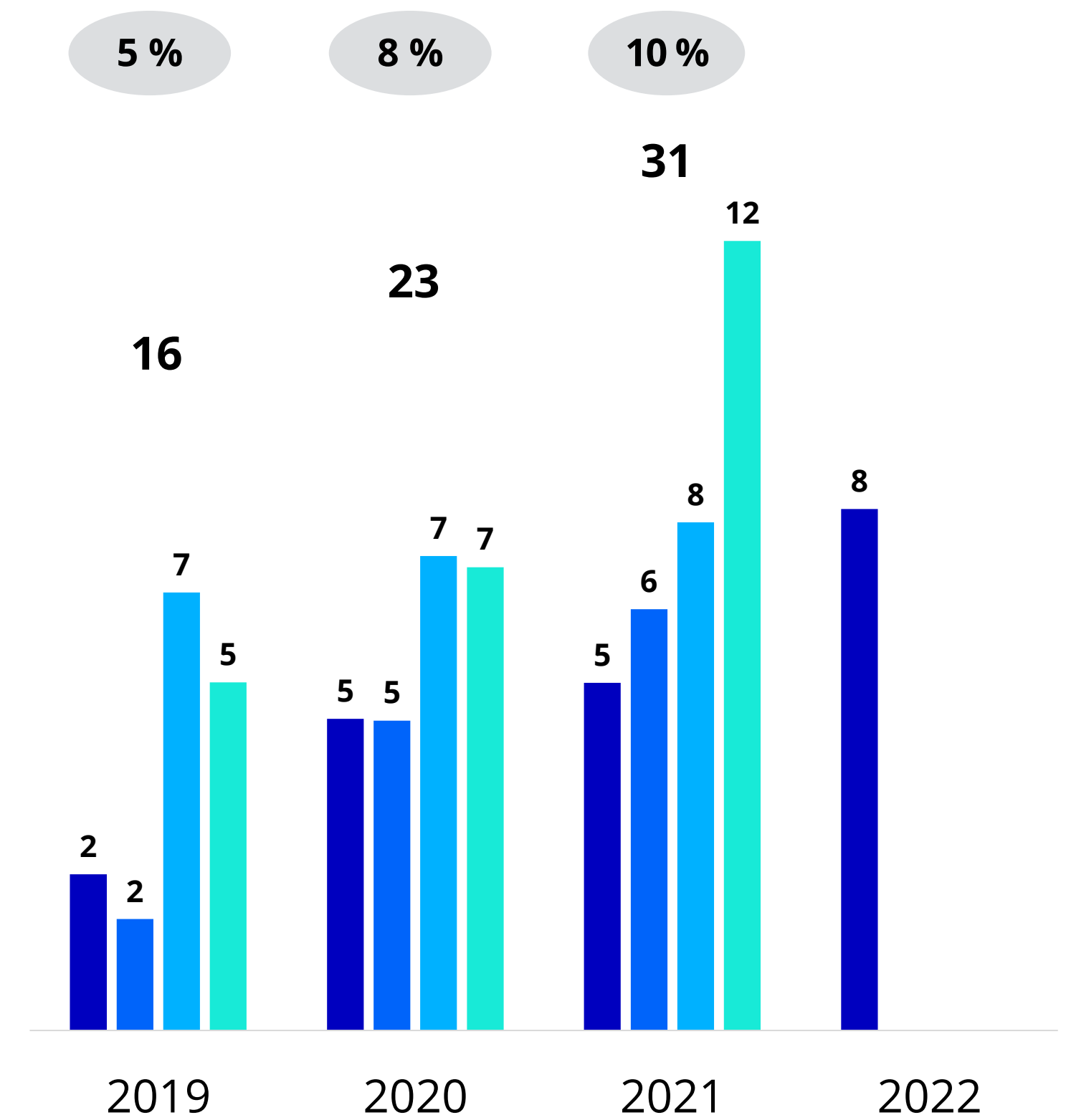
Revenue<sup>1</sup> in € m



Gross profit & margin<sup>1</sup> in € m



Adj. EBITDA & margin<sup>1,2</sup> in € m



<sup>1</sup>) Based on unconsolidated quarterly segment financials according to IFRS; FY 2022 figures according to unaudited segment financials

<sup>2</sup>) Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating unit w/o holding company costs

# mgm technology partners is a high-end specialist for digitization, disruptive technology & consulting services



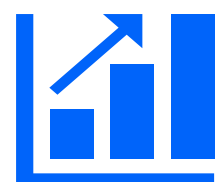
High-end specialist for secure, highly scalable and available **online portals**



One of the leading service providers for **e-government solutions** in Germany



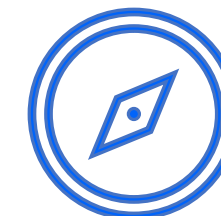
- High-end solutions & software development
- E-government & E-commerce
- Proprietary platform solutions
- Digitization consulting
- Web application security



**€98m** Revenue 2021<sup>1</sup>  
**€22m** Adj. EBITDA 2021<sup>1,2</sup>



**≈900** software developers & consultants<sup>1</sup>  
**>50** freelance IT experts<sup>1</sup>



**10** locations in Germany<sup>1</sup>  
**6** locations in France, Czech Republic, Switzerland, Austria, USA & Vietnam<sup>1</sup>

<sup>1</sup>Based on segment financials according to IFRS as of December 31, 2021

<sup>2</sup>Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating units w/o holding company costs

# mgm technology partners' ongoing success is underlined by key public & enterprise accounts

## Customer story ELSTER

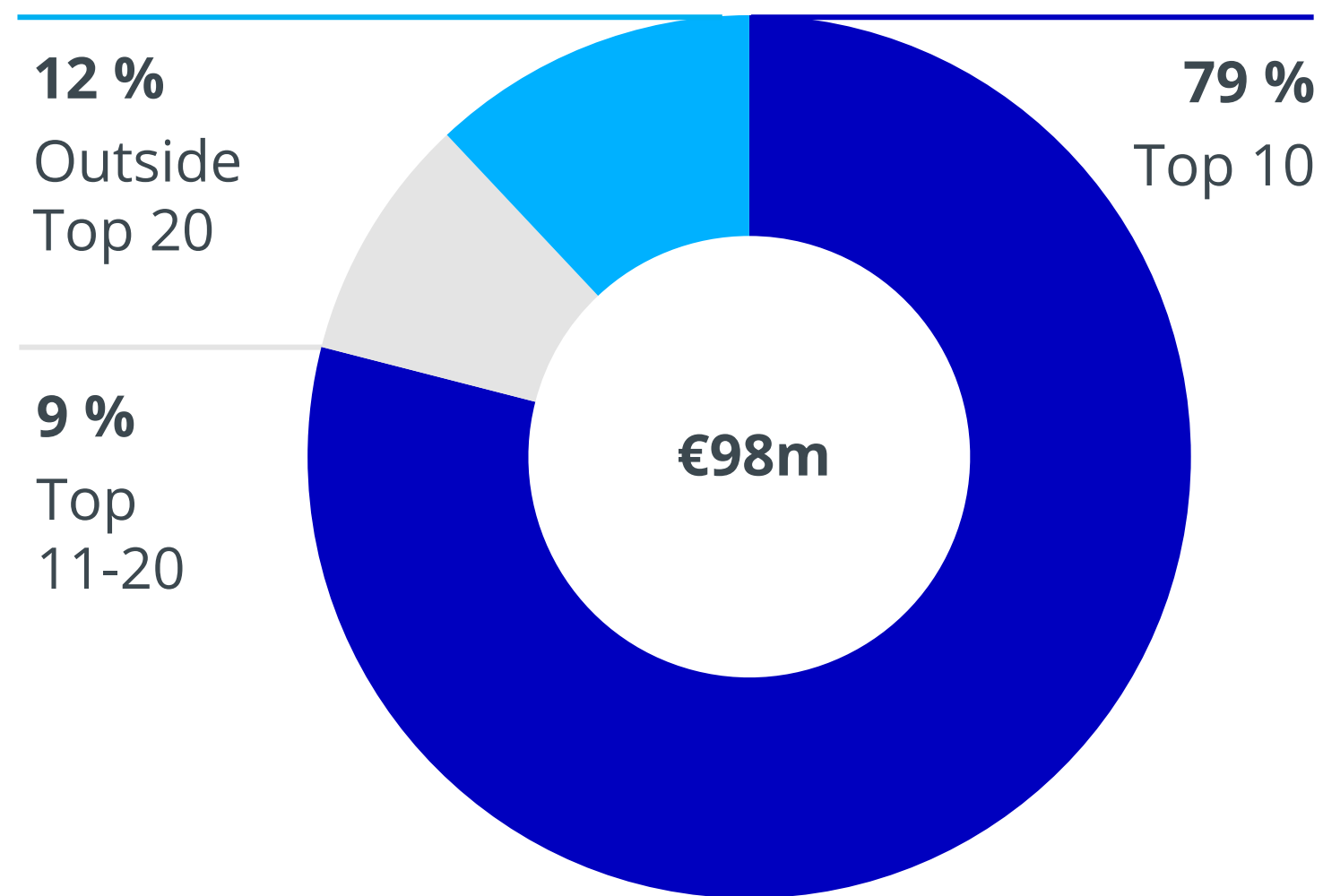
- mgm platforms are used by millions of users every day – the most prominent platform is the electronic tax system ELSTER
- ELSTER is the largest and best-known e-government solution from Germany and one of the best references
- Online since >15 years – safe, easily accessible, highly available & scalable; permanent access for 30m households and 5m companies
- Modern open-source technology with proprietary IT and model-based approach that allows flexibility and customization
- High performance & stability for up to 1,000 system requests per second
- Ongoing project that continuously generates T&M revenues

## Selected clients

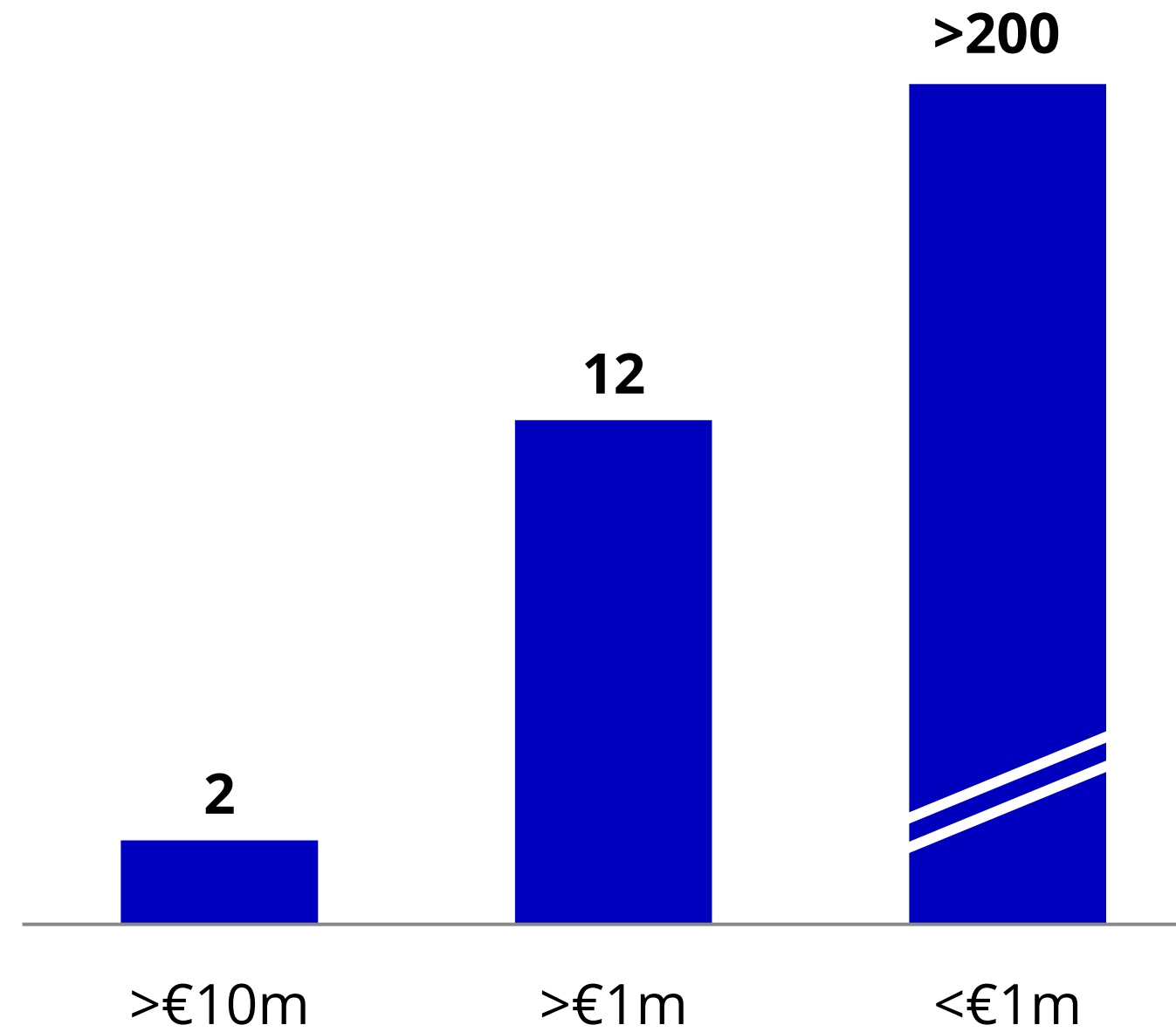


# mgm technology partners has in-depth know-how in e-government & commerce

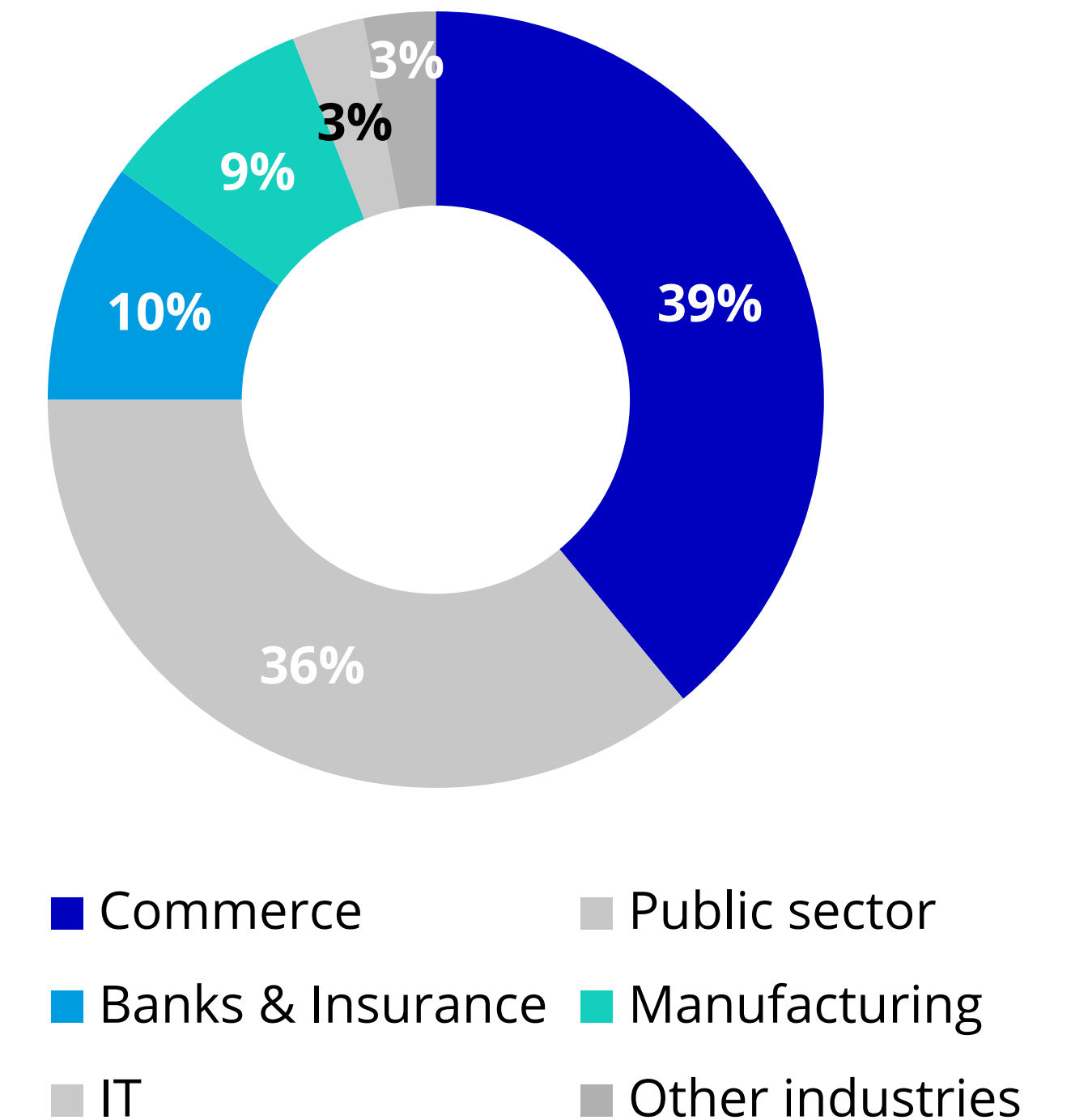
Customer diversification<sup>1</sup>



Number of accounts<sup>1</sup>

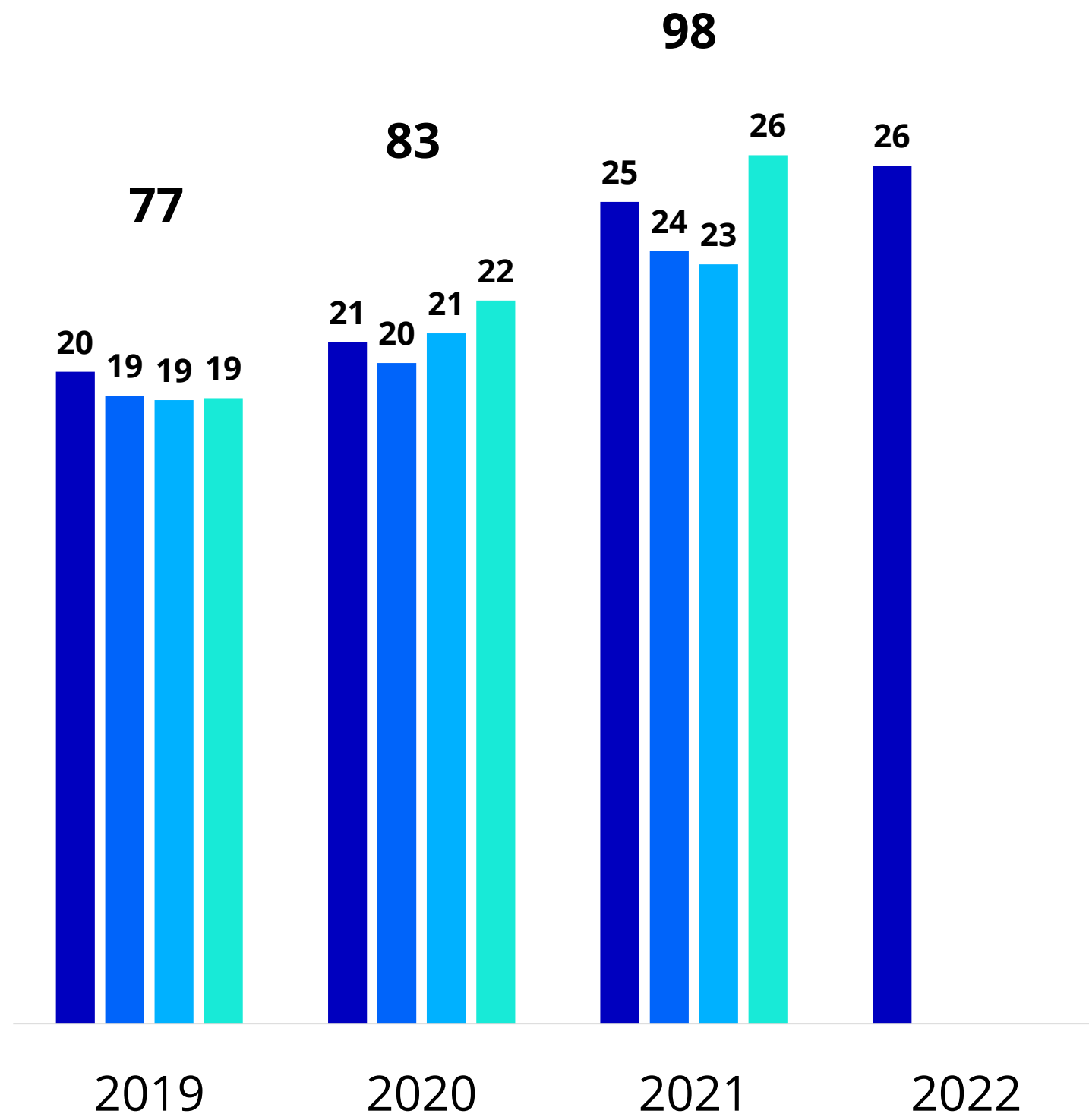


Industry segmentation<sup>1</sup>

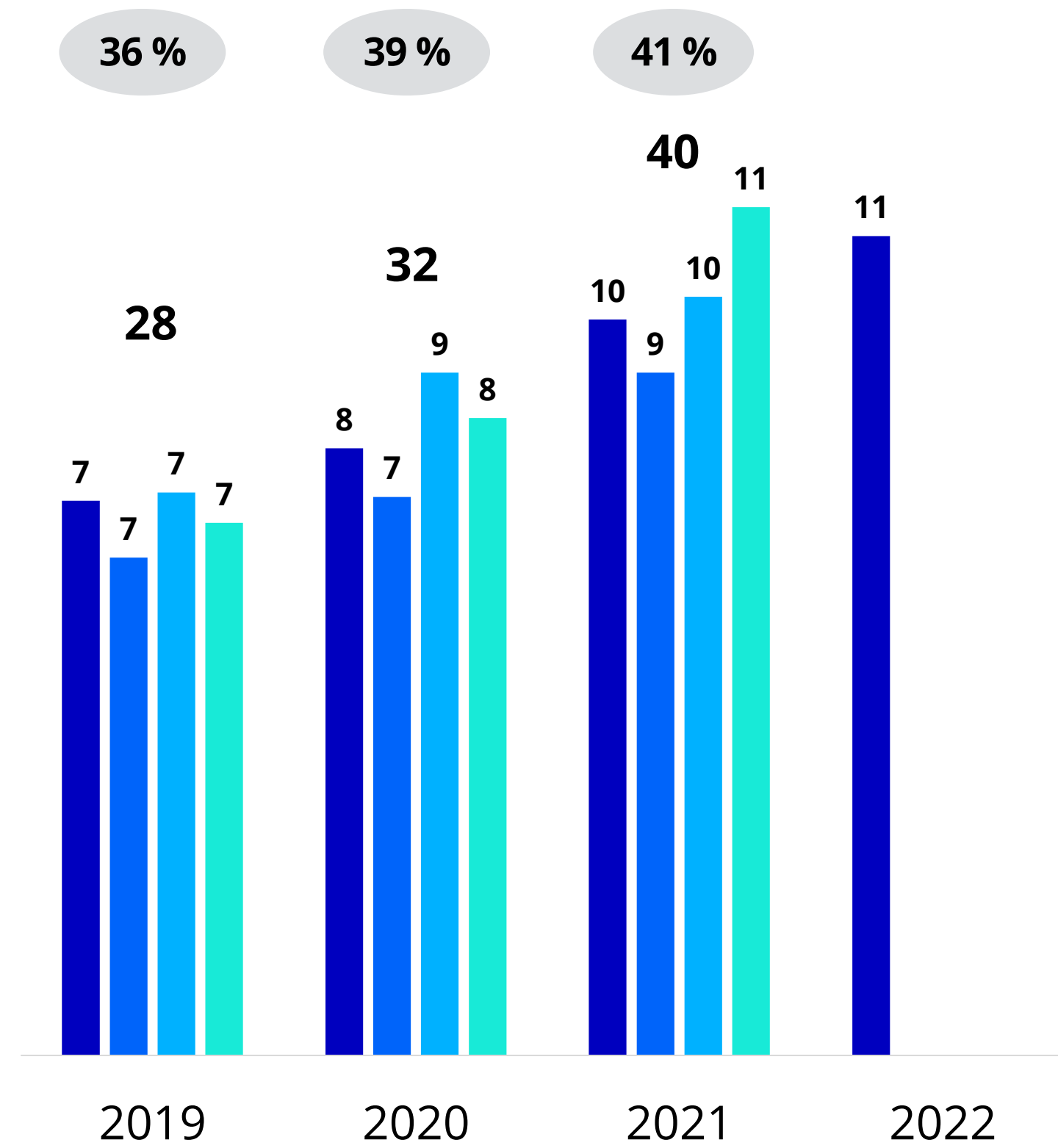


# mgm technology partners accelerates its growth with high profitability

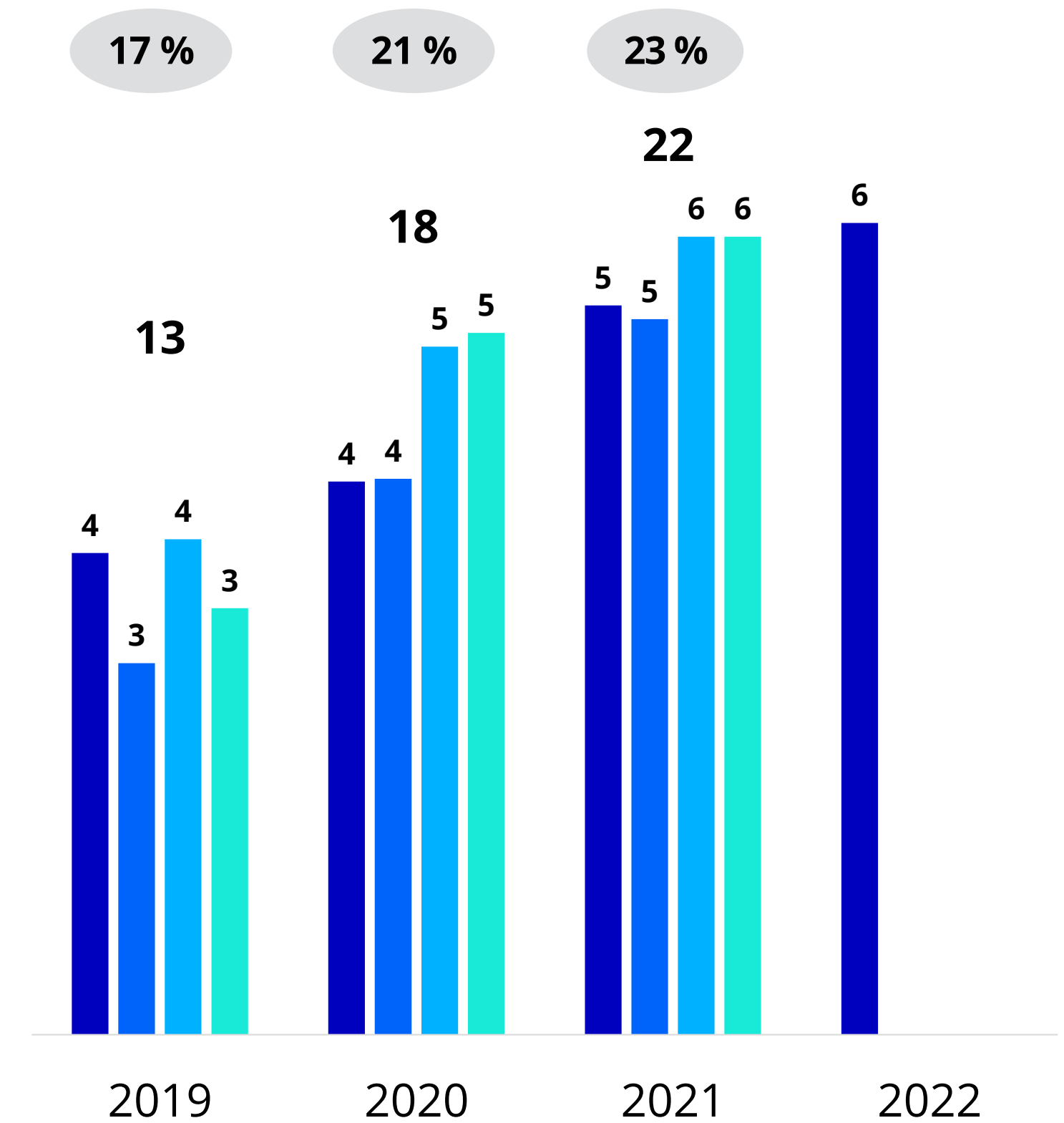
Revenue<sup>1</sup> in € m



Gross profit & margin<sup>1</sup> in € m



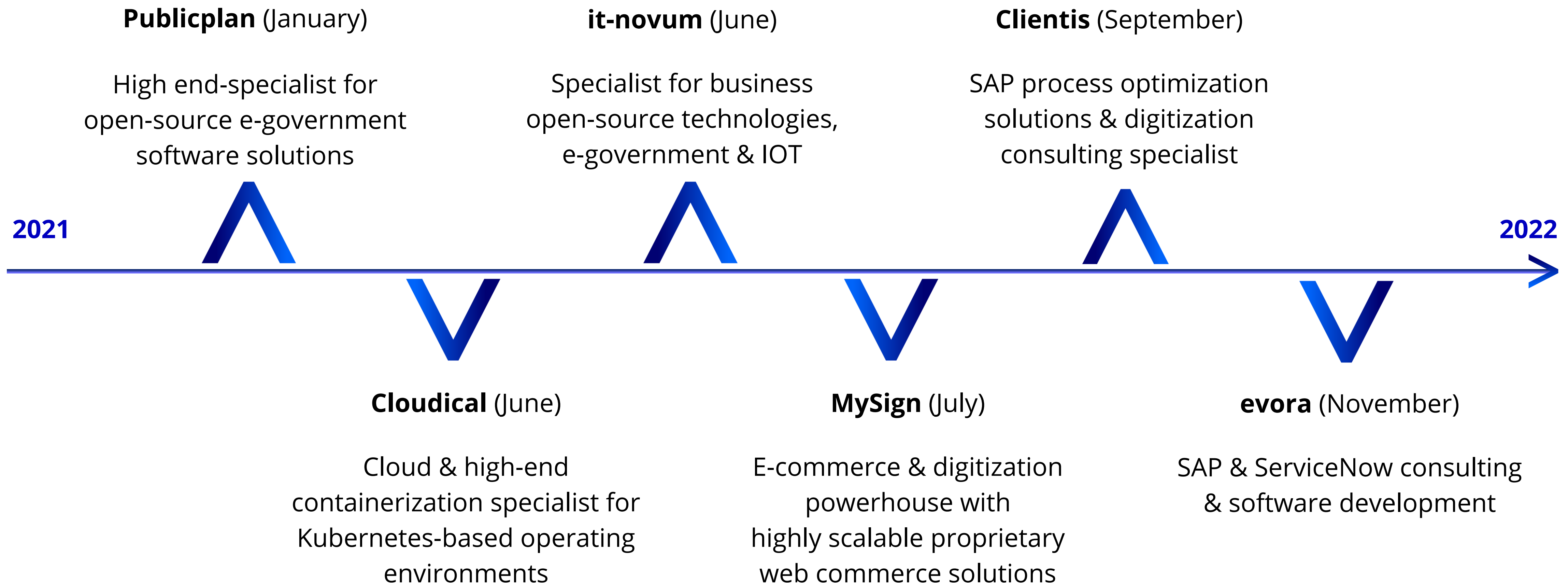
Adj. EBITDA & margin<sup>1,2</sup> in € m



<sup>1</sup>) Based on unconsolidated quarterly segment financials according to IFRS; FY 2022 figures according to unaudited segment financials

<sup>2</sup>) Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating unit w/o holding company costs

## 6 acquisitions in 2021 have increased focus on software & digitization





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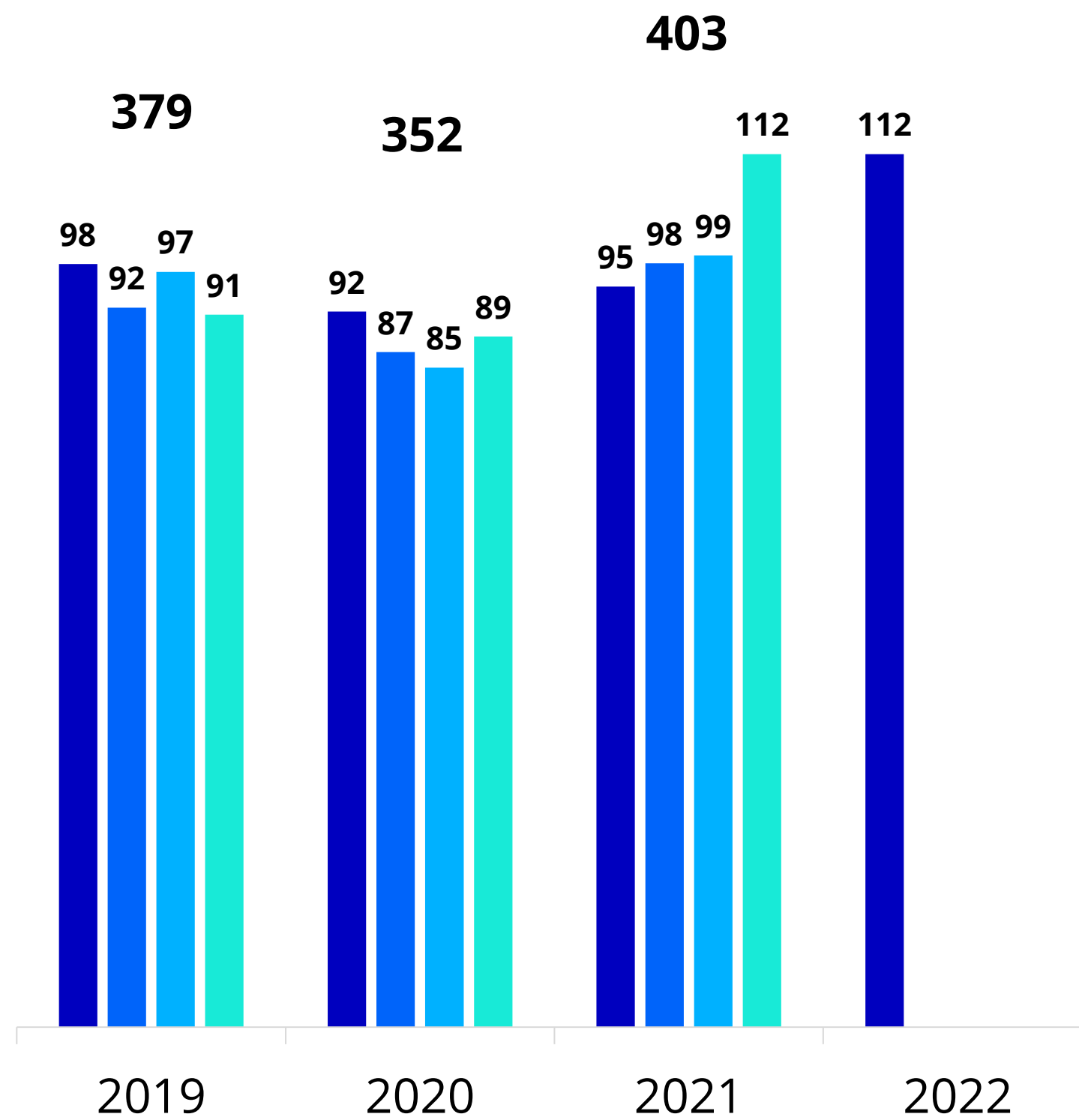
**Group financials**

Value creation highlights

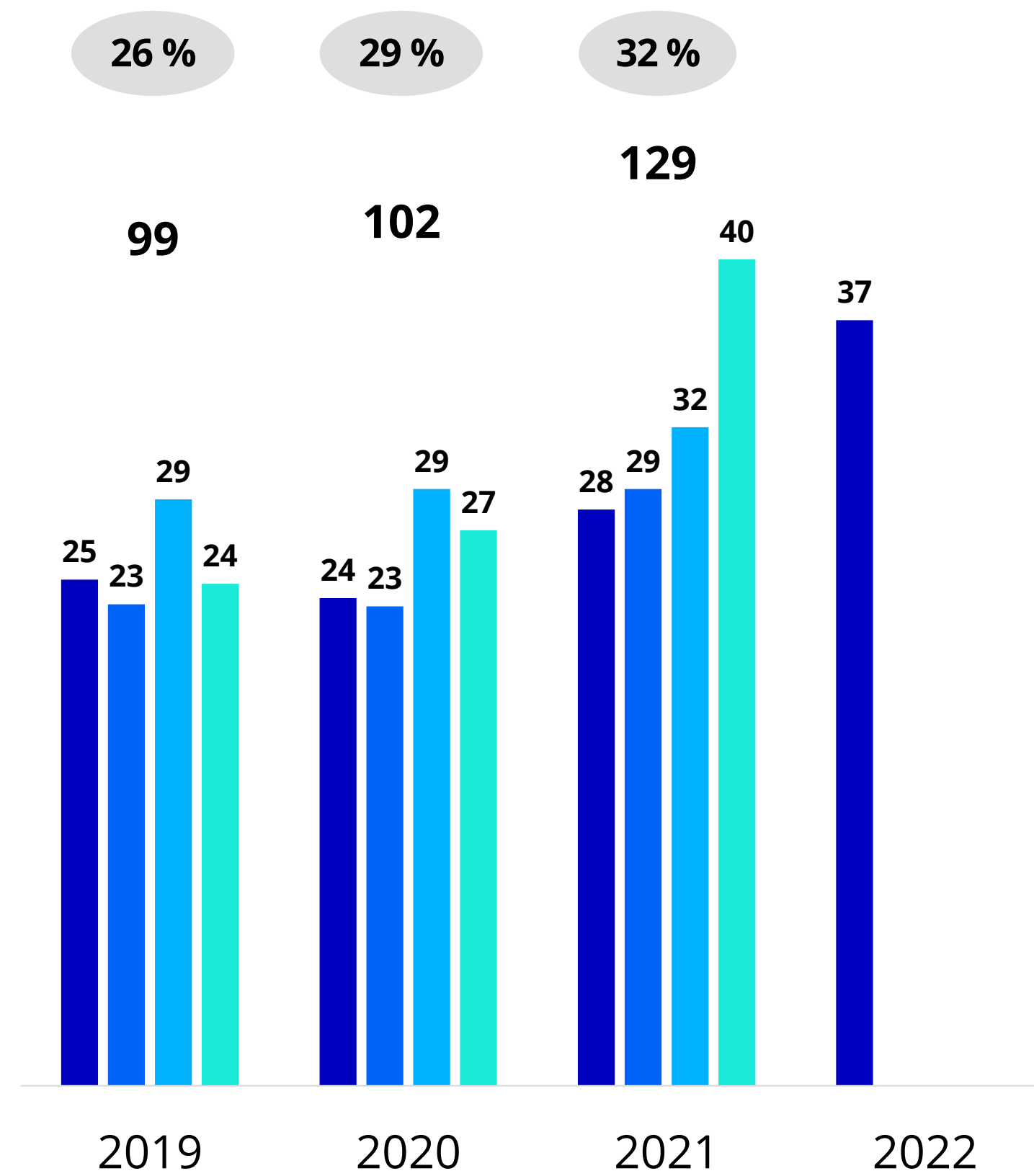


# Allgeier P&L shows growth and continuous margin improvement

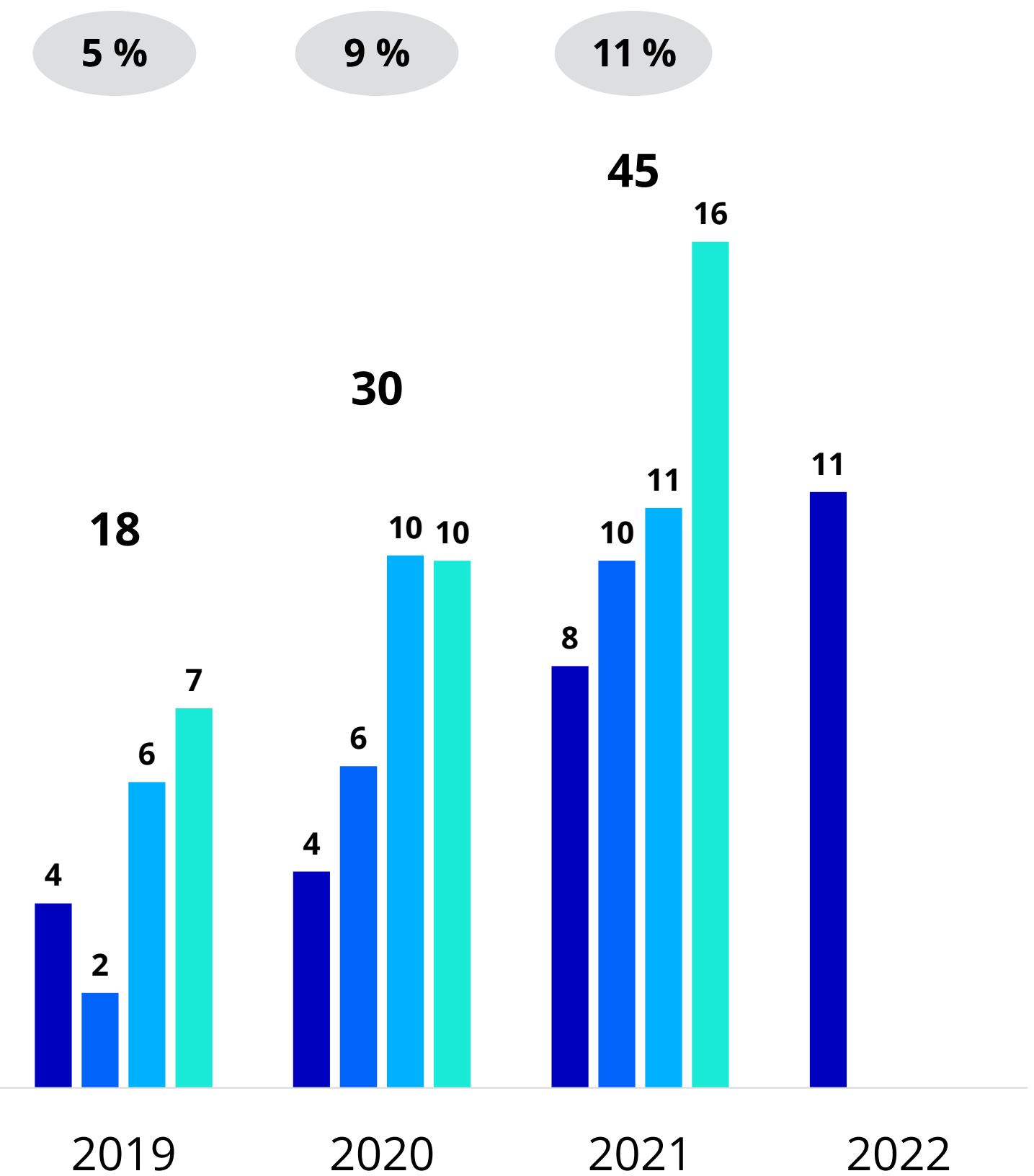
Revenue<sup>1</sup> in € m



Gross profit & margin<sup>1</sup> in € m



Adj. EBITDA & margin<sup>1,2</sup> in € m

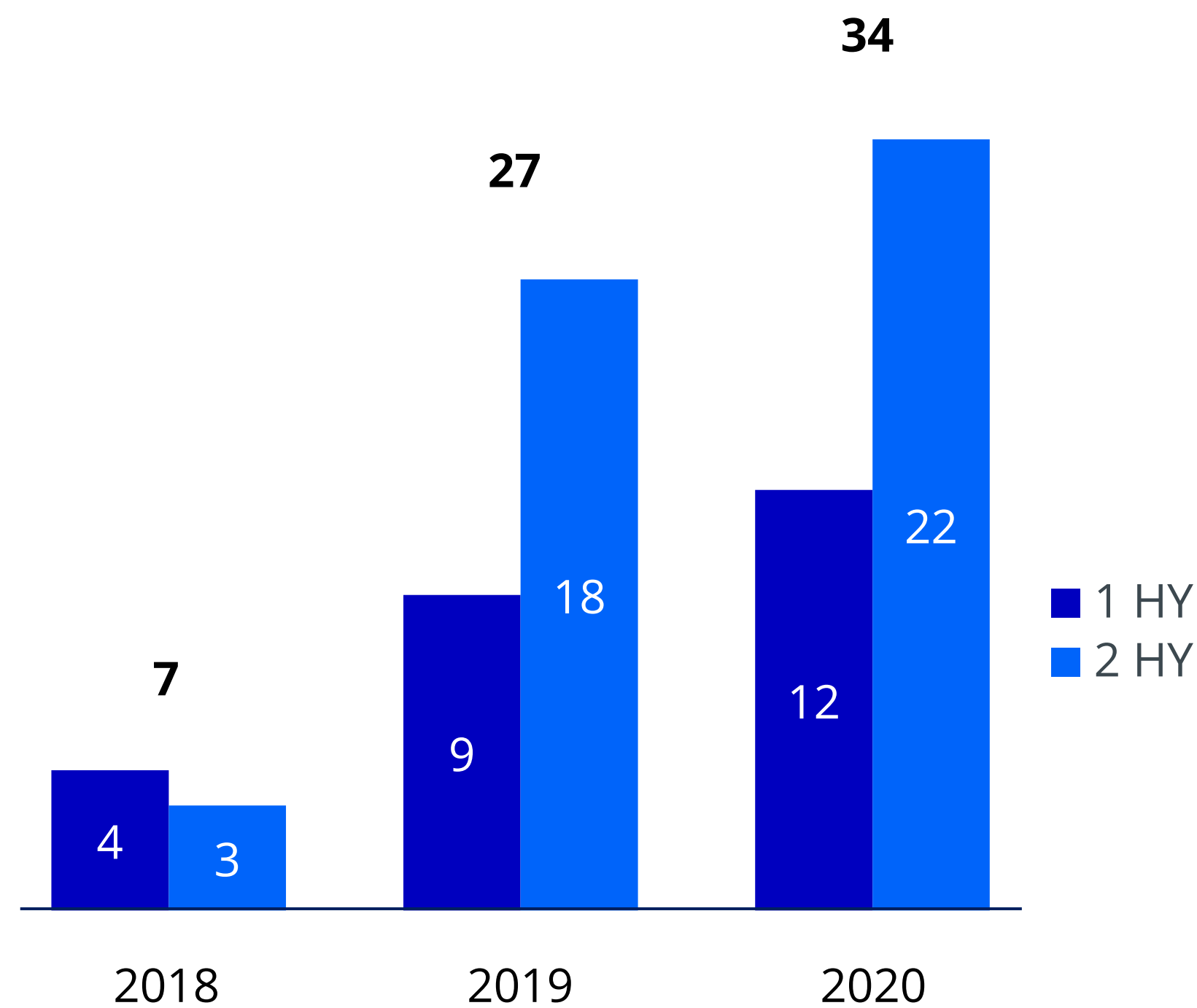


<sup>1</sup>) Continuing operations according to IFRS; FY 2022 figures unaudited

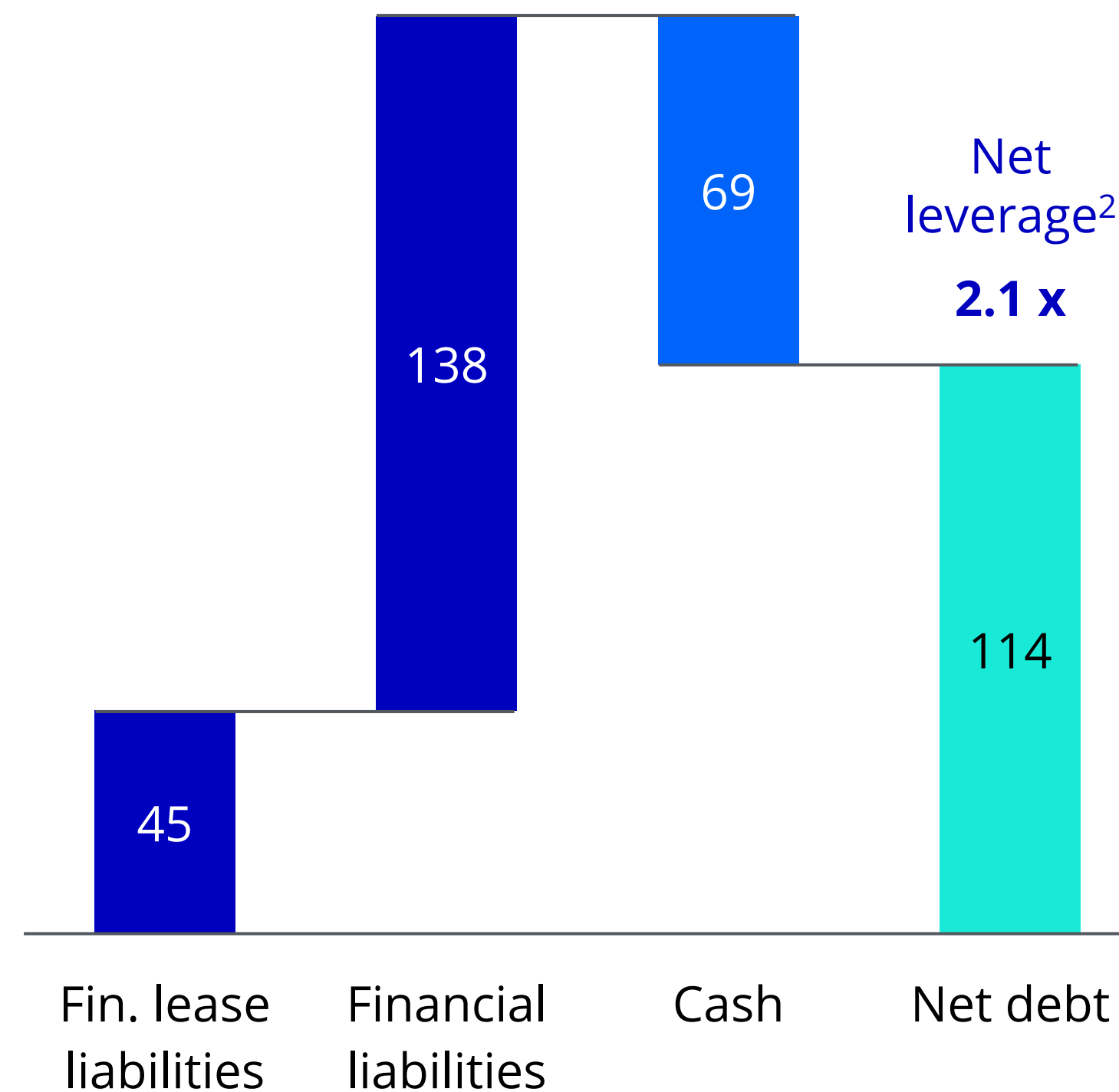
<sup>2</sup>) EBITDA before effects that are extraordinary or relate to other periods

# Balance sheet ratios offer sufficient leeway for further M&A

Operating Cashflow development in € m<sup>1</sup>



2021 Net debt in € m<sup>1</sup>



**€200m**

Revolving credit facility by a bank consortium

+

**€60m**

Promissory note loan by a bank consortium

<sup>1</sup> Continuing operations according to IFRS

<sup>2</sup> Net debt-to-Pro-forma Adjusted EBITDA (LTM) ratio accoring to revolving credit facility

## Guidance for the 2022 financial year and mid-term forecast: Further revenue growth & margin expansion

|  | <u>FY 2022</u>   |             | <u>Mid-term<br/>(next 3 yrs)</u>             |
|--|--|-------------|--|
| <b>Revenue</b>                         | <b>€480-520m</b>   | <b>&gt;</b> | <b>Organic<br/>growth rate<br/>of 10-15%</b> |
| <b>Adjusted<br/>EBITDA<sup>1</sup></b> | <b>€63-69m</b><br>(corresponding to<br>a margin of <b>13-14%</b> ) | <b>&gt;</b> | <b>15% margin</b>                            |

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## Allgeier is creating sustainable shareholder value at the core of digitization

**Digitization** is disrupting any business.

- > Digitization drives our business. We address the need of our customers for change-the-business projects.

**Modern software solutions** are a key competitive differentiator.

- > We deliver high value-add through software solutions like open-source software, cyber security & e-government.

**Smart & highly skilled people** are the basis of know-how in a fast-developing business environment.

- > We are a safe & exciting home to our people based on modern & open cultures in the various Allgeier companies.

**M&A** creates outstanding development opportunities in a fragmented market environment.

- > We are attracting companies & **entrepreneurial people** to join us.

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