

# ALLGEIER

Investor Presentation  
German Equity Forum  
November 16-18, 2020



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All Allgeier related financial information mentioned in this presentation refer to the financials of Allgeier post spin-off of Nagarro group unless stated otherwise. The figures for the years 2017 to 2019 and for the first half year 2020 have been prepared primarily by splitting the preliminary draft Combined Financial Statements of the new Nagarro group from the consolidated Allgeier group financials.

Nagarro related financial information mentioned in this presentation refers to the financials of Nagarro post spin-off unless stated otherwise. The Nagarro financial information for the fiscal years 2017 to 2019 has been derived from the preliminary draft combined financial statements of Nagarro for the fiscal years 2017 to 2019 (the "Combined Financial Statements"). Such financial information is unaudited and preliminary and may change. The Nagarro financial information for the six-month period ended June 30, 2020 (the "H1 Financial Information") has been derived from segment information extracted from the unaudited consolidated interim financial statements of Allgeier SE. This segment information does not necessarily represent the results of operations, financial position or cash flows of the Nagarro group had it operated as a stand-alone group during the period under review. The accounting methodology for the H1 Financial Information is different from the accounting methodology of the Combined Financial Statements which have been used as the basis for presenting Nagarro data for fiscal years 2017 to 2019 in this presentation.

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# Agenda

Allgeier at a glance

Spin-off benefits

Market trends

Business overview

Financials

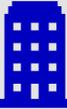
Strategy



# Allgeier at a glance

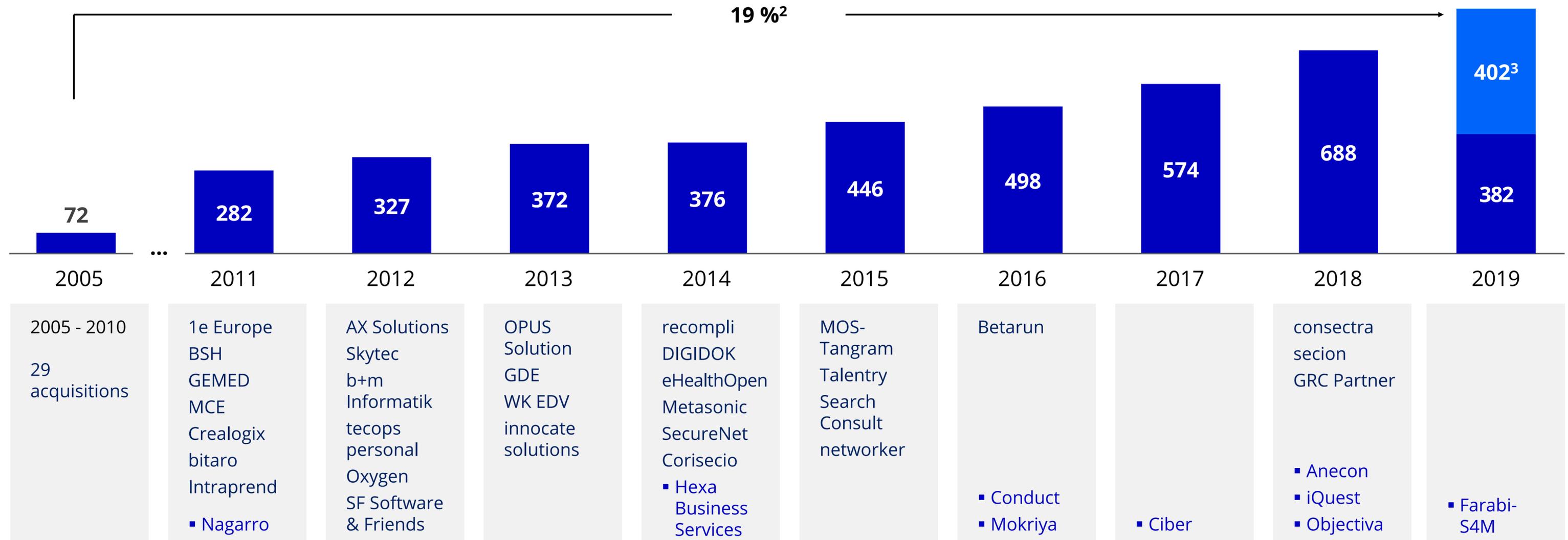
# Allgeier key facts post spin-off



 €382m Revenue 2019 <sup>1</sup>	 6 % Revenue CAGR <sup>1,2,3</sup> (2010-2019)
 €18m Adj. EBITDA 2019 <sup>1,3</sup>	 ~2,400 employees <sup>4</sup> ~800 freelance experts <sup>4</sup>
 77 acquisitions 10 disinvestments (2005-2020)	 >2,000 Avg. customers 2019

# Allgeier's buy & build competence is underlined by its M&A track record

Historical revenue of Allgeier group incl. Nagarro in € m<sup>1</sup>



▪ Entities highlighted from the Nagarro group

<sup>1</sup>) Based on historical consolidated Allgeier group financials according to IFRS including Nagarro group

<sup>2</sup>) Compound Annual Growth Rate 2005-2019

<sup>3</sup>) Based on combined financial statements of Nagarro group

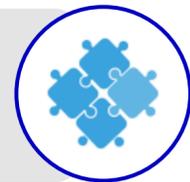


# Spin-off benefits

# Allgeier is re-focusing on its strengths

## Focusing on

... proven **buy & build strategy** and continuing to grow above market average through value-creating acquisitions



... organic and inorganic **growth of its existing portfolio units** building on a lean holding structure



... leveraging the strong **Allgeier and mgm brands** in the **German-speaking market**



... the **digitization needs of customers** in major verticals





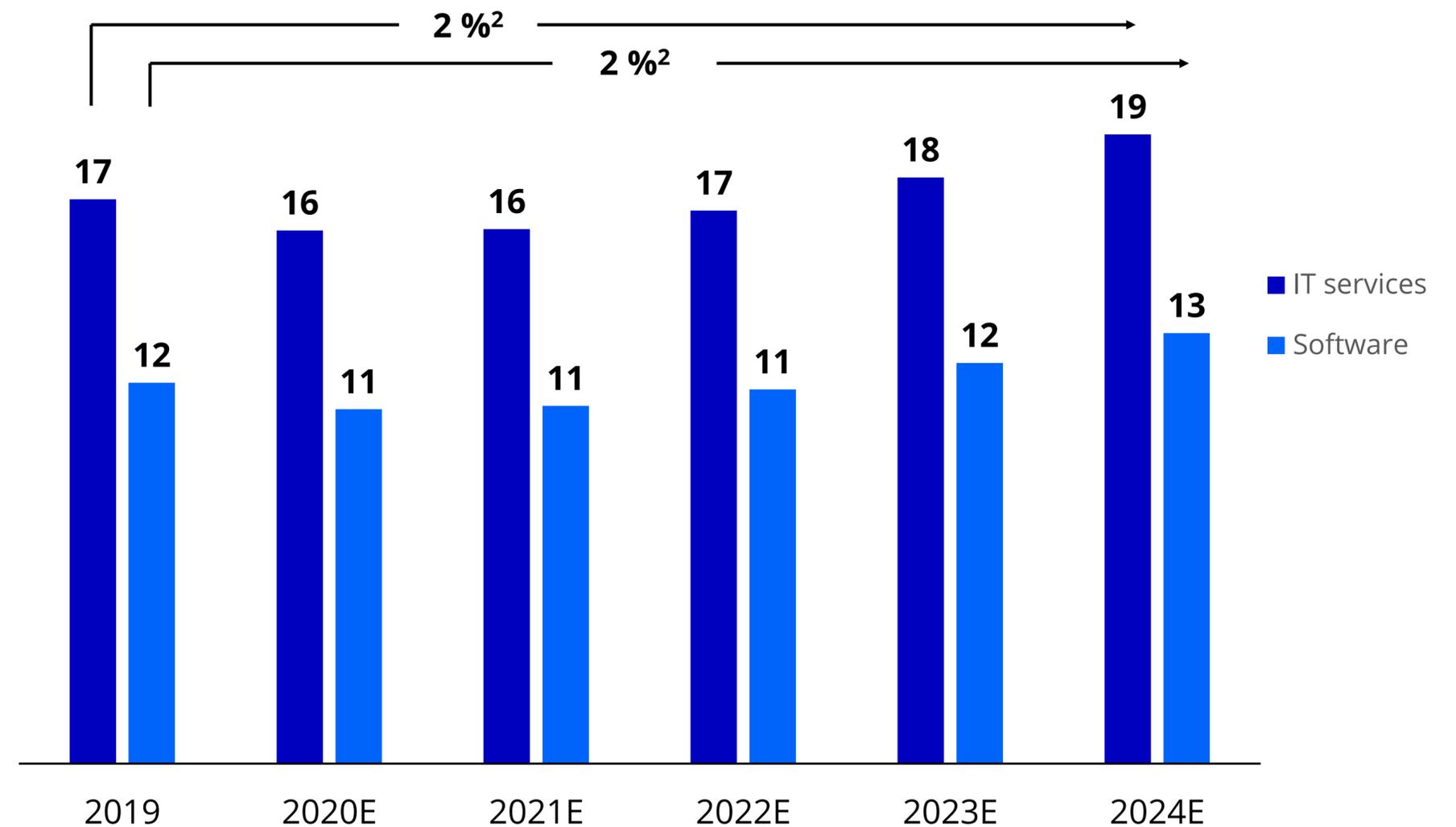
# Market trends

# Allgeier participates in market trends in a growing European IT market

## Major market trends

- Digital Business Transformation
- Cloud
- E-Government
- Cyber Security
- E-Commerce
- Internet of Things

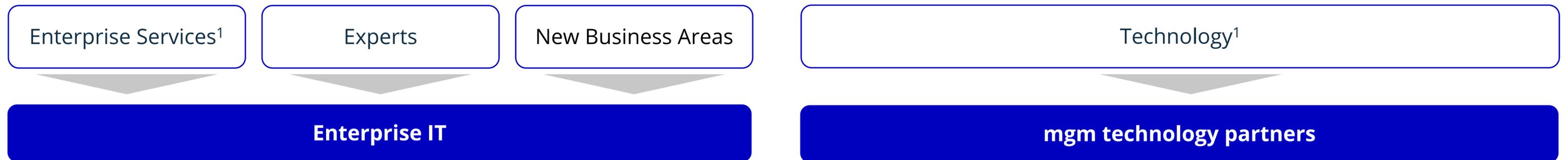
## Central & Eastern European IT market<sup>1</sup> in € bn





# Business overview

# Allgeier re-organized the segments to emphasize its core operations



Revenue 2019<sup>2</sup>



Adj. EBITDA 2019<sup>2,3</sup>



Revenue 2019<sup>2</sup>



Adj. EBITDA 2019<sup>2,3</sup>



- Integration of the service portfolio and customer access of former enterprise services, experts and cyber security units to create a strong joint full-service IT offering
- Focus on deepening of customer relationships, participation in major tenders and pitches in the field of IT services as one-stop shop for the entire IT portfolio with the aim to enhance value-add and achieve higher margins

- Building the primary German digitization consultant and software developer as leading provider of e-government, commerce and insurance solutions
- Covering a comprehensive spectrum of digitization expertise along the three units mgm technology partners, mgm consulting partners and mgm security partners

<sup>1</sup> Excluding the part of the business that moved to Nagarro group

<sup>2</sup> Based on segment financials according to IFRS, revenue Enterprise IT based on unconsolidated financials

<sup>3</sup> Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating units w/o holding company costs

# Enterprise IT – Fully fledged German software project and IT services provider

## Business focus

Enterprise IT is a **full-range IT solutions and services provider** for customers' mission-critical processes focusing on the **German-speaking region**

**Comprehensive project and IT services portfolio** for large software projects and long-term managed services and maintenance contracts based on:

- **market-leading software products and business digitalization platforms** from suppliers like Microsoft, SAP, IBM and Oracle
- **own IP-based architecture and software solutions**
- **in-depth process know-how and consulting expertise** in the areas of business efficiency solutions, IT security, business process management, enterprise content management, cloud solutions and mobile applications
- **large resource pool** of highly qualified IT and engineering experts ensuring a high level of scalability and flexibility in project implementation and support

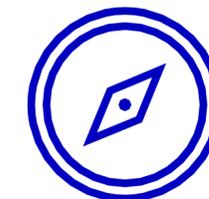
Extensive **customer base of around 500 large enterprises** and **business with recurring nature**, leveraging customer access to extend excellent software project services; revenues by T&M and license fees



**Hubert Rohrer**  
Member of the Allgeier SE  
Management Board



~1,600 IT experts<sup>1</sup>  
~750 freelance IT experts<sup>1</sup>



21 locations in Germany  
5 locations in Austria,  
Switzerland and Turkey<sup>1</sup>

## Broad customer base is a core value of Enterprise IT

### Customer story Vodafone Project OneDMS:

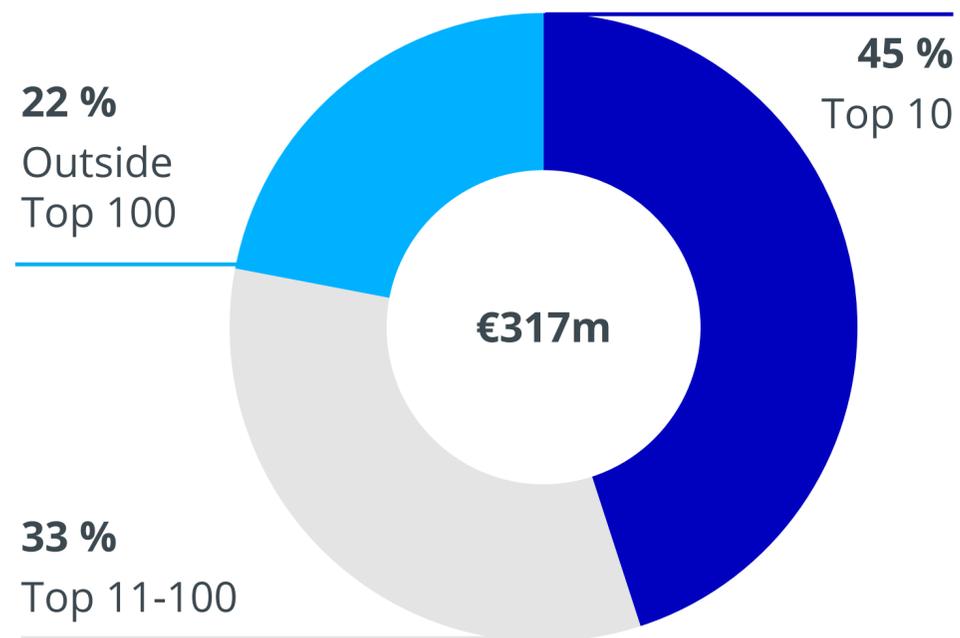
- Building a central document collaboration platform for Vodafone in Germany and other countries as well as subsidiaries of Vodafone
- Migration of >4.5bn documents that are accessible for 4,500 users
- Technical basis is our proprietary DMS software that got highly customized for the specific Vodafone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

### Selected clients

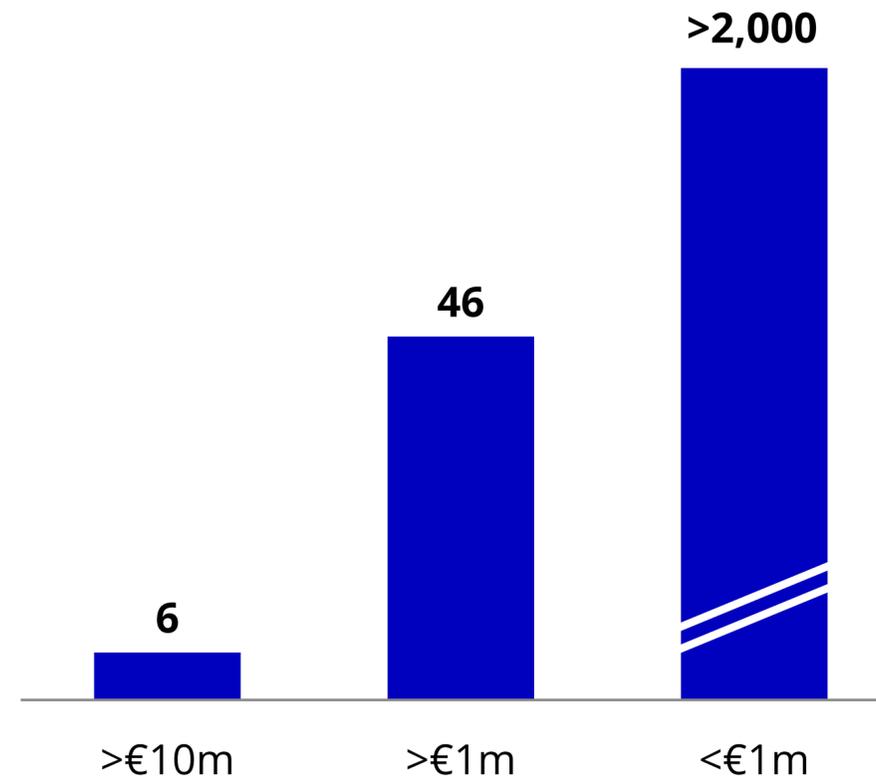


# Enterprise IT sustains a broad and loyal customer base

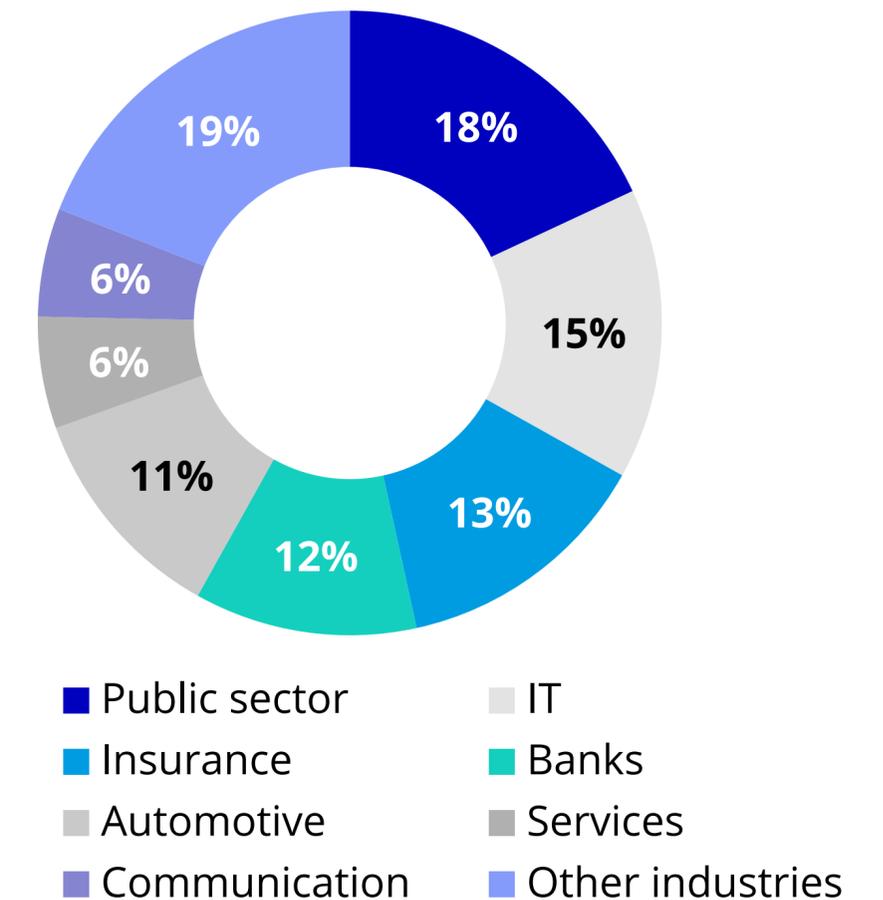
Customer diversification<sup>1</sup>



Number of accounts<sup>1</sup>



Industry segmentation<sup>1</sup>



# mgm technology partners – High-end specialist for digitization & disruptive technology and consulting services

## Business focus

mgm technology partners is a [consulting and solution provider](#) for digitization projects and one of the [leading service providers for e-government in Germany](#)

The company implements its [own platforms](#) like “A12” and [develops enterprise applications](#) for crisis-resistant sectors. The mgm platforms are used by millions of users every day.

The most prominent platform is the electronic tax system [ELSTER](#) for the German public sector

mgm technology partners’ disruptive software development process [enables customers to digitize their business expertise](#) by themselves – leading to digital sovereignty

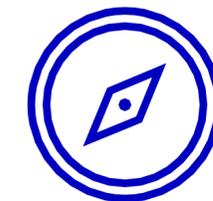
Together with its subsidiaries mgm consulting partners and mgm security partners mgm covers the full range of digitization topics: [management consulting, digital transformation and web application security](#)



**Hamarz Mehmanesh**  
CEO



~800 software developers and consultants<sup>1</sup>  
~50 freelance IT experts<sup>1</sup>



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

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

## Customer story ELSTER

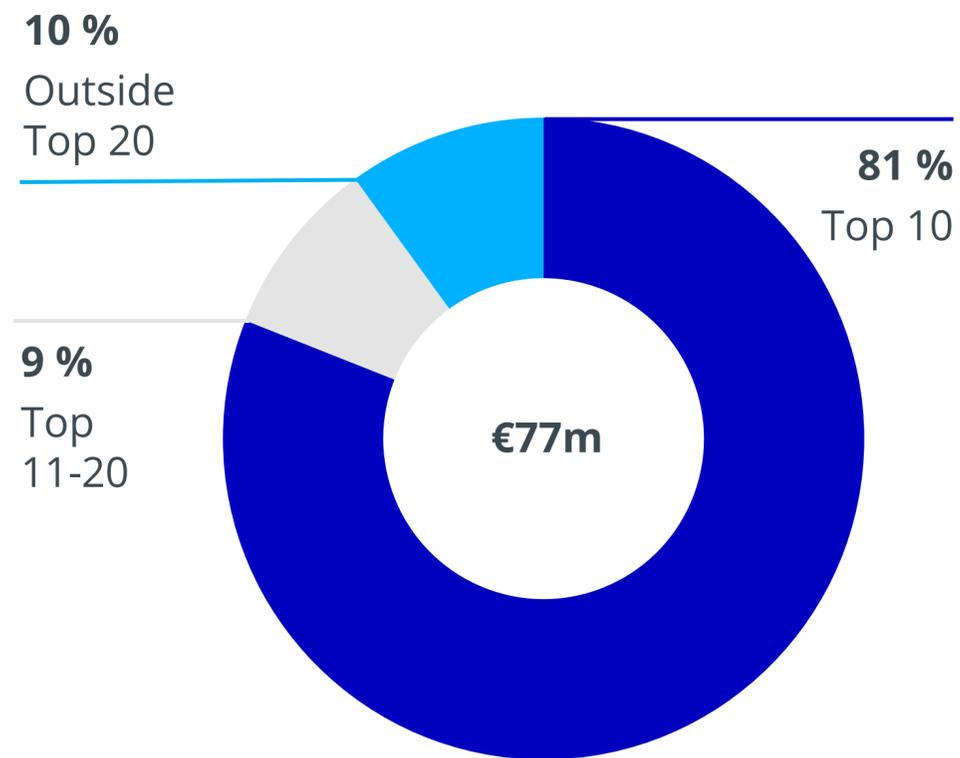
- ELSTER is the largest and best-known e-government solution from Germany and one of the best references
- Online since 15 years – safe, easily accessible, highly available & scalable; permanent access for 30m households and 5m companies
- Modern open-source technology with proprietary IT and model-based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

## Selected clients

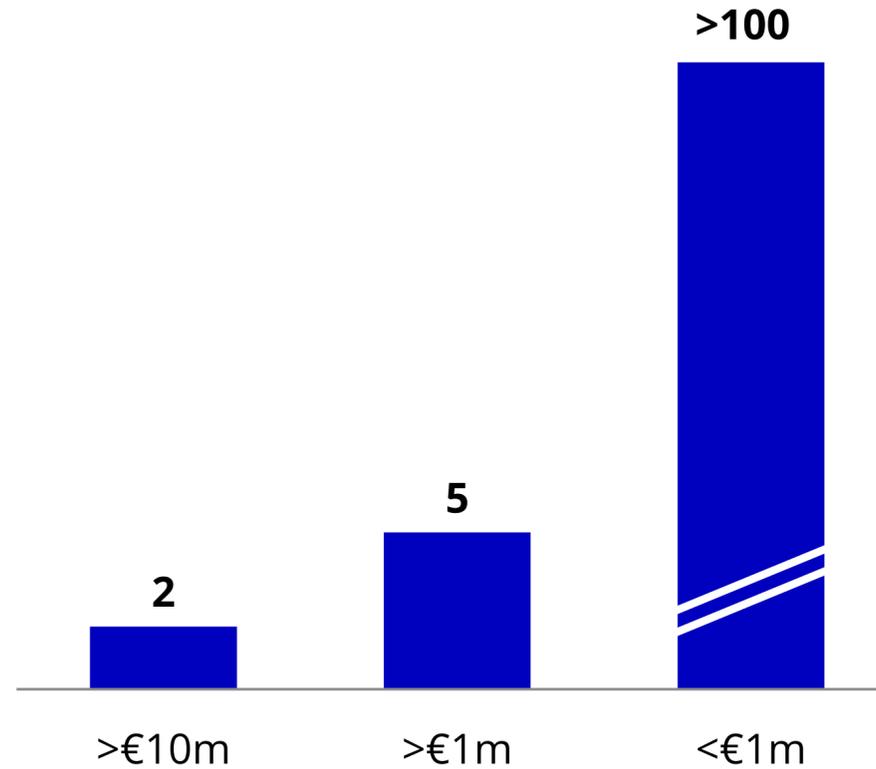


# mgm technology partners has in-depth knowhow in commerce and e-government

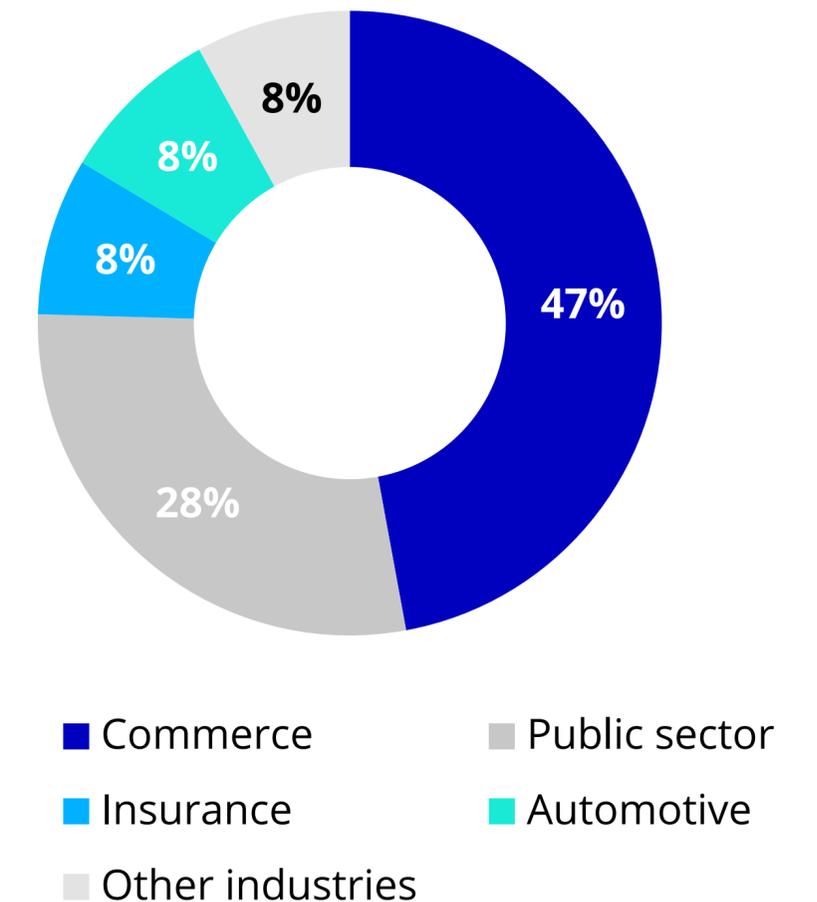
Customer diversification<sup>1</sup>



Number of accounts<sup>1</sup>



Industry segmentation<sup>1</sup>

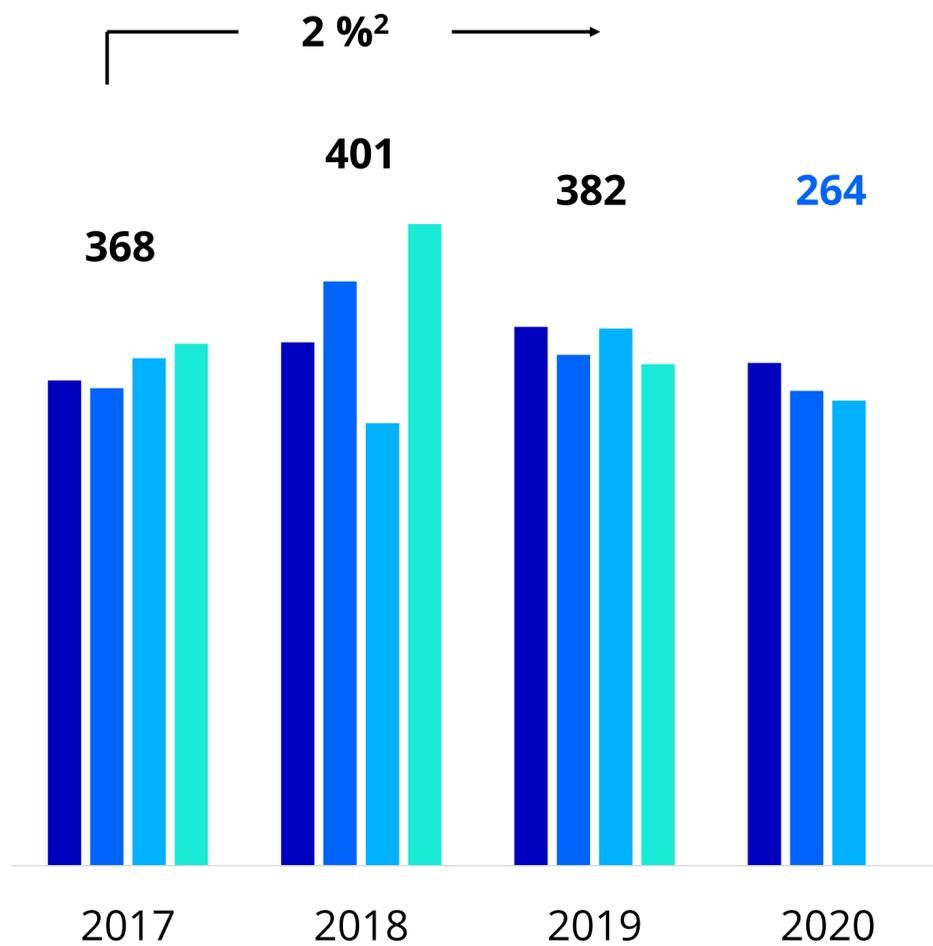




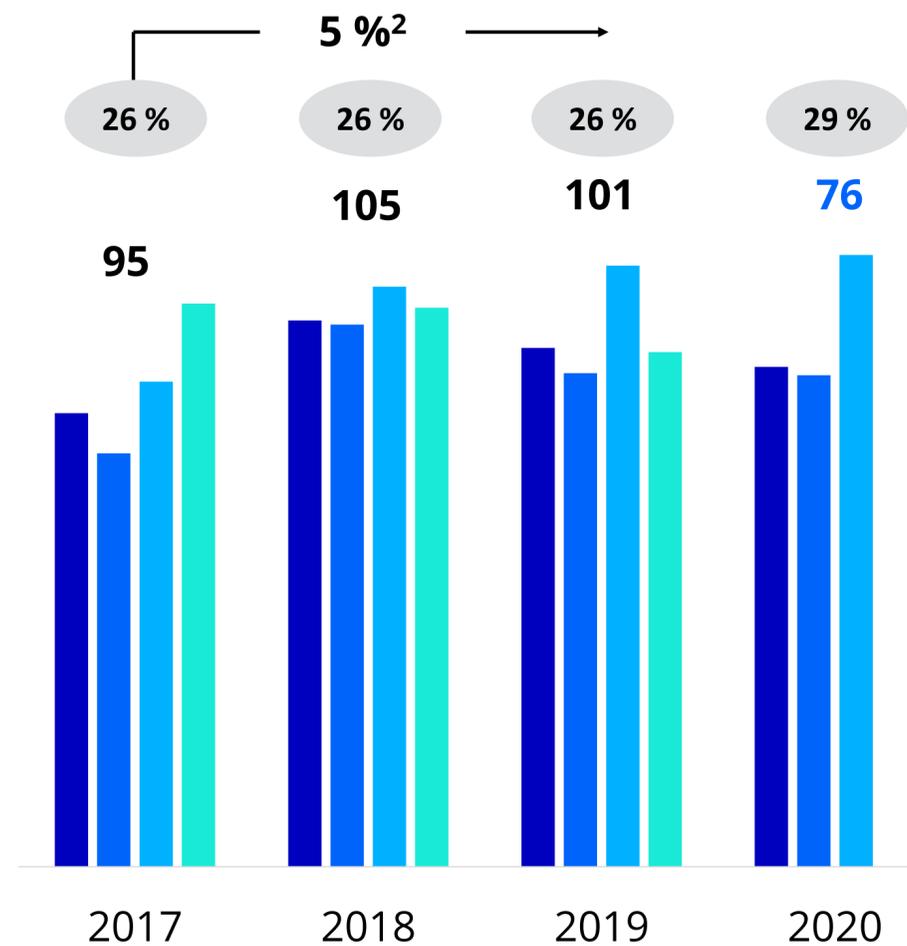
# Financials

# Allgeier P&L comprises of sustainable growth and restructuring of parts of the business

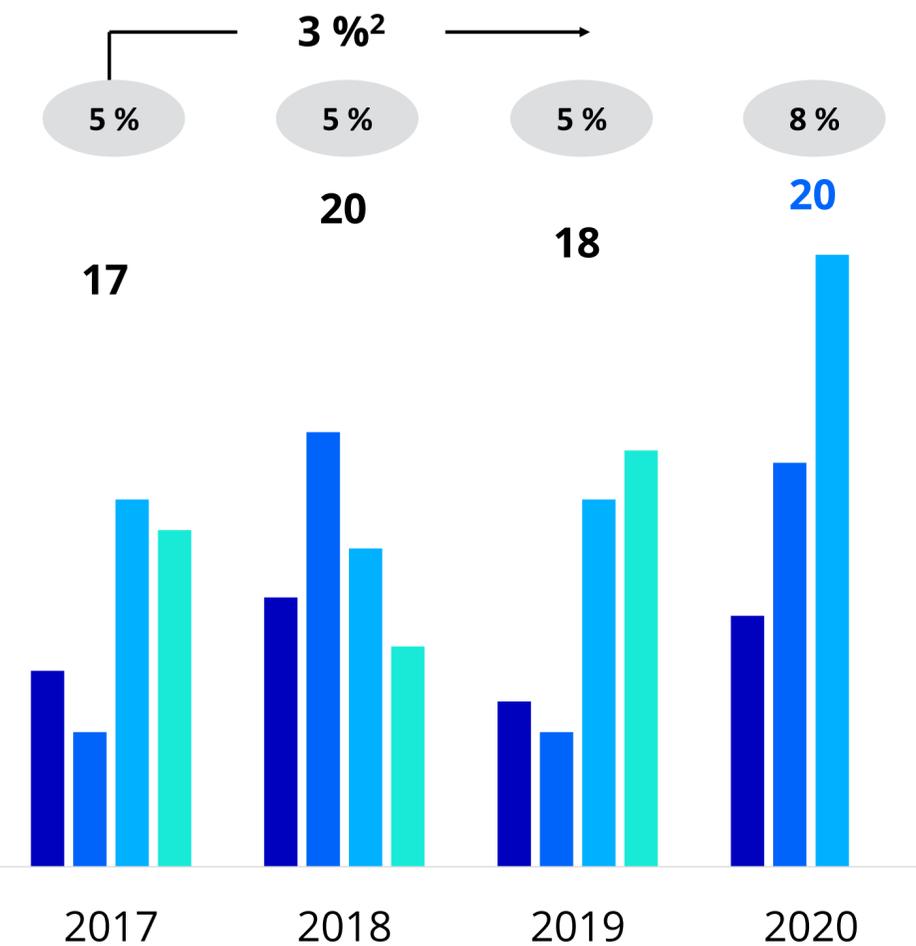
Revenue<sup>1</sup> in € m



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



Adj. EBITDA & margin<sup>1,3</sup> in € m

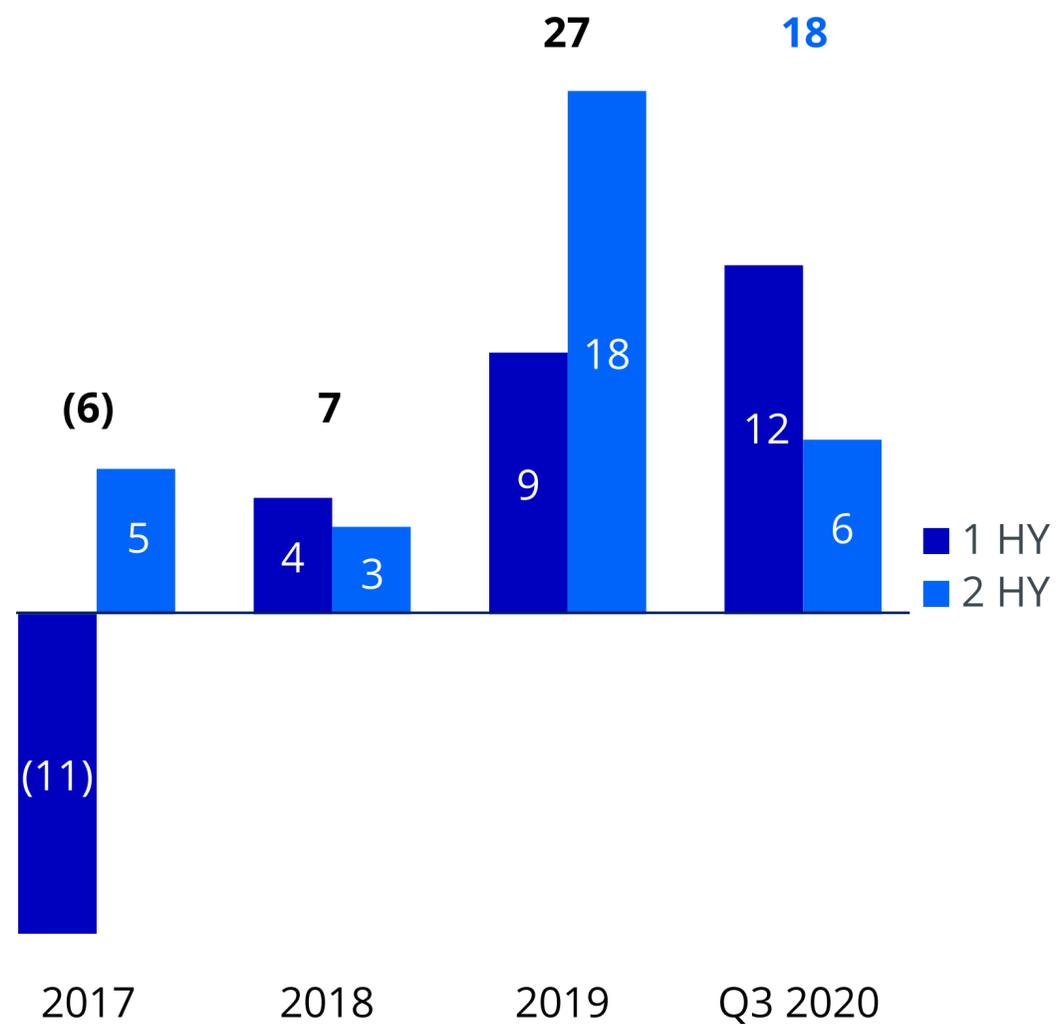


<sup>1</sup>) Based on unaudited quarterly financials of Allgeier group continued according to IFRS

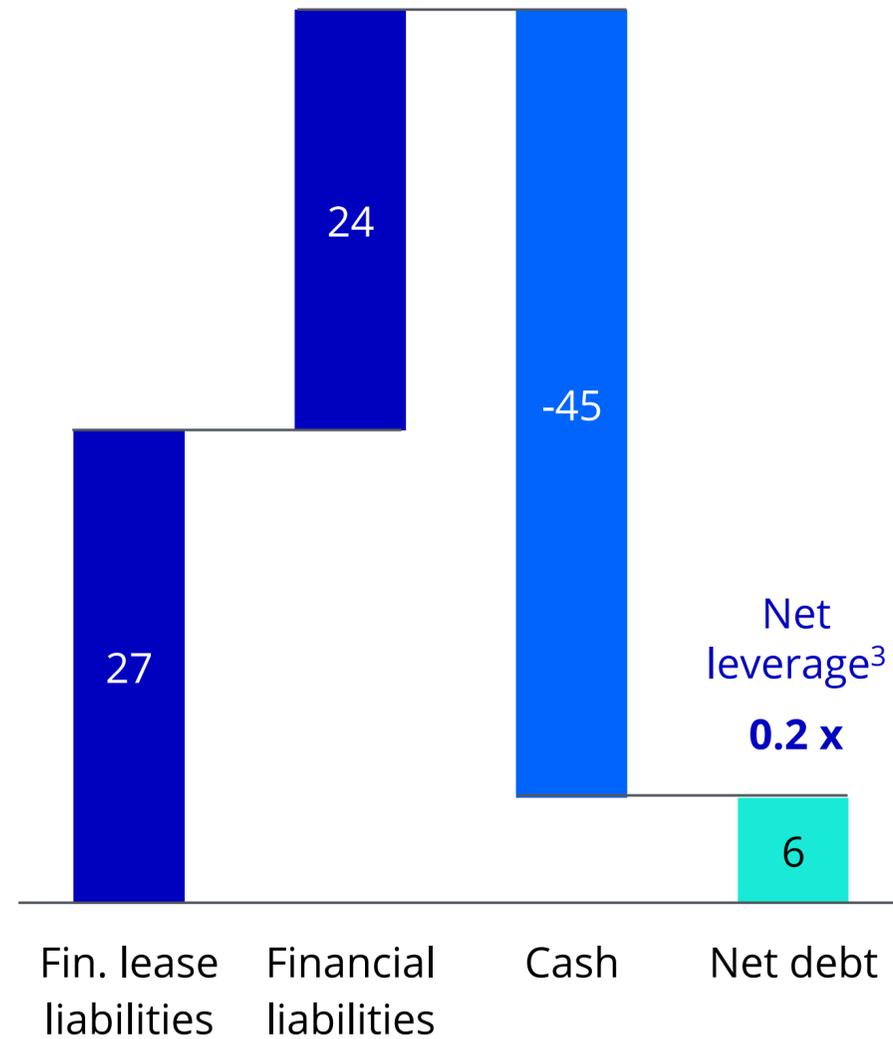
<sup>2</sup>) Compound Annual Growth Rate 2017-2019 <sup>3</sup>) EBITDA before effects that are extraordinary or relate to other periods

# Allgeier has sufficient headroom for future M&A

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



Q3 2020 Net debt in € m<sup>1,2</sup>



**€140m**

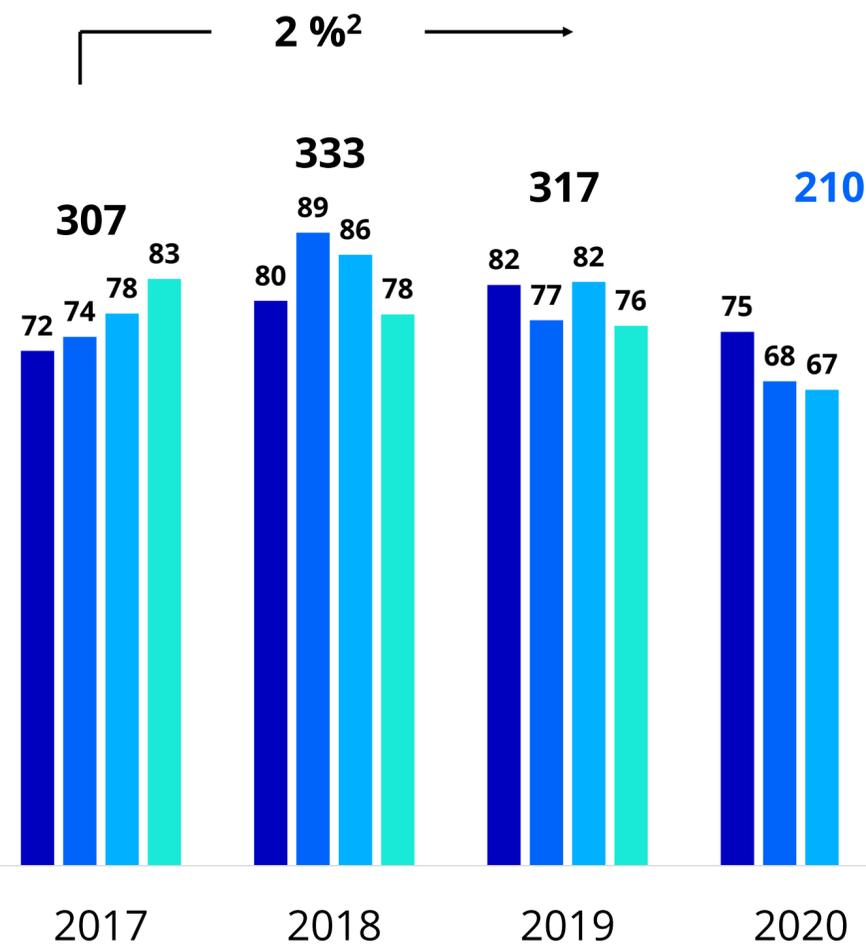
New revolving credit facility committed by a bank consortium

Post spin-off of Nagarro ...

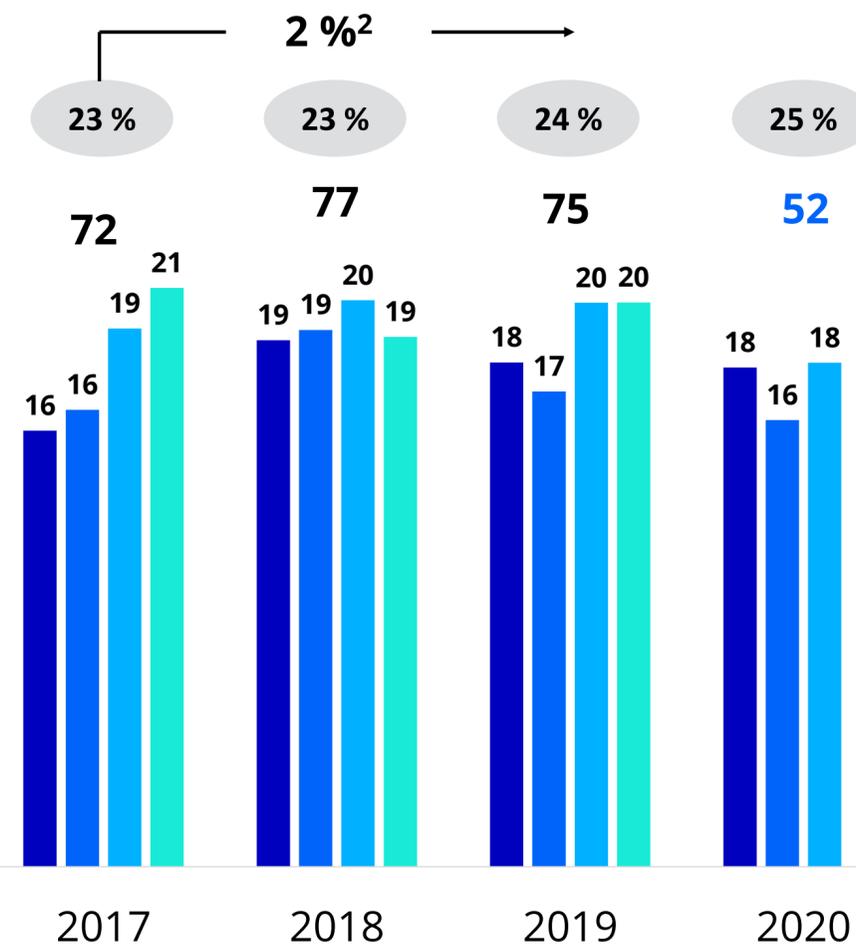
... Allgeier keeps most of the holding costs with room for improvement and ... Nagarro takes on the majority of net debt

# The restructuring of Enterprise IT has led to decrease in revenue, but notable recovery of earnings

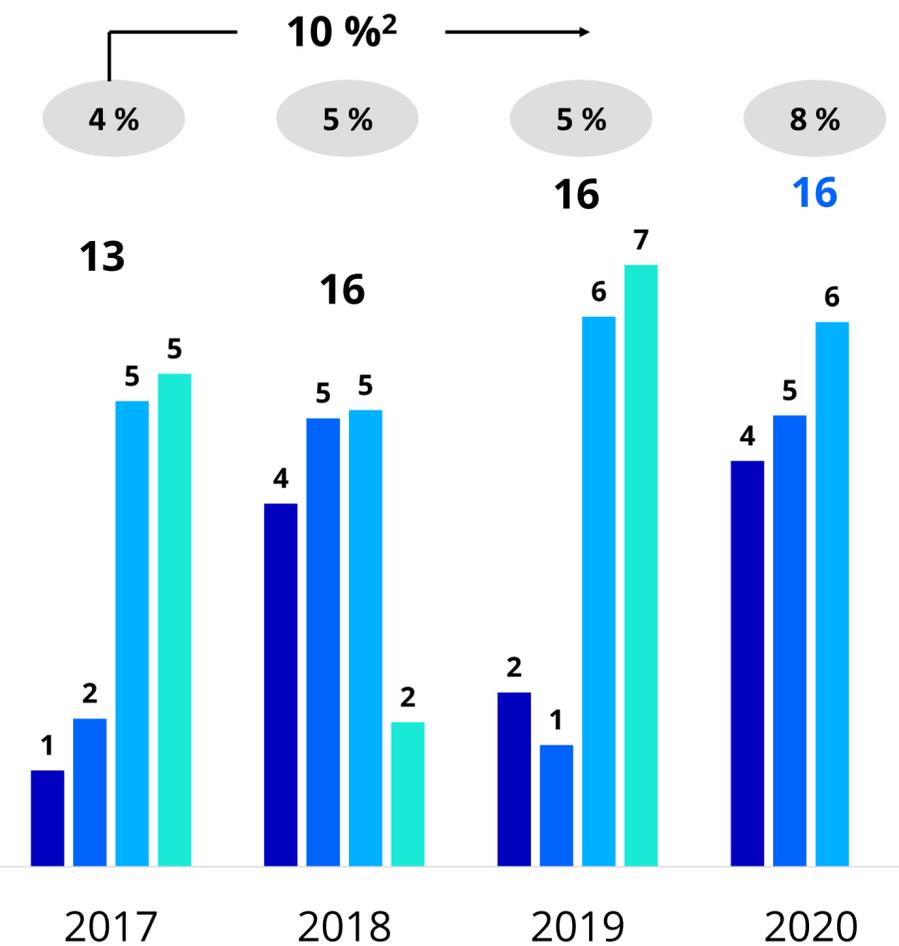
Revenue<sup>1</sup> in € m



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



Adj. EBITDA & margin<sup>1,3</sup> in € m

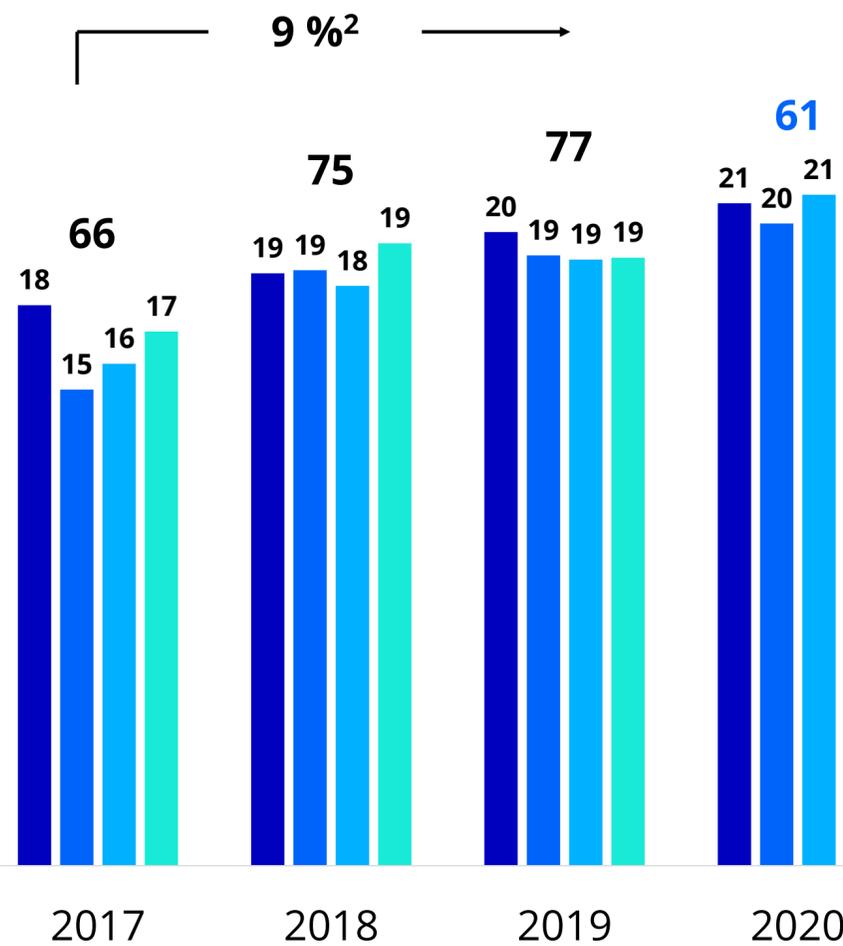


<sup>1</sup>) Based on unconsolidated quarterly segment financials according to IFRS

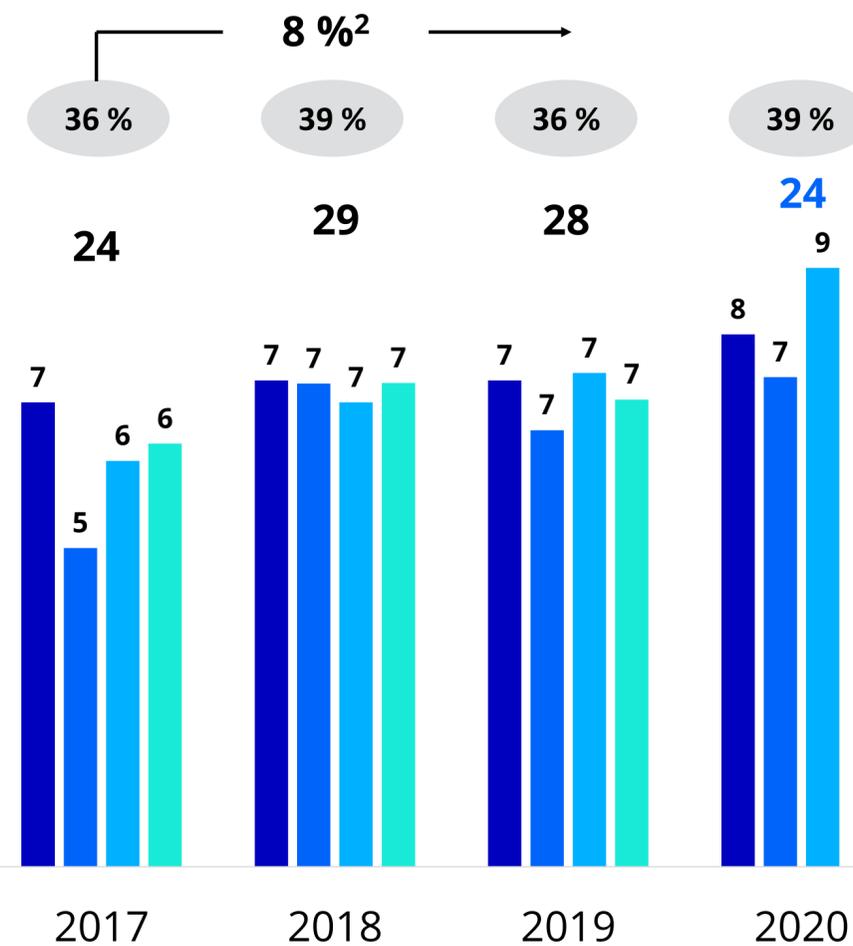
<sup>2</sup>) Compound Annual Growth Rate 2017-2019 <sup>3</sup>) Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating unit w/o holding company costs

# mgm technology partners shows continuous growth with high profitability

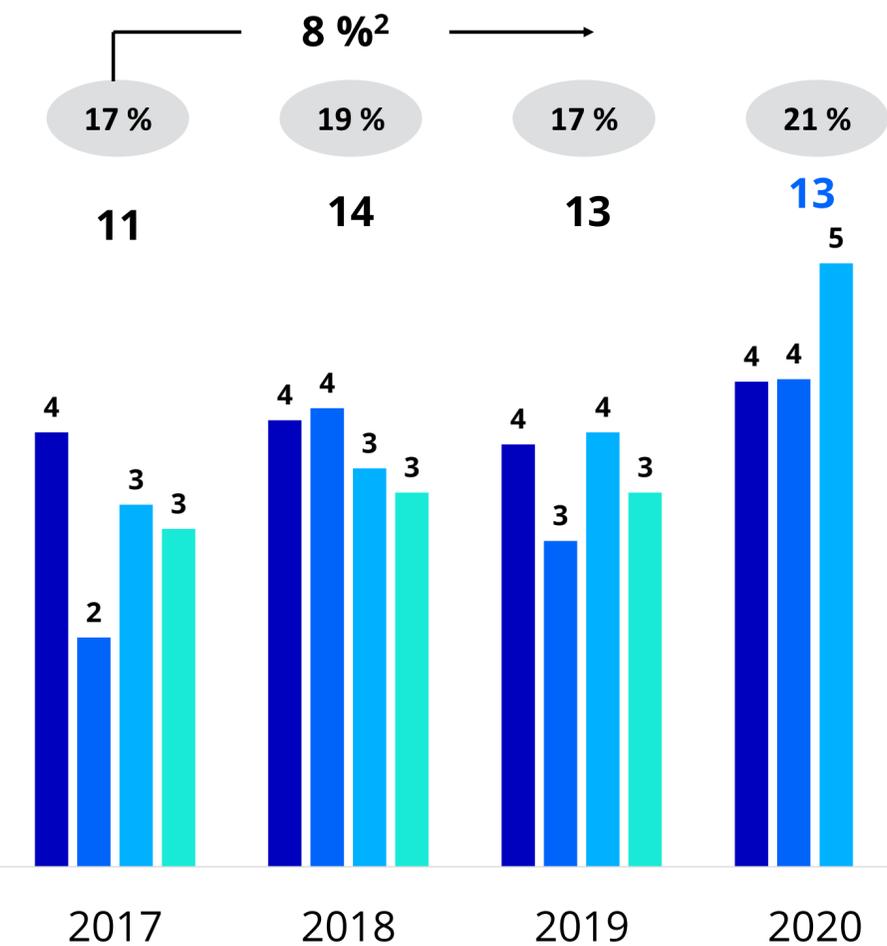
Revenue<sup>1</sup> in € m



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



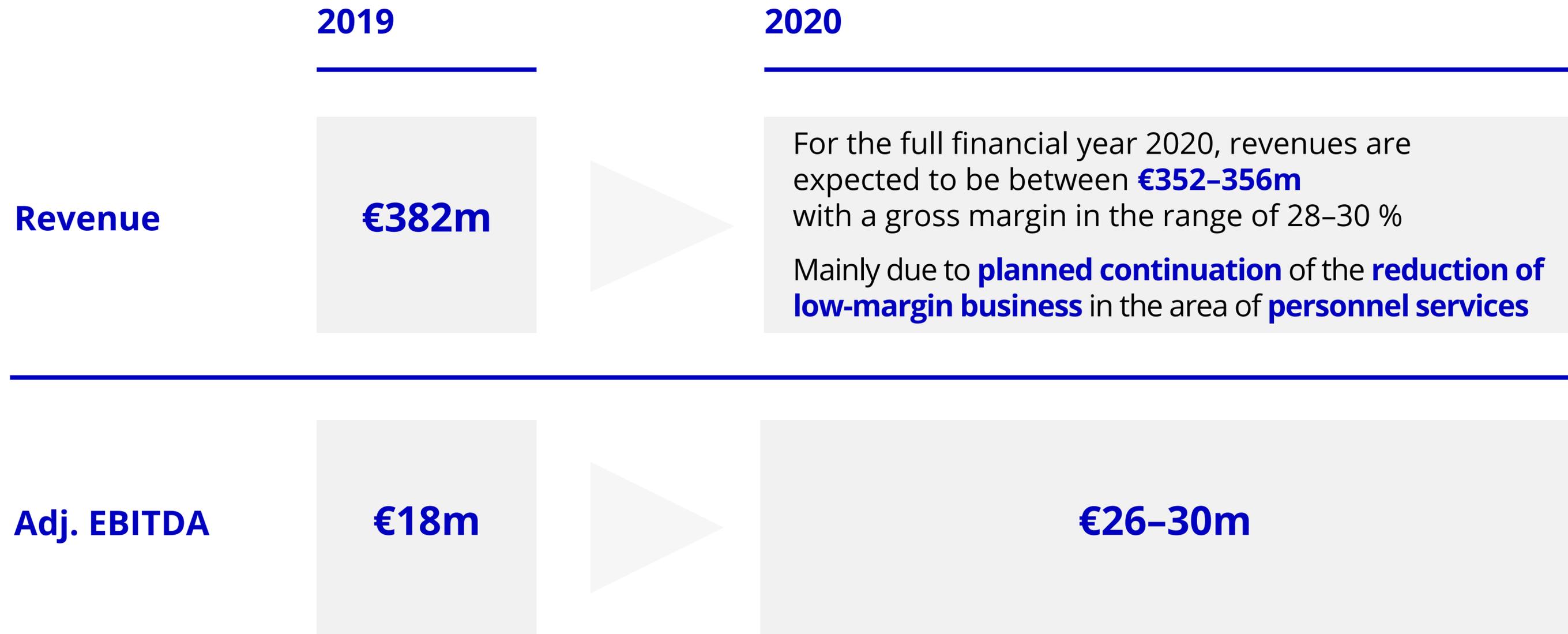
Adj. EBITDA & margin<sup>1,3</sup> in € m



<sup>1</sup> Based on quarterly segment financials according to IFRS

<sup>2</sup> Compound Annual Growth Rate 2017-2019 <sup>3</sup> Adj. EBITDA (EBITDA before effects that are extraordinary or relate to other periods) of operating unit w/o holding company costs

## Remaining Allgeier group: Guidance for the 2020 financial year





# Strategy

## Allgeier creates shareholder value by ...

1

... focusing on the attractive and sustainably growing IT services and software market

2

... building strong and market leading operative units with experienced top management teams

3

... broad, diverse customer base with potential to increase value add and gross margin

4

... continuing its buy & build strategy on sound financial leverage

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Driving Technology

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