

ALLGEIER

Driving Technology

ALLGEIER

Investor Update
July 2020



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All figures stated for 2019 have been prepared in accordance with IFRS, by applying IFRS 16, which is effective as of 2019. The comparative figures for 2018 have been retroactively adjusted to IFRS 16 for the purpose of comparability. All IFRS figures mentioned in this release refer to the business of the entire Group. It is also pointed out that all statements for the financial year 2020 represent expectations of the Management Board based on assumptions and estimates. Although the Management Board is of the opinion that these assumptions and estimates are correct, future actual developments and future actual results may differ from these assumptions and estimates. Allgeier SE gives no guarantee and assumes no liability that future developments and the actual results achieved in the future will correspond to the assumptions and estimates expressed in this ad hoc announcement.

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Agenda

Allgeier at a glance
Business Overview
Financial Performance
Summary & Outlook



Allgeier at a glance

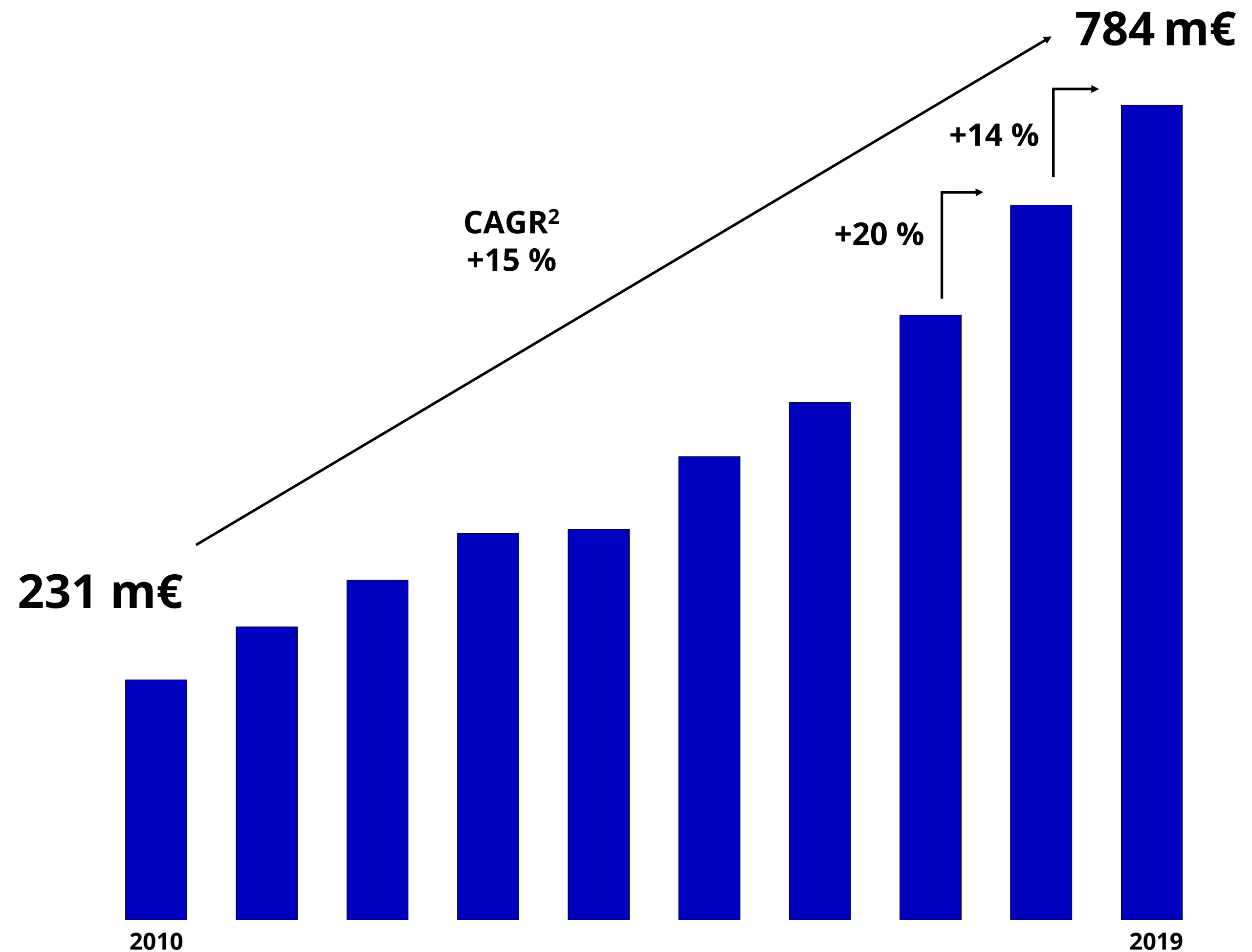
Digitalization is questioning many things that have proven their worth in organizations of all sizes over a long period of time. Instead of predictable innovation cycles, **disruptive changes** take place that can devalue or even obsolete successful business strategies within only a few years.

Allgeier is guiding its customer through the challenges of digital transformation to ensure their future success. We are thinking breakthroughs for new digital business models, taking strategic priorities and executing fast and without fuss groundbreaking projects to create agile and intelligent enterprise for the digital era.



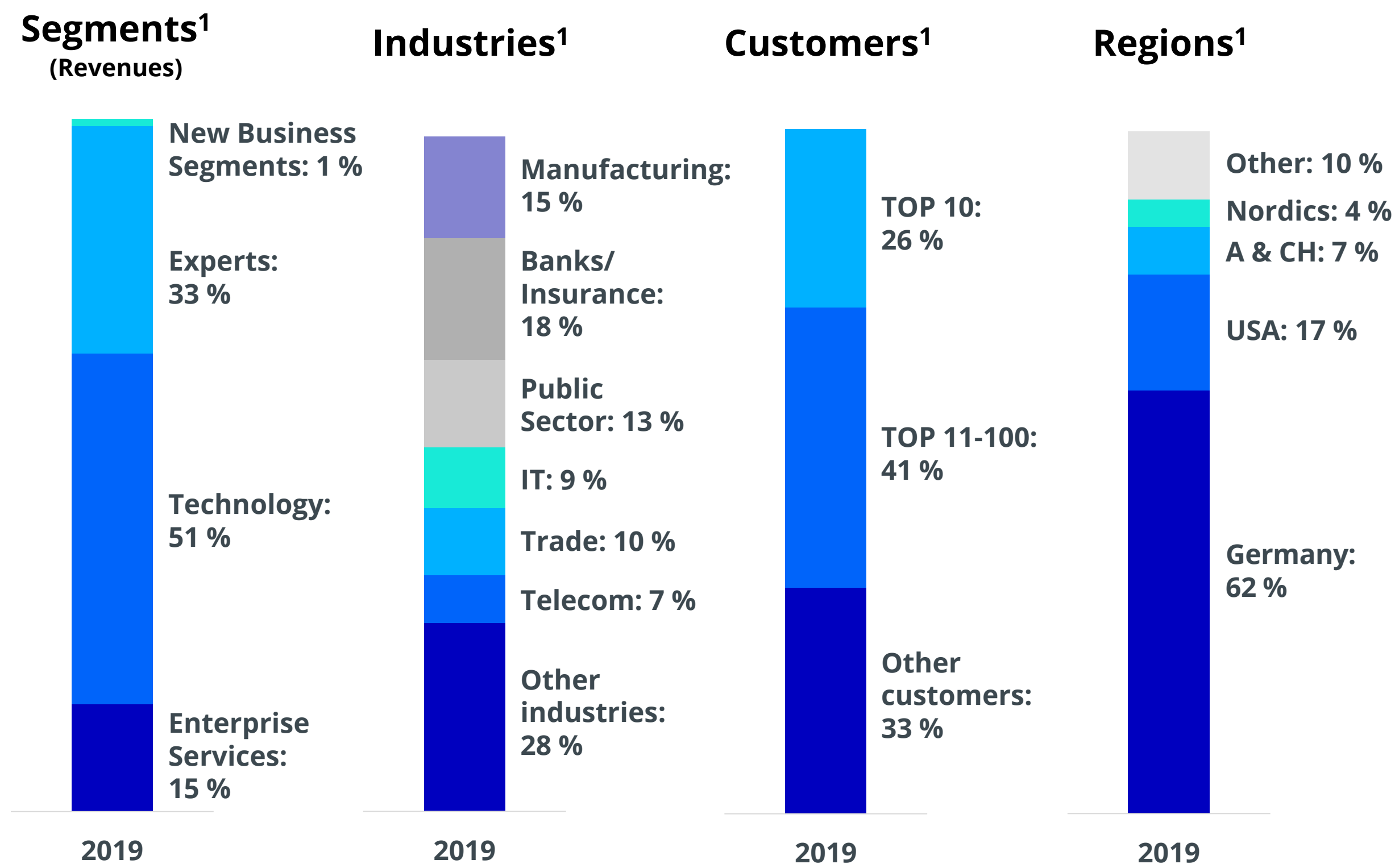
Allgeier is
expanding quickly
with continuous
double-digit growth
rates and
business spreading
across 28 countries
worldwide

High growth in sales¹

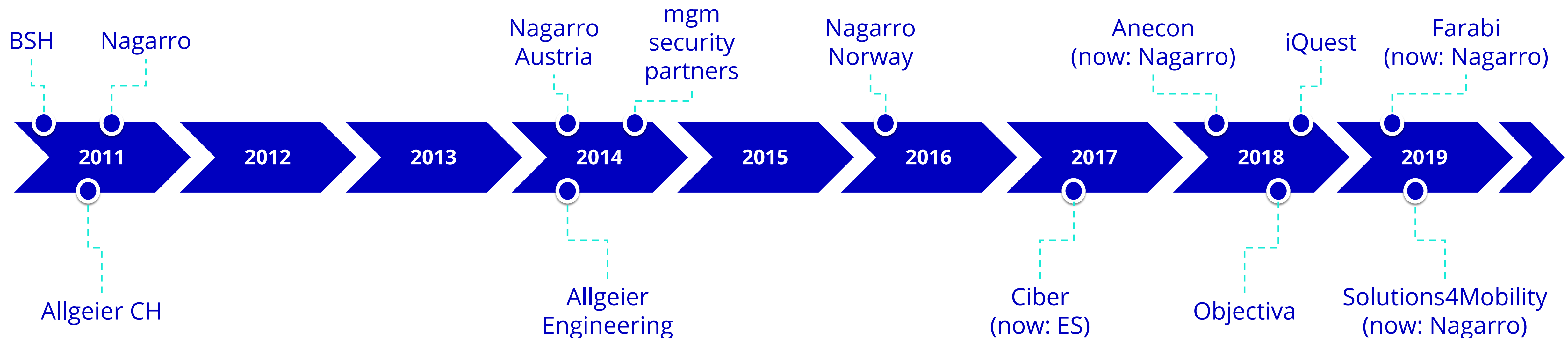


1) Group figures according to IFRS, FY 2017: adjusted figures according to IFRS 15
2) Compound Annual Growth Rate

Allgeier is broadly positioned across regions, customers and industries



Impressive track record of more than **13 strategic acquisitions** over the recent 9 years to deepen the technology footprint



Value Proposition



Strategically focused on **IT megatrends** such as AI, Machine Learning, Big Data, IoT, Cloud Services & Next-Gen User Experience **in attractive industries**



Portfolio of **best-in-class technology companies** that unite to adapt quickly and easily to customers digital transformation needs



Global outreach across 28 countries to secure customer proximity, **agility** in delivery and **leverage cost efficiencies** with regional footprint



Driving technology to further deepen **cutting-edge skills** to maintain market leadership



Partnering with and trusted by a **solid base** DAX and Fortune 500 companies as well as mid-sized industry leaders.



Proven **successful M&A track record** and further accelerating growth by value-adding acquisitions in strategic Group segments



Business Overview

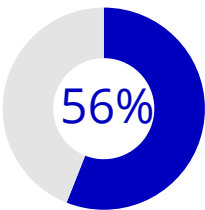
Business Segments

Highly specialized teams providing cutting-edge technology solutions and services creating competitive advantage for clients

TECHNOLOGY

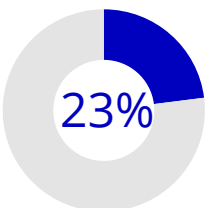
Tailor made software development and technology services for digital disruption to challengers and industry leaders. Combining design, digital solutions and data to outperform the competition.

% of gross profit¹



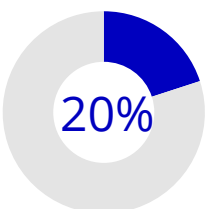
ENTERPRISE SERVICES

Strategy and process consulting to full implementation, as well as managed services in the context of application management, hosting and cloud services. Scalable, and adaptable software solutions for all industry requirements.



EXPERTS

Professional workforce solutions delivering IT personnel services and project solutions for digitalization. One-stop shop offering the ideal combination of flexible personnel and IT project services.



1) Split among the three core segments, state as of December 31, 2019

Technology

Tailor-made software development and technology services for digital disruption to challengers, industry leaders and the public sector



SIEMENS

J.P.Morgan

vodafone



Bank of Ireland Group

ÖBB

VOLVO

ebay

ERSTE
Bank

ELW

intel



GE Aviation

Google



swisscom

Roche

asics

IKEA



Lufthansa

innogy

Global specialist for digitalization of mission-critical business processes and disruptive technology services

Solution Portfolio

Application Development & Management

Big Data Analytics/DevOps

Blockchain

Digital Commerce/Portals

Digital Transformation, Improvement

UX/Experience Design

Software Engineering & Lifecycle

Quality Engineering/Testing

IoT/Wearables & Mobility

Application Services

Cloud

Customer Communication Management

Security & Compliance

Innovation Toolkit



Revenue¹ ≈ EUR 402m

Adj. EBITDA¹ (margin) ≈ EUR 57.5m (14.3 %)

66 % of revenues outside of Germany



6,500 software developers & UX designers¹



59 locations in 27 countries¹



Flexible blended shoring at development sites in EU, India, China & Vietnam

1) In FY 2019, unconsolidated figures according to IFRS

Enterprise Services

Strategy and process consulting
to full implementation, as well as
managed services in the context
of application management,
hosting and cloud services



Sophisticated SAP & Microsoft consulting and services

Consulting Services

ERP
BPM & ECM
Security & Compliance
Infrastructure, Cloud Migration
Team Efficiency, Communication
Extended Relationship Management

Managed Services

Application Services
Cloud
Infrastructure
Governance & Orchestration
Cruise IT

Data Warehouse

Product Solutions
Housekeeping Cockpit, ComplianceNow®,
Metasonic® Suite, TMaxSoft Suite, Julia MailOffice®,
iTrade®, Syntona logic®



Revenue¹ ≈ EUR 123m

Adj. EBITDA¹ (margin) ≈ EUR 19.3m (15.7 %)

40% recurring revenues

SAP® Cloud Focus Partner

Global SAP Partner



Microsoft Gold Partner



≈ 1,000 consultants in EU¹

1) In FY 2019, unconsolidated figures according to IFRS

Experts

Professional Workforce Solutions
for empowering digitalization
delivering flexible personnel,
project and managed services as
IT services partner

ING  DiBa

ERGO

COMMERZBANK 

Allianz 

IBM

dataport 

DAIMLER

Market leading one-stop-shop business for professional workforce solutions, project and IT services for digitalization

Workforce Solutions

Project Services

Managed services, fixed price IT services
projects and consulting services

Contracting

Placement of freelance experts under a
service contract

Temporary Placement

Placement of permanent experts in the
context of temporary employment

Permanent Placement

Professional search of IT experts and
managers in the context of recruitment



Revenue¹ ≈ EUR 261m

Adj. EBITDA¹ (margin) ≈ EUR 8.5m (3.2 %)



**12 locations¹ for just in time
IT and expert services**



**2,000+ IT & Engineering
experts¹**



**100,000+ professionals¹
in IT experts pool**

1) In FY 2019, unconsolidated figures according to IFRS



**Allgeier has a broad customer base:
65% of sales in FY 2019 months with 100 clients¹**

Percentage of sales 2019

Biggest single client 4.3 %

Three biggest clients 11.3 %

25 biggest clients 40.7 %

100 biggest clients 65.3 %

1) Group figures according to IFRS as of December 31, 2019

Allgeier Group Management Board Members



Carl Georg Duerschmidt
CEO, Management Board

Munich, Germany

With Allgeier since 2001
Board Member since 2003



Dr. Marcus Goedsche
Management Board

Munich, Germany

With Allgeier since 2007
Board Member since 2008



Manas Fuloria, PhD
Management Board

New Delhi, India

With Allgeier since 2011
Board Member since 2014



Hubert Rohrer
Management Board

Bremen, Germany

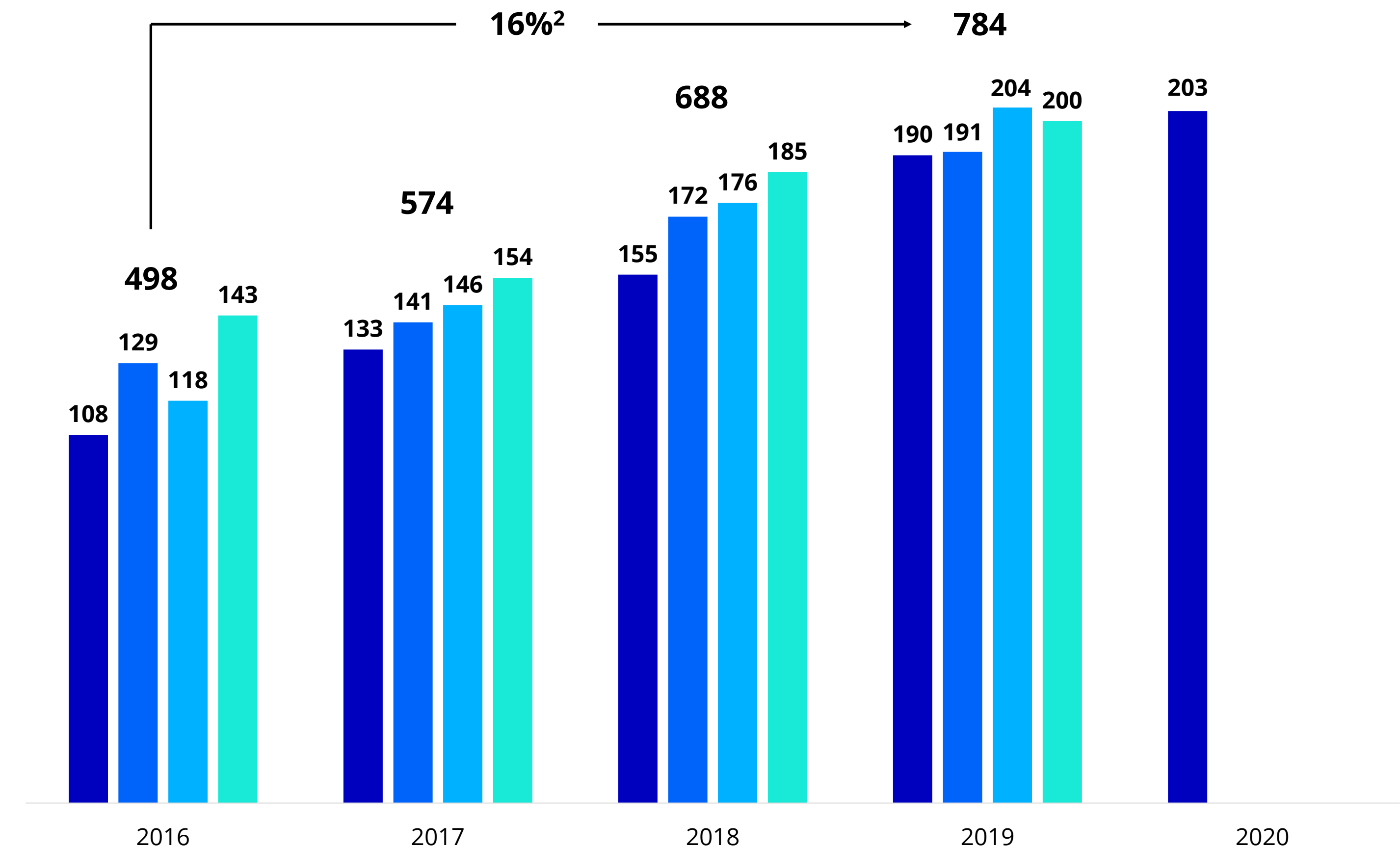
With Allgeier since 1986
Board Member since 2013



Financial Performance

Allgeier is growing at double-digit rates

Sales¹ (on quarterly basis) in EUR m

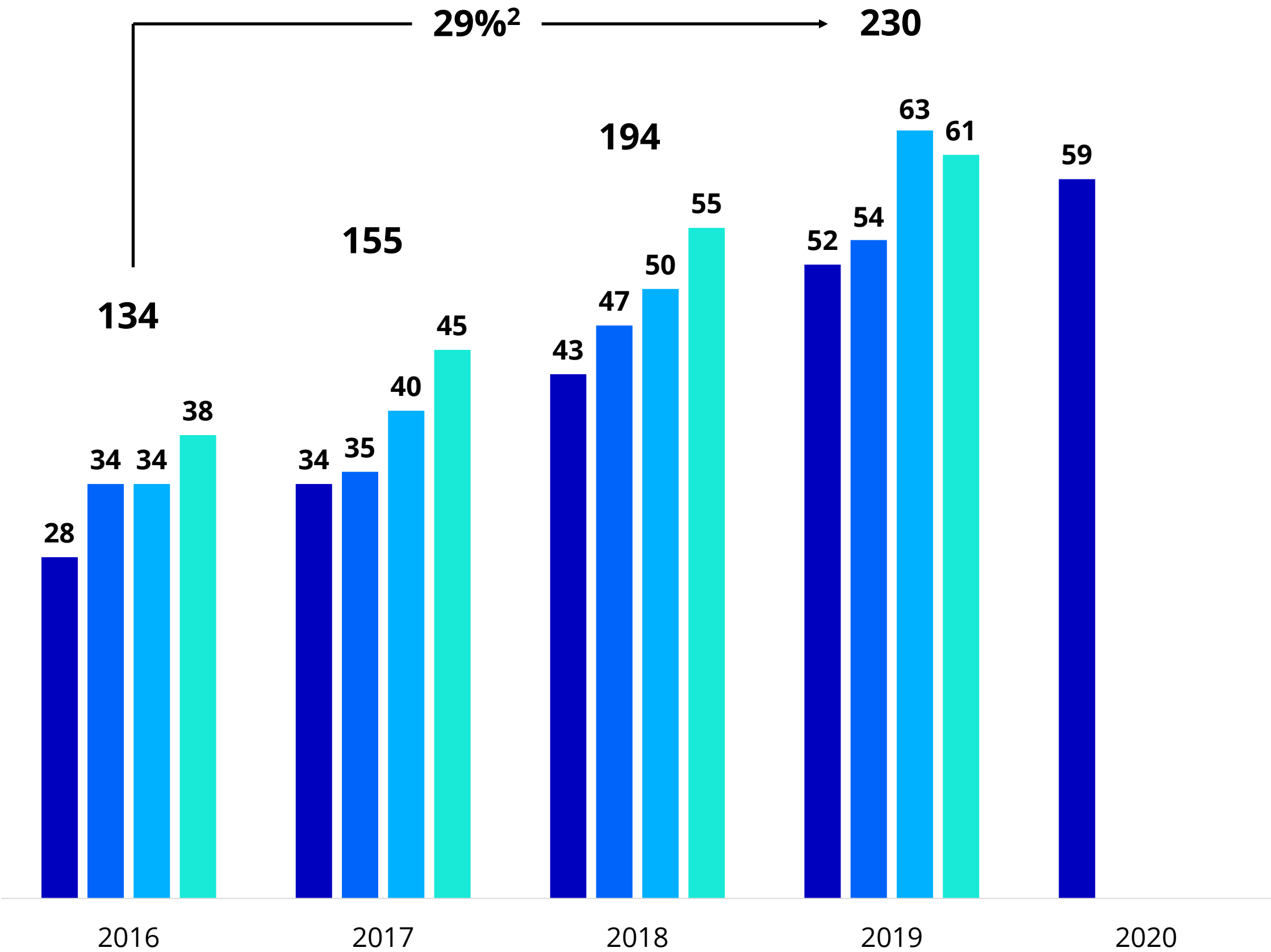


1) Group figures according to IFRS, FY 2017: adjusted figures according to IFRS 15
2) Compound Annual Growth Rate 3) according to Annual Report 2019

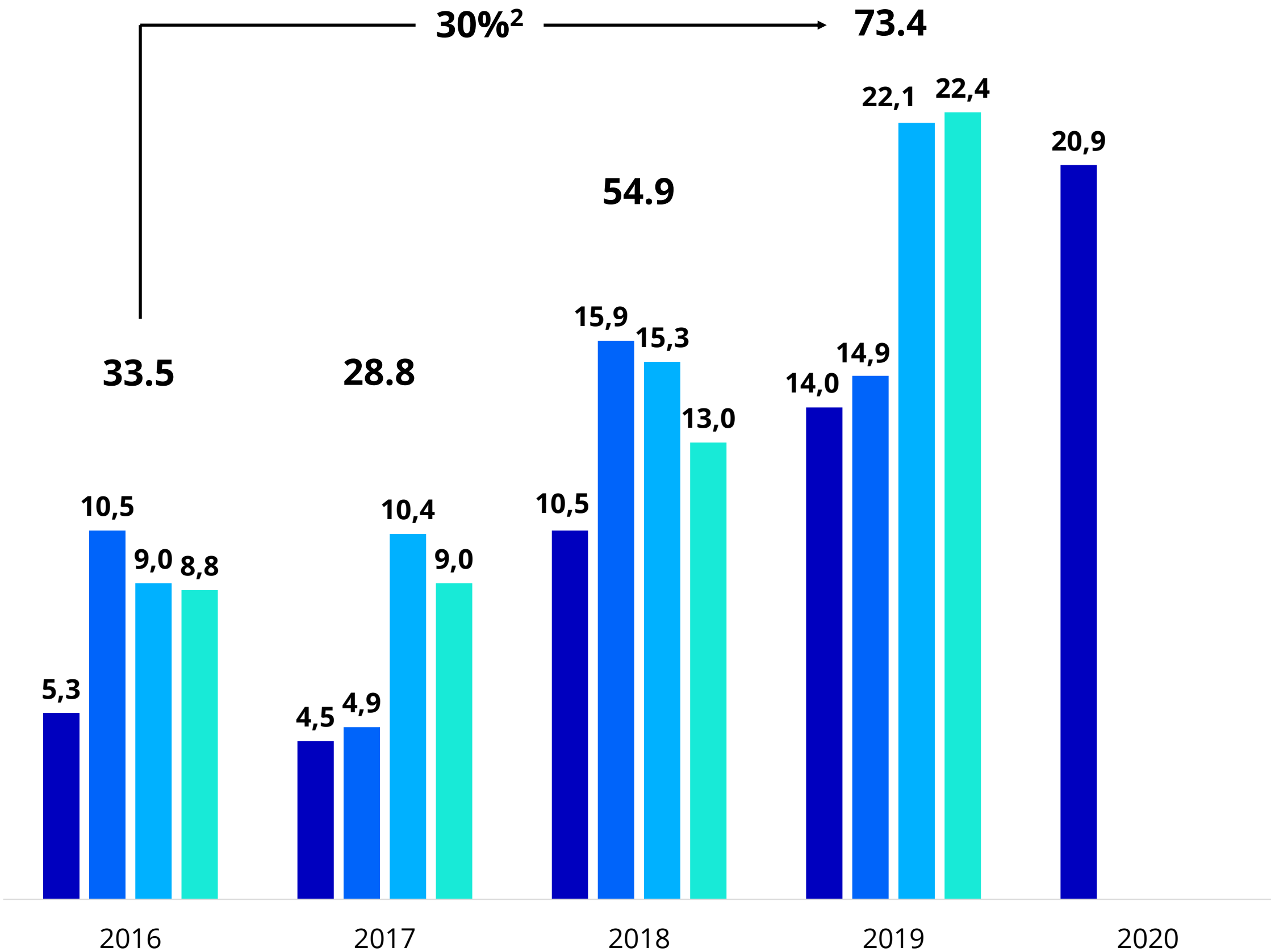
- **Ongoing sales growth** in FY 2018 and FY 2019
- **CAGR² 2016 – 2019:** 16%
- Planning for FY 2020³:
 - **Sales growth** 6 – 8 %
 - **adjusted EBITDA margin** 11 – 12 %

Allgeier continuously improves added value and shows continuous growth in earnings

Gross Profit¹ (on quarterly basis) in EUR m



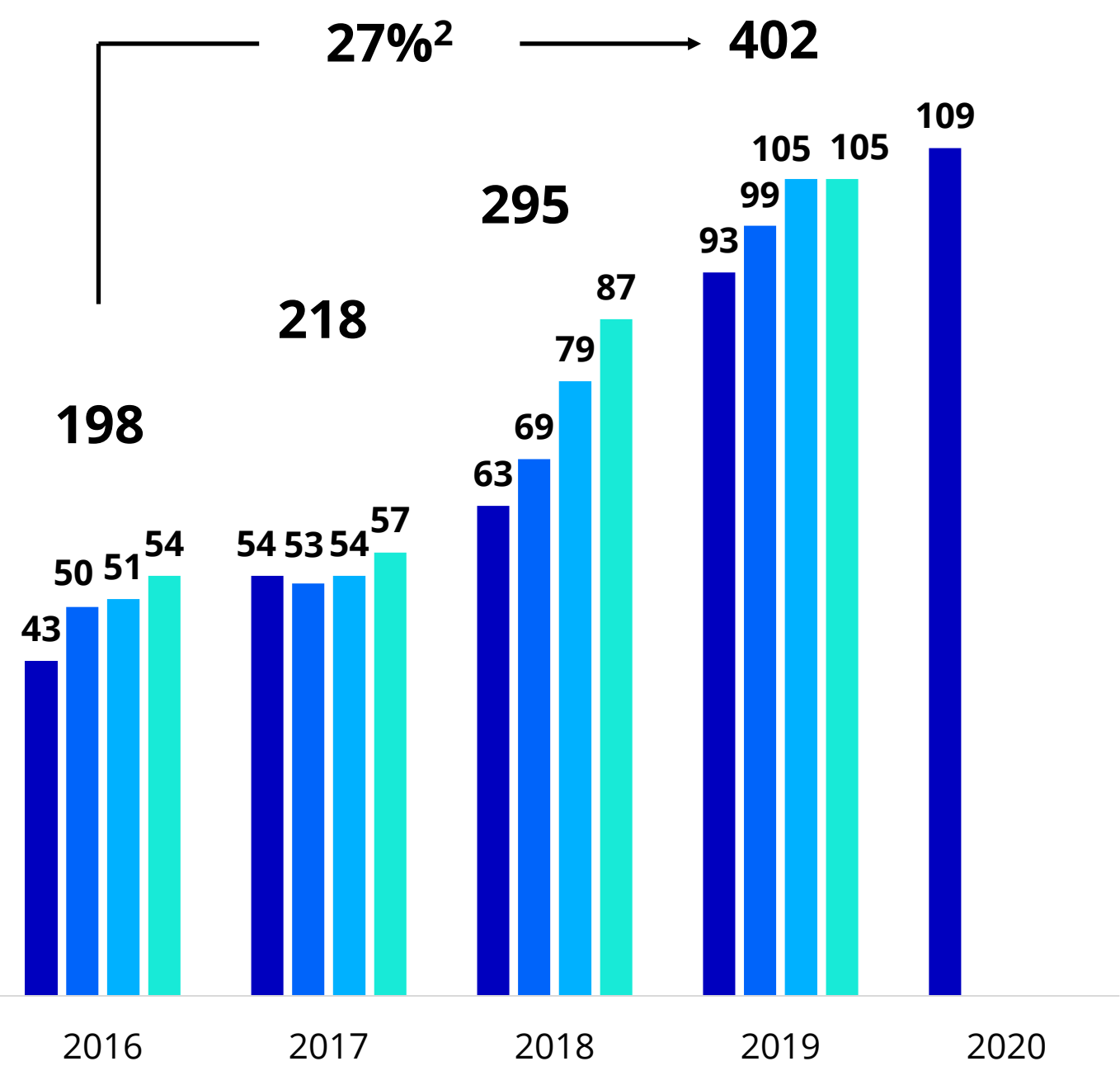
Adjusted EBITDA¹ (on quarterly basis) in EUR m



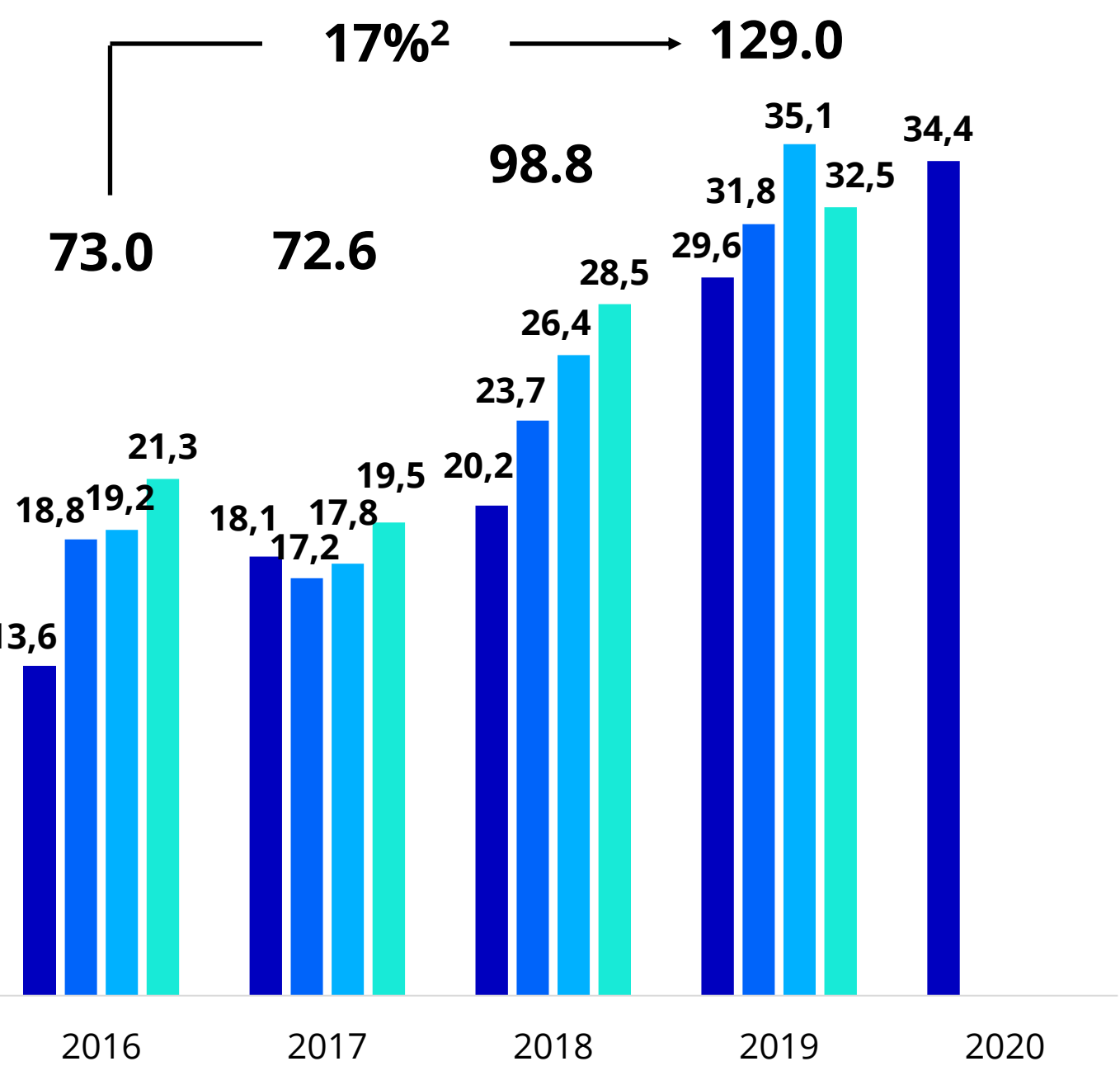
1) EBITDA before effects that are classified as extraordinary or relating to other periods in accounting terms, Group figures according to IFRS, FY 2017: adjusted figures according to IFRS 15; FY 2018ff.: adjusted figures according to IFRS 16
2) Compound Annual Growth Rate

Segment Technology sustains significant growth in sales and earnings

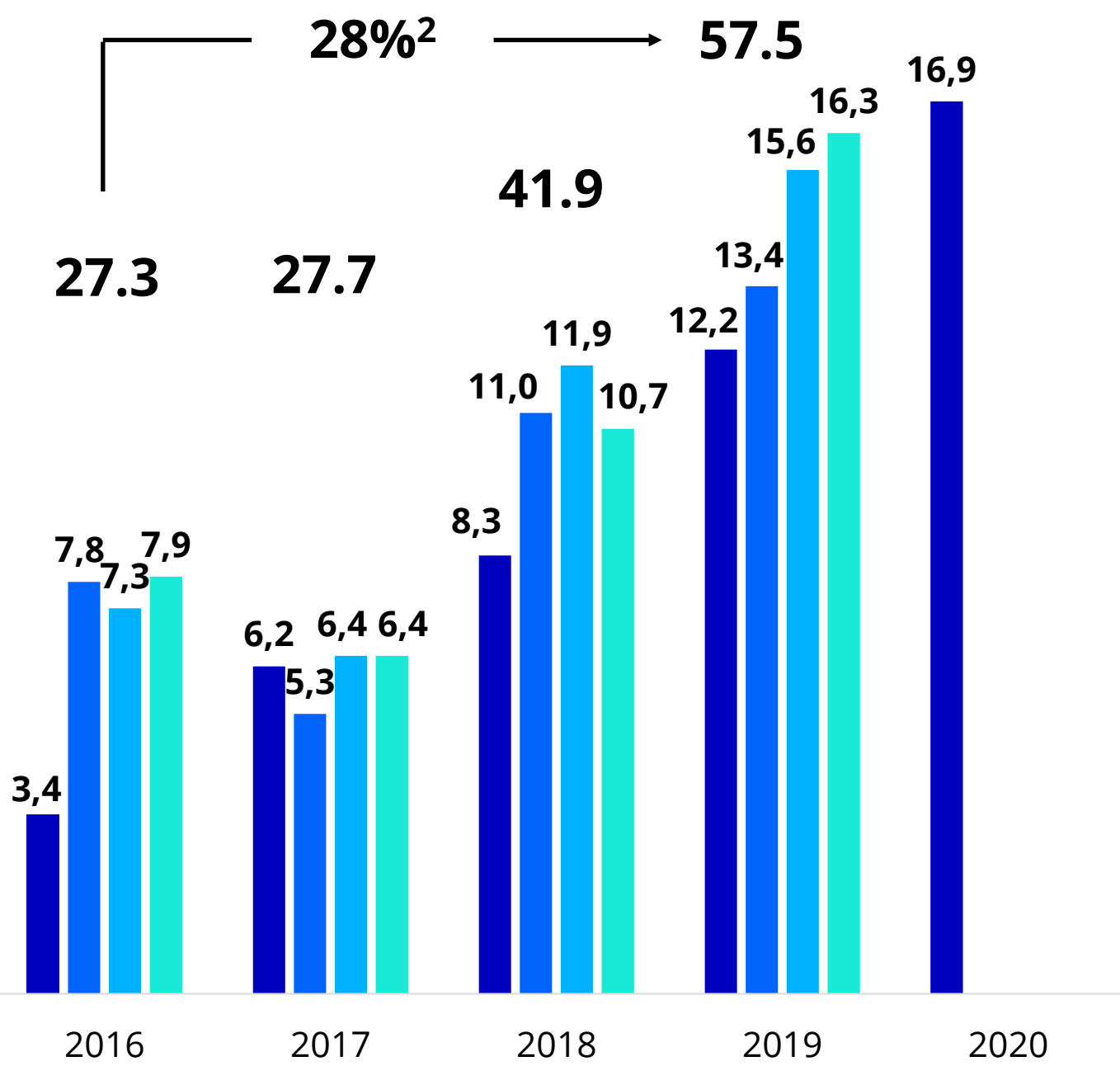
Sales¹ (on quarterly basis) in EUR m



Gross Profit¹ (on quarterly basis) in EUR m



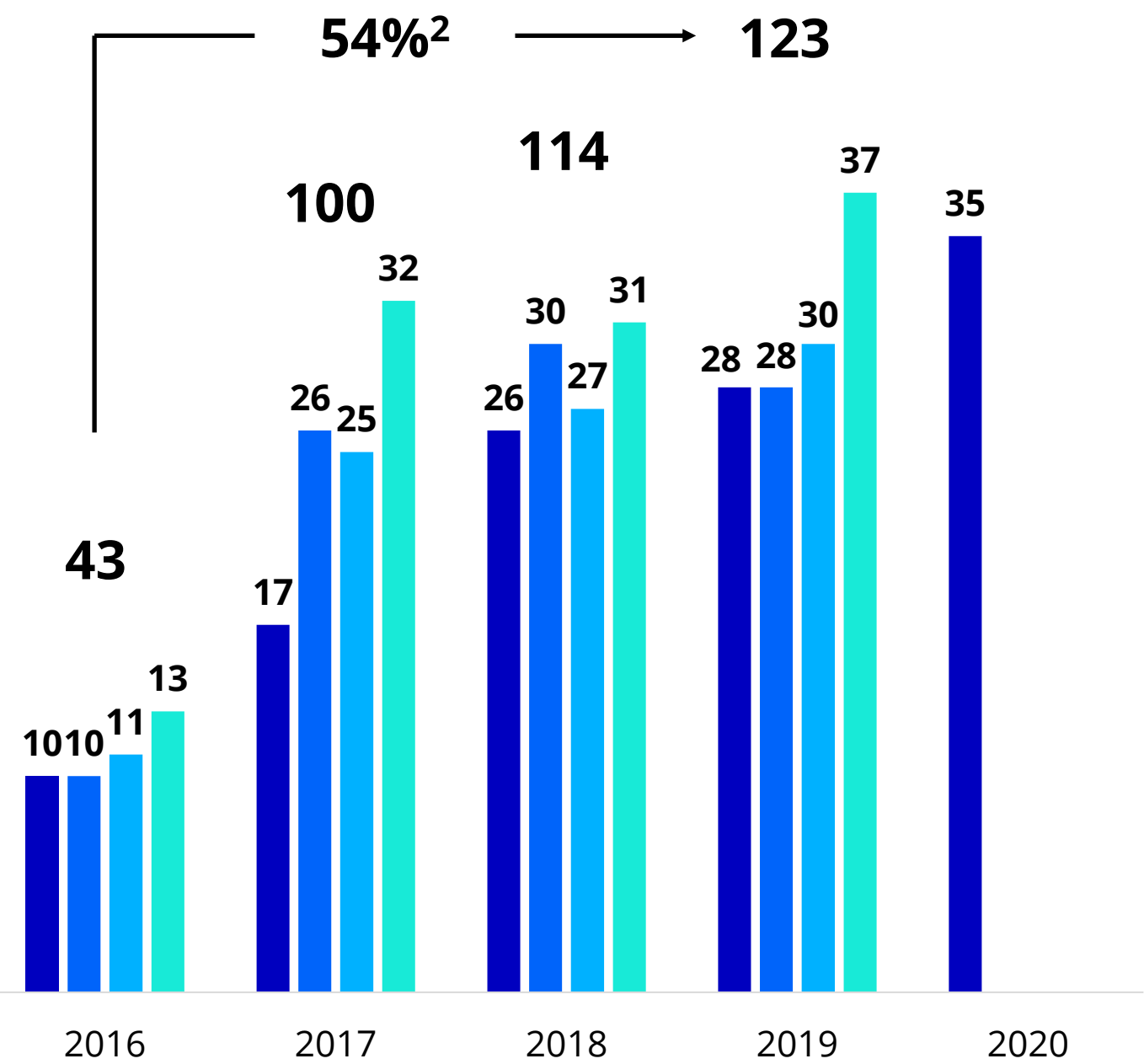
Adj. EBITDA¹ (on quarterly basis) in EUR m



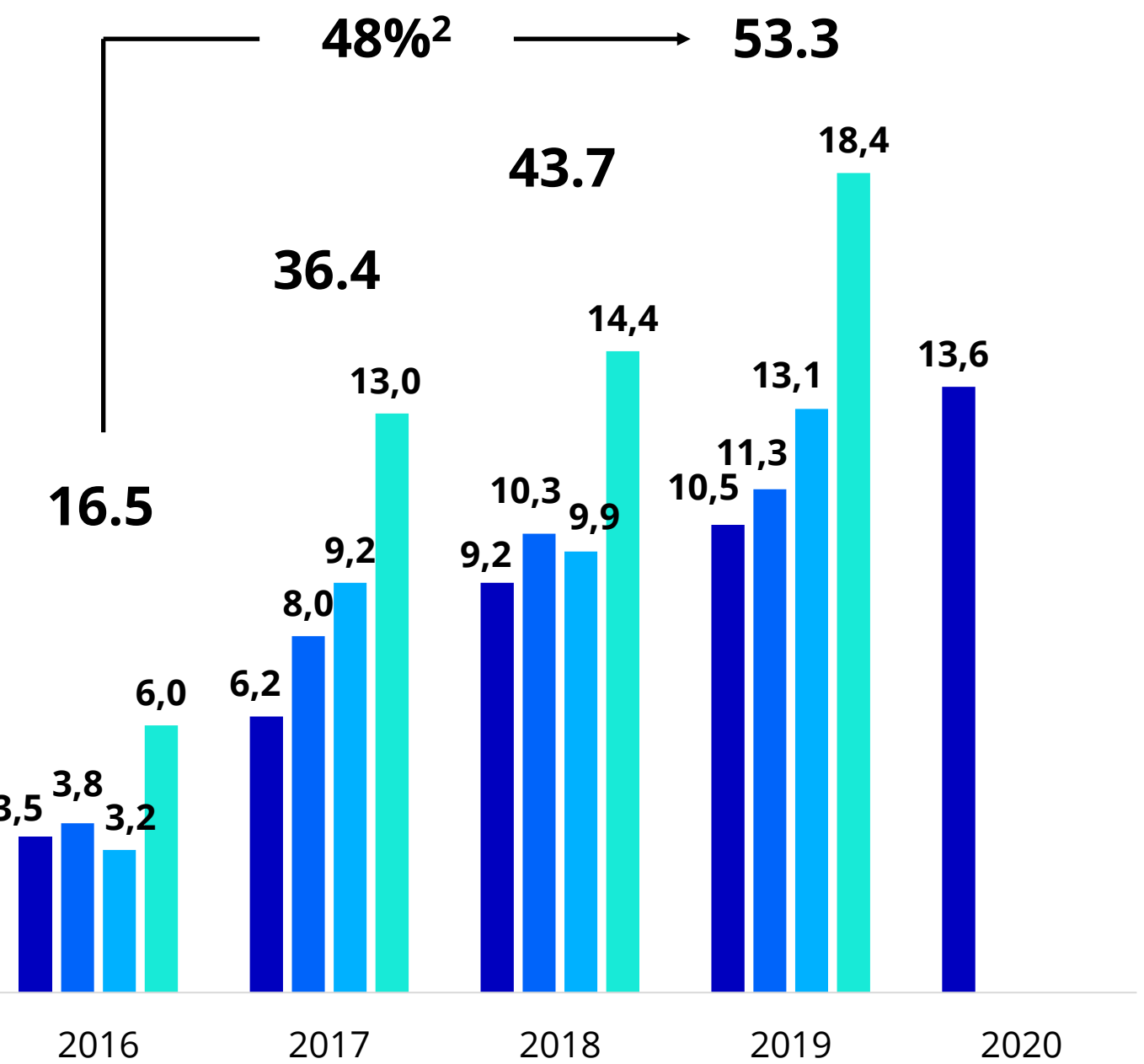
1) Unconsolidated figures according to IFRS, FY 2017: adjusted figures according to IFRS 15, FY 2018ff.: adjusted figures according to IFRS 16, Adjusted EBITDA: EBITDA before effects that are classified as extraordinary or relating to other periods in accounting terms,
2) Compound Annual Growth Rate

Segment Enterprise Services shows strong revenue and earnings growth driven by SAP business

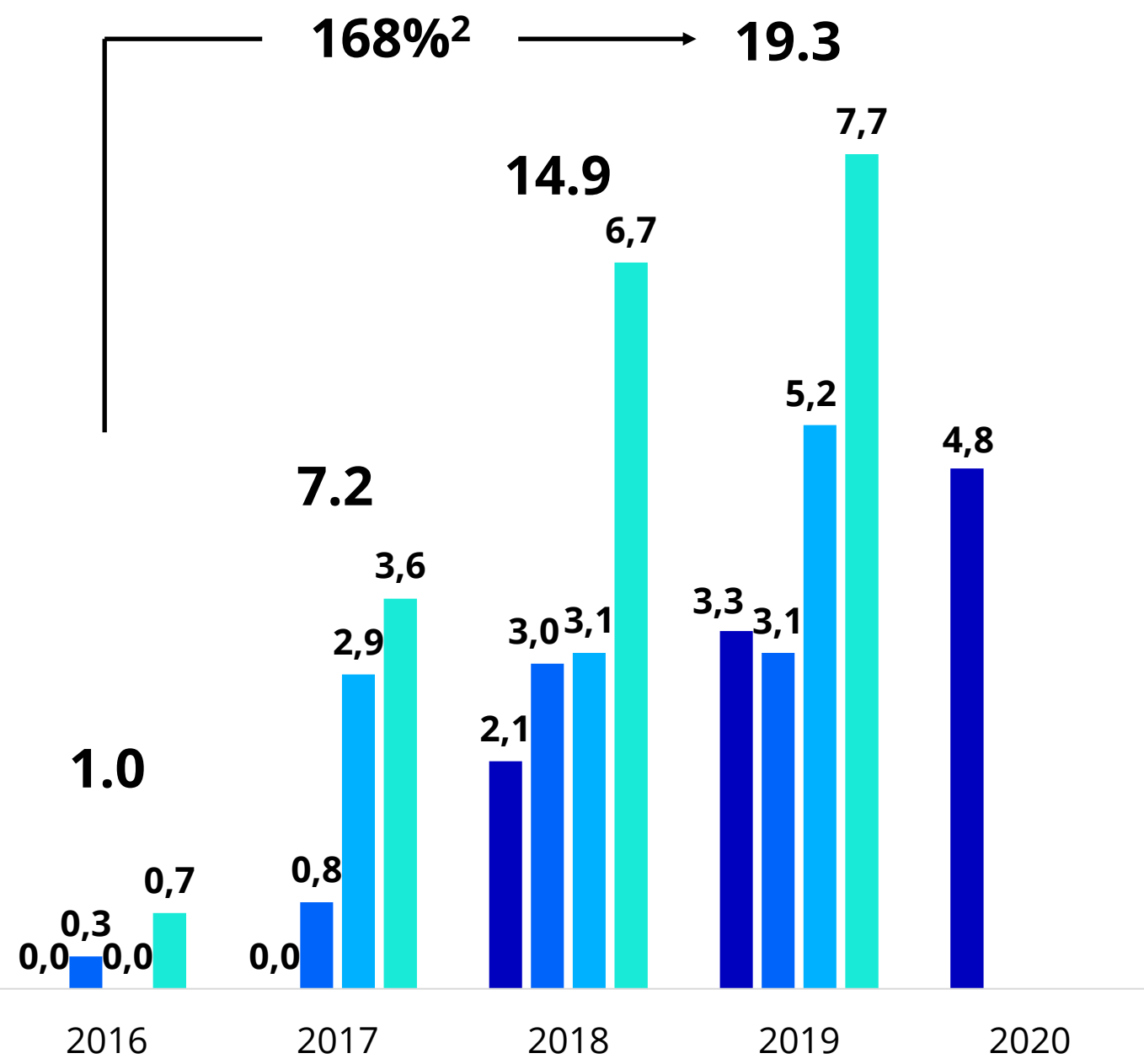
Sales¹ (on quarterly basis) in EUR m



Gross Profit¹ (on quarterly basis) in EUR m



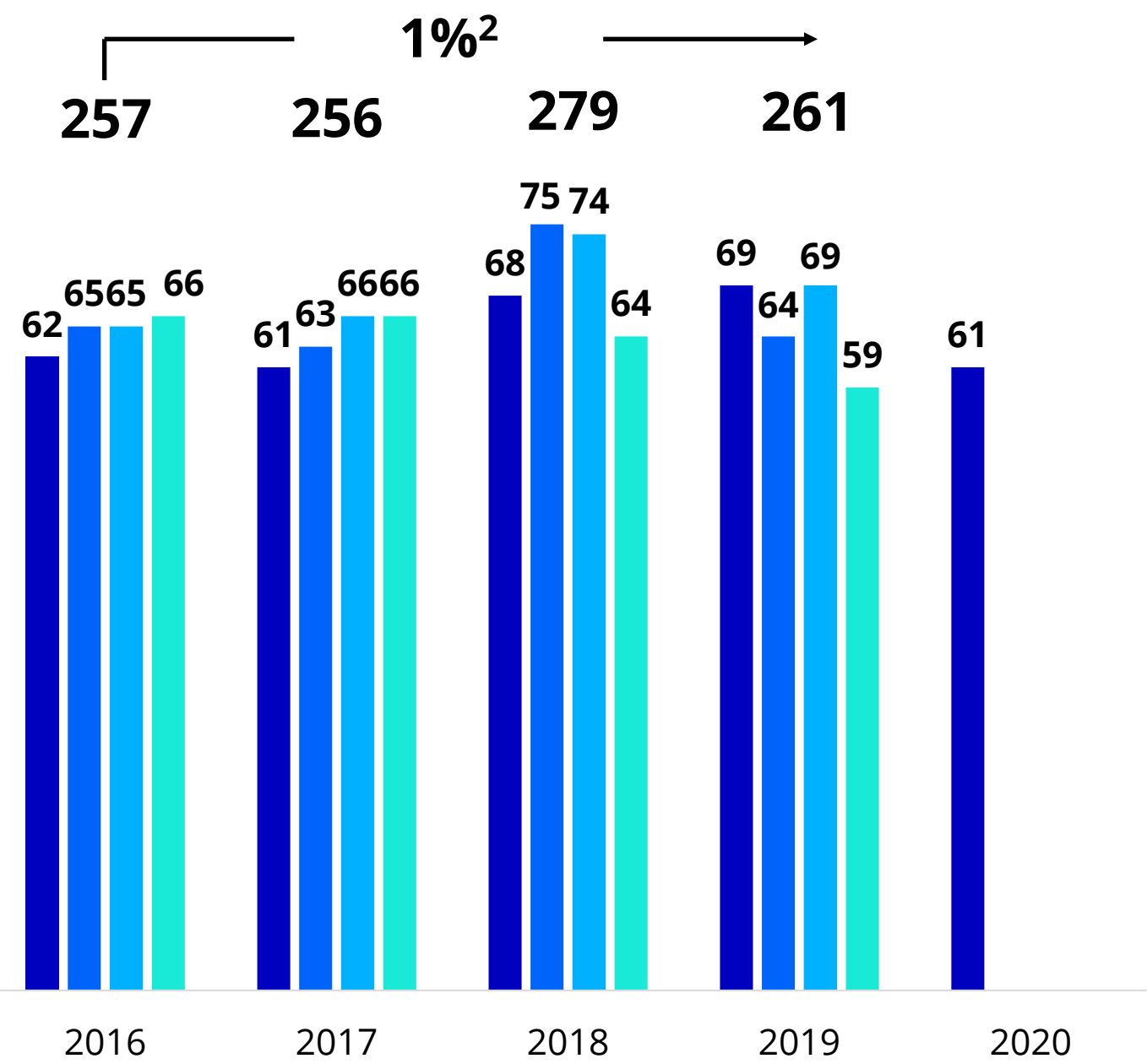
Adj. EBITDA¹ (on quarterly basis) in EUR m



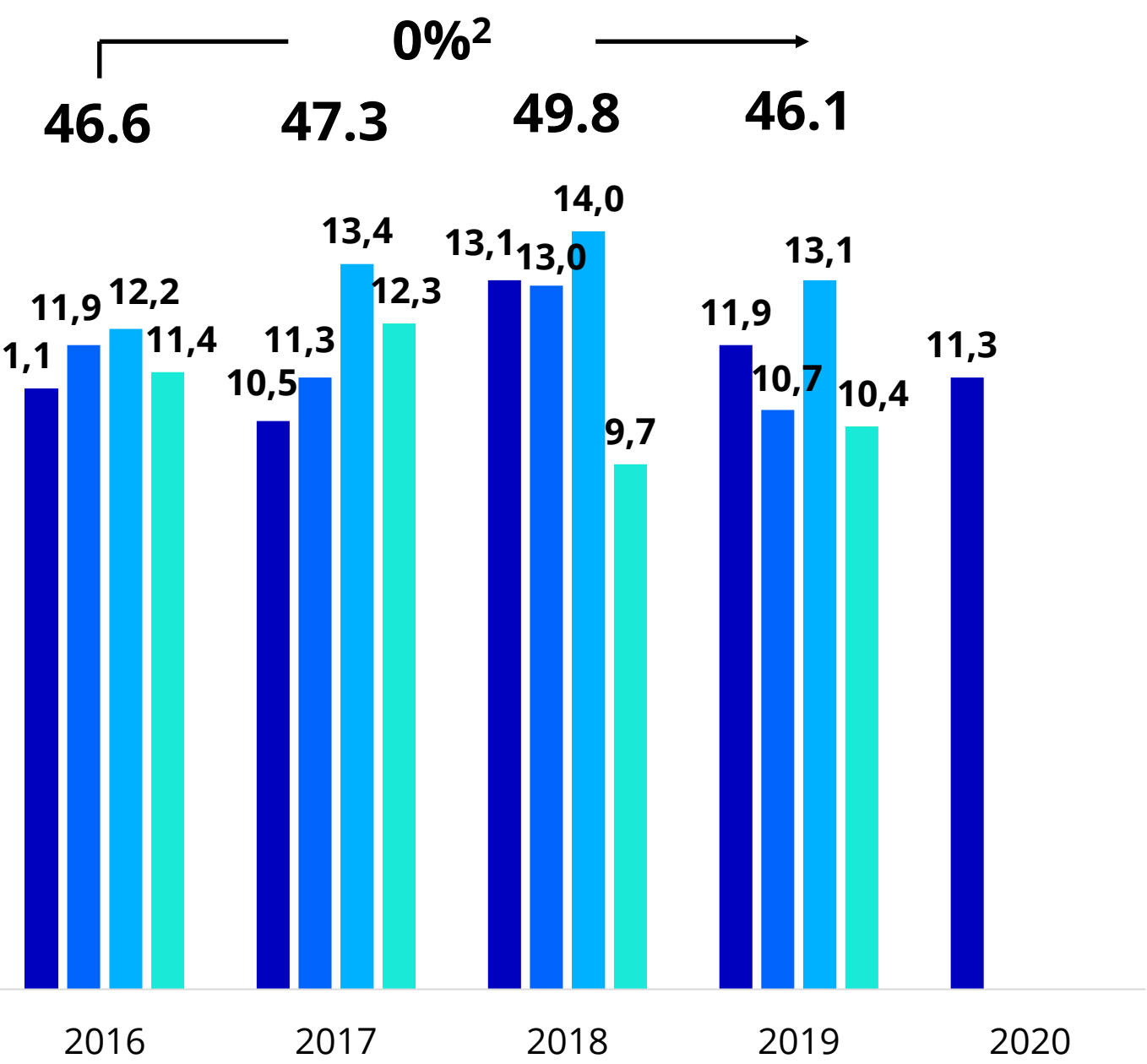
1) Unconsolidated figures according to IFRS, FY 2017: adjusted figures according to IFRS 15, FY 2018ff.: adjusted figures according to IFRS 16, Adjusted EBITDA: EBITDA before effects that are classified as extraordinary or relating to other periods in accounting terms,
2) Compound Annual Growth Rate

Segment Experts has achieved a positive turnaround and is back on track for further growth

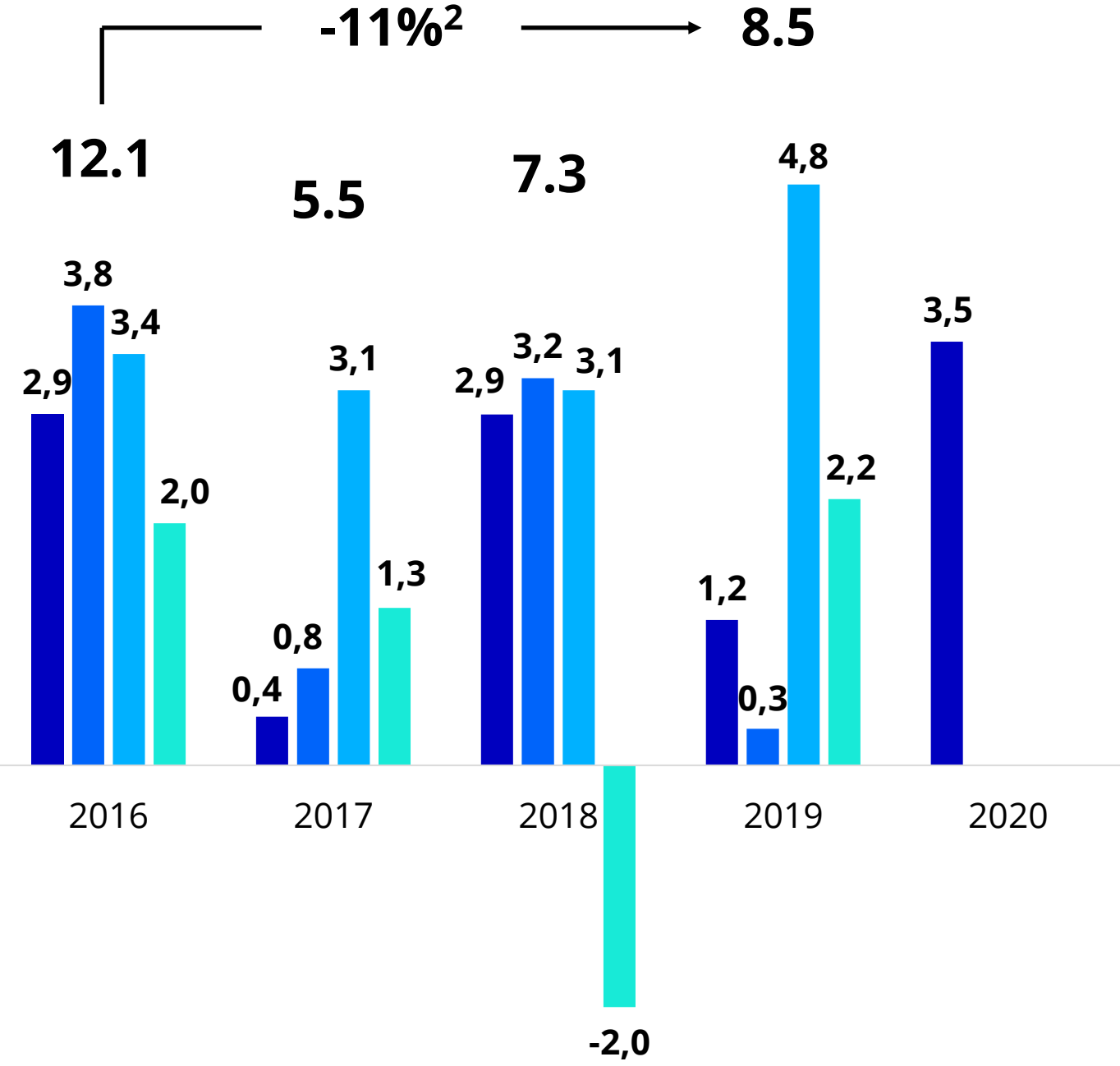
Sales¹ (on quarterly basis) in EUR m



Gross Profit¹ (on quarterly basis) in EUR m



Adj. EBITDA¹ (on quarterly basis) in EUR m



1) Unconsolidated figures according to IFRS, FY 2017: adjusted figures according to IFRS 15, FY 2018ff.: adjusted figures according to IFRS 16, Adjusted EBITDA: EBITDA before effects that are classified as extraordinary or relating to other periods in accounting terms,
2) Compound Annual Growth Rate



Summary & Outlook

Outlook: Allgeier is on track for further growth

- ▲ Allgeier Group is overall performing well, core segments are showing continuous growth and sustained good performance**
- ▲ Restructuring and efficiency enhancement of Experts segment was completed successfully, positive turnaround in H2 2019 achieved, further positive contributions in FY 2020**
- ▲ New value-adding acquisition opportunities to bolster growth are constantly under review**
- ▲ Announced strategic split into two corporate units can unleash additional shareholder value**

Spin-off and independent listing of global technology and software development business

- ▲ Allgeier's management intends to reorganize its company portfolio with a subsequent spin-off and listing of the software engineering and consulting business (Nagarro, iQuest, Objectiva, SAP unit)
- ▲ Such step allows more focus and specialization of each unit with a consistent and attractive story
- ▲ It helps to focus on well-defined, consistent corporate cultures and to create a higher attractiveness in employer branding
- ▲ Listed shares can be used as currency for equity-based incentives and to achieve a clear alignment of incentive systems to exploit synergies
- ▲ Increased management focus for both parts of Allgeier after split
- ▲ Financial performance will appear more clearly without dilution by Allgeier's current portfolio mix
- ▲ Investor base can develop over time due to different business models and equity stories
- ▲ Management believes that spin-off will unlock significant shareholder value in the future as the new unit will have more visibility in the capital market and a clearly defined global peer group of software development and digitization companies
- ▲ Adequate share price of the technology unit will be supportive for further acquisitions, independent access to financing can support further expansion

Let's talk.

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