

ALLGEIER

Driving Technology

ALLGEIER

Investor Presentation
July 2019



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Allgeier is a technology driven company advancing digitalization and providing cutting-edge software solutions in high growth areas such as

Digital Transformation, AI, Big Data, IoT, Cloud Services and Next-Gen User Experience

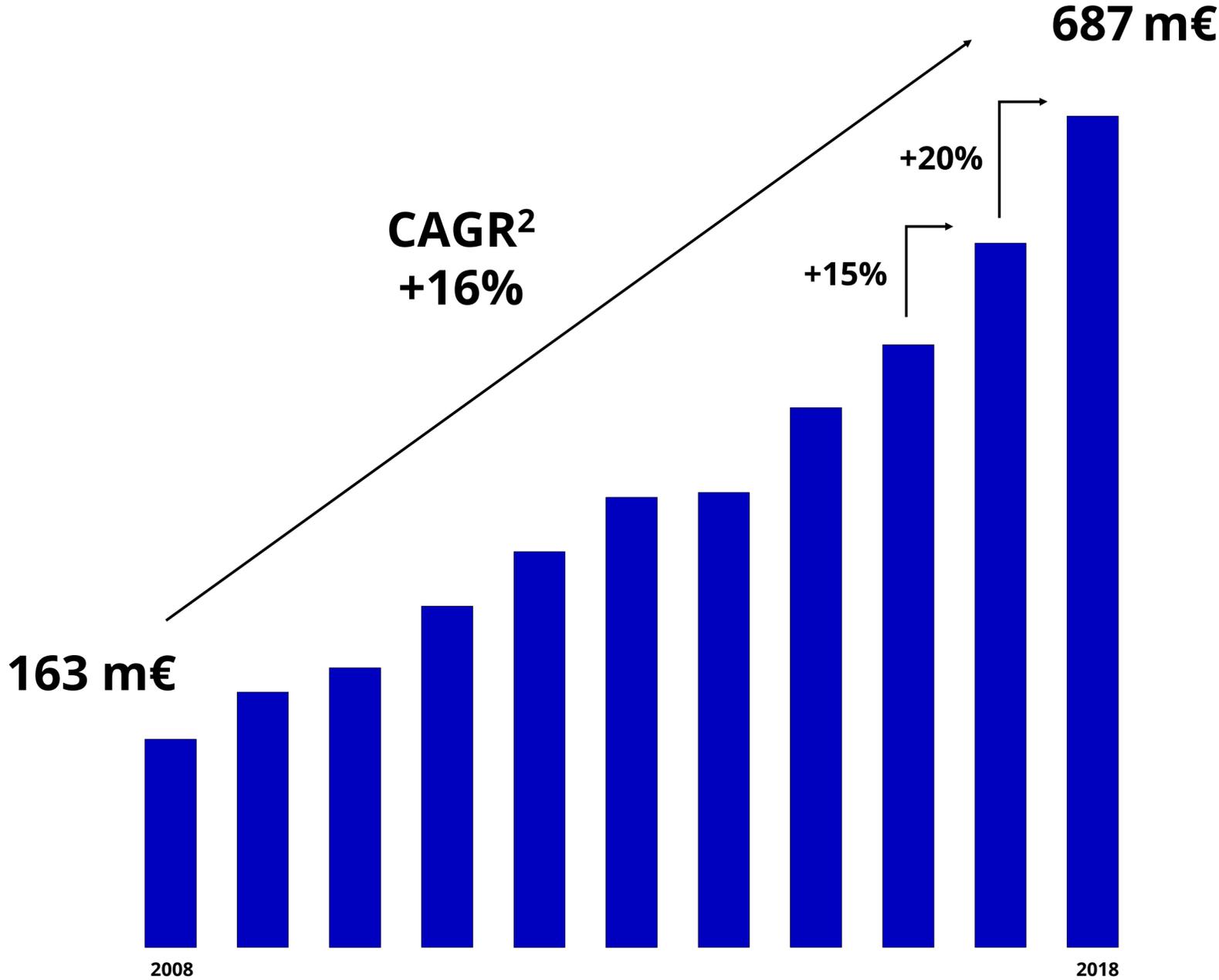




Allgeier at a glance

High growth in sales¹

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



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

Key Facts¹

Founded 1977

10,000+
Staff

1,000+
Customers

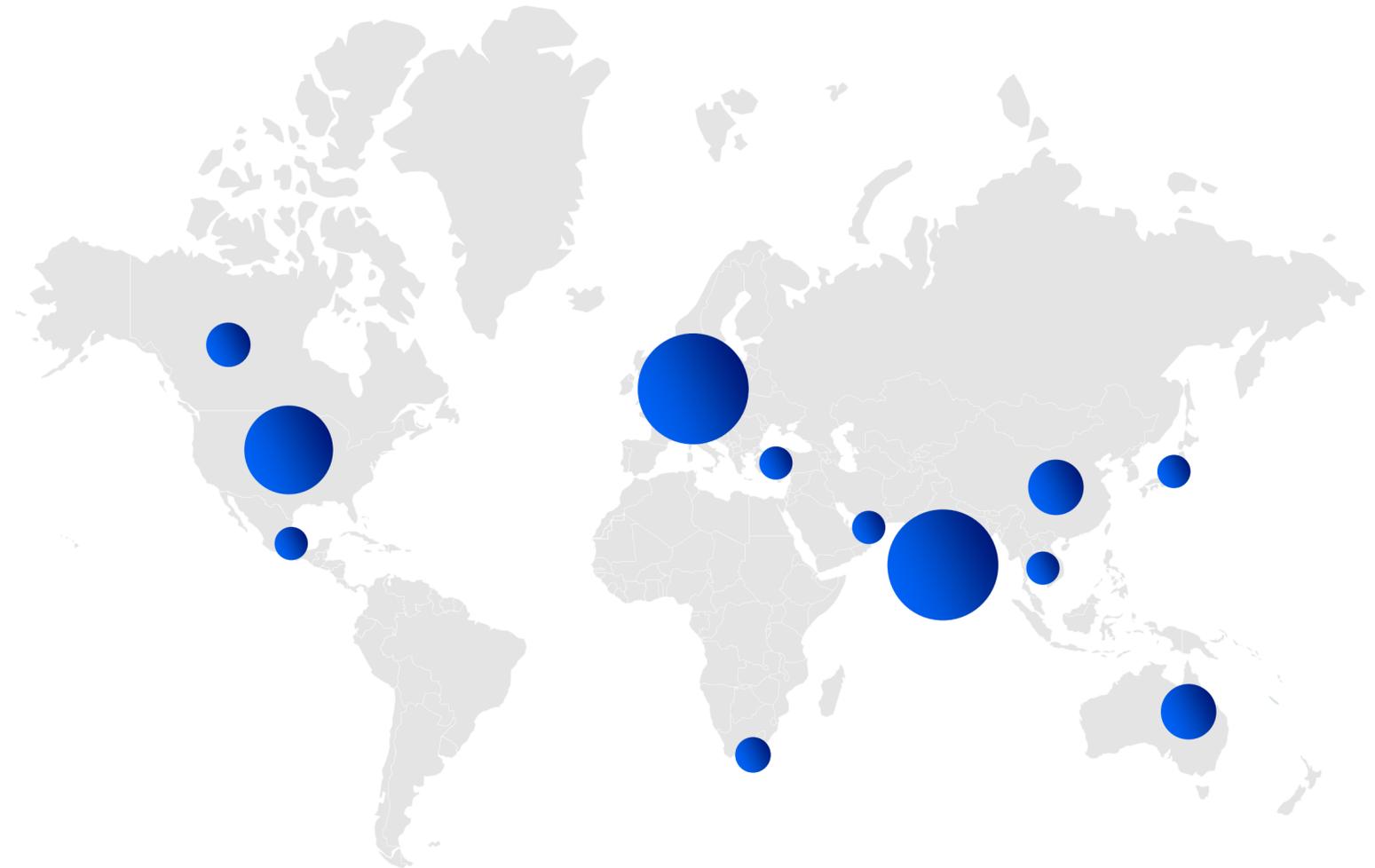
€ 687 million
Group revenue in FY 2018

Business Segments

Technology Development
Enterprise Services & Consulting
Expert Personnel Services

Key industries

Banking & Insurance	Information Technology
Public Sector	Retail/Trade
Travel & Logistics	Telecommunications
Automotive	Energy & Utilities
Consumer Goods	Life Sciences & Healthcare



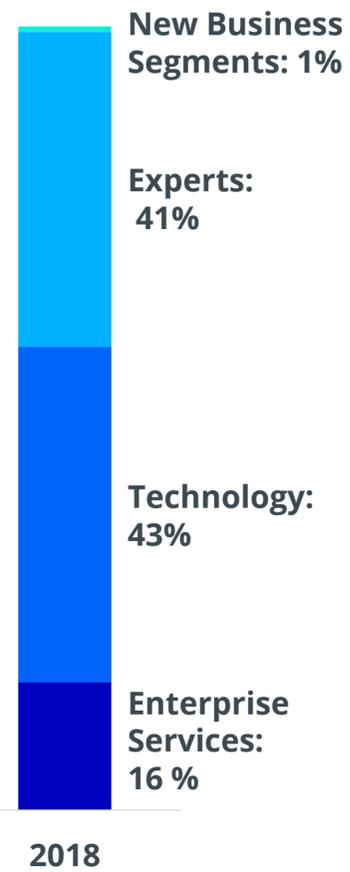
73 locations | 28 countries | 5 continents

Locations: Europe 43, APAC & Middle East 16, Africa 2, North America 12
Staff: Europe >5,500, Americas >200, APAC & Middle East ≈600, India ≈4,500

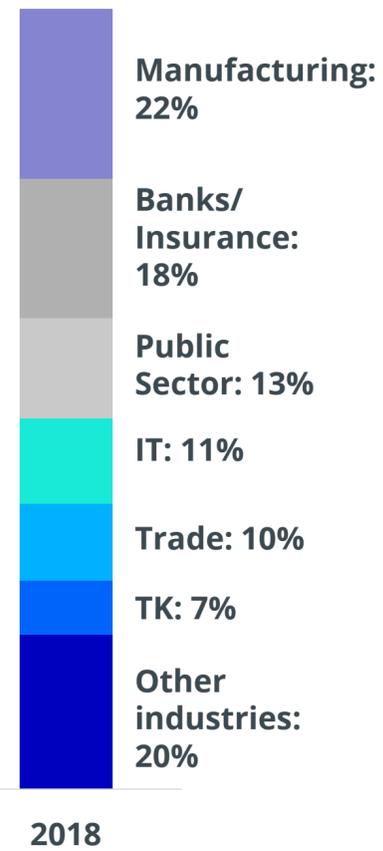
1) Continuing operations according to IFRS, locations/staff as of March 31, 2019

Business at a glance¹

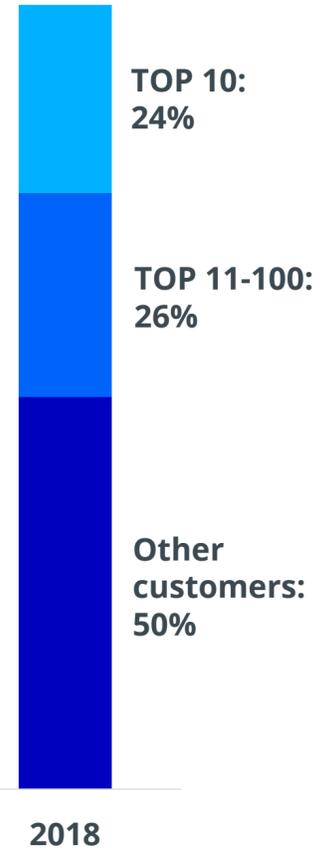
Segments¹



Industries¹



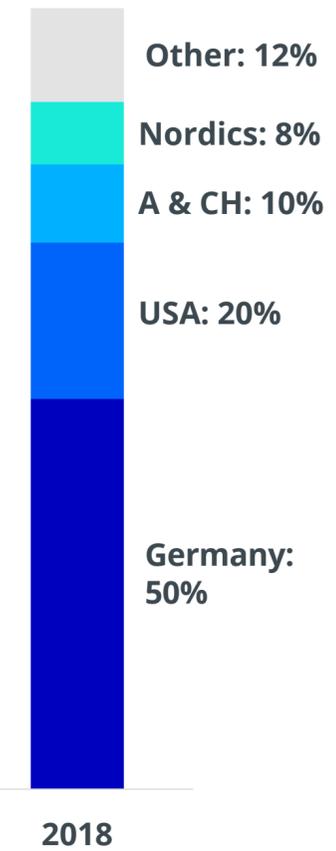
Customers¹



Regions¹



Regions w/o Experts^{1,2}



1) Continuing operations according to IFRS, locations/staff as of March 31, 2019
 2) Model: Group segments without segment Experts



Business Segments

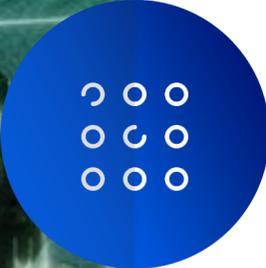
Highly specialized teams providing cutting-edge technology solutions and services creating competitive advantage for clients



TECHNOLOGY

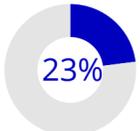
Tailor made software development and technology services for digital disruption to challengers and industry leaders. Combining design, digital solutions and data to outperform the competition.

% of gross profit¹⁾



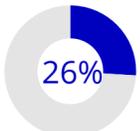
ENTERPRISE SERVICES

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



1) Split among the three core segments

Value Proposition



DRIVING TECHNOLOGY SOLUTIONS

Tailor made software development, technology consulting & services and professional workforce solutions driving digital transformation.



COLLABORATIVE AND FLEXIBLE APPROACH

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



GLOBAL OUTREACH ACROSS 28 COUNTRIES

Capacity to support customers across the globe to fulfill and scale large project requirements.



SUPPORTED BY EXCELLENT ENGINEERS

Highly experienced engineers working in Europe, India, US, China and Vietnam to meet cultural and geographical needs of clients.



SUCCESSFUL M&A TRACK RECORD

Over 13 value creating acquisitions during the recent 8 years.



TRUSTED PARTNER

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



Business overview

Technology

Tailor made software development and technology services for digital disruption to challengers and industry leaders



Lufthansa

SIEMENS



Bank of Ireland Group



Mercedes-Benz



swisscom



GE Aviation



Roche



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 300m

Adj. EBITDA¹ (margin) ≈ EUR 34m (11.5%)

61 % of revenues outside of Germany



More than 5,500 software developers & UX designers¹



56 locations in 27 countries¹



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

1) In FY 2018, unconsolidated figures, continuing operations according to IFRS, offices/staff as of March 31, 2019

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 120m
Adj. EBITDA¹ (margin) ≈ EUR 11m (9.8%)
40% recurring revenues

SAP® Cloud Focus Partner

Global SAP Partner



Microsoft Gold Partner



≈ 1,000 consultants in EU¹

1) In FY 2018, unconsolidated figures, continuing operations according to IFRS, offices/staff as of March 31, 2019

Experts

Professional Workforce Solutions delivering personnel services and project solutions for digitalization

ING  DiBa



ERGO

COMMERZBANK 

Allianz 

IBM

dataport 

DAIMLER

Market leading one-stop-shop business for professional workforce solutions and personnel services for digitalization

Workforce Solutions

Contracting

Placement of freelance experts under a service contract

Project Services

Managed services, fixed price projects and consulting services

Temporary Placement

Placement of permanent experts in the context of temporary employment

Permanent Placement

Professional search in the context of recruitment



Revenue¹ ≈ EUR 280m

Adj. EBITDA¹ (*margin*) ≈ EUR 5m (1.7%)



12 locations¹ for just in time expert services



3,000+ IT & Engineering Experts¹



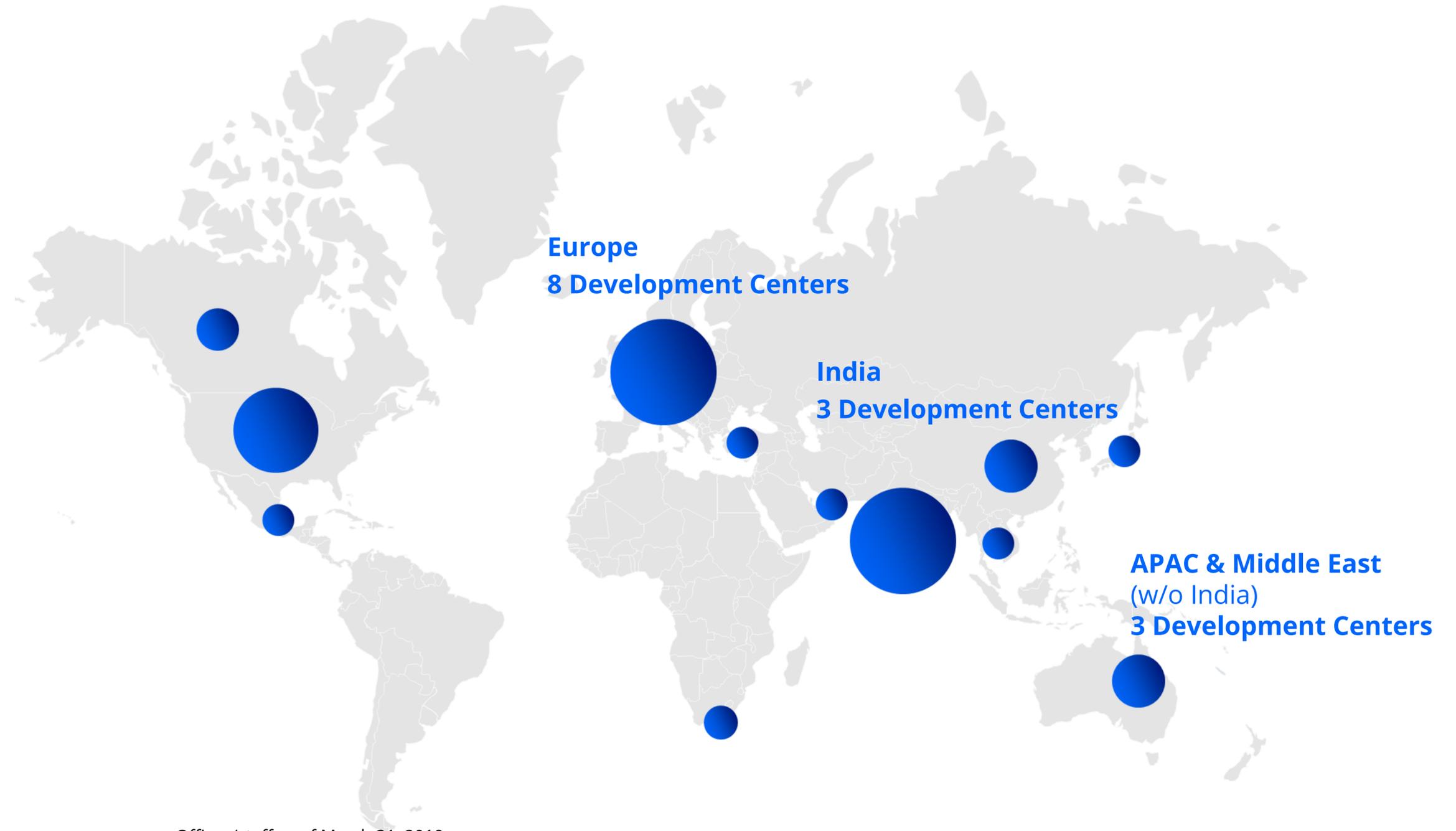
100,000+ professionals¹ in IT experts pool

1) In FY 2018, unconsolidated figures, continuing operations according to IFRS, offices/staff as of March 31, 2019

Global development possibilities with onsite presence and flexible nearshore/offshore capacities

- **8 EU nearshore sites** in Romania, Czech Republic and Poland
- **6 offshore development centers** in India, China and Vietnam

Local and international presence gives Allgeier flexibility for recruiting of resources



Offices/staff as of March 31, 2019



Broad customer base

**Allgeier has a broad customer base:
50% of sales in recent 24 months with 34 clients¹**

Percentage of sales	Last 24 months ¹	Last 12 months ¹
Biggest single client	3.4%	3.6%
Three biggest clients	8.4%	8.7%
25 biggest clients	32.8%	33.6%

1) Figures as of January 31, 2019

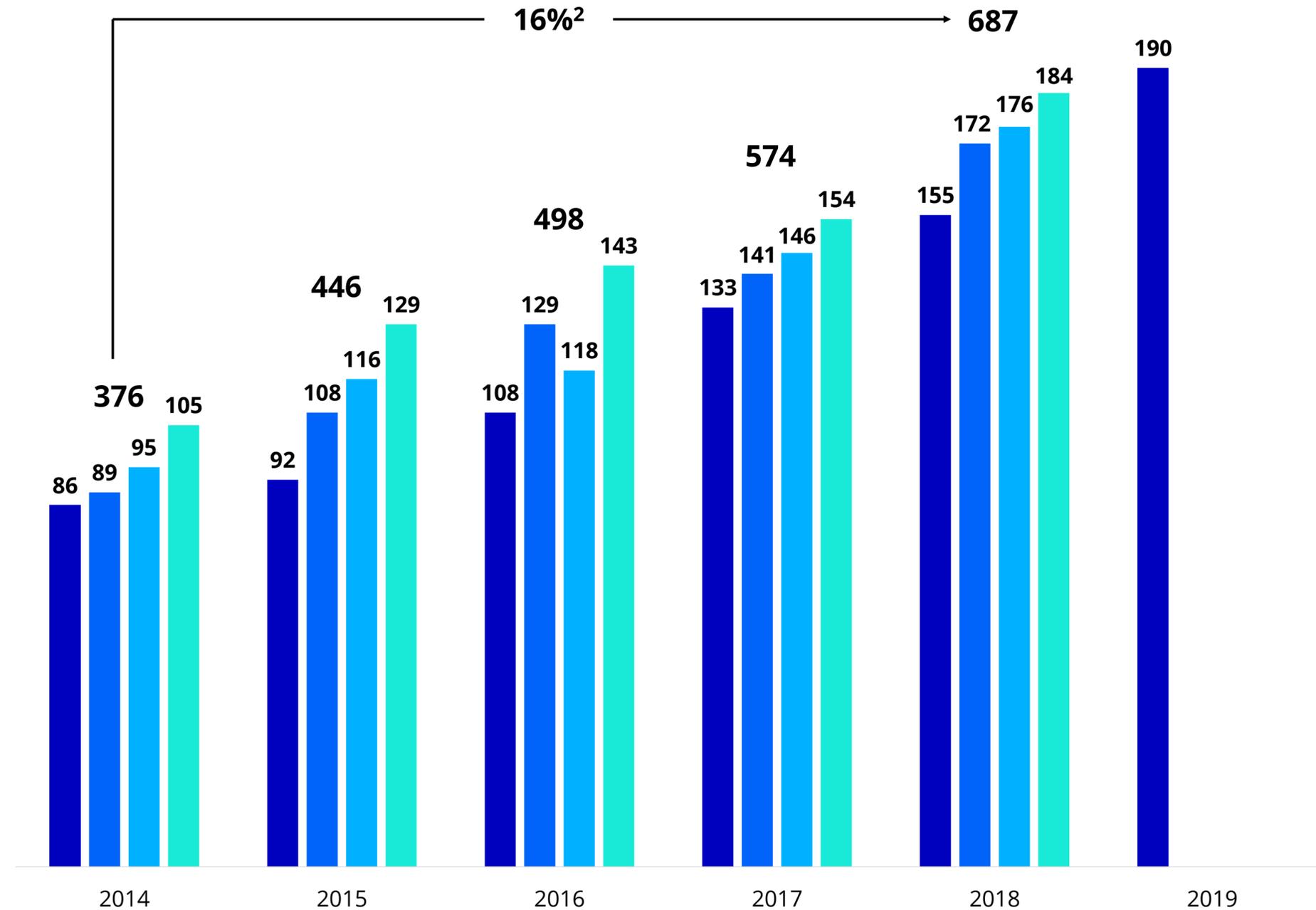


Financials

Quarterly development shows continued double-digit sales growth

- **Ongoing sales growth** in FY 2018 and Q1 2019
- **CAGR² 2014-2018:** 16%
- **Planning for 2019:** **Sales growth 15-20%**
EBITDA margin 6.5-7%

Sales¹ (on quarterly basis) in EUR m

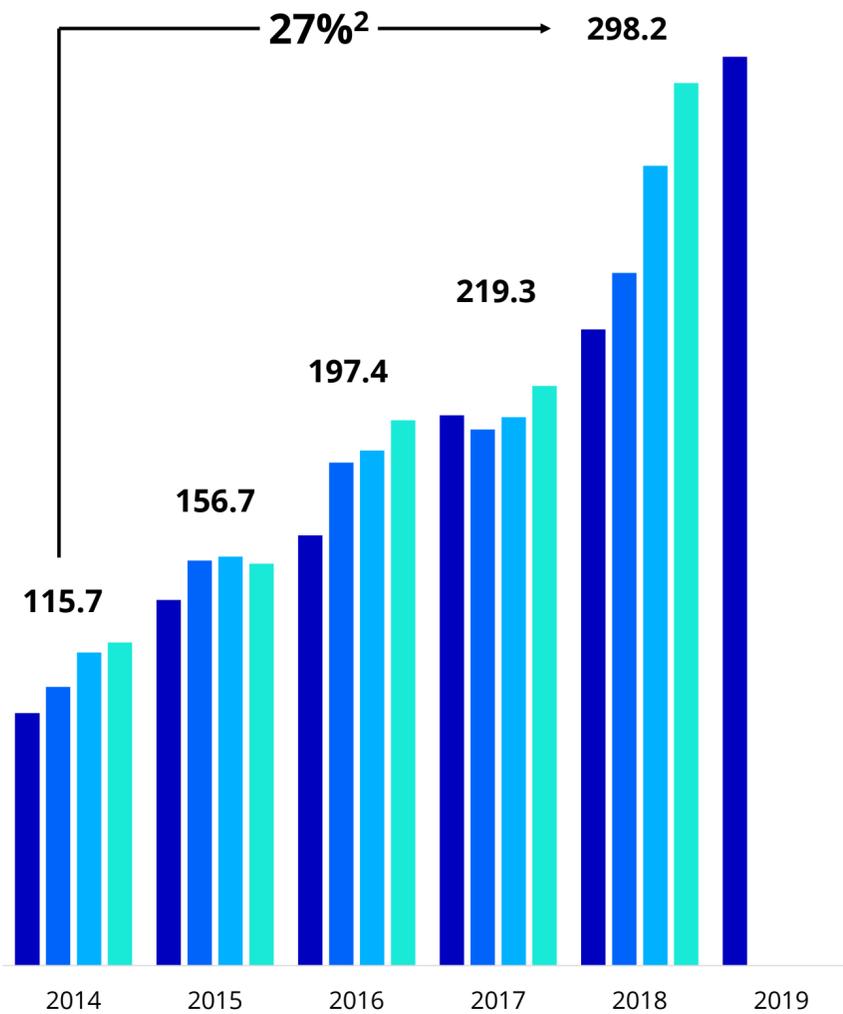


1) Continuing operations according to IFRS, FY 2017: adjusted figures according to IFRS 15
2) Compound Annual Growth Rate

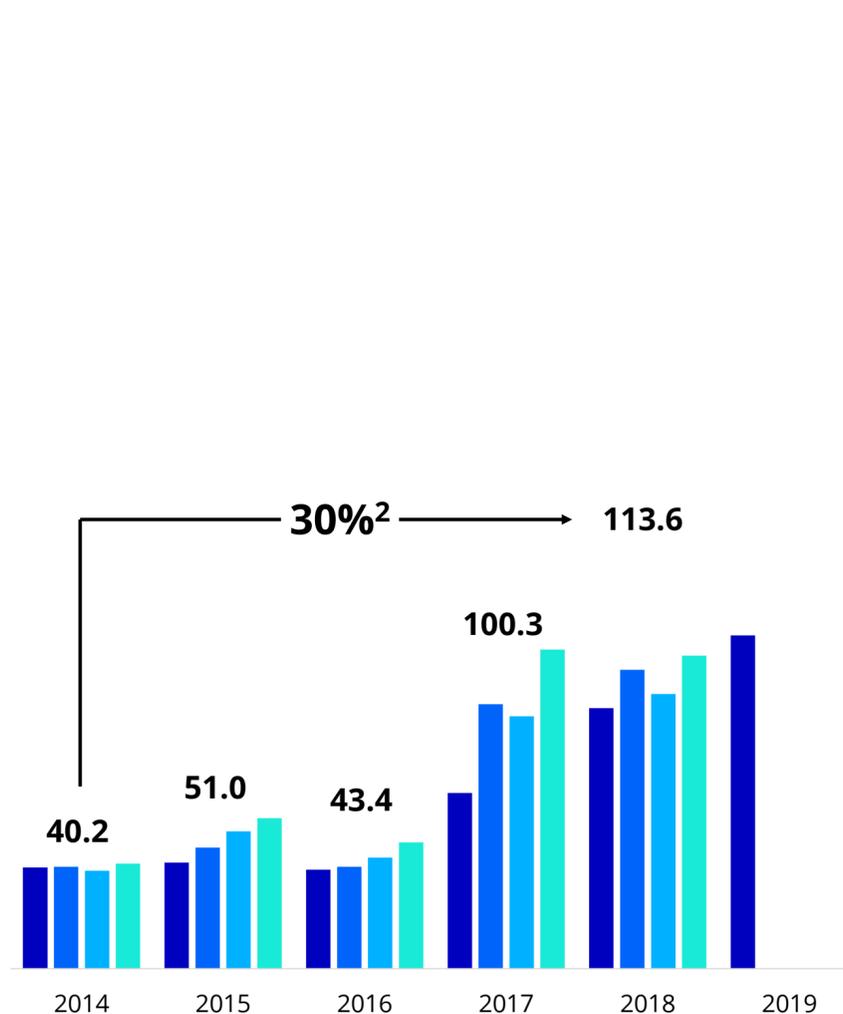
All segments contribute to stable growth trend

Sales¹ (on quarterly basis) in EUR m

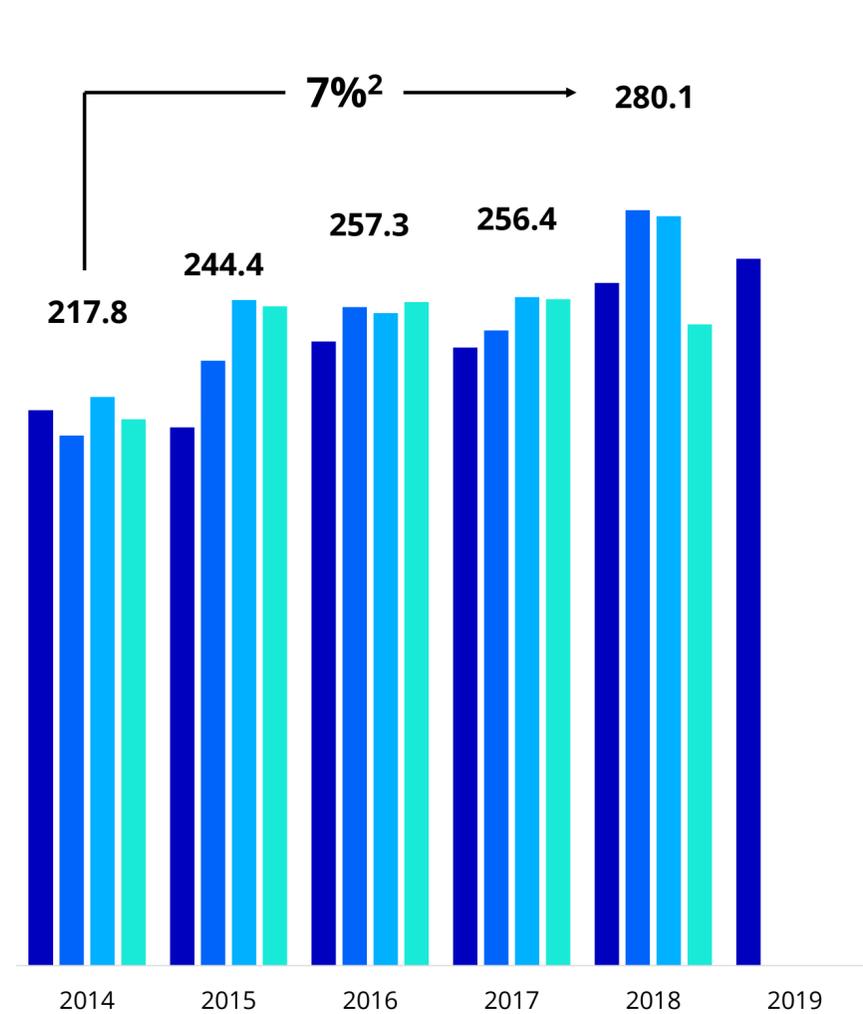
Technology



Enterprise Services



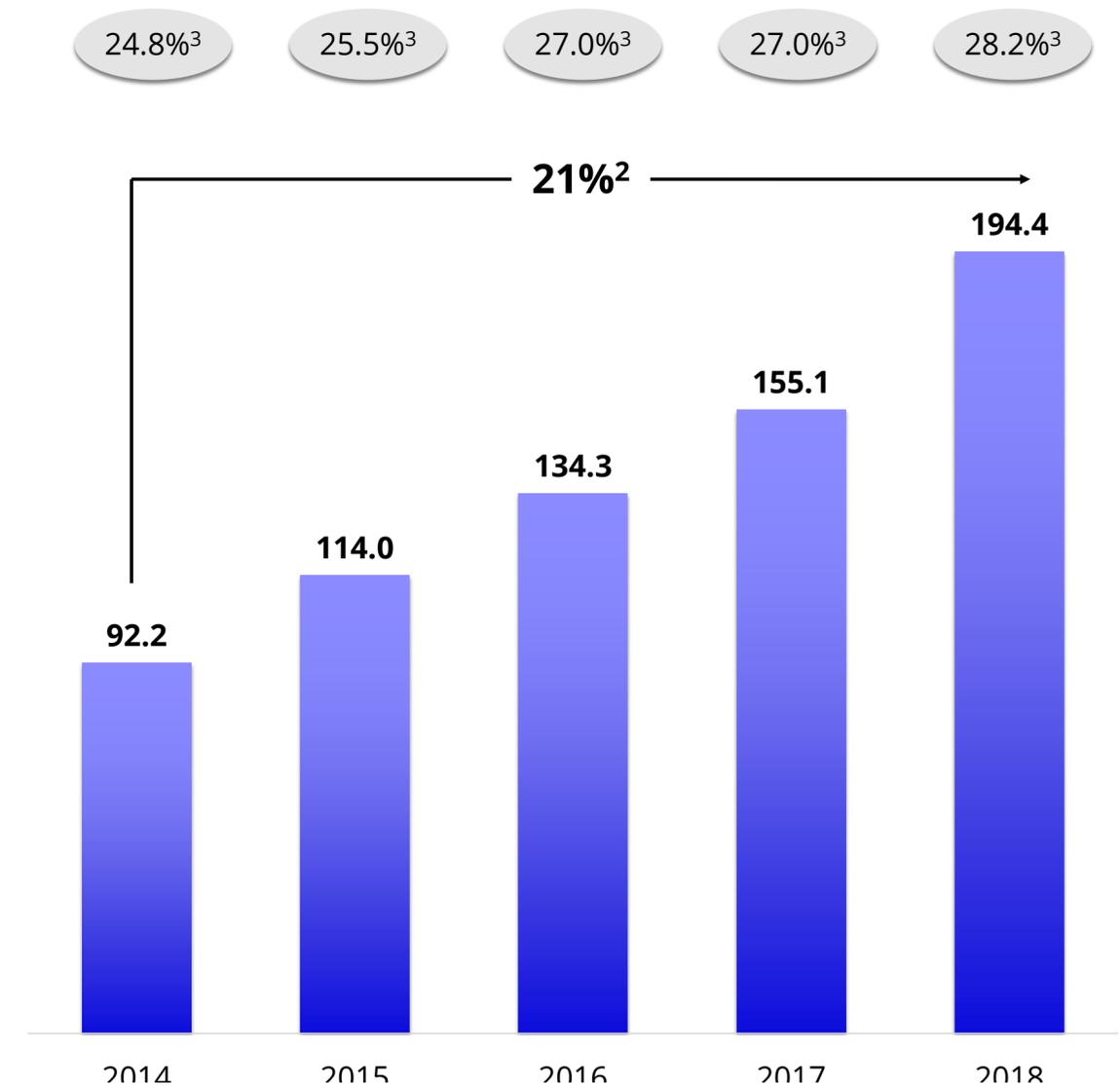
Experts



Continuous increase in gross profit

Gross profit¹ in EUR m

- Disproportionate increase in **gross profit**
- CAGR² 2014-2018: 21%
- **Ongoing growth** in gross margin in FY 2018 and Q1 2019



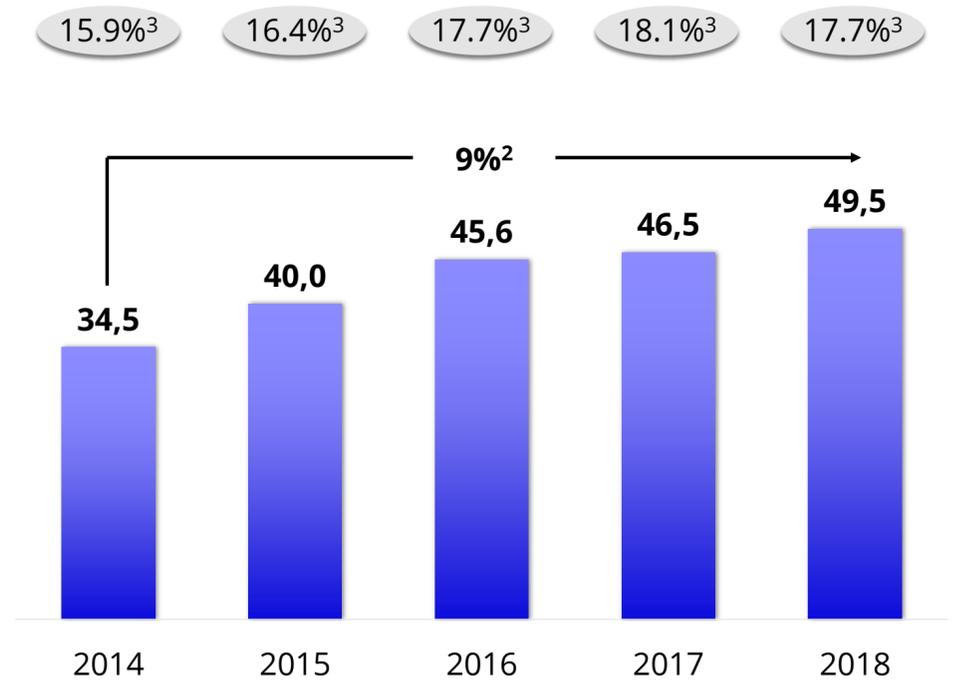
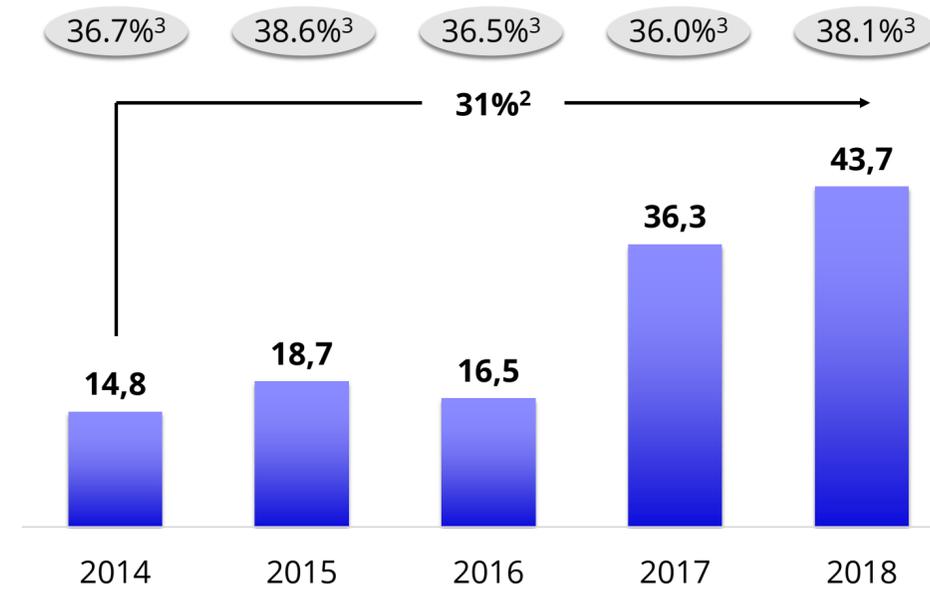
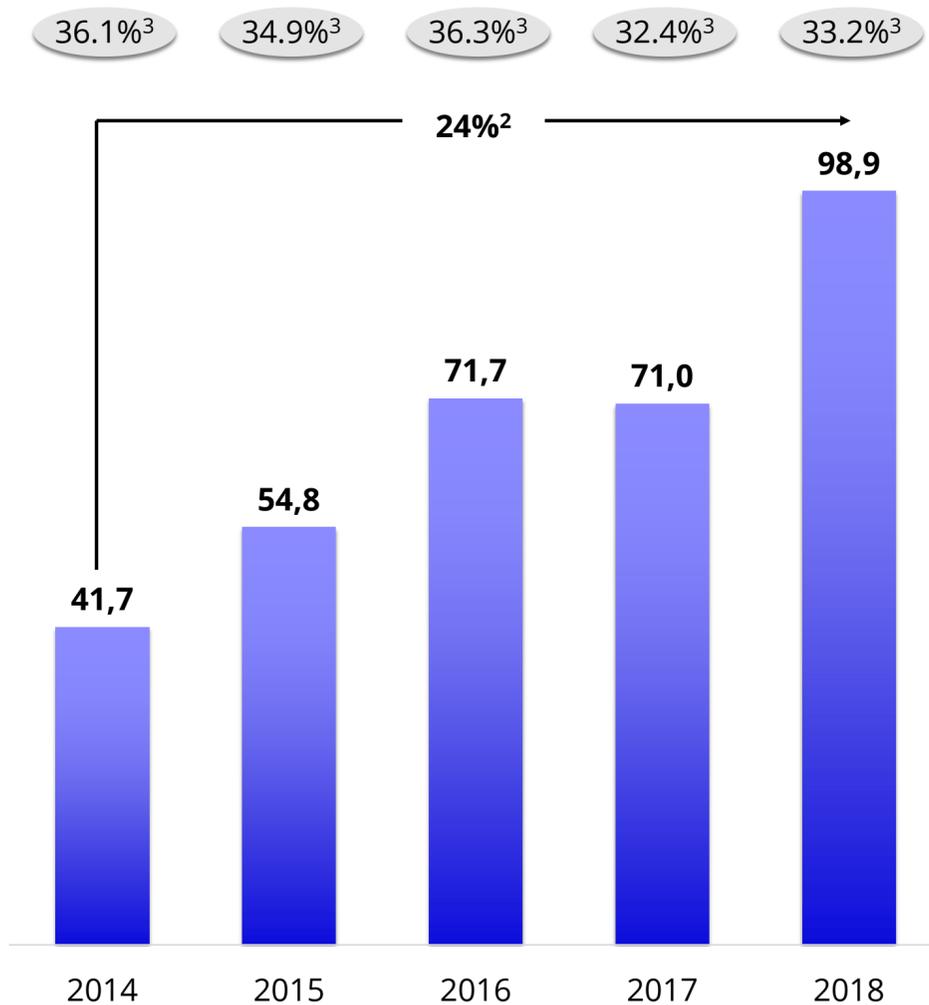
All segments show growth in gross profit

Gross profit¹ in EUR m

Technology

Enterprise Services

Experts



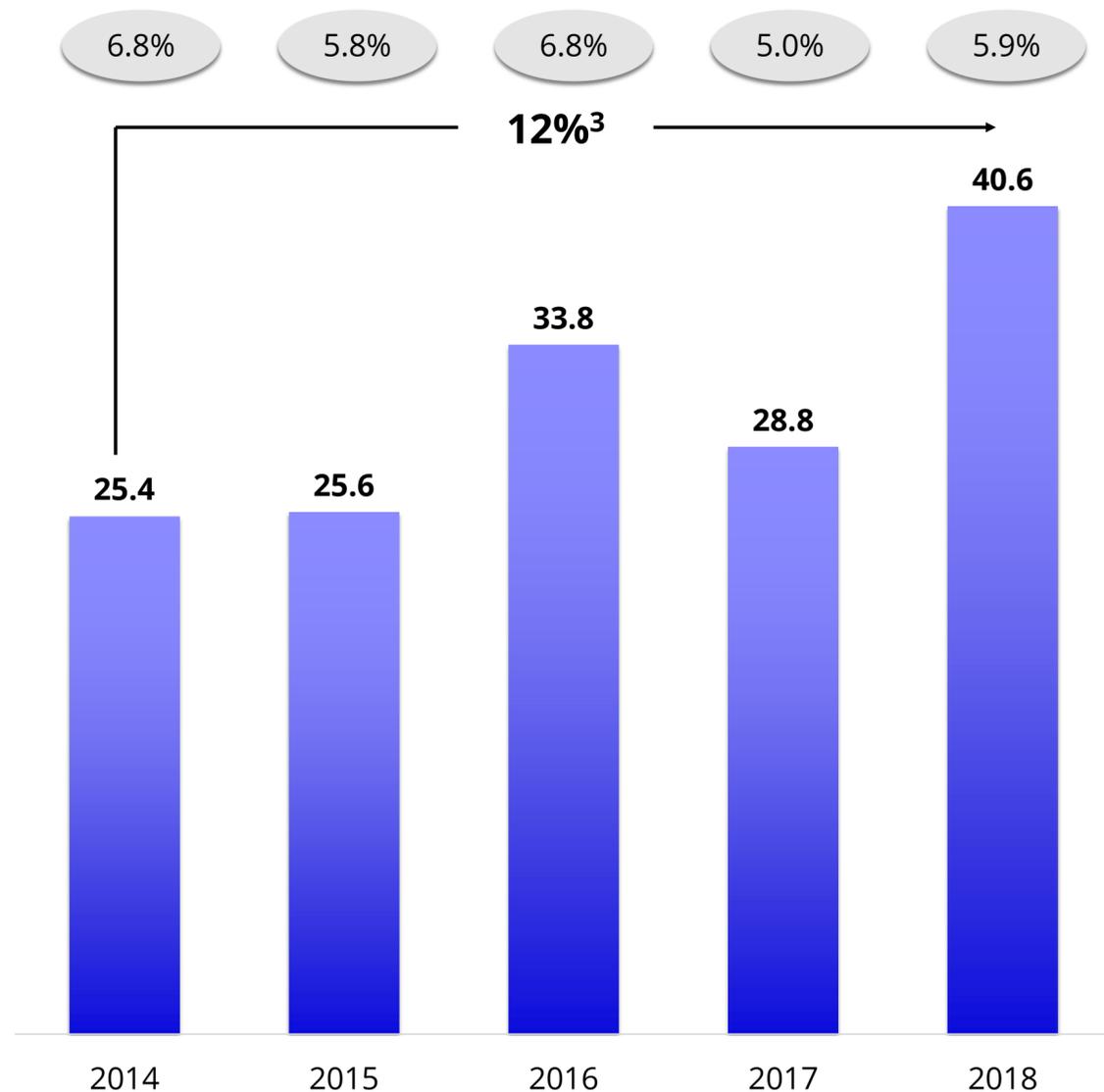
1) All figures in EUR m, continuing operations according to IFRS, FY 2017: adjusted quarterly figures according to IFRS 15

2) Compound Annual Growth Rate

3) Gross profit margin in percentage of total performance

Significant earnings growth in 2018 after dip in earnings in 2017

Adjusted EBITDA^{1,2} in EUR m (margin⁴)

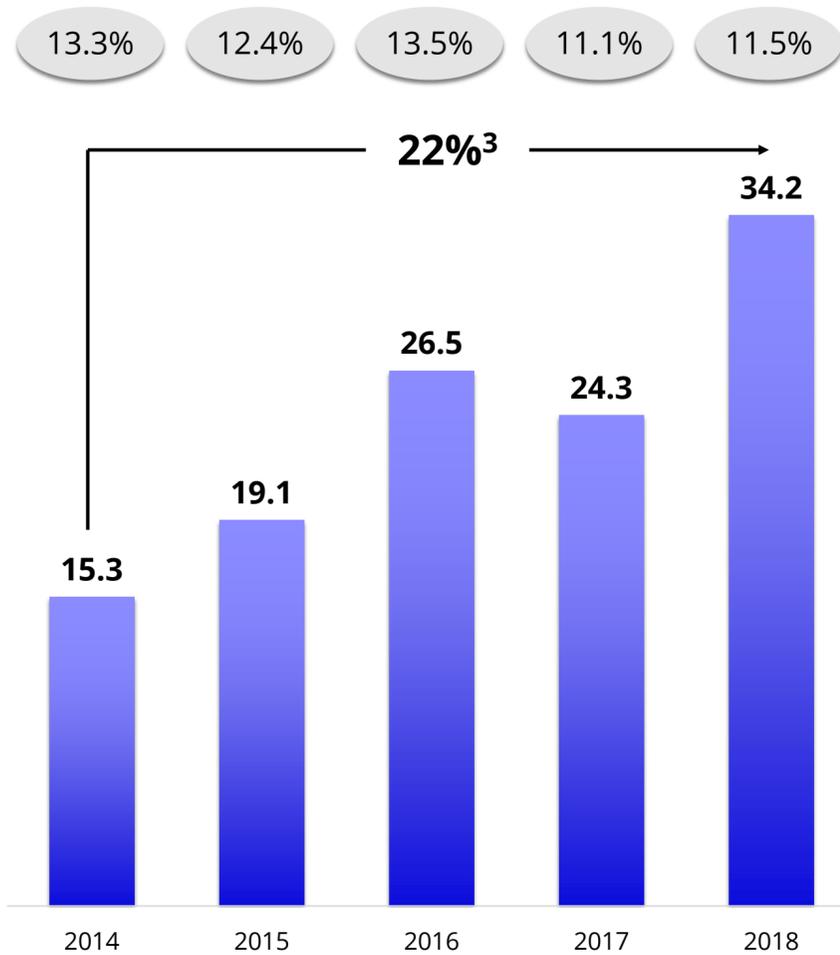


- Significant **earnings growth** in FY 2018
- FY 2018 **adjusted EBITDA²**: 40.6 EUR m (+41 %, PY: 28.8 EUR m)
- FY 2018 **EBITDA**: 30.2 EUR m (+16 %, PY: 26.0 EUR m)
- **CAGR³ adjusted EBITDA²**: 2014-2018: **12%**

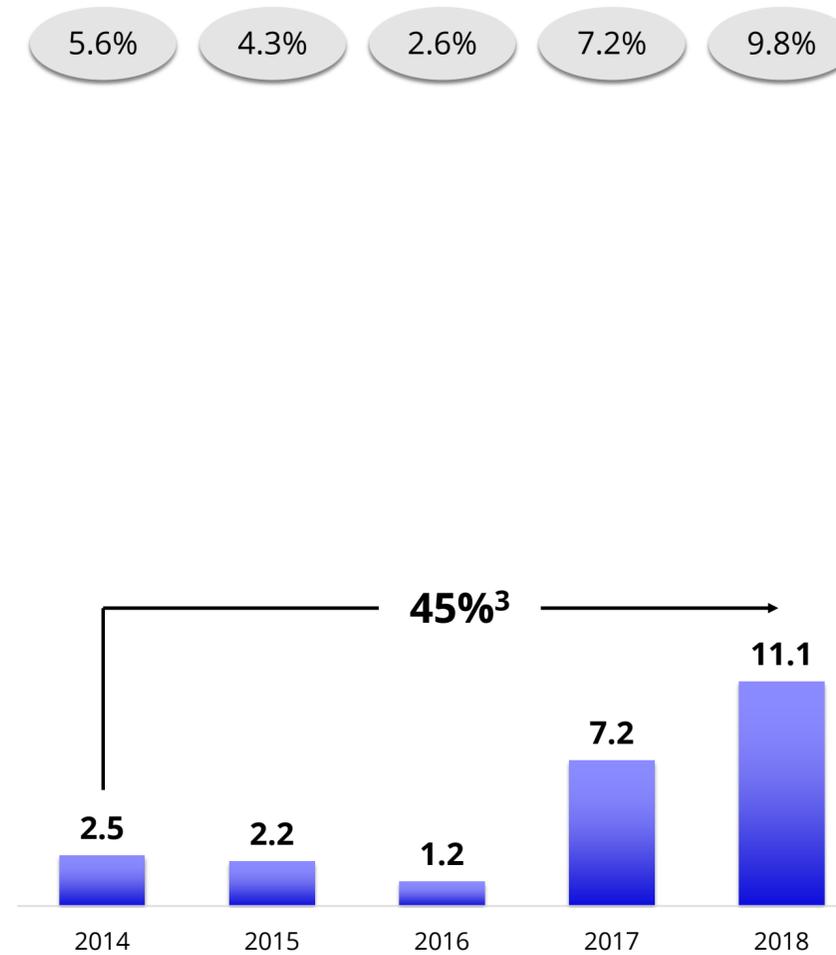
Continuous adj. EBITDA growth in strategic segments

Adjusted EBITDA¹ in EUR m (margin²)

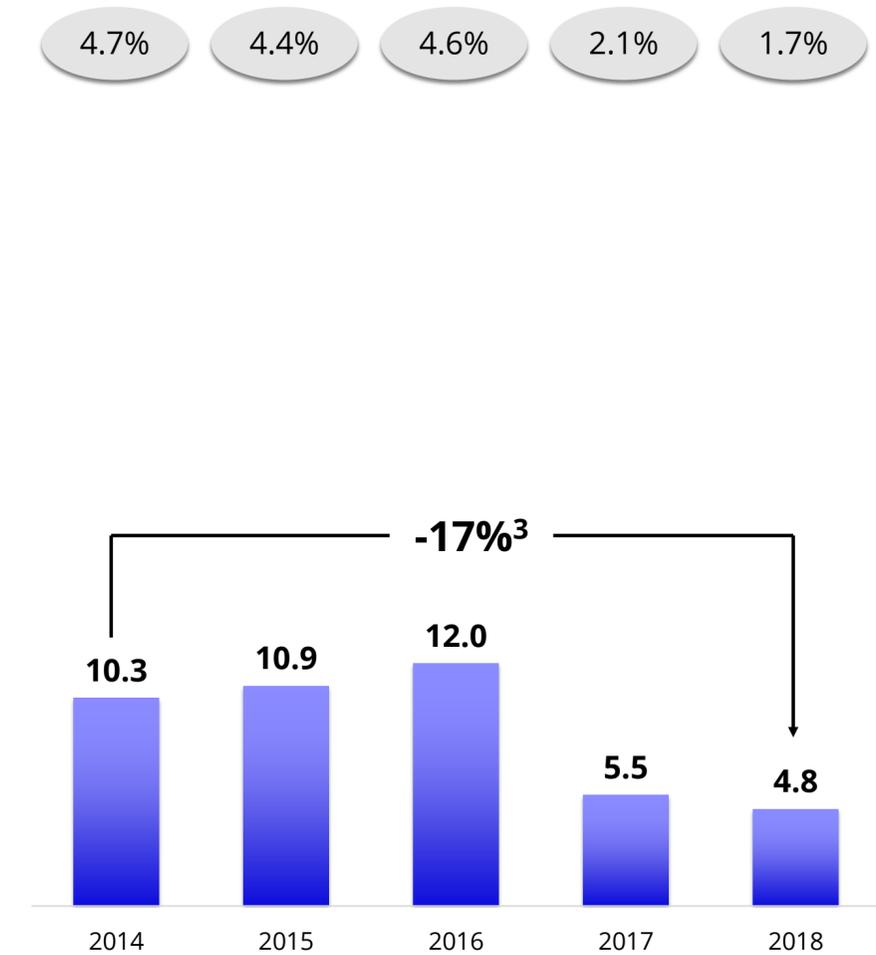
Technology



Enterprise Services



Experts



1) EBITDA before effects that are classified as extraordinary or relating to other periods in accounting terms as reported
 2) Adjusted EBITDA margin in percentage of sales
 3) Compound Annual Growth Rate

EBITDA adjustments FY 2014 – 2018¹

EUR m	2014	2015	2016	2017	2018
Adjusted EBITDA	25.4	25.6	33.8	28.8	40.6
Loss of the Executive Search of Allgeier Experts Select	0.0	0.0	0.0	0.0	-0.8
Continued pay and severance payments for employees who have left the company	-0.6	-1.0	-1.1	-2.9	-2.8
Expenses from the translation of foreign currencies and hedging transactions	-0.8	-0.4	0.7	2.7	0.0
Losses/Profits from the sale of non-current assets	0.0	0.1	0.0	-0.1	-0.2
Losses from value adjustments on receivables and bad debts	-0.9	-0.7	-1.4	-1.6	-2.3
Financing costs	-0.4	-0.4	-0.6	-0.7	-0.8
Loss from GDE participant programme and joint liability for participant loans	-0.7	-0.7	-0.7	-0.7	-0.6
Expenses from acquisition activities	-0.3	-0.6	-0.2	-0.4	-1.6
Income from purchase price adjustments (net)	0.0	-0.1	-0.3	1.0	0.4
Expenses from share option rights issued	0.0	-0.1	0.0	-0.1	-0.4
Other non-period income (net)	1.5	0.8	1.4	1.2	0.4
Other extraordinary expenses/profits (net)	0.5	0.9	-0.1	-1.2	-1.5
Reported EBITDA	21.0	23.5	31.5	26.0	30.2

1) All figures in EUR m according to IFRS, FY 2017: adjusted figures according to IFRS 15



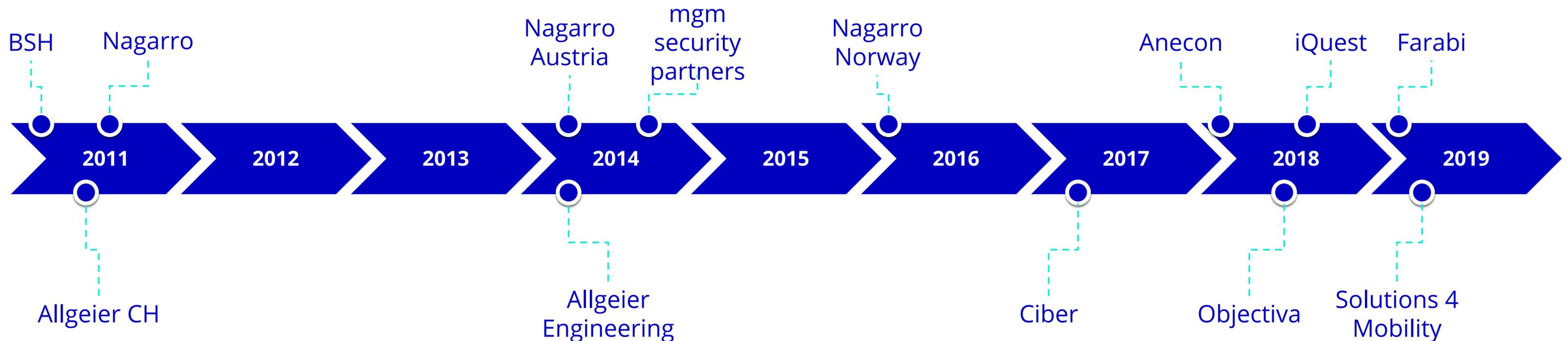
Strategy & Management

Strategy

-  Strategically focused on **IT megatrends in attractive industries**
-  Drive growth via a **well-balanced country portfolio**
-  Secure **customer proximity, agility** in delivery and **leverage cost efficiencies** with regional footprint

-  Drive technology to develop **cutting-edge skills** to maintain market leadership
-  **Secure a solid base of key customers** to ensure future growth
-  **Select strategic acquisitions** to accelerate the growth of Allgeier Technology

Impressive track record of more than **13 strategic acquisitions** over the recent 8 years to deepen the technology footprint



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

Delhi, India

With Allgeier since 2011
Board Member since 2014



Hubert Rohrer
Management Board

Bremen, Germany

With Allgeier since 1986
Board Member since 2013

Allgeier Group Supervisory Board Members



Detlef Dinsel
**Chairman of the
Supervisory Board**

Managing Partner,
Chairman of the Investment Committee
and member of the Executive Committee
of IK Investment Partners



Thies Eggers
**Deputy Chairman of the
Supervisory Board**

Independent Certified Auditor



Christian Eggenberger

Managing Partner
of CHE Consulting GmbH

Let's talk.

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