

The image features a night-time city skyline with illuminated skyscrapers and a body of water in the foreground. The sky is dark with some clouds and a crescent moon. The Prodware logo, consisting of the word 'prodware' in a white, lowercase, sans-serif font and a blue stylized 'P' icon, is positioned in the upper right. Below the logo, the text 'Innovation & Business Solutions' is written in a white, sans-serif font. At the bottom center, the text 'Annual Results - 2020' is displayed in a white, sans-serif font.

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Innovation & Business Solutions

Annual Results - 2020



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THE PARTNER OF
CHOICE OF MID-
MARKET COMPANIES*
SUPPORTING THEIR
DIGITAL
TRANSFORMATION



2020/2021
INNERCIRCLE
for Microsoft Business Applications

32 YEARS OF
EXPERIENCE &
EXPERTISE

19 000
CLIENTS

PRESENT IN 13
COUNTRIES

STRONG R&D
DEVELOPING
INNOVATIVE
SOFTWARE
SOLUTIONS
(80 solutions)

1350
EMPLOYEES

2020 Revenue
172,4 M€

* Mainly fast growing SMBs, mid-market organizations & subsidiaries of large groups

A photograph of three business professionals in a modern office setting. A woman in a white blazer is holding a tablet, and two men, one in a white shirt and one in a light blue shirt with glasses, are looking at it with interest. The background shows office cubicles and large windows.

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2020 HIGHLIGHTS

THE SANITARY CRISIS – A DIGITAL TRANSFORMATION ACCELERATOR

DIGITAL TRANSFORMATION ACCELERATOR WITHIN THE GROUP

Establishing a remote working protocol so that working from home is made easy.

Getting all the teams on board in adopting all the collaboration tools within the group.

Initiating deployment of the BPSA project based on internal business processes.

DEVELOPING OUR BUSINESS CONTINUITY & GO OFFERING

Remote working solutions and services ensuring business continuity of companies.

Strong shift to collaboration tools: **SaaS** (online Microsoft Dynamics 365) and **Cloud** (hybrid infrastructure model).

Securing Home Office set up.

Rapid adoption of remote Business Management solution offerings (70 to 80% of solution scope rolled out remotely).

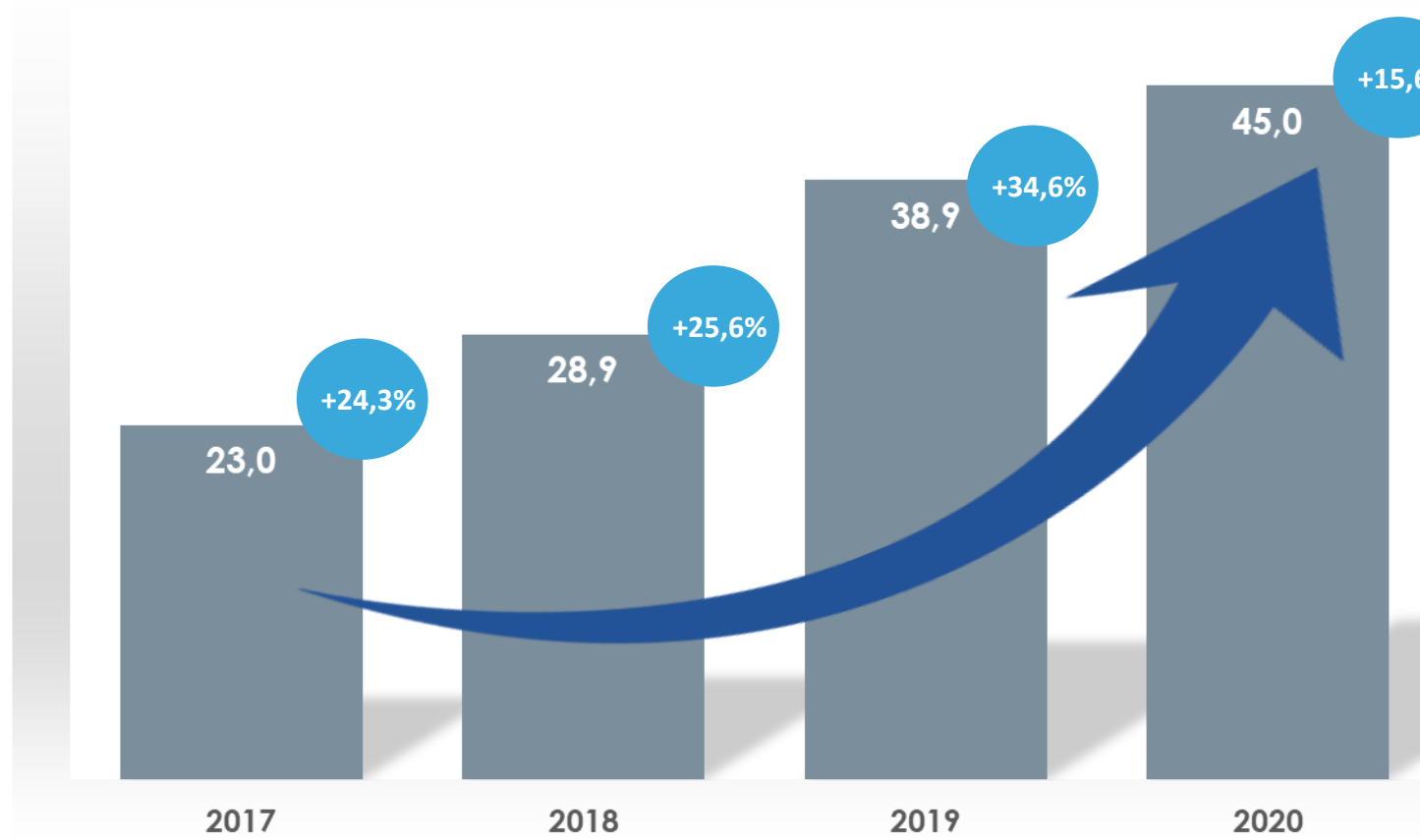


CONTINUED GROWTH OF SAAS SALES

SAAS SALES DOUBLED IN 3 YEARS



Revenue in M€



A STRATEGY CENTERED ON BUSINESS AREAS WITH HIGH GROWTH POTENTIAL

CONSOLIDATING MARKET POSITIONING IN TARGETED GROUP GEOGRAPHIES

Optimizing human capital and financial investments

Focusing on strategic and top priority projects (BPSA)

Greater contribution from Prodware's nearshore centres in Eastern Europe for more production capacity and increased profitability on certain service offerings.



SALE OF BUSINESS UNITS* IN ISRAEL & TUNISIA

These sales are in line with the group's 2016-2020 strategy

(Reducing the group's exposure to risk and low profit margin potential)

- Only local integration activity



ACHIEVING HIGHER BRAND RECOGNITION AS EXPERTS IN SUPPORTING THE DIGITAL TRANSFORMATION JOURNEY OF BUSINESSES




OSONS !
Un nouveau regard : celui d'un théoricien
et d'un praticien de l'innovation

Essai écrit par
Alain CONRARD, CEO de Prodware et Président de la
Commission Digitale du Mouvement ETI

20€

« Taking the Plunge! A Different take on innovation, » a humanistic approach to digital transformation praised by many big names in the industry



« Ce livre est formidable : il vous invite à vous interroger sur tout ».

Maurice Lévy
Président du Conseil de surveillance de Publicis Groupe



« Innovation : plus grands sont les impacts, plus grande est la responsabilité ».

Laurent Bigorgne
Directeur de l'Institut Montaigne



« Ce livre est important et intéressant ».

Carlo Purassanta
Président de Microsoft France



B SMART

UN AUTRE REGARD SUR L'INNOVATION...

Prodware invited on BFM BUSINESS news channel and BSMART TV show to share his views on Digital Transformation



BFM BUSINESS 21.09

LA PAROLE AUX AUTEURS

"OSONS", ALAIN CONRARD - ÉDITIONS CENT MILLE MILLIARDS

Astrazeneca devrait réduire ses livraisons à l'UE d'environ 60% au T1 à 31 millions de d

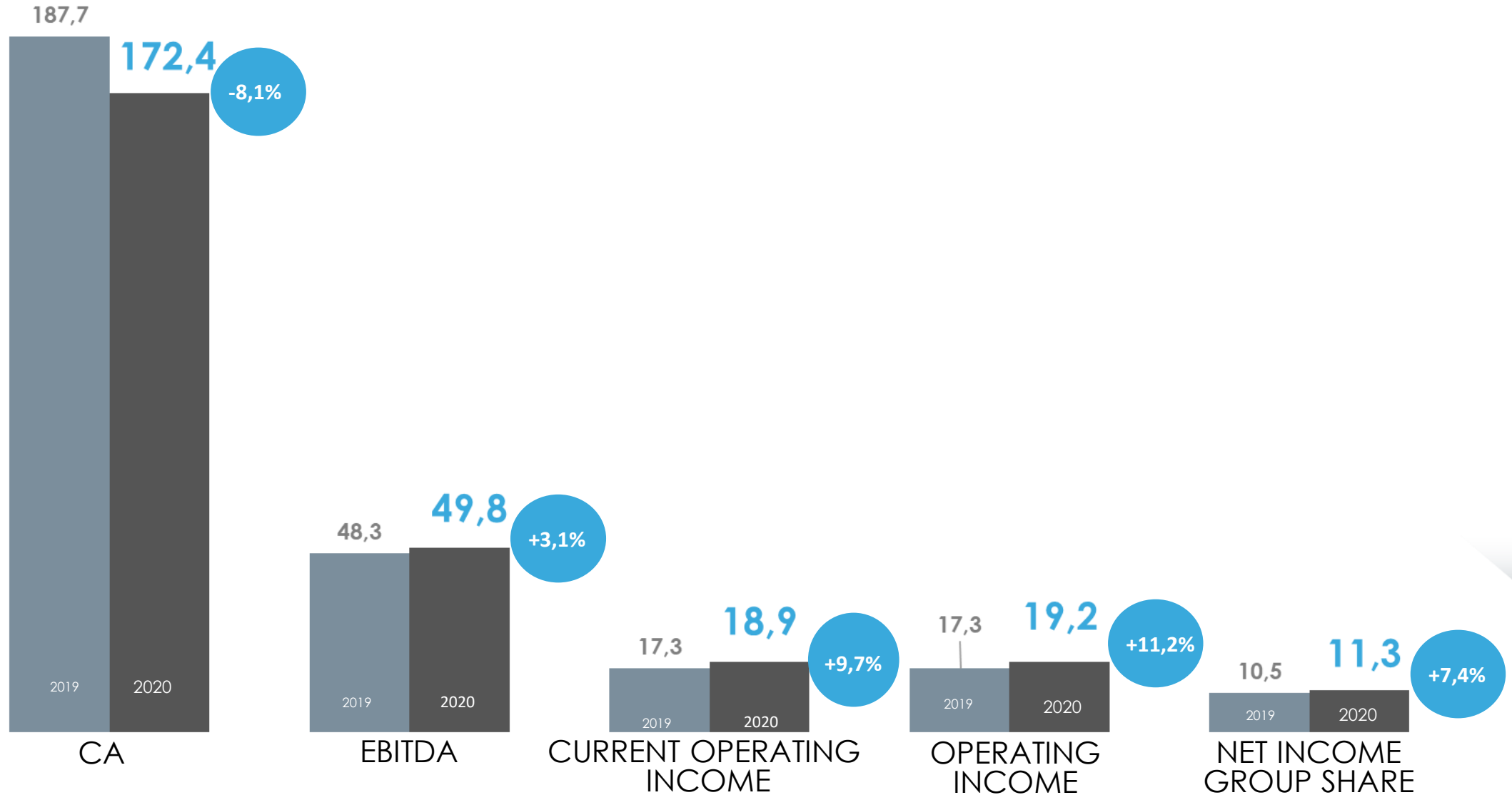


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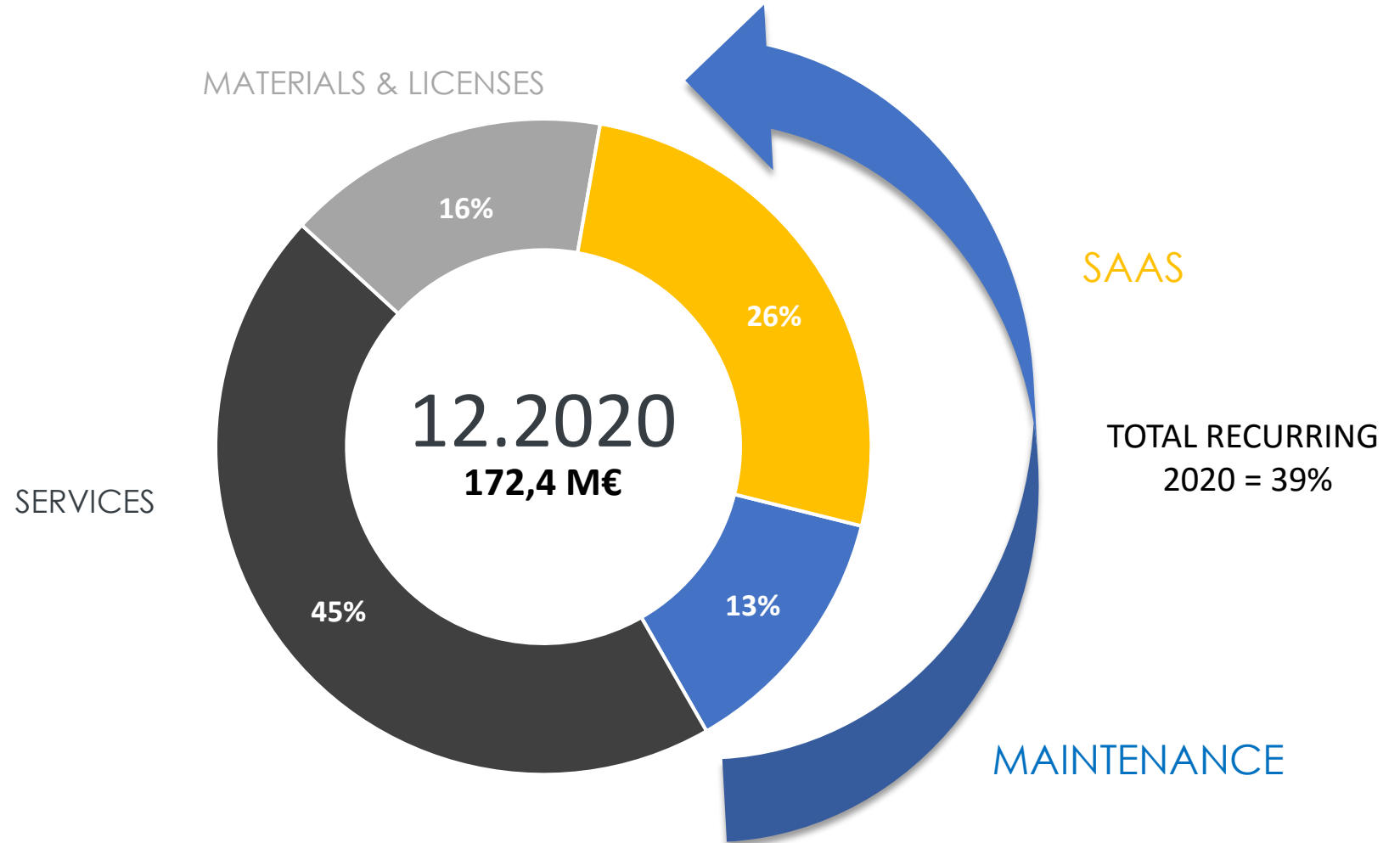
ANNUAL RESULTS -
2020

KEY INDICATORS

Profitability increases despite challenging economic conditions



PRODWARE, A MIXED SERVICE/SOFTWARE MODEL



EBITDA

Lower personnel costs

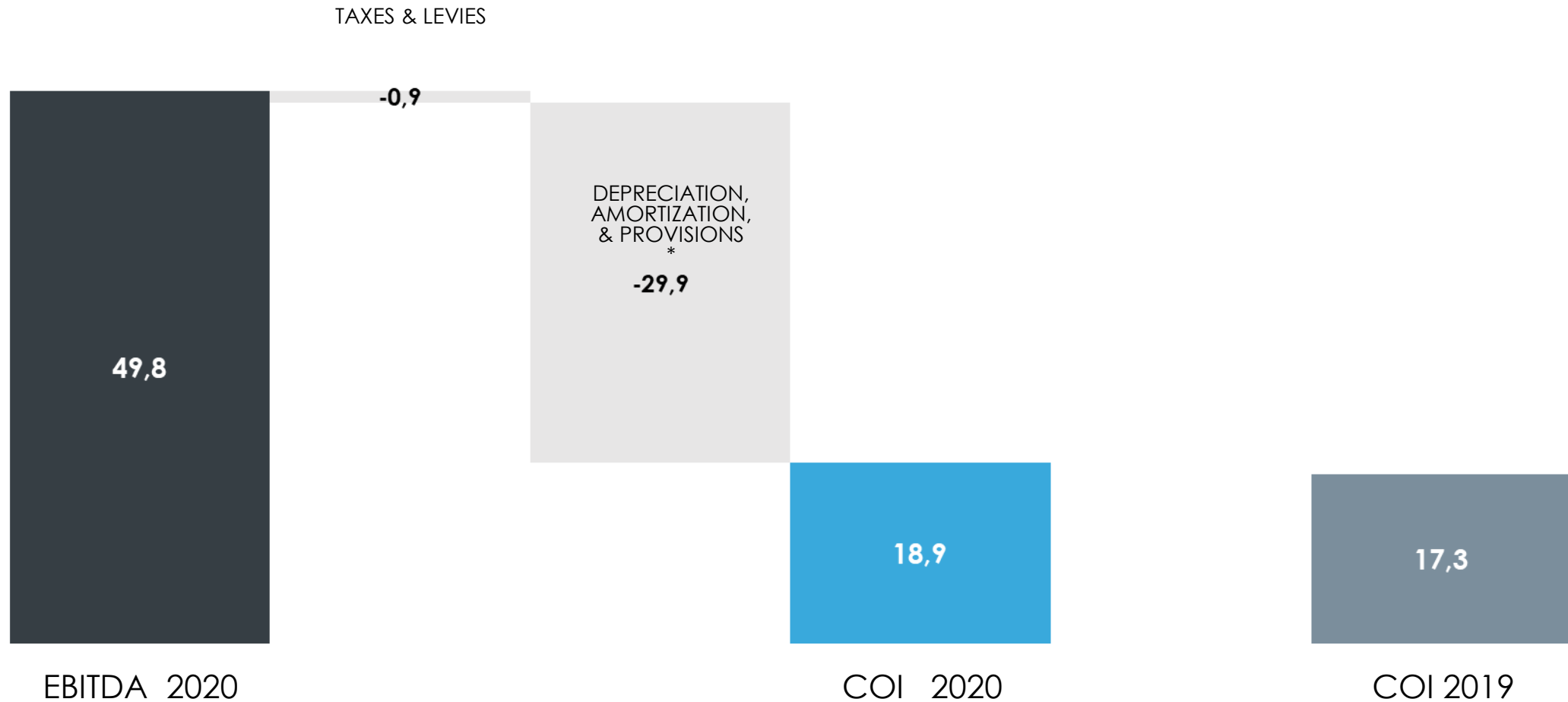
Less subcontracting

Lower overhead costs

IFRS
Audited data in M€

	2019	2020	Variation
Revenue	187,7	172,4	-8,1%
Cost of consumed materials	(60,0)	(55,4)	-7,6%
External expenses	(21,3)	(16,5)	-22,4%
Personnel expenses	(58,1)	(49,8)	-14,2%
Other current operating income and expenses	-	(0,8)	ns
EBITDA % of revenue	48,3 25,8%	49,8 28,9%	+3,1% +3,1pts

EBITDA/COI BRIDGE (€M)

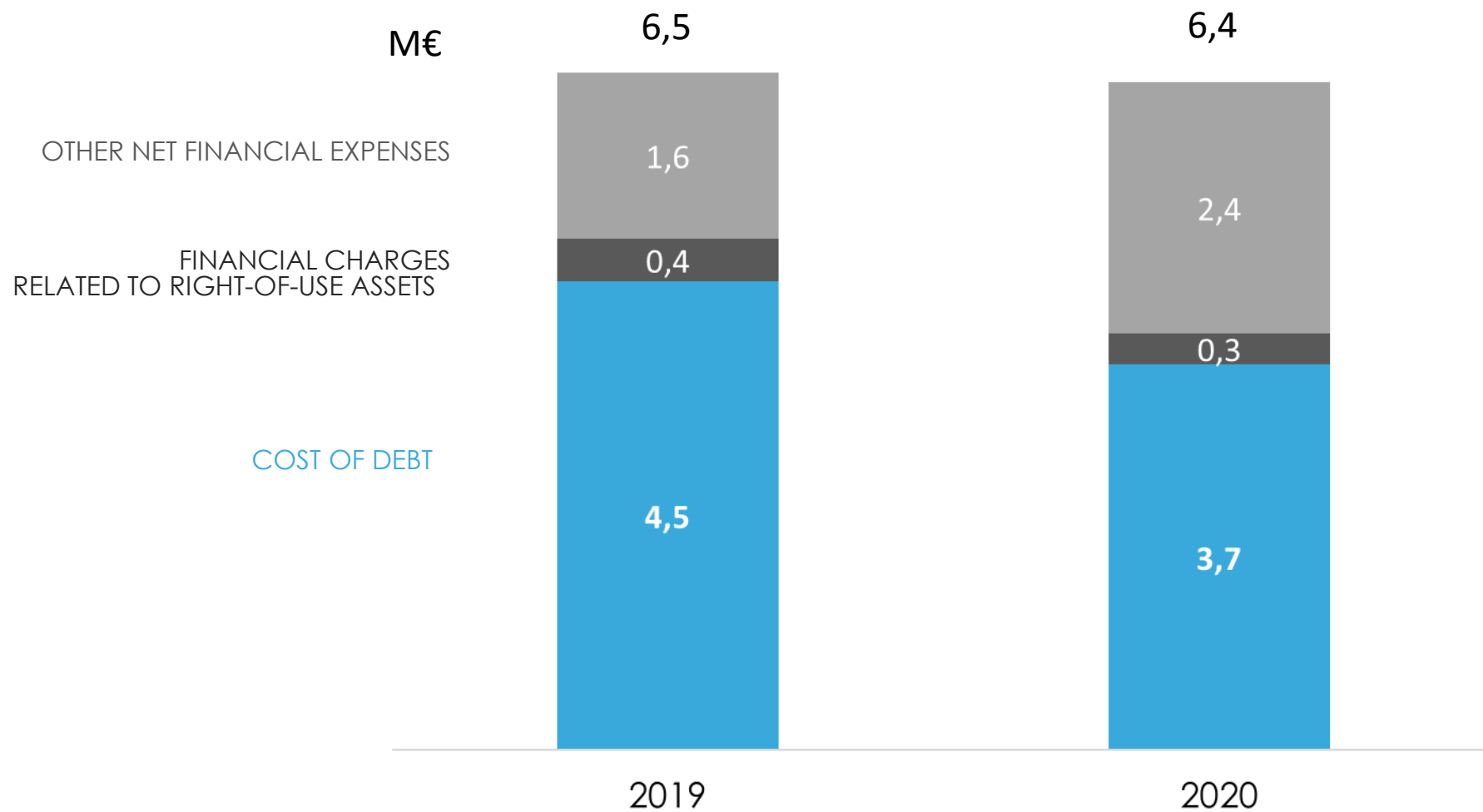


* Including the impact of IFRS 16 on depreciation and amortization of €11.3 million

FINANCIAL INCOME

Lower interest on debt

Greater provisions for financial investments



INCOME STATEMENT

IFRS - Audited data in M€

	2019	2020	Var.
Revenue	187,7	172,4	-8,1%
EBITDA	48,3	49,8	+3,1%
As % of revenue	25,8%	28,9%	+3,1 pts
Taxes & levies	-1,8	-0,9	
Net additions to amortization, depreciation, and provisions	-29,2	-29,9	
Current operating income	17,3	18,9	+9,7%
As % of revenue	9,2%	11,0%	+1,8pt
Other operating income and expenses	0,3	0,0	
Operating income	17,3	19,2	+11,2%
As % of revenue	9,2%	11,1%	+1,9 pt
Financial income	-6,5	-6,4	
Income tax expense	-0,8	-2,3	
Share of profit/loss of related companies	0,4	0,6	
Net income from continuing operations	10,4	11,1	
Consolidated net income	10,4	11,1	
Net income, Group share	10,5	11,3	+7,4%
As % of revenue	5,6%	6,6%	+1,0 pt

BALANCE SHEET

ASSETS

LIABILITIES

<i>IFRS</i> <i>Audited data</i>	31/12/2019	31/12/2020	<i>IFRS</i> <i>Audited data</i>	31/12/2019	31/12/2020
Goodwill	34,6	32,6	Equity	144,8	155,4
Other fixed assets	179,2	185,1	Non-current debt	85,7	91,0
Rights of Use	29,5	27,2	Non-current lease liabilities	19,2	18,9
Deferred tax assets	11,1	9,6	Other non-current liabilities	5,7	5,9
Total non-current assets	254,4	254,5	Total non-current liabilities	110,6	115,8
Inventories	0,1	0,1	Current provisions	0,7	0,7
Accounts receivable and other receivables	53,2	74,2	Current debt	26,9	30,2
Other current assets	22,7	15,3	Current lease liabilities	10,3	8,3
Cash and cash equivalents	29,4	36,1	Trade payables	23,6	19,7
Total current assets	105,4	125,7	Other current liabilities	42,7	50,0
TOTAL ASSETS	359,8	380,2	Total current liabilities	104,3	108,9
			TOTAL EQUITY & LIABILITIES	359,8	380,2

CASH FLOW STATEMENT

Positive cash flow generated in 2020: +3,3 M€

IFRS - Audited data in M€

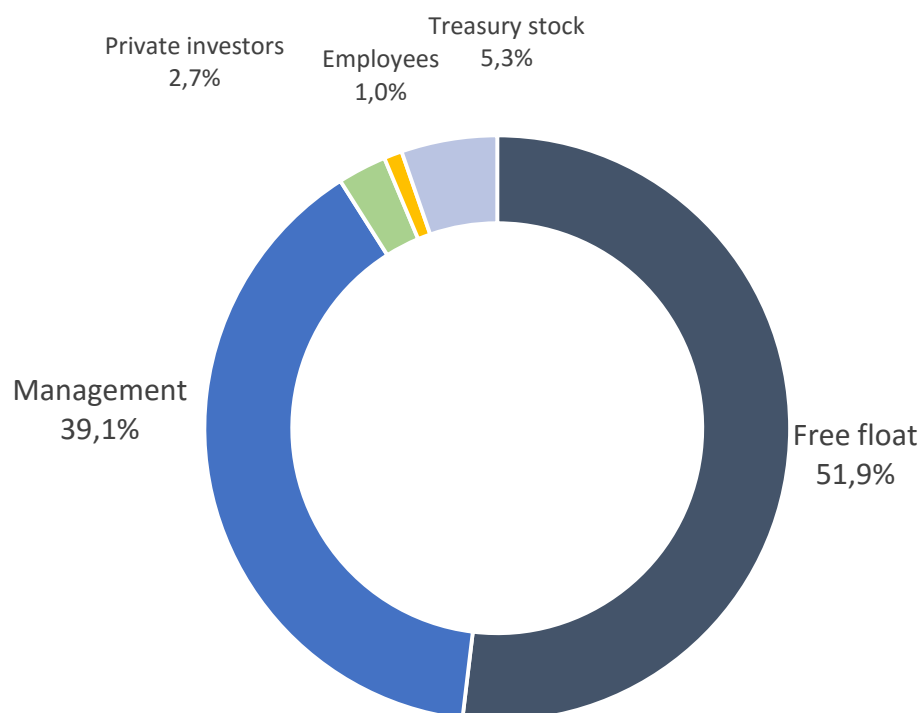
	31/12/2019	31/12/2020
Cash from operating activities before cost of debt and taxes	46,2	44,6
Change in WCR (working capital requirements)	3,3	-8,9
Net cash flow from operating activities	49,5	35,7
Acquisitions of fixed assets	-37,1	-26,6
Sales of fixed assets and Other capital assets	0,2	4,0
Cash flow from investing activities	-36,9	-22,6
Net change in borrowing, including bank debt ⁽¹⁾	-17,4	-9,6
Parent company dividends received/paid	-0,3	-
Capital increases/reductions	-0,2	-
Equity-related transactions including treasury shares	-2,8	-0,2
Cash flow from financing activities	-20,7	-9,8
Net effects of exchange rate changes on the balance of cash	-	-
Net change in cash balances	-8,1	3,3

⁽¹⁾ including repayments of rights of use (IFRS 16)

STOCK MARKET OVERVIEW

BREAKDOWN OF CAPITAL AS OF DECEMBER 31st, 2020

As % of number of shares



STOCK MARKET PRICE OVER A YEAR



Mnemo
ALPRO

Stock market
value as of
March 2nd,
2021 :
46,45 M€

Number of
shares:
7 748 042

Euronext
Growth



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2021-2025 STRATEGY

FACT: DIGITAL TRANSFORMATION AFFECTS EVERYTHING & EVERYBODY



IT IS A TREMENDOUS OPPORTUNITY FOR COMPANIES TO MODERNIZE THEIR ORGANIZATION AND CREATE VALUE - ESSENTIAL COMPETITIVE AND GROWTH LEVERS

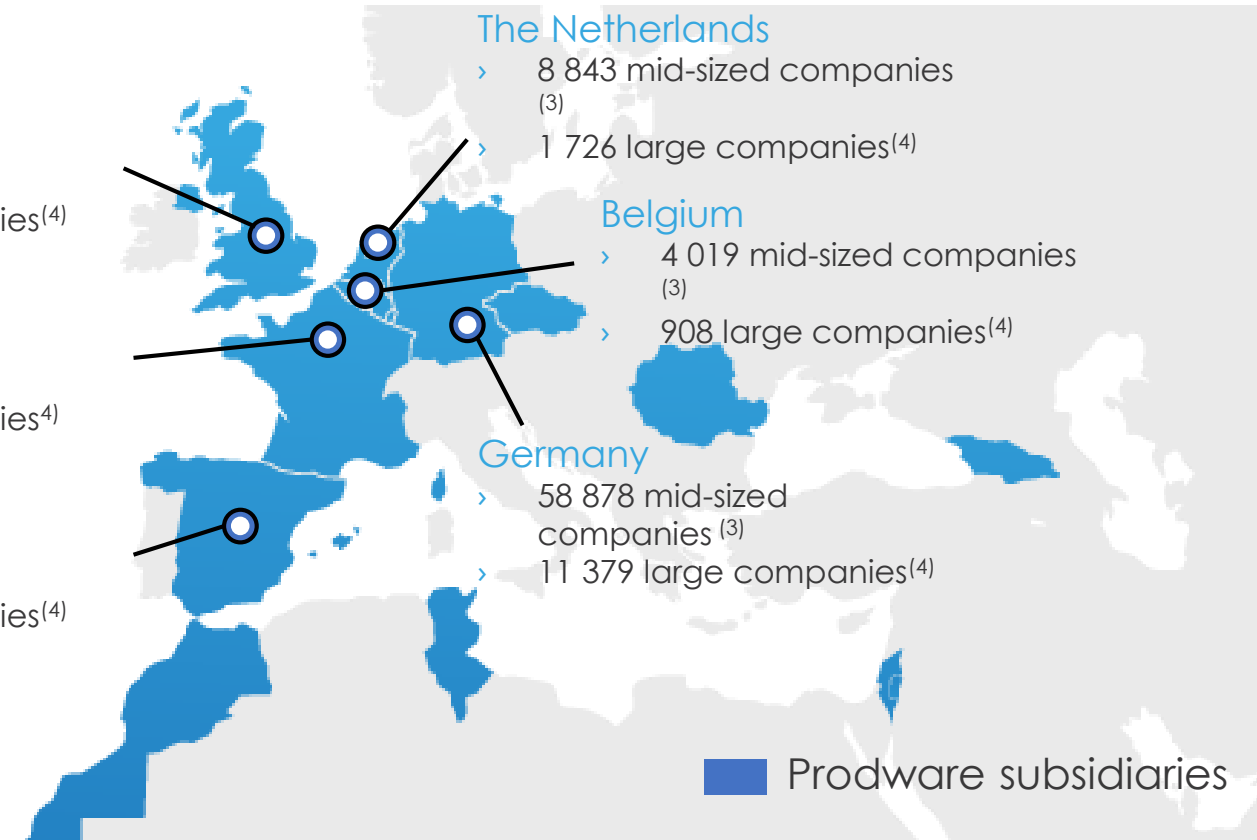
FOCUS: 80% OF MID-MARKET COMPANIES AND SUBSIDIARIES OF LARGE GROUPS, PRODWARE'S TARGET MARKETS, ARE CONSIDERING GOING DIGITAL IN THE NEAR FUTURE⁽¹⁾ (2).

Mid-market companies and subsidiaries of large groups are true strategic economic assets at both the national and European level

- UK**
- > 28 873 mid-sized⁽³⁾ companies
 - > 6 546 large companies⁽⁴⁾

- France**
- > 18 596 mid-sized companies⁽³⁾
 - > 4 089 large companies⁽⁴⁾

- Spain**
- > 15 826 mid-sized companies⁽³⁾
 - > 3 193 large companies⁽⁴⁾



(1) source EY & APAX Partner 2020 French Market Survey

(2) Source EY 2018 WW Market Survey

(3) between 50 and 240 employees

(4) More than 250 employees

VALUE PROPOSITION: SUPPORTING THE DIGITAL TRANSFORMATION JOURNEY OF COMPANIES WITH AN END-TO-END AND CUSTOMIZABLE VALUE PROPOSITION



VISION

Business Consulting

- Digital Transformation Offering
- Appraisal
- Roadmap
- Support



INNOVATION

Prodware Software

- Prodware Software factory
- Start-up accelerator
- Industry-specific solutions
- Strategic alliances



IMPLEMENTATION

Professional Services

- Project governance
- System integration
- Agile Infrastructure
- Capitalizing on methodology



EVOLUTION

Managed Services

- Support & business application & infrastructure performance optimization
- Security management
- Application modernization

PRODWARE 2021-2025 STRATEGY

EMBRACING CONTINUOUS CHANGE: AN AGILITY-READY STRATEGY
TO ADAPT TO THE CONSTANT MARKET EVOLUTIONS

1

BUSINESS CONSULTING

Supporting Executive Committees with more **strategic consulting** & appraisals in the **early stages**



2

INNOVATIVE SOLUTIONS

Securing **Microsoft Dynamics leadership position**, accelerating BI, AI, RAP and CEX while developing and expanding software vendor business



3

STRENGTHENING MARKET POSITIONING

Strengthening market position in high-potential geographies in **Western Europe**, keeping abreast of market dynamics in Northern Europe



4

EFFICIENCY & PRODUCTIVITY

Developing our Nearshore centres in Eastern Europe (RO, GE & CZ), modernizing Prodware's internal business applications (BPSA)



5

HUMAN CAPITAL

Attracting & retaining talent, being recognized as « **the best place to work** », reinforcing middle management





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Q&A

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