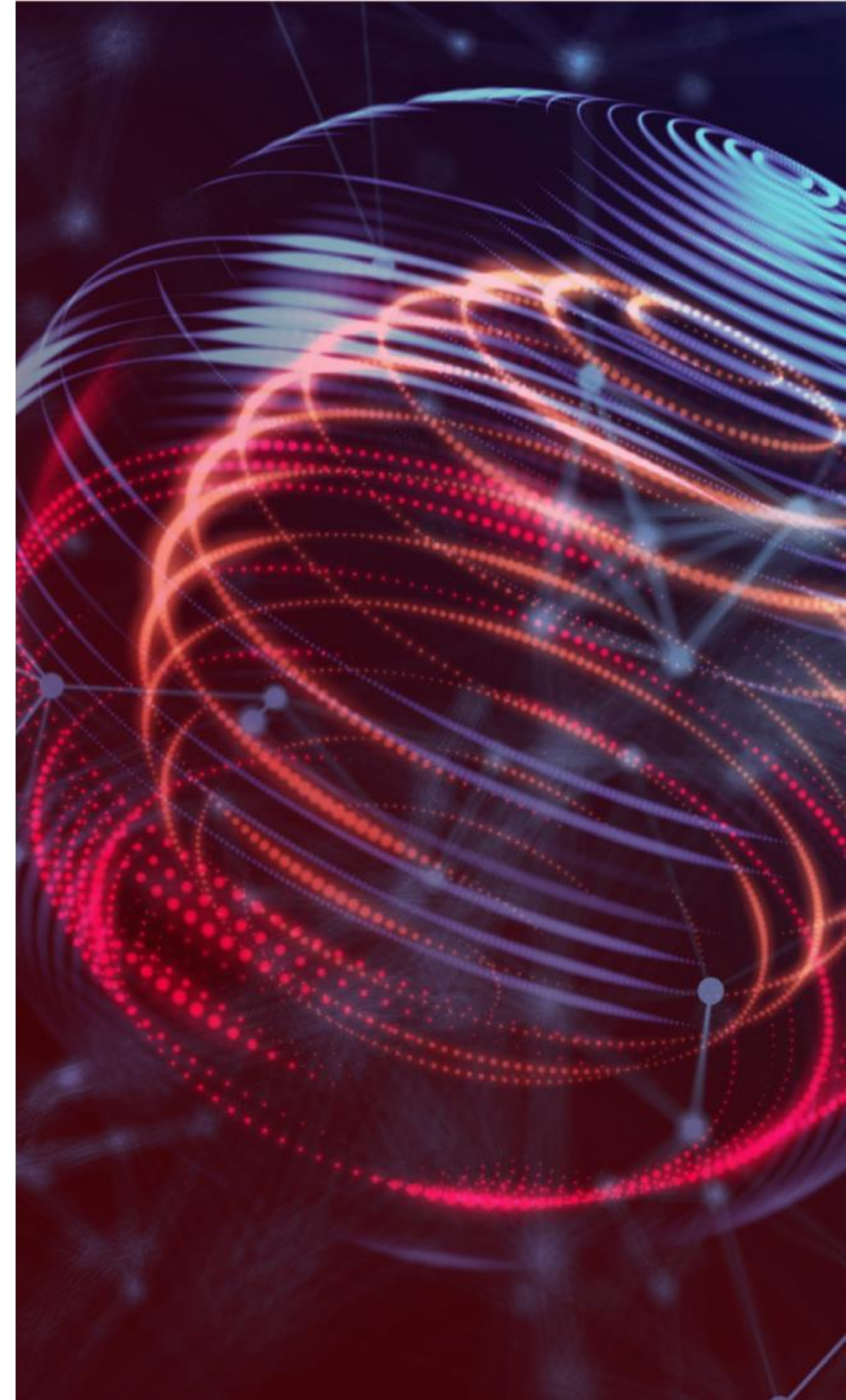




# H1 FY2021 Results

November 30, 2021



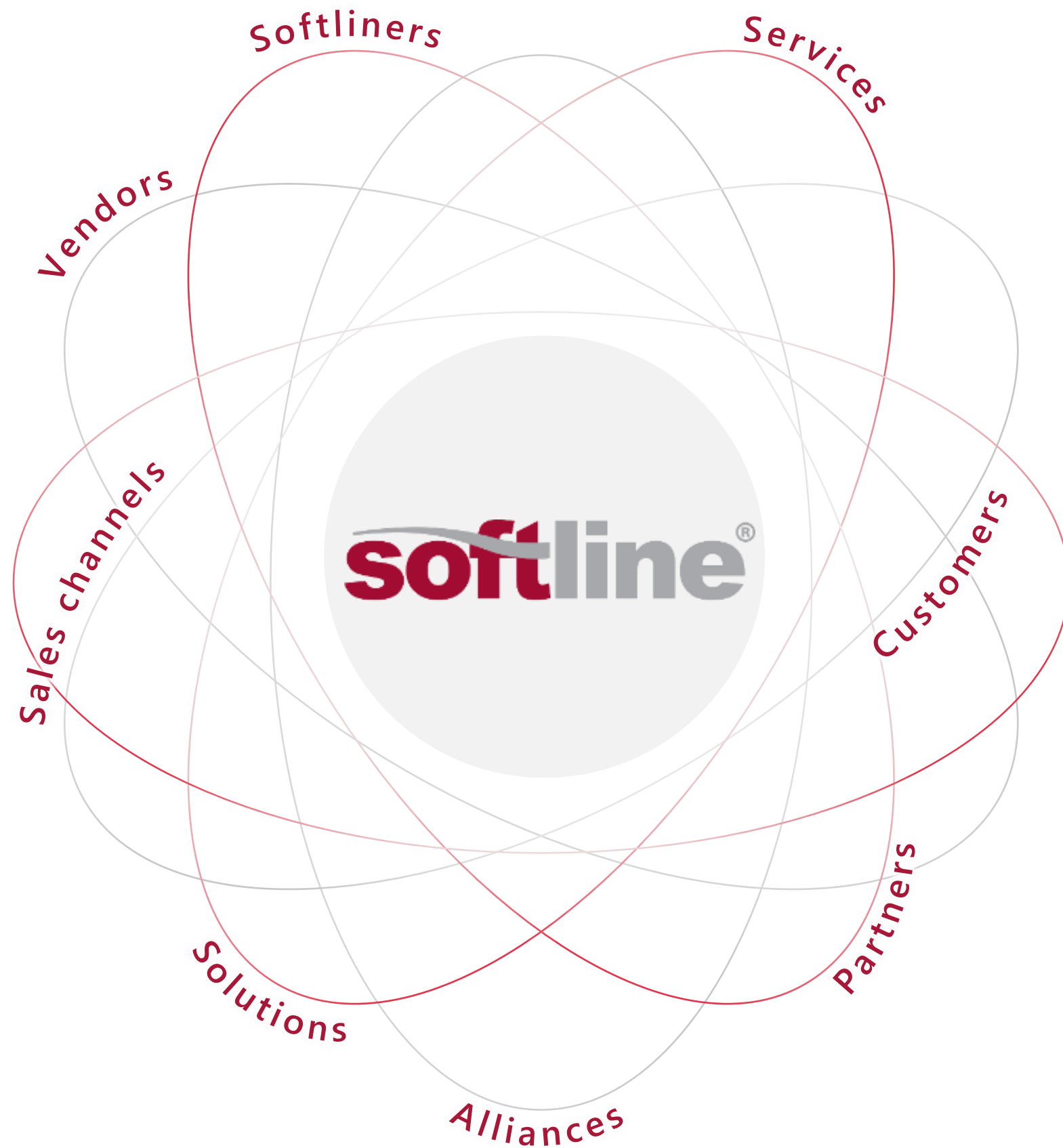
# Disclaimer

The financial results set out in this release are unaudited and are subject to change following completion of Softline's audit. The "constant currency" metric excludes the effect of foreign currency exchange rate fluctuations by translating the current period revenues into U.S. dollars at the weighted average exchange rates of the prior period of comparison.

This document may constitute or include forward-looking statements. Forward looking statements are statements that are not historical facts and may be identified by words such as "plans", "targets", "aims", "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "continues", "should" and similar expressions. These forward-looking statements reflect, at the time made, the Company's beliefs, intentions and current targets/aims concerning, among other things, the Company's or the Group's results of operations, financial condition, liquidity, prospects, growth and strategies. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's or the Group's markets; the impact of regulatory initiatives; and the strength of the Company's or any other member of the Group's competitors. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in this document are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records (and those of other members of the Group) and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual outcomes and the results of operations, financial condition and liquidity of the Company and other members of the Group or the industry to differ materially from those results expressed or implied in this document by such forward-looking statements. No representation or warranty is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved. Undue influence should not be given to, and no reliance should be placed on, any forward-looking statement. No statement in this document is intended to be nor may be construed as a profit forecast.



# Softline at a Glance. Global Digital Transformation & Cyber Security Leader



### Global Scalable Leader

<b>c.60</b>	<b>c.100</b>	<b>&gt;25</b>	<b>&gt;6k</b>	<b>\$1.8bn / +\$0.2bn</b>
Countries	Cities	Years in the IT market	Softliners	Turnover 2020

### Cornerstone of Digital Transformation

<b>c.150k</b>	<b>&gt;6k</b>	<b>&gt;1m</b>	<b>CloudMaster ActivePlatform</b>	<b>61%</b>
B2B customers	Vendors	SKUs	Differentiated IP	Software, SaaS & Cloud Gross profit mix 2020

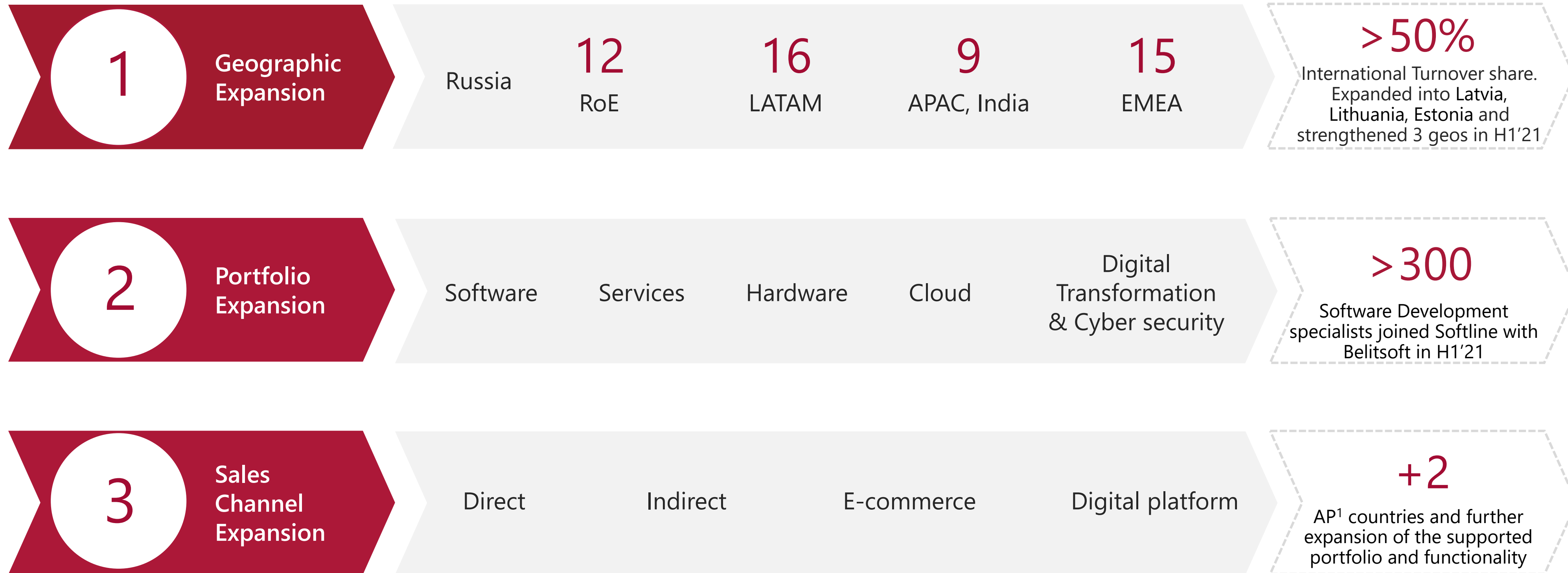
### Proven Growth Model Underpinned by High Recurring Turnover

<b>34%</b>	<b>56%</b>	<b>\$226m / +\$41m</b>	<b>\$52m / +\$12m</b>	<b>16</b>
Turnover CAGR <sup>1</sup> 2006 – 2020	Recurring Turnover 2020	Gross profit 2020	Adj. EBITDA <sup>2</sup> 2020	M&A transactions since 2014

■ Softline standalone    
 ■ Addition from M&A<sup>3</sup>    
 ■ Combined including Addition from M&A

Source: Company data as of 31 March 2021. Figures used to calculate 2006 – 2020 Turnover Growth CAGR are unaudited and are based on internal Company records. In particular, Turnover for the year ending 31 March 2007 is based on unaudited management accounts data prior to the adoption of IFRS in 2008. 2006 – 2020 Turnover Growth CAGR is therefore not a measure of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing the Company's financial results or future prospects. 2006 – 2020 Turnover Growth CAGR should not be considered in isolation or as alternative performance measures under IFRS. <sup>1</sup>Refers to Turnover growth in local currency - Russian ruble (RUB). Converted from the reported currency of US dollar to Russian ruble using a daily exchange rate quoted by the official sites of Central Bank or other Finance regulator for each country, averaged over each year. <sup>2</sup>Softline defines adjusted EBITDA as a measurement which includes profit before interest, income tax, depreciation and amortization, excluding the cost of charity, exchange rate gains and losses and other items that it considers to be non-recurring or one-off. <sup>3</sup>'Addition from M&A' means, in the case of Aplana, which was acquired in November 2020, Softline AG, which was acquired in April 2021 but consolidated in the Company's 2020 financial statements from December 2020 when the binding acquisition agreement was signed, and Embee, which was acquired in January 2021, the portion of their respective financial results for the twelve month period starting 1 April 2020 to the date of their acquisitions and, in the case of Alfresco, Digitech, Squalio and Belitsoft (each of which were in the process of being acquired as of June 2021 but since got acquired), their respective financial results for the twelve months ended 31 March 2021.

# Executing on Proven Multidimensional Growth Strategy



We know we can

Source: Company data as of 31 September 2021. RoE = Rest of Eurasia.  
Note: <sup>1</sup>ActivePlatform as key component of the digital platform sales channel.

# Expanding Global Business with the Support of Our Vendors, Customers and Employees

London HQ



26%

Turnover CCY CAGR  
2016-2020

c.100

Cities of presence

14

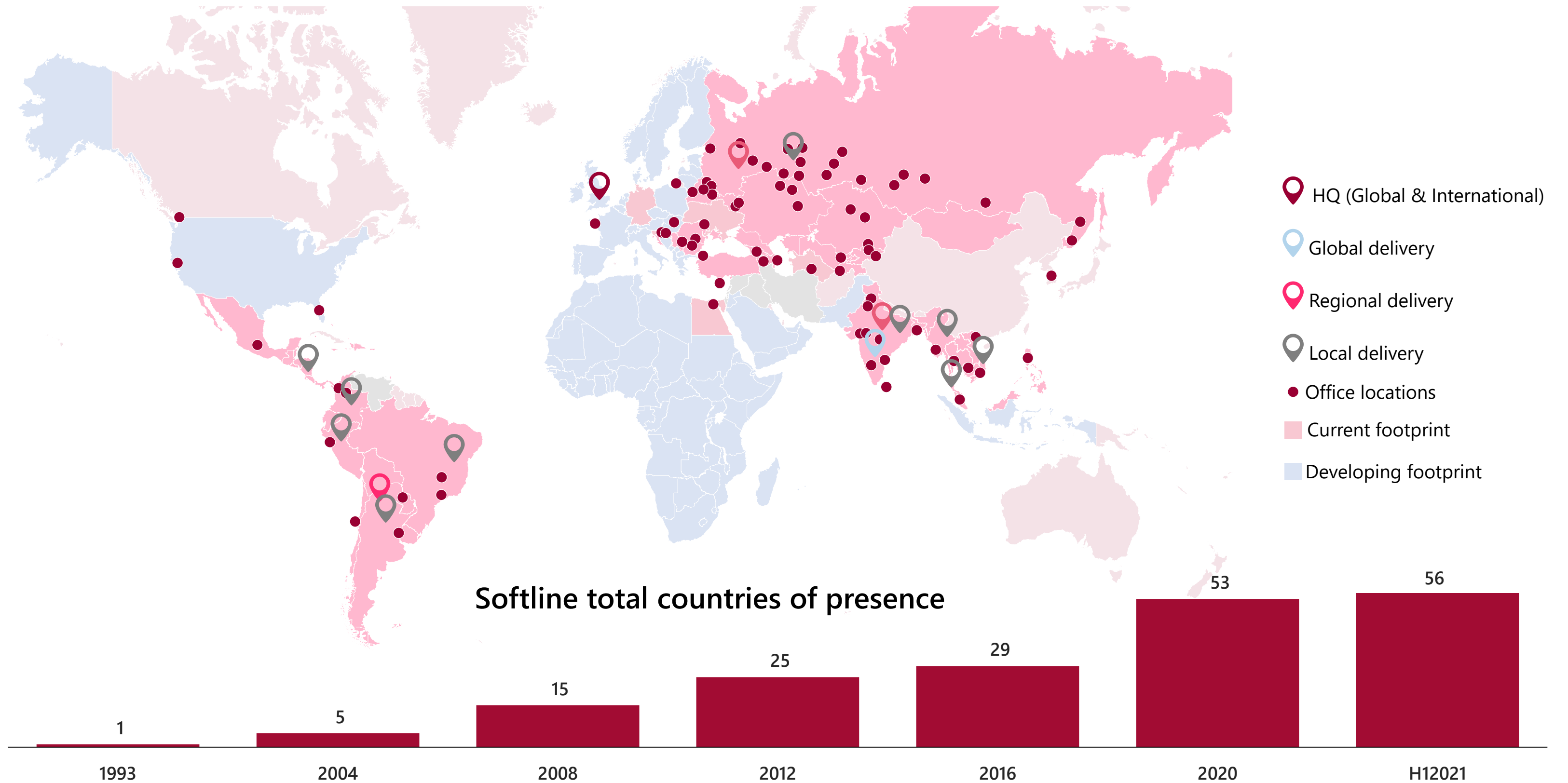
Delivery centres

24/7

Customer support

>6k

Skilled, talented team  
members globally



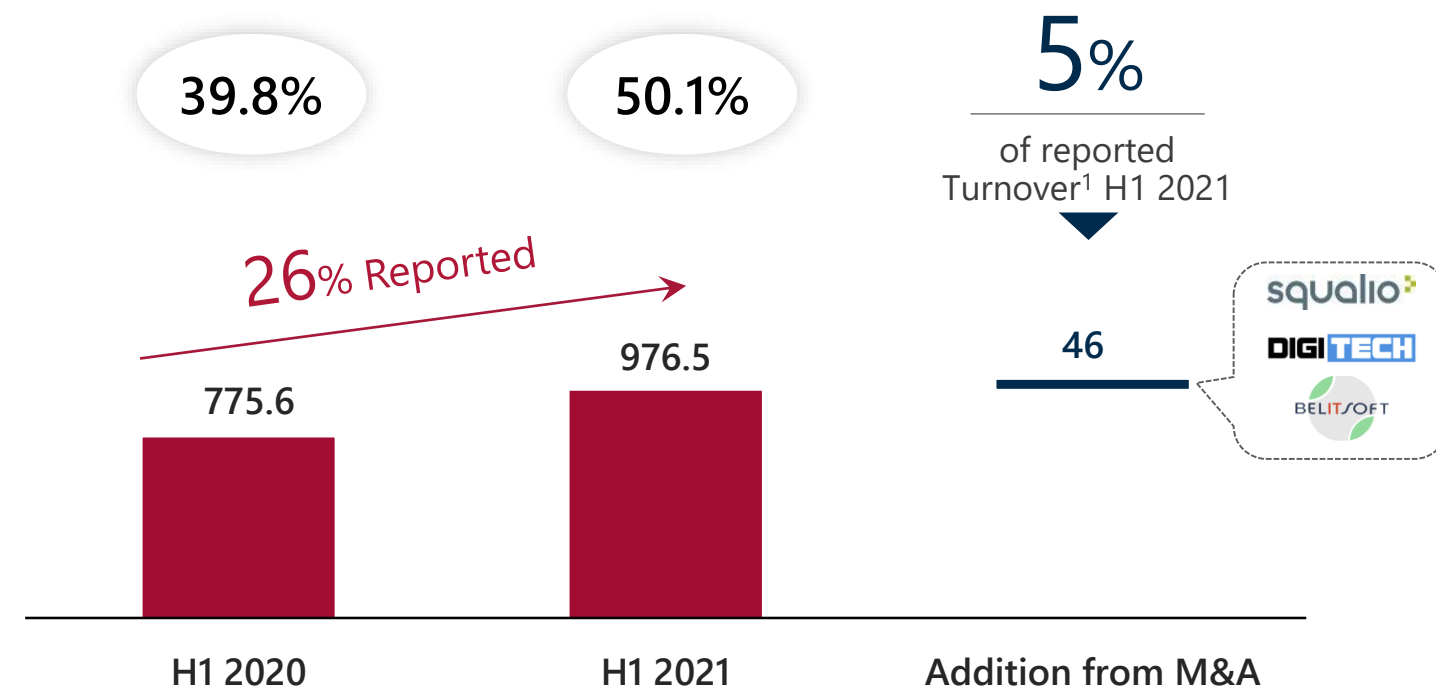
Source: Company data as of 31 March 2021.  
 Note: Softline's financial year ends 31 March e.g. 2020 for year ending 31 March 2021; CCY CAGR =  $(CCY_t / RC_{t-x})^{(1/x)} - 1$ , e.g. Turnover 2016-20 CCY CAGR =  $(CCY \text{ Turnover } 2020 / RC \text{ Turnover } 2016)^{(1/4)} - 1$ ; Constant Currency YoY growth is derived by applying average annual FX rate of previous year (t-1) to determine CCY figure for any year (t). This methodology is applied for every country of operations using local country FX rates and translating to CCY USD numbers before consolidating at group level..

# Strong H1 2021 Results Proving Expected Performance

## Robust Turnover growth...

Reported currency, \$m

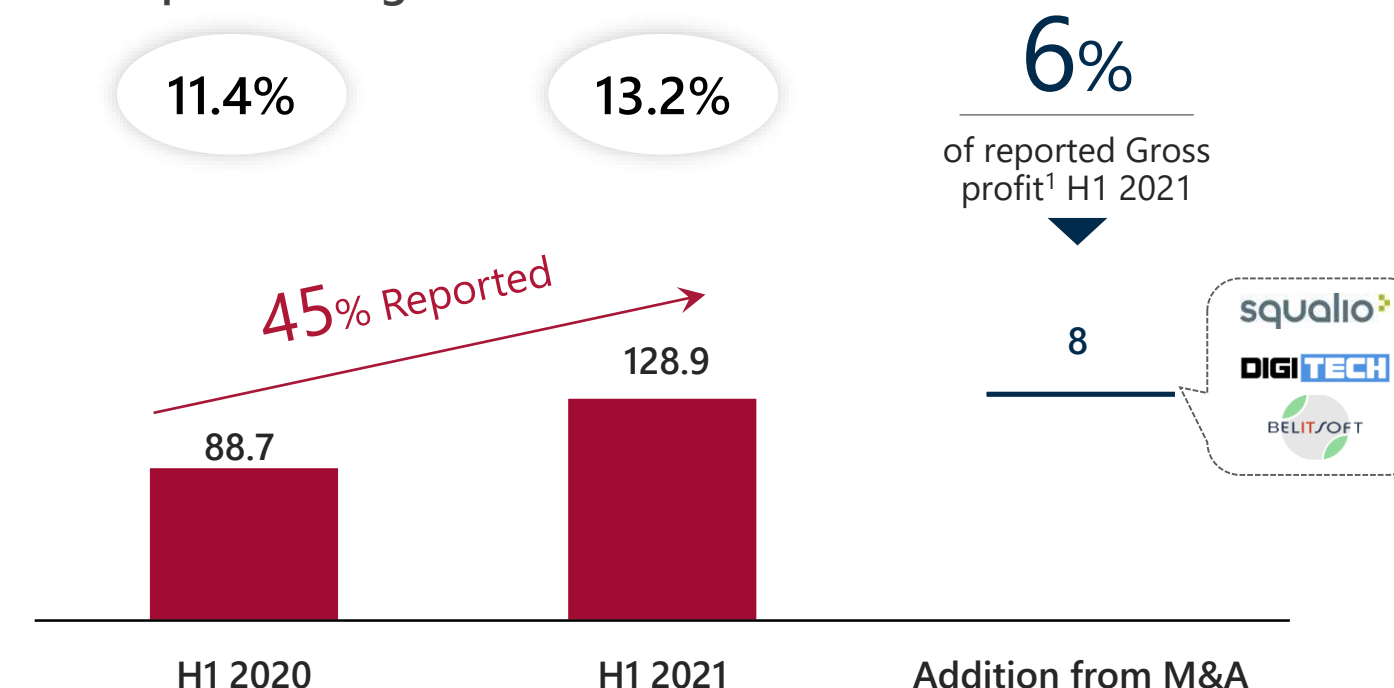
Share of turnover outside of Russia



## ...with even stronger Gross profit dynamics...

Reported currency, \$m

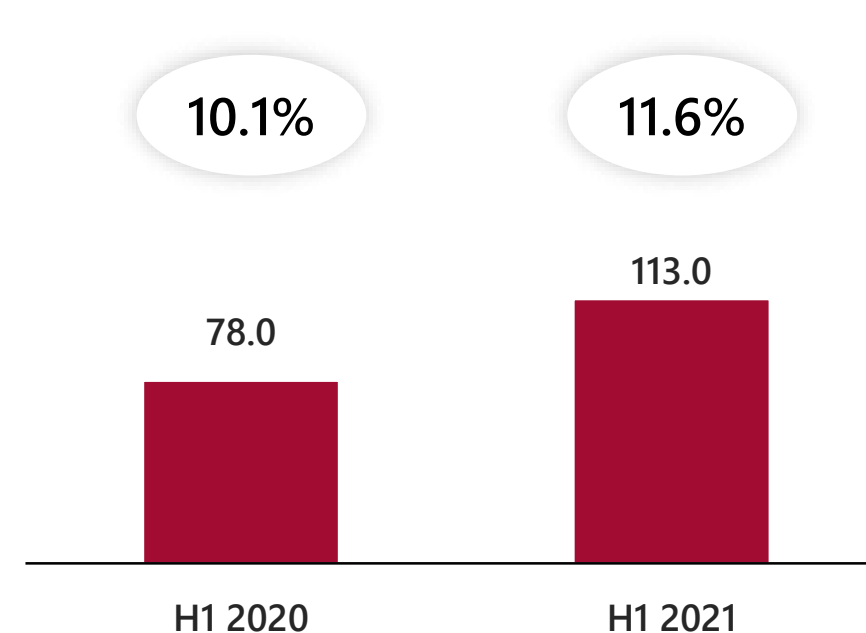
Gross profit margin



## ...and controlled expenses SG&A...

Reported currency, \$m

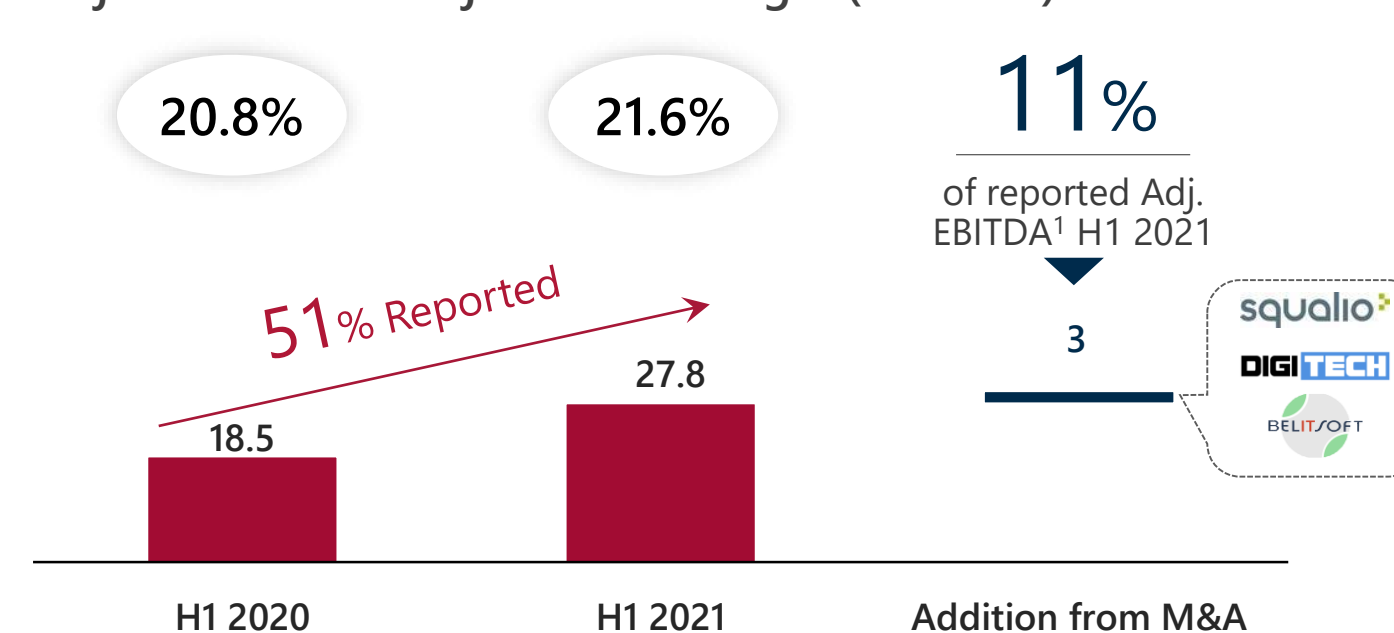
SG&A as % of Turnover



## ...resulting in superior Adj. EBITDA growth

Reported currency, \$m

Adj. EBITDA and Adj. EBITDA Margin (from GP)



## Commentary

- Organic turnover and gross profit growth rates in H1'21 are broadly in line with historical trend and guidance for FY 2021
- H1'21 growth in line with guidance compared to a very strong H1'20 base for turnover and gross profit were exceptionally high due to rapidly increased demand for remote work solutions and services during the first wave of COVID-19 ("COVID effect", was mostly related to Russia)
- Share of turnover outside of Russia reached 50.1%, reflecting ongoing trend of geographic diversification supported by recent acquisitions globally
- Share of Services in the Gross Profit was 31% in H1'21, compared to 24% in H1'20
- SG&A growth YoY due to M&A, HC growth, wage inflation, and bonuses growth caused by GP growth

We know we can

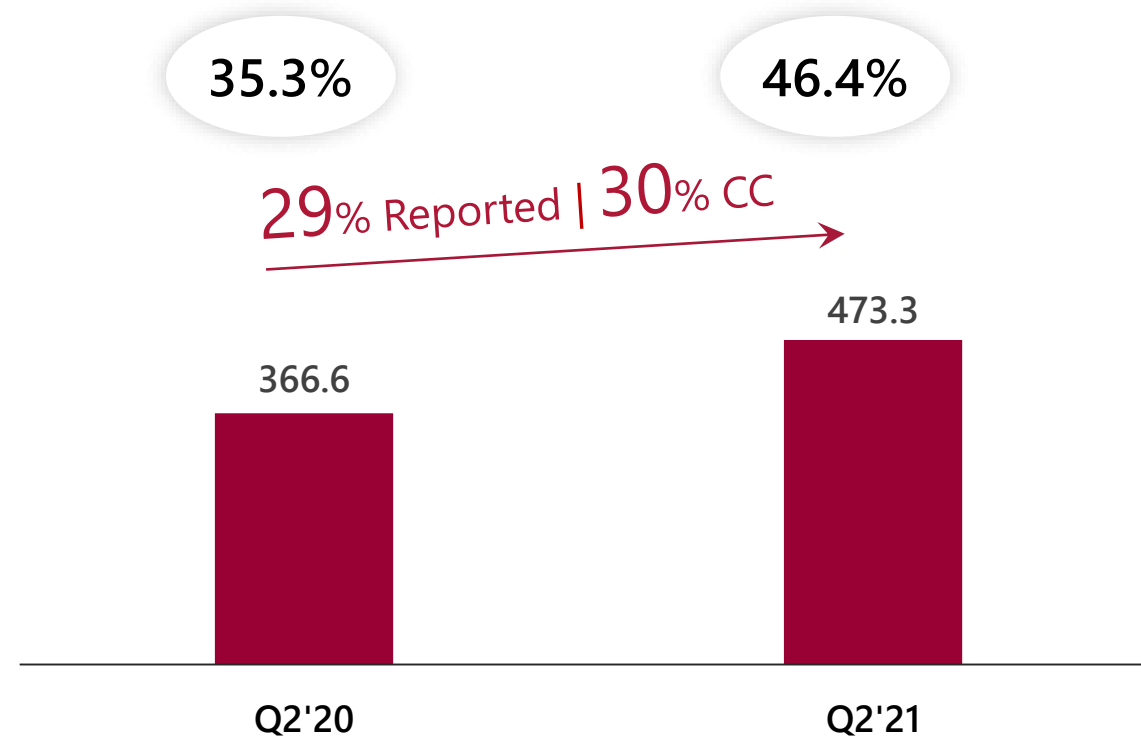
<sup>1</sup>Additions from M&A are not reflected in the reported numbers

# Robust Q2 2021 Results Supporting Overall H1 achievements

## Robust Turnover growth...

Reported currency, \$m

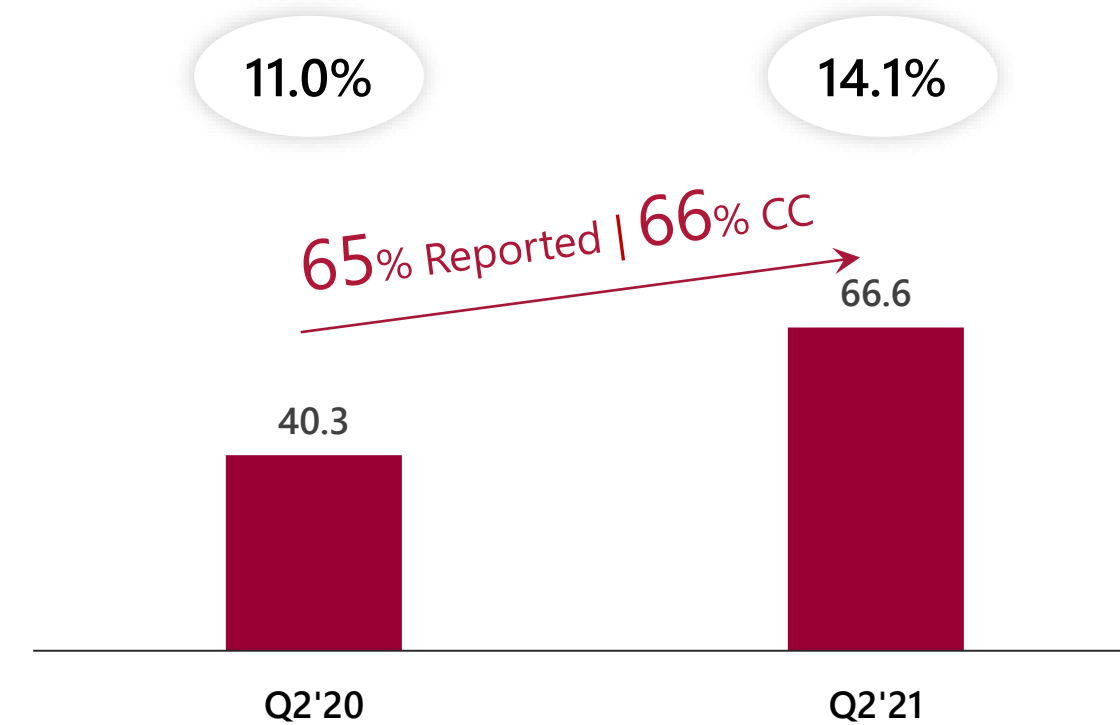
Share of turnover outside of Russia



## ...with even stronger Gross profit dynamics...

Reported currency, \$m

Gross profit margin



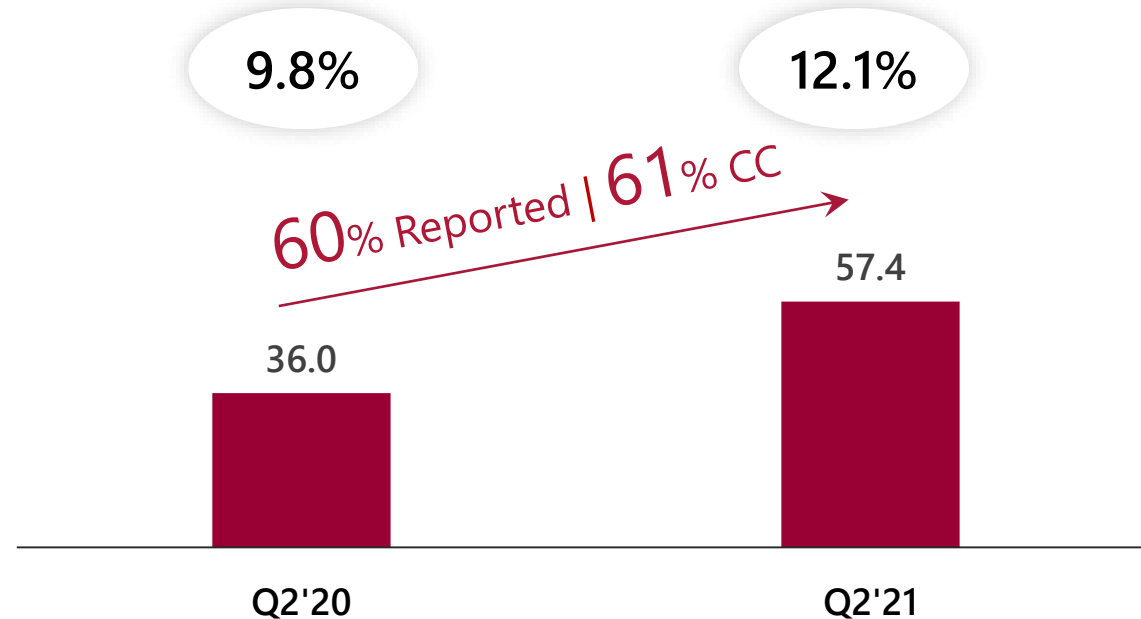
## Commentary

- Organic turnover and gross profit growth rates in Q2'21 are broadly in line with the historical trend and guidance for FY 2021
- Share of turnover outside of Russia reached 46.4%, reflecting ongoing trend of geographic diversification supported by recent acquisitions globally
- SG&A growth YoY due to M&A, HC growth, wage inflation, and bonus payouts due to GP growth. Share of organic SG&A remained stable QoQ

## ...and controlled expenses SG&A...

Reported currency, \$m

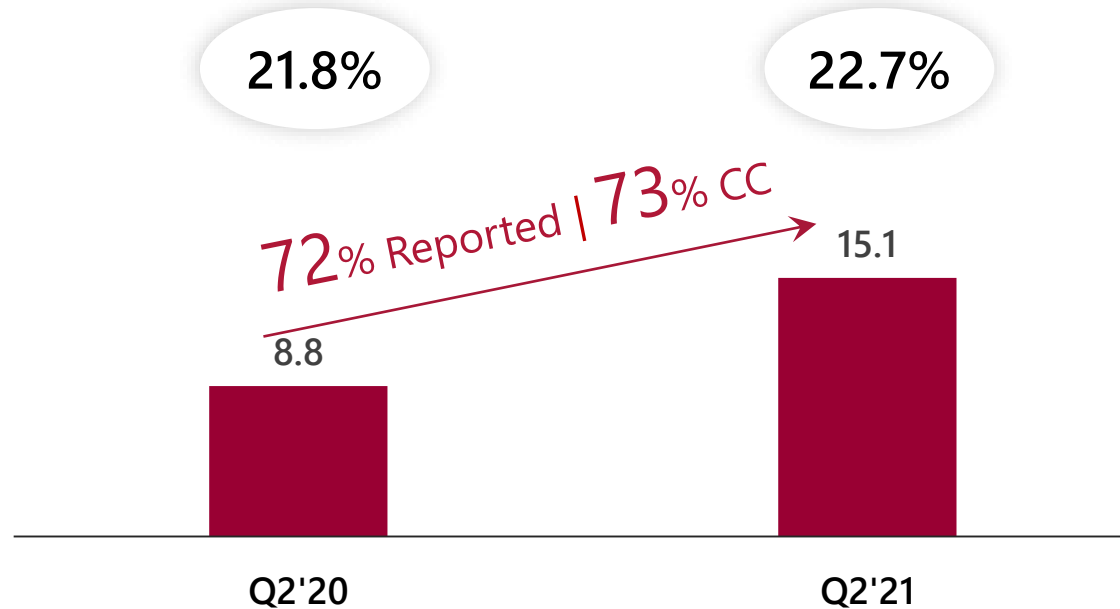
SG&A as % of Turnover



## ...resulting in superior Adj. EBITDA growth

Reported currency, \$m

Adj. EBITDA and Adj. EBITDA Margin (from GP)



We know we can

<sup>1</sup> Additions from M&A are not reflected in the reported numbers



# Strong H1'21 Financial Results (vs. H1'20)

Group P&L kUSD	H1'21 Actual	H1'20 Actual	H1'21 vs H1'20	
			kUSD	%
<b>Turnover</b>	<b>976 476</b>	<b>775 619</b>	<b>200 857</b>	<b>26%</b>
<b>Gross profit</b>	<b>128 889</b>	<b>88 699</b>	<b>40 189</b>	<b>45%</b>
	<i>Gross profit, %</i>	<i>13.2%</i>	<i>11.4%</i>	
OPEX <sup>1</sup>	-113 291	-78 395	-34 895	44%
<b>Operating profit<sup>1</sup></b>	<b>15 251</b>	<b>10 699</b>	<b>4 553</b>	<b>43%</b>
<b>Net profit after tax</b>	<b>3 743</b>	<b>3 056</b>	<b>687</b>	<b>22%</b>
	<i>Net profit after tax margin, %</i>	<i>0.38%</i>	<i>0.39%</i>	
	<i>Net profit after tax margin (GP), %</i>	<i>2.9%</i>	<i>3.45%</i>	
<b>EBITDA adj</b>	<b>27 838</b>	<b>18 490</b>	<b>9 348</b>	<b>51%</b>
	<i>EBITDA adj margin, %</i>	<i>2.85%</i>	<i>2.38%</i>	
	<i>EBITDA adj margin (GP), %</i>	<i>21.6%</i>	<i>20.85%</i>	
<b>EBITDA adj. LTM</b>	<b>61 441</b>	<b>47 415</b>	<b>14 026</b>	<b>30%</b>
<b>Net profit adj LTM</b>	<b>15 779</b>	<b>10 264</b>	<b>5 515</b>	<b>54%</b>

<sup>1</sup> exc. depreciation and amortization and Other expenses/income

Turnover by product, kUSD	H1'21 Actual	H1'20 Actual	H1'21 vs H1'20	
			kUSD	%
Software&Cloud	837 878	654 085	183 793	28%
Services	50 817	30 875	19 942	65%
Hardware	87 781	90 659	-2 878	-3%

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# Strong Q2'21 Financial Results (vs. Q2'20)

Group P&L kUSD	Q2'21 Actual	Q2'20 Actual	Q2'21 vs q2'20	
			kUSD	%
<b>Turnover</b>	<b>473 307</b>	<b>366 617</b>	<b>106 691</b>	<b>29%</b>
<b>Gross profit</b>	<b>66 593</b>	<b>40 278</b>	<b>26 315</b>	<b>65%</b>
	<i>Gross profit, %</i>	14.07%	10.99%	
OPEX <sup>1</sup>	-52 504	-32 528	-19 976	61%
<b>Operating profit<sup>1</sup></b>	<b>14 089</b>	<b>7 749</b>	<b>6 340</b>	<b>82%</b>
<b>Net profit after tax</b>	<b>2 397</b>	<b>1 052</b>	<b>1 345</b>	<b>&gt;100%</b>
	<i>Net profit after tax margin, %</i>	0.51%	0.29%	
	<i>Net profit after tax margin (GP), %</i>	3.60%	2.61%	
<b>EBITDA adj</b>	<b>15 092</b>	<b>8 774</b>	<b>6 318</b>	<b>72%</b>
	<i>EBITDA adj margin, %</i>	3.19%	2.39%	
	<i>EBITDA adj margin (GP), %</i>	22.66%	21.78%	
<b>EBITDA adj. LTM</b>	<b>61 441</b>	<b>47 415</b>	<b>14 026</b>	<b>30%</b>
<b>Net profit adj LTM</b>	<b>15 779</b>	<b>10 264</b>	<b>5 515</b>	<b>54%</b>

<sup>1</sup> exc. depreciation and amortization and Other expenses/income

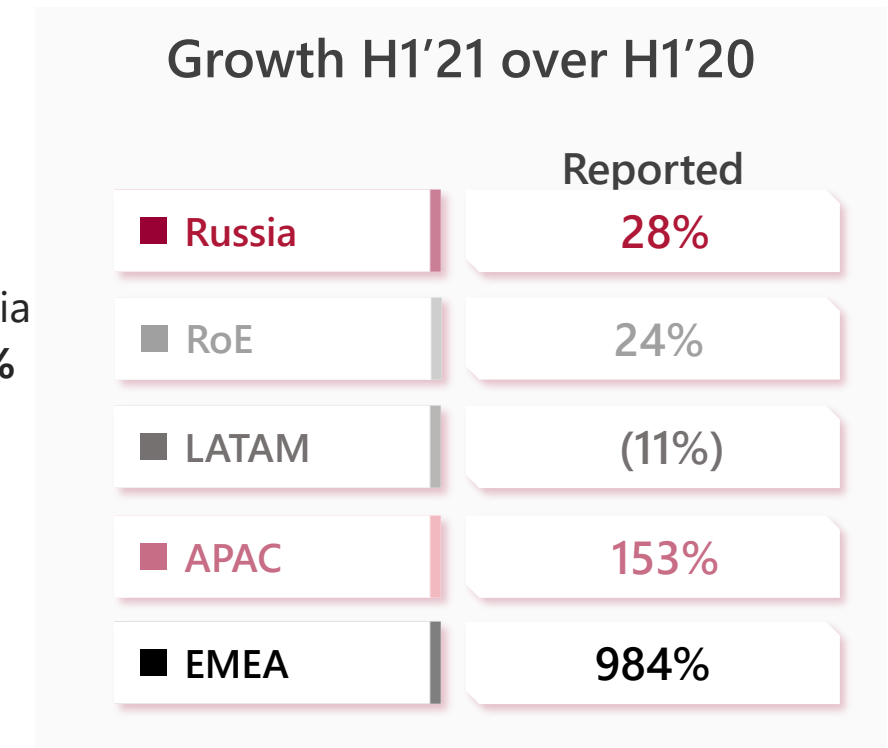
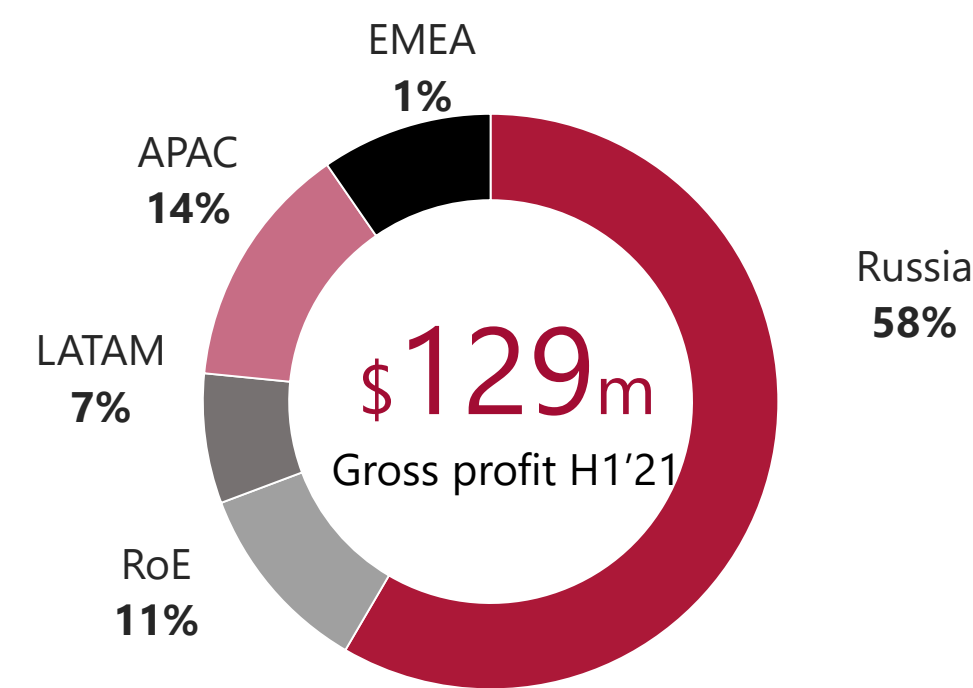
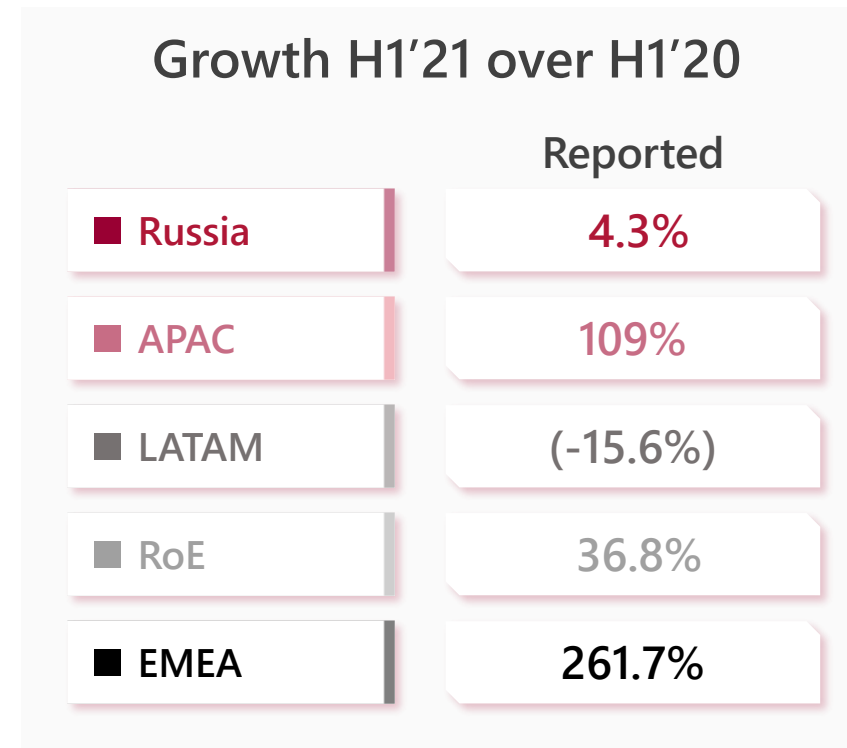
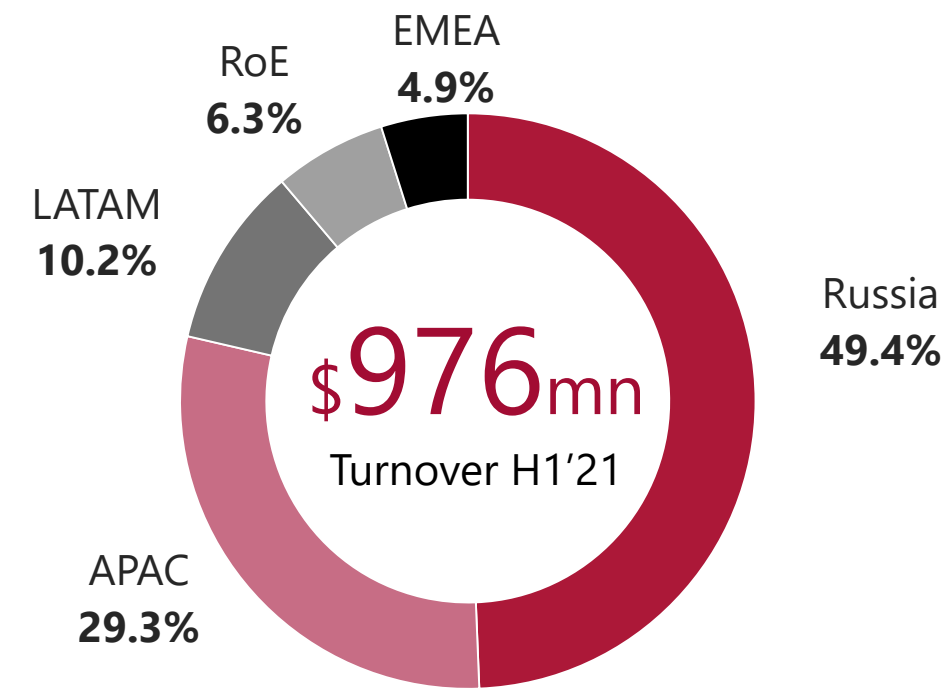
Turnover by product, kUSD	Q2'21 Actual	Q2'20 Actual	Q2'21 vs Q2'20	
			kUSD	%
Software&Cloud	394 161	303 480	90 682	30%
Services	25 342	16 306	9 037	55%
Hardware	53 804	46 831	6 973	15%

We know we can

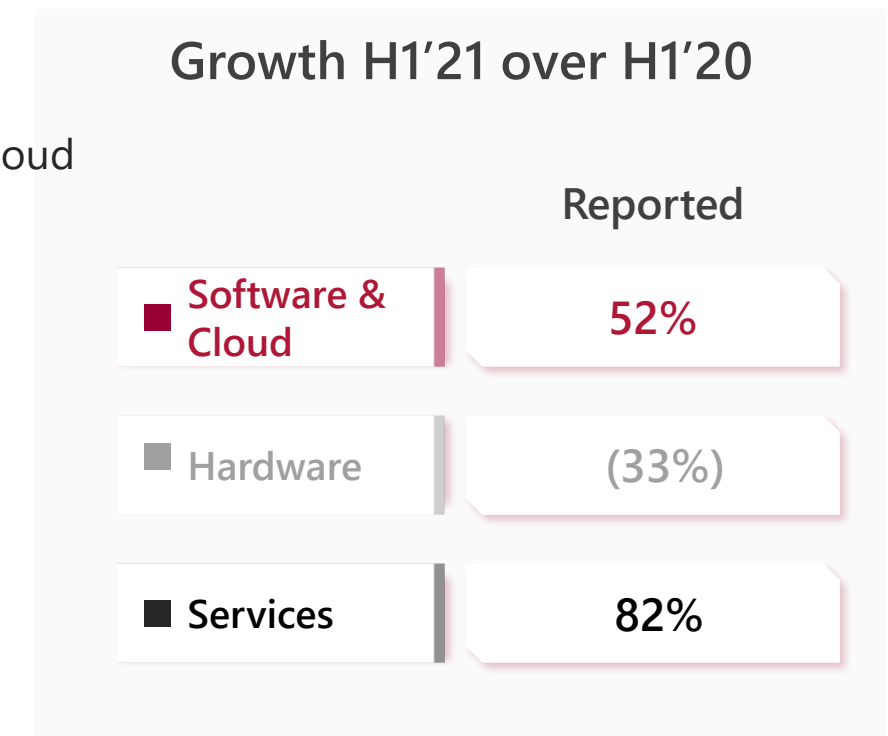
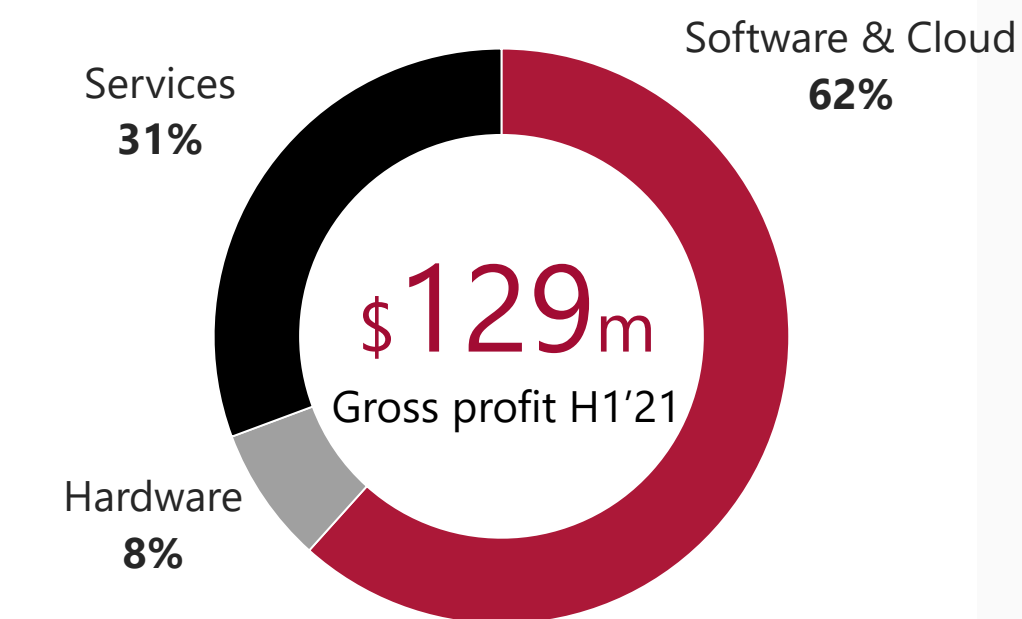
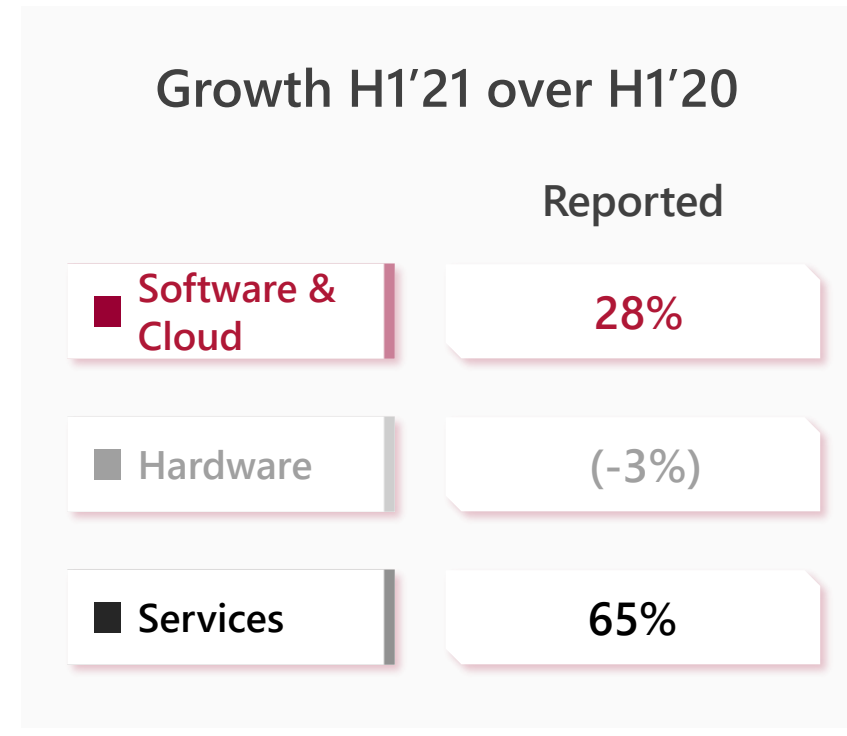
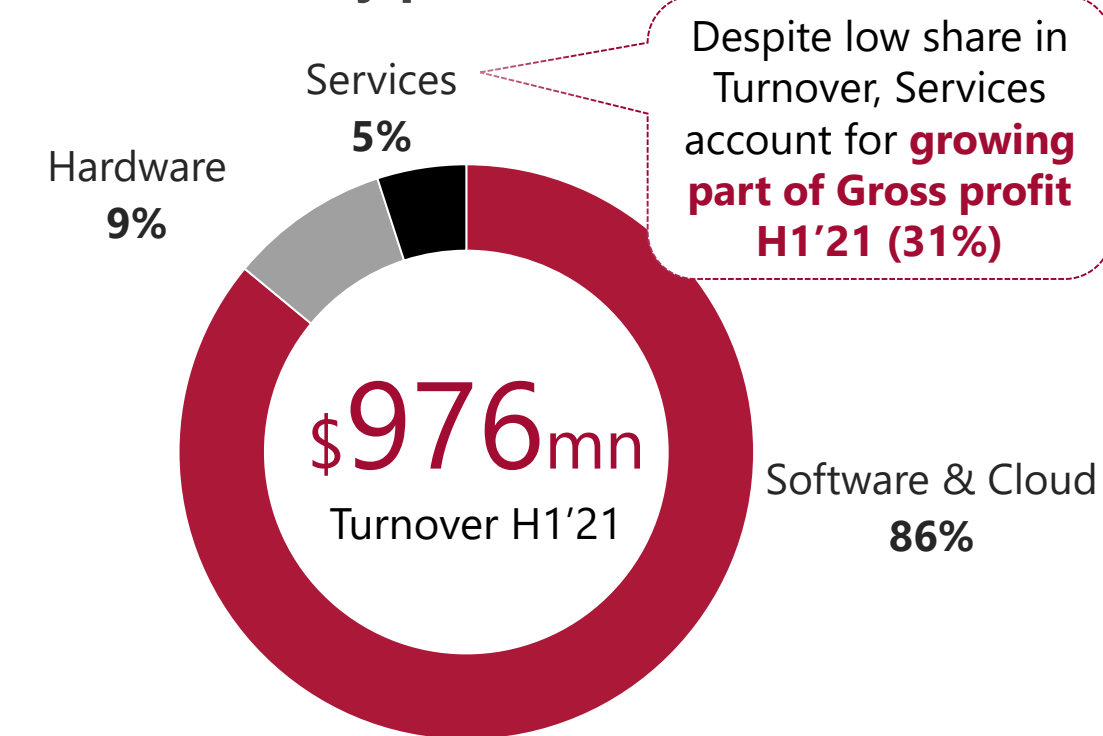
# Turnover and Gross Profit Split by Geography and Product (H1)

## Diversified Turnover & Gross Profit split (Reported)

### Breakdown by geography



### Breakdown by product



# Strong Growth in Adj. EBITDA & Margin Improvement

## Adj. EBITDA<sup>2</sup> dynamics (Reported)

Reported currency, \$m

Adj. EBITDA<sup>2</sup> margin (from GP)

17%

21%

23%

Positive adj. EBITDA contribution (from GP)

23%

25%

33%

20.8%

21.6%

28%

30%

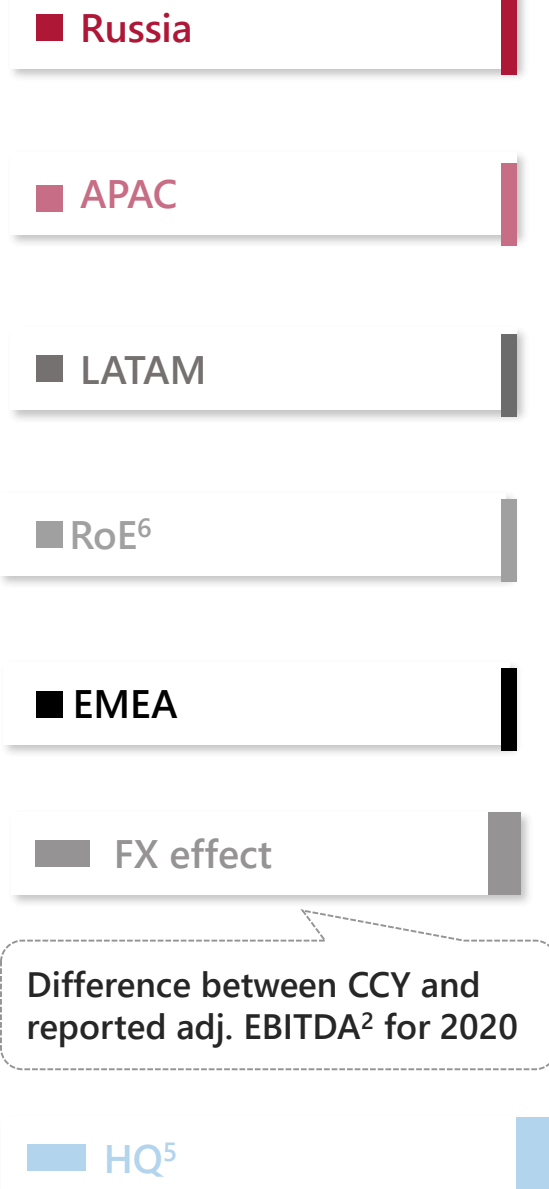
23% Reported | 35% CCY<sup>1</sup>

CAGR 2018-2020

51% Reported

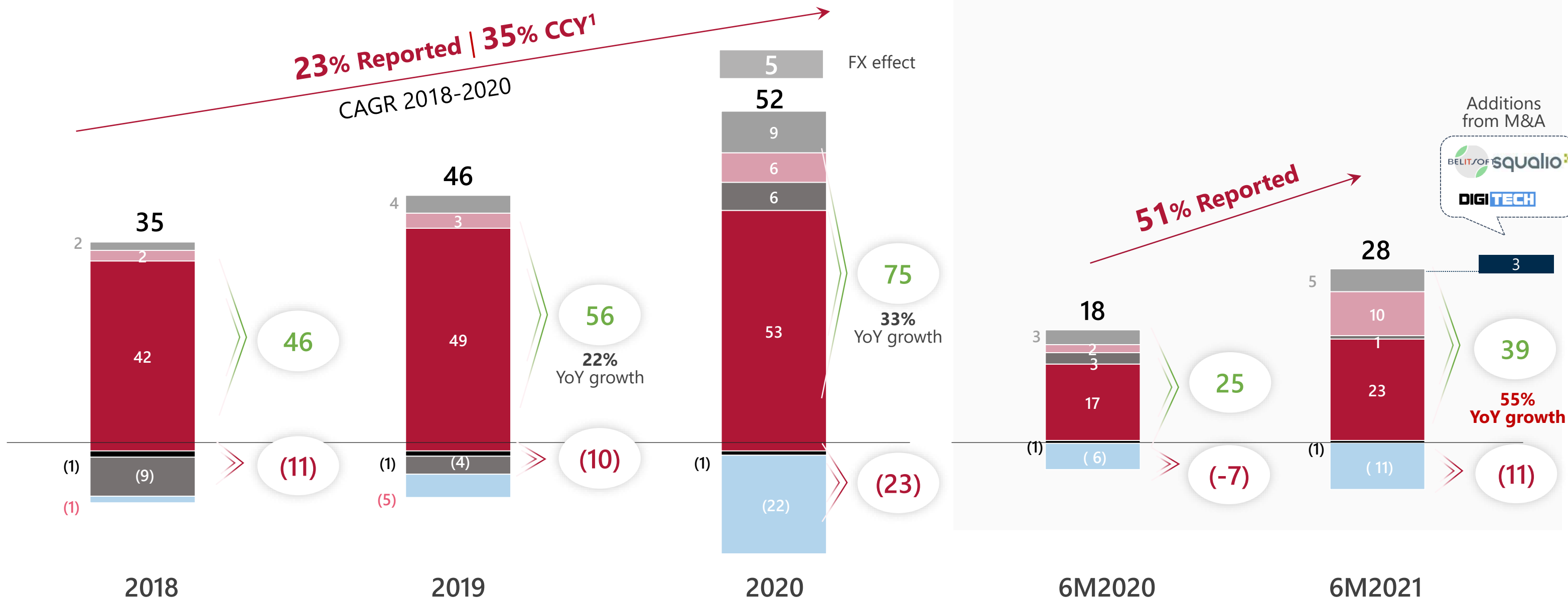
FX effect

Additions from M&A



Difference between CCY and reported adj. EBITDA<sup>2</sup> for 2020

In 2020 and in H1'21, corporate overheads increase was mainly caused by the recruitment for further global expansion



Source: Company data as of 31 March 2021.

Note: Softline's financial year ends 31 March e.g. 2020 for year ending 31 March 2021. <sup>1</sup> CCY CAGR =  $(CCY_t / RC_{t-x})^{(1/x)-1}$ , e.g. adj. EBITDA 2018-20 CCY CAGR =  $(CCY \text{ adj. EBITDA } 2020 / RC \text{ adj. EBITDA } 2018)^{(1/2)-1}$ ; Constant Currency YoY growth is derived by applying average annual FX rate of previous year (t-1) to determine CCY figure for any year (t). This methodology is applied for every country of operations using local country FX rates and translating to CCY USD numbers before consolidating at group level. <sup>2</sup> Adjusted EBITDA is profit before interest, income tax, depreciation and amortisation, excluding the cost of charity, the exchange rate gains and losses and other items that the Group considers to be non-recurring or one-off; Adj. EBITDA under IFRS-16. <sup>3</sup> Calculated as adj. EBITDA from regions with positive adj. EBITDA divided by total turnover. <sup>4</sup> nm if negative in 2018. <sup>5</sup> Corporate overheads attributable to Headquarters. <sup>6</sup> Rest of Eurasia. <sup>7</sup> Includes APAC, LATAM, RoE, EMEA

We know we can

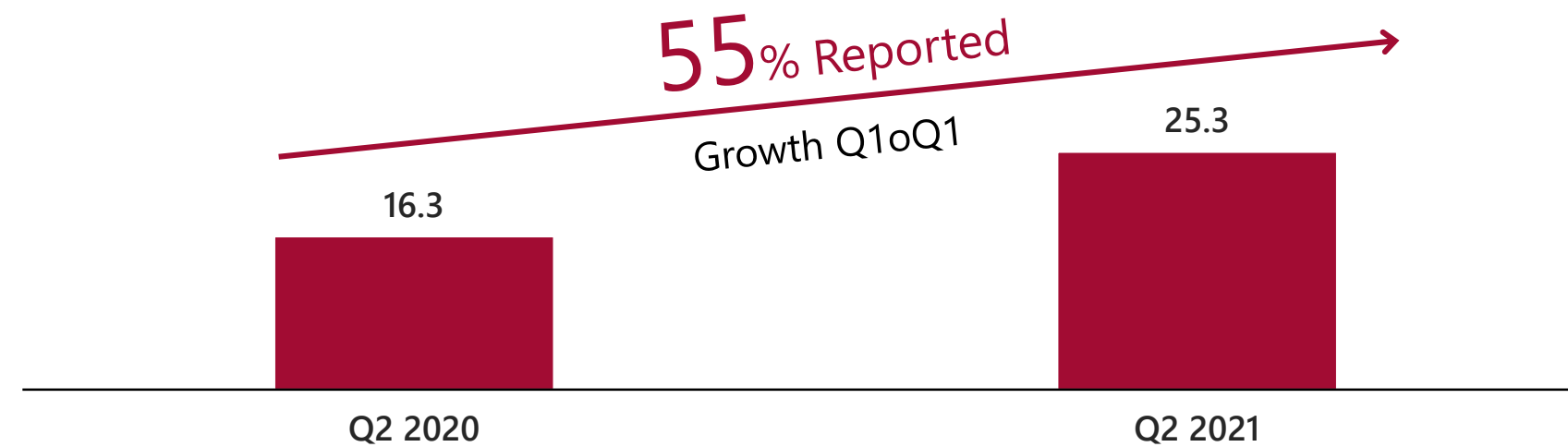
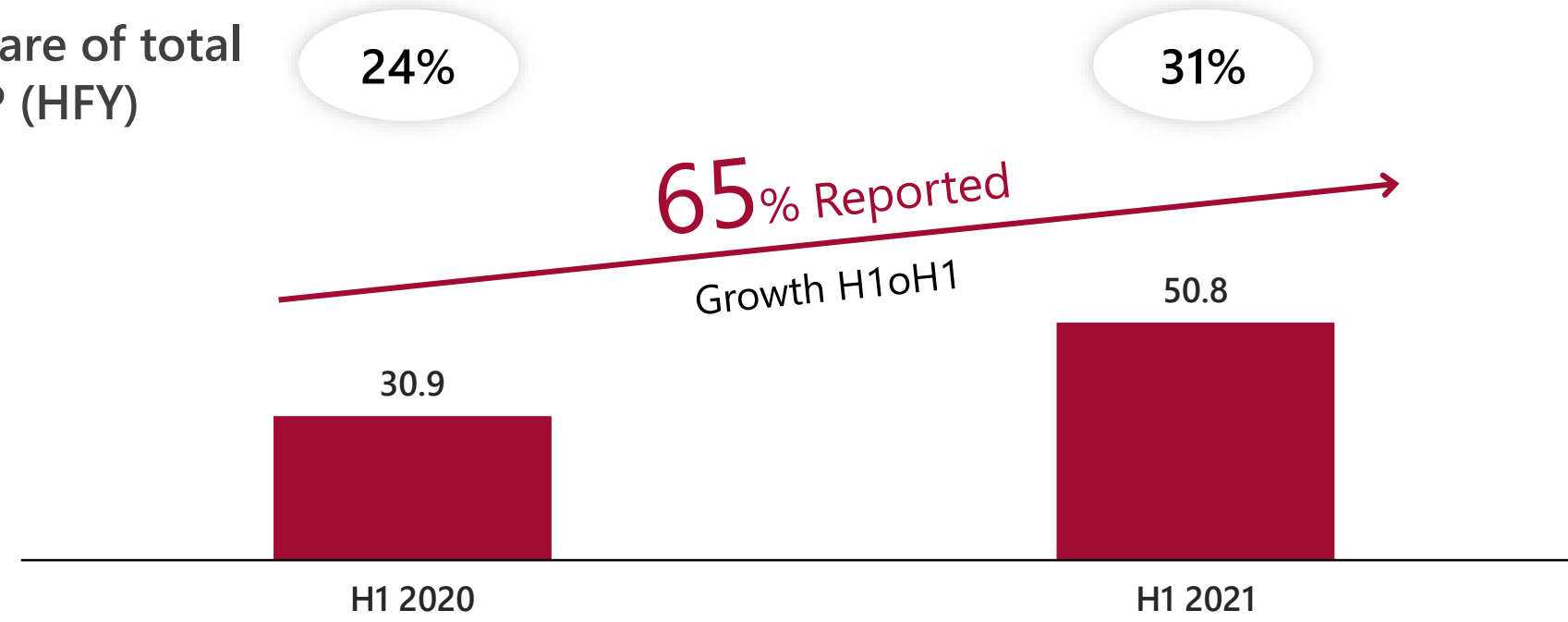


# Growing Services' Contribution & Share of Recurring Turnover

## On-going growth of services' turnover & GP contribution...

Reported currency, \$m

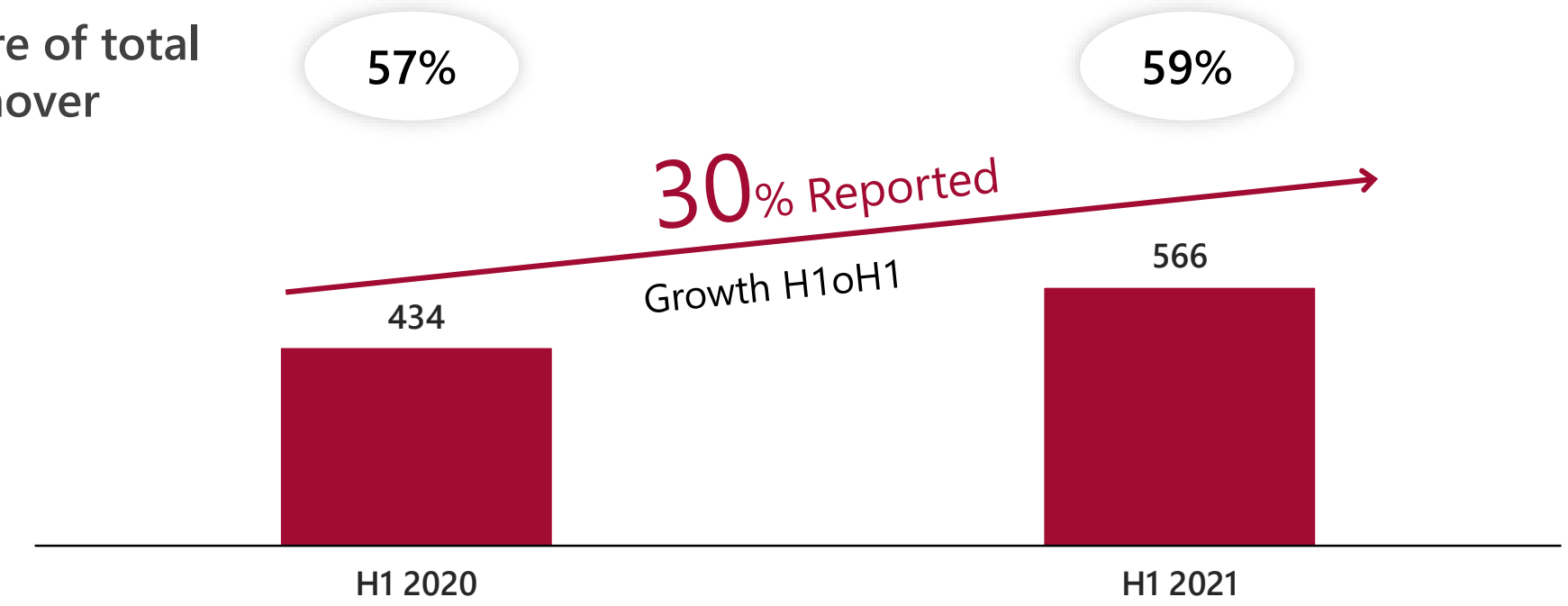
Share of total GP (HFY)



## Robust growth of recurring Turnover...

Reported currency, \$m

Share of total Turnover



## Commentary

- The share of Services in H1'21 in turnover grew 1.2 pts compared to H1'20
- Gross Profit for Services in Q2'21 showed significant growth YoY to 31% as Services remain in focus for Softline
- We further strengthened our DX Services delivery capability with Q2 acquisition of Belitsoft, the company with a revenue base in Western Europe, US and Israel
- Services continue to grow in importance for our business as customers are requiring more service-based engagements
- Continued successful transition to a higher share of recurring turnover while still significantly growing the overall value

# Guidance. Actual data

	Mid-term outlook <sup>1</sup>	Q1'21 Actual	Q2'21 Actual	H1'21 Actual
Turnover	Mid-20%s growth in 2021 and high-teens CAGR afterwards	+23%	+29%	+26%
Gross Profit margin (Turnover-based)	~ 13-14%	12.4%	14.1%	13.2%
Adj. EBITDA margin (GP-based)	Increasing to reach low-30%s	20.5%	22.7%	21.6%

We know we can

<sup>1</sup> Analyst Presentation, July 2021

# P&L & Cashflow Statements

## P&L Statement

kUSD	6m2021	6m2020
<b>Turnover</b>	<b>976,476</b>	<b>775,619</b>
Revenue	868,384	650,632
Cost of sales	-739,495	-561,933
<b>Gross profit</b>	<b>128,889</b>	<b>88,699</b>
Gross profit %	13.20%	11.40%
SG&A	-113,291	-78,395
Other expenses/income	-347	394
<b>Operating profit</b>	<b>15,251</b>	<b>10,699</b>
Foreign exchange/loss	-1,367	-1,178
Finance income/expenses	-8,853	-4,850
<b>Profit before tax</b>	<b>5,032</b>	<b>4,671</b>
Income tax expense	-1,289	-1,615
<b>Net profit for the period</b>	<b>3,743</b>	<b>3,056</b>
<b>EBITDA adj.</b>	<b>27,838</b>	<b>18,490</b>

## Commentary

- Operating cashflow evolution is in line with the business growth and seasonality
- "Purchase and development of non-current assets" is related to M&A
- Increase of working capital is driven by the growth of business and M&A activity

## Cashflow Statement

kUSD	6m2021	6m2020
<b>Profit before profit tax</b>	<b>5,032</b>	<b>4,671</b>
Adjustments to reconcile net profit to net cash flows:		
Depreciation and amortization	9,778	6,737
Finance expenses, net	8,508	4,819
Foreign exchange loss/(gain)	1,367	1,178
Other non-cash transactions	402	747
<b>Operating profit before working capital changes</b>	<b>25,086</b>	<b>18,152</b>
<i>Working capital adjustments:</i>		
(Increase) in software licenses and other inventory	- 11,670	- 10,322
(Increase) in advances issued, trade and other receivables	- 56,858	- 36,560
Increase in contract liabilities, trade and other payables	- 16,056	- 13,503
<b>Cash generated from operations</b>	<b>- 59,498</b>	<b>- 42,233</b>
Income tax paid	- 975	- 1,807
<b>Net cash generated from operating activities</b>	<b>- 60,473</b>	<b>- 44,040</b>
<b>Cash flows from investing activities</b>		
Purchase and development of non-current assets	- 13,609	- 3,407
Acquisition and disposal of subsidiaries	- 27,536	- 4,012
Sale of Crayon shares	35,650	
Loans issued and collected, net	- 4,930	- 7,529
<b>Net cash used in investing activities</b>	<b>- 10,425</b>	<b>- 14,948</b>
<b>Cash flows from financing activities</b>		
Overdrafts and borrowings received and repaid, net	44,236	41,208
Redemption of shares	- 2,476	
Distributions to shareholders		- 55
<b>Net cash used in financing activities</b>	<b>41,760</b>	<b>41,153</b>
Foreign exchange difference	- 2,831	1,929
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>- 31,969</b>	<b>- 15,906</b>
<b>Cash in bank and on hand at the beginning of the period</b>	<b>89,615</b>	<b>54,979</b>
<b>Cash in bank and on hand at the end of the period</b>	<b>57,646</b>	<b>39,073</b>

We know we can



# Balance Sheet

as of 30 September 2021, kUSD

Assets	
Cash and cash equivalents	57 646
Trade receivables	248 104
Other receivables	44 173
Inventory	37 016
Advances issued	18 497
Other current assets <sup>①</sup>	22 383
<b>Total current assets</b>	<b>427 818</b>
Property, plant and equipment, net	11 714
Goodwill & Intangibles <sup>②</sup>	132 900
Investments in associates and JV	96
Available-for-sale financial assets <sup>③</sup>	94 402
Other non-current assets <sup>④</sup>	28 023
<b>Total non-current assets</b>	<b>267 134</b>
<b>TOTAL ASSETS</b>	<b>694 952</b>

Liabilities	
Trade and other payables	275 525
Advances from customers	43 518
Short-term borrowings	168 139
Short-term lease liabilities <sup>⑤</sup>	4 923
Short-term tax payables	3 494
Other short-term liabilities	20 834
<b>Total current liabilities</b>	<b>516 433</b>
Long-term borrowings	88 240
Long-term lease liabilities <sup>⑤</sup>	9 860
Other long-term liabilities	21 366
<b>Total non-current liabilities</b>	<b>119 465</b>
<b>Total liabilities</b>	<b>635 898</b>
<b>Total equity</b>	<b>59 054</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>694 952</b>

## Notes

- Other current assets include income tax receivables, loans issued, tender guarantees and deposits and other
- Goodwill and intangibles mainly relate to several recent acquisitions
- Available-for-sale financial assets represent market value of stake in Crayon. This liquid investment can be treated as cash equivalent
- Other non-current assets include long-term loans issued, deferred tax, lease assets rights and other
- Finance lease contracts are denominated primarily in RUB
- The high Net debt/EBITDA ratio is associated with M&A. The debt required for financing the transaction is fully taken into account, while the earned EBITDA is accounted for only from the moment of acquisition

**Net Debt: \$119.1m; Net Debt/EBITDA adj. = 1.94x (incl. value of Crayon stake of \$94.4m)**

**Net Debt: \$213.5m; Net Debt/EBITDA adj. = 3.48x (excl. value of Crayon stake of \$94.4m) <sup>⑥</sup>**

Financial assets		Financial liabilities	
Cash and cash equivalents	57 646	Borrowings	256 378
Value of Crayon stake	94 402	Finance leases	14 783
<b>Total Financial assets</b>	<b>152 048</b>	<b>Total Financial liabilities</b>	<b>271 161</b>

# We Have a Proven Strategy & Ability to Execute at Scale

## Right People & leadership



- Access to **strong talent globally at low cost** with **>6k team members** currently & growing
- **Visionary leadership** complemented by **international management with global mindset**

## Right Markets & timing



- Software, SaaS, Cloud, Cyber and Digital Transformation **megatrends**
- Need for **rapid digitalisation in Emerging Markets**
- Targeting a growing **~\$350bn** underlying **addressable market**

## Right Platform & value add



- **Preferred partner** to vendors and **one-stop Digital Transformation platform** for customers
- **Comprehensive value-added** services built around vendor stack
- **Simplifies complexity** for both vendors and customers

## Right Experience & track record



- **25+ years in the IT industry with Emerging Markets experience**
- **One of only 10** Globally Managed Microsoft partners, **25+ years** of experience with Microsoft
- **Consistent and efficient growth** by realising opportunities in the changing IT industry

Source: Company data.

Note: Numbers in purple show combined including Addition from M&A. 'Addition from M&A' means, in the case of Aplana, which was acquired in November 2020, Softline AG, which was acquired in April 2021 but consolidated in the Company's 2020 financial statements from December 2020 when the binding acquisition agreement was signed, and Embee, which was acquired in January 2021, the portion of their respective financial results for the twelve month period starting 1 April 2020 to the date of their acquisitions and, in the case of Alfresco, Digitech, Squalio and Belitsoft (each of which is in the process of being acquired), their respective financial results for the twelve months ended 31 March 2021.

We know we can



GO GLOBAL



GO CLOUD



GO INNOVATIVE