

THE CLOUD NATIVE WAY FOR YOUR BUSINESS APPLICATION

Investor Presentation

7 October 2021



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SPEAKERS



MARCO BRUNI
Chairman and CEO



DANIELE NOTARNICOLA
CFO



MARIO MARCHESI
IR



AT A GLANCE

SOURCESENSE

ENABLE THE DIGITAL SHIFT

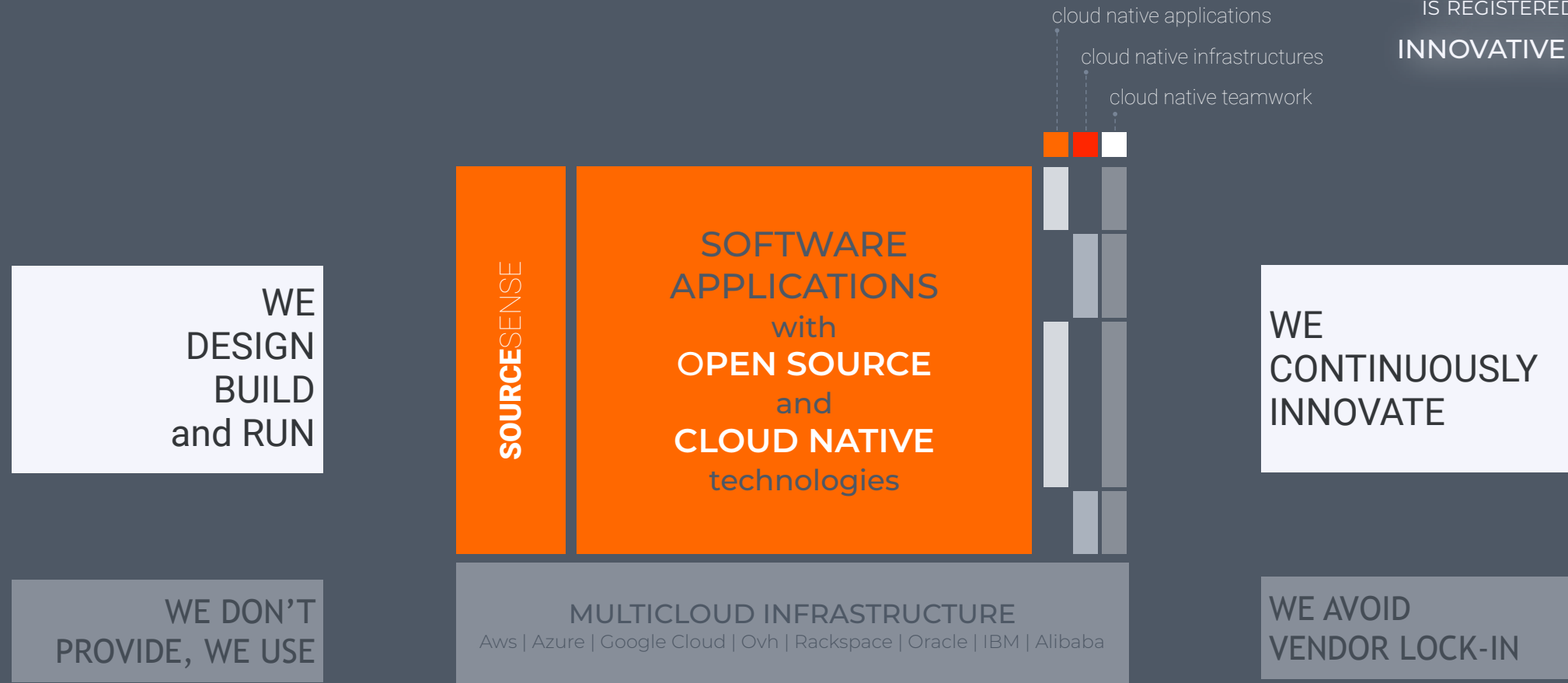
We support clients in their transformation from a traditional IT to a Cloud Native model for their Business Applications.

We are focused in the development of new digital platforms. We are investing in a continuous innovation process in order to push on the market the latest Open Source technologies available with a strong business value.

CORE BUSINESS

SOURCESENSE

IS REGISTERED AS
INNOVATIVE SME



HIGHLIGHTS



2001 established

focused on **Open Source** and **Cloud Native Apps**



120+ enterprise clients

80 in Italy, 40 abroad



600+ app clients

sold thru digital marketplaces



5+ successful acquisitions

since 2010 to 2020



4 offices, 2 countries

Rome, London, Milan, Cosenza (software factory)



10+ tech partners

market visibility, Open Source enterprise support



100+ Open Source Technologies

continuous innovation thru Open Source technologies



2020 AIM IPO

since 2017 member of the Elite Network

A low-angle, close-up shot of a person's legs and feet as they surf on a wave. The person is wearing red shorts and is barefoot. A large, dynamic splash of water is erupting around the surfer's feet, creating a misty spray. The water is a deep blue-green color, and the scene is captured in a cinematic, high-contrast style.

OVERVIEW

WHY SOURCESENSE

We strongly believe in technology as a turning point for a fast and sustainable growth of worldwide economy.

The digital revolution can only be achieved through a **continuous innovation** that overcome the outdated technological models not allowing efficiency, safety, scalability and performance.

SERVICE LINES

CORPORATE ADVISORY



CONSULTING

Coaching cloud native technologies, methodologies and practices.



SUBSCRIPTIONS

Resell Open Source subscriptions from Tech partner.

DIGITAL EVOLUTION



SOLUTIONS

Design and develop cloud native business apps based on Open Source technologies.



CLOUD SERVICES

Build and operate as SaaS cloud native business apps based on Open Source technologies.



ENTERPRISE APPS

Build and maintain business apps based on Tech partner technologies and sold through digital marketplace.

PEOPLE INTENSIVE

LIMITED MARGIN

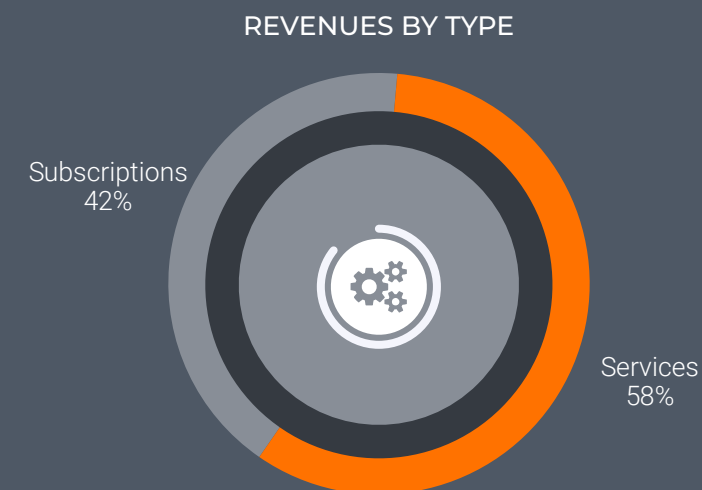
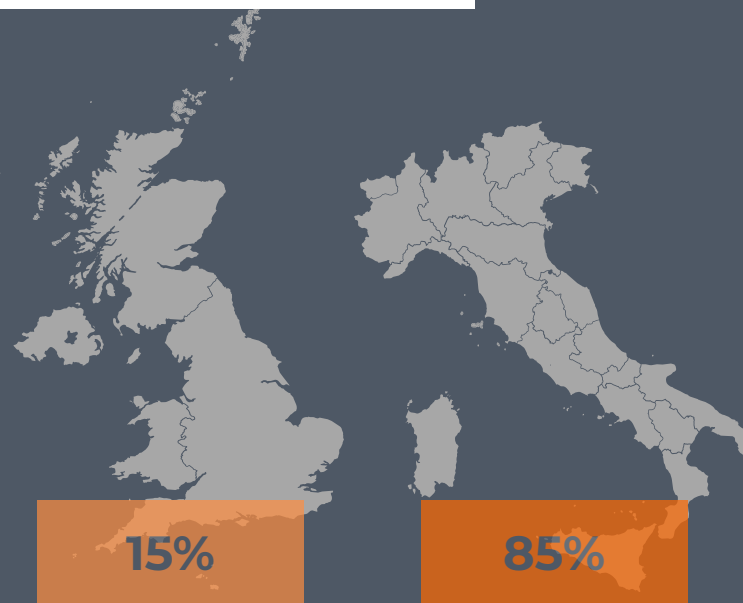
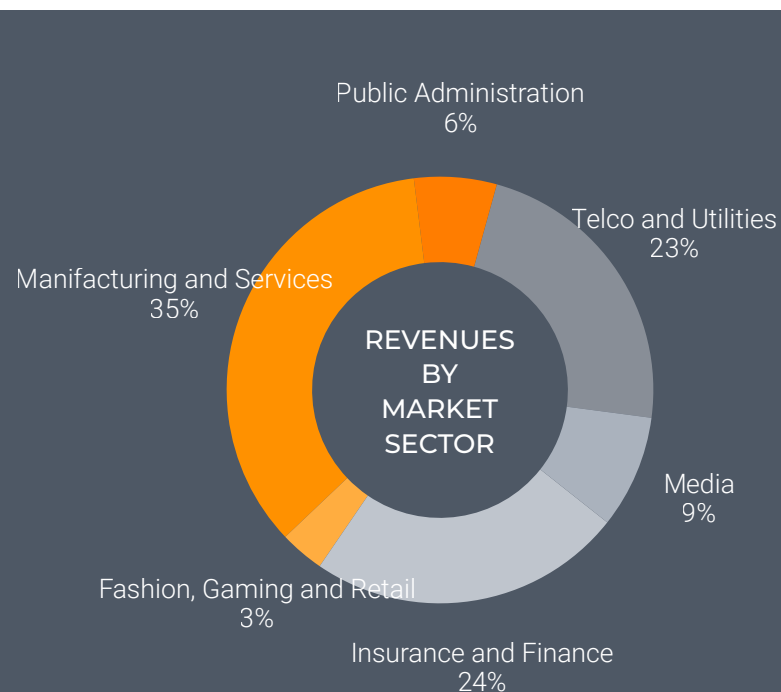
SOFTWARE REUSE

LONG-TERM CONTRACTS

HIGH RECURRING MARGINS

STRATEGIC GUIDELINES

CUSTOMER BASE KEY FACTS



+60%

Revenues backlog YoY



56%

Top 10 clients revenues



87%

Main contractor rate



10%

Top client revenues

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CLIENT STORIES



01. Il Sole 24 Ore

Cloud native applications

Digital platform highly scalable to publish in real-time every public and professional contents edited by journalists.



02. Poste Italiane

Cloud native infrastructures

Cloud native competence center to enforce devops best practices in order to build highly scalable infrastructure.

03. Enel

Cloud native teamwork

More than 10.000 users all around the globe work together in an agile and effective way to manage all the software lifecycle.



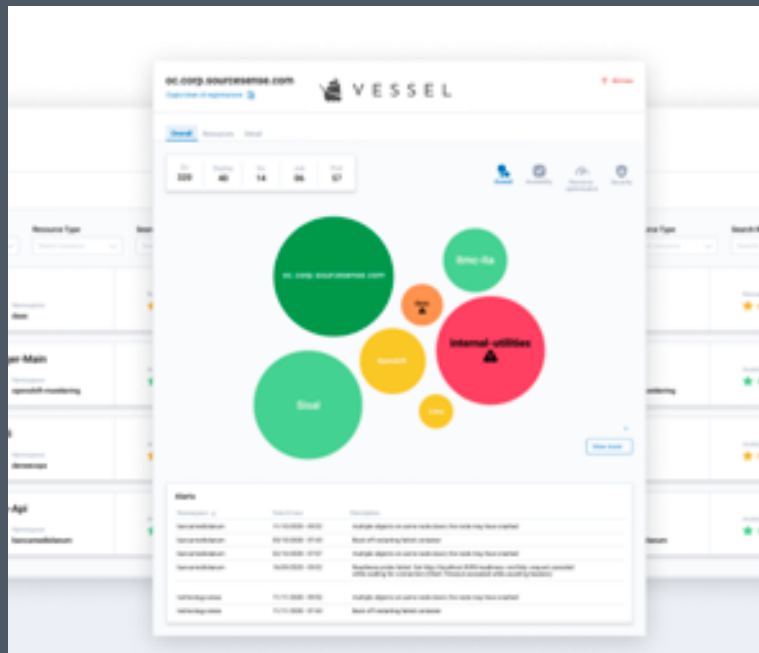
04. Banca Mediolanum

Cloud native applications

All the Internet portals are served by a cloud native platform allowing marketing teams to continuously and safely publish any content.



PRODUCTS SAMPLES



VESSEL

Intelligent compliance and proactive governance of Kubernetes clusters



Atlassian CARE

Service Management in a SaaS fashion based on Atlassian Suite



JOYCE

Highly scalable event-driven cloud native solution serve your data at business speed

TECHNOLOGY PARTNERS



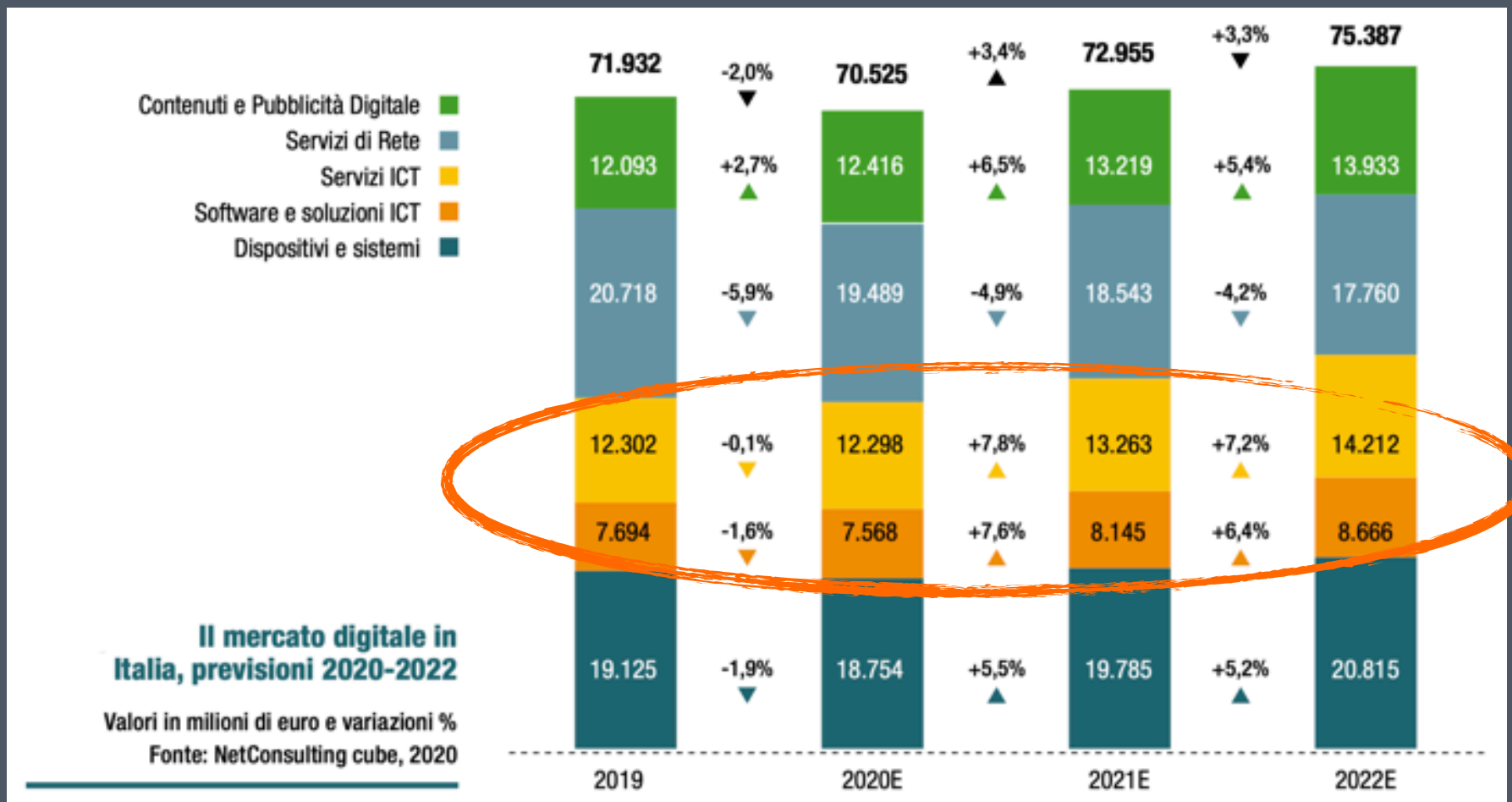
HIGH STANDING CUSTOMERS BASE





MARKET

ITALIAN MARKET 2019-2022 BY SEGMENT



MARKET SIZE

2021E
+21B€

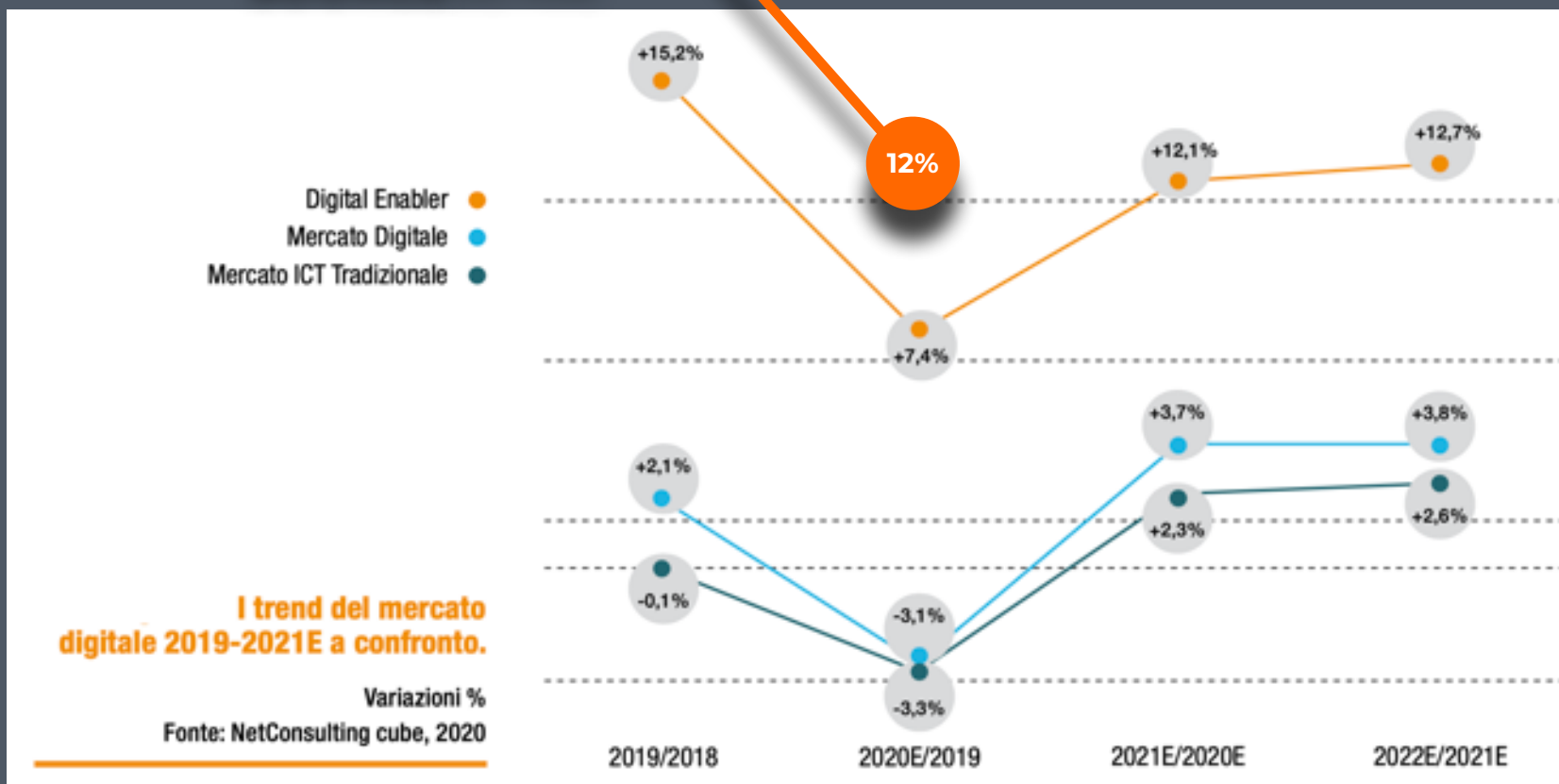
2022E
+22B€

GROWTH RATE

+7% YoY
estimate
in the
next 2 years

ITALIAN MARKET 2019-2022 BY INNOVATION RATE

SOURCESENSE



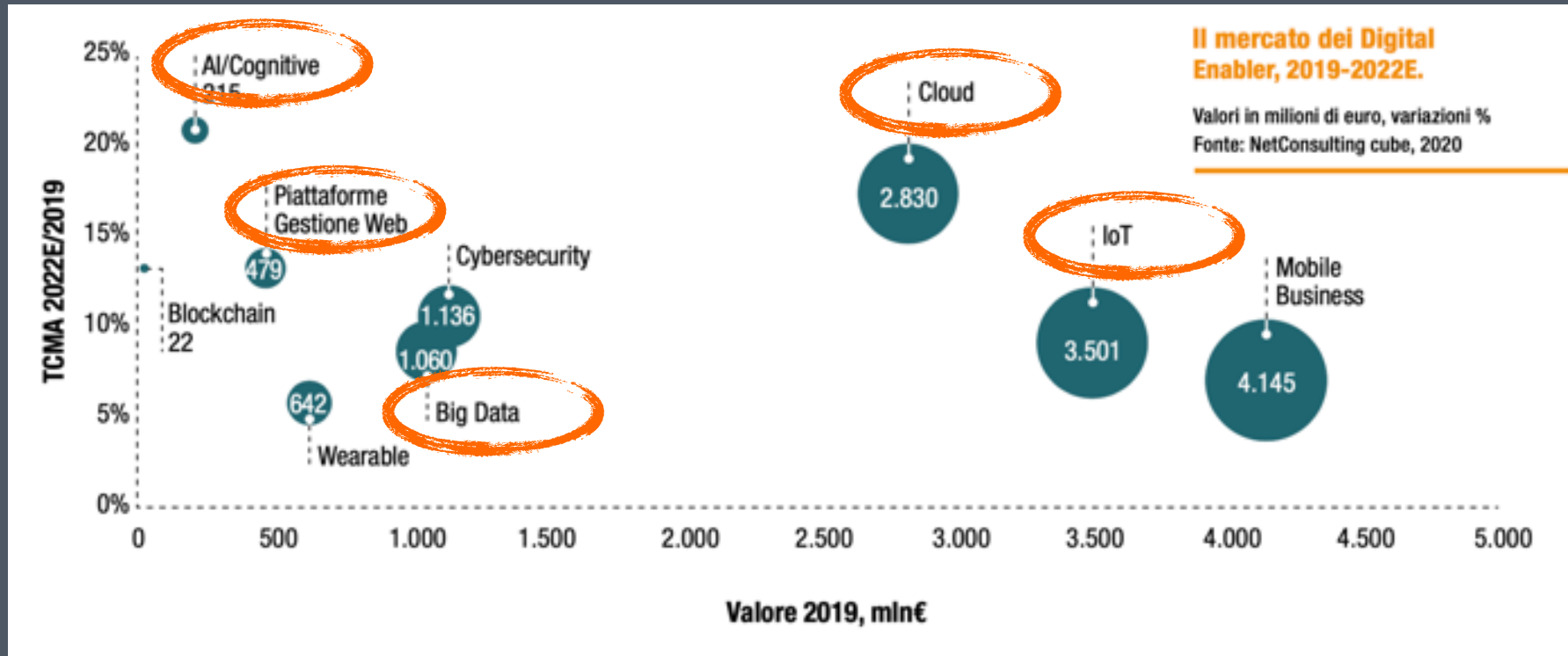
REVENUES GROWTH RATE

SOURCESENSE
outperformed
the digital enabler market

+19% 2019/2018

+12% 2020/2019

DIGITAL ENABLER MARKET 2019-2022 BY TOPIC



MARKET TREND

DIGITAL ENABLER

+12% YoY

estimate
in the
next 2 years

STRONG GROWTH
EXPECTED DUE TO
THE BOOST OF
NEW DIGITAL AREAS
DRIVEN BY
THE CLOUD ADOPTION

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2021 UPDATES

BUSINESS HIGHLIGHTS



Manufacturing and Services Sector

Feb 24th 2021

Signed two Framework Agreements with Cerved Group for the provision of services in the field of Risk Management and Information Technology aimed at supporting Cerved in some areas of its core business.



Data and Information Sector

Jun 10th 2021

Signed a contract with a global information, analytics and solutions provider for the world's largest markets, to supply Atlassian products and solutions.



Betting and Gaming Sector

Jul 6th 2021

Signed a contract with a leading company in the online betting and gaming sector for the creation of a high-performance multi-channel online gaming platform.



Public Administration Sector

Feb 9th 2021

Awarded the public tender organized by CRUI - Conference of Rectors of Italian Universities - for the three-year supply of services and solutions based on MongoDB software.



Insurance and Finance Sector

Apr-May 2021

Signed two contracts with two leading international and domestic financial institutions for the supply of a cloud platform.



Telco Sector

Jun 22th 2021

Signed a contract with a leading international telecommunications group to provide an IT asset management solution for the company's business ecosystem.



Strategic Initiatives

Aug 5th 2021

Contributed (as co-founder) to the establishment of the Italia Cloud Consortium and Marco Bruni was appointed a Board Member.

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WARRANT 2021-24

Number of Warrants **8,275,500**

Assignment Ratio **1:1**

free assignment to all
shareholders at issue date

Conversion Ratio **1:2**

Exercise period	From - To	Strike Price
I	1/06/2022 - 15/06/2022	2.64
II	1/06/2023 - 15/06/2023	2.90
III	3/06/2024 - 17/06/2024	3.19

FINANCIALS

 **9.9M€** **REVENUES**
6.7M€ in 1H 2020, +46% YoY

 **1.2M€** **EBITDA**
0.8M€ in 1H 2020, +57% YoY

 **1.0M€** **EBIT**
0.5M€ in 1H 2020, +111% YoY

 **0.7M€** **NET PROFIT**
0.3M€ in 1H 2020, +142% YoY

 **3.9M€** **NFP CASH**
2.1M€ in 2020 (includes IPO proceeds and MMUL acquisition)

Financial Highlights

H1
2021

+46% **REVENUES**
9.9M€ vs 6.7M€ in 1H2020

CORPORATE
ADVISORY



CONSULTING

-14%YoY

1.9M€



SUBSCRIPTIONS

+100%YoY

5.0M€

DIGITAL
EVOLUTION



SOLUTIONS

+13%YoY

1.7M€



CLOUD SERVICES

+17%YoY

1.1M€



ENTERPRISE APPS

+25%YoY

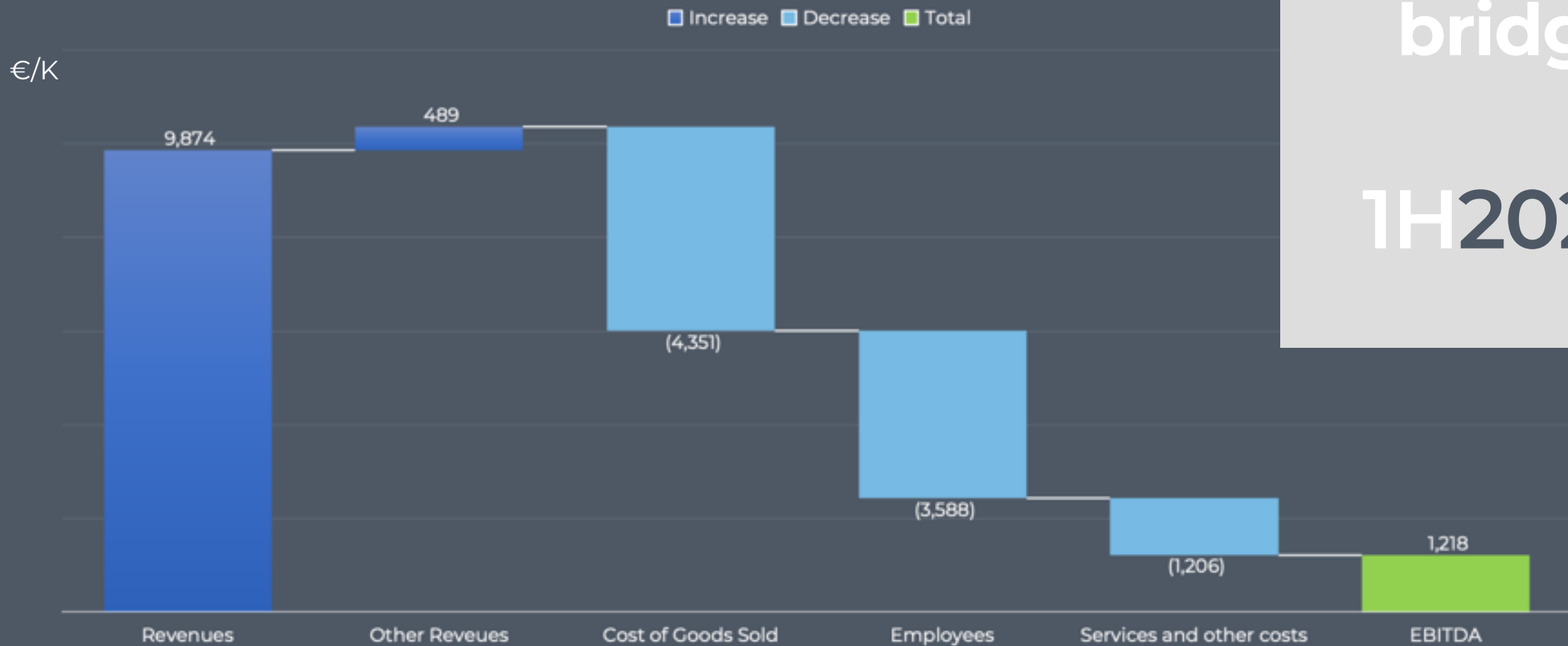
0.2M€

Revenues
by
service line

1H2021
VS
1H2020

Business trends
aligned with
strategic guidelines

+57% **EBITDA**
1.2M€ vs 0.8M€ in 1H2020



**EBITDA
bridge**

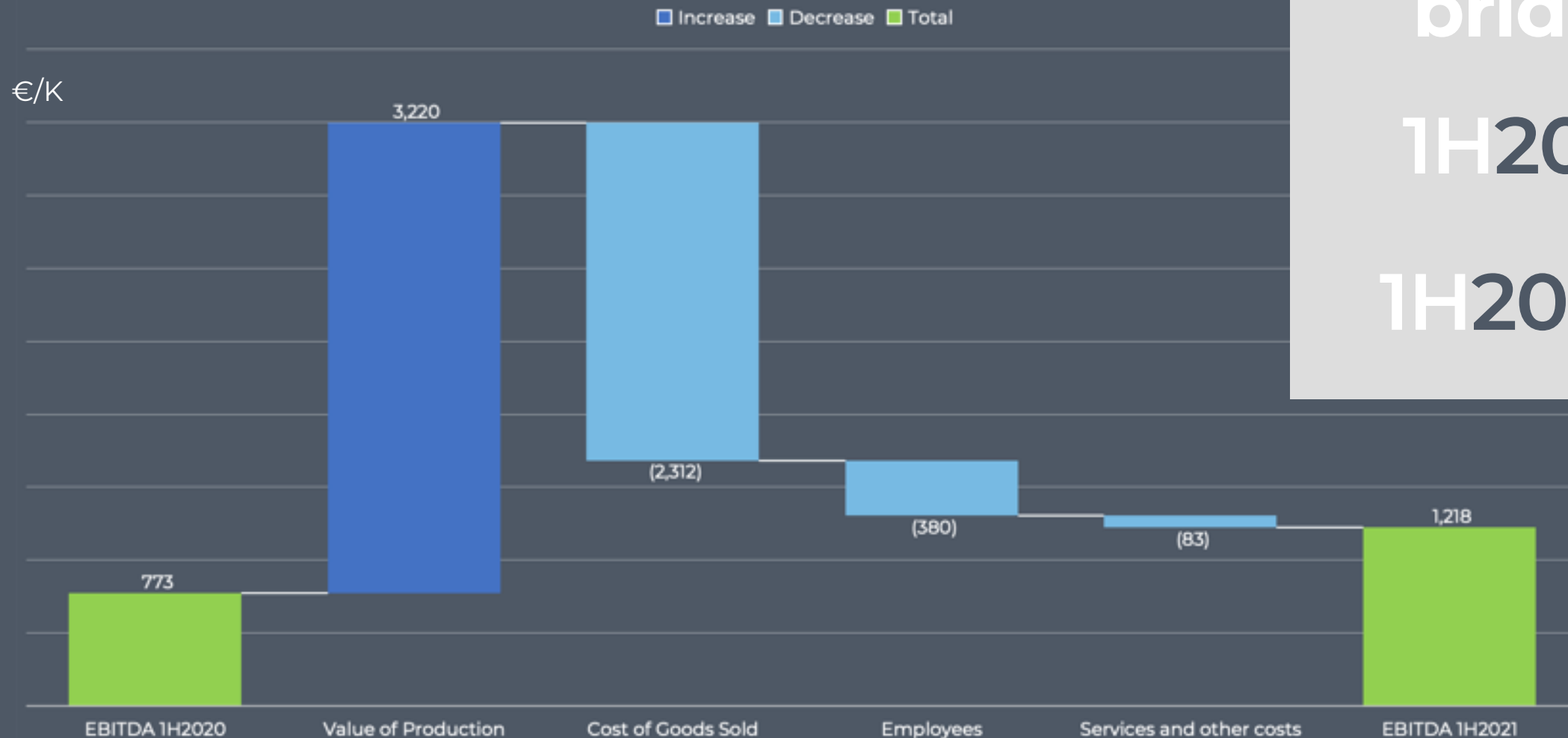
1H2021

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+57% **EBITDA**
1.2M€ vs 0.8M€ in 1H2020

EBITDA
bridge

1H2021
VS
1H2020



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SOURCESENSE

3.9M€ NFP CASH
2.1M€ in 2020



NFP
bridge
1H2021
VS
2020

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A full-page background image showing a person surfing on a wave. The surfer is in a crouched position, riding the face of a wave. The water is splashing around their feet. The sky is blue with some clouds, and the sun is visible in the upper left, creating a bright glow. A semi-transparent grey box is overlaid on the right side of the image, containing the text 'WHAT NEXT' in white, bold, sans-serif capital letters.

WHAT NEXT

GROWTH PATH

EXTEND CLOUD SERVICES PORTFOLIO

Priority on selling online cloud services portfolio on the global market.

4

EXPANSION IN EUROPE

Priority on UK consolidation and expansion in Europe (France, Switzerland, Austria, ...).

3

LEADERSHIP IN ITALY

Extend cloud native services portfolio and expand the customer base.

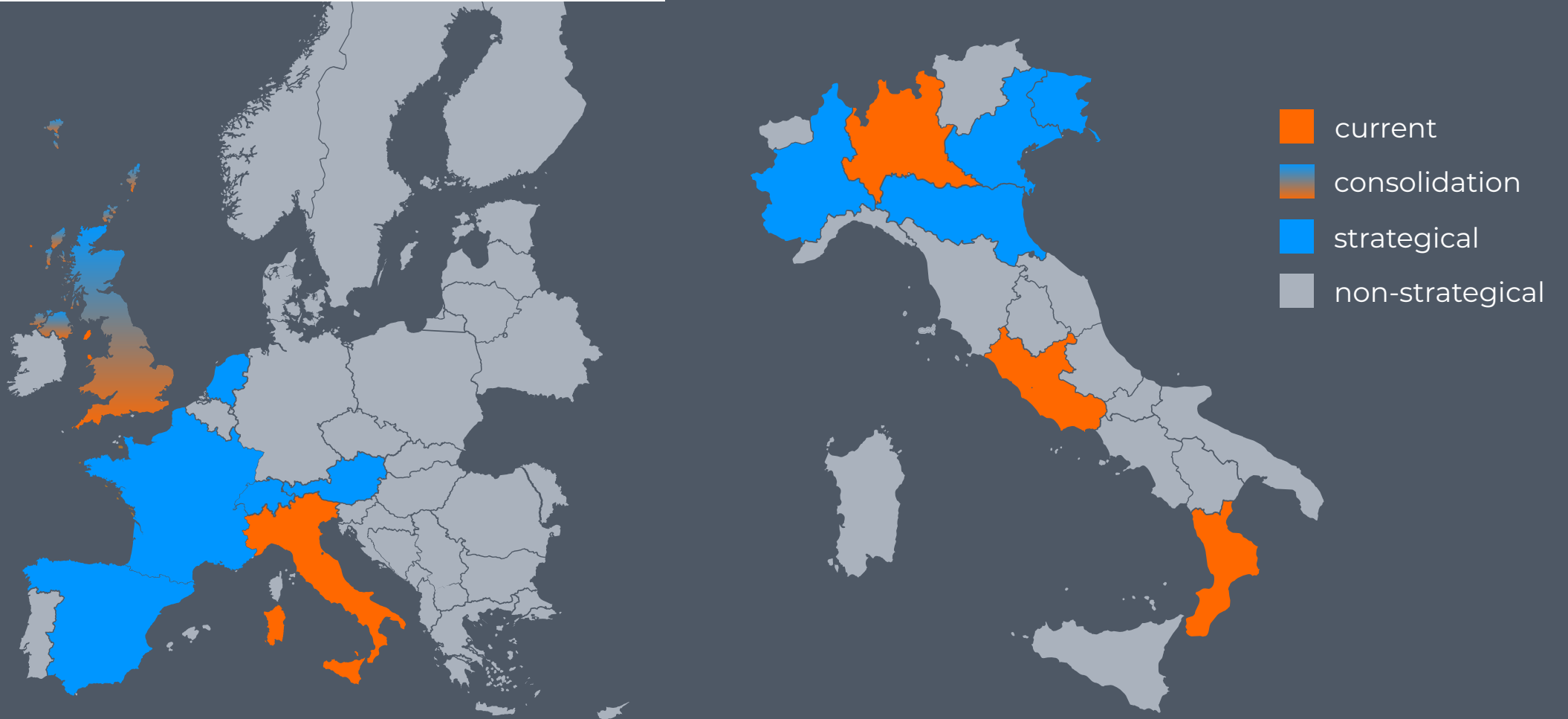
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CONSOLIDATION IN ITALY

Continue organic growth in Italy on cloud native services portfolio.

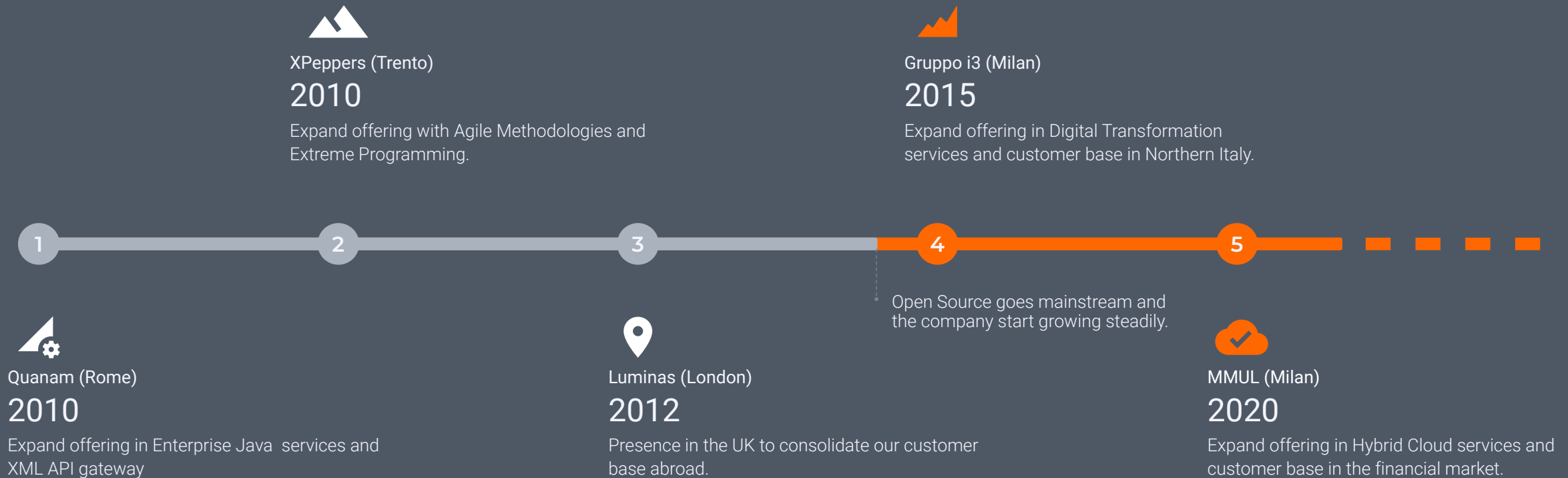
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GROWTH STRATEGY



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M&A JOURNEY

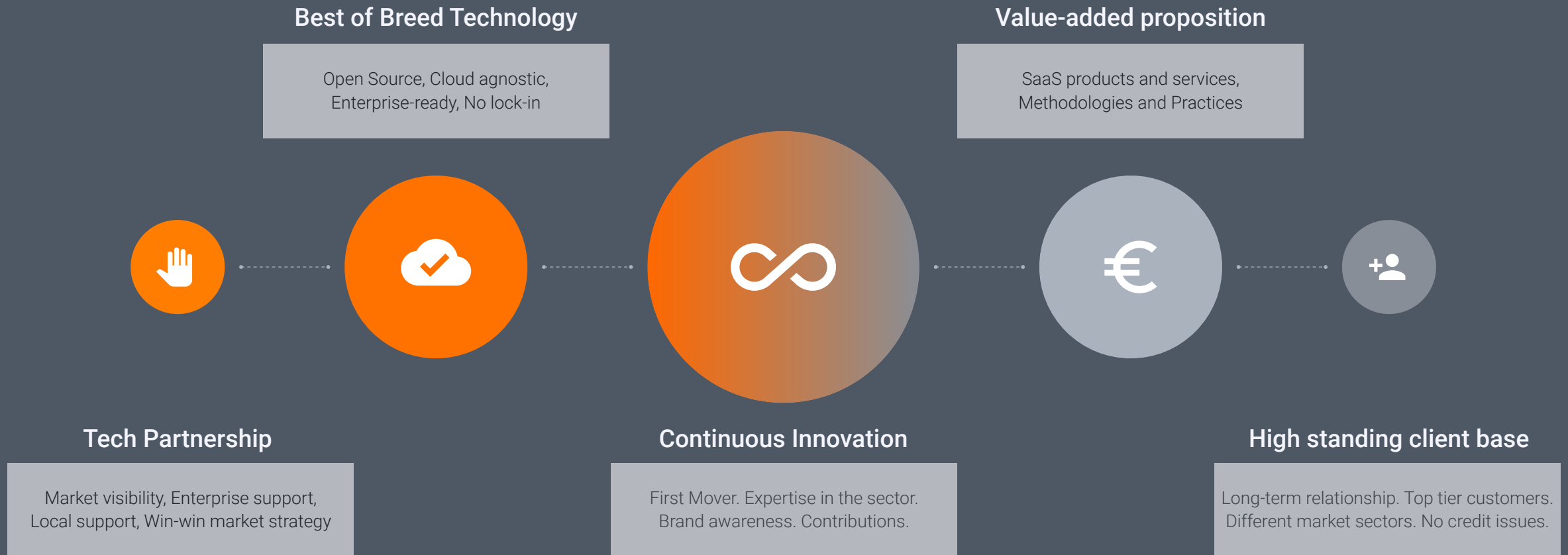


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A person is surfing on a wave, with water splashing around their feet. The background shows a sunset or sunrise over a body of water with hills in the distance. The scene is captured in a cinematic style with warm lighting.

CLOSING REMARKS

KEY SUCCESS FACTORS



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CONTACTS

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Thank you!



APPENDIX A - FINANCIALS

CONSOLIDATED P&L FY2020

(€/000)	FY 2020	FY 2019	CHANGE 2020/2019	%	
Sales and services revenues	16,129.0	14,455.0	1,674.0	12%	
Total Revenues	16,129.0	14,455.0	1,674.0	12%	+12%
Increases in fixed assets for internal work	587.0	496.0	91.0	18%	
Other income	526.0	526.0	0.0	0%	
Value of production	17,242.0	15,477.0	1,765.0	11%	
Consumption of raw and ancillary materials	(6,480.0)	(4,849.0)	(1,631.0)	34%	
Cost of services	(1,853.0)	(1,911.0)	58.0	-3%	
Leases and rentals	(378.0)	(334.0)	-44.0	13%	
Personnel Expenses	(6,386.0)	(6,607.0)	221.0	-3%	
Other operating expenses	(39.0)	(100.0)	61.0	-61%	
EBITDA	2,106.0	1,676.0	430.0	26%	+26%
EBITDA margin	12.2%	10.8%			
Depreciation of intangible fixed assets	(733.0)	(610.0)	(123.0)	20%	
Depreciation of tangible fixed assets	(12.0)	(5.0)	(7.0)	140%	
Other write-downs of tangible and intangible fixed assets	(116.0)	-	(116.0)		
Credit write-downs	(37.0)	(99.0)	62.0		
EBIT	1,208.0	962.0	246.0	26%	+26%
EBIT margin	7.0%	6.2%			
Financial income / (charges)	(110.0)	(132.0)	22.0	-17%	
Exchange profit/(losses)	39.0	18.0	21.0	117%	
Financial management balance	(71.0)	(114.0)	43.0	-38%	
Financial asset value adjustments	(1.0)	(2.0)	1.0		
EBT	1,136.0	846.0	290.0	34%	
Taxes	(227.0)	(300.0)	73.0	-24%	
Net income	909.0	546.0	363.0	66%	+66%
Profit margin	5.3%	3.5%			

CONSOLIDATED - ASSET & LIABILITIES FY2020

(€/000)	FY2020	FY2019	CHANGE 2020/2019	%
Receivables from customers	8,782.0	7,579.0	1,203.0	16%
Payables to suppliers	3,511.0	2,562.0	949.0	37%
Advances from customers	459.0	433.0	26.0	6%
Operating working capital	4,812.0	4,584.0	228.0	5%
Other activities	1,159.0	1,092.0	67.0	6%
Other liabilities and provisions	2,161.0	2,339.0	(178.0)	-8%
Net working capital	3,810.0	3,337.0	473.0	14%
Tangible fixed assets	119.0	16.0	103.0	644%
Intangible fixed assets	1,531.0	980.0	551.0	56%
Financial fixed asstes	2	2	0	0
Fixed assets	1,652.0	998.0	654.0	66%
Gross invested capital	5,462.0	4,335.0	1,127.0	26%
TFR	(1,470.0)	(1,320.0)	(150.0)	11%
Fondi rischi e oneri	(8.0)	(2.0)	(6.0)	-
Net invested capital	3,984.0	3,013.0	971.0	32%
bank and other short-term loans	703.0	1,453.0	(750.0)	-52%
bank and other long-term loans	591.0	382.0	209.0	55%
Total financial debt	1,294.0	1,835.0	(541.0)	-29%
Cash and cash equivalents	(3,366.0)	(482.0)	(2,884.0)	598%
NFP	(2,072.0)	1,353.0	(3,425.0)	-253%
Share capital	828.0	558.0	270.0	48%
Reserves	4,320.0	555.0	3,765.0	678%
Profit/(loss)	908.0	546.0	362.0	66%
Shareholders' Equity	6,056.0	1,660.0	4,396.0	265%
Total sources	3,984.0	3,013.0	971.0	32%

CONSOLIDATED - NFP P&L FY2020

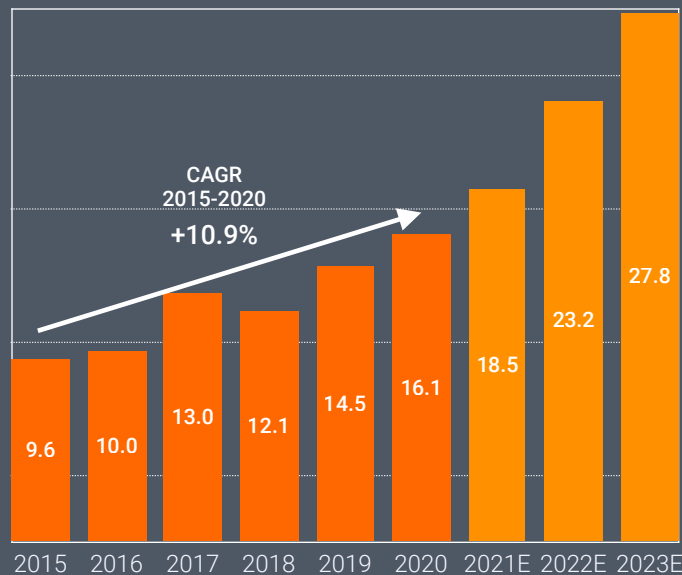
(€/000)	31.12.2020	31.12.2019
Cash and cash equivalents	3,366.0	482.0
Non-fixed financial assets	0.0	0.0
Short-term financial debts		
Payables to banks within 12 months	592.0	1,269.0
Payables to others within 12 months	112.0	184.0
Total short-term financial debts	704.0	1,453.0
Short-term Net Financial Position	2,662	(971)
Medium / long-term financial debts		
Payables to banks over 12 months	560.0	224.0
Payables to others over 12 months	30.0	158.0
Total medium/ long-term financial debts	(590.0)	(382.0)
Net Financial Position	2,072	(1,353)

MARKET EXPECTATIONS at 2023

BUYER RECOMMENDATIONS

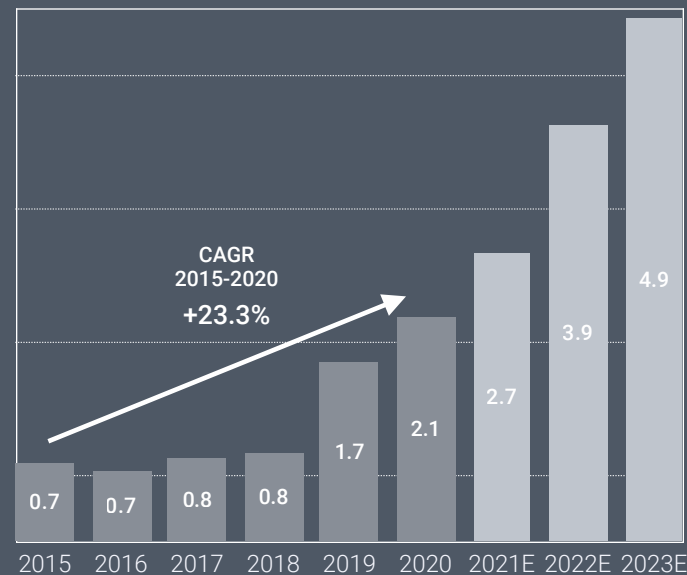
Analyst	Target Price
EnVent	€4.02

REVENUES (M€)

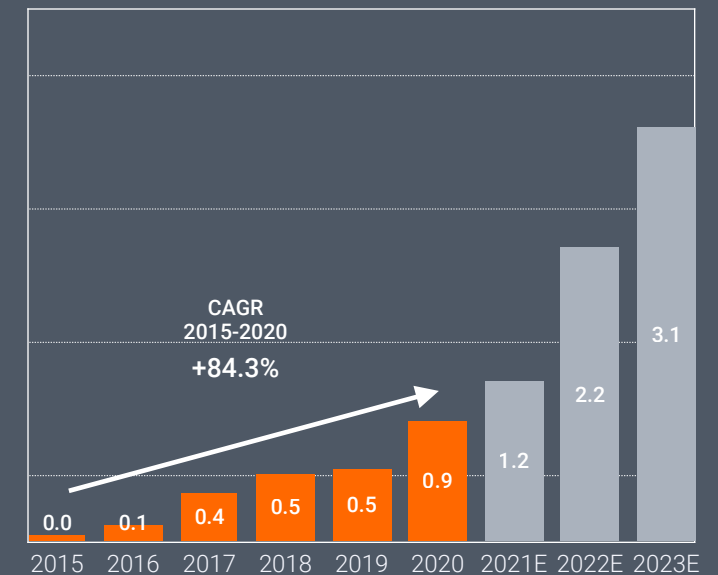


(*) Revenues 2017 affected by UK accounting policy alignment

EBITDA (M€)



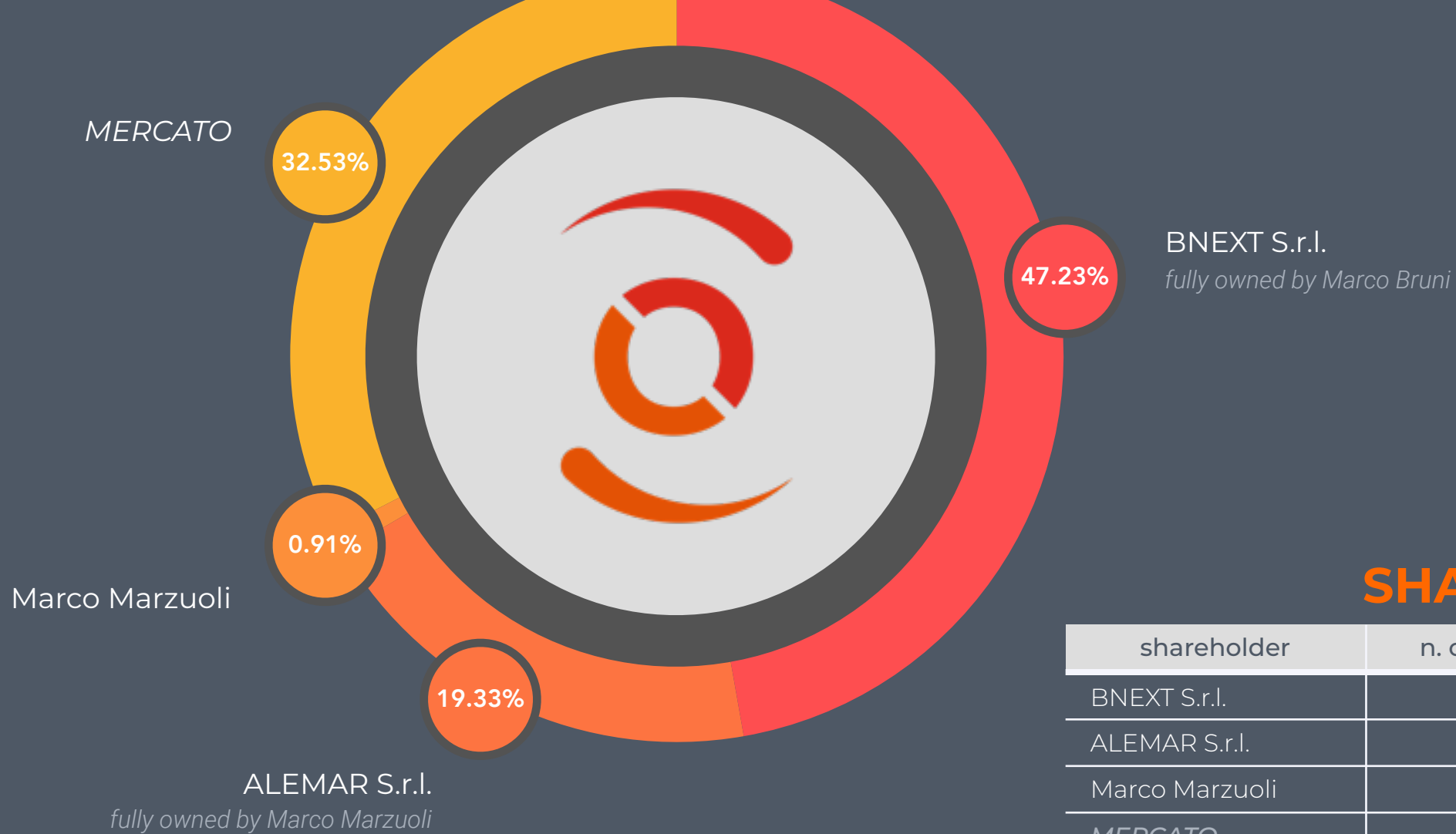
NET PROFIT (M€)



2021-2023 Estimates by Analysts Coverage (EnVent)

An underwater photograph showing a diver's leg in the lower-left foreground. A bright light source, likely a diver's torch, is positioned in the center, creating a large, circular beam of light that illuminates the sandy seabed. The water is dark blue, and the seabed is covered in fine sand and some small, dark rocks or debris.

APPENDIX B - BUSINESS MODEL



SHARE CAPITAL

shareholder	n. of shares	%
BNEXT S.r.l.	3,908,450	47.23%
ALEMAR S.r.l.	1,600,000	19.33%
Marco Marzuoli	70,050	0.91%
<i>MERCATO</i>	2,692,000	32.53%
TOTAL	8,275,500	100.00%

BOARD OF DIRECTORS



MARCO BRUNI
Chairman and CEO



MARCO MARZUOLI
Executive Director



FABIO MASSIMILIANO CARBONE
Non Executive Director



ALDO FILIPPINI
Independent Director



FABIO GRO
Independent Director

BOARD OF STATUTORY AUDITORS



GABRIELE PERROTTI
Chairman



BARBARA MOLLE
Standing Auditor



FRANCESCO PAOLUCCI
Standing Auditor

AUDITORS



STOCK OPTION PLAN 2021-23

Number of shares **250.000**

Strike Price **30%** discount

Monitoring period within **15 days** from AGM FY approval

Expiration date within **30 days** from verification date

Exercise period	Fiscal year	# Stock Options
I	2021	80.000
II	2022	80.000
III	2023	90.000

Financial Highlights

2020

 **16.1M€** **REVENUES**
14.5M€ in 2019, +12% YoY

 **2.1M€** **EBITDA** **EBITDA MARGIN**
1.7M€ in 2019, +26% YoY +13%

 **1.2M€** **EBIT** **EBIT MARGIN**
0.9M€ in 2019, +33% YoY +7.5%

 **0.9M€** **NET PROFIT**
0.5M€ in 2019, +66% YoY

 **2.1M€** **NFP CASH**
-1.4M€ in 2019 (includes IPO proceeds and MMUL acquisition)

SDGs AND ESGs ACHIEVEMENTS



Joined the UN Global Compact since 2020



Green procurement policy to reduce waste footprint



Environmental and cultural heritage support



Encouraging the use of public transport



Transition to full electric and hybrid car



Energy from 100% renewable sources



Relax areas, roof terraces and social events



Free coffee and bio fruits, free pizza and beer



Cycle to work

1st
SUSTAINABILITY
REPORT

to be
published by

Sept 2021

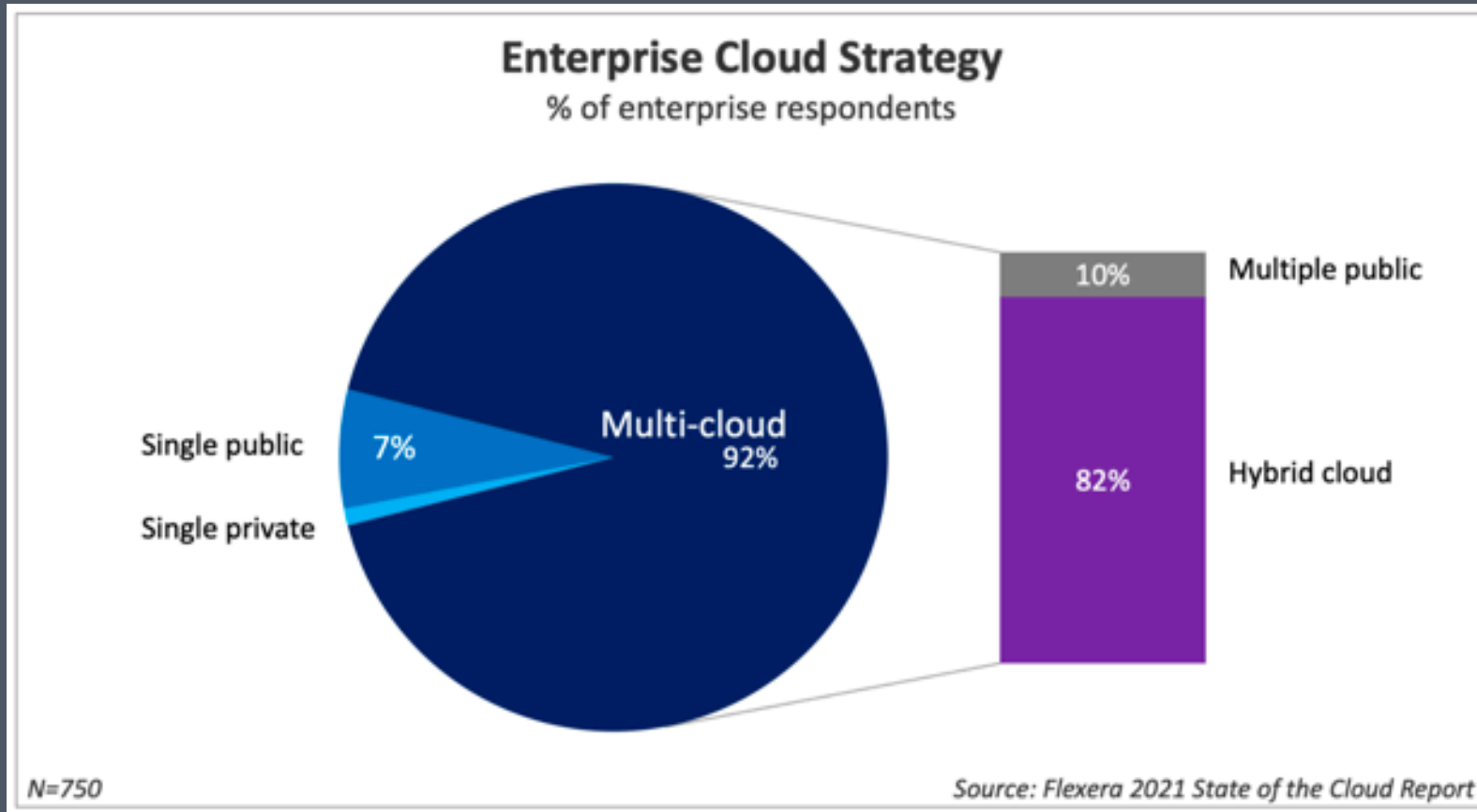
COVID-19

Free swab test

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SOURCESENSE

CLOUD ADOPTION STRATEGY



MARKET TREND

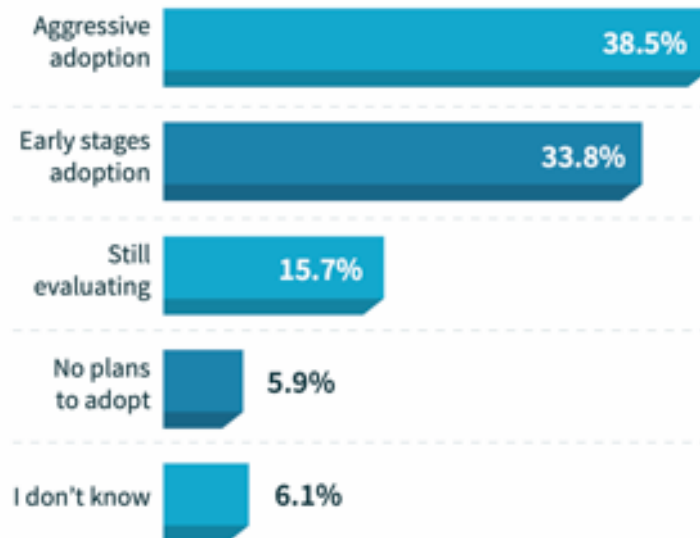
CLOUD ADOPTION
+18% YoY
estimate
in the
next 2 years

MORE
WORKLOADS AND DATA
IN THE CLOUD

ORGANIZATIONS
EMBRACE MULTI-CLOUD

CLOUD NATIVE TECH ADOPTION

Which describes your adoption of a cloud native infrastructure strategy?



Source: Lightbend Cloud Native Adoption Trends 2021

Which is MOST IMPORTANT in the move to "cloud native"? (all respondents)



Source: Lightbend Cloud Native Adoption Trends 2021

MARKET TREND

MULTI-CLOUD
92%
in
2021

CLOUD-NATIVE
TECHNOLOGIES
FULLY TAKES
ADVANTAGE OF THE
CLOUD WITH NO DEPS
TO A SPECIFIC
CLOUD PROVIDER

ENTERPRISE OPEN SOURCE

Open source continues to play an important role in enterprise technology



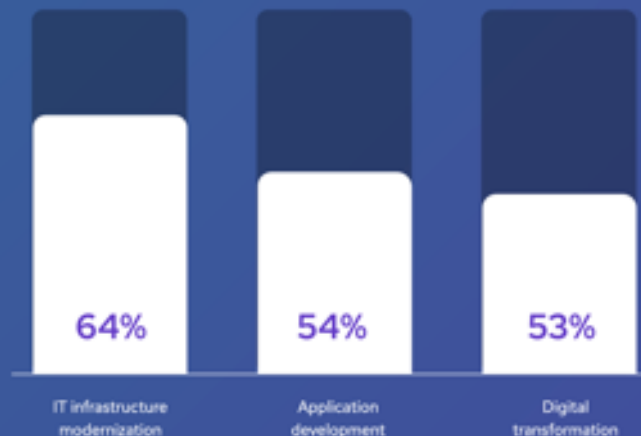
90% of IT leaders are using enterprise open source.

Source: Red Hat State of Enterprise Open Source Report 2021

Enterprise open source accelerates innovation

79% expect their use of enterprise open source software for emerging technologies to increase over the next two years

Infrastructure modernization strategies are the top use of enterprise open source



MARKET TREND

KEY
CLOUD NATIVE
TECHNOLOGIES
ARE
OPEN SOURCE

OPEN SOURCE
ACCELERATES
INNOVATION
AND
THE EXPANSION OF
ITS ECOSYSTEM IS
ACTUALLY
SPEEDING UP

SOURCESENSE

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CONTINUOUS INNOVATION

STANDING ON THE SHOULDERS OF GIANTS

“ Each year, hundreds of thousands of people contribute to **open source projects** that power our software systems and global economy, touching industries from banking and healthcare to media and transportation. ”

56M+

developers in 2020,
expected 100M by 2025

1.9B+

contributions added in 2020,
7.6M+ security alerts fixed in 2020

60M+

new repositories in 2020,
180K+ open source projects

Source: The 2020 state of the Octoverse - GitHub

TAKE-AWAY

COMMUNITIES
ARE DRIVING
THE
INNOVATION
OF THE
INFORMATION AGE

R&D
IS A CRUCIAL PART OF
OUR BUSINESS MODEL

SOURCESENSE
IS REGISTERED
AS INNOVATIVE SME