

**SQLI  
DIGITAL  
EXPERIENCE**

**2022  
ANNUAL  
RESULTS**

70  
03  
23



# SPEAKERS



**Philippe Donche-Gay**  
Chairman & Chief Executive Officer



**Olivier Stéphan**  
Deputy Managing Director for Finance



# AGENDA

- **SQLI TODAY**
- **ANNUAL FINANCIAL PERFORMANCE**
- **VISION & AMBITIONS**
- **SHAREHOLDER STRUCTURE & GOVERNANCE**
- **CONCLUSION/QUESTIONS & ANSWERS**

**SQLI TODAY**

**PHILIPPE DONCHE-GAY**

CHAIRMAN & CHIEF EXECUTIVE OFFICER



# OUR CUSTOMERS

PLACE THEIR TRUST IN US

**AIRBUS**

**Nestlé**

**Carlsberg**

**L'ORÉAL**

**Miele**

**legrand**

  
**GENERALI**

**BRIDGESTONE**

**LVMH**  
MOËT HENNESSY · LOUIS VUITTON

  
**ArcelorMittal**

  
**Carrefour**

  
**adidas**

**Hämeleys**  
The Finest Toys in the World

**colruyt**

**SGS**

**DIESEL**

# WE ARE SQLI!

A EUROPEAN DIGITAL SERVICES COMPANY

**2,300**

EMPLOYEES

**€246m**

REVENUES

**> 47%**

INTERNATIONAL

**13**

COUNTRIES

**73 / 100**

ETHIFINANCE ESG RATING

**TOP 25**

ECOVADIS RANKING

**93 / 100**

GENDER EQUALITY

**4.13 / 5**

HAPPY TRAINEES

**€189m**

MARKET CAP

**> 82%**

% HELD BY DBAY ADVISORS

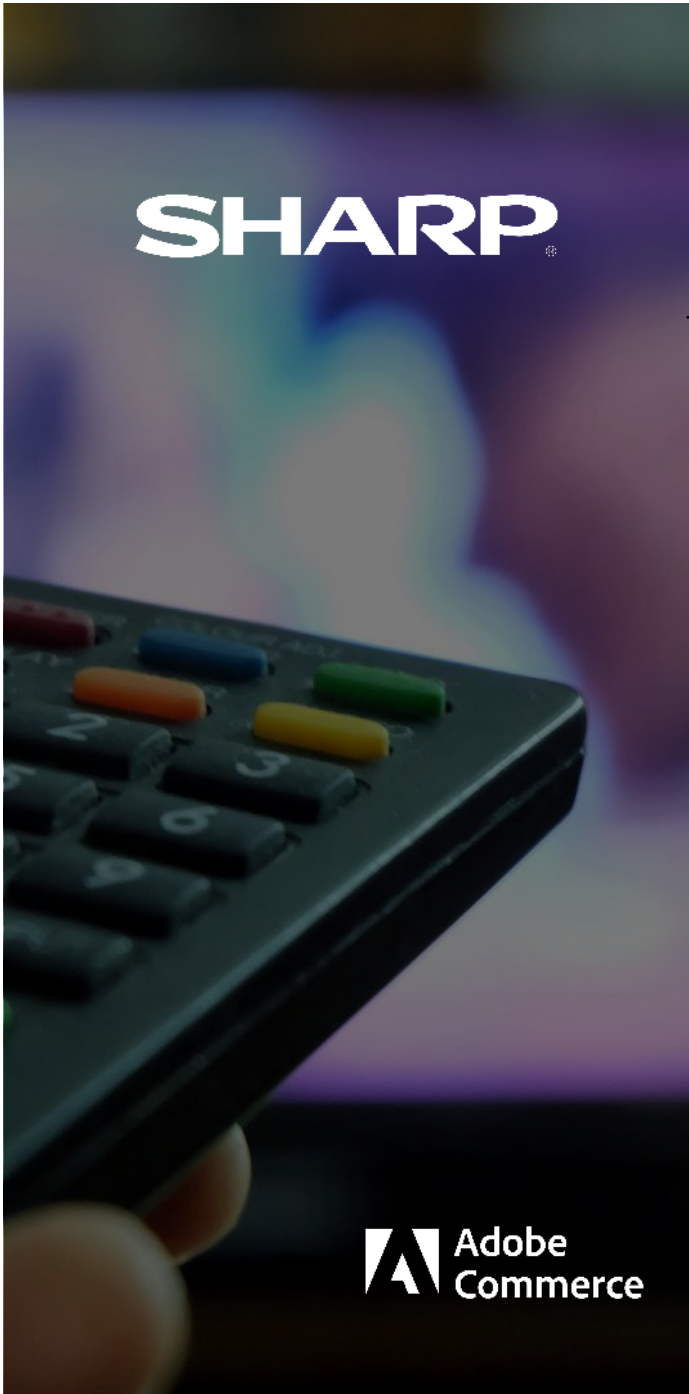
**2000**

LISTING ON EURONEXT

**1990**

FOUNDING





## E-COMMERCE

# SHARP ELECTRONICS EUROPE

Founded in Japan in 1912, Sharp Electronics has become one of the world’s leading technology manufacturers. SQLI was chosen by Sharp Electronics Europe to overhaul its B2B commerce platform on Adobe Commerce. The new platform will serve Sharp’s direct and indirect sales channels, including IT services, printing, and solar power, in 19 countries.

### OBJECTIVES

- **The project is presented as the next step in a multi-million euro programme to modernise** Sharp’s digital platforms for customers with the aim of **transforming the customer’s life cycle experience.**
- The new platform should accelerate Sharp’s growth and improve its efficiency throughout Europe, while transforming its customers’ experience across all business areas.

### THE PROJECT

- SQLI will design, build, and support the new platform. The first phase of the project, replacing the existing Intershop platform, is expected to be completed in March 2023.
- The objective is to then extend it to all of Sharp’s European markets and channels by the end of 2024.



# WEB FACTORY & E-CATALOG

## LEGRAND

Legrand is a leader in electrical and digital building infrastructures and distributes more than 300,000 products across 170 countries under several brands.

### OBJECTIVES

- To **increase awareness** of its brands, facilitate access to product information, and **accelerate the generation of leads in the APAC, Europe, and MEA regions**, Legrand wanted to set up a **website factory**.
- This website factory is expected to improve **time required to launch** each new website, optimise the time needed to create content, present products and, improve the **user experience**.

### RESULTS

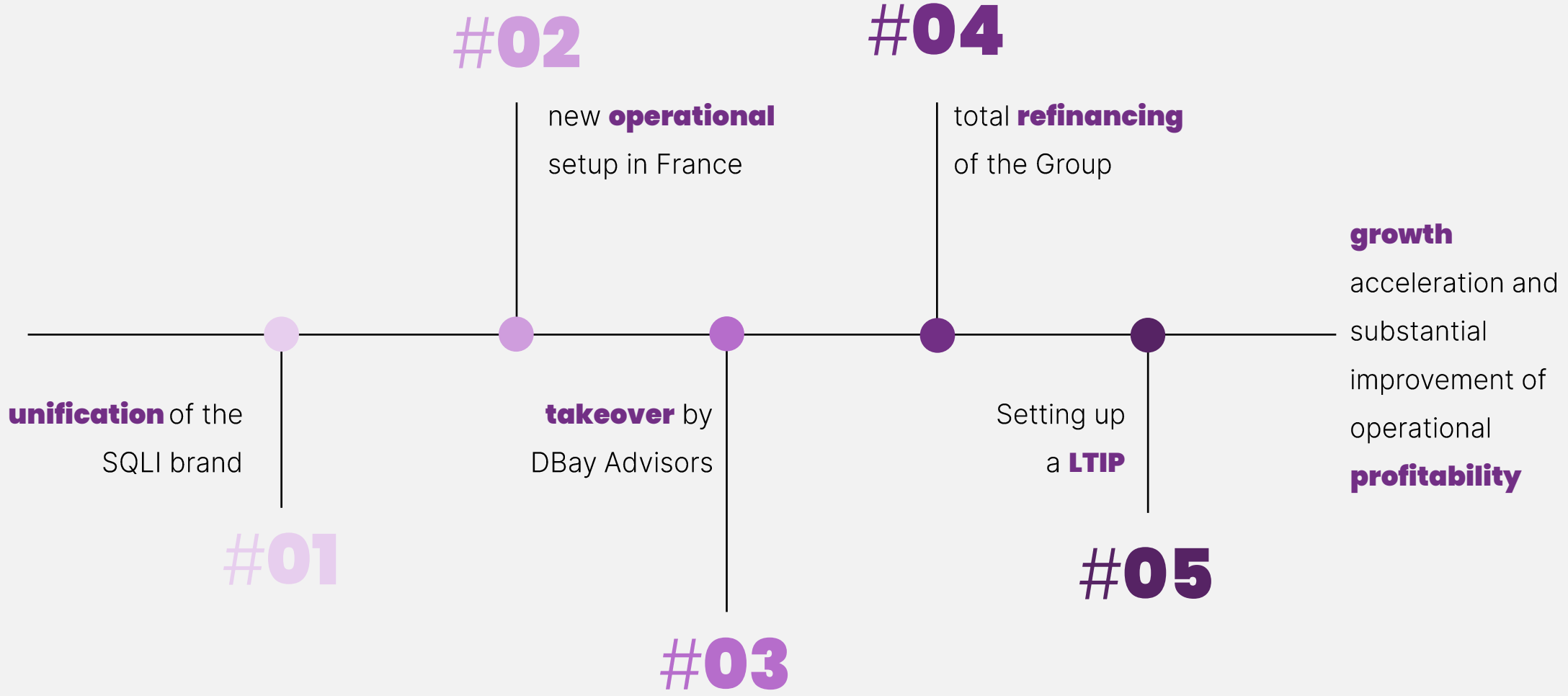
- Legrand chose SQLI as its technical partner. SQLI offered the **Acquia Cloud Site Factory** solution, support for the **change management strategy**, and **global UX / UI, SEO, and Web Analytics** support for each country where deployed. **23 sites are operational**.
- Legrand also wanted to make regularly updating the product catalogues easier via a connection to the Legrand PIM (Product Information Management). SQLI digitised the Legrand catalogue of products and services by setting up an e-catalogue integrated with the website factory and connected to the Legrand PIM.



# 2022 HIGHLIGHTS

SQLI AR 2022 - 10 MARCH 2023

CO-PUBLIC



# RESULTS IN LINE WITH OBJECTIVES



## REVENUES

OBJECTIVE:  
**GROWTH**



**+9%**  
(100% organic)



## CURRENT OPERATING MARGIN

OBJECTIVE:  
**MARGIN  
IMPROVEMENT**



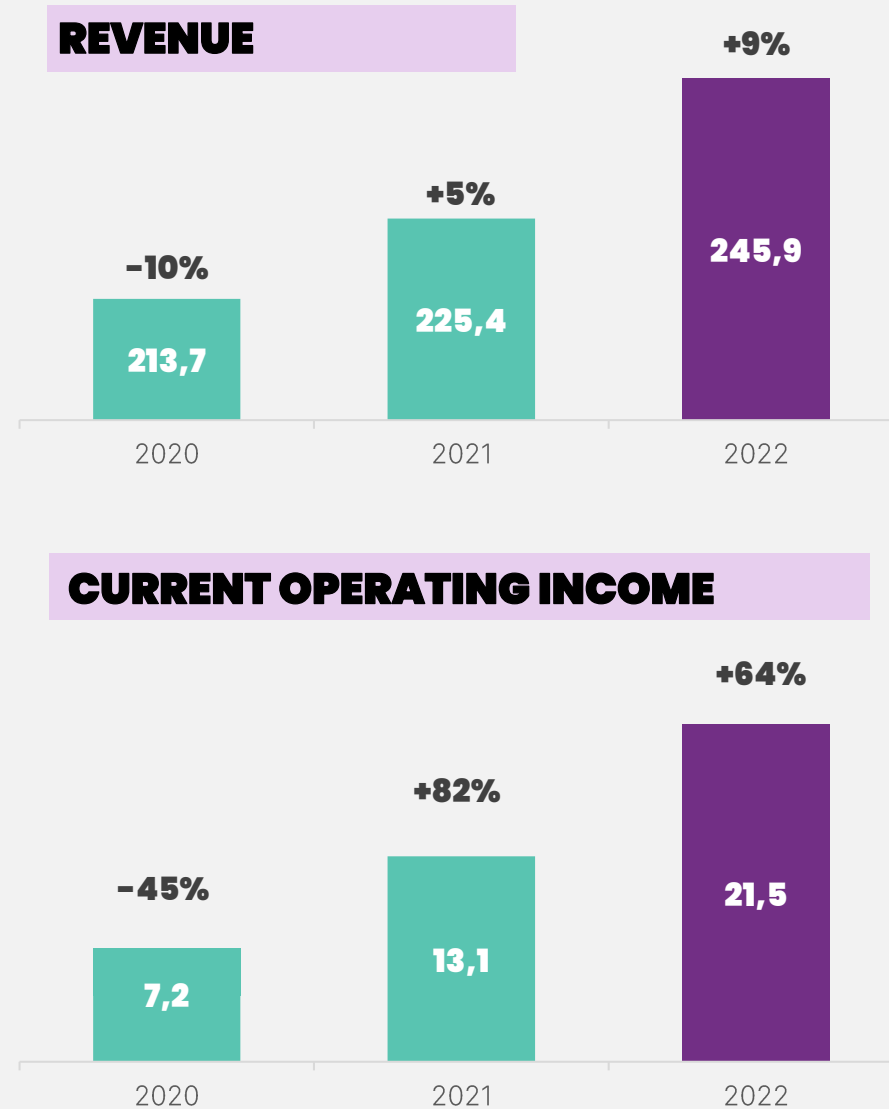
**8.7%**  
(# +3 points)



# STARTING A NEW CYCLE



AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)



CO-PUBLIC



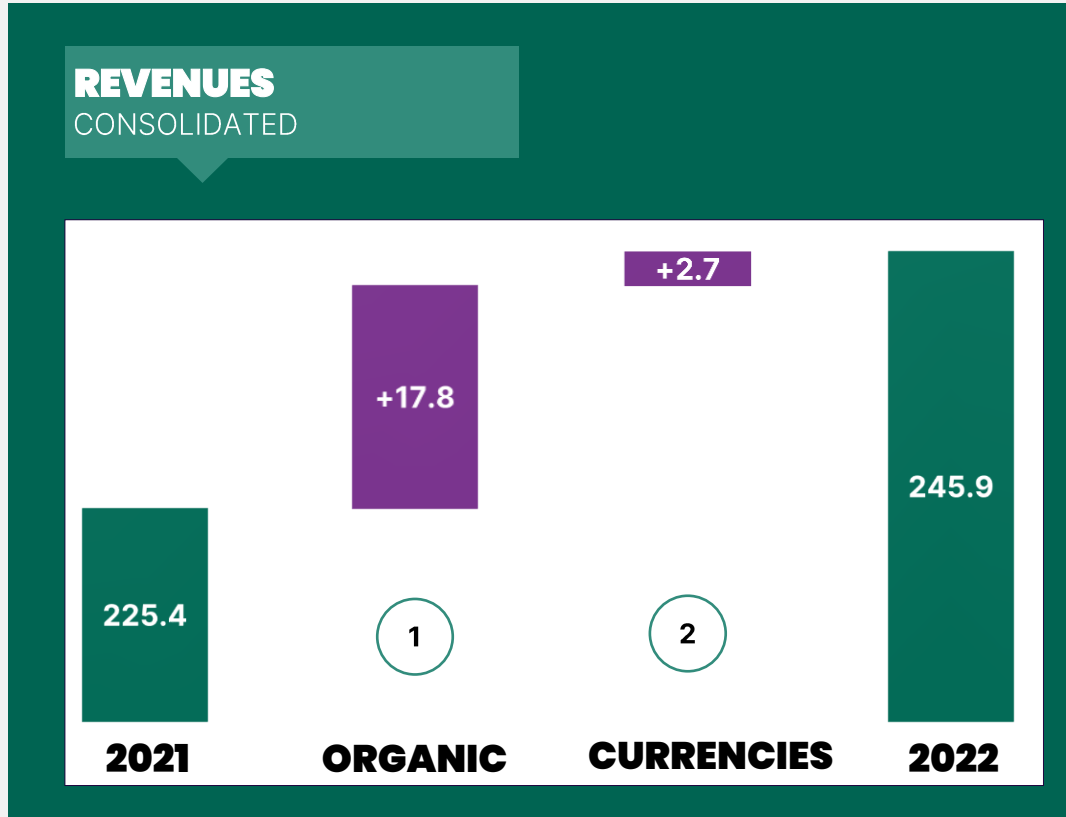
# FINANCIAL PERFORMANCE

**OLIVIER STEPHAN**

DEPUTY MANAGING DIRECTOR FOR FINANCE



# REVENUE GROWTH



AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)

## > CONSOLIDATED GROWTH

- +9.1%

## > ① → 'ORGANIC' REVENUE GROWTH FROM 2021 TO 2022

- +8%

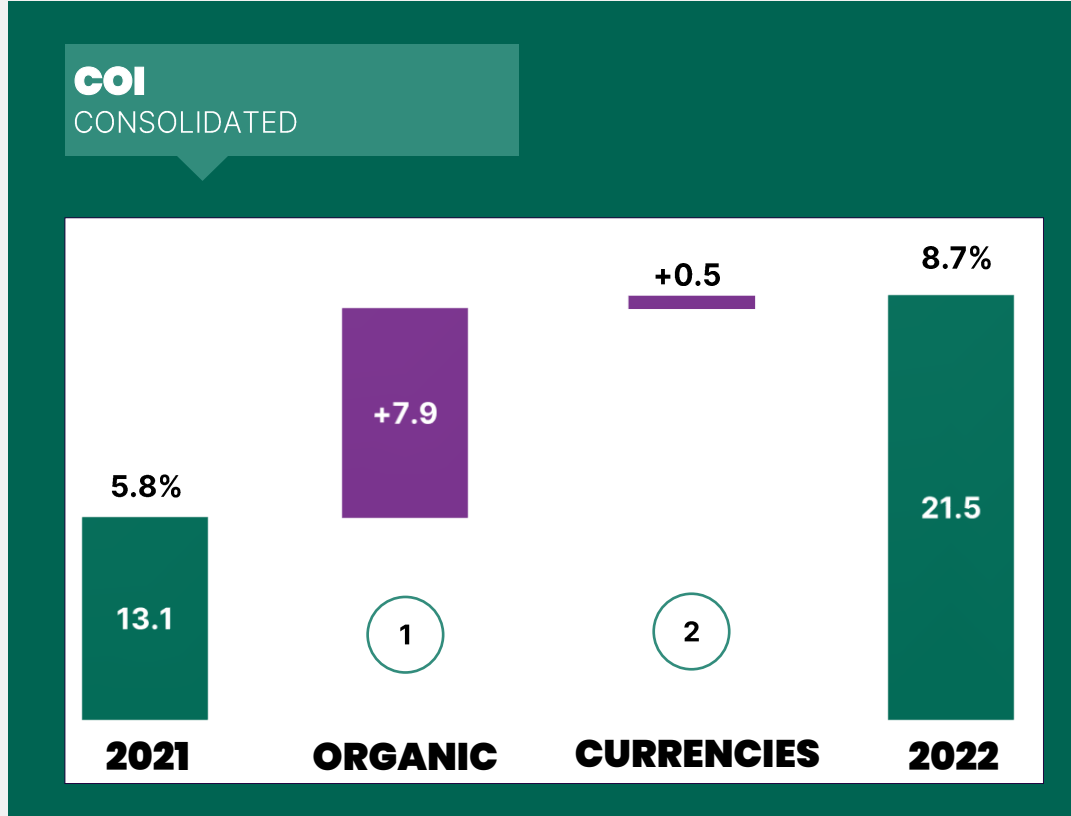
## > ② → CURRENCY EFFECT:

- Mainly (CHF/€)



# COI GROWTH

CURRENT OPERATING INCOME



AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)

## > CONSOLIDATED GROWTH

- +64%

## > CONSOLIDATED COM

- +2.9 points

## > ① → 'ORGANIC' COI GROWTH FROM 2021 TO 2022

- +2.7 points
- Higher margins
  - Effect of the improvement in the activity rate
  - Price effect
  - Industrialisation of projects in Service Centres
- Control of indirect costs excluding recruitment
- Implementation of a Long-Term Incentive Plan (LTIP) in H2

## > ② → CURRENCY EFFECT:

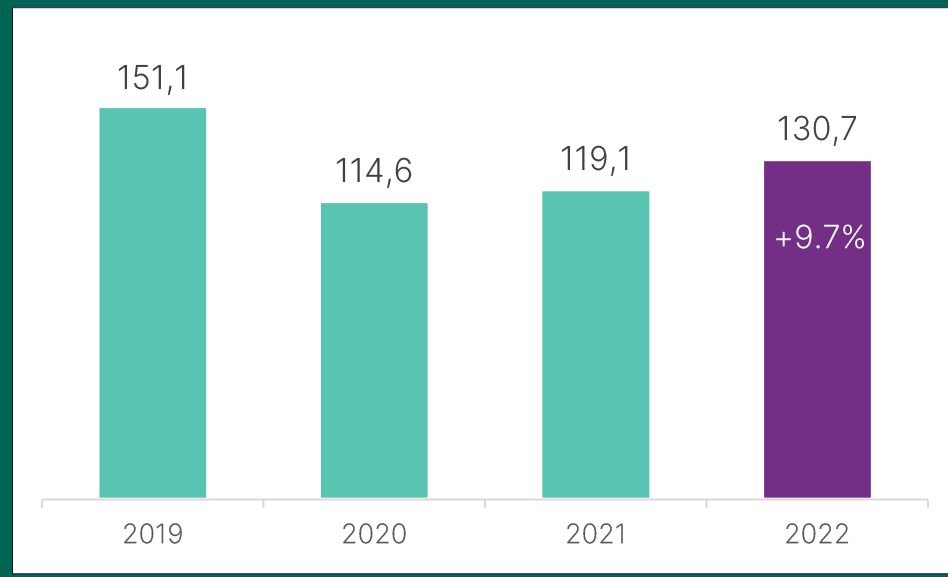
- Mainly (CHF/€)



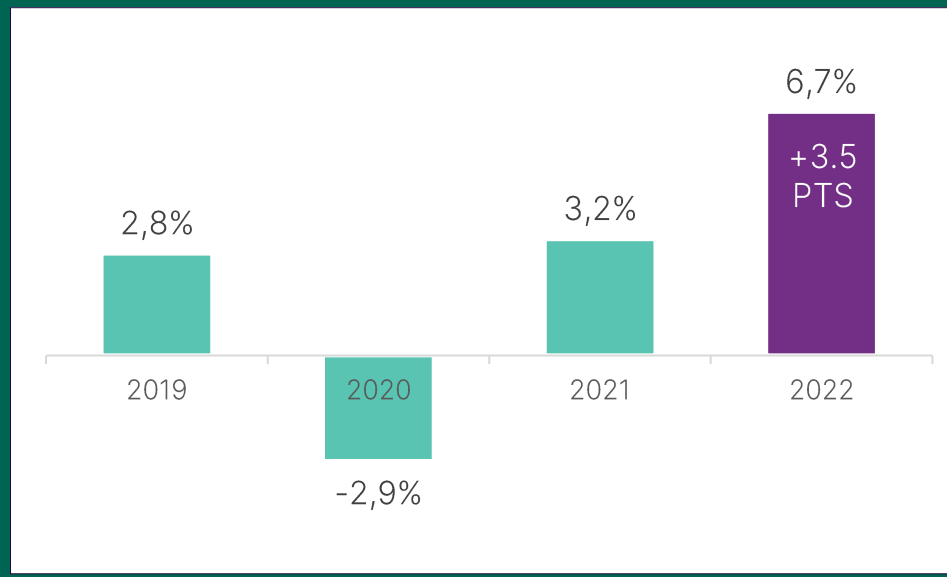
# PERFORMANCE IN FRANCE

SQLI AR 2022 - 10 MARCH 2023

## REVENUES IN €M



## COM AS % OF REVENUES



AUDITED CONSOLIDATED DATA

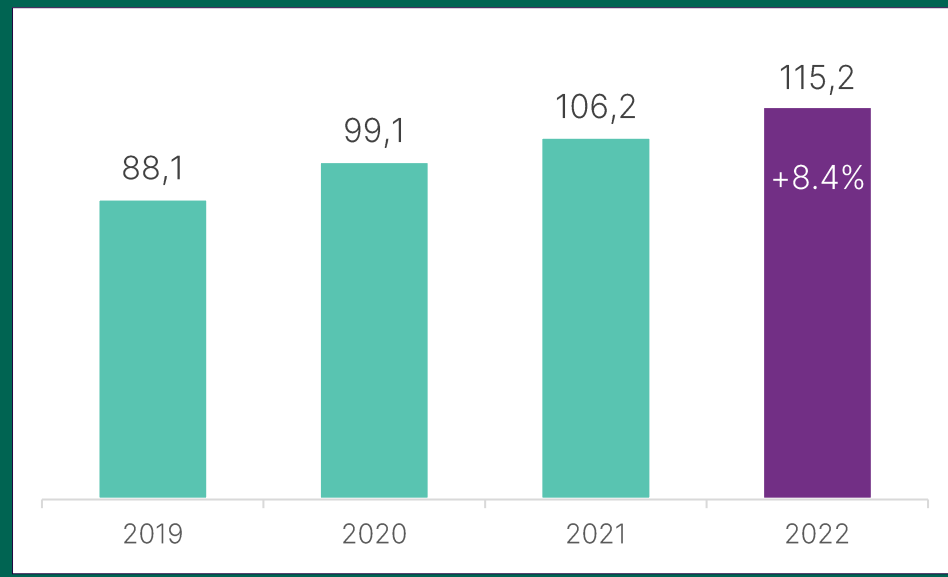
CO-PUBLIC



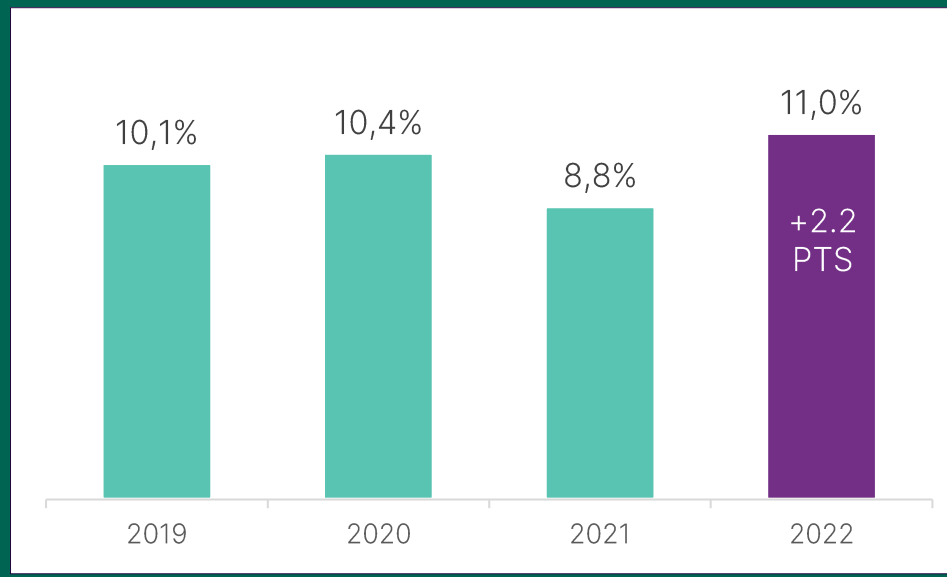
# INTERNATIONAL PERFORMANCE

SQLI AR 2022 - 10 MARCH 2023

## REVENUES IN €M



## COM AS % OF REVENUES



AUDITED CONSOLIDATED DATA

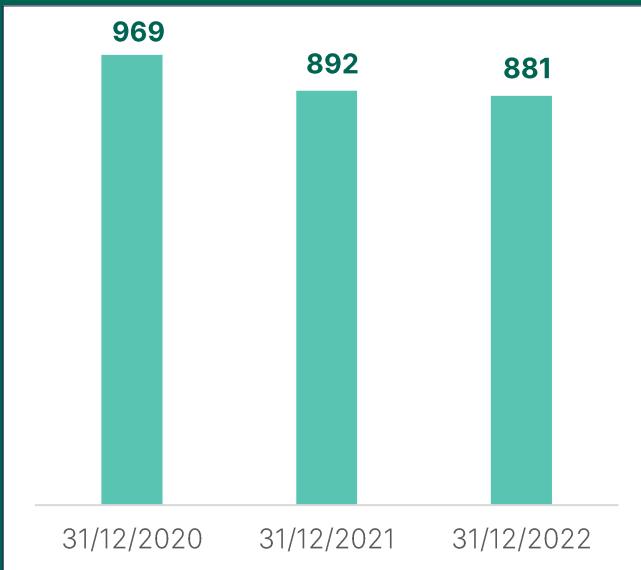
CO-PUBLIC



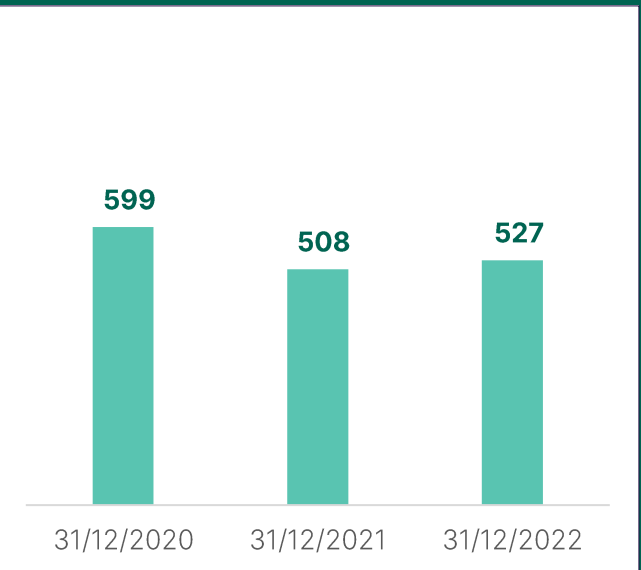
# HEADCOUNT EVOLUTION

SQLI AR 2022 - 10 MARCH 2023

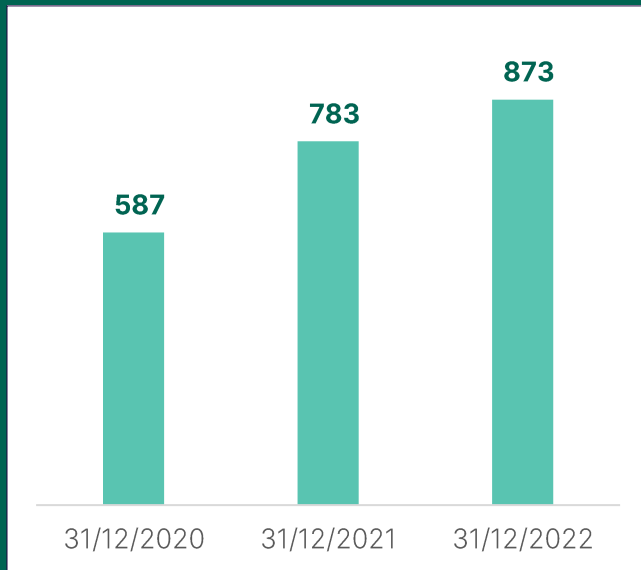
## FRANCE



## INTERNATIONAL



## ISC\*



CO-PUBLIC

\*\* INCLUDING TEMPORARY WORKERS

# SQLI INCOME STATEMENT



## FROM COI TO NET INCOME

- **NON-CURRENT INCOME IMPACTED BY COSTS OF THE TAKEOVER BID AND LTIP IMPLEMENTATION # €3.2M**
- **COST OF DEBT IMPACTED BY THE POST-TAKEOVER REFINANCING # €1M**
- **NORMALISED NET INCOME # €11.9M (X2) AT # 5% OF REVENUES**

€M - IFRS	2021	2022
REVENUES	225.4	245.9
EBITDA	15.2	22.8
Other allocations to net impairment, depreciation, amortisation, and provisions	(2.1)	(1.3)
CURRENT OPERATING INCOME (COI)	13.1	21.5
Non-current income	(1.4)	(5.3)
OPERATING INCOME (EBIT)	11.7	16.2
Net cost of debt	(2.3)	(4.0)
Other financial income and expenses	(0.4)	(1.1)
Tax expense	(3.7)	(3.4)
NET INCOME	5.3	7.7
<i>NORMALISED NET INCOME</i>	5.3	11.9

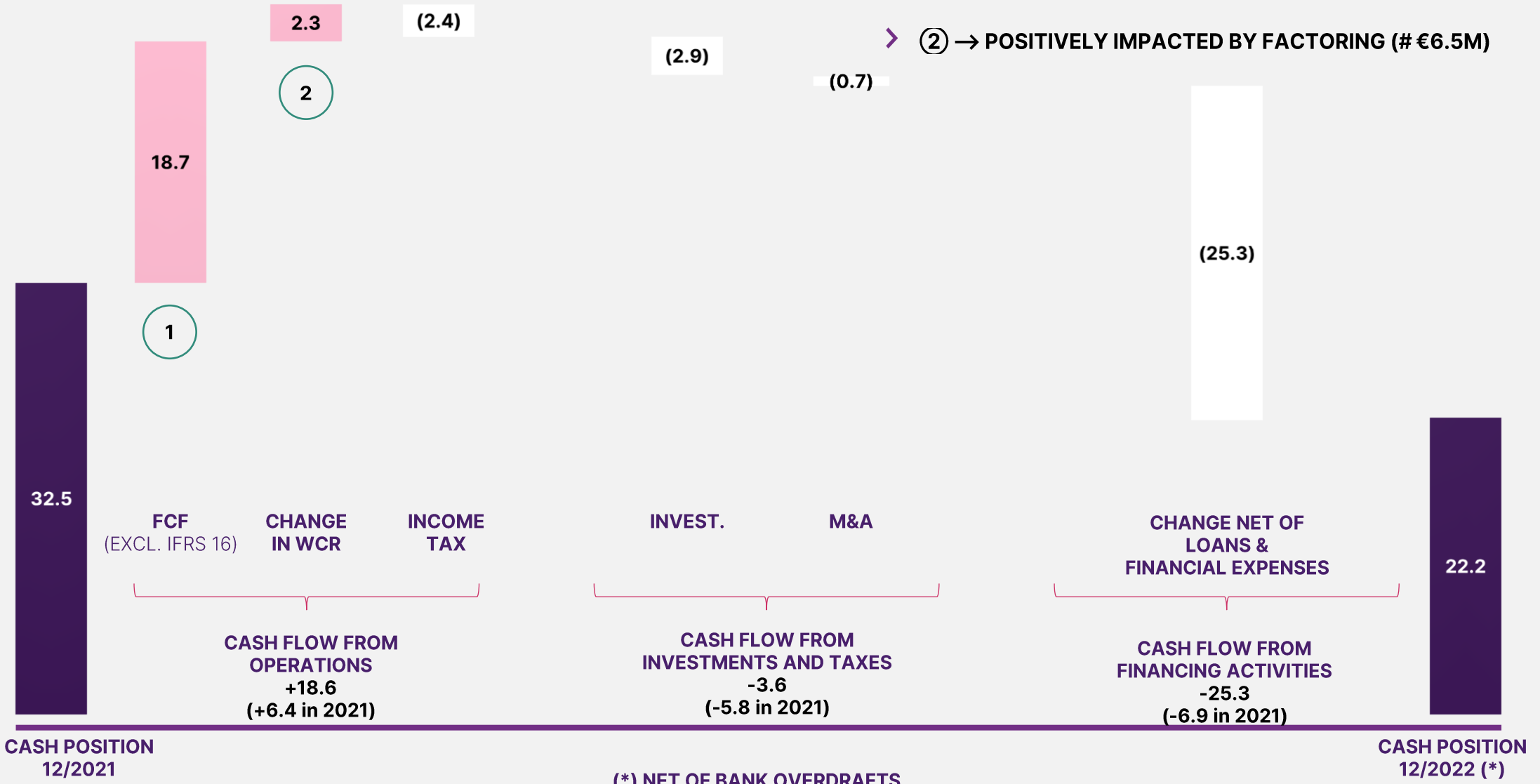
AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)





# CASH FLOWS

- > ① → NEGATIVELY IMPACTED BY COST OF TAKEOVER BID AND LTIP CONSULTING (# €2.5M) AND SALARY PAYMENT RESCHEDULING IN FRANCE (# €2.5M)
- > ② → POSITIVELY IMPACTED BY FACTORING (# €6.5M)



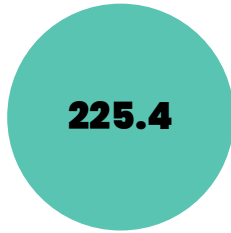
(\*) NET OF BANK OVERDRAFTS

AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)



# FREE CASH FLOWS

**2021**  
IN €M



**REVENUES**

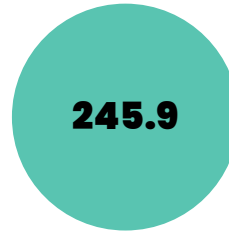


**COI**



**FREE CASH FLOWS**

**2022**  
IN €M



**REVENUES**



**COI**



**FREE CASH FLOWS (\*)**

AUDITED CONSOLIDATED DATA

- **(\*) EXCLUDING NON-RECURRING ITEMS # +€1.5M**  
(COST OF TAKEOVER BID AND LTIP CONSULTING, SALARY PAYMENT RESCHEDULING IN FRANCE, AND FACTORING)

# BALANCE SHEET ASSETS

- > **TRADE RECEIVABLES AFTER DRAWING DOWN 'DECONSOLIDATING' FACTORING**
  
- > **GOOD CASH MANAGEMENT DURING A PERIOD OF FASTER GROWTH AND DEBT REDUCTION**

€M - IFRS	31/12/2021	31/12/2022
Goodwill	89.2	89.2
Deferred tax assets	0.8	0.1
Tax assets (CICE, CIR tax credits)	2.6	2.6
Leased assets (IFRS 16)	18.7	16.1
Other non-current assets	19.0	18.0
<b>NON-CURRENT ASSETS</b>	<b>130.3</b>	<b>126.0</b>
Trade receivables	71.6	70.5
Other current assets	18.1	20.4
Cash and cash equivalents	32.6	22.7
<b>CURRENT ASSETS</b>	<b>122.3</b>	<b>113.7</b>
<b>TOTAL ASSETS</b>	<b>252.6</b>	<b>239.6</b>

AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)



# BALANCE SHEET

## LIABILITIES

- **SLIGHT IMPACT OF GROWTH ON TRADE PAYABLES**
- **DECREASE IN GROSS DEBT (EXCL. IFRS 16) BY €21.3M AFTER REFINANCING, INCLUDING STATE-GUARANTEED LOAN REPAYMENT**

€M - IFRS	31/12/2021	31/12/2022
SHAREHOLDERS' EQUITY	100.9	110.6
Long-term borrowings	39.2	26.3
Lease liabilities > 1 year (IFRS 16)	13.5	10.3
Other non-current liabilities	5.5	3.8
<b>NON-CURRENT LIABILITIES</b>	<b>58.3</b>	<b>40.5</b>
Short-term borrowings	9.8	1.4
Lease liabilities < 1 year (IFRS 16)	8.2	8.1
Accounts payable	18.9	19.6
Other current liabilities	56.6	59.5
<b>CURRENT LIABILITIES</b>	<b>93.5</b>	<b>88.6</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>252.6</b>	<b>239.6</b>

AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)



# NET FINANCIAL DEBT

➤ **USE OF 'DECONSOLIDATING' FACTORING IN FINANCING: # €6.5M BEFORE SET-UP OF A CENTRALISED TREASURY IN EARLY 2023**

➤ **VERY FAVOURABLE LEVERAGE**

➤ **ADDITIONAL CAPACITIES THAT CAN BE MOBILISED**

- CAPEX loan: €20m
- Revolving credit: €10m
- Factoring reserve: €13.5m

€M - IFRS	31/12/2021	31/12/2022
SHAREHOLDERS' EQUITY	100.9	110.6
GROSS DEBT	49.0	26.3
Cash and cash equivalents	32.6	21.4
NET DEBT	16.4	4.9
<b>NET DEBT TO SHAREHOLDERS' EQUITY RATIO</b>	<b>16%</b>	<b>4%</b>
EBITDA	15.2	22.1
<b>DEBT TO EBITDA RATIO</b>	<b>1.1</b>	<b>0.2</b>

AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)



# VISION & AMBITION

**PHILIPPE DONCHE-GAY**

CHAIRMAN & CHIEF EXECUTIVE OFFICER



# MORE THAN 10% GROWTH CONFIRMED SINCE COVID

## 20%

### UNIFIED EXPERIENCE

By 2025, organizations offering **unified commerce experience** by frictionlessly moving customers through journeys will see at least a 20% uplift in total revenue.

Source / Fevad

## 70%

### MARKETPLACE

67% of global B2C online sales will take place on virtual **marketplaces** by 2022. This trend will accelerate by 2024. 70% of new marketplaces in the coming years will focus on B2B.

Source / Forrester

## 77%

### DATA

77% of decision-makers think they **underutilize customer data** and 81% agree they want to use existing data better.

Source / Amperity

## 80%

### COMPOSABLE

By 2023, organisations that have adopted a **composable commerce** approach will outpace competition by 80% in the speed of feature implementation.

Source / Gartner

## 95%

### CLOUD NATIVE

**Cloud-native platforms** will serve as the foundation for more than 95% of new digital initiatives by 2015, compared with less than 40% in 2022.

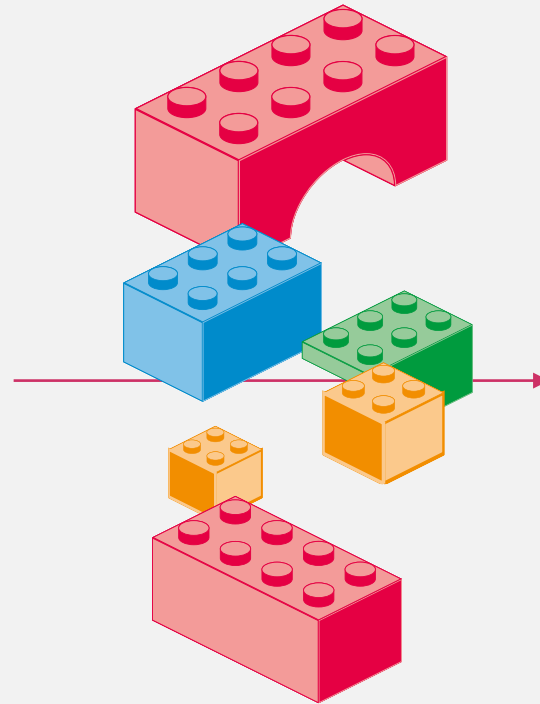
Source / Statista



# COMPOSABLE COMMERCE

## TECHNOLOGICAL RESPONSE TO OMNICHANNEL AND FLEXIBILITY REQUIREMENTS

A monolithic website is a solution that **integrates all the features** to manage an e-commerce platform (management of catalogues and products, pricing, payment, order system, etc.)



Composable commerce is a development approach consisting of **assembling best-of-breed services and solutions** in a more flexible and open way by relying on a high-performance **transactional core**.

Other features will be achieved through **'micro-services'**: extensions to fulfil specific requirements

**#flexibility #timetomarket #performance**



# GROWING PORTFOLIO OF E-COM SOLUTIONS

SQLI COMBINES ITS E-COMMERCE KNOW-HOW WITH LEADERS IN B2B & B2C COMPOSABLE COMMERCE

SQLI AR 2022 - 10 MARCH 2023

**SQLI is reaffirming its support to composable commerce solutions to meet the needs of its international customers with greater responsiveness, performance, and flexibility**

## NEW PARTNERSHIP AGREEMENTS



\_\_\_\_\_  
Founder of the MACH Alliance



\_\_\_\_\_  
Member of the MACH Alliance



\_\_\_\_\_  
Recognized by Gartner® as a visionary player in Magic Quadrant™ 2022 in the e-commerce category

CO-PUBLIC

# AN ORGANISATION TO SUPPORT GROWTH

COMPETENCY AT THE CORE OF THE OPERATIONAL MODEL

**NEW ORGANIZATION  
BASED ON  
COMPETENCY  
IN FRANCE**

**CONSISTENT  
COMPETENCY MAP IN IN  
EUROPE AND ISC  
MOROCCO**



**Unified  
sales  
team**  
to feed  
3 national  
service  
lines

**EXD**

Experience  
& Design

- + UX / UI
- + Consulting

**DXP**

Digital Experience  
Platforms

- + Software vendor platforms
- + OpenSource based platforms
- + Mobility
- + Digital marketing & Data

**DXC**

Digital Experience  
Custom

- + CX Custom Developments
- + Microsoft based solutions
- + IT Architecture
- + IT transformation





# A RENEWED GROWTH AMBITION

RECRUITMENT & EXTERNAL GROWTH

## **NOS AMBITIONS DE RECRUTEMENT : +960 SQLIENS EN 2023 !**

**360 CDI en France**

**200 CDI à l'International**

**400 CDI au Maroc**

## **ACQUISITION : ACCÉLÉRER AVEC DES COMPÉTENCES EXTERNES**

**SQLI dispose d'une capacité  
d'investissement de plusieurs dizaines de  
millions d'euros pour enrichir sa dynamique  
de croissance rentable**



# A RENEWED GROWTH AMBITION

RECRUITING AND RESUMING EXTERNAL GROWTH

## OUR RECRUITMENT AMBITION: **+960 SQLI'ERS IN 2023 !**

**360 full time contrats in France**

**200 full time contrats in International**

**400 full time contrats in Morocco**

## **ACQUISITIONS:** **ACCELERATE THROUGH TO EXTERNAL EXPERTISE**

**Investment capacity of x 10 m€ to support  
expansion in Europe and enhance our  
solutions portfolio**



# 3 KEY USP'S

SQLI, A TRUSTED TECHNOLOGY PARTNER

## A DNA

combining strong technological expertise, business consulting abilities, and deep mastery of the user experience proven on hundreds of international digital projects for more than 30 years

## TALENTED TEAMS

with multidisciplinary skills to support our customers as a true partner throughout digital projects, from consulting to deployment and beyond. SQLI plans to hire 960 people in 2023

## SERVICE CENTRE

with methods and an organization in Morocco designed to industrialize production and accelerate our customers' projects. SQLI continues to invest and is opening a new site in Casablanca

# SHAREHOLDER KEY FIGURES

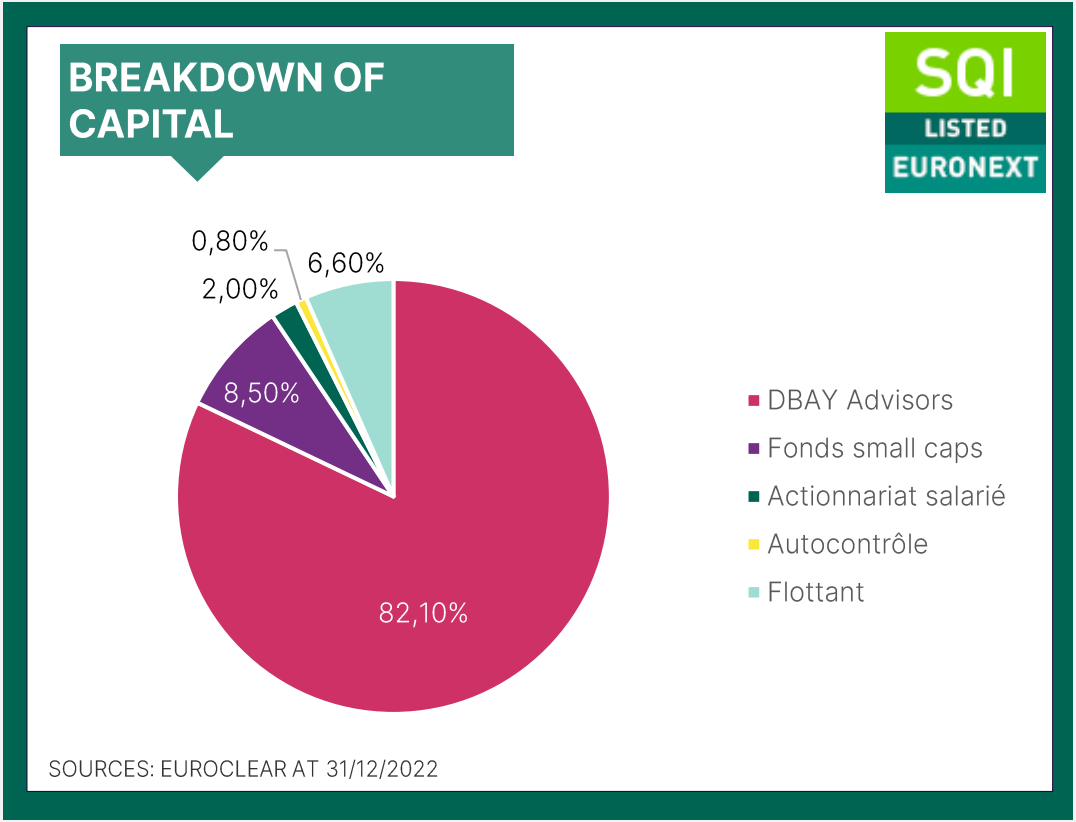
**PHILIPPE DONCHE-GAY**

CHAIRMAN & CHIEF EXECUTIVE OFFICER



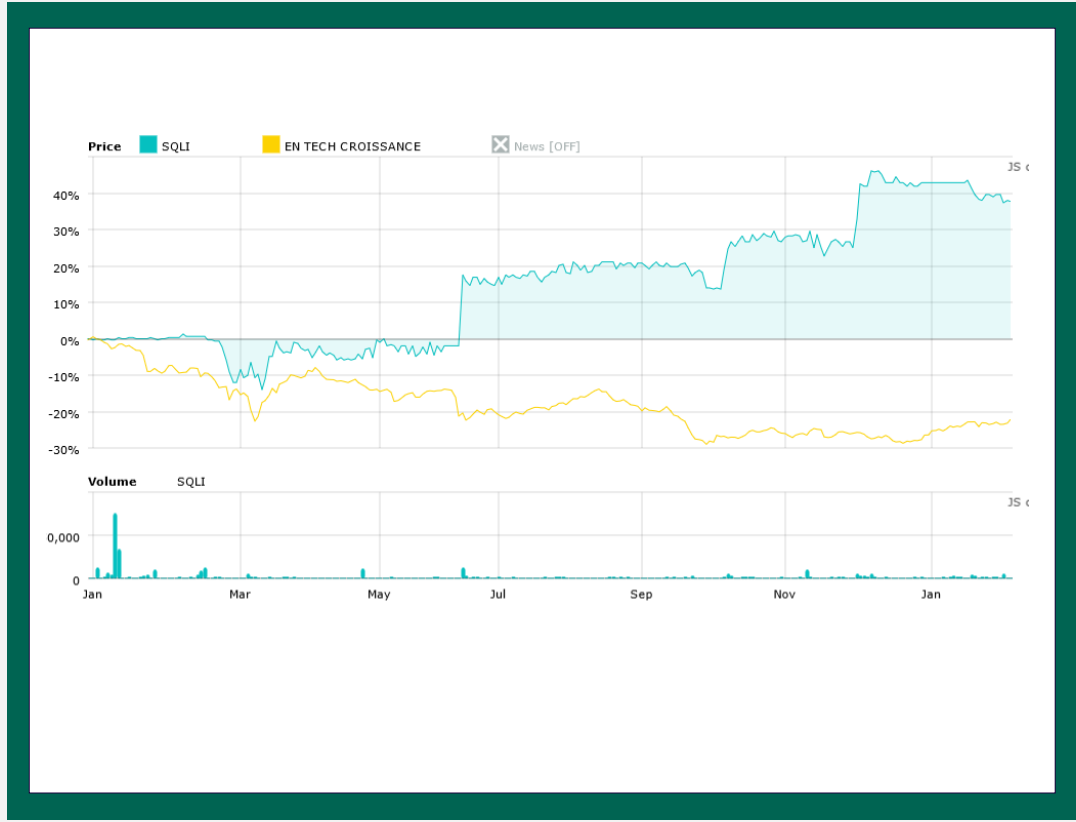
# SHAREHOLDER KEY DATA

## Shareholding structure



- Price (06/03/2023): €41.00
- Number of shares: 4,613,975
- Market Cap. €189m

## 2022 stock market performance: +43%



- CAC Small: -20%
- EnterNext PEA-PME 150: -24%
- EnterNext Tech Croissance: -26%
- CAC Technology: -30%

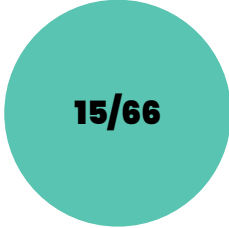
# EXTRA-FINANCIAL RATING



## RANKING



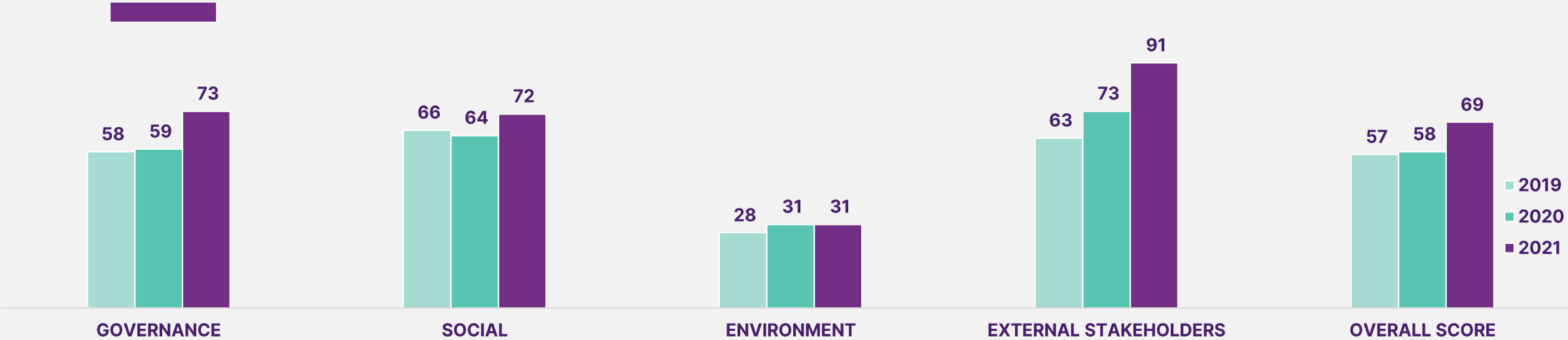
NATIONAL



SECTOR



COMPANY SIZE



SOURCE: GAÏA RESEARCH BY ETHIFINANCE / 2022 CAMPAIGN



# CONCLUSION

**PHILIPPE DONCHE-GAY**

CHAIRMAN & CHIEF EXECUTIVE OFFICER

# Q&A

## Questions & Answers

CO-PUBLIC





# FINANCIAL GLOSSARY

**COI:** current operating income

**COM:** current operating margin

**EBITDA:** income before non-current income, interest, taxes, depreciation, and amortisation (excl. IFRS 16)

**BSI:** bonus share issue

**Normalised net income:** income before non-current costs relating to the takeover bid, implementation of the BSI plan, and refinancing

**Free cash flow:** cash flows from operations – cash flows from investments + IFRS 16 impact on financing flows

# SQLI CASH FLOW STATEMENT

## FROM INCOME TO CASH

### > CLEAR IMPROVEMENT IN FCF

### > CHANGE IN WCR LINKED TO:

- Stability of the DSO
- Growth effect
- Use of deconsolidating factoring # €6.5m

€M - IFRS	2021	2022
Cash flow	23.7	28.3
Change in WCR	(4.5)	+2.3
Income tax	(3.3)	(2.4)
<b>CASH FLOW FROM OPERATIONS</b>	<b>15.9</b>	<b>28.3</b>
Investments	(2.4)	(2.9)
Change in scope	(3.4)	(0.7)
<b>CASH FLOW FROM INVESTMENTS</b>	<b>(5.8)</b>	<b>(3.6)</b>
Debt issuance	0.0	26.3
Net disposals of treasury shares	0.1	0.0
Loan repayments and financial expenses	(7.4)	(51.6)
IFRS 16 impact	(9.5)	(9.6)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(16.9)</b>	<b>(34.8)</b>
<b>CHANGE IN CASH</b>	<b>(6.7)</b>	<b>(10.2)</b>

AUDITED CONSOLIDATED DATA (IN MILLIONS OF EUROS)

**THANK  
YOU**

**Thank you**

