

## Continued growth in Q1 2023

- Total growth of 10.1% and organic growth<sup>1</sup> of 9.1%
- Process of integrating CS Group and Tobania launched
- Request for review and approval of offer memorandum for intended public offer for Ordina to be filed with the Dutch Authority for the Financial Markets (AFM) no later than in the 2nd half of May 2023

Paris, 28 April 2023, 7:00 a.m. – Sopra Steria generated revenue of €1,395.4 million in the first quarter of 2023, representing growth of 10.1%. At constant scope and exchange rates, revenue grew 9.1%.

### Sopra Steria: Consolidated revenue – Q1 2023

€m / %	Q1 2023	Q1 2022	Organic growth	Total growth
Revenue	1,395.4	1,267.7	9.1%	10.1%

### Cyril Malargé, Chief Executive Officer of Sopra Steria Group, commented:

“We had a good first quarter, during which, in line with our expectations at the start of the year, we saw a brisker pace of growth than our full-year growth forecast. In a market driven by digital transformation, our momentum stayed strong in terms of both sales volumes and prices. Our business lines serving defence and homeland security, aeronautics and the public sector give us quite a good level of visibility for the next several quarters. We continued to focus on our strategy of moving up the value chain and transforming our range of solutions. Reflecting this strategy, our consulting business posted organic growth of around 15% in the first quarter. Regarding acquisitions, we launched the process of integrating CS Group and Tobania and began implementing the associated organisational arrangements. The planned tie-up with Ordina is proceeding according to schedule and we will file a request for review and approval of the offer memorandum with the Dutch Authority for the Financial Markets no later than in the second half of May 2023.”

### Comments on Q1 2023 business activity

Revenue came to €1,395.4 million, equating to total growth of 10.1% relative to Q1 2022. Changes in scope had a positive impact of €34.1 million, and currency fluctuations had a negative impact of €23.0 million. At constant scope and exchange rates, revenue grew 9.1%.

The **France** reporting unit (42% of the Group total) generated revenue of €589.9 million, representing organic growth of 9.6%. This performance was driven by the defence and homeland security, transport, aeronautics and public sector business segments, which posted double-digit growth. CS Group contributed €29.6 million to the reporting unit's first-quarter revenue. Organisational changes have been implemented and the collaboration process launched to achieve the anticipated commercial and cost synergies.

The **United Kingdom** reporting unit (16% of the Group total) posted revenue of €216.7 million, representing organic growth of 4.3%. The aeronautics, defence and security segments saw double-digit growth. Private-sector business grew by around 6%, and the two joint ventures specialising in business process services for the public sector (NHS SBS and SSCL) delivered average growth of over 3%. The rest of the public sector was stable.

<sup>1</sup> Alternative performance measures are defined in the glossary at the end of this document.

With €410.4 million in revenue, the **Other Europe** reporting unit (29% of the Group total) turned in a solid 13.1% in organic growth. The fastest growth was seen in Scandinavia, Benelux and Spain, and to a lesser extent in Germany and Italy. Tobania contributed €8.6 million to the reporting unit's revenue. With respect to Sopra Financial Technology (SFT), which posted €37.9 million in revenue, an agreement was reached with the seven Sparda banks to wrap up the transformation programme and thereby reduce the operational risks associated with the project. The Sparda banks' current system will continue to be operated by SFT until the end of 2025.

Revenue for **Sopra Banking Software** (8% of Group revenue) came to €107.7 million, representing organic growth of 5.2%. This return to growth mainly resulted from the 12.2% increase in subscriptions for digital solutions. Licence sales were stable. Overall, software revenue (60% of total revenue) was up 2.8% and services revenue was up 6.1%.

The **Other Solutions** reporting unit (5% of the Group total) posted €70.6 million in revenue, representing organic growth of 5.0%. Human resources solutions posted growth of 3.4%, while property management solutions grew by 8.5%.

### External growth transactions and changes in scope

Following the acquisition of controlling interests in **CS Group** on 28 February 2023 (see the press release dated 28 July 2022 related to this transaction), this company has been consolidated since 1 March 2023. A simplified public tender offer was launched on 6 April and will end on 28 April 2023, at the unit price of €11.50 per ordinary share. If the threshold enabling the completion of a mandatory delisting is reached at the end of the offer period, Sopra Steria will request the implementation of a mandatory delisting procedure for CS Group securities from Euronext Paris.

The acquisition of **Tobania** was finalised on 2 March 2023 (see the press release dated 17 November 2022 related to this transaction). The company has been consolidated since 1 March 2023.

On 21 March 2023, Sopra Steria and **Ordina** announced that they had reached conditional agreement on a recommended public offer to be made by Sopra Steria for all the issued and outstanding ordinary shares in the capital of Ordina (see the press release dated 21 March 2023). As part of this transaction, supported by Ordina's management board and supervisory board, a request for review and approval of the offer memorandum will be filed with the Dutch Authority for the Financial Markets no later than in the second half of May 2023. The offer is supported by Ordina's two largest shareholders, as well as the individual members of each of the Ordina boards, together representing approximately 27% of Ordina's issued and outstanding ordinary shares. The offer is subject to customary conditions and is anticipated to close in the second half of 2023.

For further information, please refer to the joint press releases by Sopra Steria and Ordina of 21 March 2023 and 17 April 2023.

### Workforce

At end-March 2023, the Group's **net headcount** stood at 53,724 people, compared with 48,114 people at 31 March 2022 and 49,690 people at 31 December 2022. Acquisitions in the first quarter of 2023 contributed 3,372 people to the Group's headcount.

The **workforce attrition rate** was 16% (versus 17% on average in 2022).

### Targets for 2023

Sopra Steria confirms all its targets for financial year 2023:

- Organic revenue growth of between 3% and 5%
- Operating margin on business activity slightly over 9%
- Free cash flow of at least €300 million



### **Q1 2023 revenue presentation meeting**

Revenue for the first quarter of 2023 will be presented to financial analysts and investors via a bilingual (French and English) conference call to be held on 28 April 2023 at 8:30 a.m. CET:

- French-language phone number: +33 (0)1 70 37 71 66
- English-language phone number: +44 (0)33 0551 0200

Practical information about this conference call can be found in the 'Investors' section of the Group's website: <https://www.soprasteria.com/investors>

### **Upcoming financial publications**

Wednesday, 24 May 2023 at 2:30 p.m.: General Meeting of Shareholders

Thursday, 27 July 2023 (before market open): Publication of H1 2023 results

Friday, 27 October 2023 (before market open): Publication of Q3 2023 revenue



## Glossary

- **Restated revenue:** Revenue for the prior year, expressed on the basis of the scope and exchange rates for the current year.
- **Organic revenue growth:** Increase in revenue between the period under review and restated revenue for the same period in the prior financial year.
- **EBITDA:** This measure, as defined in the Universal Registration Document, is equal to consolidated operating profit on business activity after adding back depreciation, amortisation and provisions included in operating profit on business activity.
- **Free cash flow:** Net cash from operating activities; less investments (net of disposals) in property, plant and equipment, and intangible assets; less lease payments; less net interest paid; and less additional contributions to address any deficits in defined-benefit pension plans.
- **Operating profit on business activity:** This measure, as defined in the Universal Registration Document, is equal to profit from recurring operations adjusted to exclude the share-based payment expense for stock options and free shares and charges to amortisation of allocated intangible assets.
- **Profit from recurring operations:** Operating profit before other operating income and expenses, which includes any particularly significant items of operating income and expense that are unusual, abnormal, infrequent or not foreseeable, presented separately in order to give a clearer picture of performance based on ordinary activities.
- **Basic recurring earnings per share:** This measure is equal to basic earnings per share before other operating income and expenses net of tax.
- **Return on capital employed (RoCE):** (Profit from recurring operations after tax + Profit from equity-accounted companies) / (Equity + Net financial debt)
- **Downtime:** Number of days between two contracts (excluding training, sick leave, other leave and pre-sales) divided by the total number of business days.

## Disclaimer

This document contains forward-looking information subject to certain risks and uncertainties that may affect the Group's future growth and financial results. Readers are reminded that licence agreements, which often represent investments for clients, are signed in greater numbers in the second half of the year, with varying impacts on end-of-year performance. Actual outcomes and results may differ from those described in this document due to operational risks and uncertainties. More detailed information on the potential risks that may affect the Group's financial results can be found in the 2022 Universal Registration Document filed with the Autorité des Marchés Financiers (AMF) on 17 March 2023 (see pages 40 to 45 in particular). Sopra Steria does not undertake any obligation to update the forward-looking information contained in this document beyond what is required by current laws and regulations. The distribution of this document in certain countries may be subject to the laws and regulations in force. Persons physically present in countries where this document is released, published or distributed should enquire as to any applicable restrictions and should comply with those restrictions.

## About Sopra Steria

Sopra Steria, a European tech leader renowned for its consulting, digital services and software development, helps its clients drive their digital transformation and obtain tangible and sustainable benefits. It provides end-to-end solutions to make large companies and organisations more competitive by combining in-depth knowledge of a wide range of business sectors and innovative technologies with a fully collaborative approach. Sopra Steria places people at the heart of everything it does and is committed to putting digital to work for its clients in order to build a positive future for all. With 50,000 employees in nearly 30 countries, the Group generated revenue of €5.1 billion in 2022.

### The world is how we shape it.

Sopra Steria (SOP) is listed on Euronext Paris (Compartment A) – ISIN: FR0000050809

For more information, visit us at [www.soprasteria.com](http://www.soprasteria.com)

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## Annexes

### Sopra Steria: Impact on revenue of changes in scope and exchange rates – Q1 2023

€m	Q1 2023	Q1 2022	Growth
<b>Revenue</b>	<b>1,395.4</b>	<b>1,267.7</b>	<b>+10.1%</b>
Changes in exchange rates		-23.0	
<b>Revenue at constant exchange rates</b>	<b>1,395.4</b>	<b>1,244.7</b>	<b>+12.1%</b>
Changes in scope		34.1	
<b>Revenue at constant scope and exchange rates</b>	<b>1,395.4</b>	<b>1,278.8</b>	<b>+9.1%</b>

### Sopra Steria: Changes in exchange rates – Q1 2023

For €1 / %	Average rate	Average rate	Change
	Q1 2023	Q1 2022	
Pound sterling	0.8831	0.8364	-5.3%
Norwegian krone	10.9901	9.9247	-9.7%
Swedish krona	11.2030	10.4807	-6.4%
Danish krone	7.4429	7.4407	-0.0%
Swiss franc	0.9925	1.0364	+4.4%

### Sopra Steria: Revenue by reporting unit – Q1 2023

€m / %	Q1 2023	Q1 2022	Q1 2022	Organic growth	Total growth
		Restated*			
France	589.9	538.4	513.2	+9.6%	+14.9%
United Kingdom	216.7	207.7	219.0	+4.3%	-1.0%
Other Europe	410.4	363.0	365.0	+13.1%	+12.5%
Sopra Banking Software	107.7	102.4	103.2	+5.2%	+4.3%
Other Solutions	70.6	67.3	67.3	+5.0%	+5.0%
<b>Sopra Steria Group</b>	<b>1,395.4</b>	<b>1,278.8</b>	<b>1,267.7</b>	<b>+9.1%</b>	<b>+10.1%</b>

\* Revenue at 2023 scope and exchange rates

### Sopra Steria: Workforce breakdown – 31/03/2023

	31/03/2023	31/03/2022
France	22,102	20,067
United Kingdom	7,684	7,045
Other Europe	13,880	11,726
Rest of the World	580	470
X-Shore	9,478	8,806
<b>Total</b>	<b>53,724</b>	<b>48,114</b>

