Planisware SAS

A French simplified joint stock company (*société par actions simplifiée*)[1] with a share capital of €346,955.00

Registered Office: 200 avenue de Paris, 92320 Châtillon, France

Trade and Companies Register of Nanterre: 403 262 082

REGISTRATION DOCUMENT

This registration document has been approved on September 18, 2023 by the AMF, as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this registration document after having verified that the information it contains is complete, coherent and comprehensible. This registration document has the following approval number: I.23-030.

Such approval should not be considered as an endorsement of the company that is the subject of this registration document.

This registration document may be used for the purposes of an offer to the public of securities or the admission of securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary and its supplement(s). The entirety is approved by the AMF in accordance with Regulation (EU) 2017/1129.

It is valid until September 18, 2024 and, during this period but no later than at the same time as the securities note and under the conditions of Articles 10 and 23 of Regulation (EU) 2017/1129, must be completed by a supplement to the registration document in the event of new material facts or substantial errors or inaccuracies.

Copies of this Registration Document are available free of charge from Planisware SAS, 200 avenue de Paris, 92320 Châtillon, France, and on the websites of Planisware SAS (https://planisware.com/) and the *Autorité des marchés financiers* (www.amf-france.org).

[1]The form of a French limited liability company with a board of directors (*société anonyme à conseil d'administration*) will be adopted at the latest on the date of approval by the French *Autorité des marchés financiers* of the prospectus relating to the proposed admission to trading on Euronext Paris of the Company's shares. The information on the Company presented in this Registration Document takes into account the future conversion of the Company into a limited liability company (*société anonyme à conseil d'administration*), and more generally, the amendments to the bylaws and the new rules of governance inherent to the proposed admission to trading of the Company's shares on Euronext Paris.

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GENERAL COMMENTS

*Planisware SAS, a French simplified joint stock company (*société par actions simplifiée*), with a share capital of €346,955.00, registered at 200 avenue de Paris, 92320 Châtillon, France, under the identification number 403 262 082 (Trade and Companies Register of Nanterre), is referred to as the "Company" in this Registration Document. The terms "Planisware" and the "Group", as used herein, unless otherwise stated, refer to the Company, its subsidiaries and its direct and indirect equity interests.*

*This Registration Document describes the Group as it will exist after the transformation of the Company into a French limited liability company (*société anonyme*) as from the approval by the French* Autorité des marchés financiers *of the prospectus for the initial public offering ("IPO") of the Company's shares on the regulated market of Euronext Paris, and the adoption, as from the settlement-delivery of the shares offered in the Company's IPO on the regulated market of Euronext Paris, of the amendments to the Company's bylaws and the corporate governance rules described in Chapter 14 (Operation of the Administrative and Management Bodies) and Chapter 19 (Additional Information) of this Registration Document.*

Information on the market and competitive environment

This Registration Document contains information about the Group's markets and its competitive positions, including information on the size and growth outlook of these markets and the Group's market share. In addition to the estimates made by the Group, the items on which the Group's declarations are based come from studies and statistics of third-party organizations (see Section 1.3 "Third-party information" in this Registration Document) and from professional organizations or from data published by competitors, suppliers and customers of the Group. Some information contained in this Registration Document is publicly available information that the Group believes is reliable, but which has not been verified by an independent expert. The Group cannot guarantee that a third party using different methods to collect, analyze or calculate the data on the business segments would obtain the same results. The Group makes no commitment and no guarantee as to the accuracy of this information. It is possible that this information is incorrect or is no longer up to date. The Group makes no commitment to publish updates of this information except in the context of any legal or regulatory obligation to which it is subject.

Rounding

Certain numerical figures and data presented in this Registration Document (including financial data presented in millions or thousands and certain percentages) have been subject to rounding adjustments and, as a result, the corresponding totals in this Registration Document may vary slightly from the actual arithmetic totals of such information.

Forward-looking statements

This Registration Document contains statements regarding the prospects and growth strategies of the Group. These statements are sometimes identified by the use of the future or conditional tense, or by the use of forward-looking terms such as "considers", "envisages", "believes", "aims", "expects", "intends", "should", "anticipates", "estimates", "thinks", "wishes" and "might", or, if applicable, the negative form of such terms and similar expressions or similar terminology. Such information is not historical in nature and should not be interpreted as a guarantee of future performance. Such information is based on data, assumptions, and estimates that the Group considers reasonable. Such information is subject to change or modification based on uncertainties in the economic, financial, competitive or regulatory environments.

This information is contained in several chapters of this Registration Document and includes statements relating to the Group's intentions, estimates and targets with respect to its markets, strategy, growth, results of operations, financial situation and liquidity. The Group's forward-looking statements speak only as of the date of this Registration Document. Absent any applicable legal or regulatory requirements, the Group expressly disclaims any obligation to release any updates to any forward-looking statements contained in this Registration Document to reflect any change in its expectations or *any change in events, conditions or circumstances, on which any forward-looking statement contained in this Registration Document is based.*

Risk factors

Investors should carefully consider the risk factors in Chapter 3 (Risk Factors) of this Registration Document. The occurrence of all or any of these risks could have an adverse effect on the Group's business, reputation, results of operation, financial condition or prospects. In accordance with article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, this Registration Document presents only the main risks that impact the Group's business, results of operations, financial position, reputation and prospects as identified by the Group following an assessment of the materiality, probability of occurrence and expected magnitude of the impact of such risks, and after taking into account measures implemented to address such risks, as applicable. Furthermore, additional risks that have not yet been identified or that are not considered material by the Group at the date of the AMF's approval of this Registration Document could also have similar adverse effects on the Group's business, results of operations, financial position, reputation and prospects.

Websites and hyperlinks

References to any website or the content of any hyperlink contained in this Registration Document do not form a part of this Registration Document.

IFRS Financial Measures

*This Registration Document includes (i) the Group's condensed consolidated interim financial statements presented in accordance with IAS 34 - the standard of the international financial reporting standards ("**IFRS**") issued by the International Accounting Standards Board (IASB), as adopted by the European Union applicable to interim financial statements as of and for the six-month period ended June 30, 2023, including the six-month period ended June 30, 2022, and the related notes thereto and (ii) the Group's consolidated financial statements and the related notes thereto prepared in accordance with IFRS as of and for the years ended December 31, 2022, 2021 and 2020.*

Non-IFRS Measures

This Registration Document includes certain unaudited measures and ratios of the Group's financial or non-financial performance (the "non-IFRS measures"), such as "recurring revenue", "non-recurring revenue", "gross margin", "Adjusted EBITDA", "Adjusted EBITDA margin", "Adjusted Free Cash Flow", "cash conversion rate" (or "CCR"), "churn rate" and "net retention rate" (or "NRR"). Non-IFRS financial information may exclude certain items contained in the nearest IFRS financial measure or include certain non-IFRS components. Where presented, such information is reconciled to the nearest IFRS financial measure. Investors should not consider items which are not recognized measurements under IFRS as alternatives to the applicable measurements under IFRS. These measures have limitations as analytical tools and investors should not treat them as substitutes for IFRS measures. In particular, investors should not consider such measurements of the Group's financial performance or liquidity as an alternative to profit for the period, operating income or other performance measures derived in accordance with IFRS or as an alternative to cash flow from (used in) operating activities as a measurement of the Group's liquidity. Other issuers with activities similar to or different from those of the Group could calculate non-IFRS measures differently from the calculations adopted by the Group.

Glossary

A glossary providing the definitions of the main technical terms and financial aggregates used herein appears at the end of this Registration Document.

1. PERSONS RESPONSIBLE AND THIRD-PARTY INFORMATION

1.1 Persons responsible for the Registration Document

Pierre Demonsant, manager (*gérant*) of Olhada, President of the Company

1.2 Declaration by the persons responsible for the Registration Document

"I declare that the information contained in this Registration Document is, to the best of my knowledge, consistent with the facts and makes no omission likely to affect its import."

September 18, 2023

Pierre Demonsant

Manager (*gérant*) of Olhada, President of the Company

1.3 Third-party information

This Registration Document, and Sections 5.2 and 5.4 in particular, contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and markets. Unless otherwise indicated, such information is based on the Company's analysis of multiple sources, including market studies commissioned by the Company from Bain & Company, Inc. and information otherwise obtained from market reports published by the Project Management Institute and Harvard Business Review.

Such information has been accurately reproduced and, as far as the Company is aware and able to ascertain, no facts have been omitted which would render the reproduced information provided inaccurate or misleading; however, the Company cannot guarantee that a third party using different methods to collect, analyze or calculate data on these markets would obtain the same results.

2. PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

2.1 Statutory auditors

Mazars
Represented by Jessica Cluzeau
61 rue Henri Regnault
Tour Exaltis
92400 Courbevoie
France

Mazars is a member of *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre* (the Regional Association of Auditors of Versailles and Centre).

Appointed as statutory auditor of Planisware upon incorporation of the Company in its initial bylaws in 1995 and re-appointed as statutory auditor by decision of the General Shareholders' Meeting of June 30, 2022, for a term of six financial years, which will end at the close of the shareholders' meeting called to approve the financial statements for the year ending December 31, 2027.

KPMG
Represented by Jean-Pierre Valensi
2 avenue Gambetta
Tour Eqho
92066 Paris La Défense Cedex
France

KPMG is a member of *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre* (the Regional Association of Auditors of Versailles and Centre).

Appointed statutory auditor by decision of the General Shareholders' Meeting of September 26, 2022, for a term of three financial years, which will end at the close of the shareholders' meeting called to approve the financial statements for the year ending December 31, 2025.

2.2 Statutory auditors that have resigned

Audit Conseil France International, resigned as co-auditor on September 28, 2022, with effect from September 28, 2022.

3. RISK FACTORS

Before proceeding with an investment in shares of the Company, investors are encouraged to review all the information contained in this Registration Document, including the risk factors described below. As of the date of this Registration Document, these risks are those that the Company believes, should they occur, are likely to have a significant adverse effect on the Group or its business, financial position, results or prospects, and that are important when making investment decisions. Nevertheless, investors should note that the list of risks presented in this Chapter 3 of this Registration Document is not exhaustive and that other risks may exist or occur. These include risks that are currently unknown or whose occurrence is not considered, as of the date of this Registration Document, to be likely to have a significant adverse effect on the Group or its business, financial position, results or prospects.

Pursuant to the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and the Council, this chapter presents the principal risks that could, on the date of this Registration Document, impact the business, financial position, reputation, results or the outlook of the Group, as identified primarily in the preparation of the Group's major risk mapping conducted during the first half-year period of 2023, which assesses their criticality, that is, their seriousness and probability of occurrence, after taking into account the action plan put in place. Within each of the risk categories described below, the risk factors that the Company considers to be the most material on the date of this Registration Document (identified with an asterisk) are described first in each risk category.

3.1 Risks related to information technology, infrastructure and cybersecurity

Any breach of security measures, unauthorized access to company information or the occurrence of cybersecurity incidents could result in significant liabilities or reputational harm to Planisware or its customers and could negatively affect Planisware's ability to provide adequate services to customers.*

As a provider of software-as-a-service ("**SaaS**"), Planisware collects and processes a substantial amount of sensitive customer information (including but not limited to project data, business plans and trade secrets) on the servers hosting its various SaaS platforms. A limited number of servers in Europe, the United States and Asia are used to store all of the internal company information, including commercial data, employee data and trade secrets of Planisware and its subsidiaries.

Like other companies operating in the SaaS industry, Planisware may be subject to attempts by malicious actors to access its systems and data. These attempts include hacking, malware, ransomware, denial-of-service attacks and exploitation of internet-connected devices, among other attacks. The goal of such attacks is often to obtain unauthorized access to or acquire confidential or sensitive information, or otherwise disrupt the provision of services. Additionally, these attacks may threaten the reliability of Planisware's services and compromise the confidentiality, integrity and availability of Planisware's and its customers' systems (including information stored or otherwise processed in their systems). In addition, actions by employees, service providers, partners, contractors, or other third parties, whether malicious or in error, could affect the security of Planisware's systems and any sensitive information processed by Planisware. These actions could result in accidental or willful security breaches, incidents or other unauthorized access by third parties to Planisware's information systems. Such unauthorized access could lead to misappropriation, inadvertent disclosure or other unauthorized uses of proprietary or confidential information. While Planisware takes precautions against cybersecurity incidents, such as implementing specific security systems and taking preventive security measures, they could prove to be ineffective or fail to prevent significant security breaches.

Any breaches of security measures, unauthorized access to company information or the occurrence of cybersecurity incidents could result in substantial harm to Planisware or its customers, including, but not limited to:

- unauthorized access to the sites, networks, systems and accounts of Planisware or its customers;

- unauthorized access to, and misappropriation of, individuals' personal data or other confidential or proprietary information of Planisware, its customers or other third parties with which Planisware does business;

- disruption of services to customers or Planisware's operations;

- viruses, worms, spyware or other malware being served from Planisware's platforms, mobile application, networks or systems;

- deletion or modification of content or the display of unauthorized content on Planisware's platforms;

- interruption, disruption or malfunction of operations;

- costs relating to breach remediation, deployment of additional personnel and protection technologies and responses to resulting governmental investigations and media inquiries and coverage;

- costs relating to the engagement of third-party experts and consultants; or

- litigation, regulatory action, criminal proceedings and other potential liabilities.

Should any of these technical or cybersecurity incidents occur, Planisware's recovery protocols and back-up systems might not be completely effective to prevent data loss or leaks. Moreover, if a breach does occur, Planisware's reputation and brand could be severely damaged, its business may suffer and significant capital or other resources may be required to alleviate problems caused by such breaches.

These risks will increase as Planisware continues to expand its business and its workforce becomes distributed geographically. This is because Planisware will store and process increasingly large amounts of data and host or manage more of its customers' operations in cloud-based environments. The risks are particularly acute for customers who are industry leaders or major players in specific sectors or where customers operate in highly data-driven or data-sensitive industries. Such industries include aerospace and defense, health care, pharmaceuticals, energy, public sector services or financial services.

Because the techniques used to obtain unauthorized access to, or sabotage, IT systems change frequently and grow more complex over time, Planisware may be unable to anticipate or implement adequate measures to prevent such techniques. Furthermore, these techniques are often not recognized until launched against a target, which makes them even harder to prevent. As new threats emerge, Planisware's business policies and internal security controls may not keep pace with the changes, leaving Planisware vulnerable to new types of security breaches. In addition, it is possible that Planisware might not discover any security breach and loss of information for a significant period of time after it occurs. If a breach is discovered, Planisware might need to shut down its systems or limit customer access to its services. Such actions could adversely impact revenues or cause Planisware to breach its service agreements. In such cases, Planisware could be required to compensate customers for any damages they sustain as a result of the security breach.

Third-party security researchers sometimes identify security vulnerabilities in Planisware's systems and may publish their findings before alerting the system operator. This window of time between the announcement and mitigation allows attackers to exploit the vulnerability to gain access to Planisware's sites, networks, systems and accounts. Additionally, Planisware cannot directly control the content that its customers store, use or access on its platforms. If its customers utilize Planisware's software for the transmission or storage of personally identifiable information and its security measures are breached as a result of third-party action, employee error, malfeasance or otherwise, such breaches could violate applicable privacy, data protection, data security, network and information systems security and other laws. Such security breaches could cause significant legal and financial exposure, adverse publicity and a loss of confidence in Planisware's security measures. To prevent or address problems caused by breaches, Planisware may need to devote significant resources in the future, which could divert resources from Planisware's growth and expansion plans. Any of the aforementioned issues could have a material adverse effect on Planisware's business, results of operations and financial condition.

Planisware may experience delays or disruptions in supplies of servers or server spare parts including micro-processors, which are currently in short supply globally, or in its access to virtualization software from third parties.*

Although Planisware's servers are located in data center spaces physically leased from third parties, the Group maintains control and responsibility over its servers, from acquisition to installation and maintenance, which therefore requires the Group to actively monitor data center operations. The Group has experienced and may in the future experience delays and disruptions in the procurement of server spare parts, and any difficulty to source the necessary server spare parts (or the servers themselves) may impact its ability to operate under normal business conditions. In particular, these servers use micro-processor chips sourced from several leading global manufacturers. The global market for micro-processor chips has experienced major shortages and delays in recent years and remains strained for a variety of reasons, including continued high demand from use of information technology across various consumer and industrial segments, a lack of raw materials used in the production of micro-chips and global supply-chain constraints. There are also a limited number of suppliers of micro-processor chips and electronic components worldwide, and certain of them are located in markets in East Asia that are subject to potential disruption for geopolitical reasons (in particular the potential escalation of tensions between China and the United States). If Planisware is unable to obtain a sufficient number of server spare parts (including micro-processor chips), it may be required to re-utilize spare parts from dismantled servers in order to repair its servers or procure recycled or reconditioned servers. The re-utilized servers or spare parts may have lower performance features and may experience more disruptions than new ones.

In addition, in certain cases, the Group may rely on a limited number of suppliers, as it does, for example, for its access to virtualization software. Virtualization software (which allows individual machines to operate multiple "virtual servers") and open-source solutions help Planisware to manage access to data and to process operations based on customers' varying needs and levels of data sensitivity. The Group sources its virtualization software from a sole market-leading provider that supplies virtual machines to create software-based, or "virtual," versions of computers and processors, and this provider is also dependent on the availability of servers and other hardware in order to provide its software. Were the Group forced to switch providers for any reason or if this provider increased its prices or discontinued its services, the Group would face operational burdens in finding alternate or additional providers or potential difficulties offsetting any cost increases. This may lead to impaired service quality or service disruptions, which could increase the risk of customer churn and reputational harm, together with higher and more costly maintenance rates, any of which could have a material adverse effect on Planisware's business, results of operations and financial condition.

Failure to manage services infrastructure or software could result in real or perceived platform outages, service interruptions or performance problems (including due to errors, vulnerabilities or bugs) in Planisware's technology or software that could adversely affect Planisware's business and results of operations.

Planisware's business requires significant investments in and adequately trained people for the maintenance of its cloud-based infrastructure and software in order to sustain the continued functionality of a complex operational model capable of processing high volumes of content and data on a global scale. Despite significant resources allocated to ensure quality performance, Planisware may experience platform outages, service interruptions or performance problems that could hinder its ability to provide services to its customers. As Planisware further grows its customer base, scaling complexities and higher demand on its platforms could lead to system slowdowns or interruptions in services availability. If usage volume increases substantially, more resources may be necessary, requiring additional employees and/or contractors and the incurrence of additional costs to further expand and upgrade technology and cloud infrastructure. The rates or timing of such volume increases are unpredictable and Planisware cannot guarantee that it will be able to expand and upgrade its systems and infrastructure on a timely basis. If customers cannot access the platform or face slowdowns, it may result in the loss of customers or business partners and require contractual compensation, including payment of penalty fees or other forms of compensatory damages.

The software technology underlying and integrating with Planisware's platforms is inherently complex and may contain or cause material defects or errors. Errors, failures, vulnerabilities or bugs have occurred in the past and may happen in the future, particularly when updates are deployed or new features, integrations or capabilities are rolled out. These issues may not be discovered until after new features, integrations or capabilities have been released. Furthermore, certain technical aspects of Planisware's software or infrastructure may be more challenging or costly to scale in order to meet the needs of a larger customer base, teams and organizations, which could result in service failures or reduced performance. Any errors, failures, vulnerabilities or bugs in Planisware's platforms or mobile application or their underlying technology, whether actual or perceived, could have a range of negative consequences. These include, but are not limited to, an interruption in the availability of services, negative publicity, poor user experience, loss or leaking of personal and organizational data, reduced market acceptance, lower ratings by industry analysts (such as Gartner, Forrester and Info-Tech Research Group), a weakened competitive position, regulatory fines or claims by customers for losses sustained by them. Any of these outcomes could have a material adverse effect on Planisware's business, results of operations and financial condition.

Planisware's servers are located in colocation data centers also known as multi-tenant data centers ("**MTDC**"), which are commonly referred to as "ping-power-pipe". Planisware uses one MTDC provider (except for one data center hosted by another provider) which leases physical space to Planisware, including for racks or floor space that allow Planisware to access computers remotely ("ping") and are provided with electrical power ("power") and internet connections ("pipe"). Planisware's in-house R&D and software solutions are completely computer-based, and their effectiveness is dependent on the proper functioning of complex software and integrated hardware systems. However, such systems might not operate without interruption. Any failure by the MTDC facilities to provide the required quality of network services, power and communications ecosystem could impact Planisware's operations (e.g., deficient automated back-up or back-up cooling procedures or insufficient, out-dated, or misconfigured back-up power procedures). In addition, if the Group were forced to switch MTDC providers for any reason, Planisware's operations may be disrupted during such a transition, which could increase the risk of customer churn and reputational harm, and Planisware could incur additional costs as a result. Any of the above could have a material adverse effect on Planisware's business, results of operations and financial condition.

In addition, the hardware, software and infrastructure Planisware uses to operate critical business functions can be purchased, licensed or leased from third parties. If any of this third-party hardware, software or infrastructure becomes unavailable on commercially reasonable terms, Planisware and its customers could experience business disruptions. Furthermore, delays or complications with respect to the transition of critical business functions from one third-party product to another, or any errors or defects in third-party hardware, software or infrastructure, could result in errors or performance failures in Planisware's platforms, which could have a material adverse effect on Planisware's business, results of operations and financial condition.

Planisware relies on third-party security service providers to maintain the security of its systems and may have difficulties insuring itself adequately against cyber risks.

Planisware relies on third-party software tools to safeguard its servers and IT systems from cyber-attacks and security breaches. These include antivirus software, monitoring tools, and detection tools. Despite implementing these security measures, Planisware does not fully control the mechanisms used to maintain the security of its systems by these third parties. As a result, the Company cannot guarantee that the measures are adequate or will properly function at all times. If any of these third-party providers ceases to provide these security software or technologies, Planisware would need to quickly find an alternative provider or develop the technology in-house. Moreover, if a third-party provider changes or increases the prices of its offerings, Planisware may face cost increases, which could lead to an increase in the Company's costs of operations that it may be unable to immediately offset by a corresponding increase in the prices of its software solutions or services. In either scenario, there is a risk of operational interruptions.

While Planisware relies on third-party security systems to protect its own systems and customer data from cyber threats, the failure of these third-party systems to provide adequate protection could result in security breaches and harmful cybersecurity incidents that would impact Planisware's reputation, revenues and business prospects, as discussed above. In such a scenario, Planisware might not be in a position to remedy any such failure without assistance from a third-party provider, which could result in additional costs to Planisware and significant service delays, impacting the availability to customers of Planisware's platforms and systems. Planisware may also have to switch to another provider, which could lead to service interruptions and an increase in costs. Moreover, as the threat landscape and security responses evolve at a rapid pace, Planisware may need to engage additional or more specialized third-party providers for updates and enhancements to maintain adequate levels of security protection. This could lead to increased costs for Planisware if the fees payable to third-party providers were to rise significantly, or if there are few or no alternatives available. In the event that Planisware is unable to find alternative providers, the security of its systems may remain vulnerable and it could be subject to a higher risk of cyberattacks for an extended period of time.

In addition, given the increasing number and complexity of cyberattacks and cybersecurity risks in recent years, cybersecurity insurance plans are becoming increasingly difficult to renew on favorable terms or even at all. Insurance providers are now requiring more specific security systems or preventive security measures such as multi-factor authentication, adequate vulnerability management, security awareness training and testing, or endpoint detection and managed detection and response. Insurance premiums of such providers are rising significantly. Planisware may find it difficult to implement in a timely manner any additional security systems or measures that its insurance providers may require in order to maintain coverage. In addition, if Planisware is unable to insure itself with respect to cybersecurity risks for any reason, its business and financial condition may be adversely affected, including due to increased risk of liability and costs related to litigation or regulatory actions.

3.2 Risks related to Planisware's business and operations

Planisware's significant growth in recent periods may not be indicative of future growth prospects, particularly if its growth strategies do not succeed as anticipated.*

Planisware has grown significantly in recent years. In the six months ended June 30, 2023 and the years ended December 31, 2022, 2021 and 2020, Planisware recorded total revenues of €72.6 million, €132.1 million, €107.7 million and €91.9 million, respectively, and profit for the period of €18.7 million, €31.6 million, €27.1 million and €20.1 million, respectively. This growth rate may be difficult to sustain. Moreover, this growth is subject to a variety of risks and any future growth is subject to certain assumptions, and the growth projections or forecasts in Planisware's business plan (see Chapter 10, "*Trend Information*" and Chapter 11, "*Profit Forecasts or Estimates*") are subject to missed expectations, miscalculations or other shortfalls. In particular, the project management software industry is rapidly changing and Planisware's future growth and success depend critically on widespread acceptance and use of Planisware's software. Any future growth and revenue projections also depend on a great number of factors, including, but not limited to, the ability of Planisware to:

- identify and mobilize sufficient human and operational resources;
- adapt operational processes as well as reporting and internal control procedures to meet evolving goals and risks;

- track and analyze verifiable industry and operational data when making business decisions;
- grow and expand usage within organizations and sell additional subscriptions;
- effectively price various subscription plans and services;
- deploy sales and marketing strategies in a cost-effective manner;
- increase awareness of the Planisware brand on a global basis;
- expand platform features and capabilities;
- provide high quality customer experience and customer support;
- maintain the security and reliability of technology, infrastructure and software;
- successfully compete against established companies and existing software tools, as well as new market entrants;
- control costs to account for macro-economic conditions, including rising interest rates and inflation; and
- comply with existing and new applicable laws and regulations.

In addition, the Group may consider value-creating acquisitions in order to generate additional revenue growth or to obtain access to technology, trade secrets or personnel. Planisware has made one external acquisition in the past, in 2018 of Network Quality Intelligence and its "Orchestra" project management software, in order to penetrate the mid-size project management market and enhance its rankings with industry analysts. The Group may continue to pursue this type of opportunistic external growth, and in the context of such acquisitions, the Group may encounter difficulties, such as the unanticipated costs or delays associated with integration of new companies, software or products, incorrect assumptions included in the business plans of the acquired companies in terms of synergies or business performance and, more generally, legal constraints and liabilities that were unforeseeable or not adequately assessed during the due diligence phase of the acquisition. Acquisitions may also result in the recording of "goodwill" on the Group's balance sheet (such as the €15.5 million of goodwill—subject to a negative impact of €0.8 million due to exchange rate fluctuations—recorded on the Group's balance sheet at June 30, 2023 following its acquisition of the remaining equity stake in IFTP KK in May 2023) and the attendant risk of goodwill impairment charges in future periods. In general, the expected benefits of future or completed acquisitions may not materialize within the expected timeframe and at the expected levels, or at all. The Group may also acquire companies to access technologies, intellectual property or other products or features, without an accurate view of the expected investment return and financial benefits from such acquisitions in the short term.

Any failure to manage any of the above risks could limit Planisware's future revenue growth. In addition, Planisware's operating expenses may increase due to business initiatives and growth strategies in the future without such increase necessarily leading to corresponding revenue growth. In such a case, Planisware's profitability would be materially adversely affected.

As Planisware's business depends on a strong brand and sustained market recognition, the failure to maintain and enhance its branding and its rankings with industry analysts may lead to loss of customers or restrain customer acquisition, which would harm Planisware's business, results of operations and prospects.*

Planisware's brand has been developed over many years of operations in the project management industry and has contributed both to its business success and its market recognition. As such, maintaining and enhancing the "Planisware" brand is critical to expanding the Company's customer base and establishing and maintaining relationships with third-parties, business partners and integration partners. For instance, the Company's sales and marketing expenses represented €13.0 million, €21.8 million and €18.0 million for the six months ended June 30, 2023 and the years ended December 31, 2022 and 2021, respectively. Successful promotion of the Planisware brand will depend largely on the effectiveness of sales and marketing efforts and on the continued ability to ensure that Planisware software remains high-quality, reliable and useful at competitive prices and maintains its high rankings and favorable reviews from popular third-party industry analysts, such as Gartner, Forrester and Info-Tech Research Group. While Planisware is ranked within the Gartner Magic Quadrant and has received awards from Gartner, Forrester and Info-Tech Research Group in recent years (Info-Tech Research Group in 2023 as PPM leader and 2022 for quality customer service, Forrester in 2021 for leading project management solutions and Gartner in 2023 for leading adaptive project management and reporting tools that automate delivery based on data-driven decisions), any rating downgrade or removal from these rankings could materially impair the Group's reputation and market visibility. These industry analysts could also change their ratings criteria or downgrade Planisware if they determine at any given time that Planisware's offerings or market presence are lacking (or for any number of other reasons), any of which are events that are not foreseeable and would require Planisware to allocate increased costs and efforts to retain marketable rankings. Ratings downgrades by such industry analysts in the past have been correlated with a reduction in new customers and overall revenues for Planisware, and any ratings downgrades or negative reviews in the future could damage Planisware's brand and thereby have a material adverse effect on Planisware's business, results of operations and prospects.

In addition, Planisware has been recognized by customers for its strong information security management system implemented according to ISO/IEC 27001 standards for risk management, cyber-resilience and operational excellence. ISO/IEC 27001 is the world's leading standard for information security management systems and holding this certification demonstrates to customers that the Group is committed and able to effectively manage information systems securely and safely. Continued issuance of this certificate, which must be renewed every three years, imports a degree of trust and confidence in a highly tech-dependent industry such as Planisware's, and any loss of such certification could damage Planisware's brand and reputation and negatively impact its business and results of operations. As the project management market becomes increasingly competitive, maintaining and enhancing branding and adequate ranking may become more difficult and expensive. As such, maintaining and enhancing the Planisware brand may require substantial investments on the Company's part and these investments may not be successful. If Planisware fails to promote and maintain its brand, or if seeking to do so results in excessive costs, Planisware's business, results of operations and financial condition would be adversely affected.

Adverse or weakened general economic and market conditions may reduce customers' spending on IT solutions and R&D or increase Planisware's operating costs, which could diminish the value of the Group's subscription-based revenues from fixed-price contracts and thereby negatively impact Planisware's business, results of operations and financial condition.*

Planisware's revenues and cash flows are directly linked to the overall demand for and continued use of its solutions. In weak economic conditions or times of market uncertainty, organizations of all sizes will be less inclined or able to increase spending on IT, new products or additional services. Macroeconomic issues, such as current concerns about the systemic impact of a recession (in Europe, the United States and globally), energy costs, geopolitical issues or the availability and cost of credit could lead to increased market volatility, decreased consumer confidence and diminished growth expectations in the economies in which Planisware operates. As an example of current macroeconomic growth forecasts, the International Monetary Fund ("**IMF**") stated in July 2023[2] that it expects the global economy to grow at a rate of 3.0% both in 2023 and 2024 (down from 3.5% in 2022). The Eurozone is expected to grow at 0.9% and 1.5% in those respective years (down from 3.5% in 2022). The IMF has also stated that it expects global inflation to be 6.8% in 2023 and 5.2% in 2024 (compared

[2] International Monetary Fund, World Economic Outlook, July 2023.

to 8.7% in 2022). This in turn could negatively affect the rate that organizations spend on IT solutions and work management software, and reduce Planisware's current and potential customers' ability or willingness to renew or upgrade their subscriptions or purchase additional features or options. Some customers may view a subscription to project management software as a discretionary purchase and may reduce their discretionary spending during an economic slowdown or downturn. In addition, weak economic conditions can result in customers seeking to utilize free or lower-cost information, services or resources that are available from alternative sources or competitors. Prolonged economic slowdowns may result in requests to renegotiate existing contracts on terms less advantageous to Planisware than those already in place, payment defaults on existing contracts or non-renewals at the end of contract terms. The Group's sales cycle, already relatively extended due to the strategic nature of such investments for its customers, could be drawn out further.

Local, regional or global economic conditions may be negatively affected by tighter credit markets, higher unemployment, higher interest rates, higher inflation, financial market volatility, government austerity programs, negative financial news, escalations of hostilities or the threat of hostilities, armed conflicts, pandemics, declining valuations of investments and other factors. Geopolitical trends toward nationalism and protectionism and the weakening or dissolution of international trade pacts may also increase the cost of, or otherwise interfere with, Planisware's business in the geographic segments in which it operates. Any such trends are inherently unpredictable and may increase the volatility of global financial markets and harm Planisware's business. Any of the foregoing can lead to uncertainty regarding economic conditions that may negatively impact Planisware's revenues as certain customers may respond by deferring spending or postponing key projects and infrastructure plans. In addition, the foregoing factors could adversely affect Planisware's expenses and profitability. For example, in inflationary periods, Planisware will have limited ability to control its labor costs when employees demand higher salaries while revenues generated from customer subscriptions will not necessarily offset these higher labor costs, as the majority of multi-year contracts currently in place do not contain annual fee increases, any form of price indexation provisions or the right to renegotiate subscription fees before renewal. Similarly, as general costs increase in inflationary periods, Planisware's profits will be reduced if it cannot encourage the renewal of contracts at higher prices or secure contracts with new customers to offset increased costs. Moreover, adverse or weakened economic conditions reduce the available resources dedicated by customers to their IT and general expenditures, which could result in the loss of customers or the inability on Planisware's part to attract new customers or otherwise execute its growth plans. As such, changes in economic conditions could result in the failure to meet projected revenues or growth objectives for sustained periods of time.

Ineffective management of growth and in particular inability to continue providing high quality service to customers may harm Planisware's competitiveness and thereby its business prospects and results of operations.

Customer support is a crucial aspect of Planisware's business. Despite designing its platforms to be user-friendly, customers often require technical advice and consulting to ensure effective adoption and integration of Planisware's software into their existing enterprise solutions. Planisware often collaborates with third-party technical experts or consultants to provide customer service to its users. Although Planisware maintains internal controls and contractual protections to ensure quality customer service, customers might not be satisfied with the level of services rendered. This could be due to actual or perceived performance results connected to the use of Planisware's solutions. High-quality customer education and experience are critical to the adoption and retention of important accounts. Planisware's customers rely on ongoing hosting and advisory services provided by Planisware to resolve issues and respond to customer inquiries, either directly or through third-party work management experts.

As Planisware grows, there is a risk that its workforce or its third-party consultants may not effectively manage increased customer support workloads. This could result in lower quality customer service, and Planisware or its third-party partners may not be able to respond quickly enough to accommodate short-term increases in customer demand for support services. High-quality customer experience is increasingly important as Planisware's global reach expands. For example, if Planisware's customer support teams cannot quickly resolve issues and provide effective ongoing user experience at the user, team and organizational levels, opportunities to upsell or cross-sell current customers would be diminished and Planisware's reputation vis-à-vis current or prospective customers could be harmed. As the successful growth of Planisware in new markets and regions depends largely on brand name and business reputation, any failure to maintain a high-quality customer experience or market perception of quality products and services would diminish Planisware's ability to increase its customer base.

Increased demand for software support and maintenance services could lead to increased costs and yet not generate revenue growth to the same extent, which could negatively impact Planisware's operating results. As technology evolves, and the market for project management software expands, technical experts and customer support members will need to master increasingly complex platform features and help customers apply them in a wider variety of business contexts. Planisware may also face challenges in modifying the nature, scope and delivery of product support to compete with changes in product support services provided by its competitors.

The growth and expansion of Planisware's business and platform may place significant strains on management, operational and financial resources. As the Company expands its operations and reaches a larger global customer base, there will be an increasing need to provide efficient and high-quality customer support that meets the needs of users and organizations at scale. This imposes additional pressures and complexities on Planisware's network of customer support specialists, technical experts and consultants.

Because Planisware's business model requires effective relationship management with various strategic partners, customers and other third parties, any failure to devote adequate attention or resources to these relationships could harm the quality of Planisware's service and product offerings. Any failure to maintain a high-quality customer success and support organization, or negative market perceptions of Planisware's customer support, could harm the Company's reputation, its ability to sell to existing and prospective customers and its business prospects.

If Planisware fails to anticipate product demand and secures fewer new customers or difficulties to upsell, cross-sell or retain existing customers, its business prospects and operating results may be adversely affected. *

Planisware's continued success and growth largely depend on securing new customers and both expanding business with and retaining existing customers. In the latter respect, the Company seeks in particular to cross-sell existing customers with additional features and services for its project management solutions, and to upsell existing Orchestra customers to Enterprise and upsell Enterprise's existing customers. It faces headwinds in the latter respect, however, due to the intense competition among project management software providers in the medium-sized businesses ("**MSBs**") sector and hence the choice available to Orchestra subscribers who require increased scalability when reaching more mature phases in their enterprise development.

Moreover, as project management software continues to evolve and improve, organizations may experience lower switching costs and thus have less incentive to extend contracts with a particular provider if they are offered more attractive alternatives, either in terms of price, quality or brand name. In addition, subscription fees for Planisware Enterprise are often higher than the competition, which can make it more challenging to upsell existing customers and secure new contracts. These factors may limit Planisware's growth prospects.

Contract retention for large customers is crucial for Planisware's growth plans, as the sale of Planisware Enterprise is the main driver of the Company's profitability. While Enterprise customers sign up to subscription contracts (typically for SaaS subscription agreements ranging in term from one to five years (with automatic renewal thereafter if not terminated), there is no guarantee that they will renew their subscriptions. In addition, customers may have the right to terminate services at any time during the contract's term with limited prior notice, subject in certain cases to scheduled termination fees. See

Section 5.5.6.4, "*Business—Presentation of Planisware's Business—Customers and marketing—Customer Contracts*". To achieve its development goals, Planisware depends on its customers, particularly Enterprise subscribers, to renew or upgrade their agreements when their contracts expire. Planisware is therefore subject to customer churn risk. While the churn rate has decreased in recent years, this trend might not continue. When their subscription periods end, customers have several options, such as renewing their existing subscriptions, upgrading or downgrading their subscriptions, modifying user rights, switching from perpetual licensing to SaaS or from Orchestra to Enterprise, or ceasing to use Planisware solutions entirely. Even if a customer renews its subscription, Planisware may not succeed in negotiating price increases that would adequately offset risks associated with reduced margins, including those stemming from rising interest rates, inflation and other external factors that could require the Company to increase spend per customer.

Customers may also modify their user rights and product options during the course of a contract's term. As revenue growth depends to a large extent on customer renewals, product upgrades and cross-sales, Planisware's CSMs and account managers work with customers on an ongoing basis to determine how subscriptions can be adapted to the particular customer's business goals and project management needs. Planisware's sales and marketing strategies might not work as anticipated, however, to maintain its existing customer base, upsell or cross-sell existing customers, attract new customers or penetrate new markets or segments. Current customers may choose to terminate their contracts prior to expiration, not renew them or downgrade them upon renewal due to several factors, including dissatisfaction with prices, features or performance relative to competitive offerings, reductions in customers' spending levels due to internal or macro-economic reasons or limited internal adoption of the software (as shown for example by unused user licenses). Any of the above could harm Planisware's competitiveness and its ability to achieve more widespread market acceptance of its solutions and services offerings, which would have a material adverse effect on Planisware's business, results of operations and financial condition.

Planisware had a net retention rate ("**NRR**") of 121% and 125% and a customer churn rate of 1.4% and 1.6% in the years ended December 31, 2022 and 2021, respectively. See Section 7.4.2.2, "*Non-Financial Key Performance Indicators*", for descriptions of the calculation methodologies for NRR and churn rate. Planisware might not be able to sustain similar levels of customer retention or churn in the future. Any decrease in customer retention rates or increase in customer churn rates would have a material adverse effect on Planisware's business, results of operations and financial condition.

Any failure to develop new products and enhancements to its software that address market demand and keep pace of technological developments will harm Planisware's business and results of operations.

Planisware's ability to attract new customers and increase revenue from existing customers depends largely on its ability to enhance and improve its existing products and services, as well as to introduce new and compelling products or product features that reflect the changing nature of the project management industry and markets in which organizations operate. The success of any product enhancement depends on several factors, including completing the development and delivery on time, competitive pricing, quality testing, integration with existing technologies, recognition by third-party industry analysts and market acceptance. If Planisware is unable to successfully develop new products and services, enhance its existing products to meet customer requirements, maintain its industry analyst rankings or otherwise gain market acceptance, its business, results of operations and financial condition would be negatively affected. Additionally, any new product, feature or service that Planisware develops may not be introduced to customers in a timely or cost-effective manner, may contain bugs or not work as intended, or may not achieve the necessary market acceptance or recognition to generate significant revenue or recover the investments made to develop them.

A substantial portion of Planisware's revenues is, and is expected in future to be, derived from recurring revenue streams, and as between its two software solutions, fees collected from subscriptions to Enterprise, and any failure to sustain and grow these significant revenue streams could harm Planisware's business.

A substantial portion of Planisware's revenues consist of revenues derived from fees related to SaaS subscriptions, software support services and maintenance services, which Planisware considers to be of a recurring nature. Such revenues accounted for 76.3% and 83.1% of the Group's revenue with customers in 2021 and 2022, respectively, while sales of perpetual licenses and implementation services (which are non-recurring in nature) accounted for 23.7% and 16.9% of the Group's revenue with customers, respectively. Although sales of perpetual licenses have been declining as a percentage of total revenues in recent years, if Planisware fails to increase the proportion of its recurring revenues or if it becomes more dependent on customers who prefer the perpetual licensing model, its results of operations and financial condition would be materially adversely affected. Factors that could result in a decline in recurring revenues include, on the part of customers, lower demand for, competitive alternatives to or fewer expenditures allocated to SaaS and related support services (generally or vis-à-vis Planisware's products specifically), and on the part of Planisware, any failure or inability to attract or retain customers due to lack of product enhancements, ineffective management, customer service deficiencies, lower analyst rankings, damage to its brand or other operational factors.

Of its recurring revenues, subscription fees from Planisware's product solutions (Enterprise and Orchestra) comprise a significant part, and a substantial portion of Planisware's subscription-based revenues are derived, and in the future are expected to be derived, from Enterprise. As of December 31, 2022, the average recurring revenue per customer ("**ARRPC**") subscribing to Enterprise was approximately €450,000 whereas the ARRPC for Orchestra was €40,000. The continued growth in market demand for and market acceptance, including international market acceptance, of Enterprise is critical to Planisware's growth plans and continued revenue generation. In addition, although Planisware seeks to upsell Enterprise subscriptions to current Orchestra customers, there is no guarantee that Orchestra customers will decide to upgrade to Enterprise for sustained periods, if at all, due to intense competition and low switching costs. Enterprise's subscription fees are substantially higher than many of its comparable competitors, which makes upselling existing Orchestra customers particularly difficult should they decide to upgrade. Moreover, Planisware cannot guarantee that new features, integrations and capabilities on Enterprise, or the price at which they are offered, will be competitive or accepted by existing or potential customers. Demand among existing and potential customers for Enterprise is also affected by a number of factors beyond the Company's control, such as the rate of market adoption of solutions, the timing of development and release of competing new products, the development and acceptance of new features from competitors, price changes by competitors, technological changes and developments within the project management market and general economic conditions and trends. In addition, some current and potential customers, particularly larger organizations, may develop or acquire their own tools or continue to rely on traditional tools and software for their solutions, which would reduce or eliminate their demand for Planisware's platforms. If Planisware is unable to meet the demands of organizational clients, keep pace with trends in preferences for software solutions or achieve more widespread market acceptance of its Enterprise solution, or if demand for its solutions declines, its business, results of operations and financial condition would be adversely affected.

Planisware must ensure that its platforms interoperate with a variety of software applications that are developed by others, including existing integration partners, and failure to do so may make Planisware less competitive and adversely affect its business and results of operations.

Planisware's software depends on integrations that allow organizations to connect, sync and extend their existing business applications across their workflows. As of December 31, 2022, Planisware offered connections to common productivity applications (such as Google Workspace, Microsoft Office 365, Microsoft Teams and Adobe Acrobat), systems of record (including Salesforce, SAP and Oracle) and a number of open application programming interfaces ("**APIs**") (such as Jira Software, various SAP

APIs and Azure DevOps). These integrations are essential to optimal user experience and continuity of business applications when using Planisware. As such, Planisware's platforms must be continuously modified and enhanced to adapt to changes and updates in hardware, software and browser technologies to ensure integration with a variety of third-party products. The integration of Planisware with third-party applications relies in particular on the use of APIs, which permit external and internal applications and services to communicate with each other to perform or complete tasks and requests, and if unavailable or discontinued, could jeopardize the functionality and diminish the value of Planisware's solutions or its full integration into other applications. Providers of software systems allow access to their APIs to enable integrations with Planisware under standard terms and conditions which govern the distribution, operation and fees of such software systems, and which are subject to change by such providers from time to time. An API outage could also arise independently of software systems providers' control and result in service disruptions, which in turn, depending on the API's functionality, could result in minor inconveniences or business-disrupting events for Planisware's software integration. Planisware's business will be harmed if any API outages occur or any provider of such software systems discontinues or limits access to its software or APIs, modifies its terms of service or other policies (including fees charged or restrictions on use), changes how information is accessed on their systems, establishes more favorable relationships with Planisware's competitors or develops or otherwise favors its own competitive offerings over Planisware's.

Moreover, Planisware cannot ensure that its efforts to modify or enhance its software will keep pace or compatibility with constantly evolving third-party services and products. In addition, competitors may be able to disrupt the operations or compatibility of Planisware's platform with their products or services, or exert strong business influence on compatibility or terms under which their products interoperate with Planisware's. In the event that Planisware's integration partners and third-party software providers modify their products or standards in a manner that degrades the functionality of Planisware's platforms or gives preferential treatment to competing products or services, whether to enhance their competitive position or for any other reason, the interoperability of Planisware's platforms with these products could be materially diminished and Planisware's business would be harmed. Any loss of interoperability, whether due to actions of third parties or otherwise, and any changes in technologies that degrade Planisware's functionality could negatively impact adoption and usage of Planisware's platforms, which would make Planisware less competitive and adversely affect Planisware's business and results of operations.

Failure to maintain and expand sales strategies and marketing efforts in ways that lead to corresponding increases in sales revenue would negatively impact Planisware's revenue growth.

Planisware's continued growth is dependent on the successful execution of short- and long-term sales strategies, within its existing customer base and the broader market. Planisware uses direct sales efforts to key organizational customers and system integration partners, complemented by a focus on customer service and support. To implement its sales and customer support initiatives, Planisware relies on a workforce of sales professionals, customer success managers, account managers, dedicated training instructors and third-party consultants. Planisware has expanded these teams and increased sales efforts on a global basis and continuing to do so will be necessary to achieve Planisware's growth plans. From 2020 to 2021, Planisware's sales and marketing expenses increased by 27.2%, while from 2021 to 2022 these expenses increased by 21.3%. See Section 7.5, "*Results of operations*". The additional spending in these periods consisted mainly of an increase in direct sales efforts and personnel expenses related to its salesforce. The benefits, if any, of these increased sales expenditures may not be realized for a significant period of time, or at all.

Continuing sales and marketing efforts will require investments and expenditures on an ongoing basis and other resources to train and grow Planisware's global workforce, to develop various early-stage processes from proof-of-concept to prototype and minimal viable product and to work closely with its third-party providers of expert IT and consulting services. In addition, Planisware allocates a portion of its sales expenses to offering customers free trials, limited free versions or affordable starter licenses for its solutions, but there is no guarantee that Planisware will realize the benefits of such strategies.

Such strategies, investments and expenditures may not achieve increased subscriptions or anticipated revenue growth due to any number of factors including inability to hire, develop and retain talented sales and customer service personnel, failure of sales and customer service personnel to achieve desired productivity levels in a reasonable period of time, intense competition for educated personnel with requisite skills and expertise as well as factors that may be outside Planisware's control. If Planisware's sales and marketing efforts generate increases in revenue that are smaller than anticipated, or if they do not succeed in attracting and retaining customers, Planisware's ability to increase its customer base, effectively implement its upselling strategy and achieve broader market acceptance of its services could be harmed, and it may not achieve its revenue growth objectives, which would adversely impact its profitability and business prospects.

The loss of one or more key persons, in particular of any of the co-founders (Pierre Demonsant, Yves Humblot and Matthieu Delille) would harm Planisware's business.

Planisware's success depends largely upon the continued services and performance of its senior management and other key persons, including the services provided by Olhada, the holding company controlled by the co-founders. However, there may be changes to the senior management team due to the hiring or departure of executives and key employees, which could disrupt business operations. Planisware currently employs senior management and key employees on an at-will basis and currently does not have "key person" insurance for any of its employees.

The loss of key persons and/or the termination of the services agreement with Olhada and/or the loss of any of the co-founders (Pierre Demonsant, Yves Humblot and Matthieu Delille), or the loss of any other key members of management, product design, product development or sales teams, would cause disruptions in Planisware's operations and negatively impact its ability to grow the business. Such disruptions would have a material adverse effect on Planisware's business, results of operations and financial condition.

Planisware's ability to attract and retain highly qualified personnel in extremely competitive markets and to maintain a workplace culture of high-quality performance are key factors in executing its business strategy and growth plans.

Attracting and retaining highly qualified personnel are key factors for the success and execution of Planisware's business strategy and growth plans. The competition for executive officers, software engineers, sales personnel and other key personnel in the project management industry, particularly in the regions where Planisware's offices are located, is increasingly intense. Recruiting efforts may become more challenging as Planisware expands into new markets and geographic segments. The Group aims to achieve a balanced representation of women and men in its highly qualified personnel. However, recruiting women in the engineering industry remains a challenge due to their underrepresentation in related education fields and careers in science, technology, engineering and mathematics.

The incentives to attract, retain and motivate employees provided by any equity awards, as may be implemented from time to time, or by other compensation arrangements, may not be effective and comparable competitors may have greater resources to attract new talent. Recruiting efforts may also be limited by laws and regulations, such as restrictive immigration laws and restrictions on travel or availability of visas (as was the case during the Covid-19 pandemic).

In addition to its recruitment efforts, Planisware places an ongoing emphasis on strong corporate values and workplace culture as critical components of employee satisfaction and organizational success. Over the years, Planisware has invested substantial time and resources into building collaborative teams with an emphasis on shared values and a commitment to diversity and inclusion. However, in the process of growth and development that accompanies being a public company, Planisware's workplace culture will be more difficult to maintain among a larger number of employees dispersed in various geographic regions. Any failure to preserve the common values and established workplace culture could negatively affect Planisware's future growth and business prospects. This includes the ability to retain and recruit personnel and to effectively focus on and pursue growth strategies. If Planisware fails to attract excellent personnel or retain or motivate existing personnel in a workplace culture that contributes to high quality performance and successful business outcomes, it may be unable to innovate quickly enough to support its business model or grow effectively, which would adversely affect its business prospects. (See Section 5.9, "*Environmental Policies, sustainability and ESG aspects*", of this Registration Document.)

A portion of Planisware's sales and marketing relies on traditional web search engines to direct traffic to its website and if its website fails to rank prominently in unpaid search results, traffic to Planisware's website could decline which could adversely affect business prospects.

Planisware's success in marketing to new clients depends in part on attracting customers through unpaid internet search results on traditional web search engines such as Google, social media websites such as LinkedIn and web directories or similar websites that act as starting points for market research on software and related use cases. The extent to which customers or users gain access to Planisware's website from such search engines, social media or web directories is due in large part to how and where Planisware's website ranks in unpaid search results in these forms of online media. These rankings may change frequently and can be affected by a number of factors, many of which are outside the Company's control. For example, a search engine may change its ranking algorithms, methodologies or design layouts which may result in diminished prominence of Planisware's website in search results and reduced website traffic. Planisware may not be able to anticipate or be aware of such changes or otherwise be in a position to influence the results. Any reduction in the number of potential customers and users directed to Planisware's website could reduce revenues or require greater sales and marketing expenditures.

Planisware's sales cycles can be lengthy and variable, which may cause changes in its operating results.

Planisware's sales cycle can vary substantially from customer to customer. Various factors influence the length and variability of Planisware's sales cycles, including, for example:

- the need to educate potential customers about the uses and benefits of Planisware's software, features and mobile application;
- the duration of the commitment customers make in their agreements with Planisware, which are typically one to five years;
- the discretionary nature of potential customers' purchasing and budget cycles and decisions;
- the competitive nature of potential customers' evaluation and purchasing processes;
- the functionality demands of potential customers and the corresponding impact on the length of the initial implementation phase of Planisware solutions (which can range from several weeks to many months);
- fluctuations in the project portfolio management needs of potential customers;
- the announcement or planned introduction of new products by Planisware or its competitors; and
- the purchasing approval processes of potential customers.

Planisware's sales cycles can make it difficult to predict the quarter in which revenue from a new customer may first be recognized. As Planisware's sales cycles depend on many factors specific to internal policies and operations of its potential customers, the Group cannot predict the length of its sales cycle for such customers, which is also impacted by external factors, such as economic conditions, that could adversely impact customers' spending levels. For example, acquisition of Planisware's solutions is often a strategic decision for its prospective customers impacting their internal organization, which leads to likely lengthy purchase decision-making processes. In addition, Planisware may incur significant sales and marketing expenses and invest significant time and effort in anticipation of a sale that may never occur or only occur in a smaller amount or at a later date than anticipated. As such, delays inherent to Planisware's sales cycles could cause significant variability in Planisware's reported revenues and operating results for any particular period.

Planisware relies on third parties that maintain open marketplaces to distribute its mobile application and any interference by such third parties with the distribution of the mobile application would adversely affect Planisware's business.

Planisware relies on third parties maintaining open marketplaces, including the Apple App Store and Google Play, which make Planisware's mobile application available for download. Such marketplaces might not maintain their current structures or such marketplaces might charge fees to list Planisware's application for download. Planisware is also dependent on these third-party marketplaces to enable timely updates to the mobile application and the incorporation of new features, integrations and capabilities. In addition, the companies that own and manage the marketplaces on which Planisware depends could for competitive or other reasons discontinue access to Planisware's mobile application through their products, allow access at unsustainable costs or make changes to the terms of access in order to make Planisware's mobile application less desirable or harder to access. Any of the above risks, should they occur, could harm Planisware's business and competitive position.

Catastrophic events may occur in key locations and disrupt Planisware's business.

Planisware operates, or has data centers hosting its solutions located in several locations that are prone to natural disasters such as earthquakes, hurricanes and tsunamis (including business operations in California, New York, Japan and Singapore and data centers in Arizona), where physical properties and data centers could be damaged or become inaccessible due to extreme climate events or weather conditions. The Group's servers are located in various data centers, spread across a wide range of geographical areas exposed to the risks of the occurrence of natural disasters, including earthquakes (e.g., Arizona) and flooding or other extreme weather conditions (e.g., Singapore), which could prevent access to the premises or lead to their destruction. Such natural disasters or other catastrophic events could cause damage to Planisware's operations, interrupt services, harm its reputation and lead to delays in software development, data breaches, and loss of critical data. Additionally, other catastrophic events such as fires, power loss, telecommunications failures, cyber-attacks, wars or terrorist attacks, may also disrupt Planisware's operations under normal business conditions. Any of these disruptions could have a material adverse effect on Planisware's business, results of operations and financial condition.

Planisware relies on various systems, including network and third-party infrastructure, as well as internal technology systems and websites, to support its development, marketing, operational support, software support services, and sales activities. If any of these systems were to fail or be negatively impacted as a result of a natural disaster or other event, Planisware's ability to deliver products to its customers would be impaired. Even if Planisware has developed business continuity and disaster recovery plans, and even if these plans were to be successfully executed, there could still be disruptions that were not accounted for, and the plans may fail to achieve their goals of ensuring that business functions continue to operate during and after a disaster. Any inability to manage the fallout from natural disasters could adversely affect Planisware's business operations and financial condition.

3.3 Risks related to Planisware's market and competitive position

High levels of competition in the project management industry in which Planisware operates pose an ongoing threat to the success of its business.*

The market for project management solutions is increasingly competitive and subject to rapidly changing technology, concentration of providers, shifting users, new market entrants and frequent introductions of new products and services. As of 2022, the project management market for large providers was relatively consolidated with the top four companies (MS Project, Atlassian, Oracle Primavera and Planview) representing more than 50% of the serviceable addressable market in terms of total revenues. Although Planisware's service strengths focus on industries requiring high levels of R&D, it considers itself a competitor among a wide range of companies from large and diversified providers with significant spending resources to smaller companies that address niche market segments, and in the future there will likely be an increasing number of additional competitors offering product alternatives. In order to remain competitive in the markets it serves, Planisware must continually innovate and adapt its offerings to rapidly changing customer requirements.

Planisware's software and certain key product features compete in particular with current or potential products and services offered by Atlassian, Smartsheet, Sciforma, Planview, Sopheon, ServiceNow and others. Competition exists also from large players such as Google and Microsoft that provide productivity solutions including spreadsheets and email that have traditionally been used for work management. While Planisware currently collaborates with integration partners such as Adobe, Google and Microsoft, these integration partners may develop and introduce, or acquire, products that directly or indirectly compete with Planisware's platforms. These large companies may also become direct competitors of Planisware, or otherwise acquire significant market share, through consolidation of existing and market-leading solutions in specific segments of the project economy and expansion of their existing solutions. For example, in 2020 Adobe acquired Workfront, a company whose product and service offerings compete with Planisware's. Similarly, in 2021, Planview acquired Clarizen and Changepoint and thereby significantly expanded its product offerings. In a highly competitive field, Planisware must convince customers and stakeholders that its platform is superior to other technologies and market entrants. Some competitors may have greater name recognition, more established customer bases, greater investment capacity, more dominant products in specific market segments and more affordable or niche offerings. As a result, competitors may be able to leverage their relationships with distribution partners and customers based on other products or incorporate functionality into existing products to gain business in a manner that discourages users from subscribing to Planisware, including by selling at zero or negative margins or by using product bundling. In addition, any new or changing market opportunities, technologies, standards, project management methodologies or customer requirements may lead to significant competition to develop new solutions to meet these demands and Planisware's competitors may respond more quickly and effectively in offering new solutions or features. Although Planisware invests heavily in R&D in striving to stay at the forefront of innovation and remain competitive, its product and service offerings might not be offered at competitive prices or meet consumer demand.

Timing is also an important factor with respect to innovative technologies, as time-to-market and effective roll-outs may affect revenue growth. Planisware could lose customers if competitors consolidate, introduce new collaborative work management products, add new features to their current product offerings, acquire competitive products, reduce prices or provide products and services for free, form strategic alliances with other companies, deploy more effective sales and marketing strategies or greater financial, technical and other resources or are acquired by third parties with greater available resources. Increasing competition leads to significant risks that competitors' products or services might be more widely adopted, brought to market sooner or at more competitive prices and include more desirable technological capabilities, any of which would harm Planisware's business, operating results and financial condition. Any one of these competitive pressures or Planisware's failure to compete effectively, may result in price reductions, fewer customers, reduced revenues and loss of market share.

Planisware's long-term growth depends in part on continuing to expand into international markets, both in new and in its existing geographies, on a profitable basis.

Planisware maintains 14 offices worldwide and operates through its parent company in France and its five operating subsidiaries in the United States, Germany, the United Kingdom, Japan and France. Its three principal geographic segments consist of the North America (44% of total revenue with customers in 2022), Europe (51% of total revenue with customers in 2022) and Asia-Pacific and Rest of World (5% of total revenue with customers in 2022). A key element of Planisware's growth strategy is to enter new geographic markets and to expand profitably in the countries where it already operates.

Operating globally requires substantial resources, demands attention from management and increases risks related to regulatory, economic, geographic and political conditions. Examples of risks affecting international operations include, but are not limited to:

- new, or changes in existing, regulatory requirements, tax laws, trade laws, tariffs, import and export restrictions and quotas, custom duties, restrictions on foreign investments, sanctions regimes and other trade barriers or protection measures;

- health or similar issues, including epidemics or pandemics such as the Covid-19 pandemic;

- costs of localizing Planisware's platforms and services, including translation into foreign languages and adaptation for local culture, practices and regulatory requirements;

- lack of or delayed acceptance of localized versions of platforms and services;

- difficulties in and costs of staffing, difficulties in managing and staffing international operations, including the proper classification of independent contractors and other contingent workers, differing employer/employee relationships and compliance with local labor and employment laws and customs;

- potentially adverse tax consequences, including complexities of foreign value added tax (or other tax) systems, restrictions on repatriating earnings and issues relating to corporate operating structure and intercompany arrangements;

- reduced or varied protection for intellectual property rights or practical difficulties of enforcing intellectual property rights in countries with varying laws and standards;

- the ongoing uncertainty, difficulty of and burden and expense involved with, compliance with shifting global privacy, data protection and cyber and information security laws and regulations, such as the General Data Protection Regulation 2016/679 ("**GDPR**") and related cross-border data transfer requirements, the California Consumer Privacy Act ("**CCPA**"), the California Privacy Rights Act ("**CPRA**") and contemplated legislation in various jurisdictions regulating generative AI, any of which may necessitate the establishment of systems to maintain data in local markets, investments in additional data centers and network infrastructure and the implementation of additional employee data privacy documentation (including locally-compliant data privacy notice and policies);

- macro-economic weakness or currency-related crises;

- the burden of complying with a wide variety of United States and global laws and regulations applicable to foreign operations, including the U.S. Foreign Corrupt Practices Act ("**FCPA**"), as amended, the U.K. Bribery Act 2010, import and export control laws and regulations, tariffs, trade barriers, economic sanctions and other regulatory, legal or contractual limitations on the sale of products and services in certain foreign markets, and the risks and costs of non-compliance (including violations of laws or compliance policies by employees, contractors, third parties or agents that could result in delays in revenue recognition, financial reporting misstatements, fines, penalties or the prohibition of Planisware products and services);

- generally longer payment cycles and greater difficulty in collecting accounts receivable;
- adapting to sales practices and customer requirements in different cultures;
- new and different sources of competition as well as laws and business practices favoring local competitors and local employees;
- lack of brand recognition, increased competition and differing technology standards;
- lower levels of cloud adoption and increased price sensitivity for Planisware's applications or other SaaS alternatives in international markets.
- increased financial accounting and reporting burdens and complexities;
- the impact of wars and conflicts in certain foreign jurisdictions, such as the ongoing conflict in Russia and Ukraine;
- political instability, uncertainty or change, such as that caused by the United Kingdom's departure from the European Union ("**Brexit**");
- geopolitical and security risks; and
- maintaining relationships with third-party service providers and integration partners to distribute hosting services internationally.

Investing substantial time and resources to expand international operations does not guarantee that expansion efforts will be successful, or will be accomplished in a timely manner, and Planisware's business and operating results may suffer as a result. As a result of these and other factors, international expansion may be more difficult, take longer than anticipated and fail to generate the desired results, which could negatively impact Planisware's growth and business prospects.

If the project management market declines or develops more slowly than expected, Planisware's business would be adversely affected, and the estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate.

Although the market for project management solutions has grown in recent years, past success is no indication of future growth and it there is substantial uncertainty around the extent to which project management will achieve and sustain high levels of customer demand and market acceptance in the coming years. Planisware's success will depend to a substantial extent on the widespread adoption of project management solutions generally. Individuals and organizations may be reluctant or unwilling to continue using project management solutions from third parties in the future if they are able to develop their own systems or other alternative methods to manage their processes. Moreover, it is difficult to predict with accuracy the future growth rate and size of the market for project management solutions, or anticipate the development of competitive offerings. The expansion of the project management market depends on a number of factors, including the cost, performance and perceived value associated with relevant product and service offerings. If project management solutions do not continue to achieve widespread adoption, or there is a reduction in demand for such solutions caused by a lack of customer acceptance, technological challenges, weakening economic conditions, security or privacy concerns, competing technologies and products, decreases in corporate spending or otherwise, Planisware's business, results of operations and financial condition would be adversely affected.

3.4 Legal, compliance and tax risks

Planisware is subject to complex international tax regimes that may be subject to changes.*

Planisware determines the amount of taxes it is required to pay based on its interpretation of applicable treaties, laws and regulations in the jurisdictions in which it operates. The tax and social security regimes applied to Planisware's business activities and past or future reorganizations involving Group companies, shareholders, employees and/or managers are or may be interpreted by relevant French or foreign authorities in a manner that is different from the assumptions used by Planisware in structuring such activities and transactions. Based on its international activity and its expansion, Planisware is subject to complex and evolving tax legislation which may be subject to different interpretation in the various countries in which it operates. Planisware therefore cannot guarantee that the relevant tax authorities will agree with its interpretation of the applicable legislation in their jurisdictions.

A significant portion of Planisware's French net profits for the period (76.8% of the Group's taxable income in 2022, which represented €3.9 million in tax savings) benefits from the French "IP Box" optional tax regime, which allows net profits derived from the licensing of certain intangible assets such as copyright-protected software to be subject to a reduced corporate income tax ("CIT") rate of 10%, compared to the standard CIT of 25%. Such tax regime is relatively novel and is subject to (i) complex rules governing determination of the net profits eligible to the reduced CIT rate and (ii) significant documentary requirements. A possible challenge by the French tax authorities of the net profits subject to the reduced CIT rate in part or in whole therefore cannot be ruled out; such a challenge could have an impact on the corporate income tax liability and therefore the net profits of the Company. Moreover, no assurance can be given that such regime will not be amended in the future. The Company is not in a position to assess the likelihood or the impact of any such potential change in law.

As part of its innovation policy, Planisware also benefits from the French Research Tax Credit (*Crédit d'Impôt Recherche* or "CIR"), which is a tax credit system available to companies with respect to certain eligible R&D expenses, subject to certain conditions, including significant documentary requirements. Such credit may be offset against the CIT liability for the year during which the qualifying expenses were incurred and any excess credit may be carried forward for three years. After such period, any unused portion of the credit is refundable. In 2022, the CIR for Planisware amounted to €823 thousand euros. A possible challenge by the tax authorities of the eligibility of certain projects and/or all or part of the R&D expenses for which the Company claimed a credit cannot be ruled out; such a challenge could have an impact on the corporate income tax liability and therefore the net profits of the Company. Moreover, the relevance of the current CIR regime has been recently criticized, in particular by an advisory body (*Conseil des prélèvements obligatoires*) under the authority of the Court of Auditors (*Cour des comptes*) and by some members of the French Parliament. Accordingly, the possibility of a future significant amendment of the CIR regime cannot be ruled out, the effect of which is unpredictable. The Company is not in a position to assess the likelihood or the impact of any such potential change in law.

Any of the abovementioned events could adversely affect Planisware's business, results of operations, prospects and/or financial condition.

Risks related to Planisware's regulatory environment and potential changes therein.

Planisware routinely processes a large volume of personal data, including personal data provided to Planisware by Planisware's customers and personal data about Planisware's employees. Planisware's operations are global, its group companies are operating out of several jurisdictions and its customers can be located virtually in any jurisdiction around the world. As a result, Planisware and Planisware's customers are subject to the application of numerous data protection, privacy and cyber security laws, regulations and industry standards in the jurisdictions in which they operate. Such laws, regulations and industry standards are constantly evolving, are subject to differing interpretations and on occasion may be inconsistent from one jurisdiction to another or conflict with other legal requirements. If the Group were unable to identify legal and regulatory changes applicable to its activities, it would be exposed to a high risk of violating applicable legal requirements, which could result in sanctions and have a material adverse effect on the Group's business, results of operation or financial condition.

The GDPR, which took effect on May 25, 2018, is the primary data protection law in the European Economic Area ("**EEA**"). The GDPR applies to companies established in the EEA, such as Planisware, as well as to companies outside the EEA if and to the extent they collect, use or otherwise process personal data in connection with the offering of goods or services to individuals in the European Union ("**EU**") or the monitoring of their behavior. In addition, the EU ePrivacy Directive (Directive 2002/58/EC as amended by Directive 2009/136/EC) also applies to certain operations of Planisware. The GDPR and the ePrivacy Directive are supplemented by national laws of individual EU member states and the guidelines published by national supervisory authorities and the European Data Protection Board. The GDPR places enhanced data protection and cyber security obligations on data controllers, i.e., companies that determine the purposes and means of processing personal data. These include, in particular, obligations to be transparent about data processing activities, rules on retention of personal data, requisite implementation of a data protection governance framework and mandatory data breach notification requirements. The GDPR also places certain obligations on data processors, i.e., companies that process personal data on behalf of other companies. The GDPR's obligations that are applicable on processors include maintaining records of data processing activities, requirements to comply with the data controller's instructions, notification of data breaches to data controllers and obligations to include certain mandatory clauses in contracts with data controllers. In the course of providing software solutions and services to its customers, Planisware generally processes personal data as a data processor. Planisware also acts as a data controller, for example, when it is processing its employees' personal data.

Furthermore, the GDPR increases the scrutiny of transfers of EEA individuals' personal data from, for example, servers located in the EU to other jurisdictions that are not deemed by the European Commission ("**EC**") to provide an adequate level of protection over personal data (which currently includes the United States). When managing the transfer of personal data from the EEA to third countries outside the EEA that are not deemed to be "adequate" (such as the United States), Planisware generally relies on standard contractual clauses published by the EC ("**SCCs**"). For further information regarding these measures, see Chapter 9 (*Legislative and regulatory environment*) of this Registration Document. On June 4, 2021, the EC published revised SCCs, which imposed additional requirements on companies that utilize the SCCs to legitimize the transfer of personal data to third countries such as the United States. There are still a number of legal uncertainties regarding the application of the revised SCCs and the Group continues to face significant uncertainty as the regulatory guidance in this area develops. In addition, due to the current lack of certainty regarding data-transfer obligations, Planisware cannot guarantee that its efforts to comply with the applicable legal and regulatory obligations under European privacy laws will be sufficient.

A breach of the GDPR by a data controller may lead to administrative fines of up to the greater of €20 million or 4% of the company's global annual revenues from the preceding year, while the breach of most obligations incumbent on data processors is subject to administrative fines of up to the greater of €10 million or 2% of the company's global annual revenues from the preceding year. The breach of obligations relating to transfers of personal data outside the EU is sanctionable by the highest level of fines whether committed by a data controller or data processor. Any failure by Planisware to comply with the GDPR may result in the imposition of sanctions on Planisware, which may adversely affect Planisware's business, results of operations or financial condition. Compliance failures may also result in reputational damage as well as claims in damages from individuals and injunctions from data protection authorities.

Planisware is also subject to evolving EU privacy laws on cookies and e-marketing, including, most importantly, the ePrivacy Directive. Under the ePrivacy Directive, prior consent is required for the placement of a cookie or similar technologies on a user's device and for direct electronic marketing, unless certain limited exceptions apply. In the EU, regulators are increasingly focusing on compliance with requirements in the online behavioral advertising ecosystem, and current national laws that implement the ePrivacy Directive are highly likely to be replaced by an EU-regulation known as the ePrivacy Regulation, which will significantly increase fines for non-compliance. Regulation of cookies and similar technologies may lead to broader restrictions and impairments on Planisware's marketing and personalization activities and may negatively impact its ability to understand users and cater to their preferences.

The Group is also subject to similar laws and regulations in other countries outside the EU. For example, in the United Kingdom ("**UK**"), following the UK's exit from the EU, as of January 2021, the GDPR forms part of the UK's "retained EU law" by virtue of the EU (Withdrawal) Act 2018 as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019 (SI 2019/419) (the "**UK GDPR**"), which sits alongside the UK Data Protection Act 2018 and the Privacy and Electronic Communications Regulations ("**PECR**"), which transposed the ePrivacy Directive into the UK law. Currently the UK GDPR is largely identical to the GDPR. However, a new UK Data Protection and Digital Information Bill is currently being debated in the UK Parliament which, if enacted, will result in a divergence from the GDPR.

In the United States, data privacy laws include (a) the 2018 California Consumer Protection Act (the "**CCPA**"), which came into effect in January 2020 and imposes heightened transparency obligations about data collection, use and sharing practices, adds restrictions on the "sale" of personal information, creates new data privacy rights for California residents and carries significant enforcement penalties for non-compliance and (b) the California Privacy Rights Act (the "**CPRA**"), which came into force in 2023 and grants privacy rights to residents of the State of California. Similar laws have been proposed in other states and if passed, may have potentially conflicting requirements that would make compliance challenging. More generally, some observers have noted the CCPA and CPRA could mark the beginning of a trend toward more stringent United States federal privacy legislation, which could increase Planisware's liability risk and adversely affect its business.

Compliance with data protection, privacy and cyber security laws and regulations is a rigorous and time-intensive process. The Group may be required to expend significant capital and other resources to ensure ongoing compliance with its obligations under such laws and regulations. Planisware has in place procedures designed to ensure compliance with such laws and regulations applicable to it, including internal procedures and contractual provisions. However, despite its best compliance efforts, there is an ongoing risk that a regulatory authority or court could deem the Group's compliance measures insufficient, thus exposing the Group to any of the above-mentioned fines, payment of damages to affected persons or obligations to modify its activities or suspend certain processing of personal data. Concerns about its practices with regard to the processing or security of personal data or other data-privacy-related matters, even if unfounded, could harm the Group's reputation and hence its business, results of operation and financial condition.

For further information regarding the specific legal and regulatory regimes applicable to the Group, see Chapter 9 (*Legislative and regulatory environment*) of this Registration Document.

Planisware's use of "open-source" software could impose unanticipated conditions or restrictions on the Group's ability to market and/or commercialize its solutions, expose Planisware to information security vulnerabilities or subject Planisware to possible litigation.

Planisware's solutions and the technologies and applications they integrate rely on open-source software, and will likely continue to do so in the future.

Any undetected errors or defects in open-source software could render it vulnerable to breaches or security attacks, and, in conjunction, make Planisware's systems more vulnerable to data breaches. Even if the Group becomes aware of any security vulnerabilities, defects or errors, it may take a significant amount of time for either Planisware or the programmers who developed the open-source software to address such vulnerabilities, defects or errors. If the software upon which Planisware depends experiences these or other deficiencies, or if licenses or terms of use are either unavailable or contain restrictions, Planisware's competitive position may be negatively affected and customer churn may increase, either of which would have an adverse impact on Planisware's reputation and profitability.

From time to time, companies that use third-party open-source software have faced claims challenging the use of such open-source software and their compliance with the terms of the applicable open-source license. The Group may be subject to lawsuits by parties claiming ownership of what Planisware believes to be open-source software, or claiming non-compliance with the applicable open-source licensing terms. Due to the requirements of certain open-source licenses, if Planisware creates, develops, markets, commercializes, distributes or makes available software based on, derived from or incorporating open-source software or combine or, in some cases, combine or link its proprietary software solutions with or to open-source software, Planisware could, under certain of the open-source licenses, also be required to license, release and/or make available such proprietary software for free under the terms of a particular open-source license or other license granting third parties certain rights of further use, which in some circumstances could include valuable proprietary code, including source code for modifications or derivative works Planisware creates based upon, incorporating or using the open-source software. This could allow the Group's competitors to create similar products with less development effort and time. In addition, the use of third-party open-source software typically exposes the Group to greater risks than the use of third-party commercial software because open-source licensors generally do not provide warranties or controls on the functionality or origin of the software.

Use of open-source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to compromise Planisware's solutions.

While the Group monitors its compliance with the licenses of third-party open-source software and protect its valuable proprietary source code, it may inadvertently use third-party open-source software in a manner that exposes the Group to claims of non-compliance with the applicable terms of such licenses, including claims for infringement of intellectual property rights or for breach of contract. Furthermore, there is an increasing number of open-source software license types, almost none of which has been tested in courts resulting in a lack of guidance regarding the proper legal interpretation of such license types. Moreover, the Group cannot provide any assurance that it has not incorporated additional open-source software in its software in a manner that is inconsistent with the terms of the licenses or its current policies and procedures. Litigation could be costly for the Group to defend, have a negative effect on its results of operations and financial condition or require Planisware to devote additional research and development resources to change its solutions. If the Group is accused by an author or other third party that distributes open-source software of non-compliance with the conditions of the applicable open-source license, it could damage the Group's reputation and require it to expend substantial time and resources to re-engineer some or all of its software or be required to incur significant legal expenses defending against such allegations and could be subject to significant damages and required to comply with the foregoing conditions, including public release of certain portions of its proprietary source code that may have adverse consequences on the Group's business.

If the Group fails to adequately maintain, protect or enforce its proprietary and intellectual property rights, its competitive position could be impaired and it may lose valuable assets, generate reduced revenue, experience slower growth rates and incur costly litigation to protect its rights.

The Group's success is dependent, in part, upon protecting its intellectual property rights, including those in its know-how and proprietary technology, for which the Group relies on a combination of copyrights, patents, trade secret and other intellectual property laws and contractual restrictions to establish and protect those intellectual property rights. Planisware cannot predict whether the measures it has taken will be adequate to prevent infringement, misappropriation or other violations of its intellectual property rights.

While software and other of the Group's proprietary technologies may be protected under copyright law, the Group generally has not registered any copyrights in jurisdictions where any such copyrights are registrable, which may limit or delay the Group's scope to enforce against third-party infringement of its copyrights and/or the recoverability of damages for any such infringement. The Group primarily relies on protecting its software as a trade secret in addition to copyright.

Policing unauthorized use of the Group's know-how, technology and intellectual property is difficult and may not be effective. Although Planisware has a dedicated in-house team to develop all material intellectual property and proprietary rights in connection with Planisware's solutions and the Group seeks to include confidentiality and other protective provisions in its agreements with employees, customers and other third parties (e.g., implementation or consulting partners) with whom it shares confidential information, such parties may not comply with their confidentiality obligations under these agreements. These agreements also may not effectively grant all necessary rights to any inventions that may have been developed by the employees or any consultants party thereto and may not be effective in controlling access to and distribution of Planisware's solutions, technology and confidential information or provide an adequate remedy in the event of unauthorized use of such solutions or technology or unauthorized access, use or disclosure of confidential information. Despite precautions taken by the Group, it may be possible for unauthorized third parties to copy Planisware's software or technology and use information that the Group regards as proprietary to create products or services that compete with its offerings. Some of the provisions contained in the Group's agreements that protect it against unauthorized use, copying, transfer and disclosure of processes and other matters that the Group considers proprietary may be unenforceable under the laws of certain jurisdictions and foreign countries. Unauthorized parties may also attempt to copy or obtain and use the Group's technology to develop software with the same functionality as Planisware's solutions.

The Group may be required to spend significant resources to monitor and protect its intellectual property rights, and may or may not be able to detect infringement, misappropriation or other violations of its intellectual property rights by third parties. Litigation may be necessary in the future to enforce Planisware's intellectual property rights and to protect its trade secrets and such litigation could be costly, time consuming and distracting to management, may not ultimately be resolved in the Group's favor, and could result in the impairment or loss of portions of its intellectual property. Furthermore, any efforts to enforce its intellectual property rights by the Group may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of such intellectual property rights. If the Group is unable to protect its intellectual property rights or prevent unauthorized use, infringement or misappropriation thereof by third parties, the value of its intellectual property and intellectual property rights may be diminished and the Group's competition may be able to more effectively mimic its offerings and services.

In addition, there is considerable intellectual property development and enforcement activity in the software solutions industry and the Group expects that software developers in the industry will increasingly be subject to infringement claims as the number of products and competitors grows and the functionality of products in different industries overlap. Part of the Group success depends in part on not infringing upon or misappropriating the intellectual property rights of others. The risk of patent litigation has been amplified by the increase in the number of a type of patent holder, referred to as a non-practicing entity, whose sole business is to assert such claims. The Group has in the past, and expects in the future, to be the target of such non-practising entities (commonly referred as patent trolls within the industry), that do not manufacture or sell products and whose sole activity is to assert patent rights against accused infringers in an attempt to collect licensing fees. If Planisware were subject to a claim of infringement, regardless of the merit of the claim or its defenses, the claim could require costly litigation to resolve and the payment of substantial damages, divert management's time and require the Group to discontinue some or all of the features, integrations, capabilities and enhancements available in its solutions. Any one or more of the foregoing could harm the Group's business, results of operations and financial condition.

3.5 Financial and accounting risks

Planisware is exposed to fluctuations in currency exchange rates.*

A significant part of the Group's business is carried out internationally. Planisware's financial statements are presented in euros, which is the company's functional currency, while a portion of its revenues, expenses, assets and liabilities are denominated in other currencies, exposing Planisware's results of operations and financial condition to exchange rate risk and volatility. In 2022, currencies other than the euro in which Planisware recorded revenues derived primarily from entities with functional currencies in U.S. dollars, with smaller amounts realized from other entities in British pound sterling, Singapore dollars and Japanese yen. Since only a smaller portion of Planisware's costs are denominated in these currencies, its consolidated financial statements are subject to translation risk (i.e., the translation of the results of foreign subsidiaries or of non-Euro-denominated revenues generated by the parent company into the Company's euro-denominated consolidated financial statements.

Such risk arises more specifically from receivables or payables denominated in a currency different from the functional currency, including a significant portion of Planisware's revenues collected in U.S. dollars, as the Company invoices royalties to its U.S. subsidiary in U.S. dollars. Planisware has not implemented a hedging policy to mitigate foreign exchange rate risk in the past, nor does it currently hedge this exposure, and therefore the fluctuations in currency exchange rates may adversely affect Planisware's net financial expenses and overall financial condition. The Group may, in the future, use derivative instruments, such as forwards and option contracts, to hedge certain exposures to fluctuations in foreign currency exchange rate, although the Group cannot assure it will implement such hedging policy nor that it will be able to do it under favorable financial conditions should it decide to enter into such contracts. If adverse changes in foreign exchange rates occur, and Planisware continues not to hedge the risks associated with currency fluctuations, its results of operations could be harmed. Any of the foregoing could adversely affect Planisware's financial position, results of operations and cash flows.

Planisware's internal controls and procedures may be inadequate, and its efforts to establish and maintain a system of effective internal controls in line with standards required for public companies may take time, strain its resources, divert management's attention and impair its organizational agility.

As a public company, Planisware will be subject to reporting requirements and other applicable securities and corporate laws and regulations, compliance with which will entail additional financial and management systems, internal controls, and expenditure of additional time and effort by management. Planisware is in the process of developing, strengthening and/or expanding internal control systems appropriate for a publicly listed company in preparation for the planned listing. The implementation of and compliance with internal control procedures, including those related to the preparation of financial statements, will require Planisware to incur substantial expenses and expend significant management attention. In addition, Planisware's working capital variation has been volatile in recent years due to the lack of standardized monitoring of trade receivables and payables processes leading to a shift between payments received and disbursements, which the Company aims to normalize in the near term via the implementation of stringent procedures, thereby limiting fluctuations in working capital. In the past, invoicing management has not always been optimally monitored and processed (particularly with regards to timely invoicing of and delays in payments from customers). (See Note 28 to the Group's consolidated financial statements for the years ended December 31, 2022, 2021 and 2020.) While Planisware believes it has rectified the foregoing deficiencies in all material respects, it may discover additional deficiencies or weaknesses that it will need to correct in the future.

Due to the challenges in complying with the rules and regulations applicable to public companies, members of the management team may have to divert their attention from business operations, business development or important day-to-day activities, which could harm its operations, results and financial condition. In addition, implementing the processes required to support the compliance with the rules and regulations applicable to public companies may also hinder the Group's organizational agility and its ability to implement new strategies, make changes to its organizational structure or develop and enhance new software solutions as quickly as it might have done before becoming public.

In order to maintain and improve controls and procedures over financial reporting and other disclosure or compliance requirements, significant resources and management oversight will be required, and any failure by Planisware to effectively manage increased workloads, devote adequate attention to business operations or maintain adequate internal processes and control procedures could impact its business, results of operations and financial condition.

3.6 Risk management policy

Risk management is closely monitored by the Group's management, with the involvement of Planisware's dedicated committees and teams in charge of the implementation of risk management measures and internal controls. The main objective of risk management is to identify, evaluate prioritize and mitigate risks based on potential impact and probability of occurrence. These processes support management in selecting the most appropriate risk management strategy and defining and monitoring the related action plans to limit any significant risks. Another important mission of risk management is to enable the Group to achieve its internally determined objectives by defining and implementing appropriate internal control systems to address the risks associated with the Group's business activities and financial reporting. To achieve these objectives, risk management takes into account the Group's internal policies and procedures, as well as applicable legal and regulatory requirements.

Objectives, organization and system

Objectives

Risk management is closely monitored by the Group's management as well as by specific committees and sub-committees, including the Core Executive Board and the Security System Risk Committee, with close involvement of the managers from all departments and the delegation of risk ownership to a dedicated risk administrator or group of administrators for each risk. The risk management process aims to identify, assess and prioritize risks and assist the Group's management and risks committees in choosing the most appropriate risk management strategies, including to allocate the requisite resources and efforts as well as to define and monitor the relevant action plans in connection with the mitigation of significant risks.

The identification and treatment of the Group's major risks are monitored by a dedicated committee, the Core Executive Board, which is composed of Planisware's founders, the Chief Executive Officer (as from the transformation of the Company into a limited liability company), the Chief Financial Officer, the Chief Operating and ESG Officer and the chief executive officers of each of the Company's subsidiaries and joint-ventures. The Core Executive Board is responsible for (i) identifying the risks to be covered by the risk mapping as well as their criticality, (ii) monitoring risk management by determining the appropriate measures for each risk in dedicated action plans, together with their implementation and delegation to specific sub-committees (such as the Security System Risk Committee for risks identified as system security-related risks) and (iii) implementing internal control mechanisms to respond to the risks identified in the risk mapping.

Risk management is an ongoing process in which risks are re-evaluated regularly as part of risk reviews headed by dedicated members of the Core Executive Board. The Core Executive Board is responsible for assessing both new and residual risks. Additionally, the Core Executive Board may choose to update the risk mapping, including by taking into account any new threats or risks that should be reflected in the existing action plans. During the risk review process, the Core Executive Board considers all relevant factors, including the potential impact of risks on the organization's objectives, stakeholders, reputation, and legal and regulatory compliance.

Once major risks are identified in accordance with the risk mapping assessment, the Core Executive Board may allocate certain critical risks to specialized sub-committees, such as the Security System Risk Committee, which oversees risks associated with the Company’s security systems, identified by the Core Executive Board and Group management as the most critical Group-wide risk. The Core Executive Board may also engage external consultants or experts to provide additional insight or expertise in assessing risks. If the Core Executive Board determines that any risks require an adjustment to the existing action plans, it will take appropriate action to mitigate those risks and update the relevant policies and procedures accordingly. Furthermore, the Core Executive Board may communicate any significant risks or changes in risk management to the Group's board of directors and management, as appropriate.

The Core Executive Board meets monthly to ensure regular updates of the risk assessments, adequate monitoring of the internal control action plans and proper implementation of risk management measures.

Risk mapping

The Group has developed a risk mapping system in order to prevent and mitigate the major risks arising from its business activities. The risk mapping process, which was first initiated for risks relating to security systems in 2017, has been applied more broadly as from early 2023. This broadened scope has made it possible to identify the main risks to which the Group is exposed and to assess their potential impact, taking into account their criticality, i.e. their potential severity and probability of occurrence. Risks included within the risk mapping are assessed in terms of severity for the Company, and estimation of the risks is computed taking into account expected impact values based on severity and likelihood of occurrence.

The process of risk mapping involves the Group management who remain, to a large extent, under the control of the Core Executive Board. This structure ensures that the objectives and challenges of all stakeholders within the Group are considered in the risk mapping process. The risk mapping exercise consists in particular of identifying the most significant risks for the Group and categorizing them by type, such as strategy and markets, operational, human resources, financial, regulatory and legal, information systems and for each identified risk, a description of the risks and their causes is provided. The Group then assesses the probability of occurrence of each risk, its potential impact on the Group and its current level of control. Once the Core Executive Board completes this assessment, it then ratifies the risk mapping and defines the relevant action plans. These plans are designed to address identified risks and ensure alignment of the Group’s risk management strategy with its overall objectives. The risk mapping and related action plans are reviewed and updated periodically to reflect changes in the Group's operations, market conditions, and other relevant factors.

Organizational framework

Following the risk analysis led by the Core Executive Board, the updated risk mapping allows management to have a clear view of the relevant Group-wide risks, identify and reassess any new or existing risks and their evolution, understand the measures that can be used to mitigate the risks and ensure that risk management plans and related action plans are implemented across the Group’s locations and divisions.

The Core Executive Board plays a central role in establishing a Group-level internal control framework that determines which policies and/or procedures should be put in place or updated to monitor the implementation of the various action plans that address the Group’s risks. This framework defines the context within which the operational departments and subsidiaries exercise their risk management roles, notably the proper implementation of risk mitigation measures and internal control responsibilities.

Operational risk management and internal controls are the responsibility of each of the Group’s operational departments and subsidiaries. Within each department and subsidiaries, the team member responsible for risk management and execution of the action plans — which can be the department head or executive director of the subsidiary, or any other member under their supervision — is in charge of verifying that prevention procedures have been implemented in accordance with the action plans and proposing any new procedures that may be considered by the Core Executive Board for broader application to the Group.

Once the actual assessment of the risks has been performed and each risk (together with the relevant action plan) has been assigned to a designated risk manager, several options for addressing the risk are available, including:

- reducing the risk by implementing or updating measures that are lacking, either because no relevant measure exists or because the measure has been only partially or otherwise ineffectively implemented according to the latest action plans established for such risks;

- sharing the risk by subscribing to additional insurance plans where appropriate; and/or

- accepting the risk if management has determined that existing measures account for the corresponding level of criticality according to the risk assessment and action plans.

Any decision to mitigate or accept risks is made according to the relevant risk level through the assignment of a risk rating which is then monitored on an ongoing basis but for which no action plans are immediately put in place. If the risk manager deems it necessary to reduce the level of risk, they identify the applicable mitigation measures in the risk analysis and put into action and update the relevant action plans.

As all measures cannot be fully implemented at the same time or in a short period of time, the risk manager typically reports to the Core Executive Board so that it may determine which measures are to be prioritized based on the risk severity assessment and operational, technical and financial constraints.

The budget for the implementation of the action plans is regularly reviewed, updated and approved by the Core Executive Board. The actions not implemented as priorities are retained in order to be processed as soon as practicable and included in any updated risk analyses as pending implementation. The Core Executive Board oversees the update of action plans, ensures measures are implemented in a timely manner taking into account the abovementioned constraints and priorities, and assesses progress made in actions plan in dedicated review meetings.

Information system risk management

For risks related to security, the Core Executive Board attributes any such risks and their management to the Security System Risk Committee, a sub-committee focusing on monitoring IT and security. The Security System Risk Committee reviews the risks according to the ISO27001-27002 classification. Once the risk analysis has been carried out, the committee determines action plans to be implemented with respect to the information security management system ("**ISMS**"), built on the EBIOS Risk Manager methodology, as defined by the French Information Security Agency (ANSSI, version 1.1, December 2018).

Management has appointed an ISMS manager and Chief Information Security Officer ("**CISO**") to define a framework for information security, support the project teams in the effective implementation of the designated security approach and report to management.

In order to ensure efficiency of the various actions approved by the Security System Risk Committee, a dedicated security steering committee ("**COSEC**") is tasked with monitoring and controlling measures implemented within the ISMS at the executive level. Verification of the ISMS's efficiency is based upon periodic reviews of the security risks and mitigation risk plans and certain performance indicators measuring information system security related to the ISMS, as well as on security reports prepared during risk review meetings. The relevant performance indicators which the COSEC monitors include awareness and training of employees, user accreditation, protection against malware, security compliance and security incidents.

Audit

As from the admission of the Company's shares to trading on the regulated market of Euronext Paris, the Audit Committee set up within the Company's Board of Directors will be responsible, in particular, for ensuring the relevance, reliability and implementation of the Company's risk identification, hedging and risk management procedures relating to its activities and to financial and non-financial accounting information. In particular, the Audit Committee will receive reports from the Core Executive Board and regularly review the Group's risk mapping (see Section 14.3, "*Board Committees*", of this Registration Document).

In the area of internal controls and risk management, the Group intends to work on the basis of the main recommendations proposed by the AMF reference framework and guidelines as well as the recommendations of the audit committee working group report, both published in July 2010.

Management of Key Risks

Information Systems Security

Planisware uses Information Systems Security Management ("**ISSM**") to manage the information security of its systems. It performs quarterly internal audits to ensure the adequacy of its ISSM and engages third parties to conduct yearly audits to maintain ISO27001 certification and issue SOC2 compliance reports.

The Group monitors information security by deploying a large-scale, industrial approach to security, including through certification, internal controls and external audits, to obtain the most significant compliance certifications and position itself as a trusted industry player. In addition, Planisware's ISSM includes specific measures that embed security and privacy controls into the various product development phases and continuing safety assessments and security improvements both during and after the development phase.

The Group ensures the robustness of its ISSM through the implementation of individual measures applicable to all employees and devices, such as strict control on accreditation matrix applications (i.e., access granted to dedicated team members only upon review and a need-to-access basis), increased authentication procedures (e.g. MFA), deployment of security patches on all infrastructure and software components, centralized document storage to avoid local storage and reduce the risk of ransomware attacks, frequent back-up in distinct locations to mitigate the impacts of ransomware, detecting and fixing software vulnerabilities and deployment of prevention policies against viruses (e.g., antivirus tools and limiting the use of USB drives).

Monitoring the ISSM is the responsibility of the CISO, who reports to the Core Executive Committee, which itself verifies that the ISSM's content is consistent with the Group's strategic objectives and certifications. A security team, under the supervision of the CISO, controls and assesses the effective implementation of the ISSM measures, manages security incidents and develops methods to identify and mitigate any security system related threats.

The ISSM applies to all Group companies, employees, suppliers, service providers, subcontractors and users of the information systems. Planisware ensures that employees are trained and aware of IT security risks and cybersecurity policies, including the latest developments in the ISSM and best security practices. To continually raise security awareness among its employees, the Group regularly conducts penetration tests, including cyber-attack (phishing) simulation campaigns designed to replicate sophisticated security scenarios. In addition, the Group maintains cybersecurity insurance in line with industry standards.

The Group also relies on external security ratings providers which provide independent and continuous reviews and ratings. Security ratings, or cybersecurity ratings, are data-driven, objective and dynamic measurements of the Group's security performance, providing a comprehensive view of the Group's overall cybersecurity posture. These external security ratings providers use proprietary scoring methodologies when making an organization's cybersecurity ranking public. For example, as of the date of this Registration Document, Planisware Inc. has a score of 91 out of 100 from SecurityScorecard. In addition, the Group conducts extensive internal penetration tests on an annual basis in order to assess the robustness of the information security of its systems.

Supply

To limit the risk of supply shortages, the Group ensures that it has several suppliers for main server parts, diversifies their geographical origin to mitigate the impact of local events on its supply needs and identifies new or alternative suppliers which are well-positioned to meet its short- and long-term needs. As it owns and maintains its servers, Planisware anticipates its future equipment needs, in terms of new servers, server spare parts and microchips and frontloads any purchasing need to take advantage of availability and pricing. The Group monitors its supply needs in a given time horizon (usually for six-month periods, with monthly reviews of these forecasts) and works closely with its suppliers to anticipate any delays or scarcity in the production and delivery of servers or spare parts.

In addition to the supply of new servers and server spart parts, the Group has developed recycling chains across its operations by reutilizing used servers or spare parts from its own current equipment from its data centers or servers, or by purchasing recycled parts on the market from dedicated recycled hardware providers.

Rapid growth and transformation

The Group ensures that it follows, processes and monitors various indicators derived from data collected by its different departments (such as financial data or sales data) in line with its business strategy and growth plans. The executive board (and starting from the listing of the Company's shares on the regulated market of Euronext Paris, the Board of Directors) reviews and monitors such indicators, in line with the forecasts and guidance announced by the Company to ensure relevance and milestones. The Company prioritizes financial indicators (e.g., close monitoring of revenue by geography and pillar) and operational indicators (including the effect of changes in economic conditions, the number of contracts indexed to inflation, qualitative analysis of sales leads and sales efficiency and data related to business operations, such as tracking support service activity or the pipeline of customer contracts). The Group relies on its customer relationship management process to monitor and anticipate commercial indicators related to its contracts pipeline, segmented into new businesses (customer leads and their progress), upsell (potential increases in user licenses within existing subscriptions in a client's organization or changing subscription parameters by increasing modules and features in current subscriptions), cross-selling (developing and implementing its solutions within a new department of a current client's organization via contact points in another department) and churn.

In the event that the Group decides to proceed with external growth in line with its opportunistic M&A strategy, it expects to do so under strict criteria based on the strategic relevance and value of potential targets, the adequacy and relevancy of their solutions or technology, and potential industry perceptions of any such acquisition. Any potential acquisition will be based on in-depth legal and financial due diligence processes, with the support of external advisors as needed, and specific measures to facilitate smooth and efficient integration within the Group, including to preserve Planisware's corporate culture and business interests.

Competitive environment and general economic conditions

The Group operates in a highly competitive environment, and relies on its leading technological solutions, recognized expertise and track record in order to stand out from its competitors. The Group provides its customers with tailored solutions based on their needs and their evolution to ensure the proper tailoring and development of solutions and features. The Group also ensures continuous improvement of product features to maintain its unique positioning, including based on customer and market feedback. Its competitive positioning has been strengthened by positive rankings in reputable analysts reviews, such as Gartner and Forrester. With regard to competition globally, the Group monitors its competitors' behavior and performance to ensure the competitiveness of its offerings.

A task force dedicated to ensuring continued relations and follow-ups with industry-recognized analysts for purposes of developing strategic business intelligence and better understanding expectations and requirements that analysts use to issue their reviews and rankings. The task force team members ensure regular contacts with the relevant analysts, in particular through briefings at the analysts' requests when performing their peer reviews or through directed enquiries through which companies solicit meetings to inform analysts of their latest developments.

The Group leverages its specialist positioning on several geographies and relies on its locally based development teams in the countries where it operates, which allows it to offer wide-ranging coverage in terms of industry and customer type as well as to benefit from a diversified geographical exposure.

Long-term contracts

The Group follows a customer-centric approach to its relationship management, and will continue to develop and implement this approach across its sales force and software developers. The consultative approach involves the acquisition of in-depth knowledge about its customers and their businesses, including their strengths, goals and areas of improvement. This includes identifying the right value proposition for each customer before sign-up and throughout the course of the relationship, in terms of solution, scale, features and support services.

Planisware's U.S. subsidiary monitors net promoter scores ("**NPS**"), a measurement of customer satisfaction, loyalty and advocacy, gathered through end-user surveys directly embedded into Planisware's solutions and developed specifically for the client's organization. The customer success managers and their teams periodically analyze the NPS data to evaluate the adequacy of the Group's current solutions and services as they relate to the client's needs. Meetings with management and decision-makers within the client's organization are then organized and roadmaps are implemented to ensure timely improvements in the solutions, processes and customer service. This NPS monitoring is fully implemented in the U.S. and is being deployed in other geographies.

The Group also monitors the achievement of customers' objectives throughout the life of their contractual relationship to ensure proper deployment and development of the solutions based on the customer's needs and identification and monitoring of the customer's objectives and goals with a view toward contract renewals and additional products and services. The Group also offers its customers a dedicated tool that anticipates their potential future needs and provides them with a roadmap of new and upcoming features.

In addition, the Group presently tracks data regarding the expiration and renewal dates of its various contracts, including the recent and ongoing configuration of systematic reminders and notifications that identify when contractual data is missing or when contracts are due to expire. Once all necessary data inputs regarding contracts have been integrated into this tracking and notification system, the Group will be able to more effectively monitor and prioritize the expiration and renewal of all its contracts based on their end dates.

3.7 Insurance

Insurance policies can be taken out by the Company, either on its own behalf or on behalf of its subsidiaries (notably coverage for third-party liability and cyber risks), or directly by each subsidiary at the local level (e.g., for D&O, property damage and travel insurance). These insurance policies are purchased through a broker mandated to negotiate with the relevant primary insurance providers to set up or renew the most appropriate coverage for the Company's risk requirements. Insurance companies are selected on the basis of criteria such as the scope of coverage offered, the ability to set up integrated programs such as master policies covering multiple risks, the duration of the commitment, their capacity to insure the most relevant risks in light of all their commitments in the sector specifically and the market generally, their knowledge of the business and their ability to offer policies dedicated to software production companies and their ability to offer qualitative support for improving risk management.

The Group subscribes to "all-risk except" insurance policies with reliable international insurance companies offering insurance coverage solutions tailored to the activities of a company in the tech sector, in line with recommendations from the digital service industry association Numeum[3].

Insurance policies are implemented according to the level of coverage necessary to meet the reasonably estimated probability of occurrence of liability, damage or other risks. This evaluation takes into account the assessments made by the underwriting insurers in relation to such risks. Uninsured risks are those for which there is no offer of coverage in the insurance market, for which the offer and/or cost of coverage is not commensurate with the potential benefit of the insurance or for which the Group otherwise determines that insurance coverage is not necessary.

The Group's main policies include third-party liability insurance, operating professional and post-delivery liability, property damage and consequential business interruption insurance as well as cyber risks coverage (including breach of personal information or corporate information, security failures, cyber extorsion and cyber fraud). These policies also protect the Group with additional guarantees relating to: reputational damage, document loss, unbudgeted expenditures or project costs remaining at its expense, employee replacement and recruitment costs and data restoration costs. For risks not covered by these policies, the Group's policies are supplemented on a case-by-case basis by policies subscribed to locally by the applicable subsidiary. In addition, each country in which a subsidiary is located may contract with insurance providers in accordance with local regulations, customs and practices under policies maintained at coverage limits commensurate with the subsidiary's size and risk exposures. These typically include employers' liability, workers compensation and employee travel insurance.

Planisware adapts its insurance coverage according to the evolution of risks related to its ordinary course business activities. In addition, given that in recent years organizations around the world have faced increasingly significant cybersecurity risks, including spyware, ransomware or other malware, cyber insurance vendors now typically conduct assessments of their clients' systems per pre-set minimum requirement standards. In order to be able to renew its cyber insurance, independently of the increasing premiums applied to the specific insurance policies, the Group must demonstrate that it remains vigilant about changing trends in protecting against cyber risks and adopts adequate security measures to remain operational in a highly competitive business environment. As such, measures such as multi-factor authentication ("**MFA**")[4] have now become a cyber-insurance requirement by most insurance agencies to qualify for coverage.

The most significant global insurance programs are purchased and managed centrally with annual renewal, with the exception of certain one-off contracts taken out for singular projects covering a specific period or event. Insurable losses have not occurred frequently over the course of the Company's

[3] Numeum (born from the merger of Syntec Numérique and TECH IN France) is the professional union of the digital ecosystem in France.

[4] MFA users must authenticate multiple credentials such as PINs, passwords, facial recognition and fingerprint identification to access networks or systems.

operations, partly due to advanced risk management processes which the Group deploys at all key locations to ensure business continuity in the event of damage or loss. In recent years, the Group has not experienced any significant losses that have led to the termination or non-renewal of any insurance policies.

4. INFORMATION ABOUT THE ISSUER

4.1 Company name

As of the date of this Registration Document, the legal name of the Company is Planisware.

The Group generally presents itself under the name of its main brand, Planisware.

4.2 Registration location, registration number and LEI number

The Company is registered with the Trade and Companies Register of Nanterre (*RCS Nanterre*) under number 403 262 082.

Its LEI number is 969500356FAUM2X41Q59.

4.3 Date of incorporation and term of the Company

The Company was incorporated as of December 28, 1995.

Its term is until December 28, 2094, and may be extended in accordance with applicable laws.

The corporate year begins on January 1 and ends on December 31 of each year.

4.4 Headquarters, legal form, governing laws, website and telephone number

The Company's headquarters are located at its registered office at 200 avenue de Paris, 92320 Châtillon, France.

The legal form of the Company is a simplified joint stock company (*société par actions simplifiée*), governed by French law.

A general meeting of the Company's shareholders will be held at the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading of the Company's shares on Euronext Paris, to approve the conversion of the Company into a limited liability company with a board of directors (*société anonyme à conseil d'administration*) and adapt its bylaws accordingly, effective at the latest on the date of approval by the AMF of the prospectus.

The address of the Company's website is: https://planisware.com/. The information provided on the Company's website is not part of this Registration Document.

The Company's telephone number is +33 (0) 1 41 48 48 60.

5. BUSINESS

5.1 Overview

Planisware is a leading business-to-business provider of innovative software-as-a-service ("**SaaS**") in the rapidly growing market for project management solutions (referred to in this Chapter 5 as the "Project Economy"). This market is composed of tech-driven companies focused on developing and marketing software solutions around all types of project-related activities: Project and Portfolio Management ("**PPM**"), Enterprise Agile Planning ("**EAP**"), Product Lifecycle Management ("**PLM**"), Financial Planning & Analysis ("**FP&A**"), Workflow Management ("**WfM**") and Collaborative Project Management ("**CPM**") (each as further described below in Section 5.4.1).

Planisware provides solutions to help organizations transform how they strategize, plan and deliver their projects, project portfolios, programs and products. Planisware's solutions target organizations with medium to highly sophisticated project operations and cover needs relating to strategic planning, project portfolio optimization, budget and cost management, capacity planning, resource management, project scheduling, risk management and collaboration. Adopting Planisware's solutions can lead to significant cost efficiencies for organizations by streamlining business processes and enabling more efficient project and program execution.

Founded in France in December 1995, Planisware has a long track record of growth and profitability. With almost 600 employees[5] as of June 30, 2023, Planisware operates at significant scale serving approximately 539 organizational customers in a wide range of verticals and functions across more than 30 countries, spanning Europe, North America and Asia. Planisware's customers include mostly large and blue-chip companies as well as a limited number of medium-sized businesses ("**MSBs**") and some public sector and government customers.

Planisware has experienced strong business growth since it began operations in 1996, in particular in recent years with consolidated revenues increasing from €91.9 million to €107.7 million and to €132.1 million in the years ended December 31, 2020, 2021 and 2022, respectively, representing a 19.9% compound annual growth rate ("CAGR") over the period. Profits for the same periods were €20.1 million, €27.1 million and €31.6 million, respectively.

Planisware has two software solutions: Planisware Enterprise and Planisware Orchestra. Planisware Enterprise is the Company's original solution offering. Planisware added Orchestra through its acquisition of the software company Network Quality Intelligence ("**NQI**") in 2018. Planisware Enterprise achieves high configurability and high scalability and targets large-scale, global organizations (typically more than 10,000 employees) looking to address sophisticated project processes. Planisware Orchestra is geared toward fast deployment and bottom-up adoption and targets medium-sized organizations (approximately 500 or more employees) with simpler project processes looking for a turnkey project management solution.

Planisware's software solutions have been adopted in a wide range of industries such as life sciences and chemicals, automotive, manufacturing, energy and utilities, technology, media and telecommunications ("**TMT**"), fast-moving consumer goods ("**FMCG**") and aerospace and defense.

Planisware's core business focuses on four pillars:

1. **Product Development and Innovation ("PD&I")** involves application of Planisware's solutions to New Product Development ("**NPD**"), Research & Development ("**R&D**") and marketing implementations, which allows organizations to better sequence and prioritize projects, speed up time-to-market for new products and more effectively facilitate collaboration between product, technology, finance and sales teams. Planisware's main customers in this

[5] Excluding employees of Planisware MIS SARL (France) and Planisware MIS SARL Tunisia.

pillar include companies in the life sciences and chemicals, manufacturing and engineering, automotive and FMCG sectors.

2. **Project Controls and Engineering ("PC&E"),** also known as production, service and project delivery for internal operations, typically involves the use of Planisware's software to manage complex or large-scale internal engineering or construction projects in industries such as aerospace and defense, energy and utilities, manufacturing and construction. Planisware's solutions enable these customers to improve key aspects of their programs and project management, including management of labor resources (e.g. contractors), capital expenditures and business contracts.

3. **Project Business Automation ("PBA")**, also known as production, service and project delivery for revenue-based projects, aims at optimizing the revenue recognition from project operations by managing their cost rates, resource (e.g., time spent, capacity), expenses, proposals and invoices as well as risk and change requests to save on time and costs (e.g. through automated processes, faster staffing and invoicing workflows, higher resource utilization rates and better budgeting). PBA projects can be found across all industry verticals.

4. **Agility and IT Project Portfolios** involves the application of Planisware's software to IT functions related to strategic and "at scale" IT management. Within this pillar, Planisware's software typically helps organizations (particularly in the financial services industry) to align IT and business functions, make tech-driven decisions, upgrade or transform IT infrastructures, make the most of their digital transformation and manage numerous IT projects at once.

Planisware's business model is centered around subscriptions to SaaS solutions. Customers sign up for a base SaaS package subscription to one of Planisware's software solutions under single or multi-year contract terms, most of which have tacit renewal provisions that extend the contracts for additional one-year periods. Customers are given the optionality to design their subscriptions with multiple additional services and features according to their strategic and organizational needs.

In addition to SaaS subscriptions, Planisware provides "implementation services" for the initial configuration of the solution as well as "evolutive" support and subscription support services for on-going system maintenance and enhancements once the system is in production, along with the ability to purchase add-ons such as additional users or specific platform features. Many customers also take advantage of Planisware's other optional services, such as consulting and training.

Certain customers, consisting primarily of companies in the government and defense sector, purchase on-premise "perpetual licenses" to Planisware's software due to internal restrictions on cloud-based SaaS. Within the perpetual license model, customers pay a one-time fee for the right to use Planisware's software on their systems (as opposed to cloud-based SaaS) for an unlimited duration. Customers may access software updates or access to Planisware support through the payment of maintenance fees calculated based on a percentage of the amount of the license purchased. The revenue derived from this approach has been diminishing (e.g., 11.5%, 6.4% and 4.2% of Planisware's consolidated revenues in the years ended December 31, 2020, 2021 and 2022, respectively), as Planisware has increasingly focused on its SaaS offerings.

Planisware's revenue with customers break down into ones considered by nature to be recurring and non-recurring:

- Together, the fees from SaaS subscriptions, evolutive support services, subscription support services and maintenance provide recurring revenue streams as they are recognized on an ongoing basis over the course of a contract's term. They constituted 69.2%, 76.3%, 83.1% and 86.0% of Planisware's total revenue with customers in the years ended December 31, 2020, 2021 and 2022 and the six-month period ended June 30, 2023, respectively.

- Fees from "perpetual licenses" and "implementation services" (for both SaaS and perpetual license customers) constitute non-recurring revenues, as customers pay a one-time fee for the right to use Planisware's software on their systems for an unlimited duration (although they pay additional fees for maintenance services – described above – or software updates) and an initial service fee for the installation of the chosen solution. Together, they comprised 30.8%, 23.7%, 16.9% and 14.0% of Planisware's total revenue with customers in the years ended December 31, 2020, 2021 and 2022 and the six-month period ended June 30, 2023, respectively.

5.2 Competitive Strengths and Strategy

The information contained in this section relating to markets, and particularly their size and growth perspectives, is principally drawn from the third-party sources referenced in Section 1.3 "*Third-party information*".

5.2.1 Planisware's Strengths

Strong position in the Project Economy fueling addressable market growth

As a software provider since 1996, Planisware is a leading player in the large and rapidly growing Project Economy. Within this market, Planisware's mission is to support businesses in implementing effective teamwork and project planning strategies, which it fulfills through its suite of project management software solutions that transform how organizations strategize, plan and deliver their projects, project portfolios, programs and products.

The Project Economy is large and continues to expand. The Project Economy covers software and services that support a variety of tasks, projects and workflows across verticals and functions, including PPM, EAP, FP&A, PLM and WfM. As of 2022, the Project Economy is estimated to be a €50 billion market (see Section 5.4, "*Presentation of markets and competitive position*" for a discussion of the relevant market, including size and growth estimates and their sourcing).

Within the Project Economy, Planisware has a large and growing presence as a multi-specialist provider of advanced project management solutions. Planisware's core market (i.e., its serviceable addressable market, or "**SAM**") is to provide project management software designed to address needs related to PPM, Strategic Portfolio Management ("**SPM**"), Adaptive Project Management and Reporting ("**APMR**") and EAP.

Planisware's SAM has grown rapidly in recent years with an estimated CAGR of 10-11% from 2017 to 2022 and is projected to continue growing at an estimated CAGR of 11-12% from 2022 to 2028 as a result of various factors, such as a growing share of workforce utilizing project management software, increased penetration across industries and product pricing methodologies, as well as consistent growth across geographies, company sizes and functions. This growth has been, and is expected to continue to be, driven by substantial increases in PPM and EAP spending across all industries, migration to SaaS in the Project Economy, growth in the overall workforce in large businesses and large-scale democratization of project management solutions to non-managerial employees.

Project management software is expected increasingly to serve as a critical solution for organizations to track projects, project portfolios, programs and products from ideation to termination and to be used by a wide range of stakeholders within organizations (R&D, IT, product development, project delivery, HR and finance). Within an increasingly project-driven business environment, project management software solutions are also typically "sticky" solutions, as they become deeply embedded and interconnected with an organization's entire IT ecosystem and product applications.

Recent trends in project-based solutions are generally expected to continue with certain market projections estimating that Planisware's SAM has the potential to grow by a CAGR of 11-12% over the 2022 to 2028 period, driven primarily by:

- Growth in the addressable population both in number of companies and global workforce, with larger businesses outperforming others;

- Growth in penetration thanks to improved awareness of project solutions driving function equipment rates (specifically in non-IT functions and in the Asia-Pacific region) and a growing function seat penetration driven by expansion towards non-managerial levels and higher growth rate for non-IT functions; and

- Growing company spend driven by price increases and demand for additional project management modules driving upsell.

Planisware takes advantage of these dynamics in a SAM estimated at approximately €5 billion to €6 billion across an estimated 150 to 180 million users globally (with an estimated average spend of €150 to €200 per year per user across approximately 40,000 companies worldwide with revenues of €250 million or more), creating a potentially sizeable estimated "white space" growth opportunity for Planisware of 15-20% total market penetration (corresponding to an estimated 50-60% function equipment penetration, i.e. companies that are expected to seek more project management software, and an estimated 30-35% function seat penetration, i.e. companies that are expected to expand implementation of project management software to a larger user base).

Differentiated value proposition articulated around superior functionalities and infrastructure, strong industry expertise and proximity to customers

Planisware is positioned to capture more than its proportionate share of new business in a growing market due to its distinct and multi-pronged value proposition:

- Superior functionalities that enable addressing high levels of sophistication in projects and programs, planning phases with features such as capacity planning (including mid- to long-term resource planning and load), scenario simulations and what-if analysis, parametric estimation and financial modeling (including real-time spend, forecasting as well as capital and operational expenditures and budgeting).

- Strong industry expertise with a track record in a variety of industry verticals (e.g., pharmaceuticals, chemicals, automotive and financial services) which has enabled Planisware to develop a deep understanding of key workflows, capabilities and business requirements. Planisware has also demonstrated the ability to support a wide variety of project styles either around "classic" methodologies such as the Project Management Institute's PMBOK[6], PRINCE2[7] and the Critical Chain[8] or more novel "agile" approaches such as Scrum[9] and Scaled Agile's SAFe[10].

- The ability to deliver a continuous stream of innovation around its products with patents granted for specific product functionality or exemplified by its early inclusion of artificial intelligence ("**AI**") and machine learning ("**ML**") features or the upcoming inclusion of generative AI capabilities, such as ChatGPT.

[6] PMBOK, or the Project Management Body of Knowledge, is a set of standard terminology and guidelines for project management which evolves over time to meet the goals of companies requiring and providing project management services.
[7] PRINCE2 is a structured project management method and practitioner certification program emphasizing the division of projects into manageable and controllable stages.
[8] Critical Chain is a set of principles that focuses attention on both critical activities that need to be performed within specific time frames and critical resources that need to be available at certain times in order to avoid delays.
[9] Scrum is a method of Agile project management often used in conjunction with other methods, consisting of short "sprints" or iterations among small, organized teams formed to deliver functional software with a view toward presenting management with a final product they can deploy to other teams for performance testing and training.
[10] Scaled Agile's SAFe framework is a set of organization and workflow patterns intended to guide enterprises in scaling lean and agile practices by promoting alignment, collaboration and delivery across large numbers of agile teams.

- Robust, vertically integrated cloud infrastructure enabling Planisware to control the entire technical stack and ensure a high level of privacy and security for its customers. Planisware has already been able to move a significant portion of its legacy customer base to its in-house cloud.

- Customer proximity through its high-touch implementation services and on-going evolutive support and subscription support that foster a high level of customer satisfaction. Planisware's relationships with its customers leverage a deep understanding of each company's environment, which in turn unlocks multiple opportunities for upsell or cross-sell throughout the customer lifecycle.

The following are examples of Planisware growing and widening its relationships with customers:

- Planisware started with 22 users in 1996 to over 11,000 users in 2021 at a large pharmaceutical company, as a result of cross-selling to several other departments and segments, adding new functions and extensions on request and upselling product enhancements. Subscription revenues from this customer have increased by a factor of approximately 16 since 2004.

- Planisware grew from 300 users in 2016 to about 5,000 users in 2022 at a global aerospace and defense company, thanks to new configurations, extensions and system migrations implemented across the customer's entities and departments. Subscription revenues from this customer have increased by a factor of approximately 20 since 2017.

- A large oil and gas services company that first adopted Planisware with 200 users in March 2022 increased its users to 4,000 in October 2022 and currently targets a further increase to 6,000 users by December 2023, resulting in an increase of subscription revenues by a factor of approximately 3.2 since initial contracting. The increase results from more departments quickly adopting Planisware for stage-gate processes, resource management and product life cycle management after targeted sales efforts and ambitious upselling on the part of Planisware's sales teams.

A global leader in business-to-business SaaS with specialized verticals in four pillars

Planisware is a global leader in business-to-business SaaS offering two solutions, Planisware Enterprise and Planisware Orchestra, that build in a broad array of innovative project management solutions and features covering the needs of companies in Planisware's four main specialties or pillars:

- Product Development and Innovation focuses on driving R&D and product development teams with a focus on companies in the life sciences, manufacturing and engineering, automotive design and fast-moving consumer goods sectors.

- Project Controls and Engineering focuses on supporting production teams in industries with sophisticated products, plants and infrastructure, such as aerospace and defense, energy and utilities, manufacturing and engineering and life sciences.

- Project Business Automation supports companies in all industries that seek to increase their revenue-based projects and enhance their operating results through automated processes.

- Agility and IT Project Portfolios helps IT teams across all sectors develop comprehensive solutions to automate IT portfolio management, accelerate digital transformation and simplify their IT architecture.

Planisware's offerings are differentiated from those of other providers, particularly those of generalists and specialists, because of its foundational industry expertise in a broad range of project functions and verticals deployed with high quality professional services within its four pillars.

Planisware's advanced features enable organizations to manage and plan highly sophisticated projects, programs and portfolios using tools such as:

- capacity planning (to optimize mid-term resource utilization, allocation and load);
- scenario simulations and what-if analysis (to support planification of different project alternatives);
- parametric equations and financial modeling (to manage real-time spend and project financial outcomes); and
- forecasting programs for monitoring budgets and operational and capital expenditures and advanced project management methodologies.

These advanced features are all designed with a zero-code approach that allows business users to configure Planisware's solutions to their specific needs in a straightforward and user-friendly fashion. Currently, about 80% of Planisware's customers use pre-configured interfaces on Planisware's platforms.

A dynamic go-to-market strategy

Planisware's dynamic go-to-market strategy delivers expert and tailored marketing based on specific verticals and engagement with prospective customers through expert sales teams with extensive experience in the project management space and within the specific vertical. Its software has a wide variety of applications and is often used in multiple departments and teams within organizations across R&D, IT and Service and Project Delivery functions.

Planisware's expert sales team reaches tech specialists, MSBs, public sector entities and large corporations in over 30 countries (with approximately half of its sales coming from North America) through pre-sales demonstrations that convey industry expertise and account managers that market Enterprise or Orchestra within Planisware's pillars.

Planisware also uses a strong partner ecosystem of system integrators to appeal to companies of all sizes and specialties. Through these channels, Planisware is well-positioned to address the diverse needs of a wide range of customer groups, at various stages of development and maturity and across various industry sectors, driving its potential for expansion.

Mission-critical complementary suite of SaaS offerings with business resilience and high barriers to entry

Planisware provides a complementary suite of project management solutions that serves a wide range of verticals and functions, positioning it to be a resilient player as a multi-specialist solution provider in an industry with high barriers to entry.

There is increasing industry recognition of the high returns on investment from subscribing to project management solutions such as those offered by Planisware, as the software pays for itself in increased value creation, long-term cost-saving potential and prioritization of strategic projects to drive optimal business performance.

Because Planisware's solutions have a direct impact on business continuity for highly sophisticated projects and day-to-day operational management, switching providers entails transition complexities, potential compliance risks and management distraction, contributing to high customer retention and low churn rates.

In addition, Planisware has developed a resilient revenue stream by building a diversified vertical exposure, particularly in verticals (such as life sciences and chemicals) that are less cyclical. Planisware's resilience also derives from a diversified customer base and low customer dependency — top 10 customers representing less than 25% of overall revenues and its largest customer less than 4%.

Planisware has also developed a strong brand over many years of experience and is recognized in the industry as a leading project management software provider. This, together with the disincentives to Planisware's customers to switch providers as noted above, creates high barriers of entry in the core market in which Planisware operates. Planisware has benefited and expects to continue to benefit from this business environment in the mid and long term.

Top-notch customer service for a diverse and loyal blue-chip customer base ranging widely in industry, company size and level of maturity and sophistication

Over almost three decades of successful business operations, Planisware has invested heavily in developing customer service of the highest quality that manifests itself in a diverse and loyal customer base. Planisware has a strong track record and reputation in its core market which has contributed to building trust from a customer perspective and better satisfaction of customer needs from a commercial and product perspective.

Customer loyalty has thus continued to remain high, with Planisware's customer net retention rate (as defined in Section 7.4.2, "*Non-Financial Key Performance Indicators*", of this Registration Document) reaching 121% in 2022 compared to a churn rate (as a percent of revenues) of 1.4% (the churn rate as a percentage of customers would be higher as most of it relates to smaller-sized contracts since the solutions are less "sticky" when customers do not invest heavily in the solution or otherwise integrate the solution into their own business environments to a significant degree). According to one study, Planisware's net promoter score (i.e., the willingness of an organization to recommend Planisware) was almost double that of any competing project management provider, and it had an average satisfaction rate of 88%[11] in Gartner Peer Insights as of May 2023. Planisware has the objective to maintain a high level of customer net retention rate above 120% and a low level of churn rate below 2% in the coming years.

Planisware's sales and support teams are highly trained and motivated to meet customers at their level. During the sales process, Planisware deploys its industry experts with deep knowledge of industry specific dynamics and requirements, while its experienced support team contributes to swift and effective resolution of customer issues and technical hiccups following sign-up. Planisware's customer service investments over many years of operating experience and commercial evolution has allowed it to benefit from a customer base ranging widely in industry, company size and level of maturity and sophistication.

Moreover, Planisware's mission is to support its clients in their transformation towards becoming more sustainable in their business operations, which it accomplishes through bespoke consulting services to assist clients in defining their project management requirements and translating them into software specifications as well as high-touch implementation services to ensure consistent integration with existing IT systems built upon a deep understanding of companies' environments.

Competitive tech platform fully migrated to state-of-the-art SaaS platform based on in-house cloud infrastructure and proprietary technology with strong innovation capabilities and enhanced by AI features

Planisware's tech stack includes end-to-end premium solutions with superior functionalities operating on proprietary technologies and has a proven track record of high scalability and configurability in

[11] This figure is based on the weighted average of those reviews indicating a score of "would recommend" for all categories where Planisware products are scored within Gartner Peer Insights, i.e., PPM, SPM and Agile planning tools for Planisware Enterprise and PPM, SPM and APMR for Planisware Orchestra.

supporting large clients to manage extremely sophisticated projects. Its platforms can host over 10,000 simultaneous users and over one million managed tasks at any given time for each client.

Having launched its in-house cloud infrastructure in 2019, Planisware's solutions are deployed across seven data centers at Tier 1 facilities globally, consisting of over 100 servers with a current random access memory ("RAM") capacity of over 170 terabytes and a solid state drive ("SSD") storage capacity of approximately 900 terabytes. Its cloud infrastructure is fully owned, allowing Planisware to monitor and enhance reliability and security.

In addition, Planisware's proprietary technology is intensely R&D-driven and enables Planisware to create a substantial cost advantage that differentiates it from other software providers in its core market, supports its price premium and has garnered several industry awards for advances in project management technology.

Since its inception, Planisware has integrated new updates and improvements to its solutions to augment the back-end tech stack, the platform user-interface and software functionality. Recent additions to its software include: AI features with a tool to perform predictive estimation ("Smart Multi-Dimensional Data Management and Statistical Learning" in 2018), conversations ("SmartBot and Semantic Intelligence" in 2019), specific algorithms (e.g., resource planning and Monte-Carlo risk assessment version 2) and a complete overhaul of the interface of Planisware Enterprise with its version 7 released in 2021.

Planisware has also patented some of its technology in the United States with two registered patents for ActiveTab and Centralized AI, granted in 2016 and 2021, respectively. In addition, its solutions come with pre-configured solutions (or templates), no-code integration options and API compatibilities (including over 50 Enterprise applications) tailored to specific verticals to accelerate implementation, rapid configuration and efficient integration into customers' information systems.

In a highly technical field, Planisware's tech competitiveness is built on strong technical foundations maintained by a culture of tech development, innovation, reliability and security. Its senior management team has deep product and technical expertise, and its employee base is engaged and loyal thanks to a collaborative culture, good work-life balance, attractive growth opportunities and strong financial incentives.

Planisware deploys over 90 R&D engineers who continuously develop new features and increase Planisware's scalability. Together, its leadership and R&D and sales teams position Planisware well to tackle future growth opportunities and increase its market share.

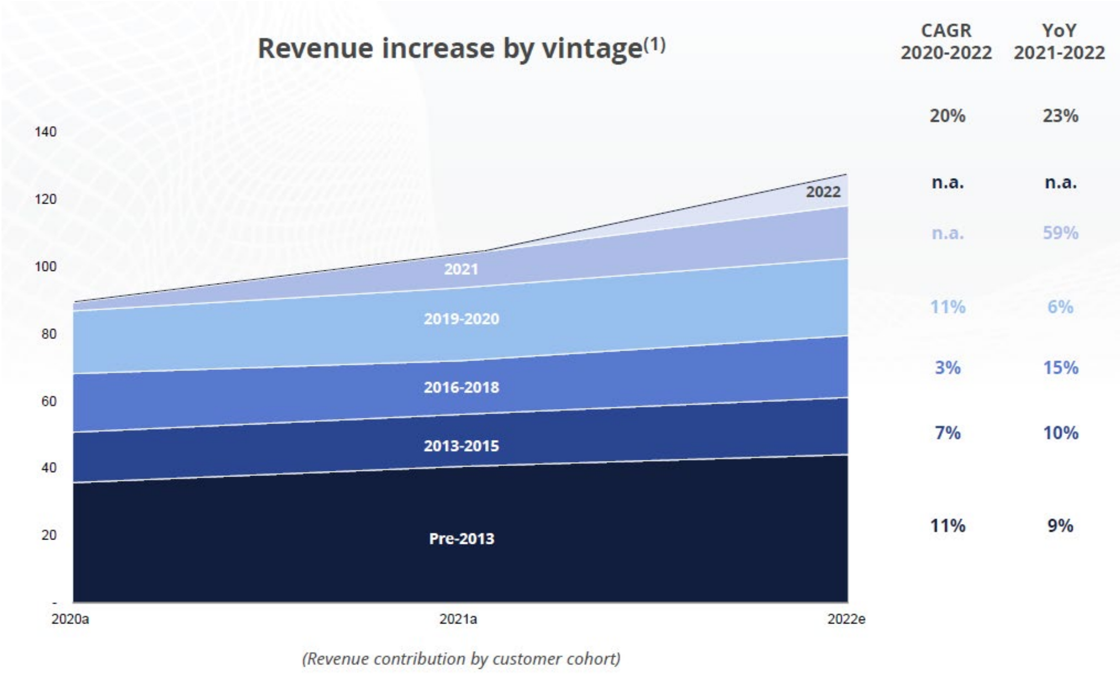
Proven recurring and sustainable business model

Planisware has demonstrated predictable and sustainable growth since its inception, particularly in recent years, with revenues increasing at a CAGR of 19.9% from 2020 to 2022. Planisware continued this trend in the first half of 2023 by recording strong revenue growth of 18.9% compared to the same period a year earlier. Growth was strong in all geographic segments, and monthly revenues increased substantially driven by contracts secured with new customers, expansion of existing customer subscriptions and the sale of additional perpetual licenses to established on-premises customers.

Revenue growth has been broad-based from a product, geographic and customer perspective. From 2020 to 2022, Planisware consistently increased the number of its customers (422, 468 and 496 customers in 2020, 2021 and 2022, respectively) and recorded net retention rates in 2021 and 2022 (the percentage of revenues from customers generating revenue in one period retained in the following period) above 120%.

It has also benefited from strong customer loyalty, as a majority of its 2022 revenues were derived from customers that initiated service prior to 2018. Planisware believes that these trends should continue to drive growth in the coming years as it focuses on continued customer acquisitions, a broader geographic footprint and growing customer cross-selling and upselling.

The following graphic depicts Planisware's revenue increases based on customer vintage from 2020-2022.



(1) Acquisition date defined as date when customers received Planisware software activation key. Some customers may generate implementation / support revenues before such date.

Seasoned co-founders and long-standing management delivering strong and profitable growth for many years

Planisware was spun off from Thales Group in 1995-1996 by its four co-founders (Yves Humblot, Pierre Demonsant, Matthieu Delille and François Pelissolo) with the first three continuing to play an active role in the company currently as representative of the *Président*, Olhada, and co-deputy-CEOs and, after the IPO, as board members and providers of key services through Olhada. Together, they and their seasoned management team possess the visionary leadership that has established Planisware as a leading, trusted provider of project management solutions across multiple industries.

Mr. Humblot has a background in business and engineering, while Mr. Demonsant and Mr. Delille have backgrounds in AI and operational research. Planisware's chief executive officer Loïc Sautour has extensive experience leading sophisticated businesses. In particular, he has developed Planisware's presence in the North American market for the last 20 years and has been a catalyst of the multi-specialist, pillar approach that Planisware considers to be one of its main strengths. The remaining members of the senior management team have extensive experience in the project management field or in their respective specialties, providing the group with a solid and experienced leadership team, with the assistance of Olhada, that is well-positioned to drive the realization of Planisware's strategic growth plan (see Chapter 12 (*Administrative, Management and Supervisory Bodies and Management*) for more information regarding the senior management team's experience).

5.2.2 Strategy

Planisware believes that it benefits from multiple opportunities for value creation and further sustained growth. Its ambition is to be the leading provider of multi-specialty project management solutions by executing on the following business strategies.

Consistent and replicable business model to address a larger market through innovation in new applications of project management and superior SaaS solutions

Since its inception, Planisware's business model has proven consistent and sustainable through successful leveraging of its product strengths to diversify applications of its software to dozens of use cases and verticals. Through constant innovation and consistent customer care, Planisware has established its reputation across a wide-ranging customer base.

Going forward, Planisware aims to continue this growth through the replication of its business model to increase sales and expand its revenue streams through the sale of new products and services in new industries and geographies. It plans to focus more heavily on SaaS subscriptions and other recurring revenue streams by encouraging clients to transition away from the perpetual licensing model. Based on past performance, the Company expects a majority (approximately 67%) of its growth in recurring revenues to grow from existing customers through cross-sell and upsell with the remainder generated from new customer acquisitions.

Capture market whitespace via further branding and marketing initiatives, developing adjacent segments within the broader "Project Economy" and seizing upsell and cross-sell opportunities

In the rapidly growing Project Economy, Planisware addresses a sizeable SAM estimated at €5 billion to €6 billion corresponding to PPM and EAP software for large corporations and MSBs with revenues above €250 million in annual sales in all industries. This SAM is estimated to grow by high single digits or low double digits through 2028, driven by key factors such as increased demand for agile approaches to project-based operations and increasing project-related software spending driven by upsell and cross-sell, SaaS migration and development of new modules.

Planisware is particularly strong in its PD&I pillar (the market potential of which is estimated at up to €800 million as of 2022 and €1.1 billion by 2028) in addressing the needs of customers in the life sciences, automotive and FMCG industries, among others.

Planisware also has substantial room to grow and increase its market share in its other three pillars; the combined total market potential as of 2022 of PC&E, PBA and Agility and IT Project Portfolios is estimated at up to €2.0 billion and the market potential of each is estimated to reach up to €900 million, €900 million and €1.6 billion, respectively, by 2028.

Concrete growth levers to enhance current pillars and expand to new functions, verticals, segments and geographies

Planisware has developed a business plan centered around three primary growth levers:

1. reaching full potential on R&D functions via upsell and cross-sell to organizations in the life sciences and chemicals, automotive, TMT, FMCG and manufacturing sectors;

2. continued acceleration of its growth pillars and reinforcement of IT-critical verticals through better platform features and increased expertise engines; and

3. expanding into new markets in terms of functions (e.g. marketing and finance), verticals (with a focus on PBA), segments (e.g. MSBs and mid-market through price benefits of Orchestra) and geographies (primarily growing its presence in Japan, Singapore and the Middle East as well as entering new markets).

In expanding to new markets, Planisware believes that it can use its experience and expertise to efficiently develop new pillars to address new market segments. With its large and diverse customer base, it can identify new business opportunities across pillars, functions and verticals.

Once the sales opportunities are identified, it can improve existing competencies or acquire new expertise through training and recruitment with the goal of enhancing its tech stack to adapt and specialize its solutions to the new segment. As it has done in the past, it could then leverage its time-tested proof of concept and testing phases across its broad customer base while also implementing its go-to-market strategy to acquire new customers, partnerships and logos. A similar strategy can also be applied to new geographies, with a particular mid- to long-term focus on South Korea, Australia and Latin America.

Strong growth through operational and structural expansions of integrators and selective M&A

Planisware is deeply committed to pushing growth levers to increase integration partnerships, expand its product compatibilities and enter new markets in seeking to optimize the development of its own solutions and remaining at the forefront of innovation in the industry.

Planisware has developed an ecosystem strategy that makes it a driving force in its core market. It has developed technical partnerships to provide the necessary consulting services to its customers, such as in integrating its software into customers' IT environments, and access to a wide range of technical and business experts. This network of partners and system integrators also facilitates a closed-loop feedback system that keeps Planisware up-to-speed regarding technology updates, product improvements and joint sales and marketing opportunities.

Planisware has also struck strategic partnerships and joint ventures in recent years. In 2013, Planisware commenced a joint venture with Innovation Framework Technologies ("**IFT**") in Japan that created new opportunities to sell product development software in the Asia-Pacific region. In 2018, Planisware acquired NQI and its "Orchestra" project management software, which has allowed it to penetrate the mid-size project management market and has proven to be an important aspect of Planisware's growth and upsell given the attractive price entry point of Orchestra software.

Planisware will continue to seek out strategic opportunities to allow it to achieve its customer and geographic growth plans by focusing on core competencies to accelerate new and existing pillars, developing new features and a better tech stack through technological and product expertise and M&A integration of smaller (representing no more than 10% of Planisware's revenues), niche businesses with technological strengths that easily integrate into Planisware's software. As an illustration, Planisware reviews around ten potential M&A opportunities per year.

5.3 History of Planisware

Planisware entered the project management solutions market in 1996 when the company was spun off from Thales Group, a French multinational company that specializes in electrical systems, devices and equipment for the aerospace, transportation and defense sectors. Planisware has since expanded its international operations significantly by continuously striving to be at the forefront of innovation in the Project Economy and developing its project management solutions to meet the evolving demands of a diverse customer base.

Key developments:

1995-1996	Planisware spun off by Thales Group.
1999	In order to serve a growing customer base in the U.S., Planisware opens an office in San Francisco, its first office in the U.S.
2000	Planisware generated more than half of its revenues outside of France.

2002	Planisware opens a new office in the U.S. (Philadelphia).
2003	Ardian managed funds become minority shareholders in Planisware. Planisware forms subsidiary in Germany.
2008	Planisware generates more than one-third of its revenues in the United States.
2013	Planisware enters into a joint venture with IFTP KK in Japan to sell new product development software (exclusive distributor of Planisware in Japan since 2009).
2015	Planisware files its first patent in the United States covering spreadsheet conversion into an enterprise collaborative system; patent issued in 2017.
2016	Planisware forms subsidiary in the United Kingdom.
	Planisware launches SaaS partnership with Rackspace (formerly known as Datapipe).
2018	Planisware acquires Network Quality Intelligence ("NQI") and its "Orchestra" project management software, in order to penetrate the mid-size project management market.
2019	Planisware transitions to its own cloud infrastructure for SaaS.
	Planisware opens an office in Dubai.
2021	Planisware files a patent for Centralized Communication and AI for improved search and early-issue detection (patent granted in 2022).
	Planisware opens an office in Canada (Montreal).
2022	Planisware U.S. enters partnership with EOS Software to incorporate its Integrated Technology Portfolio Management solution into Planisware Enterprise.
	Planisware opens an office in Singapore.
2023	Planisware acquires full ownership of its joint venture in Japan (buying out its partner IFT).

5.4 Presentation of markets and competitive position

The information contained in this section relating to markets, and particularly their size and growth perspectives, is principally drawn from the third-party sources referenced in Section 1.3 "*Third-party information*".

5.4.1 The "Project Economy"

Planisware operates in and is part of the "Project Economy" ecosystem as a provider of SaaS solutions that support its customers in managing their project operations.

The Project Economy is defined by the Project Management Institute ("**PMI**")[12] as the share of the global economy in which "organizations deliver value to stakeholders through successful completion of projects, delivery of products, and alignment to value streams".[13] In particular, it is through the completion of projects that companies explore and deliver critical value-creation engines such as innovation, transformation and continuous improvement.

The Project Economy therefore involves a sizeable number of personnel at organizations around the world. In North America and Western Europe alone, it is estimated that project-based work represents

[12] The PMI is the leading not-for-profit professional membership association for the project management profession and develops and provides resources to individuals and organizations through globally recognized standards, certification programs, extensive academic and market research programs and volunteer and professional development opportunities.
[13] Project Management Institute.

approximately 30% to 40% of time spent by workers, which translates to an estimated 200 million to 250 million employees, 88 million of whom are project managers themselves. In many developed countries, the share of time spent on project-based work as compared to all other work has increased overall by high single digits to low double digits since 2009.

The Project Economy market is large and continues to expand at an estimated CAGR of 12-16% per year. As of 2022, businesses worldwide spent an estimated €50 billion on "project-related" solutions, i.e. solutions that track a portfolio, program, project, product or workflow across verticals and functions, and encompasses several types of project-related solutions, in particular:

- Project and Portfolio Management ("**PPM**"), which refers to the series of tools, methodologies and strategies used to manage projects, portfolios, programs and products or their individual components. The ultimate aim of PPM is to enable organizations to meet their goals and objectives through efficient analysis, prioritization, management and decision-making on projects, portfolios, programs and products. PPM is a sizeable market estimated at €5 billion to €6 billion as of 2022 with a projected estimated growth rate of 11-13% per year from 2022 to 2027. PPM consists of two sub-segments:

    - Strategic Portfolio Management ("**SPM**"), which refers to top-level organizational strategy and its associated goals and expected outcomes, through the consolidated overview of multiple projects and the integration of enterprise level data reporting showing key interdependencies, impacts and resource planning and completion of large enterprise goals (e.g. large scale business projects, such as exploring a new market or investing in a major new product development project, major transformation projects, such as digitization of a significant portion of the business, or major financial decisions such as share buyback programs).

    - Adaptive Project Management Reporting ("**APMR**"), which refers to tools to efficiently plan, monitor and manage projects including tasks, responsibilities, budgets, schedules, as well as tools to allocate and track resources, and tools to simulate scenarios under various constraints. APMR most often includes collaboration features, as described below.

- Enterprise Agile Management ("**EAP**"), which refers to tools for resourcing, planning, scenario simulations and utilization of Agile teams in PPM. EAP focuses on applying Agile project tools to individual teams, groups of teams, or value streams to make progress on Agile projects visible, coordinate and prioritize resources and facilitate Agile collaboration.[14]

- Product Lifecycle Management ("**PLM**"), which refers to tools that enable end-to-end management of the life cycle of companies' products and product portfolios, consisting of the process of developing a new product, service, technology or process (or innovating on an existing one), from the initial idea to its launch (which includes concept testing, business analysis, prototype testing and product implementation). In 2022, the PLM market was estimated at approximately €25 billion and had a projected estimated growth rate of 8-10% per year from 2022 to 2027.

- Financial Planning & Analysis ("**FP&A**"), which consists of tools for financial reporting (including planning and analysis) to synthesize and evaluate performance progress, cost controlling and budget forecasting. In 2022, the FP&A market was estimated at roughly €5 billion and growing at a projected estimated rate of 15-17% per year from 2022 to 2027.

[14] Agile is a type of software development method in which the project team starts with a simple project design and adds functionalities through short iterations. At the end of each iteration, an updated, tested, potentially deliverable version of the software is presented, and project stakeholders decide on the goals of the following iteration, incorporating feedback from users, the project team and any relevant outside trends.

- Workflow Management ("**WfM**"), which relates to the infrastructure for the set-up, performance and monitoring of ongoing or cross-team processes. In 2022, the WfM market was estimated at €5 billion to €10 billion with a projected estimated growth rate of 25-30% per year from 2022 to 2027.

- Collaborative project management ("**CPM**"), which refers to the tools that enable coordination across many teams and team members within an organization during execution of a project or program or development of a product, in working together to complete projects and tasks, small and large, by utilizing, for example, integrated messaging and file-sharing features. In 2022, the CPM market was estimated at €5 billion to €10 billion and growing at a projected estimated rate of 15-20% per year from 2022 to 2027.

The following graphic summarizes the various segments of the Project Economy:

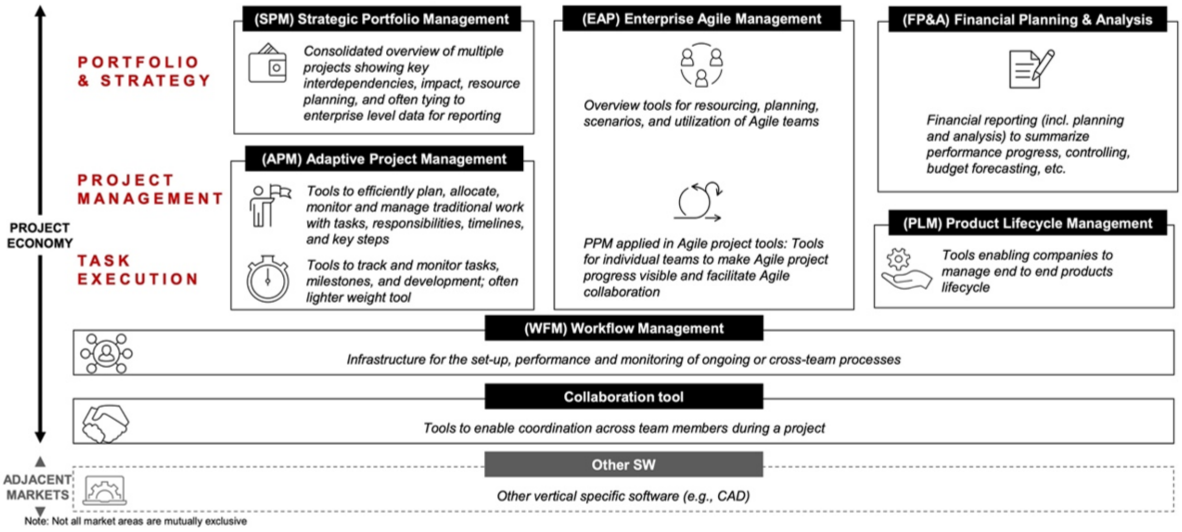


Figure 1 – The Project Economy encompasses various types of project-related solutions

The Project Economy's expansion is supported by multiple underlying trends, some of which reinforce each other:

- Accelerating mega-trends as organizations increasingly need to adjust and reconfigure their operations and sometimes their business models to successfully adapt to a changing operating environment characterized by the digital transformation, globalization and relocation, environmental awareness and uncertain macro-environment. For instance, certain studies estimate that 70% of companies in all industries will have engaged digital business model transformation services to implement analytics-driven business decisions and management capabilities by 2025.

- Organizations' growing complexity as they become more global and interconnected and where processes through traditional hierarchical structures can become less efficient, and where project teams offer a more flexible approach that can be adapted to changing circumstances and requirements.

- The heightened relevance of projects as a management tool that enables organizations to improve their operations in several ways: (1) enhanced performance and resource efficiency with teams sharing clear goals, timelines and budgets; (2) increased customer focus with the ability to address customer challenges by pooling resources across the organization; and (3) a more results-oriented culture that drives the effective delivery of organizations' missions.

- The need to further optimize resources, as projects allow organizations to allocate resources more efficiently by pulling together people and resources as needed, rather than maintaining separate departments that exacerbate redundancies. For instance, AI, robotics and other forms of smart automation are expected to have the potential to bring increasing economic benefits, contributing up to $15 trillion to global gross domestic product by 2030. This need for resources optimization is reinforced by the urgent need for companies to drive energy transition. The International Energy Agency forecasted that the annual capital spending on energy transition will amount to $3 trillion to $5 trillion per year by 2030.

- Globally in 2023, it is estimated that 80% of companies will have identified innovation as a top-three priority, 66% will have increased spending on innovation and 42% of such companies will have increased spending by more than 10%.

These trends, which are leading to dynamic market growth, are also resulting in the increased fluidity of the various market segments (PPM, EAP, PLM, WfM, FP&A and CPM), including because of the following market developments:

- The need to constantly keep top-down and bottom-up information flows open to ensure proper execution of strategy as well as to analyze the value delivered by projects with objectives, which blurs the boundary between PPM and WfM.

- The increasing need to use tools cross-functionally, whereas historically projects were function-centric. For example, providing an R&D team with deliverables in the form of software from IT or data from the production and supply chain departments.

- User profiles that previously had their own dedicated software are increasingly converging into one-size-fits-all solutions to foster collaboration and accommodate the increasing interdepartmental nature of corporate projects and programs.

- Delegation of decisions at the project level to ensure all project dimensions (e.g. functional, business and technical) are covered, which implies the use of solutions that are able to accommodate multiple business needs as well as consolidate decisions and results to ensure strategic alignment and control.

As boundaries between markets become less defined, market participants are moving into immediate adjacencies and competing in multiple segments at the same time. The following graphic provides an overview of how the various segments within the Project Economy interrelate as well as Planisware's main competitors within each segment:

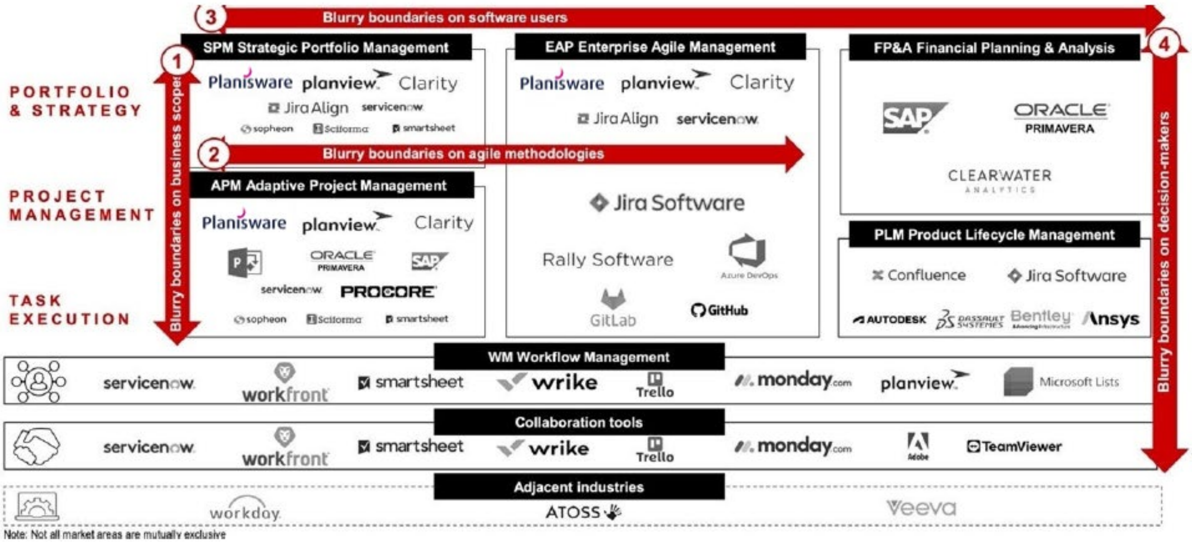


Figure 2 – Market fluidity between segments

5.4.2 Planisware's SAM, Sweet Spots and Growth Engines

Planisware's solutions are targeted at a diversified set of end markets, including companies operating in the following industries and sectors: life sciences and chemicals, aerospace and defense, utilities and energy, manufacturing and engineering, FMCG, TMT, financial services and government services.

Planisware offers a series of tools, methodologies and strategies to manage portfolios of projects, programs and products and their individual components. The ultimate aim of Planisware's software is to enable organizations to meet their goals and objectives through efficient analysis, prioritization, management and decision-making on projects, portfolios, programs and products.

Project management operations can be broken down into two main imperatives:

- "Doing the right projects", i.e. selecting the projects, programs and products that will allow the organization to achieve its objectives and prioritize them from most impactful to least.
- "Doing projects right", i.e. executing the projects, programs and products effectively so as to optimize the effort and resources necessary to obtain the expected benefits.

In practice, one of the key ways through which Planisware helps organizations achieve their objectives is by consolidating all projects, programs and products under one system to ensure visibility and access for all key stakeholders that need to leverage common work products and processes, balance risks and costs and anticipate capacity and resource constraints. This is commonly referred to as creating a "single source of truth" for project and products.

Another key function of Planisware's solutions is to support organizations and their teams by providing them with the right tools to effectively manage projects and deliver them on time and on budget. When competing for the same (limited) resources, organizations must assess their strategic importance, determine actual and projected profitability and make corresponding resource allocations and executive decisions that produce value in line with the organization's goals.

Planisware's software offerings focus on sophisticated project management processes. The level of sophistication is driven by four main factors:

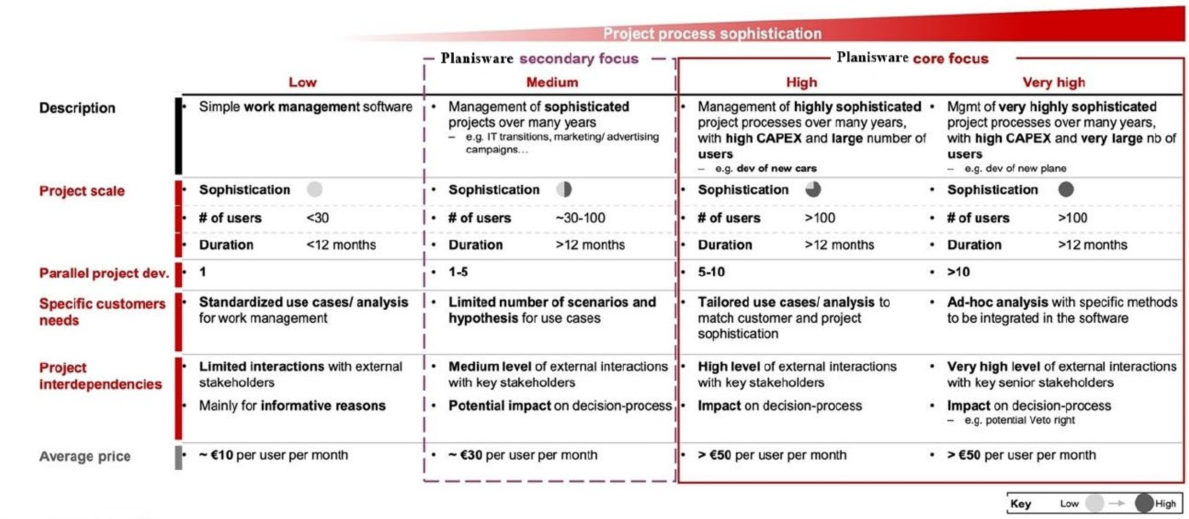
- Project scale, specifically the number of tasks and initiatives by project, the number of users, the duration of projects and the number of deliverables.

- The number of projects being developed in parallel within the organization as well as the necessity to synchronize project inputs and outputs.

- The specificity of customer needs when it comes to their requirements for scenario building, hypothesis or analysis at both the portfolio and project levels.

- The multiple interdependencies that can exist between projects and products, the number of external stakeholders involved and their seniority or the frequency of interdependencies.

The following graphic provides an overview of how Planisware's solutions address different levels of project sophistication:



Project process sophistication

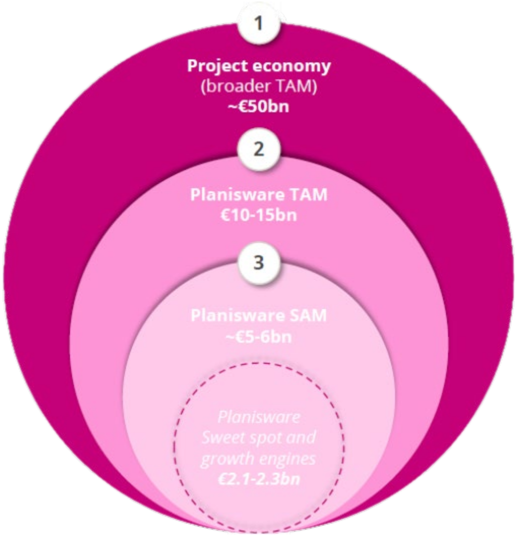
	Planisware secondary focus		Planisware core focus	
	Low	Medium	High	Very high
Description	• Simple **work management** software	• Management of **sophisticated** projects over many years – e.g. IT transitions, marketing/ advertising campaigns…	• Management of **highly sophisticated** project processes over many years, with **high CAPEX** and **large** number of **users** – e.g. **dev of new cars**	• Mgmt of **very highly sophisticated** project processes over many years, with **high CAPEX** and **very large** nb of **users** – e.g. dev of new plane
Project scale	• **Sophistication** • **# of users** <30 • **Duration** <12 months	• **Sophistication** • **# of users** ~30-100 • **Duration** >12 months	• **Sophistication** • **# of users** >100 • **Duration** >12 months	• **Sophistication** • **# of users** >100 • **Duration** >12 months
Parallel project dev.	• **1**	• **1-5**	• **5-10**	• **>10**
Specific customers needs	• **Standardized use cases/ analysis** for work management	• **Limited number of scenarios and hypothesis** for use cases	• **Tailored use cases/ analysis** to match customer and project sophistication	• **Ad-hoc analysis** with specific methods to be integrated in the software
Project interdependencies	• **Limited interactions** with external stakeholders • Mainly for **informative reasons**	• **Medium level** of external interactions with key stakeholders • **Potential impact** on decision-process	• **High level** of external interactions with key stakeholders • **Impact** on decision-process	• **Very high level** of external interactions with key senior stakeholders • **Impact** on decision-process – e.g. potential Veto right
Average price	• **~ €10** per user per month	• **~ €30** per user per month	• **> €50** per user per month	• **> €50** per user per month

Key Low → High

Figure 3 – Planisware focuses on sophisticated project processes

5.4.3 Description of the Project Economy

Market Size

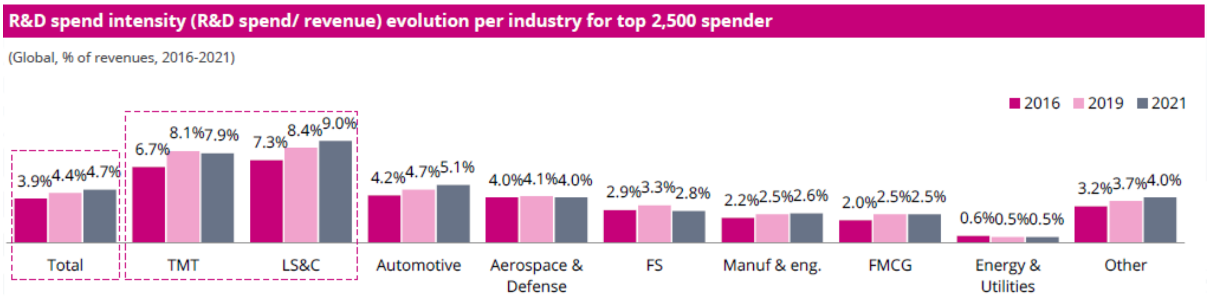


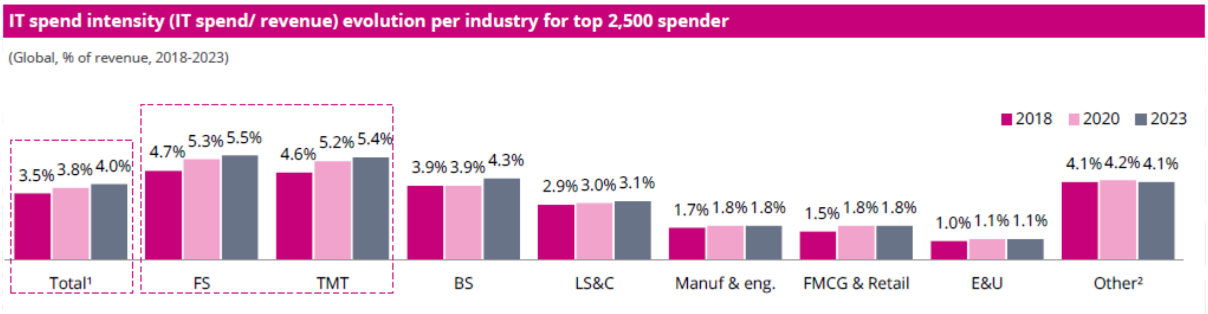
It is estimated that the entire Project Economy market in 2022 (across all types of "project-related" solutions (e.g. PPM, SPM, EAP, FP&A, WM) and all verticals, customer segments and geographies) consisted of more than €50 billion of customer spend.

Similarly, it is estimated that the total addressable market ("**TAM**") of PPM software spend for R&D, IT and Service and Project Delivery functions within large companies[15] amounted over the same period to anywhere between €10 billion to €15 billion, corresponding to a population of approximately 60 billion to 90 billion FTEs[16].

Of this TAM, it is estimated that Planisware's serviceable addressable market ("**SAM**") at current "penetration" (i.e. the extent of overall software PPM spend among large companies as of 2022 within PPM and EAP functions) is roughly €5 billion to €6 billion[17] corresponding to a population of approximately 30 billion to 35 billion FTEs. This SAM is estimated to have grown by a CAGR of 10-11%[18] over 2017 to 2022 and is estimated to grow by a CAGR of 11-12%[19] from 2022 to 2028.

Within the market segments on which Planisware is particularly focused (i.e., its four pillars as further described herein in Section 5.5.5, "*How businesses use Planisware's solutions*") in its current markets of Europe, North America and Japan, it is estimated that customer spend in 2022 was between €2.1 billion and €2.3 billion. As part of the shift to opt for project-related solutions, organizations have continued to increase their spending on R&D and IT, which Planisware believes it can tap into by showing organizations the significant returns on investment from the adoption of its solutions. The following charts depict spending trends over the last several years at companies with the largest R&D and IT expenditures.





The following table shows Planisware's revenue opportunities that make up part of the overall SAM based on each of Planisware's four pillars for the periods 2020-2022 and the projected revenue opportunities for the 2022-2028 period.[20] The estimated potential growth figures set out below, as well

[15] In this Section 5.4, "large companies" refers to businesses that had 2022 revenues of greater than €250 million.
[16] In this Section 5.4, "FTE" refers to full-time equivalents, or employees, working within large companies in North America, Europe and Asia-Pacific.
[17] This SAM assumes a total 30,000-35,000 large companies within North America, Europe and APAC, each with an average of 8,000-10,000 employees, and each with an addressable employee base of 55-60%, function equipment rate of 50-60%, function seat penetration of 30-40% and average spend of €150-200 per employee.
[18] The historical CAGR is an estimation based on 1-2% growth in number of large companies, 0-1% growth in the number of employees, 1-2% growth in the function equipment rate, 2-3% growth in the function seat penetration and 3-4% growth in average spend per employee.
[19] The forecasted CAGR is an estimation based on an anticipated 1-2% growth in number of large companies, 0-1% growth in the number of employees, 1-2% growth in the function equipment rate, 2-3% growth in the function seat penetration and 4-5% growth in average spend per employee.
[20] Revenue opportunities are calculated based on estimations of addressable seats, third-party penetration, churn rates, upsell and cross-sell within the overall SAM.

as all of such figures in this chapter, are necessarily subject to uncertainty, and actual growth may prove to be different (possibly significantly so) from the figures below.

	2020-2022	2023-2028 E[1]
Average Total SAM	€4.9 billion	€7.7 billion
Of which PD&I	€100-150 million	€200 million
Of which IT	€150-200 million	€200-300 million
Of which PC&E	€100-150 million	€200-250 million
Of which PBA	€150-200 million	€250-300 million
Total SAM	€500-600 million	approx. €1 billion

[1] E = expected

Project Economy Trends

Project management software providers aim to capitalize on the untapped source of efficiency offered by the low project success rate in many organizations through automation of business functions, and enhanced analytics. By some estimates, although companies worldwide invest up to $48 trillion annually on projects and project-based work, only about 35% of projects worldwide are successful in terms of results, budget and delivery[21], which means that many organizations fail to optimize time, money and opportunity when executing projects.

Solutions enabling project operations can be applied to many potential use cases (or "functions") within organizations (oftentimes used in parallel by more than one department), such as R&D, product, service and project delivery, IT, HR, finance, strategy and marketing. As such, the uses and needs of project management solutions vary by customer segment and customer sophistication (which is influenced by parameters such as overall project size, number of users and tasks, number of simultaneous projects, specific customer needs, project interdependencies and external stakeholders).

Several service providers address the above sub-segments and use cases in various ways and to different extents:

- Some providers that have limited project management expertise but are more well-known for certain other of their tech or software products sell project management products and solutions that cover traditional functional needs within organizations with limited specialized functional depth, potentially as add-ons of the core business or software solution (referred to herein as "legacy generalist providers").

- Other project management providers ("legacy specialist providers") may specialize in solutions but address organizations' project management needs through more traditional software offerings.

- Still other providers offer more modern approaches (including advanced functionalities and interfaces) which are adapted for many functions or industries (so-called "modern PM

[21] Harvard Business Review, Project Management Handbook Toolkit; Harvard Business Review, "*How AI Will Transform Project Management*", published February 2023.

providers”).

- Some modern PM providers distinguish themselves by addressing highly complex needs for multiple functions and industries with innovative approaches, functionalities, and interfaces (referred to herein as “modern multi-specialist providers”); Planisware is in the latter category.

The following graphic provides an overview of the different types of project management software providers:

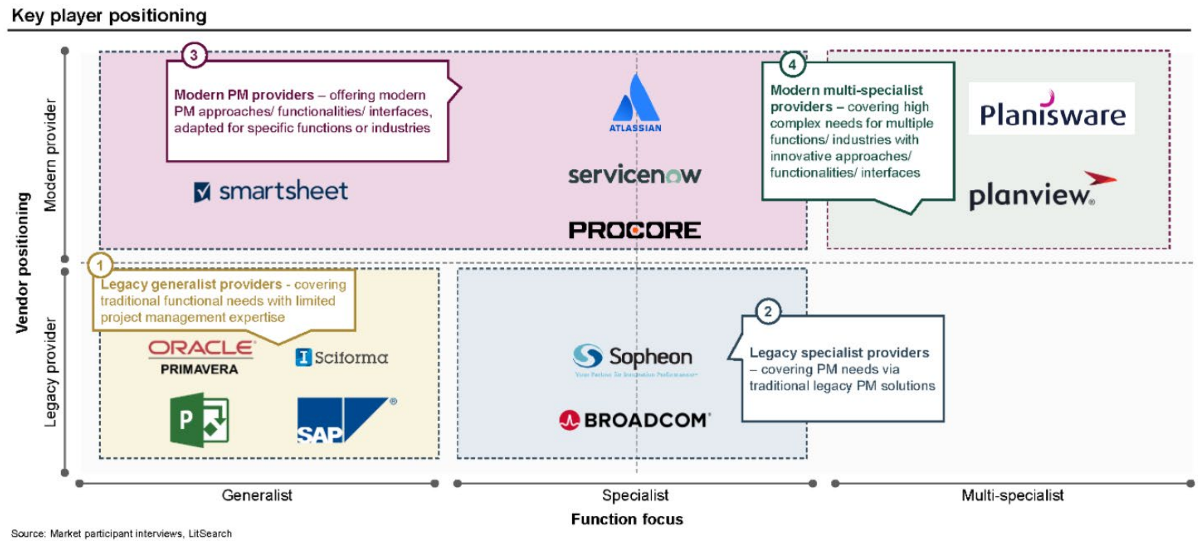


Figure 4 – Planisware is a modern multi-specialist provider competing against four broad provider archetypes

Planisware’s SAM is estimated to have grown at a CAGR of 10-11% over the period from 2017 to 2022. The market growth has seen an increasing polarization of the market between modern multi-specialist providers that have captured an increased share of this market at the expense of legacy generalist and specialist providers due to the following trends:

- Modern multi-specialist providers like Planisware have experienced a positive momentum thanks to their industry and functional expertise as well as advanced software capabilities;

- The market has also been impacted by new entrants over the last several years (mainly modern PM providers) that have been able to leverage Agile project management to provide innovative solutions for collaborative project management;

- Legacy generalist and specialist providers have been losing market share over the last several years due to increased recognition on the part of customers that their organizations can more readily benefit from modern project management solutions; and

- Modern specialist solutions have advanced beyond traditional generalist tools and developed their offerings in innovative ways to cater to a variety of functionalities, use cases and verticals, especially for large enterprises that require management of more numerous and sophisticated projects thus gaining momentum in the market.

Although fragmentation continues within the market, Planisware’s core project management market has in recent years experienced increased barriers to entry. These higher barriers to entry are the result of several large acquisitions and consolidations which have led to loss of market share for smaller niche players, customer expectations of continuous product enhancements, increased specialization in functions and verticals, and strong name brands. In addition, the project management market has come to be characterized by high customer “stickiness” due to multi-year contracts with tacit renewals, long and potentially complex upfront software implementation and project management solutions becoming embedded into customers' tech stack over several years. These market dynamics together have resulted in higher barriers to entry and a relatively low average churn rate (less than 5% per year) across the industry.

Where churn exists within the industry, it is primarily due to:

(a) low adoption levels by users in organizations, which result in low levels of usefulness, ROI, usage maturity and backing from management;

(b) lack of "sticky" product features such as budget management and time tracking that would otherwise encourage customers to integrate the solution into their ecosystem for longer periods;

(c) under-utilization of the features of the more sophisticated solutions, which create a perception of low value for money that may lead organizations to seek out other simpler or more cost-effective alternatives that provide the same service; and

(d) organizational restructurings or acquisitions that lead to changes in products used within a company.

Modern and multi-specialist providers are meeting these challenges by leveraging customer support services, providing ongoing consulting services and introducing product enhancements to help their customers realize the benefits of project management software over the long term. Project management education has also increased rapidly in recent years, with the number of actively certified project management professionals almost doubling from 2015 to 2022 and even greater increases during the period in the numbers of individuals trained or certified in Agile, Scrum and Kanban[22].

Planisware's Competitive Position and Environment in the Market

The global project management market is relatively fragmented, with the top five global players accounting for about one-half of the TAM. As discussed above in Section 5.4.1, "*The 'Project Economy'*", the overall project management market comprises providers in several different categories competing both within and to some extent among categories.

The leading players within the legacy generalist providers include Oracle Primavera, Sciforma, SAP and Microsoft PS, while leading competitors in the modern PM providers consist of Smartsheet, Atlassian, ServiceNow and Procore. The closest competitors to the modern multi-specialist providers are the legacy specialist providers, which include providers such as Sopheon and Broadcom.

As discussed above, the project management market is divided into three different sub-markets corresponding to competitors' specializations. Atlassian, Oracle Primavera and SAP specialize in SPM; Broadcom, Planview and ServiceNow specialize in APMR; and Microsoft, Procore and Smartsheet specialize in EAP.

Planisware views Planview as its closest competitor as the only other global modern multi-specialist provider of project management solutions and estimates that each has a current overall share of the TAM of 2-5%.

Planisware is considered a leading player in PD&I, one of its four pillars, with an estimated market share of 13% in 2022. The PD&I global market is estimated to continue to grow over the 2022-2028 period at an estimated CAGR of approximately 14%. Planview is Planisware's direct competitor in this pillar, while Sopheon, Microsoft and Broadcom are considered legacy players. Within that pillar,

[22] Kanban is a method of lean project management which aims to improve collaboration across teams and departments and better manage workstreams by balancing demands with available capacity and by mitigating system-level bottlenecks.

Planisware provides PPM solutions for leading R&D-focused organizations in industries such as life sciences and chemicals, automotive, manufacturing and engineering, TMT and FMCG.

In terms of verticals, Planisware is considered the leading PPM provider for the life sciences and chemicals industry with an estimated 30% market share and servicing 11 out of the top 12 largest global pharmaceutical companies. In terms of sub-segments, Planisware's growth has been driven by PPM and NPD while it has sought to grow its SPM and EAP offerings, the market for which is currently dominated by other players discussed above.

As part of its growth strategy, Planisware seeks to reinforce its positions in its "PC&E" and "Agility and IT Project Portfolios" pillars and to expand substantially its "PBA" offerings. The "PC&E", "Agility and IT Project Portfolios" and "PBA" markets are estimated to continue to grow over the 2022-2028 period at an estimated CAGR of approximately 14%, 15% and 9%, respectively. Planisware's direct competitors in these pillars are Oracle Primavera, Planview and Broadcom, respectively. To do so, Planisware plans to introduce product enhancements that integrate AI and ML as well as other tools such as simulations and configurable workflows that Planisware believes should be highly attractive to a large customer base across all verticals and covering high complexity use cases. These customers will increasingly seek out revenue-based projects and face an increasing degree of project sophistication in regulatory environments that require superior monitoring tools, hence increasing the need for enhanced project management solutions (see Section 5.2.2, "*Strategy*").

Based on surveys and interviews of its current customers, Planisware believes the key factors driving the selection of project management solutions and services vary slightly from pillar to pillar.

- In general, Planisware's most important customers are large companies with significant numbers of users, broad geographical footprints and high product and project interdependencies. They expect their project management solutions to be scalable and to match the volume and sophistication levels they require to effectively manage their projects, programs, products and portfolios without significant hosting issues.

- For customers within PD&I with a focus on R&D, companies have highlighted the functional capabilities, ease of implementation and ease of use as key factors of satisfaction.

- Customers in Planisware's other three pillars in large part value functional capabilities, ease of implementation and scalability.

- Only customers within Agility and IT Project Portfolios rated security as a "most important" function, although customers in other pillars identified security as average to above average importance.

- Other factors customers consider to a lesser degree include industry reputation, price and industry-specific innovations and product enhancements.

Globally, the project management market for customers with revenues higher than 1 billion euros per year is expected to continue to grow over the 2022-2028 period at an estimated CAGR of 11%, while the project management markets for customers with revenues between €500 million to 1 billion euros and €250 million to €500 million are expected to grow at an estimated CAGR of approximately 12% and 14%, respectively in the same period.

Within an industry marked by high barriers to entry and generally low churn rates, Planisware has in recent years managed to contain its annual churn rate to under €1 million of total revenues (or approximately 1.6% and 1.4% as a percent of total revenues in 2021 and 2022, respectively, below the estimated industry average of 2%). Planisware attributes its particularly low churn rates to its ability to leverage strong product capabilities, high industry recognition and first mover advantages fostered by superior customer feedback and strong customer loyalty. Its product differentiation derives from the ability of its solutions to address complex needs across multiple verticals and functions, addressed at various levels within its customers' organizations, from executives to managers and employees.

In addition, as a modern multi-specialist provider, Planisware has succeeded in building strong expertise across its teams in its PD&I pillar, capturing significant market share across industries and verticals that focus heavily on R&D by supporting these customers to better sequence and prioritize projects, speed up time-to-market for new products and more effectively facilitate collaboration between different key departments and stakeholders.

Planisware's solid positioning has been sustained by strong analyst recognition, as it is one of only a few providers that is consistently ranked at the top of the Gartner, Forrester and Info-Tech Research Group leaderboards in numerous categories, such as functionality, scalability, adaptability (e.g., configurability for specific complex needs), development roadmaps, customer support and customer advocacy.

5.4.4 Description of Geographic Markets

Planisware conducts its activities in the following geographic markets:

(i) Europe, consisting of offices and data centers located in the UK, France, Switzerland and Germany, which represented 49% and 51% of the Group's total revenue with customers for the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively (compared to 52% and 52% for the years ended December 31, 2021 and 2020, respectively);

(ii) North America, consisting of offices and data centers located in the United States and Canada, which represented 45% and 44% of the Group's total revenue with customers for the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively (compared to 44% and 41% for the years ended December 31, 2021 and 2020, respectively); and

(iii) Asia-Pacific and Rest of World, consisting of offices and data centers located in Tokyo, Singapore, Dubai and Tunisia, which represented 6% and 5% of the Group's total revenue with customers for the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively (compared to 4% and 7% for the years ended December 31, 2021 and 2020, respectively).

These geographic markets reflect the trends common to the entire Project Economy described in Section 5.4.1 above, as well as their own specific trends.

Globally, the average function equipment rate (i.e. the ratio of hours spent using project management software to total hours) was approximately 50-60%, with rates differing by company size and geography. Function equipment rates were lowest (30-40%) among companies with annual revenues between €250 to 500 million, while companies with over €1 billion in annual revenues had function equipment rates of 55-65%. By geography, companies in Asia-Pacific display the lowest function equipment rates (25-35%) as compared to North America and Europe which have rates of 70-80% and 60-70%, respectively.

The following table shows the estimated overall SAM of the Project Economy market by company size and geography as of 2022.

Geography	Revenue Segment (in millions)	Number of companies (thousands)	Number of FTEs/company (thousands)	Share of addressable FTEs (%)	Function equipment rate (%)	Employee use rate (%)	Average spend per employee (euros)	Total SAM (€ billions)
N. America	€250-500	3-4	1-2	60-65	55-60	30-35	160-180	0.1-0.2
	€500-1,000	2-3	3-4	60-65	65-70	30-35	160-180	0.2-0.3
	> €1,000	2-3	26-29	55-60	75-80	30-35	160-180	1.8-2.3
	Total (average)	**8-10**	**9-11**	**55-60**	**75-80**	**30-35**	**160-180**	**2.2-2.7**
Europe	€250-500	4-6	1-2	55-60	45-50	30-35	160-180	0.1-0.2
	€500-1,000	2-3	3-4	55-60	55-60	30-35	160-180	0.1-0.2
	> €1,000	2-3	30-35	55-60	70-75	30-35	160-180	1.3-1.8
	Total (average)	**9-11**	**8-10**	**55-60**	**65-70**	**30-35**	**160-180**	**1.7-2.2**
Asia-Pacific	€250-500	6-8	2-3	55-60	20-25	30-35	160-180	0.1-0.2
	€500-1,000	3-4	4-5	55-60	25-30	30-35	160-180	0.1-0.2
	> €1,000	3-4	19-22	55-60	30-35	30-35	160-180	0.7-0.8
	Total (average)	**13-15**	**7-9**	**55-60**	**25-30**	**30-35**	**160-180**	**0.8-1.3**
Global	**Total**	**30-35**	**8-10**	**55-60**	**50-60**	**30-35**	**160-180**	**5-6**

Trends by Geographic Market

Europe

Europe accounted for 49% and 51% of Planisware's total revenue with customers for the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively (compared to 52% and 52% for the years ended December 31, 2021 and 2020, respectively).

The project management market in Europe represented roughly €1.7 billion to 2.2 billion in company spend in 2022, compared to €0.9 billion to €1.3 billion in 2017, representing a CAGR of roughly 10% over the 2017-2022 period. The project management market in Europe is estimated to continue to grow over the 2022-2028 period, with an estimated CAGR of 12%, to reach €3.4 billion to €4.1 billion in 2028.

North America

North America accounted for 45% and 44% of Planisware's total revenue with customers for the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively (compared to 44% and 41% for the years ended December 31, 2021 and 2020, respectively).

The project management market in North America is estimated to represent roughly €2.2 billion to 2.7 billion in company spend in 2022, compared to €1.3 billion to €1.7 billion in 2017, representing a CAGR of roughly 9% over the 2017-2022 period. The project management market in North America is estimated to continue to grow over the 2022-2028 period, with an estimated CAGR of 11%, to reach €4.1 billion to €4.8 billion in 2028.

Asia-Pacific and Rest of World

Asia-Pacific and Rest of World accounted for 6% and 5% of Planisware's total revenue with customers for the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively (compared to 4% and 7% for the years ended December 31, 2021 and 2020, respectively).

The project management market in Asia-Pacific represented roughly €0.8 billion to €1.3 billion in company spend in 2022, compared to €0.4 billion to €0.7 billion in 2017, representing a CAGR of roughly 12% over the 2017-2022 period. The project management market in Asia-Pacific is estimated to show the highest growth of all geographies over the 2022-2028 period, with an estimated CAGR of 14%, to reach €1.8 billion to €2.7 billion in 2028. As of 2022, Asia-Pacific remains the largest unaddressed market due to the limited presence of project management software providers and less frequent adoption of Agile methodologies in large companies.

Competitive Position and Environment in the Geographic Markets

Planisware has shown strong growth globally over the 2020-2022 period. By geography, for the years ended December 31, 2020, 2021 and 2022, Planisware had revenues in:

(a) Europe of €47.1 million, €55.6 million and €66.6 million, respectively (representing a CAGR of 19% from 2020-2022);

(b) North America of €37.3 million, €46.8 million and €57.1 million, respectively (representing a CAGR of 24% from 2020-2022); and

(c) Asia-Pacific and Rest of World of €6.8 million, €4.3 million and €6.9 million, respectively.

Planisware's strengths in Europe and North America can be attributed to certain market dynamics in developed countries, including shifts toward project-based approaches, higher shares of professional services experts and more imposing regulatory environments.

In addition, Planisware has benefited from strong client acquisition and low churn across geographies.

5.5 Presentation of Planisware's Business

Through its SaaS and on-premise software platforms and expert services, Planisware offers cloud-based project management solutions worldwide to large multinational companies and MSBs across various industries. As a mission-critical solution for Planisware's existing and potential customers, Planisware's software targets the ways in which businesses can capitalize on major opportunities and transformations taking place across industries. Companies in today's Project Economy are continually seeking new and improved solutions to various challenges especially regarding digitalization, increased productivity and efficiency, innovation, energy transitioning and sustainability.

Planisware seeks to unite key executive managers, project managers and knowledge workers within an organization who can deploy a single source of truth for project and product data in collaborating to align business strategies, streamline processes, execute projects and programs successfully, enhance business agility, achieve sustainability and adapt to a new world of work.

Planisware operates through its parent company based in France and four main operating subsidiaries in the United States, Germany, the United Kingdom and Singapore (with affiliates, offices or joint ventures in the UAE, Canada, Japan and Tunisia). With almost 600 employees[23] as of June 30, 2023, Planisware serves 539 organizational customers in a wide range of verticals and functions across more than 30 countries worldwide as of June 30, 2023. These customers include large multinational and blue-

[23] Excluding employees of Planisware MIS SARL (France) and Planisware MIS SARL Tunisia.

chip companies as well as a limited number of MSBs, most of which subscribe both to Planisware's solutions and its service offerings.

As of December 31, 2022, the ARRPC for Planisware Enterprise was roughly €450,000 and Planisware's largest customer accounted for less than 4% of Planisware's total annual contract revenues. Planisware has maintained contracts with its 20 largest customers for an average of roughly 10 years. Of these customers, 35% have subscribed for more than 10 years and 25% have subscribed for 1-5 years.

Planisware's consolidated revenues increased from €91.9 million for the year ended December 31, 2020 to €107.7 million for the year ended December 31, 2021 and €132.1 million for the year ended December 31, 2022, representing a CAGR of 19.9% over the period. Profits for the same periods were €20.1 million, €27.1 million and €31.6 million, respectively.

Planisware's business model is a subscription-based SaaS in which customers sign up for access to Planisware's software solutions, evolutive support services and subscription support services, plus supplemental implementation services fees. Customers typically subscribe for single or multi-year contracts, with add-ons for specific features or additional user specifications.

Base subscriptions include defined limits on the number of users who can access the solution within the organization. These software licenses carry different access level categories depending on the user's role within the organization. Customers may choose to add options and supplemental services to the base subscription at an additional cost.

When customers sign up, there is an initial implementation phase during which Planisware configures and integrates its solutions into its customers' systems and onboards key users over the course of several months. Throughout its SaaS transition, Planisware has been able to shorten this implementation phase in order to accelerate value generation from its application and thereby generate the corresponding SaaS revenues at an earlier stage in the customer lifecycle. As a result, following the initial deployment of the solution, Planisware can more quickly provide "evolutive" support services (the "Expansion Phase") to customers in connection with SaaS to support more efficient integration of the solution into the customer's organization. These evolutive support services are provided based on contracts that are recurring in that they are purchased every year and tailored according to the customer's objectives. This evolutive phase can last between one and five years depending on organizational size and deployment objectives. Once the "evolutive phase" is complete, Planisware continues to offer customer support in the form of subscription support services under annual recurring contracts (using offshore resources that are currently located in Tunisia) and tries to seize cross-sell opportunities along with this customer support (currently, around 61% of Planisware's revenues are derived from customers that use Planisware's solutions within only one pillar, potentially allowing for sizeable cross-selling opportunities).

The following graphic provides an illustrative lifecycle of the adoption of Planisware's solutions.

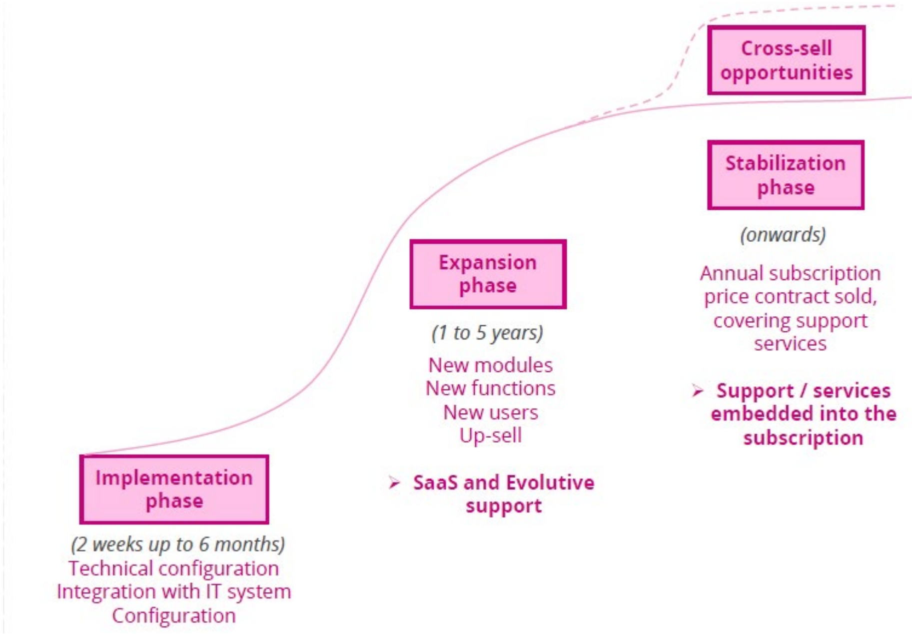


Figure 5 – Illustrative lifecycle of Planisware adoption for typical large accounts

Revenues from subscription-based SaaS contracts, and maintenance, evolutive and subscription support services (which it considers to be recurring by nature as they are generated regularly over the term of the contract) constituted 69.2%, 76.3%, 83.1% and 86.0%, respectively, of Planisware's total revenue with customers for the years ended December 31, 2020, 2021 and 2022 and the six-month period ended June 30, 2023, with the remainder comprised of fees from perpetual licenses and implementation and other services (which are by nature one-off and non-recurring).

From 2020 to June 2023, Planisware's recurring revenues grew across its customer base. Of all new customers of Enterprise and Orchestra, customers with recurring revenues of up to €100,000 represented 21%, recurring revenues of €100,000 to €300,000 represented 33% and recurring revenues of greater than €300,000 represented 47%. Planisware has achieved this growth by maintaining low levels of customer concentration (its top 5 customers in 2022 represented only 14% of Planisware's overall revenues, while customers 6-20 and 21-50 represented 10% and 35%, respectively, of Planisware's overall revenues).

The following provides a further breakdown of Planisware's principal revenue streams:

- Recurring revenues, which accounted for €108.5 million, or 83.1%, of Planisware's total revenue with customers for the year ended December 31, 2022, consists of fees related to SaaS contracts, maintenance contracts and subscription services. These activities are a recurring revenue source for Planisware as, once a contract is signed, they are by nature generated on an ongoing basis over the course of the contract's term.
    - SaaS contract fees for subscriptions to software solutions were €48.7 million, or 37.3%, of Planisware's total revenue with customers for the year ended December 31, 2022. Planisware's solutions are subscription-based platforms that consist of two applications, Planisware Enterprise and Planisware Orchestra, which are delivered as SaaS via Planisware's in-house cloud infrastructure. Both software applications include features such as resource allocation, task management, project scheduling, budget tracking and reporting and can be readily configured to meet the industry- or market-specific needs of Planisware's organizational clients.

- Subscription support fees were €5.7 million, or 4.4%, of Planisware's total revenue with customers for the year ended December 31, 2022. Planisware's service offerings include a suite of comprehensive support services for its organizational clients to ensure continuous optimization. Customers choose from a wide range of expert services provided by Planisware's professional services experts, including expert consulting, configuration, integration and customer success management.

- "Evolutive" support services fees were €35.6 million, or 27.2%, of Planisware's total revenue with customers for the year ended December 31, 2022. These activities consist of implementation and adoption of Planisware's software during implementation and expansion phases.

- Maintenance contract fees were €18.5 million, or 14.2%, of Planisware's total revenue with customers for the year ended December 31, 2022. Customers that purchase a perpetual license (and do not enter into a SaaS contract) typically subscribe to maintenance contracts with Planisware giving access to its experts for technical assistance and software maintenance (such as bug fixes, technical errors, and pro-active system monitoring) to ensure business continuity and optimal performance of customers' project management needs.

- Non-recurring revenues, which accounted for €22.1 million, or 16.9%, of Planisware's total revenue with customers for the year ended December 31, 2022, relating to purchases of perpetual licenses and implementation services. These purchases are non-recurring because customers pay a one-time fee for the installation services and the right to use Planisware's software on their systems (as opposed to cloud-based SaaS) for an unlimited duration, hence the term "perpetual license".

  - The sale of perpetual licenses accounted for €5.6 million, or 4.3%, of Planisware's total revenue with customers for the year ended December 31, 2022. Approximately 30% of Planisware's customer base in 2022 had purchased a perpetual license rather than subscribed to a SaaS contract; these customers, which are mainly in the government and defense sectors purchase on-premise licenses as their internal processes and governance may preclude them from using cloud-based SaaS.

  - Implementation and other (including training) services accounted for €16.5 million, or 12.7%, of Planisware's total revenue with customers for the year ended December 31, 2022. Implementation services consist of onboarding, installation and ramp-up and are one-time fees paid upfront by customers purchasing either SaaS subscriptions or perpetual licenses. Planisware's team of experts works closely with clients to understand their unique requirements and present tailored solutions that align with their project goals. Planisware also offers customers exclusive access to world-class technology training and resources, including e-learning content and live conferences, and certification programs.

5.5.1 SaaS and Planisware's In-House Cloud

Planisware began providing its solutions under a SaaS delivery model in 2012 and completed the migration of its solutions onto its in-house cloud in 2019. This has allowed Planisware to better serve its growing customer base, allocate higher revenues to subscription-based SaaS and evolutive and subscription support services and more efficiently deploy its solutions to clients' systems (whereas on-premise servicing and deployment required significantly more effort and time to push new upgrades and features to customers' systems).

Due to the SaaS model becoming the default delivery model for customer deployment, Planisware Enterprise has seen its R&D productivity improve. From January 2016 to July 2020, the Planisware

Enterprise R&D team developed and deployed 10 new major enhancements (including user-interface, technology features, new modules and architecture upgrades), while it completed 13 such enhancements in half the time from January 2021 to July 2023 thanks to a shorter feed-back loop between Planisware R&D and customers.

Planisware provides its solutions on its own cloud infrastructure with servers that process at a current RAM capacity of over 170 terabytes and a SSD storage capacity of approximately 900 terabytes. Planisware's solutions are run within a highly scalable, in-memory architecture that facilitates processing of large volumes of data and simulation capabilities for real-time insights and business analytics.

Planisware uses over 100 servers to host and run its solutions which are housed at seven leased data centers located in the United States, Europe and Asia. Planisware's development and technical expert teams continually enhance, upgrade and service these data centers. All data is fully encrypted and Planisware maintains complete control over the data chain of customer information used on its platforms and sole control over the access to its servers, ensuring appropriate confidentiality and redundancies for the safekeeping of customer data.

As is typical in SaaS, Planisware itself manages and services all aspects of the solutions to which its customers subscribe, including the computing and storage infrastructure, the operating system and the software application and data. This also means that if customers terminate their contract with Planisware, although they are entitled to retrieve a copy of their data used and stored on Planisware's platform, they cannot deploy or in any way use Planisware's software on their own IT infrastructure.

5.5.2 Planisware's evolutive and subscription support services

Together with subscriptions to access Planisware solutions, the Company offers software support (both "evolutive" and subscription support) services, a comprehensive suite of support services to help customers make the most of their configured Planisware installation and meet their unique business needs. Planisware refers to these services as "evolutive" since they relate principally to the process of enhancing the use and functionality of its solutions within its customers' business environments. Planisware refers to these services as subscription support when they are offered at a fixed price under multi-year subscription contracts that aim to maintain and upgrade the solution once the solution's deployment within the customer's organization has been stabilized. Planisware's subscription support services is managed by an offshore team located in Tunisia.

From a technical standpoint, Planisware's evolutive services include any combination of training, solution support services, expert consulting, software configuration and system integration. These services focus on data quality, value realization, system adoption and measurable performance.

Its evolutive or subscription support services teams ensure stability of the software infrastructure through its incident response team and data preservation with daily back-ups. In addition, an expert support team is always at hand for direct system support and expedited issue resolution. Planisware also communicates with customers on an ongoing basis with regular reports regarding system availability, capacity and usage to ensure optimization of resources and maximum performance on the customer's end.

Customers can enhance their subscriptions with additional subscription services options, such as configuration hosting and support, server support, workshop and design and data conversion.

5.5.3 Planisware's maintenance services

While support services are included in SaaS contracts, perpetual license customers must purchase maintenance services to access Planisware's software updates, technical support and informational documentation. Fees in this respect, known as "maintenance fees", are assessed annually (typically amounting to approximately 20% of the price of the customer's perpetual license) and are considered part of Planisware's recurring revenue streams.

5.5.4 Overview of Solutions, Technology and Integration

Planisware's two solutions are Planisware Enterprise and Planisware Orchestra. Planisware has developed its solutions as multi-specialty tools that address highly complex needs for multiple functions and industries so that companies of all sizes can apply Planisware's software solutions to a variety of commercial activities and projects. Both platforms provide highly configurable user interface components with advanced features for optimized functionality and project execution in any business context.

Enterprise and Orchestra are primarily delivered to customers as SaaS via a three-tier architecture: a browser on the client side, an application server and a database. On the client side, Enterprise and Orchestra support all mainstream browsers on any operating system. Both Enterprise and Orchestra are equipped with highly functional user interfaces and the compatibility to easily integrate into any IT systems and processes organizations already have in place. Planisware's solutions focus on addressing organizations' most sophisticated project needs, with their core strengths targeted toward very high complexity. See Figure 3 in Section 5.4.2, "*Planisware's SAM, Sweet Spots and Growth Engines*."

With a comprehensive set of dedicated tools and features built on proven methodologies, Enterprise and Orchestra are designed to allow large organizations and MSBs to gain instant insight through what-if scenario planning and modeling to drive smarter choices and assessments of the strategic value, costs and challenges of each idea with transparency and fluidity.

By deploying AI, ML and advanced analytics, Planisware's solutions help organizations maximize the quality of their products and services while minimizing their costs. Companies can leverage this technology and insight to set out project options and constraints to maximize the potential value delivered, anticipating and managing needs throughout project execution to balance workloads and adjust assignments. Projects are completed with reliable data at hand to control resource and budgetary work plans, giving organizations an informed perspective on the projects' contributions to their business objectives.

Subscriptions to Planisware Enterprise and Planisware Orchestra come with a base licensing package that provides the subscriber access to the platform for a maximum number of users and all the solution's key features. Customers may also purchase additional user rights, licenses, technologies and specific platform features.

Planisware's software configuration capabilities are zero-code, which means users can engage in sophisticated configuration of its platform to suit their needs just by manipulating user-friendly settings or features. As examples, the platform's data model extension allows users to create new attributes on any object in the Planisware system, implement new data structures and modules for data capture and reporting needs and extend resource, cost, and financial models for accurate forecasting and financial reporting.

The platform also uses AI and ML to support customers in detecting data anomalies, strengthening estimates, providing automated live assistance to users and allowing configuration of event triggers, data rules and notifications. Planisware's solutions also possess a workflow engine and an interface to third-party systems to enhance business process automation. In addition, with support from tools that automate the consolidation and distribution of data, users may configure the platform's interface by creating their own forms and reports to streamline data entry while modifying and configuring table reports for any purpose.

The platform deploys a straightforward system administration that allows administrators to manage user roles and profiles to secure data and limit functionality and manage data structures and process rules in one unified interface.

5.5.4.1 Planisware Enterprise

Planisware Enterprise serves as the primary software that large organizational clients deploy for efficient analysis, prioritization, management and decision-making on projects, portfolios, programs and products, with a scaling capability for up to 20,000 users.

Enterprise is available to customers as SaaS with a monthly subscription rate of approximately €100-150 per user, or in some rare cases through a perpetual license plus a subscription for maintenance services. As of December 31, 2022, over 250 customers used Enterprise and the ARRPC for Enterprise subscriptions was approximately €450,000. Planisware's top 20 customers consist of organizations that use Enterprise, of which 35% have used Enterprise for over 10 years and 40% have used Enterprise for at least six years.

To serve larger, more complex businesses, Enterprise includes high configuration capabilities and optimal scalability. It offers the following features to assist organizations in planning, managing and analyzing their projects, portfolios, programs and products:

- **Business strategy development** consists of supporting the organization's vision, weighing trade-offs and simulating scenarios against financial and other resource constraints. It also requires aligning IT initiatives with business strategies and prioritizing business capabilities. Enterprise's tools include multi-layered strategic roadmaps that can be integrated within an organization's initiatives and programs, business capabilities road-mapping and advanced portfolio scenario planning for optimal prioritization and problem solving.

- **Strategic road-mapping** uses engagement with stakeholders to formulate roadmaps that convey enterprise strategy and calibrate disparate programs and projects. The aim is to enable the delivery of products, technologies, and applications that meet project targets and produce optimized outcomes.

- **Forecasting tools** that leverage predictive analytics, parametric estimations, Monte Carlo simulations (i.e., simulations that model the probability of different outcomes in a process that cannot be predicted with certainty due to the intervention of random variables), an unlimited number of templates and road-mapping for applications, technologies and capabilities life cycles.

- **Financial management** requires the optimization of costs in alignment with business strategy. Enterprise contains integrated, user-friendly tools for consolidation and coordination of budgets, capital approval, contract management, time and cost monitoring, profitability analysis and expense management. Organizations can engage in flexible investment modeling with the support of value-stream and traditional funding approaches as well as detailed financial planning analysis and integration.

- **Demand management** involves planning and controlling work initiatives (the demand) against business constraints (the supply). Enterprise users can take advantage of tools and widgets on the platform to collect all project, service, work and other requests through the use of governance and workflow tools for efficient approval, planning and execution.

- **Portfolio management** tools provide an intuitive, interactive experience for an integrated, holistic view of an organization's business assets, interdependencies and cost allocations. With a single source of truth for project and product data on the Enterprise platform. Executives can define a strategic and sustainable plan with insights that consider cost, risk and value perspectives. Enterprise's portfolio-level prioritization and dashboards use qualitative and quantitative metrics to keep leaders informed of performance and progress.

- **Integration** tools allow Enterprise to live in a solution ecosystem and interact with systems from multiple providers. Enterprise was designed with open application programming interfaces, or APIs, that enable Planisware to integrate virtually any external system compatible with standard, modern integration technologies so that organizations can seamlessly integrate Planisware's tools into their existing systems.

- **Reporting** tools allow decision-makers to draw conclusions and track progress based on accurate and reliable data in real time. With powerful reporting engines that track key performance indicators, users can engage in extensive qualitative and quantitative assessments on the go using a variety of scoring models.

- **Security and risk management** must be carried out effectively to identify direct and indirect risks to the organization's projects, products and portfolios. Enterprise's tools allow organizations to effectively assess risks and gain efficiencies in mitigating them through built-in tools that help monitor and estimate financial, operational, resource, schedule and other risks. Enterprise's programmed blueprint is designed to manage any IT assets, business processes and compliance and regulatory frameworks (e.g. Sarbanes-Oxley, Basel, payment card industry compliance, GDPR, Privacy Act, the International Traffic in Arms Regulations (ITAR), Controlled Goods, the Open Group Architecture Framework (TOGAF), the Food and Drug Administration (FDA), the Federal Aviation Administration (FAA), Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and many others).

- **Enterprise architecture governance** tools allow users to define their systems' application, data, technical and business layers to align IT with business processes to be able to process changes and encourage quick and effective decision-making.

- **Collaboration** features on Enterprise consist of collaborative workspaces and a shared repository that support teams of all sizes to seamlessly and simultaneously work together in the cloud on complex projects and portfolios. Roadmaps, reports and shared dashboards bring team members together to focus on key issues, while full-featured, powerful scheduling engines provide constant visibility and coordination across and within teams.

5.5.4.2 Planisware Orchestra

Planisware Orchestra supports organizations of all sizes interested in rapid product development and project implementation, with a focus on less complex projects. Planisware added Orchestra to its suite of solutions via its acquisition of NQI in 2018 in order to address the project management market for MSBs. By expanding its scope of customer coverage, the addition also contributed to bolster Planisware's ratings with industry analysts such as Gartner and Forrester.

Orchestra is available only as SaaS with a monthly subscription rate of approximately €50 per user. As of December 31, 2022, over 280 customers used Orchestra and the ARRPC for Orchestra subscriptions was approximately €40,000.

The main tool deployed in Planisware Orchestra is Orchestra Designer, a critical tool that allows organizations the freedom to easily configure their business applications to adapt to their specific challenges, methods and processes by creating forms, menus, reports, objects, additional fields or new workflows in a few simple clicks. Orchestra Designer also has built-in tracking and management tools with which users can manage profiles, roles and rights of their team members and monitor the organization's software license usage.

Orchestra's strengths include the ability to be deployed quickly in medium-sized organizations and its bottom-up adaptability that allows maximum configurability. It covers the following features and tools MSBs need to manage projects throughout their life cycle:

- **Idea management** is the processing and management of proposals that may be the seeds for future projects. Orchestra allows users to centralize ideas in a single area and funnel them through a governance workflow that uses organizational priorities to better assess the value and cost of the ideas and identify any dependencies. This allows for transparent and fluid decision-making.

- **Portfolio management** consists of grouping together projects with similar profiles (for example, project with similar objectives with similar objectives, or projects from a given department) and managing them together to ensure that they perform to the expected standard and are aligned to strategic business objectives. The "portfolios" feature helps highlight outliers and variance to allow managers to take the most appropriate corrective actions. This feature can also restructure and consolidate projects in a visual format to allow decision-makers to conduct global strategic analyses and arbitrate scenarios depending on priorities and resource capacities.

- **Project planning management** is the process of driving a project start to finish. Orchestra has numerous tools to help users drive multiple projects and tasks simultaneously using any project management methodology, including waterfall, agile or hybrid. These include tools to manage schedules, task lists, milestones, stage-gate processes, workflows, deliverables, budgets, team delegation and monitoring of key performance indicators.

- **Resource and time management** is a process through which organizations and their leaders to keep micro and macro views on project resources and time constraints. Orchestra provides users real-time overviews of their project and non-project activities, including resource availability. This feature uses fully configurable timesheet forms, time capture mechanisms that can be configured for reporting and analysis of time distribution across project activities. These features help teams anticipate capacity and availability and optimize their workloads while reducing project delays.

- **Cost management** is an essential part of successful project planning. Orchestra's cost management features allow users to manage complex budgets on a granular level (e.g., employees, expenses, materials and equipment). These features help users anticipate and break down budget needs and provide a centralized view of project costs (planned and actual payments) to ensure the reliability of forecasts and budgetary outcomes.

- **Collaboration management** promotes communication and connects all stakeholders involved in project and portfolio management through a single platform with features such as asynchronous chat, document collaboration and meeting management.

- **Reporting** allows users to set their own reporting criteria, present consolidated analysis at every level of the portfolio (e.g., portfolio, program, project), accelerate the production of documents for project and portfolio communication and analyze projects with past findings, real-time monitoring and forecasting based on key performance indicators.

- **Intuitive and powerful administration** offers users the freedom to configure the applications to adapt them to their organization's challenges, methods and processes. With a minimum number of clicks, the creation of fields, objects and workflows on Orchestra Designer ensures users the ability to effectively manage profiles, roles and rights for users and groups within the organization.

5.5.4.3 Technology and Integration

Planisware's software provides cross-platform capabilities and has preconfigured interfaces that allow organizations and their teams to connect, sync and extend their existing data across business applications.

A substantial majority of Planisware's customers deploy a Planisware solution that interfaces with their enterprise resource planning, accounting, HR and customer relationship management ("CRM") software. These integrations facilitate meaningful collaboration among business teams and user-friendly importing, editing, exporting and sharing of documents and objects across applications as part of project management processes on Planisware's platforms.

On the back-end, Planisware utilizes embedded integrations with industry-leading systems of record to enable data synchronization in real time. Planisware also provides APIs that enable a broad ecosystem of partners and customers to integrate directly into Planisware's software, increasing the value of existing custom-built applications and improving user experience.

As of December 31, 2022, Planisware offered connections to the following common enterprise applications, among others:

- Financial management tools, such as SAP, Oracle Fusion and NetSuite, Hyperion and Anaplan
- Business intelligence applications, such as Tableau, Power BI, Qlik and Spotfire
- Engineering and construction applications, such as EOS Software, ServiceNow, Flexera and Apptio
- Agile delivery applications, such as Jira, Azure Ops and Broadcom Rally
- Scheduling tools, such as MS Project, Smartsheet, Oracle Primavera and Clarity
- Document management applications, such as Google Workspace, Microsoft Office 365 and Adobe Acrobat
- Productivity and collaboration applications, such as Microsoft Teams and Slack
- CRM tools, such as Salesforce, SAP CX, SugarCRM and Microsoft Dynamics 365
- HR information systems, such as Workday, Workforce, ADP and Oracle HCM

In recent years, Planisware has invested heavily in R&D to increase product enhancements and innovations. It develops its enhancements internally and continuously releases updates to its solutions that include both new-to-the world features and improvements to user interface, technology, modules and architecture. These include the following:

- AI (Chatbot, Predictive Estimation) for data anomaly prediction on time entries, synthesis of disparate, non-structured data, generative AI assisted planning and end-user workflow automation
- Blockchain inspired Extended Enterprise in order to be able to distribute controlled information in a decentralized fashion, typically for construction projects where many parties need to collaborate together to complete the project
- BI Box allows the storage of large datasets from Planisware's live systems to be further processed through business intelligence ("BI") programs such as Tableau
- PEX Box provides the ability to accelerate in-product, real-time BI capabilities of the solution
- Cloud Replica allows controlled transfer of data between several versions of the Planisware application deployed within the customer's organization, allowing data consolidation when

managing projects from different parts of the organization in one single system is unsuitable or impractical

- Enterprise Architecture enables IT organizations to manage key IT assets such as technologies, applications and capabilities to provide a better overall picture of the organization's priorities and the impacts of implemented changes

- PM GO is the "light" project management module of Planisware Enterprise for casual users or additional functions that do not share the same goals or processes as the main project management modules deployed in the organization

- Monte-Carlo version 2, which allows simulations and modelling for targeted probability and outcome prediction when faced with random variables, risks and uncertainty in forecasting

- ActiveTab is an advanced component that integrates, extends and distributes Microsoft Excel spreadsheet data, making the enterprise-wide collection and consolidation of data quick and predictable

- Agile SAFe support through the integration of several components such as PI Planning[24] and Agile Release Train[25] that are part of the Scaled Agile methodology framework, which enables organizations to scale agile projects to hundreds of contributors

- Mobile apps and extensions

5.5.5 How businesses use Planisware's solutions

Planisware's clients face various obstacles and challenges when building the strategy for and executing their projects which cause unnecessary costs and inefficiencies. These include poor resource visibility, lack of planning support, cost overruns, inability to trust the data, missed deadlines, poor strategic alignment and inadequate prioritization.

Planisware's clients deploy its solutions to address such challenges in a variety of business needs and functions. Use cases can be grouped in four areas, corresponding to the four "pillars" that are of particular focus for Planisware. Each is described below along with relevant customer case studies.

5.5.5.1 Product Development and Innovation

Roughly 56% and 54% of Planisware's consolidated revenues in the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively, were generated from the application of Planisware's solutions to NPD, R&D and marketing implementations. This primarily involves companies within highly regulated R&D-driven verticals with strong external interdependencies, cross-functional teams involvement, specific customer needs for AI-capabilities, simulation and visualization.

These types of projects, portfolios, programs and products often pose the following challenges:

- Time-to-market is the main challenge for organizations that depend on new products and innovations to be "first to market".

- Data collection and cost tracking in a way that monitors baseline constraints.

[24] "Program Increment Planning" refers to sessions of regularly scheduled events held throughout the year where multiple teams within the same Agile Release Train meet to align on shared visions, discuss features, plan roadmaps and identify cross-team dependencies.

[25] Agile Release Trains are teams that align to a shared business and technology mission, each functioning as its own organization (typically 50 – 125 people) that plans, commits, develops and deploys together.

- There is often a lack of reliable communication and effective collaboration between departments and stakeholders.

- In life sciences, for example, teams require effective coordination of parallel clinical tests, regulation of patient privacy, controlling of side effects, stringent deadlines and comprehensive risk management.

- In life sciences and chemicals, service providers often face complexities properly managing large teams and numerous simultaneous projects and programs.

- In the fast-moving consumer goods industry, companies require significant volumes of product specifications (e.g. by geography, sourcing and ingredients) and strong interdependencies with suppliers and laboratories.

- In automotive engineering and design, companies handle a high volume of components and equipment and have strong interdependencies with numerous suppliers and regulators (e.g. safety and prototype testing, carbon impact and ESG assessment).

- Companies operating in the fast-moving consumer goods industry often lack tools that simplify and automate workflows and processes across departments such as e-commerce, operations, marketing, finance and retail, which slows down their time-to-market and leads to inefficient supply-chain management.

Planisware helps organizations meet these challenges with features such as tailored stage-gate workflows, automatic data (and baseline) collection and highly configurable dashboards. These features allow for:

- Acceleration and prioritization of the most beneficial projects

- Increased speed to market thanks to the standardization of the go-to market process (such as with a stage-gate methodology and adapted workflows)

- Management of product from idea to delivery with agile, waterfall and hybrid approaches in one single tool. Companies can manage projects that use different methodologies in the same portfolio.

- Linking finance with sales and marketing and controlling the development of new products with stage-gate or hybrid methodologies

- Creation of forward-thinking team collaboration by sharing ideas and crafting proposals directly on the platform

- Ensuring that all project and product information are stored consistently and in one single place enabling smooth execution of projects and effective reporting

Life Sciences

A multinational company that develops and sells pharmaceuticals, medical devices and consumer packaged goods, started using Planisware Enterprise in its pharmaceuticals segment in 2002 and adopted Enterprise in its medical devices and consumer packaged goods segments in 2017 and 2019, respectively. The company currently has 12,200 user licenses in these segments for Planisware Enterprise.

The company faced significant challenges in managing large-scale projects, including the lack of a single source of truth for R&D functions, the inability to quickly identify resources gaps or forecast demand, data quality issues, missing links between financial information and its projects and programs, lack of harmonization of processes within the business, misaligned schedules, costs and resources, disparate tools across and within business segments and a lack of consistent governance.

Planisware Enterprise has helped this customer to address these issues through configured and integrated features and processes. In pharmaceuticals, the company now has strong cross-functional planning, improved collaboration, excellent data quality and enhanced reporting and analysis. In medical devices, Planisware Enterprise has become the single source of truth for all NPD projects and has allowed seamless integration between finance, projects and programs, while leveraging stage-gate processes and schedule management for improved project data quality.

5.5.5.2 Project Controls and Engineering

Approximately 19% of Planisware's consolidated revenues in each of the six-month period ended June 30, 2023 and the year ended December 31, 2022, were generated from the application of its solution to project controls and engineering implementations. These include large-scale internal engineering or constructions projects in industries such as aerospace and defense, energy and utilities, manufacturing and construction, undertaken primarily by mature companies with large capital expenditures and production and project trajectories longer than one year.

Organizations with these projects often face the following challenges:

- Shortages of skilled construction labor that impede growth and project execution.
- Lack of reliable communication and effective collaboration between departments and stakeholders.
- Inefficient collection and tracking of data that results in high costs and wasted resources.
- Passive approaches to business risks and issues
- In large utility companies, companies require close maintenance and monitoring to remain operational within the larger network and infrastructure (e.g., preventive maintenance and resource allocation).
- In aerospace and defense, companies encounter large government programs over many years with stringent deadlines and strict deliverables, high interdependencies with external stakeholders on stage-gate approvals and large sets of specifications (often a result of the large geographies and end-markets affected).
- In manufacturing and engineering, companies must undertake large construction projects with high interdependencies between contractors, subcontractors and suppliers (e.g., timelines and inventories), management and allocation of production lines across portfolios and product specifications.

Planisware helps organizations meet these challenges head-on by:

- Integrating Building Information Modeling ("BIM") software to link BIM modelling with the project schedules, create a simulation of construction activities and make annotations and adjustments to project models
- Leveraging advanced workflow features to raise issues, risks and changes

- Providing access to the Planisware mobile app to facilitate work on site
- Performing important analyses in real time without the need to compile data beforehand
- Automating manual tasks to drive swift decision-making and increase productivity
- Immediately seeing the impact of change requests on costs, resources and timelines
- Performing complex resource and cost calculations in a single click (with parametric estimations)
- Taking an active approach to risk management through holistic decisions based on trusted data
- Communicating seamlessly and in real time across project teams in one platform
- Monte-Carlo methodology to address specific customer needs

Utilities

A state-owned utility company and major player in the global hydropower industry uses Planisware Enterprise across 450 users for cost planning and project control for its major equipment programs.

Specifically, as a public entity, the company requires extremely effective cost control systems across all its programs and strong management of supplier cost bidding. It often faces risks with change orders and complex interest rate computations as part of cost commitments. To do so, it undertakes a monthly reconciliation process to analyze the alignment of budgeted and committed or spent costs, and because it uses multiple corporate enterprise resource planning tools for these processes, it has benefitted greatly from Planisware's ability to streamline these systems and processes and integrate all of its corporate tools into one platform.

Planisware has allowed this customer to access a single, synchronized database that tracks all construction projects, performs end-to-end budgeting for its projects and calculates complex cost structures for electricity production and large transportation projects (including, for example, power utility infrastructure and water power generating stations).

5.5.5.3 Project Business Automation ("PBA")

Approximately 8% and 10% of Planisware's consolidated revenues in the six-month period ended June 30, 2023 and the year ended December 31, 2022, respectively, came from PBA implementations. Project Business Automation refers to solutions that support organizations in optimizing revenue recognition from their project operations by managing cost rates, resources (e.g., time spent, capacity), expenses, proposals and invoices. As such, it is generally applicable to any industry or vertical that heavily emphasizes project-based work for small and large tasks.

Organizations in this pillar often face the following challenges in managing their projects and programs:

- Ability to quickly assess competitive bids for feasibility base on the organization current and expected load as well as anticipated project complexity.
- Follow revenue realization as the project cross key milestones and customer receives deliverables. Ensure that the project is aligned with the contract and risks are taken care of.

- With thousands of tasks to manage and execute every day, companies with complex projects and programs may not have effective ways of automating repetitive tasks and streamlining workflows without significant errors and delays.

- Diverse projects and programs with high integration complexities require increased coordination and integration.

- Lack of automated systems or real-time data on resource availability and utilization to effectively allocate resources, such as personnel, equipment and materials.

Planisware helps organizations meet these challenges with features such as:

- Project dashboards and summaries that provide a 360-degree view of all projects and work processes

- Parametric estimation engines and predictive analytics that integrate AI, ML to analyze historical data

- Extensive profit & loss statement tools that allow companies to accurately forecast sales and costs

Clinical Research

A large provider of biopharmaceutical services based in the United States has 16,000 users of Planisware across dozens of offices worldwide. It integrates dozens of other enterprise resources planning tools onto one platform using Planisware Enterprise to manage the lifecycle of its projects from opportunity to execution.

The company faced challenges in connecting its commercial, delivery and operations departments across thousands of users, not least because it used numerous disconnected and disparate tools to manage its programs and projects. These disconnected tools made it difficult to effectively gather data and assess resource capacities when delivering projects.

Since adopting Planisware, this customer has been able to tackle the management of project scopes and approval workflows and effectively tracks all cost types for both headcount and external costs (including bid proposals, sales, committed costs, budgeted costs, margins, actual costs and changes in scope) in its global operations. Planisware also allows it to manage all resource capacity, demand and supply through enabling task-level precision and named resource assignments, factoring in employee competencies and experience when forming teams for specific projects.

As the company's single source of truth, Planisware Enterprise connects its teams and data systems to:

- maximize margins by producing more accurate proposals and executing projects better

- reduce project cycles by improving the quality of planning and scoping,

- save significant time on staffing team members to the relevant projects, and

- enhance strategic decision-making.

5.5.5.4 Agility and IT Project Portfolios

Roughly 17% of Planisware's consolidated revenues in each of the six-month period ended June 30, 2023 and the year ended December 31, 2022, came from IT implementation and digitalization of public services and organizational project management within highly regulated IT-driven verticals.

These types of organizations and projects often face the following challenges:

- Diverse IT portfolios with high integration complexities that require program coordination and integration.

- Multiple IT projects that often lack a clear roadmap to allow executives to make strategic decisions based on priorities, interdependencies and costs.

- A lack of agile methods for IT developments that can lead to inefficient implementation of projects and programs.

- In the financial services industry, for example, companies today have many parallel initiatives within their digital transformation programs and require data-driven cost and ROI management and forecasting.

- Public sector companies need to be able to monitor and manage resource allocation and their labor force but have limited funding, a lot of interdependencies with other government programs and operate in highly regulatory environment.

- In tech, media and telecommunications, companies require high-tech solutions and configurable work processes because IT is their core business and they must manage many tech software developments in parallel.

Planisware helps organizations meet these challenges with features such as road-mapping, asset mapping and the Kanban framework to:

- Align IT and business roadmaps and focus on value-add activities with automated analytics

- Transform IT infrastructure with architecture capabilities and asset mapping

- Reduce complexities and save costs by deploying a single integrated platform

- Optimize resource allocation with a global and diffuse workforce

- Connect hubs that use a variety of agile project management methodologies (i.e. Scrum, Kanban, SAFe).

Financial services

A multinational financial services company has used Planisware Enterprise for several years. The company had about 10,000 users of Planisware in 2015 and has expanded the use of Planisware to over 18,000 users as of 2022, primarily for use in IT implementation and the management of IT projects in its corporate and investment banking divisions.

The company faced challenges in implementing IT initiatives across its many offices located in various countries as well as budget constraints for its digitalization strategies, which without a platform to manage ideas hindered prioritization of projects. As is often the case, the company also faced issues in its use of multiple systems and applications for the management of its projects and programs.

Since 2015, this customer has used Enterprise's scalable IT solutions as well as tools such as scheduling, resource allocation, capacity management, time tracking and portfolio management in one integrated system alongside other platforms like Sciforma and Microsoft Office. Enterprise has served as one integrated solution through which the company's corporate and investment banking divisions have succeeded in improving resource management and saving substantial maintenance costs.

5.5.6 Customers and marketing

5.5.6.1 Planisware's customers

Planisware has a large and growing customer base that consisted of 539 customers as of June 30, 2023.

Planisware's customers span thousands of use cases and dozens of different industries, ranging from teams of several dozen to tens of thousands of users within organizations.

One of Planisware's primary focuses throughout its history has been to ensure that its customers can easily integrate Planisware solutions into their own systems, and that its customers' teams can take advantage of Planisware's tools regardless of their technical skills. Planisware continues to improve the user interfaces and user-friendliness of its platforms to cater to customers in all industries, particularly those in traditionally non-tech industries, such as aerospace and defense, banking, and energy.

Below is a representative list of Planisware's most significant customers by industry.

Aerospace and Defense	**Automotive**	**Financial Institutions**
ULA	BMW	Société Générale
L3Harris	Ford	AXA
Rockwell Collins	Michelin	Generali Bank
Airbus	Lear Corporation	European Central Bank
Chemicals	**Energy**	**Engineering**
FMC	EDF	ABB
BASF	Hydro Quebec	McKinstry
Bayer	PG&E	Alstom
Corteva Agriscience	Saudi Aramco	Siemens Gamesa
High-Tech	**Life Sciences**	**Food & Beverage**
Sonos	Pfizer	Pepsico
Philips	Merck	Barilla
Schneider Electric	Medtronic	ADM
Zebra	Johnson & Johnson	Beam Suntory

Planisware's customers in the automotive and aerospace and defense industries represent half of the top 18 global companies and half of the top 8 European companies in these respective industries. They also represent 75% of the top 20 global pharmaceutical companies. In addition, two of the three largest global food and beverage companies are Planisware customers.

5.5.6.2 Geographic scope

Planisware maintains 14 offices worldwide and operates through its parent company in France and its four main operating subsidiaries in the United States, Germany, the United Kingdom and Singapore (with affiliates, offices or joint ventures in the UAE, Canada, Japan and Tunisia).

Its organizational clients span over 30 countries and are located in the same regions where Planisware has offices and employees.

Since its inception, Planisware has developed a strong customer base in its three principal geographic segments: (1) Europe, (2) the Americas (primarily the U.S. and Canada) and (3) Asia-Pacific and Rest of World (which primarily includes the Middle East and Asia). In 2022, revenues from customers in Europe accounted for 51% of Planisware's consolidated revenue with customers (and revenues from France alone accounted for 20%). Revenues with customers from the Americas and APAC-Rest of World accounted for 44% and 5%, respectively.

Continued geographical expansion is a significant part of Planisware's growth strategy. Planisware believes that in addition to reinforcing its presence in the Middle East, Japan and Singapore, it can expand to customers in new countries and geographies such as South Korea, Australia and Latin America. This expansion could be driven by opening new offices, entering into local partnerships or increased direct sales from existing offices to new locations (e.g. from Singapore to customers in Malaysia), or a combination of the above.

5.5.6.3 Sales and marketing

Planisware deploys a multi-front sales and marketing structure that includes growing digital marketing efforts, comprehensive engagement media and e-learning opportunities, direct sales to key organizational customers, and system integration partners.

Planisware also uses a broad partner network of consulting organizations, either specialized in project management such as ECP, TPG, Oresys, or more generalist consultants such as Atos, PWC or Deloitte. Through its partner network Planisware aims to achieve several goals:

- Extend its market presence as partners contribute to Planisware's market development, channel new potential deals to Planisware, and in some case include Planisware in distribution networks that could be hard to reach in specific countries such as Japan or within Latin America.

- Offer a choice of integration or implementation services around the chosen solution at different price points or with specialized skill sets that would be less economical for Planisware to develop or sustain, thereby making the Planisware solution more attractive for customers.

- Ensure a continuous development of a pool of resources with knowledge of Planisware's solutions, enabling healthy growth of the entire ecosystem as skilled resources remain available.

- Help with developing new features and further Planisware's understanding of certain markets (either culturally or project management practices), thus contributing to closing gaps inside the offering and ensuring continued relevance of Planisware's solutions.

These sales and marketing efforts are complemented by new and enhanced solutions offerings and a customer-centric approach to services and support. Planisware deploys over 100 sales & marketing professionals globally, of which more than 70 focus on sales and pre-sales. Members of the sales force have substantial project management experience and targeted sector expertise in the relevant geographies.

Planisware takes part in a broad range of marketing initiatives to generate brand visibility and maintaining client engagement. The Group hosts its own marketing events (such as the annual interactive and digital "Exchange" user conference, bringing together PPM and IT professionals from the world's leading companies, and the "User Summit" conference dedicated to local clients), regularly publishes marketing content and industry articles, and organizes webinars on specialized industry topics. Planisware also provides sponsorships to various high-visibility events, including the Project

Challenge Exposition, the European Pharma and Biotech Project Program and Portfolio Conference, the Dubai International Project Management Forum and the ADIPEC[26] Exhibition and Conference.

In the six months ended June 30, 2023 and the years ended December 31, 2022, 2021 and 2020, Planisware spent €13.0 million, €21.8 million, €18.0 million and €14.2 million, respectively, on sales and marketing expenses. These expenses consisted mainly of salaries of the sales and marketing teams, including commissions paid to sales representatives, other marketing costs and a portion of overhead allocated to the salesforce.

Planisware also leverages ratings and awards from third-party industry analysts such as Gartner, Forrester and Info-Tech Research Group in attracting and retaining customers, and it has had several such awards in recent years (Info-Tech Research Group in 2023 as PPM leader and 2022 for quality customer service, Forrester in 2021 for leading project management solutions and Gartner in 2023 for leading adaptive project management and reporting tools that automate delivery based on data-driven decisions).

Effective client onboarding forms a key part of Planisware's sales and marketing efforts and consists of a four-step process:

- using its salesforce and business specialists to assemble and adjust the contract proposal to suit the customer's needs;
- identifying the required levels and scope of resources needed to help each customer reach its objectives;
- implementing the technical aspects of the Planisware solution into the customer's existing infrastructure and security systems; and
- deploying customer success managers and account managers to ensure that the solution continues to meet the customer's needs.

To maximize contract attraction and retention, Planisware focuses significant resources and attention toward customer needs and customer relations before and after sign-up, including:

- **Account managers (of whom Planisware employs 43 globally)**, who have deep functional knowledge and understanding of decision-making processes within organizations, report internally on a bi-weekly basis to determine whether current account goals are being met, gather customer requests and identify any action plans to increase accounts;
- **Sales engineers (of whom Planisware employs 13 globally)**, who are pillar experts with deep market awareness (including trends and competition) and are involved in deploying proof of concept or trial versions with potential customers;
- **Customer success managers (of whom Planisware employs 14 globally)**, who engage directly with customers to ensure seamless adoption of Planisware's platform and help customers decide on the adoption of new features and product roll-outs, as well as to ensure that customers' long-term goals are being met;
- **Professional services consultants**, who assist with implementation and integration of Planisware's solutions and features with customers' business environments

[26] Abu Dhabi International Petroleum Exhibition and Conference.

5.5.6.4 Customer contracts

Planisware's customer contracts typically consist of base subscription agreements that give customers access to the chosen Planisware platform for a defined number of users and access to Planisware's servers for software hosting and document storage. The subscription also includes a base services and maintenance package allotting customers a specified scope of support features, such as corrective maintenance tests, live chat for designated administrators and live meeting credits per year. The fees associated with the base subscription are calculated per month or per year at a fixed price for the term of the agreement. Beyond these base fees, customers may choose to add extra options and services at an additional cost according to an agreed upon rate schedule. These options include additional user licenses, access to expert software consultants and increased hosting and storage, among others.

A customer's use of Planisware's software is governed by specific subscription terms in a master services agreement or framework agreement that includes non-transferable grants of license to the customer and end-user licenses to assigned individuals within the customer's organization. The framework agreements also provide for the conditions applicable to the performance of the services rendered by Planisware.

Services are based on the standard Planisware services catalogue and are provided to customers according to quality and service levels as described in the subscription terms or statements of work incorporated into the agreements. Standard terms give Planisware the right to subcontract to third parties for the provision of services and Planisware retains the ability to amend (in certain cases, subject to the counterparty's consent) certain key terms, such as the scope of services, applicable rates and specific conditions. Key provisions may vary according to the country or geographical area in which the client is located.

Subscription agreements come into force as from the date of their signature by the parties for a specified initial period (ranging from one year to five years) and are tacitly renewed for successive periods subject to termination by one of the parties. Customers can generally cancel subscriptions with limited prior notice but in some cases are obligated to pay pro-rated termination fees according to a fee schedule specified in the subscription terms.

The master services agreements include cross-indemnity provisions that make Planisware and the customer liable for their respective failures to comply with the service terms, and any consequences resulting from the use or exploitation of illegal content within the scope of the services, the fraudulent use of the software or use that does not comply with relevant laws and regulations in force and the use of Planisware's software or customer data in violation of third parties' rights. The parties' liability in most cases is limited to the total amount of all charges and fees paid under the contract within the applicable twelve-month period, subject to customary fault exceptions. Liability resulting from Planisware's failure to perform the subscription terms may be excused if resulting from unforeseen circumstances or causes beyond the Planisware's reasonable control.

According to the subscription terms of service under most agreements, Planisware must provide periodic back-up services of customer data at no additional charge. Planisware agrees to store backed-up data off-site in a secure facility designed to store and maintain back-ups for emergency use. As such, Planisware agrees to take all necessary measures to safeguard the customer's data from potential risks of loss or degradation, regardless of cause.

Customer contracts typically incorporate a data processing agreement or data privacy addendum which sets forth the conditions under which Planisware is entitled as a processor to carry out the processing of personal data on behalf of, and on instructions from, its customers. For further information about the data privacy applicable to Planisware, please refer to Chapter 9 (*Legislative and Regulatory Environment*).

5.6 Investments

5.6.1 The Group's main capital expenditures over the last three years

Planisware's capital expenditures consist of investments in tangible and intangible assets. With respect to tangible assets, the Group regularly acquires servers, server parts and other computer equipment or hardware in connection with its business, which it records at cost on its balance sheet and depreciates in accordance with IFRS principles. Acquisitions of tangible assets amounted to €3.0 million, €2.0 million and €1.7 million, for the years ended December 31, 2022, 2021 and 2020, respectively. Intangible assets consist principally of capitalized research and development expenses. The Group's operations require investments in the development of its software in order to expand its offerings of solutions, develop additional features and enhance existing ones and maintain the reliability and security of these solutions. A portion of these development costs (which mainly include wages of employees working on the development of new modules and applications, upgrades and new functionalities) is capitalized by the Group if they meet certain criteria (see Note 13 to the Group's consolidated financial statements for the years ended December 31, 2022, 2021 and 2020). See Section 8.4, "*Capital Expenditures*".

During the years ended December 31, 2022, 2021 and 2020, the Group did not complete any acquisitions or otherwise acquire any equity stakes. In May 2023, the Group acquired the remaining 53% equity stake of its Japanese joint venture with Innovation Framework Technologies Planisware KK ("**IFTP KK**") through a contribution from the various direct and indirect shareholders of IFTP KK for a consideration of approximately €9.6 million paid in newly-issued Company shares. See Note 1.3 to the Group's consolidated financial statements for the years ended December 31, 2022, 2021 and 2020 and Note 1.2 to the Group's condensed consolidated interim financial statements as of and for the six months ended June 30, 2023.

5.6.2 Main capital expenditures in progress or planned for the future

Planisware expects that its capital expenditures for the development of its solutions in the coming years will generally correlate to the pace of its business activities, mainly continuing investments in development costs to maintain revenues and support growth. The Group also anticipates incurring capital expenditures for the renewal or upgrading of its existing servers as it opens more offices and data centers as part of its strategy of innovation and growth in providing SaaS in the project management market. See Chapter 10 (*Information on Trends*).

The Group intends to continue its investment policy in the development of solutions over the course of the year ending December 31, 2023, with capital expenditures on tangible and intangible assets expected to amount to approximately 1.1% of consolidated revenue, in line with the level of expenditures for the year ended December 31, 2022.

5.6.3 Information on equity investments

The Group's sole equity investment is Planisware MIS S.a r.l., a French limited liability corporation (*société à responsabilité limitée*), which is the operating entity that the Group subcontracts to provide subscription support services to Planisware's customers globally. The Group owns a 50% stake of the share capital of Planisware MIS. As of the date of this Registration Document, the Group has entered into exclusive negotiations for the acquisition of Planisware MIS, and expects the transaction to be completed by the end of year 2023.

Further information on equity investments is contained in Section 18.1 of this Registration Document and in Note 3 to the Group's consolidated financial statements for the years ended December 31, 2022, 2021 and 2020.

5.6.4 Environmental issues

The nature of the Group's activities does not give rise to any environmental issues that could impact the Group's use of its property, plant and equipment.

Nevertheless, in order to promote and ensure the sustainability of its operations, the Group intends to put in place initiatives to limit its environmental footprint, including a greenhouse gas emission reduction plan taking into account results from the commissioned carbon assessment report. (See Section 5.9, "*Environmental Policies, sustainability and ESG aspects*" of this Registration Document.)

5.7 Dependency factors

Information about the Group's dependency factors is provided in Chapter 3 (*Risk Factors*) of this Registration Document, in particular the following paragraphs:

"*Planisware may experience delays or disruptions in supplies of servers or server spare parts including micro-processors, which are currently in short supply globally, or in its access to virtualization software from third parties.*"

"*As Planisware's business depends on a strong brand and sustained market recognition, the failure to maintain and enhance its branding and its rankings with industry analysts may lead to loss of customers or restrain customer acquisition, which would harm Planisware's business, results of operations and prospects.*"

"*If Planisware fails to anticipate product demand and secures fewer new customers or difficulties to upsell, cross-sell or retain existing customers, its business prospects and operating results may be adversely affected.*"

5.8 Research and development, Proprietary and Intellectual Property Rights

5.8.1 Approach to innovation and research and development

Planisware has a long history of innovation regarding the creation and development of software solutions it offers its customers as well as the project methodologies it incorporates into its solutions and services. Generally speaking, Planisware's research and development efforts focus on the innovation and development of new solutions and product enhancements with the aim of implementing additional user tools and features into its existing project management solutions and maintaining the security and availability of the infrastructure on which its solutions are run.

Planisware's R&D efforts focus on the following key areas: user interface and user experience, solutions delivery and architecture, and product capability (including through the development of new product modules and delivery of bespoke product enhancements and integrations for customers). Planisware also seeks to leverage technologies such as artificial intelligence to maximize efficiencies and drive better outcomes with respect to its solutions. To this end, Planisware deploys a seasoned team of in-house specialists to develop and add new features and offerings to its existing Enterprise and Orchestra solutions and to enhance the performance and reliability of those solutions.

The Planisware team responsible for the Group's R&D efforts comprises approximately 105 employees, including product developers and IT experts.

In the years ended December 31, 2022, 2021 and 2020, Planisware's research and development expenses (a portion of which were capitalized) amounted to €18.3 million, €15.0 million and €11.8 million, respectively. Research and development expenses mainly comprise personnel expenses relating to software developers, the costs of external services used to supplement internal resources, amortization expenses relating to capitalized development costs, and a portion of overheads allocated according to a key based on the proportion of employees identified by destination. The portion of these costs which was capitalized as personnel costs for technologies and software developed internally (activities aimed at creating new products or adding new functionalities to existing products, for which the capitalization criteria are met) amounted to €1.0 million, €1.1 million and €1.4 million in 2020, 2021 and 2022, respectively. Planisware is a beneficiary of the *Crédit d'Impôt Recherche*, or CIR, a research tax credit.

5.8.2 Proprietary and Intellectual Property Rights

Planisware relies on a combination of copyrights, trade secrets, trademarks, patents and domain names, as well as contractual provisions and restrictions, to establish and protect its intellectual property and proprietary rights. Planisware believes that factors such as the technical and creative skills of its personnel, including with respect to the creation of new modules, features, functionalities, and enhancements to its solutions, are essential to protecting its technology and its competitive position in the market and, to that end, Planisware deploys a dedicated in-house team to the development and delivery of its solutions. The code base of Planisware's proprietary solutions as developed by its in-house team is principally protected through copyright and trade secret protection. In many jurisdictions, copyright protection arises automatically in respect of original creative works, such as software source code developed by Planisware's in-house team. In order to help prevent misuse and misappropriation of its technology, Planisware seeks to include confidentiality and other protective provisions, as applicable, in its agreements with employees, customers and other third parties (e.g., implementation or consulting partners) with whom it shares confidential information, which limit access to, use of and disclosure of its proprietary information and rights in technology. Planisware also implements appropriate technical measures to protect its proprietary code base, including by depositing such code into escrow on a routine basis.

In order to protect its technology and support its research and development initiatives, Planisware is proactive about seeking the patents necessary to protect its intellectual property. As of August 31, 2023, Planisware had 4 patents in effect or in process, all of which were obtained or applied for in the United States. These patents relate to certain aspects of Planisware's technology, including for centralized communications and enhanced systems for data management, information exchange and predictive estimation. While Planisware believes its patents and patent applications in the aggregate are important to its competitive position, it does not consider any single patent or patent application to be material to the Group as a whole. The Group intends to pursue additional patent protection to the extent it believes it would be beneficial and cost effective. The Group continually reviews its development efforts to assess the existence and patentability of any new intellectual property.

Planisware has registered or filed for registration of trademarks, including PLANISWARE, in multiple jurisdictions, including the United States, the EU and Japan. Planisware intends to pursue additional trademark registrations to the extent it believes it would be beneficial and cost effective.
Planisware has a policy of registering to use and manage the domain names needed to conduct its business activities, such domain names include planisware.com.

5.9 Environmental Policies, sustainability and ESG aspects

The Group's sustainability objectives described below are carried out across its operations by the application of various policies covering social, environmental and economic aspects, with a specific focus on sustainable development. These sustainable development objectives combine social and environmental actions and delegated responsibilities on the part of the Group's offices, management and team members, with primary consideration given to the goals of sustainable development of the Group's solutions and supporting its clients to meet their own sustainability needs.

Environmental policy and sustainable development

The Group began implementing solutions dedicated to reducing its IT equipment's ecological impact over the past several years. In particular, it has used recycled and refurbished servers and endeavours to recycle its equipment through appropriate channels at the end of its useful life. The Group also monitors the energy efficiency of its data centers as well as that of its vendors, as it does with the sustainability targets set by the host company where the Group's data centers are located.[27]

[27] The datacenter lessor maintains commitments to ambitious and measurable for 2025 and 2030 covering multiple aspects of sustainability. It is also a founding signatory of the newly formalized Climate Neutral Data Centre Operator Pact, which marked the industry's intention to play a leading role in transitioning Europe to a climate-neutral economy, in support of the European Data Strategy and the European Green Deal, which aims to make Europe the world's first climate-neutral continent by 2050.

The Group also requested an ESG assessment from EcoVadis in 2023 and received a Scorecard of 69 out of 100, upgrading Planisware to EcoVadis Silver, which demonstrates to its business partners Planisware's commitment to sustainability.

In January 2023, the Group commissioned a carbon assessment (*bilan carbone*) for the year ended December 31, 2022 to evaluate all significant carbon emissions related to its business, using the greenhouse gas ("**GHG**") protocol. The carbon assessment showed that Planisware's operations generated GHG emissions in an amount of 5,220 tons of CO2 equivalent (tCO2e) distributed as follows: 1% under direct GHG emissions (scope 1), 4% under indirect GHG emissions (scope 2) and 95% under other indirect GHG emissions (scope 3). The Group's indirect emissions under scope 3 correspond mainly to the purchasing of goods and services (52% of total GHG emissions or 49% of scope 3 emissions) and business travel (31% of total GHG emissions or 29% of scope 3 emissions), and to a lesser extent to capital goods, such as servers and hardware (12% of total GHG emissions or 13% of scope 3 emissions).

Following the carbon assessment and the re-evaluation of Planisware's key environmental objectives, the Company currently aims to include company-wide measures that it expects should reduce its carbon footprint.

The Group intends to focus its efforts primarily on the most relevant emission items under Scope 3, factoring in the scale of emissions and its ability to curb these emissions by prioritizing and implementing targeted actions in a timely manner. In order to reduce carbon emissions from purchased goods and services, the Group is conducting a mapping exercise of its most important suppliers and expects to implement action plans to monitor and evaluate their respective commitments toward sustainability, notably through their level of transparency in terms of both carbon reduction targets and publication of historical data. The Group's selection of data centers in new locations or for additional capacity in existing locations will rely on various measures including energy-use efficiency of such data centers and data center space. The Group plans to implement a responsible purchasing policy in striving to maintain accountability in its sustainability targets through the integration of various sustainable criterion in both the selection of suppliers and purchasing decisions (such as ecological criteria for the purchase of IT equipment).

As for business travel, emissions under this category include those from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses and passenger cars. The Group intends to ensure that virtual collaboration is prioritized through the development of additional resources (technological tools, equipped meeting rooms, etc.). In addition, while only necessary business travel will be allowed, such activity will be subject to a mandatory travel policy which will include in particular guidelines for the selection of means of transportation with the lowest carbon emissions, to the extent feasible. Planisware intends to work with travel agencies to better understand the carbon footprint per trip of its employees (including transportation, accommodation and catering) and ensure its travel policy reflects the best practices for low carbon business travel in the industry. More generally, general awareness of environmental impact of travel and commuting has always been a key topic and shared concern among the Group's employees, and the Group takes this into account by making available climate-smart travel decisions for transportation to and from work and for business purposes.

Direct emissions from owned or controlled sources (scope 1) and indirect emissions from the generation of purchased energy (scope 2) account for 5% of the Group's total GHG emissions. Planisware aims to actively reduce these direct and indirect emissions through the collection of detailed data on the nature and quantity of several fugitive emission sources that are common for organizations (e.g., refrigeration and air conditioning of the leased offices), as they account for approximately 82% of the Group's scope 1 greenhouse gas emissions and the integration of environmental standards criteria in the selection of new leased buildings. The Group will continue to implement additional measures to promote the energy efficiency of buildings it leases, such as temperature control, installation of sensors in common areas and use of LED bulbs and timers to limit electricity consumption for lighting.

As required by applicable regulations and provided that the Company's shares are admitted to trading on the regulated market of Euronext Paris, the management report of the Company's Board of Directors to the Shareholders' Meeting will include an extra-financial performance statement. This report, which will be issued for the first time for the year ending December 31, 2023, will contain information about how the Company is dealing with the social and environmental consequences of its business operations and its social commitments to promote sustainable development, combat discrimination and promote diversity, in accordance with the provisions of Article L.225-102-1 of the French Commercial Code. In preparing the extra financial performance statement referred to above, the Company will review all of the Group's social and environmental indicators.

Social responsibility

Planisware's solutions and the success of its business depend to a large extent on the development of skills and know-how of its employees, as well as on their general well-being satisfaction. The Group's commitments to a healthy, satisfying and safe work environment were rewarded in 2022 when Planisware received the certification of Great Place To Work® in six countries in which it operates. The Great Place To Work® survey showed that 86% of Planisware's employees strongly recommend Planisware and that the Group's retention rate was approximately 88% in 2022.

The Group offers training programs, whether personalized, individual or collective, to ensure the continuing availability of resources to develop its employees' learning and development. The resources and programs library are available online on a dedicated platform and cover a variety of topics such as safety, internal procedures and software operations. For the year ended December 31, 2022, 60 programs totalling 38 hours of e-training were available to employees and staff online. The Group also offers its employees certification courses that cover up to 14 hours of coursework.

The Group also provides training during employee onboarding and over the course of employment, some of which are mandatory (including a security awareness training program provided annually to all employees), with the programs tailored specifically based on team, department and geography. Available programs include professional content, development training and managing skills, based in part on feedback from employees during their annual assessments and from team managers generally. As of December 31, 2022, the team in charge of training programs comprised six members and is tasked with regularly updating the programs to reflect the Group's software operations, technological developments and best practices. The Group also intends to continue building out its training offerings and to launch other programs in line with employee and Company needs and the evolution of the project management industry.

In addition to training on the Company's code of ethics that all employees receive during onboarding, the Company implemented ethics and anti-corruption courses that will be updated regularly to reflect changing laws, regulations and best practices.

As the Group operates in a highly competitive environment, its human resources team ensures that recruitment processes are conducted with adequate fairness, transparency and objectivity and promote equality and diversity, despite the overrepresentation of males in its recruiting pool as a tech-centric company. As an illustration of the above, Planisware received the highest Glassdoor score in comparison with its peers (4.5 out of 5) for the March 2020 to March 2023 period.

Governance

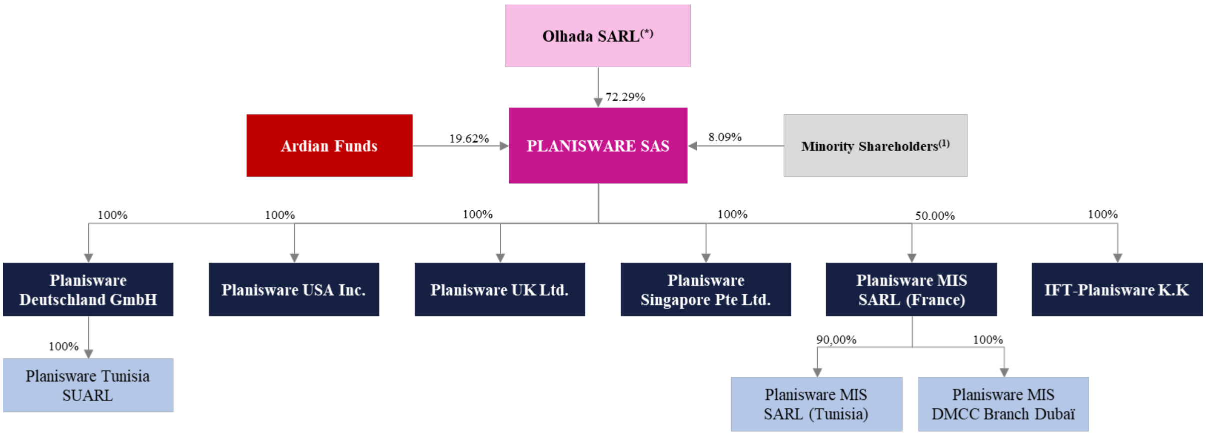
In connection with the admission to trading of its shares to the regulated market of Euronext Paris, the Group intends to set up a Strategic and ESG Committee, which will be responsible for preparing specific measures and policies and facilitating the decision-making processes of the Board of Directors on environmental, social and governance issues. (See Section 14.3 "*Board Committees*" of this Registration Document).

6. ORGANIZATIONAL STRUCTURE AND INTRA-GROUP RELATIONS

6.1 Shareholding structure

Simplified organizational chart on the date of this Registration Document

The chart below sets out the shareholding structure and legal organization of the Company and its consolidated subsidiaries as of the date of this Registration Document. The percentages indicated correspond to the percentage of capital[28]. See also Note 3 to the Group's consolidated financial statements for the years ended December 31, 2022, 2021 and 2020 and Note 3 to the Group's condensed consolidated interim financial statements as of and for the six months ended June 30, 2023, which sets out the Group's scope of consolidation.



(*) Olhada is a French limited liability company (*société à responsabilité limitée*), indirectly owned by Messrs. Pierre Demonsant, Yves Humblot, Mathieu Delille and François Pelissolo and their families.

(1) Comprising thirty existing and former managers and employees of the Group.

At the date of this Registration Document, the Company is a simplified joint stock company (*société par actions simplifiée*) incorporated under French law.

At the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, the Company is expected to be converted into a limited liability company with a board of directors (*société anonyme à conseil d'administration*).

6.2 Subsidiaries and equity interests

6.2.1 Material subsidiaries

At the date of this Registration Document, the material direct and indirect subsidiaries of the Company are described below:

- **Planisware Deutschland GmbH** is a German limited liability company (*Gesellschaft mit beschränkter Haftung*) having its registered office located at Theatinerstraße 46, 80333 Munich, Germany, and registered with the Company Register of the *Amtsgericht München* under registration number HRB 145585. The Company directly holds 100% of the share capital and voting rights of Planisware Deutschland GmbH. Planisware Deutschland GmbH's main businesses include the development, production and distribution of project management and business management software, including the integration of its software with third-party software and related consulting services, as well as the purchase, manufacture and distribution of related products, components and materials necessary for the application and production of the software.

[28] The percentages of voting rights within the Company are presented in Chapter 16 "*Major shareholders*".

- **Planisware USA, Inc.** is a California corporation incorporated on June 8, 2000 having its registered office located at 303 Twin Dolphin Drive, Suite 600, Redwood City, California 94065, and registered with the state of California under corporate number 2237672. The Company directly holds 100% of the share capital and voting rights of Planisware USA, Inc. Planisware USA, Inc.'s main businesses include the development, production and distribution of project management and business management software.

6.2.2 Recent acquisitions and disposals

The Group's recent acquisitions and disposals are described in Section 5.6 "*Investments*" of this Registration Document.

7. OPERATING AND FINANCIAL REVIEW

The following information concerning the financial position and results of operations of Planisware should be read in conjunction with the Group's consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020 ("FY2022", "FY2021" and "FY2020", respectively) and the Group's unaudited condensed consolidated interim financial statements as of and for the six-month period ended June 30, 2023 ("HY2023").

Planisware's annual consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), as adopted by the European Union as of December 31, 2022 for the fiscal years in question. The Company's statutory auditors, KPMG S.A. and Mazars, have audited its consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020. The corresponding report of the Company's statutory auditors is included in this Registration Document.

The annual consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020 represent the first consolidated financial statements of the Group prepared in accordance with IFRS. The historical consolidated financial statements as of and for the fiscal years ended December 31, 2021 and 2020 approved by the Company's shareholders were prepared in accordance with French generally accepted accounting principles ("French GAAP"). The consolidated financial statements included in this Registration Document contain information on the transition from French GAAP to IFRS for the relevant fiscal years.

Planisware's unaudited condensed consolidated interim financial statements were prepared in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements. The Company's statutory auditors, KPMG S.A. and Mazars, have reviewed its condensed consolidated interim financial statements as of and for the six-month period ended June 30, 2023. The corresponding report of the Company's statutory auditors is included in this Registration Document.

This Registration Document also includes certain unaudited measures and ratios of the Group's financial or non-financial performance (the "non-IFRS measures") such as "recurring revenue", "non-recurring revenue", "gross margin", "Adjusted EBITDA", "Adjusted EBITDA margin", "Adjusted Free Cash Flow", "Cash Conversion Rate", "Churn Rate" and "Net Retention Rate" (or "NRR"). These non-IFRS measures and ratios are not recognized, defined or standardized measures under IFRS. Planisware's definition of recurring revenue, non-recurring revenue, gross margin, Adjusted EBITDA margin, Adjusted Free Cash Flow, Cash Conversion Rate, Churn Rate and NRR may differ from that used by other companies and therefore comparability may be limited. These non-IFRS measures and ratios should not be considered as a substitute for or in isolation from measures prepared in accordance with IFRS. They should be read in conjunction with the Group's consolidated financial statements and the related notes thereto as of and for the years ended December 31, 2022, 2021 and 2020 and the unaudited condensed consolidated interim financial statements and the related notes thereto as of and for the six-month period June 30, 2023, included in this Registration Document. Readers should not place undue reliance on non-IFRS measures and ratios and should instead view them in conjunction with the most comparable IFRS financial measures.

7.1 Overview

Planisware is a leading business-to-business provider of innovative software-as-a-service ("SaaS") in the rapidly growing market for project management solutions. Founded in France in December 1995, Planisware has a long track record of growth and profitability. Planisware's product leadership has been recognized by leading independent technology research organizations such as Gartner and Forrester, who have consistently ranked Planisware as a leading vendor in numerous categories, such as functionality, scalability, adaptability (e.g., configurability for specific complex needs), development roadmaps, customer support and customer advocacy.

Planisware operates at significant scale serving approximately 539[29] organizational customers in a wide range of verticals and functions across more than 30 countries[30] as of June 30, 2023, spanning Europe, North America and Asia. Planisware's clients are mostly large, blue-chip companies in highly regulated and sophisticated industries. Over the past two years, Planisware's business expanded significantly with a CAGR[31] in revenue and Adjusted EBITDA of 19.9% and 16.7%, respectively. For the year ended December 31, 2022, Planisware had revenues of €132.1 million, Adjusted EBITDA of €41.4 million and profit for the period of €31.6 million.

Planisware, through various subsidiaries and investee entities, operates in nine countries. Planisware is headquartered in Chatillon, France and has subsidiaries in the United States, Germany, the United Kingdom, Singapore and Japan (with affiliates, offices or joint ventures in the UAE, Canada and Tunisia). For the year ended December 31, 2022, France and North America represented 20% and 44%, respectively, of the Group's total revenue with customers, with the remaining revenues derived from customers in Europe and Asia-Pacific. Planisware has served the U.S. market almost since inception. As part of its plans to expand in the Asia-Pacific market, Planisware opened an office in Singapore in 2022 and, in the first half of 2023, acquired the remaining 53% of the share capital of its subsidiary Innovation Framework Technologies Planisware KK (or "**IFTP KK**") in Japan.

Over the past decade, Planisware has experienced two major growth phases. From 1996 until 2012, Planisware's revenues grew substantially, driven by its strong product innovation and continued customer wins. Starting in 2012, Planisware began its transition to SaaS, capturing cloud migration projects among its existing on-premises customers as well as winning new SaaS clients. In 2018, Planisware acquired France-based NQI to augment its cloud project and portfolio management capabilities and address the mid-market opportunity. The addition of NQI's Orchestra PPM solution added an easy-to-implement turnkey solution with bottom-up adoption and deployment and allowed Planisware effectively to expand its addressable market. As of the end of 2022, a large majority of Planisware's clients used Planisware's SaaS offering. A small number of clients primarily in Government and Defense sectors continue to purchase perpetual licenses.

Planisware provides two software solutions: Planisware Enterprise and Planisware Orchestra. Planisware has developed its solutions as multi-specialty offering that address highly complex needs for multiple functions and industries, so that companies of all sizes can apply its software solutions to a variety of commercial activities and projects. Both solutions provide highly configurable user-interface components with advanced features for optimized functionality and project execution in any business context.

Planisware's core business focuses on four pillars:

- Product Development and Innovation (approximately 54% of consolidated revenues in FY2022)
- Project Controls and Engineering (approximately 19% of consolidated revenues in FY2022)
- Agility and Information Technology Project (approximately 17% of consolidated revenues in FY2022)

[29] The figure as of June 30, 2023 includes a scope effect of 12 additional customers following the consolidation of IFTP KK as from May 26, 2023.
[30] Based on the customer's billing address.
[31] Compound annual growth rate.

- Project Business Automation (approximately 10% of consolidated revenues in FY2022)

Planisware mainly distributes its solutions in the European and American markets. Historically, Planisware has favored an organic growth model through increased market share and expanding sales efforts. The acquisition of NQI in 2018 is the only inorganic growth transaction in which Planisware has engaged and it did so for the specific goal of enhancing its offerings to the project management market for SMBs.

Planisware benefits from a strong cash position, as most of its customers prepay for services, which generates structurally negative working capital requirements (see Section 8.3, *"Working capital")*. Planisware does not have significant financial debt, which, as of December 31, 2022, amounted to €0.4[32] million and nil[33] as of June 30, 2023. Planisware's liquidity and capital resources (including capital expenditures and financial debt) are discussed further in Chapter 8, "*Liquidity and Capital Resources*".

7.1.1 Recurring Revenue Model

Planisware mainly sells its solutions using a subscription-based model, in the large majority of cases delivered via the cloud from Planisware-managed data centers. Planisware's subscription model results in a high proportion of recurring revenue, which includes SaaS (representing 30.9% and 36.9% of Planisware's total revenue in the years ended December 31, 2021 and 2022, respectively and 40.7% in the six-month period ended June 30, 2023), "evolutive" and "subscription" support as well as maintenance from the sale of perpetual licenses (see Section 7.3, "*Description of Key Line Items from the Consolidated Statement of Profit or Loss*" for further information regarding these revenue streams).

A limited number of customers in highly regulated industries run Planisware software on-premises and purchase perpetual licenses. These perpetual licenses represented 6.4% and 4.2% of Planisware's total revenue, in the years ended December 31, 2022 and 2021 respectively and 3.2% in the six-month period ended June 30, 2023.

Under IFRS 15, the software component is recognized as "perpetual license revenue" upon sale, with the revenue from the accompanying maintenance services recognized ratably over the contract's term as "maintenance revenue".

Planisware's SaaS customers generally enter into one- to three-year agreements, and in some cases four or five years, which are paid annually in advance. SaaS subscription agreements are generally subject to price increases upon renewal to account both for inflation and additional value (through upgrades, new features and other enhancements) provided by its solutions. Existing customers may subscribe for additional services, users or site access during the terms of their agreements. The subscription fee generally depends on the size of the customer and their needs (e.g. the number of users and project complexity level). The average annual contract value fluctuates from period to period depending on the number and the size of new customer agreements and the extent to which Planisware expands the adoption of its solutions to existing customers.

Planisware also provides professional services for implementation and configuration of the software solution, as well as ongoing technical services and training. Professional services are typically billed on a time and material basis and in some cases on a fixed price basis.

Planisware's software has been technically designed so that it can be implemented in a rapid and efficient way within customers' business environments, including zero-code technology and user-friendly configuration modules that allow streamlined configuration and integration. The initial implementation phase can last from two weeks to six months. Once customers begin using the software, additional requirements are typically identified during the expansion (or "evolutive") phase, which can last from one to five years, depending on the size of the customer's organization. During the expansion phase, Planisware adapts the solution to the specific needs and requirements of its customers by implementing new modules, new features and increasing the number of software users. Following the evolutive phase, Planisware's customers typically enter a "stabilization" phase, during which recurring

[32] Excluding lease liabilities amounting to €14.5 million as of December 31, 2022.

[33] Excluding lease liabilities amounting to €14.6 million as of June 30, 2023.

revenue growth normalizes as certain levels of penetration are reached and until new expansion opportunities are identified by Planisware's sales and customer success teams.

Recurring revenues consist of various types of interrelated services, including SaaS, evolutive support, subscription support and maintenance services. The Company believes that the financial metrics, and in particular the gross margin, associated with these revenue streams are generally similar to those of other companies in the SaaS sector. Gross margin for the Group was 68.0%, 69.4% and 70.1% for the years ended December 31, 2022, 2021 and 2020 respectively and 68.0% for the six-month period ended June 30, 2023. Depending on the nature of the services provided, and in particular the associated costs, gross margin tends to vary among revenue streams. Within the industry, SaaS and maintenance services usually generate high gross margin levels (often around a 80-90% range), while professional services typically generate a lower gross margin. Accordingly, Planisware's overall gross margin from recurring revenues is affected by the mix between SaaS, subscription support and maintenance services, on the one hand, and evolutive support services on the other. SaaS revenue has been increasing as a proportion of total revenue in the recent period and the Company currently expects this trend to continue.

A recurring revenue model such as Planisware's is most effective when the software provider is able to achieve high retention rates, as high customer retention rates generate a longer customer lifecycle and high lifetime value of the solution for the customer. Planisware expects to derive a significant portion of its revenue growth from expansion within its existing customer base, in which opportunity exists to expand adoption of its solutions across teams, departments and organizations through cross-sell and upsell.

Using recurring revenues, Planisware measures the rate of expansion within its existing customer portfolio by calculating its NRR (as defined in Section 7.4.2.2, "*Net retention rate*"). Planisware's NRR[34] was 125% and 121%, assuming constant exchange rates, in the years ended December 31, 2021 and 2022, respectively.

The recurring nature of Planisware's revenue streams provides high visibility into future performance, as upfront payments for subscriptions and services result in cash flow generation in advance of revenue recognition.

7.1.2 Strong financial track record

Planisware has established a consistent financial track record of strong revenue growth, solid earnings performance and cash generation. Recurring revenue growth is driven both by contracts with new customers and the expansion of Planisware's solutions and services within its existing customer base. Planisware's NRR was greater than 120% in 2021 and 2022, reflecting its ability to grow within its installed base.

Planisware's recurring revenue (as defined in Section 7.4.1.1, *"Recurring revenue and non-recurring revenue"*) amounted to €63.1 million, €81.4 million, and €108.5 million in the years ended December 31, 2020, 2021 and 2022, respectively, representing 69.2%, 76.3% and 83.1% of Planisware's total revenue with customers in the same years. For the six-month period ended June 30, 2023, recurring revenue represented 86.0% of Planisware's total revenue with customers.

For the year ended December 31, 2022, Planisware's Adjusted EBITDA (as defined in Section 7.4.1.5, *"Adjusted EBITDA and Adjusted EBITDA margin"*) was 31.3% of total revenue (33.0% for FY2020 and 32.6% in FY2021). Planisware's cash minus indebtedness (as presented in Section 8.6.1, *"Cash minus indebtedness"*) totaled €105.7 million as of December 31, 2022 (€77.9 million and €100.1 million as of December 31, 2020, and 2021, respectively). For the six-month period ended June 30, 2023, Planisware's Adjusted EBITDA was 30.9% of total revenue. Planisware's cash minus indebtedness (as presented in Section 8.6.1, *"Cash minus indebtedness"*) totaled €134.8 million as of June 30, 2023.

[34] The Net Retention Rate increases as existing customers spend more on different services (i.e., "upsell") or on a different pillar or geography (i.e. "cross-sell"). It can also increase due to a change in customer mix, as an increase (or decrease) in the proportion of high-spending clients would increase (or decrease) the net retention rate.

In 2022, Planisware's ten largest customers accounted for 23.6% of total revenue with customers (27.3% in FY2020 and 27.4% in FY2021) with no customer accounting for more than 3.2% of total revenue in FY2022.

7.1.3 Resilient Financial Profile and High Cash Generation

Planisware believes that it has a resilient business model with a strong financial profile. This has been demonstrated in the past by the continuing growth of total revenue even in times of market downturn such as, for example, total revenue increasing in the period from 2020 to 2022 despite negative effects from the COVID-19 pandemic, which significantly impacted the overall economy.

In addition to a resilient financial position, Planisware believes that its business is characterized by a large share of recurring revenues (82.1% of total revenue in 2022 and 85.5% of total revenue in the six-month period ended June 30, 2023), high scalability due to its cloud platform approach and, in particular, high cash generation. These factors, in addition to limited maintenance capital expenditure needs, have resulted in Adjusted Free Cash Flow of €32.6 million in the year ended December 31, 2020, €28.3 million in the year ended December 31, 2021 and €26.7 million in the year ended December 31, 2022, which corresponded to a Cash Conversion Rate of 107.2%, 80.8% and 64.4% respectively. For the six-month period ended June 30, 2023, Adjusted Free Cash Flow amounted to €32.5 million which corresponded to a Cash Conversion Rate of 144.8%. The Group is in the process of optimizing order-to-cash processes to minimize working capital needs and delays in cash collections that impacted the Cash Conversion Rate in the previous years.

Adjusted Free Cash Flow and Cash Conversion Rate are not defined financial measures under IFRS. For the definitions, calculations and reconciliation of the key performance indicators ("KPIs") presented in this section, including cash contribution and Cash Conversion Rate see Section 7.4.1, "*Financial key performance indicators*".

7.1.4 Growth strategy

Increasing revenues through new customer acquisitions is one of Planisware's highest organizational priorities, although the sales cycle can be lengthy (up to 18 months) as a result of various factors, including the need to educate potential customers about the uses and benefits of Planisware's software, the discretionary nature of potential customers' purchasing and budget cycles and decisions and the competitive nature of potential customers' evaluation and purchasing processes. Planisware generally targets very large organizations with significant internal processes for adoption of new systems.

Planisware derives most of its revenues from direct sales. Its direct sales team comprised 81 salespeople[35] as of June 30, 2023.

Planisware has an integrated, client-centric salesforce consisting of account managers in charge of business development, and sales engineers, client success managers and professional services consultants in charge of supporting existing clients. As customers have varying operational activities involving industry-specific needs, Planisware has structured its salesforce by creating areas of expertise for each pillar.

With approximately 539[36] customers as of June 30, 2023 (of which (i) over 250 were Enterprise customers, generating average recurring revenue per customer ("ARRPC")[37] of roughly €450,000 in 2022 and (ii) over 280 were Orchestra customers, generating ARRPC of roughly €40,000 in 2022). Planisware's customers include numerous international companies that represent significant addressable opportunities among both pillars and geographies. The contribution to Planisware's revenues from recent customers (i.e., revenues generated from customers that have been customers of

[35] Excluding employees of equity-accounted investees.
[36] All entities belonging to the same corporate group are grouped into a single customer.
[37] ARRPC is calculated by dividing (i) the recurring revenue generated in year "N", by (ii) the number of customers generating the recurring revenue excluding terminated contracts and new customers in year "N".

the Group for two years or less) represented €9.5 million and €7.4 million of revenues in the years ended 2022 and 2021, respectively.

7.1.5 Investment in cloud infrastructure

A growing share of Planisware's customers are choosing to access solutions through the cloud, which requires a high-performance, scalable, and secure cloud infrastructure. Furthermore, Planisware offers customers a single tenant cloud infrastructure so that customers can control the level of access to sensitive data. All data flows are encrypted to ensure the security of client information.

In order to provide reliable and secure cloud infrastructure, Planisware continuously invests in its servers hosted in carefully selected data centers. Moreover, access to Planisware's servers is restricted to a limited list of employees and only Planisware employees have access. By maintaining complete control over the cloud infrastructure, Planisware is better able to ensure confidentiality of the data chain and a high level of redundancy in the storage of customer data. These policies and investments have allowed Planisware to gain the following certifications for its infrastructure and processes: ISO 27001, SOC 2 Type 2, and TISAX level 3.

As of the end of 2022, Planisware's infrastructure consisted of over 100 servers hosted in 7 data centers located in secure locations around the world.

7.1.6 Innovation

Innovation, in particular the ability to further develop innovative functionalities and services, to combine them with existing solutions and to launch them in large markets, geographies or pillars, is instrumental in the Group's success. With its team of IT and SaaS specialists (approximately 93 employees as of June 30, 2023 mainly located in Chatillon, France and Sophia-Antipolis, France, the latter being a leading European technology hub in the south of France), Planisware aims to react quickly to new ideas and trends and to enhance established products to adapt them to changing needs. Thanks to the competence and expertise of its teams, Planisware is able to manage many aspects of product development, enhancement and rollout in-house. Its R&D team is mostly composed of engineers with master's degrees from top-tier engineering schools or universities and have, on average, worked more than six years at Planisware.

Since the acquisition of NQI in 2018, Planisware's management has pursued a "two-products strategy" based on the insights gained from the parallel use of Enterprise and Orchestra software. The two solutions aim at addressing different customers in terms of business needs and organizational size. This strategy has had a positive impact on Planisware's operations and its go-to-market strategy.

Planisware is a highly scalable platform with a zero-code, open API architecture and pre-configured connectors to many external applications, which allows Planisware to easily integrate into enterprise application landscapes contributing to the stickiness of the solution. Planisware also fully controls its tech stack, meaning it is able to develop, monitor and distribute its software and infrastructure without the use of third parties. R&D spending was €11.8 million (or 12.9% of total revenue), €15.0 million (or 13.9% of total revenue) and €18.3 million (or 13.9% of total revenue) for the years ended 2020, 2021 and 2022, respectively, increasing at a CAGR of approximately 24% from 2020 to 2022. For the six-month period ended June 30, 2023, R&D spending amounted to €7.7 million (or 10.6% of total revenue).

Planisware believes that its ability to provide innovative products and software solutions, expand its offerings portfolio and promote its offerings in the project management market will have a considerable effect on its revenues and results of operations in the future.

7.2 Principal factors affecting results of operations, financial position and cash flows

The following section provides an overview of the principal market-related, external factors and business-related operational factors which, in Planisware's view, have affected its results of operations, financial position and cash flows during the years ended December 31, 2022, 2021 and 2020, as well as during the six-month period ended June 30, 2023, and are expected to continue to do so in the future.

7.2.1 Market Development and trends

The Group's results of operations are affected by the development of, and trends in, the markets in which it operates. During the years ended December 31, 2022, 2021 and 2020, as well as during the six-month period ended June 30, 2023, Planisware benefited from significant growth in the project management market (for more information regarding Planisware's markets, see Section 5.4, "*Business—Presentation of markets and competitive position*").

The industry has been driven by several overarching trends, most of which are expected to continue and intensify. The key growth drivers to Planisware's market penetration include structural megatrends as well as the underlying growing share of companies using SaaS solutions for project management, coupled with a rising average revenue per customer, growth in the overall workforce in large businesses and large-scale democratization of project management solutions in all geographies and industries. The share of companies using project management solutions is also expected to continue to grow in the next 5-10 years, including for both blue-chip companies and SMBs.

Moreover, Planisware has experienced a positive effect on its business from increasing project management adoption and higher cloud spending, with the COVID-19 pandemic having triggered a further shift toward remote work, thereby increasing the need for secure cloud services. These trends are expected to continue in the future. In general, Planisware's revenue growth has depended and will continue to depend on its ability to deploy its business strategy successfully and fully tap into positive trends in the project management market. As such, market trends and developments and the ability of Planisware to increase its market penetration will affect its future revenue and results of operations to a considerable degree.

For risks related to the development of the market and future performance, see Chapter 3, "*Risk Factors*".

7.2.2 Competitive environment

Planisware's results of operations are affected by the intensity of competition within the project management market, which affects market share and, consequently, revenue, and may also result in price pressure, thereby affecting Planisware's margins and profitability.

Nonetheless, Planisware believes that the project management market is characterized by high barriers to entry and generally low churn rates. In recent years, Planisware has managed to maintain its annual churn rate at low levels (approximately 1.6% in FY2021 and 1.4% in FY2022).

Planisware's strong position is recognized by industry analysts, as it has ranked at the top of leaderboards of Gartner, Forrester and Info-Tech Research Group. Planisware is a multi-specialist project and portfolio management software vendor serving mainly large companies that require top-of-the-line solutions in terms of functionality, scalability, and adaptability.

Planisware believes that its results of operations in the years ended December 31, 2022, 2021 and 2020, as well as in the six-month period ended June 30, 2023, benefitted from its strong market position in most pillars and geographies, as described above and in more detail in Section 5.2, "*Competitive Strengths and Strategy*", which are trends that Planisware expects will benefit its market position in the future.

7.2.3 Customer acquisition and retention

Planisware's results of operations, and its revenues in particular, have been positively affected by the acquisition and retention of customers, and the ability to continue these trends will affect results of operations to a considerable degree in the future. Moreover, having a large proportion of subscription-based revenue streams has allowed Planisware to maintain a high level of recurring revenues, which represented 82.1% of total revenue in the year ended December 31, 2022 and 85.5% in the six-month period ended June 30, 2023.

As a general matter, Planisware's customers tend to be highly loyal because they invest heavily in Planisware's solutions and expect to see long-term gains from integrating the software into their business environments. Customer loyalty is demonstrated by a customer churn rate (as defined in Section 7.4.2.3, "*Churn rate*") below 2% in each of the last two years and long-lasting customer relationships.

7.2.4 Cost base

Results of operations are affected by trends in the Company's cost base.

Planisware's employee costs are linked to industry wage trends generally and in particular in the professional fields in which Planisware operates. Competition for talent in general and qualified employees in particular is intense, especially in technology-driven industries such as the SaaS industry. Employee costs[38] increased by €10.0 million from €48.3 million in the year ended December 31, 2020, to €58.3 million in the year ended December 31, 2021, and further by €10.2 million to €68.5 million in the year ended December 31, 2022. This increase was the result of both recruitment cost and wage inflation in the context of a strong labor market. For the six-month period ended June 30, 2023, employee costs increased by €5.5 million (or 16.9%) from €32.8 million in the six-month period ended June 30, 2022 to €38.3 million in the six-month period ended June 30, 2023.

As a result of increased total revenue and costs, Planisware's Adjusted EBITDA increased from €30.4 million in the year ended December 31, 2020 to €35.1 million in the year ended December 31, 2021 and to €41.4 million in the year ended December 31, 2022. In the six-month period ended June 30, 2023, Adjusted EBITDA amounted to €22.4 million and increased by €3.3 million (or 17.2%) compared to the six-month period ended June 30, 2022.

7.2.5 Inflationary environment

Inflation accelerated in Europe and the United States during 2022, with a full year inflation rate of 9.2%[39] and 6.5%[40], respectively, partly as a result of the conflict between Ukraine and Russia, among other factors.

The inflationary environment has resulted in a reduction in the Group's operating margin. This decrease is explained both by customer contracts that are not systematically indexed, for which selling price has not been impacted by the effects of inflation, and by a general increase in operating expenses.

Planisware's expenses have been impacted by wage increases, especially in the United States, as further explained in Section 7.5, *"Results of operations"*. Moreover, Planisware is exposed to potential future increases in hosting expenses and lease payments that are based on indexes or rates. If adjustments to index- or rate-based lease payments take effect, lease liabilities will be reassessed and adjusted against the applicable right-of-use asset.

The Group's gross margins may be negatively affected by inflationary pressures if the Group is unable to pass on the full value of inflationary effects to its customers.

7.2.6 Foreign Exchange Rate Fluctuations

The effect of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a currency different from the Group's functional currency), loans, liabilities to related parties and the Group's net investments in foreign subsidiaries and foreign currencies in bank accounts. Planisware's results of operations are therefore affected by exchange rate fluctuations, in particular regarding the exchange rates of the U.S. dollar to the euro, which may cause volatility in the Company's earnings from period to period.

The Company presents its financial statements in euros. The Company does not currently hedge currency risks (i.e., risks from translating the assets and liabilities of foreign companies into the Group

[38] Including sales commissions
[39] HICP inflation for Euro area (source: European Central Bank).
[40] Consumer Price Index (source: U.S. Bureau of Labor Statistics).

reporting currency and translation of foreign currencies in bank accounts). See also Section 3.5, "*Financial and accounting risks—Planisware is exposed to fluctuations in currency exchange rates.*"

7.2.7 Covid-19

For the year 2022, the COVID-19 pandemic had no significant impact on the Group's activities.

For the years 2021 and 2020, the pandemic did not have a significant impact on revenues. Regarding expenses, the health crisis had a downward effect on overhead expenses, particularly business travel and event costs.

7.2.8 Ukraine-Russia Conflict

Planisware's business is not directly exposed to Ukraine, Belarus or Russia. Except for the inflationary trend described above, Planisware has not to date identified any indirect significant effect of the conflict on its financial performance.

7.3 Description of Key Line Items from the Consolidated Statement of Profit or Loss

7.3.1 Revenue with customers

Planisware's revenues are derived from five main activities:

- SaaS offerings represents a right to access Planisware's software solutions in a cloud-based infrastructure that it hosts.

- "Evolutive" support represents the fees (recurring in nature) earned from services that allow clients to continuously adapt the software to their changing needs, including configuration and consulting services in addition to the maintenance and support services for standard functionality already included in the SaaS offering. Subscription support corresponds to the fees (recurring in nature) earned from premium support provided beyond the regular support embedded in the underlying cloud subscription services.

- Revenue from maintenance services (recurring in nature) includes periodic fees associated with the sale of unspecified software updates and technical support.

- Revenue from the sale of perpetual licenses represents the one-time (i.e. non-recurring) fees earned from the sale of licenses of software to customers for on-premise use owned or fully controlled by them for an indefinite period.

- Implementation services represent the fees earned on a non-recurring basis related to the initial deployment of Planisware's software in a customer's business environment.

As a part of SaaS offerings, the customer does not have the right to terminate the hosting contract and to take possession of the software to either run it on its own IT infrastructure or to engage an unrelated third-party provider to host and manage the software. Revenues from SaaS contracts are recognized ratably over the duration of the contract.

Revenue from evolutive support and implementation services is mainly derived from time-based contracts and is recognized on the basis of time spent or other billable units of work. A limited number of service contracts may be provided on a fixed-price basis, in which case revenue is generally recognized on the basis of a percentage of completion. A contract asset or liability is recognized as a function of the stage of completion and the applicable billing terms.

Revenue from subscription support is generally recognized ratably over the duration of the contract. Under these contracts, Planisware's performance obligation is to stand ready to provide technical support and unspecified updates, upgrades, enhancements, and configuration based on availability and customer demand.

Maintenance contracts are generally entered into in conjunction with the initial purchase of a software license. Maintenance can be renewed by the clients at the end of each term. Revenues from maintenance services are recognized over time on a straight-line basis as they represent "stand-ready obligations" throughout the term of the contract without significant peaks in activity.

Revenue from the sale of a perpetual license is recognized when the software is made available to the client and no significant obligation remains to the client in connection with the sale of the license.

Planisware does not bundle its various services into a single contract; however, where it sells various services concurrently within a relatively short period of time, its contracts are analyzed as a single contract for IFRS 15 purposes.

Typically, Planisware's solutions and services described above are treated as separate performance obligations and the portion of the transaction price allocated to them is accounted for separately. This is because the price of each performance obligation is independent of whether the performance obligation is sold on its own or in a bundle, and whether or not it is sold concurrently with other performance obligations.

Planisware's software does not require the creation of additional code or modifications of the source code in order to be adapted and integrated into the customer's environment. As such, Planisware does not consider that the services related to the deployment of its software significantly adjust or modify the software according to IFRS 15 criteria (whether sold as a perpetual license or as part of a SaaS contract). Furthermore, due to the nature of the integration services offered to customers and their volume relative to the volume of perpetual licenses and the SaaS contracts to which they relate, implementation support typically goes beyond pure setup activities and qualifies as a separate performance obligation.

7.3.2 Other revenue

Other revenue mainly consists of royalties invoiced by the Company to entities in which it retains an equity interest, namely IFTP KK and Planisware MIS. In the first half of 2023, Planisware acquired the remaining 53% equity stake of IFTP KK. Going forward "Other revenue" will no longer capture reinvoicing to this company, as all of IFTP KK's revenue will be consolidated and recorded within "Revenue with customers".

7.3.3 Cost of sales

Cost of sales consists primarily of staff costs directly associated with professional services and operations, including salaries, benefits, bonuses and allocated overhead, as well as the costs of outsourcing. Cost of sales also consists of expenses related to providing support to customers and hosting services, which are comprised of depreciation related to owned computer hardware and leased datacenter facilities where the SaaS solutions are hosted, and network connectivity costs for the provisioning of hosting services under SaaS arrangements.

Professional services are mainly performed directly by Planisware's professional services teams, and occasionally by outsourcing. Fees paid for outsourcing are in principle recognized as cost of sales at the time the professional services are delivered.

7.3.4 Research and development expenses

Research and development expenses consist primarily of staff expenses directly associated with research and development teams, including salaries, benefits, bonuses and allocated overhead. Research and development expenses also include costs associated with outside services contracted for research and development purposes, amortization of capitalized development costs, and the benefits from the French research tax credit (CIR, or *Crédit d'Impôt Recherche*).

7.3.5 Sales and marketing expenses

Sales and marketing expenses consist primarily of personnel and related costs for sales and marketing teams, including salaries and benefits, contract acquisition costs including commissions earned by sales personnel, partner programs support and training, trade show and promotional marketing costs.

Planisware plans to continue to invest in sales and marketing by expanding its domestic and international selling and marketing activities, building brand awareness, developing partners and sponsoring additional marketing events. Sales and marketing expenses are expected to increase in absolute amounts in the future.

7.3.6 General and administrative expenses

General and administrative expenses consist primarily of personnel and related costs associated with administrative functions of the business including finance, human resources, and internal information system support, as well as legal, accounting and other professional fees. Moreover, general and administrative expenses also include foreign exchange effects on operating assets and liabilities. Planisware expects that, in the future, general and administrative expenses will continue to increase in absolute amounts as it invests more in infrastructure and incurs additional employee-related costs and professional fees related to the growth of the business and international expansion.

7.3.7 Share of profit of equity-accounted investees, net of tax

The share of profit of equity-accounted investees consists of a proportion of the profits based on the percentage of ownership interest held in equity-accounted subsidiaries, which historically have been IFTP KK and Planisware MIS.

In the first half of 2023, Planisware acquired the remaining 53% equity stake of IFT Planisware KK through a contribution in kind from the various direct and indirect shareholders of IFT Planisware KK, leading to its consolidation as of May 26, 2023.

Both equity-accounted investees are an integral part of current operations, and as such are presented in current operating profit.

7.3.8 Current operating profit

The Group has elected to present *Current operating profit* which excludes *Other operating income* and *Other operating expenses*. In accordance with ANC recommendation no. 2020-01, these items are included only if a major event occurs during the accounting period that is likely to distort the interpretation of the Group's performance. They therefore are related to a very limited number of unusual, abnormal, and infrequent items of income or expense, of particularly significant amounts.

7.3.9 Financial income (loss)

Financial income (loss) is composed of cost of debt, primarily consisting of interest expenses related to lease liabilities, financial income from cash and cash equivalents, as well as other finance income and expenses, mainly comprised of realized foreign exchange gain and loss on cash and cash equivalents denominated in foreign currencies.

7.3.10 Income tax expense

Income tax expense comprises our current income tax in France and in our foreign subsidiaries, as well as deferred taxes, which includes the tax effect on temporary differences and deferred taxes due to tax rate changes. In addition, we recognize the French contribution on the value added ("Cotisation sur la valeur ajoutée des entreprises" or "CVAE") as income taxes as permitted per IAS 12. Deferred tax assets are recognized for temporary differences if it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The French preferential tax regime for intellectual property (known as "IP Box") was overhauled in 2019 following the OECD BEPS project. It has been extended to companies developing original software solutions. IP box offers the possibility of benefiting from a preferential rate of corporate tax for income from intellectual property linked to R&D work undertaken in France. The income from the licensing or transfer of eligible assets corresponds to the difference between (i) the income, acquired during the fiscal year, derived from the assets; (ii) and the R&D expenditure directly related to the said assets and which was incurred directly or indirectly by the company during the same financial year.

Since its implementation, we have decided to benefit from this incentive by setting up an internal process to identify eligible incomes and expenditures.

The R&D tax allowance related to "IP Box" was €3.9 million, €2.9 million, and €2.9 million in fiscal years 2022, 2021 and 2020, respectively. Any change in IP Box conditions is likely to impact on the amount of this incentive.

The amount of these tax advantages depends on the ability of the Company to inventory all eligible expenses or incomes used as a basis for their calculation.

7.4 Key performance indicators

7.4.1 Financial key performance indicators

Planisware uses a number of key financial metrics, including recurring and non-recurring revenue, gross margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Free Cash Flow and Cash Conversion Rate, to evaluate its business, measure its performance, identify trends affecting its business, formulate business plans and make strategic decisions. These indicators do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers and cannot be reconciled to a directly comparable IFRS measure. The key performance indicators described herein may be calculated in a manner different than similar key performance indicators used by other companies.

7.4.1.1 Recurring revenue and non-recurring revenue

Revenues from customers consists of recurring revenues and non-recurring revenues, as follows:

Recurring revenue includes the following:

- SaaS revenues, which are comprised of contractual subscription fees for the provision of SaaS solutions in an internally hosted, cloud environment.

- Evolutive and subscription support revenues, which are comprised of fees for support services to ensure continuous optimization, implementation, and adoption of Planisware's software, including access to technical experts, consultants, software configuration, integration and customer success management.

- Maintenance fees, which consist of fees for contracts under which Planisware provides customers access to experts for technical assistance and software maintenance (such as bug fixes, technical errors, and pro-active system monitoring) to ensure business continuity and optimal performance of customers' project management needs.

Non-recurring revenue includes the following:

- Implementation services revenues, which are comprised of fees charged to assist organizations in the configuration and integration of Planisware's solutions and the training of customers' staff to use and deploy the solutions. Implementation service engagements are either contracted on a time and materials basis including billable travel expenses and are billed and recognized as revenue as the service is delivered, or on a fixed price basis; in these cases, revenue is recognized by reference to the stage of completion of the contract.
- Perpetual license revenues, which are comprised of fees for the implied software component for on-premise use which is recognized as revenue upon term commencement.

The table below sets out a breakdown of recurring and non-recurring revenue for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Recurring revenue	**108.5**	**81.4**	**63.1**	**62.1**	**51.0**
SaaS & Hosting	48.7	33.2	22.7	29.6	22.3
Evolutive and Subscription support	41.3	30.4	23.2	23.5	20.1
Maintenance	18.5	17.8	17.2	9.0	8.6
Non recurring revenue	**22.1**	**25.3**	**28.1**	**10.1**	**9.5**
Perpetual licenses	5.6	6.9	10.6	2.3	1.5
Implementation services	16.5	18.4	17.5	7.8	8.0
Total revenue with customers	**130.6**	**106.7**	**91.1**	**72.2**	**60.6**

For more information about items impacting recurring and non-recurring revenues during the periods under review, see Section 7.5, "*Results of operations*".

7.4.1.2 Revenue by Region

Planisware tracks revenue generation by region (the three regions being Europe, North America and Asia-Pacific & Rest of World). These regions are the geographies in which the Company's billed customers are located.

The table below sets out a breakdown of revenue by region for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Europe	66.6	55.6	47.1	35.4	30.2
North America	57.1	46.8	37.3	32.5	26.9
APAC & rest of the world	6.9	4.3	6.8	4.3	3.6
Total revenue with customers	**130.6**	**106.7**	**91.1**	**72.2**	**60.6**

For more information about items impacting revenue by region during the periods under review, see Section 7.5, "*Results of operations*".

7.4.1.3 Revenue by Pillar

Planisware's clients are mainly large companies in highly regulated and sophisticated industries, divided into four pillars relating to Planisware's core business focuses. The Company tracks revenue by pillar for purposes of orienting its marketing, sales and growth efforts over time. Determinations as to the categorization of customer revenues into one of Planisware's four pillars are made by commercial personnel based on certain qualitative characteristics (including in particular the core segments and industries in which the client operates) and the manner in which the client applies Planisware's software to its organizational, project and program needs. These determinations therefore involve a certain degree of judgment, and the allocations are not recorded in the Company's accounting records:

- Product Development and Innovation (approximately 54% of revenues in FY2022) for R&D and product development teams mostly in R&D-heavy industries (e.g., life sciences and chemicals, manufacturing and engineering, technology, media and telecom, automotive and fast-moving consumer goods);

- Project Controls and Engineering (approximately 19% of revenues in FY2022) for production teams mostly in verticals where sophisticated products, plants and infrastructure are built (e.g., aerospace and defense, energy and utilities, manufacturing and engineering, life sciences and chemicals);

- Agility and Information Technology Project (approximately 17% of revenues in FY2022) addressing IT teams across all verticals; and

- Project Business Automation (10% of revenues in FY2022), recently launched in 2022 and addressing production teams dedicated to revenue-based projects.

The table below sets out a breakdown of revenue with customers by pillar for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Product Development & Innovation	71.1	58.8	50.1	40.4	34.2
Project Controls & Engineering	24.7	20.3	18.1	13.4	11.1
Agility & IT Project Portfolios	21.6	15.4	13.2	12.2	8.3
Project Business Automation	12.8	11.9	9.5	6.0	6.9
Other	0.4	0.3	0.1	0.2	0.1
Total revenue with customers	**130.6**	**106.7**	**91.1**	**72.2**	**60.6**

For more information about items impacting revenue by pillars during the periods under review, see Section 7.5, "*Results of operations*".

7.4.1.4 Gross margin

Planisware considers gross margin to be a key performance indicator because it is a meaningful financial measure to assess the Company's profitability. Gross margin is defined as the ratio of gross profit to total revenue, gross profit being calculated by subtracting the cost of sales from total revenue.

The following table presents Planisware's gross margin for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Revenue	132.1	107.7	91.9	72.6	61.0
Cost of sales	(42.3)	(33.0)	(27.5)	(23.2)	(20.3)
Gross profit	**89.8**	**74.7**	**64.4**	**49.4**	**40.7**
Gross margin	**68.0%**	**69.4%**	**70.1%**	**68.0%**	**66.7%**

For more information about items impacting gross margin, see Section 7.5, "*Results of operations*".

7.4.1.5 Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA is calculated as *Current operating profit including share of profit of equity-accounted investees*, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, plus either non-recurring items or non-operating items defined as the following: (i) share-based payment expenses under IFRS 2 (ii) any expenses, charges or other costs directly or indirectly related to any initial public offering, equity offering, investment, acquisition, joint venture or partnerships (iii) certain consulting fees incurred for one-off projects, such as reorganization measures; and (iv) certain severance payments, which includes expenses related to reorganization and restructuring measures, primarily consisting of severance payments and other personnel-related costs. For the year ended December 31, 2022, these adjustments for non-recurring items or non-operating items related to external costs incurred by the Group in connection with its planned initial public offering.

Adjusted EBITDA margin is the ratio of Adjusted EBITDA to total revenue.

The following table presents a reconciliation of the current operating profit to Adjusted EBITDA for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Current operating profit after share of profit of equity-accounted investee	34.5	30.5	26.8	18.8	16.2
Plus: Depreciation and amortization of intangible, tangible and right-of-use assets	*6.4*	*4.5*	*3.6*	*3.3*	*3.0*
Plus: IPO costs including in current operating profit	*0.4*	*0.0*	*0.0*	*0.0*	*0.0*
Plus: Share-based payments	*0.0*	*0.0*	*0.0*	*0.3*	*0.0*
Adjusted EBITDA	**41.4**	**35.1**	**30.4**	**22.4**	**19.1**
Adjusted EBITDA margin	***31.3%***	***32.6%***	***33.0%***	***30.9%***	***31.4%***

For more information about items impacting Adjusted EBITDA, see Section 7.5, "*Results of operations*".

7.4.1.6 Adjusted Free Cash Flow

Adjusted Free Cash Flow is a non-IFRS financial measure calculated as cash flows from operating activities, plus IPO costs paid, if any, less other financial income and expenses classified as operating activities in the cash-flow statement, and less net cash relating to capital expenditures. Management considers Adjusted Free Cash Flow to be a liquidity measure that provides useful information to stakeholders.

The following table presents a reconciliation of net cash provided by operating activities to Adjusted Free Cash Flow for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Net cash from operating activities	34.2	34.4	33.1	33.2	22.1
Less: Capital expenditures	*(4.8)*	*(3.2)*	*(2.8)*	*(2.5)*	*(2.7)*
Less: Other finance income/costs	*(3.0)*	*(2.9)*	*2.3*	*0.2*	*(2.6)*
Plus: IPO costs paid	*0.2*	*0.0*	*0.0*	*1.7*	*0.0*
Adjusted Free Cash Flow (A)	**26.7**	**28.3**	**32.6**	**32.5**	**16.9**

Other finance income and costs are mainly related to foreign exchange differences on cash and cash equivalents.

For more information about net cash provided by operating activities and Adjusted Free Cash Flow, see Chapter 8, "*Liquidity and Capital Resources*".

7.4.1.7 Cash Conversion Rate

Cash Conversion Rate is a non-IFRS financial measure defined as Adjusted Free Cash Flow divided by Adjusted EBITDA. Planisware considers Cash Conversion Rate to be a meaningful financial measure to assess and compare the Group's capital intensity and efficiency.

The following table presents a calculation of Cash Conversion Rate for the periods indicated:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Adjusted Free Cash Flow (A)	26.7	28.3	32.6	32.5	16.9
Adjusted EBITDA (B)	41.4	35.1	30.4	22.4	19.1
Cash Conversion Rate (A)/(B)	**64.4%**	**80.8%**	**107.2%**	**144.8%**	**88.2%**

For more information about items impacting Cash Conversion Rate, see Section 7.1.3, "*Resilient Financial Profile and High Cash Generation*".

7.4.2 Non-Financial Key Performance Indicators

Planisware's revenue growth is derived from the net increase in the number of its customers, and the average revenue generated by those customers. Planisware therefore uses a number of related indicators to measure and analyze its actual and potential revenue growth, including NRR and churn rate. The key performance indicators described herein may be calculated in a manner different than similar key performance indicators used by other companies.

7.4.2.1 Number of customers

Over the last three years, Planisware has grown its customer base (by number) by approximately 18% (including customers acquired since December 31, 2022). A customer is accounted for at the corporate group level such that all entities belonging to the same corporate group (i.e. a "logo") are grouped into a single client for purposes of this key performance indicator. A single customer may, for example, use either or both of Planisware's Enterprise and/or Orchestra platforms across different regions or pillars within its organization.

The following table sets forth Planisware's customer figures[41]:

	December 31, 2022	December 31, 2021	December 31, 2020	June 30, 2023
Number of customers	496	468	422	539

7.4.2.2 Net retention rate ("NRR")

NRR reflects the retained revenue from existing customers, as well as upsell and cross-sell. This indicator is critical to Planisware's business as it shows the ability to retain customers and to increase revenue from the installed base over time.

Planisware defines NRR as the percentage calculated by dividing (i) the recurring revenue in a given year from existing customers that have maintained contracts with Planisware for at least one year by (ii) the recurring revenue from these customers in the prior year. The calculation is made at constant foreign exchange rates.

When the NRR exceeds 100%, it means that revenues from the relevant customers have increased over the given period (i.e., the increased spend by some of the existing customers has exceeded the impact of any reduction in spend by other existing customers during a given period).

[41] The figure as of June 30, 2023 includes a scope effect of 12 additional customers following the consolidation of IFTP KK as from May 26, 2023.

The following table sets forth Planisware's NRR[42]:

	Fiscal Year ended December 31,		
	2022	**2021**	**2020[43]**
Net retention rate	121%	125%	Data unavailable

7.4.2.3 Churn rate

Churn rate is defined as the percentage of revenue calculated by dividing (i) the Year N-1 recurring revenue generated by terminating customers of year "N" by (ii) the Year N recurring revenue generated by recurring customers existing at the beginning of year N. The calculation is done at constant foreign exchange rates. Churn rate is computed on the basis of revenue value rather than number of clients, as clients that cancel or fail to renew subscriptions are often smaller customers which generate relatively lower subscription revenues. These dynamics makes revenue value, rather than customer numbers, the most representative method to calculate churn rate.

Planisware's low churn rates are a result of "stickiness" of the project management software and customer loyalty over time.

The following table sets forth the Company's churn rates[44]:

	Fiscal Year ended December 31,		
	2022	**2021**	**2020[45]**
Churn rate	1.4%	1.6%	Data unavailable

7.5 Results of operations

The following table provides an extract of Planisware's consolidated statement of profit or loss for the years ended December 31, 2022, 2021, and 2020, as well as for the six-month periods ended June 30, 2023 and 2022:

[42] Since NRR is an annual KPI, it is not calculated for the six-month period ended June 30, 2023.
[43] Calculation not possible due to lack of historical data.
[44] Since churn rate is an annual KPI it is not calculated for the six-month period ended June 30, 2023.
[45] Calculation not possible due to lack of historical data.

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2022	2021	2020	Six-month period ended June 30, 2023	2022
Revenue with customers	130.6	106.7	91.1	72.2	60.6
Other revenue	1.5	1.0	0.8	0.4	0.5
Total revenue	**132.1**	**107.7**	**91.9**	**72.6**	**61.0**
Cost of sales	(42.3)	(33.0)	(27.5)	(23.2)	(20.3)
Gross profit	**89.8**	**74.7**	**64.4**	**49.4**	**40.7**
Research and development	(18.3)	(15.0)	(11.8)	(7.7)	(8.2)
Sales and marketing	(21.8)	(18.0)	(14.2)	(13.0)	(10.1)
General and administrative	(16.0)	(11.7)	(12.1)	(10.3)	(6.7)
Current operating profit	**33.6**	**30.0**	**26.3**	**18.4**	**15.7**
Share of profit of equity-accounted investees, net of tax	1.0	0.5	0.5	0.4	0.5
Current operating profit including share of profit of equity-accounted investees	**34.5**	**30.5**	**26.8**	**18.8**	**16.2**
Other operating income	0.0	0.0	0.0	5.8	0.0
Other operating expenses	0.0	0.0	0.0	(2.1)	0.0
Operating profit	**34.5**	**30.5**	**26.8**	**22.5**	**16.2**
Income from cash and cash equivalents	0.1	0.0	0.0	0.2	0.0
Cost of debt	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Other finance income	3.6	3.2	0.2	1.0	2.9
Other finance costs	(0.6)	(0.3)	(2.5)	(1.2)	(0.3)
Financial income (loss)	**2.8**	**2.7**	**(2.4)**	**(0.2)**	**2.5**
Profit before tax	**37.3**	**33.3**	**24.5**	**22.3**	**18.6**
Income tax expense	(5.8)	(6.1)	(4.3)	(3.7)	(3.3)
Profit for the period	**31.6**	**27.1**	**20.1**	**18.7**	**15.4**
Non-controlling interests	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Owners of the Company	*31.6*	*27.1*	*20.1*	*18.7*	*15.4*

7.5.1 Six-month periods ended June 30, 2023 and 2022

7.5.1.1. Summary of consolidated interim statement of profit or loss

The following table sets forth a summary of Planisware's consolidated interim statement of profit or loss:

in € millions, unless otherwise indicated	Six months period ended June 30, 2023	2022
Total revenue	72.6	61.0
Cost of sales	(23.2)	(20.3)
Gross profit	**49.4**	**40.7**
Operating expenses	(31.0)	(25.1)
Current operating profit	**18.4**	**15.7**
Share of profit of equity-accounted investees, net of tax	0.4	0.5
Current operating profit including share of profit of equity-accounted investees	**18.8**	**16.2**
Other operating income/expense	3.7	0.0
Operating profit	**22.5**	**16.2**
Financial income (loss)	(0.2)	2.5
Income tax expense	(3.7)	(3.3)
Profit for the period	**18.7**	**15.4**
Adjusted EBITDA	**22.4**	**19.1**
Basic earnings per share (in €)	54.2	44.7

7.5.1.2 Revenue

in € millions, unless otherwise indicated	Six-month period ended June 30, 2023	2022	Variation
Total revenue	72.6	61.0	18.9%
Total revenue at constant (compared to previous period) foreign exchange rate	72.3	61.0	18.4%

Total revenue increased by €11.5 million, or 18.9%, from €61.0 million in the six-month period ended June 30, 2022 to €72.6 million in the six-month period ended June 30, 2023. At constant 2022 foreign exchange rates, total revenue would have increased by €11.2 million, or 18.4%, from €61.0 million in the six-month period ended June 30, 2022 to €72.3[46] million in the six-month period ended June 30, 2023.

Recurring revenue

in € millions, unless otherwise indicated	Six-month period ended June 30, 2023	2022	Variation
Recurring revenue	**62.1**	**51.0**	**21.6%**
SaaS & Hosting	29.6	22.3	32.4%
Evolutive and Subscription support	23.5	20.1	17.1%
Maintenance	9.0	8.6	4.3%
Non recurring revenue	**10.1**	**9.5**	**6.0%**
Perpetual licenses	2.3	1.5	50.2%
Implementation services	7.8	8.0	(2.5%)
Total revenue with customers	**72.2**	**60.6**	**19.2%**

The Group's recurring revenue (as defined above) increased by €11.0 million, or 21.6%, from €51.0 million in the six-month period ended June 30, 2022 to €62.1 million in the six-month period ended June 30, 2023. As a percentage of total revenue with customers, recurring revenue increased in absolute terms and proportionately by 1.7 points from 84.2% in the six-month period ended June 30, 2022 to 86.0% in the six-month period ended June 30, 2023, reflecting the growth of Planisware's SaaS distribution model to existing customers.

SaaS and hosting revenues increased by €7.2 million, or 32.4%, from €22.3 million in the six-month period ended June 30, 2022 to €29.6 million in the six-month period ended June 30, 2023, due to contracts secured with new customers as well as expansion of existing customer subscriptions.

Evolutive support and subscription support revenues intrinsically related to Planisware's SaaS offerings increased by €3.4 million, or 17.1%, from €20.1 million in the six-month period ended June 30, 2022 to €23.5 million in the six-month period ended June 30, 2023.

Maintenance revenue remained relatively steady with a slight increase of €0.4 million, or 4.3%, from €8.6 million in the six-month period ended June 30, 2022 to €9.0 million the six-month period ended June 30, 2023.

Non-recurring revenue

[46] Total revenue for the six-month period ended June 30, 2023 at constant 2022 foreign exchange rates has been determined by using the same foreign exchange rates as those used for consolidation purposes for the six-month period ended June 30, 2022.

Concurrently, revenue related to perpetual licenses increased by €0.8 million, or 50.2%, from €1.5 million in the six-month period ended June 30, 2022 to €2.3 million in the six-month period ended June 30, 2023 as the Company continued to sell additional licenses to established on-premises customers.

Revenues related to implementation services decreased slightly by €0.2 million, or 2.5%, from €8.0 million in the six-month period ended June 30, 2022 to €7.8 million in the six-month period ended June 30, 2023 as the Company continued to focus on more agile, efficient and optimized implementation services.

Revenue with customers by region

	Six-month period ended June 30,		
in € millions, unless otherwise indicated	**2023**	**2022**	**Variation**
Europe	35.4	30.2	17.5%
North America	32.5	26.9	21.1%
APAC & rest of the world	4.3	3.6	19.1%
Total revenue with customers	**72.2**	**60.6**	**19.2%**

In the six-month period ended June 30, 2023, Planisware continued growing operations in its key geographies. North America was a particularly dynamic market with an increase of €5.7 million, or 21.1%, as compared to the six-month period ended June 30, 2022. In Europe, revenue with customers grew by 17.5% driven by strong dynamics in Germany despite a difficult market environment more generally.

Planisware's growth in "APAC & rest of the world" resulted primarily from the consolidation of IFTP KK as from May 26, 2023.

Revenue with customers by pillar

	Six-month period ended June 30,		
in € millions, unless otherwise indicated	**2023**	**2022**	**Variation**
Product Development & Innovation	40.4	34.2	18.1%
Project Controls & Engineering	13.4	11.1	20.9%
Agility & IT Project Portfolios	12.2	8.3	47.3%
Project Business Automation	6.0	6.9	-12.8%
Other	0.2	0.1	27.2%
Total revenue with customers	**72.2**	**60.6**	**19.2%**

The "Product Development & Innovation" industry remained Planisware's principal pillar. Revenues in this pillar grew by 18.1% from the six-month period ended June 30, 2022 to the six-month period ended June, 2023 resulting from both the gain of new customers and the expansion of offerings to existing customers. Planisware has more recently entered markets relating to the pillars "Project Controls & Engineering" and "Agility and IT Project Portfolios", which proved to remain dynamic with respective growth rates of 20.9% and 47.3% in comparison to the six-month period ended June 30, 2022, in particular through the successful roll-out to customers of offerings in Project Controls & Engineering in North America. "Project Business Automation" is the Group's newest pillar and the decrease of 12.8% compared to the six-month period ended June 30, 2022 is mainly due to non-recurring revenues (e.g., sale of perpetual licenses in the six-month period ended June 30, 2022).

Other revenue

Other revenue (as defined in Section 7.3.2, *"Other revenue"*) decreased by €0.1 million, or 13.6%, from €0.5 million in the six-month period ended June 30, 2022 to €0.4 million in the six-month period ended June 30, 2023. This decrease was mainly due to the consolidation of IFTP KK as from May 26, 2023 such as the transactions between the Company and the subsidiary were eliminated since May 26, 2023.

7.5.1.3 Cost of sales and operating expenses

	Six-month period ended June 30,		
in € millions, unless otherwise indicated	**2023**	**2022**	**Variation**
Cost of sales	(23.2)	(20.3)	14.1%
Gross profit	**49.4**	**40.7**	**21.3%**
Research and development	(7.7)	(8.2)	(6.2%)
Sales and marketing	(13.0)	(10.1)	28.3%
General and administrative	(10.3)	(6.7)	52.7%
Gross margin	***68.0%***	***66.7%***	***1.4pp***
Research and development / total revenue	*10.6%*	*13.4%*	*(2.8)pp*
Sales and marketing / total revenue	*17.9%*	*16.6%*	*1.3pp*
General and administrative / total revenue	*14.2%*	*11.0%*	*3.1pp*

Cost of sales and gross margin

Cost of sales increased by €2.9 million, or 14.1%, from €20.3 million in the six-month period ended June 30, 2022 to €23.2 million in the six-month period ended June 30, 2023.

Gross margin, which corresponds to cost of sales as a percentage of revenue, increased by 1.4 percentage points from 66.7% in the six-month period ended June 30, 2022 to 68.0% in the six-month period ended June 30, 2023, mainly as a result of more stable wage environment and reduced outsourcing of services.

Research and development expenses

Planisware's research and development expenses decreased by €0.5 million, or 6.2%, from €8.2 million in the six-month period ended June 30, 2022 to €7.7 million in the six-month period ended June 30, 2023. The main reason for this decrease was the €0.5 million decrease in expenses of personnel dedicated to research and development mainly due to a higher capitalization rate compared to the six-month period ended June 30, 2022 and a less active recruitment period, despite the departure of a few employees.

The Group capitalized €1.0 million of development costs in the six-month period ended June 30, 2023 compared to €0.8 million in the six-month period ended June 30, 2022, and the amortization of capitalized development costs was €0.6 million in the six-month period ended June 30, 2023 as compared to €0.7 million in the six-month period ended June 30, 2022.

As a percentage of total revenue, research and development expenses significantly decreased by 2.8 percentage points to represent 10.6% in the six-month period ended June 30, 2023.

Sales and marketing expenses

Sales and marketing expenses increased by €2.9 million, or 28.3%, from €10.1 million in the six-month period ended June 30, 2022 to €13.0 million in the six-month period ended June 30, 2023. The main reason for the increase was the €2.3 million increase in employee costs related to the salesforce.

Furthermore, Planisware continues to develop its marketing strategy and strengthen its leading position within the project management market.

As a percentage of total revenue, sales and marketing expenses increased from 16.6% in the six-month period ended June 30, 2022 to 17.9% in the six-month period ended June 30, 2023, demonstrating the Group's continuous efforts in expanding relationships with existing customers and attracting new customers.

General and administrative expenses

General and administrative expenses increased by €3.5 million, or 52.7%, from €6.7 million in the six-month period ended June 30, 2022 to €10.3 million in the six-month period ended June 30, 2023.

In the six-month period ended June 30, 2023, our employee costs related to our general and administrative functions increased by €1.1 million, or 20.1% compared to the six-month period ended June 30, 2022 reflecting our investments in corporate infrastructure in anticipation of the Company's planned initial public offering and to support its global expansion.

Furthermore, the six-month period ended June 30, 2022 was positively impacted by realized and unrealized foreign exchange gains on our receivables due to the U.S. dollar's appreciation against the euro compared to the previous reporting period.

As a percentage of total revenue, general and administrative expenses increased by 3.1 percentage points from 11.0% in the six-month period ended June 30, 2022 to 14.2% in the six-month period ended June 30, 2023.

7.5.1.4 Share of profit of equity-accounted investees

Share of profit of equity-accounted investees decreased by €0.1 million, or 25.0%, from €0.5 million in the six-month period ended June 30, 2022 to €0.4 million in the six-month period ended June 30, 2023 following the consolidation of IFTP KK from June 1, 2023.

7.5.1.5 Current operating profit including share of profit of equity-accounted investees

As a result of the factors discussed above, Planisware's current operating profit including share of profit of equity-accounted investees increased by €2.6 million, or 16.3%, from €16.2 million in the six-month period ended June 30, 2022 to €18.8 million in the six-month period ended June 30, 2023.

7.5.1.6 Other operating income and expense

The other operating income of €5.8 million resulted from the gain on remeasurement of the previously held equity interest in IFTP KK at its acquisition-date fair value. The other operating expenses of €2.1 million were costs related to the preparation of the Company's initial public offering, mainly composed of fees of external advisors.

7.5.1.7 Financial income (loss)

Financial income decreased by €2.6 million, or 106.2%, from €2.5 million in the six-month period ended June 30, 2022 to €(0.2) million in the six-month period ended June 30, 2023, driven by the impact of the depreciation of the U.S. dollar offset by positive return on marketable securities.

7.5.1.8 Income tax

	Six-month period ended June 30,		
in € millions, unless otherwise indicated	2023	2022	Variation
Current taxes	(3.9)	(2.8)	41.4%
- Of which income tax	*(3.8)*	*(2.6)*	*47.8%*
- Of which added-value tax	*(0.1)*	*(0.2)*	*(34.8%)*
Deferred taxes	0.2	(0.5)	(147.1%)
Income taxes recognized in the statement of profit or loss	**(3.7)**	**(3.3)**	**12.4%**

Our income tax expense increased by €0.4 million, or 12.4%, from €3.3 million in the six-month period ended June 30, 2022 to €3.7 million in the six-month period ended June 30, 2023.

For interim periods, income tax expense is recognized at an amount determined by multiplying the profit (loss) before tax for the period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full during the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual consolidated financial statements.

7.5.1.9 Profit for the period

As a result of the changes described in the paragraphs above, profit for the period increased by €3.3 million, or 21.5%, from €15.4 million in the six-month period ended June 30, 2022 to €18.7 million in in the six-month period ended June 30, 2023.

7.5.1.10 Adjusted EBITDA

	Six months period ended June 30,		
in € millions, unless otherwise indicated	2023	2022	Variation
Current operating profit after share of profit of equity-accounted investee	18.8	16.2	16.3%
Plus: Depreciation and amortization of intangible, tangible and right-of-use assets	*3.3*	*3.0*	*12.5%*
Plus: Share-based payments	*0.3*	*0.0*	-
Adjusted EBITDA	**22.4**	**19.1**	**17.2%**
Adjusted EBITDA margin	***30.9%***	***31.4%***	***(0.4)pp***

As a result of the factors discussed above, Adjusted EBITDA increased by €3.3 million, or 17.2%, from €19.1 million in the six-month period ended June 30, 2022 to €22.4 million in the six-month period ended June 30, 2023. Adjusted EBITDA margin decreased by 0.4 percentage points, from 31.4% in the six-month period ended June 30, 2022 to 30.9% in the six-month period ended June 30, 2023.

The increase in Adjusted EBITDA reflects the translation of revenue growth into profit as the business grows from the addition of new customers and expansion of services to existing customers.

7.5.2 Years ended December 31, 2022 and 2021

7.5.2.1 Summary of consolidated statement of profit or loss

The following table sets forth a summary of Planisware's consolidated statement of profit or loss:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2022**	**2021**
Total revenue	132.1	107.7
Cost of sales	(42.3)	(33.0)
Gross profit	**89.8**	**74.7**
Operating expenses	(56.2)	(44.7)
Current operating profit	**33.6**	**30.0**
Share of profit of equity-accounted investees, net of tax	1.0	0.5
Current operating profit including share of profit of equity-accounted investees	**34.5**	**30.5**
Financial income (loss)	2.8	2.7
Income tax expense	(5.8)	(6.1)
Profit for the period	**31.6**	**27.1**
Adjusted EBITDA	**41.4**	**35.1**
Basic earnings per share (in €)	91.8	79.6

7.5.2.2 Revenue

	Fiscal Year ended December 31,			
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation (%)**	**Variation**
Total revenue	132.1	107.7	22.7%	24.4
Total revenue at constant (compared to previous period) foreign exchange rate	125.3	107.7	16.4%	17.7

Total revenue increased by €24.4 million, or 22.7%, from €107.7 million in the year ended December 31, 2021 to €132.1 million in the year ended December 31, 2022 mainly due to the Group's exposure to euro-dollar exchange rates. At constant 2021 foreign exchange rates, total revenue would have increased by €17.7 million, or 16.4%, from €107.7 million in the year ended December 31, 2021 to €125.3[47] million in the year ended December 31, 2022.

Recurring revenue

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation**
Recurring revenue	**108.5**	**81.4**	**33.2%**
SaaS & Hosting	48.7	33.2	46.6%
Evolutive and Subscription support	41.3	30.4	35.8%
Maintenance	18.5	17.8	3.9%
Non recurring revenue	**22.1**	**25.3**	**(12.5%)**
Perpetual licenses	5.6	6.9	(19.4%)
Implementation services	16.5	18.4	(9.9%)
Total revenue with customers	**130.6**	**106.7**	**22.4%**

The Group's recurring revenue (as defined above) increased by €27.0 million, or 33.2%, from €81.4 million in the year ended December 31, 2021 to €108.5 million in the year ended December 31, 2022. As a percentage of total revenue with customers, recurring revenue increased in absolute terms and

[47] Total revenue for the year ended December 31, 2022 at constant 2021 foreign exchange rates has been determined by using the same foreign exchange rates as those used for consolidation purposes for the year ended December 31, 2021.

proportionately by 6.8 points from 76.3% in the year ended December 31, 2021 to 83.1% in the year ended December 31, 2022, reflecting the growth of Planisware's SaaS distribution model.

SaaS and hosting revenues increased by €15.5 million, or 46.6%, from €33.2 million in the year ended December 31, 2021 to €48.7 million in the year ended December 31, 2022, due to contracts secured with new customers as well as expansion of existing customer subscriptions.

Evolutive support and subscription support revenues intrinsically related to Planisware's SaaS offerings significantly increased by €10.9 million, or 35.8%, from €30.4 million in the year ended December 31, 2021 to €41.3 million in the year ended December 31, 2022.

Maintenance revenue remained relatively steady with a slight increase of €0.7 million, or 3.9%, from €17.8 million in the year ended December 31, 2021 to €18.5 million in the year ended December 31, 2022.

Non-recurring revenue

Concurrently, as most new customers choose to subscribe to SaaS offerings, there naturally was a decline in revenues related to the sale of perpetual licenses. These revenues decreased by €1.3 million, or 19.4%, from €6.9 million in the year ended December 31, 2021 to €5.6 million in the year ended December 31, 2022.

Revenues related to implementation services decreased by €1.8 million, or 9.9%, from €18.4 million in the year ended December 31, 2021 to €16.5 million in the year ended December 31, 2022.

Revenue with customers by region

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation**
Europe	66.6	55.6	19.8%
North America	57.1	46.8	22.0%
APAC & rest of the world	6.9	4.3	59.9%
Total revenue with customers	**130.6**	**106.7**	**22.4%**

In the year ended December 31, 2022, Planisware continued expanding its presence worldwide. Europe was a very dynamic market with an increase of €11.0 million, or 19.8%, as compared to the year ended December 31, 2021. In North America, revenue with customers growth of 22.0% was strong but also positively impacted by the appreciation of the U.S. dollar against the euro.

Planisware's growth in "APAC & rest of the world" reflects its willingness to expand in this area and was primarily impacted by new customers in Singapore as a result of the opening of an office there.

Revenue with customers by pillar

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation**
Product Development & Innovation	71.1	58.8	20.9%
Project Controls & Engineering	24.7	20.3	21.5%
Agility & IT Project Portfolios	21.6	15.4	40.5%
Project Business Automation	12.8	11.9	7.7%
Other	0.4	0.3	38.2%
Total revenue with customers	**130.6**	**106.7**	**22.4%**

The "Product Development & Innovation" industry remained Planisware's principal pillar and revenues grew by 20.9% from 2021 to 2022 resulting from both the gain of significant new customers and the expansion of offerings to existing customers. Planisware has more recently entered markets relating to the pillars “Project Controls & Engineering” and “Agility and IT Project Portfolios”, which proved to be dynamic with respective growth of 21.5% and 40.5% year on year.

Other revenue

Other revenue (as defined in Section 7.3.2, *“Other revenue”*) increased by €0.5 million, or 51.7%, from €1.0 million in the year ended December 31, 2021 to €1.5 million in the year ended December 31, 2022.

7.5.2.3 Cost of sales and operating expenses

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation (%)**
Cost of sales	(42.3)	(33.0)	28.3%
Gross profit	**89.8**	**74.7**	**20.2%**
Research and development	(18.3)	(15.0)	22.4%
Sales and marketing	(21.8)	(18.0)	21.3%
General and administrative	(16.0)	(11.7)	36.8%
Gross margin	***68.0%***	***69.4%***	***(1.4)pp***
Research and development / total revenue	*13.9%*	*13.9%*	*(0.0)pp*
Sales and marketing / total revenue	*16.5%*	*16.7%*	*(0.2)pp*
General and administrative / total revenue	*12.1%*	*10.9%*	*1.3pp*

Cost of sales and gross margin

Cost of sales increased by €9.3 million, or 28.3%, from €33.0 million in the year ended December 31, 2021 to €42.3 million in the year ended December 31, 2022.

During fiscal year 2021, Planisware was engaged in active recruitment as part of increased competition for talent and succeeded in attracting talented employees. Planisware also significantly increased salaries to ensure talent retention, the full impact of which was reflected in the results for the year ended December 31, 2022.

Furthermore, as of January 1, 2022, Planisware opened new data centers in strategic locations such as Singapore and Geneva, which led both to an increase in general hosting fees and in the depreciation of newly acquired servers.

Gross margin, which corresponds to cost of sales as a percentage of revenue, decreased by 1.4 points from 69.4% in the year ended December 31, 2021 to 68.0% in the year ended December 31, 2022, as a result of investments made to support and expand business operations and support a growing customer base. These investments include increased headcount and related compensation costs, partner and third-party provider costs, hosting costs and depreciation expenses.

Research and development expenses

Planisware’s research and development expenses increased by €3.4 million, or 22.4%, from €15.0 million in the year ended December 31, 2021 to €18.3 million in the year ended December 31, 2022. The main reason for the increase was the €2.5 million increase in expenses of personnel dedicated to research and development.

The Group capitalized €1.4 million of development costs in the year ended December 31, 2022 versus €1.1 million in the year ended December 31, 2021, and the amortization of capitalized development costs was €1.5 million in the year ended December 31, 2022 as compared to €1.2 million in the year ended December 31, 2021**.**

As a percentage of revenues, research and development remained relatively stable at 13.9% in both year ended December 31, 2021 and year ended December 31, 2022.

Sales and marketing expenses

Sales and marketing expenses increased by €3.8 million, or 21.3%, from €18.0 million in the year ended December 31, 2021 to €21.8 million in the year ended December 31, 2022. The main reason for the increase was the €2.3 million increase in employee costs related to the salesforce. Furthermore, Planisware continues to develop its marketing strategy and strengthen its leading position within the project management market.

As a percentage of revenues, sales and marketing remained steady from 16.7% in the year ended December 31, 2021 to 16.5% in the year ended December 31, 2022, demonstrating the Group's continuous efforts in expanding relationships with existing customers and attracting new customers.

General and administrative expenses

General and administrative expenses increased by €4.3 million, or 36.8%, from €11.7 million in the year ended December 31, 2021 to €16.0 million in the year ended December 31, 2022.

The increase in general and administrative expenses reflects investments in corporate infrastructure and capabilities to support the Company's global expansion and business growth strategies. General and administrative headcount increased during the period with a reinforcement of Planisware's finance team. This increase is also explained by a downward effect of the COVID-19 pandemic, which significantly limited business travel in 2021 before picking up again in 2022. Finally, legal, audit and other professional services fees increased in connection with the preparation of Planisware's initial public offering process in the last quarter of 2022.

As a percentage of revenues, general and administrative expenses increased by 1.3 points from 10.9% in the year ended December 31, 2021 to 12.1% in the year ended December 31, 2022.

7.5.2.4 Share of profit of equity-accounted investees

Share of profit of equity-accounted investees increased by €0.5 million, or 93.8%, from €0.5 million in the year ended December 31, 2021 to €1.0 million in the year ended December 31, 2022. This increased profit is mainly due to Planisware MIS generating increased income of €0.8 million in the year ended December 31, 2022 as compared to €0.4 million in the year ended December 31, 2021.

7.5.2.5 Current operating profit including share of profit of equity-accounted investees

As a result of the factors discussed above, Planisware's current operating profit after share of profit of equity-accounted investees increased by €4.0 million, or 13.1%, from €30.5 million in the year ended December 31, 2021 to €34.5 million in the year ended December 31, 2022.

7.5.2.6 Financial income (loss)

Financial income increased by €0.1 million, or 1.9%, from €2.7 million in the year ended December 31, 2021 to €2.8 million in the year ended December 31, 2022, primarily driven by the impact of the strengthening of the U.S. dollar against the euro on cash and cash equivalents.

7.5.2.7 Income tax

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation**
Current income tax	(6.3)	(6.6)	(5.2%)
- Of which income tax	*(5.8)*	*(6.2)*	*(6.8%)*
- Of which added-value tax (CVAE)	*(0.5)*	*(0.4)*	*18.5%*
Deferred taxes	0.5	0.5	3.8%
Income tax recognized in the consolidated statement of profit or loss	**(5.8)**	**(6.1)**	**(6.0%)**

Our income tax expense decreased by €0.4 million, or 6.0%, from €6.1 million in fiscal year 2021 to €5.8 million in fiscal year 2022. The income tax expense consists mainly of income tax, whose rate has been lowered in France from 26.5% in 2021 to 25% in 2022. Furthermore, the decrease of our income tax expense is also due to the use of "IP Box" patent regime; the gain from the use of this regime increased by €1.0 million from €2.9 million in fiscal year 2021 to €3.9 million in fiscal year 2022. Both effects were partially offset by the increase of our profit before tax by €4.1 million, or 12.2%, from €33.3 million in fiscal year 2021 to €37.3 million in fiscal year 2022.

7.5.2.8 Profit for the period

As a result of the changes described in the paragraphs above, profit for the period increased by €4.4 million, or 16.3%, from €27.1 million in the year ended December 31, 2021 to €31.6 million in the year ended December 31, 2022.

7.5.2.9 Adjusted EBITDA

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2022**	**2021**	**Variation**
Current operating profit after share of profit of equity-accounted investee	34.5	30.5	13.1%
Plus: Depreciation and amortization of intangible, tangible and right-of-use assets	*6.4*	*4.5*	*41.9%*
Plus: IPO costs	*0.4*	*0.0*	-
Plus: Share-based payments	*0.0*	*0.0*	-
Adjusted EBITDA	**41.4**	**35.1**	**18.1%**
Adjusted EBITDA margin	***31.3%***	***32.6%***	***(1.2)pp***

As a result of the factors discussed above, Adjusted EBITDA increased by €6.3 million, or 18.1%, from €35.1 million in the year ended December 31, 2021, to €41.4 million in the year ended December 31, 2022. Adjusted EBITDA margin decreased by 1.2 point, from 32.6% in the year ended December 31, 2021 to 31.3% in the year ended December 31, 2022.

The increase in Adjusted EBITDA reflects the translation of revenue growth into profit as the business grows from the addition of new customers and expansion of services to existing customers.

7.5.3 Years ended December 31, 2021 and 2020

7.5.3.1 Summary of consolidated statement of profit or loss

The following table sets forth a summary of Planisware's consolidated statement of profit or loss:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2021**	**2020**
Total revenue	107.7	91.9
Cost of sales	(33.0)	(27.5)
Gross profit	**74.7**	**64.4**
Operating expenses	(44.7)	(38.1)
Current operating profit	**30.0**	**26.3**
Share of profit of equity-accounted investees, net of tax	0.5	0.5
Current operating profit including share of profit of equity-accounted investees	**30.5**	**26.8**
Financial income (loss)	2.7	(2.4)
Income tax expense	(6.1)	(4.3)
Profit for the period	**27.1**	**20.1**
Adjusted EBITDA	**35.1**	**30.4**
Basic earnings per share (in €)	79.6	59.1

7.5.3.2 Revenue

in € millions, unless otherwise indicated	2021	2020	Variation (%)
	Fiscal Year ended December 31,		
Total revenue	107.7	91.9	17.1%
Total revenue at constant (compared to previous period) foreign exchange rate	109.4	91.9	19.0%

Revenues increased by €15.7 million, or 17.1%, from €91.9 million in the year ended December 31, 2020 to €107.7 million in the year ended December 31, 2021. At constant foreign exchange rates of 2020, revenues would have increased by €17.4 million, or 19.0%, from €91.9 million in the year ended December 31, 2020 to €109.4[48] million in the year ended December 31, 2021.

Recurring Revenue

in € millions, unless otherwise indicated	2021	2020	Variation
	Fiscal Year ended December 31,		
Recurring revenue	**81.4**	**63.1**	**29.1%**
SaaS & Hosting	33.2	22.7	46.7%
Evolutive and Subscription support	30.4	23.2	31.2%
Maintenance	17.8	17.2	3.2%
Non recurring revenue	**25.3**	**28.1**	**(10.0%)**
Perpetual licenses	6.9	10.6	(35.0%)
Implementation services	18.4	17.5	5.1%
Total revenue with customers	**106.7**	**91.1**	**17.1%**

Recurring revenues (as defined above) increased by €18.4 million, or 29.1%, from €63.1 million in the year ended December 31, 2020 to €81.4 million in the year ended December 31, 2021. As a percentage of revenues with customers, recurring revenues increased by 7.1 points from 69.2% in the year ended December 31, 2020 to 76.3% in the year ended December 31, 2021. This increase reflects the growth of SaaS subscriptions.

SaaS and hosting revenues increase by €10.6 million, or 46.7%, from €22.7 million in the year ended December 31, 2020 to €33.2 million in the year ended December 31, 2021. This increase was due to contracts secured with new customers as well as expansion of existing customer subscriptions.

Evolutive support and subscription support revenues intrinsically related to Planisware's SaaS offerings significantly increased by €7.2 million, or 31.2%, from €23.2 million in the year ended December 31, 2020 to €30.4 million in the year ended December 31, 2021.

Maintenance revenue remained relatively steady with a slight increase of €0.5 million, or 3.2%, from €17.2 million in the year ended December 31, 2020 to €17.8 million in the year ended December 31, 2021.

Non-Recurring Revenue

Concurrently, as most of new customers choose to subscribe to SaaS offerings, there naturally was a decline in revenues related to the sale of perpetual licenses. These revenues decreased by €3.7 million, or 35.0%, from €10.6 million in the year ended December 31, 2020 to €6.9 million in the year ended December 31, 2021.

[48] Total revenue for the year ended December 31, 2021 at constant 2020 foreign exchange rates has been determined by using the same foreign exchange rates as those used for consolidation purposes for the year ended December 31, 2020.

Revenues related to implementation services slightly increased by €0.9 million, or 5.1%, from €17.5 million in the year ended December 31, 2020 to €18.4 million in the year ended December 31, 2021.

Revenue with customers by Region

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2021**	**2020**	**Variation**
Europe	55.6	47.1	18.0%
North America	46.8	37.3	25.7%
APAC & rest of the world	4.3	6.8	(36.9%)
Total revenue with customers	**106.7**	**91.1**	**17.1%**

In the year ended December 31, 2021, despite the persistence of the COVID-19 pandemic, Planisware continued to expand revenues with customers in its principal markets with respective growth rates of 18.0% in Europe and 25.7% in North America.

The decrease in revenues from "APAC & rest of the world" is primarily due to increase in one-off sales of perpetual licenses in 2020 (which is by nature a non-recurring revenue) as opposed to SaaS subscriptions.

Revenue with customers by Pillar

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2021**	**2020**	**Variation**
Product Development & Innovation	58.8	50.1	17.4%
Project Controls & Engineering	20.3	18.1	12.1%
Agility & IT Project Portfolios	15.4	13.2	16.2%
Project Business Automation	11.9	9.5	24.9%
Other	0.3	0.1	98.2%
Total revenue with customers	**106.7**	**91.1**	**17.1%**

The pillar "Product Development & Innovation" remained Planisware's principal pillar and revenues grew by 17.4% resulting from both the gain of significant new customers and the expansion of offerings to existing customers. The pillars "Project Controls & Engineering" and "Agility and IT Project Portfolios" continued to be dynamic markets with respective growth of 12.1% and 16.2%. "Project Business Automation" grew by €2.4 million, or 24.9%, from 2020 to 2021.

Other Revenue

Other revenue (as defined in Section 7.3.2, *"Other revenue"*) increased from €0.2 million, or 24.6%, from €0.8 million in the year ended December 31, 2020 to €1.0 million in the year ended December 31, 2021.

7.5.3.3 Cost of sales and operating expenses

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2021**	**2020**	**Variation (%)**
Cost of sales	(33.0)	(27.5)	19.8%
Gross profit	**74.7**	**64.4**	**16.0%**
Research and development	(15.0)	(11.8)	26.5%
Sales and marketing	(18.0)	(14.2)	27.2%
General and administrative	(11.7)	(12.1)	(3.2%)
Gross margin	***69.4%***	***70.1%***	***(0.7)pp***
Research and development / total revenue	*13.9%*	*12.9%*	*1.0pp*
Sales and marketing / total revenue	*16.7%*	*15.4%*	*1.3pp*
General and administrative / total revenue	*10.9%*	*13.2%*	*(2.3)pp*

Cost of sales and Gross Margin

Cost of sales increased by €5.4 million, or 19.8%, from €27.5 million in the year ended December 31, 2020 to €33.0 million in the year ended December 31, 2021.

Gross margin, which corresponds to cost of sales as a percentage of revenue, decreased by 0.7 points, from 70.1% in the year ended December 31, 2020 to 69.4% in the year ended December 31, 2021, as a result of investments made to support and expand business operations and support a growing customer base. These investments include increased headcount and related compensation costs, partner and third-party provider costs, hosting costs and depreciation expenses.

Particularly, when subscription support revenues increase, costs related to external services also increase as Planisware sub-contracts with its associates to provide these services.

Research and development expenses

Research and development expenses increased by €3.1 million, or 26.5%, from €11.8 million in the year ended December 31, 2020 to €15.0 million in the year ended December 31, 2021.

Planisware capitalized €1.1 million of development costs in the year ended December 31, 2021 as compared to €1.0 million in the year ended December 31, 2020, and the amortization of capitalized development costs was €1.2 million in the year ended December 31, 2021 as compared to €0.8 million in the year ended December 31, 2020.

As a percentage of revenues, research and development expenses increased by 1.0 points, from 12.9% in the year ended December 31, 2020 to 13.9% in the year ended December 31, 2021. The main reason for the increase was the €2.9 million increase in expenses of personnel dedicated to research and development.

Sales and marketing expenses

Sales and marketing expenses increased by €3.8 million, or 27.2%, from €14.2 million in the year ended December 31, 2020 to €18.0 million in the year ended December 31, 2021. As a percentage of revenues, sales and marketing expenses increased by 1.3 points, or 8.6%, from 15.4% in the year ended December 31, 2020 to 16.7% in the year ended December 31, 2021, demonstrating a constant effort in expanding relationships with existing customers and attracting new customers. The main reason for the increase was the €2.0 million increase in employee costs of the salesforce. Furthermore, Planisware continues to develop its marketing strategy and strengthen its leading position within the project management market.

General and administrative expenses

General and administrative expenses decreased by €0.4 million, or 3.2%, from €12.1 million in the year ended December 31, 2020 to €11.7 million in the year ended December 31, 2021. As a percentage of revenues, general and administrative decreased by 2.3 points, or 17.4%, from 13.2% in the year ended December 31, 2020 to 10.9% in the year ended December 31, 2021.

7.5.3.4 Share of profit of equity-accounted investees

Share of profit of equity-accounted investees was stable at €0.5 million for each of 2020 and 2021. The profit is mainly due to Planisware MIS generating a profit of €0.4 million in the year ended December 31, 2021 and €0.3 million in the year ended December 31, 2020.

Both equity-accounted investees are integral to the Group's current operations, and as such are presented in current operating profit.

7.5.3.5 Current operating profit including share of profit of equity-accounted investees

As a result of the factors discussed above, current operating profit after share of profit of equity-accounted investees increased by €3.7 million, or 13.8%, from €26.8 million in the year ended December 31, 2020 to €30.5 million in the year ended December 31, 2021.

7.5.3.6 Financial income (loss)

Financial income increased by €5.1 million, from (€2.4) million in the year ended December 31, 2020 to €2.7 million in the year ended December 31, 2021, mainly driven by the evolution of exchange rates (and the U.S. dollar in particular) on cash and cash equivalents in foreign currencies.

7.5.3.7 Income tax

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2021**	**2020**	**Variation**
Current income tax	(6.6)	(4.4)	51.6%
- Of which income tax	*(6.2)*	*(3.7)*	*69.6%*
- Of which added-value tax (CVAE)	*(0.4)*	*(0.7)*	*(41.2%)*
Deferred taxes	0.5	0.0	1,450.0%
Income tax recognized in the consolidated statement of profit or loss	**(6.1)**	**(4.3)**	**41.3%**

Income tax expense increased by €1.8 million, or 41.3%, from €4.3 million in the year ended December 31, 2020 to €6.1 million in the year ended December 31, 2021. The increase in income tax expense was primarily due to an increase in pre-tax profit, despite the lower tax rate in France in 2021 compared to 2020.

7.5.3.8 Profit for the period

As a result of the changes described in the paragraphs above, profit for the period increased by €7.0 million, or 34.8%, from €20.1 million in the year ended December 31, 2020 to €27.1 million in the year ended December 31, 2021.

7.5.3.9 Adjusted EBITDA

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2021**	**2020**	**Variation**
Current operating profit after share of profit of equity-accounted investee	30.5	26.8	13.8%
Plus: Depreciation and amortization of intangible, tangible and right-of-use assets	*4.5*	*3.6*	*27.9%*
Plus: IPO costs	*0.0*	*0.0*	-
Plus: Share-based payments	*0.0*	*0.0*	-
Adjusted EBITDA	**35.1**	**30.4**	**15.4%**
Adjusted EBITDA margin	***32.6%***	***33.0%***	***(0.5)pp***

As a result of the factors discussed above, Adjusted EBITDA increased by €4.7 million, or 15.4%, from €30.4 million in the year ended December 31, 2020 to €35.1 million in the year ended December 31,

2021. Adjusted EBITDA margin decreased by 0.5 point, from 33.0% in the year ended December 31, 2020 to 32.6% in the year ended December 31, 2021.

The increase in Adjusted EBITDA reflects the translation of revenue growth into profit as the business grew from the addition of new customers and the expansion of services to existing customers.

7.6 Consolidated statement of financial position

The following table presents an overview of the consolidated statement of financial position of the Company as of December 31, 2022, 2021 and 2020, and as of June 30, 2023:

	Fiscal Year ended December 31,			Six-month period ended June,
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**
Goodwill	5.1	5.1	5.1	19.8
Intangible assets	3.0	3.0	3.1	3.3
Property, plant and equipment	4.0	2.9	2.2	4.6
Right-of-use assets	13.5	5.6	5.7	13.4
Equity-accounted investees	2.0	1.5	1.5	0.7
Other financial assets	0.6	0.4	0.4	0.9
Other non-current assets	1.0	0.6	0.4	0.9
Deferred tax assets	1.7	1.4	0.9	2.0
Total non-current assets	**30.9**	**20.5**	**19.2**	**45.5**
Trade receivables and contract assets	45.4	35.0	27.1	34.1
Other receivables and current assets	14.0	11.3	8.3	13.9
Cash and cash equivalents	120.5	107.5	86.5	149.4
Total current assets	**179.9**	**153.8**	**121.9**	**197.5**
Total assets	**210.8**	**174.3**	**141.0**	**242.9**

	Fiscal Year ended December 31,			Six-month period ended June,
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**
Share capital	0.3	0.3	0.3	0.3
Share premium	9.6	9.6	6.9	19.2
Consolidated reserves	85.6	71.2	61.2	117.4
Translation reserve	0.2	-0.3	-0.8	-0.6
Profit for the period	31.6	27.1	20.1	18.7
Equity attribuable to owners of the Company	**127.3**	**108.1**	**87.7**	**154.9**
Non-controlling interests	0.0	0.0	0.0	0.0
Total equity	**127.3**	**108.1**	**87.7**	**154.9**
Employee benefits	1.9	2.3	2.3	1.9
Loans and borrowings	11.7	4.1	5.8	11.3
Deferred tax liabilities	0.0	0.0	0.0	0.0
Total non-current liabilities	**13.6**	**6.4**	**8.1**	**13.2**
Provisions	0.1	0.0	0.3	0.0
Loans and borrowings	3.2	3.3	2.7	3.4
Trade payables	4.2	4.3	2.0	3.7
Other liabilities	31.2	32.0	23.6	28.3
Contrat liabilities	31.2	20.1	16.5	39.4
Total current liabilities	**69.9**	**59.8**	**45.2**	**74.8**
Total liabilities	**210.8**	**174.3**	**141.0**	**242.9**

7.6.1 Comparison as of June 30, 2023 and as of December 31, 2022

7.6.1.1 Assets

As of June 30, 2023, total assets amounted to €242.9 million and comprised total current assets of €197.5 million and total non-current assets of €45.5 million. Total assets increased by €32.1 million, or 15.2%, from €210.8 million as of December 31, 2022 to €242.9 million as of June 30, 2023.

Total current assets increased by €17.5 million, or 9.7%, from €179.9 million as of December 31, 2022 to €197.5 million as of June 30, 2023. This increase is mainly due an increase of cash and cash equivalents in the amount of €28.9 million, or 24.0%, from €120.5 million as of December 31, 2022 to €149.4 million as of June 30, 2023 (see Chapter 8, "*Liquidity and Capital Resources*"). Trade receivables and contract assets significantly decreased by €11.3 million, or 24.8%, from €45.4 million as of December 31, 2022 to €34.1 million as of June 30, 2023 mainly due to a high level of cash collections during the period. The aging of trade receivables is generally within 30 days past due and overdue amounts do not reflect any significant credit issues. The balance at any point in time is impacted by the timing of the Group's annual subscription billing cycle for each customer and when new customer contracts are secured.

Total non-current assets increased by €14.6 million, or 47.3%, from €30.9 million as of December 31, 2022 to €45.5 million as of June 30, 2023. The increase is primarily due to the recognition of a provisional goodwill of €14.7 million related to the acquisition of the subsidiary IFTP KK in May 2023.

7.6.1.2 Liabilities

As of June 30, 2023, total liabilities amounted to €88.0 million and consisted of total current liabilities of €74.8 million and total non-current liabilities of €13.2 million. Total liabilities increased by €4.5 million, or 5.4%, from €83.4 million as of December 31, 2022 to €88.0 million as of June 30, 2023.

Total current liabilities increased by €4.9 million, or 7.1%, from €69.9 million as of December 31, 2022 to €74.8 million as of June 30, 2023. This increase is primarily related to contract liabilities increasing by €8.2 million, or 26.4%, from €31.2 million as of December 31, 2022 to €39.4 million as of June 30, 2023, mainly due to a seasonal effect as our customers are generally billed annually and in advance for subscription revenues which are a major part of our total revenue and which are renewed – and then billed – for the most part during the first half of the fiscal year.

Total non-current liabilities slightly decreased by €0.4 million, or 3.0%.

7.6.1.3 Equity

Equity increased by €27.6 million, or 21.7%, from €127.3 million as of December 31, 2022 to €154.9 million as of June 30, 2023. The increase is due in part to profit for the period, in addition to the issuance in May 2023 of 3,285 ordinary shares with a par value of 1 euro each and a share premium of 9,555,309 euros as consideration for the acquisition of the remaining 53% equity stake of IFTP KK.

As of June 30, 2023, the dividend distribution had not yet been approved by the Annual General Meeting.

7.6.2 Years ended December 31, 2022 and 2021

7.6.2.1 Assets

As of December 31, 2022, total assets amounted to €210.8 million and comprised total current assets of €179.9 million and total non-current assets of €30.9 million. Total assets increased by €36.5 million, or 20.9%, from €174.3 million in the year ended December 31, 2021 to €210.8 million in the year ended December 31, 2022.

Total current assets increased by €26.1 million, or 17.0%, from €153.8 million in the year ended December 31, 2021 to €179.9 million in the year ended December 31, 2022. Cash and cash equivalents increased by €13.0 million, or 12.1%, from €107.5 million in the year ended December 31, 2021 to €120.5 million in the year ended December 31, 2022 (see Chapter 8, "*Liquidity and Capital Resources*"). Trade receivables and contract assets increased by €10.4 million, or 29.7%, from €35.0 million in the year ended December 31, 2021 to €45.4 million in the year ended December 31, 2022 due to growth in revenue and lag in the timing of billings and collections. The aging of trade receivables is generally within 30 days past due and overdue amounts do not reflect any significant credit issues. The balance at any point in time is impacted by the timing of the Group's annual subscription billing cycle for each customer and when new customer contracts are secured.

Total non-current assets increased by €10.4 million, or 50.9%, from €20.5 million in the year ended December 31, 2021 to €30.9 million in the year ended December 31, 2022. The increase is primarily due to an increase of right-of-use assets increasing by €8.0 million, or 143.1%, from €5.6 million in the year ended December 31, 2021 to €13.5 million in the year ended December 31, 2022 as the Group signed significant new office lease agreements in France and in the United States to support business expansion.

7.6.2.2 Liabilities

As of December 31, 2022, total liabilities amounted to €83.4 million and consisted of total current liabilities of €69.9 million and total non-current liabilities of €13.6 million. Total liabilities increased by €17.2 million, or 26.0%, from €66.2 million in the year ended December 31, 2021 to €83.4 million in the year ended December 31, 2022.

Total current liabilities increased by €10.0 million, or 16.8%, from €59.8 million in the year ended December 31, 2021 to €69.9 million in the year ended December 31, 2022. This increase is primarily related to contract liabilities increasing by €11.1 million, or 54.9%, from €20.1 million in the year ended December 31, 2021 to €31.2 million in in the year ended December 31, 2022, due to an evolving revenue mix and in particular higher growth in SaaS and subscription support revenues as customers are generally billed annually and in advance for these types of revenues. For the year ended December 31, 2022, timing of invoicing and of contract renewals for contracts in the second half of the year increased the amount of contract liabilities.

Total non-current liabilities increased by €7.2 million, or 111.8%, from €6.4 million in the year ended December 31, 2021 to €13.6 million in the year ended December 31, 2022. This increase is primarily due to lease liabilities, as the Group signed significant new office lease agreements in France and in the United States to support business expansion.

7.6.2.3 Equity

Equity increased by €19.3 million, or 17.8%, from €108.1 million in the year ended December 31, 2021 to €127.3 million in the year ended December 31, 2022. The increase is due to profit for the period and the accumulation of 2021 profit after distribution of dividends.

7.6.3 Years ended December 31, 2021 and 2020

7.6.3.1 Assets

As of December 31, 2021, total assets amounted to €174.3 million and comprised total current assets of €153.8 million and total non-current assets of €20.5 million. Total assets increased by €33.3 million, or 23.6%, from €141.0 million in the year ended December 31, 2020 to €174.3 million in the year ended December 31, 2021.

Total current assets increased by €32.0 million, or 26.3%, from €121.9 million in the year ended December 31, 2020 to €153.8 million in the year ended December 31, 2021. Cash and cash equivalents increased by €21.1 million, or 24.4%, from €86.5 million in the year ended December 31, 2020 to €107.5 million in the year ended December 31, 2021 (see Chapter 8, "*Liquidity and Capital Resources*"). Trade receivables and contract assets increased by €7.9 million, or 29.3%, from €27.1 million in the year ended December 31, 2020 to €35.0 million in the year ended December 31, 2021 due to growth in revenue and lag in the timing of billings and collections. The aging of trade receivables is generally calculated within 30 days past due and overdue amounts do not reflect any significant credit issues. The balance at any point in time is impacted by the timing of the annual subscription billing cycle for each customer and when new customer contracts are secured.

Total non-current assets increased by €1.3 million, or 6.8%, from €19.2 million in the year ended December 31, 2020 to €20.5 million in the year ended December 31, 2021. The increase was primarily due to additions to the Group's hardware equipment to support growth, partly offset by regular depreciations.

7.6.3.2 Liabilities

As of December 31, 2021, total liabilities amounted to €66.2 million and comprised total current liabilities of €59.8 million and total non-current liabilities of €6.4 million. Total liabilities increased by €12.9 million, or 24.3%, from €53.3 million in the year ended December 31, 2020 to €66.2 million in the year ended December 31, 2021.

Total current liabilities increased by €14.6 million, or 32.3%, from €45.2 million in the year ended December 31, 2020 to €59.8 million in the year ended December 31, 2021. Other payables increased by €8.4 million, or 35.8%, from €23.6 million in the year ended December 31, 2020 to €32.0 million in the year ended December 31, 2021 due to generally higher profit-sharing and bonus provisions, as well as a change in the Company's management compensation policy. Contract liabilities increased by €3.6 million, or 21.8%, from €16.5 million in the year ended December 31, 2020 to €20.1 million in the year ended December 31, 2021.

Total non-current liabilities decreased by €1.7 million, or 20.7%, from €8.1 million in the year ended December 31, 2020 to €6.4 million in the year ended December 31, 2021.

7.6.3.3 Equity

Equity increased by €20.4 million, or 23.2%, from €87.7 million in the year ended December 31, 2020 to €108.1 million in the year ended December 31, 2021. The increase is due to the profit for the period and the accumulation of 2020 profit after distribution of dividends. At the end of 2021, the Company completed a share increase of 3,000 ordinary shares dedicated to certain employees, generating a share premium of €2.7 million.

8. LIQUIDITY AND CAPITAL RESOURCES

8.1 Overview

Planisware's operational activity generates structurally positive operating cash flows which make up the Company's primary source of liquidity for funding operations. Planisware has very low levels of debt (consisting of no significant gross financial debt as of June 30, 2023 exclusive of lease liabilities). Planisware does not currently intend to renew these lines or to issue any new debt. Planisware has a strong cash position to support both significant growth and related working capital requirements.

Planisware's subsidiaries are not affected by any material legal or economic restrictions that would compromise their ability to transfer funds within the Group in the form of cash dividends, loans or advances.

8.2 Cash flows

The following table provides an overview of the consolidated cash flow statement of the Company for the years ended December 31, 2022, 2021 and 2020 as well as for the six-month periods ended June 30, 2023, and 2022:

	Fiscal Year ended December 31,			**Six-month period ended June 30,**	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Profit for the period	**31.6**	**27.1**	**20.1**	**18.7**	**15.4**
Share of profit of equity-accounted investees, net of dividends	(0.5)	(0.1)	(0.2)	(0.394)	(0.5)
Depreciation and amortization of intangible, tangible assets and right-of-use assets	6.4	4.5	3.6	3.3	3.0
Changes in provisions and employee benefits	0.3	(0.1)	0.5	(0.037)	0.1
Cost of debt	0.2	0.1	0.1	0.1	0.1
Income tax expense	5.8	6.1	4.3	3.7	3.3
Other non-cash items	0.0	0.0	0.0	(5.5)	(0.0)
Operating cash flow	**43.8**	**37.8**	**28.4**	**19.9**	**21.3**
- (Increase) / Decrease in trade receivables and contract assets	(9.3)	(6.4)	(3.3)	11.5	3.6
- (Increase) / Decrease in capitalized sales commissions	(0.7)	(0.3)	(0.4)	(0.1)	(0.0)
- Increase / (Decrease) in trade payables and related accounts	(0.2)	2.2	0.8	(1.3)	2.5
- (Increase) / Decrease in prepayments	(1.6)	(1.7)	0.6	0.9	(0.8)
- Increase / (Decrease) in contract liabilities	10.3	2.4	5.3	8.0	5.7
- (Increase) / Decrease in other assets and liabilities	(0.1)	4.5	5.5	(1.8)	(4.8)
Changes in working capital	**(1.6)**	**0.6**	**8.5**	**17.2**	**6.2**
Income taxes paid	(8.0)	(4.0)	(3.8)	(3.8)	(5.3)
Net cash from operating activities	**34.2**	**34.4**	**33.1**	**33.2**	**22.1**
Acquisitions of intangible and tangible assets	(4.8)	(3.2)	(2.8)	(2.5)	(2.7)
Acquisition of subsidiary, net of cash acquired				1.3	0.0
Net change in other financial assets	(0.2)	(0.0)	0.0	(0.9)	(0.0)
Net cash used in investing activities	**(4.9)**	**(3.3)**	**(2.8)**	**(2.1)**	**(2.7)**
Proceeds from issue of share capital	0.0	2.7	0.0	0.0	0.0
Dividends paid	(13.2)	(10.2)	(8.8)	0.0	0.0
Repayment of borrowings	(1.2)	(1.2)	(1.2)	(0.3)	(0.6)
Payment of lease liabilities	(2.0)	(1.8)	(1.3)	(1.5)	(0.9)
Interests paid	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Net cash used in financing activities	**(16.7)**	**(10.7)**	**(11.5)**	**(1.9)**	**(1.6)**
Impact of exchange rate fluctuations on cash held	0.4	0.5	(0.8)	(0.2)	0.8
Net decrease/increase in cash and cash equivalents	**13.0**	**21.0**	**18.0**	**29.0**	**18.6**
Net cash at the beginning of fiscal year	107.4	86.4	68.5	120.4	107.4
Bank overdraft at the beginning of fiscal year	0.1	0.0	0.1	0.1	0.1
Cash and cash equivalents at the beginning of fiscal year	**107.5**	**86.5**	**68.5**	**120.5**	**107.5**
Net cash at the end of fiscal year	120.4	107.4	86.4	149.4	126.1
Bank overdraft at the end of fiscal year	0.1	0.1	0.0	0.0	0.1
Cash and cash equivalents at the end of fiscal year	**120.5**	**107.5**	**86.5**	**149.4**	**126.2**

8.2.1 Comparison of six-month periods ended June 30, 2023 and 2022

Net cash from operating activities

Operating cash flow decreased by €1.4 million, or 6.6%, from €21.3 million in the six-month period ended June 30, 2022 to €19.9 million in the six-month period ended June 30, 2023. As a percentage of profit for the period (adjusted for €5.5 million of non-cash items in the six-month period ended June 30,2023), operating cash flow increased to 151.2% in the six-month period ended June 30, 2023 as compared to 138.5% in the six-month period ended June 30, 2022 due to performance as explained above.

Moreover, net cash from operating activities significantly increased by €11.1 million, or 50.1%, from €22.1 million in the six-month period ended June 30, 2022, to €33.2 million in the six-month period ended June 30, 2023. This increase is primarily due to an improvement in the collection of our receivables as the Company is currently optimizing its order-to-cash cycle. In addition to a seasonal effect – commonly seen in subscription business models as most of clients pay their yearly services upfront – on changes in working capital, the Company observed a significant catch-up effect starting in late 2022. Thus, trade receivables and contract liabilities items generated in aggregate a positive cash flow of €19.5 million in the six-month period ended June 30, 2023, compared to the generation of a positive cash flow of €9.3 million in the six-month period ended June 30, 2022.

Furthermore, other assets and liabilities – which are mainly related to employee payables – generated a reduced negative cash flow of €1.8 million in the six-month period ended June 30, 2023 compared to a higher negative cash flow of €4.8 million in the six-month period ended June 30, 2022. This variation is mainly due to a delay in the payment of social contributions on 2022 profit sharing not yet paid as of June 30, 2023 – and expected to be paid in the second semester of fiscal year 2023 – and which are typically paid during the first semester.

Finally, in the six-month period ended June 30, 2023, the Company paid income taxes in the amount of €3.8 million compared to €5.3 million paid in the six-month period ended June 30, 2022 due to a delay in the payment of 2021 income taxes.

Net cash used in investing activities

Net cash used in investing activities decreased by €0.5 million from €2.7 million in the six-month period ended June 30, 2022 to €2.1 million in the six-month period ended June 30, 2023.

This decrease is primarily due to a scope effect following the acquisition of our subsidiary IFTP KK which has been consolidated from May 26, 2023 with €1.3 million of cash in its opening balance sheet.

The change in other financial assets mainly relates to a credit deposit of €0.9 million with an initial maturity of six months.

Net cash used in financing activities

Net cash used in financing activities increased by €0.3 million from €1.6 million in the six-month period ended June 30, 2022 to €1.9 million in the six-month period ended June 30, 2023. This increase is mainly due to a higher payment of lease liabilities following the opening of several data centers the second half of the 2022 fiscal year.

8.2.2 Comparison of years 2022 and 2021

Net cash from operating activities

Operating cash flow increased by €6.0 million, or 15.8%, from €37.8 million in the year ended December 31, 2021 to €43.8 million in the year ended December 31, 2022. As a percentage of profit for the period, operating cash flow was relatively stable at 138.8% in the year ended December 31, 2022 and 139.5% in the year ended December 31, 2021, which was consistent with the increase in profit for the period of €4.4 million in the year ended December 31, 2022.

On the other hand, net cash from operating activities decreased by €0.2 million, or 0.6%, from €34.4 million in the year ended December 31, 2021 to €34.2 million in the year ended December 31, 2022. This decrease is primarily due to a delay in the payment of the previous year's income tax, which led to an increase of income tax paid in 2022 of €4.0 million (as compared to the effective tax payment in 2021). Furthermore, there was a deterioration in the change in working capital, which decreased by €2.2 million in 2022 compared to 2021. Despite an improvement on trade receivables and contract liabilities items—which in aggregate generated a positive cash flow of €1 million in the year ended December 31, 2022 as compared to a negative cash flow of €4.0 million in the year ended December 31, 2021—change in working capital generated a negative cash flow of €1.6 million in the year ended December 31, 2022. This is primarily due to the payment of employees' bonuses in the previous year versus a significant decrease of employee bonuses expenses in 2022.

Net cash used in investing activities

Net cash used in investing activities increased by €1.7 million from €3.3 million in the year ended December 31, 2021 to €4.9 million in the year ended December 31, 2022. This increase primarily reflects Planisware's ongoing efforts to invest in high-performance hardware to support dynamic growth. Particularly, Planisware opened two additional data centers in strategic locations in the first quarter of 2022. Furthermore, Planisware capitalized €1.4 million of development costs in 2022 as compared to €1.1 million in 2021.

Net cash used in financing activities

Net cash used in financing activities increased by €6.0 million from €10.7 million in the year ended December 31, 2021 to €16.7 million in the year ended December 31, 2022. This increase is mainly related to higher dividends paid in 2022, as well as the downward effect of a capital increase reserved to employees of €2.7 million carried out in 2021.

8.2.3 Comparison of years 2021 and 2020

Net cash from operating activities

Operating cash flow increased by €9.4 million, or 33.2%, from €28.4 million in the year ended December 31, 2020 to €37.8 million in the year ended December 31, 2021. As a percentage of profit for the period, operating cash flow was relatively stable at 139.5% in the year ended December 31, 2021 and 141.2% in the year ended December 31, 2020.

Similarly, net cash from operating activities increased by €1.3 million, or 4.0%, from €33.1 million in the year ended December 31, 2020 to €34.4 million in the year ended December 31, 2021. Despite a significant deterioration on receivables and contract liabilities items which in aggregate generated a negative cash flow of €4.0 million in the year ended December 31, 2021 as compared to a positive cash flow of €2.1 million in the previous year (see Section 8.3, *"Working capital"*) change in working capital generated a positive cash flow of €0.6 million in 2022. The deterioration of receivables monitoring was offset by a positive cash flow on social liabilities, primarily due to the change in the Company's management bonus compensation policy.

Net cash used in investing activities

Cash flow used in investing activities increased by €0.4 million from €2.8 million in the year ended December 31, 2020 to €3.3 million in the year ended December 31, 2021. This increase primarily reflects Planisware's ongoing efforts to invest in high-performance hardware to support dynamic growth. Furthermore, Planisware capitalized €1.1 million of development costs in the year ended December 31, 2021 as compared to €1.0 million in the year ended December 31, 2020.

Net cash used in financing activities

Net cash used in financing activities decreased by €0.8 million from €11.5 million in the year ended December 31, 2020 to €10.7 million in the year ended December 31, 2021, as Planisware carried out a capital increase of €2.7 million in the last quarter of 2021. The impact of this capital increase was partially offset by the payment of higher dividends, as well as an increase in the payment of lease liabilities.

8.3 Working capital

8.3.1 Comparison of years 2022, 2021 and 2020 and six-month periods ended June 30, 2023 and 2022.

The following table presents an overview of working capital items for the years 2022, 2021 and 2020, and the six-month periods ended June 30, 2023 and 2022:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Trade receivables and contract assets	45.4	35.0	27.1	34.1	32.7
Contract liabilities	(31.2)	(20.1)	(16.5)	(39.4)	(26.9)
Trade payables	(4.2)	(4.3)	(2.0)	(3.7)	(6.8)
Prepayments	5.0	3.3	1.5	4.1	4.2
Sales commissions	1.9	1.1	0.7	2.0	1.2
Other assets	6.8	6.4	5.3	4.3	5.8
Other liabilities	(30.0)	(29.4)	(23.4)	(25.8)	(24.5)
Working capital	**(6.5)**	**(8.1)**	**(7.4)**	**(24.4)**	**(14.3)**
Change in working capital	(1.6)	0.7	8.5	18.0	6.2
Change in perimeter	0.0	0.0	0.0	(1.0)	0.0
Impact of foreign exchange	0.0	(0.1)	0.0	0.1	0.0
Change in working capital in consolidated cash flow statements	**(1.6)**	**0.6**	**8.5**	**17.2**	**6.2**

Changes in working capital in the cash flow statement are different from the changes in working capital items presented in the table above due to an elimination of non-cash foreign exchange rate effects and changes in perimeter, if any.

Working capital variation has been volatile in recent years due to non-standardized monitoring of trade receivables and payables process. However, by reinforcing its finance team and implementing a closer monitoring process within the Group, Planisware aims to normalize its working capital and to generate a more consistent positive cash flow in the future through working capital and the growth of subscription contracts, which are in the overwhelming majority of cases billed in advance of the services rendered.

Trade receivables increased by a CAGR of 29.5% from 2020 through 2022, concurrently with a 37.4% increase in contract liabilities. As the Group's revenues continue to grow, particularly as a result of SaaS subscriptions, both statement of financial position items should continue to increase moderately. When an invoice is issued, Planisware recognizes a contract liability and a receivable within a relatively short timeframe of the services start date (indicating that the contract is non-cancellable) because Planisware contractually retains the unconditional right to consideration upon invoicing. When contract liabilities increase to an amount greater than trade receivables, this means that invoices have been issued in a timely manner and have been paid before services have started, as generally agreed contractually with all customers. Planisware aims to improve its billing and credit management and is implementing close monitoring and optimization of its order-to-cash process. Furthermore, allowance for bad debts represented less than 1% of total revenue during the periods presented, and no significant credit risk was identified.

As of June 30, 2023, trade receivables significantly decreased by 24.8% concomitantly with an increase of contract liabilities by 26.4%, reflecting a higher cash collection in the six-month period ended June 30, 2023 thanks to the on-going benefit of improved order-to-cash process.

Trade payables mainly represent subcontracting, hosting-related costs, marketing and facilities payables. The increase in prepaid expenses through the periods presented primarily relates to the maintenance of data centers that is usually paid for annually and in advance. As Planisware invests in new servers and uses more space in its data centers to support business growth, hosting-related costs will likely increase moderately.

Sales commissions and related payroll taxes are incremental costs of obtaining a contract that are earned by employees on new and renewed contracts which are capitalized and amortized over the average period of benefit, in Planisware's case determined to be three years. Planisware expects sales commissions to increase concomitantly with subscription revenue growth.

Other payables mainly consist of VAT payables, salaries and other personnel-related payables, such as employee profit sharing or bonuses accruals. The significant change between 2020 and 2021 is primarily due to a change in the Company's management compensation policy and a general increase in bonus and profit-sharing accruals.

8.4 Capital expenditures

Capital expenditures consist mainly of acquiring servers and associated licenses, development costs, computer equipment, furniture, and fixtures and fittings. Business growth requires the regular increase in the processing and storage capacity of the Company's technological infrastructure to provide the most secure and tailored services to customers.

Leveraging an asset-light model, Planisware does not expect the level of capital expenditures to change or increase substantially in the near-term future.

The following table provides an overview of capital expenditures for the years 2022, 2021 and 2020, as well as for the six-month periods ended June 30, 2023 and 2022:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Development costs	1.4	1.1	1.0	1.0	0.8
Licenses and softwares	0.4	0.1	0.1	0.0	0.2
Intangible assets expenditures	**1.8**	**1.2**	**1.1**	**1.0**	**1.0**
Servers	1.5	1.5	0.8	0.9	1.1
Furniture and equipment	0.7	0.4	0.6	0.2	0.3
Fixtures and fittings	0.8	0.1	0.3	0.5	0.3
Property, plant and equipment expenditures	**3.0**	**2.0**	**1.7**	**1.6**	**1.7**
Total capital expenditures	**4.8**	**3.2**	**2.8**	**2.5**	**2.7**
Capital expenditures / total revenue	*3.6%*	*3.0%*	*3.1%*	*3.5%*	*4.4%*

Capital expenditures as a percentage of total revenue are generally constant and roughly between 3% and 4% annually. In 2022, the percentage increase is primarily due to fixtures and fittings expenditures for offices in Chatillon for which the Company entered into a new lease agreement for additional floor space as of January 1, 2022.

Development costs

Planisware capitalized a relatively low amount of development costs: €1.4 million, €1.1 million and €1.0 million in the years ended December 31, 2022, 2021 and 2020, respectively and €1.0 million in the six-month period ended June 30, 2023.

Development costs include in particular the development of new modules and applications (e.g., SAFe, Objectives & Key results, PM GO, Native Mobile App), upgrades (e.g., New UI/UX, Smart Search) or new functionalities (e.g., AI: Conversation Bot, e-Signature).

Development expenditures are capitalized according to IAS 38 (see Note 13 to the consolidated financial statements for the years ended December 31, 2022, 2021 and 2020) and are amortized on a straight-line basis over their estimated useful life of three years.

For a development project to be eligible for capitalization, the costs incurred in the development of the project must be independently and reliably measurable, and as such eligibility for capitalization requires a rigorous monitoring of development costs. In transitioning to IFRS, Planisware determined that only development costs related to its Enterprise software were eligible for capitalization.

As the Company is reinforcing and standardizing its processes within the Group, it expects its capitalized costs to increase moderately in the near-term future.

Servers

To provide a robust and secure in-house cloud infrastructure to its customers, as well as to support revenue growth, Planisware must regularly invest in technological infrastructure. In this respect, in the years ended December 31, 2022, 2021 and 2020, Planisware acquired new servers in the amounts of €1.5 million, €1.5 million and €0.8 million, respectively. Payments related to new servers during the six-month period ended June 30, 2023 amounted to €0.9 million.

Planisware's servers are located in the United States, France, Germany, Switzerland and Singapore.

Other capital expenditures

Other capital expenditures primarily consist of the purchases of furniture and equipment, such as computers, printers or other office furniture.

Furthermore, when moving into new offices, Planisware invests in fixtures and fittings in certain cases. In particular, it has entered into a new lease agreement for an additional floor at its headquarters building in Chatillon, France, that began on January 1, 2022.

8.5 Adjusted Free Cash Flow

The following table presents a reconciliation of cash provided by operating activities to Adjusted Free Cash Flow for the periods presented:

	Fiscal Year ended December 31,			Six-month period ended June 30,	
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**	**2022**
Net cash from operating activities	34.2	34.4	33.1	33.2	22.1
Less: Capital expenditures	*(4.8)*	*(3.2)*	*(2.8)*	*(2.5)*	*(2.7)*
Less: Other finance income/costs	*(3.0)*	*(2.9)*	*2.3*	*0.2*	*(2.6)*
Plus: IPO costs paid	*0.2*	*0.0*	*0.0*	*1.7*	*0.0*
Adjusted Free Cash Flow (A)	**26.7**	**28.3**	**32.6**	**32.5**	**16.9**
Adjusted EBITDA (B)	41.4	35.1	30.4	22.4	19.1
Cash Conversion Rate (A)/(B)	**64.4%**	**80.8%**	**107.2%**	**144.8%**	**88.2%**

Adjusted Free Cash Flow decreased by €1.7 million during the year ended December 31, 2022 as compared to the year ended December 31, 2021, as a result of an increase of €1.5 million in capital expenditures, an increase of lease obligation payments of €0.2 million and a decrease of €0.2 million in net cash provided by operating activities.

Cash Conversion Rate decreased by 16.4 points during the year ended December 31, 2022 as compared to the year ended December 31, 2021, as a result of the combined effect of the decrease of Adjusted Free Cash Flow mentioned above and the increase of €6.3 million of Adjusted EBITDA.

For the six-month periods ended June 30, 2023, and 2022, Cash Conversion Rate was 144.8% and 88.2% respectively. Due to a recurring business model, Adjusted Free Cash Flow is highly impacted by seasonality as a significant part of subscription contracts renew during the first semester and the Company generally invoices upfront on an annual basis, while payments are generally due the month the service commences. In addition, the Cash Conversion Rate for the six-month period ended June 30, 2023, was strongly impacted by a catch-up effect due to lower cash collection during the fiscal year 2022.

For more information about the net cash provided by operating activities and capital expenditures, see Sections 8.2, *"Cash-flows"* and 8.4, *"Capital expenditures"*.

8.6 Financing activities

Planisware has made a relatively limited use of financial debt to fund its operations and cash needs. Accordingly, Planisware has no remaining financial debt other than lease liabilities as of June 30, 2023.

In 2018, in the context of the acquisition of NQI, Planisware took out a bank loan of €6.0 million at a fixed rate of 0.6%. As of December 31, 2022, the remaining outstanding amount was €0.3 million. Cash outflows relating to the repayment of this bank loan were €1.2 million annually, in the years 2022, 2021 and 2020.

8.6.1 Cash minus indebtedness

The Group's primary source of cash is cash generated from business operations. The following table provides the calculation of Planisware's net cash position as of and for the years ended December 31, 2022, 2021 and 2020 and as of and for the six-month periods ended June 30, 2023:

	Fiscal Year ended December 31,			Six-month period ended
in € millions, unless otherwise indicated	**2022**	**2021**	**2020**	**2023**
Cash at banks	91.2	72.1	75.6	60.8
Time deposits	10.0	14.4	1.0	33.2
Money market and other funds	19.3	21.0	9.9	55.5
Cash and cash equivalents	**120.5**	**107.5**	**86.5**	**149.4**
Non-current financial liabilities	11.7	4.1	5.8	11.3
Current financial liabilities	3.2	3.3	2.7	3.4
Financial liabilities	**14.9**	**7.4**	**8.5**	**14.6**
Cash minus indebtedness	**105.7**	**100.1**	**77.9**	**134.8**

Cash and cash equivalents increased by €13.0 million from €107.5 million as of December 31, 2021 to €120.5 million as of December 31, 2022, and by €21.0 million from €86.5 million as of December 31, 2020 to €107.5 million as of December 31, 2021. Cash and cash equivalents are mainly denominated in euros and U.S. dollars.

Cash and cash equivalents strongly increased during the six-month period ended June 30, 2023, due to a strong net cash from operating activities and amounted to €149.4 million euros.

The Group adopts a prudent and active policy of short-term investment of its cash surpluses, which are invested in marketable securities or interest-bearing term accounts.

Financial liabilities mainly consist of lease liabilities related to offices and datacenter facilities. In 2022, lease liabilities increased by €8.7 million, from €5.8 million as of December 31, 2021 to €14.5 million as of December 31, 2022, as Planisware entered into new office lease contracts in France and in the United States to support business expansion.

8.7 Contractual obligations

The Group's contractual obligations and their maturities as of December 31, 2022, are as follows:

	Fiscal Year ended December 31,			
In € millions, unless otherwise indicated	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total amount**
Commitments				
Lease Liabilities (1)	3.0	7.6	4.8	15.3
Financial obligations				
Trade payables and other liabilities	35.4	-	-	35.4
Total contractual obligations	**38.4**	**7.6**	**4.8**	**50.8**

(1) Lease liabilities represent undiscounted lease payments excluding certain low-value and short-term leases.

The Group's contractual obligations are mainly composed of lease commitments which are for office premises and datacenter facilities with expiration dates that range from February 2023 to September 2031. The largest lease commitment relates to Planisware's headquarters office in Chatillon, France. Planisware believes that it has sufficient funds, including cash, cash equivalents and expected cash flows from operations, to meet these commitments as they become due.

8.8 Off-balance sheet commitments

All of the Group's commitments are reflected in the consolidated financial statements for the years ended December 31, 2022, 2021 and 2020 as well as for the six-month period ended June 30, 2023. The Group has not identified any off-balance sheet commitments that could be generated by its current operating activities other than customer commitments.

9. LEGISLATIVE AND REGULATORY ENVIRONMENT

9.1 European Union

As a France-based software solutions provider, Planisware is subject to European regulations across a wide number of areas, including data protection, cybersecurity and marketing. Planisware may also be subject to sectoral regulatory regimes applicable to certain customers and generally applicable regulations such as contract laws. Moreover, certain data regulatory laws may be introduced in the future (such as the European Commission's proposal for a Cyber Resilience Act) that may require Planisware to comply with certain additional obligations in relation to data protection and cybersecurity.

9.1.1 Data protection and cybersecurity

General principles

Planisware's business as a software solutions provider involves the processing, storage and transfer of personal data, which must be done in a manner that is consistent with the provisions of personal data privacy laws, including but not limited to the General Data Protection Regulation EU 2016/679 ("**GDPR**") as supplemented by applicable national data protection laws.

The GDPR came into force in May 2018 and established requirements applicable to the processing of personal data of individuals (also called "data subjects") by organizations established in the European Union (the "**EU**"), or which offer products and services to individuals in the EU, or which monitor the behavior of persons as far as such behavior takes place within the EU. The GDPR places organizations under strict obligations in terms of protection and security of personal data as well as reporting of personal data breaches. The GDPR also requires organizations to implement a data protection governance framework within the organization, strengthens the data protection rights of individuals and increases the enforcement powers of data protection regulators.

Generally, any action performed on information that relates to an identified or identifiable individual falls within the scope of the GDPR. The GDPR also offers EU member states (the "**Member States**") the possibility to adopt local derogations in several areas. France made use of this option in the context of the law of 20 June 2018, reforming Act No. 78-17 of 6 January 1978 on data processing, data files and individual liberties (*Loi Informatique et Libertés*, or the "**French Data Protection Act**"). Therefore, in addition to the GDPR, local data protection laws in the countries in which the Group is established, offers services or monitors behavior of data subjects must be taken into account, which, in Planisware's case, is primarily the French Data Protection Act.

The GDPR distinguishes between (i) controllers, which, alone or jointly, determine the purposes and means of processing of personal data, (ii) processors, which process personal data on behalf and under the instructions of a controller and (iii) subsequent processors (generally referred to as "sub-processors"), which are generally engaged by the processor to assist it with the processing. In certain situations, multiple controllers involved in the processing of personal data may qualify as joint controllers where they jointly determine the purposes and/or means of processing. While controllers are primarily responsible for the processing under the GDPR, processors may also be directly liable where they act outside or contrary to lawful instructions of the controller.

A breach of the GDPR by a controller may lead to administrative fines of up to the higher of €20 million or 4% of the global annual revenues of the controller from the preceding year, while the breach of most obligations incumbent on processors is subject to a lower (but still significant) level of administrative fines of up to the higher of €10 million or 2% of the annual revenues from the preceding year. However, the breach of obligations relating to transfers of personal data outside the EU may be sanctioned by the highest level of fines regardless of whether it is committed by a controller or processor.

On the cybersecurity front within the EU, Directive (EU) 2022/2555 on measures for a high common level of cybersecurity across the EU (the "**NIS2 Directive**") entered into force on 16 January 2023. The NIS2 Directive replaces Directive (EU) 2016/1148 (the "**NIS Directive**"), the first EU-wide legislation on cybersecurity. The NIS2 Directive significantly expands the scope of the NIS Directive with additional sectors and type of entities falling within its scope, including digital infrastructure (such as cloud computing service providers; data centre service providers; content delivery networks; providers of public electronic communications networks and publicly available electronic communications services) and Information and Communication Technology service management (such as managed service providers and managed security service providers). The NIS2 Directive also introduces new cybersecurity requirements with which companies falling within the NIS Directive's scope are obliged to comply. EU Member States are required to transpose the NIS2 Directive into national law by 17 October 2024. Some of the activities of the Group will fall within the scope of and be affected by the NIS2 Directive.

Application of the GDPR to Planisware

Planisware is subject to the GDPR and national data protection laws when it processes personal data in the context of the activities of its EEA establishments or when a Planisware entity that is established outside of the EEA processes personal data of EEA individuals where such processing relates to the offering of goods or services to, or monitoring behavior of, EEA individuals. Planisware only offers business-to-business solutions, and does not directly interact with individuals (data subjects) in any business-to-consumer context. Planisware mainly processes data on behalf of its business, corporate and government customers.

Planisware provides its customers with project and portfolio management software solutions. In the course of providing such products and services, Planisware receives and has access to personal data of individual users to whom Planisware's customers grant access. In this respect, Planisware regards its customers as data controllers and Planisware as a data processor processing personal data on behalf of, and at the instruction of, its customers.

Planisware may also act as a data controller in respect of its customers' data to the extent it determines the means and/or purposes of processing of such data. This may occur when Planisware processes such data for its own purposes. These purposes in particular may include (i) managing customer and prospects relationships (e.g., processing payments, business development) and providing access to Planisware's customer portal, (ii) managing the development and security of its systems and platforms, (iii) preventing fraud, handling issues related to payment default and preventing use of its services in ways that do not comply with applicable laws and regulations or Planisware's terms and conditions, (iv) complying with applicable laws and regulations, such as laws that require Planisware to archive and retain certain customer data, and (v) enforcing its rights or defending itself against any claims.

The data processing activities where Planisware acts as a data controller also include the processing of personal data of its website visitors and marketing activities. Planisware also acts as a data controller when processing personal data of its employees including contractors. For specific activities (including mailing, marketing analysis or surveys), Planisware may also rely on third-party providers acting under its instructions. Where permitted by law, Planisware also collects data about visitors' browser and computer devices, and record their activities on Planisware's website. Where Planisware uses cookies or similar technologies when carrying out these processing activities, Planisware obtains visitors' consent where such consent is required by law. Planisware's customer may provide it with additional information in order to access certain content, or create an account to access and use certain services such as Planisware's customer forum or training services.

In order to ensure compliance with the data security rules under applicable data protection regulations, Planisware has implemented an Information Security Management System based on the ISO27001/27002[49] and SOC2[50] standards and validated through annual third-party audit[51]. Planisware also applied to the French supervisory authority, the CNIL (*Commission Nationale de l'Informatique et des Libertés*) to register its binding corporate rules for processor ("**BCR-P**") applicable to the Group, as further explained below. The Group appointed a data protection officer ("**DPO**") responsible for overseeing data processing operations for the Group. Planisware has appointed privacy referees in each of its subsidiaries; this network of privacy referees reports to a global privacy lead at the Group level, which itself reports to Group Management on all data protection and security topics.

Key processor obligations

Processors are responsible for (i) complying with Controllers' instructions, although they shall immediately inform said controller if, in their opinion, an instruction infringes the GDPR, (ii) implementing technical and organizational measures that ensure a level of security appropriate to the risks inherent to the data processing, and (iii) assisting the controller with the notification of breaches and in responding to individuals' requests.

Furthermore, controllers and processors must enter into an agreement setting out mandatory provisions prescribed by Article 28 of the GDPR. Such agreement must set out details of the processing to be conducted by the processor on behalf of the controller, such as the duration of the processing, its purpose, categories of data to be processed, obligations of the controller and those of the processor, including: ensuring that processing is conducted by individuals subject to a confidentiality obligation, implementing appropriate security measures, and making available to the controller all information necessary to demonstrate compliance and/or to allow for or contribute to audits and inspections authorized by the controller. In order to comply with such requirement, Planisware ensures that a data processing agreement is entered into with new SaaS customers, either based on customer's or Planisware's template.

Key controller obligations

Controllers are responsible in particular for (i) establishing and implementing technical and organizational measures to safeguard personal data against unauthorized or unlawful processing, accidental loss, destruction, or damage, (ii) ensuring the personal data is processed in a lawful, transparent and fair manner, (iii) using only processors who can provide sufficient guarantees to implement appropriate technical and organizational measures in such a way that their processing of data complies with the requirements of the GDPR, and (iv) reporting personal data breaches to the competent supervisory authority(ies), unless the breach is unlikely to result in a risk to the rights and freedoms of natural persons. In cases where the breach is likely to result in a high risk to individuals rights and freedoms, the relevant data subjects must also be notified.

Where Planisware is acting as a controller, its processing activities are subject to certain transparency obligations under the GDPR. To comply with these obligations and ensure that its processing activities are transparent, Planisware provides information to the data subjects whose personal data Planisware processes and, where required, updates the information disclosed to them. Such transparency information is provided to the data subjects generally through the data privacy policy, which is posted

[49] In addition, in 2020, Planisware became TISAX L2 certified. TISAX label is a European Information Security Standard for the automotive industry published by the ENX Association. Planisware's certification has been renewed until 2025.
[50] SOC 2 reports on the effectiveness of the controls of the service organization related to compliance or operations, including the following criteria: security, availability, processing integrity, confidentiality, and/or privacy (also known as trust services principles and criteria).
[51] SOC2 Type II, SOC1 Type II, ISO27001, ISAE 3402.

on Planisware's website. Transparency information may also be made available to the data subjects, for example via email, or as otherwise required by applicable law, for example via cookie banners on the Planisware website.

Cross-border transfers

General rules

As a software solutions provider operating globally through several entities (in France, Germany, the UK, the United States ("**U.S.**"), Singapore, Japan, Tunisia and the United Arab Emirates), Planisware's processing activities involve cross-border transfer of personal data. Such cross-border transfers are subject to certain restrictions, including those imposed by the GDPR.

Under the GDPR, a processing is considered a cross-border transfer of personal data where (i) an organisation ("exporter") is subject to the GDPR for a given processing; (ii) the exporter makes personal data, subject to this processing, available to another organisation ("importer"); and (iii) the importer is located outside of the EEA.

As a rule, personal data can be transferred freely within the EU and the European Economic Area (the "**EEA**"), provided that such transfer is otherwise compliant with the GDPR (e.g., the controller must inform individuals of the transfer, and there must be a lawful basis for such transfer). The GDPR (and other European and United Kingdom (the "**UK**") data protection laws) prohibit cross-border data transfers absent (i) an adequacy decision; or (ii) a valid transfer mechanism prescribed by Chapter V of the GDPR, such as an appropriate safeguard, or a derogation.

Appropriate safeguards include: (i) the exporter and importer entering into a set of standard contractual clauses ("**SCCs**") issued by the European Commission, (ii) binding corporate rules adopted by entities belonging to the same group of companies, (iii) a code of conduct approved by applicable data protection authorities, or (iv) approved certification mechanisms.

For transfer of personal data from the EEA and the UK to third countries outside the EEA and the UK that are not deemed to be "adequate" such as the U.S., Planisware generally relies on SCCs. Moreover, all Planisware group companies have entered into an Intra-Group Data Processing Agreement, which incorporates the latest version of the SCCs released by the European Commission on June 4, 2021 (the "**new SCCs**"), and which governs cross-border transfers that take place within the Group.

In addition, in July 2020, the Court of Justice of the European Union ("**CJEU**") decided in Data Protection Commissioner v. Facebook Ireland (the "**Schrems II ruling**") that exporters and importers who wish to rely on SCCs (or another contractual appropriate safeguard, such as the Binding Corporate Rules) must ensure that the surveillance and data protection and monitoring laws of the country to which personal data is transferred do not prevent them from performing the obligations set out in the GDPR and the new SCCs (i.e., "transfer impact assessment"). Where there is a risk that such obligations cannot be fully performed, certain supplementary measures must be added to such SCCs to that effect. On June 18, 2021, the European Data Protection Board (the "**EDPB**") adopted the final version of its Recommendations 01/2020 setting out possible supplemental measures. Planisware has carried out assessments in respect of its cross-border transfers to third countries that do not provide an "adequate" level of protection for personal data and, where required, has put in place supplemental measures that are designed to mitigate any risks identified through such assessments.

Lastly, Planisware has also filed a BCR-P application with the CNIL in 2022. The BCR-P, if and when approved by the CNIL, will replace the SCCs as the "appropriate safeguard" that Planisware group companies rely on when exchanging personal data with each other.

Specific details in relation to cross-border transfer of personal data by Planisware to the UK and the United States are provided below.

Cross-border transfers to the UK and UK's 'adequacy' status

In the UK, the GDPR forms part of the UK's "retained EU law" by virtue of the EU (Withdrawal) Act 2018 as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019 (SI 2019/419) (the "**UK GDPR**"), and sits alongside the UK Data Protection Act 2018, which contains provisions for how the GDPR is applied in the UK. The UK GDPR and the UK Data Protection Act 2018 may apply to Planisware's activities that have a UK element, for example, in particular, the data processing activities carried out by its UK subsidiary.

Currently, the UK GDPR is largely identical to the GDPR.[52] However, a new UK Data Protection and Digital Information Bill (the "**UK Bill**") is currently being debated in the UK Parliament which, if enacted, will result in a divergence from the GDPR.

On June 28, 2021, the European Commission adopted the adequacy decision for the UK, which recognized that the UK law provides a level of data protection substantially equivalent to that of the EU and allowed the free flow of personal data from the EU to the UK for a period of four years. This means that the UK adequacy decision will automatically expire in June 2025 (unless it is revoked or renewed before then). Once the decision expires, the EU Commission will renew the adequacy decision only if it determines that the UK continues to ensure an adequate level of data protection. Although the UK Bill does not intend to radically change the core principles, concepts and obligations of organisations as compared to the current UK data protection regime, it is currently unclear whether or not the UK Bill will have any impact on the UK adequacy status.

In respect of transfer of personal data that is subject to the UK GDPR from the UK to third countries which are not deemed by the UK as providing an adequate level of protection for the personal data (such as the U.S.), the UK Information Commissioner's Office released two agreements that provide an "appropriate safeguard" under the UK GDPR and that can be used from March 21, 2022: the International Data Transfer Agreement ("**IDTA**") and the Data Transfer Addendum ("**Addendum**"). All existing contracts and any new contracts signed before September 21, 2022 can continue to use the old SCCs (which were replaced by the new SCCs) until March 21, 2024, after which the old SCCs must be replaced by either the IDTA or the Addendum in conjunction with the new SCCs. All contracts signed after September 21, 2022 must use either the IDTA or the Addendum in conjunction with the new SCCs.

Cross-border transfers from the European Union to the United States

In the Schrems II ruling (as defined above), the CJEU invalidated the EU-U.S. Privacy Shield framework under which personal data subject to the GDPR could be freely transferred to the U.S.-based companies that were certified with the framework. Following that ruling, cross-border transfers of personal data to the U.S. should now be legitimised on the basis of an appropriate safeguard such as the new SCCs or a derogation under Article 49 of the GDPR. As above, Planisware is also required to carry out a transfer impact assessment and put in place appropriate supplemental measures as required. Planisware has carried out such transfer impact assessment and puts in place safeguards that are designed to address any risks identified in the Schrems II ruling.

In addition, U.S. and EU officials are currently actively seeking a solution to replace the Privacy Shield with a new data transfer mechanism between the U.S. and EU. On March 25, 2022, the U.S. and

[52] This also means that the statements made throughout this section in relation to the GDPR are also largely applicable in respect of Planisware's activities that are subject to the UK GDPR.

European Commission announced that they had agreed in principle to a new "Trans-Atlantic Data Privacy Framework" (the "**Framework**") to enable trans-Atlantic data flows and address the concerns raised in the Schrems II decision. To implement the commitments of the U.S. under the Framework, in October 2022, President Biden signed an Executive Order on Enhancing Safeguards for United States Signals Intelligence Activities (the "**Executive Order**"). This subsequently prompted the European Commission to formally launch the process to adopt an adequacy decision based on the Executive Order in December 2022. The formal adoption process is expected to take several months. However, once enacted, the new framework may face legal challenges and could potentially be invalidated by the CJEU. Furthermore, Planisware will only be able to benefit from the new framework if it obtains certification under the Framework, which will require Planisware to take specific measures to ensure compliance with the principles laid down by the Framework.

9.1.2 EU privacy laws on cookies and e-marketing

In the EU, e-marketing and data privacy in the online behavioral advertising ecosystem ("**ePrivacy rules**") are currently regulated by national laws that implement the ePrivacy Directive (2002/58/EC) (updated in 2009 with the 2009/136/EC Directive, commonly referred as the "cookie law"). The ePrivacy Directive is enforced by each EU Member State's data protection authority according to national implementation. The EDPB, consisting of representatives from all national data protection authorities, is responsible for issuing overall guidelines for interpretation and enforcement of the ePrivacy Directive.

The national implementing laws of the ePrivacy Directive are highly likely to be replaced by an EU-regulation (the "**ePrivacy Regulation**"), which is intended to harmonize the different legislations and to accompany the GDPR and which, among other things, will significantly increase fines for non-compliance with ePrivacy rules.

Under the ePrivacy Directive, prior consent is required for the placement of a cookie or similar technologies on a user's device and for direct electronic marketing, unless certain limited exceptions apply. The ePrivacy Directive, when read together with the GDPR, requires that users are given clear and comprehensive information about the purposes of data processing (as well as information about storage, retention and access) to allow them to give an informed consent. Users must also be provided with an easy way to opt out from processing or withdraw any consent that they have previously given. The GDPR and the relevant guidance published by regulators also impose conditions on how to obtain valid consent for the purposes of the ePrivacy Directive. These additional conditions, among other things, prohibit organizations from obtaining consents through pre-ticked consent boxes. Organizations are also required to seek separate consents for each type of cookie (or similar technology) they are placing on users' devices.

European court decisions and recent guidance released by regulators in respect of the ePrivacy Directive are driving increased attention to cookies and tracking technologies.

On the other hand, the text of the ePrivacy Regulation is still under development. Although it will be some time before the ePrivacy regulation comes into force and is legally valid, in France, the CNIL has already imposed an important change in the area of cookie tracking. Since April 1, 2021, every website must follow Article 82 of the French Data Protection Act and allow Internet users to refuse as easily as they can accept the use of cookies for advertising tracking. Moreover, silence must be interpreted as a refusal. Other national data protection authorities, such as the Information Commissioner's Office in the UK, have also recently published similar guidelines imposing similar conditions.

Planisware's website includes a cookie consent banner, in the form of a cookie notification that is displayed as a banner or pop-up that explicitly asks for users' consent before deploying cookies.

Planisware's cookie banners provide visitors with clear information in plain language about their privacy rights and the web technologies, such as cookies, that are used on Planisware's website.

9.1.3 Free movement of non-personal data

Regulation (EU) 2018/1807 of November 14, 2018 (the "**Free Flow of Non-Personal Data Regulation**"), aims to ensure free movement of non-personal data across EU Member States and IT systems in the EU. Non-personal data is either (i) data not related to identified or identifiable natural persons or (ii) personal data which is made anonymous. Currently, this regulation does not impose any legal obligations on companies; but rather encourages the companies falling within its scope to develop "self-regulatory" codes of conduct regarding the conditions under which users can move data between cloud service providers and back into their own IT environments. Such codes are intended to provide voluntary guidance for providers and customers to facilitate a customer's decision to switch its provider and port its non-personal data.

9.2 United States of America

Because Planisware has a U.S. subsidiary, as well as customers in the U.S., it is also subject to U.S. regulations applicable to software service providers at the local, state and federal levels. These regulations include those intended to enhance data privacy and security, as well as those that grant data access rights for purposes of national security. In addition to state laws across the U.S. that require notice to customers in the event of a data breach in which their personally identifiable information has been disclosed, the main U.S. regulations relevant to Planisware are the CLOUD Act, Section 702 of the Foreign Intelligence Surveillance Act (both applying at the federal level in the U.S.) and the California Consumer Privacy Act, which applies at the state level in California.

The CLOUD Act

The United States Clarifying Lawful Overseas Use of Data Act (the "**CLOUD Act**") is a U.S. federal law, effective since March 2018, which amended the Stored Communications Act of 1986 (the "**SCA**") to permit U.S. law enforcement to access electronic information held by businesses that are subject to U.S. personal jurisdiction, including cloud service providers, in connection with a criminal investigation. U.S. law enforcement may access such electronic information regardless of whether it is stored inside or outside of the United States. Under the SCA, Planisware's U.S. subsidiary may be compelled to provide certain electronically stored information in the subsidiary's possession, custody or control to U.S. law enforcement authorities pursuant to a court order, warrant or subpoena. All electronic information hosted by Planisware's U.S. subsidiary on behalf of its customers are maintained by Planisware's U.S. subsidiary within the United States. Certain personal data of Planisware's U.S. subsidiary's employees, customers, subcontractors, vendors and other business partners hosted outside of the United States may be considered within Planisware's U.S. subsidiary possession, custody or control.

The CLOUD Act also allows the U.S. government to enter into data-access agreements with foreign states through which the participating states' law enforcement can request information held by businesses subject to the partner country's jurisdiction. As of the date of this Registration Document, the U.S. government has a bilateral agreement with the United Kingdom pursuant to which U.S. law enforcement officials can obtain electronic information stored by cloud companies subject to UK jurisdiction, and UK law enforcement officials can likewise obtain electronic information stored by cloud companies subject to U.S. jurisdiction, such as Planisware's U.S. subsidiary. Planisware is closely following the new potential decision from the European Commission with respect to the U.S.-UK bilateral agreement and will implement any additional technical and organizational measures that may be required. Additionally, Planisware's U.S. subsidiary does not currently host any customer data in the UK, unless such customer expressly chooses a service located in Planisware's UK data center.

The U.S. government may enter into agreements similar to the U.S.-UK bilateral agreement with other countries, which may allow U.S. law enforcement to access electronic information held by Group subsidiaries that are subject to such partner state's jurisdiction, and for the partner state government to access electronic information held by Planisware's U.S. subsidiary. In particular, since September 25, 2019, the European Union and the United States have entered into negotiations on a future treaty to facilitate access to digital evidence.

Section 702 of the Foreign Intelligence Surveillance Act ("FISA Section 702")

In July 2020, the CJEU invalidated the EU-U.S. Privacy Shield Framework in a decision commonly referred to as Schrems II. The CJEU held that U.S. surveillance programs authorized under FISA Section 702, such as PRISM and UPSTREAM, through which U.S. intelligence agencies may engage in bulk collection of foreign intelligence information, exceed what is necessary and proportionate to safeguard legitimate national security interests as required by EU law. Accordingly, the CJEU found that FISA Section 702 does not provide adequate limitations and safeguards regarding the extent to which U.S. authorities can interfere with individuals' right to privacy under EU law. The CJEU further held that the same surveillance programs do not fully provide enforceable EU data subject rights or an effective mechanism for judicial redress for EU data subjects. This means that companies that are subject to FISA Section 702 may be in breach of the EU laws when transferring personal data to the U.S. on the basis of Standard Contractual Clauses ("**SCCs**") to the extent they have not put in place measures supplementing the SCCs to ensure that the level of protection afforded to the EU individuals whose data are being transferred are brought up to the EU standards.

FISA Section 702's scope covers "electronic communication service providers" including (i) telecommunication carriers, (ii) providers of electronic communication services; (iii) providers of remote computing services; and (iv) other communication service providers who have access to wire or electronic communications either as such communications are transmitted or as such communications are stored. Planisware believes that, based on its activities and the features and functionalities of its software solutions, it is unlikely that its software would fall within the definition of a "telecommunications carrier"; however it may be possible that U.S. government authorities or courts would consider some of Planisware's solutions to fall within the definition of (i) an electronic communication service; (ii) a remote computing service; or (iii) a service where the provider has access to wire or electronic communications; and therefore deem Planisware as being subject to FISA Section 702.

To date, Planisware has not received any order to disclose personal data of an EU data subject under FISA Section 702. Planisware does not expect that this will change in the future particularly given the nature of its services and offerings as well as personal data processed. If, however, Planisware is deemed to be subject to FISA Section 702, it may be compelled to provide certain personal data of EU data subjects to U.S. law enforcement authorities, which may cause Planisware to be in breach of the GDPR. Where personal data of EU data subjects are being exported by Planisware to the U.S. on the basis of SCCs, in order to address and mitigate any risks that may arise in connection with the potential application of FISA 702 on Planisware, the Group has implemented technical and organisational measures, through a risk-based assessment, that are designed to supplement the SCCs and bring the protection afforded by the SCCs to the standards required by the EU law. However, despite compliance efforts by the Group, there is a risk that an EU authority or a court can find that such measures are insufficient, thus exposing the Group to sanctions under the GDPR.

California Consumer Privacy Act

Since January 1, 2020, the California Consumer Privacy Act (the "**CCPA**") requires businesses, such as Planisware's U.S. subsidiary, that trigger certainly applicability thresholds and process the personal information of California consumers, including, as of January 1, 2023, individuals acting in employment and commercial contexts, to provide notices to such consumers disclosing their privacy practices. The CCPA also grants California consumers the right to access or delete certain personal information collected by Planisware and gives them more control over the use and "sale" of their personal information. The California Attorney General currently enforces the CCPA and can seek an injunction and civil penalties up to $7,500 per intentional violation and $2,500 per other violation. The CCPA also provides California consumers a private right of action for certain data breaches where they can recover up to $750 per incident, per consumer or actual damages, whichever is greater. The CCPA has been amended by the California Privacy Rights Act (the "**CPRA**"), which came into effect on January 1, 2023 and is enforceable as of July 1, 2023. The CPRA, among other changes, (i) enhances a business' notice and transparency obligations, (ii) expands consumers' rights to include correction rights and the right to opt out of processing of their personal information for purposes of cross-context behavioural advertising, (iii) creates a new subcategory of sensitive personal information and imposes new disclosure obligations and provision of rights for consumers to limit the processing and disclosure of such sensitive personal information and (iv) creates a state agency, the California Privacy Protection Agency ("**CPPA**") for the implementation and enforcement of the CCPA and CPRA alongside the California Attorney General, likely resulting in increased regulatory scrutiny of California businesses in areas of data protection and security.

Application of the CCPA to Planisware

As discussed above, Planisware is likely to be categorized as a "business" under the CCPA (akin to a "controller" under the GDPR) for certain of its processing activities, such as where it determines the means and processing of consumer data for purposes of (i) managing customer relationships and providing customer support (e.g., managing claims and processing payments), (ii) managing the delivery of its services and running of its systems, including maintenance, development and system security, (iii) preventing fraud, handling issues related to payment default and use of its services in ways that do not comply with applicable laws and regulations or the Planisware's terms and conditions, (iv) complying with applicable laws and regulations, such as the laws that require Planisware to archive and retain certain customer data, and (v) enforcing its rights or defending itself against any claims. Further, Planisware may also act as a "business" in connection with the processing of personal information of its website visitors and in connection with its marketing activities. Finally, Planisware also acts as a "business" with respect to the personal information it collects about its employees who qualify as California residents. To comply with its obligations when acting as a "business," Planisware provides consumers with a privacy notice, which is posted on Planisware's website and informs California consumers about its data collection and processing practices as it pertains to such California consumers' personal information. Planisware also provides such California consumers with the ability to access and delete their personal information, as well as the ability to opt-out of certain processing of their personal information for purposes of interest-based advertising.

In most scenarios, however, and in connection with its processing of consumer personal information under the direction of and on behalf of its customers, Planisware is positioned as a "service provider" under the CCPA and complies with its obligations under the CCPA as a service provider. To comply with its obligations as a "service provider" under the CCPA, Planisware (i) accesses, stores and uses the personal information provided by or on behalf of its customers solely for the purpose of providing its services to such customers and processes such information solely as instructed by its customers, (ii) does not process any such personal information outside of its relationship with the applicable customer, (iii) cooperates with its customers in responding to verifiable consumer privacy rights requests and (iv) provides customers inspection rights and rights to receive copies of audit or inspection reports. In addition, Planisware enters into written data processing agreements with its customers under which

Planisware contractually undertakes to comply with its obligations as a service provider and ensures that its subprocessors are subject to similar contractual obligations.

10. INFORMATION ON TRENDS

10.1 Business trends

For a detailed description of the Group's results for the year ended December 31, 2022 and the six-month period ended June 30, 2023, see Chapter 7 ("*Operating and Financial Review*") of this Registration Document.

10.2 Medium-term objectives

The objectives and trends presented below are based on data, assumptions, and estimates that the Group considers reasonable as of the date of this Registration Document taking into account its expectations regarding macroeconomic conditions and assuming the successful implementation of its strategy. The outlook and objectives included in this chapter do not constitute forecasts or estimates of the Group's profit for the period. The figures, data, assumptions, estimates, and objectives presented below may change or be modified in an unforeseeable manner, depending, among other things, on changes in the economic, financial, competitive, legal, regulatory, accounting and tax environment or on other factors of which the Group is not aware as of the date of this Registration Document.

In addition to such changes, the materialization of any of the risks described in Chapter 3 ("*Risk Factors*") of this Registration Document could have an adverse effect on the Group's business, competitive position, financial position, results, or prospects, and therefore its ability to achieve the objectives presented below.

The Group therefore cannot guarantee that the objectives set out below will be achieved and does not undertake to update this information in the future.

The Group's objectives presented below are based on market trends and prospects in line with those set out in Section 5.4 ("*Presentation of markets and competitive position*") and on the other assumptions included in Section 11.2 (*Assumptions*) of this Registration Document.

Revenue

Planisware's strategy is to capture growth in its existing markets, achieve growth from both new and existing customers (including those in new and existing markets and pillars) and continuously develop an innovative offering of products and solutions, enabling it to take full advantage of favorable trends in the Project Economy market. See Section 5.2.2, "*Strategy*".

In the medium term, the Group will seek to further accelerate its total revenue growth thanks to three main drivers. Firstly, the company will continue to acquire new customers through its sales and marketing efforts, the acceleration of its business development in its existing geographies including in Europe and North America and in more recently entered or newly entered markets mainly in Asia as well as the reinforcement of its positions in its "PC&E" and "Agility and IT Project Portfolios" pillars and the expansion of its "PBA" offerings[53]. Secondly, the Company will continue to expand its solutions within its existing customer base, increasing the value of its existing contracts through upsell and cross-sell. Thirdly, the Group anticipates additional revenue growth to result from its systematic efforts to index to inflation the subscription contracts renewed recently and those to be signed going forward. The Group expects revenues to benefit fully from the impact of this indexation as from fiscal year 2025. The Group's ambition is to achieve annual total revenue growth[54] of more than 20% in the year ending December 31, 2026 as compared to the year ending December 31, 2025. This level of growth is expected to be supported mainly by an increase in SaaS subscription revenues, enabled by Evolutive and Subscription support revenues, both in absolute terms and as a proportion of total revenue, over the 2025-2026 period. The Group also expects recurring revenues to trend towards 90% of its total revenue by 2026, supported in particular by increased revenues from SaaS subscriptions which are expected to

[53] The Company's pillars are further described in Chapter 5 of this Registration Document.

[54] The revenue growth objective is based on "constant" exchange rates (see Section 11.2, "Assumptions") using as a base those (and in particular the USD-euro rate) observed for the year ended December 31, 2022. It also includes 100% of the revenues of IFTP K.K, consolidated as from May 26, 2023.

grow at a CAGR (Combined Annual Growth Rate) of more than 25% from fiscal year 2024 to fiscal year 2026.

Adjusted EBITDA margin

The Group aims to improve its Adjusted EBITDA margin[55] to reach approximately 35% in 2026, mainly driven by a change in its revenue mix (in particular the above-mentioned proportionate increase in SaaS subscription revenues, which have a higher gross margin than its other revenue sources), indexing to inflation of subscription contracts as well as overall anticipated economies of scale. On the first point, as discussed in Section 7.1.1, "*Recurring Revenue Model*" of this Registration Document, depending on the nature of the services provided, and in particular the associated costs, gross margin tends to vary among revenue streams. Within the industry, SaaS and maintenance services usually generate higher gross margin levels (often in the 80-90% range), while professional services typically generate a lower gross margin. Accordingly, Planisware's overall gross margin from recurring revenues is affected by the mix between SaaS, Subscription support and maintenance services, on the one hand, and Evolutive support, on the other hand. SaaS revenue has been increasing as a proportion of total revenue in the periods presented in this Registration Document[56] and the Company currently expects this trend to continue. On the last point, while the Group expects that in fiscal year 2023 the proportion of its general and administrative expenses will increase more than total revenue as the Group reinforces its corporate structure, governance and capabilities to support its global expansion and the requirements associated with being publicly listed, starting from 2024 the Group expects the proportion of these expenses to increase at a slower pace than its total revenue due to overall economies of scale and the evolution of its governance structure.

Cash conversion rate

As discussed in Chapter 11 of this Registration Document, the Group forecasts attaining a Cash Conversion Rate[57] of more than 90% in the year ending December 31, 2023 and approximately 80% in the year ending December 31, 2024. The Group has the objective to maintain its Cash Conversion Rate at approximately 80% in the subsequent years. In order to maintain this Cash Conversion Rate, the Group aims to continue to improve its billing and credit management processes and is implementing close monitoring and optimization of its order-to-cash processes and cash generation, including at the subsidiary level. The Group bases its objective in part on the fact that its subscription contracts are invoiced annually in advance and payment is generally due the month the service starts, hence the significant impact of more efficient order-to-cash processes.

Dividend policy

Finally, the Group has the objective to distribute dividends to its shareholders amounting to 40% of its profit for the period[58] in respect of each of the years during the 2025-2026 period, subject to approval

[55] Adjusted EBITDA margin is the ratio of Adjusted EBITDA to total revenue (see Section 7.4.1.5 "*Adjusted EBITDA and Adjusted EBITDA margin*" of this Registration Document).
Adjusted EBITDA is calculated as *Current operating profit including share of profit of equity-accounted investees*, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, plus either non-recurring items or non-operating items defined as the following: (i) share-based payment expenses under IFRS 2; (ii) any expenses, charges or other costs directly or indirectly related to any initial public offering, equity offering, investment, acquisition, joint venture or partnerships; (iii) certain consulting fees incurred for one-off projects, such as reorganization measures; and (iv) certain severance payments, which includes expenses related to reorganization and restructuring measures, primarily consisting of severance payments and other personnel-related costs.

[56] Fiscal years 2020, 2021 and 2022.

[57] Cash Conversion Rate is a non-IFRS financial measure defined as Adjusted Free Cash Flow divided by Adjusted EBITDA (see Section 7.4.1.7 "Cash Conversion Rate" of this Registration Document).

[58] Assuming no significant changes in the regulatory and fiscal environment existing at the date of this Registration Document, including consistent fiscal policies and in particular a continuing effective corporate tax rate of approximately 20% based in part on the continued application of the favorable "IP Box" patent regime in France.

by the annual general meeting of the Company’s shareholders and assuming that all of the objectives set out in this Chapter 10 are achieved.

11. PROFIT FORECASTS OR ESTIMATES

11.1 Basis of preparation

The Group's profit forecasts for the years ending December 31, 2023, and 2024, have been prepared using the accounting principles and methods that have been applied by the Group in the preparation of its consolidated financial statements for the years ended December 31, 2022, 2021 and 2020 based on the IFRS standards and interpretations published by the International Accounting Standards Board (IASB) as adopted in the European Union and mandatorily applicable on January 1, 2022.

All forecasts should be read in conjunction with the accounting policies set out in the consolidated financial statements for the years ended December 31, 2022, 2021 and 2020 included in Chapter 18 of this Registration Document.

The figures, data, assumptions, estimates, and objectives presented below may change or be modified in an unforeseeable manner, depending among other things, on changes in the economic, financial, competitive, legal, regulatory, accounting and tax environment or on other factors of which the Group is not aware as of the date of this Registration Document.

In addition to such changes, the materialization of any of the risks described in Chapter 3 ("Risk factors") of this Registration Document could have an adverse effect on the Group's business, competitive position, financial position, market situation, results, or future prospects, and therefore its ability to achieve the objectives presented below.

Therefore, the Group makes no undertaking and gives no guarantee as to the achievement of the forecasts contained in this chapter.

The forecasts presented below, and the assumptions underlying them, have been prepared in accordance with the provisions of Delegated Regulation (EU) No. 2019/980 and the ESMA guidelines on disclosure requirements under the Prospectus Regulations of 4 March 2021.

11.2 Assumptions

The Group has developed its forecasts for the years ending December 31, 2023 and 2024 based on actuals as of June 30, 2023 and the following principal external and internal assumptions:

External assumptions:

- the growth of the Project Economy market, and the Company's ability to capture increased market share via further branding and marketing initiatives, developing its business in regions and pillars and increasing upsell and cross-sell in line with prospects and trends set out in Section 5.4 ("Presentation of markets and competitive position") of this Registration Document;
- no significant changes in the regulatory and fiscal environment existing at the date of this Registration Document, including consistent fiscal policies and in particular a continuing effective corporate tax rate of approximately 20% based in part on the continued application of the favorable "IP Box" patent regime in France;
- an average annual euro/dollar exchange rate in line with that of the year ended December 31, 2022[59]; and
- for expenses, inflation rates in the Eurozone and North America in 2023 and 2024 in line with those observed in the year ended December 31, 2022.

[59] I.e., 1 euro to 1.0539 United States dollars.

Internal assumptions:

- continued implementation of the Group's strategy, as described in paragraph 5.2.2 "Strategy" of this Registration Document and the benefits of a proven recurring and sustainable business model supported and driven by SaaS offerings and a high net retention rate ("NRR") as defined in Chapter 7 of this Registration Document;
- regular customer base growth driven by an increase in demand supported by market changes in line with the trends described in Section 5.4 of this Registration Document, and by the continuous improvement of the Group's mission-critical complementary suite of SaaS offerings through sustained research and development efforts;
- similar production and distribution models as those currently applied by the Group (see the description of the Company's business model in Chapter 5 of this Registration Document);
- expense levels in line with the periods presented[60] including the effect of inflation mentioned above, except for general and administrative expenses which reflect additional costs and/or economies associated, respectively, with the Group's initial public offering and the evolution in its governance structure;
- a progressive indexing to inflation of subscription contracts; and
- no changes in the scope of consolidation other than the consolidation as from May 26, 2023 of the Group's Japanese subsidiary Innovation Framework Technologies Planisware K.K. (the consolidation of which for seven months is included in the Group's forecasts for full year 2023).

11.3 Group forecasts for the years ending December 31, 2023 and 2024

Revenue

On the basis of the above assumptions, the Group expects to achieve total revenue growth of approximately 19.5%[61] for the year ending December 31, 2023 compared to the year ended December 31, 2022, supported by its core business operations and in particular the growth of its SaaS revenues worldwide. In line with the forecast total revenue growth for the year ending December 31, 2023 and a continued increase in SaaS revenues, the Group anticipates growth in total revenue of approximately 19.5%[62] for the year ending December 31, 2024 as compared to the year ending December 31, 2023.

In particular, the Group expects its recurring revenue to continue to account for an increasing percentage of its total revenues, with the percentage of recurring revenue reaching approximately 84% of its total revenue for the year ending December 31, 2023, through both securing new customers and expanding the penetration of its solutions and services within its existing customer base. The Group expects revenue growth in all of its regions, and in particular in North America where the growth of recurring revenue is expected to be higher than the growth in Europe, as well as in Asia following the opening of its Singapore office in December 2021 and the acquisition of 100% of its Japanese subsidiary Innovation Framework Technologies K.K. in May 2023. Furthermore, as mentioned in Chapter 10 above, the Group expects additional growth to result from its systematic efforts to index to inflation its recently renewed and new subscription contracts.

[60] Fiscal years 2020, 2021 and 2022.
[61] The revenue forecast is based on "constant" exchange rates (see Section 11.2, "Assumptions") using as a base those (and in particular the USD-euro rate) observed for the year ended December 31, 2022.
[62] Idem.

Adjusted EBITDA margin

The Group expects to achieve an Adjusted EBITDA margin[63] above 31% for the year ending December 31, 2023 (for reference, the Adjusted EBITDA margin in the year ended December 31, 2022 was 31.3%) and approximately 33% for the year ending December 31, 2024. The Group expects its Adjusted EBITDA margin for the years ending December 31, 2023 and 2024 to be affected positively by the above-referenced inflation indexation of its subscription contracts as well as the ongoing evolution of its revenue mix, as discussed in Section 10.2 above. It expects these positive factors to be almost entirely offset, however, by increases in general and administrative expenses in fiscal year 2023 as the Group reinforces its corporate structure in anticipation and in the wake of its initial public offering. Starting from 2024, the Group expects the proportion of these expenses to increase at a slower pace than total revenues due to overall economies of scale and the evolution of its governance structure. On the other hand, the Group expects its expenses related to research and development and its expenses related to sales and marketing to remain fairly stable as a percentage of total revenue in the years ending December 31, 2023 and December 31, 2024.

Cash Conversion Rate

The Group intends to achieve a Cash Conversion Rate[64] of more than 90% for the year ending December 31, 2023 and of approximately 80% for the year ending December 31, 2024. The 2023 projection is based in part on a base or lag effect, as the lower 2022 rate was due in part to delayed cash collections resulting from suboptimal invoice monitoring and processing (particularly with regards to timely invoicing of customer receivables). More generally it is based on the Group's ongoing implementation of efficient monitoring and increased optimization of its order-to-cash processes.

Dividend policy

Subject to the approval of the annual general meeting of the Company's shareholders and the attainment of the above forecasts, the Group intends to distribute in 2024 a dividend representing 40% of its profit for the period[65] for the year ending December 31, 2023.

11.4 Statutory auditors' report on the profit forecasts (Adjusted EBITDA margin) for the years ending December 31, 2023 and 2024

Statutory auditors' report on the profit forecasts (Adjusted EBITDA margin) for the years ended December 31, 2023 and December 31, 2024

To the Chairman of Planisware SAS,

In our capacity as statutory auditors of your company and in response to your request we hereby report to you on the profit forecasts (Adjusted EBITDA margin) of Planisware S.A.S. (the "**Company**") set out in section 11.1 to 11.3 of the registration document.

It is your responsibility to compile the profit forecasts, together with the material assumptions upon which they are based, in accordance with the requirements of Commission Regulation (EU) 2017/1129

[63] Adjusted EBITDA margin is the ratio of Adjusted EBITDA to total revenues (see Section 7.4.1.5 "Adjusted EBITDA and Adjusted EBITDA margin" of this Registration Document.)
[64] Cash Conversion Rate is a non-IFRS financial measure defined as Adjusted Free Cash Flow divided by Adjusted EBITDA (see Section 7.4.1.7 "Cash Conversion Rate" of this Registration Document).
[65] Assuming no significant changes in the regulatory and fiscal environment existing at the date of this Registration Document, including consistent fiscal policies and in particular a continuing effective corporate tax rate of approximately 20% based in part on the continued application of the favorable "IP Box" patent regime in France.

supplemented by Commission Delegated Regulation (EU) 2019/980 and ESMA's guidelines on profit forecasts.

It is our responsibility to express an opinion, based on our work, as to the proper compilation of these forecasts on the basis stated.

We performed those procedures that we deemed necessary in accordance with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagement. Our work included an assessment of the procedures undertaken by management to compile the profit forecasts as well as the implementation of procedures to ensure that the accounting policies used are consistent with the policies applied by the Company for the preparation of the historical financial information. Our work also included gathering information and explanations that we deemed necessary in order to obtain reasonable assurance that the profit forecasts have been properly compiled on the basis stated.

Since profit forecasts, by nature, are uncertain and may differ significantly from actual results, we do not express an opinion as to whether the actual results reported will correspond to those shown in the profit forecasts.

In our opinion:
a) the profit forecasts have been properly compiled on the basis stated; and
b) the basis of accounting used for the profit forecasts is consistent with the accounting policies of the Company.

This report has been issued solely for the purpose of:

- the approval of the registration document by the French financial markets authority (*Autorité des marchés financiers* or "AMF");
- the admission to trading on a regulated market, and/or a public offer, of securities of the Company in France and in other EU member states in which a prospectus approved by the AMF is notified,

and cannot be used for any other purpose.

Paris La Défense, September 18, 2023

The statutory auditors

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND MANAGEMENT

As of the date of this Registration Document, the Company is a simplified joint stock company (*société par actions simplifiée*).

At the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, the Company is expected to be converted into a limited liability company with a board of directors (*société anonyme à conseil d'administration*).

Prior to the AMF approval of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, the Company intends to adopt new bylaws which will be effective as of the date of, and subject to, the listing of the Company's shares on the regulated market of Euronext Paris. A description of the main provisions of the bylaws that the Company will adopt, subject to the listing of its shares on the regulated market of Euronext Paris, relating to the functioning and powers of the Board of Directors, as well as a summary of the main provisions of the internal regulations of the Board of Directors, which the Company intends to adopt subject to the above-mentioned condition precedent, are included in Chapter 19, Section 19.2.2, of this Registration Document.

12.1 Composition of management and supervisory bodies

a) Board of Directors

The table below sets forth the composition of the Board of Directors at the date of the listing of the Company's shares on the regulated market of Euronext Paris. This table also sets forth the positions (as officer or otherwise) held by such persons outside of the Company (whether inside or outside the Group) during the last five years.

Name	Nationality	Business address	Expiration date of term of office (*)	Main position within the Company	Number of officer positions currently held in other listed companies	Independent director (as defined in the AFEP-MEDEF Code)	Positions (as director or otherwise) held during the last 5 years (other than within the Company)
Pierre Demonsant	French	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2026	Chairman of the Board	*n.a.*	No	Within the Group: *n.a.* Outside the Group: President of ARVORE President of ARVORE 2 President of ARVORE 3 Manager (*Gérant*) of OLHADA
Loïc Sautour	French	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2026	Chief Executive Officer and Director	*n.a.*	No	Within the Group: *n.a.* Outside the Group: Manager (*Gérant*) of JANYBOTTE President of MELIEM
Yves Humblot	French	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2026	Director	*n.a.*	No	Within the Group: *n.a.* Outside the Group:

Name	Nationality	Business address	Expiration date of term of office (*)	Main position within the Company	Number of officer positions currently held in other listed companies	Independent director (as defined in the AFEP-MEDEF Code)	Positions (as director or otherwise) held during the last 5 years (other than within the Company)
							President of BEG TANGUY Manager (*Gérant*) of AN HOLEN Manager (*Gérant*) of OLHADA
Matthieu Delille	French	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2026	Director	*n.a.*	No	Within the Group: *n.a.* Outside the Group: President of DLM CONSEIL Manager (*Gérant*) of OLHADA
Deborah Choate	American	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2026	Director	1	Yes	Within the Group: *n.a.* Outside the Group: Chief Financial Officer of Sequans
Laurianne Le Chalony	French	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2026	Director	*n.a.*	Yes	Within the Group: *n.a.* Outside the Group: Chief People Officer of Groupe EcoVadis Member of the nomination, remuneration and governance committee of Groupe Lesaffre Independent director and member of the nomination, remuneration and governance committee of Special Olympics France President of *Institut Mieux Vivre* Independent director and member of the nomination, remuneration and governance committee and member of the strategic committee of CleverConnnect
Meriem Riadi	French	200 Avenue de Paris 92320 Châtillon	Annual Shareholders' Meeting called to approve the financial statements for the	Director	1	Yes	Within the Group: *n.a.*

Name	Nationality	Business address	Expiration date of term of office (*)	Main position within the Company	Number of officer positions currently held in other listed companies	Independent director (as defined in the AFEP-MEDEF Code)	Positions (as director or otherwise) held during the last 5 years (other than within the Company)
			fiscal year ending December 31, 2026				Outside the Group: Member of the supervisory board of Kereis Member of the board of directors of AGMA (Maroc)

* *It is expected that the Board will propose the implementation of a staggered board in connection with the annual shareholders' meeting to take place in 2024, by way of draw among the Directors (other than the Chief Executive Officer).*

It is expected that Deborah Choate will be appointed as director (*administrateur*) with effect as of the date of the decision to fix the Offer Price in connection with the admission of the Company's shares to listing on Euronext Paris, and that Laurianne Le Chalony and Meriem Riadi will be appointed as directors (*administrateurs*) subject to the condition precedent of admission of the Company's shares to listing on Euronext Paris.

Accordingly, on the date of admission to trading on the regulated market of Euronext Paris, three of the seven directors will be independent directors.

Independent members of the Board of Directors

It is expected that the Board of Directors will assess the independence of the above-mentioned directors, in light of the independence criteria set forth in Article 9 of the Corporate Governance Code for Listed Companies of the AFEP and the MEDEF (the "**AFEP-MEDEF Code**") in its version updated as of December 2022, which governance code the Company intends to refer to as of the date of admission of its shares to trading on the regulated market of Euronext Paris.

In light of such criteria, the Company believes that three members of the Board of Directors, namely Deborah Choate, Laurianne Le Chalony and Meriem Riadi will sit on the Board of Directors as independent members as of the date of admission of the Company's shares to listing on the regulated market of Euronext Paris.

With respect to the assessment of the independence of Laurianne le Chalony, while EcoVadis provides ESG rating services to the Company, this relationship is not material for EcoVadis, which has more than 100,000 clients worldwide and receives a non-significant amount of fees from Planisware for such services. In addition, EcoVadis maintains information barriers between the teams in charge of scoring and the corporate teams. In her capacity as Chief People Officer at EcoVadis, Laurianne Le Chalony does not have access to EcoVadis scoring platform generally (including with respect to Planisware). Accordingly, the Company considers that this relationship does not affect her independence in light of the above criteria.

The table below summarizes the review of the above-referred independence criteria, as assessed by the Company.

Independence of Directors	Deborah Choate	Laurianne Le Chalony	Meriem Riadi
Criterion 1: Not to be or have been an employee or corporate officer during the previous five years	✓	✓	✓
Criterion 2: Not to hold conflicting positions	✓	✓	✓
Criterion 3: Not to have significant business relationships	✓	✓	✓

Criterion 4: Not to have any close family ties with a corporate officer	✓	✓	✓
Criterion 5: Not to have been an auditor of the Company during the previous five years	✓	✓	✓
Criterion 6: Not be a director of the Company for more than 12 years	✓	✓	✓
Criterion 7: Status of the non-executive director executive officer: may not receive variable compensation in cash or securities or any compensation linked to the performance of the Company	✓	✓	✓
Criterion 8: Status of the significant shareholder: may not participate in the control of the Company	✓	✓	✓
Independent director under the AFEP-MEDEF Code criteria	✓	✓	✓

In this table: "✓" signifies that an independence criterion is satisfied and "×" signifies that an independence criterion is not satisfied.

Biographical information of the members of the Board of Directors

Pierre Demonsant, 58, is a graduate from Ecole Polytechnique in Paris, where he specialized in artificial intelligence and operational research. He began his career at Syseca, the Thales group's information systems subsidiary. In 1992, he successfully developed a project planning software, which was later adopted by major industry leaders such as Arianespace and EDF. Following early success, Pierre incorporated a spin-off of Thales, signing multi-national pharmaceutical giant Sanofi as Planisware's first client. He oversees the Company's strategy and international expansion and sits on the board of several French-based software companies. He co-founded Planisware in 1995, together with Yves Humblot, Matthieu Delille and François Pelissolo.

Loïc Sautour, 51, graduated from Université de Technologie de Compiègne, in 1995 with a Master of Science in Innovation and Technology Management. He was General Manager of Planisware USA Inc. from 2007, and from January 2011 served as the Group's Executive Vice President in North America and more recently as Chief Revenue Officer in North America, leading the commercial operations for the region.

Yves Humblot, 61, is a graduate from Ecole Nationale Supérieure des Mines de Nancy. He has played a key role in the commercial development of the Group across Europe, North America and Asia in recent years, leading global sales operations. He co-founded Planisware in 1995, alongside Pierre Demonsant, Matthieu Delille and François Pelissolo.

Matthieu Delille, 57, is a graduate from Ecole Polytechnique in Paris, where he specialized in artificial intelligence and operational research. He began his career at Thales' information systems subsidiary Syseca as a Software Engineer. He co-founded Planisware in 1995, along with Pierre Demonsant, Yves Humblot and François Pelissolo.

Deborah Choate, 60, holds a BS in business administration from the University of California at Berkeley. She has served as chief financial officer of Sequans since July 2007. Prior to joining Sequans Communications S.A., she was chief financial officer at Esmertec AG from 2005 to 2007 and at Wavecom SA, from 1998 to 2004, and vice president of finance at Platinum Equity from 2004 to 2005. Earlier in her career, she was an audit partner with Ernst & Young. Ms. Choate has over 35 years of experience in management, finance and accounting, including over 25 years working with technology companies, in particular communications hardware, software and services.

Laurianne Le Chalony, 38, graduated from ESSCA. She evolves in the technology industry as the head of regional and global HR and communications functions in multicultural environments. She was South America's HR Director at Atos and Chief People Officer at Linedata. Strongly committed to sustainable development issues since the beginning of her career, Laurianne decided to invest herself fully in order to have a greater impact and decided to change sector in January 2021. She joined EcoVadis as Chief People Officer, a purpose-driven sustainability rating company. She is also an independent board member of several organisations, including Special Olympics France, an NGO that promotes social inclusion through sports for people with mental disabilities. She has been an independent consultant and member of the Nomination, Remuneration and Governance Committee of Groupe Lesaffre since 2021.

Meriem Riadi, 41, graduated from ESCP Paris. Meriem joined Roland Berger, where she worked for almost seven years. Between 2013 and 2017, the former Roland Berger project manager worked for Groupama in the group's strategy department, then in digital transformation for a year, before being promoted to head of digital. Between 2017 and 2022, she has been Chief Digital Officer for the Suez group, in charge of the group's digital transformation programme as well as managing the digital marketing/CX, data and business acceleration teams. Since 2022, she is Chief Information Officer at Veolia Eau France and executive committee member in charge of digital, data and IT services.

Family relationships between members of the Board of Directors

As of the date of this Registration Document, to the Company's knowledge, there are no family relationships among the future members of the Board of Directors, or between such future members of the Board of Directors and members of the Company's Executive Management (*direction générale*).

Nationality of members of the Board of Directors

It is contemplated that one member of the Board of Directors will be foreign national as of the date of admission to trading on the regulated market of Euronext Paris of the Company's shares.

Balance in the composition of the Board of Directors

Once the appoints of all three independent directors shall have become effective, it is expected that, as of the date of admission of the Company's shares to listing on Euronext Paris, the Board of Directors of the Company will include 3 independent directors in light of the criteria set forth in the AFEP-MEDEF Code, representing more than one third of the members of the Board of Directors.

Balanced representation of men and women

In addition, the Board of Directors will include 3 women, *i.e.*, more than 40% of the members of the Board of Directors. The composition of the Board of Directors will thus be in compliance with Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code providing for the balanced representation of women and men on the boards of directors of companies whose shares are admitted to trading on a regulated market.

b) Executive Management

In accordance with Article 17 of the Company's bylaws that are contemplated to be adopted, subject to admission of the Company's shares to listing on the regulated market of Euronext Paris, by the Company's Extraordinary Shareholders' Meeting to be held at the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, the Board of Directors may separate the offices of Chairman of the Board of Directors (*Président du conseil d'administration*) and Chief Executive Officer (*Directeur Général*).

Upon conversion of the Company into a limited liability company with a board of directors (*société anonyme à conseil d'administration)* at the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, it is contemplated that the offices of Chairman of the Board of Directors *(Président du conseil d'administration*) and Chief Executive Officer (*Directeur général*) will be separated, and that Pierre Demonsant will become Chairman of the Board of Directors and that Loïc Sautour will become Chief Executive Officer *(Directeur général*) of the Company.

In addition to Loïc Sautour, the executive team of the Company will include the following persons:

Claire Nadiedjoa, Chief Operating Officer: 50, holds a degree from Montpellier Business School in Management Control. After having worked as a financial controller for pharmaceutical company Sanofi-Aventis, she joined Planisware as a Senior Consultant in 2000. In 2009, she was appointed Software Quality Assurance Manager and, in 2016, she became Project Manager in Data Security Certification Preparation. She has been Planisware’s Chief Operating Officer since 2018.

Fabrice Ollivier, Chief Technical Officer: 41, graduated from the engineering school CentraleSupélec in 2005. His past experiences include serving as a Software Engineer at Meilleur Forfait from 2003 to 2004 and then at the educational company Wireless Generation from 2005 to 2006. He joined the Company in 2006 as a Research and Development Engineer.

Stéphanie Pardo, Chief Financial Officer: 46, holds an Executive MBA from HEC Paris. In 2013, she was named CFO of the start-up AppGratis. Between 2006 and 2013, Stéphanie worked for Meetic Group for nearly 8 years, and became the Group’s CFO in early 2011. She started her career holding positions in finance at EADS Multicoms and at Candle, an IBM company. Prior to joining Planisware, she held the position of CFO at tech company Shift Technology from 2018 to 2022, and at Webedia, the online media specialist, between 2015 and 2018.

Nicolas Villars, Chief Marketing Officer: 48, graduated from EDHEC Business School in 1999 and holds an MSc in Economics. He started his career in 1999 as a Consultant at C&D International Dynamix, a firm specialised in regional economic development and industrial site reconversion. From 2000 he worked as the Associate Director of Sales and Marketing of the Digifactory, a SaaS start-up which he founded. He was appointed Planisware’s Chief Marketing Officer in 2001. He developed and has been leading the company's marketing strategy, corporate communications and brand awareness since then.

Antoine Villata, CEO North America: holds an MBA from the Wharton School and graduated with a Master of Science in Innovation and Technology Management from the University of Technology of Compiègne. He started his career as a consultant for Planisware in Paris, he then moved to San Francisco to develop the business in North America, working from 2001 to 2009 as an Executive Consultant and then Director of Professional Services. He then held the position of Vice President of Professional Services from 2009 to 2011 before moving on to his current role. As Planisware’s North America CEO, Antoine oversees the Group’s activities in their 4 main North American offices, located in San Francisco, Philadelphia, Denver and Montreal. Alongside these responsibilities, he is a key player in the entrepreneurial and technological ecosystems in San Francisco, serving as a board member for French Tech San Francisco and the French-American Chamber of Commerce San Francisco, also acting as president of the latter from 2018 to 2020.

Gilles Chene, CEO Germany: graduated from the Ecole Nationale Supérieure des Mines in Nancy with a focus on mining engineering, statistics and information technology, and holds a degree from the Centre de Recherche en Informatique de Nancy in 1985 with a master's in Software Engineering and AI. Previously, he worked as an Application Developer in Austria for Naintsch Mineralwerke (now Imerys) from 1986 to 1988, as a Consultant and Project Manager for SoftLab, a BMW IT company from 1988 to 1995 and then for Kromer & Chene from 1996 to 2002.

Kai Ojo, CEO UK & Ireland: holds an MBA in General Management from Lancaster University and a Bachelor of Engineering with Honours from the University of Salford. He began his career at Teradyne Diagnostic Solutions (later SPX Diagnostic Solutions) working as a software engineer from 2000 to 2003, project manager from 2003 to 2005, product manager from 2005 to 2006 and programme manager from 2006 to 2009. Afterwards, he was appointed the Head of Professional Services and Support at V1, a company specialising in cloud-enabled software, holding this post from 2009 to 2013. He then worked as Operations Director and VP Operations at Hydra Management, another cloud-enabled PPM and PSA software provider, before joining Planisware in 2016. Kai is also the Chair of the Industry Advisory Board at Salford University Business School.

Cédric Bastien, CEO Singapore: graduated from ENSEM (Ecole Nationale Supérieure d'Electricité et de Mécanique) in 2008. He began his career in 2008 in the Paris office, and then relocated to Singapore in 2011, delivering global projects through local partnerships based mostly in the APAC region. From

2020 he took a more active role in the APARC region business development activities before becoming the local CEO.

Tangi Le Deun, CEO UAE: graduated from the Ecole Nationale Supérieure d'Arts et Métiers. He began his career as a Project Manager and Senior Consultant at Oresys from 2003 to 2009, where he oversaw the implementation of Planisware's PPM software platform for numerous companies. From 2008 to 2016, he was the Chief Technology Officer and Chief Corporate Architect for Innovation Framework Technologies, a technology partner of Planisware. Tangi Le Deun is in charge of business and strategy in the Middle East and he also co-founded Planisware MIS, the managed services branch of Planisware, which is based in Paris, Tunis and Dubai.

Patrick Ternier, CEO Japan: graduated from the Ecole Centrale de Lille with a Master of Science degree and holds a bachelor's degree in Economical Sciences. He founded Innovation Framework Technologies in 2006, and developed the company in the USA, France, South Korea and Japan, also setting up associate offices in Latin America and the Middle East. Prior to this, he was the President and Chief Executive Officer of Artemis International Solutions Corporation, a California-based company specialised in Product Portfolio Management solutions.

Gilles Lavalou, VP Orchestra: graduated from Ecole Polytechnique in Engineering and Télécom Paris. He began his career in 1990 as a Software Engineer for Compagnie Générale d'Informatique, and then worked as a Software Engineer, Senior Consultant and Presales Director for the software company Unix System Laboratories from 1993 to 1997, then BEA Systems from 1998 to 2001. He was CEO of Network Quality Intelligence between 2011 and 2018, following nearly 10 years as Head of Research and Development. There, he oversaw the development of the NQI tool, which was integrated into Planisware after it acquired NQI in 2018, and is now known as Planisware Orchestra. He has been leading Planisware teams in the management of the Orchestra Collaborative PPM software since 2018.

12.2 Statements relating to the Board of Directors and Executive Management

To the Company's knowledge, over the course of the past five years, (i) none of the members of the Board of Directors or of the Executive Management has been convicted of fraud; (ii) none of the members of the Board of Directors or of the Executive Management has been associated with any bankruptcy, receivership, judicial liquidation or company put into administration, (iii) no official public incriminations or sanctions have been brought against any members of the Board of Directors or of the Executive Management by statutory or regulatory authorities (including designated professional bodies), (iv) none of the members of the Board of Directors or of the Executive Management has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer, or from being involved in the management or performance of business of any issuer.

12.3 Conflicts of interest

To the Company's knowledge, at the date of this Registration Document, there were no potential conflicts of interest between the duty that the members of the Board of Directors and the Chairman and Chief Executive Officer have to the Company and their private interests.

To the Company's knowledge, as of the date of this Registration Document, there are no agreements or undertakings of any kind with shareholders, customers, suppliers or others pursuant to which any member of the Company's Board of Directors or Executive Management has been appointed to such position.

To the Company's knowledge, as of the date of this Registration Document, subject to the provisions of the shareholders' agreement referred to in Chapter 16, Section 16.5 "*Shareholders' agreements*" of this Registration Document (which will terminate as of the date of listing of the Company's shares on the regulated market of Euronext Paris), to customary lock-up agreements to be entered into with the underwriters in connection with the proposed listing of the Company's shares on the regulated market of Euronext Paris (a description of which will be included in the initial public offering prospectus), the members of the Board of Directors and the Executive Management have not agreed to any restriction on their right to transfer shares of the Company, with the exception of rules relating to prevention of insider trading and the recommendations of the AFEP-MEDEF Code or of the law with respect to obligation to retain shares.

13. COMPENSATION AND BENEFITS

In connection with the listing of its shares on the regulated market of Euronext Paris, the Company intends to comply with the AFEP-MEDEF Code.

The tables below summarize the compensation and benefits of any kind paid by (i) the Company and (ii) companies controlled by the Company within the meaning of article L. 233-16 of the French Commercial Code and in which corporate offices are held, to the future Chairman of the Company's Board of Directors as from the date of the conversion of the Company into a joint-stock company (currently representing the president of the Company in its simplified joint-stock form), the Chief Executive Officer, and to those members of the Board of Directors in office as of the date of this Registration Document and who are intended to continue to be in office as of the date of settlement-delivery of the Company's shares in connection with their admission to trading on the regulated market of Euronext Paris.

13.1 Compensation and benefits paid to senior executives and non-executive officers

13.1.1 Compensation of the members of the Board of Directors

The tables below detail the remuneration paid to the persons to be appointed members of the Board of Directors as of the date of conversion of the Company into a *société anonyme*, by the Company and by any company in the Group during the financial years ended 31 December 2022 and 2021:

Table 3 (AMF nomenclature)

Table of compensation received by directors and other compensations received by non-executive officers				
Non-executive directors	**Amounts granted during the financial year ended December 31, 2021**	**Amounts paid during the financial year ended December 31, 2021**	**Amounts granted during the financial year ended December 31, 2022**	**Amounts paid during the financial year ended December 31, 2022**
Yves Humblot				
Compensation (fixed, variable) (1)	114,029	114,029	120,847	120,847
Other compensation	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Matthieu Delille				
Compensation (fixed, variable)(2)	107,412	107,412	113,834	113,834
Other compensation	*n.a.*	*n.a.*	*n.a.*	*n.a.*

(1) *Pursuant to the employment contract entered into between the Company and Yves Humblot as sales engineer (*ingénieur commercial*). Yves Humblot will resign from his employment contract prior to the listing of the shares of the Company on the regulated market of Euronext Paris, and will also resign from his office as deputy-Chief executive officer (*directeur général délégué*).*

(2) *Pursuant to the employment contract entered into between the Company and Matthieu Delille as technical officer (*directeur technique*). Mathieu Delille will resign from his employment contract prior to the listing of the shares of the*

*Company on the regulated market of Euronext Paris, and will also resign from his office as deputy-Chief executive officer (*directeur général délégué*).*

The compensation paid to Pierre Demonsant, Chairman, and to Loïc Sautour, Chief Executive Officer, is set out below in section 13.1.2 of this chapter.

A proposal will be made at a shareholders' general meeting of the Company to be held no later than on the date of approval by the French *Autorité des marchés financiers* of the prospectus relating to the admission of the shares of the Company to trading on the regulated market of Euronext Paris, in order to set the total amount of the compensation allocated to the Board of Directors, in its new form as a joint-stock company, at €600,000 for the year ending December 31, 2023 (which is expected to be used in respect of 2023 only up to a *prorata temporis* portion since the date of conversion of the Company into a *société anonyme*). The directors (except the Chief Executive Officer (Directeur général) will receive a compensation in their capacity as directors, which will comprise a fixed element and a variable element, the amount of which will depend on their actual participation at the Board of Directors' meetings and the breadth of the Board of Directors' work. Directors who are members of Board committees will also receive a compensation in this capacity, comprising a fixed element and a variable element depending on their actual participation at the meetings of the committees of which they are members.

In this respect, it is contemplated that the directors' compensation policy will comply with the following principles as from the date of admission of the shares to trading:

- A fixed element (€15,000) and a variable element (€30,000 in the event of attendance to all meetings), with an increase for the lead director (as applicable) (fixed element increased to €25,000 and variable element increased to €45,000) and for the Chairman (fixed element increased to €40,000 and variable element increased to €60,000);
- Additional compensation for committee members (Audit Committee: fixed element of €7,500 and variable element of up to €10,000, increased to €16,000 and €16,500 for the Chairman; Nomination, Remuneration and Governance Committee: fixed element of €7,500 and variable element of up to €10,000, increased to €12,500 and €15,000 for the Chairman; Strategic and ESG Committee: fixed element of €5,000 and variable element of up to €7,500, increased to €8,000 and €9,500 for the Chairman).

This directors' compensation policy may be reviewed annually.

The Board of Directors will also have the power to grant additional compensation in case of exceptional work or missions.

13.1.2 Compensation of senior executives

Chairman of the Board of Directors

The following tables below set out the compensation paid by the Company and by any company of the Group during the financial years ended December 31, 2021, and December 31, 2022 to Pierre Demonsant, as employee of the Company in its form as a simplified joint-stock company, who is intended to be the Chairman of the Board of Directors as of the conversion of the Company into a joint-stock company.

It is intended that, upon conversion of the Company into a *société anonyme*, the labor contract of Pierre Demonsant will be terminated.

In his capacity as Chairman of the Board of Directors, Pierre Demonsant will receive the amounts of compensation set forth in section 13.1.1 of this chapter.

Table 1 (AMF nomenclature)

Summary of compensation, options and shares granted to each senior executive		
	2021	**2022**
	(amounts paid in euros)	
Pierre Demonsant[(1)]		
Chairman		
Compensation for the financial year (*see Table 2 below for details*)	143,376	151,950
Value of multi-year variable compensation paid during the financial year	*n.a.*	*n.a.*
Value of stock options granted during the financial year	*n.a.*	*n.a.*
Value of free shares granted	*n.a.*	*n.a.*
Value of other long-term incentive plans	*n.a.*	*n.a.*
Total	143,376	151,950

*(1) Pursuant to the employment contract entered into between the Company and Pierre Demonsant as product designer (*architecte produit*). Pierre Demonsant will resign from his employment contract prior to the listing of the shares of the Company on the regulated market of Euronext Paris.*

Table 2 (AMF nomenclature)

Summary of compensation paid to each senior executive				
	2021		**2022**	
	Amounts granted	**Amounts paid**	**Amounts granted**	**Amounts paid**
	(amounts paid in euros)			
Pierre Demonsant[(1)]				
Chairman				
Fixed compensation*....................................	143,376	143,376	151,950	151,950
Annual variable compensation*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Multi-year variable compensation*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Exceptional bonus*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Compensation received as member of the Board of Directors	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Benefits in kind	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Total...	143,376	143,376	151,950	151,950

*(1) Pursuant to the employment contract entered into between the Company and Pierre Demonsant as product designer (*architecte produit*). Pierre Demonsant will resign from his employment contract prior to the listing of the shares of the Company on the regulated market of Euronext Paris.*

** On a gross basis before social security contributions and taxes.*

Table 11 (AMF nomenclature)

Chairman of the Board	Employment contract		Supplementary pension plan		Termination benefits(1)		Non-compete indemnity(1)	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Pierre Demonsant *Chairman*		X(1)		X		X		X

(1) *As of the date of this Registration Document, Mr. Pierre Demonsant holds an employment contract. It is contemplated that, upon conversion of the Company into a société anonyme, Mr. Pierre Demonsant will resign from his employment contract with immediate effect.*

Chief Executive Officer

The following tables below set out the compensation paid by the Company and by any company of the Group during the financial years ended December 31, 2021, and December 31, 2022 to Loïc Sautour, who is contemplated to be appointed as Chief Executive Officer (*Directeur general*) of the Company as of the conversion of the Company into a *société anonyme*. Such compensation was paid in his capacity as sales engineer (*ingénieur technico-commercial*) in respect of the Group's operations in the United States, and services rendered to the Company's US subsidiary (Planisware USA Inc.).

For information purposes, the amount of compensation[66] paid in respect of Loïc Sautour's prior role was as follows for financial years ended December 31, 2021 and 2022, respectively:

- For the financial year 2022:
  - a wage compensation of 163,419.90 euros.
  - a variable service fee of 457,046.22 euros[67].
- For the financial year 2021:
  - a wage compensation of 156,890.66 euros.
  - a variable service fee of 133,692.83 euros[68].

[66] *Pursuant to the employment contract entered into between the Company and Loïc Sautour and the service agreement entered into between Meliem SASU and Planisware Inc.. Loïc Sautour's employment contract will be suspended upon the listing of the shares of the Company on the regulated market of Euronext Paris.*

[67] *Corresponding to US$487,485.50 (converted into Euros using the Euro/ US dollar exchange rate as of December 30, 2022) in fees paid to Meliem SASU, a company wholly-owned by Loïc Sautour, for services provided to Company's US subsidiary (Planisware USA Inc.) under a service agreement.*

[68] *Corresponding to US$151,420.50 (converted into Euros using the Euro/ US dollar exchange rate as of December 31, 2021) in fees (excluding tax) paid to Meliem SASU, a company wholly-owned by Loïc Sautour, for services provided to Company's US subsidiary (Planisware USA Inc.) under a service agreement.*

Table 11 (AMF nomenclature)

Executive officers	**Employment contract**		**Supplementary pension plan**		**Termination benefits[(1)]**		**Non-compete indemnity[(1)]**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Loïc Sautour *Chief Executive Officer*	X			X		X		X

(1) In case of termination of his office as Chief Executive Officer, the suspension of the employment contract of Loïc Sautour will cease. If such employment contract is thereafter terminated, he would be entitled to severance payments in accordance with applicable law and would be subject to a non-compete clause unless waived by the Company in consideration for the payment of a compensation equal to six times the monthly salary he earned over the preceding twelve months. In any event, in case of termination of his employment contract following termination of his office as Chief Executive Officer, the sum of any such severance payments and compensation paid in consideration for the non-compete would not exceed two years of compensation pursuant to his functions as Chief Executive Officer.

It is contemplated that, upon appointment of Loïc Sautour as Chief Executive Officer (*Directeur general*), his employment contract will be suspended. By way of derogation to the recommendations of the AFEP-MEDEF Code, it is not contemplated that such employment contract be terminated.

The Company considers that the objectives underlying such recommendation may be achieved by way of maintaining the employment contract and suspending it, while separating the benefits under the employment contract and those under the corporate office. The Company further considers that, in light of the length of employment of Mr. Loïc Sautour, who has been an employee of the Group for 25 years, it would be disproportionate to require Mr. Loïc Sautour to waive his accrued rights under his employment contract during his long and successful career within the Group. The Company notes that this approach is consistent with the AMF recommendation 2012-02.

Subject to the approval by the general shareholders meeting, the compensation policy applicable to Loïc Sautour as Chief Executive Officer of the Company in its form as *société anonyme* starting from the date of his appointment as Chief Executive Office, will be composed of the elements summarized hereinafter. For the portion of the year ending December 31, 2023, his compensation will be calculated on a *prorate temporis* basis.

Annual compensation:

Fixed compensation: 300,000 euros

Variable compensation: includes 3 components:

- Quantitative criterion based on net income, turnover and growth criteria, calculated pursuant to the following formula, and capped at 200% of the annual fixed compensation:

  1,9% * (RN/CA) x RN x (1 + C/20%),

  where:

  RN means consolidated net profit for the calendar year immediately prior to the year in which payment is being made (after neutralization of IPO costs), based on constant perimeter

  CA means consolidated revenue for the relevant financial year

  C means the year-on-year growth as measured by its consolidated revenues, based on constant exchange rates and perimeter

  in each case, based on the consolidated financial statements of the Company for financial year *n* it being specified that such portion of the variable compensation is payable only if the Adjusted EBITDA for the relevant year (n) is at least equal to 15% of revenues;

- 50,000 euros based on ESG criteria as follows:
    - 50% of such amount is payable in case of improvement of the score obtained pursuant to Great Place To Work® compared to the prior year; and
    - 50% of such amount is payable in relation to a climate-related criterion consisting of the improvement of the KCo2/ SAAS revenues ratio by at least 5% compared to the prior year.

He will also be entitled to free shares grants, with performance criteria similar to the criteria applicable to the quantitative portion of his variable compensation.

13.1.3 Stock option and free shares grants

Stock option grants

Table 4 (AMF nomenclature)

Stock options granted during the year to each senior executive by the issuer and by any Group company						
Name of senior executive	**Plan no. and date**	**Type of options (purchase or subscription)**	**Value of the options according to the method used for the consolidated financial statements**	**Number of options granted during the year**	**Exercise price**	**Exercise period**
			n.a.			

Table 5 (AMF nomenclature)

Stock options exercised during the year by each senior executive			
Name of senior executive	**Plan no. and date**	**Number of options exercised during the year**	**Exercise price**
	n.a.		

Table 8 (AMF nomenclature)

Historical information about stock option grants

There are no stock options outstanding held by Pierre Demonsant, Mathieu Delille, Yves Humblot or Loïc Sautour.

Table 9 (AMF nomenclature)

Stock options granted to the top ten employees who are not corporate officers and options exercised by them	Total number of options granted/shares subscribed for or purchased	Weighted average price
Options granted during the year by the issuer and any companies included in the stock option plan to the ten employees of the issuer or of those companies who received the most options (aggregate)......................................	*n.a.*	
Options held in the issuer and in the above-mentioned companies that were exercised during the year by the ten employees of the issuer or of those companies who exercised the most options (aggregate)		

Free share grants

Table 6 (AMF nomenclature)

Free shares granted to each corporate officer						
Free shares granted during the financial year to each corporate officer by the general shareholders' meeting of the issuer and of any Group company (list of names)	**Plan no. and date**	**Number of shares granted during the financial year**	**Value of the shares according to the method used for the consolidated financial statements**	**Vesting date**	**End of lock-up period**	**Performance conditions**
Pierre Demonsant	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Matthieu Delille	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Yves Humblot	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Loïc Sautour	Plan n°1/ June 1, 2023	84	€208,908	June 1, 2024	June 1, 2025	*n.a.*

Table 7 (AMF nomenclature)

Free shares that have vested for each corporate officer	Plan no. and date	Number of shares released from lock-up during the financial year	Vesting conditions
Pierre Demonsant	*n.a.*	*n.a.*	*n.a.*
Matthieu Delille	*n.a.*	*n.a.*	*n.a.*
Yves Humblot	*n.a.*	*n.a.*	*n.a.*
Loïc Sautour	*n.a.*	*n.a.*	*n.a.*

Table 10 (AMF nomenclature)

	History of free share grants
	Information on free shares
Free share plans	Plan no. 1
Date of General Shareholders' Meeting	May 31, 2023
Date of President's decisions	June 1, 2023
Total number of free shares granted, of which the number granted to:	1,286
Pierre Demonsant	0
Matthieu Delille	0
Yves Humblot	0
Loïc Sautour	84
Share vesting date	June 1, 2024
End of lock-up period	June 1, 2025
Number of shares subscribed for	*n.a.*
Cumulative number of cancelled or expired shares	0
Free shares outstanding	1,286

The Company's ambition is to continue to develop employee shareholding and, in this respect, is considering the implementation of a capital increase reserved for employees in France and abroad in the context of the initial public offering. The terms of this transaction, amounting to a maximum of approximately 0.30% of the share capital, will be specified in the prospectus relating to the admission of the Company's shares to the regulated market of Euronext Paris.

Share ownership by the Chairman

Pierre Demonsant, the Company's Chairman and cofounder of the Group, is also one of the Company's main shareholders at the date of this Registration Document through his participation in Olhada (see section 16.1 "*Share ownership*" of this registration document).

13.2 Total amounts set aside or accrued by the Company or its subsidiaries to provide for pension, retirement or similar benefits

The Company has not made any provisions for the payment of pensions, retirement benefits or similar benefits to its executive officers.

14. OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

14.1 Terms of office of members of the administrative and management bodies

The terms of office of the members of the Company's Board of Directors and senior management can be found in Chapter 12, Section 12.1 "*Composition of management and supervisory bodies*", of this Registration Document.

14.2 Information on service agreements between members of the Board of Directors and the Company or any of its subsidiaries

As of the date of this Registration Document, Olhada, which is the main shareholder of the Company and is currently the *Président* of the Company in its form as simplified joint stock company (*société par actions simplifiée*), is a party to a Services Agreement, which is intended to be amended and restated as of the date of conversion of the Company into a limited liability company with a board of directors (*société anonyme à conseil d'administration*). Mssrs. Delille, Humblot and Demonsant, who are Directors of the Company, are also shareholders and co-managers of Olhada and will be directly involved in the provision of services by Olhada pursuant to the Services Agreement. (For a description of Olhada and a summary of the Services Agreement, see Section 16.1, *"Shareholders"*). To the Company's knowledge, there are no service agreements between members of the Board of Directors and the Company or any of its subsidiaries providing for benefits.

It is specified that Mr. Loïc Sautour was an employee of the Company before his appointment as director, and will remain an employee after such appointment. His employment contract will be suspended as of the date of his appointment as Chief Executive Officer (*Directeur général*), upon conversion of the Company into a limited liability company with a board of directors (*société anonyme à conseil d'administration*).

14.3 Board committees

As of the date of this Registration Document, the Company is a simplified joint stock company (*société par actions simplifiée*).

At the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, the Company is expected to be converted into a limited liability company with a board of directors (*société anonyme à conseil d'administration*). Pursuant to Article 16of the Company's bylaws contemplated to be adopted at the latest on the date of approval by the AMF of the prospectus relating to the proposed admission to trading on the regulated market of Euronext Paris of the Company's shares, the Board of Directors of the Company may implement committees charged with examining matters submitted by the Board of Directors or its Chairman.

It is expected that three such Board committees will be implemented: an Audit Committee, a Nomination, Remuneration and Governance Committee and a Strategic and ESG Committee. The internal regulations of these committees, the main provisions of which are set out below, will be adopted to the condition precedent of the listing of the Company's shares on the regulated market of Euronext Paris. Their composition will comply with the recommendations of the AFEP-MEDEF Code.

a) Audit Committee

The composition and main duties of the Audit Committee, effective as from the listing of the Company's shares on the regulated market of Euronext Paris are as follows:

Composition

The Audit Committee will be composed of three to five members, including at least two-thirds of whom will be independent directors.

Duties

The goal of the Audit Committee is to monitor questions related to the preparation and the control of accounting and financial information and to monitor the efficiency of risk monitoring and operational internal control, in order to facilitate the Board of Directors' duties to control and verify such matters.

The Audit Committee's main duties are as follows:

- monitoring the financial reporting process;
- monitoring the effectiveness of internal control, internal audit and risk management systems relating to financial and accounting information;
- monitoring the statutory audit of the financial statements and consolidated financial statements by the Company's statutory auditors;
- monitoring the independence of the Company's statutory auditors and their selection and appointment procedures; and
- examining and monitoring the systems and procedures in place to ensure the dissemination and application of policies and rules of good practice in the areas of ethics, competition, fraud and corruption and, more generally, compliance with the regulations in force.

b) Nomination, Remuneration and Governance Committee

The composition and main duties of the Nomination, Remuneration and Governance Committee, effective as from the listing of the Company's shares on the regulated market of Euronext Paris are as follows:

Composition

The Nomination, Remuneration and Governance Committee will be composed of three to five members, including a majority independent directors.

Duties

The Nomination, Remuneration and Governance Committee is a specialized committee of the Board of Directors whose principal duty is to assist the Board of Directors in the composition of the managing bodies of the Company and the Group, the design of a succession plan for replacement of company officers and in the determination and regular evaluation of the compensation policy of the Company's executive officers, and directors, as well as compensation-related matters relating to key employees of the Group. Such committee assists the Board of Directors in connection with the evaluation of the functioning of the Board of Directors and the preparation of the report on corporate governance.

c) Strategic and ESG Committee

The composition and main duties of the Strategic and ESG Committee, effective as from the listing of the Company's shares on the regulated market of Euronext Paris are as follows:

Composition

The Strategic and ESG Committee will be composed of 3 to 6 members.

Duties

The Strategic and ESG Committee is responsible for preparing the work and facilitating the decision-making process of the Board of Directors with respect to strategic and social and environmental matters and in particular:

1. evaluation of major external growth projects by the Company;
2. corporate strategy, matters relating to the evolution, prospects and opportunities of the sector, particularly concerning innovations and disruptive technologies;
3. matters relating to social and environmental responsibility (such as diversity and non-discrimination policies and compliance and ethics policies) and their link with the Group's strategy and its implementation;

4. review of the non-financial performance statement on social and environmental matters provided for in Article L. 22-10-36 of the French Commercial Code;

5. review of the opinions expressed by investors, analysts and other third parties and, if applicable, any action plan by the Company in respect of social and environmental matters; and

6. review and assessment of the relevance of the Group's social and environmental commitments and strategic orientations on social and environmental matters, taking into account any challenge specific to its activity and objectives, and following on their implementation.

To fulfil its duties, the Strategic and ESG committee may meet with managers of the Company or the Group whose responsibilities or expertise are useful to the works of the committee.

The Strategic and ESG Committee may resort to external experts where necessary.

14.4 Statement on corporate governance

As from the listing of the Company's shares on the regulated market of Euronext Paris, the Company intends to adhere to the recommendations of the Corporate Governance Code for listed companies of the *Association Française des Entreprises Privées* (French Association of Private Enterprises, or AFEP) and of the *Mouvement des Entreprises de France* (French Enterprise Movement, or MEDEF) (the "**AFEP-MEDEF Code**"), particularly for the preparation of the Board of Directors' corporate governance report provided for in Article L. 225-37 of the French Commercial Code. In this respect, the Company intends to submit to the deliberations of the Nomination, Remuneration and Governance Committee, within six months from the date of listing, its succession plan and a policy on gender diversity for purposes of its formalization. The Company expects that it will comply with the governance rules set out in the AFEP-MEDEF Code as from the admission to trading of its shares on the regulated market of Euronext Paris, except as follows.

The AFEP-MEDEF Code recommends that, when an employee becomes a corporate officer (*dirigeant mandataire social*), his employment contract be terminated (article 23 of the AFEP-MEDEF Code).

The Company considers that the objectives underlying such recommendation may be achieved by way of maintaining the employment contract and suspending it, while separating the benefits under the employment contract and those under the corporate office. The Company further considers that, in light of the length of employment of Mr. Loïc Sautour, who has been an employee of the Group for 25 years, it would be disproportionate to require Mr. Loïc Sautour to waive his accrued rights under his employment contract during his long and successful career within the Group. Accordingly, the Company has decided to suspend his employment contract upon his appointment as Chief Executive Officer (*Directeur général*) rather than terminate such contract. A detail of the benefits attached to his employment contract is set forth in Chapter 13 (*Compensation and benefits*) of this Registration Document. The Company notes that this approach is consistent with the AMF recommendation 2012-02.

The AFEP-MEDEF Code (of December 2022) with which the Company intends to refer to may be consulted online at www.medef.com or www.afep.com. The Company permanently maintains copies of such code that may be reviewed by the members of its corporate bodies.

14.5 Internal control

The internal control systems implemented within the Group are described in Chapter 3, Section 3.6 "*Risk management policy*", of this Registration Document.

As of the date of this Registration Document, since the Company's securities are not admitted to trading on a regulated market, the Company is not required to prepare a corporate governance report, detailing in particular the conditions of preparation and organization of the Board's work, as well as the internal control and risk management procedures implemented by the Company.

Beginning with the fiscal year ending December 31, 2023, assuming that the Company's shares will be admitted to trading on the regulated market of Euronext Paris, the management report of the Company's

Board of Directors to the General Shareholders' Meeting will include information on the internal control and risk management procedures put in place in the Company, pursuant to the provisions of Articles L. 22-10-35 of the French Commercial Code, and on how the Company takes into account the social and environmental consequences of its business, as well as its social commitments to sustainability, diversity and anti-discrimination, pursuant to the provisions of Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code.

15. EMPLOYEES

15.1 Employment data

15.1.1 Number and breakdown of employees[69]

As of the date of this Registration Document, the Group has approximately 690 employees (around 45% of whom are employed in France), an increase of nearly 2.8% from December 31, 2022. Over 98% of the workforce is employed under permanent contracts and the Group does not make any substantial use of temporary workers.

The table below shows the evolution, over the past three years, of the Group's headcount by geographic area:

	Headcount* as of December 31		
Geographic area	**2022**	**2021**	**2020**
France	295	260	214
Europe (other than France)	89	69	61
Middle East and Africa	97	63	62
North America	159	126	104
Asia Pacific	31	17	14
Total	**671**	**535**	**455**

**Headcount excluding temporary workers and trainees*

The significant pace of increase of the workforce over the last three years (+25% at the end of 2022 versus 2021) demonstrates both the substantial growth in the Company's business activity and attractiveness.

The table below shows the proportion of women in the Group's workforce over the last three years, which has been steadily increasing over this period of time:

	Headcount as of December 31		
Percentage of women	**2022**	**2021**	**2020**
Percentage of women in the workforce (Group)	34.9%	31.7%	28.8%

**Headcount excluding temporary workers, trainees and support services*

[69] The data in this section include (i) the employees within the scope of consolidation of the Group as at June 30, 2023 and (ii) the employees of Planisware MIS SARL (France) and Planisware MIS SARL Tunisia.

The table below shows the trends in headcount over the past three years, broken down by function:

	Headcount as of December 31		
Breakdown of headcount by SPC*	**2022**	**2021**	**2020**
Administration & Management	43	32	36
Evolutive support and professional services[70]	279	232	243
Subscription support	66	44	-
Production Operations (SaaS, Support & infrastructure)	61	49	36
IT	5	3	-
Quality & Security	6	5	19
Training	6	7	-
R&D	93	77	54
Sales & CSM	76	62	53
Marketing	30	20	19
Facilities	6	4	5
Total	**671**	**535**	**455**

**Headcount excluding temporary workers and trainees*

15.1.2 Employment

The table below shows the trends in the number of permanent contracts terminated and added within the Group over the past three years:

	Headcount as of December 31		
Employment*	**2022**	**2021**	**2020**
Number of permanent contracts terminated	81	70	44
Number of permanent contracts added	216	154	107

**Headcount excluding temporary workers and trainees*

15.1.3 Diversity, working conditions and human resources policies

The Group strives to provide a work environment that is diverse, inclusive, respectful and free of discrimination and unlawful harassment, and provides equal opportunity to all of its employees. As an equal opportunity employer, the Group does its best to be fair and treat people fairly and respectfully. This means that job applicants and employees, as well as contractors and all other personnel participating in the business of the Group, are treated fairly and not any differently because of their race, religion, beliefs, age, disability (including mental health), gender identity, relationship status, parental status, sex, sexual orientation or any other characteristics unrelated to job qualifications or otherwise protected by law. Through local codes of conduct or policies, employees are encouraged to speak up and report to their managers or their local Human Resources teams when they believe that colleagues, contractors, clients or suppliers do not adhere to such standards or have been subject to unlawful or intolerable treatment.

The Group prioritizes the health, safety and security of its workforce. While it is conscious of its obligations in this respect, the Group has also established among employees a culture of co-responsibility and cooperation so that all team members reflect on their work habits, treatment of others and support for one another.

[70] Professional services include implementation, training, consulting and other services.

The Group's commitments to a healthy, satisfying and safe work environment were rewarded in 2022 when Planisware received the certification of Great Place To Work® in six countries in which it operates. The Group has been officially recognized as being a Great Place To Work® in France, Germany, Japan, the United Kingdom, the United States of America and Tunisia. The Group intends to run this survey on an annual basis.

The table below shows the trends in workplace safety over the past three years in France, which shows that the Group has thus far established a work environment that is not prone to accidents:

	Year ended December 31		
Breakdown of headcount by SPC	**2022**	**2021**	**2020**
Number of accidents with time off work	1	0	1
Number of accidents without time off work	0	0	0
Frequency rate (with time off work) (FR1)	2.05	0	2.74
Frequency rate (with and without time off work) (FR2)	2.05	0	2.74

**Excluding travel accidents*

15.1.4 Employee relations

In France, the Company formed a central social and economic committee (*comité social et économique central d'entreprise*) in June 2020 further to the elections, in December 2019, of the members of two branch social and economic committees (*comités sociaux et économiques d'établissement*), one based in Châtillon and the other in the south of France. They consist of a total of 17 elected members (incumbent and alternates combined).

The Group considers that the social dialogue, which is based on regular exchanges with employees' representatives, is of a high quality.

15.1.5 Compensation policy

Planisware's employees are one of its key assets in rolling out its ambitious growth strategy and achieving its objectives. Performance is central in the Group's compensation policy, which is based primarily on experience and skills of employees, local market demand and local costs of living.

For the year ended December 31, 2022, the Group's personnel expenses were €68.5 million, compared to €58.3 million for the year ended December 31, 2021, and €48.3 million for the year ended December 31, 2020.

The Group promotes a performance management program which is an ongoing two-way communication process between the employee and their manager, the purpose of which is to (1) enable the employee's career development, (2) recognize employees for good performance and (3) provide appropriate suggestions for improvement when necessary. Employees are expected to receive a formal performance appraisal at least once per year. The purpose of these reviews is to evaluate past performance and define next steps. Employees also have the opportunity to review and discuss their performance in less formal regular meetings throughout the year.

The Group implements performance reviews, promotions and compensation increase reviews and similar processes to ensure that all promotions, bonuses and compensation increases are based on performance and merit as well as market rates.

15.1.6 Training

The Group's workforce is extremely qualified and includes a vast proportion of skilled computer scientists, developers and engineers. As an illustration, in France, among the employees who compose the R&D center, at least 31 have engineer degrees, 18 have master's degrees and 3 have PhDs.

The Group's training programs include a formal onboarding process for new hires and place a particular emphasis on training employees on the project management solutions they are responsible for developing, updating and marketing. To that effect, the Group has established a specific eLearning platform. New hires are expected to complete at least 10 hours of mandatory training on this eLearning platform, which provides more than 60 targeted training sessions on the various aspects of the Group's offerings (a number which continues to grow given that the Group's training staff has been reinforced and reorganized over the last two years).

15.2 Shareholding and stock options

See Section 13.1, "Compensation and Benefit—Compensation and benefits paid to senior executives and non-executive officers".

15.3 Description of any arrangements around employee shareholding

Except with respect to the free shares plan described in Section 13.1.3 "*Compensation and Benefit—Compensation and benefits paid to senior executives and non-executive officers—Stock option and free shares grants*" of this Registration Document, the Group does not have any arrangement provided for or enabling employee shareholding. The Group has, however, established certain plans which allow eligible employees to share in the profit generated by its operations or which allow such employees to invest in a portfolio of securities.

15.3.1 Mandatory profit-sharing agreements

In France, a mandatory profit-sharing agreement (*accord de participation*) applies at the level of the Company which provides for the distribution of a share of the Company's profits to eligible employees who are party to the social and economic unit, calculated based on an enhanced formula (by contrast to the statutory formula) and is applicable for the current financial year as well as the next two financial years. The distribution is made according to the annual remuneration paid to employees (excluding premiums and indemnities).

15.3.2 Voluntary profit-sharing agreements

In France, a voluntary profit-sharing agreement (*accord d'intéressement*) applies at the level of the Company which provides for the distribution of a share of the Company's profits between eligible employees, calculated according to designated performance indicators such as financial results and increases in revenues.

15.3.3 Employee savings plans and similar plans

In France, the Company established:

- a Company Savings Plan (*plan d'épargne d'entreprise*), which allows eligible employees to invest their savings, including payments under the mandatory profit-sharing agreement and voluntary profit-sharing agreement, in diversified investment funds and to benefit from certain social and tax advantages in exchange for a lock-up period of generally five years; and
- a Collective Retirement Savings Plan (*PERECO*) which allows eligible employees to invest their savings, including payments under the mandatory profit-sharing agreement and voluntary profit-sharing agreement in diversified investment funds in connection with retirement. This scheme allows employees to benefit from certain social and tax advantages in exchange for a lock-up period until retirement. It is also a way for employees to prepare for their retirement by making voluntary payments. When employees invest accrued untaken vacation days or days off (*jours de reduction du temps de travail*), the Company makes a matching payment within the limits determined by applicable law.

16. MAJOR SHAREHOLDERS

16.1 Shareholders

As of the date of this Registration Document, the Company is a simplified joint stock company (*société par actions simplifiée*) controlled by Olhada. As noted above, it is intended that the Company will be converted into a *société anonyme* at the latest on the date of approval of the prospectus.

It is expected that Olhada will remain a majority shareholder of the Company upon completion of the offering in connection with the admission to listing of the shares of the Company on the regulated market of Euronext Paris.

The table below sets out the list of the Company's main shareholders as of the date of this Registration Document*:

Shareholders	Number of shares	% of the share capital	Number of voting rights	% of voting rights
Olhada[1]	250,800	72.29%	250,800	72.29%
Total Ardian funds	68,080	19.62%	68,080	19.62%
FPCI Ardian Growth II	*43,200*	*12.45%*	*43,200*	*12.45%*
FCPI Axa Entrepreneurs & Croissance 2013	*6,380*	*1.84%*	*6,380*	*1.84%*
FCPI Axa Entrepreneurs & Croissance 2014	*7,120*	*2.05%*	*7,120*	*2.05%*
FCPI Ardian Entrepreneurs & Croissance 2015	*4,100*	*1.18%*	*4,100*	*1.18%*
FCPI Ardian Entrepreneurs & Croissance 2016	*7,280*	*2.10%*	*7,280*	*2.10%*
Minority shareholders[2]	*28,075*	*8.09%*	*28,075*	*8.09%*
TOTAL	**346,955**	**100%**	**346,955**	**100%**

* The numbers of shares indicated in this table do not reflect the stock split contemplated to be implemented at the latest on the date of approval of the prospectus. Following the stock split, the breakdown of the Company's share capital between the shareholders will be identical, subject to a higher amount of share capital.

[1] Olhada is a French limited liability company (*société à responsabilité limitée*), registered with the Trade and Companies Register of Nanterre under number 403 086 929, indirectly owned by Messrs. Pierre Demonsant, Yves Humblot, Mathieu Delille and François Pelissolo and their families. (See below, "*Shareholding by Olhada*".)

[2] Includes employees of the Group, each holding less than 1% of the share capital.

None of the Company's shareholders listed in the table above hold securities giving access to the Company's share capital.

Shareholding by Olhada

Olhada is a French limited liability company (*société à responsabilité limitée*) indirectly owned by Pierre Demonsant, Yves Humblot, Mathieu Delille and François Pelissolo and their respective families.

Olhada is a holding company, managed by Pierre Demonsant, Yves Humblot, Mathieu Delille as co-General Managers. As of the date of this Registration Document, the Company and Olhada are parties to an agreement (*convention d'animation*) providing for the rendering of services by Olhada to the Company (the "Services Agreement"). Olhada is currently the CEO of the Company and is compensated accordingly (See Note 30 to the consolidated financial statements for the years ended December 31, 2022, 2021 and 2020). It is contemplated that a new Services Agreement between Olhada and Planisware will be entered into in connection with the conversion of the Company into a *société* *anonyme* and its subsequent listing, taking into account the resulting changes in the governance of the Company.

Pursuant to the new Services Agreement, Olhada will provide services intended to participate in the determination of the strategy of the Company, using the long-term experience of the Co-Managers of Olhada, who are co-founders of the Company and have been actively involved in its development since its creation, particularly in the following areas:

- as regards Matthieu Delille, in the area of Cloud strategy (geographic extension; cybersecurity; partnerships; environmental strategy);
- as regards Yves Humblot, in relation to the Company's commercial strategy (international expansion; organization of teams; competitive environment; market trends); and
- as regards Pierre Demonsant, in relation to the offer / product strategy (offer extensions and new products; upsell and cross-sell strategy; possible partnerships and/or acquisitions).

It is contemplated that Olhada will meet at least once a month with the Chief Executive Officer of the Company and all or part of the management team in a Strategic Steering Committee, and that the other members of the Board of Directors of the Company would join the meeting of such Strategic Steering Committee at least once a year as part of a strategic seminar.

Olhada would receive an annual compensation composed of a fixed sum equal to 2 million euros (plus VAT).

It is expected that this Services Agreement will be approved by the Board of Directors of the Company upon conversion of the Company into a société anonyme, which will include Mssrs. Sautour, Delille, Humblot and Demonsant, with Mssrs. Delille, Humblot and Demonsant abstaining from voting.

Shareholding by Ardian funds

Ardian Growth II is a private equity fund (*fonds professionnel de capital investissement*) and AXA Entrepreneurs & Croissance 2013, AXA Entrepreneurs & Croissance 2014, Ardian Entrepreneurs & Croissance 2015, Ardian Entrepreneurs & Croissance 2016 are French innovation common funds (*fonds communs de placement dans l'innovation*), each managed by Ardian France SA.

Ardian is a leading global private equity firm, majority owned by its employees. Ardian manages or advises $156 billion of assets in Europe, America, Asia and the Middle East on behalf of public bodies, institutions, pension funds and private investors. Ardian currently employs over 1,000 persons, including more than 350 investment professionals, based in 16 offices worldwide. Ardian has developed a broad range of expertise encompassing private equity, real assets and credit, which enables it to offer a wide range of investment opportunities. The group is guided by an entrepreneurial spirit and driven by the desire to support talented management teams in the development of growing and sustainable companies.

Within the group, Ardian Growth targets profitable companies with high growth potential in continental Europe, with a particular focus on those that can benefit from the leverage of the digital transformation of developed economies. With 20 years of experience, Ardian Growth has made more than 100 investments since 1998 and its investment team relies on an extensive network of entrepreneurs to foster the emergence of leading companies.

The stake in the Company's capital held by the Funds managed by Ardian France S.A. was constituted starting in 2015.

16.2 Voting rights of the shareholders

As of the date of this Registration Document, the share capital of the Company is divided into 346,955 ordinary shares, each of which entitles the holder to one vote at shareholders' meetings. It is contemplated that a stock split will be effected at the latest upon conversion of the Company into a *société anonyme*.

The bylaws of the Company, as modified and effective as of the date of and subject to the listing of the Company's shares on the regulated market of Euronext Paris, will not exclude the double voting rights provided for in Article L.22-10-46 of the French Commercial Code. Such bylaws will provide that double voting rights will attach to shares fully paid-up and held continuously by the same person for at least two (2) years. This ownership period is calculated without regard to the length of time of holding the shares prior to the date when the Company's shares are admitted to listing on the regulated market of Euronext Paris. Such double voting rights may be exercised at any general meeting. Double voting rights automatically cease when the share is converted to bearer form or changes ownership.

16.3 Control of the Company

As of the date of this Registration Document, the Company is controlled by Olhada which holds approximately 73% of the share capital and of the voting rights of the Company.

It is expected that Olhada will remain a majority shareholder of the Company upon completion of the offering in connection with the admission to listing of the shares of the Company on the regulated market of Euronext Paris.

The Company does not believe that there is a risk that such control be exercised in an abusive manner. In that regard, it is noted that, as from the date of admission to listing on the regulated market of Euronext Paris of the shares of the Company, at least 3 independent directors in accordance with the criteria set forth in the AFEP-MEDEF Code will sit on the Board of Directors, representing more than a third of the directors, in compliance with the recommendations of the AFEP-MEDEF Code. It is also noted that, as from the date of conversion of the Company into a *société anonyme*, the offices of Chairman of the Board of Directors and Chief Executive Officer will be held by two distinct persons. (See also Chapter 12 of this Registration Document).

16.4 Agreements likely to result in a change of control

To the Company's knowledge, there was no agreement in effect as of the date of this Registration Document the implementation of which could, at a later date, lead to a change in its control.

16.5 Shareholders' agreements

On August 31, 2018, a shareholders' agreement was entered into by and between Olhada and the Ardian entities, in the presence of the Company, setting forth the parties' agreement as to any transfers of shares in the Company and to some governance matters. Such shareholders' agreement will automatically terminate as of the date of listing of the Company's shares on the regulated market of Euronext Paris.

Shareholders' agreements were also entered into among Olhada, the Ardian entities and employees having acquired shares in the Company. Such shareholders' agreements will also automatically terminate upon admission to listing of the Company's shares on the regulated market of Euronext Paris.

17. RELATED-PARTY TRANSACTIONS

17.1 Principal related-party transactions

The Group's related parties include the Company's shareholders, non-consolidated subsidiaries, associates (equity accounted investments), joint ventures and entities on which the key management personnel have significant influence.

With the exception of the compensation referred to in Note 30 to the consolidated financial statements for the years ended December 31, 2022, 2021 and 2020, there were no transactions between the Company and its key management personnel. A description of the service agreement (*convention d'animation*) entered into between the Company and Olhada, providing for the rendering of services by Olhada to the Company, is included in Section 16.1 ("*Shareholders – Shareholding by Olhada*"). In addition, there were no transactions with shareholders within the meaning of IAS 24 during such years.

The Group is pursuing and/or has entered into a number of transactions with the companies it controls directly or indirectly. Planisware and certain of its subsidiaries has entered into transactions with Planisware MIS SARL Tunisia, an entity owned by Planisware MIS SARL (France), for the provisions of support services to certain clients of the Group in return for the payment of a fee. These transactions are conducted on an arm's length basis in the ordinary course of business. (See also Note 30 of the consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020).

With the exception of these transactions, there are no other transactions with the Group's related parties.

17.2 Statutory auditors' special reports on related-party transactions

17.2.1 Statutory auditors' special report on related-party transactions as of and for the year ended December 31, 2022

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PLANISWARE

A *société par actions simplifiée* with a share capital of €343,955.00
Registered Office: 200 avenue de Paris, 92320 Châtillon, France
Trade and Companies Register of Nanterre: 403 262 082

Statutory Auditors' special report on regulated agreements

Shareholders' meeting called to approve the financial statements for the year ended December 31, 2022

To the shareholders of the Company PLANISWARE SAS,

In our capacity as statutory auditors of your company, we hereby provide you with our report on related party agreements.

We are required, on the basis of the information provided to us, to communicate to you the terms and conditions of the agreements indicated to us or that we may have identified in the performance of our engagement, without having to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility to assess the relevance of these agreements prior to their approval.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement.

Agreements submitted to the approval of the shareholders' meeting

Agreements concluded during the past financial year

We hereby inform you that we have not been advised of any agreements concluded during the past financial year to submit to the approval of the shareholders in accordance with the provisions of article L.227-10 of the French commercial code (*Code de commerce*).

Executed in Paris La Défense, on September 15, 2023

French original signed by

The Statutory Auditors

KPMG SA	Mazars
Jean-Pierre Valensi	Christophe Patouillère
Partner	Partner

17.2.2 Statutory auditors' special report on related-party transactions as of and for the year ended December 31, 2021

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PLANISWARE
A *société par actions simplifiée* with a share capital of €343,670.00
Registered Office: 200 avenue de Paris, 92320 Châtillon, France
Trade and Companies Register of Nanterre: 403 262 082

Statutory Auditors' special report on regulated agreements

Annual general meeting called to approve the financial statements for the year ending December 31, 2021

To the shareholders' annual general meeting,

In our capacity as statutory auditors of your company and as far as Mazars is concerned, in compliance with the additional assignments entrusted to it by the decision of the shareholders' annual general meeting of June 30, 2022, in accordance with the provisions of article L.820-3-1 of the French commercial code (*Code de commerce*), we hereby provide you with our report on related party agreements.

We are required, on the basis of the information provided to us, to communicate to you the terms and conditions of the agreements indicated to us or that we may have identified in the performance of our engagement, without having to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility to assess the relevance of these agreements prior to their approval.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement.

Agreements submitted to the approval of the shareholders' meeting

Agreements approved during the past financial year

We hereby inform you that we have not been advised of any agreements approved during the past financial year to submit to the approval of the annual general meeting in accordance with the provisions of article L.227-10 of the French commercial code (*Code de commerce*).

Executed in Paris La Défense and Vincennes, on June 30, 2022

French original signed by

The Statutory Auditors

Mazars	Audit Conseil – France International
Christophe PATOUILLERE	Soufian MALIK

17.2.3 Statutory auditors' special report on related-party transactions as of and for the year ended December 31, 2020

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PLANISWARE

A *société par actions simplifiée* with a share capital of €343,670.00
Registered Office: 200 avenue de Paris, 92320 Châtillon, France
Trade and Companies Register of Nanterre: 403 262 082

Statutory Auditors' special report on regulated agreements

General meeting of June 30, 2022 – resolution n°12

To the shareholders' annual general meeting,

In our capacity as statutory auditors of your company and as regards Mazars, in compliance with the additional assignment entrusted to it by the General Meeting of June 30, 2022 in accordance with the provisions of Article L.820-3-1 of the French Commercial Code, we hereby provide you with our report on related-party agreements.

This report incorporates the findings of our report dated June 30, 2021 to the Annual General Meeting on June 30, 2021.

We are required, on the basis of the information provided to us, to communicate to you the terms and conditions of the agreements indicated to us or that we may have identified in the performance of our engagementt, without having to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility to assess the relevance of these agreements prior to their approval.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement.

Agreements previously approved by the annual general meeting

Agreements approved during the year

We hereby inform you that we have not been advised of any agreements approved during the past financial year to submit to the approval of the annual general meeting in accordance with the provisions of article L.227-10 of the French commercial code (*Code de commerce*).

Executed in Vincennes and Paris La Défense, on June 30, 2022

French original signed by

The Statutory Auditors

Mazars	Audit Conseil – France International
Christophe PATOUILLERE	Soufian MALIK

18. FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION, PROFITS OR LOSSES

18.1 Group's consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020 and Statutory Auditors' report

18.1.1 Group's consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020

PLANISWARE SAS

GROUP'S CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

PLANISWARE SAS

Consolidated statement of profit or loss

In € thousand	Notes	2022	2021	2020
Revenue with customers	5	130,564	106,681	91,133
Other revenue	5	1,519	1,001	803
Total revenue		**132,083**	**107,682**	**91,936**
Cost of sales	6	(42,295)	(32,955)	(27,505)
Gross profit		**89,788**	**74,726**	**64,431**
Research and development expenses	6	(18,341)	(14,978)	(11,837)
Sales and marketing expenses	6	(21,841)	(18,002)	(14,158)
General and administrative expenses	6	(16,027)	(11,717)	(12,106)
Current operating profit		**33,579**	**30,030**	**26,330**
Share of profit of equity-accounted investees, net of tax	16	954	492	498
Current operating profit including share of profit of equity-accounted investees		**34,533**	**30,522**	**26,829**
Income from cash and cash equivalents	9	59	17	46
Cost of debt	9	(235)	(136)	(120)
Other finance income	9	3,555	3,196	168
Other finance costs	9	(585)	(334)	(2,454)
Financial income (loss)		**2,795**	**2,742**	**(2,361)**
Profit before tax		**37,328**	**33,264**	**24,468**
Income tax expense	10	(5,774)	(6,141)	(4,345)
Profit for the period		**31,555**	**27,123**	**20,123**
Non-controlling interests		-	-	-
Profit for the period - Owners of the Company		**31,555**	**27,123**	**20,123**
Earnings per share				
Basic earnings per share (euro)	11	***91.8***	*79.6*	*59.1*
Diluted earnings per share (euro)	11	***91.8***	*79.6*	*59.1*

Consolidated statement of comprehensive income

In € thousand	Notes	2022	2021	2020
Profit for the period		**31,555**	**27,123**	**20,123**
Subsidiaries - foreign currency translation differences		547	590	(816)
Associates - foreign currency translation differences		(35)	(17)	(20)
Items that are or may be classified subsequently to profit or loss		**512**	**573**	**(836)**
Remeasurements of defined benefit liability	8	704	188	(61)
Related tax	10	(176)	(47)	15
Items that will not be reclassified to profit or loss		**528**	**141**	**(46)**
Other comprehensive income for the period, net of tax		**1,040**	**714**	**(881)**
Total comprehensive income for the period		**32,594**	**27,837**	**19,242**
Non-controlling interests		-	-	-
Total comprehensive income for the period - Owners of the Company		**32,594**	**27,837**	**19,242**

Consolidated statement of financial position

In € thousand	Notes	December 31, 2022	December 31, 2021	December 31, 2020	January 1, 2020
Goodwill	12	5,096	5,096	5,096	5,096
Intangible assets	13	3,017	3,008	3,108	2,980
Property, plant and equipment	14	3,989	2,917	2,153	1,578
Right-of-use assets	15	13,512	5,559	5,650	6,943
Equity-accounted investees	16	1,957	1,525	1,476	1,248
Other financial assets	17, 24	561	400	419	438
Other non-current assets	20	1,036	592	384	206
Deferred tax assets	10	1,685	1,354	866	823
Total non-current assets		**30,853**	**20,452**	**19,150**	**19,310**
Trade receivables and contract assets	18	45,384	34,982	27,060	25,341
Other receivables and current assets	20	14,031	11,336	8,345	8,052
Cash and cash equivalents	21, 24	120,518	107,531	86,452	68,519
Total current assets		**179,933**	**153,849**	**121,857**	**101,912**
Total assets		**210,786**	**174,301**	**141,007**	**121,222**

In € thousand	Notes	December 31, 2022	December 31, 2021	December 31, 2020	January 1, 2020
Share capital	22	344	344	341	341
Share premium	22	9,615	9,615	6,881	6,881
Consolidated reserves		85,579	71,235	61,191	70,094
Translation reserve		249	(262)	(836)	-
Profit for the period		31,555	27,123	20,123	-
Equity attribuable to owners of the Company		**127,342**	**108,055**	**87,700**	**77,316**
Non-controlling interests		-	-	-	-
Total equity		**127,342**	**108,055**	**87,700**	**77,316**
Employee benefits	8	1,852	2,301	2,253	1,979
Loans and borrowings	23	11,704	4,068	5,807	8,377
Deferred tax liabilities	10	-	31	15	-
Total non-current liabilities		**13,556**	**6,400**	**8,075**	**10,356**
Provisions	26	76	41	330	50
Loans and borrowings	23	3,158	3,323	2,724	2,598
Trade payables	27	4,193	4,296	2,042	1,395
Other payables	27	31,249	32,037	23,596	17,057
Contract liabilities	19	31,212	20,150	16,541	12,451
Total current liabilities		**69,888**	**59,846**	**45,233**	**33,550**
Total equity and liabilities		**210,786**	**174,301**	**141,007**	**121,222**

Consolidated statement of changes in equity

In € thousand	Notes	Owners of the Company						Non-controlling interests	Total equity
		Share capital	Share premium	Consolidated reserves	Translation reserve	Profit for the period	Total		
Balance at January 1, 2020		**341**	**6,881**	**70,094**	**-**	**-**	**77,316**	**-**	**77,316**
Profit for the period		-	-	-	-	20,123	20,123	-	20,123
Other comprehensive income for the period	8, 10	-	-	(46)	(836)	-	(881)	-	(881)
Total comprehensive income for the period		**-**	**-**	**(46)**	**(836)**	**20,123**	**19,242**	**-**	**19,242**
Retained earnings		-	-	-	-	-	-	-	-
Dividends		-	-	(8,857)	-	-	(8,857)	-	(8,857)
Transactions with owners of the Company		**-**	**-**	**(8,857)**	**-**	**-**	**(8,857)**	**-**	**(8,857)**
Balance at December 31, 2020		**341**	**6,881**	**61,191**	**(836)**	**20,123**	**87,700**	**-**	**87,700**
Profit for the period		-	-	-	-	27,123	27,123	-	27,123
Other comprehensive income for the period	8, 10	-	-	141	573	-	714	-	714
Total comprehensive income for the period		**-**	**-**	**141**	**573**	**27,123**	**27,837**	**-**	**27,837**
Retained earnings		-	-	9,903	-	(9,903)	-	-	-
Capital increase	22	3	2,735	-	-	-	2,738	-	2,738
Dividends		-	-	-	-	(10,220)	(10,220)	-	(10,220)
Transactions with owners of the Company		**3**	**2,735**	**-**	**-**	**(10,220)**	**(7,483)**	**-**	**(7,483)**
Balance at December 31, 2021		**344**	**9,615**	**71,235**	**(262)**	**27,123**	**108,055**	**-**	**108,055**
Profit for the period		-	-	-	-	31,555	31,555	-	31,555
Other comprehensive income for the period	8, 10	-	-	528	512	-	1,040	-	1,040
Total comprehensive income for the period		**-**	**-**	**528**	**512**	**31,555**	**32,594**	**-**	**32,594**
Retained earnings		-	-	13,823	-	(13,823)	-	-	-
Dividends		-	-	-	-	(13,300)	(13,300)	-	(13,300)
Other		-	-	(7)	-	-	(7)	-	(7)
Transactions with owners of the Company		**-**	**-**	**(7)**	**-**	**(13,300)**	**(13,307)**	**-**	**(13,307)**
Balance at December 31, 2022		**344**	**9,615**	**85,579**	**249**	**31,555**	**127,342**	**-**	**127,342**

Consolidated statement of cash flows

In € thousand	Notes	2022	2021	2020
Profit for the period		**31,555**	**27,123**	**20,123**
Share of profit of equity-accounted investees, net of dividends	16	(460)	(71)	(248)
Depreciation and amortization of intangible, tangible and right-of-use assets	6	6,442	4,542	3,551
Change in provisions and employee benefits	8, 26	294	(52)	497
Cost of debt	9	235	137	120
Income tax expense	10	5,774	6,141	4,345
Other non-cash items		(33)	8	23
Operating cash flows		43,806	37,829	28,410
Changes in working capital	28	(1,560)	632	8,534
Income taxes paid	10	(8,035)	(4,031)	(3,825)
Net cash from operating activities		**34,212**	**34,430**	**33,119**
Acquisition of intangible and property, plant and equipment	13,14	(4,773)	(3,238)	(2,840)
Acquisition of financial assets	17	-	-	(4)
Purchase of other financial assets	17	(189)	(77)	(104)
Repayments of other financial assets	17	33	53	118
Net cash used in investing activities		**(4,929)**	**(3,261)**	**(2,829)**
Proceeds from issue of share capital and of premiums	22	-	2,738	-
Dividends paid to shareholders of Planisware S.A.S.		(13,244)	(10,206)	(8,822)
Proceeds from loans and borrowings		-	-	-
Repayment of borrowings	23	(1,213)	(1,226)	(1,234)
Interests paid on borrowings	23	(6)	(14)	(21)
Repayment of lease liabilities	15	(1,971)	(1,847)	(1,347)
Interests paid on lease liabilities	15	(229)	(123)	(99)
Net cash from financing activities		**(16,663)**	**(10,678)**	**(11,523)**
+/- Effect of movements in foreign exchange rates on cash held		376	529	(813)
Total change in cash and cash equivalents		**12,996**	**21,019**	**17,955**
Net cash and cash equivalents at the beginning of the period		**107,439**	**86,420**	**68,465**
Bank overdraft at the beginning of the period		92	32	55
Cash and cash equivalents at the beginning of the period	**21**	**107,531**	**86,452**	**68,520**
Net cash and cash equivalents at the end of the period		**120,435**	**107,439**	**86,420**
Bank overdraft at the end of the period		83	92	32
Cash and cash equivalents at the end of the period	**21**	**120,518**	**107,531**	**86,452**

Notes to the consolidated financial statements

Content

Note 1. Information about the Group and key events

1.1 Company presenting the consolidated financial statements

Planisware (the "Company") is a "Société par Actions Simplifiée" (simplified joint stock company) incorporated under the laws of France and registered with the Nanterre Trade and Companies Registry under number 403.262.082.031. The Company's registered office is located at 200 avenue de Paris - 92320 – Chatillon in France.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as "the Group").

The Group is a leading provider of business-to-business project management solutions ("*Project Economy market*") and services and carries out its activities through its parent company based in France, its four subsidiaries based in the United States, Germany, the United Kingdom and Singapore, and associates in Japan and Tunisia.

Figures are presented in thousands of euros. Rounding to the nearest thousand euros may, in some cases, lead to immaterial discrepancies in the totals and subtotals shown in the tables.

1.2 Significant events during the financial years presented

Covid-19

For the year 2022, the COVID-19 pandemic had no significant impact on the Group's activities. For the years 2021 and 2020, the pandemic did not have a significant impact on revenues. Regarding expenses, the health crisis had a downward effect on overhead expenses, particularly business travel and event costs.

Ukraine-Russia Conflict

Planisware's business is not directly exposed to Ukraine, Belarus or Russia. Except for the inflationary trend described below, the conflict did not have any indirect significant effect on its financial performance.

Inflationary environment

Inflation accelerated in Europe and the United States during the year 2022, particularly as a result of the conflict between Ukraine and Russia mentioned above.

The inflationary environment has resulted in a reduction in the Group's operating margin. This decrease is explained both by customer contracts that are not systematically indexed, for which selling price has not been impacted by the effects of inflation, and by a general increase in operating expenses.

Changes in the scope of consolidation

During the financial years ended December 31, 2020, and December 31, 2021, the Group set up two new subsidiaries to develop its business: the first in the United Kingdom in 2020 and the second in Singapore in 2021.

1.3 Subsequent events

Acquisition of Innovation Framework Technologies Planisware K.K.

On May 26, 2023, the Company acquired the remaining 53% equity stake of Innovation Framework Technologies Planisware K.K. through a contribution in kind from the various direct and indirect shareholders of the Innovation Framework Technologies Planisware K.K. entity for a consideration of approximately 9.6 million euros and leading to its consolidation from June 1, 2023. The aim of this transaction is to generate structural savings and organizational and functional synergies within the Group. Total revenue of Innovation Framework Technologies Planisware K.K. for the year ended December 31, 2022 was 4,942 thousand euros.

Free share allocation plan

On June 1, 2023, the Chairman decided to allocate 1,286 free ordinary shares to the Group's managers and employees. These shares to be issued represent 0.37% of the issued share capital. These shares will vest definitively on June 1, 2024, provided that the beneficiaries remain actively employed by the Group until that date.

Conversion to a public limited company and planned initial public offering

At the date of preparation of the consolidated financial statements, Planisware is a "Société par Actions Simplifiée" (simplified joint stock company). No later than the date of the AMF's approval of the prospectus relating to the proposed admission of the Company's shares to trading on Euronext Paris, Planisware is due to be converted into a public limited company ("Société Anonyme") with a Board of Directors.

Note 2. Accounting principles

2.1 Basis of preparation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), as adopted by the European Union as of December 31, 2022. They were approved and authorized for issue by the Chairman on September 15, 2023.

These financial statements, covering the years ended December 31, 2022, 2021 and, 2020, are the Group's first consolidated financial statements prepared in accordance with IFRS. These IFRS financial statements for the years ended December 31, 2022, 2021 and 2020 have been prepared for the purposes of the planned initial public offering on Euronext.

This single set of consolidated financial statements for three financial years corresponds to additional consolidated financial statements compared with the statutory consolidated financial statements for the years ended December 31, 2021 and 2020, prepared in accordance with French accounting rules and methods by the Chairman and approved by the Annual General Meeting on June 30, 2022, and June 30, 2021, respectively.

In addition, the Group will publish its statutory annual consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

2.2 Current standards and interpretations

As these are the first consolidated financial statements to be prepared in accordance with IFRS, IFRS 1 has been applied. For this purpose, the date of transition to IFRS has been set at January 1, 2020. The note "*First-time adoption of IFRS*" sets out the general principles and procedures for first-time adoption of IFRS, together with the main restatements and their impact on the opening statement of financial position as of January 1, 2020, and on the consolidated statement of financial positions and statements of profit or loss as of and for the years ended December 31, 2021 and 2020.

In accordance with IFRS 1, these consolidated financial statements have been prepared in accordance with IFRS applicable for the years beginning on or after January 1, 2022, for all periods presented from the transition date.

New mandatory standards and interpretations as of January 1, 2022

The new standards, amendments to existing standards and interpretations adopted by the European Union and of mandatory application in fiscal years beginning on or after January 1, 2022, are as follows:

- Amendments to IAS 16, Property, plant and equipment – Proceeds before intended use,
- Amendments to IAS 37, Onerous Contracts - Cost of fulfilling a contract,
- Amendments to IFRS 3, Reference to the Conceptual Framework,
- Annual improvements to IFRS Standards 2018-2020.

Main standards, amendments and interpretations published by the IASB that are not mandatory in the European Union as of January 1, 2022

The Group has not early adopted any new standards or amendments to existing standards adopted by the European Union whose application is mandatory after December 31, 2022, and which may be applied early. The standards, interpretations and amendments published for mandatory application after December 31, 2022 that could have an impact on the Group's financial statements are as follows:

- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies,
- Amendments to IAS 8 – Definition of accounting estimate,
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities Arising from a Single Transaction.

Analyses are being carried out by the Company to determine the impact of applying these amendments.

2.3 Consolidation methods

These consolidated financial statements include Planisware S.A.S. (the "Company") and its subsidiaries (together referred to as the "Group") and the Group's share of associates.

Subsidiaries

Subsidiaries are entities controlled by the Group directly or indirectly. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist for investments of 20% or more of the investee's outstanding voting common stock.

Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees less dividends received and impairment losses – if any – until the date in which significant influence ceases. Goodwill arising on the acquisition of an entity's shares is included within the value of *Equity -accounted investees*. The Group's share of an associate's profit or loss is recognized on a separate line in the consolidated statement of profit or loss under *Share of profit of equity-accounted investees, net of tax*.

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same as unrealized gains, but only to the extent that there is no evidence of impairment.

When the Group's share of an associate's losses exceeds its interest in the associate, the carrying amount of the *Equity-accounted investees* is reduced to zero and the Group ceases to recognize its share of subsequent losses, except to the extent that it has a legal or constructive obligation to the associate or has made a payment on its behalf.

When the activities of an equity-accounted entity are an integral part of the Group's current operations, the share of profit or loss relating to this entity is included within *Current operating profit*.

The scope of consolidation is presented in Note 3.

2.4 Foreign currency

These consolidated financial statements are presented in euro, which is the Company's functional currency.

Foreign operations

Items included in the financial statements of each Group entity are initially measured using the currency of the primary economic environment in which that entity operates, i.e., its "functional currency".

The accounts of all Group entities whose functional currency differs from the Group's presentation currency are translated into euro as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rate at the reporting date;
- Income, expenses, and cash flows of foreign operations are translated in euro at the average exchange rate for the period where this average rate approximates the exchange rate on the transaction date in the absence of significant fluctuations during the period.

Foreign currency differences are recognized in *Other comprehensive income* under *Items that are or may be classified subsequently to profit or loss* and accumulated in *Translation reserve* within equity, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are recognized in the profit or loss and presented within *General and administrative* for transactions related to operating items and within *Other finance income and costs* for transactions of a financial nature.

The Group does not use cryptocurrencies.

Exchange rates

The applicable exchange rates for the translation of the main foreign currencies used within the Group are as follows:

equivalent to €1

	Closing rate as of 31/12				Average rate for the year		
	2022	**2021**	**2020**	**1/1/2020**	**2022**	**2021**	**2020**
USD	1.0666	1.1326	1.2271	1.1052	1.0539	1.1836	1.1413
GBP	0.8869	0.8403	0.8990	-	0.8526	0.8600	0.8892
SGD	1.4300	-	-	-	1.4520	-	-
JPY	140.6600	130.3800	126.4900	120.3500	138.0050	121.7758	121.7758

2.5 Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Group's Accounting principles and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Determining lease terms: whether the Group is reasonably certain to exercise extension or termination options Note 15;
- Determining the amortization period for contract acquisition costs and capitalized development costs Notes 13 and 20.

Assumptions and estimation uncertainties

Information about assumptions and estimations uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in subsequent periods is including in the following notes:

- Impairment test of non-financial assets: key assumptions underlying recoverable amounts Notes 12;
  Measurement of expected credit loss allowance for trade receivables and contract assets Note 18;
- Measurement of defined benefit obligations: key actuarial assumptions Note 8.

2.6 Current operating profit

The Group has elected to present *Current operating profit* which excludes *Other operating income* and *Other operating expenses*. In accordance with ANC recommendation no. 2020-01, these items are included only if a major event occurs during the accounting period that is likely to distort the interpretation of the Group's performance. They therefore are related to a very limited number of unusual, abnormal, and infrequent items of income or expense, of particularly significant amount. As there were no such items for the years ended December 31, 2022, 2021 and 2020, the Group has not shown them separately in its consolidated statement of profit or loss.

Note 3. Scope of consolidation

All the entities included in the scope of consolidation prepare their annual financial statements as of December 31, each year.

For the financial years presented, changes in scope relate to the opening of subsidiaries in the United Kingdom and Singapore in 2020 and 2021 respectively. There was no change in the percentage of ownership interest during the three years presented except for the change in the percentage of ownership interest of Innovation Framework Technologies Planisware KK from 50% in 2020 to 47% in 2021.

Certain commercial subsidiaries that are not material, either individually or in aggregate, are not consolidated. They are shown as NC (non-consolidated) in the table below.

The activities of entities accounted for using the equity method, i.e., Innovation Framework Technologies Planisware K.K. and Planisware MIS, are operational in nature as an extension of the Group's business.

The following table shows the countries in which the subsidiaries are located, the percentage of capital held directly or indirectly by the Company as well as the percentage of control and their consolidation method as of December 31, 2022, December 31, 2021 and December 31, 2020:

Entity	Country	2022		2021		2020		Consolidation method
		Percentage of control	Percentage of interest	Percentage of control	Percentage of interest	Percentage of control	Percentage of interest	
Planisware, S.A.S. 200 avenue de Paris 92320, Chatillon	France	100%	100%	100%	100%	100%	100%	Consolidation
Planisware USA, Inc. 343 Sansome Street, Suite 500 San Francisco, California , 94104	United States	100%	100%	100%	100%	100%	100%	Consolidation
Planisware Deutschland, GmbH Leonrodstr. 52-54 80636 Munich	Germany	100%	100%	100%	100%	100%	100%	Consolidation
Planisware UK, Ltd MediaCityUK, White Tower, 4th Floor, Suite 4 Manchester, M50 2NT	United Kingdom	100%	100%	100%	100%	100%	100%	Consolidation
Planisware Singapore PTE. LTD. 16 raffles quay - #38-03 Hong Leong Building Singapore, 048581	Singapore	100%	100%	-	-	-	-	Consolidation (1)
Innovation Framework Technologies Planisware KK. 1-5-15 Hirakawa-Cho, Chiyoda-Ku, Tokyo, 102-0093	Japan	47%	47%	47%	47%	50%	50%	Equity method
Planisware MIS Sarl France 5 rue du Helder 75009 Paris	France	50%	50%	50%	50%	50%	50%	Equity method
PLW Tunisia, Sarl Rue El Koteb N53Bis Les Jardins du lac 1053 La Marsa	Tunisia	100%	100%	100%	100%	100%	100%	NC
Planisware MIS Sarl TUNISIA MirMar Business City, Centre Urbain Nord 1003 Tunis	Tunisia	50%	45%	50%	45%	50%	45%	NC
Planisware MIS DMCC 3405-27 34th Floor - Swiss Tower | JLT-PH2-Y3A - Jumeirah Lakes Towers Dubai	United Arab Emirates	50%	50%	50%	50%	50%	50%	NC

(1) Singapore subsidiary has been opened end of December 2021 and was not consolidated as of December 31, 2021 because it was immaterial.

Note 4. Operating segments

Accounting principles

Pursuant to IFRS 8, operating segments are components of a group for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker ("CODM") to assess performance and allocate resources.

All of the Group's revenue for the years ended December 31, 2022, 2021 and 2020 comes from the design, development and marketing of software products, together with the associated implementation and consulting services.

According to IFRS 8, segment information is based on internal management information used by its Chairman, OLHADA (ex-Planisware Management), represented by Mr. Pierre DEMONSANT, considered as the chief operating decision maker of the Group. The Group is managed on a basis reflecting its global activity which is then classified as a single operating segment.

The chief operating decision maker regularly reviews:

- Revenue by revenue stream; and
- Recurring versus non-recurring revenue; and
- Revenue by region (based on customers' billing addresses); and
- Group Adjusted EBITDA and adjusted EBITDA margin.

Disaggregation of revenue is shown in note 5. Furthermore, no single customer accounts for more than 10% of total revenue.

Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA is calculated as *Current operating profit including share of profit of equity-accounted investees*, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, plus either non-recurring items or non-operating items defined as the following: (i) share-based payment expenses under IFRS 2 (ii) any expenses, charges or other costs directly or indirectly related to any initial public offering, equity offering, investment, acquisition, joint venture or partnerships (iii) certain consulting fees incurred for one-off projects, such as reorganization measures; and (iv) certain severance payments, which includes expenses related to reorganization and restructuring measures, primarily consisting of severance payments and other personnel-related costs. For the year ended December 31, 2022, these adjustments for non-recurring items or non-operating items related to external costs incurred by the Group in connection with its planned initial public offering.

Adjusted EBITDA margin is the ratio of adjusted EBITDA to total revenue.

Adjusted EBITDA is not a performance measure defined under IFRS. The Group's definition of Adjusted EBITDA may not be comparable to similar measures of performance and information provided by other entities.

The following table present a reconciliation between *Current operating profit including share of profit of equity-accounted investees* and Adjusted EBITDA, as well as the calculation of the Adjusted EBITDA margin for the periods presented:

In € thousand	2022	2021	2020
Current operating profit including share of profit of equity-accounted investees	34,533	30,522	26,829
Depreciation and amortization of intangible, tangible and right-of-use assets	6,442	4,541	3,551
IPO costs adjustment	428	-	-
Adjusted EBITDA	**41,403**	**35,063**	**30,380**
Total revenue	132,083	107,682	91,936
Adjusted EBITDA margin (%)	***31.3%***	***32.6%***	***33.0%***

Non-current assets (1) by countries (2)

As of December 31, 2022

In € thousand	France	United-States	Germany	United Kingdom	Total
Goodwill	5,096	-	-	-	5,096
Intangible assets	3,017	-	0	-	3,017
Property, plant and equipment	3,165	277	440	106	3,989
Right-of-use assets	10,831	1,726	639	316	13,512
Other non-current assets	-	1,036	-	-	1,036

As of December 31, 2021

In € thousand	France	United-States	Germany	United Kingdom	Total
Goodwill	5,096	-	-	-	5,096
Intangible assets	3,008	-	0	-	3,008
Property, plant and equipment	2,204	226	474	13	2,917
Right-of-use assets	2,969	1,686	898	7	5,559
Other non-current assets	-	592	-	-	592

As of December 31, 2020

In € thousand	France	United-States	Germany	United Kingdom	Total
Goodwill	5,096	-	-	-	5,096
Intangible assets	3,108	-	0	-	3,108
Property, plant and equipment	1,463	158	531	2	2,153
Right-of-use assets	3,769	639	1,209	33	5,650
Other non-current assets	-	384	-	-	384

(1) Non-current assets disclosed in this note are non-current assets other than financial instruments and deferred tax assets as required by *IFRS 8 Operating Segments*.

(2) Countries are not representative of operating sectors and only correspond to geographical areas where legal entities are located.

Statement of profit or loss items

Note 5. Revenue

Accounting principles

Revenue recognition should reflect the transfer of control of goods or services promised to the customer for the amount of the consideration the Group expects in return.

a. General principles

i. Identifying the contract with the customer

Revenue recognition for a contract or a group of contracts must meet five criteria: the contract must have commercial substance (generation of future cash flows for the Group), the parties must have approved the contract and have pledged to meet their respective obligations, the rights and obligations of each party are identified, the payment terms and conditions are identifiable, and it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer (i.e., the customer has the ability and intention to pay that amount of consideration in exchange for the goods and services provided).

ii. Identifying the performance obligations in the contract

A performance obligation is a promise, in a contract with a customer, to transfer products or services, distinct from the other promises in the contract. The contract or group of contracts may include one or more performance obligations: single-service or multi-component arrangements. A performance obligation is distinct from others if it meets two conditions.

First, the underlying good or service must be distinct: the customer can benefit from the good or service either on its own or through readily available market resources.

Second, the good or service must also be distinct with respect to the contract, requiring an analysis of the transformation relationship between the various goods and services comprising the contract. This relationship does not exist if the good or service is not used to produce other goods or services covered in the contract; it does not significantly modify or customize another good or service promised in the contract; or it is not highly dependent on, or highly interrelated with, other goods or services promised in the contract.

iii. Determining the transaction price

Once the contract's existence validated and the various performance obligations identified, the contract's transaction price must be determined and allocated to the various performance obligations.

The contract's transaction price may include variable consideration, generally in the form of discounts, reductions, or penalties or, conversely, bonuses, and may be subject to the completion of project milestones. It can also include a financial component or a consideration payable to the client.

At the contract's inception, variable consideration is only considered in the amount for which the Group deems it highly probable that there will not be a material decrease in revenue in subsequent periods, and provided it is not subject to factors outside the company's influence. This variable consideration is allocated to the performance obligations pro rata to their respective standalone selling price if it cannot be otherwise allocated.

iv. Allocating the transaction price to the various performance obligations identified

The transaction price is allocated to each performance obligation identified in the contract based on the relative standalone selling prices of each underlying good or service. The standalone selling price is the price of the performance obligation as if it were sold separately. It is based on list prices, similar past transaction prices and observable market prices.

The amount allocated to each performance obligation identified in the contract is recognized in revenue when the control of the underlying goods or services promised in the contract is transferred to the customer.

v. Recognizing revenue

The control of a good or service is transferred to the customer over time (requiring revenue recognition on a percentage-of-completion basis) solely if one of the following three criteria is met:

- the customer simultaneously receives and consumes the benefits of performance as it occurs,
- the performance creates or enhances an asset that the customer controls as the asset is created or developed,
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Services rendered not yet invoiced or partially invoiced are presented on the statement of financial position as *Contract assets* under *Trade receivables and contract assets*. Services invoiced but not totally fulfilled are presented on the statement of financial position under *Contract liabilities*. Customer contract assets and liabilities are presented on a net basis for each individual contract. These items are described in more detail in notes 18 and 19.

vi. Costs of obtaining a contract

The costs of obtaining a contract are capitalized in assets if two conditions are met: they would not have been incurred if the contract had not been obtained, and they are recoverable. They include sales commissions if these are specifically and solely linked to obtaining a contract and were not therefore granted in a discretionary manner. The costs of obtaining a contract are capitalized and deferred in the statement of profit or loss at the same rate as the revenue to which they relate. These assets are presented in note 20.

b. Practical application: Revenue recognition for services performed by the Group for its customers

Planisware's revenues are derived from five main activities, i.e., revenue from SaaS offerings, revenue from the sale of perpetual licenses and related maintenance contracts, support services including "Subscription support" and "Evolutive support", and "Implementation" support.

Planisware does not bundle its various services into a single contract; however, where it sells various services concurrently within a relatively short period of time, its contracts are analyzed as a single contract for IFRS 15 purposes.

Typically, Planisware's solutions and services described below are treated as separate performance obligations and the portion of the transaction price allocated to them is accounted for separately. This is because the price of each performance obligation is independent of whether the performance obligation is sold on its own or in a bundle, and whether or not it is sold concurrently to other performance obligations.

In general, Planisware's software does not require the creation of additional code or modifications of the source code in order to be adapted and integrated into the customer's environment. As such, Planisware does not consider that the services related to the deployment of its software significantly adjust or modify the software according to IFRS 15 criteria (whether sold as a perpetual license or as part of a SaaS contract). Furthermore, due to the nature of the integration services offered to customers and their volume relative to the volume of perpetual licenses and SaaS contracts to which they relate, implementation support typically goes beyond pure setup activities and qualifies as a separate performance obligation.

Perpetual licenses

Revenue from the sale of perpetual licenses represents the fees earned from the sale of licenses of software to customers for on-premise use owned or fully controlled by them for an indefinite period. Revenue from the sale of a perpetual license is recognized when the software is made available to the client and no significant obligation remains towards the client in connection with the sale of the license.

Maintenance

Revenue from maintenance services include periodic fees associated with the sale of unspecified software updates and technical support. Maintenance contracts are generally entered into in conjunction with the initial purchase of a software license. Maintenance can be renewed by the clients at the end of each term. Revenues from maintenance services are recognized over time on a straight-line basis as they represent "stand-ready obligations" throughout the term of the contract without significant peaks in activity.

SaaS (i.e., "Software as a Service")

Revenue from SaaS offerings represents a right to access Planisware's software solutions in a cloud-based infrastructure that it hosts. The customer does not have the right to terminate the hosting contract and to take possession of the software to either run it on its own IT infrastructure or to engage an unrelated third-party provider to host and manage the software. Revenues from SaaS contracts are recognized ratably over the duration of the contract.

Some SaaS contracts include clauses relating to the availability of the service provided. However, to date, the Group has not identified any variable consideration that would have a material impact on Group's total revenue.

Support and professional services

The Group's support and professional services from which it derives significant revenues can be grouped into three distinct performance obligations:

- Implementation services represent the fees earned on a non-recurring basis related to the initial deployment of Planisware's software in a customer's business environment,
- "Evolutive" support represent the fees (recurring in nature) earned from services that allow clients to continuously adapt the software to their changing needs, including configuration and consulting services in addition to the maintenance and support services for standard functionality already included in the SaaS offering or maintenance contract related to perpetual licenses,
- Subscription support corresponds to the fees earned from premium support provided beyond the regular support embedded in the underlying cloud subscription services.

Revenue from implementation service and evolutive support is mainly derived from time-based contracts and is recognized on the basis of time spent or other billable units of work.

A limited number of service contracts may be provided on a fixed-price basis, in which case revenue is recognized on the basis of a percentage of completion method.

Revenue from subscription support is generally recognized ratably over the duration of the contract. Under these contracts, Planisware's performance obligation is to stand ready to provide technical support and unspecified updates, upgrades, enhancements, and configuration based on availability and customer demand without significant peaks in activity. Customers simultaneously receive and consume the benefits of performance as it occurs.

vii. Principal/Agent distinction

Planisware acts as 'principal' as the Group is responsible to the customer for the performance and acceptance of the service. Revenues are recognized on a gross basis and external purchases are recognized in full as operating expenses.

Disaggregation of revenue

By revenue stream

In € thousand	2022	2021	2020
SaaS	48,718	33,232	22,651
"Subscription" support	5,707	2,927	1,743
"Evolutive" support	35,567	27,476	21,425
Maintenance	18,484	17,794	17,249
Perpetual licences	5,551	6,889	10,600
Implementation services and other non-recurrent services	16,537	18,362	17,465
Revenue with customers	**130,564**	**106,681**	**91,133**
Other revenue	1,519	1,001	803
Total revenue	**132,083**	**107,682**	**91,936**

The Group's recurring revenue is a performance measure not defined in IFRS, and defined as the aggregation of SaaS, Maintenance, Evolutive and Subscription support services.

For the year ended December 31, 2022, the amount of recurring revenue was 108,476 thousand euros, against 81,430 thousand euros for the year ended December 31, 2021, and 63,068 thousand euros for the year ended December 31, 2020, representing respectively 83.1%, 76.3% and 69.2% of revenue with customers over the three years presented.

Except for sales of perpetual licenses, the Group's performance obligations are mainly transferred over time.

Other revenue mainly comprises royalties invoiced by the Company to associate Innovation Framework Technologies Planisware KK

By region

Revenues by region in the following tables are based on customers' billing addresses.

The regions shown in the table below are as follows: Europe, North America and "APAC and Rest of World".

In € thousand	2022	2021	2020
Europe	66,561	55,563	47,073
North America	57,129	46,818	37,250
APAC and rest of the world	6,874	4,300	6,810
Revenue with customers	**130,564**	**106,681**	**91,133**

For the year ended December 31, 2022, 51% of sales have been generated in Europe, 44% in North America and 5% in APAC and the rest of the world. For the years ended December 31, 2022, 2021 and 2020, the Group respectively generated 20%, 22% and 24% of revenue in France. North America mainly includes the United States.

Note 6. Operating expenses

Accounting principles

Cost of sales

Cost of sales consists primarily of staff costs directly associated with professional services and operations, including salaries, benefits, bonuses, and allocated overhead, as well as the costs of outsourcing. Costs of sales also consist of expenses related to hosting services and providing support to customers. These expenses are comprised of depreciation related to owned computer hardware and leased datacenter facilities where the SaaS solutions are hosted, and network connectivity costs for the provisioning of hosting services under SaaS arrangements.

Research and development

Research and development expenses consist primarily of non-capitalized staff expenses directly associated with research and development teams, including salaries, benefits, bonuses, and allocated overhead. Research and development expenses also include costs associated with external services contracted for research and development purposes, amortization of capitalized development costs, and the benefits from the French research tax credit (CIR, or Crédit d'Impôt Recherche).

Sales and marketing

Sales and marketing expenses consist primarily of personnel and related costs for sales and marketing teams, including salaries and benefits, and allocated overhead, as well as contract acquisition costs including commissions earned by sales personnel, training and trade show and promotional marketing costs. Sales and marketing expenses include expected credit loss allowance on trade receivables and contract assets.

General and administrative

General and administrative expenses consist primarily of personnel and related costs associated with administrative functions of the business including finance, human resources, and internal information system support, and allocated overhead as well as legal, accounting and other professional fees, and foreign exchange gains and losses on royalties invoiced by the Company in foreign currencies to Group entities.

6.1 Cost of sales

In € thousand	2022	2021	2020
Employee costs	25,413	22,062	19,047
Outsourcing and hosting fees	13,326	8,752	5,793
Depreciation and amortization	2,807	1,936	1,628
Other expenses	748	206	1,037
Total cost of sales	**42,295**	**32,955**	**27,505**

The Group's gross margin is equal to total revenue less cost of sales. As a percentage of total revenue, gross margin decreased by 1.4 points from 69.4% in the year ended December 31, 2021, to 68.0% in the year ended December 31, 2022, as a result of investments made to support and expand business operations and support a growing customer base. These investments include increased headcount and related compensation costs, partner and third-party provider costs, hosting costs and depreciation expenses.

6.2 Research and development expenses

In € thousand	2022	2021	2020
Employee costs	16,044	13,582	10,660
Research Tax Credit	(823)	(988)	(917)
Depreciation and amortization	2,404	1,791	1,319
Other expenses	715	593	775
Total research and development expenses	**18,341**	**14,978**	**11,837**

Research and development costs represent 13.9% of total revenue in 2022 and 2021, and 12.9% in 2020. This ratio is relatively steady over the three financial years presented. A portion of employee costs is capitalized in accordance with *IAS 38 Intangible assets*, as described in note 13.

6.3 Sales and marketing expenses

In € thousand	2022	2021	2020
Employee costs	15,053	12,784	10,821
Sales commissions	2,485	1,807	1,412
Marketing costs	2,379	1,503	460
Depreciation and amortization	747	507	374
Other expenses	1,177	1,400	1,091
Total sales and marketing expenses	**21,841**	**18,002**	**14,158**

Sales and marketing costs represent around 17% of total revenue in 2022 and 2021, and 15.4% in 2020. The increase in sales commission and marketing costs is directly linked to demonstrating a constant effort in expanding relationships with existing customers and attracting new customers. Sales commissions include expenses relating to non-capitalized commissions and amortization expense of capitalized sales commissions for the period.

6.4 General and administrative expenses

In € thousand	2022	2021	2020
Employee costs	9,512	8,044	6,386
Fees and other external services	1,748	857	822
Depreciation and amortization	483	307	230
Other expenses	4,285	2,509	4,668
Total general and administrative expenses	**16,027**	**11,717**	**12,106**

General and administrative expenses represent 12.1% of total revenue for the year ended December 31, 2022. The increase in fees and other external services is directly related to the costs generated by the IPO project. Other expenses also include foreign exchange gains and/or losses on royalties invoiced by the Company in foreign currencies to Group entities.

Note 7. Employees

7.1 Employee headcount

The following table provides an overview of employee headcount (excluding employees of equity-accounted investees) broken down by region:

Number of employees	December 31, 2022	December 31, 2021	December 31, 2020
France	286	252	214
United States	159	126	104
Rest of the world	94	69	65
Total headcount as of December 31	**539**	**447**	**383**

7.2 Employee costs

The statement of profit or loss shows employee costs by function. They break down as follows:

In € thousand	2022	2021	2020
Salaries	48,308	40,997	34,163
Sales commissions	2,485	1,808	1,412
Social security contributions	10,632	9,826	8,234
Expense for post-employment and similar benefit obligations	1,157	877	740
Employee profit-sharing	4,600	3,981	2,934
Other employee's related expenses	1,324	790	842
Total employee costs and sales commissions	**68,506**	**58,279**	**48,325**

Employee costs and sales commissions represented 52% of total revenue for the year ended December 31, 2022. This ratio was 54% and 53% for the years ended December 31, 2021 and 2020, respectively.

Note 8. Employee benefits

Accounting principles

The Group contributes to pension, medical and termination benefit plans in accordance with the laws and practices of each country. These benefits can vary depending on a range of factors, including seniority, salary, and payments to compulsory general plans.

These plans may be either defined contribution plans or defined benefit plans.

Defined benefit pension plans

Post-employment defined benefit plans relate to employees in France. These obligations are not covered by plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method which stipulates that each period of service gives rise to the recognition of a unit of benefit entitlement, and values each of these units separately to obtain the defined benefit obligation.

The future payments for employee benefits are measured on the basis of future salary increases, retirement age, mortality and length of employment with the Group, and are discounted at a rate determined by reference to yields on long-term high quality corporate bonds of a duration corresponding to the estimated duration of the benefit plan concerned.

The net expense for the year, corresponding to the sum of the current service costs, past service costs and net interest expense or income, is charged in full to profit or loss. Current service costs are broken down by function in the statement of profit or loss within *Employee costs* as disclosed in note 6, whereas interest expense or income is accounted for under *Other finance income and costs*.

The actuarial assumptions used to calculate defined benefit obligations involve uncertainties which may affect the value of financial assets and obligations towards employees. Actuarial gains and losses arising from the effects of changes in demographic assumptions, financial assumptions and the difference between the discount rate are recognized in other comprehensive income in the period in which they arise within *Items that will not be reclassified to profit or loss.*

Defined contribution pension plans

Obligations for contributions to defined contributions plans are expensed as the related service is provided. These expenses are broken down by function in the statement of profit or loss within *Employee costs* as disclosed in note 6.

Defined contribution plans mainly relate to subsidiaries in the USA and Germany.

8.1 Actuarial assumptions

The actuarial assumptions used are as follows:

Asumptions	2022	2021	2020
Discount rate	3.83%	1.30%	0.71%
Salary increase rate	2.00%	2.00%	2.00%
Mortality table for men	TH 13-15	TH 13-15	TH 15-17
Mortality table for women	TF 13-15	TF 13-15	TF 15-17
Turnover rate	Between 0% and 7%	Between 0% and 7%	Between 0% and 7%

8.2 Changes in employee benefits liability

Employee benefits obligation calculated amounts to 1,852 thousand euros for French employees as of December 31, 2022. The gross impact on statement of profit or loss for the year ended December 31, 2022, is an expense of 259 thousand euros, mainly due to the current service cost of 229 thousand euros.

In € thousand	2022	2021	2020
Evolution of employee benefits liability			
As of January 1	**(2,301)**	**(2,253)**	**(1,979)**
Current service cost	(229)	(222)	(196)
Past service cost (plan amendment)	-	-	-
Interest (costs) income	(30)	(16)	(20)
Benefits paid	3	3	3
Actuarial gains or losses	704	187	(61)
As of December 31	**(1,852)**	**(2,301)**	**(2,253)**
Charge included in statement of profit or loss			
Current service cost	(229)	(222)	(196)
Interest (cost) income	(30)	(16)	(20)
Charge for the period	**(259)**	**(238)**	**(216)**
Included in other comprehensive income			
Actuarial (loss) gain arising from experience adjustments	(108)	(40)	46
Actuarial (loss) gain arising from change in financial asumptions	812	227	(107)
Total actuarial (loss) gain for the period	**704**	**187**	**(61)**
Actuarial (loss) gain reserve at the end of the period	**830**	**126**	**(61)**
Other			
Benefits paid	3	3	3
Total other	**3**	**3**	**3**
Total changes in employee benefits liability	**448**	**(48)**	**(274)**

8.3 Sensitivity analysis of the discount rate

In € thousand	2022	2021	2020
Impact on the amount of the obligation			
Decrease of 0.25%	63	93	98
Increase of 0.25%	(60)	(88)	(93)

8.4 Undiscounted future cash-flows

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Estimation of future services			
<1 an	10	3	3
2 to 5 years	386	305	165
6 to 10 years	656	715	657
> 10 years	10,347	8,599	7,622
Total theoretical undiscounted future services	**11,399**	**9,622**	**8,447**

Note 9. Financial income (loss)

In € thousand	2022	2021	2020
Interest on loans and borrowings	(6)	(14)	(21)
Interest on lease liabilities	(229)	(123)	(99)
Income from cash and cash equivalents	59	17	46
Cost of debt, net	**(176)**	**(120)**	**(74)**
Foreign exchange gains on financial items	3,304	3,135	6
Other finance income	252	61	162
Other finance income	**3,555**	**3,196**	**168**
Foreign exchange losses on financial items	(338)	(77)	(2,266)
Other finance costs	(247)	(256)	(188)
Other finance costs	**(585)**	**(334)**	**(2,454)**
Financial income (loss)	**2,795**	**2,742**	**(2,361)**

Foreign exchange gains and losses mainly result from the revaluation at year-end rates of cash and cash equivalents denominated in foreign currencies.

Note 10. Income tax

Accounting principles

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit or loss except to the extent that it related to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income tax

Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognized on all temporary differences between the tax base and the carrying amount of assets and liabilities.

Deferred tax assets are only recognized if it is probable that they will be recovered as a result of taxable profit expected in future periods within a reasonable time frame. They are reviewed at the end of each reporting period. Tax assets and liabilities are measured based on the tax rates enacted or substantively enacted applicable to the reporting period during which the asset will be realized or the liability settled.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognizing deferred tax.

Deferred tax is presented in the statement of financial position separately from current tax assets and liabilities and classified as non-current.

Uncertainty over Income Tax Treatments

An “uncertain tax treatment” is a tax treatment for which there is uncertainty as to whether the tax authorities concerned will accept the tax treatment under tax legislation.

If the Group concludes that it is likely that the tax authorities will accept an uncertain tax position, all tax-related items (taxable income, tax bases, tax rates, tax loss carryforwards, tax credits, taxes) will be determined in accordance with that position.

If the Group concludes that acceptance by the tax authorities is unlikely, this uncertainty will be included in the calculation of tax items, giving rise to the recognition of a tax liability.

For the years ended December 31, 2022, 2021 and 2020, the Group is not aware of any uncertain tax treatment that would have a material impact on the financial statements.

Within the Group, there is no tax consolidation group.

10.1 Analysis of income tax expense

In € thousand	**2022**	**2021**	**2020**
Current tax	(6,289)	(6,636)	(4,377)
- Of which income tax	*(5,796)*	*(6,221)*	*(3,669)*
- Of which added-value tax (CVAE)	*(493)*	*(416)*	*(708)*
Deferred tax	515	495	32
Income tax expense recognized in the statement of profit or loss	**(5,774)**	**(6,141)**	**(4,345)**

10.2 Amounts recognized in other comprehensive income

In € thousand	**2022**	**2021**	**2020**
Deferred taxes on remeasurement of defined benefit plan liability (actuarial differences)	(176)	(47)	15
Income tax expense recognized in other comprehensive income	**(176)**	**(47)**	**15**

10.3 Movement in deferred tax balances

In € thousand	**2022**	**2021**	**2020**
Deferred tax assets - Opening	1,354	866	823
Deferred tax liabilities - Opening	(31)	(15)	-
As of January 1	**1,323**	**851**	**823**
Recognized in the profit or loss statement	515	495	32
Recognized in other comprehensive income	(176)	(47)	15
Effect of movements in exchange rates	23	24	(18)
Change over the period	**362**	**473**	**29**
Deferred tax assets - Closing	1,685	1,354	866
Deferred tax liabilities - Closing	-	(31)	(15)
As of December 31	**1,685**	**1,323**	**851**

10.4 Components of recognized deferred tax assets and liabilities

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Leases (IFRS 16)	67	55	27
Employee benefits (IAS 19)	463	575	563
Revaluation of the expected credit loss on trade receivables (IFRS 9)	268	361	338
Non-deductible provisions	930	705	471
Deductible research and development expenses	173	-	-
Other temporary differences	720	468	301
Set-off of tax	(936)	(810)	(833)
Deferred tax assets after set-off	**1,685**	**1,354**	**866**
Development costs	(704)	(727)	(750)
Other temporary differences	(233)	(114)	(98)
Set-off of tax	936	810	833
Deferred tax liabilities after set-off	**(0)**	**(31)**	**(15)**

Non-deductible provisions for the period mainly relate to employee profit-sharing and the associated social security contribution in France, for which a deferred tax asset of 896 thousand euros, 675 thousand euros, and 442 thousand was recognized as of the years ended December 31, 2022, 2021 and 2020, respectively.

The Group has not recognized any deferred tax assets relating to tax losses. The amount of unrecognized tax loss carryforwards is not material.

10.5 Reconciliation between the theoretical income tax expense and the recognized income tax expense

In € thousand	2022		2021		2020	
Profit for the period		**31,555**		**27,123**		**20,123**
Income tax expense	*15.5%*	**(5,774)**	*18.5%*	**(6,141)**	*17.8%*	**(4,345)**
Of which current tax		(6,289)		(6,636)		(4,377)
Of which deferred tax		515		495		32
Profit for the period before tax		**37,329**		**33,264**		**24,468**
Theoretical income tax at French standard rate	***25.8%***	**(9,640)**	***27.4%***	**(9,106)**	***28.9%***	**(7,077)**
Taxation of foreign companies at different rates	*0.3%*	(115)	*0.1%*	(23)	*-0.3%*	64
Effect of future tax rate reduction	*0.0%*	-	*0.1%*	(27)	*0.0%*	(7)
Tax effects:						
- Share of profit of equity-accounted investees, net of tax	*-0.7%*	246	*-0.4%*	135	*-0.6%*	144
- Permanent differences	*0.2%*	(73)	*0.3%*	(84)	*0.5%*	(123)
- Tax benefits and tax credits	*-11.3%*	4,236	*-9.8%*	3,265	*-13.1%*	3,196
- Added value tax (CVAE), net of tax	*1.0%*	(366)	*0.9%*	(301)	*2.1%*	(503)
- Losses for which no deferred taxes have been recognized	*0.2%*	(62)	*0.0%*	-	*0.2%*	(39)
Effective income tax	***15.5%***	**(5,774)**	***18.5%***	**(6,141)**	***17.8%***	**(4,345)**

The reconciliation between theoretical income tax and effective income tax is based on the tax rate payable in France by the Group's parent company. For the year ended December 31, 2022, this comprises the corporate tax rate of 25.0% plus the social contribution on profits of 3.3%.

The "CVAE" ("Cotisation sur la Valeur Ajoutée des Entreprises"), a component of the "Contribution Économique Territoriale" ("CET") in France, is classified as income tax by the Group.

In addition, tax benefits and tax credits mainly relate to the "IP Box" scheme from which the Company has benefited since 2019, and the Research Tax Credit.

« IP BOX » scheme

The IP Box allows Planisware to benefit from a corporate tax rate of 10% on its income from intellectual property. In this case, the Group's eligible income is income relating to evolutive maintenance generating new versions of Planisware Entreprise software. A net "IP BOX" result is then obtained by subtracting the research and development expenditure that contributed directly to the eligible assets. Under this scheme, the Group was able to benefit from a tax reduction of 3,891 thousand euros for the year ended December 31, 2022, 2,938 thousand euros for the year ended December 31, 2021, and 2,931 thousand euros for the year ended December 31, 2020.

Research Tax Credit

The research tax credit ("CIR") is a tax measure enabling the Group to finance its research and development and innovation activities through a tax credit granted by the French government. Only expenditure relating to Planisware Enterprise is covered by this tax credit for the financial years presented. The amount of this tax credit for the years ended December 31, 2022, 2021 and 2020 is 823 thousand euros, 988 thousand euros and 917 thousand euros respectively.

Under IFRS, the research tax credit is treated as a grant, in accordance with *IAS 20 Government grants*. The research tax credit is linked to operating expenses and is therefore recorded as a reduction in the expenses to which it relates and recognized in the period during which the expenses are charged to the statement of profit or loss under *Research and development* expenses. The expenses covered by the research tax credit are mainly employee costs.

Note 11. Earnings per share

Accounting principles

Earnings per share as stated in the consolidated of statement of profit or loss are calculated on the basis of the Group's share in the profit for the period as follows:

- basic earnings per share are based on the weighted average number of shares outstanding during the financial year, calculated according to the dates when the funds arising from cash share issues were received and, in respect of shares issued for contributions in kind via equity, the date on which the corresponding new Group companies were consolidated for the first time;
- diluted earnings per share are calculated by adjusting the Group's share of profit for the period and the weighted average number of shares outstanding for the dilutive effect of share subscription option plans in force at the financial year-end and free share plans. The treasury stock method is applied on the basis of the average share price for the year.

Planisware does not own any treasury shares and has not issued any dilutive equity instruments. The composition of the share capital is described in note 22.

	2022	2021	2020
Numerator (In € thousand)			
Profit for the period - Owners of the Company (a)	31,555	27,123	20,123
Denominator			
Average number of ordinary shares on the period (b)	**343,670**	**340,920**	**340,670**
Effect of share plan	-	-	-
Weighted-average number of ordinary shares on the period (c)	343,670	340,920	340,670
Basic earnings per share (In €) (a/b)	**91.8**	**79.6**	**59.1**
Diluted earnings per share (In €) (a/c)	**91.8**	**79.6**	**59.1**

Notes on the statement of financial position items

Note 12. Goodwill

Accounting principles

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that allows a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlements of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If share-based payments awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Goodwill arising on the acquisition of subsidiaries is measured at cost less any accumulated impairment losses.

12.1 Changes in Goodwill

No acquisition was performed in 2022, 2021 and 2020. The goodwill recognized arose on the acquisition of NQI in 2018, which was directly absorbed by the Company.

Year 2022

In € thousand	December 31, 2021	Acquisition	Impairment loss	December 31, 2022
Gross value	5,096	-	-	5,096
Net value	**5,096**	**-**	**-**	**5,096**

Year 2021

In € thousand	December 31, 2020	Acquisition	Impairment loss	December 31, 2021
Gross value	5,096	-	-	5,096
Net value	**5,096**	**-**	**-**	**5,096**

Year 2020

In € thousand	January 1, 2020	Acquisition	Impairment loss	December 31, 2020
Gross value	5,096	-	-	5,096
Net value	**5,096**	**-**	**-**	**5,096**

12.2 Impairment test

Accounting principles

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Goodwill and intangible assets are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset of CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rate basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The Group performed impairment tests as of the years ended December 31, 2022, 2021 and 2020, based on the cash flows generated by its activities, discounted at the weighted average cost of capital of 9.3%, 8.3% and 8.3% respectively. The cash flows generated by the Group's activities are calculated on the basis of a six-year business plan, taking into account the characteristics of the market in which the Group operates, the growth dynamic and the maturity of its activities. The cash flows over the six-years business plan are consistent with the growth rate of sales and Adjusted EBITDA margin over the historical financial years. From year seven onwards, cash flows are calculated by applying a perpetual growth rate of 2.0% to the last modelled flow.

Given the countries in which Planisware operates, cash inflows are generated on an independent basis and, as such, countries are the smallest cash-generating unit and therefore independent CGUs. For the purpose of impairment testing, goodwill has been allocated to a group of CGUs representing the Group as a whole. This is because the Group's products target all markets in which the Group operates, and all the Group's assets target all the Group's customers, regardless of their location. The Group's customers are often international groups that purchase Planisware products for all their subsidiaries. The product development teams, based exclusively in France, are constantly involved in improving the global offering, and the Group's complementary products provide a complete package for the *Project Economy* market. The Group does not monitor performance other than revenue at a more detailed level than the Group as a whole, i.e., goodwill monitoring.

As of the years ended December 31, 2022, 2021 and 2020, the Group concluded that the recoverable amount of the group of CGUs exceeded its carrying amount. Management believes that no reasonably possible change in the above-mentioned key assumptions would result in the recoverable amount of the group of CGUs being significantly lower than its carrying amount.

To validate these conclusions, the Group performed sensitivity tests on the main assumptions used to calculate the recoverable amount of its single group of CGUs, namely the discount rate and the perpetual growth rate. Thus, a combined increase of 1% in the discount rate and a decrease of 0.5% in the perpetual growth rate would not have led to the impairment of the Group's goodwill.

Note 13. Intangible assets

Accounting principles

Development costs

In application of *IAS 38 Intangible assets*:

- All research expenses are recognized as charges in the year they are incurred;
- Development costs relating to our products are capitalized if the following six conditions are met:
    - It must be technically feasible to complete development of the intangible asset so that it will be available for use or sale,
    - The Group must have the intention to complete the development of the intangible asset and use or sell it,
    - The Group must be able to use or sell the intangible asset,

- The Group must be able to demonstrate that the intangible asset will generate probable future economic benefits,
- The Group must provide adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset,
- The Group must be able to measure reliably the expenditure attributable to the intangible asset during its development.

Other development costs that do not meet the above criteria are recognized directly as expenses for the year.

The Group's development activity falls into two categories:

- Development activities which aim at creating new products (e.g., application, modules) or adding new functionalities to existing products, for which the capitalization criteria defined above are assessed by the development teams at the time the projects are launched,
- Development activities which aim at maintaining existing products (adaptation to new operating systems, corrective maintenance, etc.), which do not meet the conditions required by the standard and are therefore not capitalized.

Subsequent to initial recognition, capitalized development costs are measured at costs less accumulated amortization and any accumulated impairment losses. They are amortized on a straight-line basis over their estimated useful life of three years – period that the Group has judged to be reasonable in view of the rapid technological evolution and regular releases of new versions and updates of the products.

Other intangible assets

Other intangible assets mainly comprise licenses and software acquired by the Group, valued at acquisition cost and amortized on a straight-line basis over one year.

13.1 Gross value of intangible assets

Changes in gross value of intangible assets are presented below:

In € thousand		Development costs	Licenses and softwares	Other intangible assets	Total
Gross value as of January 1, 2020		**3,113**	**5,329**	**22**	**8,465**
Acquisitions					
	Internally generated	1,017	-	-	**1,017**
	Purchases	-	103	-	**103**
Gross value as of December 31, 2020		**4,131**	**5,432**	**22**	**9,585**
Acquisitions					
	Internally generated	1,097	-	-	**1,097**
	Purchases	-	125	-	**125**
Gross value as of December 31, 2021		**5,228**	**5,557**	**22**	**10,807**
Acquisitions					
	Internally generated	1,416	-	-	**1,416**
	Purchases	-	361	-	**361**
Gross value as of December 31, 2022		**6,644**	**5,917**	**22**	**12,584**

13.2 Amortization of intangible assets

Changes in amortization of intangible assets are presented below:

In € thousand	Development costs	Licenses and softwares	Other intangible assets	Total
Accumulated amortization and impairment losses as of January 1, 2020	**(358)**	**(5,120)**	**(7)**	**(5,485)**
Amortization	(775)	(217)	-	**(992)**
Impairment loss	-	-	-	**-**
Accumulated amortization and impairment losses as of December 31, 2020	**(1,133)**	**(5,337)**	**(7)**	**(6,477)**
Amortization	(1,186)	(136)	-	**(1,322)**
Impairment loss	-	-	-	**-**
Accumulated amortization and impairment losses as of December 31, 2021	**(2,319)**	**(5,473)**	**(7)**	**(7,799)**
Amortization	(1,508)	(260)	-	**(1,768)**
Impairment loss	-	-	-	**-**
Accumulated amortization and impairment losses as of December 31, 2022	**(3,827)**	**(5,733)**	**(7)**	**(9,567)**

13.3 Carrying amount of intangible assets

In € thousand	Development costs	Licenses and softwares	Other intangible assets	Total
Carrying amount as of December 31, 2020	**2,997**	**95**	**15**	**3,108**
Carrying amount as of December 31, 2021	**2,909**	**84**	**15**	**3,008**
Carrying amount as of December 31, 2022	**2,817**	**184**	**15**	**3,017**

Note 14. Property, plant and equipment

Accounting principles

Items of property, plant and equipment are measured at acquisition cost less accumulated depreciation and any impairment loss.

Depreciation of an asset begins as soon as it is ready to be put into service. Where an item of property, plant and equipment has significant components with different useful lives, these are recognized separately.

Maintenance and repair costs are expensed as incurred.

The straight-line depreciation periods are as follows:

- Fixtures and fittings: 3 to 9 years,
- Computer and office equipment (including computer racks): 3 to 4 years,
- Office furniture: 5 to 8 years.

Additional depreciation is recognized in the event of a loss of value. In the event of a change in the estimated useful life, annual depreciation is adjusted accordingly.

14.1 Gross value of property, plant and equipment

Changes in gross value of property, plant and equipment are presented below:

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Gross value as of January 1, 2020	**794**	**3,302**	**27**	**4,123**
Additions	288	1,431	-	**1,720**
Disposals	(13)	(182)	-	**(194)**
Transfer	-	27	(27)	**-**
Effect of movements in exchange rates	-	(49)	-	**(49)**
Gross value as of December 31, 2020	**1,070**	**4,529**	**-**	**5,599**
Additions	83	1,932	1	**2,016**
Disposals	(6)	(44)	-	**(49)**
Transfer	-	-	-	**-**
Effect of movements in exchange rates	-	40	-	**40**
Gross value as of December 31, 2021	**1,147**	**6,458**	**1**	**7,606**
Additions	813	2,178	5	**2,996**
Disposals	-	(100)	-	**(100)**
Transfer	6	-	(6)	**-**
Effect of movements in exchange rates	(2)	29	-	**27**
Gross value as of December 31, 2022	**1,965**	**8,565**	**(0)**	**10,530**

14.2 Depreciation of property, plant and equipment

Changes in depreciation of property, plant and equipment are presented below:

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Accumulated depreciation as of January 1, 2020	**(510)**	**(2,035)**	**-**	**(2,545)**
Depreciation	(77)	(1,028)	-	**(1,105)**
Disposals	-	174	-	**174**
Impairment loss	-	-	-	**-**
Effect of movements in exchange rates	-	30	-	**30**
Accumulated depreciation as of December 31, 2020	**(587)**	**(2,860)**	**-**	**(3,447)**
Depreciation	(85)	(1,177)	-	**(1,262)**
Disposals	-	43	-	**43**
Impairment loss	-	-	-	**-**
Effect of movements in exchange rates	-	(24)	-	**(24)**
Accumulated depreciation as of December 31, 2021	**(672)**	**(4,017)**	**-**	**(4,689)**
Depreciation	(136)	(1,796)	-	**(1,932)**
Disposals	-	98	-	**98**
Impairment loss	-	-	-	**-**
Effect of movements in exchange rates	1	(19)	-	**(18)**
Accumulated depreciation as of December 31, 2022	**(807)**	**(5,733)**	**-**	**(6,540)**

14.3 Carrying amount of property, plant and equipment

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Carrying amount as of December 31, 2020	**483**	**1,669**	**-**	**2,153**
Carrying amount as of December 31, 2021	**476**	**2,440**	**1**	**2,917**
Carrying amount as of December 31, 2022	**1,158**	**2,832**	**(0)**	**3,989**

Note 15. Leases

Accounting principles

In application of *IFRS 16 Leases*, all leases that meet the criteria of the standard are recognized as assets by accounting for a right-of-use and as liabilities by accounting for a lease liability corresponding to the present value of future lease payments.

Measurement of right-of-use assets

The right-of-use is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made on or before the effective date, plus the initial direct costs incurred in entering into the contract and an estimate of any costs of dismantling or restoring the leased asset in accordance with the terms of the contract, less any lease incentives received, if any.

Subsequently, it is depreciated in accordance with *IAS 16* using the straight-line method from the commencement date to the end of the lease term, corresponding to the non-cancellable contractual period of use of the asset after considering renewal options that the Group is reasonably certain of exercising and early termination options that the Group is reasonably certain of not exercising. In addition, the right-of-use asset may be periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Measurement of lease liabilities

The lease liability is initially measured at the present value of future lease payments. The discount rate used corresponds to the implicit interest rate in the contract or, if this cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of the asset leased.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

Lease payments included within the scope of IFRS 16 are recognized in *Net cash flows from financing activities* in the consolidated statement of cash flows, broken down between repayment of the principal of the lease liability (included in *Repayment of lease liabilities*) and payment of interest (included in *Interests paid on lease liabilities*)

Exemptions

The Group has elected not to recognized right-of-use assets and lease liabilities for short-term leases of a period of 12 months or less, and leases of low value assets with an individual value of less than US$5,000. The associated lease payments are expensed directly to profit or loss.

In addition, for leases relating to the rental of space in data centers, the Group has applied the practical expedient of not separating the service component “electricity” from the rental charge, as the component cannot always be determined explicitly.

Types of leases

The Group has identified two main categories of assets covered by leases:

- Office leases,
- Datacenter leases.

The application of IFRS16 gives rise to the recognition of deferred tax, calculated on the basis of the value of the right-of-use, net of the corresponding lease liability.

Lease terms

Judgment was required to determine the lease term, considering the termination or renewal options available under certain leases. In particular, for property leases, the assessment was made on the basis of the asset location (France or abroad) and its strategic or non-strategic nature. In France, the Group's two main office leases are so-called "3 6 9" commercial leases; in general, a lease term of 9 years is elected, taking into account the Company's analysis in terms of penalties and economic incentives, such as related investments, moving expenses, or contractual penalties provided for in the contracts. In particular, non-removable fixtures and fittings are not material and have a useful life similar to the residual term of the leases.

The terms of the main leases are as follows, determined in accordance with the principles described above:

- Offices: between 1 and 9 years,
- Data centers (duration depending on the country and the strategic nature of the location): between 3 and 5 years.

At each reporting date, the Group reassesses the duration of the contract in the event of a significant event or change in circumstances that would affect its ability to exercise or not exercise the renewal or termination option.

Changes in the carrying amounts of right-of-use assets are presented below.

15.1 Gross value of right-of-use assets

In € thousand	Offices	Datacenters	Total
Gross value as of January 1, 2020	**6,324**	**619**	**6,943**
Additions to right-of-use assets	167	68	**234**
Derecognition of right-of-use assets	-	-	**-**
Effect of movements in exchange rates	(101)	-	**(101)**
Gross value as of December 31, 2020	**6,390**	**686**	**7,076**
Additions to right-of-use assets	1,653	116	**1,769**
Derecognition of right-of-use assets	(20)	-	**(20)**
Effect of movements in exchange rates	154	-	**154**
Gross value as of December 31, 2021	**8,177**	**803**	**8,979**
Additions to right-of-use assets	9,691	848	**10,539**
Rent indexation	64	-	**64**
Derecognition of right-of-use assets	(631)	-	**(631)**
Effect of movements in exchange rates	138	-	**138**
Gross value as of December 31, 2022	**17,439**	**1,650**	**19,089**

15.2 Depreciation of right-of-use assets

In € thousand	Offices	Datacenters	Total
Depreciation as of January 1, 2020	**-**	**-**	**-**
Depreciation	(1,322)	(132)	**(1,454)**
Contract modification	7		
Effect of movements in exchange rates	21	-	**21**
Depreciation as of December 31, 2020	**(1,294)**	**(132)**	**(1,426)**
Depreciation	(1,803)	(155)	**(1,958)**
Derecognition of right-of-use assets	20	-	**20**
Effect of movements in exchange rates	(57)	-	**(57)**
Depreciation as of December 31, 2021	**(3,133)**	**(287)**	**(3,420)**
Depreciation	(2,418)	(324)	**(2,742)**
Derecognition of right-of-use assets	631	-	**631**
Effect of movements in exchange rates	(46)	-	**(46)**
Depreciation as of December 31, 2022	**(4,966)**	**(611)**	**(5,577)**

15.3 Carrying amount of right-of-use assets

In € thousand	Offices	Datacenters	Total
Carrying amount as of December 31, 2020	**5,096**	**554**	**5,650**
Carrying amount as of December 31, 2021	**5,043**	**516**	**5,559**
Carrying amount as of December 31, 2022	**12,473**	**1,039**	**13,512**

15.4 Changes in lease liabilities

In € thousand	Offices	Datacenters	Total
Lease liabilities as of January 1, 2020	**6,324**	**619**	**6,943**
Additions to lease liabilities	167	68	**234**
Interest expense on lease liabilities	93	6	**99**
Interest paid on lease liabilities	(93)	(6)	**(99)**
Repayment of lease liabilities	(1,248)	(99)	**(1,347)**
Effect of movements in exchange rates	(75)	-	**(75)**
Lease liabilities as of December 31, 2020	**5,168**	**587**	**5,755**
Additions to lease liabilities	1,653	116	**1,769**
Interest expense on lease liabilities	118	5	**123**
Interest paid on lease liabilities	(118)	(5)	**(123)**
Repayment of lease liabilities	(1,695)	(153)	**(1,848)**
Effect of movements in exchange rates	104	-	**104**
Lease liabilities as of December 31, 2021	**5,229**	**551**	**5,780**
Additions to lease liabilities	9,755	848	**10,603**
Interest expense on lease liabilities	218	11	**229**
Interest paid on lease liabilities	(218)	(11)	**(229)**
Repayment of lease liabilities	(1,633)	(338)	**(1,971)**
Contract modification	(34)	-	**(34)**
Effect of movements in exchange rates	96	-	**96**
Lease liabilities as of December 31, 2022	**13,413**	**1,061**	**14,474**

For the main currencies used by the Group, the incremental borrowing rates at the transition date of January 1, 2020, are 1.5% for office leases denominated in euro and pounds sterling and 1.0% for datacenter leases. For contracts denominated in US dollar, the rate applied at the transition date is 3.0%.

In 2022, the Group recognized significant new leases and updated its incremental borrowing rates to take account of the economic environment. The rate used for the new lease on the Sophia offices in France, signed in the second half of the year, is 2.4%. The rate used for the new lease for offices in Philadelphia signed at the end of 2022 is 4.3%.

15.5 Maturity of lease liabilities

The following table shows the maturity of lease liabilities:

In € thousand	< 1 year	1 to 5 years	> 5 years	Total as of December 31, 2022
Lease liabilities maturity	(2,770)	(7,017)	(4,687)	**(14,474)**

15.6 Undiscounted contractual cash flows

The following table show the maturity of undiscounted contractual cash flows:

In € thousand	< 1 year	1 to 5 years	> 5 years	Total as of December 31, 2022
Undiscounted contractual cash flows	(2,950)	(7,578)	(4,813)	**(15,341)**

15.7 IFRS 16 impact on statement of profit or loss

In € thousand	2022	2021	2020
Rent expenses	2,200	1,971	1,446
Depreciation charge for the year	(2,742)	(1,958)	(1,454)
Interest on lease liabilities	(229)	(123)	(99)
(Loss) / gain on contract modification	34	-	0
IFRS 16 impact on profit or loss	**(737)**	**(110)**	**(107)**

Residual lease expenses mainly include lease payments for leases with a term of 12 months or less and for leases of low-value assets:

In € thousand	2022	2021	2020
Short-term leases	272	66	449
Leases of low-value assets	15	14	11
Services, taxes and insurances	93	59	76
Total leases expenses out-of-scope	**380**	**139**	**536**

For the year ended December 31, 2020, "Short-term leases" mainly included a lease relating to the San Francisco offices in the United States, amounting to 335 thousand euros and expiring on December 31, 2020, at the date of transition to IFRS.

Note 16. Equity-accounted investees

16.1 Equity-accounted investees

Equity-accounted investees include the Group's interests in the two associates Planisware MIS and Innovation Framework Technologies Planisware K.K. as follows:

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Planisware MIS, Sarl	943	645	594
Innovation Framework Technologies Planisware KK.	1013	880	882
Total equity-accounted investees	**1,957**	**1,525**	**1,476**
Change during the year	*432*	*50*	

16.2 Changes in equity-accounted investees

Changes in equity-accounted investees are presented below:

In € thousand	2022	2021	2020
Share of profit of equity-accounted investees, net of tax	954	492	498
- Planisware MIS, Sarl	*793*	*376*	*330*
- Innovation Framework Technologies Planisware KK.	*161*	*117*	*168*
Change in percentage of ownership interest	-	(5)	-
Change in capital	7	-	-
Currency translation differences	(35)	(17)	(20)
Dividend payments	(494)	(421)	(250)
Change during the year	**432**	**50**	**228**

16.3 Financial information reconciliation

The following table summarizes the financial information of the two associates as of December 31, 2022, 2021 and 2020 as included in their own financial statements, and reconciles the summarized financial information to the carrying amount of the Group's interest in both of associates:

Planisware MIS

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Percentage ownership interest	50%	50%	50%
Revenue (100%)	5,249	3,807	3,251
Total comprehensive income (100%)	1,586	752	661
Cash and cash equivalent (100%)	1,971	653	625
Net assets (100%)	**1,887**	**1,289**	**1,188**
Group's share of net assets	943	645	594
Carrying amount of equity-accounted investees	**943**	**645**	**594**
Share of profit of equity-accounted investees, net of tax	793	376	330
Group's share of total comprehensive income	**793**	**376**	**330**

Innovation Framework Technologies Planisware KK

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Percentage ownership interest	47%	47%	50%
Revenue (100%)	4,942	4,647	4,114
Total comprehensive income (100%)	343	248	336
Cash and cash equivalent (100%)	1,313	1,774	1,632
Net assets (100%)	**1,367**	**1,010**	**918**
Group's share of net assets	643	475	459
Goodwill	442	442	442
Translation reserve	(72)	(36)	(20)
Carrying amount of equity-accounted investees	**1,013**	**880**	**882**
Share of profit of equity-accounted investees, net of tax	161	117	168
Effect of change in percentage of interest	-	(5)	-
Subsidiaries - foreign currency translation differences	(35)	(17)	(20)
Group's share of total comprehensive income	**126**	**95**	**148**

In addition, none of the associates had any significant financial debt as of December 31, 2022.

Note 17. Other financial assets

Accounting principles

Other financial assets comprise equity securities and guarantee deposits paid mainly in connection with leases contracts. Equity securities are carried at fair value through profit or loss.

In € thousand	Equity securities	Deposits and securities paid	Total
Gross value as of January 1, 2020	**-**	**438**	**438**
Additions	3	104	107
Financial assets repaid	-	(118)	(118)
Reclassification	-	(0)	(0)
Effect of movements in exchange rates	-	(7)	(7)
Gross value as of December 31, 2020	**3**	**416**	**419**
Additions	-	77	77
Financial assets repaid	-	(53)	(53)
Reclassification	-	(47)	(47)
Effect of movements in exchange rates	-	6	6
Gross value as of December 31, 2021	**3**	**397**	**400**
Additions	-	189	189
Financial assets repaid	-	(33)	(33)
Effect of movements in exchange rates	-	4	4
Gross value as of December 31, 2022	**3**	**558**	**561**

Other financial assets consist mainly of guarantees given for leased premises. These non-interest-bearing deposits are maintained at their nominal value, given that the effect of discounting is not material.

Note 18. Trade receivables and contract assets

Accounting principles

Trade receivables are initially recognized at their nominal value invoiced which generally equates to the fair value of the consideration to be received pursuant to IFRS 15. The impact of discounting would be negligible given the Group's average short-term credit period.

An expected credit loss allowance is recognized when the probable recovery of the receivable is less than its carrying amount. Depending on the nature of the receivables, the risk associated is assessed individually or using statistical methods based on their age and estimated expected credit losses over their lifetime. The amount of loss allowance increases as long outstanding balances increase.

Customer contract assets are described in note 5. The change for the period results, on the one hand, from the appearance of rights to invoice transforming the assets into trade receivables and, on the other hand, from the recognition of revenue not yet invoiced.

18.1 Trade receivables and contract assets

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Trade receivables	45,021	36,080	28,381
Loss allowance for trade receivables	(2,173)	(2,361)	(2,218)
Net trade receivables	**42,848**	**33,719**	**26,163**
Contract assets	2,536	1,263	897
Total trade receivables and contract assets	**45,384**	**34,982**	**27,060**

All contract assets recognized as of the years ended December 31, 2021 and 2020, have been reclassified as receivables in the years 2022 and 2021, respectively, as the right to consideration becomes unconditional.

18.2 Maturity of trade receivables

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Current (not past due)	32,667	23,753	19,651
1 to 30 days past due	5,770	5,387	4,408
30 to 90 days past due	2,227	2,691	1,536
90 to 120 days past due	312	384	206
120 to 365 days past due	2,001	2,072	1,218
More than 1 year past due	2,044	1,793	1,362
Total trade receivables	**45,021**	**36,080**	**28,381**

18.3 Expected credit loss

Year 2022

Trade receivables and contract assets as of December 31, 2022 (In € thousand)	Current (not past due)	1 to 30 days past due	30 to 90 days past due	90 to 120 days past due	120 à 365 jours	More than 1 year past due	Total
Weighted-average loss rate	1.1%	4.3%	8.6%	13.7%	15.0%	49.6%	4.6%
Total trade receivables and contract assets	35,202	5,770	2,227	312	2,001	2,044	47,557
Expected credit loss allowance	**375**	**251**	**191**	**43**	**299**	**1,014**	**2,173**

Year 2021

Trade receivables and contract assets as of December 31, 2021 (In € thousand)	Current (not past due)	1 to 30 days past due	30 to 90 days past due	90 to 120 days past due	120 à 365 jours	More than 1 year past due	Total
Weighted-average loss rate	1.6%	4.7%	9.4%	16.0%	16.2%	59.5%	6.3%
Total trade receivables and contract assets	25,016	5,387	2,691	384	2,072	1,793	37,343
Expected credit loss allowance	**392**	**252**	**253**	**61**	**336**	**1,066**	**2,361**

Year 2020

Trade receivables and contract assets as of December 31, 2020 (In € thousand)	Current (not past due)	1 to 30 days past due	30 to 90 days past due	90 to 120 days past due	120 à 365 jours	More than 1 year past due	Total
Weighted-average loss rate	1.8%	6.7%	15.1%	29.3%	20.7%	74.2%	7.6%
Total trade receivables and contract assets	20,548	4,408	1,536	206	1,218	1,362	29,278
Expected credit loss allowance	**370**	**293**	**231**	**60**	**252**	**1,011**	**2,218**

18.4 Changes in loss allowance for trade receivables

Changes in loss allowance are presented below:

Year 2022

In € thousand	December 31, 2021	Net remeasurement	Amounts written off	December 31, 2022
Loss allowance for trade receivables	(2,361)	(24)	212	(2,173)
Total	**(2,361)**			**(2,173)**

Year 2021

In € thousand	December 31, 2020	Net remeasurement	Amounts written off	December 31, 2021
Loss allowance for trade receivables	(2,218)	(178)	35	(2,361)
Total	**(2,218)**	**(178)**	**35**	**(2,361)**

Year 2020

In € thousand	December 31, 2019	Net remeasurement	Amounts written off	December 31, 2020
Loss allowance for trade receivables	(2,088)	(145)	15	(2,218)
Total	**(2,088)**	**(145)**	**15**	**(2,218)**

Note 19. Contract liabilities

Accounting principles

When the amounts received or receivable from a customer exceed the revenue for a contract, a contract liability is recognized. Contract liabilities mainly reflect invoices due, or payments received prior to the recognition of revenue. Contract liabilities are settled when the corresponding performance obligations are satisfied.

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Contract liabilities	(31,212)	(20,150)	(16,541)
Total contract liabilities	**(31,212)**	**(20,150)**	**(16,541)**

Contract liabilities mainly relate to subscription contracts.

The corresponding balance to these amounts not yet paid at year-end is included – inclusive of all taxes – within "*Trade receivables and contract assets*" as described in note 18.

Contract liabilities are settled within one year for all contracts. In this instance, contract liabilities as of the years ended December 31, 2021 and 2020 have been entirely recognized in 2022 and 2021, respectively.

Note 20. Other non-current assets and other receivables and current assets

Accounting principles

Other receivables and current assets

Other receivables are recorded at their nominal value minus any loss of value recorded in a special impairment account. As receivables are due in under a year, they are not discounted.

Cost of obtaining a contract: sales commissions

The Group has several types of plans relating to variable remuneration paid to internal sales employees. As these costs are incremental costs of obtaining and renewing contracts, and in accordance with *IFRS 15 Revenue from Contracts with Customers*, they are capitalized if two conditions are met: they would not have been incurred if the contract had not been obtained and they are recoverable.

Capitalized commissions are generally amortized over a period of three years; certain commissions relating to significant contracts may be amortized over a period of four or five years.

Other non-current and current assets are detailed as follows:

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Sales commissions - non-current	1,036	592	384
Total other non-current assets	**1,036**	**592**	**384**
Tax and social security receivables	5,604	5,010	4,053
Current tax	1,414	1,140	1,250
Other receivables	1,183	1,376	1,213
Prepayments	4,981	3,298	1,529
Sales commissions - current	850	511	299
Total other receivables and current assets	**14,031**	**11,336**	**8,345**

Tax and social security receivables mainly comprise recoverable VAT. Other receivables mainly include the Research Tax Credit ("CIR") receivable for an amount of 823 thousand euros, 988 thousand euros and 917 thousand euros as of the years ended December 31, 2022, 2021 and 2020 respectively.

Changes in sales commissions are explained as follows:

In € thousand	2022	2021	2020
Capitalized commissions as of January 1	**1,103**	**684**	**352**
Capitalization of commissions for the period	1,440	741	647
Amortization expense for the period	(716)	(395)	(252)
Effect of movements in exchange rates	60	73	(63)
Capitalized commissions as of December 31	**1,886**	**1,103**	**684**

Note 21. Cash and cash equivalents

Accounting principles

Cash and cash equivalents

In accordance with IAS 7 "Cash Flow Statements", the line-item *Cash and cash equivalents* in the consolidated statement of financial position comprise cash, bank demand deposits, and other highly liquid investments with initial maturities not exceeding three months.

Bank overdrafts, which are treated as financing, are excluded from cash and cash equivalents, and are included the current portion of *Loans and borrowings*.

Cash equivalents are recognized at fair value; changes in fair value are recognized in the statement of profit or loss in *Other finance income and costs.*

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Cash at banks	91,198	72,085	75,595
Time deposits	10,030	14,419	1,000
Money market and other funds	19,290	21,026	9,858
Cash and cash equivalents	**120,518**	**107,531**	**86,452**

Cash and cash equivalents (excluding bank overdrafts) of 120,518 thousand euros as of December 31, 2022, are held 85,886 thousand euros by the Company in France, 27,873 thousand euros by Planisware USA, Inc. in the United States and 6 759 thousand euros by the other foreign subsidiaries.

"Time deposits" and "Money market and other funds" include investments in mutual funds (e.g. SICAV) and short-term deposits which are readily convertible into a known amount of cash and with no significant risk of loss of value.

The Group does not hold any restricted cash balances as of December 31, 2022.

Note 22. Equity

As of December 31, 2022, the share capital of Planisware S.A.S. consisted of 343,670 ordinary shares fully paid up with a par value of 1 euro each.

On December 27, 2021, share capital has been increased by 3,000 shares issued as part of a capital increase reserved for certain employees, with a share premium of 2,734,500 euros.

The tables below give details of changes in the number of shares, share capital and additional paid-in capital during the 2022, 2021 and 2020 financial years:

	2022		2021		2020	
	Number of shares	Share capital (in euro)	Number of shares	Share capital (in euro)	Number of shares	Share capital (in euro)
Share capital as of January 1	343,670	343,670	340,670	340,670	340,670	340,670
Capital increase by issuing of new shares	-	-	3,000	3,000	-	-
Share capital as of December 31	**343,670**	**343,670**	**343,670**	**343,670**	**340,670**	**340,670**

As of December 31, 2022, 7.21% of shares were held by employees.

Note 23. Loans and borrowings

Accounting principles

Financial debt essentially comprises bank borrowings and bank overdrafts.

Bank borrowings are initially recognized at fair value net of transaction costs and subsequently recognized at amortized cost; any difference between the principal amount borrowed (net of transaction costs) and the amount repayable is recognized in the statement of profit or loss over the term of the borrowings using the effective interest rate method.

The portion of financial debt due within 12 months from the reporting date is classified in current liabilities.

23.1 Loans and borrowings

As of the years ended December 31, 2022, 2021 and 2020, the maturities of loans and borrowings are presented as follows:

In € thousand	December 31, 2022	Less than one year	1 to 5 years	More than 5 years
Bank borrowings	(304)	(304)	-	-
Lease liabilities	(14,474)	(2,770)	(7,017)	(4,687)
Bank overdrafts	(83)	(83)	-	-
Accrued interests	(0)	(0)	-	-
Total loans and borrowings	**(14,862)**	**(3,158)**	**(7,017)**	**(4,687)**

In € thousand	December 31, 2021	Less than one year	1 to 5 years	More than 5 years
Bank borrowings	(1,517)	(1,213)	(304)	-
Lease liabilities	(5,781)	(2,018)	(3,763)	-
Bank overdrafts	(92)	(92)	-	-
Accrued interests	(1)	(1)	-	-
Total loans and borrowings	**(7,391)**	**(3,323)**	**(4,068)**	**-**

In € thousand	December 31, 2020	Less than one year	1 to 5 years	More than 5 years
Bank borrowings	(2,743)	(1,226)	(1,517)	-
Lease liabilities	(5,755)	(1,465)	(4,290)	-
Bank overdrafts	(32)	(32)	-	-
Accrued interests	(1)	(1)	-	-
Total loans and borrowings	**(8,531)**	**(2,724)**	**(5,807)**	**-**

The Group’s only bank borrowing is at a fixed rate.

23.2 Reconciliation with the cash flow statement

Changes in *Bank borrowings* are presented as follows:

In € thousand	2022	2021	2020
Bank borrowings as of January 1	**(1,517)**	**(2,743)**	**(3,977)**
Repayment of borrowings	1,213	1,226	1,234
Interests expenses	(6)	(14)	(21)
Interests paid on borrowings	6	14	21
Bank borrowings as of December 31	**(304)**	**(1,517)**	**(2,743)**

Changes in lease liabilities are presented in note 15.

Note 24. Financial instruments classification and fair values

As of December 31, 2022

As of December 31, 2022 In € thousand	Classification according to IFRS 9				
	Amortized cost	**Fair value to P&L**	**Faire value to OCI**	**Book value**	**Fair value**
Equity securities		■		3	3
Deposits and securities	■			558	558
Trade receivables and contract assets	■			45,384	45,384
Other receivables and current assets	■			14,031	14,031
Cash and cash equivalents		■		120,518	120,518
Total financial assets				**180,494**	**180,494**
Bank borrowings	■			304	304
Trade payables	■			4,193	4,193
Other payables	■			31,249	31,249
Total financial liabilities				**35,746**	**35,746**

As of December 31, 2021

As of December 31, 2021 In € thousand	Classification according to IFRS 9				
	Amortized cost	**Fair value to P&L**	**Faire value to OCI**	**Book value**	**Fair value**
Equity securities		■		3	3
Deposits and securities	■			397	397
Trade receivables and contract assets	■			34,982	34,982
Other receivables and current assets	■			11,336	11,336
Cash and cash equivalents		■		107,531	107,531
Total financial assets				**154,249**	**154,249**
Bank borrowings	■			1,517	1,517
Trade payables	■			4,296	4,296
Other payables	■			32,037	32,037
Total financial liabilities				**37,850**	**37,850**

As of December 31, 2020

As of December 31, 2020 In € thousand	Classification according to IFRS 9				
	Amortized cost	**Fair value to P&L**	**Faire value to OCI**	**Book value**	**Fair value**
Equity securities		■		3	3
Deposits and securities	■			416	416
Trade receivables and contract assets	■			27,060	27,060
Other receivables and current assets	■			8,345	8,345
Cash and cash equivalents		■		86,452	86,452
Total financial assets				**122,276**	**122,276**
Bank borrowings	■			2,743	2,743
Trade payables	■			2,042	2,042
Other payables	■			23,596	23,596
Total financial liabilities				**28,380**	**28,380**

The fair value of current receivables, trade payables and other current assets and liabilities is identical to their carrying amount, given their short-term nature. The fair value of guarantees included in other financial assets, as well as bank borrowings, is considered to be close to their carrying amount, as the effect of discounting is considered to be immaterial.

Note 25. Management of financial risks

25.1 Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is therefore exposed to foreign exchange risk arising from fluctuations in exchange rates in various foreign currencies, principally the US dollar and pounds sterling.

The Group's exposure to the risk of changes in exchange rates relates mainly to the Group's operating activities (when income or expenses are denominated in a currency other than the euro).

The Group does not use hedging instruments to hedge its foreign exchange risk.

Translation impact

In the statement of profit or loss, as the accounts are consolidated in euros, the operations of a subsidiary whose transactions are denominated in a foreign currency are mechanically affected by exchange rate fluctuations on translation.

In the statement of financial position, the impact is mainly related to the receivables invoiced by the parent company to its subsidiaries and customers and denominated in foreign currencies. The risk relates to the variation between exchange rates on the date of invoicing and those on the date of collection. This impact is included in current operating profit under *General and administrative expenses*.

25.2 Interest rate risk

The Group's only loan is at a fixed rate and is almost entirely repaid as of December 31, 2022. As a result, the Group considers its interest rate risk to be low and has not set up any interest rate hedging instruments.

In addition, the Group adopts a prudent policy of short-term investment of its cash surpluses, which are invested in marketable securities or in interest-bearing term accounts.

25.3 Liquidity risks

Given the Group's current financial position and projected cash flows, the risk that the Group will face short-term cash flow difficulties is considered low.

The Group's main contractual commitments relate to leases. The Group's residual contractual commitments are disclosed in note 15.

25.4 Credit risk

The Group's credit risk arises mainly from trade receivables. As the risk exposure is spread over many well-diversified counterparties and customers, the Group has a low credit risk on its operations. Further information on credit risk management applied to trade receivables is provided in note 18. The carrying amounts of trade receivables disclosed in this note represent the Group's maximum exposure to credit risk.

Furthermore, the Group may be exposed to the default of one of the bank counterparties that manages its cash. The Group uses leading financial institutions for its cash investments. It therefore considers that it does not bear any significant counterparty risk on its cash or financial instruments.

25.5 Dependence on customers

There is no significant risk of dependence on any customer(s). Over the three financial years presented, no individual customer represented more than 5% of consolidated sales; the top 10 customers together represented less than 25% of sales and the top 20 customers less than 35%.

Note 26. Provisions and contingent liabilities

Accounting principles

A provision is recorded when:

- the Company has a current obligation (legal or implicit) resulting from a past event;
- it is likely that an outflow of resources representing economic benefits will be required to settle the obligation;
- the amount of the obligation can be measured reliably.

If these conditions are not met, no provision is recorded.

The amount recognized as a provision is the best estimate of the costs required to settle the obligation at the reporting date. A provision is discounted when the effect is material, and the settlement date exceeds one year.

26.1 Break-down of provisions

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Provision for litigation	40	20	20
Provision for guarantees given to customers	36	21	310
Provisions	**76**	**41**	**330**

26.2 Changes in provisions

In € thousand	2022	2021	2020
Provisions as of January 1	**41**	**330**	**50**
Provisions made during the year	56	21	310
Provisions used during the year	(21)	(310)	(30)
Provisions reversed during the year	-	-	-
Provisions as of December 31	**76**	**41**	**330**

26.3 Contingent liabilities

At the reporting date, the Group was not aware of any contingent liabilities. To the best of the Group's knowledge, there are no proceedings in progress that could have a material adverse effect on the Group's financial position other than those for which a provision has been made.

26.4 Impact of environmental risks on the consolidated financial statements

The Group considers that, at this stage, climate change has no significant impact on its financial statements, particularly given the nature of its activities.

Note 27. Trade payables and other current payables

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Trade payables	3,186	3,612	1,572
Accrued expenses	1,007	684	470
Trade payables	**4,193**	**4,296**	**2,042**
Tax payables	6,118	5,819	4,779
Social payables	23,124	23,167	18,273
Current tax	1,093	2,626	192
Other liabilities	914	424	350
Other payables	**31,249**	**32,037**	**23,596**

Trade payables amounted to 4,193 thousand euros as of December 31, 2022, compared with 4,296 thousand euros as of December 31, 2021 and 2,042 thousand euros as of December 31, 2020.

Tax liabilities mainly comprise VAT collected in the accounts of the parent company and its subsidiaries.

Social payables as of December 31, 2022, mainly comprise employees profit-sharing compensation for 4,589 thousand euros and accruals for employees and management bonuses. As of December 31, 2021 and December 31, 2020, the amount of social payables related to employees profit-sharing compensation was 3,982 thousand euros and 2,947 thousand euros, respectively.

Note 28. Changes in working capital

Changes in working capital for the three years presented comprise the following items:

In € thousand	2022	2021	2020
Changes in trade receivables and contract assets	(9,258)	(6,443)	(3,262)
Changes in capitalized sales commissions	(724)	(346)	(395)
Changes in trade payables	(165)	2,200	760
Changes in prepayments	(1,636)	(1,683)	610
Changes in contract liabilities	10,298	2,447	5,345
Changes in other assets and liabilities (1)	(75)	4,457	5,476
Changes in working capital	**(1,560)**	**632**	**8,534**

(1) The change in other assets and liabilities mainly relates to employee-related liabilities.

Other information

Note 29. Off-balance sheet commitments

All of the Group's commitments are reflected in the consolidated financial statements for the years ended December 31, 2022, 2021 and 2020. The Group has not identified any significant off-balance sheet commitments that could be generated by its current operating activities other than customer commitments.

Note 30. Related parties

30.1. Transactions with associates

Associates are companies over which Planisware exercises significant influence and which are consolidated using the equity method.

All transactions with related parties were carried out under normal market conditions over the three financial years.

Transactions with associates correspond to transactions with:

- Planisware MIS, which is the Group's main subcontractor for Subscription Support services:

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Trade receivables and contract assets	39	37	8
Trade payables	(886)	(398)	(445)
Other revenue	41	24	8
Cost of sales	(4,335)	(2,367)	(1,542)

- Innovation Framework Technologies Planisware K.K. is a reseller of Planisware products and services:

In € thousand	December 31, 2022	December 31, 2021	December 31, 2020
Trade receivables and contract assets	997	753	494
Other revenue	1,243	976	795

30.2. Transactions with subsidiaries

Transactions and balances between the Company and its subsidiaries are fully eliminated on consolidation.

30.3. Relations with OLHADA

The parent entity of the Group Planisware is Planisware SAS, which is owned by OLHADA (ex-Planisware Management). As Chairman of the Company, OLHADA (ex-Planisware Management) receives a compensation from Planisware SAS. Amounts billed to the Company were 4 699 thousand euros, 5 659 thousand euros and 4 274 thousand euros for the years ended December 31, 2022, December 31, 2021 and December 31, 2020, respectively.

30.4. Key management compensation

Expenses recorded in respect of short-term employee benefits – such as salaries and similar benefits – granted to executive management – composed of the three co-founders of the Company – amounted to 386 thousand euros, 364 thousand euros and 348 thousand euros, for the years ended December 31, 2022, December 31, 2021 and December 31, 2020, respectively.

Note 31. Auditors' fees

	Total			KPMG			Mazars			AC-FI Audit Conseil		
In € thousand	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
Audit and limited review of the individual and consolidated financial statements	**520**	**130**	**128**	**222**	**-**	**-**	**298**	**97**	**96**	**-**	**33**	**32**
> Planisware S.A.S.	394	69	67	222	-	-	172	36	35	-	33	32
> Subsidiaries	126	61	61	-	-	-	126	61	61	-	-	-
Non audit services	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
> Planisware S.A.S.	-	-	-		-	-		-	-		-	-
> Subsidiaries	-	-	-		-	-		-	-		-	-

First-time adoption of IFRS

This note explains the main adjustments made by the Group as a result of adopting IFRS to restate its consolidated financial statements previously prepared under French GAAP as of December 31, 2021 and December 31, 2020, including the statement of financial position as of January 1, 2020.

Mandatory exceptions and optional exemptions applied

IFRS 1 establishes two categories of exceptions to the principle that an entity's opening IFRS statement of financial position must comply with each IFRS standard:

- Exceptions to retrospective application of certain requirements of other standards,
- Exemptions from certain requirements of other standards.

In addition, the estimates made by the Group in accordance with the standards at the date of transition to IFRS are consistent with the estimates made at the same date under French GAAP, after adjustments to reflect any differences in accounting policies.

The Group has applied the following mandatory exception:

Estimates

The estimates used by the Group to determine the IFRS restatements at the transition date reflect the conditions existing as of January 1, 2020.

The other mandatory exemptions are not applicable to the Group.

The Group has applied the following optional exemptions:

Amortization of goodwill prior to transition date

The Group has elected not to apply *IFRS 3 Business Combinations* retrospectively to business combinations that occurred before the transition date. This exemption implies that the net value of goodwill as of January 1, 2020 under French accounting principles has been included in the Group's IFRS financial statements without restatement, as no differences in accounting policies were identified.

Effects of changes in foreign exchange rates

At the date of transition to IFRS, the Group reset the translation reserve included in equity under French GAAP to zero, by transferring all cumulative exchange differences arising on the translation of the financial statements of foreign entities to consolidated reserves at the date of transition.

Leases

The Group has reviewed all existing leases as of January 1, 2020 to determine whether a contract contains a lease based on the terms in force at that date, and applies the following approach to all its leases as of January 1, 2020:

- Lease liabilities have been measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the transition date, determined on the basis of the remaining lease terms at that date,
- Right-of-use assets have been valued at an amount equal to the lease liability, adjusted for the amount of rent recognized in advance or payable as of January 1, 2020,
- Lease payments associated with contracts with a residual term of less than 12 months at the date of transition to IFRS and contracts for which the underlying assets are of low value (less than $5,000) have been expensed on a straight-line basis over the term of the contracts.

The Group also used the following optional exemptions at the date of transition:

- A single discount rate has been applied to portfolios of leases with similar characteristics (i.e., similarity of the leases in their residual term, in the nature of the underlying assets and in the economic environment),
- Initial direct costs have been excluded from the valuation of right-of-use assets,
- Hindsight has been used to determine the term of leases that contain extension or termination options.

Notes to the reconciliation of shareholders' equity as of January 1, 2020, and December 31, 2021, the statement of financial position as of January 1, 2020 and December 31, 2021 and the statement of profit or loss for the years ended December 31, 2020 and 2021

Reconciliation of equity as of January 1, 2020 (IFRS transition date):

Transition as of January 1, 2020	**French GAAP**	*D, E*	*I*	*C*	*B*	*F*	*G, J, K, M*	**IFRS**
In € thousand		**Foreign exchange**	**Development costs**	**ECL allowance**	**Scope entry of Planisware MIS**	**Employee benefits**	**Other reconciliation items**	
Share capital	(341)	-	-	-	-		-	(341)
Share premium	(6,881)	-	-	-	-		-	(6,881)
Consolidated reserves	(67,875)	(941)	(2,066)	977	(213)	13	11	(70,094)
Translation reserve	(416)	416	-	-	-		-	-
Profit for the period	-	-	-	-	-		-	-
Equity attributable to owners of the Company	**(75,513)**	**(525)**	**(2,066)**	**977**	**(213)**	**13**	**11**	**(77,316)**

Reconciliation of equity as of December 31, 2021 (last period presented under French GAAP):

Reconciliation as of December 31, 2021	**French GAAP**	*D, E*	*I*	*C*	*B*	*F*	*G, J, K, M*	**IFRS**
In € thousand		**Foreign exchange**	**Development costs**	**ECL allowance**	**Equity-accounted investees**	**Employee benefits**	**Other reconciliation items**	
Share capital	(344)	-	-		-			(344)
Share premium	(9,615)							(9,615)
Consolidated reserves	(68,648)	(622)	(2,259)	1,013	(259)	(189)	(271)	(71,235)
Translation reserve	(376)	638						262
Profit for the period	(26,626)	(187)	68	71	187	(397)	(240)	(27,123)
Equity attributable to owners of the Company	**(105,609)**	**(171)**	**(2,191)**	**1,084**	**(72)**	**(586)**	**(510)**	**(108,055)**

Reconciliation of the statement of financial position as of January 1, 2020 for the Group (IFRS transition date):

In € thousand	Notes	French GAAP	IFRS transition impacts	IFRS
Goodwill		5,096	-	5,096
Intangible assets	*B, I*	668	2,312	2,980
Property, plant and equipment	*B*	1,550	28	1,578
Right-of-use assets	*G*	-	6,943	6,943
Equity-accounted investees	*B*	-	1,248	1,248
Equity securities	*B*	300	(300)	-
Other financial assets	*A, B*	290	148	438
Other non-current assets	*J*	-	206	206
Deferred tax assets	*M*	-	823	823
Total non-current assets		**7,903**	**11,408**	**19,310**
Trade receivables and contract assets	*A, B, C, H*	20,440	4,901	25,341
Other receivables and current assets	*A, B, E, J, L*	7,572	480	8,052
Cash and cash equivalents	*B*	68,844	(325)	68,519
Total current assets		**96,856**	**5,056**	**101,912**
Total assets		**104,759**	**16,464**	**121,222**
Share capital		341	-	341
Share premium		6,881	-	6,881
Consolidated reserves		67,875	2,219	70,094
Translation reserve	*D*	416	(416)	-
Profit for the period		-	-	-
Equity attribuable to owners of the Company		**75,513**	**1,803**	**77,316**
Employee benefits	*F*	-	1,979	1,979
Loans and borrowings	*A, G*	3,978	4,399	8,377
Deferred tax liabilities	*M*	-	-	-
Total non-current liabilities		**3,978**	**6,378**	**10,356**
Provisions	*E*	2,044	(1,994)	50
Loans and borrowings	*A, G*	-	2,598	2,598
Trade payables	*A, B*	6,057	(4,662)	1,395
Other payables	*A, B, E, G*	17,167	(110)	17,057
Contract liabilities	*A, H*	-	12,451	12,451
Total current liabilities		**25,268**	**8,282**	**33,550**
Total liabilities		**104,759**	**16,464**	**121,222**

Reconciliation of the statement of financial position as of December 31, 2021 for the Group (closing date of the last period presented under French GAAP)

In € thousand	Notes	French GAAP	IFRS transition impacts	IFRS
Goodwill		5,096	-	5,096
Intangible assets	*B, I*	594	2,414	3,008
Property, plant and equipment	*B*	2,858	59	2,917
Right-of-use assets	*G*	-	5,559	5,559
Equity-accounted investees	*B*	-	1,525	1,525
Other financial assets	*A, B*	352	48	400
Other non-current assets	*J*	-	592	592
Deferred tax assets	*M*	-	1,354	1,354
Total non-current assets		**8,899**	**11,553**	**20,452**
Trade receivables and contract assets	*A, B, C, H*	26,953	8,029	34,982
Other receivables and current assets	*A, B, E, J, L*	7,870	3,466	11,336
Cash and cash equivalents	*B*	108,690	(1,159)	107,531
Total current assets		**143,513**	**10,336**	**153,849**
Total assets		**152,412**	**21,889**	**174,301**
Share capital		344	(0)	344
Share premium		9,615	-	9,615
Consolidated reserves		68,648	2,587	71,235
Translation reserve	*D*	376	(638)	(262)
Profit for the period		26,626	497	27,123
Equity attribuable to owners of the Company		**105,609**	**2,446**	**108,055**
Employee benefits	*F*	-	2,301	2,301
Loans and borrowings	*A, G*	1,518	2,550	4,068
Deferred tax liabilities	*M*	-	31	31
Total non-current liabilities		**1,518**	**4,882**	**6,400**
Provisions	*E*	4,036	(3,995)	41
Loans and borrowings	*A, G*	-	3,323	3,323
Trade payables	*A, B*	15,273	(10,977)	4,296
Other payables	*A, B, E, G*	25,976	6,061	32,037
Contract liabilities	*A, H*	-	20,150	20,150
Total current liabilities		**45,285**	**14,561**	**59,846**
Total liabilities		**152,412**	**21,889**	**174,301**

Reconciliation of the Group's consolidated statement of profit or loss for the year ended December 31, 2020 (first comparative year)

In € thousand	Notes	French GAAP	IFRS transition impacts	IFRS
Revenue	*B*	95,540	(4,407)	91,133
Other revenue	*A, B*	317	486	803
Total revenue		**95,857**	**(3,921)**	**91,936**
Operating expenses	*A, B, C, E, F, G, I, J, K, L*	(69,892)	4,286	(65,606)
Current operating profit		**25,965**	**365**	**26,330**
Share of profit of equity-accounted investees, net of tax	*B*	-	498	498
Current operating profit including share of profit of equity-accounted investees		**25,965**	**864**	**26,829**
Other operating income		-	-	-
Other operating expenses	*B*	(30)	30	-
Operating profit		**25,935**	**894**	**26,829**
Financial income (loss)	*B, E, F, G*	**(2,397)**	**36**	**(2,361)**
Income tax expense	*B, K, L, M*	(2,847)	(1,498)	(4,345)
Profit for the period		**20,691**	**(567)**	**20,123**

Reconciliation of the Group's consolidated statement of profit or loss for the year ended December 31, 2021

In € thousand	Notes	French GAAP	IFRS transition impacts	IFRS
Revenue	*B*	110,262	(3,581)	106,681
Other revenue	*A, B*	341	660	1,001
Total revenue		**110,603**	**(2,921)**	**107,682**
Operating expenses	*A, B, C, E, F, G, I, J, K, L*	(81,551)	3,899	(77,652)
Current operating profit		**29,052**	**978**	**30,030**
Share of profit of equity-accounted investees, net of tax	*B*	-	492	492
Current operating profit including share of profit of equity-accounted investees		**29,052**	**1,470**	**30,522**
Other operating income		-	-	-
Other operating expenses	*B*	(30)	30	-
Operating profit		**29,022**	**1,500**	**30,522**
Financial income (loss)	*B, E, F, G*	**2,613**	**129**	**2,742**
Income tax expense	*B, K, L, M*	(5,008)	(1,133)	(6,141)
Profit for the period		**26,627**	**497**	**27,123**

A. Presentation reclassifications

The main reclassifications, which do not affect profit for the period or retained earnings at the transition date in the statement of profit or loss as of the years ended December 31, 2021 and 2020, relate to:

- Other revenue under French GAAP amounting to 341 thousand euros for the year ended December 31, 2021, and 317 thousand euros for the year ended December 31, 2020: these amounts included transferred expenses, reversals of provisions and other miscellaneous operating income. Under IFRS, the mechanism of transferred expenses does not exist. As a result, these transactions have been reclassified and recognized as a decrease/increase in the relevant expense accounts. Reversals of provisions have been reclassified in the relevant expense accounts.
- Exceptional items under French GAAP do not exist under IFRS. The exceptional items of 27 thousand euros for the years ended December 31, 2021 and 2020 have therefore been classified under operating profit.
- Exchange gains and losses relating to operating receivables and payables have been reclassified under operating profit within general and administrative expenses, in an amount of 417 thousand euros for the year ended December 31, 2020, and 573 thousand euros for the year ended December 31, 2021.

In addition, the Group has decided to present an statement of profit or loss by function; operating expenses have been reclassified according to their nature or through an allocation key based on the Group's headcount within the following categories:

- Cost of sales
- Research and development
- Sales and marketing
- General and administrative

The main reclassifications in the statement of financial position as of January 1, 2020, December 31, 2020 and December 31, 2021 mainly concern reclassifications between non-current and current assets and liabilities:

- Borrowings are classified as non-current liabilities for the portion repayable in more than one year and as current liabilities for the portion repayable in less than one year.
- Liability related to post-employment benefits is classified as non-current.
- Deferred tax has been reclassified as a non-current asset or liability under a specific heading, as required by IAS 12.
- Certain security deposits previously classified as other receivables have been reclassified as non-current financial assets in an amount of 163 thousand euros as of January 1, 2020, 98 thousand euros as of December 31, 2020 and 62 thousand euros as of December 31, 2021.
- Sales commissions that will be reversed after 12 months have been reclassified as other non-current assets. Details of this item are provided in note J.
- The Group has elected to present contract liabilities under a specific line in statement of financial statement given their significant amount.

The main reclassifications in the cash flow statement as of the years ended December 31, 2020 and 2021 concern the following items:

- Tax paid is presented separately.
- The Group presents repayments of lease liabilities (nominal and interest) under *Net cash flow from financing activities.*

B. Equity accounted investees

Under French accounting rules, companies previously proportionately consolidated are consolidated under IFRS using the equity method. The equity method consists of recording the consolidating company's share of the equity of the company whose shares are accounted for using the equity method on a separate line in the statement of financial position entitled "*Equity-accounted investees*".

Entities consolidated using the equity method are Planisware MIS and Innovation Framework Technologies Planisware K.K.

The equity method, compared with the proportional method, means that the company's assets and liabilities are no longer included line by line, but are grouped together under the line "*Equity accounted investees*". The impact of this change in consolidation method is to recognize "*Equity accounted investees*" as an asset for an amount of 1,248 thousand euros at the transition date, 1,476 thousand euros as of December 31, 2020 and 1,525 thousand euros as of December 31, 2021. Similarly, statement of profit or loss items are not included on a line-by-line basis, and the entity's share of profit or loss is shown on a separate line entitled *Share of profit of equity-accounted investees, net of tax.*

C. Trade receivables and related accounts – Expected credit loss

Under French accounting rules, depreciation of trade receivables is established based on confirmed losses, whereas under IFRS allowance for expected losses must be recognized. To determine expected credit losses on receivables and contract assets, the Group applies the simplified approach permitted by IFRS 9 which consists in using a provision matrix based on estimated default rates over the expected life of trade receivables according to their age, adjusted on a case-by-case basis for forward-looking estimates.

At the date of transition to IFRS, the Group recognized additional loss allowance of 1,351 thousand euros on its trade receivables. Additional allowance of 48 thousand euros and 93 thousand euros were recognized in the statement of profit or loss for the years ended December 31, 2020, and December 31, 2021, respectively. The impact on the loss allowance for trade receivables as of December 31, 2020 and December 31, 2021 is therefore 1,445 thousand euros and 1,073 thousand euros respectively.

D. Foreign currency translation reserve

The Group has cleared the translation reserve presented in shareholders' equity under French accounting rules, by transferring all translation adjustments relating to cumulative exchange differences (416 thousand euros) arising from the translation of the financial statements of foreign entities to other reserves at the transition date.

The impact of the translation of foreign subsidiaries in other comprehensive income for the years ended December 2020 and 2021, is an unrealized loss of 836 thousand euros and an unrealized gain of 573 thousand euros respectively.

E. Unrealized foreign exchange gains and losses

Under French accounting rules, unrealized exchange differences are recognized under specific line in the statement of financial position (i.e., 'translation adjustment asset' and 'translation adjustment liability') and unrealized losses are recognized in the statement of profit or loss in the form of a provision, whereas under IFRS, all exchange differences arising on the translation of foreign currency transactions are recognized directly in the statement of profit or loss.

In addition, the Group has chosen to present foreign exchange gains and losses relating to trade receivables and payables in operating profit.

The impact of this restatement is as follows:

- At the transition date, the Group recognized 525 thousand euros of foreign exchange gains in reserves following the reversal of the "Translation adjustment asset", "Translation adjustment liability" and "Provisions" items for (28) thousand euros, 525 thousand euros and 28 thousand euros respectively.
- As of December 31, 2020, the Group recognized a foreign exchange loss of (505) thousand euros in operating profit following the reversal of statement of financial position items "Translation adjustment asset", "Translation adjustment liability" and "Provisions" for (463) thousand euros, 20 thousand euros and 463 thousand euros respectively.
- As of December 31, 2021, the Group recognized a foreign exchange gain of 190 thousand euros in operating profit following the reversal of statement of financial position items "Translation adjustment asset", "Translation adjustment liability" and "Provisions" for (1,077) thousand euros, 210 thousand euros and 1,077 thousand euros respectively.

F. Employee benefits

Under IFRS, actuarial gains and losses are recognized immediately in other comprehensive income, as required by IAS 19 Employee Benefits.

Previously, under French accounting rules, the Group recognized actuarial gains and losses directly as employee costs in the statement of profit or loss. The total expense recognized under French GAAP is therefore divided into:

- Current service cost, which is included in employee costs and allocated by function in the statement of profit or loss,
- Interest charge, recognized in *Other finance costs,*
- Actuarial gains and loss, recognized within *Other comprehensive income.*

In addition, the Group decided to revise the amount of its obligation at the transition date, using the services of an actuarial firm. The impact of this revision on the total amount of the liability is 13 thousand euros as of January 1, 2020, (33) thousand euros as of December 31, 2020 and (618) thousand euros as of December 31, 2021.

Actuarial gains of (61) thousand euros and 187 thousand euros have been reclassified from *Employee costs* in the statement of profit or loss to *Other comprehensive income* for the years ended December 31, 2020 and 2021 respectively.

G. Leases

Under French accounting rules, a lease is classified as either a finance lease or an operating lease. Operating lease payments are recognized as an operating expense in the statement of profit or loss on a straight-line basis over the term of the lease. Finance leases are recognized as an asset under *Property, plant and equipment* with a corresponding liability in the statement of financial position, and depreciation and finance interest are recognized in the statement of profit or loss over the lease term.

Under IFRS, as described in note 15, the Group, as lessee, applies a single recognition and measurement approach to all leases, except for short-term leases (and leases with less than 12 months residual term at the transition date) and leases of low-value assets.

The impact of IFRS restatements in respect of leases is as follows:

- At the transition date, the Group recognized 6,943 thousand euros of lease liabilities included in financial liabilities, and 6,943 thousand euros of rights-of-use assets.
- As of December 31, 2020, the Group recognized an increase of 234 thousand euros in lease liabilities included in borrowings and 234 thousand euros in right-of-use assets. In the statement of profit or loss, the Group recognized depreciation of 1,454 thousand euros and financial interest of 99 thousand euros, against a cancellation of leases expenses of 1,446 thousand euros.
- As of December 31, 2021, the Group recognized an increase of 1,769 thousand euros in lease liabilities included in financial liabilities and an increase of 1,769 thousand euros in right-of-use assets. In the statement of profit or loss, the Group recognized depreciation of 1,958 thousand euros and financial interest of 123 thousand euros, against a cancellation of leases expenses of 1,971 million euros.

H. Contract liabilities

At the level of the subsidiary Planisware USA Inc, deferred income relating to invoices not paid at the reporting date was offset against the respective receivables. Under IFRS, a receivable is recognized when there is an unconditional right to payment (i.e. only the passage of time makes the payment due) and the portion of the receivable relating to services not yet rendered is recognized as a contract liability. In this case, the Group recognized a receivable and a contract liability in the statement of financial position, taking into account the following factors:

- The subsidiary has a contractual right to invoice and receive payment from the customer before the service commences (i.e., subscription contracts are always invoiced in advance, whether annually, quarterly or monthly),
- The subsidiary invoices a customer as soon as the related subscription contract can no longer be cancelled by the customer, the purchase order has been received and the right to payment then becomes legally enforceable,
- Advance billing complies with the entity’s normal billing conditions,
- The service always starts within a relatively short period of time from the invoice date,
- In the majority of cases, the service billed covers a maximum period of one year.

At the transition date, the Group had therefore recognized 6,017 thousand euros of contract liabilities and receivables. As of December 31, 2020 and December 31, 2021, the amounts of this reclassification were 8,240 thousand euros and 9,868 thousand euros respectively.

I. Capitalization of development costs

In the consolidated financial statements prepared under French GAAP, development costs were expensed. In application of IAS 38, the Group has determined that all the criteria were met for capitalizing development costs as intangible assets. Therefore, 2,755 thousand euros of development costs have been recognized as assets as of January 1, 2020 with a net impact of 2,066 thousand euros within equity. Amounts capitalized under IAS 38 are detailed in note 13.

J. Cost of obtaining a contract: sales commissions

The Group has several types of plans relating to variable remuneration paid to internal sales employees. As these costs are incremental costs of obtaining and renewing contracts, and in accordance with *IFRS 15 Revenue from Contracts with Customers*, sales commissions are capitalized when contracts with customers have an amortization period of twelve months or more, and renewal commissions are not commensurate to those applied to initial contracts.

Capitalized commissions are generally amortized over a period of three years; certain commissions relating to significant contracts may be amortized over a period of four or five years.

The transition to IFRS led the Group to review the amortization schedules for sales commissions. This revision led to a negative impact on equity of (20) thousand euros at the transition date.

As of December 31, 2020 and December 31, 2021, the impact on capitalized sales commissions is an increase of 153 thousand euros and 235 thousand euros respectively, with a positive net of tax impact of 143 thousand euros and 50 thousand euros in the statement of profit or loss respectively.

K. Taxes

Under IFRS, the Group has determined that the French CVAE meets the definition of income tax under IAS 12. As a result, the amount of CVAE has been reclassified from operating expenses to "*Income tax expense*" in the statement of profit or loss. The amount of the reclassification is 708 thousand euros and 416 thousand euros for the years ended December 31, 2020, and 2021 respectively.

L. Government grants

Under French accounting rules, the Group has recognized income relating to tax credits as a deduction from income tax expense. Under IFRS, tax credits such as the French Research Tax Credit do not meet the definition of income tax and are treated as grants. As such, the Group has reclassified the amount of the French Research Tax Credit as a deduction from the operating expenses to which it relates within '*Research and development*' in the statement of profit or loss. The expenses to which the research tax credit relates are mainly employee costs. This reclassification amounts to 917 thousand euros and 988 thousand euros for the years ended December 31, 2020, and 2021 respectively.

M. Deferred taxes

IFRS adjustments have resulted in various temporary differences giving rise to the recognition of deferred tax assets or liabilities.

18.1.2 Statutory Auditors' audit report on the consolidated financial statements

Statutory auditors' audit report on the consolidated financial statements

For the years ended 31 December 2022, 2021, and 2020

To the Chairman of Planisware SAS,

Opinion

In our capacity as statutory auditors of Planisware SAS (the "**Company**") and in accordance with Regulation (EU) 2017/1129 supplemented by Delegated Regulation (EU) 2019/980 in the context of the contemplated admission of equity securities of the Company to trading on the regulated market of Euronext Paris, we have audited the accompanying consolidated financial statements of the Company which comprise the consolidated statement of financial position as of December 31, 2022, 2021 and 2020, together with the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the years then ended and the related notes to the financial statements, including a summary of significant accounting policies (the "**Consolidated Financial Statements**").

In our opinion, the Consolidated Financial Statements present fairly, in all material respects, the assets and liabilities and the financial position of the Company and its subsidiaries (the "**Group**") as of December 31, 2022, 2021 and 2020 and the results of their operations for the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) applicable to such engagement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are described in the "Statutory auditors' responsibilities for the audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors.

Responsibilities of management and those charged with governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with International Financial Reporting Standards as adopted by the European

Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

These Consolidated Financial Statements were approved by the Chairman.

Statutory auditors' responsibilities for the audit of the Consolidated Financial Statements

Our role is to issue a report on the Consolidated Financial Statements. Our objective is to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit of the Consolidated Financial Statements does not include assurance on the viability of your company or the quality of management of the affairs of your company.

As part of an audit conducted in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the Consolidated Financial Statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the Consolidated Financial Statements and assesses whether these Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements.

The statutory auditor is responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements and for the opinion expressed on these financial statements.

This report shall be governed by, and construed in accordance with, French law and professional standards applicable in France. The Courts of France shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this report.

Paris-La Défense, September 15, 2023

The Statutory Auditors,

Christophe Patouillère	Jean Pierre Valensi
Partner	Partner
Mazars	KPMG SA

18.2 Group's condensed consolidated interim financial statements as of and for the six months ended June 30, 2023 and Statutory Auditors' review report

18.2.1 Group's condensed consolidated interim financial statements as of and for the six months ended June 30, 2023

PLANISWARE SAS

GROUP'S CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF AND FOR THE SIX-MONTH ENDED JUNE 30, 2023

PLANISWARE SAS

Consolidated statement of profit or loss

In € thousand	Notes	HY 2023	HY 2022
Revenue with customers	6	72,199	60,592
Other revenue	6	395	458
Total revenue		**72,595**	**61,049**
Cost of sales	7	(23,196)	(20,337)
Gross profit		**49,398**	**40,712**
Research and development expenses	7	(7,670)	(8,179)
Sales and marketing expenses	7	(13,013)	(10,141)
General and administrative expenses	7	(10,282)	(6,736)
Current operating profit		**18,433**	**15,657**
Share of profit of equity-accounted investees, net of tax	16	394	525
Current operating profit including share of profit of equity-accounted investees		**18,827**	**16,182**
Other operating income	5	5,794	-
Other operating expenses	4	(2,121)	-
Operating profit		**22,501**	**16,182**
Income from cash and cash equivalents	10	151	11
Cost of debt	10	(133)	(115)
Other finance income	10	995	2,902
Other finance costs	10	(1,166)	(348)
Financial income (loss)		**(152)**	**2,451**
Profit before tax		**22,348**	**18,633**
Income tax expense	11	(3,687)	(3,281)
Profit for the period		**18,661**	**15,353**
Non-controlling interests		-	-
Profit for the period - Owners of the Company		**18,661**	**15,353**
Earnings per share			
Basic earnings per share (euro)		***54.2***	*44.7*
Diluted earnings per share (euro)		***54.2***	*44.7*

Consolidated statement of comprehensive income

In € thousand	Notes	HY 2023	HY 2022
Profit for the period		**18,661**	**15,353**
Subsidiaries - foreign currency translation differences		(996)	764
Reclassification of foreign currency differences on loss of significant influence	**5**	98	-
Items that are or may be classified subsequently to profit or loss		**(898)**	**764**
Remeasurements of defined benefit liability		-	-
Related tax		-	-
Items that will not be reclassified to profit or loss		**-**	**-**
Other comprehensive income for the period, net of tax		**(898)**	**764**
Total comprehensive income for the period		**17,763**	**16,117**
Non-controlling interests		-	-
Total comprehensive income for the period - Owners of the Company		**17,763**	**16,117**

Consolidated statement of financial position

In € thousand	Notes	June 30, 2023	December 31, 2022
Goodwill	5, 12	19,772	5,096
Intangible assets	13	3,301	3,017
Property, plant and equipment	14	4,632	3,989
Right-of-use assets	15	13,364	13,512
Equity-accounted investees	16	710	1,957
Other financial assets		850	561
Other non-current assets	18	871	1,036
Deferred tax assets		1,954	1,685
Total non-current assets		**45,454**	**30,853**
Trade receivables and contract assets	17	34,133	45,384
Other receivables and current assets	18	13,900	14,031
Cash and cash equivalents	19	149,434	120,518
Total current assets		**197,466**	**179,933**
Total assets		**242,920**	**210,786**

In € thousand	Notes	June 30, 2023	December 31, 2022
Share capital	20	347	344
Share premium	20	19,171	9,615
Consolidated reserves		117,401	85,579
Translation reserve		(649)	249
Profit for the period		18,661	31,555
Equity attribuable to owners of the Company		**154,930**	**127,342**
Non-controlling interests		-	-
Total equity		**154,930**	**127,342**
Employee benefits	9	1,867	1,852
Loans and borrowings	15, 21	11,275	11,704
Deferred tax liabilities		11	-
Total non-current liabilities		**13,154**	**13,556**
Provisions		24	76
Loans and borrowings	15, 21	3,354	3,158
Trade payables	24	3,682	4,193
Other payables	24	28,330	31,249
Contract liabilities	22	39,445	31,212
Total current liabilities		**74,835**	**69,888**
Total equity and liabilities		**242,920**	**210,786**

Consolidated statement of changes in equity

		Owners of the Company							
In € thousand	Notes	Share capital	Share premium	Consolidated reserves	Translation reserve	Profit for the period	Total	Non-controlling interests	Total equity
Balance as of December 31, 2021		**344**	**9,615**	**71,235**	**(262)**	**27,123**	**108,055**	**-**	**108,055**
Profit for the period		-	-	-	-	15,353	15,353	-	15,353
Other comprehensive income for the period		-	-	-	764	-	764	-	764
Total comprehensive income for the period		**-**	**-**	**-**	**764**	**15,353**	**16,117**	**-**	**16,117**
Retained earnings		-	-	13,823	-	(13,823)	-	-	-
Dividends		-	-	-	-	(13,300)	(13,300)	-	(13,300)
Transactions with owners of the Company		**-**	**-**	**-**	**-**	**(13,300)**	**(13,300)**	**-**	**(13,300)**
							-		-
Balance as of June 30, 2022		**344**	**9,615**	**85,058**	**502**	**15,353**	**110,871**	**-**	**110,871**

		Owners of the Company							
In € thousand	Notes	Share capital	Share premium	Consolidated reserves	Translation reserve	Profit for the period	Total	Non-controlling interests	Total equity
Balance at December 31, 2022		**344**	**9,615**	**85,579**	**249**	**31,555**	**127,342**	**-**	**127,342**
Profit for the period		-	-	-	-	18,661	18,661	-	18,661
Other comprehensive income for the period		-	-	-	(898)	-	(898)	-	(898)
Total comprehensive income for the period		**-**	**-**	**-**	**(898)**	**18,661**	**17,763**	**-**	**17,763**
Retained earnings		-	-	31,555	-	(31,555)	-	-	-
Capital increase	20	3	9,555	-	-	-	**9,559**	-	9,559
Dividends		-	-	-	-	-	-	-	-
Equity-settled share-based payment	8	-	-	266	-	-	266	-	266
Transactions with owners of the Company		**3**	**9,555**	**-**	**-**	**-**	**9,559**	**-**	**9,559**
							-		-
Balance as of June 30, 2023		**347**	**19,171**	**117,400**	**(649)**	**18,661**	**154,930**	**-**	**154,930**

Consolidated statement of cash flows

In € thousand	Notes	HY 23	HY 22
Profit for the period		**18,661**	**15,353**
Share of profit of equity-accounted investees, net of dividends	16	(394)	(525)
Depreciation and amortization of intangible, tangible and right-of-use assets	7	3,335	2,964
Change in provisions and employee benefits		(37)	118
Cost of debt	10	133	115
Income tax expense	11	3,687	3,281
Other non-cash items (1)	5, 8	(5,527)	(34)
Operating cash flows		19,858	21,271
Changes in working capital	25	17,210	6,176
Income taxes paid	11	(3,845)	(5,318)
Net cash from operating activities		**33,223**	**22,129**
Acquisition of intangible and property, plant and equipment	13,14	(2,546)	(2,679)
Acquisition of financial assets		-	-
Investment in other financial assets	18	(926)	(13)
Acquisition of subsidiary, net of cash acquired	5	1,328	-
Net cash used in investing activities		**(2,144)**	**(2,692)**
Proceeds from issue of share capital and of premiums		-	-
Dividends paid to shareholders of Planisware S.A.S.		-	-
Proceeds from loans and borrowings		-	-
Repayment of borrowings	21	(304)	(605)
Interests paid on borrowings		(0)	(4)
Repayment of lease liabilities	15	(1,450)	(883)
Interests paid on lease liabilities	15	(132)	(111)
Net cash from financing activities		**(1,886)**	**(1,603)**
+/- Effect of movements in foreign exchange rates on cash held		(242)	796
Total change in cash and cash equivalents		**28,951**	**18,630**
Net cash and cash equivalents at the beginning of the period		**120,435**	**107,438**
Bank overdraft at the beginning of the period		83	92
Cash and cash equivalents at the beginning of the period	**19**	**120,518**	**107,531**
Net cash and cash equivalents at the end of the period		**149,385**	**126,068**
Bank overdraft at the end of the period		49	119
Cash and cash equivalents at the end of the period	**19**	**149,434**	**126,186**

(1) For the period ended June 30, 2023, other non-cash items mainly relate to share-based payments expense for 266 thousand euros and the gain on remeasurement of the previously held equity interest in IFTP KK at its acquisition-date fair value for 5,794 thousand euros.

Notes to the consolidated financial statements

Content

Note 1. Information about the Group and key events

1.1 Company presenting the condensed consolidated interim financial statements

Planisware (the “Company”) is a “Société par Actions Simplifiée” (simplified joint stock company) incorporated under the laws of France and registered with the Nanterre Trade and Companies Registry under number 403.262.082.031. The Company’s registered office is located at 200 avenue de Paris - 92320 – Chatillon in France.

These condensed consolidated interim financial statements comprise the Company and its subsidiaries (together referred to as "the Group").

The Group is a leading provider of business-to-business project management solutions (“*Project Economy market*”) and services and carries out its activities through its parent company based in France, its five subsidiaries based in the United States, Germany, the United Kingdom, Japan and Singapore, and associate in Tunisia.

Figures are presented in thousands of euros, except noted otherwise. Rounding to the nearest thousand euros may, in some cases, lead to immaterial discrepancies in the totals and subtotals shown in the tables.

1.2 Significant events during the financial periods presented

Acquisition of Innovation Framework Technologies Planisware KK

On May 26, 2023, the Company acquired the remaining 53% equity stake of Innovation Framework Technologies Planisware KK through a contribution in kind from the various direct and indirect shareholders of the Innovation Framework Technologies Planisware KK entity for a consideration of approximately 9.6 million euros and leading to its consolidation from May 26, 2023. The aim of this transaction is to generate structural savings and organizational and functional synergies within the Group. The acquisition is further described in note 5.

Free share allocation plan

On June 1, 2023, the Chairman decided to allocate 1,286 free ordinary shares to the Group's managers and employees. These shares to be issued represent 0.37% of the issued share capital. These shares will vest definitively on June 1, 2024, provided that the beneficiaries remain actively employed by the Group until that date. The plan is further described in note 8.

Ukraine-Russia Conflict

Planisware’s business is not directly exposed to Ukraine, Belarus or Russia. Except for the inflationary trend described below, the conflict did not have any indirect significant effect on its financial performance.

Inflationary environment

Inflation accelerated in Europe and the United States during the year 2022, particularly as a result of the conflict between Ukraine and Russia mentioned above.

The inflationary environment has resulted in a reduction in the Group's operating margin starting in 2022. This decrease is explained both by customer contracts that are not systematically indexed, for which selling price has not been impacted by the effects of inflation, and by a general increase in operating expenses.

1.3 Subsequent events

Conversion to a public limited company and planned initial public offering

At the date of preparation of these condensed consolidated interim financial statements, Planisware is a "Société par Actions Simplifiée" (simplified joint stock company). No later than the date of the AMF's approval of the prospectus relating to the proposed admission of the company's shares to trading on Euronext Paris, Planisware is due to be converted into a public limited company ("Société Anonyme") with a Board of Directors.

Acquisition of Planisware MIS Sarl France

The Group has entered into exclusive negotiations for the acquisition of Planisware MIS, Sarl, and expects the transaction to be completed in the coming months. To date, there is no available estimate of the impact on the financial statements.

Note 2. Accounting principles

2.1 Basis of preparation

These condensed consolidated interim financial statements as of and for the six-month period ended June 30, 2023 have been prepared in the context of the proposed admission of the shares of the Company to trading on Euronext Paris. They were prepared specifically for the purposes of the prospectus subject to approval by the *Autorité des Marches financiers* (the "AMF").

These condensed consolidated interim financial statements for the six-month ended June 30, 2023 ("HY 23") have been prepared in accordance with *IAS 34 Interim Financial Reporting*, and should be read in conjunction with the Group's last annual consolidated financial statements as of and for the year ended December 31, 2022 ("last annual consolidated financial statements"). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These condensed consolidated interim financial statements were approved and authorized for issue by the Chairman on September 15, 2023.

2.2 Changes in accounting policy

New standards and amendments to existing standards adopted by the European Union, the application of which is mandatory for accounting periods beginning on or after 1 January 2023, mainly consist of the following amendments:

- Amendment to IAS 1 Presentation of Financial Statements regarding the disclosure of accounting policies,
- Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding the definition of accounting estimates,
- Amendment to IAS 12 Income Taxes regarding deferred tax related to assets and liabilities arising from a single transaction (further described below).

The application of these new requirements does not have an impact on the condensed consolidated interim financial statements or their notes.

In addition, in the first half of financial year 2023 the IFRS Interpretations Committee published a final decision on the definition of a lease and substitution rights under IFRS 16 Leases. The application of this decision is mandatory for reporting periods beginning on or after 1 January 2022. This decision has no impact on the Group's financial statements.

The policy for recognizing and measuring income taxes in the interim period is disclosed in Note 11 and is consistent with that applied in the comparative interim period except for the changes outlined below.

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted Deferred Tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12 from January 1, 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases. For leases, an entity is required to recognize the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applied the amendments to transactions that occur after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases applying the "integrally linked" approach, resulting in a similar outcome to the amendments, except that the deferred tax asset or liability was recognized on a net basis. Following the amendments, the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statements of financial position because the balances qualify for offset under paragraph 74 of IAS 12. There was also no impact on the opening retained earnings as of January 1, 2022 as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognized – this disclosure will be provided in the annual consolidated financial statements.

The change in accounting policy will also be reflected in the Group's consolidated financial statements as of and for the year ending December 31, 2023.

2.3 Accounting standards issued but not yet effective

A number of new accounting standards and amendments to accounting standards – other than those discussed above effective for annual periods beginning after January 1, 2023 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed consolidated interim financial statements.

2.4 Consolidation methods

These condensed consolidated interim financial statements include Planisware S.A.S. (the "Company") and its subsidiaries (together referred to as the "Group") and the Group's share of associates.

Subsidiaries

Subsidiaries are entities controlled by the Group directly or indirectly. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist for investments of 20% or more of the investee's outstanding voting common stock.

Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees less dividends received and impairment losses – if any – until the date in which significant influence ceases. Goodwill arising on the acquisition of an entity's shares is included within the value of *Equity -accounted investees*. The Group's share of an associate's profit or loss is recognized on a separate line in the consolidated statement of profit or loss under *Share of profit of equity-accounted investees, net of tax*.

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same as unrealized gains, but only to the extent that there is no evidence of impairment.

When the Group's share of an associate's losses exceeds its interest in the associate, the carrying amount of the *Equity-accounted investees* is reduced to zero and the Group ceases to recognize its share of subsequent losses, except to the extent that it has a legal or constructive obligation to the associate or has made a payment on its behalf.

When the activities of an equity-accounted entity are an integral part of the Group's current operations, the share of profit or loss relating to this entity is included within *Current operating profit*.

The scope of consolidation is presented in Note 3.

2.5 Foreign currency

These condensed consolidated interim financial statements are presented in euro, which is the Company's functional currency.

Foreign operations

Items included in the financial statements of each Group entity are initially measured using the currency of the primary economic environment in which that entity operates, i.e., its "functional currency".

The accounts of all Group entities whose functional currency differs from the Group's presentation currency are translated into euro as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rate at the reporting date;
- Income, expenses, and cash flows of foreign operations are translated in euro at the average exchange rate for the period where this average rate approximates the exchange rate on the transaction date in the absence of significant fluctuations during the period.

Foreign currency differences are recognized in *Other comprehensive income* under *Items that are or may be classified subsequently to profit or loss* and accumulated in *Translation reserve* within equity, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are recognized in the profit or loss and presented within *General and administrative* for transactions related to operating items and within *Other finance income and costs* for transactions of a financial nature.

The Group does not use cryptocurrencies.

Exchange rates

The applicable exchange rates for the translation of the main foreign currencies used within the Group are as follows:

	Closing rate as of			Average rate		
	Jun. 23	**Dec. 2022**	**Jun. 22**	**HY 23**	**2022**	**HY 22**
USD	1.0866	1.0666	1.0523	1.0811	1.0539	1.0940
GBP	0.8583	0.8869	0.8582	0.8766	0.8526	0.8422
SGD	1.4732	1.4300	-	1.4443	1.4520	-
JPY	157.1600	140.6600	141.5400	153.1500	138.0050	134.3000

2.6 Use of judgments and estimates

In preparing these condensed consolidated interim financial statements, management has made judgments and estimates that affect the application of the Group's Accounting principles and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting principles and the key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements.

2.7 Current operating profit

The Group has elected to present *Current operating profit* which excludes *Other operating income* and *Other operating expenses*. In accordance with ANC recommendation no. 2020-01, these items are included only if a major event occurs during the accounting period that is likely to distort the interpretation of the Group's performance. They therefore are related to a very limited number of unusual, abnormal, and infrequent items of income or expense, of particularly significant amount.

Note 3. Scope of consolidation

Innovation Framework Technologies KK ("IFTP KK") is consolidated as from May 26, 2023 following the acquisition of the remaining 53% equity stake by the Company.

Planisware Singapore PTE. LTD. was not consolidated as of June 30, 2022 due to its immateriality.

Certain commercial subsidiaries that are not material, either individually or in aggregate, are not consolidated. They are shown as NC (non-consolidated) in the table below.

The activities of entities accounted for using the equity method, i.e., Planisware MIS, are operational in nature as an extension of the Group's business.

The following table shows the countries in which the subsidiaries are located, the percentage of capital held directly or indirectly by the Company as well as the percentage of control and their consolidation method as of June 30, 2023, December 31, 2022 and June 30, 2022:

Entity	Country	As of June 30, 2023		As of December 31, 2022		As of June 30, 2022		Consolidation method
		Percentage of control	Percentage of interest	Percentage of control	Percentage of interest	Percentage of control	Percentage of interest	
Planisware, S.A.S. 200 avenue de Paris 92320, Chatillon	France	100%	100%	100%	100%	100%	100%	Consolidation
Planisware USA, Inc. 343 Sansome Street, Suite 500 San Francisco, California , 94104	United States	100%	100%	100%	100%	100%	100%	Consolidation
Planisware Deutschland, GmbH Leonrodstr. 52-54 80636 Munich	Germany	100%	100%	100%	100%	100%	100%	Consolidation
Planisware UK, Ltd MediaCityUK, White Tower, 4th Floor, Suite 4 Manchester, M50 2NT	United Kingdom	100%	100%	100%	100%	100%	100%	Consolidation
Planisware Singapore PTE. LTD. 16 raffles quay - #38-03 Hong Leong Building Singapore, 048581	Singapore	100%	100%	100%	100%	100%	100%	Consolidation
Innovation Framework Technologies Planisware KK. 1-5-15 Hirakawa-Cho, Chiyoda-Ku, Tokyo, 102-0093	Japan	100%	100%	47%	47%	47%	47%	Consolidation as of June 30, 2023 Equity method as of December 31, 2022 and as of June 30, 2022
Planisware MIS Sarl France 5 rue du Helder 75009 Paris	France	50%	50%	50%	50%	50%	50%	Equity method
Innovation Framework Technologies Asia, Sarl 17 rue des cerisiers 78290 Croissy-sur-Seine	France	100%	100%	0%	0%	0%	0%	NC
PLW Tunisia, Sarl Rue El Koteb N53Bis Les Jardins du lac 1053 La Marsa	Tunisia	100%	100%	100%	100%	100%	100%	NC
Planisware MIS Sarl TUNISIA MirMar Business City, Centre Urbain Nord 1003 Tunis	Tunisia	50%	45%	50%	45%	50%	45%	NC
Planisware MIS DMCC 3405-27 34th Floor - Swiss Tower | JLT-PH2-Y3A - Jumeirah Lakes Towers Dubai	United Arab Emirates	50%	50%	50%	50%	50%	50%	NC

Note 4. Operating segments

All of the Group's revenue for the six-month periods ended June 30, 2023 and June 30, 2022 comes from the design, development and marketing of software products, together with the associated implementation and consulting services.

According to IFRS 8, segment information is based on internal management information used by its Chairman, OLHADA (ex-Planisware Management), represented by Mr. Pierre DEMONSANT, considered as the chief operating decision maker of the Group. The Group is managed on a basis reflecting its global activity which is then classified as a single operating segment.

The chief operating decision maker regularly reviews:

- Revenue by revenue stream; and
- Recurring versus non-recurring revenue; and

- Revenue by region (based on customers' billing addresses); and
- Group Adjusted EBITDA and adjusted EBITDA margin.

Disaggregation of revenue is shown in note 5. Furthermore, no single customer accounts for more than 10% of total revenue.

Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA is calculated as *Current operating profit including share of profit of equity-accounted investees*, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, plus either non-recurring items or non-operating items defined as the following: (i) share-based payment expenses under IFRS 2 (ii) any expenses, charges or other costs directly or indirectly related to any initial public offering, equity offering, investment, acquisition, joint venture or partnerships (iii) certain consulting fees incurred for one-off projects, such as reorganization measures; and (iv) certain severance payments, which includes expenses related to reorganization and restructuring measures, primarily consisting of severance payments and other personnel-related costs.

Adjusted EBITDA margin is the ratio of adjusted EBITDA to total revenue.

Adjusted EBITDA is not a performance measure defined under IFRS. The Group's definition of Adjusted EBITDA may not be comparable to similar measures of performance and information provided by other entities.

The following table present a reconciliation between *Current operating profit including share of profit of equity-accounted investees* and Adjusted EBITDA, as well as the calculation of the Adjusted EBITDA margin for the periods presented:

In € thousand	Notes	HY 2023	HY 2022
Current operating profit including share of profit of equity-accounted investees		18,827	16,182
Depreciation and amortization of intangible, tangible and right-of-use assets		3,335	2,964
Share-based payment expense	8	283	-
Adjusted EBITDA		**22,445**	**19,146**
Total revenue		72,595	61,049
Adjusted EBITDA margin (%)		***30.9%***	***31.4%***

For the six-month period ended June 30, 2023, current operating profit does not include *Other operating income* of 5,794 thousand euros, related to the remeasurement to fair value of the Group's existing 47% interest in IFTP KK, as well as *Other operating expenses* of 2,121 thousand euros related to the Group's preparation to its Initial Public Offering.

Non-current assets (1) by countries (2)

As of June 30, 2023

In € thousand	France	United-States	Germany	United Kingdom	Japan	Total
Goodwill	5,096	-	-	-	14,676	19,772
Intangible assets	3,301	-	0	-	-	3,301
Property, plant and equipment	3,751	238	423	86	133	4,632
Right-of-use assets	10,828	1,261	629	254	392	13,364
Other non-current assets	-	871	-	-	-	871

As of December 31, 2022

In € thousand	France	United-States	Germany	United Kingdom	Total
Goodwill	5,096	-	-	-	5,096
Intangible assets	3,017	-	0	-	3,017
Property, plant and equipment	3,165	277	440	106	3,989
Right-of-use assets	10,831	1,726	639	316	13,512
Other non-current assets	-	1,036	-	-	1,036

(3) Non-current assets disclosed in this note are non-current assets other than financial instruments and deferred tax assets as required by *IFRS 8 Operating Segments*.
(4) Countries are not representative of operating sectors and only correspond to geographical areas where legal entities are located.

Note 5. Business combination

On May 26, 2023, the Group acquired the remaining 53% of the shares and voting rights in Innovation Framework Technologies Planisware KK (“IFTP KK”). As a result, the Group’s equity interest in IFTP KK increased from 47% to 100%, obtaining control of IFTP KK The subsidiary is one of the Group’s strategic resellers in Asia Pacific. Taking control of IFTP KK will then enable the Group to expand in Asia Pacific.

During the month of June 2023, IFTP KK contributed revenue of 552 thousand euros and profit of 255 thousand euros to the Group’s results. If the acquisition had occurred on January 1, 2023, management estimates that consolidated revenue would have been 74,498 thousand euros for the six-month period ended June 30, 2023 and profit for the period would have been 18,475 thousand euros for the six-month period ended June 30, 2023.

Consideration transferred

The following table summarizes, at the acquisition date, the fair value of consideration transferred:

In € thousand	Note	
Equity instruments (3,285 ordinary shares)	20	9,559

The provisional consideration transferred comes from the contribution agreement (“Traité d’apport”) dated as of May 26, 2023 amounting to 2,909.77 euros per share. Measurement of the fair value of the consideration transferred is pending completion and will be finalized by the end of the fiscal year 2023.

Identifiable assets acquired and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

In € thousand	Note	
Property, plant and equipment	14	141
Right-of-use assets	15	428
Other financial assets		313
Deferred tax assets		33
Trade receivables and contract assets	17	690
Other receivables and current assets	18	128
Cash and cash equivalents	18	1,328
Lease liabilities	15	(556)
Trade payables	23	(842)
Other payables	23	(144)
Contract liabilities		(713)
Total identifiable net assets acquired		**806**

Measurement of fair values of IFTP KK’s assets acquired, and liabilities assumed, are pending completion of an independent valuation. This will be finalized by the end of the fiscal year 2023.

Goodwill

Provisional goodwill arising from the acquisition has been recognized as follows:

In € thousand	
Total consideration transferred	9,559
NCI, based on their proportionate interest in the recognizes amounts of the assets and liabilities of IFTP K.K.	-
Fair value of existing interest in IFTP K.K.	6,714
Fair value of identifiable net assets	(806)
Goodwill	**15,467**

The remeasurement to fair value of the Group's existing 47% interest in IFTP KK resulted in a gain of 5,794 thousand euros (6,714 thousand euros less the 821 thousand euros carrying amount of the equity-accounted investee at the date of acquisition less 99 thousand euros of translation reserve reclassified to profit or loss). The fair value of the Group's existing 47% interest in IFTP K.K takes into account a minority discount factor. This gain of 5,794 thousand euros has been included in *Other operating income* in the condensed consolidated statement of profit or loss.

The provisional goodwill is attributable mainly to the skills and technical talent of IFTP KK's work force, and the synergies expected to be achieved from integrating the Company into the Group's existing business. None of the goodwill recognized is expected to be deductible for tax purposes. Furthermore, the goodwill has been initially recognized in Japanese Yen – functional currency of IFTP KK – at the acquisition date exchange rate of 149.1 Japanese Yen for 1 euro and will be subject to effect of movements in exchange rates.

Statement of profit or loss items

Note 6. Revenue

The Group's operations and main revenue streams are those described in the last annual consolidated financial statements. The Group's revenue is derived from contracts with customers, except for immaterial amounts related to revenue with affiliates presented as *Other revenue.*

Disaggregation of revenue

By revenue stream

In € thousand	HY 2023	HY 2022
SaaS	29,582	22,345
"Subscription" support	4,073	2,187
"Evolutive" support	19,421	17,880
Maintenance	9,006	8,631
Perpetual licences	2,308	1,537
Professional services	7,810	8,011
Revenue with customers	**72,199**	**60,592**
Other revenue	395	458
Total revenue	**72,595**	**61,049**

The Group's recurring revenue is a performance measure not defined in IFRS, and defined as the aggregation of SaaS, Maintenance, Evolutive and Subscription support services.

For the six-month period ended June 30, 2023, the amount of recurring revenue was 62 082 thousand euros, against 51 043 thousand euros for the six-month period ended June 30, 2022, and representing respectively 86.0% and 84.2% of revenue with customers over the two periods presented.

Except for sales of perpetual licenses, the Group's performance obligations are mainly transferred over time.

By region

Revenues by region in the following tables are based on customers' billing addresses.

The regions shown in the table below are as follows: Europe, North America and "APAC and Rest of World".

In € thousand	HY 2023	HY 2022
Europe	35,438	30,168
North America	32,506	26,851
APAC and rest of the world	4,255	3,572
Revenue with customers	**72,199**	**60,592**

For the six-month period ended June 30, 2023, 49% of sales have been generated in Europe, 45% in North America and 6% in APAC and the rest of the world. For the six-month period ended June 30, 2023 and June 30,2022, the Group respectively generated 19% and 20% of revenue in France. North America mainly includes the United States.

Note 7. Operating expenses

The Group's operating expenses are those described in the last annual consolidated financial statements.

7.1. Cost of sales

In € thousand	HY 2023	HY 2022
Employee costs	14,875	12,171
Outsourcing and hosting fees	6,274	6,513
Depreciation and amortization	1,529	1,316
Other expenses	519	337
Total cost of sales	**23,196**	**20,337**

The Group's gross margin is equal to total revenue less cost of sales. As a percentage of total revenue, gross margin was 68.0% for the year ended June 30, 2023 and 66.7% for the year ended June 30, 2022. The increased gross margin in the six-month period ended June 30, 2023 mainly resulted from more stable wage environment and reduced outsourcing of services.

7.2. Research and development expenses

In € thousand	HY 2023	HY 2022
Employee costs	6,619	7,136
Research Tax Credit	(455)	(455)
Depreciation and amortization	1,112	1,104
Other expenses	394	393
Total research and development expenses	**7,670**	**8,179**

Research and development expenses represent 10.6% of total revenue for the six-month period ended June 30, 2023 and 13.4% for the six-month period ended June 30, 2022. A portion of employee costs is capitalized in accordance with *IAS 38 Intangible assets*, as described in note 13. Planisware's research and development expenses decreased by 509 thousand euros, or 6.2%, from 8,179 thousand euros in the six-month period ended June 30, 2022 to 7,670 thousand euros in the six-month period ended June 30, 2023. The main reason for this decrease was the decrease of 518 thousand euros in employee costs dedicated to research and development mainly due to a higher capitalization rate compared to the six-month period ended June 30, 2022 and a less active recruitment period, despite the departure of a few employees.

7.3. Sales and marketing expenses

In € thousand	HY 2023	HY 2022
Employee costs	9,318	7,106
Sales commissions	1,165	1,092
Marketing costs	1,670	1,184
Depreciation and amortization	425	340
Other expenses	436	418
Total sales and marketing expenses	**13,013**	**10,141**

Sales and marketing expenses represent 17.9% of total revenue for the six-month period ended June 30, 2023, and 16.6% for the six-month period ended June 30, 2022. Employee costs and marketing costs increased in the six-month period ended June 30, 2023 compared to the six-month period ended June 30, 2022, as the Group continues to develop its marketing strategy and strengthen its leading position within the market.

7.4 General and administrative expenses

In € thousand	HY 2023	HY 2022
Employee costs	6,339	5,277
Fees and other external services	762	489
Depreciation and amortization	268	203
Other expenses	2,913	766
Total general and administrative expenses	**10,282**	**6,736**

General and administrative expenses represent 14.2% of total revenue for the six-month period ended June 30, 2023 compared to 11.0% for the six-month period ended June 30, 2022. In the six-month period ended June 30, 2023, our employee costs related to our general and administrative functions increased by 1,062 thousand euros, or 20.1% compared to the six-month period ended June 30, 2022 reflecting our investments in corporate infrastructure in anticipation of the Company's planned initial public offering and to support its global expansion. Other expenses include the impact of foreign exchange on trade receivables and payables denominated in foreign currencies including foreign exchange gains and/or losses on royalties invoiced by the Company in foreign currencies to Group entities. Other expenses may then fluctuate, mainly depending on the U.S. appreciation or depreciation against the euro compared to the previous reporting period.

Note 8. Share-based payment arrangements

Free shares plan (Equity-settled)

On June 1, 2023 (the "grant date"), the Chairman decided to allocate 1,286 free ordinary shares to the Group's managers and employees. These shares to be issued represent 0.37% of the issued share capital.

These shares will vest definitively on June 1, 2024, provided that the beneficiaries remain actively employed by the Group until that date.

Free shares are measured at fair value on the grant date. Their fair value has been determined by an independent expert using *Discounted Cash Flow* method. Their fair value is recognized in the statement of profit or loss with a corresponding increase in equity and amortized on a straight-line basis over the vesting period.

Grant date	**June 1, 2023**
Number of shares granted	1,286
Number of beneficiaries	66
Vesting period	1 year
Estimate of the number of equity instruments expected to vest	100%
Fair value of the shares at grant date (€)	2,487
Expected dividends	na.

For the six-month period ended June 30, 2023, an expense of 283 thousand euros has been recognized with respect to the share-based payment arrangement above, of which 81 thousand euros, 19 thousand euros, 78 thousand euros and 105 thousand euros have been allocated to *Cost of sales*, *Research and development expenses*, *Sales and marketing expenses*, and *General and administrative expenses* respectively.

Note 9. Employee benefits

As a result of the French pension reform law (*« Loi 2023-270 du 14-4-2023 de financement rectificative de la sécurité sociale pour 2023 »*) promulgated in April 2023, accounted for as a plan amendment, the Group's defined benefit pension obligation decreased by 101 thousand euros. As a result, a charge of 16 thousand euros has been recognized in profit or loss during the six-month period ended June 30, 2023 including a gain on past service cost of 101 thousand euros resulting from the inclusion of the reform in the remeasurement of the defined benefit pension obligation. The gain on past service costs was broken down by function in the statement of profit or loss within *Employee costs* as disclosed in note 7.

Furthermore, the defined benefit pension obligation as of June 30, 2023 and June 30, 2022 is calculated on the basis of the latest available valuations as of December 31, 2022 and December 31, 2021 respectively. The expense recognized for the six-months period corresponds to the pro rata estimated expenses for the year. Actuarial assumptions were reviewed in order to take into account any significant changed during the six-month periods.

Note 10. Financial income (loss)

In € thousand	**HY 2023**	**HY 2022**
Interest on loans and borrowings	(1)	(4)
Interest on lease liabilities	(132)	(111)
Income from cash and cash equivalents	151	11
Cost of debt, net	**19**	**(103)**
Foreign exchange gains on financial items	160	2,848
Other finance income	835	54
Other finance income	**995**	**2,902**
Foreign exchange losses on financial items	(1,058)	(116)
Other finance costs	(109)	(232)
Other finance costs	**(1,166)**	**(348)**
Financial income (loss)	**(152)**	**2,451**

Foreign exchange gains and losses mainly result from the revaluation at the end of reporting period rates of cash and cash equivalents denominated in foreign currencies. Other finance income results mainly from positive returns on marketable securities.

Note 11. Income tax

Income tax expense is recognized at an amount determined by multiplying the profit (loss) before tax for the interim period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual consolidated financial statements.

The Group's consolidated effective tax rate in respect of continuing operations for the six-month ended June 30, 2023, and June 30, 2022 was 17% and 18% respectively.

The Group's low effective tax rate results from tax benefits and tax credits mainly related to the "IP Box" scheme from which the Company has benefited since 2019, and the Research Tax Credit.

The IP Box allows Planisware to benefit from a corporate tax rate of 10% on its income from intellectual property. In this case, the Group's eligible income is income relating to evolutive maintenance generating new versions of Planisware Enterprise software. A net "IP BOX" result is then obtained by subtracting the research and development expenditure that contributed directly to the eligible assets.

Analysis of income tax expense

In € thousand	HY 2023	HY 2022
Current tax	(3,925)	(2,776)
- Of which income tax	*(3,785)*	*(2,561)*
- Of which added-value tax (CVAE)	*(140)*	*(215)*
Deferred tax	238	(505)
Income tax expense recognized in the statement of profit or loss	**(3,687)**	**(3,281)**

Notes on the statement of financial position items

Note 12. Goodwill

As further described in Note 5 a goodwill has been recognized following the acquisition of the remaining 53% equity stake of IFTP KK by the Company.

Six-month period ended June 30, 2023

In € thousand	December 31, 2022	Acquisition	Impairment loss	Effect of movements in exchange rates	June 30, 2023
Gross value	5,096	15,467	-	(790)	19,772
Net value	**5,096**	**15,467**	**-**	**(790)**	**19,772**

Year 2022

In € thousand	January 1, 2022	Acquisition	Impairment loss	Effect of movements in exchange rates	December 31, 2022
Gross value	5,096	-	-	-	5,096
Net value	**5,096**	**-**	**-**	**-**	**5,096**

In accordance with *IAS 36 Impairment of Assets*, an entity must assess on each reporting date whether there is any indication that an asset may be impaired.

For the six-month period ended June 30, 2023, there was no indication that an asset of the Group may be impaired.

Note 13. Intangible assets

13.1 Gross value of intangible assets

Changes in gross value of intangible assets are presented below:

In € thousand		Development costs	Licenses and softwares	Other intangible assets	Total
Gross value as of January 1, 2022		**5,228**	**5,557**	**22**	**10,807**
Acquisitions					
	Internally generated	1,416	-	-	**1,416**
	Purchases	-	361	-	**361**
Gross value as of December 31, 2022		**6,644**	**5,917**	**22**	**12,584**
Acquisitions					
	Internally generated	969	-	-	**969**
	Purchases	-	-	-	**-**
Gross value as of June 30, 2023		**7,613**	**5,917**	**22**	**13,553**

For the six-months period ended June 30, 2023, the Group capitalized 969 thousand euros of development costs compared to 773 thousand euros for the six-months period ended June 30, 2022.

13.2 Amortization of intangible assets

Changes in amortization of intangible assets are presented below:

In € thousand	Development costs	Licenses and softwares	Other intangible assets	Total
Accumulated amortization and impairment losses as of January 1, 2022	**(2,319)**	**(5,473)**	**(7)**	**(7,799)**
Amortization	(1,508)	(260)	-	**(1,768)**
Impairment loss	-	-	-	**-**
Accumulated amortization and impairment losses as of December 31, 2022	**(3,827)**	**(5,733)**	**(7)**	**(9,567)**
Amortization	(594)	(91)	-	**(685)**
Impairment loss	-	-	-	**-**
Accumulated amortization and impairment losses as of June 30, 2023	**(4,421)**	**(5,824)**	**(7)**	**(10,252)**

13.3 Carrying amount of intangible assets

In € thousand	Development costs	Licenses and softwares	Other intangible assets	Total
Carrying amount as of December 31, 2022	**2,817**	**184**	**15**	**3,017**
Carrying amount as of June 30, 2023	**3,192**	**94**	**15**	**3,301**

Note 14. Property, plant and equipment

14.1 Gross value of property, plant and equipment

Changes in gross value of property, plant and equipment are presented below:

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Gross value as of January 1, 2022	**1,147**	**6,458**	**1**	**7,606**
Additions	813	2,178	5	**2,996**
Disposals	-	(100)	-	**(100)**
Transfer	6	-	(6)	**-**
Effect of movements in exchange rates	(2)	29	-	**27**
Gross value as of December 31, 2022	**1,965**	**8,565**	**(0)**	**10,530**
Additions	463	1,114	-	**1,576**
Disposals	-	(37)	-	**(37)**
Scope entry	70	71	-	**141**
Effect of movements in exchange rates	(2)	(12)	-	**(14)**
Gross value as of June 30, 2023	**2,496**	**9,700**	**(0)**	**12,196**

14.2 Depreciation of property, plant and equipment

Changes in depreciation of property, plant and equipment are presented below:

In € thousand	Fixtures and fittings	Furniture and equipment	Total
Accumulated depreciation as of January 1, 2022	**(672)**	**(4,017)**	**(4,689)**
Depreciation	(136)	(1,796)	**(1,932)**
Disposals	-	98	**98**
Impairment loss	-	-	**-**
Effect of movements in exchange rates	1	(19)	**(18)**
Accumulated depreciation as of December 31, 2022	**(807)**	**(5,733)**	**(6,540)**
Depreciation	(108)	(955)	**(1,064)**
Disposals	-	34	**34**
Impairment loss	-	-	**-**
Effect of movements in exchange rates	(1)	6	**5**
Accumulated depreciation as of June 30, 2023	**(916)**	**(6,648)**	**(7,564)**

14.3 Carrying amount of property, plant and equipment

In € thousand	Fixtures and fittings	Furniture and equipment	In progress	Total
Carrying amount as of December 31, 2022	**1,158**	**2,832**	**(0)**	**3,989**
Carrying amount as of June 30, 2023	**1,580**	**3,052**	**(0)**	**4,632**

Note 15. Leases

Changes in the carrying amounts of right-of-use assets are presented below.

15.1 Gross value of right-of-use assets

In € thousand	Offices	Datacenters	Total
Gross value as of January 1, 2022	**8,177**	**803**	**8,979**
Additions to right-of-use assets	9,691	848	**10,539**
Rent indexation	64	-	**64**
Derecognition of right-of-use assets	(631)	-	**(631)**
Effect of movements in exchange rates	138	-	**138**
Gross value as of December 31, 2022	**17,439**	**1,650**	**19,089**
Additions to right-of-use assets	94	887	**981**
Rent indexation	70	-	**70**
Scope entry	428	-	**428**
Derecognition of right-of-use assets	(107)	(132)	**(239)**
Effect of movements in exchange rates	(31)	-	**(31)**
Gross value as of June 30, 2023	**17,893**	**2,406**	**20,299**

Additions to datacenter right-of-use assets mainly relate to a new contract in New York due to a change of supplier for 677 thousand euros whereas changes in office right-of-uses are mainly due to scope effects for 428 thousand euros.

15.2 Depreciation of right-of-use assets

In € thousand	Offices	Datacenters	Total
Depreciation as of January 1, 2022	**(3,133)**	**(287)**	**(3,420)**
Depreciation	(2,418)	(324)	**(2,742)**
Derecognition of right-of-use assets	631	-	**631**
Effect of movements in exchange rates	(46)	-	**(46)**
Depreciation as of December 31, 2022	**(4,966)**	**(611)**	**(5,577)**
Depreciation	(1,321)	(264)	**(1,585)**
Derecognition of right-of-use assets	107	132	**239**
Effect of movements in exchange rates	(12)	-	**(12)**
Depreciation as of June 30, 2023	**(6,191)**	**(744)**	**(6,935)**

15.3 Carrying amount of right-of-use assets

In € thousand	Offices	Datacenters	Total
Carrying amount as of December 31, 2022	**12,473**	**1,039**	**13,512**
Carrying amount as of June 30, 2023	**11,702**	**1,662**	**13,364**

15.4 Changes in lease liabilities

In € thousand	Offices	Datacenters	Total
Lease liabilities as of January 1, 2022	**5,229**	**551**	**5,780**
Additions to lease liabilities	9,755	848	**10,603**
Interest expense on lease liabilities	218	11	**229**
Interest paid on lease liabilities	(218)	(11)	**(229)**
Repayment of lease liabilities	(1,633)	(338)	**(1,971)**
Contract modification	(34)	-	**(34)**
Effect of movements in exchange rates	96	-	**96**
Lease liabilities as of December 31, 2022	**13,413**	**1,061**	**14,474**
Additions to lease liabilities	164	887	**1,051**
Scope entry	556	-	**556**
Interest expense on lease liabilities	120	12	**132**
Interest paid on lease liabilities	(120)	(12)	**(132)**
Repayment of lease liabilities	(1,207)	(243)	**(1,450)**
Effect of movements in exchange rates	(51)	-	**(51)**
Lease liabilities as of June 30, 2023	**12,875**	**1,706**	**14,581**

Note 16. Equity-accounted investees

16.1 Equity-accounted investees

Equity-accounted investees include the Group's interests in the associate Planisware MIS.

IFTP KK is consolidated from May 26, 2023.

In € thousand	June 30, 2023	December 31, 2022
Planisware MIS, Sarl	710	943
Innovation Framework Technologies Planisware KK.	0	1013
Total equity-accounted investees	**710**	**1,957**
Change during the period	*(1,247)*	-

16.2 Changes in equity-accounted investees

Changes in equity-accounted investees are presented below:

In € thousand	HY 2023
Share of profit of equity-accounted investees, net of tax	394
- *Planisware MIS, Sarl*	*559*
- *Innovation Framework Technologies Planisware KK.*	*(165)*
Loss of significant influence in IFTP K.K.	(821)
Currency translation differences	(28)
Dividend payments	(793)
Change during the period	**(1,247)**

Note 17. Trade receivables and contract assets

In € thousand	June 30, 2023	December 31, 2022
Trade receivables	26,674	45,021
Loss allowance for trade receivables	(1,854)	(2,173)
Net trade receivables	**24,820**	**42,848**
Contract assets	9,313	2,536
Total trade receivables and contract assets	**34,133**	**45,384**

Trade receivables and contract assets – analyzed as a whole – significantly decreased by 11,251 thousand euros, or 24.8%, from 45,384 thousand euros as of December 31, 2022 to 34,133 thousand euros million as of June 30, 2023 mainly due to a high level of cash collections during the period.

Note 18. Other non-current assets and other receivables and current assets

Other non-current assets and other receivables and current assets are detailed as follows:

In € thousand	June 30, 2023	December 31, 2022
Sales commissions - non-current	871	1,036
Total other non-current assets	**871**	**1,036**
Tax and social security receivables	3,216	5,604
Current tax	2,702	1,414
Other receivables	1,827	1,183
Prepayments	4,112	4,981
Sales commissions - current	1,108	850
Short-term bank deposit (with initial maturity > 3 months)	934	-
Total other receivables and current assets	**13,900**	**14,031**

Note 19. Cash and cash equivalents

In € thousand	June 30, 2023	December 31, 2022
Cash at banks	60,791	91,198
Time deposits	33,162	10,030
Money market and other funds	55,481	19,290
Cash and cash equivalents	**149,434**	**120,518**

Cash and cash equivalents (excluding bank overdrafts) of 149,434 thousand euros as of June 30, 2023, are held 128,586 thousand euros by the Company in France, 15,321 thousand euros by Planisware USA, Inc. in the United States and 5,527 thousand euros by the other foreign subsidiaries.

Time Deposits and *Money market and other funds* include investments in mutual funds (e.g., SICAV) and short-term deposits with initial maturities not exceeding three months and which are readily convertible into a known amount of cash and with no significant risk of loss of value.

The Group does not hold any restricted cash balances as of June 30, 2023.

Note 20. Equity

In May 2023, the Company issued 3,285 ordinary shares with a par value of 1 euro each and a share premium of 9,555,309 euros as the result of the acquisition of the remaining 53% equity stake of Innovation Framework Technologies Planisware KK.

As of June 30, 2023, share capital and share premium amounted to 346,955 euros and 19,170,578 euros respectively.

Note 21. Loans and borrowings

As of June 30, 2023, the Group no longer has any financial debts, with the exception of lease liabilities as disclosed in note 15 and bank overdrafts amounting to 49 thousand euros. As of December 31, 2022, bank borrowings amounted to 304 thousand euros and have been entirely repaid as of June 30, 2023.

Note 22. Contract liabilities

In € thousand	June 30, 2023	December 31, 2022
Contract liabilities	(39,445)	(31,212)
Total contract liabilities	**(39,445)**	**(31,212)**

Contract liabilities mainly relate to subscription contracts.

The corresponding balance to these amounts not yet paid at year-end is included – inclusive of all taxes – within *Trade receivables and contract assets* as described in note 17.

Contract liabilities are settled within one year for all contracts.

Note 23. Management of financial risks

The Group's policies and procedures for managing financial risk are identical to those described in the consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020.

23.1. Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is therefore exposed to foreign exchange risk arising from fluctuations in exchange rates in various foreign currencies, principally the US dollar, Pounds sterling and Japanese yen.

The Group's exposure to the risk of changes in exchange rates relates mainly to the Group's operating activities (when income or expenses are denominated in a currency other than the euro).

As of June 30, 2023, the Group does not use hedging instruments to hedge its foreign exchange risk.

Translation impact

In the statement of profit or loss, as the accounts are consolidated in euros, the operations of a subsidiary whose transactions are denominated in a foreign currency are mechanically affected by exchange rate fluctuations on translation.

In the statement of financial position, the impact is mainly related to the receivables invoiced by the parent company to its subsidiaries and customers and denominated in foreign currencies. The risk relates to the variation between exchange rates on the date of invoicing and those on the date of collection. This impact is included in current operating profit under *General and administrative expenses*.

23.2. Interest rate risk

As of June 30, 2023 the Group no longer has bank borrowings. As a result, the Group considers its interest rate risk to be low and has not set up any interest rate hedging instruments.

In addition, the Group adopts a prudent and active policy of short-term investment of its cash surpluses, which are invested in marketable securities or in interest-bearing term accounts.

23.3. Liquidity risks

Given the Group's current financial position and projected cash flows, the risk that the Group will face short-term cash flow difficulties is considered low.

The Group's main contractual commitments relate to leases which are presented in note 15.

23.4. Credit risk

The Group's credit risk arises mainly from trade receivables. As the risk exposure is spread over many well-diversified counterparties and customers, the Group has a low credit risk on its operations.

Furthermore, the Group may be exposed to the default of one of the bank counterparties that manages its cash. The Group uses leading financial institutions for its cash investments. It therefore considers that it does not bear any significant counterparty risk on its cash or financial instruments.

Note 24. Trade payables and other current payables

In € thousand	June 30, 2023	December 31, 2022
Trade payables	1,884	3,186
Accrued expenses	1,799	1,007
Trade payables	**3,682**	**4,193**
Tax payables	4,554	6,118
Social payables	20,665	23,124
Current tax	2,467	1,093
Other liabilities	645	914
Other payables	**28,330**	**31,249**

Tax payables mainly comprise VAT collected in the accounts of the parent company and its subsidiaries.

Note 25. Changes in working capital

Changes in working capital for the six-month periods presented comprise the following items:

In € thousand	HY 2023	HY 2022
Changes in trade receivables and contract assets	11,547	3,631
Changes in capitalized sales commissions	(128)	(48)
Changes in trade payables	(1,332)	2,453
Changes in prepayments	911	(755)
Changes in contract liabilities	7,968	5,661
Changes in other assets and liabilities (1)	(1,756)	(4,766)
Changes in working capital	**17,210**	**6,176**

(1) The changes in other assets and liabilities mainly relate to employee-related liabilities.

Other information

Note 26. Off-balance sheet commitments

All of the Group's commitments are reflected in the condensed interim consolidated financial statements for the six-month period ended June 30, 2023. The Group has not identified any significant off-balance sheet commitments that could be generated by its current operating activities other than customer commitments.

Note 27. Related party transactions

The Group's transactions with related parties mainly concern:

- Transactions with Planisware MIS,
- Remuneration and similar benefits paid to members of the governing and management bodies.

Transactions with related parties are undertaken at market prices.

There was no material change in the first half of 2023 in the nature of transactions conducted by the Group with its related parties from those described in the consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020.

18.2.2 Statutory Auditors' review report on the condensed consolidated interim financial statements

Statutory auditors' review report on the condensed consolidated interim financial statements

For the period from January 1, 2023 to June 30, 2023

To the Chairman of Planisware SAS,

In our capacity as statutory auditors of Planisware SAS (the "**Company**") and further to your request in the context of the contemplated admission of equity securities of the Company to trading on the regulated market of Euronext Paris, we have reviewed the accompanying condensed consolidated interim financial statements of the Company for the period from January 1, 2023 to June 30, 2023, as they are attached to this report (the « **Condensed Consolidated Interim Financial Statements** »).

As this is the first set of Condensed Consolidated Interim Financial Statements prepared as at June 30, 2023, we have neither audited nor reviewed the corresponding figures relating to the period from January 1, 2022 to June 30, 2022.

These Condensed Consolidated Interim Financial Statements were prepared under the responsibility of the Chairman. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the Condensed Consolidated Interim Financial Statements have not been prepared, in all material respects, in accordance with IAS 34 – the standard of the International Financial Reporting Standards ("**IFRS**") as adopted by the European Union applicable to interim financial reporting.

This report shall be governed by, and construed in accordance with, French law and professional standards applicable in France. The Courts of France shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this report.

Paris-La Défense, September 15, 2023

The statutory auditors

Jessica Cluzeau	Jean Pierre Valensi
Partner	Partner
Mazars	KPMG SA

18.3 Date of latest financial information

June 30, 2023.

18.4 Dividend policy

The Company distributed dividends in respect of the years ended December 31, 2022, 2021 and 2020 in the amounts of €15.6 million, €13.3 million and €10.2 million (corresponding to dividends per share of €45.00, €38.70 and €30.00), respectively.

The Group's future dividend policy is described in Sections 10.2 "*Information on Trends—Medium-term outlook*" and 11.2 "*Profit Forecasts or Estimates—Group forecasts for the years ending December 31, 2023 and 2024*" of this Registration Document.

18.5 Litigation and arbitration

In the ordinary course of its business, the Group may be involved in legal, arbitration, administrative or regulatory proceedings, including disputes with its customers, its suppliers, competitors and employees, as well as tax authorities and similar bodies.

At the date of this Registration Document, the Group is not aware of any governmental, legal or arbitration proceedings, including any proceedings which are ongoing or with which it is threatened, that are likely to have or have had over the last 12 months a significant effect on the financial position or profitability of the Company or Group.

18.6 Significant change in the issuer's financial position

To the Company's knowledge, there has been no significant change in the Group's financial position since June 30, 2023.

19. ADDITIONAL INFORMATION

19.1 Share capital

19.1.1 Subscribed share capital and authorized but unissued share capital

As of the date of this Registration Document, the Company's share capital amounts to €346,955.00 divided into 346,955 shares, with nominal value of €1 per share. The Company contemplates to implement a stock split, at the latest on the date of approval of the prospectus. Following such stock split, the breakdown of the Company's share capital between the shareholders will be identical, subject to a higher amount of share capital.

As regards the authorized unissued capital, a General Shareholders' Meeting will be held prior to the admission to trading on Euronext Paris of the Company's shares, for the purpose of approving the delegation of financial authorisations described below.

Each delegated financial authorization will be approved subject to the condition precedent of the conversion of the Company into a limited liability company with a board of directors (*société anonyme à conseil d'administration*).

19.1.2 Non-equity securities

As of the Date of this Registration Document, the Company has not issued any securities not representing the share capital.

19.1.3 Shares held in treasury by the Company or for its account

As of the Date of this Registration Document, the Company does not hold any of its own shares, and no shares of the Company are held by any of its subsidiaries or by any third party on its behalf.

19.1.4 Other securities giving access to share capital

As of the date of this Registration Document, the General Shareholders' Meeting of the Company has authorized the allocation of free shares (see Chapter 13 "*Compensation and benefits*", Section 13.1.3 (*Stock option and free shares grants*)).

As of the date of this Registration Document, the Company has not granted any stock options (see Chapter 13 "*Compensation and benefits*", Section 13.1.3 (*Stock option and free shares grants*)).

Prior to the approval of the prospectus by the AMF, the extraordinary general meeting of shareholders will also authorise the implementation of an employee share purchase plan which will consist in an offer of Company's shares reserved to the employees of the Group, members of an employee savings plan (*plan d'épargne d'entreprise*) or an international employee savings plan (*plan d'épargne groupe international*).

The transaction will aim to involve Planisware employees more closely, both in France and abroad, in the Group's development and performance.

19.1.5 Terms governing any right of acquisition and/or any obligation attached to subscribed but not paid-up capital

None.

19.1.6 Share capital of any Group company under option or agreed to be put under option

None.

19.1.7 History of the Company's share capital

Over the last three fiscal years, changes in the Company's share capital were the following:

Date	Type of transaction	Amount of the share capital before the	Number of shares before the transaction	Number of shares after the transaction	Par value	Amount of the share capital after the

		transaction (in euros)				transaction (in euros)
12/27/2021	Capital increase	340,670.00	340,670	343,670	€1.00	343,670.00
05/31/2023	Capital increase	343,670.00	343,670	346,955	€1.00	346,955.00

19.2 Bylaws

This section describes the principal provisions of the bylaws of the Company that are contemplated to be adopted, subject to the listing of the Company's shares on the regulated market of Euronext Paris and effective as of the date of commencement of trading of the shares, by the Company's Extraordinary Shareholders' Meeting to be held prior to the AMF approval of the prospectus relating to the proposed admission to trading on Euronext Paris of the Company's shares.

The provisions of such bylaws will differ from those of the bylaws of the Company in effect as of the date of approval of the prospectus by the AMF to take into account rules that apply or may apply only to listed companies, notably as regards the provisions summarized in Sections 19.2.3 (form of shares and double voting rights), 19.2.5 (representation at shareholders' meetings), 19.2.7 and 19.2.8 (ownership threshold disclosure and identification of shareholders).

The Company's bylaws will be prepared in accordance with French laws and regulations applicable to French limited liability companies with a board of directors (*sociétés anonymes à conseil d'administration*).

19.2.1 Corporate purpose (Article 2 of the bylaws)

Pursuant to Article 2 of its bylaws, the Company's purpose is, in France and in any other country:

- Research, study, conception, development, edition and commercialization of any and all business and project management software and related software;

- Purchase, manufacturing and sale of any and all products, components and other materials that may be used in connection with the above-referred activities;

- Conduct of any work and provision of any and all services, including advisory services, in relation to such activities or related thereto;

- Research, technical and scientific study, securing, acquiring, exploiting or disposing of any patent, licence, inventions, process, trademark and model in relation to the corporate purpose and, generally, any civil, commercial, industrial, financial, or real estate transaction or transaction relating to movable assets, that may directly or indirectly relate to the corporate purpose of the Company.

19.2.2 Provisions of the bylaws relating to administrative and management bodies – Internal regulations of the Board of Directors

The following description summarizes the main provisions of the bylaws and the internal regulations of the Board of Directors, in particular its mode of operation and powers, which will be adopted subject to the condition precedent of the listing of the Company's shares on the regulated market of Euronext Paris.

These internal regulations will be adopted with effect from the listing of the shares of the Company on the regulated market of Euronext Paris. In addition to the provisions relating to the Board of Directors mentioned below, the internal regulations will set out how the Board's committees are organized and run, as well as define their powers and responsibilities (see Section 14.3 "*Board committees*").

Board of Directors (Articles 13, 14, and 16 of the bylaws and Articles 1, 2, 3, 4 and 5 of the internal regulations)

Composition

The Company is governed by a Board of Directors composed of at least three members and at most eighteen members elected by the ordinary shareholders' meeting pursuant to and subject to the exceptions provided by applicable law.

The Board of Directors shall ensure that at least one third of its members are independent. It shall further ensure that at least two thirds of the members of the Audit Committee and more than half of the members of the Nomination, Remuneration and Governance Committee are independent.

Directors representing employees do not count when determining the percentage of independent members.

Upon each re-election or appointment of a member of the Board of Directors, and at least once a year before the Board prepares its report on corporate governance, the Board of Directors shall assess the independence of each of its members (or candidates). During this assessment, the Board of Directors, after consultation of the Nomination, Remuneration and Governance Committee, shall examine on a case-by-case basis the qualifications of each of its members (or candidates) in light of the criteria referred to below, the specific circumstances and the position of the person concerned in relation to the Company. The findings shall be disclosed to the shareholders in the report on corporate governance and, where appropriate, at the General Shareholders' Meeting when members of the Board of Directors are elected.

Subject to the ratification by the next ordinary shareholders' meeting, the Board of Directors may appoint one or more non-voting members. Non-voting members may be natural or legal persons. The term of office of non-voting members is determined by the Board of Directors in the appointment decision. The duties of non-voting members, including any remuneration, shall be decided by the Board of Directors. The Board of Directors may entrust specific task to non-voting members. Non-voting members shall be eligible for re-election indefinitely. They shall be invited as observers to meetings of the Board of Directors and shall participate in discussions in an advisory capacity.

In accordance with the AMF recommendation 2012-02 on corporate governance and executive remuneration of companies referring to the Afep-Medef code, non-voting directors must be informed of the rules applicable to market abuse (in particular Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 June 2014 on market abuse) and, more specifically, the rules applicable to the disclosure of inside information. In addition, measures designed to address conflicts of interests would be put in place to avoid non-voting directors attending debates when they are in a potential conflict of interest situation. Consequently, the obligations set out in the internal rules of the Board of Directors of the Company applicable to directors and relating to the prevention of conflicts of interest apply, *mutatis mutandis*, to non-voting directors.

Appointment

During the Company's existence, directors shall be appointed, re-elected or removed from office under the conditions laid down by applicable laws and regulations and by the bylaws.

The internal rules of the Board require that each member of the Board of Directors hold at least 2,500 shares within twelve (12) months from his or her appointment and for the remainder of his or her term of office.

Directors are appointed for a 3-year term.

By exception, the general shareholders' meeting may elect a director to serve for a period of less than 3 years and, as the case may be, reduce the term of office of one or more directors, as to allow a staggered renewal process of the Board of Directors.

Directors are eligible for re-election indefinitely, subject to the application of the age limit provision below. They may be removed at any time by the ordinary shareholder's meeting.

The number of directors who are over the age of 70 may not exceed one third of the directors in office and shall be subject to applicable laws and regulations on multiple appointments.

Identity of directors

Directors may be individuals or legal entities. At the time they are elected, legal entities must appoint a permanent representative who is subject to the same conditions and obligations, and who incurs the same civil and criminal responsibilities as he were a director in his own name, without prejudice to the joint liability with the legal entity he represents.

The office of permanent representative is given for the duration of the term of office of the legal entity he represents.

If the legal entity revokes the appointment of its permanent representative, it must immediately notify the Company in writing of such dismissal and of the name of its new permanent representative. This is also required in the event of the death, resignation or extended inability of the permanent representative.

Directors representing employee shareholders

N/A

Chairman of the Board of Directors

The Board of Directors elects a Chairman from among the members who are natural persons and, if it deems it appropriate, one or more Vice-Chairman. The Chairman may not be older than 75 years old.

The Chairman shall be appointed for a term that cannot exceed that of his term of office as director. He may be re-elected indefinitely, subject to application of the age limit provision. The Chairman may be removed from office by the Board of Directors at any time.

The Board of Directors shall determine the amount, method of calculation and payment of the compensation of the Chairman.

In the event of temporary impediment or death of the Chairman, the oldest Vice-Chairman of the Board of Directors is delegated to the duties of Chairman or, as the case may be, the Board of Directors may delegate a Director to the duties of Chairman. In the event of temporary impediment, this delegation is given for a limited duration. It is renewable. In the event of death, it is valid until the election of the new Chairman.

The Chairman organizes and manages the work of the Board of Directors, and reports on such work to the shareholders' meeting. He oversees the proper functioning of the Company's governing bodies and ensures, in particular, that the directors are able to carry out their duties.

Deliberations of the Board of Directors

The Board of Directors shall perform the duties and exercise the powers conferred on it by law, by the Company's bylaws and by the internal regulations of the Board of Directors. The Board of Directors shall determine and oversee the implementation of the Company's business strategy. It shall examine any and all matters pertaining to the efficient operation of the Company and make decisions about any and all issues concerning the Company, within the limits of the Company's corporate purpose and except for those issues which, by law, can only be decided upon by shareholders at a general meeting. The Board of Directors shall perform any inspections and audits it deems necessary.

The Board of Directors meets when called by the chairman as often as the Company's interests require. The Board of Directors shall meet at least four times a year.

When the Board of Directors has not met for more than two months, at least one third of the members of the board of directors may request that the Chairman calls a meeting with a determined agenda. The Chief Executive Officer may also request that the Chairman calls the Board of Directors with a determined agenda.

Meetings shall be held at the Company's registered office or at any other place stated in the notice to the meeting.

The Board of Directors may hold a meeting, even without being formally convened, if all members are present or represented.

The internal regulations may provide that are considered present for the quorum and the majority, the directors participating to the Board meeting by videoconference or telecommunication means in compliance with technical specifications laid down by the legislative and regulatory provisions in force, except for matters for which such mode of participation is not permitted pursuant to applicable laws and regulations.

Any director may authorize another director to represent him or her at a meeting of the Board of Directors, each Director may hold only one proxy per meeting.

The Board of Directors shall validly deliberate only if at least half of the members are present. Decisions shall be adopted by a simple majority of the members present or represented. In the event of a tie vote, the chairman of the meeting shall have a casting vote.

Certain decisions of the Board of Directors falling within its competence specified in Article L.225-37 of the French Commercial Code, as well as decisions to transfer the registered office within the same department, may be taken by written consultation of the members of the Board of Directors.

The Board of Directors sets the limitation to the powers of the Chief Executive Officer, if any, under its internal regulations, determining transactions for which the approval of the Board of Directors is required. The Board of Directors determines each year either an overall maximum amount within which the Chief Executive Officer may enter into commitments on behalf of the Company in the form of guarantees, or an amount beyond which each of the above mentioned commitments cannot be taken; any commitment exceeding the overall maximum amount or the maximum amount set for a commitment must be subject to a special authorization from the Board of Directors.

The following shall be subject to prior authorization by the Board of Directors acting by a simple majority of members present or represented, in accordance with the Board of Directors' internal regulations:

- any acquisition (including by way of merger by the Company or one of its subsidiaries (or by either of them) of an asset, business, goodwill or shareholding for a unit price in excess of 2,000.000 euros (with the exception of any transactions to be carried out by the Company or one of its subsidiaries involving the assets or securities of subsidiaries that are, in each case, directly or indirectly 100% owned by the Company);

- any disposal (including by way of sale, merger, demerger or partial contribution of assets) by the Company or one of its subsidiaries (or by either of them) of an asset, business, goodwill or shareholding (with the exception of any transactions to be carried out by the Company or one of its subsidiaries involving the assets or securities of subsidiaries that are, in each case, directly or indirectly 100% owned by the Company);

- any assignment or other transfer by the Company or one of its subsidiaries of an asset or other intellectual property right (patent, trademark, software, know-how or other), whether or not it is the subject of any application or filing with an organization, registration, copyright or other, as well as the creation of any pledge or other security relating thereto (with the exception of any transactions with a Group company which are solely internal reorganization transactions);

- signing any contracts involving liability commitments for which the Group is not insured;

- approval or modification of the Group's annual budget;

- any investment by the Company or one of its subsidiaries, immediately or in the future, in equity or expenditure (including any partnership or *joint venture* agreement) of a unit amount in excess of 1,000,000 euros, it being specified that all projects forming part of the same investment decision will be cumulated for the purposes of assessing this threshold;

- the adoption of a new business plan or any modification to the current business plan;
- any change in the Company's corporate form or purpose, as well as any strategic change in the nature of its activities and/or the development of the Group's business in a new country;
- any transfer or disposal of all or substantially all of the Company's assets, or any merger, demerger, dissolution or liquidation of the Company (with the exception of any transactions with a Group company, which are purely internal reorganization operations with no impact on shareholders' rights and obligations);
- the conclusion of any settlement agreement involving an amount in excess of 1,000,000 euros or relating to a risk for the Group in excess of 1,000,000 euros, it being specified that any settlement agreements relating to disputes with the same event giving rise to the damage will be aggregated for the purposes of assessing this threshold;
- the entering into or amendment by the Company of any loan or financing (including any bond issue or structured financing) with a person other than a Group company or one of its shareholders, and any guarantee, security or decision to grant a security interest over the Company's assets, or any other similar commitment to pay by the Company in an amount exceeding 1.000,000 euros or, beyond this amount, increasing the Company's indebtedness by more than 5%, it being specified that all projects forming part of the same decision will be aggregated for the purposes of assessing the thresholds set out in this paragraph;
- the decision to (x) change the admission to listing and trading of the Company's shares, (y) the admission to listing and trading of the Company’s shares on another regulated market in addition to Euronext Paris, and (z) the admission to listing and trading of a subsidiary of the Company on a regulated market or a multilateral trading facility;
- the decision to transfer the registered office outside France (or to move the main decision-making centers outside France);
- the entering into/amendment of employment contracts, the hiring/appointment, dismissal/revocation (or any other form of termination other than resignation), the determination/modification of the remuneration of any employee of the Company or of a subsidiary (or of any corporate officer of a subsidiary) whose gross annual remuneration exceeds 500,000 euros or its equivalent in another currency, as well as the waiver, where applicable, of a non-competition undertaking to which such employees have agreed;
- any profit-sharing plan and any transaction (including the granting of rights) allowing employees to acquire (including free of charge) shares in the Company;
- any change in the general employee remuneration policy in force within the Company and its subsidiaries; and
- any commitment relating to a transaction referred to above.

Compensation of members of the Board of Directors

The general shareholders’ meeting may allocate compensation to the directors in a fixed annual amount, which it shall determine for the current fiscal year and/or later fiscal years until a new decision replaces it. The Board of Directors may freely distribute such compensation among its members.

The Board of Directors may also allocate exceptional compensation, which shall be subject to the approval of the ordinary general shareholders’ meeting, for specific assignments or mandates given to directors (separately from compensation for participation in specialized Board committees).

Internal regulations

The Board of Directors sets up in its internal regulations its operating procedures in accordance with the law and the bylaws. It may decide to create committees responsible for studying issues that it itself or its Chairman may submit to them for analysis. The composition and powers of each of these committees, which operate under its responsibility, are set by the Board of Directors by internal regulations.

Any person called to attend the meetings of the Board shall exercise discretion with regard to information of a confidential nature and provided as such by the Chairman as well as a general obligation of secrecy.

Chief Executive Officer (Article 17 of the bylaws)

Method of management

The management of the Company is assumed, under his or her responsibility, either by the Chairman of the Board of Directors, or by another individual, appointed by the Board among Board members or outside the Board, who holds the title of Chief Executive Officer.

The Board of Directors chooses between these two methods of management at any time and at least each time the appointment of the Chief Executive Officer or the term of office of the Chairman expires when the Chairman also assumes the general management of the Company.

Shareholders and third parties shall be informed of this choice in the manner prescribed by applicable laws and regulations.

When management of the Company is entrusted to the Chairman of the Board of Directors, the following provisions concerning the Chief Executive Officer shall apply to the Chairman. In this case, he holds the title of Chairman and Chief Executive Officer.

Executive management

On the recommendation of the Chief Executive Officer, the Board of Directors may appoint, among its members or outside, one or more individuals in charge of assisting the Chief Executive Officer, who hold the title of Deputy Chief Executive Officer.

There may not be more than three Deputy Chief Executive Officers.

Age limit – Term of office – Compensation

The Chief Executive Officer and the Deputy Chief Executive Officers may not be more than 70 years of age.

The term of office of the Chief Executive Officer or of a Deputy Chief Executive Officer is determined at the time they are appointed, but this term may not exceed their term of office as member of the Board, if applicable.

Removal from office

The Chief Executive Officer may be dismissed at any time by the Board of Directors. This is also true for the Deputy Chief Executive Officers, on the recommendation of the Chief Executive Officer. If dismissal is decided without cause, it may result in damages, except when the Chief Executive Officer assumes the position of Chairman of the Board of Directors.

When the Chief Executive Officer ceases or is prevented from performing his duties, the Deputy Chief Executive Officers retain their duties and powers, unless decided otherwise by the Board, until the appointment of the new Chief Executive Officer.

The Board of Directors determines the compensation of the Chief Executive Officer and the Deputy Chief Executive Officers.

Powers of the Chief Executive Officer and Deputy Chief Executive Officers

The Chief Executive Officer is vested with the most extensive powers to act in all circumstances in the name of the Company. He shall exercise those powers within the limits of the corporate purpose and subject to the powers attributed expressly to the shareholders' meeting and the Board of Directors by law and to the limitations set forth by the internal regulations of the Board of Directors.

He represents the Company in its relations with third parties. The Company is bound by the acts of the Chief Executive Officer which do not fall within the corporate purpose, unless it proves that the third party knew that the act exceeded this purpose or that the third party could not have not been aware thereof in light of the circumstances.

Decisions of the Board of Directors limiting the powers of the Chief Executive Officer are not enforceable against third parties.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers granted to the Deputy Chief Executive Officers. The Deputy Chief Executive Officers have the same powers as the Chief Executive Officer vis-à-vis third parties.

The Chief Executive Officer or the Chief Operating Officers may, to the extent permitted by applicable law, delegate the powers they deem appropriate, for one or more specific purposes, to all persons, even outside the Company, individually or acting jointly, with or without possibility of substitution (subject to any limitations provided by applicable law). These powers may be permanent or temporary, and include or exclude the possibility of substitution.

19.2.3 Rights, privileges and restrictions attached to shares (Articles 9, 11 and 12 of the bylaws)

Fully paid-up shares are in registered or bearer form, at the shareholder's discretion, under the conditions defined by applicable laws and regulations.

Each share entitles to a share of the profits and corporate assets in proportion to the percentage of capital it represents. Moreover, it gives the right to vote and to representation at shareholders' meetings under the conditions set by law and the bylaws.

A shareholder benefits from double voting rights in respect of fully-paid up shares held in its name in registered form for a consecutive period of at least two (2) years. The period during which the shares were held prior to the date of listing of the Company's shares on the regulated market of Euronext Paris is not taken into account for purposes of calculating such consecutive holding period.

In accordance with Article L. 225-123 al. 2 of the French commercial code, in case of a capital increase by way of incorporation of benefits, premiums or reserves, a double voting right is allocated upon issuance of the shares freely allocated to a shareholder in respect of shares for which such shareholder already benefits from such right.

Such double voting rights may be exercised at any shareholders' meeting.

Any share converted to bearer form or whose ownership is transferred ceases to grant the benefit of double voting rights upon such conversion or transfer. By way of exception, in case of ownership transfer resulting from inheritance, liquidation of a marriage or donation to a spouse or direct ascendant or descendant, does not result in the loss of such double voting right and does not suspend the above-referred consecutive 2-year holding period necessary to obtain double voting rights.

The rights and obligations attached to a share remain with the share upon its transfer. Ownership of a share legally implies compliance with the bylaws and the resolutions of the shareholders' meeting.

Whenever it is necessary to hold several shares to exercise a right, individual shares or a number of shares less than the number required give no rights to their owners against the Company; each shareholder is responsible for ensuring that it holds the number of shares necessary to exercise any rights.

Shares are indivisible with respect to the Company.

Co-owners of indivisible shares are represented at shareholders' meetings by one of the owners or by a single agent. If they disagree, the agent shall be designed by a court of law at the request of one of the co-owners.

If there is a beneficial owner, the share registration must show the existence of the beneficial ownership. Except otherwise provided among the beneficial owner and the owner of bare title and notified to the Company, the voting right belongs to the beneficial owner in ordinary shareholders' meetings for decisions concerning the allocation of profits and to the bare owner for the other decisions submitted to the ordinary general meetings, and to the owner of bare title in extraordinary shareholders' meetings.

Registered or bearer shares are freely negotiable, except as otherwise provided pursuant to applicable laws and regulations. Share ownership is recorded in an account and share ownership is transferred, vis-à-vis the Company, by way of transfer between accounts, pursuant to the conditions provided by applicable laws and regulations.

19.2.4 Changes in share capital and rights attached to shares

Unless otherwise provided in the bylaws, changes to the rights attached to shares shall be subject to statutory provisions.

19.2.5 General Shareholders' Meetings (Article 22 of the bylaws)

Notice and place of meeting

Shareholders' meetings shall be called and shall deliberate on the terms provided by law.

Meetings shall be held either at the registered office or at another place stated in the notice of the call to a meeting.

Agenda

The meeting agenda is provided on the notices and/or letters of meeting; it is decided by the author of the notice.

The meeting may deliberate only on items indicated on the agenda; however, in all circumstances it may dismiss one or more Directors and replace them.

One or more shareholders representing at least the percentage of capital required by law, and acting under the statutory conditions and within the statutory time periods, have the option to require the inclusion of proposed resolutions on the agenda.

Access to meetings

Any shareholder has the right to attend shareholders' meetings and participate in the deliberations personally or through an agent.

Any shareholder may participate at meetings in person or through his agent, under the conditions defined by the regulations in force, with proof of his identity and the ownership of his shares in the form of accounting registration under the conditions defined by the laws and regulations in force.

On the decision of the Board of Directors published in the notice of meeting to use such telecommunications methods, shareholders who attend the meeting via videoconference or other telecommunication or electronic transmission methods, including the Internet, which allow identification under the conditions required by the regulations in force, are deemed present for the calculation of quorum and majority.

Any shareholder may vote remotely or give a proxy in accordance with applicable laws and regulations.

Duly empowered representatives of shareholders (individuals or legal entities) shall participate in meetings, in accordance with applicable laws and regulations.

Attendance sheet, officer, minutes

At each meeting, an attendance sheet containing the information required by law shall be established.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by a Director specifically delegated for this purpose by the Board. If not, the meeting shall elect a chairman.

The duties of tellers (*scrutateurs*) are performed by the two members of the meeting who are present and accept the duties and who themselves or as agents have the largest number of votes.

The officers (*bureau*) name the secretary, who does not have to be a shareholder.

The mission of the officers (*bureau*) is to verify, certify and sign the attendance sheet, to ensure the proper conduct of discussion, to settle incidents at meetings, to count the votes cast, and to ensure the meeting is properly conducted and that minutes are prepared.

Minutes are prepared and copies or excerpts of the resolutions are issued and certified as required by law.

Ordinary shareholders' meeting

The ordinary shareholders' meeting is a meeting called to adopt all decisions that do not amend the bylaws. It meets at least once a year within six months after the closing of each fiscal year to approve the financial statements for the year ended and the consolidated financial statements unless an extension is granted in accordance with applicable laws and regulations.

On the first notice of meeting, it may legally deliberate only if the shareholders present or represented, or voting by mail and electronically, hold at least one-fifth of the voting shares. On the second notice of meeting, no quorum is required.

It rules by a majority of the votes held by the shareholders present, represented or who have voted by mail or means of distance communication. Votes cast do not include those attached to shares in respect of which the shareholder has not taken part in the vote, has abstained, or has returned a blank or invalid vote.

Extraordinary shareholders' meeting

Only the extraordinary shareholders' meeting is authorized to amend all provisions of the bylaws. It may not, however, increase shareholders commitments, subject to operations resulting from a legally performed consolidation of shares.

It legally deliberates only if the shareholders present, represented or who have voted by mail or electronically, hold at least one quarter of the voting shares on the first notice of meeting, and one-fifth of the voting shares on the second notice. If the second quorum is not reached, the second meeting may be moved to a date no more than two months from the date on which it was called.

The meeting rules by a two-thirds majority of the votes of the shareholders present, represented or voting by mail or means of distance communication. Votes cast do not include those attached to shares in respect of which the shareholder has not taken part in the vote, has abstained, or has returned a blank or invalid vote.

In case of capital increase by way of capitalization of reserves, profits or premiums, however, the extraordinary shareholders' meeting deliberates and decides pursuant to quorum and majority rules applicable to ordinary shareholders' meetings.

Under no circumstances may the extraordinary shareholders' meeting increase the commitments of the shareholders unless this is done by unanimous vote of the shareholders.

19.2.6 Stipulations that allow delaying, deferring or preventing a change in control of the Company

There are no provisions either in the Company's bylaws or in any internal charter or rules of procedure that could have the effect of delaying, postponing or preventing a change of control of the Company.

19.2.7 Ownership threshold disclosures and identification of shareholders (Article 10 of the bylaws)

In addition to the thresholds provided for by applicable laws and regulations, any natural person or legal entity, acting alone or in concert, who comes to hold or ceases to hold, directly or indirectly, a fraction equal to or greater than three percent (3%) of the Company's share capital or voting rights or any multiple of such percentage up to 50% of the share capital or voting rights, including beyond the reporting thresholds provided for by applicable laws and regulations, must inform the Company of the total number of shares and voting rights that it possesses as well as of securities giving access to the share capital and voting rights that are potentially attached thereto, by registered letter with return receipt requested sent to the Company's senior management at the registered office no later than the close of the fourth trading day following the day on which the threshold is crossed.

The thresholds referred to above shall be determined also taking into account indirectly held shares or voting rights and shares or voting rights having the same rights as the shares or voting rights held, as defined in Articles L.233-7 *et seq.* of the French Commercial Code.

In the event of non-compliance with the above provisions, the sanctions provided for by law for the failure to comply with the obligation to report the crossing of legal thresholds shall apply to the thresholds set forth in the bylaws only upon the request (recorded in the minutes of the general shareholders' meeting) of one or more shareholders holding at least five percent (5%) of the Company's share capital or voting rights.

The Company reserves the right to inform the public and the shareholders either of the information that shall have been provided to it or of the non-compliance by any person with the obligation set forth above.

19.2.8 Identification of securities holders (Article 9 of the bylaws)

The Company, or its agent, is entitled, under the legal and regulatory conditions in force, either to request at any time, at its own expense, from the central depository which keeps the account for the issue of its securities, or directly from one or more intermediaries, information regarding their identity and number of shares held, in accordance with applicable laws and regulations, as regards the owners of its shares and securities conferring an immediate or future right to vote in its own shareholders' meetings.

19.2.9 Particular stipulations governing modifications of the share capital

As the bylaws do not provide any specific stipulations, the share capital may be increased, decreased or amortized by any methods or means authorized by law.

20. MATERIAL CONTRACTS

None.

21. DOCUMENTS AVAILABLE

The Company’s bylaws, minutes of General Shareholders’ Meetings and other statutory documents, as well as any valuation or statement made by an independent expert at the Company’s request which must be made available to shareholders in accordance with applicable regulations, may be consulted at the Company’s registered office.

Following the admission of the Company’s shares to trading on the regulated market of Euronext Paris, regulated information within the meaning of the provisions of the AMF General Regulations shall also be available on the Company’s website.

22. GLOSSARY

Adaptive Project Management and Reporting ("APMR")	refers to tools to efficiently plan, monitor and manage projects including tasks, responsibilities, budgets, schedules, as well as tools to allocate and track resources, and tools to simulate scenarios under various constraints.
Adjusted EBITDA	calculated as *current operating profit including share of profit of equity-accounted investees*, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, plus either non-recurring items or non-operating items defined as the following: (i) share-based payment expenses under IFRS 2; (ii) any expenses, charges or other costs directly or indirectly related to any initial public offering, equity offering, investment, acquisition, joint venture or partnerships; (iii) certain consulting fees incurred for one-off projects, such as reorganization measures; and (iv) certain severance payments, which includes expenses related to reorganization and restructuring measures, primarily consisting of severance payments and other personnel-related costs. For the year ended December 31, 2022, these adjustments for non-recurring items or non-operating items related to external costs incurred by the Group in connection with its planned initial public offering.
Adjusted EBITDA margin	means the ratio of adjusted EBITDA to total revenue
Agile	is a type of software development method in which the project team starts with a simple project design and adds functionalities through short iterations. At the end of each iteration, an updated, tested, potentially deliverable version of the software is presented, and project stakeholders decide on the goals of the following iteration, incorporating feedback from users, the project team and any relevant outside trends.
Agility and IT Project Portfolios	is one of Planisware's four pillars and involves the application of Planisware's software to IT functions related to strategic and "at scale" IT management, helping organizations to align IT and business functions, make tech-driven decisions, upgrade or transform IT infrastructures, make the most of their digital transformation and manage numerous IT projects at once.
Application programming interfaces ("API")	is a type of software interface that allows the servicing or connecting of two or more different sources of software or pieces of software in one system, which in the case of SaaS providers allows developers to write code that posts data to and retrieves data from the provider's site or platform.
Binding corporate rules for processor ("BCR-P")	means data protection policies governing the transfer of personal data outside the EU by companies established in the EU.
Cloud	refers to the on-demand availability of computer system resources, particularly for data storage and computing, that can be accessed and manipulated remotely.
Collaborative Project Management ("CPM")	refers to the tools that enable coordination across many teams and team members within an organization during execution of a project or program or development of a product, in working together to complete all types of projects and tasks by utilizing various messaging and file-sharing applications.

CAGR	means compound annual growth rate.
Data center	means a physical site that hosts the infrastructure (e.g. servers) Planisware uses to store and process data as part of the services it provides customers.
EBITDA	means earnings before tax, financial result, depreciation and amortization.
Enterprise Agile Planning (“EAP”)	refers to the tools for resourcing, planning, scenario simulations and utilization of Agile teams in PPM, focusing in particular on the application of Agile project tools to individual teams, groups of teams, or value streams to facilitate Agile collaboration.
Financial Planning & Analysis (“FP&A”)	consists of tools for financial reporting (including planning and analysis) to synthesize and evaluate performance progress, cost controlling and budget forecasting.
IFTP KK	means Innovation Framework Technologies Planisware KK., a Japanese corporation in which Planisware recently acquired the remaining 53% equity stake in its former joint venture. See Note 1.3 to the Group’s consolidated financial statements as of and for the years ended December 31, 2022, 2021 and 2020 and Note 1.2 to the Group’s condensed consolidated interim financial statements as of and for the six months ended June 30, 2023.
MSBs	means medium-sized businesses.
NPD	means new product development, which consists of the process of developing a new product, service, technology or process (or innovating an existing one) from the initial idea to its launch (which includes concept testing, business analysis, prototype testing and product implementation).
Open-source software	means software that has an open source code that can be modified and reused.
Planisware Enterprise	is one of Planisware’s two software solutions, mainly targeting highly sophisticated projects and programs that involve large numbers of users, typically more than 10,000 employees.
Planisware Orchestra	is one of Planisware’s two software solutions, typically geared toward fast deployment and bottom-up adoption targeting medium-sized organizations (approximately 500 or more employees) with more simple project processes.
Product Development and Innovation (“PD&I”)	is one of Planisware’s four pillars and involves application of Planisware’s solutions to NPD, R&D and marketing implementations, which allows organizations to better sequence and prioritize projects, speed up time-to-market for new products and more effectively facilitate collaboration between product, technology, finance and sales teams.
Product Lifecycle Management (“PLM”)	refers to tools that enable end-to-end management of the product and portfolio life cycle.
Project and Portfolio Management (“PPM”)	refers to the series of tools, methodologies and strategies used to manage portfolios of projects, programs, products or/and their individual components, which have the ultimate aim of enabling organizations to meet their goals and objectives through efficient analysis, prioritization,

	management and decision-making on projects, portfolios, programs and products.
Project Business Automation (“PBA”)	is one of Planisware’s four pillars and refers to solutions that support organizations in optimizing revenue recognition from their project operations by managing cost rates, resources (e.g., time spent, capacity), expenses, proposals and invoices.
Project Controls and Engineering (“PC&E”)	is one of Planisware’s four pillars and involves the use of Planisware’s software to manage complex or large-scale internal engineering or construction projects in industries such as aerospace and defense, energy and utilities, manufacturing and construction.
Project Economy	as defined by the Project Management Institute, refers to the share of the global economy in which “organizations deliver value to stakeholders through the successful completion of projects, delivery of products and alignment of value streams”.
R&D	means research and development.
SaaS (*Software-as-a-Service*)	is a software application delivery model whereby a software service provider hosts an application or platform (developed either internally or by a software publisher) and the related services via the Internet, which clients use via paid subscriptions, as opposed to perpetual licensing which involves the actual purchase and on-premise installation of the software itself.
SAM	means serviceable addressable market, which refers to the subset or segment of the TAM that can actually be reached or exploited based on current products or services offered.
Strategic Portfolio Management (“SPM”)	refers to top-level organizational strategy and its associated goals and expected outcomes, through the consolidated overview of multiple projects and the integration of enterprise level data reporting showing key interdependencies, impacts and resource planning and completion of large enterprise goals (e.g. large scale business projects, such as exploring a new market or investing in a major new product development project, major transformation projects, such as digitization of a significant portion of the business, or major financial decisions such as share buyback programs).
TAM	means total addressable market, which typically refers to the revenue opportunity available in the overall market for a particular product or service.
Workflow Management (“WfM”)	relates to the infrastructure for the set-up, performance and monitoring of ongoing or cross-team processes.