

# QUARTERLY OPERATING REPORT – Q1 2020

## FINANCIALS

24 April 2020

COREMEDIA

# 1 Executive Summary



## EXECUTIVE SUMMARY FINANCIALS VS. REALISTIC CASE (RC)

1. Overall Finance/Accounting team is extremely stretched by transition to new Fiscal Year, switch to IFRS from German GAAP, switch to Cost Of Sales (COS) from in Germany commonly used Total Cost Method (TCM), multiple audits, integration of the Bridge Holding, implementation of a new consolidation tool etc. and at the same time reporting requirements, AOP and adjustments COVID-19 just after AOP.
2. Therefore focus on getting interim support for controlling/finance team, intensifying recruiting for qualified controlling/finance and at the same time facilitating OpenGate reporting requirements is key.
3. Numerous major initiatives on its way or planned for accounting and finance organization over 2020 to improve speed & accuracy of information and support CoreMedia team with value added reporting and analysis.

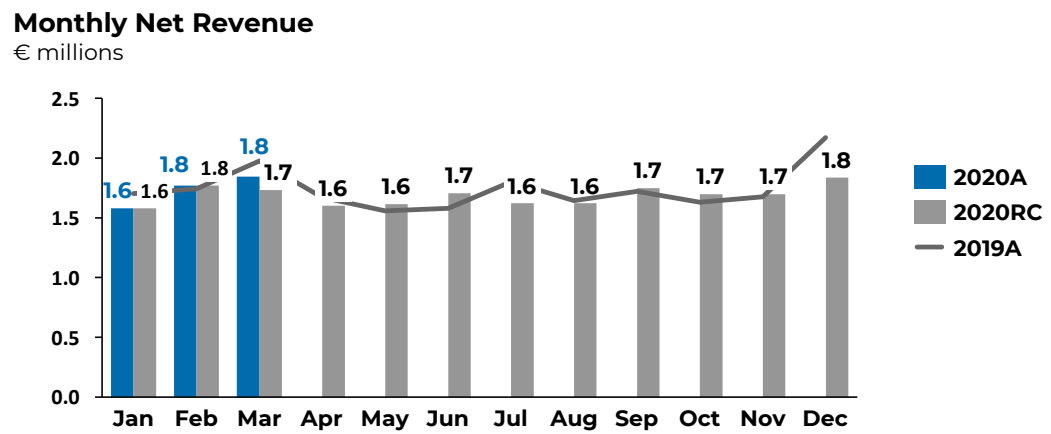
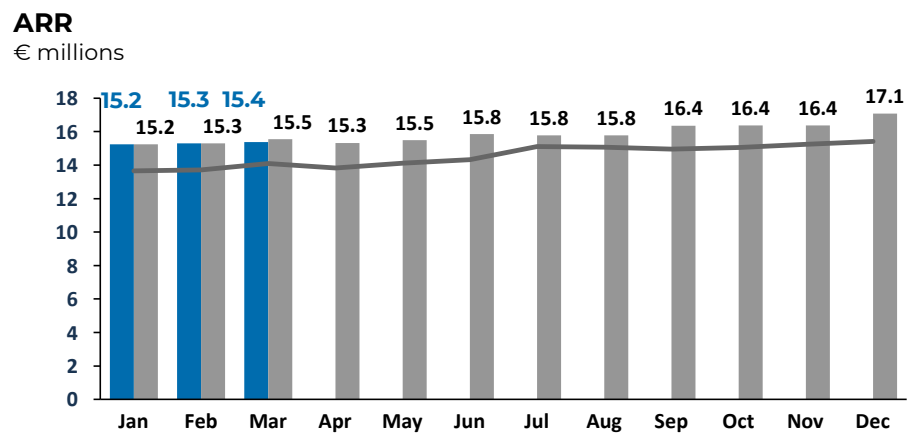
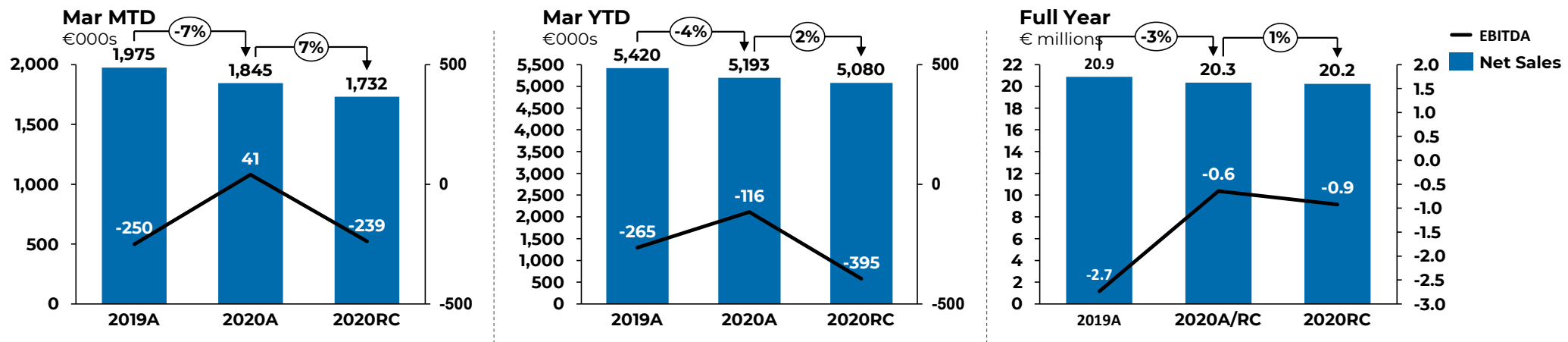
### Management Summary on Q1/2020 vs. RC

- Financial performance exceeded expectations in Q1
- Revenues Q1 vs. Realistic Case (RC)
  - Revenue above; ARR slightly below RC especially due to higher consulting revenues
    - Revenue of €5,2m, 2.2% (€114k) above plan
    - ARR March of €15.4m, 1.1% (€165k) below plan
    - Recurring Revenue +0.5% above plan
  - Sales below RC
    - New ACV in Q1 of €114k below RC of €267k and Q1/2019 compared to €534k in 2019
    - One new logo: City of Vienna
  - Consulting/Training revenue of €1.2m, 7,7% (€93k) above RC
- Expenses fairly in RC
  - Operating expenses with -0,3% (€-16k) slightly higher than RC due to higher personnel and consulting expenses
  - External Services costs 22% (€24k) lower than RC
- Other Income significantly higher
  - €99k better than RC especially due to prepayment of YNAP for consulting services in previous years but not requested by the customer
- Result
  - Reported EBITDA 29% (€225k) better than RC

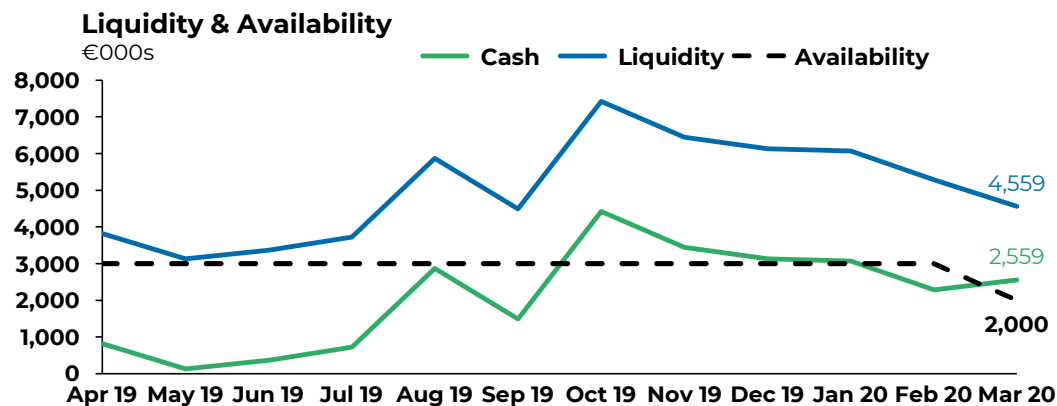
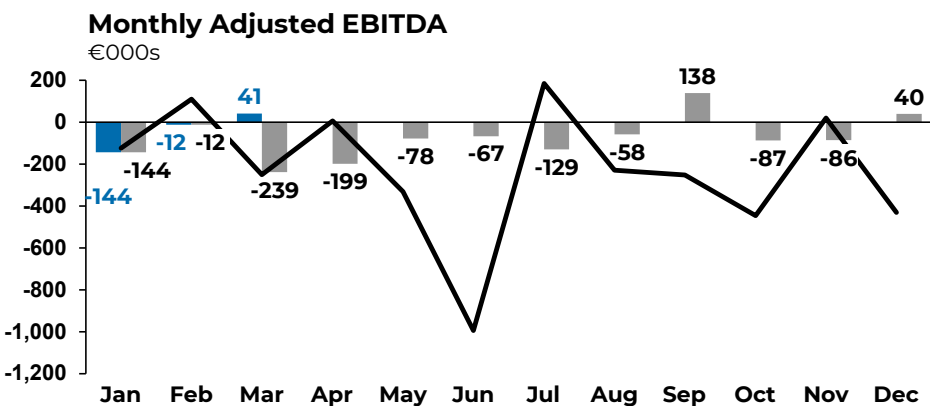
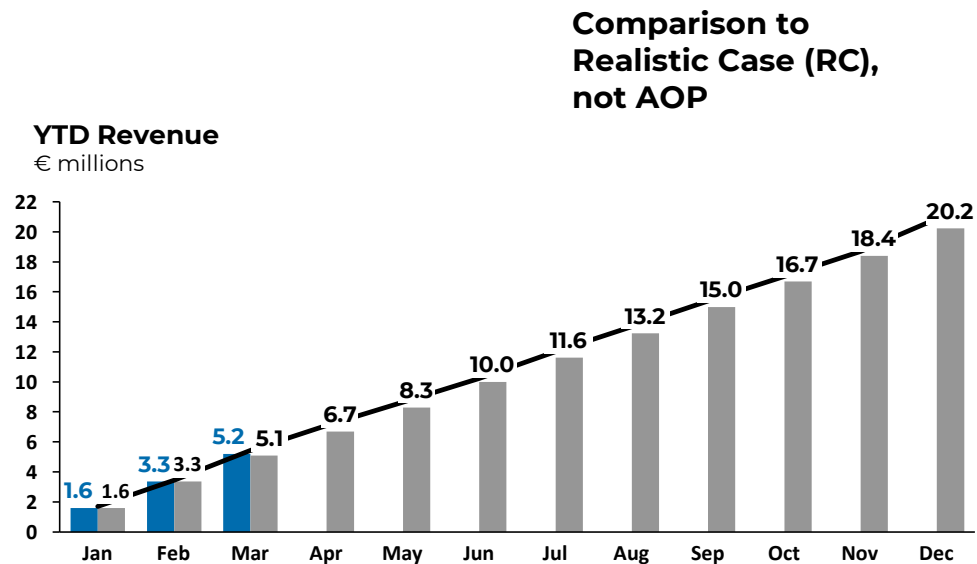
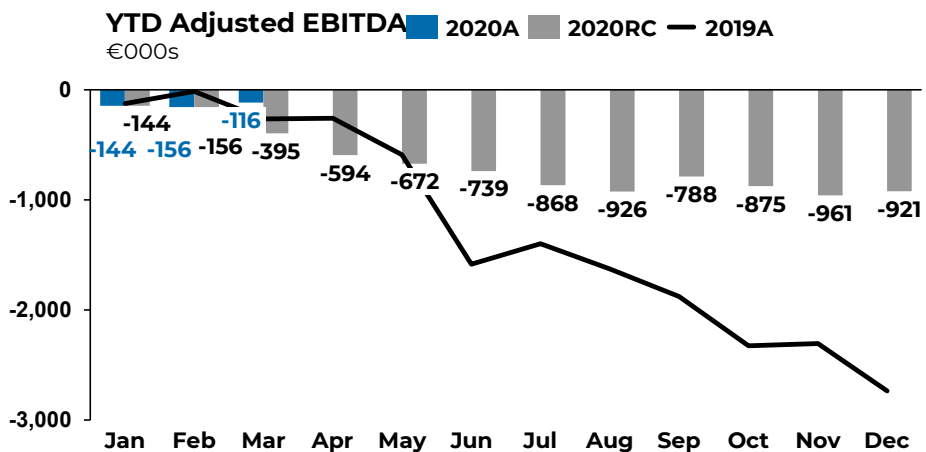
## 2 Financials



# MONTHLY FINANCIAL METRICS

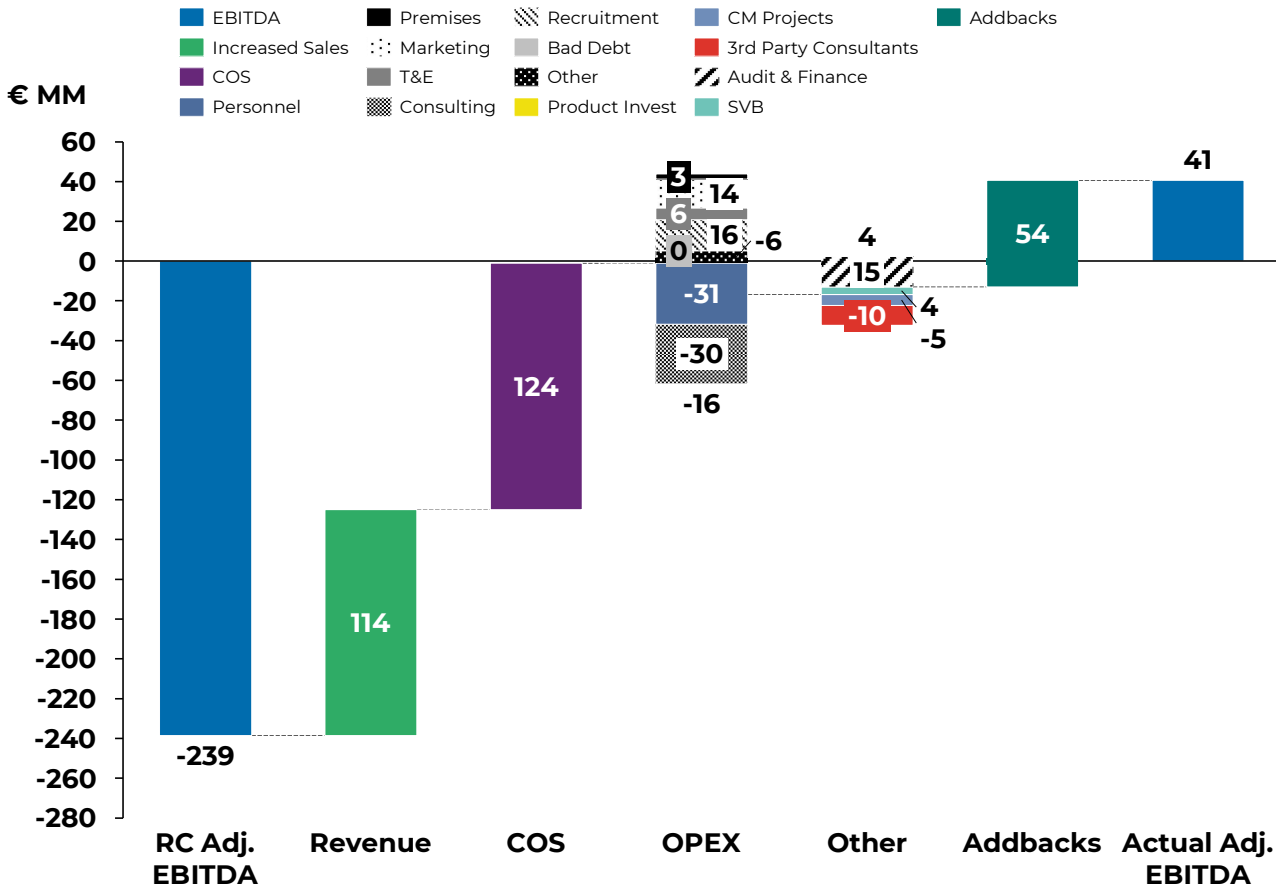


# MONTHLY FINANCIAL METRICS



# EBITDA BRIDGE - MARCH

Comparison to  
Realistic Case (RC),  
not AOP



	Revenue	Adjusted EBITDA
Realistic Case	1.732	(239)
Increased Sales	114	114
COS		124
OPEX Variance		
Personnel		(31)
Premises		3
Marketing		14
T&E		6
Consulting		(30)
Recruitment		16
Bad Debt		0
Other		6
Other		
CM Projects		(5)
3rd Party Consultants		(10)
Audit & Finance		15
SVB		4
Addbacks		54
March Actual	1.845	41



## SUMMARY P&L – MARCH 2020

	MTD		Variance		PY MTD	Variance	
	Actual	Realistic Case	EUR	%		EUR	%
<b>Recurring revenues</b>	<b>1.312.526</b>	<b>1.292.520</b>	<b>20.006</b>	<b>1,5%</b>	<b>1.153.241</b>	<b>159.285</b>	<b>13,8%</b>
Subscription	534.664	545.120	(10.456)	-1,9%	418.599	116.065	27,7%
Cloud	114.021	111.309	2.711	2,4%	58.271	55.750	95,7%
Maintenance & Support	663.841	636.090	27.751	4,4%	676.370	(12.530)	-1,9%
<b>Non-recurring revenues</b>	<b>532.576</b>	<b>439.041</b>	<b>93.536</b>	<b>21,3%</b>	<b>821.967</b>	<b>(289.391)</b>	<b>-35,2%</b>
Perpetual license revenues	73.500	73.500	-	0,0%	238.666	(165.166)	-69,2%
Consulting & Training	447.554	354.167	93.387	26,4%	572.717	(125.163)	-21,9%
Partner Subscription	11.523	11.374	148	1,3%	10.584	939	8,9%
<b>Revenues</b>	<b>1.845.102</b>	<b>1.731.561</b>	<b>113.541</b>	<b>6,6%</b>	<b>1.975.208</b>	<b>(130.106)</b>	<b>-6,6%</b>
Capitalised services	-	-	-	0,0%	(89.922)	89.922	100,0%
Other income	107.089	7.618	99.471	1305,8%	(87.897)	194.985	221,8%
External services	(36.674)	(61.080)	24.406	40,0%	(6.531)	(30.143)	-461,5%
<b>Gross Profit</b>	<b>1.915.517</b>	<b>1.678.099</b>	<b>237.418</b>	<b>14,1%</b>	<b>1.790.858</b>	<b>124.659</b>	<b>7,0%</b>
Gross Margin %	103,8%	96,9%	6,9%		90,7%	13,1%	
OPEX	(1.834.535)	(1.818.801)	(15.733)	-0,9%	(2.131.269)	296.734	13,9%
Product Invest	-	-	-		-	-	
CM Projects	(15.643)	(10.200)	(5.443)	-53,4%	-	(15.643)	
Consulting	(63.262)	(53.324)	(9.938)	-18,6%	-	(63.262)	
Audit & Finance	(300.224)	(315.700)	15.476	4,9%	-	(300.224)	
SVB Fees	-	(3.750)	3.750	100,0%	-	-	
<b>Reported EBITDA</b>	<b>(298.146)</b>	<b>(523.677)</b>	<b>225.531</b>	<b>43,1%</b>	<b>(340.410)</b>	<b>42.265</b>	<b>12,4%</b>
EBITDA Addbacks	338.780	285.144	53.635	18,8%		338.780	0,0%
<b>Adjusted EBITDA</b>	<b>40.634</b>	<b>(238.532)</b>	<b>279.167</b>	<b>117,0%</b>	<b>(340.410)</b>	<b>381.045</b>	<b>-111,9%</b>
Adjusted EBITDA %	2,2%	-13,8%	16,0%		-17,2%	19,4%	
Change in Deferred Revenue	(22.923)	(177.565)	154.642	87,1%	86.891	(109.815)	126,4%
<b>Adjusted Cash EBITDA</b>	<b>17.711</b>	<b>(416.098)</b>	<b>433.808</b>	<b>104,3%</b>	<b>(253.519)</b>	<b>271.230</b>	<b>-107,0%</b>
Adjusted Cash EBITDA %	1,0%	-24,0%	25,0%		-12,8%	13,8%	

### Comparison to Realistic Case (RC), not AOP

#### MD&A

#### Revenue

- Recurring revenue 1,5% above RC especially driven by Maintenance & Support (15k Boots, 5k Cornelsen, 4k YNAP), TBL reduced because contract start of Wiener Tourismus in April
- Perpetual License revenues according to RC
- Consulting and Training 26% above plan due to a more conservative FC

#### Reported EBITDA

- Other income EUR 99k above RC because of sold consulting services in previous years but not requested by the customer (YNAP) and fully booked in March 20
- External services EUR 24k below plan mainly due to planned price reduction for Cloud revenues but still not implemented and costs for Sencha which are now booked within software costs
- Gross Profit 14,1% above RC
- OPEX 0,9% above RC
- Reported EBITDA 43,1% above RC



## OPERATING EXPENSE - MARCH

	MTD		Variance			PY MTD		Variance	
	Actual	Realistic Case	EUR	%		Actual	EUR	%	
Personnel Costs	(1.378.766)	(1.348.023)	(30.743)	-2,3%		(1.497.481)	118.715	7,9%	
Premises	(78.458)	(80.989)	2.531	3,1%		(74.164)	(4.294)	-5,8%	
Taxes, Insurance, Contribution	(18.347)	(27.651)	9.304	33,6%		(19.153)	805	4,2%	
Automobile	(4.017)	(4.823)	806	16,7%		(6.973)	2.956	42,4%	
Marketing	(107.177)	(121.672)	14.495	11,9%		(163.101)	55.924	34,3%	
Travel expenses	(36.375)	(42.282)	5.906	14,0%		(114.180)	77.805	68,1%	
Communication, office equipm.	(10.216)	(13.325)	3.110	23,3%		(8.457)	(1.759)	-20,8%	
Consulting	(88.941)	(59.092)	(29.849)	-50,5%		(169.910)	80.969	47,7%	
Professional training	(6.191)	(9.171)	2.980	32,5%		(9.009)	2.818	31,3%	
Recruitment	(1.377)	(16.897)	15.519	91,8%		(2.099)	722	34,4%	
Bad debt	-	-	-	0,0%		-	-	0,0%	
Software	(71.536)	(70.291)	(1.244)	-1,8%		(40.126)	(31.410)	-78,3%	
Leasing	(7.294)	(11.700)	4.406	37,7%		(10.295)	3.001	29,2%	
Other costs	(25.839)	(12.885)	(12.954)	-100,5%		(16.322)	(9.518)	-58,3%	
<b>Operating Costs</b>	<b>(1.834.535)</b>	<b>(1.818.801)</b>	<b>(15.733)</b>	<b>-0,9%</b>		<b>(2.131.269)</b>	<b>296.734</b>	<b>13,9%</b>	

**Comparison to  
Realistic Case (RC),  
not AOP**

### MD&A

- Personnel expenses 2,3% above AOP, variable compensation can vary during the FY, e. g. Consulting bonus is planned on an average rate p. a., revenues in March above RC with impact on compensation
- Marketing costs could be reduced by 12% to RC
- Consulting above RC mainly due to missing invoice from one lawyer
- Recruitment 92% below RC because strongly reduced activities already in March
- Software costs are on plan
- Other costs above RC because of reduced income from sales events (planned in other costs)



## OPERATING EXPENSE - Q1

	YTD		Variance			PY MTD		Variance	
	Actual	Realistic Case	EUR	%		Actual	EUR	%	
Personnel Costs	(3.942.185)	(3.911.443)	(30.743)	-0,8%	(3.848.079)	(94.107)	-2,4%		
Premises	(227.453)	(229.985)	2.531	1,1%	(231.372)	3.918	1,7%		
Taxes, Insurance, Contribution	(66.961)	(76.265)	9.304	12,2%	(65.341)	(1.620)	-2,5%		
Automobile	(7.425)	(8.231)	806	9,8%	(16.064)	8.639	53,8%		
Marketing	(333.003)	(347.498)	14.495	4,2%	(457.632)	124.629	27,2%		
Travel expenses	(227.914)	(233.820)	5.906	2,5%	(280.957)	53.043	18,9%		
Communication, office equipm.	(29.643)	(32.753)	3.110	9,5%	(35.533)	5.890	16,6%		
Consulting	(161.355)	(131.506)	(29.849)	-22,7%	(360.968)	199.613	55,3%		
Professional training	(21.315)	(24.295)	2.980	12,3%	(19.383)	(1.932)	-10,0%		
Recruitment	(19.598)	(35.117)	15.519	44,2%	(8.923)	(10.674)	-119,6%		
Bad debt	55.843	55.843	-	0,0%	-	55.843	0,0%		
Software	(215.430)	(214.185)	(1.244)	-0,6%	(169.266)	(46.164)	-27,3%		
Leasing	(26.226)	(30.632)	4.406	14,4%	(35.016)	8.791	25,1%		
Other costs	(78.804)	(65.850)	(12.954)	-19,7%	(105.294)	26.490	25,2%		
Operating Costs	(5.301.468)	(5.285.734)	(15.733)	-0,3%	(5.633.828)	332.360	5,9%		

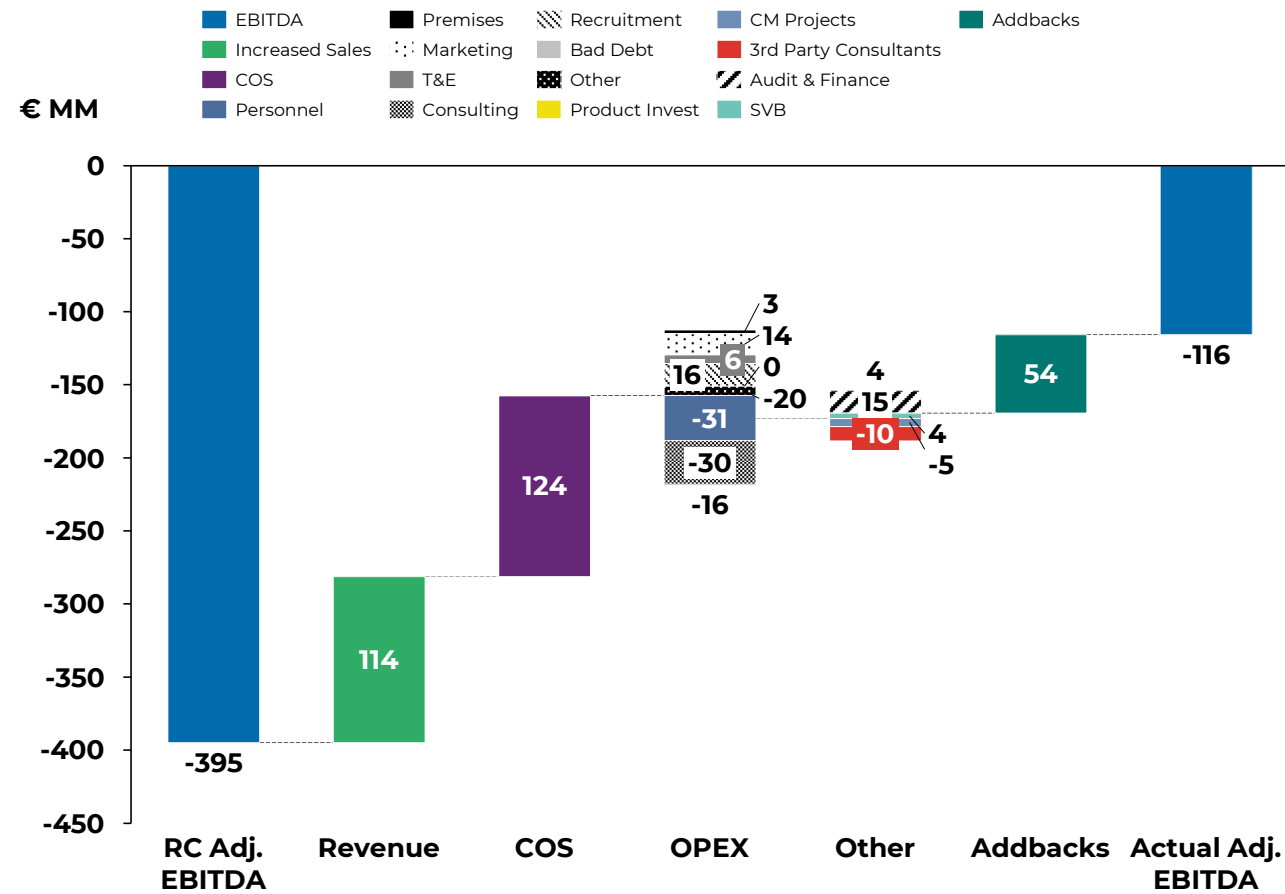
### MD&A

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- Marketing costs could be reduced by 4% to RC
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- Recruitment 44% below RC because strongly reduced activities already in March
- Software costs are on plan
- Other costs above RC because of reduced income from sales events (planned in other costs)



# EBITDA BRIDGE – Q1

Comparison to  
Realistic Case (RC),  
not AOP



	Revenue	Adjusted EBITDA
Realistic Case	5.080	(395)
Increased Sales	114	114
COS		124
OPEX Variance		
Personnel		(31)
Premises		3
Marketing		14
T&E		6
Consulting		(30)
Recruitment		16
Bad Debt		0
Other		6
Other		
CM Projects		(5)
3rd Party Consultants		(10)
Audit & Finance		15
SVB		4
Addbacks		54
Q1 Actual	5.193	(116)



## SUMMARY P&L – Q1, 2020

	YTD		Variance		PY YTD	Variance	
	Actual	Realistic Case	EUR	%		EUR	%
<b>Recurring revenues</b>	<b>3.877.691</b>	<b>3.857.685</b>	<b>20.006</b>	<b>0,5%</b>	<b>3.445.581</b>	<b>432.110</b>	<b>12,5%</b>
Subscription	1.584.776	1.595.232	(10.456)	-0,7%	1.226.538	358.238	29,2%
Cloud	342.709	339.998	2.711	0,8%	174.380	168.330	96,5%
Maintenance & Support	1.950.206	1.922.455	27.751	1,4%	2.044.663	(94.458)	-4,6%
<b>Non-recurring revenues</b>	<b>1.315.613</b>	<b>1.222.078</b>	<b>93.536</b>	<b>7,7%</b>	<b>1.974.107</b>	<b>(658.494)</b>	<b>-33,4%</b>
Perpetual license revenues	73.500	73.500	-	0,0%	238.666	(165.166)	-69,2%
Consulting & Training	1.207.795	1.114.408	93.387	8,4%	1.704.190	(496.395)	-29,1%
Partner Subscription	34.318	34.169	148	0,4%	31.251	3.067	9,8%
<b>Revenues</b>	<b>5.193.304</b>	<b>5.079.763</b>	<b>113.541</b>	<b>2,2%</b>	<b>5.419.689</b>	<b>(226.384)</b>	<b>-4,2%</b>
Capitalised services	-	-	-	0,0%	(89.922)	89.922	100,0%
Other income	121.172	21.700	99.471	458,4%	30.406	90.766	-298,5%
External services	(85.423)	(109.829)	24.406	22,2%	(16.949)	(68.474)	-404,0%
<b>Gross Profit</b>	<b>5.229.053</b>	<b>4.991.635</b>	<b>237.418</b>	<b>4,8%</b>	<b>5.343.224</b>	<b>(114.171)</b>	<b>-2,1%</b>
Gross Margin %	100,7%	98,3%	2,4%		98,6%	2,1%	
OPEX	(5.301.468)	(5.285.734)	(15.733)	-0,3%	(5.607.945)	306.478	5,5%
Product Invest	-	-	-		-	-	
CM Projects	(29.443)	(24.000)	(5.443)	-22,7%	-	(29.443)	
Consulting	(138.993)	(129.056)	(9.938)	-7,7%	-	(138.993)	
Audit & Finance	(324.289)	(339.765)	15.476	4,6%	-	(324.289)	
SVB Fees	-	(3.750)	3.750	100,0%	-	-	
<b>Reported EBITDA</b>	<b>(565.139)</b>	<b>(790.670)</b>	<b>225.531</b>	<b>28,5%</b>	<b>(264.722)</b>	<b>(300.417)</b>	<b>-113,5%</b>
EBITDA Addbacks	449.473	395.837	53.635	13,5%		449.473	0,0%
<b>Adjusted EBITDA</b>	<b>(115.666)</b>	<b>(394.833)</b>	<b>279.167</b>	<b>70,7%</b>	<b>(264.722)</b>	<b>149.056</b>	<b>-56,3%</b>
Adjusted EBITDA %	-2,2%	-7,8%	5,5%		-4,9%	2,7%	
Change in Deferred Revenue	2.217.148	2.062.506	154.642	-7,5%	1.756.868	460.280	-26,2%
<b>Adjusted Cash EBITDA</b>	<b>2.101.482</b>	<b>1.667.673</b>	<b>433.808</b>	<b>-26,0%</b>	<b>1.492.146</b>	<b>609.335</b>	<b>40,8%</b>
Adjusted Cash EBITDA %	40,5%	32,8%	7,6%		27,5%	12,9%	

## Comparison to Realistic Case (RC), not AOP

### MD&A

#### Revenue

- Recurring revenue 0,5% above RC especially driven by Maintenance & Support (15k Boots, 5k Cornelsen, 4k YNAP), TBL reduced because contract start of Wiener Tourismus in April
- Perpetual License revenues according to RC
- Consulting and Training 8% above plan due to a more conservative FC for March

#### Reported EBITDA

- Other income EUR 99k above RC because of sold consulting services in previous years but not requested by the customer (YNAP) and fully booked in March 20
- External services EUR 24k below plan mainly due to planned price reduction for Cloud revenues but still not implemented and costs for Sencha which are now booked within software costs
- Gross Profit 4,8% above RC
- OPEX 0,3% above RC
- Reported EBITDA 28,5% above RC

## OPERATING EXPENSE - Q1

**Comparison to  
Realistic Case (RC),  
not AOP**

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	Actual	Realistic Case	EUR	%		Actual	EUR	%	
Personnel Costs	(3.942.185)	(3.911.443)	(30.743)	-0,8%	(3.848.079)	(94.107)	-2,4%		
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Professional training	(21.315)	(24.295)	2.980	12,3%	(19.383)	(1.932)	-10,0%		
Recruitment	(19.598)	(35.117)	15.519	44,2%	(8.923)	(10.674)	-119,6%		
Bad debt	55.843	55.843	-	0,0%	-	55.843	0,0%		
Software	(215.430)	(214.185)	(1.244)	-0,6%	(169.266)	(46.164)	-27,3%		
Leasing	(26.226)	(30.632)	4.406	14,4%	(35.016)	8.791	25,1%		
Other costs	(78.804)	(65.850)	(12.954)	-19,7%	(105.294)	26.490	25,2%		
Operating Costs	(5.301.468)	(5.285.734)	(15.733)	-0,3%	(5.633.828)	332.360	5,9%		

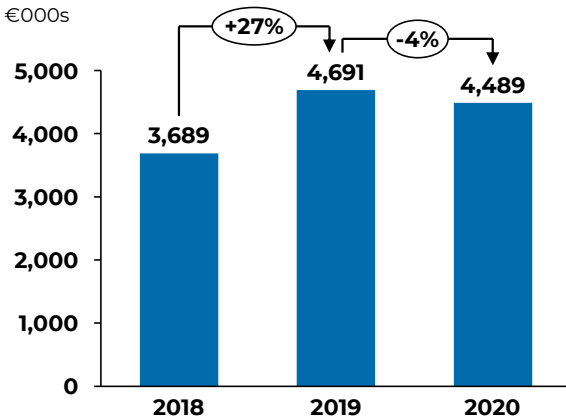
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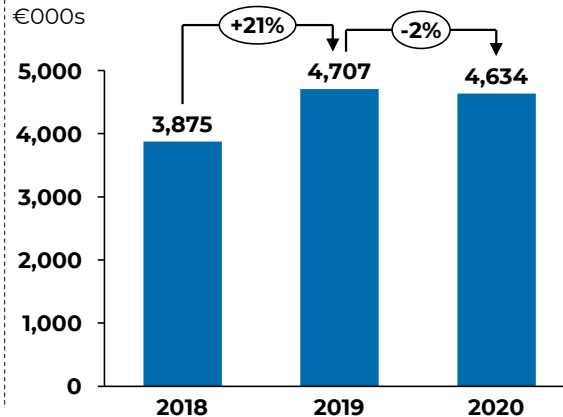
## Q1 PERFORMANCE BY GEOGRAPHY

**Revenue**  
€000s

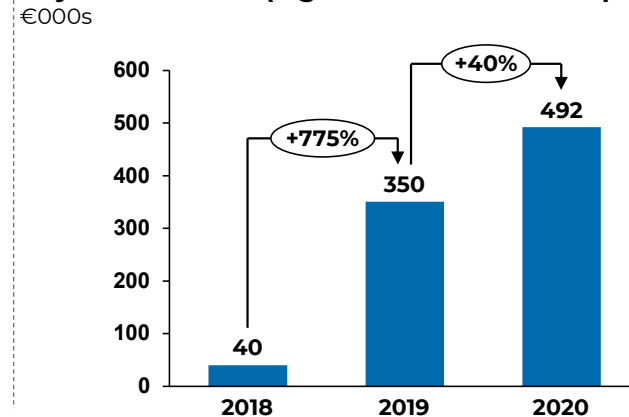
DOMESTIC



**Gross Profit**  
€000s

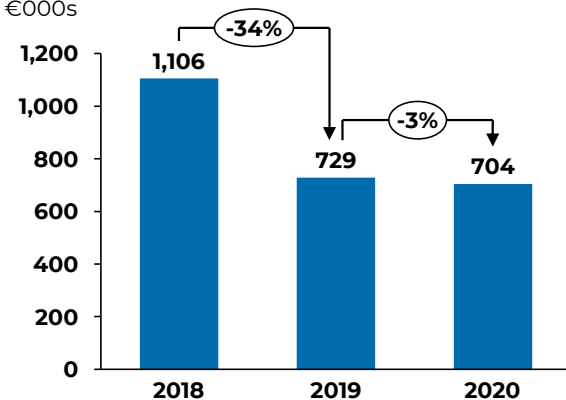


**Adjusted EBITDA (legal view incl. transfer pricing)**  
€000s

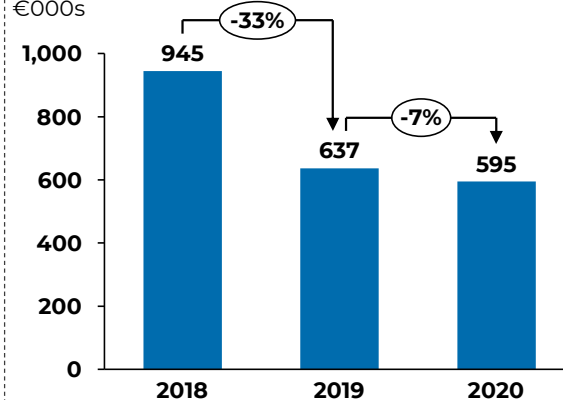


**Revenue**  
€000s

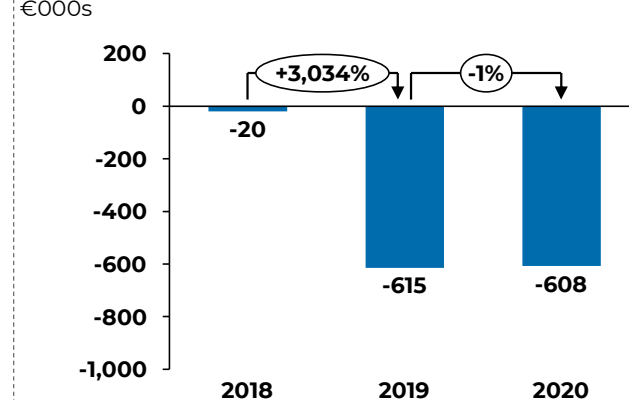
INTERNATIONAL



**Gross Profit**  
€000s

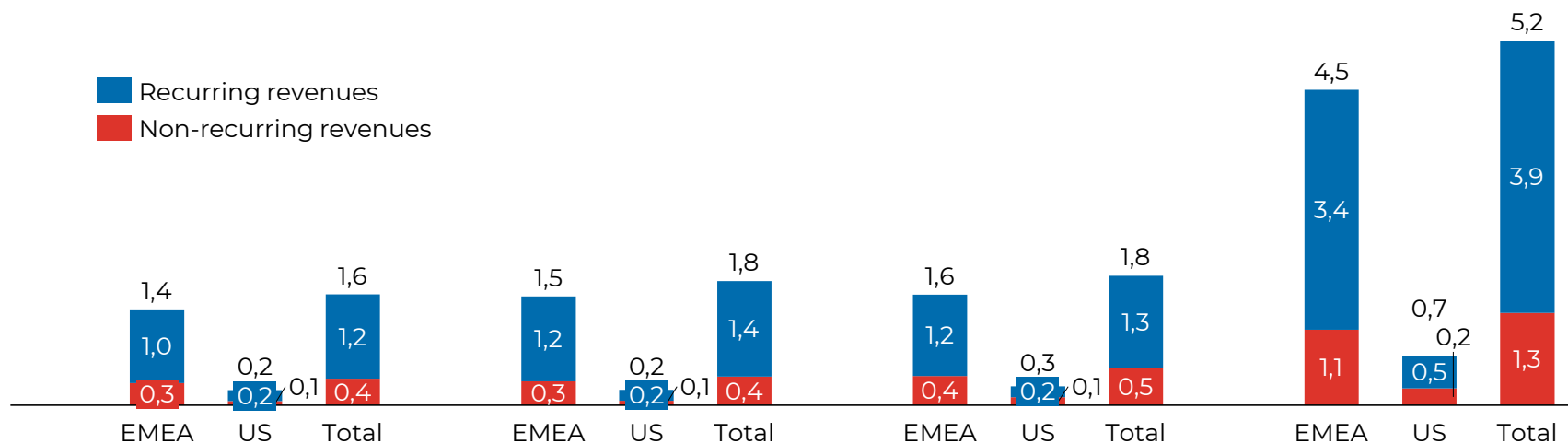


**Adjusted EBITDA**  
€000s



## REVENUE BY GEO AND CATEGORY

	January			February			March			Q1, 2020		
	EMEA	US	Total	EMEA	US	Total	EMEA	US	Total	EMEA	US	Total
<b>Recurring revenues</b>	<b>1.047.932</b>	<b>154.161</b>	<b>1.202.093</b>	<b>1.206.280</b>	<b>156.792</b>	<b>1.363.072</b>	<b>1.157.778</b>	<b>154.748</b>	<b>1.312.526</b>	<b>3.411.990</b>	<b>465.701</b>	<b>3.877.691</b>
Subscription	477.549	34.686	512.236	502.598	35.278	537.876	499.846	34.818	534.664	1.479.994	104.782	1.584.776
Cloud	46.698	67.080	113.778	46.686	68.225	114.911	46.686	67.335	114.021	140.070	202.639	342.709
Maintenance & Support	523.684	52.395	576.080	656.995	53.290	710.285	611.246	52.595	663.841	1.791.926	158.280	1.950.206
<b>Non-recurring revenues</b>	<b>316.919</b>	<b>60.001</b>	<b>376.920</b>	<b>342.930</b>	<b>63.187</b>	<b>406.117</b>	<b>417.237</b>	<b>115.339</b>	<b>532.576</b>	<b>1.077.086</b>	<b>238.527</b>	<b>1.315.613</b>
Perpetual license revenues	-	-	-	-	-	-	73.500	-	73.500	73.500	-	73.500
Consulting & Training	305.878	59.813	365.692	331.554	62.996	394.550	332.403	115.151	447.554	969.835	237.960	1.207.795
Partner Subscription	11.041	188	11.229	11.376	191	11.566	11.334	188	11.523	33.751	567	34.318
<b>Revenues</b>	<b>1.364.851</b>	<b>214.162</b>	<b>1.579.013</b>	<b>1.549.209</b>	<b>219.980</b>	<b>1.769.189</b>	<b>1.575.016</b>	<b>270.087</b>	<b>1.845.102</b>	<b>4.489.076</b>	<b>704.228</b>	<b>5.193.304</b>



# PROJECT "POST CLOSING MEASURES" (CLOSING ACCOUNTS, PPA, HOLDING, SVB, CHANGE OF FY, CHANGE CM AG -> CM GMBH)




## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (€MM)	
			Projected	Actual
<b>Workstream 1:</b> <b>Closing Accounts Preparation</b>  <ul style="list-style-type: none"> <li>• Prepare Closing Accounts for CM AG and three subsidiaries as of October 31, 2020 (closing date)</li> <li>• Have closing accounts approved by OGC</li> <li>• Have closing accounts approved by sellers</li> <li>• Agreement on final purchase price</li> <li>• Payment of the remaining purchase price and closure of the escrow account</li> </ul>	done	done	CM internal	CM internal
<b>Workstream 2:</b> <b>Purchase Price Allocation (PPA)</b>  <ul style="list-style-type: none"> <li>• the valuation of CoreMedia AG's key intangible assets (technology related intellectual property, backlog and customer relationships and trademarks) as part of the purchase price allocation exercise in accordance with IFRS 3 ("PPA")</li> </ul>	Draft of the PPA received  <ul style="list-style-type: none"> <li>• Open Items:               <ul style="list-style-type: none"> <li>◦ confirmation of final purchase price</li> <li>◦ adjustment of net assets from Sept to Oct 2020</li> <li>◦ inclusion of costs/margin for the provision of services of deferred income</li> <li>◦ accounting for deferred taxes on PPA adjustments</li> </ul> </li> </ul>	April 30, 2020	€-27K	€-27K
<b>Workstream 3:</b> <b>Integration of CM Bridge Holdings GmbH</b>  <ul style="list-style-type: none"> <li>• Takeover of bookkeeping (German GAAP + IFRS)</li> <li>• Takeover of tax declarations/issues</li> </ul>	Handover process with Intertrust in April 2020  <ul style="list-style-type: none"> <li>• Preparation of annual accounts as of Dec 31, 2019 finalized</li> <li>• Preparation of monthly report Mar 31, 2020 nearly finalized</li> <li>• Delivery of documents and files ongoing</li> </ul>	April 30, 2020	€-2K p.m.	€-1K p.m.





# PROJECT "POST CLOSING MEASURES" (CLOSING ACCOUNTS, PPA, HOLDING, SVB, CHANGE OF FY, CHANGE CM AG -> CM GMBH)

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (€MM)	
			Projected	Actual
<b>Workstream 4:</b> <b>Integration of Silicon Valley Bank</b>  <ul style="list-style-type: none"> <li>Set up of Monthly/Quarterly/Annual reporting process re: SVB covenants</li> <li>Access to SVB UK account</li> <li>Opening a bank account with Deutsche Bank</li> <li>Set up of debt service procedures</li> </ul>	Reporting process implemented <ul style="list-style-type: none"> <li>Testing SVB UK access</li> <li>Waiting for confirmation from Deutsche Bank that the bank account has been opened</li> </ul>	May 31, 2020	CM internal	CM internal
<b>Workstream 5:</b> <b>Change of FY and (additional) audits</b>  <ul style="list-style-type: none"> <li>Change of fiscal year at CoreMedia AG and its 3 subsidiaries from Jun 30 to Dec 31</li> <li>additional audit CM AG + 3 subsidiaries as of Dec 31, 2019 (German GAAP)</li> <li>additional audit CM Bridge Holdings + CM AG + 3 subsidiaries as of Dec 31, 2019 (IFRS)</li> </ul>	Change of FY done; currently organizing timeline for audits <ul style="list-style-type: none"> <li>Open Items:               <ul style="list-style-type: none"> <li>Finalizing of P13 bookings as of Dec 31, 2019</li> <li>Preparing financial statements and audit documents for CM AG audit as of Dec 31, 2019 (German GAAP)</li> <li>audit of financials statements as of Dec 31, 2019 (German GAAP)</li> <li>Preparing financial statements and audit documents for CM AG audit as of Dec 31, 2019 (IFRS)</li> <li>audit of financials statements as of Dec 31, 2019 (IFRS)</li> </ul> </li> </ul>	June 30, 2020	tbd	tbd
<b>Workstream 6:</b> <b>Change CoreMedia AG -&gt; CoreMedia GmbH</b>  <ul style="list-style-type: none"> <li>Fulfil requirements for change of legal form from CM AG to CM GmbH</li> <li>Internal follow-up activities (changes of stationery, IT addresses, homepage, ...)</li> </ul>	Handover process with Intertrust in April 2020 <ul style="list-style-type: none"> <li>Preparation of annual accounts as of Dec 31, 2019 finalized</li> <li>Preparation of monthly report Mar 31, 2020 nearly finalized</li> <li>Delivery of documents and files ongoing</li> </ul>	April 30, 2020	€-2K p.m.	€-1K p.m.



# PROJECT “IFRS” (INCL. IFRS CONVERSION, COS TRANSITION, LUCANET IMPLEMENTATION (NEW CONSOLIDATION TOOL) I/IV

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (€MM)	
			Projected	Actual
<b>Workstream 1:</b> <b>Support with LucaNet (new consolidation tool)</b>  <ul style="list-style-type: none"> <li>• Installation (incl. Agresso interface)</li> <li>• Set up basic structure</li> <li>• Set up CFS and movement schedule</li> <li>• Data import and technical review</li> <li>• Configuration FiCo II (Consolidation module)</li> <li>• Training for employees</li> </ul>	LucaNet being installed, upload of trial balances pending  <ul style="list-style-type: none"> <li>• LucaNet was successfully transferred to OLAP Server from CoreMedia</li> <li>• Mapping of local accounts into HGB (German GAAP) and IFRS finalized and ready to be shared with CM for review</li> <li>• Trial balances in Calendar Year format are pending for all entities from Dec 18 - Feb 20 expected in CW 16</li> <li>• Connector to Agresso highlighted possible issues in master data of Agresso for few P&amp;L Accounts</li> </ul>	May 10, 2020	€-32K	€-30K
<b>Workstream 2:</b> <b>Support with Change of P/L format (TCM -&gt; COS)</b>  <ul style="list-style-type: none"> <li>• Roll forward of excel COS tool (cost center mapping)</li> <li>• Analysis and update of manual adjustments</li> <li>• Technical implementation in LucaNet</li> </ul>	First review with CM is work in progress. Revision of IFRS compliance next . <ul style="list-style-type: none"> <li>• Open Items:               <ul style="list-style-type: none"> <li>◦ P/Ls for foreign entities (2019, Jan/Feb 2020)</li> <li>◦ AG Trial balances for Jan/Feb 2020 in the correct format (have been sent with missing columns)</li> <li>◦ Salaries for Corporation (2019, Jan/Feb 2020)</li> </ul> </li> <li>• Next steps:               <ul style="list-style-type: none"> <li>◦ Implementation in LucaNet (without manual adjustments)</li> <li>◦ Final review with CM</li> </ul> </li> </ul>	May 5, 2020	€-17K	€-21K

# PROJECT IFRS (INCL. IFRS CONVERSION, COS TRANSITION, LUCANET IMPLEMENTATION (NEW CONSOLIDATION TOOL) II/IV

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (€MM)	
			Projected	Actual
<b>Workstream 3:</b> <b>Support with Set up of consolidated FS on Holdco Level</b>  <ul style="list-style-type: none"> <li>Information transfer from CoreMedia (Intertrust), Opening B/S (as of 22 July)</li> <li>Consolidation (P&amp;L, BS as of 31 October)</li> <li>CFS (as of 31 October) - data gap analysis</li> <li>Consolidated SOCE (as of 31 October)</li> <li>Currency translation</li> <li>Notes disclosures - data gap analysis</li> </ul>	<p>Data gap analysis nearly final, additional work on data collection for consolidation and cash flow (workstream 6)</p> <ul style="list-style-type: none"> <li>Consolidated cash flow statement will be an issue due to lacking information on movement types - additional work to be performed on data collection.</li> <li>Data gap analysis for notes disclosures close to completion, notes package will be prepared and discussed shortly.</li> <li>Open items (to be provided by CM):                             <ul style="list-style-type: none"> <li>Fixed asset schedules (31/12/2018, 31/10/2019, 31/12/2019)</li> <li>IC information (IC data package)</li> <li>movement types (CF data package)</li> <li>notes input (notes package)</li> </ul> </li> </ul>	May 24, 2020	€-37K	€-18K
<b>Workstream 4:</b> <b>Support with Monthly Reporting to OGC</b>  <ul style="list-style-type: none"> <li>Unaudited monthly reporting</li> <li>Technical implementation in LucaNet</li> </ul>	<p>Postponed to April Reporting due to needed switch to Cost-Of-Sales (COS).</p> <p>Waiting for P/L data "COS" (workstream 2)</p> <ul style="list-style-type: none"> <li>Open items (to be provided by CM):                             <ul style="list-style-type: none"> <li>Trial balances for 2020</li> </ul> </li> </ul>	May 17, 2020	€-14K	€-1K

# PROJECT IFRS (INCL. IFRS CONVERSION, COS TRANSITION, LUCANET IMPLEMENTATION (NEW CONSOLIDATION TOOL) III/IV

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (€MM)	
			Projected	Actual
<b>Workstream 5:</b> <b>Support with IFRS Consolidated B/S at Closing Date (31 Oct 2019)</b> <ul style="list-style-type: none"> <li>Alignment with auditors (KPMG)</li> <li>Quantification of material conversion effects and detailed analysis of differences</li> <li>Reflection of PPA results &amp; implications for Goodwill accounting</li> <li>Future IFRS chart of accounts (Determination, mapping)</li> <li>Future IFRS chart of accounts (Technical implementation in LucaNet incl. upload IFRS journals)</li> <li>IFRS conversion of consolidated closing balance sheet</li> </ul>	<p>Alignment with KPMG on Red Flag Report done, quantifications near final, important pending items: deferred income, DTA USA, Leasing, transaction costs as well as documentation issues (e.g. RevRec)</p> <ul style="list-style-type: none"> <li><b>Quantification of conversion items</b> Quantification of material conversion effects almost finalized, pending items to be resolved (e.g. Leasing)</li> <li><b>DTA on loss carryforwards (USA, GER)</b> Awaiting final confirmation for impairment USA. Auditor has the same view.</li> <li><b>Transaction and financing costs</b> Accounting for transaction costs in Holdco under review by tax advisors, some invoices still pending (OGC).</li> <li><b>Finalize PPA</b> Draft PPA sent to KPMG, open issues to be resolved: FV calculation deferred income prepared, but subject to revision, final purchase price, net assets as of Oct 2019</li> <li><b>Alignment with KPMG</b> Done. Completeness of conversion items confirmed, but pushback regarding audit timeline. Audit readiness is key (esp. P13 bookings to be provided)</li> <li><b>HGB-IFRS Mapping</b> Ready to be shared with CM for review</li> </ul>	May 3, 2020	€-44K	€-40K
<b>Workstream 6:</b> <b>Support with IFRS Consolidated FS at YE (31 Dec 2019)</b> <ul style="list-style-type: none"> <li>Roll forward of <ul style="list-style-type: none"> <li>Consolidated BS, P&amp;L, CFSI</li> <li>IFRS adjustments</li> <li>PPA</li> </ul> </li> <li>Goodwill accounting</li> <li>Technical implementation in LucaNet</li> <li>Preparation of Notes</li> <li>Documentation of IFRS Conversion and LucaNet implementation</li> <li>Performance Statement</li> <li>Yearly Financial Covenants reporting</li> </ul>	<p>Roll forward of IFRS adjustments started, Goodwill allocation and impairment testing TBD, Notes &amp; CFS packages to be prepared shortly</p> <ul style="list-style-type: none"> <li>Finalize workstream 5 (IFRS adjustments and PPA at closing date) to perform roll forward for Dec 2019</li> <li>Goodwill allocation to CGUs and Goodwill impairment testing at YE TBD with CoreMedia</li> <li>Notes process / Notes data package TBD with CoreMedia</li> <li>Additional data package for intercompany (consolidation) and movement type information (cash flow) TBD with CoreMedia</li> </ul>	May 31, 2020	€-55K	€-8K

# PROJECT IFRS (INCL. IFRS CONVERSION, COS TRANSITION, LUCANET IMPLEMENTATION (NEW CONSOLIDATION TOOL) IV/IV

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (€MM)	
			Projected	Actual
<b>Workstream 7:</b> <b>Support with April 2020 &amp; Q1 2020 IFRS Reporting to SVB</b> <ul style="list-style-type: none"> <li>• April monthly reporting</li> <li>• Q1 2020 reporting</li> <li>• Technical implementation in LucaNet</li> <li>• Quarterly Financial Covenants reporting</li> </ul>	Not started yet <ul style="list-style-type: none"> <li>• April reporting depends on timely completion of workstream 2 (UKV)</li> <li>• Q1 reporting depends on timely completion of workstreams 5 &amp; 6</li> </ul>	Depending on YE audit	€-15K	€-1K

# CONTRACT TO CASH AUTOMATION IN EXECUTION



## Business Case / Opportunity Statement

**Business case:** Currently invoices to subscription-based customers are manually generated and tracked, consuming internal resources and creating opportunities for errors (e.g. failing to send timely late notices).

Additionally, relying on a manual process to track and manage these contracts results in time-consuming and error-prone reporting of critical KPIs such as ARR and TCV. Automating these processes can save staff time, limit errors/omissions, and prepare the business to scale with further international growth.

**Goal statement:** Increase capacity in finance/controlling dept by achieving efficient and accurate automated billing and reporting.

**Opportunity:** Implement "JustOn," a Salesforce tool that enables process improvement through automated invoice generation, automated late notices, and contract documentation to enable more accurate real-time reporting of key metrics such as ARR and TCV.

**Projected Annual Impact (Steady State):** Increased efficiency in cashflow, contract management and business intelligence (strategic positioning); avoided cost in billings and reporting 2022+: ~€100,000 (EBITDA)

**Risks/Considerations:** Weak adoption/glitchy implementation; customer relationship (e.g. loss of personal touch); cost of JustOn

### KPI's:

No delays, no mistakes in billing, much less dependency on single point of knowledge  
Reduction of efforts in contract management  
Automated ARR/TCV reporting in place

## Implementation Working Team

Name	Role
• KKL	<b>Sponsor</b>
• External	<b>Project lead</b>
• HEL	<b>Architect</b>
• ADU	<b>SF Admin</b>

## Implementation Scope & Resources Required

**Start:** January 1<sup>st</sup> 2020, start of implementation April 1<sup>st</sup> shall be finalized end of May/beginning of June, needs test and quality control afterwards

### FTE: 0.9 during 2 months from April onwards

- 0.1 – Executive oversight & hands-on involvement
- 0.3 – Solution Architect, Consultant & Trainer
- 0.5 – Varying employees providing input
- 0.5 – Salesforce Admin

**CAPEX: EUR 25.000 in 2020**

## On-Going Resources Required

**FTE: 0**

**Annual Vendor Cost: EUR 9.3k**



# QUOTE TO CASH AUTOMATION



## Business Case / Opportunity Statement

### Business case:

The quote-to-cash cycle can be THE primary process driving CoreMedia's growth.

- **Scalability** - Currently the quote-to-cash cycle is a manual process being error prone, slow and dependent on single points of failure. No single point of truth
- **Insights** - The typical reports, such as pipeline development, forecasting, renewals, ARR reporting and revenue forecasting are made based on human intervention by single points of failure
- **Collaboration** - Lack of digital workflows hinders the collaboration in an organization that increasingly needs to work global and virtual. Lack of integrated infrastructure to make this process 'one time right'

### Goal statement:

We're solving this by digitizing the quote to cash cycle, step by step. Every process step CAN and SHOULD be digitized (move from Mail/Excel to Salesforce).

### Opportunity:

- Scalability enables profitable growth - Efficient scaling requires rigorous process focus, standardization and repeatability and automation. Customers, partners, colleagues can be onboarded faster, less errors, more throughput, less touches
- Better insights drive customer centricity and performance enabling better and faster business decisions
- Improved Collaboration between global teams, partners and customers drive productivity

**Projected Annual Impact (Steady State):** Improved sales productivity (CAC/ARR), cash flow and speed of reporting

### Risks/Considerations:

- Adoption: Starts and ends with leadership, driving this on a day to day basis
- CFO/CRO currently need to drive this together with CRO and SF Admin.

### KPI's:

- **Contribution margin improvement** (Gross margin - / - S&M investment)
- **CAC ratio improvement**
- **Billing EBITDA improvement**

## Implementation Working Team

Name	Role
• KKL/JST	<b>Sponsor</b>
• External	<b>Project lead</b>
• HEL	<b>Architect</b>
• ADU	<b>SF Admin</b>

## Implementation Scope & Resources Required

**Start:** April 1<sup>st</sup> 2020

### FTE: 2.9

- 0.1 – Executive oversight & hands-on involvement
- 0.3 – Solution Architect, Consultant & Trainer
- 0.5 – Varying employees providing input

**CAPEX: EUR 80.000 in 2020**

## On-Going Resources Required

### FTE: 1.5

- 0.2 Controlling/CFO
- 0.6 – SF Admin

**Annual Vendor Cost: EUR 110k (incremental EUR 20k)**



## Appendix for Finance





# INCOME STATEMENT

	Jan Act	Feb Act	Mar Act	Apr Plan	May Plan	Jun Plan	Jul Plan	Aug Plan	Sep Plan	Oct Plan	Nov Plan	Dec Plan	Total
<b>Revenues</b>	<b>1.579</b>	<b>1.769</b>	<b>1.845</b>	<b>1.600</b>	<b>1.615</b>	<b>1.705</b>	<b>1.621</b>	<b>1.622</b>	<b>1.749</b>	<b>1.697</b>	<b>1.697</b>	<b>1.836</b>	<b>20.336</b>
Other income	1	13	107	8	8	8	8	8	8	8	8	8	190
External services	-	(49)	(37)	(61)	(61)	(111)	(107)	(107)	(113)	(109)	(109)	(133)	(998)
<b>Gross Profit</b>	<b>1.580</b>	<b>1.733</b>	<b>1.916</b>	<b>1.547</b>	<b>1.561</b>	<b>1.602</b>	<b>1.521</b>	<b>1.522</b>	<b>1.643</b>	<b>1.596</b>	<b>1.596</b>	<b>1.710</b>	<b>19.527</b>
<i>Gross Margin %</i>	100,1%	98,0%	103,8%	96,7%	96,7%	93,9%	93,8%	93,8%	94,0%	94,0%	94,0%	93,1%	96,0%
OPEX	(1.735)	(1.732)	(1.835)	(1.652)	(1.588)	(1.667)	(1.587)	(1.578)	(1.504)	(1.679)	(1.681)	(1.615)	(19.852)
Product Invest	-	-	-	-	-	-	-	-	-	-	-	-	-
CM Projects	(11)	(3)	(16)	(31)	(6)	(6)	(68)	(6)	(6)	(6)	(6)	(6)	(170)
Consulting	(6)	(70)	(63)	(60)	(58)	(80)	(77)	(49)	(24)	(29)	(23)	(24)	(562)
Audit & Finance	(2)	(22)	(300)	(132)	(72)	(2)	(29)	(14)	(2)	(1)	(1)	(55)	(629)
SVB Fees	-	-	-	(4)	-	-	(4)	-	-	(4)	-	-	(11)
<b>Reported EBITDA</b>	<b>(173)</b>	<b>(94)</b>	<b>(298)</b>	<b>(332)</b>	<b>(162)</b>	<b>(153)</b>	<b>(242)</b>	<b>(125)</b>	<b>109</b>	<b>(122)</b>	<b>(115)</b>	<b>9</b>	<b>(1.697)</b>
EBITDA Addbacks	29	82	339	133	84	86	113	67	30	35	29	30	1.056
<b>Adjusted EBITDA</b>	<b>(144)</b>	<b>(12)</b>	<b>41</b>	<b>(199)</b>	<b>(78)</b>	<b>(67)</b>	<b>(129)</b>	<b>(58)</b>	<b>138</b>	<b>(87)</b>	<b>(86)</b>	<b>40</b>	<b>(642)</b>
<i>Adjusted EBITDA %</i>	-9,1%	-0,7%	2,2%	-12,4%	-4,8%	-3,9%	-8,0%	-3,6%	7,9%	-5,1%	-5,1%	2,2%	-3,2%
Change in Deferred Revenue	2.234	6	(23)	(878)	(518)	1.133	1.718	(1.228)	(707)	(372)	(913)	655	1.106
<b>Adjusted Cash EBITDA</b>	<b>2.090</b>	<b>(6)</b>	<b>18</b>	<b>(1.077)</b>	<b>(596)</b>	<b>1.067</b>	<b>1.588</b>	<b>(1.286)</b>	<b>(569)</b>	<b>(459)</b>	<b>(998)</b>	<b>694</b>	<b>464</b>
<i>Adjusted Cash EBITDA %</i>	132,4%	-0,4%	1,0%	-67,3%	-36,9%	62,5%	98,0%	-79,3%	-32,5%	-27,0%	-58,8%	37,8%	2,3%



# BALANCE SHEET

<i>in € k</i>	Jan Act	Feb Act	Mar Act	Apr Plan	May Plan	Jun Plan	Jul Plan	Aug Plan	Sep Plan	Oct Plan	Nov Plan	Dec Plan	Q1 Plan	Q2 Plan	Q3 Plan	Q4 Plan	Total
Intangible assets	4.345,0	4.344,9	4.361,8	4.344,7	4.344,6	4.344,5	4.344,4	4.344,3	4.344,2	4.344,1	4.344,0	4.343,9	4.344,8	4.344,5	4.344,2	4.343,9	4.343,9
Tangible assets	487,8	479,7	559,4	499,5	509,4	519,3	529,2	539,1	549,0	558,9	568,7	578,6	489,6	519,3	549,0	578,6	578,6
Affiliated companies	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Fixed assets	4.832,8	4.824,6	4.921,2	4.844,2	4.854,0	4.863,8	4.873,6	4.883,4	4.893,2	4.903,0	4.912,7	4.922,5	4.834,4	4.863,8	4.893,2	4.922,5	4.922,5
Inventory	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Accounts receivable	5.985,2	6.412,2	6.892,4	5.828,8	5.088,3	5.036,2	7.229,5	5.433,9	3.917,7	4.120,6	3.901,2	4.497,7	6.600,1	5.036,2	3.917,7	4.497,7	4.497,7
Accounts receivable aff. companies	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Other assets	166,6	252,9	137,3	196,0	196,0	225,4	225,4	225,4	254,8	254,8	254,8	284,1	196,0	225,4	254,8	284,1	284,1
Accounts receivable	6.151,8	6.665,1	7.029,7	6.024,8	5.284,3	5.261,6	7.454,9	5.659,3	4.172,5	4.375,3	4.156,0	4.781,8	6.796,1	5.261,6	4.172,5	4.781,8	4.781,8
Security paper	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Cash at bank and in hand	3.066,7	2.289,0	1.167,8	1.347,8	1.323,2	2.675,7	1.767,3	2.385,3	3.461,8	2.554,1	1.653,6	1.885,8	1.149,7	2.523,1	3.309,2	1.733,1	1.733,1
Current assets	9.218,4	8.954,1	8.197,5	7.372,6	6.607,5	7.937,4	9.222,2	8.044,6	7.634,3	6.929,5	5.809,6	6.667,6	7.945,8	7.784,7	7.481,7	6.515,0	6.515,0
Prepaid expenses	736,0	700,7	644,0	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7	700,7
Deferred taxes	4.072,2	4.080,2	4.086,9	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2	4.080,2
<b>Assets</b>	<b>18.859,4</b>	<b>18.559,6</b>	<b>17.849,6</b>	<b>16.997,7</b>	<b>16.242,4</b>	<b>17.582,0</b>	<b>18.876,6</b>	<b>17.708,8</b>	<b>17.308,3</b>	<b>16.613,3</b>	<b>15.503,2</b>	<b>16.371,0</b>	<b>17.561,1</b>	<b>17.429,4</b>	<b>17.155,7</b>	<b>16.218,4</b>	<b>16.218,4</b>
Equity	7.032,7	6.925,3	6.547,6	6.896,0	6.713,9	6.541,1	6.220,6	6.075,0	6.163,4	5.963,6	5.828,8	5.818,0	6.381,4	6.388,4	6.010,8	5.665,3	5.665,3
Other accruals	825,0	873,2	998,8	792,4	796,4	800,4	804,4	808,4	812,4	768,4	772,4	776,4	788,4	800,4	812,4	776,4	776,4
Bonus accruals	836,7	370,0	325,1	370,2	447,6	770,6	535,9	607,8	910,2	751,6	823,5	826,4	537,9	770,6	910,2	826,4	826,4
Accrual for vacations and 13. salary	255,4	255,4	255,4	260,2	262,6	265,0	267,4	269,8	272,2	274,6	277,0	305,4	257,8	265,0	272,2	305,4	305,4
Tax accruals	0,0	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Accruals	1.917,1	1.498,7	1.579,3	1.422,9	1.506,6	1.836,0	1.607,7	1.686,0	1.994,9	1.794,6	1.873,0	1.908,2	1.584,1	1.836,0	1.994,9	1.908,2	1.908,2
Trade payables	543,3	436,8	638,3	401,7	391,9	447,7	459,7	468,6	348,1	539,1	542,6	773,2	474,7	447,7	348,1	773,2	773,2
Tax liabilities	459,4	914,3	318,5	373,0	244,0	238,0	351,7	470,5	500,5	386,5	242,1	200,3	493,3	238,0	500,5	200,3	200,3
Social insurance liabilities	114,5	- 8,8	- 9,9	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Other liabilities	- 7,1	- 11,9	- 6,5	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Liabilities	1.110,2	1.330,4	940,5	774,7	635,9	685,7	811,4	939,1	848,6	925,6	784,7	973,5	968,0	685,7	848,6	973,5	973,5
Deferred Income	7.397,4	7.403,2	7.380,3	6.502,1	5.983,9	7.117,3	8.835,0	7.606,8	6.899,4	6.527,4	5.614,7	6.269,4	7.225,6	7.117,3	6.899,4	6.269,4	6.269,4
Deferred taxes	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0	1.402,0
<b>Liabilities</b>	<b>18.859,4</b>	<b>18.559,6</b>	<b>17.849,6</b>	<b>16.997,7</b>	<b>16.242,4</b>	<b>17.582,0</b>	<b>18.876,7</b>	<b>17.708,8</b>	<b>17.308,4</b>	<b>16.613,3</b>	<b>15.503,2</b>	<b>16.371,0</b>	<b>17.561,1</b>	<b>17.429,4</b>	<b>17.155,7</b>	<b>16.218,4</b>	<b>16.218,4</b>



# CASH FLOW

<i>in € k</i>	Jan Act	Feb Act	Mar Act	Apr Plan	May Plan	Jun Plan	Jul Plan	Aug Plan	Sep Plan	Oct Plan	Nov Plan	Dec Plan	Q1 Act	Q2 Plan	Q3 Plan	Q4 Plan	Total
EBITDA	- 154,1	0,7	81,0	- 104,7	- 26,8	- 65,1	- 65,5	- 56,6	139,7	- 82,5	- 85,0	94,4	- 72,4	- 196,6	17,5	- 73,1	- 324,6
Decrease / increase accrued expense	2.234,3	5,8	- 22,9	- 878,2	- 518,2	1.133,4	1.717,7	- 1.228,2	- 707,3	- 372,1	- 912,7	654,7	2.217,1	- 263,0	- 217,8	- 630,1	1.106,3
Decrease / increase accrued income	- 6,8	35,3	56,6	- 56,6	---	---	---	---	---	---	---	---	85,2	- 56,6	---	---	28,6
Decrease / increase accrued provisions	168,0	- 418,4	80,6	- 156,4	83,8	329,4	- 228,3	78,3	308,9	- 200,2	78,3	35,2	- 169,8	256,7	158,8	- 86,7	159,1
Decrease / increase working capital	- 2.186,0	- 293,1	- 754,5	839,1	601,7	72,4	- 2.067,5	1.923,2	1.396,4	- 125,8	78,4	- 437,1	- 3.233,7	1.513,2	1.252,1	- 484,5	- 952,8
<b>Operating cash flow</b>	<b>55,4</b>	<b>- 669,7</b>	<b>- 559,2</b>	<b>- 356,9</b>	<b>140,6</b>	<b>1.470,0</b>	<b>- 643,6</b>	<b>716,7</b>	<b>1.137,6</b>	<b>- 780,6</b>	<b>- 840,9</b>	<b>347,2</b>	<b>- 1.173,5</b>	<b>1.253,7</b>	<b>1.210,7</b>	<b>- 1.274,3</b>	<b>16,6</b>
Product Investment	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
CM projects	---	---	- 15,6	- 31,0	- 6,0	- 6,0	- 67,5	- 6,0	- 6,0	- 6,0	- 6,0	- 6,0	- 15,6	- 43,0	- 79,5	- 18,0	- 156,2
Consulting costs	- 7,9	- 91,9	- 363,5	- 192,4	- 129,1	- 81,5	- 105,6	- 62,6	- 25,0	- 29,4	- 23,6	- 79,0	- 463,3	- 403,0	- 193,3	- 132,0	- 1.191,5
Management fee	---	---	- 62,5	- 57,9	---	---	- 57,9	---	---	- 57,9	---	---	- 62,5	- 57,9	- 57,9	- 57,9	- 236,1
SVB	---	---	---	- 3,8	---	---	- 3,8	---	---	- 3,8	---	---	---	- 3,8	- 3,8	- 3,8	- 11,3
<b>Investments + Addbacks</b>	<b>- 7,9</b>	<b>- 91,9</b>	<b>- 441,6</b>	<b>- 285,0</b>	<b>- 135,1</b>	<b>- 87,5</b>	<b>- 234,8</b>	<b>- 68,6</b>	<b>- 31,0</b>	<b>- 97,0</b>	<b>- 29,6</b>	<b>- 85,0</b>	<b>- 541,4</b>	<b>- 507,6</b>	<b>- 334,4</b>	<b>- 211,6</b>	<b>- 1.595,1</b>
Investment	---	---	---	---	---	---	---	---	---	---	---	0,0	---	---	---	0,0	0,0
Intangible assets	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Software	---	---	- 17,0	17,0	---	---	---	---	---	---	---	---	- 17,0	17,0	---	---	---
Office equipment	- 2,9	- 6,4	8,7	- 21,4	- 6,4	- 6,4	- 6,4	- 6,4	- 6,4	- 6,4	- 6,4	- 6,4	- 0,7	- 34,1	- 19,1	- 19,1	- 72,9
Telephone system	- 0,0	---	0,0	- 0,0	---	---	---	---	---	---	---	---	---	- 0,0	---	---	- 0,0
IT-infrastructure	---	- 2,5	---	- 2,2	- 1,1	- 1,1	- 1,1	- 1,1	- 1,1	- 1,1	- 1,1	- 1,1	- 2,5	- 4,3	- 3,2	- 3,2	- 13,2
Other IT (PC, laptop)	---	---	- 99,4	68,7	- 15,3	- 15,3	- 15,3	- 15,3	- 15,3	- 15,3	- 15,3	- 15,3	- 99,4	38,1	- 46,0	- 46,0	- 153,2
Other office furniture and equipment	- 3,1	0,0	3,1	- 11,0	- 4,0	- 4,0	- 4,0	- 4,0	- 4,0	- 4,0	- 4,0	- 4,0	0,0	- 19,0	- 11,9	- 11,9	- 42,7
Inferior assets	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Payments in advance	- 0,0	0,0	- 2,0	2,0	---	---	---	---	---	---	---	---	- 2,0	2,0	---	---	0,0
Sold assets	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
<b>Investment - cash flow</b>	<b>- 6,1</b>	<b>- 8,9</b>	<b>- 106,6</b>	<b>53,2</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 26,7</b>	<b>- 121,5</b>	<b>- 0,2</b>	<b>- 80,1</b>	<b>- 80,1</b>	<b>- 282,0</b>
Interests	- 1,4	0,0	- 0,1	- 3,3	- 3,3	- 3,3	- 3,3	- 3,3	- 3,3	- 3,3	- 3,3	- 3,3	- 1,5	- 10,0	- 10,0	- 10,0	- 31,5
Taxes	- 2,6	---	---	---	---	---	---	---	---	---	---	---	- 2,6	---	---	---	- 2,6
Einzahlungen Eigenkapital	---	---	---	772,0	---	---	---	---	---	---	---	---	---	772,0	---	---	772,0
Foreign currency consolidation effects	- 103,1	- 7,2	- 13,6	---	---	---	---	---	---	---	---	---	- 124,0	---	---	---	- 124,0
<b>Financing - cash flow</b>	<b>- 107,1</b>	<b>- 7,2</b>	<b>- 13,7</b>	<b>768,7</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 3,3</b>	<b>- 128,0</b>	<b>762,0</b>	<b>- 10,0</b>	<b>- 10,0</b>	<b>614,0</b>
<b>Total cash flow</b>	<b>- 65,6</b>	<b>- 777,7</b>	<b>- 1.121,1</b>	<b>179,9</b>	<b>- 24,6</b>	<b>1.352,5</b>	<b>- 908,4</b>	<b>618,0</b>	<b>1.076,6</b>	<b>- 907,7</b>	<b>- 900,5</b>	<b>232,2</b>	<b>- 1.964,4</b>	<b>1.507,9</b>	<b>786,1</b>	<b>- 1.576,1</b>	<b>- 1.246,5</b>

# 13 WEEK CASH FLOW

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	
	24-Apr	1-May	8-May	15-May	22-May	29-May	5-Jun	12-Jun	19-Jun	26-Jun	3-Jul	10-Jul	17-Jul	Total
Cash on Hand (beginning of week)	2,564,223	2,475,012	2,124,790	2,055,271	1,904,006	1,834,488	636,660	2,076,198	1,905,178	1,815,905	1,726,632	3,425,978	3,338,254	
Forecasted Collections		1,600,454					1,614,822				1,705,481			
Adjustments		47,765					222,346				1,156,019			
Collections on Sales	-	1,648,220	-	-	-	-	1,837,169	-	-	-	2,861,500	-	-	6,346,888
<b>OPERATING CASH FLOW</b>														
<b>COS</b>														
External services		(61,071)					(61,071)				(111,406)			
<b>OPEX</b>														
Personnel Costs		(1,180,946)		(81,746)		(1,128,309)		(81,746)			(1,194,870)		(81,746)	
Sales Commission														
Premises		(78,364)					(63,183)				(65,808)			
Insurance, Contribution	(6,913)	(5,530)	(5,530)	(5,530)	(5,530)	(5,530)	(6,913)	(6,913)	(6,913)	(6,913)	(5,530)	(5,530)	(5,530)	
Automobile	(1,206)	(965)	(965)	(965)	(965)	(965)	(1,206)	(1,206)	(1,206)	(1,206)	(965)	(965)	(965)	
Marketing	(30,606)	(24,485)	(24,485)	(24,485)	(24,485)	(24,485)	(30,606)	(30,606)	(30,606)	(30,606)	(24,485)	(24,485)	(24,485)	
Travel expenses	(1,250)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,250)	(1,250)	(1,250)	(1,250)	(5,000)	(5,000)	(5,000)	
Communication, office equipm.	(3,331)	(2,665)	(2,665)	(2,665)	(2,665)	(2,665)	(3,331)	(3,331)	(3,331)	(3,331)	(2,665)	(2,665)	(2,665)	
Consulting	(7,500)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(7,500)	(7,500)	(7,500)	(7,500)	(6,000)	(6,000)	(6,000)	
Professional training	(500)	(400)	(400)	(400)	(400)	(400)	(500)	(500)	(500)	(500)	(400)	(400)	(400)	
Recruitment	(1,375)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,375)	(1,375)	(1,375)	(1,375)	(1,100)	(1,100)	(1,100)	
Software	(15,798)	(12,638)	(12,638)	(12,638)	(12,638)	(12,638)	(15,798)	(15,798)	(15,798)	(15,798)	(12,638)	(12,638)	(12,638)	
Leasing	(2,925)	(2,340)	(2,340)	(2,340)	(2,340)	(2,340)	(2,925)	(2,925)	(2,925)	(2,925)	(2,340)	(2,340)	(2,340)	
Other costs	(6,265)	(5,853)	(5,853)	(5,853)	(5,853)	(5,853)	(9,692)	(9,692)	(9,692)	(9,692)	(7,753)	(7,753)	(7,753)	
CM Projects	(6,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,500)	(1,500)	(1,500)	(1,500)	(13,506)	(13,506)	(13,506)	
3rd Party Consultants		(60,403)					(57,593)				(79,972)			
Audit & Finance		(132,000)					(71,500)				(1,500)			
SVB Fees		(3,750)												
Adjustments		(354,519)					(55,011)				379,126			
Total Operating Disbursements	(83,869)	(1,935,230)	(64,177)	(145,923)	(64,177)	(1,192,486)	(390,954)	(164,342)	(82,596)	(82,596)	(1,156,812)	(82,383)	(164,129)	(5,609,674)
Net Operating Cash Flow	(83,869)	(287,010)	(64,177)	(145,923)	(64,177)	(1,192,486)	1,446,214	(164,342)	(82,596)	(82,596)	1,704,688	(82,383)	(164,129)	737,214
<b>INVESTING &amp; FINANCING CASH FLOW</b>														
Interest Expense														
Loan principal payment														
Taxes														
CAPEX	(5,342)	(5,342)	(5,342)	(5,342)	(5,342)	(5,342)	(6,677)	(6,677)	(6,677)	(6,677)	(5,342)	(5,342)	(5,342)	
Other Non- Operating		(57,870)												
Total Cash Flow from (for) Investing & Financing Activities	(5,342)	(63,212)	(5,342)	(5,342)	(5,342)	(5,342)	(6,677)	(6,677)	(6,677)	(6,677)	(5,342)	(5,342)	(5,342)	(132,654)
Net Cash Flow	(89,211)	(350,222)	(69,518)	(151,265)	(69,518)	(1,197,827)	1,439,537	(171,019)	(89,273)	(89,273)	1,699,346	(87,724)	(169,471)	604,561
Cash Position (end of week)	2,475,012	2,124,790	2,055,271	1,904,006	1,834,488	636,660	2,076,198	1,905,178	1,815,905	1,726,632	3,425,978	3,338,254	3,168,784	

## BANK COVENANTS

Covenant Analysis												
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
	Act	Act	Act	RC	RC	RC	RC	RC	RC	RC	RC	RC
Recurring Revenue	1,202	1,363	1,313	1,267	1,282	1,372	1,306	1,307	1,329	1,329	1,329	1,364
TTM Recurring Revenue	14,591	14,828	14,987	15,102	15,180	15,359	15,426	15,495	15,586	15,703	15,746	15,765
<b>Revenue Covenant</b>			<b>12,260</b>			<b>12,569</b>			<b>12,876</b>			<b>13,272</b>
			Pass			Pass			Pass			Pass
Cash	3,067	2,289	1,559	1,195	1,171	2,523	1,615	2,233	3,309	2,401	1,501	1,733
Drawn Revolver	-	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Undrawn Revolver	3,000	3,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Availability	6,067	5,289	4,559	4,195	4,171	5,523	4,615	5,233	6,309	5,401	4,501	4,733
<b>Liquidity Covenant</b>			<b>2,000</b>			<b>2,000</b>			<b>2,000</b>			<b>2,000</b>
			Pass			Pass			Pass			Pass
Excess Availability			2,559			3,523			4,309			2,733

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# TOWARDS A DATA-DRIVEN COREMEDIA

## Business Case / Opportunity Statement

**Business case:** Currently CoreMedia lacks an integrated view on multiple levels on business performance. Reports and analytics are manually generated and tracked, consuming internal resources and creating opportunities for errors. There's no single point of truth transparency throughout the organization.

Enabling a data-driven CoreMedia will enable better insights and decisions continuously

**Goal statement:** operational and financial performance metrics tracking at all hierarchical level

**Opportunity:** As we automate, standardize and digitize primary processes, crucial data is generated. Enabling continuous 'low-touch' data analytics across the firm increasing manager insights, decreasing the strain on Finance/Controlling for 'high-touch' reports.

**Projected Annual Impact (Steady State):** Improved productivity in revenue operations, finance and control due to continuous reporting

**Risks/Considerations:** Decision on Salesforce as major platform can be a risk as Salesforce might not be the right tool for every part of the business; on the other hand interfaces to other tools like Celoxis/Zendesk can lead to challenges, lack of transparency and 'high-touch' reporting sustains.

**KPI's:**

G&A as % of revenue (scalability in reporting, control and finance)  
CAC/ARR (marrying sales data with accounting data)

## Implementation Working Team

Name	Role
• KKL	<b>Sponsor</b>
• External	<b>Project lead</b>
• UKU	<b>HoC</b>
• RLE	<b>VPF</b>

## Implementation Scope & Resources Required

**Start:** 11/2019 (only partly worked on – postponed to multiple reasons)

**FTE: 0,7**

- 0.1 – Executive oversight & hands-on involvement
- 0.1 - Solution Architect, Consultant & Trainer
- 0.5 – Varying managers providing input

**CAPEX: EUR 50.000 in 2020**

## On-Going Resources Required

**FTE: 0 (Addressed as part of Controlling activities)**

**Annual Vendor Cost: Status roughly €80-180k if Salesforce is extended**



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# QUOTE TO CASH AUTOMATION



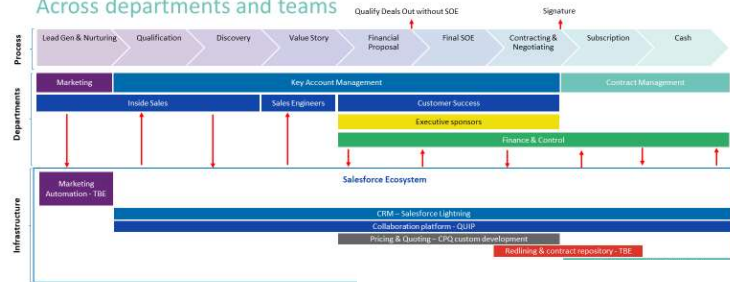
## Business Case / Opportunity Statement

### Business Case (C'td):

- The whole process need systematic application support. For each pillar we can either build or buy a solution.
- Whatever we build or buy, the advantages are always the same: Less costs and higher turnover mainly through higher efficiency and better business insights and actions.

## REQUIRES AUTOMATION AND COLLABORATION

Across departments and teams



Value Roadmap - Sales Process

## NEED ONE SINGLE POINT OF TRUTH

As different departments draw and enrich customer data & collaborate



Post sales - from onboarding to renewal

## Implementation Working Team

### Name

### Role

- JST/KKL
- External
- HEL
- ADU

Sponsor  
Project lead  
Architect  
SF Admin

## Implementation Scope & Resources Required

**Start:** 1 January 2020

**FTE: 2.9**

- 0.1 – Executive oversight & hands-on involvement
- 0.3 – Solution Architect, Consultant & Trainer
- 0.5 – Varying employees providing input

**CAPEX: EUR 80.000 in 2020 (Ute? Final Budget?)**

## On-Going Resources Required

**FTE: 1.5**

- 0.2 CFO
- 1.0 – SF Admin

**Annual Vendor Cost: EUR 110k (incremental EUR 20k)**



DRAFT

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## Business Case / Opportunity Statement

### 2020

Prioritizing based on where the biggest improvements can be made against minimal additional ACV

### 2021 and beyond

Refining the quote to cash cycle, linking departments to the Salesforce platform, step-by-step moving all customer facing role plus back-office to work on Salesforce:

- Continuously keep building and improving the Salesforce organization.
- Scale Salesforce Admins with users (ratio 1SA per 50-100 users)
- (C)OO role drives automation, standardization, process driven organization
- CRO runs his organization with Salesforce
- Executive Board commits to be a Salesforce-run-company

## THE QUOTE TO CASH PROJECT - PRIORITIES



## Implementation Working Team

Name	Role
• JST/KKL	Sponsor
• External	Project lead
• HEL	Architect
• ADU	SF Admin

## Implementation Scope & Resources Required

**Start:** 1 January 2020

### FTE: 2.9

- 0.1 – Executive oversight & hands-on involvement
- 0.3 – Solution Architect, Consultant & Trainer
- 0.5 – Varying employees providing input

**CAPEX 2020-2022: TBD – dependent on needs and budget available**

## On-Going Resources Required

### FTE: 2.0

- 0.2 CFO plus Operations Manager (to be addressed by hire or within existing roles)
- 1.0 – SF Admin

**Annual Vendor Cost 2022: EUR 200k (incremental EUR 120k)**

