PLANISWARE

A French limited liability company with a board of directors (*société anonyme à conseil d'administration*)
with a share capital of €6,939,100
Registered Office: 200 avenue de Paris, 92320 Châtillon, France
Trade and Companies Register of Nanterre: 403 262 082

SUPPLEMENT TO THE REGISTRATION DOCUMENT

This supplement to the registration document has been approved by the French *Autorité des marchés financiers* on April 15, 2024, under number I.24-002.

It completes the registration document approved by the French *Autorité des marchés financiers* (the "**AMF**"), under number I.23-030, dated September 18, 2023, as supplemented by the supplement approved by the AMF, under number I.23-031, dated September 29, 2023, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this document after having verified that the information it contains is complete, coherent and comprehensible.

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

The 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 supplements. The whole is approved by the AMF in accordance with Regulation (EU) No 2017/1129. It is valid until April 23, 2024 and, during this period and at the latest at the same time as the securities note and under the conditions of Articles 10 and 23 of Regulation (EU) No 2017/1129, must be completed by a supplement to the registration document in the event of significant new facts or substantial errors or inaccuracies.

Copies of this supplement to the Registration Document, the supplement dated September 29, 2023 and of the Registration Document are available free of charge from Planisware, 200 avenue de Paris, 92320 Châtillon, France, and on the websites of Planisware (https://planisware.com/) and the *Autorité des marchés financiers* (www.amf-france.org).

GENERAL COMMENTS

*The numbering of the chapters and paragraphs in this supplement to the Registration Document follows the numbering of the chapters and paragraphs of the registration document approved by the AMF under approval number I.23-030 on September 18, 2023, as supplemented by the supplement approved by the AMF, under number I.23-031, dated September 29, 2023 (the "**Registration Document**"). The Registration Document is updated by this supplement.*

Planisware, a société anonyme *incorporated under French law, with share capital of 6,939,100 euros, headquartered at 200 avenue de Paris, 92320 Châtillon, France, registered under number 403 262 082 (RCS Nanterre), is referred to in this supplement to the Registration Document as the "**Company**".*

Investors are invited to carefully consider the risk factors set forth in Chapter 3 "Risk factors" of the Registration Document, as updated by this supplement. The occurrence of all or some of these risks could have an adverse impact on the Group's business, financial position, or results. In addition, other risks, either not yet identified or considered immaterial by the Group, could have the same negative effect.

Rounding

Certain numerical figures and data presented in this supplement to the 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 supplement to the Registration Document may vary slightly from the actual arithmetic totals of such information.

Forward-looking statements

This supplement to the 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 supplement to the 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 supplement to the 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 supplement to the 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 supplement to the Registration Document is based.

Websites and hyperlinks

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

Financial information as of and for the year ended December 31, 2023

The Group's financial information as of and for the year ended December 31, 2023 is included in Chapters 7 (Operating and Financial Review) and 8 (Liquidity and Capital Resources) of this supplement to the Registration Document. The financial information of the Group in the other chapters of the Registration Document, and in particular Chapters 3 (Risk Factors) and 5 (Business), which is generally as of and for *the year ended December 31, 2022 and for the six-months period ended June 30, 2023 is completed by the information in Chapters 7 (Operating and Financial Review) and 8 (Liquidity and Capital Resources) of this supplement to the Registration Document.*

IFRS Financial Measures

This supplement to the Registration Document includes the Group's audited consolidated financial statements and the related notes thereto prepared in accordance with IFRS as of and for the year ended December 31, 2023.

Non-IFRS Measures

This supplement to the 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", "revenue in constant currencies", "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.

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1.1 Persons responsible for this supplement to the Registration Document

Mr. Loïc Sautour, Chief Executive Officer of the Company

1.2 Certification of the person responsible for this supplement to the Registration Document

"*I hereby certify that the information contained in this supplement to the Registration Document is, to my knowledge, accurate and contains no omission that might alter its scope.*"

On April 15, 2024

Mr. Loïc Sautour
Chief Executive Officer of the Company

3. RISK FACTORS

The risk factor entitled "*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.*", included in the section 3.5 "*Financial and accounting risks*" of the Registration Document, is replaced in full as follows:

Planisware will need to continue to adapt its internal controls and procedures to those of a publicly-listed company and maintain them at this level, requiring resource allocation and management attention.

Following its listing on Euronext Paris, Planisware will be subject to reporting requirements and other securities and corporate laws and regulations applicable to publicly-listed companies. Ensuring compliance with these laws and regulations will entail maintaining (and to some extent further strengthening) the necessary financial and management systems and internal controls. Planisware has been developing, strengthening and/or expanding internal control systems appropriate for a publicly-listed company in preparation for the planned listing, working from a baseline of those of a privately held, rapidly growing company. In the process, it identified certain areas for improvement in its internal controls. Planisware has been working to address these areas, for example internal reporting and order-to-cash processes. It may, however, discover other areas for improvement that it will need to address in the future. Doing so may require expending substantial resources, as more generally may maintaining internal controls and processes commensurate with public company status. Ensuring compliance with the rules and regulations applicable to public companies may be an additional task for members of the management team. Finally, the implementation and maintenance of the necessary processes could affect the Group's organizational agility and strategic nimbleness. Any failure by Planisware to maintain adequate internal processes and control procedures as well as the attendant expense and management attention necessary to do so could adversely affect its business, results of operations and financial condition.

Section 3.6 entitled "*Risk management policy*" of the Registration Document is replaced in full as follows:

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 budgetary and human 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, the Head of Investor Relations 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 anticipate 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.

In addition, with respect to ESG-related risks, the Group carried out a specific risk mapping exercise based on work performed as from early 2023 which culminated in an outline of priority corporate social responsibility (CSR) issues based on the Global Reporting Initiative ("**GRI**") and Sustainability Accounting Standards Board ("**SASB**") extra-financial guidelines. In addition, a review of the Morgan Stanley Corporation International (MSCI) and European Sustainability Reporting Standards (ESRS), as well as a complementary review of the SASB framework, were carried out in 2023 in order to supplement the risk analysis. This risk analysis exercise served as the basis for the extra-financial performance statement to be published by the Group within two months of its general assembly held on April, 2024, in which the Group presents the policies and action plans put in place to control and mitigate these risks, as well as the results associated with these efforts (see Section 5.9, "*Environmental Policies, sustainability and ESG aspects*", of this supplement to the Registration Document).

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.

In addition, the Group formed a crisis unit that can be mobilized in case of a risk event occurs or a predetermined risk level is breached. The composition, means and methods of action of the crisis unit, as well as the roles of its members, are defined so as to foster rapid reaction tailored to the type of event and risk level. The crisis unit is responsible for addressing and managing ongoing incidents and monitor them post-resolution. Its members include top level management, including the Chief Executive Officer and the Chief Information Security Officer ("**CISO**"), and other persons appointed for monitoring such incidents, which could include specialists in SaaS, IT operations, solution implementation and support functions, or their deputies, as well as employees from human resources department, sales, communications and service managers, or any other function deemed necessary for the successful resolution of the incident and the return to regular service.

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), a method for assessing and treating digital risks, enabling the Group to intervene to take preventive action on identified security risks.

Management has appointed an ISMS manager and a 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 the 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

The Group uses cloud and third-party solutions as part of its continuous efforts to ensure the security of its IT systems and infrastructure. The Group regularly updates and monitors these solutions and systems, particularly to address the increasingly sophisticated nature of cyber threats.

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 and ISO27002[1] certification and issue SOC2 compliance reports. The ISSM, which is applied globally, is reviewed annually and regularly updated to reflect changes in the Group's activities and the types of malicious acts observed, and aims to identify critical infrastructure, formulate the Group's safety objectives with respect to information security and identify, implement and update the mechanisms and procedures in place in order to achieve and maintain the adequate levels of security in line with applicable certifications.

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).

[1] The ISO27002 standard is a collection of information security management guidelines that are intended to help an organization implement, maintain and improve its information security management system. ISO27002 is designed to work with ISO27001, which provides the requirements for establishing, implementing, maintaining and improving an ISMS.

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 supplement to the Registration Document, Planisware Inc. has a score of 96 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.

In addition to the policies in place and its monitoring of the ISSM, the Group continuously seeks to ensure appropriate levels of redundancy of its essential IT systems and equipment to minimize the consequences of incidents in the information security of its systems linked to technical problems or failures. This includes redundancy for the Group's main equipment including the data centers (multiple sites, resilience of energy supply), but also network equipment, security, storage and backup capacities, as well as essential service systems (including virtual private network (VPN), e-mail and administrative platforms). The Group also seeks to ensure systematic back-up of hosted data on passive servers, allowing for the rapid restoration, if necessary, of affected data in the event of an incident. The Company also has in place a disaster recovery action plan that includes guidelines and procedures to be followed in the event of a major incident not remedied by redundant infrastructures.

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 configurable solutions based on their needs and their evolution to ensure the proper development of needed and requested 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.

The Group monitors customer satisfaction, loyalty and advocacy through various means, including user surveys, meetings, as well as regular customer events (Planisware Exchange, Customer Advisory Boards, Best Practices Working Groups, etc.).. The Group's customer success managers and their teams also monitor data to evaluate the performance and 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.

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.

5. BUSINESS

Subsection 5.6.1 "*The Group's main capital expenditures over the last three years*" of the Registration Document is replaced in full as follows:

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 €2.8 million, €3.0 million, and €2.0 million, for the years ended December 31, 2023, 2022, and 2021, 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 16 to the Group's consolidated financial statements for the year ended December 31, 2023 and 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*" of this supplement to the Registration Document.

The Group did not acquire any companies, in whole or in part, in the years ended December 31, 2023, 2022, and 2021, other than as described herein. 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. In September 2023, the Group acquired the remaining 50% equity stake of Planisware MIS S.à r.l. ("**Planisware MIS**"), which is the operating entity to whom the Group subcontracted the provision of subscription support services to Planisware's customers globally, for a total consideration of approximately €3.4 million, including €2.8 million in cash. See Note 1.2 to the Group's consolidated financial statements for the year ended December 31, 2023 and Note 1.3 to the Group's consolidated financial statements for the years ended December 31, 2022, 2021, and 2020.

Subsection 5.6.3 *"Information on equity investments"* of the Registration Document is replaced in full as follows:

Further information on equity investments is contained in Section 18.1 of this supplement to the Registration Document and in Note 3 and Note 19 to the Group's consolidated financial statements for the year ended December 31, 2023.

Section 5.9 "*Environmental Policies, sustainability and ESG aspects*" of the Registration Document is replaced in full as follows:

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.[2]

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.

Following the carbon assessments performed in 2023 and 2024, and the re-evaluation of Planisware's key environmental objectives, the Company has implemented company-wide measures to further reduce its carbon footprint. The Group also plans to strengthen its environmental strategy, in particular by preparing a comprehensive decarbonization strategy to be submitted to the Science Based Target initiative ("SBTi")[3] in order to obtain SBTi certification, and by responding to its first Carbon Disclosure Project ("CDP") this year in making its environmental information disclosure public.

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).

The Group performed a carbon assessment for the year ended December 31, 2023 using the recognized GHG Protocol methodology for scopes 1, 2 and 3. This assessment benefited from a greater level of granularity of data linked, in particular, to changes in the methodologies used, improved accuracy of measurements, and changes of in-scope entities to include recently fully-consolidated entities, namely Planisware MIS and IFT-Planisware K.K.. The carbon assessment showed that Planisware's operations generated GHG emissions in an amount of 7,392 tons of CO2 equivalent ("tCO2e") distributed as follows: less than 0.5% under direct GHG emissions (scope 1), less than 3.5% under indirect GHG emissions (scope 2) and more than 96% under other indirect GHG emissions (scope 3). The Group's emissions mainly consist of indirect emissions under scope 3 corresponding to the purchasing of goods and services (53% of total GHG emissions) and business travel (32% of total GHG emissions), and to a lesser extent to employee-commuting (5% of total GHG emissions).

Planisware's total reported 2023 emissions cited above show an increase in absolute value compared with those reported in 2022 (5,220 tCO2eq), explained mainly by changes in methodology and changes in scope.

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[2] The data center 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.

[3] SBTi is an independent and industry-recognized, non-governmental organization that defines and promotes best practices in emissions reductions and net-zero targets in line with climate science.

The Company's 2022 GHG emissions recalculated based on 2023 methodologies for the most significant items (including business travel) are as follows: total GHG emissions of 6,378 tCO2eq (an increase in absolute value of 1,014 tCO2eq). GHG emissions per employee were 10.7 tCO2eq in 2023 (compared to 11.5 tCO2eq in 2022) and per million euros of SaaS revenue were 113.7 tCO2eq (compared to 131 tCO2eq, respectively).

Following its carbon assessment for 2023, the Group intends to reinforce and focus its efforts, in line with the measures already implemented, 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 currently conducting a mapping exercise of its most significant suppliers and will in the future conduct such assessment annually. In addition, the Group already implemented 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. Since January 2024 the Group has required its key suppliers, defined as its suppliers in relation with the SaaS service, namely the hosting data center providers and the valued added resellers, to carry out and communicate an assessment of their environmental performance, either through a questionnaire prepared by the Group or via their certification, such as EcoVadis, for which the Group's requirement is a minimum score of 45 out of 100. Also, 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 has implemented 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), and since January 2024 the Group has required its suppliers to sign its charter with respect to responsible purchasing, setting out certain principles in the areas of human rights, health and safety in the workplace, ethics and compliance, environment, and monitoring of their own suppliers.

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 less than 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 accounted for approximately 82% of the Group's scope 1 greenhouse gas emissions in the 2022 GHC emissions assessment and previously integrated 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.

The management report of the Company's Board of Directors to the Shareholders' Meeting for the year ended December 31, 2023 includes an extra-financial performance statement, which will be included in all management reports going forward. The report, which was issued for the first time in April 2024 in respect of the year ended December 31, 2023, was prepared following the Company's review of the Group's social and environmental indicators and contains information about how the Company manages 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.

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 2023 when Planisware received the certification of Great Place To Work® in all countries in which it operates. The Great Place To Work® survey showed that 81% of Planisware's employees strongly recommend Planisware and that the Group's retention rate was approximately 87.8% in 2023. With a score of 81%, the Group's rating in the Great Place To Work® Trust Index© is stable and in line with other companies in France that were recognized with "Best Workplace 2023" labels.

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, 2023, 100 programs totalling 61 hours of e-training were available to employees and staff online. The Group also offers its employees certification courses that cover up to 22 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. The team in charge of training programs comprised eight 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.

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 the Registration Document).

Subject to the admission of the Company’s shares to trading on the regulated market of Euronext Paris, and following the transposition of the provisions of the European directive on Corporate Sustainability Reporting (CSRD) into French law, and mandatory European Sustainability Reporting Standards (ESRS) gradually applying as of January 2024, the Group will publish detailed information on its material sustainability risks, opportunities and impacts according to ESRS, for the first time in 2025 for the financial year ended December 31, 2024.

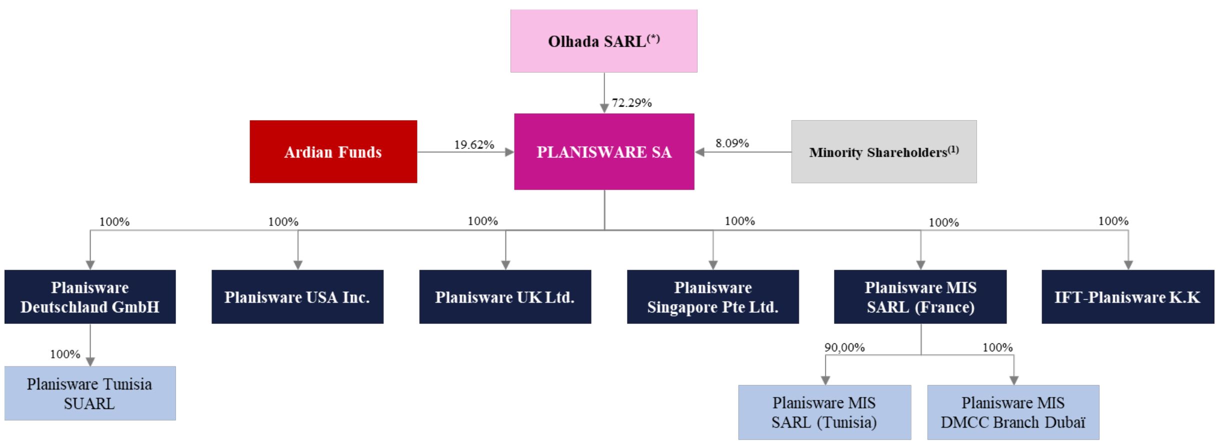
6. ORGANIZATIONAL STRUCTURE AND INTRA-GROUP RELATIONS

<u>Section 6.1 "*Shareholding structure*" of the Registration Document is replaced in full as follows:</u>

6.1 Shareholding structure

Simplified organizational chart on the date of this supplement to the 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 supplement to the Registration Document. The percentages indicated correspond to the percentage of capital[4]. See also Note 3 to the Group's consolidated financial statements for the year ended December 31, 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 supplement to the Registration Document, the Company is a limited liability company with a board of directors (*société anonyme à conseil d'administration*) incorporated under French law.

<u>Subsection 6.2.1 "*Material subsidiaries*" of the Registration Document is amended as follows:</u>

The registered office of Planisware Deutschland GmbH is located at 52-58 Leonrodstraße, 80636 München, Germany.

The registered office of Planisware USA, Inc. is located at 343 Sansome Street, Suite 500, San Francisco, California 94104, USA.

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

7. OPERATING AND FINANCIAL REVIEW

Chapter 7 "*Operating and Financial Review*" of the Registration Document is supplemented as follows:

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 year ended December 31, 2023 ("FY2023"), which include comparative information for the year ended December 31, 2022 ("FY2022"), included herein. 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, 2023 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 year ended December 31, 2023. The corresponding report of the Company's statutory auditors is included in this supplement to the Registration Document.

This supplement to the 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", "revenue at constant currencies", "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 year ended December 31, 2023 and the related notes thereto included in this supplement to the 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 545 organizational customers in a wide range of verticals and functions across more than 38 countries[5] as of December 31, 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[6] in total revenue and Adjusted EBITDA of 20.5% and 22.0%, respectively. For the year ended December 31, 2023, Planisware had revenues of €156.4 million, Adjusted EBITDA of €52.2 million and profit for the period of €41.8 million.

Planisware, through various subsidiaries and investee entities, operates in ten countries with approximately 700 employees as of the date of this supplement to the Registration Document. Planisware is headquartered in Chatillon, France and has subsidiaries in the United States, Germany, the United Kingdom, Singapore, Japan and the UAE, with offices in Tunisia, Canada and Italy. For the year ended December 31, 2023, France and North America represented 18.0% and 44.0% respectively, of the Group's 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 2023, 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. Less than 20% of Planisware's customer base in 2023 had purchased a perpetual license rather than subscribed to a SaaS contract.

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.

[5] Based on the customer's billing address.

[6] Compound annual growth rate.

Planisware's core business focuses on four pillars:

- Product Development and Innovation (approximately 56.2% of total revenue with customers in FY2023)
- Project Controls and Engineering (approximately 17.6% of total revenue with customers in FY2023)
- Agility and Information Technology Project (approximately 17.2% of total revenue with customers in FY2023)
- Project Business Automation (approximately 8.7% of total revenue with customers in FY2023)

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's financial debt was almost nil[7] as of December 31, 2023 and €0.4 million[8] as of December 31, 2022. 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 41.3% and 36.9% of Planisware's total revenue in the years ended December 31, 2023 and 2022, respectively), "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 3.6% and 4.2% of Planisware's total revenue, in the years ended December 31, 2023 and 2022, respectively.

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

[7] Excluding lease liabilities amounting to €14.9 million as of December 31, 2023.

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

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 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 71.2% and 68.0% for the years ended December 31, 2023 and December 31, 2022, respectively. 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[9], calculated at constant exchange rates[10], was 121% in each of the years ended December 31, 2023 and December 31, 2022.

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[9] 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.

[10] Applying to year N revenues the average exchange rates used during year N-1.

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 2023 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 €134.7 million and €108.5 million in the years ended December 31, 2023, and 2022 respectively, representing 86.5% and 83.1% of Planisware's total revenue with customers in the same years.

For the year ended December 31, 2023, Planisware's Adjusted EBITDA (as defined in Section 7.4.1.5, *"Adjusted EBITDA and Adjusted EBITDA margin"*) was 33.4% of total revenue (31.3% in FY2022). Planisware's cash minus indebtedness (as presented in Section 8.6.1, *"Cash minus indebtedness"*) totaled €127.7 million as of December 31, 2023 (€105.7 million as of December 31, 2022).

In 2023, Planisware's ten largest customers accounted for 19.2% of total revenue with customers (23.6% in FY2022 and 27.4% in FY2021) with no customer accounting for more than 2.5% of total revenue in FY2023.

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 or difficulties such as, for example, total revenue increasing in the period from 2021 to 2023 despite negative effects from macro-events such as the COVID-19 pandemic, global inflation, the Russia-Ukraine conflict and the conflict between Israel and Hamas, which negatively impacted certain industries and the overall economy.

In addition to a resilient financial position, Planisware believes that its business is characterized by a large share of recurring revenues (86.1% of total revenue in 2023 and 82.1% of total revenue in 2022), high scalability due to its cloud platform approach and, in particular, high cash generation. These factors, in addition to limited maintenance capital expenditure needs, contributed to Adjusted Free Cash Flow of €43.8 million in the year ended December 31, 2023 and €26.7 million in the year ended December 31, 2022, which corresponded to a Cash Conversion Rate of 84.0% and 64.4% respectively. The improvement related mostly to the significant progress made by the Group in 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 83 salespeople as of December 31, 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 545[11] customers as of December 31, 2023 (of which (i) over 250 were Enterprise customers, generating average recurring revenue per customer ("**ARRPC**")[12] of roughly €470,000 in 2023 and (ii) over 300 were Orchestra customers, generating ARRPC of roughly €40,000 in 2023), Planisware's customers include numerous international companies that represent significant addressable opportunities among both pillars and geographies.

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 2023, 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 103 employees as of December 31, 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 and/or PhDs

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[11] All entities belonging to the same corporate group are grouped into a single customer.

[12] 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".

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 €20.0 million (or 12.8% of total revenue), €18.3 million (or 13.9% of total revenue) and €15.0 million (or 13.9% of total revenue) for the years ended 2023, 2022 and 2021, respectively, increasing at a CAGR of approximately 15.6% from 2021 to 2023.

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, 2023 and 2022, 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, 2023 and 2022, 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*" of the Registration Document, as supplemented.

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 1.8% in FY2023 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, 2023 and 2022 benefitted from its strong market position in most pillars and geographies, as described above and in more detail in Section 5.2 of the Registration Document, "*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 86.1% of total revenue in the year ended December 31, 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[13] increased by €13.1 million from €68.5 million in the year ended December 31, 2022 to €81.6 million in the year ended December 31, 2023. This increase was the result of both expanded recruitment and higher wage inflation in the context of a strong labor market.

As a result of increased total revenue and costs, Planisware's Adjusted EBITDA increased from €41.4 million in the year ended December 31, 2022 to €52.2 million in the year ended December 31, 2023.

[13] Including sales commissions

7.2.5 Inflationary environment

Inflation accelerated in Europe and the United States during part of 2023, albeit to a lesser extent than during 2022 and dropping slightly in the second half of 2023, with a full year inflation rate of 2.9%[14] and 3.4%[15], respectively.

In 2022, the inflationary environment had resulted in a reduction in the Group's operating margin. In 2023, the impact of inflation was mitigated by the indexation of the Group's contracts with customers, which partly explains the increase in gross margin in the year ended December 31, 2023 compared to the year ended December 31, 2022.

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

7.2.7 Geopolitical Conflict

Planisware's business is not directly exposed to Ukraine, Belarus or Russia, or the conflict between Israel and Hamas. Except for the inflationary trends described above, Planisware has not to date identified any indirect significant effect of these conflicts 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.

[14] HICP inflation for Euro area (source: European Central Bank).

[15] Consumer Price Index (source: U.S. Bureau of Labor Statistics).

- "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 support 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 consisted of royalties invoiced by the Company to entities in which it continued to hold an equity interest for some of 2023, namely IFTP KK and Planisware MIS. In May 2023, Planisware acquired the remaining 53% equity stake in IFTP KK and in September 2023 its remaining 50% equity stake in Planisware MIS. In future periods, except for new associates in which the Group may have an equity interest in the future, "Other revenue" will no longer capture reinvoicing to these companies as this will be fully eliminated in the consolidation process. Instead, revenue from these entities generated externally will be recognized as such as from the respective dates of takeover by the Group.

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 but at a slower pace than its total revenue due to overall economies of scale and the evolution of its governance structure.

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 year ended December 31, 2023, Planisware completed the following equity acquisitions:

- 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 the entity's consolidation in the Group as from May 26, 2023; and
- the remaining 50% equity stake of Planisware MIS through a contribution in cash, leading to the entity's consolidation in the Group as from September 25, 2023.

Both equity-accounted investees were 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 (i) cost of debt, primarily consisting of interest expenses related to lease liabilities, financial income from cash and cash equivalents, (ii) other finance income and expenses, mainly comprised of realized foreign exchange gain and loss on cash and cash equivalents denominated in foreign currencies, and (iii) realized and unrealized gains on marketable securities at the end of the period.

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 €4.1 million and €3.9 million, in FY2023 and FY2022, 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:

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022
Recurring revenue	**134.7**	**108.5**
SaaS & Hosting	64.6	48.7
Evolutive and Subscription support	51.4	41.3
Maintenance	18.8	18.5
Non recurring revenue	**21.1**	**22.1**
Perpetual licenses	5.7	5.6
Implementation services	15.4	16.5
Total revenue with customers	**155.7**	**130.6**

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:

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022
Europe	76.1	66.6
North America	68.5	57.1
APAC & rest of the world	11.2	6.9
Total revenue with customers	**155.7**	**130.6**

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 56.2% of total revenue with customers in FY2023) 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 17.6% of total revenue with customers in FY2023) 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 17.2% of total revenue with customers in FY2023) addressing IT teams across all verticals; and
- Project Business Automation (approximately 8.7% of total revenue with customers in FY2023), 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,	
in € millions, unless otherwise indicated	**2023**	**2022**
Product Development & Innovation	87.5	71.1
Project Controls & Engineering	27.4	24.7
Agility & IT Project Portfolios	26.8	21.6
Project Business Automation	13.6	12.8
Other	0.4	0.4
Total revenue with customers	**155.7**	**130.6**

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,	
in € millions, unless otherwise indicated	**2023**	**2022**
Revenue	156.4	132.1
Cost of sales	(45.1)	(42.3)
Gross profit	**111.3**	**89.8**
Gross margin	**71.2%**	**68.0%**

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 years ended December 31, 2023 and 2022, these adjustments for non-recurring items or non-operating items related to free shares plan expense and 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,	
in € millions, unless otherwise indicated	**2023**	**2022**
Current operating profit after share of profit of equity-accounted investee	43.2	34.5
Plus: Depreciation and amortization of intangible, tangible and right-of-use assets	*7.2*	*6.4*
Plus: IPO costs including in current operating profit	*0.0*	*0.4*
Plus: Share-based payments	*1.9*	*0.0*
Adjusted EBITDA	**52.2**	**41.4**
Adjusted EBITDA margin	***33.4%***	***31.3%***

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 from operating activities to Adjusted Free Cash Flow for the periods presented:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2023**	**2022**
Net cash from operating activities	47.3	34.2
Less: Capital expenditures	(4.9)	(4.8)
Less: Other finance income/costs	(2.8)	(3.0)
Plus: IPO costs paid	4.2	0.2
Adjusted Free Cash Flow (A)	**43.8**	**26.7**

Other finance income and costs are mainly related to foreign exchange differences on cash and cash equivalents as well as income from cash and cash equivalents that are part of net cash from operating activities but not part of Adjusted EBITDA.

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,	
in € millions, unless otherwise indicated	**2023**	**2022**
Adjusted Free Cash Flow (A)	43.8	26.7
Adjusted EBITDA (B)	52.2	41.4
Cash Conversion Rate (A)/(B)	**84.0%**	**64.4%**

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

From 2022 to 2023, Planisware grew its customer base (in number of customers) by approximately 9.9%. 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:

	December 31, 2023	**December 31, 2022**
Number of customers	545	496

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[16].

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).

The following table sets forth Planisware's NRR:

	Fiscal Year ended December 31,	
	2023	**2022**
Net retention rate	121%	121%

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[17]. 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:

	Fiscal Year ended December 31,	
	2023	**2022**
Churn rate	1.8%	1.4%

7.5 Results of operations

7.5.1 Years ended December 31, 2023 and 2022

7.5.1.1 Summary of consolidated statement of profit or loss

The following table sets forth a summary of Planisware's consolidated statement of profit or loss:

[16] Applying to year N revenues the average exchange rates used during year N-1.

[17] Applying to year N revenues the average exchange rates used during year N-1.

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022
Total revenue	156.4	132.1
Cost of sales	(45.1)	(42.3)
Gross profit	**111.3**	**89.8**
Operating expenses	(68.4)	(56.2)
Current operating profit	**42.9**	**33.6**
Share of profit of equity-accounted investees, net of tax	0.3	1.0
Current operating profit including share of profit of equity-accounted investees	**43.2**	**34.5**
Other operating income/expense	3.0	0.0
Operating profit	**46.2**	**34.5**
Financial income (loss)	2.5	2.8
Income tax expense	(6.9)	(5.8)
Profit for the period	**41.8**	**31.6**
Adjusted EBITDA	**52.2**	**41.4**
Basic earnings per share (in €)	0.61	0.46
Diluted earnings per share	0.60	0.46

7.5.1.2 Revenue

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022
Total revenue	156.4	132.1
Total revenue in constant currencies	158.9	132.1

Total revenue increased by €24.4 million, or 18.4%, from €132.1 million in the year ended December 31, 2022 to €156.4 million in the year ended December 31, 2023. At constant 2022 foreign exchange rates, total revenue would have increased by €26.8 million, or 20.3%, from €132.1 million in the year ended December 31, 2022 to €158.9[18] million in the year ended December 31, 2023.

Recurring revenue

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022	Variation
Recurring revenue	**134.7**	**108.5**	24.1%
SaaS & Hosting	64.6	48.7	32.5%
Evolutive and Subscription support	51.4	41.3	24.4%
Maintenance	18.8	18.5	1.5%
Non recurring revenue	**21.1**	**22.1**	-4.6%
Perpetual licenses	5.7	5.6	2.8%
Implementation services	15.4	16.5	-7.1%
Total revenue with customers	**155.7**	**130.6**	**19.3%**
Other revenue	0.7	1.5	(54.4%)
Total revenue	**156.4**	**132.1**	**18.4%**

The Group's recurring revenue (as defined above) increased by €26.2 million, or 24.1%, from €108.5 million in the year ended December 31, 2022 to €134.7 million in the year ended December 31, 2023. As a

[18] Applying to year N revenues the average exchange rates used during year N-1.

percentage of total revenue with customers, recurring revenue increased in absolute terms and proportionately by 3.4 points from 83.1% in the year ended December 31, 2022 to 86.5% in the year ended December 31, 2023, reflecting the growth of Planisware's SaaS distribution model.

SaaS and hosting revenues increased by €15.8 million, or 32.5%, from €48.7 million in the year ended December 31, 2022 to €64.6 million in the year ended December 31, 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 significantly increased by €10.1 million, or 24.4%, from €41.3 million in the year ended December 31, 2022 to €51.4 million in the year ended December 31, 2023.

Maintenance revenue remained relatively steady with a slight increase of €0.3 million, or 1.5%, from €18.5 million in the year ended December 31, 2022 to €18.8 million in the year ended December 31, 2023, reflecting the Group's strong focus on delivering its software through a SaaS model.

Non-recurring revenue

Revenues related to the sale of perpetual licenses were steady at €5.6 million in the year ended December 31, 2022 compared to €5.7 million in the year ended December 31, 2023, as new customers continued to subscribe to SaaS offerings while certain existing customers maintained their perpetual licenses.

Revenues related to implementation services decreased by €1.2 million, or 7.1%, from €16.5 million in the year ended December 31, 2022 to €15.4 million in the year ended December 31, 2023 as the Group continued to focus on more agile, efficient, and optimized implementation services.

Revenue with customers by region

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2023**	**2022**	**Variation**
Europe	76.1	66.6	14.3%
North America	68.5	57.1	19.9%
APAC & rest of the world	11.2	6.9	63.1%
Total revenue with customers	**155.7**	**130.6**	**19.3%**

In the year ended December 31, 2023, Planisware continued expanding its presence worldwide. Europe was a dynamic market with an increase of €9.5 million, or 14.3%, as compared to the year ended December 31, 2022, driven by strong dynamics in Germany, despite an overall softer economic environment.

In North America, revenue with customers growth of 19.9% was also strong, led in particular by a significant level of cross-selling and up-selling with existing customers, new customers wins and a stronger penetration of the mid-market driving diversification of the customer base.

Planisware's growth of 63.1% in "APAC & rest of the world" resulted from strong commercial momentum in Japan, Singapore and the Middle East, as well as from the consolidation of IFTP KK as from May 26, 2023 and of Planisware MIS as from September 25, 2023.

Revenue with customers by pillar

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022	Variation
Product Development & Innovation	87.5	71.1	23.0%
Project Controls & Engineering	27.4	24.7	11.1%
Agility & IT Project Portfolios	26.8	21.6	24.0%
Project Business Automation	13.6	12.8	6.5%
Other	0.4	0.4	17.2%
Total revenue with customers	**155.7**	**130.6**	**19.3%**

The "Product Development & Innovation" industry remained Planisware's principal pillar, with revenues growing by 23.0% from 2022 to 2023 resulting from both significant new customer wins and the expansion of offerings to existing customers. Planisware has more recently entered markets relating to the pillars "Project Controls & Engineering", "Agility and IT Project Portfolios" and "Project Business Automation" which proved to be dynamic with respective growth rates of 11.1%, 24.0% and 6.5% year on year.

Other revenue

Other revenue (as defined in Section 7.3.2, *"Other revenue"*) decreased by €0.8 million, or 54.4%, from €1.5 million in the year ended December 31, 2022 to €0.7 million in the year ended December 31, 2023, due to the consolidations of IFTP KK and Planisware MIS as described above.

7.5.1.3 Cost of sales and operating expenses

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022	Variation (%)
Cost of sales	(45.1)	(42.3)	6.7%
Gross profit	**111.3**	**89.8**	**24.0%**
Research and development	(20.0)	(18.3)	9.1%
Sales and marketing	(27.1)	(21.8)	24.0%
General and administrative	(21.3)	(16.0)	33.0%
Gross margin	***71.2%***	***68.0%***	***3.2pp***
Research and development / total revenue	*12.8%*	*13.9%*	*(1.1)pp*
Sales and marketing / total revenue	*17.3%*	*16.5%*	*0.8pp*
General and administrative / total revenue	*13.6%*	*12.1%*	*1.5pp*

Cost of sales and gross margin

Cost of sales increased by €2.8 million, or 6.7%, from €42.3 million in the year ended December 31, 2022 to €45.1 million in the year ended December 31, 2023.

Gross margin, which corresponds to gross profit as a percentage of total revenue, increased by 3.2 points from 68.0% in the year ended December 31, 2022 to 71.2% in the year ended December 31, 2023, mainly as a result of an efficient monitoring of resources, in particular with respect to recruitment and outsourcing.

Research and development expenses

Planisware's research and development expenses increased by €1.7 million, or 9.1%, from €18.3 million in the year ended December 31, 2022 to €20.0 million in the year ended December 31, 2023.

The Group capitalized €2.0 million of development costs in the year ended December 31, 2023 as compared to €1.4 million in the year ended December 31, 2022, and the amortization of capitalized development costs was €1.3 million in the year ended December 31, 2023 as compared to €1.5 million in the year ended December 31, 2022**.**

As a percentage of total revenue, research and development costs slightly decreased from 13.9% in the year ended December 31, 2022 to 12.8% in the year ended December 31, 2023 partially due to a higher capitalization of development costs.

Sales and marketing expenses

Sales and marketing expenses increased by €5.2 million, or 24.0%, from €21.8 million in the year ended December 31, 2022 to €27.1 million in the year ended December 31, 2023. The main reason for the increase was the €4.0 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 costs increased from 16.5% in the year ended December 31, 2022 to 17.3% in the year ended December 31, 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 €5.3 million, or 33.0%, from €16.0 million in the year ended December 31, 2022 to €21.3 million in the year ended December 31, 2023.

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.

As a percentage of total revenue, general and administrative expenses increased by 1.5 points from 12.1% in the year ended December 31, 2022 to 13.6% in the year ended December 31, 2023.

7.5.1.4 Share of profit of equity-accounted investees

Share of profit of equity-accounted investees decreased by €0.7 million, or 73.5%, from €1.0 million in the year ended December 31, 2022 to €0.3 million in the year ended December 31, 2023, as both former equity-accounted investees were consolidated during the course of the year ended December 31, 2023, as described above.

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 after share of profit of equity-accounted investees increased by €8.6 million, or 25.0%, from €34.5 million in the year ended December 31, 2022 to €43.2 million in the year ended December 31, 2023.

7.5.1.6 Other operating income/expense

Other operating income amounted to €3.0 million in the year ended December 31, 2023, and is composed of the gain on remeasurement of previously held interests in IFTP KK and Planisware MIS for €7.5 million, partially offset by costs related to the project of initial public offering of the Group for €4.5 million.

7.5.1.7 Financial income (loss)

Financial income decreased by €0.3 million, or 10.9%, from €2.8 million in the year ended December 31, 2022 to €2.5 million in the year ended December 31, 2023. This increase reflects the Group's investing of available cash in time deposits and marketable securities, such as money market or mutual funds. Financial income was also positively impacted by gains on disposals and unrealized gains on marketable securities.

7.5.1.8 Income tax

	Fiscal Year December 31,		
in € millions, unless otherwise indicated	**2023**	**2022**	**Variation**
Current taxes	(7.6)	(6.3)	20.3%
- Of which income tax	*(7.3)*	*(5.8)*	*25.3%*
- Of which added-value tax	*(0.3)*	*(0.5)*	*(37.8%)*
Deferred taxes	*0.7*	0.5	37.8%
Income taxes recognized in the statement of profit or loss	**(6.9)**	**(5.8)**	**18.8%**

The Group's income tax expense increased by €1.1 million, or 18.8%, from €5.8 million in the year ended December 31, 2022 to €6.9 million in the year ended December 31, 2023. The increase was mainly due to the increase of profit before tax by €11.4 million, or 30.4%, from €37.3 million in the year ended December 31, 2022 to €48.7 million in in the year ended December 31, 2023.

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 €10.3 million, or 32.6%, from €31.6 million in the year ended December 31, 2022 to €41.8 million in the year ended December 31, 2023.

7.5.1.10 Adjusted EBITDA

	Fiscal Year ended December 31,		
in € millions, unless otherwise indicated	**2023**	**2022**	**Variation**
Current operating profit after share of profit of equity-accounted investee	43.2	34.5	25.0%
Plus: Depreciation and amortization of intangible, tangible and right-of-use assets	7.2	6.4	*11.5%*
Plus : IPO costs	0.0	0.4	*-100.0%*
Plus: Share-based payments	1.9	0.0	-
Adjusted EBITDA	**52.2**	**41.4**	**26.1%**
Adjusted EBITDA margin	***33.4%***	***31.3%***	***2.0pp***

As a result of the factors discussed above, Adjusted EBITDA increased by €10.8 million, or 26.1%, from €41.4 million in the year ended December 31, 2022, to €52.2 million in the year ended December 31, 2023. Adjusted EBITDA margin increased by 2.0 points, from 31.3% in the year ended December 31, 2022 to 33.4% in the year ended December 31, 2023.

The 2023 increase of Adjusted EBITDA reflects the translation of revenue growth into profit as the business grew from the addition of new customers, a positive mix effect and further operational efficiencies of employee-related costs and outsourcing optimization, including for R&D.

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, 2023 and 2022:

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022
Goodwill	21.0	5.1
Intangible assets	7.6	3.0
Property, plant and equipment	4.6	4.0
Right-of-use assets	13.7	13.5
Equity-accounted investees	0.0	2.0
Other financial assets	1.0	0.6
Other non-current assets	0.8	1.0
Deferred tax assets	2.4	1.7
Total non-current assets	**51.1**	**30.9**
Trade receivables and contract assets	46.6	45.4
Other receivables and current assets	14.8	14.0
Cash and cash equivalents	142.7	120.5
Total current assets	**204.1**	**179.9**
Total assets	**255.1**	**210.8**

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023	2022
Share capital	6.9	0.3
Share premium	19.2	9.6
Consolidated reserves	96.6	85.6
Translation reserve	-0.8	0.2
Profit for the period	41.8	31.6
Equity attribuable to owners of the Company	**163.8**	**127.3**
Non-controlling interests	0.0	0.0
Total equity	**163.8**	**127.3**
Employee benefits	2.3	1.9
Loans and borrowings	11.4	11.7
Deferred tax liabilities	1.0	0.0
Total non-current liabilities	**14.7**	**13.6**
Provisions	0.0	0.1
Loans and borrowings	3.6	3.2
Trade payables	4.3	4.2
Other liabilities	35.0	31.2
Contrat liabilities	33.7	31.2
Total current liabilities	**76.6**	**69.9**
Total equity and liabilities	**255.1**	**210.8**

7.6.1 Years ended December 31, 2023 and 2022

7.6.1.1 Assets

As of December 31, 2023, total assets amounted to €255.1 million and comprised total current assets of €204.1 million and total non-current assets of €51.1 million. Total assets increased by €44.3 million, or 21.0%, from €210.8 million as of December 31, 2022 to €255.1 million as of December 31, 2023.

Total current assets increased by €24.1 million, or 13.4%, from €179.9 million as of December 31, 2022 to €204.1 million as of December 31, 2023. This increase was mainly due to an increase of cash and cash equivalents in the amount of €22.2 million, or 18.4%, from €120.5 million as of December 31, 2022 to €142.7 million as of December 31, 2023 (see Chapter 8, "*Liquidity and Capital Resources*"). Trade receivables and contract assets increased slightly by €1.2 million, or 2.7%, from €45.4 million as of December 31, 2022 to €46.6 million as of December 31, 2023. 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 €20.2 million, or 65.5%, from €30.9 million as of December 31, 2022 to €51.1 million as of December 31, 2023. The increase is primarily due to the recognition of goodwill for a total amount of €15.9 million related to the acquisition of the subsidiaries IFTP KK in May 2023 and Planisware MIS in September 2023.

7.6.1.2 Liabilities

As of December 31, 2023, total liabilities amounted to €91.4 million and consisted of total current liabilities of €76.6 million and total non-current liabilities of €14.7 million. Total liabilities increased by €7.9 million, or 9.5%, from €83.4 million as of December 31, 2022 to €91.4 million as of December 31, 2023.

Total current liabilities increased by €6.7 million, or 9.6%, from €69.9 million as of December 31, 2022 to €76.6 million as of December 31, 2023. This increase is primarily related to other liabilities increasing by €3.8 million, or 12.1%, from €31.2 million as of December 31, 2022 to €35.0 million as of December 31, 2023, mainly due to the increase of salaries and other personnel-related payables by 2.0 million, or 13.4% from €15.0 million as of December 31, 2022 to €17.0 million as of December 31, 2023.

Total non-current liabilities increased by €1.2 million, or 8.8%, from €13.6 million in the year ended December 31, 2022 to €14.7 million in the year ended December 31, 2023, mainly due to an increase in deferred tax liabilities.

7.6.1.3 Equity

Equity increased by €36.4 million, or 28.6%, from €127.3 million in the year ended December 31, 2022 to €163.8 million in the year ended December 31, 2023. The increase is due to the increase of profit for the period by €10.3 million, or 32.6% from €31.6 million as of December 31, 2022 to €41.8 million as of December 31, 2023 and the accumulation of 2022 profit after distribution of dividends.

8. LIQUIDITY AND CAPITAL RESOURCES

Chapter 8 "*Liquidity and capital resources*" of the Registration Document is supplemented as follows:

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 December 31, 2023, exclusive of lease liabilities). Planisware does not currently intend 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, 2023 and December 31, 2022:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2023**	**2022**
Profit for the period	**41.8**	**31.6**
Share of profit of equity-accounted investees, net of dividends	0.5	(0.5)
Depreciation and amortization of intangible, tangible assets and right-of-use assets	7.2	6.4
Changes in provisions and employee benefits	0.1	0.3
Cost of debt	0.3	0.2
Income tax expense	6.9	5.8
Other non-cash items	(5.6)	(0.0)
Operating cash flow	**51.2**	**43.8**
- (Increase) / Decrease in trade receivables and contract assets	(0.1)	(9.3)
- (Increase) / Decrease in capitalized sales commissions	(0.1)	(0.7)
- Increase / (Decrease) in trade payables and related accounts	(1.0)	(0.2)
- (Increase) / Decrease in prepayments	1.6	(1.6)
- Increase / (Decrease) in contract liabilities	1.2	10.3
- (Increase) / Decrease in other assets	(0.4)	(0.4)
- Increase / (Decrease) in other liabilities	2.5	0.4
Change in working capital	**3.6**	**(1.6)**
Income taxes paid	(7.5)	(8.0)
Net cash flow from operating activities	**47.3**	**34.2**
Acquisitions of intangible and tangible assets	(4.9)	(4.8)
Net change in other financial assets	(1.1)	(0.2)
Acquisition of subsidiary, net of cash acquired	0.7	0.0
Net cash flow used in investing activities	**(5.2)**	**(4.9)**
Dividends paid	(15.7)	(13.2)
Repayment of borrowings	(0.3)	(1.2)
Payment of lease liabilities	(3.2)	(2.0)
Interests paid	(0.3)	(0.2)
Net cash flow used in financing activities	**(19.5)**	**(16.7)**
Impact of exchange rate fluctuations on cash held	(0.4)	0.4
Net decrease/increase in cash and cash equivalents	**22.2**	**13.0**
Net cash at the beginning of the period	120.4	107.4
Bank overdraft at the beginning of the period	0.1	0.1
Cash and cash equivalents at the beginning of the period	**120.5**	**107.5**
Net cash at the end of the period	142.6	120.4
Bank overdraft at the end of the period	0.1	0.1
Cash and cash equivalents at the end of the period	**142.7**	**120.5**

8.2.1 Comparison of years ended December 31, 2023 and December 31, 2022

Net cash from operating activities

Operating cash flow increased by €7.4 million, or 17.0%, from €43.8 million in the year ended December 31, 2022 to €51.2 million in the year ended December 31, 2023. As a percentage of profit for the period (exclusive of gains on remeasurement of previously held interests in IFTP KK and Planisware MIS), operating cash flow was at 149.4% in the year ended December 31, 2023 and 138.8% in the year ended December 31, 2022.

Net cash from operating activities increased by €13.1 million, or 38.2%, from €34.2 million in the year ended December 31, 2022 to €47.3 million in the year ended December 31, 2023, primarily due to an increased Adjusted EBITDA as well as an improvement in working capital management following a non-normative working capital in the year ended December 31, 2022.

Net cash used in investing activities

Net cash used in investing activities increased by €0.3 million from €4.9 million in the year ended December 31, 2022 to €5.2 million in the year ended December 31, 2023. This increase primarily reflects Planisware's ongoing efforts to invest in high-performance hardware to support dynamic growth, partially offset by the acquisition of IFTP KK and Planisware MIS, net of cash acquired, for €0.7 million.

Net cash used in financing activities

Net cash used in financing activities increased by €2.8 million from €16.7 million in the year ended December 31, 2022 to €19.5 million in the year ended December 31, 2023, mainly due to higher dividends paid (totaling €15.7 million) in 2023.

8.3 Working capital

8.3.1 Comparison of years ended December 31, 2023 and December 31, 2022

The following table presents an overview of working capital items for the years ended December 31, 2023 and December 31, 2022:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2023**	**2022**
Trade receivables and contract assets	46.6	45.4
Contract liabilities	(33.7)	(31.2)
Trade payables	(4.3)	(4.2)
Prepayments	3.6	5.0
Sales commissions	2.0	1.9
Other assets	7.5	6.8
Other liabilities	(33.8)	(30.0)
Working capital	**(12.1)**	**(6.5)**
Change in working capital	5.6	(1.6)
Change in perimeter	(2.1)	0.0
Impact of foreign exchange	0.1	0.0
Change in working capital in consolidated cash flow statements	**3.6**	**(1.6)**

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 has been able to normalize its working capital and generate a more consistent positive cash flow 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 2.7% from December 2022 to December 2023, concurrently with a 8.0% 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.

Trade payables mainly represent subcontracting, hosting-related costs, marketing and facilities payables. 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.

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 ended December 31, 2023 and December 31, 2022:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2023**	**2022**
Development costs	2.0	1.4
Licenses and softwares	0.0	0.4
Intangible assets expenditures	**2.1**	**1.8**
Servers	1.1	1.5
Furniture and equipment	1.1	0.7
Fixtures and fittings	0.5	0.8
Property, plant and equipment expenditures	**2.8**	**3.0**
Total capital expenditures	**4.9**	**4.8**
Capital expenditures / total revenue	*3.1%*	*3.6%*

Capital expenditures as a percentage of total revenue are generally constant and roughly between 3% and 4% annually.

Development costs

Planisware capitalized a relatively low amount of development costs: €2.0 million and €1.4 million in the years ended December 31, 2023 and December 31, 2022, respectively.

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 16 to the consolidated financial statements for the years ended December 31, 2023 and December 31, 2022) 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, 2023 and December 31, 2022, Planisware acquired new servers in the amounts of €1.1million and €1.5 million, respectively.

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.

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,	
in € millions, unless otherwise indicated	**2023**	**2022**
Net cash from operating activities	47.3	34.2
Less: Capital expenditures	(4.9)	(4.8)
Less: Other finance income/costs	(2.8)	(3.0)
Plus: IPO costs paid	4.2	0.2
Adjusted Free Cash Flow (A)	**43.8**	**26.7**
Adjusted EBITDA (B)	52.2	41.4
Cash Conversion Rate (A)/(B)	**84.0%**	**64.4%**

Adjusted Free Cash Flow increased by €17.2 million during the year ended December 31, 2023 as compared to the year ended December 31, 2022, as a result of an increase of €13.1 million in net cash from operating activities.

Cash Conversion Rate increased by 19.6 points during the year ended December 31, 2023 as compared to the year ended December 31, 2022, as a result of the combined effect of the increase of Adjusted Free Cash Flow mentioned above and the increase of €10.8 million of Adjusted EBITDA.

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 December 31, 2023.

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, 2023 and 2022:

	Fiscal Year ended December 31,	
in € millions, unless otherwise indicated	**2023**	**2022**
Cash at banks	45.3	91.2
Time deposits	47.7	10.0
Money market and other funds	49.7	19.3
Cash and cash equivalents	**142.7**	**120.5**
Non-current financial liabilities	11.4	11.7
Current financial liabilities	3.6	3.2
Financial liabilities	**15.0**	**14.9**
Cash minus indebtedness	**127.7**	**105.7**

Cash and cash equivalents increased by €22.2 million from €120.5 million as of December 31, 2022 to €142.7 million as of December 31, 2023. Cash and cash equivalents are mainly denominated in euros and U.S. dollars.

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 2023, lease liabilities slightly increased by €0.4 million, from €14.5 million as of December 31, 2022 to €14.9 million as of December 31, 2023.

8.7 Contractual obligations

The Group's contractual obligations and their maturities as of December 31, 2023, are as follows:

in € millions, unless otherwise indicated	Fiscal Year ended December 31, 2023 Less than 1 year	1 to 5 years	More than 5 years	Total amount
Commitments				
Lease liabilities (1)	4.0	8.3	3.7	16.0
Financial obligations				
Trade payables and other liabilities	39.3	-	-	39.3
Total contractual obligations	**43.3**	**8.3**	**3.7**	**55.3**

(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, 2023 and December 31, 2022. The Group has not identified any off-balance sheet commitments that could be generated by its current operating activities other than customer commitments.

10. INFORMATION ON TRENDS

Chapter 10 "*Information on Trends*" of the Registration Document is replaced in full as set out below. The objectives included in this supplement to the Registration Document remain unchanged from those included in the Registration Document.

10.1 Business trends

For a detailed description of the Group's results for the year ended December 31, 2023, see Chapter 7 ("*Operating and Financial Review*") of this supplement to the 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 supplement to the 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 supplement to the Registration Document.

In addition to such changes, the materialization of any of the risks described in Chapter 3 ("*Risk Factors*") of the Registration Document (as supplemented) 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, except as may be required by applicable law.

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*") of the Registration Document and on the other assumptions included in Section 11.2 (*Assumptions*) of this supplement to the 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*" of the Registration Document.

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[19]. 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

[19] The Company's pillars are further described in Chapter 5 of the Registration Document.

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 in constant currencies[20] 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 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[21] 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 supplement to the 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 the Registration Document, as supplemented[22] and the Company currently expects this trend to continue. On the last point, while the Group's general and administrative expenses increased proportionately more than its total revenue in fiscal year 2023 as it reinforced its corporate structure, governance and capabilities to support its global expansion and prepare its listing, as from 2024 the Group expects 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 supplement to the Registration Document, the Group forecasts attaining a Cash Conversion Rate[23] of approximately 80% in 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

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[20] Applying to year N revenues the average exchange rates used during year N-1.

[21] 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 supplement to the 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.

[22] Fiscal years 2020, 2021, 2022 and 2023.

[23] 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 supplement to the Registration Document).

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, subject to the approval of the Annual General Meeting of the Company's shareholders and the effective listing of the Company's shares, the Group intends to apply, in the medium term, a dividend policy distributing a yearly dividend representing 40% of its profit for the period.[24]

[24] Assuming no significant changes in the regulatory and fiscal environment existing at the date of this supplement to the 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.

11. PROFIT FORECASTS OR ESTIMATES

Chapter 11 "*Profit Forecasts or Estimates*" of the Registration Document is replaced in full as set out below.

11.1 Basis of preparation

The Group's profit forecasts for the year ending December 31, 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 year ended December 31, 2023 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, 2023.

All forecasts should be read in conjunction with the accounting policies set out in the consolidated financial statements for the year ended December 31, 2023 included in Chapter 18 of this supplement to the 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 supplement to the Registration Document.

In addition to such changes, the materialization of any of the risks described in Chapter 3 ("*Risk factors*") of the Registration Document, as supplemented, 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 Regulation of March 4, 2021.

11.2 Assumptions

The Group has developed its forecasts for the year ending December 31, 2024 based on actuals as of December 31, 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 the Registration Document;
- no significant changes in the regulatory and fiscal environment existing at the date of this supplement to the Registration Document, including consistent fiscal policies and in particular an effective corporate tax rate of 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, 2023[25]; and
- for expenses, inflation rates in the Eurozone and North America in 2024 in line with those observed in the year ended December 31, 2023.

Internal assumptions:

- continued implementation of the Group's strategy, as described in paragraph 5.2.2 "*Strategy*" of the 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 supplement to the 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 the 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 the Registration Document, as supplemented);
- expense levels as a percentage of total revenue in line with the average expense levels in the periods presented in the Registration Document and this supplement to the Registration Document[26] including the effect of inflation mentioned above;
- a progressive indexing to inflation of subscription contracts; and
- no changes in the scope of consolidation as from December 31, 2023.

11.3 Group forecasts for the year ending December 31, 2024

Revenue

On the basis of the above assumptions, the Group expects to achieve total revenue growth in constant currencies[27] of approximately 19.5% in the year ending December 31, 2024, as compared to the year ended December 31, 2023, supported by its core business operations and in particular the growth of its SaaS revenues worldwide, 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.

[25] I.e., 1 euro to 1.08159 United States dollars.

[26] Fiscal years 2020, 2021, 2022 and 2023.

[27] Applying to year N revenues the average exchange rates used during year N-1.

Adjusted EBITDA margin

The Group expects to achieve an Adjusted EBITDA margin[28] of approximately 33% for the year ending December 31, 2024. The Group expects its Adjusted EBITDA margin for the year ending December 31, 2024 to continue to benefit from 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. The Group expects its expenses related to cost of sales to remain fairly stable as a percentage of total revenue in the year ending December 31, 2024, compared to those in the year ended December 31, 2023. The Group expects its expenses related to research and development and sales and marketing, as a percentage of total revenue, to be in line with the average expense levels in the periods presented in the Registration Document and this supplement to the Registration Document. As regards general and administrative expenses, the Group expects the proportion of these expenses as a percentage of total revenue to start decreasing progressively due to overall economies of scale and the evolution of its governance structure.

Cash Conversion Rate

The Group expects to achieve a Cash Conversion Rate[29] of approximately 80% for the year ending December 31, 2024.

Dividend

Subject to the approval of the annual general meeting of the Company's shareholders and the effective listing of the Company's shares, the Group intends to distribute in 2025 a dividend representing 40% of its profit for the period for the year ending December 31, 2024.[30]

11.4 Statutory auditors' report on the profit forecasts (Adjusted EBITDA margin) for the year ending December 31, 2024

Statutory auditors' report on the profit forecasts (Adjusted EBITDA margin) for the year ending December 31, 2024

To the Chief Executive Officer of Planisware SA,

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 SA (the "**Company**") set out in section 11.1 to 11.3 of the supplement to 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 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.

[28] 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 supplement to the Registration Document.)

[29] 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 supplement to the Registration Document).

[30] Assuming no significant changes in the regulatory and fiscal environment existing at the date of this supplement to the 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.

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 supplement 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.

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, April 15, 2024

The Statutory Auditors

KPMG SA	Mazars
Jean-Pierre Valensi	Jessica Cluzeau
Partner	Partner

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND MANAGEMENT

Section 12.1 "*Composition of management and supervisory bodies*", paragraph a) "*Board of Directors*" of the Registration Document is amended as follows:

(i) 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: 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	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, 2027				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, 2027	Director	*n.a.*	Yes	Within the Group: *n.a.* Outside the Group: Chief People Officer of Groupe EcoVadis Independent consultant of the nomination, remuneration and governance committee of Groupe Lesaffre Independent director, member of the strategic committee and president 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 fiscal year ending December 31, 2027	Director	1	Yes	Within the Group: *n.a.* Outside the Group: Independent director of Kereis Independent director 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 2025, by way of draw among the Directors (other than the Chief Executive Officer).*

Accordingly, on the date of admission to trading on the regulated market of Euronext Paris, three of the seven directors will be independent directors.

See Section 12.1 "*Composition of management and supervisory bodies*", paragraph a) "*Board of Directors*", sub-section "*Biographical information of the members of the Board of Directors*" of the Registration Document for a detailed biography of each board member.

13. COMPENSATION AND BENEFITS

Table 3 included in the subsection 13.1.1 "*Compensation of the members of the Board of Directors*" of the Registration Document is amended as follows:

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, 2022**	**Amounts paid during the financial year ended December 31, 2022**	**Amounts granted during the financial year ended December 31, 2023**	**Amounts paid during the financial year ended December 31, 2023**
	(*amounts paid in euros*)			
Yves Humblot				
Compensation (fixed, variable) (1)	120,847	120,847	99,508	99,508
Other compensation(3)	*n.a.*	*n.a.*	11,836	11,836
Matthieu Delille				
Compensation (fixed, variable)(2)	113,834	113,834	93,734	93,734
Other compensation(3)	*n.a.*	*n.a.*	11,836	11,836

(1) *Amounts received pursuant to the employment contract entered into between the Company and Yves Humblot as sales engineer (*ingénieur commercial*). Yves Humblot resigned from his employment contract and from his office as deputy-Chief executive officer (*directeur général délégué*) in September 2023. Yves Humblot has been a member of the Board of Directors of the Company since September 26, 2023.*

(2) *Amounts received pursuant to the employment contract entered into between the Company and Matthieu Delille as technical officer (*directeur technique*). Mathieu Delille resigned from his employment contract and from his office as deputy-Chief executive officer (*directeur général délégué*) in September 2023. Matthieu Delille has been a member of the Board of Directors of the Company since September 26, 2023.*

(3) *Amounts received as member of the Board of Directors since the transformation of the Company into a limited liability company with a board of directors as of September 26, 2023.*

Tables 1 and 2 included in the subsection 13.1.2 "*Compensation of senior executives*" of the Registration Document are amended as follows:

Table 1 (AMF nomenclature)

Summary of compensation, options and shares granted to each senior executive		
	2022	**2023**(2)
	(*amounts paid in euros*)	
Pierre Demonsant(1)		
Chairman		
Compensation for the financial year (*see Table 2 below for details*)	151,950	145,848

Summary of compensation, options and shares granted to each senior executive	2022	2023[(2)]
	(amounts paid in euros)	
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	151,950	145,848

(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.*

(2) *These amounts include (i) compensation received by Mr. Pierre Demonsant under his employment contract up until his resignation from his employment contract and (ii) the compensation received in 2023 as Chairman of the Board of Directors since the transformation of the Company into a limited liability company with a board of directors as of September 26, 2023.*

Table 2 (AMF nomenclature)

Summary of compensation paid to each senior executive	2022		2023	
	Amounts granted	**Amounts paid**	**Amounts granted**	**Amounts paid**
	(amounts paid in euros)			
Pierre Demonsant[(1)]				
Chairman				
Fixed compensation*	151,950	151,950	119,547	119,547
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 Chairman of the Board of Directors	*n.a.*	*n.a.*	26,301	26,301
Benefits in kind	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Total	151,950	151,950	145,848	145,848

(1) *Amounts received pursuant to the employment contract entered into between the Company and Pierre Demonsant as product designer (*architecte produit*). Pierre Demonsant resigned from his employment contract in September 2023.*

** On a gross basis before social security contributions and taxes.*

The second paragraph of the development entitled "*Chief Executive Officer*" included in the subsection 13.1.2 "*Compensation of senior executives*" of the Registration Document is amended as follows:

Chief Executive Officer

The compensation granted to Loïc Sautour as Chief Executive Officer following its nomination during the financial year ended December 31, 2023, amounts to 180,197 euros, which includes 79,066 euros for the fixed portion and 101,031 euros for annual variable portion.

Loïc Sautour became Chief Executive Officer of the Company as of September 26, 2023, immediately following the transformation of the Company into a limited liability company with a board of directors (*société anonyme à conseil d'administration*).

The tables below contain information relating to his compensation in his capacity as Chief Executive Officer.

Table 1 (AMF nomenclature)

Summary of compensation, options and shares granted to each senior executive	
	2023[1]
	(*amounts paid in euros*)
Loïc Sautour	
Chief Executive Officer	
Compensation for the financial year (*see Table 2 below for details*)	170,859
Value of multi-year variable compensation paid during the financial year	*n.a.*
Value of stock options granted during the financial year	*n.a.*
Value of free shares granted	85,976
Value of other long-term incentive plans	*n.a.*
Total	256,835

(1) These amounts reflect a payment of his compensation on a prorata basis for the period from September 26, 2023 through December 31, 2023.

Table 2 (AMF nomenclature)

Summary of compensation paid to each senior executive		
	2023[1]	
	Amounts granted	**Amounts paid**
	(amounts paid in euros)	
Loïc Sautour[1]		
Chief Executive Officer		
Fixed compensation*.....................................	79,166	79,166
Annual variable compensation*	91,693[2]	*0*[3]
Multi-year variable compensation*...............	*n.a.*	*n.a.*
Exceptional bonus*	*n.a.*	*n.a.*
Benefits in kind	*n.a.*	*n.a.*
Total..	170,859	79,166

(1) These amounts reflect a payment of his compensation on a prorata basis for the period from September 26, 2023 through December 31, 2023.

(2) The amount of his annual variable compensation on a prorata basis for the period from September 26, 2023 through December 31, 2023.

(3) The amount of his annual variable compensation on a prorata basis for the period from September 26, 2023 through December 31, 2023, was not paid as of December 31, 2023.

** On a gross basis before social security contributions and taxes.*

For the period in 2023 preceding his appointment as Chief Executive Officer, the amount of compensation paid to Loïc Sautour under its employment contract, 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.) are set forth below:

- a wage compensation of 160,637 euros.
- a variable service fee of 335,077 euros[31].

The paragraph entitled "*Free share grants*" included in the subsection 13.1.3 "*Stock option and free shares grants*" of the Registration Document is amended as follows:

Free share grants

Table 10 (AMF nomenclature)

	History of free share grants	
	Information on free shares	
Free share plans	Plan no. 1(1)	Plan dated October 11, 2023
Date of General Shareholders' Meeting	May 31, 2023	October 11, 2023
Date of President's or Board of Directors' decisions	June 1, 2023	October 11, 2023
Total number of free shares granted, of which the number granted to:	257,200	121,500
Pierre Demonsant	0	0
Matthieu Delille	0	0
Yves Humblot	0	0
Loïc Sautour	16,800	121,500(2)
Share vesting date	June 1, 2024	October 11, 2024, October 11, 2025 and October 11, 2026(2)
End of lock-up period	June 1, 2025	October 11, 2025, October 11, 2026 and October 11, 2027(2)
Number of shares subscribed for	*n.a.*	*n.a.*
Cumulative number of cancelled or expired shares	0	0

[31] *Corresponding to US$ 362,417 (converted into Euros using the Euro/ US dollar average exchange rate used to prepare the consolidated financial statements for the year ended December 31, 2023) 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.*

	History of free share grants	
	Information on free shares	
Free shares outstanding	257,200	121,500

(1) Numbers included in this column reflect the stock split by way of division of the nominal value decided by the shareholders' meeting of the Company held on September 26, 2023, whereas numbers of shares attributed in this free share plan included in the Registration Document dated September 18, 2023 do not reflect such stock split.

(2) For a description of the performance free shares grants, see the paragraph entitled "long-term incentive plans" included in the subsection 13.1.3 "Stock option and free shares grants" of the supplement to the Registration Document dated September 29, 2023. In addition, in accordance with the provisions of Article L. 225-197-1, II of the French Commercial Code, Mr. Loïc Sautour will be required to hold in his registered account a number of free shares representing 30% of the shares allotted to him under the plan's regulations, from the expiry of each vesting period until he ceases to be a corporate officer of the Company. Note that this number reflects an erratum (121,500 instead of 135,000 mistakenly set forth in the supplement to the Registration Document dated September 29, 2023).

14. OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

Section 14.3 "*Board committees*", paragraph a) "*Audit Committee*" of the Registration Document is amended as follows:

Duties

The goal of the Audit Committee is to monitor questions related to the preparation and the control of accounting and financial information and the non-financial sustainability 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 and the process for preparing non-financial sustainability information;
- monitoring the effectiveness of internal control, internal audit and risk management systems relating to financial and accounting information and non-financial sustainability information;
- monitoring the statutory audit of the financial statements and consolidated financial statements by the Company's statutory auditors;
- monitoring the certification of non-financial sustainability information;
- monitoring the independence of the Company's statutory auditors and other parties involved in the certification of non-financial sustainability information 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.

17. RELATED-PARTY TRANSACTIONS

Section 17.2 "*Statutory auditors' special reports on related-party transactions*" of the Registration Document is amended as follows:

17.2 Statutory auditors' special reports on related-party transactions

17.2.1 Statutory auditors' special report on related-party transactions to the shareholder's meeting of October 11, 2023

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.

Shareholders' meeting of October 11, 2023

To the shareholders of the Company PLANISWARE SA,

In our capacity as statutory auditors of your company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying that such agreements are in the company's interest. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code (*Code de commerce*), 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. These procedures consisted in verifying that the consistency of the information provided to us with the relevant source documents.

Agreements submitted to the approval of the shareholders' meeting

In accordance with the provisions of article L.225-40 of the French commercial code (*Code de commerce*), we hereby inform you that we have been advised of the following agreement concluded during the financial year 2023, authorized by the board of directors on September 26, 2023.

PERFORMANCE AND SERVICES AGREEMENT – OLHADA

Shareholder and executive concerned

This agreement has been signed with OLHADA, a holding company which holds more than 10% of the capital of its subsidiary PLANISWARE. It is represented by Mr Pierre DEMONSANT, co-manager, with Messrs Yves HUMBLOT and Matthieu DELILLE.

Nature and purpose

OLHADA is responsible for the effective management of its subsidiary, and its services include:

- Advice and assistance in the implementation of strategic orientations, diversification and development of the subsidiary and its group, external growth operations, divestments, acquisitions, regroupings of companies or resources, diagnostics and advice on the business markets of the Subsidiary and its group;

- The study of development and business opportunities for the subsidiary and its group;

- Advice on complex legal, tax, employment, accounting, financial and communications transactions;

- Advice on the group's financial policy, and on any calls for long-term external financing, both in France and abroad;

- Advice and assistance in the selection and recruitment of senior executives for the subsidiary and its Group.

Terms and Conditions

The terms of the agreement are as follows:

- A five-year term starting from the date of the company's transformation into a limited liability company, renewable thereafter for identical periods by tacit renewal unless terminated by either party at least three months before the expiry date of the present agreement;

- The setting up of a strategic monitoring committee comprising representatives of OLHADA and members of PLANISWARE's executive committee, meeting at least once every quarter and whenever necessary to discuss strategic issues;

- Remuneration set at 2 million euros per year. It is specified that OLHADA will be entitled, upon justification, to reimbursement of expenses (in particular travel expenses) incurred in connection with the performance of the missions provided for in the present agreement, up to a limit of 50,000 euros per year, being specified that above this amount, such reimbursement will require the prior written agreement of PLANISWARE.

Interest for the company

The board of directors of the company considered that it is in the company's interest to be able to benefit from the services planned to be provided by OLHADA, and that its conclusion is in line with the company's interests.

Executed in Paris La Défense, on September 26, 2023

French original signed by

The Statutory Auditors

KPMG SA	Mazars
Jean-Pierre Valensi	Jessica Cluzeau
Partner	Partner

17.2.2 Statutory auditors' special report on related-party transactions as of and for the year ended December 31, 2023

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.

Shareholders' meeting called to approve the financial statements for the year ended December 31, 2023

To the shareholders' meeting of the company PLANISWARE,

In our capacity as statutory auditors of your company, we hereby provide you with our report on related party agreements.

We are required to inform you, based on the information provided to us, of the characteristics, the essential terms and conditions of those agreements of which we have been informed or that we may have discovered in the performance of our engagement, as well as the reasons justifying why they benefit the company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with the article R.225-31 of the French commercial code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, when applicable, to inform you in accordance with article R. 225-31 of the French commercial code (*Code de commerce*) of the continuation, during the past financial year, of the agreements already approved by the shareholders' meeting.

We performed 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. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements authorized and entered during the past financial year

We hereby inform you that we have not been advised of any agreements authorized and concluded during the past financial year to submit to the approval of the shareholders' meeting in accordance with the provisions of article L.225-38 of the French commercial code (*Code de commerce*).

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements approved during the past financial year

We have also been informed of the continuation, during the past financial year, of the following agreements, already approved by the shareholders' meeting on October 11, 2023, based on a statutory auditors' special report dated September 26, 2023.

PERFORMANCE AND SERVICES AGREEMENT – OLHADA

Shareholder and executive concerned

This agreement has been signed with OLHADA, a holding company which holds more than 10% of the capital of its subsidiary PLANISWARE. It is represented by Mr Pierre DEMONSANT, co-manager, with Messrs Yves HUMBLOT and Matthieu DELILLE.

Nature and purpose

OLHADA is responsible for the effective management of its subsidiary, and its services include:

- Advice and assistance in the implementation of strategic orientations, diversification and development of the subsidiary and its group, external growth operations, divestments, acquisitions, regroupings of companies or resources, diagnostics and advice on the business markets of the Subsidiary and its group;
- The study of development and business opportunities for the subsidiary and its group;
- Advice on complex legal, tax, employment, accounting, financial transactions and communications;
- Advice on the group's financial policy, and on any calls for long-term external financing, both in France and abroad;
- Advice and assistance in the selection and recruitment of senior executives for the subsidiary and its Group.

Terms and Conditions

The terms of the agreement are as follows:

- A five-year term starting from the date of the company's transformation into a limited liability company, renewable thereafter for identical periods by tacit renewal unless terminated by either party at least three months before the expiry date of the present agreement;
- The setting up of a strategic monitoring committee comprising representatives of OLHADA and members of PLANISWARE's executive committee, meeting at least once every quarter and whenever necessary to discuss strategic issues;
- Remuneration set at 2 million euros per year. It is specified that OLHADA will be entitled, upon justification, to reimbursement of expenses (in particular travel expenses) incurred in connection with the performance of the missions provided for in the present agreement, up to a limit of 50,000 euros per year, being specified that above this amount, such reimbursement will require the prior written agreement of PLANISWARE.

For the year ended December 31, 2023, the amount invoiced by PLANISWARE to OLHADA was 500,000 euros (without VAT).

Interest for the company

The board of directors of the company considered that it is in the company's interest to be able to benefit from the services planned to be provided by OLHADA, and that its conclusion is in line with the company's interests.

Executed in Paris La Défense, on March 29, 2024

French original signed by

The Statutory Auditors

KPMG SA	Mazars
Jean-Pierre Valensi Partner	Jessica Cluzeau Partner

18. FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION, PROFITS OR LOSSES

A new Section 18.1 "*Group's consolidated financial statements as of and for the year ended December 31, 2023 and Statutory Auditors' report*" of the Registration Document is added as follows:

18.1 Group's consolidated financial statements as of and for the year ended December 31, 2023 and Statutory Auditors' report

18.1.1 Group's consolidated financial statements as of and for the year ended December 31, 2023

Consolidated statement of profit or loss

In € thousand	Notes	2023	2022
Revenue with customers	6	155,746	130,564
Other revenue	6	693	1,519
Total revenue		**156,439**	**132,083**
Cost of sales	7	(45,127)	(42,295)
Gross profit		**111,312**	**89,788**
Research and development expenses	7	(20,009)	(18,341)
Sales and marketing expenses	7	(27,085)	(21,841)
General and administrative expenses	7	(21,314)	(16,027)
Current operating profit		**42,904**	**33,579**
Share of profit of equity-accounted investees, net of tax	19	253	954
Current operating profit including share of profit of equity-accounted investees		**43,157**	**34,533**
Other operating income	11	7,531	-
Other operating expenses	11	(4,489)	-
Operating profit		**46,200**	**34,533**
Income from cash and cash equivalents	12	1,468	59
Cost of debt	12	(290)	(235)
Other finance income	12	2,737	3,555
Other finance costs	12	(1,427)	(585)
Financial income (loss)		**2,489**	**2,795**
Profit before tax		**48,689**	**37,328**
Income tax expense	13	(6,859)	(5,774)
Profit for the period		**41,830**	**31,555**
Non-controlling interests		-	-
Profit for the period - Owners of the Company		**41,830**	**31,555**
Earnings per share			
Basic earnings per share (euro) (1)	14	***0.61***	***0.46***
Diluted earnings per share (euro) (1)	14	***0.60***	***0.46***

(1) Basic and diluted earnings per share have been restated for the 2022 comparative period to take account of the division of the par value of the Group's shares in 2023.

Consolidated statement of comprehensive income

In € thousand	Notes	2023	2022
Profit for the period		**41,830**	**31,555**
Subsidiaries - foreign currency translation differences		(1,087)	547
Equity-accounted investees - foreign currency translation differences	19	(33)	(35)
Reclassification of foreign currency differences on loss of significant influence		100	-
Items that are or may be classified subsequently to profit or loss		**(1,020)**	**512**
Remeasurements of defined benefit liability	9	(271)	704
Related tax	13	63	(176)
Items that will not be reclassified to profit or loss		**(208)**	**528**
Other comprehensive income for the period, net of tax		**(1,228)**	**1,040**
Total comprehensive income for the period		**40,602**	**32,594**
Non-controlling interests		-	-
Total comprehensive income for the period - Owners of the Company		**40,602**	**32,594**

Consolidated statement of financial position

In € thousand	Notes	December 31, 2023	December 31, 2022
Goodwill	15	21,006	5,096
Intangible assets	16	7,606	3,017
Property, plant and equipment	17	4,589	3,989
Right-of-use assets	18	13,694	13,512
Equity-accounted investees	19	-	1,957
Other financial assets	20, 27	995	561
Other non-current assets	23	777	1,036
Deferred tax assets	13	2,390	1,685
Total non-current assets		**51,057**	**30,853**
Trade receivables and contract assets	21	46,592	45,384
Other receivables and current assets	23	14,772	14,031
Cash and cash equivalents	24, 27	142,696	120,518
Total current assets		**204,061**	**179,933**
Total assets		**255,118**	**210,786**

In € thousand	Notes	December 31, 2023	December 31, 2022
Share capital	25	6,939	344
Share premium	25	19,171	9,615
Consolidated reserves		96,585	85,579
Translation reserve		(771)	249
Profit for the period		41,830	31,555
Equity attributable to owners of the Company		**163,754**	**127,342**
Non-controlling interests		-	-
Total equity		**163,754**	**127,342**
Employee benefits	9	2,252	1,852
Loans and borrowings	18, 26	11,446	11,704
Deferred tax liabilities	13	1,046	-
Total non-current liabilities		**14,744**	**13,556**
Provisions	29	38	76
Loans and borrowings	18, 26	3,569	3,158
Trade payables	30	4,294	4,193
Other payables	30	35,021	31,249
Contract liabilities	22	33,697	31,212
Total current liabilities		**76,620**	**69,888**
Total equity and liabilities		**255,118**	**210,786**

Consolidated statement of changes in equity

In € thousand	Notes	Owners of the Company: Share capital	Share premium	Consolidated reserves	Translation reserve	Profit for the period	Total	Non-controlling interests	Total equity
Balance as of January 1, 2022		**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	9, 13	-	-	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)		
Transactions with owners of the Company		**-**	**-**	**(7)**	**-**	**(13,300)**	**(13,307)**	**-**	**(13,307)**
Balance as of December 31, 2022		**344**	**9,615**	**85,579**	**249**	**31,555**	**127,342**	**-**	**127,342**
Profit for the period		-	-	-	-	41,830	41,830	-	41,830
Other comprehensive income for the period	9, 13	-	-	(208)	(1,020)	-	(1,228)	-	(1,228)
Total comprehensive income for the period		**-**	**-**	**(208)**	**(1,020)**	**41,830**	**40,602**	**-**	**40,602**
Retained earnings		-	-	15,942	-	(15,942)	-	-	-
Dividends		-	-	-	-	(15,613)	(15,613)	-	(15,613)
Equity-settled share-based payment	10	-	-	1,866	-	-	1,866	-	1,866
Capital increase through issuance of new shares	25	3	9,555	-	-	-	9,559	-	9,559
Capital increase by capitalisation of reserves, profits or premiums	25	6,592	-	(6,592)	-	-	-	-	-
Transactions with owners of the Company		**6,595**	**9,555**	**(4,726)**	**-**	**(15,613)**	**(4,188)**	**-**	**(4,188)**
									-
Balance as of December 31, 2023		**6,939**	**19,171**	**96,586**	**(771)**	**41,830**	**163,754**	**-**	**163,754**

Consolidated statement of cash flows

In € thousand	Notes	2023	2022
Profit for the period		**41,830**	**31,555**
Share of profit of equity-accounted investees, net of dividends	19	540	(460)
Depreciation and amortization of intangible, tangible and right-of-use assets	7	7,179	6,442
Change in provisions and employee benefits	9, 29	100	294
Cost of debt	12	290	235
Income tax expense	13	6,859	5,774
Other non-cash items (1)	4, 10	(5,550)	(33)
Operating cash flows		**51,247**	**43,806**
Changes in working capital	31	3,563	(1,560)
Income taxes paid		(7,535)	(8,035)
Net cash from operating activities		**47,274**	**34,212**
Acquisition of intangible and property, plant and equipment	16, 17	(4,851)	(4,773)
Acquisition of financial assets		-	-
Investment in other financial assets	20, 23	(1,154)	(189)
Repayments of other financial assets	20	100	33
Acquisition of subsidiary, net of cash acquired	4	724	
Net cash used in investing activities		**(5,181)**	**(4,929)**
Proceeds from issue of share capital and of premiums	25	-	-
Dividends paid to shareholders of Planisware S.A.		(15,719)	(13,244)
Proceeds from loans and borrowings	26	-	-
Repayment of borrowings	26	(305)	(1,213)
Interests paid on borrowings	26	(0)	(6)
Repayment of lease liabilities	18	(3,183)	(1,971)
Interests paid on lease liabilities	18	(289)	(229)
Net cash from financing activities		**(19,496)**	**(16,663)**
+/- Effect of movements in foreign exchange rates on cash held		(433)	376
Total change in cash and cash equivalents		**22,164**	**12,996**
Net cash and cash equivalents at the beginning of the period		**120,434**	**107,439**
Bank overdraft at the beginning of the period		83	92
Cash and cash equivalents at the beginning of the period	**24**	**120,518**	**107,531**
Net cash and cash equivalents at the end of the period		**142,599**	**120,435**
Bank overdraft at the end of the period		98	83
Cash and cash equivalents at the end of the period	**24**	**142,696**	**120,518**

(1) For the year ended December 31, 2023, other non-cash items mainly concern the share-based payment expense of 1,866 thousand euros and the gain on remeasurement of previously held interests in IFTP KK and Planisware MIS at fair value at the date of acquisition of the remaining shares for 5,728 thousand euros and 1,803 thousand euros, respectively. These items are presented in Note 10 and Note 4, respectively.

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 Anonyme” (public limited 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 softwares (“*Project Economy market*”) and services and carries out its activities through its parent company based in France, its seven subsidiaries based in the United States, Germany, the United Kingdom, Singapore, Japan and United Arab Emirates.

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

Conversion to a public limited company and planned initial public offering

On September 26, 2023, Planisware S.A.S was transformed into a public limited company (“Société Anomyme”) with a Board of Directors at the Extraordinary General Meeting and after submission of the statutory auditors' report.

Capital increases

During the year ended December 31, 2023, Planisware S.A. carried out two capital increases.

The first, on May 31, involved the issue of new shares in consideration for the contribution in kind to the Company of shares in Innovation Framework Technologies Asia and Innovation Framework Technologies Planisware KK for a total amount of 3,285 euros, i.e. the issue of 3,285 new shares with a par value of one euro. The capital increase through the issue of new shares generated a share premium of €9,555,309.

The second, on September 26, by capitalization of reserves, for an amount of 6,592,145 euros by way of an increase in the nominal value of the shares. As a result, the par value of the 346,955 shares was increased from one euro each to twenty euros each.

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 Group took control of IFTP KK on May 26, 2023, and IFTP KK has been consolidated in the Group's consolidated financial statements since that date. This business combination is presented in Note 4.

Acquisition of MIS Group

On September 25, 2023, the company acquired all the remaining shares (50%) in Planisware MIS Sarl France and its subsidiaries. This transaction was carried out in cash for 2.8 million euros. In addition, pursuant to the share purchase agreement, an earn-out of 600 thousand euros was recognized as of December 31, 2023, bringing the total acquisition price to 3,4 million euros. The aim of this transaction is to improve integration within the Group's value chain, as Planisware MIS is the Group's main subcontractor. The Group took control of Planisware MIS Sarl France on September 25, 2023, and Planisware MIS Sarl France and its subsidiary Planisware MIS DMCC have been consolidated in the Group's consolidated financial statements since that date. This business combination is presented in Note 4.

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 vesting period for these shares is not subject to any performance conditions.

On October 11, 2023, the Board of Directors decided to allocate 121,500 free ordinary shares to the Chief Executive Officer. These shares will vest definitively and gradually on October 11, 2024, October 11, 2025, and October 11, 2026, provided that the beneficiary remains a company representative of the Company on a continuous and uninterrupted basis until the end of each vesting period. The final number of shares allocated will be subject to non-market performance conditions for each vesting period.

Information on these plans is provided in Note 10.

1.3. Subsequent events

No significant subsequent events have been identified that would have an impact on the Group's consolidated financial statements for the year ended December 31, 2023.

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, 2023. They were approved and authorized for issue by the Board of Directors on March 20th, 2024.

These financial statements cover the years ended December 31, 2023, and December 31, 2022, and have been prepared in accordance with IFRS.

2.2. Current standards and interpretations

New mandatory standards and interpretations as of January 1, 2023

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 January 1, 2023, mainly consist of the following amendments:

- Amendment to IAS 1 and IFRS Practice Statement 2 - 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 - International Tax Reform - Model rules for Pillar 2 (not applicable to the Group),
- Amendment to IAS 12 Income Taxes regarding deferred tax related to assets and liabilities arising from a single transaction (further described below).

The impact of the application of these amendments on the consolidated financial statements and notes is described below.

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted the amendment to IAS 12 – *Deferred Tax related to assets and liabilities arising from a single transaction* – 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 statement 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 is provided in Note 13.

Main standards, amendments and interpretations published by the IASB that are not mandatory in the European Union as of January 1, 2023

The Group has not early adopted any new standards or amendments to existing standards adopted or not by the European Union whose application is mandatory after December 31, 2023, and which may be applied early. The standards, interpretations and amendments published for mandatory application after December 31, 2023, that could have an impact on the Group's financial statements are as follows:

- Amendments to IAS 1– Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current,

- Amendments to IFRS 16 – Lease liability in a Sale and Leaseback

- Amendments to IAS 21 - Absence of convertibility,

- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

2.3. Consolidation methods

These consolidated financial statements as of December 31, 2023, include Planisware S.A. (the "Company") and its subsidiaries (together referred to as the "Group").

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	
	2023	2022	2023	2022
USD	1.105	1.0666	1.0816	1.0539
GBP	0.8691	0.8869	0.8699	0.8526
SGD	1.4591	1.4300	1.4523	1.4520
JPY	156.3300	140.6600	157.4200	138.0050
AED	4.0539	-	3.9793	-

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 an option to extend or not to exercise an option to terminate [Note 18];

- Determining the amortization period for contract acquisition costs and capitalized development costs [Notes 16 and 23].

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 15];

- Measurement of expected credit loss allowance for trade receivables and contract assets [Note 21];

- Measurement of defined benefit obligations: key actuarial assumptions [Note 9].

2.6. Current operating profit

The Group presents *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. *Other operating income* and *Other operating expenses* are presented in Note 11.

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 of consolidation concern the acquisitions of Innovative Framework Technologies Planisware KK and Planisware MIS Sarl France and its subsidiaries on May 26, 2023 and September 25, 2023 respectively. These entities are consolidated from the date on which the Group takes control. Prior to the acquisition of control by the Group, these entities were previously associates and accounted for using the equity method.

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 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, 2023, and December 31, 2022:

Entity	Country	2023		2022		Consolidation method
		Percentage of control	Percentage of interest	Percentage of control	Percentage of interest	
Planisware, S.A. 200 avenue de Paris 92320, Chatillon	France	100%	100%	100%	100%	Consolidation
Planisware USA, Inc. 343 Sansome Street, Suite 500 San Francisco, California , 94104	United States	100%	100%	100%	100%	Consolidation
Planisware Deutschland, GmbH Leonrodstr. 52-54 80636 Munich	Germany	100%	100%	100%	100%	Consolidation
Planisware UK, Ltd MediaCityUK, White Tower, 4th Floor, Suite 4 Manchester, M50 2NT	United Kingdom	100%	100%	100%	100%	Consolidation
Planisware Singapore PTE. LTD. 16 raffles quay - #38-03 Hong Leong Building Singapore, 048581	Singapore	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%	Consolidation from May 26, 2023. Equity method as of December 31, 2022.
Innovation Framework Technologies Asia, Sarl 17 rue des cerisiers 78290 Croissy-sur-Seine	France	100%	100%	0%	0%	NC
Planisware MIS Sarl France 5 rue du Helder 75009 Paris	France	100%	100%	50%	50%	Consolidation from September 25, 2023. Equity method as of December 31, 2022.
PLW Tunisia, Sarl Rue El Koteb N53Bis Les Jardins du lac 1053 La Marsa	Tunisia	100%	100%	100%	100%	NC
Planisware MIS Sarl TUNISIA MirMar Business City, Centre Urbain Nord 1003 Tunis	Tunisia	100%	90%	50%	45%	NC
Planisware MIS DMCC 3405-27 34th Floor - Swiss Tower | JLT-PH2-Y3A - Jumeirah Lakes Towers Dubai	United Arab Emirates	100%	100%	50%	50%	Consolidation from September 25, 2023. NC as of December 31, 2022.

Note 4 Business combination

Acquisition of Innovation Framework Technologies Planisware KK

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 stake in IFTP KK increased from 47% to 100%, thereby granting it control of IFTP KK. The subsidiary is one of the Group's strategic resellers in the Asia-Pacific region. The takeover of IFTP KK will enable the Group to expand in the Asia-Pacific region.
In the seven months following the acquisition of IFTP KK, the company contributed 3,584 thousand euros to Group's total revenue with customers and 1,303 thousand euros to Group's profit for the period. If the acquisition had taken place on January 1, 2023, management estimates that Group's total revenue with customers for the year 2023 would have been 157,725 thousand euros, and Group's profit for the period would have been 41,711 thousand euros.

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)	25	9,559

The consideration transferred comes from the contribution agreement ("Traité d'apport") dated as of May 26, 2023 amounting to 2,909.77 euros per share.

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	
Intangible assets	16	4,328
Property, plant and equipment	17	141
Right-of-use assets	18	429
Other financial assets	23	313
Deferred tax assets	13	33
Trade receivables and contract assets	21	690
Other receivables and current assets	23	292
Cash and cash equivalents	24	1,328
Deferred tax liabilities	13	(1,160)
Lease liabilities	18	(556)
Trade payables	30	(842)
Other payables	30	(144)
Current contract liabilities	22	(713)
Net asset acquired		**4,139**

Goodwill

Provisional goodwill arising from the acquisition has been recognized as follows:

In € thousand	
Total consideration transferred	9,559
Fair value of existing interest in IFTP K.K.	6,704
Fair value of net asset acquired	(4,139)
Goodwill	**12,124**

The remeasurement at fair value of the Group's existing 47% interest in IFTP KK gave rise to a gain of 5,728 thousand euros (6,704 thousand euros less the carrying amount of 876 thousand euros of the associate at the acquisition date less 100 thousand euros of translation reserve reclassified to the income statement). The fair value of the Group's existing 47% interest in IFTP K.K. takes into account a minority discount factor. The gain of 5,728 thousand euros has been included in *Other operating income* in the consolidated statement of profit or loss and is disclosed in Note 11.

The identifiable assets acquired and liabilities assumed include customer relationships recognized as intangible assets and valued at 4,328 thousand euros. The provisional goodwill is mainly attributable to the skills and technical talent of IFTP KK's workforce, and to the synergies expected from integrating the company into the Group's existing activities. In addition, goodwill was initially recognized in Japanese yen - IFTP KK's functional currency - at the acquisition-date exchange rate of 149.1 Japanese yen to 1 euro and will be subject to the impact of exchange rate fluctuations.

Acquisition of MIS Group

On September 25, 2023, the Group acquired the remaining 50% of the shares and voting rights in Planisware MIS. As a result, the Group's stake in Planisware MIS increased from 50% to 100%, thereby granting it control of this subsidiary. The MIS group is one of the Group's main subcontractors. The takeover of the MIS Group will give the Group greater control over its value chain.

In the three months following the acquisition of the MIS group, the contribution to Group's total revenue with customers was 1,160 thousand euros and to Group's profit for the period was 253 thousand euros. If the acquisition had taken place on January 1, 2023, management estimates that Group's total revenue with customers for the year 2023 would have been 157,275 thousand euros, and Group's profit for the period would have been 42,402 thousand euros.

Consideration transferred

The following table summarizes, at the acquisition date, the fair value of consideration transferred:

In € thousand	Note	
Cash payment		2,800
Earn-out		600
Fair value of consideration transferred		**3,400**

Pursuant to the share purchase agreement, an earn-out of 600 thousand euros was taken into account in calculating the fair value of the consideration transferred, bringing the acquisition price to 3,400 thousand euros.

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	17	39
Right-of-use assets	18	57
Other financial assets	23	30
Trade receivables and contract assets	21	1,331
Other receivables and current assets	23	304
Cash and cash equivalents	24	2,197
Lease liabilities	18	(47)
Trade payables	30	(393)
Other payables	30	(659)
Current contract liabilities	22	(1,490)
Net asset acquired		**1,368**

Goodwill

Provisional goodwill arising from the acquisition has been recognized as follows:

In € thousand	
Total consideration transferred	3,400
Fair value of existing interest in Planisware MIS	2,312
Fair value of net asset acquired	(1,368)
Goodwill	**4,344**

The remeasurement at fair value of the Group's existing 50% interest in Planisware MIS resulted in a gain of 1,803 thousand euros (2,312 thousand euros less the carrying amount of 509 thousand euros of the company accounted for by the equity method at the acquisition date). The fair value of the Group's existing 50% interest in Planisware MIS takes into account a minority discount factor. The gain of 1,803 thousand euros has been included in *Other operating income* in the consolidated statement of profit or loss and is disclosed in Note 11.
The provisional goodwill is mainly attributable to the skills and technical talent of the Planisware MIS workforce, and to the synergies expected from integrating the company into the Group's existing activities.

Note 5 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, 2023 and 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 the Board of Directors, the Group's operating decision-maker. The Group is managed on a basis reflecting its global activity which is then classified as a single operating segment. Prior to the Company's transformation in "Société Anonyme", the Group's operating decision-maker was the Chairman of the Company, OLHADA (formerly Planisware Management), represented by Mr. Pierre DEMONSANT.

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 6. 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 years ended December 31, 2023, and 2022, these adjustments for non-recurring items or non-operating items related to free shares plan expense and external costs incurred by the Group in the run-up to its preparation for 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	2023	2022
Current operating profit including share of profit of equity-accounted investees	43,157	34,533
Depreciation and amortization of intangible, tangible and right-of-use assets	7,182	6,442
Adjustment for IPO costs classified in current operating profit	-	428
Share-based payment expense	1,866	-
Adjusted EBITDA	**52,205**	**41,403**
Total revenue	156,439	132,083
Adjusted EBITDA margin (%)	***33.4%***	***31.3%***

Non-current assets (1) by countries (2)

As of December 31, 2023

In € thousand	France	USA	Germany	United Kingdom	Japan	Other	Total
Goodwill	9,440	-	-	-	11,566	-	21,006
Intangible assets	3,611	-	0	-	3,995	-	7,606
Property, plant and equipment	3,782	212	395	62	129	9	4,589
Right-of-use assets	10,812	1,866	456	228	307	25	13,694
Other non-current assets	-	777	-	-	-	-	777

As of December 31, 2022

In € thousand	France	USA	Germany	United Kingdom	Japan	Other	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

(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 6 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 21 and 22.

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 23.

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.

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

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 represents the fees (recurring in nature) earned from services that allow clients to continuously adapt the software to their changing needs, including configuration and support 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 services 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 considers itself to be acting as 'principal' , being in particular 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	2023	2022
SaaS	64,553	48,718
"Subscription" support	9,368	5,707
"Evolutive" support	41,990	35,567
Maintenance	18,756	18,484
Perpetual licences	5,709	5,551
Implementation services and other non-recurrent services	15,370	16,537
Revenue with customers	**155,746**	**130,564**
Other revenue	693	1,519
Total revenue	**156,439**	**132,083**

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.

The amount of recurring revenue is 134,667 thousand euros for the year ended December 31, 2023 against 108,476 thousand euros for the year ended December 31, 2022, representing respectively 86.5% and 83.1% of revenue with customers over the two 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 prior the takeover by the Group.

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	2023	2022
Europe	76,061	66,561
North America	68,476	57,129
APAC and rest of the world	11,210	6,874
Revenue with customers	**155,746**	**130,564**

For the year ended December 31, 2023, 49% of revenue with customers have been generated in Europe, of which 18% in France, 44% in North America, of which 90% in United States and 7% in "APAC and the Rest of the World".

For the year ended December 31, 2022, 51% of revenue with customers was generated in Europe, of which 20% in France, 44% in North America, of which 89% in United States and 5% in "APAC and Rest of the World".

Note 7 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.

7.1. Cost of sales

In € thousand	2023	2022
Employee costs	28,867	25,413
Outsourcing and hosting fees	12,238	13,326
Depreciation and amortization	3,158	2,807
Other expenses	865	748
Total cost of sales	**45,127**	**42,295**

Gross margin, which corresponds to gross profit as a percentage of total revenue, increased from 68.0% in the year ended December 31, 2022 to 71.2% in the year ended December 31, 2023, mainly as a result of an efficient monitoring of resources, in particular with respect to recruitment and outsourcing.

7.2. Research and development expenses

In € thousand	2023	2022
Employee costs	17,639	16,044
Research Tax Credit	(807)	(823)
Depreciation and amortization	2,400	2,404
Other expenses	777	715
Total research and development expenses	**20,009**	**18,341**

As a percentage of total revenue, research and development expenses slightly decreased from 13.9% in the year ended December 31, 2022, to 12.8% in the year ended December 31, 2023 partially due to a higher capitalization of development costs as disclosed in Note 16.

7.3. Sales and marketing expenses

In € thousand	2023	2022
Employee costs	18,560	15,053
Sales commissions	2,963	2,485
Marketing costs	3,025	2,379
Depreciation and amortization	1,040	747
Other expenses	1,497	1,177
Total sales and marketing expenses	**27,085**	**21,841**

As a percentage of total revenue, sales and marketing expenses increased from 16.5% in the year ended December 31, 2022 to 17.3% in the year ended December 31, 2023, demonstrating the Group's continuous efforts in expanding relationships with existing customers and attracting new customers. Sales commissions include expenses relating to non-activated commissions and amortization of capitalized sales commissions.

7.4. General and administrative expenses

In € thousand	2023	2022
Employee costs	13,569	9,512
Fees and other external services	1,814	1,748
Depreciation and amortization	584	483
Other expenses	5,347	4,285
Total general and administrative expenses	**21,314**	**16,027**

As a percentage of total revenue, general and administrative expenses increased from 12.1% in the year ended December 31, 2022 to 13.6% in the year ended December 31, 2023. 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.

Note 8 Employees

8.1. Employee headcount

The following table provides an overview of employee headcount (excluding employees from non-consolidated entities) broken down by region as of December 31, 2023, and as of December 31, 2022:

Number of employees	2023	2022
France	304	286
United States	163	159
Rest of the world	124	94
Total headcount as of December 31	**591**	**539**

8.2. Employee costs

The statement of profit or loss shows employee costs by function. They break down as follows:

In € thousand	2023	2022
Salaries	55,903	48,308
Sales commissions	2,963	2,485
Social security contributions	13,507	10,632
Expense for post-employment and similar benefit obligations	1,242	1,157
Employee profit-sharing	4,713	4,600
Share-based payment	1,866	-
Other employee's related expenses	1,402	1,324
Total employee costs and sales commissions	**81,597**	**68,506**

Employee costs and sales commissions represented 52.2% of total revenue for the year ended December 31, 2023. This ratio was 51.9% for the year ended December 31, 2022.

Note 9 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 7.

Defined contribution plans mainly relate to subsidiaries in the USA and Germany.

9.1. Actuarial assumptions

The actuarial assumptions used are as follows:

Asumptions	2023	2022
Discount rate	3.30%	3.83%
Salary increase rate	2.00%	2.00%
Mortality table for men	TH 17-19	TH 13-15
Mortality table for women	TF 17-19	TF 13-15
Turnover rate	Between 0% and 7%	Between 0% and 7%

9.2. Changes in employee benefits liability

Employee benefits obligation calculated amounts to 2,252 thousand euros for French employees as of December 31, 2023. The gross impact on statement of profit or loss for the year ended December 31, 2023, is an expense of 137 thousand euros, mainly due to the current service cost of 171 thousand euros, partially offset by income relating to the past service cost following the French pension reform, reform treated as a change of plan in accordance with IAS 19.

In € thousand	2023	2023
Evolution of employee benefits liability		
As of January 1	**(1,852)**	**(2,301)**
Current service cost	(171)	(229)
Past service cost (plan amendment)	103	-
Interest (costs) income	(69)	(30)
Benefits paid	8	3
Actuarial gains or losses	(271)	704
As of December 31	**(2,252)**	**(1,852)**
Charge included in statement of profit or loss		
Current service cost	(171)	(229)
Past service cost (plan amendment)	103	-
Interest (cost) income	(69)	(30)
Charge for the period	**(137)**	**(259)**
Included in other comprehensive income		
Actuarial (loss) gain arising from experience adjustments	(93)	(108)
Actuarial (loss) gain arising from change in financial asumptions	(178)	812
Total actuarial (loss) gain for the period	**(271)**	**704**
Actuarial (loss) gain reserve at the end of the period	**559**	**830**
Other		
Benefits paid	8	3
Total other	**8**	**3**
Total changes in employee benefits liability	**(400)**	**448**

9.3. Sensitivity analysis of the discount rate

In € thousand	2023	2023
Impact on the amount of the obligation		
Decrease of 0.25%	90	63
Increase of 0.25%	(86)	(60)

9.4. Undiscounted future cash-flows

In € thousand	December 31, 2023	December 31, 2022
Estimation of future services		
<1 an	10	10
2 to 5 years	284	386
6 to 10 years	748	656
> 10 years	12,584	10,347
Total theoretical undiscounted future services	**13,626**	**11,399**

Note 10 Share-based payments arrangements

Free shares plan (Equity-settled)

Free share plan – June 1st, 2023

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 1st, 2023
Number of shares granted (before share split) (1)	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.

(1) After the 2023 stock-split, the number of potential shares acquired on June 1, 2024, is 257,200.

Free share plan – October 1st, 2023

On October 11, 2023 (the "grant date"), the Board of Directors decided to allocate 121,500 free ordinary shares to the Chief Executive Officer. These shares will vest definitively and gradually on October 11, 2024, October 11, 2025, and October 11, 2026 provided that the beneficiary remains a company representative of the Company on a continuous and uninterrupted basis until the end of each vesting period. The final number of shares allocated will be subject to non-market performance conditions for each vesting period.

Free shares are measured at fair value on the grant date 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	October 11th, 2023
Number of shares granted (after share split)	121,500
Number of beneficiaries	1
Vesting period	1, 2 and 3 years (graded vesting)
Estimate of the number of equity instruments expected to vest	73%
Fair value of the shares at grant date (€)	12.44
Expected dividends	na.

For the year ended December 31, 2023, an expense of 1,866 thousand euros has been recognized with respect to the share-based payment arrangements, of which 424 thousand euros, 231 thousand euros, 521 thousand euros and 691 thousand euros have been allocated to *Cost of sales*, *Research and development expenses*, *Sales and marketing expenses*, and *General and administrative expenses* respectively.

Note 11 Other operating income and other operating expenses

In € thousand	2023	2022
Gains on remeasurement at fair value of investments in associates - IFTP KK	5,728	-
Gains on remeasurement at fair value of investments in associates - Planisware MIS	1,803	
Other operating income	**7,531**	**-**
Costs related to IPO	(4,489)	-
Other operating expenses	**(4,489)**	**-**
Total other operating income and other operating expenses	**3,043**	**-**

Transactions relating to gains arising from the remeasurement at fair value of investments in associates are disclosed in Note 4.

Costs relating to the IPO project consist mainly of lawyers' fees and the costs of external advisers who assisted the Company with its IPO project.

Note 12 Financial income (loss)

In € thousand	2023	2022
Interest on loans and borrowings	(0)	(6)
Interest on lease liabilities	(289)	(229)
Income from cash and cash equivalents	1,468	59
Cost of debt, net	**1,179**	**(176)**
Foreign exchange gains on financial items	978	3,304
Other finance income	1,760	252
Other finance income	**2,737**	**3,555**
Foreign exchange losses on financial items	(1,276)	(338)
Other finance costs	(151)	(247)
Other finance costs	**(1,427)**	**(585)**
Financial income (loss)	**2,489**	**2,795**

The increase in income from cash and cash equivalents reflects the Group's short-term investments of its available cash in time deposits and marketable securities.

Foreign exchange gains and losses are mainly due to the revaluation at year-end exchange rates of the Company's cash and cash equivalents denominated in foreign currencies.

Other financial income mainly comprises gains on disposals and unrealized gains on marketable securities.

Note 13 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.

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, 2023, and 2022, 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.

13.1. Analysis of income tax expense

In € thousand	2023	2022
Current tax	(7,569)	(6,289)
- Of which income tax	*(7,262)*	*(5,796)*
- Of which added-value tax (CVAE)	*(307)*	*(493)*
Deferred tax	710	515
Income tax expense recognized in the statement of profit or loss	**(6,859)**	**(5,774)**

13.2. Amounts recognized in other comprehensive income

In € thousand	2023	2022
Deferred taxes on remeasurement of defined benefit plan liability (actuarial differences)	63	(176)
Income tax expense recognized in other comprehensive income	**63**	**(176)**

13.3. Movement in deferred tax balances

In € thousand	2023	2022
Deferred tax assets - Opening	1,685	1,354
Deferred tax liabilities - Opening	-	(31)
As of January 1	**1,685**	**1,323**
Recognized in the profit or loss statement	710	515
Recognized in other comprehensive income	63	(176)
Scope entry	(1,127)	-
Effect of movements in exchange rates	13	23
Change over the period	**(341)**	**362**
Deferred tax assets - Closing	2,390	1,685
Deferred tax liabilities - Closing	(1,046)	-
As of December 31	**1,344**	**1,685**

13.4. Components of recognized deferred tax assets and liabilities

In € thousand	December 31, 2023	December 31, 2022 restated*
Lease liabilities	3,652	3,445
Employee benefits	582	463
Revaluation of the expected credit loss on trade receivables	203	268
Non-deductible provisions	864	930
Deductible research and development expenses	378	173
Foreign tax credit	443	-
Other temporary differences	1,001	720
Set-off of tax	(4,732)	(4,314)
Deferred tax assets after set-off	**2,390**	**1,685**
Right-of-use assets	(3,524)	(3,378)
Development costs	(924)	(704)
Intangible asset acquired in a business combination	(1,032)	-
Fair value of cash equivalents	(258)	-
Other temporary differences	(40)	(233)
Set-off of tax	4,732	4,314
Deferred tax liabilities after set-off	**(1,046)**	**(0)**

Non-deductible provisions for the year mainly concern employee profit-sharing, for which a deferred tax asset of 803 thousand euros and 747 thousand euros has been recognized as of December 31, 2023 and December 31, 2022 respectively.

The Group has not recognized any deferred tax assets relating to tax losses. The amount of unrecognized tax loss carryforwards is not material.

* In accordance with the amendment to IAS 12, the comparative year ended December 31, 2022, has been restated.

13.5. Reconciliation between the theoretical income tax expense and the recognized income tax expense

In € thousand	2023		2022	
Profit for the period		**41,830**		**31,555**
Income tax expense	*14.1%*	**(6,859)**	*15.5%*	**(5,774)**
Of which current tax		(7,569)		(6,289)
Of which deferred tax		710		515
Profit for the period before tax		**48,689**		**37,329**
Theoretical income tax at French standard rate	***25.8%***	**(12,574)**	***25.8%***	**(9,640)**
Taxation of foreign companies at different rates	*-0.1%*	26	*0.3%*	(115)
Tax effects:				
- Share of profit of equity-accounted investees, net of tax	*-0.1%*	65	*-0.7%*	246
- Permanent differences	*-3.3%*	1,597	*0.2%*	(73)
- Tax benefits and tax credits	*-8.8%*	4,288	*-11.3%*	4,236
- Added value tax (CVAE), net of tax	*0.5%*	(227)	*1.0%*	(366)
- Losses for which no deferred taxes have been recognized	*0.1%*	(34)	*0.2%*	(62)
Effective income tax	***14.1%***	**(6,859)**	***15.5%***	**(5,774)**

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 years ended December 31, 2023, and 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.

Permanent differences are mainly due to the non-deductibility of the expense relating to equity-settled share-based payment for (482) thousand euros and to the non-taxable revaluation at fair value of existing interests in IFTP KK and Planisware MIS for 1,945 thousand euros.

« 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 Enterprise 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 4,052 thousand euros for the year ended December 31, 2023 and 3,891 thousand euros for the year ended December 31, 2022.

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, 2023 and 2022 is 807 thousand euros and 823 thousand euros respectively.

Under IFRS, the research tax credit is treated as a grant, in accordance with *IAS 20 Government grants,* due to its refundable nature. 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 14 Earnings per share

Accounting principles

Basic earnings per share are calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of shares outstanding during the period, excluding the number of treasury shares. To calculate diluted earnings per share, the number of shares outstanding is adjusted to take account of the dilutive effect of equity instruments issued by the company, such as options, warrants and free shares.

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 25.

	Exercice 2023	Exercice 2022 restated*
Numerator (In € thousand)		
Profit for the period - Owners of the Company (a)	41,830	31,555
Denominator		
Average number of ordinary shares on the period (b)	**69,117,250**	**68,734,000**
Effect of share plan	150,033	-
Weighted-average number of ordinary shares on the period (c)	69,267,283	69,267,283
Basic earnings per share (In €) (a/b)	**0.61**	**0.46**
Diluted earnings per share (In €) (a/c)	**0.60**	**0.46**

*In accordance with IAS 33, the comparative 2022 period has been restated to reflect a capital increase in 2023 by capitalization of reserves followed by a share split in September 2023.

Notes on the statement of financial position items

Note 15 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.

15.1. Changes in Goodwill

As described above in note 4, goodwill was recognized on the following two transactions:

- Takeover of IFTP KK by the Group, generating goodwill of 12,124 thousand euros;
- Takeover of the MIS group, generating goodwill of 4,344 thousand euros.

The Group now owns the entire share capital of these two subsidiaries.

Year 2023

In € thousand	December 31, 2022	Acquisition	Impairment loss	Effect of movements in exchange rates	December 31, 2023
Gross value	5,096	16,469	-	(558)	21,006
Net value	**5,096**	**16,469**	**-**		**21,006**

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**

15.2. 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 pretax 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, 2023, and December 31, 2022, based on the cash flows generated by its activities, discounted at the weighted average cost of capital of 9.8% and 9.3% 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 five-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. it does not monitor goodwill at a finer level than the Group as a whole. Acquisitions made during the year ended December 31, 2023, are not likely to change this analysis, given their activity.

As of the years ended December 31, 2023 and December 31, 2022, 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 16 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.

Customer relationships

Customer relationships are initially recognized at their fair value on the date on which the Group takes control of an entity. They are subsequently amortized on a straight-line basis and recognized in the balance sheet at initial cost less accumulated amortization and any impairment losses.

Customer relationships recognized at the time of IFTP KK's acquisition are being amortized over 18 years.

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.

16.1. Gross value of intangible assets

Changes in gross value of intangible assets are presented below:

In € thousand		Development costs	Licenses and softwares	Customer relationship	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	2,048	-	-	-	**2,048**
	Purchases	-	10	-	-	**10**
Scope entry		-	-	4,328	-	**4,328**
Effect of movements in exchange rates		-	-	(199)	-	**(199)**
Gross value as of December 31, 2023		**8,692**	**5,928**	**4,129**	**22**	**18,771**

16.2. Amortization of intangible assets

Changes in amortization of intangible assets are presented below:

In € thousand	Development costs	Licenses and softwares	Customer relationship	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	(1,286)	(178)	(137)	-	**(1,601)**
Impairment loss	-	-	-	-	**-**
Effect of movements in exchange rates	-	-	3	-	**3**
Accumulated amortization and impairment losses as of December 31, 2023	**(5,113)**	**(5,911)**	**(134)**	**(7)**	**(11,165)**

16.3. Carrying amount of intangible assets

In € thousand	Development costs	Licenses and softwares	Customer relationship	Other intangible assets	Total
Carrying amount as of December 31, 2022	**2,817**	**184**	**-**	**15**	**3,017**
Carrying amount as of December 31, 2023	**3,579**	**17**	**3,995**	**15**	**7,606**

Note 17 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.

17.1. 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	533	2,264	-	**2,798**
Scope entry	87	214	-	**301**
Disposals	(206)	(101)	-	**(307)**
Transfer	-	-	-	**-**
Effect of movements in exchange rates	(3)	(27)	-	**(30)**
Gross value as of December 31, 2023	**2,376**	**10,915**	**(0)**	**13,291**

17.2. 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, 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	(240)	(2,009)	-	**(2,249)**
Scope entry	(16)	(104)		**(120)**
Disposals	113	77	-	**191**
Impairment loss	-	-	-	**-**
Effect of movements in exchange rates	0	16	-	**17**
Accumulated depreciation as of December 31, 2023	**(950)**	**(7,753)**	**-**	**(8,702)**

17.3. 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 December 31, 2023	**1,426**	**3,163**	**(0)**	**4,589**

Note 18 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 in accordance with IAS36.

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.

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:

18.1. 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	1,252	1,137	**2,389**
Rent indexation	768	-	**768**
Scope entry	624	-	**624**
Derecognition of right-of-use assets	(411)	(282)	**(693)**
Effect of movements in exchange rates	(139)	-	**(139)**
Gross value as of December 31, 2023	**19,533**	**2,505**	**22,038**

18.2. 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)**
Contract modification	631	-	**631**
Effect of movements in exchange rates	(46)	-	**(46)**
Depreciation as of December 31, 2022	**(4,966)**	**(611)**	**(5,577)**
Depreciation	(2,766)	(569)	**(3,335)**
Scope entry	(139)	-	**(139)**
Contract modification	411	236	**648**
Effect of movements in exchange rates	60	-	**60**
Depreciation as of December 31, 2023	**(7,400)**	**(944)**	**(8,344)**

18.3. 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 December 31, 2023	**12,133**	**1,561**	**13,694**

18.4. 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	9,691	848	**10,539**
Rent indexation	64	-	**64**
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	1,252	1,137	**2,389**
Rent indexation	768	-	**768**
Interest expense on lease liabilities	265	24	**289**
Interest paid on lease liabilities	(265)	(24)	**(289)**
Repayment of lease liabilities	(2,632)	(550)	**(3,182)**
Contract modification	-	(46)	**(46)**
Scope entry	603	-	**603**
Effect of movements in exchange rates	(87)	-	**(87)**
Lease liabilities as of December 31, 2023	**13,317**	**1,601**	**14,918**

18.5. 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, 2023
Lease liabilities maturity	(3,472)	(7,858)	(3,588)	**(14,917)**

18.6. 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, 2023
Undiscounted contractual cash flows	(4,020)	(8,301)	(3,655)	**(15,976)**

18.7. Out-of-scope leases expenses

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	2023	2022
Short-term leases	337	272
Leases of low-value assets	23	15
Services, taxes and insurances	78	93
Total leases expenses out-of-scope	**438**	**380**

Note 19 Equity-accounted investees

19.1. Equity-accounted investees

Equity-accounted investees includes the Group's interests in the two associates Planisware MIS and Innovation Framework Technologies Planisware K.K. until the Group took control of theses entities on September 25, 2023 and May 26, 2023 respectively, as follows:

In € thousand	December 31, 2023	December 31, 2022
Planisware MIS, Sarl	-	943
Innovation Framework Technologies Planisware KK.	-	1013
Total equity-accounted investees	**-**	**1,957**
Change during the year	*(1,957)*	*432*

19.2. Changes in equity-accounted investees

Changes in equity-accounted investees are presented below:

In € thousand	2023	2022
Share of profit of equity-accounted investees, net of tax	253	954
- Planisware MIS, Sarl	*358*	*793*
- Innovation Framework Technologies Planisware KK.	*(105)*	*161*
Change in capital	-	7
Currency translation differences	(33)	(35)
Dividend payments	(793)	(494)
Takeover of Planisware MIS	(868)	-
Takeover of IFTP KK	(770)	-
Change during the year	**(1,957)**	**432**

19.3. Financial information reconciliation

The following table summarizes the financial information of the two associates as of December 31, 2022, as well as of the dates of the Group's takeover of the two entities in 2023, 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	September 25, 2023	December 31, 2022
Percentage ownership interest	50%	50%
Revenue (100%)	(4,205)	5,249
Total comprehensive income (100%)	717	1,586
Cash and cash equivalent (100%)	2,185	1,971
Net assets (100%)	**1,018**	**1,887**
Group's share of net assets	509	943
Carrying amount of equity-accounted investees	**509**	**943**
Share of profit of equity-accounted investees, net of tax	358	793
Group's share of total comprehensive income	**358**	**793**

Innovation Framework Technologies Planisware KK

In € thousand	May 26, 2023	December 31, 2022
Percentage ownership interest	47%	47%
Revenue (100%)	2,020	4,942
Total comprehensive income (100%)	(226)	343
Cash and cash equivalent (100%)	1,328	1,313
Net assets (100%)	**929**	**1,367**
Group's share of net assets	533	643
Goodwill	442	442
Translation reserve	(100)	(72)
Carrying amount of equity-accounted investees	**876**	**1,013**
Share of profit of equity-accounted investees, net of tax	(105)	161
Effect of change in percentage of interest	-	-
Subsidiaries - foreign currency translation differences	(33)	(35)
Group's share of total comprehensive income	**(138)**	**126**

In addition, none of the associates had any significant financial debt as of December 31, 2022 and as of the dates of the Group's takeover of the two entities.

Note 20 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, 2022	**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**
Additions	-	208	208
Financial assets repaid	-	(100)	(100)
Scope entry	1	342	343
Effect of movements in exchange rates	-	(17)	(17)
Gross value as of December 31, 2023	**4**	**992**	**995**

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 21 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 6. 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.

21.1. Trade receivables and contract assets

In € thousand	December 31, 2023	December 31, 2022
Trade receivables	46,158	45,021
Loss allowance for trade receivables	(1,992)	(2,173)
Net trade receivables	**44,166**	**42,848**
Contract assets	2,426	2,536
Total trade receivables and contract assets	**46,592**	**45,384**

All contract assets recognized as of December 31, 2022, have been reclassified as receivables in the year ended December 31, 2023, as the right to consideration becomes unconditional.

21.2. Maturity of trade receivables

In € thousand	December 31, 2023	December 31, 2022
Current (not past due)	36,927	32,667
1 to 30 days past due	3,883	5,770
30 to 90 days past due	2,576	2,227
90 to 120 days past due	232	312
120 to 365 days past due	1,184	2,001
More than 1 year past due	1,356	2,044
Total trade receivables	**46,158**	**45,021**

21.3. Expected credit loss

Year 2023

Trade receivables and contract assets as of December 31, 2023 (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 to 365 days	More than 1 year past due	Total
Weighted-average loss rate	0.9%	5.0%	8.6%	16.7%	18.2%	70.0%	4.1%
Gross value of trade receivables and contract assets	39,353	3,883	2,576	232	1,184	1,356	48,585
Expected credit loss allowance	**371**	**194**	**222**	**39**	**215**	**950**	**1,992**

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 to 365 days	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%
Gross value of 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**

21.4. Changes in loss allowance for trade receivables

Changes in loss allowance are presented below:

Year 2023

In € thousand	December 31, 2022	Net remeasurement	Amounts written off	December 31, 2023
Loss allowance for trade receivables	(2,173)	25	156	(1,992)
Total	**(2,173)**	**25**	**156**	**(1,992)**

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)**	**(24)**	**212**	**(2,173)**

Note 22 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, 2023	December 31, 2022
Contract liabilities	(33,697)	(31,212)
Total contract liabilities	**(33,697)**	**(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 21.

Contract liabilities are settled within one year for all contracts. In this instance, contract liabilities as of December 31, 2022 have been entirely recognized in 2023.

Note 23 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, 2023	December 31, 2022
Sales commissions - non-current	777	1,036
Total other non-current assets	**777**	**1,036**
Tax and social security receivables	5,963	5,604
Current tax	1,502	1,414
Other receivables	1,544	1,147
Prepayments	3,607	4,981
Sales commissions - current	1,190	850
Ohter financial assets	966	36
Total other receivables and current assets	**14,772**	**14,031**

Tax and social security receivables mainly comprise recoverable VAT.

Other receivables mainly include the Research Tax Credit ("CIR") receivable for an amount of 807 thousand euros and 823 thousand euros as of the years ended December 31, 2023, and December 31, 2022, respectively.

Changes in sales commissions are explained as follows:

In € thousand	December 31, 2023	December 31, 2022
Capitalized commissions as of January 1	**1,886**	**1,103**
Capitalization of commissions for the period	1,205	1,440
Amortization expense for the period	(1,056)	(716)
Effect of movements in exchange rates	(69)	60
Capitalized commissions as of December 31	**1,967**	**1,886**
Of which sales commissions - non-current	*777*	*1,036*
Of which sales commissions - current	*1,190*	*850*

Note 24 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 comprises:

- Cash,
- Cash equivalents such as time deposits, and other highly liquid investments that are readily convertible to a fixed amount of cash, with an insignificant risk of changes in value, held to meet short-term cash requirements.

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, 2023**	**December 31, 2022**
Cash at banks	45,262	91,198
Time deposits	47,742	10,030
Money market and other funds	49,693	19,290
Cash and cash equivalents	**142,696**	**120,518**

Cash and cash equivalents (excluding bank overdrafts) of 142,696 thousand euros as of December 31, 2023, are held 118,426 thousand euros by the Company in France, 15,627 thousand euros by Planisware USA, Inc. in the United States and 8,644 thousand euros by the other foreign subsidiaries.

“Time deposits” and “Money market and other funds” include short-term deposits and investments in mutual funds which are readily convertible into a known amount of cash and with no significant risk of loss of value. Time deposits with an original maturity of less than 3 months are included under *Time deposits* within *Cash and cash equivalents*, while time deposits with an original maturity of more than 3 months are included under *Other financial assets* within *Other receivables and current assets*, as presented in Note 23.

The Group does not hold any restricted cash balances for the Group as of December 31, 2023, and as of December 31, 2022.

Note 25 Equity

At December 31, 2023, the share capital of Planisware S.A. comprised 69,391,000 ordinary shares with a par value of 0.1 euro.

The table below details changes in the number of shares and share capital during the 2023 and 2022 financial years:

	2023		2022	
	Number of shares	Share capital (in euro)	Number of shares	Share capital (in euro)
Share capital as of January 1	343,670	343,670	343,670	343,670
Capital increase by issuing of new shares	3,285	3,285	-	-
Capital increase through capitalization of reserves, profits or additional paid-in capital	-	6,592,145	-	-
Division of the par value of the Company's shares by increasing the number of shares	69,044,045	-	-	-
Share capital as of December 31	**69,391,000**	**6,939,100**	**343,670**	**343,670**

As of December 31, 2023, 6.22% of shares were held by employees.

The shares comprising the share capital are fully paid up.

The capital increase through the issue of new shares generated a share premium of 9,555,309 euros.

The capital increase by incorporation of reserves generated a deduction of 6,592,145 euros from other reserves.

Note 26 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.

26.1. Loans and borrowings

As of the years ended December 31, 2023, and December 31, 2022, the maturities of loans and borrowings are presented as follows:

In € thousand	December 31, 2023	Less than one year	1 to 5 years	More than 5 years
Bank borrowings	-	-	-	-
Lease liabilities	(14,917)	(3,472)	(7,858)	(3,588)
Bank overdrafts	(98)	(98)	-	-
Accrued interests	-	-	-	-
Total loans and borrowings	**(15,015)**	**(3,569)**	**(7,858)**	**(3,588)**

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)	(4,688)
Bank overdrafts	(83)	(83)	-	-
Accrued interests	(0)	(0)	-	-
Total loans and borrowings	**(14,862)**	**(3,158)**	**(7,017)**	**(4,688)**

At December 31, 2023, the Group had no borrowings from credit institutions.

26.2. Reconciliation with the cash flow statement

Changes in *Bank borrowings* are presented as follows:

In € thousand	2023	2022
Bank borrowings as of January 1	**(304)**	**(1,517)**
Repayment of borrowings	304	1,213
Interests expenses	(0)	(6)
Interests paid on borrowings	0	6
Bank borrowings as of December 31	**-**	**(304)**

Changes in lease liabilities are presented in Note 18.

Note 27 Financial instruments classification and fair values

As of December 31, 2023

		Classification according to IFRS 9			
As of December 31, 2023 In € thousand	**Amortized cost**	**Fair value to P&L**	**Faire value to OCI**	**Book value**	**Fair value**
Equity securities		■		4	4
Deposits and securities	■			992	992
Trade receivables and contract assets	■			46,592	46,592
Other receivables and current assets	■			14,772	14,772
Cash and cash equivalents		■		142,696	142,696
Total financial assets				**205,056**	**205,056**
Bank borrowings	■			-	-
Trade payables	■			4,294	4,294
Other payables	■			35,021	35,021
Total financial liabilities				**39,315**	**39,315**

As of December 31, 2022

		Classification according to IFRS 9			
As of December 31, 2022 In € thousand	**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**

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 28 Management of financial risks

28.1. 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*.

28.2. Interest rate risk

The Group adopts a prudent policy of managing its cash surpluses to meet its short-term commitments, which are invested in marketable securities or interest-bearing term accounts.

28.3. 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 18.

28.4. 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 21. 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.

28.5. Dependence on customers

There is no significant risk of dependence on any customer(s). Over the two financial years presented, no individual customer represented more than 5% of total revenue; the top 10 customers together represented less than 25% of total revenue and the top 20 customers less than 35%.

Note 29 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.

29.1. Break-down of provisions

Break-down of the Group's provisions is shown below:

In € thousand	December 31, 2023	December 31, 2022
Provision for litigation	-	40
Provision for guarantees given to customers	38	36
Provisions	**38**	**76**

29.2. Changes in provisions

In € thousand	2023	2022
Provisions as of January 1	**76**	**41**
Provisions made during the year	19	56
Provisions used during the year	(56)	(21)
Provisions reversed during the year	-	-
Provisions as of December 31	**38**	**76**

29.3. 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.

29.4. 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 30 Trade payables and other current payables

In € thousand	December 31, 2023	December 31, 2022
Trade payables	2,601	3,186
Accrued expenses	1,693	1,007
Trade payables	**4,294**	**4,193**
Tax payables	6,730	6,118
Social payables	26,020	23,124
Current tax	1,262	1,093
Other liabilities	1,008	914
Other payables	**35,021**	**31,249**

Trade payables amounted to 4,294 thousand euros as of December 31, 2023, compared with 4,193 thousand euros as of December 31, 2022.

Tax liabilities mainly comprise VAT collected in the accounts of the parent company and its subsidiaries.

Social payables as of December 31, 2023, mainly comprise employee profit-sharing and incentive schemes, provisions for employee and management bonuses, related social security charges and provisions for paid holidays.

Note 31 Changes in working capital

Changes in working capital for the three years presented comprise the following items:

In € thousand	2023	2022
Changes in trade receivables and contract assets	(123)	(9 258)
Changes in capitalized sales commissions	(149)	(724)
Changes in trade payables	(1 014)	(165)
Changes in prepayments	1 572	(1 636)
Changes in contract liabilities (1)	1 202	10 298
Changes in other assets and liabilities (2)	2 074	(75)
Changes in working capital	**3 564**	**(1 560)**

(1) The change in contract liabilities mainly relates to Group's subscription contracts, which increased proportionally over the year. The amount of these liabilities mechanically results from the period over which significant contracts are signed and invoiced to customers at the end of the year.

(2) The change in other assets and liabilities mainly relates to employee-related liabilities.

Other information

Note 32 Off-balance sheet commitments

All of the Group’s commitments are reflected in the consolidated financial statements for the years ended December 31, 2023, and December 31, 2022. 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 33 Related parties

33.1. 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 two financial years.

Transactions with associates correspond to transactions with:

- Planisware MIS, before the Group’s takeover on September 25, 2023:

In € thousand	Period from January 1, 2023 to September 25, 2023	2022
Other revenue	70	41
Cost of sales	(3,626)	(4,335)

- Innovation Framework Technologies Planisware K.K., before the Group’s takeover on May 26, 2023:

In € thousand	Period from January 1, 2023 to May 26, 2023	2022
Other revenue	380	1,243
Cost of sales	(38)	-

In addition, the impact on the Group's financial statements of non-consolidated entities is not material.

33.2. Transactions with subsidiaries

Transactions and balances between the Company and its subsidiaries are fully eliminated on consolidation, these subsidiaries being consolidated.

33.3. Relations with OLHADA

The parent entity of the Group Planisware is Planisware SA, which is owned by OLHADA (ex-Planisware Management). As Chairman of the Company until its conversion into a Société Anonyme ("S.A.") and in accordance with the new services agreement signed on September 26, 2023, OLHADA (formerly Planisware Management) received remuneration from Planisware S.A. The amounts invoiced to the Company in this respect amounted to 4,736 thousand euros for the year ended December 31, 2023 and 4,699 thousand euros for the year ended December 31, 2022.

33.4. Key management compensation

The table below shows the compensation of the Company's key management, comprising the three co-founders of the Company, over the two financial years. For the year ended December 31, 2023, the compensation of the new Chief Executive Officer has been added to that of the three co-founders.

In € thousand	2023	2022
Short-term employee benefits	629	386
Share-based payment	208	-
Key management compensation	**837**	**386**

These members all sit on the Company's Board of Directors.

Note 34 Auditors' fees

	Total		KPMG		Mazars	
In € thousand	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Audit and limited review of the individual and consolidated financial statements	**590**	**520**	**142**	**222**	**448**	**298**
> Planisware S.A.	296	394	142	222	154	172
> Subsidiaries	294	126	-	-	294	126
Non audit services	**614**	**-**	**313**	**-**	**301**	**-**
> Planisware S.A.	614	-	313	-	301	-
> Subsidiaries	-	-	-	-	-	-

18.1.2 Statutory Auditors' audit report on the consolidated financial statements

Statutory auditors' audit report on the consolidated financial statements

For the year ended December 31, 2023

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by French law, such as verification of the information pertaining to the Group presented in the management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the annual general meeting of PLANISWARE

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of PLANISWARE for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2023 and of the results of its operations for the year 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement 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' rules applicable to us, for the period from January 1st, 2023 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

- The notes « 1. Information about the Group and key events », « 4. Business combination », « 15. Goodwill » et « 16. Intangible assets » to the consolidated financial statements explain the impact of the acquisitions of Innovation Framework Technologies Planisware KK ("IFTP KK") and Planisware MIS. For the year ended December 31, 2023, the business combinations resulted in the recognition of goodwill in the consolidated balance sheet in the amount of 16.5 million euros and customer relationships in the amount of 4.3 million euros. Our work consisted in examining the contractual terms and conditions of these acquisitions, determining whether their accounting treatments comply with accounting standards. We have also verified that notes 1, 4, 15 and 16 to the consolidated financial statements provide appropriate disclosures.
- The goodwill, that amounts to 21 million euros as of December 31, 2023, was tested for impairment in accordance with the methods described in note 15.2 to the consolidated financial statements. We have examined the methods used to perform this test and the assumptions made, and we have verified that note 15.2 to the consolidated financial statements provides appropriate disclosures.
- The note 6 « Revenue » to the financial statements explains the accounting rules and principles on revenue recognition. As part of our assessment of the accounting rules and principles applied by the company, we verified the appropriateness of the accounting methods and the information provided in note 6 to the consolidated financial statements and we ensured their correct application.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information must be reported by an independent third party.

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 from 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 is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

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 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 consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment 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 inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these 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 consolidated financial statements.

Paris La Défense, on the March 29, 2024	Paris La Défense, on the March 29, 2024

French original signed by

KPMG S.A.	MAZARS SA
Jean-Pierre Valensi	Jessica Cluzeau
Partner	Partner

Section 18.3 "*Date of latest financial information*" of the Registration Document is replaced as follows:

18.3 Date of latest financial information

December 31, 2023.

Section 18.4 "*Dividend policy*" of the Registration Document is replaced as follows:

18.4 Dividend policy

The Company distributed[32] dividends in respect of the years ended December 31, 2023, 2022 and 2021 in the amounts of €20.8 million, €15.6 million and €13.3 million (corresponding to dividends per share of €0.30 (and corresponding to €60.00 per share, for comparison purposes with the previous years, without giving effect to the stock split dated September 26, 2023 as described in the supplement to the Registration Document dated September 29, 2023), €45.00 and €38.70), respectively. For the financial year ended December 31, 2023, the dividend distributed represented approximately 50% of its profit for the period.

The Group's future dividend policy is described in Sections 10.2 "*Information on Trends—Medium-term objectives*" and 11.2 "*Profit Forecasts or Estimates—Group forecasts for the years ending December 31, 2024*" of this supplement to the Registration Document.

Section 18.6 "*Significant change in the issuer's financial position*" of the Registration Document is replaced as follows:

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 December 31, 2023.

[32] These amounts correspond to the dividends approved by the Company's general assembly for the respective fiscal year and for which payment may be effected in the same fiscal year or the immediately following fiscal year.

19. ADDITIONAL INFORMATION

Subsection 19.1.1 "*Subscribed share capital and authorized but unissued share capital*" of the Registration Document is replaced as follows:

19.1.1 Subscribed share capital and authorized but unissued share capital

As of the date of this supplement to the Registration Document, the Company's share capital amounts to €6,939,100.00 divided into 69,391,000 shares, with nominal value of €0.10 per share.

The details of the delegations of authority and authorizations approved by the General Shareholders' Meeting of April 15, 2024 are presented below:

Nature of the resolution	Maximum duration	Maximum nominal amount
Authorization to the Board of Directors to trade in the Company's shares, subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris	18 months	Maximum offering price : 200% of the Share price in the initial public offering €40 million maximum total purchase amount
Delegation of authority to the Board of Directors to decide to increase the capital of the Company or of another company through the capitalization of premiums, reserves, profits or any other amounts	26 months	€50 million(1)
Authorization to the Board of Directors to decide the issuance of shares and/or securities giving immediate or future access to shares to be issued by the Company as consideration for contributions in kind consisting of equity securities or securities giving access to the capital, subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris	26 months	10% of share capital
Delegation of authority to the Board of Directors to decide to increase the Company's share capital by issuing shares and/or securities giving immediate or future access to the share capital, without pre-emptive subscription rights, by means of a public offering other than the public offerings referred to in 1° of Article L.411-2 of the French Monetary and Financial Code, subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris	26 months	€1.4 million(1)
Delegation of authority to the Board of Directors to decide to increase the Company's capital by issuing shares and/or securities giving immediate or future access to the capital, without preferential subscription rights, reserved for members of savings plans	26 months	1% of share capital (1)
Delegation of authority to the Board of Directors to decide to increase the Company's capital by issuing shares and/or securities	26 months	1% of share capital (1)

Nature of the resolution	Maximum duration	Maximum nominal amount
giving immediate or future access to the capital, without preferential subscription rights, reserved for members of savings plans, subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris		
Delegation of authority to the Board of Directors to decide to increase the Company's capital by issuing shares and/or securities giving immediate or future access to the capital, without preferential subscription rights, reserved for the category of foreign employees of the Group, of any funds or banking entity or institution, or entity affiliated to such an institution in connection with the implementation of employee share purchase plans), subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris	18 months	1% of share capital (1)(2)
Authorization to the Board of Directors to make free allocations of existing shares or shares to be issued to employees and officers of the Group or to some of them	38 months	2% of share capital(1), provided that it does not exceed 0.2% of the share capital for corporate officers
Authorization to the Board of Directors to reduce the share capital by cancelling treasury shares, subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris, subject to the condition precedent of the admission of the Company's shares to trading on the regulated market of Euronext Paris	26 months	Up to 10% of the share capital per period of 24 months

(1) The maximum aggregate nominal amount of capital increases that may be carried out under this authorization shall be deducted from the overall cap for capital increases of €2 million.

(2) The maximum aggregate amount of capital increases that may be effected under this delegation shall be deducted from the ceiling stipulated in the resolution authorizing the Board of Directors to decide to increase the Company's capital by issuing shares and/or securities giving immediate or future access to the capital, without preferential subscription rights, reserved for members of savings plans.

Subsection 19.2.2 "*Provisions of the bylaws relating to administrative and management bodies – Internal regulations of the Board of Directors*", paragraph "*Appointment*" of the Registration Document is amended as follows[33]:

Directors are appointed for a 4-year term.

By exception, the general shareholders' meeting may elect a director to serve for a period of less than 4 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.

[33] *Note that this term reflects an erratum (3 years mistakenly set forth in the Registration Document dated September 18, 2023).*