

The Sapiens logo is displayed in white, uppercase letters on a dark blue background. The letter 'A' features a small blue checkmark-like shape integrated into its top-left corner. The background of the entire slide is a complex network of white and blue lines and dots, resembling a molecular or data network, with several solid blue squares of varying sizes scattered across it.

**SAPIENS**

**Q1 2023**

Roni Giladi, CFO

Yaffa Cohen-Ifrah, CMO & Head of IR

June, 2023



Sapiens is the global **partner of choice** for insurance carriers that seek to digitally **transform their business** for the next generation

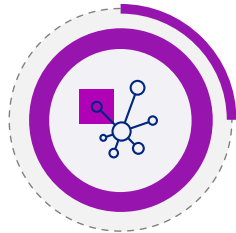
# Sapiens Key Metrics and Differentiators



**~\$40bn**  
Target  
Market



**Global** Presence  
in all **Tiers**



Serving  
**P&C** and **L&A**



**1**  
Hand-to-shake  
Business Model



**~65%** of Revenues  
are Software and re-occurring  
post-production services



**600+**  
Insurance  
Customers



**\$475M**  
2022  
Revenues <sup>(1)</sup>



**15.3%**  
10-Year  
Revenue CAGR



**\$83.5M**  
2022  
Operating Profit<sup>(1)</sup>

# Strong Market Demand as Insurers Seek New Solutions to Address Industry Challenges



**Replace Legacy IT Infrastructure**



**InsureTech**



**Constant Drive for Efficiency**



**Demand for Digital Transformation**



**Increased Competition**



**Adapt to Regulatory Changes**



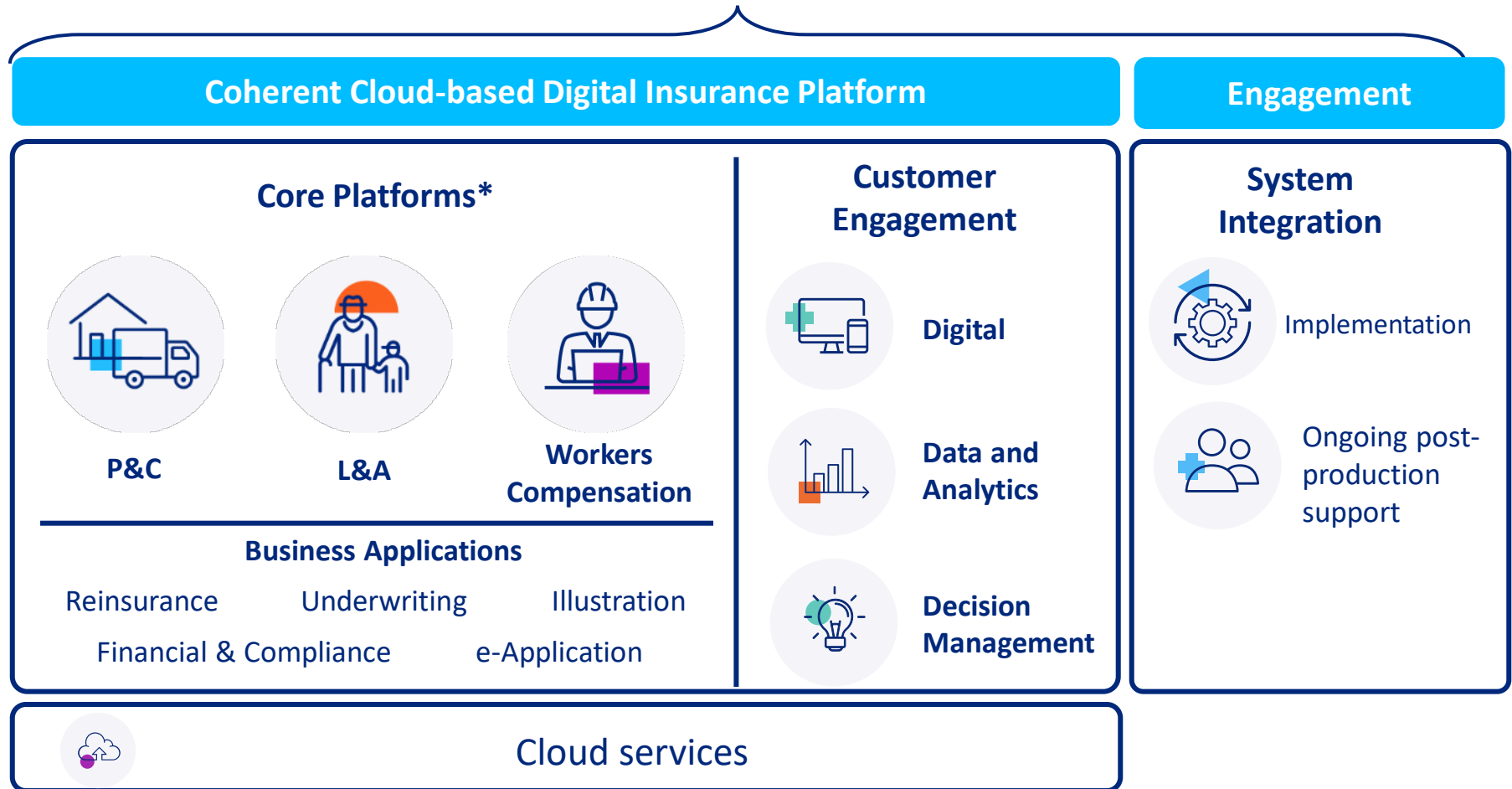
**Evolving Customer Expectations**

# Providing Exceptional Value to our Customers Across their Lifecycle

“One- hand-to- shake” business model

“Insurance-in-a-box”

Pre-integrated, low-code offering allows customers to choose between end-to-end deployments or any combination of our solutions



# Growing InsureTech Partners



# Global Partner of Choice with Local Presence



600+

Customers Across

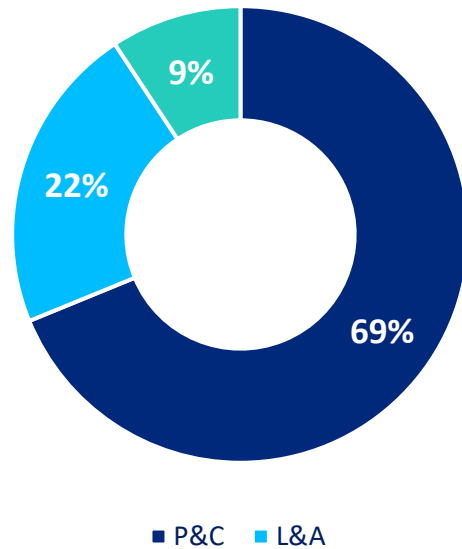


30+

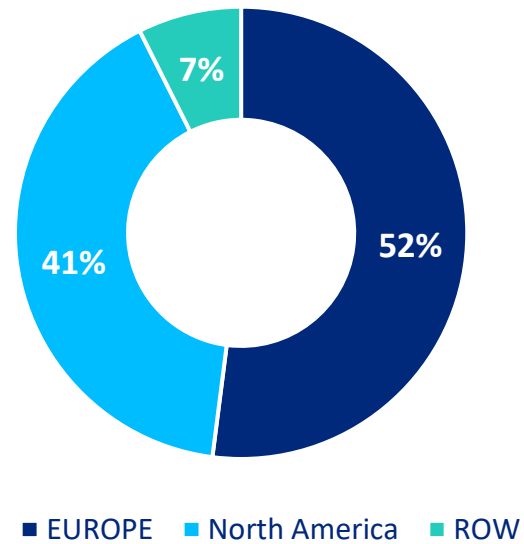
Countries

**SAPIENS**

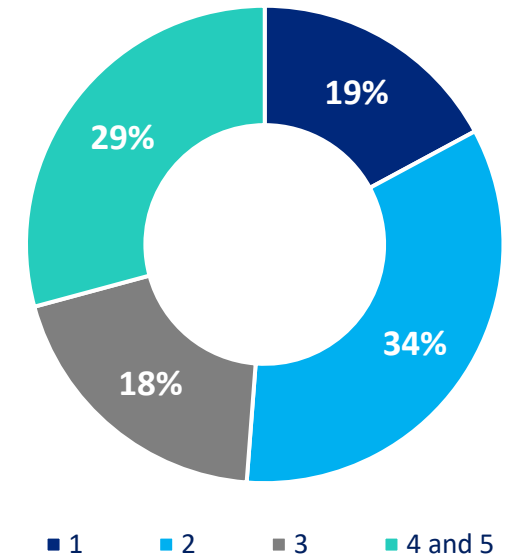
### Multiple Segments By Market



### Global Player By Geography



### Presence in ALL Tiers By Customer Tier<sup>1</sup>



**2022 Revenue - \$475 Million**

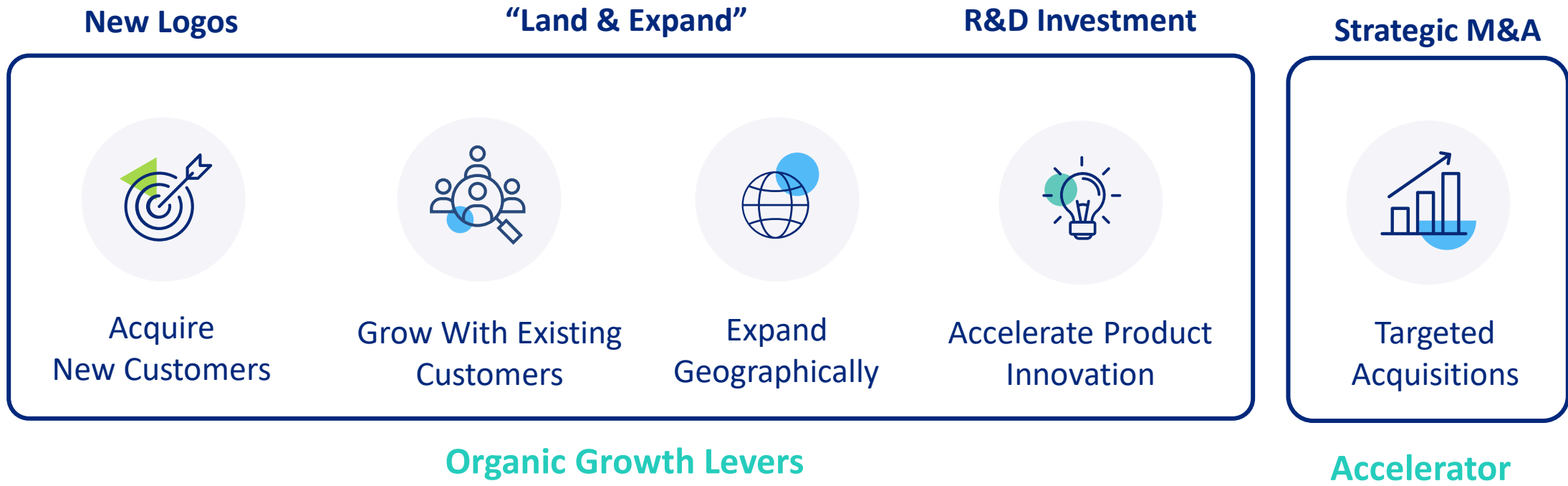
\*\* Europe includes UK, Nordics, Israel and rest of Europe

<sup>1</sup> Based on top 70% revenue. Tier 1, 2, 3, 4 and 5, represent Gross Written Premiums (GWP) of >\$5bn, \$1bn-\$5bn, \$250m-\$1bn and <\$250m, respectively.



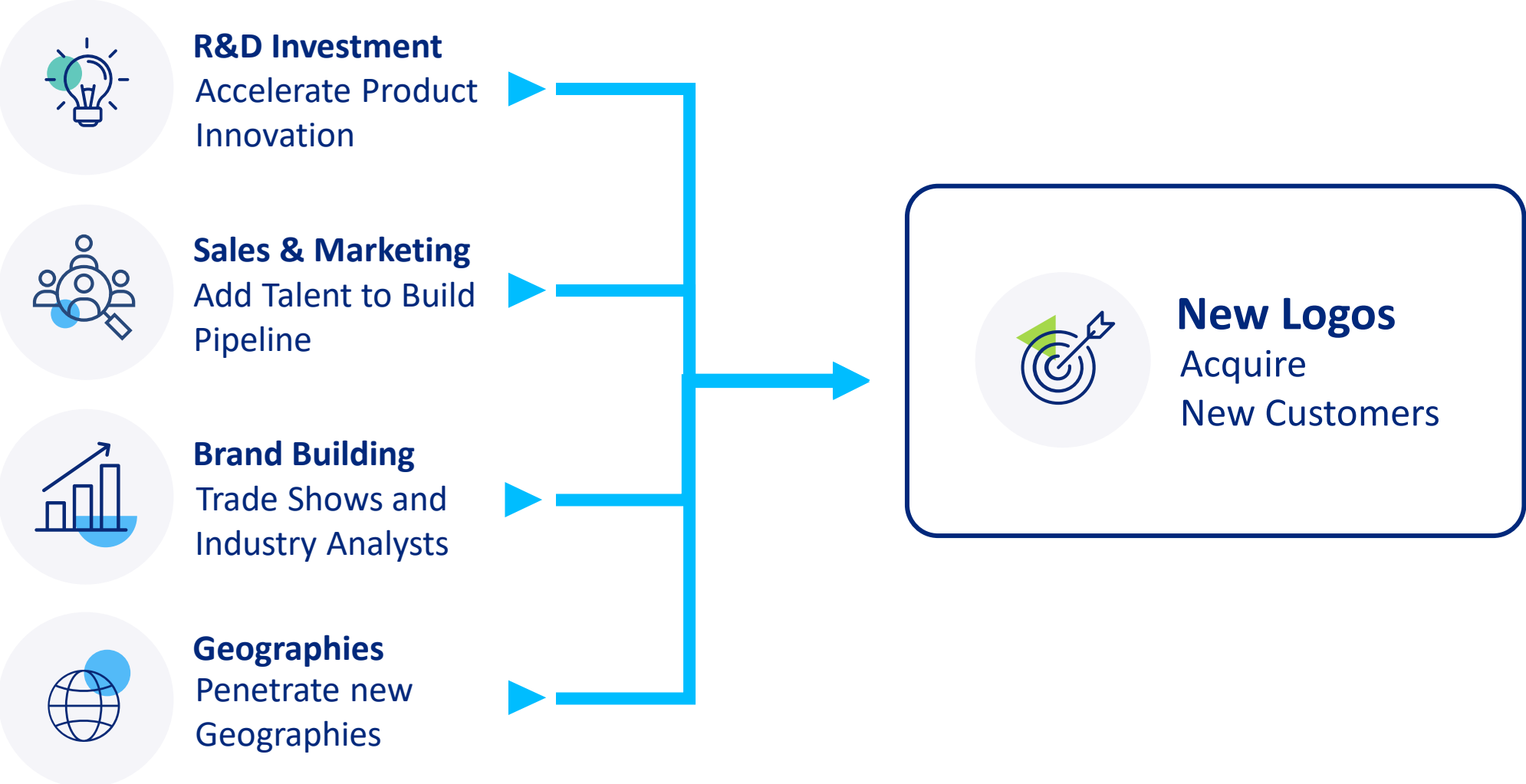
# Key Strategic Priorities to Drive Sustainable Growth

## Multiple Growth Levers






# Capture Market Share with New Logo

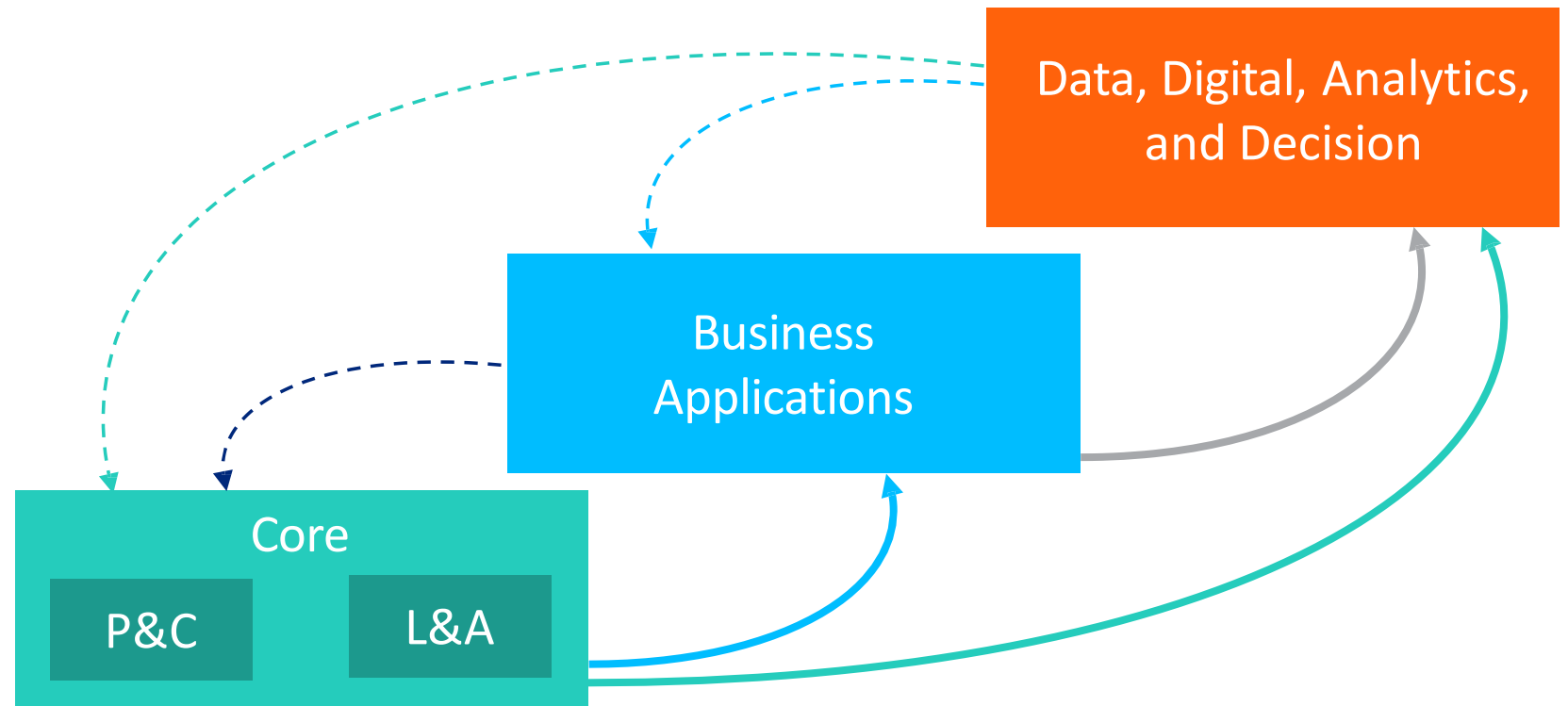


# Land and Expand Model

## Multi-directional Cross Selling Avenues...

...Across

-  **Products**
-  **Segments**
-  **Geographies**
-  **Services**



# Unprecedented Recognition from Industry Analysts

**EMEA P&C Policy Admin Report**

(CELENT, Feb 2023)



**Luminary**

(Excels in both Functionality and Technology)

**North America P&C Policy Admin Report**

(CELENT, Feb 2023)



**Functionality Stand Out**

**APAC P&C Policy Admin Report**

(CELENT Feb 2023)



**Luminary**

(Excels in both Functionality and Technology)

**North America Life NB & UW Report**

(CELENT, Dec 2022)



**Functionality Stand Out**

**EMEA Life Report Policy Admin Report**

(CELENT, December 2021)



**Functionality Stand Out**

# Successful Track Record of Strategic Acquisitions

Over a decade of strategic acquisitions supporting:

- Product extension
- Customer base
- Geography
- Technology
- Talent expansion



# A Compelling Financial Profile



Double digit  
10-Year  
Revenue CAGR



Recurring and  
re-occurring  
revenue



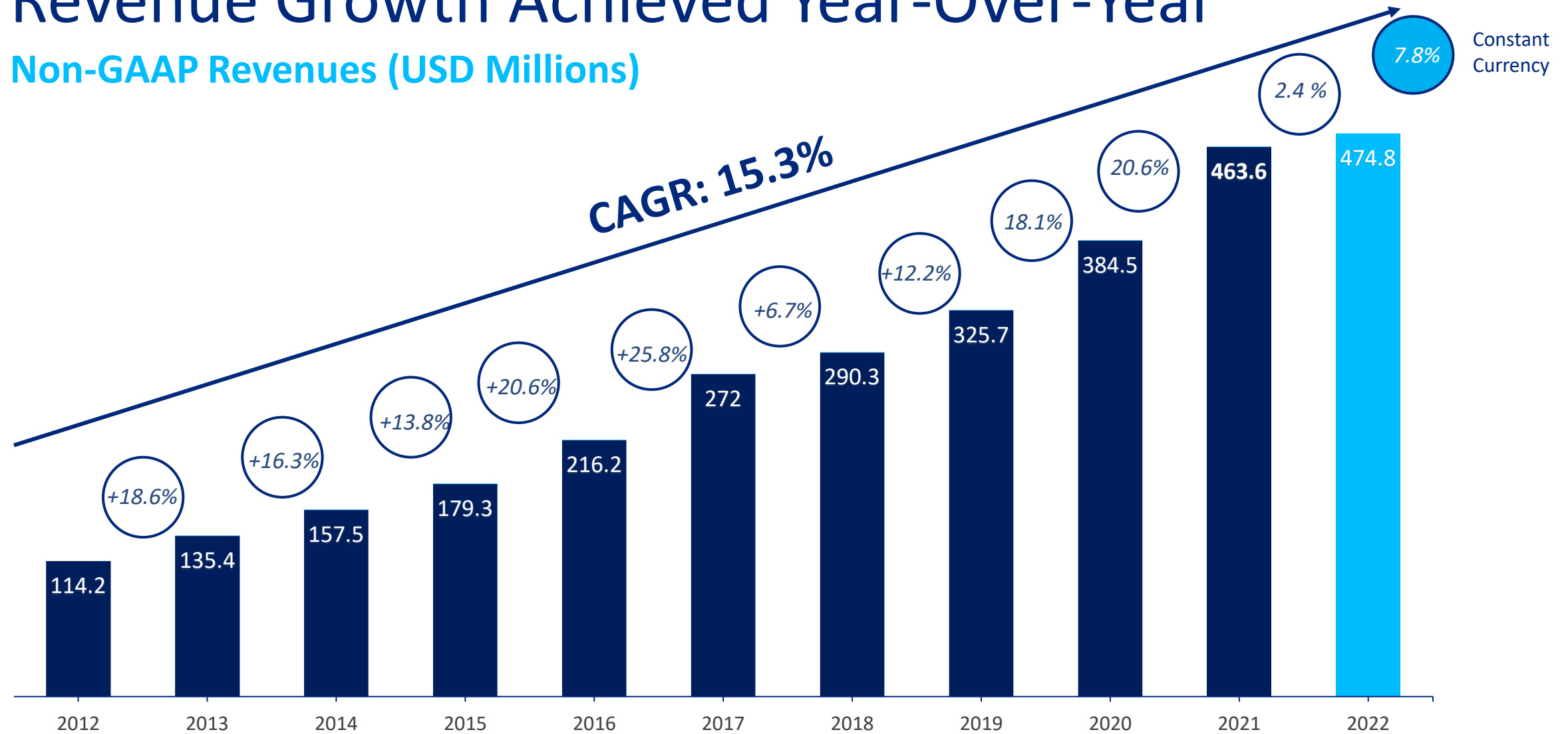
Profit and margin  
expansion



Resilient balance  
sheet, cash  
generation

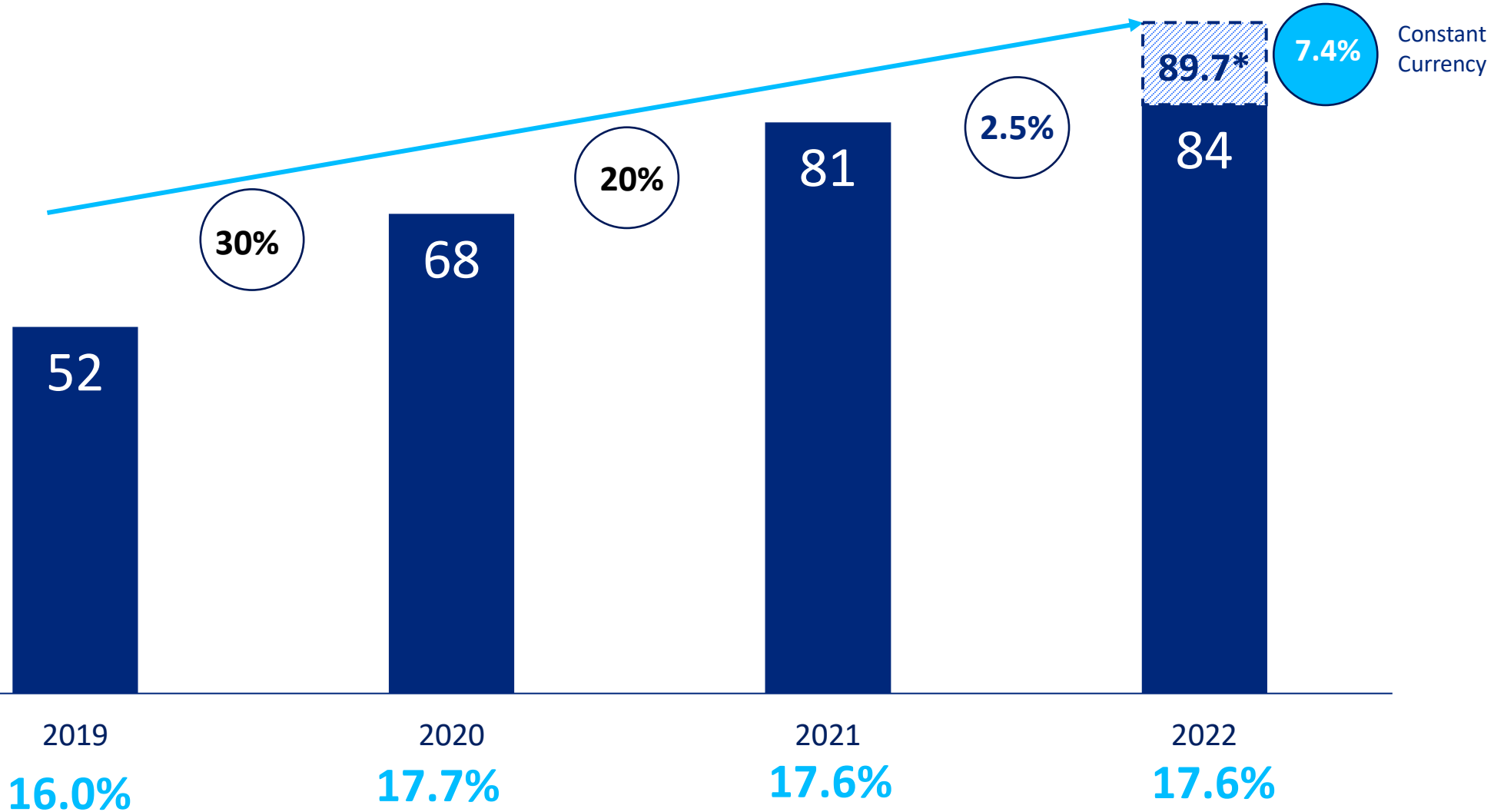
# Revenue Growth Achieved Year-Over-Year

Non-GAAP Revenues (USD Millions)



# Operating Profit Growth

Non-GAAP Profit (USD millions)

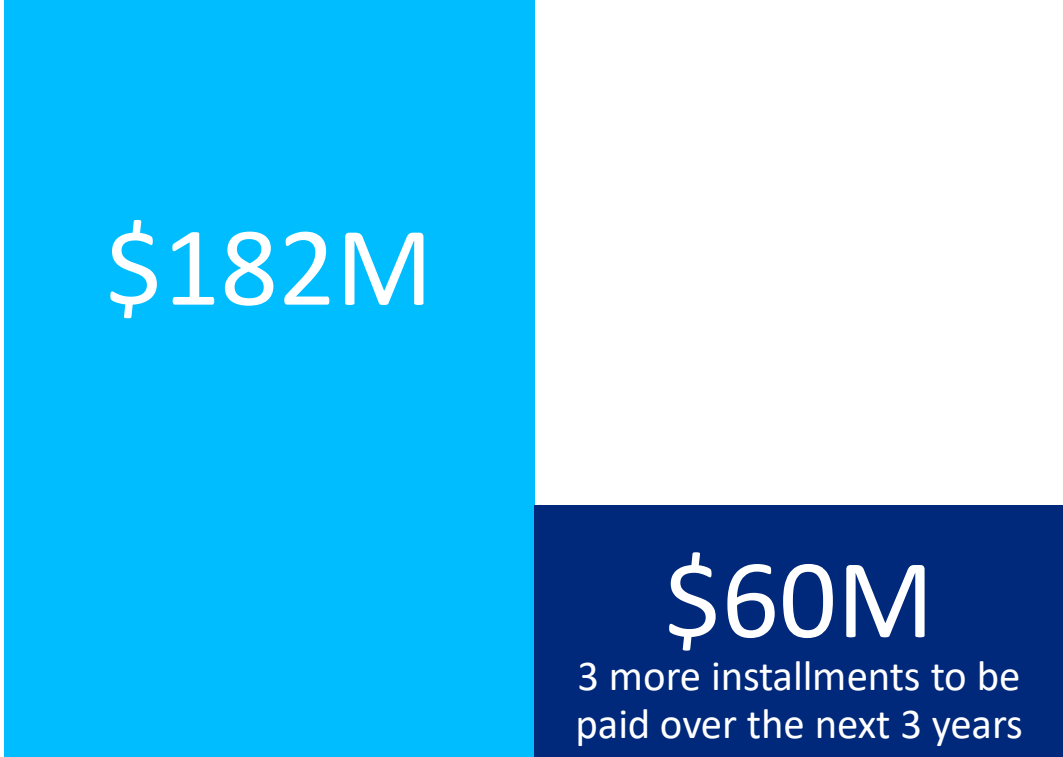


\* 2022 Operating profit on a constant currency base



# Strong Cash and Cash Equivalents (March 31, 2023)

USD millions



**Cash**  
Cash and Cash Investments

**Debt**  
3 more installments to be paid over the next 3 years  
S&P Israel (Mallot): ilAA

2020	- \$ 7M (COVID-19)
2021	- \$ 20M
2022	- \$ 39M
2023	- \$ \$13.8M

**Dividend Distribution\***  
Up to 40% of non-GAAP net income paid twice a year



**SAPIENS**

# Thank you!

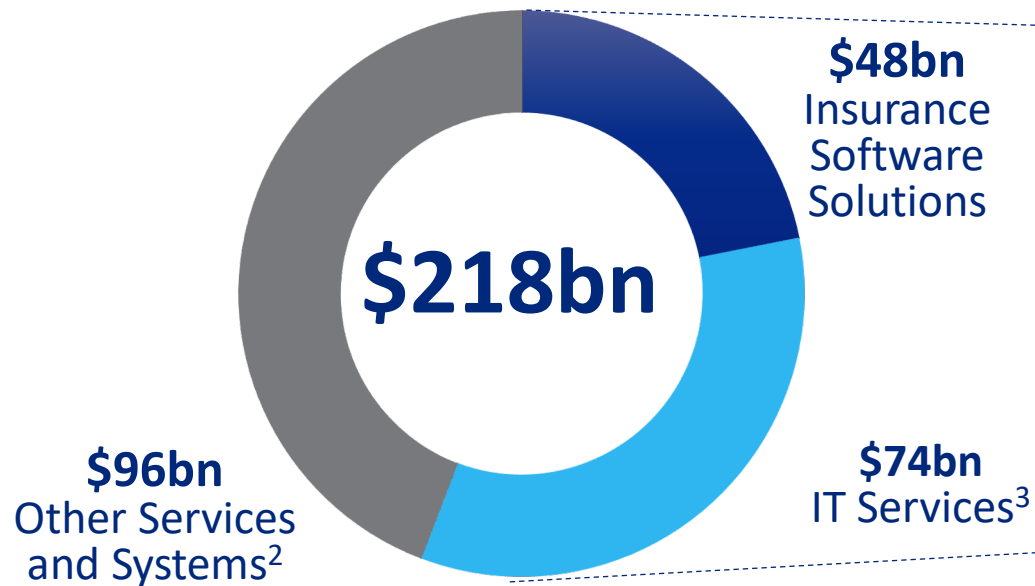
Contact Us

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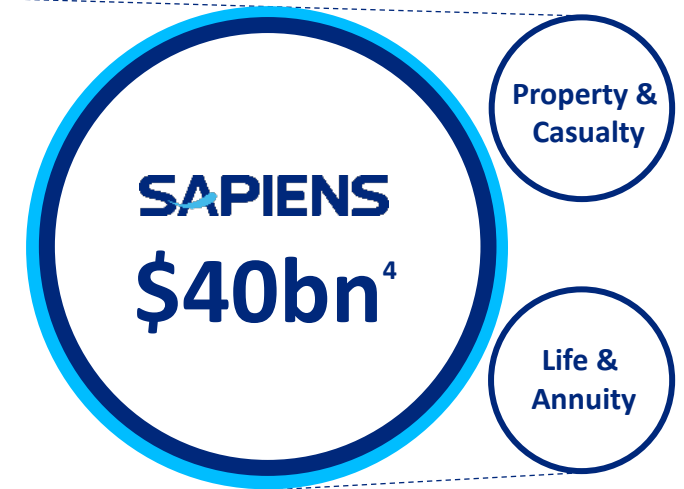


# Unique Market Position Delivers a Large and Growing TAM

## Global Insurance Technology Spending<sup>1</sup>



## Target Market Insurance Software Solutions and Services



Source: <sup>1</sup>Gartner, Forecast: Enterprise IT Spending for the Insurance Market, Worldwide, 2018-2024, 2Q20 Update. <sup>2</sup> Includes internal services, telecom services, devices, and datacenter systems. <sup>3</sup> Includes consulting, business process outsourcing, implementation, managed services and cloud infrastructure services. <sup>4</sup> Source: Company's estimates; The above mentioned report by Gartner; Celent, IT Spending in Insurance, September-2020.

# Why Customers Choose Sapiens: Bringing it All together



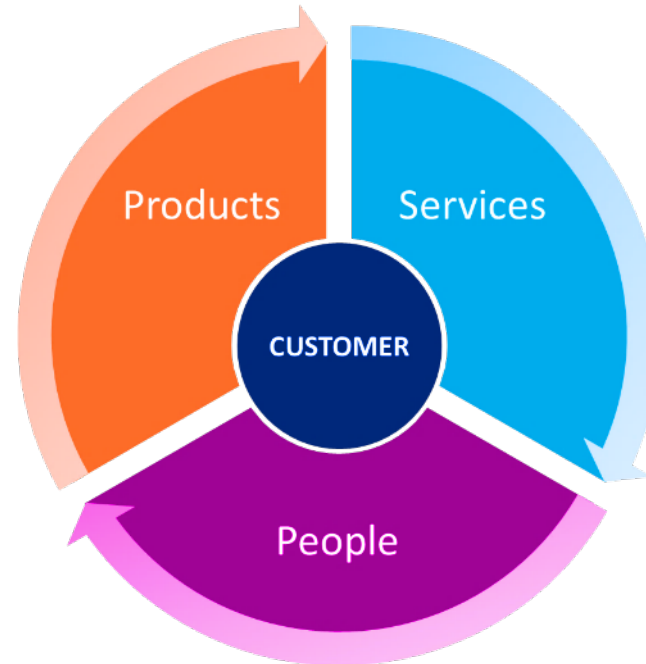
## Innovative Product Portfolio

- Leading industry offerings
- Best-of-Breed strategy
- Leverage the power of the cloud
- Tightly aligned delivery



## Scalable Delivery Infrastructure

- On-, near-, and off-shore
- Work with implementation partners where it is needed and benefits customers
- Extensive experience, global & local knowledge



## Solid Implementation record

### Professional Services:

- Program Management
- Integration
- Migration
- Testing
- Training



## Cloud Services

### Application, Infrastructure and Platform Management

- Public Cloud
- Private Cloud
- Hybrid Environment
- On-premise