



Q2 2025 Investor Presentation

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August 13, 2025

Forward Looking Statements

Certain matters discussed in this presentation, that are incorporated herein and therein by reference are forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, that are based on our beliefs, assumptions and expectations, as well as information currently available to us. Such forward-looking statements may be identified by the use of the words “anticipate,” “believe,” “estimate,” “expect,” “may,” “will,” “plan” and similar expressions. Such statements reflect our current views with respect to future events and are subject to certain risks and uncertainties. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to: the COVID-19 (coronavirus) pandemic, which may last longer than expected and materially adversely affect our results of operations; the degree of our success in our plans to leverage our global footprint to grow our sales; the degree of our success in integrating the companies that we have acquired through the implementation of our M&A growth strategy; the lengthy development cycles for our solutions, which may frustrate our ability to realize revenues and/or profits from our potential new solutions; our lengthy and complex sales cycles, which do not always result in the realization of revenues; the degree of our success in retaining our existing customers or competing effectively for greater market share; difficulties in successfully planning and managing changes in the size of our operations; the frequency of the long-term, large, complex projects that we perform that involve complex estimates of project costs and profit margins, which sometimes change mid-stream; the challenges and potential liability that heightened privacy laws and regulations pose to our business; occasional disputes with clients, which may adversely impact our results of operations and our reputation; various intellectual property issues related to our business; potential unanticipated product vulnerabilities or cybersecurity breaches of our or our customers’ systems; risks related to the insurance industry in which our clients operate; risks associated with our global sales and operations, such as changes in regulatory requirements, wide-spread viruses and epidemics like the recent novel coronavirus outbreak, or fluctuations in currency exchange rates; and risks related to our principal location in Israel and our status as a Cayman Islands company.

While we believe such forward-looking statements are based on reasonable assumptions, should one or more of the underlying assumptions prove incorrect, or these risks or uncertainties materialize, our actual results may differ materially from those expressed or implied by the forward-looking statements. Under the heading “Risk Factors” in our most recent Annual Report on Form 20-F and in our other filings with the SEC, in order to review conditions that we believe could cause actual results to differ materially from those contemplated by the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in our expectations.

Sapiens is the Most Comprehensive Insurance Software Platform in the Market

One-stop software solutions enabling the modern carrier experience

Who we are

The only truly global provider of intelligent, purpose-built software solutions spanning the **entire insurance value chain**

What we do

Provide a suite of **mission-critical solutions** across Property & Casualty (P&C), Life Pensions & Annuity (LP&A), and Workers' Compensation markets.

How we do it

Robust, configurable insurance platform with a full suite of services and decades of experience accelerating customers' digital transformation

Who we do it for

Tier 1 – 5 insurance carriers around the globe seeking to **digitally transform** their businesses in EMEA, North America, and APAC to the next generation

Our Mission

To 'future-proof' insurance organizations through intelligent software solutions, enabling them to exceed customer expectations and sustain their value in a competitive marketplace.

Sapiens at a Glance (NASDAQ: SPNS)



~\$542M
Revenue



14%
Revenue CAGR
(’12 – ’24)



600+
Customers



\$103M
EBITDA



19%
EBITDA
Margin



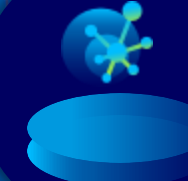
72%
Recurring
& reoccurring



\$60B+
Global TAM

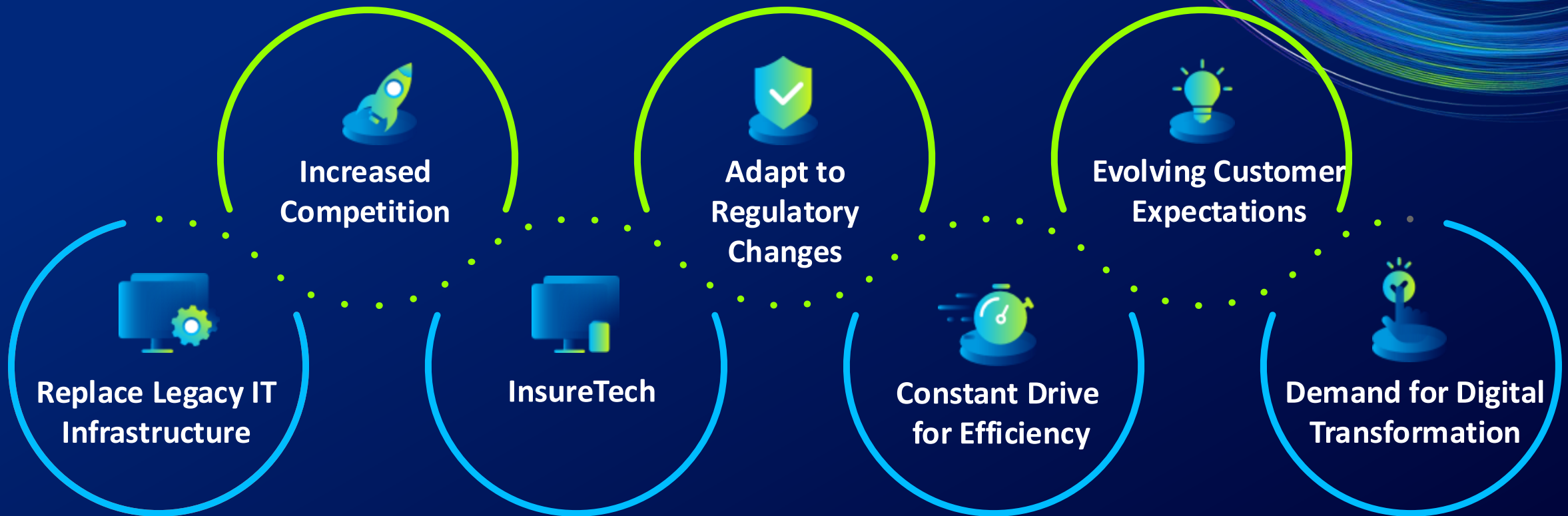


38
Countries



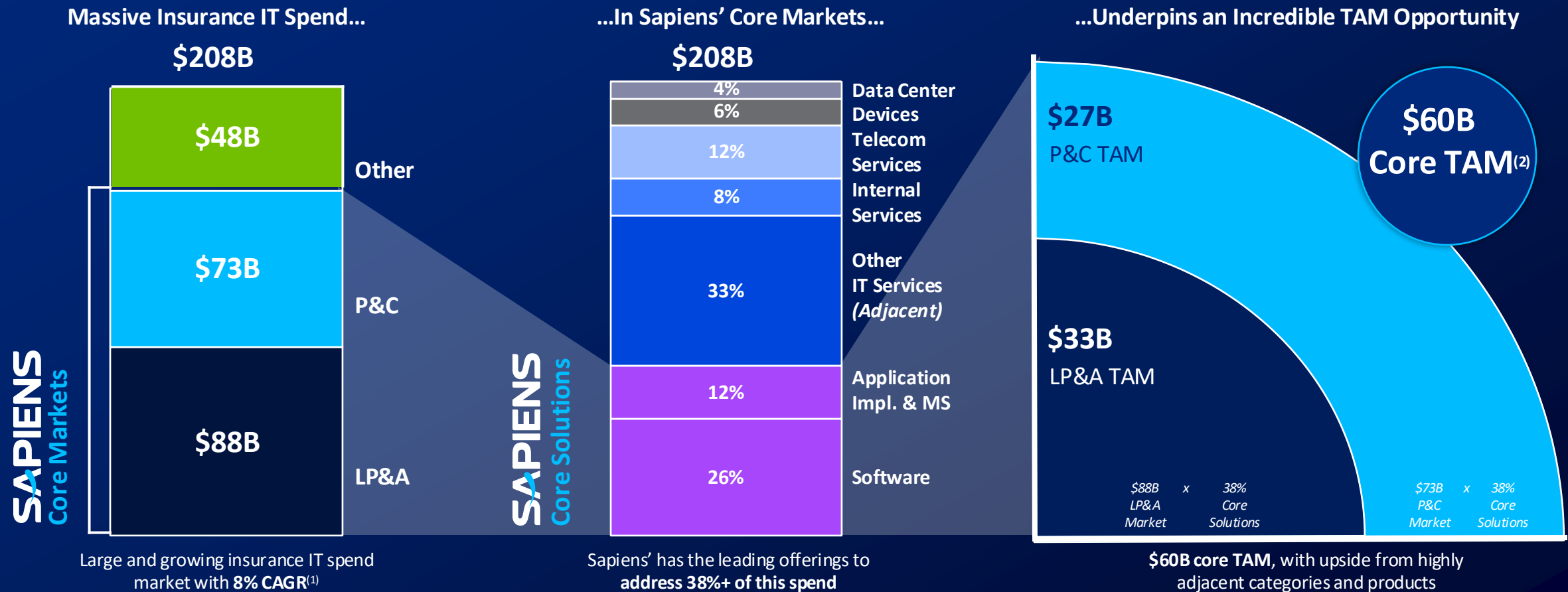
Serving
P&C and **L&A**

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

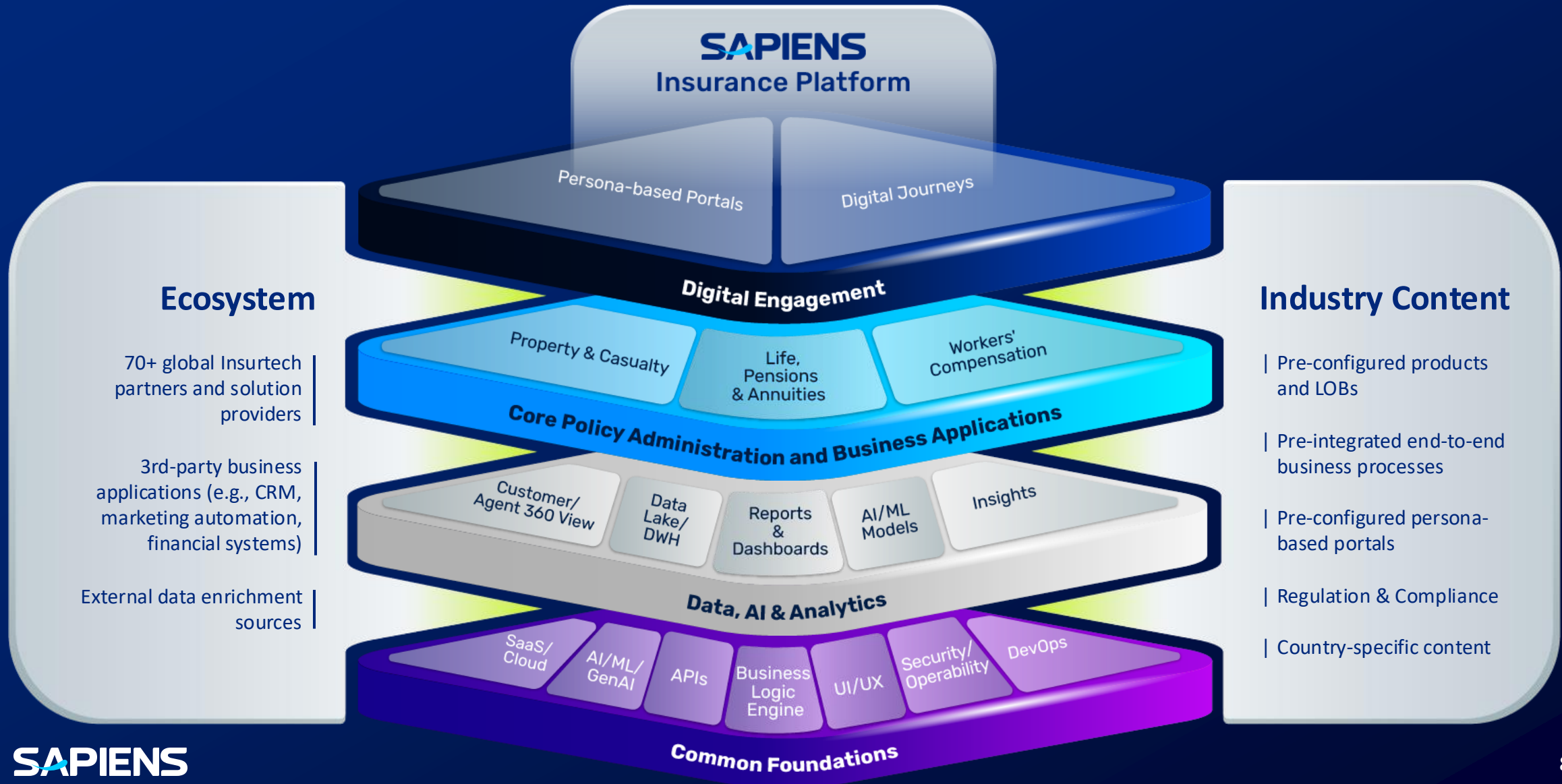


Sapiens is at the Center of a Large and Growing Market Opportunity

Outdated insurers technology presents a **MASSIVE** market for Sapiens



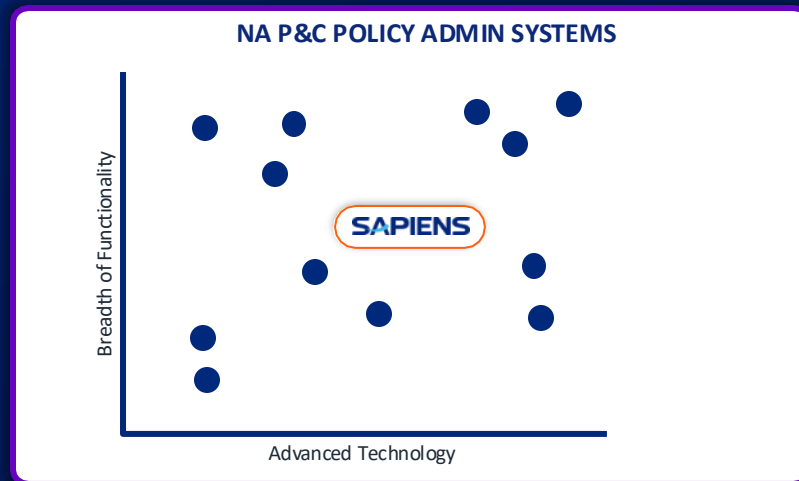
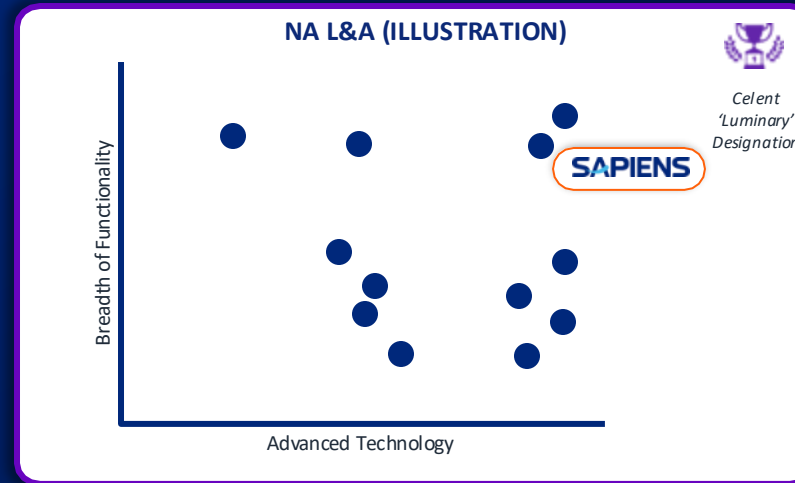
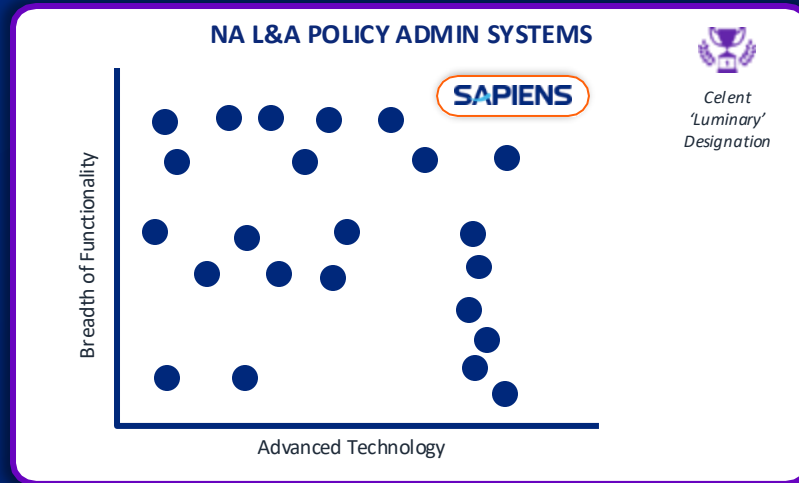
Sapiens Insurance Platform



Sapiens is the Recognized Leader by Analysts

Clear market recognition driven by Sapiens' innovative product strategy and leadership

NORTH AMERICA



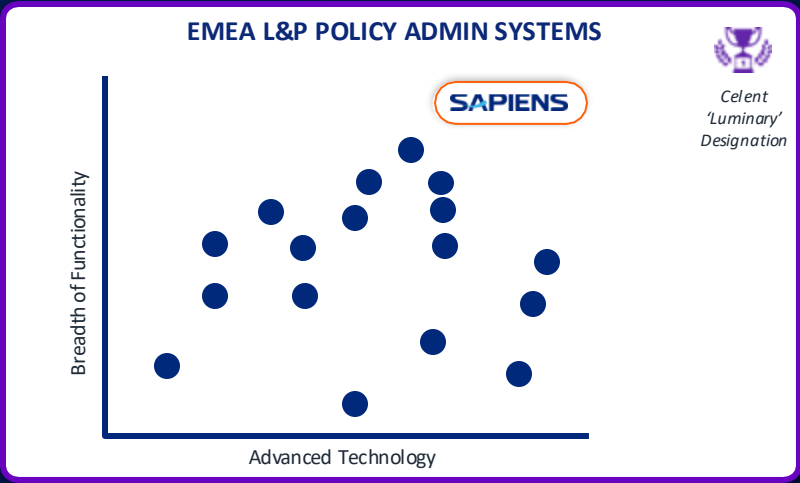
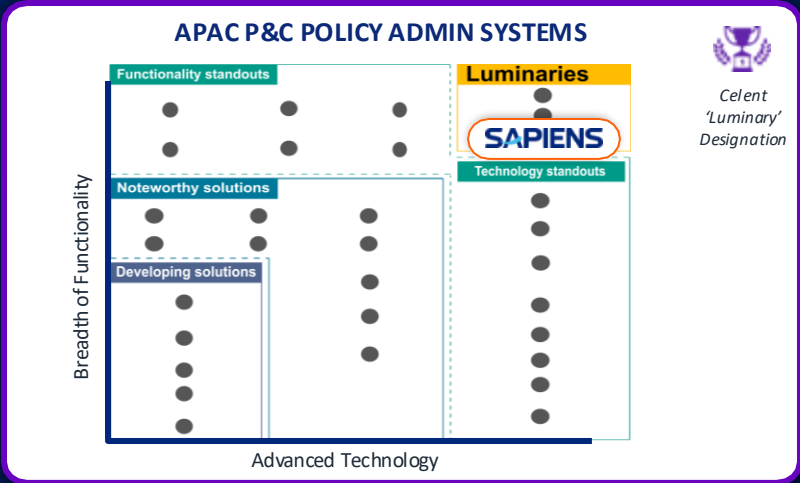
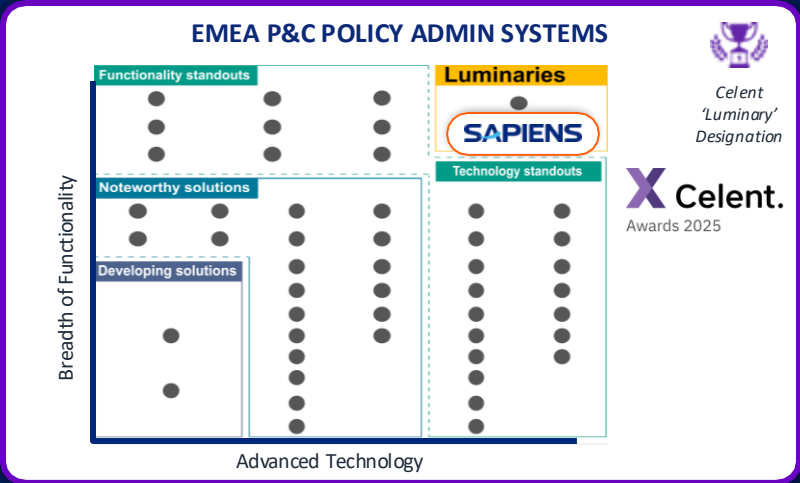
CELENT

ABC Vendor Maps

Sapiens is the Recognized Leader by Analysts

Clear market recognition driven by Sapiens' innovative product strategy and leadership

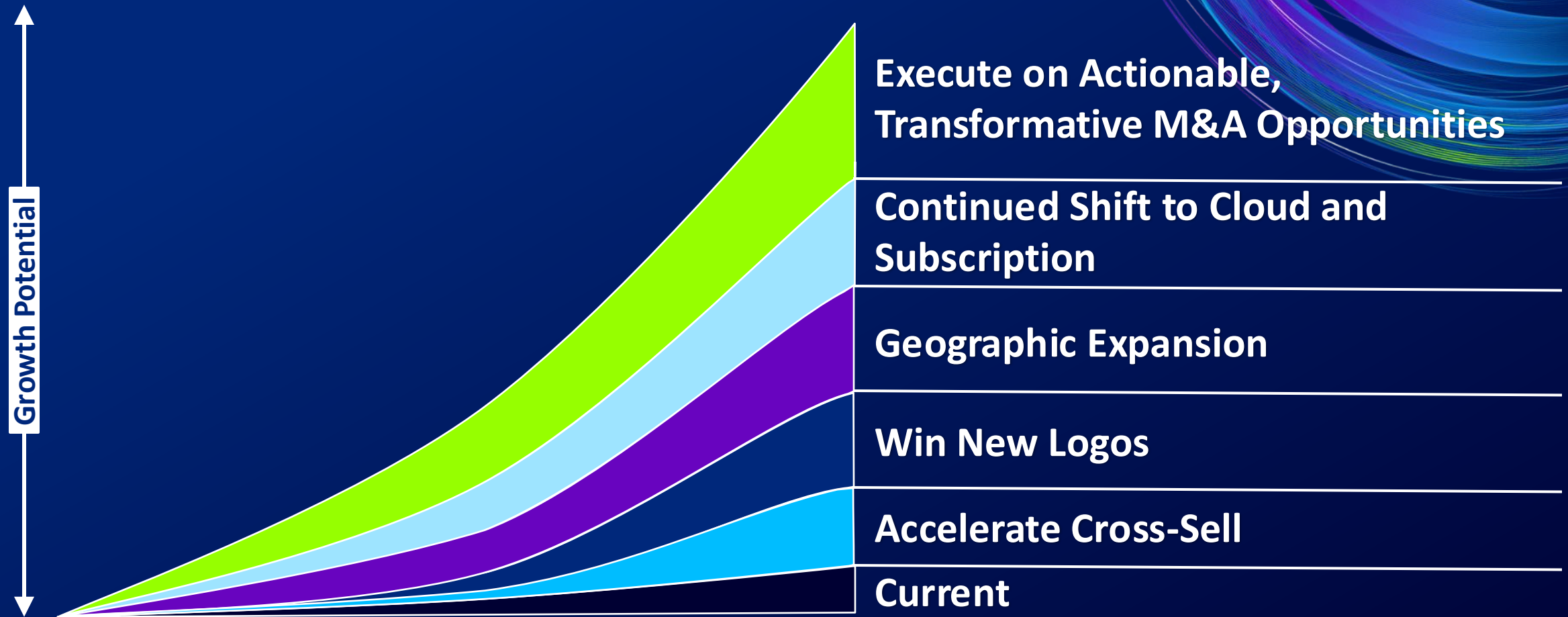
EMEA & APAC



CELENT

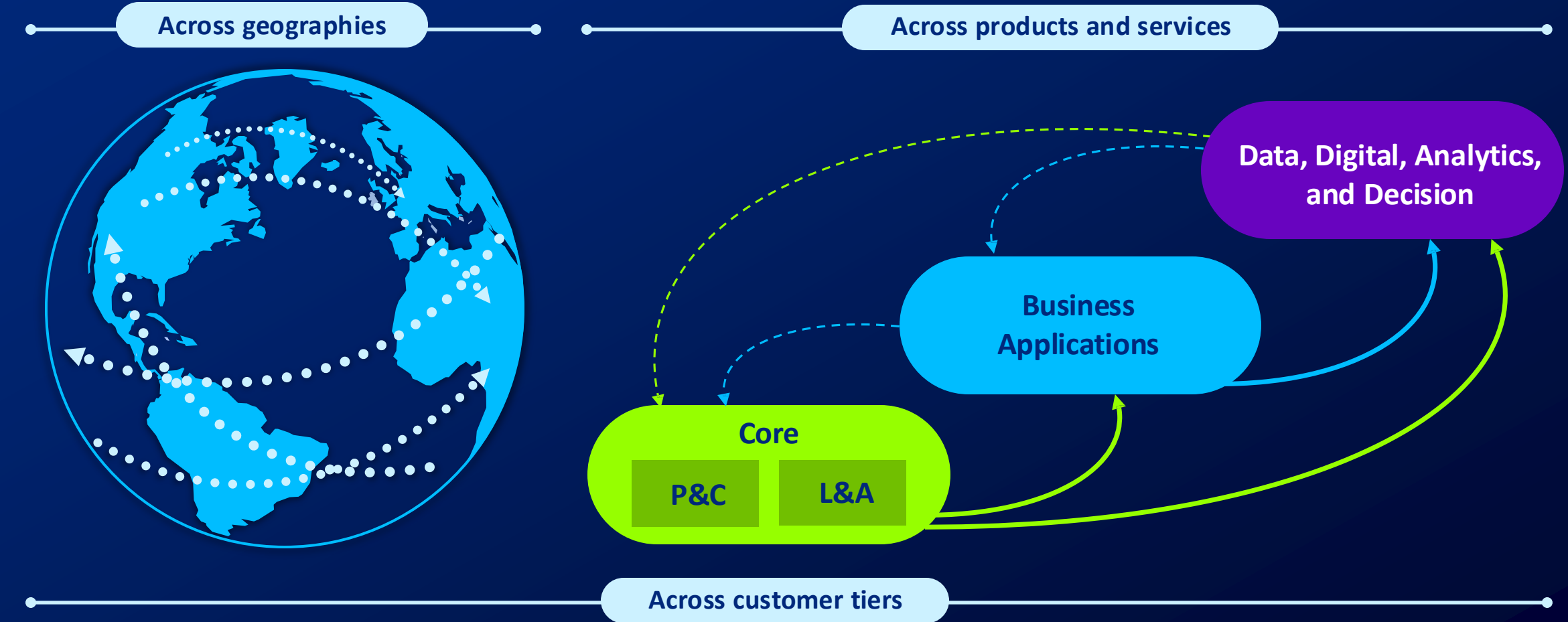
ABC Vendor Maps

Clear Growth Opportunities to Achieve Long-Term Vision

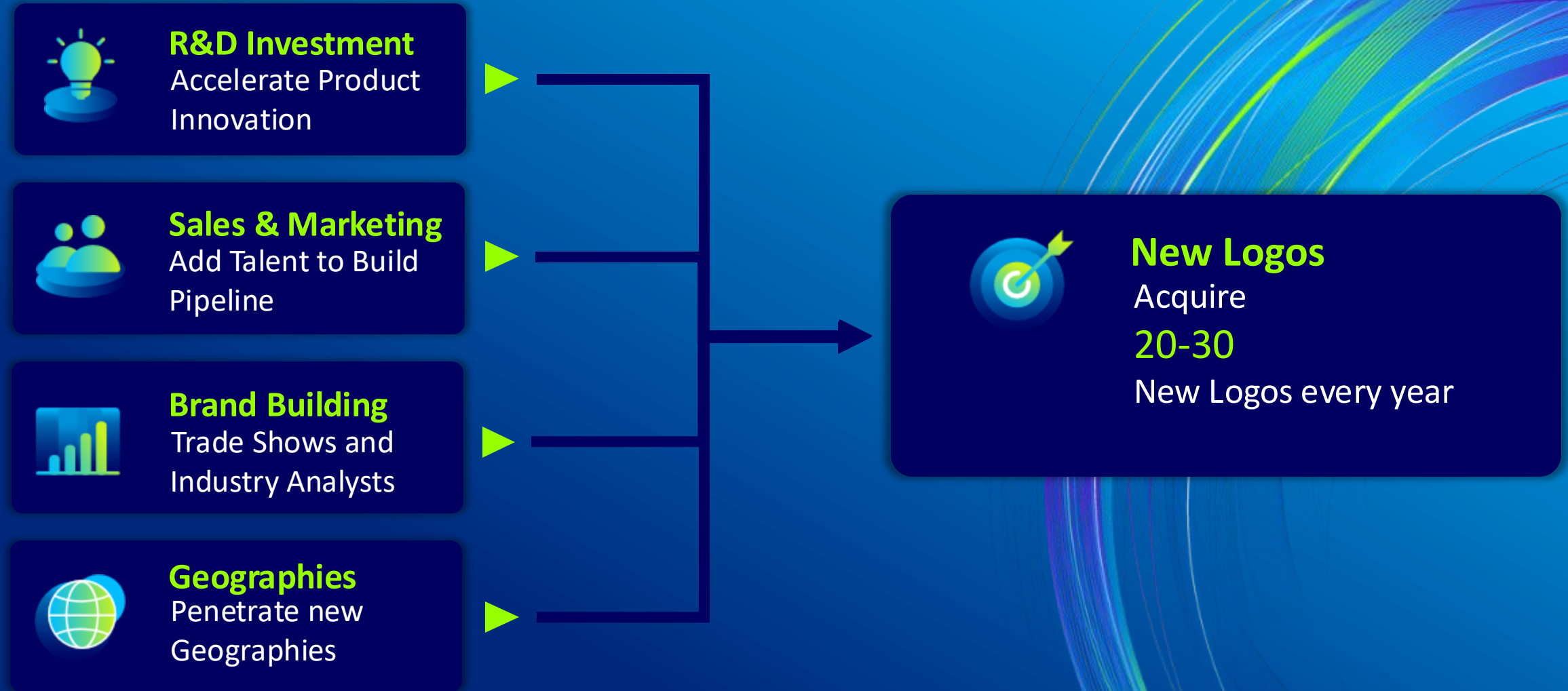


Cross-Sell: Massive Acceleration Opportunity

Multi-directional cross selling opportunities across all customer tiers



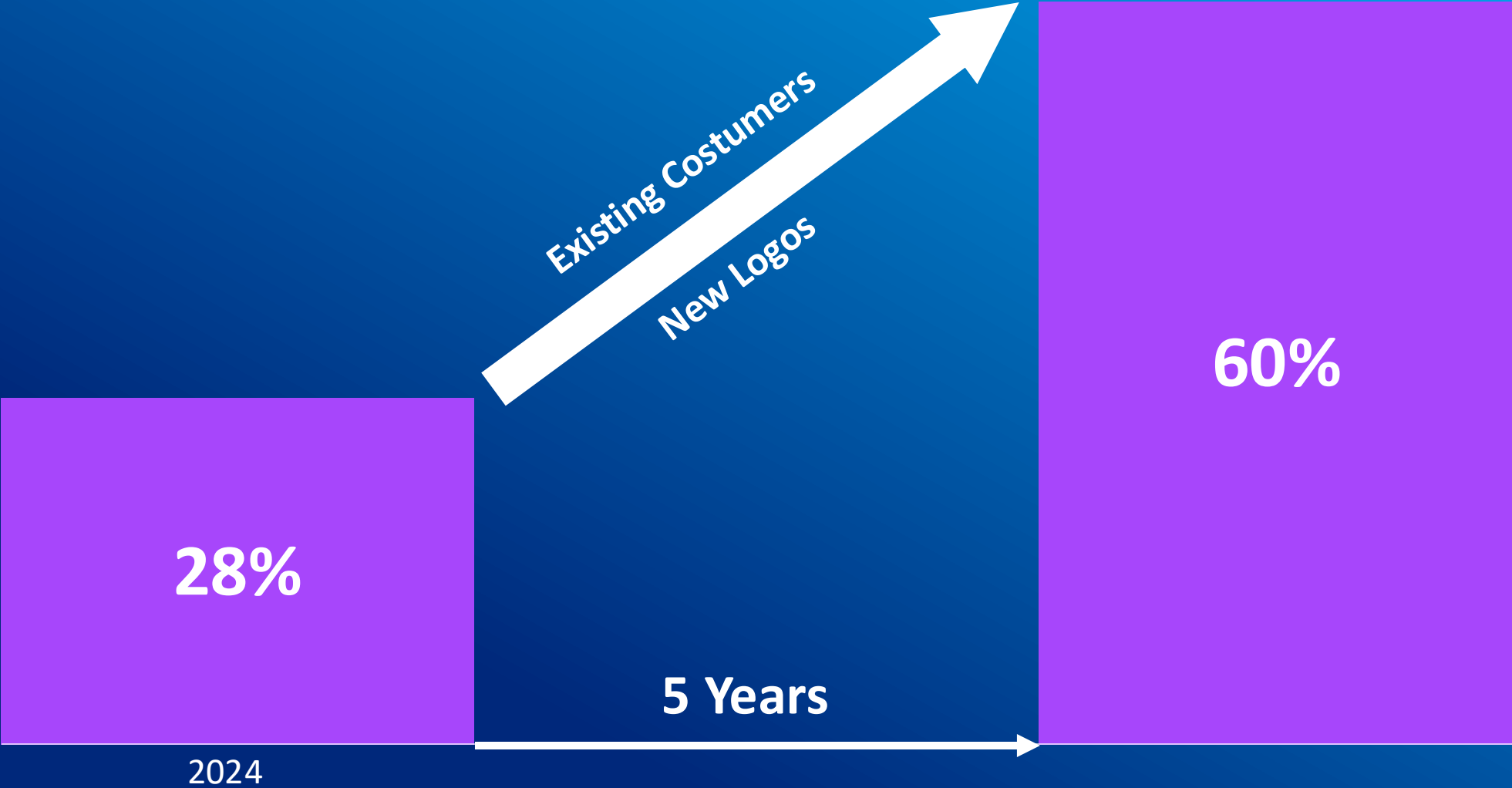
Capture Market Share with New Logo



Territory Snapshot

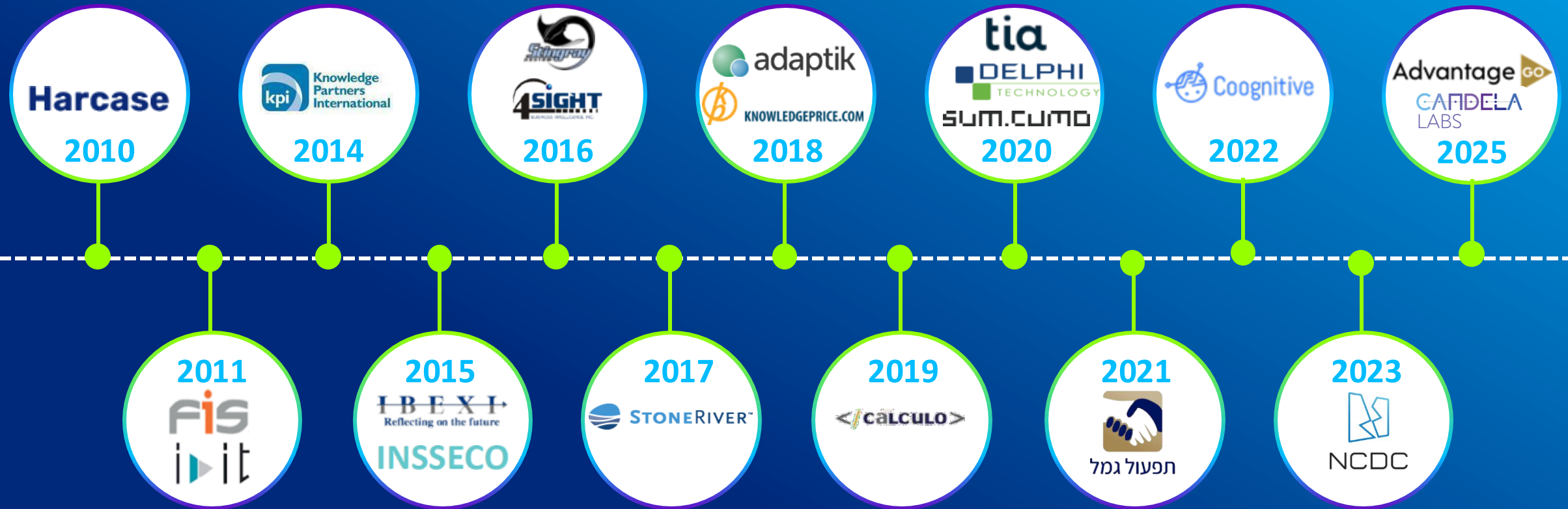


Accelerate Cloud SaaS Transformation



M&A: Proven Track Record of Successfully Integrating Businesses Globally

A history of strategic acquisitions expands Sapiens' portfolio, capabilities and technology, and increases our presence in high growth markets



Financials

A Compelling Financial Profile



**Double digit
10-Year
Revenue CAGR**



**Recurring and
re-occurring
revenue**



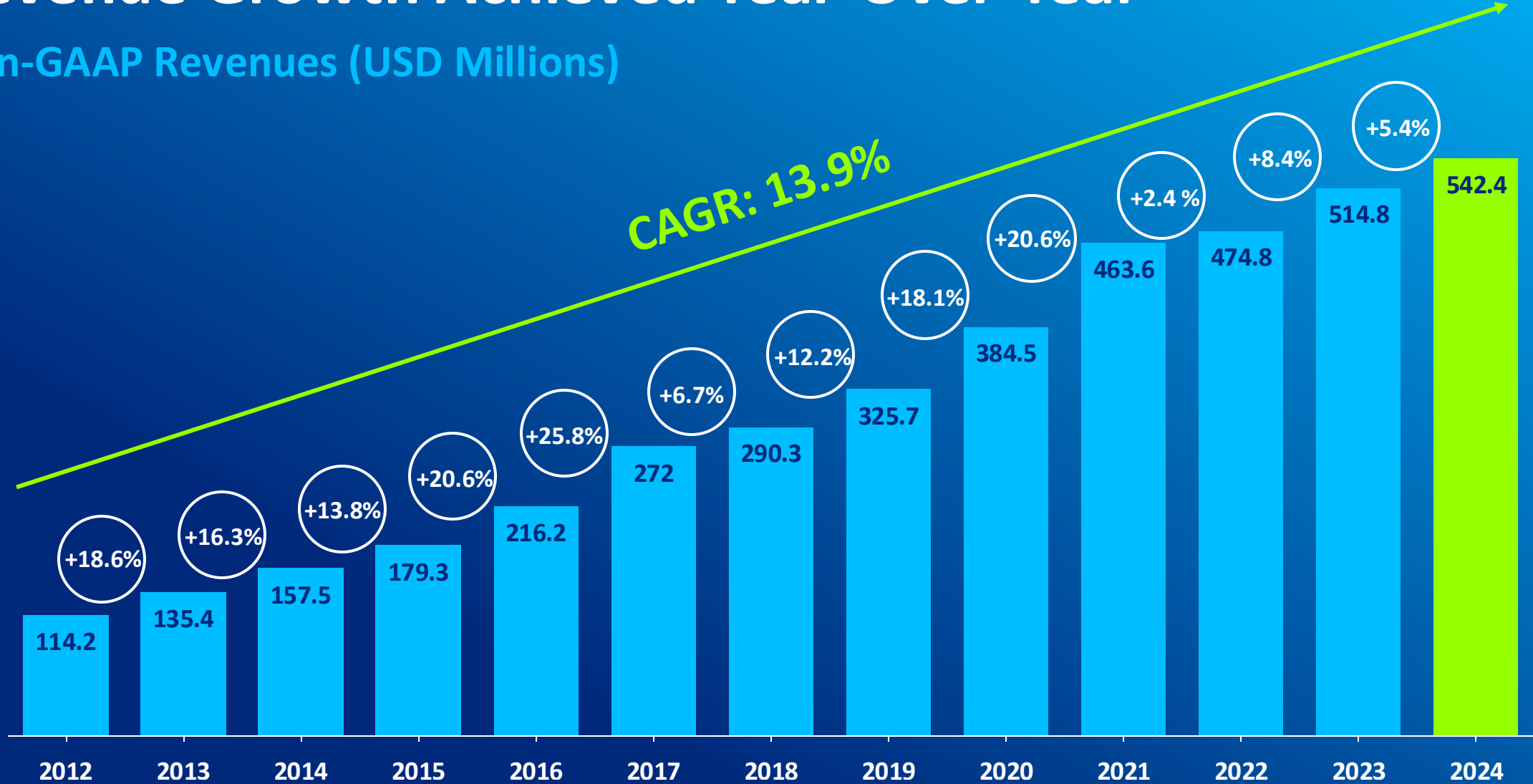
**Profit and
margin
expansion**



**Resilient
balance sheet,
cash
generation**

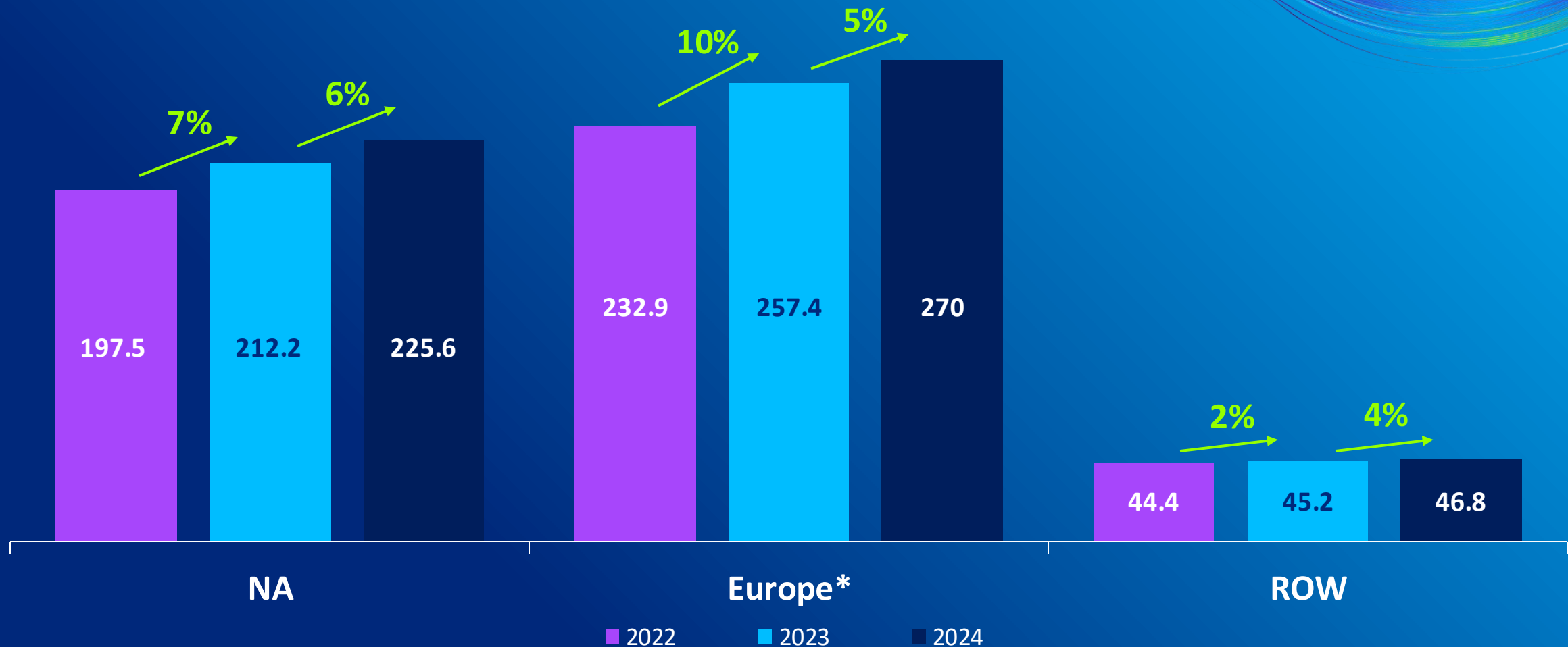
Revenue Growth Achieved Year-Over-Year

Non-GAAP Revenues (USD Millions)



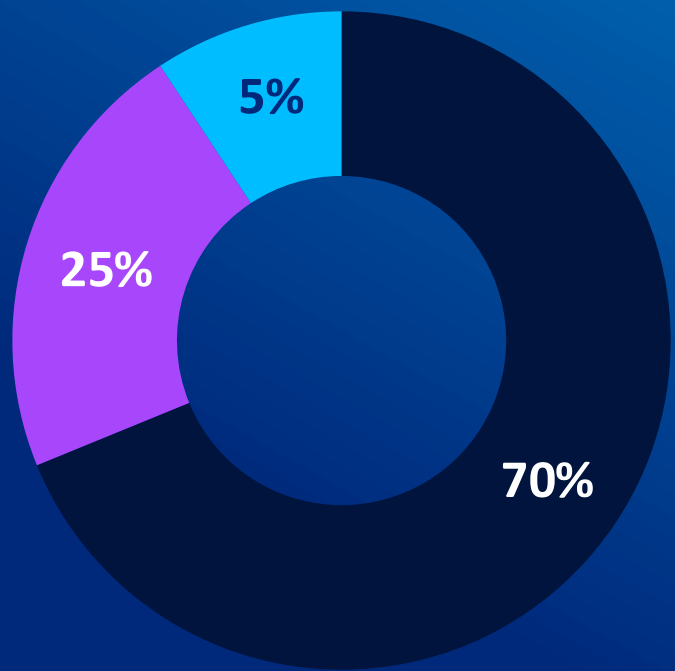
Annual Revenue Growth - By Geography

Non-GAAP Revenue (USD millions)



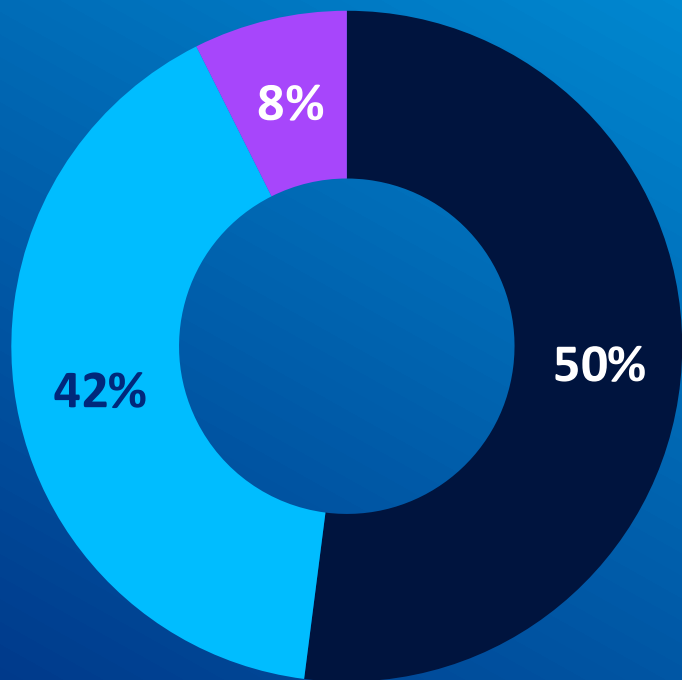
2024 Annual Analysis: Unique Proposition

Multiple Segments
By Market



■ P&C ■ L&A ■ Other

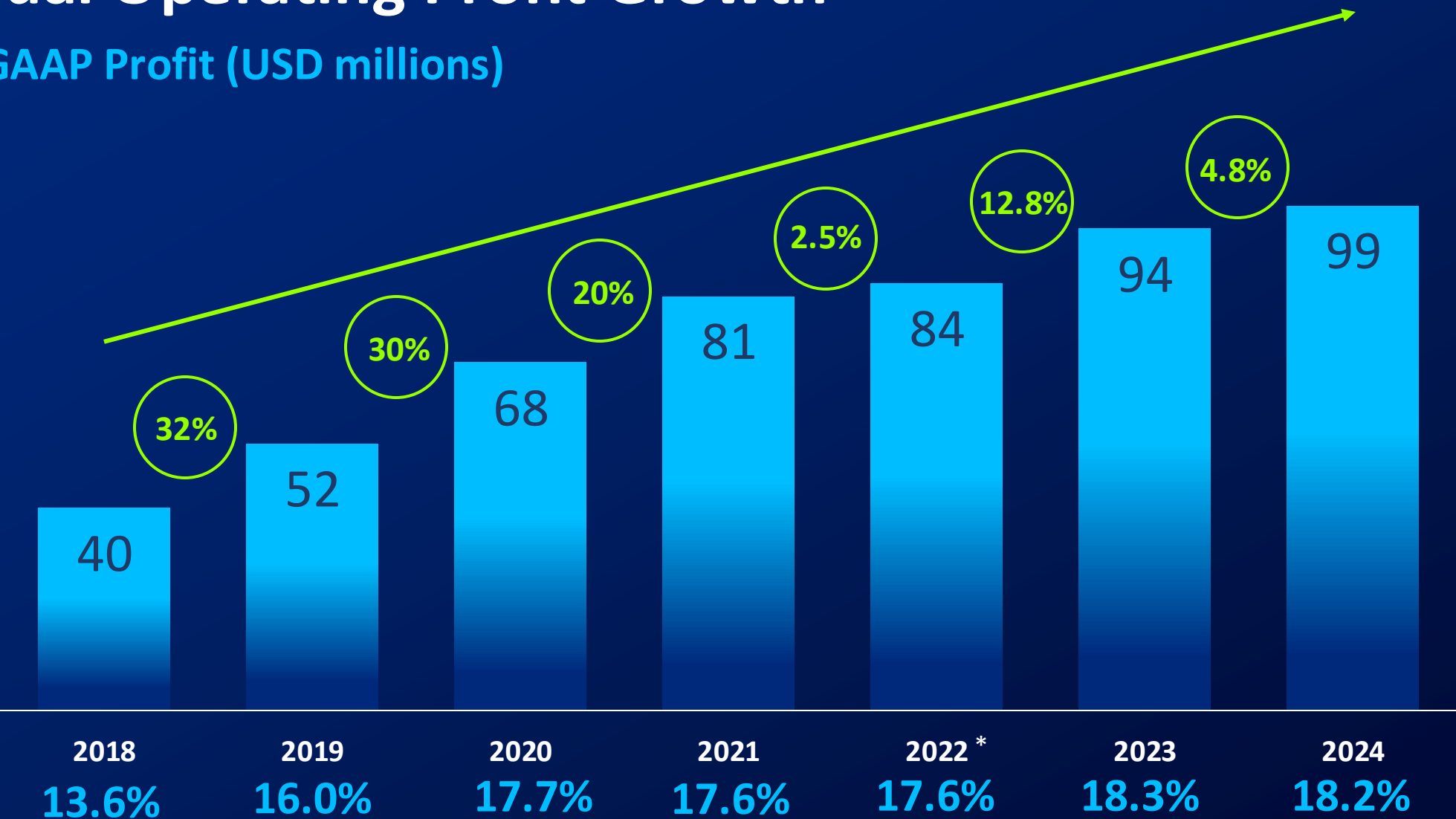
Global Player
By Geography



■ EUROPE ■ North America ■ ROW

Annual Operating Profit Growth

Non-GAAP Profit (USD millions)





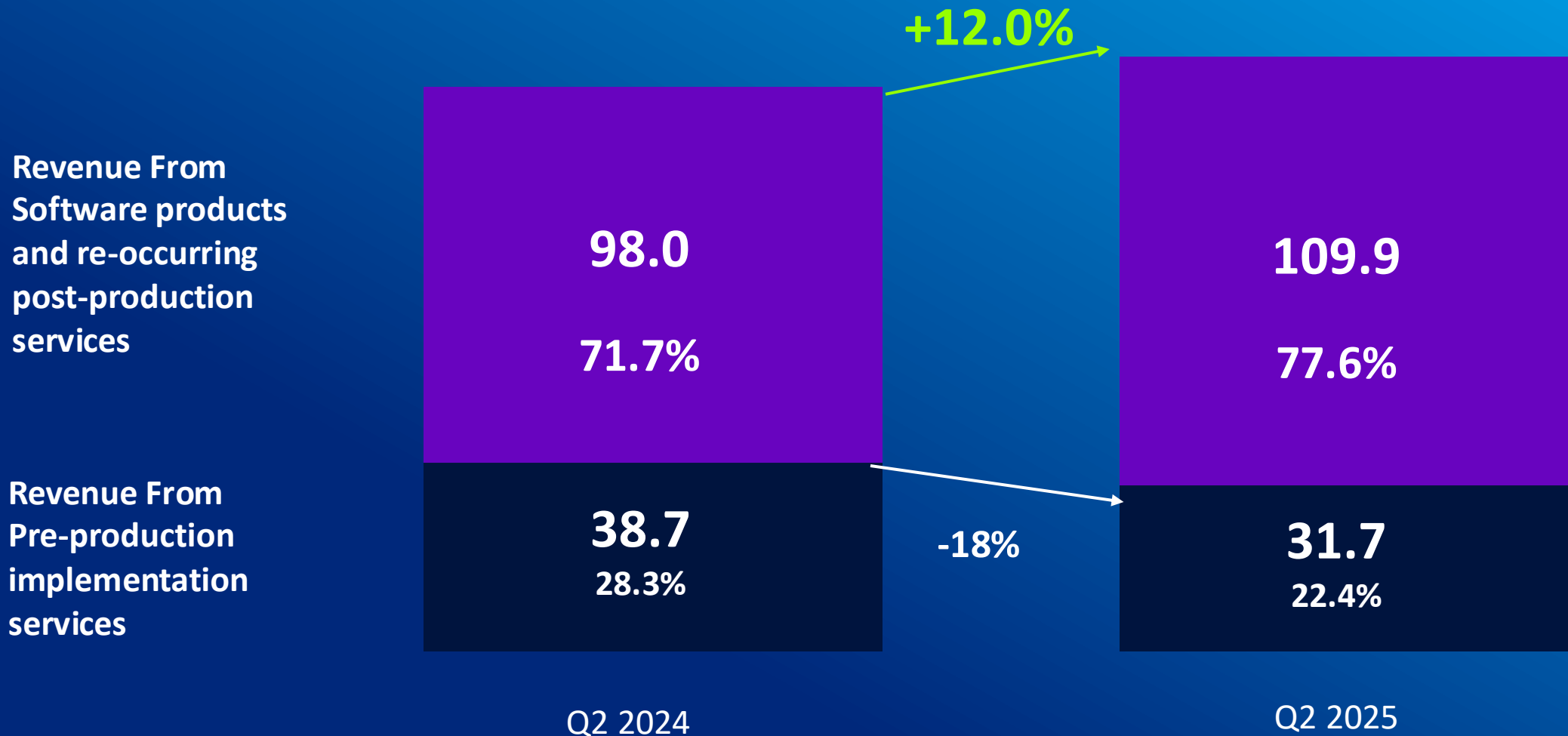
Q2 2025

SAPIENS

Q2 2025 Highlights

Non-GAAP	Q2 2025	Q2 2024	% Change
Revenue	\$141.6	\$136.8	3.5 %
Gross Profit	\$64.8	\$62.5	3.8%
Gross Margin	45.8%	45.7%	10 bps
Operating Income	\$23.1	\$24.8	-7.1%
Operating Margin	16.3 %	18.2%	-190 bps
Net Income (*)	\$19.3	\$21.0	-8.2%
Diluted EPS	\$0.34	\$0.37	-8.1%

Business Stickiness - Recurring and Re-Occurring



Annualized Recurring Revenue – ARR



Cash and Cash Equivalents (June 30, 2025)

USD millions

\$74.5M

Cash

Cash and Cash Investments

\$20M

Debt

S&P Israel (Mallot): ilAA-/Stable

2022 - \$ 38.6M*

2023 - \$ 28.1M

2024 - \$ 31.8M

2025 - \$37**

Dividend Distribution

Up to 40% of non-GAAP net income
paid twice a year

Adjusted Free Cash Flow Q2 2025

Non-GAAP (USD Thousands)

Free Cash Flow	Q2 2025	Q2 2024
Cash flow from operating activities	1.87	8.5
Increase in capitalized software development costs	(1.8)	(1.8)
Capital expenditures	(1.0)	(0.6)
Free cash flow	(0.9)	6.1
Cash payments attributed to acquisition-related costs (included in cash flow from operating activities)	0.6	0.1
Adjusted Free cash flow	(0.3)	6.2
Non-GAAP Net Income	19.5	21.0

A close-up, low-angle shot of a futuristic circuit board. The board is dark, possibly black or dark blue, and is covered with intricate, glowing patterns of light. The lights are primarily a vibrant blue and a warm orange, creating a high-contrast, futuristic aesthetic. The lighting is arranged in various patterns, including straight lines, curves, and clusters of small dots, suggesting a complex, high-tech environment. The background is slightly blurred, emphasizing the details of the circuit board in the foreground.

Growth 2026 and Beyond

Growth 2026 and Beyond

New logos

- Increase sales team
- Platform

Cross-sell

- Increase client partner team
- Platform with integrated solutions

SIs

- Initiative started in 2023
- Partner with several SIs globally
- 2 deals signed in NA
- Increase pipeline

Transition to Cloud/SaaS

- Increase from 28% to 60%
- Proven transition through all tiers
- Strong partnership with Microsoft

Life

- Strong momentum
- Leading product
- Less competitive market

M&A

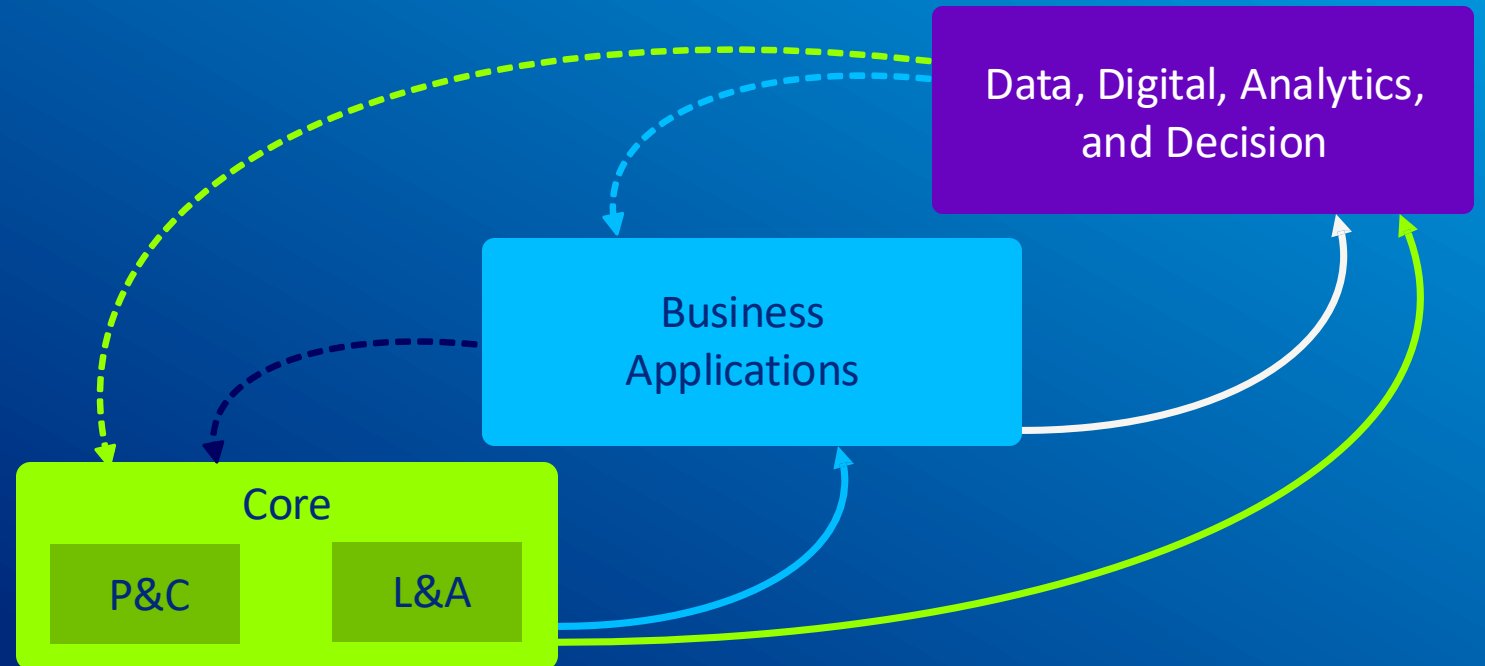
- Back to business

Cross-Sell: Massive Acceleration Opportunity

Multi-directional cross selling opportunities across all customer tiers

Across geographies

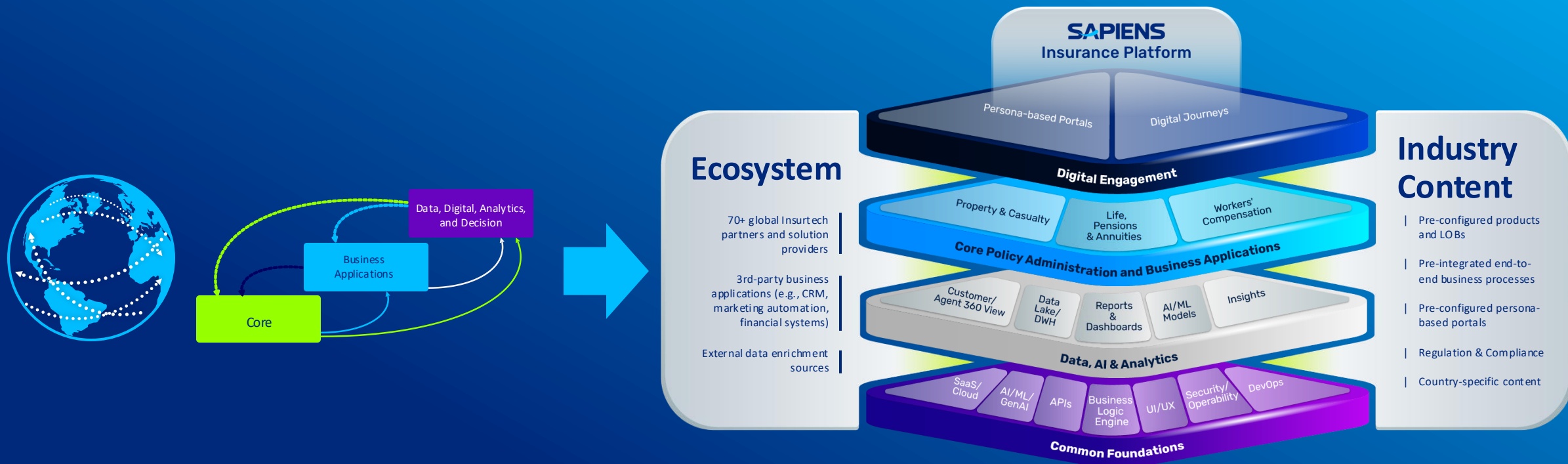
Across products and services



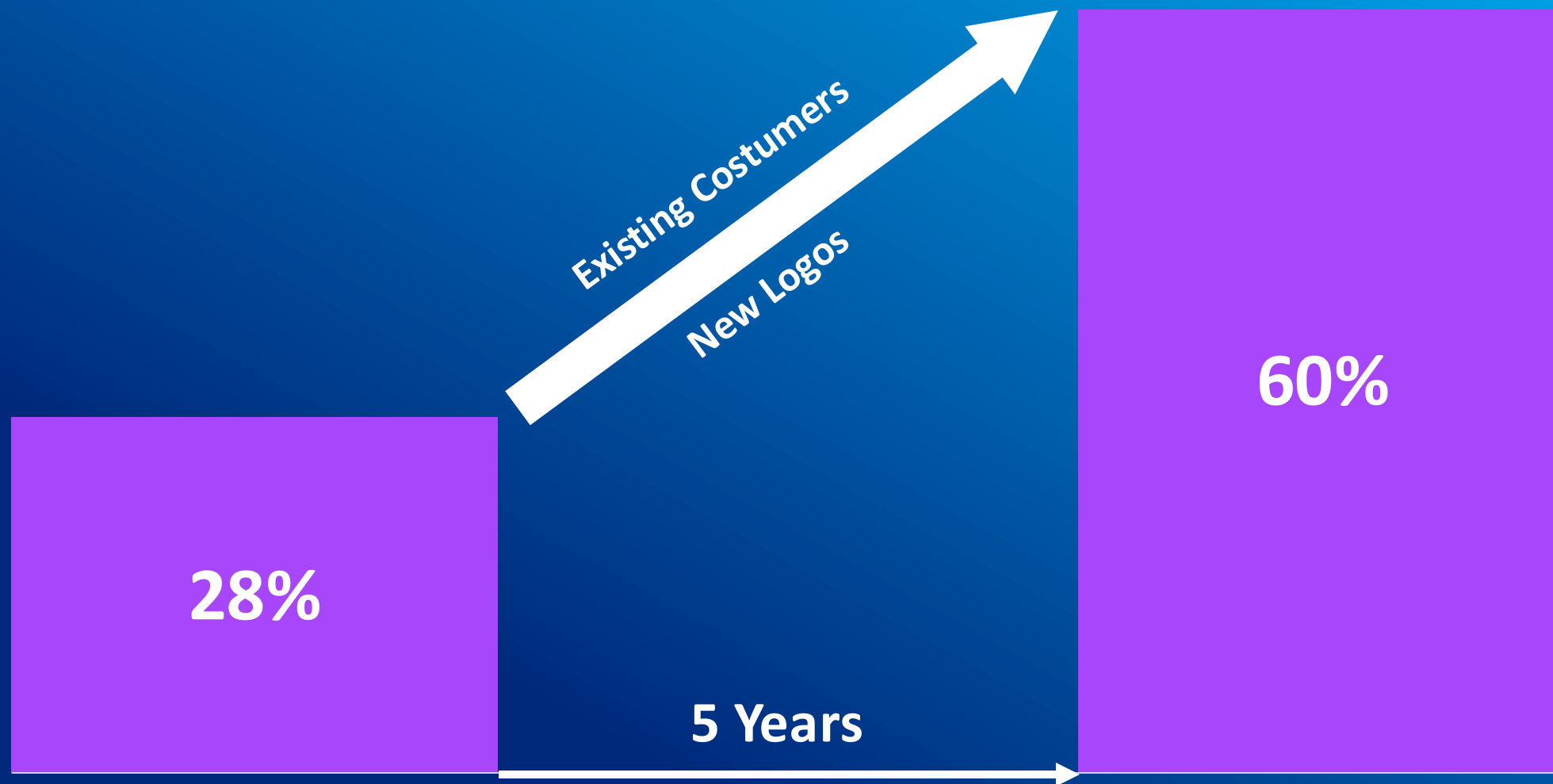
Across customer tiers

Cross-Sell: Massive Acceleration Opportunity

Multi-directional cross selling opportunities across all customer tiers



Transition to Cloud/SaaS



Rare, Highly Compelling Investment Opportunity

Compelling opportunity defined by market leadership, growth profile, and scarcity

**Immense market
opportunity**

**Best-in-class product
offerings**

**Global
leadership**

**Huge whitespace
opportunity and large
new logo pipeline**

**Successful M&A
playbook with
actionable pipeline**

**Multiple levers for
continued margin
expansion**



Thank you!

Contact Us

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