

Smart Infrastructure acquires Brightly

Accelerating leading SaaS offering for digital and sustainable building operations

Investor Relations

June 27, 2022

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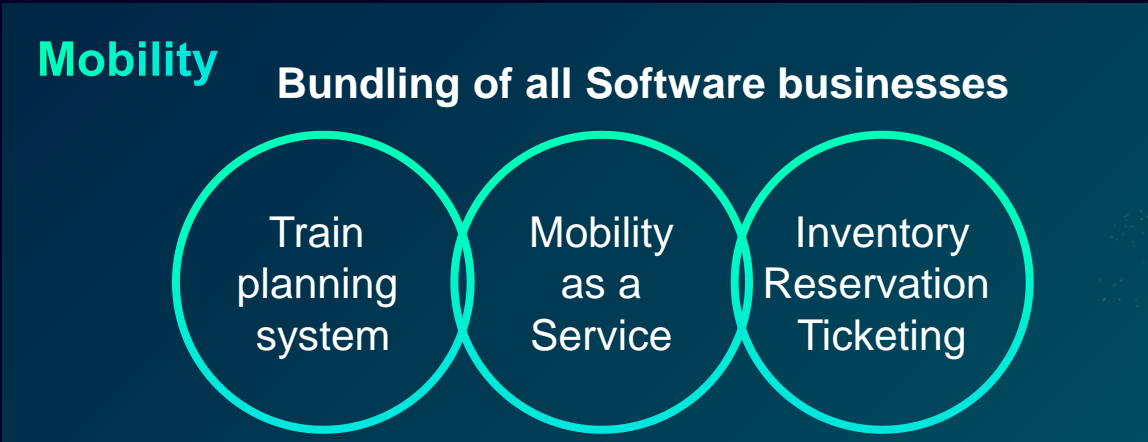
Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Smart Infrastructure is accelerating the digital transformation of buildings



Smart Infrastructure - Electrification

- Established Grid Software unit
- Open, interoperable software suite: grid stability & manage complexity
- Holistic digital twin of the grid for planning, simulation & operation



Smart Infrastructure - Buildings

- Strong digital offering comprising digital services, enterprise solutions, SaaS based on SI platform
- Brightly speeds up SaaS for building operations at Smart Infrastructure

Brightly fits seamlessly with SI digital building value proposition and offering

SI digital building value propositions



Sustainability



Experience



Performance

Digital building business models

Standard SaaS

Digital services

Enterprise solutions

Building SaaS applications & PBCs*

SI PBCs* & apps
E.g., operations, energy, security

Brightly apps
E.g., computerized maintenance mgmt, asset inv. optimization, smart assets, energy, ...

Other apps
(incl 3rd party)

Digital building platform

Building operations twin
Connectivity services, edge management services, platform & analytics services, APIs

Customer benefits

No data silos

Better outcomes, such as lower emissions, lower cost, higher asset lifetimes

Automated workflows

Higher efficiency and availability

Data entry only once

Easier and more efficient onboarding

Single user interface

More convenience for users

* PBC = Packaged Business Capability

Brightly

Perfect fit to expand in attractive growth market of Building Operations Software

Areas of growth?

- **>€10bn building operations software market**
- **Cloud-based part of market growing at ~13%**



Potential profit pool?

- Software-typical EBITDA margin for building focused SaaS companies with scale
- **Margin accretive** to Smart Infrastructure with further **expansion potential**



Why Siemens?

- **Accelerating software offering** and **go-to-market** for building operations SaaS
- **Customer value:** Enhanced with digital operations twin - superior building performance & sustainability



Synergetic value?

- **Significant synergies** with an expected **mid-triple-digit million US\$ NPV**
- Enabling Brightly's **regional expansion** in Europe and Asia and SI stronghold **commercial buildings**



Paradigm shift?

- **Value shift** towards **digital** and **software** in buildings
- **Convergence of IT/OT** – automation, operation, analytics and optimization



Sustainability impact?

- Asset & maintenance management software is crucial to **improve resource** and **energy efficiency**

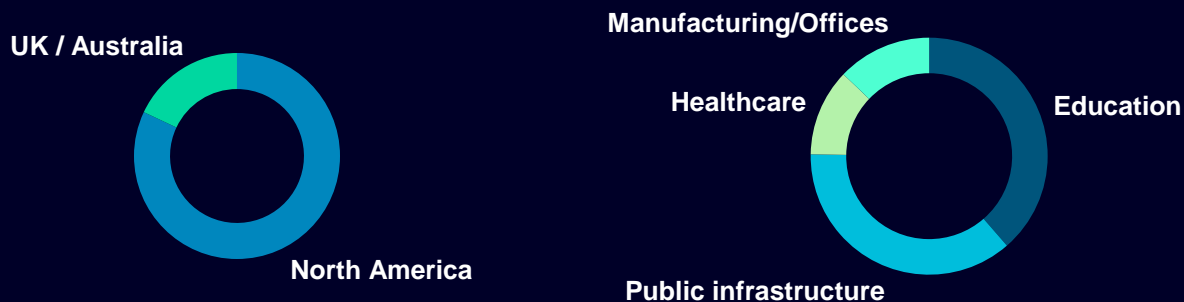


Brightly

Leading cloud-based asset management software with high recurring SaaS revenue share

Business overview

- **Leading SaaS provider** for asset and maintenance management in buildings / built infrastructure
- **Established:** 1999
- **Headquarters:** Cary, NC, United States
- **Employees:** ~800
- **Customer base:** 12,000 clients served
- **Current owner:** PE Clearlake Capital
- **Revenue 2022e:** ~US\$ 180m, thereof 85% SaaS
- **ARR 2022e:** ~US\$ 160m
- **ARR breakdown:** By geography and vertical



Transaction facts

- **Acquisition of 100%**
- **Purchase price of US\$ 1.575bn plus earn-out**
- **Revenue multiple ~9x (2022e)**
- **EPS pre PPA accretive in year 2 after closing**
- **Expected closing in CY 2022**

Integration concept

- **Brightly will become a fast growth business within SI reporting to SI CEO**
- **Catalyst for further expansion of building software offering through innovation, partnering, and acquisitions**