



DATAGROUP with record revenues and earnings – Guidance again exceeded

Pliezhausen, 22 November 2022. DATAGROUP SE (WKN: A0JC8S) today publishes preliminary results for fiscal year 2021/2022 and again delivers record results. Revenue was up EUR 56.7m or 12.8 % to EUR 501.4m in the fiscal year under review (PY: EUR 444.7m) and exceeded the guidance of EUR 480m - EUR 500m. Total revenue reached EUR 128.6m in the fourth quarter, corresponding to an increase of 12.9 % (PY: EUR 113.9m). EBITDA grew by EUR 9.2m or 13.6 % to EUR 76.5m (PY: EUR 67.3m) in the entire fiscal year which was also above the guidance of EUR 72m - EUR 75m.

STRONG REVENUE GROWTH

Revenue has again grown significantly in the fourth quarter by 12.9 % to EUR 128.6m (PY: EUR 113.9m). When compared to the last fiscal year, DATAGROUP's revenue increased by EUR 56.7m or 12.8 % from EUR 444.7m to EUR 501.4m.

The full consolidation of URANO Informationssysteme GmbH ("URANO") and dna Gesellschaft für IT Services GmbH ("dna"), which were acquired in the previous year, as well as the initial consolidation of Cludeteer and the Hövermann IT Group contributed to the growth in revenue¹.

In particular, business of DATAGROUP's fully integrated entities has developed very positively. Demand for CORBOX IT Services grew substantially in comparison to FY 2020/2021, while demand for consulting services, e.g. in the SAP environment, was equally encouraging. The first-time consolidation of Cludeteer, a cloud native start-up with expertise in all public cloud topics and own software solutions, and Hövermann IT Gruppe, which was acquired this year, also contributed to the development of earnings. The latter offers IT services and IT consulting for smaller and mid-sized companies, which are mainly based in North Rhine-Westphalia and Lower Saxony. As a certified SAP Gold partner, the company has outstanding expertise in SAP Business One.

The proportion of services in revenue remained at a very high level of 80,9 % (PY: 84,4 %). New business, upselling and contract renewals have reached a new all-time-high; 20 new CORBOX contracts were signed in the past fiscal year, 20 contracts were expanded, 34 existing customers have either extended or renewed their contracts.

¹ DATAGROUP acquired 24% of the shares of Cludeteer in June 2020 and secured an option on a further 76% of the business shares. In October 2022, DATAGROUP increased to 51%. The company has been fully consolidated since October 1, 2021. First-time consolidation of Hövermann IT Group since May 01, 2022.



VERY GOOD EARNINGS DEVELOPMENT WITH SIGNIFICANT MARGIN IMPROVEMENT

In the fiscal year 2021/2022, EBITDA amounted to EUR 76.5m compared to EUR 67.3m in the prior year (+13.6 %). The efficiency measures of the previous years have now resulted in a record EBIT of EUR 41.5m after EUR 28.7m in the previous year (+44.7 %). The EBITDA margin of 15.2 % is slightly above the prior-year level of 15.1 %, whilst the EBIT margin improved significantly by +1.9 % points to 8.3 % after 6.4 % in the previous year, bringing the medium-term ambition of 9 % EBIT within reach.

The financial result includes one-time special effects of EUR 2.2m, which are dominated by a final purchase price allocation. Net income amounts to EUR 22.0m after EUR 20.7m in the prior-year period. Restructuring measures implemented in the fiscal year just ended led to special tax effects, resulting in an increase in the tax rate from 22.4 % in the prior-year period to 40.0 % in the period under review. We assume the tax rate to be significantly lower in the coming fiscal years.

“Despite another difficult year in macro-economic terms, which was characterized by the war in Ukraine and the resultant increase in energy prices, DATAGROUP has achieved another record year. Once again, this proves the sustainability of the CORBOX Service as a Product approach. We generate recurring revenues and good margins with this standardized service portfolio, which we continuously develop and focus on the needs of the German Mittelstand companies”, Andreas Baresel, CEO of DATAGROUP, is pleased to say. “Increasing productivity of our central supply units leads to a significant improvement of the operating EBIT margin and helps us to address the challenges of the current economic environment”, Andreas Baresel continues.

BALANCE SHEET DEVELOPMENT REFLECTS SOLID GROUP FINANCING

Some balance sheet items of the previous year were adjusted because of the final purchase price allocation of a company acquired in the previous year. From the restated prior-year figure of EUR 463.0m, the balance sheet total rose to EUR 483.6m in FY 2021/2022. The increase in the balance sheet total is primarily due to the initial consolidation of newly acquired companies in the fiscal year just ended.

The equity ratio improved significantly from 20.3 % in the previous year to 26.4 %. This positive development was mainly driven by the strong results per se and the revaluation of pension provisions, which are recognized directly in equity. Based on investments of roughly EUR 35.9m into the company transactions above, net debt decreased from EUR 116.6m to EUR 109.3m. Liabilities to banks remained unchanged at EUR 78.2m. Cash and cash equivalents amounted to EUR 47.0m in comparison to EUR 44.1m on the balance sheet date of the previous year. “The Group’s financing is guaranteed in the long term and provides sufficient scope for further investments in acquisitions”, Oliver Thome, CFO, comments the solid development of the balance sheet. “Our long-term financing with promissory note loans with a total volume of EUR 69m and maturities of up to seven years secure a low interest rate for us”, Oliver Thome continues.

For the fiscal year ended 30 September 2022 the management intends to propose to the Annual General Meeting a dividend which is in line with the historic dividend policy with a payout ratio of some 40 % of the net profit. The Annual General Meeting for FY 2021/2022 is scheduled for 9 March 2023.



CASH FLOW FROM OPERATING RISES TO HISTORIC HIGH

The development of cash flow from operating activities was particularly satisfying. This increased by EUR 20.3m or 40.5 % from EUR 50.0m to EUR 70.3m, primarily driven by the substantial increase in operating income. At the same time, CAPEX decreased compared with the prior year: Investments in property, plant and equipment and intangible assets amounted to EUR 8.8m compared to EUR 11.0m in the previous year. The investment ratio fell from 2.5 % of revenue in the previous year to 1.8 % in the fiscal year just ended.

About DATAGROUP

DATAGROUP is one of the leading German IT service companies. Some 3,500 employees at locations across Germany design, implement, and operate IT infrastructures and business applications such as SAP. With its CORBOX product, DATAGROUP is a full-service provider, supporting global IT workplaces for medium and large enterprises as well as public authorities. The company is growing organically and through acquisitions. The acquisitions strategy is particularly noted for its optimal integration of new companies. DATAGROUP is actively participating in the IT service market's consolidation process with its "buy and turn around" and its "buy and build" strategy.

CONTACT FOR FURTHER INFORMATION

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Overview of Key Figures (unaudited)

Figures in TEUR	Changes YoY		2021/2022		2020/2021 (adjusted) ²	
Revenues	56,702	12.8%	501,410	100.0%	444,708	100.0%
thereof services and maintenance	30,617	8.2%	405,858	80.9%	375,241	84.4%
thereof trade	26,264	38.0%	95,291	19.0%	69,027	15.5%
thereof other / consolidation	-178	-40,6%	262	0.1%	440	0,1%
Other own work capitalised	-77	-4.5%	1,643	0.3%	1,720	0.4%
Change in capitalized contractual costs	-1,642	84.7%	-3,580	-0.7%	-1,938	-0.4%
Total revenues	54,983	12.4%	499,473	99.6%	444,490	100.0%
Material expenses / Expenses for purchased services	21,874	14.6%	171,369	34.2%	149,495	33.6%
Gross profit	33,108	11.2%	328,103	65.4%	294,995	66.3%
Personnel expenses	20,402	9.6%	233,440	46.6%	213,038	47.9%
Other income etc,	1,334	11.0%	13,474	2.7%	12,140	2.7%
Other expenses etc.	4,867	18.2%	31,678	6.3%	26,811	6.0%
EBITDA	9,173	13.6%	76,459	15.2%	67,286	15.1%
Depreciation from PPA	1,366	22.6%	7,399	1.5%	6,033	1.4%
Other depreciation	-4,992	-15.3%	27,608	5.5%	32,600	7.3%
EBIT	12,799	44.7%	41,453	8.3%	28,653	6.4%
Financial result	-2,792	144.9%	-4,719	-0.9%	-1,927	-0.4%
EBT	10,007	37.4%	36,733	7.3%	26,726	6.0%
Taxes on income and profit	8,707	145.2%	14,706	2.9%	5,999	1.3%
Net income	1,300	6.3%	22,028	4.4%	20,727	4.7%
Shares (in 1,000 pieces)			8,331		8,331	
Plus treasury shares (in 1,000 pieces)			18		18	
EPS			2.64		2.49	
Tax rate (in %)			40.0%		22.4%	

Figures in TEUR	Changes YoY	30.09.2022	30.09.2021 (adjusted)
Balance sheet total		483,584	462,991
Equity ³		127,458	94,012
Equity ratio (in %)		26.36	20.31
Net debt		109,302	116,555
Net debt to EBITDA		1.43	1.73

² The previous year's figures have been adjusted in individual items due to the final purchase price allocation of companies acquired in the previous year.

³ Under consideration of subordinated loans (previous year)



Consolidated Balance Sheet (unaudited)

Figures in EUR	30.09.2022	30.09.2021 (adjusted)
ASSETS		
Long-term assets		
Goodwill	151,435,872.92	125,950,710.91
Other intangible assets	48,299,746.81	51,418,526.49
Property, plant and equipment	61,779,836.67	65,149,119.73
Long-term financial assets	8,506,353.08	1,555,089.25
Capitalized contractual costs	12,400,776.21	15,836,476.57
Finance leasing receivables	18,019,382.25	23,373,608.99
Claims from reinsurance coverage for pension obligations	4,448,503.46	4,664,533.70
Other long-term assets	846,827.81	2,373,011.80
Deferred taxes	12,179,457.29	17,703,996.91
	317,916,756.50	308,025,074.35
Short-term assets		
Inventories	8,304,674.50	3,770,189.52
Contract assets	3,013,455.06	3,475,645.71
Trade receivables	55,147,870.67	56,362,817.12
Finance leasing receivables	10,892,813.00	10,216,186.00
Short-term financial assets	280,857.25	1,674,772.65
Other short-term assets	40,985,932.28	35,374,339.64
Cash and cash equivalents	47,041,864.41	44,091,986.09
	165,667,467.17	154,965,936.73
	483,584,223.67	462,991,011.08



Figures in EUR	30.09.2021	30.09.2020 (angepasst)
LIABILITIES		
Equity		
Subscribed capital	8,349,000.00	8,349,000.00
Capital reserve	32,337,372.27	32,337,372.27
Repayment of capital	-98,507.73	-98,507.73
Retained earnings	68,865,661.11	55,313,175.50
Accumulated other comprehensive income	18,187,141.86	-1,884,668.84
Balancing item for foreign currency translation	-34,582.44	-4,587.78
Minority interests	-147,838.05	0.00
	127,458,247.02	94,011,783.42
Long-term liabilities		
Long-term financial liabilities	112,459,288.54	161,114,110.37
Pension provisions	36,102,634.43	64,037,964.78
Other provisions	1,240,557.69	1,749,993.12
Other long-term liabilities	83,914.65	28,265.65
Deferred taxes	11,592,865.89	10,422,269.32
	161,479,261.20	237,352,603.24
Short-term liabilities		
Short-term financial liabilities	72,797,075.00	33,122,716.49
Provisions	32,629,439.37	16,426,900.08
Contract liabilities	12,739,349.63	13,530,734.55
Trade payables	15,827,012.63	11,421,574.49
Income tax liabilities	13,808,853.79	9,798,742.41
Other liabilities	46,844,985.03	47,325,956.40
	194,464,715.45	131,626,624.42
	438,584,223.67	462,991,011.08



Consolidated Income Statement (unaudited)

Figures in EUR	01.10.2021 – 30.09.2022	01.10.2020 – 30.09.2021 (adjusted)
Revenues	501,409,891.47	444,707,741.02
Other own work capitalised	1,642,814.98	1,720,035.89
Change in capitalized contractual costs	-3,580,057.74	-1,938,437.08
Total revenues	499,472,648.71	444,489,339.83
Other operating income	13,474,062.09	12,140,000.82
Material expenses / Expenses for purchased services	171,369,400.38	149,494,401.13
Personnel expenses	233,439,640.14	213,038,157.14
Depreciation of property, plant and equipment and other intangible assets	35,006,945.17	38,633,326.77
Other operating expenses	31,678,212.94	26,810,607.03
Operating income	41,452,512.17	28,652,848.58
Financial income	1,793,084.92	1,398,126.93
Financial expenses	6,512,137.33	3,324,956.13
Financial result	4,719,052.41	1,926,829.20
Earnings before taxes	36,733,459.76	26,726,019.38
Taxes on income and profit	14,705,879.30	5,998,414.82
Net income	22,027,580.46	20,727,604.56
Thereof minority interests	143,635.82	0.00
Thereof shares of DATAGROUP SE	21,883,944.64	20,727,604.56

Consolidated Statement of Comprehensive Income (unaudited)

Figures in EUR	01.10.2021 – 30.09.2022	01.10.2020 – 30.09.2021 (adjusted)
Net income	22,027,580.46	20,727,604.56
Other earnings before taxes		
Recalculation of defined benefit obligations ⁴	29,195,918.47	10,335,865.63
Change in balancing items from currency conversion	29,994.66	-966.84
Other earnings before taxes	29,225,913.13	10,334,898.79
Comprehensive income	42,129,385.82	27,860,188.85
Thereof minority interests	143,635.82	0.00
Thereof shares of DATAGROUP SE	41,985,750.00	27,860,188.85

⁴ These are exclusively items which are not reclassified to the consolidated income statement.



Consolidated Cash Flow Statement (unaudited)

Figures in EUR	01.10.2021 – 30.09.2022	01.10.2020 – 30.09.2021 (adjusted)
Cash flow from operating activities		
Net income for the period	22,027,580.46	20,727,604.06
Interest received	-21,040.98	-907,569.26
Interest paid	1,351,903.08	2,849,528.62
Depreciation and amortisation of current assets	35,006,945.17	38,633,326.77
Changes in pension provisions	1,260,588.12	1,554,246.82
Gains (-) / losses (+) on disposals of non-current assets	27,449.41	81,497.50
Increase (-) / decrease (+) of receivables or liabilities to shareholders, related and associated companies	-1,448,244.02	215,388.93
Increase (-) / decrease (+) of inventories, trade receivables and other assets	911,647.16	-7,676,057.98
Increase (+) / decrease (-) of trade payables and other liabilities	11,004,481.39	-5,360,296.80
Other non-cash transactions	132,158.05	-119,307.58
Cash flow from operating activities	70,253,467.84	49,998,361.09
Cash flow from investing activities		
Cash inflow from sale of property, plant and equipment	358,464.41	529,292.11
Cash outflow for investment in property, plant and equipment	-6,036,630.71	-7,455,096.13
Cash inflow from intangible assets	537,614.54	66,297.00
Cash outflow for investments in intangible assets	-2,773,783.21	-3,582,231.70
Cash inflow from sales of financial assets	30,000.00	697,543.69
Cash outflow for investments in financial assets	-1,192,564.22	-80,736.97
Cash inflow / outflow from investments in fully consolidated companies	-35,854,684.73	-35,650,919.34
Distributions received and investment income	132,205.36	0.00
Interest received	21,040.98	907,569.26
Net cash used in investing activities	-44,778,337.58	-44,568,282.09
Cash flow from financing activities		
Cash outflow for dividends paid	-8,331,459.00	0.00
Cash inflow (+) / outflow (-) for finance lease contracts (as lessee)	-12,788,844.29	-10,164,991.14
Cash outflow for the repayment of liabilities to banks	0.00	-12,229,163.00
Cash inflow from receipt of liabilities to banks	-53,045.57	0.00
Interest paid	-1,351,903.08	-2,849,528.62
Net cash used in financing activities	-22,525,251.94	-25,243,682.76
Changes in cash and cash equivalents	2,949,878.32	-19,813,603.76
Cash and cash equivalents at the beginning of the period	44,091,986.09	63,905,589.85
Cash and cash equivalents at the end of the period	47,041,864.41	44,091,986.09