



**DATAGROUP**

DATAGROUP is synonymous with stability

Analyst Call Preliminary Figures 2022/23

November 21, 2023



# Who are we: Leading German IT full service provider



~ 3,500  
Employees



~ € 500m  
in revenues



> 9% EBIT margin



30 locations in  
Germany

- Rock solid business model based on innovative CORBOX service suite
- Helping companies to increase efficiency, save costs, skilled labor shortage
- High share of long-term contracts with recurring revenues offers security in macroeconomically challenging times
- Driven by highly diversified customer base in the SME segment from a wide range of industries, institutions and the financial sector, no customer exceeds 5 % of revenues
- High potential in key future trends (AI, Security, Cloud): drivers for accelerated growth and cross-selling

# Business Model:

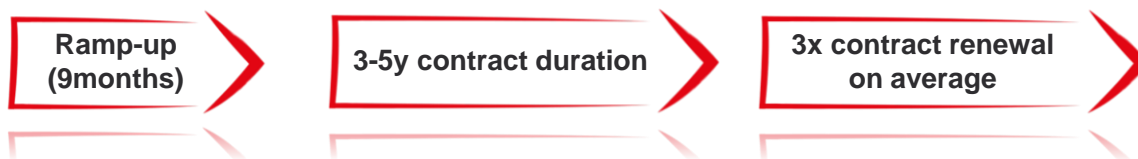
## Full service offering for IT, cloud and security services



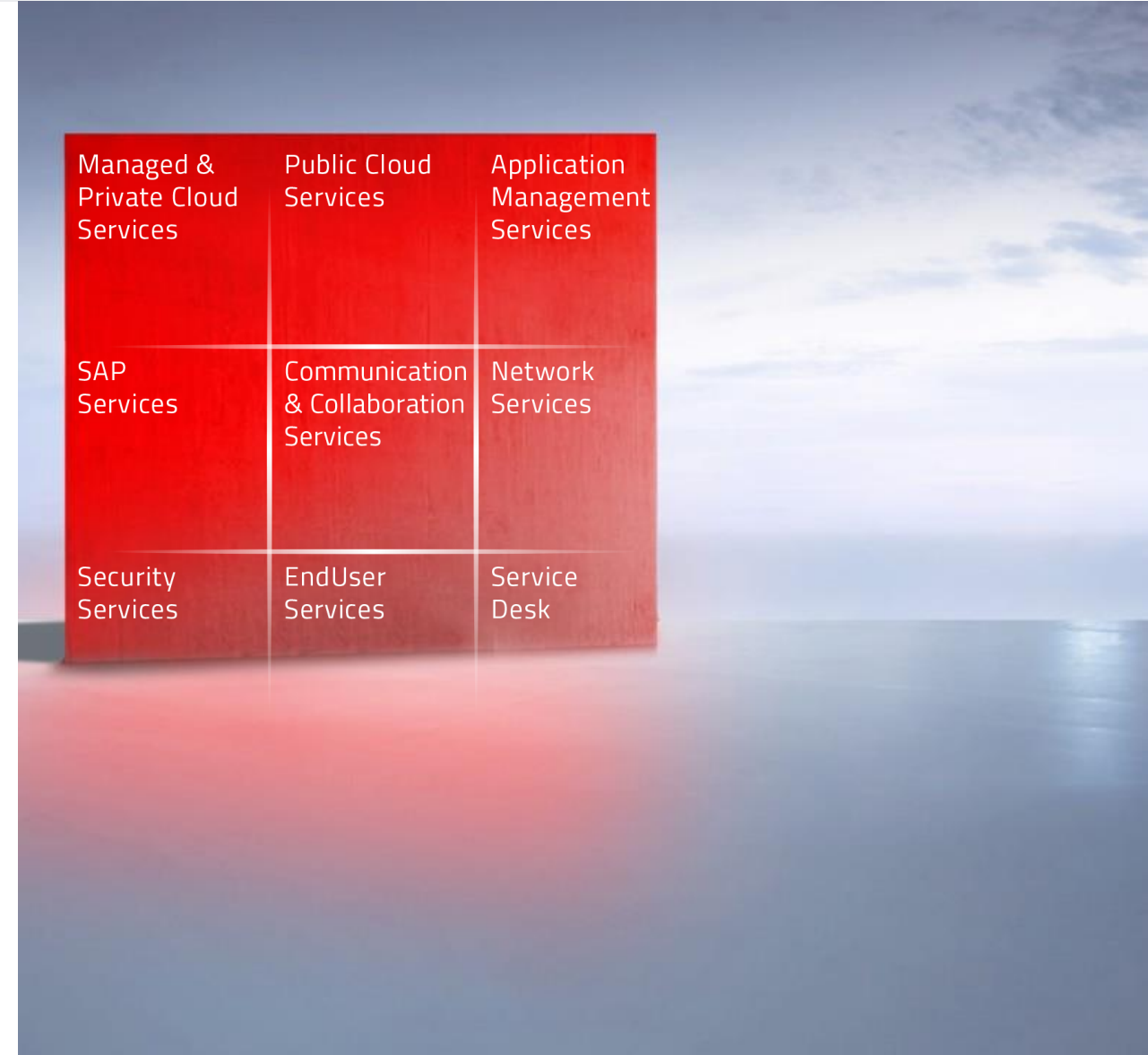
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- Innovative Service as a Product approach with CORBOX service suite at its core
- Standardization as a basis for automation and efficiency gains
- Economies of scale through industrial service provision
- Modular solution for worry-free IT operation with highest safety standards proven by recognized certifications
- For SME companies with € 100 – 5,000m annual revenue as well as institutions and the financial sector across Germany

### Long term customer relationships



IT's that simple.







## Company Highlights

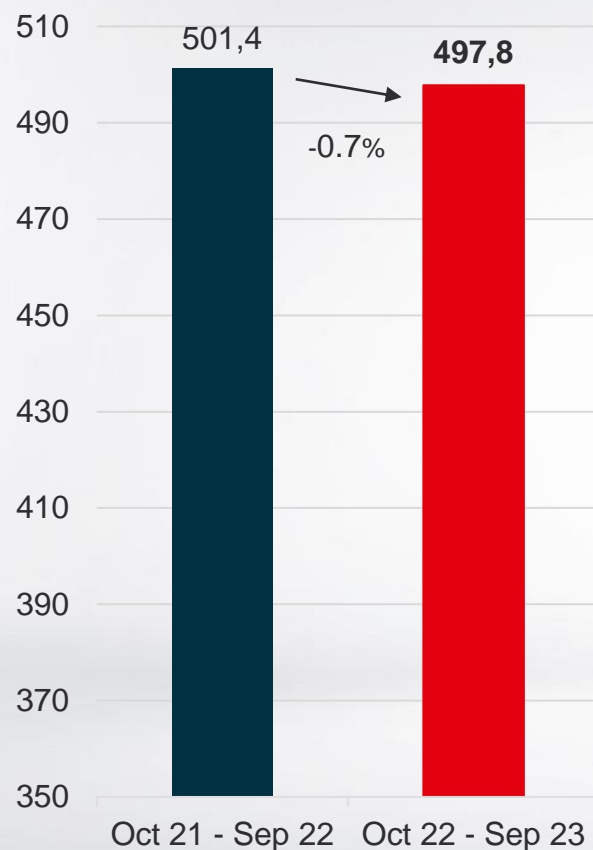
- Strong order intake:
  - 20 new CORBOX customers
  - 24 up-sellings
  - 33 contract extensions
- Acquisition of systemzwo and increase in URANO stake to 100%
- Investment in IP rights for our own AI Ops platform and a team of specialists as a foundation for DATAGROUP's future AI strategy

## Financial Highlights

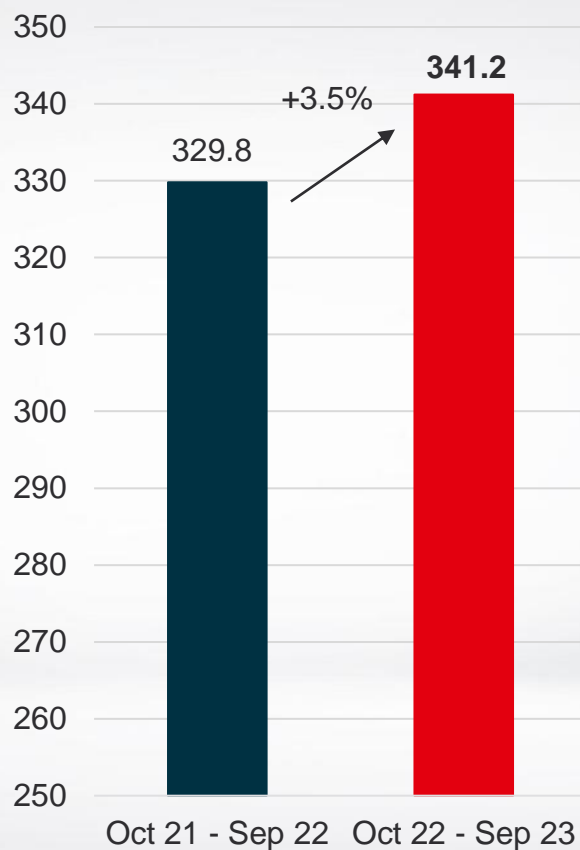
- Revenue of € 497.8m at the upper end of the guidance
- EBITDA of € 80.2m exceeding the guidance
- EBIT increases disproportionately to € 45.3m, EBIT margin improves to 9.1%
- New financing of € 70m with simultaneous improvement of the balance sheet structure and increased equity ratio of 31.7%

# 2022/23: Robust key financial figures show strength of DATAGROUP's business model

mEUR Revenue



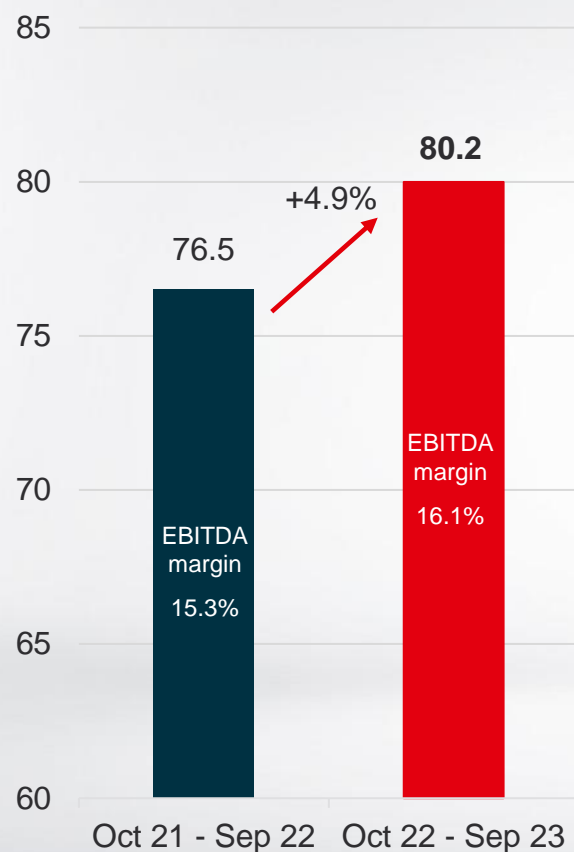
mEUR Gross profit



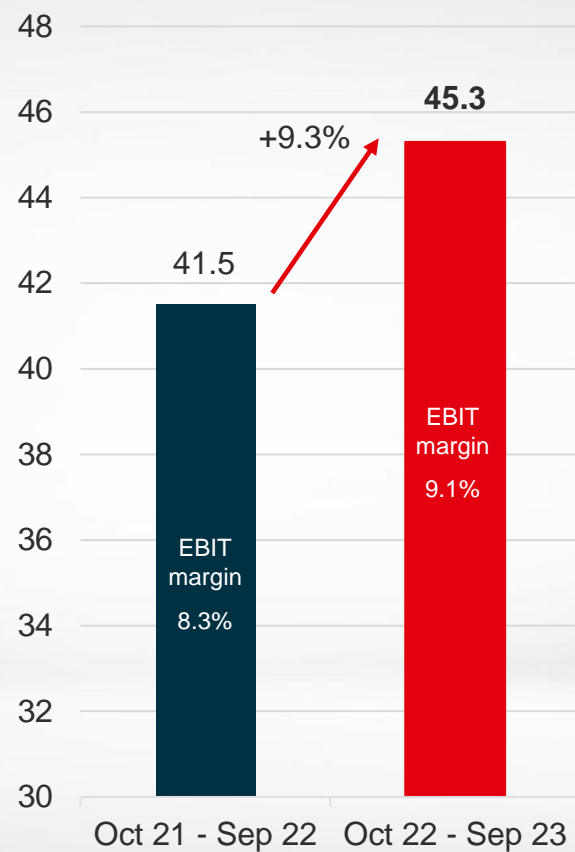
- Revenues reach upper end of revised guidance despite challenging macroeconomic environment and € 40m special effects in FY 2022/23
- Strong operating development in the CORBOX core business and the digitization segment
- Overproportional increase in gross profit by 3.5% shows focus on profitable CORBOX core business pays off

# 2022/23: Robust key financial figures show strength of DATAGROUP's business model

mEUR EBITDA



mEUR EBIT



- EBITDA guidance slightly exceeded
- EBITDA margin above 16% for the first time
- Key earnings figures increase disproportionately due to efficiency measures and focus on profitable contracts of very profitable CORBOX service-as-a-product business
- Stabilization of CAPEX in past years leads to disproportionate increase in EBIT versus EBITDA
- EBIT margin of 9.1% again exceeded the mid term target of 9.0%



# Selected P/L ratios in FY 2022/23

| Figures in € k   | FY 2021/22 | FY 2022/23 | Change |
|--|------------|------------|--------|
| Revenues   | 501,410    | 497,796    | -0.7%  |
| Other own work capitalized                                 | 1,643      | 2,153      | 31.1%  |
| Changes in capitalized contract costs                      | -3,580     | -4,086     | 14.1%  |
| Total revenues   | 499,473    | 495,863    | -0.7%  |
| <i>Material expenses / Expenses for purchased services</i> | 169,704    | 154,670    | -8.9%  |
| Gross profit   | 329,769    | 341,193    | 3.5%   |
| <i>Personnel expenses</i>                                  | 233,440    | 243,640    | 4.4%   |
| EBITDA   | 76,459     | 80,228     | 4.9%   |
| EBITA  | 48,852     | 52,977     | 8.4%   |
| EBIT   | 41,453     | 45,318     | 9.3%   |
| <i>Financial result</i>                                    | -4,719     | -4,077     | -13.6% |
| EBT  | 36,733     | 41,241     | 12.3%  |
| Net income   | 22,028     | 28,265     | 28.3%  |
| EPS (in €)   | 2.64       | 3.39       | 28.3%  |

- Sales roughly at previous year's level despite € 40m negative effects on an annual basis
- Proportion of services at a high level of 81.4%
- Earnings improvement thanks to reduction of external services by establishing own resources
- Significant increase in EPS from € 2.64 to € 3.39 (+28.3%) driven by a strong result and the return to a normal tax ratio



# Selected balance sheet ratios of FY 2022/23

| Figures in € k                      | 30.09.2022 | 30.09.2023 | Change |
|-------------------------------------|------------|------------|--------|
| Goodwill                            | 151,436    | 157,025    | 3.7%   |
| Non-current liabilities             | 161,479    | 151,789    | -6.0%  |
| <i>thereof liabilities to banks</i> | 69,225     | 65,903     | -4.8%  |
| <i>thereof leasing liabilities</i>  | 34,442     | 33,414     | -3.0%  |
| <i>thereof pension provisions</i>   | 36,103     | 35,884     | -0.6%  |
| Current liabilities                 | 194,647    | 166,064    | -14.7% |
| <i>thereof liabilities to banks</i> | 9,008      | 33,748     | 274.6% |
| <i>thereof leasing liabilities</i>  | 18,052     | 18,565     | 2.8%   |
| Cash and cash equivalents           | 47,042     | 21,879     | -53.5% |
| Trade receivables                   | 55,148     | 57,010     | 3.4%   |
| Trade payables                      | 15,827     | 13,069     | -17.4% |
| Total net debt                      | 109,302    | 112,574    | 3.0%   |
| Equity ratio (in %)                 | 26.4       | 31.7       |        |
| Balance sheet total                 | 483,584    | 465,287    | -3.8%  |

- Solid balance sheet structure offers scope for further growth
- Equity ratio further improved to 31.7%
- Reduction in total assets through establishment of a new more flexible finance structure in March 2023
- Net debt on prior year level despite investment in new subsidiaries and dividend payment





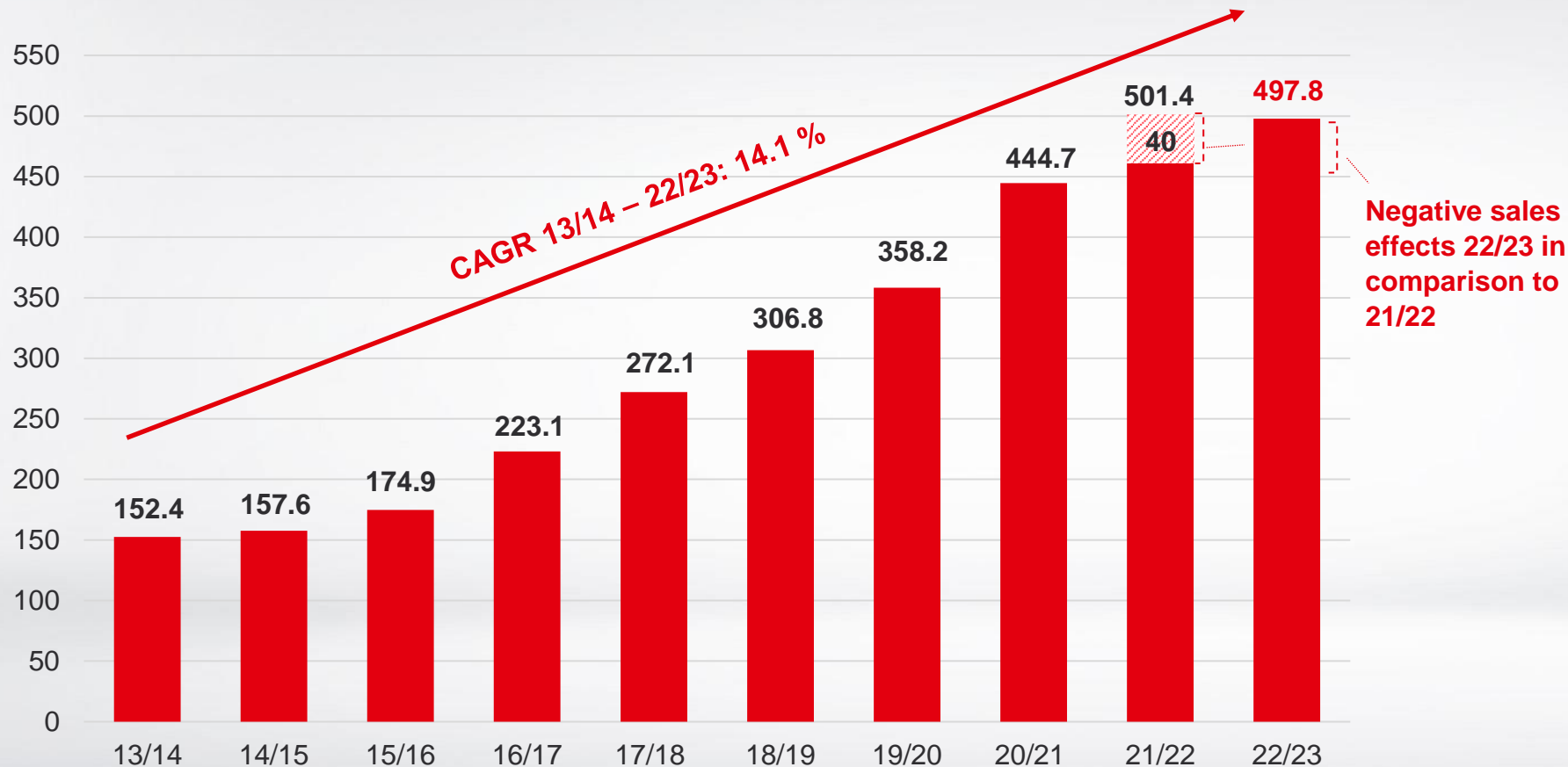
# Cash flow FY 2022/23

| Figures in € k                       | FY 2021/22 | FY 2022/23 | Change  | Notes  |
|--------------------------------------|------------|------------|---------|--|
| Cash flow from operating activities  | 70,254     | 46,664     | -33.6%  | <ul style="list-style-type: none"> <li>Very good cash flow from operating activities shows the strength of DATAGROUPs business model</li> </ul>  |
| Cash flow from investing activities  | -44,778    | -64,834    | 44.8%   | <ul style="list-style-type: none"> <li>CAPEX: € 15,234k as per 22/23 after € 8,810k as per 21/22</li> <li>€ 50,930k: earn-out payments and outflow for acquisitions</li> </ul>   |
| Cash flow from financing activities  | -22,525    | -6,993     | -69.0%  | <ul style="list-style-type: none"> <li>Outflow for finance lease as a lessee € 15,421k as per Q4 22/23 after € 12,789k as per Q4 21/22</li> <li>Borrowing of promissory note loan € 30,000k, repayment of promissory note loan € 9,000k</li> </ul> |
| Changes in cash and cash equivalents | 2,950      | -25,163    | -953.0% |  |
| Cash and cash equivalents on 30.09.  | 47,042     | 21,879     | -53.5%  |  |



## Top end of revenue guidance of € 485-500m achieved

€m Revenue 13/14 – 22/23



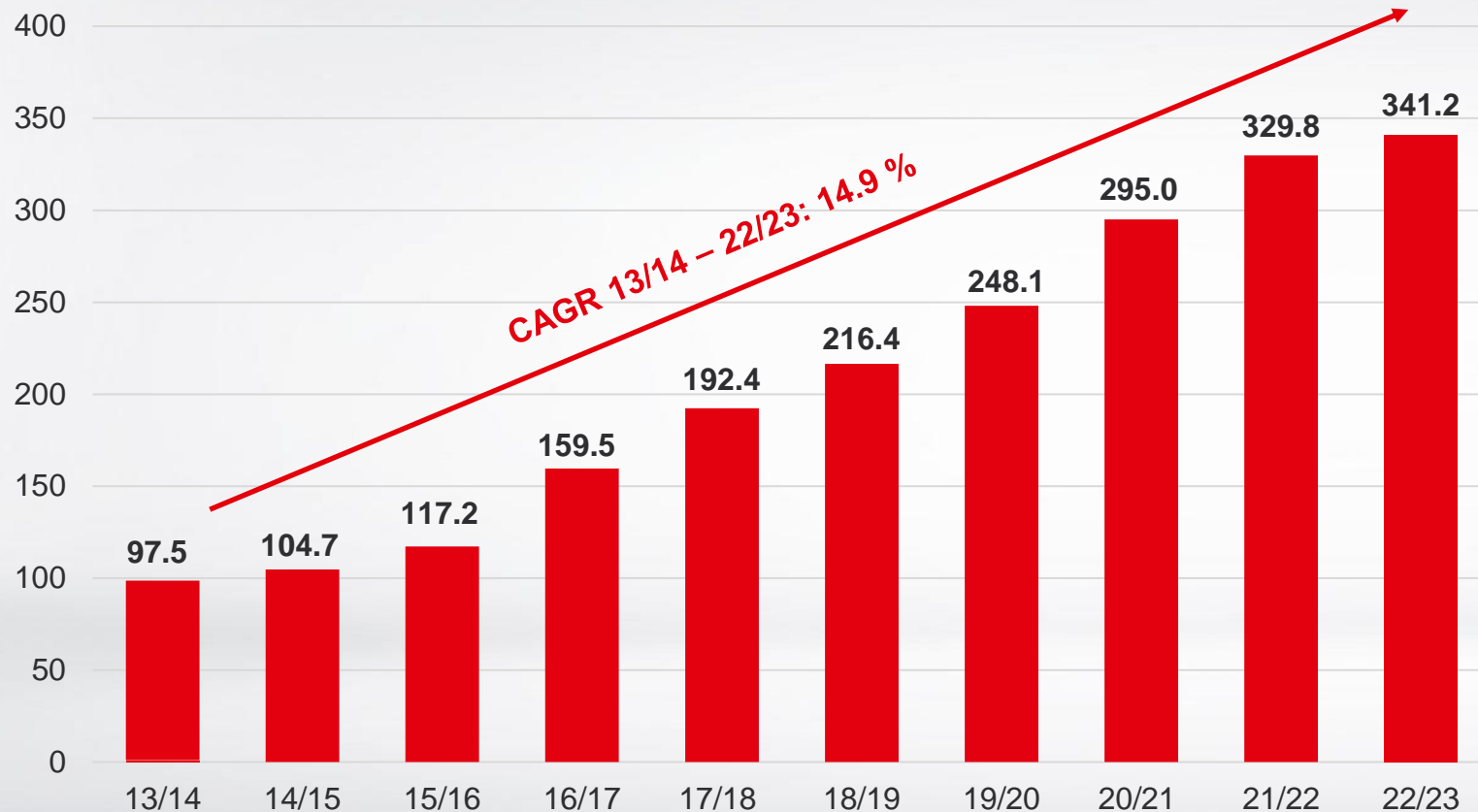
### Negative sales effects of c. € 40m on an annual basis:

- Slowdown in sales from Covid-19-related special boom ahead of time
- Change in accounting policy (IFRS 15 Principal Agent)
- Premature adjustment of less profitable existing contracts from earlier acquisitions



# Strong development of gross profit

€m **Gross profit 13/14 – 22/23**



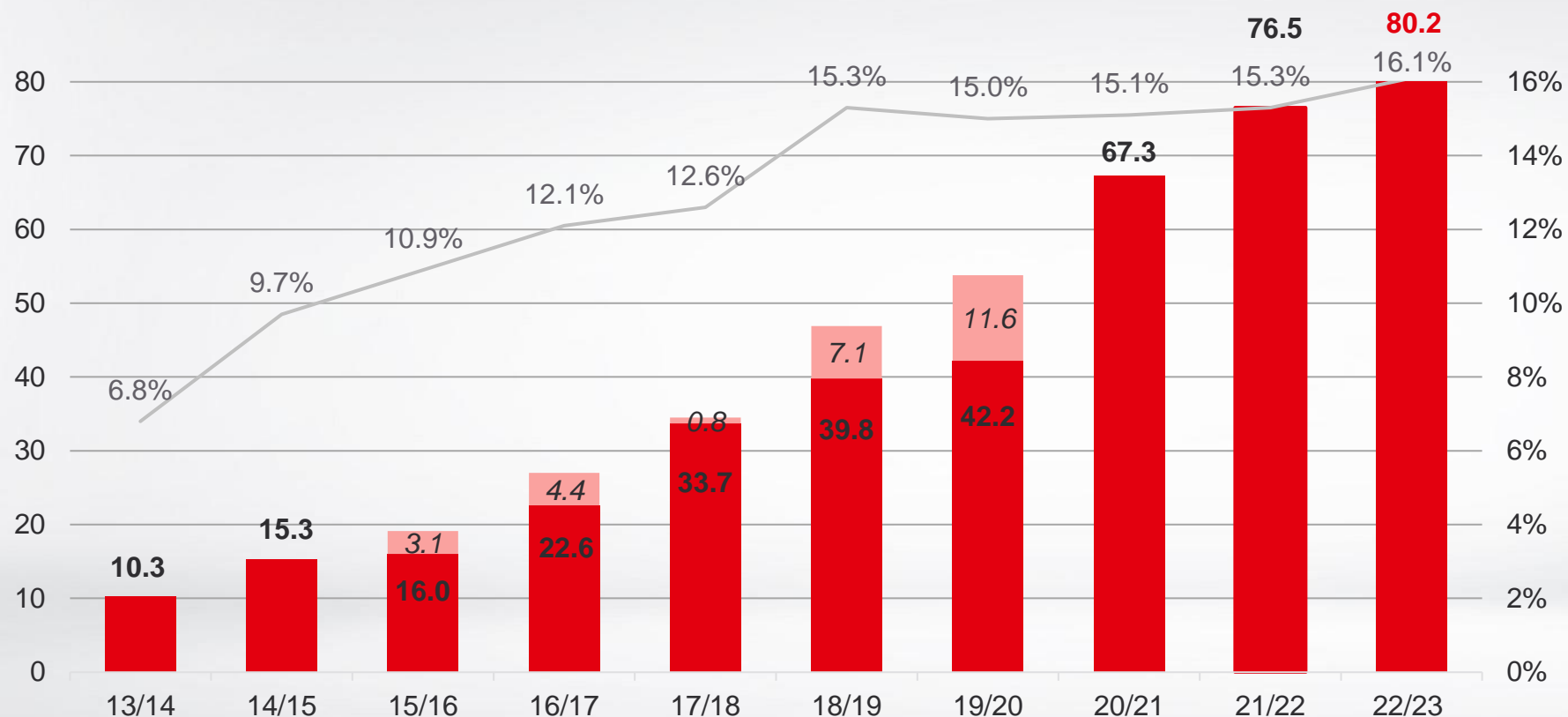
- Gross profit increases disproportionately over the years due to profitable CORBOX core business
- Gross profit +3.5% in FY 22/23 despite losing gross profit by negative sales effects (see previous slide)

# EBITDA slightly above guidance underpins profitability of the CORBOX core business

€m EBITDA 13/14 – 22/23

**CAGR 13/14 – 22/23: 25.6 %**

EBITDA margin 13/14 – 22/23



- EBITDA margin further improved to above 16% for the first time

■ Non-recurring special effects from acquisitions

■ EBITDA margin

# EBITA shows the outstanding operating profitability of the business model

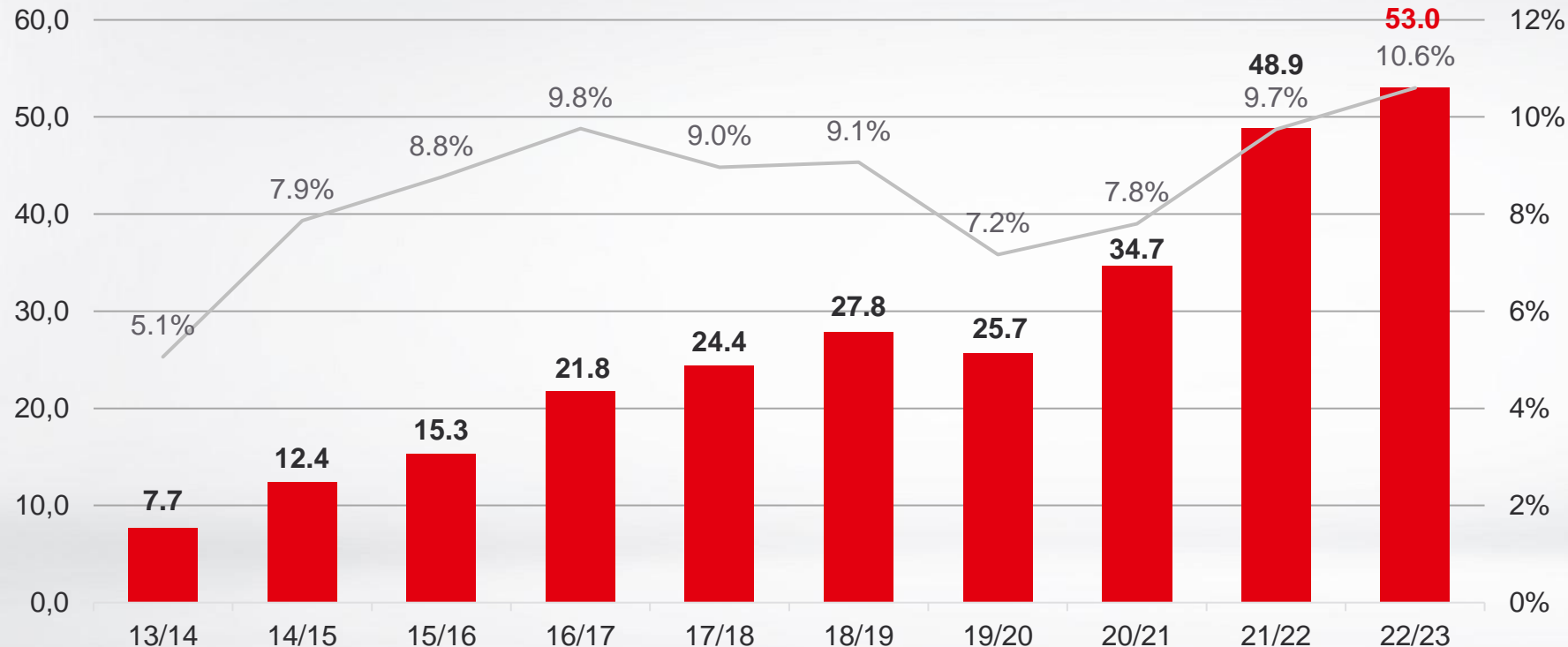


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€m EBITA 13/14 – 22/23

**CAGR 13/14 – 22/23: 23.9 %**

EBITA margin 13/14 – 22/23



## Extended reporting:

- EBITA will be an integral part of regular reporting in the future.
- Based on the inorganic growth model of DATAGROUP, the EBITA trend shows the outstanding operating profitability of the business model.
- EBITA margin further improved to above 10% for the first time

■ EBITA

■ EBITA margin

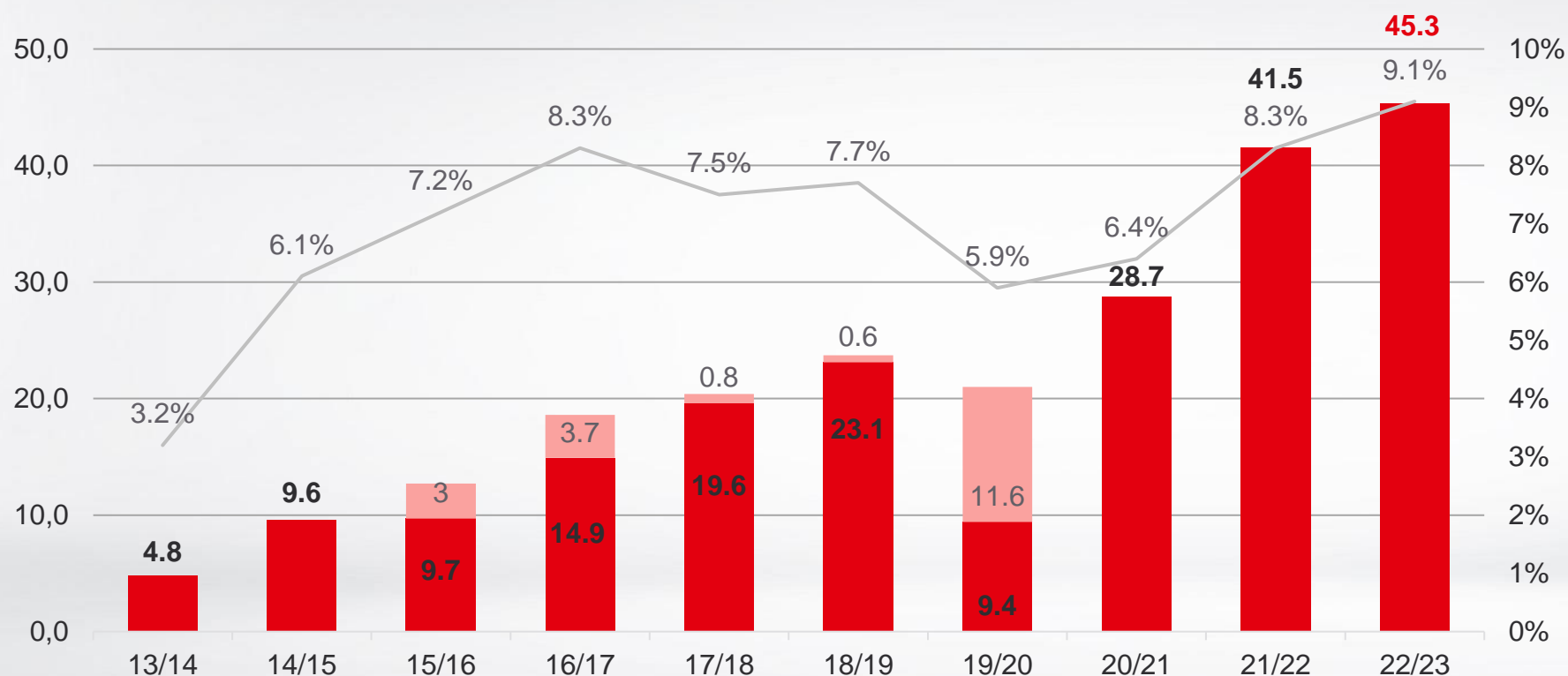


# EBIT guidance achieved despite earnings-relevant investments in key future growth driver AI

€m EBIT 13/14 – 22/23

**CAGR 13/14 – 22/23: 26.5 %**

EBIT margin 13/14 – 22/23



- EBIT above 9%, confirmation of mid-term guidance
- Guidance achieved despite investment of more than € 1m in AI in Q4 22/23

■ Non-recurring special effects from acquisitions

■ EBIT margin

# Strong Order Intake with CORBOX



**Commercial Industry**  
**Full Outsourcing**  
5 years, ca. € 0.6m / year



**Financial Industry**  
**SAP Services**  
3 years, ca. € 1.2m / year



**Energy Supplier**  
**Full Outsourcing**  
3 years, ca. € 1.3m / year



**Commercial Industry**  
**End User Services, Service Desk**  
5 years, ca. € 0.5m / year



**Publisher**  
**Full Outsourcing**  
3 years, ca. € 0.8m / year



**Clothing Industry**  
**Service Desk, End User Services, Application Management Services**  
3 years, ca. € 3.0m / year



**Aerospace Industry**  
**End User Services**  
3 years, ca. € 2.7m / year

and many more...

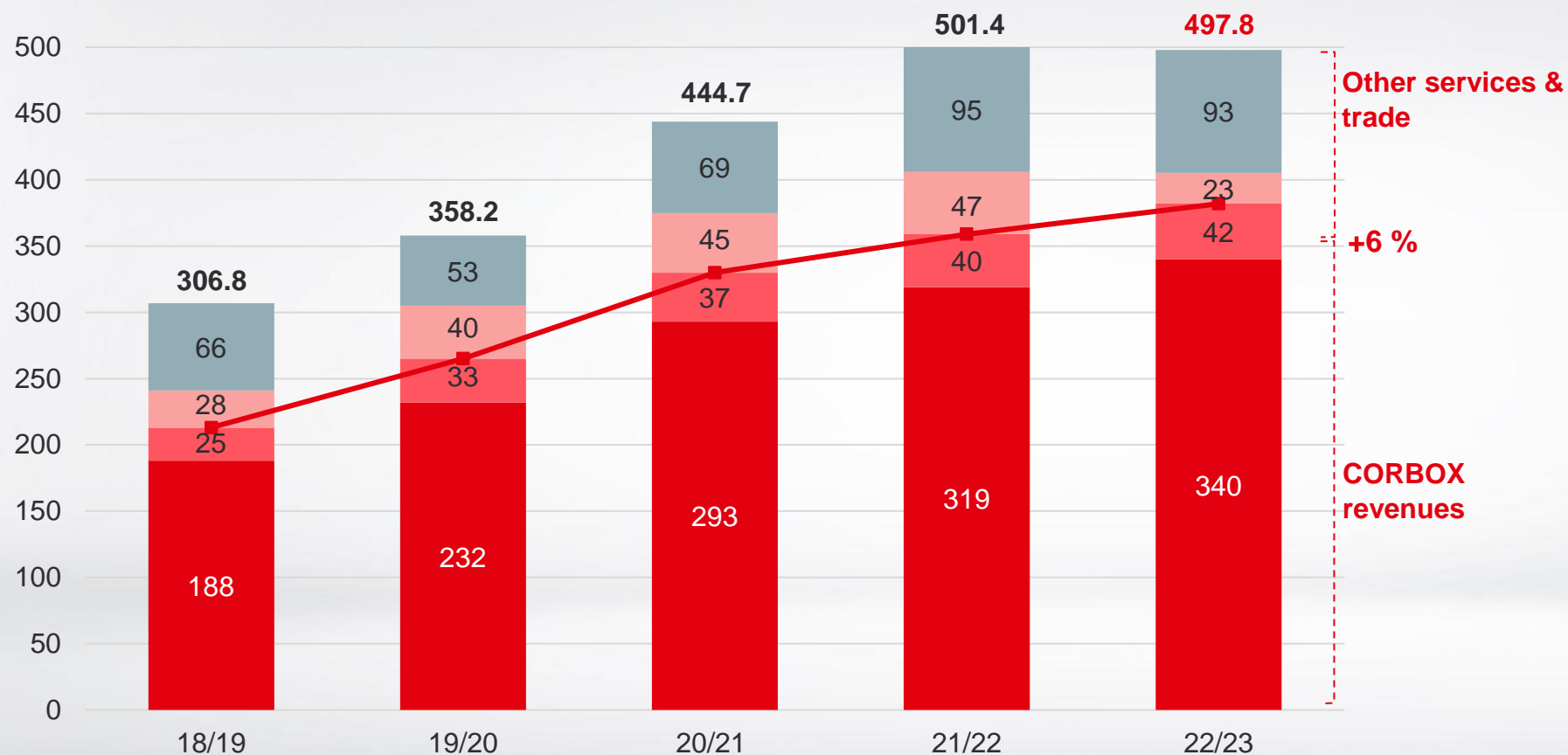
- No cluster risk
- No sector risk
- No market risk

# Focus on CORBOX core business with stable growth and continuous transformation



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€m CORBOX Revenues 18/19 – 22/23



**Growth is made up of:**

- CORBOX core business
- Acquisitions
- Shift in sales

- CORBOX service revenues
- CORBOX related services
- Other services
- Trade & other



# We fulfilled the targets of our CORBOX growth ambition

Growth through cross-selling and upselling to CORBOX customers

- c. € 10 – 15m increase in CORBOX core business p.a.



Growth from new customer acquisition for the CORBOX core business

- c. € 10 – 15m increase in CORBOX core business p.a.



Growth from M&A activities - 2 - 3 new acquisitions per year on average

- c. 30 % shift in sales mix through transformation

High multiples led to restrained M&A activity - pipeline for FY 2023/2024 well filled

Extension of existing CORBOX customer contracts

- in the amount of 20 % of the CORBOX order backlog p.a.





# Our targets remain ambitious FY 2023/24

Cross-selling and upselling  
to CORBOX customers

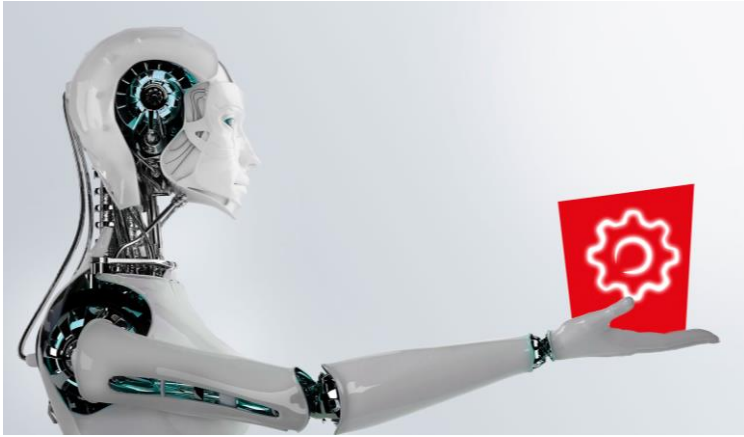
New customer acquisition for  
the CORBOX core business

M&A activities - 2 - 3 new acquisitions per year

Extension of existing  
CORBOX customer contracts



# Outlook: Selected Investments in Capacity for Growth and Scalability through Artificial Intelligence, Cybersecurity and Cloud



Extension of existing automation with proprietary **AI based** technologie (AI Ops); scaling independent of specialists.

Acquisition of IP rights for an own AI Ops platform and a team of specialists in Q4 2022/2023 lay the foundation for DATAGROUPs future AI strategy.



Broadening of **cyber security portfolio** in response to an increase in demand for safe and resilient IT operations.

Foundation of a specialized DATAGROUP cyber security entity as additional task force to prevent, detect and respond to cyber attacks.



End-to-end own **cloud** capacities ensure a trusting “home” for critical data.

Combination of CORBOX cloud portfolio with STACKIT cloud services in strategic partnership as response to the high demand for multi cloud offerings with the highest standards of data security and sovereignty.

# Extract from Financial Calendar



- **21.11.23** Publication of the preliminary full year figures 22/23
- **27.-28.11.23** Deutsches Eigenkapitalforum, Frankfurt/Main
- **04.12.23** Berenberg European Conference 2023, London
- **12.12.23** Züricher Investorentag, Zürich

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## 2024

- **11.-12.01.24** 27<sup>th</sup> ODDO BHF Forum, Lyon
- **18.01.2024** Publication of the audited annual figures for FY 22/23
- **07.-08.02.24** Hamburger Investorentage (HIT)
- **14.03.24** Ordentliche Hauptversammlung
- **23.09.24** Baader Investment Conference, München

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