



DATAGROUP

DATAGROUP is synonymous with stability

Analyst Presentation

January 2024



Who are we: Leading German IT full service provider



~ 3,500
Employees



~ € 500m
in revenues



> 9% EBIT margin



30 locations in
Germany

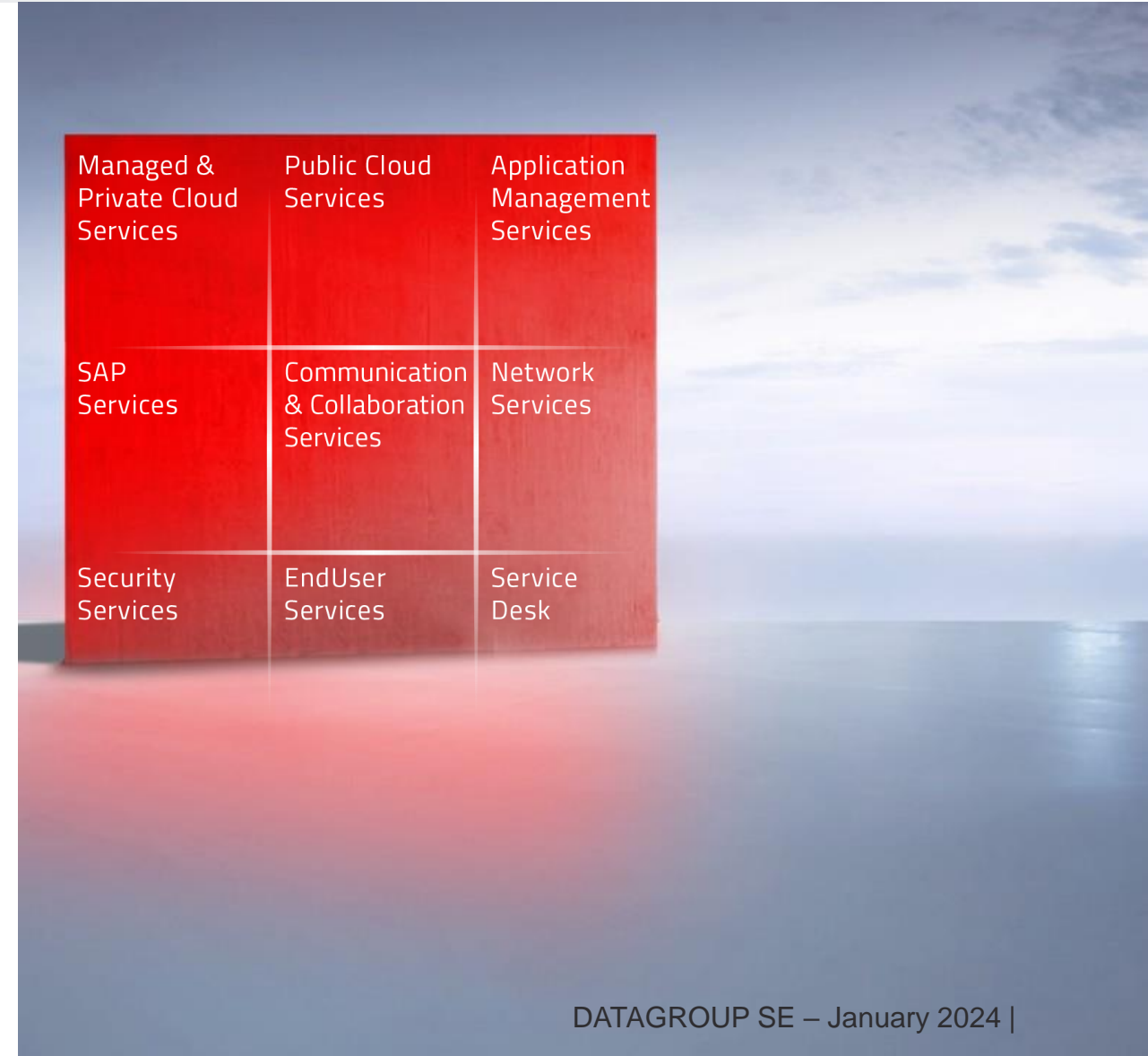
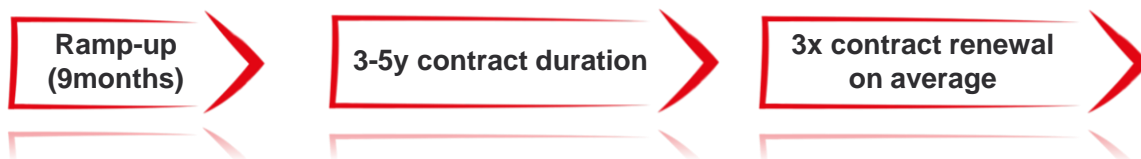
- Rock solid business model based on innovative CORBOX service suite
- Helping companies to increase efficiency, save costs, skilled labor shortage
- High share of long-term contracts with recurring revenues offers security in macroeconomically challenging times
- Driven by highly diversified customer 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:

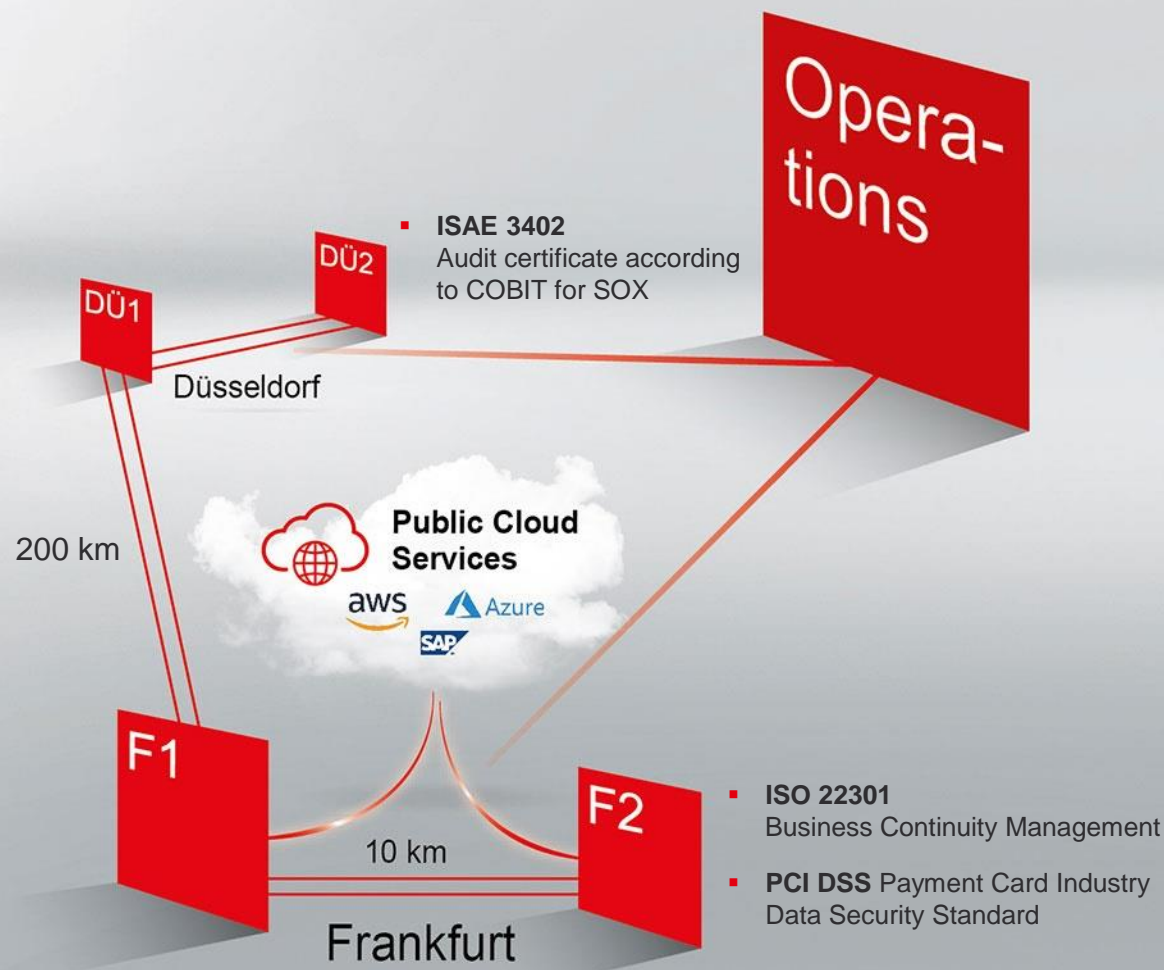
Full service offering for IT, cloud and security services

- 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



Data Centers in Germany in Colocation with Public Cloud Integration



- Improved disaster recovery abilities based on a joint Data Center backbone in Frankfurt-Düsseldorf
- Optimal public cloud connection to DECIX and ECIX
- Integration of Nuremberg Data Center location into the central Data Centers
- 🌱 Sustainability improved thanks to concentration at energy-efficient locations
- Further integration of acquired Data Center locations
- CAPEX light

The DATAGROUP Production Model



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Virtually centralized supply units ensure

- Efficiency gains / cost control
- Automation
- Public cloud integration
- Scalability / capacity for growth

Local presence ensures

- Eye height
- Proximity
- On-site services
- Sales success

Dec. 2023: Acquisition of



conplus
MITTELSTANDSLÖSUNGEN



~ € 6m
in revenues



22
employees



Highly
profitable



Locations
Mönchengladbach
Ahrensburg

- CONPLUS offers a complete portfolio of services around SAP Business One
- Focus in the SME segment (small and mid-sized enterprises)
- Approx. 250 customers in Northern and Western Germany (primarily trade and production companies)
- Product portfolio: SAP licences (>25%), Consulting (>40%), Maintenance and support services (>25%)

Opportunities & Outlook

- Strategic expansion of DATAGROUP's SME segment
- Addition of a highly profitable company - consistently high cash flow
- Significant cross-selling and up-selling in particular through close cooperation with Hövermann IT
- Strong local presence of CONPLUS in Northern Germany and North Rhine-Westphalia

Jan. 2024: Acquisition of



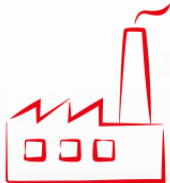
~ € 11.2m
in revenues



37
employees



IT-Service
Managed services



Locations
Rottweil
Stuttgart

- iT TOTAL is an IT Service provider with a strongly growing managed services sector and a software and hardware business
- Diversified customer structure of regional medium-sized companies with over 200 customers from various industries

Opportunities & Outlook

- Gradual compensation of the trading business with managed services should lead to a significant improvement in profitability in the future
- Customer portfolio with CORBOX potential: Transformation of the business to a full-service provider with CORBOX
- Expansion of DATAGROUP's presence in South-West Germany



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

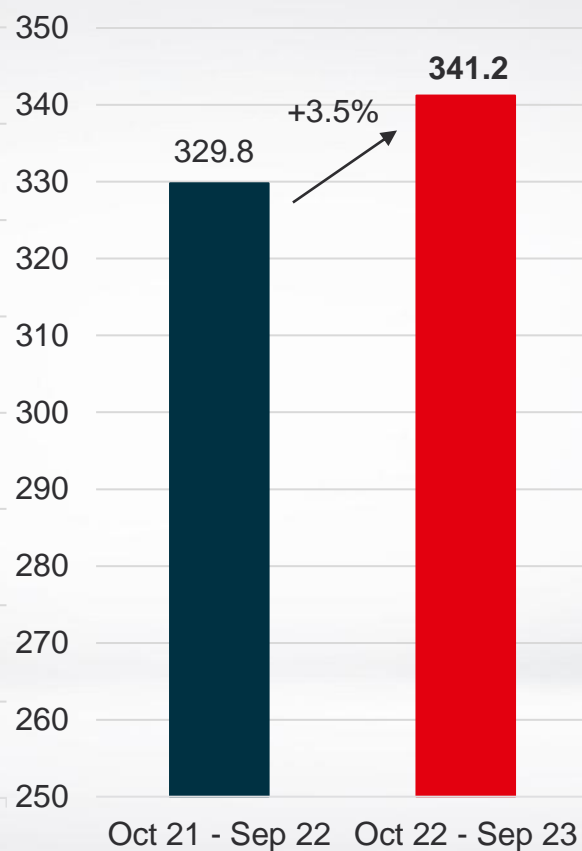
- Revenue of € 497.8m at the upper end of the guidance
- EBITDA of € 80.2m exceeding the guidance
- EBIT increases disproportionately to € 45.3m, EBIT margin improves to 9.1%
- New financing of € 70m with simultaneous improvement of the balance sheet structure and increased equity ratio of 31.7%

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

mEUR Revenue



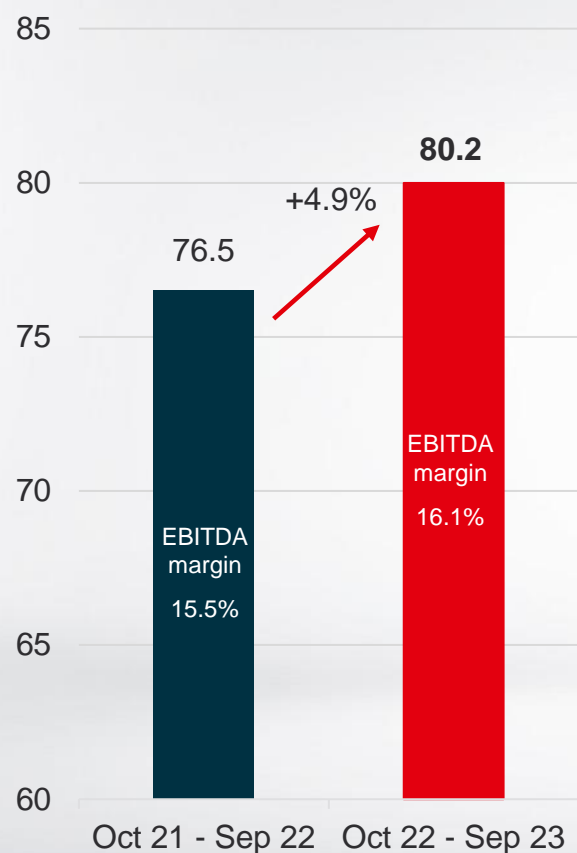
mEUR Gross profit



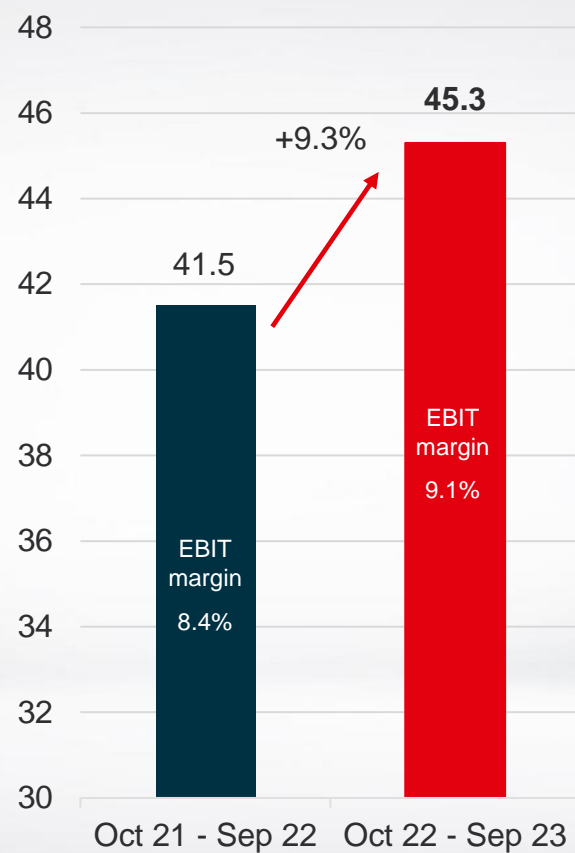
- Revenues reach upper end of revised guidance despite challenging macroeconomic environment and € 40m special effects in FY 2022/23
- Strong operating development in the CORBOX core business and the digitization segment
- Overproportional increase in gross profit by 3.5% shows focus on profitable CORBOX 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% 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	493,950	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	492,013	495,863	0.7%
<i>Material expenses / Expenses for purchased services</i>	162,244	154,670	-4.7%
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 slightly above 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



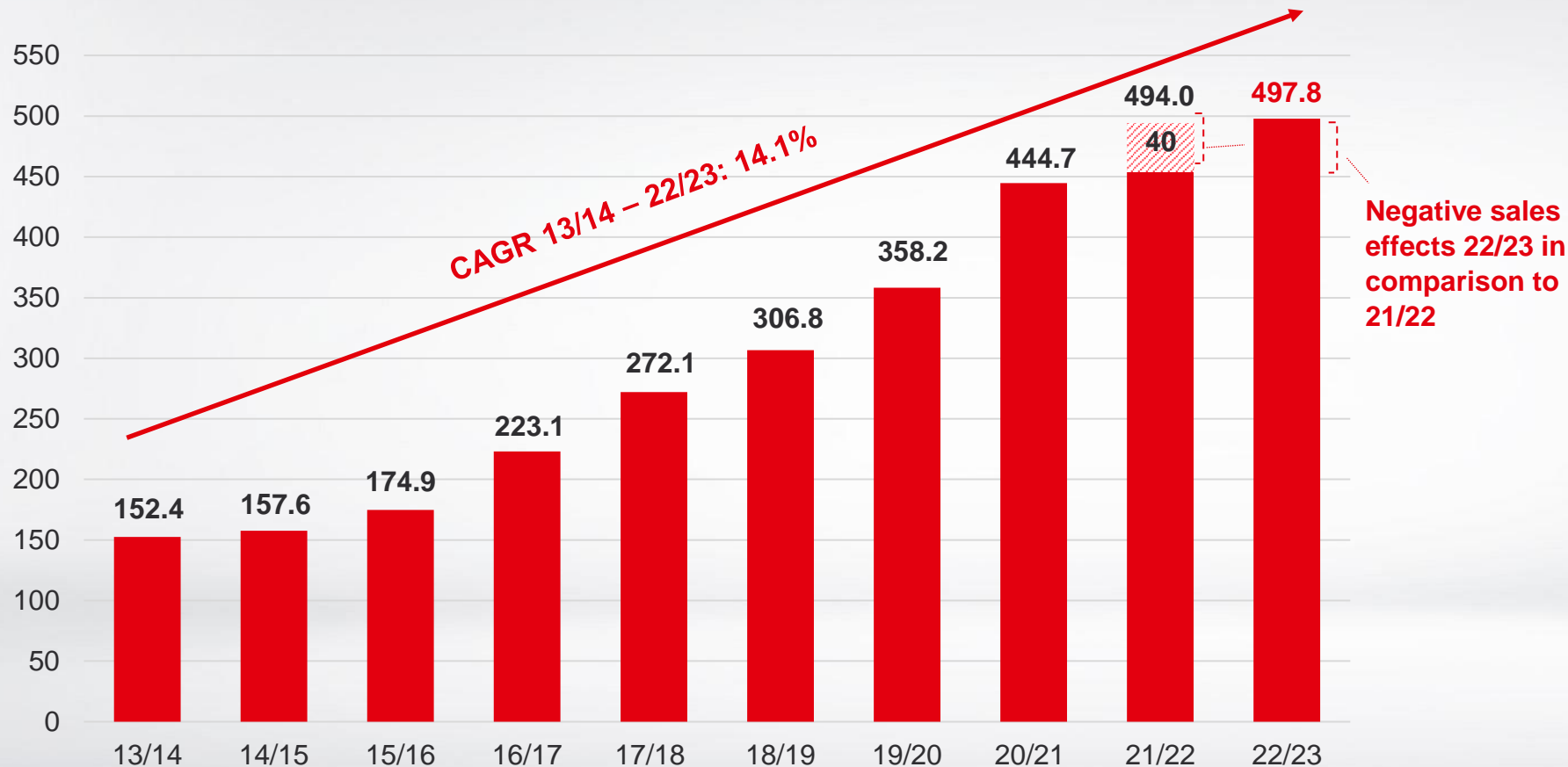
Cash flow FY 2022/23:

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"> Very good cash flow from operating activities shows the strength of DATAGROUPs business model
Cash flow from investing activities	-44,778	-64,834	44.8%	<ul style="list-style-type: none"> CAPEX: € 15,234k as per 22/23 after € 8,810k as per 21/22 € 50,930k: earn-out payments and outflow for acquisitions
Cash flow from financing activities	-22,525	-6,993	-69.0%	<ul style="list-style-type: none"> Outflow for finance lease as a lessee € 15,421k as per Q4 22/23 after € 12,789k as per Q4 21/22 Borrowing of promissory note loan € 30,000k, repayment of promissory note loan € 9,000k
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



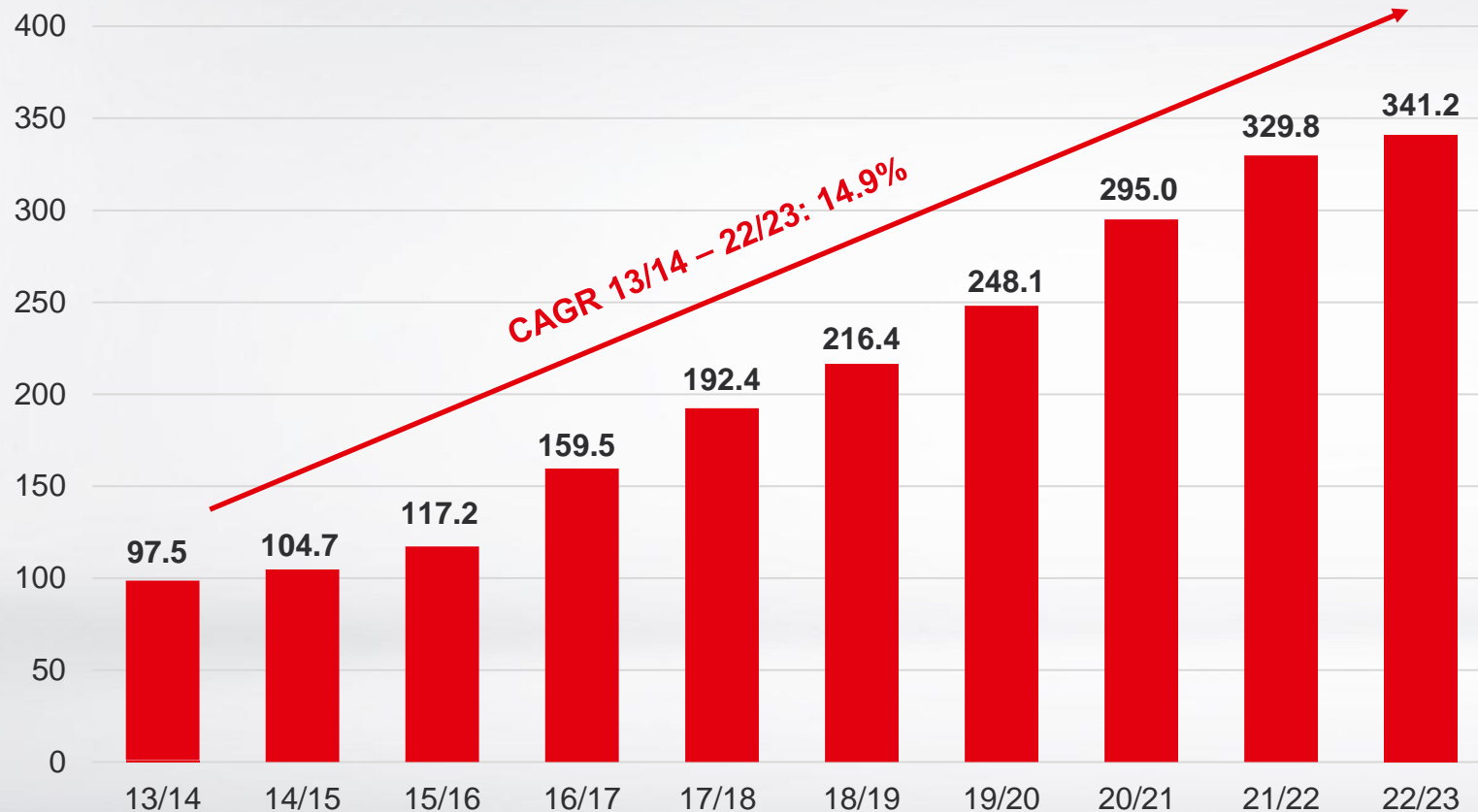
Negative sales effects of c. € 40m on an annual basis:

- 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**

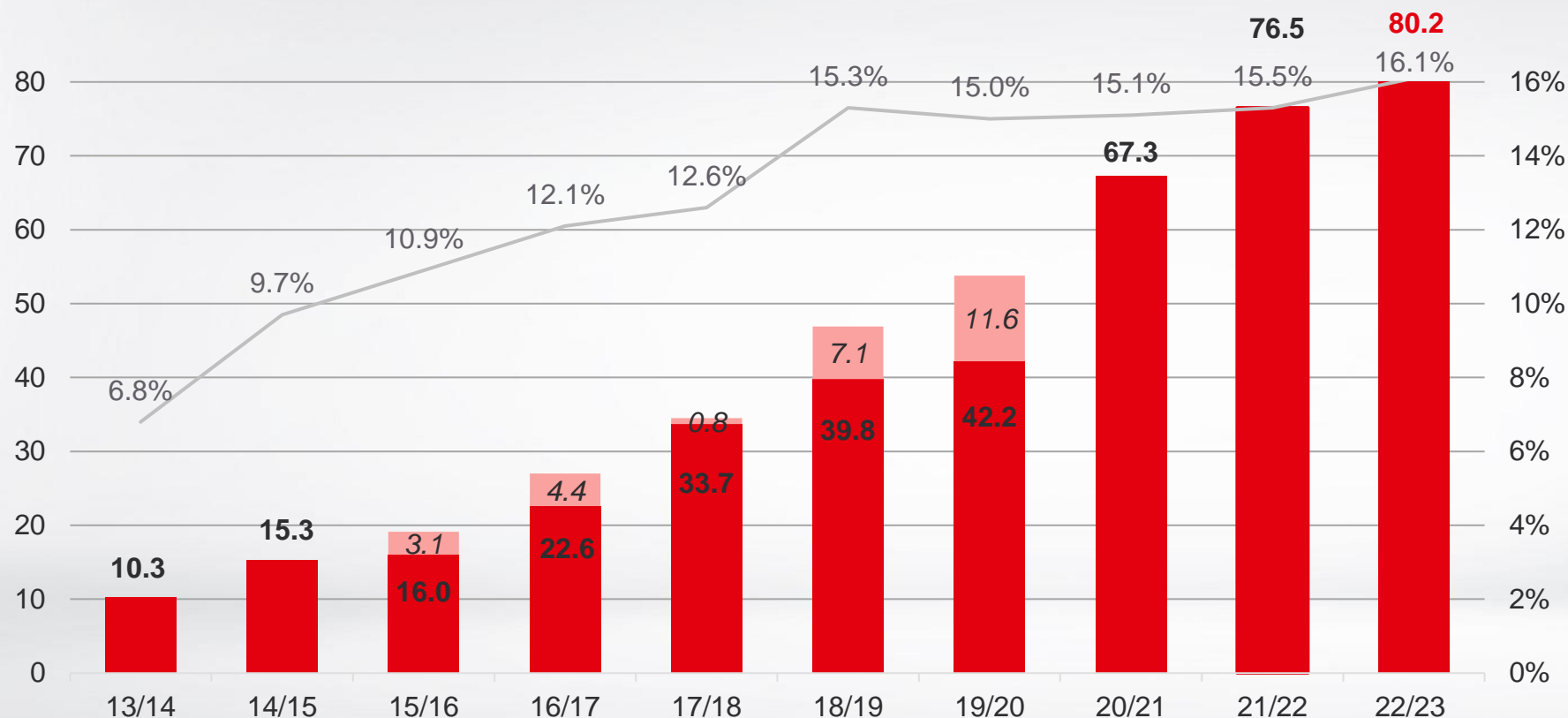


- Gross profit increases disproportionately over the years due to profitable CORBOX core business
- Gross profit +3.5% in FY 22/23 despite losing gross profit by negative sales effects (see previous slide)

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

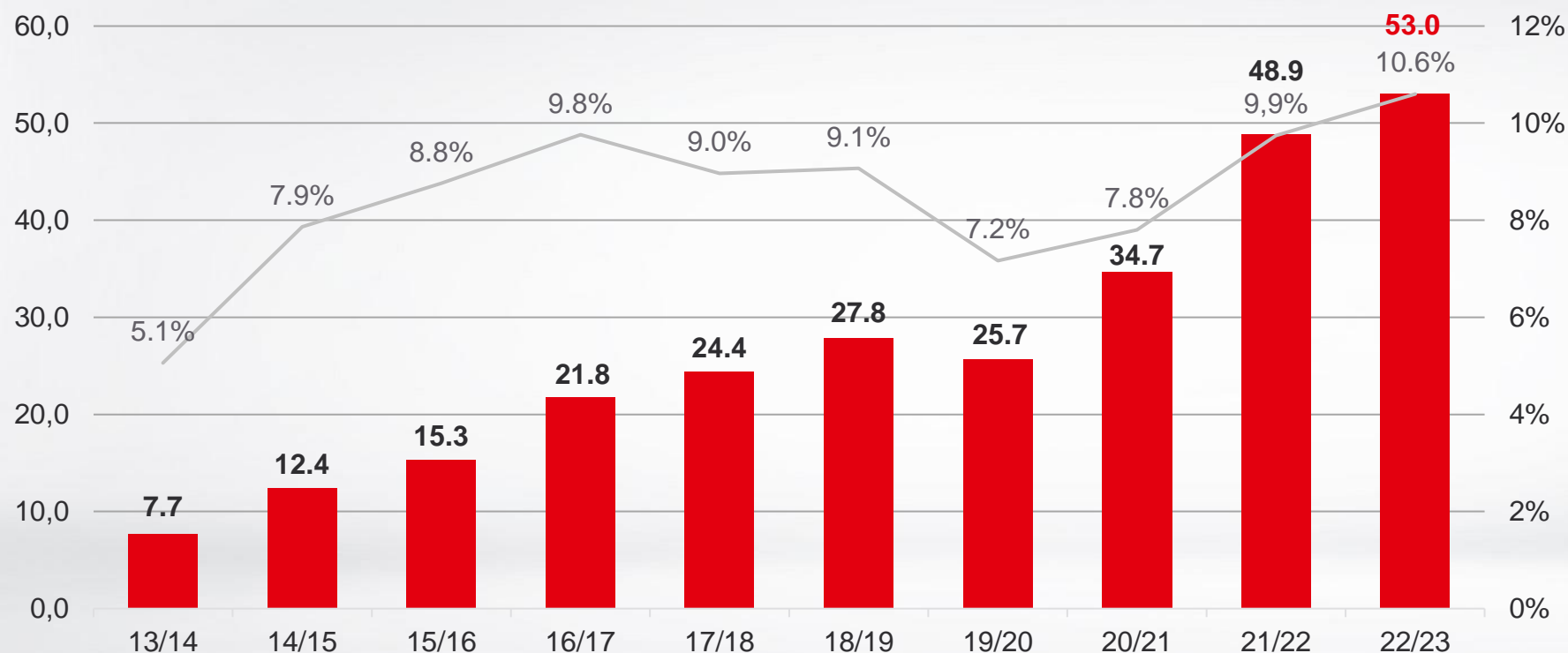


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€m EBITA 13/14 – 22/23

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

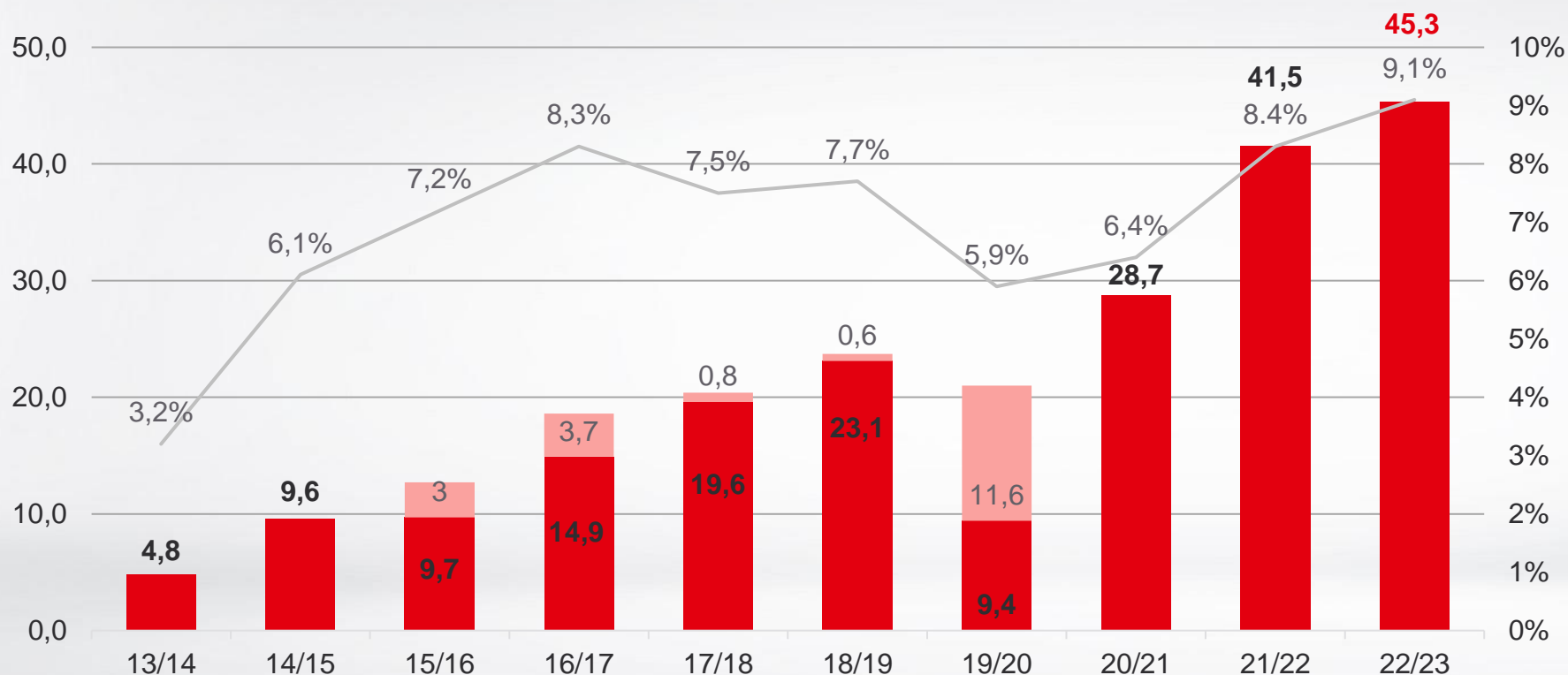
■ EBITA margin

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

€m EBIT 13/14 – 22/23

CAGR 13/14 – 22/23: 28,3%

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...

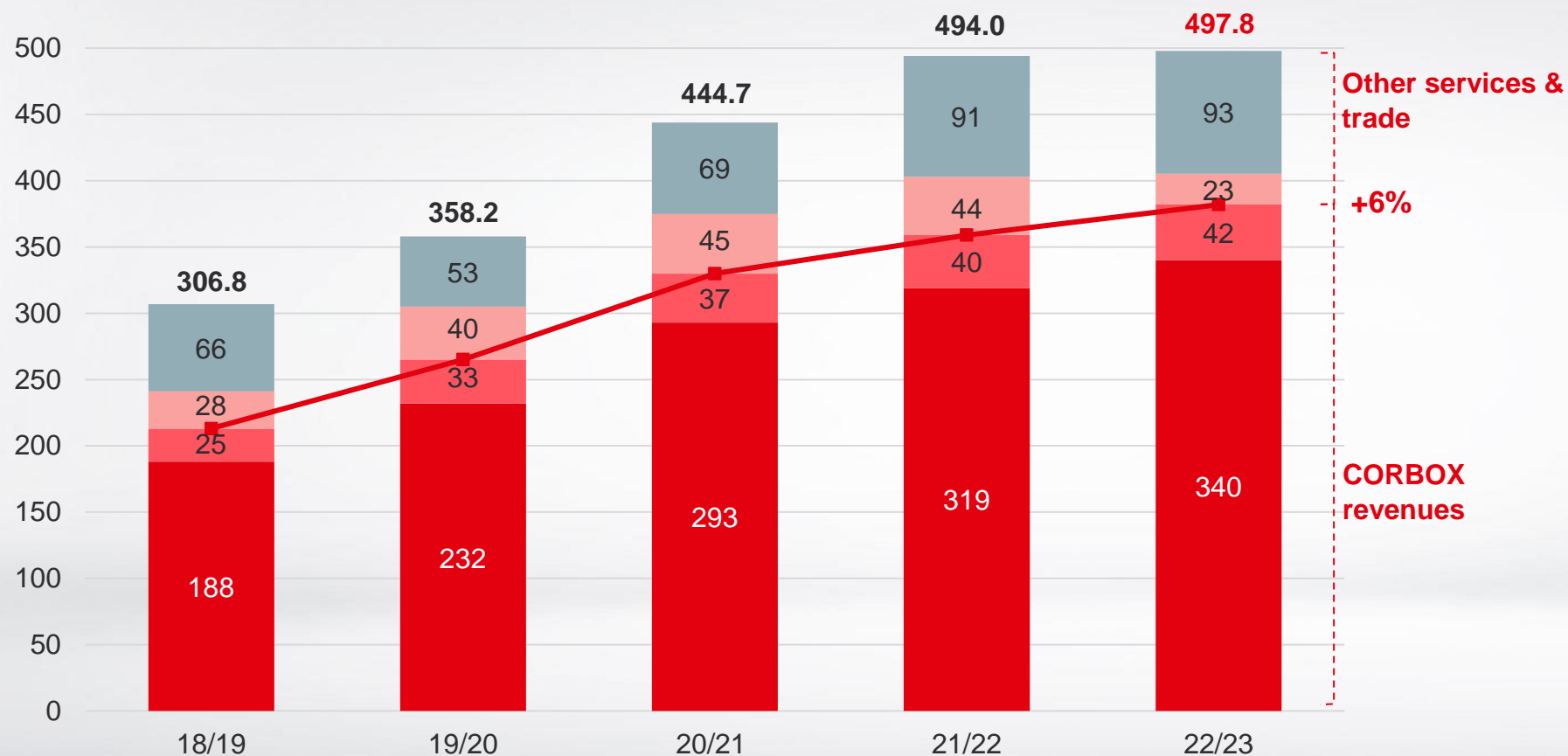
- No cluster risk
- No sector risk
- No market risk

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

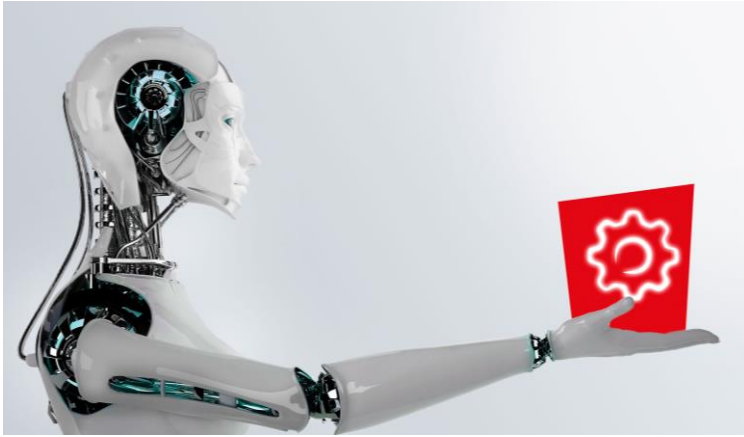
Cross-selling and upselling
to CORBOX customers

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.



Back-up: M&A-History

Messerknecht
(120 employees), Oct. 2006

bte bürotechnik eggert
(10 employees), July 2008

Consinto
(350 employees), Feb. 2012

ALMATO
(40 employees), Jan. 2018

dna
(104 employees), Apr. 2021

ICP
(15 employees), Oct. 2006

Arxes
(380 employees), Apr. 2010

Excelsis
(50 employees), Oct. 2014

UBL
(70 employees), Apr. 2019

URANO Informationssysteme
(300 employees), May 2021

EGT Informationssysteme
(25 employees), Jan. 2007

Ptecs
(50 employees), Oct. 2010

Vega
(120 employees), Aug. 2015

IT-Informatik
(300 employees), Aug. 2019

Hövermann IT
(55 employees), Apr. 2022

Hamann und Feil
(20 employees), Oct. 2007

BGS
(120 employees), Jan. 2011

HP Enterprise
(306 employees), Sept. 2016

Mercoline
(60 employees), Aug. 2019

systemzwo
(38 employees), Apr. 2023

Corporate Express
(20 employees), Nov. 2007

DATAGROUP IT Solutions
(20 employees), Sept. 2011

HanseCom
(70 employees), May 2017

Portavis
(200 employees), Mar. 2020

CONPLUS
(22 employees), Dec. 2023

Best Computer Support
(30 employees), Jan. 2008

DATAGROUP Consulting
(10 employees), Sept. 2011

ikb Data
(72 employees), Aug. 2017

Cloudeeter
(29 employees), June 2020

iT TOTAL
(40 employees), Jan. 2024

Hanseatische Datentechnik
(150 employees), Jan. 2008

PC-Feuerwehr
(10 employees), Jan. 2012



Extract from Financial Calendar



- **15.01.24** 27th ODDO BHF Forum, virtual
- **18.01.24** Publication of the audited annual figures for FY 22/23
- **25.01.24** Warburg “Klein aber Fein” Investor Day, Frankfurt/Main
- **07.-08.02.24** Hamburger Investorentage (HIT)
- **20.02.24** Publication Q1 figures FY 23/24
- **14.03.24** Annual General Meeting, Pliezhausen
- **22.04.24** Metzler Small Cap Days, Frankfurt/Main
- **23.04.24** Quirin Champions Conference, Frankfurt/Main
- **13.-15.05.24** German Spring Conference, Frankfurt/Main
- **23.05.24** Publication Q2/H1 figures FY 23/24
- **20.08.24** Publication Q3/9M figures FY 23/24
- **23.09.24** Baader Investment Conference, München
- **21.11.24** Publication of the preliminary full year figures for FY 23/24



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