

# Earnings Call FY.23

**28 March 2024**

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## Significant Events in FY.23

### Group

KBC acquisition starts a new chapter for the CANCOM Group: leading IT service provider with +5,600 employees and strong market presence in all DACH markets.

### Revenue

Demand in e-commerce from small and medium-sized clients in industry and public sector muted due to economic environment and federal budget discussion in Germany.

### EBITDA

EBITDA growth of 10.4 percent to €115.7m driven by successful M+A.

### OCF

OCF significantly higher at €+94.6m (prior year: €-53.6m).

# **FINANCIAL RESULTS FY.23**

## Group: Development driven by M+A.

### REVENUE

€ million

FY.23	1.522,7	+17.8%
FY.22	1.292,9	Organic: -5.6%

### EBITDA MARGIN

%

**7.6%**  
FY.22: 8.1%

### EBITDA

€ million

FY.23	115.7	+10.3%
FY.22	104.9	Organic: -16.1%

Muted demand in e-commerce  
SMB, strong contribution from M+A.

## Segment Germany: **Muted demand.**

### REVENUE

€ million

FY.23	1,135.8
FY.22	1,171.7

**-3.1%**

Organic: -5.1%

### EBITDA MARGIN

%

**7.1%**

FY.22: 7.8%

### EBITDA

€ million

FY.23	81.1
FY.22	91.0

**-10.9%**

Organic: -15.7%

“Service business generates reliable and profitable revenue in difficult environment.”

## Segment International: **Dominated by CANCOM Austria.**

### REVENUE

€ million

FY.23	386.9	+219.4%
FY.22	121.2	Organic: -21.3%

### EBITDA MARGIN

%

**9.0%**  
FY.22: 11.5%

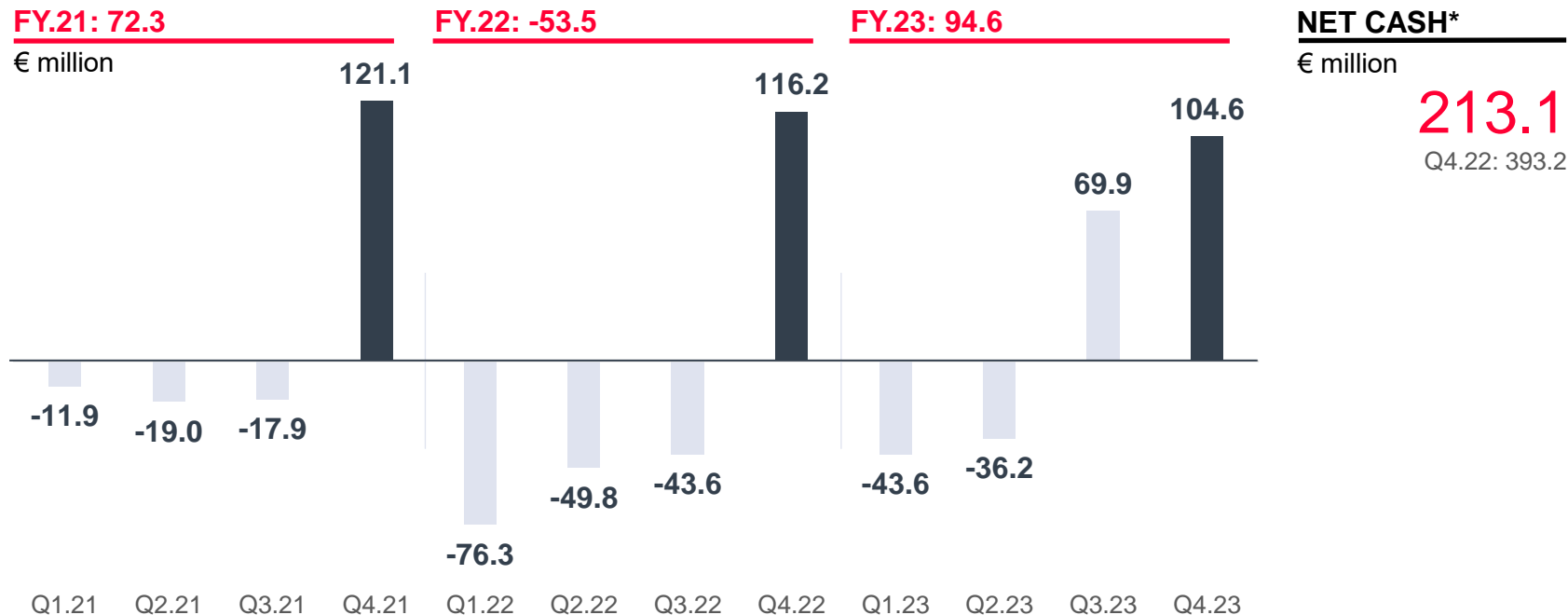
### EBITDA

€ million

FY.23	34.6	+149.3%
FY.22	13.9	Organic: -20.0%

“Exceptionally high EBITDA margin of CANCOM Austria for FY.23.”

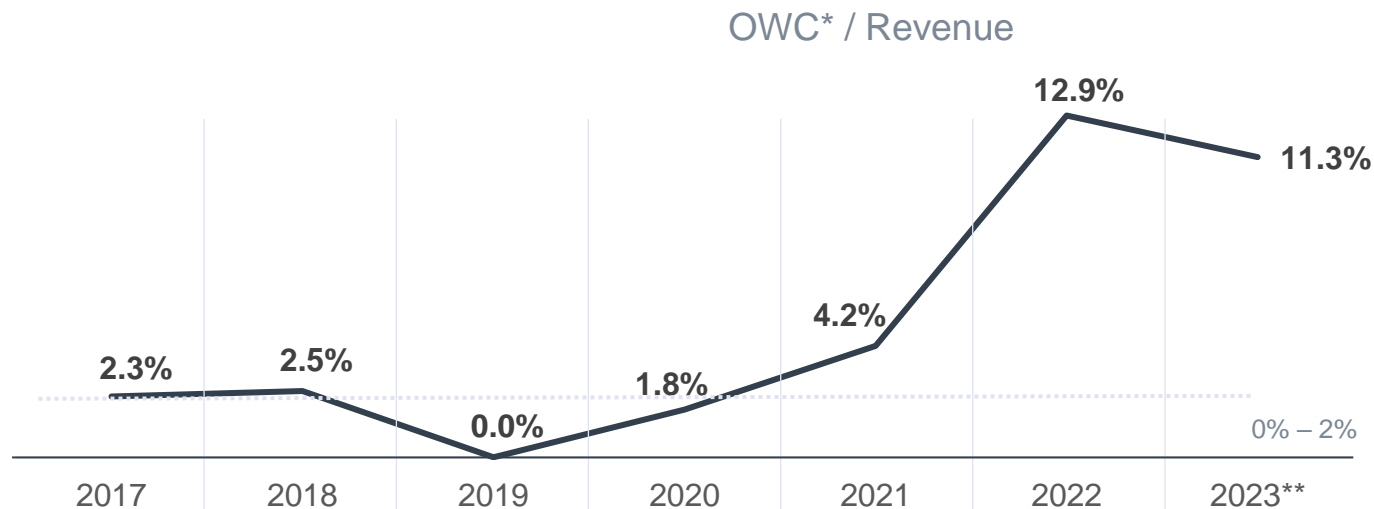
## Operating Cash Flow: **improvement materializes.**



\* Cash and cash equivalents - Current liabilities to credit institutions



## Operating Working Capital: **improved, providing potential.**



Additional upside potential in 2024 and 2025.



\* OWC = (Trade account receivables + inventories) – Trade account payables

\*\* Incl. CANCOM Austria Group

## CapEx: on target for 2023 – new target for 2024.

**FY.21: 33.2**

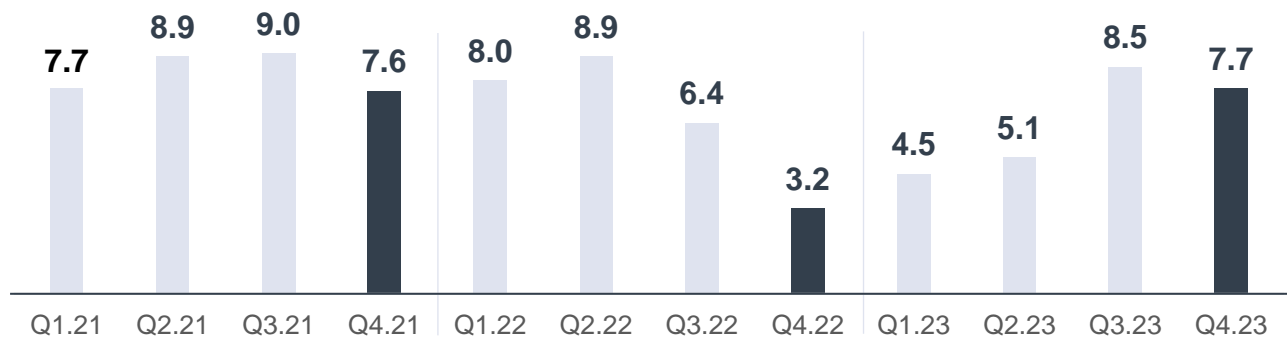
€ million

**FY.22: 26.5**

**FY.23: 25.8**

**CAPEX / REVENUE**

%



**1.7%**

FY.22: 2.0%

New target range for CapEx/revenue is 1.0% - 1.4% percent going forward.

## PPA based amortization and EPS effects

### PPA EFFECT ON AMORTIZATION

€ million

2027	5.3
2026	7.0
2025	8.7
2024	11.8
2023	8.3

### PPA EFFECT ON EPS

€

2027	0.11
2026	0.15
2025	0.18
2024	0.25
2023	0.17

### EARNINGS PER SHARE (€)

from continued operations (undiluted)

2023

2022

1.03

0.90

## Share buyback 2023: Status

Share buyback 2023	
Start	3 July 2023
Maximum duration	until 30 June 2024
Maximum volume	€ 155 million
Maximum # of shares (% of share capital)	3,854,800 (9.9%)

Status*	
# of shares bought (% of share capital)	3,713,485 (9.63%)
Volume used	€ 98,475,862.34
VWAP per share	€ 26.5184

At the current pace, the share buyback programme will end in calendar week 14.

## Financial Calendar **2024**

### 2024

30 April	Non-financial Group report
14 May	Interim Statement as at 31 March 2024
5 June	Annual General Meeting, Munich
13 August	Half-year report as at 30 June 2024
12 November	Interim Statement as at 30 September 2024
25 – 27 November	Analyst conference as part of the German Equity Forum, Frankfurt/Main

# Updates

Integration of CANCOM Austria // ESG

## Integration of **CANCOM Austria**

### Focus Areas

**Purchasing:** Leveraging new market position.

- Joint tenders for distribution ✓
- Standardisation of condition structures

**Finance:** Harmonisation and central planning.

- Financial statements 2023 with harmonized accounting rules ✓
- Integrated budget process ✓

**IT / Digitalisation:** Standardising enterprise IT platforms (CRM, ERP, ITSM).

### Further Workstreams

**Sales + Portfolio:** Definition of common Go-to-Market

- Security ✓
- Network ✓
- Workplace ✓
- AI ✓
- Cloud and IoT ✓

**Supply Chain:** Country-by-country consolidation

**Internal Items:** Bring teams + processes together

- Marketing: unified brand presence and CI ✓
- Integration of Corporate Governance structures
- Employer branding, employer engagement; Nearshoring

## ESG ratings: High quality

### SUSTAINALYTICS

**17.8** (Low Risk)  
2023: 14.8 (Low Risk)

### MSCI

**AA** (5.9)  
2023: AA (5.9)

### ISS ESG

**C** (52.32; Prime)  
2023: C (55.61)





# Outlook 2024



## CANCOM lives **AI** for its customers



- CANCOM offers own "**Orchestrator.AI**" as a cornerstone for individual AI projects
- Automation and optimisation of customer processes through AI with **own experienced consulting team**
- High level of expertise in **Microsoft Copilot** and **Azure AI** with comprehensive consulting and workshop portfolio for sustainable customer benefits
- **Highest partner status** with all strategic manufacturer partners

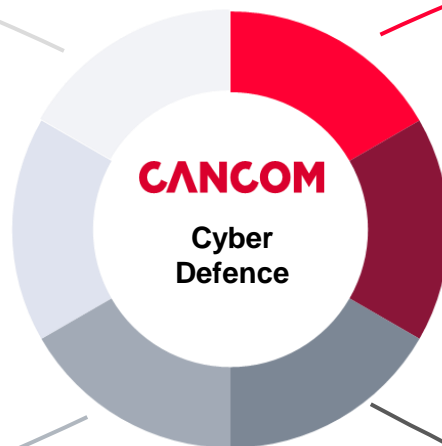
## Security: End-to-End Service by CANCOM Defence Center

### PREVENT

Entire CANCOM knowledge is used to identify areas to improve Cyber Resilience of a customer

### PROTECT

State-of-the-art Cyber Defense Technology combined with internal expertise is used to protect the customer



### RESPOND

Predefined procedures helping the customer bringing its systems up and running again

### DETECT

Correlate all customer data and combine them with Threat Intelligence knowledge to get visibility of unknown attackers in the environment of customers

## Forecast 2024: growth through organic development and M+A

€ million	Forecast	2023
Revenue	1,750 – 2,000	1,522.7
Gross profit	640 – 740	582.3
EBITDA	130 – 155	115.7
EBITA	75 – 100	64.1

Guidance reflects expectation of muted demand in a slightly recessionary economy in H1.24 with gradual recovery in H2.24.

# Q+A



# Contact

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## Group: Q4.23

### REVENUE

€ million

Q4.23	459.9
Q4.22	367.8

**+25.0%**

Organic: -8.4%

### EBITDA MARGIN

%

**8.5%**

Q4.22: 6.8%

### EBITDA

€ million

Q4.23	39.2
Q4.22	24.9

**+57.3%**

Organic: +21.9%

## Segment Germany: Q4.23

### REVENUE

€ million

Q4.23	306.5
Q4.22	328.3

**-6.6%**

Organic: -9.5%

### EBITDA MARGIN

%

**9.2%**

Q4.22: 6.7%

### EBITDA

€ million

Q4.23	28.1
Q4.22	22.1

**+27.4%**

Organic: +19.0%



## Segment International: **Q4.23**

### REVENUE

€ million



Organic: -11.8%

### EBITDA MARGIN

%

**7.2%**

Q4.22: 7.2%

### EBITDA

€ million



Organic: +38.5%