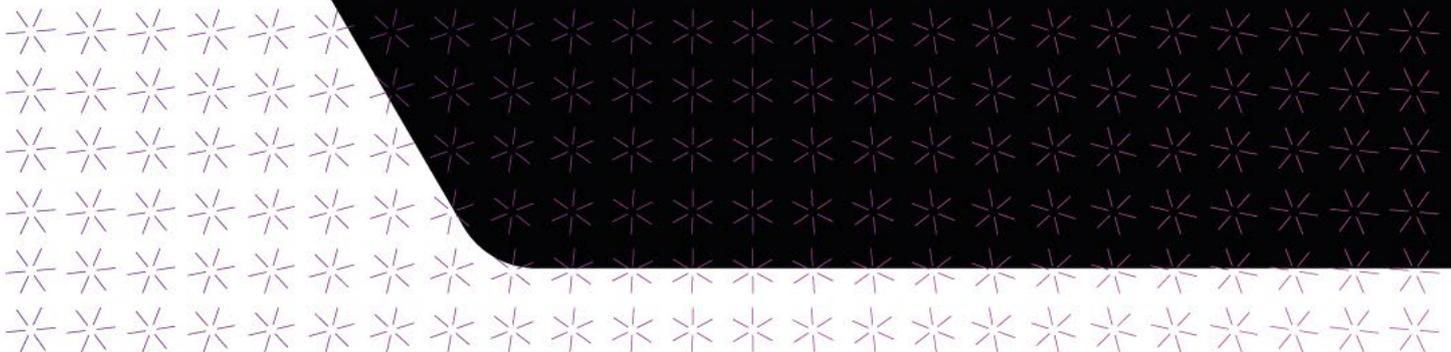
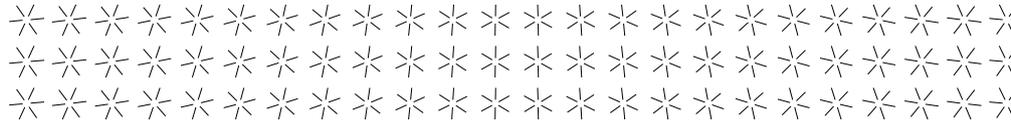


Press release

**Trading update  
Q1 2024  
Ctac N.V.**



# Ctac Group



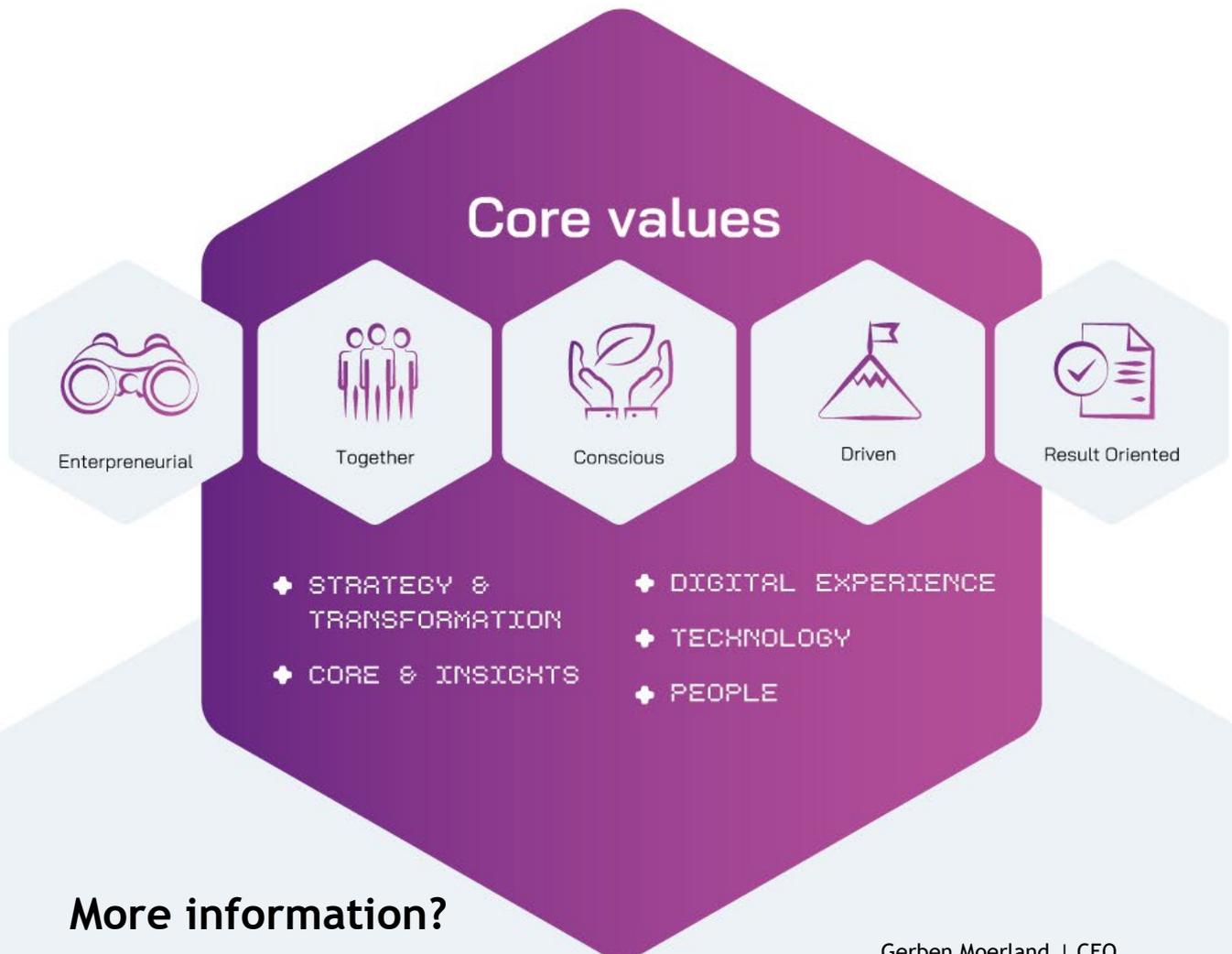
Ctac Group consists of IT companies that make ambitions work. Ambitions of organisations that want to deploy IT smartly. By continuously innovating, Ctac Group creates the required business value. We do so with strong companies such as Ctac, Digimij, Oliver IT, Purple Square and Technology2Enjoy in the field of strategy & transformation, core & insights, digital experience, technology and people. Each with its own expertise such as NEXT, change management, direction management, ERP, data services, integration, development, products, cloud infrastructure, modern work, security and resourcing which makes our group powerful.

Ctac Group offers a broad portfolio with solutions from SAP and Microsoft 'on any cloud' and also has a number of own products including the XV Retail

Suite consisting of an omnichannel driven Point-of-Sale & Loyalty platform.

Ctac Group will exist 32 years in 2024 and during this period it has built up extensive experience and substantive knowledge in the retail, wholesale, manufacturing, real estate, professional services and public sectors. In 2023, Ctac Group realised a turnover of approximately € 127 million with an average of 461 FTEs and 212 professional temps.

Ctac Group has a well-balanced workforce based on age, knowledge and experience. Working together to achieve common goals is of paramount importance. Ctac Group is listed on Euronext Amsterdam (ticker: CTAC) and has offices in the Netherlands and Belgium.



## More information?

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# Ctac records lower revenue

## Cloud migration prompting shift in market demand

's-Hertogenbosch, 24 April 2024 - Business & Cloud Integrator Ctac N.V. (Ctac) (Euronext Amsterdam: CTAC) today gives a trading update on the first quarter (Q1) of 2024.

### HIGHLIGHTS FIRST QUARTER 2024

- Revenue declines to € 30.6 million due to reduced hosting revenue, IT-maintenance and challenges in optimising staffing
- EBITDA falls by 20.0% to € 2.0 million
- Net profit of € 0.4 million
- Impacted by the shifting market demand, the outlook for 2024 has been revised downward. The focus is on protecting profitability amid lower revenue

### Key figures

€ mln (unless stated otherwise)

|                        | Q1 2024 | Q1 2023 | Delta   |
|------------------------|---------|---------|---------|
| Revenue                | 30.6    | 32.9    | -7.0%   |
| EBITDA*                | 2.0     | 2.5     | -20.0%  |
| EBIT*                  | 0.7     | 1.2     | -41.7%  |
| Net result             | 0.4     | 0.8     | -50.0%  |
| Operating cash flow    | -0.1    | 1.2     | -108.3% |
| Net cash (quarter-end) | 5.9     | 4.3     | +37.2%  |

\*) Including one-time effects of € 0.6 million in Q1 2023

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# Gerben Moerland, Ctac Group Chief Executive Officer:



We can clearly see that the market is preparing for the cloud migration. In the first quarter, this led to reduced hosting revenue. In addition, clients on the eve of this transition are postponing investments in maintenance and adjustments to their IT systems. We anticipate that this trend will continue into the second quarter. At the same time, the strengthening of our sales organisation is resulting in a growing pipeline and we see more traction in the market due to the upcoming migration.

With the strategy recalibration initiated last year, we are preparing the organisation for the change in our revenue model. Replacing our service management system and implementing the public cloud ERP system in our own organisation are important steps in this process.

As a Business & Cloud Integrator, our services are shifting from traditional software licensing to a usage-based approach. SAP is asking clients to make the switch by 2027 at the latest. Our strong position as a strategic SAP partner and the strengthening of our partnership with Microsoft will enable us to accelerate growth in public and hybrid cloud solutions and we are well positioned to help clients with their digital transformation.

We are responding to the changing market demand by rolling out new propositions, the strengthening of internal collaboration as Ctac Group, and additional investments in operational excellence. These new propositions and the shared identity of Ctac Group are reflected in our new branding and house style.

In the second half of the year, we expect the number of ERP migrations to the cloud to increase and become reflected in our revenue. Due to the shift in market demand and declining investments in maintenance in the short term, we are revising our expectations for the entire year downward. For 2024, the focus is on protecting profitability, and we anticipate lower revenue than in 2023.



**Gerben Moerland**

Chief Executive Officer  
Ctac Group

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# Group performance

## Revenue per service

€ mln (unless stated otherwise)

|                                    | Q1 2024     | Q1 2023     | Delta          |
|------------------------------------|-------------|-------------|----------------|
| <b>Projects and secondment</b>     | <b>17.5</b> | <b>19.7</b> | <b>-11.2%</b>  |
| <b>Cloud services</b>              | <b>12.8</b> | <b>12.7</b> | <b>+0.8%</b>   |
| <b>Licence and hardware sales</b>  | <b>0.3</b>  | <b>0.5</b>  | <b>-40.0%</b>  |
| <b>Total revenue from services</b> | <b>30.6</b> | <b>32.9</b> | <b>-7.0%</b>   |
| <b>Other income</b>                | <b>0.3</b>  | <b>-</b>    | <b>+100.0%</b> |

In the first quarter of 2024, revenue came in at € 30.6 million, a decline of 7.0%. Revenue from **Projects and secondment** fell by 11.2%. Deferred investments and the smaller size of projects made it challenging to optimise staff utilisation. Compared with the first quarter of 2023, **Cloud services** revenue was up 0.8%. Our clients' transition to the public cloud is driving a decline in hosting revenue. Due to an increase in cloud-based licences and the indexation of tariffs, revenue remained stable. Revenue from **Licence and hardware sales** declined. Other income recognises revenue used to carry out ongoing implementation projects at Technology2Enjoy.

## Staff

FTE (unless stated otherwise)

|                                              | Q1 2024    | Q1 2023    | Delta        |
|----------------------------------------------|------------|------------|--------------|
| <b>Quarter-end</b>                           |            |            |              |
| <b>Direct</b>                                | <b>352</b> | <b>379</b> | <b>-7.1%</b> |
| <b>Indirect</b>                              | <b>93</b>  | <b>93</b>  | <b>0.0%</b>  |
| <b>Total</b>                                 | <b>445</b> | <b>472</b> | <b>-5.7%</b> |
| <b>Average</b>                               |            |            |              |
| <b>Direct</b>                                | <b>357</b> | <b>379</b> | <b>-5.8%</b> |
| <b>Indirect</b>                              | <b>92</b>  | <b>94</b>  | <b>-2.1%</b> |
| <b>Total</b>                                 | <b>449</b> | <b>473</b> | <b>-5.1%</b> |
| <b>Professional temporary staff (direct)</b> | <b>204</b> | <b>217</b> | <b>-6.0%</b> |

The decline in professional temporary staff was due to a shift in the flexible shell in line with the revenue from Projects and secondment.

The revenue per employee (based on the average number of direct FTEs, including professional temporary staff) came in at € 54,500 in the first quarter of 2024, which was slightly lower than the revenue of € 55,200 in the first quarter of 2023. This was due the challenges in staff utilisation, and because there was one less workable day in the first quarter of 2024 than in the same period last year.

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## EBITDA and EBIT

| € mln (unless stated otherwise)      | Q1 2024     | Q1 2023     | Delta         |
|--------------------------------------|-------------|-------------|---------------|
| <b>EBITDA</b>                        | <b>2.0</b>  | <b>2.5</b>  | <b>-20.0%</b> |
| <i>Margin</i>                        | <b>6.5%</b> | <b>7.6%</b> | <b>-1.1%</b>  |
| <b>Depreciation and amortisation</b> | <b>1.3</b>  | <b>1.3</b>  | <b>0.0%</b>   |
| <b>EBIT</b>                          | <b>0.7</b>  | <b>1.2</b>  | <b>-41.7%</b> |
| <i>Margin</i>                        | <b>2.3%</b> | <b>3.6%</b> | <b>-1.3%</b>  |

EBITDA fell by 20.0% to € 2.0 million. Ctac's profitability came under pressure in the first quarter due to challenges in optimising capacity utilisation and lower hosting revenue. The first quarter of 2023 is including one-time effects of € 0.6 million.

## Financial strength

| € mln (unless stated otherwise) | Q1 2024     | Q1 2023     | Delta          |
|---------------------------------|-------------|-------------|----------------|
| <b>Operating cash flow</b>      | <b>-0.1</b> | <b>1.2</b>  | <b>-108.3%</b> |
| <b>Net cash (quarter-end)</b>   | <b>5.9</b>  | <b>4.3</b>  | <b>+37.2%</b>  |
| <b>Headroom (quarter-end)</b>   | <b>15.9</b> | <b>13.3</b> | <b>+19.5%</b>  |

Operating cash flow came in at a negative € 0.1 million in the first three months of 2024, due in part to the decline in profits. The regular working capital management (accounts receivable and accounts payable) remained under control.

Ctac's net cash position stood at € 5.9 million at the end of the first quarter of 2024. The remaining bank liabilities were fully repaid in the first quarter of 2024.

The current credit facility stood at € 10.0 million at the end of March 2024, resulting in headroom of € 15.9 million.

Ctac's liquidity and capital position are healthy and provide a good starting position for continued growth.

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# Financial agenda

- 26 July 2024 : Publication half-year results 2024
- 24 October 2024 : Trading update Q3 2024

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## Disclaimer

This press release contains statements that provide forecasts of future results for Ctac N.V. and expresses certain intentions, objectives and ambitions on the basis of current insights.

Such forecasts are, of course, not free of risks and, in view of the fact that there is no certainty about future circumstances, there is a certain degree of uncertainty.

There is a multitude of factors that may underlie the fact that the actual results and forecasts may differ from those described in this document. Such factors may include: general economic and technical developments, scarcity in the labour market, the pace of internationalisation of the market for IT solutions and consulting activities as well as future acquisitions and/or divestments.

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