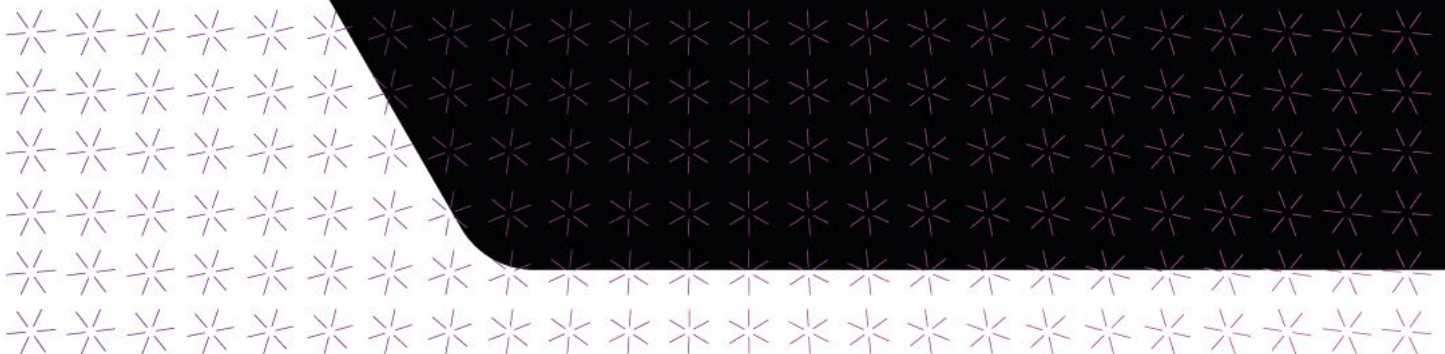
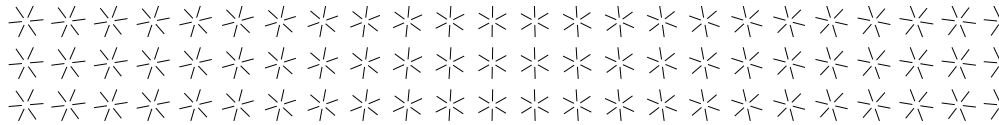


Press release

Ctac N.V.
Trading update
Q3 2024



Ctac Group

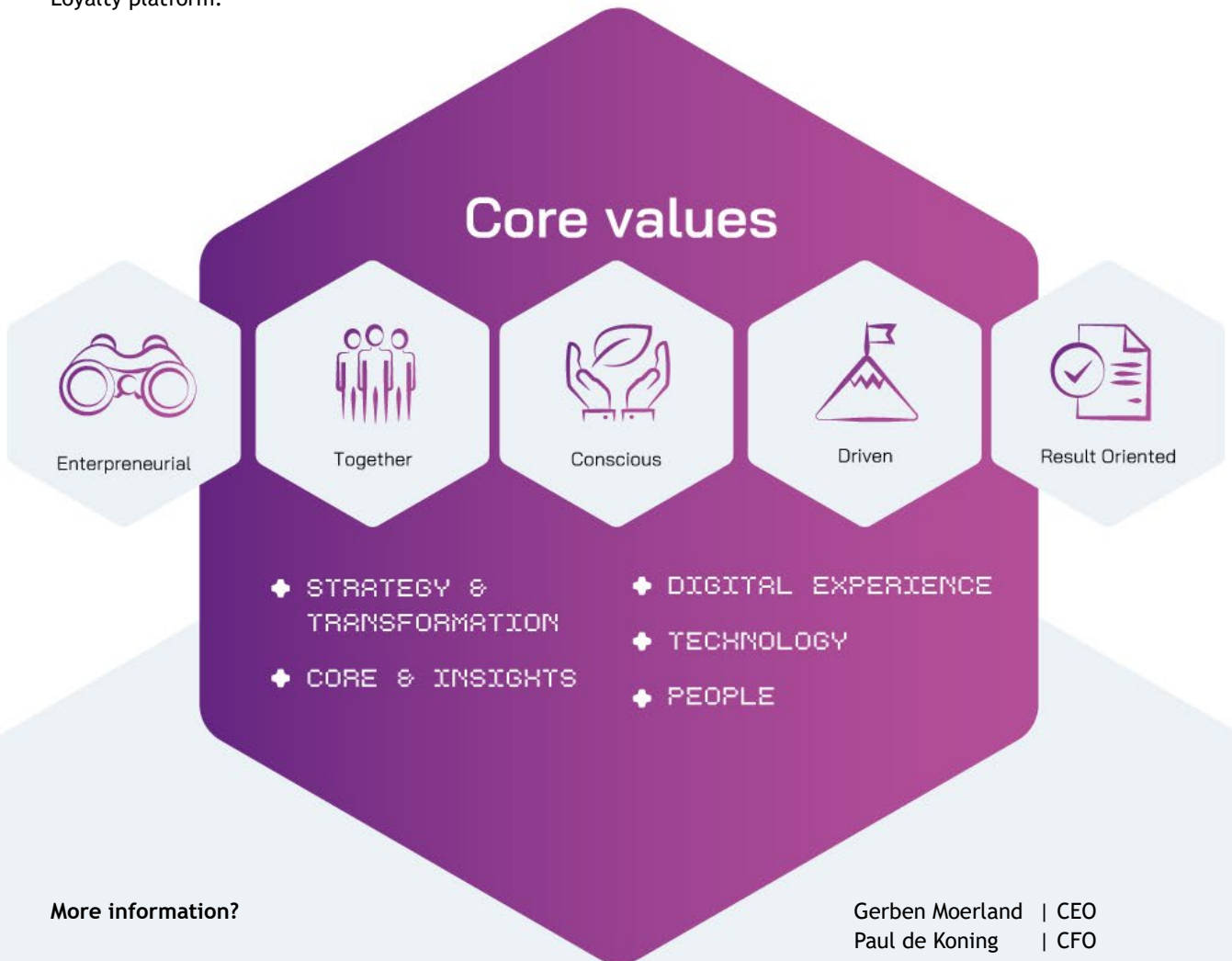


Ctac Group consists of IT companies that turn ambitions into reality for organizations seeking smart IT deployment. By continuously innovating, Ctac Group delivers the necessary business value. We achieve this with strong companies like Ctac, Digimij, Oliver IT, Purple Square, and Technology2Enjoy, operating in fields such as strategy & transformation, core & insights, digital experience, technology, and people. Each company brings its own expertise, including NEXT, change management, IT coordination, ERP, data services, integration, development, products, cloud infrastructure, modern work, security, and resourcing, making our group powerful.

Ctac Group offers a broad portfolio of solutions from SAP and Microsoft 'on any cloud' and has several proprietary products, including the XV Retail Suite, an omnichannel-driven Point-of-Sale & Loyalty platform.

In 2024, Ctac Group will celebrate its 32nd anniversary. Over this period, we have gained extensive experience and deep knowledge in the retail, wholesale, manufacturing, real estate, professional services, and public sectors. In 2023, Ctac Group achieved a turnover of approximately €127 million with an average of 461 FTEs and 212 professional temps.

Ctac Group Ctac Group boasts a well-balanced workforce in terms of age, knowledge, and experience. Collaboration to achieve common goals is paramount. 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 stable profit on slightly lower revenue in third quarter

's-Hertogenbosch, 24 October 2024 - Business & Cloud Integrator Ctac N.V. (Ctac) (Euronext Amsterdam: CTAC) today issues a trading update for the first nine months and third quarter (Q3) of 2024.

HIGHLIGHTS Q3 2024

- Revenue comes in at € 30.2 million, in line with Q3 of last year
- EBITDA stable at € 2.7 million
- Net profit stable at € 1.0 million, EBITDA margin comes in at 8.9% in Q3

HIGHLIGHTS FIRST NINE MONTHS OF 2024

- Revenue to € 92.1 million due to decline in hosting revenue and persistent market challenges
- EBITDA down to € 7.1 million in the first nine months of 2024
- Net profit comes in at € 2.2 million
- Operational cash flow comes in at a negative € 0.2 million and net cash position stood at € 0.9 million

Key figures

€ mln (unless stated otherwise)

	Q3 2024	Q3 2023	Delta	YTD 2024	YTD 2023	Delta
Revenue	30.2	30.5	-1.0%	92.1	95.5	-3.6%
EBITDA	2.7	2.7	0.0%	7.1	7.6	-6.6%
EBIT	1.4	1.4	0.0%	3.3	3.7	-10.8%
Net profit	1.0	1.0	0.0%	2.2	2.4	-8.3%
Operational cash flow				-0.2	4.6	-104.3%
Net cash (at end Q3)				0.9	4.6	-80.4%

Gerben Moerland, Chief Executive Officer of Ctac Group:



In the third quarter, we saw the results of our focus on cost control and the flexible deployment of our people. Revenue and profit were in line with the same period last year, while we saw an improvement in profitability compared with the previous quarters. Investment in our sales capabilities is now visible in the quality of our order pipeline. This confirms that we are on the right track.

The market remains cautious. Clients are postponing major investments, including those related to the migration to the public cloud. We expect demand for cloud solutions to increase in the coming period as an increasing number of organisations will follow the transition to the cloud initiated by SAP. Thanks to our strong strategic partnerships in modern work and public cloud solutions, we are also well positioned to respond to our clients' demand for more flexibility in the design of their IT landscape.

A recent contract in Germany demonstrates the success of closer cooperation within the group. We are delivering a total package of services for a large German retailer, involving several Ctac Group propositions. This project shows exactly what we stand for: fully integrated solutions. We are proud to combine our areas of expertise in an international project.

In anticipation of the increasing demand for public cloud solutions, we are increasing the number of vacancies and recruiting young talent, who are providing fresh energy and ideas. This is in line with our new style and helps us respond more effectively to market needs.

We certainly still have work to do. For instance, we need to increase our conversion rate and calibrating utilisation rates on shorter projects is a learning process. But thanks to the group's broad offering, our well-filled order pipeline driven by our strengthened sales organisation, and our optimised organisation, Ctac is ready for the future.



Gerben Moerland

Chief Executive Officer
Ctac Group

Group performance

Revenue per service

€ mln (unless stated otherwise)	Q3 2024	Q3 2023	Delta
Projects and secondment	17.5	17.1	+2.3%
Cloud services	12.3	12.9	-4.7%
Licence and hardware sales	0.4	0.5	-20.0%
Total revenue from contracts	30.2	30.5	-1.0%

In Q3 2024, revenue from contracts with clients came in at € 30.2 million due to declining Cloud Services revenue. Revenue from Projects and secondment increased by 2.3% due to our focus on increasing the flexible deployability of our people, while growth remained limited by the challenging market and the trend towards smaller project sizes. In the short term, the transition to the cloud is pressuring traditional hosting revenue, while at the same time investments are still being deferred. An increase in cloud-based licences and the indexation of rates made a positive contribution to Cloud services revenue. Licence and hardware sales revenue declined slightly.

Staff

FTEs (unless stated otherwise)	Q3 2024	Q3 2023	Delta
End-Q3			
Direct	347	364	-4.7%
Indirect	93	90	+3.3%
Total	440	454	-3.1%
Average			
Direct	352	373	-5.6%
Indirect	92	91	+1.1%
Total	444	464	-4.3%
Professional temporary staff (direct)	205	212	-3.3%

The fall in the number of direct temporary staff was due to the movement of the flexible shell in line with revenue from Projects and secondment. The increase in the number of indirect employees is a direct consequence of the investment in our sales capabilities.

Revenue per employee (based on the average number of direct FTEs, including professional temporary staff, increased slightly to € 165,400 in the first nine months of 2024, compared with € 163,200 in the first nine months of 2023.

Press release

EBITDA and EBIT

€ mln (unless stated otherwise)	Q3 2024	Q3 2023	Delta
EBITDA	2.7	2.7	0.0
<i>Margin</i>	<i>8.9%</i>	8.9%	0.0
Depreciation and amortisation	1.3	1.3	0.0
EBIT	1.4	1.4	0.0
<i>Margin</i>	<i>4.6%</i>	4.6%	0.0

The focus on protecting our profitability by controlling costs and enhancing employability ensured that EBITDA remained on track at € 2.7 million in the third quarter. The EBITDA margin came in at 8.9.

EBIT came in at € 1.4 million, with an EBIT margin of 4.6%.

Financial strength

€ mln (unless stated otherwise)	YTD 2024	YTD 2023	Delta
Operational cash flow	-0.2	4.6	-104.3%
Net cash (at end-Q3)	0.9	4.6	-80.4%
Headroom (at end-Q3)	10.9	13.4	-18.7%

In the first nine months of 2024, operational cash flow came in at a negative € 0.2 million, due to the increase in current liabilities in the first nine months of 2023. Regular working capital management (receivables and payables) remained unchanged and under control.

The net cash position stood at € 0.9 million at end-September 2024. The current credit facility amounts to € 10.0 million in 2024, resulting in headroom of € 10.9 million.

Ctac's liquidity and capital position are healthy and put the company in a good starting position for growth.

Financial calendar

- 27 February 2025 : Annual results 2024
- 10 April 2025 : Annual General Meeting of Shareholders

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Disclaimer

This press release contains forward-looking statements that provide forecasts about Ctac N.V.'s future results and reflect certain intentions, objectives and ambitions based on current insights.

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

There are a multitude of factors that may underlie the fact that actual results and forecasts may differ from those described in this document in this respect. 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.