

## PRESS RELEASE

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## Record year for GFT

GFT achieves its best-ever revenue and earnings figures in 2021, elevated to SDAX in December

- **EBT almost tripled**, revenue up 27 percent
- Increased demand for **high-margin projects** continues
- **Positive outlook for 2022**: further revenue growth of 20 percent, earnings expected to increase by 36 percent
- Shareholders benefit from **287 percent value growth** and planned **dividend increase** to EUR 0.35

**Stuttgart, 03 March, 2022 – Revenue** up 27 percent, **adjusted EBITDA** up 52 percent, **EBT** up 184 percent year on year. All key performance indicators show: **GFT Technologies SE (GFT) set new records in 2021.**

The reasons for GFT's extremely positive development were **consistently high demand** for complex, highly profitable digitalisation solutions and **active management of administrative costs**.

As a result of its successful business performance, the **GFT share price was highly dynamic in 2021** and GFT was elevated to the SDAX index in December. Shareholders achieved **value growth of 287 percent** over the year. This made GFT one of Germany's top-performing small-cap stocks in 2021.

"We significantly outpaced the market in all segments and markets," states GFT's CEO Marika Lulay. "We are proving over and over again that we can react quickly to new circumstances. That is how we broadened our client base and expanded our footprint in key markets in the past year."

### Very positive trend continues

GFT **reached its ambitious targets for 2021, and even exceeded them slightly in the case of revenue**. The company expects this very positive trend to continue in 2022. **Revenue is expected to grow by 20 percent to around EUR 680 million and pre-tax earnings by 36 percent to EUR 54.5 million**. GFT is thus upgrading its guidance for 2022 slightly compared to that of 21 October 2021.

Marika Lulay explains: "Our clients know that they are in good hands with us, no matter how complex the project. Our digitalisation solutions help them enhance their performance, make them even more productive and more efficient – in other words, make them even more competitive."

### GFT continues to diversify

GFT vigorously continued its diversification strategy aimed at **tapping new business fields and broadening its client base**. As expected, the share of total revenue contributed by the company's top-2 clients<sup>1)</sup> was decreased further to 16 percent (2020: 21 percent). The company **disproportionately grew** its revenue by **52 percent** in the **Insurance** sector. Growth in the **Industry & Others** sector amounted to **27 percent**. Revenue in the **Banking** sector rose by **23 percent**.

As of 31 December 2021, the GFT Group employed a total of **7,718 people** (FTE) – another **record figure**. This represents 29 percent growth compared to the end of the previous year (5,986 employees). The increase resulted mainly from strong **expansion in Brazil**.

### **Disproportionately strong growth in key earnings figures**

As expected, there was disproportionately strong growth in earnings in 2021. This was due to a higher revenue contribution, a focus on high-margin projects and active cost management. In addition, the prior-year figures for 2020 were burdened by restructuring expenses and capacity underutilisation. Adjusted EBITDA rose by 52 percent to EUR 64.79 million in 2021 (2020: EUR 42.52 million). EBT climbed by 184 percent to EUR 40.03 million (2020: EUR 14.11 million). Net income jumped by 201 percent to EUR 29.89 million (2020: EUR 9.94 million).

In view of this extremely dynamic performance, at the Annual General Meeting the Administrative Board of GFT Technologies SE plans to propose an **increase in the dividend to EUR 0.35** per share for the financial year 2021.

### **Financial stability and flexibility remain high**

In the financial year 2021, operating cash flow amounted to EUR 52.99 million (2020: EUR 60.25 million) and thus remained at a high level. The GFT Group's net liquidity improved strongly to EUR 1.93 million (31 December 2020: EUR -31.35 million). The balance sheet was strengthened once again; the equity ratio increased significantly to 36 percent as of 31 December 2021 (31 December 2020: 31 percent).

### **Revenue and earnings outlook 2022 raised slightly**

The positive development of the GFT Group steadily gained momentum over the course of the financial year 2021, resulting in a total of three guidance upgrades: on 26 April, 20 July and 21 October 2021. This was due to active cost management and above all the structurally stronger demand for high-margin digitalisation solutions. GFT is well-known on the market for its outstanding technological and sector expertise, attractive product offerings and proven partner network. It is the preferred choice of clients for the implementation of sophisticated digitalisation projects. This enables GFT to focus on higher-margin projects. By means of active cost management, the company was able to slow the increase in administrative expenses.

Due to the high level of new orders for 2022, the GFT Group expects its very positive business performance to continue. For the financial year 2022, GFT forecasts a significant increase in revenue of 20 percent to around EUR 680 million (2021: EUR 566.19 million). Adjusted EBITDA is likely to grow by 17 percent and reach around EUR 75.5 million (2021: EUR 64.79 million). EBT is expected to increase by 36 percent to around EUR 54.5 million (2021: EUR 40.03 million). The forecast for EBT is thus slightly above that of 21 October 2021.

**Key figures (IFRS, unaudited)**

(Deviations possible due to rounding differences)

In EUR million	2021	2020	Δ
Revenue	566.19	444.85	27%
Adjusted EBITDA <sup>2)</sup>	64.79	42.52	52%
EBITDA	60.75	39.70	53%
EBIT	40.88	16.33	150%
EBT	40.03	14.11	184%
Net income	29.89	9.94	201%
Earnings per share in EUR	1.14	0.38	201%
Operating cash flow	52.99	60.25	-12%
Employees (FTE, as of 31 December)	7,718	5,986	29%
<b>In EUR million</b>	<b>31.12.2021</b>	<b>31.12.2020</b>	Δ
Net liquidity	1.93	-31.35	106%
Equity ratio (in percent)	36	31	5

<sup>1)</sup> GFT's top 2 clients are defined as Deutsche Bank and Barclays.

<sup>2)</sup> Adjusted for special items from M&A activities.

Further information on the definition of alternative performance measures is provided [here](#) on the GFT website.



Marika Lulay, CEO of GFT

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## About GFT – Shaping the future of digital business

As a pioneer for digital transformation, GFT develops sustainable solutions for all aspects of future-oriented technologies – from cloud engineering to artificial intelligence and blockchain/DLT.

With its in-depth technological expertise, strong partnerships and profound market know-how, GFT advises companies in the financial and insurance sectors, as well as in the manufacturing industry. GFT intelligently deploys its IT solutions to raise productivity and create added value for its clients. Companies receive simple and secure access to scalable IT applications and innovative business models.

Founded in 1987 and located in more than 15 markets to ensure proximity to clients, the GFT team consists of over 9,000 determined talents. GFT provides them with career opportunities in all areas of software engineering and innovation. The GFT Technologies SE share is listed in the SDAX index of the German Stock Exchange (ticker: GFT-XE).

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