

Earnings call Q2/H1 2024



GFT Technologies SE | 8 August 2024

Agenda



Highlights | Marika Lulay (Co-CEO), Marco Santos (Co-CEO)
Financials Q2/H1 2024 & Outlook | Dr Jochen Ruetz (CFO)

Solid growth continued despite challenging markets



HIGHLIGHTS

- › Solid revenue and earnings growth as expected
- › Marco Santos Co-CEO since 1 Jul 2024
- › Sophos integration on track
- › PPM tool Engenion recognised at Globe Awards in three categories
- › AI.DA marketplace getting traction

H1 2024

REVENUE

+11%
€ 430m

ADJ. EBIT

+15%
€ 36m

OUTLOOK 2024

REVENUE e

Guidance 7 Mar 2024

+12% +15%
€ 885m €905m

ADJ. EBIT e

+12% +16%
€ 82m €85m



■ We are reaping
the first fruits of
business synergies
and nearshore
capabilities...

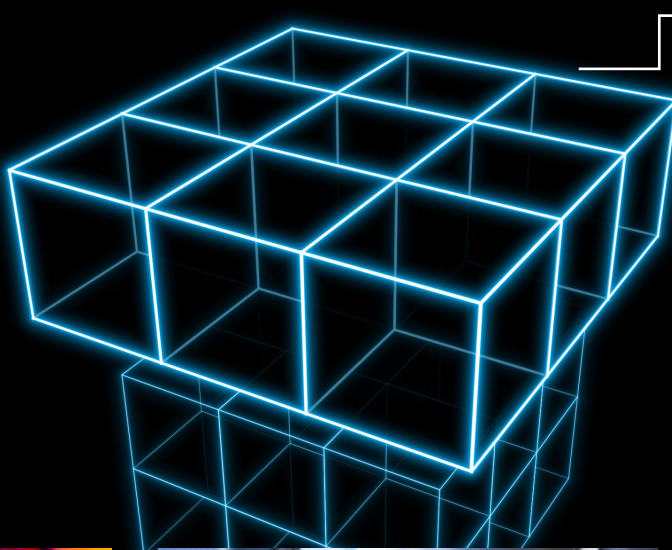
Sophos integration project on track



- First new business and cross-sell wins at GFT UK due to Sophos Core Banking capabilities
- First offshore and nearshore projects underway with delivery from Colombia to USA, UK and Mexico
- Migration of customer contracts initiated
- Joint participation in high profile marketing & sales events: e.g. Fintech Americas, Febraran
- Strengthened client access and value proposition in our markets
- Employee integration running at fast pace
- Sophos Mexico will be fully integrated by end of August

➤➤ Full integration until end of Q1 2025

AI.DA Marketplace Use Case Library



- Visual Inspection
- Predictive Maintenance
- Customer Service
- Fraud Detection
- AI Engineering
- Shopfloor Management
- Knowledge Acquisition
- Manufacturing Analytics
- Project Portfolio Management
- Energy Management
- Software Development
- Voice-assisted Workflows

GFT AI Impact 1.0 shifting
gears in software development

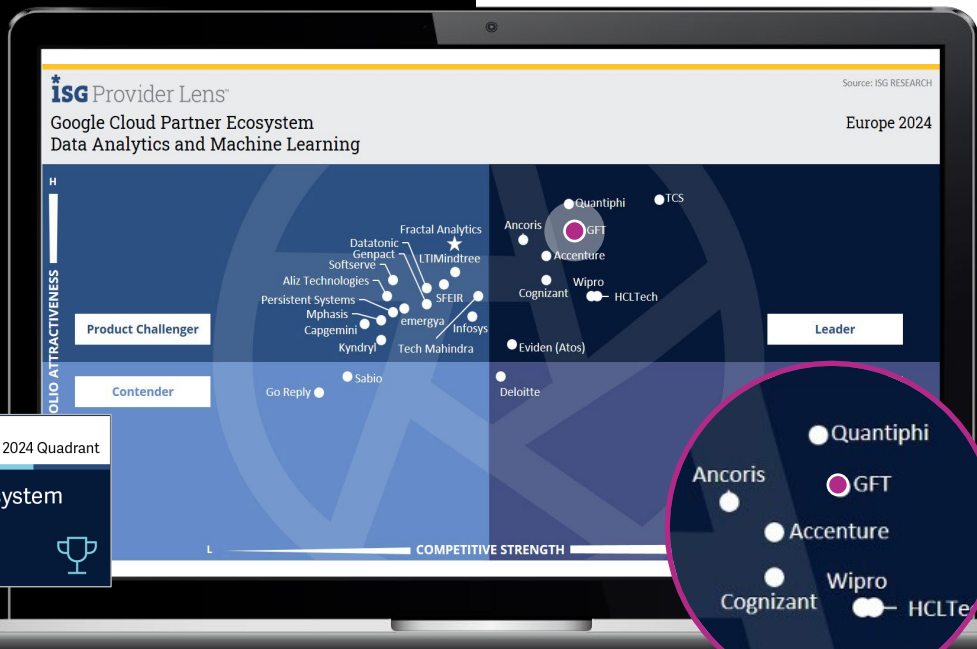
GenAI tool to simplify
regulatory compliance

Secure ChatGPT
for Enterprises



ISG PROVIDER LENS™

GFT is leader on data analytics and machine learning as well as implementation and integration services



[More information](#)

[Download](#)

GLOBEE AWARD

GFT winner in three categories



Globe awards as platform for recognizing and promoting excellence in industries and sectors that are shaping the future of business.

GFT won 3 categories:



Most Innovative Company
of the Year – Cloud/SaaS



Most Innovative
IT Software



Project and Portfolio
Management



Engenion

Agenda



Highlights | Marika Lulay (Co-CEO), Marco Santos (Co-CEO)

Financials Q2/H1 2024 & Outlook | Dr Jochen Ruetz (CFO)

H1 key figures – Solid growth supported by M&A



| in €m | H1/2024 | H1/2023 | Δ |
|-----------------------------|---------|-----------|-----|
| Revenue | 429.63 | 385.42 * | 11% |
| Order backlog | 407.37 | 343.61 ** | 19% |
| EBITDA | 44.43 | 40.55 | 10% |
| EBIT adjusted*** | 35.73 | 31.17 | 15% |
| <i>EBIT adjusted margin</i> | 8.3% | 8.1% | |
| EBIT | 32.17 | 29.94 | 7% |
| EBT | 30.05 | 30.04 | 0% |
| <i>EBT margin</i> | 7.0% | 7.8% | |
| Net income | 21.23 | 20.97 | 1% |
| Earnings per share (in €) | 0.81 | 0.80 | 1% |
| Employees (in FTE) | 10,772 | 9,008 | 20% |

- **Revenue: +11%** (thereof FX effects: 1%), organic growth +1%
- **Order backlog** significantly above previous year, supported by Sophos backlog of €26m
- **Adjusted EBIT** increased by 15%, including
 - Capacity adjustments: €-4.4m (H1/2023: €-2.6m)
 - Provision release for fiscal proceeding in Brazil: net impact of €6.0m (H1/2023: zero)
 - FX effects of €-0.7m (H1/2023: €-1.1m)
- **Adjusted EBIT margin** improved to 8.3 % (H1/2023: 8.1%)
- **EBT stable** at around €30m
- Slightly reduced **tax rate** of 29.4% (H1/2023: 30.2%)
- Significant **workforce growth** of 20%, mainly driven by Sophos contributing 1,471 employees

* Adapted due to the reclassification of sales-related Brazilian taxes in the amount of €-6.16m; for details refer to slide 30

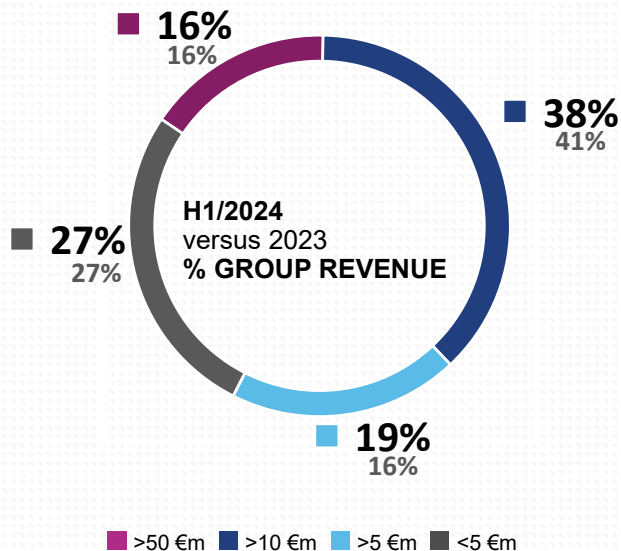
** Adapted due to the reclassification of sales-related Brazilian taxes in the amount of €-5.44m and order backlog in the amount of €+16.2m of the acquired targens GmbH (now GFT Deutschland GmbH)

*** Adjusted for non-operational effects from M&A activities and share-price-based effects in the valuation of management remuneration; for details, see [key performance indicators](#) (gft.com)

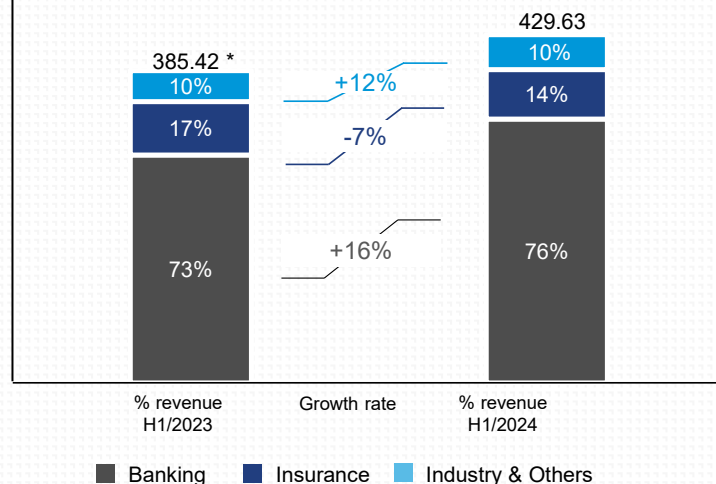
Growth driven by banking and industry business



Well-balanced client portfolio
Largest client with 16% of total revenue

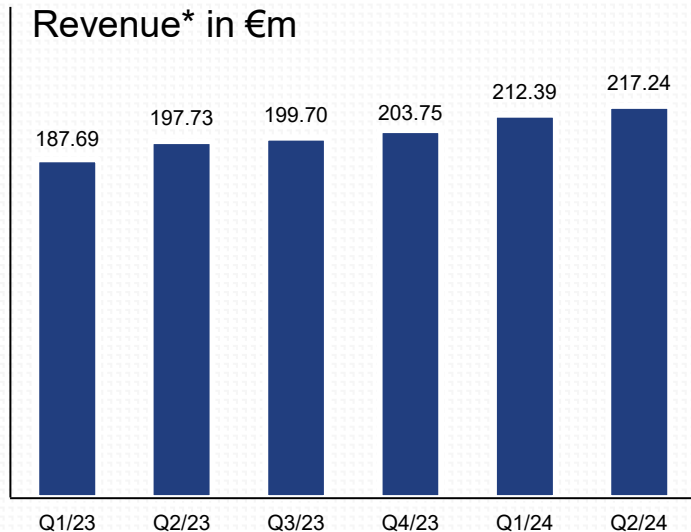


Solid growth in banking and industry business



* Adapted due to the reclassification of sales-related Brazilian taxes in the amount of €-6,16m; for details refer to slide 30

Steady revenue growth despite high market uncertainties

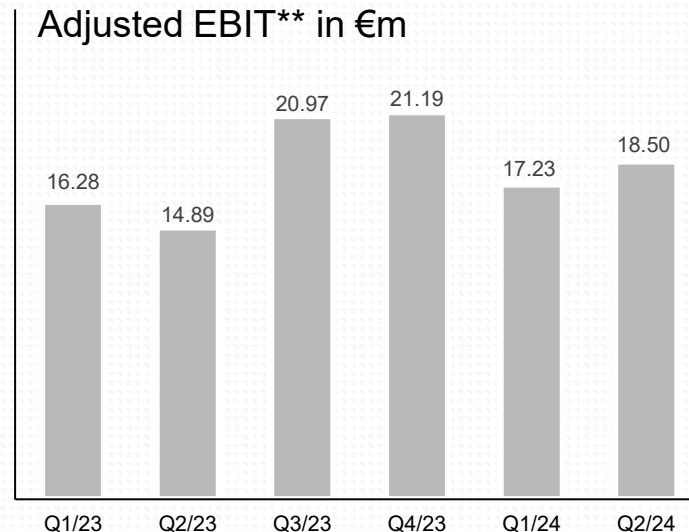


Q2/24 vs. Q2/23

- **+10%** mainly driven by M&A
(Sophos incl. as of 1 Feb 24, excl. Sophos: +2%)

Q2/24 vs. Q1/24

- **+ 2%** still driven by M&A



- **+24%** mainly due to an expected provision release for fiscal proceeding in Brazil; the positive P&L effect was mostly offset by higher capacity adjustments and lower utilisation in high price countries
- **+7%** mainly due to the positive one-off in Brazil partially offset by higher capacity adjustments and a weaker product business q-o-q

* Revenue figures prior to FY2024 adapted due to the reclassification of sales-related Brazilian taxes; for details refer to slide 30

** Adjusted for non-operational effects from M&A activities and share-price-based effects in the valuation of management remuneration; for details, see [key performance indicators \(gft.com\)](#)

Revenue and earnings by segment



| in €m | Revenue | | Growth rates | | | | EBIT adjusted** | | |
|---------------------|---------------|-----------------|--------------|-----------|-----------|------------|-----------------|--------------|------------|
| | H1/2024 | H1/2023 | Organic | M&A | FX | Total | H1/2024 | H1/2023 | Δ% |
| Americas, UK & APAC | 238.56 | 225.91 * | -6% | 11% | 1% | 6% | 21.11 | 18.60 | 14% |
| Continental Europe | 190.61 | 159.10 | 12% | 7% | 1% | 20% | 15.32 | 16.82 | -9% |
| Others | 0.46 | 0.42 | n/a | n/a | n/a | n/a | -0.69 | -4.25 | 84% |
| GFT Group | 429.63 | 385.42 * | 1% | 9% | 1% | 11% | 35.73 | 31.17 | 15% |

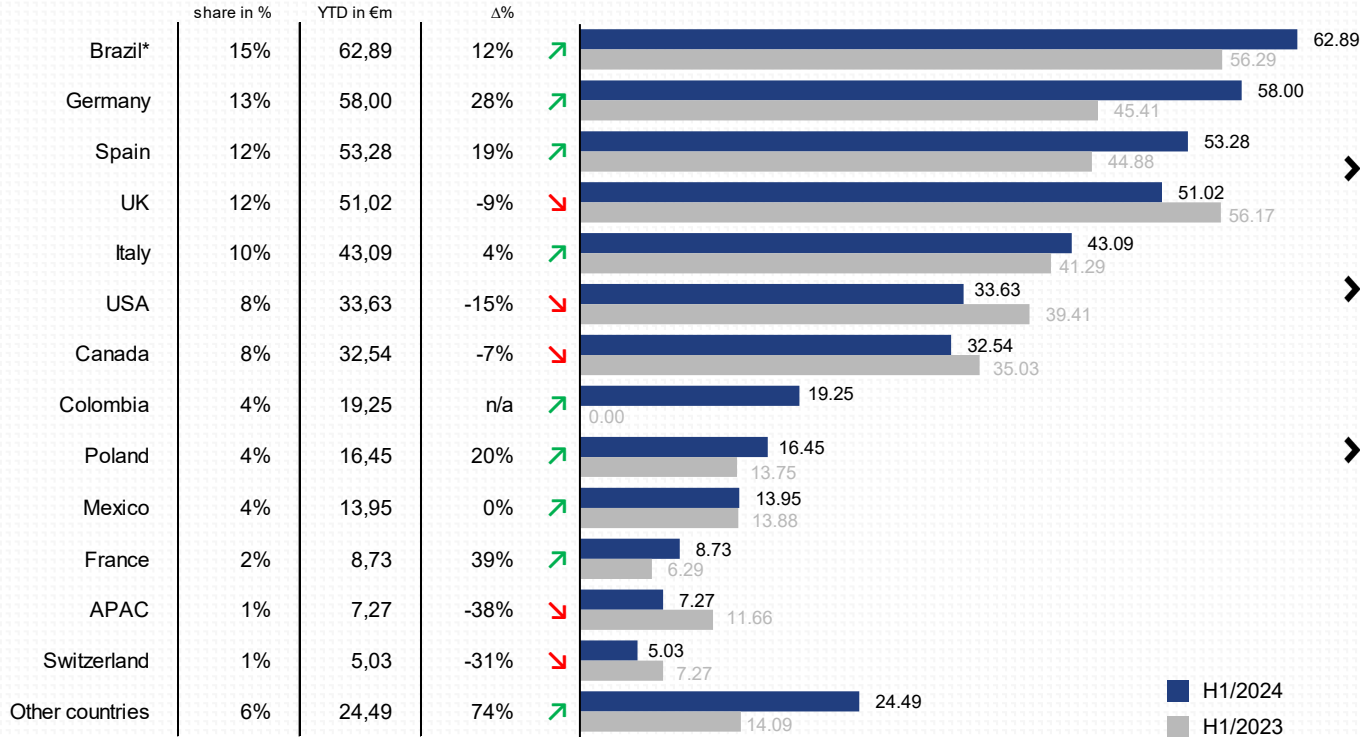
- **Americas, UK & APAC:** Revenue +6% mainly driven by Sophos acquisition in Colombia and strong growth in Brazil (mainly banking); lower revenues in US, CAN and UK; Adjusted EBIT supported by the extraordinary income related to a provision release in Brazil partially offset by the weak top-line performance in the Anglo-Saxon markets resulting in higher capacity adjustments and low utilisation
- Dynamic growth in **Continental Europe** (+20%) mainly supported by the acquisition of targens (now GFT Deutschland, included as of 3 Apr 2023) and the strong development in Spain, Italy, France and Poland; Adjusted EBIT down by 9% mainly due to increased capacity adjustments and a lower utilisation
- **GFT Group:** Revenue +11%, organic +1%; adjusted EBIT +15% – both in line with GFT expectations

* Adapted due to the reclassification of sales-related Brazilian taxes in the amount of €-6.16m; for details refer to slide 30

** Adjusted for non-operational effects from M&A activities and share-price-based effects in the valuation of management remuneration; for details, see [key performance indicators](#) (gft.com)

Revenue by markets

Brazil and almost all European markets on growth course



- Brazil remains on stable growth course
- Germany & Spain main growth drivers in Europe
- Anglo-Saxon markets remain challenging

* Adapted due to the reclassification of sales-related Brazilian taxes in the amount of €-6.16m; for details refer to slide 30

Income statement – Stable profit trend

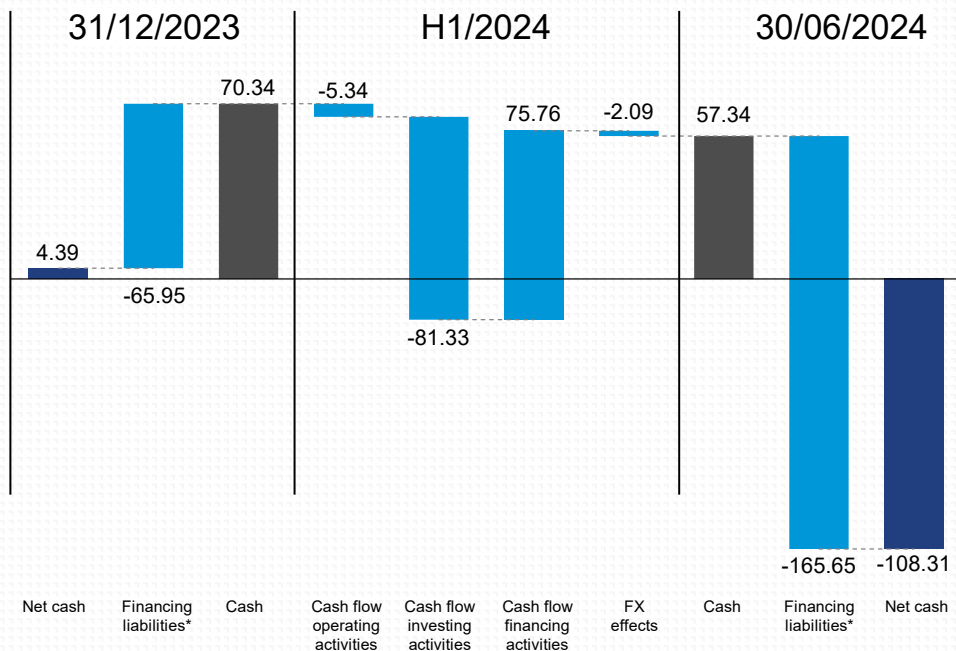


| in €m | H1/2024 | H1/2023 | Δ% |
|-------------------------------|---------------|----------------|------------|
| Revenue | 429.63 | 385.42* | 11% |
| Other operating income | 18.18 | 7.06 | > 100% |
| Cost of purchased services | -54.08 | -52.38 | 3% |
| Personnel expenses | -313.56 | -264.49 | 19% |
| Other operating expenses | -35.74 | -35.06* | 2% |
| EBITDA | 44.43 | 40.55 | 10% |
| Depreciation and amortisation | -12.26 | -10.61 | 16% |
| EBIT | 32.17 | 29.94 | 7% |
| Interest income/expenses | -2.12 | 0.10 | < -100% |
| EBT | 30.05 | 30.04 | 0% |
| Income taxes | -8.82 | -9.07 | -3% |
| Net income | 21.23 | 20.97 | 1% |
| Earnings per share (in €) | 0.81 | 0.80 | 1% |

- Solid **top-line growth** in challenging environment supported by acquisitions
- **Other operating income** influenced by gains from release of provisions relating to a fiscal proceeding in Brazil in the amount of €11.23m, partially offset by exceptional items in cost of purchased services, personnel and other operating expenses of €5.23m
- Ratio of **cost of purchased services** to revenue down to 12.6% (H1/2023: 13.6%)
- Rise of **personnel costs** mainly due to larger workforce, particularly in Colombia (acquisition-related) and Brazil. Ratio of personnel expenses excluding capacity adjustments plus purchased services to revenue increased to 84.5% (H1/2023: 81.9%)
- **Other operating expenses** essentially in line with prior year figures
- Increase of **depreciation and amortisation** as well as **interest** attributed to acquisitions
- **Income taxes** slightly below prior year's level. Effective tax rate at 29.4% (H1/2023: 30.2%) in line with expectations

* Adapted due to the reclassification of sales-related Brazilian taxes in the amount of €-6.16m from other operating expenses; for details refer to slide 30

Cash flow analysis (€m) – Decline in net cash



- **Net cash** down to €-108.31m (31/12/2023: €4.39m) mainly resulting from the Sophos acquisition | undrawn credit lines at €24.10m (31/12/2023: €46.35m)
- **Cash flow from operating activities** of €-5.34m above previous year's level (H1/2023: €-9.96m). Improved working capital effects year-on-year strongly influenced by significant income tax payments of €14.06m (H1/2023: €5.07m)
- **Cash flow from investing activities** of €-81.33m (H1/2023: €-49.14m) substantially impacted by cash outflows for the Sophos acquisition amounting to €79.45m
- **Free cash flow adjusted**** of €-7.22m (H1/2023: €-12.05m)
- **Cash flow from financing activities** of €75.76m (H1/2023: €24.32m) characterised by net bank borrowings of €94.69m due to the financing of the Sophos purchase price. In contrast, cash outflow from dividend payment to shareholders of €13.16m

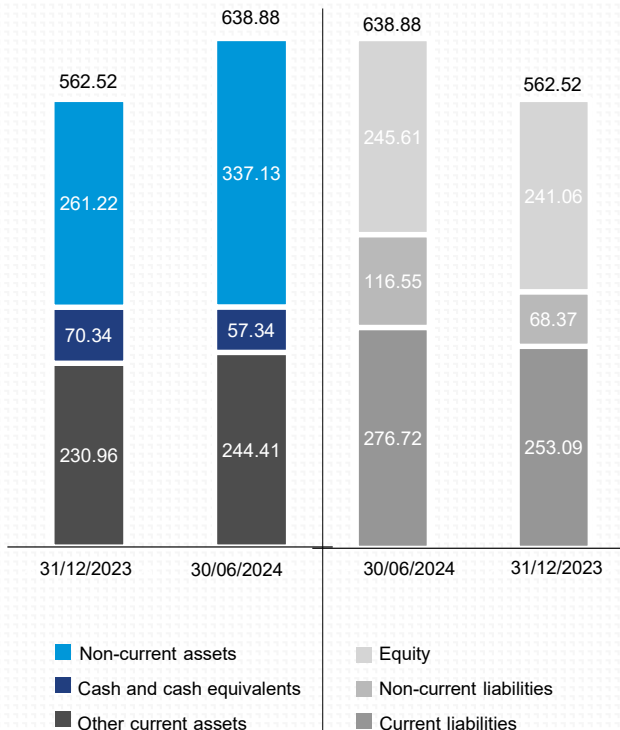
* Financing liabilities include liabilities to banks

** Cash flow from operating activities less cash flow from investing activities adjusted for effects from business combinations; for details, see [key performance indicators](#) (gft.com)

Balance sheet (€m) – Characterised by Sophos acquisition

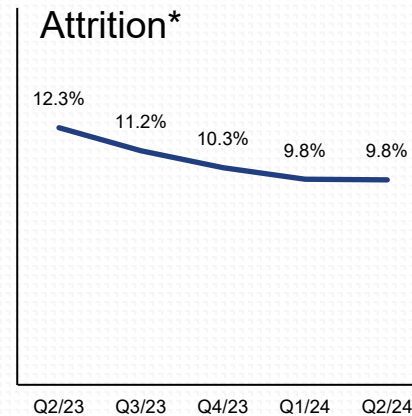
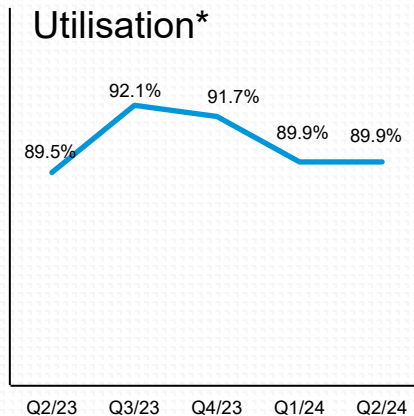
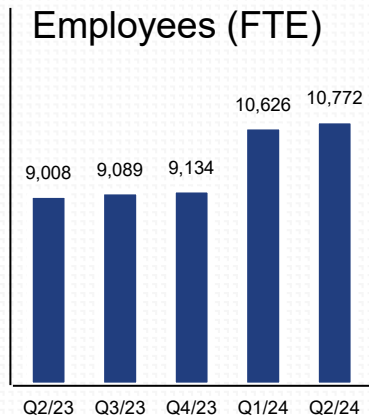


- **Balance sheet total** increased by 14% to €638.88m (31/12/2023: 562.52m), in essence due to Sophos acquisition as of 1 February 2024
- **Non-current assets** up by 29% to €337.13m (31/12/2023: €261.22m). Increase mainly due to the preliminary purchase price allocation for Sophos, whereof €62.86m relate to goodwill. Non-current assets as a proportion of total assets rose to 53% (31/12/2023: 46%)
- Decline in **cash and cash equivalents** by €13.00m to €57.34m (31/12/2023: €70.34m) primarily attributed to dividend payment to shareholders of €13.16m
- **Other current assets** up by €13.45m to €244.41m (31/12/2023: €230.96m) mainly due to increase of receivables from contracts with customers as of the reporting date, of income tax assets as well as of government grants



- **Equity** currency-adjusted up by €8.07m (+3%); net profit of €21.23m exceeding shareholders' dividend of €13.16m | equity ratio decreased by five percentage points to 38% (31/12/2023: 43%)
- **Non-current liabilities** up at €116.55m (31/12/2023: €68.37m). Increase largely attributed to long-term bank borrowings of €40.00m to finance the Sophos acquisition as well as deferred taxes (€+8.33m), mainly from the Sophos purchase price allocation
- Increase of **current liabilities** to €276.72m (31/12/2023: €253.09m) in essence due to assumption of short-term bank liabilities (€+58.68m), thereof €40.00m to finance the Sophos acquisition. Effect partly offset by drop in other provisions (€-16.96m), mainly resulting from the fiscal proceeding in Brazil, as well as reduced contract liabilities (€-14.08m)

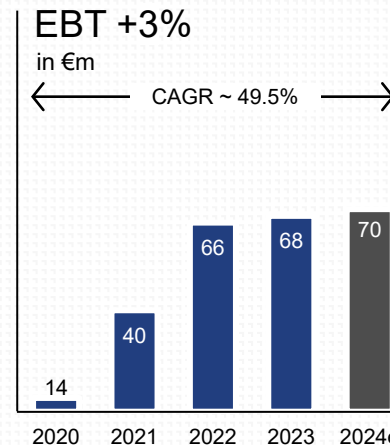
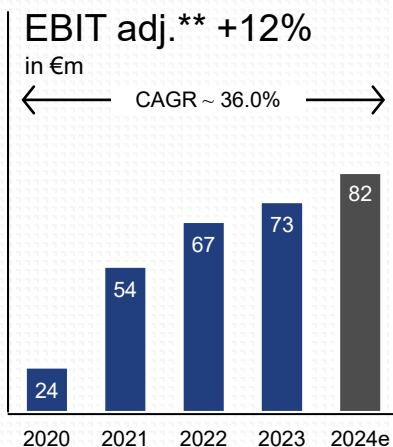
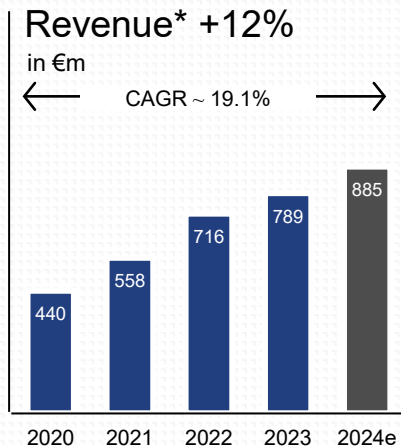
Larger workforce due to Sophos integration



- Workforce significantly up by 20% compared to year end 2023 influenced by:
 - ↑ Columbia (Sophos: 1,471 FTE), Brazil, India and Spain
 - ↓ Mexico, Poland, UK and Canada
- Number of external contractors stable with 1,144 as of 30/06/2024 (31/12/2023: 1,140)
- Utilisation rate almost 2 %-points down to 90% since year-end 2023, high-price countries (UK, US, DE, CH) exceptionally low
- Attrition remained below 10% (trailing average of last 12 months)

* Excluding Sophos

Outlook 2024: Revenue and earnings growth rates amended

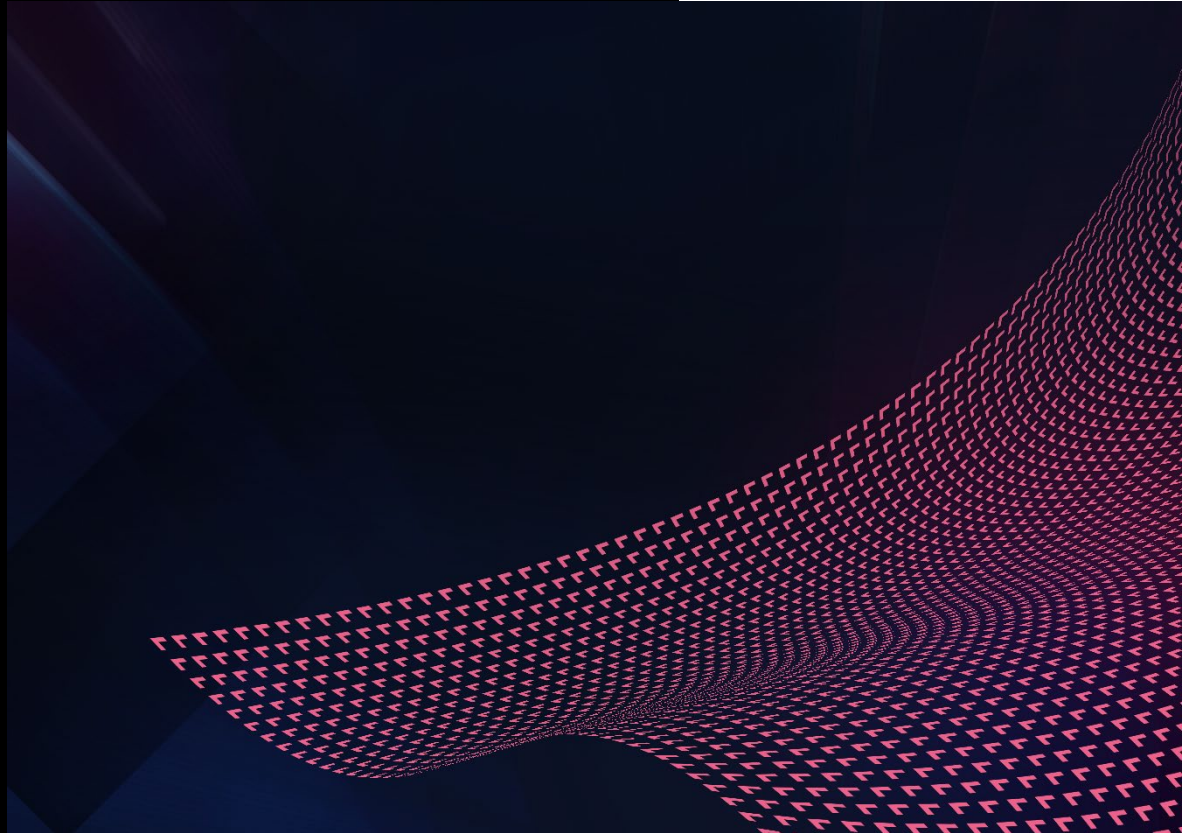


* Revenue forecast for FY2024 and figures prior to FY2024 are adapted due to the reclassification of sales-related Brazilian taxes, for details refer to slide 30

** Adjusted for non-operational effects from M&A activities and share price-based effects in the valuation of management remuneration – see [key performance indicators](#) (gft.com), EBIT adj. and EBT are not proportionally depicted

- Revenue 2024e**
- Revenue now expected to rise to €885m (incl. €55m from Sophos acquisition; previously €905m incl. €60m from Sophos); Expected growth rate at 12% (previously 15%)
 - Still solid organic growth trend due to unique position in new technologies and structural strong demand for digital transformation
- Earnings 2024e**
- EBIT adjusted expected to grow to €82m (incl. €7m from Sophos acquisition; previously €85m incl. €8m from Sophos)
 - EBT expected to rise to €70m (incl. €-9.5m effects from Sophos acquisition due to M&A effects and interest expenses; previously €72m incl. €-9.5m from Sophos)

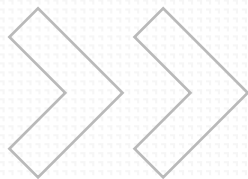
Backup



We enable our clients to boost their productivity

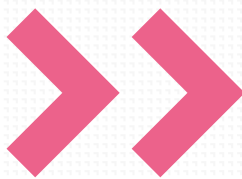


H1 2024 REVENUE SPLIT



Innovation

8%



NEW TECHNOLOGIES

Data & AI

- Predictive AI
- Generative AI
- RPA
- etc.

FAST TRACK TO AI

48%



CORE BUSINESS

Platform modernisation

- Cloud migration
- Mainframe Modernisation
- Open API
- etc.

BUSINESS IN REAL-TIME

44%



EFFICIENT STANDARD SOLUTIONS

Engineering & Regulatory

- Managed Services
- Engineering Services
- Regulatory Services
- etc.

LICENSE TO OPERATE

IT SOLUTIONS

Technology & Design | Strategy & Consulting | Manage & Operate

Sophos M&A – GFT among the top 3 providers across LATAM



STRATEGIC BENEFITS

- New hub for core banking solutions, AI and cloud modernisation in Americas
- Expanded delivery capacity and talent pool with excellent know-how
- Access to additional clients (Tier 1+2 financial institutions) in LATAM and new partners with impressive references
- Leverage Sophos nearshore capacity for clients in Latin America, other Spanish-speaking countries and the US
- Economies of scale

Largest M&A in our history!

Transaction details: 100% acquisition closed on Feb 1st, 2024 | cash deal, financed via own funds & extended credit lines

SOPHOS CONTRIBUTION
FY 2024e

€~55_m REVENUE

€~7_m ADJ. EBIT

~1,600 EXPERTS

Results at a glance per quarter



| in €m | Q1/2023 | Q2/2023 | Q3/2023 | Q4/2023 | FY2023 | Q1/2024 | Q2/2024 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue* | 187.69 | 197.73 | 199.70 | 203.75 | 788.87 | 212.39 | 217.24 |
| EBITDA | 19.89 | 20.66 | 24.94 | 24.27 | 89.76 | 21.81 | 22.62 |
| EBIT adjusted** | 16.28 | 14.89 | 20.97 | 21.19 | 73.33 | 17.23 | 18.50 |
| EBIT | 14.83 | 15.11 | 19.63 | 18.83 | 68.40 | 15.72 | 16.45 |
| EBT | 15.04 | 15.00 | 19.34 | 18.62 | 68.00 | 15.00 | 15.05 |
| Net income | 10.54 | 10.43 | 13.87 | 13.52 | 48.36 | 10.62 | 10.61 |
| Net income adjusted* | - | - | - | - | - | - | 0.00 |
| Earnings per share adj. (in €)** | - | - | - | - | - | - | 0.00 |
| Earnings per share (in €) | 0.40 | 0.40 | 0.52 | 0.52 | 1.84 | 0.40 | 0.41 |
| Employees (in FTE) | 8,792 | 9,008 | 9,089 | 9,134 | 9,134 | 10,626 | 10,772 |

* Revenue figures prior to FY2024 are adapted due to the reclassification of sales-related Brazilian taxes; for details refer to slide 30

** Adjusted for non-operational effects from M&A activities and share-price-based effects in the valuation of management remuneration; for details, see [key performance indicators](#) (gft.com)

Consolidated balance sheet



Assets

| in € | 30/06/2024 | 31.12.2023 | Δ% |
|-------------------------------|-----------------------|-----------------------|------------|
| Non-current assets | | | |
| Goodwill | 226,041,502.13 | 162,791,888.17 | 39% |
| Other intangible assets | 36,496,643.34 | 19,502,531.44 | 87% |
| Property, plant and equipment | 62,485,708.93 | 60,308,581.14 | 4% |
| Financial investments | 696,217.60 | 696,217.60 | 0% |
| Other financial assets | 1,152,176.00 | 1,165,739.26 | -1% |
| Deferred tax assets | 8,601,847.71 | 12,406,726.52 | -31% |
| Income tax assets | 0.00 | 8,796.00 | -100% |
| Other assets | 1,657,834.94 | 4,336,665.82 | -62% |
| | 337,131,930.68 | 261,217,145.95 | 29% |
| Current assets | | | |
| Inventories | 1,786,797.09 | 93,867.50 | >100% |
| Trade receivables | 146,322,722.33 | 166,535,917.19 | -12% |
| Contract assets | 49,845,584.16 | 25,025,719.14 | 99% |
| Cash and cash equivalents | 57,344,568.00 | 70,340,638.75 | -18% |
| Other financial assets | 5,459,453.62 | 5,610,121.96 | -3% |
| Income tax assets | 14,316,808.27 | 10,373,312.21 | 38% |
| Other assets | 26,675,343.14 | 23,321,351.43 | 14% |
| | 301,751,276.61 | 301,300,928.18 | 0% |
| | 638,883,207.29 | 562,518,074.13 | 14% |

Equity and liabilities

| in € | 30/06/2024 | 31.12.2023 | Δ% |
|--------------------------------|-----------------------|-----------------------|------------|
| Shareholders' equity | | | |
| Share capital | 26,325,946.00 | 26,325,946.00 | 0% |
| Capital reserve | 42,147,782.15 | 42,147,782.15 | 0% |
| Retained earnings | 182,125,174.40 | 174,059,064.95 | 5% |
| Other reserves | -4,987,084.36 | -1,468,946.26 | < -100% |
| | 245,611,817.90 | 241,063,846.84 | 2% |
| Non-current liabilities | | | |
| Financing liabilities | 61,027,768.31 | 20,000,000.00 | >100% |
| Other financial liabilities | 28,846,099.68 | 28,410,575.18 | 2% |
| Provisions for pensions | 5,941,451.86 | 5,652,464.73 | 5% |
| Other provisions | 3,790,042.05 | 5,516,208.26 | -31% |
| Deferred tax liabilities | 16,296,988.09 | 7,972,962.39 | >100% |
| Other liabilities | 651,136.86 | 821,346.68 | -21% |
| | 116,553,486.85 | 68,373,557.24 | 70% |
| Current liabilities | | | |
| Trade payables | 8,599,933.13 | 13,571,088.78 | -37% |
| Financing liabilities | 104,625,752.71 | 45,947,997.19 | >100% |
| Other financial liabilities | 23,213,848.91 | 20,245,544.44 | 15% |
| Other provisions | 38,434,557.45 | 55,389,804.85 | -31% |
| Income tax liabilities | 6,743,816.89 | 14,227,129.55 | -53% |
| Contract liabilities | 26,750,054.97 | 40,833,020.84 | -34% |
| Other liabilities | 68,349,938.48 | 62,866,084.40 | 9% |
| | 276,717,902.54 | 253,080,670.05 | 9% |
| | 638,883,207.29 | 562,518,074.13 | 14% |

Consolidated income statement



| in € | H1/2024 | H1/2023 | Δ% |
|--|----------------------|----------------------|-------------------|
| Revenue | 429,628,636.59 | 385,421,039.02 * | 11% |
| Other operating income | 18,175,311.58 | 7,055,632.56 | >100% |
| Cost of purchased services | -54,075,837.98 | -52,376,585.60 | 3% |
| Personnel expenses | -313,555,371.58 | -264,487,130.11 | 19% |
| Other operating expenses | -35,739,371.37 | -35,062,194.89 * | 2% |
| Result from operating activities before depreciation and amortisation | 44,433,367.24 | 40,550,760.98 | 10% |
| Depreciation and amortisation of intangible assets and property, plant and equipment | -12,263,527.23 | -10,611,439.32 | 16% |
| Result from operating activities | 32,169,840.01 | 29,939,321.66 | 7% |
| Interest income | 1,611,169.65 | 1,443,549.96 | 12% |
| Interest expenses | -3,731,683.18 | -1,344,016.18 | >100 |
| Financial result | -2,120,513.53 | 99,533.78 | < -100% |
| Earnings before taxes | 30,049,326.48 | 30,038,855.44 | 0% |
| Income taxes | -8,820,244.32 | -9,064,194.44 | -3% |
| Net income for the period | 21,229,082.16 | 20,974,661.00 | 1% |
| Earnings per share – basic | 0.81 | 0.80 | 2% |

* Adapted due to the reclassification of sales-related taxes in the amount of € -6,155,858.18 from other operating expenses

Consolidated statement of comprehensive income



| in € | H1/2024 | H1/2023 | Δ% |
|--|----------------------|----------------------|-------------------|
| Net income for the period | 21,229,082.16 | 20,974,661.00 | 1% |
| Items that will not be reclassified to the income statement | | | |
| Actuarial gains/losses from pensions (before taxes) * | 0.00 | 0.00 | n/a |
| Income taxes on actuarial gains/losses from pensions | 0.00 | 0.00 | n/a |
| Actuarial gains/losses from pensions (after taxes) | 0.00 | 0.00 | n/a |
| Items that may be reclassified to the income statement | | | |
| Currency translation | -3,518,138.10 | 4,295,211.18 | < -100% |
| Other comprehensive income | -3,518,138.10 | 4,295,211.18 | < -100% |
| Total comprehensive income | 17,710,944.06 | 25,269,872.18 | -30% |

* Actuarial gains/losses are generally recognised at year-end based on corresponding expert reports

Consolidated statement of changes in equity



| | Share capital | Capital reserve | Retained earnings * | Other reserves Currency translation | Total equity |
|-----------------------------------|----------------------|----------------------|-----------------------|---|-----------------------|
| in € | | | | | |
| Balance at 1 January 2023 | 26,325,946.00 | 42,147,782.15 | 137,572,498.80 | -4,964,588.78 | 201,081,638.17 |
| Net income for the period | -- | -- | 20,974,661.00 | -- | 20,974,661.00 |
| Other comprehensive income | -- | -- | 0.00 | 4,295,211.18 | 4,295,211.18 |
| Total comprehensive income | -- | -- | 20,974,661.00 | 4,295,211.18 | 25,269,872.18 |
| Dividends to shareholders | -- | -- | -11,846,675.70 | -- | -11,846,675.70 |
| Balance at 30 June 2023 | 26,325,946.00 | 42,147,782.15 | 146,700,484.10 | -669,377.60 | 214,504,834.65 |
| Balance at 1 January 2024 | 26,325,946.00 | 42,147,782.15 | 174,059,064.95 | -1,468,946.26 | 241,063,846.84 |
| Net income for the period | -- | -- | 21,229,082.16 | -- | 21,229,082.16 |
| Other comprehensive income | -- | -- | 0.00 | -3,518,138.10 | -3,518,138.10 |
| Total comprehensive income | -- | -- | 21,229,082.16 | -3,518,138.10 | 17,710,944.06 |
| Dividends to shareholders | -- | -- | -13,162,973.00 | -- | -13,162,973.00 |
| Balance at 30 June 2024 | 26,325,946.00 | 42,147,782.15 | 182,125,174.11 | -4,987,084.36 | 245,611,817.90 |

* Retained earnings also include items that will not be reclassified to the consolidated income statement

Consolidated cash flow statement



| in € | H1/2024 | H1/2023 | Δ% |
|--|-----------------------|-----------------------|-----------------|
| Net income for the period | 21,229,082.16 | 20,974,661.00 | 1% |
| Income taxes | 8,820,244.32 | 9,064,194.44 | -3% |
| Interest result | 2,120,513.53 | -99,533.78 | < -100% |
| Income taxes paid | -14,058,536.77 | -5,074,562.53 | >100% |
| Income taxes received | 2,562,187.54 | 1,958,142.07 | 31% |
| Interest paid | -3,186,835.96 | -857,850.61 | >100% |
| Interest received | 1,670,288.67 | 1,399,760.45 | 19% |
| Depreciation and amortisation of intangible assets and property, plant and equipment | 12,263,527.23 | 10,611,439.32 | 16% |
| Net proceeds on disposal of intangible assets and property, plant and equipment | -7,164.49 | 15,994.50 | < -100% |
| Net proceeds on disposal of financial assets | 0.00 | 0.00 | n/a |
| Other non-cash expenses and income | -3,747,693.09 | 1,158,856.77 | < -100% |
| Change in trade receivables | 23,373,545.12 | 11,681,321.78 | >100% |
| Change in contract assets | -19,074,558.63 | -16,908,632.44 | 13% |
| Change in other assets | 1,881,924.45 | -1,093,898.85 | < -100% |
| Change in provisions | -20,093,161.4 | -17,602,527.13 | 14% |
| Change in trade payables | -6,022,052.70 | -688,107.32 | >100% |
| Change in contract liabilities | -16,385,538.78 | -19,031,431.71 | -14% |
| Change in other liabilities | 3,311,973.37 | -5,469,895.84 | < -100% |
| Cash flow from operating activities | -5,342,255.44 | -9,962,069.88 | -46% |
| Proceeds from disposal of property, plant and equipment | 33,223.03 | 80,604.07 | -59% |
| Proceeds from disposal of financial assets | 0.00 | 0.00 | n/a |
| Capital expenditure for intangible assets | -162,040.00 | -4,508.60 | >100% |
| Capital expenditure for property, plant and equipment | -1,753,160.74 | -2,160,052.29 | -19% |
| Capital expenditure for financial investments | 0.00 | 0.00 | n/a |
| Cash outflows for acquisitions of consolidated companies net of cash and cash equivalents acquired | -79,447,225.72 | -46,054,617.46 | 73% |
| Cash flow from investing activities | -81,329,203.43 | -48,138,574.28 | 69% |
| Proceeds from borrowing | 110,344,619.0 | 44,000,000.00 | >100% |
| Cash outflows from loan repayments | -15,658,844.84 | -2,164,554.11 | >100% |
| Cash outflows from repayment of lease liabilities | -5,762,308.31 | -5,667,476.80 | 2% |
| Cash flow from financing activities | 75,760,492.85 | 24,321,293.39 | >100% |
| Effect of foreign exchange rate changes on cash and cash equivalents | -2,085,104.73 | 1,175,466.94 | < -100% |
| Net increase in cash and cash equivalents | -12,996,070.75 | -32,603,883.83 | -60% |
| Cash and cash equivalents at beginning of period | 70,340,638.75 | 78,222,547.05 | -10% |
| Cash and cash equivalents at end of period | 57,344,568.00 | 45,618,663.22 | 26% |

Segment report



| in € thsd. | Americas, UK & APAC | | Continental Europe | | Total segments | | Reconciliation | | GFT Group | |
|---------------------------------------|---------------------|------------------|--------------------|----------------|----------------|------------------|----------------|----------------|----------------|------------------|
| | H1/2024 | H1/2023 | H1/2024 | H1/2023 | H1/2024 | H1/2023 | H1/2024 | H1/2023 | H1/2024 | H1/2023 |
| External revenue | 238,562 | 225,908 * | 190,607 | 159,095 | 429,169 | 385,003 * | 460 | 418 | 429,629 | 385,421 * |
| Intersegment revenue | 3,179 | 2,233 | 42,853 | 47,952 | 46,032 | 50,185 | -46,032 | -50,185 | 0 | 0 |
| Total revenue | 241,741 | 228,141 * | 233,460 | 207,047 | 475,201 | 435,188 * | -45,572 | -49,767 | 429,629 | 385,421 * |
| Segment result (EBT) | 18,311 | 18,372 | 12,449 | 15,688 | 30,760 | 34,060 | -711 | -4,021 | 30,049 | 30,039 |
| thereof depreciation and amortisation | -4,758 | -3,714 | -6,901 | -6,179 | -11,659 | -9,893 | -605 | -718 | -12,264 | -10,611 |
| thereof interest income | 1,725 | 1,501 | 670 | 409 | 2,395 | 1,910 | -784 | -466 | 1,611 | 1,444 |
| thereof interest expenses | -1,498 | -905 | -2,597 | -420 | -4,095 | -1,325 | 363 | -19 | -3,732 | -1,344 |

* Adapted due to the reclassification of sales-related taxes in the amount of € -6,156 thousand from other operating expenses

Calculation adjusted EBIT H1/2024



| in thsd. € | H1/2024 | H1/2023 |
|--|----------------|----------------|
| Revenue | 429,629 | 385,421 |
| EBIT adjusted | 35,733 | 31,167 |
| M&A Earn-out | 0 | 0 |
| M&A Amortisation PPA | -4,469 | -2,452 |
| M&A Acquisition related and integration costs | 0 | -342 |
| Share-price related effects from measurement of management remuneration | 906 | 1,566 |
| EBIT | 32,170 | 29,939 |
| Interest | -2,121 | 100 |
| EBT | 30,049 | 30,039 |
| EBIT adjusted margin | 8.3% | 8.1% |
| EBT margin | 7.0% | 7.8% |

* Adapted due to the reclassification of sales-related taxes in the amount of € -6,156 thousand from other operating expenses

Reclassification of sales-related Brazilian taxes



- GFT has adapted its method of presenting Brazilian taxes directly associated with revenue. Previously, sales-related Brazilian taxes were reported in the income statement within the item 'Other operating expenses'. With effect for FY2024, those taxes will be reported as a reduction of revenue – for reasons of clarity and transparency and in line with the practice of peer companies
- Following the change in the reporting method, the corresponding comparative figures have been adapted in accordance with IAS 1.41; these are shown for the previous year in the following table:

| in € million | Q1/2023 | Q2/2023 | Q3/2023 | Q4/2023 | FY2023 | Q1/2024 | Q2/2024 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue - previously reported | 190.67 | 200.91 | 203.03 | 207.13 | 801.74 | 212.39 | 217.24 |
| - adaption | -2.98 | -3.18 | -3.33 | -3.38 | -12.87 | — | — |
| Revenue - adapted | 187.69 | 197.73 | 199.70 | 203.75 | 788.87 | 212.39 | 217.24 |
| Other operating expenses - previously reported | -20.12 | -21.09 | -18.19 | -20.97 | -80.37 | -15.85 | -19.88 |
| - adaption | 2.98 | 3.18 | 3.33 | 3.38 | 12.87 | — | — |
| Other operating expenses - adapted | -17.14 | -17.91 | -14.86 | -17.59 | -67.50 | -15.85 | -19.88 |
| EBT (previously reported adapted) | 15.04 | 15.00 | 19.34 | 18.62 | 68.00 | 15.00 | 19.34 |
| EBT margin - previously reported | 7.9% | 7.5% | 9.5% | 9.0% | 8.5% | 7.1% | 8.9% |
| EBT margin - adapted | 8.0% | 7.6% | 9.7% | 9.1% | 8.6% | 7.1% | 8.9% |

Shaping the future of digital business



Marika Lulay
Co-CEO

T +49 711 62042-429
marika.lulay@gft.com

Dr Jochen Ruetz
CFO

T +49 711 62042-422
jochen.ruetz@gft.com

Andreas Herzog
Head of IR/CSR

T +49 711 62042-323
andreas.herzog@gft.com

Nicole Schüttforth
Senior IR Manager

T +49 711 62042-387
nicole.schuetforth@gft.com