



# Financial Results Q2 2022

Webcast & Tele Conference

24 August 2022 at 13:00 CET

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# Introducing today's presenters

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Søren Krogh Knudsen, CEO & President



Nicole Bluhme, Head of Global Finance Operations

# Agenda

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- Highlights of Q2 2022
- Financial review of Q2 2022
- Outlook 2022 & long-term financial ambitions
- Questions



# Milestones & Financial highlights of Q2 2022

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## Strategic milestones:

- Key leadership positions in place:
  - Brian Iversen CFO - will join 1 October 2022
  - Claes Reinholdt Kongsdam, Market Unit Executive Denmark
  - Michaël Navon, Head of Strategy & Change globally
- Launch of new leadership principles
- Cost & Pricing initiatives initiated
- Efficiency improvement

## Revenue

**4% organic growth**  
amounting to DKK 390m

## Service Revenue

**4% increase**  
amounting to DKK 334m

## EBITDA

**30% decline**  
amounting to DKK 16m

## EBITDA margin

**4.2%**  
6.3% in Q2 2021

## Efficiency

**64%**  
up from 62% in Q1 2022

# Income Statement

Income statement (mDKK)	Q2 2022	Q2 2021	Δ%	YTD 2022	YTD 2021	Δ%
Sale of services	334	320	4%	677	642	6%
Sale of products	55	53	4%	105	98	7%
<b>Net Sales</b>	<b>390</b>	<b>374</b>	<b>4%</b>	<b>783</b>	<b>740</b>	<b>6%</b>
External project costs	-83	-66	-25%	-145	-121	-19%
<b>Gross profit</b>	<b>307</b>	<b>307</b>	<b>0%</b>	<b>638</b>	<b>619</b>	<b>3%</b>
Staff expenses and remuneration	-272	-255	-7%	-541	-502	-8%
Other external costs	-35	-29	-22%	-67	-56	-21%
Other operating income/costs	17	0	22191%	17	0	5261%
<b>EBITDA before share-based payment</b>	<b>17</b>	<b>24</b>	<b>-29%</b>	<b>47</b>	<b>62</b>	<b>-25%</b>
Share-based payment	0	0	-5%	-1	-1	-5%
<b>EBITDA</b>	<b>16</b>	<b>24</b>	<b>-30%</b>	<b>46</b>	<b>62</b>	<b>-25%</b>
Depreciation/amortization	-14	-12	-24%	-28	-23	-20%
Financial Income	1	0	388%	5	8	-32%
Financial Expenses	-1	-5	80%	-3	-7	53%
<b>Profit before tax</b>	<b>2</b>	<b>7</b>	<b>-68%</b>	<b>20</b>	<b>39</b>	<b>-49%</b>
Tax	-1	-4	65%	-5	-6	14%
<b>Profit after tax from continuing operations</b>	<b>1</b>	<b>3</b>	<b>-71%</b>	<b>14</b>	<b>33</b>	<b>-56%</b>
<b>Profit after tax from discontinued operations</b>	<b>0</b>	<b>6</b>	<b>-93%</b>	<b>-25</b>	<b>742</b>	<b>-103%</b>
<b>Profit after tax for the period</b>	<b>1</b>	<b>9</b>	<b>-86%</b>	<b>-11</b>	<b>775</b>	<b>-101%</b>

# Growth in global Business Lines

- Cloud ERP declined by 2% to DKK 171m covering both the Dynamics 365 and the M3 business.
- Columbus Care delivered a growth of 3% to DKK 71m mainly driven by Columbus Sweden, Denmark and Norway.
- Digital Commerce grew by 13% to DKK 47m primarily coming from Sweden.
- Data & Analytics grew by 29% to DKK 15m. The revenue increase is driven by Norway, Denmark and Sweden.
- Customer Experience & Engagement grew by 75% to DKK 13m driven by Columbus Sweden, UK and Norway.

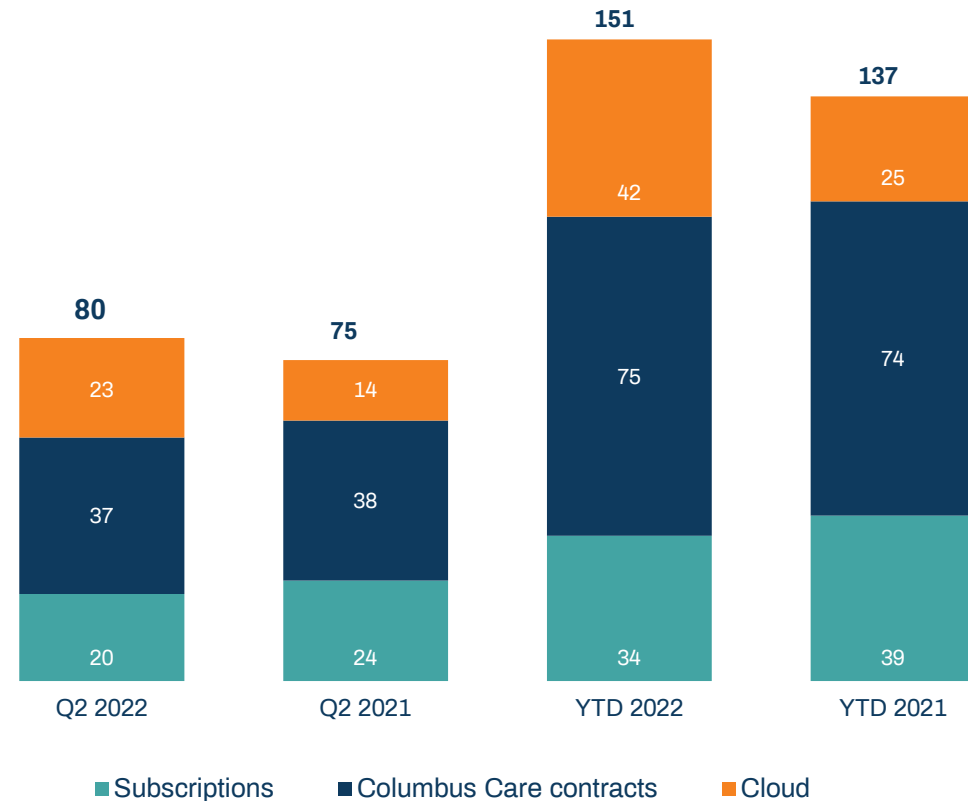
## Service revenue split on Business Lines

DKK '000	Q2 2022	Q2 2021	Δ%	YTD 2022	YTD 2021	Δ%
Cloud ERP	171,155	174,885	-2.1%	350,666	363,793	-3.6%
Columbus Care	70,685	68,518	3.2%	142,493	131,211	8.6%
Digital Commerce	47,257	42,020	12.5%	93,187	81,451	14.4%
Data & Analytics	15,283	11,876	28.7%	30,602	16,982	80.2%
Customer Experience & Engagement	12,538	7,167	74.9%	24,065	16,560	45.3%
Other Local Business	17,476	16,026	9.0%	36,422	32,111	13.4%
<b>Total sale of services</b>	<b>334,394</b>	<b>320,492</b>	<b>4.3%</b>	<b>677,435</b>	<b>642,108</b>	<b>5.5%</b>
<b>Total sale of products</b>	<b>55,309</b>	<b>53,247</b>	<b>3.9%</b>	<b>105,117</b>	<b>98,263</b>	<b>7.0%</b>
<b>Total net revenue</b>	<b>389,703</b>	<b>373,739</b>	<b>4.3%</b>	<b>782,552</b>	<b>740,371</b>	<b>5.7%</b>

# Increase in Recurring Revenue

- Recurring revenue increased by 7% to DKK 80m
- Constitutes 21% of total revenue. (Q2 2021: 20%)
- Cloud 64% growth
- Columbus Care 2% decline
- Subscriptions 13% decline

Development in recurring revenue DKKm

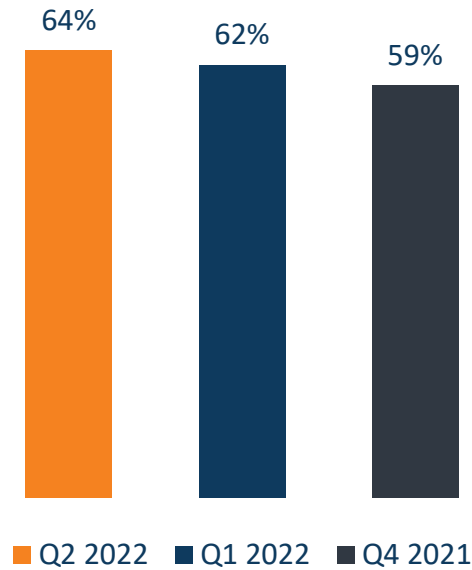




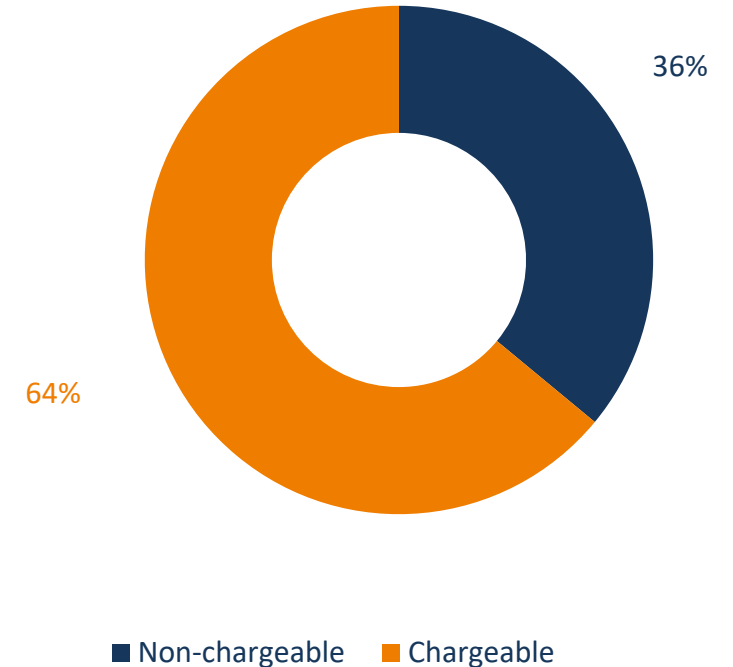
# Increased Efficiency

- 1,526 average number of FTE's in Q2
- Special focus on improving efficiency in our Global Delivery Center in India
- Efficiency 64% Q2 2022
- Up from 62% Q1 2022
- Up from 59% in Q4 2021

Development in Efficiency



Efficiency Q2 2022



# Market Units

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Q2 2022

# Development in Market Units

- The Swedish market which is our largest market delivered 9% increase in service revenue in Q2 2022.
- The decrease in Denmark of 6% in Q2 2022 was mainly due to the loss of two significant Columbus Care Contracts.
- Columbus Norway continues their strong momentum, growing 6% in Q2 2022.
- The UK Market Unit delivered 9% growth in Q2 2022.
- The US Market Unit decreased by 11% due to slowdowns on existing projects.

## Service revenue split on Market Units

DKK '000	Q2 2022	Q2 2021	Δ%	YTD 2022	YTD 2021	Δ%
Sweden	141,746	130,374	8.7%	280,845	261,416	7.4%
Denmark	60,926	64,635	-5.7%	126,490	128,191	-1.3%
Norway	67,262	63,535	5.9%	137,262	125,387	9.5%
UK	38,079	35,053	8.6%	78,068	73,149	6.7%
US	18,302	20,569	-11.0%	38,263	39,107	-2.2%
Other	7,282	6,113	19.1%	14,557	13,524	7.6%
GDC	797	213	274.2%	1,950	1,334	46.2%
<b>Total sale of services</b>	<b>334,394</b>	<b>320,492</b>	<b>4.3%</b>	<b>677,435</b>	<b>642,108</b>	<b>5.5%</b>
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# Outlook

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# Guidance for 2022

- Revenue expected to be in the range of DKK 1,525m and DKK 1,625m
  - Organic growth of 8% to 15%
- EBITDA expected to be in the range of DKK 120m and DKK 145m
  - An increase of 34% to 62%

DKKm	Revenue	EBITDA
2022 Outlook	1,525 - 1,625	120 - 145
Implied growth to 2021	8% - 15%	34% - 62%
Implied EBITDA margin		7.4% - 9.5%





# Questions?

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# Investor contact

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