

15 April 2025

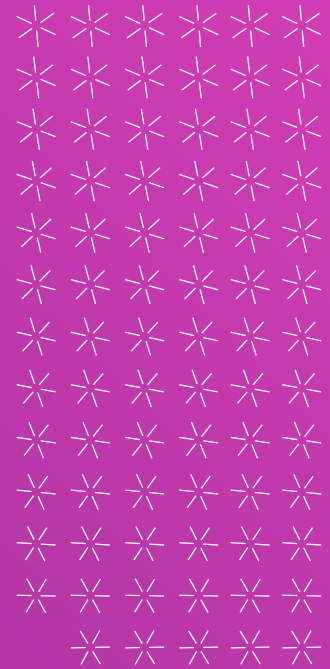
Annual General Meeting of Shareholders

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Annual General Meeting of Shareholders - 15 April 2025

Report of the Board of Management on the financial year 2024



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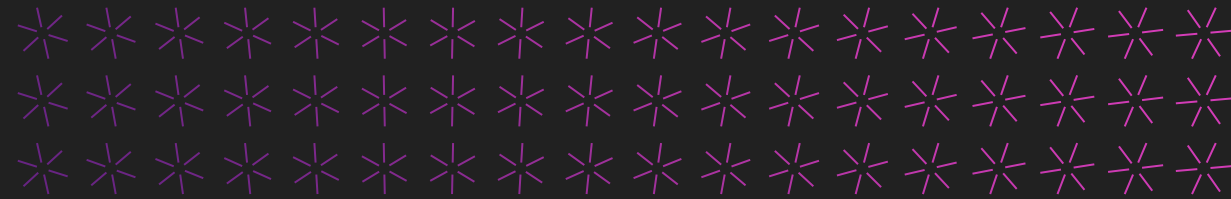
Market developments



Business and IT investigation

Major findings

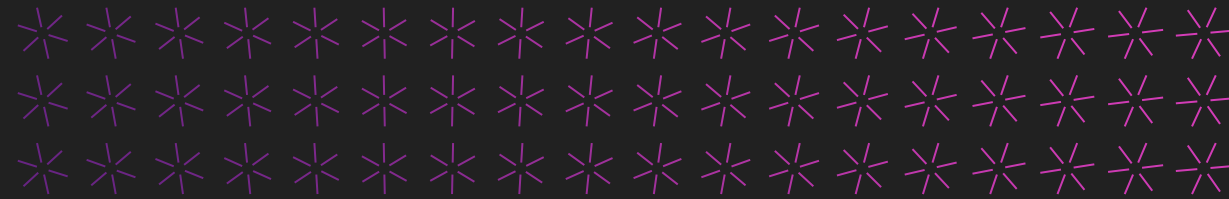
- 1 There is discourse around the collaboration between business and IT
- 2 Organisations often times lack a clear and concrete IT-strategy
- 3 Security remains a high priority
- 4 Hybrid Cloud is the new standard





Management summary

Management summary 2024



Market:

- Renewed branding Ctac Group
- Strengthened partner network
- Uncertainty in market and prolonged decision processes
- Sales pipeline improved - increased cross and upsell
- Move towards the cloud and AI technology

Financials:

- Revenue drops slightly to € 124.3 million
- Margin impact lower sales largely offset by reduced costs
- Operating cash flow remains strong at € 10.3 million
- Changed business models based on ppu and service

Organisation:

- Transition of the organisation on schedule
- Reshaping our ICT landscape and processes
- Harmonisation and optimisation processes across the group
- Cloud readiness / change process
- Sharpened sales organisation

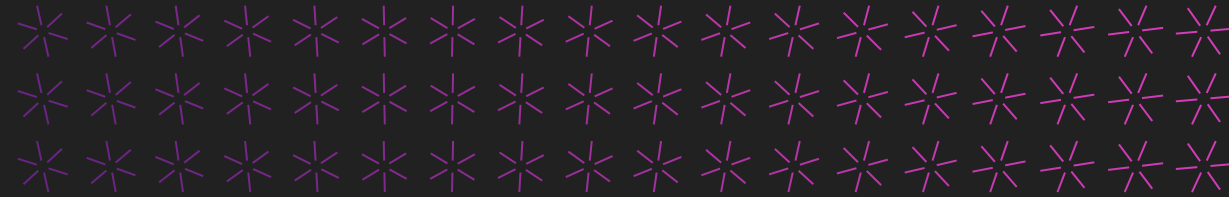
Innovation:

- AI technology embedded in organisation
- Templating market solutions
- Redefined data center offering
- Innovation structured along propositions



Financial highlights

Financial highlights



Revenue slightly lower to € 124,3 million (-2.3%)

- Clients' caution to make investments and smaller sized projects
- Transition towards public cloud partly offset by increased cloud-based licenses and services
- Additional licenses sales



EBITDA increased by 4.9% to € 10.7 million, profitability stable

- Absence of one-time expenses in 2024
- Lower margin, largely offset by reduced costs of organisation



Operating cash flow slightly lower to € 10.3 million, net cash position stands at € 9.6 million

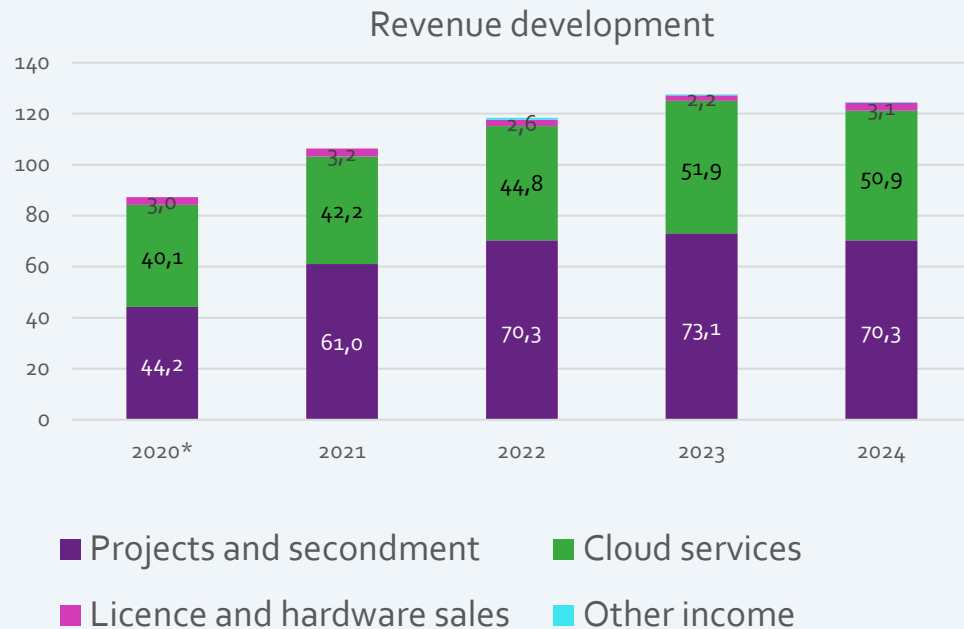
- Consumption of provisions for long-term sickness insurance
- Working capital well under control
- Full repayment of credit line

We noticed an increased order intake towards the end of the year

Key figures

€ million (unless stated otherwise)	2024	2023
Revenue	124.3	127.2
Gross margin	69.9	73.7
<i>% margin</i>	56.2%	57.9%
Cost of organisation	64.3	69.6
EBIT *)	5.6	4.1
<i>EBIT as % of sales</i>	4.5%	3.2%
EBITDA **)	10.7	10.2
<i>EBITDA as % of sales</i>	8.6%	8.0%
*) including one-time expenses of € 2.5 million in 2023		
**) including one-time expenses of € 1.6 million in 2023		

Revenue relatively stable



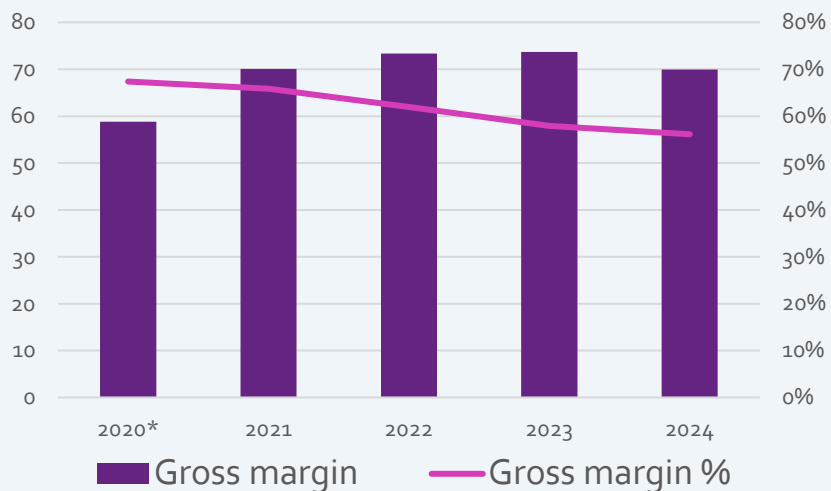
*The figures for 2020 do not include Ctac France due to discontinued operations

Comments:

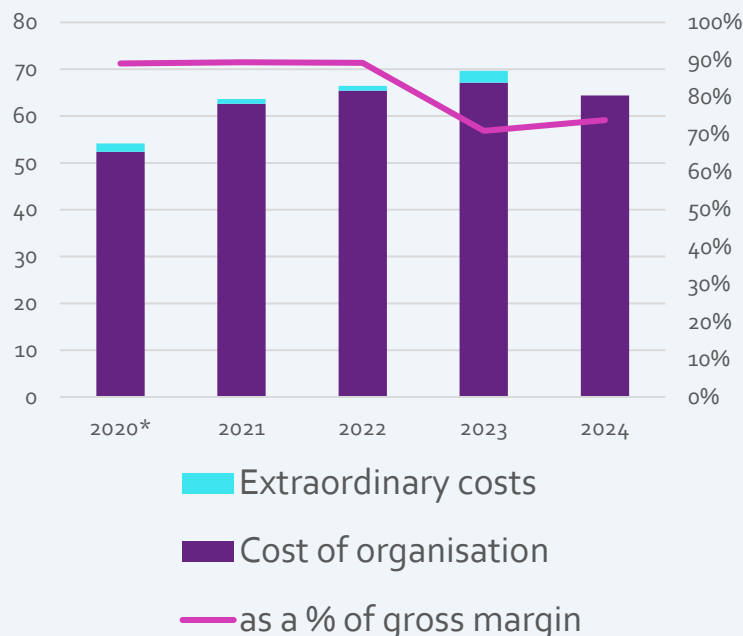
- Revenues drops slightly with 2.3%
- Project and secondment:
 - +/+ inflation in rates
 - -/- smaller size and shorter duration projects
 - -/- continued reluctance companies to invest making the transition to the cloud now
- Cloud services:
 - +/+ shift from on-premise to cloud based licenses
 - -/- downward underlying trend of our hosting business.
- Increased license income
- Other income related to proceeds used to execute ongoing implementation projects

Margin impact offset by reduced costs

Gross margin development



Cost of organisation

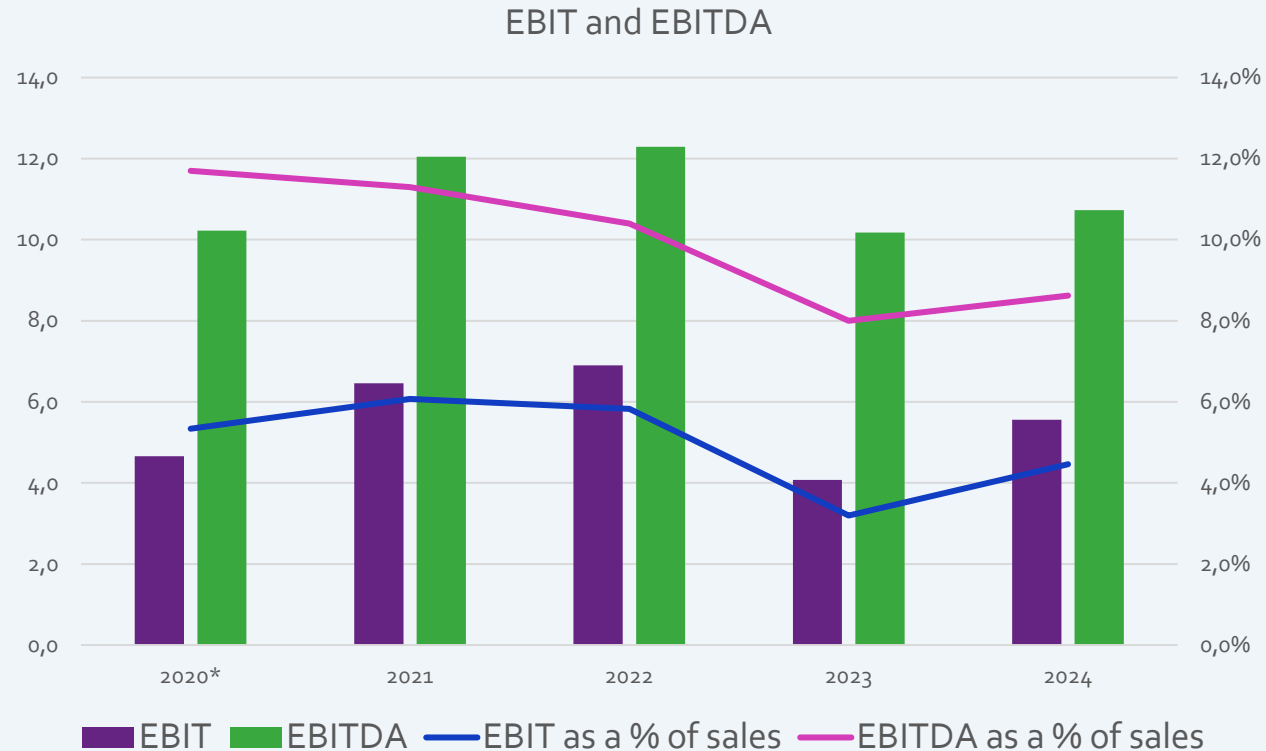


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Comments:

- Absolute gross margin -/- 5.2%
- Margin under pressure:
 - higher license and maintenance costs
 - Productivity affected due to smaller sized projects
- Cost of organisation -7.5% (excl. extraordinary cost):
 - +/+ Inflation effect labor costs
 - -/- Decrease average headcount

Result affected by productivity and cost control

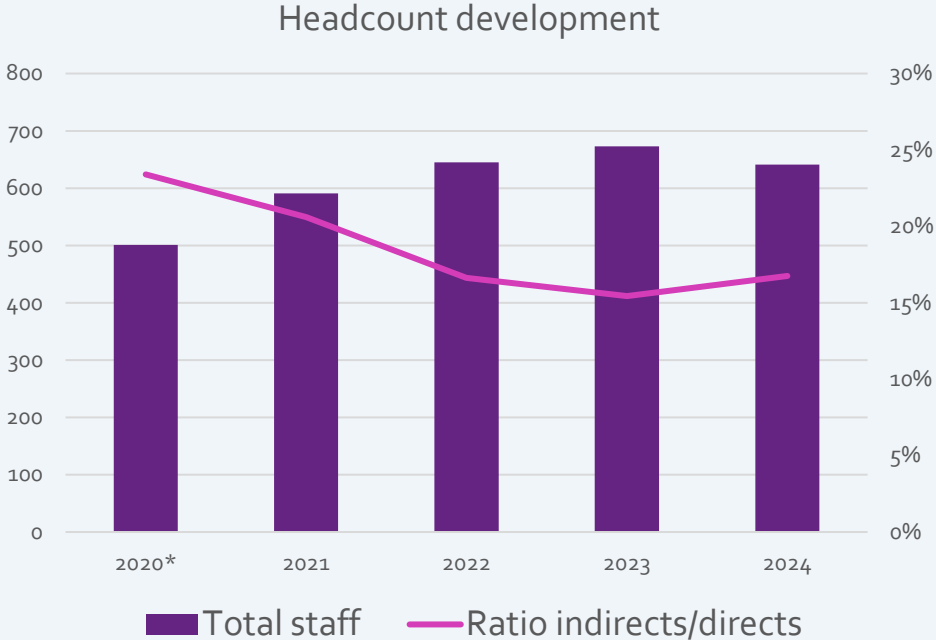


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Comments

- Productivity under pressure:
 - Smaller sized projects
 - Configuration new ERP s/4 Hana and service management system
- Decline in revenue from hosting
- Strict cost control
- Extraordinary charges 2023 € 2.5 million (EBITDA: € 1.6 million)

Headcount reduction in projects and secondment



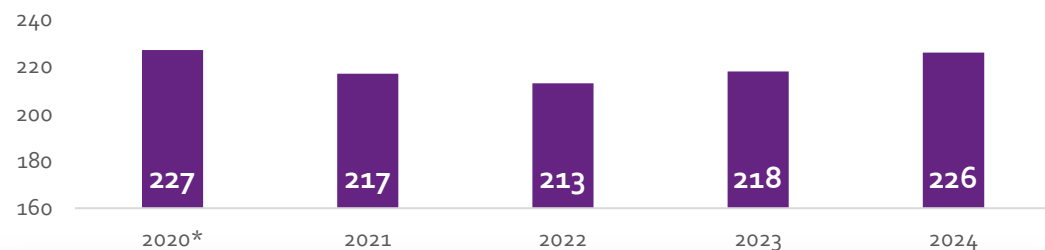
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Comments

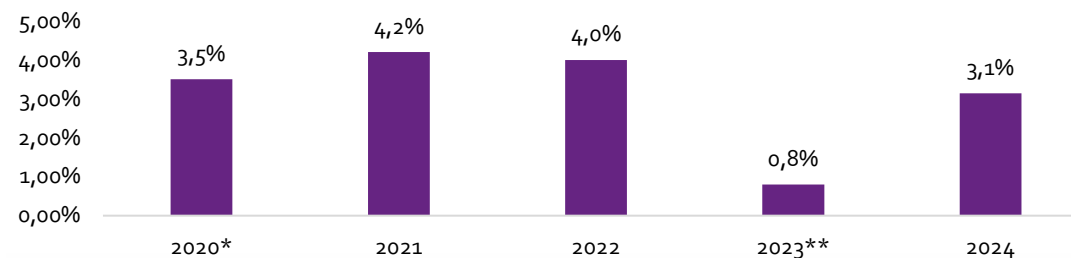
- Increase turnover per employee combined effect from inflationary effect and productivity
- Directs year-end 340 FTE, flexible workforce 200 FTE, indirects 98 FTE
- Ratio indirects/directs impacted by reduced directs and investments in the organisation
- Despite tight labor market able to attract new talents

Other key figures

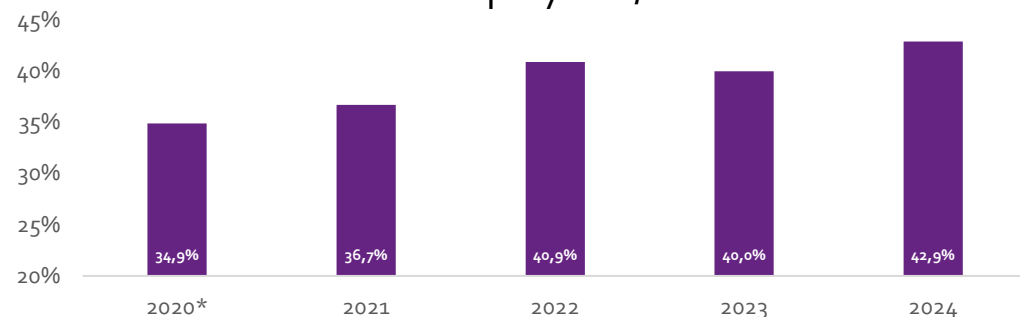
Revenue per direct employee incl. professional temporary staff (per FTE x € 1,000)



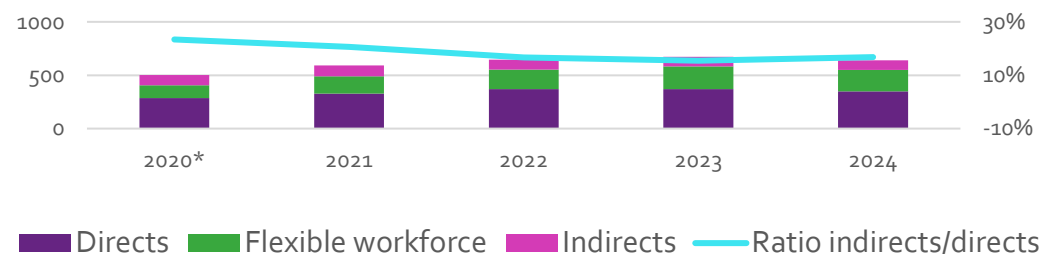
Net result in €/ revenue from contracts with clients



Shareholders' equity in €/ total assets

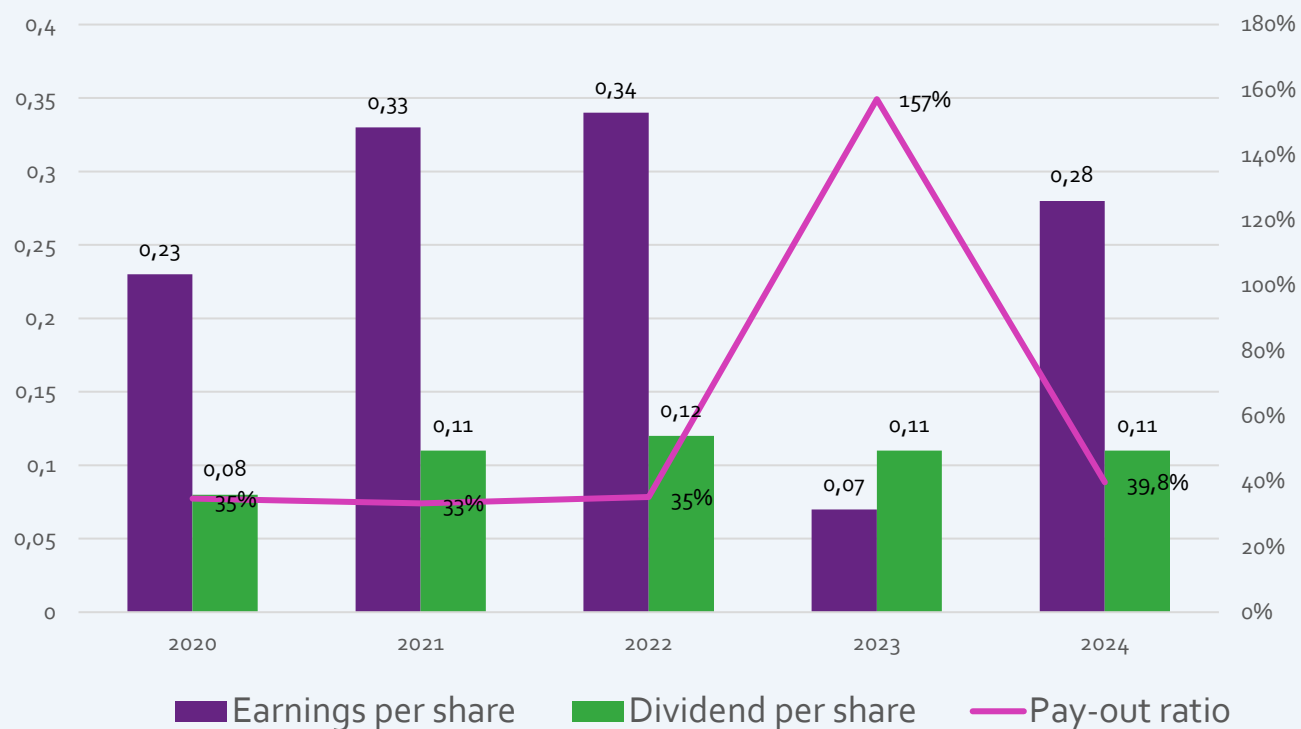


Headcount development



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Earnings and dividend per share



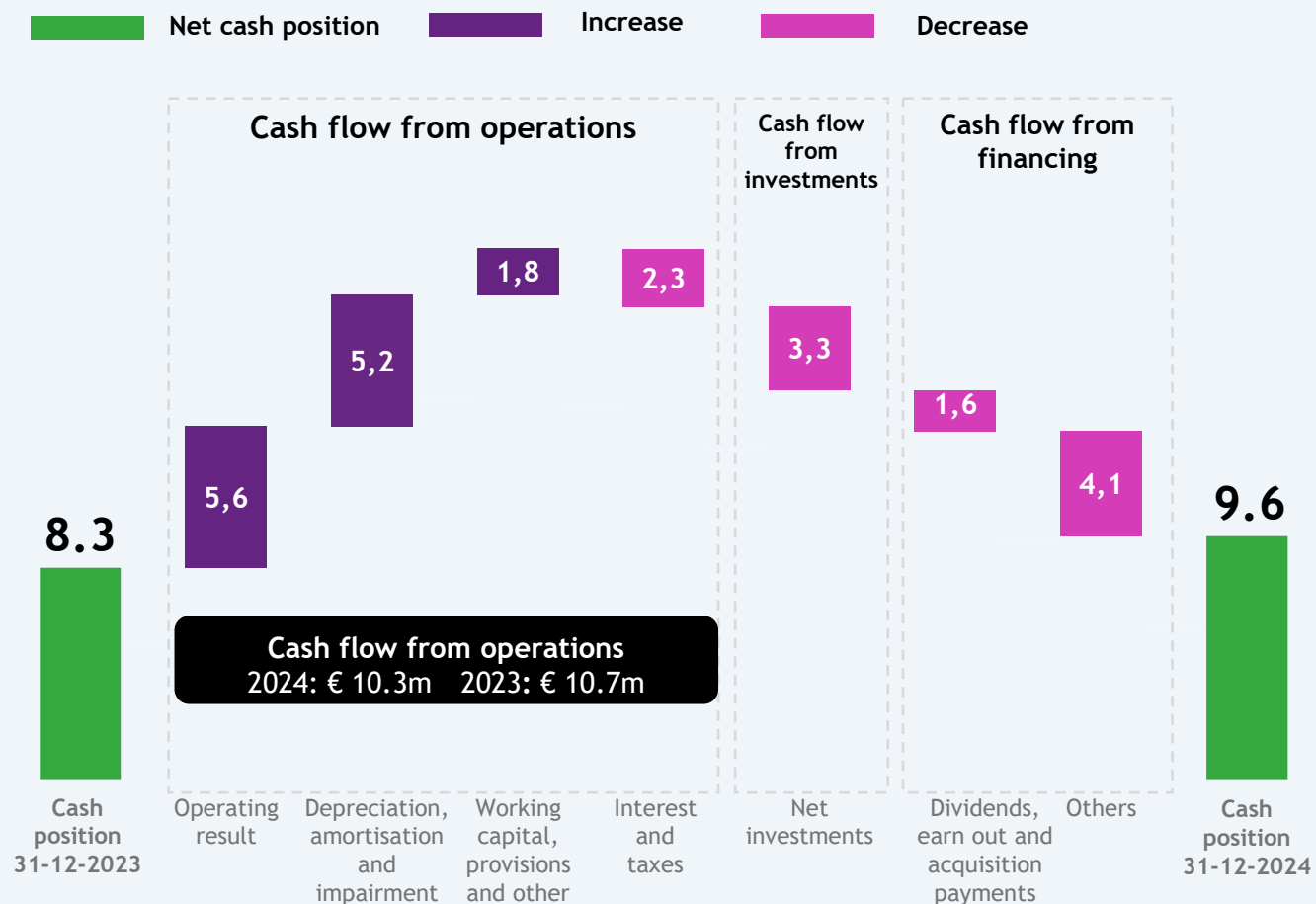
Comments:

- Dividend policy aims at pay out 30 to 40 % of the net profit
- Dividend based on a net result of € 3.9 million which is € 0,28 per share
- Effective pay-out as % of net result 39.8%

Balance sheet

Amounts in € x 1.000.000	2024	2023		2024	2023
Intangible fixed assets	26.8	26.9	Group Equity	30.9	28.5
Right-of-use assets	8.4	8.9	Long-term bank liabilities	-	-
Tangible fixed assets	2.9	1.9	Long-term lease obligations	6.2	6.9
Financial fixed assets	0.1	0.5	Other long-term liabilities	1.4	1.6
Inventories	0.1	0.2	Short-term bank liabilities	-	1.4
Trade and other receivables	24.1	24.6	Short-term lease obligations	2.6	2.3
Cash and cash equivalents	9.6	8.3	Other short-term liabilities	30.9	30.6
Total assets	72.0	71.3	Total liabilities	72.0	71.3

Cash flow supported by working capital control



Comments:

- Operational cash generated stable at € 10.3 million (2023: € 10.7 million)
- Increase mainly driven by improved working capital
- Investments largely related to datacenters and implementation projects
- Cash flow from financing mainly caused by dividend payments and repayment debts
- Ctac's credit facility amount to € 10.0 million at year end. Overall, the liquidity position is under control and provides a good basis to execute the new strategy.



Strategy, realisation and preview



Market demanded a new Ctac strategy

Technology

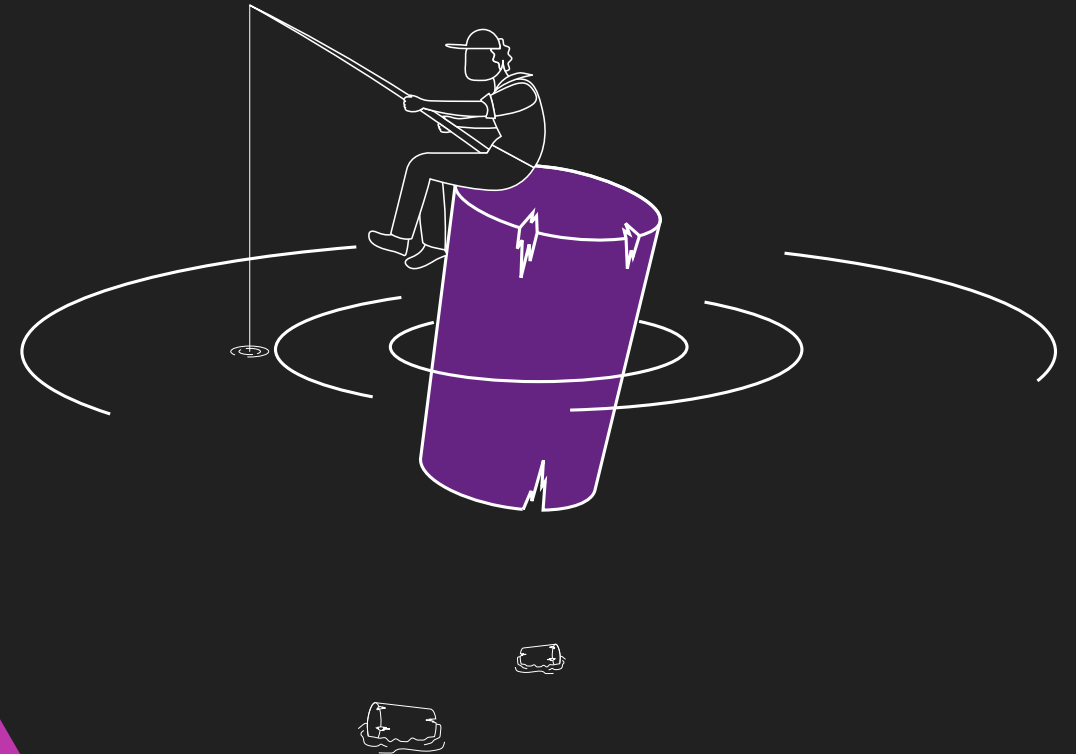
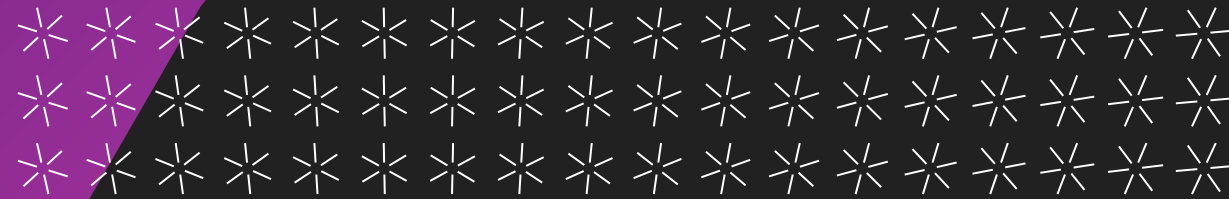
- Shift to the (public) cloud, hyperscalers
- AI entering the market

Market

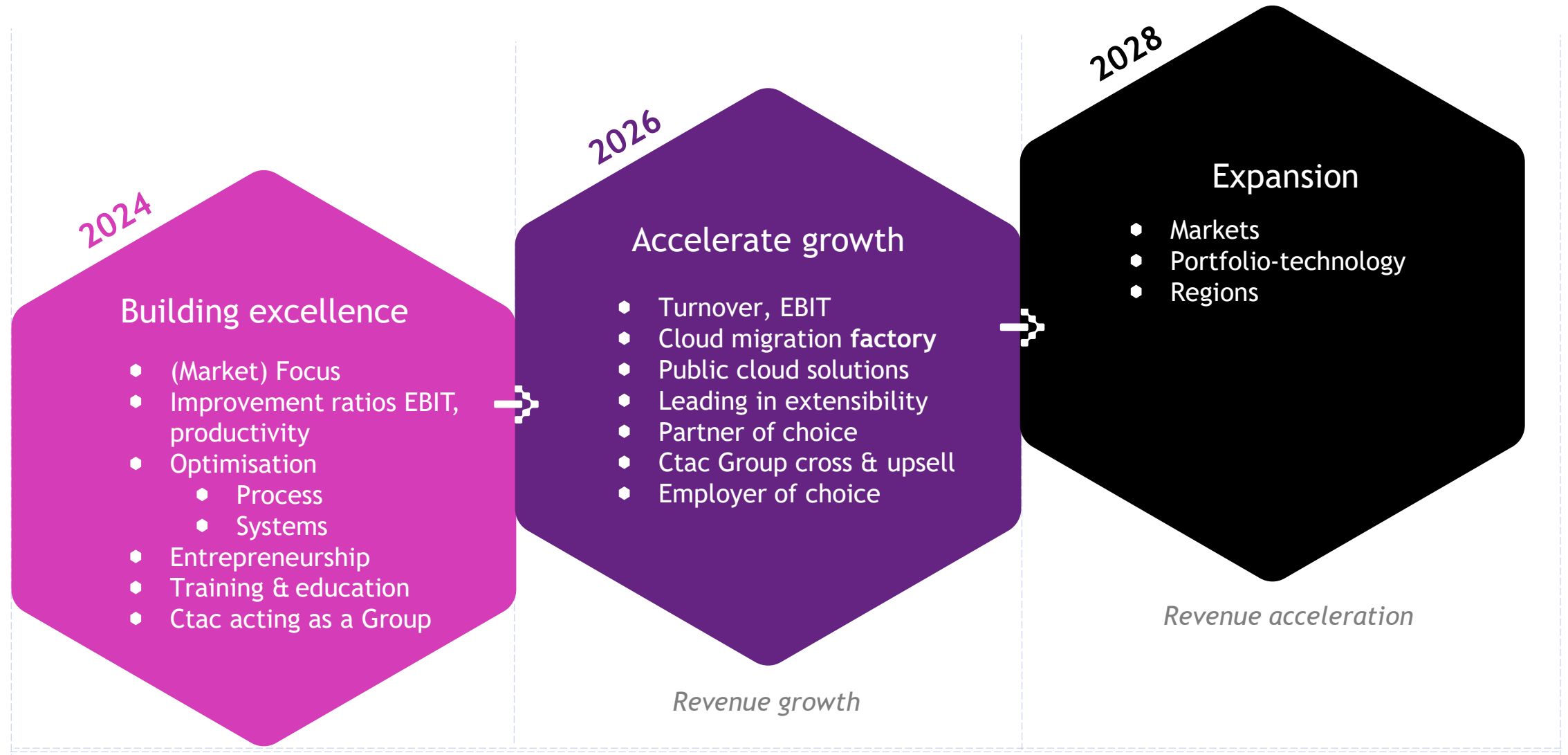
- SAP/Microsoft push
- Standardisation (core) functionality
- Cloud and AI technology

Organisation

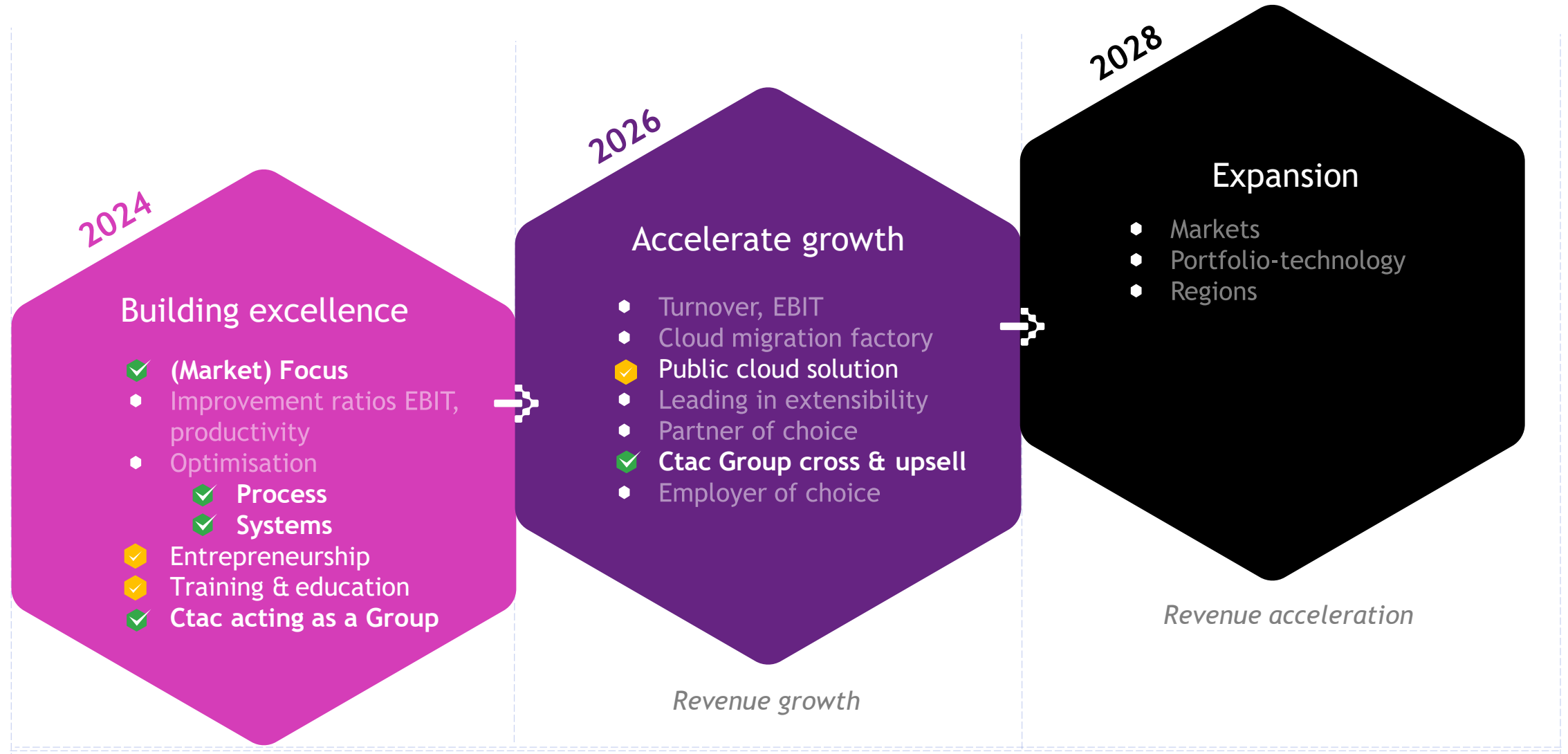
- Alignment strategy organisation
- Act as a Group
- Organisational implications market changes
 - Way of working
 - Adoption new technologies
- Create fundament for the future (process and systems → transparency)



Focus in the execution of the strategy



Focus in the execution of the strategy



Driving operational excellence through FUN-dament programme

SAP S/4 HANA

S/4 public cloud
implementation



Contract management
CRM evaluation



Sales organisation
optimisation



Service management
(system) implementation



Central resource
planning



One Way of Working
projects

Proposition update



STRATEGY & TRANSFORMATION

NEXT
CHANGE MANAGEMENT
IT COORDINATION

CORE & INSIGHTS

ERP (SAP CLOUD)
DATA SERVICES

TECHNOLOGY

INTEGRATION
DEVELOPMENT
PRODUCTS

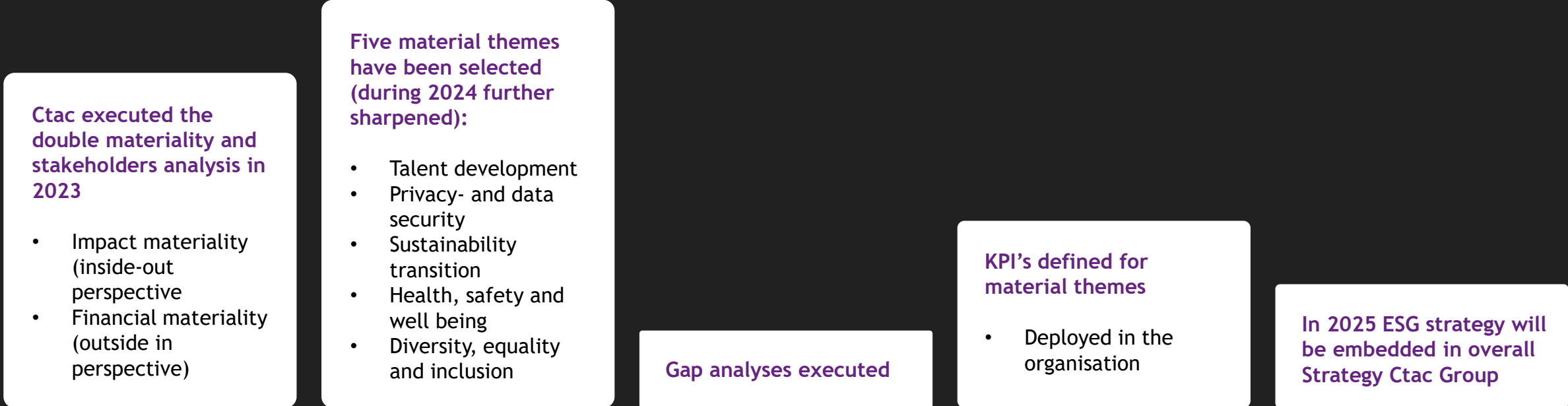
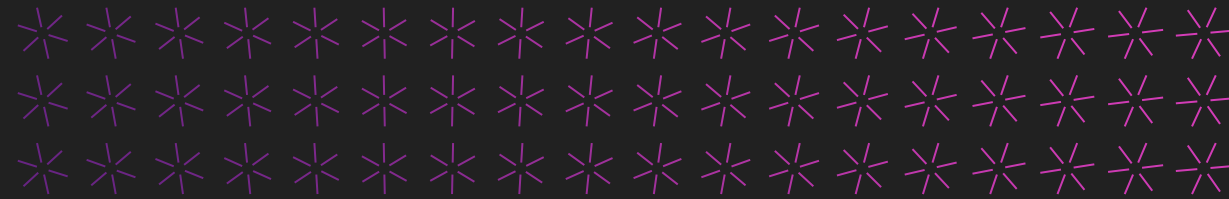
DIGITAL EXPERIENCE

CLOUD INFRASTRUCTURE
SECURITY
MODERN WORK

PEOPLE

STAFFING

ESG Sustainability on track

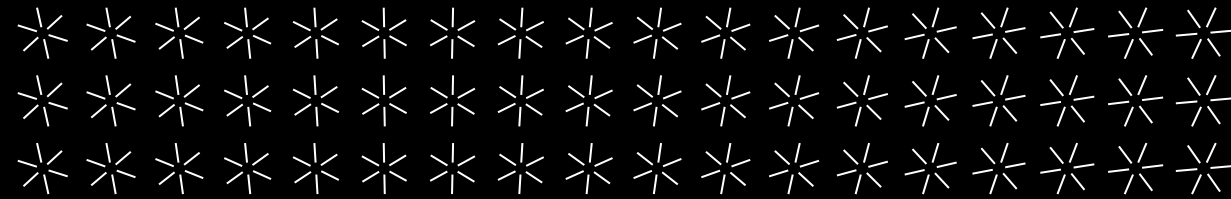




Outlook 2025

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Outlook 2025



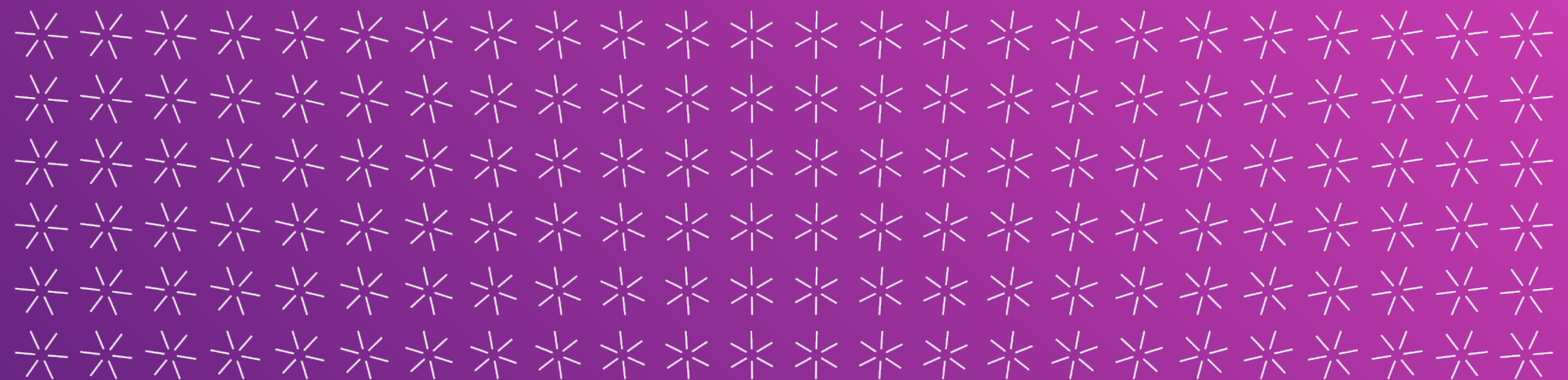
Internal

- Further strengthen our foundation and propositions
- Ongoing efforts to improve operational efficiency and accelerate growth
- Develop Ctac group by fostering entrepreneurship and collaboration
- Further strengthen our pipeline and orderbook
- Maintain optimal balance between direct and indirect costs

External Developments

- Some customers might consider postponing investments due to shifts in demand and trade flows
- Sentiment around cloud and IT providers continues to evolve
- Heightened awareness of cybersecurity presents both challenges and opportunities

We continue to monitor these trends closely and adapt our approach where needed to remain resilient and responsive.



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15 April 2025

Annual General Meeting of Shareholders

Presentation on audit by PricewaterhouseCoopers Accountants N.V.

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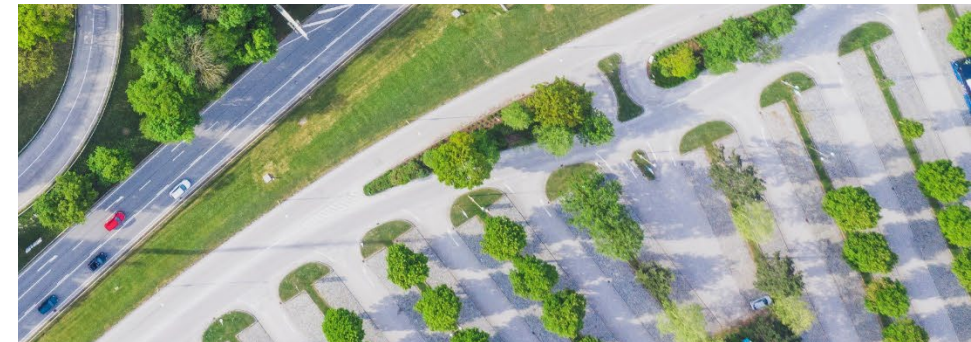
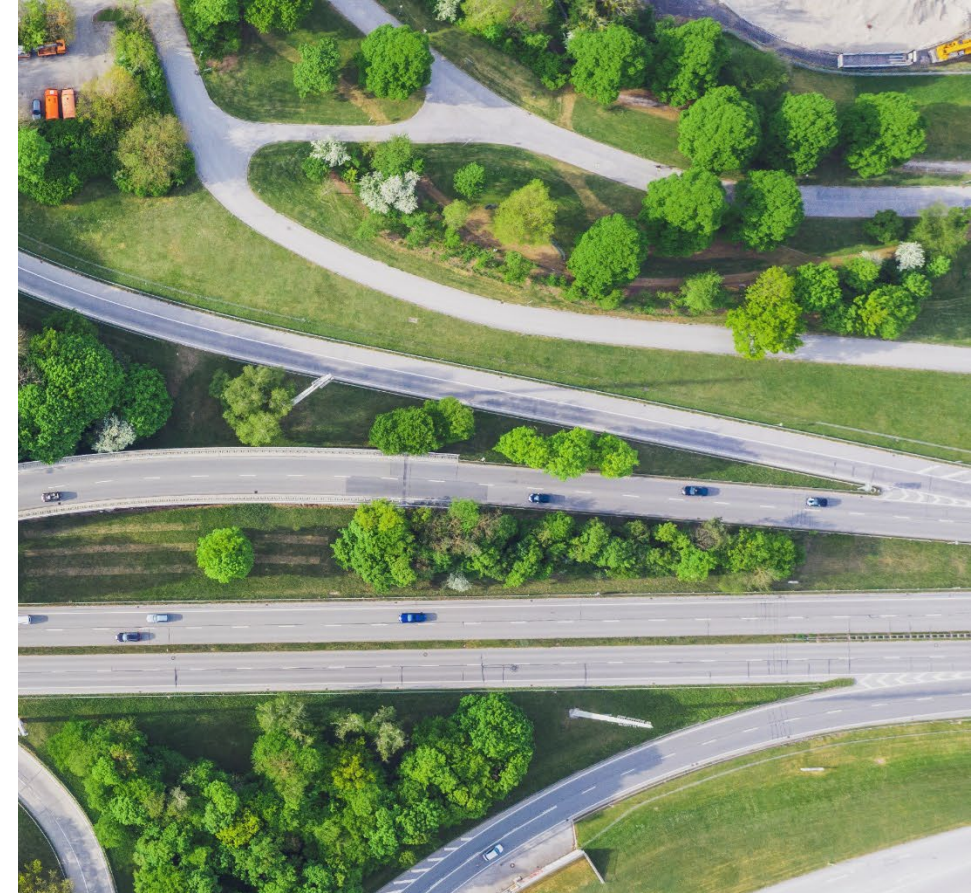





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Audit 2024 Presentation to the shareholders of Ctac N.V.

PricewaterhouseCoopers Accountants N.V.
15 April 2025



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


Important notice to the reader

This document covers the topics covered during our presentation on the 2024 audit of Ctac N.V. to the shareholders in the AGM on 15 April 2025.

This document must be read in conjunction with our auditor's report, our presentation in the AGM and the minutes to be made thereof.

No conclusion can be drawn from this document or our presentation nor are they suited as input for decision making.

The sole conclusion of our audit is included in our auditor's report.

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Introduction

- We have audited the consolidated and company-only financial statements of Ctac N.V for the year ended 31 December 2024.
- The financial reporting framework applied in the preparation of the consolidated financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions in Part 9 of Book 2 of the Dutch Civil Code, and the framework applied in the preparation of the company-only financial statements is Part 9 of Book 2 of the Dutch Civil Code.
- We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.

Audit coverage and components in scope

- We conducted the audit at the head office of Ctac in the Netherlands.
- We paid particular attention to auditing the significant group entities in the Netherlands and Belgium.
- Audit coverage: 92% of the consolidated revenue from contracts with clients, 95% of the consolidated balance sheet total and 86% of the consolidated net result.

Materiality

- We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1% (2023: 1%) of the revenues from contracts with clients.
- Overall materiality for the financial statements has been set at € 1,240,000 (2023: € 1,270,000)
- Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between € 688,000 and € 1,240,000.
- We applied a minimum threshold of €62,000 for any audit differences reported to the Audit Committee.

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Significant audit risks

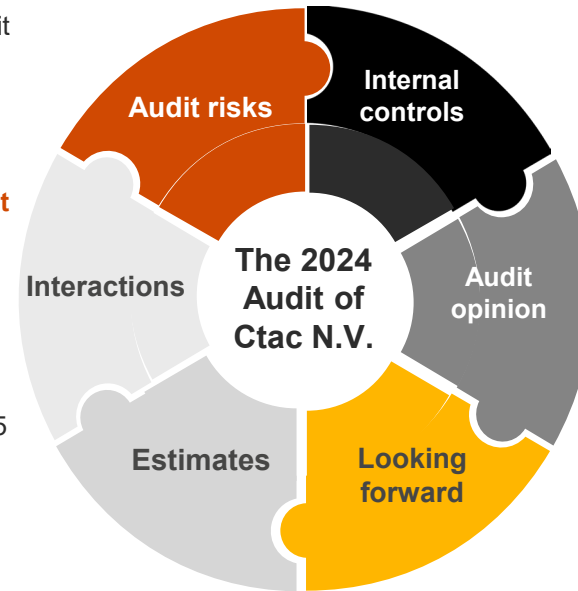
- Management override of controls and fraud in revenue recognition are presumed risks we covered in our audit.
- We have not identified any other significant audit risks for Ctac.
- Based on our assessment, we included one key audit matter in our auditor’s report:
Recognition of unsettled revenue transactions resulting from contracts with clients

Our interaction with the board of directors and audit committee

- We had periodic monthly meetings with the CEO, CFO and Group Controller.
- We attended the audit committee meetings on 23 July 2024, 11 December 2024 and 24 February 2025 to discuss our audit plan, interim findings report and board report.
- In addition to this, we have had several meetings with the chair of the audit committee to discuss the developments within the organization and the audit.
- We experienced good collaboration with management and staff across the group and have not been denied any access or information deemed necessary for our audit.

Estimates

- Overall assessment of management’s estimates: balanced



Internal control observations

- In its board of directors' report, management included a statement that the company's internal risk management and control systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies.
- We have tested the company's internal controls only when we deemed it effective and efficient to rely on the company's internal controls for the purpose of the audit of the financial statements.
- Ctac is changing its IT landscape. During Q4 2024 and Q1 2025, we provided the board of directors and audit committee with forward-looking feedback on this.

Audit opinion

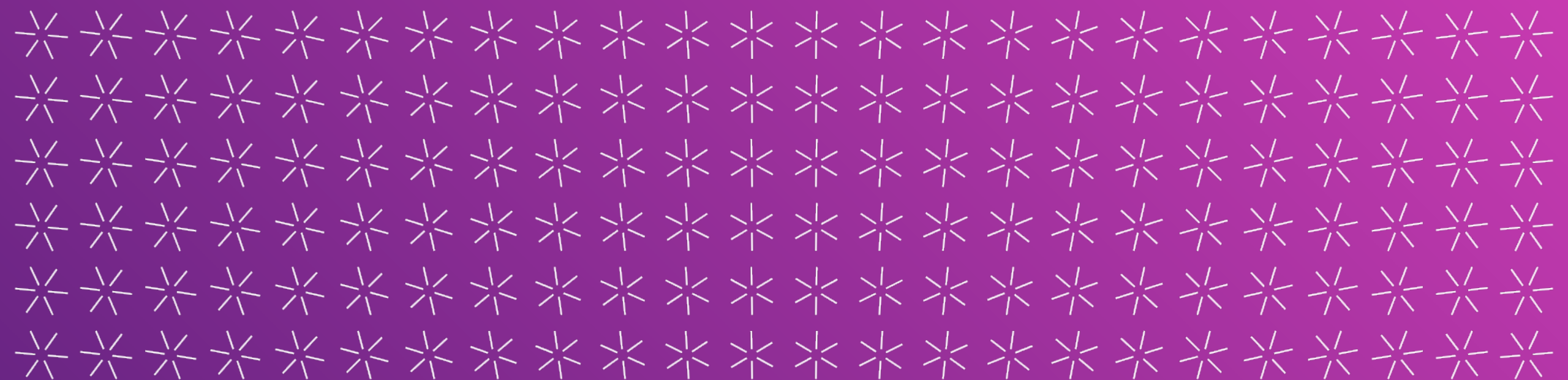
- The 2024 consolidated and company-only financial statements of Ctac N.V. give a true and fair view
- We have read the other information and conclude that the other information does not contradict the financial statements and information we have obtained during our audit.
- Considering that Ctac is not (yet) required to comply with the CSRD requirements, we have not provided separate assurance for the sustainability information included in the annual report.

Looking forward

- Based on the applicable independence laws and regulations for PIE audit firms, Jeroen van Kessel is required to rotate as the signing accountant. Jeroen will be succeeded by Martin Bond.

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