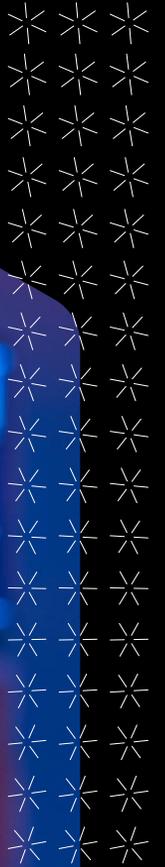


9 April 2024

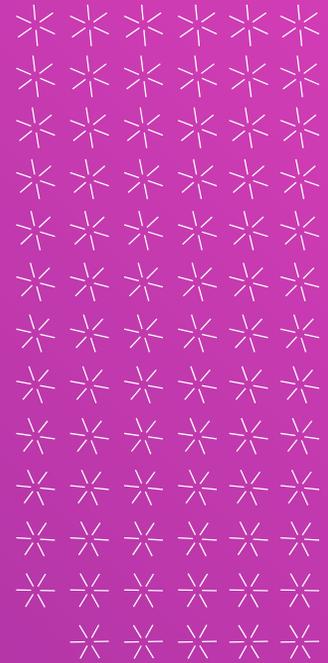
Annual General Meeting of Shareholders

CTAC GROUP /



Annual General Meeting of Shareholders - 9 April 2024

Report of the Board of Management on the financial year 2023



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1

Management
summary

3

Organisation
update

5

Strategy and
technology
update

2

Market
update



4
Financial
highlights



Management summary



Management summary 2023



Market

- Smaller average project size, productivity under pressure
- Hesitation market to invest given change impact from cloud
- Changing marketplace, technology (public cloud, hosting) change visible

Organisation

- Various changes board and management level, passing Pieter-Paul
- Impairment T2E

New defined strategy

- Focus on propositions and markets
- Changing marketplace and technology integral part of our strategy
- Acting as a Group
- Improvement path anchored in program Fundament for operational excellence

Partnerships

- Intensified relationship SAP and Microsoft with strategic content.
- Strategic Partnership SAP Midmarket



2

Market update

Market developments that have an impact on Ctac

(Public) cloud adoption is growing in the market

SAP customers migration push (end 2027) and partner led territory strategy

Traditional hosting decline in business becomes more evident

Hyperscalers like Microsoft fundament for future proof solutions

New technology developments such as AI, are changing the IT market



Organisation update



Employees are our key assets and therefore we invest in:



Learning

Ctacademy

Talent & development program

Leadership program

Future workforce planning



Diversity

Renewed policy

>20% is female

>28% employees younger than 35

>15% of our employees is non-Dutch/Belgian



Vitality

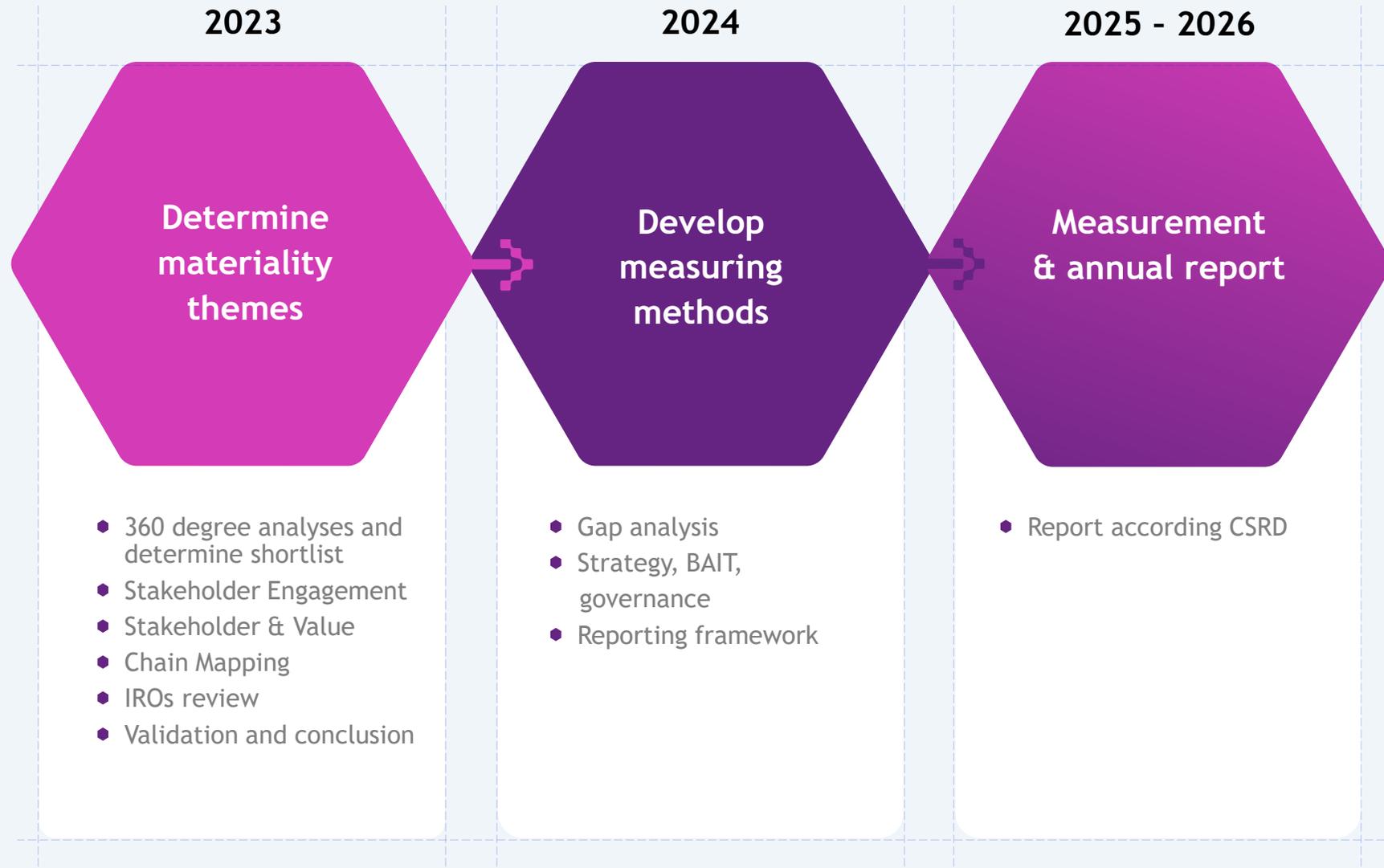
Employee well-being

Work-life balance

Balanced workforce

Reducing illness rate

We are on track to become CSRD ready



Rationale impairment Technology2Enjoy

Closing June
2022

Rationale buy

- First Cloud (ByDesign) alternative for SAP S/4
- Suitable solution for mid-market, cheaper and easier to implement
- Target to build a solution for the local government

➔ 2022-2023

Experience 1st year

- 1st local government contracted before closing date
- 2 subsequent local government projects acquired
- Mid 2023 announcement SAP that ByDesign support is finite
- Effort required to build and realise implementation was more than planned

➔ Mitigations

Corrective actions

- Strengthened project management
- Additional expertise to complete projects
- Reduction operational costs
- New acquisitions on hold

➔ Conclusions

Way forward

- **Current ByDesign solution not suitable to roll out at larger scale**
- **Future cash flow streams based on ByDesign solution are negative**
- **Business plan for the Public market in consultation with SAP under review based on S/4**



Financial highlights

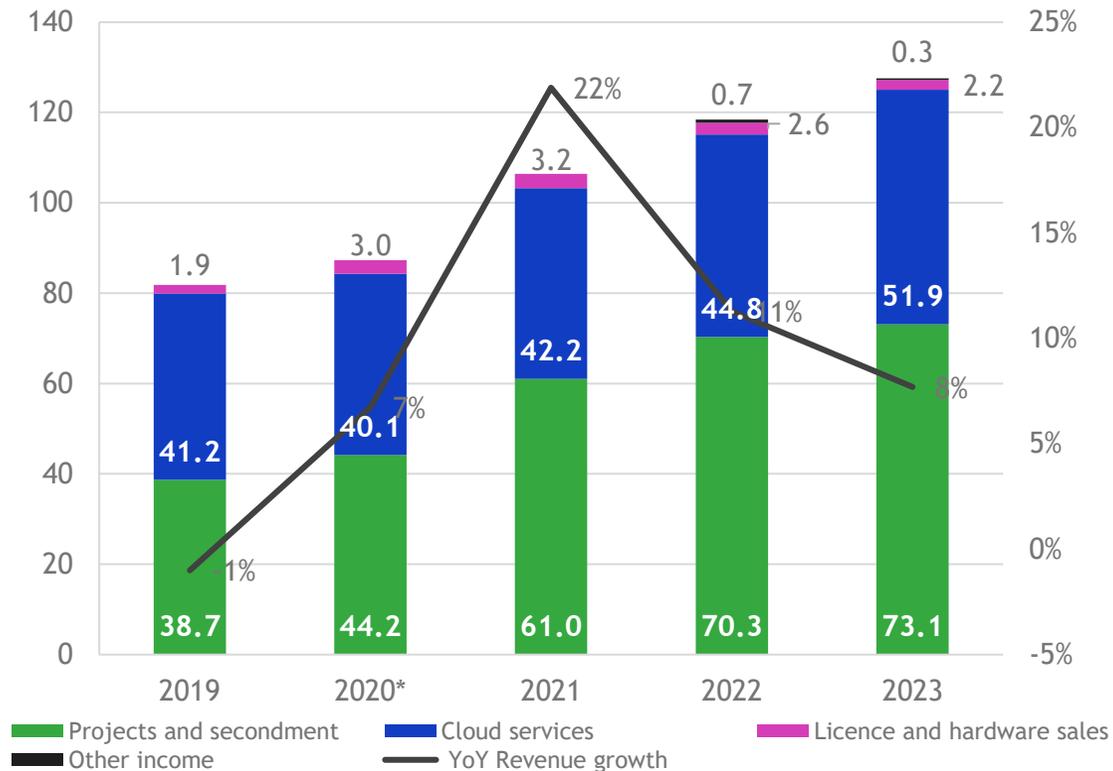
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Key figures

€ million (unless stated otherwise)	2023	2022
Revenue	127.5	118.4
Gross margin	73.7	73.3
<i>% margin</i>	57.8%	62.0%
Cost of organisation	69.6	66.4
EBIT	4.1	6.9
<i>EBIT as % of sales</i>	3.2%	5.8%
EBITDA	10.2	12.3
<i>EBITDA as % of sales</i>	8.0%	10.4%
Normalised EBIT	6.6	7.9
<i>Normalised EBITDA as % of sales</i>	5.2%	6.7%
Normalised EBITDA	11.8	13.3
<i>Normalised EBITDA as % of sales</i>	9.3%	11.2%

Revenue growth driven by Cloud services

Revenue development (€ mln)

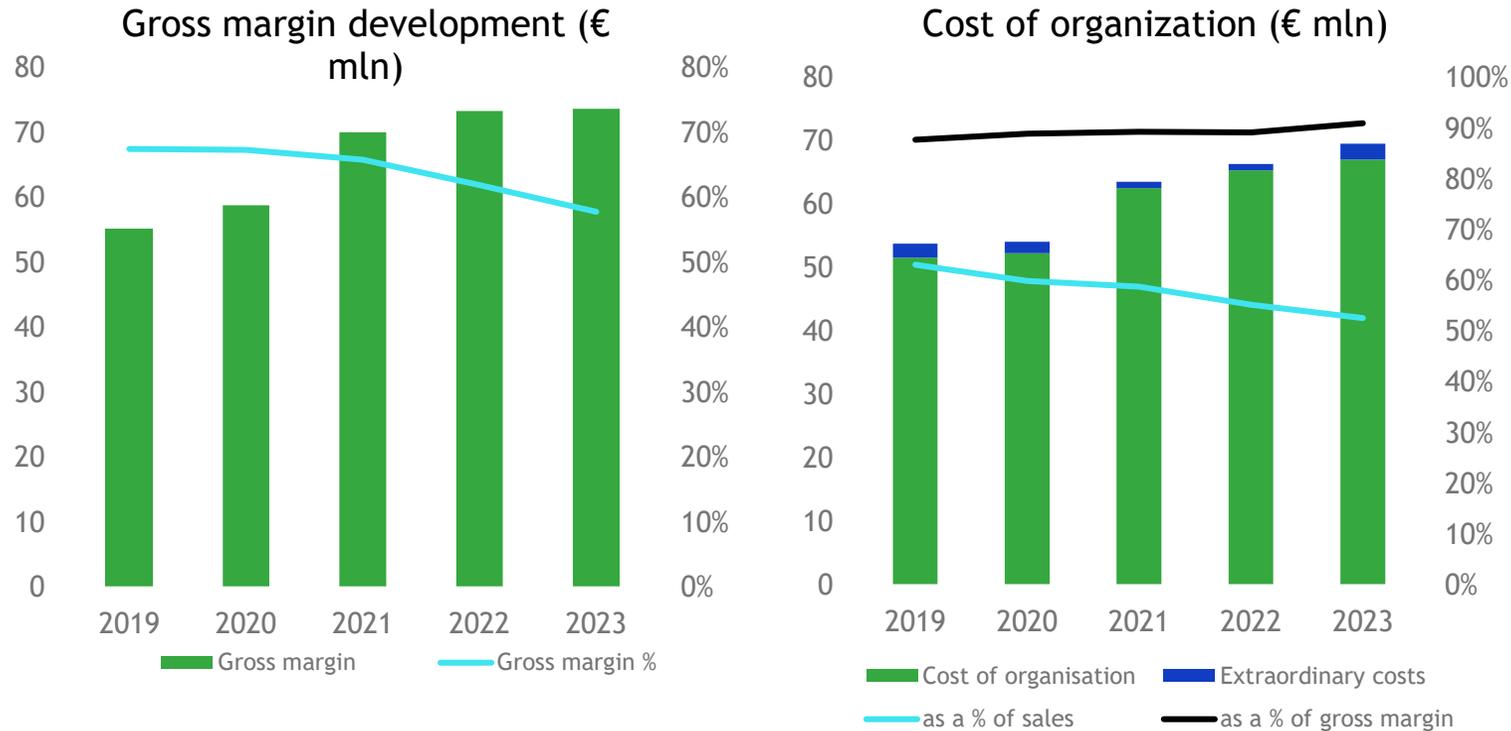


*The figures for 2020 do not include Ctac France due to discontinued operations

Comments:

- Revenues growth with 8.1% of which 7.1% organic growth
- Project and secondment:
 - +/+ inflation in rates
 - -/- smaller size and shorter duration projects
 - -/- reluctance companies to invest and make the jump to the cloud now
- Cloud services:
 - +/+ shift from on-premise to cloud based licenses
 - +/+ inflation in rates
 - -/- underlying downward trend emerging of our hosting business.
- Both Public (€ 8.8 million vs € 6.4 mln in 2022) and Security (€ 4.5 mln vs € 4.3 mln in 2022) showed growth
- License and hardware sales declined due to the move to public cloud environments
- Other income related to sale of Fit4Woco in 2022

Margin % affected by productivity and growth secondment

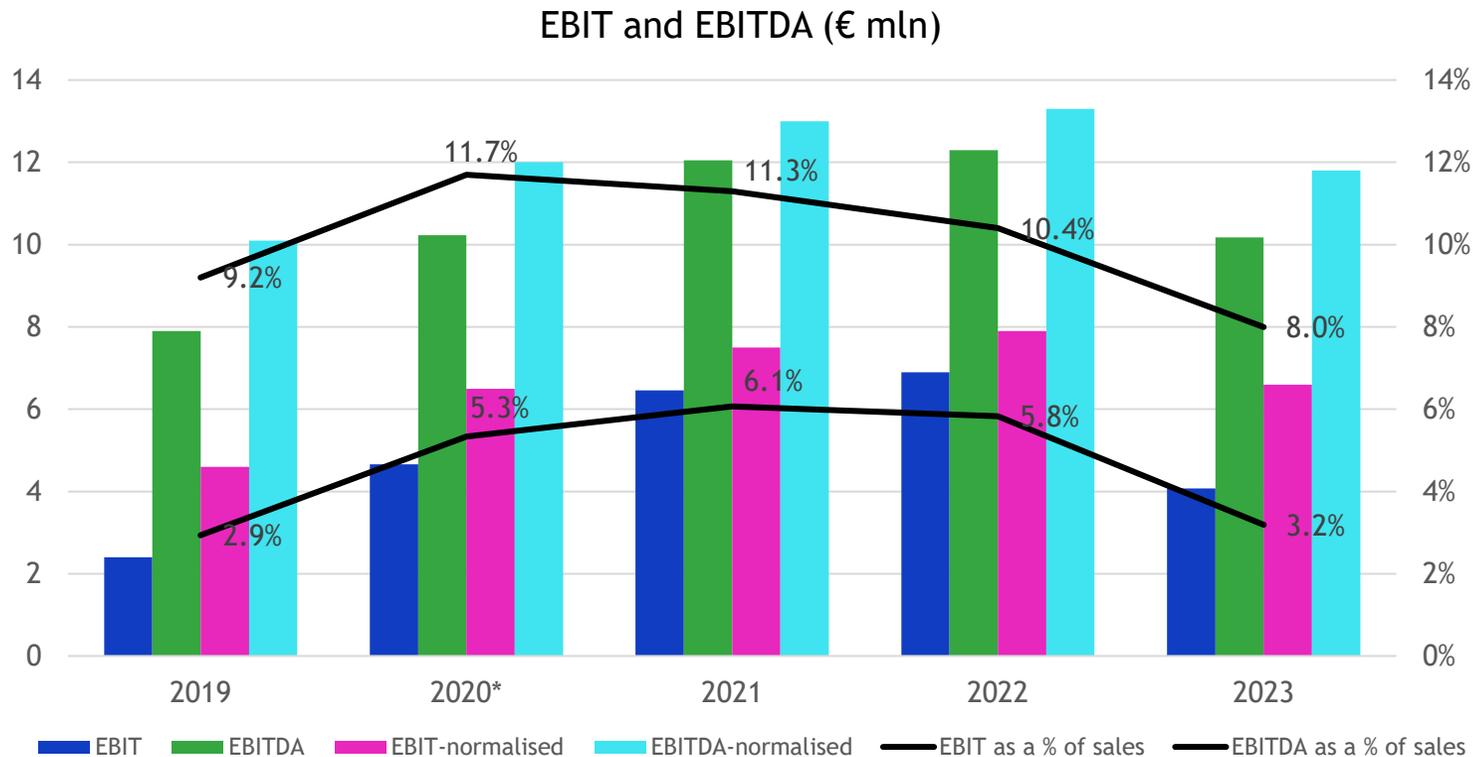


*The figures for 2020 do not include Ctac France due to discontinued operations

Comments:

- Absolute gross margin +0.5%
- Relative margin under pressure:
 - Increase temporary hire
 - higher license and maintenance costs
 - Productivity affected due to smaller sized projects
 - Implementation costs T2E
- Cost of organisation +2.6% (excl. extraordinary cost):
 - Inflation effect labor costs
 - Average headcount flat

Result affected by productivity and one-off costs

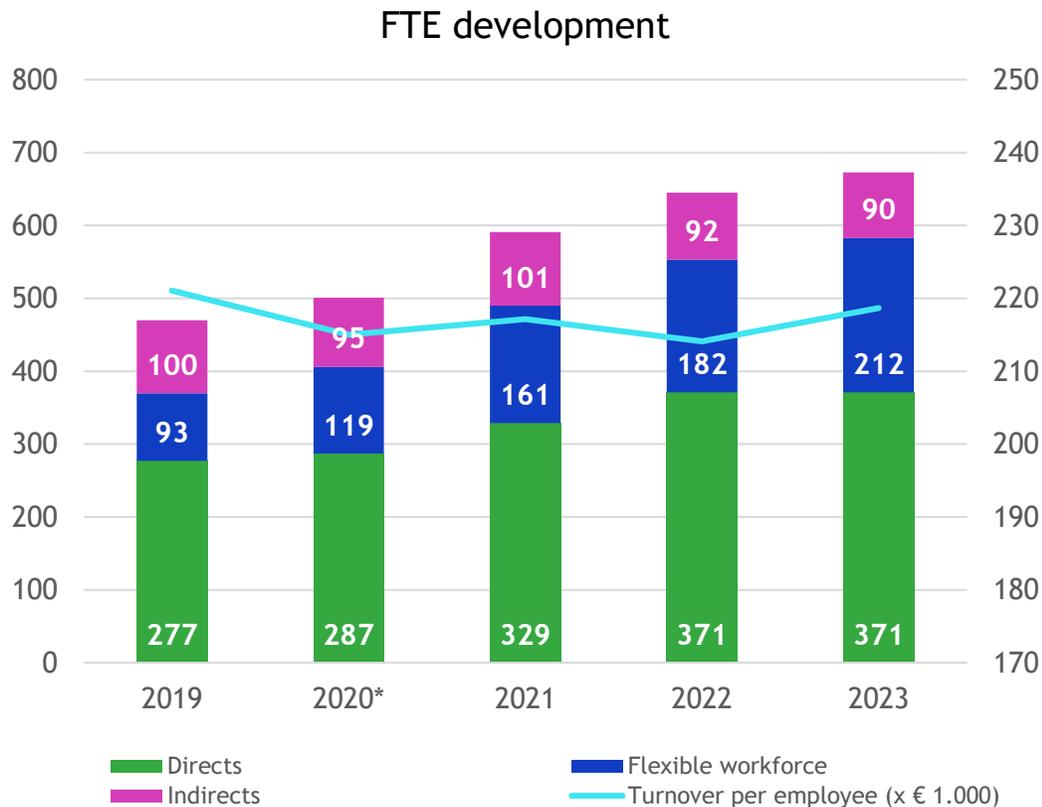


*The figures for 2020 do not include Ctac France due to discontinued operations

Comments

- Productivity under pressure:
 - Smaller sized projects
 - Implementation losses of technology2Enjoy
- Extraordinary charges € 2.5 million
 - Streamlining organisation
 - Long-term illness; and
 - Technology2Enjoy

In tight labor market able to attract new talent



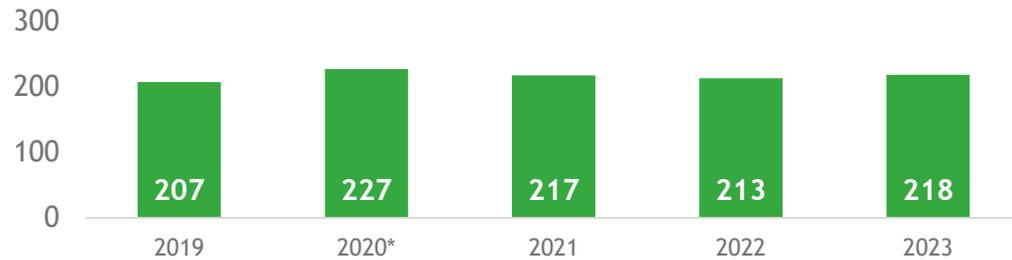
*The figures for 2020 do not include Ctac France due to discontinued operations

Comments

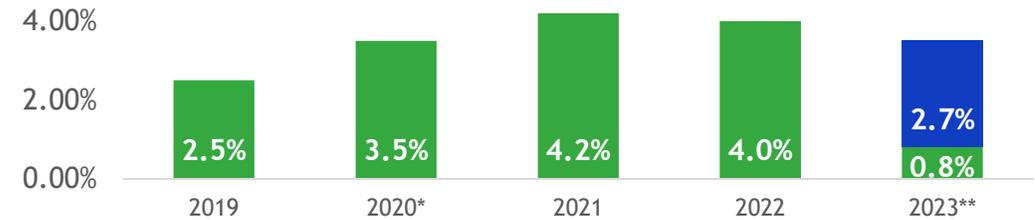
- ◆ Fixed staff flat
- ◆ Flexibele workforce further increased
- ◆ Slight increase turnover per employee reflecting inflationary effect, partly offset by effect productivity
- ◆ Directs year-end 365 FTE, indirects 88 FTE
- ◆ Despite tight labor market able to attract new talents

Other key figures

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

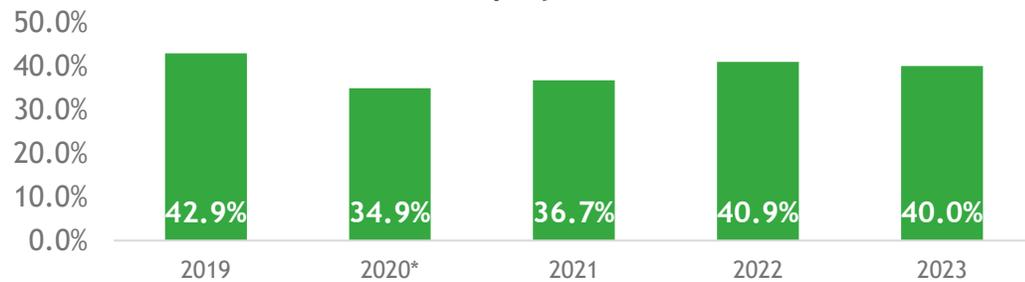


Net result in €/ revenue from contracts with clients

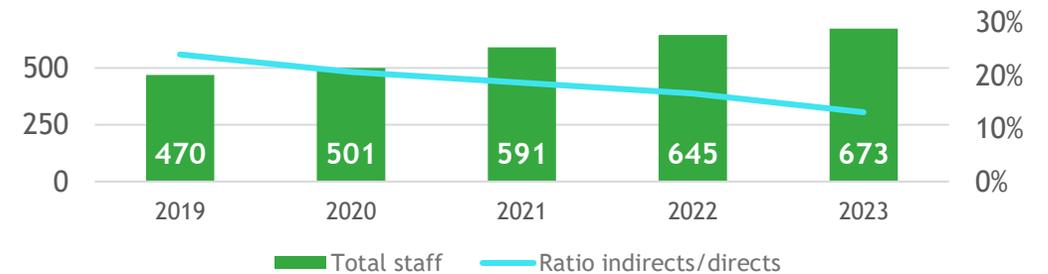


**The figures for 2023 have been normalised

Shareholders' equity in €/ total assets

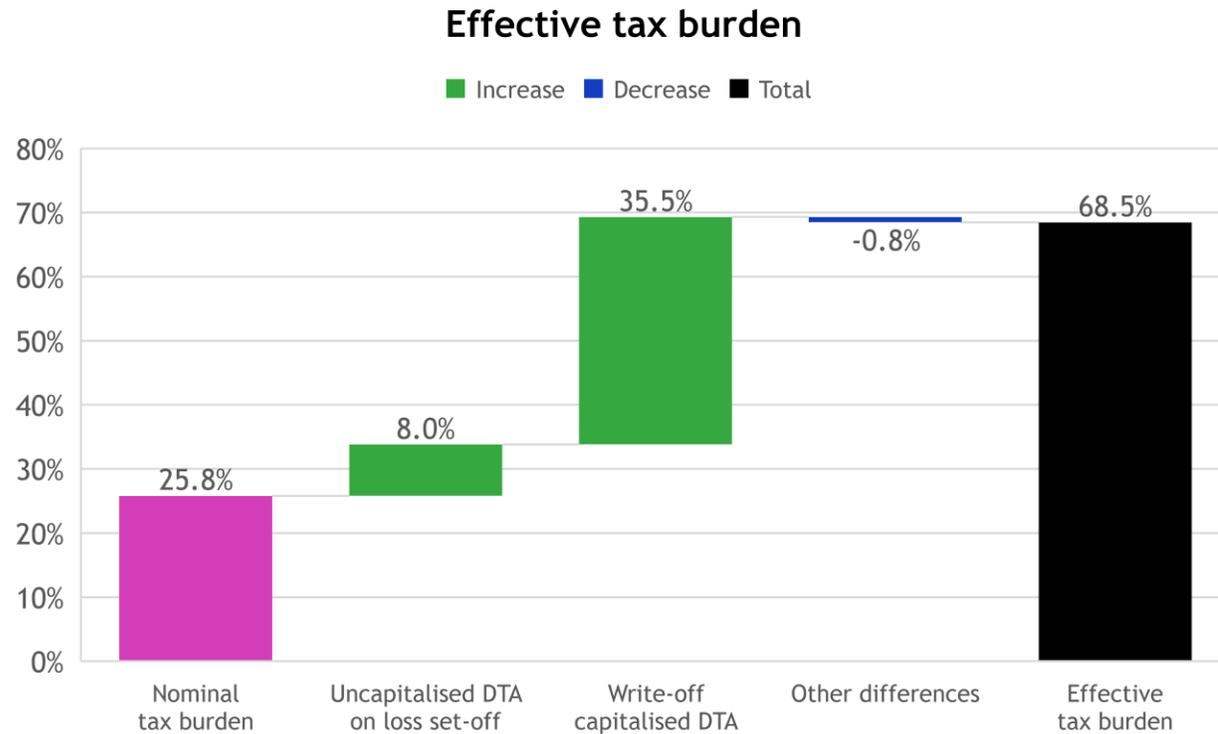


Total staff plus ratio indirects/directs



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

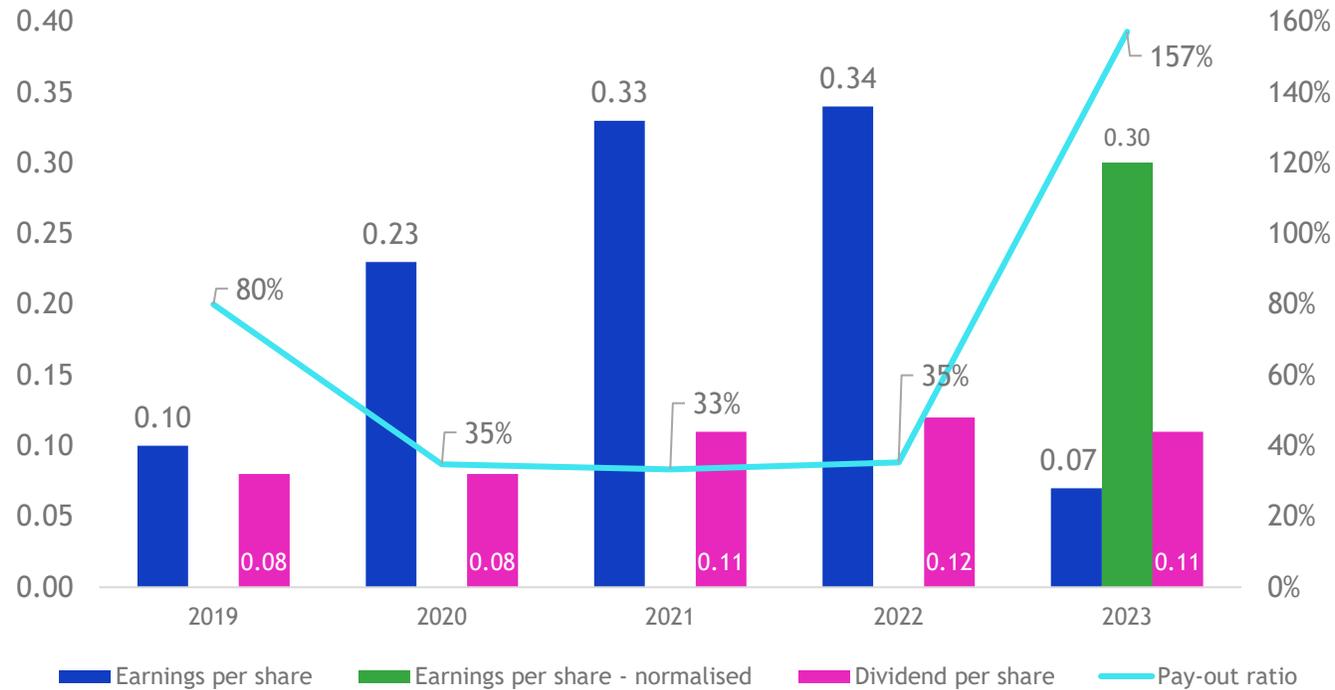
Effective tax burden



Comments

- Increased effective tax rate
 - Not capitalizing loss set-off Technology2Enjoy
 - Write-off capitalised Defferred Tax Asset Technology2Enjoy

Earnings and dividend per share



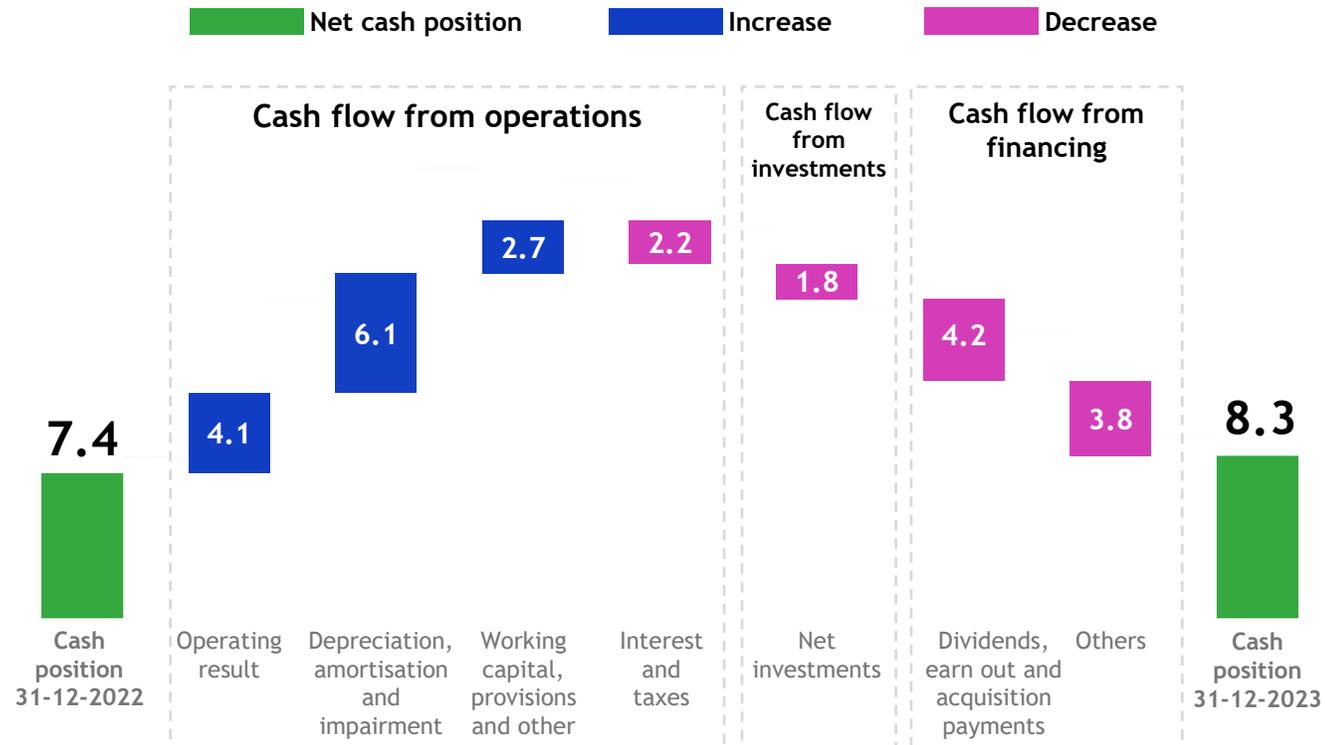
Comments:

- Dividend policy aims at pay out 30 to 40 % of the net profit
- Dividend based on a normalised net result of € 4,4 million which is € 0,30 per share
- Effective pay-out as % of normalised net result 37%

Balance sheet

amounts in € x 1.000.000	2023	2022		2023	2022
Intangible fixed assets	26.9	28.7	Group Equity	28.5	30.9
Right-of-use assets	8.9	9.9	Long-term bank liabilities	-	1.1
Tangible fixed assets	1.9	1.2	Long-term lease obligations	6.9	7.3
Financial fixed assets	0.5	2.7	Other long-term liabilities	1.6	2.7
Inventories	0.2	0.2	Short-term bank liabilities	1.4	0.9
Trade and other receivables	24.6	25.6	Short-term lease obligations	2.3	2.9
Cash and cash equivalents	8.3	7.4	Other short-term liabilities	30.6	29.8
Total assets	71.3	75.6	Total liabilities	71.3	75.6

Cash flow supported by working capital control



Cash flow from operations
2023: € 10.7m 2022: € 5.7m

Comments:

- Operational cash generated increased to € 10.7 million (2022: € 5.7 million)
- Increase mainly driven by reduction receivables (shorter payment terms)
- Investments largely related to datacenters
- Cash flow from financing mainly caused by dividend payments, earn out and acquisition payments
- 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.

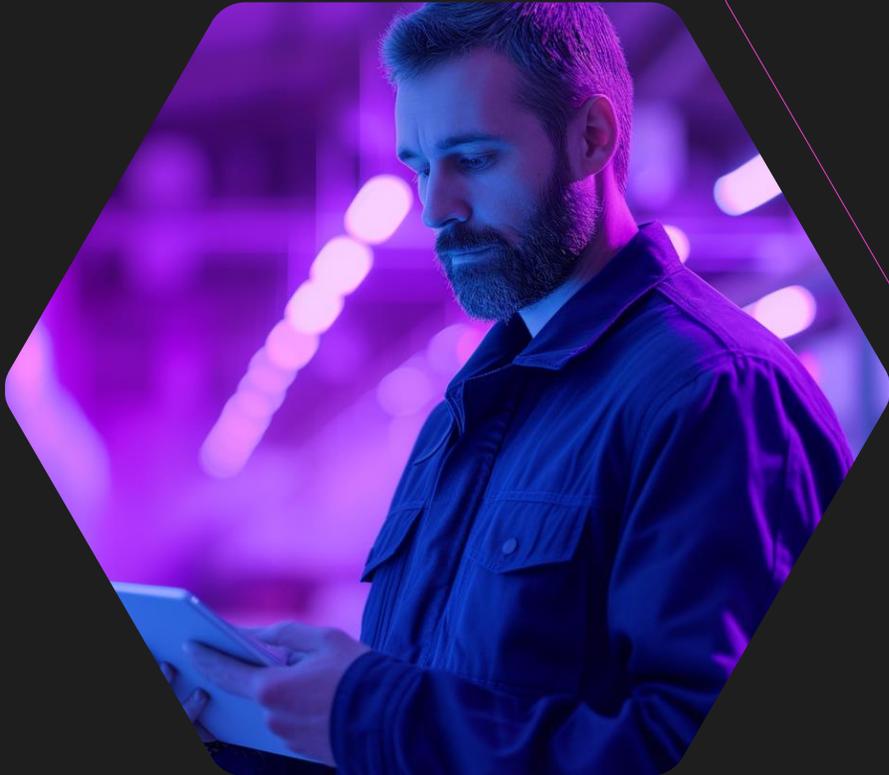
Key take aways 2023

Double digit revenue growth in our Cloud services segment

Impairments and one-off charges impacted our net result in 2023

Productivity resulting from smaller sized projects to be addressed

Good cash conversion following strict working capital control

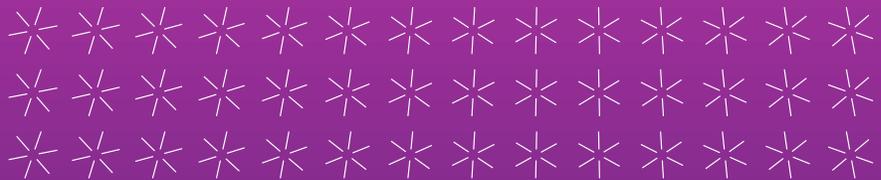


Strategy 2024-2028

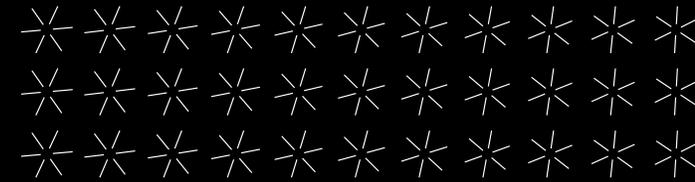
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Purpose

Focus in strategy and execution



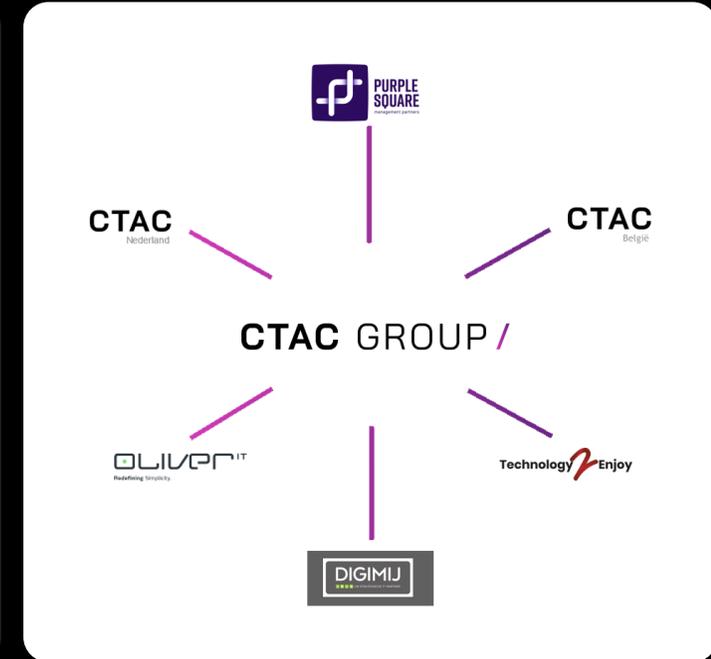
Why is a new strategy necessary?



Impact of "the cloud"



Direction and future



Ctac as a Group

Impact from changing markets and technology on Ctac

SAP cloud strategy

Move to SAP cloud

Potential impact:

- Hosting customers
- Technical support services

Hosting market is shifting

On-premise - cloud

Potential impact:

- Hosting Ctac
- Technical support services

Technology changes

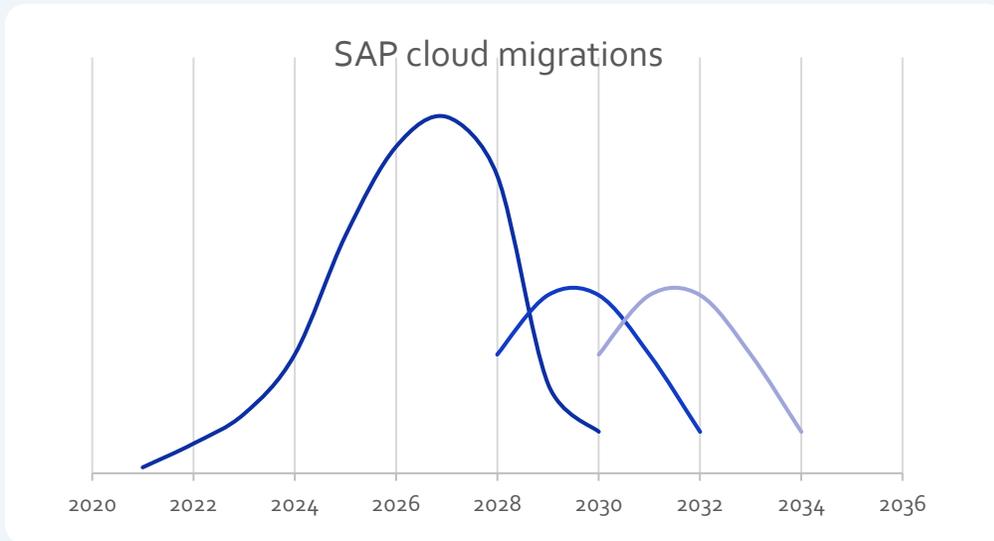
Public cloud, AI, extensions
New business models

- Change required knowledge
- Extension product
- Pay per Use business model

Technology changes impacting our business

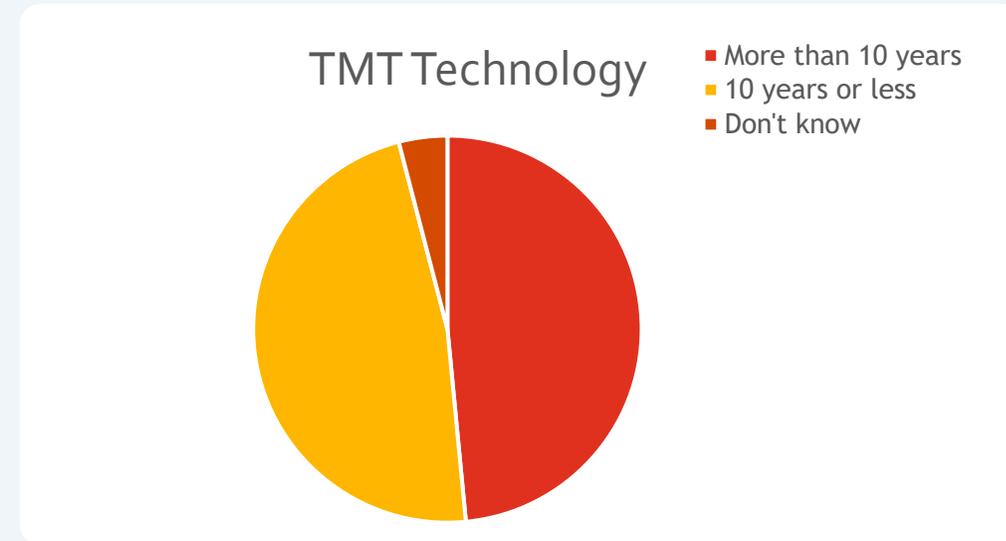
SAP

- Current SAP release end of support in 2027
- SAP customers have to migrate to S/4
- Concern that insufficient SAP consultant capacity is available



IT changes

- Business models in IT are changing
- On-premise hosting shift to cloud
- IT techniques, such as AI, make IT smarter



Bron: PwC's CEO Survey

Changing business and income model



	Current	Future
Hosting	<ul style="list-style-type: none">Fixed contractsVariable maintenance	<ul style="list-style-type: none">Fixed contractsVariable maintenance
(Cloud) License income	<ul style="list-style-type: none">One-off feesMaintenance fees	<ul style="list-style-type: none">Margin-only feesSubscriptionsNew extensions
Consulting	<ul style="list-style-type: none">Projects	<ul style="list-style-type: none">Projects

Our journey to the new strategy

1

Basic set-up

- Developments market, technology & Ctac Group
- Starting point

2

Detailing per proposition

- Various competences in the group engaged

3

Validation

- Consolidation propositions
- Market segmentation

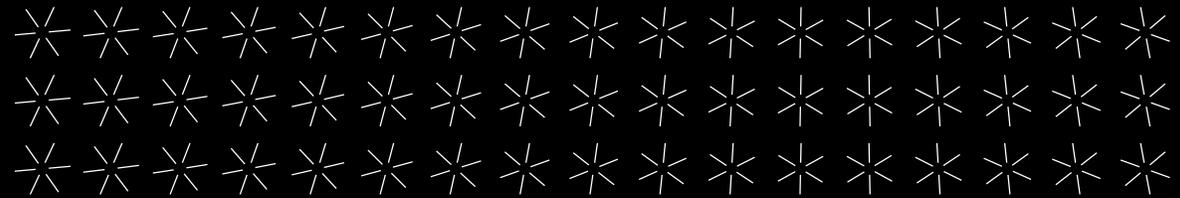
4

Implementation strategy

- Roadmap definition
- Commercial, financial and organisational execution

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At the heart of business

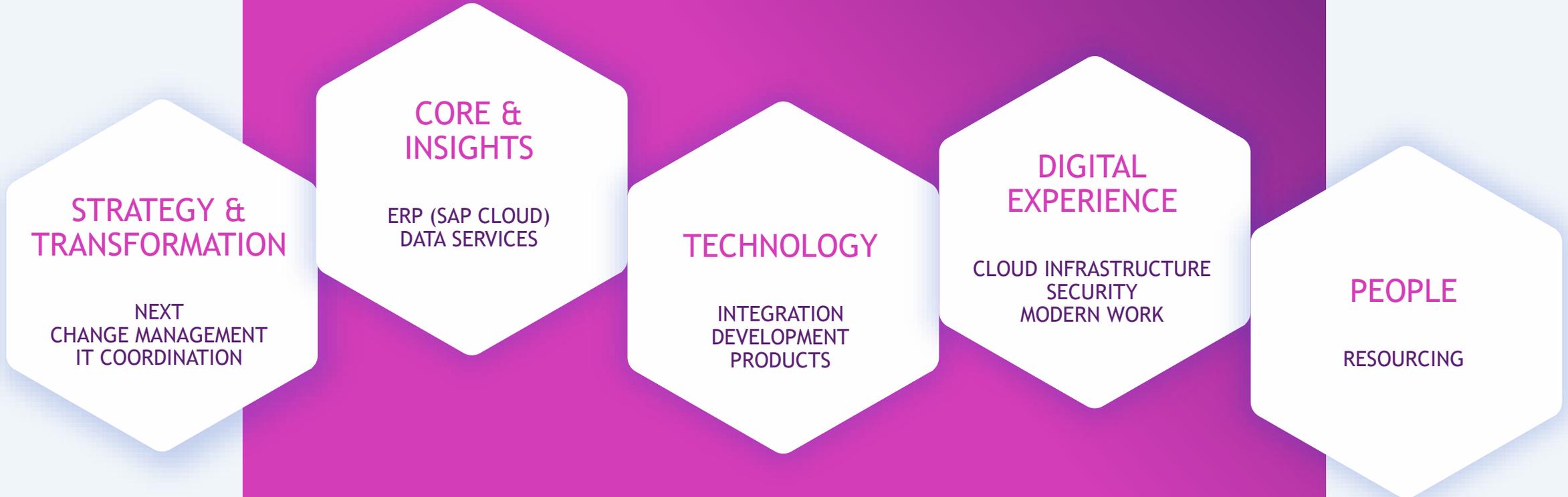


Preparing for the future

AMBITION
IT-TECHNOLOGY
CHANGE =

FUTURE-PROOF

Services



We focus on key markets



MANUFACTURING



WHOLESALE



RETAIL



PROFESSIONAL SERVICES



PUBLIC

Leveraging capabilities over the group



CTAC
Nederland

CTAC
België

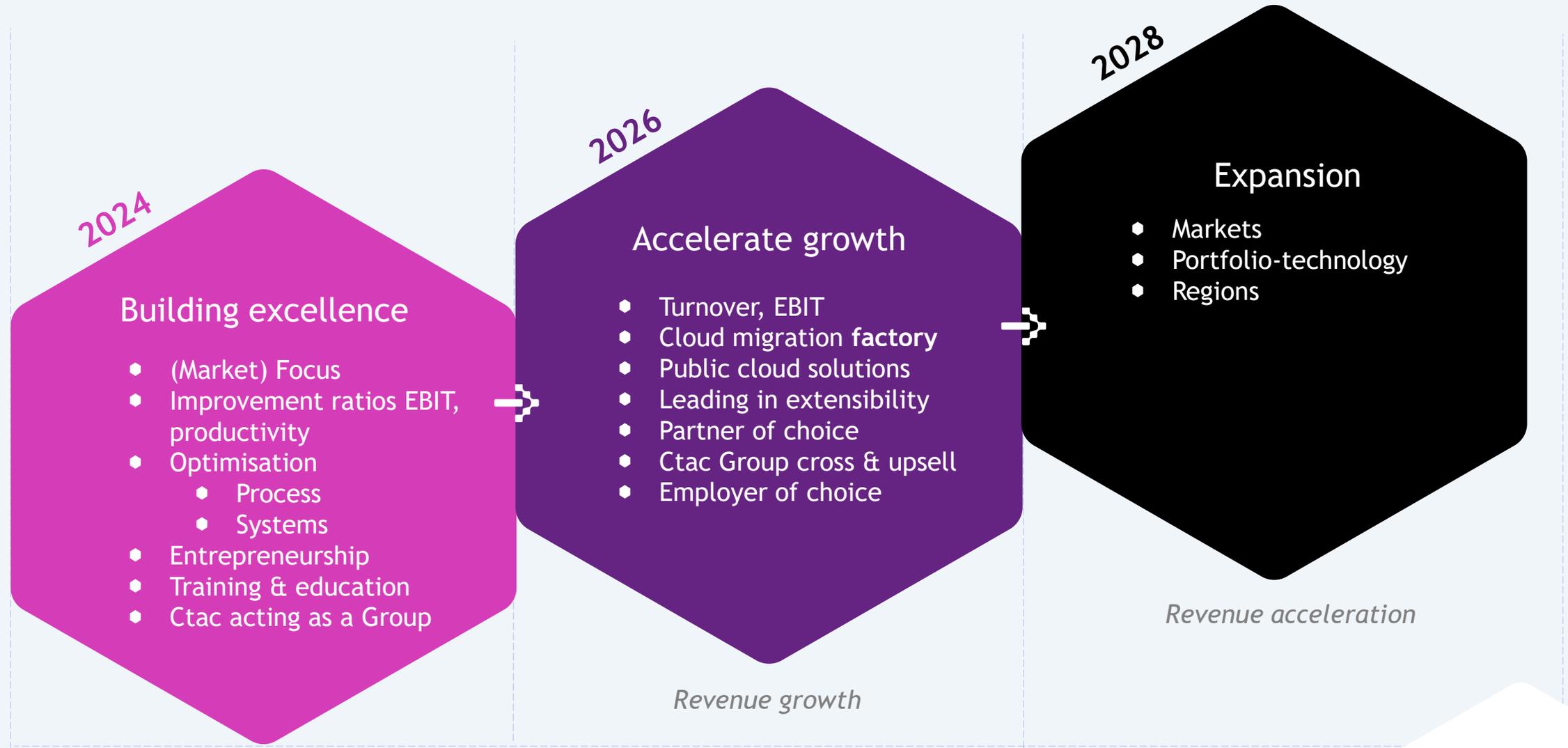
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OLIVER IT
Redefining Simplicity.

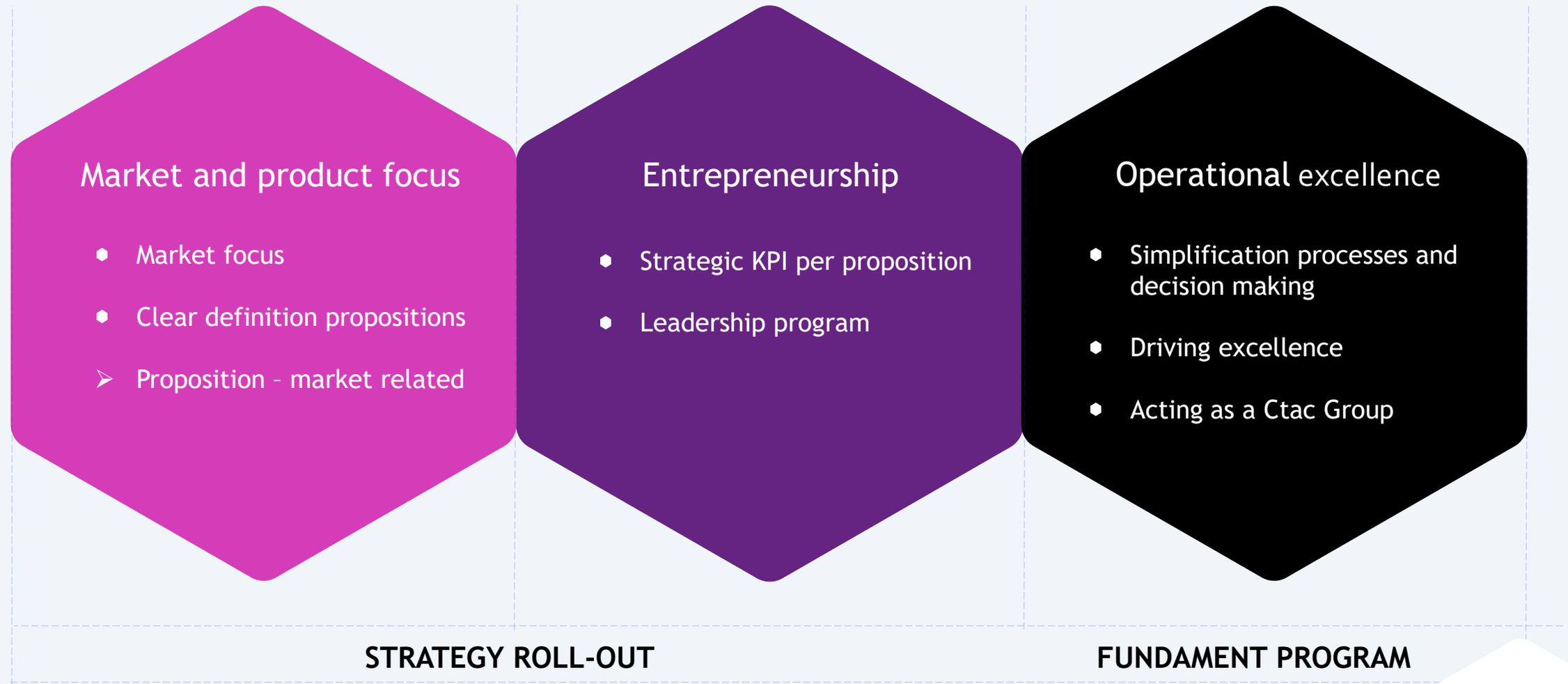
Technology **2** Enjoy



Focus in the execution of the strategy



Focus points implementation strategy in 2024



Driving operational excellence through program Fundament

SAP S/4 HANA

S/4 public cloud
implementation



Contract management
CRM evaluation



Sales organization
optimisation



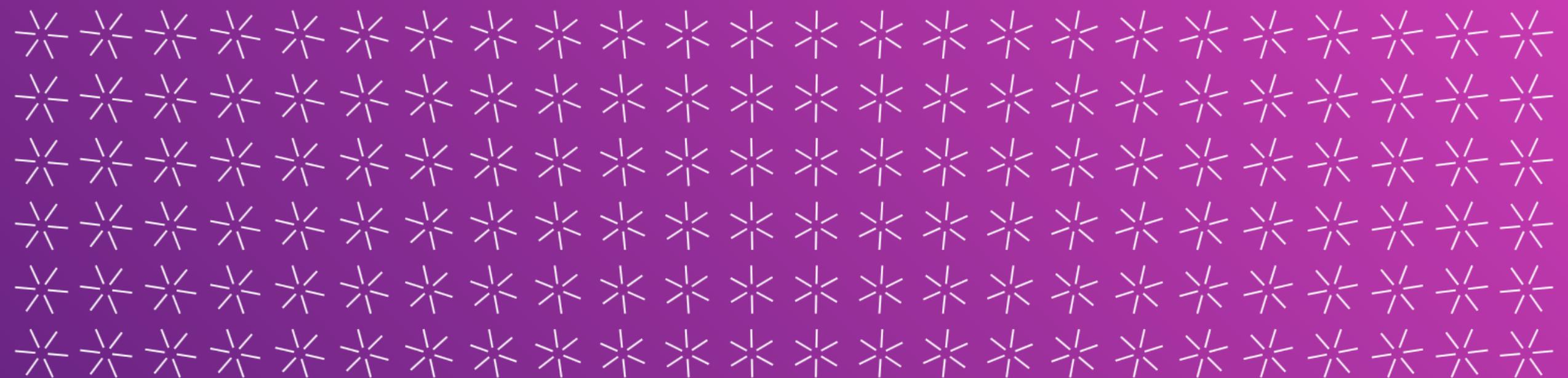
Service management
(tool) replacement



Central resource
planning



One Way of Working
projects



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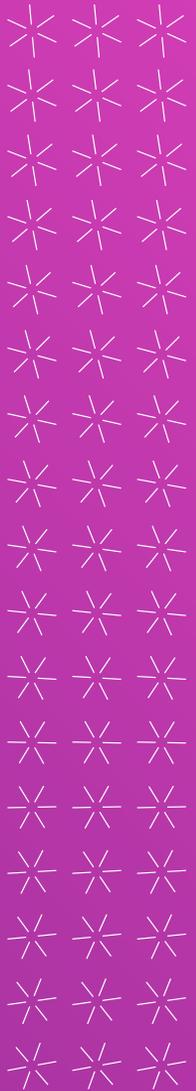
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9 April 2024

Annual General Meeting of Shareholders

Presentation on audit by PricewaterhouseCoopers Accountants N.V.

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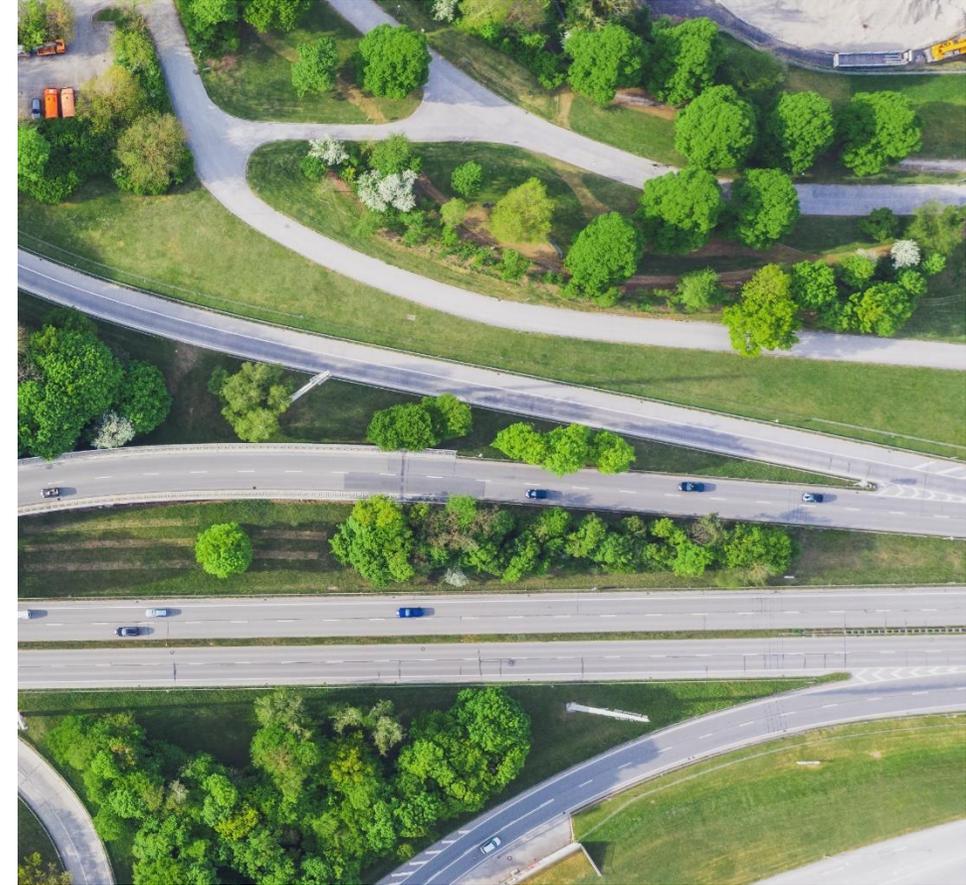


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Audit 2023

General meeting of shareholders

PricewaterhouseCoopers Accountants N.V.
9 April 2024



General meeting of shareholders

Conclusion

The company and consolidated financial statements of Ctac N.V. and its subsidiaries give a true and fair view of the financial position of the group as at 31 December 2023 and of its result and its cash flows for 2023.

Scope

- We have audited the consolidated and company financial statements of Ctac N.V. for the year ending 31 December 2023.
- We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.
- The financial reporting framework applied for the consolidated financial statements is EU IFRS, and the relevant provisions in Part 9 of Book 2 of the Dutch Civil Code; the financial reporting framework applied in the preparation of the company financial statements is Part 9 of Book 2 of the Dutch Civil Code.

Materiality

- Our overall materiality for the consolidated financial statements has been set at EUR 1,270,000.
- We used 1% of the revenues from contracts with clients as a basis for our determined materiality.



Audit coverage

Operating income:	93%
Balance sheet:	96%
Net result:	92%

Components in scope for our audit

- We focus our audit on the largest and most complex components of the group being:
 - The Netherlands: Ctac N.V., Ctac Nederland B.V., Ctac B.V. and Ctac Resourcing B.V.
 - Belgium: Ctac België N.V.
- Specific audit procedures have been conducted on group entity Technology2Enjoy.
- One group entity was included within the scope of the group audit to obtain sufficient coverage for auditing individual financial line items in the consolidated financial statements.

Key audit matters

- Impairment related to the intangible fixed assets and deferred tax asset of Technology2Enjoy.
- Recognition of unsettled revenue transactions resulting from contracts with clients.

Our audit approach in respect of fraud risks

Reference is made to note 'Fraud risk management' in the financial statements, 'Risk management' in the report of the Supervisory Board and the section 'Audit approach in respect of fraud risks' in our independent auditor's report.

- Our audit is designed to detect material misstatements from error or fraud. We have not come across any material fraud.
- We have addressed fraud risks in our audit as follows:
 - the risk of management override of internal controls.
 - the risk of fraudulent financial reporting of (unsettled) revenue transactions for contracts with clients resulting in overstatement of revenue for the year 2023.

We have not come across any non-compliance with laws and regulations.

Estimates

Reference is made to the paragraph 'Key estimates and assumptions' of the financial statements.

- Outturn of estimates in the past do not give rise to specific risk of bias in estimations.
- Management has applied consistent and balanced judgement in making estimates.



Going-concern procedures

Reference is made to note 'Risk profile and risk management' in the report of the board of directors, 'Main accounting principles for the financial statements' in the financial statements and the section 'Audit approach in respect of going concern' in our independent auditor's report.

- The board of directors has performed an analysis of the company's ability to continue as a going concern. We concur with management's conclusion on the going-concern assumption.
- We evaluated assumptions included in the going-concern assessment such as revenue, expected operating results, expected net results and the cash flows derived from them.
- We evaluated the covenant related to the credit facilities available in the Netherlands.

Evaluation of risks related to climate change

Reference is made to the report of the board of directors.

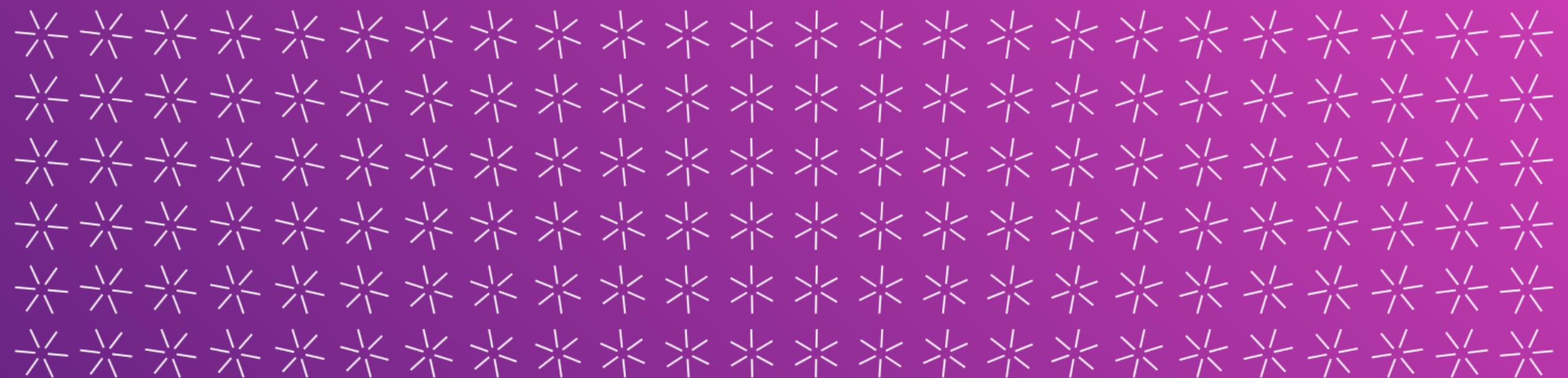
- Ctac N.V. has concluded that climate risks do not have a material impact on the company's business model. We concur with this conclusion.
- Ctac N.V. started with the preparation of the implementation of the Corporate Sustainability Reporting Directive (CSRD) and has completed her Double Materiality Assessment by the end of 2023.

Audit procedures and outcomes

Q&A



Q&A



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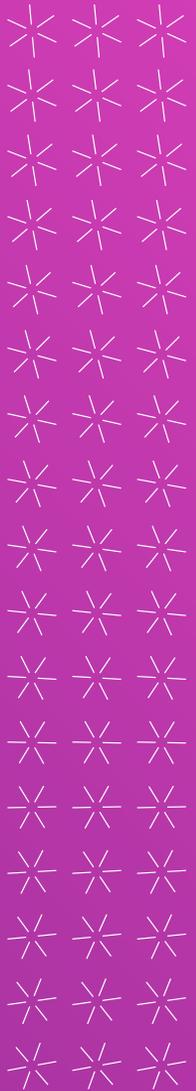
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9 April 2024

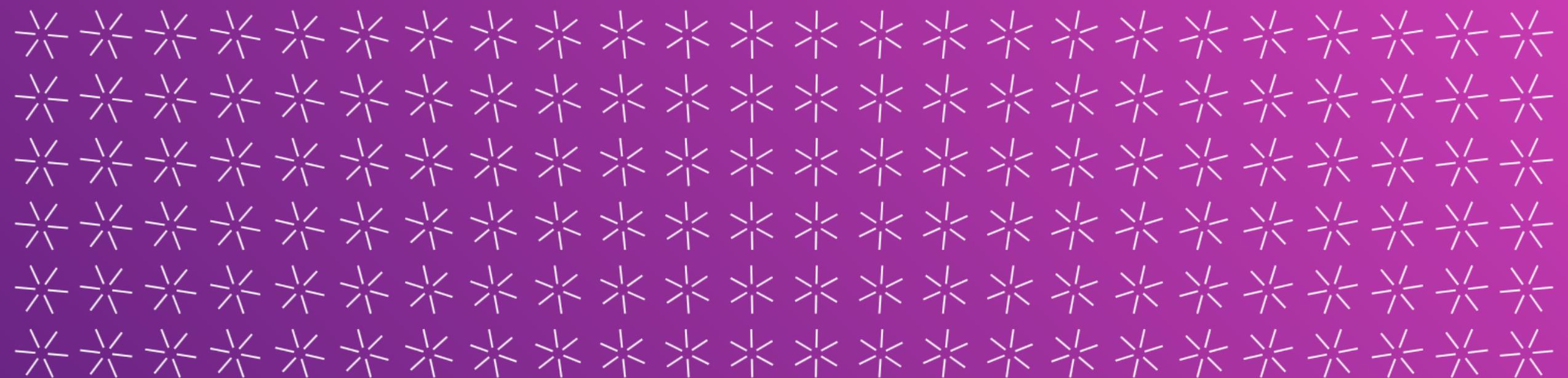
Remuneration

Annual General Meeting of Shareholders

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