CAPITAL MARKETS DAYS 2019

FINANCIALS AND METRICS

Thomas Stark, CFO
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GROUP: 2018 RESULTS SHOW CONTINUED STRENGTH

**REVENUE** (EUR million)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,378.9</td>
<td>1,161.2</td>
</tr>
</tbody>
</table>

+18.7%
Organic: +12.1%

**EBITDA (adj)** (EUR million)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>114.8</td>
<td>92.6</td>
</tr>
</tbody>
</table>

+24.0%
Organic: +14.0%

**EBITDA MARGIN (adj)**

<table>
<thead>
<tr>
<th></th>
<th>EBITDA MARGIN (adj)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017: 8.0%</td>
</tr>
<tr>
<td></td>
<td>2018: 8.3%</td>
</tr>
</tbody>
</table>

**MAIN DRIVERS**

Strategic transformation progresses well with high growth rates in Cloud Solutions and rising ARR.

Diversified and competitive product and service portfolio supports organic growth.

Adjustment: Special investments in strategic transformation, incidental M+A costs and stock option program (FY.2018 total: EUR 9.9m)
### CLOUD SOLUTIONS DELIVERS ON HIGH EXPECTATIONS

<table>
<thead>
<tr>
<th>REVENUE (EUR million)</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>182.3</td>
<td>242.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBITDA (adj) (EUR million)</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>45.6</td>
<td>64.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBITDA MARGIN (adj)</th>
<th>2017: 25.0%</th>
<th>2018: 26.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic: +18.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>+40.6%</td>
<td>+33.0%</td>
<td></td>
</tr>
<tr>
<td>Organic: +17.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**MAIN DRIVERS**

- Ongoing demand for Managed Services leads to very dynamic business development.
- Integration of UK acquisitions well on track, especially enriching existing service portfolio in the field of Unified Communication + Collaboration.
- Annual Recurring Revenue introduced as transformation process KPI.

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4. Adjustment: Special investments in strategic transformation (FY.2018 total: EUR 4.2m)
IT SOLUTIONS: HEALTHY BACKBONE OF THE BUSINESS

**REVENUE**

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR million</th>
<th>Change</th>
<th>Organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>978.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1,136.4</td>
<td>+16.1%</td>
<td>+10.3%</td>
</tr>
</tbody>
</table>

**EBITDA (adj)**

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR million</th>
<th>Change</th>
<th>Organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>56.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>62.0</td>
<td>+10.1%</td>
<td>+9.9%</td>
</tr>
</tbody>
</table>

**MAIN DRIVERS**

High growth in system integration and IT reselling shows continued gain of market share. Sizeable UK market foothold established by acquiring OSCL Group, adding more than 500 customers.

5 Adjustment: Special investments in strategic transformation (FY.2018 total: EUR 1.8m)
OPERATING CASH FLOW SUBSTANTIALLY IMPROVED

Cash + cash equivalents € 135.2m
Accounts receivable from financial institutions € 0.0m
Long-term financial assets € 4.0m
Total [Net cash] € 139.2m

Q1 13 Q2 13 Q3 13 Q4 13 Q1 14 Q2 14 Q3 14 Q4 14 Q1 15 Q2 15 Q3 15 Q4 15 Q1 16 Q2 16 Q3 16 Q4 16 Q1 17 Q2 17 Q3 17 Q4 17 Q1 18 Q2 18 Q3 18 Q4 18

One-off effect ~60m

Cash + cash equivalents: € 135.2m
Accounts receivable from financial institutions: € 0.0m
Long-term financial assets: € 4.0m
Total [Net cash]: € 139.2m
OPERATING WORKING CAPITAL TRENDS
(IN EUR AND % OF SALES)

In 2018, the inventories were 32.1 million EUR, which is 2.4% of sales.
Trade accounts receivable increased from 148.8 million EUR in 2015 to 274.4 million EUR in 2018, with a peak of 182.4 million EUR in 2017.
Trade accounts payable increased from 106.8 million EUR in 2015 to 271.5 million EUR in 2018, with a peak of 221.0 million EUR in 2017.
OWC STILL OFFERS IMPROVEMENT POTENTIAL

OPERATING WORKING CAPITAL / SALES

Optimization of UK companies already offers reduction potential of ~1%

Target: 0-2%
SIGNIFICANT POTENTIAL FOR FURTHER CAPEX REDUCTION

Potential for reduction from leasing and due to completion of investment projects

in EUR million

CAPEX

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX (in EUR million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>16.3</td>
</tr>
<tr>
<td>2016</td>
<td>25.1</td>
</tr>
<tr>
<td>2017</td>
<td>41.0</td>
</tr>
<tr>
<td>2018</td>
<td>33.1</td>
</tr>
<tr>
<td>2019E</td>
<td></td>
</tr>
</tbody>
</table>
LARGE FREE CASH FLOW POTENTIAL

FY.2018

Operating CF

FCF
LARGE FREE CASH FLOW POTENTIAL

FY.2018

Profit before tax: 64m
D + A: 40m
Change in inventories: -8m
Change in receivables: -36m
Change in payables: 51m
Income tax paid: -30m
CAPEX: 82m
Change in payables: -33m
FCF: 49m

Operating CF

FY.2019 projection

~ +20%
> +40%
M + A STRATEGY TO IMPROVE PROFITABILITY

RELEVANCE TO CUSTOMER’S BUSINESS

BUSINESS PROCESSES
BUSINESS SOLUTIONS
IT ARCHITECTURES
IT SOLUTIONS
IT PRODUCTS

Preferred target sector

SERVICE DELIVERY BY CANCOM
M+A STRATEGY SUPPORTED BY AVAILABLE FUNDS

EUR 135m cash
+ FCF potential
+ 3x EBITDA leverage potential
+ EUR ~40m potential from assets

Potential funds for M+A: EUR 500 – 600m
VISION: CANCOM IN TWO TO FOUR YEARS

EBITDA (adj) (EUR million)
- 2018: 115
- 2-4 years: 200

EBITDA MARGIN (adj)
- 2018: 8.3%
- Future: 10+%
THANK YOU

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