



ENABLING YOUR
AMBITION

INVESTOR PRESENTATION
NOVEMBER 2019



FOUNDED IN DEN BOSCH, 1992
EURONEXT AMSTERDAM LISTED
>25 YEARS EXPERIENCE
REVENUE > EUR 80M
AROUND 600 CLIENTS
APPROXIMATELY 400 EMPLOYEES



THE NETHERLANDS
(~85% of revenue)



BELGIUM
(~15% of revenue)



VISION AND MISSION

VISION

Thanks to digitization, organizations perform better and they remain relevant. The use of technology alone is not enough. Ctac believes in an approach in which technology, trust and cooperation between people and organizations is the decisive factor to realize the ambition of a future proof organization

MISSION

‘Enabling your ambition by transforming your business into a future proof organization’

OVERVIEW OF KEY SECTORS AND SELECTED CLIENTS



- We use templates geared to retail processes, developed after years of experience in this sector. Solutions that provide companies with insight, analyses and efficiency for their 'clicks', as well as their 'bricks'
- The retail market is very much in motion. Ctac's customers go along with the digital transformation. Physical shops are ever more integrated with online shops and ever more intensively. In its capacity as Business Integrator, Ctac can also be of help in this respect



- Innovative wholesale traders look beyond purchasing and revenue, and also offer services such as rental and maintenance. Ctac shares this innovative ambition and helps organizations to realize optimal information management systems, tailored to provide maximum support to their core processes. Easy to use with software that is available to all players in the market – from small to large



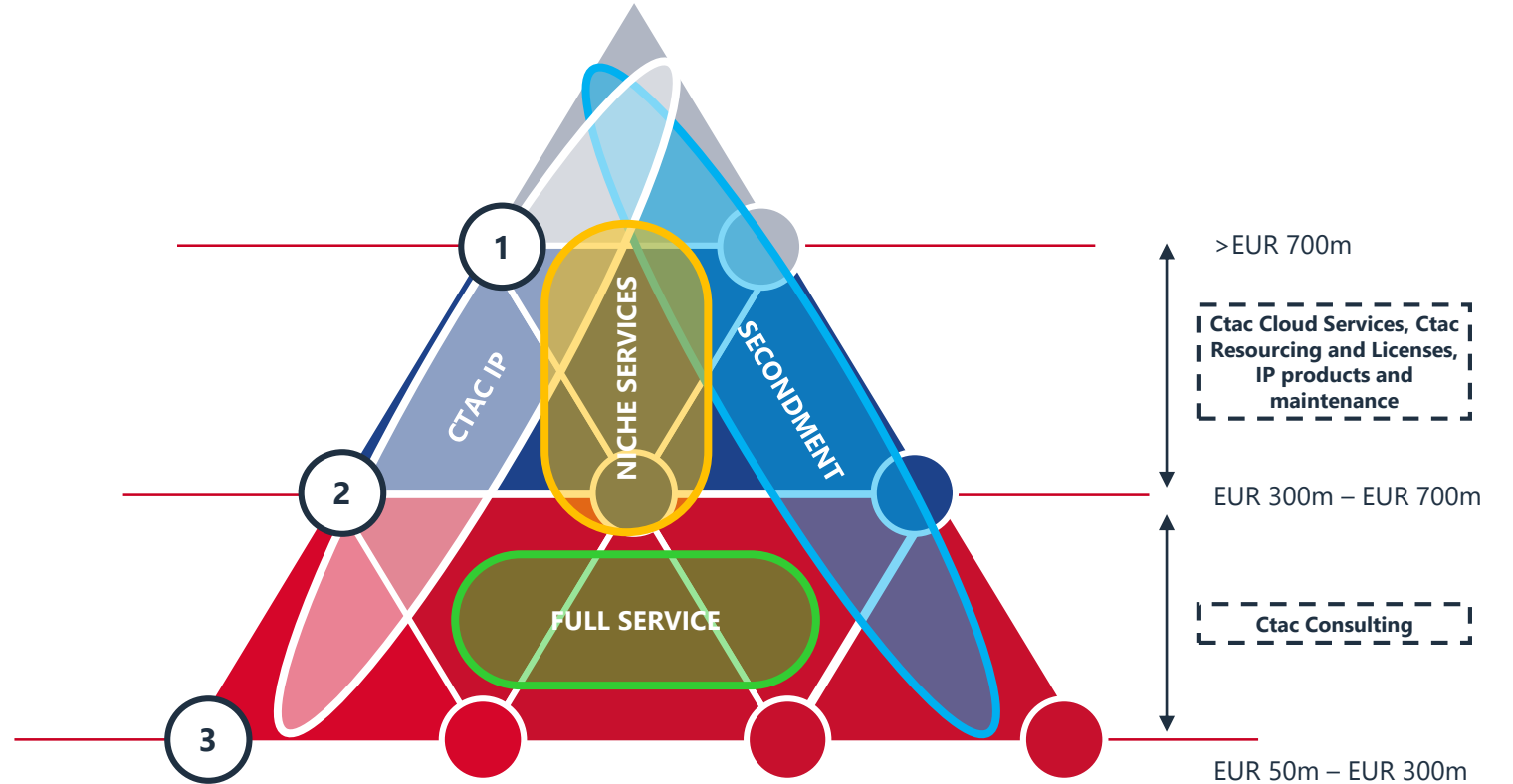
- The ideal factory is built on a solid foundation – one that we help companies to create. This foundation gives maximum insight into schedules, purchase orders, actual costing, delivery reliability and stocks. Everything needed to monitor margins, create optimal returns and become resilient through agility



- Tailored to the Real Estate market, Ctac offers a progressive real estate solution with a wide range of functions: Ctac Fit4Woco. A well-thought-out solution that opens up a new world and provides total control over the processes that are unique to the sector. A solution for any organization that operates with ambition in real estate. The Ctac Real Estate team is the largest and most experienced SAP Real Estate Team in the Benelux

CTAC IS ABLE TO SERVICE A WIDE RANGE OF DIFFERENT CLIENTS

- 1 Large Enterprises (LEs)**
Annual revenue: >EUR 700m
IT Staff: Full time IT Staff, including several specialists
IT Skills: A wide variety of broad and specific skills
- 2 National Accounts (NAs)**
Annual revenue: EUR 300m – EUR 700m
IT Staff: A small group to several employees
IT Skills: Generalist skills. Employees often lack specialty skills
- 3 Small and medium-sized Enterprises (SMEs)**
Annual revenue: EUR 50m – EUR 300m
IT Staff: Typically one or a few
IT Skills: Modest. Employees usually learn on the job



 Activities sweet spot

OPERATIONAL SEGMENTS

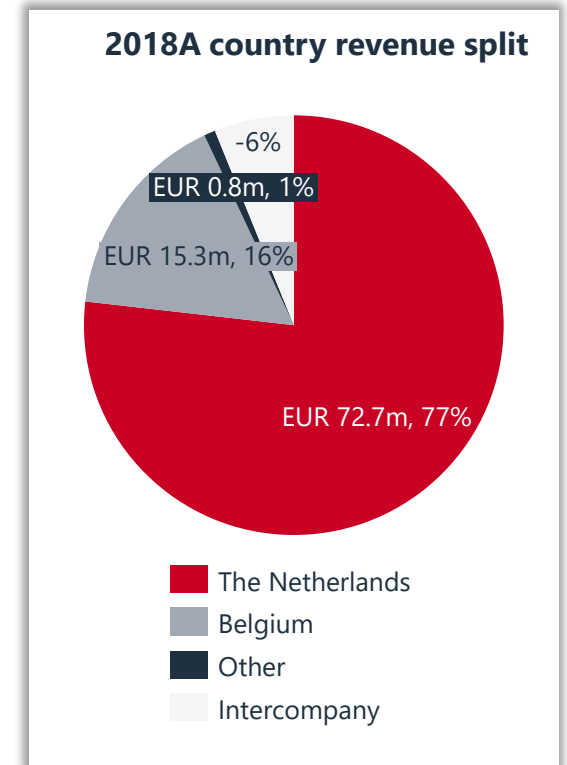
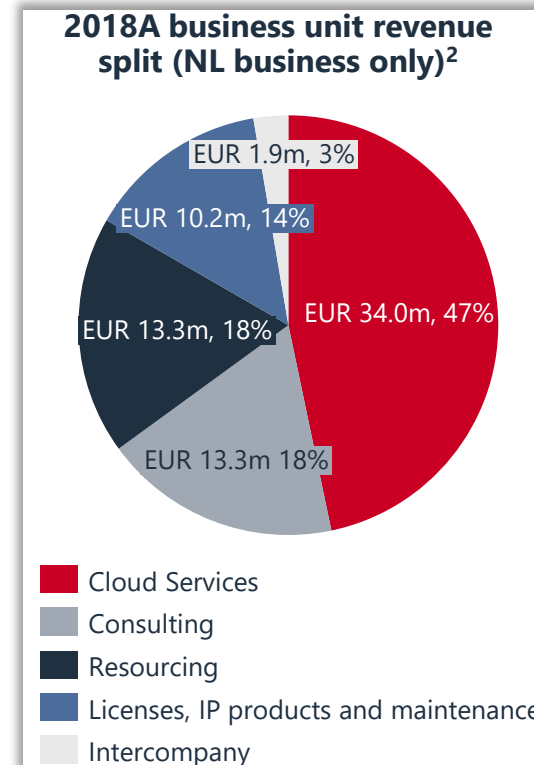
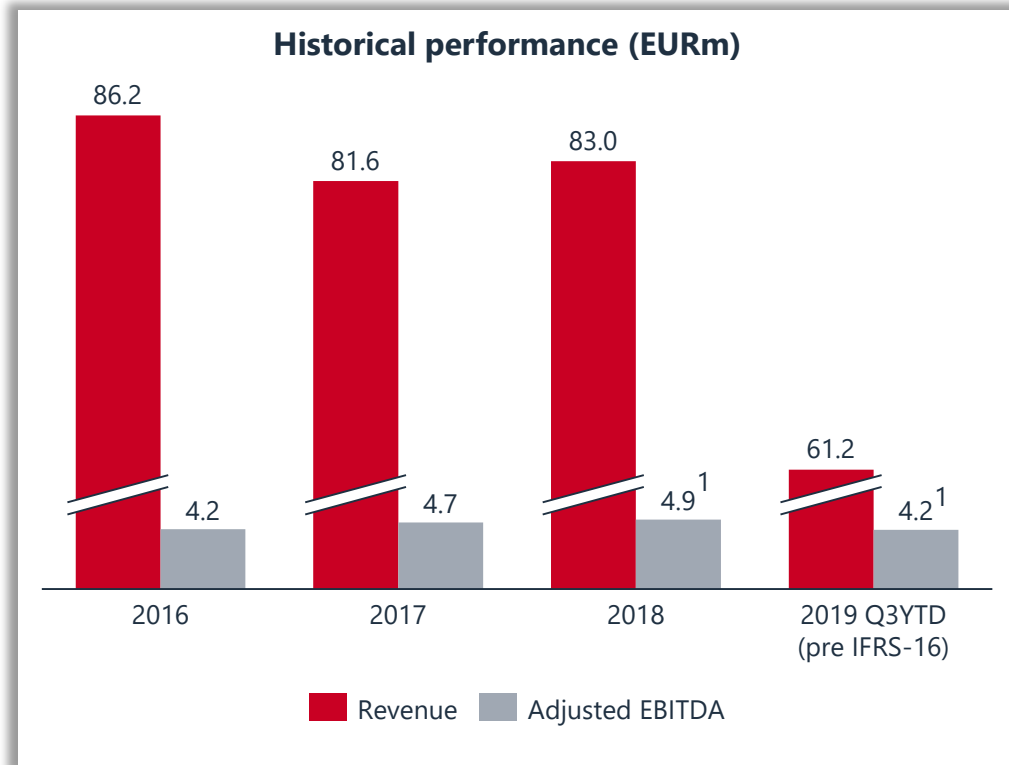
<p>Ctac Cloud Services 47% of 2018 revenue</p>	<ul style="list-style-type: none">• Solutions: Cloud• Services: Application Management, Desktop as-a-Service
<p>Ctac Consulting 18% of 2018 revenue</p>	<ul style="list-style-type: none">• Solutions: Customer Experience, Data & Analytics, Application Development, SAP S/4HANA• Services: Trainings, Solution Adoption
<p>Ctac Resourcing 18% of 2018 revenue</p>	<ul style="list-style-type: none">• Services: Through Resourcing, Ctac is active in the secondment of SAP and Microsoft consultants
<p>Licenses, IP products and maintenance 14% of 2018 revenue</p>	<ul style="list-style-type: none">• Solutions: Point of Sale, Fit4Woco, Fit4RealEstate, Fit4Retail, XV Retail, iPaaS



CTAC'S PERFORMANCE HAS BEEN STABLE IN RECENT YEARS...

Main developments

- Lower Consulting revenue in 2018 due to sale of Microsoft ERP activities
- Increasing Cloud Services as clients move away from on-premise solutions
- Increase in Resourcing revenues as clients want smaller projects, resulting in less concentration risk for Ctac
- Ctac developed proprietary software (IP), which will fuel Licenses, IP and maintenance revenue going forward and create a more scalable business model with higher margins
- Renewed focus on the Netherlands and Belgium



Note 1: 2018FY adjusted as described in 2018FY press release. 2019 Q3 YTD normalized with EUR 1,250k for legal dispute costs and EUR 630k related to the leave and replacement of the former CFO

Note 2: Only the revenue split for the Dutch business is public information, as can be seen in the 2018 annual report on page 26

...WITH SOLID OPERATIONAL CASH CONVERSION

- **Solid operational cash conversion:** Ctac has solid operational cash conversion, with EBIT and the change in working capital contributing most to the cashflow from operations
- **One-off investments in own IP:** Since 2017, Ctac invested circa EUR 4m in its own, proprietary real estate software cloud solution; Fit4Woco and Fit4RealEstate
- **Positive profitability contribution from new IP:** From 2020 onwards, Ctac expects a substantial positive contribution to the company's profitability from these investments
- **Lower capex going forward:** Going forward, Ctac expects no large investments other than maintenance capex of around EUR 400k
- **Underlying cashflow generation of EUR 4m per annum:** Excluding Fit-4-Woco and Fit-4-RealEstate investments and working capital swings, the underlying cashflow generation is very strong with around EUR 3.5m – EUR 4.0m per year

Cashflow statement (EURm)	2017A	2018A
EBIT	3,669	2,413
Depreciation tangible fixed assets	802	705
Depreciation intangible fixed assets	218	285
Change in provisions	(49)	903
Delta valuation principles earn-outs	95	167
Change in working capital	(1,707)	2,172
Received interest	5	1
Interest payments	(101)	(51)
Corporate tax payments	(812)	(1,213)
Cashflow from operations	2,120	5,382
Investments in tangible fixed assets	(381)	(319)
Investments in intangible fixed assets	(1,544)	(1,806)
Cashflow from investments	(1,925)	(2,125)
Earn-out payments	(301)	(874)
Payment third-party shares	(2)	(1)
Dividend	(364)	(500)
Cashflow from financing	(667)	(1,375)
Total cashflow	(472)	1,882

2019 IN LINE WITH PROJECTIONS, BUT SOME ONE-OFFS

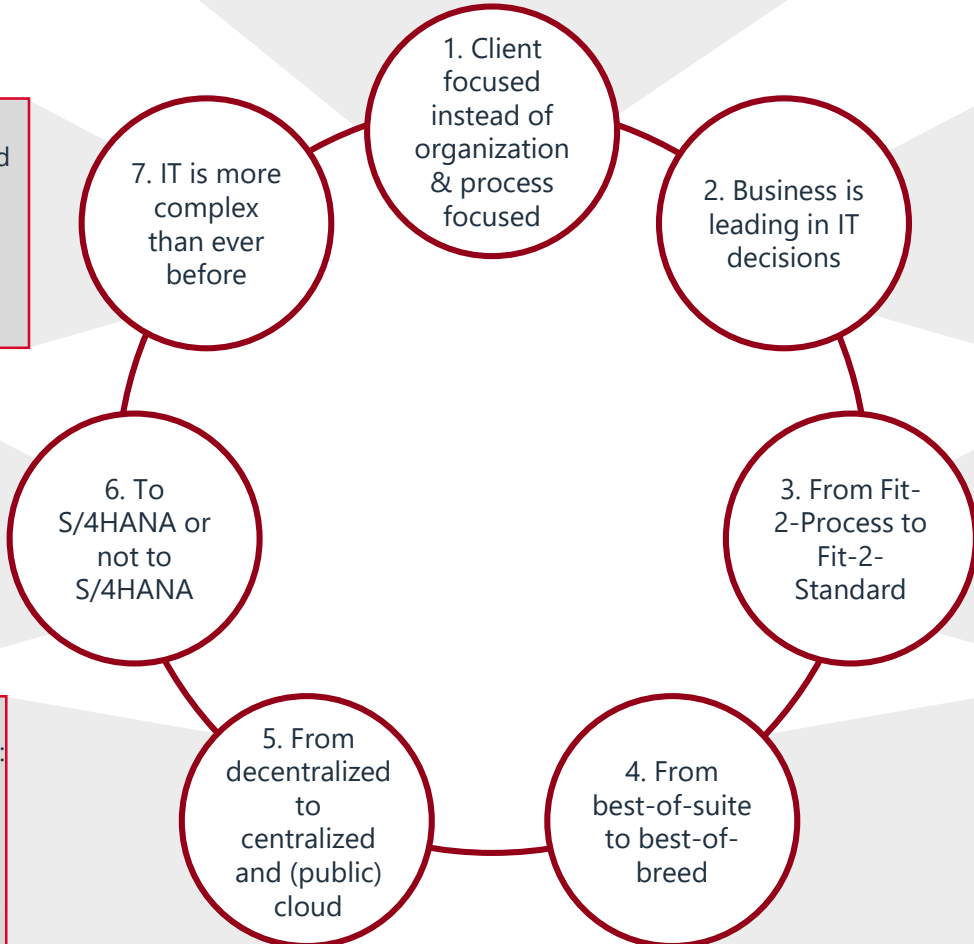
- 2019 Q3YTD revenue is slightly below 2018 Q3YTD
- 2019 Q3YTD EBITDA and EBIT is negatively impacted due to one-off expenses related to:
 - The leave and replacement of the former CFO and law suit costs
 - IP development costs that were expensed (in 2018 these costs were capitalized)
 - Operational shift towards further leveraging on the Cloud Services offering and declining Consulting revenue
- For the full year 2019 Ctac expects to record revenue and operating result from ordinary activities comparable to those recorded in 2018. However, the ruling of the Amsterdam court will have a negative impact of EUR 1.25m on Ctac's total operating result
- Around 45% of the company's yearly revenue is typically secured prior to that year, mainly due to a strong ever-increasing backlog of Cloud Services. For 2020 and the remainder of 2019, a large part of the envisaged total revenue is already secured
- In addition, the company's HR strategy is rebalanced with a focus on attracting the right and younger candidates. This rebalanced HR strategy is likely to lead to a different approach towards the war for talent with better results than in the past

Current trading (EURm)	2018 Q3YTD (excl. IFRS-16)	2019 Q3YTD (excl. IFRS-16)	2019 Q3YTD (incl. IFRS-16)
Revenue	61.9	61.2	61.2
EBITDA	2.9	2.3	5.6
EBIT	2.2	1.2	1.5
Employees (headcount)	446	395	395



MARKET TRENDS | TOWARDS BECOMING A BUSINESS ENABLER

- Organizations have focused on the internal organization and corresponding processes (e.g. cost reduction and efficiency)
- As competition increases, client focus is key now
- Difference is made in Customer Experience instead of Operational Excellence



- IT organizations have been in the lead regarding solutions for the provision of business information
- New generation business leaders witness a world where digital maneuverability determines business success
- Business is in driver seat now, budgets are shifting from IT to business

- Customer IT domain is increasing both in size and complexity
- Almost impossible to be a specialist covering the whole IT domain, customers increasingly rely on specialized service providers in niche areas

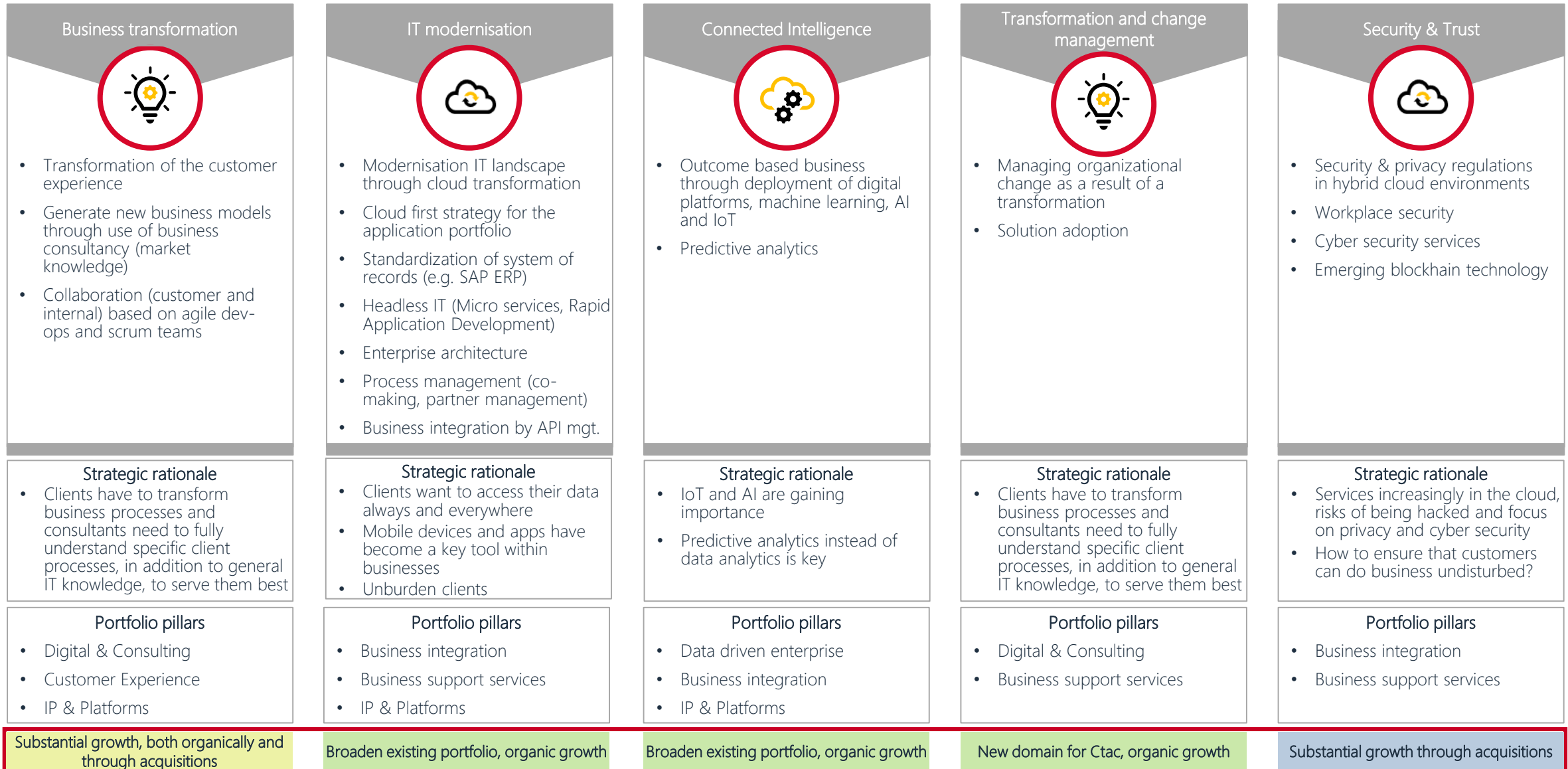
- Fit-2-standard projects have a more limited scope and require a new way of thinking / working
- From a few large projects per year to much smaller projects, impacting revenue & delivery device. No customizing trajectories taking hundreds of days
- Change management / transformation becomes more important than the implementation itself

- Enterprise architecture, integration and role as SPOC/Cloud director are important
- Digital transformation towards S/4HANA







- Market-wide adoption of best-of-breed IT strategy instead of best-of-suite strategy
- Disadvantage is the increase in complexity of the IT landscape (e.g. integration issues are supported to a lesser extent)
- Clients are not capable of managing their multi-vendor IT landscape

- Adoption public cloud solutions sharply increasing and horizontal and vertical value chain integration:
 - Horizontal: Software producers increasingly deliver their products as an online service (SaaS)
 - Vertical: Hyperscale cloud players move from infrastructure to (database) platform to (micro)services

CTAC'S STRATEGY IS FOCUSED ON 5 MARKET DOMAINS...



...WHICH CTAC ADDRESSES WITH 6 PORTFOLIO PILLARS

What clients are looking for	<p>Digital & Consulting</p>  <ul style="list-style-type: none"> • Business consultancy • Digital innovation journey • S/4 Move in Motion • Enterprise architecture • Change management 	<p>Customer Experience</p>  <ul style="list-style-type: none"> • Customer journey • Salesforce automation • Service & field service • Commerce & CMS • Marketing automation • Product information • Experience management • Digital asset management • Application management 	<p>Data driven Enterprise</p>  <ul style="list-style-type: none"> • Business & Predictive Analytics • Office of the CFO • Data & architecture • Packaged solutions • Data analytics & AI • IoT 	<p>IP & Platforms</p>  <ul style="list-style-type: none"> • Fit4Woco platform • Fit4RealEstate platform • XV platform • Business integration platform • Business productivity platform • Rapid application development • Cloud and infrastructure services 	<p>Business integration</p>  <ul style="list-style-type: none"> • Enterprise architecture • Business integration Ometa • Application integration • Master data management • Business performance monitoring • Process management • Security & IDM 	<p>Business support</p>  <ul style="list-style-type: none"> • Business consultancy • Enterprise architecture • Application management • Technical management • Process management 	
	Ctac's solutions	<p>Technology</p> <ul style="list-style-type: none"> • SAP • Microsoft • Dell Boomi • Mendix • InRiver • Winshuttle 	<p>Technology</p> <ul style="list-style-type: none"> • SAP C/4 • InRiver PIM • Winshuttle • Salesforce 	<p>Technology</p> <ul style="list-style-type: none"> • Microsoft PowerBI • Microsoft Azure Cortana • SAP Analytics Cloud • SAP Leonardo IoT • Winshuttle 	<p>Technology</p> <ul style="list-style-type: none"> • Microsoft Azure • Microsoft 365 • RAD Mendix • SAP Cloud platform • Dell Boomi / SAP CPI • S/4HANA Public Cloud • S/4HANA Onpremise • SAP Leonardo Suite • SuccesFactors (P) 	<p>Technology</p> <ul style="list-style-type: none"> • Dell Boomi • SAP CPI • Winshuttle • Blockchain • SIEM 	<p>Technology</p> <ul style="list-style-type: none"> • SAP • Microsoft • Dell Boomi • InRiver PIM • Winshuttle

CTAC'S AMBITION AND GROWTH STRATEGY



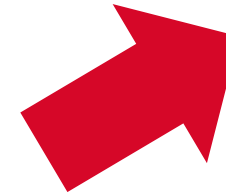
Current situation

- Superior business integrator for retail, wholesale, manufacturing & real estate, providing services on any cloud
- Distinct portfolio based on amongst others SAP & Microsoft solutions
- Continuously creating business value by applying innovation
- Tier-1 client base, around 600 clients
- Solid financials with EUR 80m revenue and ca. EUR 5.0m EBITDA
- Strong cashflow conversion



Organic growth

- Continuously optimize the organization to become even more efficient and collaborative, delivering high quality to clients
- Further improve customer satisfaction
- Focus on newly developed and proprietary software solutions to stimulate growth
- Even stronger marketing of Cloud Services offering
- Become a truly international operating company with revenue north of EUR 100m and EBIT margins of >8%



Acquisitive growth

- Speed up growth with acquisitions
- Business models and service offering adjacent to Ctac's current IT services and solutions offering
- This will enable amongst others:
 - Cross-selling and up-selling opportunities
 - Higher client satisfaction
 - Larger share of wallet amongst clients' IT spending
 - More top-of-mind awareness
 - Stronger client intimacy
 - Diversification and mitigation of risk
- Already several targets identified
- Become a EUR 100m – EUR 150m revenue company

Approach

- **Organic growth:** Refocus business around the 5 market domains as mentioned on page 11
- **Acquisitions:** Strengthen business model by means of relevant acquisitions that fit Ctac. Adding value enhancing propositions to Ctac's current services offering will make the company less dependent on its SAP offering, increase profitability and create sustainable growth and in the end shareholder value
- **Enabler of growth:** Leverage on Ctac's rebalanced HR strategy, focused on attracting the right personnel

Growing towards a EUR 100m – EUR 150m company, with a strong ambition to enter the Small-Cap index



Henny Hilgerdenaar (1960)
Chief Executive Officer (CEO)



Pieter-Paul Saasen (1975)
Chief Financial Officer (CFO)

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