

Company announcement

# Columbus launches new growth strategy – New Heights

Today, Columbus launches its new three-year strategy covering 2024 – 2026. The strategy builds on top of the streamlined foundation created during our three-year Focus23 strategy, now adding additional growth tracks by entering the Life Science industry as well as acquisitions within high-growth service areas. The new ambitious long-term goal is 10% compounded annual growth rate (CAGR) and a significant improvement in profitability with an EBITDA margin of 15% by the end of 2026.

## Building on top of streamlined foundation

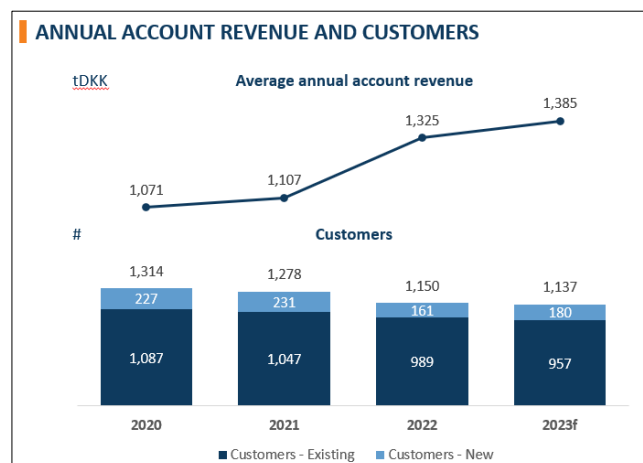
During the last three years we have streamlined our business transforming from a software implementation partner to a global digital transformation partner while delivering profitable growth. We now have a market position in the sweet spot where strong business advisory and deep technical expertise meets delivery responsibility. As digital advisors, we advise as industry experts *and* make digital transformation happen.

A key element in the Focus23 strategy has been to focus on serving larger customers within our key industries Manufacturing, Retail & Distribution and Food & Beverage as a lifetime partner, thus improving cross-selling and customer satisfaction. Around 85% of our customers continue their partnership with us year after year underlining our determined focus on delivering constant customer value. During the past three years, we have increased the average annual account revenue by 29%. We continue to work with larger more complex customers fulfilling our ambition of transitioning our customer base towards larger customers in our key industries.

Today, we have a streamlined and focused business. We have divested non-focus areas such as our software business To-Increase and have stepped out of markets such as Russia and the Baltics. In addition, we have strengthened our business model with a new operating model with global delivery capacity and local market presence while increasing transparency in our business with a new global business platform.

## Our direction in Focus2023 has created value and we will continue to:

- Improve our advisory capabilities and strengthen our market position as digital advisors
- Focus on increasing customer engagement with larger customers in our key industries
- Build on our global delivery capacity and access to talent



We are also ready to enter the Life Science industry with high synergies to our existing core business, namely within Food & Beverage, which all together will improve revenue growth. Our growth in the coming three years will be created both organically and through acquisitions.

### Proven leader in delivering core business technology and lasting value

Our strategic ambition for the coming three-year period is to “become a proven leader in delivering core business technology and lasting value in our key industries; Manufacturing, Retail & Distribution, Food & Beverage and Life Science”. We aim to continue our strong topline growth with 10% compounded annual growth over the period, while expanding our EBITDA margin to 15% by end 2026 – a significant improvement.

### Ambitious financial topline goals – 10% annually

We are confident that we can continue our strong topline growth in the coming years with a goal of 10% compounded annual growth. We expect to continue to gain market shares and to deliver revenue above DKK 2bn by 2026.

We will leverage our strong foundation that currently outperforms competitors and get even better at our winning formula of increasing cross-sales and focusing on larger customers in our key industries. We have grown 14% in Q3 2023 YTD against our primary market growing just 7%.

In addition, we will add acquisitive growth to further expand our service portfolio and strengthen our footprint in key markets.

#### The revenue growth will be driven by:

##### 1. Expansion and investment in our service portfolio

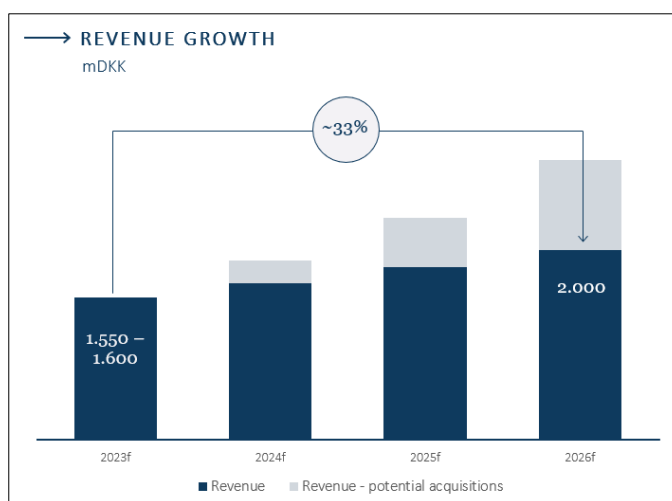
We have a strong financial position to invest in new services to expand our service portfolio and strengthen our market position in our geographical markets. We have recently acquired ICY Security to expand our service offerings within the high-growth area of cyber security. We will continue to invest in services which complement our service portfolio and solve complex industry challenges such as supply chain disruptions, ESG compliance and automation pressures.

##### 2. Expanding our playing field by entering Life Science

We will enter the Life Science industry with high potential and synergies to our existing core business. In recent years, we have experienced an increased demand for our services from Life Science companies, and we already serve customers in the industry with good references such as Bavarian Nordic. We have strong partnerships with validation partners in the industry.

##### 3. Seize market opportunity as lifetime partner

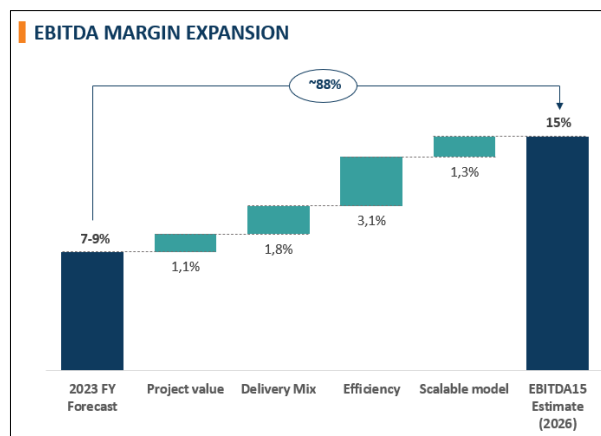
The transition to cloud accelerates our operations business as we take ownership of evolving and managing our customers' digital capabilities in the cloud. Our ambition is to help our customers in all areas of their digital transformation journey, thus increasing our ability to offer a broad range of services and increase recurring revenue.



### Reach 15% EBITDA margin by 2026

We see significant potential to increase profitability. We have room to improve efficiency as we mature our business, strengthen our commerciality and leverage our global business model even more. As part of our new growth strategy, we are launching our EBITDA15 program with concrete initiatives to reach an EBITDA margin of 15% by 2026, consisting of the following elements:

- **Increased project value delivered**, translating to higher price points and better project execution.
- **Changed delivery mix** in relation to shoring and seniority will improve margins.
- **Efficiency improvement** through better utilization of available customer facing hours and larger engagements.
- **Better utilization of our scalable model** with global functions and other support staff diminishing in ratio to growing delivery organization.



The new strategy will take effect from 1 January 2024.

### Presentation of New Heights on 15 November 2023

New Heights will be presented on a live webcast and conference call today at 13:00 CET. The webcast is hosted by CEO & President Søren Krogh Knudsen and Corporate CFO Brian Iversen.

#### Webcast:

Please login to the webcast via Columbus' investor site where you can follow the presentation and submit your written questions during the call: <https://ir.columbusglobal.com/calendar-and-events>

#### Conference call:

1. Participants are required to register in advance of the conference using the link provided below. Upon registering, each participant will be provided with Participant Dial In Numbers, and a unique Personal PIN.
2. In the 10 minutes prior to call start time, Participants will need to use the conference access information provided in the e-mail received at the point of registering. Participants may also use the call me feature instead of dialling the nearest dial in number.

#### Online Registration to the call:

<https://register.vevent.com/register/BI93da014605ed40cdad1324369655aba3>

Questions can be sent in advance by email to Communication Director Tine Rasmussen at [tra@columbusglobal.com](mailto:tra@columbusglobal.com) or can be raised at the question session during the webcast.

A recorded version of the presentation will be available on the website after the webcast has concluded.

### Live presentation of New Heights on 22 November 2023

H C Andersen Capital will host a live presentation of Q3 2023 results and new strategy on 22 November 2023 at 15:30 CET. Presenters from Columbus A/S will be CEO & President Søren Krogh Knudsen and Group CFO Brian Iversen.

You can already now submit questions and sign up for the event via this link: <https://www.inderes.dk/videos/columbus-presentation-of-q3-2023-results-and-new-strategy>

A recording of the presentation will be available via the same link.

Ib Kunøe  
Chairman of the Board

Søren Krogh Knudsen  
CEO & President

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**For further information, please contact:**

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