

Columbus[®]

Interim Report Q2 2024

22 August 2024

Highlights

Revenue growth of 9% in Q2 2024, primarily arising from our key Cloud ERP Business Lines, Dynamics and M3. EBITDA amounted to DKK 30m, corresponding to an EBITDA margin of 7.0%. Sustained focus on cost management led to necessary streamlining of the organization with special focus on Digital Commerce and Security.

Q2 2024 highlights

- Revenue growth of 9% amounting to DKK 427m. 8% growth adjusted for acquisitions and currency.
- EBITDA amounted to DKK 30m compared to DKK 18m in Q2 2023.
- EBITDA margin was 7.0% compared to 4.6% in Q2 2023.
- Efficiency of 63% in Q2 2024 compared to 66% in Q2 2023.

YTD 2024 highlights

- Revenue growth of 12%, amounting to DKK 871m. 10% growth adjusted for acquisitions and currency.
- EBITDA amounted to DKK 85m (DKK 65m adjusted for the M3CS legal case in Q1 2024), compared to DKK 57m H1 2023.
- EBITDA margin was 9.8% compared to 7.3% in H1 2023. Adjusted for the M3CS case in Q1 2024, EBITDA margin was 7.5%.
- Efficiency of 63% in H1 2024 compared to 65% in H1 2023.

Outlook 2024 maintained

Based on the development in the first half of 2024, our strong pipeline and order backlog, we maintain our 2024 expectations:

- Revenue guidance expected to be in the range of 8-10% organic growth
- EBITDA margin expected to be in the range of 9-10%.

“We delivered a strong revenue growth of 9% in Q2 2024 driven by solid development in our core ERP business. However, our relentless focus on achieving a 15% EBITDA margin by 2026 led to necessary streamlining of the organization during the quarter.”

CEO & President Søren Krogh Knudsen

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Webcast 22 August 2024 at 13:00 CET:

Webcast and presentation material: [LINK](#)

Registration to attend

telephone conference: [LINK](#)

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Satisfactory result - continued streamlining to reach EBITDA15 goal

The development in Q2 2024 reflects a strong momentum in the majority of our business with particular strong performance in our largest area, Cloud ERP, representing 75% of our operations. Overall, the revenue growth of 9% in Q2 2024 was in line with expectations. The EBITDA margin for the quarter was 7%. Our unconditional focus on EBITDA15 led to a streamlining and performance exercise in Q2 2024 with full effect in Q4 2024. We maintain our 2024 full-year financial expectations.

The market for IT consulting services is constantly evolving, and we are adapting to the demand, which is currently high in our core area of Cloud ERP as well as in Data & AI and Customer Experience & Engagement (CXE). In other areas we are experiencing restraint in investments, particularly in Sweden.

Cloud ERP: A catalyst for revenue growth

Our core Business Lines, Dynamics and M3, representing 75% of our operations, have delivered a robust performance in Q2 2024, which underlines the increased demand for IT services essential for business-critical systems.

We have entered into new partnerships with valued customers such as **Schur**, who chose Columbus for comprehensive support for their Microsoft Dynamics365 Finance and Operations system, and **WindowMaster International**, who selected us as their strategic partner for IT modernisation. In addition, we have extended our 30 years partnership with **FedEx** in a new

agreement for Columbus to undertake a significant engagement as part of their solution modernization program.

Our commitment to deliver innovative solutions was recently acknowledged by Microsoft at the Danish Partner Award 2024. Columbus was honored with the "Business Applications - Enterprise and Corporate" Award, celebrating our extensive collaboration with **Bang & Olufsen** utilizing Microsoft technologies.

Organic revenue growth of 8% in Q2 2024

In Q2 2024, revenue grew to DKK 427m, a growth of 9% compared to Q2 2023. Organically, revenue grew by 8% adjusted for acquisitions and currency. H1 2024 revenue was DKK 871m - a growth of 12%, and 10% organically.

Cloud ERP contributed significantly with Dynamics and M3 growing service revenue by 17% and 10%, respectively, in Q2 2024. In addition, our strategic Business Lines Data & AI and CXE delivered a

strong quarter, growing by 18% and 50%, respectively. On the contrary, we saw a weaker development in Digital Commerce and Security with declines of 10% and 36%, respectively, compared to Q2 2023.

Our Danish and UK Market Units continued the strong development, growing service revenues by 28% and 43% in Q2 2024, respectively. Norway delivered a growth of 6% while Sweden declined by 9% in Q2 2024.

The EBITDA result in Q2 2024 amounted to DKK 30m, corresponding to an EBITDA margin of 7%. Compared to Q2 2023 the increase in EBITDA amounted to 67%. For H1 2024, EBITDA amounted to DKK 85m with an EBITDA margin of 10%, or 7.5% excluding the net gain of DKK 20m from the legal proceedings against M3CS in Q1 2024.

Sustained focus on cost management

In our New Heights strategy, we aim to sustain robust top-line growth, capitalising our market momentum, while diligently

working towards a 15% EBITDA margin by 2026. One key element of the EBITDA15 program is to improve commercial excellence, thus improving project profitability.

We are beginning to see a positive impact of the commercial initiatives we implemented last year, particularly in key areas of the business, resulting in improved project margins. However, lower-than-expected efficiency in part of the business is currently hindering our progress. We have therefore streamlined the organisation, including a reduction of ~60 FTEs with a special focus on two Business Lines: Digital Commerce and Security.

Digital Commerce: We have implemented a leaner management structure, transforming the organization into a more sales and customer-centric entity, enhancing project quality, profitability and efficiency. **Security:** After initiating cost and sales measures in Q1 2024 to boost performance, we have recalibrated the management team and further optimized the organisation in Q2 2024. From Q3 2024, the

Security Business Line will be integrated into the Dynamics Business Line in order to enhance our reach to existing customers by being an integral part of a larger organisation with a strong customer portfolio. While our existing Security Business Line specialized in Identity and Access Management, we will now broaden the focus on Governance, Risk & Compliance, as well as Cloud Security. This broader scope will enable us to address a wider range of security challenges that many companies face today, particularly those related to the shared responsibility model in the cloud, that often leaves gaps on data management and access management.

With the optimised setup, our go-to-market strategy now places greater emphasis on cloud security and is more tightly integrated with our global services operation.

Maintaining our 2024 expectations

Based on our pipeline and completed cost adjustments, we maintain our financial expectations for 2024.

We are vigilant of the geopolitical landscape and its potential impact on investment trends and ongoing projects. Nevertheless, we are optimistic about our strong market position in the current business environment.

Once again, I want to thank our employees for their continuous commitment and contribution to the results and our customers for trusting and supporting Columbus.



Søren Krogh Knudsen
CEO & President



Key figures and ratios

DKK '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Income related figures					
Sale of services	410,361	370,492	839,201	747,370	1,475,056
Sale of products	16,538	19,980	31,937	33,602	64,899
Net revenue	426,899	390,472	871,138	780,972	1,539,955
Recurring revenue % of total revenue	14.0%	13.5%	13.5%	13.0%	13.3%
EBITDA	30,012	17,970	85,235	57,136	117,534
EBIT	-4,470	3,589	35,315	28,571	60,088
Net financial items	-3,462	-5,791	-5,881	-13,737	-20,750
Profit before tax	-7,932	-2,202	29,434	14,834	39,338
Profit after tax, continuing operations	-13,396	-4,106	22,380	11,153	23,762
Profit after tax, discontinued operations	-1,367	-386	-2,078	3,076	3,127
Profit after tax	-14,763	-4,492	20,302	14,229	26,889
DKK '000			30 Jun 2024	30 Jun 2023	31 Dec 2023
Balance sheet					
Non-current assets			844,044	874,541	852,442
Current assets			504,242	427,735	445,409
Total assets			1,348,286	1,302,276	1,297,851
Group shareholder equity			716,208	685,416	716,829
Total liabilities			632,078	616,860	581,022
Total equity and liabilities			1,348,286	1,302,276	1,297,851

DKK '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Investments in tangible assets	1,896	2,349	3,365	2,824	7,888
Cash flow					
Cash flow from operating activities	15,656	12,055	39,151	47,775	76,954
Cash flow from investing activities	-2,864	-41,794	-16,948	-40,007	-47,080
Cash flow from financing activities	-5,727	44,350	-12,737	16,937	-15,894
Total net change in cash and cash equivalents	7,065	14,611	9,466	24,705	13,980
Key ratios					
EBITDA-margin	7.0%	4.6%	9.8%	7.3%	7.6%
EBIT-margin	-1.0%	0.9%	4.1%	3.7%	3.9%
Equity ratio	53.1%	52.6%	53.1%	52.6%	55.2%
Return on equity	-2.1%	-0.6%	2.9%	2.0%	3.8%
Return on invested capital (ROIC)	2.2%	1.1%	7.3%	4.7%	9.6%
Number of shares	129,276	129,276	129,276	129,276	129,276
Average number of shares	129,276	129,276	129,276	129,276	129,276
Book value of equity per share (BVPS) (DKK)	5.54	5.30	5.54	5.30	5.54
Earnings per share (EPS) from continuing operations (DKK)	-0.10	-0.03	0.17	0.09	0.18
Cash flow per share (DKK)	0.12	0.09	0.30	0.37	0.60
Share price, end of period (DKK)	9.64	6.58	9.64	6.58	7.10
Average full-time employee for the period	1,590	1,554	1,612	1,562	1,568

The key figures and financial ratios above have been calculated in accordance with Danish Finance Society's "Recommendation & Financial Ratios"

Key Business Lines sustaining momentum in Q2

Revenue development

In Q2 2024, Columbus realized a revenue of DKK 427m, corresponding to an increase of 9% compared to Q2 2023. The increase is mainly driven by sale of services, which increased by 11% compared to the same period last year and counts for 96% of total revenue in Q2 2024. Product sales decreased by 17%, which is in line with expectations.

We continue to see strong growth in service revenue in the major Business Lines Dynamics and M3 while our strategic Business Lines delivered a more mixed performance. Dynamics and M3 compose 75% of the group's service revenue. Data & AI and Customer Experience & Engagement both delivered solid growth in Q2 2024. Digital Commerce and Security are facing more challenging market conditions in certain markets, resulting in less than satis-

factory performance in Q2 2024. Our strategic Business Lines are key components in extending our capabilities within digital advisory.

Our largest Business Line, **Dynamics**, delivered a strong Q2 with growth of 17% in service revenue, and we continue to see a strong win rate and request for our services.

We continue to see high efficiency across all markets in Dynamics and customer projects progressing well. The Business Line is continuously performing well in Denmark and the UK, whereas the Swedish and Norwegian markets see a modest development in Q2 2024. Dynamics is expected to continue the growth journey during 2024.

In Q1 2024, we started to focus on the Life Science vertical, and our efforts to grow this segment continued through the second quarter of 2024.

Service revenue split on Business Lines

DKK '000	Q2 2024	Q2 2023	Δ%	YTD 2024	YTD 2023	Δ%
Dynamics	224,026	191,261	17%	454,062	387,640	17%
M3	81,935	74,717	10%	175,010	155,313	13%
Digital Commerce	45,108	50,203	-10%	98,487	108,883	-10%
Data & AI	22,105	18,719	18%	40,812	38,085	7%
CXE	23,775	15,853	50%	43,202	31,455	37%
Security	7,926	12,301	-36%	15,893	12,301	29%
Other Local Business	5,486	7,438	-26%	11,735	13,693	-14%
Total sale of services	410,361	370,492	11%	839,201	747,370	12%
Total sale of products	16,538	19,980	-17%	31,937	33,602	-5%
Total net revenue	426,899	390,472	9%	871,138	780,972	12%

Service revenue split on Market Units

DKK '000	Q2 2024	Q2 2023	Δ%	YTD 2024	YTD 2023	Δ%
Sweden	133,849	147,730	-9%	281,795	293,594	-4%
Denmark	106,917	83,636	28%	215,234	164,086	31%
Norway	60,613	57,338	6%	126,728	129,146	-2%
UK	77,461	54,037	43%	152,994	99,743	53%
US	20,242	19,339	5%	39,797	41,359	-4%
Other	10,144	7,438	36%	20,248	17,497	16%
GDC	1,135	974	17%	2,405	1,945	24%
Total sale of services	410,361	370,492	11%	839,201	747,370	12%
Total sale of products	16,538	19,980	-17%	31,937	33,602	-5%
Total net revenue	426,899	390,472	9%	871,138	780,972	12%

M3, our second largest Cloud ERP Business Line, saw an increase in service revenue of 10%. The revenue growth is fueling an enhanced utilisation of resources across geographies. This development is a positive testament to our global operating model. M3 is continuously gaining momentum and growing in Sweden, which counts for 57% of the revenue in Q2.

Digital Commerce revenue decreased by 10% in Q2 2024 compared to Q2 2023. Adjusted for the acquisition of Endless Gain on 1 January 2024, the revenue declined by 18%. The lower-than-usual growth in the Business Line is primarily due to the uncertainty in the Swedish and Norwegian markets, mainly within the retail segment.

Market uncertainty is affecting the pace at which new projects are signed and initiated. The acquisition of Endless Gain continues to perform well, adding new and additional business globally.

Data & AI. In Q2 2024, we announced Claes Kongsdam as the new Business Line Executive. Claes has previously focused on the Danish Market Unit, which has experienced strong growth in recent years.

In addition to maintaining our focus on delivering value to our customers in the AI space, attention to profitable growth remains a key priority for H2 2024.

In **Customer Experience & Engagement (CXE)** a continued focus on expanding the customer portfolio is a high priority. The growth is driven globally with a specific focus on Denmark.

The ambition for the Business Line is to increase deal sizes with existing customers and leverage cross-sales to customers from other Business Lines.

Security has delivered another unsatisfactory quarter with a negative growth of 36% in service revenue. Rapid technological changes and reluctance to invest in the IAM (Identity and Access Management) security area have resulted in customer losses and declining sales. Additionally, the anticipated cross-sales effect has not materialized as expected. We have initiated further restructuring and cost-saving initiatives to align the organization with current activity levels, and from Q3 2024, the Security Business Line will be integrated in the Dynamics Business Line in order to enhance our reach to existing customers.

Development in Market Units

In Q2 2024, we continued to see a mixed picture with both strong growth markets and slightly negative growth markets. This is partly due to macroeconomic developments. Currencies have stabilized compared to Q2 2023 with negligible impact at group level.

The **Swedish Market Unit**, which is our largest market, ended Q2 2024 with a service revenue decrease of 9%. The

decrease is mainly related to Digital Commerce and Dynamics. The Swedish Market Unit is experiencing some reluctance from customers to commit to and start new engagements due to macroeconomic factors.

The **Danish Market Unit** maintained the strong growth journey with a growth of 28% in service revenue in Q2 2024. The growth was primarily driven by Dynamics Security, which is mainly operating in Denmark, was the only Business Line showing negative growth.

The **Norwegian Market Unit** is still impacted by challenging market conditions, although delivering an increase of 6% in service revenue compared to Q2 2023. The increase is driven by most Business Lines, except Digital Commerce which decreased slightly.

The **UK Market Unit** continued to deliver a strong growth of 43% in service revenue in Q2 2024, including the newly acquired company Endless Gain and a slightly positive currency impact. Organically, the UK Market Unit delivered a significant growth of 31%. All Business Lines contributed to the positive progress. Especially Dynamics and Digital Commerce demonstrated strong growth in Q2 2024.

The **US Market Unit** ended Q2 2024 with a 5% increase in service revenue. The US is primarily represented by the M3 and Dynamics Business Lines. The M3

Business Line delivered growth, while the Dynamics Business Line decreased slightly.

End-to-end customer engagements drive value

In Q2 2024, the growth was primarily driven by our Cloud ERP Business Lines, welcoming new customers or expanding the engagements with existing customers.

WindowMaster International A/S has chosen Columbus as their trusted advisor and strategic partner for their journey to modernize their IT infrastructure, focusing on Data & AI, Power Platform, Customer Experience (CXE) and Microsoft Dynamics 365 Business Central. This collaboration has streamlined their business processes, enabling them to reduce energy consumption and enhance indoor air quality with their innovative ventilation products. The success of this project is marked by its agility and cost savings, reflecting WindowMaster's commitment to sustainability and innovation. The next step is to expand these solutions globally, replicating this success and supporting WindowMaster's growth and impact on the environment.

We have signed a new Operational Evolve Agreement with **Schur International Holding A/S**, who has chosen us to provide comprehensive support services for their Microsoft Dynamics 365 Finance and Operations system. This collaboration encompasses almost all our Columbus Evolve offerings, including Solution Support, Release Management, Access Management. As a partner, we are dedicated

to helping Schur maximize the value of their IT investment and landscape.

We have extended our long-time strategic partnership with **FedEx**. This extension marks the agreement for Columbus and FedEx to undertake a significant engagement as part of their solution modernisation program.

Recurring revenue

In Q2 2024, recurring revenue amounted to DKK 60m, corresponding to a growth of 13% compared to Q2 2023. Recurring revenue constitutes a stable part of 14% of total revenue .

Over the past few years, it has been the expectation that on-premises services would decline, which has been the case. Subscriptions now constitute a negligible part of our revenue stream. Consequently, we have combined revenue from subscriptions and Cloud into Recurring Licenses.

Efficiency

The efficiency in Q2 2024 reached 63%, compared to 66% in Q2 2023. The decrease is mainly due to the negative revenue development in our Security and Digital Commerce Business Lines. As efficiency is a key KPI in relation to our profitability and EBITDA15 ambition, we initiated a streamlining of our resources at the end of Q2. This initiative will enhance overall efficiency during H2 2024.

EBITDA development

In Q2 2024, reported EBITDA amounted to DKK 30m, which is an increase of DKK 12m compared to Q2 2023. The EBITDA margin was 7.0%. positively impacted by the net gain of DKK 7.7m from other operating income.

The disappointing result from Security continued in Q2 2024 and impacted the group's EBITDA negatively by more than 1%. As previously mentioned, additional measures have been initiated during Q2 2024.

Other external costs decreased slightly, primarily due to minor changes in the timing of cost. Net other operating income amounted to DKK 7.7m, which includes the reversal of an unachieved earn-out of DKK 16.8m related to the ICY Security acquisition, as well as redundancy costs of DKK 9.1m associated with the performance exercise conducted in Q2 2024.

The reversal of the unachieved earn-out is based on the assumption that the inadequate performance of the Security Business Line makes it highly unlikely that the earn-out will be achieved. Based on this assumption, the remaining contingent consideration on the balance sheet has been recognized under other operating income.

The expensed redundancy costs consist of employee termination costs primarily from the Business Lines Digital Commerce and Security.

Profit before tax

Compared to Q2 2023, profit before tax decreased by DKK 5.7m to DKK -7.9m. The decrease arises from the extraordinary impairment of goodwill amounting to DKK 18.8m, related to our Security Business Line. The reduction in financial expenses is due to currency stabilization and reduced net debt.

Discontinued operations

In Q2 2024 no new events related to discontinued operations occurred. The loss of DKK 1.4m is related to expenses associated with previous divestments.

Cash

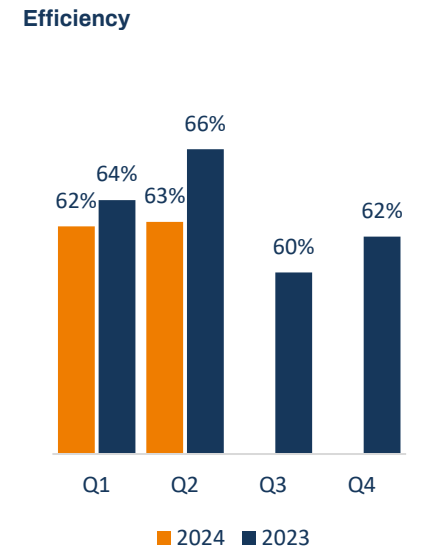
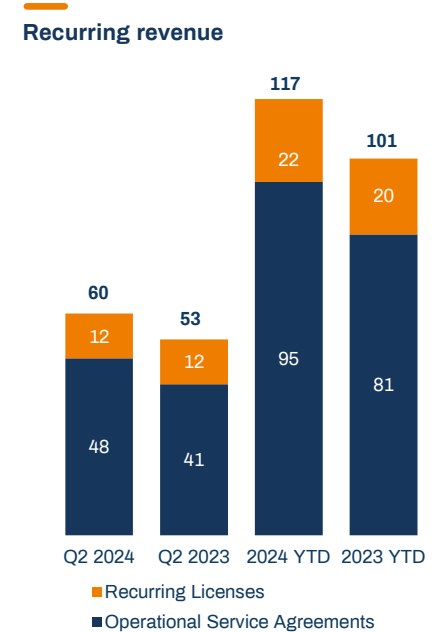
Cash flow from operating activities in Q2 2024 was positive with DKK 15.7m. The cash flow has increased slightly by DKK 3.6m compared to Q2 2023, primarily due to the timing of payments from customers and vendors.

Equity

Columbus' equity decreased by net DKK 0.6m since 31 December 2023, primarily due to the retained earnings, negative currency effects and payment of dividend.

Employee development

The company employed an average of 1,590 FTEs in Q2 2024, an increase of 36 FTEs compared to Q2 2023 (1,554 FTEs). This workforce growth is primarily attributed to the strategic acquisition of Endless Gain, which added +25 FTEs as of 1 January 2024.



Outlook for 2024

The financial guidance is maintained.

In 2024 we expect organic growth of 8-10% and earnings improvements through enhanced efficiency and focus on contract profitability.

As part of the new strategy, we established a dedicated program named EBITDA15, where increased focus on below listed areas will support our mid-term aim to reach an EBITDA margin of 15%:

- Continuous focus on efficiency
- Increasing use of Columbus' service centers
- Commercial excellence
- Leveraging of Columbus' strong business model

The outlook is subject to the general uncertainties in our markets, such as the current macro-economic conditions, higher than normal exchange rate volatility and a continuous geopolitical situation that may impact the general business environment.

Although we continue to see a strong demand for our digital advisory and services, we do anticipate that some reluctance in IT investments and the need to divide projects up into "smaller bites" will continue throughout 2024. If the general uncertainties worsen during 2024, it may impact the Group's growth and margin negatively.

Based on the financial performance in H1 2024 and the current order book and pipeline forecast, our full year guidance for 2024 is maintained as follows:

	Outlook 2024	Realized 2023
Organic revenue growth	8-10%	14.8%
EBITDA margin	9-10%	7.6%

Statement by management

We have today considered and approved the interim financial report for the period 1 January 2024 – 30 June 2024 for Columbus A/S.

The interim financial report has been prepared in accordance with IAS 34 and additional Danish interim reporting requirements for listed companies. The interim financial report is unaudited and has not been reviewed by the Company's auditor.

We consider the accounting policies applied to be appropriate to the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at 30 June 2024, and of the results of the Group's operations and cash flows during the first six months of 2024.

We consider the management report to give a true and fair view of the development in the Group's business activities and financial situation, the financial result for the period and the Group's financial position as a whole together with a true and fair description of the significant risks and uncertainty factors which the Group faces.

Ballerup, 22 August 2024

Executive Board



Søren Krogh Knudsen
CEO & President



Brian Iversen
Group CFO

Board of Directors



Ib Kunø
Chairman



Sven Madsen
Deputy Chairman



Peter Skov Hansen



Karina Kirk Ringsted



Per Ove Kogut

Financial statements



Statement of comprehensive income

DKK '000	Note	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Net revenue	3	426,899	390,472	871,138	780,972	1,539,955
External project costs		-52,256	-40,302	-103,549	-78,619	-168,716
Gross profit		374,643	350,170	767,589	702,353	1,371,239
Staff expenses and remuneration	4	-316,005	-292,678	-634,694	-570,780	-1,102,820
Other external costs		-36,320	-39,531	-75,480	-74,796	-154,359
Other operating income /expenses	5	7,694	9	27,820	359	3,474
EBITDA		30,012	17,970	85,235	57,136	117,534
Depreciation, amortization and impairment	6	-34,482	-14,381	-49,920	-28,565	-57,446
Operating profit (EBIT)		-4,470	3,589	35,315	28,571	60,088
Financial income		1,650	723	3,358	1,045	2,818
Financial expenses		-5,112	-6,514	-9,239	-14,782	-23,568
Profit before tax from continuing operations		-7,932	-2,202	29,434	14,834	39,338
Corporate tax		-5,464	-1,904	-7,054	-3,681	-15,576
Profit after tax from continuing operations		-13,396	-4,106	22,380	11,153	23,762
Profit (loss) after tax from discontinued operations	14	-1,367	-386	-2,078	3,076	3,127
Profit (loss) after tax for the period		-14,763	-4,492	20,302	14,229	26,889

DKK '000	Note	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Items that may be reclassified subsequently to profit and loss:						
Foreign exchange adjustments of subsidiaries		-3,582	-4,396	-5,433	-19,300	-910
Other comprehensive income		-3,582	-4,396	-5,433	-19,300	-910
Total comprehensive income for the period		-18,345	-8,888	14,869	-5,071	25,979
Profit (loss) after tax allocated to:						
Shareholders in Columbus A/S		-14,763	-4,492	20,302	14,229	26,889
		-14,763	-4,492	20,302	14,229	26,889
Total comprehensive income allocated to:						
Shareholders in Columbus A/S		-18,345	-8,888	14,869	-5,071	25,979
		-18,345	-8,888	14,869	-5,071	25,979
Earnings per share of DKK 1.25 (EPS)		-0.11	-0.03	0.16	0.11	0.21
Earnings per share of DKK 1.25, diluted (EPS-D)		-0.11	-0.03	0.16	0.11	0.21

Balance sheet

DKK '000	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS				
Goodwill	7	638,878	690,545	654,243
Customer base		17,022	13,076	14,392
Internal applications		37,807	47,385	44,869
Development projects finalized		459	1,124	638
Property, plant and equipment		12,874	11,808	13,890
Right-of-use assets	8	97,840	59,241	82,328
Deferred tax assets		22,590	25,961	22,740
Other receivables		16,574	25,401	19,342
Total non-current assets		844,044	874,541	852,442
Trade receivables	9	343,963	273,252	293,906
Contract assets	11	9,943	10,854	9,065
Corporate tax receivables		840	3,353	2,049
Other receivables		5,965	4,860	13,709
Receivables from divestment of activities	14	59,214	58,322	57,322
Prepayments		34,698	30,505	31,089
Receivables		454,623	381,146	407,140
Cash		49,619	46,589	38,269
Total current assets		504,242	427,735	445,409
TOTAL ASSETS		1,348,286	1,302,276	1,297,851

DKK '000	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
EQUITY AND LIABILITIES				
Share capital		161,595	161,595	161,595
Reserves on foreign currency translation		-73,986	-86,943	-68,553
Retained profit		628,599	610,764	623,787
Equity		716,208	685,416	716,829
Deferred tax		6,697	3,500	5,771
Other provisions		829	829	829
Contingent consideration	12, 13	4,694	67,162	16,961
Debt to credit institutions		116,000	116,000	116,000
Lease liability right-of-use assets		72,989	33,262	60,687
Non-current liabilities		201,209	220,753	200,248
Debt to credit institutions		51,081	60,296	36,297
Contract liabilities	11	3,434	6,736	8,241
Trade payables		67,655	53,691	60,666
Corporate tax payables		6,274	901	1,848
Other payables		240,900	216,848	217,938
Accruals and deferred income		33,133	29,252	31,755
Lease liability right-of-use assets		28,392	28,383	24,029
Current liabilities		430,869	396,107	380,774
Total liabilities		632,078	616,860	581,022
TOTAL EQUITY AND LIABILITIES		1,348,286	1,302,276	1,297,851

Statement of changes in equity

DKK '000	Shareholders in Columbus A/S			
	Share capital	Reserves on foreign currency translation	Retained profits	Equity
YTD 2024				
Balance at 1 Jan 2024	161,595	-68,553	623,787	716,829
Profit after tax	0	0	20,302	20,302
Currency adjustments of investments in subsidiaries	0	-5,433	0	-5,433
Total comprehensive income	0	-5,433	20,302	14,869
Share-based payment	0	0	670	670
Payment of dividend	0	0	-16,160	-16,160
Balance at 30 Jun 2024	161,595	-73,986	628,599	716,208

DKK '000	Shareholders in Columbus A/S			
	Share capital	Reserves on foreign currency translation	Retained profits	Equity
YTD 2023				
Balance at 1 Jan 2023	161,595	-67,643	612,453	706,405
Profit after tax	0	0	14,229	14,229
Currency adjustments of investments in subsidiaries	0	-19,300	0	-19,300
Total comprehensive income	0	-19,300	14,229	-5,071
Share-based payment	0	0	242	242
Payment of dividend	0	0	-16,160	-16,160
Balance at 30 Jun 2023	161,595	-86,943	610,764	685,416

DKK '000	Shareholders in Columbus A/S			
	Share capital	Reserves on foreign currency translation	Retained profits	Equity
2023				
Balance at 1 Jan 2023	161,595	-67,643	612,453	706,405
Profit after tax	0	0	26,889	26,889
Currency adjustments of investments in subsidiaries	0	-910	0	-910
Total comprehensive income	0	-910	26,889	25,979
Share-based payment	0	0	605	605
Payment of dividend	0	0	-16,160	-16,160
Balance at 31 Dec 2023	161,595	-68,553	623,787	716,829

Cash flow

DKK '000	Note	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Operating profit (EBIT)		-4,470	3,589	35,315	28,571	60,088
Non-recurring income and expenses from acquisitions		-16,777	0	-16,777	0	-3,104
Depreciation, amortization and impairment	6	34,482	14,381	49,920	28,565	57,446
Cost of incentive scheme		335	181	670	242	605
Changes in net working capital		6,693	-1,842	-19,994	-3,988	-21,025
Cash flow from primary activities		20,263	16,309	49,134	53,390	94,010
Interest received, etc.		856	727	1,751	1,062	2,423
Interest paid, etc.		-5,112	-3,519	-9,130	-4,700	-11,776
Corporate tax paid		-351	-1,462	-2,604	-1,977	-7,703
Cash flow from operating activities		15,656	12,055	39,151	47,775	76,954
Acquisition of tangible assets		-1,896	-2,349	-3,365	-2,824	-7,888
Acquisition of intangible assets		0	-1,919	0	-3,257	-7,095
Disposal of tangible assets		284	-2	303	-2	7
Payments for financial assets		652	0	1,304	139	1,864
Acquisition of activities		-537	-37,138	-13,112	-37,139	-35,895
Disposal of activities	14	-1,367	-386	-2,078	3,076	1,927
Cash flow from investing activities		-2,864	-41,794	-16,948	-40,007	-47,080

DKK '000	Note	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Proceeds from borrowings		0	40,000	0	40,000	40,000
Overdraft facilities		17,827	28,000	17,798	7,962	-12,533
Repayment of lease liabilities		-7,394	-7,490	-14,375	-14,865	-27,201
Dividends paid		-16,160	-16,160	-16,160	-16,160	-16,160
Cash flow from financing activities		-5,727	44,350	-12,737	16,937	-15,894
Cash flow from continuing operations		7,065	14,611	9,466	24,705	13,980
Total net change in cash and cash equivalents		7,065	14,611	9,466	24,705	13,980
Cash funds at the beginning of the period		40,759	36,401	38,269	32,787	32,787
Exchange rate adjustments		1,795	-4,423	1,884	-10,903	-8,498
Cash funds at the end of the period		49,619	46,589	49,619	46,589	38,269

Notes

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Notes

Note 1 – Material accounting principles

The consolidated interim financial report is prepared in accordance with IAS 34, Presentation of Interim Financial Reporting, as approved by the EU, and additional Danish disclosure requirements for interim reports of listed companies. The interim financial report is presented in Danish kroner (DKK), which is the Parent Company's functional currency.

The accounting policies applied in the interim financial report are unchanged compared to 2023, except for any new, amended or revised accounting standards and interpretations endorsed by the EU, effective for the accounting period beginning on 1 January 2024.

For more information on the accounting policies, we refer to our Annual Report for 2023.

Note 2 – Management judgements and estimates

In preparing the interim financial statements, Management makes various accounting judgements and estimates that affect the reported amounts and disclosures in the financial statements and in the notes to the statements. These are based on professional experience, historical data and other factors available to Management.

By nature, a degree of uncertainty is involved when carrying out these judgements and estimates, hence actual results may deviate from the assessments made at the reporting date. Judgements and estimates are continuously evaluated, and the effects of any changes are recognised in the relevant period.

Primary financial statement items in which more significant accounting judgements and estimates are applied are listed in Chapter 1 of the Notes to the 2023 Columbus A/S Annual Report to which is referred.

Contingent consideration

There is a significant estimate related to the earn-out payment relating to the acquisition of ICY Security ApS. Based on unsatisfactory performance in first half of 2024, it is assessed that the earn-out is highly unlikely to be achieved. Hence it is assessed most appropriate to reverse the full earn-out amount on DKK 16,8m and recognize it as another operating income.

Goodwill

As a consequence of the unsatisfactory performance in the first half of 2024 in the Security Business Line, the Goodwill is tested for impairment. The test showed significantly lower future cash flows than the carrying amount of goodwill and consequently a write-down on DKK 18.8m has been recognized as of 30 June 2024.

Estimate of payable tax and utilization of deferred tax assets

Taxable income and payable tax for the year assessed for each of the Groups individual entities. The estimate is based on expected full year performance and taxable income as well as current tax positions.

Deferred tax assets are recognized for all unused tax losses and difference values to the extent it is deemed likely that within the foreseeable future taxable profits will be realized in which the losses and the difference values can be utilized. Determining the size of the amount that can be recognized for deferred tax assets is based on management's estimate of the likely time and amount of future taxable profits. At 30 June 2024, the carrying value of recognized deferred tax was DKK 15.9m, which is estimated to be realized in the foreseeable future (5 years or less).

Receivables from divestment of activities

For the receivable from divestments, there is a significant judgement related. Refer to note 14 – Discontinued operations.

Notes

Note 3 – Segment data

In order to support decisions about allocation of resources and assessment of performance of the segments, the Group's management reporting to the Executive Board is based on the following grouping of operating segments:

Strategic Business Lines	Market Units	Global Delivery Centers (GDC)
Dynamics	Sweden	Poland
M3	Denmark	Czech Republic
Digital Commerce	Norway	India
Data & AI	UK	
Customer Experience & Engagement (CXE)	US	
Security	Other	
Other Local Business		

Management monitors the business, primarily based on the Business Lines and secondarily on the geographical segments. Information about the Group's Business Lines is stated below.

The Group has transformed its operations into a global operating model, with the Strategic Business Lines becoming the primary driver for decision-making. Previously, Columbus used geography to divide each segment. Markets are now a secondary driver and only used for assessing market strategies and maintaining customer relations.

The Business Lines relate to the type of services and products that are delivered, and comprise of Dynamics, M3, Digital Commerce, Data & AI, Customer Experience & Engagement and Security. The remaining revenue, which does not fall into any of the above-mentioned Business Lines, is classified as Other Local Business.

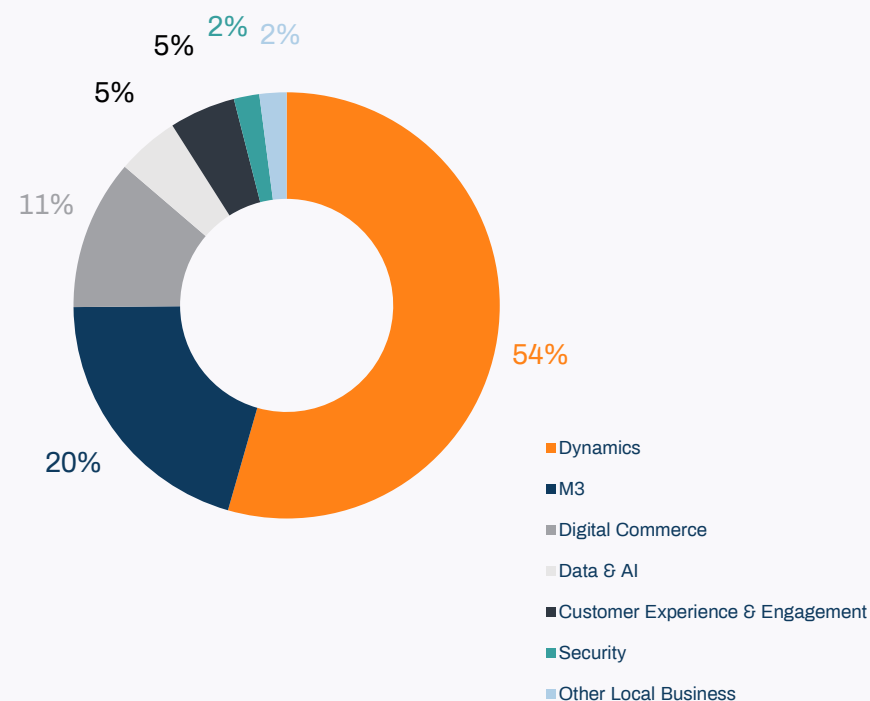
Market Units comprise of significant geographical markets that the Group operates in. Management uses the Market Units to assess market conditions and performance on revenue only.

The operating segments are measured from revenue to contribution, as this represents the significant part of the operation of the segments. The balance sheet is measured for legal entities only.

Cost related to functions necessary to support the business is classified as Enabling Functions and comprise of all cost not directly related to a specific Business Line, including costs related to facility, marketing, finance, people, legal and management. Enabling Functions mostly operate as global teams, servicing across Business Line and geography. Income and costs recognized in the profit and loss, that is not directly related to a business line is included in Enabling functions, i.e. legal cases and M&A activities.

Reconciliation between EBITDA and Profit before tax is shown in the comprehensive income statement.

Business Lines Revenue Split 2024 YTD



Notes

Note 3 – Segment data (continued)

DKK '000	Services	Products	Total revenue	Direct costs	Contribution	CM %
Q2 2024						
Dynamics	224,026	11,267	235,293	-170,324	64,969	28%
M3	81,935	809	82,744	-70,969	11,775	14%
Digital Commerce	45,108	418	45,526	-47,411	-1,885	-4%
Data & AI	22,105	166	22,271	-19,250	3,021	14%
CXE	23,775	271	24,046	-20,609	3,437	14%
Security	7,926	355	8,281	-13,931	-5,650	-68%
Other Local Business	5,486	3,252	8,738	-6,478	2,260	26%
Total	410,361	16,538	426,899	-348,972	77,927	18%
Enabling Functions					-47,915	
EBITDA					30,012	

DKK '000	Services	Products	Total revenue	Direct costs	Contribution	CM %
Q2 2023						
Dynamics	191,261	15,449	206,710	-151,845	54,865	27%
M3	74,717	832	75,549	-67,252	8,297	11%
Digital Commerce	50,203	462	50,665	-42,410	8,255	16%
Data & AI	18,719	196	18,915	-16,719	2,196	12%
CXE	15,853	315	16,168	-13,760	2,408	15%
Security	12,301	253	12,554	-13,540	-986	-8%
Other Local Business	7,438	2,473	9,911	-9,733	178	2%
Total	370,492	19,980	390,472	-315,259	75,213	19%
Enabling Functions					-57,243	
EBITDA					17,970	

DKK '000	Services	Products	Total revenue	Direct costs	Contribution	CM %
YTD 2024						
Dynamics	454,062	20,203	474,265	-338,926	135,339	29%
M3	175,010	2,980	177,990	-141,444	36,546	21%
Digital Commerce	98,487	835	99,322	-95,317	4,005	4%
Data & AI	40,812	304	41,116	-37,857	3,259	8%
CXE	43,202	517	43,719	-39,772	3,947	9%
Security	15,893	942	16,835	-27,038	-10,203	-61%
Other Local Business	11,735	6,156	17,891	-11,688	6,203	35%
Total	839,201	31,937	871,138	-692,042	179,096	21%
Enabling Functions					-93,861	
EBITDA					85,235	

DKK '000	Services	Products	Total revenue	Direct costs	Contribution	CM %
YTD 2023						
Dynamics	387,640	23,520	411,160	-295,652	115,508	28%
M3	155,313	2,821	158,134	-133,409	24,725	16%
Digital Commerce	108,883	1,237	110,120	-86,352	23,768	22%
Data & AI	38,085	386	38,471	-31,638	6,833	18%
CXE	31,455	453	31,908	-27,431	4,477	14%
Security	12,301	253	12,554	-13,540	-986	-8%
Other Local Business	13,693	4,932	18,625	-18,241	384	2%
Total	747,370	33,602	780,972	-606,263	174,709	22%
Enabling Functions					-117,573	
EBITDA					57,136	

Notes

Note 3 – Segment data (continued)

DKK '000	Services	Products	Total revenue	Direct costs	Contribution	CM %
2023						
Dynamics	778,901	44,151	823,052	-598,198	224,854	27%
M3	301,472	6,362	307,834	-247,591	60,243	20%
Digital Commerce	195,418	1,820	197,238	-163,584	33,654	17%
Data & AI	77,233	658	77,891	-64,991	12,900	17%
CXE	67,248	700	67,948	-59,006	8,942	13%
Security	29,538	1,757	31,295	-36,083	-4,788	-15%
Other Local Business	25,246	9,451	34,697	-33,691	1,006	3%
Total	1,475,056	64,899	1,539,955	-1,203,144	336,811	22%
Enabling Functions					-219,277	
EBITDA					117,534	

Average FTE	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Business Line					
Dynamics	660	624	665	622	639
M3	257	266	258	268	265
Digital Commerce	215	214	222	217	216
Data & AI	91	84	92	82	87
CXE	82	65	83	67	70
Security	34	47	33	47	36
Other Local Business	39	44	43	44	29
Business Line average number of FTE	1,378	1,344	1,396	1,347	1,342
Enabling Functions	212	210	216	215	226
Average number of FTE	1,590	1,554	1,612	1,562	1,568

Notes

Note 3 – Segment data (continued)

DKK '000	Sweden	Denmark	Norway	UK	US	Other	GDC	Eliminations	Total
Q2 2024									
Sale of services	133,849	106,917	60,613	77,461	20,242	10,144	1,135	0	410,361
Sale of products	4,894	4,278	2,613	3,098	1,655	0	0	0	16,538
Total revenue from own markets	138,743	111,195	63,226	80,559	21,897	10,144	1,135	0	426,899
Total revenue from group companies	13,629	17,245	5,093	4,561	3,125	1,396	32,229	-77,278	0
Total revenue	152,372	128,440	68,319	85,120	25,022	11,540	33,364	-77,278	426,899
Average number of FTE	423	366	171	209	40	37	344	0	1,590
Q2 2023									
Sale of services	147,730	83,636	57,338	54,037	19,339	7,438	974	0	370,492
Sale of products	8,326	4,854	1,865	3,065	1,870	0	0	0	19,980
Total revenue from own markets	156,056	88,490	59,203	57,102	21,209	7,438	974	0	390,472
Total revenue from group companies	8,946	12,347	1,537	2,383	758	1,097	25,182	-52,250	0
Total revenue	165,002	100,837	60,740	59,485	21,967	8,535	26,156	-52,250	390,472
Average number of FTE	435	352	179	186	44	36	322	0	1,554

Notes

Note 3 – Segment data (continued)

DKK '000	Sweden	Denmark	Norway	UK	US	Other	GDC	Eliminations	Total
YTD 2024									
Sale of services	281,795	215,234	126,728	152,994	39,797	20,248	2,405	0	839,201
Sale of products	10,503	8,589	4,402	5,771	2,672	0	0	0	31,937
Total revenue from own markets	292,298	223,823	131,130	158,765	42,469	20,248	2,405	0	871,138
Total revenue from group companies	29,149	34,500	10,326	9,370	5,698	2,995	64,123	-156,161	0
Total revenue	321,447	258,323	141,456	168,135	48,167	23,243	66,528	-156,161	871,138
Average number of FTE	429	371	175	211	44	36	346	0	1,612
YTD 2023									
Sale of services	293,594	164,086	129,146	99,743	41,359	17,497	1,945	0	747,370
Sale of products	14,115	7,891	3,595	5,485	2,516	0	0	0	33,602
Total revenue from own markets	307,709	171,977	132,741	105,228	43,875	17,497	1,945	0	780,972
Total revenue from group companies	25,566	39,282	5,819	6,818	2,728	3,282	52,542	-136,037	0
Total revenue	333,275	211,259	138,560	112,046	46,603	20,779	54,487	-136,037	780,972
Average number of FTE	440	349	181	185	47	36	324	0	1,562
2023									
Sale of services	557,072	331,809	234,391	229,317	82,608	35,531	4,328	0	1,475,056
Sale of products	24,212	19,400	6,910	10,071	4,306	0	0	0	64,899
Total revenue from own markets	581,284	351,209	241,301	239,388	86,914	35,531	4,328	0	1,539,955
Total revenue from group companies	45,266	73,665	13,280	12,379	6,157	6,621	108,220	-265,588	0
Total revenue	626,550	424,874	254,581	251,767	93,071	42,152	112,548	-265,588	1,539,955
Average number of FTE	438	346	181	191	47	37	328	0	1,568

Notes

Note 4 – Staff expenses and remuneration

DKK '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Staff expenses					
Salary and wages	257,681	241,037	522,926	468,475	944,367
Other social security costs	37,821	34,763	74,800	67,732	130,749
Other staff expenses	20,168	16,697	36,298	34,331	27,099
Share-based payment	335	181	670	242	605
Total staff expenses	316,005	292,678	634,694	570,780	1,102,820
Average number of FTEs	1,590	1,554	1,612	1,562	1,568

Note 5 – Other operating income/expenses

DKK '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Other operating income / (expenses)					
Redundancy cost	-9,083	0	-9,083	0	0
Unachieved earn-out	16,777	0	16,777	0	3,104
Legal cases	0	0	20,126	0	0
Other	0	9	0	359	370
Total Other operating income/(expenses)	7,694	9	27,820	359	3,474

Notes

Note 6 – Depreciation, amortization and impairment

DKK '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Depreciation	9,910	9,005	19,499	17,824	35,324
Amortization	5,795	5,376	11,644	10,741	22,122
Impairment	18,777	0	18,777	0	0
Total depreciation, amortization and impairment	34,482	14,381	49,920	28,565	57,446

For description of the impairment, please refer to Note 7 – Goodwill.

Note 7 – Goodwill

As of 30 June 2024 there has been a significant change in Goodwill compared to 31.12.2023. Goodwill has decreased net by DKK 15.4m. the amount arise from the write down of DKK 18.8m in the Business Line Security and addition of goodwill from the acquisition of Endless Gain Ltd. in UK of DKK 9m. The remaining DKK 5.6m is related to negative currency adjustments of goodwill recognized in foreign currency.

The write down of DKK 18.8m in Security is derived from the unsatisfactory performance in the Business Line during the first half of 2024, hence an impairment test has been performed, which resulted in a the write down to the recoverable amount (present value of expected future cash flows).

Notes

Note 8 – Right of use assets

DKK '000	Other equipment	Cars	Offices	Total
Group YTD 2024				
Balance at 1 January 2024	4,159	16,601	173,931	194,691
Foreign currency translation	-58	-211	-782	-1,051
Re-assessment of existing assets	-8	0	7,365	7,357
Additions	825	1,197	25,034	27,056
Disposals	-23	-3,958	-3,539	-7,520
Balance at 31 December 2024	4,895	13,629	202,009	220,533
Depreciation at 1 January 2024	1,627	6,596	104,140	112,363
Foreign currency translation	-23	-62	-270	-355
Depreciation	384	1,705	13,433	15,522
Reversed depreciation on disposals	-23	-2,314	-2,500	-4,837
Depreciation at 31 December 2024	1,965	5,925	114,803	122,693
Carrying amount at 31 December 2024	2,930	7,704	87,206	97,840

Total cash flow for the Group relating to right-of-use-assets is equal to the actual payments on the leases amounting to DKK 14m.

There has been an increase of 65% in Right-of-use-assets compared to YTD 2023, which mainly relates to new offices.

DKK '000	Other equipment	Cars	Offices	Total
Group YTD 2023				
Balance at 1 January	3,336	16,126	153,264	172,726
Foreign currency translation	-185	-513	-3,908	-4,606
Re-assessment of existing assets	-52	9	2,041	1,998
Additions	345	2,868	7,295	10,508
Additions relating to acquisitions	1,403	0	0	1,403
Disposals	-38	-4,012	-12,726	-16,776
Balance at 30 June 2023	4,809	14,478	145,966	165,253
Depreciations at 1 January	1,462	6,414	99,535	107,411
Foreign currency translation	-94	-186	-2,062	-2,342
Depreciation	383	1,890	12,479	14,752
Additions relating to acquisitions	648	0	0	648
Reversed depreciation on disposals	-38	-1,952	-12,467	-14,457
Depreciation at 30 June 2023	2,361	6,166	97,485	106,012
Carrying amount at 30 June 2023	2,448	8,312	48,481	59,241

Total cash flow for the Group relating to right-of-use-assets is equal to the actual payments on the leases amounting to DKK 15m.

Notes

DKK '000	Other equipment	Cars	Offices	Total
Group 2023				
Balance at 1 January 2023	3,336	16,125	153,264	172,725
Foreign currency translation	-2	80	-300	-222
Re-assessment of existing assets	1,159	228	34,307	35,694
Additions	479	5,798	5,768	12,045
Additions relating to acquisitions	0	331	1,663	1,994
Disposals	-813	-5,961	-20,771	-27,545
Balance at 31 December 2023	4,159	16,601	173,931	194,691
Depreciations at 1 January 2023	1,462	6,413	99,534	107,409
Foreign currency translation	-9	-7	-344	-360
Depreciation	768	3,635	24,450	28,853
Reversed depreciation on disposals	-594	-3,445	-19,500	-23,539
Depreciation at 31 December 2023	1,627	6,596	104,140	112,363
Carrying amount at 31 December 2023	2,532	10,005	69,791	82,328

Total cash flow for the Group relating to right-of-use-assets is equal to the actual payments on the leases amounting to DKK 27m.

Notes

Note 9 – Trade receivables

DKK '000	30 Jun 2024	30 Jun 2023	31 Dec 2023
Receivables (gross) at 1 Jan	295,807	261,422	261,422
Change in receivables during the period	49,815	14,235	34,385
Receivables (gross) end of period	345,622	275,657	295,807
Provisions for bad debt at 1 Jan	1,901	6,622	6,622
Change in provisions for bad debt during the period	1,362	-4,244	-4,767
Loss realized during the period	-1,604	27	46
Provisions for bad debt end of period	1,659	2,405	1,901
Carrying amount end of period	343,963	273,252	293,906

Provisions for bad debt are made based on the lifetime expected credit losses in line with the Group's accounting policies.

DKK '000	30 Jun 2024	30 Jun 2023	31 Dec 2023
Age of receivables (gross):			
Not due	281,459	230,035	193,805
0-30 days	34,920	28,527	88,157
30-60 days	17,800	10,186	8,333
61-90 days	5,891	3,992	1,068
91-180 days	4,618	1,825	1,705
181-270 days	101	571	1,978
270-360 days	10	404	197
Above 360 days	823	117	564
Total	345,622	275,657	295,807

DKK '000	30 Jun 2024	30 Jun 2023	31 Dec 2023
Age of impairment:			
Not due	27	16	18
0-30 days	87	143	220
30-60 days	92	255	125
61-90 days	110	299	53
91-180 days	409	600	426
181-270 days	101	571	298
271-360 days	10	404	197
Over 360 days	823	117	564
Total	1,659	2,405	1,901

DKK '000	30 Jun 2024	30 Jun 2023	31 Dec 2023
Provision matrix:			
Not due	0.0%	0.0%	0.0%
0-30 days	0.3%	0.5%	0.3%
30-60 days	0.5%	2.5%	1.5%
61-90 days	1.9%	7.5%	5.0%
91-180 days	8.9%	32.9%	25.0%
181-270 days	100.0%	100.0%	15.1%
271-360 days	100.0%	100.0%	100.0%
Over 360 days	100.0%	100.0%	100.0%

Notes

Note 10 – Financial instruments

Overdraft and credit facilities

The carrying amount of overdraft and credit facilities measured at amortized cost is not considered to differ significantly from the fair value.

Trade receivables, trade payables and other receivables

Receivables and payables pertaining to operating activities with short churn ratios are considered to have a carrying amount equal to fair value.

Contracts assets and liabilities

Contract assets are recognized at present value, which reflects the current economic value of money and the risk of future cash flows.

Cash and cash equivalents

The carrying amount of cash and cash equivalents is not considered to differ significantly from the fair value.

Note 11 – Contract assets and contract liabilities

DKK '000	30 Jun 2024	30 Jun 2023	31 Dec 2023
Balance at 1 Jan	824	-4,138	-4,138
Changes contract assets during the period	-3,267	15,958	25,631
Changes on account billing and prepayments during the period	8,952	-7,702	-20,669
Balance at end of period	6,509	4,118	824
Work in progress	36,030	29,624	39,297
On account billing and prepayments	-29,521	-25,506	-38,473
Balance at end of period	6,509	4,118	824
The net value is included in the balance as follows:			
Contract assets	9,943	10,854	9,065
Contract liabilities	-3,434	-6,736	-8,241
Balance at end of period	6,509	4,118	824

The Group's contract assets are subject to significant judgements in relation to the classification of the contract and in terms of how the contract is handled and recognized in the financial statements. When determining the appropriate recognition of the contract, the Group accounting policies are applied.

Notes

Note 12 – Contingent consideration

Changes in contingent considerations

As part of the opening balance of ICY as of 1 April 2023, the contingent consideration was recognized based on management's best estimate. Based on unsatisfactory performance in first half of 2024, it is assessed that the earn-out is highly unlikely to be achieved. Hence it is assessed most appropriate to reverse the full earn-out amount on DKK 16.8m and recognize it as another operating income.

The addition in 2024 relates fully to the earn-out for Endless Gain. The management has assessed that the provision for the earn-out payment for Endless Gain continues to be based on the best estimate and recognition. The remaining part of the earn-out that is recognized solely represents the provision for Endless Gain.

Notes

Note 13 – Business combination

Acquisition of companies in 2024

The Group has per 1 January 2024 acquired Endless Gain Limited. The acquisition was a share purchase.

Name	Primary activity	Date of control gained	Acquired ownership	Acquired voting rights	Total consideration DKK '000
Endless Gain Limited	E-commerce business	01. January 2024	100%	100%	17,500
Total					17,500

After recognition of identifiable assets, liabilities and contingent liabilities at fair value, goodwill in relation to the acquisition was assessed at GBP 1,049k (As of 31 December 2023 DKK 8,996k).

The opening balance presented is a preliminary balance since post-closing work is still ongoing.

Contingent consideration

The contingent consideration is based on a 3-year earn-out period with an increasing potential payout each year based on specified revenue and Business Line contribution targets for each earn-out period. The minimum payout for the entire contingent consideration is GBP 0, while the maximum is GBP 1,950k (As of 31 December 2023 DKK 16,726k). The earn-out period covers the financial years 2024 - 2026.

The most probable undiscounted contingent consideration for the three-year period is assessed at GBP 658k (As of 31 December 2023 DKK 5,644k). The fair value of the contingent consideration is GBP 507k (As of 31 December 2023 DKK 4,349k). The estimates are based on a Weighted Average Cost of Capital (WACC) of 10% as the basis for the calculation.

Opening balance

DKK '000	Endless Gain Limited	Total 2024
Other intangible assets	7,033	7,033
Total non-current assets	7,033	7,033
Trade receivables	1,866	1,866
Prepayments	103	103
Other receivables	148	148
Cash	3,139	3,139
Total current assets	5,256	5,256
Trade payables	-237	-237
Debt to credit institutions	-123	-123
Corporation tax and deferred tax	-2,262	-2,262
Accruals	-174	-174
Other debt	-989	-989
Total current debt	-3,785	-3,785
Net assets acquired	8,504	8,504
Goodwill	8,996	8,996
Total consideration	17,500	17,500
Net working capital not paid	1,704	1,704
Acquired cash funds	-3,016	-3,016
Contingent consideration	-4,350	-4,350
Cash consideration on acquisition date	11,838	11,838

Notes

Note 13 – Business combination (continued)

Other information

The fair value of acquired trade receivables is GBP 218k (As of 31 December 2023 DKK 1,866k). No material amounts are recognized as provision for loss.

The goodwill is primarily attributable to the specific competences within the advanced analytical and behavioral psychology insights their platform generates in Endless Gain. The goodwill is fully allocated to the business line Digital Commerce and is not deductible for tax purposes.

All transaction cost is included in the Other external cost in the income statement.

Revenue and profit contribution

Endless Gain Limited were acquired on first of January, hence all revenue and profit contribution will be included in the financial year 2024.

Note 14 – Discontinued operations

DKK '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Gain (loss) on disposal of subsidiaries	0	0	0	0	3,050
Recirculation of historical currency adjustments	0	0	0	0	1,200
Transaction costs related to disposal	-1,367	-386	-2,078	3,076	-1,123
Total gain (loss) on divestment of discontinued operations	-1,367	-386	-2,078	3,076	3,127

Discontinued operations in 2024

There have not been any discontinued operations in 2024. The transaction costs are related to previous disposals.

Receivables from divestments of activities

On 1st November 2021, our SMB business in our US entity was sold as part of the Focus23 strategy. The business activity is consequently classified as discontinued operations in 2021. The transaction was settled partly in cash at the transaction date (USD 8m), and partly as deferred consideration which was due in Q2 2022 (USD 8.5m) corresponding to DKK 59.214k. The buyer has still not paid the outstanding amount since they have asserted claims related to the acquired activity. In 2024 the requirement were specified. We continue to consider our chances of recovering our receivable as good. It remains our assessment that we will receive the full amount. The lawsuit, based on previous legal discussions, will proceed in 2025.

The requirement is not specified or documented further, why a legal collecting process has been initiated to collect our receivable.

Notes

Note 15 – Related parties

Related parties with significant influence

ATEA (Lautrupvang 6, 2750 Ballerup)

Consolidated Holdings A/S has significant influence in ATEA, and certain dual roles in the management are filled by the same persons in ATEA and the Columbus Group. Transactions with the company are made on an arm's length basis.

X-Yachts A/S (Fjordagervej 21, 6100 Haderslev)

Consolidated Holdings A/S has a significant influence in X-Yachts A/S and certain roles in the management are filled by the same persons in X-Yachts and Columbus Group. Transactions with X-Yachts A/S were made on arm's length.

DKK '000	Group	
	Q2 2024	Q2 2023
Net sales		
Atea	1,739	2,581
X-Yachts A/S	174	806
Total	1,913	3,387
Net purchase		
Atea	-4,776	-5,991
Total	-4,776	-5,991

Note 16 – Events after the balance sheet date

To this date, no events have occurred after the balance sheet date, which would influence the evaluation of this report.

Notes

Key figures, ratios and Alternative Performance Measures

Key figures and ratios

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33.

Other ratios are calculated in accordance with the Danish Finance Society "Recommendations & Financial Ratios". The financial ratios stated are calculated as follows:

EBITDA-margin	Earnings before interest, tax, depreciations and amortizations (EBITDA)	
	Net revenue	
Operating margin	Operating profit (EBIT)	
	Net revenue	
Return on equity	Profit after tax and excl. minority interests	
	Average equity excl. minority interests	
Return on invested capital (ROIC)	EBITA	
	Average invested capital including goodwill	
Equity ratio	Equity excl. minority interests	
	Total equity and liabilities	
Earnings per share (EPS)	Profit after tax and excl. minority interests	x f
	Average number of shares	
Book value per share (BVPS)	Equity excl. minority interests end of year x 100	x f
	Number of shares end of year	
Cash flow per share	Cash flow from operations	x f
	Average number of diluted shares	
Adjustment factor (f)	Theoretical rate	
	Listed price of stock the day before the subscription and/or stock right cease	
Recurring Revenue % of total revenue	Recurring revenue	
	Net revenue	

Alternative Performance Measures

Organic Growth and Revenue

Organic Growth and Revenue represents the business excluding the impact of acquisitions, divestments and changes in currency.

The purpose of defining Organic Growth is to show a "like-for-like" comparison with the previous year.

Constant currency growth

Growth is measured in constant currency by converting actual figures in local currency to DKK with the historical exchange rate for the given currency. When measuring for a period, the average historical exchange rate is used. Growth is measured based on the actual historical figure compared to the calculated constant currency figure.

Recurring Revenue

Recurring Revenue includes Columbus Software maintenance, Columbus Cloud revenue, 3rd party maintenance revenue, 3rd party cloud revenue, Columbus Care agreements.

Recurring revenue does not necessarily mean a binding contractual agreement. However recurring revenue is defined as revenue with a high degree of certainty for renewal >95%.

The purpose of defining Recurring Revenue is to express a level of predictability in the revenue. The higher degree of Recurring Revenue in pct. of total revenue – the more predictable is the Columbus revenue going forward.

Efficiency

Efficiency is calculated as all invoiced customer hours divided by available customer hours. Available customer hours are calculated as normal work schedule hours for all productive employees, less hours for holiday and parental leave.

