

Press release

secunet Security Networks AG: Audited annual financial statements and annual report for 2023 and forecast for 2024

[Essen / Germany, 22 March 2024] secunet Security Networks AG (ISIN DE0007276503, WKN 727650), Germany's leading cybersecurity company and IT security partner of the Federal Republic of Germany, today published its audited annual financial statements and annual report for 2023 as well as its forecast for 2024.

With growth of 13% compared to the previous year (347.2 million euros), secunet Group's revenue reached a new record of 393.7 million euros in the 2023 financial year. This marks the tenth consecutive year in which the company has achieved record revenue. The increase in sales compared to the previous year is primarily due to growth in the Public Sector division. This achieved sales of 344.8 million euros, which corresponds to an increase of 15% compared to the previous year (300.3 million euros). In particular, the product business with the SINA family and biometric border control systems developed extremely positively. The Business Sector division achieved sales of 48.9 million euros. This corresponds to an increase of 4% compared to the previous year (46.9 million euros), mainly due to an increase in sales in the healthcare sector.

secunet Group grew significantly both on the German market and in its international business. In Germany, revenue increased by 13% from 316.4 million euros in the previous year to 358.5 million euros in the 2023 financial year. In its international business, secunet Group generated revenue of 35.1 million euros in the reporting period - an increase of 14% compared to the previous year (30.9 million euros).

secunet Group's earnings before interest and taxes (EBIT) amounted to 43.0 million euros in the 2023 financial year (previous year: 47.0 million euros). The decline in EBIT is due to a change in the product mix, which

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consisted of a higher proportion of merchandise and a lower proportion of high-margin licenses and services. In addition, investments in the product portfolio and personnel expansion led to an increase in the cost base. EBIT in the Public Sector totaled 42.5 million euros (previous year: 46.1 million euros) and in the Business Sector 0.5 million euros (previous year: 0.9 million euros).

In the 2023 financial year, secunet Group generated consolidated net income for the period of 29.0 million euros (previous year: 31.3 million euros). Accordingly, earnings per share amounted to 4.51 euros (previous year: 4.84 euros). The net income of secunet Security Networks AG under German commercial law amounted to 30.5 million euros (previous year: 36.9 million euros). On the basis of these results, the Management Board and Supervisory Board will propose a dividend of 2.36 euros (previous year: 2.86 euros) to the Annual General Meeting to be held on 23 May 2024. This continues the long-standing dividend policy of distributing half of the net income for the year under German commercial law.

In the 2023 financial year, secunet Group recorded an inflow of cash and cash equivalents of 19.8 million euros after a cash outflow of 98.0 million euros in the previous year. This positive development is attributable to a strong cash flow from operating activities, which increased from -4.0 million euros in the previous year to 51.9 million euros in the 2023 financial year due to a reduction in working capital. The comparative figure for the previous year was characterized by the acquisition of SysEleven GmbH, which led to a high cash outflow from investing activities.

"We are delighted to have once again achieved significant sales growth and a new record turnover. The fact that both the Public Sector and the Business Sector as well as the national and international business contributed to this success is particularly positive. As expected, EBIT was characterized by a changed product mix and our growth

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investments," said Axel Deininger, CEO of secunet Security Networks AG.

secunet Group started the 2024 financial year with an order book of 190.2 million euros. This almost corresponds to the very high order backlog on the previous year's reporting date (197.6 million euros). Based on the order backlog and against the backdrop of the uncertain federal budget situation, the Management Board expects sales in the 2024 financial year to be at a similar level to the 2023 financial year. The Management Board is therefore planning for sales of around 390 million euros. Furthermore, the Management Board expects EBIT of around 42 million euros for the 2024 financial year. The company had already announced this in October 2023.

"We expect demand for our cyber security solutions to remain strong. This is underlined by the high number of firm commissions and orders. Looking ahead to the coming months, however, the tense budget situation in the German public sector is leading to uncertainty on the customer side. Based on these factors, we are forecasting sales and earnings development for the 2024 financial year to be in line with the previous financial year," Deininger continues.

The 2023 Annual Report is available for download at www.secunet.com.

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secunet – Protecting Digital Infrastructures

secunet is Germany's leading cybersecurity company. In an increasingly connected world, the company's combination of products and consulting assures resilient digital infrastructures and the utmost protection for data, applications and digital identities. secunet specialises in areas with unique security requirements – such as cloud, IIoT, eGovernment and eHealth. With security solutions from secunet, companies can maintain the highest security standards in digitisation projects and advance their digital transformation.

Over 1,000 experts strengthen the digital sovereignty of governments, businesses and society. secunet's customers include federal ministries, more than 20 DAX-listed corporations as well as other national and international organisations. The company was established in 1997, is listed at the German Stock Exchange and generated revenues of around 393 million euros in 2023.

secunet is an IT security partner to the Federal Republic of Germany and a partner of the German Alliance for Cyber Security.

Further information can be found at www.secunet.com

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