

secunet Security Networks AG

Group Quarterly Statement as at 30 September 2021

Sales revenue performance

In the reporting period from 1 January to 30 September 2021, secunet Group increased sales revenue by 32% from 189.0 million euros in the previous year to 249.4 million euros. The high sales growth was already apparent after the first quarter and from then on significantly exceeded our planning.

Sales in the Public Sector segment – whose products and services are geared towards public clients within and outside Germany, as well as international organisations – rose by 25% to 204.1 million euros (previous year: 163.7 million euros). Growth was driven primarily by continued very high demand from the public sector for secure mobile workstations. The segment contributed 82% to Group sales revenue (previous year: 87%).

The Business Sector segment – which addresses companies in the private and healthcare sectors – generated growth of 79% in sales revenues to 45.3 million euros (previous year: 25.4 million euros). The decisive factor here was the product business with the secunet healthcare connector, which developed very well in the reporting period. The share of this segment in the Group's sales revenue in the first half-year was thus 18% (previous year: 13%).

From a geographical perspective, secunet saw sales revenue in Germany increase by 34% to 229.8 million euros (previous year: 171.2 million euros). secunet's international business generated revenue of 19.7 million euros, corresponding to an increase of 10% on the previous year's figure (17.8 million euros). The share of international business was thus 8% (previous year: 9%).

Earnings performance

Earnings before interest and taxes (EBIT) improved disproportionately relative to sales revenue, rising by 52% to 48.7 million euros (previous year: 32.1 million euros). The EBIT margin improved by 2.5 percentage points to 19.5% (previous year: 17.0%).

EBIT increased in both segments as a result of the higher demand for products: EBIT in the Public Sector segment grew by 24% to 43.4 million euros (previous year: 35.0 million euros). The Business Sector generated a positive EBIT of 5.3 million euros, as against -3.0 million euros in the previous year.

Order book

The demand for products from secunet remains very high. The order book as at 30 September 2021 amounted to 174.9 million euros and was thus higher than at the same reporting date in the previous year (112.0 million euros) and at the end of the first half of 2021 (160.9 million euros). The increase in the order book results primarily from a high level of orders received from customers in the Public Sector segment.

Cash flow development

19.8 million euros in cash and cash equivalents was disbursed during the first nine months of the 2021 financial year, compared with a cash outflow of 18.6 million euros in the same period of the previous year. The positive effect from the increased earnings before taxes was diminished, in particular, by payments for investments in intangible assets and property, plant and equipment as well as for the acquisition of stashcat GmbH. Additionally, 16.4 million euros was distributed to shareholders in the form of a dividend payment in the period under review.

Cash and cash equivalents were down from 101.6 million euros as at 31 December 2020 to 81.8 million euros as at 30 September 2021. As at the previous year's reporting date of 30 September 2020, cash and cash equivalents amounted to 45.9 million euros.

Outlook

The results achieved during the first nine months of the 2021 financial year leave us on course to continue enjoying profitable growth. On the basis of the results and an optimistic outlook for the fourth quarter, the Management Board confirms its forecast for the 2021 financial year (updated on 20 April 2021), with sales revenues of around 330 million euros and an EBIT of about 59 million euros expected.

Achieving this forecast will depend to a large extent on continuation of a stable supply situation for intermediate products, in particular the availability of semiconductors. At the present time, we do not see any indications of a significant restriction of our ability to perform and deliver. We are nevertheless closely monitoring and evaluating ongoing developments.

Essen, 3 November 2021

Axel Deininger

Torsten Henn

Dr Kai Martius

Thomas Pleines

Forward-looking statements

This Interim Communication contains statements regarding the future performance of secunet Security Networks AG, as well as economic and political developments. These statements are opinions that we have formed based on the information currently available to us. Should the assumptions on which these statements are based not be applicable or should further risks arise, the actual results may deviate from the results currently expected. We cannot therefore offer any guarantee as to the accuracy of these statements.

Issued by

secunet Security Networks AG
Kurfürstenstrasse 58
45138 Essen, Germany

Contact

Investor Relations
secunet Security Networks AG
Kurfürstenstrasse 58
45138 Essen, Germany
Phone: +49 201 54 54 12 27
Fax: +49 201 54 54 12 28
e-mail: investor.relations@secunet.com
Internet: www.secunet.com