

### Half-year results in line with the strategic plan: steady revenue growth and sharp reduction in net financial debt

A first half in line with the objectives of the **One econocom** strategic plan

- **First-half revenue at €1,335 million, up 3.0%: this growth was driven by all businesses and is in line with 2024 guidance;**
- **Operating margin at €38.3 million, impacted by the significant investments engaged as planned to implement the plan in both the sales force and IT and security;**
- **Net financial debt reduced to €180 million at end-June 2024 (vs. €321 million at the end of June 2023) thanks to the sale of Les Abeilles, and solid free cash flow over the past 12 months;**
- **New governance to support the deployment of the strategic plan; appointment of Jean-Louis Bouchard and Angel Benguigui respectively as Operational Chairman and Group CEO.**

#### Revenue growth across all businesses. A half-year of investment

The Econocom Group generated revenue of €1,335 million in the first half of 2024, up 3.0% compared with the same period in 2023 (vs. +2.6% in Q1) with all businesses contributing to this growth. In organic terms, growth came to 2.9%, in the absence of major changes to the scope of consolidation.

Over the period, trends in continuing operations were as follows:

- Technology Management & Financing (TMF) posted revenue of €506 million, an increase of 6.1%, including +5.9% organic growth. The group is capitalising on the quality of its flexible, customised financing offers to expand sales in targeted geographical regions. In line with its strategic plan, in the first half, Econocom continues to pursue its investments to recruit Account Managers and agents and update operational sales tools. As a result, operating margin came to €14.6 million, down €2.5 million compared with H1 2023.
- Products & Solutions (P&S) revenue totalled €591 million, up 1.1%. After a first quarter which saw a 2.5% decline in business, growth recovered during the second quarter, driven by stronger trends in the European IT distribution market. Operating margin came to €14.4 million, down slightly by €1.1 million compared with H1 2023.
- At end-June 2024, the Services business reported revenue of €239 million, up 1.2% on a purely organic basis. Operating margin accordingly was €9.3 million, in line with the first half-year 2023.

Overall, the Group's operating margin was €38.3 million.

Other operating income and expenses amounted to -€4.1 million, i.e. down by €0.3 million compared to the amount recorded for the same period in 2023.

After financial income of -€5.9 million, an income tax expense of -€9.3 million and profit (loss) from discontinued operations of €5.7 million, consolidated net profit totalled €23.1 million for the first half of 2024 vs. €24.7 million for the same period of the previous year.

## Sharp decline in net financial debt

In line with the commitments made as part of the **One econocom** strategic plan for 2024-2028, the group launched its non-strategic asset divestment programme to help self-fund its external growth policy. As part of this programme, in early June, the group finalised the disposal of its Les Abeilles subsidiary, enabling it to raise just over half of the €180 million disposal proceeds planned as part of the **One econocom** plan.

Furthermore, over the past 12 months, the group generated €88 million in free cash flow thanks to efforts made by all of its entities to reduce their working capital requirements.

Thanks to these two impacts, net financial debt was down to €180 million at end-June 2024, compared with €321 million a year earlier. This level of indebtedness at end-June is the lowest seen over the past 10 years at the same time.

## New governance

The Econocom Board of Directors unanimously approved the separation of the roles of Chairman and CEO, as well as the appointment of Angel Benguigui as Group CEO. Jean-Louis Bouchard, founder of Econocom, is now the Operational Chairman. Angel Benguigui will be able to rely on his support and advice, in keeping with the excellent dialogue and climate of trust they have built over their many years working together. An Executive Committee will be announced soon, to strengthen the skills and enhance the complementary profiles of the Management team.

## 2024 Outlook

Given these strong trends at end-June, Econocom confirms its 2024 guidance of generating revenue growth of between 3% and 5%.

Next publication: information meeting on H1 2024 results, 25 July 2024

### ABOUT ECONOCOM

The Econocom Group, created 50 years ago, is a pioneer in supporting the digital transformation of companies. Its solutions, focused on the development and transformation of the workplace, audiovisual & digital signage as well as infrastructure, cover the full range of responsibilities and expertise necessary for any digital venture: from the design phase and help in the choice of the solution to the deployment of the equipment and outsourcing. It includes the purchase or rental of equipment, customisation, associated and managed services, as well as the reconditioning of end-of-life equipment.

Present in 16 countries with more than 8,800 employees, Econocom is listed on Euronext in Brussels, Bel Mid and Family Business indices. It generated revenue of €2,681 million in 2023.

### FOR MORE INFORMATION

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## INCOME STATEMENT

| (€M)  | H1.2023<br>restated | H1.2024     |
|---|---------------------|-------------|
| <b>Revenue</b>  | 1,296.7             | 1,335.4     |
| <b>Operating margin</b>   | 42.7                | 38.3        |
| Amortisation of intangible assets from acquisitions                       | -1.3                | -1.5        |
| Other operating income and expenses                                       | -4.4                | -4.1        |
| <b>Operating profit</b>   | <b>37.0</b>         | <b>32.6</b> |
| Other financial income and expenses                                       | -8.6                | -5.9        |
| Profit before tax   | 28.5                | 26.7        |
| Income tax  | -8.3                | -9.3        |
| <b>Net profit from continuing operations</b>                              | <b>20.1</b>         | <b>17.4</b> |
| Profit (loss) from discontinued operations and equity accounted companies | 4.6                 | 5.7         |
| <b>Net profit for the period</b>  | <b>24.7</b>         | <b>23.1</b> |

## BALANCE SHEET

| <b>(€m) ASSETS</b>                               | <b>31.12.2023</b> | <b>30.06.2024</b> |
|--|-------------------|-------------------|
| Goodwill   | 525               | 525               |
| Other long-term assets                           | 202               | 204               |
| Residual interest in leased assets               | 164               | 170               |
| Trade and other receivables                      | 776               | 838               |
| Other current assets                             | 161               | 171               |
| Cash and cash equivalents                        | 227               | 261               |
| Assets held for sale                             | 225               | 99                |
| <b>TOTAL ASSETS</b>                              | <b>2,280</b>      | <b>2,268</b>      |
| <b>(€m) EQUITY &amp; LIABILITIES</b>             | <b>31.12.2023</b> | <b>30.06.2024</b> |
| Equity – attributable to owners of the parent    | 414               | 399               |
| Non-controlling interests                        | 61                | 67                |
| <b>EQUITY</b>                                    | <b>475</b>        | <b>466</b>        |
| Bonds  | 202               | 201               |
| Financial liabilities                            | 206               | 239               |
| Gross liability for repurchases of leased assets | 107               | 113               |
| Provisions                                       | 53                | 48                |
| Trade and other payables                         | 827               | 848               |
| Other liabilities                                | 331               | 322               |
| Liabilities held for sale                        | 79                | 31                |
| <b>TOTAL EQUITY AND LIABILITIES</b>              | <b>2,280</b>      | <b>2,268</b>      |

**Appendix:** Reconciliation between financial data at the end of H1 2023 as reported in the 2023 half-yearly report and data contained in the 2024 half-yearly report.

“H1 2023 reported” corresponds to revenue and operating margin as presented in the 2023 half-year report.

“H1 2023 restated” corresponds to H1 2023 revenue and operating margin as presented in the 2024 half-yearly report published today and takes into account changes in discontinued activities as per IFRS 5 and changes in accounting presentations. It serves as the basis for calculating growth rates at constant standards.

“H1 2023 pro forma” corresponds to H1 2023 restated revenue and operating margin also adjusted for currency impacts and changes in the scope of consolidation (acquisitions and disposals). It serves as the basis for calculating growth rates at constant standards and scope.

| <b>Revenue (€m)</b>   | <b>Group total</b> | <b>TMF</b>  | <b>P&amp;S</b> | <b>Services</b> |
|---|--------------------|-------------|----------------|-----------------|
| <b>H1 2023 reported</b>   | <b>1,337</b>       | <b>498</b>  | <b>585</b>     | <b>254</b>      |
| Deconsolidation of discontinued activities and other adjustments for comparability purposes | -40                | -22         | -1             | -17             |
| <b>H1 2023 adjusted</b>   | <b>1,297</b>       | <b>476</b>  | <b>584</b>     | <b>237</b>      |
| Foreign currency translation adjustments  | 1                  | 1           | 1              | -               |
| Change in consolidation scope (acquisitions)  | 0                  | 0           | -              | -               |
| <b>H1 2023 Pro Forma</b>  | <b>1,298</b>       | <b>477</b>  | <b>585</b>     | <b>237</b>      |
| <b>Operating margin in €m</b>   | <b>Group total</b> | <b>TMF</b>  | <b>P&amp;S</b> | <b>Services</b> |
| <b>H1 2023 reported</b>   | <b>44.2</b>        | <b>17.3</b> | <b>15.9</b>    | <b>11.0</b>     |
| Deconsolidation of discontinued activities and other adjustments for comparability purposes | -1.5               | -0.1        | -0.5           | -0.9            |
| <b>H1 2023 adjusted</b>   | <b>42.7</b>        | <b>17.1</b> | <b>15.5</b>    | <b>10.1</b>     |
| Foreign currency translation adjustments  | -                  | -           | -              | -               |
| Change in consolidation scope (acquisitions)  | -0.1               | -0.1        | -              | -               |
| <b>H1 2023 Pro Forma</b>  | <b>42.6</b>        | <b>17.0</b> | <b>15.5</b>    | <b>10.1</b>     |