

2023 full-year results

Revenue: €307.5m, +2.4%

Operating profitability: 8.9% of revenue

Group net income: €18.1m

Dividend to be proposed at the Shareholders' Meeting: €2 per share

Outlook for 2024:

Growth expected to resume in the second half of the year

Infotel, (ISIN code: FR0000071797 – ticker: INF), **the leading digital transformation partner for key accounts in Europe**, today announced the publication of its 2023 financial statements, as approved by the Board of Directors at its meeting of 13 March 2024 and audited by the company's statutory auditors.

In € million at 31 December (audited accounts - IFRS)	2023	2022	% change
Consolidated revenue	307.5	300.4	+2.4%
<i>o/w Services</i>	<i>296.0</i>	<i>289.9</i>	<i>+2.1%</i>
<i>o/w Software</i>	<i>11.5</i>	<i>10.5</i>	<i>+9.6%</i>
Payroll costs <i>excluding free shares</i>	(124.8)	(113.6)	+9.8%
External expenses	(140.1)	(143.1)	-2.1%
EBITDA¹	35.2	38.8	-9.3%
<i>% of revenue</i>	<i>11.4%</i>	<i>12.9%</i>	<i>-1.5pt</i>
Depreciation, amortisation and provisions	(10.2)	(9.3)	+9.7%
Current operating income excluding free shares	27.5	29.8	-7.7%
<i>% of revenue</i>	<i>8.9%</i>	<i>9.9%</i>	<i>-1pt</i>
Current operating income	24.9	29.8	-16.5%
<i>% of revenue</i>	<i>8.1%</i>	<i>9.9%</i>	<i>-1.8pt</i>
Operating income	24.9	29.8	-16.5%
Net financial income	0.7	(0.6)	n/a
Income tax	(7.1)	(7.9)	-10.9%
Group net income	18.1	20.3	-11.0%
<i>% of revenue</i>	<i>5.9%</i>	<i>6.8%</i>	<i>-1.1pt</i>

¹ EBITDA is calculated as follows: Current operating income + depreciation, amortisation and provisions – provisions for current assets + provisions for disputes + amortisation of research tax credit + retirement provisions.

Business growth in a sluggish market

The year 2023 was marked by a less buoyant economic environment and a slowdown in investment in the banking sector from Q2 onwards, resulting in full-year sales growth of 2.4% to €307.5 million.

In **Services**, up +2.1% to €296.0m, the Banking/Finance sector will account for just 38.7% of Services business in 2023 (41.5% in 2022), Industry 27.9%, Services/Transport 18.6%, Insurance/Pensions 11% and Public Sector 3.8% of total Services business.

At the end of the fiscal year, the Group's total workforce had increased to 3,262 employees, with an employee departure rate of 12%, one of the best standards on the market, illustrating the Group's ability to attract new talent each year and retain them over the long term. The inter-contract rate remained low, averaging 2.2% over the year.

The **Software** activity saw an increase in revenue of 9.6% in 2023 to €11.5m, which includes €2.8m in revenue for the Orlando suite, up 50% compared with 2022. The total number of Orlando contracts signed at 31 December 2023 represented €3.2m in ARR².

With a current customer base of 38, and further significant growth potential with several leading airlines, **the Orlando software suite** saw continued strong sales momentum. The agreement with Airbus on equipping all of the brand's aircraft resulted in production being launched in February 2024, with the first revenues from this partnership expected to be recognised as of this year.

Operating profitability dampened by a decline in activity and an active investment policy

Marked by the decline in business, the 2023 results also reflect the emphasis placed on investments during the year to support the Group's various developments, with in particular:

- **continued internationalisation** with the creation of two entities in North America (Canada and the United States) to support Airbus and a strengthening of the service centres in India and Morocco, which represent a pool of talent to conquer major new European accounts;
- the extension of investments in AI with **the creation of an artificial intelligence laboratory** around an in-house team of experts, backed by a partnership with a leading French start-up in the field. The objectives of this laboratory are to identify use cases and upskill and enhance the expertise of employees on the issues and challenges of AI.

Current operating income (excluding free shares) therefore came to €27.5m in 2023, down 7.7% compared with 2022, with a current operating margin of 8.9% of revenue.

After taking into account financial income and tax expense, group net income came to €18.1m, down 11% compared with 2022, representing a net margin rate for the period of 5.9%.

A healthy balance sheet structure

The balance sheet showed an increase in shareholders' equity to €117.9m compared with €115.7m a year earlier, with no financial debt.

Cash at the end of 2023 amounted to €96.9m compared with €97.8m in 2022. Note that for 2022, cash was subject to an accounting restatement under financial fixed assets in the amount of €15m.

Proposed dividend of €2 per share

Infotel's Board of Directors will propose the payment of a dividend of €2 per share in respect of 2023 at the Shareholders' Meeting on 22 May 2024. The recurrent pay-out policy confirms management's confidence in the Group's prospects.

² ARR – Annual Recurring Revenues: annual value of a contract over a full year.

Recovery expected in the second half of 2024

With a rejuvenated and modernised structure, a committed CSR policy, a new Chief Financial Officer and a full-parity Board of Directors, **Infotel** has everything it needs to pursue its development.



Following on from 2023, **Infotel** anticipates a stable first half followed by a rebound in activity in the second half of the year underpinned by the resumption of investments in the area of digital transformation.

In the longer term, **Infotel** confirms the ambition set out in its strategic plan to achieve revenue of €380m (excluding acquisitions) by 2026, with a current operating margin of more than 10%.

Upcoming events

Annual Shareholders' Meeting on 22 May 2024 at 2.30 p.m.
Publication of Q1 2024 revenue on 22 May 2024, after market close

About Infotel

  Listed on Compartment B of Euronext Paris since January 1999 (ISIN FR0000071797), **Infotel** specializes in digital transformation for major accounts, from mobile to very high-volume databases (Big Data). Operating at the forefront of technological innovation, **Infotel** develops its expertise across two complementary divisions: IT services and software publishing. **Infotel** posted revenue of €307.5m in 2023 and employs nearly 3,200 people.

Contacts

INFOTEL

Michel Koutchouk
Chief Executive Officer
Tel.: 33 (0)1 48 97 38 38
michel.koutchouk@infotel.com

SEITOSEI.ACTIFIN

Ghislaine Gasparetto
Financial communication
Tel.: 33 (0)1 56 88 11 22
ghislaine.gasparetto@seitosei-actifin.com

SEITOSEI.ACTIFIN

Jennifer Jullia
Financial press relations
Tel. 33 (0)1 56 88 11 19
jennifer.jullia@seitosei-actifin.com