

## Preliminary 2023 data and initial 2024 guidance in line with PAsE

*Syzygy Group has indicated preliminary 2023 data, with operating data meeting expectations. Restructuring expenses and goodwill impairment reduces the reported results, but in line with guidance. These measures lead to 2024 guidance calling for constant revenues with significantly higher profitability. Operating cash flow is slightly stronger than modelled and financing remains sound although no dividend will be paid for 2023. With no changes to estimates, we confirm our BUY / EUR 7.0. TP*

### Slowing revenue in the final quarter albeit in line with expectations

A trading statement indicates that 2023 finished in line with expectations that had to be revised in the summer with weakness at the strategy consulting subsidiary (*different*). Annual revenue increased by 2% to EUR 71.7m (PAsE EUR 72m), indicating a slight slowing in Q4. The FY'23 figures were driven by Germany with 4% growth to EUR 57.4m. The UK/USA segment dropped 16% to EUR 8.4m, with Poland at EUR 6.1m (+3%).

### Profits impacted by restructuring measures at the *different* consulting subsidiary

Operating income of EUR 5.2m (-16%) was in line with summer guidance impacted by the reluctance of existing customers to discretionary invest in the current environment. Restructuring measures at *different* cost EUR 1.2m and there was a goodwill impairment of EUR 4.7m, most of which had been flagged with 9M results.

### No dividend for 2023; initial 2024 guidance in line with PAsE

Given the EUR -2m loss at net income level, the Board has decided to refrain from paying a dividend for 2023. PAsE had assumed the 22 cents would be maintained, although in the current difficult environment it will protect 2024 cash flow by EUR 3m. Initial 2024 guidance calls for flat revenue with margin around 10% lending support to PAsE EUR 7.2m EBIT forecast. The detailed report will be published on 28 March.

Mark Josefson

+49 69 58997 437, mark.josefson@paretosec.com

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