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Columbus

Technology

19 August 2026

Q2 returns to growth in FY26 as activity improves

While the share price performance implies an investor focus on the muted market conditions, it is easy to miss the fact that Columbus' relationship with its customer base is becoming more solutions-based. This positions it well for the recovery that Q2 suggests might be beginning. The current valuation seems to be taking a wait-and-see stance, but continued evidence of increased customer activity combined with a strategic update in November could change that.

Financials: Modest growth returns in Q2

Q226 revenue rose 2% to DKK420m (H126: -1% to DKK838m). Q226 EBITDA was DKK17m giving DKK43m for the first half (Q225: DKK16m, H125: DKK 63m). Q226 EBITDA margin was unchanged year-on-year but below expectations. H126 EBITDA margin was 5.1% (H125: 7.4%). Operating cash flow was -DKK38m due to working capital outflows associated with new major customers (Q225: +DKK18m), giving H126 operating cash flow of -DKK41m (H125: +DKK35m). Management maintained guidance of organic revenue growth in the range of 0–5% and EBITDA margin in the range of 8–10%.

Strategy: All eyes on November

Management reported signs of gradually improving customer activity during Q2, although the focus on disciplined execution continued with average full-time equivalent workforce being trimmed to 1,422 from 1,492. This is the context in which the next strategy update will be released in November. We expect any new strategic messaging to include a continued focus on the existing emphasis of leveraging efficiently the group's business model, including growing recurring revenues through service centres.

Valuation: Wait and see

A group of ten Nordic peers currently trade on an average forward EV/EBITDA of 8.7x compared to 10.3x for Columbus (9.8x ex-leases) and an EV/sales of 1.25x versus Columbus on 0.9x. Given the continued uncertainty around any sustained return to growth, the market seems unwilling to take a strong stance on the current Columbus valuation. It is possible that continued evidence in the future of increased customer activity combined with a compelling strategic update in November could change that.

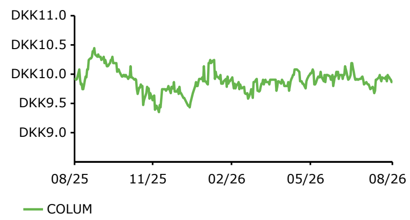
Financial Summary

Year end	Revenue (DKKm)	EBITDA (DKKm)	PBT (DKKm)	EPS (DKK)	P/E (x)	EV/EBITDA (x)
12/23	1,540.0	117.0	39.3	0.18	54.9	12.7
12/24	1,659.0	152.6	57.8	0.45	22.0	9.8
12/25	1,576.0	113.5	46.8	0.17	58.1	13.1
12/26e	1,616.0	145.0	-	-		10.3

Source: Company data. EPS is from continuing operations only. 2026 figures based on the midpoint of company guidance.

Price	DKK9.88
Market cap	DKK1,265m

Share price performance



Share details

Code	COLUM
Listing	CSE
Shares in issue	128.0m
Net cash/(debt) including leases as at 30 June 2026	DKK(226.0)m

Business description

Columbus develops and implements industry-specific software solutions based on Microsoft Dynamics.

Bull points

- Strong growth in IT spend (9%) is expected in the UK, US and Nordic markets.
- 1,100 medium and large enterprise customers across manufacturing, food and beverage, retail and distribution, and life science.
- Diverse (product, consulting and managed service) revenue streams.

Bear points

- Challenging local market conditions.
- Modest revenue growth.
- Operational efficiency below management's targets.

Analysts

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