

Netum Group Plc

Business review
1 January–31 March 2025

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Netum Group Plc's business review

1 January–31 March 2025 (unaudited)

The year 2025 has started in line with our expectations

Unless otherwise stated, the figures in parenthesis refer to the comparison period and are in the same unit as the figures for the review period. The figures for 2025 contained in this business review are unaudited.

January–March 2025 in brief

- Revenue decreased 2.2% on the comparison period and was EUR 11.2 (11.4) million
- EBITDA amounted to EUR 1.1 (1.5) million or 9.9 (12.7) % of revenue
- EBITA was EUR 1.1 (1.4) million or 9.8 (12.4) % of revenue
- Comparable EBITA was EUR 1.1 (1.4) million or 9.8 (12.2) % of revenue
- Operating profit was EUR 0.3 (0.6) million or 2.4 (5.3) % of revenue
- Result for the period was EUR -0.1 (0.1) million or -0.6 (1.0) % of revenue

Group key figures

EUR thousand unless otherwise stated	1–3/2025	1–3/2024	Change	1–12/2024
Revenue	11,175	11,429	-2.2%	43,953
Revenue growth, per cent	-2.2%	35.4%		18.6%
Organic growth, per cent	-2.2%	7.1%		2.8%
EBITDA	1,104	1,453	-24.0%	4,607
EBITDA, % of revenue	9.9%	12.7%		10.5%
Operating profit excluding goodwill amortisation (EBITA)	1,090	1,423	-23.4%	4,477
EBITA, % of revenue	9.8%	12.4%		10.2%
Comparable EBITA ¹⁾	1,090	1,390	-21.6%	4,560
Comparable EBITA, % of revenue	9.8%	12.2%		10.4%
Operating profit (-loss)	265	609	-56.4%	1,137
Operating profit (-loss), % of revenue	2.4%	5.3%		2.6%
Result for the reporting period	-63	113	-155.9%	-456
Result for the reporting period, % of revenue	-0.6%	1.0%		-1.0%
Number of employees, at the end of the period	387	393	-1.5%	394
Overall capacity, own personnel (FTE), at the end of the period	372	N/A ²⁾		379

¹⁾ Items affecting comparability are presented in the table Comparable EBITA.

²⁾ Overall capacity, own personnel (FTE), has been reported for the first time in connection with the Financial Statements Release 2024. The value of the comparison period is not available.

Outlook for 2025 unchanged

Netum estimates its revenue in the financial year 2025 to be in the range of EUR 41–46 million and comparable EBITA to be 7–10% of revenue.

Netum expects the demand for IT services in the public sector to improve towards the end of the year, but intensified price competition to increase the challenge for the market. Global unprecedented uncertainty and unilateral decisions made by the major world powers create slowness and ambiguity in decision-making in the private sector. We believe that as the year progresses, adaptation to the new world situation will increase and the market will continue to grow.

CEO's statement



"The year 2025 started in line with our expectations without any major surprises. Our revenue decreased 2.2% on the comparison period, which was mainly due to the high project volume at the beginning of 2024. The result was in line with our forecasts, but the low mood of the IT market continued to be reflected in our operations. Despite this, our profitability remained at a good level.

Revenue for the first quarter was EUR 11.2 (11.4) million and comparable EBITA EUR 1.1 (1.4) million, or 9.8% (12.2%) of revenue. We are relatively satisfied with the profitability level, but at the same time we will continue our determined work to accelerate the growth of our business. In the current market situation, achieving profitable growth requires increased focus, clear priorities and efficient actions. We see that the market's low mood will continue at least until the end of the first half of the year, and we expect new projects to be launched in the second half of the year.

Competition is still very tough – especially in public service projects. It is also important for us to act responsibly in competitive tenders. We only offer solutions that we truly believe will bring value and benefit to the customer. We emphasise transparency: At the tendering stage, we help the customer understand the total cost of the project and the expected quality in order to avoid any unpleasant surprises during the project.

Public service IT projects are currently active, and we expect good growth potential in the number of projects in the second half of the year. On the other hand, the situation in the private sector is clearly more uncertain. Geopolitical tensions and the unpredictability of global political leaders are reducing investment willingness. Growing uncertainty regarding the outlook for global economic growth is hampering the decision-making of both companies and consumers. Ensuring profitability in this environment requires even more work, persistence and patience from us. Our focus is on profitable growth in the second half of the year in particular.

During the review period, we have continued to promote our strategically important AI project. We help our customers use artificial intelligence in a controlled and responsible way. Our goal is to build a smarter and more sustainable future, without forgetting people. We see significant opportunities in this area for both our customers as well as ourselves to strengthen our competitive advantage. In particular, the high-level competence of our experts and their ability to understand large entities make us stand out in our favour. This expertise is key to the successful implementation of AI solutions.

Our sustainability programme is progressing according to plan. One example of this is the national Facility Security Clearance (FSC) certificate, which the competent authority granted to Netum Ltd in February. The national Facility Security Clearance is an indication of Netum's high level of security and that Netum is a trusted partner for storing and handling classified information by government authorities. The preparation of our CSRD project is also progressing at a good pace. Next spring, we will publish our first sustainability report in line with the CSRD directive. For us, sustainability is not just about reporting – it is part of our day-to-day operations and decision-making. That's why we also want to communicate it openly and transparently through reporting.

As CEO, I have now completed my first quarter. I have been able to meet many of our customers, and every meeting has been educational and inspiring. These encounters have provided us with insights and perspectives that we can draw on in building Netum's future. I am grateful for the trust placed in me and the significant projects we are able to implement for our customers.

Finally, I would like to express my warmest thanks to our customers, employees and all our stakeholders. Through cooperation and a common direction, we build sustainable growth and future success – together.”

Repe Harmanen
CEO

Financial reporting in 2025

In 2025, Netum Group Plc will publish the following financial reports:

- half-year report for January–June 2025 on Tuesday 19 August 2025
- business review for January–September 2025 on Tuesday 4 November 2025

Reconciliation of alternative performance measures

EBITA and EBITDA

EUR 1,000	1–3/2025	1–3/2024	1–12/2024
Operating profit (-loss)	265	609	1,137
Consolidated goodwill amortisation	802	791	3,249
Goodwill amortisation	23	23	91
EBITA	1,090	1,423	4,477
Depreciation and amortisation	14	31	130
EBITDA	1,104	1,453	4,607

Comparable EBITA

EUR 1,000	1–3/2025	1–3/2024	1–12/2024
EBITA	1,090	1,423	4,477
Items affecting comparability			
Loss of investment (Optimo Systems Oy)			95
Proceeds for equipment sales/leaseback		5	17
Change negotiations		13	13
Items affecting comparability of salaries		-59	-59
Double materiality assesment		8	18
Transfer of the Netum DUX business			
Transaction expenses for the acquisition			
Items affecting comparability in operating profit total		-33	84
Comparable EBITA	1,090	1,390	4,560

Calculation of key figures

EBITDA	= Operating profit + consolidated goodwill amortisation + goodwill amortisation + depreciation and amortisation
EBITA	= Operating profit + consolidated goodwill amortisation + goodwill amortisation
Comparable EBITA	= Operating profit + consolidated goodwill amortisation + goodwill amortisation + items affecting comparability in operating profit
Earnings per share	= Result for the reporting period / Average number of shares outstanding during the period (average of beginning and end of period)
Equity ratio, %	= (Equity total + non-current capital loan + current capital loan) / Total equity and liabilities
Return on equity, %	= Result for the reporting period / Average equity
Number of employees, at the end of the period	Number of employees at the end of the review period
Overall capacity, own personnel (FTE)	The Overall Capacity, FTE (Full Time Equivalent) figure shows the overall capacity of the Group's personnel, converted into a value corresponding to the number of full-time employees. The figure includes the entire personnel, regardless of their role. The figure is not affected by annual leave, overtime leave, sick leave or other short-term absences. Part-time agreements and other long-term deviations from normal working hours reduce the amount of overall capacity in comparison with the total number of employees. The capacity of acquired companies' personnel has been considered as of the acquisition date.
Personnel turnover rate, %	= Number of employees resigned during the reporting period / Number of personnel at end of period * 100

In Helsinki, 29 April 2025

Netum Group Plc
Board of Directors

Additional information:

Netum Group Plc

Repe Harmanen, CEO
+358 400 467 717
repe.harmanen@netum.fi

Mari Ala-Sorvari
Head of External Reporting and Investor Relations
+358 50 494 9930
mari.ala-sorvari@netum.fi

Certified advisor:

Evli Plc
+358 40 579 6210