

**TRAINERS' HOUSE GROUP FINANCIAL STATEMENT RELEASE 1 JANUARY – 31 DECEMBER 2024****January-December 2024 in brief**

- net sales EUR 8.0 million (EUR 8.4 million), change of -4.6 % compared to the corresponding period of the previous year
- operating result EUR 0.0 million (EUR -0.1 million), 0.5 % of net sales (-1.2 %)
- result of the period EUR -0.1 million (EUR -0.1 million)
- cash flow from operations EUR 0.6 million (EUR 0.2 million)
- earnings per share EUR -0.05 (EUR -0.04)

October-December 2024 in brief

- net sales EUR 2.1 million (EUR 1.9 million), change of 12.9 % compared to the corresponding period of the previous year
- operating result EUR 0.0 million (EUR -0.2 million), -1.3 % of net sales (-8.9 %)
- result of the period EUR -0.2 million (EUR -0.2 million)
- cash flow from operations EUR 0.4 million (EUR 0.1 million)
- earnings per share EUR -0.08 (EUR -0.08)

Key figures at the end of 2024

- cash and cash equivalents EUR 1.5 million (EUR 1.2 million)
- interest-bearing liabilities of EUR 0.6 million (EUR 0.8 million) and interest-bearing net debt of EUR -0.9 million (EUR -0.3 million).
- equity ratio 65.5 % (63.5 %)

OUTLOOK FOR 2025

The company estimates the operating result for 2025 to be between EUR 0.1 million loss and 0.5 million profit.

PROPOSAL BY THE BOARD OF DIRECTORS FOR DISTRIBUTION OF DIVIDEND

At the end of the fiscal year 2024, the distributable funds of the Group's parent company are 0.5 million euros and Group's retained earnings are 2.9 million euros. Cash and cash equivalents were 1.5 million euros. Cash and cash equivalents increased 0.3 million euros during 2024.

The Board of Directors proposes to the general meeting on 26 March 2025, that from the retained earnings a dividend of EUR 0.05 per share be paid out on the shares of the company.

The dividend will be paid in one instalment on 4 April 2025 (record date 28 March 2025). The dividend will be paid to shareholders registered in the register of shareholders of the company on the record date of the dividend payment.



CEO ARTO HEIMONEN

In a challenging market situation, the company achieved its 2024 net sales and operating profit targets. In the second half of the year, net sales increased by six percent compared to the comparison period.

The cash and cash equivalents increased. Customer satisfaction remained high. Recruiting people in the early stages of their careers for Marketeer position was successful. The staff worked hard.

Acquiring new assignments succeeded better than expected in the latter part of the year. This will have a positive effect on the net sales at the beginning of the year. The productivity and profitability in the encounter marketing increased.

The company clarified its offering. The focus is better. Kasvusysteemi-product combines the encounter marketing and hands-on training. Customer results will improve.

Healthy cash flow and profitability continue to be the most important goals of the company.

The purpose of Trainers' House is to help people forward. This is possible by touching people, electrifying management and producing verifiable results.

Thank you to customers and all stakeholders.

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OPERATIONAL REVIEW

During the review period, the company focused on serving its customers.

The business operations developed better in the second half of the year compared to the beginning of the year. As a result, the company raised its outlook for 2024 in November.

The company wrote down deferred tax receivables by EUR 0.1 million. Therefore, the result for the 2024 financial year ended in a loss of EUR 0.1 million. The write-down has no cash flow impact. At the end of the financial year 2024 the company had allowable losses in Finland of EUR 2.4 million. The losses expire in 2024, 2025 and 2033.



FINANCIAL PERFORMANCE

Net sales for the reporting period were EUR 8.0 million (EUR 8.4 million). Operating result was EUR 0.0 million, 0.5 % of net sales (EUR -0.1 million, -1.2 %). The result for the period was EUR -0.1 million, -1.4 % of net sales (EUR -0.1 million, -1.1 %).

The breakdown of the Group’s figures (unit thousand euros) is presented in the following table:

(kEUR)	1-12/2024	1-12/2023
Net sales	8 047	8 437
Expenses:		
Expenses arising from employee benefits	-5 415	-5 691
Other expenses	-2 246	-2 316
EBITDA	386	430
Depreciation and impairment losses	-349	-531
EBIT	38	-101
EBIT, % of net sales	0.5	-1.2
Financial income and expenses	-18	6
Result before taxes	20	-95
Income taxes	-129	4
Result of the period	-109	-91
Result, % of net sales	-1.4	-1.1

LONG-TERM OBJECTIVES

The company’s long-term goal is profitable growth.

FINANCING, INVESTMENTS AND SOLVENCY

Cash flow and key financing figures (unit million euros)

	1-12/2024	1-12/2023
Cash flow from operations before financial items	0.6	0.2
Cash flow from operations	0.6	0.2
Cash flow from investments	0.0	0.1
Cash flow from financing	-0.3	-1.3
Total cash flow	0.3	-1.1

	12/2024	12/2023
Cash	1.5	1.2
Interest-bearing debt	0.6	0.8
Equity ratio %	65.5	63.5



MAJOR RISKS AND UNCERTAINTIES

Trainers' House's business is sensitive to economic fluctuations.

The general economic situation internationally and in Finland contains significant risks. The war in Europe and Middle East, the tense world political situation and the possible expansion of the crisis can cause rapid changes in the operating environment.

Possible world trade restrictions and changes in the world political situation affect the exports of Finnish companies, which is reflected in the demand of the domestic market. The probability of this risk has increased. The demand in the domestic market will also diminish due to public cost-cuttings and tax increases. The change in domestic market demand directly affects Trainers' House's business.

Compared to the level of the last decade, the high interest rate has a negative effect on economic activity. Inflation can also accelerate due to, for example, world political crises.

The constant competition for the best employees affects recruitment and the commitment of key personnel. From the company's point of view, the labor market situation has eased over the past year.

The above-mentioned risks, when realized alone or together, have a significant impact on the company's operations.

The company divides the risk factors affecting business, earnings, and market capitalization into five main categories: market and business risks, personnel-related risks, technology and information security risks, financial risks, and legal risks.

Trainers' House has sought to hedge against the adverse effects of other risks with comprehensive insurance policies. These include statutory insurance, liability and property insurance and legal expenses insurance. Insurance coverage, insurance values and deductibles are reviewed annually together with the insurance company.

The Management Team reports to the Board on a monthly basis on key business-related risks and, where necessary, risk management measures.

The group has the reporting systems required for effective business monitoring. Internal control is linked to the company's vision, strategic goals and the business goals set on the basis of them.

The realization of business objectives and the Group's financial development are monitored on a monthly basis through the Group's corporate governance system. As an essential part of the control system, actual data and up-to-date forecasts are reviewed monthly by the Group Management Team. The control system includes, among other things, sales reporting, an income statement, a rolling revenue and profit forecast, and key figures that are important to operations.

Trainers' House is an expert organization. The magnitude of market and business risks is difficult to determine. Typical risks in this area are related to, for example, general economic development, customer distribution, technology choices, the development of competition and the management of personnel costs.

Risks are managed through the planning and regular monitoring of sales, human resources, and

operating expenses, which enables rapid action when circumstances change. The risks of trade receivables have been taken into account by the recognition of expenses based on the age of the receivables and individual risk analyzes.

The goal of Trainers' House's financial risk management is to secure the availability of equity and debt financing on competitive terms and to reduce the impact of adverse market movements on the company's operations.

Financial risks are divided into four categories, which are liquidity, interest rate risks, currency risks and credit risks. Each risk is monitored separately. Liquidity and interest rate risks are reduced with sufficient cash resources and efficient collection of receivables. Currency risks are low as Trainers' House operates primarily in the euro market. In financial risk management, the focus is on liquidity.

The success of Trainers' House as an expert organization depends on its ability to attract and retain skilled staff. In addition to a competitive salary, personnel risks are managed through incentive schemes and investments in personnel training, career opportunities and general well-being.

Technology is a key part of Trainers' House's business. Technology risks include, but are not limited to, supplier risk, risks related to internal systems, challenges posed by technological change, and security risks. Risks are protected against long-term cooperation with technology suppliers, appropriate security systems, staff training and regular security audits.

Trainers' House's legal risks are mainly focused on the contractual relationship between the company and customers or service providers. At their most typical, they relate to delivery responsibility and the management of intellectual property rights. In order to manage the risks related to contracts and intellectual property rights, the company has internal guidelines for contractual procedures. In the company's view, the contractual risks are not unusual.

At the end of the review period, goodwill and other intangible assets recognized in the balance sheet have been tested in the normal way. The test did not reveal any need for impairment.

The consolidated balance sheet of Trainers' House has goodwill of EUR 2.1 million. The balance sheet value of other intangible assets is EUR 1.0 million. If the Group's profitability does not develop as forecasted or other external factors independent of the Group's operations, such as interest rates, change significantly, it is possible that goodwill and other intangible assets will have to be written off. Recognition of an impairment loss would have no effect on the Group's cash flow.

Due to the project nature of the operations, the order backlog is short, and predictability is therefore challenging.

The description of potential risks is not comprehensive. Trainers' House conducts continuous risk assessment in connection with its operations and strives to hedge against identified risks.

Investors have also been informed about the risks in the company's annual review and on the website at www.trainershouse.fi.



PERSONNEL

At the end of the review period, the Group had 91 (96) employees. As before, the company reports the number of employees converted to full-time employees.

DECISIONS REACHED AT THE ANNUAL GENERAL MEETING

The annual general meeting of Trainers' House Plc was held on 27 March 2024 in Helsinki.

The annual general meeting confirmed the financial statements and discharged CEO and the members of the Board of Directors from liability for the fiscal year 1 January - 31 December 2023. The annual general meeting also decided to adopt the remuneration policy of the governing bodies.

The annual general meeting decided, in accordance with the board's proposal, that the company does not distribute a dividend from 2023.

Aarne Aktan, Jari Sarasvuoto, Jarmo Hyökyvaara, Elma Palsila and Emilia Tauriainen were re-elected as members of the Board of Directors. In the board meeting held after the annual general meeting, the Board of Directors elected Jari Sarasvuoto as the chairperson of the board.

The annual general meeting decided that the board member's remuneration shall be EUR 1,500 per month and the chairperson's remuneration will be EUR 3,500 per month.

Grant Thornton Oy was elected as the company's auditor. The remuneration to the auditor is paid according to the auditor's reasonable invoice.



SHARES AND SHARE CAPITAL

The company’s share is listed on Nasdaq Helsinki Ltd under the name Trainers’ House Plc (TRH1V).
At the end of the reporting period, Trainers’ House Plc had 2,147,826 shares and a registered share capital of EUR 880,743.59. The company does not hold any of its own shares. There have been no changes in the share capital during the period.

Share performance and trading

	1-12/2024	1-12/2023
Traded shares, pcs	292 126	324 875
Average number of all company shares, %	13.6	15.1
Traded shares, EUR	768 551	1 506 109
Highest share quotation	4.88	6.12
Lowest share quotation	2.00	3.38
Closing price	2.05	4.14
Weighted average price	2.63	4.64
Market capitalization	4.4 mil.	8.9 mil.

SUMMARY OF FINANCIAL STATEMENTS AND NOTES

The report has been prepared in accordance with IAS 34 standard. The report has been prepared in accordance with IFRS standards and interpretations that have been approved for application in the EU and are in force on 1 January 2024.

In this interim report Trainers’ House has followed the same accounting policies and calculation methods as in the 2023 annual financial statements, except for the new and amended standards that have come into force on 1 January 2024.

The figures given in the interim report are unaudited.

INCOME STATEMENT IFRS

(kEUR)				
	1-12/2024	10-12/2024	1-12/2023	10-12/2023
NET SALES	8 047	2 141	8 437	1 896
Expenses:				
Materials and services	-403	-116	-391	-82
Personnel-related expenses	-5 415	-1 468	-5 691	-1 352
Depreciation and impairment losses	-349	-90	-531	-126
Other operating expenses	-1 843	-495	-1 925	-505
Total expenses	-8 010	-2 169	-8 538	-2 065
Operating result	38	-28	-101	-169
Financial income and expenses	-18	-3	6	-2
Result before taxes	20	-31	-95	-171
Income taxes	-129	-143	4	1
RESULT OF THE PERIOD	-109	-174	-91	-171
Result attributable to owners of the parent company	-109	-174	-91	-171
Earnings per share, EUR	-0.05	-0.08	-0.04	-0.08
Earnings per share attributable to owners of the parent company, EUR	-0.05	-0.08	-0.04	-0.08



BALANCE SHEET IFRS

(kEUR)

ASSETS	12/2024	12/2023
Non-current assets		
Tangible assets	615	961
Goodwill	2 129	2 129
Other intangible assets	1 013	1 013
Long-term receivables		
Other receivables, long-term	105	138
Deferred tax receivables	82	202
Total long-term receivables	188	341
Total non-current assets	3 944	4 443
Current assets		
Account receivables and other receivables	638	783
Cash and cash equivalents	1 506	1 175
Total current assets	2 144	1 958
TOTAL ASSETS	6 088	6 401

(kEUR)

SHAREHOLDERS' EQUITY AND LIABILITIES	12/2024	12/2023
Equity attributable to the owners of the parent company		
Share capital	881	881
Distributable non-restricted equity fund	37	37
Retained earnings	3 021	3 111
Result of the period	-109	-91
Total shareholders' equity	3 829	3 939
Long-term liabilities		
Deferred tax liabilities	203	203
Long-term financial liabilities	349	631
Total long-term liabilities	551	833
Short-term liabilities		
Short-term financial liabilities	282	197
Accounts payable and other liabilities	1 426	1 432
Total short-term liabilities	1 708	1 629
Total liabilities	2 259	2 462
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	6 088	6 401



CASH FLOW STATEMENT IFRS

(kEUR)	1-12/2024	1-12/2023
Result of the period	-109	-91
Adjustments	500	570
Changes in working capital	216	-257
Cash flow from operations before financial items and taxes	607	222
Financial items and taxes paid	-35	-16
CASH FLOW FROM OPERATIONS	573	206
Investments in tangible and intangible assets	-3	-12
Repayment of loan receivables	33	42
Interests received	8	21
CASH FLOW FROM INVESTMENTS	38	51
Repayment of lease liabilities	-197	-363
Dividends paid	-82	-966
CASH FLOW FROM FINANCING	-279	-1 329
TOTAL CASH FLOW	332	-1 072
Opening balance of cash and cash equivalents	1 175	2 247
Closing balance of cash and cash equivalents	1 506	1 175
CHANGE IN CASH AND CASH EQUIVALENTS	332	-1 072

CHANGE IN SHAREHOLDERS' EQUITY

Equity attributable to owners of the parent company

(kEUR)	Share capital	Distributable non-restricted equity fund	Retained earnings	Total
Equity 1 January 2023	881	37	4 121	5 039
Other comprehensive income			-91	-91
Dividends			-1 009	-1 009
Equity 31 December 2023	881	37	3 021	3 939
Equity 1 January 2024	881	37	3 021	3 939
Other comprehensive income			-109	-109
Dividends			0	0
Equity 31 December 2024	881	37	2 912	3 829

RELATED PARTY TRANSACTIONS

During the period under review, Trainers’ House had transactions with Causa Prima Ltd, a company controlled by Jari Sarasvuo, the Chairperson of the Board of Directors, and Pro Vividus Ltd and Anorin Liekki Ltd, which are related to the company.

The following transactions took place with related parties:

	1-12/2024	1-12/2023
Purchases during the period	386	168
Liabilities at the end of the period	71	39



PERSONNEL	1-12/2024	1-12/2023
Average number of personnel*	107	113
Personnel at the end of the period*	91	96

*Converted to full-time employees

COMMITMENTS AND CONTINGENT LIABILITIES	12/2024	12/2023
Collaterals and contingent liabilities given for own commitments	120	120

OTHER KEY FIGURES	12/2024	12/2023
Equity ratio (%)	65.5	63.5
Shareholders' equity/share (EUR)	1.78	1.83

Calculation formulas for key figures

Earnings per share	=	<div>Result of the period attributable to owners of the parent company</div> <div>Average number of shares adjusted for share issue in financial period</div>
Interest-bearing net debt	=	Interest-bearing liabilities – cash and cash equivalents
Equity ratio (%)	=	<div>Equity x 100</div> <div>Balance sheet total – advances received</div>
Equity / Share	=	<div>Equity</div> <div>Number of shares adjusted for share issue at the end of financial period</div>

Items affecting the calculation of key figures

	12/2024	12/2023
Advances received (kEUR)	242	198
Interest-bearing liabilities (kEUR)	631	828
Average number of shares adjusted for share issue in financial period (unit thousand shares)	2 148	2 148
Number of shares adjusted for share issue at the end of the financial period (unit thousand shares)	2 148	2 148

In Helsinki 27 February 2025

TRAINERS’ HOUSE PLC

BOARD OF DIRECTORS

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