



**netum**

# Netum Group Plc Investor presentation

May 2022





**This is Netum**



# Netum – your trusted partner

Netum is a strongly growing IT services company with over 20 years of experience of demanding IT projects.

We help our customers in their digital transformation in line with our Legacy to Digi® concept, combining traditional IT solutions with the latest digital applications.



**1997**  
Founded

**235**  
IT professionals in  
Finland

**20 y +**  
Experience of  
demanding projects

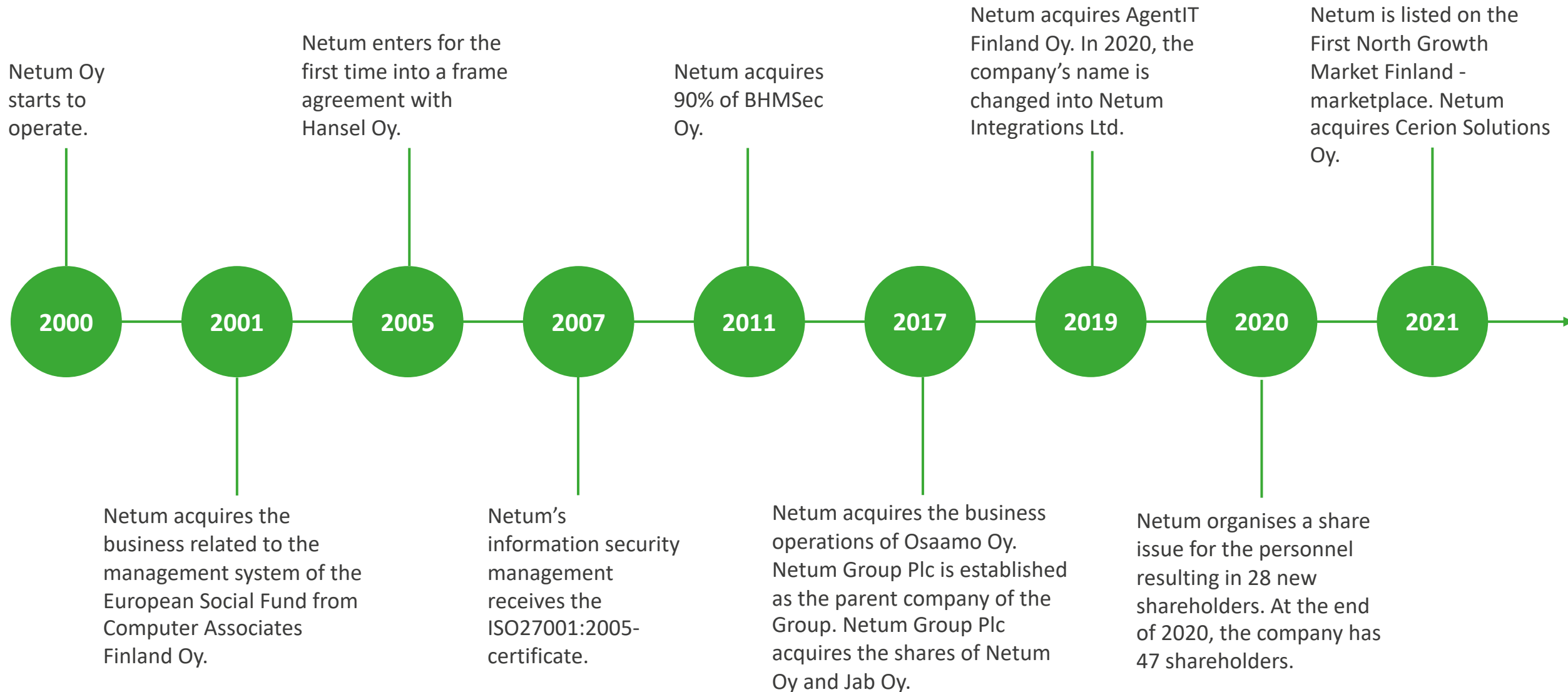
**38**  
NPS  
(Net Promoter  
Score)

**10+**  
Personnel's average  
working experience  
in years

**€22.4M**  
Revenue 2021

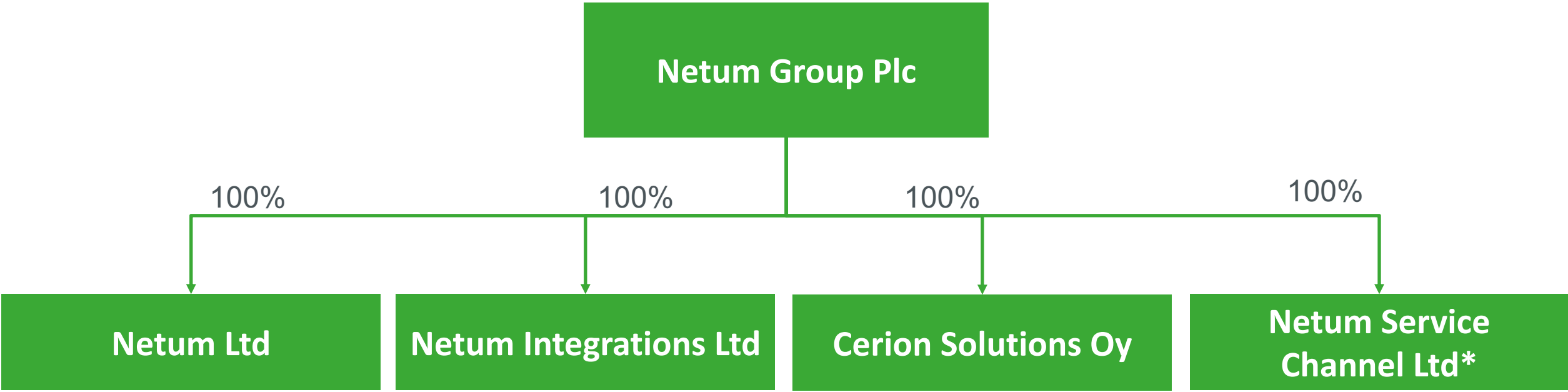


# History of Netum





# Netum Group structure



\* Not operative

# Shareholders

- Trading on Nasdaq First North Growth Market Finland marketplace commenced 2 June 2021
- On 30 April 2022, Netum had 3,659 shareholders
- The company holds 31,000 own shares

## 10 largest shareholders on 30 April 2022

Shareholder	Nr of shares	% of shares	Change, nr of shares	Change %
Mujunen Matti Juhani	1,965,000	17.04	0	0.00
Cascade Oy	1,451,212	12.58	0	0.00
Osaamo Oy	1,352,000	11.72	0	0.00
Aloma Oy	1,300,000	11.27	0	0.00
Lilja Jari Pekka	757,808	6.57	0	0.00
Oy Fincorp Ab	583,839	5.06	9,564	1.67
Ilmarinen Mutual Pension Insurance Co.	467,500	4.05	0	0.00
Savolainen Olli Matias	397,808	3.45	0	0.00
Nummijärvi Tero	232,409	2.01	0	0.00
Leskinen Juha-Pekka Sakari	212,808	1.84	0	0.00
<b>10 largest total</b>	<b>8,720,384</b>	<b>75.60</b>	<b>9,564</b>	<b>1.67</b>
100 largest total	10,494,477	90.98	-209	0.00
Nominee registered total	26,708	0.23	6,396	31.49
<b>Number of shares total</b>	<b>11,535,000</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>

Change from previous month

# Share

Trading on Nasdaq First North Growth Market Finland marketplace commenced 2 June 2021

**02.06.2021 - 29.04.2022**



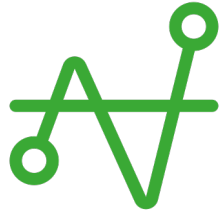


# Legacy to Digi®

Understanding and developing existing, functional solutions and integrating them into new ones is both a more cost effective and a faster route to the digital era than rebuilding everything.



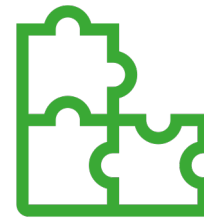
# Services, solutions and products



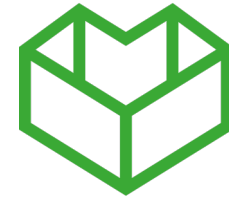
**Data  
and analytics**



**Cyber  
security**



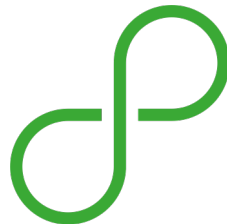
**Integration  
solutions**



**Truugo  
validation tool**



**Digital  
services**



**Continuity  
services**



**Management  
consulting**



**Netum DUX  
for IT asset management**

# Services, solutions and products

## Data and analytics

- Knowledge management consulting
- Modern data warehouse solutions
- Business Intelligence
- AI and analytics solutions
- Data Governance and Business Insight

## Cyber security

- Technical cyber security consulting
- Administrative cyber security consulting
- Privacy services
- Strategic cyber security services
- Akamai's cyber security solutions

## Integration solutions

- Consulting
- Technology solutions
- Deployment and migration projects
- Testing services
- Monitoring services and tools

## Digital services

- Service design, UX design and user experience planning
- System and technology consulting
- Cloud solutions
- Application development and integration

## Continuity services

- Service desk
- 24/7 help desk and monitoring services
- Legacy to Digi® transformation services
- Operational services
- Application platform services
- Cloud services management and maintenance

## Management consulting

- Digital transformation management
- Business models and service design
- Procurement and contract consulting
- Project management
- In-depth assessments and overall evaluations

## Truugo validation tool

- Validation platform for automated quality assurance
- Efficiency to EDI onboarding
- Message documentation and test profiles with one tool
- Validation platform for structured data
- Used in multiple industries

## Netum DUX application

- Application for IT hardware asset management
- Lifecycle and financial management
- Accurate cost allocation
- Less manual work
- Transparent service invoicing and precise budgeting



# Reporting period 2021



# Year 2021 in brief

## A year of significant events, profitable growth continued

We signed a 6-year frame agreement with the KEHA Centre.

We established the Cyber Security Servicess business area.

We defined Netum's first responsibility programme.

We were listed on the Nasdaq First North Growth Market Finland marketplace on 1 June 2021.

We acquired Cerion Solutions Oy, a company specialising in knowledge management and digitalisation.

**€22.4M**

Revenue 2021

**€3.1M**

EBITA

**€1.9M**

Operating profit

**+28%**

Revenue growth

**14%**

EBITA/revenue

**9%**

Operating profit/revenue

**217**

Personnel at year-end

**90**

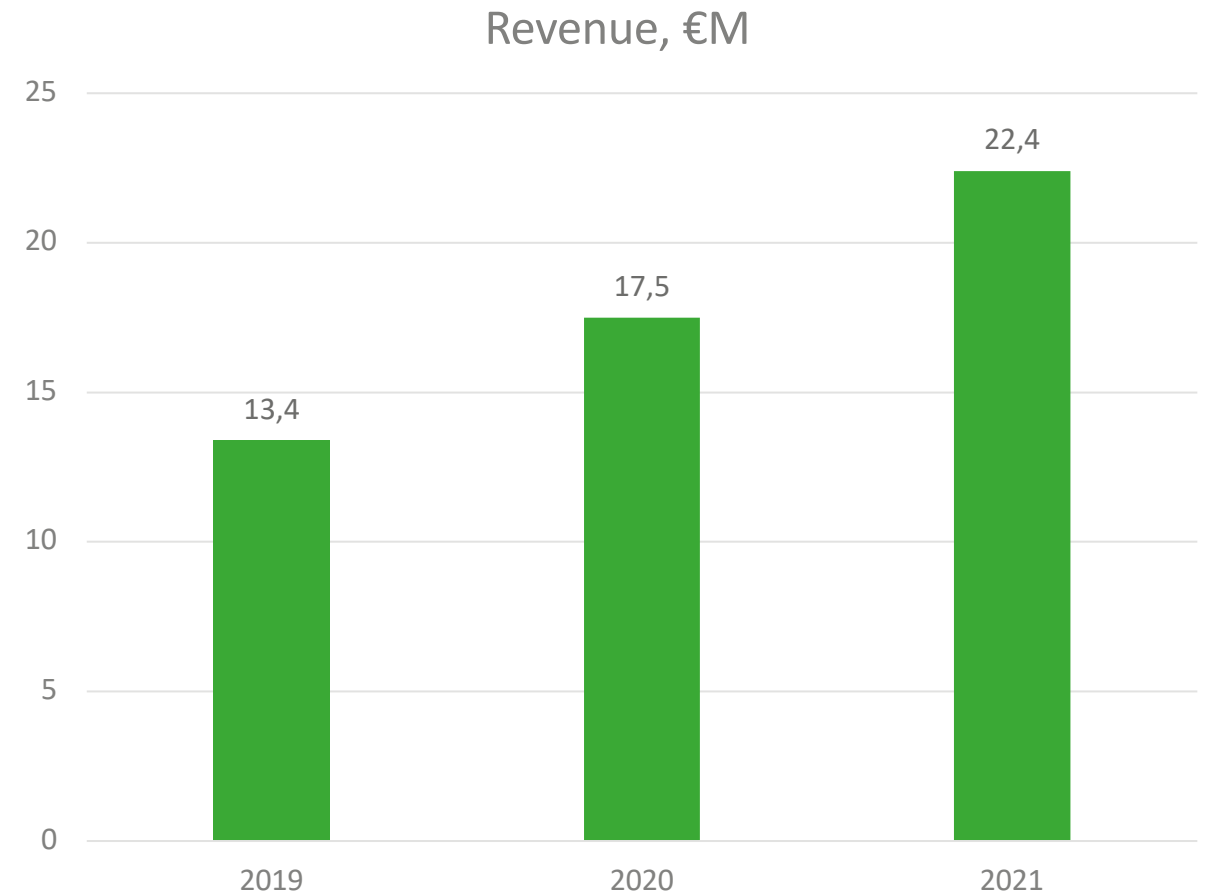
Personnel growth

**0.11**

Dividend, EUR/share

# Revenue growth continued

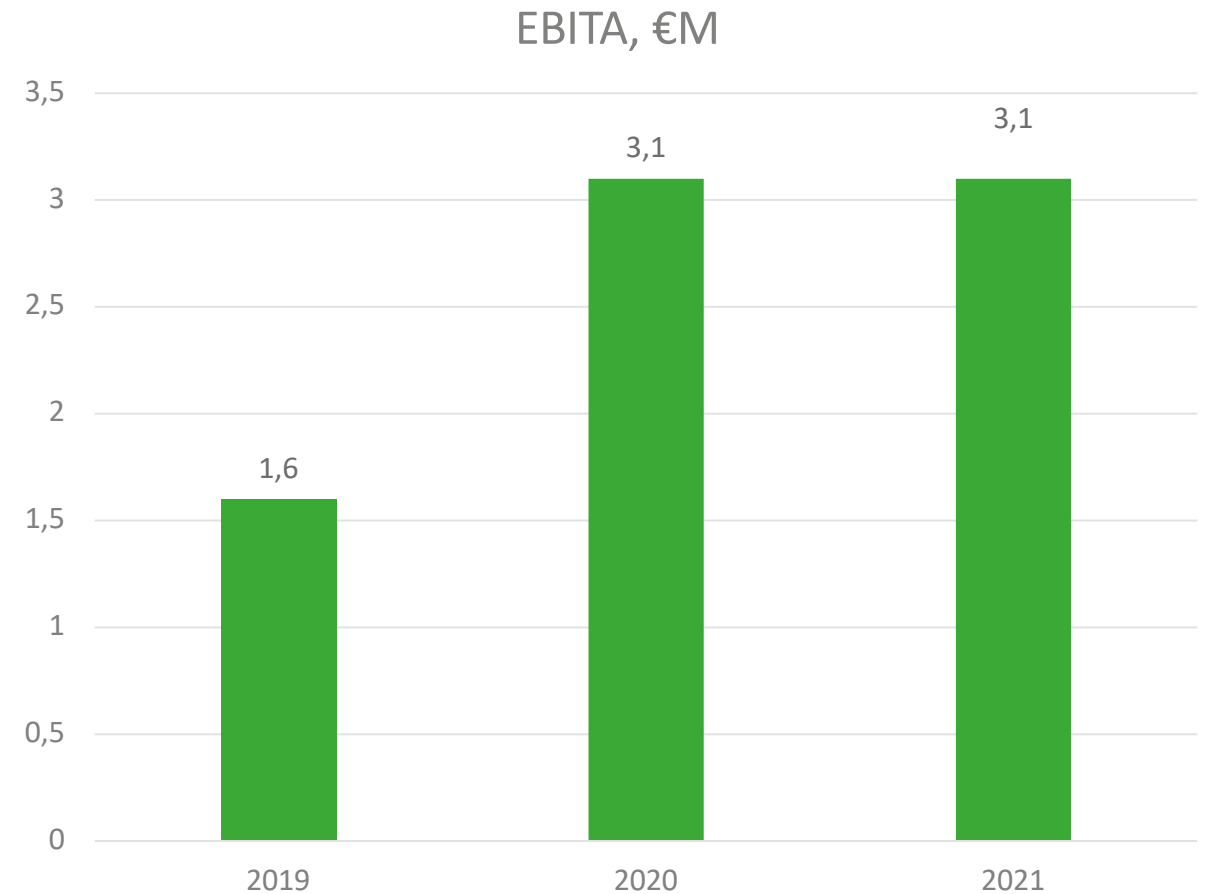
- Revenue €22.4M (17.5)
  - Growth 28%
  - Organic growth 20%
- Organic growth supported by:
  - Increased invoicing to existing customers
  - Successful new customer acquisition
  - Successful, front-loaded recruitment
- Acquisition of Cerion Solutions boosted growth





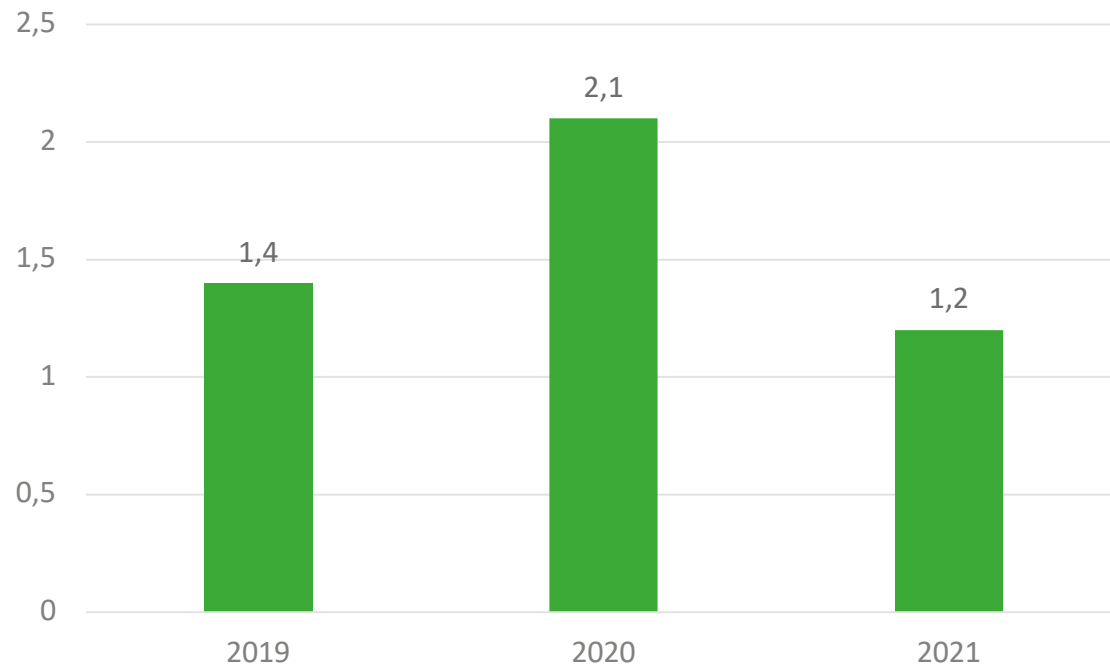
# EBITA on a good level

- EBITA €3.1M (3.1)
  - 14% (18%) of revenue
- Profitability remained at a good level, exceeding the medium-term target
- Profitability was slightly burdened by the rapid growth in the number of employees and the weaker-than-expected profitability of a fixed-price customer project

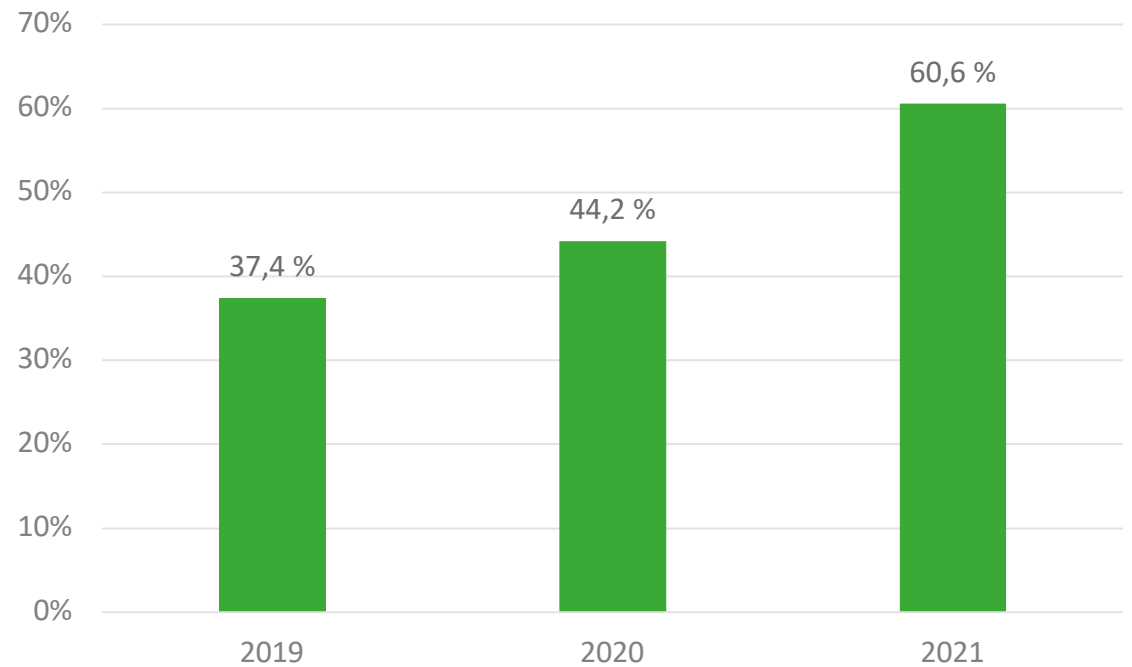


# Financial position

Cash flow from operating activities, € M



Equity ratio, %



# Key financials

(EUR thousand unless otherwise noted)	2021	2020
Revenue	22,401	17,541
Revenue growth, per cent	27.7%	31.1%
Organic growth, per cent	20.1%	33.6%
EBITDA	3,395	3,242
EBITDA, % of revenue	15.2%	18.5%
Operating profit excluding goodwill amortisation (EBITA)	3,140	3,083
EBITA, % of revenue	14.0%	17.6%
Comparable EBITA	3,129	3,083
Comparable EBITA, % of revenue	14.0%	17.6%
Operating profit (-loss)	1,909	2,016
Operating profit (-loss), % of revenue	8.5%	11.5%
Result for the reporting period	529	1,311
Result for the reporting period excluding goodwill amortisation	1,760	1,141
Comparable result excluding goodwill amortisation	2,451	2,378
Earnings per share, EUR	0.05	0.15
Earnings per share excluding goodwill amortisation, EUR	0.17	0.27
Comparable earnings per share excluding goodwill amortisation, EUR	0.24	0.27
Number of personnel at the end of the period	217	130
Equity ratio, %	60.6%	44.2%
Return on equity, %	6.1%	31.5%

**+28%**

Revenue growth

**+20%**

Organic growth

**15%**

EBITDA/revenue

**14%**

EBITA/revenue



# Highlights of year 2021







# Successful listing

June 2021

- We raised gross assets of €8M
- We acquired approximately 6,000 new owners
- The personnel actively participated in the offering
- The listing increased our reputation as an attractive employer and a responsible IT services company



# Significant acquisition

October 2021

- Cerion Solutions Oy, specialist in knowledge management and digitalisation
- Debt-free net purchase price €6.0M
- Possibly an additional purchase price of no more than €1.1M
- 38 employees at the time of the transaction







# Netum employees in 2021

**Target to be the preferred employer in the industry**

- Number of personnel grew by 90
  - 38 with the acquisition of Cerion Solutions
- Employee turnover rate 6.8%
- Personnel enquiry on meaningfulness of work and coping at work: best results in the measurement history
- Great Place to Work certification in 2021





# Customers in 2021

## Target to be the most trusted digitalisation partner for customers

- Extremely satisfied customers
  - service-mindedness of personnel 4.5/5
  - professionalism of personnel 4.4/5
  - co-operation as a whole 4/5
- Major agreements and projects in 2021
  - 6-year frame agreement with the KEHA centre (development and administration centre for the Centres for Economic Development)
  - Cyber security partnership with Kotipizza
  - Information security service agreement with Istekki
  - Renewal of Posti's customer contact system
  - Wärtsilä: integrated Supplier Relationship Management system and related support and maintenance services
  - New "Peppi" ERP system for education customers: Police University College, Haaga-Helia university of applied sciences
  - Polar Circle circular economy park project



# Responsible digital change



# Key themes of corporate responsibility at Netum

Netum operates in important social projects and helps its customers to develop their business through digitalisation.



Services that make society  
more responsible and  
information more secure



Fair and pluralistic  
working community



Professional personnel,  
personnel's well-being



Environmentally  
friendly workplace



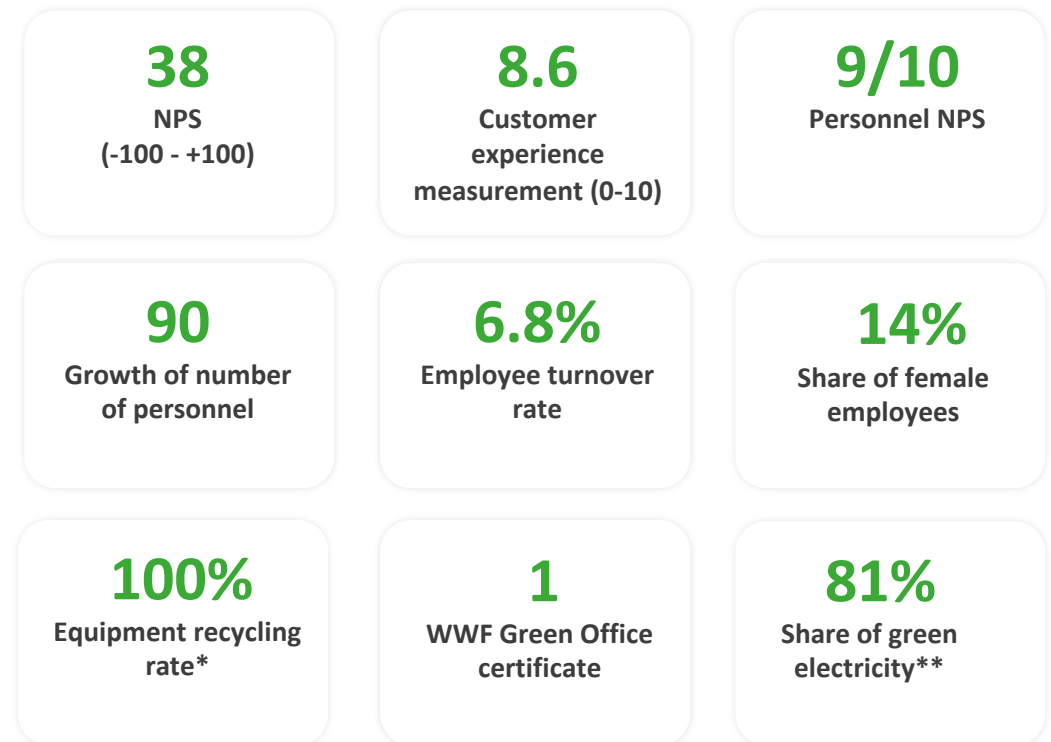
Ethical and profitably  
growing business

# Corporate responsibility 2021

- Netum started its first corporate responsibility programme.
- High customer satisfaction: in co-operation, customers valued especially the professionalism, flexibility and customer-centricity of Netum's personnel.
- Personnel enquiry on meaningfulness of work and coping at work: best results in the measurement history.
- Share of female employees grew to 14.3% from 11.5% in previous year.
- Recycling rate of equipment\* in 2021 was 100%.
- WWF's Green Office certificate to the Yliopistonkatu premises in Tampere.

\*Equipment = Laptops, mobile equipment, screens, servers

\*\* At Netum's own premises





# Strategy and financial targets





# Strategy 2025

**The strategy supports our goal to be the most trusted partner in our industry and the preferred work community in responsible and secure digital transformation.**

- Growth through further investing in the Legacy to Digi service concept, core areas of expertise, strengthening the brand and the work community.
- Additional growth especially from corporate customers, expanded service offering and repeatable services, for instance in connection with cyber security.
- Expanding regional operations in Finland.
- SaaS products act as the spearheads of internationalisation.
- Exploring opportunities to expand business also to the Nordic and Baltic countries.



# Financial targets, updated 8 March 2022



## **Growth:**

Target to achieve a revenue of €50M by 2025.



## **Profitability:**

Profitable growth and annually at least 14% EBITA.



## **Dividend policy:**

Netum aims to pay annually at least 40% of EBITA as dividends.



# Outlook for 2022

Updated 8 March 2022

- Netum expects its revenue to grow at least **30%** from the previous year and EBITA to be **over 14%**.
- The estimate is based on the positive demand outlook for the Group's services and continued strong recruitment.
- In the first months of the year, number of personnel has grown by 18 and was 235 on 8 March 2022.
- It is expected that in particular the demand for digital, data and analytics services as well as for cyber security services will grow.
- If the crisis in Ukraine continues, it can have a strong impact on the global economy and, consequently, negative effects on the demand for our services.



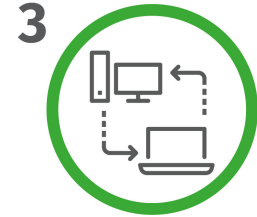
# Why invest in Netum



Netum has proved its ability to grow both organically and through acquisitions



Netum is among the most profitable companies in its industry



Profound understanding of customers' IT assets and operating environment



Experienced personnel offers high value add services



Long-term customer relationships and extremely satisfied customers



Global market trends: digitalisation and growth of cyber threats



# Thank you!

Questions?

Feel free to contact us!

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