



netum

Results presentation 1 January–30 June 2022

Matti Mujunen, CEO
16 August 2022



Agenda

**Result presented by:
Matti Mujunen, CEO, Netum Group Plc**

- Netum in brief
- Reporting period January-June 2022
- Highlights of first half 2022
- Responsible digital change
- Strategy and financial targets



Netum – your trusted partner

Netum is a strongly growing IT services company with over 20 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

€22.4M
Revenue 2021

263
IT professionals in
Finland



**Reporting period
January–June 2022**



First half of 2022 in brief

Strong revenue growth

- Revenue grew almost 50% year on year
- 46 new employees
- Relative profitability slightly lower than in the comparison period
- Organisational restructuring project started

€15.4M

Revenue 1H 2022

€1.7M

EBITA

€0.9M

Operating profit

+47.8%

Revenue growth

11.2%

EBITA/revenue

5.6%

Operating
profit/revenue

263

Personnel at
end of June

+46

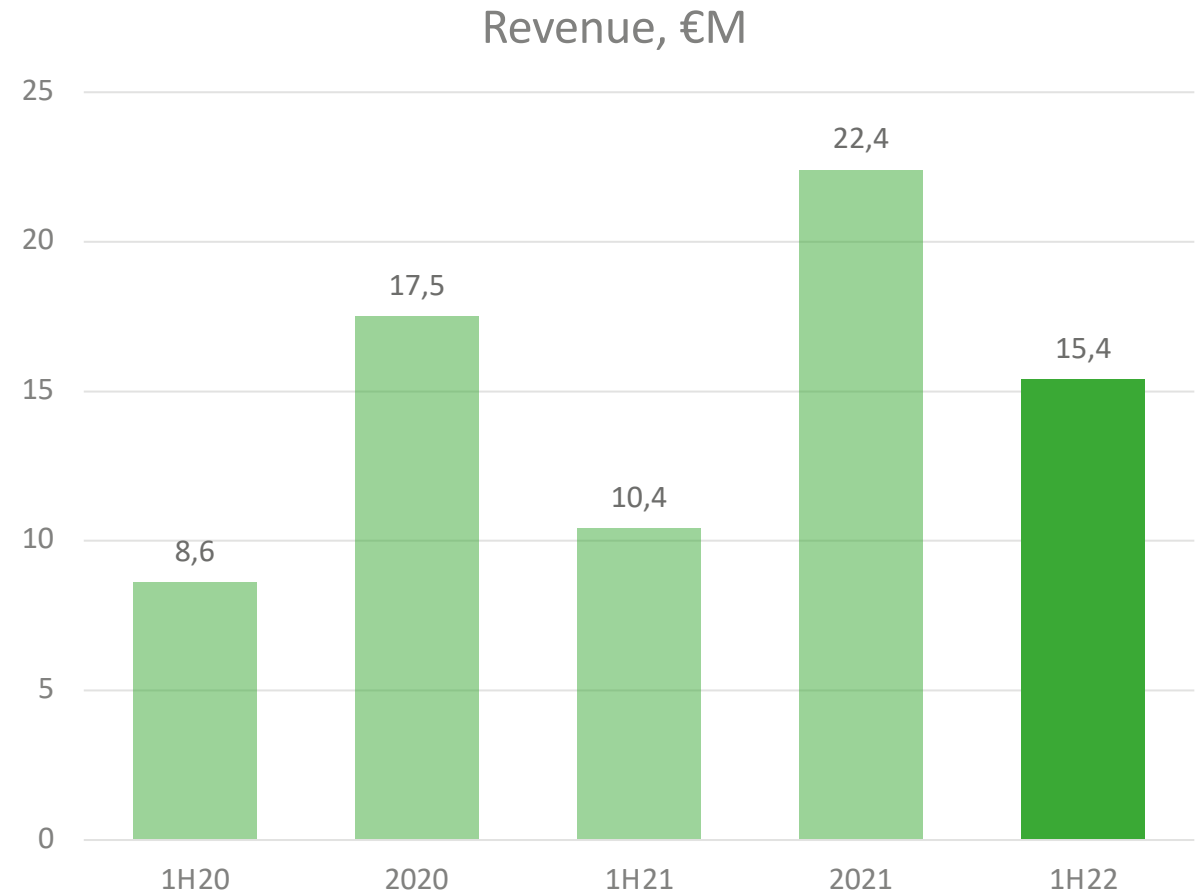
Personnel growth
year on year

0.11

Dividend for 2021,
EUR/share

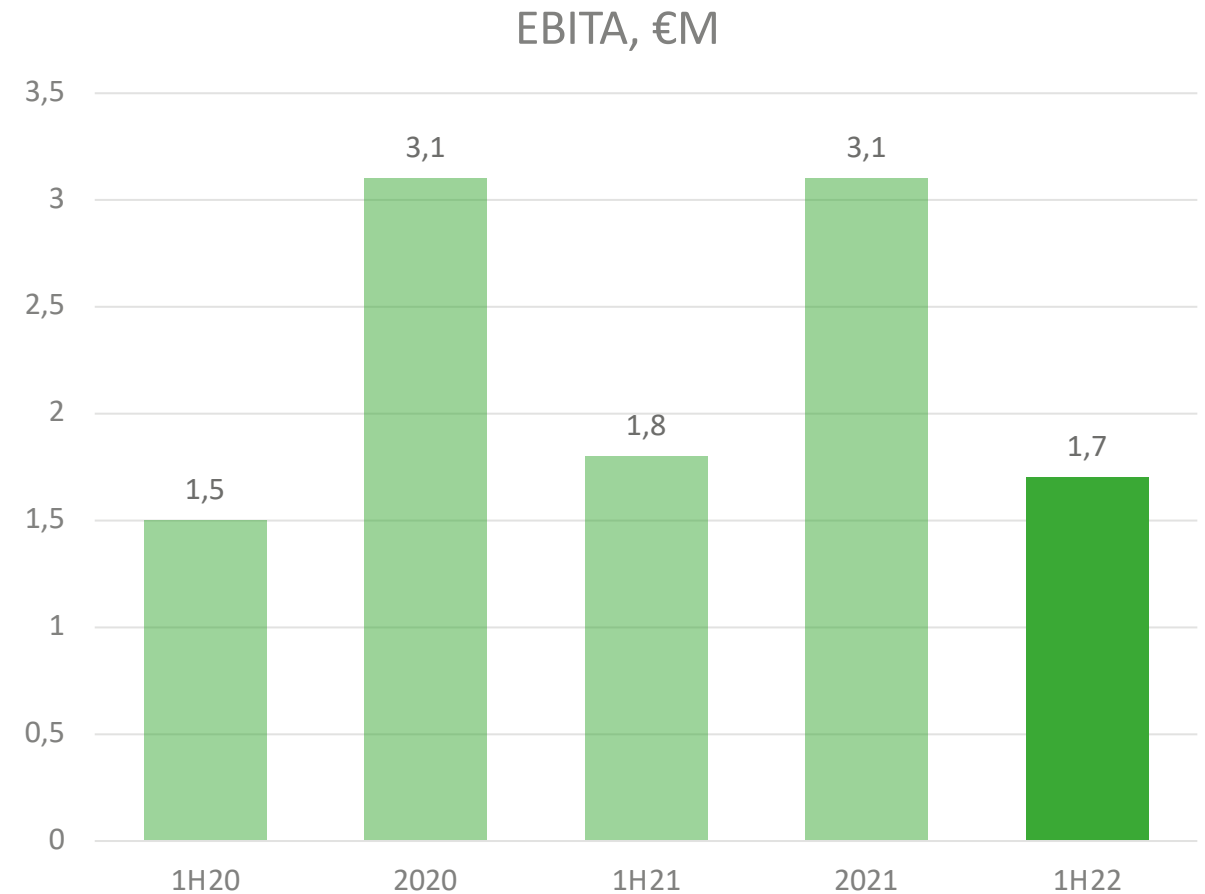
Revenue

- Revenue €15.4M (10.4)
 - Growth 47.8%
 - Impact of Cerion Solutions Oy to the growth 25.2%
 - Organic growth 22.6%
- Organic growth supported by
 - Increased workloads under long framework agreements
 - Continued high level of demand
 - A number of new contracts



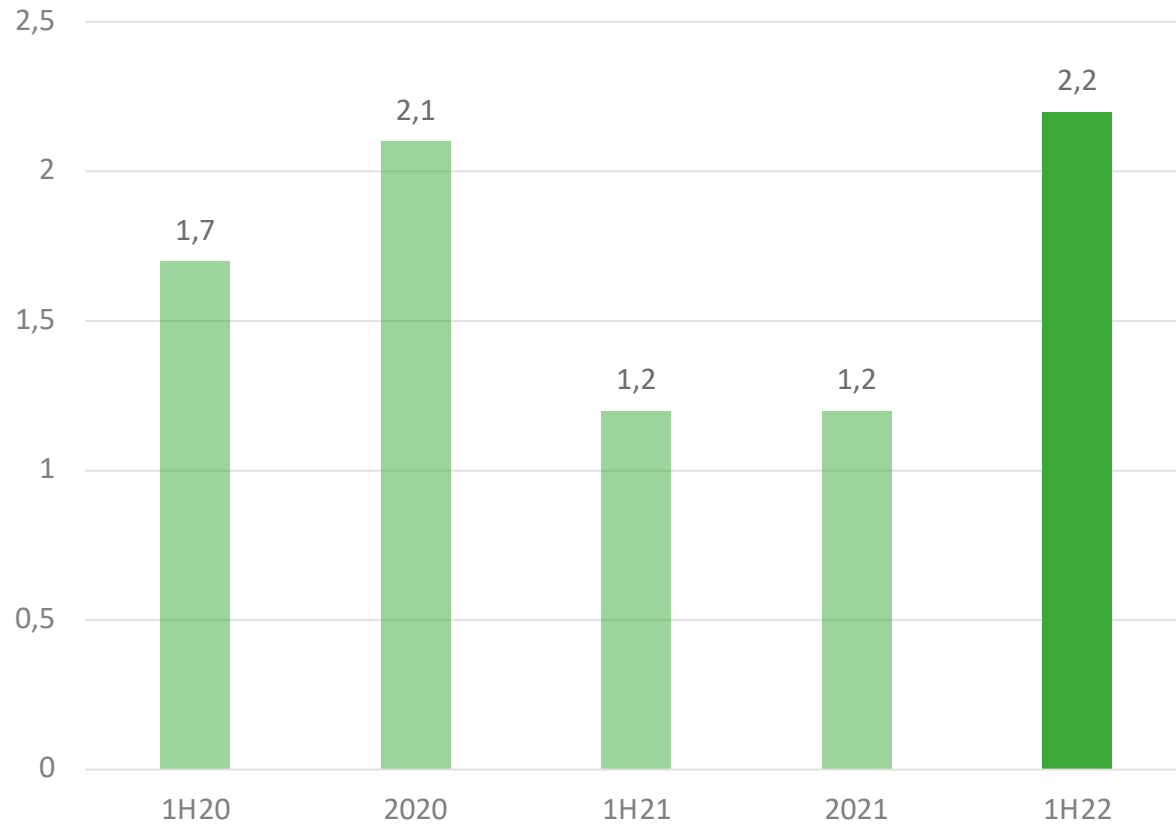
Profitability

- EBITA €1.7 M (1.8)
 - 11% (17%) of revenue
- Profitability was burdened by
 - Investments in growth
 - Recruitment
 - Marketing
 - Higher than usual volume of subcontracting
 - High coronavirus incidence rate
 - Generally increased cost level

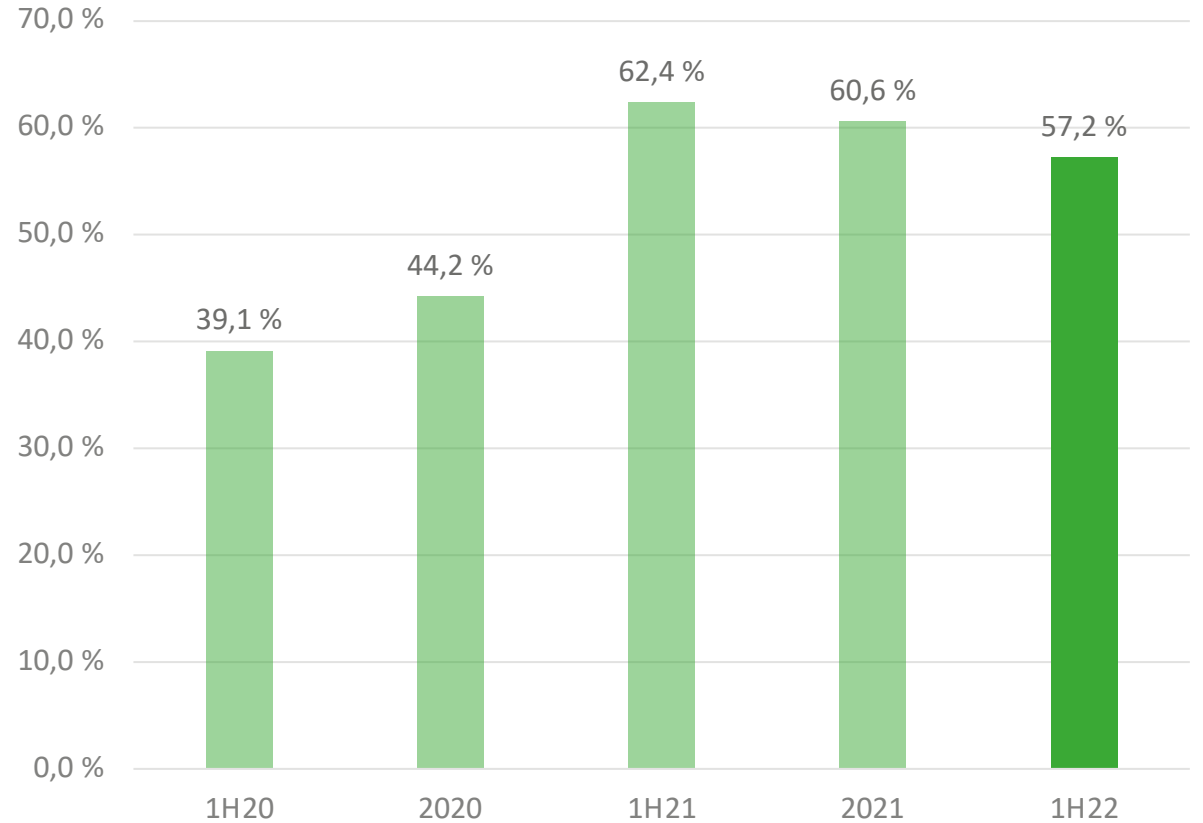


Financial position

Operating cash flow, €M



Equity ratio, %



Highlights of first half 2022





Netum employees in 2022

Target to be the preferred employer in the industry

- Number of personnel grew by 46
- Operations expanded to Jyväskylä and Hämeenlinna
- In Helsinki, relocation to new comfortable premises in the Kampin Huippu property
- Ranked #16 in the Best Workplaces in Finland listing of medium-sized companies
- Plans for an employee incentive package and a personnel issue



Customers 1-6/2022

Target to be the most trusted digitalisation partner for customers

- Major agreements in the first half of 2022
 - Kainuu Health and Social Services: professional knowledge management services
 - National Land Survey of Finland: professional IT management services
 - Haaga-Helia University of Applied Sciences: “Peppi” student administration system maintenance and development project
 - Ministry of Finance: analysis of the knowledge base of the citizen's and customer experience of public services
 - Prime Minister’s Office: data protection assessments and other data protection services
 - The Church Council: consulting project on digitalisation in the central administration of the Church of Finland
- Demand for Netum DUX developed favourably

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 2022

- Corporate responsibility programme under continued development
- Updated version published in the beginning of 2023
- Highlights of first half of 2022:
 - Ranked #16 in the Best Workplaces in Finland listing of medium-sized companies
 - WWF's Green certification continues
 - Employee bikes into use



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.



Outlook for 2022

Updated 8 August 2022

- Netum expects its revenue to grow at least 30% from the previous year and EBITA to be approximately 12-14% of revenue.
- The estimate is based on the positive demand outlook for the Group's products and services.
- In particular, it is expected that digital services development and the demand for data and analytics services as well as for cyber security services will grow.
- Russia's attack to Ukraine has created political and economic threats. If the crisis continues, there could be strong negative effects on the global economy and, consequently, on the demand for our services and on the general cost level.



Medium-term 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.

Thank you!

Questions?

Feel free to contact us!

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Appendices



Key financials

(EUR thousand unless otherwise noted)	1-6/2022	1-6/2021	2021
Revenue	15,426	10,436	22,401
Revenue growth, per cent	47.8%	21.7%	27.7%
Organic growth, per cent	22.6%	21.7%	20.1%
EBITDA	1,874	1,893	3,395
EBITDA, % of revenue	12.1%	18.1%	15.2%
Operating profit excluding goodwill amortisation (EBITA)	1,731	1,784	3,140
EBITA, % of revenue	11.2%	17.1%	14.0%
Comparable EBITA ¹⁾	1,783	1,610	3,129
Comparable EBITA, % of revenue	11.4%	15.4%	14.0%
Operating profit (-loss)	869	1,251	1,909
Operating profit (-loss), % of revenue	5.6%	12.0%	8.5%
Result for the reporting period	493	86	529
Result for the reporting period excluding goodwill amortisation	1,355	619	1,760
Comparable result excluding goodwill amortisation ¹⁾	1,381	1,180	2,451
Earnings per share, EUR	0.04	0.01	0.05
Earnings per share excluding goodwill amortisation, EUR	0.12	0.06	0.17
Comparable earnings per share excluding goodwill amortisation, EUR	0.12	0.12	0.24
Number of personnel at the end of the period	263	171	217
Equity ratio, %	57.2%	62.4%	60.6%
Return on equity, %	8.3%	2.0%	6.1%

+48%

Revenue growth

+23%

Organic growth

12%

EBITDA/revenue

11%

EBITA/revenue



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