



**netum**

# Netum Group Plc Investor presentation

September 2022





**This is Netum**



# 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.



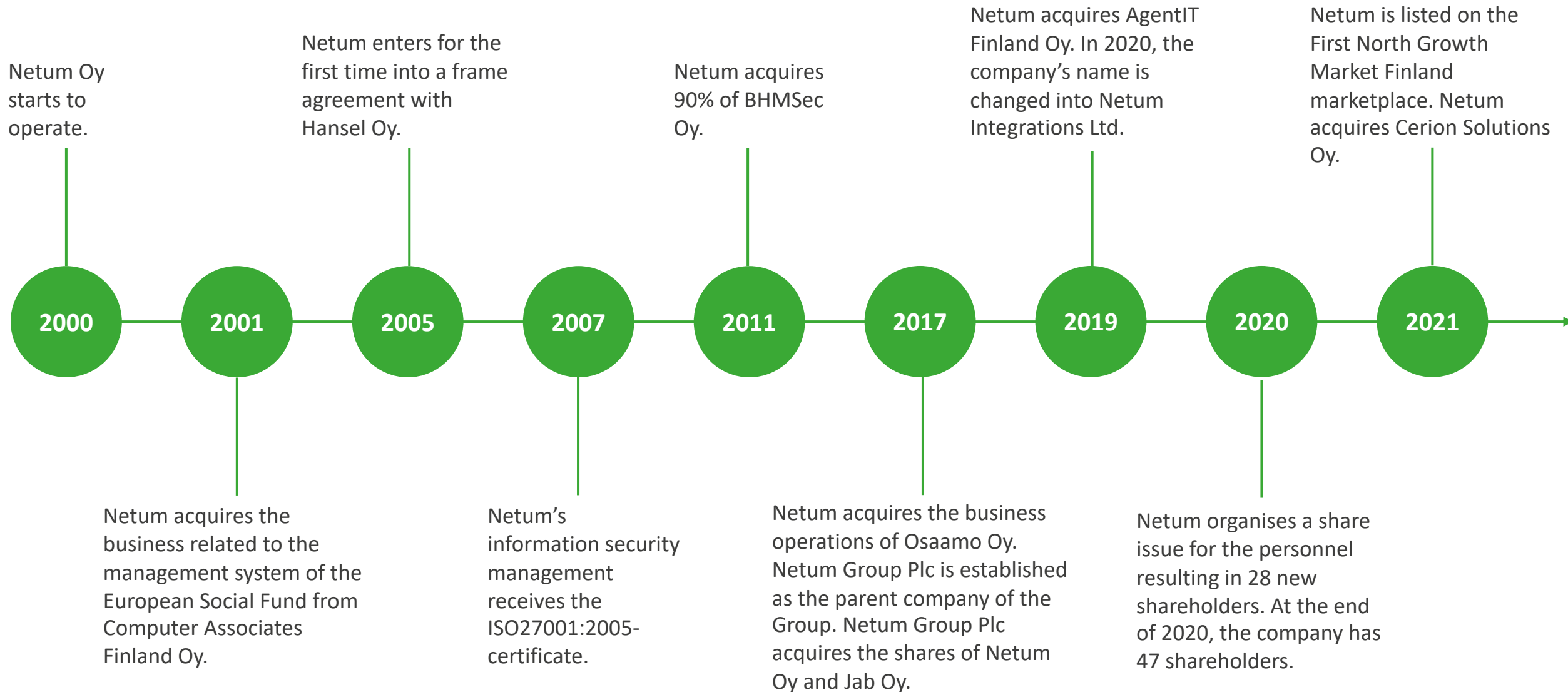
**1997**  
Founded

**€22.4M**  
Revenue 2021

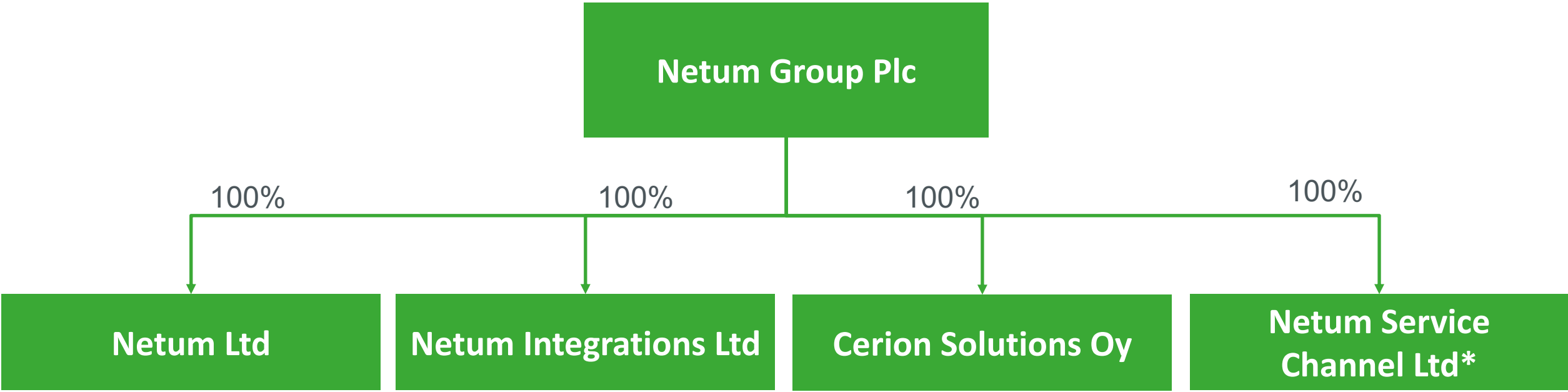
**263**  
IT professionals in  
Finland



# History of Netum



# Netum Group structure



\* Not operative

# Shareholders

- Trading on Nasdaq First North Growth Market Finland marketplace commenced 2 June 2021
- On 31 August 2022, Netum had 3,550 shareholders
- The company holds 31,000 own shares

## 10 largest shareholders on 31 August 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	1,458,385	12.64	0	0.00
Osaamo Oy	1,360,000	11.79	-8,996	-0.66
Aloma Oy	1,300,000	11.27	0	0.00
Lilja Jari Pekka	757,808	6.57	0	0.00
Oy Fincorp Ab	609,464	5.28	6,219	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	2.02	0	0.00
Leskinen Juha-Pekka Sakari	212,808	1.85	0	0.00
<b>10 largest total</b>	<b>8,761,182</b>	<b>75.95</b>	<b>-2,777</b>	<b>-0.03</b>
100 largest total	10,528,238	91.27	7,654	0.07
Nominee registered total	28,086	0.24	3,536	14.40
<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 - 31.08.2022**



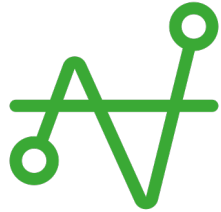
# Legacy to Digi®

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.





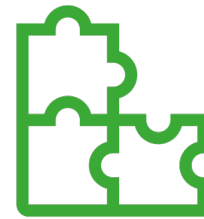
# Services, solutions and products



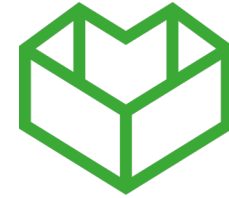
**Data  
and analytics**



**Cyber  
security**



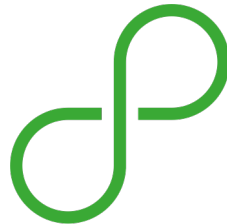
**Integration  
solutions**



**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  
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**

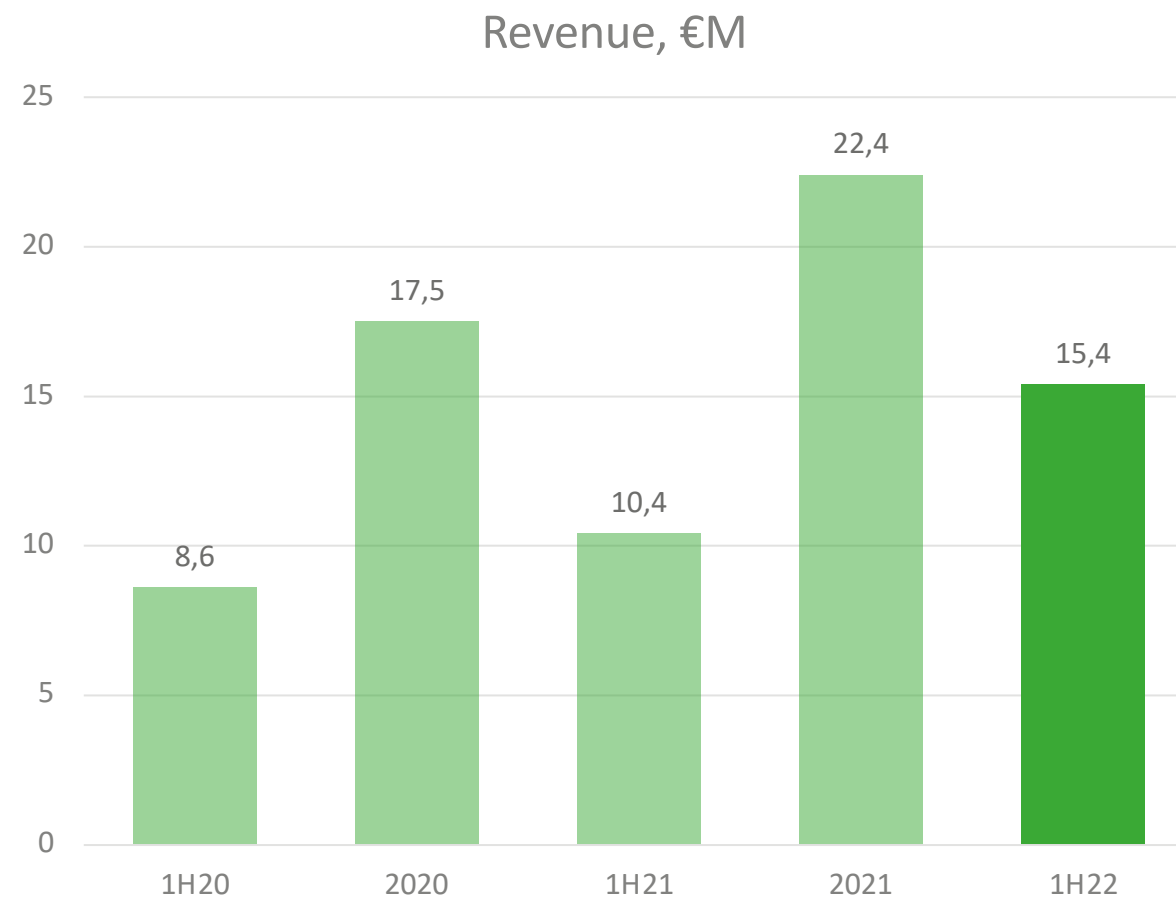
Personnel growth  
year on year

**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





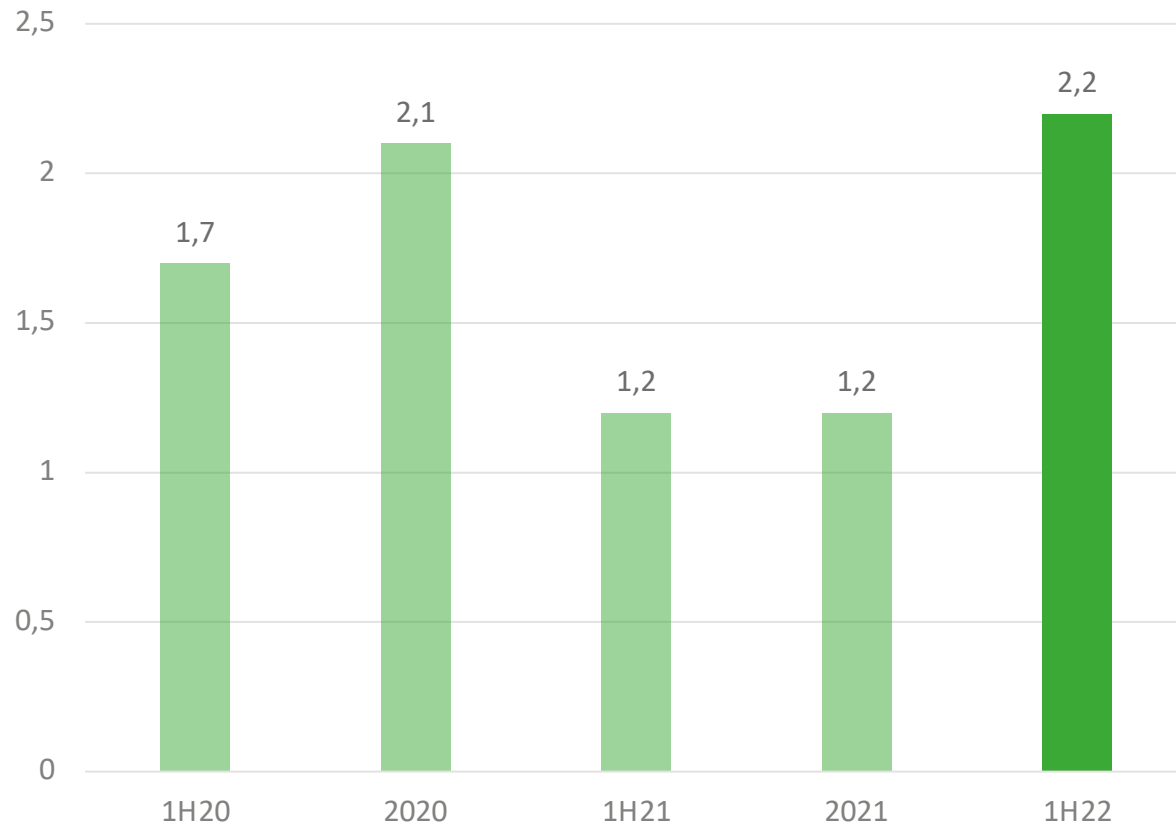
# Profitability

- 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

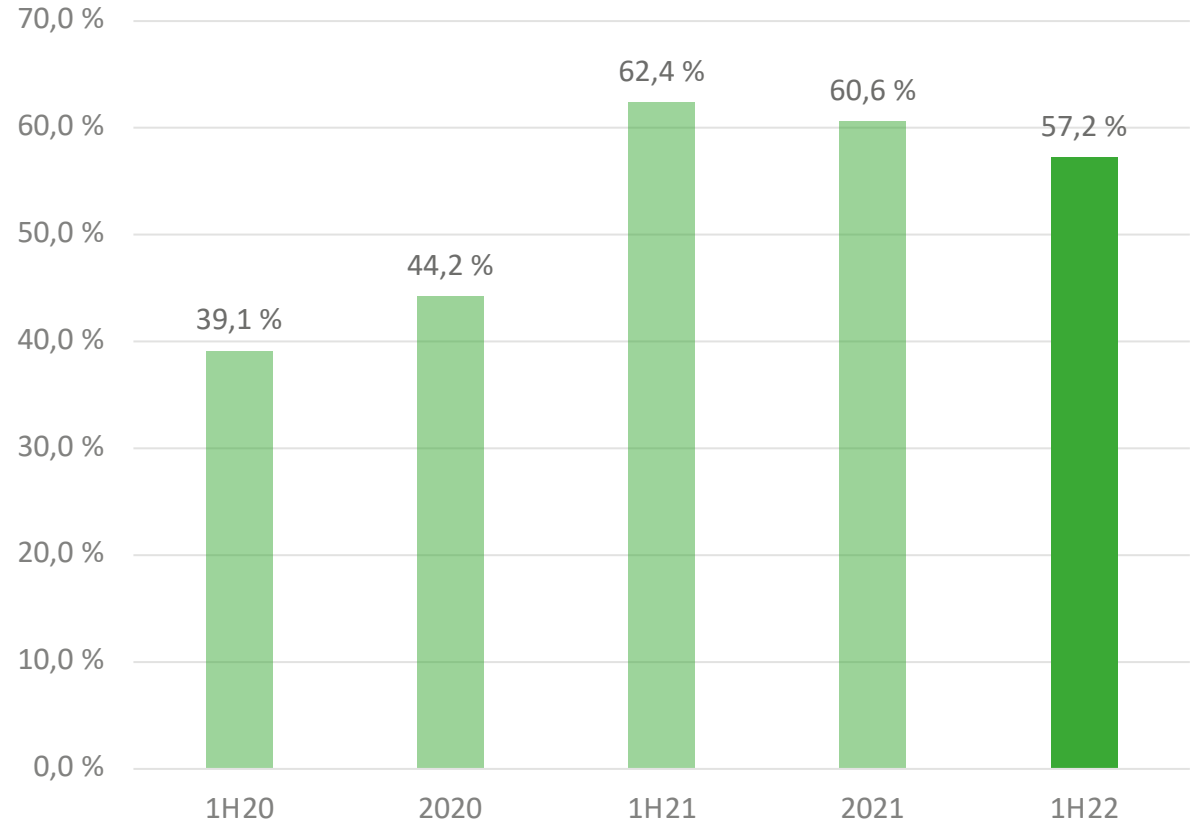


# Financial position

Operating cash flow, €M



Equity ratio, %



# 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 <sup>1)</sup>	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 <sup>1)</sup>	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

# 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.



**netum**

# 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.

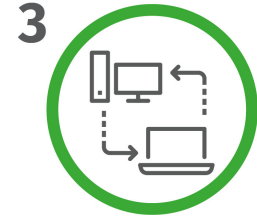
# Why invest in Netum



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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