

# netum

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Netum Group Plc  
Annual report  
1 January - 31 December 2023



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## From the CEO



“Netum's year 2023 included strong growth and development, but also challenges. At the beginning of the year, we acquired Studyo Oy, which specialises in software products and services for the education sector, and in September, Buutti Oy, which provides IT consulting and training services. As a result of the acquisitions, our operations expanded to the Kuopio economic area and Northern Finland, and our nine offices now cover a large geographical part of Finland. Primarily due to the acquisitions, our number of employees exceeded 400 during the year. To respond to the weakened profitability and uncertain market situation, we started change negotiations at the end of the year, affecting approximately 40 people in the Group's support functions and the Cyber security business unit. The decision was difficult for our personnel and led to the termination of five employees' employment contracts and temporary layoffs affecting 24 employees during 2024.

Our revenue grew to EUR 37.1 million, or 27% from the previous year, partly due to the acquisitions during the year. In the second half of the year we also grew organically by 18%. In particular, the demand for digital service development and continuity services has been very strong. However, profitability fell short of targets in 2023. Our profitability was impacted by our investments in growth, lower-than-targeted invoicing rates in some service areas and increased salary costs. Towards the end of the year, our profitability decreased also due to the higher than expected non-recurring costs related to the transfer of the Netum DUX business to Optimo Systems Oy, as well as a decrease in revenue due to the change negotiations. A turn for the better is already taking place, and the significant profit-improving effects of both the transfer of Netum DUX business and the change negotiations will be fully visible during 2024.

The new significant agreements we signed during the year include, for example, an extension agreement with the KEHA Centre on the production of the URA VDI service, a cloud-based data warehouse solution for the University of Vaasa, and software development for the Social Insurance Institution of Finland and Esko Systems. In addition, we signed new cyber security service agreements with, for example, the State Treasury, and carried out information security audits for Istekki.

We have long experience in digital solutions for the education sector, and we already serve about 35 higher education institutions. In 2023, we signed a five-year agreement on the application development of the “Peppi” study management system for Metropolia University of Applied Sciences and won a tender from three universities of applied sciences and one university for the maintenance and further development of the “Peppi” systems.

Through acquisitions, our customer base also expanded. The acquisition of Studyo Oy strengthened our product and service offering in the education sector. Studyo's customers include approximately 60 educational institutions in Finland. Studyo's SaaS products have a total of more than 300,000 end users, and the company is the market leader in electronic diplomas in Finland. Buutti Oy brought us additional growth especially from corporate customers, the largest of which operate in the banking and financial sector, in healthcare and in telecommunications technology. With Buutti, our customers now include Vaisala, Novatron, Detection Technology and Suunto.

During 2023, we continued to develop our sales process and financial control, among other things, and established a new cloud competence center for our customers. To serve our customers even better and with more diverse expertise, we expanded our participation in the partner programmes of large technology companies (AWS, Microsoft, Salesforce) and acquired several new domestic subcontractors and nearshore partners.

The revolution brought about by artificial intelligence is not only technological, it is transforming business models, processes and the nature of work. We have recognised the potential of AI to create significant value for our customers, improve our operational efficiency and support sustainable growth. This means developing new, intelligent services, utilising data in decision-making more deeply than before, and continuously developing the competence of our employees. In 2023, we launched a program to concretely deepen the integration of AI into our business, streamline processes and create new customer added value. Deeper integration of artificial intelligence into our business is a key part of our strategy. It will be deeply embedded in our culture, and we believe it will be a major factor in our success.

Our target is to be the most trusted partner in the industry and the preferred work community in responsible and safe digital transformation. In 2023, we were the first player in the IT industry to publish a green design guide that aims to promote responsible digital development. The guide is part of Netum's responsibility work, which also included a Green Developer course for the entire personnel. In addition, we published our renewed corporate responsibility programme in autumn 2023 and started preparing for future sustainability reporting requirements.

A fair and pluralistic work community as well as and competent professionals who feel well at work are very important to us. For this reason, we conduct regular employee engagement surveys for our personnel. The results of the personnel survey conducted in September were still at a good level. However, after the cost-saving measures and the subsequent change negotiations, in the survey measuring the eNPS score in January, satisfaction with the employer had significantly decreased. We will do everything we can to rectify this situation.

We are confident going into the new financial year. The demand for IT services in the public sector seems to remain strong, even though price competition poses challenges. The general economic situation has been weighing down the outlook for the corporate sector as decision-making has slowed down. We expect that the efficiency measures taken will significantly improve our profitability and that our revenue will continue on a strong growth path both organically and supported by acquisitions. In 2024, we estimate revenue to be in the range of EUR 45–49 million and comparable EBITA to be approximately 8–11% of revenue.

My warmest thanks for 2023 to all our personnel, customers, partners and investors.”

Matti Mujunen  
CEO

# Report of the Board of Directors 1 January–31 December 2023

Netum is a reliable and strongly growing IT service partner that builds a functional and secure digital society. The company has over 20 years of experience in demanding IT projects. Netum's goal is to be the most trusted partner in the industry and the preferred work community in responsible and safe digital transformation. The company helps its customers develop their digital business by designing and implementing sustainable digital solutions tailored their needs – wisely and responsibly. Netum's services include the development and maintenance of digital services, embedded systems and cloud services, system continuity services, data and integration services, cyber security services and management consulting services. In addition, Netum offers SaaS services for the education sector, IT training services and Codematch recruitment services.

Netum Group Plc is the parent company of Netum Group. At the end of 2023, in addition to the parent company, the Group consisted of Netum Plc, Studyo Oy, Buutti Oy and Buutti Consulting AB.

Netum Group Plc's share is traded on Nasdaq Helsinki Ltd's Nasdaq First North Growth Market Finland.

## Key events during the financial year

On 29 December 2022, Netum Group Plc announced an agreement about a corporate transaction between Netum Group Plc and Studyo Oy shareholders. The acquisition was implemented on 2 January 2023, and Studyo Oy became a 100 per cent owned subsidiary of Netum Group Plc.

On 30 June 2023, Netum Plc, a subsidiary of Netum Group Plc, and Optimo Systems Oy agreed on a transaction in which the Netum DUX business was on 1 July 2023 transferred to Optimo Systems as a contribution in kind. In connection with the business transfer, Optimo Systems Oy became an associated company of Netum Plc, with a 49.8% ownership.

On 14 July 2023, Netum announced that it would acquire the entire share capital of Buutti Oy. The transaction was completed on 1 September 2023. The acquisition was in line with Netum's strategy and supports the achievement of the company's medium-term financial targets. Buutti's business brought further growth to Netum, especially from corporate customers, and expanded the company's service offering, for example, to embedded systems development and training services. In addition, as a result of the acquisition, the company's operations expanded regionally to Northern Finland.

On 24 October 2023, Netum published the first green design guide in the Finnish IT sector. The guide provides IT employees with information of responsible digital development and promotes its principles. The guide provides concrete tips to help organisations take the first steps towards greener design.

On 2 November 2023, Netum announced starting change negotiations concerning approximately 40 persons to improve the efficiency of its operations and profitability. The negotiations concerned the parent company Netum Group Plc's personnel that is responsible for the Group's support functions, and Netum Ltd's Cyber security business unit. On 18 December 2023, Netum announced that the negotiations had been concluded. As a result of the negotiations, the employment of five employees was terminated. In addition, the company decided to temporarily lay off some of its personnel. The duration of the temporary layoffs varies from 8 to 25 days, and they affect 24 employees. The temporary layoffs will be implemented during the year 2024.

On 28 November 2023, Netum announced having established a new cloud competence center. The Cloud Centre of Excellence of the company's Continuity services unit helps organisations develop

their cloud architecture and optimize its use. This makes their IT ecosystems more cost- and energy-efficient.

## Revenue, orders received and profitability

The Group's key figures for the last financial year and two preceding ones are presented in the table below.

	2023	2022	2021
Revenue	€37,069,072	€29,145,614	€2,401,074
EBITA	€2,341,323	€2,485,364	€3,140,321
EBITA %	6.3%	8.5%	14.0%
Operating profit	€-234,918	€761,090	€1,909,357
Operating profit, % of revenue	-0.6%	2.6%	8.5%
Return on equity, %	-8.7%	1.5%	6.1%
Equity ratio, %	38.9%	59.6%	60.6%

Netum received several new customers and significant orders during the financial year:

- The KEHA centre: a two-year extension agreement for the URA VDI service production
- Metropolia University of Applied Sciences: development and maintenance of the "Peppi" study management system
- Metropolia University of Applied Sciences, Tampere University of Applied Sciences and Laurea University for Applied Sciences: maintenance and further development of the "Peppi" study management system
- Social Insurance Institution of Finland: software development
- University of Oulu: support for and maintenance of the "Peppi" system
- University of Vaasa: a cloud-based data warehouse solution
- State Treasury: cyber security services
- Istekki Oy: information security audits
- Esko Systems Oy: software development
- Studyo Oy's license capital (Annual Recurring Revenue) for SaaS services grew 70% year on year

The Group's revenue grew organically by 11.3% and, due to the acquisition of Studyo Oy and Buutti Oy, by a total of 27.2%. Profitability in terms of comparable EBITA fell short of the target and was 7.2% of revenue. This was due to, among other things, higher wages and other costs and weak demand in some operations.

## Financing and company shares

The Annual General Meeting held on 29 March 2023 resolved to authorise the Board of Directors to resolve on the issuance of shares as well as the issuance of option rights and other special rights entitling to shares in one or several instalments, either against payment or without payment. The total number of shares to be issued may amount to a maximum of 2,000,000 shares. The General Meeting also resolved to authorise the Board of Directors to decide on the repurchase of a maximum of 500,000 of the company's own shares otherwise than in proportion to the shareholdings of the shareholders, in one or several instalments, using the company's unrestricted equity. The authorisations shall re-main valid until the conclusion of the next Annual General Meeting, but no later than 31 March 2024.

The 200,000 new shares subscribed for in Netum Group Plc's directed share issue without payment were registered with the Trade Register on 3 January 2023. After the registration of the new shares, the number of Netum Group Plc shares was 11,920,500.

On 3 January 2023, the Board of Directors of Netum Group Plc decided on a directed share issue to the key employees of Studyo Oy as part of the basic purchase price of the acquisition of Studyo Oy. On 20 January 2023, based on the share issue, a total of 74,784 Netum Group Plc shares were transferred to Studyo Oy's key employees. After the transfer of shares, Netum Group Plc held 156,216 treasury shares. The number of Netum Group Plc shares remained unchanged at 11,920,500 shares.

On 1 September 2023, based on the authorisation given to the Board of Directors by Netum Group Plc's Annual General Meeting on 29 March 2023, the Board of Directors of Netum Group Plc decided on a directed share issue in which a total of 865,851 new Netum Group Plc shares were transferred to the shareholders of Buutti Oy as part of the basic purchase price of the acquisition of Buutti Oy. The new shares were registered with the Trade Register on 14 September 2023. After the registration of the new shares, the number of shares in Netum Group Plc is 12,786,351.

At the end of 2023, Netum Group Plc had 12,786,351 shares with equal voting rights and dividend rights. Netum Group Plc owns all outstanding shares in Netum Ltd, Studyo Oy, Buutti Oy and Buutti Consulting AB.

Group companies held their own shares on 31 December 2023 as follows:

- Netum Group Plc, 156,216 shares (1.2% of the company's shares)
- Netum Ltd, 37,000 shares (37.4% of the company's shares))

Summary of trading in Netum Group Plc's share 1 January–31 December 2023:

Share turnover, pcs	Highest, €	Lowest, €	Average price, €	Latest, €
1,656,757	3.90	2.52	2.97	2.62

To finance acquisitions, the company took out long-term bank loans totalling EUR 7,600,000 in 2023.

## Investments

Capital expenditure in the acquisition of subsidiary shares (the cash part) totalled EUR 10.8 million. In the previous financial year, investments of EUR 0.5 million were directed at machinery and equipment as well as further development of Netum DUX and Truugo software.

## Research and development

Research and development expenses capitalised in 2023, EUR 0.3 million, were transferred to Optimo Systems Oy in connection with the transfer of the Netum DUX business. In the previous financial year, capitalised research and development expenses amounted to EUR 0.5 million, and they were allocated to the further development of Netum DUX and Truugo software.

## Risk management

Netum's key operational risks are related to customer acquisition, cost control, success in tenders and project deliveries, and responding to technological changes such as the development of artificial intelligence. The risks related to information security, considering the company's business operations, are also subject to continuous monitoring. To ensure information security in operations and to

manage information security risks, the company has an ISO 27001 certified Information Security Management System. All Group companies are instructed to comply with the principles of the system.

The company has hedged against the risks of damage by assessing from the point of view of risk management its business assets, processes and the responsibilities resulting from the delivery of the company's services. Insurances are intended to cover all risks that make sense for financial or other reasons to be covered by insurance. The risks of external financing are hedged by interest rate hedging.

There are no litigations pending, and there are no other legal risks relating to the company's operations known to the Board of Directors that would have a significant impact on the company's operating result.

The increased geopolitical uncertainty causes strong effects on the global economy, on the general cost level and on the companies' willingness to invest.

Netum Group Plc's Board of Directors assesses risks twice a year as part of strategy and business operations planning process.

## Personnel

The total number of Netum Group personnel averaged 346 during the financial year and 412 at the end of the financial year (254 on average in 2022 and 176 in 2021). The total amount of wages and salaries paid in 2023 was EUR 21,682,886 (EUR 14,630,333 in 2022 and EUR 10,394,445 in 2021).

## Corporate responsibility

Netum's goal is to be the most trusted partner in the industry and the preferred work community in responsible and safe digital transformation. Netum's corporate responsibility programme has been updated in summer 2023. The main themes of the updated responsibility programme cover services, work community, the environment and business operations. The impacts of the company's business operations on people, the environment and society consist of both the direct impacts of the company's own operations and indirectly through the operations of the company's customers. The responsibility programme is based on Netum's Code of Conduct, environmental policy, UN Sustainable Development Goals, ISO 27001 certification, audits and continuous interaction with stakeholders.

Netum systematically measures customer experience and satisfaction. Customer satisfaction has improved every year, and in 2023 the company's net promoter score (NPS) was +60 on a scale of -100 to + 100, while in 2022 it was +52. Overall, Netum's customers are satisfied with the company's operations. Special praise was given to Netum for the quality and professionalism of operations as well as transparent, responsible operations. Netum wants to continue to pay special attention to improving customer experience and aims to develop it to be even better in the future.

It is important for Netum to offer its employees a fair and pluralistic work community where competent personnel feel comfortable and well. Supporting diversity is visible in Netum's everyday work as equality, anti-discrimination, age structures and the growing proportion of women. The share of women in the personnel increased to 22% from the previous year's 18%. The company also regularly measures personnel well-being and feeling well at work. In the annual employee engagement survey, flexible working hours, the possibility to work remotely, strong team spirit and a good work community were highlighted. Another indication of an excellent employer image and work community is the ranking in Finland's Best Workplaces 2023 list, where Netum rose to 10th place in the category of medium-sized companies. The Group's employee turnover rate was 12%. The increase from 8% in the

comparison period is primarily due the change negotiations carried out towards the end of the year in the Group's support functions and the Cyber security business unit.

Netum will continue to develop premises that support job satisfaction and growth targets, listening to the ideas and wishes of the personnel. Netum has offices in several different cities throughout Finland, and the majority of employees also use the opportunity for hybrid and remote work. Employees from diverse backgrounds bring their own know-how, experience and interest to benefit the diverse Netum community, improving the company's capacity for renewal and innovation.

Netum encourages employees to develop their skills alongside work. Netum believes that training opportunities and a culture of competence development are not only a competitive advantage in the constantly evolving IT industry, but also a factor that promotes innovation, readiness for change and commitment. In summer 2023, Netum's data academy was also launched. The academy, which combines training and the support of Netum's experts, provided the participants with the necessary tools and a smooth transition to the role of data specialist. In addition, Netum continued regular cooperation with educational institutions, for example, through company visits, recruitment events and student fairs around Finland. Interactive cooperation with educational institutions plays an important role in both societal development and the company's goal of being the preferred work community in the field, also for experts at the beginning of their careers.

Netum is committed to operating in an environmentally sustainable manner and through its responsibility programme strives for continuous improvement actions in climate and environmental matters. The company has launched the Green Operator training for all personnel, the completion of which entitles the holder to use the Netum Green Operator certificate. In autumn 2023, Netum published the first Green design guide in the Finnish IT sector. The guide provides information of responsible digital development and promotes its principles. The guide includes concrete tips to help organisations take the first steps towards greener design.

To its credit, the company also continued to operate in accordance with the Green Office criteria to reduce its ecological footprint. The Kansakoulunkatu office in Helsinki is now Netum's third Green Office certified. In 2023, the recycling rate of the company's equipment remained at the 100% level. The company has also started calculating its carbon footprint, which for its part will lay the foundation for future sustainability reporting in accordance with the EU directive.

Netum has a whistleblowing channel through which suspicions of misconduct can be reported anonymously. Netum was not aware of any suspected misconduct during 2023.

## Governance

After the Annual General Meeting held on 29 March 2023, the ordinary members of Netum Group Plc's Board of Directors were Olavi Köngäs (Chairman), Repe Harmanen, Kirsi Mettälä, Marja-Liisa Niinikoski and Jarmo Puputti. Before the Annual General Meeting, the members of Netum Group Oy's Board of Directors were Olavi Köngäs (Chairman), Repe Harmanen, Lars Laaksonen, Marja-Liisa Niinikoski and Jarmo Puputti.

The Board of Directors convened 13 times during the financial year.

The members of Netum Group Plc's Management Team in 2023 were:

- Matti Mujunen, CEO
- Altti Raali, CEO of Netum Ltd
- Mari Ala-Sorvari, CFO (from 1 August 2023)
- Pekka Levänen, CFO (until 31 July 2023)
- Liina Kangas, Director, HR & Marketing

- Sami Rantanen, Director, Sales and Accounts (from 1 April 2023)
- Jussi Vasama, Director, Sales, Senior Vice President, Netum DUX (until 30 June 2023)
- Juha-Pekka Leskinen, Director, Strategy and Partnerships
- Kimmo Koivisto, Director, IT and Security
- Lauri Stigell, CEO of Studyo Oy (from 16 January 2023)
- Mikko Koistinen, CEO of Buutti Oy (from 1 September 2023)

The company's CEO during the financial year was Matti Mujunen.

The company's auditor was Oy Tuokko Ltd, with APA Tuija Siuko as the principal responsible.

## Outlook and events after the financial period

Netum expects its revenue in the financial year 2024 to be EUR 45–49 million and comparable EBITA to be approximately 8–11 % of revenue.

Netum expects the demand for IT services in the public sector to remain strong but the intensified price competition to bring challenges to the market. The outlook for the corporate sector is weighed down by the general economic situation, which slows down decision-making. Netum expects the measures started during 2023 to improve profitability.

On 15 February 2024, Netum announced that its subsidiary Buutti Oy would start change negotiations due to the prolonged reduced demand in the corporate sector. The change negotiations concerned a total of 80 of Buutti Oy's employees. As a result of the change negotiations, 3 positions were terminated, and 5 employees were temporarily laid off.

## Board of Directors' proposal for the division of profit

The distributable funds of the parent company Netum Group Plc on 31 December 2023 amounted to EUR 24,650,104.12, of which the profit for the financial year was EUR 3,069,205.97. The Board of Directors proposes to the Annual General Meeting to be convened on Wednesday 27 March 2024 that due to the Group's negative result no dividend be paid.

# Financial statements

## Consolidated financial statements

EUR	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>REVENUE</b>	<b>37,069,072.12</b>	<b>29,145,614.27</b>
Other operating income	54,122.58	72,032.62
<b>Materials and services</b>		
Raw materials and consumables		
Purchases during the financial year	-801,382.32	-525,604.04
External services	-2,581,413.84	-3,871,929.84
<b>Total materials and services</b>	<b>-3,382,796.16</b>	<b>-4,397,533.88</b>
<b>Personnel expenses</b>		
Wages and salaries	-21,682,886.39	-14,630,332.87
Social security expenses		
Pension expenses	-3,906,708.67	-2,709,423.96
Other social security expenses	-910,814.17	-657,913.65
<b>Total personnel expenses</b>	<b>-26,500,409.23</b>	<b>-17,997,670.48</b>
<b>Depreciation and reduction in value</b>		
Depreciation according to plan	-362,304.83	-420,671.69
Depreciation of consolidated goodwill	-2,486,765.47	-1,634,799.80
<b>Total depreciation and reduction in value</b>	<b>-2,849,070.30</b>	<b>-2,055,471.49</b>
<b>Other operating expenses</b>	<b>-4,625,836.64</b>	<b>-4,005,881.37</b>
<b>OPERATING PROFIT (-LOSS)</b>	<b>-234,917.63</b>	<b>761,089.67</b>
<b>Financial income and expenses</b>		
Share of joint venture's profit (loss)	-160,009.91	
Other interest and financial income	15,202.84	2,424.83
Reduction in value of current asset securities		10,892.89
Interest and other financial expenses	-316,755.91	-143,193.96
<b>Total financial income and expenses</b>	<b>-461,562.98</b>	<b>-129,876.24</b>
<b>PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAX</b>	<b>-696,480.61</b>	<b>631,213.43</b>
Income tax	-378,408.92	-446,539.18
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>-1,074,889.53</b>	<b>184,674.25</b>

## Consolidated balance sheet

EUR	31 Dec 2023	31 Dec 2022
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
<b>Intangible assets</b>		
Development expenses	125,420.81	667,592.52
Intangible rights	0.00	22,916.65
Goodwill	284,091.65	373,566.65
Consolidated goodwill	23,174,589.57	10,361,161.60
<b>Total intangible assets</b>	<b>23,584,102.03</b>	<b>11,425,237.42</b>
<b>Tangible assets</b>		
Machinery and equipment	43,056.05	57,408.07
Other tangible assets	45,548.26	103,609.71
<b>Total tangible assets</b>	<b>88,604.31</b>	<b>161,017.78</b>
<b>Investments</b>		
Participating interests	515,378.17	
Other shares and investments	25,007.72	
<b>Total investments</b>	<b>540,385.89</b>	
<b>TOTAL NON-CURRENT ASSETS</b>	<b>24,213,092.23</b>	<b>11,586,255.20</b>
<b>CURRENT ASSETS</b>		
<b>Receivables</b>		
<b>Long term receivables</b>		
Receivables from participating interests	52,176.05	0.00
Loan receivables	40,150.00	47,450.00
Other receivables	71,926.18	49,855.78
<b>Total long-term receivables</b>	<b>164,252.23</b>	<b>97,305.78</b>
<b>Short term receivables</b>		
Account receivables	7,113,782.31	3,722,867.05
Loan receivables	2.85	0.00
Other receivables	55,408.76	8,910.78
Prepayments and accrued income	852,750.52	893,070.64
<b>Total short-term receivables</b>	<b>8,021,944.44</b>	<b>4,624,848.47</b>
<b>Total receivables</b>	<b>8,186,196.67</b>	<b>4,722,154.25</b>
<b>Investments</b>		
Other investments	201,000.00	50,081.13
<b>Total investments</b>	<b>201,000.00</b>	<b>50,081.13</b>
<b>Cash in hand and at banks</b>	<b>285,381.93</b>	<b>3,593,186.70</b>
<b>TOTAL CURRENT ASSETS</b>	<b>8,672,578.60</b>	<b>8,365,422.08</b>
<b>TOTAL ASSETS</b>	<b>32,885,670.83</b>	<b>19,951,677.28</b>

EUR	31 Dec 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	80,000.00	80,000.00
Reserve for invested non-restricted capital	15,389,765.06	12,107,075.00
Retained earnings gain (loss)	-1,598,638.43	-489,241.41
Profit (loss) for the financial year	-1,074,889.53	184,674.25
<b>TOTAL EQUITY</b>	<b>12,796,237.10</b>	<b>11,882,507.84</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans from credit institutions	7,900,433.87	1,911,110.95
Prepayments	11,666.52	0.00
Other creditors	1,100,000.00	0.00
<b>Total non-current liabilities</b>	<b>9,012,100.39</b>	<b>1,911,110.95</b>
<b>Current liabilities</b>		
Loans from credit institutions	1,520,677.08	637,037.08
Prepayments	440,760.37	0.00
Account payables	729,275.02	843,458.28
Other creditors	3,699,749.25	1,439,825.94
Accruals and deferred income	4,686,871.62	3,237,737.19
<b>Total current liabilities</b>	<b>11,077,333.34</b>	<b>6,158,058.49</b>
<b>TOTAL LIABILITIES</b>	<b>20,089,433.73</b>	<b>8,069,169.44</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32,885,670.83</b>	<b>19,951,677.28</b>

## Consolidated statement of cash flows

EUR	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>CASH FLOW FROM OPERATIONS</b>		
Profit (+) / loss (-) before appropriations	-615 480.61	631 213.43
Adjustments (+/-)		
Depreciation and amortisation	2 768 070.30	2 055 471.49
Other income and expenses without payments	31 034.78	10 892.88
Financial income and expenses	461 562.98	129 876.24
Cash flow before change in working capital	2 645 187.45	2 827 454.04
Change in working capital		
Current receivables increase (-) / decrease (+)	-2 126 409.99	429 981.22
Interest-free current liabilities increase (-) / decrease (+)	234 422.61	792 622.31
Cash flow before financial items and taxes	753 200.07	4 050 057.57
Interests paid	-276 112.73	-145 755.16
Interests received	13 589.79	2 007.96
Income tax paid	-215 329.86	-791 979.88
<b>Cash flow from operations</b>	<b>275 347.27</b>	<b>3 114 330.49</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments in tangible and intangible assets (-)	-301 755.76	-501 384.14
Proceeds from the disposal of tangible and intangible assets	0.00	75 500.00
Investments in subsidiary shares (-)	-8 701 424.61	0.00
<b>Cash flow from investing activities</b>	<b>-9 003 180.37</b>	<b>-425 884.14</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Paid increase of own capital	0.00	677 075.00
Non-current receivables, increase (-) / decrease (+)	5 355.60	-90 900.78
Non-current interest-free liabilities, increase (+) / decrease (-)	-13 300.08	0.00
Repayments of current loans (-)	-727 037.08	-637 037.08
Withdrawals of non-current loans	7 600 000.00	0.00
Dividend paid (-)	-1 294 071.24	-1 265 440.00
<b>Cash flow from financing activities</b>	<b>5 570 947.20</b>	<b>-1 316 302.86</b>
<b>Change in cash, increase (+) / decrease (-)</b>	<b>-3 156 885.90</b>	<b>1 372 143.49</b>
Cash at the beginning of the financial period	3 643 267.83	2 271 124.34
Cash at the end of the financial period	486 381.93	3 643 267.83

## Parent company's income statement

EUR	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>Revenue</b>	<b>4,463,756.21</b>	<b>833,874.19</b>
Other operating income	23,525.00	0.00
<b>Materials and services</b>		
External services	407,008.63	0.00
<b>Total materials and services</b>	<b>-407,008.63</b>	<b>0.00</b>
<b>Personnel expenses</b>		
Wages and salaries	1,511,917.52	502,077.30
Social security expenses		
Pension expenses	256,567.49	82,433.60
Other social security expenses	49,009.29	60,586.35
<b>Total personnel expenses</b>	<b>-1,817,494.30</b>	<b>-645,097.25</b>
<b>Depreciation and reduction in value</b>		
Depreciation according to plan	1,891.31	0.00
<b>Total depreciation and reduction in value</b>	<b>-1,891.31</b>	<b>0.00</b>
<b>Other operating expenses</b>	<b>-2,102,534.22</b>	<b>-733,872.76</b>
<b>OPERATING PROFIT (-LOSS)</b>	<b>158,352.75</b>	<b>-545,095.82</b>
<b>Financial income and expenses</b>		
Income from Group undertakings	2,605,000.00	1,700,000.00
Other interest and financial income from Group companies	2,837.42	331.93
Other interest and financial income	2,878.43	709.72
Reduction in value of current assets securities	0.00	10,892.89
Interest and other financial expenses	-316,402.85	-142,056.05
<b>Total financial income and expenses</b>	<b>2,294,313.00</b>	<b>1,569,878.49</b>
<b>PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAX</b>	<b>2,452,665.75</b>	<b>1,024,782.67</b>
<b>Appropriations</b>		
Intra-Group transfer	750,000.00	1,200,000.00
<b>Income tax</b>	<b>-133,459.78</b>	<b>-103,054.47</b>
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>3,069,205.97</b>	<b>2,121,728.20</b>

## Parent company's balance sheet

EUR	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
<b>Tangible assets</b>		
Other tangible assets	3 782.63	0.00
<b>Total tangible assets</b>	<b>3 782.63</b>	<b>0.00</b>
<b>Investments</b>		
Shares in group companies	37 687 707.05	20 769 920.68
Receivables from group companies	0.00	70 000.00
<b>Total investments</b>	<b>37 687 707.05</b>	<b>20 839 920.68</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>37 691 489.68</b>	<b>20 839 920.68</b>
<b>CURRENT ASSETS</b>		
<b>Receivables</b>		
<b>Long-term receivables</b>		
Loan receivables	40 150.00	47 450.00
Other receivables	55 944.18	49 855.78
<b>Total long-term receivables</b>	<b>96 094.18</b>	<b>97 305.78</b>
<b>Short-term receivables</b>		
Receivables	18.65	0.00
Receivables from Group companies	415 254.80	311 030.39
Other receivables	51 128.59	8 405.68
Prepayments and accrued income	109 434.34	122 133.29
<b>Total short-term receivables</b>	<b>575 836.38</b>	<b>441 569.36</b>
<b>Total receivables</b>	<b>671 930.56</b>	<b>538 875.14</b>
<b>Cash in hand and at banks</b>	<b>282 129.38</b>	<b>3 592 246.19</b>
<b>TOTAL CURRENT ASSETS</b>	<b>954 059.94</b>	<b>4 131 121.33</b>
<b>TOTAL ASSETS</b>	<b>38 645 549.62</b>	<b>24 971 042.01</b>

EUR	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Subscribed capital	80,000.00	80,000.00
Reserve for invested non-restricted capital	15,389,765.06	12,107,075.00
Retained earnings gain (loss)	6,191,133.09	5,363,476.13
Profit (loss) for the financial year	3,069,205.97	2,121,728.20
<b>TOTAL EQUITY</b>	<b>24,730,104.12</b>	<b>19,672,279.33</b>
<b>LIABILITIES</b>		
<b>Non-current</b>		
Loans from credit institutions	7,900,433.87	1,911,110.95
Other loans	1,100,000.00	0.00
<b>Total non-current liabilities</b>	<b>9,000,433.87</b>	<b>1,911,110.95</b>
<b>Current</b>		
Loans from credit institutions	1,520,677.08	637,037.08
Account payables	62,404.13	53,406.16
Amounts owed to Group companies	1,116,546.00	2,306,287.62
Other liabilities	1,751,760.93	116,951.68
Accruals and deferred income	463,623.49	273,969.19
<b>Total current liabilities</b>	<b>4,915,011.63</b>	<b>3,387,651.73</b>
<b>TOTAL LIABILITIES</b>	<b>13,915,445.50</b>	<b>5,298,762.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,645,549.62</b>	<b>24,971,042.01</b>

## Parent company's statement of cash flows

EUR	1 Jan–31 Dec 2023	1 Jan–31 Dec 2022
<b>CASH FLOW FROM OPERATIONS:</b>		
Profit/loss before appropriations (+/-)	2,452,665.75	1,024,782.67
Adjustments (+/-):		
Depreciation and amortisation	1,891.31	0.00
Other income and expenses without payments	69,076.64	10,892.89
Financial income and expenses	-2,294,313.00	-1,569,878.49
Cash flow before change in working capital	229,320.70	-534,202.93
Change in working capital:		
Interest-free current receivables increase /decrease	-197,796.10	-329,750.66
Interest-free current liabilities increase /decrease	-1,096,381.65	1,167,902.06
Cash flow before financial items and taxes	-1,064,857.05	303,948.47
Interest and fees paid on other business financial expenses	-275,759.67	-144,617.25
Dividends received from business operations	2,605,000.00	1,700,000.00
Interests received from business operations	4,102.80	624.78
Income tax paid (-)	31,034.24	-164,820.87
<b>Cash flow from operating activities</b>	<b>1,299,520.32</b>	<b>1,695,135.13</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Investments in tangible and intangible assets (-)	-5,673.94	0.00
Investments in subsidiary shares (-)	-10,935,097.31	0.00
<b>Cash flow from investing activities</b>	<b>-10,940,771.25</b>	<b>0.00</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Paid increase of own capital	0.00	677,075.00
Non-current receivables, increase (-) decrease (+)	1,211.60	-97,305.78
Repayments of current loans (-)	-727,037.08	-637,037.08
Withdrawals of non-current loans	7,600,000.00	0.00
Dividend paid (-)	-1,294,071.24	-1,265,440.00
Group subsidies	750,000.00	1,200,000.00
<b>Cash flow from financing activities</b>	<b>6,330,103.28</b>	<b>-122,707.86</b>
<b>Change in cash flows, increase (+) /decrease (-)</b>	<b>-3,311,147.65</b>	<b>1,572,427.27</b>
<b>Cash at the beginning of the financial period</b>	<b>3,592,246.19</b>	<b>2,019,818.92</b>
<b>Cash transferred in the merger</b>	<b>1,030.84</b>	<b>0.00</b>
<b>Cash at the end of the financial period</b>	<b>282,129.38</b>	<b>3,592,246.19</b>

## Notes

### Accounting policies

#### Valuation and accrual principles and methods

##### Valuation of non-current assets

Depreciation according to plan has been deducted from the acquisition cost of intangible and tangible assets entered in the balance sheet. Acquisition cost includes variable costs incurred in acquisition and manufacturing. Grants received have been recorded as a deduction from the acquisition cost.

Acquisition cost of non-current assets with a probable useful life is a maximum of three years and small acquisitions within the meaning of the Business Tax Act are fully recorded for the period of the acquisition.

Product development costs that generate income for three or more years are capitalized in the balance sheet as development costs and written off over five years.

The company's investments in subsidiaries are valued at their acquisition cost.

Depreciation according to plan is calculated based on the economic life as follows:

	2023	2022
	Parent company	Consolidated
Development expenses	-	Depreciation in 5 years
Intangible rights	-	Depreciation in 10 years
Goodwill	-	Depreciation in 10 years
Machinery and equipment	-	25% residual depreciation
Other tangible assets	Depreciation in 3 years	Depreciation in 5 years
Consolidated goodwill	-	Depreciation in 10 years

##### Valuation of financial securities

Financial securities and other such financial assets are valued at their acquisition cost or lower than their probable fair market price.

##### Accounting principles of the cash flow statement

Cash flow statements have been prepared according to the general guidance by the Finnish Accounting Board (30 January 2007). Cash flow from operating activities is presented in accordance with the indirect presentation.

##### Company structure

The parent company is Netum Group Plc, registered in Helsinki. Copies of financial statements of Netum Group Plc are available at the company's office, Yliopistonkatu 58 B, 33100 Tampere, Finland.

##### Accounting principles of consolidated financial statements

The company's subsidiaries are Netum Ltd (100%) since 4 February 2017, Jab Oy (100%) 6 February 2017–30 September 2019, Netum Service Channel Oy (100%) since 24 November 2017, Netum Integrations Oy 29 June 2019–31 December 2022, Cerion Solutions Oy 1 October 2021–31 December 2022, Studyo Oy since 2 January 2023, Buutti Oy since 1 September 2023 and Buutti Consulting AB since 19 December 2023.

The company's subsidiary Jab Oy has merged into other subsidiary Netum Oy on 30 September 2019. The company's subsidiaries Netum Integrations Oy and Cerion Solutions Oy have merged with another subsidiary, Netum Ltd, on 31 December 2022. The company's subsidiary Netum Service Channel Oy has merged into the company on 1 October 2023.

Consolidated financial statements have been prepared using the acquisition cost method.

Intra-Group transactions, internal ownership, internal receivables and liabilities, and internal profit distribution have been eliminated in the consolidated financial statements.

The bookings related to the mergers have been eliminated, and the depreciation of the merged Companies' group assets have been continued in accordance with the depreciation plan.

#### **Exceptional events during the financial year**

Netum Ltd has received a grant from Business Finland for projects. The grant has been booked in other operating income. Netum Oy has undergone a business transfer to a newly established company. The business transfer took place on 1 July 2023, and it has become a participating interest.

## Notes to the income statement

Revenue	2023	2022	2023	2022
<b>Geographical distribution</b>	Parent company	Parent company	Consolidated	Consolidated
Finland	4,463,756.21	833,874.19	36,851,229.17	2,900,695.15
Rest of Europe	0.00	0.00	217,842.95	144,919.12
<b>Other operating income</b>	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
Grants / Business Finland	23,525.00	0.00	23,525.00	39,509.91
Other income	0.00	0.00	30,597.58	32,522.71
<b>Depreciation according to plan</b>	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
Development expenses	0.00	0.00	192,242.42	245,216.62
Intangible rights	0.00	0.00	2,500.00	5,000.00
Goodwill	0.00	0.00	89,475.00	89,475.00
Machinery and equipment	0.00	0.00	14,352.02	19,136.01
Other tangible assets	1,891.31	0.00	63,735.39	61,844.06
Consolidated goodwill	0.00	0.00	2,486,765.47	1,634,799.80
<b>Depreciation according to plan, total</b>	<b>1,891.31</b>	<b>0.00</b>	<b>2,849,070.30</b>	<b>2,055,471.49</b>
<b>Personnel</b>	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
Average number of personnel during the reporting period	22	19	346	254
Management salaries and fees	223,654.96	123,987.25	466,755.62	418,034.43
<b>Auditor's fees</b>	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
Audit	43,000.00	21,070.00	81,108.75	47,077.50
Other services	700.00	600.00	700.00	600.00

## Notes to the assets

ACQUISITION AND DEPRECIATION OF FIXED ASSETS	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
<b>INTANGIBLE ASSETS</b>				
<b>DEVELOPMENT EXPENSES</b>				
Acquisition cost 1 January	0.00	0.00	667,592.52	442,393.71
Investments	0.00	0.00	388,252.94	470,415.41
Acquisition cost 31 December	0.00	0.00	1,055,845.46	912,809.12
Business transfer	0.00	0.00	-738,182.25	
Depreciation for the financial year	0.00	0.00	-192,242.42	-245,216.62
Accounting value 31 December	0.00	0.00	125,420.81	667,592.52
<b>INTANGIBLE RIGHTS</b>				
Acquisition cost 1 January	0.00	0.00	22,916.65	27,916.65
Acquisition cost 31 December	0.00	0.00	22,916.65	27,916.65
Business transfer	0.00	0.00	-20,416.65	0.00
Depreciation for the financial year	0.00	0.00	-2,500.00	-5,000.00
Accounting value 31 December	0.00	0.00	0.00	22,916.65
<b>GOODWILL</b>				
Acquisition cost 1 January	0.00	0.00	373,566.65	463,041.65
Acquisition cost 31 December	0.00	0.00	373,566.65	463,041.65
Depreciation for the financial year	0.00	0.00	-89,475.00	-89,475.00
Accounting value 31 December	0.00	0.00	284,091.65	373,566.65
<b>CONSOLIDATED GOODWILL</b>				
Acquisition cost 1 January	0.00	0.00	10,361,161.58	11,995,961.38
Investments	0.00	0.00	15,300,193.44	0.00
Acquisition cost 31 December	0.00	0.00	25,661,355.02	11,995,961.38
Depreciation for the financial year	0.00	0.00	-2,486,765.47	-1,634,799.80
Unamortised consolidated goodwill 31 Dec	0.00	0.00	23,174,589.57	10,361,161.58
<b>TANGIBLE ASSETS</b>				
<b>MACHINERY AND EQUIPMENT</b>				
Acquisition cost 1 January	0.00	0.00	57,408.07	139,677.68
Investments	0.00	0.00	0.00	12,366.40
Divestments	0.00	0.00	0.00	-75,500.00
Acquisition cost 31 December	0.00	0.00	57,408.07	76,544.08
Depreciation for the financial year	0.00	0.00	-14,352.02	-19,136.01
Accounting value 31 December	0.00	0.00	43,056.05	57,408.07
<b>OTHER TANGIBLE ASSETS</b>				
Acquisition cost 1 January	0.00	0.00	103,609.71	146,851.44
Investments	5,673.94	0.00	5,673.94	18,602.33
Acquisition cost 31 December	5,673.94	0.00	109,283.65	165,453.77
Depreciation for the financial year	-1,891.31	0.00	-63,735.39	-61,844.06
Accounting value 31 December	3,782.63	0.00	45,548.26	103,609.71

RECEIVABLES	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
Reserve for invested non-restricted capital	0.00	70,000.00	0.00	0.00
Other receivables	415,254.80	311,030.39	0.00	0.00
<b>Total</b>	<b>415,254.80</b>	<b>381,030.39</b>	<b>0.00</b>	<b>0.00</b>
Accruals and deferred income	Parent company	Parent company	Consolidated	Consolidated
Accruals related to personnel expenses	0.00	0.00	16,357.52	7,631.46
Taxation	0.00	65,167.68	175,876.97	300,338.83
Sales accrual	0.00	0.00	79,348.00	109,214.20
Business Finland grant accruals	0.00	0.00	0.00	61,000.00
Other accrued income	109,434.34	56,965.61	581,168.03	414,886.15
<b>Total</b>	<b>109,434.34</b>	<b>122,133.29</b>	<b>852,750.52</b>	<b>893,070.64</b>
FINANCIAL SECURITIES	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
	Accounting value	Accounting value	Accounting value	Accounting value
Financial securities	0.00	0.00	201,000.00	50,081.13
	Market value	Market value	Market value	Market value
	0.00	0.00	202,844.15	50,081.13

## Notes to the liabilities

AMOUNTS OWED TO GROUP MEMBER COMPANIES	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
Accounts payable	17,363.62	0.00	0.00	0.00
Short-term accruals	1,099,182.38	2,306,287.62	0.00	0.00
<b>Total</b>	<b>1,116,546.00</b>	<b>2,306,287.62</b>	<b>0.00</b>	<b>0.00</b>
Accruals and deferred expenses	Parent company	Parent company	Consolidated	Consolidated
Accruals related to personnel expenses	308,471.98	262,066.39	4,395,627.28	3,169,310.08
Taxation	99,326.34	0.00	136,756.03	52,792.40
Other deferred expenses	55,825.17	11,902.90	154,488.31	15,634.71
<b>Total</b>	<b>463,623.49</b>	<b>273,969.29</b>	<b>4,686,871.62</b>	<b>3,237,737.19</b>

## Commitments and contingent liabilities

<b>Lease liabilities</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Parent company</b>	<b>Parent company</b>	<b>Consolidated</b>	<b>Consolidated</b>
Lease liabilities for business premises	914,414.06	705,319.89	1,004,772.73	705,319.89
<b>Leasing liabilities</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Parent company</b>	<b>Parent company</b>	<b>Consolidated</b>	<b>Consolidated</b>
Due in next financial year	576,135.74	463,327.61	1,005,098.29	811,053.08
Due later	650,761.67	644,367.54	1,016,158.34	1,027,161.39
Total	1,226,897.41	1,107,695.15	2,021,256.63	1,838,214.47
<b>Business credit cards</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Parent company</b>	<b>Parent company</b>	<b>Consolidated</b>	<b>Consolidated</b>
Amount used	4,300.67	1,172.30	10,829.29	14,839.18
Amount unused	0.00	0.00	20,000.00	20,000.00
<b>Credit account limit</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Parent company</b>	<b>Parent company</b>	<b>Consolidated</b>	<b>Consolidated</b>
Limit, unused	1,200,000.00	600,000.00	1,200,000.00	600,000.00
<b>Commitments given</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Guarantees in rem:</b>	<b>Parent company</b>	<b>Parent company</b>	<b>Consolidated</b>	<b>Consolidated</b>
<b>Commitments given by type</b>				
Business mortgages	13,100,100,00	4,000,000,00	13,100,100,00	4,000,000,00

### Contingent liabilities given on behalf of Group companies

Netum Group Plc has issued a comprehensive guarantee on behalf of Netum Oy, Netum Service Channel Oy and Netum Integrations Oy. Universal pledge commitment held by Nordea Bank Corporation (publ). In addition, the shares of Netum Oy have been pledged.

## Change in capital and reserves

	2023	2022	2023	2022
	Parent company	Parent company	Consolidated	Consolidated
<b>Subscribed capital</b>				
Subscribed capital total 1 January	80,000.00	80,000.00	80,000.00	80,000.00
Increase of subscribed capital	0.00	0.00	0.00	0.00
Subscribed capital total 31 December	80,000.00	80,000.00	80,000.00	80,000.00
<b>Unrestricted capital</b>				
Reserve for invested non-restricted capital 1 January	12,107,075.00	11,430,000.00	12,107,075.00	11,430,000.00
Increase from issue of shares	3,282,690.06	677,075.00	3,282,690.06	677,075.00
Decrease of subscribed capital	0.00	0.00	0.00	0.00
Reserve for invested non-restricted 31 December	15,389,765.06	12,107,075.00	15,389,765.06	12,107,075.00
Retained earnings gain 1 January	5,363,476.13	5,195,271.06	-489,241.41	246,975.26
Transfer of profit/loss for the financial year	2,121,728.20	1,433,645.07	184,674.25	529,223.30
Dividends paid	-1,294,071.24	-1,265,440.00	-1,294,071.24	-1,265,440.00
Retained earnings gain 31 December	6,191,133.09	5,363,476.13	-1,598,638.43	-489,241.41
Profit for the financial year	3,069,205.97	2,121,728.20	-1,074,889.53	184,674.25
Unrestricted capital total 31 December	24,650,104.12	19,592,279.33	12,716,237.10	11,802,507.84
Capital and reserves total 31 December	24,730,104.12	19,672,279.33	12,796,237.10	11,882,507.84

### Repurchase of own shares

The accounting value of the 31,000 shares held by the company at the balance sheet date was EUR 25,492.71. The market value of the shares was EUR 116,250,00.

### Statement of distributable equity according to Section 5 of Chapter 13 of the Finnish Limited Liability Company Act

	Parent company
Reserve for invested non-restricted capital	15,389,765.06
Retained earnings gain	6,191,133.09
Profit for the financial year	3,069,205.97
Unrestricted capital total 31 December	24,650,104.12
Distributable equity total	24,650,104.12

## Signatures of the financial statements

In Helsinki, 4 March 2024

\_\_\_\_\_  
Olavi Köngäs  
Chairman of the Board of Directors

\_\_\_\_\_  
Kirsi Mettälä  
Member of the Board of Directors

\_\_\_\_\_  
Repe Harmanen  
Member of the Board of Directors

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Jarmo Puputti  
Member of the Board of Directors

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Marja-Liisa Niinikoski  
Member of the Board of Directors

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Matti Mujunen  
CEO

## Auditor's note

A report has been adopted today on the audit carried out.

Tampere, 4 March 2024

Oy Tuokko Ltd  
Audit firm

Tuija Siuko  
Authorised Public Accountant (KHT)

The financial statements and the entry in the financial statements have been signed electronically.

## Auditor's report

(Translation of the Finnish original)

### To the Annual General Meeting of Netum Group Plc

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of Netum Group Plc (business identity code 2804021-5) for the financial year 1.1. - 31.12.2023. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the Group as well as for the parent company.

In our opinion, the financial statements, in which the parent company's income statement shows a profit of 3.069.205,97 euros, give a true and fair view of the Group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

##### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the parent company and of the Group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the Group or cease operations, or there is no realistic alternative but to do so.

##### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Other reporting requirements**

#### **Other information**

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Tampere, 4 March 2024

Oy Tuokko Ltd  
Audit Firm

(electronically signed)  
Tuija Siuko  
Authorised Public Accountant (KHT)