

Admicom Oyj: Financial statements release 1.1. -31.12.2023

ADMICOM OYJ'S FINANCIAL STATEMENTS RELEASE 2023: Execution of growth strategy continued in a challenging market. Organic recurring revenue growth +11% and EBITDA margin 37% of revenue

Unofficial translation of *Admicom Oyj's financial statements release January 19, 2024 at 9:00 EET*. In case the document differs from the original, the Finnish version prevails.

October – December 2023 (Q4)

- Comparable organic recurring revenue grew to EUR 7.5 million (7.0), an increase of 6.7% year-on-year
- Revenue grew to EUR 8.2 million (8.0), an increase of 1.9% year-on-year. Growth was entirely organic.
- The operating margin (EBITDA) decreased by 17.2% to EUR 2.4 million (2.9), or 29.8% of revenue (36.7%).
- Operating profit before amortization of goodwill (EBITA) decreased by 16.1% to EUR 2.4 million (2.9), or 29.4% of revenue (35.7%).
- Operating profit (EBIT) decreased by 59.7% to EUR 0.7 million (1.8) and profit for the review period was EUR 0.5 million (1.2). During the review period, an additional amortization of EUR 1.0 million was recognised in Kotopro's goodwill due to a change in the amortization period.
- Helena Marjokorpi (MSc) was appointed as Head of People Operations and member of Admicom Oyj's Leadership Team as of 1 January, 2024.

January – December 2023

- Comparable organic recurring revenue grew to EUR 30.3 million (27.3), an increase of 10.8% year-on-year.
- Revenue grew to EUR 34.3 million (31.6), an increase of 8.6% from the previous year. Of the growth, 5.6 percentage points were organic and 3.0 percentage points inorganic growth related to acquisitions.
- Annual recurring revenue (ARR)¹⁾ grew by 8.5% to EUR 32.5 million (30.0).
- The operating margin (EBITDA) decreased by 9.3% to EUR 12.8 million (14.1), or 37.3% of revenue (44.6%).

- Operating profit before amortization of goodwill (EBITA) decreased by 7.7% to EUR 12.7 million (13.7), or 36.9% of revenue (43.4%).
- Operating profit decreased by 18.4% to EUR 8.8 million (10.8). The profit for the financial period decreased by 20.8% to EUR 6.3 (8.0) million. During the financial year, an additional amortization of EUR 1.0 million was recognised in Kotopro's goodwill due to a change in the amortization period.
- The Board of Directors of the parent company proposes that a dividend of EUR 0.70 per share be paid for the financial year 2023.

¹⁾ Annual Recurring Revenue = Monthly recurring revenue (MRR) at the end of the period *multiplied* by 12 and added with revenues from annual adjustment fees and financial statement fees during last twelve months.

Key figures

Admicom Group	10-12/ 2023	10-12/ 2022	Change %	7-12/ 2023	7-12/ 2022	Change %	1-12/ 2023	1-12/ 2022	Change %
Revenue, EUR 1 000	8 194	8 039	1.9%	16 696	16 079	3.8%	34 321	31 615	8.6%
Comparable organic recurring revenue, EUR 1 000 ¹	7 458	6 990	6.7%	15 301	14 160	8.1%	30 293	27 348	10.8%
% of revenue	91.0%	86.9%		91.6%	88.1%		88.3%	86.5%	
EBITDA, EUR 1 000	2 443	2 948	-17.2%	6 205	6 775	-8.1%	12 800	14 115	-9.3%
% of revenue	29.8%	36.7%		37.2%	42.0%		37.3%	44.6%	
EBITA, EUR 1 000 ²	2 408	2 868	-16.1%	6 135	6 594	-7.0%	12 676	13 735	-7.7%
% of revenue	29.4%	35.7%		36.7%	41.0%		36.9%	43.4%	
Operating profit, EUR 1 000	721	1 790	-59.7%	3 724	4 715	-21.0%	8 823	10 811	-18.4%
% of revenue	8.8%	22.3%		22.3%	29.3%		25.7%	34.2%	
Profit for the period, EUR 1 000	455	1 239	-63.3%	2 649	3 378	-21.6%	6 317	7 975	-20.8%
% of revenue	5.5%	15.4%		15.9%	21.0%		18.4%	25.2%	
Return on equity, %	6.4%	17.3%		19.1%	24.4%		21.7%	26.3%	
Return on invested capital, %	5.8%	17.0%		15.3%	15.1%		23.2%	29.2%	
Equity ratio, %	72.7%	59.9%		72.7%	59.9%		72.7%	59.9%	
Net gearing, %	-19.9%	-8.3%		-19.9%	-8.3%		-19.9%	-8.3%	
Earnings per share, EPS eur	0.09	0.25	-63.3%	0.53	0.68	-21.6%	1.27	1.60	-20.8%
Balance sheet total, 1 000 eur	40 584	49 611		40 584	49 611		40 584	49 611	
Number of employees at the end of the period	271	241		271	241		271	241	
ARR at the end of the period, MEUR	32.5	30.0	8.5%	32.5	30.0	8.5%	32.5	30.0	8.5%
Number of shares at the end of the period, 1 000 pcs	4 986	4 986		4 986	4 986		4 986	4 986	

¹ Comparable organic recurring revenue includes recurring software revenue and revenue from recurring accounting services. PlanMan Oy has merged into Tocoman Oy on 31.12.2022 and is reported as part of organic revenue as of 1.1.2023. The revenue of non-strategic customers in the Industrial vertical and Lakeus have been adjusted out of comparable recurring revenue for the reporting and comparison period.

² Operating profit before amortization of consolidated goodwill and goodwill and impairment.

CEO Petri Kairinen:

We started executing our refreshed growth strategy at the beginning of 2023. During the year, we have transformed from a multi-industry ERP supplier into a vertical SaaS supplier focused on the building ecosystem, with interconnected solutions that enable companies in the industry to significantly improve their productivity. This first phase of our strategy journey also became more visible to our customers after we moved to one Admicom brand at the beginning of 2024 and at the same time renewed the naming of our product suite for additional consistency.

The downturn in the construction industry has hit our customers during the year, and the total volume of the Finnish construction industry is estimated to have decreased by 10%. Admicom's strength during this challenging time is the continuous revenue model of our products and the fact that our products are mission critical also during difficult times. This was visible throughout the year as good new sales results relative to the cycle of the market. We are pleased to say, that new sales in the fourth quarter were also at the planned level. In terms of sales, the biggest success was the ERP agreement signed with a customer in the turnover category of over EUR 100 million in the summer after a thorough procurement process for the customer. This, and especially the pick-up in sales in the small business segment in the autumn, shows the continued competitiveness of our products. Our organic recurring revenue grew by approximately 11% during the year. The adjustment fees of the Ultima (previously Adminet) solution were at record level (EUR 2.3 million).

Growth was also slowed down by increasing product churn and by customers reducing solution users, especially in project management and documentation solutions. Customer bankruptcies or closures due to insolvency also played a major role in product-specific churn. Measured in euros, the share of bankruptcies in attrition more than doubled during the year compared to the previous year and represented more than a quarter of total attrition. We estimate that the difficulties in the construction sector will continue in 2024 and that bankruptcy attrition will remain high also in the spring, but that the situation will ease towards the end of the year. We also believe that the recession will contribute to accelerating the digitalisation of the construction sector, as productivity will play an increasingly important role as the era of zero interest rates is behind us.

In terms of growth investments, we continued the cautious policy followed after the summer. However, earlier investment decisions and recruitments weighed on profitability, which in the last quarter of the year is otherwise seasonally weakest. However, full-year profitability (EBITA) remained at the strong level of approximately 37% of net revenue, in line with our guidance.

Our strategic development focus for product modernisation, new products, sales and marketing team development and better customer service have progressed well. We believe that these investments will bear fruit during 2024 in the form of stronger new sales and decreasing churn in the second half of the year. As our customers business volume will decrease due to recession it will also decrease the annual adjustment fees in 2024. When customers business recovers this will improve annual adjustments fees again. However, thanks to the investments made and the faster growing ARR portfolio towards the end of the

year, we are well positioned to start the phase of accelerated growth after the recession in 2025, in line with our strategy.

In terms of our internationalisation strategy, we proceeded towards the end of the year to market surveys and analysis of acquisition targets. For the time being, we will proceed cautiously in internationalisation. As a rule, we see carefully considered acquisitions in a suitable market as the leading way to internationalise. In terms of acquisitions, we have improved our preparedness and intend to carry out acquisitions that support our product portfolio or expand the market during 2024. We also prepare for this by proposing to the Annual General Meeting a dividend of 70 cents per share (1.3 euro/share in 2023) in accordance with our dividend policy (more than 50% of earnings as dividends).

We are entering the new year as renewed Admicom in many ways. For our personnel, this is reflected in a more uniform culture and way of working, but also in numerous changes. I would like to thank the entire Admicom community for their enthusiasm and patience on our shared growth journey. In 2024, the changes we make will start to be more clearly visible to our customers in the continuously improving integrations between products, a new and modern dashboard view combining the solutions of our product family, solutions that utilise artificial intelligence and, of course, a unified way of approaching and serving our customers. At Admicom, we want to be an enabler of learning-driven construction, whose solutions provide our customers with an excellent platform to develop their operations to be more productive and sustainable.

Expected future performance

Outlook 2024

Annual Recurring Revenue (ARR) is expected to grow in 2024 by 5-10%. ARR in 2023 was 32.5 million euros.

Total revenue is expected to grow from 2023 level. Total revenue in 2023 was 34.3 million euros.

Adjusted EBITDA is expected to be 32-37% of revenue.

Themes affecting revenue and profitability

The company sees significant growth opportunities in its software solutions as well as upsell and cross-selling to existing customers, but the economic downturn in the construction industry causes uncertainty in the development of new sales in 2024 and keeps customer churn high especially due to insolvencies. The company continues to transfer capability from external software development services to its internal use, which also reduces revenues.

The pricing of Admicom Ultima product (formerly Adminet) and accounting services is based on a monthly fee determined by the customer's revenue. Invoicing is reviewed when the customer's actual revenue of the financial year deviates from the forecast. This annual

adjustment fee item is typically invoiced five months after the end of the customer's financial year. Due to the decreased customer revenues, we estimate that annual adjustment fees will be approximately EUR 1.5 million in 2024 (EUR 2.3 million in 2023). This change will weaken the company's growth and relative profitability.

Adjustments for adjusted EBITDA are material items outside the normal course of business related to e.g. acquisitions or other one-off transactions.

Financial development

October – December 2023 (Q4)

Revenue for the fourth quarter increased by 1.9% to EUR 8.2 (8.0) million. The increase in recurring revenue was 6.7% mainly due to the ERP business. Revenue growth was entirely organic.

The operating margin (EBITDA) decreased by 17.2% to EUR 2.4 million (2.9). Relative EBITDA was 29.8% of revenue (36.7%). EBITDA decrease from the strong level of the comparison period was expected, as it was affected by, among other things, the changed margin structure due to acquisitions, the strategic investments made during the financial year in the Group's customer experience, product development and accounting services, as well as the strengthening of the Group Leadership Team.

Operating profit was EUR 0.7 million (1.8) and result for the review period was EUR 0.4 million (1.2). The weakening of operating profit was driven by an additional depreciation of EUR 1.0 million recognized at the end of the review period in Kotopro's goodwill due to the change in the depreciation period.

January - December 2023

The Group's **revenue** for the financial year 1.1.2023 – 31.12.2023 was EUR 34.3 (31.6) million. Revenue increased by 8.6% from the previous year. Of the growth, 5.6 percentage points were organic and 3.0 percentage points inorganic growth related to acquisitions. Organic growth was driven by continued revenue growth from Ultima (formerly Adminet) and project management solutions, as well as Ultima's annual adjustment fees. In the first half of 2023, inorganic growth was generated by the acquisition of Kotopro.

The impact of annual adjustment fees on the growth of the Group's revenue was +2.4 percentage points, and the total revenue from the adjustment fees invoiced to customers was EUR 2.3 million (1.6). SaaS invoicing accounted for 76% (71%) of revenue in 2023, accounting services consisting mainly of recurring revenue for 18% (20%), and training and consulting income and other income for 6% (9%). By business, revenue in 2023 was divided as follows: ERP solutions 77%, project management solutions 13%, documentation solutions 8%, software development services 2%.

The operating margin (EBITDA) decreased by 9.3% to EUR 12.8 million (14.1), or 37.3% of revenue (44.6%). The decrease in EBITDA was driven by the investments made during the financial year in the Group's customer experience, product development and accounting services, as well as the strengthening of the Group Leadership Team.

Operating profit decreased by 18.4% to EUR 8.8 million (10.8). Depreciation and amortization for the financial year increased by EUR 0.7 million to EUR 4.0 million (3.3). At the end of the financial year, an additional amortization of EUR 1.0 million was recognized in Kotopro's goodwill due to a change in the amortization period. Amortization of Group goodwill and goodwill totaled EUR 3.8 million. The result for the financial period was EUR 6.3 (8.0) million.

Balance sheet, financing and cash flows

The Group's balance sheet total on 31.12.2023 was EUR 40.6 million (49.6). The most significant changes in the balance sheet were due to amortization of Group goodwill and an additional loan repayment made in the summer.

The Group's equity at the end of the financial year was EUR 29.2 million and the equity ratio was 72.7% (59.9%). A dividend of EUR 6.5 million was distributed to shareholders during the review period.

In the previous financial year, the Group raised a variable rate loan of EUR 13.0 million to finance the acquisition of Kotopro. The loan will mature in June 2025. A partial repayment of EUR 9.0 million was made on the principal of the loan in June 2023. The terms of the loan include a covenant clause measuring the net debt/EBITDA ratio. The company was compliant with the clause on the reporting date.

The Group's cash flow from operating activities before financial items and taxes was EUR 13.0 million (15.4). Cash flow was weakened by strategic investments made during the financial year. Cash flow from operating activities was EUR 10.3 million (11.2). Cash flow from investing activities was EUR -0.4 million (-16.7). In the comparison period, cash flow from investing activities includes the effects of acquisitions. Cash flow from financing activities was EUR -15.6 million due to loan repayment (EUR -9.0 million) and dividends paid (EUR -6.6 million). Change in cash and cash equivalents during the financial year was EUR -5.6 (-2.5) million.

The Group's financial position remained strong and the Group's liquid cash and cash equivalents on 31.12.2023 were EUR 9.9 (15.5) million. On 31.12.2023, the Group's net debt was EUR -5.8 million (-2.4) and gearing was -19.9% (-8.3%). The loan drawn to finance the Kotopro acquisition was partially repaid prematurely by EUR 9 million in June.

Investments, depreciation and amortization

Capital expenditure for the financial year consisted of the development of new products in the project management unit, of which EUR 0.3 million was capitalized in the balance sheet during the financial year. Depreciation for the financial year amounted to EUR 4.0 million, of which

amortization of Group goodwill and goodwill accounted for EUR 3.8 million. At the end of the financial year, an additional amortization of EUR 1.0 million was recognized in Kotopro's goodwill as the amortization period was reduced from 20 to 10 years.

Personnel and management

At the end of the financial year, the Group had 271 employees, of whom 32% worked in accounting services, 26% in R&D, 15% in sales and marketing, 21% in customer success and 6% in administration.

The Group Leadership Team composition in 2023 has been:

- Petri Kairinen, CEO
- Petri Aho, deputy CEO and Chief Development Officer (CDO), M&A and strategy (CFO until 6 July, 2023)
- Katariina Lähdesniemi, interim CFO (7 July - 8 October, 2023)
- Satu Helamo, Chief Financial Officer (CFO, from 9 October, 2023)
- Pekka Pulkkinen, Chief Growth Officer (CGO, from 2 May, 2023)
- Anna-Maija Ijäs, Business Unit Director, ERP solutions
- Thomas Raehalme, Chief Technology Officer (CTO) and Business Unit Director of software development services
- Mikko Järvi, Business Unit Director, Documentation solutions
- Jari Kangassalo, Business Unit Director, Project management solutions

Helena Marjokorpi has been appointed as Head of People Operations and member of the Leadership Team as of 1 January, 2024.

The Chair of the Board of Directors of Admicom Oyj in 2023 has been Petri Niemi, and the members are Pasi Aaltola, Henna Mäkinen, Marko Somerma, Olli Nokso-Koivisto, Camilla Skoog (from 21 March, 2023) and Tomi Lod (from 21 March, 2023).

Henna Mäkinen (Chair), Marko Somerma and Petri Niemi were elected as members of Admicom Oyj's Board of Director's Audit Committee on 21 March 2023.

The Group's auditor is KPMG Oy Ab with APA Anna-Riikka Maunula as the responsible auditor

Shares and shareholders

Issued shares and share capital

Admicom Oyj's number of shares on 31 December 2023 was 4,988,985 and the company's share capital at the end of December 2023 was EUR 106,000. At the end of the financial year, Admicom Finland Oy held 2,520 Admicom Oyj shares.

Trading in share

The closing price of Admicom Oyj's share on Nasdaq First North Growth Market Finland on 31 December 2023 was EUR 43.25, resulting in a market capitalization of EUR 216 million.

Development of Admicom Oyj's share	Shares traded, pcs	Market value total, eur	High eur	Low eur	Average eur	Close eur
2023	2 023 059	79 101 946	51.10	31.45	40.31	43.25
2022	2 033 942	118 575 346	85.10	41.50	56.78	46.50
2021	1 485 037	141 050 883	158.00	75.20	94.59	84.50
2020	2 104 247	174 686 398	139.00	48.40	83.02	135.00

Shareholders

Admicom Oyj had a total of 6,967 shareholders on 31 December 2023.

Largest shareholders:	2023
- SEB AB (publ.), Helsinki Branch, (nominee-registered.)	40.4% (2 017 857)
- Matti Häll	21.9% (1 090 794)
- Danske Invest Finnish Equity Fund	5.3% (262 834)
Total nominee-registered shareholders	44.5% (2 244 066)

The total holdings of the Board of Directors and the Leadership Team were 67,345 shares (1.35% of the share capital).

Annual General Meeting and governance

The parent company's Annual General Meeting was held in Jyväskylä on 21 March, 2023. The Annual General Meeting discharged the members of the Board of Directors and the CEO from liability and decided to distribute a dividend of EUR 1.30 per share, which was paid to shareholders on 30 March, 2023.

The Annual General Meeting resolved that the remuneration for the external members of the Board of Directors is EUR 26,000 and EUR 58,000 to the Chairman of the Board of Directors for the term extending until the next Annual General Meeting. In addition, the Chairman of the Audit Committee will be paid EUR 5,000 and each member of the Audit Committee EUR 2,500 for the term.

Camilla Skoog and Tomi Lod were appointed as new members of the Board of Directors. Petri Niemi, Henna Mäkinen, Marko Somerma, Olli Nokso-Koivisto and Pasi Aaltola continued as members of the Board of Directors. Petri Niemi was elected Chairman of the Board of Directors by decision of the Annual General Meeting.

The Annual General Meeting resolved on 25.2.2022 to establish a Nomination Committee. The Nomination Committee makes a proposal to the Annual General Meeting on the composition and remuneration of the Board of Directors. The 4 largest shareholders who wished to participate in the work of the Nomination Committee each appointed one member to the Nomination Committee on 31.8.2023 in accordance with the share register. In addition, the Chair of the Board of Directors acts as a member of the Nomination Committee. The company announced the composition of the Nomination Committee for 2023 on 13.10.2023.

Authorizations of the Board of Directors

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act in one or several instalments, either against payment or free of charge. The Board of Directors may use the authorization for share issues and share-based incentive arrangements associated with incentivizing and promoting the commitment of the personnel and management. The total maximum number of shares to be issued based on the authorization, including shares to be issued based on special rights, is 249,449 shares. The Board of Directors may decide to issue either new shares or transfer any treasury shares held by the company. The authorization is valid until the end of the next Annual General Meeting, however for a maximum of 18 months from the General Meeting's resolution on authorization.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares in one or several instalments, either against payment or free of charge. The Board of Directors may use the authorization to finance and enable, for example, corporate or business transactions or other business arrangements and investments. The total maximum number of shares to be issued based on the authorization is 498,898 shares. The Board of Directors may decide to issue either new shares or transfer any treasury shares held by the company. The authorization is valid until the end of the next Annual General Meeting, however for a maximum of 18 months from the General Meeting's resolution on authorization.

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the company's own shares using the company's unrestricted equity. The total maximum number of shares to be repurchased based on the authorization is 498,898 shares. The authorization is valid until the end of the next Annual General Meeting, however for a maximum of 18 months from the General Meeting's resolution on authorization.

Stock option programs

Admicom Oyj's Board of Directors decided on 8 December, 2023 on the option plan for key employees based on the authorization decided by the Annual General Meeting held on 21 March, 2023. The stock options are offered to selected key employees of the Admicom Group as part of the Group's incentive and commitment program, and their purpose is to motivate the key employees to work long-term in order to increase the shareholder value of the company.

The maximum total number of stock options is 164,000. The stock options entitle their owners to subscribe for a maximum total of 164,000 Admicom Oyj shares. Each stock option entitles its holder to subscribe for one (1) new share or existing share held by the company. Of the stock options, a maximum of 82,000 are marked with the symbol 2023A and a maximum of 82,000 with the symbol 2023B. The stock options will be issued free-of-charge. The maximum number of shares subscribed with stock options, 164,000 shares, constitutes approximately 3.29 per cent of the company's shares on a fully diluted basis.

In December 2023, 70,000 stock options were allocated under the symbol 2023A. The subscription period for the options is 1 July, 2026 – 1 January, 2029.

Option program	Total amount	Outstanding	Subscription price, eur/share	Subscription time
2023A	70 000	70 000	36.30	1.7.2026-1.1.2029

No allocations have been made for option program 2023B on the reporting date.

For stock options 2023B, the trade volume weighted average quotation of the Company's Share subject to public trading on a market maintained by Nasdaq Helsinki Ltd, rounded to the nearest cent, during the forty trading days following the publication date (said date excluded) of the company's H1/2024 financial results release. The subscription time is 1 July 2027 – 1 January 2030.

Most significant risks and uncertainties

The main risks and uncertainties in Admicom's business include:

- The challenging market situation in the construction sector may slow down growth and increase customer churn as bankruptcies and liquidity issues increase. A decrease in the revenues of customer companies may affect the Group's revenue, especially through annual adjustment fees for Admicom Ultima (formerly Adminet). The risk is mitigated by the criticality of Admicom's software even in a difficult market situation and the good scalability of the software. In addition, the risk is mitigated by supporting customers' business operations through training, developing customer service, and by offering customers solutions that improve productivity and cost-efficiency.
- Technology and cyber security risks are a critical area for cloud software companies. Admicom Group continuously takes measures to detect and prevent technology and information security threats.
- Data protection and information security risks as well as service failure risks are also intrinsically linked to reputational risk. In order to manage the risk, the company continuously develops its software and the organization's data protection and information security processes, familiarises personnel in data protection and information security matters, and regularly monitors customer satisfaction.

- The company's employees play a significant role in the company's success. The company is constantly recruiting and growing new talent to prepare for critical attritions. Admicom has also invested in the development of new remuneration systems and leadership.
- Changes in the competitor field may increase the company's business risks. The number of mergers and acquisitions and the interests of foreign private equity investors and companies in Finnish software companies have increased, which may shape the competitive field. In addition, small, focused software companies have emerged in the industry. Admicom actively monitors changes in the competitive field and takes into account changes in strategy work and business operations.
- Mergers and acquisitions carried out by Admicom may involve risks that are typical when acquiring or integrating business operations. The Group aims to manage risks by combining operations and expanding its M&A expertise.

The Board of Directors' proposal for dividend

The parent company's distributable funds amount to EUR 26,878,560 and the profit for the financial year is EUR 8,511,835. The Board of Directors of the parent company proposes a dividend of EUR 0.70 per registered share to be paid for the financial year 2023, a total of EUR 3,492,289,50.

There are no material changes in the Company's financial position since the end of the financial year. The company's liquidity is good and, in the view of the Board of Directors, the proposed distribution of profit will not compromise the Company's solvency.

Material events after period end

No material events.

Accounting principles of the financial statements release

The financial statements release has been prepared in accordance with good accounting practice and Finnish accounting regulation. The financial statements release includes audited financials from the 2023 financial statements, and the figures have been prepared in accordance with Finnish Accounting Standards (FAS). The information has been presented to the extent required by Nasdaq First North Growth Market rules. The figures presented have been rounded off from the exact figures.

All figures presented in the review are Admicom Group figures.

Financial publications in 2024 and Annual General Meeting

In 2024, Admicom will publish its Q1 quarterly earnings release on 10 April, 2024, its half-year financial report on 9 July, 2024 and its Q3 quarterly earnings release on 9 October, 2024.

Admicom's Annual General Meeting is planned to be held on 19 March, 2024. The company's Board of Directors convenes the Annual General Meeting separately.

The Company will publish the Group's Annual and Board of Directors' Report and Financial Statements for 2023 on 19 January 2024 at 9:00 a.m. EEST and they are attached to this release and also available on the Company's website at <https://investors.admicom.fi/>. In addition, an online information session will be held for investors on 19 January, 2024 at 12:00 p.m. EEST, which can be registered at <https://admicom.videosync.fi/q4-2023/register>.

Admicom Oyj
BOARD OF DIRECTORS

Additional information:

Petri Kairinen
CEO
petri.kairinen@admicom.com
+358 50 303 4275

Satu Helamo
CFO
satu.helamo@admicom.com
+358 45 633 7710

Certified Advisor:

Oaklins Merasco Oy
+358 9 6129 670

Admicom Oyj

Established in 2004, Admicom is a pioneer in system development and a comprehensive software and accounting services partner for small and medium-sized enterprises.

At the core of our service package is the Admicom Ultima ERP system (formerly Adminet), which covers a wide range of solutions for managing customer companies' operations from mobile tools on the construction site to real-time financial monitoring and project management. A highly automated SaaS solution helps SMEs improve their competitiveness and profitability and saves significant time on site and in the office. We also offer our clients training, consulting and accounting services.

Our software family also includes Ultima Lite (formerly Adminet Lite), a cost-effective software and service package for small businesses, Admicom Flex (formerly Hillava), a precision solution for mobile work management, Admicom Vision (formerly Kotopro), which offers modern solutions for higher quality documentation, and a project management unit whose range of services includes solutions for quantity and cost calculation (Estima and Estima Pro), scheduling (Tempo and Planner, formerly Tocoman Aikataulu) and BIM3 solutions for utilising building information models.

We are constantly working to coordinate the functions of our software family in order to provide our customers with a consistent user experience between systems and eliminate extra work phases, enabling our customers to do more profitable business using modern software solutions.

The continuously growing Admicom community employs more than 270 people in its offices in Jyväskylä, Helsinki, Tampere, Oulu, Seinäjoki and Turku. More information: www.admicom.com.

Admicom's press releases and financial reports: <https://investors.admicom.fi/releases-and-reports/>

INCOME STATEMENT, GROUP

EUR 1 000	1-12/2023	1-12/2022	7-12/2023	7-12/2022
REVENUE	34 321	31 615	16 696	16 079
Other operating income	18	11	3	0
Materials and services	-1 563	-1 491	-791	-738
Personnel expenses	-14 943	-12 178	-7 287	-6 290
Depreciation and amortisation	-3 976	-3 304	-2 480	-2 040
Other operating expenses	-5 034	-3 842	-2 416	-2 296
OPERATING PROFIT (LOSS)	8 823	10 811	3 724	4 715
Financial income and expenses				
Other interest income and other financial income	19	6	18	3
Interest and other financial expenses	-214	-195	-99	-122
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	8 629	10 622	3 643	4 596
Income taxes	-2 255	-2 594	-971	-1 194
Minority interest	-57	-53	-23	-24
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	6 317	7 975	2 649	3 378

BALANCE SHEET, GROUP

EUR 1 000	12/2023	12/2022
ASSETS		
NON-CURRENT ASSETS		
Intangible assets		
Capitalised development costs	451	171
Intangible rights	5	11
Goodwill	25	60
Group goodwill	26 773	30 595
Advance payments	16	
Total intangible assets	27 271	30 837
Tangible assets		
Machinery and equipment	144	192
Total tangible assets	144	192
Investments		
Other shares and holdings	3	3
Total investments	3	3
TOTAL NON-CURRENT ASSETS	27 417	31 031
CURRENT ASSETS		
Inventory		
Materials and supplies	15	15
Total inventory	15	15
Long-term receivables		
Other receivables	21	21
Total long-term receivables	21	21
Short-term receivables		
Accounts receivable	2 726	2 692
Other receivables	115	121
Prepayments and accrued income	368	200
Total short-term receivables	3 209	3 013
Cash and cash equivalents	9 922	15 532

TOTAL CURRENT ASSETS	13 167	18 580
TOTAL ASSETS	40 584	49 611

BALANCE SHEET, GROUP

EUR 1 000	12/2023	12/2022
EQUITY AND LIABILITIES		
EQUITY		
Share capital	106	106
Reserve for invested unrestricted equity	15 308	15 308
Retained earnings	7 501	6 008
Profit of the financial year	6 317	7 975
TOTAL EQUITY	29 232	29 398
Minority interest	89	147
LIABILITIES		
Long-term liabilities		
Loans from financial institutions	4 073	13 081
Other liabilities	500	500
Pitkäaikainen vieras pääoma yht.	4 573	13 581
Current liabilities		
Loans from financial institutions	8	8
Received advances	242	260
Accounts payable	574	323
Other liabilities	1 306	1 189
Accruals and deferred income	4 560	4 706
Total current liabilities	6 690	6 485
TOTAL LIABILITIES	11 263	20 066
TOTAL EQUITY AND LIABILITIES	40 584	49 611

CHANGES IN EQUITY

EUR 1 000	1-12/2023	1-12/2022
RESTRICTED EQUITY		
Share capital	106	106
TOTAL RESTRICTED EQUITY	106	106
NON-RESTRICTED EQUITY		
Invested unrestricted equity reserve at the beginning of the financial year	15 308	17 802
Distribution of funds from the invested unrestricted equity fund		-2 493
Invested unrestricted equity reserve at the end of the financial year	15 308	15 308
Profit (loss) of previous financial years at the beginning of the financial year	13 984	13 488
Distribution of dividend	-6 482	-7 480
Profit (loss) of previous financial years at the end of the financial year	7 501	6 008
Profit/loss of the financial year	6 317	7 975
TOTAL NON-RESTRICTED EQUITY	29 126	29 292
TOTAL EQUITY	29 232	29 398

CASH FLOW STATEMENT, GROUP

EUR 1 000	1-12/2023	1-12/2022	7-12/2023	7-12/2022
Cash flow from operating activities				
Profit (loss) before taxes	8 629	10 622	3 643	4 596
Adjustments:				
Depreciation and amortisation	3 976	3 304	2 480	2 040
Financial income and expenses	195	189	81	119
Other adjustments		5		5
Cash flow before changes in working capital	12 800	14 120	6 205	6 760
Changes in working capital				
Increase (-) / decrease (+) in short-term non-interest-bearing receivables	-195	283	424	-2
Increase (-) / decrease (+) in inventories	0	0	-1	3
Increase (+) / decrease (-) in short-term non-interest-bearing liabilities	436	990	-543	124
Cash flow from operating activities before financial items and taxes	13 041	15 392	6 084	6 885
Interest and other financial costs paid	-223	-136	-49	-73
Interest received	16	6	15	3
Income taxes paid	-2 483	-4 064	-1 129	-1 362
Cash flow from operating activities (A)	10 350	11 197	4 922	5 453
Cash flow from investing activities				
Investments to tangible and intangible assets	-366	-8	-192	
Acquisition of the subsidiary, net of cash	-1	-16 777		-377
Divested business		37		37
Cash flow from investing activities (B)	-368	-16 748	-192	-339

Cash flow from financing activities

Proceeds from non-current liabilities		13 000		
Repayments of non-current liabilities	-9 000			
Paid dividends and other profit distribution	-6 593	-9 973	-55	
Cash flow from financing activities (C)	-15 593	3 027	-55	

Change in cash and cash equivalents (A+B+C), increase (+) / decrease (-)

	-5 610	-2 524	4 675	5 114
Cash and cash equivalents at the beginning of the financial year	15 532	18 055	5 247	10 418
Cash and cash equivalents at the end of the financial year	9 922	15 532	9 922	15 532
Change in cash and cash equivalents	-5 610	-2 524	4 675	5 114

LIABILITIES, GROUP

EUR 1 000	12/2023	12/2022
Rental liabilities of business premises		
Rental liabilities	2 352	2 696
Rent security guarantee deposits	61	66
Rent guarantees	55	55
Total	2 468	2 817

EUR 1 000	12/2023	12/2022
Leasing liabilities		
Payable during next 12 months	28	20
Payable later	38	42
Total	66	62

EUR 1 000	12/2023	12/2022
Guarantees in rem		
Vehicle mortgages	8	15
Total	8	15

EUR 1 000	12/2023	12/2022
Company protected liabilities		
Loans from financial institutions	4 000	13 000
Business mortgages	19 500	19 500

Calculation of financial ratios

Operating profit, % of revenue =	$\frac{\text{Operating profit}}{\text{Revenue}} \times 100$
EBITDA, % of revenue =	$\frac{\text{Operating profit} + \text{depreciation and amortisation}}{\text{Revenue}} \times 100$
EBITA, % of revenue =	$\frac{\text{Operating profit} + \text{depreciation of company goodwill} + \text{depreciation goodwill} + \text{amortization of goodwill}}{\text{Revenue}} \times 100$
Return on equity, % =	$\frac{\text{Operating profit before appropriations and taxes} - \text{income tax}}{\text{Equity on average} + \text{minority interest on average}} \times 100$
Return on investment, % =	$\frac{\text{Operating profit before appropriations and taxes} + \text{net financing expenses}}{\text{Balance sheet total on average} - \text{non-interest-bearing debts on average}} \times 100$
Equity ratio, % =	$\frac{\text{Equity} + \text{minority interest}}{\text{Balance sheet total} - \text{advance payments received}} \times 100$
Net gearing, % =	$\frac{\text{Interest-bearing debt} - \text{cash at banks}}{\text{Equity} + \text{minority interest}} \times 100$
Earnings per share (EPS), EUR =	$\frac{\text{Profit of the financial year}}{\text{Number of shares on average during the financial year}}$