



Panostaja Oyj's Business Review November 1, 2024-January 31, 2025

13.3.2025 10:00:00 EET | Panostaja Oyj | Interim report (Q1 and Q3)

Panostaja Oyj Business Review Q1 March 13, 2025 at 10.00 a.m.

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Varying development across our segments - CoreHW achieves a strong opening to the financial period, Grano's demand remains modest

November 2024-January 2025 (3 months) in brief:

- Net sales increased in one of our four segments. Net sales for the Group as a whole dropped by 1.8% to MEUR 32.7 (MEUR 33.3).
- EBIT improved in two segments. The entire Group's EBIT was MEUR -0.8 (MEUR -0.4).
- Grano's net sales for the review period dropped by 3% from the reference period. EBIT totaled MEUR -0.9 (MEUR 0.2). The EBIT includes one-time items related to change negotiations in the amount of MEUR -0.8.
- Earnings per share (undiluted) were -1.4 cents (-1.6 cents).

CEO Tapio Tommila:

"Similarly to the previous year, market uncertainty remained elevated in the first quarter, and we have not yet seen significant signs of recovery in the general economic development. Within the customer bases of our segments, investment decisions remained slow and general customer demand continued to be lower than usual. Overall, first-quarter net sales decreased by 1.8%, with Grano's net sales being weaker than in the reference period and the change in Hygga's clinic business encumbering net sales as expected. On the other hand, CoreHW's strong development continued in the first quarter of the financial year, supporting the total net sales level.

EBIT for the review period weakened to MEUR -0.8 from MEUR -0.4 in the reference period. An essential item that weakened the result was formed by the one-time costs related to Grano's change negotiations, totaling MEUR 0.8. During the review period, Grano completed the change negotiations, and the structural and organizational changes implemented will achieve permanent annual cost savings of approximately MEUR 3, which will be fully realized in the 2026 financial year. In the review period, EBIT improved in two of our four investments, and CoreHW achieved the largest profitability improvement by far. Customer activity related to CoreHW's design service was at a good level during the review period and EBIT increased to MEUR 0.7 (MEUR -0.2). Oscar Software also continued to improve profitability, with EBIT rising to MEUR 0.2 (MEUR 0.1) while net sales remained at the level of the reference period. Hygga's EBIT decreased to MEUR -0.1 from MEUR 0.1 in the comparison period, while the transition of the clinic business back to private clinic business was under way.

The slow phase in the corporate acquisition market has continued beyond the turn of the year, and the number of bids is clearly lower than usual. We are actively focusing on generating our own project flow and focusing on exploring new corporate acquisition opportunities in our target sectors, in accordance with our goals.

On February 5, 2025, Panostaja's Annual General Meeting decided to change the company's financial year to a calendar year. As a result, the financial year that began on November 1, 2024 will end on December 31, 2025. We will release our six-month review and business report for the third quarter on October 30, 2025, according to our announced schedule. The preliminary plan will be to publish the financial statement bulletin at the turn of February and March 2026."

Financial Development November 1, 2024-January 31, 2025

Key Figures MEUR	Q1	Q1	12 months

	11/24- 1/25	11/23- 1/24	11/23- 10/24
Net sales, MEUR	32.7	33.3	134.0
EBIT, MEUR	-0.8	-0.4	2.5
Profit before taxes, MEUR	-1.0	-1.1	-3.1
Profit/loss for the financial period, MEUR	-1.1	-1.1	-3.2
Distribution:			
Shareholders of the parent company	-0.7	-0.9	-4.0
Minority shareholders	-0.3	-0.2	0.7
Earnings per share, undiluted, EUR	-0.01	-0.02	-0.08
Interest-bearing net liabilities	36.9	38.9	39.3
Gearing ratio, %	75.6	75.3	79.3
Equity ratio, %	38.2	36.9	37.8
Equity per share, EUR	0.53	0.60	0.54

Distribution of net sales by segment MEUR	Q1	Q1	12 months
Net sales	11/24- 1/25	11/23- 1/24	11/23- 10/24
Grano	25.6	26.3	104.6
Hygga	1.4	2.0	8.8
CoreHW	2.8	2.0	8.6
Oscar Software	2.9	2.9	12.1
Others	0.0	0.0	0.0
Eliminations	0.0	0.0	-0.1
Group in total	32.7	33.3	134.0

Distribution of EBIT by segment MEUR	Q1	Q1	12 months
EBIT	11/24- 1/25	11/23- 1/24	11/23- 10/24
Grano	-0.9	0.2	3.0
Hygga	-0.1	0.1	0.4
CoreHW	0.7	-0.2	-0.1
Oscar Software	0.2	0.1	1.4
Others	-0.6	-0.6	-2.1
Group in total	-0.8	-0.4	2.5

Panostaja Group's business operations for the current review period are reported in five segments: Grano, Hygga, CoreHW, Oscar Software and Others (parent company and associated companies).

One associated company, Gugguu Group Oy, provided a report for the review period. The impact on profit/loss of the reported associated companies in the review period was MEUR -0.1 (MEUR -0.0), which is presented in a separate row in the consolidated income statement. The development of Gugguu's net sales and EBIT has been commented on more specifically in the Segments section.

Outlook for the 2025 Financial Period

Activity in the corporate acquisition market has been slow due to the uncertain economic outlook, and the availability of new segments has declined. The consistently high liquidity of the market and the continuously high price expectations of the sellers have contributed to making the operating environment challenging for corporate acquisitions. That said, the need for SMEs to utilize ownership arrangements and growth opportunities will continue and, as the economic outlook improves, the corporate acquisition market is expected to recover. We will continue to actively explore new possible investment targets in accordance with our strategy and assess divestment possibilities as part of the ownership strategies of the investment targets.

It is thought that the demand situation for different investments will develop in the short term as follows:

- The demand for Grano, Oscar Software, CoreHW and Hygga will remain satisfactory.

The demand situation presented above involves uncertainties relating to any geopolitical and macroeconomic impacts that are difficult to anticipate. In addition to this, the domestic labor market situation and the instability of international trade policy increase uncertainty for the current financial year. The effects of the war in Ukraine as well as related economic sanctions and geopolitical tensions will increase economic uncertainty in Finland and abroad, which may negatively impact segment demand or the availability of materials, and thereby material prices and delivery capabilities. The general economic volatility may have a negative impact on the purchasing power of consumers and the willingness of companies to make investments, which may weaken the demand situation of our segments from the estimate provided above.

Panostaja Oyj

Board of Directors

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Panostaja Oyj

Tapio Tommila
CEO

About Panostaja Oyj

Panostaja is an investment company developing Finnish companies in the growing service and software sectors as an active shareholder. The company aims to be the most sought-after partner for business owners selling their companies as well as for the best managers and investors. Together with its partners, Panostaja increases the Group's shareholder value and creates Finnish success stories.

Panostaja has a majority holding in four investment targets. Grano Oy is the most versatile expert of content services in Finland. Hygga Oy is a company providing health care services and the ERP system for health care providers. CoreHW provides high added value RF IC design services. Oscar Software provides ERP systems and financial management services.

Attachments

- [Download announcement as PDF.pdf](#)
- [Panostaja Oyj Business Review 13.3.2025 Q1.pdf](#)