

1 JULY - 30 SEPTEMBER 2024

# Q3 2024 Interim Report

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# Wirtek doubles revenue in Energy

In Q3 2024, Wirtek achieved steady growth and strategic transformation, achieving revenue of TDKK 18,776, an increase of 8% compared to Q3 2023. EBITDA also rose by 15% to TDKK 1,352. When accounting for special acquisition-related items of TDKK 1,027, our adjusted EBITDA was TDKK 2,379, representing a robust growth of 103% year-on-year. These results are particularly encouraging amidst a challenging market landscape, and they affirm our decision of strengthening and expanding our offerings in Energy and Solutions.

## Energy continues to lead the way in growth and opportunity

Our Energy business unit has made extraordinary strides this quarter, representing 39% of total revenue in Q3 2024, with a remarkable growth rate of 98% compared to Q3 2023. This achievement underscores both the resilience and potential of our focus on Clean and Green Energy. The recent acquisitions of Pragmasoft and Seluxit are already proving instrumental in accelerating our progress in this area, as we integrate specialised talent, intellectual property, and technology into our operations. These acquisitions allow us to offer innovative solutions that meet the rapidly evolving demands of the energy sector. With these synergies in place, we anticipate further strong growth within Energy over the coming quarters.

## Expanding with solutions to drive profitability

In addition to continue growing our existing Services business, our ambition is to provide clients with innovative and scalable Solutions. Since acquiring Seluxit in July this year, we have signed three new contracts within just two months, highlighting the strong market demand for our solutions. As we move into 2025, Wirtek plans to expand this business area significantly through balanced investments, aiming to drive further improvements in our profit margins over the medium to long term. By combining software products and IoT capabilities, we are building a stronger and more resilient revenue base that supports our strategy and aligns with our goal of creating lasting and long-term value for clients and shareholders alike.

## Preparing for future growth in 2025

While we continue to see hesitation in the market, as potential new customers await greater stability, our ongoing investment in sales is beginning to bear fruit. We are building a solid pipeline of prospective clients across all business areas, establishing a strong foundation for growth as we enter 2025.

To further support our shift from a primarily service-oriented business to a comprehensive solutions provider, Wirtek plans to implement organisational adjustments. These changes will strengthen our ability to meet evolving client needs, leveraging our expanding portfolio of high-value Services and Solutions, especially within Clean and Green Energy.

## Outlook

Despite current market challenges, we remain optimistic about our future growth trajectory. We are confident that our focus on scalable solutions, bolstered by strategic acquisitions, positions Wirtek well for 2025 and beyond. Our investments in Energy, IoT, and recurring revenue models are aligned with long-term market trends and provide the company with an enhanced ability to deliver sustainable, profitable growth and long-term value creation.

I would like to extend my sincere thanks to our clients, shareholders, and our dedicated team for their continued commitment and hard work as we transform Wirtek into a leading provider of Services and Solutions.

**Michael Aaen**  
CEO Wirtek



# Q3 2024 Summary

## Financial highlights for the period 1 January – 30 September 2024

TDKK	Q3 2024	Q3 2023	Change	Q1-Q3 2024	Q1-Q3 2023	Change
Revenue	18,776	17,457	8%	53,573	52,893	1%
EBITDA	1,352	1,172	15%	3,868	4,801	-19%
Adjusted EBITDA*	2,379	1,172	103%	4,895	4,801	2%
Adjusted EBITDA-margin (%)	12.7%	6.7%	89%	9.1%	9.1%	1%
Pre-tax profits (EBT)	455	812	-44%	1,754	3,522	-50%
Equity	19,417	16,732	16%	19,417	16,732	16%
Cash holdings	4,815	4,165	16%	4,815	4,165	16%

\*) Adjusted for special items related to the acquisitions of Pragmasoft and Seluxit.

### Improved revenue growth but profitability remains under pressure

- **Revenue** was TDKK 18,776 during Q3 2024, an increase of 8% compared to Q3 2023. Revenue grew by 1% in Q1-Q3 2024 compared to the same period in 2023. Wirtek still sees pressure on business due to continued market uncertainties.
- **EBITDA** was TDKK 1,352 in Q3 2024 compared to TDKK 1,172 in Q3 2023, an increase of 15%. This rise was positively affected by adjusted operational efficiencies. For Q1-Q3 2024, EBITDA was TDKK 3,868, down by 19% compared to the same period in 2023.
- **Adjusted EBITDA** for Q3 2024 was TDKK 2,379, a 103% increase from Q3 2023. The adjustment to EBITDA is due to special items from the Seluxit and the Pragmasoft acquisitions of TDKK 1,027. The adjusted EBITDA better reflects Wirtek's core profitability. Adjusted EBITDA-margin for Q3 2024 was 12.7%, up from 6.7% in Q3 2023.
- **Pre-tax profit (EBT)** in Q3 2024 was TDKK 455 compared to TDKK 812 in Q3 2023, a decrease of 44%. For Q1-Q3 2024, EBT was TDKK 1,754, down from TDKK 3,522 in Q1-Q3 2023. Adjusted for special items the Pre-tax profit (EBT) for Q3 2024 is up by 83%.
- **Equity** increased by 16% to TDKK 19,417 in Q3 2024, compared to TDKK 16,732 in Q3 2023. The equity ratio remains at a healthy 42% following the acquisitions of Seluxit and Pragmasoft.
- **Cash holdings** increased by 16%, reaching TDKK 4,815 in Q3 2024, up from TDKK 4,165 in Q3 2023. This improvement reflects consistent positive operational cash flows and careful liquidity management.

### Financial expectations for 2024

While Wirtek still experiences challenges in the existing Services business from the current market uncertainties, the Pragmasoft and Seluxit acquisitions have contributed to Wirtek's business from August 2024. The announced 2024 expectations are still maintained while Wirtek continue to assess the full long-term impact from the two acquisitions and the continued investments in business development.

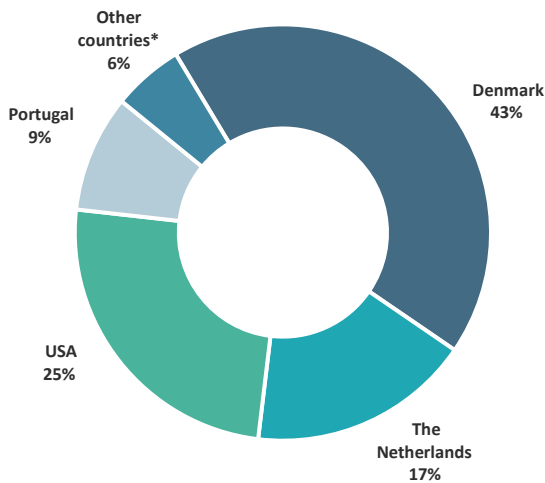
- **Revenue** for 2024 is expected in the range of DKK 74.0m – 78.0m, a growth of 5% - 11% compared to 2023.
- **EBITDA** for 2024 is expected in the range of DKK 6.5m – 7.5m, a growth of 0% - 15% compared to 2023.

# Management's Review

## Revenue development

Wirtek posted revenue of TDKK 18,776 in Q3 2024, an increase of 8% compared to Q3 2023. For Q1-Q3 2024 revenue grew by 1% compared to Q1-Q3 2023, reflecting a challenging H1 2024 with negative revenue growth of 2%.

Geographical Revenue Distribution – Q3 2024



\* Other countries include Austria, Norway, Romania and United Kingdom.

Denmark remains Wirtek's core market, contributing TDKK 8,104, or 43% of total revenue in Q3 2024, demonstrating continued strong market presence.

The USA market also showed continued strength, accounting for TDKK 4,670 in revenue, or 25% of total Q3 2024 revenue. Wirtek will monitor the development of the current customer base in USA closely due to the upcoming change in the political landscape.

The Netherlands contributed TDKK 3,258, making up 17% of revenue and maintaining a stable role in the overall revenue mix.

Following the acquisition of Pragmasoft, Portugal has emerged as a new and significant market, contributing TDKK 1,709, or 9% of total revenue in Q3 2024. This addition reflects Wirtek's expanded geographic footprint and enhanced revenue diversification.

Revenue from other countries, including Austria, the United Kingdom, and Romania, accounted for the remaining 6% of total revenue in Q3 2024.

Business Unit Revenue (TDKK)	Q3 2024	Q1-Q3 2024
Energy	7,342	16,479
Wireless Communication & Automation	4,382	13,997
Trade & E-commerce	3,806	11,607
Workforce & Facility Management	2,413	7,309
Digitalization	833	4,181
<b>Total Revenue</b>	<b>18,776</b>	<b>53,573</b>

The **Energy** business unit demonstrated robust growth, with a 98% increase in revenue in Q3 2024 compared to Q3 2023, reaching TDKK 7,342. This strong performance reflects the addition of the acquired companies Pragmasoft and Seluxit, which have expanded Wirtek's capabilities and revenue base in this segment. Energy accounted for 39% of total revenue, solidifying its position as Wirtek's largest business unit.

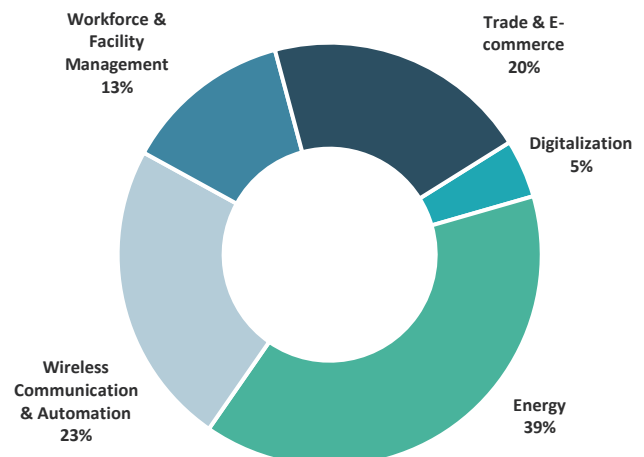
**Wireless Communication & Automation** saw a slight decline of 4% in revenue in Q3 2024 compared to Q3 2023, posting TDKK 4,382. This unit contributed 23% of total revenue.

**Trade & E-commerce** experienced modest growth, with revenue increasing by 3% in Q3 2024 compared to Q3 2023, totalling TDKK 3,806 and contributing 20% to total revenue.

**Workforce & Facility Management** reported a revenue decrease of 20% in Q3 2024 compared to Q3 2023, with TDKK 2,413. This unit represented 13% of total revenue.

**Digitalization** continued to face challenges, with revenue down by 62% in Q3 2024 compared to Q3 2023, amounting to TDKK 833. This segment remains the smallest, representing 5% of total revenue.

Business Unit Revenue Distribution – Q3 2024



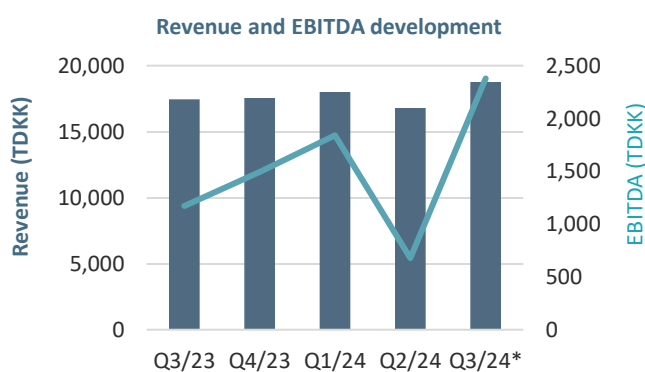
## EBITDA development

For Q3 2024, Wirtek is reporting an EBITDA of TDKK 1,352, a 15% increase from TDKK 1,172 in Q3 2023. The EBITDA margin also improved to 7.2% from 6.7% in the same quarter of the previous year.

Adjusted EBITDA for Q3 2024 reached TDKK 2,379, up 103% compared to Q3 2023. The adjustments relate to special items from the Seluxit and Pragmasoft acquisitions of TDKK 1,027.

Several factors have influenced the EBITDA performance. The acquisitions of Pragmasoft and Seluxit, both completed in Q3 2024, contributed to the adjusted results, while also entailing acquisition-related costs (the latter reversed in the adjusted EBITDA). Wirtek continues to face market pressures, with periods of overcapacity due to fluctuations in client demand. During Q3 2024, the company continued the investments in business development initiatives to strengthen its market presence.

Wirtek remains proactive in monitoring market trends and adjusting operational strategies to reduce financial impacts and sustain profitability in a challenging business environment. The company is focused on cost optimisation and operational streamlining efforts, aimed at maintaining a healthy EBITDA level amid ongoing market volatility while actively pursuing growth opportunities.



\*) Adjusted for special items related to acquisitions.

## Pre-tax profits

Wirtek achieved pre-tax profits (EBT) of TDKK 455 during Q3 2024, compared to TDKK 812 in Q3 2023, marking a 44% decrease. Depreciation, amortization, and impairment expenses for Q3 2024 were TDKK 645, a significant increase from TDKK 275 in Q3 2023. This increase reflects the impact

of amortization from goodwill related to acquisitions as well as investment in critical ERP components.

Net financial expenses in Q3 2024 amounted to TDKK 252, up from TDKK 85 in Q3 2023. This rise was primarily due to higher costs associated with financing activities.

## Strong operating cash flow

Wirtek achieved positive cash flows from operating activities of TDKK 3,097 during Q3 2024 and TDKK 4,452 for Q1-Q3 2024. The Cash Conversion Ratio (Operating cash flow / EBITDA) improved to 115% for Q1-Q3 2024, up from 71% during the same period last year. This strong cash flow performance reflects not only operational efficiency but also the positive impact of recent acquisitions of Seluxit and Pragmasoft, which have contributed to increased cash generation.

## Number of colleagues

Wirtek had a total of 196 colleagues by the end of Q3 2024, down by 2% compared to end of Q3 2023.

The percentage of billable colleagues was 88% by the end of Q3 2024 – slightly below the 89% end of Q3 2023.

## Additional remarks to the financial reporting

The Wirtek Group consists of Wirtek A/S and the fully-owned Romanian subsidiary Wirtek SRL and the fully-owned Portuguese subsidiary Pragmasoft LDA.

The Q3 financial report has not been audited or reviewed by Wirtek's auditor.

## Financial Calendar 2025

19 March 2025	Annual Report 2024
14 May 2025	Interim Report Q1 2025
13 August 2025	Interim Report Q2 2025

## Further Information

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## Profit & loss statement for the period 1 January – 30 September 2024

TDKK	Q3 2024	Q3 2023	Change	Q1-Q3 2024	Q1-Q3 2023	Change
<b>Revenue</b>	<b>18,776</b>	<b>17,457</b>	<b>7.6%</b>	<b>53,573</b>	<b>52,893</b>	<b>1.3%</b>
Other external costs	-9,541	-7,591	25.7%	-24,738	-23,234	6.5%
Other external costs %	50.8%	43.5%	16.9%	46.2%	43.9%	5.1%
<b>Gross Profit/Loss</b>	<b>9,235</b>	<b>9,866</b>	<b>-6.4%</b>	<b>28,835</b>	<b>29,659</b>	<b>-100.0%</b>
Gross Profit/Loss%	49.2%	56.5%	-13.0%	53.8%	56.1%	-4.0%
Staff Costs	-7,883	-8,694	-9.3%	-24,967	-24,858	0.4%
Staff Costs%	42.0%	49.8%	-15.7%	46.6%	47.0%	-0.8%
<b>EBITDA</b>	<b>1,352</b>	<b>1,172</b>	<b>15.4%</b>	<b>3,868</b>	<b>4,801</b>	<b>-19.4%</b>
Depreciation, amortisation, and impairment	-645	-275	134.5%	-1,686	-808	108.7%
Depreciation, amortisation, and impairment %	3.4%	1.6%	118.1%	3.1%	1.5%	106.0%
<b>Operating Profit (EBIT)</b>	<b>707</b>	<b>897</b>	<b>-21.2%</b>	<b>2,182</b>	<b>3,993</b>	<b>-45.4%</b>
Net financial income and expenses	-252	-85	196.5%	-428	-471	-9.1%
Net financial income and expenses %	1.3%	0.5%	175.6%	0.8%	0.9%	-10.3%
<b>Profit before tax (EBT)</b>	<b>455</b>	<b>812</b>	<b>-44.0%</b>	<b>1,754</b>	<b>3,522</b>	<b>-50.2%</b>
Tax on profit/loss for the period	-75	-47	59.6%	-364	-523	-30.4%
Tax on profit/loss for the period %	0.4%	0.3%	48.4%	0.7%	1.0%	-31.3%
<b>Profit for the period</b>	<b>380</b>	<b>765</b>	<b>-50.3%</b>	<b>1,390</b>	<b>2,999</b>	<b>-53.7%</b>
Profit for the period %	2.0%	4.4%	-53.8%	2.6%	5.7%	-54.2%

## Cash flow statement for the period 1 January - 30 September 2024

TDKK	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023
Profit/loss for the year	380	1172	1,391	4,801
Depreciation and amortisation, reversed	645	-85	1,686	-471
Tax on profit/loss, reversed	75	47	364	-523
Other adjustments				
Corporation tax paid	-156			
Change in receivables (ex. tax)	-1,604	1,475	-717	-391
Change in current liabilities (ex. bank, tax, instalments payable and overdraft facility)	3,757	-2,185	1,728	
<b>CASH FLOWS FROM OPERATING ACTIVITY</b>	<b>3,097</b>	<b>424</b>	<b>4,452</b>	<b>3,416</b>
Purchase of non-current assets	-3,378	-696	-3,662	-2,074
Purchase of property, plant and equipment	-63	-82	294	-337
Other cash flows from investing activities	-75	-72	35	-47
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>	<b>-3,516</b>	<b>-850</b>	<b>-3,333</b>	<b>-2,458</b>
Purchase of own shares				
Sale of own shares		-575		718
Instalments on loans				
Capital increase	-63		63	40
Changes in overdraft facility				
Dividends paid in the financial year			-2,496	-2,669
Dividends from own shares				
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>	<b>-63</b>	<b>-575</b>	<b>-2,433</b>	<b>-1,911</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-482</b>	<b>-1,001</b>	<b>-1,314</b>	<b>-953</b>
Cash and cash equivalents at beginning of period	5,297	5,166	6,129	5,118
<b>CASH AND CASH EQUIVALENTS ON 30 SEPTEMBER</b>	<b>4,815</b>	<b>4,165</b>	<b>4,815</b>	<b>4,165</b>

## Balance sheet as of 30 September 2024

TDKK	30.09.2024	30.09.2023	31.12.2023
<b>ASSETS</b>			
<b>Intangible assets</b>	<b>15,706</b>	<b>9,882</b>	<b>9,973</b>
Goodwill	11,544	7,922	7,227
Software	4,162	1,960	2,746
<b>Property, plants and equipment</b>			
Fixtures and fittings, tools and equipment	1,721	1,199	1,392
<b>Investments</b>			
Securities and deposits	74	67	74
<b>Total fixed assets</b>	<b>17,501</b>	<b>11,148</b>	<b>11,439</b>
<b>Receivables</b>			
Trade receivables	17,844	12,226	12,138
Work in progress		-	
Other receivables	2,480	478	686
Advances for inventories	240	279	
Deferred tax	2,992	2,800	3,051
Prepayments and accrued income			315
<b>Cash and Cash equivalent</b>	<b>4,815</b>	<b>4,165</b>	<b>2,542</b>
<b>Total current assets</b>	<b>28,371</b>	<b>19,948</b>	<b>18,732</b>
<b>TOTAL ASSETS</b>	<b>45,872</b>	<b>31,096</b>	<b>30,171</b>
<b>LIABILITIES</b>			
Share capital	1,188	1,159	1,159
Own shares		-724	
Share premium account		3,134	
Currency exchange provision			
Proposed dividend			2,937
Retained earnings	18,229	13,163	14,443
<b>Total equity</b>	<b>19,417</b>	<b>16,732</b>	<b>18,539</b>
<b>Long term liabilities</b>			
Acquisition, Earn-out	7,464	1,391	
Other long-term payables			65
<b>Short term liabilities</b>			
Short-term debt	5,991	2,066	2,060
Trade payables	4,092	4,794	3,262
Corporation tax			
Other liabilities	8,908	6,113	6,245
<b>Total liabilities other than provisions</b>	<b>26,455</b>	<b>14,364</b>	<b>11,632</b>
<b>TOTAL LIABILITIES</b>	<b>45,872</b>	<b>31,096</b>	<b>30,171</b>



## Equity explanation for the period 1 January - 30 September 2024

TDKK	30.09.2024	30.09.2023
Equity, beginning of year	18,539	15,644
Dividend distribution	-2,496	-2,688
Exchange rate adjustments etc		60
Sale/purchase of own shares		-575
Share premium account	1,984	1,293
Profit/Loss for Q1-Q3 2024	1,390	2,998
<b>EQUITY</b>	<b>19,417</b>	<b>16,732</b>

## Key figures and ratios for the period 1 January - 30 September 2024

	Q1-Q3 2024	Q1-Q3 2023
EBITDA-margin	7.2%	9.1%
Adjusted EBITDA-margin	9.1%	9.1%
Operating profit margin (EBIT)	4.1%	7.5%
Liquidity ratio	149%	154%
Equity ratio	42%	54%
Financial gearing	31%	12%
Cash Conversion Rate (net profit)	320%	114%
Cash Conversion Rate (EBITDA)	115%	71%
Number of shares	7,921,998	7,728,579
Earnings per share, EPS (DKK)	0.18	0.39
Operational cash flow per share (DKK)	0.56	0.44

## Management and Board shareholdings in Wirtek A/S

- Michael Aaen, CEO: 2,156,366 shares
- Kent Moustén Sørensen, Chair of the Board: 976,225 shares
- Martin Dommerby Kristiansen, Board Member: 47,178 shares
- Janie Charlotte Nielsen, Board Member: 5,000 shares

## Auditor

- BDO Statsautoriseret revisionsaktieselskab, Visionsvej 51, 9200 Aalborg, Denmark

## Disclaimer

This report contains forward-looking statements which are based on the current expectations of the management of Wirtek. All statements regarding the future are subject to inherent risks and uncertainties that could cause the company's actual results to differ substantially for what has been expressed or implied in such statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results.





## Company information

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