



VINCIT PLC HALF-YEAR REVIEW 2024

1 January – 30 June 2024 (unaudited)



© Vincit Oyj 2024
Visiokatu 1, 33720 Tampere
Business ID: 2113034-9
+358 3 217 3762
info@vincit.fi

VINCIT PLC'S HALF-YEAR REVIEW 1 JANUARY – 30 JUNE 2024 (UNAUDITED)

Figures in brackets refer to the corresponding period in the previous year, unless otherwise stated. Percentages and figures presented herein may include rounding differences and therefore may not add up precisely to the totals presented.

Transformation journey in the Nordics advancing as planned

April–June 2024

- Revenue was EUR 21.7 (25.0) million. Revenue declined by EUR 3.3 million, or 13.1%.
- EBITA was EUR -0.8 (-0.3) million, or -3.8% (-1.1%) of revenue.
- Adjusted EBITA was EUR -0.3 (-0.3) million or -1.6% (-1.1%) of revenue.
- EBIT was EUR -1.8 (-1.3) million, or -8.4% (-5.0%) of revenue.
- A one-off cost of EUR 0.5 million related to organizational restructuring in the United States was recognized as non-recurring expense in the second quarter of 2024.
- Earnings per share were EUR -0.11 (-0.09).

January–June 2024

- Revenue was EUR 44.7 (52.8) million. Revenue declined by EUR 8.1 million, or 15.3%.
- EBITA was EUR -0.1 (2.2) million, or -0.2% (4.2%) of revenue.
- Adjusted EBITA was EUR 0.4 (2.3) million or 0.9% (4.4%) of revenue.
- EBIT was EUR -2.1 (0.3) million, or -4.7% (0.5%) of revenue.
- Earnings per share were EUR -0.13 (-0.02).
- Total capacity (FTE) averaged 677 (829) over the reporting period, of which subcontracting was 66 (89) FTEs.
- At the end of the review period, the Group employed a total of 641 (766) people.
- Anssi Kuutti was appointed to lead the service business in Vincit USA and Jens Krogell to lead the service business in Vincit Nordics as of April 3, 2024. Both continued as members of Vincit's Leadership Team. In addition, Petra Sievinen was appointed Chief Marketing and Communications Officer (CMCO) and member of the Leadership Team of Vincit as of May 1, 2024.

Outlook for 2024 (unchanged)

With a lower headcount than last year, revenue in 2024 is expected to be lower than in 2023, but relative profitability is expected to improve year-on-year.



Financial targets for the strategy period 2023–2025

In the strategy period 2023–2025, Vincit aims to achieve 20% annual revenue growth. The goal is to achieve the growth targets with a combination of organic growth and inorganic growth focused outside Finland. The adjusted EBITA (operating profit before goodwill depreciation) target level is over 10% of revenue during the whole strategy period. The company continues its internationalization and aims for revenue from the USA to represent around 30% of Group revenue by the end of the strategy period. The company aims to keep its equity ratio above 60%.

Key figures

Group

EUR 1,000	4-6/2024	4-6/2023	Change %	1-6/2024	1-6/2023	Change %	2023
Revenue	21,748	25,040	-13.1%	44,730	52,805	-15.3%	98,085
EBITDA ¹⁾	-792	-225	252.2%	-10	2,339	-100.4%	1,968
% of revenue	-3.6%	-0.9%		0.0%	4.4%		2.0%
EBITA ¹⁾	-836	-285	193.4%	-108	2,218	-104.9%	1,721
% of revenue	-3.8%	-1.1%		-0.2%	4.2 %		1.8%
EBIT	-1,837	-1,259	45.9%	-2,104	278	-855.9%	-2,196
% of revenue	-8.4%	-5.0%		-4.7%	0.5%		-2.2%
Non-recurring items	-498	0		-498	-92	441.2%	-1,993
Adjusted EBITA	-339	-285	18.8%	389	2,310	-83.1%	3,714
Adjusted EBITA %	-1.6%	-1.1%		0.9%	4.4%		3.8%
Profit/loss for the period	-1,767	-1,481	19.3%	-2,152	-284	657.1%	-2,853
Equity ratio %	62.6%	66.5%		62.6%	66.5%		63.4%
Gearing ratio %	-33.4%	-28.5%		-33.4%	-28.5%		-33.4%
Return on equity, %	-21.4%	-15.0%		-12.6%	-1.5%		-7.5%
Return on investment, %	-21.1%	-11.9%		-11.3%	1.8%		-5.1%
Number of personnel at period end				641	766	-2.3%	720
EPS, EUR	-0.11	-0.09	18.5%	-0.13	-0.02	549.6%	-0.17

- 1) The company presents alternative performance measures EBITDA and EBITA to better describe the financial development of its business.





Vincit CEO Julius Manni

The overarching theme of the first half of Vincit's year has been to bring about a change of direction. While our performance is not yet where we want it to be, our own transformation journey is on track and we are driving our own change in a more data-driven way through a systematic development program.

In the Nordics, we successfully continued to renew the foundations of our business. Our pricing capability held up better and our headcount started to grow towards the end of the period. Recent investments in data and AI solutions have also enabled new openings. The impact of the efficiency measures is reflected in the development of profitability in the Nordics, but the first-half result is burdened by a few fixed-price projects that have been delayed from their original schedule.

The US result was impacted in the second quarter by one-time organizational restructuring costs of approximately half a million euro and write-downs of start-up risk projects. Much remains to be done in the US, where systematic investments in sales and a sharpened digital commerce offering are beginning to yield results. However, many technology companies have reduced the amount of custom software development they buy from product development partners. We continue to make adjustments to rebalance our U.S. business.

During the spring, we increased our investments in talent development. We have launched the Univincity 2.0 program, which aims to support the professional growth of Vincitizens, strengthen our expertise in line with our strategy, and attract new growth-oriented talent to Vincit. We are also seeing positive signs of a recovery in customer demand, and we continue to recruit experts to various roles and to develop our own commercial capabilities.



Financial review January–June 2024

Consolidated revenue

Revenue for the January–June period fell by 15.3% to EUR 44.7 (52.8) million. The decline was due to several factors, in particular weak demand for custom software development and lower headcount.

Group profitability and earnings development

EBITDA was EUR 0.0 (2.3) million or 0.0% (4.4%) of revenue during the review period. EBITA was EUR -0.1 million (2.2) or 0.0% (4.2%) of revenue during the review period. Adjusted EBITA was 0.4 million (2.3) or 0.9% (4.4%) of revenue during the review period.

EBIT was EUR -2.1 million (0.3) or -4.7% (0.5%) of revenue. In addition to one-off items, profitability was weighed down by the prolongation of a few fixed-price projects.

The result for January–June was EUR -2.2 (-0.3) million.

Financial review April–June 2024

Consolidated revenue

Revenue in April–June decreased by 13.1% to EUR 21.7 (25.0) million.

Group profitability and earnings development

EBITDA was EUR -0.8 (-0.2) million or -3.6% (-0.9%) of revenue in April–June. EBITA was EUR -0.8 (-0.3) million or -3.8% (-1.1%) of revenue. Adjusted EBITA was -0.3 million (-0.3) or -1.6% (-1.1%) of revenue during the review period.

EBIT was EUR -1.8 million (-1.3) or -8.4% (-5.0%) of revenue.

The profit for April–June was EUR -1.8 (-1.5) million.

Vincit's business areas

Vincit's business comprises two areas: the Service business in the Nordics (Vincit Nordics) and the US (Vincit USA), and the Product business focusing on the Finnish market. Customers include both enterprises and public sector actors.

Service business

Vincit aims to be a comprehensive technology and business partner for our clients to streamline business operations, transform commercial capabilities and accelerate digital development. Vincit's service offering combines business-driven design, agile software development, data & AI capabilities, and extensive platform expertise especially in SAP ecosystem solutions.



Financial development Service business

EUR million	4-6/2024	4-6/2023	Change %	1-6/2024	1-6/2023	Change %	2023
Revenue	21.0	24.3	-13.7%	43.1	51.3	-16.0%	95.1
EBITA	-0.7	-0.2	215.3%	0.1	2.3	-97.7%	2.1
% of revenue	-3.3%	-0.9%		0.1%	4.4%		2.2%
non-recurring items	-0.5	0.0		-0.5	-0.1		-2.0
adjusted EBITA	-0.2	-0.2	-14.1%	0.5	2.4	-76.7%	4.1
adjusted EBITA %	-0.9%	-0.9%		1.3%	4.6%		4.3%

Revenue of the Service business in April-June was EUR 21.0 (24.3) million, down 13.7% year-on-year.

During April-June, EBITA of the Service business was EUR -0.7 (-0.2) million or -3.3% (-0.9%) of revenue.

Revenue of the Service business in January-June was EUR 43.1 (51.3) million, down 16.0% year-on-year.

During January-June, EBITA of the Service business was EUR 0.1 (2.3) million or 0.1% (4.4%) of revenue.

Vincit Nordics

Revenue in Vincit Nordics decreased in January-June, following the clearly decreased headcount as well as the continued challenging market situation in the custom software market. Utilizations and hourly rates remained stable, and we continued to streamline our operations, which is seen in profitability improving in the second quarter compared to last year.

Customers in the Nordics are investing into their core processes and systems to find operational efficiency and enabling new opportunities, especially in the ERP Cloud transformation around SAP S/4HANA. Growth in demand is also seen in the commerce-space related to digital channels, customer experience and sales acceleration.

We have re-organized our sales function in order to better utilize our potential as an end-to-end partner for our customers.



Financial development Vincit Nordics

EUR million	4-6/2024	4-6/2023	Change %	1-6/2024	1-6/2023	Change %	2023
Revenue	19.0	21.8	-12.6%	39.2	45.9	-14.6%	84.7
EBITA	0.0	0.0	-111.5%	1.0	2.4	-59.8%	2.9
% of revenue	0.0%	-0.2%		2.4%	5.3%		3.5%
non-recurring items	0.0	0.0		0.0	-0.1		-1.1
adjusted EBITA	0.0	0.0	-154.3%	1.0	2.5	-60.7%	4.1
adjusted EBITA %	0.1%	-0.2%		2.5%	5.5%		4.8%

Vincit Nordics' revenue in April-June was EUR 19.0 (21.8) million, down 12.6% year-on-year.

During April-June, Vincit Nordics' EBITA was EUR 0.0 (0.0) million or 0.0% (-0.2%) of revenue.

Vincit Nordics' revenue in January-June was EUR 39.2 (45.9) million, down 14.6% year-on-year.

During January-June, Vincit Nordics' EBITA was EUR 1.0 (2.4) million or 2.4% (5.3%) of revenue.

Vincit USA

Vincit USA revenue decreased in the first half. Utilization rates improved towards the end of the review period, and the sales pipeline is slowly trending towards a healthier state. Despite this positive progress and cost saving measures the first half of the year remained unprofitable. Long sales cycles and declining average deal sizes continue to be a challenge for Vincit USA revenue development.

In the first half of the year, we repositioned ourselves as the digital commerce partner of choice for our customers. Our focus going forward is both to establish this new position and to stabilize profitability.

Financial development Vincit USA

EUR million	4-6/2024	4-6/2023	Change %	1-6/2024	1-6/2023	Change %	2023
Revenue	2.0	2.6	-23.3%	3.9	5.4	-27.4%	10.4
EBITA	-0.7	-0.2	291.3%	-0.9	-0.2	476.4%	-0.9
% of revenue	-34.7%	-6.8%		-23.4%	-2.9%		-8.4%
non-recurring items	-0.5	0.0		-0.5	0.0		-0.9
adjusted EBITA	-0.2	-0.2	18.5%	-0.4	-0.2	176.4%	0.0
adjusted EBITA %	-10.5%	-6.8%		-11.2%	-2.9%		0.1%



Vincit USA's revenue in April-June was EUR 2.0 (2.6) million, down 23.3% year-on-year.

During April-June, Vincit USA's EBITA was EUR -0.7 (-0.2) million or -34.7% (-6.8%) of revenue. Non-recurring costs due to organizational restructuring for the review period amounted to EUR 0.5 (0.0) million. A write-down of EUR 0.1 million in accrued accounts receivable was made in June, in accordance with the write-down policy for overdue trade receivables introduced in December 2023.

Vincit USA's revenue in January-June was EUR 3.9 (5.4) million, down 27.4% year-on-year.

During January-June, Vincit USA's EBITA was EUR -0.9 (-0.2) million or -23.4% (-2.9%) of revenue.

Product business

Vincit's own product solution VincitEAM helps companies automate their maintenance operations and asset management.

VincitEAM business revenue increased slightly compared to the first half of last year. During the review period we succeeded in making our operations more efficient, but new customer acquisition progressed slower than expected. We also completed a project aimed at reducing server infrastructure costs, which will lower our cost level in the future.

Financial development Product business

MEUR	4-6/2024	4-6/2023	Change %	1-6/2024	1-6/2023	Change %	2023
Revenue	0.8	0.7	6.5%	1.6	1.5	6.9%	3.0
EBITA	-0.2	-0.1	123.6%	-0.2	0.0	243.6%	-0.3
% of revenue	-19.8%	-9.4%		-9.8%	-3.0%		-11.7%
non-recurring items	0.0	0.0		0.0	0.0		0.0
adjusted EBITA	-0.2	-0.1	123.6%	-0.2	0.0	243.6%	-0.3
adjusted EBITA %	-19.8%	-9.4%		-9.8%	-3.0%		-11.7%

Revenue of the Product business in April-June was EUR 0.8 (0.7) million, up 6.5% year-on-year.

EBITA of the Product business in April-June was EUR -0.2 (-0.1) million or -19.8% (-9.4%) of revenue.

Revenue of the Product business in January-June was EUR 1.6 (1.5) million, up 6.9% year-on-year.



EBITA of the Product business in January-June was EUR -0.2 (0.0) million or -9.8% (-3.0%) of revenue.

Group balance sheet, financing and cash flow

The balance sheet total at the end of the review period was EUR 51.6 (58.3) million.

The equity ratio at the end of the review period was 62.6% (66.5%) and gearing was -33.4% (-28.5%).

Cash flow from operating activities after paid interest and direct taxes was EUR 0.7 (3.9) million. Cash flow from operating activities was positively impacted by a decrease in working capital.

At the end of the review period, the Group's liquid assets were EUR 10.9 (11.2) million. Interest-bearing debt amounted to EUR 0.1 (0.1) million. At the end of the review period, the Group had unused unsecured overdraft limits totaling EUR 2.0 million.

Acquisitions and changes in Group structure

The parent company of the Group is Vincit Plc that has subsidiaries in Finland, the United States, Sweden and Poland. At the end of the review period, the Vincit Group comprised the parent company Vincit Plc and its subsidiaries Vincit Helsinki Oy (parent company's holding 92.5%), Vincit Jyväskylä Oy (100%), Vincit Solutions Oy (89%), Vincit California Inc (96.7%), Vincit Arizona Inc (96.7%), Vincit Sweden AB (100%) and Vincit Poland Sp. z.o.o. (100%).

No changes were made in the Group structure during the review period.

Personnel and offices

At the end of the review period, the Group employed a total of 641 (766) people, of whom 581 (682) work in Finland, 32 (48) as posted workers and locally employed in the United States, 8 (12) in Sweden and 20 (24) in Poland.

In Finland, Vincit has offices in Helsinki, Tampere, Espoo, Turku, Jyväskylä, Oulu and Kuopio. In the United States, the offices are located in Irvine, California, and in Phoenix, Arizona. The office in Sweden is in Stockholm and in Poland our office is located in Poznań. In Portugal we are operating through freelance partners and a coworking space in Lisbon.

At the end of the review period, Vincit Group's Leadership Team comprised: Julius Manni, CEO, Jens Krogell, Deputy CEO and Director, Vincit Nordics, Mari Kuha, Chief People Officer, Kimmo Kärkkäinen, CFO, Anssi Kuutti, Director, Vincit USA and Petra Sievinen, Chief Marketing Officer.

Vincit Solutions Oy operates as an independent product unit and its CEO is Juuso Jankama, who reports directly to the chairperson of Vincit's Board of Directors, Mikko Kuitunen.



Annual General Meeting 2024 and authorisations of Board of Directors

The Annual General Meeting of Vincit Plc was held on Wednesday, 20 March 2024 at 1:00 pm at Töölönlahdenkatu 2, Helsinki. The General Meeting adopted the financial statements for the financial year 2023 and discharged the members of the Board of Directors and the CEO from liability for the financial year 2023. The Annual General Meeting decided to pay a dividend of EUR 0.10 per share. The dividend was paid on April 2, 2024.

The number of members of the Board of Directors was confirmed to be five (5). Current Board members Mervi Airaksinen, Mikko Kuitunen, Pekka Vähähyppä, Frank Korsström and Arto Martonen were re-elected to the Board of Directors. At the organizing meeting arranged after the General Meeting, the Board of Directors elected Mikko Kuitunen as its Chairman and Pekka Vähähyppä as its Deputy Chairman. Pekka Vähähyppä (Chairman), Mervi Airaksinen and Frank Korsström were elected as members of the Audit Committee.

KPMG Oy Ab, member of the Finnish Institute of Authorized Public Accountants, was appointed as auditor of the company, with Miika Karkulahti, APA, as chief auditor. The auditor shall be remunerated according to an invoice approved by the company.

The Annual General Meeting authorized the Board of Directors to resolve on the issuance of shares, option rights and other special rights entitling to shares as referred to in Chapter 10 Section 1 of the Finnish Limited Liability Companies Act in one or several tranches as follows:

A maximum of 2,500,000 shares (including shares issued based on special rights) may be issued based on the authorization, which corresponds to approximately 15% of the company's current share capital.

The Board of Directors will decide on the issuance of shares, option rights and other special rights entitling to shares. The authorization includes the right to resolve to issue new shares or to transfer own shares held by the company. Shares, option rights and other special rights entitling to shares can be issued deviating from the shareholders' pre-emptive subscription right (directed issue).

The authorization is valid until June 30, 2025, and it revokes all previous unused authorizations to resolve on the issuance of shares, option rights and other special rights entitling to shares.

The Annual General Meeting authorized the Board of Directors to decide on repurchasing and/or accepting the company's own shares as pledge under the following conditions:

A maximum of 1,000,000 shares may be repurchased and/or pledged. The shares will be purchased in public trading organized by Nasdaq Helsinki Ltd on the Nasdaq First North Growth Market Finland marketplace at the market price at the time of purchase. Own shares may be repurchased deviating from the pro rata holdings of shareholders. The repurchase of shares reduces the company's distributable unrestricted equity. The Board of Directors decides how the shares will be repurchased and/or accepted as a pledge.



The authorization is valid until June 30, 2025, and it revokes all previous unused authorizations to repurchase own shares.

Shares and shareholders

The number of Vincit Plc shares at the end of the review period was 16,952,539 (16 907,381). At the end of the review period, the company held treasury shares 379,139 (395,080). The average number of shares (excluding company held treasury shares) in January-June 2024 was 16,952,539 (16,907,381).

At the end of the review period, the company had 9,458 (10,498) shareholders. Nominee-registered holdings accounted for 0.90% (0.96%) of the share capital.

Summary of trading on Nasdaq Helsinki, Jan. 1-Jun. 30, 2024

January-June 2024	Traded shares, volume	Total value EUR	Highest, EUR	Lowest, EUR	Weighted average price, EUR	Latest, EUR
VINCIT	1,111,529	3,240,693	3.50	2.54	2.92	2.60

	Jun. 30, 2024	Jun. 30, 2023
Market cap, EUR	44,076,601	65,431,564
Shareholders	9,458	10,498

Risks and uncertainties

Vincit faces several risks and uncertainties that can impact our financial performance and ability to reach long-term targets. We address these challenges proactively to ensure business stability, profitability and continuity.

Macroeconomic conditions and demand volatility:

Fluctuations in demand, economic conditions, and customer preferences can significantly impact our revenue and profit potential. Economic indicators such as GDP growth, inflation rates, interest rates, and exchange rates can influence the demand for software services. Adverse macroeconomic conditions and regional instability impact us through, reduced client spending in custom software development, increased insourcing of talent, delayed projects, or increased price sensitivity. Despite the general uncertainty of the global economy, demand for Vincit's services is expected to remain positive in the long term.

Talent Retention and Recruitment:

Attracting and retaining talented employees is crucial to maintaining a competitive edge. The loss of key personnel may result in a loss of expertise, delays in project



deliveries, and increased recruitment costs. Vincit continues to invest in developing the current corporate culture and a very good employer image.

Cybersecurity Threats:

The risk of cyber threats is a concern for our business. Data breaches, ransomware attacks, or system failures can lead to financial losses, reputational damage, and legal consequences. Consequently, we have prioritized the implementation of cybersecurity certificates, regular employee training, and the maintenance of up-to-date software systems to protect against such risks.

Regulatory Compliance:

Our business must comply with various regulatory requirements, such as data protection, privacy laws, and licensing agreements. Non-compliance can result in legal consequences, reputation damage, and financial penalties. Consequently, we have strengthened our efforts in compliance measures and regularly update our policies to manage regulatory risks effectively.

M&A and integration

M&A activities offer opportunities for strategic growth and value creation. Assessing the strategic fit, potential synergies, and financial impact are essential. Thorough due diligence, effective integration management, and consideration of regulatory and legal factors are vital to minimize risks and maximize benefits. Transparent communication to clients, employees and investors to maintain confidence is equally important.

Financial calendar 2024

In 2024, Vincit will publish financial information as follows:

- Business Review for January-September on Thursday, 24 October 2024

The reports will be published as a company releases and will be available on the company's website investors.vincit.com immediately after publication.

Press and analyst conference

A conference for analysts and the media will be arranged on July 18, 2024, starting at 12.00 am EEST. The conference will be streamed live and can be watched at <https://vincit.videosync.fi/q2-2024/register>. A recording of the conference can be viewed at the same address later the same day.

Vincit's CEO Julius Manni will review the result of the period and the outlook for the rest of the year. The event is arranged in Finnish.

It will also be possible to ask the management questions in writing during the event. Questions will be answered after the presentation.

Accounting principles for the half-year review

The half-year review has been prepared in accordance with good accounting practice and Finnish legislation. The information is presented to the extent required by paragraph 4.4.6 of the Nasdaq First North Growth Market rules. The figures



presented are rounded from the exact figures, which may result in the sum of individual figures differing from the amount shown.

The figures of this report are unaudited.



Table section

Consolidated Income Statement (FAS)

EUR 1,000	4-6/2024	4-6/2023	1-6/2024	1-6/2023	2023
Revenue	21,748	25,040	44,730	52,805	98,085
Other operating income	9	111	13	111	147
Materials and services					
Purchases during the period	-668	-495	-1,331	-910	-1,939
External services	-2,796	-3,467	-5,812	-6,990	-13,458
Personnel expenses					
Salaries and fees	-12,314	-14,151	-24,659	-28,215	-52,162
Pensions	-1,980	-2,167	-3,893	-4,447	-8,450
Other indirect employee expenses	-298	-588	-451	-1,076	-1,848
Depreciation, amortization and impairment					
Depreciation according to plan	-148	-142	-301	-277	-585
Goodwill amortization	-897	-892	-1,794	-1,783	-3,579
Other operating expenses	-4,492	-4,508	-8,608	-8,939	-18,408
EBIT	-1,837	-1,259	-2,104	278	-2,196
Financial income and expenses					
Interest income and other financial income	82	41	174	92	213
Interest expenses and other financial expenses	-73	-57	-94	-235	-480
Profit / Loss after financial items	-1,828	-1,275	-2,024	136	-2,463
Income taxes	59	-234	-128	-427	-441
Non-controlling interest	2	28	0	7	51
Profit/ Loss for the period	-1,767	-1,481	-2,152	-284	-2,853



Consolidated balance sheet (FAS)

EUR 1,000	30/6/2024	30/6/2023	31/12/2023
ASSETS			
Non-current assets			
Intangible assets			
Development expenditure	1,438	814	1,225
Goodwill	18,958	22,414	20,709
Other capitalized long-term expenditure	283	432	350
Tangible assets			
Machinery and equipment	444	641	557
Other tangible assets	4	4	4
Investments			
Other shares and holdings	30	20	20
Other non-current loan receivables	305	282	295
Total non-current assets	21,462	24,607	23,160
Current assets			
Non-current receivables			
Deferred tax assets	0	142	0
Receivables from associates	0	290	0
Loan receivables	1,358	1,407	1,388
Total non-current receivables	1,358	1,839	1,388
Current receivables			
Trade receivables	14,734	16,971	16,927
Receivables from associates	0	118	0
Loan receivables	5	9	2
Other receivables	410	779	1,415
Prepayments and accrued income	2,765	2,809	1,908
Total current receivables	17,914	20,686	20,252
Cash in hand and in banks	10,867	11,163	12,158
Total current assets	30,139	33,689	33,798
TOTAL ASSETS	51,600	58,296	56,958



EUR 1,000	30/6/2024	30/6/2023	31/12/2023
LIABILITIES			
Equity			
Share capital	545	545	545
Reserve for invested unrestricted equity	33,274	33,139	33,274
Retained earnings	607	5,057	5,127
Profit for the period	-2,152	-284	-2,853
Total equity	32,274	38,457	36,093
Non-controlling interest	22	283	23
Liabilities			
Loans from financial institutions	73	118	79
Total non-current liabilities	73	118	79
Current liabilities			
Trade payables	3,370	2,694	5,520
Loans from financial institutions	0	0	27
Liabilities to associates	0	8	8
Other liabilities	3,421	3,991	3,504
Accrued expenses and deferred income	12,440	12,744	11,704
Total current liabilities	19,232	19,437	20,763
Total liabilities	19,305	19,555	20,843
TOTAL LIABILITIES	51,600	58,296	56,958



Consolidated cash flow statement (FAS)

EUR 1,000	1-6/2024	1-6/2023	2023
Profit(loss) before appropriations and taxes	-2,024	136	-2,463
Adjustments to operating profit (loss) for:			
Depreciation according to plan	2,094	2,060	4,164
Unrealised foreign exchange gains and losses	-100	-112	-93
Other non-cash income and expenses	45	229	1,383
Financial income and expenses	-81	142	267
Other adjustments	0	-89	-89
Cash flow from operating activities before change in working capital	-65	2,366	3,168
Change in working capital:			
Increase/decrease of trade receivables and other receivables	2,490	2,443	1,538
Increase/decrease of trade payables and other non-interest-bearing liabilities	-1,492	-917	545
Operating cash flow before financing items and taxes	933	3,891	5,252
Interest and other financial expenses paid relating to operating activities	-23	-29	-148
Interest received relating to operating activities	34	24	68
Income taxes paid	-279	-30	85
Cash flow from operating activities (A)	664	3,855	5,256
Cash flow from investment activities			
Investments in tangible and intangible assets	-368	-415	-1,007
Proceeds from sale of tangible and intangible assets	36	0	50
Loans granted	0	-195	-312
Other investments	-10	-5	-5
Repayments of loan receivables	27	46	465



Gains on the sale of investments	0	89	89
Interest received on investments	15	16	18
Dividends received on investments	0	1	1
Shares purchased in subsidiaries	0	0	-268
Disposals of subsidiary shares	0	0	65
Paid taxes	-1	0	0
Cash flow from investment activities (B)	-301	-462	-903
Cash flow from financing activities			
Proceeds from issuance of equity	0	0	135
Repayment of current loans	-36	0	-42
Repayment of non-current loans	0	-32	0
Interest and other financing expenses paid	-2	-1	-7
Dividends paid	-1,656	-2,475	-2,584
Cash flow from financing activities (C)	-1,693	-2,508	-2,499
Change in cash and cash equivalents (A+B+C) increase (+) / decrease (-)	-1,330	885	1,854
Liquid assets at beginning of fiscal period	12,158	10,320	10,320
Exchange rate differences	38	-41	-16
Group's total cash and cash equivalents at the end of the financial year	10,867	11,163	12,158



Financial liabilities not included in the balance sheet

EUR 1,000	30/6/2024	30/6/2023	2023
Rental liabilities			
Payable during the following financial year	2,215	1,358	2,330
Payable in later years	3,353	2,621	3,759
Total	5,568	3,979	6,089
Lease liabilities			
Payable during the following financial year	556	490	472
Payable in later years	539	236	368
Total	1,095	726	840
Other			
Credit cards held by the employees	36	66	58
Mortgage	6,300	6,300	6,300
Rental securities	107	107	107
Total	6,442	6,473	6,465



Group's changes in equity

EUR 1,000	1-6/2024	1-6/2023	2023
Restricted equity			
Share capital at the start of the period	545	545	545
Share capital at the end of the period	545	545	545
Total restricted equity	545	545	545
Unrestricted equity			
Reserve for invested unrestricted equity at the start of the period	33,274	33,139	33,139
Share issue	0	0	135
Reserve for invested unrestricted equity at the end of the period	33,274	33,139	33,274
Translation difference at end of period	201	143	213
Retained earnings at the start of the period	2,061	7,390	7,390
Dividends paid	-1,656	-2,475	-2,475
Retained earnings at the end of the period	607	5,057	5,127
Profit for the period	-2,152	-284	-2,853
Total unrestricted equity	31,729	37,912	35,548
Total equity	32,274	38,457	36,093



Formulas for key indicator calculation

EBITDA	=	Operating profit + depreciation, amortization and impairment
EBITA	=	Operating profit + amortization and impairment
Adjusted EBITA	=	Operating profit + amortization and impairment before non-recurring items
EBIT	=	Revenue + Other operating income - Materials and services - Personnel expenses - Other operating expenses - Depreciation, amortization and impairment
		Profit after financial items + Interest and other financial expenses
Return on investment (ROI), %	=	----- Balance sheet total - Non-interest-bearing liabilities (average over one year) Profit after financial items - Income taxes
Return on equity (ROE), %	=	----- Equity + minority interest (average over the year)
		interest-bearing liabilities - Cash in hand and in banks
Gearing ratio, %	=	----- Equity + Minority interest Equity + Minority interest
Equity ratio, %	=	----- Balance sheet total - advances received
		Profit or loss for the financial year excluding minority interest
Earnings per share (EPS)	=	----- Average number of shares adjusted for share issues excluding own shares



VINCIT PLC

Board of Directors

Additional information

Vincit Plc, CEO Julius Manni, phone: +358 50 424 3932

Certified advisor: Aktia Alexander Corporate Finance Oy, phone: +358 50 520 4098

Vincit Plc in brief

Vincit turns digital into business results, to create better Mondays for our people, our customers and the world. Vincit Plc's shares are listed on the Nasdaq First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd, trading code VINCIT. www.vincit.com

