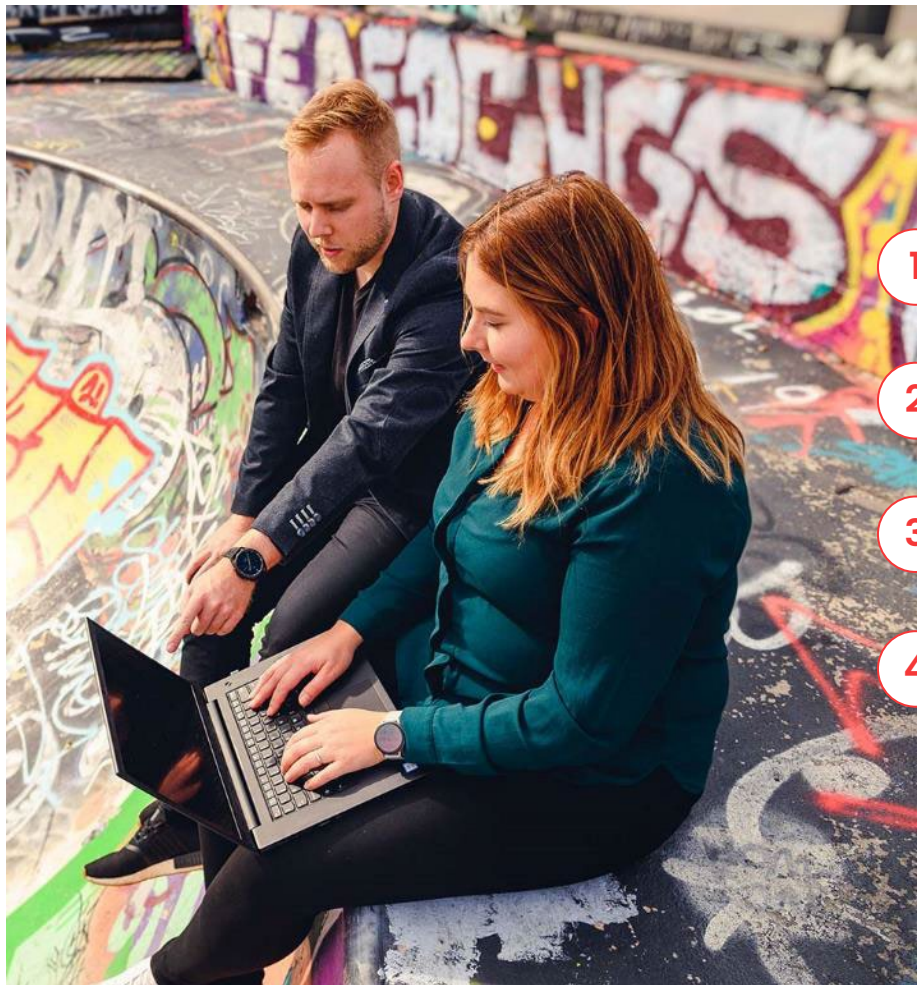




digia

4.5.2022

# Digia Plc's business review January–March 2022



# Contents

1

Q1 highlights

2

Q1 net sales and profit

3

Final year of the strategy period

4

Profit guidance

# Q1/2022: Growth, profitability, renewing

Net sales up 7.9 %

EBITA margin 12.1 %

Earnings per share up 4.1 %





# Q1 highlights

- All service areas grew
  - Growth areas were integration and API solutions, CRM solutions and data utilisation services
- The final year of the strategy period started. The focus is on renewing operations.
  - Implementation of the Digia Business Engine project kicked off, bringing efficiency, new ways of working and added value from data
- The renewed Digia ERP launched: ENVISION
- MOST Digital acquisition, closed on May 2
- Digia does not have direct Russia-related risks





**Digia as a whole**

# Digia's Finnish, reliable ERP solution renewed



## digia envision

### Strong heritage

Backboned by superior functionalities and user experience

### Future vision

Constantly evolving ERP

### Green values

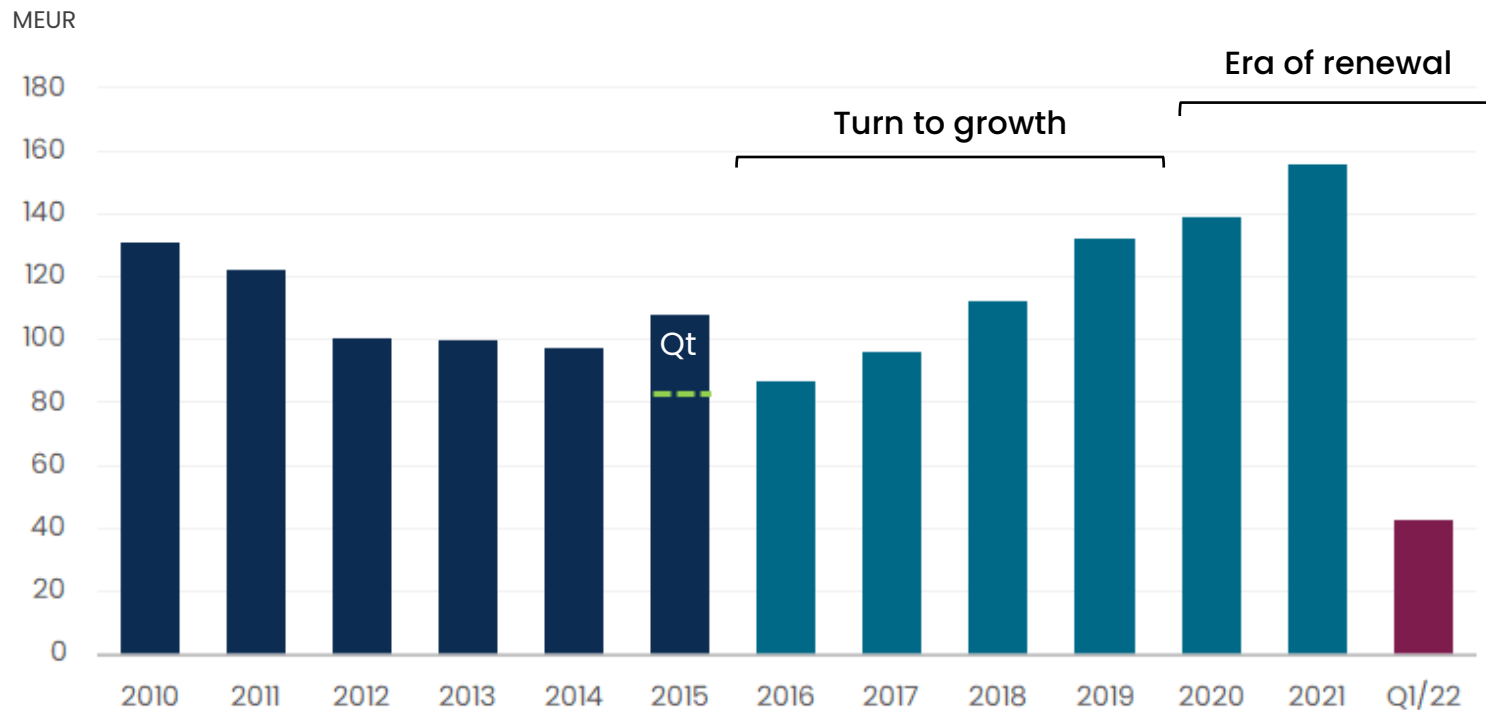
Carbon footprint calculations as part of ERP

### Blue values

Designed in Finland, with our customers and for their business needs

# Digia: building sustainable value creation

Net sales 2010 – Q1/2022



2010-2015: Digia + Qt



# Sustainable growth requires continued renewal of operations

*People + ways of working + technology*

digia



**Digia's cultural  
principles**



**Future of Work**

- **Functioning working day**
- **Efficiency**
- **Scalability**

**New Digia**  
(Qt split)

digia

2016

2018

2020

2022

**Digia Business  
Engine taken  
into use**



# Digia Business Engine: new ways of working, data benefits, efficiency

Functioning working day, satisfied customers and business efficiency and growth



We have **functioning, easy-to-use tools** to support our daily work



We have access to the **information** we need in our work. We produce it and use it pro-actively



We work together according to mutually agreed, appropriate **ways of working**



Business is conducted in **ecosystems** supported by an IT solution

# Our customer implementations



## Savon Voima

We completely renewed Savon Voima's financial administration with the Microsoft Dynamics 365 ERP system, including also the internal invoicing process.

[CASE](#)



## Visit Finland

The development of sustainable travel is managed by data, which is why we carried out extensive development projects to collect, utilise and report data to Visit Finland.

[CASE](#)



## Emergency Response Centre Agency

The co-operation with our multi-year customer is expanding, and a common safety platform for a number of authorities has been created through continuous development, including the 112 app.

[CASE](#)

# The events after the review period

digia



OIVA Hyper Automation  
The freedom to choose



Automation components



Automation frame



Process to be automated



# Q1 net sales and profit



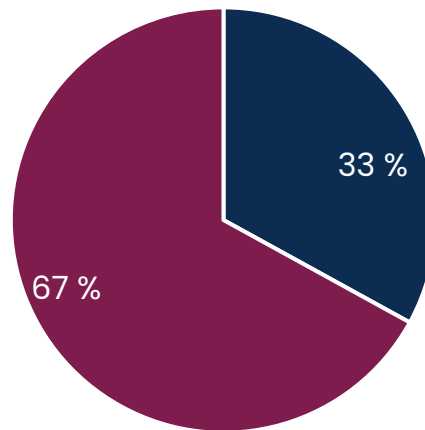
# Customer need and Digia's business model

Digital business

Leading with data

Continuity and efficiency  
of operations

Structure of net sales Q1/2022



■ Project business

■ Service and maintenance

# Q1/2022

Net sales  
**42.5 MEUR**  
(39.4)

---

Operating profit (EBITA)  
**5.1 MEUR**  
(5.3)

---

Earnings per share  
**EUR 0.14**  
(0.13)

---

Personnel  
**1 363**  
(1 323)

## Net sales up, operating profit (EBITA) almost on par with the comparison period:

- Net sales + 7.9 %
- Operating profit (EBITA) - 2.3 %
- Earnings per share + 4.1 %

## Profitability on the comparison period level:

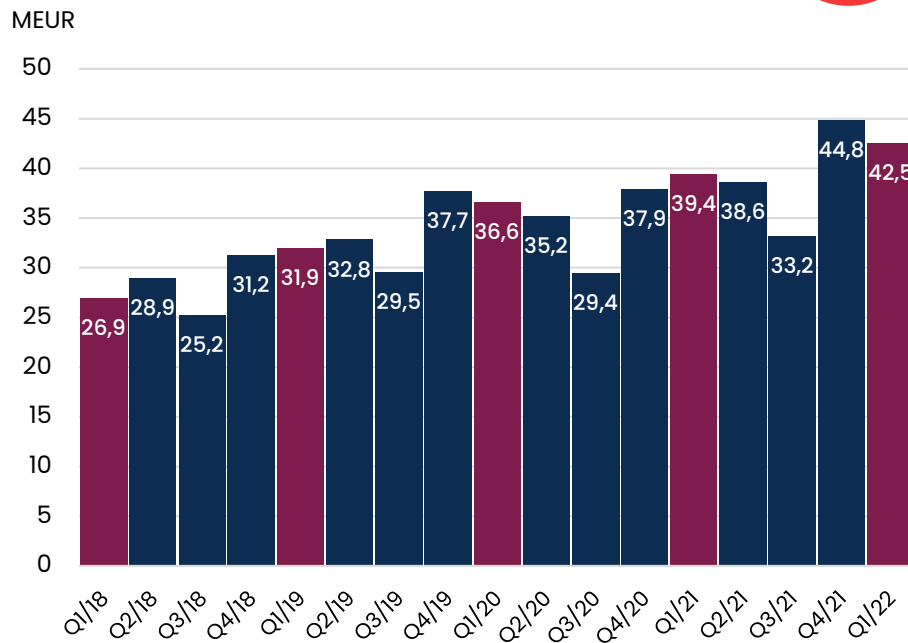
- EBITA margin 12.1 % (13.4 %)
- Return on investment 19.6 % (19.5 %)



# Net sales up 7.9 per cent

- Net sales totalled EUR 42.5 (39.4) million
- All our service areas grew
- The strongest growth areas were integration and API solutions, ERP solutions and data utilisation services
- Structure of net sales:
  - Project business 33 %
  - Service and maintenance business 67 %

Quarterly net sales

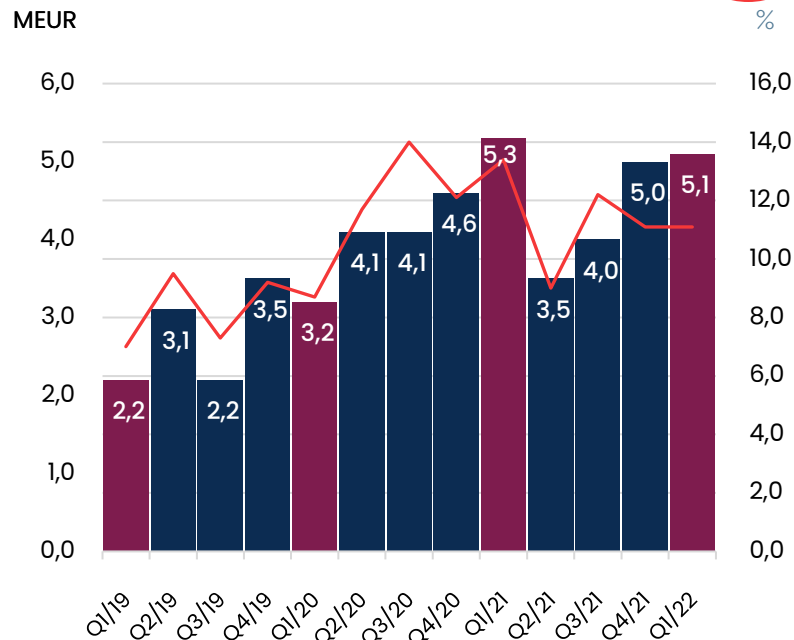


Q1/  
2022

# Operating profit (EBITA)

- Operating profit (EBITA) totalled EUR 5.1 (5.3) million
- EBITA margin: 12.1 (13.4) per cent
- The review period included investments on the Digia Business Engine project:
  - EUR 0.8 million in expenses were capitalised
  - The impact on profit was approximately EUR -0.9 million
- The pandemic period did not have a positive effect on expense level anymore

Operating profit (EBITA) and EBITA margin



# Key figures, 31 March 2022

- Return on equity (ROE) 21.9 % (23.5 %)
- Return on investment (ROI) 19.6 % (19.5 %)
- Interest-bearing net liabilities 10.1 (15.8) MEUR
- Net gearing 15.4 % (26.2 %)
- Equity ratio 46.8 % (42.4 %)
- Shareholders' equity 65.3 (60.3) MEUR
- Balance sheet total 141.8 (144.1) MEUR



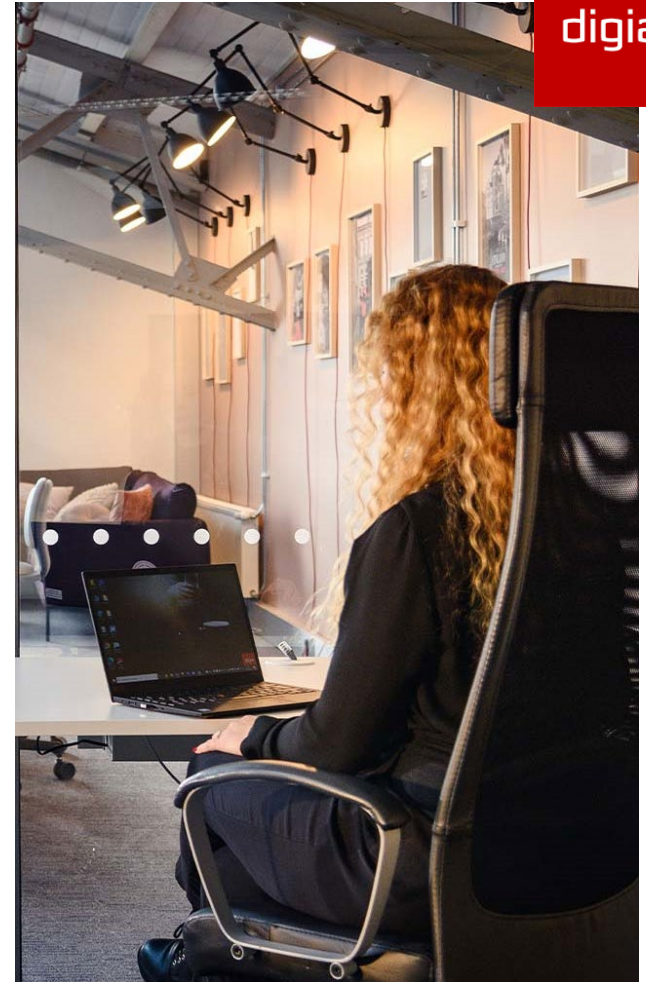




**2022 – the last year  
of the strategy period**

# Digia Next Level – Strategic focus areas 2020–2022

- » Smart data utilisation
- » Service business
- » Productivity and scalability
- » Cloud technologies
- » Digia Community:  
culture and continuous learning



# Final year of the strategy period



# Avenues for growth



## Finnish market

Grow market share  
with the rich offering  
and trusted brand of Digia



## Acquisitions

Continue to seek  
targeted acquisitions



## Other markets

Expansion through  
international  
customers and  
operations





# Profit guidance



# Digia's profit guidance for 2022

- Digia's net sales will grow year-on-year and its EBITA margin will be over 10 per cent of net sales.





A photograph of three people walking along a path in a forest. In the foreground, a woman with blonde hair wearing a light-colored sweater and dark pants is walking towards the camera. Behind her, a man in a blue and white striped shirt and light blue pants is walking. Further back, another man in a dark jacket is visible. The forest is lush with green trees and undergrowth, and the scene is brightly lit by sunlight.

digia

Digitalisation that  
makes a difference.

**Thank you.**