



1 JANUARY - 31 MARCH 2024

Q1 2024 Interim Report

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Revenue growth of 82% in Energy in otherwise stagnant market

Organic revenue growth has stagnated Q1 2024 with revenue of TDKK 17,985 while EBITDA increased by 2% to TDKK 1,838 compared to the same period last year. Continuing very strong growth in clean energy services is the major highlight during the quarter.

Predicting improved market conditions before end of 2024

As we already expressed in our 2023 annual report, we predict nervous markets in 2024 due to high interest rates and a continued uncertain geopolitical situation. Fortunately, inflation is approaching a more normal level in most of Europe, and I am hopeful that we will see a steady reduction in interest rates starting from the second half of 2024.

As interest rates come down, we expect to see an increase in technology investments and an overall improvement of the market conditions before end of 2024. We especially have high expectations to continue the growth in our Energy business unit where revenue grew 82% during Q1 2024 compared to Q1 2023.

Business development focus to strengthen organic growth

We will invest significantly in business development during 2024 to get Wirtek back to double-digit organic growth rates from 2025. To head this effort, Niels Erik Wøhlk started on 1 May 2024 as Chief Revenue Officer (CRO) in Wirtek. Niels Erik Wøhlk will be part of the corporate executive team and will be responsible for the long-term revenue growth of the company.

The sales team is further strengthened with the recruitment of a Sales Executive starting in May 2024.

Wirtek expects to close an acquisition during H1 2024

As announced on 18 April 2024, Wirtek has signed a non-binding Letter of Intent to acquire a profitable IT services company in Portugal that provides services complementing Wirtek's existing service offerings in the Energy sector. The final closing is expected around the end of May this year and is conditional upon a satisfactory due diligence result. If this acquisition is completed successfully, Wirtek will achieve the Accelerate25XL goal of having at least one sourcing location outside Romania before the end of 2025, reducing service delivery risk by providing us with a platform to service our clients from multiple service centres in Europe.

The future

We are committed to our journey of profitable growth and retain our expectations for 2024 as well as the long-term goals of our Accelerate25XL strategy, even though we experience a higher level of uncertainty.

I want to thank our clients and shareholders for their loyalty and, not least, our entire team for their hard work and dedication.

Michael Aaen,
CEO Wirtek



Wirtek remains committed to our Accelerate25XL strategy despite challenging market conditions. As organic growth is currently under pressure, I am sharply focused on growth through strategic acquisitions to achieve our goals.

Q1 2024 Summary

Financial highlights for the period 1 January - 31 March 2024

TDKK	Q1 2024	Q1 2023	Change
Revenue	17,985	18,137	-1%
EBITDA	1,838	1,810	2%
EBITDA-margin (%)	10.2%	10.0%	2%
Pre-tax profits (EBT)	1,251	1,216	3%
Equity	19,636	16,560	19%
Cash holdings	3,420	6,962	-51%

EBITDA-margin improved during Q1 2024

- **Revenue** was TDKK 17,985 during Q1 2024, down by 1% compared to Q1 2023.
- **EBITDA** was TDKK 1,838 in Q1 2024, an increase of 2% compared to Q1 2023.
- **The EBITDA margin** for Q1 2024 was 10.2%, an increase of 2% compared to Q1 2023.
- **Pre-tax profit** was TDKK 1,251 in Q1 2024, up by 3% compared to TDKK 1,216 during Q1 2023.
- **Equity** was TDKK 19,636 end of Q1 2024, up by 19% compared to Q1 2023. The equity ratio was 59% end of Q1 2024, up from 55% end of Q1 2023.
- **Cash holdings** were TDKK 3,420 end of Q1 2024, down by 51% from Q1 2023. This decrease in cash position is primarily due to a cash position beginning of 2024 lower by DKK 2.6m compared to beginning of 2023 due to significant investments in 2023. Cash from operating activities was TDKK 1,401.

Outlook for 2024

The Board of Directors still sees and expects a cautious market sentiment from Wirtek's clients due to continued market uncertainties and retains the announced 2024 expectations.

- **Organic 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.

Wirtek in brief

Wirtek A/S is a Danish IT consultancy company that provides software development, testing, and consultancy services to help clients worldwide. Wirtek specializes in Digitalization, Energy, Workforce & Facility Management, Wireless Communication & Automation, and Trade & E-commerce. At Wirtek, we prioritize building long-term client relationships, with some lasting over a decade.

We believe that quality partnerships are just as important as software quality in achieving our client's goals. Established in 2001, we have offices in Denmark and Romania and have been listed on Nasdaq First North Copenhagen since 2006.

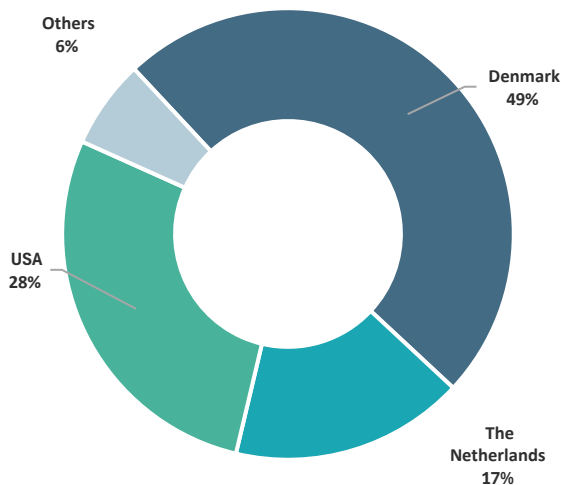
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Management's Review

Revenue development

Wirtek posted revenue of TDKK 17,985 in Q1 2024, a decrease of 1% compared to Q1 2023. Wirtek continues to see soft market conditions and some clients hold back on their assignments with Wirtek.

Geographical Revenue Distribution – Q1 2024



* Other geographical areas include: Austria; Romania; United Kingdom

Revenue from Wirtek's core market, Denmark, was TDKK 8,791 in Q1 2024, a growth of 6% compared to Q1 2023. Clients from Denmark accounted for 49% of total revenue during Q1 2024.

Clients from Wirtek's second largest geographical market, USA, generated revenue of TDKK 5,037 during Q1 2024, a growth of 31% compared to Q1 2023. USA accounted for 28% of total revenue during Q1 2024.

Wirtek's third largest geographical market, the Netherlands, saw a total revenue share of 17% during Q1 2024, a 31% reduction of revenue compared to Q1 2023. The loss of a financially challenged client in The Netherlands during the second half of 2023 is the main cause of this negative development.

Clients from Austria, United Kingdom and Romania accounted for 6% of the revenue in Q1 2024.

Business unit revenue distribution

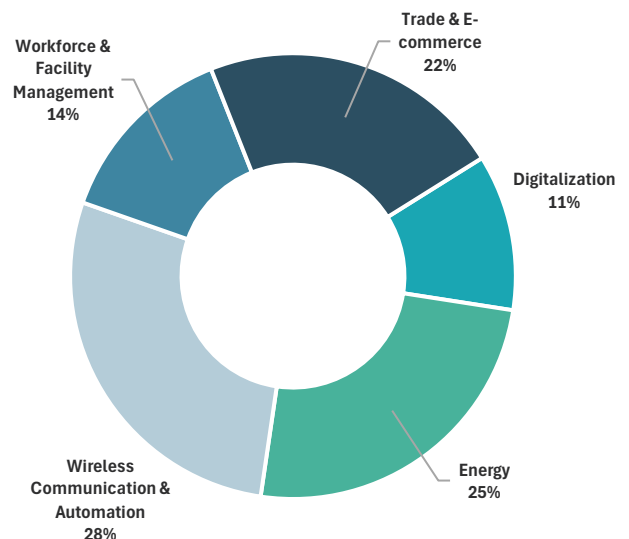
Business Unit Revenue (TDKK)	Q1 2024	Q1 2023
Digitalization	2,040	3,535
Energy	4,473	2,461
Wireless Communication & Automation	5,042	4,650
Workforce & Facility Management	2,453	3,307
Trade & E-commerce	3,977	4,184
Total Revenue-Wirtek Group	17,985	18,137

The **Energy** business unit continues to show strong performance, growing by 82% in Q1 2024 compared to Q1 2023. This is now Wirtek's second-largest business unit.

Wireless Communication & Automation grew by 8% during Q1 2024 compared to Q1 2023 and remains Wirtek's largest business unit.

Wirtek's other three business units, **Digitalization**, **Workforce & Facility Management**, and **Trade & E-commerce**, are all negatively impacted by challenging market conditions, each showing a decrease in turnover during Q1 2024 compared to Q1 2023. Revenue in **Digitalization** is down by 42%, **Workforce & Facility Management** saw a reduction of 26%, while **Trade & E-commerce** is 5% below Q1 2023 revenue.

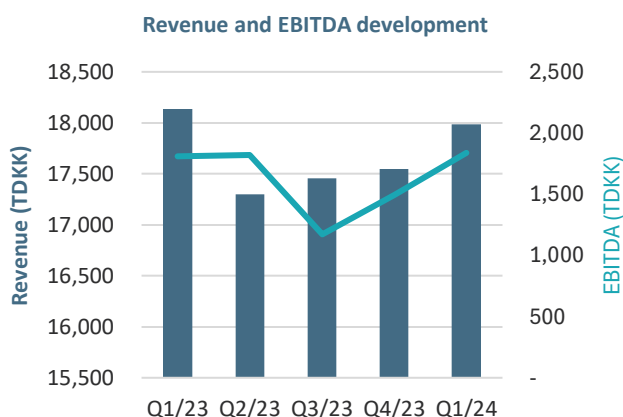
Business Unit revenue Distribution – Q1 2024



EBITDA development

Wirtek delivered operating profits (EBITDA) of TDKK 1,838 in Q1 2024, corresponding to a 2% increase compared to TDKK 1,810 in Q1 2023.

The EBITDA-margin was 10.2% in Q1 2024 compared to 10.0% in Q1 2023. Wirtek continues to monitor the market conditions and implement cost savings to ensure an acceptable EBITDA level, given the experienced uncertainty and shifting market sentiment.



Pre-tax profits of TDKK 1,251

Wirtek achieved pre-tax profits (EBT) of TDKK 1,251 during Q1 2024 compared to TDKK 1,216 during Q1 2023, an increase of 3%.

Depreciation and amortisation during Q1 2024 were TDKK 135 higher than Q1 2023 while financial expenses in Q1 2024 were TDKK 142 below the Q1 2023 level.

Positive operating cash flow of TDKK 1,401

Wirtek achieved positive cash flows from operating activities of TDKK 1,401 and a total cash flow of TDKK 878 during Q1 2024.

The Cash Conversion Ratio (Operating cash flow / EBITDA) was 76% in Q1 2024.

Number of colleagues

Wirtek had a total of 180 colleagues by the end of Q1 2024, down by 11% compared to end of Q1 2023 as a result of aligning the organisation to the market situation.

The percentage of billable colleagues was 90% by the end of Q1 2024 – the same level as end of Q1 2023.

Additional remarks to the financial reporting

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

After the balance date, Wirtek has entered into a non-binding agreement (Letter of Intent) to acquire a profitable IT services company in Portugal that provides services complementing Wirtek's existing service offerings in the Clean Energy sector (see company announcement no. 6/2024).

The Q1 financial report has not been audited or reviewed by Wirtek's auditor.

Financial Calendar 2024

14 August 2024 – Interim Report Q2 2024

13 November 2024 – Interim Report Q3 2024

19 March 2025 - Annual Report 2024

Further Information

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Grant Thornton, Certified Advisor

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Profit & loss statement for the period 1 January - 31 March 2024

TDKK	Q1 2024	Q1 2023	Change	2023
Revenue	17,985	18,137	-0.8%	70,439
Other external costs	-8,240	-7,871	4.7%	-32,066
Other external costs %	45.8%	43.4%	5.6%	45.5%
Gross Profit/Loss	9,745	10,266	-5.1%	38,373
Gross Profit/Loss %	54.2%	56.6%	-4.3%	54.5%
Staff Costs	-7,907	-8,456	-6.5%	-32,080
Staff Costs %	44.0%	46.6%	-5.7%	45.5%
EBITDA	1,838	1,810	1.5%	6,293
Depreciation, amortisation, and impairment	-509	-374	36.1%	-1,640
Depreciation, amortisation, and impairment %	2.8%	2.1%	37.2%	2.3%
Operating Profit (EBIT)	1,329	1,436	-7.5%	4,653
Net financial income and expenses	-78	-220	-64.5%	-153
Net financial income and expenses %	0.4%	1.2%	-64.2%	0.2%
Profit before tax (EBT)	1,251	1,216	2.9%	4,500
Tax on profit/loss for the period	-154	-301	-48.8%	-492
Tax on profit/loss for the period %	0.9%	1.7%	-48.4%	0.7%
Profit for the period	1,097	915	19.9%	4,008
Profit for the period %	6.1%	5.0%	20.9%	5.7%

Cash flow statement for the period 1 January - 31 March 2024

TDKK	Q1 2024	Q1 2023	2023
Profit/loss for the year	1,097	915	4,008
Depreciation and amortisation, reversed	509	372	1,640
Tax on profit/loss, reversed	154	301	492
Other adjustments			13
Corporation tax paid			-493
Change in receivables (ex tax)	-1,815	-946	-542
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	1,456	1,703	-1,767
CASH FLOWS FROM OPERATING ACTIVITY	1,401	2,345	3,351
Purchase of non-current assets	-523	-501	-2,868
Purchase of property, plant and equipment			-1,136
Other cash flows from investing activities			84
CASH FLOWS FROM INVESTING ACTIVITY	-523	-501	-3,920
Purchase of own shares			-611
Sale of own shares			1,392
Instalments on loans			2
Capital increase			1,283
Changes in overdraft facility			-939
Dividends paid in the financial year			-3,134
Dividends from own shares			
CASH FLOWS FROM FINANCING ACTIVITY	0	0	-2,007
CHANGE IN CASH AND CASH EQUIVALENTS	878	1,844	-2,576
Cash and cash equivalents at 1 January	2,542	5,118	5,118
CASH AND CASH EQUIVALENTS	3,420	6,962	2,542

Balance sheet as of 31 March 2024

TDDK	31.03.2024	31.03.2023	31.12.2023
ASSETS			
Intangible assets	10,814	8,645	9,973
Goodwill	6,981	8,134	7,227
Software	3,833	511	2,746
Property, plants and equipment			
Fixtures and fittings, tools and equipment	1,186	763	1,392
Investments			
Securities and deposits	74	352	74
Total fixed assets	12,074	9,760	11,439
Receivables			
Trade receivables	14,450	8,528	12,138
Other receivables	304	1,459	686
Advances for inventories	339	395	
Deferred tax	2,800	2,800	3,051
Prepayments and accrued income	-	-	315
Cash and Cash equivalent	3,420	6,962	2,542
Total current assets	21,313	20,144	18,732
TOTAL ASSETS	33,387	29,904	30,171
LIABILITIES			
Share capital	1,159	1,119	1,159
Proposed dividend	2,937	3,134	2,937
Retained earnings	15,540	12,307	14,443
Total equity	19,636	16,560	18,539
Long term liabilities			
Acquisition, Earn-out		1,739	
Other long-term payables		-	65
Short term liabilities			
Short-term debt	4,383	3,093	2,060
Trade payables	6,615	5,337	3,262
Corporation tax	-254	-	
Other liabilities	3,007	3,175	6,245
Total liabilities other than provisions	13,751	13,344	11,632
TOTAL LIABILITIES	33,387	29,904	30,171

Equity explanation for the period 1 January - 31 March 2024

TDKK	31.03.2024	31.03.2023
Equity, beginning of year	18,539	15,644
Dividend distribution		
Exchange rate adjustments etc		1
Sale/purchase of own shares		
Share premium account		
Profit/Loss for Q1	1,097	915
EQUITY	19,636	16,560

Key figures and ratios for the period 1 January - 31 March 2024

	Q1 2024	Q1 2023
EBITDA-margin	10.2%	10.0%
Operating profit margin (EBIT)	7.4%	7.9%
Liquidity ratio	155%	174%
Equity ratio	59%	55%
Cash Conversion Rate (net profit)	128%	256%
Cash Conversion Rate (EBITDA)	76%	130%
Number of shares	7,728,579	7,462,212
Earnings per share, EPS (DKK)	0.14	0.12
Operational cash flow per share (DKK)	0.18	0.31

Management and Board shareholdings in Wirtek A/S

- Michael Aaen, CEO: 2,200,117 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

Forward-looking statements, especially such relating to future sales and operating profit, are subject to risks and uncertainties. Various factors, many of which are outside Wirtek's control, may cause the actual development of the materially from the expectations in this financial report.



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