



1 JANUARY - 31 MARCH 2025

# Q1 2025 Interim Report

# International growth despite challenging market conditions

Wirtek achieved revenue growth in international markets while our home market in Denmark is challenged. Revenue decreased by 14% during Q1 2025 compared to Q1 2024, primarily driven by the completion of a major client engagement. Our Energy business remains strong, accounting for 48% of total revenue during the quarter, a year-over-year growth of 67%.



## Change in strategic direction during uncertain times

At the beginning of 2025, Wirtek initiated a new strategic direction by establishing two divisions, Services and Solutions. While the Services division continues to deliver value through our proven business model, the newly created Solutions division is focused on developing innovative products and platforms based on the proprietary technologies acquired through the 2024 Seluxit and Pragmasoft acquisitions. The Solutions division will require short-term investments before a break-even can be reached.

## Short-term revenue challenges as sales pipeline grows

Revenue in Q1 2025 was adversely affected by the completion of a long-standing Danish client engagement and continued delays in decision-making processes from both existing and prospective clients. While our short-term performance in the Danish market is negatively impacted, we have seen modest revenue growth in the US and Dutch markets during the quarter. Our sales pipeline continues to grow, and we remain well-prepared as market conditions improve.

## Refocusing on profitability

The combination of lower revenue and continued investment in the Solutions division led to a negative EBITDA result in Q1 – the first negative quarterly EBITDA result in several years. With persistent macroeconomic uncertainty, Wirtek will take a cautious approach to future investments and implement targeted cost-saving measures beginning in Q2 2025. Our objective is to return to positive EBITDA no later than Q3 2025 and deliver a positive EBITDA for the full fiscal year in line with our market guidance.

## Outlook

Despite the current challenges, our core business remains strong, and we are confident in our ability to return to profitable growth, a central pillar of Wirtek's strategic foundation. We maintain our financial expectations for 2025.

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

Michael Aaen,  
CEO Wirtek

A handwritten signature in black ink, appearing to read 'Michael Aaen'.

# Q1 2025 Summary

## Financial highlights for the period 1 January - 31 March 2025

TDKK	Q1 2025	Q1 2024	Change
Revenue	15,537	17,985	-14%
EBITDA	-1,113	1,839	-
EBITDA-margin (%)	-7.2%	10.2%	-
Pre-tax profits (EBT)	-1,961	1,251	-
Equity	17,945	19,636	-9%
Cash holdings	4,734	3,420	38%

## Results during Q1 2025

- **Revenue** was TDKK 15,537 during Q1 2025, down by 14% compared to Q1 2024, impacted by the completion of a major client engagement as well as reduction in the purchase of Wirtek's services from other clients. Energy accounted for 48% of total revenue.
- **EBITDA** was TDKK -1,113 in Q1 2025 compared to TDKK 1,839 during Q1 2024. Lower revenue beginning of 2025 combined with investments in the new Solutions division and business development will negatively impact the profitability in the short-term.
- **The EBITDA margin** for Q1 2025 was -7.2% compared to 10.2% during Q1 2024.
- **Pre-tax profit** was TDKK -1,961 in Q1 2025, down from TDKK 1,251 during Q1 2024.
- **Equity** was TDKK 17,945 end of Q1 2025, down by 9% compared to Q1 2024. The equity ratio was 47% end of Q1 2025, down from 59% end of Q1 2024.
- **Cash holdings** were TDKK 4,734 end of Q1 2025, up by 38% from Q1 2024.

## Outlook for 2025

The Board of Directors sees increased market uncertainties delaying investment decisions from existing and potential new clients. The announced 2025 expectations are retained but the development will be followed closely by the Board.

- **Revenue** for 2025 is expected in the range of DKK 70.0m – 75.0m, a growth of -3% to +4% compared to 2024.
- **EBITDA** for 2025 is expected in the range of DKK 1.0m – 5.0m, a decline of 4% to 81% relative to 2024.

### Wirtek in brief

Wirtek A/S is a Danish IT Services and Solutions company delivering software development, embedded engineering, R&D, quality assurance, and testing services to clients worldwide. We specialise in key industries such as Energy, Wireless Communication, Automation & IoT, and Digitalisation, where emerging technologies drive rapid innovation. In addition, Wirtek offers a growing portfolio of proprietary solutions tailored to the Energy and IoT sectors.

At Wirtek, we prioritise long-term client relationships, with some lasting more than a decade. We believe that strong partnerships are as critical as technical excellence in achieving sustainable success. Wirtek operates from offices in Denmark, Romania, and Portugal, and has been listed on Nasdaq First North Copenhagen since 2006.

Ticker code: [WIRTEK \(DK0060040913\)](#)

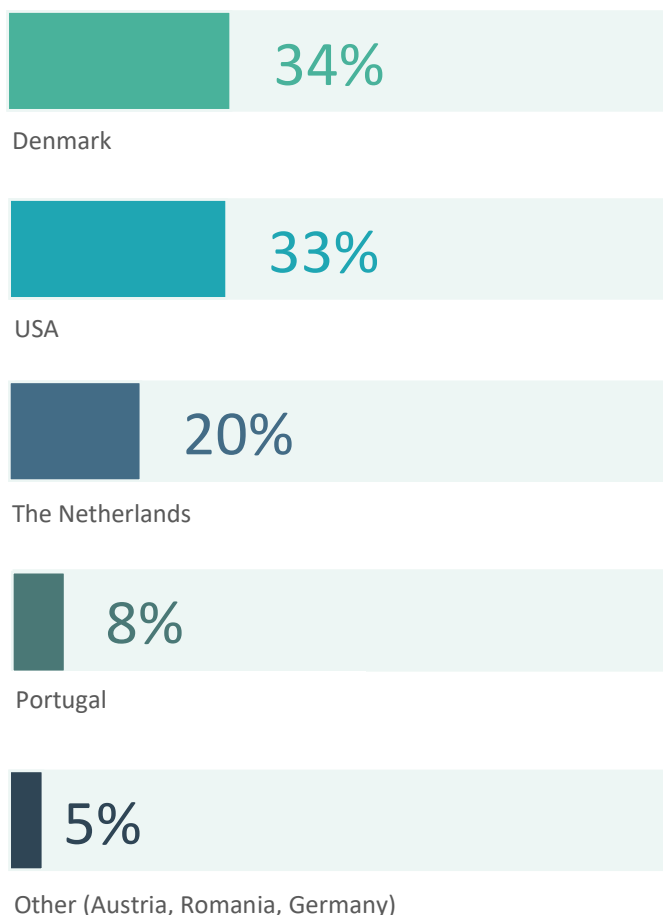


# Management's Review

## Revenue development

Wirtek posted revenue of TDKK 15,547 in Q1 2025, a decrease of 14% compared to Q1 2024. The reduction in revenue is driven by the completion of a major client engagement with a Danish client as well as continuing soft market conditions in especially Denmark, where clients hold back on their assignments with Wirtek.

## Geographical Revenue Distribution – Q1 2025



Revenue from Wirtek's home market, Denmark, was TDKK 5,317 in Q1 2025, a decrease of 40% compared to Q1 2024. Clients from Denmark accounted for 34% of total revenue during Q1 2025.

Clients from Wirtek's second largest geographical market, USA, generated revenue of TDKK 5,048 during Q1 2025, a small growth of 2% compared to Q1 2024. USA accounted for 33% of total revenue during Q1 2025 and Wirtek continues to see good market opportunities with new and existing clients in the US market. Wirtek's exposure

towards a fluctuating US\$ is low since most of Wirtek's contracts with US clients are EUR-based.

Wirtek's third largest geographical market, the Netherlands, saw revenue of TDKK 3,145 during Q1 2025, a growth of 3% compared to Q1 2024.

After the acquisition of Pragmasoft in August 2024, Portugal is now a new geographical market for Wirtek, contributing with TDKK 1,304 in revenue during Q1 2025, 8% of Wirtek's total Q1 revenue.

Wirtek also has clients in Austria, Romania and Germany that account for 5% of total revenue.

## Services and Solutions divisions

Beginning January 2025, Wirtek is operating with two divisions, Services and Solutions. Services will continue to build on its extensive experience in delivering high-quality IT services and maintaining the reliability that the clients expect. In parallel, the Solutions division will concentrate on developing innovative products and platforms that combine software excellence with IoT capabilities, thereby creating a more robust and stable revenue base.

The Services division remains Wirtek's core business, and it still accounts for most of the revenue. Services delivered revenue of TDKK 15,032 during Q1 2025, accounting for 97% of total revenue.

Based on technologies from the acquisitions of Seluxit and Pragmasoft, Wirtek currently invests in the development of products and platforms in the new Solutions division. Building up the Solutions division will require further investments while only delivering minor revenue impact in the short term. During Q1 2025 Solutions accounted for a mere 3% of total revenue.

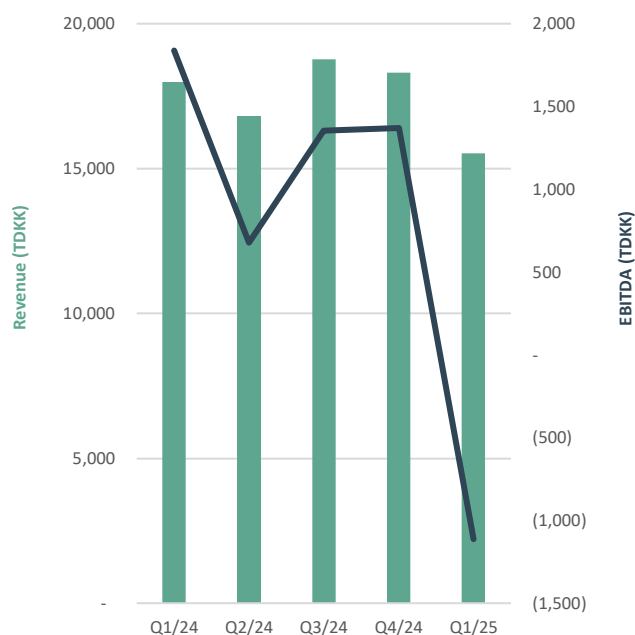
## EBITDA development

Wirtek delivered operating profits (EBITDA) of negative TDKK 1,113 in Q1 2025 compared to TDKK 1,838 in Q1 2024, reflecting the large investments in the Solutions division and the conclusion of the large client engagement in Denmark.

The EBITDA-margin was -7.2% in Q1 2025 compared to 10.2% in Q1 2024.

Given the generally challenging business climate, Wirtek will continuously evaluate the ongoing investments to ensure a healthy business. Additionally, Wirtek will be implementing cost savings from Q2 2025 to ensure a positive EBITDA level for 2025 within the market guidance.

### Quarterly revenue and EBITDA development



### Pre-tax profits

Wirtek achieved pre-tax profits (EBT) of negative TDKK 1,961 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

Wirtek achieved positive cash flows from operating activities of TDKK 503 despite delivering negative EBITDA during the quarter. Total cash flow during Q1 2025 was TDKK 816.

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

### Financial Calendar 2025

**13 August 2025** – *Interim Report Q2 2025*

**11 November 2025** – *Interim Report Q3 2025*

**18 March 2026** – *Annual Report 2025*

### Further Information

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## Profit & loss statement for the period

1 January - 31 March 2025

TDKK	Q1 2025	Q1 2024	Change Q1	2024
<b>Revenue</b>	15,537	17,985	-13.6%	71,874
Other external costs	-7,148	-8,240	-12.0%	-30,843
Other external costs %	46.0%	45.8%	0.4%	42.9%
<b>Gross Profit/Loss</b>	<b>8,389</b>	<b>9,745</b>	<b>-13.9%</b>	<b>41,031</b>
Gross Profit/Loss%	54.0%	54.2%	-0.4%	57.1%
Staff Costs	-9,502	-7,907	20.2%	-35,793
Staff Costs%	61.2%	44.0%	39.1%	49.8%
<b>EBITDA</b>	<b>-1,113</b>	<b>1,838</b>	<b>N/A</b>	<b>5,238</b>
Depreciation, amortisation, and impairment	-703	-509	38.1%	-2,181
Depreciation, amortisation, and impairment %	4.5%	2.8%	60.7%	3.0%
<b>Operating Profit (EBIT)</b>	<b>-1,816</b>	<b>1,329</b>	<b>N/A</b>	<b>3,057</b>
Net financial income and expenses	-146	-78	87.2%	-346
Net financial income and expenses %	0.9%	0.4%	125.0%	0.5%
<b>Profit before tax (EBT)</b>	<b>-1,961</b>	<b>1,251</b>	<b>N/A</b>	<b>2,711</b>
Tax on profit/loss for the period	-39	-154	-74.7%	-542
Tax on profit/loss for the period %	0.3%	0.9%	200.0%	0.8%
<b>Profit for the period</b>	<b>-2,000</b>	<b>1,097</b>	<b>N/A</b>	<b>2,169</b>
Profit for the period %	-12.9%	6.1%	N/A	3.0%

## Cash flow statement for the period

1 January - 31 March 2025

TDKK	Q1 2025	Q1 2024	2024
Profit/loss for the year	-2,000	1,097	2,169
Depreciation and amortisation, reversed	703	509	2,181
Tax on profit/loss, reversed	39	154	542
Other adjustments	-	-	197
Change in inventories	-	-	-205
Change in receivables (ex. tax)	-378	-1,815	-2,155
Change in current liabilities (ex. bank, tax, instalments payable and overdraft facility)	2,139	1,456	1,509
<b>CASH FLOWS FROM OPERATING ACTIVITY</b>	<b>503</b>	<b>1,401</b>	<b>4,238</b>
Purchase/sale of intangible assets	0	-523	-1,504
Purchase /sale of property, plant and equipment	387	-	-787
Other cash flows from investing activities	-75	-	-4,727
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>	<b>313</b>	<b>-523</b>	<b>-7,018</b>
Purchase of own shares	-	-	-
Sale of own shares	-	-	-
Instalments on loans	-	-	-
Capital increase	-	-	1,853
Changes in overdraft facility	-	-	5,239
Dividends paid in the financial year	-	-	-2,937
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>	<b>-</b>	<b>-</b>	<b>4,155</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>816</b>	<b>878</b>	<b>1,375</b>
Cash and cash equivalents at 1. January	3,917	2,542	2,542
<b>CASH AND CASH EQUIVALENTS</b>	<b>4,733</b>	<b>3,420</b>	<b>3,917</b>

## Balance sheet

as of 31 March 2025

TDKK	31.03.2025	31.03.2024	31.12.2024
<b>ASSETS</b>			
Development projects completed	5,187	3,833	1,915
Intangible fixed assets acquired	-	-	1,376
Goodwill	9,235	6,981	9,615
Development projects in progress and prepayments	-	-	931
<b>Intangible assets</b>	<b>14,422</b>	<b>10,814</b>	<b>13,837</b>
Other property, plants and equipment	1,054	1,186	1,367
<b>Property, plant and equipment</b>	<b>1,054</b>	<b>1,186</b>	<b>1,367</b>
Securities and deposits	44	74	118
<b>Financial non-current assets</b>	<b>44</b>	<b>74</b>	<b>118</b>
<b>Non-current assets</b>	<b>15,520</b>	<b>12,074</b>	<b>15,322</b>
Finished goods and goods for resale	279	-	205
Trade receivables	12,620	14,450	13,205
Other receivables	2,047	304	1,954
Deferred tax assets	2,800	2,800	2,800
Prepayments and accrued income	467	339	615
<b>Receivables</b>	<b>18,213</b>	<b>17,893</b>	<b>18,779</b>
Cash and cash equivalents	4,733	3,420	3,917
<b>Current assets</b>	<b>22,945</b>	<b>21,313</b>	<b>22,696</b>
<b>TOTAL ASSETS</b>	<b>38,465</b>	<b>33,387</b>	<b>38,018</b>
<b>LIABILITIES</b>			
Share capital	1,188	1,159	1,188
Reserves for development costs	2,123	-	2,220
Retained earnings	12,812	15,540	14,408
Proposed dividend	1,822	2,937	1,822
<b>EQUITY</b>	<b>17,945</b>	<b>19,636</b>	<b>19,638</b>
Acquisition, Earn-out	1,476	-	1,476
Frozen holiday pay	67	-	67
<b>Non-current liabilities</b>	<b>1,543</b>	<b>-</b>	<b>1,543</b>
Bank debt	6,783	4,383	7,299
Trade payables	5,170	6,615	2,829
Corporation tax payable	198	-254	767
Other liabilities	6,826	3,007	5,942
<b>Current liabilities</b>	<b>18,977</b>	<b>13,751</b>	<b>16,837</b>
<b>TOTAL LIABILITIES</b>	<b>33,387</b>	<b>29,904</b>	<b>18,380</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,465</b>	<b>33,387</b>	<b>38,018</b>

## Equity explanation for the period

### 1 January - 31 March 2025

TDKK	31.03.2025	31.03.2024
Equity, beginning of year	19,638	18,539
Dividend distribution	-	-
Exchange rate adjustments etc	307	-
Sale/purchase of own shares	-	-
Share premium account	-	-
Profit/Loss for Q1	-2,000	1,097
<b>EQUITY</b>	<b>17,945</b>	<b>19,636</b>

## Key figures and ratios for the period

### 1 January - 31 March 2025

	Q1 2025	Q1 2024
EBITDA-margin	-7,2%	10.2%
Operating profit margin (EBIT)	-11,7%	7.4%
Liquidity ratio	137%	155%
Equity ratio	47%	59%
Cash Conversion Rate (net profit)	N/A	128%
Cash Conversion Rate (EBITDA)	N/A	76%
Number of shares	7,921,998	7,728,579
Earnings per share, EPS (DKK)	-0,25	0.14
Operational cash flow per share (DKK)	0.12	0.18

## Executive Management and Board shareholdings in Wirtek A/S

- Michael Aaen, CEO: 2,032,373 shares
- Kent Moustén Sørensen, Chair of the Board: 980,907 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.



# Company information

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