

The background features a glowing blue globe composed of interconnected nodes and lines, suggesting a network or data structure. To the right, a vertical bar chart with several bars of varying heights is visible. The overall aesthetic is high-tech and digital.

Tecnotree

Q1 2025 Results

30th April 2025

Presenters and Agenda



Padma Ravichander
CEO



Indiresch Vivekananda
CFO

1 CEO Review

2 Q1 Financial Review and Highlights

3 Q&A



Tecnotree's Expanding Global Footprint

A Finnish listed company with **12 locations worldwide**. Registered in 1978 and bringing **47 years of deep domain experience** to the new digital age of telecommunications.

1.2 Bn+
Subscribers

90+
Service Providers

70+
Countries with Product Deployments

80+%
Employees TM Forum Certified

4500+
Product Features Delivered

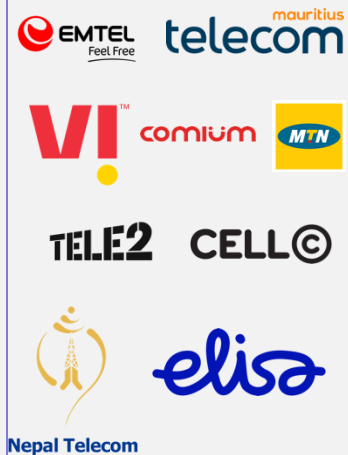
40+
Product Lines/LOB Supported



Monolithic Solution @Billity



Product Portfolio Agility



Standards Based Digital Platform



Transactions, SaaS, Ecosystem



AI Native



Results Q1 2025 – Guidance Metrics

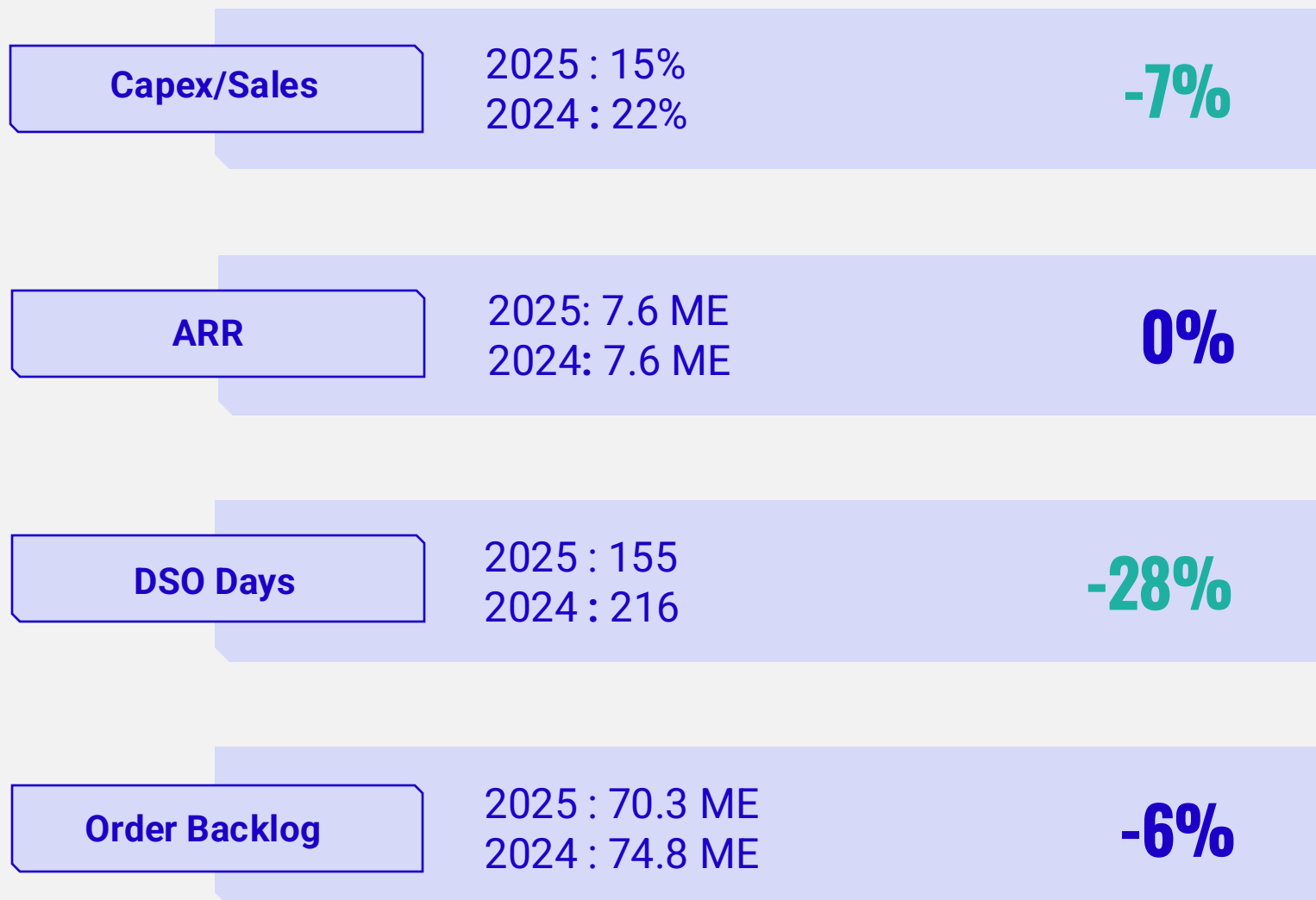
Q1 25- Change YoY



Free Cash Flow	2025: 1 ME 2024: -4.7 ME	+5.7 ME
Revenue in Constant Currency	2025: 17.1 ME 2024: 16.3 ME	+4.6%
Revenue	2025 : 16.9 ME 2024 : 16.3 ME	+3.7%
EBIT in Constant Currency	2025 : 4.6 ME 2024 : 4.4 ME	+4.5%
EBIT	2025 : 4.5 ME 2024 : 4.4 ME	+2.3%

Free Cash Flow Metrics Q1 2025

Q1 YoY%





New Customers

1. 

2. European customer in the Netherlands

Achievements

- 1 ME FCF IN Q1
- 323 Features delivered
- 4 new SI partner engagements across mature markets

5 Go-Lives



Ivory Coast
B2C
Nigeria



Postpaid



Bahrain



umniah

Key Customers contributing to ARR



Recognitions



winner 2024



ODA in a Box Catalyst project



Revenue Monetisation and Customer Management Market Guide
MQ for AI in CSP



we are finalists



Telecom Solutions Provider of the Year – UAE for the Emtel Transformation

Q1 25 – Revenue Update & Guidance

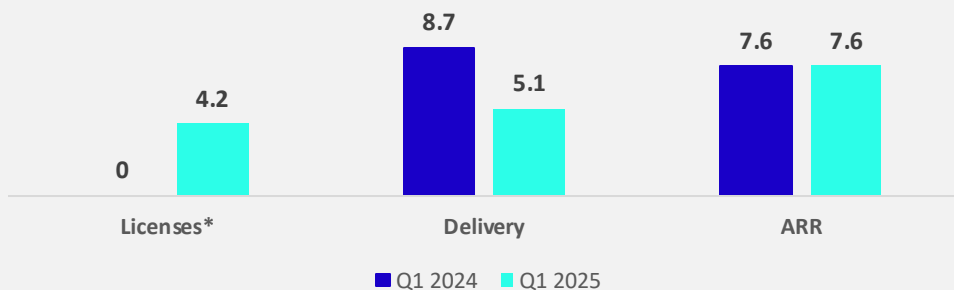


2025 Guidance: Low to mid-single digit % growth in constant currency

2025 Q1 Updates

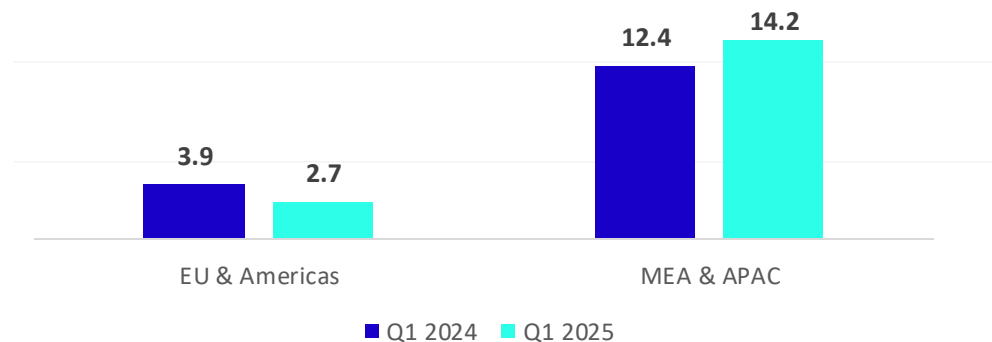
- 17.1 ME in constant currency and 16.9 ME in revenues
- Growth (4.6%) despite market slowdown due to ARR focus
- Q1 focus on licenses to increase ARR potential through 2025
- Strategic focus shift into mature markets

Q1 2024 vs 2025 Revenue by Type

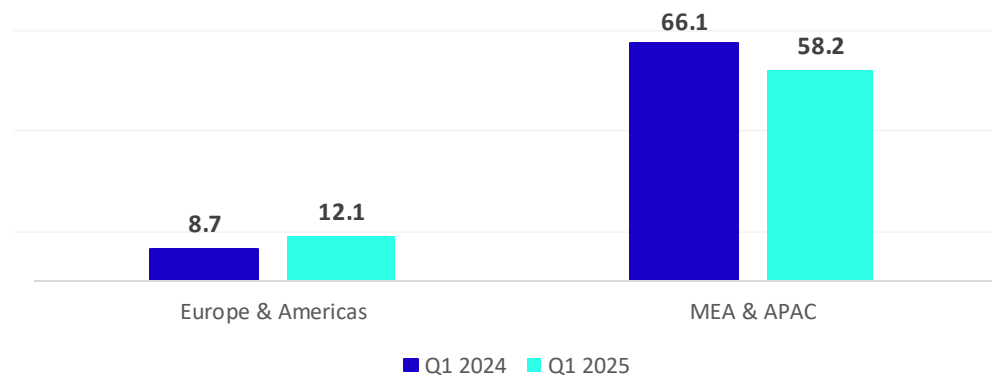


*includes 3rd party licenses

Q1 2024 vs 2025 Revenue by Region



Q1 2024 vs 2025 OBL by Region



2025 Capex to Sales

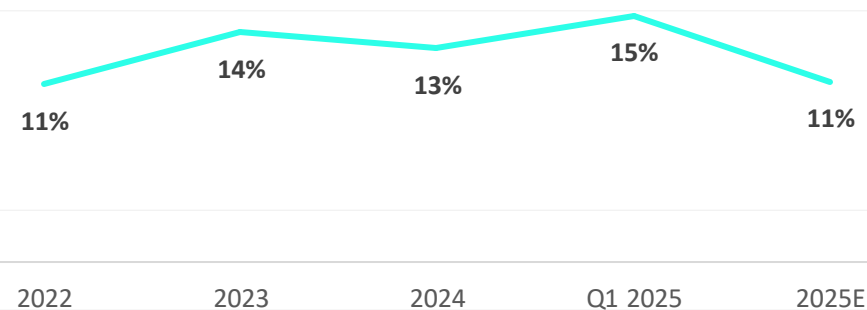


Guidance: Capex to Sales is 10-12% by 2025

2025 Strategy to reduce capex to sales further

- 7% reduction in Capex/Sales between Q1 2024 and Q1 2025
- Increased use of AI to boost engineering delivery capability
- Mature stack with 4500+ features
- Full-year impact on Capex cuts in 2024 to be realised in 2025

Capex Trends



Q1 2025 FCF Update



2025 FY Guidance: Greater than 4 ME in FCF

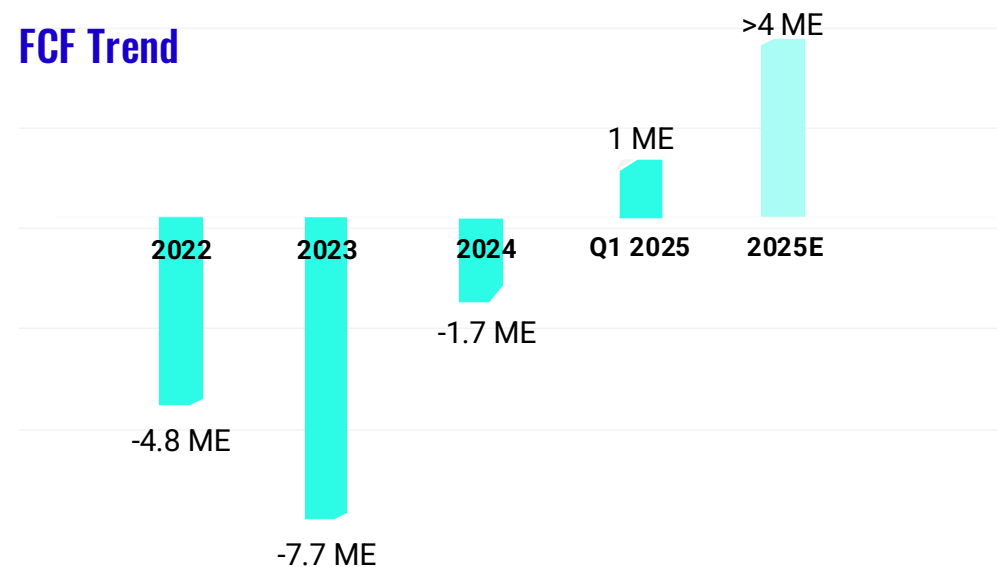
2025 FCF Strategy

- Effect of OpEx cuts in 2024 realized in Q1 2025
- Faster collections results reduced DSO days
- Optimised tax planning
- Penetration into 'stable currency' USA and EU markets
- Full benefit of LATAM US currency contracts
- Continued focus on growth in ARR

FCF 2025

Q1 2024	Q1 2025	2025 FCF Target
-4.7	1	>4

FCF Trend



Guidance 2025



Guidance for 2025 is a continuation of our strategy to drive higher returns and more FCF (free cashflow) for our shareholders

Revenues

Constant Currency 2025



Low to mid-single digit % growth

EBIT Margin



Margin growth by 200 basis points (2%)

Free Cashflow 2025



Greater than 4 ME

Existing Financial Guidance for 2025

Receivables Days

Target 2025+



100-140

Capex: Sales %

Target 2025+



10-12%

Dividend Payout Policy

of FCF



10%

FX

Reduce exposure to frontier country FX risk to 10-15% in 3 years

Tecnotree strategically poised to grow amidst market slowdown

Changing Market Dynamics

Core BSS market forecasted to have only **2.1% annual growth** from **2022-2027 (CAGR)** – Gartner 2023

CSPs are looking at **adjacent verticals** for better revenue diversification, ARPU growth and improved profitability

Investments made towards right direction



Fastest time to market with the most standardized platform in the world, No. 1 TMF Open API – Diamond Badge

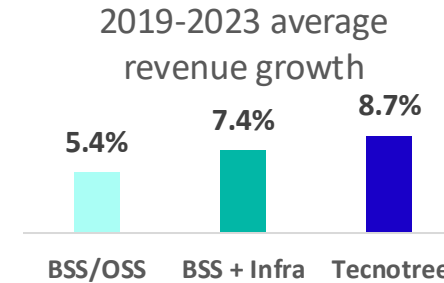


Partner driven sales with 4 leading global SIs



137 patents on AI, Trust, Governance, PhotoAI and Augmented intelligence

Growing faster than competition and gaining market share



BSS/OSS	BSS + Infra
Amdocs	Ericsson
Qvantel	Oracle
Salesforce	Comviva
CSG Systems	Sterlite
Cerillion	Netcracker
6D	

*from published annual reports

Q1 2025 achievements in line with guidance for robust growth

Customers and Partnerships

1 new European customer in Netherlands

323 Features Delivered

5 Go Lives Q1

Ivory Coast B2C Nigeria

Postpaid

Bahrain



Tecnotree

CFO Update

Indiresh Vivekananda



Q1 2025 – Summary Financial Performance

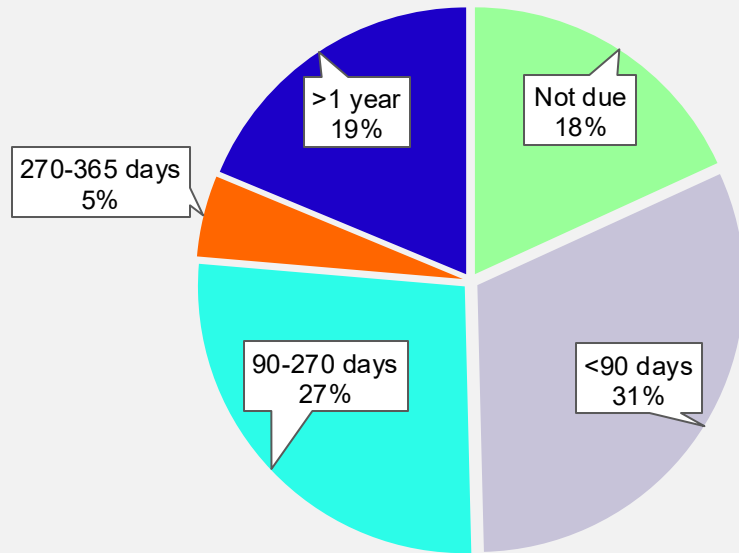


- Strong operative performance -operating profit margin of 27%
- Net income at previous years' level
- Cash collection of 14.3 ME
- New Order growth of 15% in Q1 2025
- Steady EPS Year-on-Year

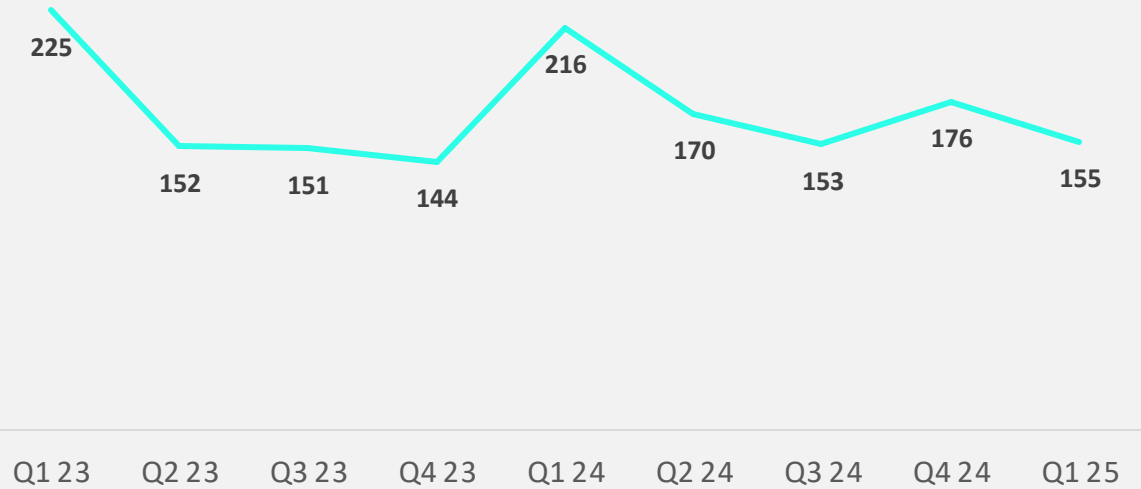
ME	Q1/25	Q1/24	Q1/23
Net sales	16.9	16.3	15.5
Change YoY	+4%	+5%	+17%
EBIT	4.5	4.4	3.6
Change YoY	+2%	+22%	+81%
Financial items	-2.2	-2.4	-1.0
Taxes	-0.8	-0.4	-0.9
Net income	1.5	1.6	1.8
Change YoY	-5%	-10%	+79%
SCIF	14.3	9.5	15.0
Change YoY	+51%	-36%	+30%
Orders received	11.5	10.0	11.3
Change YoY	+15%	-11%	-39%
Order backlog	70.3	74.8	67.8
Change YoY	-6%	10%	+6%
EPS	0.1	0.1	0.1

Q1 25 – Significant Improvement in DSOs

Q1 2025 Receivables 32.2 ME
(3.1 ME provided for)



DSO Days



2025 Currency Risk

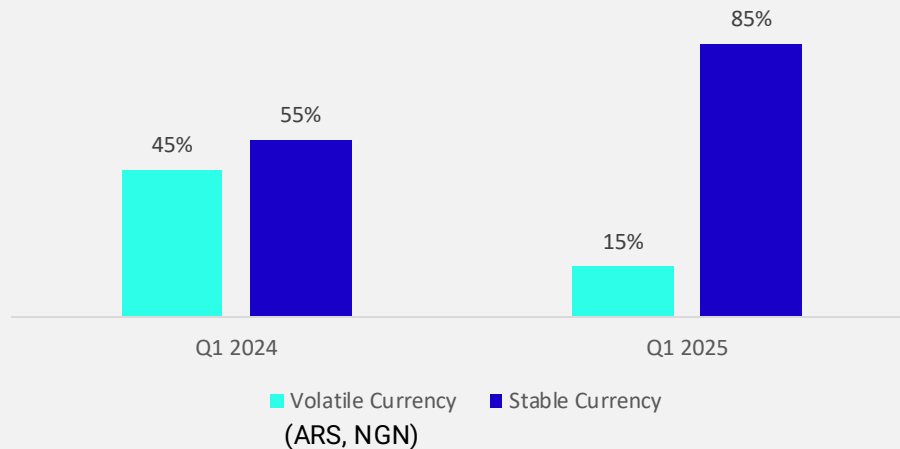
Guidance: Reduce exposure to frontier country FX risk to 10-15% in 3 years by 2027



2025 Strategy

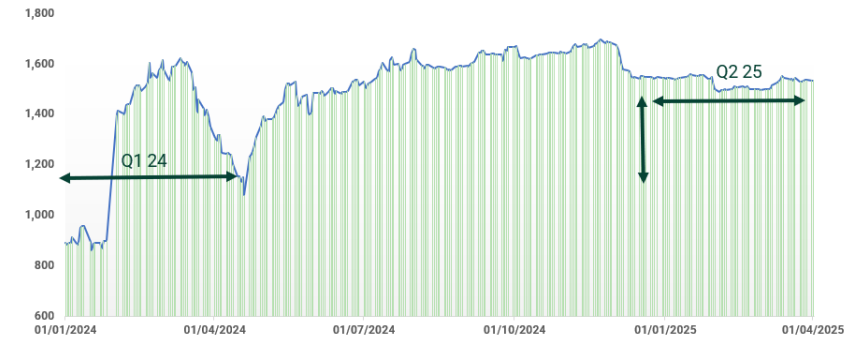
- Naira stability due to improved economy and growth in fuel production
- Growth in mature markets will reduce impact of currency risks

% of Q1 Revenue In Volatile Currencies

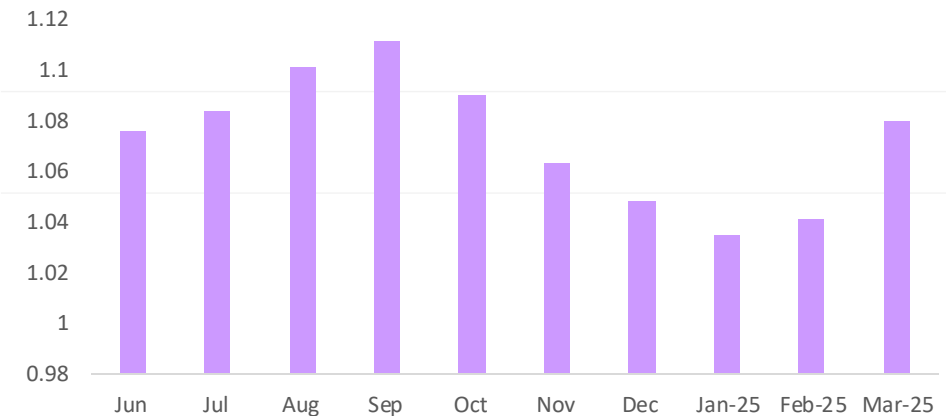


*Sources: Bloomberg, Citi Bank, Central Bank of Nigeria

Naira/\$ Exchange Rate Stabilising



USD/EUR Trend 2024-25



Q1 2025 Balance Sheet



- Reduction in trade receivables and current liabilities
- Strengthening of cash position – positive free cashflow of 1 ME
- Reduction in Capex/Sales
- Moderate increase in interest-bearing liabilities due to a new credit facility

Consolidated balance sheet, ME	31.3.2025	31.3.2024	31.12.2024
Non-current assets			
Intangible assets - own development	43.9	35.7	43.1
Tangible assets	0.1	0.4	0.1
Deferred tax assets	0.0	0.5	0.0
Other non-current trade and other receivables	2.2	1.9	2.2
Current assets			
Trade receivables	29.1	36.5	34.5
Other receivables	45.1	38.6	42.0
Cash and cash equivalents	18.0	16.4	16.8
Assets total	138.3	130.0	138.9
Shareholders' equity			
	93.3	85.6	92.6
Compulsory convertible debentures	23.1	23.1	23.1
Non-current liabilities			
Non-current interest-bearing liabilities	0.0	0.0	0.0
Other non-current liabilities	4.2	4.0	4.2
Current liabilities			
Current interest-bearing liabilities	4.4	5.2	3.9
Trade payables and other liabilities	13.2	12.1	15.1
Equity and liabilities total	138.3	130.0	138.9



Q&A Session

Tecnotree

Thank You



Empowering Digitally Connected Communities to over 90+ Telecom Providers around the world, since 1978

