



Q2 2024

Make a difference

Agenda

1. Highlights of the quarter
2. Business review
3. Financial review
4. Outlook
5. Q&A

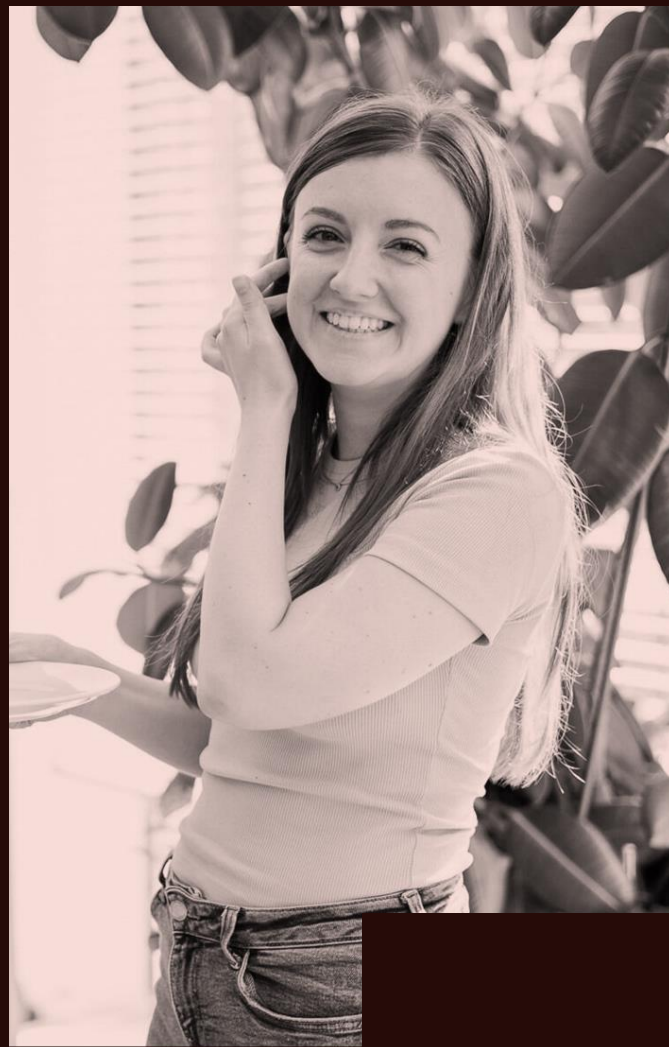
Arne Mjøs
CHIEF EXECUTIVE OFFICER



Bent Hammer
CHIEF FINANCIAL OFFICER



1 Highlights Q2 2024



Q2 in brief

0%

Organic revenue growth

9.4%

EBIT margin

Market

The pace of spending is mixed, but the fundamental importance of digital technology has not.

Strong demand in the green transition and areas like cloud migration and modernization, data, security and AI.

Wins

A major win with an estimated value of 60 MNOK to build the digital core for a major Norwegian industry company

Several cloud agreements

A new strategic financial services framework agreement

Award

As one of ten companies worldwide, Itera is awarded the "International Flagship Award" by the Ukrainian government.

Itera has also signed several agreements in providing high value advisory services to companies wishing to enter Ukraine.

Order intake

Seasonal variations in order intake with book-to-bill of 0.7 in Q2 and 1.0 last 12 months.

Performance

1.2 pts margin improvement following the successful implementation of our business optimization program.

Cashflow

Cashflow from operations NOK 27 million in Q2

NOK 73 million last 12 months, with EBITDA-to-Cash conversion of 72%

Dividend

Ordinary dividend for 2023 of NOK 0.40 per share paid, with authorization to pay a supplementary dividend later

People

Incremental and temporary capacity reduction to align to market demand.

Number of employees decreased by 28 employees (4%) during the last 12 months.

Key figures

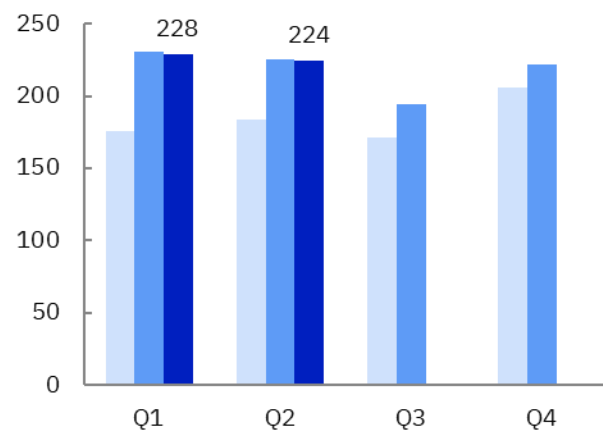
Q2
0%

Organic revenue growth

Revenues

NOK million

2022 2023 2024



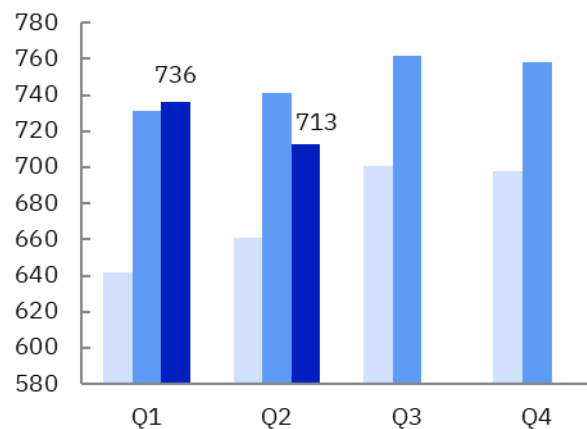
Q2
-4%

Growth in number of employees last 12 months

Employees

End of period

2022 2023 2024



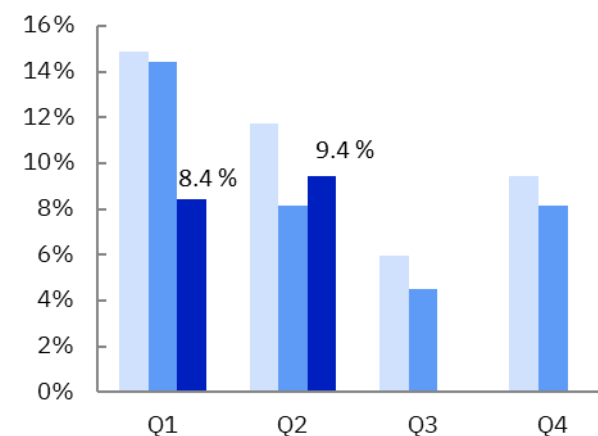
Q2
9.4%

EBIT margin

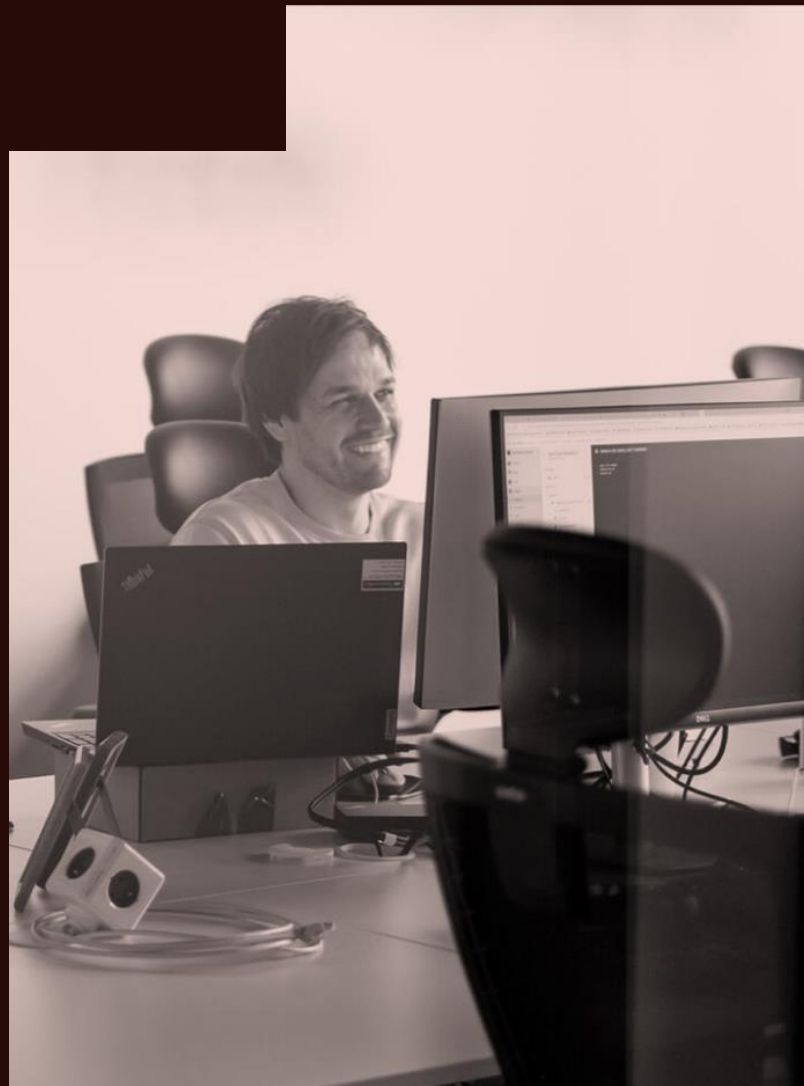
EBIT margin

%

2022 2023 2024



2 Business review

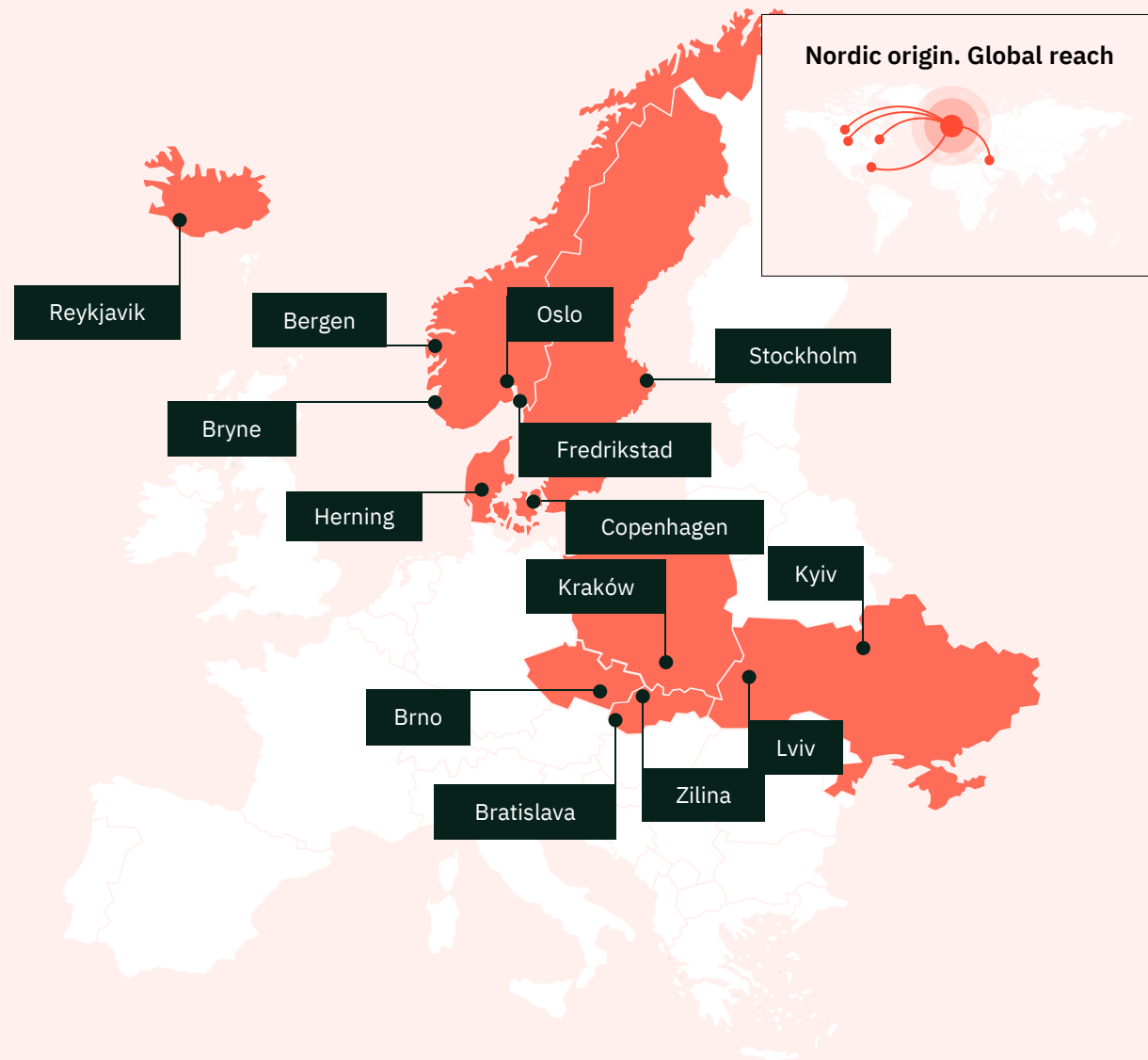


We are specialists in sustainable digital transformation

The Nordics is often positioned as digital and sustainable front-runner that show the way globally.

We are growing together with international customers and partners based on our ONE Itera model across borders.

Our Digital Factory with cross-functional teams across border was recognised as best in the world by Global Sourcing Association in 2018.



A complete provider of services for building the digital core

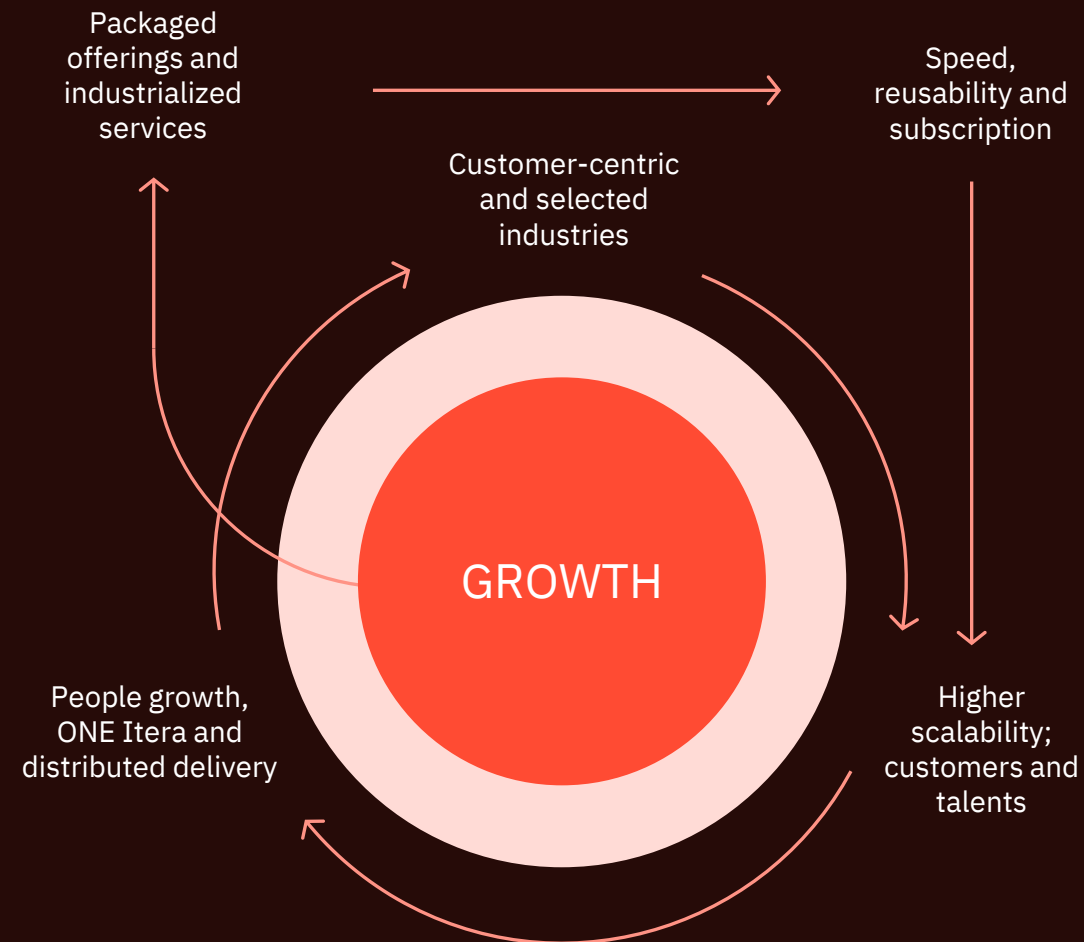
We deliver projects throughout the entire life cycle of a product or service



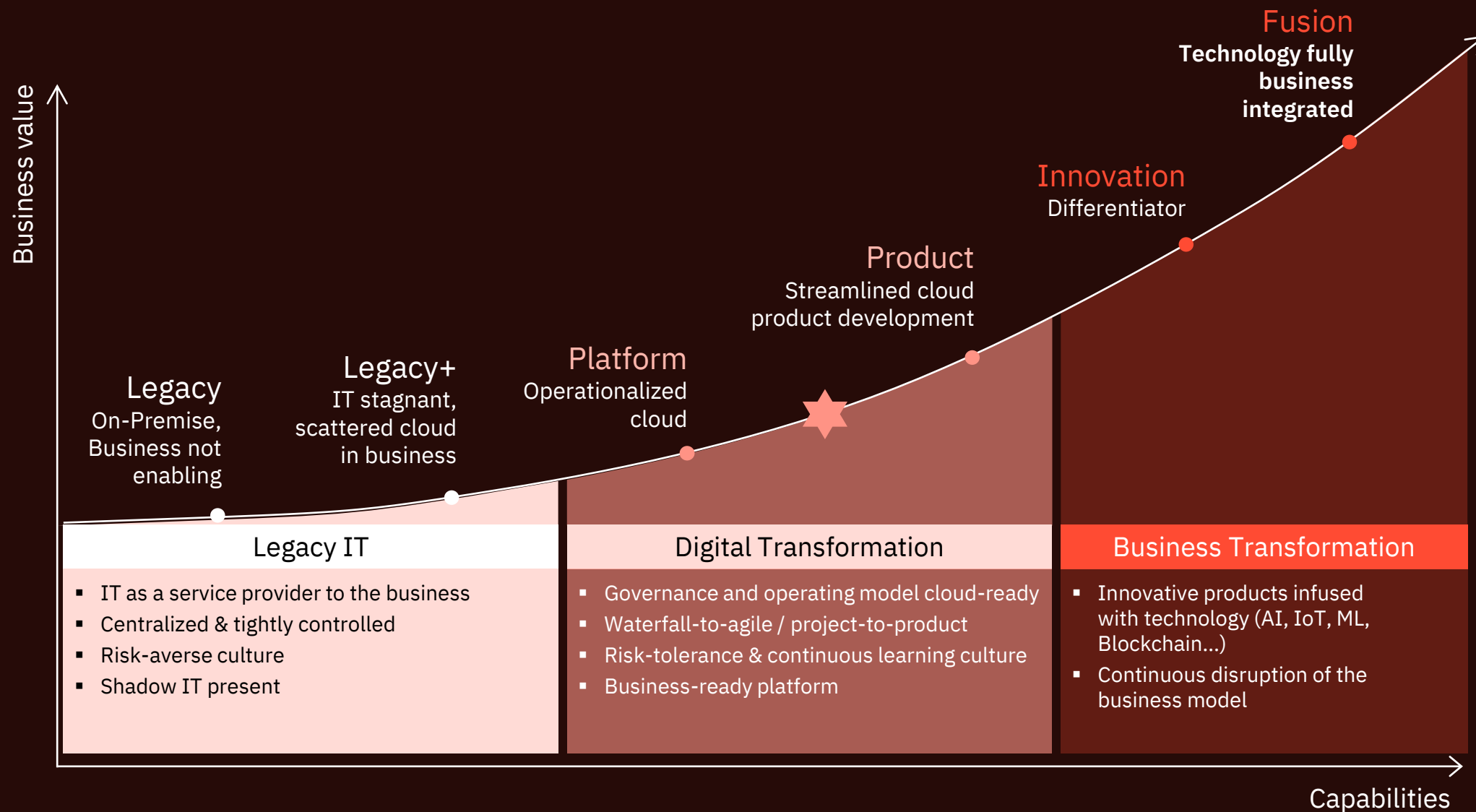
- **Digital strategy**
We help companies set direction and convert opportunities from new technology to business value.
- **Project and product management**
By using modern methods and tools, we ensure efficient development and launch of digital services and products
- **Customer experience**
Customer experience is one of our core areas, and we have a strong focus on user insight and end-user needs.
- **Data, AI and Analytics**
We help companies make better decisions faster, preparing them for a data-driven future.
- **Architecture & Development**
We have a wide range of technology competence, integration teams and application modernization
- **Cloud & Application Services**
We help organisations with their cloud transformation enabling them to optimise, modernise and innovate for the future.
- **Test & Quality Assurance**
We ensure a more secure and efficient development process, and help our customers achieve their business goals.

Our steady growth organic model

We have built a strong international ONE Itera operating model and will see more of divergence in the linearity between headcount and revenue growth.



Digital and Business Transformation



Digital Factory at Scale: Doing more with less

Organizations with Developer Velocity in the top quartile achieve¹:

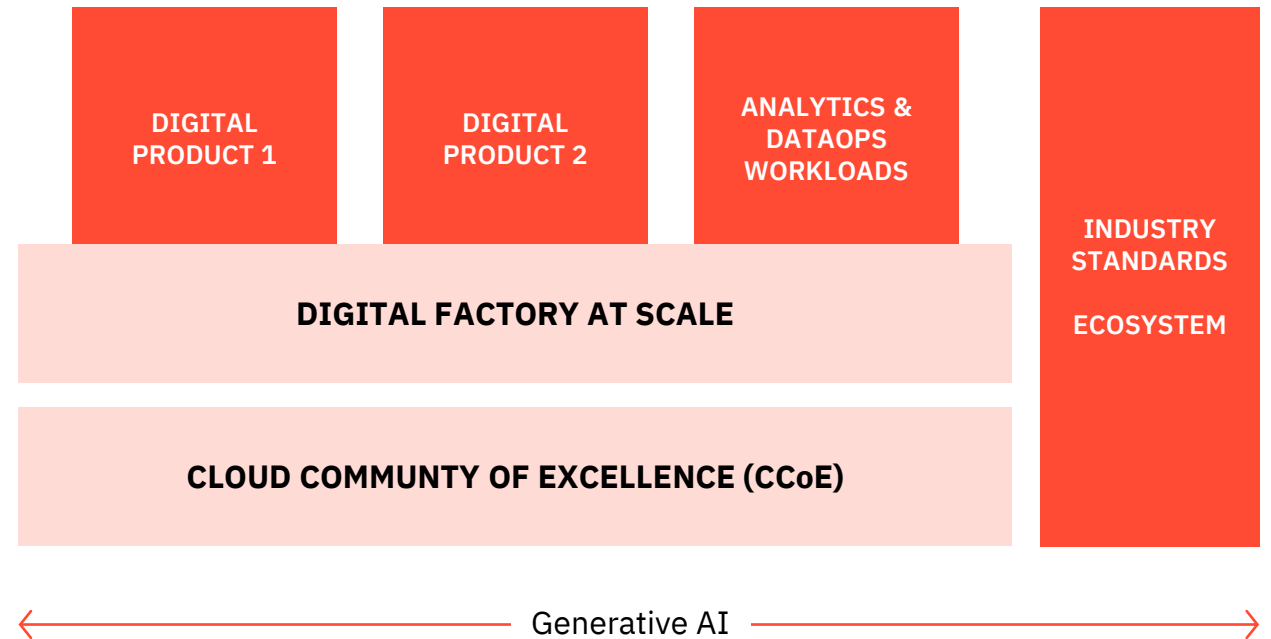
4-5

times faster
revenue growth

55%

higher
innovation

ENERGY BUSINESS & DIGITAL STRATEGY



¹McKinsey & Company: Driving business outcomes through Developer Velocity 2020 and McKinsey Developer Velocity Survey, Expert Interview

Major win 60MNOK for building a new digital core

With our customers prioritizing short-term value, we are witnessing an improving sales pipeline of new opportunities.

- We were chosen to build the digital core of a major Norwegian industrial company with an estimated contract value of NOK 60 million.
- Last quarter, we helped them assess and initiate a transformation of their entire technology stack in order to better enable their digital transformation and streamline their operations.



New agreement to enhance Apotek 1's cloud infrastructure

Apotek 1 has engaged Itera to enhance and maintain the robustness of its cloud solutions, a collaboration that stems from a thorough process in which Apotek 1 identified a partner willing to tailor their services to our specific needs and circumstances.

- This strategic partnership underscores our commitment to leveraging cutting-edge technology to improve our operations and service delivery.
- Our world-class Cloud Centre of Excellence manages everything as code – not only software and infrastructure provisioning but also operations and service delivery. The Cloud Centre of Excellence is founded on Microsoft best practices but is also designed to support other hyperscalers.



New win in the financial sector

During the quarter, Itera has been awarded a framework agreement with one of the largest banking alliances in Norway.

- The company operates as a cooperative organization, collectively owned by tenfold local savings banks, serving approximately 1.5 million customers.
- The company has expressed keen interest in leveraging our expertise across various areas, including Project Management, Testing, Architecture and Development, and User Experience.
- This framework agreement solidifies our partnership with the company and reinforces Itera's position as a trusted provider of innovative solutions in the banking sector.



Order intake

Order intake from selected new and existing customers.

Book-to-bill ratio*) of 0.7 in Q2 and 1.0 for the last 12 months.



*) The **book-to-bill ratio** is the ratio of orders received to the amount of revenue for a specific period for Itera units

Itera is awarded «International Flagship Project Award»

For successful and inspiring international business ventures which highlight how attractive Ukraine is for business and investment despite the ongoing Russian war of aggression being waged against it.

Yuliia Svyrydenko

FIRST DEPUTY PRIME MINISTER AND MINISTER OF ECONOMY OF UKRAINE



International Flagship Project Award

As one of ten companies globally, this recognition was achieved for our instrumental role in supporting Ukraine in critical areas.

- 10 temporary bridges in the early phase of the war
- Green energy transition
- Framework for housing

In addition, the energy authorities in Ukraine have on their own initiative entered a Memorandum of Understanding (MOU) with Itera to mobilize the Nordic energy industry for increased support to Ukraine.



↑ Group COO Jon Erik Høgberg with the Certificate of Award together with Deputy Minister of Ministry of Foreign Affairs Eivind Vad Petersson and Deputy Minister of Trade Vegard Grøslie Wennesland just after the award ceremony.



↑ CEO Arne Mjøs in panel debate with other awarded companies during the URC 2024 in Berlin.



↑ Ukrainian-Norwegian roundtable and signing of MOU on Energy by Minister of Trade of Norway Cecilie Myrseth and Minister of Energy of Ukraine German Galushchenko at the sideline of URC Berlin.

Moelven enters Ukraine with Itera

Moelven Byggmodul AS, a Scandinavian industrial group that produces building products and systems, and Itera are launching a groundbreaking initiative, "Housing for Ukraine".

- The project aims to improve the living conditions for Ukrainian citizens by rapidly increasing the availability of safe and good homes.
- This ambitious goal requires cooperation across private and public sectors and national borders, marking the start of Moelven's operations in Ukraine. Itera, with its 16 years of experience in the country, is leading the way.

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MOELVEN INN I UKRAINA

Entrer «verdens største eiendomsprosjekt»



Roses av næringsministeren

NYTT MARKED: Moelven skal bygge boligmoduler for Ukraina. Fra: Arne Mjøs (Itera), Jørn Erik Erfand (Moelven Byggmodul), Frode Hennig Kili (Moelven Byggmodul), Hanne Maudis Frammøglind (Moelven Byggmodul), og Jon Erik Høberg (Itera).

HANDEL: Gjenoppbyggingen av Ukraina vil koste 486 milliarder dollar, og trelastkonsernet Moelven skal bidra: – Man gjenbygger et land med business og handel.

■ HALVOR GRØSTAD
halvor.grostad@finansavisen.no

Siden Russland-invasjonen startet er rundt 6,5 millioner ukrainere fordrevet fra hjemmene sine, og betydelige deler av landet er lagt i ruiner. Det må bygges flere hundre millioner kvadratmeter boligareal de kommende årene.

Nå skal Moelven, i samarbeid med det børsnoterte IT-selskapet Itera, ta steget inn i det ukrainske boligmarkedet. Formålet er nettopp å tilby boliger som et ledd av gjenoppbyggingen av landet. – 2,5 millioner familier har ikke noe sted å bo. EU, ukrainske myndigheter og Verdensbanken har anslått dette til et av verdens største eiendomsprosjekt, med en estimert verdi på rundt 83 milliarder dollar, sier Jon Erik Høberg, driftsansvarlig i Itera.

De totale kostnadene for gjenoppbyggingen beløper seg til 486 milliarder dollar over det neste tiåret, ifølge Verdensbanken. Boliger utgjør 17 prosent av dette.

– Vårt prosjekt adresserer behovet for å støtte det ukrainske samfunn med boliger og skape arbeidsplasser i Ukraina nå, mens krigen pågår, og etter krigens slutt, sier Høberg.

Skal tjene penger

Selskapene er tydelige på at de ikke entrer markedene kun for

velledighetsens skyld: det skal være lønnsomt. Prosjektet drives på kommersielle betingelser og med et langsiktig perspektiv. Direktør Frode Hennig Kili i Moelven Byggmodul tror Ukraina kan bli et kjernemarked på sikt.

– Hvis du skal gjenbygge et land, gjøres ikke det gjennom donasjoner, men med business og handel. For oss blir dette business med en verdi som er langt større enn bare å tjene penger, sier Kili.

I sitt tredje år har Ukraina-krigen vist få tegn til noen anslått avslutning, og verken ukrainske eller russiske styrker har gjort betydelig fremgang. En delvis eller fullstendig russisk seier kan imidlertid ikke utelukkes, og Moelven erkjenner at planene kan endres hvis nødvendig.

– Vi har risiko-vurderinger og beredskapsplaner tilpasset flere scenarioer. Vi vil aktivere vår kriseløsning og gjennomføre nødvendige tiltak tilpasset den faktiske situasjonen, sier Høberg.

Bygges i Norge

Boligmodulene vil kunne finansieres gjennom et leie-til-eie-system utviklet av Itera i samarbeid med lokale myndigheter. Fra før tilbyr ukrainske kommuner økonomisk støtte til beboere som har fått skadet eller mistet hjemmene deres.

Selskapene kan ikke oppgi et



BYGGES I NORGE: Prosjektet benytter slike bygg, som består av åtte moduler og huser fire familier.

konkret tall på hvor mange moduler som skal leveres, men prisene er at etterterspørselen nærmer seg utømmelig. Boligmodulene skal bygges på Moelv i Innlandet, før de transporteres på lastebil til Ukraina, hvor ukrainske samarbeidspartnere ferdigstiller eiendommene.

– Vi har drevet med prosjektet i over ett år, og har langsiktige briller. Hvis vi lykkes ser vi første leveransen allerede i 2025. Vi ønsker å hjelpe så raskt som mulig og i et lengre perspektiv, sier Kili. I pilotprosjektet vil moduler

for 300 internt fordrevne settes opp i Kirovohrad-regionen midt i landet. Modulene kan tilpasses til bruk som sykehus, skoler og barnehager.

Støttes av statsråden

Næringsminister Cecilie Myrseth (Ap) har ved gjentatte anledninger oppfordret norsk næringsliv til å delta aktivt i gjenoppbyggingen av Ukraina. Statsråden signerte en energitavle med Ukrainas energiminister Herman Hahchenko under Ukraine Recovery Conference i juni.

– Da President Zelenskij besøkte Norge i desember i fjor gjorde han det klart at norsk næringsliv er ønsket i Ukraina. Det er gledelig å se at Moelven har tatt oppfordringen, og jeg håper dette vil være til inspirasjon for flere norske virksomheter, sier Myrseth i en pressemelding.

– Vi er en del av en større samfunnsutvikling i Ukraina. Landet vil ha en enestående reise etter krigen, ikke ulikt det Norge har opplevd for generasjoner etter andre verdenskrig, avslutter Høberg.

Customer mix

Share existing customers

94.7% (92.6%)

of revenues in Q2 2024

New customers

11.9 (16.7)

NOK mill.

Revenue from new customers
won over the past year Q2 2024
(5.3% share)

* Existing customers defined as customers that were invoiced
in the corresponding quarter last year

** New customers defined as customers won since end of
corresponding quarter last year

High visibility

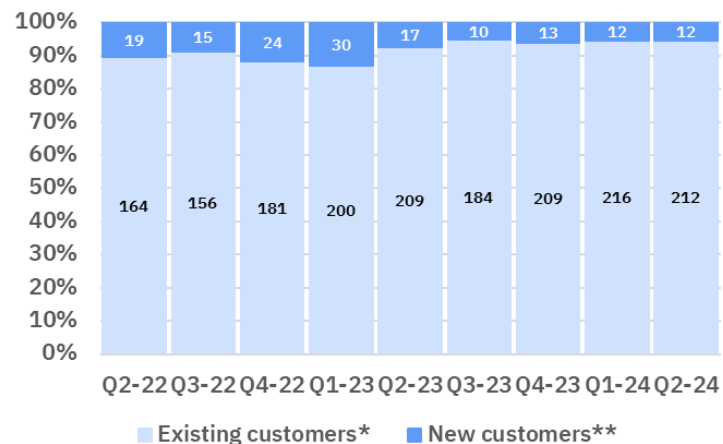
82% (83%)

Top 30 customers, share of revenue

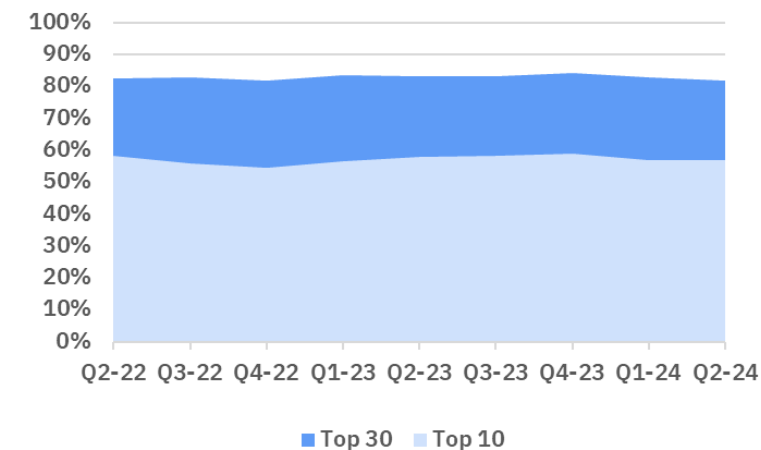
High customer concentration signifies

- Strategic relationships
- Full range of services
- Distributed delivery across borders

Revenue customers split (in MNOK)



Largest customers' share of revenue



Skilled and innovative employees

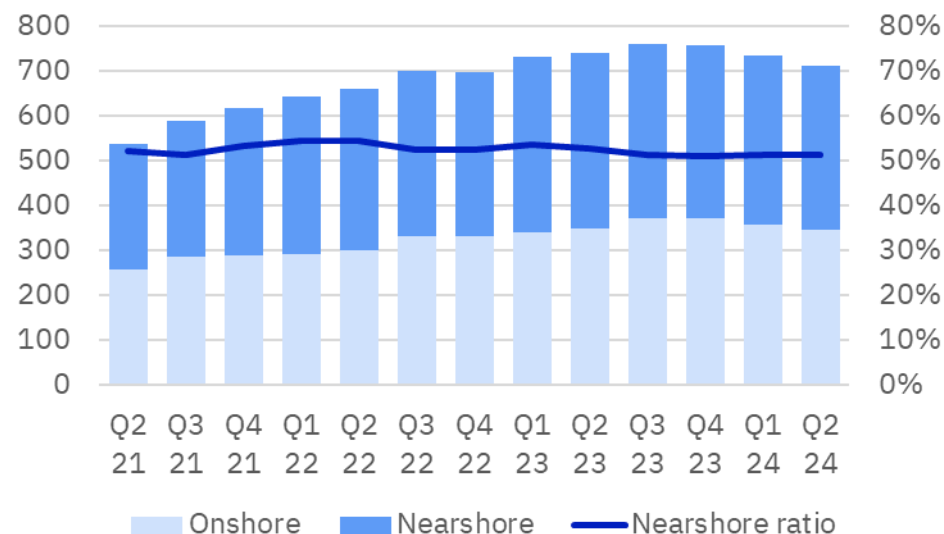
713 employees at the end of the quarter

Down by 28 last twelve months as part of the business optimization program.

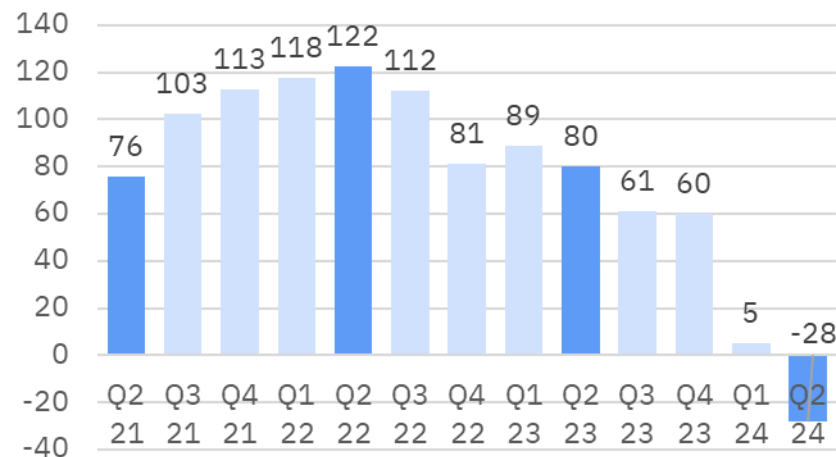
Nearshore ratio of 51% (53%)

Our distributed delivery model of onshore and nearshore consultants are increasing our price competitiveness as well as providing high scalability through access to a very large talent pool.

Number of employees end of quarter by shore



Rolling 12 months net FTE growth



3 Financial review



Key financials

- Flat organic revenue (0%)
- Personnel expenses down in line with FTEs
- Opex decrease following business optimization program
- EBIT of MNOK 21.1 (18.4)
- EBIT margin of 9.4% (8.2%)
- Cash flow from operations MNOK 27.2 (32.7)
- No. of FTEs 713 (-28)

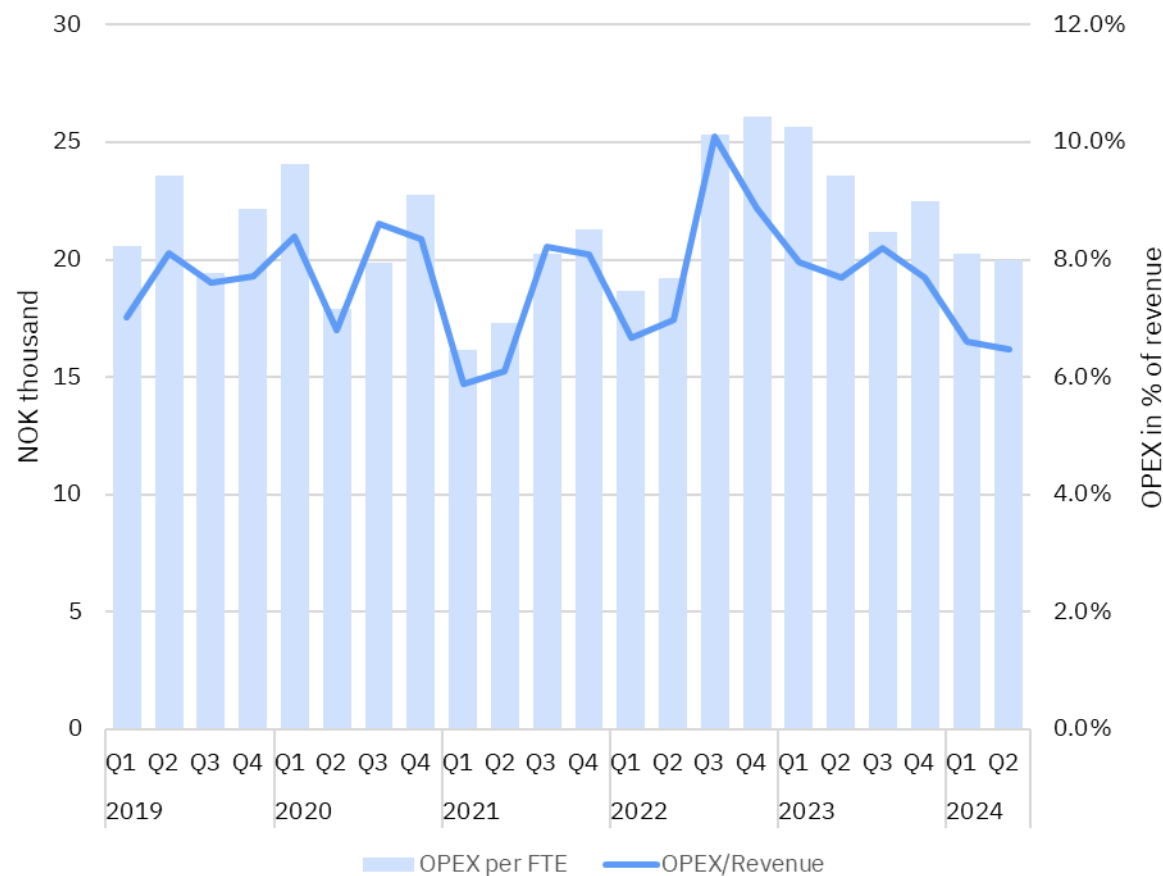
	2024	2023	Change	2024	2023	Change	2023
NOK Million	4-6	4-6	%	1-6	1-6	%	FY
Operating revenue	224.1	225.2	0%	452.6	455.5	-1%	871.6
Gross profit	205.2	208.8	-2%	417.4	425.9	-2%	813.7
Personnel expenses	161.3	165.1	-2%	330.6	323.0	2%	634.4
Depreciation	8.3	8.0	4%	16.8	15.6	8%	32.3
Other opex	14.5	17.3	-16%	29.6	35.7	-17%	68.7
EBITDA	29.4	26.4	12%	57.1	67.2	-15%	110.7
EBITDA margin	13.1%	11.7%	1.4pts	12.6%	14.7%	-2.1pts	12.7%
Depreciation	8.3	8.0	4%	16.8	15.6	8%	32.3
EBIT	21.1	18.4	15%	40.3	51.6	-22%	81.4
EBIT Margin	9.4 %	8.2 %	1.3 pts	8.9 %	11.3 %	-2.4 pts	9.3 %
Net cash flow from operations	27.2	32.7	-17%	19.7	40.4	-51%	93.4
Cash and cash equivalents	29.5	52.0	-43%	29.5	52.0	-43%	49.2
Employees at end of period	713	741	-4%	713	741	-4%	758
Employees in average	725	736	-2%	736	725	1%	741

Business optimization program

Itera has implemented a business optimization program with the target of improving EBIT margin by 1.2-1.6 points

- Strict cost control has brought spending on other Operating Expenses (OPEX) down in the last two quarters
- In Q2 of 2024, year-over-year reductions in other OPEX was accretive to the EBIT margin by 1.1 pts
- OPEX relative to revenue at the lowest since the pandemic, where travel and social activities were naturally restricted

OPEX per FTE and in % of Revenue

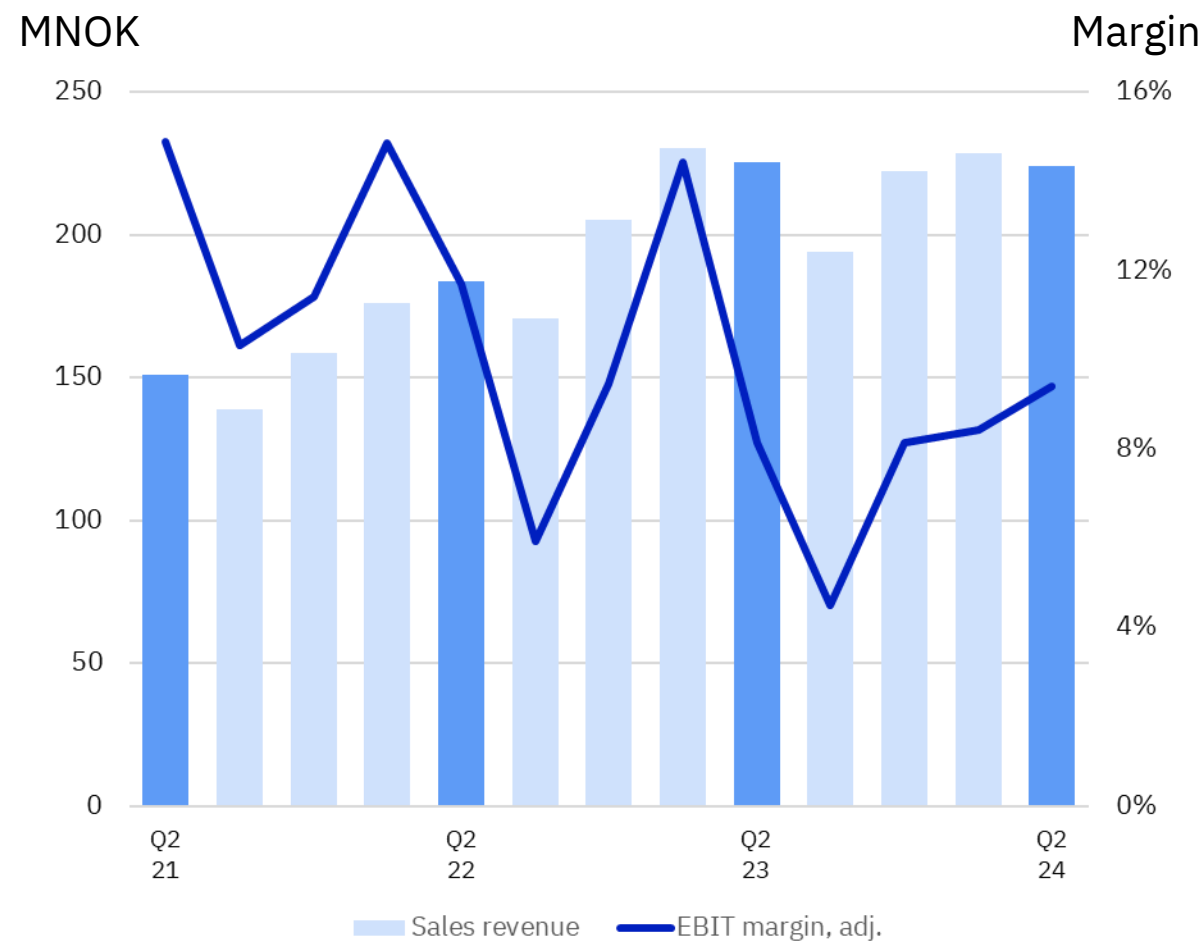


Revenue and earnings development

Strong revenue growth year over year with 2-year CAGR of 15.0% and an average of 8.9% EBIT margin

Opportunities for margin expansion

- Conversion of promising pipeline
- Normalization of utilization
- Increasing recurring revenue and cloud migration and modernization driven by AI and security
- Expansion in Sweden
- Advisory services and Ukraine recovery

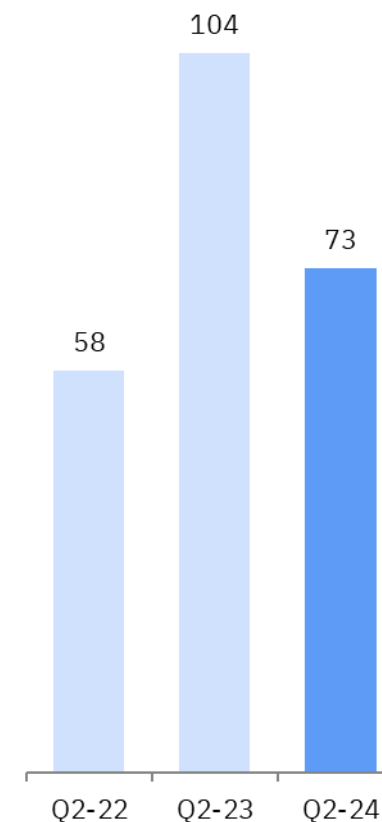


Statement of cash flow

NOK Million	2024 4-6	2023 4-6	2024 1-6	2023 1-6	2023 FY
EBITDA	29.4	26.4	57.1	67.2	110.7
Change in balance sheet items	(2.3)	6.3	(37.4)	(26.8)	(17.3)
Net cash flow from operating activities	27.2	32.7	19.7	40.4	93.4
Net cash flow from investment activities	(1.9)	(3.7)	(4.8)	(7.6)	(19.4)
Purchase of own shares	-	-	-	(0.1)	(11.9)
Sale of own shares	4.9	-	4.9	6.2	6.2
Equity settlement of options contract	-	0.3	-	0.3	2.9
Principal elements of lease payments	(3.5)	(3.2)	(6.9)	(6.2)	(12.9)
Instalment of sublease receivable	-	-	-	-	-
Long-term borrowings	(0.3)	-	(0.5)	-	4.8
External dividend paid	(32.4)	(24.7)	(32.4)	(24.7)	(56.9)
Net cash flow from financing activities	(31.3)	(27.6)	(34.9)	(24.5)	(67.7)
Net change in bank deposits and cash	(6.6)	2.2	(19.7)	10.0	7.3
Bank deposits at the end of the period	29.5	52.0	29.5	52.0	49.2

- Cash flow from operations NOK 27.2 (32.7) million in Q2
- 12-month rolling cash flow from operations was NOK 72.8 (103.8) million
- Cash conversion from EBITDA of 72% (91%) last 12 months

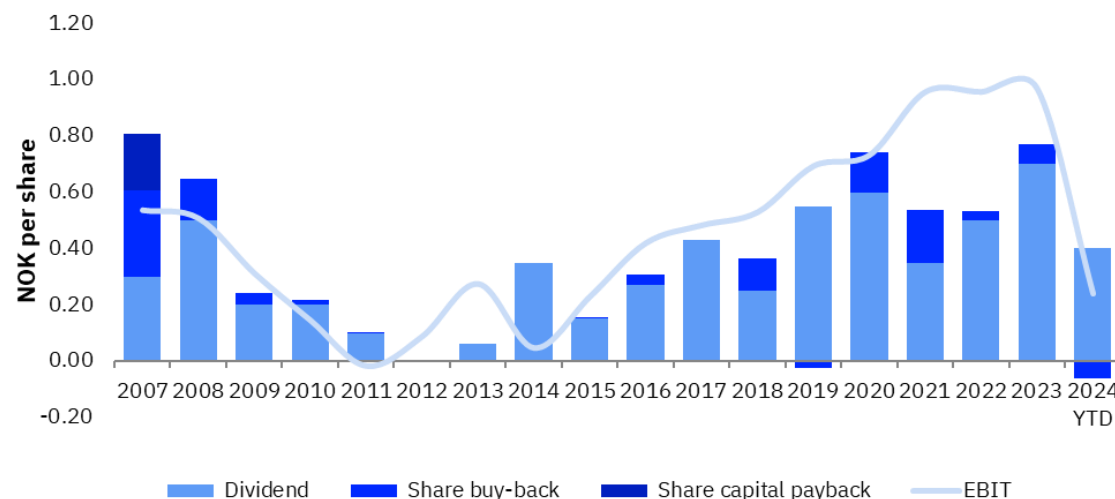
12 month rolling cash flow from operations (NOK Million)



Dividend and own shares

- An ordinary dividend of NOK 0.40 per share for 2023 paid + authorization for supplementary dividend later
- Share price was NOK 11.55 at the end of June 2024, a change of -18% incl. dividends from NOK 15.00 at the end of June 2023
- Current holding of own shares is 1,143,465. Value at 30 June 2024 was MNOK 13.2
- Consistent high distribution of earnings.

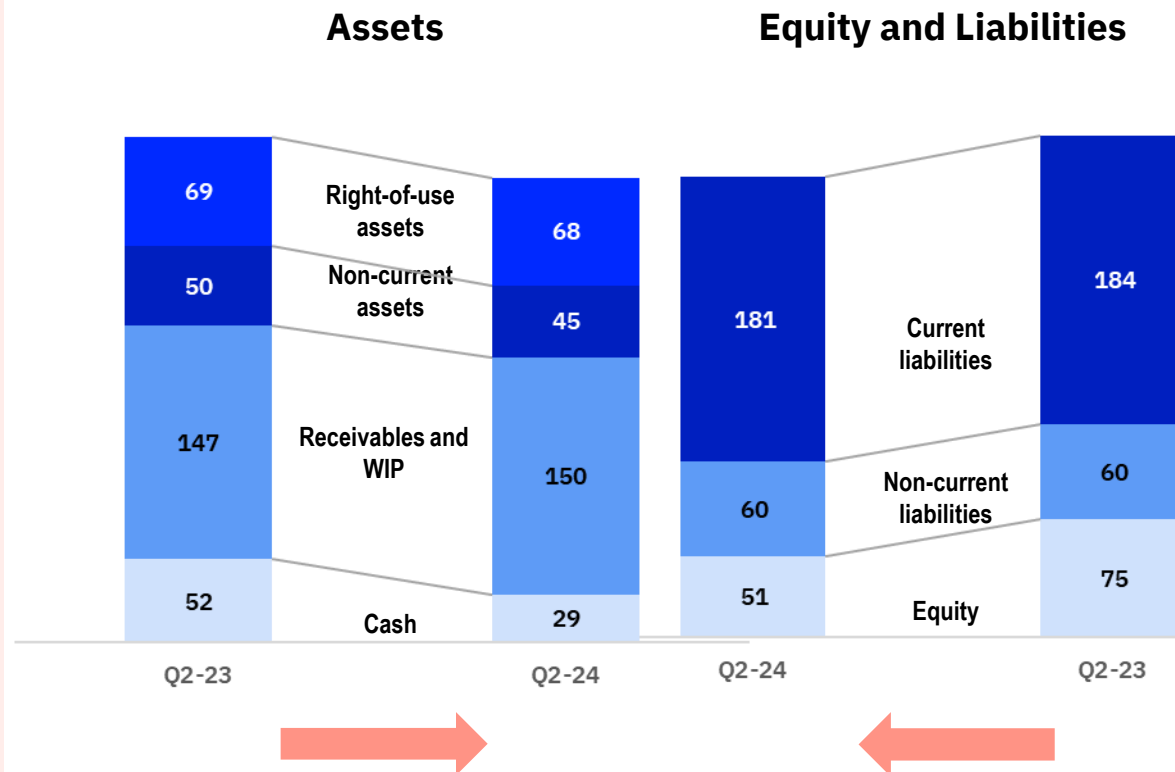
Allocations to shareholders



EBIT in 2021 and 2022 is excluding discontinued operations of -0.23 and -0.17 per share

Statement of financial position per 30 June 2024

- Cash and equity reduced following aggressive dividend payments last 12 months
- Equity ratio of 18% (23%), 23% (30%) excluding IFRS 16 Leasing
- Cash balance of MNOK 29 (MNOK 52)
- Other balance sheet items substantially unchanged
- Total balance decreased by MNOK 26 to MNOK 292



4 Outlook



Outlook

Underlying strong demand for digital transformation with the market expected to gradually return in the coming months

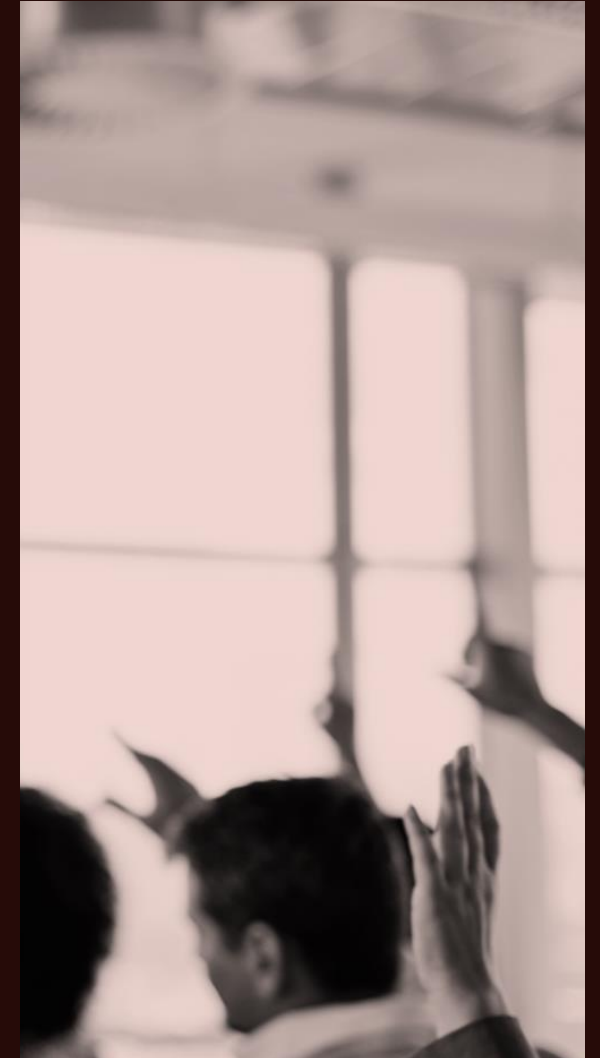
Readiness to migrate and operate larger scale cloud transformations to enable **the AI opportunity**

Continued attention to **business optimization** to improve profitability

Connecting Ukraine and the Nordics to enable the green energy shift

Profitable growth and cash flow are key focus areas.

5 Q&A



Top 20 shareholders

No.	Name	%	Nat.	Shareholding
1	ARNE MJØS INVEST AS	33.29	NOR	27 363 031
2	OP CAPITAL AS	5.64	NOR	4 635 242
3	GIP AS	5.23	NOR	4 300 000
4	SEPTIM CONSULTING AS	5.01	NOR	4 120 000
5	BOINVESTERING AS	3.63	NOR	2 982 862
6	GAMST INVEST AS	3.21	NOR	2 635 462
7	JØSYRA INVEST AS	2.68	NOR	2 200 000
8	DZ PRIVATBANK S.A.	2.29	LUX	1 880 000
9	EIKESTAD AS	2.14	NOR	1 755 000
10	HØGBERG, JON ERIK	1.52	NOR	1 247 356
11	ITERA ASA	1.39	NOR	1 143 485
12	AANESTAD PANAGRI AS	1.16	NOR	950 000
13	FRAMAR INVEST AS	0.97	NOR	800 000
14	SOBER KAPITAL AS	0.97	NOR	794 643
15	NYVANG, JETMUND GUNNAR	0.92	NOR	758 950
16	ALTEA AS	0.85	NOR	700 000
17	JENSEN, LARS PETER	0.78	NOR	641 500
18	MORTEN JOHNSEN HOLDING AS	0.73	NOR	600 000
19	HAMMER, BENT	0.69	NOR	569 133
20	FRATERNITAS A/S	0.63	NOR	514 413
TOP 20		73.72		60 591 077





*We stand with
Ukraine*