

ITERA

# Interim report

2025

# Highlights

## January – March 2025

- Operating revenue NOK 231.6 million (NOK 228.6 million), representing an increase of 1%
- Gross profit NOK 214.0 million (NOK 212.1 million), representing an increase of 1%
- EBITDA NOK 29.1 million (NOK 27.7 million) and an EBITDA margin of 12.6% (12.1%)
- EBIT NOK 21.0 million (NOK 19.2 million) and an EBIT margin of 9.1% (8.4%)
- 707 (736) employees at the end of the period
- Cash flow from operations NOK -4.8 million (NOK -6.5 million)

## Highlights

Itera's financial results for the first quarter show a 1% growth in revenue, with an EBIT margin of 9.1%, which is sequentially up 5.5 percentage points from the fourth quarter and up 0.7 percentage points from the first quarter of last year.

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Itera had an order intake equivalent to a book-to-bill ratio of 1.0 in the first quarter of 2025 and of 1.0 for the last twelve months. In addition to several extensions and new agreements with customers including Gjensidige, Santander, Capture Energy, Pelagia and Hafslund, Itera also entered into a strategic partnership with Naftogaz, the largest national energy company in Ukraine, to explore opportunities in relation to energy and digitalisation.

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Cash flow from operations was NOK -4.8 million (NOK -6.5 million) for the quarter and NOK 75.5 million (NOK 81.3 million) for the last twelve months, which gives an EBITDA-to-cash conversion rate of 92% (83%).

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The "Enter Ukraine with Itera" initiative is gaining momentum as a combination of billable consultancy and a risk-and-reward sharing model. Our primary focus aligns with the top three sectors prioritised by the Ukrainian government: energy, housing, and defence.

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The Board of Directors confirmed its previous resolution to propose to the Annual General Meeting on 26 May 2025 the distribution of an ordinary dividend for 2024 of NOK 0.20 per share and for the Board to be authorised to approve a possible supplementary dividend later in the year.

## Key figures

Amounts in NOK million	2025 1-3	2024 1-3	change %	2024 1-12
Operating revenue	231.6	228.5	1%	848.8
Gross profit	214.0	212.1	1%	783.0
EBITDA	29.1	27.7	5%	81.0
EBITDA margin	12.6 %	12.1 %	0.4 pts	9.5 %
Operating profit (EBIT)	21.0	19.2	9%	48.0
EBIT margin	9.1 %	8.4 %	0.7 pts	5.7 %
Profit before tax	18.9	18.0	5%	45.2
Net income	14.5	13.9	4%	35.0
Profit margin	6.3 %	6.1 %	0.2 pts	4.1 %
Net cash flow from operating activities	(4.8)	(6.5)	27 %	73.7
No. of employees at the end of the period	707	736	(4 %)	725

Revenue (NOK)

231.6m +1% ↗

Employees (end of period)

707 -4% ↘

EBIT (NOK)

21.0m +9% ↗

## CEO's comment

# Resilience in uncertainty

We have made significant progress in positioning ourselves for future growth, with solid sequential improvements in both revenue and profitability compared to the previous quarter. This positive trend was driven by enhancements in our utilisation rate and a robust sales pipeline. Our "Enter Ukraine with Itera" initiative is also seeing strong momentum. In addition, we are actively embracing artificial intelligence (AI) as a transformative force within our business, which is positioning us for sustainable digital transformation across all sectors.



Despite the increasing geopolitical turmoil and high levels of uncertainty, we believe that Europe is uniquely positioned to strengthen itself during these challenging times. As an international tech company with 15 offices across Europe, we take pride in being a mission-critical provider of leading digitalisation services throughout the region.

### Growth and margin improvement

For the first quarter of 2025, Itera reports revenue growth of 1%, rebounding from a decline of 4% in the fourth quarter of 2024. The EBIT margin reached 9.1%, which represents a notable increase of 70 basis points compared to the same quarter last year and a significant improvement from an EBIT margin of 5.6% in the fourth quarter of 2024.

This positive trend was driven by enhancements in our utilisation rate and a robust sales pipeline and underscores the substantial progress we have made in positioning ourselves for future growth. Despite seasonal fluctuations in cash flow typically seen in the first quarter, we successfully generated an operating cash flow of NOK 75.5 million over the past twelve months, achieving an impressive EBITDA-to-cash conversion rate of 92%.

Returning cash to our shareholders remains a key objective for us. Our consistent track record of paying dividends twice a year reflects this commitment. The Board has proposed a dividend payout of NOK 0.20 per share for June 2025 and

asked for an authorisation to pay a supplementary dividend later in the year, emphasising our dedication to delivering shareholder value.

### Our commitment to Europe's digital future

In these historically uncertain times, Europe stands at a pivotal crossroads. Our modern societies are founded on the principles of freedom and democracy—values that have shaped our decisions and guided our lives. Now, more than ever, it is crucial that we unite in our commitment to upholding these ideals.

The battleground for our future is undeniably digital. As an international technology company with a strong presence across Europe, we understand that technology plays a vital role in enhancing security, driving wealth creation, fostering competitiveness and facilitating communication, learning, and development within our societies.

However, as we increasingly depend on technologies developed outside of Europe—often by entities that do not share our values—we are exposing ourselves and our customers to significant vulnerabilities. This reliance threatens our security, sovereignty, and democratic integrity.

To effectively counter these challenges, Europe must leverage its strengths by ensuring data remains within its borders and that our societies depend on trusted applications and infrastructure. Our hybrid cloud solutions enable companies to access their data seamlessly across Europe—from public to hybrid to private cloud environments—and extend to edge computing and beyond.

We advocate for solutions crafted by European companies that prioritise local data usage while being accountable to European citizens. We envision a digital future where Europe owns its technological foundations, protects its citizens' rights, and leads with integrity.

By embracing unity and innovation within Europe, we can foster a trusted digital environment that reflects our shared

values. Together, let us build a resilient digital future anchored in freedom and democracy.

### Embracing AI across our business

We recognise that AI represents a transformative frontier capable of fundamentally redefining the business landscape, including in our own industry. Our strategy is twofold: we will assist our customers with harnessing AI while simultaneously leading by example within our operations.

According to Gartner analysts, generative AI (GenAI) tools will play a crucial role in explaining legacy business applications and creating appropriate replacements, with the potential to reduce modernisation costs by up to 70% by 2027. As such, we are fully embracing GenAI across our services, developing cutting-edge tools and solutions, and integrating GenAI into our workflows.

For instance, in the first quarter, we conceptualised innovative AI tools designed to transform fragmented, undocumented, and cyber-risky systems into manageable digital landscapes. One notable initiative is an AI-powered governance platform that oversees an entire company's codebase, converting system complexity into executive clarity. This allows us to provide real-time architecture mapping of system portfolios and dependencies while swiftly identifying vulnerabilities and misconfigurations.

However, it's essential to acknowledge the automation paradox: as complexity increases within systems, the role of human workers becomes even more critical. While adding AI can simplify user experiences, it complicates architectural structures. Therefore, deep technical skills remain vital for effectively managing AI within core systems.

Although we are still in the early stages of this technology—and costs remain high—we are striving to achieve optimal ROI by ensuring that foundational elements are robustly established before widespread adoption.

With our proven expertise in digital transformation—coupled with capabilities across strategy consulting, user experience, technology services, and managed services—we are well-equipped to reinvent operations using AI-driven solutions like digital agents that deliver transformational value at scale.

### Enter Ukraine with Itera

Our initiative, "Enter Ukraine with Itera", is gaining momentum. In the first quarter, Itera entered into a strategic partnership with Naftogaz, the largest national energy company in Ukraine, to explore opportunities in relation to energy and digitalisation. Over the past 12 months we have played a crucial role by facilitating the supply of gas engines with a capacity of 160 MW from Bergen Engines—a renowned manufacturer based in Norway. These gas engines will be vital for providing heat and electricity to two major Ukrainian cities during the upcoming heating season.

As CEO Roman Chumak from Naftogaz stated: "Amid constant attacks on Ukraine's energy infrastructure, reliable backup power is not just equipment—it's a guarantee of warmth and light for Ukrainian homes."

The partnership also emphasises opportunities relating to digitalising the natural gas production in Ukraine through the

use of advanced IT solutions, data analytics, and cloud technologies aimed at enhancing well efficiency.

Additionally, we are mobilising high-performance battery manufacturers to enter the Ukrainian market and introducing cutting-edge technology designed to optimise grid capacity across the country. Together with our partners involved in "Enter Ukraine with Itera," we are dedicated to developing a more distributed and resilient energy system for Ukraine.

Furthermore, we have partnered with Moelven—a leading Scandinavian timber products group—to create frameworks that will support the rebuilding of homes for approximately 6.5 million internally displaced individuals.

These efforts not only highlight our dedication but also showcase how we are leveraging our expertise to make a meaningful impact during these critical times.

### Thank you

To conclude my remarks, I want to take a moment to express my heartfelt gratitude to our incredible people. Your unwavering dedication to nurturing close relationships with our customers and your commitment to providing high quality solutions have been nothing short of inspiring. This quarter, I would like to highlight our design community. The Experience department has accomplished strong growth, showcasing our operational strength and unwavering commitment to excellence. Our strengths truly shine through in our remarkable agility as we navigate the ever-evolving market landscape. Furthermore, our diversification across various industries not only enhances our resilience but also fuels our sustained growth.

Together—as ONE ITERA TEAM—we harness immense potential to achieve extraordinary outcomes. This is exemplified by the profound support we have shown to Ukraine, showcasing our collective capabilities and unwavering commitment to making a difference. Thank you all for your hard work and dedication!



*Arne Mjøs*

FOUNDER & CHIEF EXECUTIVE OFFICER

## Financial review

# First quarter 2025

### Financial reporting

The comments in this financial review relate to the performance of Itera's operations in the first quarter of 2025 compared to the equivalent period in 2024 unless otherwise stated. The figures given in brackets in this report refer to the equivalent period in 2024. Please refer to Note 4 for a description of the alternative performance measures used.

### Summary of the first quarter

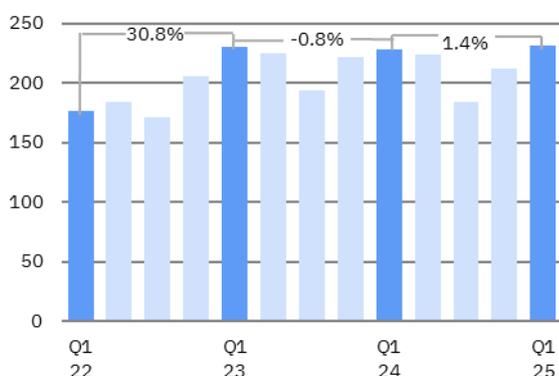
Itera's revenue in the first quarter of 2025 was 1% higher than in the corresponding quarter of 2024 (1% in constant currency terms). Gross profit increased by 1%, with the gross margin down by 0.4 points to 92.4% as a result of an increase in the cost of sales for cloud-related revenue. The first quarter of 2025 contained a weighted average of 0.8 more working days than the corresponding period of 2024. The second quarter is expected to have a weighted average of about 1.4 fewer working days than the corresponding period of 2024 due to Easter.

Itera's operating profit (EBIT) for the first quarter of 2025 was NOK 21.0 million (NOK 19.2 million), while the EBIT margin was 9.1% (8.4%).

### Operating revenue

Itera reports operating revenue of NOK 231.6 million (NOK 228.5 million) for the first quarter of 2025, which represents an increase of 1% (1% in constant currency terms). Revenue from Itera's own services was on a par with last year at NOK 192 million. Revenue from subscription-based services increased by 5% to NOK 20 million, while revenue from third-party services decreased by 15% to NOK 9 million. Other revenue increased by 43% to NOK 11 million.

Operating revenue (MNOK)



Operating revenue per employee increased by 6% to NOK 324 thousand in the first quarter of 2025, reflecting Itera's scalable business model.

Gross profit (revenue minus cost of sales) was NOK 214.0 million (NOK 212.1 million) in the first quarter of 2025, which represents an increase of 1%.

### Operating expenses

Total operating expenses in the first quarter of 2025 were 1% higher at NOK 210.6 million (NOK 209.3 million).

Cost of sales was NOK 17.6 million (NOK 16.4 million) in the first quarter of 2025. Cost of sales consists mainly of subscriptions and third-party services, including cloud consumption.

Personnel expenses were NOK 167.2 million (NOK 169.3 million) in the first quarter of 2025, which represents a decrease of 1%. The average number of employees in the quarter was 4% lower than in the corresponding quarter of 2024, and personnel expenses per employee were up by 3%, both in NOK and in constant currency, reflecting a lower intake of graduates than last year and a slight reduction in Itera's nearshore ratio.

Other operating expenses were NOK 17.8 million (NOK 15.1 million) in the first quarter of 2025, an increase of 18% (17% in constant currency). The increase is mostly related to software licenses, sales and marketing costs, and professional services (sustainability reporting). Other operating expenses per employee were 23% higher than the corresponding quarter of last year.

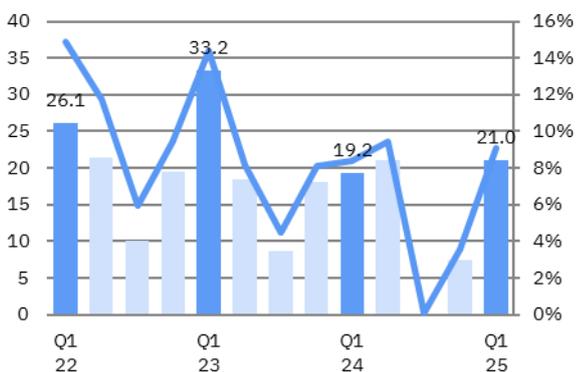
Depreciation and amortisation totalled NOK 8.0 million (NOK 8.5 million) in the first quarter. 47% of the depreciation and amortisation expense relates to right-of-use assets from facility lease agreements.

### Operating result

The operating result before depreciation and amortisation (EBITDA) for the quarter was NOK 29.1 million (NOK 27.7 million), which is an increase of 5%. The EBITDA margin was 12.6% (12.1%).

The operating result (EBIT) for the first quarter was a profit of NOK 21.0 million (NOK 19.2 million), which is an increase of 9%. The EBIT margin increased by 0.7 percentage points to 9.1% (8.4%).

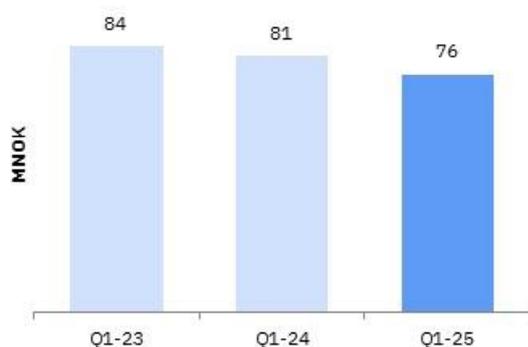
### EBIT (MNOK) and EBIT margin



### Cash flow, liquidity and equity

The net cash flow from operating activities was NOK -4.8 million (NOK -6.5 million) in the first quarter of 2025. For the last twelve months, the net cash flow from operating activities was NOK 75.5 million (NOK 81.3 million). This gives an EBITDA-to-cash conversion rate of 92% (83%) for the last twelve months.

#### Cash flow from operations, rolling 12 months



There was a net cash outflow from investing activities of NOK 3.0 million (NOK 2.9 million) in the first quarter of 2025, of which NOK 1.0 million (NOK 0.5 million) related to office equipment, fittings and furniture. A further NOK 2.0 million (NOK 2.4 million) was related to investments in intangible assets primarily related to product development.

There was a net cash outflow from financing activities of NOK 5.0 million (NOK -4.5 million) in the first quarter of 2025. This primarily related to lease payments of NOK 4.4 million, while a net purchase of own shares resulted in a net outflow of NOK 0.4 million.

Right-of-use assets primarily related to facility lease agreements decreased by NOK 14.4 million from 31 March 2024 to NOK 56.7 million at 31 March 2025.

Contract assets at 31 March 2025 were NOK 9.6 million (NOK 4.5 million). Accounts receivable and other receivables were NOK 17.9 million lower and NOK 1.3 million higher respectively than at 31 March 2024.

Cash and cash equivalents amounted to NOK 39.1 million at 31 March 2025, compared to NOK 36.1 million at 31 March 2024. Itera has a revolving credit facility of NOK 35 million.

Accounts payable at 31 March 2025 were NOK 1.5 million lower than at 31 March 2024. Public duties payable were NOK 1.3 million lower than at the end of the first quarter of 2024. Tax payable was NOK 2.1 million lower than at 31 March 2024. Contract liabilities at 31 March 2025 were NOK 16.3 million lower at NOK 6.0 million and other current liabilities were NOK 15.9 million higher at NOK 78.2 million.

Itera had lease liabilities totalling NOK 60.7 million (NOK 74.4 million) at 31 March 2025. NOK 14.1 million of the lease liabilities are current liabilities that fall due within 12 months, while NOK 46.7 million are classified as non-current liabilities. Itera acquired a 5-year serial bank loan for NOK 5 million in the third quarter of 2023 to finance furniture and fittings for its new and refurbished offices. The outstanding balance on the loan at 31 March 2025 was NOK 3.5 million.

At 31 March 2025, Itera held 472,596 (1,654,281) own shares, valued at NOK 4.4 million (NOK 19.7 million).

Equity at 31 March 2025 totalled NOK 59.8 million (NOK 63.2 million). The equity ratio was 20.0% (19.6%). The equity ratio without the right-of-use assets included under IFRS 16 Leasing was 24.6% (25.2%).

### Dividend

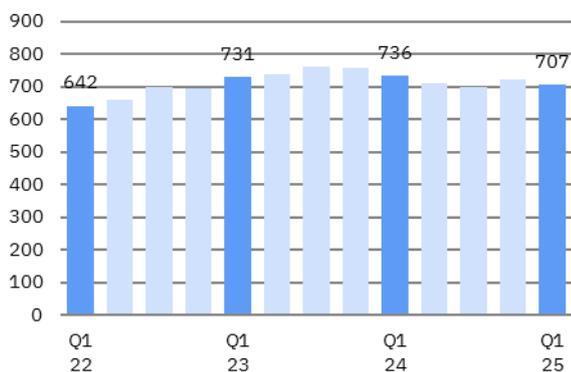
At its meeting on 24 April 2025, the Board of Directors confirmed its previous resolution to propose an ordinary dividend of NOK 0.20 per share at the Annual General Meeting on 26 May 2025. It will also ask for its authorisation to approve possible additional dividends to be renewed.

### Personnel

Building on a strong Nordic heritage, we combine local presence with geographically distributed capabilities into a distributed delivery model that features multidisciplinary teams and a flexible distribution of work across borders.

Itera's headcount at the end of the first quarter of 2025 was 707 as compared to 736 at the end of the first quarter of 2024. The reduction is a result of a rightsizing of the organisation undertaken to adjust to the market conditions the company experienced in 2024.

**No. of employees at period end**



Itera has nearshore delivery centres in Slovakia, Poland, Czechia and Ukraine. The proportion of Itera’s capacity that is located in these locations (its nearshore ratio) was 49% (51%) at the end of the first quarter of 2025.

Our distributed delivery model is very scalable and provides access to a much larger workforce than is available in local markets. Through our presence in Central and Eastern Europe, we are tapping into a pool of more than 600,000 digital talents.

Our distributed delivery model was recognised for having the best Project Management Office in Europe by the PMO Global Alliance in 2020. Itera also received the PMO Ukraine Award for 2020, achieving the best results in the categories "Best Practices", "Customer Service", "PMO Path", "Value Generation", "Innovations", "Competency Development" and "Formation of Commonality". More recently, Itera was included in the 2025 Global Outsourcing 100, a prestigious annual list of the world’s top outsourcing service providers produced by IAOP®.

### Significant risks and uncertainties

Itera’s activities are influenced by several different factors, both within and outside of the company’s control. As a service provider, Itera faces business risks associated with competition and pressure on prices, project overruns, recruitment, loss of key employees, customers’ performance, and bad debts. Market-related risks include risks related to the business cycle. Financial risks include currency fluctuations against the Norwegian krone (NOK), principally in relation to the Danish krone (DKK), the Swedish krone (SEK), the US dollar (USD), the euro (EUR) and, more recently, the Czech koruna (CZK) and Polish zloty (PLN). In addition, interest rate changes will affect the returns earned by Itera on its bank deposits, as well as leasing costs and the cost of credit facilities.

The ongoing Russian invasion has not impacted Itera’s commitment to nurturing Ukraine as one of its most important delivery centres. Since the early days of the invasion, our brave people in Ukraine have stayed focused on delivering excellent customer work while still safeguarding themselves and their loved ones, which, of course, is the overarching

priority. In general, there is still confidence in Ukraine as a viable sourcing destination, and existing and new customers are quoting trade with Ukraine as an important Corporate Social Responsibility (CSR) initiative. Itera is firmly committed to continuing its growth in Ukraine but has also mitigated the current risk by strengthening its presence in nearby EU locations.

With the new Trump administration, both the geopolitical and macroeconomic environment have become more uncertain. There is rising concern about digital sovereignty and technology dependencies as the U.S. seems to be adopting a more transactional and unpredictable stance toward its traditional allies. The administration’s sweeping tariffs and assertive trade policies are threatening to impact economic growth and could especially impact customers that are exposed to imports or exports.

More information about risks and uncertainties can be found in Itera’s annual report for 2024.

### Outlook

The company’s overall core strategy of developing large, long-term customer relationships, increasing the number of engagements which involve the full range of Itera’s services, and using our Digital Factory at Scale and distributed delivery model across borders in the Nordics and Central and Eastern Europe, remains unchanged.

Itera has over time developed a unique position in Ukraine and is utilising its strong relationships with the Ukrainian authorities and senior management teams in Nordic industries to enable the green transition through new industrial software solutions and services for the rebuilding of Ukraine once the invasion is over. Itera is acting as an advisor and agent to Nordic companies that wish to build a presence in Ukraine and tap into the many EU and UN funded grants available. The *Enter Ukraine with Itera* initiative is gaining momentum as a combination of billable consultancy and risk-and-reward sharing models. The initiative also creates the potential for Itera to work locally with some of Ukraine’s prominent companies, particularly in the areas of energy and military technology.

Since the spring of 2023, the overall market has been softer than we have experienced in recent years, leading Itera, as well as most other players, to curb or downsize their capacity. With our focused effort on delivering more and broader sales activities and Itera’s strong positioning in terms of its services and capabilities, we have succeeded in winning some significant new and extended agreements during the last few quarters and see a growing pipeline of promising opportunities both in the Nordic markets and in relation to supporting Nordic companies that wish to enter the Ukrainian market. There is growing interest in investing in AI-related projects, but the demand for traditional services continues to be on the softer side. Itera is focusing on resilient business performance while positioning itself for future growth opportunities. In addition to its nice Nordic offices, Itera also

has the potential to tap into the local markets of its offices in Ukraine, Slovakia, Poland, and Czech Republic.

**Next interim report**

The interim report for the second quarter of 2025 will be published and presented on 15 August 2025.

## Business development and market

# Empowering industries through digitalisation

Our mission is to help businesses and organisations to accelerate their sustainable digital transformations and to achieve more for less. This mission has never been more urgent or more necessary. The private and public sectors are increasingly looking to digital technology to overcome today's challenges and emerge stronger. As an international tech company, Itera has never been better positioned to be their partner.

We leverage our scale and international footprint, our innovation-led culture and strong partnerships, and our Digital Factory at Scale and Cloud Community of Excellence capabilities to consistently deliver tangible value for our customers worldwide.

## Industry highlights

Industry expertise is a competitive advantage which allows us to bring industry-specific solutions to our customers to enhance value creation. Our focus industries are financial services, energy & industry and the public sector. Additionally, we are establishing a strong foothold in the rapidly growing defence industry. This focus gives us an understanding of the evolution of these industries, their business issues and new and emerging technologies.

Itera had an order intake equivalent to a book-to-bill ratio of 1.0 in the first quarter of 2025 and of 1.0 for the last twelve months. We entered into new or extended contracts with customers including Gjensidige, Santander, Hafslund Kraft, Capture Energy, Landsbankinn, Pelagia, AON Norway, Moelven Byggmodul, and Norwegian Air Shuttle.

The revenue from Itera's 30 largest customers accounted for 73% of its operating revenue, which is 10 percentage points lower than in the first quarter of 2024. New customers, defined as customers won during the last 12 months, accounted for 13.0% (NOK 30.2 million) of revenue.

### Accelerating sustainable energy transformation

The strong progress seen in Q4 2024 continued in Q1 in relation to important customers such as Hafslund, Lyse, Vattenfall, Capture Energy and Østfold Energi.

Several framework agreement tenders with large energy companies are also showing promising progress. These offer significant potential for future growth. In addition, we have strengthened our energy team significantly through targeted new appointments, competence development and partnerships. We have entered a strategic partnership with Naftogaz to explore opportunities in relation to energy and digitalisation, with a focus on advanced IT solutions and data analytics with the aim of enhancing natural gas production efficiency in Ukraine.

The demand for services to improve the power grid's capacity and throughput is strong. Nordic grid companies are investing heavily in this area and achieving tangible results. One key area is increasing the capacity of the existing grid. Increasing the use of sensors, modern data platforms, and making the relevant data available for grid operators creates substantial potential for increasing the usage of the existing power grid. In addition, using digital solutions to plan and build new grid connections will significantly reduce the timeframe of new construction projects.

Grid-scale battery storage combined with good digital solutions increases the grid's flexibility. A good example is Itera's collaboration with Capture Energy. Itera develops Capture Energy's cloud platform, including asset management, customer, and monitoring portals. These portals enable remote monitoring and real-time data access,

boosting system uptime and efficiency. The goal is to ensure that customers can generate the highest income on their equipment, including benchmarking tools between different markets and aggregators.

### **Digitalisation in the financial services industry (FSI)**

The financial services industry (FSI) remains a key focus for Itera. With stable market conditions over the past year, we are witnessing renewed momentum and increased demand across several segments. This favourable environment has enabled us to strengthen existing relationships and forge new strategic collaborations, positioning us well for continued growth.

A significant development in the first quarter is the operationalisation of our agreement with Eika Gruppen. Following last year's framework agreement, we have started delivering services that meet their needs and expectations. This marks a major step forward in our partnership and showcases our ability to swiftly transition from planning to execution. We look forward to building on this foundation and delivering long-term value.

In the first quarter, we continued our close collaboration with a mid-sized Norwegian insurance company, at which we played a central role in creating modern, customer-centric solutions across distribution, communication, claims handling, and other key areas. From initial exploration to implementation, Itera has been a trusted advisor and hands-on partner, guiding the organisation in shaping services that meet current and future needs. This engagement exemplifies our approach of combining strategic insight with technical execution.

Additionally, we launched an exciting project with a Finnish bank focused on deploying advanced AI capabilities. This initiative involves developing sophisticated systems for transcribing, summarising, and indexing physical meetings using generative AI and voice recognition technologies. We are helping our partner streamline workflows and make critical information more accessible and actionable. This work reflects our technical expertise and commitment to innovation within the financial sector.

By serving as a technology partner and strategic advisor, we are helping our customers navigate the evolving AI landscape confidently and clearly.

## **Enter Ukraine with Itera**

Following Bergen Engines' delivery of gas generation systems to Ukraine in Q4, Itera facilitated the delivery of an additional eight gas engines to Ukraine in Q1. These engines will help provide energy to approximately 1.5 million people. Itera continues to advise Bergen Engines on the needs and best strategies for supporting Ukraine's energy infrastructure.

Moelven, in collaboration with Itera, is working on a pilot project for the Borodianka community near Kyiv. The house was assembled in February and is currently being stored at

Moelven, awaiting delivery. The Ukrainian authorities have obtained all the necessary land permissions and have secured subcontractors for local electricity and water works. The house is scheduled to be delivered and installed in Q2 2025.

In March, Itera took part in the "On the Road to Ukraine Recovery Conference 2025" held in Milan. This event served as a preparatory business-focused event for the upcoming Ukraine Recovery Conference 2025, which will take place in Rome on 10-11 July. With support from the Ministry of Economy of Ukraine, Itera organised a roundtable workshop focused on designing financial models for social housing in Ukraine.

## **Other highlights**

### **Enhancing efficiency with Itera's AI tool**

We have developed an innovative AI-driven application assessment tool that revolutionises the modernisation of legacy systems. By harnessing the power of AI, we significantly enhance operational efficiency while achieving substantial cost reductions.

Our tool automates critical tasks such as software repository mapping and assessments of architecture and security patterns in the codebase. This automation minimises manual intervention and reduces errors, resulting in faster and more reliable modernisation processes. For example, by 2027, according to Gartner, organisations can experience up to a 70% reduction in the time required for modernisation tasks, enabling them to complete projects much more swiftly.

Moreover, these accelerated timelines lead directly to lower costs. With resources utilised more efficiently and downtime during transitions minimised, businesses can realise significant savings.

At Itera, we firmly believe in our solutions' transformative potential and are committed to driving operational excellence for our customers through advanced technology.

### **Cloud and Application Services**

Through our Cloud and Application Services capabilities we are monitoring the development of the global cloud market closely from a security and sovereignty perspective. For our service offerings and the support we provide to our customers, we see it as our responsibility to be a professional partner in a time of geopolitical volatility.

In the first quarter, Cloud and Application Services (CAS) made significant strides in project deliveries, customer interactions, and new engagements, positioning us for continued growth. With rising demand for modernisation across various sectors due to internal skill shortages, many customers are seeking external expertise to enhance their applications and infrastructure. Strengthening cloud robustness remains a key priority.

We have successfully established services with Apotek 1 Group to enhance the robustness of its cloud infrastructure. This engagement shows how we tailor our solutions to customers' operating and delivery models, cost-effectively meeting their bespoke needs.

Additionally, Itera has entered into an agreement for the operation and maintenance of BRUS, a solution that supports fire investigation processes through a stable data platform. This initiative aims to improve cooperation between the police, the fire service, and local electricity supervision by providing reliable data collection and analysis tools. Furthermore, we signed an agreement with Norway's National Competence Center for Offshore Wind to deliver operational services for [www.havvind.no](http://www.havvind.no). This partnership ensures the website remains updated and user-friendly while enhancing its role as a national competence centre in offshore wind knowledge sharing.

### **Itera recognised as one of the top 100 global outsourcing companies of 2025**

Itera has been included in the 2025 Global Outsourcing 100, a prestigious annual list of the world's top outsourcing service providers produced by IAOP®. The recognition in the Leader Judging Size category demonstrates Itera's commitment to excellence and continuous improvement, which is the hallmark of the outsourcing industry.

“We are immensely proud to have been included in the 2025 Global Outsourcing 100 list. This prestigious recognition reflects our commitment to excellence, innovation, and creating value for our clients. Our focus on continuous improvement and social impact has driven us to achieve this milestone. We extend our congratulations to all the other esteemed companies included on this year's list.”, comments Taras Tovstiak, Director of Central Europe, Itera.

## People

# Cultivating growth, diversity and resilience

Our culture is grounded in our growth mindset: Grow our people, Grow our customers, and Grow our company. We remain dedicated to investing in our people, offering learning opportunities and upskilling to ensure we can adapt as our customers' needs change. We believe our unwavering commitment to diversity and inclusion is the right thing to do and an essential element of our business strategy and strong financial performance.

### Supporting Ukraine

Our colleagues in Ukraine continue to show admirable courage and resilience in the face of the invasion's consequences. Our Ukrainian unit is running normally, and risk mitigation is continuously being assessed and implemented. The recent increase in the number of Russian missile and drone attacks is not impacting our operation.

To continue our non-stop operations even in blackouts, we have equipped both our offices with diesel generators, additional internet access points and charging stations. Our employees in Ukraine are provided with additional power banks and charging stations for their home offices.

The well-being of our Ukrainian colleagues is our priority every day. The number of expats is decreasing as many colleagues have returned to their Ukrainian homes. Twelve of our brave employees are serving in the armed forces. We stay connected with them and provide the support they might need, in addition to a fixed monthly amount from Itera. Our long-term corporate social responsibility to support Ukraine continues.

### Itera shortlisted for the Ukrainian ICT Award

Itera's participation in the Ukrainian "DOU Award 2025" marks a significant achievement. Over 100 impactful projects were nominated, but only 34 winners were recognised.

We are proud to announce that two of our key initiatives were shortlisted: the Itera Employee Foundation for "The Most

Impactful IT Company Initiative Bringing Victory Closer," and Rebuild Ukraine for "Best Socially Oriented IT Initiative." These nominations underscore our dedication to technological advancement and steadfast support for Ukraine and its society.

The DOU platform is renowned as the most influential source for news and trends in Ukraine's tech industry, shaping employer reputations and driving transparency through valuable insights like salary reports and company reviews.

### Commitment to values and community

At Itera, our roots in the Nordics shape who we are, and our core values remain at the heart of everything we do. While some big companies are scaling back on their diversity, equity, and inclusion (DEI) efforts, we are holding steady because we know these values matter, not just because it is the right thing to do, but because diversity makes us stronger and smarter as a company.

Our CEO, Arne Mjøs, often reminds us that building a diverse and high-performing team is not just a goal – it's part of our identity and what helps us succeed. This commitment is what sets Itera apart and shapes our culture every day.

Looking ahead, we will keep focusing on diversity and operational excellence side by side. These values help us innovate, collaborate, and deliver great results while ensuring everyone feels included and valued.



# Interim condensed financial report

## Consolidated statement of comprehensive income

Amounts in NOK thousand	2025 1-3	2024 1-3	change %	2024 1-12
<b>Operating revenue</b>	<b>231 631</b>	<b>228 492</b>	<b>1 %</b>	<b>848 783</b>
<b>Operating expenses</b>				
Cost of sales	17 590	16 378	7 %	65 735
<b>Gross Profit</b>	<b>214 040</b>	<b>212 114</b>	<b>1 %</b>	<b>783 048</b>
<i>Gross Margin</i>	92.4 %	92.8 %	-0.4 pts	92.3 %
Personnel expenses	167 188	169 297	(1 %)	634 309
Other operating expenses	17 768	15 112	18 %	63 330
Depreciation and amortisation	8 043	8 468	(5 %)	33 009
Impairment of financial assets	-	-		4 391
<b>Total operating expenses</b>	<b>210 589</b>	<b>209 254</b>	<b>1 %</b>	<b>800 774</b>
<b>EBITDA</b>	<b>29 085</b>	<b>27 705</b>	<b>5 %</b>	<b>81 017</b>
<b>Operating profit (EBIT)</b>	<b>21 042</b>	<b>19 237</b>	<b>9 %</b>	<b>48 008</b>
Other financial income	80	287	(72 %)	1 104
Interest income	166	337	(51 %)	1 416
Other financial expenses	367	98	275 %	269
Interest expenses	1 094	1 000	9 %	4 175
Foreign exchange (gains) / losses	944	751	26 %	836
<b>Net financial income (expenses)</b>	<b>(2 159)</b>	<b>(1 225)</b>	<b>(76 %)</b>	<b>(2 760)</b>
<b>Profit before taxes</b>	<b>18 882</b>	<b>18 012</b>	<b>5 %</b>	<b>45 248</b>
Income taxes	4 344	4 074	7 %	10 264
<b>Net income</b>	<b>14 538</b>	<b>13 938</b>	<b>4 %</b>	<b>34 984</b>
<b>Other comprehensive income</b>				
Transl. diff. on net investment in foreign operations	(1 426)	1 059	(235 %)	1 434
<b>Total comprehensive income</b>	<b>13 112</b>	<b>14 997</b>	<b>(13 %)</b>	<b>36 419</b>
Total comprehensive income attributable to:				
<b>Shareholders in parent company</b>	<b>13 112</b>	<b>14 997</b>	<b>(13 %)</b>	<b>36 419</b>
Earnings per share	0.18	0.17	3 %	0.43
Fully diluted earnings per share	0.18	0.17	3 %	0.43

## Consolidated statement of financial position

Amounts in NOK thousand	2025 31 Mar	2024 31 Mar	change	change %	2024 31 Dec
<b>ASSETS</b>					
<b>Non-current assets</b>					
Deferred tax assets	4 350	2 311	2 039	88 %	4 365
R&D	26 460	30 463	(4 003)	(13 %)	27 224
Other intangible assets	5 483	277	5 206	1 878 %	5 484
Property, plant and equipment	11 626	15 011	(3 386)	(23 %)	12 193
Right-of-use assets	56 696	71 103	(14 407)	(20 %)	60 503
<b>Total non-current assets</b>	<b>104 614</b>	<b>119 165</b>	<b>(14 551)</b>	<b>(12 %)</b>	<b>109 768</b>
<b>Current assets</b>					
Contract assets	9 639	4 468	5 171	116 %	8 471
Accounts receivable	126 668	144 599	(17 931)	(12 %)	96 733
Other receivables	19 306	18 011	1 295	7 %	11 085
Cash and cash equivalents	39 115	36 070	3 045	8 %	52 632
<b>Total current assets</b>	<b>194 728</b>	<b>203 149</b>	<b>(8 420)</b>	<b>(4 %)</b>	<b>168 922</b>
<b>TOTAL ASSETS</b>	<b>299 342</b>	<b>322 314</b>	<b>(22 971)</b>	<b>(7 %)</b>	<b>278 690</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	24 656	24 656	-	0 %	24 656
Other equity	20 558	24 630	(4 072)	(17 %)	(12 926)
Net income for the period	14 538	13 938	600	4 %	34 984
<b>Total equity</b>	<b>59 752</b>	<b>63 224</b>	<b>(3 472)</b>	<b>(5 %)</b>	<b>46 714</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	885	-	885		885
Other provisions and liabilities	-	396	(396)	(100 %)	(0)
Long-term interest bearing debt	2 500	3 500	(1 000)	(29 %)	2 750
Lease liabilities - long-term portion	46 650	60 551	(13 901)	(23 %)	49 835
<b>Total non-current liabilities</b>	<b>50 035</b>	<b>64 447</b>	<b>(14 412)</b>	<b>(22 %)</b>	<b>53 471</b>
<b>Current liabilities</b>					
Accounts payable	16 718	18 240	(1 522)	(8 %)	20 153
Tax payable	6 806	8 882	(2 076)	(23 %)	7 340
Public duties payable	66 736	68 071	(1 335)	(2 %)	54 729
Contract liabilities	5 893	22 230	(16 337)	(73 %)	15 283
Lease liabilities - short term	14 092	13 828	263	2 %	14 600
Current portion of long-term debt	1 000	1 000	-	0 %	1 000
Other current liabilities	78 311	62 391	15 920	26 %	65 400
<b>Total current liabilities</b>	<b>189 555</b>	<b>194 642</b>	<b>(5 087)</b>	<b>(3 %)</b>	<b>178 506</b>
<b>Total liabilities</b>	<b>239 590</b>	<b>259 089</b>	<b>(19 499)</b>	<b>(8 %)</b>	<b>231 977</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>299 342</b>	<b>322 313</b>	<b>(22 971)</b>	<b>(7 %)</b>	<b>278 690</b>
<b>Equity ratio</b>	<b>20.0 %</b>	<b>19.6 %</b>		<b>0.3 pts</b>	<b>16.8 %</b>

## Consolidated statement of cash flow

Amounts in NOK thousand	2025 1-3	2024 1-3	change	2024 1-12
Profit before taxes	18 882	18 012	871	45 248
Income taxes paid	(2 312)	(4 696)	2 384	(9 808)
Interest expense	1 094	1 000	94	4 175
Interest paid	(379)	(114)	(265)	(882)
Depreciation and amortisation	8 043	8 468	(424)	33 009
Share option costs	312	340	(28)	1 545
Change in contract assets	(1 168)	(1 016)	(151)	(3 735)
Change in accounts receivable	(29 935)	(36 829)	6 894	15 781
Change in accounts payable	(3 435)	(48)	(3 387)	1 784
Effect of changes in exchange rates	(1 433)	771	(2 205)	1 420
Change in other accruals	5 570	7 581	(2 011)	(14 794)
<b>Net cash flow from operating activities</b>	<b>(4 761)</b>	<b>(6 532)</b>	<b>1 772</b>	<b>73 742</b>
Investment in subsidiaries net of cash	-	-	-	1 662
Investment in fixed assets	(957)	(523)	(435)	(3 006)
Investment in intangible assets	(2 008)	(2 373)	365	(7 421)
<b>Net cash flow from investing activities</b>	<b>(2 966)</b>	<b>(2 896)</b>	<b>(70)</b>	<b>(8 765)</b>
Purchase of own shares	(4 836)	-	(4 836)	-
Sale of own shares	4 451	-	4 451	4 853
Principal elements of lease payments	(4 365)	(4 258)	(107)	(17 308)
Long term borrowings	(250)	(250)	-	(1 000)
Dividends paid to equity holders of Itera ASA	-	-	-	(48 717)
<b>Net cash flow from financing activities</b>	<b>(5 000)</b>	<b>(4 508)</b>	<b>(493)</b>	<b>(62 172)</b>
Effects of exchange rate changes on cash	(791)	796	(1 587)	618
<b>Net change in cash and cash equivalents</b>	<b>(13 517)</b>	<b>(13 139)</b>	<b>(378)</b>	<b>3 422</b>
Cash and cash equivalents beginning of period	52 632	49 209	3 423	49 209
<b>Cash and cash equivalents end of the period</b>	<b>39 114</b>	<b>36 070</b>	<b>3 045</b>	<b>52 631</b>

## Consolidated statement of changes in equity

Amounts in NOK thousand	Share capital	Own shares	Other paid in equity	Cumulative translation differences	Other equity	Total equity
<b>Equity as of 1 Jan 2024</b>	<b>24 656</b>	<b>(496)</b>	<b>(34 918)</b>	<b>914</b>	<b>57 731</b>	<b>47 888</b>
Net income for the period	-	-	-	-	34 984	<b>34 984</b>
Other comprehensive income for the period	-	-	-	1 434	-	<b>1 434</b>
Share option costs	-	-	1 545	-	-	<b>1 545</b>
Equity settlement of options contract	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-
Employee share purchase program	-	153	4 700	-	-	-
Sale of own shares	-	138	4 588	-	-	<b>4 727</b>
Dividends	-	-	-	-	(48 717)	<b>(48 717)</b>
<b>Equity as of 31 Dec 2024</b>	<b>24 656</b>	<b>(205)</b>	<b>(24 085)</b>	<b>2 349</b>	<b>43 998</b>	<b>46 714</b>
Net income for the period	-	-	-	-	14 538	<b>14 538</b>
Other comprehensive income for the period	-	-	-	(1 426)	-	<b>(1 426)</b>
Share option costs	-	-	312	-	-	<b>312</b>
Employee share purchase program	-	206	4 245	-	-	<b>4 451</b>
Purchase of own shares	-	(143)	(4 694)	-	-	<b>(4 836)</b>
<b>Equity as of 31 Mar 2025</b>	<b>24 656</b>	<b>(142)</b>	<b>(24 221)</b>	<b>923</b>	<b>58 536</b>	<b>59 752</b>

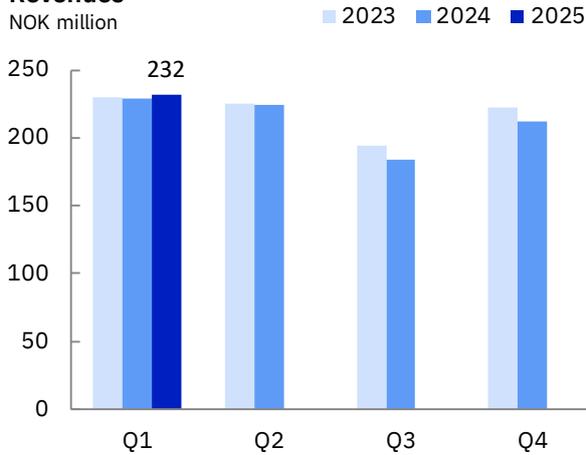
## Key figures

Amounts in NOK thousand	2025 1-3	2024 1-3	change %	2024 1-12
<b>Profit &amp; Loss</b>				
Operating revenue	231 631	228 492	1 %	848 783
Gross profit	214 040	212 114	1 %	783 048
EBITDA	29 085	27 705	5 %	81 017
EBITDA margin	12.6%	12.1 %	0.4 pts	9.5 %
Operating profit (EBIT)	21 042	19 237	9 %	48 008
EBIT margin	9.1%	8.4 %	0.7 pts	5.7 %
Profit before taxes	18 882	18 012	5 %	45 248
Net income	14 538	13 938	4 %	34 984
<b>Balance sheet</b>				
Non-current assets	104 614	119 165	(12 %)	109 768
Bank deposits	39 115	36 070	8 %	52 632
Other current assets	155 613	167 078	(7 %)	116 290
Total assets	299 342	322 314	(7 %)	278 690
Equity	59 752	63 224	(5 %)	46 714
Total non-current liabilities	50 035	64 447	(22 %)	53 471
Total current liabilities	189 555	194 642	(3 %)	178 506
Equity ratio	20.0%	19.6 %	0.3 pts	16.8 %
Current ratio	1.03	1.04	(2%)	0.95
<b>Cash flow</b>				
Net cash flow from operating activities	(4 761)	(6 532)	27 %	73 743
Net cash flow	(13 517)	(13 139)	(3%)	3 423
<b>Share information</b>				
Number of shares	82 186 624	82 186 624	0 %	82 186 624
Weighted average basic shares outstanding	81 609 382	80 532 343	1 %	80 909 300
Weighted average diluted shares outstanding	81 635 073	80 539 306	1 %	80 911 041
Earnings per share	0.18	0.17	3 %	0.43
Diluted earnings per share	0.18	0.17	3 %	0.43
EBITDA per share	0.36	0.34	4 %	1.06
Equity per share	0.73	0.79	(7%)	0.58
Dividend per share	0.00	0.00		0.60
<b>Employees</b>				
No. of employees at the end of the period	707	736	(4%)	725
Average number of employees	716	747	(4%)	722
Operating revenue per employee	324	306	6 %	1 175
Gross profit per employee	299	284	5 %	1 084
Personnel expenses per employee	234	227	3 %	878
Other operating expenses per employee	25	20	23 %	88
EBITDA per employee	41	37	10 %	118
EBIT per employee	29	26	14 %	66

# Quarterly development 2023-2025

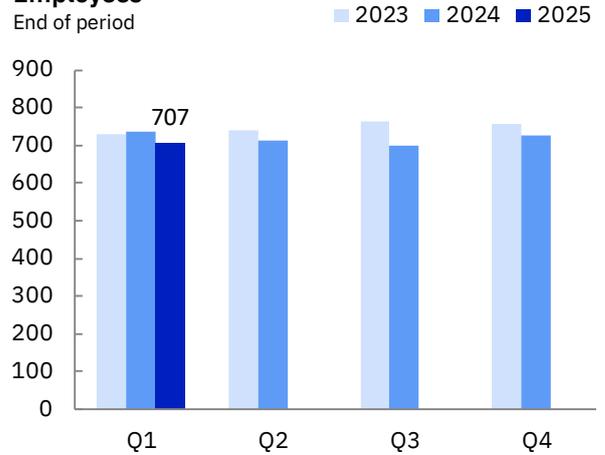
## Revenues

NOK million



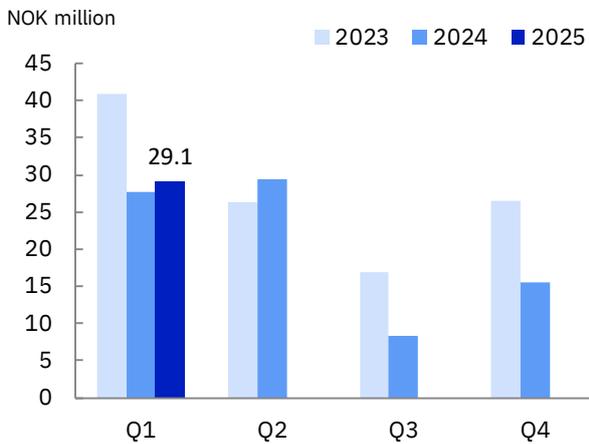
## Employees

End of period



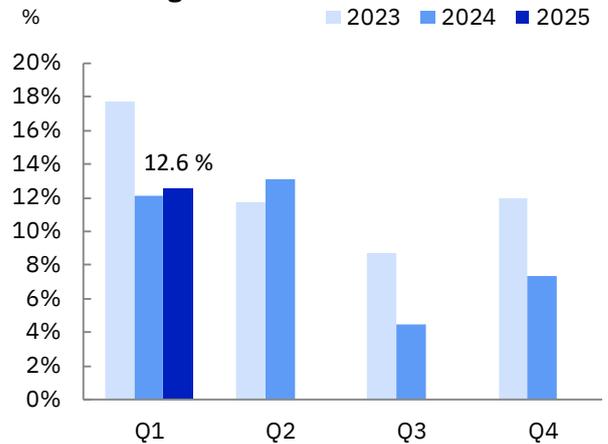
## EBITDA

NOK million



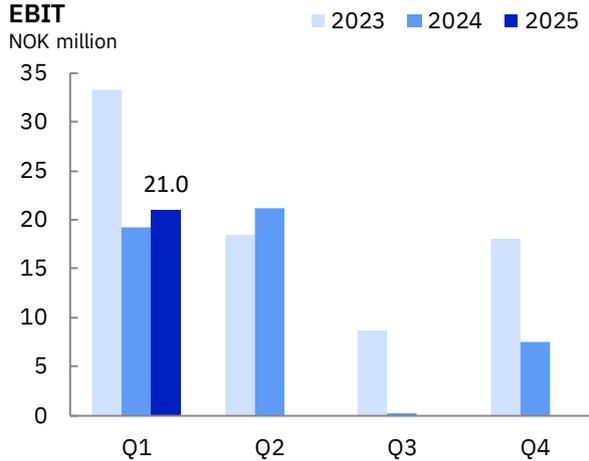
## EBITDA margin

%



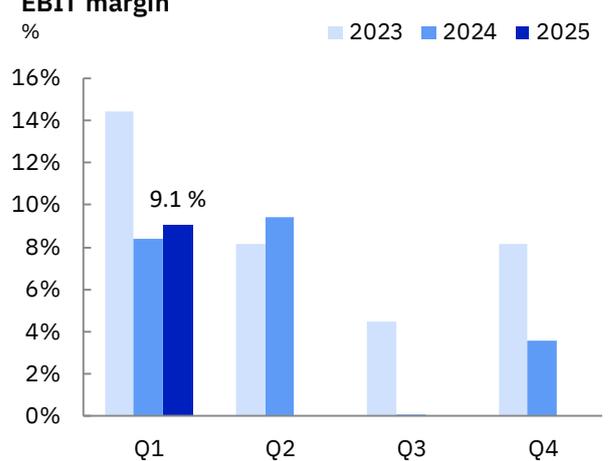
## EBIT

NOK million



## EBIT margin

%



# Notes

## Note 1: General and accounting principles

Itera (the Group) consists of Itera ASA (the Company) and its subsidiaries. Itera ASA is a public limited liability company incorporated in Norway and listed on the Oslo Stock Exchange with the ticker ITERA. The condensed consolidated interim financial statements cover the Group. As a result of rounding differences, some numbers and percentages may not add up to the totals given.

These interim condensed consolidated financial statements for the quarter ending 31 March 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the Group's annual report for 2024. The accounting policies applied in the preparation of these interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024. The interim financial information contained in this report has not been audited or reviewed.

Since the fourth quarter of 2024, Itera has had a new type of revenue related to its *Enter Ukraine with Itera* service offering. Under these contracts, Itera may offer advisory services and onsite business support as well as act as a sales agent for the customers on a commission basis. The revenue stream may vary from contract to contract with elements recognised either point-in-time and/or over time depending on the attributes of Itera's performance obligations.

## Note 2: Transactions with related parties

There have been no material transactions with related parties during the reporting period 1 January 2025 to 31 March 2025.

## Note 3: Events after the balance sheet date

There have been no events after 31 March 2025 that would have a material effect on the interim accounts.

## Note 4: Alternative performance measures

In accordance with the guidelines issued by the European Securities and Markets Authority on alternative performance measures (APMs), Itera publishes definitions for the alternative performance measures used by the company. Alternative performance measures, i.e. performance measures not based on financial reporting standards, provide the company's management, investors and other external users with additional relevant information on the company's operations by excluding matters that may not be indicative of the company's operating result or cash flow. Itera has adopted non-recurring costs, EBITDA, EBITDA margin, EBIT, EBIT margin and equity ratio as alternative performance measures both because the company thinks these measures will increase the level of understanding of the company's operational performance and because these represent performance measures that are often used by analysts and investors and other external parties.

Non-recurring costs are significant costs that are not expected to reoccur under normal circumstances.

EBITDA is short for earnings before interest, tax, depreciation, and amortisation. It is calculated as profit for the period before (i) tax expense, (ii) financial income and expenses and (iii) depreciation and amortisation.

EBITDA margin is calculated as EBITDA as a proportion of operating revenue.

EBIT is short for earnings before interest and tax and is calculated as profit for the period before (i) tax expense and (ii) financial income and expenses.

EBIT margin is calculated as EBIT as a proportion of operating revenue.

Adjusted EBITDA and Adjusted EBIT refer to adjustments made for non-recurring items.

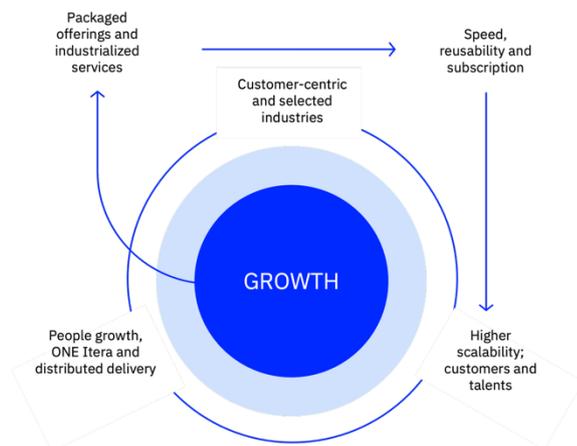
## About Itera

# Our strategic position

Itera is a leading international tech company that helps businesses and organisations accelerate their sustainable digital transformation and contribute to the advancement of society.

As companies embrace digital transformation, they come to us as their trusted partner to build their digital core with cloud-based technology because of our full range of services across digital strategy, consulting and execution, customer experience, technology and cloud operations. Our integrated services meet customer needs rapidly and at scale through our distributed multi-disciplined teams and our world-class cross-border Digital Factory at Scale that enables more for less.

There is no more powerful contributor to business growth than digital technology. Digital technology will accelerate growth beyond what was previously possible with people and machines. When talking to executives, Itera always finds that they highlight speed and results from digital initiatives as their top priorities.



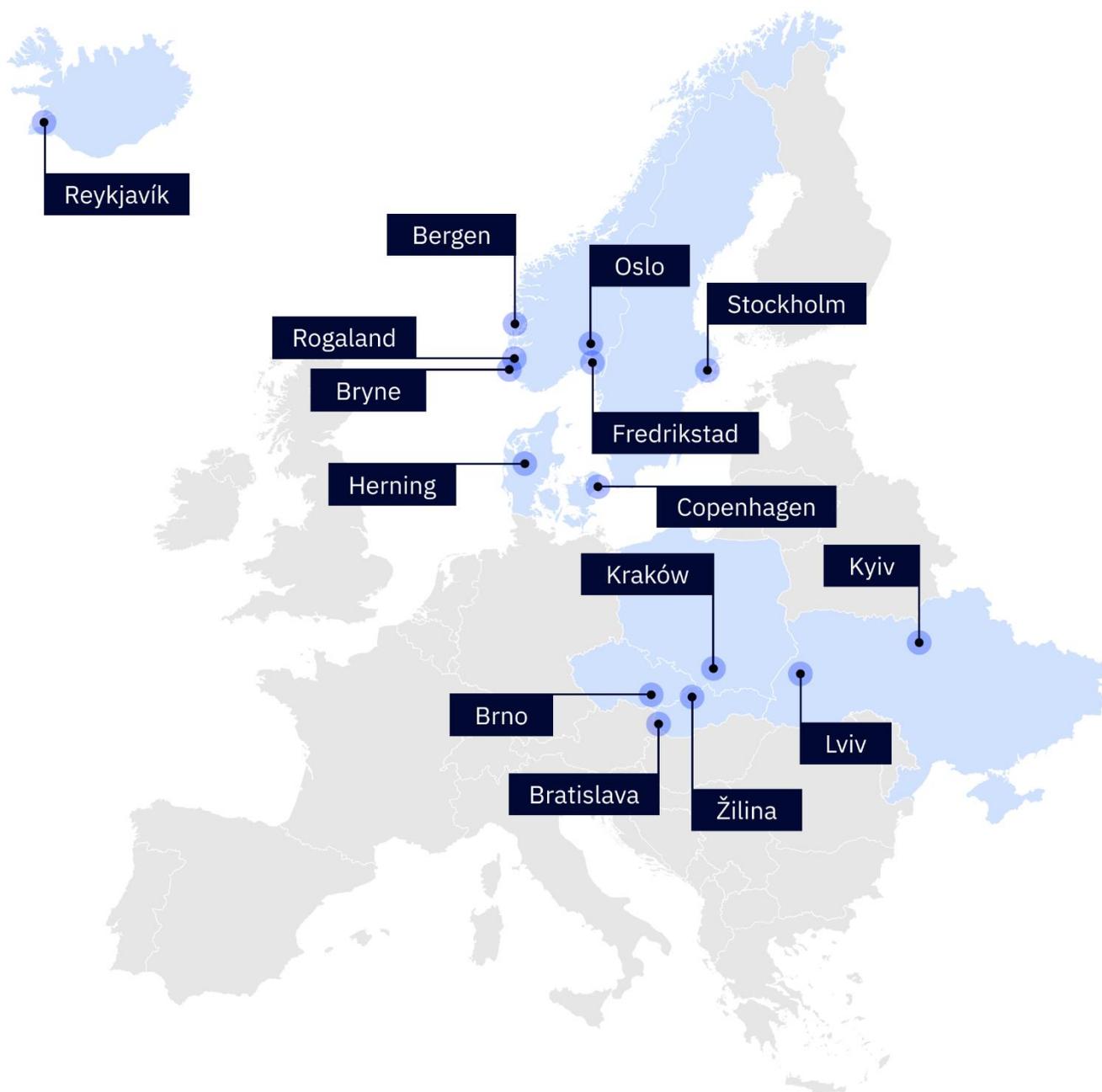
Our focused customer-centric strategy in selected industries and ONE operating model across all locations offer the right mix of autonomy and alignment. Our entrepreneurial culture is grounded in a strong growth mindset of *'grow our people, our customers and our company'*. Our business model combines consulting services (the inner circle in the figure to the left) with subscription-based managed services such as package offerings and industrialised services (the outer circle).

We are seeing all emerging technology become digital capabilities in the cloud, which constitutes a dynamic continuum from public and hybrid cloud to edge and everything in between. Every business must become sustainable and digital; data will be the key to success. Our success is grounded in our ability to anticipate the future and provide digital capabilities for transformation.

These changes will simultaneously create more challenging jobs and career paths for our skilled people. Working from our 15 Nordic and Central and Eastern European offices, we serve customers in more than 20 countries worldwide. We leverage our scale and international footprint, our innovation-led culture, our strong partnerships and our Digital Factory at Scale to consistently deliver tangible value for our customers worldwide.

We are fully committed to something bigger than ourselves and take responsibility for showing how to become more sustainable, how to create new pathways for industrial growth, and how to deliver far-reaching lifestyle changes through digitalisation.

# Our locations



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*Make a difference*