

# Q1 2025 presentation

13 May 2025

# Today's presenters



**Charles MacBain**

CEO



**Alexander Cram**

CFO



- 1.0 Company Update**
- 2.0 Veterinary BU Update**
- 3.0 Therapy BU Update**
- 4.0 Financial Update**
- 5.0 Q&A**



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# Company Update

Charles MacBain, CEO



# Q1 2025 KPIs



**€44.9M**  
**Signed ARR**

Q1 2025



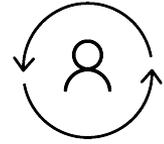
**21.5%**  
**Organic ARR growth**

YoY Q1 2025



**115.5%**  
**Net retention rate**

LTM Q1 2025



**4.6%**  
**Churn**

LTM Q1 2025



**-€1.1M**  
**Adj. EBITDA - CAPEX**

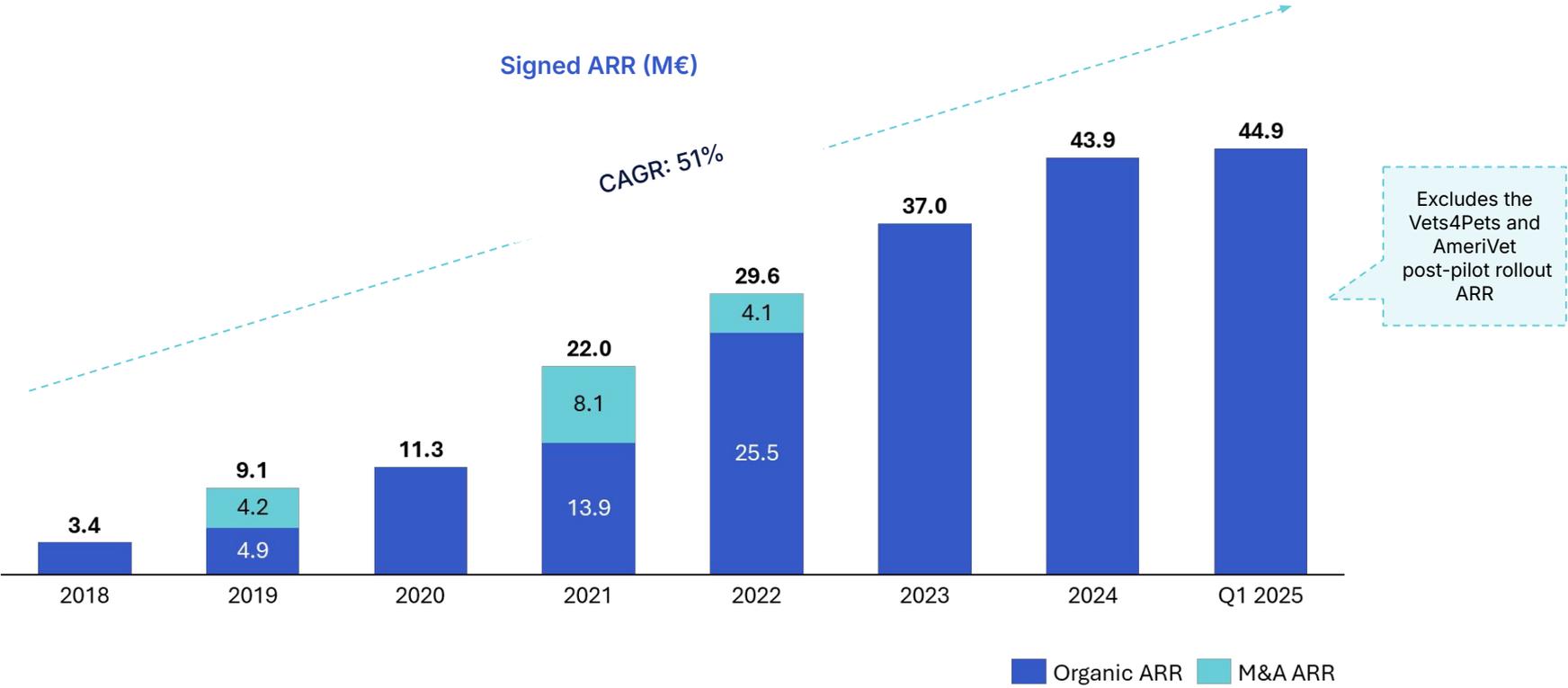
LTM Q1 2025



**-2.4%**  
**Adj. EBITDA - CAPEX margin**

LTM Q1 2025

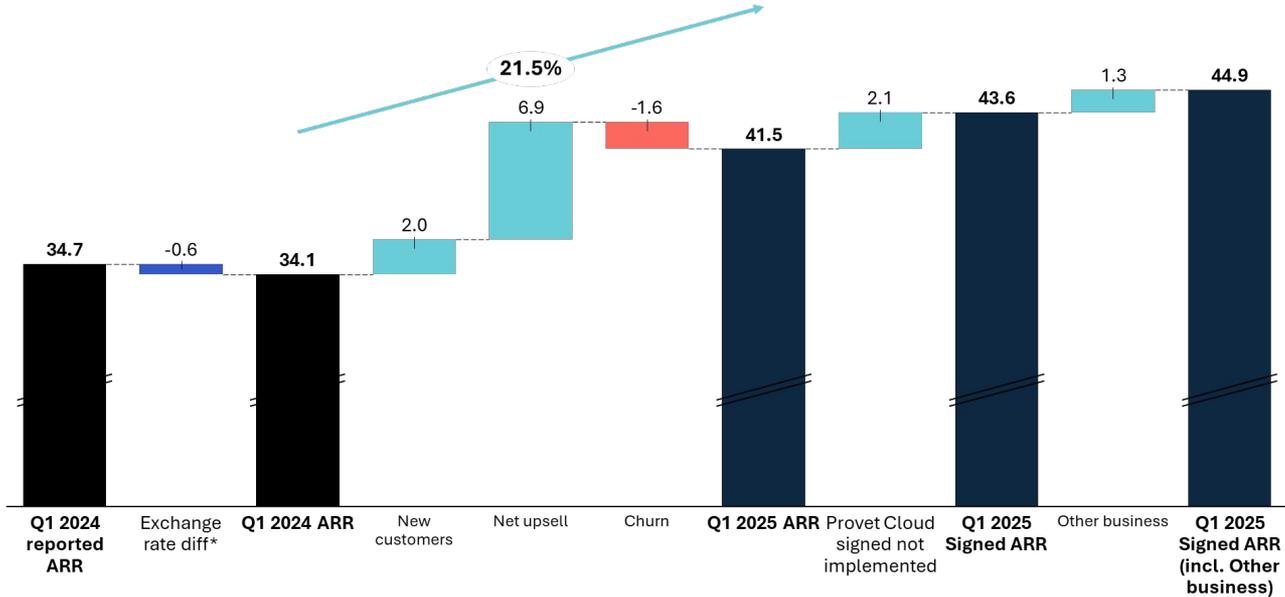
# 51% organic and acquisition-led growth CAGR since 2018



# 21.5% YoY ARR growth



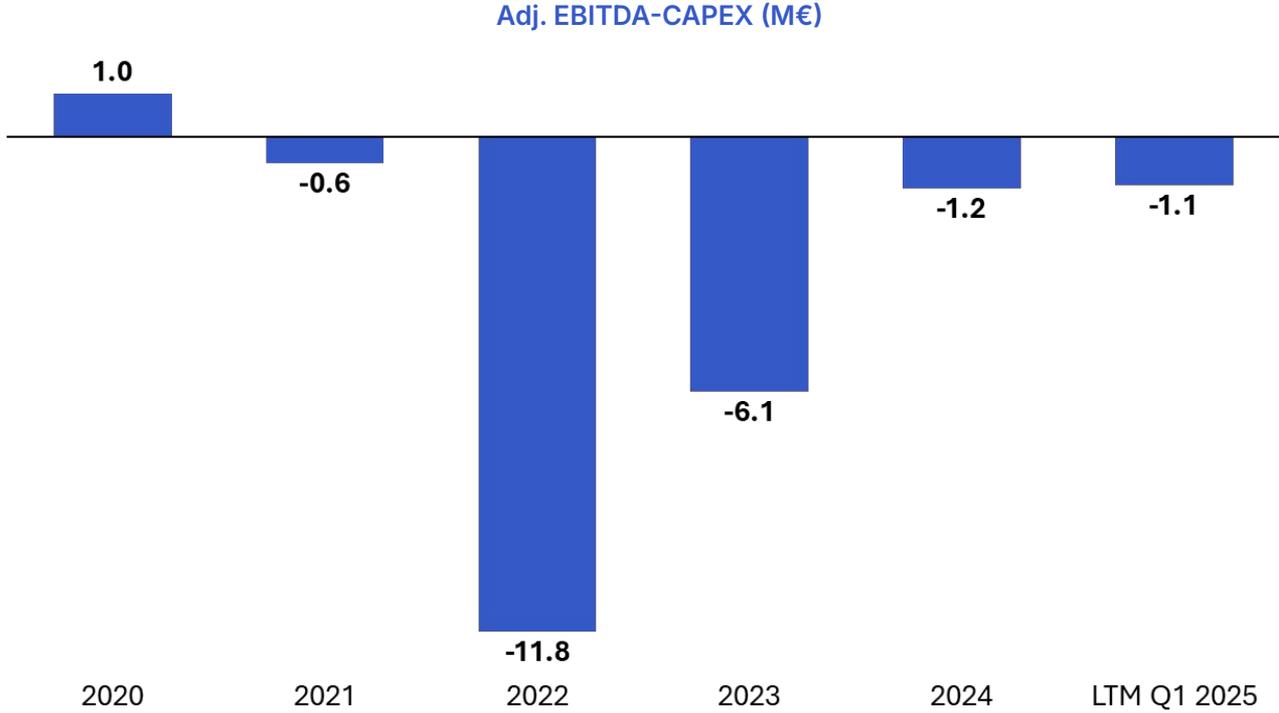
ARR (M€)



- 21.5% YoY ARR growth
- 20.1% Net upsell primarily driven by CVS implementation and other Provet ARPU and user growth
- 4.6% churn rate
- Vets4Pets or AmeriVet post-pilot rollout ARR not included in the waterfall

\* Exchange rate difference impact between 2023 and 2024 year end currency rates. Negative impact was mainly related to weakening of NOK vs EUR.

# Adj. EBITDA-CAPEX has stabilised close to break-even

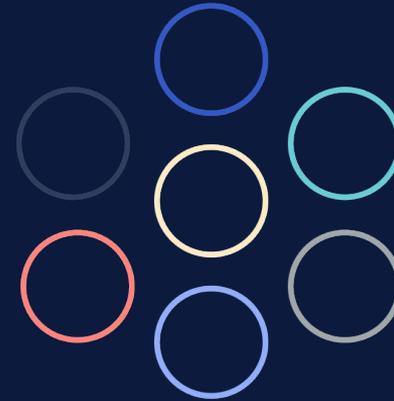




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# Veterinary Update

Charles MacBain, CEO



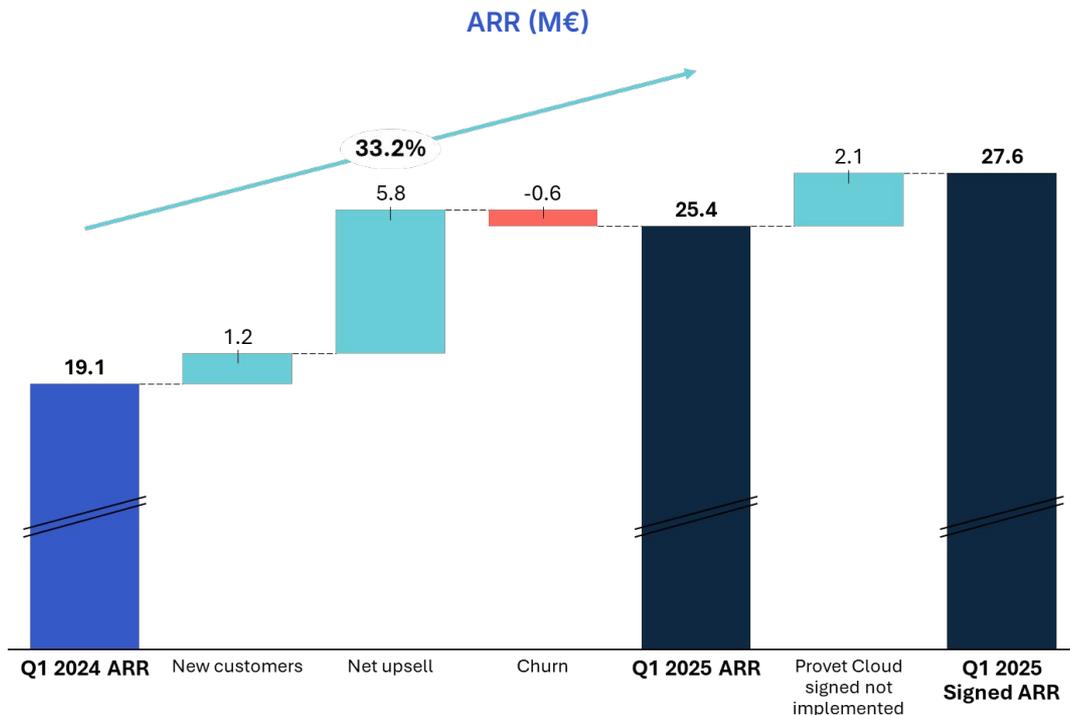
# Veterinary business update



- AmeriVet, a 200+ location US clinic chain, was the US customer we signed in 2024 and are piloting in 2025
- PetVet365, a 35 location US clinic chain was signed in May 2025
- In total, SME + Enterprise, €900k in new customer ARR was signed in Q1 2025
- Implemented 410 CVS locations as of the end of Q1 2025. 89 still to implement.
- In April, we acquired [Provet.com](https://provet.com) as our future domain



# 33.2% YoY Veterinary ARR growth



- ARR grew 33.2% YoY
- Net retention rate 126.8%, primarily driven by CVS and other enterprise clients rolling out new clinics
- 3.4% ARR churn was impacted by sunset of Provet Net and Vetserve products. Excluding these, churn would have been 2.8%
- Vets4Pets or AmeriVet post-pilot rollout ARR not included
- Signed ARR decreased from €3.5M in Q1/24 to €2.1M as we are implementing our backlog

Reported in constant currency (using year 2024 end currency rates).

## Veterinary long-term average churn less than 3% and net retention 120%



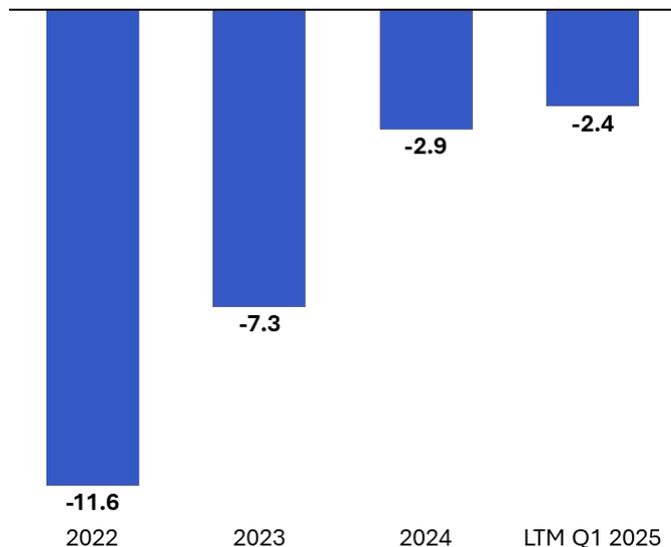
	2021	2022	2023	2024	LTM Q1 2025	Average
Total ARR Growth	18.3%	17.2%	42.9%	29.9%	33.2%	28.3%
New customer ARR	6.2%	12.2%	9.7%	7.1%	6.4%	8.3%
Net Upsell	13.3%	7.1%	34.8%	27.6%	30.1%	22.6%
Churn rate	-1.2%	-2.1%	-1.6%	-4.8%	-3.4%	-2.6%
Net retention rate	112.1%	105.0%	133.2%	122.7%	126.8%	120.0%

- Churn in 2024 was impacted by sunseting of Provet Win and Vetserve and 2025 Q1 LTM by sunset of Vetserve and Provet Net products.
- Our exceptionally low churn rate supports the LTV of our growing ARR base.
- Net retention rate is driven especially by growth in enterprise customer segment (implementation of new clinics).

# Growth in revenues has improved Veterinary LTM adj. BU EBITDA - CAPEX



Veterinary adj. BU EBITDA - CAPEX (M€)



LTM Q1 2025 BU adj. EBITDA-CAPEX improved by +€0.6M vs FY2024.

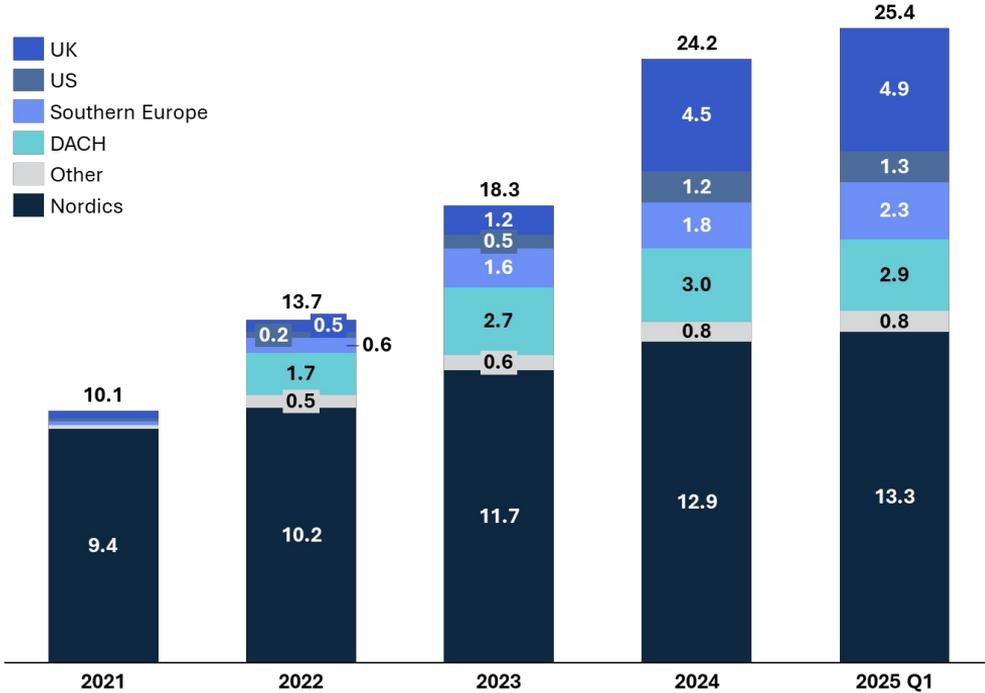
Main drivers of improvement LTM Q1 2025 vs 2024:

- Recurring revenue (+€1.5M)
- Other revenue (+€0.4M)
- COGS & customer service costs (-€0.6M)
- Product development costs (€-0.4M)
- Other costs (€-0.3M)

# US, UK, Southern Europe propelling growth in Q1 2025



ARR (m€)

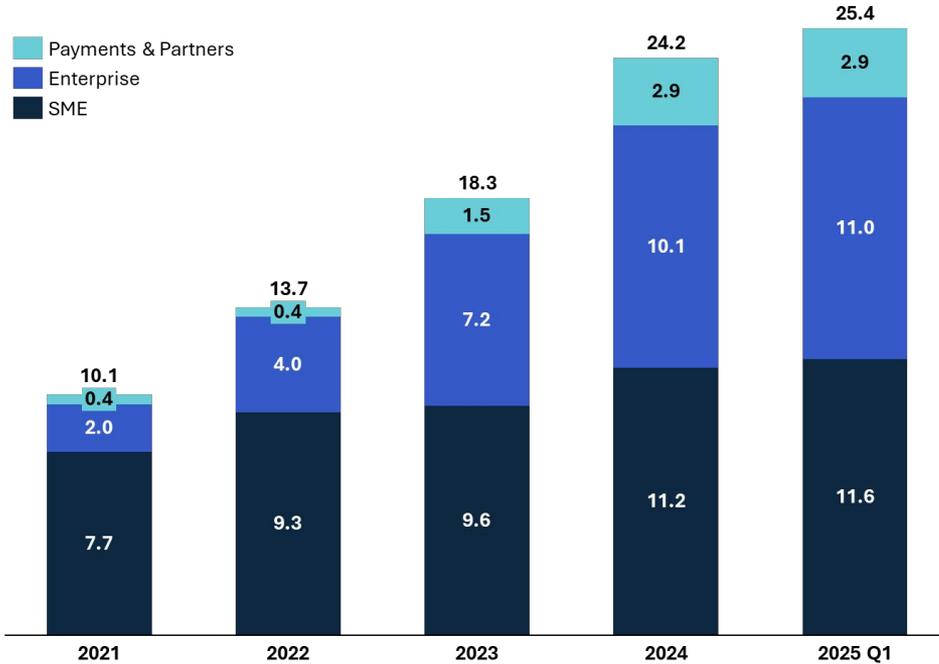


- 48% of ARR at the end of Q1 2025 came from outside Nordics vs. 6% at the end of 2021
- 33% of ARR at the end of Q1 2025 came from Growth Markets (US, UK, Southern Europe)
- 2021-2025 Q1 Growth Markets CAGR was 130%

# Provet's enterprise solution is well positioned to capture enterprise opportunity

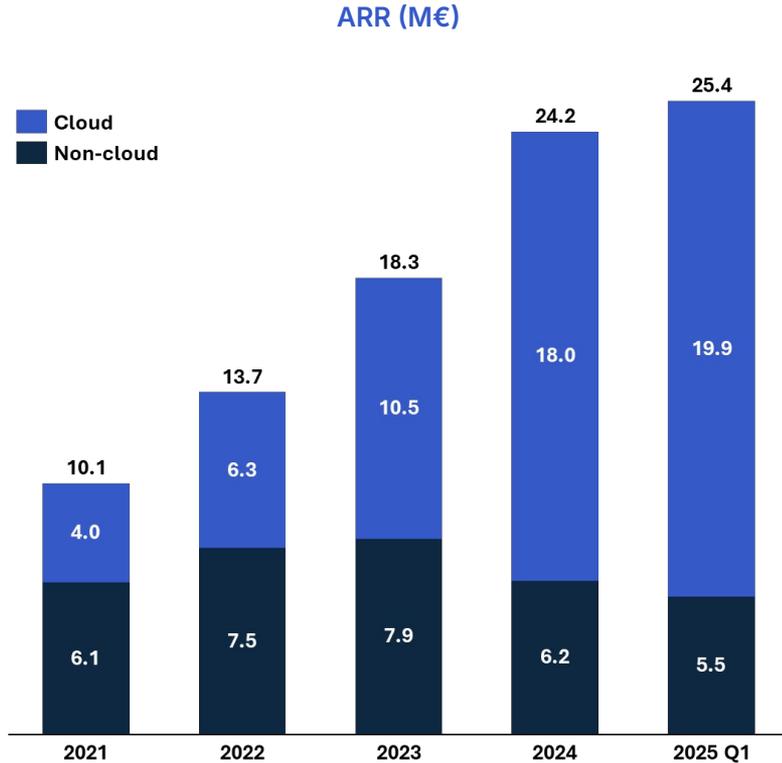


ARR (m€)



- Enterprise share of total ARR has grown from 21% in 2021 to 43% in 2025 Q1
- 60% of ARR growth since 2022 has come from enterprise clients.
- Despite focus on enterprise, our customer concentration remains low with our top 3 customers composing 22% of ARR

# Veterinary Migration to Provet Progressing



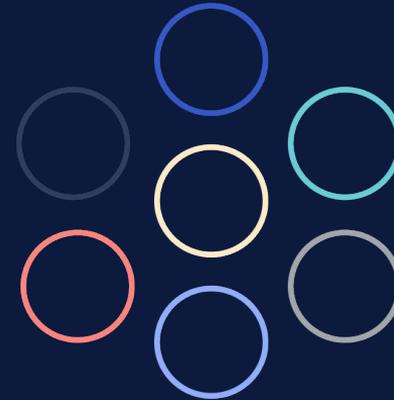
- Cloud share of ARR increased from 40% in 2021 to 78% in 2025 Q1
- Annualised churn rate for non-cloud was 10.5% in 2025 Q1
- Vetserve and Provet Win were sunset in 2024, Provet Net will be sunset during 2025.
- We are working on migrating Sanimalis (Norway) and VetVision (Denmark)



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# Therapy Update

Charles MacBain, CEO



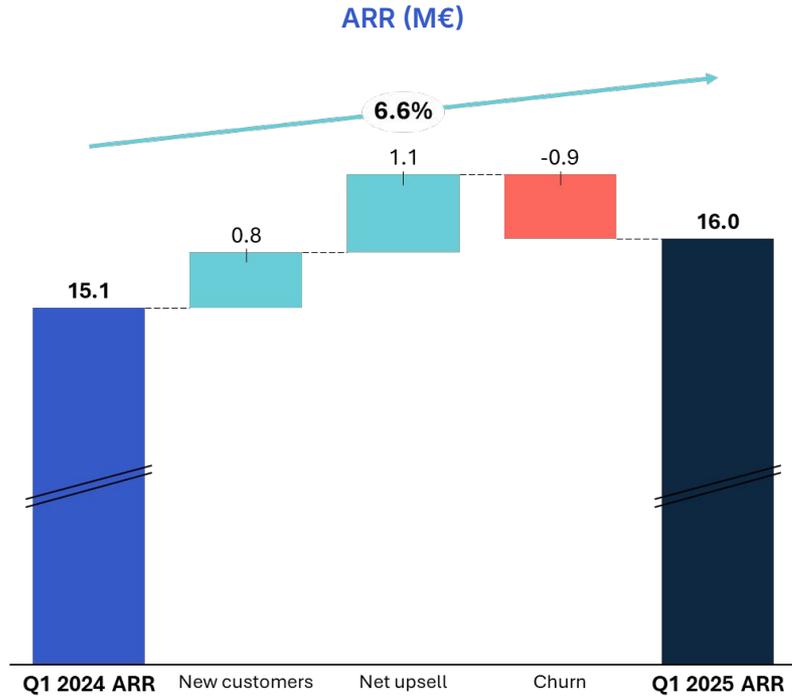
# Therapy business update



- Migrated ≈160 Aspit users to the Unified Platform with 1 user churning. Roll-out continues at a measured pace so we can act on early feedback and protect retention
- Launched AI Scribe in April for Norwegian physiotherapists; within two weeks we already have 250+ daily active users.
- Signed €552k in Q1 ARR
- Nordhealth.fi now lists 1650+ therapists and processes over 3000 bookings per week.



# 6.6% YoY therapy ARR growth



- ARR growth at 6.6% YoY due to focus on migration and exiting market saturation
- Net retention rate was 101.3%
- Churn rate was 6.2%

Reported in constant currency (using year 2024 end currency rates).

## Therapy long-term average churn close to 5%

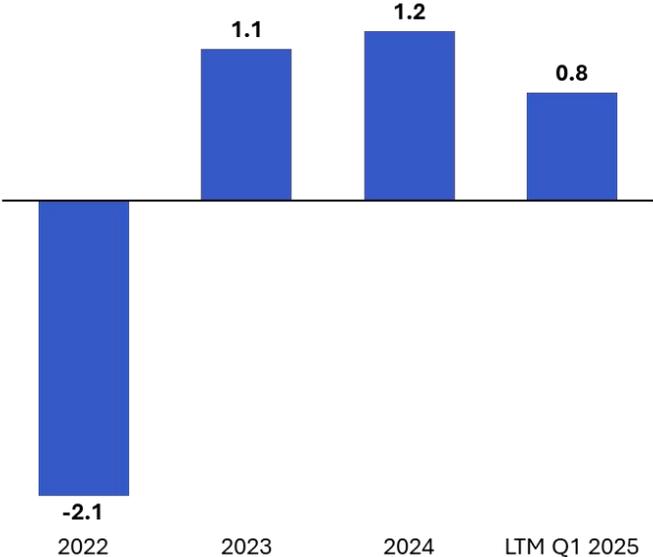


	2021	2022	2023	2024	LTM Q1 2025	Average
Total ARR Growth	15.7%	13.9%	6.6%	9.2%	6.6%	10.4%
New customer ARR	7.7%	11.3%	9.4%	8.1%	5.3%	8.4%
Net upsell	9.7%	7.2%	5.0%	6.6%	7.4%	7.2%
Net retention rate	108.0%	102.6%	97.2%	101.1%	101.3%	102.0%
Churn rate	-1.7%	-4.6%	-7.8%	-5.4%	-6.2%	-5.1%

- Churn increased in 2023 due to losing our 2nd largest therapy customer, following their acquisition by a healthcare company looking to use one software for both therapists and GPs.
- Average net retention rate impacted from 2022 by EasyPractice acquisition - self-service model and focus on 1-2 therapist clinics.

# Investments in product development decreased Therapy adj. BU EBITDA-CAPEX

Therapy adj. BU EBITDA - CAPEX (M€)



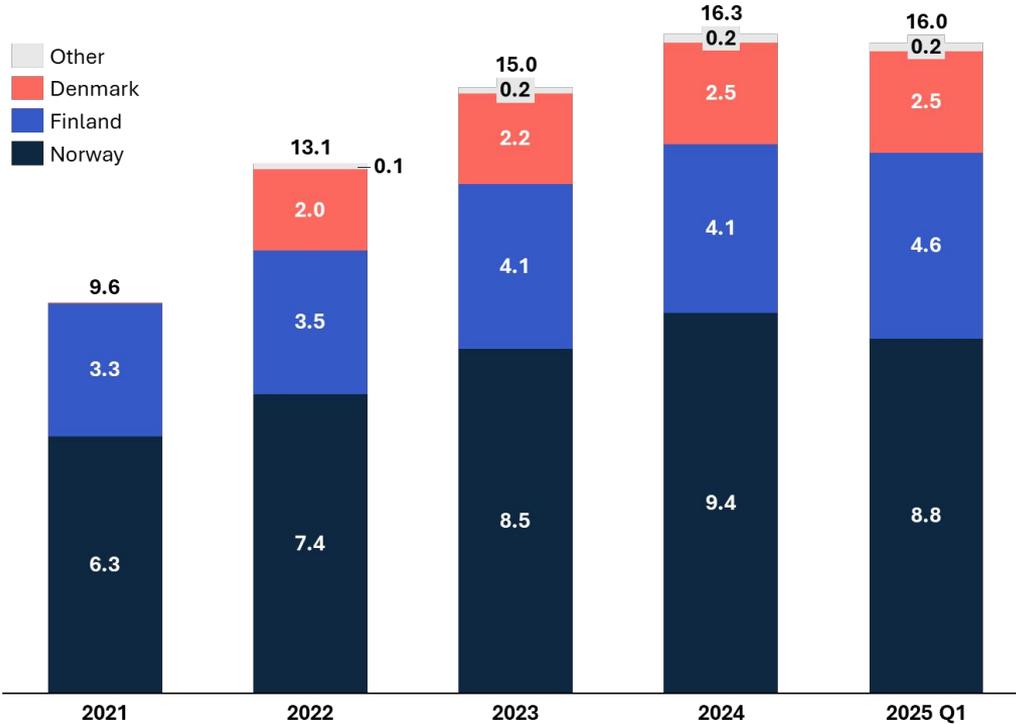
Main drivers of result decline LTM Q1 2025 vs 2024:

- Recurring revenue (+€0.2M)
- Product development costs (€-0.6M)

# Therapy ARR development by market

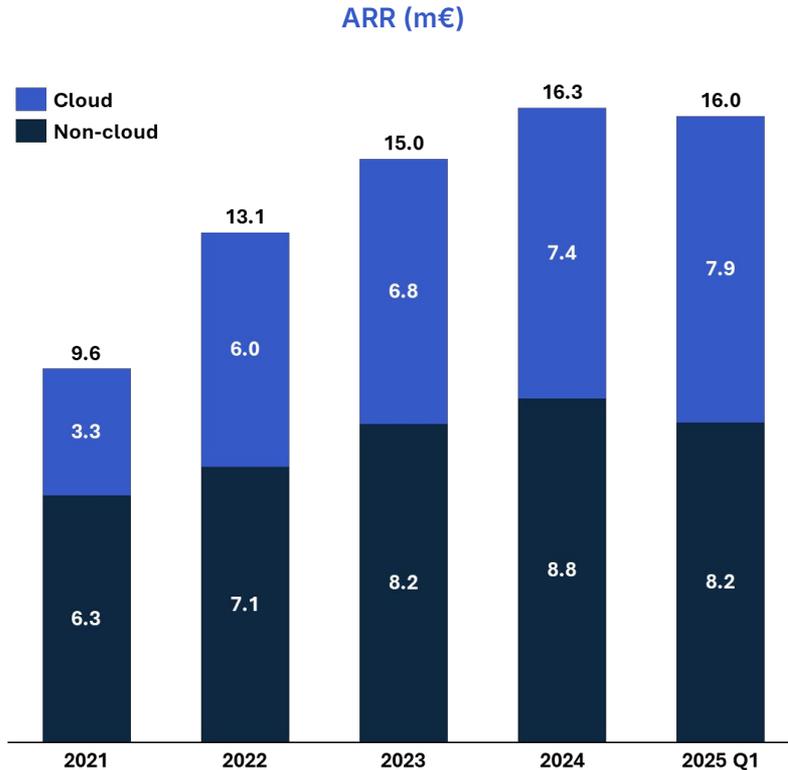


ARR (M€)



- Aspit was acquired in 2021 and EasyPractice in 2022
- Growth has been slow as we have focused our R&D efforts on Aspit migration, which will unlock €3M+ savings
- Once migration is completed (timing TBC), we will resume work on add-on and new country expansion
- Norway ARR decline in Q1 due to seasonality (Q1 typically peak)

# Therapy Migration is progressing in Norway



- Cloud share of ARR increased from 34% in 2021 to 49% in LTM 2025 Q1
- Churn for non-cloud was 3.7% in LTM 2025 Q1
- Full focus on Aspit migration in 2025



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# Financial Update

Alexander Cram, CFO



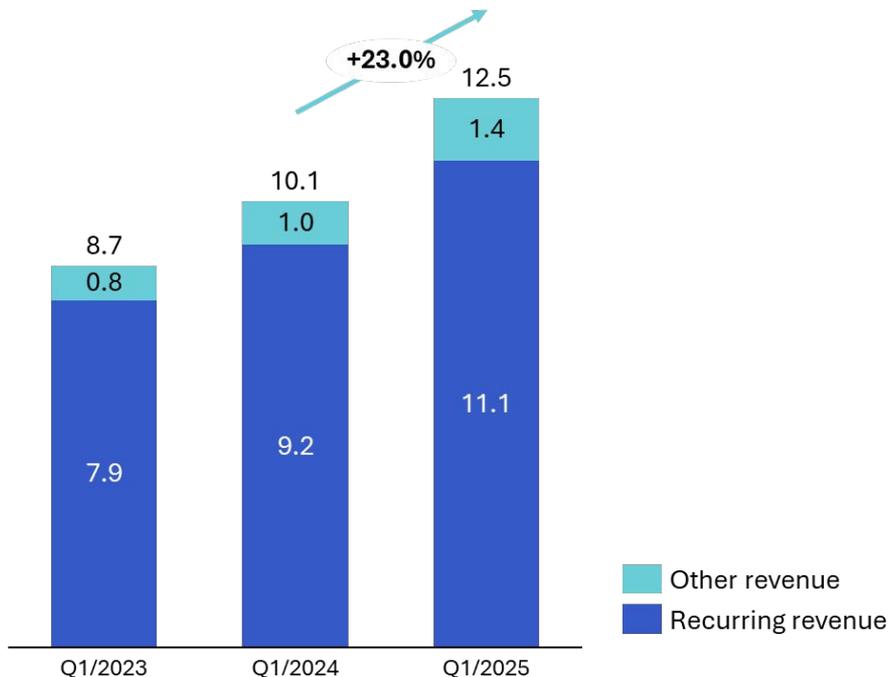
# Annual Report 2024

Published on 11 April 2025. Audited by KPMG.

Available to download on [company website](#).

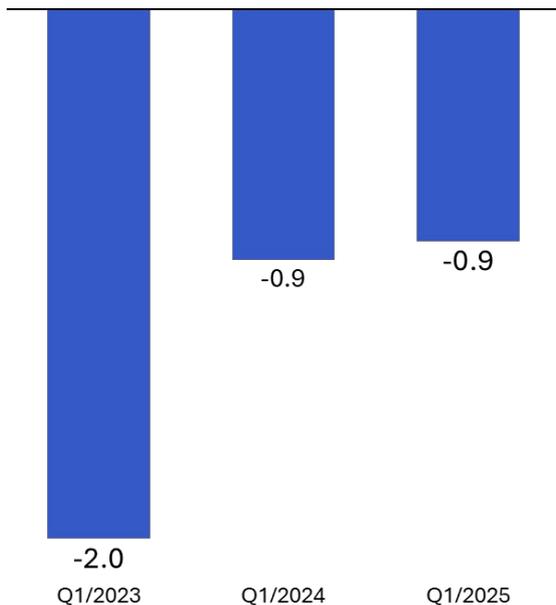


## 23.0% growth in total quarterly reported revenues YoY (€'M)



- Total reported revenues grew by 23.0% YoY to €12.5M in Q1/25 (€10.1M in Q1/24)
- Reported recurring revenues grew by 20.7% YoY to €11.1M in Q1/25 (€9.2M in Q1/24)
- Share of recurring revenue in Q1/25 was 88.6% (90.3% in Q1/24)

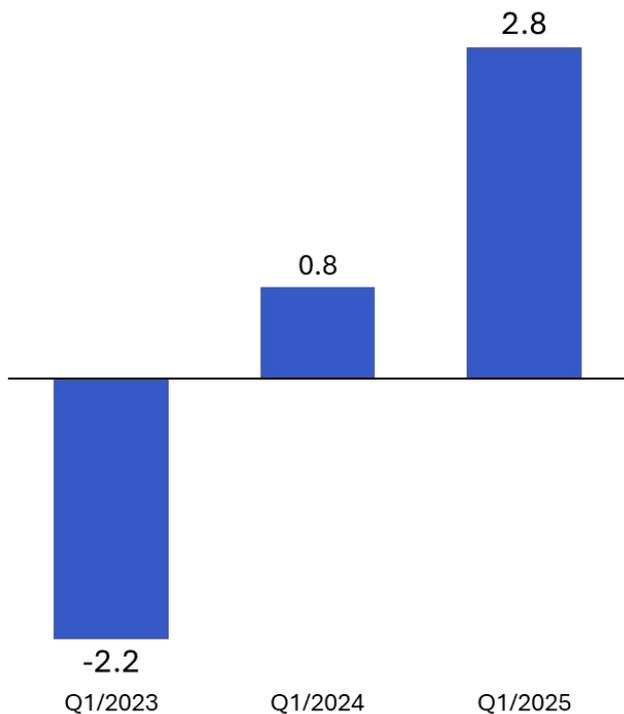
## Quarterly adj. EBITDA - CAPEX improved by €0.1M



Main drivers of result change Q1/25 vs Q1/24:

- Revenue (+€2.3M)
- COGS & customer service (€-0.7M)
- Product development (€-1.0M)
- Sales & marketing (€-0.2M)
- Professional services (€-0.2M)

## Quarterly adjusted cash flow improved YoY (€'M)



- Adjusted cash flow improved by €2.1M, from €0.8M in Q1/24 to €2.8M in Q1/25 mainly due to better improvements in trade debtors balance.
  - Movements in trade debtors in Q1/25 €1.9M favourable vs Q1/24. (Largest individual item is that in Q1/25 we received payment for a backlog of invoices from a large enterprise client, totalling €1.1M).
  - Other items €0.2M favourable

# Strong cash position and no debt



Balance sheet 31 March 2025 (€'M)



## Assets

- Cash, cash equivalents and money market funds amounted to €22.2M at the end of Q1/25 vs. EUR 22.8M at the end of Q1/24
- Intangible assets primarily consist of capitalised R&D expenses

## Liabilities and equity

- No interest bearing debt

# 2025 Guidance update



## Reiterating guidance:

- 12-17% organic growth in veterinary and therapy recurring revenue (Dec. 31st 2024 constant currency) excluding acquisitions
- EBITDA - CAPEX plus or minus €2M excluding acquisitions



# Financial calendar

Q2 2025 results presentation on 19 August 2025.

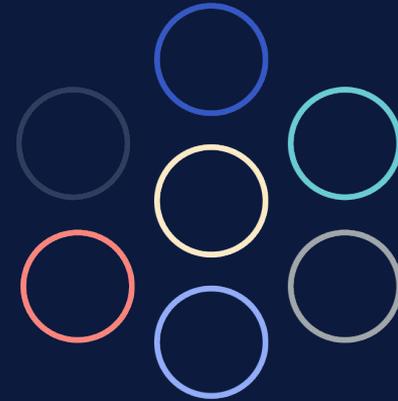
Full year financial calendar can be found on [company website](#).





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# Q&A



# Appendix





## Key definitions - 1/2

**Recurring revenue** includes revenues from software subscriptions as well as revenues from of volume-based transactions (e.g., SMS messages) as well as rebates from third parties (e.g. payment solution providers).

**ARR** is recurring revenue annualised by multiplying the quarter's last month recurring revenue by 12. Exchange rates used to calculate ARR are adjusted on an annual basis. Constant currency ARR growth rates are calculated by applying the end of the previous financial year-end exchange rates to all the presented periods' ARR. Unless otherwise stated, ARR refers to implemented ARR and is measured excluding "Other business" (please see definition below)

**Organic ARR growth** is calculated excluding acquisitions.

**Churn** is calculated so that gross churn is netted with reactivations of the old customers.

**EBITDA** is short for earnings before interest, taxes, depreciation and amortisation. EBITDA corresponds to the "operating income before depreciation, amortization and impairment" in the consolidated income statement in the report.

**EBITDA-CAPEX** is EBITDA minus the expenditures for capitalised development and any other capitalised expenditure.

**Adj. EBITDA - CAPEX** is EBITDA-CAPEX adjusted for one-time expenses not likely to incur in the near future to improve comparability of the underlying business performance between the periods.

**Adj. BU EBITDA - CAPEX** is adjusted EBITDA-CAPEX calculated for a Business Unit (veterinary or therapy) including group cost allocations, such as finance, central IT, and group management.



## Key definitions - 2/2

**Adjusted cash flow** is the sum of cash flow from operations and cash paid for capitalised expenses, adjusted for one-time expenses not likely to incur in the near future.

**Margins** are used to compare relative profit between periods. EBITDA margin and EBITDA - CAPEX margin are calculated as EBITDA or EBITDA - CAPEX divided by revenue.

**Organic revenue** is the revenue generated from the Company's customer base existing at the comparison period and excluding acquisitions incurred after the end of the comparison period.

**Other Business** includes Navisec and IT Operations businesses.

**New customer ARR** refers to the change in ARR vs comparison period, driven by the acquisition of new customers.

**Net upsell** is total change in ARR, subtracting new customer and churn ARR changes. This includes 'ARR expansion' (price increases, new clinics roll-out within existing clients, additional users within existing clients, or other new revenue streams) and 'ARR downgrade' (decreases in prices, clinics, numbers of users and other revenue streams within the existing set of customers).

# Profit & Loss statement



## Consolidated Income Statement

	Unaudited	Unaudited	Audited
EUR in thousands	Q1 2025	Q1 2024	FY 2024
Recurring revenue	11 057	9 159	40 196
Other revenue	1 424	988	5 479
<b>Total revenue</b>	<b>12 480</b>	<b>10 147</b>	<b>45 675</b>
Other operating income	2	37	137
<b>Total operating income</b>	<b>12 483</b>	<b>10 184</b>	<b>45 812</b>
Material and services	(2 129)	(1 411)	(6 649)
Personnel expenses	(6 741)	(6 041)	(23 361)
Other operating expenses	(3 422)	(2 723)	(12 714)
<b>Total operating expenses</b>	<b>(12 292)</b>	<b>(10 175)</b>	<b>(42 723)</b>
<b>EBITDA</b>	<b>191</b>	<b>9</b>	<b>3 088</b>
Depreciation and amortization	(1 168)	(1 089)	(4 502)
Amortization of goodwill	(1 581)	(1 608)	(6 312)
Total depreciation and amortization	(2 749)	(2 697)	(10 814)
<b>Operating profit (EBIT)</b>	<b>(2 558)</b>	<b>(2 688)</b>	<b>(7 726)</b>
Other financial income	122	394	1 485
Interest expenses	(0)	(1)	(37)
Other financial expenses	(239)	(53)	(358)
<b>Total financial income and expense</b>	<b>(118)</b>	<b>340</b>	<b>1 089</b>
<b>Profit (loss) before tax</b>	<b>(2 675)</b>	<b>(2 348)</b>	<b>(6 637)</b>
Taxes	(145)	(120)	(1 036)
<b>Net profit (loss)</b>	<b>(2 820)</b>	<b>(2 468)</b>	<b>(7 674)</b>
Adjustments to EBITDA	219	311	582
<b>Adjusted EBITDA</b>	<b>410</b>	<b>319</b>	<b>3 671</b>
Adjusted EBITDA Margin %	3.3 %	3.1 %	8.0 %
EBITDA - CAPEX	(1 075)	(1 237)	(1 800)
<b>Adj. EBITDA-CAPEX</b>	<b>(856)</b>	<b>(927)</b>	<b>(1 217)</b>
Adj. EBITDA-CAPEX Margin %	-6.9 %	-9.1 %	-2.7 %

# Balance Sheet



Consolidated Balance Sheet			
	Unaudited	Unaudited	Audited
EUR in thousands	31-Mar-25	31-Mar-24	31-Dec-24
Intangible assets	13 425	12 756	13 267
Deferred tax assets	87	526	84
Other capitalized long-term expenses	29	92	35
Goodwill	40 579	46 265	41 381
Machinery and Equipment	297	445	297
Other shares and similar rights of ownership	643	643	643
Loan receivables, long-term	92	140	33
<b>Total non-current assets</b>	<b>55 151</b>	<b>60 867</b>	<b>55 739</b>
Accounts receivable	5 260	6 273	5 778
Other receivables	915	1 402	706
Prepayments and accrued income	1 192	1 033	1 119
Money market funds	14 894	16 299	15 527
Cash at bank and in hand	7 356	6 537	4 095
<b>Total current assets</b>	<b>29 616</b>	<b>31 544</b>	<b>27 225</b>
<b>Total assets</b>	<b>84 768</b>	<b>92 411</b>	<b>82 964</b>
<b>Total equity</b>	<b>72 026</b>	<b>78 819</b>	<b>73 632</b>
Other non-current liabilities	246	412	233
<b>Total non-current liabilities</b>	<b>246</b>	<b>412</b>	<b>233</b>
Deferred revenue	3 915	4 037	1 294
Accounts payable	1 133	1 536	1 534
Other current liabilities	2 046	2 094	1 646
Accrued expenses and deferred income	5 402	5 513	4 624
<b>Total current liabilities</b>	<b>12 496</b>	<b>13 180</b>	<b>9 098</b>
<b>Total equity and liabilities</b>	<b>84 768</b>	<b>92 411</b>	<b>82 964</b>

# Cashflow



## Consolidated Cash Flow Statement

	Unaudited	Unaudited	Audited
EUR in thousands	Q1 2025	Q1 2024	FY 2024
<b>Cash flow from operations</b>			
Profit before income taxes	(2 675)	(2 348)	(6 637)
Taxes paid in the period	(129)	(27)	(124)
Other non-cash items	758	183	(1 132)
Depreciation and amortization	2 749	2 697	10 814
Change in trade debtors	518	(1 377)	(881)
Change in trade creditors	(400)	5	3
Change in deferred revenue	2 621	3 051	308
Change in other provisions	492	(311)	(502)
<b>Net cash flow from operations</b>	<b>3 933</b>	<b>1 873</b>	<b>1 848</b>
<b>Cash flow from investments</b>			
Investments in tangible and intangible assets	(1 317)	(1 328)	(5 020)
Purchase of shares and investments	-	-	-
Proceeds from/(investments in) money market funds	695	1 000	2 250
<b>Net cash flow from investments</b>	<b>(622)</b>	<b>(329)</b>	<b>(2 770)</b>
<b>Cash flow from financing</b>			
Change in debt	-	-	-
Purchase of treasury shares	-	-	-
<b>Net cash flow from financing</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in cash and cash equivalents	3 311	1 544	(922)
Cash and cash equiv. at the beginning of the period	4 095	5 052	5 052
Translation difference	(49)	(60)	(35)
<b>Cash and cash equiv. at the end of the period</b>	<b>7 356</b>	<b>6 537</b>	<b>4 095</b>
<b>Money market fund</b>	<b>14 894</b>	<b>16 299</b>	<b>15 527</b>

# Business Segments



	🐾 Veterinary		🧑 Therapy		Other Businesses	
	Cloud	Non-Cloud	Cloud	Non-Cloud	Cloud	Non-Cloud
Products	Provet Provet Pay	Vetera (DACH) Sanimalis (Norway) Provet Net (Finland) Vetvision (Denmark)	EasyPractice Diarium Booking Portal	Physica Psykbase	Navisec	IT Operations
Share of ARR	47%	13%	18%	19%	2%	1%

# Strong organic growth accelerated by acquisition and migration strategy



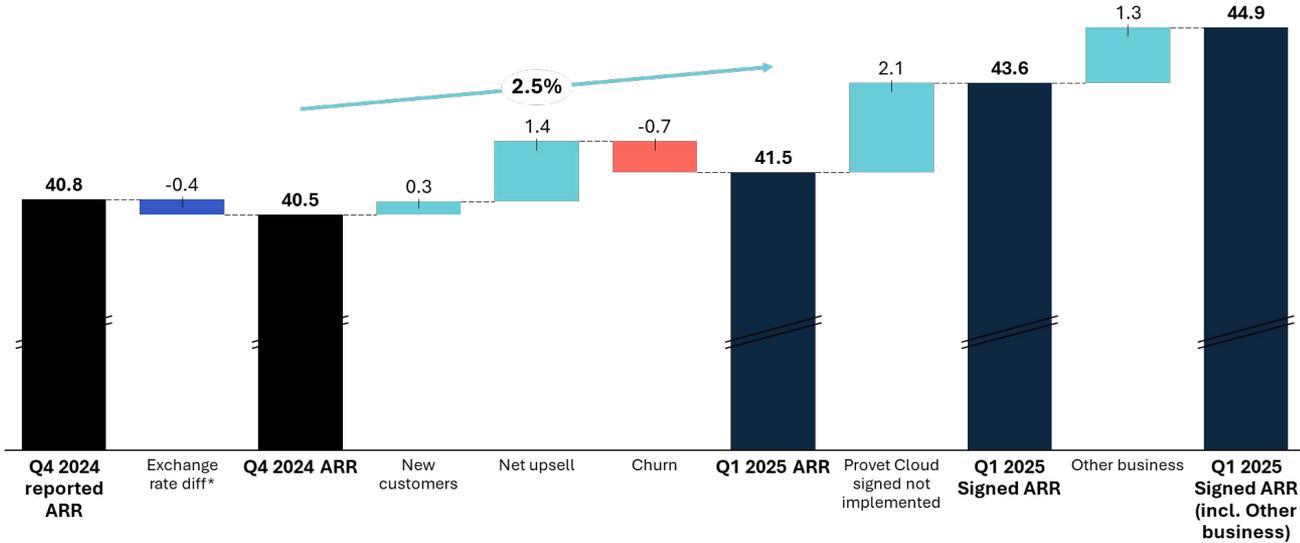
9 acquisitions completed since 2005, 4 in last 5 years



# Nordhealth - QoQ ARR growth



ARR (M€)



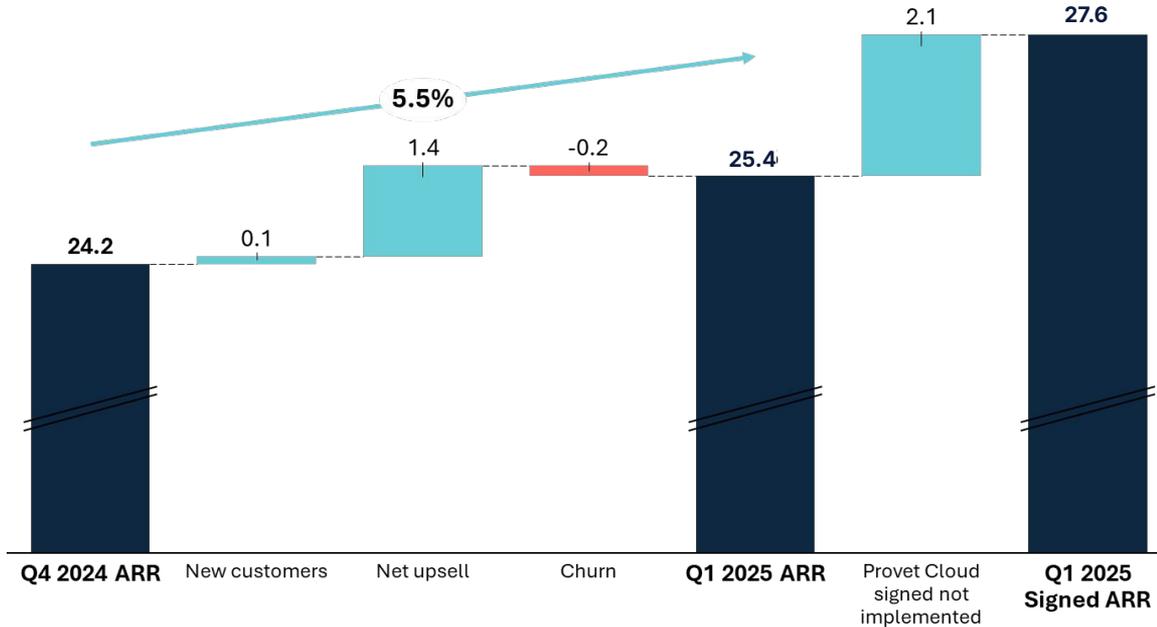
- QoQ ARR growth was 2.5%
- 2025 Q1 Annualised churn rate was 7.3%

\*) Exchange rate difference impact between 2023 and 2024 year end currency rates. Negative impact was mainly related to weakening of NOK vs EUR.

# Veterinary - QoQ ARR growth



ARR (M€)



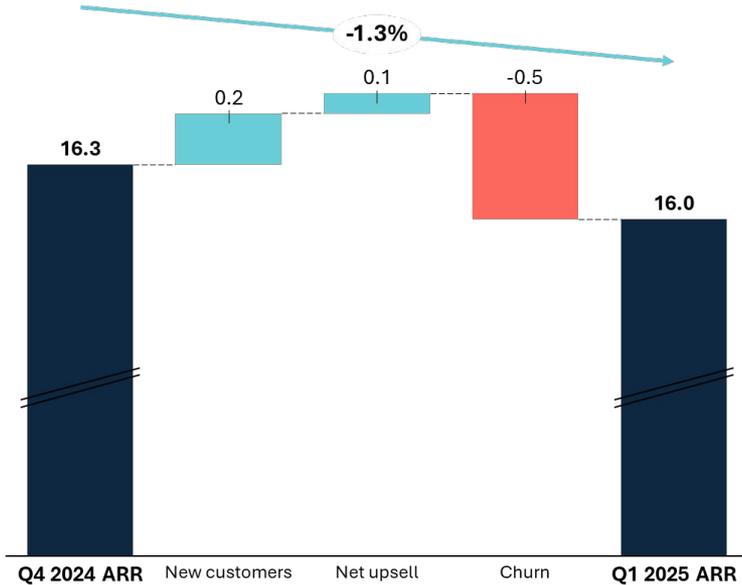
- QoQ ARR growth was 5.5%
- Increase in net upsell was driven by enterprise customers and annual price increases

Reported in constant currency (using year 2024 end currency rates).

# Therapy - QoQ ARR growth



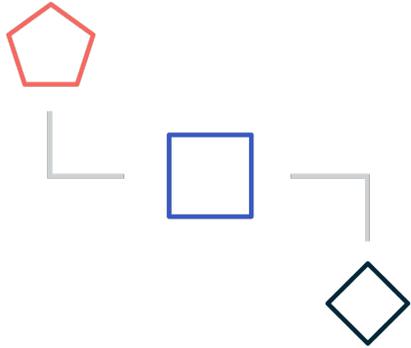
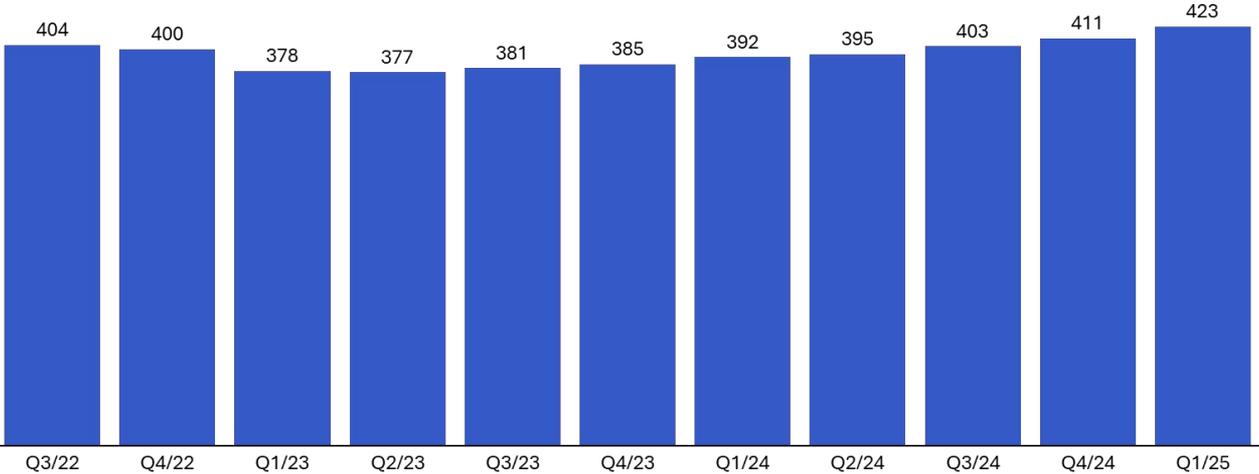
ARR (M€)



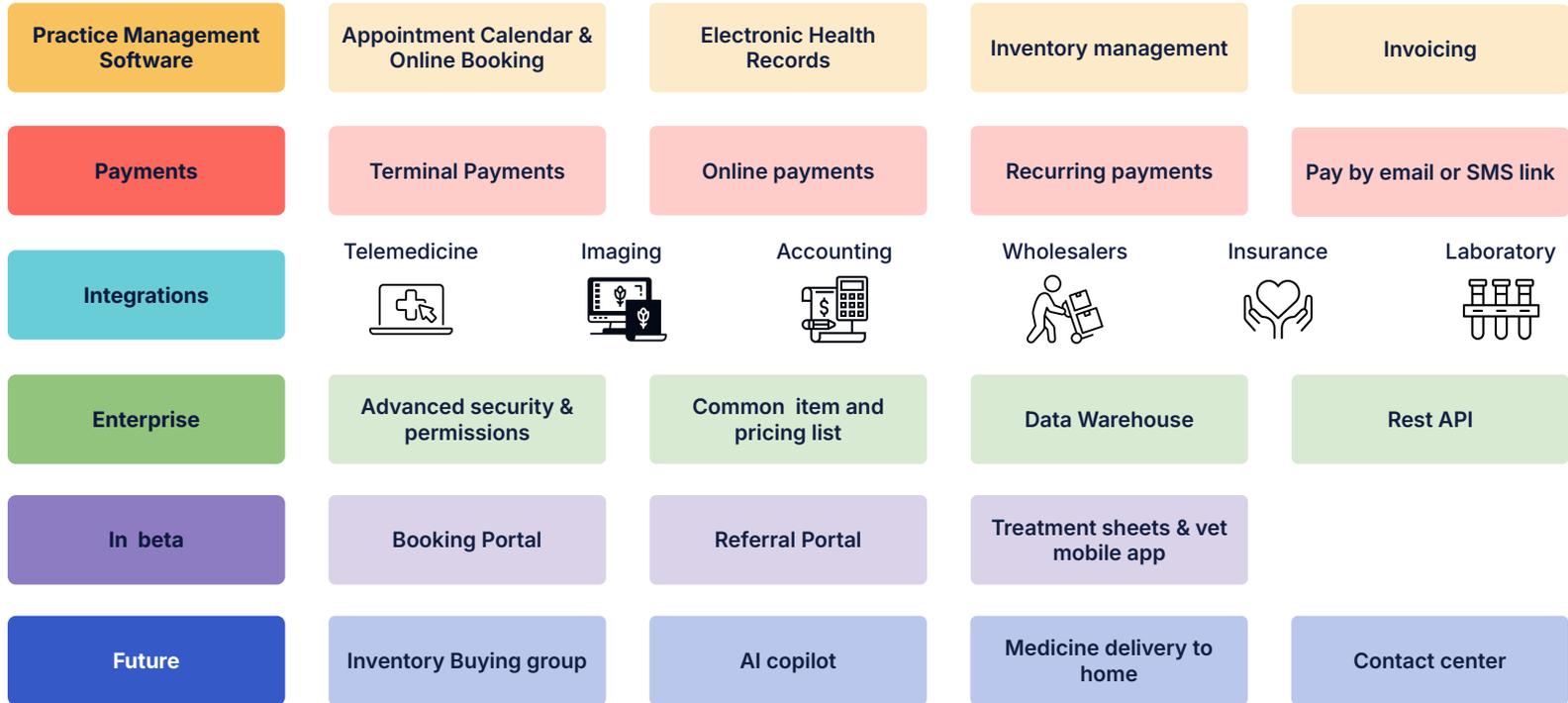
- QoQ ARR growth was -1.3%
- 2025 Q1 Annualised churn was 11.8% due to price increases and contract renewals that happen in January. We estimate that churn rate will return back to normal level in Q2.

Reported in constant currency (using year 2024 end currency rates).

# Headcount development



# Expanded product offering to solve additional customer pain points



Note: (1) Representational state transfer application program interface