

Q4 2024 presentation

4 March 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**



01

Company Update

Charles MacBain, CEO



Q4 2024 KPIs



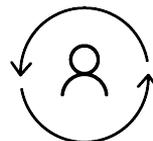
20.5%
Organic ARR growth¹

YoY Q4 2024



113.0%
Net retention rate

LTM Q4 2024



5.1%
Churn²

LTM Q4 2024



0.7
CAC / new ARR

LTM Q4 2024



19.6 LTV / CAC

LTM Q4 2024



€42.3M
Implemented ARR

December 2024 Annualised



€44.3M
Signed ARR

Q4 2024



€0.53
ARR per share³

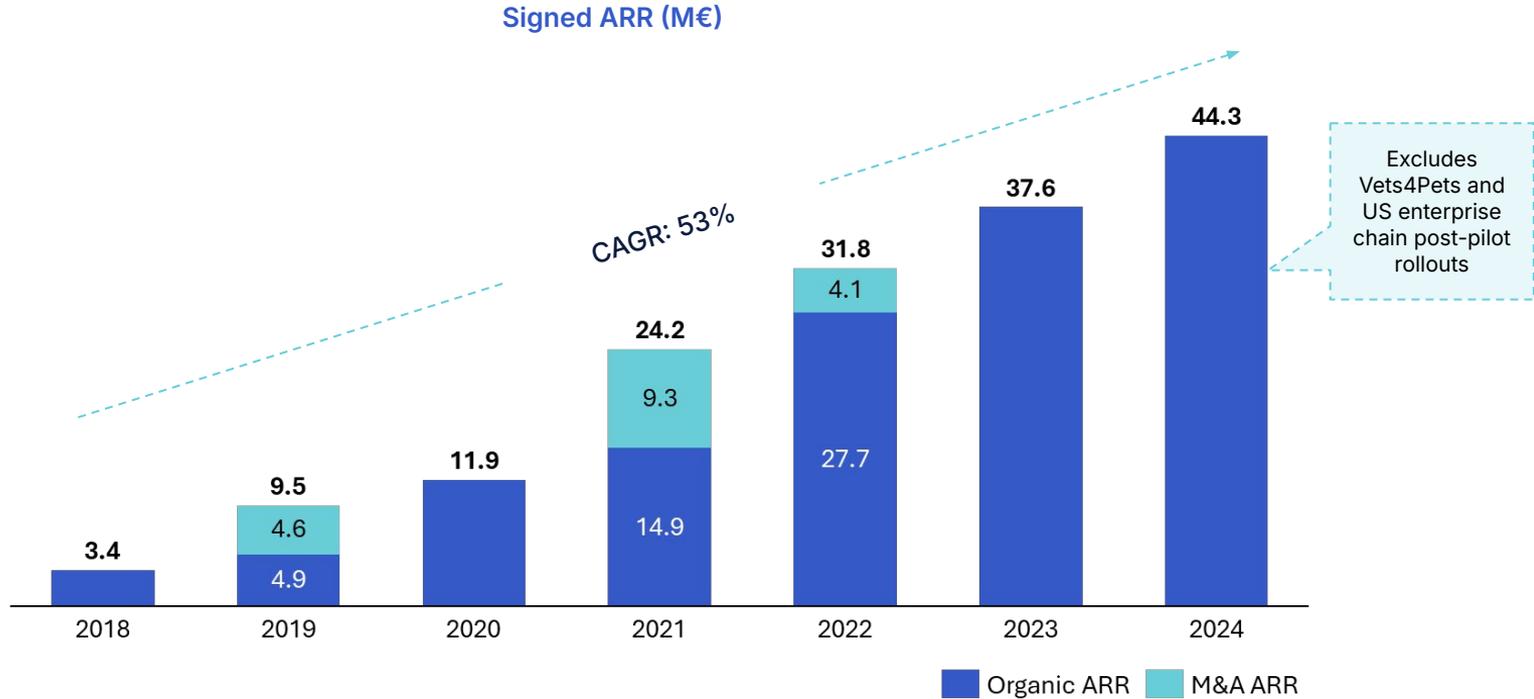
Q4 2024 Annualised

1. Organic ARR growth excludes Other Business (non-healthcare software businesses). Including Other Business Churn would have been also 5.3% and Organic ARR growth would have been 18.7%.

2. Churn includes reactivation and Churn

3. Calculated based on number of outstanding shares ie excluding treasury shares

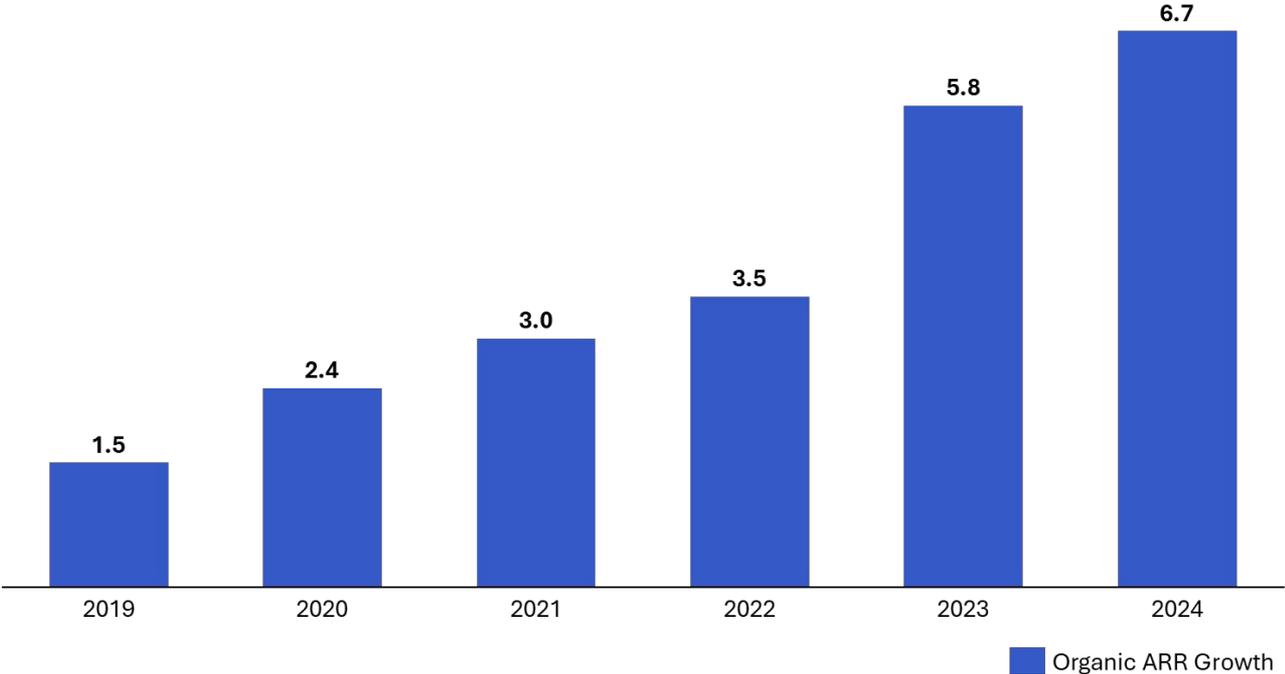
53% organic and acquisition-led growth CAGR since 2018



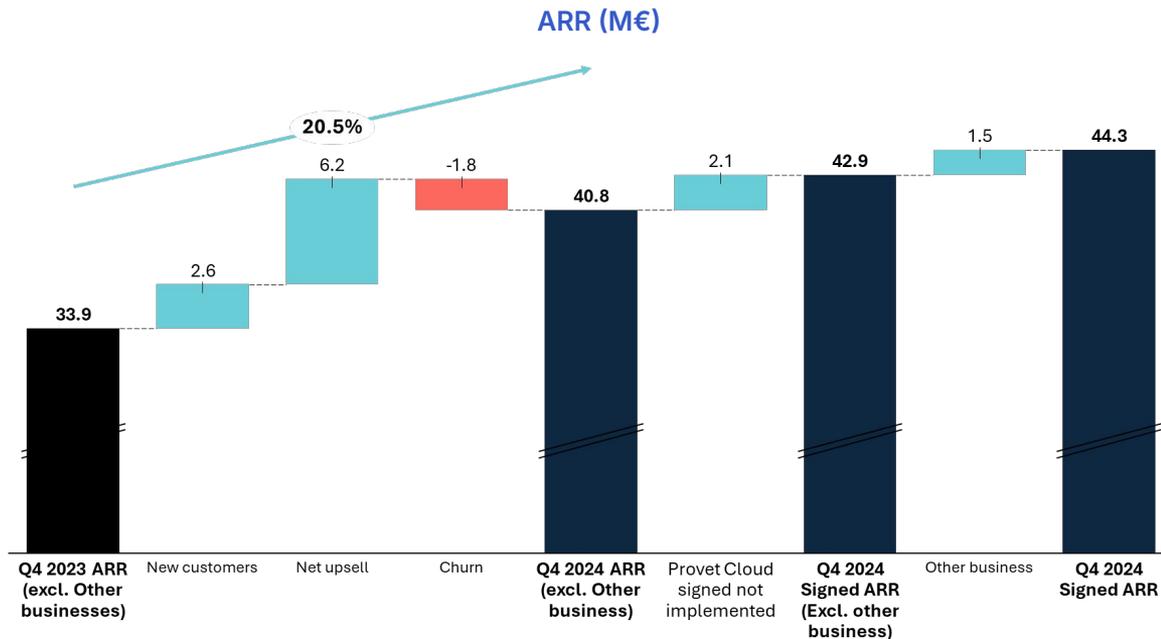
Organic ARR growth is accelerating



YoY Change in Signed ARR (M€)



20.5% YoY implemented ARR growth



- Implemented ARR excluding other businesses grew 20.5% YoY
- Net upsell primarily driven by CVS implementation and other Provet Cloud ARPU and user growth
- 5.1% ARR churn was impacted by sunset of Provet Win and Vetserve products. Excluding these, churn would have been 4.1%
- Vets4Pets or US enterprise post-pilot rollout ARR not included in the waterfall

Reported in constant currency (using year 2023 end currency rates).

Provet Cloud Signed but not implemented ARR in Q4/23 was €2.0M.

20% ROI on investments in CAC, R&D and acquisitions in the last 3 years



m€	2021	2022	2023	2024	Over 3 years
Recurring revenue	16.8	27.3	31.2	37.4	
<i>YoY Growth</i>		62%	14%	20%	
Contribution margin	2.1	5.9	9.4	14.8	
<i>YoY Growth</i>		184%	57%	58%	
<i>out of recurring revenue</i>	12%	22%	30%	39%	
Total investment		-25.5	-23.7	-15.4	-64.6
Previous year CAC + R&D		-7.0	-19.7	-15.4	
Acquisitions		-18.5	-4.0	0.0	
Change in Contribution Margin		3.8	3.4	5.4	12.7
ROI on CAC + R&D + Acquisitions		15%	14%	35%	20%

- Contribution Margin = Recurring Revenue - COGS - Customer Service - Maintenance R&D (for legacy products) - G&A costs
- Total investment = Acquisitions + previous year CAC + R&D
- ROI = Change in Contribution Margin / Total investment
- Other business has been excluded from the calculation

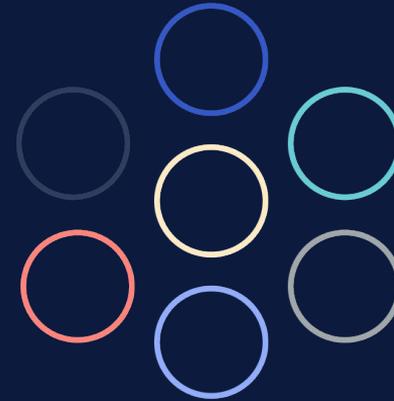
2021 numbers are management best estimate.



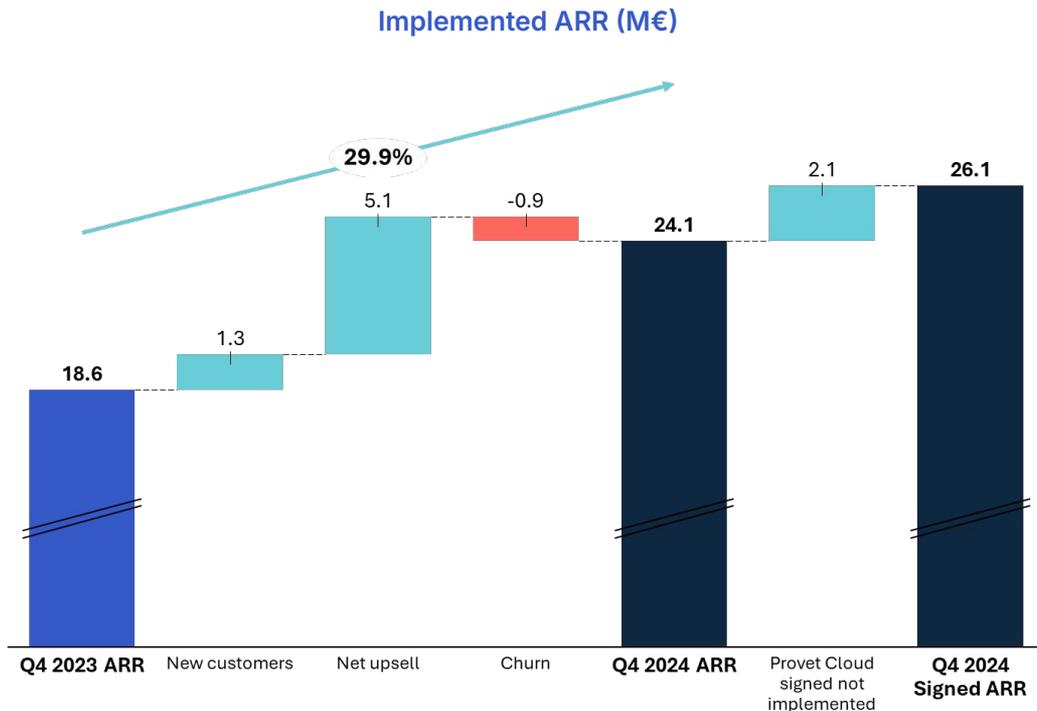
02

Veterinary Update

Charles MacBain, CEO



29.9% YoY Veterinary implemented ARR growth



- Implemented ARR grew 29.9% YoY
- Net retention rate 122.7%, primarily driven by implemented new clinics for CVS and other enterprise clients
- 4.8% ARR churn was impacted by sunset of Provet Win and Vetserve products. Excluding these, churn would have been 2.9%
- Vets4Pets or US enterprise post-pilot rollout ARR not included in the waterfall

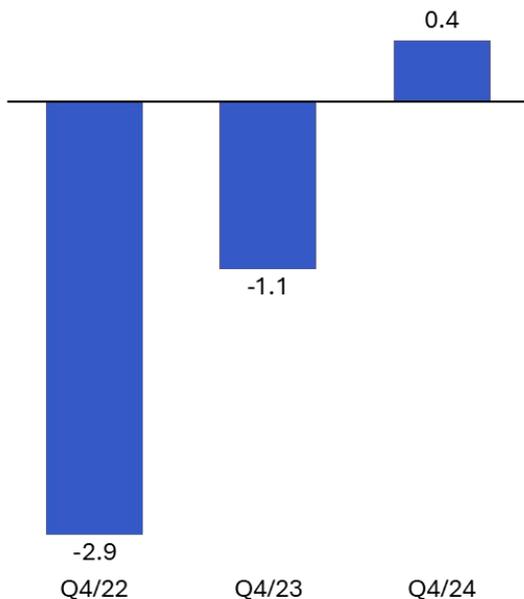
Reported in constant currency (using year 2023 end currency rates).

Provet Cloud Signed but not implemented ARR in Q4/23 was €2.0M.

Adjusted Veterinary BU EBITDA - CAPEX improved by €1.6M YoY



Veterinary BU EBITDA - CAPEX (m€)

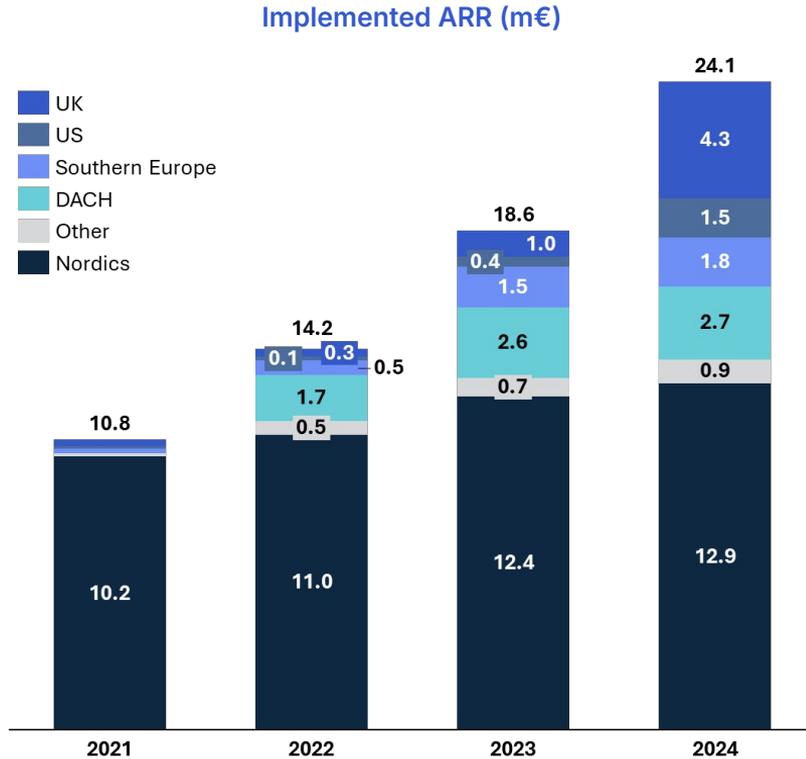


Main drivers of improvement Q4/24 vs Q4/23:

- Recurring revenue growth (+€1.4M)
- Professional services revenue (+€0.3M)
- Net increase in product development costs (€-0.5M)
- Net decrease in other costs (+€0.4M)
- Restructuring costs omitted (€0.1M in Q4/2024, €0.1M in Q4/2023, and €0.2M in Q4/2022)

*) Excluding group cost allocations.

Veterinary growth propelled by international expansion

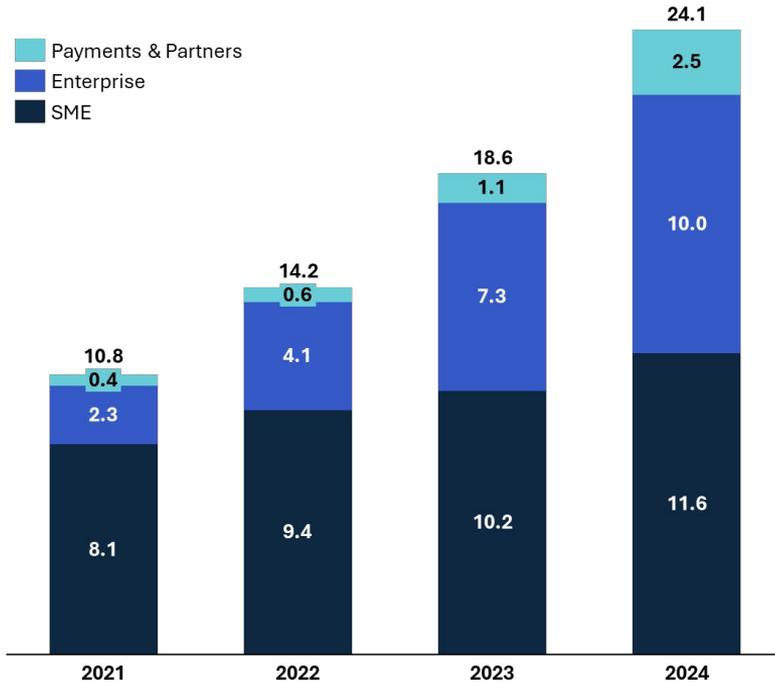


- 46% of ARR at the end of Dec. 2024 came from outside Nordics vs. 6% in Dec. 2021
- 32% of ARR at the end of Dec. 2024 came from Growth Markets (US, UK, Southern Europe)
- 2021-2024 Growth Markets CAGR was 148%
- 90% of the €2.1 million signed but not yet implemented ARR comes from Growth markets

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

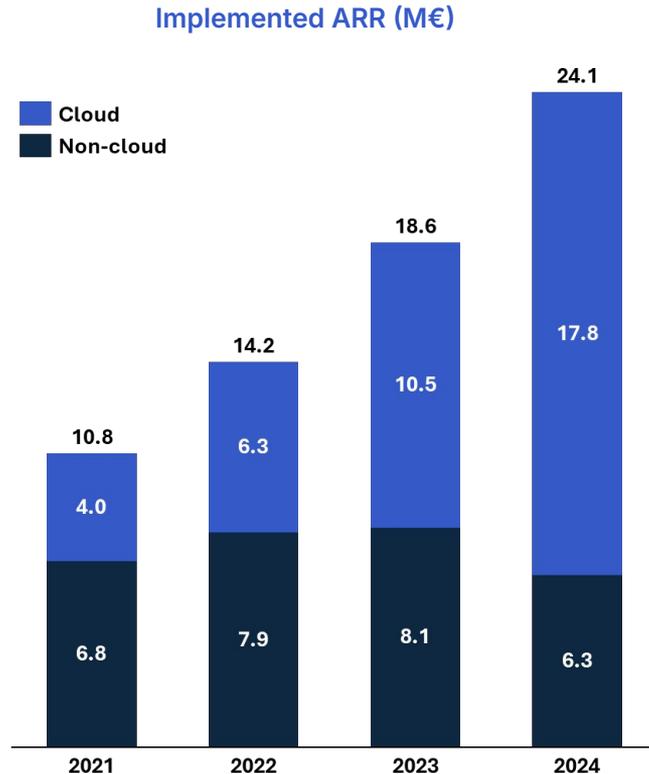


Implemented ARR (m€)



- The veterinary market has consolidated in the Nordics and UK and is currently consolidating in Southern Europe and US. We are well positioned to take advantage of this trend.
- In 2021, we were the #1 provider of PMS to enterprise in the Nordics
- In 2024, we are the #1 provider of PMS to enterprise in Europe
- Enterprise share of total ARR has grown from 21% in 2021 to 41% in 2024
- 57% of ARR growth in last 3 years has come from enterprise clients.
- Despite focus on enterprise, our customer concentration remains low with our top 3 customers composing 21% of ARR

Veterinary Migration to Cloud Progress



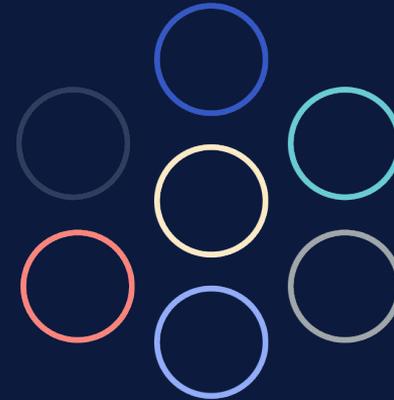
- Cloud share of ARR increased from 37% in 2021 to 74% in 2024
- 1.0 m€ ARR was migrated during 2024
- Churn rate for non-cloud was 9.0% in 2024
- Vetserve and Provet Win were sunset in 2024
- We are working on migrating Provet Net (Finland), Sanimalis (Norway) and VetVision (Denmark)



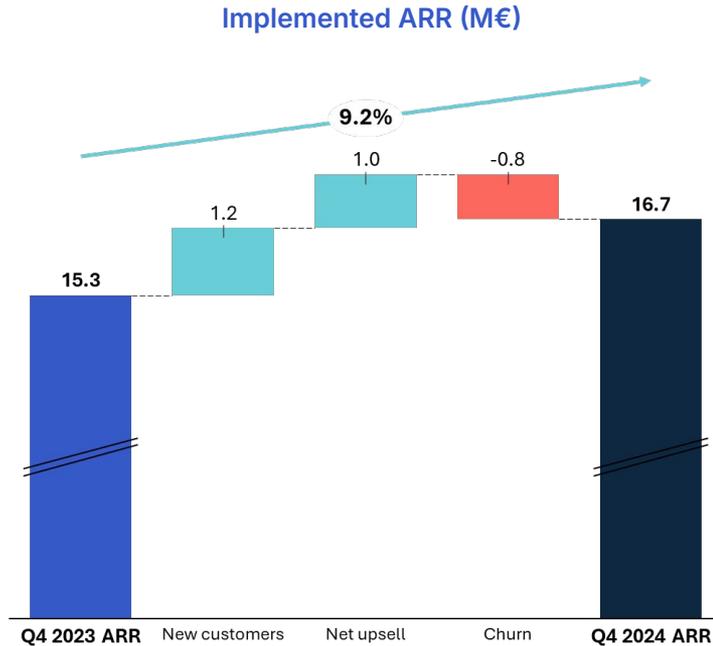
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Therapy Update

Charles MacBain, CEO



9.2% YoY therapy implemented ARR growth



- ARR growth at 9.2% YoY
- Net retention rate (including price increases) 101.1%
- Churn was 5.4% in 2024 vs. 7.8% in 2023

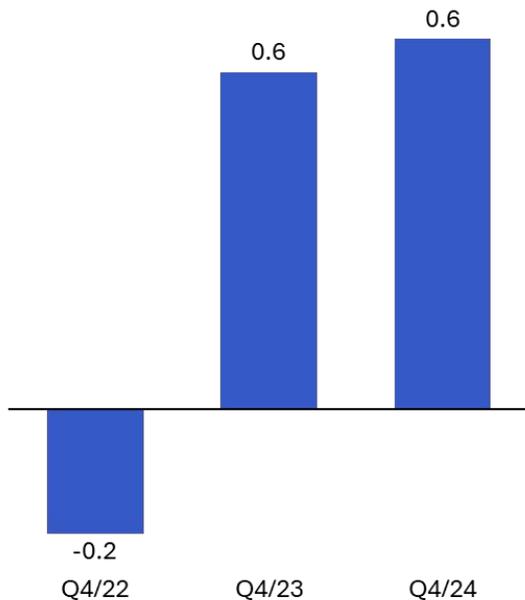
Reported in constant currency (using year 2023 end currency rates).

Q4 2023 ARR has been revised to exclude "Other Business".

Adjusted Therapy BU EBITDA - CAPEX remained positive in 2024



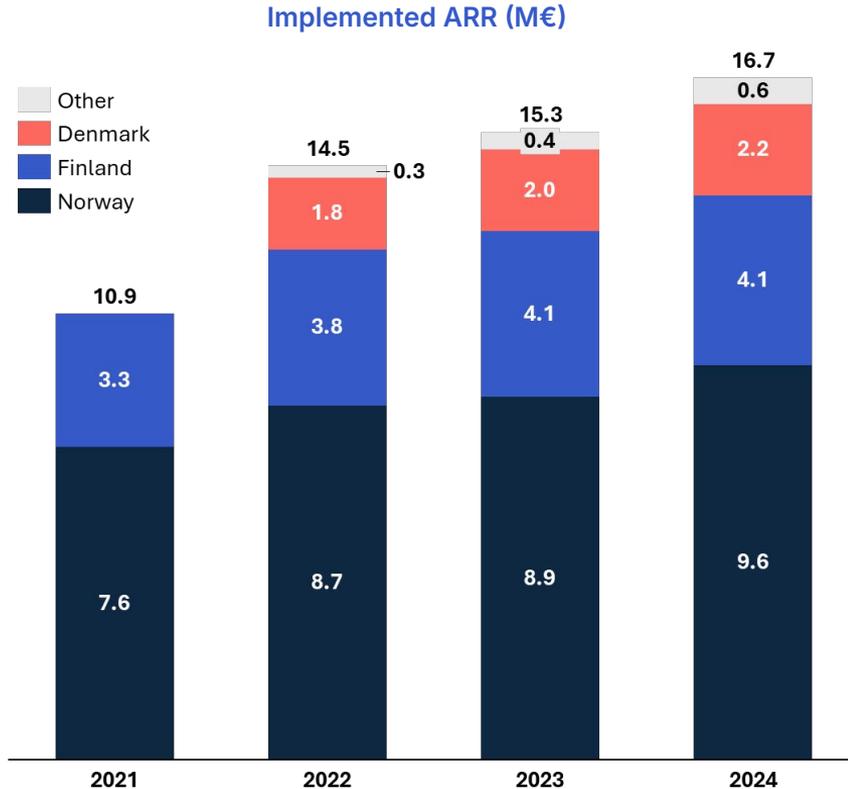
Therapy BU EBITDA - CAPEX (M€)



Main drivers of result improvement Q4/24 vs Q4/23:

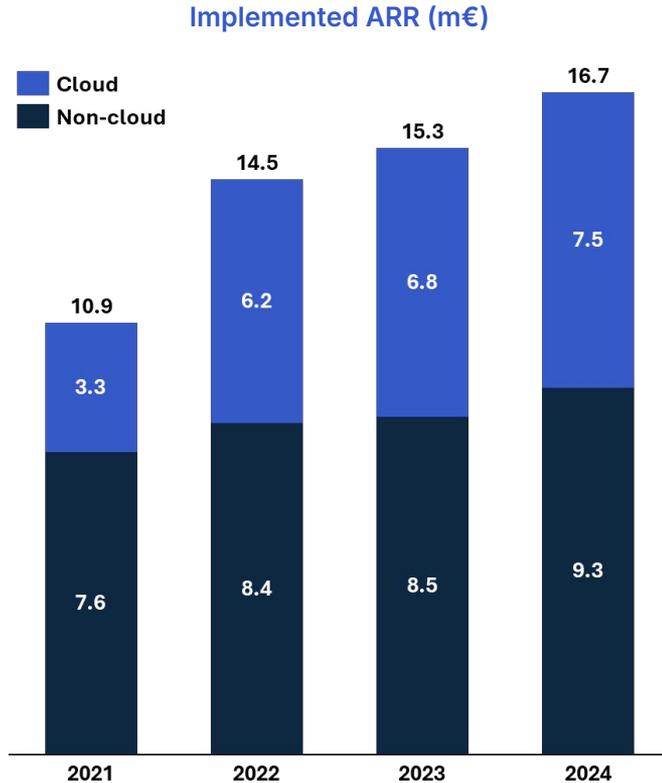
- Recurring revenue growth (+€0.4M)
- Net increase in product development costs (€-0.4M)
- Net decrease in other costs (+€0.1M)
- Restructuring costs omitted (€0.4M in Q4/2022)

Therapy ARR development by market



- Aspit was acquired in 2021
- EasyPractice acquired 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

Therapy Migration is progressing in Norway



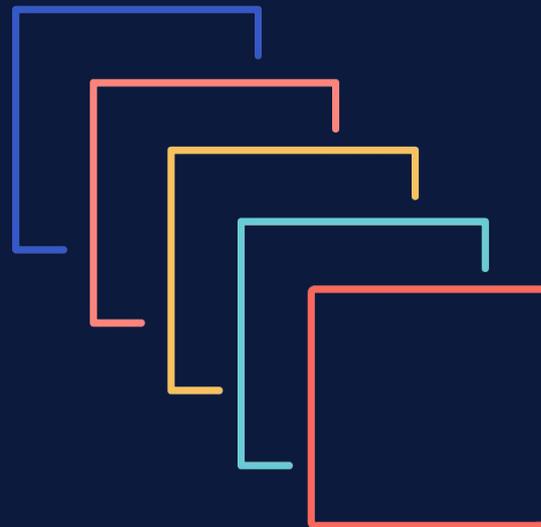
- Cloud share of ARR increased from 30% in 2021 to 45% in 2024
- 0.1 m€ ARR was migrated in 2024
- Churn for non-cloud was 2.5% in 2024
- Full focus on Aspit migration in 2025



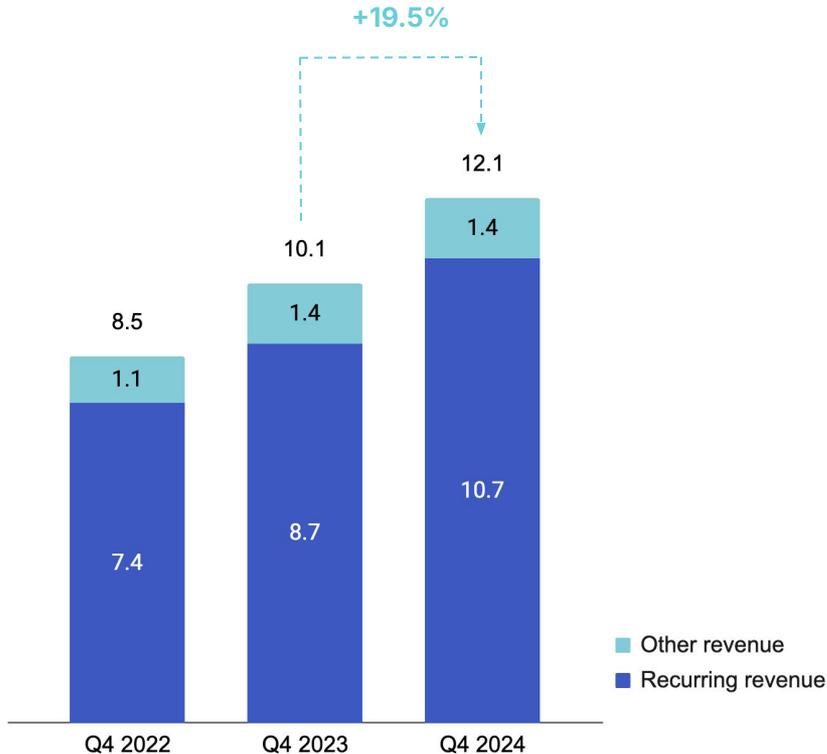
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Financial Update

Alexander Cram, CFO

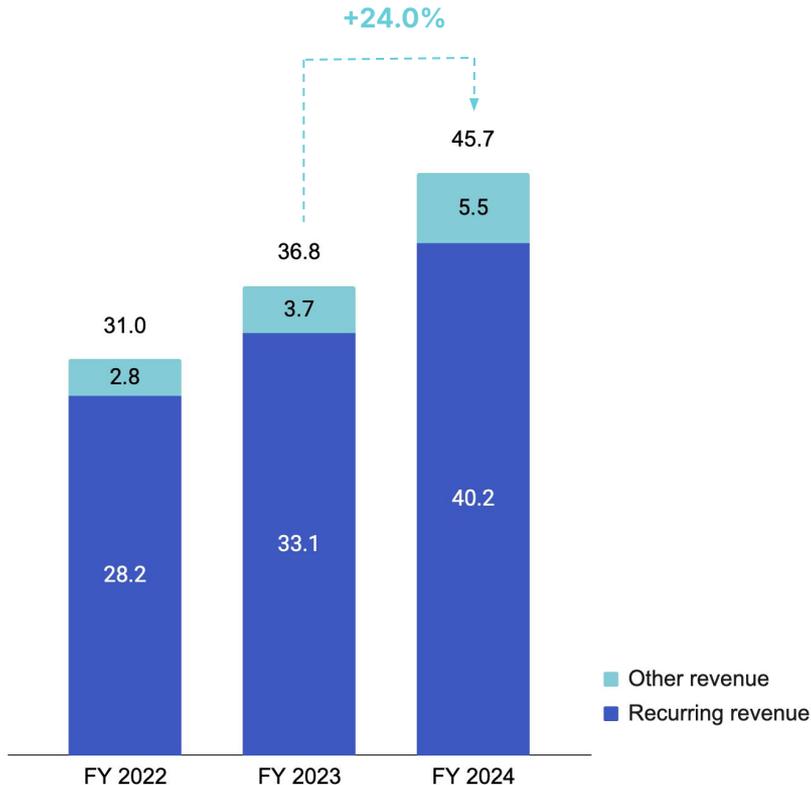


19.5% growth in total quarterly reported revenues YoY (€'M)



- Total reported revenues grew by 19.5% YoY to €12.1M in Q4/24 (€10.1M in Q4/23)
- Reported recurring revenues grew by 22.4% YoY to €10.7M in Q4/24 (€8.7M)
- Share of recurring revenue in Q4/24 was 88.5% (86.4% in Q4/23)

24.0% growth in total annual reported revenues YoY (€'M)

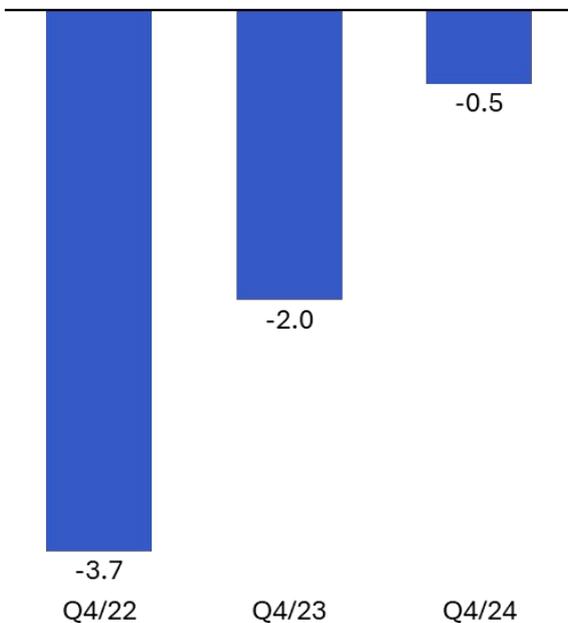


- Total reported revenues grew by 24.0% YoY to €45.7M in FY 2024 (€36.8M in FY 2023)
- Reported recurring revenues grew by 21.5% YoY to €40.2M in FY 2024 (€33.1M in FY 2023)
- Share of recurring revenue in 2024 was 88.0% (89.8% in 2023)

Quarterly Adjusted EBITDA - CAPEX improved by €1.5M



Adjusted EBITDA - CAPEX, M€



Drivers of result improvement Q4/24 vs Q4/23:

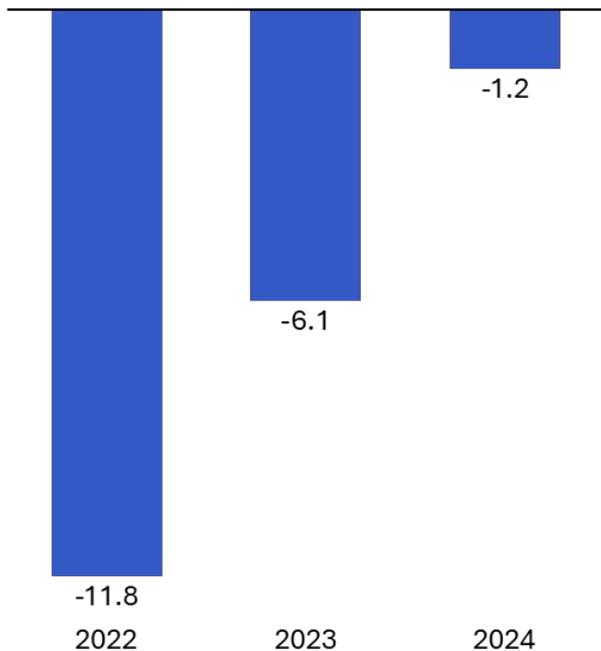
- Revenue (+€2.0M)
- Increase in product development costs (€-0.6M)

Adjusted EBITDA - CAPEX adjusted for restructuring and other one-off items (€0.1M in Q4/24, €0.2M in Q4/23, and €0.5M in Q4/22).

Annual Adjusted EBITDA - CAPEX improved by €4.9M YoY



EBITDA - CAPEX (adjusted), M€

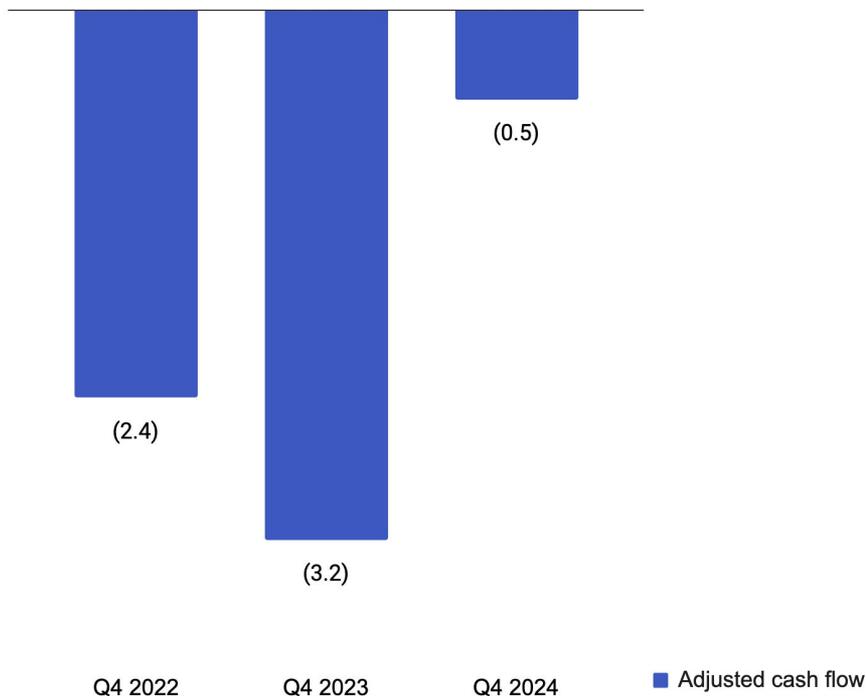


Drivers of result improvement 2024 vs 2023:

- Recurring revenue (+€7.1M)
- Other revenue (+€1.7M)
- Increase in product development costs (€-2.7M)
- Increase in other costs (€-1.2M)

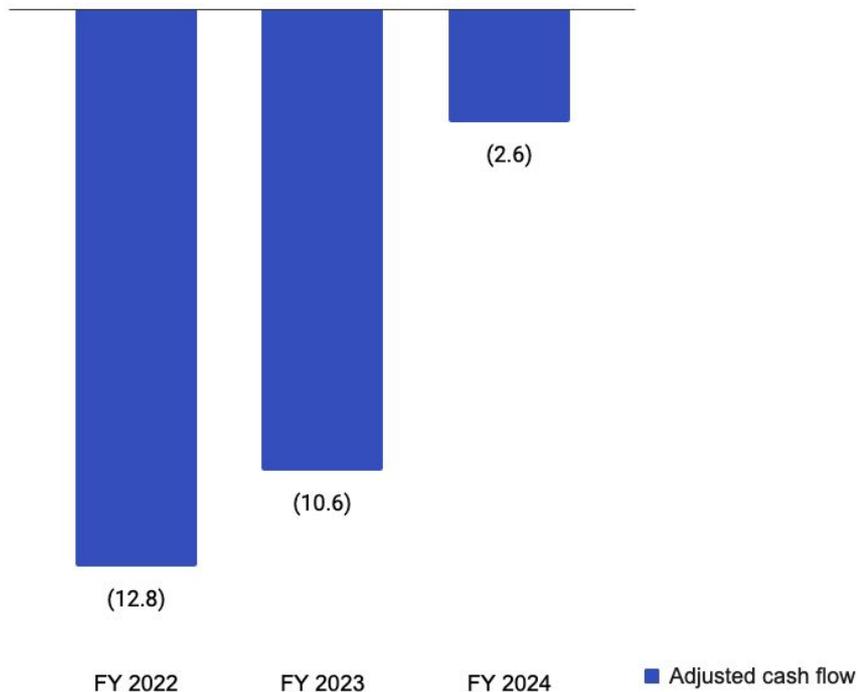
Adjusted EBITDA - CAPEX adjusted for restructuring and other one-off items (€0.6M in 2024, €0.5M in 2023, and €0.5M in 2023).

Quarterly adjusted cash flow improving steadily YoY (€'M)



- Adjusted cash flow improved by €2.7M, from -€3.2M in Q4/23 to -€0.5M in Q4/24 mainly due to:
 - Improvement in profitability by €1.3M.
 - Better improvements in trade debtors balance i.e. 'cash collection', by €0.8M.
 - Other working capital changes €0.6M.
- Adjusted cash flow is 'cash flow from operations' excluding non-recurring items and CAPEX.

Annual adjusted cash flow improving steadily YoY (€'M)



- Adjusted cash flow improved by €8.0M, from -€10.6M in FY 2023 to -€2.6M in FY 2024 mainly due to:
 - Improvement in profitability by €4.2M
 - One-off adverse working capital change of €3.8M in 2023. Clients received reduced upfront billing terms, in exchange for price increases above inflation.
- Adjusted cash flow is 'cash flow from operations' excluding non-recurring items and CAPEX.

Strong cash position and no debt



Balance sheet 31 December 2024 (€'M)



Assets

- Cash, cash equivalents and money market funds amounted to €19.6M at the end of Q4/24 vs. EUR 22.2M at the end of Q4/23
- Intangible assets primarily consist of capitalised R&D expenses

Liabilities and equity

- No interest bearing debt

Looking ahead to 2025



Veterinary

- Complete CVS rollout
- Pilot success and begin implementing signed enterprise customers in UK and US
- Sign new enterprise customers

Therapy

- Migrate majority of Aspit customers to unified platform
- Launch AI dictation and clinical notes in 2025



Guidance update



2024 Update

- Recurring revenue grew 21.8% in 2024 vs. 2023 (Dec. 31st 2023 constant currency), the top end of our guidance
- Adjusted EBITDA - CAPEX improved from -€6.1M in 2023 to -€1.2M in 2024

2025 Guidance Update Veterinary and Therapy

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



Financial calendar

Q1 2025 results presentation on 13 May 2025.

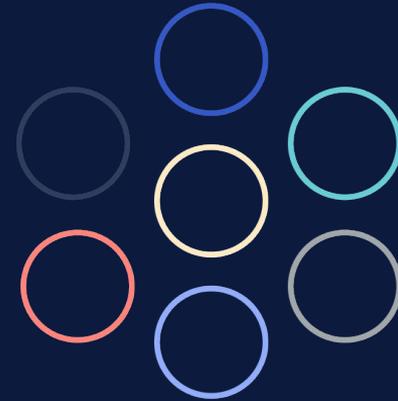
Full year financial calendar can be found on [company website](#).





05

Q&A



Appendix



Profit & Loss statement



Consolidated Income Statement

	Unaudited	Unaudited	Unaudited	Audited
EUR in thousands	Q4 2024	Q4 2023	FY 2024	FY 2023
Recurring revenue	10 712	8 749	40 196	33 085
Other revenue	1 393	1 379	5 479	3 740
Total revenue	12 104	10 128	45 675	36 825
Other operating income	35	41	137	102
Total operating income	12 140	10 169	45 812	36 927
Material and services	(1 874)	(1 390)	(6 649)	(5 171)
Personnel expenses	(5 848)	(6 562)	(23 361)	(22 490)
Other operating expenses	(3 892)	(3 164)	(12 714)	(10 514)
Total operating expenses	(11 614)	(11 116)	(42 723)	(38 175)
EBITDA	525	(947)	3 088	(1 248)
Depreciation and amortization	(1 049)	(998)	(4 502)	(3 701)
Amortization of goodwill	(1 570)	(1 588)	(6 312)	(6 438)
Total depreciation and amortization	(2 618)	(2 586)	(10 814)	(10 139)
Operating profit (EBIT)	(2 093)	(3 533)	(7 726)	(11 387)
Other financial income	197	297	1 485	1 131
Interest expenses	(14)	(4)	(37)	(8)
Other financial expenses	(85)	(68)	(358)	(542)
Total financial income and expense	99	226	1 089	581
Profit (loss) before tax	(1 994)	(3 308)	(6 637)	(10 806)
Taxes	(815)	(89)	(1 036)	(326)
Net profit (loss)	(2 809)	(3 396)	(7 674)	(11 132)
Adjustments to EBITDA	80	248	582	537
Adjusted EBITDA	605	(699)	3 671	(711)
Adjusted EBITDA Margin %	5.0 %	-6.9 %	8.0 %	-1.9 %
EBITDA - CAPEX	(569)	(2 243)	(1 800)	(6 607)
Adjusted EBITDA-CAPEX	(489)	(1 995)	(1 217)	(6 070)
Adjusted EBITDA-CAPEX Margin %	-4.0 %	-19.7 %	-2.7 %	-16.5 %

Balance Sheet



Consolidated Balance Sheet		
	Unaudited	Audited
EUR in thousands	31-Dec-24	31-Dec-23
Intangible assets	13 267	12 480
Deferred tax assets	84	547
Other capitalized long-term expenses	35	101
Goodwill	41 381	49 008
Machinery and Equipment	297	498
Other shares and similar rights of ownership	643	720
Loan receivables, long-term	33	196
Total non-current assets	55 739	63 550
Accounts receivable	5 778	4 896
Other receivables	706	522
Prepayments and accrued income	1 119	797
Money market funds	15 527	17 119
Cash at bank and in hand	4 095	5 052
Total current assets	27 225	28 386
Total assets	82 964	91 936
Total equity	73 632	82 766
Other non-current liabilities	233	136
Total non-current liabilities	233	136
Deferred revenue	1 294	986
Accounts payable	1 534	1 531
Other current liabilities	1 646	1 386
Accrued expenses and deferred income	4 624	5 130
Total current liabilities	9 098	9 034
Total equity and liabilities	82 964	91 936

Cashflow



Consolidated Cash Flow Statement

	Unaudited	Unaudited	Unaudited	Audited
EUR in thousands	Q4 2024	Q4 2023*/**	FY 2024	FY 2023
Cash flow from operations				
Profit before income taxes	(1 994)	(3 308)	(6 637)	(10 806)
Taxes paid in the period	127	(19)	(124)	(51)
Other non-cash items	(95)	902	(1 132)	749
Depreciation and amortization	2 618	2 586	10 814	10 139
Change in trade debtors	(336)	(1 126)	(881)	(861)
Change in trade creditors	672	662	3	653
Change in deferred revenue **	(944)	(2 599)	308	(3 532)
Change in other provisions * / **	444	717	(502)	(1 514)
Net cash flow from operations	493	(2 186)	1 848	(5 223)
Cash flow from investments				
Investments in tangible and intangible assets	(1 117)	(1 295)	(5 020)	(5 723)
Purchase of shares and investments	-	-	-	(4 034)
Proceeds from/(investments in) money market funds	56	1 409	2 250	7 130
Net cash flow from investments	(1 061)	114	(2 770)	(2 628)
Cash flow from financing				
Change in debt	-	0	-	(25)
Purchase of treasury shares	-	(1 982)	-	(2 323)
Net cash flow from financing	-	(1 981)	-	(2 348)
Net change in cash and cash equivalents *	(568)	(4 053)	(922)	(10 198)
Cash and cash equiv. at the beginning of the period	4 633	9 172	5 052	15 514
Translation difference *	31	(66)	(35)	(263)
Cash and cash equiv. at the end of the period	4 095	5 052	4 095	5 052
Money market fund	15 527	17 119	15 527	17 119

*) Q4/23 revised presentation for translation differences

**) Q4/23 revised presentation for deferred revenue

Business Segments



	🐾 Veterinary		🧑 Therapy		Other Businesses	
	Cloud	Non-Cloud	Cloud	Non-Cloud	Cloud	Non-Cloud
Products	Provet Cloud Provet Pay	Vetera (DACH) Sanimalis (Norway) Provet Net (Finland) Vetvision (Denmark)	EasyPractice Diarium Booking Portal	Physica Psykbase	Navisec	IT Operations
Share of ARR	42%	15%	18%	22%	2%	1%

Strong organic growth accelerated by acquisition and migration strategy



9 acquisitions completed since 2005, 4 in last 5 years



Migrated
🇫🇮 2005

PROVET

Migrated
🇫🇮 2009

Acquired **Praktikka**

Migrated
🇸🇪 2019

trofast

In Progress
🇳🇴 2019

Sanimalis

Migrated
🇳🇴 2019



In Progress
🇳🇴 2021

NOVASOFT

In Progress
🇳🇴 2021



In Progress
🇩🇪 2022



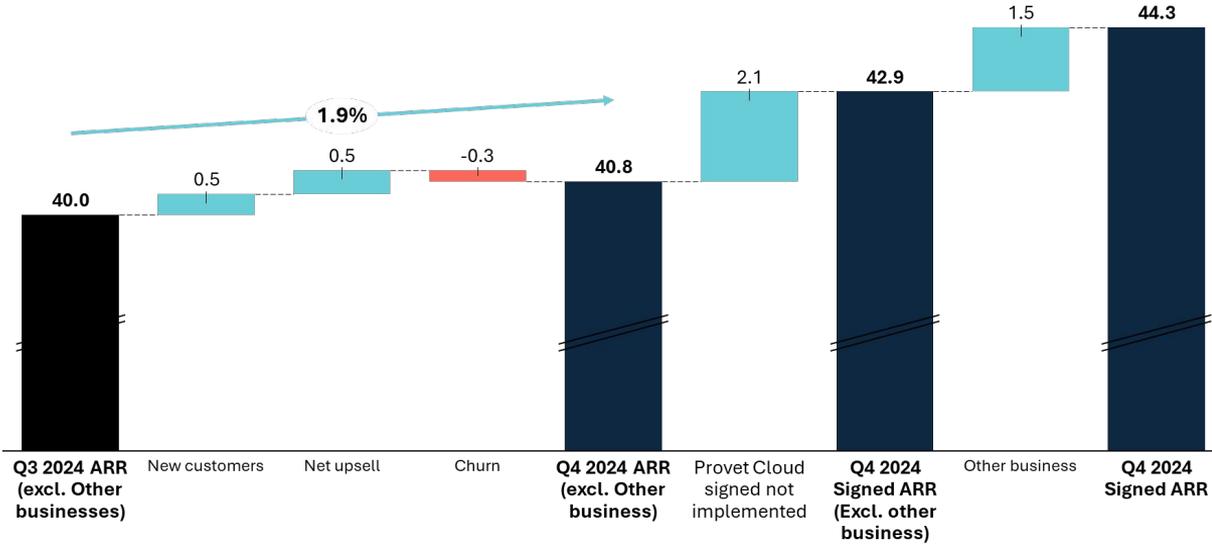
Flagship
🇳🇴 2022



Nordhealth - QoQ implemented ARR growth



ARR (M€)



- QoQ implemented ARR growth was 1.9%
- Annualised churn rate was 3.0% excluding other business

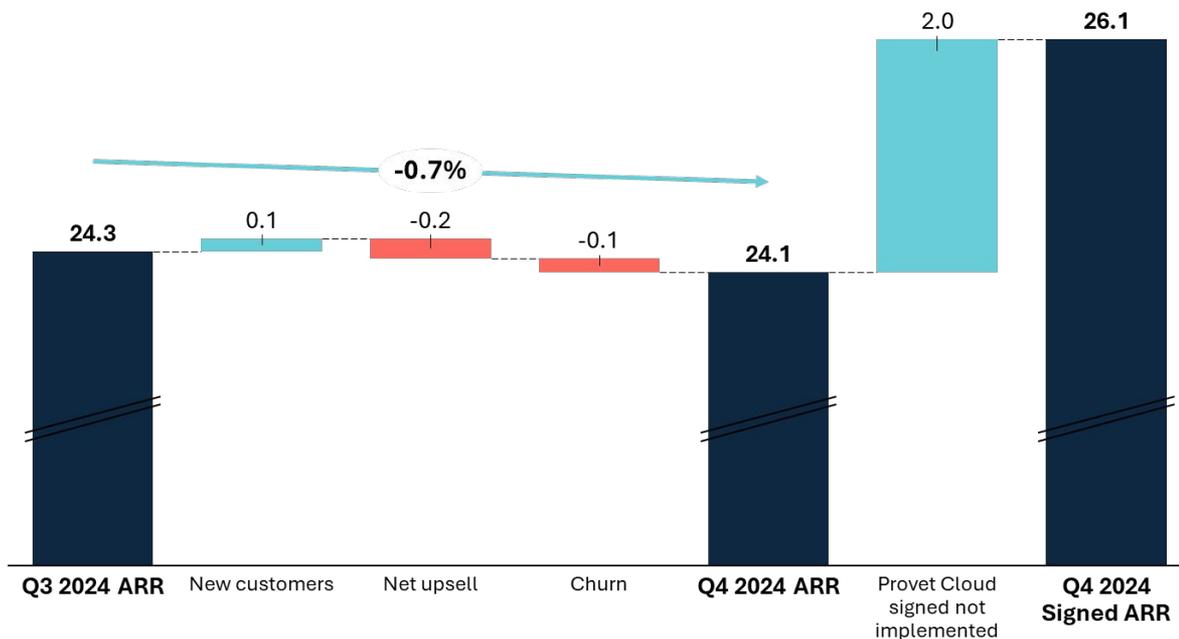
Reported in constant currency (using year 2023 end currency rates).

Provet Cloud Signed but not implemented ARR in Q3/24 was €2.1M..

Veterinary - QoQ implemented ARR growth



ARR (M€)



- QoQ implemented ARR growth was -0.7%
- Decrease was mainly driven by seasonal effects (working day in December vs September) impacting:
 - Customers' revenues for clients that pay us a share of their revenue
 - Transactional fees
- Annualised churn rate was 2.5%

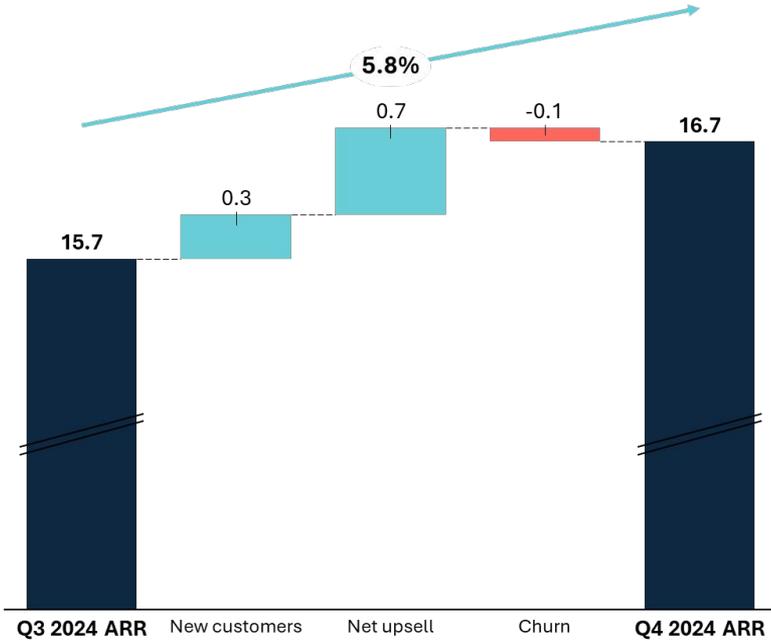
Reported in constant currency (using year 2023 end currency rates).

Provet Cloud Signed but not implemented ARR in Q3/24 was €2.1M.

Therapy - QoQ implemented ARR growth



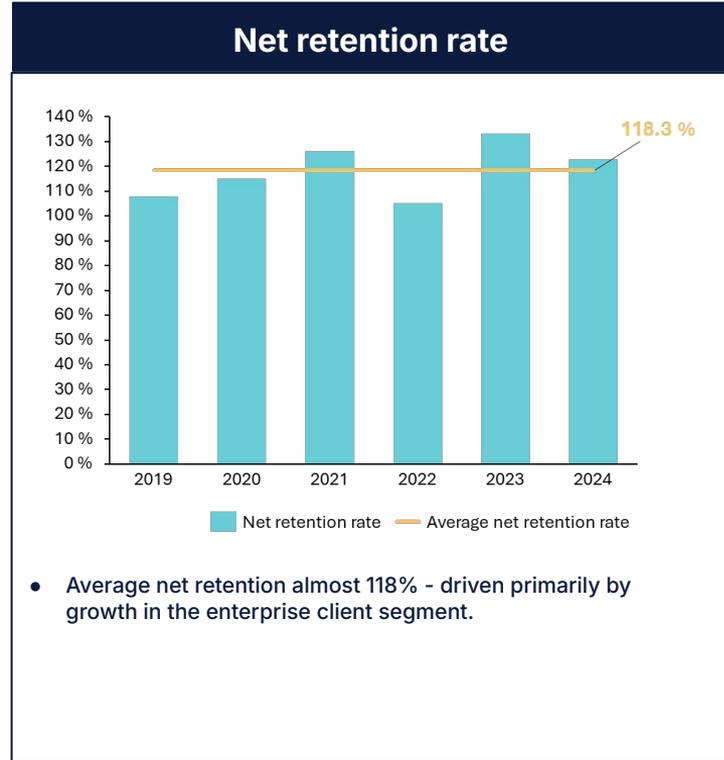
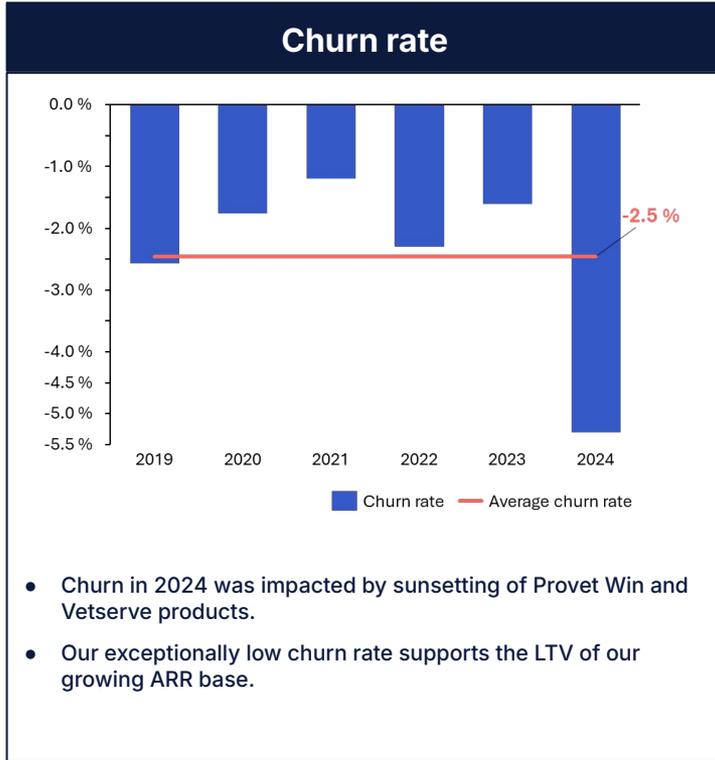
ARR (M€)



- QoQ implemented ARR growth was 5.8%
- Annualised churn was 3.8%

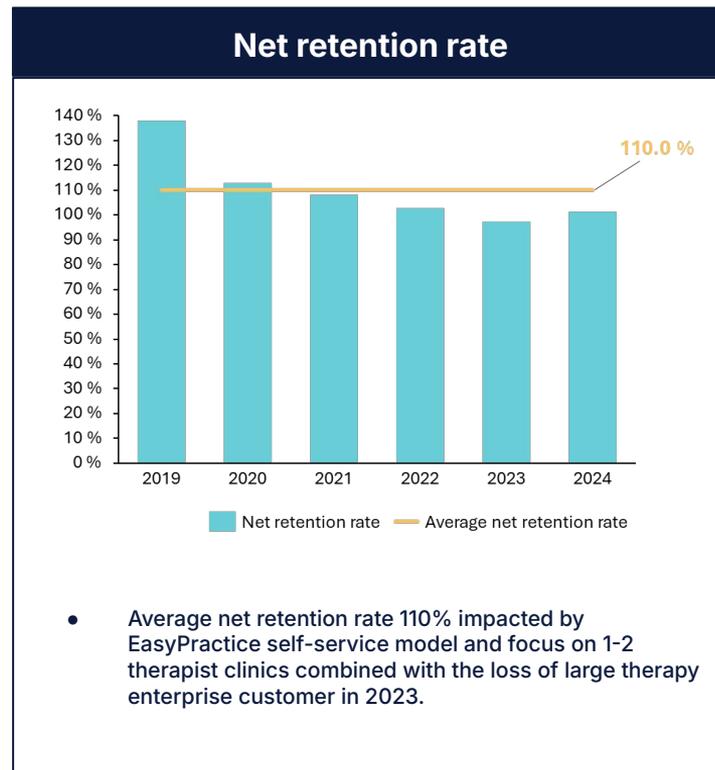
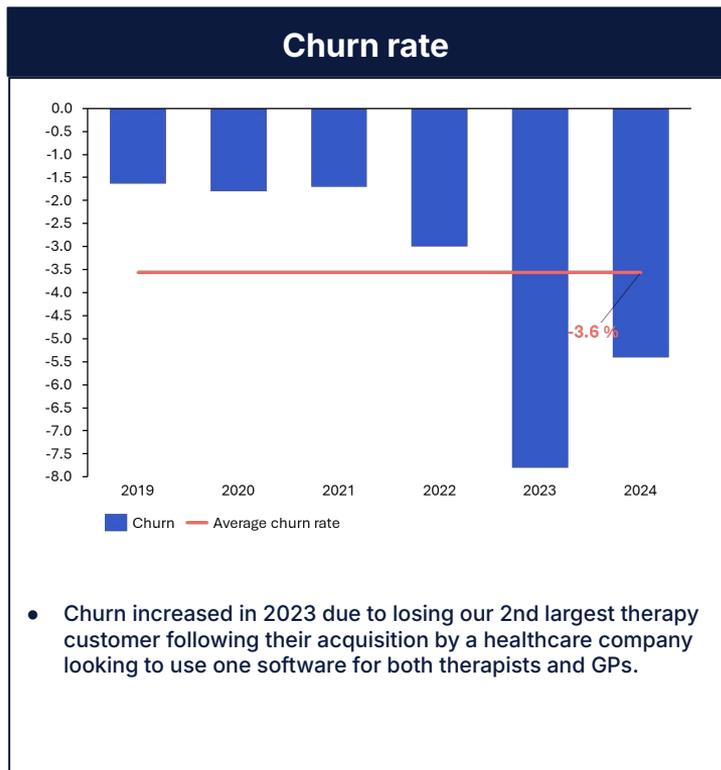
Reported in constant currency (using year 2023 end currency rates).

Veterinary average churn close to 2% and net retention above 118% over the last 5 years



*) represents LTM churn.

Therapy churn and net retention impacted by one-off churn event



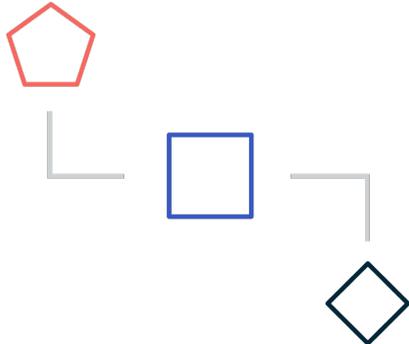
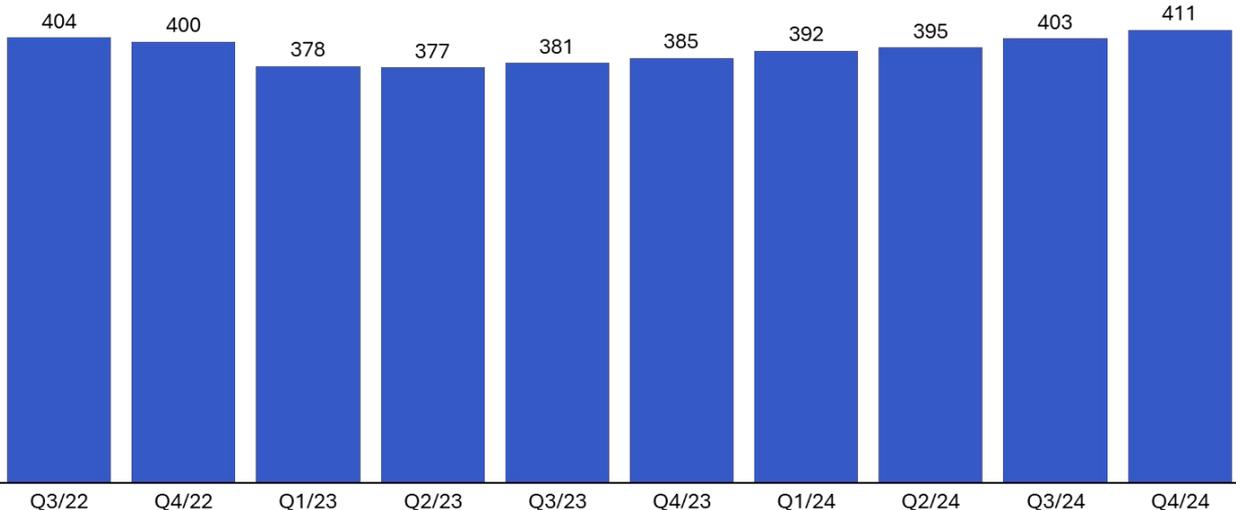
*) represents LTM churn

Headcount development

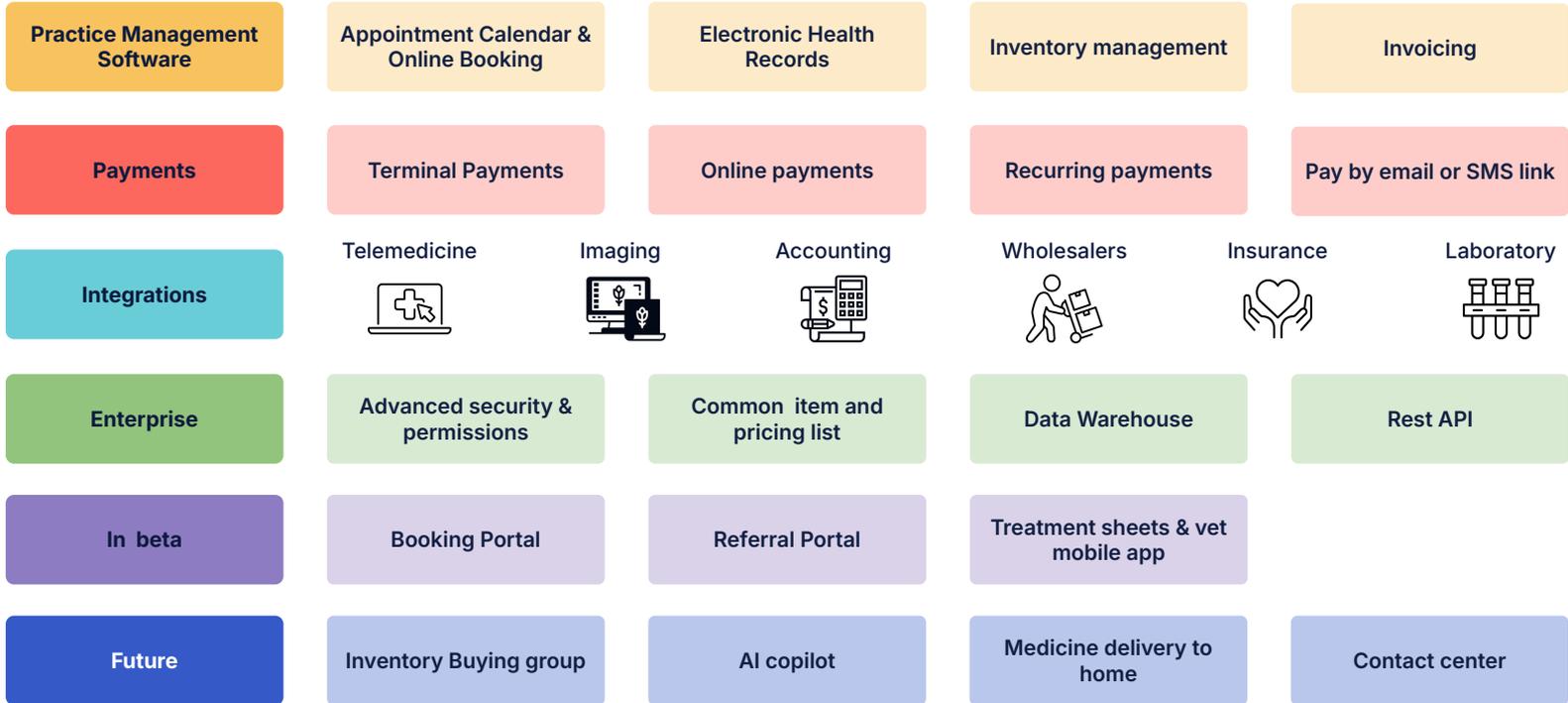


Headcount

At the end of Q4/24 total headcount amounted to 411.



Expanded product offering to solve additional customer pain points



Note: (1) Representational state transfer application program interface



Key definitions

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 at the end of the 1st quarter. 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.

Adjusted EBITDA and EBITDA - CAPEX is EBITDA or EBITDA - CAPEX presented as adjusted for one-time expenses not likely to incur in the near future to improve comparability of the underlying business performance between the periods.

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.

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. (Adjusted) EBITDA margin and (Adjusted) EBITDA - CAPEX margin are calculated as (Adjusted) EBITDA or (Adjusted) 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.

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).