

Tecnotree

**Empowering Digitally
Connected
Communities**

Financial Report Q3 2026



Tecnotree Corporation Financial Report 1st Jan – 30th Sep 2026 (unaudited)

Revenue grew, margins strengthened and free cash flow stayed positive for the tenth quarter in a row

January – September Results

- Revenue of EUR 57.0 million (52.8) +7.8% YoY, in constant currency, EUR 57.8 million, +9.5% YoY.
- EBIT of EUR 19.0 million (13.2) +43.8% YoY.
- EBIT margin of 33.4% (25.0%).
- Foreign exchange gains of EUR 1.7 million (-3.9).
- Net income of EUR 7.4 million (6.0) +23.8% YoY.
- Free cash flow (FCF) EUR 3.9 million (3.2), +21.0% YoY.
- Earnings per share EUR 0.34 (0.35).
- Order book at the end of the period EUR 105.6 million (105.5), +0.1% YoY.

Q3 Results

- Revenue of EUR 20.2 million (18.6) +8.4% YoY, in constant currency, EUR 20.2 million, +8.8% YoY.
- EBIT of EUR 5.8 million (3.6) +58.9% YoY.
- EBIT margin of 28.5% (19.5%).
- Foreign exchange gains of EUR 0.2 million (0.2).
- Net income EUR 3.0 million (3.4), -13.6% YoY.
- Free cash flow (FCF) EUR 1.8 million (1.2), +54.3% YoY.
- Earnings per share EUR 0.13 (0.20).

Key figures, MEUR	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Revenue	20.2	18.6	57.0	52.8	72.4
EBIT	5.8	3.6	19.0	13.2	25.6
Profit before tax	4.2	4.0	9.9	8.4	15.4
Adjusted net income for the period ¹	3.0	3.4	12.6	6.0	16.4
One-time items	0.0	0.0	-5.2	0.0	-6.2
Net income	3.0	3.4	7.4	6.0	10.2
Earnings per share, basic, EUR ²	0.13	0.20	0.34	0.35	0.60
Order book	105.6	105.5	105.6	105.5	107.5
Free cash flow	1.8	1.2	3.9	3.2	4.6
Change in cash and cash equivalents	1.5	1.6	3.2	3.9	2.1
Cash and cash equivalents	22.1	20.7	22.1	20.7	18.9
Equity ratio % (Equity / (Equity + Liabilities))	83.7	68.8	83.7	68.8	67.4
Debt Equity ratio % (Debt/Equity)	2.6	6.4	2.6	6.4	5.3
Personnel at end of period	765	695	765	695	704

- 1) Adjusted net income for the period = net income before one-time items. One-time items in 1-9/2026 comprised trade receivables impairment charges of EUR 5.2 million recognised in the second quarter.
- 2) EPS for the review period is calculated on the increased number of shares following the conversion of compulsorily convertible debentures.

Unless otherwise stated, all figures presented below are for the financial period 1-9/2026 and the figures for comparison are for the corresponding period in 1-9/2025.

Guidance for 2026 (updated on 21 October 2026)

- Revenue is expected to grow by mid to high single-digit percentage in constant currency terms.
- Free cash flow > EUR 5.0 million for the full year.

Assumptions for 2026

- The Free Cash Flow guidance for 2026 is based on the company's current market outlook and exchange rate assumptions, especially devaluation of US dollar against the EUR.

Previous guidance

- Revenue is expected to grow by low to mid single-digit percentage in constant currency terms.
- Free cash flow > EUR 5.0 million for the full year.

From CEO's Desk:

Tenth Straight Quarter of Positive Cash Flow, and We're Raising Our Outlook

Q3 showed that our strategy is working. We grew revenue, increased year-to-date EBIT by more than 40%, and generated positive free cash flow for the tenth consecutive quarter. That record matters to us, and we intend to keep it going. Given this momentum, **we have raised our guidance for the year.**

Our wins are turning into recurring revenue

Our focus on products, services and large-scale transformations is now winning business consistently across multiple geographies. The multi-year programmes we secured earlier are in delivery, which brings organic growth and predictable recurring revenue.

In August, an existing Tier-1 customer in the Americas signed a three-year ARR agreement total worth around USD 17.5 million. It shows the long-term confidence our customers have in us, and it strengthens our recurring revenue base from 2026 onwards.

Our margins reflect a permanent change in how we work

Our margin improvement is structural. AI Operations, powered by our own models, automate work across engineering, delivery and maintenance. Together with the full benefit of the restructuring and efficiency programme we began in 2024, this lets us grow revenue faster than costs. Using AI in our own engineering and delivery has made us more productive and lowered our costs.

With these foundations in place, we are hiring again. Headcount is up 10% year on year, and we are adding people in priority areas such as AI and 5G.

Cash comes first

Cash remains our top priority. Through our "Think Cash, Do Cash" programme and milestone-based invoicing, operating cash flow reached EUR 3.7 million (3.3) and **free cash flow rose 54% to EUR 1.8 million (1.2).** The geopolitical situation in the Middle East is still slowing collections there. We are working closely with those customers, and turning completed milestones into cash is a key focus for Q4.

Industry analysts recognise our AI strategy

In October, after the end of the period, Gartner named Tecnotree a **Visionary in its first-ever Gartner® Magic Quadrant™ for AI-Enabled CSP Marketing and Sales Solutions.** This is our second consecutive year as a Visionary in a Gartner Magic Quadrant. Earlier in 2026, Tecnotree was also included in five Gartner® Hype Cycle™

reports for the communications industry, covering algorithmic pricing, digital marketplaces, AI-driven customer interactions and autonomous operations.

These recognitions support the direction of our product strategy: an AI-native BSS that helps operators earn more from the customer, billing and data assets they already own. We believe they also reflect our open, governed approach to agentic AI, which puts AI to work across an operator's entire revenue cycle. We use the same approach to run Tecnotree, and the results show in our margins.

Our Q4 priorities

- Grow the order book and convert it into cash
- Turn completed milestones into invoices
- Deliver our large transformation programmes
- Keep growing our recurring revenue base

Thank you to our employees, customers and shareholders for your continued trust. We go into the final quarter with strong momentum.

Financial Performance

Revenue

Revenue in the review period was EUR 57.0 million (52.8), representing 7.8% increase YoY. Revenue from licenses was EUR 10.2 million (10.4), delivery EUR 19.9 million (17.4) and maintenance and management services EUR 26.8 million (25.1).

The order book at the end of the review period stood at EUR 105.6 million (105.5) representing 0.1% increase YoY.

Revenue for the third quarter was EUR 20.2 million (18.6), representing 8.4% increase YoY. Revenue from licenses was EUR 4.4 million (0.1), delivery EUR 4.4 million (7.6) and maintenance and management services EUR 11.4 million (10.9).

Revenue by Geography

In the review period, revenue from Europe & Americas was EUR 12.1 million (13.4), while revenue from MEA & APAC was EUR 44.8 million (39.4).

In the third quarter, revenue from Europe & Americas was EUR 3.4 million (4.5), while revenue from MEA & APAC was EUR 16.8 million (14.1).

Nature of goods and services offered, MEUR	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Licenses	4.4	0.1	10.2	10.4	14.5
Delivery	4.4	7.6	19.9	17.4	24.8
Maintenance and management services	11.4	10.9	26.8	25.1	33.1
Revenue total	20.2	18.6	57.0	52.8	72.4

Methods used to recognise revenue, MEUR	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Point in time:					
Licenses	4.4	0.1	10.2	10.4	14.5
Over time:					
Delivery	4.4	7.6	19.9	17.4	24.8
Maintenance and management services	11.4	10.9	26.8	25.1	33.1
Revenue total	20.2	18.6	57.0	52.8	72.4

Recognition of revenue by operating segment, MEUR	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Europe & Americas:					
Licenses	1.7	0.0	3.4	5.7	5.7
Delivery	0.1	0.5	3.8	1.9	3.4
Maintenance and management services	1.5	4.0	4.9	5.9	8.6
Revenue total	3.4	4.5	12.1	13.4	17.7
MEA & APAC:					
Licenses	2.7	0.1	6.9	4.7	8.8
Delivery	4.3	7.1	16.1	15.5	21.4
Maintenance and management services	9.9	6.9	21.9	19.2	24.5
Revenue total	16.8	14.1	44.8	39.4	54.7

**Order book by operating segment,
MEUR**

	30.9.2026	30.9.2025	31.12.2025
Europe & Americas	22.9	20.2	24.8
MEA & APAC	82.7	85.3	82.6
Order book total	105.6	105.5	107.5

Result analysis

The EBIT for the review period was EUR 19.0 million (13.2), the EBIT margin 33.4% (25.0%) and the net income EUR 7.4 million (6.0). Exchange rate differences in financial items for the review period were EUR 1.7 million (-3.9).

The EBIT for the third quarter was EUR 5.8 million (3.6), the EBIT margin 28.5% (19.5%) and net income EUR 3.0 million (3.4). Exchange rate differences in financial items in the third quarter were EUR 0.2 million (0.2).

**Income statement, key figures,
MEUR**

	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Revenue	20.2	18.6	57.0	52.8	72.4
Other operating income	0.2	-0.0	0.2	0.0	0.1
Operating costs	-14.6	-15.0	-38.1	-39.6	-46.9
EBIT	5.8	3.6	19.0	13.2	25.6
Financial items without currency differences	-1.8	0.3	-5.7	-0.9	-0.2
Exchange rate gains and losses in financial items	0.2	0.2	1.7	-3.9	-3.8
Income taxes	-1.2	-0.6	-2.5	-2.4	-5.2
Adjusted net income for the period	3.0	3.4	12.6	6.0	16.4
One-time items	0.0	0.0	-5.2	0.0	-6.2
Net income	3.0	3.4	7.4	6.0	10.2

Financial income and expenses for the review period totalled EUR -9.1 million (-4.8). The review period included one-time trade receivables impairment charges of EUR 5.2 million recognised in the second quarter.

Financial income and expenses in the third quarter totalled EUR -1.6 million (0.4). Other financial expenses in the third quarter were EUR -1.8 million (0.1).

**Financial income and expenses,
MEUR**

	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Interest income	-0.1	0.0	0.2	0.1	0.1
Exchange rate gains	1.5	1.3	3.5	3.2	3.5
Other financial income	-0.0	-0.0	-0.0	-0.0	-0.0
Financial income, total	1.3	1.3	3.7	3.3	3.6
Interest expenses	0.1	0.1	-0.2	-0.6	-0.8
Exchange rate losses	-1.2	-1.1	-1.8	-7.0	-7.3
Other financial expenses	-1.8	0.1	-10.8	-0.5	-5.6
Financial expenses, total	-2.9	-0.9	-12.8	-8.1	-13.7
Financial items, total	-1.6	0.4	-9.1	-4.8	-10.1

Taxes for the review period totalled EUR -2.5 million (-2.4).

Taxes in the third quarter totalled EUR -1.2 million (-0.6).

Taxes in income statement, MEUR	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Withholding taxes paid abroad	-0.6	-0.4	-1.7	-1.6	-2.2
Change in withholding tax accrual	0.0	0.0	0.1	0.0	-1.0
Income taxes on the results of Group companies	-0.6	-0.2	-0.7	-0.7	-2.0
Other items	-0.0	-0.0	-0.1	-0.1	-0.1
Taxes in income statement, total	-1.2	-0.6	-2.5	-2.4	-5.2

Geopolitical risk

The Company has approximately 30% revenue exposure to the Middle East region, where the current geopolitical situation has introduced near-term uncertainty in project delivery timelines, collections, and operating costs. The Company acknowledges that the evolving situation warrants continued close monitoring.

Personnel

At the end of the review period, Tecnotree employed 765 (695) persons.

Personnel	30.9.2026	30.9.2025	31.12.2025
Personnel, at end of period	765	695	704
Finland	19	22	21
India	658	605	604
United Arab Emirates	33	29	25
Other countries	55	39	54
Personnel, average	738	713	711
Personnel expenses (MEUR)	-12.8	-14.1	-19.3

Webcast for investors and media

Tecnotree will webcast Q3 results on **Thursday, 29 October 2026 at 10.00 a.m. EET** (Helsinki). Shareholders and potential investors are invited to pre-register for a Zoom account and join the online presentation using this link: <https://zoom.us/j/97271208162>. The event will be recorded, and the presentation materials will be made available on the company's website investors.tecnotree.com.

Events after the end of the period

On 21 October 2026, Tecnotree Corporation announced raised growth outlook guidance.

On 23 October 2026, the Extraordinary General Meeting of Tecnotree Corporation resolved, in accordance with the proposal of the Board of Directors, that a dividend of EUR 0.02 per share be paid for the financial year 2025. The record date for the dividend payment is 3 December 2026 and the payment date is 10 December 2026.

Otherwise, there have been no significant changes in the Company's business or financial position after the end of the review period.

Tecnotree Corporation
Board of Directors

Further information

Padma Ravichander, CEO, tel +971 56 414 1420

Indiresb Vivekananda, CFO, tel +971 56 410 8357

Thomas Koponen, Investor Relations, investor.relations@tecnotree.com

www.tecnotree.com

Table section (unaudited)

The financial figures in the income statement, balance sheet and key figures are presented in million euros. The figures shown here have been calculated using exact values.

Consolidated income statement, MEUR	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Revenue	20.2	18.6	57.0	52.8	72.4
Other operating income	0.2	-0.0	0.2	0.0	0.1
Materials and services	-1.7	-1.3	-3.1	-2.8	-1.8
Employee benefit expenses	-4.4	-3.9	-12.8	-14.1	-19.3
Depreciation, amortisation and impairment charges	-1.6	-1.5	-4.8	-4.5	-6.2
Other operating expenses	-6.8	-8.4	-17.4	-18.3	-19.6
EBIT	5.8	3.6	19.0	13.2	25.6
Financial income	1.3	1.3	3.7	3.3	3.6
Financial expenses	-2.9	-0.9	-12.8	-8.1	-13.7
Profit before tax	4.2	4.0	9.9	8.4	15.4
Income taxes	-1.2	-0.6	-2.5	-2.4	-5.2
Net income	3.0	3.4	7.4	6.0	10.2
Allocated to:					
Equity holders of parent company	3.0	3.4	7.4	6.0	10.2
Non-controlling interest	0.0	-0.0	0.0	0.0	0.0
EPS calculated on the profit attributable to equity holders of parent company:					
Earnings per share, basic, EUR	0.13	0.20	0.34	0.35	0.60
Earnings per share, diluted, EUR	0.13	0.15	0.30	0.26	0.45

Consolidated balance sheet, MEUR	30.9.2026	30.9.2025	31.12.2025
Non-current assets			
Intangible assets	52.7	44.9	49.4
Tangible assets	0.1	0.1	0.0
Other non-current trade and other receivables	1.1	1.8	1.3
Current assets			
Trade receivables	30.9	30.2	29.3
Other receivables	52.5	42.3	51.6
Cash and cash equivalents	22.1	20.7	18.9
Assets total	159.3	140.0	150.6
Shareholders' equity	133.4	96.3	101.5
Compulsory convertible debentures	0.3	23.1	23.1
Non-current liabilities			
Non-current interest-bearing liabilities	1.5	0.0	1.9
Other non-current liabilities	4.5	4.2	4.1
Current liabilities			
Current interest-bearing liabilities	2.0	6.2	3.5
Trade payables and other liabilities	17.6	10.3	16.5
Equity and liabilities total	159.3	140.0	150.6

Consolidated condensed cash flow statement, MEUR

	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Cash flow from operating activities					
Result for the period	3.0	3.4	7.4	6.0	10.2
Adjustments of the result	6.2	-0.1	13.0	9.8	14.2
Changes in working capital	-2.8	0.9	-4.2	-1.0	-2.9
Financial income and expenses	-1.4	-0.3	-2.8	-2.3	-3.6
Income taxes paid	-1.3	-0.6	-2.6	-2.4	-3.1
Net cash flow from operating activities	3.7	3.3	10.8	10.0	14.8
Cash flow from investing activities					
Utilized from CCD	0.0	0.0	0.0	1.1	1.1
Investment on tangible and intangible assets	-1.9	-2.1	-6.9	-6.8	-10.2
Net cash flow from investing activities	-1.9	-2.1	-6.9	-5.7	-9.1
Cash flow from financing activities					
CCDs utilized for investment activity	0.0	0.0	0.0	-1.1	-1.1
Repayments of borrowings	-0.6	0.0	-1.4	-1.0	-4.2
Payment of dividends	0.0	0.0	0.0	-0.1	-0.2
New loans	0.0	0.6	0.0	3.5	3.5
Net cash flow from financing activities	-0.6	0.6	-1.4	1.3	-1.9
Translation Difference	0.3	-0.1	0.7	-1.7	-1.7
Increase (+) and decrease (-) in cash and cash equivalents	1.5	1.6	3.2	3.9	2.1
Cash and cash equivalents at beginning of period	20.6	19.1	18.9	16.8	16.8
Cash and cash equivalents at end of period	22.1	20.7	22.1	20.7	18.9

Key figures

Consolidated key financial figures	1-9/2026	1-9/2025	1-12/2025
Return on investment, %	13.6	12.8	16.3
Return on equity, %	8.4	8.5	10.5
Equity ratio, %	83.7	68.8	67.4
Debt/Equity ratio, %	2.6	6.4	5.3
Investments, MEUR	6.9	6.8	10.2
% of revenue	12.1	12.9	14.1
Order book, MEUR	105.6	105.5	107.5
Personnel, at end of period	765	695	704

Consolidated key figures per share	1-9/2026	1-9/2025	1-12/2025
Earnings per share, basic, EUR	0.34	0.35	0.60
Earnings per share, diluted, EUR	0.30	0.26	0.45
Equity per share, EUR	5.83	5.64	5.95
Number of shares at end of period, x 1,000	22 868	17 053	17 053
Number of shares on average, x 1,000	21 860	17 053	17 053
Share price, EUR			
Average	5.74	3.92	4.10
Lowest	3.92	2.50	2.50
Highest	7.99	5.30	5.45
Share price at end of period, EUR	6.09	4.56	4.31
Market capitalisation of issued stock at end of period, MEUR	139.3	77.8	73.5
Share turnover, million shares	4.8	3.4	4.4
Share turnover, % of total	22.0	20.0	25.7
Share turnover, MEUR	27.6	13.3	17.8
Price/earnings ratio (P/E)	17.9	13.0	7.2

Quarterly key figures (MEUR)	Q3/26	Q2/26	Q1/26	Q4/25	Q3/25	Q2/25	Q1/25	Q4/24	Q3/24	Q2/24
Revenue	20.2	19.9	16.8	19.5	18.6	17.3	16.9	17.6	19.0	18.7
Revenue, change %	8.4	14.9	-0.2	11.1	-2.1	-7.2	3.7	-20.7	-11.0	-3.1
EBIT	5.8	8.6	4.6	12.3	3.6	5.1	4.5	10.9	5.0	3.5
% of Revenue	28.5	43.3	27.4	63.1	19.5	29.2	26.9	61.7	26.3	18.8
Net income	3.0	2.4	2.1	4.2	3.4	1.0	1.5	0.5	4.1	2.1
Personnel at end of period	765	753	709	704	695	691	726	758	810	852
Earnings per share, basic, EUR	0.13	0.10	0.11	0.25	0.20	0.06	0.09	0.03	0.24	0.12
Equity per share, EUR	5.83	5.70	5.52	5.95	5.64	5.46	5.47	5.43	5.25	5.13
Net interest-bearing liabilities	-18.6	-16.4	-13.8	-13.5	-14.6	-13.8	-13.5	-12.9	-13.0	-12.2
Order book	105.6	106.3	105.4	107.5	105.5	105.7	70.3	79.6	75.1	72.6

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