

**Q4**

**2025**

## **TRANSCRIPT**

**Atea ASA Earnings Presentation**

**Event date: February 10, 2026**

**ATEA**

## Corporate participants

**Steinar Sønsteby Atea ASA - CEO**

**Robert Giori Atea ASA – CFO**

## PRESENTATION

**Steinar Sønsteby Atea ASA – CEO**

Welcome to the Q4 and 2025 numbers from the ATEA Group. Welcome to icy cold Oslo, a beautiful winter day. It has been a challenging year, but a very rewarding year for everybody in the ecosystem of ATEA. It's been a year of good results and we'll soon take you through all of them. But it's also been a year where we've been doing massive investments in the future of ATEA and we'll touch on some of those too. Diving into Q4 first, we had a gross sales of NOK 17.8 billion, up almost 8%. EBIT came in at NOK 488 million, up almost 24%. And net profit, impressively, up almost 36%. All in all, it gave us an operating cash flow of NOK 2 billion. But as always, I'll leave it to Robert to give you all the good news.

**Robert Giori Atea ASA – CFO**

Thank you, Steinar. Atea reported strong profit growth in the fourth quarter of 2025, driven by higher sales, increased gross margins, and relatively low growth in operating expenses. Gross sales in Q4 were NOK 17.8 billion, up 7.8% from last year. After adjusting for changes in currency rates, organic growth in constant currency was 4.7%. Hardware sales increased by 5.4%, driven by higher sales of PCs and mobile devices. Software and cloud sales grew by 11%, with strong growth in sales of cloud solutions. Services sales increased by 7.6% from last year based on higher demand for consulting and product support agreements. Net revenue, according to IFRS, was NOK 11.3 billion, up 6.1% from last year. Gross profit increased by 9.0% to NOK 3.1 billion. Gross margin was higher than last year due to an improved hardware margin and a higher proportion of software in the revenue mix. Operating expenses, excluding restructuring costs, grew by 6.6% to NOK 2.6 billion. Adjusted for currency movements, these costs grew by approximately 3.5% from last year. EBIT, before restructuring costs, increased by 23.7% to NOK 488 million. Restructuring costs were NOK 8 million in Q4 2025, as ATEA Denmark reduced staff in its managed services business. In Q4 last year, ATEA incurred restructuring costs of NOK 39 million from a cost reduction initiative in Sweden. After restructuring costs, EBIT grew by 35.1% to NOK 480 million. A net profit after tax increased by 35.7% to NOK 333 million. We'll now take a closer look at revenue and profit growth across the countries in which we operate.

ATEA's strong sales and profit performance was spread across nearly all countries in the fourth quarter of 2025. In Norway, gross sales increased by 8.5% to NOK 4.6 billion, with very strong growth in sales of software and services. EBIT grew by 12.4% to NOK 156 million. In Sweden, gross sales grew by 5.2% to SEK 6.9 billion, driven by strong demand for hardware. With higher revenue and flat operating expenses, EBIT before restructuring costs grew by 31.4% to SEK 207 million. In Denmark, gross sales fell by 4.0% to DKK 2.4 billion due to lower sales of hardware compared with last year. Last year, ATEA had a very high volume of initial hardware orders on new public sector frame agreements. Despite lower hardware sales, EBIT before restructuring costs grew by 52.6% to DKK 41 million, with a higher margin revenue mix and flat operating expenses. In Finland, gross sales grew by 11.0% to EUR 112.7 million, as demand for products showed a strong recovery from last year. EBIT was EUR 2.5 million, a decline from last year due to an increase in staff and temporary factors, including startup costs related to new contracts. In the Baltics, gross sales increased by 55.8% to EUR 76.8 million, driven by exceptionally strong growth in product deliveries to the public sector. EBIT increased by 16.7% to EUR 4.0 million. ATEA Group Functions, which includes shared services and group costs, was a net operating expense of NOK 32 million, compared with an expense of NOK 22 million last year. The difference was due to higher spending on corporate development activities. Now a word on our cash flow and balance sheet.

In Q4 2025, ATEA had very strong cash flow from operations of NOK 2.0 billion. As you can see from this chart, ATEA's cash flow from operations is highly seasonal, with strong cash inflows in the fourth quarter as ATEA's sales and collections from the public sector increase and its working capital balances fall. Cash flow from operations was positively impacted by seasonal fluctuations in working capital in Q4 2025, although this impact was less pronounced than in Q4 last year. Based on the strong cash flow from operations, ATEA had a positive net cash balance of NOK 1.0 billion at year end, as defined by ATEA's loan covenants. This corresponds to a net debt EBITDA ratio of negative 0.5. ATEA's net debt balance at the end of Q4 2025 was NOK 6.4 billion less than the maximum allowed by its loan covenants. ATEA has a strong balance sheet and significant additional debt capacity before its loan covenants would be reached. That concludes the presentation of the fourth quarter results. I now hand the podium back over to Steinar to review full year results and discuss the outlook for ATEA's business.

**Steinar Sønsteby Atea ASA – CEO**

Thank you, Robert. As always, you have all the fun. If we try to summarize 2025, revenue came in at over NOK 60 billion. It's an impressive number, but it's even more impressive that growth in Norwegian kroner in 2025 came in at a little bit more than NOK 6.5 billion with the same number of people. EBIT at NOK 1,385 million up 15.4%. All in all, a very good year. But this is not new.

Atea has been stable both on revenue growth and EBIT growth for many years. And on this chart, you see the last six years. It is almost as linear as analysts' spreadsheets with gross sales growth of 9% on average and EBIT on 10% on average. In the next couple of years, we hope to scale even better on this revenue, but let me bring you in to some of the things that have happened in Atea in 2025, and that will have effect on our results in the coming years.

First, of course, we are extremely happy with how we have developed in the defense sector. It's not only the national defense organizations, it's also companies delivering to defense. But during the last couple of years, we've also strengthened our activity towards NATO all over the world. And so, when we signed a new agreement in the fall of 2025 with NATO, and you see Robert having the honor here on the picture in Brussels, we were extremely happy, but also proud. It's a contract that will change many of the operations that we do internationally, and it will strengthen us and prepare us to do similar contracts with other companies that have similar needs.

But as you can see on the right side, it's not the only large contract we signed in 2025 that will have impact in the next couple or even more years. We have strengthened our relationship with SKI in Denmark, but we also signed another equipment deal with NATO, which is not as a service, which you see on the left side. And so, it's not one contract, it's many. And we've had contracts in Norway and in the Baltics. But we are particularly proud that we will do outsourcing together with the health regions in Finland. This is, by the way, one of the contracts which have led us to take on more people in Finland, even though short term that might not have looked well when revenue hasn't been growing. That will change in 2026. All in all, a whole bunch of new contracts that will help us going into the new year.

In 2025, we also worked on the future of a daughter company called AppXite. And just before Christmas, we signed a deal with Aries, a UK-based software company, that they will take over 51% of the company. In Q1 2026, we will recognize an EBIT of approximately NOK 150 million as a result of this transaction. So, I want to say thank you to everybody in AppXite. I know that you're probably looking at this for working together for the last many years and also for working with you into the future, though in a different capacity. The deal we have done with Aries and how we've developed AppXite will also be something we'll talk to you about in the coming years. As this will change some of the relationship we or possibilities that we have with Microsoft with their new incentive programs, where AppXite has become a distributor that Atea and other customers of AppXite can use going forward and to maximize Microsoft's programs.

Many other things have happened more internally in Atea. I've already mentioned the growth. It's actually pretty impressive when you see that this growth is probably higher than the revenue of the biggest competitors that we have in the region. But we also work to strengthen Denmark and I'm very happy to welcome Nicolai Moresco as new country manager in Denmark starting later in this quarter. We also hired Hans Vigstad to take over and run our managed services division across all seven countries. We have strengthened and kind of moved focal point for Atea Global Services, which we have had in Riga for a long time, and from a nearshoring to more a center of excellence. And we have moved into new and fresh offices so our 600 people have a better environment to do that center of excellence job.

Finland has been lagging a little bit on results, but we have kept on building the capacity and we have high hope for the line of opportunities in 2026. We've built, as I've alluded to, a special sales team across the countries to work with Defense and NATO specifically, as it has some special demands on security clearance and also the products that we deliver. It was a big day late in 2025, when Atea Logistics, our central supply chain organization, passed SEK 10 billion in revenue, we opened a new center late 2019. So that is some of accomplishment. At the same time, they changed their ERP system. And we're now fully operating on an SAP solution that we later will also roll out in the different countries. And we are very happy that in 2025 in total, 16% of our customers have chosen Atea to be their main cybersecurity partner, up from 10% only 12 months ago. So, we're productive. And very constructive and good 2025 is behind us.

So, what does the future look like? Well, there are challenges also that we have to face and solve in 2026. But we expect to keep on growing. We expect to keep on consolidating the market and the vendors are helping us. They want to have fewer partners in Europe. And they want the partners they have to be stronger. And they're pushing us to develop services and be a complete shop for the customers. This gives us a possibility to keep on growing the EBIT.

But there are also some challenges when it comes to the supply chain situation. And many of you are worried when you read that there is a shortage of memory, CPUs, other components and we do recognize that this is a problem. Right now the problem for us is not as much supply as it is unprecedented price increases. We have seen price increases on certain offers of more than 100%. Now, this is not new it's happened before we're only two or three years away from last time. This is a little bigger though. And you know, it comes from all the investments in AI farms, AI PCs, but also the fact that what we do is now a part of everything. Cars, refrigerators, TVs, and other equipment. It'll be challenging. We feel right now we're kind of in the middle of a storm that we are dealing with hour by hour and day by day. But this will calm down. The situation will work itself out. And we think that the prices will keep on being high for the rest of this year and maybe even long into the future. In many ways, you can say that we get help from price increases in getting revenue increase. We are doing a lot of activities internally and we have the flexibility with the breadth that we have in Atea to face these kinds of problems. And if you look into our history, you can see we have dealt pretty well with them before. As you know, you don't have to be perfect as long as you're better than competition. And we are certainly equipped to be better than competition in situations like this. We are using our balance sheet to have more inventory over a period. But we also see that this will calm down.

The unpredictable will become predictable and the whole industry will deal with it. As said, we have done it before, so we're confident we can do it again.

On basis of everything Robert and I've told you today, the board will propose for the General Assembly that will increase the dividend to NOK 7.5 and it'll be as normal, a repayment of paid in capital and in two installments, one in May and one in November. Solid results from the company gives shareholders a solid return in the way of dividend. So that concludes the presentation for the Q4 and 2025 results. And we'll now go to Q&A.

## Questions and answers

### Unidentified Company Representative

Thank you, Steinar and Robert. We have several questions here. First question. I've understood there's been many changes to the vendor partner programs. How do you see this?

### Steinar Sønsteby Atea ASA – CEO

There absolutely has been. And I'll go through a couple of them to give you a feel of what we see. But I want to start by saying that this is not new. This is actually very predictable. Partner programs are programs because the partners want to challenge us and to give us some kind of direction in where they want us to go. We actually have to work to manage the beast. These are huge companies that have an opinion on how they pay us and what they want us to do to get paid. During 2025, we've particularly faced three major changes that also have been talked about in press and in the market.

First of all, of course, Microsoft changed their incentive program 1st of January in 2025, so a little bit more than a year ago. It was something that was talked about in advance. And we, as everybody else, was challenged. When we now look back, we feel right now that we're back on even, and that means that our job in 2026 is to take advantage of the upside in the changes of the program.

Another well talked about change was Broadcom buying VMware a couple of years ago and changing their partner programs. It's absolutely been challenging. More maybe for our customers than for us with the impressive price increases that VMware and Broadcom has brought to the market. On the other hand, though, Broadcom don't want to be a services company. So, they let all their services people in Europe go. This creates an opportunity for us. And it's a typical way of seeing this. When the partner program changes, it'll create some noise and maybe a little bit of chaos in the ecosystem at once. But over time it actually is there for a reason and it gives the full service houses a bigger opportunity and it creates a consolidation of the channel.

The last one I want to just mention is Cisco. I personally, and we as a company have worked with Cisco for many decades. This is not the first time Cisco changes their program. This time it's called the 360 program. And it started 1st of February this year. And so, we're very fresh to it. But of course, ATEA is highly certified in the new program when we start in all seven countries. So, we feel pretty confident that over time, again, we'll be able to take advantage of all the changes. So, I think I'll leave it with that.

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### Unidentified Company Representative

Thank you. Separate question here on Finland is lagging. Can you explain, please?

### Steinar Sønsteby Atea ASA – CEO

Yeah, and I have to say, and Juha who runs Finland for us knows this, we're a little disappointed at the numbers in 2025. But it's also a part of life. We can't fight gravity. The economy in Finland has not been the strongest. On the contrary, it's probably been one of the weakest in Europe. We think long term. We also won, as I said earlier in the presentation, some large outsourcing contracts where we have had to take on people in 2025 before revenue starts in 2026. So, in short, economy in Finland has been suffering. It looks better in 2026. We have kept on building our capacity and winning contracts that will give us an upside going into 2026. We are confident that Finland will start delivering again.

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### Unidentified Company Representative

Thank you. You note that memory-driven supply crunch. Can you help us understand how many months out in 2026 you have visibility or guaranteed deliveries? And furthermore, at which point does it start to get more murky?

### Steinar Sønsteby Atea ASA – CEO

Yeah, looking into the future have never been an exact science. But right now it's not as if production or supply has gone down. Supply is actually increasing as we're speaking. It's just that it isn't increasing as much as demand. So, in another way, you could say that if there were no limit to how much memory and CPUs that could be produced, there is really no limit to how much the IT market could grow right now. And so, we don't see lack of demand as being the most difficult thing right now. We're getting most of what we're ordering on more or less normal supply time. It is the price increases that hurts us because it creates unpredictability. And in a machine like ATEA and for that sake, the whole IT industry, unpredictability creates opportunities, but also problems. So, demand is less of a

problem today than price increases. Price increases on the other side is also helping us and also giving us opportunities in the partner programs as they are massively focused on growth.

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**Unidentified Company Representative**

Thanks. Continuation or similar question. As we enter into this uncertain territory, how bad can it get for the lower-end devices? Are they more at risk? And for higher-end devices, do we have a priority, and do you see better supply for the higher-end devices?

**Steinar Sønsteby Atea ASA – CEO**

Again, so far, we don't see actually big supply constraints. It's not the supply side. What we see, though, is with price increases, on a normal PC of more than 20%, that there will be a shift towards using those components in higher end products. So, we predict that we will see the shortage on low end products when and if the shortage comes.

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**Unidentified Company Representative**

What kind of e-book growth would you have expected in 2026 if we assume memory and supply wasn't an issue?

**Steinar Sønsteby Atea ASA – CEO**

So, we have said several times during 2025 that we predict a growth in the high end of single digits in 2025. Well, we came in a little bit higher than that at 11-12%. We have also said that we in 2026 see a demand which will give us a mid single digit growth, maybe 5 to 7%. And that is what we have predicted. That is also still what we think, but we think we'll do it with a little lower unit delivery, but with a higher average price. So, we're still in mid single-digit growth on revenue for 2026.

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**Unidentified Company Representative**

Thank you. I have a question on hardware pricing. Any risks that you can't push forward the hardware price hikes? Also, is there any chance you might hike prices on the inventory we have to increase margin?

**Steinar Sønsteby Atea ASA – CEO**

Yeah, so that's a pretty detailed question. We don't have, so starting with inventory, we don't normally have inventory the way that question deludes to. Our inventory is actually products in work. So, they've been ordered and we are doing something to it, or it's product that customers have ordered and store in our warehouse. It's very little, what we call open stock. So, the fact that we could have had inventory where we paid less and now the price increases are giving that a higher value is unfortunately not, or maybe fortunately not, a part of our game. Now, I said in the presentation that we will use our balance sheet to do some of that going forward. But we are not gambling with currency. We're not gambling with inventory. That's not what we do. What we do is concentrating on the needs of the customers. And so, our inventory going forward will be built together with the largest customers and mostly paid for by those customers.

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**Unidentified Company Representative**

Thank you. ATEA is aiming for revenue growth and EBIT expansion both Q1 and 2026. Can you elaborate on how we should think about the ingredients of EBIT margin? And would it be fair to assume that ATEA is aiming for higher margins year over year for the group?

**Steinar Sønsteby Atea ASA – CEO**

We are and have been aiming at increasing the margins and scaling on cost for years. That is what we challenge the organization for every day. We also work hard with the vendors so that they pay us fairly for that higher value that we invest in to our customers. And we're very happy to see the changes that we discussed in partner program are actually rewarding that higher value that we have for customers. So yes, we're looking at higher margins. But when it comes to the product and services offerings and how that will change or develop over 2026, I think we'll get back to more detail when we can actually talk about it as numbers. But we expect more high-end products, more AI PCs as more customers are still demanding or working on their Windows 11 strategy. We see Defense buying higher end products and they will become a larger part of our revenue. And so we absolutely see that there will be a movement. This also leads to a little bit of a pressure on the services business, which is very connected to the number of units that we sell. But that's why managed services is so important going into the future, and especially in Europe with the sovereign discussion that are just increasing in scale.

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**Unidentified Company Representative**

Thank you. Can you give some more color on cost development in Denmark in 2026? Do you expect to front load any costs due to any structural changes in Denmark?

**Steinar Sønsteby Atea ASA – CEO**

Yeah, again, a pretty detailed questions. We have done some investments in the services business in Denmark that will lead to a little bit of a higher cost into Q1 and the coming quarters. Outside that, we don't see any real cost increase as we're trying to balance where we have people and where we increase cost. But I also want to say when you do transformation or a turnaround as we're working on in Denmark, nothing is linear. And the quarters with the lowest revenue will be where we have the lowest improvement in the short term because the cost is a little bit higher than what it was a year ago. Specifically, this is on consultancy in Denmark where we have recruited approximately 40 to 45 consultants so far.

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**Unidentified Company Representative**

Separate question here. How has Q1 been so far in 2026?

**Steinar Sønsteby Atea ASA – CEO**

I think I'll pass on that and leave you to listen to us in April.

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**Unidentified Company Representative**

Another question here on pricing. How should we think about price increases from the hardware providers and impact on gross margins?

**Steinar Sønsteby Atea ASA – CEO**

All changes give us opportunity to work on every value that we create, also gross margin on hardware. Some of it short-term will be difficult to react to, and some of it actually give us larger opportunity. The way we have seen this historically, it's always difficult to see into the future, but the way we've seen this historically is that there isn't major changes. So, we're not predicting a positive margin develop or gross profit development. And we're not predicting any major impact on the negative side. But internally in the machine of ATEA, there will be a lot of things. And that's why we're talking about the price increases as demanding to the organization as we have thousands and thousands of orders every week that we handle.

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**Unidentified Company Representative**

Thank you. Our final question. How is the competitive situation? Any changes that you see?

**Steinar Sønsteby Atea ASA – CEO**

With everything that's going on in the world, competition is not my worry. I focus on what we can do and we can do a hell of a lot. And I hope we've proven that today. With that, We'll conclude this presentation. Thank you for joining.

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