

Inside information, Profit warning: Vincit Plc lowers its outlook for relative profitability in 2023 due to a write-down and one-off costs related to change negotiations

Vincit lowers its outlook for relative profitability in 2023 due to a write-down on trade receivables and one-off costs arising from the change negotiations carried out this fall.

Vincit has decided to introduce a write-down policy for overdue trade receivables. Under the policy, overdue trade receivables are written down if they are more than 6 months old. As a result of the policy change, Vincit will write down trade receivables worth EUR 1.3 million, which will have a one-off negative impact on the company's adjusted operating profit for 2023. The majority of the write-downs relate to one Vincit's customer in the US. The write-downs will be made during the fourth quarter of 2023 and will have no cash flow impact.

In addition, Vincit's profitability is burdened by one-off costs related to the change negotiations carried out during the fall. As announced by Vincit on November 30, 2023, one-off costs related to the change negotiations amount to EUR 0.6 million and will be recognized in items affecting comparability in the fourth quarter of 2023.

Updated outlook for 2023:

In 2023, Vincit's revenue is estimated to be more than 95 million euros and adjusted EBIT (EBIT before goodwill amortization) is estimated to be between 1–2 percent of revenue.

Outlook for 2023 (published 21 June, 2023)

In 2023, Vincit's revenue is estimated to be more than 95 million euros and adjusted EBIT (EBIT before goodwill amortization) is estimated to be between 3–8 percent of revenue.

Vincit will publish its financial statement release for 2023 on February 22, 2024.

Additional information:

Vincit Plc, CEO Julius Manni, phone: +358 50 424 3932

Vincit Plc, CFO Kimmo Kärkkäinen, phone: +358 40 562 2757

Aktia Alexander Corporate Finance Oy, phone: +358 50 520 4098

Vincit Plc in brief:

Vincit is a digital business agency that helps customers accelerate digital development and transform their business to make Mondays better for us all. Vincit Plc's shares are listed on the Nasdaq First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Ltd, trading code VINCIT. www.vincit.com



