Bittium Corporation’s Change Negotiations Concluded

Bittium Corporation
Other information disclosed according to the rules of the Exchange

Bittium Corporation’s Change Negotiations Concluded

Bittium Corporation, Stock Exchange Release, October 9, 2023, at 10.05 am (CEST+1)

Bittium Corporation has concluded the change negotiations started on August 23, 2023. The change negotiations were initiated as part of measures to improve company’s profitability and to develop company’s operations towards independent business units. The change negotiations concerned all Bittium Corporation’s subsidiaries in Finland, and the negotiations covered around 600 employees.

At the start of the negotiations, the company estimated that the planned measures, if implemented, could lead to a termination of employments or lay-offs of a maximum of 80 employees. As a result of the negotiations, a maximum of 61 employees will be dismissed and a maximum of 8 employees will be temporarily laid off due to the financial and production-related reasons as well as for reasons related to the reorganization of the company’s operations.

With the dismissals and layoffs, if implemented in full, and with other cost saving measures disclosed on August 23, 2023, Bittium estimates to achieve approximately EUR 6.0 million annual cost savings, from which EUR 0.8 million will realize during 2023. The annual cost savings of EUR 6.0 million the company estimates to achieve in 2024 in full. Caused by the changes resulting from the decisions and measures, the company will record non-recurring costs a total of EUR 0.7 million in its income statement in the fourth quarter of 2023.

Bittium is aiming for a clearer focus, growth, and improvement of its ability to generate profits in its operations. This is also supported by the reorganization of the company's organization into more independent business units, which also significantly streamlines the company at the group-level. The development of operations will be completed during 2023, and the company will start segment-based reporting based on the new structure from the beginning of 2024 at the latest. These measures to improve the profitability support Bittium's goal of achieving an average annual net sales growth of more than 10 percent and an operating profit level of 10 percent, which the company estimates it will achieve in 2024 (in the Half-Year Financial Report on August 4, 2023).

Oulu, October 9, 2023

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Bittium

Bittium specializes in the development of reliable, secure communications and connectivity solutions leveraging its over 35-year legacy of expertise in advanced radio communication technologies. Bittium provides innovative products and services, customized solutions based on its product platforms and R&D services. Complementing its communications and connectivity solutions, Bittium offers proven information security solutions for mobile devices and portable computers. Bittium also provides healthcare technology products and services for biosignal measuring in the areas of cardiology and neurophysiology. Net sales in 2022 were EUR 82.5 million and operating profit was EUR 0.3 million. Bittium is listed on Nasdaq Helsinki. www.bittium.com