

Solteq Group: change in structure of segments subject to reporting

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Solteq is changing its segment structure to create a better match with the Group's business structure and revenue sources and to promote business growth, particularly in international markets. Going forward, Solteq Group will have two business segments: Solteq Software (the software business) and Solteq Digital (consulting).

The reporting structure of Solteq Group will be changed in 2020. Based on the current reporting structure, the Group's business is presented as a single segment. The new structure will divide Solteq's business areas into distinct reportable segments, in accordance with their revenue models.

Solteq Software includes businesses based on the company's own products. The segment's revenue is mainly derived from license and maintenance fees for Solteq's products, and the related services such as integrations and implementation projects.

The revenue of the Solteq Digital segment mainly comprises IT expert services. These services include consulting, the implementation of customer systems as projects, continuous development services and maintenance.

Solteq aims to achieve profitable growth in both business segments. Its key sectors are retail, specialist and wholesale commerce, which currently account for over half of the company's revenue. Other significant industries are energy and services sectors.

Solteq Software will seek growth from cloud-based POS systems, energy-sector customer data and service software, and robotics. Solteq Digital's key growth areas are B2C and B2B digital commerce solutions, information management and analysis, and business operational solutions.

The segments' long-term financial goals are as follows:

Solteq Software

Key figure	Goal
Minimum average annual growth in revenue	20%
Minimum EBIT%	25%

Solteq Digital

Key figure	Goal
Minimum average annual growth in revenue	5%
Minimum EBIT%	8%

Distribution:

NASDAQ OMX Helsinki

Key media

www.solteq.com

Further information:

Olli Väättäinen

CEO, Solteq Plc

Tel: +358 50 557 8111

Email: olli.vaatainen@solteq.com

Solteq in brief

Solteq is a Nordic provider of IT services and software solutions specializing in the digitalization of business and industry-specific software. The key sectors in which the company has long term experience include retail, industry, energy and services. The company operates in Finland, Sweden, Norway, Denmark, Poland and the UK and employs 600 professionals.