

EXECUTIVE SUMMARY

TNO Technologies has delivered strong financial performance in Q1 2025, exceeding revenue targets by 12% and maintaining healthy profit margins despite increased investments in R&D and market expansion. The cybersecurity division continues to be the top performer, while our new cloud services offering is gaining traction faster than anticipated.

FINANCIAL HIGHLIGHTS

Revenue Performance

Division	Revenue (€M)	YoY Growth	Against Target
Enterprise Security	12.4	+18%	+15%
Managed Services	8.7	+8%	+5%
Cloud Solutions	5.3	+42%	+22%
Professional Services	4.8	+6%	-3%
TOTAL	**31.2**	**+16%**	**+12%**

Profitability Metrics

Metric	Q1 2025	Q1 2024	Change
Gross Margin	68%	65%	+3%
Operating Margin	24%	22%	+2%
EBITDA	€8.1M	€6.4M	+27%
Net Income	€5.6M	€4.2M	+33%
EPS	€0.42	€0.32	+31%

Cash Position

- * Cash and cash equivalents: €18.7M (up from €16.2M in Q4 2024)
- * Operating cash flow: €7.2M
- * Capital expenditures: €1.8M
- * Free cash flow: €5.4M
- * Current ratio: 2.8

OPERATIONAL PERFORMANCE

Sales and Marketing

- * New customer acquisition up 15% YoY
- * Customer retention rate at 94%
- * Average contract value increased 8%
- * Sales pipeline grew 22% to €45.3M
- * Marketing qualified leads increased 28%

Product Development

- * Released Secure Gateway 5.0 with enhanced threat intelligence capabilities
- * Cloud-native monitoring platform reached general availability
- * Completed ISO 27001 certification for cloud operations
- * R&D headcount increased by 12 employees
- * 48 new features deployed across product portfolio

Customer Success

- * Net Promoter Score increased to 64 (from 58)
- * Support ticket resolution time decreased 12%
- * Professional services utilization rate at 82%
- * Customer training sessions delivered: 38
- * Onboarding time reduced by 15%

REGIONAL PERFORMANCE

Region	Revenue	YoY Growth	New Customers
Benelux	€14.8M	+12%	28
DACH	€8.3M	+22%	17
Nordics	€4.5M	+18%	9
Southern Europe	€3.6M	+8%	6

OUTLOOK AND GUIDANCE

Based on Q1 performance and current sales pipeline, we are increasing our full-year guidance:

- * Revenue: €130-135M (previously €125-130M)
- * Operating margin: 23-25% (previously 22-24%)
- * EBITDA: €33-35M (previously €30-32M)

Key initiatives for the remainder of 2025:

1. Expansion into UK market with new office opening in Q3
2. Launch of advanced threat hunting service in Q2
3. Strategic partnership with major cloud provider to be announced
4. Talent acquisition focus on AI/ML specialists
5. Evaluation of acquisition targets in managed security services

RISKS AND CHALLENGES

- * Increasing competition in cloud security segment
- * Potential regulatory changes affecting data transfer agreements
- * Talent acquisition in specialized cybersecurity roles remains challenging
- * Supply chain constraints for hardware components
- * Economic uncertainty in Southern European markets

APPENDICES

- * Detailed financial statements
- * Headcount and hiring report
- * Product roadmap update
- * Sales pipeline analysis
- * Customer case studies

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