

Q1-2024

INTERIM REPORT



Litt mer **overskudd**

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Duett Software Group – Key Figures

Revenue growth
(Q1-24 vs. Q1-23)

10%

Recurring revenue
(Q1-24)

93%

EBITDA growth
(Q1-24² vs. Q1-23)

-28%

EBITDA margin
(Q1-24)

18%

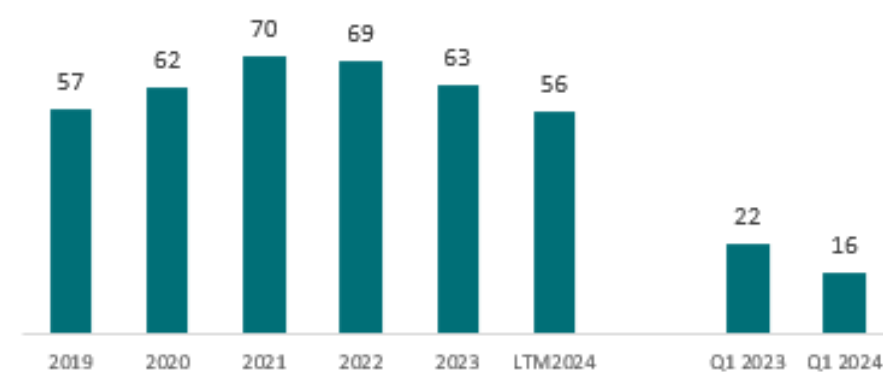
Net
leverage

8.4x

Pro-forma revenues² (mNOK)



Pro-forma adjusted EBITDA² (mNOK)



1) Key figures are presented according to the bond agreement (adjusted for leasing and one-off costs, and Skyhost ApS for 2021).

2) Pro-forma revenues and Adjusted EBITDA includes Skyhost ApS for full-year-2021. Adjusted EBITDA is EBITDA adjusted for leasing costs and one-off costs (please refer to appendix for calculation).

Management Comments

2024 is another year where the company is focused on innovation, product investments and release of new functionalities for the benefit of our customers. Group revenues grew at +10% compared to last year.

Financial development

Revenues year to date Q1 2024 reached 91.7 mNOK. Recurring revenues have increased from 75.4mNOK to 85.3 mNOK, +13% compared to the same period the previous year and represents 93% of total revenues in Q1-2024.

Adjusted EBITDA (please refer to definition in appendix) for Q1-2024 is 16.2mNOK due to the higher operational costs connected with building capacity for the future, and thus -28% compared to Q1-2023.

Duett

The company's revenue for the first quarter is 79.6mNOK and increased by 9.3% compared to the previous year.

Skyhost ApS

Skyhost ApS shows steady growth in Denmark and continues to maintain solid margins.

Taskline AS

In June 2023 Duett Software Group expanded the company portfolio with the acquisition of Taskline AS. The company offers a complete system of task assignment management and quality assurance, and can be integrated directly with most ERP systems on the market.

Significant events, principal risks, uncertainties and related parties' significant transactions

No significant events have occurred during Q1-2024. For comprehensive coverage of business risks and uncertainties, we refer to the annual report for 2023.

Condensed Consolidated Interim Financial Statement

Condensed consolidated Statement of Profit and Loss (IFRS)

	Note	Q1-2024	Q1-2023	YTD 2024	YTD 2023
Revenue		91 680 108	83 546 964	91 680 108	83 546 964
Materials, software and services		26 407 844	23 390 780	26 407 844	23 390 780
Salary and personnel costs		33 899 056	26 251 132	33 899 056	26 251 132
Other operating expenses		16 392 924	10 690 223	16 392 924	10 690 223
Depreciation and amortizations		17 947 181	16 870 777	17 947 181	16 870 777
Operating expenses		94 647 005	77 202 912	94 647 005	77 202 912
Operating profit/loss (-)		-2 966 897	6 344 051	-2 966 897	6 344 051
Finance income		94 329	277 872	94 329	277 872
Finance expenses		14 494 921	11 572 828	14 494 921	11 572 828
Net Finance		-14 400 592	-11 294 956	-14 400 592	-11 294 956
Profit/loss (-) before tax		-17 367 489	-4 950 904	-17 367 489	-4 950 904
Income tax expenses		-3 522 801	-1 092 866	-3 522 801	-1 092 866
Profit/loss (-) after tax		-13 844 688	-3 858 039	-13 844 688	-3 858 039
Attributable to:					
Equity holders of the parent company		-13 844 688	-3 858 039	-13 844 688	-3 858 039

Condensed consolidated Statement of Comprehensive Income

	Consolidated statement of other comprehensive income	Q1-2024	Q1-2023	YTD 2024	YTD 2023
Net profit/loss (-) after tax		-13 844 688	-3 858 039	-13 844 688	-3 858 039
Items that will not be reclassified to profit and loss					
Foreign currency translation differences - foreign operations		6 961 795	14 156 333	6 961 795	14 156 333
Other comprehensive income for the period, net of tax		6 961 795	14 156 333	6 961 795	14 156 333
Total comprehensive income for the period		-6 882 893	10 298 295	-6 882 893	10 298 295
Attributable to:					
Equity holders of the parent company		-6 882 893	10 298 295	-6 882 893	10 298 295

Condensed Consolidated Interim Financial Statement

Condensed consolidated Statement of Financial Position (IFRS)

Note	31.03.2024	31.12.2023
Non-current assets		
Property and equipment	15 335 400	15 663 708
Intangible assets	318 160 607	324 532 255
Goodwill	439 419 100	435 621 303
Right of use assets	16 741 763	19 459 311
Deferred tax asset	0	0
Receivables	708 210	0
Other investments	0	0
Total non-current assets	790 365 080	795 276 578
Current assets		
Inventories	1 398 909	1 477 132
Accounts receivables	21 921 162	20 531 741
Other receivables and prepayments	24 152 927	17 737 384
Cash and deposits	24 041 575	39 018 911
Total current assets	71 514 572	78 765 168
TOTAL ASSETS	861 879 652	874 041 745

Condensed Consolidated Interim Financial Statement

Consolidated Statement of Financial Position (IFRS), continued

	Note	31.03.2024	31.12.2023
Equity			
Share capital		3 493 200	3 493 200
Other paid in capital		368 770 887	368 770 887
Total paid in capital		372 264 087	372 264 087
Other equity and exchange differences			
Other equity and exchange differences		-166 076 954	-159 194 060
Total other equity		-166 076 954	-159 194 060
Total equity		206 187 133	213 070 027
Non-current liabilities			
Bonds		494 452 912	493 722 702
Lease liabilities		10 447 185	11 404 183
Deferred tax		58 365 289	59 486 996
Total non-current liabilities		563 265 386	564 613 881
Current liabilities			
Accounts payables		25 579 081	25 086 552
Lease liabilities		6 419 180	8 929 805
VAT and other public taxes		11 524 211	13 106 410
Current tax payable		-2 294 382	945 700
Prepaid revenue		15 225 225	14 313 443
Other current liabilities		35 973 816	33 975 929
Total current liabilities		92 427 132	96 357 838
TOTAL EQUITY AND LIABILITIES		861 879 652	874 041 745

Condensed Consolidated Financial Statement

Condensed consolidated Statement of Cashflows (IFRS)

	YTD 2024	YTD 2023
Operating activities		
Profit/loss (-) before tax	-17 367 488	-4 950 905
Depreciation and amortization	17 947 181	16 870 777
Taxes Paid	-2 290 618	165 124
Net finance	14 400 592	11 294 956
Change in:		
Inventory	135 225	-295 186
Trade payables	413 764	9 936 231
Trade receivables	-1 070 878	-5 381 352
Prepaid revenue	368 377	-878 327
Other net working capital	-6 398 771	-3 119 740
Cashflow operating activities	6 137 382	23 641 577
Investing activities		
Capitalized development costs	-5 012 860	-6 874 611
Purchase of tangible assets	-423 292	-777 738
Purchase of intangible assets	0	0
Net paid in business combinations	-67 238	0
Cashflow investing activities	-5 503 390	-7 652 349
Financing activities		
Bonds	0	0
Expenses related to establishment of bond	0	0
Repayment of debt	0	0
Payment of lease	-3 563 488	-2 556 602
Paid interest	-12 483 596	-11 084 828
Net change credit facility	0	0
Other financing activity	0	0
Cashflow financing activities	-16 047 084	-13 641 430
Net change in cash and cash equivalents	-15 413 091	2 347 799
Cash and cash equivalents in the beginning of the period	39 018 911	58 844 134
Foreign currency translation differences for cash and cash equivalents	435 755	113 562
Cash and cash equivalents in the end of the period	24 041 575	62 988 476

Condensed Consolidated Financial Statement

Condensed consolidated Statement of changes in Equity (IFRS)

	Note	Share capital	Premium fund	Exchange differences	Other equity	Total equity
Opening balance on January 1, 2023		3 493 200	368 770 887	8 480 165	-126 072 812	254 671 440
New equity		0	0	0	0	0
Total comprehensive income for the period		0	0	11 623 175	-53 224 588	-41 601 413
Closing balance on December 31, 2023		3 493 200	368 770 887	20 103 340	-179 297 400	213 070 027
Opening balance on January 1, 2024		3 493 200	368 770 887	20 103 340	-179 297 400	213 070 027
Total comprehensive income for the period		0	0	6 961 795	-13 844 688	-6 882 893
Closing balance on March 31, 2024		3 493 200	368 770 887	27 065 135	-193 142 088	206 187 134

Condensed Consolidated Financial Statement

Notes

1. General

These condensed consolidated interim financial statements of Duett Software Group consist of the Company and its subsidiaries Duett AS, Taskline AS and Skyhost ApS, collectively referred to as the Group.

2. Basis for preparation

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the 2023 Annual Financial Statements. The condensed consolidated interim financial statements do not include all the information required for complete annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for 2023. These condensed consolidated interim financial statements are unaudited.

Condensed Interim Financial Statement of the Parent Company

Condensed Statement of Profit and Loss (NGAAP)

	Note	Q1-2024	Q1-2023	YTD 2024	YTD 2023
Revenue		0	0	0	0
Other operating expenses		3 875 953	1 296 965	3 875 953	1 296 965
Operating expenses		3 875 953	1 296 965	3 875 953	1 296 965
Operating profit/loss (-)		-3 875 953	-1 296 965	-3 875 953	-1 296 965
Finance income		905 096	1 154 022	905 096	1 154 022
Finance expenses		13 722 954	11 129 617	13 722 954	11 129 617
Net Finance		-12 817 858	-9 975 595	-12 817 858	-9 975 595
		0	0	0	0
Profit/loss (-) before tax		-16 693 811	-11 272 560	-16 693 811	-11 272 560
Income tax expenses		-3 672 638	-2 479 963	-3 672 638	-2 479 963
Profit/loss (-) after tax		-13 021 173	-8 792 597	-13 021 173	-8 792 597

Condensed Interim Financial Statement of the Parent Company

Condensed Statement of Financial Position (NGAAP)

	Note	31.03.2024	31.12.2023
Non-current assets			
Investment in group companies		808 112 217	808 044 979
Total non-current assets		808 112 217	808 044 979
Current assets			
Receivables group companies		33 761 395	53 189 663
Other receivables and prepayments		2 675 710	181 917
Cash and deposits		1 294 032	2 363 644
Total current assets		37 731 137	55 735 224
TOTAL ASSETS		845 843 354	863 780 203
Equity			
Share capital		3 493 200	3 493 200
Other paid in capital		368 770 887	368 770 887
Total paid in capital		372 264 087	372 264 087
Other equity and exchange differences			
Other equity and exchange differences		-54 484 845	-37 791 034
Total other equity		-54 484 845	-37 791 034
Total equity		317 779 242	334 473 053
Non-current liabilities			
Bonds		494 452 912	493 722 702
Deferred tax		1 381 006	1 381 006
Total non-current liabilities		495 833 918	495 103 708
Current liabilities			
Accounts payables		338 108	281 818
VAT and other public taxes		-67 622	0
Current tax payable		-530 198	1 760 420
Intercompany		21 819 576	21 301 102
Other current liabilities		10 670 330	10 860 102
Total current liabilities		32 230 194	34 203 442
TOTAL EQUITY AND LIABILITIES		845 843 354	863 780 203

Condensed Interim Financial Statement of the Parent Company

Condensed Statement of Cashflows (NGAAP)

	YTD 2024	YTD 2023
Operating activities		
Profit/loss (-) before tax	-16 693 811	-11 272 561
Taxes Paid	-2 290 618	-209 532
Net finance	12 817 858	9 975 595
Change in:		
Trade payables	56 290	395 872
Other net working capital	-3 937 973	4 979 980
Cashflow operating activities	-10 048 254	3 869 354
Investing activities		
Purchase of shares in subsidiaries	-67 238	0
Cashflow investing activities	-67 238	0
Financing activities		
Bonds	0	0
Expenses related to establishment of bond	0	0
Repayment of debt	0	0
Interest income	905 096	1 154 022
Paid interests	-11 805 958	-15 396 283
Net change intercompany	19 946 742	20 647 101
Net finance	0	0
Cashflow financing activities	9 045 880	6 404 840
Net change in cash and cash equivalents	-1 069 612	10 274 194
Cash and cash equivalents in the beginning of the period	2 363 644	251 763
Cash and cash equivalents in the end of the period	1 294 032	10 525 957

Appendix

EBITDA adjustments required by the Bond Agreement

The company's Bonds were listed on the Oslo Stock Exchange (Oslo Børs) in April 2022.

According to the bond agreement, we are required to make certain corrections when calculating EBITDA. The relevant corrections for Duett Software Group are leasing costs and one-off cost items. Below is the calculation of EBITDA according to the bond agreement.

	Calculation of EBITDA	
	YTD 2024	YTD 2023
Operating profit	-2 966 897	6 344 051
Depreciation and amortizations	17 947 181	16 870 777
Leasing	-3 825 887	-2 877 184
One-off	5 047 656	2 122 042
EBITDA	16 202 053	22 459 686

