



HAWK INFINITY
SOFTWARE AS
INTERIM REPORT
Q3 2024

About Hawk Infinity Software

- Hawk Infinity Software (“HIS”) is a Nordic cloud software group owned by Hawk Infinity AS, where a substantial share of the shareholders are the founders and employees of Hawk, as well as founders and employees who have sold their companies to the Group.
- Since the inaugural bond issue in early 2021, the Group has experienced solid growth, both organically and through accretive acquisitions.
- The companies in the Group have a proven track record of strong, stable, and profitable growth over more than 10 years supported by attractive and sticky Software as a Service (“SaaS”) and Platform as a Service (“PaaS”) business models which combined are generating a high degree of recurring revenues and repeating customers.
- All the Group’s cloud software products offer safe and GDPR-compliant data storage under EU data privacy laws.

Letter from the CEO

In Q3 2024, Hawk Infinity Software delivered pro-forma LTM revenue of 836 MNOK, adjusted EBITDA of 310 MNOK and free cash flow of 243 MNOK. The annualized year-to-date revenue growth is 19%, while the EBITDA growth is 35%. The strong like-for-like EBITDA growth can be attributed to improved operating margins in many of the operating entities in HIS, demonstrating the scalability of their business models. Free cash flow before interest and tax has increased meaningfully during the year, with LTM EBITDA cash conversion now close to 80%. The significant improvement in free cash flow generation provides an increasing buffer to our running interest cost.

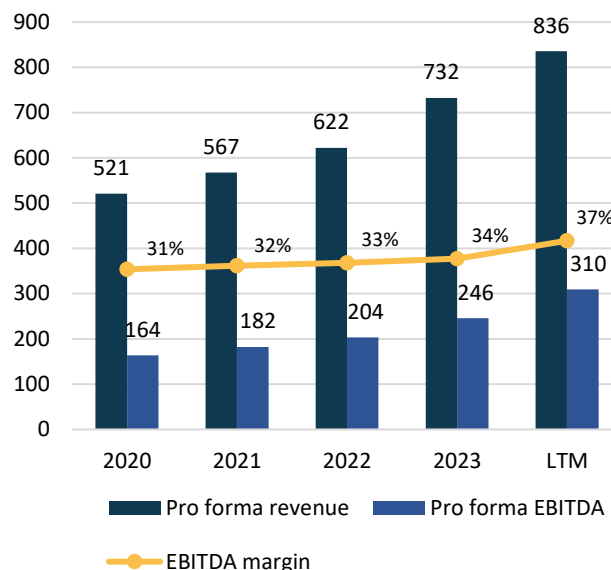
With regards to bond financing there has been two notable events during the quarter. In July, we completed a tap issue of 100 MNOK to partially finance the acquisitions completed during the summer. In September, we announced an amendment of the outstanding bonds and issued a new 1,000 MNOK bond with maturity in 2029 to execute on our robust M&A pipeline. The latter transaction was finalized post-quarter end.

The M&A activity in HIS has been strong during Q3 2024 and in the subsequent period. The acquisitions of Digiflow AS, Sunnsoft Publishing AS and Comby A/S were completed in July. These companies combined contribute +100 MNOK in LTM EBITDA per Q3 2024, and further improved our pro-forma growth rate and EBITDA cash conversion.

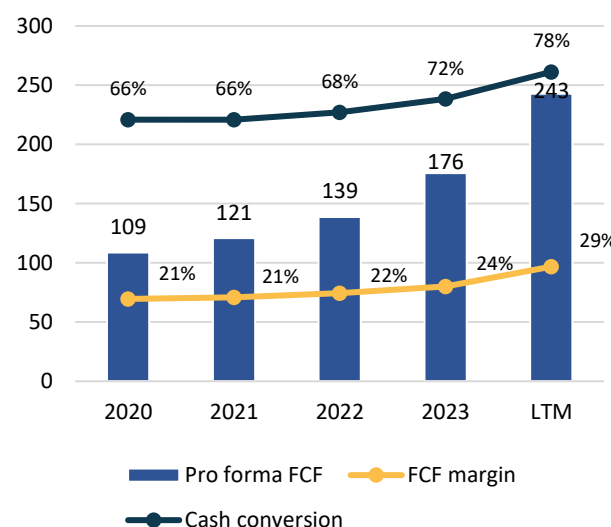
After quarter-end, we have announced the acquisition of a total of 9 companies. The acquired companies have a total EBITDA of 163 MNOK, with an even stronger EBITDA growth rate and similar EBITDA cash conversion compared to the reported pro-forma figures in HIS as per Q3 2023. The businesses acquired are similar to the companies we have in HIS today in terms of operating model, providing mission-critical niche software solutions to B2B customers. 7 of the businesses are in the Nordics, while two of the new businesses represent our first non-Nordic companies in Estonia and Croatia. While the non-Nordic businesses represent a low share of the acquired EBITDA (approx. 6%), it is an important milestone for HIS in terms of being able to identify and complete accretive acquisitions of software businesses in Europe.

With the announced acquisitions we have carried out most of the M&A opportunities we set out to complete in connection with the recent 1,000 MNOK bond issue. We are still working actively with a few concrete M&A opportunities and expect to deploy the remaining proceeds during Q4 2024 or Q1 2025.

Revenue and EBITDA development



Cash flow development



The reported Leverage Ratio per Q3 2024 is 4.2x. When adjusting for the M&A transactions completed subsequent to quarter-end, our pro-forma Leverage Ratio is 4.5x. With EBITDA cash conversion improving as the group continues to grow with scalability, our debt service buffer in terms of free cash flow relative to interest cost has improved meaningfully over the last year.

Including the acquisitions announced after quarter-end, HIS is now comprised of 24 software businesses. We have come a long way in achieving increased scale and diversification over the last years. It has been a key priority to solidify the group and reduce single-company business risk. The group has a combined LTM EBITDA including the new acquisitions of 473 MNOK, with a long track record of profitable organic growth and with gradually improving operating margins and cash flow. The businesses in HIS operate in niche B2B software markets where they offer various mission-critical cloud-based solutions and services for administration, storage, transfer, documentation, IT infrastructure, operations, marketing, ERP/logistics, and tendering to their end-customers. The end-customers are spread across large enterprise clients, platform partners and SMBs within the private and public domain, operating in segments such as health, public administration, retail, telco, real estate, legal and automotive. We are pleased with the robustness of the group, and we view the long-term growth drivers and outlook as supportive.

Joakim Stavnes Karlsen
CEO

Key figures Q3 2024 – Pro Forma

Revenue	Adjusted EBITDA	LTM adjusted EBITDA	Senior net debt
203.7m	80.5m	309.6m	1 281.2m
+19% vs. Q3-23	+24% vs. Q3-23	+26% vs. FY23	

NOKm	Q3-24	Q3-23	YTD-24	YTD-23	LTM	FY23
Revenue	203.7	171.7	627.2	523.9	835.7	732.4
Adjusted EBITDA	80.5	64.8	238.9	174.9	309.6	245.7
Adjusted EBITDA margin	39 %	38 %	38 %	33 %	37%	34%

Please note that pro forma figures on this page and in the letter from the CEO differ from the reported figures in the following respects:

- Pro forma figures include acquired subsidiaries from 1 January 2019, while reported figures include these entities from the acquisition date.
 - Filemail AS was acquired 1 November 2020
 - Storegate AB and ToKeep Sweden AB were acquired 5 November 2021
 - Viscenario AS was acquired 23 November 2021
 - Curotech AS was acquired 12 January 2022
 - Norbits AS was acquired 2 March 2022
 - FDVhuset AS was acquired 16 May 2022
 - Marketplace AS and Byggstart AS was acquired 28 April 2023
 - Rushfiles A/S was acquired 22 June 2023
 - Cars Software AS was acquired 30 September 2023
 - Unisoft AS was acquired 18 October 2023
 - Nytt Foretak AS was acquired 25 June 2024
 - Sunnsoft Publishing AS was acquired 9 July 2024
 - Digiflow AS was acquired 9 July 2024
 - Comby was acquired 17 July 2024
- Pro forma figures do not include Servebolt AS as the Group's ownership is less than 50%.
- Adjusted EBITDA excludes M&A advisor fees and other items of a non-recurring nature.

Interim consolidated financial accounts (1/4)

Condensed consolidated income statement

<i>NOKm</i>	Note	Q3-24 (unaudited)	Q3-23 (unaudited)	YTD-24 (unaudited)	YTD-23 (unaudited)	FY23 (audited)
Revenues	2	195.1	74.2	374.6	201.7	290.0
Personnel expenses		-53.6	-22.5	-96.7	-57.3	-77.4
Other operating expenses		-70.9	-15.0	-118.6	-44.0	-68.2
EBITDA		70.6	36.7	159.3	100.4	144.4
Depreciation, amortisation, and impairment	3	-40.6	-28.1	-88.1	-62.5	-94.6
Operating profit		30.0	8.5	71.3	37.9	49.9
Net finance excl. refinancing cost	4	-38.4	-22.9	-92.4	-55.1	-84.5
Bond refinancing cost	4	0.0	0.0	0.0	0.0	-31.9
Profit before tax		-8.4	-14.4	-21.1	-17.3	-66.9
Taxes		5.6	1.6	9.4	5.6	9.5
Net profit (loss) after tax		-2.9	-12.8	-11.7	-11.7	-57.4

Condensed consolidated statement of comprehensive income

<i>NOKm</i>	Q3-24 (unaudited)	Q3-23 (unaudited)	YTD-24 (unaudited)	YTD-23 (unaudited)	FY23 (audited)
Net profit (loss) after tax	-2.9	-12.8	-11.7	-11.7	-57.4
Items that may be classified to P&L	0.0	0.0	0.0	0.0	0.0
Other comprehensive income items	3.9	-0.7	3.1	1.4	2.8
Total comprehensive income	1.0	-13.4	-8.6	-10.3	-54.6
Attributable to:					
Equity holders of the parent	-1.8	-16.4	-10.5	-16.4	-60.8
Non-controlling interest	2.8	2.9	1.9	6.1	6.2

Interim consolidated financial accounts (2/4)

Condensed consolidated statement of financial position

<i>NOKm</i>	Note	30.09.24 (unaudited)	31.12.23 (audited)
Goodwill	3	1 561.0	700.9
Other intangible assets	3	503.5	236.4
Machinery and equipment	3	20.2	5.3
Leasing assets		45.1	40.0
Shares in associated companies		31.8	33.0
Other non-current assets		0.8	0.6
Non-current assets		2 162.3	1 016.2
Accounts receivable		59.3	29.2
Short term receivables		36.8	14.3
Cash and cash equivalents	5	181.3	71.0
Current assets		277.4	114.4
Total assets		2 439.7	1 130.6
Paid-up capital		495.3	92.4
Other equity		-153.9	-88.0
Non-controlling interests		192.7	105.2
Total equity		534.1	109.6
Deferred tax		104.3	31.0
Long-term borrowings	4, 5	1 528.7	764.7
Non-current lease liabilities	5	28.6	25.5
Non-current liabilities		1 661.6	821.2
Liabilities to financial institutions	4, 5	25.2	55.4
Accounts payable		29.1	9.3
Public duties payable		34.3	15.6
Other short-term liabilities	5	155.4	119.6
Current liabilities		244.0	199.8
Total liabilities		1 905.6	1 021.0
Total equity and liabilities		2 439.7	1 130.6

Interim consolidated financial accounts (3/4)

Condensed consolidated statement of cash flow

<i>NOKm</i>	YTD-24 (unaudited)	YTD-23 (unaudited)	FY23 (audited)
Profit before tax	-21.1	-17.3	-66.9
Depreciation, amortisation and impairment	88.1	62.5	94.6
Interest expense	88.8	45.6	80.4
Cost of refinancing	0.0	0.0	31.0
Change in working capital items	10.7	-1.7	5.2
Cash flow from operations	166.4	89.2	144.3
Acquisition net of cash acquired	-896.0	-60.0	-202.1
Purchase of non-current assets	-32.0	-26.8	-41.2
Cash flow from investments	-928.0	-86.8	-243.3
Proceeds from borrowings	625.4	146.4	950.8
Repayment of loans and credits	-50.1	-70.3	-721.5
Lease payments	-12.7	-14.0	-18.7
Dividends paid to non-controlling interests	-4.7	-8.9	-12.8
Interest expense	-88.8	-45.6	-80.4
Cost of refinancing	0.0	0.0	-31.0
Proceeds from issue of equity	402.8	0.0	0.0
Cash flow from financing	871.9	7.7	86.4
Cash at beginning of period	71.0	83.6	83.6
Net change in cash and cash equivalents	110.3	10.1	-12.6
Cash at end of period	181.3	93.7	71.0

Interim consolidated financial accounts (4/4)

Condensed statement changes in equity

<i>NOKm</i>	Share capital	Other paid-in equity	Other equity	Non-controlling interests	Total equity
Equity 01.01.2023	1.2	91.1	-37.5	21.9	76.7
Issuing of equity	0.0	0.1	0.0	0.0	0.1
Transactions in treasury shares	0.0	0.0	0.1	0.0	-1.3
Dividends paid to minorities	0.0	0.0	0.0	-12.8	-12.8
Acquisition of subsidiaries	0.0	0.0	0.0	82.0	82.0
Sale of minority share subsidiaries	0.0	0.0	10.2	7.9	18.2
Profit for the period	0.0	0.0	-60.8	6.2	-54.6
Equity 31.12.2023	1.2	91.2	-88.0	105.2	109.6

<i>NOKm</i>	Share capital	Other paid-in equity	Other equity	Non-controlling interests	Total equity
Equity 01.01.2024	1.2	91.2	-88.0	105.2	109.6
Issuing of equity	0.1	402.7	0.0	0.0	402.8
Transactions in treasury shares	0.0	0.0	0.1	0.0	0.1
Dividends paid to minorities	0.0	0.0	0.0	-4.7	-4.7
Acquisition of subsidiaries	0.0	0.0	0.0	174.9	174.9
Acquisition of minority shares in subsidiaries	0.0	0.0	-55.5	-84.6	-140.1
Profit for the period	0.0	0.0	-10.5	1.9	-8.6
Equity 30.09.2024	1.4	493.9	-153.9	192.7	534.1

Selected notes and disclosures

General

Hawk Infinity Software AS ("the Company") and its subsidiaries (together "the Group") has its headquarters and registered office at Øvre Slottsgate 5, 0157 Oslo, Norway.

Group entities and legal organisation number:

Company name	Org. number
Hawk Infinity Software AS	922 182 795
Jotta AS	992 603 615
Filemail AS	893 823 972
Saas Holding AS	927 958 457
Viscenario AS	998 718 287
Storegate AB	556623-6179
ToKeep Sweden AS	559193-966
CuroTech AS	979 573 464
Norbits AS	982 528 054
FDVhuset AS	883 759 702
Byggstart AS	916 957 629
Marketplace AS	924 526 130
Rushfiles A/S	3462 3422
Cars Software AS	928 788 709
Unisoft AS	830 517 502
Nytt Foretak AS	914 545 080
Sunnsoft Publishing AS	912 186 601
DF Holdco AS	933 232 158
Digiflow AS	994 625 365
Cb Bidco A/S	4492 8078
Comby A/S	1201 0427
Comby Denmark A/S	4088 1751
Comby Greenland A/S	1235 6358

Note 1: Basis for preparation

These condensed interim consolidated financial statements are prepared in accordance with recognition, measurement and presentation principles consistent with International Financing Reporting Standards as adopted by the European Union ("IFRS") for interim reporting under the International Accounting Standard ("IAS") 34 Interim Financial reporting. These condensed interim consolidated financial statements are unaudited.

Please refer to the annual report for a full overview of the accounting principles applied by the group.

Note 2: Revenue recognition

Subscription revenue is recognised linearly over the period of the subscription. For non-recurring contracts, the revenue is recognised at the point in time when the services are delivered.

Note 3: Tangible and intangible assets

<i>NOKm</i>	Goodwill	Other intangible assets	Tangible assets	Total
Net book amount 31 December 2023	700.9	236.4	5.3	942.6
Additions	0.0	27.8	4.2	32.0
Additions – Business Combinations	854.8	306.3	16.8	1 177.9
Currency adjustment	5.3	0.1	0.0	5.4
Depreciation and impairment charge	0.0	-67.0	-6.2	-73.2
Net book amount 30 September 2024	1 561.0	503.6	20.2	2 084.7
Economic life	N/A	3-12 years	3-5 years	
Depreciation plan		Straight line	Straight line	

Note 4: Long term debt and credit facilities

<i>NOKm</i>	30.09.24
<u>Bond loan</u>	
Bond loan	1 350.0
Engagement fee and commitment fee	-12.2
Book value	1 337.8
The bond loan has an interest rate of 3M NIBOR + 6.5. The maturity date is 03.10.2028.	
<u>Revolving Credit Facility</u>	
Revolving Facility Commitment (due 2028-10-03)	75.0
Drawn amount	25.0

Note 5: Net debt position

<i>NOKm</i>	30.09.24
Bond loan	1 350.0
RCF	25.0
Leasing liabilities	48.1
Other liabilities	39.3
Cash and cash equivalents	-181.3
Senior net debt	1 281.2

<i>NOKm</i>	30.09.24
Senior net debt	1 281.4
Subordinated earn-out and seller credits	189.1
Total net debt	1 470.3

Approximately 60% of the subordinated earn-out and seller's credit commitments can be settled by issuance of shares in the parent company.

Note 6: Business combinations

The group acquired 90.1% of the shares in Nytt Foretak AS on the 25th of June, 67 % of the shares in Digiflow AS on the 9th of July, 100% of the shares in Sunnsoft Publishing AS on the 9th of July and 80% of the shares in Comby A/S on the 17th of July. The preliminary PPAs are shown below. All figures are in NOKm.

Nytt Foretak

<i>NOKm</i>	
Cash paid	65.1
Subordinated contingent Earn-Out	8.0
Total purchase consideration	73.1

The assets and liabilities recognised as a result of the acquisition are as follows:

<i>NOKm</i>	Fair value
Cash	2.5
Other intangible assets	28.5
Financial assets	3.1
Current receivables	5.2
Current liabilities	-1.2
Deferred tax liabilities	-6.3
Net identifiable assets acquired	31.8
Less: Non-controlling interests	-3.1
Goodwill	44.4
Net assets acquired	73.1

The goodwill is attributable to the workforce, the high profitability of the acquired business and expected synergies from combining operations in Nytt Foretak with operations in other group companies. It will not be deductible for tax purposes.

<i>NOKm</i>	
Cash consideration	65.1
Less: Balances acquired	-2.5
Net outflow of cash – investing activities	62.6

Digiflow

<i>NOKm</i>	
Cash paid (incl. non-controlling interests)	575.0
Subordinated contingent Earn-Out	50.0
Total purchase consideration	625.0

The assets and liabilities recognised as a result of the acquisition are as follows:

<i>NOKm</i>	Fair value
Cash	43.7
Other intangible assets	125.1
Fixed assets	1.3
Inventory	1.7
Current receivables	28.5
Current liabilities	-53.6
Deferred tax liabilities	-27.4
Net identifiable assets acquired	119.5
Goodwill	505.5
Net assets acquired	625.0
Less: non-controlling interests, at fair value	-140.3
Parent company interests	484.8

The goodwill is attributable to the workforce, the high profitability of the acquired business and expected synergies from combining operations in Digiflow with operations in other group companies. It will not be deductible for tax purposes.

<i>NOKm</i>	
Cash consideration	434.8
Less: Balances acquired	-43.7
Net outflow of cash – investing activities	391.0

Sunnsoft

<i>NOKm</i>	
Cash paid	60.0
Subordinated contingent Earn-Out	10.0
Total purchase consideration	70.0

The assets and liabilities recognised as a result of the acquisition are as follows:

<i>NOKm</i>	Fair value
Cash	5.7
Other intangible assets	12.8
Fixed assets	0.2
Current liabilities	-0.8
Deferred tax liabilities	-2.8
Net identifiable assets acquired	15.1
Goodwill	54.9
Net assets acquired	70.0

The goodwill is attributable to the workforce, the high profitability of the acquired business and expected synergies from combining operations in Sunnsoft with operations in other group companies. It will not be deductible for tax purposes.

<i>NOKm</i>	
Cash consideration	60.0
Less: Balances acquired	-5.7
Net outflow of cash – investing activities	54.3

Comby

All amounts are in NOKm, converted from DKK with an exchange rate of 1.5742 at the acquisition date.

<i>NOKm</i>	
Cash paid	306.3
Subordinated contingent Earn-Out	101.5
Other consideration	31.5
Total purchase consideration	439.3

The assets and liabilities recognised as a result of the acquisition are as follows:

<i>NOKm</i>	Fair value
Cash	39.7
Other intangible assets	139.9
Fixed assets	15.3
Inventory	3.7
Other current assets	57.1
Current liabilities	-18.7
Deferred tax liabilities	-47.7
Net identifiable assets acquired	189.3
Goodwill	249.9
Net assets acquired	439.3

The goodwill is attributable to the workforce, the high profitability of the acquired business and expected synergies from combining operations in Comby with operations in other group companies. It will not be deductible for tax purposes.

<i>NOKm</i>	
Cash consideration	306.3
Less: Balances acquired	-39.7
Net outflow of cash – investing activities	266.6

Note 7: Subsequent events

Successful placement of senior secured bond

On September 27th Hawk Infinity Software AS successfully completed a NOK 1,000 million placement of a new senior secured bond with a maturity in October 2029. The bond issue was oversubscribed. The bonds will pay a coupon of 3 months NIBOR + 6.50% per annum, and the net proceeds will be used for acquisitions and for general corporate purposes. An application will be made for the bonds to be listed on Oslo Stock Exchange.

ABG Sundal Collier, Arctic Securities, Nordea and Pareto Securities acted as Joint Lead Managers in connection with the placement of the new bond issue.

14 October 2024 - Announcement of acquisitions of Bazoom and Infosoft

On October 14th, Hawk Infinity Software announced agreement on the acquisitions of 100% of Bazoom Group Aps (“Bazoom”) and Infosoft AS (“Infosoft”).

Bazoom is a digital platform provider of search engine optimization and online advertising software. Based in Denmark, the company has built up a leading position among end-customers, advertising agencies and affiliates within its domain with established partnerships with an extensive and growing network of media partners.

Based in Oslo, Norway, Infosoft has leveraged extensive media industry experience to develop the subscription management software INFO-Subscription. INFO-Subscription is a market leading platform for handling high-volume, complex revenue models like subscriptions and rentals.

Bazoom and Infosoft have combined LTM pro forma EBITDA of NOK 77m as of September 2024, with strong underlying year-over-year growth on top line and bottom line. The acquisitions are closed at an upfront enterprise value of NOK 477m. A limited additional contingent consideration will be granted if certain relatively ambitious free cash flow growth targets are met over the coming years.

The acquisitions will be funded by available liquidity, release from the escrow account and an equity issue in HIS towards Hawk Infinity AS.

29 October 2024 - Announcement of acquisitions of Capnor, Genera, Virosoft, Mikon and MotionTech

On October 29th, Hawk Infinity Software announced agreement on the acquisitions of 100% Capnor AS (“Capnor”), Genera Networks AB (“Genera”), Virosoft OÜ (“Virosoft”) and Mikon AS (“Mikon”), as well as 55% of MotionTech AS (“MotionTech”).

Capnor is a supplier of 3D scanning and digital twin data for the energy and construction industry. As part of its offering, Capnor offers access to the cloud-based platform Ayelix. Ayelix is a self-developed tool for managing data and is also sold as a separate product. The company has offices located in Stavanger and Krakow and offer its services globally. The company has strong underlying growth on the top and bottom line, with a large portion coming from Ayelix.

Genera has since 2009 provided regulated and state-owned gaming operators with market optimized gaming platforms and unique game formats. Genera’s platform services include analysis, content aggregation, game format development and delivery in a comprehensive solution. Genera has the Norwegian state-owned gaming operator Norsk Tipping as one of its key customers. Based in Stockholm, the company offers its solutions across Europe.

Virosoft, also known as Andevis, is a supplier of human resource management software for some of Estonia's largest public and private enterprises. Their technology offering includes all required modules for HR management and a strong track-record for custom enterprise solutions. With the company's long history of providing value for large enterprises, Virosoft has a clear opportunity to grow in core and adjacent markets. The company is headquartered in Tallinn, Estonia.

MotionTech is a supplier of advanced motion technology and cyber-physical systems for a range of industrial applications. The company realises substantial value for their clients through enhanced efficiency, simulation driven development, and operational performance where information and operational technology must collaborate. MotionTech's top- and bottom-line growth have been solid, including an impressive pipeline to capitalise on. The company is headquartered in Grimstad, Norway and offer their services globally.

Mikon delivers best of breed software solutions for production and manufacturing reporting needs. The company is optimized for automatic collection, processing and storage of data, and has established strong, long-term relationships with leading industrial clients, while securing new contracts with major players. The company is headquartered in Oslo, Norway.

The companies to be acquired have a combined LTM pro forma EBITDA of NOK 72m as of September 2024, with strong underlying year-over-year growth on top line and bottom line. The acquisitions are closed at an upfront enterprise value of NOK 464m. A limited additional contingent consideration will be granted for some of the acquisitions if certain relatively ambitious free cash flow growth targets are met over the coming years.

The acquisitions will be funded by available liquidity, release from the escrow account and an equity issue in HIS towards Hawk Infinity AS.

13 November 2024 - Announcement of acquisitions of Barcontrol and OsmiBIT

On November 11th Hawk Infinity Software AS ("HIS") announced agreement on the acquisitions of 100% of Barcontrol Systems AS ("Barcontrol") and 100% of Osmi BIT d.o.o. ("OsmiBIT").

Based in Oslo, Norway, Barcontrol has been a supplier of checkout and logistics systems to the restaurant industry for over 20 years. The company is a one-stop-shop for software solutions and assist restaurants all the way with the choice of cash register solution, from advice and implementation to operation and support. Barcontrol also develops integrations to connect the checkout solution with accounting, inventory management, ordering solutions and more.

Headquartered in Zagreb, Croatia, OsmiBIT has been engaged in development, implementation, and maintenance of software since 1988. With their core expertise in ERP, Business intelligence, Human Resources and Document Management systems they serve domestic and multinational companies especially within retail, wholesale and marina.

The companies have a combined LTM pro forma EBITDA of NOK 11.5m as of September 2024. The acquisitions are closed at an upfront enterprise value of NOK 68m. Additional contingent consideration will be granted if certain relatively ambitious free cash flow growth targets are met over the coming years.

The acquisitions will be funded by available liquidity, release from the escrow account and an equity issue in HIS towards Hawk Infinity AS.

Effect of subsequent events

The effects of subsequent events on certain key figures are as follows.

<i>NOKm</i>	30.09.24	Effect of acquisitions	Effect of bond issue	Pro forma post subsequent events
LTM adjusted EBITDA	309.6	163.1	0.0	472.7
EBITDA for incurrence test*	307.5	160.7	0.0	468.2
Senior net debt	1 281.2	771.8	40.3	2 093.3
Senior NIBD/EBITDA LTM	4.2x			4.5x

*Adjusted for entities where ownership is less than 80%.

Note 8: Definitions

Alternative Performance Measures (APMs)

The Group uses the following financial measures that are not defined as financial measures by IFRS. The alternative performance measures are used consistently and are intended to enhance comparability when comparing financial performance versus previous reporting periods.

Adjusted EBITDA	EBITDA excluding M&A advisor fees and other non-recurring items.
Adjusted EBITDA margin	Adjusted EBITDA divided by pro forma revenue.
Cash conversion	FCF divided by adjusted EBITDA
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation.
FCF	Free cash flow = Adjusted EBITDA - change in NWC - capex - leasing
FCF margin	FCF divided by pro forma revenue
LTM	Last twelve months.
Pro forma revenue	Revenue including acquired subsidiaries as if they were controlled over the full reporting period
Senior net debt	Interest-bearing liabilities, excluding subordinated acquisition financing less cash and cash equivalents. As defined in the bond terms.
Total net debt	Interest-bearing liabilities less cash and cash equivalents.