



INTERIM FINANCIAL REPORT SUPEROFFICE GROUP

(GROUP CONSISTS OF SUPEROFFICE GROUP AS AND ALL SUBSIDIARIES)

Q3 and year to date 2024

(Unaudited figures)

November 28, 2024

Executive Summary

Q3/2024 – A quarter with continued growth in ARR, revenues and improved profit margin

SuperOffice continues the trend from the first half year with growth in ARR, revenues and profit. Total ARR amounted to NOKm 678 (NOKm 602) representing a growth of 12% versus Q3 2023. This gives us a strong tailwind for the for the coming 12 months as recurring revenues represent close to 90% of our total revenues. Total revenues for the quarter ended at NOKm 178 (NOKm 163), up 9% versus Q3 2023. The EBITDA (adjusted for IFRS 16 and nonrecurring items) for Q3 2024 landed at NOKm 61 (EBITDA margin of 34%) vs NOKm 52 (32%) for Q3 2023. The profit for the quarter reflects the revenue growth and a balanced focus with respect to operational investments aimed at further growth. The cash flow from operations for the quarter and YTD is strong, and the financials are solid.

Investments in product development remain a top priority, and we are set to increase our development investments in 2025. The majority of these investments will focus on enhancing user experience, expanding AI capabilities, and introducing a new Marketing Premium offering. Specifically, we are preparing to launch a completely redesigned user interface in early 2025, which will provide a modern look and feel while preserving the well-known usability of SuperOffice products. We anticipate this upgrade will contribute significantly to our growth objectives.

The AI Labs project, allowing customers to explore the SuperOffice Copilot, has gained strong traction over recent months. We are actively expanding our AI initiatives, bringing on new talent, and working to embed generative AI capabilities directly into our user experience. This will deliver comprehensive AI support to all SuperOffice users.

We are making good progress in our move to a Public Cloud platform. As reported earlier, this move will result in exciting new business capabilities for our customers. Finally, our enhanced Marketing offering as well as other key feature improvements are developing according to plan and will be launched during the second half of 2024.

Our growth strategy continues to be focused on our key markets in Scandinavia, Germany, the Netherlands and Switzerland, with continued investments in our already strong partner channel. We remain focused on driving organic growth, but we will continue to consider targeted acquisitions which fit in as a natural extension of our product offering, team and geographical focus. Our main goal remains clear; to be a preferred CRM choice for our target markets and customers and continue to be an attractive and sustainable company for our customers, partners, employees and owners.

With our strong cloud CRM offering and competent team – we are well positioned to capture a good portion of the forecasted long-term growth in the CRM space in Europe. From a financial point of view, our business is strong, and our ambition is to continue to deliver improved growth in revenues and profit in the coming years.

Axcel Management has, as the ultimate majority shareholder of SuperOffice, decided to initiate a review of the future ownership of SuperOffice. This process may result in a change of ownership of SuperOffice as a whole and/or other changes to the capital structure of the group.



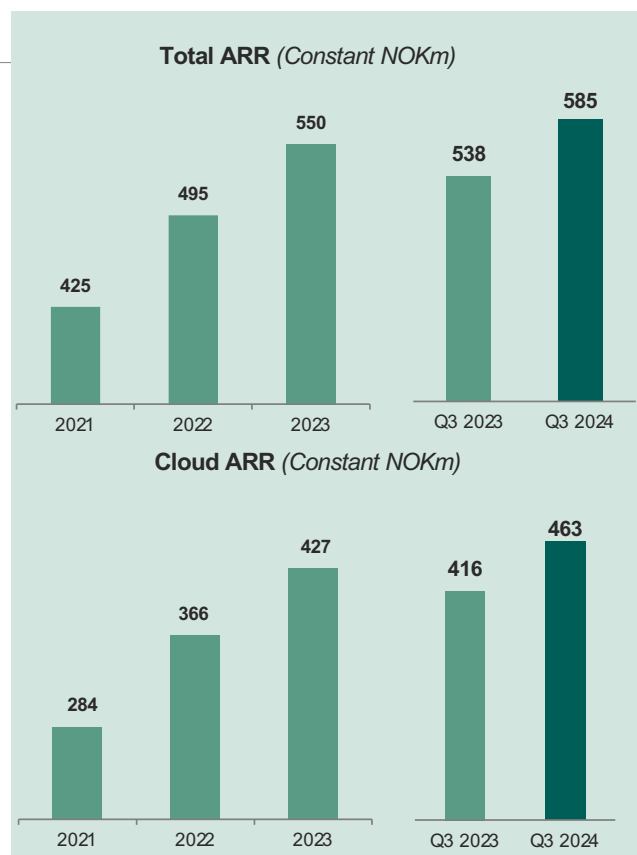
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Q3/24 Trading update

II

Interim Financial Statements

ARR in SuperOffice



ARR development*

Q3 2024 LTM ARR growth versus LTM Q3 2023:

- In constant currency, the total ARR has increased by NOKm 47 (9%) versus a growth of NOKm 57 (12%) for the last twelve months at end of Q3 2023. See ARR development by installation type below.
 - Cloud subscription: increase of NOKm 48 (11%) vs NOKm 63 (18%) in 2023.
 - Onsite subscription: increase of NOKm 5 (6%) vs NOKm 11 (16%) in 2023.
 - Buy/maintenance: decrease of NOKm 9 (-22%) vs NOKm 17 (-28%) in 2023.
 - Services subscription: from 0 to NOKm 3 in 2024.

Q3 2024 isolated:

- The total ARR increased by NOKm 32 (6%) in Q3 2024 versus a growth of NOKm 30 (6%) in Q3 2023. See ARR development by installation type below.
 - Cloud subscription: increase of NOKm 30 (7%) vs NOKm 34 (9%) in Q3 2023.
 - Onsite subscription: increase of NOKm 4 (5%) vs growth of NOKm 4 (6%) in Q3 2023.
 - Buy/maintenance: decrease of NOKm 3 (-8%) vs NOKm 8 (-15%) in Q3 2023.

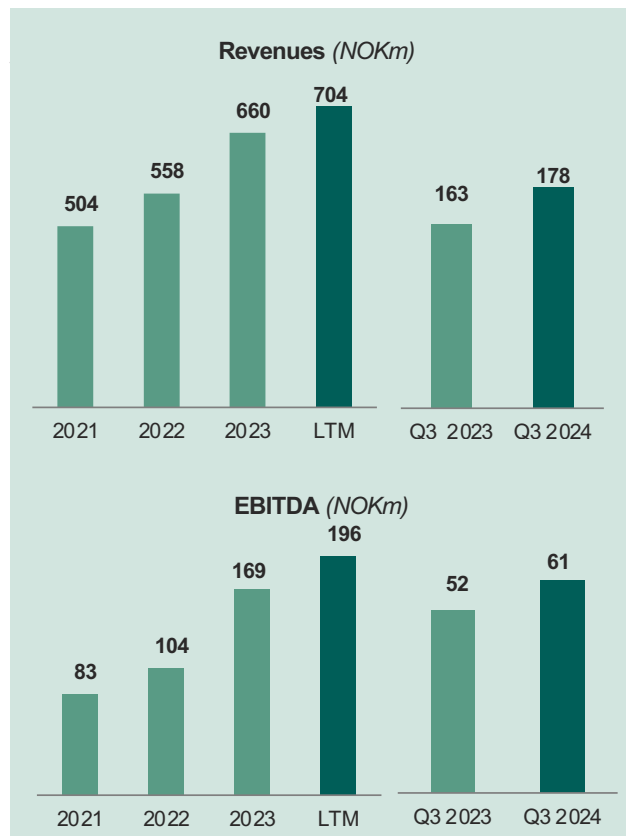
ARR at current rates:

- Total ARR at current exchange rates amounted to NOKm 678 at end of Q3 2024.

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*About ARR in SuperOffice: ARR is defined as the annual recurring revenues the group expects to receive on a yearly basis from existing customer contracts. ARR has been tracked in constant currency since 2015 to allow for comparability over time, excluding currency effects. All comments on ARR throughout the report refer to the development in constant currency, if not specifically stated otherwise. The group is exposed to translation risk as close to 65% of revenue is generated in other currencies than the reporting currency NOK.

Third Quarter 2024 Highlights



Financial development

Income statements (unaudited)

Q3 2024:

- Total operating income amounted to NOKm 178 (Q3 2023 at NOKm 163), up 9% versus Q3 2023.
- The EBITDA (adjusted for IFRS and non recurring items) landed at NOKm 61 (Q3 2023: NOKm 52), up 16% versus Q3 2023. The improved margin is a result of ARR growth in 2023 now being reflected in revenues, and investments in the organization being balanced with streamlining of our go to market organization.
- The development of the NOK exchange rates affects both revenues and costs as close to 65% of total revenues are generated outside of Norway, and 60% of all employees have their compensation in other currencies than NOK.

LTM:

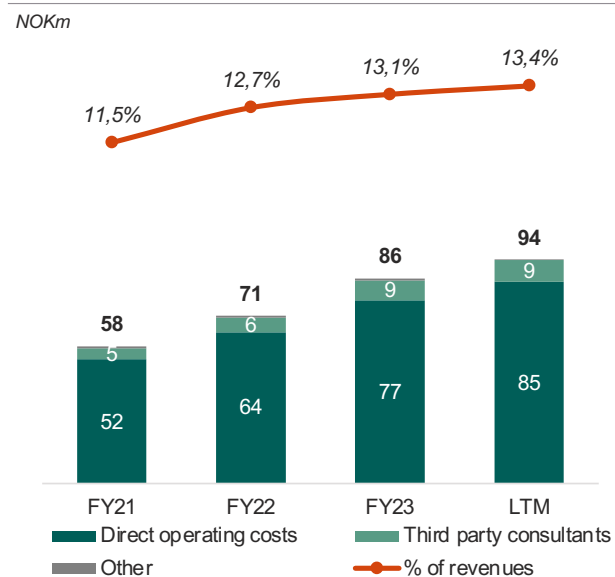
- Total revenues amounted to NOKm 704 (LTM September 2023: NOKm 632), and adjusted EBITDA amounted to NOKm 196 (LTM September 2023: NOKm 144).

Balance sheet and liquidity (unaudited)

- Total reported assets (unaudited) as at 30 September were NOKm 1 570. The majority of the balance sheet is related to intangibles, in total NOKm 1 165.
- Total cash at end of Q3 2024 amounts to NOKm 136 (free and restricted). The group has a long term bond loan of NOKm 700, and has at end of Q3 2024 in total invested NOKm 123 at nominal value in the bond loan. The balance sheet reflects the net value.
- Cash flow from operating activities was in Q3 2024 NOKm 37 (Q3 2023 NOKm 11).
- The LTM average working capital continue to become increasingly negative following an increasing share of Cloud customers. Most Cloud customers pay upfront for 12 months.

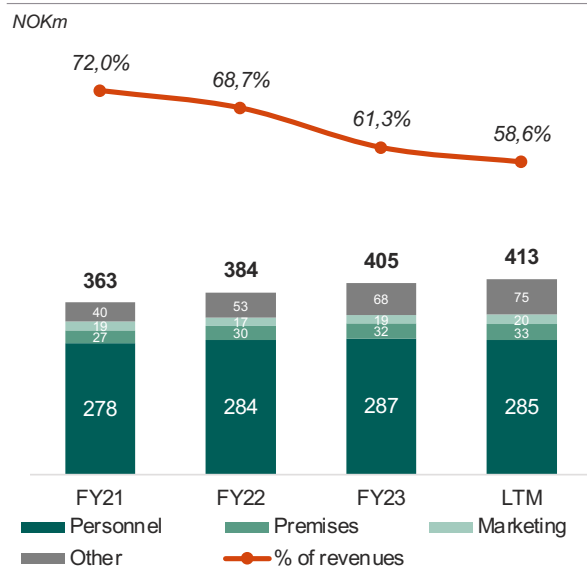
Cost base overview and EBITDA

Purchase of materials & services



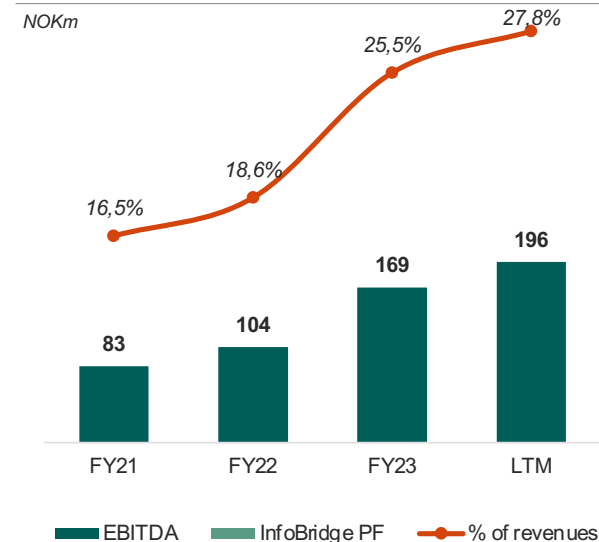
- Direct operating costs include operation of the cloud platform and partner commissions. The increase is driven by increased revenues from the cloud platform and partner commissions.

Operating expenses (adjusted)



- Personnel expenses is the largest cost category, and as a share of the total opex base personnel related costs decreased from 77% in 2021 to 71% LTM.

EBITDA (adjusted)

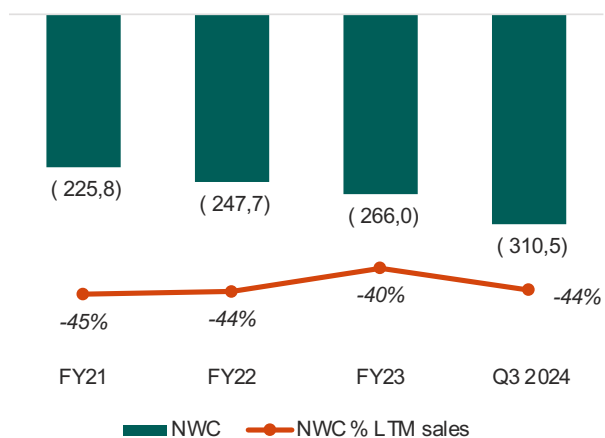


- The EBITDA increase since 2021 is mainly a result of a strong ARR development combined with several initiatives related to streamlining the go to market organization.

Net working capital and Capex

Net working capital

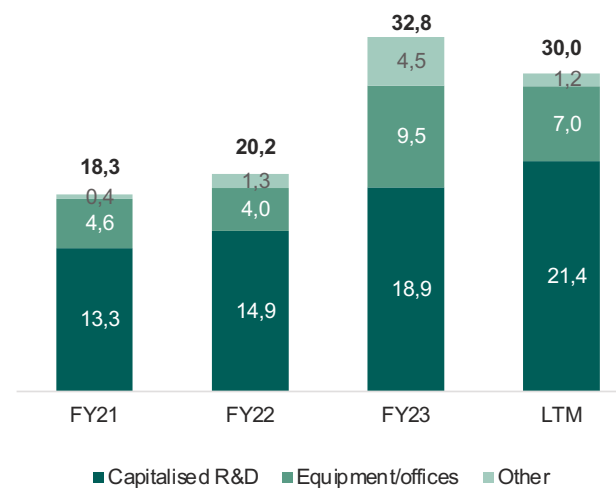
NOKm



- The negative net working capital is driven by a larger share of cloud services where more than 80% of customers have entered into annual agreements that are paid in advance.
- The fair value of the Groups interest swaps have in 2022 and 2023 been excluded from the calculations of net working capital.

Capex overview

NOKm



- Development costs are capitalised according to the capitalisation principles applied by the company, and in accordance with IAS.
- The increase in 2023 for equipment/offices relates to four new office locations.

Quality of earnings

Adjusted EBITDA – Non audited

<i>NOKm</i>	Q3 2024	Q3 2023	YTD 2024
EBITDA	62.6	58.5	141.8
<i>Margin</i>	35.3 %	35.9 %	26.8 %
Adjusted for IFRS 16	-7.6	-6.9	-22.2
Severance pay/restructuring	5.5		28.5
Adjusted EBITDA	60.5	51.6	148.1
<i>Margin</i>	34.1 %	31.7 %	28.0%

Adjustments

Q1 2024:

- Restructurings in several areas in the go to market organisation in order to focus our key operational investments as well as reducing the run rate cost base.
- IFRS 16 is included in the Financial Statements, and adjusted EBITDA is before IFRS 16.

Q2 2024:

- Change of CEO including severance package and all related costs driven by change of CEO.
- Restructurings in the go to market organisation in order to focus our key operational investments as well as reducing the run rate cost base.
- IFRS 16 is included in the Financial Statements, and adjusted EBITDA is before IFRS 16.

Q3 2024:

- Restructurings in the go to market organization mainly driven by the termination of the CRO role.



Q3/24 Trading update

Interim Financial Statement

Condensed consolidated income statement

Unaudited

Comments

<i>NOKm</i>	<i>Note</i>	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Operating income		177.5	162.8	528.5	484.3
Total revenues	3	177.5	162.8	528.5	484.3
Purchase of materials and services		22.5	20.5	69.2	61.3
Payroll and related expenses		66.8	61.2	241.0	222.6
Other operating expenses		25.2	22.4	75.0	67.6
Bad debts		0.3	0.2	1.6	0.3
Total operating expenses		114.9	104.3	386.7	351.8
Operating profit before depreciation and amortisation (EBITDA)		62.6	58.5	141.8	132.5
Depreciation and amortisation		28.1	26.9	83.4	79.6
Operating Profit (EBIT)		34.5	31.6	58.4	52.9
Net financial items		17.2	18.4	53.1	48.0
Profit before tax		17.3	13.3	5.3	4.9
Income tax		4.1	-0.4	12.2	-1.2
Profit/loss for the period		13.2	13.6	-6.9	6.0

Statement of comprehensive income

Unaudited

<i>NOKm</i>	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Profit (loss) for the period	13.2	13.4	-6.9	6.0	-25.6
Other comprehensive income:					
Currency translation differences (may be reclassified)	-4.3	2.4	-2.2	10.5	8.3
Total comprehensive income	8.9	15.8	-9.1	16.5	-17.3

Condensed consolidated balance sheet

Assets - unaudited

NOKm	30/09/2024	30/09/2023
<i>Non-current assets</i>		
Deferred tax assets	0.3	8.9
Goodwill	671.8	670.5
Intangible assets	493.5	550.3
Tangible assets	19.0	18.7
Right-of-use assets	137.5	138.6
Other non-current receivables	1.5	2.0
Total non-current assets	1,323.6	1,389.0
<i>Current assets</i>		
Account receivables	87.0	77.9
Other current assets	23.4	40.1
Cash and cash equivalents	136.4	63.5
Total current assets	246.7	181.5
Total assets	1,570.3	1,570.5

Equity and liabilities - unaudited

NOKm	30/09/2024	30/09/2023
<i>Equity</i>	302.4	347.0
Total Equity	302.4	347.0
<i>Non-current liabilities</i>		
Deferred tax liabilities	118.0	112.7
Pension liability	0.4	1.0
Non-current lease liability	117.1	121.1
Borrowings	584.1	581.3
Total non-current liabilities	819.6	816.1
<i>Current liabilities</i>		
Prepayments from customers	302.2	282.5
Current lease liabilities	29.0	24.2
Other current liabilities	117.1	100.7
Total current liabilities	448.3	407.4
Total equity and liabilities	1,570.3	1,570.5

Condensed consolidated interim statement of changes in equity

Unaudited

<i>NOKm</i>	Share capital	Share premium	Currency difference	Other equity	Total equity
Equity 01.01.2023	0.09	622.4	10.1	-302.1	330.5
Profit (loss) for the period				-25.6	-25.6
Currency translation effects			6.6		6.6
Total comprehensive income for the period			6.6	-25.6	-19.0
Transactions with owners in their capacity as owners:					
Equity 31.12.2023	0.09	622.4	16.7	-327.7	311.5
Profit (loss) for the period				-6.9	-6.9
Currency translation effects			-2.2		-2.2
Total comprehensive income for the period			-2.2	-6.9	-9.1
Transactions with owners in their capacity as owners:					
Equity 30.09.2024	0.09	622.4	14.5	-334.6	302.4

<i>NOKm</i>	Share capital	Share premium	Currency difference	Other equity	Total equity
Equity 01.01.2023	0.09	622.4	10.1	-302.1	330.5
Profit (loss) for the period				6.0	6.0
Currency translation effects			10.5		10.5
Total comprehensive income for the period			10.5	6.0	16.5
Transactions with owners in their capacity as owners:					
Issue of shares					
Equity 30.09.2023	0.09	622.4	20.6	-296.1	347.0

Condensed consolidated statement of cash flow

Unaudited

Comments

<i>NOKm</i>	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Profit before income tax	17,3	-0,4	5,3	-8,2
Depreciation and amortisation	28,1	26,6	83,4	52,5
Net financial items	17,2	18,4	53,1	48,0
Change in net working capital elements	-7,7	-45,8	44,2	-5,4
Other	-18,0	11,9	-21,3	13,4
Cash flow from operating activities	36,9	10,7	164,7	100,4
Interest paid	-18,7	-12,5	-48,3	-26,9
Interest received	1,4	0,0	4,0	0,0
Income taxes paid	-5,0	-3,9	-14,5	-3,8
Net cash flow from operating activities	14,7	-5,8	105,9	69,7
<i>Investing activities</i>				
Purchase of property, plant and equipment (PPE)	-1,7	-2,7	-4,2	-5,5
Development and purchase of intangible asset	-3,6	-5,2	-15,3	-10,3
Net cash investments	-5,3	-7,8	-19,5	-15,7
<i>Financing activities</i>				
Payment of principal portion of lease liabilities	-6,1	-5,0	-17,5	-10,5
Buy-back of SuperOffice bonds	0,0	-10,4	0,0	-42,0
Net cash used in financing activities	-6,1	-15,3	-17,5	-52,4
Net decrease/increase in cash, cash equivalents and	3,3	-28,9	68,9	1,5
Cash and cash equivalents at beginning of period	133,1	76,8	67,5	44,3
Exchange gains/losses on cash and bank overdrafts	0,0	0,4	0,0	2,6
Cash and cash equivalents at the end of the period	136,4	48,3	136,4	48,3

- Interest paid relates mainly to interest to bond holders and IFRS 16 effects.

Notes

Note 1 – Company information

- SuperOffice Group AS is a limited liability company incorporated on 25 February 2020 and domiciled in Norway. The address of its registered office is Wergelandsveien 27, P.O. Box 1884 Vika, NO-0124 Oslo. SuperOffice Group AS is owned 100% by SuperOffice Holding I AS, which is owned by SuperOffice Holding II AS which is owned 93% by SuperOffice Holding III AS.
- SuperOffice is Europe's leading supplier of CRM software solutions to the professional business-to-business market. SuperOffice's solutions are delivered and implemented through subsidiaries, distributors and value-added resellers. In addition to providing software solutions, SuperOffice also delivers consulting services related to strategic CRM issues, implementation, integrations and user education.
- SuperOffice Group AS is the parent company in the SuperOffice group.

Note 2 - Basis for preparation and accounting principles

Basis for preparation

- The consolidated financial statements for the SuperOffice Group have been prepared in accordance with IFRS as adopted by the EU, and interpretations stated by the International Accounting Standards Board. The consolidated financial statements have been prepared based on uniform accounting principles for similar transactions and events under otherwise similar circumstances. The interim financial statements for the period ending 31 December 2023 are prepared in accordance with IAS 34. The interim financial statements do not include all the information disclosures required in the annual financial statements and should be read in conjunction with the Group's financial statements for the year ending 31 December 2023. The interim financial statements are unaudited.

Accounting principles:

- The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's financial statement for the year ending 31 December 2023. All amounts in the notes are in NOKm, except where otherwise indicated.

Notes

Note 3 – Segment Reporting

- The Group has identified only one segment across the Group’s companies and sites, thus no separate segment reporting is required.

Note 4 – Risks

- There have not been any changes to the risk factors described in note 21 in the Annual Report for 2023.

Notes

Note 5 – Related Parties

- There have not been transactions with any related parties that significantly impact the group's financial position or result of the period.

Note 6 - Events after the balance sheet date

- There have not been events that have significantly affected or may significantly affect the operations of the group after 31 December 2023.

Alternative performance measures

Alternative performance measures (APMs)

- The group presents certain measures and ratios considered as alternative performance measures (APMs) in order to enhance the underlying performance of the SuperOffice Group AS and subsidiaries (group). These supplemental measures should not be viewed as substitute for any IFRS financial measures, and are presented and defined to the right.
- The group considers the APMs as important KPIs to understand the overall and long term revenue and profit generating aspects of the business.

Definitions

- ARR is defined as the annual recurring revenues the group expects to receive on a yearly basis from existing contracts with customers.
- EBITDA is defined as the profit for the year before net financial items, income tax, depreciation and amortization.
- EBITDA margin is defined as the EBITDA as a percentage of total revenues.
- Adjusted EBITDA is defined as the EBITDA adjusted for special non-recurring and operating items.
- LTM: Last twelve months.
- Capex is defined as capital expenditures and are funds that are used to purchase assets, improve assets and capitalization of internal time for development expenditures.
- Net working capital (NWC) is defined as the difference between the current assets and current liabilities on the balance sheet.

