

Q3

INTERIM REPORT

2023



Content

Key figures Bond Reporting	3
Management Comments	4
Condensed Consolidated Interim Financial Statement	5
Financial Statement of the Parent Company	11
Additional information required by the bond agreement	14

Key figures Bond Reporting

Revenue growth (YTD
Q3-23 vs. YTD Q3-22)

27%

Recurring revenue
(YTD Q3 2023)

92%

EBITDA growth
(YTD Q2-23² vs. YTD
Q3-22)

5%

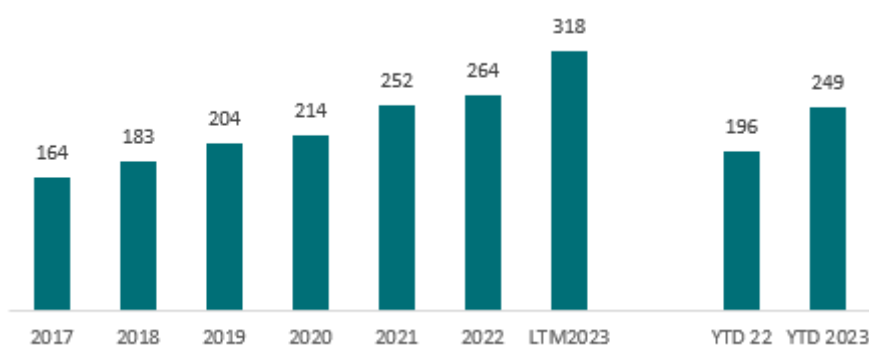
EBITDA margin
(YTD Q3 2023)

23%

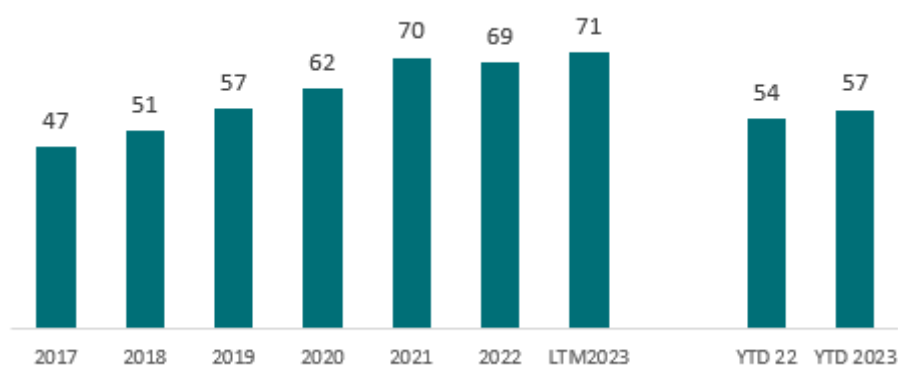
Net
leverage

6,3x

Pro-forma revenues² (NOKm)



Pro-forma adjusted EBITDA² (NOKm)



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/EBITDA includes Skyhost ApS for full-year-2021

Management Comments

The group increase the revenue compared to last year. 2023 is another year with focus on further product investments and release of new functionality. We are continuing to increase our workforce to facilitate for future product development.

Financial development

Revenue year to date Q3 2023 reached NOK 249 m. Revenue has grown 27 % compared to the same period previous year. EBITDA (see definition in appendix) is seeing a growth of 17 %.

Duett

Duett shows a steady growth in revenue.

Skyhost ApS

Skyhost ApS shows steady growth in Denmark and continuous to maintain good margins.

Taskline AS

In June 2023 Duett Software Group expanded the company portfolio with the purchase of Taskline AS.

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

No significant events have occurred in the first nine months of the year. For principal risks and uncertainties we refer to the annual report for 2022.

Condensed Consolidated Interim Financial Statement

Condensed consolidated statement of profit and loss

	Note	Q3-2023	Q3-2022	YTD 2023	YTD 2022
Revenue		89 236 596	61 444 497	248 725 205	195 655 178
Materials, software and services		25 233 040	20 259 812	72 104 084	61 316 161
Salary and personell costs		29 358 334	19 771 885	83 532 864	56 063 046
Other operating expences		20 596 765	7 104 178	40 862 253	18 165 476
Depreciation and amortizations		17 248 391	25 460 950	51 345 275	76 529 784
Operating expenses		92 436 531	72 596 826	247 844 476	212 074 467
Operating profit/loss(-)		-3 199 935	-11 152 329	880 729	-16 419 289
Finance income		-4 673	21 220	438 548	34 933
Finance expenses		12 788 396	9 842 705	36 340 548	27 453 844
Net Finance		-12 793 069	-9 821 485	-35 902 000	-27 418 911
Profit/loss(-) before tax		-15 993 004	-20 973 814	-35 021 271	-43 838 200
Income tax expenses		-3 518 461	-4 738 255	-7 708 346	-10 129 465
Profit/loss(-) after tax		-12 474 543	-16 235 559	-27 312 925	-33 708 735
Attributable to:					
Equity holders of the parent company		-12 474 543	-16 235 559	-27 312 925	-33 708 735

Condensed consolidated statement of comprehensive income

Consolidated statement of other comprehensive income	Q3-2023	Q3-2022	YTD 2023	YTD 2022
Net profit/loss(-) after tax	-12 474 543	-16 235 559	-27 312 925	-33 708 735
	0	0	0	0
Items that will not be reclassified to profit and loss	0	0	0	0
Foreign currency translation differences - foreign operations	-7 604 254	3 960 772	11 673 364	9 839 514
Other comprehensive income for the period, net of tax	-7 604 254	3 960 772	11 673 364	9 839 514
Total comprehensive income for the period	-20 078 797	-12 274 787	-15 639 561	-23 869 221
	0	0	0	0
Attributable to:	0	0	0	0
Equity holders of the parent company	-20 078 797	-12 274 787	-15 639 561	-23 869 221

Condensed Consolidated Interim Financial Statement

Condensed consolidated statement of financial position 1/2

Note	30.09.2023	31.12.2022
Non-current assets		
Property and equipment	15 940 635	16 059 616
Intangible assets	332 604 651	346 648 079
Goodwill	435 680 032	429 461 301
Right of use assets	22 081 076	23 879 318
Other investments	2 501	2 501
Total non-current assets	806 966 047	816 050 815
Current assets		
Inventories	2 075 007	1 482 607
Accounts receivables	34 739 186	14 460 781
Other receivables and prepayments	11 268 183	8 635 781
Cash and deposits	50 407 223	58 844 134
Total current assets	98 489 598	83 423 303
TOTAL ASSETS	905 455 646	899 474 119

Condensed Consolidated Interim Financial Statement

Consolidated statement of financial position (IFRS) 2/2

	Note	30.09.2023	31.12.2022
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		-133 232 213	-117 592 647
Total other equity		-133 232 213	-117 592 647
Total equity		239 031 874	254 671 440
Non-current liabilities			
Bonds		492 992 492	490 998 806
Lease liabilities		12 476 552	15 461 501
Deferred tax		62 134 909	66 369 115
Total non-current liabilities		567 603 953	572 829 422
Current liabilities			
Accounts payables		20 646 183	11 763 137
Lease liabilities		10 628 588	10 460 740
VAT and other public taxes		18 525 621	10 532 271
Current tax payable		-2 178 113	4 581 237
Prepaid revenue		10 078 418	11 709 220
Other current liabilities		41 119 121	22 926 653
Total current liabilities		98 819 818	71 973 257
TOTAL EQUITY AND LIABILITIES		905 455 645	899 474 119

Condensed Consolidated Financial Statement

Condensed consolidated statement of cashflows

	YTD 2023	YTD 2022
Operating activities		
Profit/loss(-) before tax	-35 021 273	-43 838 200
Deprecation and amortization	51 171 516	77 071 787
Taxes Paid	-3 724 721	-2 826 190
Net finance	35 902 000	27 418 911
Change in:		
Inventory	-492 461	270 516
Trade payables	9 307 348	-305 006
Trade receivables	-21 417 826	1 402 283
Prepaid revenue	-2 371 713	496 920
Other net working capital	23 137 878	-8 322 254
Cashflow operating activities	56 490 747	51 368 767
Investing activities		
Capitalized development costs	-13 771 480	-15 935 557
Purchase of tangible and intangible assets	-9 355 685	-1 137 002
Net paid in business combinations	0	0
Cashflow investing activities	-23 127 165	-17 072 559
Financing activities		
Bonds	0	0
Expences related to establishment of bond	0	0
Repayment of debt	0	0
Payment of lease	-9 136 810	-7 758 126
Paid interest	-34 140 911	-24 055 322
Net change credit facility	0	0
Cashflow financing activities	-43 277 721	-31 813 448
Net change in cash and cash equivalents	-9 914 139	2 482 759
Cash and cash equivalents in the beginning of the period	58 844 134	73 048 920
Foreign currency translation differences for cash and cash equivalents	1 477 227	113 562
Cash and cash equivalents in the end of the period	50 407 222	76 486 125

Condensed Consolidated Financial Statement

Condensed consolidated statement of changes in equity

	Note	Share capital	Premium fund	Exchange differences	Other equity	Total equity
Opening balance on January 1 2022		64 764 003	307 500 084	-102 131	-71 660 924	300 501 032
New equity		0	0	0	0	0
Total comprehensive income for the period		0	0	8 582 296	-54 411 885	-45 829 589
Closing balance on December 31 2022		64 764 003	307 500 084	8 480 165	-126 072 809	254 671 443
Opening balance on January 1 2023		64 764 003	307 500 084	8 480 165	-126 072 809	254 671 443
Total comprehensive income for the period		0	0	11 673 364	-27 312 925	-15 639 561
Closing balance on June 30 2023		64 764 003	307 500 084	20 153 529	-153 385 734	239 031 882

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 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 2022 Annual financial statements. The condensed consolidated interim financial statement do not include all the information required for complete annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for 2022. These condensed consolidated interim financial statements are unaudited.

Condensed Interim Financial Statement of the Parent Company

Condensed statement of profit and loss (NGAAP¹)

	Note	Q3-2023	Q3-2022	YTD 2023	YTD 2022
Revenue		0	0	0	0
Other operating expenses		1 731 311	496 884	4 031 961	2 803 064
Operating expenses		1 731 311	496 884	4 031 961	2 803 064
Operating profit/loss(-)		-1 731 311	-496 884	-4 031 961	-2 803 064
Finance income		1 228 970	904 281	3 393 485	2 806 173
Finance expenses		13 291 421	9 312 785	36 123 742	26 020 190
Net Finance		-12 062 451	-8 408 504	-32 730 257	-23 214 017
		0	0	0	0
Profit/loss(-) before tax		-13 793 762	-8 905 388	-36 762 218	-26 017 081
Income tax expenses		-3 034 628	-1 959 185	-8 087 688	-5 723 758
Profit/loss(-) after tax		-10 759 134	-6 946 203	-28 674 530	-20 293 323

Condensed Interim Financial Statement of the Parent Company

Condensed statement of financial position (NGAAP¹)

Note	30.09.2023	31.12.2022
Non-current assets		
Investment in group companies	805 469 163	797 969 163
Total non-current assets	805 469 163	797 969 163
Current assets		
Receivables group companies	49 891 336	78 197 213
Cash and deposits	7 777 367	251 763
Total current assets	58 692 893	78 550 294
TOTAL ASSETS	864 162 056	876 519 457
Equity		
Share capital	3 493 200	64 764 003
Other paid in capital	368 770 887	307 500 084
Total paid in capital	372 264 087	372 264 087
Other equity and exchange differences		
Other equity and exchange differences	-39 134 480	-2 372 262
Total other equity	-39 134 480	-2 372 262
Total equity	333 129 607	369 891 825
Non-current liabilities		
Bonds	492 992 492	491 046 294
Deferred tax	1 969 815	1 969 815
Total non-current liabilities	494 962 307	493 016 109
Current liabilities		
Accounts payables	4 831 847	82 435
VAT and other public taxes	-62 208	-1
Current tax payable	0	4 581 237
Intercompany	20 461 651	0
Other current liabilities	10 838 852	8 947 852
Total current liabilities	36 070 142	13 611 523
TOTAL EQUITY AND LIABILITIES	864 162 056	876 519 457

Condensed Interim Financial Statement of the Parent Company

Condensed statement of cashflows (NGAAP¹)

	YTD 2023	YTD 2022
Operating activities		
Profit/loss(-) before tax	-36 762 218	-26 017 081
Taxes Paid	-4 581 237	-209 532
Net finance	32 730 257	23 214 017
Change in:		
Trade payables	4 749 412	-445 125
Other net working capital	1 091 029	-445 017
Cashflow operating activities	-2 772 757	-3 902 738
Investing activities		
Purchase of shares in subsidiaries	-7 500 000	0
Cashflow investing activities	-7 500 000	0
Financing activities		
Bonds	0	0
Expences related to establishment of bond	0	0
Repayment of debt	0	0
Paid interest	3 393 485	0
Net change intercompany	48 767 528	11 303 587
Net finance	0	0
Cashflow financing activities	17 798 360	-11 353 014
Net change in cash and cash equivalents	7 525 603	-15 255 752
Cash and cash equivalents in the beginning of the period	251 763	15 524 683
Cash and cash equivalents in the end of the period	7 777 366	268 931

¹The condensed separate financial statements have been prepared using the same NGAAP accounting policies as in the annual financial statements for 2021, but have not been prepared in accordance with NRS 11 Delårsregnskap.

Appendix

Additional information required by the bond agreement

The Bonds were listed on 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 and one-off items. Below is the calculation of EBITDA according to the agreement. In addition, we have calculated the proforma EBITDA for Skyhost for the period of 2021 before the acquisition.

	Calculation of EBITDA	
	YTD 2023	YTD 2022
Operating profit	880 729	-16 419 289
Depreciation and amortizations	51 345 275	76 529 784
Leasing	-10 110 686	-8 660 939
One-off	14 491 751	2 665 088
EBITDA	56 607 069	54 114 644



Litt mer **overskudd**