



INTERIM REPORT AIDER KONSERN Q1 2023

AIDER



Management report

Q1 2023

Financial performance

Aider continues a strong revenue growth of 90% in the first quarter compared to last year. Revenues are at NOK 224,5 million, up from NOK 117,9 million in Q1 2022.

The EBITDA are at NOK 43,7 million in Q1 2023, up from NOK 19,7 million from last year. The EBITDA margin for Q1 is 19,5% compared to last year's margin of 16,7%.

Aider has developed a methodology for effectively onboarding new companies and new hires. The numbers for Q1 demonstrates the effectiveness of this model, given the ability to deliver an increase in EBITDA during a period of tremendous growth.

Post merger activities are causing the Special Items to increase from MNOK 0,7 million in Q1 2022 to MNOK 2,1 million in Q1 2023. Given the number of acquisitions in 2022 to be integrated in this year, and planned acquisitions for 2023, it must be expected the cost of Special Items in 2023 will continue to be significantly higher compared to 2022.

Net financial items have had a significant increase from NOK 1,2 million to NOK 13,6 million in Q1 2023, mainly due to interests from the bond obligation.

The cash flow from operating activities accumulated for Q1 2023 are NOK -24 million. Cash flow from investments are at NOK -24 million in Q4.

Bond reporting

In relation with the bond, the Group must have MNOK 20 in free liquidity at any time in. Aider complies with this covenant requirement.

Acquisition

Aider has completed 1 acquisitions in Q1 and further one more acquisition after Q1 close.

Acquired company	Date	Employees	Revenue
Nitschke & Borgting Økonomibyrå AS	03.01.23	13	22 000 000
Hydra Regnskap AS	25.04.23	7	8 000 000
Total		20	30 000 000

Nitschke & Borgting AS

Nitschke & Borgting AS has 13 employees and is located in Oslo. Nitschke & Borgting AS had a turnover in 2022 of NOK 22,0 million with an operating result of NOK 1,8 million.

Hydra Regnskap AS

Hydra Regnskap AS has 7 employees and is located at Straume/Sotra and will be part of Aider region West. Hydra had a turnover of NOK 7,4 million with an operation result of NOK 1 million. They are not included in the accounts for Q1 as they were acquired 25.04.2023.

Organic growth

Organic growth is a strategic focus area for the Aider management. Being attractive to new customers and new talent is essential for long-term success. In Q1 the organic growth was 22%.

Aider was able to hire 41 people in first quarter of 2023, of which 5 was student hires of master and bachelor candidates hired as trainees. Aider counts 677 people end of first quarter 2023.

Plans and guiding for 2023

Aider will continue to grow in 2023 both through M&A activities and organically. Revenues are expected to surpass NOK 800 million in 2023. However, the M&A strategy will be somewhat different compared to 2022. Initially, Aider's M&A strategy has aimed at reaching a presence in all of Norway. End of 2022 that goal has been achieved with a portfolio of 23 offices stretching from Bodø to Kristiansand.

Going forward, the M&A strategy will focus on Aiders regional needs rather than being a part of a national strategy. Regional growth agendas will drive the M&A activities. Aider being the most profiled challenger in the accounting industry in Norway, it is expected that the interest to join Aider will continue to be high among well reputed local and regional players.

Furthermore, the possibilities for realizing synergies increases as Aider grows. The yield of investments in automation/AI, smarter work processes, software etc. will be higher as the customer base is larger. Consequently, Aider would like to be positioned to increase CAPEX going forward. For 2023 the planned CAPEX is NOK 15 million.

Aider will continue to invest in developing advisory services and strengthening the tech offering.

Process for new tap on the bond

Aider has a solid financing and are in no immediate need of cash (reported cash at 31.3.23 are NOK 90,3 million). However, given the M&A strategi, the expected levels of organic growth, and the business opportunities in investing in more effective delivery models and value adding service, Aider would like to be financially prepared to execute on the strategy going forward. Management has therefore, decided to initiate a process to perform a tap on the current bond in the range of NOK 150 - 250 million. The process is expected to be completed end of May/beginning of June.



Consolidated interim financial statements Q1 2023

Income statement

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INCOME STATEMENT (Amount in NOK 1000)	Note	Q1 2023	Q1 2022	YTD 2023	YTD 2022
Operating income					
Revenue	5	224 431	117 064	224 431	117 064
Other income		76	813	76	813
Total operating income		224 508	117 877	224 508	117 877
Cost of goods sold		-19 980	-15 136	-19 980	-15 136
Personell expenses		-145 200	-75 142	-145 200	-75 142
Other expenses	6	-15 612	-7 872	-15 612	-7 872
EBITDA		43 716	19 727	43 716	19 727
Amortizations and depreciations	7,8,9	-6 032	--3 291	-6 032	--3 291
EBIT		37 684	16 436	37 684	16 436
Special items	3	-2 097	-709	-2 097	-709
Net financial items		-13 563	- 1 182	-13 563	- 1 182
Profit before tax		22 024	14 545	22 024	14 545
Income taxes	4	-4 244	-2 680	-4 244	-2 680
Profit for the period		17 780	11 865	17 780	11 865
Profit attributable to Aider shareholders		15 383	14 697	15 383	14 697
Profit attributable to non-controlling interests		2 397	1 717	2 397	1 717
Total		17 780	11 865	17 780	11 865
Earnings per share					
Continuing operations					
- Ordinary		18	12	18	12
- Diluted		18	12	18	12
Discontinued operations					
		0	0	0	0
Other comprehensive income					
Profit for the period		17 780	11 865	17 780	11 865
Items that may not be reclassified to the income statement		0	0	0	0
Items that may be reclassified to the income statement		0	0	0	0
Total comprehensive income		17 780	11 865	17 780	11 865
Attributable to					
Shareholders in Aider		15 383	14 697	15 383	14 697
Non-controlling interests		2 397	1 717	2 397	1 717

Balance sheet

Aider konsern

ASSETS (Amount in NOK 1000)	Note	31.03.2023	31.03.2022	31.12.2022
Non-current assets				
Intangible assets				
Research and development	9	21 925	23 295	19 635
Deferred tax assets		5 934	2 222	5 742
Goodwill	2,9	797 270	617 903	781 330
Total intangible assets		825 129	643 411	806 708
Tangible assets				
Right-of-use assets	7	71 882	44 350	76 599
Property, plant and equipment	8	7 800	4 205	7 896
Total tangible assets		79 682	48 778	84 495
Non-current financial assets				
Investment in associated companies		-	1 010	-
Investment in shares		3 512	1 755	3 512
Loan to group companies		0	0	0
Other long-term receivables		496	625	612
Total non-current financial assets		4 007	3 390	4 124
Total non-current assets		908 263	695 579	895 327
Current assets				
Accounts receivables		117 113	79 175	85 184
Other short-term receivables		45 168	12 323	24 226
Cash and Cash equivalents		90 385	30 477	103 805
Total current assets		252 667	121 976	213 215
Total assets		1 160 930	817 555	1 108 541

Balance sheet

Aider konsern

EQUITY AND LIABILITIES (Amount in NOK 1000)	Note	31.03.23	31.03.22	31.12.2022
EQUITY				
Paid-in capital				
Share capital		1 000	1 000	1 000
Share premium		281 794	281 794	281 783
Total paid-in capital		282 794	282 794	282 783
Other equity		14 999	9 753	-
Uncovered loss		-	-762	-382
Minority		2 511	1 799	865
Total equity		300 294	294 346	283 266
LIABILITIES				
Provisions				
Deferred tax		3 189	177	3 189
Other provisions		1 675	-	2 377
Total provisions		4 864	177	5 566
Non-current liabilities				
Interest bearing debt	3	523 745	289 551	488 183
Lease liabilities	3,7	59 135	45 821	62 703
Total non-current liabilities		582 880	335 372	550 886
Current liabilities				
Liabilities to group companies		54 310	56 212	39 001
Accounts payables		22 109	13 551	42 205
Tax payable	4	2 116	9 487	6 710
Lease liabilities		15 236	-	16 087
Public duties payable		62 366	38 640	52 743
Debt to credit institutions		-	-	8 028
Other current liabilities		117 310	69 769	104 048
Total current liabilities		273 448	187 659	268 823
Total liabilities		861 191	523 208	825 275
Total equity and liabilities		1 161 485	817 555	1 108 541

Statement of equity

Aider konsern

(Amount in NOK 1000)	Share capital	Share premium	Other equity	Uncovered loss	Minority	Total
Equity 1 January 2022	1 000	281 794	-	-396	37	282 436
Result for the period				13	2 459	2472
Establishment of companies		-11			-6	-17
Transaction with minority					739	739
Dividend to minority					-2 365	-2 365
Equity 31 December 2022	1 000	281 784	-	-383	865	283 266
Result for the period			15 000	383	2 397	17 780
Transaction with minority					-751	-751
Dividend to minority					-	-
Equity 31 March 2023	1 000	281 784	15 000	-	2 510	300 294

Cash flow statement

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(Amount in NOK 1000)	Note	Q1 2023	Q1 2022	YTD 2023	YTD 2022
Operating activities					
Profit for the period before tax		22 024	14 545	22 024	14 545
Tax paid		-9 633	-3 487	-9 633	-3 487
Depreciation and amortization		6 032	3 291	6 032	3 291
Change in group loans		-1 025	-	-1 025	-
Change in accounts receivables		-28 470	-12 187	-28 470	-12 187
Change in accounts payables		-16 245	653	-16 245	653
Change in other accrual items		3 212	22 861	3 212	22 861
Cash flow from operating activities		-24 105	25 676	-24 105	25 676
Investment activities					
Net expenditure on property, plant and equipment		-2 664	-2 095	-2 664	-2 095
Investment in shares		-16 500	-209 574	-16 500	-209 574
Cash received in acquisitions	2	3 405	5 525	3 405	5 525
Net change in group account		-8 330	-	-8 330	-
Cash flow from investment activities		-24 089	-206 145	-24 089	-206 145
Financing activities					
Proceeds from the issuance of new long-term liabilities		35 000	192 186	35 000	192 186
Repayment of long-term liabilities		-225	-5 298	-225	-5 298
Proceeds from equity		-	-	-	-
Payment of dividend		-	-	-	-
Cash flow from financing activities		34 775	186 888	34 775	186 888
Net change in cash and cash equivalents		-13 419	6 419	-13 419	6 419
Cash and cash equivalents at the start of the period		103 805	24 058	103 805	24 058
Cash and cash equivalents at the end of the period		90 385	30 477	90 385	30 477

Notes to consolidated financial statement

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Note 1 – Accounting principles

General information

Aider Konsern (the group) consists of Aider Konsern AS (the company) and its subsidiaries. The head office is located at Karenslyst allé 11, 0278 Oslo.

Aider Konsern's consolidated statements for Q1 2023 were authorized for issue by the board of directors on May 23, 2023.

Basis for preparation

The condensed consolidated interim statements have been prepared according IAS 34 Interim Financial Reporting and should be read in relation with the annual consolidated financial statement for 2022.

The accounting policies applied are the same as in the annual report, unless otherwise stated below in the following notes.

In the preparation of the interim accounts the management have used estimates and assumptions which have effect on the income statement and valuation of assets and liabilities, as well as uncertain assets and liabilities on the reporting date accordance to good accounting principles. Areas with high degree of estimates and complexities are described in the notes.

The condensed consolidated interim financial statements are unaudited.

Note 2 – Business combinations

Aider Konsern acquired all of the shares in the following companies:

- Nitschke & Borgting aquired 1st of January 2023
- A further 30% of Grasp Labs was acquired 4th of October, giving Aider an ownership of 90%

The result in the consolidated statements reflects the period where Aider Konsern controlled the shares.

(Amount in NOK 1000)	Fair value recognized on acquisition	
	31.03.2023	31.12.2022
Assets		
Property, plants and equipment	-	14 967
Cash and cash equivalents	3 405	23 323
Deferred tax assets	192	258
Receivables	3 477	58 149
Total	7 074	96 697
Liabilities		
Accounts payables	992	1 588
Other current liabilities	4 088	51 417
Public duties payable	1 434	20 555
Deferred tax	-	5 405
Liabilities	6 514	78 964
Net identifiable assets and liabilities at fair value	560	17 733
Goodwill	15 940	356 948
Purchase price	16 500	374 680
Share issued, at fair value*	-	56 431
Cash	16 500	310 596
Transaction costs	-	7 653
Total consideration	16 500	374 680
Paid in cash	16 500	310 596
Cash received	3 405	23 323
Net decrease/(increase) in cash	13 095	287 273

*Shares are issued in the parent company Aider Holding AS.

Note 3 – Long-term interest bearing debt

Long-term debt with maturity over five years after reporting date:

(Amount in NOK 1000)	Currency	Maturity	Maturity over five years
Bond	NOK	20.05.2026	523 389

Bond terms:

Aider Konsern have issued a bond on MNOK 500. The bond have an interest of 6% + NIBOR and principal shall be paid in full on the maturity date.

Bond covenant – free liquidity

In relation with the bond, the Group must have MNOK 20 free liquidity at any time in. Aider complies with this covenant requirement:

Item	31.03.23
Cash and cash equivalents	90 385
Restricted cash related to payroll	-14 527
Overdraft facility	40 000
Free liquidity	115 859
Over-/under coverage	95 859

Net interest bearing debt to EBITDA

Debt Leverage	31.03.23
Interest bearing debt	523 745
Lease liabilities	74 372
Total interest bearing liabilities	598 116
Cash and cash equivalents	90 385
Net interest bearing debt	507 731
EBITDA LTM*	115 397
Net interest bearing debt to EBITDA	4.4

**EBITDA LTM is proforma EBITDA last twelve months included allowed one-off adjustments (special items) under terms of agreement for the bond.*

The special items that are adjusted are the following in YTD 2023:

Items	31.03.23
Integration of new offices and acquired companies	2 097
Total	2 097

Note 4 – Tax

(Amount in NOK 1000)	YTD 2023	YTD 2022
Profit before tax	22 024	14 545
Calculated tax on profit	4 845	3 200
<i>Tax effects of:</i>		
Non-deductible expenses/non-taxable income	181	1 348
Temporary differences	-782	-
Changes in deferred tax/tax asset	-	-1 868
Tax of the period	4 244	2 680
Tax payable		
Tax payable from previous years	6 710	6 503
Prepaid tax	-8 838	-1 564
Tax effect of businesses acquired	-	-
Tax for the period	4 244	4 548
Total tax payable	2 116	9 487

Note 5 – Revenue

By segment (Amount in NOK 1000)	YTD 2023	YTD 2022
Payroll- and accounting services	204 083	102 249
IT services	20 124	14 546
Other income	224	269
Total	224 431	117 064
Geographical information		
Norway	224 431	117 064
Total	224 431	117 064

Note 6 – Specification of other operating expenses

(Amount in NOK 1000)	YTD 2023	YTD 2022
Audit, consultancy and legal fees	1 428	850
Office costs	5 077	4 316
IT equipment	3 449	997
Course fees	1 159	244
Advertising and sales costs	1 592	890
Loss on receivables	559	342
Other expenses	2 348	234
Total other operating costs	15 612	7 872

Note 7 – Leases

The Group have entered into operational lease agreements for offices, equipment and other facilities. The lease agreements do not contain restrictions on the Groups dividend policy or financing options,

(Amount in NOK 1000)	Offices	Equipment	Total
Acquisition cost beginning of period	100 244	4 910	105 154
Addition of right-of-use assets	-	-	-
Disposals	-	-	-
Acquisition cost end of period	100 244	4 910	105 154
Accumulated depreciation and impairment beginning of period	25 745	2 810	28 555
Depreciation	4 414	303	4 717
Impairment losses in the period	-	-	-
Disposals	-	-	-
Accumulated depreciation and impairment end of period	30 159	3 113	33 272
Carrying amount of right-of-use assets at end of period	70 085	1 797	71 882
Period of rent	74 months	40 months	
Remaining period of rent	74 months	40 months	
Lease liabilities			
Less than 1 year	14 355	882	15 236
1-5 years	43 311	974	44 285
More than 5 years	14 800	49	14 850
Total	72 466	1 906	74 372

Note 8 – Property, plant and equipment

(Amount in NOK 1000)	Equipment and moveables	Total
Acquisition cost 1 January 2022	14 632	14 632
Additions	662	662
Additions through acquisitions	-	-
Disposals	-	-
Acquisition cost end of period	15 294	15 294
Accumulated depreciation and write-downs	7 494	7 494
Carrying amount end of period	7 800	7 800
Depreciation in current period	758	758
Depreciation rates	20 -33%	

Note 9 – Intangible assets

(Amount in NOK 1000)	Research & Development	Goodwill	Total
Acquisition cost 1 January 2022	36 254	781 330	817 584
Additions through acquisitions	-	15 940	15 940
Additions	3 401	-	3 401
Disposals	-	-	-
Acquisition cost end of period	39 655	797 270	836 925
Accumulated depreciation and write-downs	17 730	-	17 730
Carrying amount end of period	21 925	797 270	819 195
Depreciation in current period	1 112	-	1 112
Economic lifetime	3-5 years	Not applicable	

Research and development relates to solutions for automatisisation of incoming invoices for accounting systems and development of quality system. The cost occurred are identifiable, can easily isolate and will have clear economic benefits in the future.

Goodwill have arised from the transactions where Aider Konsern merged with the sister companies TET Gruppen AS and Aider AS with subsidiaries in 2020, as well as companies in note 2. Goodwill in these transactions are related to personell, knowledge of operations as an accounting firm and regulatory requirements as well as relationships.

Goodwill is tested for impairment, through valuation of the group before and after acquisition, where no indication of impairment are uncovered.

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