



INTERIM REPORT AIDER KONSERN Q2 2023

AIDER



Management report

Q2 2023

Financial performance

Aider continues a strong revenue growth of 59% in the second quarter compared to last year. Revenues are at NOK 215,1 million, up from NOK 135,5 million in Q2 2022. Revenues YTD are at NOK 439,7 million up from NOK 253,4 million, which is a growth of 74% compared to last year.

The EBITDA are at NOK 50,1 million in Q2 2023, up from NOK 34,0 million from last year. The EBITDA margin for Q2 is 23,3% compared to last year's margin of 25,2%. The change in EBITDA margin is partly due to periodic work shifted from Q1 to Q2 in 2023 versus 2022, and partly due to a slight decrease in margin. The EBITDA margin YTD is 21,3%, which is down 1,0% compared to 2022.

The accounting business is somewhat cyclic, and a drop in margin the next two quarters should be expected. However, management has initiated a margin improvement initiative to reduce the experienced drop in margin last year.

Post merger activities have decreased from NOK 3,3 million in Q2 2022 to NOK 1,6 million in Q2 2023. The reason for this was the exceptional level of onboarding activities related to PwC Accounting in Q2 last year. Given that the current M&A plan materializes, it should be expected that the Special Items continues at the same level.

Net financial items have had a significant increase from NOK 5,4 million to NOK 14,4 million in Q2 2023, mainly due to increase in interests from the bond obligation.

The cash flow from operating activities accumulated for Q2 2023 are NOK 29,5 million. Cash flow from investments are at NOK -18,9 million in Q2.

Bond reporting

Aider completed a tap of NOK 250 million i Q2 according to the guiding in the Q1 financial report. The total bond is now NOK 750 million.

In relation with the bond, the Group must have MNOK 45 in free liquidity at any time in. Aider complies with this covenant requirement.

Acquisition

Aider has completed the following 6 acquisitions so far in 2023:

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
Rekon AS	01.04.23	1	2 800 000
Effektiv Bedrift AS	30.06.23	8	14 000 000
Fasit Regnskap AS	30.06.23	7	7 800 000
Flytsona AS	30.06.23	8	10 000 000
Total		44	64 600 000

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

Rekon AS

Rekon AS has one employee, the company is located in Sandefjord with a total revenue of about 3 MNOK. Rekon AS is included in Aider from Q2-23.

Effektiv Bedrift AS

Effektiv Bedrift AS is located in Melhus, with a revenue of 14 MNOK and 8 FTE's. The company has an EBITDA of 3,85 MNOK. The company is a "Tripletex office" with an excellent local and regional position.

Fasit Regnskap AS

Fasit Regnskap AS is located in Bryne, and will strengthened our Stavanger office. Fasit Regnskap AS has a total revenue of 7,8 MNOK. The company has an EBITDA 1,1 MNOK.

Flytsona AS

Flytsona AS is located in Ålesund, and has revenue of 10 MNOK. Ålesund is a strategic area for Aider to grow in the coming years.

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. The organic growth YTD 2023 was 18,3%.

There was 36 new-hires starting in second quarter of 2023, of which 7 was student hires of master and bachelor candidates hired as trainees. Aider counts 709 people end of second quarter 2023.

Plans and guiding for 2023

Aider will continue to grow in both through M&A activities and organically. Revenues (not annualized) are expected to surpass NOK 800 million in 2023.

The M&A strategy will be somewhat different going forward 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 regional organization having a complete national reach. End of Q2 the Aider portfolio consists of 26 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.



Consolidated interim financial statements Q2 2023

Income statement

Aider konsern

INCOME STATEMENT (Amount in NOK 1000)	Note	Q2 2023	Q2 2022	YTD 2023	YTD 2022
Operating income					
Revenue	5	214 964	135 447	439 396	252 511
Other income		190	36	266	848
Total operating income		215 154	135 483	439 662	253 360
Cost of goods sold		-20 038	-14 685	-40 018	-29 821
Personell expenses		-129 714	-73 687	-274 914	-148 120
Other expenses	6	-15 290	-10 323	-30 902	-18 904
EBITDA		50 111	36 788	93 827	56 514
Amortizations and depreciations	7,8,9	-5 623	-5 510	-11 655	-8 801
EBIT		44 489	31 278	82 172	47 714
Special items	3	-1 552	-3 324	-3 649	-4 033
Net financial items		-14 387	-5 445	-27 950	-6 627
Profit before tax		28 549	22 509	50 573	37 054
Income taxes	4	-6 760	-4 843	-11 005	-7 523
Profit for the period		21 789	17 666	39 568	29 531
Profit attributable to Aider shareholders		18 478	14 935	33 861	25 084
Profit attributable to non-controlling interests		3 311	2 731	5 707	4 448
Total		21 789	17 666	39 568	29 531
Earnings per share					
Continuing operations					
- Ordinary		22	18	40	30
- Diluted		22	18	40	30
Discontinued operations					
		0	0	0	0
Other comprehensive income					
Profit for the period		21 789	17 666	39 568	29 531
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		21 789	17 666	39 568	29 531
Attributable to					
Shareholders in Aider		18 478	14 935	33 861	25 084
Non-controlling interests		3 311	2 731	5 707	4 448

Balance sheet

Aider konsern

ASSETS (Amount in NOK 1000)	Note	30.06.2023	30.06.2022	31.12.2022
Non-current assets				
Intangible assets				
Research and development	9	25 253	11 114	19 635
Deferred tax assets		5 990	2 338	5 742
Goodwill	2,9	833 307	641 829	781 330
Total intangible assets		864 549	655 281	806 708
Tangible assets				
Right-of-use assets	7	74 680	43 881	76 599
Property, plant and equipment	8	8 322	6 028	7 896
Total tangible assets		83 002	49 909	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		-	52 626	-
Other long-term receivables		481	120	612
Total non-current financial assets		3 993	55 511	4 124
Total non-current assets		951 544	760 701	895 327
Current assets				
Accounts receivables		129 013	80 012	85 184
Other short-term receivables		29 256	16 606	24 226
Cash and Cash equivalents		342 170	137 757	103 805
Total current assets		500 438	234 375	213 215
Total assets		1 451 982	995 076	1 108 541

Balance sheet

Aider konsern

EQUITY AND LIABILITIES (Amount in NOK 1000)	Note	30.06.23	30.06.22	31.12.2022
EQUITY				
Paid-in capital				
Share capital		1 000	1 000	1 000
Share premium		281 783	281 794	281 783
Total paid-in capital		282 783	282 794	282 783
Other equity		33 478	24 688	-
Uncovered loss		-	-	-382
Minority		5 822	4 530	865
Total equity		322 083	312 012	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	767 237	495 153	488 183
Lease liabilities	3,7	60 658	45 492	62 703
Total non-current liabilities		827 895	540 645	550 886
Current liabilities				
Liabilities to group companies		73 660	-	39 001
Accounts payables		36 170	25 251	42 205
Tax payable	4	9 459	14 591	6 710
Lease liabilities		16 800	-	16 087
Public duties payable		57 849	34 173	52 743
Debt to credit institutions		-	-	8 028
Other current liabilities		103 202	68 227	104 048
Total current liabilities		297 140	142 242	268 823
Total liabilities		1 129 900	683 064	825 275
Total equity and liabilities		1 451 982	995 076	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			33 478	383	5 707	39 568
Transaction with minority					-751	-751
Dividend to minority					-	-
Equity 30 June 2023	1 000	281 783	33 478	-	5 822	322 083

Cash flow statement

Aider konsern

(Amount in NOK 1000)	Note	Q2 2023	Q2 2022	YTD 2023	YTD 2022
Operating activities					
Profit for the period before tax		28 549	22 509	50 573	37 054
Tax paid		-124	-92	-9 757	-3 579
Depreciation and amortization		5 623	5 510	11 655	8 801
Change in group loans		35 684	-	34 659	-
Change in accounts receivables		-5 101	-837	-33 571	-13 024
Change in accounts payables		13 195	11 700	10 775	12 353
Change in other accrual items		-48 316	-29 355	-58 928	-6 494
Cash flow from operating activities		29 510	9 434	5 405	35 110
Investment activities					
Net expenditure on property, plant and equipment		-5 321	-112 954	-7 986	-324 624
Investment in shares		-21 130	-	-37 630	-
Cash received in acquisitions	2	7 572	4 671	10 977	10 196
Net change in group account		-	-	-8 330	-
Cash flow from investment activities		-18 879	-108 283	-42 968	-314 427
Financing activities					
Proceeds from the issuance of new long-term liabilities		241 153	323 717	276 153	515 903
Repayment of long-term liabilities		-	-117 589	-225	-122 887
Proceeds from equity		-	-	-	-
Payment of dividend		-	-	-	-
Cash flow from financing activities		241 154	206 129	275 928	393 016
Net change in cash and cash equivalents		251 784	107 280	238 365	113 699
Cash and cash equivalents at the start of the period		90 385	30 477	103 805	24 058
Cash and cash equivalents at the end of the period		342 170	137 757	342 170	137 757

Notes to consolidated financial statement

Aider konsern

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 Q2 2023 were authorized for issue by the board of directors on August 28th, 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 AS aquired 1st of January 2023
 - Rekon AS aquired 1st of april 2023
 - Hydra Regnskap AS aquired 1st of april 2023
 - Effektiv Bedrift AS aquired 30th of June 2023
 - Fasit Regnskap AS aquired 30th of June 2023
 - Flytsona AS aquired 30th of June 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.

	Fair value recognized on acquisition	
	30.06.2023	30.06.2022
(Amount in NOK 1000)		
Assets		
Property, plants and equipment	7 082	2 815
Cash and cash equivalentents	10 977	10 196
Deferred tax assets	248	113
Receivables	12 249	41 487
Total	30 555	54 612
Liabilities		
Accounts payables	1 899	243
Other current liabilities	19 240	28 676
Public duties payable	4 568	12 296
Deferred tax	1	3 103
Liabilities	25 708	44 318
Net identifiable assets and liabilities at fair value	4 848	10 294
Goodwill	51 132	217 447
Purchase price	55 980	227 741
Share issued, at fair value*	18 350	4 000
Cash	37 630	223 741
Transaction costs	-	-
Total consideration	55 980	227 741
Paid in cash	37 630	223 741
Cash received	10 977	10 196
Net decrease/(increase) in cash	26 653	213 545

*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	766 809

Bond terms:

Aider Konsern have issued a bond on MNOK 750. 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 45 free liquidity at any time in. Aider complies with this covenant requirement:

Item	30.06.23
Cash and cash equivalents	342 170
Restricted cash related to payroll and aquisitions	-222 614
Overdraft facility	40 000
Free liquidity	159 555
Over-/under coverage	139 555

Net interest bearing debt to EBITDA

Debt Leverage	30.06.23
Interest bearing debt	767 237
Lease liabilities	77 459
Total interest bearing liabilities	844 696
Cash and cash equivalents	342 170
Net interest bearing debt	502 526
EBITDA LTM*	139 392
Net interest bearing debt to EBITDA	3.6

**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	30.06.23
Integration of new offices and acquired companies	3 649
Total	3 649

Note 4 – Tax

(Amount in NOK 1000)	YTD 2023	YTD 2022
Profit before tax	50 573	37 054
Calculated tax on profit	11 126	8 152
<i>Tax effects of:</i>		
Non-deductible expenses/non-taxable income	1 817	23
Temporary differences	-1 938	-652
Tax of the period	11 005	7 523
Tax payable		
Tax payable from previous years	6 710	4 906
Prepaid tax	-8 256	-
Tax effect of businesses acquired	-	2 163
Tax for the period	11 005	7 523
Total tax payable	9 459	14 591

Note 5 – Revenue

By segment (Amount in NOK 1000)	YTD 2023	YTD 2022
Payroll- and accounting services	397 080	223 298
IT services	41 878	28 550
Other income	438	663
Total	439 396	252 511
Geographical information		
Norway	439 396	252 511
Total	439 396	252 511

Note 6 – Specification of other operating expenses

(Amount in NOK 1000)	YTD 2023	YTD 2022
Audit, consultancy and legal fees	2 757	2 681
Office costs	9 440	2 963
IT equipment	7 147	5 665
Course fees	2 046	574
Advertising and sales costs	3 027	2 840
Loss on receivables	919	523
Other expenses	5 567	3 658
Total other operating costs	30 902	18 904

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	7 007	-	7 007
Disposals	-	-	-
Acquisition cost end of period	107 251	4 910	112 161
Accumulated depreciation and impairment beginning of period	25 745	2 810	28 555
Depreciation	8 340	586	8 926
Impairment losses in the period	-	-	-
Disposals	-	-	-
Accumulated depreciation and impairment end of period	34 085	3 396	37 481
Carrying amount of right-of-use assets at end of period	73 166	1 514	74 680
Period of rent	74 months	40 months	
Remaining period of rent	74 months	40 months	
Lease liabilities			
Less than 1 year	16 105	696	16 800
1-5 years	44 492	882	45 374
More than 5 years	15 248	36	15 284
Total	75 844	1 614	77 459

Note 8 – Property, plant and equipment

(Amount in NOK 1000)	Equipment and moveables	Total
Acquisition cost 1 January 2022	14 632	14 632
Additions	1 201	1 201
Additions through acquisitions	787	787
Disposals	-	-
Acquisition cost end of period	16 620	16 620
Accumulated depreciation and write-downs	8 298	8 298
Carrying amount end of period	8 322	8 322
Depreciation in current period	1 562	1 562
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	6 785	51 132	57 917
Additions	-	844	844
Disposals	-	-	-
Acquisition cost end of period	43 038	833 307	876 345
Accumulated depreciation and write-downs	17 786	-	17 786
Carrying amount end of period	25 253	833 307	858 559
Depreciation in current period	1 168	-	1 168
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 and previous years acquisitions. 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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