



INTERIM REPORT AIDER KONSERN Q2 2024

AIDER



Management report

Q2 2024

Financial performance

Aider continues a strong revenue growth of 63% in the second quarter compared to last year. Revenues are at NOK 349,6 million, up from NOK 215,2 million in Q2 2023. Revenues YTD are at NOK 655,3 million up from NOK 439,7 million in 2023, which is a growth of 49% compared to last year. The organic growth YTD 2024 was 15%.

The EBITDA second quarter was NOK 89,6 million in Q2 2024, up from NOK 50,1 million from Q2 last year. The EBITDA margin for Q2 was 25,6% compared to last year's margin of 23,3%. The EBITDA YTD was NOK 155,6 million compared to NOK 93,8 YTD 2023. The EBITDA margin for YTD 2024 was 23,7% compared to last year's margin of 21,3%. Management is satisfied to experience that Aider can realize notable effects from on-going improvement initiatives even in an environment of strong growth. There is still a substantial potential for further efficiency effects and automation going forward.

Aider is experiencing an explosive growth in M&A activities. In total, Aider has made 50 acquisitions since our inception in 2019. As many as 21 of the acquisitions have been completed in the last 3 quarters. Furthermore, 4 acquisitions are commercially agreed but not yet closed. One of these is significant. The substantial jump in work related to M&A and integration activities explains the increase in special items from 3,6 million in YTD 2023 to 18,7 million YTD 2024.

Net financial items have had a significant increase from NOK -14,4 million Q2 2023 to NOK -26,7 million in Q2 2024, mainly due to increase in interests from the bond obligation.

The cash flow from operating activities accumulated for Q2 2024 are NOK 74,2 million up from 34,3 million Q2 2023. This is an increase of 116%. Cash flow from investments are at NOK -113,6 million in Q2, mainly due to high M&A activity. The cash flow from financing activities are -16,7 million, related to lease payments.

Bond reporting

The total bond is now NOK 875 million. There is room for an additional tap of up to NOK 1 000 million on the existing bond facility. The net interest-bearing debt to EBITDA-ratio is 3,7 in Q2, down from 3,8 in Q1, and 4,3 in Q4 2023.

Last two quarters Aider has acquired companies with long remaining terms of the office rent agreements. This is causing major increase in lease liabilities, from 77 million in Q4 2023 to 167 million in Q2 2024, consequently affecting the development NIBD KPI negatively. In reality, Aider's ability to service our loan obligations has not been correspondingly impaired. The improvement of the NIBD from 4,3 to 3,7 has been delivered despite this development in lease liabilities.

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

Events in Q2

The year has started great for Aider. Management would like to pinpoint five areas of major achievements in Q2:

1. Continued success with M&A activities
2. Talents choose Aider
3. Effects from ongoing AI initiatives
4. Investment in Adminflow AS
5. Major customer wins – KPMG (payroll) and Höegh Eiendom

Companies	Date	Employees	Revenue
Ascender AS	01.01.2024	21	130 343 000
RCR Facility Management*	15.03.2024	4	10 032 000
EDB & Regnskapservice AS	23.02.2024	15	19 833 000
Kystrekneskap AS	01.03.2024	5	5 647 000
Elleve AS - (Innovation department)*	06.03.2024	8	15 000 000
Råd & Regnskap Sotra AS	22.03.2024	6	9 269 000
Fokus Regnskap AS	31.03.2024	10	12 566 000
Skatt & Regnskap AS	12.04.2024	17	20 000 000
Oval Regnskap AS	29.04.2024	14	12 000 000
Ressurs Regnskap Nor AS	30.04.2024	6	7 700 000
iTide Økonomi AS	23.05.2024	30	29 200 000
MDE Sigma AS	24.06.2024	12	15 600 000
Fjord Accounting AS	26.06.2024	10	15 000 000
Impaktor AS	27.06.2024	4	13 089 000
Total		162	315 279 000

*) *Transfers of Undertakings (“virksomhetsoverdragelse”)*

Continued success with M&A activities

M&A is a long-term endeavor where the high level of activity is a result of relationships and trust built over a long period of time. Traditionally Q1 and Q2 is quite slow with regards to M&A activities. This year has been an exception where Aider has experienced an explosive growth in M&A activities YTD. In total, Aider has made 50 acquisitions since our inception in 2019. As many as 21 of the acquisitions have been completed in the last 3 quarters. Management sees the following drivers for the success in the M&A space:

- 1) Aider has strengthened the M&A team end of 2023, thus increasing the capacity for parallel M&A processes on the underlying M&A pipeline build over a long period of time.
- 2) Aider has improved the M&A process leveraging on the local presence in attracting new M&A targets
- 3) In 2024, management has altered the scope for M&A activities, not strictly targeting accounting firms, but also considering advisory and consulting firms. This has led to the acquisition of 4 advisory firms: Ascender, RCR Facility Management, Elleve (now Aider Innovasjon AS), and Impaktor AS.
- 4) We experience that Aider is a preferred home for many accounting companies due to strategic fit, culture and attractiveness

This year Aider has completed 14 acquisitions with revenues of 315,3 million and 162 employees compared to 6 transactions with annual revenues of 64,6 million and 44 employees in last year.

Management expects the M&A activities to continue at the same high levels going forward and has increased the on-boarding capacity to cater for a smooth integration of newly acquired companies. Full integration is an uncompromising pillar in our M&A and growth strategy.

Talents continue to choose Aider

An important part of the Aider strategy is to attract new talent to the accounting and advisory industry with Aider as the preferred employer. This also includes tech competency in areas such as ERP, Business Intelligence, integration and AI. We are experiencing great success in this area both with experienced hires and new hires across the width of competency. So far this year we have recruited in total 154 people, of which 60 people is “Kull 24” straight from universities and business schools.

Additionally, we have also got 162 new colleagues through M&A activities. It should be noted that 37 are working with advisory services and are consequently increase the width of competency within Aider as well as depth of the services offered towards our customers.

Over the years we experience that more students are recognizing the potential for learning and development in Aider and are consciously choosing Aider over a career as an auditor in the Big4 audit firms. By creating this change in perception among students, we are laying the foundation for Aider’s ability to build a next-gen house of competency competing with the Big4 firms in delivering relevant advisory service, tech deliverables, and helping our clients in new ways.

Effect from ongoing AI initiatives

There is a great potential for using AI in accounting processes. Aider is well positioned since effective use of AI technology requires competency, large transaction volumes, as well as ability to execute.

Aider continues to roll out AI commercially on the AI ready segments of the customer base with good success.

Investment in Adminflow AS

Together with Finansavisen, Aider has bought a controlling position in the software company Adminflow. Aider owns 25,28% of the company. The company delivers software services in 3 areas:

- 1) Company administration processes such as board administration, cap table management and investor communication, contract management, DD documentation etc.
- 2) Customer portal for accounting firms
- 3) Quality management for accounting firms

Aider sees a great potential bundling the company administration functionality from Adminflow with our advisory services, making it easier to deliver tangible changes and improvements for our customers.

Major customer wins

Aider continues to win large clients in highly competitive processes. In Q2, Aider won:

- KPMG - payroll services
- Höegh Eiendom – accounting services

Plans and guiding

Aider will continue to grow rapidly. The high level of M&A activity in Q2 is planned to be sustained or increased going forward. Also, organic growth is expected to continue at the same high levels.

As communicated in the Q1 2024 report, Aider management has concluded to initiate a bond process to refinance existing bond August 2024 to support and finance the further growth and support future strategic initiatives. Aider has stated in its shareholders' agreement an ambition to carry out a liquidity event for its shareholders no later than by the end of 2026, consequently, changes in ownership should be expected within the bond tenor period.

Three regions in Aider were underperforming in 2023. For all three regions improvement initiatives addressing the issues are completed and they are all now delivering margins at adequate levels.

Furthermore, the possibility for realizing synergies increases as Aider grows. The return of investments in automation/AI, smarter work processes, software etc. will be higher as the customer base is larger. Consequently, EBITDA is expected to increase going forward.

Aider will continue to develop the width of advisory services including further strengthening the tech offering, both through organic and M&A based growth.



Consolidated interim financial statements Q2 2024

Income statement

Aider konsern

INCOME STATEMENT (Amount in NOK 1000)	Note	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Operating income					
Revenue	5	348 685	214 964	653 123	439 396
Other income		917	190	2 218	266
Total operating income		349 602	215 154	655 341	439 662
Cost of goods sold		-41 780	-20 038	-77 655	-40 018
Personell expenses		-178 263	-129 714	-357 388	-274 914
Other expenses	6	-39 983	-15 290	-64 742	-30 902
EBITDA		89 576	50 111	155 556	93 827
Amortizations and depreciations	7,8,9	-13 762	-5 623	-26 963	-11 655
EBIT		75 814	44 488	128 593	82 172
Special items	3	-11 247	-1 552	-18 691	-3 649
Net financial items		-26 673	-14 387	-53 203	-27 950
Profit before tax		37 895	28 549	56 700	50 573
Income taxes	4	-6 323	-6 760	-10 095	-11 005
Profit for the period		31 572	21 789	46 605	39 568
Profit attributable to Aider shareholders		31 572	18 478	46 605	33 861
Profit attributable to non-controlling interests		-	3 311	-	5 707
Total		31 572	21 789	46 605	39 568
Earnings per share					
Continuing operations					
- Ordinary		32	22	47	40
- Diluted		32	22	47	40
Discontinued operations		-	-	-	-
Other comprehensive income					
Profit for the period		31 572	21 789	46 605	39 568
Items that may not be reclassified to the income statement		-	-	-	-
Items that may be reclassified to the income statement		-	-	-	-
Total comprehensive income		31 572	21 789	46 605	39 568
Attributable to					
Shareholders in Aider		31 572	18 478	46 605	33 861
Non-controlling interests		-	3 311	-	5 707

Balance sheet

Aider konsern

ASSETS (Amount in NOK 1000)	Note	30.06.2024	30.06.2023	31.12.2023
Non-current assets				
Intangible assets				
Research and development	9	53 892	25 253	42 575
Deferred tax assets		-	5 990	2 649
Customer contracts	2	49 228	-	-
Goodwill	2,9	1 278 201	833 307	895 077
Total intangible assets		1 381 321	864 549	940 300
Tangible assets				
Right-of-use assets	7	160 176	74 680	118 108
Property, plant and equipment	8	9 948	8 322	8 246
Total tangible assets		170 125	83 002	126 354
Non-current financial assets				
Investment in associated companies		10 362	-	4 528
Investment in shares		16	3 512	-
Other long-term receivables		2 129	481	72
Total non-current financial assets		12 506	3 993	4 600
Total non-current assets		1 563 952	951 544	1 071 254
Current assets				
Accounts receivables		225 396	129 013	122 801
Other short-term receivables		41 897	29 256	19 545
Investments in fund units	10	101 925	-	152 883
Cash and Cash equivalents		117 744	342 170	237 882
Total current assets		486 962	500 438	533 111
Total assets		2 050 914	1 451 982	1 604 365

Balance sheet

Aider konsern

EQUITY AND LIABILITIES (Amount in NOK 1000)	Note	30.06.2024	30.06.2023	31.12.2023
EQUITY				
Paid-in capital				
Share capital		1 000	1 000	1 000
Share premium		281 772	281 783	281 772
Total paid-in capital		282 772	282 783	282 772
Other equity		41 317	33 478	-5 287
Minority		159	5 822	159
Total equity		324 249	322 083	277 644
LIABILITIES				
Provisions				
Deferred tax		12 003	3 189	-
Other provisions		2 331	1 675	2 331
Total provisions		14 334	4 864	2 331
Non-current liabilities				
Interest bearing debt	3	897 312	767 237	897 356
Lease liabilities	3,7	128 467	60 658	96 136
Total non-current liabilities		1 025 779	827 895	993 492
Current liabilities				
Liabilities to group companies		392 775	73 660	101 579
Accounts payables		47 985	36 170	45 655
Tax payable	4	9 188	9 459	1 372
Lease liabilities	3,7	38 545	16 800	28 069
Public duties payable		101 233	57 849	66 307
Debt to credit institutions		-	-	-
Other current liabilities		96 825	103 202	87 916
Total current liabilities		686 552	297 140	330 898
Total liabilities		1 726 665	1 129 900	1 326 721
Total equity and liabilities		2 050 914	1 451 982	1 604 365

Statement of equity

Aider konsern

(Amount in NOK 1000)	Share capital	Share premium	Other equity	Uncovered loss	Minority	Total
Equity 1 January 2023	1 000	281 783	-	-383	865	283 266
Result for the period				-4 904	4 262	-642
Establishment of companies		-11			-	-11
Transaction with minority					-4 968	-4 968
Dividend to minority					-	-
Equity 31 December 2023	1 000	281 772	-	-5 287	159	277 644
Result for the period				46 605		46 605
Establishment of companies						-
Transaction with minority						-
Dividend to minority						-
Equity 30 June 2024	1 000	281 772	-	41 317	159	324 249

Cash flow statement

Aider konsern

(Amount in NOK 1000)	Note	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Operating activities					
Profit for the period before tax		37 895	28 549	56 700	50 573
Tax paid		-8 280	-124	-11 968	-9 757
Depreciation and amortization		13 762	5 623	26 963	11 655
Change in group loans		82 048	35 684	291 195	34 659
Change in accounts receivables		-29 331	-5 101	-57 325	-33 571
Change in accounts payables		-1 905	27 020	-19 797	10 775
Financial items		-1 361	-	-3 548	-
Change in other accrual items		-18 668	-57 387	-13 445	-48 903
Cash flow from operating activities		74 158	34 263	268 775	15 430
Investment activities					
Net expenditure on property, plant and equipment		-10 906	-5 322	-18 699	-7 986
Investment in shares and fund units		-170 222	-21 130	-458 785	-37 630
Cash received in acquisitions	2	23 596	7 572	65 939	10 977
Net change in credit facility		-	-	187	-8 330
Net payment on other investments		43 939	-	47 194	-
Cash flow from investment activities		-113 593	-18 879	-364 164	-42 968
Financing activities					
Proceeds from the issuance of new long-term liabilities		-	241 153	1 127	276 153
Repayment of long-term liabilities		-3 765	-	-3 765	-225
Payment of principal portion of lease liabilities ¹		-12 951	-4 753	-22 112	-10 025
Proceeds from equity		-	-	-	-
Payment of dividend		-	-	-	-
Cash flow from financing activities		-16 716	236 400	-24 749	265 903
Net change in cash and cash equivalents		-56 150	251 784	-120 139	238 365
Cash and cash equivalents at the start of the period		173 894	90 386	237 882	103 805
Cash and cash equivalents at the end of the period		117 744	342 169	117 744	342 169

¹Payment of principal portion of lease liabilities have reclassified from Change in other accrual items in comparative numbers.

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 Karl Johans gate 37, 0162 Oslo.

Aider Konsern's consolidated statements for Q2 2024 were authorized for issue by the board of directors on August 19th, 2024.

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 2023.

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:

- Ascender AS was acquired 01.01.2024
- EDB Regnskapstjenester As was acquired 23.02.2024
- Kystregnskap AS was acquired 01.03.2024
- Råd og Regnskap Sotra AS was acquired 22.03.2024
- Skatt og Regnskap AS was acquired 12.04.2024
- Fokus Regnskap AS was acquired 15.03.2024
- Ressurs Regnskap Nor AS was acquired 30.04.2024
- Oval Regnskap AS was acquired 29.04.2024
- iTide Økonomi AS was acquired 23.05.2024
- MDE Sigma AS was acquired 24.06.2024
- Fjord Accounting AS was acquired 26.06.2024
- Impaktor AS was acquired 27.06.2024

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

	Fair value recognized on acquisition	
	30.06.2024	31.12.2023
(Amount in NOK 1000)		
Assets		
Property, plants and equipment	21 496	9 129
Cash and cash equivalents	65 939	19 372
Deferred tax assets	895	277
Receivables	54 722	24 193
Total	143 052	52 970
Liabilities		
Accounts payables	10 522	3 313
Other current liabilities	71 570	28 816
Public duties payable	32 276	8 518
Deferred tax	2 250	3 192
Liabilities	116 619	43 840
Net identifiable assets and liabilities at fair value	26 434	9 130
Goodwill	383 124	113 747
Customer contracts	49 228	-
Purchase price	458 785	122 877
Share issued, at fair value*	293 777	45 169
Cash	164 947	77 708
Transaction costs	61	-
Total consideration	458 785	122 877
Paid in cash	164 947	77 708
Cash received	65 939	19 372
Net decrease/(increase) in cash	99 007	58 336

*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	861 529
Debt to credit institutions	NOK		35 784

Bond terms:

Aider Konsern have issued a bond on MNOK 875. 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	30.06.24
Cash and cash equivalents	117 744
Money Market fund	101 925
Restricted cash related to payroll and acquisitions	-42 974
Overdraft facility	40 000
Free liquidity	216 694
Over-/under coverage	171 694

Net interest bearing debt to EBITDA

Debt Leverage	30.06.24
Interest bearing debt	897 312
Lease liabilities	167 012
Total interest bearing liabilities	1 064 324
Cash and cash equivalents	219 668
Net interest bearing debt	844 656
EBITDA LTM*	246 124
EBITDA LTM used for covenant computation**	230 832

Net interest bearing debt to EBITDA 3.7

*Including synergies as per covenant computations

**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 shown in the profit and loss statement are deducted for the allowed reduction in EBITDA of a maximum of 10% in the NIBD calculation.

The special items that are adjusted are the following in YTD 2024:

Items	30.06.24
Integration of new offices and acquired companies	18 691
Total	18 691

Note 4 – Tax

(Amount in NOK 1000)	YTD 2024	YTD 2023
Profit before tax	56 700	50 573
Calculated tax on profit	12 474	11 126
<i>Tax effects of:</i>		
Non-deductible expenses/non-taxable income	671	1 817
Temporary differences	-163	-1 938
Use of/not offset previous years tax deficit	-3 254	-
Changes in deferred tax/tax asset	367	-
Tax of the period	10 095	11 005
Tax payable		
Tax payable from previous years	10 320	6 710
Prepaid tax	-12 655	-8 256
Tax effect of businesses acquired	2 250	-
Tax for the period	9 273	11 005
Total tax payable	9 188	9 459

Note 5 – Revenue

By segment (Amount in NOK 1000)	YTD 2024	YTD 2023
Payroll- and accounting services	595 845	397 080
IT services	57 021	41 878
Other income	258	438
Total	653 123	439 396
Geographical information		
Norway	653 123	439 396
Total	653 123	439 396

Note 6 – Specification of other operating expenses

(Amount in NOK 1000)	YTD 2024	YTD 2023
Audit, consultancy and legal fees	14 755	2 757
Office costs	7 465	9 440
IT equipment	23 086	7 147
Course fees	4 034	2 046
Advertising and sales costs	4 916	3 027
Loss on receivables	1 165	919
Other expenses	9 320	5 567
Total other operating costs	64 742	30 902

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	165 448	4 548	169 996
Adjustments	5 918	18	5 935
Addition of right-of-use assets	46 394	8 426	54 820
Disposals	-	-	-
Acquisition cost end of period	217 760	12 991	230 751
Accumulated depreciation and impairment beginning of period	48 228	3 659	51 887
Depreciation	17 577	1 110	18 688
Impairment losses in the period	-	-	-
Disposals	-	-	-
Accumulated depreciation and impairment end of period	65 806	4 769	70 575
Carrying amount of right-of-use assets at end of period	151 954	8 222	160 177
Period of rent	0-10 years	0-5 years	
Remaining period of rent	0-10 years	0-5 years	
Lease liabilities			
Less than 1 year	44 212	3 103	47 315
1-5 years	123 758	6 095	129 852
More than 5 years	15 057	-	15 057
Total undiscounted lease liabilities at end of period	183 026	9 198	192 224
Lease liabilities included in the statement of financial position at end of period, of which:	158 873	8 139	167 012
Current	35 959	2 586	38 545
Non-current	122 914	5 552	128 467
Lease interests expensed in income statement	3 841	323	

Note 8 – Property, plant and equipment

(Amount in NOK 1000)	Equipment and moveables	Total
Acquisition cost 1 January 2024	18 788	18 788
Additions	1 325	1 325
Additions through acquisitions	2 075	2 075
Disposals	-	-
Acquisition cost end of period	22 187	22 187
Accumulated depreciation and write-downs	12 239	12 239
Carrying amount end of period	9 948	9 948
Depreciation in current period	1 697	1 697
Depreciation rates	20 -33%	

Note 9 – Intangible assets

(Amount in NOK 1000)	Research & Development	Goodwill	Total
Acquisition cost 1 January 2024	66 474	895 077	961 551
Additions through acquisitions	523	383 124	383 647
Additions	17 374	-	17 374
Disposals	-	-	-
Acquisition cost end of period	84 370	1 278 201	1 362 572
Accumulated depreciation and write-downs	30 478	-	30 478
Carrying amount end of period	53 892	1 278 201	1 332 094
Depreciation in current period	6 576	-	6 576
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 arisen 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.

Note 10 – Investments in shares and fund units

To eliminate some of the interest risk, the company has invested surplus liquidity in a low risk money market fund. The funds have restricted use to acquisitions under the bond covenant.

The fund is classified to fair value through profit and loss and valued to quoted marked price.

	Fair value measurement using			
	Total	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
(Amount in NOK 1000)				
Money market fund	101 925	101 925	-	-
Total	101 925	101 925	-	-

AIDER