

Spir Group ASA – Q1 2024

CEO Per Haakon Lomsdalen & CFO Cecilie Brænd Hekneby

15 May 2024

THIS IS SPIR GROUP

Software house with #1 positions in two segments

Strong Nordic brands delivering mission-critical software and data to people, businesses and society



THIS IS SPIR GROUP


Spir Group is a house of scalable technology brands



Mission critical software for the public sector



PropTech and geoinformation




- Leading provider of mission critical software for Norwegian public sector
- High level of recurring revenue
- Long-term contracts, minimal churn



- Leading real estate data and geoinformation provider in Sweden
- Focus on core business and margin improvements following restructuring






- Leading provider of real estate data in Norway
- High and sustained market share
- Enhancing value by moving upwards in the value chain with higher margins
- Preparing for commencement of new homes to increase






- Digital platforms for property documentation required by law for property owners and professionals
- 900,000 unique users with significant monetization potential

Other brands
Document processing, analytics, and content:

EYERGIportalen

Non-controlling brands
Real estate appraisal, energy, and data analysis:

A SPIR COMPANY

About Sikri

- Mission critical software for public sector and seamless processes mandated by law
- Case processing, building applications, archiving, document management, data collection and handling
- Key player and strong #1 positions
- High ARR, long-term SAAS agreements & solid customer base
- ROI focused implementation and customer excellence
- Assist public administration with reaching its goal for efficient use of resources, and improving citizen services
- Digital counting solution for elections in Norway – next up VALG2025

- High sales activity with 142 closed deals
- High win rate on Elements bids
- Keeping up with the AI race – focus on innovation and upsells
- Bringing developers “home” and hire locally to gain benefits of working closely with product and sales team

Q1



Providing mission critical software for public sector:



About Ambita

- Number #1 positions with trusted solutions
- Ambita´s offerings covers 9 of 10 processes in a real estate transaction
- Software services that connects real estate agents, banks and insurance companies
- At the forefront of digitizing the settlement process in real estate transactions
- Driving innovation and propelling the real estate market forward
- Transaction-based revenues correlated to the real estate market and seasons

- Holte integration: new distribution channel for maps & real estate services
- Increased demand in digitalization in municipalities/PA, drives growth for digital Building application
- Product: Områdeanalyse, 4x growth compared to last year

Q1

ambita

Leading digital real estate and construction software in Norway, enabling digital transformation and services:

ambita

Tinglysingstjenester

Digital samhandling

Byggesøknaden

Eiendomsinformasjon

Infoland

Karttjenester

Propfinder

Digital planvarsling

About Boligmappa

- Boligmappa is a platform for everything property-related
- Close to 1 million unique users across the platform
- Boligmappa.no and Hjemla.no offer free services to consumers, with the possibility of upgrading to premium offerings. On the B2B side Boligmappa is available as a Saas-solution
- A thought leader in the property market

- Launched a wide collaboration with Mittanbud.no, Norway's largest platform for craftsmen jobs
- B2C product sales growing and positive development:
 - 3 500+ upgrades to Boligmappa+ (70% purchased annual subscription)
 - 2 200+ new active Hjemla Premium subscriptions

Q1

A digital platform connecting all sides of the housing and real estate lifecycle, from private homeowners to large professional contractors:



About Metria

- #1 position in Sweden within real estate information and geodata with key customer verticals within; Public sector, Bank & Insurance, Energy & Telecom and Forestry industry
- Digital solutions and services within geodata, real estate information, geographical information systems and remote sensing
- Exciting climate & environment offering – identification of climate risks and opportunities for reduced climate impact
- Revenue mix of transactional, SaaS and consultancy revenues. Transactional revenues correlated to mortgage and real estate market

- 12% growth in SaaS-solutions
- Continued strong customer demand for Metria Maps solution
- Exploring Markkoll cross-sell opportunities in Norway
- Launched household energy performance solution – first customer deal and delivery within the finance industry

Q1

Metria is an expert in geographic information and digital solutions:

- Information services
- SaaS solutions
- Expert analysis
- Customer specific IT solutions

SaaS business model with attractive metrics

HIGH RECURRING
REVENUE SHARE

82%

RECURRING & RECURRING-
LIKE REVENUE IN Q1 2024



SOLID ARR GROWTH

399

MNOK ARR
(up 5.2% from Q1 2023)



STEADY REVENUE GROWTH

263

MNOK REVENUE IN Q1 2024
(up 1% from Q1 2023)



STABLE GROSS MARGIN

61%

GROSS MARGIN IN Q1 2024
(Stable from Q1 2023)



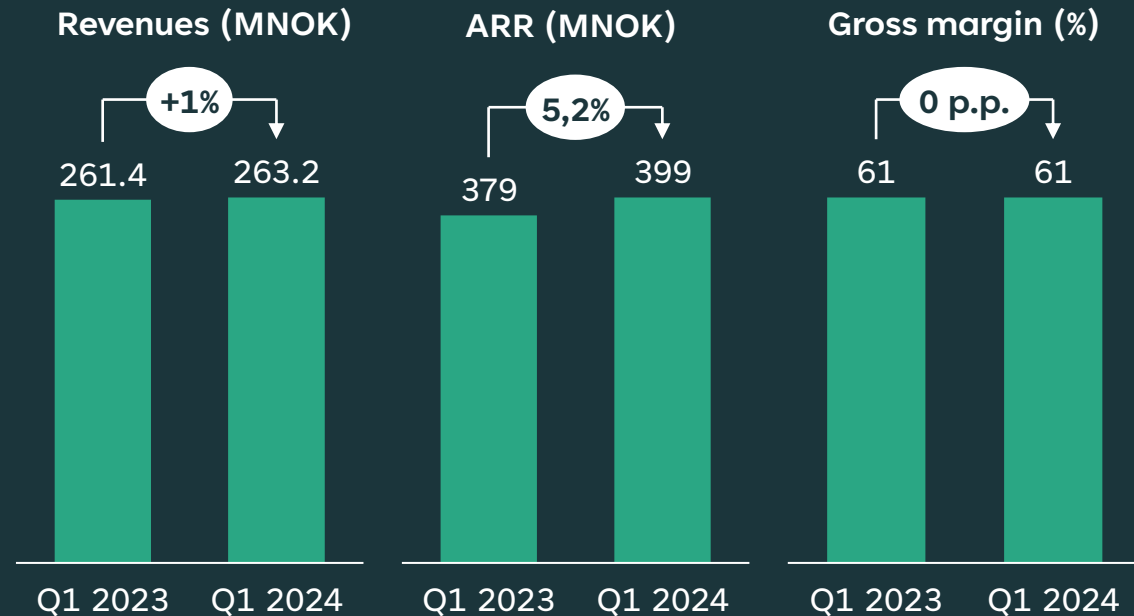


Financial Review

Q1 2024

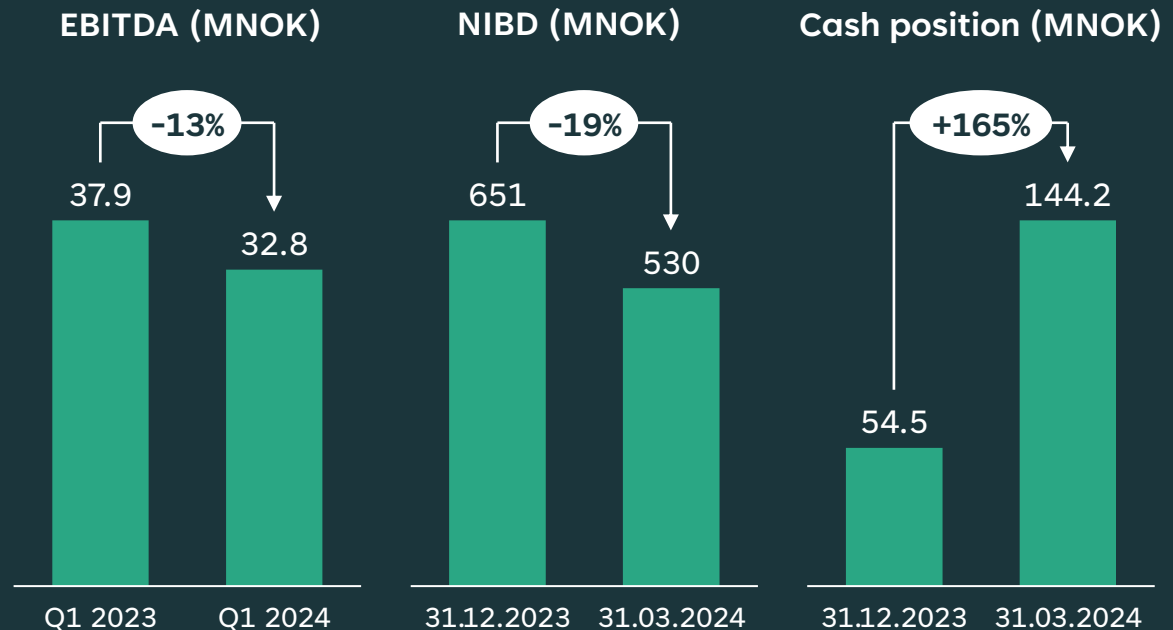
Organic growth and increased ARR

- Revenue of MNOK 263.2 (261.4), implying organic growth of 1 percent in the quarter
- Transaction related revenue impacted by easter and a still challenged property market
- Annual recurring revenue (ARR) increased to MNOK 399 at the end of Q1 2024, up 5.2 percent from Q1 2023
- Stable gross-margin of 61 percent



Strong operational cash flow and decreased NIBD

- EBITDA of MNOK 32.8 (37.9)
- Increased operational costs due to general salary-increase and inflation, overhead costs in Metria earlier allocated to divested business, and some new positions on group-level
- Focus on cost with effects expected to materialize during H2 2024
- Adjusted* EBITDA of MNOK 34.7 (44.7)
- Strong operational cash flow development of MNOK 160 in the quarter
- Net interest-bearing debt (NIBD) incl leasing reduced from MNOK 651 at year-end 2023 to MNOK 530 as of March 2024
- Satisfactory cash position with MNOK 144 end of March 2024



*Adjusted for non-recurring cost of MNOK 1.8 in Q1 2024 and MNOK 6.8 in Q1 2023

Organic revenue growth in a challenging market

NOK MILLION	Q1 2024	Q1 2023	Growth
Overall revenue	263.2	261.4	1%
Sikri	67.1	66.2	1%
Ambita	108.6	110.4	-2%
Boligmappa	11.5	10.7	8%
Metria	74.4	71.5	4%
Other/elimination	1.5	2.6	-43%
Gross profit	160.5	158.4	1%
Gross margin percentage	61.0%	60.6%	0.4 pts

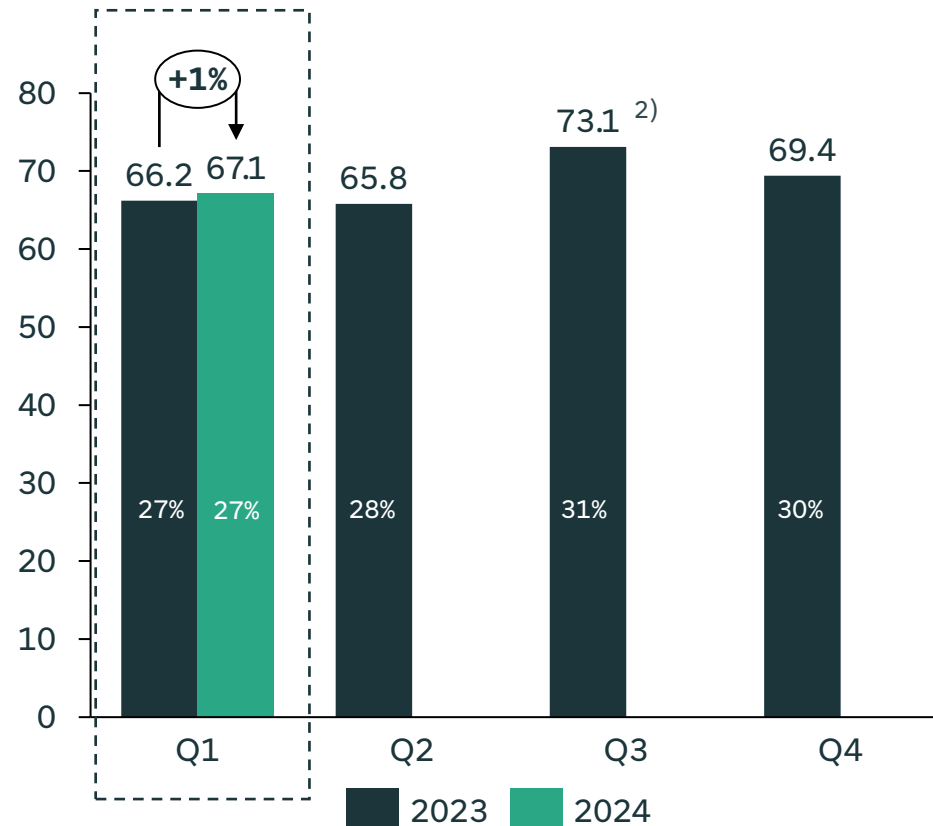
- Total revenue increased by 1 % to NOK 263.2 million
- Sikri revenue increased by 1% and growth in ARR of 5% compared to Q1 2023, driven by increased sales to new customers and upgrades. Extraordinary planned churn of MNOK 10
- Ambita revenue decreased by 2% compared to Q1 2023. The major part of revenue is transactions-based and hence impacted by easter-effect and a still slow property market
- Boligmappa revenue increased by 8% and growth in ARR of 13 % compared to one year earlier, driven by increased subscription sales to new customers
- Metria revenue increased by 4 %. Aprox 40 % is transaction-based revenue and impacted by easter in addition to a continued challenging real-estate market in Sweden
- Stable gross-margin

ARR growth of 5% reaching MNOK 196

Main developments

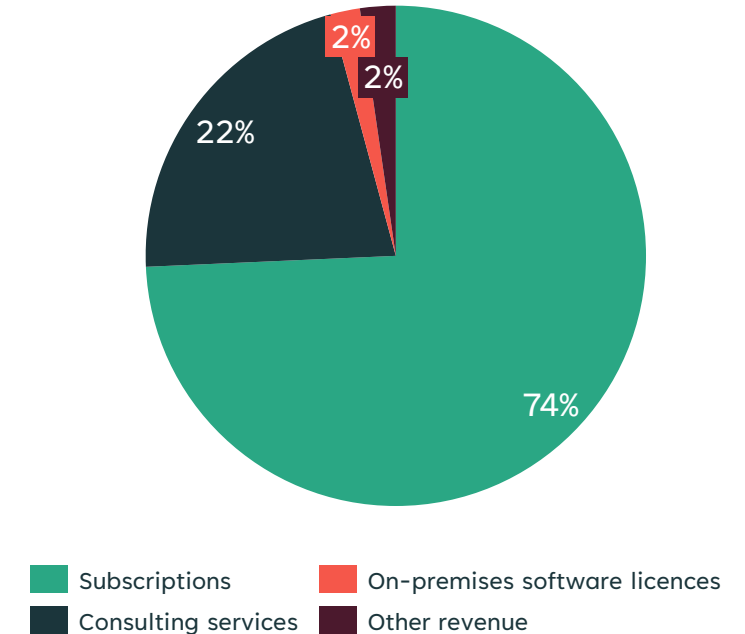
- Revenue growth of 1% in Q1 2024 compared to Q1 2023
- Extraordinary planned churn of MNOK 10 during Q1 2024 related to end of life customers with high COGS
- Won tender for Ikomm (collaboration consisting of the municipalities of Lillehammer, Gausdal and Øyer) in addition to important up-upgrades and Robotic Process Automation (RPA) deals
- Several universities and state authorities made additional purchases such as The Norwegian University of Science and Technology, The Arctic University of Norway, Norwegian Environment Agency and The National Mediation Service

Q/Q Revenue (MNOK) and adj. EBITDA margin¹



Revenue split Q1 2024

Subscription sales amount to 74% of total revenue



1) Adjusted for restructuring costs - MNOK 0.2 in Q1 24 (MNOK 1.5 in Q1 23) and MNOK 3.1 FY 23

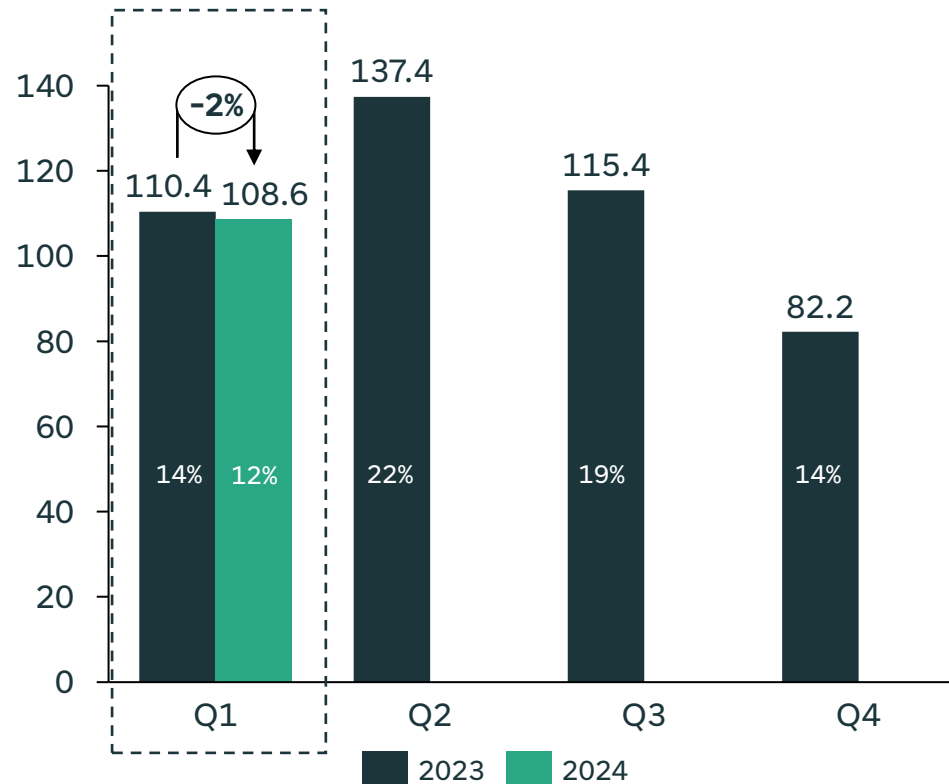
2) Includes semiannual Election project - MNOK 12

Revenue development impacted by easter-effect

Main developments

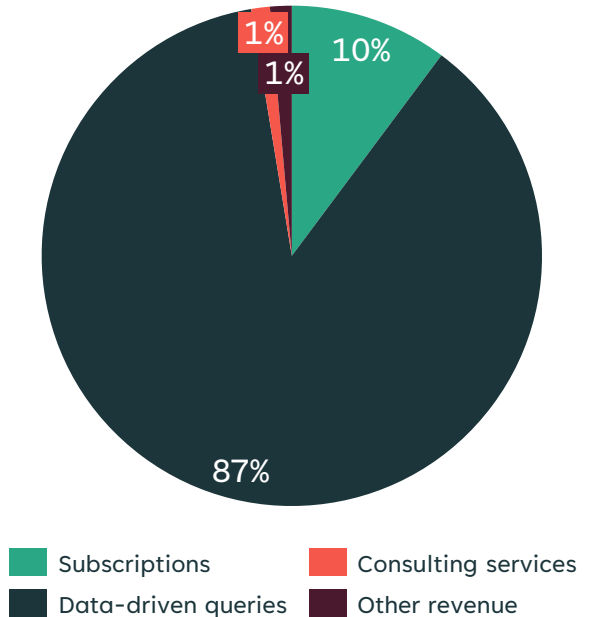
- 2% revenue decline due easter impact with fewer workdays than in Q1 2023
- 87% of revenue is transaction-based and sensitive to seasonality and market fluctuations
- Easter with four fewer workdays is calculated to impact gross profit with MNOK 4-5 in the quarter
- Operational costs have increased compared to one year earlier mainly related to reduced capex in the quarter
- Properties put out for sale up by 0.5 % in Q1 2024 and commencement of new homes up by 4% compared to Q1 2023, many properties relisted and still small numbers but a positive indication

Q/Q Revenue (MNOK) and adj. EBITDA margin¹



Revenue split Q1 2024

87% transaction-based revenue-streams



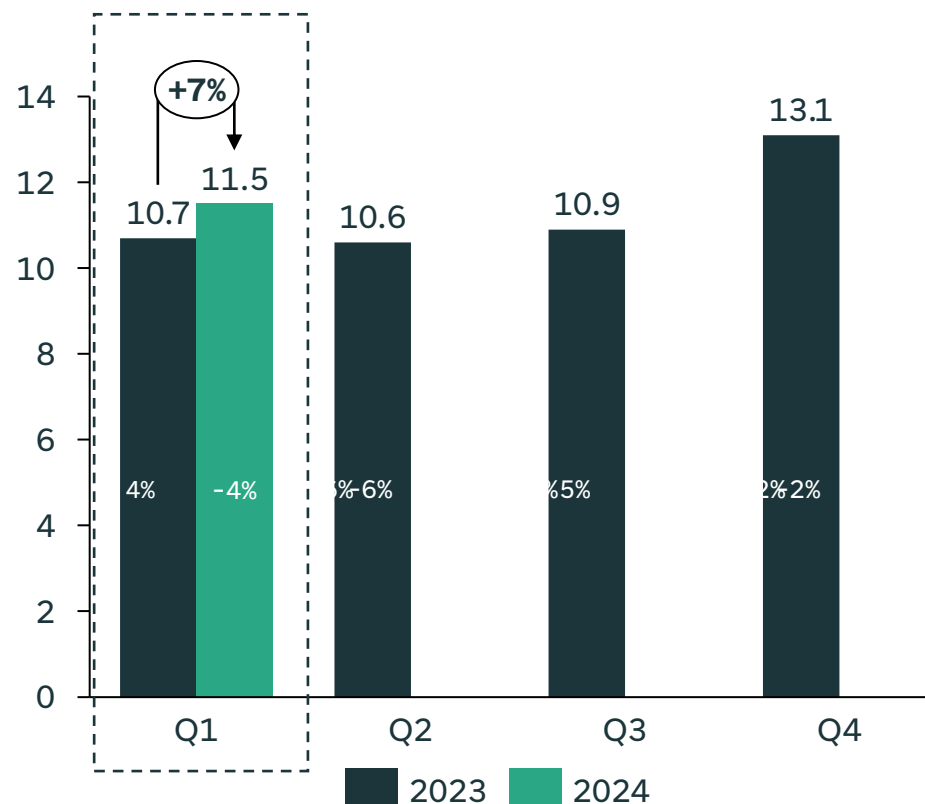
1) There were no adjustments in Q1 2024 nor in FY 2023

13% increased ARR and 8% revenue growth

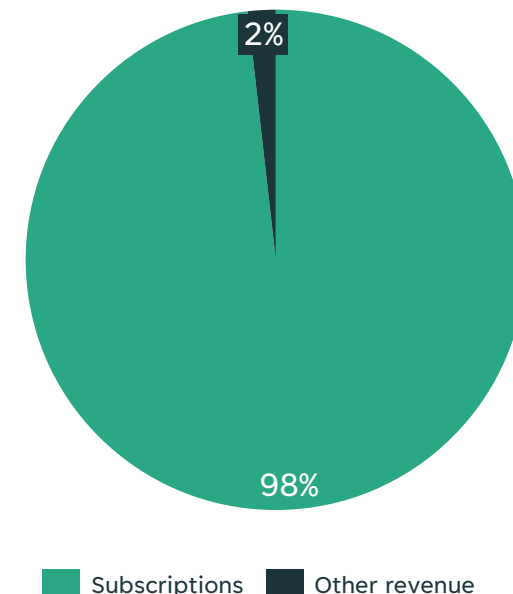
Main developments

- ARR increased by 13% to MNOK 46.0 from Q1 2023
- Revenue growth of 8% in Q1 2024 compared to Q1 2023 due to sales to new customers
- Revenues primarily from B2B sales but three new products launched directed towards the consumer market late 2023
- Higher operating costs following increased focus on sales & marketing
- Close to 1 million registered users and steady increase in user engagement and subscriptions to professionals:
 - Verified homeowner users: 962 445 (+18%)
 - Monthly active users²: 893 078 (+20%)
 - Professional subscriptions: 7 722 (+29%)
- Focus on continuing the user growth initiatives and testing of revenue models
- In 2023 Boligmappa received MNOK 4.0 in grants from Forskningsrådet (the Research Council of Norway) constituting MNOK 0.7 in Q1 2023 and MNOK 0.1. in Q1 2024

Q/Q Revenue (MNOK) and adj. EBITDA margin¹



Revenue split Q1 2024
Subscription sales amount to 98% of total revenue



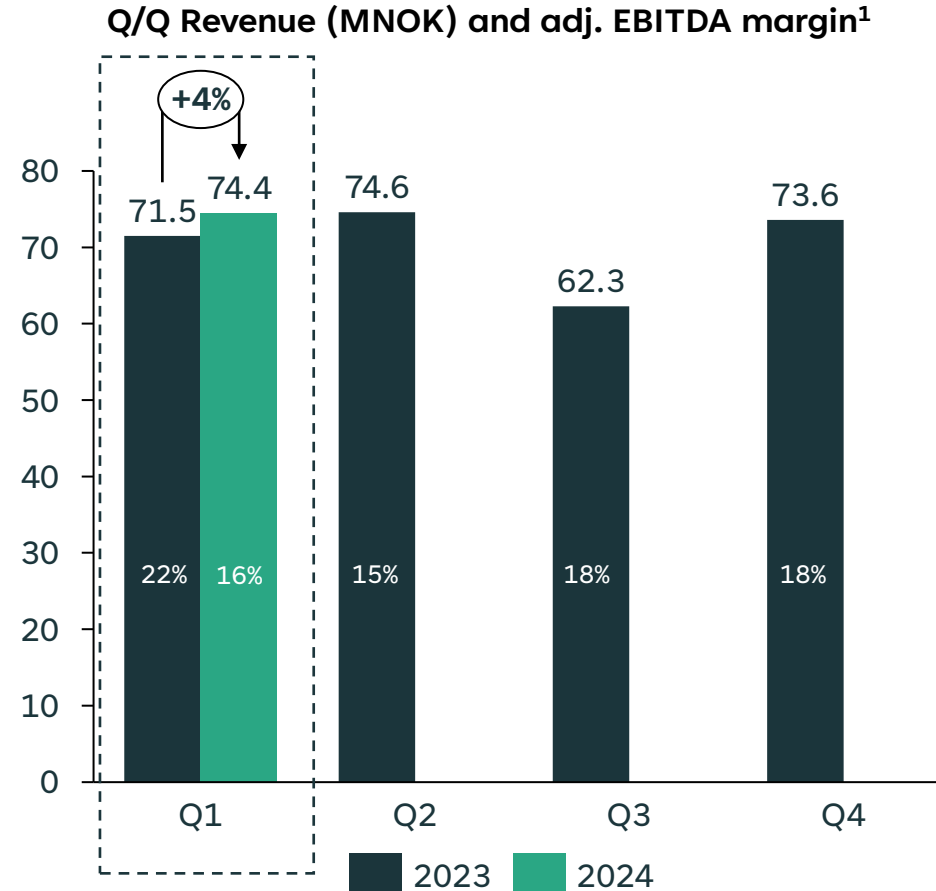
1) There were no adjustments in Q1 2024 nor in FY2023

2) Monthly active users across boligmappa.no, hjemla.no & byggebolig.no

Revenue growth in a challenging market

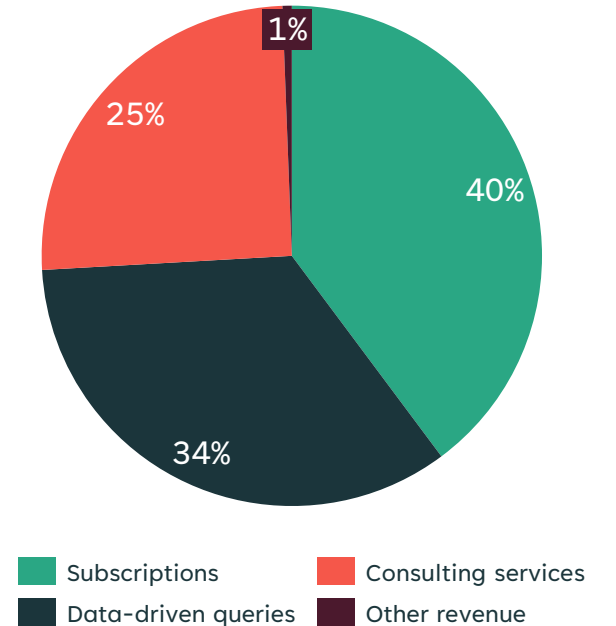
Main developments

- Revenue growth of 4% in Q1 2024 compared to Q1 2023
- ARR MSEK 116, implying 5% growth from Q1 2023
- 12% growth in SaaS solutions
- Managed to grow revenues despite fewer workdays due to easter and a challenging real estate market
- 34% of the revenue in Metria transactions-based and highly correlated with number of properties sold and size of mortgages
- In Q1 2023 a substantial part of overhead costs was allocated to divested P&S. Since divestment, Metria has focused on building a new structure for the organization, with effects expected to materialize during H2 2024



Revenue split Q1 2024

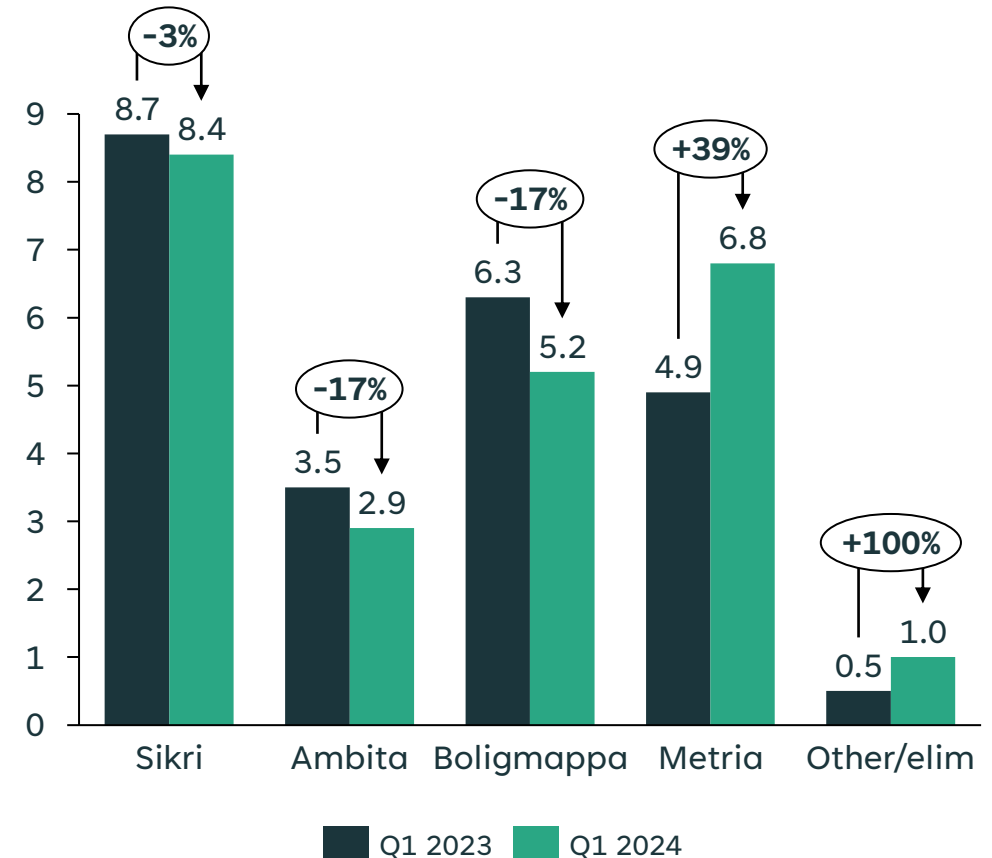
Diversified revenue-streams



1) Adjusted for restructuring- and integration costs - MNOK 2.5 in Q4 23 (MNOK 0.6 in Q4 22) and MNOK 10.1 FY 23 (MNOK 0.8 FY 22)

Optimizing investments across the Group to capitalize on growth potential

- Total capex is MNOK 24.3 in Q1 2024 compared with MNOK 23.9 in Q1 2023
- Capex will vary with type of ongoing development projects
- Capex in Metria has increased during the quarter due to investments in new product offerings and core products to capitalize on growth potential
- Spir Group has made significant investments in Boligmappa to scale the platform to cater for high volume growth. Now, there is less need for new development, estimating total CAPEX down by MNOK 10 for FY 2024 compared to FY 2023



Q1 2024 financial result

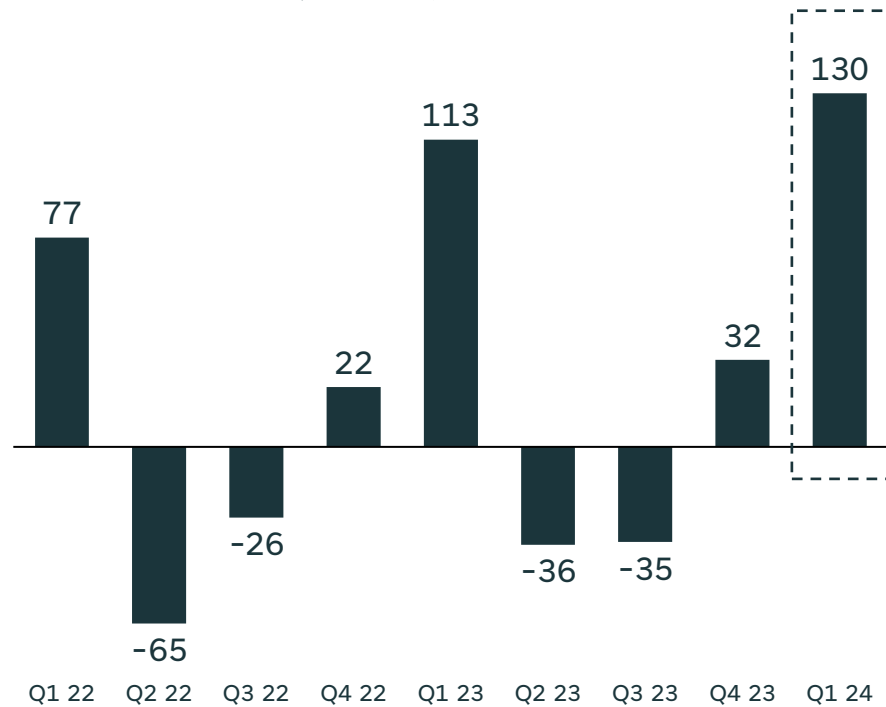
Summary of developments

- Organic revenue growth of 1% in a challenging quarter with seasonal impact
- ARR-growth of 5.2 percent to MNOK 399
- Increased costs due to general salary-increase and inflation, overhead costs in Metria earlier allocated to divested business, and some new positions on group-level
- Focus on cost following reshaping of the company with effects expected to materialize during H2 2024
- Depreciation and amortization expenses MNOK 2.4 higher related to increased booked amount on capitalized development costs following the increased level of investment in Boligmappa and Metria during 2023
- Positive impact from interest rate swops on net finance. Financial expenses impacted by share of profit & loss from associated growth companies

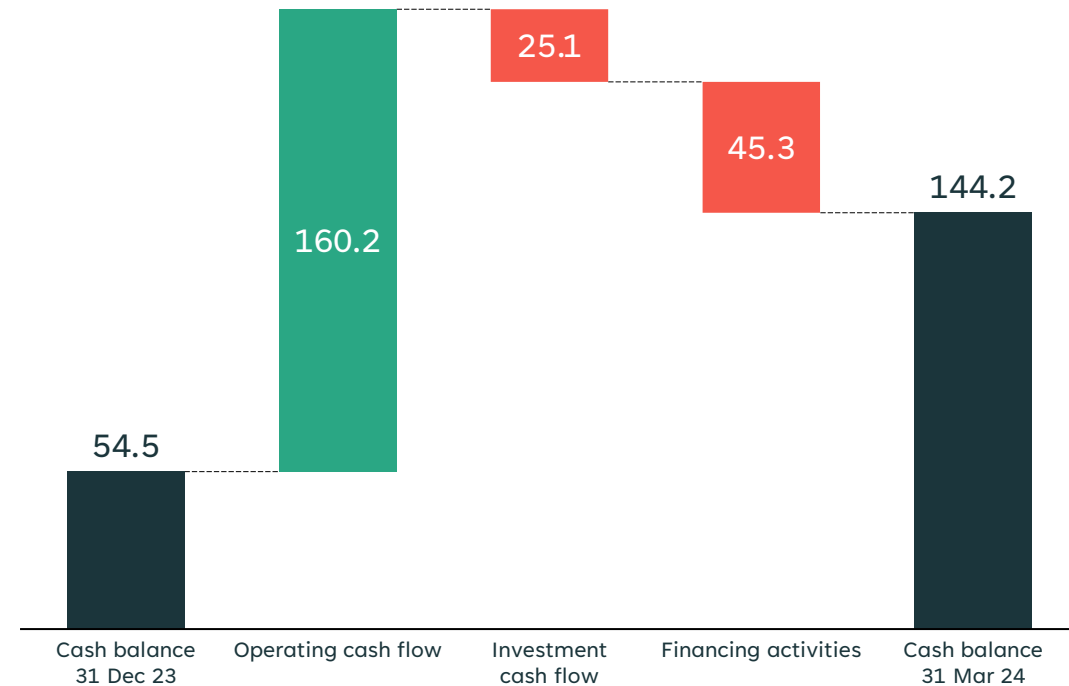
NOK 1000	Q1 2024	Q1 2023	Change %	FY 2023
Revenue	263 224	261 420	1 %	1 055 719
Cost of providing services	102 710	102 971	0 %	415 266
Gross profit	160 514	158 448	1 %	640 453
Personnel expenses	95 897	92 592	4 %	347 324
Other operating expenses	31 787	27 996	14 %	124 695
EBITDA	32 830	37 860	-13 %	168 434
Depreciation and amortization expenses	32 172	29 781	8 %	119 221
Operating profit	658	8 079	-92 %	49 213
Financial income	10 751	917	1073 %	7 492
Financial expenses	-18 013	-12 934	-39 %	-62 257
Profit before income tax	-6 604	-3 938	-68 %	-5 552
Income tax expense	-962	-864	-11 %	4 467
Profit from continuing operations	-5 642	-3 074	-84 %	-10 019
Profit from discontinued operations		-3 586	N/A	-6 866
Net income	-5 642	-6 660	15 %	-16 885

Strong underlying improvement in operating cash flow

Free cash flow (MNOK)¹



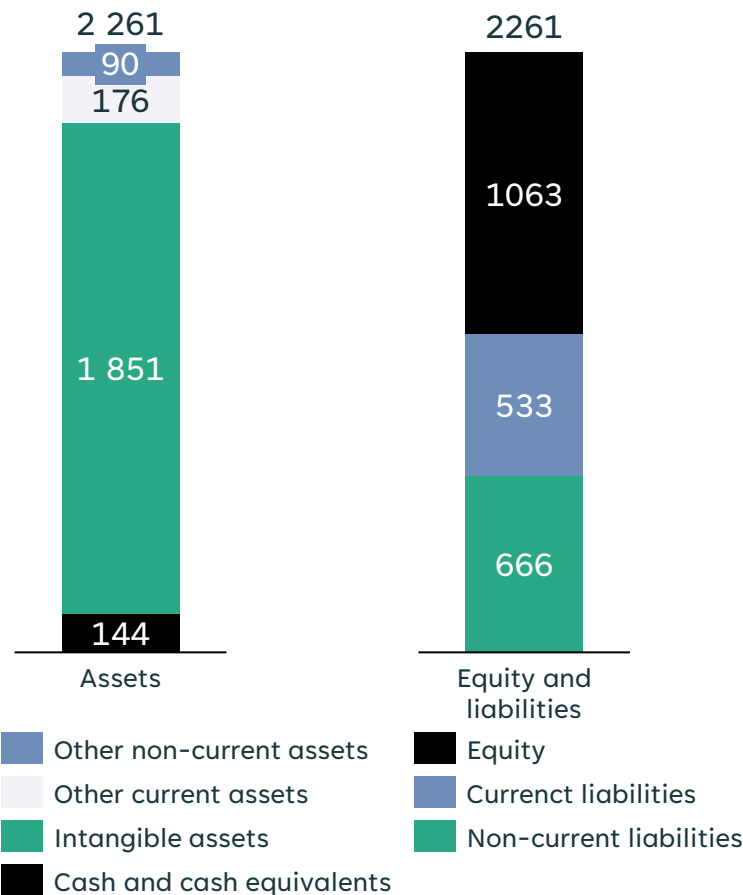
Cash flow bridge Q1 2024



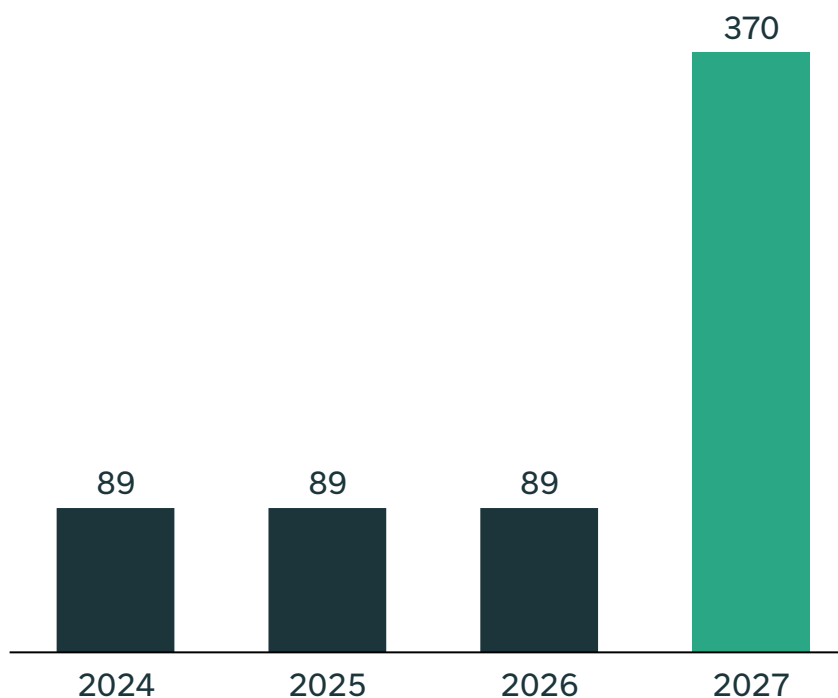
1) Free cash flow includes; operating cash flow, lease repayments and Capex (fixed assets and capitalized development costs)
Excludes acquisition costs.

Improved financial position and reduced NIBD

Financial position 31.03.2024 (MNOK)



Debt maturity profile (MNOK)



Details

- Equity ratio of 47 %.
- NIBD incl lease liabilities reduced from MNOK 651 at year-end 2023 to MNOK 530 in March 2024
- 64% of interest-bearing debt as of 31.03.2024 covered by interest rate swaps:
 - MNOK 243 at 3.24% (mature in 2032)
 - MNOK 162 at 3.25% (mature in 2028)
- Quarterly repayments from H2 2024
- Cash-balance of MNOK 144

Q1 2024 financial summary

#1

Revenue growth despite challenging market and seasonality

#2

Steady growth in ARR of 5.2% from last year

#3

Focus on cost control following reshaping of the company

#4

Strong operating cash flow and deleveraging

Continued improved financial position and positioning for growth



Strategy & Outlook

Q1 2024

ABOUT SPIR GROUP

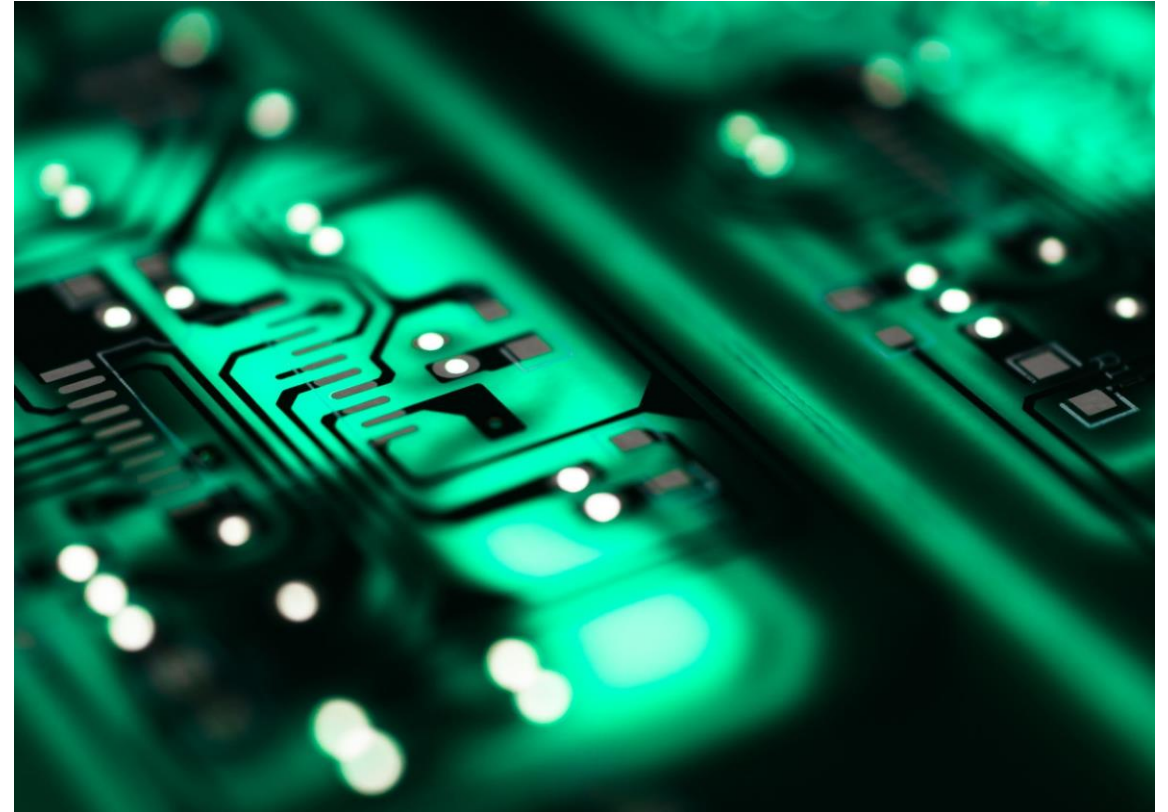
Spir Group Strategy

We build, develop and invest in companies within our areas of business that:

- 1. SIMPLIFIES AND SOLVES MISSION-CRITICAL BUSINESS PROCESSES**
- 2. HAS SCALABLE B2B SAAS PRODUCTS**
- 3. ARE BUILT ON DOMAIN DATA AND COMPETENCE**
- 4. HAVE A NORDIC FOOTPRINT OR EXPANSION POTENTIAL**
- 5. WILL STRENGTHEN OUR POSITION AS A PARTNER IN THE GREEN TRANSITION**

Sustainable solutions decrease the carbon footprint

- Spir Group has a long-term strategic ambition to be a preferred partner in the green transition
- We facilitate data and technical solutions, digitizing processes mandated by law that previously have been manual and time-consuming
- We ensure reuse of data and near 100% digitization of the data processing chain where paper has been replaced with fully digital solutions
- Through Boligmappa we ensure sustainable development of buildings by safeguarding and storing data and documentation, having a model with the intention to prevent undeclared work
- Spir Group follows international frameworks and best practice. We meet all requirements related to social issues and corporate governance



Providing mission-critical software solutions

Unlocking Revenue Growth

Our infrastructure provides a unique cross-data foundation for innovation to drive new revenue streams

Productivity and Insight

Improving Productivity Across All Areas for Better Decisions

Strategic Synergy

Leveraging technology, AI and Data

Key enablers

Data 360 degrees

Central Data Hub: Identifying Unique Patterns for Growth

Platform engineering

Initiated in 2022 for effectiveness, long-term success and future-proofing for technological shifts

Leveraging GenAI

Drive innovation by using GenAI and new technology, aiming to unlock new revenue streams

Q1 2024 Strategy & Outlook

Outlook

Continue to pursue
our growth strategy



- Cost focus to increase profitability
- Investments in product development to improve margins and utilize synergies
- Maintaining financial stability and flexibility
- Continued organic growth and M&A opportunities to strengthen our segments
- Pressing demand for secure IT solutions in Public
- Improvements in the real estate markets in Norway and Sweden will have positive effects
- Well positioned to benefit from long term market opportunities in both segments



Thank you!

Do you have any questions?

Feel free to contact us!

cecilie.hekneby@spirgroup.com

Disclaimer

This Presentation and the information contained herein is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Information provided on the market environment, market developments, growth rates, market trends and on the competitive situation in the markets and regions in which the Company operates is based on data, statistical information and reports by third parties and/or prepared by the Company based on its own information and information derived from such third-party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein.

FORWARD LOOKING STATEMENTS. Matters discussed in this document may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intends," "estimate," "will," "may," "continue," "should" and similar expressions. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; and developments in the Company's markets. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company and the Manager believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of the Company or the industry to differ materially from those results expressed or implied in this document by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement.

THE INFORMATION WITH RESPECT TO ANY PROJECTIONS PRESENTED HEREIN IS BASED ON A NUMBER OF ASSUMPTIONS ABOUT FUTURE EVENTS AND IS SUBJECT TO SIGNIFICANT ECONOMIC AND COMPETITIVE UNCERTAINTY AND OTHER CONTINGENCIES, NONE OF WHICH CAN BE PREDICTED WITH ANY CERTAINTY AND SOME OF WHICH ARE BEYOND THE CONTROL OF THE COMPANY. THERE CAN BE NO ASSURANCES THAT THE PROJECTIONS WILL BE REALISED, AND ACTUAL RESULTS MAY BE HIGHER OR LOWER THAN THOSE INDICATED.

NO UPDATES. Nothing contained in the Information is or should be relied upon as a promise or representation as to the future. Except where otherwise expressly indicated, the Information speaks as of the date hereof. Neither the delivery of this presentation nor any purchase of any of the securities, assets, businesses or undertakings of the Company shall, under any circumstances, be construed to indicate or imply that there has been no change in the affairs of the Company since the date hereof. In addition, no responsibility or liability or duty of care is or will be accepted by the Company or the Manager for updating the Information (or any additional information), correcting any inaccuracies in it which may become apparent or providing any additional information. The Information is necessarily based on economic, market and other conditions as in effect on, and the information made available to the Manager as of, the date hereof or as stated herein. It should be understood that subsequent developments may affect such information and that the Company and the Manager have no expectation or obligation to update or revise such information.

This Presentation is subject to Norwegian law, and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of Norwegian courts with Oslo District Court as legal venue.

Appendix

Historical financial proforma figures, adjusted for acquired and divested business

Updated proforma financials^{1,2}

Revenue (MNOK)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Sikri	66	66	73	69	67
Ambita	110	137	115	82	109
Boligmappa	11	11	11	13	12
Metria	72	75	62	74	74
Other/elimination	3	1	2	3	2
Total revenues	261	289	264	241	263

Gross Profit (MNOK)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Sikri	57	56	57	60	59
Ambita	44	55	46	37	43
Boligmappa	11	10	11	13	11
Metria	45	47	38	47	45
Other/elimination	2	0	4	2	2
Total gross profit	158	168	155	159	161

ARR(MNOK)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Total ARR	379	383	385	398	399

1) Proforma figures adjusted for divestment of Metria Planning and Surveying.

2) Due to a historic accounting error in 2020–2023 in Ambita, the comparative figures for 2023 have been revised. The error specifically affects revenues, short-term liabilities, and equity. Revenue in 2023 is affected by MNOK 1.0.

Updated proforma financials^{1,2}

EBITDA (MNOK)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Sikri	16	18	22	20	18
Ambita	16	30	22	11	13
Boligmappa	0	-1	1	0	0
Metria	13	8	9	11	10
Other/elimination	-7	-6	-6	-9	-8
Total EBITDA	38	49	48	34	33

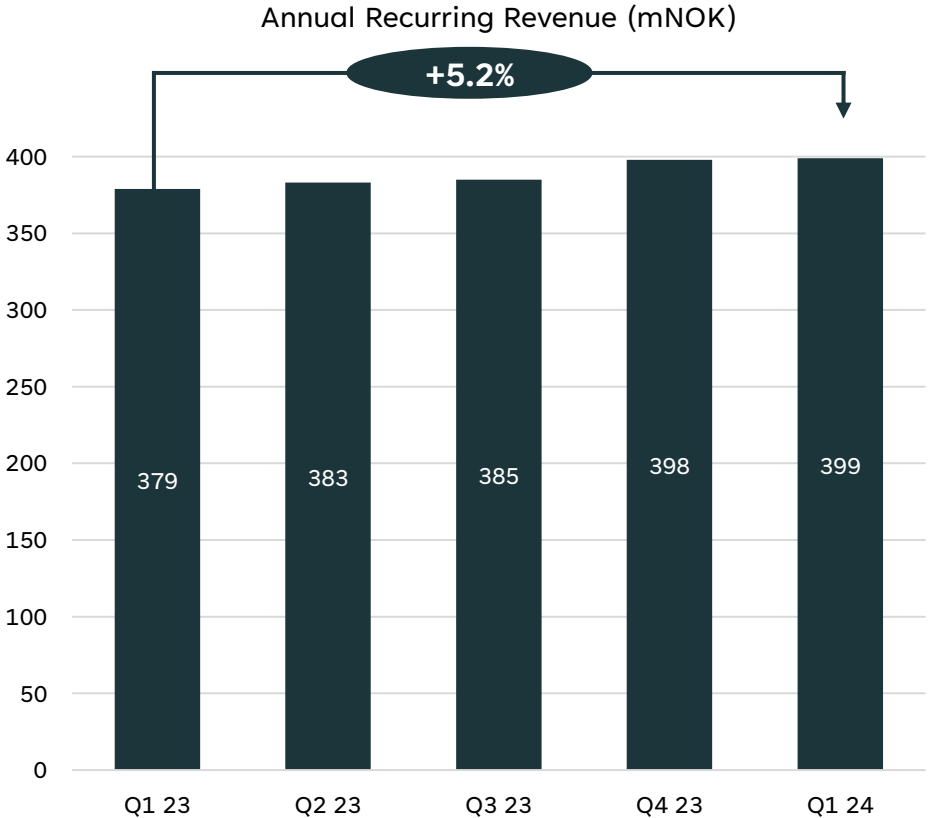
Adjusted EBITDA (MNOK)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Sikri	18	18	23	21	18
Ambita	16	30	22	11	13
Boligmappa	0	-1	1	0	0
Metria	16	11	11	13	12
Other/elimination	-5	-5	-5	-6	-8
Total adjusted EBITDA	45	53	51	39	35

Cash EBITDA (MNOK)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Sikri	8	10	14	10	10
Ambita	12	26	18	11	10
Boligmappa	-6	-7	-4	-8	-6
Metria	8	4	5	5	4
Other/elimination	-8	-5	-9	-7	-9
Total cash EBITDA	14	26	25	10	9

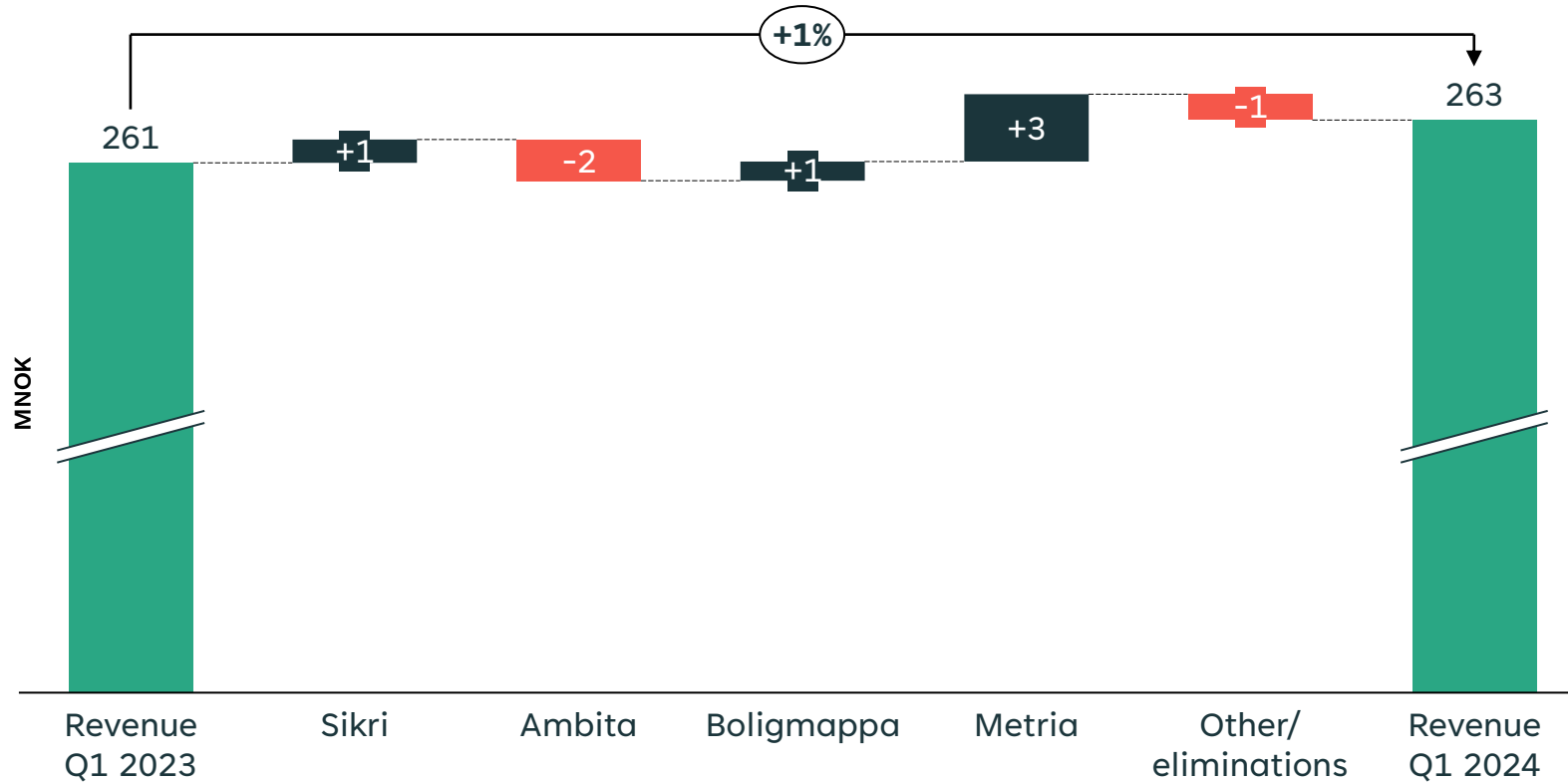
1) Proforma figures adjusted for divestment of Metria Planning and Surveying.

2) Due to a historic accounting error in 2020-2023 in Ambita, the comparative figures for 2023 have been revised. The error specifically affects revenues, short-term liabilities, and equity. Revenue in 2023 is affected by MNOK 1.0.

ARR growth 5.2% for Spir Group year-over-year



Organic revenue growth of 1% despite easter impact



EBITDA impacted by easter-effect on revenue and higher operational costs

