

RelyOn Nutec

Interim financial report Q1 2024

For the period 1 January 2024 to 31 March 2024



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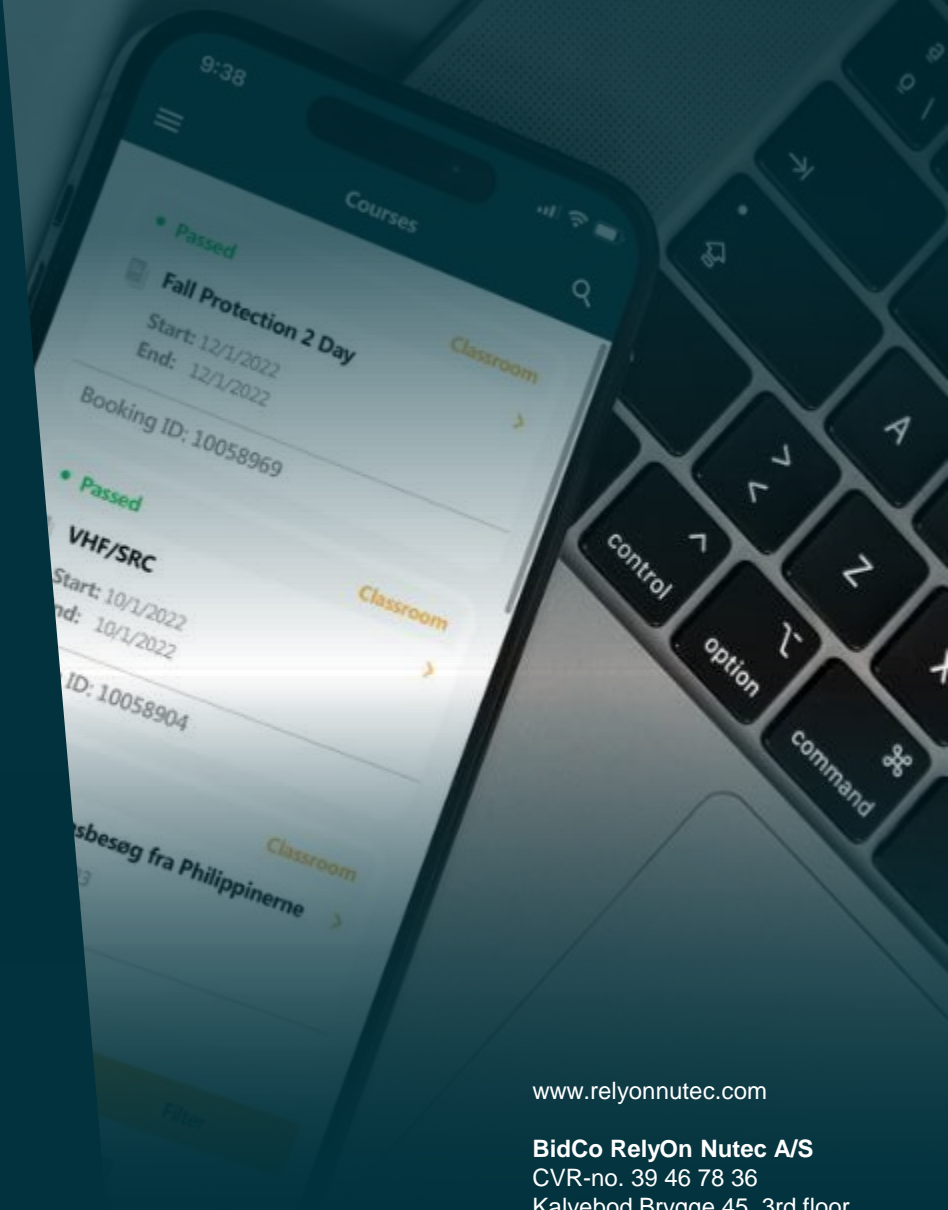
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Highlights Q1

Q1 PERFORMANCE 2024

Revenue (DKKm)

275

Up from DKKm 268

↑ **3%**

EBITDA (DKKm, margin)

65 (24%)

Up from DKKm 62 (23%)

↑ **5%**

EBITA (DKKm)

46

Up from DKKm 44

↑ **5%**

Q1 TRANSFORMATION 2024

Digital learning and platform revenue (DKKm)

15

Up from DKKm 15

-

Renewable and electrical revenue (DKKm)

43

Up from DKKm 37

↑ **16%**

Leadership revenue (DKKm)

16

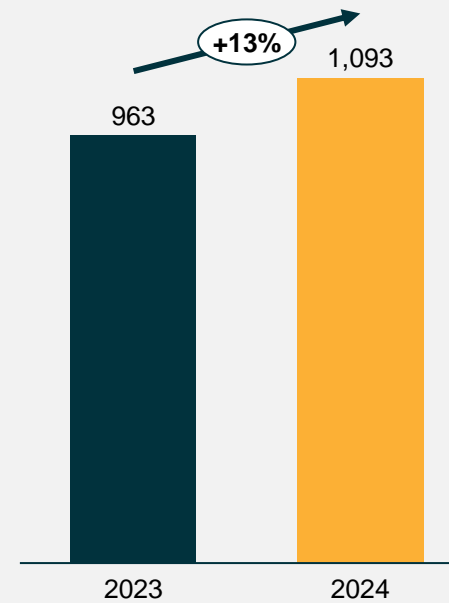
Up from DKKm 11

↑ **45%**

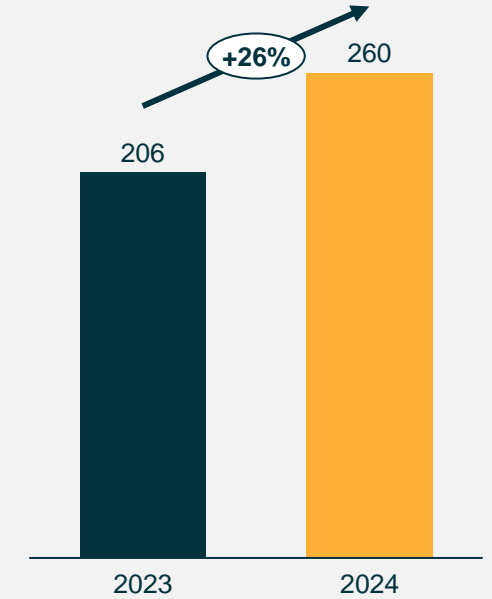
● YoY growth

DEVELOPMENT ON A 12-MONTH BASIS

REVENUE



EBITDA



Letter from the CEO

- FY 2024 guidance maintained
- Leadership services revenue uplift of 45%
- Renewables and electrical revenue uplift of 16%
- Acquisition of the remaining shares in Thomson Bridge
- Acquisition of the electrical training specialist, Quercus Technical Services

Overall, the financial results for Q1 2024 were in line with our expectations, and we continue to execute on our strategic transformation.

With growth of 16% and expansion of services in renewables, we are solidifying our position as the leading global provider of safety and skills training in energy transition. In the established markets, we take market shares, and we are entering the new growth markets in Brazil and Asia covering five continents with renewables services.

Our leadership services delivered a revenue uplift of 45% compared to Q1 last year. The strong growth in the leadership vertical is expected to further accelerate during 2024 as the commercial push and global roll-out materialize.

Our digital services and applications are well received in the market, and our newly launched learner app has already passed 10,000 downloads. The successful launch of the app combined with an increasing adoption of our business portal application are important milestones in building a scalable and impactful EdTech platform.

In Q1 2024, our Adaptive Learning technology received the coveted OPITO endorsement following years of evaluation, marking a significant milestone in our journey, and we envision an impact taking shape in the latter half of 2024.

In Q1 2024, we further fuelled the electrical roll-out and fast-tracked the electrical play. We have completed the acquisition of the remaining shares in Thomson Bridge and established a specialized global library for electrical training services catering to the electrical supply industry broadly.

On May 21st, we acquired Quercus Technical Services, the leading electrical safety and skills training organization in the Netherlands. The acquisition bolsters our position in the electrical training market and accelerates our European roll-out.

Financial review

Revenue for the first quarter was DKKm 275, an increase of DKKm 7 or 3% compared to first quarter of 2023. The Q1 revenue is reflecting Easter falling in March in 2024 vs. April in 2023, together with Ramadan having started earlier in March vs. last year.

Revenue from renewables and electrical continued the growth from previous quarters and increased by 16% and reached DKKm 43.

EBITDA ended at DKKm 65, an increase of DKKm 3 or 5% compared to Q1 2023. Adjusting for governmental support included last year, the uplift was DKKm 6.5 (11%). The EBITDA margin amounted to 24% compared to 23% last year.

Net financial items amounted to DKKm 29 compared to DKKm 22 in Q1 2023. The increase of DKKm 7 was driven by increased bond interest.

The result for the period was DKKm 2 compared to DKKm 8 in Q1 2023.

Trade working capital came in at DKKm 82 (7.5% of revenue) compared to DKKm 76 (7.8% of revenue) at the end of March 2023.

Cash flow from operating activities improved by DKKm 3 and was DKKm 30 in Q1 2024. The cash conversion improved from 45% to 55% in Q1 2024.

CAPEX amounted to DKKm 20 compared to DKKm 13 in Q1 2023. The increase was driven by the expansion and upgrade of our training centres in Guyana and Brazil as well as continued investment in our digital capabilities.

Net leverage – excluding the convertible shareholder loan – was 2.9 at the end of March 2024.

Outlook

Overall, the Q1 performance is solid and in line with our expectations, and we are on track to deliver our full year guidance. Therefore, we are reiterating our 2024 guidance.

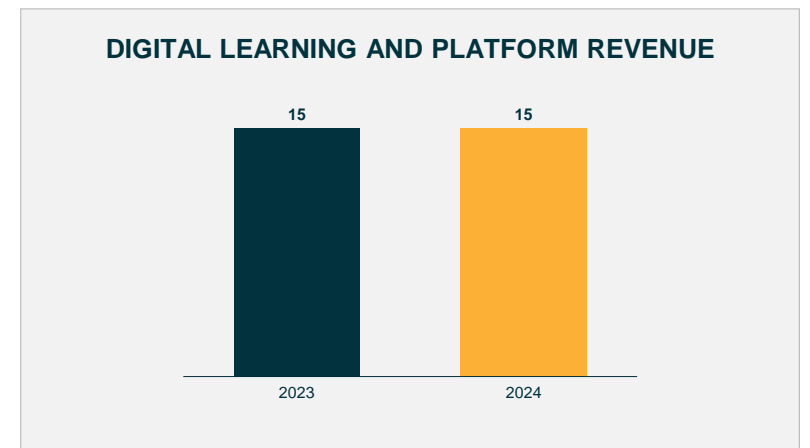
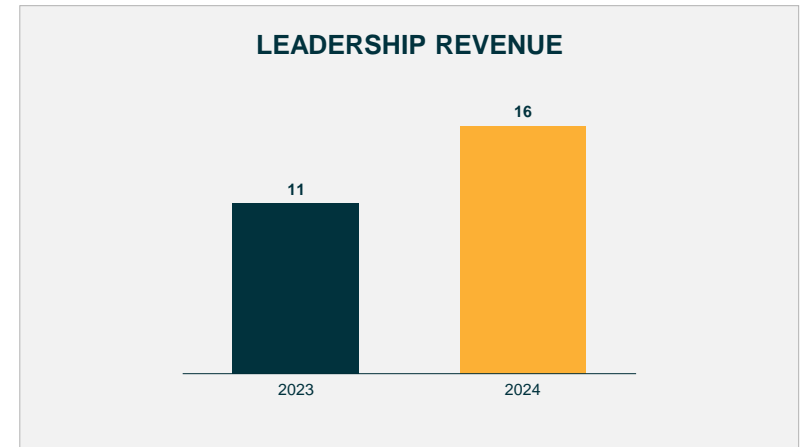
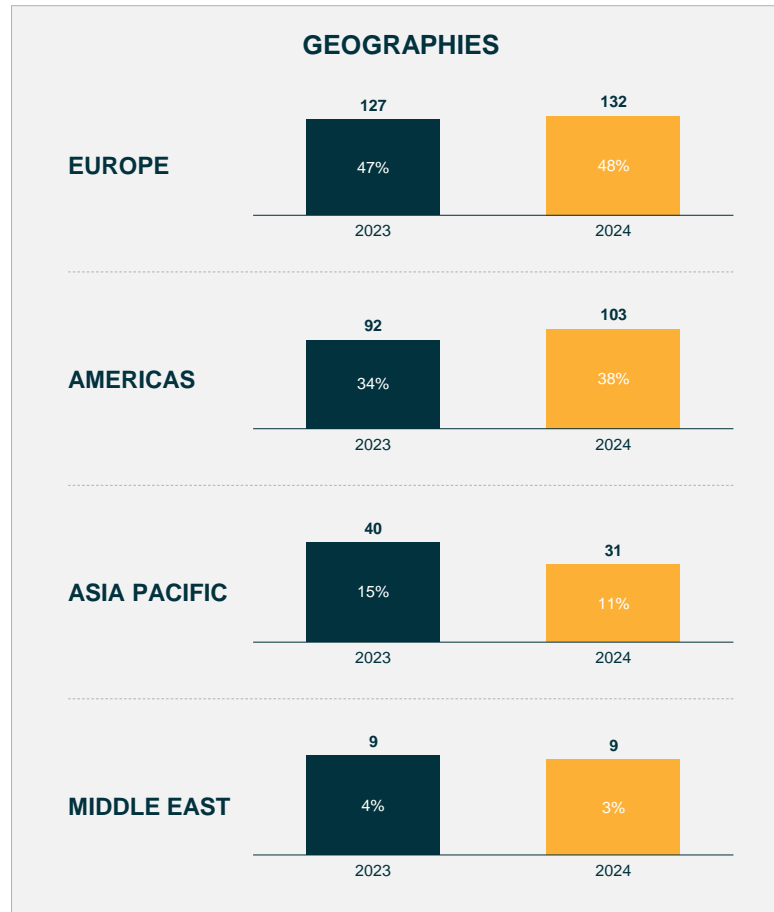
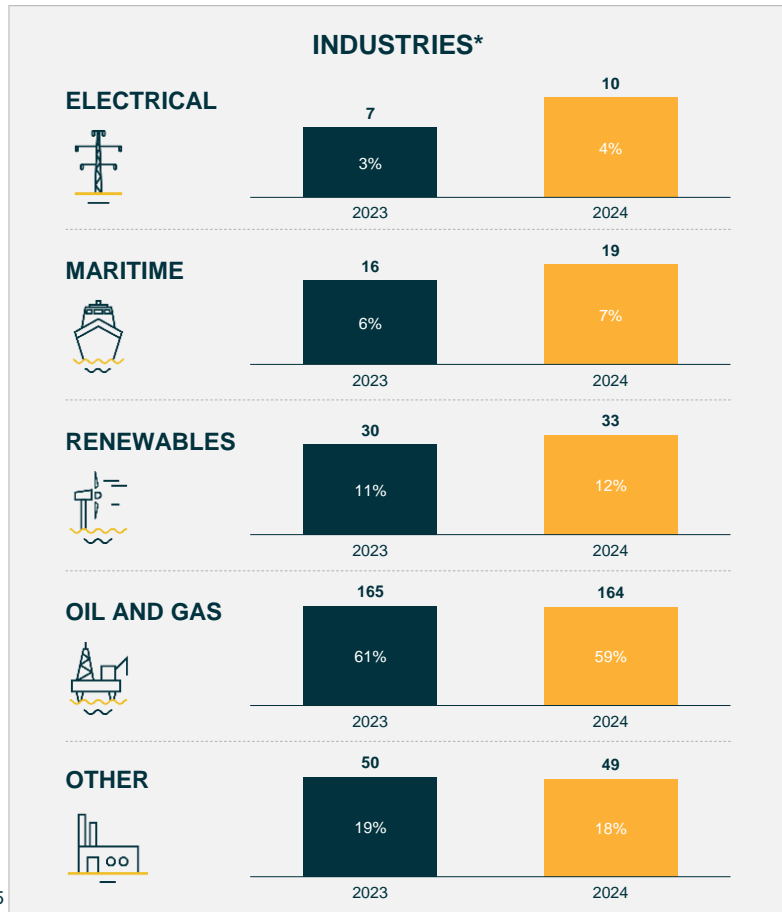
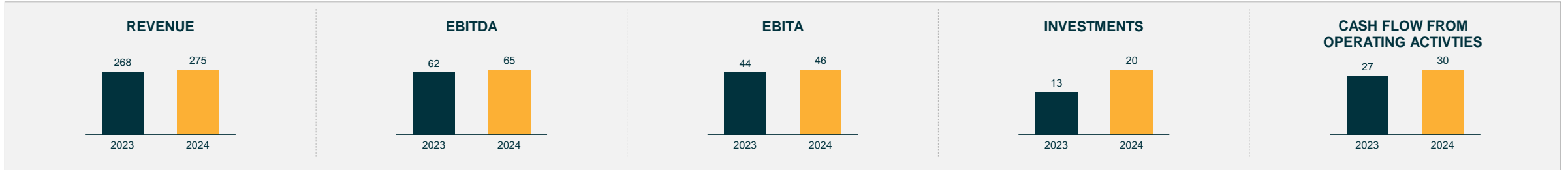
<i>DKKm</i>	2023 <i>Realised</i>	2024 <i>Outlook</i>
Revenue	1,086	Approx. 1,200
EBITDA	257	Approx. 275

Torben Harring
CEO

“The acquisitions of Thomson Bridge and Quercus Technical Services demonstrate our commitment to become the future global leader in electrical training and competence services”

2024 Q1 at a glance

In mDKK and share of total revenue



*Ordered by 2024 YOY growth (highest to lowest)

Key figures and ratios

DKKkm	Q1 2024	Q1 2023	FY 2023	FY 2022	FY 2021	LTM 2024	LTM 2023
Consolidated income statement							
Revenue	275	268	1,086	895	657	1,093	963
Operating result before depreciation, amortisation, impairment losses and special items (EBITDA)	65	62	257	184	108	260	206
Operating result before amortisation and special items (EBITA)	46	44	185	115	45	187	136
Operating result (EBIT)	36	36	152	80	18	152	105
Net financials	(29)	(22)	(113)	(85)	(66)	(120)	(89)
Result before tax	7	14	39	(5)	(48)	32	16
Result for the period	2	8	22	(11)	(58)	16	10
Consolidated statement of financial position							
Total assets	1,222	1,190	1,231	1,165	1,118		
Property, plant and equipment	294	273	287	274	263		
Total equity	49	67	65	66	61		
Total equity incl. convertible shareholder loan	162	189	175	166	96		
Trade working capital	82	76	73	43	3		
Net interest-bearing debt (NIBD)	858	765	817	749	723		
Net interest-bearing debt (NIBD) excl. convertible shareholder loan	745	643	707	649	688		
Consolidated statement of cash flows							
Cash flow from operating activities	30	27	171	99	108		
Cash flow from investing activities	(20)	(13)	(76)	(62)	(44)		
Hereof investments in property, plant and equipment	(15)	(11)	(48)	(39)	(21)		
Free cash flow	10	14	95	37	64		
Cash flow from financing activities	(30)	(10)	(76)	(32)	(93)		
Net cash flow for the period	(20)	4	19	5	(29)		
Employees							
Average number of employees (LTM)	1,033	900	1,010	868	790		
Average number of employees in Denmark (LTM)	68	62	66	63	58		
Key ratios							
EBITDA (%)	24%	23%	24%	21%	16%	24%	21%
EBITA (%)	17%	16%	17%	13%	7%	17%	14%
EBIT (%)	13%	13%	14%	9%	3%	14%	11%
Solvency ratio	13%	16%	14%	14%	9%		
NIBD/EBITDA	3.3	3.7	3.2	4.1	6.7		
NIBD excl. convertible shareholder loan/EBITDA	2.9	3.1	2.8	3.5	6.4		
Trade working capital ratio (%)	7.5%	7.8%	6.7%	4.8%	0.4%		
Cash conversion ratio (%)	55%	45%	72%	63%	108%		

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

Consolidated income statement

DKKm	Q1 2024	Q1 2023	FY 2023
Revenue	275	268	1,086
Other income	1	5	14
Cost of sales	(74)	(80)	(319)
Staff costs	(117)	(108)	(446)
Other external costs	(20)	(23)	(78)
Operating result before depreciation, amortisation, impairment losses and special items (EBITDA)	65	62	257
Depreciation and impairment losses on property, plant and equipment	(19)	(18)	(72)
Operating result before amortisation and special items (EBITA)	46	44	185
Amortisation of intangible assets	(7)	(7)	(27)
Operating result before special items	39	37	158
Special items	(3)	(1)	(6)
Operating result (EBIT)	36	36	152
Financial income	1	-	2
Financial expenses	(30)	(22)	(115)
Profit before tax	7	14	39
Tax for the period	(5)	(6)	(17)
Result for the period	2	8	22
Result for the period is attributable to:			
Owners of the parent company	2	7	17
Non-controlling interests	-	1	5
Total	2	8	22

Consolidated statement of comprehensive income

DKKm	Q1 2024	Q1 2023	FY 2023
Result for the period	2	8	22
Other comprehensive income:			
Tax on other comprehensive income	-	-	-
Exchange rate adjustments of foreign entities and intercompany loans classified as part of net investment	(1)	(7)	(16)
Recycling of exchange rate adjustments of foreign entities following liquidation	-	-	2
Total comprehensive income for the period	1	1	8
Total comprehensive income for the period is attributable to:			
Owners of the parent company	1	-	1
Non-controlling interests	-	1	7
Total	1	1	8

Consolidated statement of financial position

DKKm	Notes	31 March 2024	31 March 2023	31 December 2023
Goodwill		255	249	253
Brands		52	54	52
Customer contracts		30	38	32
Knowhow		14	16	15
Software		46	39	41
Other intangible assets		28	24	33
Total intangible assets		425	420	426
Property and plant		150	134	132
Equipment		93	89	92
Leasehold improvements		29	31	29
Assets under construction		22	19	34
Total property, plant and equipment		294	273	287
Right-of-use assets		110	131	117
Deferred tax assets		82	62	81
Other non-current assets		13	14	14
Total non-current assets		924	900	925
Trade receivables		159	159	155
Contract assets		37	33	28
Prepayments		35	26	33
Other current assets		21	21	23
Cash and cash equivalents		46	51	67
Total current assets		298	290	306
Total assets		1,222	1,190	1,231

DKKm	Notes	31 March 2024	31 March 2023	31 December 2023
Share capital		2	2	2
Foreign currency translation reserve		(26)	(16)	(25)
Retained earnings		69	55	69
Total equity attributable to owners of the parent company		45	41	46
Non-controlling interests		4	26	19
Total equity		49	67	65
Provisions		23	24	23
Bond	5	592	-	590
Shareholder loan	5	113	122	110
Lease liabilities		108	132	118
Deferred tax liabilities		8	15	13
Other non-current liabilities		24	23	25
Total non-current liabilities		868	316	879
Bond	5	-	421	-
Credit facilities		51	99	26
Lease liabilities		40	42	40
Trade payables		117	117	112
Deferred consideration		4	9	3
Other current liabilities		93	119	106
Total current liabilities		305	807	287
Total liabilities		1,173	1,123	1,166
Total equity and liabilities		1,222	1,190	1,231

Consolidated statement of changes in equity

DKKm	Share capital	Foreign currency translation reserve	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Equity at 1 January 2023	2	(9)	48	41	25	66
Result for the period	-	-	7	7	1	8
Other comprehensive income	-	(7)	-	(7)	-	(7)
Total comprehensive income for the period	-	(7)	7	-	1	1
Equity at 31 March 2023	2	(16)	55	41	26	67
Equity at 1 January 2024	2	(25)	69	46	19	65
Result for the period	-	-	2	2	-	2
Other comprehensive income	-	(1)	-	(1)	-	(1)
Total comprehensive income for the period	-	(1)	2	1	-	1
Acquisition of non-controlling interests	-	-	-	-	(17)	(17)
Reclassification	-	-	(2)	(2)	2	-
Total transactions with shareholders	-	-	(2)	(2)	(15)	(17)
Equity at 31 March 2024	2	(26)	69	45	4	49

Consolidated statement of cash flows

DKKm	Notes	Q1 2024	Q1 2023	FY 2023
Operating result before depreciation, amortisation, impairment losses and special items (EBITDA)		65	62	257
Special items paid		(6)	(1)	(14)
Change in net working capital		(22)	(26)	(43)
Income taxes paid		(7)	(8)	(29)
Cash flow from operating activities		30	27	171
Investment in intangible assets		(5)	(2)	(25)
Investment in property, plant and equipment		(15)	(11)	(48)
Purchase of subsidiaries, net of cash		-	-	(2)
Investment in financial fixed assets		-	-	(1)
Cash flow from investing activities		(20)	(13)	(76)
Free cash flow		10	14	95
Interest expenses etc. paid		(26)	(16)	(90)
Proceeds from borrowing		22	20	608
Repayment of loans		-	-	(522)
Installments on lease liabilities		(11)	(12)	(42)
Transactions with non-controlling interests, including settlements of contingent considerations		(16)	-	(21)
Change in other financing activities		1	(2)	(9)
Cash flow from financing activities		(30)	(10)	(76)
Net cash flow for the period		(20)	4	19
Cash and cash equivalents at the beginning of the period		67	50	50
Exchange rate adjustments		(1)	(3)	(2)
Net cash flow for the period		(20)	4	19
Cash and cash equivalents at the end of the period		46	51	67

NOTE 1 – ACCOUNTING POLICIES

The interim consolidated financial statements for the three months ended 31 March 2024 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023.

The accounting policies, judgements and estimates are consistent with those applied in the consolidated financial statements for 2023.

The interim report is presented in Danish kroner (DKK) rounded to the nearest million.

A number of reclassifications and adjustments have been made in the comparative figures. The result for the period and equity have not been impacted.

New accounting regulations

The IASB has issued a number of new standards and amendments (IAS 1, IAS 21, IFRS 16, IAS 7 and IFRS 7); some of which are not yet in effect or endorsed by the EU. RelyOn Nutec expects to implement these standards when they are endorsed and take effect.

None of the new standards issued are expected to have any significant impact on the consolidated financial statements when implemented.

NOTE 2 - CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the preparation of the consolidated financial statements according to IFRS, Management is required to make certain estimates. Many financial statement items cannot be reliably measured but must be based on estimations as

the value of assets and liabilities often depends on future events that are somewhat uncertain.

The judgements, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgements, estimates and assumptions for the individual items are described below.

Accounting estimates:

- Deferred tax assets
- Goodwill and brands
- Provisions

Management judgements:

- Special items
- Leases

Please refer to note 1.2 in the financial statements for 2023 for further information on critical accounting estimates and judgements.

NOTE 3 – SEGMENTS

DKKm	Americas	Asia Pacific	Europe	Middle East	Non-allocated items and eliminations	Total
Q1 2024						
Revenue from external customers	103	31	132	9	-	275
Operating result before depreciation, amortisation, impairment losses and special items (EBITDA)	27	11	24	2	1	65
Non-current assets	321	156	555	25	(133)	924

DKKm	Americas	Asia Pacific	Europe	Middle East	Non-allocated items and eliminations	Total
Q1 2023						
Revenue from external customers	92	40	127	9	-	268
Operating result before depreciation, amortisation, impairment losses and special items (EBITDA)	32	17	15	3	(5)	62
Non-current assets	283	145	563	25	(116)	900

DKKm	Americas	Asia Pacific	Europe	Middle East	Non-allocated items and eliminations	Total
FY 2023						
Revenue from external customers	414	142	489	41	-	1,086
Operating result before depreciation, amortisation, impairment losses and special items (EBITDA)	119	57	74	11	(4)	257
Non-current assets	313	154	565	24	(131)	925

NOTE 4 – REVENUE

DKKkm	Oil and gas	Maritime	Renewables	Electrical	Other safety critical industries	Total
Q1 2024						
Americas	76	4	1	-	22	103
Asia Pacific	18	2	1	9	1	31
Europe	61	13	31	1	26	132
Middle East	9	-	-	-	-	9
Total	164	19	33	10	49	275

DKKkm	Oil and gas	Maritime	Renewables	Electrical	Other safety critical industries	Total
Q1 2023						
Americas	69	4	1	-	18	92
Asia Pacific	26	2	1	7	4	40
Europe	62	10	28	-	27	127
Middle East	8	-	-	-	1	9
Total	165	16	30	7	50	268

DKKkm	Oil and gas	Maritime	Renewables	Electrical	Other safety critical industries	Total
FY 2023						
Americas	306	16	5	-	87	414
Asia Pacific	87	6	4	35	10	142
Europe	227	43	97	-	122	489
Middle East	33	1	2	-	5	41
Total	653	66	108	35	224	1,086

Supplementary information

Geographies with more than 10% of the Group's external revenue and home market (Denmark):

	Q1 2024	Q1 2023	FY 2023
Denmark	20	20	71
United States	40	35	165
Brazil	38	32	146
United Kingdom	35	33	132
Norway	27	29	103
Others	115	119	469
Total	275	268	1,086

Geographies with more than 10% of the Group's non-current assets:

	Q1 2024	Q1 2023	FY 2023
United Kingdom	184	188	180
United States	116	117	116
Malaysia	93	86	90
Norway	87	92	91
Others	444	417	448
Total	924	900	925

Revenues split by services

	Q1 2024	Q1 2023	FY 2023
Digital and blended learning revenue	36	39	146
Non-digital revenue	239	229	940
Total	275	268	1,086

NOTE 5 – MEASUREMENT AND FAIR VALUE HIERARCHY

Financial instruments measured at fair value are shown in accordance with the following accounting hierarchy:

- Level 1: Observable market prices of identical instruments.
- Level 2: Valuation models primarily based on observable prices or trading prices of comparable instruments.
- Level 3: Valuation models primarily based on non-observable prices.

DKKkm	Carrying amount	Fair value Level 1	Fair value Level 2	Fair value Level 3
As of 31 March 2024				
<i>Fair value:</i>				
Contingent consideration, non-controlling interest	12	-	-	12
<i>Amortised cost:</i>				
Shareholder loan	113	-	113	-
Bonds	592	610	-	-
Total financial liabilities	717	610	113	12
As of 31 March 2023				
<i>Fair value:</i>				
Contingent consideration, non-controlling interest	14	-	-	14
<i>Amortised cost:</i>				
Shareholder loan	122	-	122	-
Bonds	421	409	-	-
Total financial liabilities	557	409	122	14
As of 31 December 2023				
<i>Fair value:</i>				
Contingent consideration, non-controlling interest	12	-	-	12
<i>Amortised cost:</i>				
Shareholder loan	110	-	110	-
Bonds	590	602	-	-
Total financial liabilities	712	602	110	12

Development in fair value of financial instruments in level 3:

Fair value as of 31 December 2023	12
Fair value changes recognised in the income statement in 2024	-
Fair value as of 31 March 2024	12

NOTE 6 – NET INTEREST-BEARING DEBT

DKKkm	31 March 2024	31 March 2023	31 December 2023
Bond	592	421	590
Credit facilities	51	99	26
Shareholder loan	113	122	110
Lease liabilities	148	174	158
Total interest-bearing debt	904	816	884
Cash and cash equivalents	46	51	67
Net interest-bearing debt	858	765	817
Net interest-bearing debt excl. convertible shareholder loan	745	643	707

Our May 2023 bond terms required a re-listing on the Oslo Stock Exchange within 12 months of the first issue date. The listing was executed on 6 May 2024.

Further we were proud to announce our first [Sustainability-Linked Bond Framework Progress Report](#). We are determined to continuously improve its sustainability performance, in general and specifically tied to its sustainability ambitions in this framework and in the sustainability strategy. Our sustainability-linked bond framework provides an opportunity for investors to learn about our efforts to for calendar year 2023.

NOTE 7 - EVENTS AFTER THE BALANCE SHEET DATE

On May 21, we acquired Quercus Technical Services, the leading electrical safety and skills training organization in the Netherlands. The acquisition is considered a business combination in accordance with IFRS 3, Business Combinations. Due to the timing of the transaction, the initial accounting for the business combination is incomplete at the time of issuing the interim report for Q1 2024.

No other events materially affecting the assessment of the interim report have occurred after the balance sheet that not already have been included and adequately disclosed in this interim report.

Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management have today reviewed and approved the interim report for the period 1 January to 31 March 2024 of BidCo RelyOn Nutec A/S.

The interim consolidated financial statements of BidCo RelyOn Nutec A/S have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reporting for listed companies.

The interim consolidated financial statements have not been subject to audit or review by the company's independent auditors.

We consider the accounting policies applied to be appropriate and the accounting estimates and judgements made to be adequate. Furthermore, we find the overall presentation of the interim report to present a true and fair view.

Besides what has been disclosed in the interim

report, no other significant changes in the Group's risks and uncertainties have occurred relative to what was disclosed in the consolidated Annual Report for 2023.

In our opinion, the interim consolidated financial statements give a true and fair view of BidCo RelyOn Nutec A/S' consolidated assets, equity and liabilities and the financial position at 31 March 2024 as well as the result of BidCo RelyOn Nutec A/S' consolidated activities and cash flows for the

period 1 January to 31 March 2024.

Furthermore, in our opinion the Management Review gives a fair representation of the Group's activities and financial position as well as a description of the material risks and uncertainties that the Group is facing.

Copenhagen, 22 May 2024

Executive Management

Torben Harring

Group CEO

Board of Directors

Jakob Thomasen

Chairman

Jesper Teddy Lok

Merete Søby

Henrik Bonnerup

Jan Damsgaard

Company information and definitions

Company

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Financial year: 01.01.2024 - 31.12.2024
Established 30 March 2018
Municipality of headquarter: Copenhagen

Website: www.relyonnutec.com
E-mail: info@relyonnutec.com

Board of Directors

Jakob Thomasen, Chairman
Jesper Teddy Lok
Merete Søby
Henrik Bonnerup
Jan Damsgaard

Executive Management

Torben Harring

Auditor

PricewaterhouseCoopers
Statusautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
Denmark

Forward-looking statements

This interim report contains forward-looking statements, including statements regarding the Group's future operating profit, financial position, cash flows, strategy as well as plans for the future. Forward-looking statements include, without limitation, any statement that may predict, indicate or imply future results, performance or achievements, and may contain the words "believes", "expects", "estimates", "projects", "plans", "anticipates", "continues" and "intends" or any variations of such words or other words with similar meaning. The statements are based on Management's reasonable expectations and forecasts at the time of disclosure of the interim report. Any such statements are subject to risks and uncertainties, and a number of different factors many of which are beyond BidCo RelyOn Nutec A/S' control can mean that the actual development and actual result will differ significantly from the expectations contained in the interim report. Without being exhaustive, such factors include general economics and commercial factors, including market and competitive matters, supplier issues and financial issues. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.

Definitions

Application users: Sum of Worksafe®-users, Know-how-users, Business Portal-users, and delegates managed via Rider application

ARR: Annual Recurring Revenue

Digital & blended learning revenue: Including Digital Learning (traditional e-learning, adaptive learning and blended learning), applications (Rider and Worksafe®) and simulation

Digital annual recurring revenue: Subscription fees, license fees as well as service and maintenance fees

Digital learning completions: Completed digital learning courses over the past twelve months

Digital portfolio value: Committed future digital revenue "order book"

LTM: Last Twelve Months

NIBD: Net Interest-Bearing Debt

YoY: Year-over-Year

RelyOn Nutec

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