

## Company announcement no. 8 / 2023

Schindellegi, Switzerland – 3 May 2023

Trifork Group – Report of the first quarter ending 31 March 2023

## Trifork Group: Solid performance in the core business and maintained full-year guidance

### Financial results in the first quarter of 2023

#### Trifork Group

- Trifork Group revenue amounted to EURm 49.7, an increase of 8.5% from Q1/2022. Revenue growth was 16.1%, of which 13.9%-points was organic growth, when adjusting for aperiodic sales of third-party software and hardware.
- Trifork Group EBITDA amounted to EURm 8.1, corresponding to a 16.4% EBITDA margin and a growth of 5.0%.
- Trifork Group EBIT amounted to EURm 5.0, corresponding to a 10.1% EBIT margin and a growth of 5.9%.
- Trifork Group net income amounted to EURm 2.9, resulting in a basic earnings per share of EUR 0.10.

#### Trifork Segment

- Adjusted EBITDA in the Trifork Segment amounted to EURm 8.6, an increase of 6.3% from Q1/2022. The adjusted EBITDA margin was 17.2% (Q1/2022: 17.6%).
- Sub-segments:
  - Inspire revenue increased by 32.8% to EURm 0.5 and realized an adjusted EBITDA of EURm -0.7 (Q1/2022: EURm -0.2). We increased activities in relation to the planning of software conferences to be held later in 2023 but no material in-person events were completed in Q1.
  - Build revenue increased by 9.3% to EURm 38.1 and realized an adjusted EBITDA of EURm 8.0m corresponding to a margin of 21.1% (Q1/2022: 23.4%). Growth was especially driven by Digital Health and Smart Enterprise business areas.
  - Run revenue increased by 5.7% to EURm 11.0 and realized an adjusted EBITDA of EURm 2.3 corresponding to a margin of 21.1% (Q1/2022: 12.1%). Adjusted for aperiodic hardware and third-party software sales, Run revenue grew by 55.4%, of which 40.7%-points was organic growth and 14.7%-points came from the acquisition of IBE.

#### Trifork Labs

- Net fair value adjustments on Trifork Labs investments were EURm -0.4 (Q1/2022: EURm 1.4). The result was positively affected by realized earn-outs and negatively affected by valuation adjustments and unrealized foreign exchange losses. Further, Trifork Labs participated in an add-on financing round at &Money ApS and a bridge-financing round in AxonIQ BV (convertible loan).

**Jørn Larsen, CEO of Trifork, comments:** *“We entered 2023 well-organized to face the lingering economic uncertainty that arose during 2022. Trifork Group has grown through multiple economic crises in the past three decades. A key learning has been that we can never prepare for everything, but we can organize ourselves in an agile way that enables us to push through*

*headwinds, change directions, and keep moving forward. Our performance varied greatly between different markets in the first quarter. Bruce Lee famously said that one should “be like water making its way through cracks”. Our dynamic teal organization allows us to be like water and flow in the direction of least resistance, so now we will prioritize the markets with the highest growth rates”.*

## **Financial outlook for 2023**

Guidance for the full year 2023 remains unchanged at revenue of EURm 205-215, Trifork segment adjusted EBITDA of EURm 34-37, and Trifork Group EBIT of EURm 20-23.

## **Main events in the first quarter of 2023**

### Trifork Group

Trifork continued to display organic growth despite a challenging environment in the first quarter of 2023. Revenue growth was driven by all sub-segments – Inspire, Build, and Run.

From January 2023, the Institut für Bildungsevaluation Zürich AG (“IBE”) was consolidated. A good plan has been made for the future development of IBE and its ongoing collaboration with the rest of the Group. IBE is mainly allocated to the Run sub-segment and has contributed with 2.2% of revenue growth.

Organizational key figures:

- The Trifork Group now counts 1,135 employees distributed across 69 customer facing business units.
- The average age was recorded to 36.7 years compared to 38.2 in full-year 2022 and indicates that the level of seniority in average has been kept at the same level also in new-hires.
- Last-12-months churn rate improved to 14.3% at the end of Q1/2023 compared to 15.4% in full-year 2022.
- Sick leave percentage in the first three months of 2023 was 2.7% (Q1/2022: 3.0%).

### Trifork Segment

- In the Inspire sub-segment, activities increased in relation to the planning of software conferences to be held from Q2/2023 and forward, but no material in-person events were completed in Q1. Hence, the Inspire sub-segment reported a low revenue and negative results. We expect a busier Q2 with GOTO conferences in Chicago, Aarhus and Amsterdam, a Code Beam Lite event in Stockholm, and Lambda-days in Krakow. GOTO, which is our largest YouTube tech-channel, is now also present on Instagram and now has more than 47 million views in total.
- In the Build sub-segment, Digital Health continued to be one of the fastest growing business areas and grew 63.4% compared to the same quarter in 2022. A high degree of the solutions delivered are followed by recurring revenue that supports the growth in the Run segment. Cyber Protection revenue declined in Q1/2023 compared to Q1/2022 due to timing of a large customer engagement which finalized partial delivery in Q4/2022 and which resumed again in April 2023.
- In the Run sub-segment, the Cyber Protection business area also saw a decline in revenue compared to Q1/2022. This was primarily due to a lower level of third-party licenses in Q1/2023, whereas this was quite high in Q1/2022 (EURm 3). Cloud Operations continued its good momentum and grew 21.9% compared to the same quarter last year.

## Trifork Labs

In the first quarter of 2023, the activities in the Trifork Labs segment included:

- Trifork Labs, together with other investors, completed an add-on financing round in &Money and a bridge-financing round in AxonIQ (convertible loan).
- Additional realized profit from our previous partial exit of Programmable Infrastructure Solutions AG (Container Solutions Group).
- Net unrealized fair value adjustments due to corrective valuation adjustments on two investments and negative foreign currency exchange differences.

### **Access to financial report**

The Q1/2023 Interim Report and the quarterly key figures spreadsheet can be downloaded from Trifork's investor pages :

<https://investor.trifork.com/financial-reports/>

### **Presentation by executive management**

Trifork will host a Q1/2023 results presentation today, 3 May at 11:00 in a live webcast that can be accessed from our investor site <https://investor.trifork.com/events/> or by using the following link:

<https://trifork.zoom.us/j/92603295543?pwd=N1FKeFhONEtMNnpXRUF6bTI2RFVQdz09>

A recording will be made available on our website after the presentation. Please visit

<https://investor.trifork.com/events/> for more information.

### **For more information, please contact:**

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### **About Trifork**

Trifork is a global NextGen IT company that develops innovative software solutions in collaboration with its customers. The company has 1,135 employees across 69 business units and offices in 14 countries in Europe, USA, and Australia. Trifork works in six business areas: Digital Health, FinTech, Smart Building, Cloud Operations, Cyber Protection, and Smart Enterprise. Trifork's research and development takes place in Trifork Labs, where Trifork continuously invests in and develops technology startups with clear synergies between the startup and Trifork. Trifork is behind the brand GOTO, which runs a global tech community with more than 47 million views on YouTube and Instagram as per end of the first quarter 2023. Trifork Holding is a publicly listed company on Nasdaq Copenhagen under the ticker TRIFOR.