



Q4 - 2020 Presentation

18 February, 2021

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Presenting

Nicolay Moulin
CEO



- CEO of Sikri from 2020
- Mr. Moulin led the team carving out the Sikri Organization from EVRY as well as part of the team negotiating with the Norwegian Competition Authority
- Mr. Moulin held various roles in EVRY Norway from 2013-2020, including Vice President and Business Unit Manager with responsibility for government clients
- Prior to EVRY Norge, Mr. Moulin has held position as CEO of Lenco Systems, in addition to Director in Crayon Group, among others

Camilla Aardal
CFO



- CFO of Sikri from 2020
- Ms. Aardal's most recent role was as SVP Service & Aftermarket in Optimar AS
- Ms. Aardal held the role of CFO in EVRY Norway from 2014-2018
- Prior to EVRY, Ms. Aardal has a consulting background from PwC as well as previous role as CFO for Capgemini Norway, where she also held various finance roles from 2001-2010

Questions?

Email to: ir@sikri.no



Secure the future and preserve the past

A blurred background image of a business meeting. A man in a light blue shirt is holding a tablet displaying a dashboard with a pie chart and bar graphs. A woman in a white shirt is pointing at the screen. Another person's hand is visible at the bottom, also interacting with the tablet. The scene is brightly lit, suggesting an office environment.

Sikri Business update

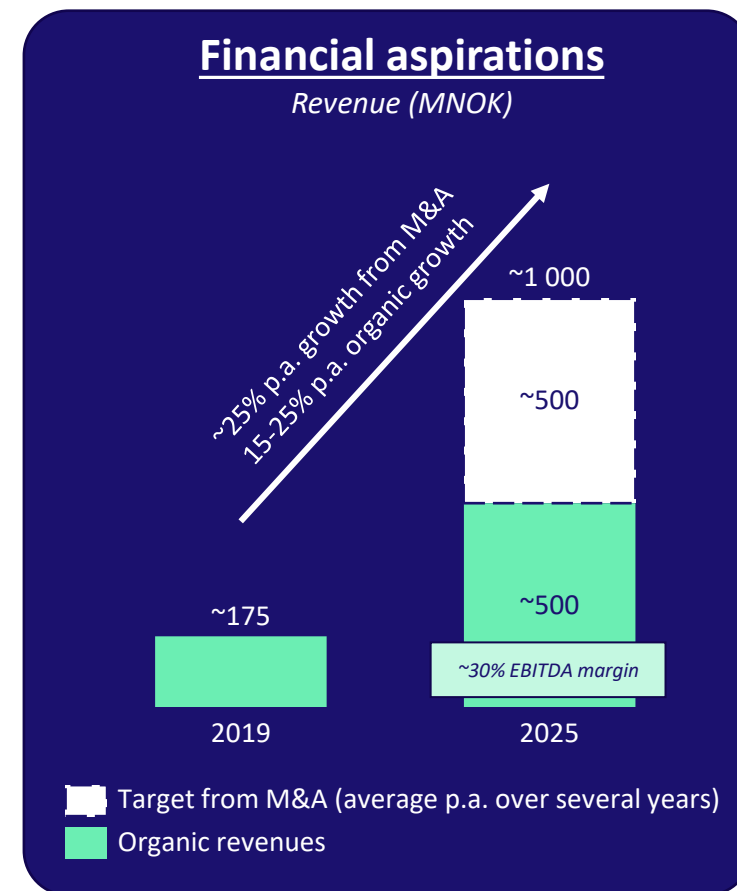
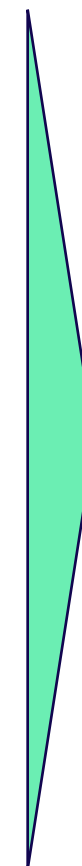
Sikri AS – Q4 2020 Highlights

- 1 We outperformed our 2020 financial targets
- 2 M&A strategy being implemented and completed acquisitions according to plan
- 3 Steady growth in Annual recurring revenue
- 4 Completed the migrations to Microsoft Cloud platform
- 5 Building on the strong Sikri culture

Sikri – a leading provider IT solutions to the public sector

- Sikri was established as a carve-out from EVRY and has now 121 employees in Norway and 32 FTEs in Ukraine, India and Sri Lanka
- Sikri is a key player in the market for managing and archiving documents providing:
 - The software platforms Elements, eByggesak, PixEdit Augment AI solutions, and risk management solutions
 - Consulting services
 - Other related software solutions
- The company is specialized towards the public sector and has +500 customers using the case and archiving software, risk management, in addition to +1,300 customers using the PixEdit software
- Sikri has a clear ambition to deliver above market growth, both organically and through M&A
- Majority owners have extensive buy-and-build M&A experience and seeks to leverage that to build Sikri as the #1 Nordic public sector software company

Sikri – Ambitions and financial aspirations



New company= new culture

We will solve things together to make
everyday life easier for our customers

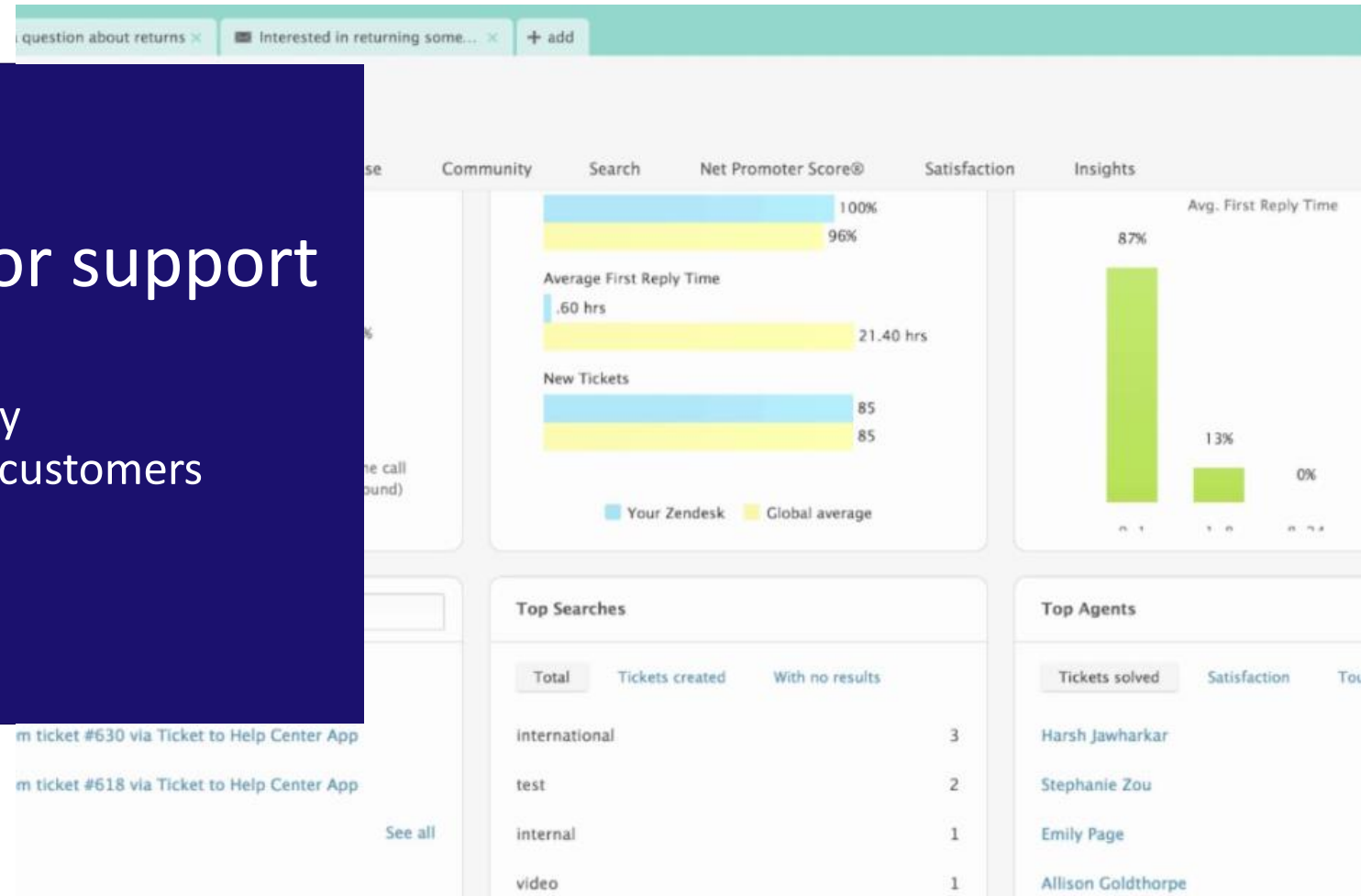
Agility
Adaptability



Cloud based operation of the organization Sikri

Better solutions for support

User friendly
Accessible status for customers
Scalable



New delivery model established



Cloud platform at Microsoft in Norway

- All cloud client migrated over to Microsoft AKS
- Solid security
- Stable solutions, close to 0% downtime
- Multi tenant DevOps
- Improved scalability is positive for future growth, also outside of Norway



Sales



Increased win-rate

- 2020 win-rate at 65%
- Signed over 55 new clients on eByggesak in 2020, all based on ARR pricing model
- Integration of new clients provides an improved growth foundation over time due to consumption-based revenue

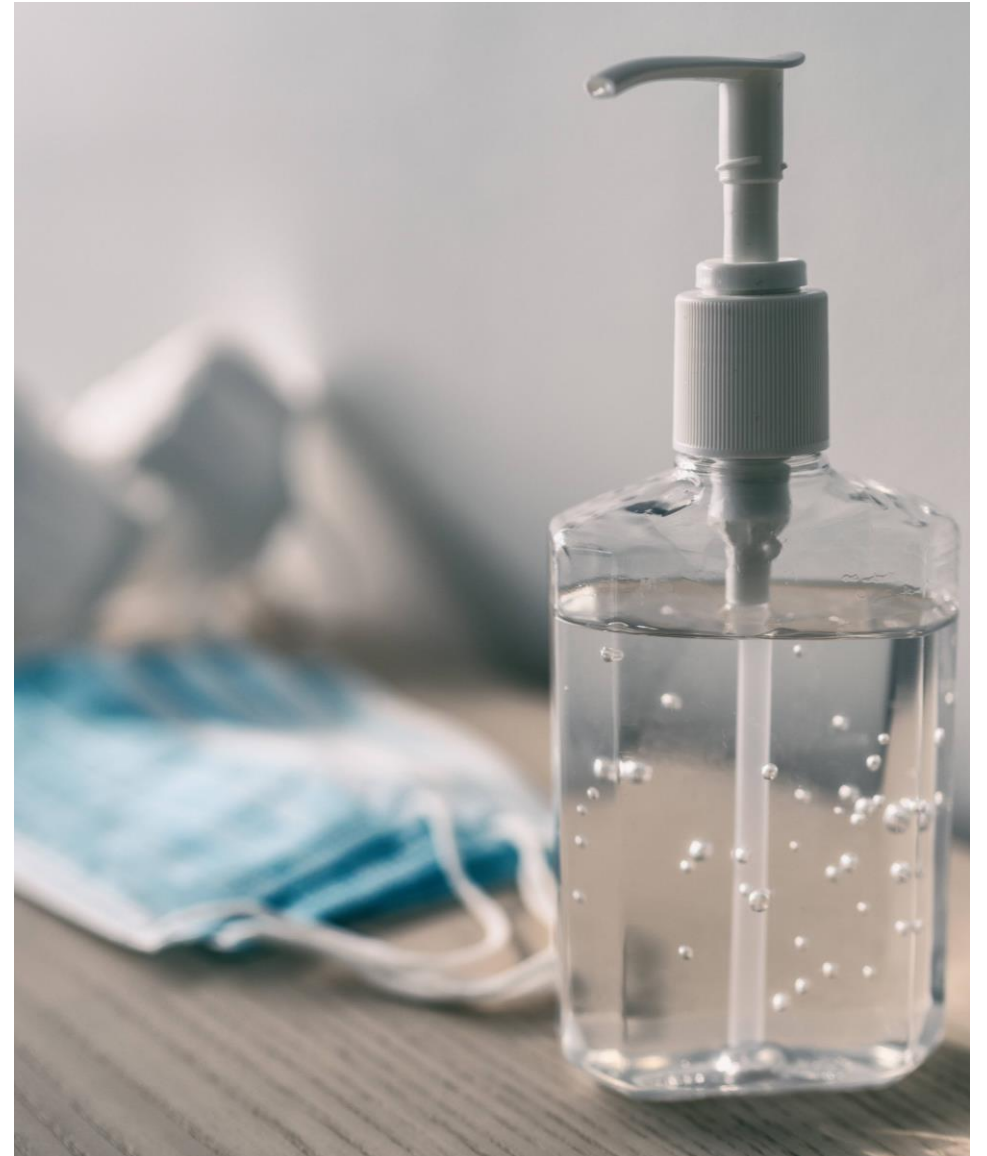


Covid



Hard work

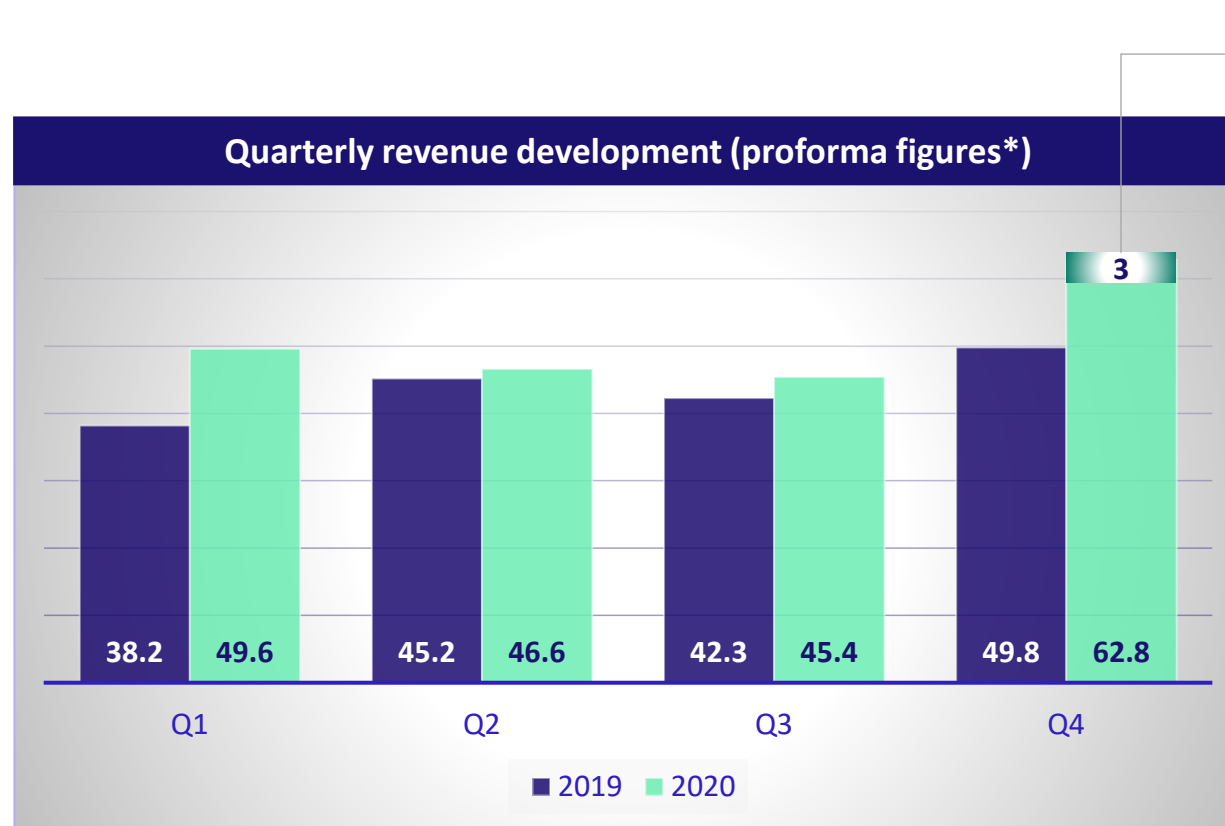
- Important for safety
- We have done well in terms of growth in 2020
- Mobility
- Cloud platform at Microsoft in Norway





Sikri Financial update

Revenue above target, strong Q4 performance

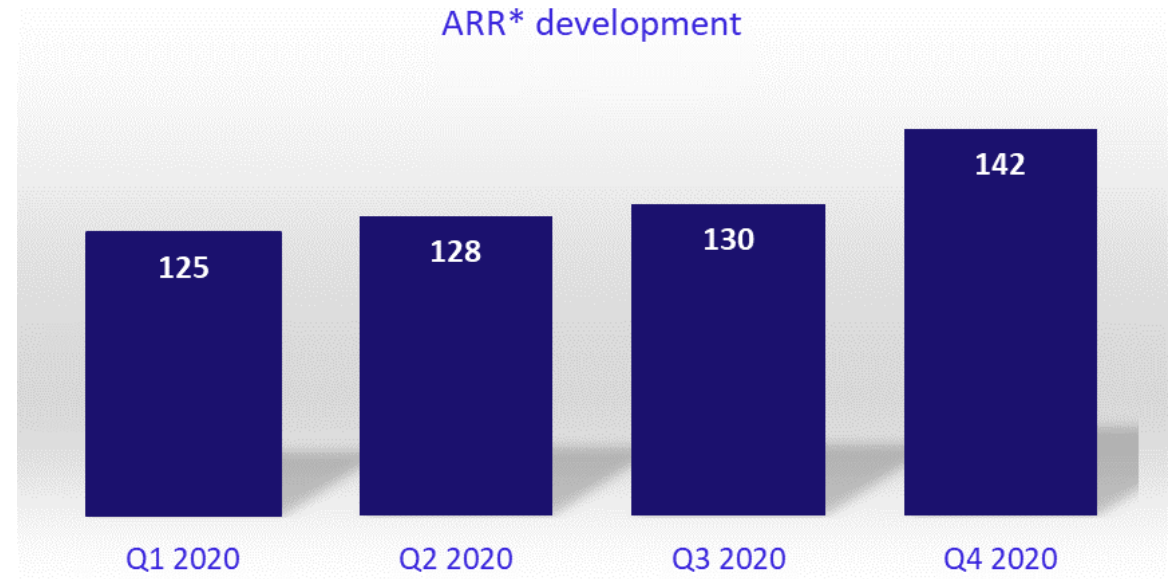


- Q4 was a strong quarter, with revenue growth YoY of 26% (including impact of acquisition)
- Adjusted for acquisitions, organic growth in Q4 was 20%
- QoQ growth of 38% vs. 18% in 2019
- Consulting delivering strong Q4 due to implementation projects – on the back of improved win-rate
- EBITDA margin for both Q4 and full year was stable at 30%, in line with expectations

*Proforma figures include Sikri AS, PixEdit and Augment full year, and actual Q4 for Whatif & Sureway

With the acquisition of Whatif and Sureway, our ARR run-rate has improved

- ARR has improved – at 142 mNOK entering 2021
- ARR % of revenue is 67% full year 2020
- Win rate of 65% full year 2020
- Some organic improvement from eByggesak contracts, but main impact from recent wins will be visible in H2 2021 and onwards



*ARR defined as subscriptions current run rate annualized

Q4 and FY (proforma) PnL – on target for 2020

KNOK	Q4 2020	FY 2020*
Revenue	62,804	212,089
Cost of goods	4,637	15,036
Gross profit	58,167	197,053
Personell expenses	30,927	106,270
Other operating expenses	7,797	27,020
EBITDA	19,443	63,763
<i>EBITDA margin</i>	<i>31%</i>	<i>30%</i>
Depreciations	8,434	33,303
EBIT	11,009	30,460
Net financial expenses	239	3,245
EBT	10,770	27,215

*FY for illustrative purposes – as if all companies were fully owned for full year 2020

Comments
<ul style="list-style-type: none"> ■ Strong end to 2020 with stable, higher utilization in Consulting, and improvement in ARR and license sales ■ Proforma EBITDA margin full year 30%, in line with expectations ■ Capitalized costs of 22 mNOK full year ■ Depreciation of MNOK 33 (illustrative full year) includes goodwill depreciation of MNOK 10

Outlook

- Improved ARR going in to 2021
- Ambition of 15-25% organic growth and 25% M&A growth

Balance sheet as of Q4 2020

TNOK	Q1 2020	Q2 2020	Q3 2020	Q4 2020
ASSETS				
Total Intangible assets	166,110	248,406	245,771	268,580
Total tangible assets	2,835	3,012	3,031	3,028
Total financial assets	110	60	60	60
Total receivables	40,867	47,225	24,984	26,864
Cash and cash equivalents	45,469	33,642	132,786	132,376
TOTAL ASSETS	255,391	332,345	406,632	430,908
EQUITY AND LIABILITIES				
Total equity	61,359	93,129	237,316	252,289
Total long-term liabilities	80,000	105,000	97,500	97,500
Total current liabilities	114,032	134,216	71,816	81,119
TOTAL EQUITY AND LIABILITIES	255,391	332,345	406,632	430,908
<i>Equity ratio</i>	24%	28%	58%	59%

Comments
<ul style="list-style-type: none"> The presented balance sheet for Sikri Holding AS is based on audited figures as of Dec 31st, 2020 Intangible assets largely relate to licenses and patents allocated in connection with the carve out of Sikri from EVRY, in addition to allocated Goodwill from acquisitions Strong cash position of 132 MNOK at end of Q4-2020, after IPO in July No net interest-bearing debt at Dec 31st, 2020

Sikri, in brief

- 1** A key player in the market for software towards the public sector and a strong ARR base
- 2** Attractive end market with solid margins, long contracts and customer need for digitalization
- 3** Renewed commercial strategy with strong organic growth opportunities
- 4** A highly fragmented suppliers market offers ample inorganic growth opportunities
- 5** Key owners with a proven track record for growth, M&A and value creation

Questions?

Email to: ir@sikri.no

