

NHST Holding

**QUARTERLY REPORT
FOR FIRST QUARTER
2023**

NHST GROUP'S DEVELOPMENT IN THE FIRST QUARTER OF 2023

- Total revenues for the Group were NOK 266.5 million in the first quarter of 2023, which was 5.3 per cent higher than the first quarter 2022.
- Revenues for the media segment in the quarter were 3.4 per cent higher than the year before. The digital subscription growth continued. Advertising and commercial services revenues increased by 11.7 per cent despite a general contraction in the advertising market.
- EBITDA for the quarter was minus NOK 14.7 million, a reduction of NOK 6.1 million compared to the year before.
- For the SaaS segment, first quarter recognized revenues increased by 7.1 per cent. Mention showed a good revenue growth.
- The weak NOK versus EUR and other main currencies had an inflationary impact on revenues and costs compared to the numbers for 2022 both in media and SaaS.
- Investments in product development and new business opportunities continue despite an uncertain macroeconomic environment.
- The liquidity situation was good throughout the first quarter.
- The media business in NHST Media Group AS changed its corporate name and brand identity to DN Media Group.

Total revenues for the Group in the first quarter were NOK 266.5 million, an increase from NOK 253.2 million for the first quarter 2022. Compared to the year before, user market revenues increased both in the media business and the SaaS businesses. DN Media Group also showed a good improvement in income from advertising and commercial services.

Group operating expenses for the quarter were NOK 281.2 million, an increase from NOK 261.8 million the year before. The increase was 7.4 per cent and was mainly due to headcount and salary increases, general inflation and currency impact on costs in other currencies.

The first quarter is normally relatively weak due to low activity in the advertising market. Group EBITDA for the quarter was minus NOK 14.7 million compared to minus NOK 8.6 million in the first quarter last year.

Investments in product and process development were NOK 16.4 million, compared to NOK 16.8 million in the corresponding quarter last year.

Group liquidity continues to be good with bank balances at the end of the quarter amounting to NOK 172.1 million, and an undrawn part of the bank credit line amounting to NOK 65 million.

KEY FIGURES

Numbers in NOK million	Q1 2023	Q1 2022	YTD 2023	YTD 2022
User market revenues	209.8	200.1	209.8	200.1
Advertising and commercial services	54.3	49.6	54.3	49.6
Other revenues	2.4	3.5	2.4	3.5
Total revenues	266.5	253.2	266.5	253.2
Operating expenses	281.2	261.8	281.2	261.8
EBITDA before non-recurring items	-14.7	-8.6	-14.7	-8.6
EBITDA	-14.7	-8.6	-14.7	-8.6
Depreciation	19.7	14.8	19.7	14.8
Operating result	-34.4	-23.5	-34.4	-23.5
CAPEX	16.4	16.8	16.4	16.8
EBITDA less CAPEX	-31.0	-25.4	-31.0	-25.4

DN MEDIA GROUP

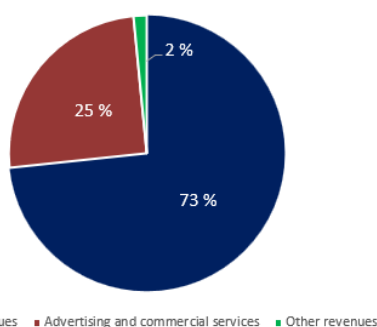


Figure 1: Percentage of total revenues accumulated for 2023

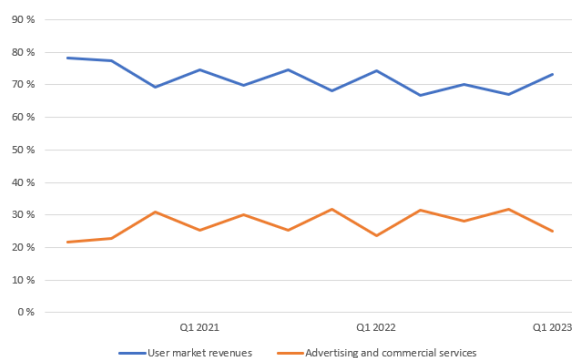


Figure 2: Percentage of total revenues by quarter

SOFTWARE-AS-A-SERVICE

MYNEWSDESK

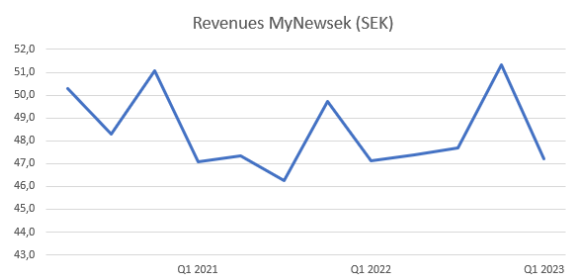


Figure 1: Recognized revenues Mynewsdesk in MSEK by quarter

MENTION



Figure 2: Recognized revenues Mention in MEUR by quarter

DN MEDIA GROUP

The media business, organized under DN Media Group AS, consists of the publications Dagens Næringsliv, TradeWinds, Upstream, Recharge, Hydrogen Insight, Europower, Intrafish.no, Intrafish.com, Fiskeribladet and Kystens Næringsliv, as well as shared functions supporting these publications.

The corporate name and brand identity for the media business was changed from NHST Media Group to DN Media Group in February 2023. The new name aligns the corporate identity with the main brand, Dagens Næringsliv, and gives the media business a clearer identity. In DN Media Group, the focus is on delivering world class journalism to its audiences while continuing to develop the product portfolio and shared publication technology and support systems across the publications.

The first quarter 2023 was characterized by macroeconomic uncertainty which was reflected in continued high inflation, volatile currency and equity markets and challenges in the global banking industry. These developments stimulated the demand for analytical journalism and most publications in the group showed a positive development in reader engagement.

The new digital publications that were launched in 2022, Hydrogen Insight and Kystens Næringsliv, are meeting a market demand in their respective niches and showed a positive development in terms of page views in the first quarter.

User market revenues in the media business for the quarter ended at NOK 153.5 million, an increase of 3.3 per cent from the first quarter last year. The growth was driven by increases in digital subscriptions of 15.0 per cent, while print subscriptions continued to decline. For the quarter, digital-only subscriptions made up 53.4 per cent of total subscription revenues (2022: 48.3 per cent). User revenues, including subscriptions as well as single copy sales, made up 73.3 per cent of the revenues for the media business in the fourth quarter (2022: 74.4 per cent).

Revenues from advertising and commercial services in the quarter were NOK 52.6 million, an increase of 11.7 per cent from 2022. The increase was achieved despite a generally soft advertising market in the quarter.

Operating expenses in the business area were NOK 212.3 million, which was 5.0 per cent higher than the first quarter of 2022. The increase is due to headcount and salary increases, higher prices for purchased external services and higher paper, print and distribution costs.

EBITDA in the quarter was minus NOK 3.0 million, on level with last year.

Capitalized development expenses were NOK 5.1 million in the quarter (2022: NOK 9.3 million).

<i>NOK million</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	YTD 2022	YTD 2023
User market revenues	148.4	143.5	151.4	152.3	153.5	148.4	153.5
Advertising and commercial services	47.1	67.6	60.6	72.3	52.6	47.1	52.6
Other revenues	3.5	3.4	4.1	3.9	3.2	3.5	3.2
Total revenues	199.0	214.5	216.1	228.2	209.3	199.0	209.3
Operating expenses	202.2	192.1	205.0	222.0	212.3	202.2	212.3
EBITDA	-3.1	22.4	11.1	6.2	-3.0	-3.1	-3.0
CAPEX	9.3	6.8	5.6	5.3	5.1	9.3	5.1
EBITDA less CAPEX	-12.4	15.6	5.5	0.9	-8.1	-12.4	-8.1

SOFTWARE-AS-A-SERVICE

The business area Software-as-a-Service (SaaS) includes the companies Mynewsdesk and Mention Solutions (“Mention”). Mynewsdesk, headquartered in Stockholm, is offering its customers a PR and communication platform with associated services. The company’s main markets are the Nordic area and the DACH area (Germany, Austria, Switzerland). Mention is offering services within media monitoring, mainly focusing on social media. Mention has its head office in Paris and has a global market focus.

The markets for marketing and social media intelligence products are developing rapidly. The quality of artificial intelligence (AI) products for text recognition and text generation is improving and such technology is becoming more available through open sources. The SaaS companies continue to invest in product enhancements to capitalized on these trends with a view to improving product functionality as well as user experience. Mynewsdesk is expanding its core product – press release distribution - to include identification of target audiences, interpretation of market responses and automated drafting of market communication. In March, Mynewsdesk launched an AI powered PR drafting assistant based on GPT to all customers. Mention is developing the social media monitoring product to include publish and engage functionality.

Recognized revenues for the segment were NOK 58.1 million in the first quarter, an increase of 7.4 per cent from last year. Recognized revenues for Mynewsdesk in SEK were at the same level as the first quarter last year, while Mention showed an increase in recognized revenues in EUR of 9.3 per cent.

Operating expenses were NOK 68.9 million, an increase of NOK 9.8 million (16.5 per cent) from last year. The increase reflects that the product development staff was expanded significantly through 2022, as well as normal salary adjustments. Costs for product development are partly expensed, partly capitalized according to the Group accounting principles.

Segment EBITDA was minus NOK 10.7 million compared to minus NOK 4.8 million in the fourth quarter last year.

Capitalized development expenses for the segment were NOK 11.3 million, compared to NOK 7.5 million in the corresponding period last year.

<i>NOK million</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	YTD 2022	YTD 2023
Subscription revenues	51.7	53.2	53.2	57.6	56.4	51.7	56.4
Other revenues	2.6	2.3	2.4	3.0	1.7	2.6	1.7
Total revenues	54.2	55.5	55.6	60.6	58.1	54.2	58.1
Operating expenses	59.1	63.5	57.6	61.7	68.9	59.1	68.9
EBITDA	-4.8	-8.0	-2.0	-1.2	-10.7	-4.8	-10.7
CAPEX	7.5	5.6	9.2	15.1	11.3	7.5	11.3
EBITDA less CAPEX	-12.3	-13.6	-11.2	-16.3	-22.0	-12.3	-22.0

Oslo, 20 April 2023

The Board of Directors of NHST Holding AS

KEY FIGURES NHST HOLDING CONSOLIDATED GROUP

INCOME STATEMENT

(MNOK)	Q1 2023	Q1 2022	YTD 2023	YTD 2022
Revenues	266.5	253.2	266.5	253.2
Operating expenses	281.2	261.8	281.2	261.8
EBITDA*	-14.7	-8.6	-14.7	-8.6
Ordinary depreciation	19.7	14.8	19.7	14.8
Operating profit / loss	-34.4	-23.5	-34.4	-23.5
Net financial items	2.6	-5.0	2.6	-5.0
Profit/loss before tax	-31.8	-28.5	-31.8	-28.5
Profit/loss after tax	-30.7	-26.0	-30.7	-26.0
Minority interests	-0.3	-0.2	-0.3	-0.2
Profit/loss after tax majority interests	-30.4	-25.8	-30.4	-25.8
Number of shares ex own shares	1 555 673	1 555 673	1 555 673	1 555 673
Profit/loss per share in NOK	-19.5	-16.6	-19.5	-16.6
Number of employees average	611	566	611	566

*EBITDA includes non-recurring items

BALANCE SHEET

	31.03.2023	31.12.2022
Intangible assets	185.8	179.5
Other fixed assets	186.3	179.2
Total fixed assets	372.1	358.7
Accounts receivable	66.9	89.0
Other short-term receivables	65.6	45.4
Cash and cash equivalents	172.1	210.6
Total short-term assets	304.5	345.0
Total assets	676.6	703.6
Shareholders' equity	-85.8	-57.6
Minority	1.4	1.4
Total shareholders' equity	-84.3	-56.2
Long term debt	227.3	252.1
Accounts payable	22.5	62.9
Prepayments	362.3	309.7
Other short-term debt	148.7	135.1
Total liabilities	760.9	759.8
Total shareholders' equity and liabilities	676.6	703.6

NOTE 1 ACCOUNTING PRINCIPLES

Tax expenses are estimated based on expected tax rate for the year.

NOTE 2 RECLASSIFICATION

The Group has made some minor reclassifications within revenues. All revenues from advertising and commercial services, both production and distribution, are now presented on one line in the P&L, while previously, production was shown as “other revenues”. This reclassification has also been done for 2022.

NOTE 3 SPECIFICATIONS	Q1 2023		YTD 2023	
	Operating revenues	EBITDA	Operating revenues	EBITDA
Media	209.3	-3.0	209.3	-3.0
SaaS	58.1	-10.7	58.1	-10.7
Other group companies	-0.9	-0.9	-0.9	-0.9
SUM	266.5	-14.7	266.5	-14.7