

NHST Holding

**QUARTERLY REPORT FOR
THIRD QUARTER 2023**

NHST GROUP'S DEVELOPMENT IN THE THIRD QUARTER OF 2023

- Total revenues for the group were NOK 280.5 million in the third quarter 2023 vs NOK 271.4 million in the third quarter 2022.
- Revenues for the media segment were 7.5 per cent higher than in 2022. The growth was partly driven by the currency impact on sales in foreign currencies. The growth in digital subscription revenues was 19 per cent in the quarter.
- DN Media Group launched a cost program aiming at reducing the cost base with up to NOK 60 million with effect for 2024. At the end of the quarter, the program was progressing well. The program was completed as planned mid- October. NOK 12.7 million were accrued as one-off expenses related to the cost reduction program.
- The SaaS segment showed a growth in recognized revenues of 7.7 per cent versus the year before, mainly reflecting currency impact on translation of the accounts to NOK. In their respective functional currencies, Mynewsdesk's revenues increased by 3.8 per cent while Mention's recognized revenues decreased by 3.8 per cent.
- Development of products and support systems continues.
- At the end of the quarter, the Group did not comply with a gearing covenant in the revolving credit facility agreement with its bank, due to slower than expected financial progress in both business areas. Discussions with the bank on corrective actions are progressing well. The intention is to obtain a temporary waiver from the relevant covenant. As a result of the non-compliance, the loan will be classified as short term debt in the balance sheet until the situation is resolved.

Total revenues for the Group were NOK 280.5 million, an increase from NOK 271.4 million in the third quarter 2022. Digital revenues in the media business continued to grow, while the reduction in print-based revenues also continued. Revenues from advertising and commercial services in the media business showed a reduction of 8.1 per cent.

In the SaaS business area, Mynewsdesk continues to show growth in recognized revenues versus last year, while Mention's recognized revenues were slightly lower than the year before.

Group operating expenses were NOK 282.2 million in the quarter, versus NOK 263.2 million in the corresponding quarter last year.

Group EBITDA for the quarter before non-recurring items was NOK 11.0 million vs NOK 8.2 million in the third quarter 2022.

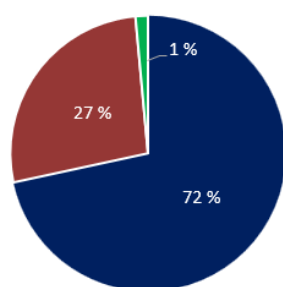
Investments in product and process development were NOK 17.5 million in the quarter, compared to NOK 14.8 million in the corresponding quarter last year.

Group liquidity was good with bank balances at the end of the quarter amounting to NOK 93.0 million in addition to the undrawn part of the bank credit line amounting to NOK 55.0 million.

KEY FIGURES

Numbers in NOK million	Q3 2023	Q3 2022	YTD 2023	YTD 2022
User market revenues	221.4	204.6	642.3	601.4
Advertising and commercial services	57.0	63.0	181.7	182.5
Other revenues	2.1	3.8	7.1	10.6
Total revenues	280.5	271.4	831.0	794.5
Operating expenses	282.2	263.2	834.8	781.4
EBITDA before non-recurring items	11.0	8.2	8.9	13.1
EBITDA	-1.7	8.2	-3.8	13.1
Depreciation	20.0	18.7	60.2	49.8
Operating result	-21.7	-10.5	-64.0	-36.7
CAPEX	17.5	14.8	54.5	43.9
EBITDA less CAPEX	-19.2	-6.6	-58.3	-30.8

DN MEDIA GROUP



■ User market revenues ■ Advertising and commercial services ■ Other revenues

Figure 1: Percentage of total revenues accumulated for 2023

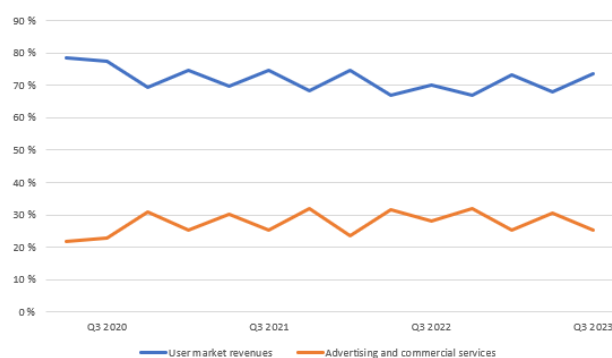


Figure 2: Percentage of total revenues by quarter

SOFTWARE-AS-A-SERVICE

MYNEWSDESK

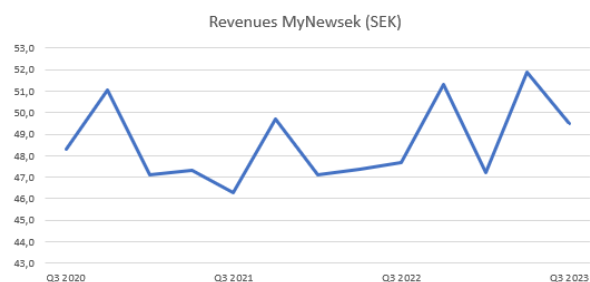


Figure 1: Recognized revenues Mynewsdesk in MSEK by quarter

MENTION

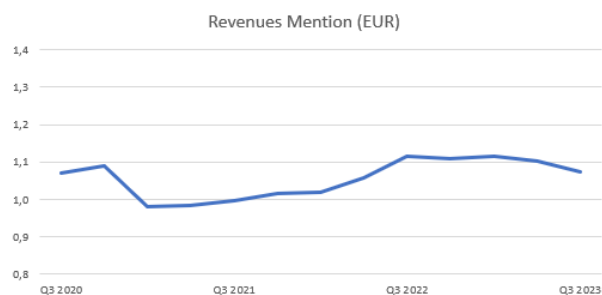


Figure 2: Recognized revenues Mention in MEUR by quarter

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.

DN Media group launched a comprehensive cost reduction program in order to be prepared for challenging market conditions and a continuous need to invest in developing the publications. The target is to reduce the cost base with NOK 60 million with effect from 2024. A significant part of the cost reductions will come from staffing reductions. At the end of the quarter, the program was progressing as planned.

User market revenues in the media business were NOK 162.8 million in the quarter, versus NOK 151.4 million in the third quarter last year. The growth was driven by an increase in digital subscription revenues of 19 per cent, while print based subscription revenues continued to fall. For the quarter, digital-only subscriptions made up 56.1 per cent of total subscription revenues (2022 50.5 per cent). User market revenues, including both digital and print based constituted 73.6 per cent of total revenues in the business area (2022 70.0 per cent).

The growth in user revenues came mainly from the international industry sector publications in the Group.

Revenues from advertising and commercial services were NOK 55.7 million, versus NOK 60.6 million in the third quarter 2022.

Operating expenses for the business area were NOK 220.0 million, compared to NOK 205.0 million in 2022. The operating expenses included NOK 12.7 million of non-recurring expenses related to the cost reduction program. Excluding the non-recurring expenses, the cost increase was 1.1 per cent, reflecting a strong focus on cost management which partly compensated for the inflationary effects on costs.

DN Media Group EBITDA including non-recurring expenses was NOK 1.3 million in the quarter, compared to NOK 11.1 million in the third quarter 2022.

Capitalized development expenses were NOK 6.3 million in the quarter (2022 NOK 5.6 million).

<i>NOK million</i>	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	YTD 2022	YTD 2023
User market revenues	151.4	152.3	153.5	149.3	162.8	443.3	465.5
Advertising and commercial services	60.6	72.3	52.6	66.8	55.7	175.3	175.1
Other revenues	4.1	3.9	3.2	3.4	2.8	11.1	9.5
Total revenues	216.1	228.2	209.3	219.5	221.3	629.7	650.1
Operating expenses	205.0	222.0	212.3	200.9	220.0	599.3	633.2
EBITDA	11.1	6.2	-3.0	18.6	1.3	30.4	16.8
CAPEX	5.6	5.3	5.1	5.7	6.3	21.6	17.1
EBITDA less CAPEX	5.5	0.9	-8.1	12.8	-5.0	8.8	-0.3

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 an intelligent PR and communication solution 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 PR and marketing support software and services are changing rapidly with the advance of new technology including artificial intelligence (AI) solutions in a wide range of application areas. The underlying market growth is however impacted by the general economic uncertainty that has prevailed during the last year, and the companies in the SaaS business segment have not been able to maintain high rates of growth for underlying sales or recognized revenues.

The NHST SaaS companies continue to make investments in product development to ensure the relevance and competitiveness of their product offerings. Mynewsdesk is incorporating AI into the user workflow and is offering a fully AI powered and automated workflow including idea generation, creation, PR distribution and analysis. For Mention, the main emphasis is to improve its core product, social media monitoring, with additional features and better user experience.

The business area reported revenues of NOK 59.9 million in the third quarter, versus NOK 55.6 million in 2022. In their functional currencies, Mynewsdesk show a growth in recognized revenues of 3.8 per cent, while Mention reported a reduction of 3.8 per cent.

The Board and management of the SaaS companies have initiated a number of measures to improve the results in this business area.

Operating expenses were NOK 62.0 million, compared to NOK 57.6 million in 2022.

Business area EBITDA was minus NOK 2.1 million versus minus NOK 2.0 million in 2022.

Capitalized development expenses were NOK 10.8 million in the quarter (2022: NOK 9.2 million).

NOK million	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	YTD 2022	YTD 2023
Subscription revenues	53.2	57.6	56.4	61.7	58.6	158.1	176.8
Other revenues	2.4	3.0	1.7	3.6	1.3	7.2	6.6
Total revenues	55.6	60.6	58.1	65.3	59.9	165.4	183.3
Operating expenses	57.6	61.7	68.9	70.7	62.0	180.2	201.6
EBITDA	-2.0	-1.2	-10.7	-5.4	-2.1	-14.8	-18.2
CAPEX	9.2	15.1	11.3	14.6	10.8	22.3	36.6
EBITDA less CAPEX	-11.2	-16.3	-22.0	-20.0	-12.8	-37.1	-54.9

Oslo, 19 October 2023

The Board of Directors of NHST Holding AS

KEY FIGURES NHST HOLDING CONSOLIDATED GROUP

INCOME STATEMENT

(MNOK)	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenues	280.5	271.4	831.0	794.5
Operating expenses	282.2	263.2	834.8	781.4
EBITDA*	-1.7	8.2	-3.8	13.1
Ordinary depreciation	20.0	18.7	60.2	49.8
Operating profit / loss	-21.7	-10.5	-64.0	-36.7
Net financial items	-13.6	0.3	- 6.9	-2.4
Profit/loss before tax	-35.3	-10.2	-70.9	-34.3
Profit/loss after tax	-36.4	-11.3	-70.3	-41.8
Minority interests	0.2	-0.1	-0.1	-0.2
Profit/loss after tax majority interests	-36.6	-11.1	-70.2	-41.5
Number of shares ex own shares	1 555 673	1 555 673	1 555 673	1 555 673
Profit/loss per share in NOK	-23.5	-7.3	-45.2	-26.8
Number of employees average	609	592	610	588

*EBITDA includes non-recurring items

BALANCE SHEET

	30.09.2023	31.12.2022
Intangible assets	175.9	179.5
Other fixed assets	187.6	179.2
Total fixed assets	363.4	358.7
Accounts receivable	75.3	89.0
Other short-term receivables	36.3	45.4
Cash and cash equivalents	93.0	210.6
Total short-term assets	204.6	345.0
Total assets	568.1	703.6
Shareholders' equity	-130.8	-57.6
Minority	1.3	1.4
Total shareholders' equity	-129.5	-56.2
Long term debt	33.7	252.1
Accounts payable	25.8	62.9
Prepayments	312.4	309.7
Other short-term debt	325.6	135.1
Total liabilities	697.5	759.8
Total shareholders' equity and liabilities	568.1	703.6

NOTE 1 ACCOUNTING PRINCIPLES

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

NOTE 2 SPECIFICATIONS	Q3 2023		YTD 2023	
	Operating revenues	EBITDA	Operating revenues	EBITDA
Media	221.3	1.3	650.1	16.8
SaaS	59.9	-2.1	183.3	-18.2
Other group companies	-0.8	-0.9	-2.4	-2.4
SUM	280.5	-1.7	831.0	-3.8