

MINTRA®

Q2 & H1 2021

16 August 2021

< DEVELOP & DEPLOY >

www.mintra.com



1

HIGHLIGHTS

2

FINANCIAL REVIEW

3

BUSINESS REVIEW

4

SUMMARY & OUTLOOK

5

Q&A

E-LEARNING PLATFORM
& MISSION-CRITICAL
HCM SOFTWARE
FOR COMPLIANCE-
DRIVEN INDUSTRIES >

Q2 HIGHLIGHTS



CONTINUED Q-o-Q IMPROVEMENT IN E-LEARNING

Revenue +7% from Q1 2021, with increase in Marketplace share of revenue



LAUNCHING NEW AND COMPLETE MARITIME E-LEARNING LIBRARY

Addressing a large untapped market with more than double the number of course titles in the library



HCM SOFTWARE IMPROVING AFTER TEMPORARY DIP IN Q1

Revenue +7% from Q1, with OCS HR implementation programs set to increase subscription levels in H2 2021



REITERATING OUTLOOK AND GUIDANCE

10%+ revenue growth and 35%-40% EBITDA margin expected for 2021*



CASH GENERATIVE AND WELL-FUNDED FOR FURTHER GROWTH

Cash balance of NOK 175 million with positive cash flow from operations in H1

*Excluding acquisitions and associated restructuring costs



1

HIGHLIGHTS

2

FINANCIAL REVIEW

3

BUSINESS REVIEW

4

SUMMARY & OUTLOOK

5

Q&A

Q2 FINANCIAL REVIEW

E-LEARNING CONTINUING THE RECOVERY

- Q-o-Q improvement from Q1 2021 and Q4 2020
- Improving course usage and increasing libraries

HCM SOFTWARE REBOUNDED

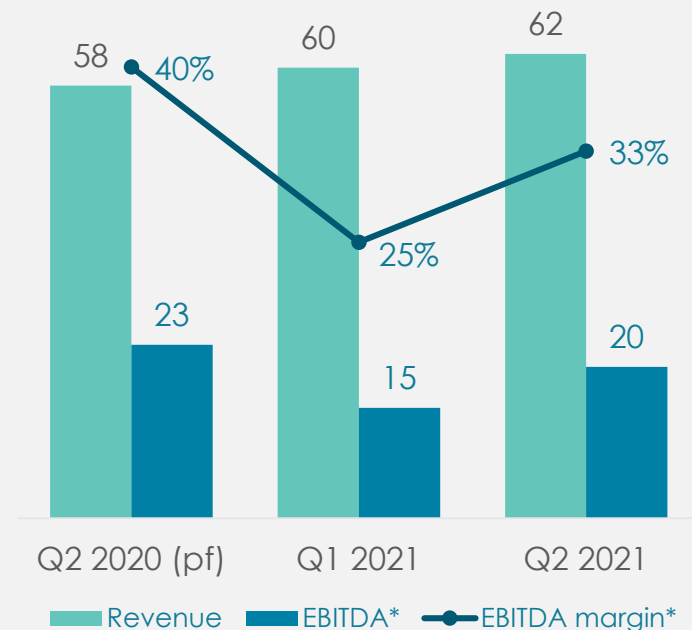
- Q-o-Q improvement after dip in Q1
- Major implementation projects set to generate subscription growth in H2

RAPID SAFEBRIDGE TURNAROUND

- NOK 13m revenue and solid EBITDA contribution in Q2
- Gaining traction with cross-sales of Mintra content

REVENUE AND EBITDA

Proforma NOK million, %



* EBITDA before acquisition costs

QUARTERLY REVENUE BY SEGMENT

E-LEARNING TURNING THE CORNER

- Legacy e-Learning NOK +2m vs Q1 and NOK +8m vs Q4
- Safebridge added NOK 12m in both Q1 and Q2

HCM SOFTWARE BACK ON LEVEL

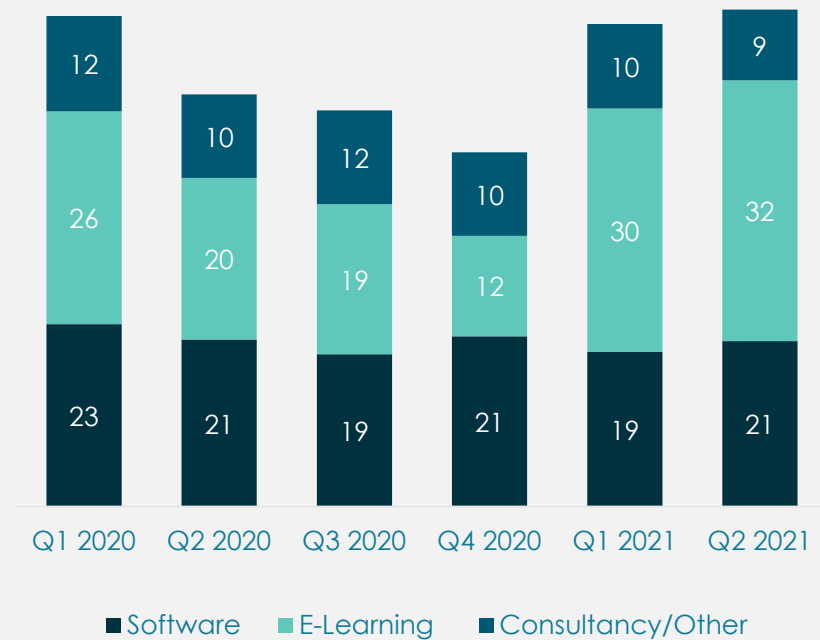
- Higher subscriptions levels expected in H2'21

CONSULTING/OTHER IN SLIGHT DECLINE

- Higher internal utilization of consultants

REVENUE BY SEGMENT

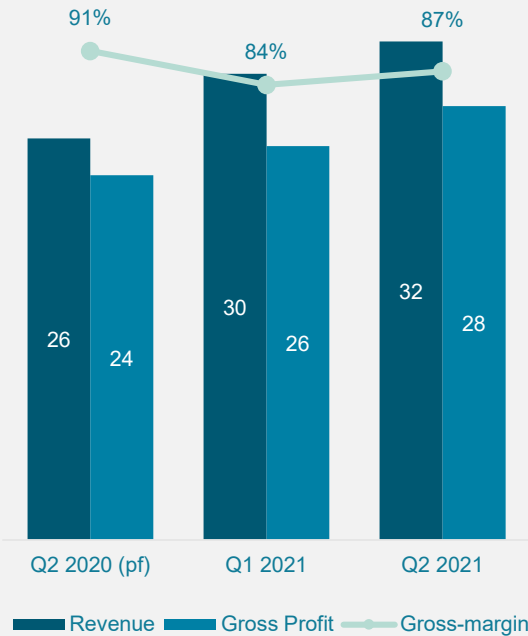
Actual, NOK million



SEGMENT DEVELOPMENT

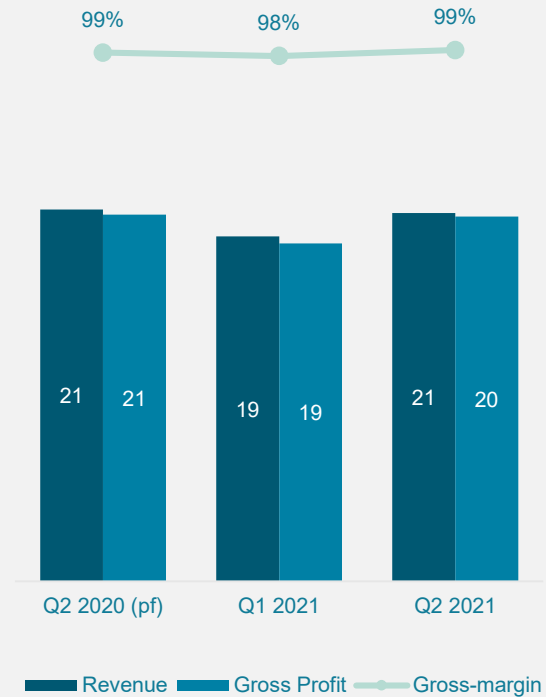
E-LEARNING REVENUE AND GROSS PROFIT

Proforma, NOK million



HCM SOFTWARE REVENUE AND GROSS PROFIT

Proforma, NOK million



QUARTERLY PROFIT & LOSS DEVELOPMENT

Q2 KEY METRICS VS. Q1 2021	NOK million IFRS	Q2 2021	Q1 2021	PROFORMA Q2 2020
REVENUE +3%	Revenue	61 829	60 035	57 644
88% GROSS MARGIN VS. 87%	Gross profit	54 105	52 484	53 695
	Acquisition costs	-2 047	-4 305	
DECLINING OPEX	Operating expenses	-33 951	-37 806	-30 600
33% ADJUSTED EBITDA VS. 24% IN Q1	EBITDA	18 107	10 373	23 095
	Depreciation and amortisation	6 422	7 245	7 694
	EBIT	11 685	3 128	15 401
STABLE NET FINANCIAL COSTS	Net financial items	-2 384	-2 232	9 170
IMPROVED PROFITABILITY	Profit before tax	9 301	896	24 264

CASH GENERATION

EBITDA AFFECTED BY ACQUISITION COSTS OF NOK 6.3M IN H1 '21

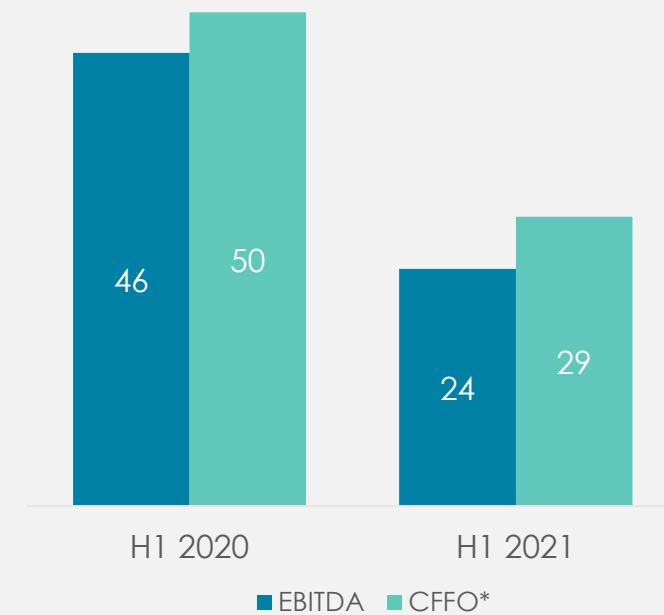
ADVERSE NET WORKING CAPITAL DEVELOPMENT IN Q2

- INCREASED E-LEARNING USAGE ON PREPAID-BUNDLES, REDUCING DEFERRED REVENUE
- INCREASING NO. OF RECEIVABLE DAYS

CAPITALIZED R&D AT ~7% OF REVENUE

EBITDA AND CASH GENERATION

NOK million



*Cash flow from operations

WELL-FUNDED TO PURSUE GROWTH OPPORTUNITIES

STRONG CASH
AND EQUITY
POSITION

NOK 175m

Cash position Q2'21

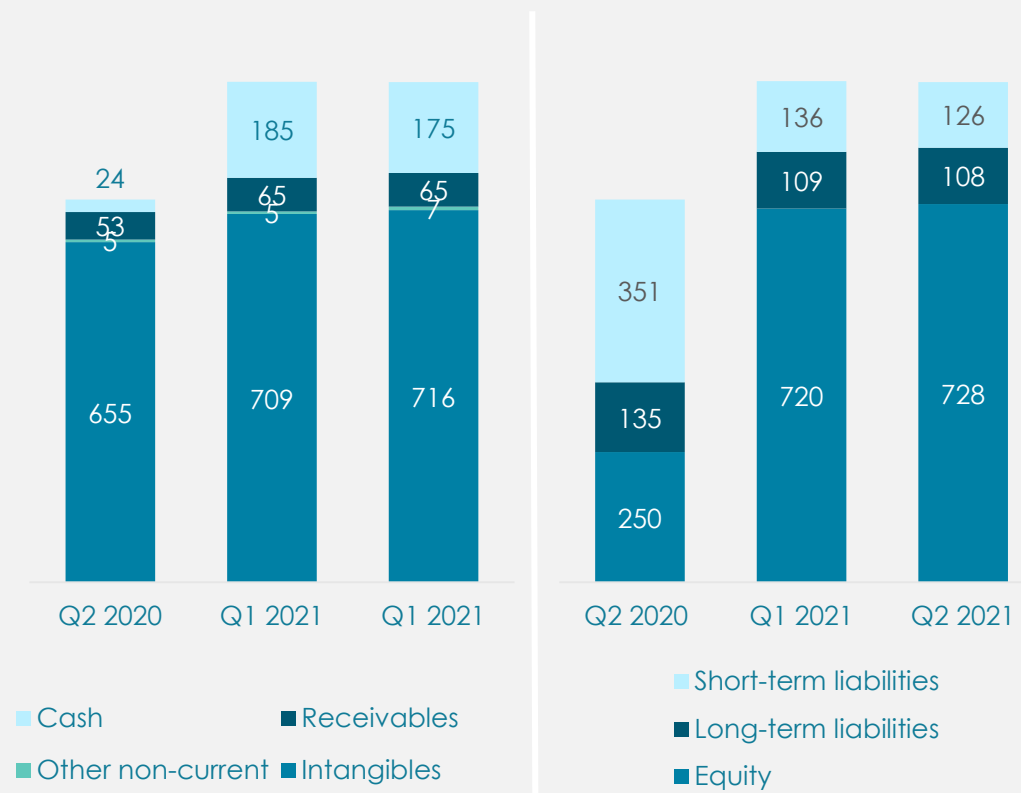
LOAN FACILITIES
EXTENDED TO Q2
2023

76%

Equity ratio Q1 '21

BALANCE SHEET

NOK million



Note: Figures based on IFRS (unaudited)



1

HIGHLIGHTS

2

FINANCIAL REVIEW

3

BUSINESS REVIEW

4

SUMMARY & OUTLOOK

5

Q&A

E-LEARNING COURSES



~51% ↑

HUMAN CAPITAL MANAGEMENT SOFTWARE



~33% ↑

CONSULTING & OTHER



~16% ↓



ENERGY >40%



GROWING THE MARITIME BUSINESS AND EXPANDING INTO NEW COMPLIANCE- DRIVEN INDUSTRIES



▶ **OTHER <20%**

MARITIME >40%



LAUNCHING COMPLETE MARITIME E-LEARNING LIBRARY

MARITIME LIBRARY MORE THAN DOUBLED TO 234 TITLES DURING H1 2021

- >100 new in-house built technical and compliance courses
- Covering the full scope of seafarers' training needs
- Superior functionality and connectivity solutions

ADDRESSABLE MARKET OF 54,000 VESSELS

- Aiming to expand current portfolio from ~1,800 to ~3,400 vessels by end of next year
- Signed major new customers before completion of the library
- Several existing clients are committing to increase spending

SIGNIFICANT REVENUE POTENTIAL



NEW SALES CHANNELS FOR SME CUSTOMERS

NEW PRICING MODELS

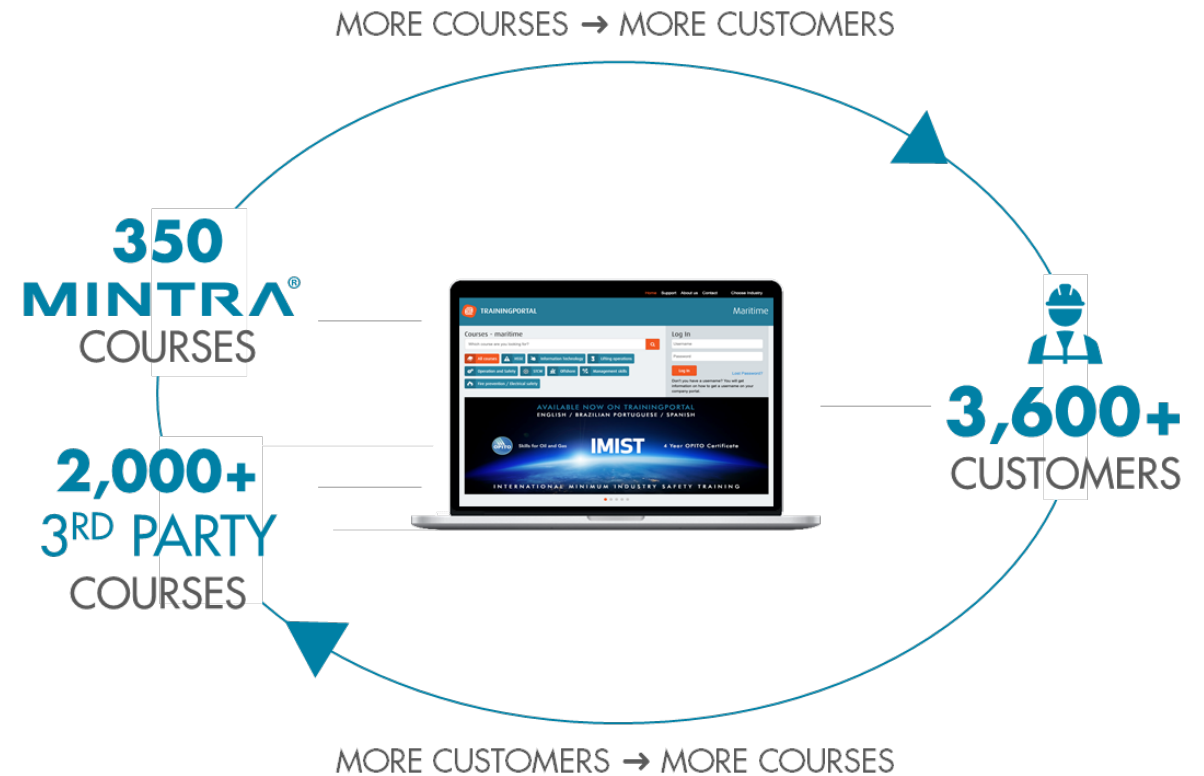
- Allowing us to target a significant number of competitive installs

REDUCING THE BARRIER TO ENTRY

- Lowering the initial cost hurdle

MARKETPLACE SHARE OF E-LEARNING CONTINUES TO INCREASE

- 34% in Q2, up from 33% in Q1 and 30% in Q4



NEW COMPETITIVE OCS OFFERING

REDUCING BARRIER TO ENTRY

- Lowering the initial cost hurdle
- Still large amount of vessel owners without a system

NEW PRICING MODELS

- Allowing us to target a number of competitive installs



LEVERAGING ON A BROADER CUSTOMER BASE

CROSS-SALES OF MINTRA CONTENT TO
SAFEBRIDGE CLIENTS GAINING TRACTION

SAFEBRIDGE QUADRUPLED OUR MARITIME
CUSTOMER BASE

>650 CUSTOMERS ACROSS 140 COUNTRIES



PROGRESSING THE TRADE SCHOOL OFFERING

MOVING FORWARD WITH TRADE SCHOOL INITIATIVES IN INDIA

- Real opportunity to increase e-Learning customer base in the region
- Still hampered by Covid-19/ low vaccination rates

TARGETING ONE STATE WITH >400 TRADE SCHOOLS IN H2 2021



KPIs MOVING IN THE RIGHT DIRECTIONS

E-LEARNING


>2,600
COURSES^{1,2}

34%
MARKETPLACE SHARE OF
E-LEARNING REVENUES³

HCM SOFTWARE

254,597
TRAININGPORTAL USERS²


174,451
OCS HR USERS²

MINTRA GROUP

98%
SHARE OF PREDICTABLE REVENUES³

NOK 112m
ANNUAL RECURRING REVENUE⁴

¹: Includes both Mintra and third-party courses

²: As at end-Q2 2021

³: Based on Q2 2021

⁴: Contracted recurring revenue per end-Q2 2021



1

HIGHLIGHTS

2

Q1 FINANCIAL REVIEW

3

Q1 BUSINESS REVIEW AND THE
SAFEBRIDGE ACQUISITION

4

SUMMARY & OUTLOOK

5

Q&A

AT THE CROSSROADS OF FOUR MAJOR MEGATRENDS



EDUCATION



DIGITALISATION

MINTRA®



REGULATION



SUSTAINABILITY

PROGRESS MADE TO DRIVE GROWTH IN 2021



EXPANDING THE MARITIME OFFERING

- Launched complete maritime library with more than 100 new technical and safety courses developed in-house
- Aiming to increase portfolio of vessels served from 1,800 to 3,400 by end of next year



CAUTIOUSLY OPTIMISTIC FOR REBOUND IN ENERGY

- Number of POB (personnel on board) normalizing in the North Sea
- Benefits of e-Learning brought to the fore during Covid-19



DEVELOPING THE TRADE SCHOOL CHANNEL

- Targeting one state in India with >400 trade schools in H2 2021

RE-ITERATING OUR GUIDANCE

	2021	MEDIUM TERM
Annual organic revenue growth	10%+	15%+
Underlying EBITDA margin*	35-40%	40%+
Acquisitions per year	1 to date	1 – 2
Revenue added through M&A annually		NOK 50 – 75M

*Excluding acquisitions and associated restructuring costs

Q&A

The background features a complex network of yellow and blue circular icons, each containing a stylized person silhouette, connected by thin lines. Overlaid on this network is a semi-transparent bar chart with yellow bars. Text elements like 'monetary dynamics', '4900.09', and '36%' are scattered across the scene, suggesting a financial or economic context. A bright orange and red glow emanates from the center, highlighting a specific cluster of nodes.

MINTRA®

APPENDIX >

PROFIT & LOSS

IFRS, NOK ('000)	Q1 2021	Q1 2020	Q1 2020 Proforma*	H1 2021	H1 2020	H1 2020 Proforma*	FY 2020
Revenue	61 829	51 192	57 644	121 864	112 128	126 036	205,322
Cost of sales	(7 724)	(3 149)	(3 949)	(15 275)	(10 492)	(12 219)	(20,447)
Gross margin	54 105	48 043	53 695	106 589	101 636	113 817	184,875
	88 %	94 %	93 %	87 %	91 %	90 %	90%
Costs associated with Safebridge acquisition	(2 047)			(6 352)			
Operating expenses	(33 951)	(23 351)	(30 600)	(71 757)	(55 452)	(72 149)	(117,684)
EBITDA	18 107	24 692	23 095	28 480	46 184	41 668	67,191
Depreciation of tangible assets	145	2 627	2 876	375	2 803	3 336	5,339
Depreciation of intangible assets	6 277	2 513	4 818	13 292	7 450	11 943	14,452
Amortisation of goodwill					0	0	
Total depreciation and amortisation	6 422	5 140	7 694	13 667	10 253	15 279	19,791
Earnings before interest & taxation	11 685	19 552	15 401	14 813	35 931	26 389	47,400
Net financial items	(2 384)	9 296	9 170	(4 616)	(29 009)	(29 309)	(39,690)
Profit before tax	9 301	28 848	24 571	10 197	6 922	(2 920)	7,710
Taxation	(2 049)	(307)	(307)	(2 120)	(1 045)	(1 045)	(3,914)
Net profit (loss)	7 252	28 541	24 264	8 077	5 877	(3 965)	3,796

* Including results for Safebridge as if it was a member of the Group in the prior year

H1 PROFIT & LOSS

H1 KEY METRICS	NOK million IFRS	H1 2021	PROFORMA H1 2020	REPORTED H1 2020
REVENUE -3% VS. PROFORMA H1 '20	Revenue	121 864	126 036	112 128
87% GROSS MARGIN	Gross profit	106 589	113 817	101 636
	Acquisition costs	-6 352		
STABLE UNDERLYING OPEX	Operating expenses	-71 757	-72 149	-55 452
29% ADJUSTED EBITDA	EBITDA	28 480	41 668	46 184
	Depreciation and amortisation	13 667	15 279	10 253
	EBIT	14 813	26 389	35 931
LOWER FINANCIAL COSTS	Net financial items	-4 616	-29 309	-29 009
IMPROVED PROFITABILITY	Profit before tax	10 197	-2 920	6 922

BALANCE SHEET

ASSETS

Fixed assets	H1 2021	H1 2020	2020
Intangible assets			
Research and development	60 054	28 341	27 196
Right of use assets	13 914	16 828	14 218
Deferred tax asset	3 116	7 144	5 155
Goodwill	639 304	602 574	602 574
Total intangible assets	716 388	654 887	649 143
Tangible assets			
Land, buildings and other real property	3 229	3 345	3 215
Fixtures, fittings, tools, office machinery etc.	2 988	1 270	1 160
Total tangible assets	6 217	4 615	4 375
Financial assets			
Other receivables	745	105	170
Total financial assets	745	105	170
Total fixed assets	723 350	659 607	653 688
Current assets			
Receivables			
Trade receivables	39 471	29 544	82 113
Other receivables	25 351	23 290	18 608
Total accounts receivable	64 822	52 834	100 721
Cash and cash equivalents	174 870	24 069	229 591
Total current assets	239 692	76 903	330 312
Total assets	963 042	736 510	984 000

BALANCE SHEET

EQUITY & LIABILITIES

	H1 2021	H1 2020	2020
Paid-in capital			
Share capital	5 578	4 032	5 578
Share premium reserve	826 222	356 374	826 222
Total paid-in capital	831 800	360 406	831 800
Retained earnings			
Other equity	(103 439)	(109 986)	(113 474)
Total retained earnings	(103 439)	(109 986)	(113 474)
Total equity	728 361	250 420	718 326
Liabilities			
Provisions			
Deferred tax liability	5 425	3 702	3 399
Total provisions	5 425	3 702	3 399
Other long-term liabilities			
Liabilities to financial institutions	90 859	115 217	100 882
Other long-term liabilities	12 146	15 766	13 342
Total other long-term liabilities	103 005	130 983	114 224
Current liabilities			
Liabilities to financial institutions	9 987	226 691	9 815
Trade creditors	7 616	6 457	6 606
Tax payable	891	(116)	1 156
Public duties payable	7 630	10 316	19 836
Other short-term liabilities	100 127	108 057	110 638
Total current liabilities	126 251	351 405	148 051
Total liabilities	234 681	486 090	265 674
Total equity and liabilities	963 042	736 510	984 000

CASH FLOW

	H1 2021	H1 2020	Q2 2021	Q2 2020	2020
	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Net profit / loss after taxation	8 077	5 877	7 252	28 541	3,796
Adjustments to reconcile net loss to net cash used in operating activities					
Depreciation and amortisation	13 667	10 253	6 422	5 140	19,691
Changes in deferred taxation	2 039	1 414	2 039	707	2,879
Changes in current tax liability	0	0	0	0	1,156
Unwinding of finance fees	765	0	376	0	833
Increase in fair value of financial instruments	(146)	0	(18)	0	(93)
Net foreign currency exchange rate differences	(90)	(59)	640	(648)	16,640
Changes in operating assets and liabilities					
Trade and other receivables	36 723	63 874	(13 490)	22 118	17,591
Trade and other payables	(35 413)	(60 023)	(8 706)	(31 576)	(6,429)
Net interest expense	3 852	29 009	2 009	(9 297)	18,745
Net cash generated / (used) in operating activities	29 474	50 345	(3 476)	14 985	74,809
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment in subsidiary	(60 796)	0	0	0	
Payments towards property and equipment	(329)	(507)	(329)	0	(782)
Payments towards research and development	(8 063)	(6 353)	(3 744)	(3 859)	(12,391)
Tax (paid) / refunded	(84)	(678)	(17)	(648)	(319)
Net cash used in investing activities	(69 272)	(7 538)	(4 090)	(4 507)	(13,492)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings	0	115 400	0	115 400	115,400
Payments towards borrowings	(11 045)	(114 954)	0	(114 954)	(333,067)
Finance lease repayments	(3 623)	(2 402)	(1 811)	(1 201)	(4,805)
Net proceeds from issuance of capital	0	0	0	0	469,745
Arrangement fee paid	0	(3 238)	0	(3 238)	(4,148)
Interest paid	(1 671)	(4 709)	(313)	(2 637)	(66,240)
Net cash provided by financing activities	(16 339)	(9 903)	(2 124)	(6 630)	176,885
Net increase / (decrease) in cash and cash equivalents	(56 137)	32 904	(9 690)	3 848	238,202
Cash and cash equivalents at beginning of year	229 591	(10 080)	184 779	20 334	(10,080)
Cash acquired on acquisition	1 700	0	0	0	0
Effects of exchange rate on cash and cash equivalents	(284)	1 245	(219)	(113)	1,469
Cash and cash equivalents at end of period	174 870	24 069	174 870	24 069	229,591