

Q4 2023 Presentation

1 March 2024

Today's presenters



Sverre Flatby

Chief Executive Officer

18 years with Omda
9.7% equity stake in Omda¹⁾



Einar Bonnevie

Chief Financial Officer

15 years with Omda
9.7% equity stake in Omda¹⁾

A photograph of the Aurora Borealis (Northern Lights) in a dark sky, with green and blue light streaks. Below the sky is a dark, snow-covered landscape with some white patches of snow.

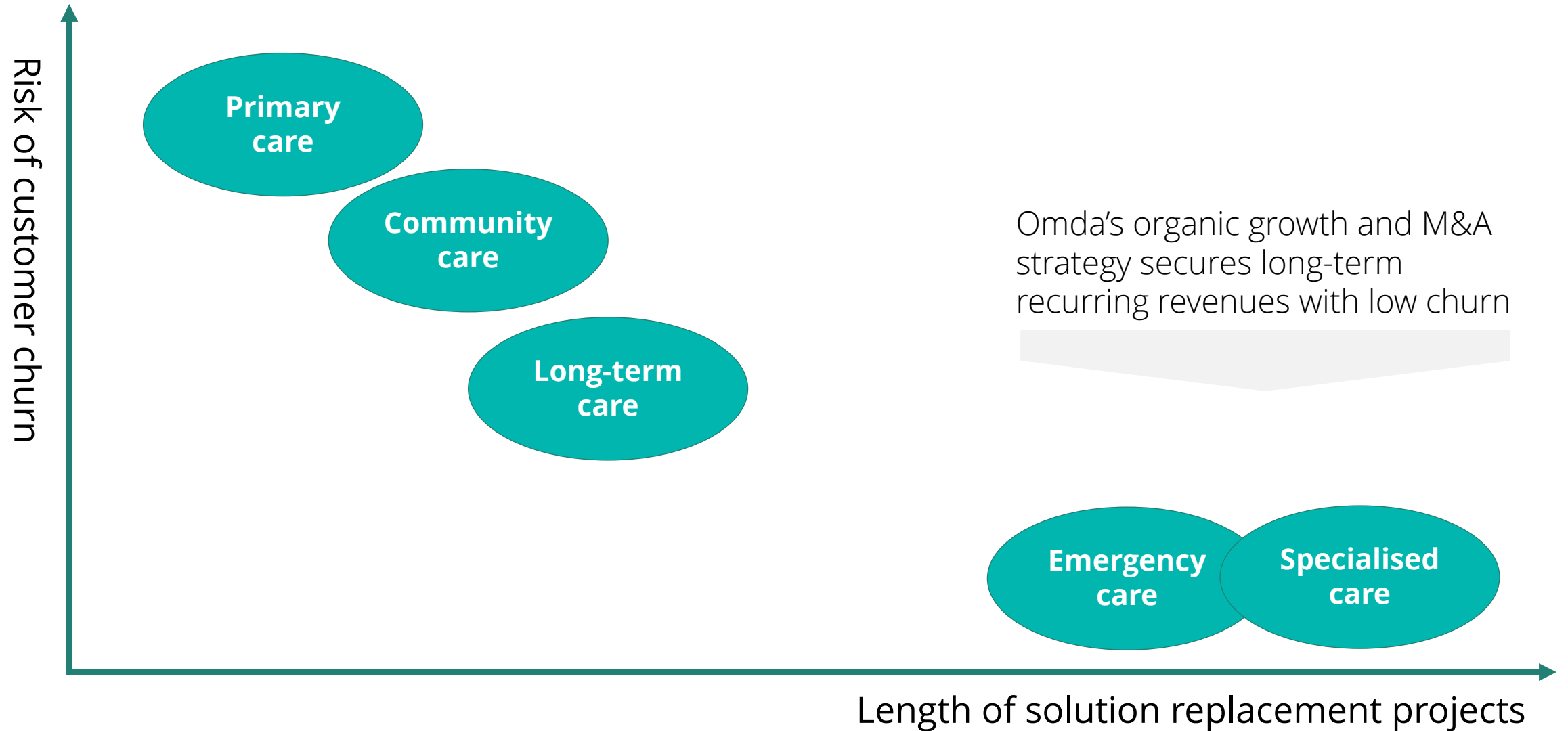
Vision:

Smarter ways to a safe and healthy world

Mission:

Providing proven, focused software for health and emergency professionals to know more and work smarter.

Specialised software -> long-term income predictability



Software niches - business areas



Emergency

Managing every aspect of the emergency response value chain



Woman & Child

Safeguarding pregnancy, childbirth and infancy



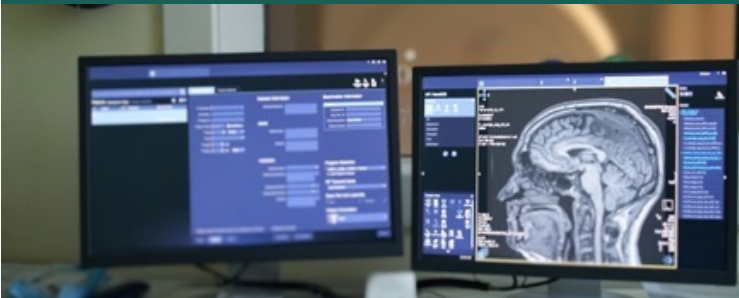
Medication Management

Decision support, safe and effective oncology treatments



Connected Imaging

Leading imaging solutions and secure information sharing



LIMS

End-to-end blood, cell, and tissue management



Health Analytics

Improving the quality of medical data from collection to analysis



Long-term recurring revenue with minimal churn....

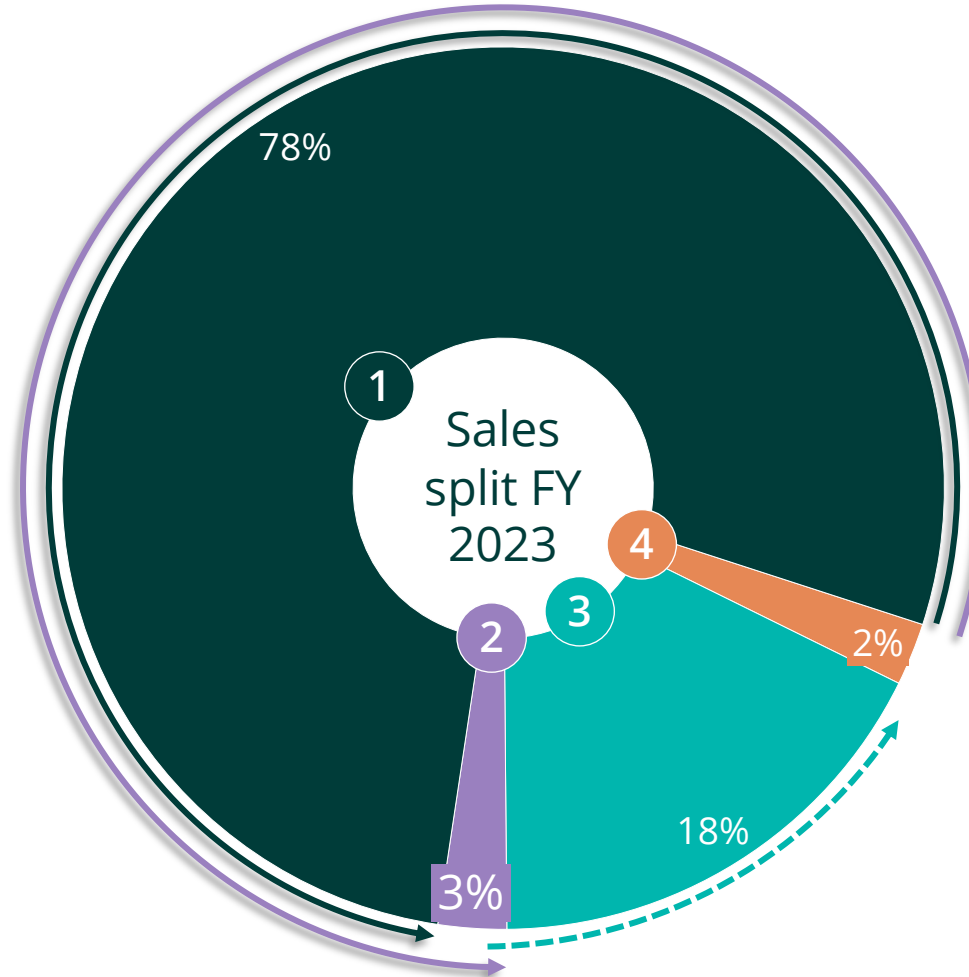


1 Recurring Revenue

2 License Sales

4 Other income

3 Professional Services



Recurring revenue

Software revenue

Semi-recurring revenue

...from solid public healthcare customers



>20
years



Solid
counterparties



+90% of revenue from
public healthcare accounts

High
diversification



+600 contracts across
27 countries

>10
years



High
stickiness



Predictable revenues for
years, sometimes decades

< 2%
churn¹⁾



Mission-critical systems
favours contract continuity

Performance Q4-2023 compared to Q4-2022



109 MNOK

Q4'23

vs 98 MNOK Q4'22

11%

Income growth

Q4'23 vs Q4'22

12%

Annual
revenue
growth YoY

2023 vs
2022

19%

EBITDA margin Q4'23

vs -21% Q4'22

6,6%

COGS Q4'23

vs 10% Q4'22

60%

Salary cost Q4'23

vs 75% Q4'22

(% of total revenue)

283

Employees
Q4'23

vs 315
Q4'22

15%

Other cost Q4'23

vs 22% Q4'22

(% of total revenue)

Performance 2H-2023 compared to 1H-2023



1H 2023 —————→ **2H 2023**

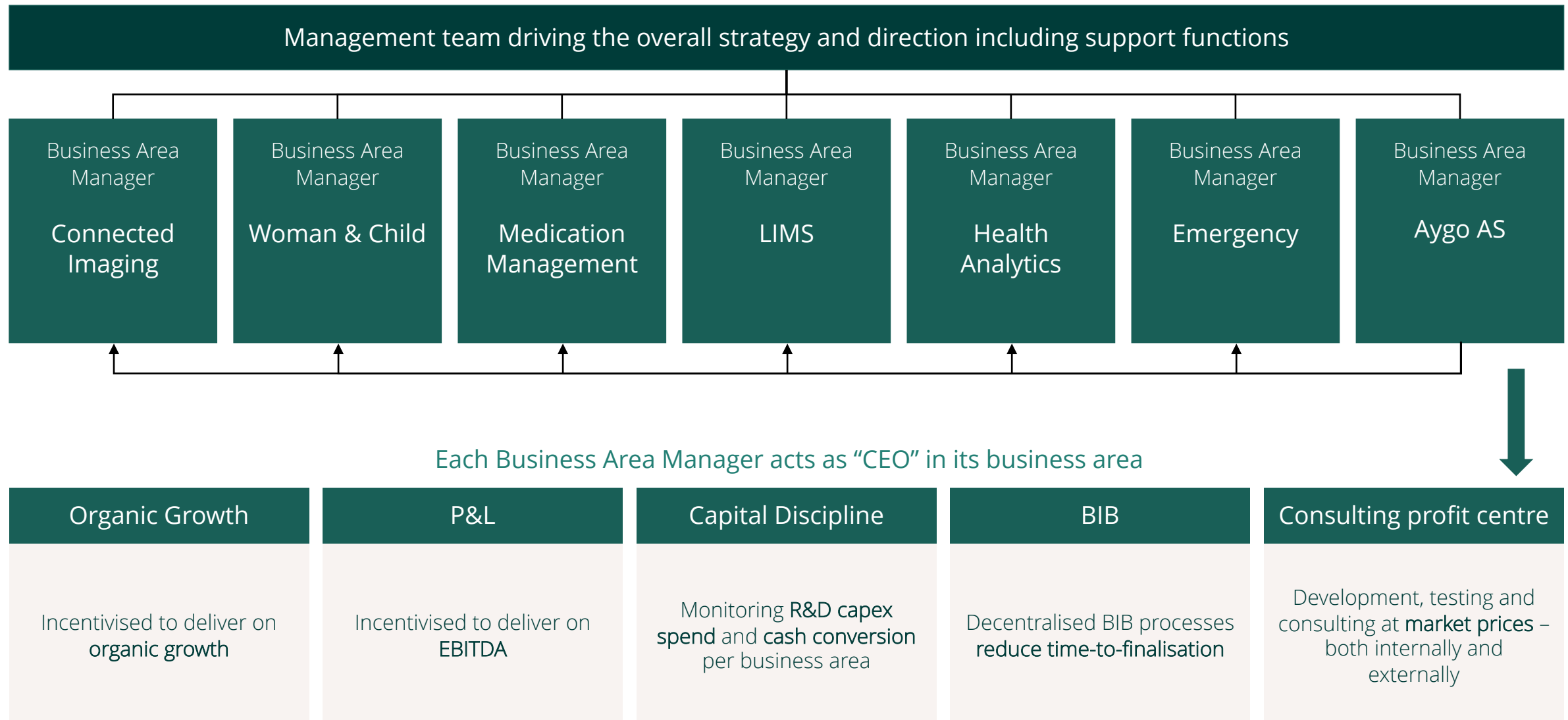
8%

**EBITDA
margin**

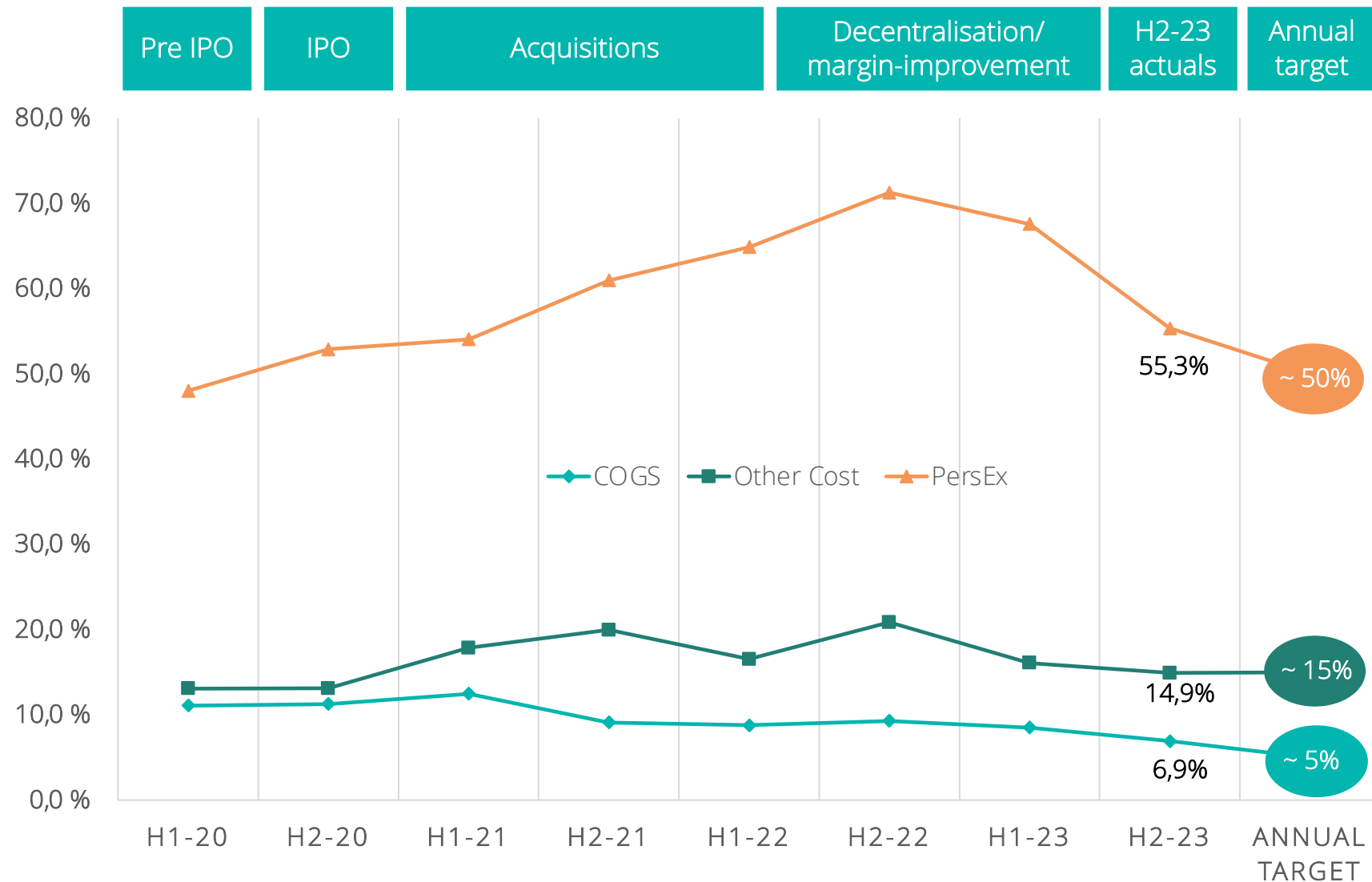
23%

**EBITDA
margin**

Decentralisation drives the margin improvement



The margin improvement program in perspective



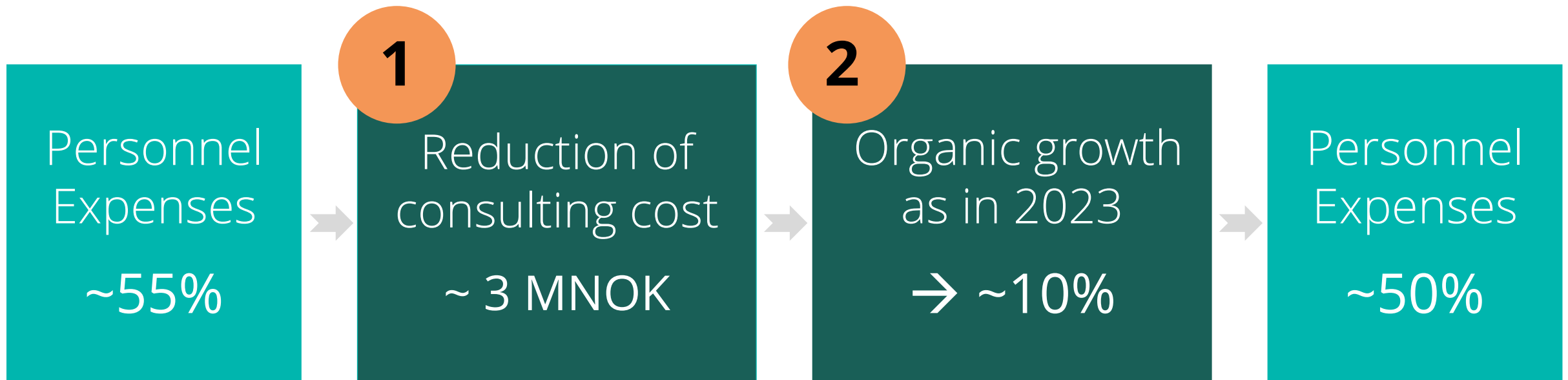
- COGS is gradually approaching the 5% target
- Other Cost is already around the 15% target
- Personnel Expenses is still above the 50% target → clear roadmap to reach the 50% target

Primary actions to achieve 30% EBITDA margin

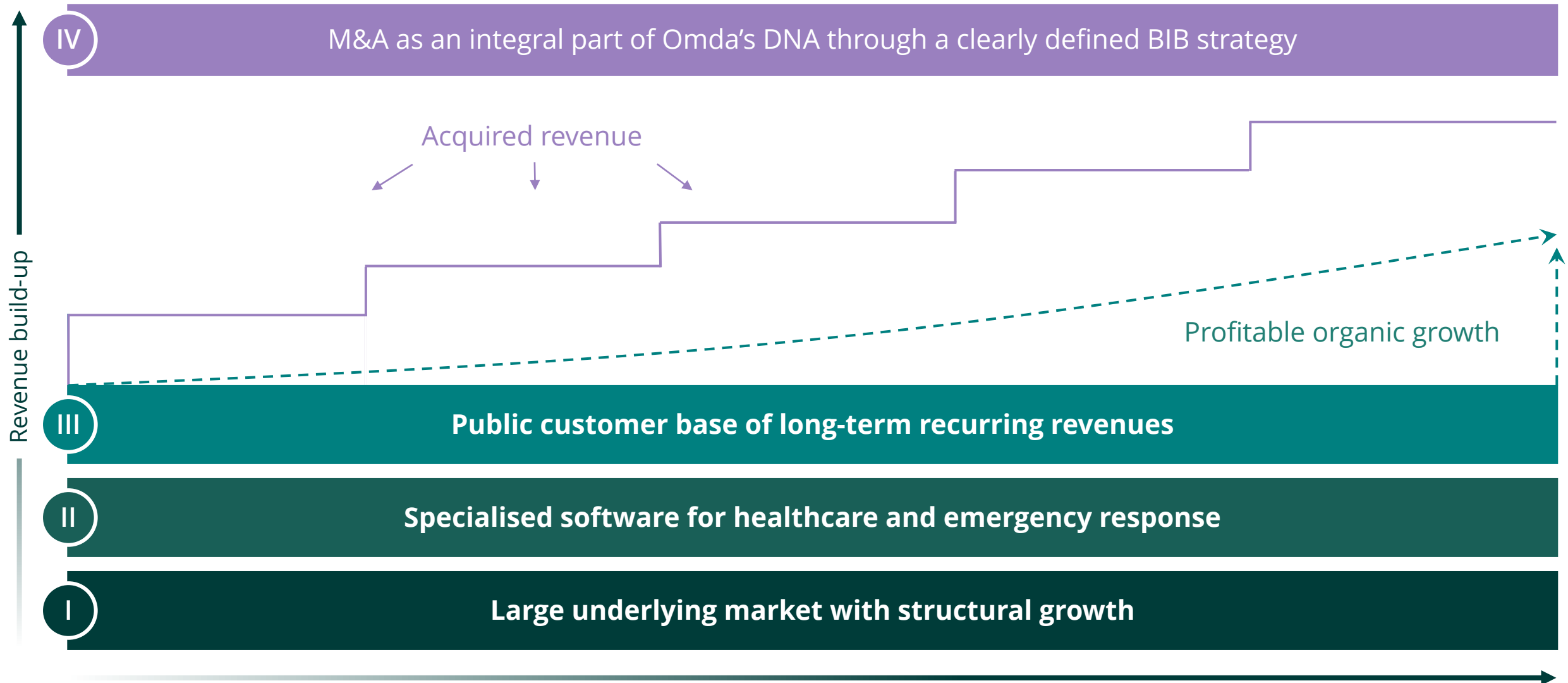


2H 2023

2024



Omda's key building blocks and value creation model



Omda's history and direction



Start-up

Norwegian
start-up in
hospital

Export

Export to
Sweden & small
acquisitions

#1

The #1 in niche
software in the
Nordics

Profitability

Decentralisation
and margin
improvement

Europe

Focus on strong
growth in
Europe

Worldwide

Leader in
specialised
niches

1999 - 2009

2010 - 2014

2015 - 2021

2022 - 2023

2025

2030

15 companies acquired & integrated

Business plan priorities

SmartWare



Natus

AMIS AS

Arcid

MEDIWARE

Mawell

Databyrån

PARATUS

KIBI

FERTSOFT

carmenta

MED
SCI
NET



carmona

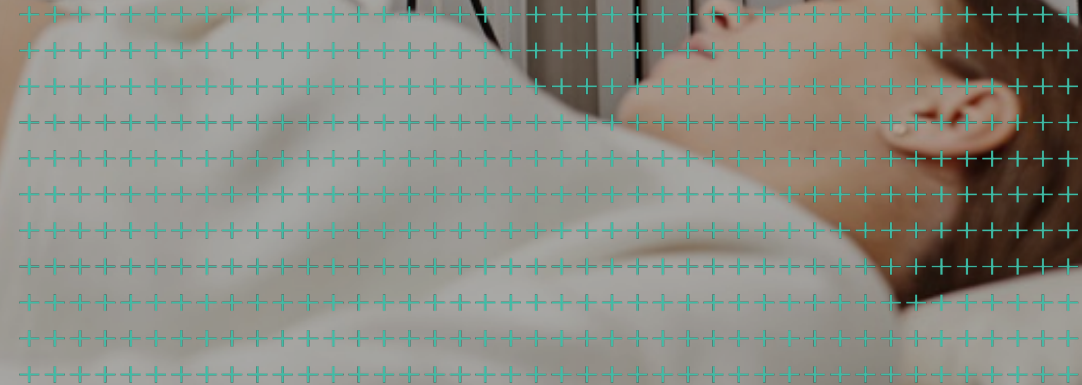
Organic growth

Profitability

Cash discipline

Acquisitions

Financials

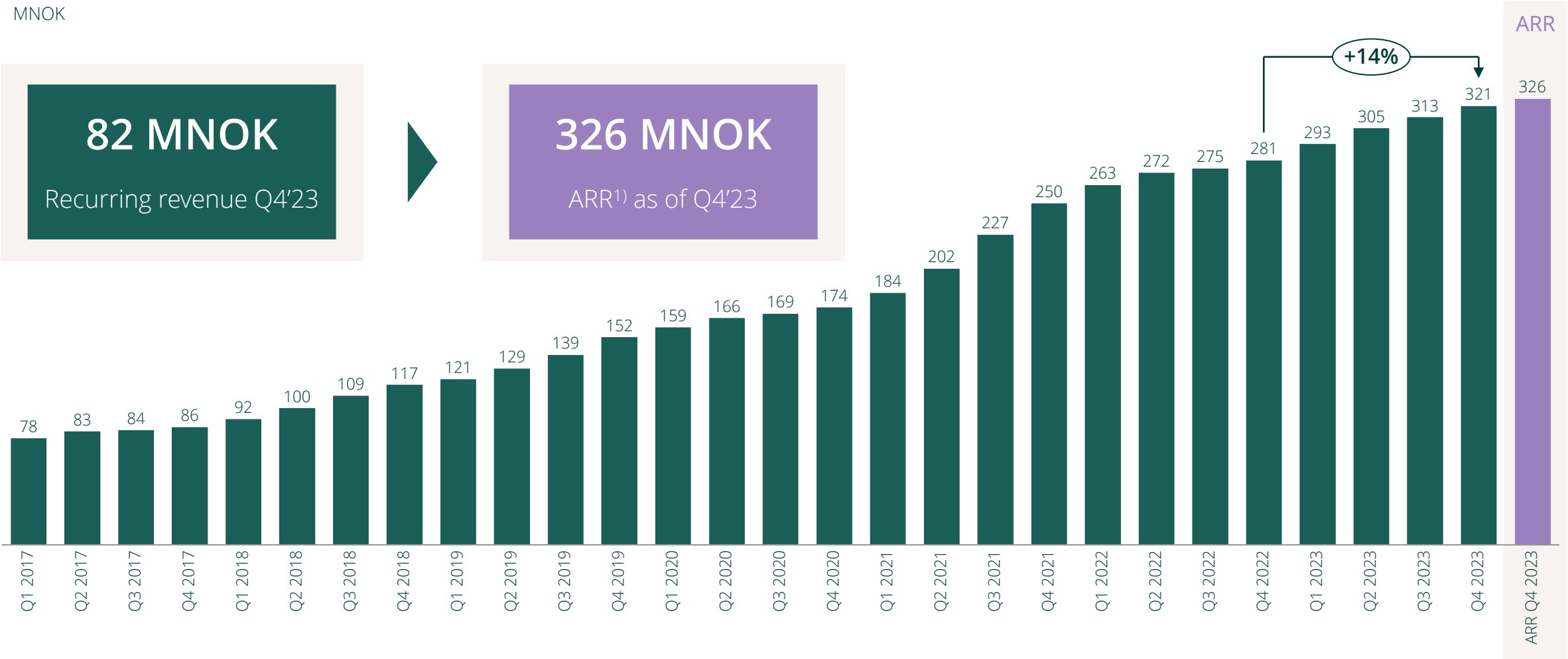


Steadily increasing recurring revenues



Quarterly development recurring revenues last four quarters

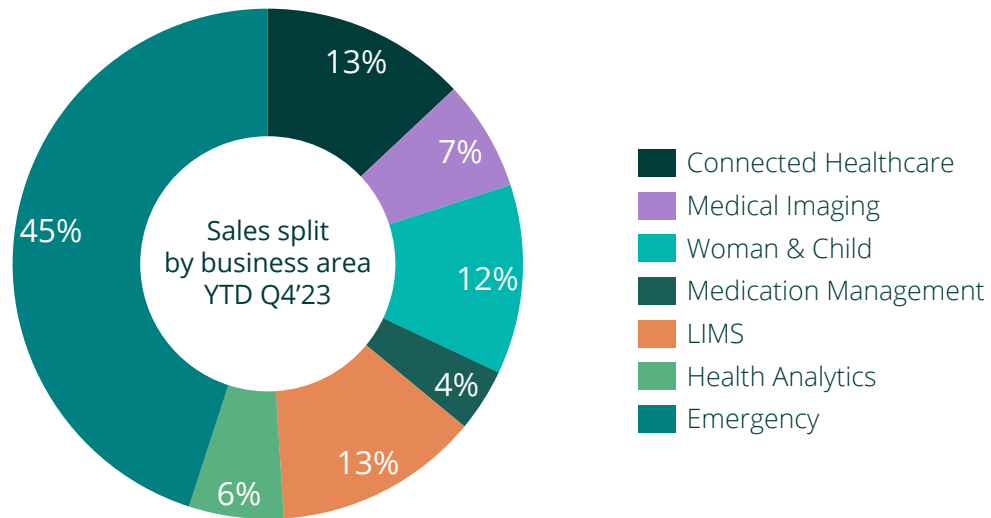
MNOK



Attractive revenue diversification

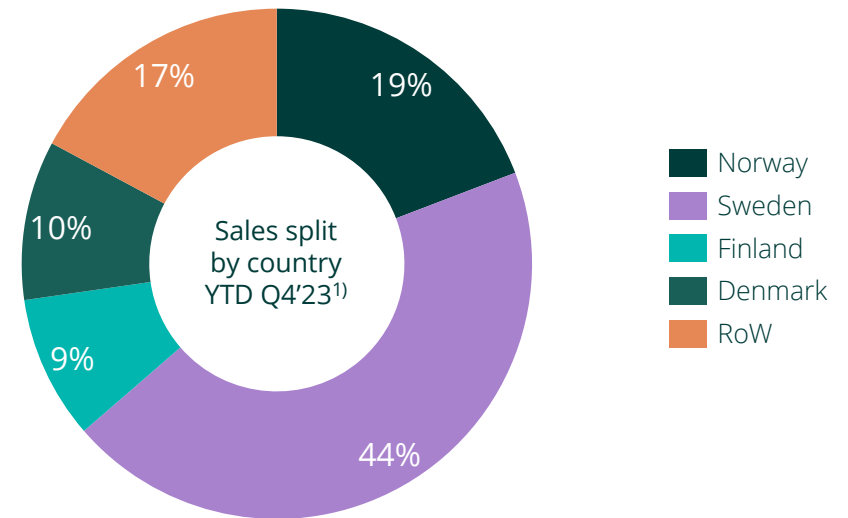


Diversified across 7 business areas



Mission critical offering through several niches diversified into different end-users and fields-of-use, with substantial contribution from high-growth Emergency

Geographical spread ¹⁾



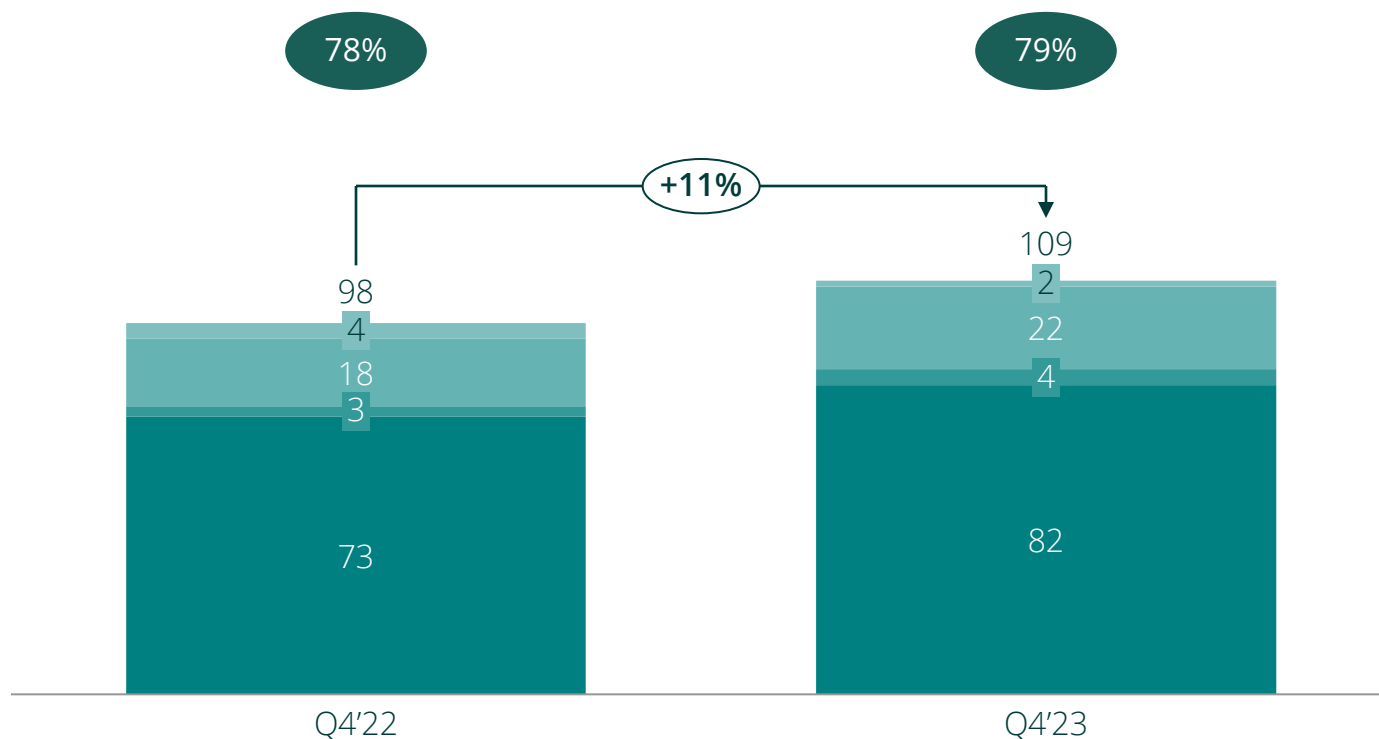
Diversified across 27 countries, with a growing share outside of the Nordics

Favourable revenue mix



Total revenue development Q4'22 vs Q4'23

MNOK



% Software as % of total sales¹⁾

■ Recurring revenue ■ License sales ■ Professional services ■ Other

Commentary

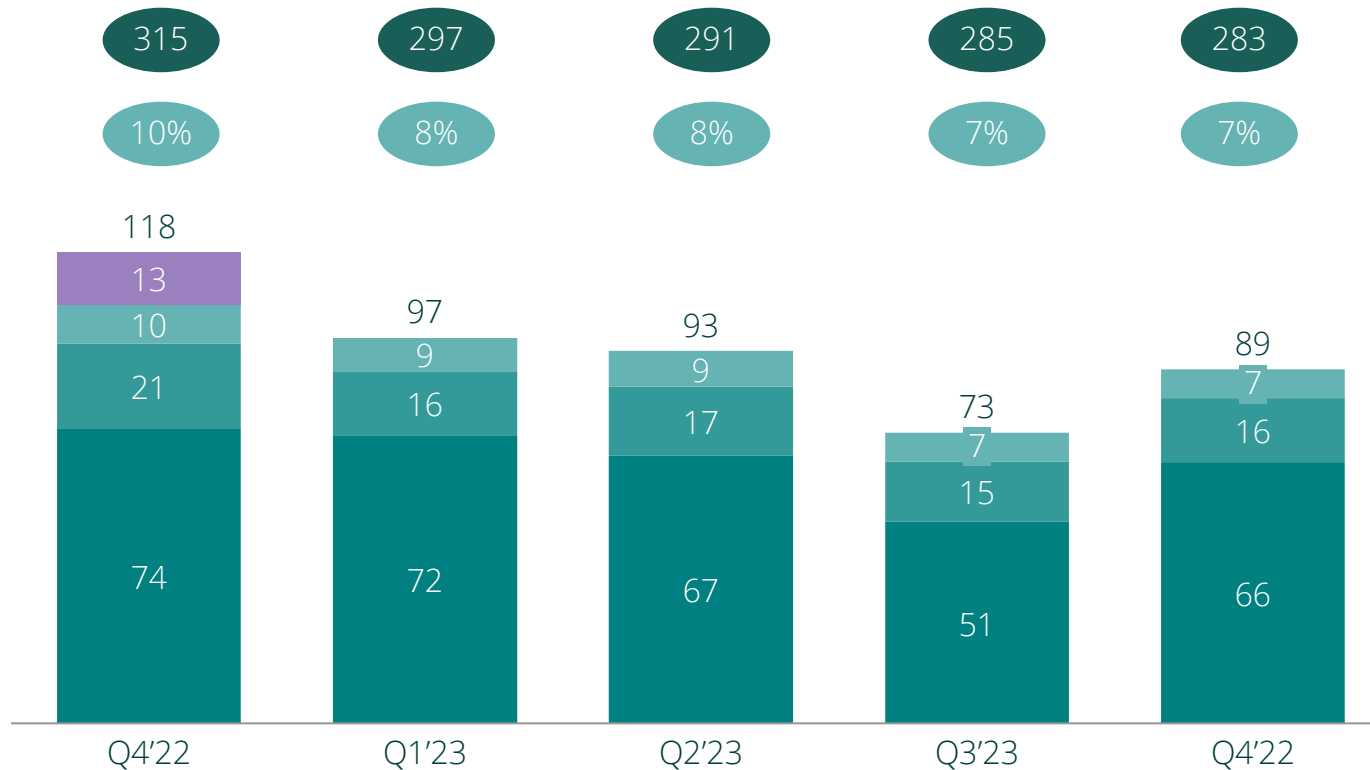
- Favourable revenue mix with the majority consisting of attractive high margin recurring software revenue
- Recurring revenue continue to grow in accordance with expectations with 11% growth Q4'22 vs Q4'23
- Other revenue (incl. hardware revenue) reduced by almost NOK 3m due to divestment of the Finnish OnBase and document scanner business which was considered non-core
- Organic growth continues to be in the upper range of guidance

Significant cost improvement



Cost base development quarter over quarter

MNOK



of employees, period-end % COGS % total revenue

Salary and personnel Other cost COGS Restructuring cost

Commentary

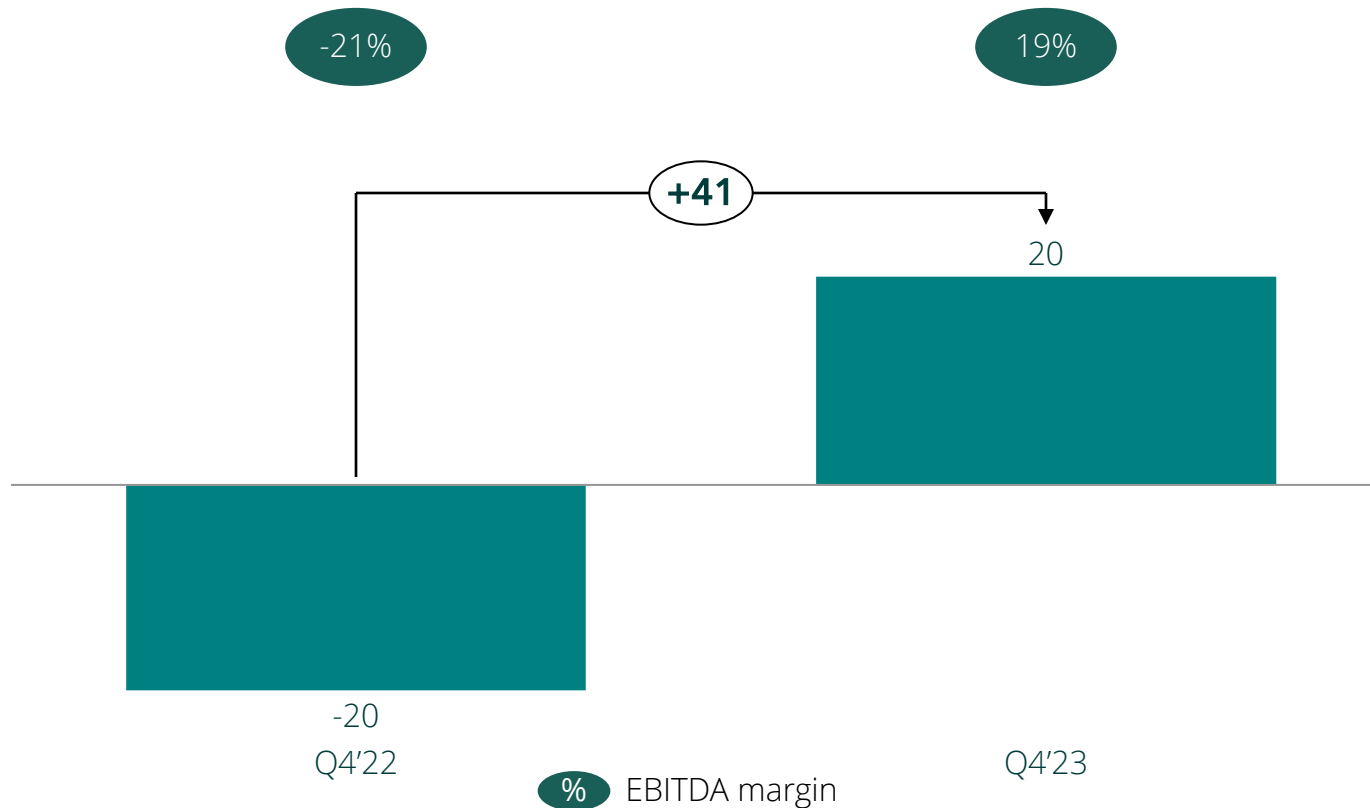
- NOK 16m in cost improvements from Q4'22 to Q4'23 (excl. restructuring cost) consisting of:
 - NOK 2.5m in COGS improvements
 - NOK ~5m in other cost improvements
 - NOK ~8m in salary and personnel improvements
- Number of employees reduced from 315 at the end of Q4'22, when the margin-improvement programme was initiated, to 283 at the end of Q4'23
- Continued focus on gross margin by further reducing COGS, targeting 5% of total sales
- Salary and personnel increasing from Q3'23, primarily due to holiday pay effects
- Continue to scale down the use of external consultants will reduce salary and personnel with NOK ~3 million

Approaching target of 30% reported EBITDA margin



EBITDA development Q4'22 vs Q4'23

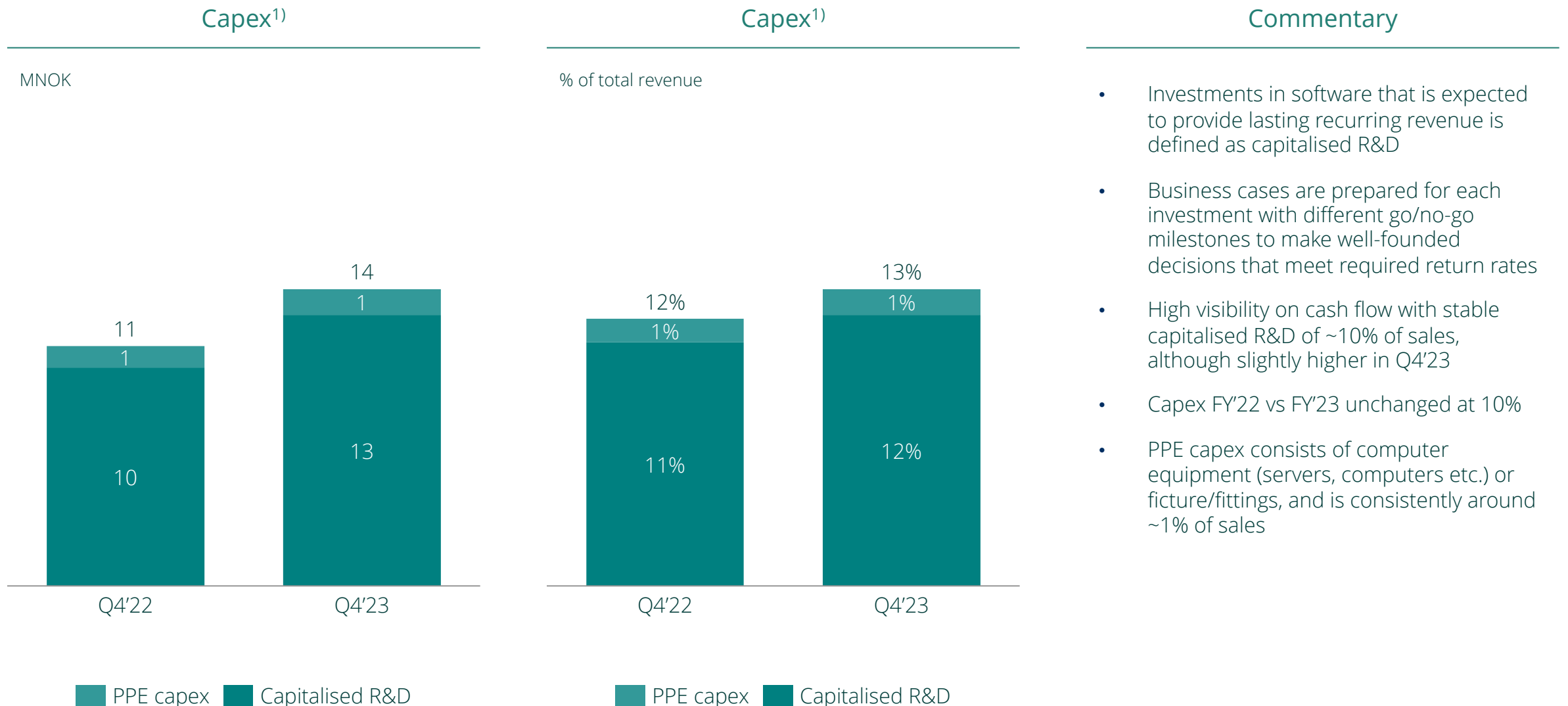
MNOK



Commentary

- Profitability significantly improved as a result of the group-wide margin-improvement programme initiated in Q4'22
- Ideally, EBITDA should have been some percentage points higher
- Negative deviation explained by increased use of external consultants, and other relatively minor items

Capex consists of mainly R&D representing



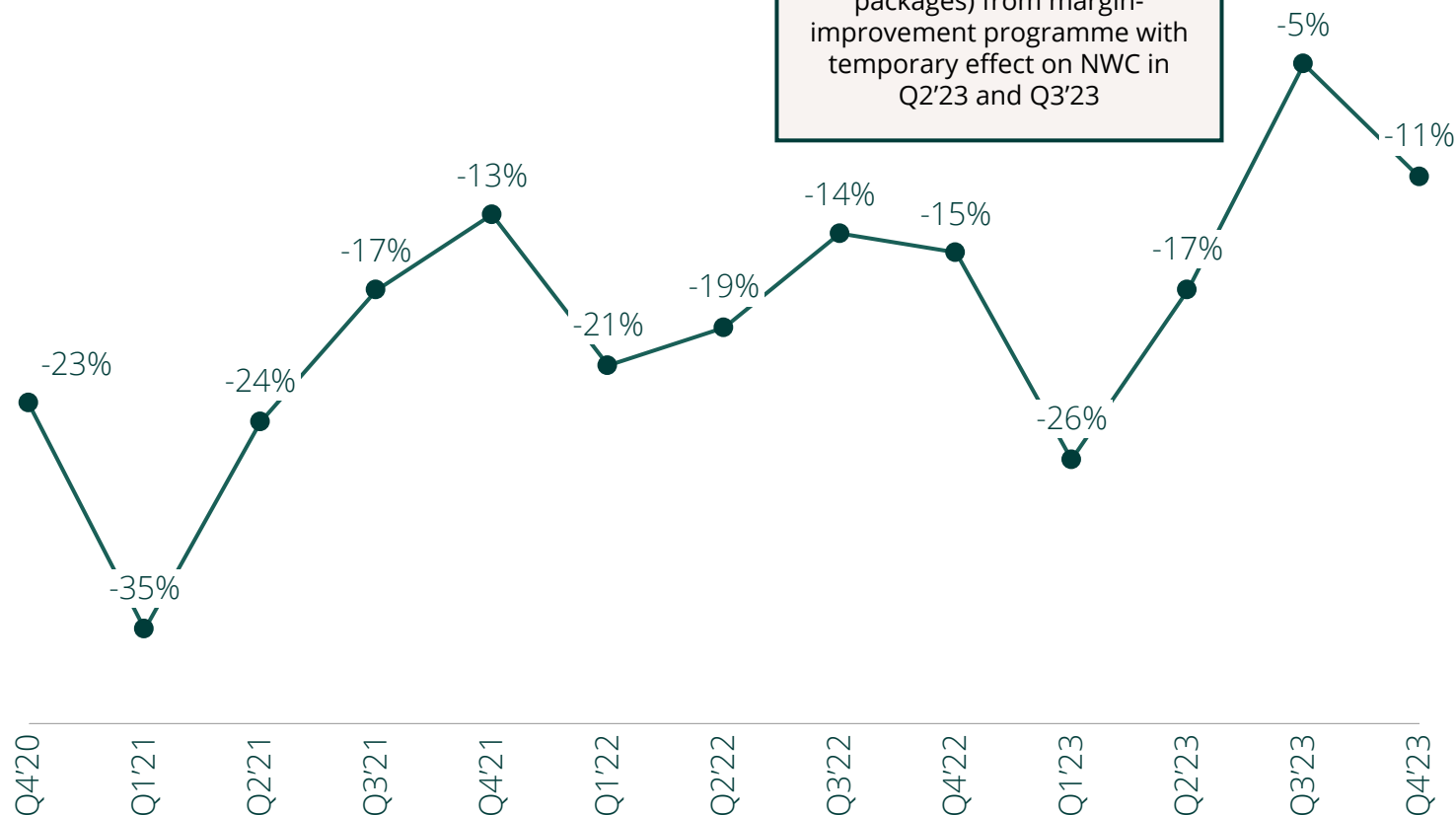
Attractive NWC from pre-payments



NWC

% of sales

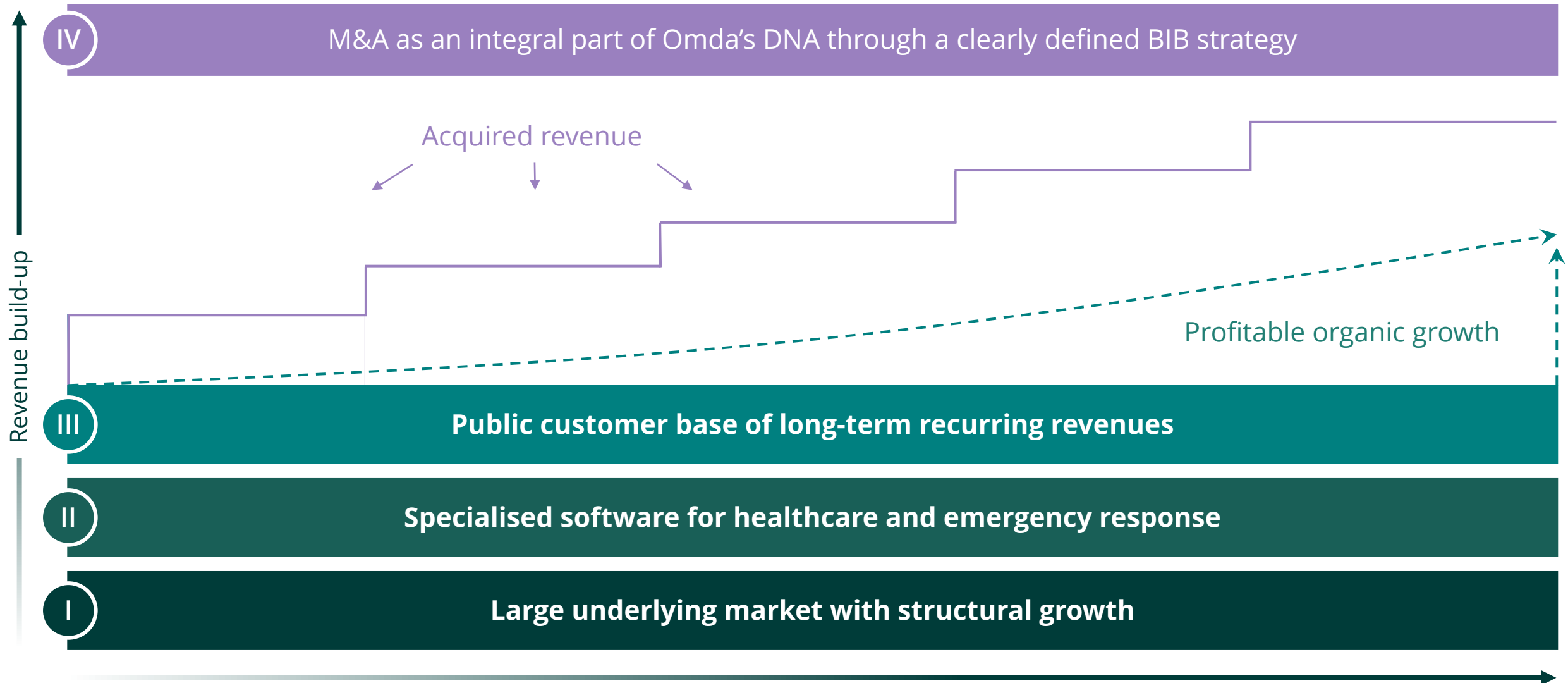
Dissolving of accruals (severance packages) from margin-improvement programme with temporary effect on NWC in Q2'23 and Q3'23



Commentary

- Attractive NWC dynamics through upfront invoicing of customers, of which +50% are annual fees
- Rest of the recurring revenue are prepaid semi-annual or quarterly, while only a small portion occur monthly
- Natural fluctuations of +/- 10 to 15pp in NWC as % of sales, with Q1 normally the best quarter with pre-payments of annual fees
- Omda has a communicated NWC target of -10% or better as % of sales
- When acquiring companies, it takes some time before Omda's NWC policies are applied in the acquired companies
- Hence, NWC development will vary, but over time contribute positively on cash flow post integration
- NWC improved in Q4 vs Q3, but this is still an area for improvement.

Omda's key building blocks and value creation model



Concluding remarks- our priorities



- Maintain organic growth
- Margin improvement
- Cash discipline- NWC and cash conversion
- M&A – high activity, but will remain disciplined

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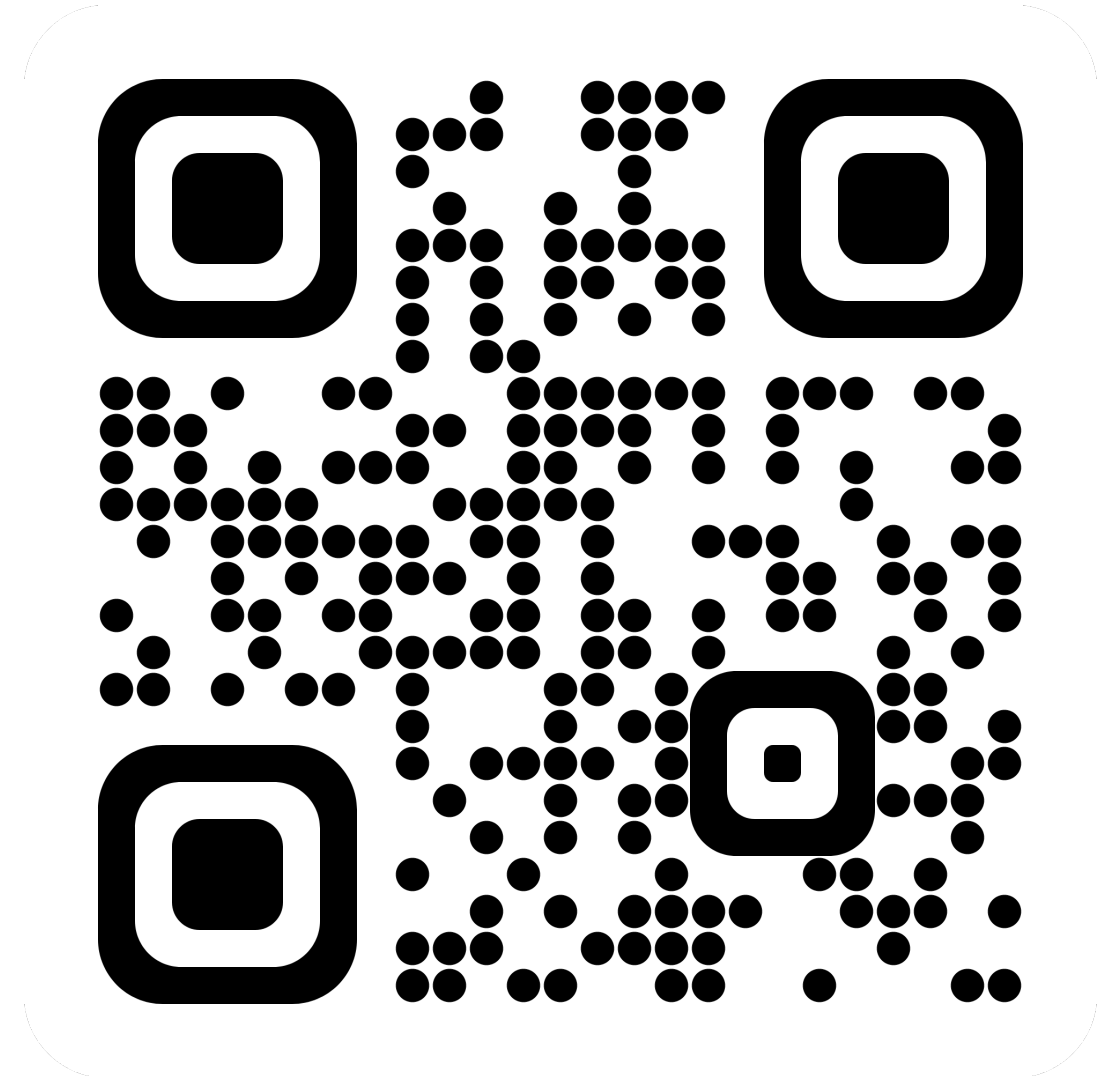
Last Name

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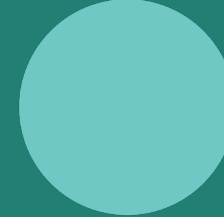
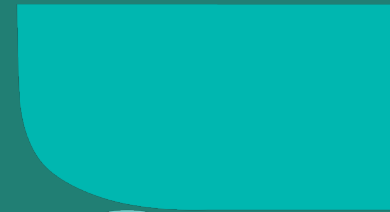
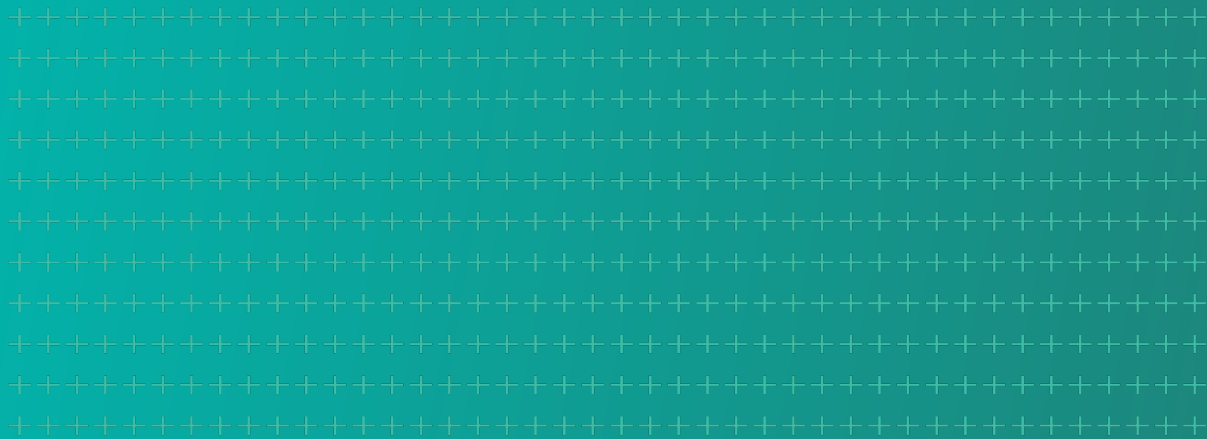
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A blurred background image of a medical workstation. Two computer monitors are visible. The left monitor displays a software interface with various panels, including 'Patient Information' and 'Protocol Selection'. The right monitor shows a sagittal MRI scan of a brain, with a red overlay highlighting a specific region of interest. The text 'Q&A' is overlaid on the left side of the image.



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