

# Arribatec.

\ Q4 – 2021 presentation



# Agenda

1

Introduction

2

Q4 – Financial performance

3

Organization & Integration

4

Appendixes

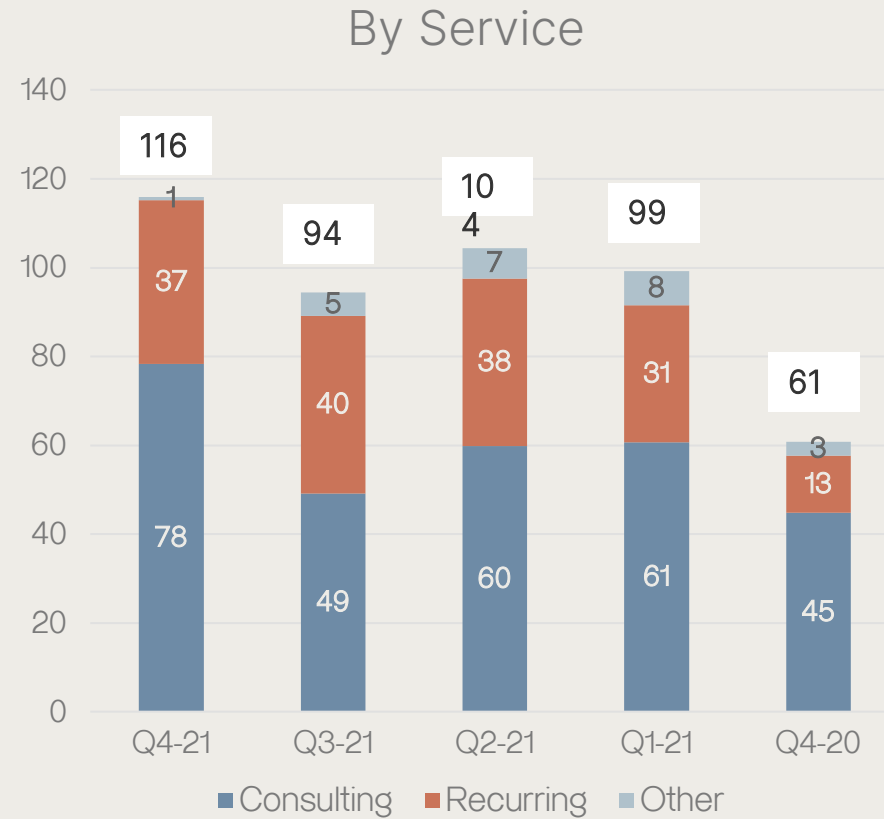
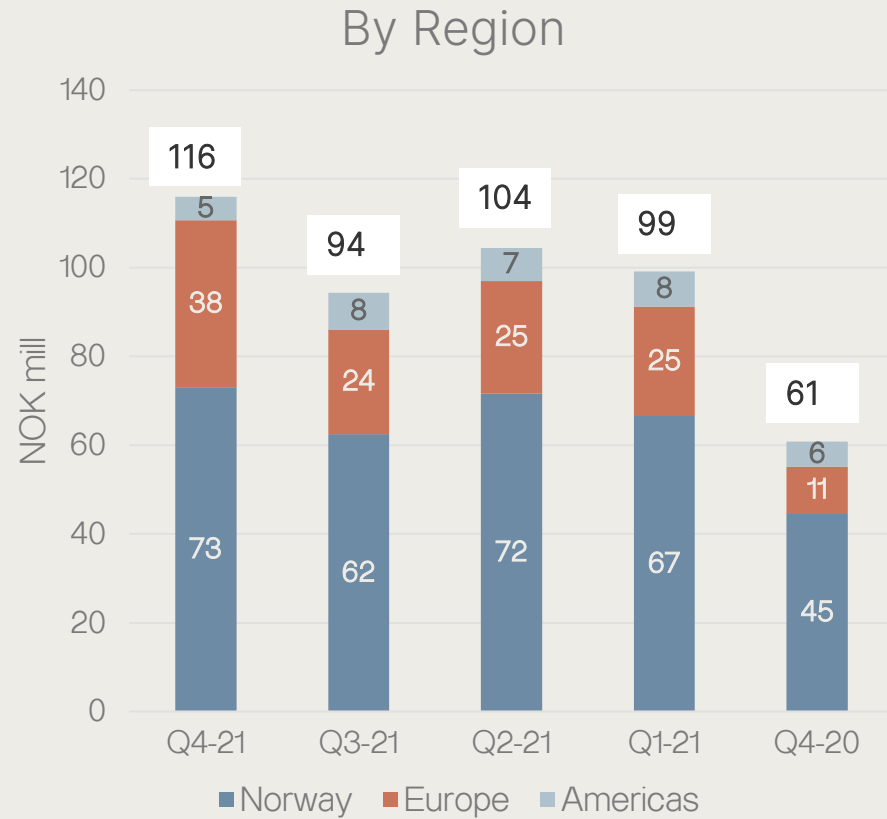


# Highlights Q4

- Q4 revenue at NOK 116m - growth of 91% y/y - best quarter in the Company's history
- Adjusted EBITDA -0.9m and EBITDA at -4.5m.
- Signed and closed the acquisition of Integra Associates, UK
- NOK 55 million in new ERP and EA&BPM contracts
- Announced change of CEO as of January 1, 2022



# Quarterly Revenue Development



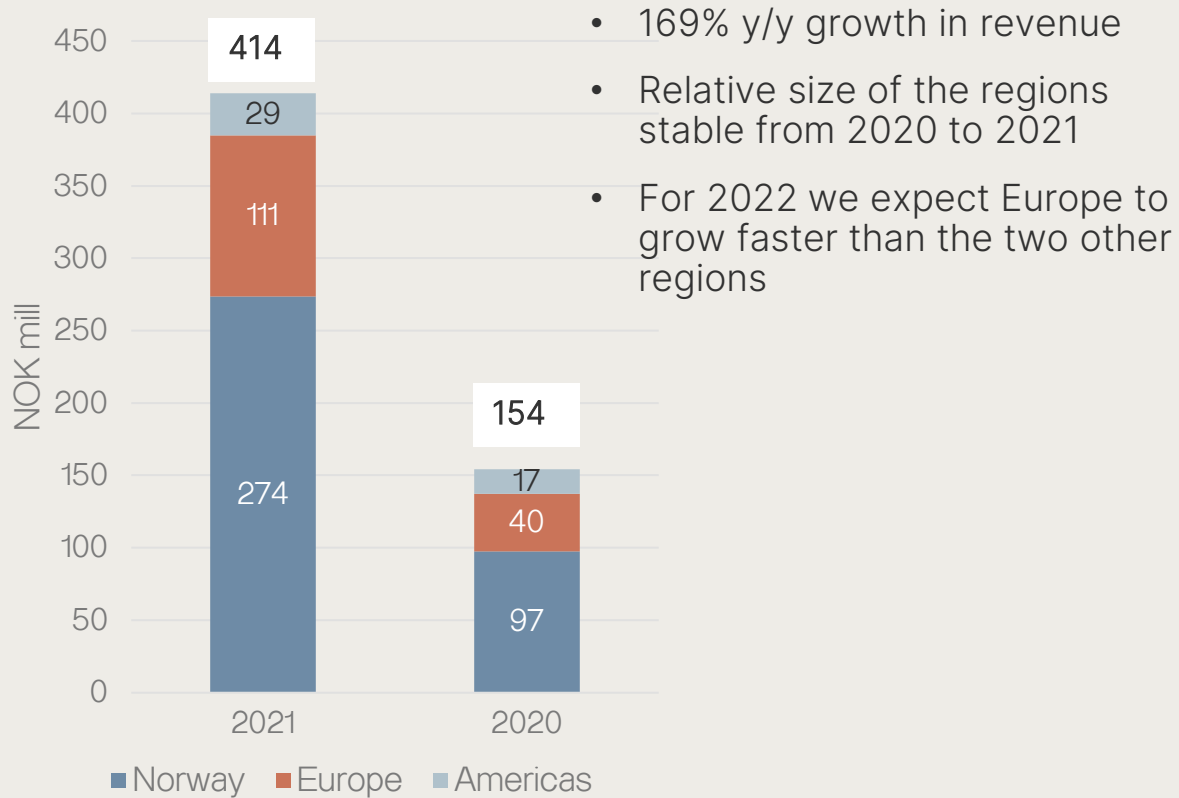
# Highlights full year 2021

- 2021 revenue increased 169% to 414m from NOK 154 in 2020
- Recurring revenue grew 420% to 146m – recognized for the full year
- EBITDA for the full year was negative NOK 6.8m, which compares to -45.3m in 2020 (2020 figure includes IFRS cost for reverse take-over of Hiddn)
- Adjusted\* EBITDA for full year 2021 of NOK -1.6m
- The financial results have been achieved in parallel with the following operational activities;
  - Acquisition of 4 companies for a combined price of NOK 162m (excl. potential earn-out)
  - Integrated 7 acquired companies with operations in Norway, Italy, UK, Cyprus, US and Germany
  - Moved 6 of the acquired companies to our cloud infrastructure, Integra will be moved in Q2.
  - Installed and implemented common CRM system globally for all entities
  - Upgraded and rolled-out our ERP system to 70% of all staff globally, remaining will be done within Q2/3
  - Common management system, including work-flow description implemented globally
  - Streamlined and described common product development process globally
  - Planned for and configured group wide tool for resource planning across all entities – roll out started Q1/22
  - New corporate strategy developed and rolled out

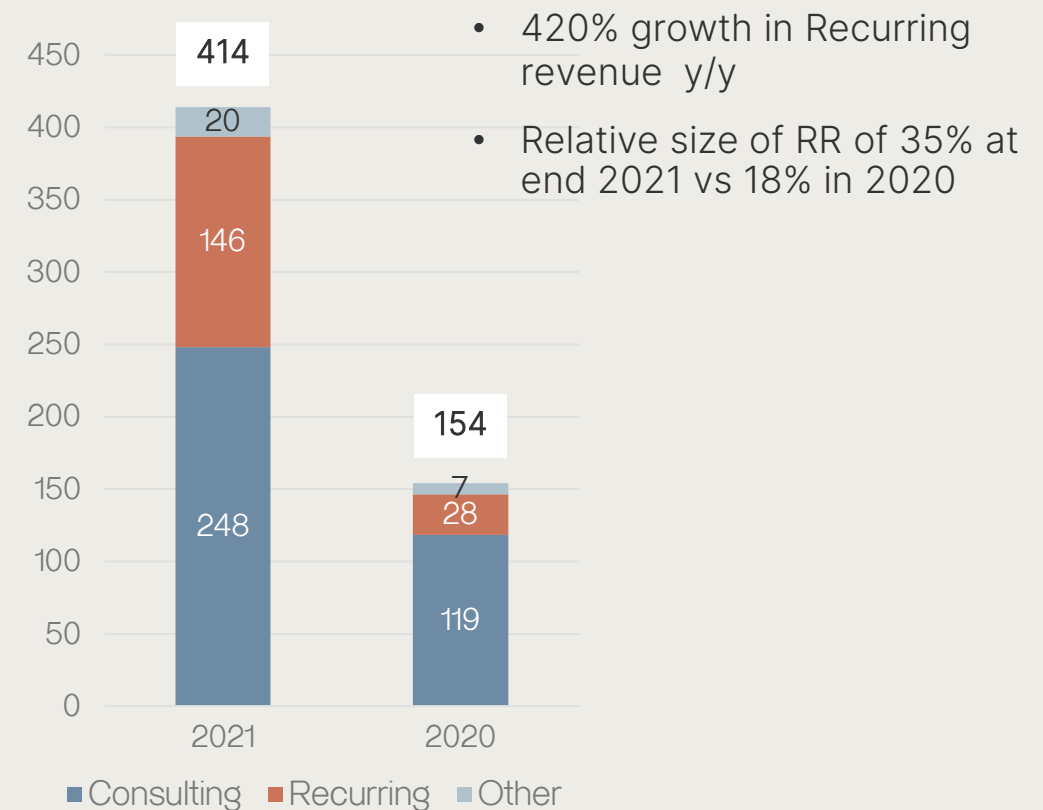


# Year-on-Year development

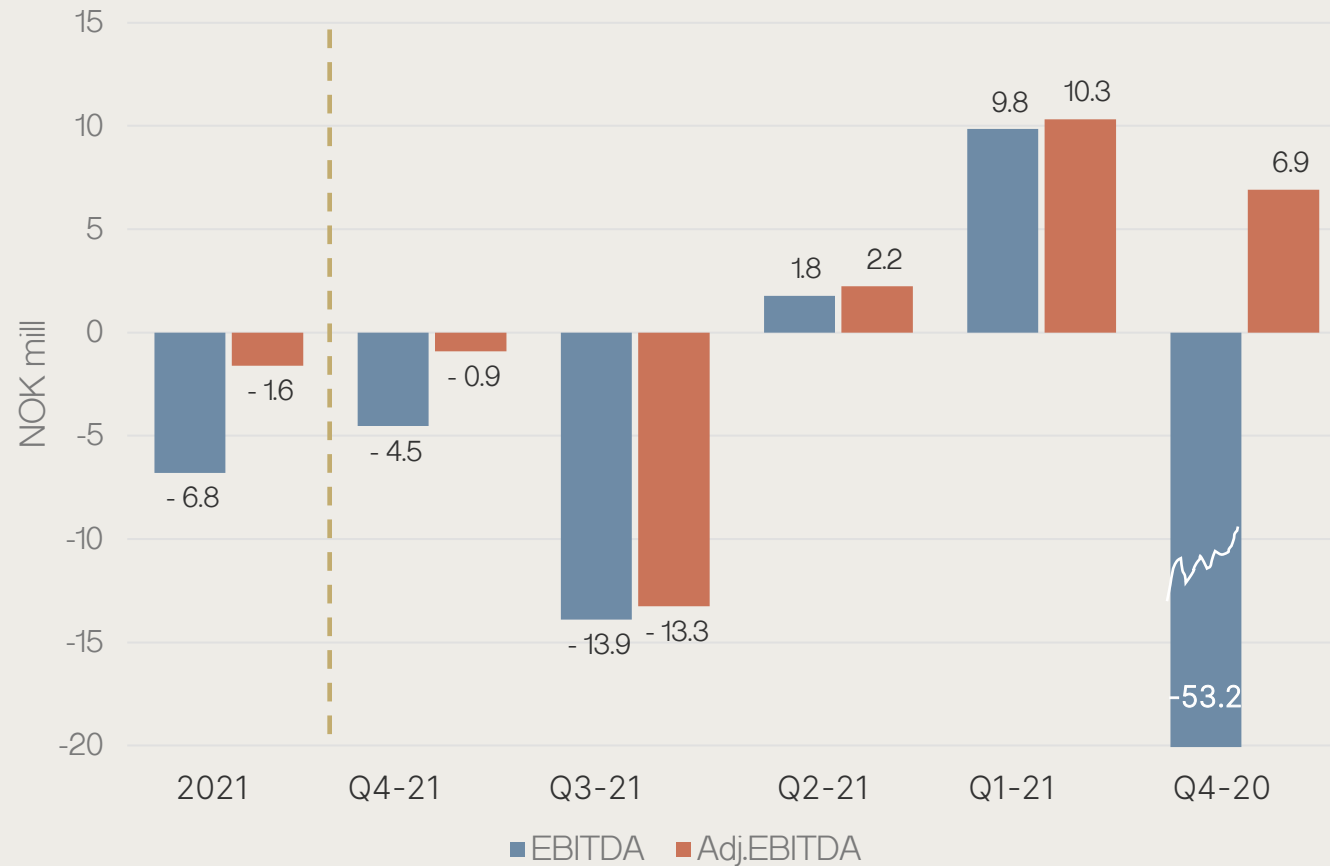
## By Region



## By Service



# Quarterly EBITDA Development

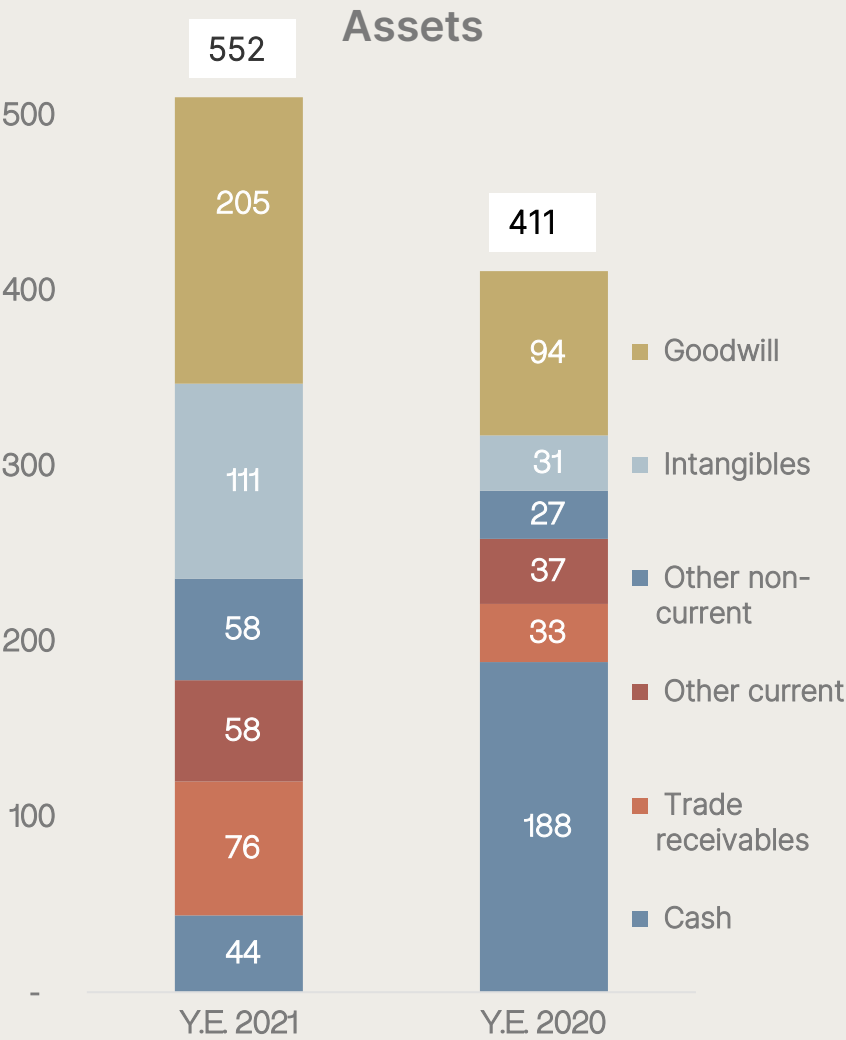
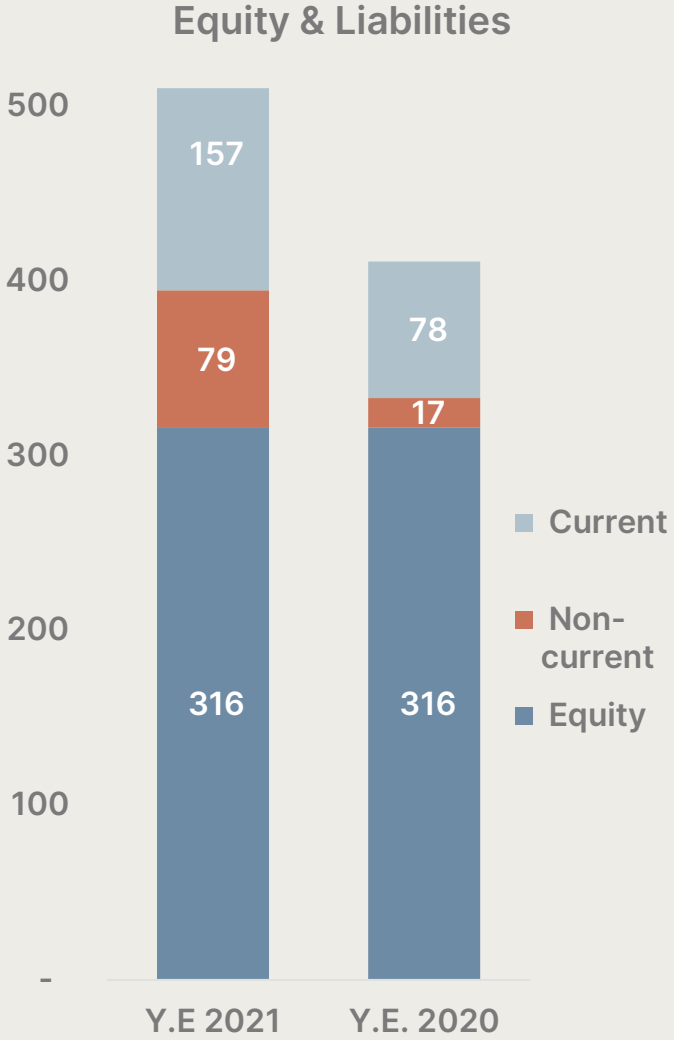


Financial performance affected by:

- M&A
- Integration of acquired entities
- Move all units to our Cloud
- CRM/sales support roll-out
- ERP roll-out
- Common mgmt. system roll-out
- Common product dev. process
- GDPR compliance group wide
- Implementing ISO 27001 for BA Cloud
- Sales force growth
- Increased management capacity

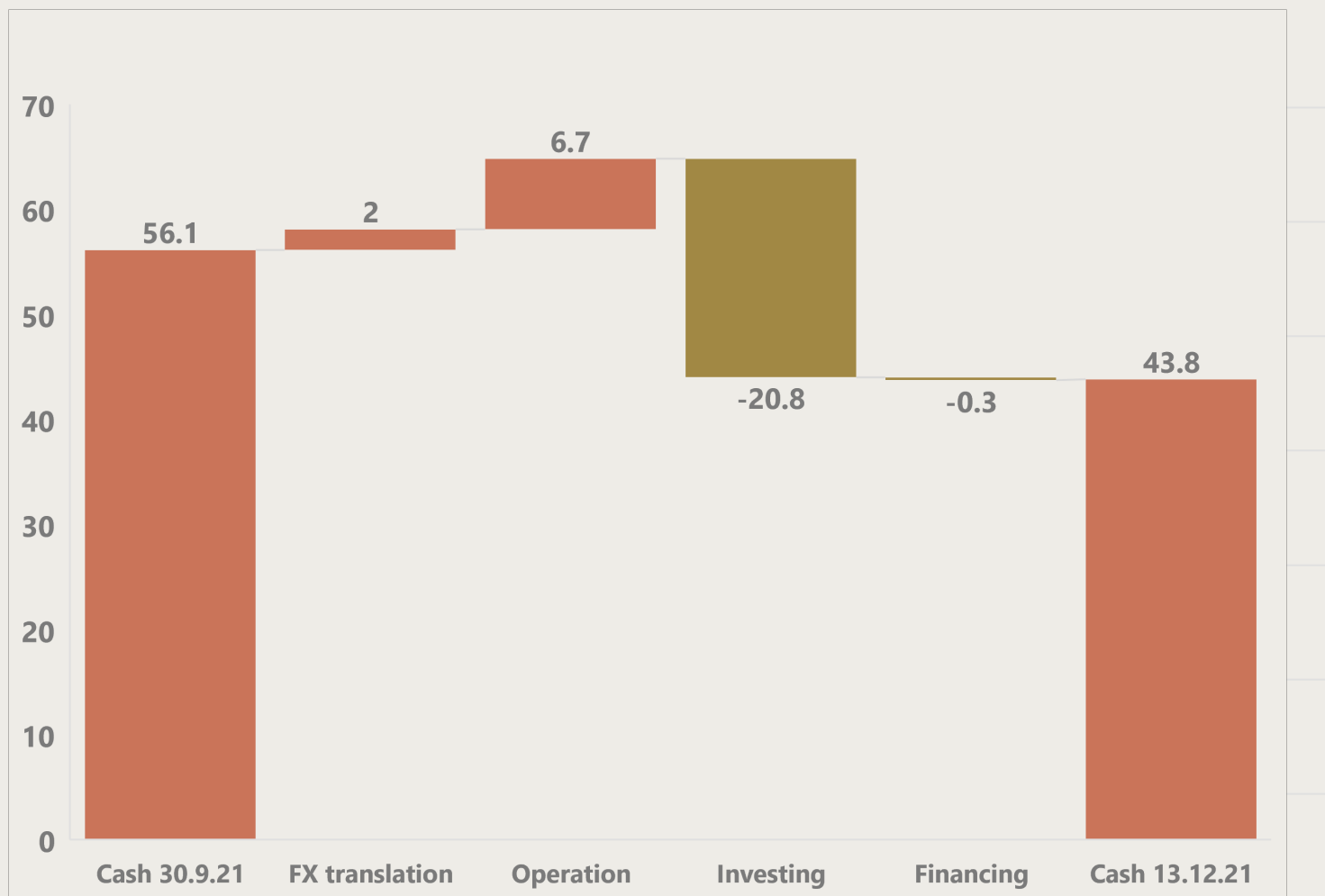


# Balance sheet development





# Cash flow

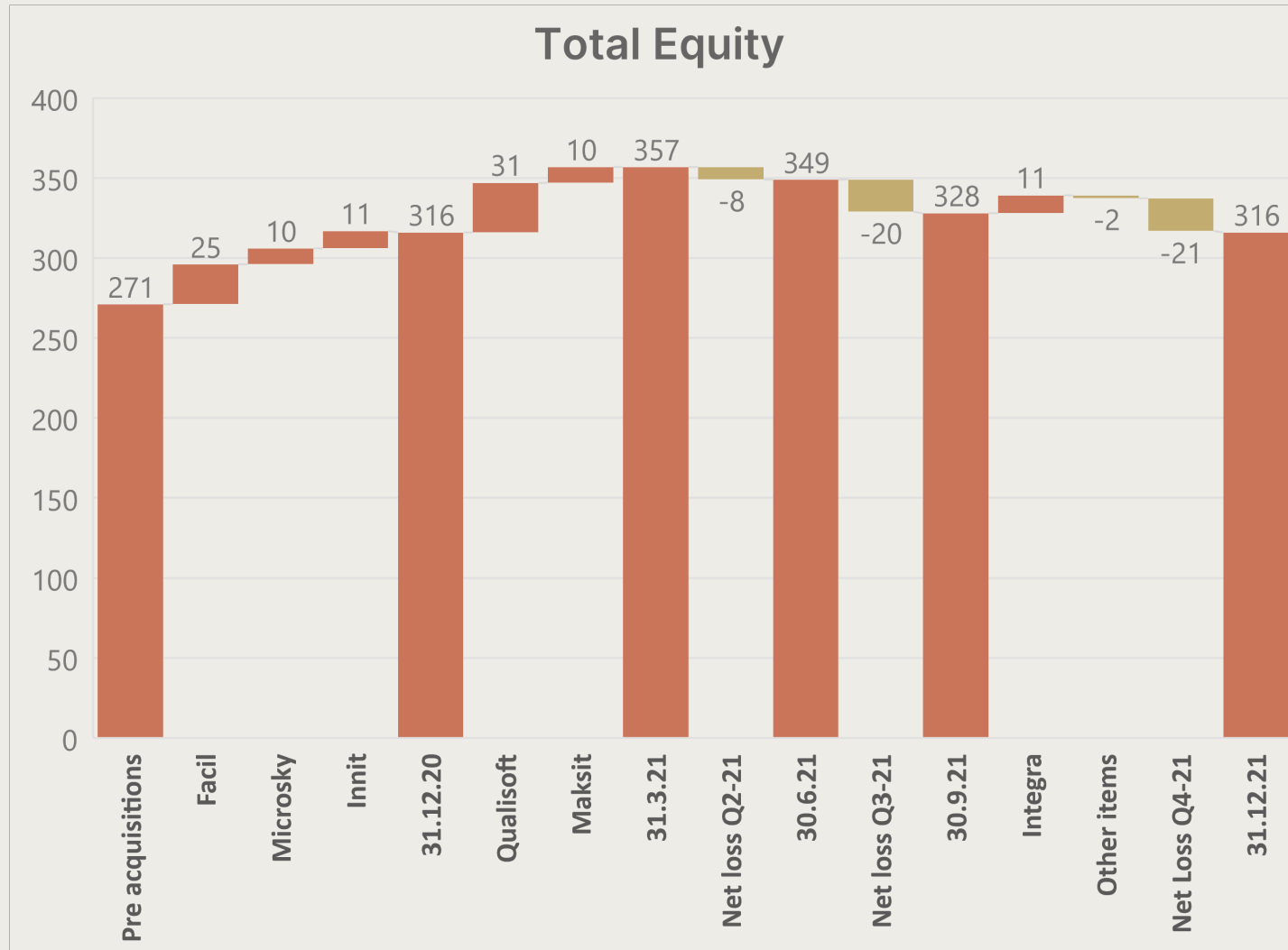


**Operation** – change in AP/AR contributes positive by NOK 3.1m

**Investment** includes NOK 16.6m paid for Integra, UK



# Equity Development



Total equity at the end of Q4 was NOK 316m, a reduction of NOK 12m compared to end of Q3.

Equity ratio of 57% at the end of 2021.





# Structure & Performance

Organizational structure and  
performance



# Our 5 business areas



400+  
Employees

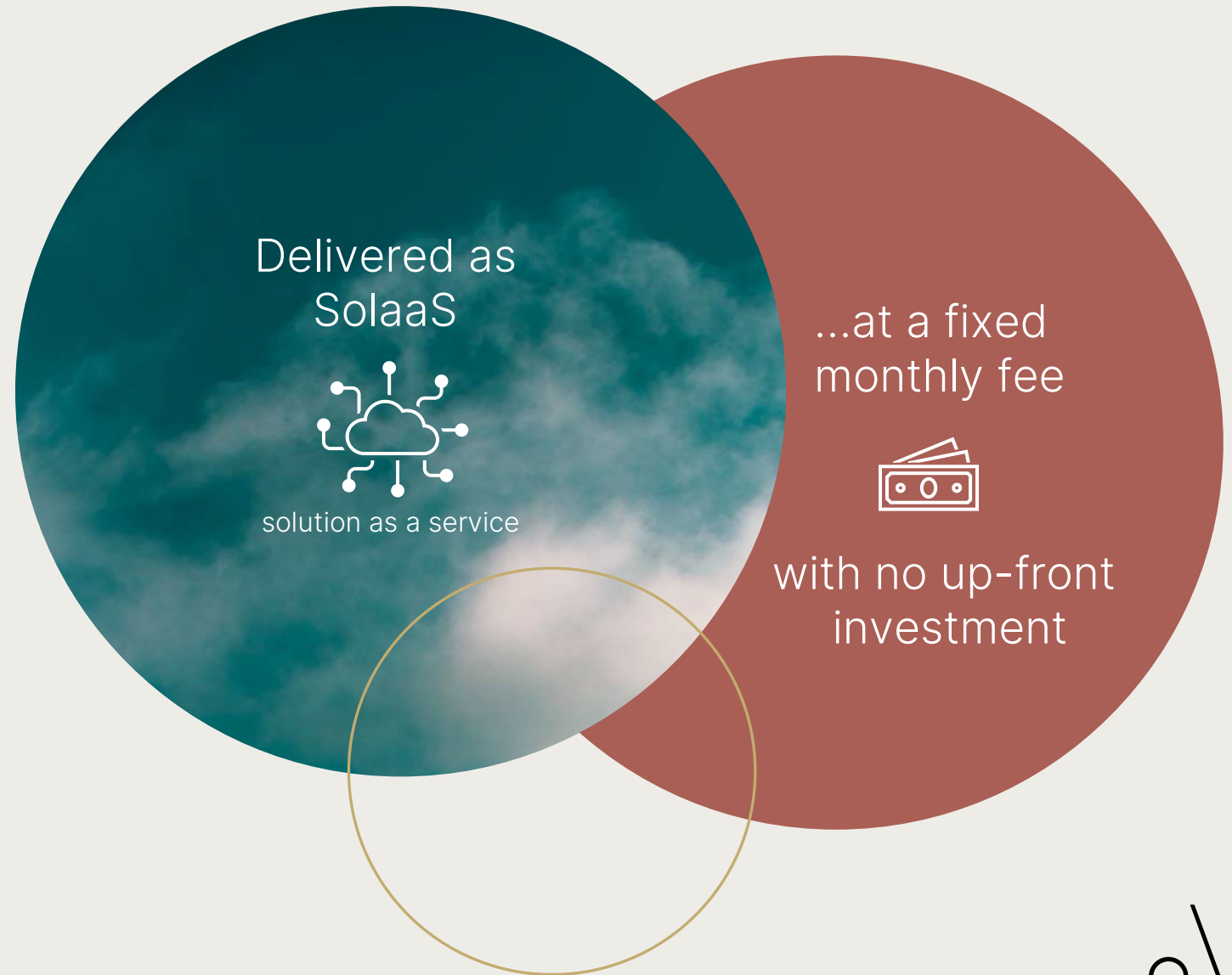
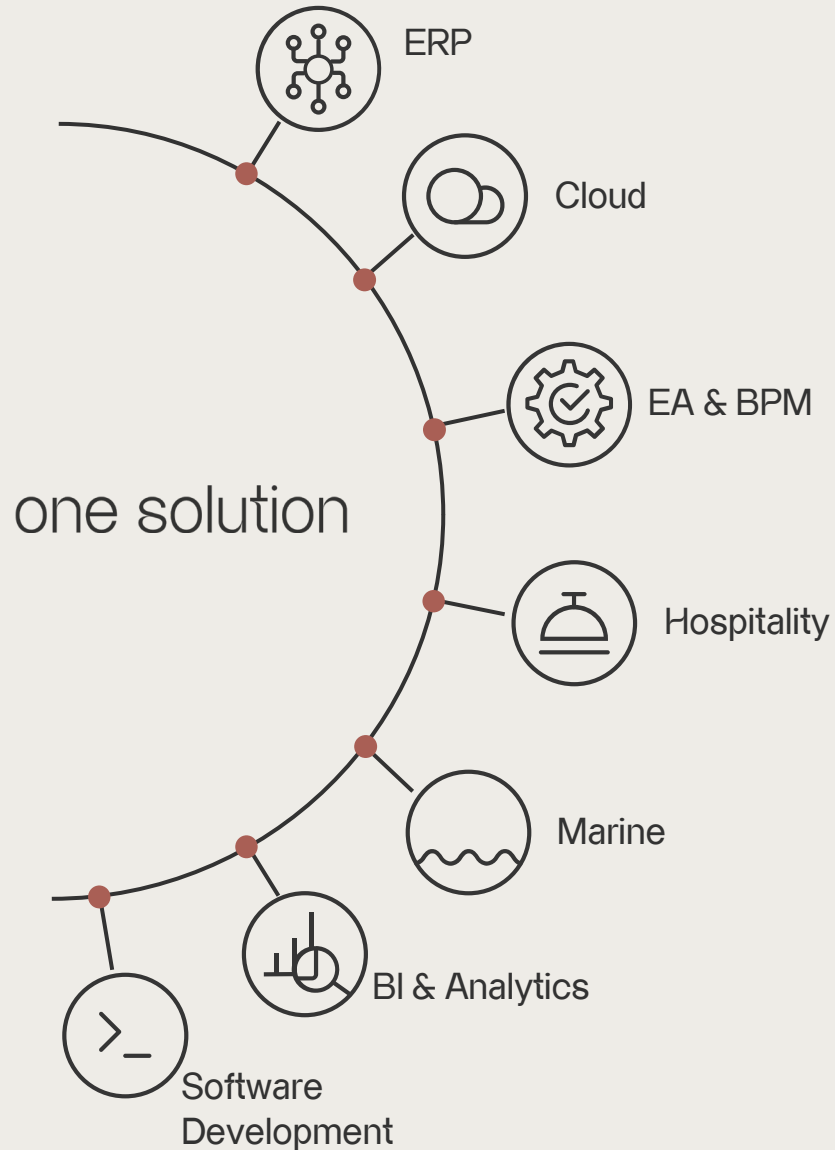
26  
Offices worldwide

17  
Countries worldwide

1000+  
Enterprise clients



# Our business proposition



# Arribatec.

## \ business services

*Business Services is focusing on ERP, BI & Analytics, DevOps, Integrations, research management*

- Integra Associates, UK integrated in this BA as of Q4 – increases our global delivery capacity significantly
- French operation continues to grow, new projects won for ERP implementations and SaaS
- Impacted by COVID through Q4
- Sees a solid demand for platform solutions with single vendor taking responsibility for the end-to-end solution.



# Arribatec. ea & bpm

## *Enterprise Architecture & Business Process Management*

- Strong growth and traction in the market
- Many new large strategic customers added
- Increased the organization with 50% over the last two months – expect additional 30+ new hires 2022
- Process for quick deployment of new employees in place
- Doubling the size of Stavanger office
- We are getting consistently positive reviews and additional business from large existing customers:



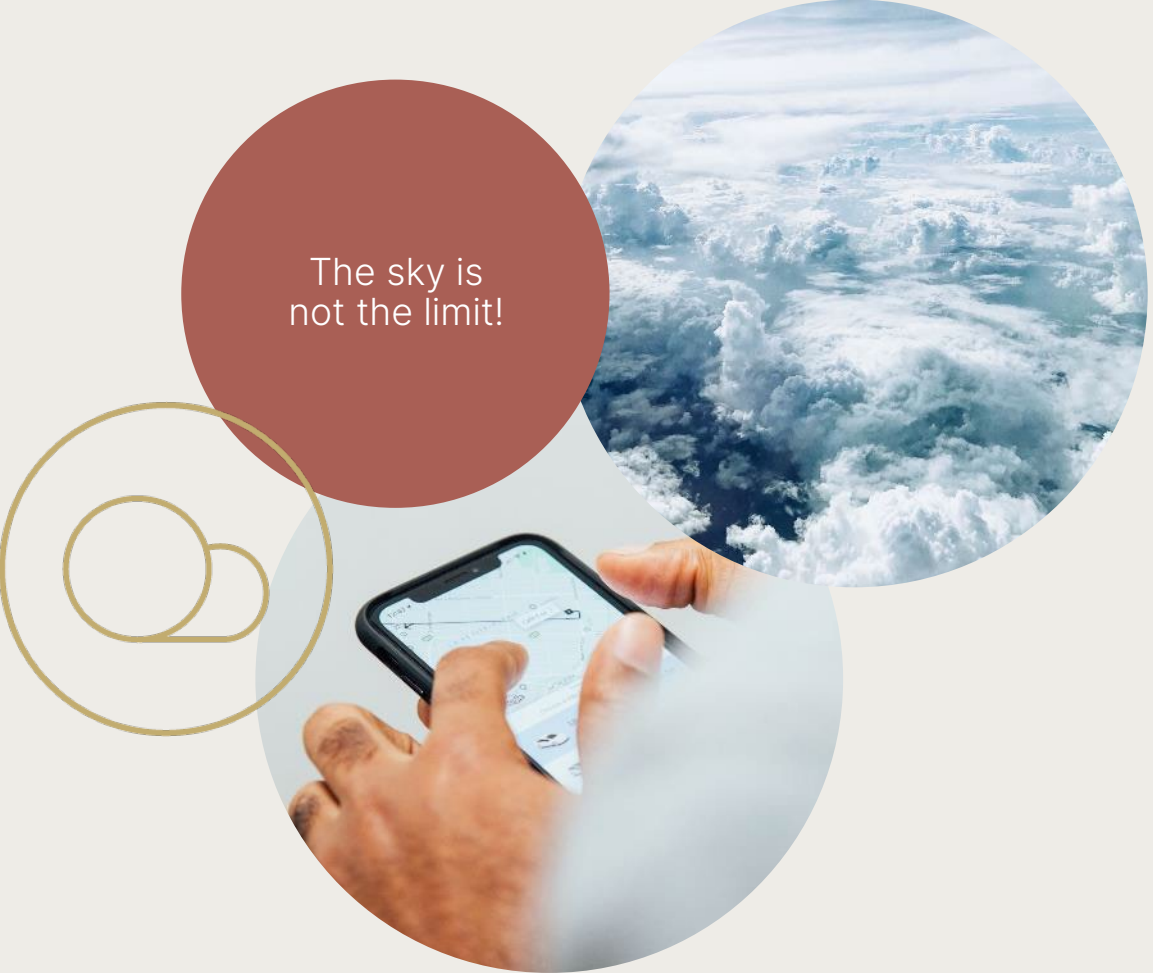
Statens vegvesen



# Arribatec. cloud

## *Cloud Solutions – hybrid, Azure, Splunk, GDPR*

- Majority of revenue is recurring revenue
- Strong potential to cross sell – industry agnostic
- ISO 27001 certification in process – to be completed Q1-2022
- Over the last three quarters of 2021, Arribatec has deployed and implemented 25 Unit4 ERP customers on Arribatec's Private Cloud.
- Centralized Group internal IT on own infrastructure
- Supporting entire group with IT services and Uni4 ERP Cloud solutions
- Relocating the datacenter in Bergen to Oslo & Hamar for ease of operation and cost saving



The sky is  
not the limit!



# Arribatec. hospitality

## *Software solutions to the hospitality industry*

- Still investing in products and market penetration
- Increased development capacity to support demand and scale
- Hiring additional staff to secure capacity to deliver / roll-out solutions
- Delivered the first Self-check-in solution outside of Norway in Q4

In Q1 2022

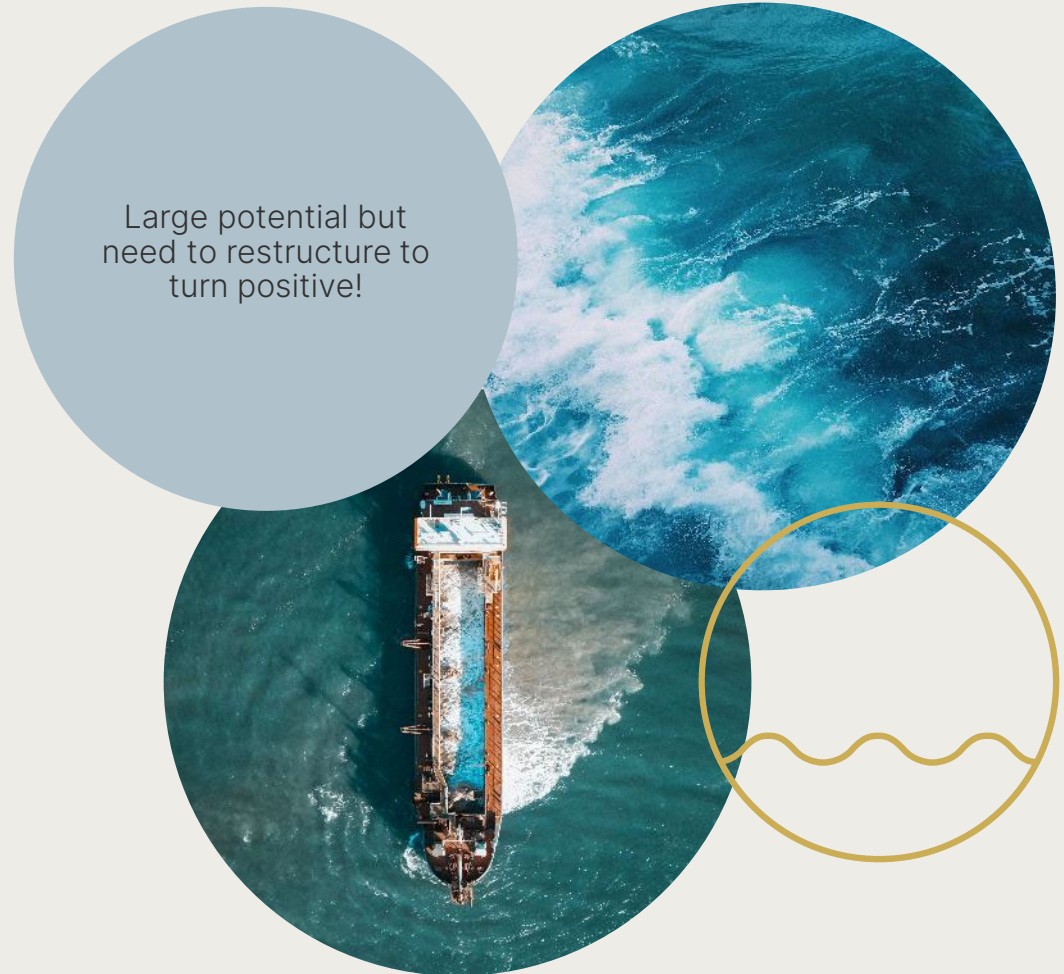
- signed up 5 hotels in Dubai for implementation of Certify – international break-through
- LOI signed with Apple as the only tech provider to deliver digital access cards to hotels in Europe as in Apple Wallet



# Arribatec. marine

## *Software solutions to the maritime sector - InfoShip Asset Management and Performance*

- New Global Head of Business Area Marine, Agostino Fiorentino appointed in January 2022.
- Signed NOK 13m contract with large LPG customer in Q1-22. Part of scope already delivered in 2021.
- Developed and deployed a new Hotel Defect Management System for MSC Cruises – still large potential remaining
- Continues to invest in product and market development
- Several larger LOI's under discussion
- Actively cross selling with the other Business Areas in Arribatec – BA Hospitality for cruise industry
- Restructuring regulations lifted in Italy after year end 2021. Will adjust cost base in 2022.



# Corporate

- Investments in Corporate systems is tapering off – solid base for controlled and profitable growth and expansion established
- Per Ronny Stav in his new role is dedicating 100% of his time on global business development – visible effects already
- 70% of global staff on same internal U4 ERP platform.
- Moved to new headquarter at Økern Portal in February 2022. Co-locating three offices in Oslo into one.

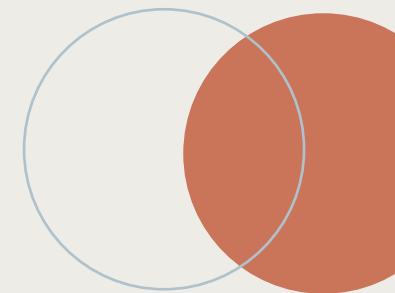


A blurred background image of a business meeting. A person in a dark suit and tie is holding a white tablet. In the foreground, a table is covered with various financial charts, including bar graphs and pie charts, all rendered in shades of blue and white. A large, semi-transparent reddish-brown circle is overlaid on the left side of the image, containing the text.

# Appendix

Financial Figures

# Profit & Loss



<i>NOK thousand</i>	Note	For the quarter end		Year to date	
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Revenue	3	115 977	60 814	413 938	154 024
Materials, software and services		(25 037)	(9 390)	(92 859)	(17 609)
<b>Gross profit</b>		<b>90 941</b>	<b>51 424</b>	<b>321 079</b>	<b>136 415</b>
Salary and personnel costs		(80 292)	(32 312)	(272 679)	(99 143)
Cost from reverse takeover		0	-56 822	0	(56 822)
Other operating expenses		(15 184)	(15 516)	(55 201)	(25 710)
<b>Total operating expenses</b>		<b>(95 476)</b>	<b>(104 650)</b>	<b>(327 879)</b>	<b>(181 674)</b>
<b>EBITDA</b>		<b>(4 535)</b>	<b>(53 226)</b>	<b>(6 800)</b>	<b>(45 259)</b>
Depreciation and amortization		(20 087)	(3 440)	(42 970)	(7 240)
<b>EBIT</b>		<b>(24 622)</b>	<b>(56 665)</b>	<b>(49 770)</b>	<b>(52 499)</b>
Financial income	4	(279)	673	3 625	1 247
Financial expense	4	(1 972)	(1 288)	(7 515)	(2 945)
<b>Profit/(loss) before tax</b>		<b>(26 873)</b>	<b>(57 280)</b>	<b>(53 660)</b>	<b>(54 197)</b>
Tax expense		4 069	(712)	4 718	(1 424)
<b>Profit/(loss) after tax attributable to equity holders of the parent company</b>		<b>(22 804)</b>	<b>(57 992)</b>	<b>(48 942)</b>	<b>(55 620)</b>
Earnings per share: basic	10	(0.04)	(0.19)	(0.10)	(0.18)
Earnings per share: diluted	10	(0.04)	(0.19)	(0.10)	(0.18)



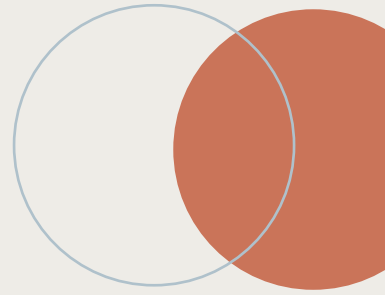
# Balance Sheet

<i>NOK thousand</i>	Note	Year to date	
		31 Dec 2021	31 Dec 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and equipment		7 445	3 258
Right-of-use assets	6	30 266	20 768
Goodwill	6	205 279	93 827
Customer relations	6	46 031	13 145
Other Intangible assets	6	65 047	18 310
Other non-current assets		10 678	945
Deferred tax assets		9 488	2 436
<b>Total non-current assets</b>		<b>374 235</b>	<b>152 689</b>
<b>Current assets</b>			
Trade receivables		76 309	32 956
Other receivables		2 290	22 090
Contract assets		19 549	9 948
Inventory		3 179	2 439
Other current assets		32 685	2 746
Cash and cash equivalents		43 758	188 270
<b>Total current assets</b>		<b>177 771</b>	<b>258 448</b>
<b>TOTAL ASSETS</b>		<b>552 006</b>	<b>411 137</b>

<i>NOK thousand</i>	Note	Year to date	
		31 Dec 2021	31 Dec 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Paid in capital</b>			
Issued capital	9	163 773	117 203
Other paid in capital		196 700	194 510
<b>Total paid in capital</b>		<b>360 473</b>	<b>311 713</b>
<b>Other equity</b>			
Other reserves		398	8
Other equity		(44 449)	4 493
<b>Total other equity</b>		<b>(44 050)</b>	<b>4 501</b>
<b>Total equity</b>		<b>316 423</b>	<b>316 214</b>
<b>Non-current liabilities</b>			
Interest bearing loans	7	27 902	1 344
Lease liabilities	6	19 148	15 500
Other non-current financial liabilities		96	0
Deferred tax liabilities		17 113	0
Provisions		14 371	0
<b>Total non-current liabilities</b>		<b>78 630</b>	<b>16 843</b>
<b>Current liabilities</b>			
Short term financial liabilities	7	9 523	7 046
Current lease liabilities	6	12 346	7 125
Accounts payable and other current liabilities		21 227	23 966
Contract liabilities		21 483	1 283
Current tax payable		1 076	3 596
Other current liabilities		91 297	35 064
<b>Total current liabilities</b>		<b>156 953</b>	<b>78 080</b>
<b>Total liabilities</b>		<b>235 583</b>	<b>94 923</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>552 006</b>	<b>411 137</b>



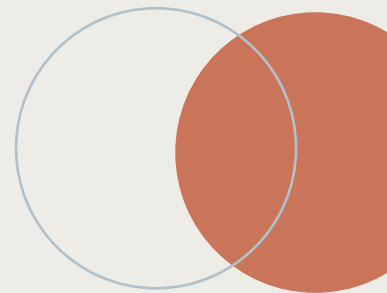
# Cash flow



<i>NOK thousand</i>	Note	For the quarter end		Year to date	
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
<b>Operating activities</b>					
Profit/(Loss) before tax		(26 873)	(58 704)	(53 660)	(55 620)
Taxes paid		0	(598)	(982)	(1 196)
Adjustments for:					
- Calculated cost from reverse takeover		0	56 822	0	56 822
- Finance income and expense	4	2 252	615	3 892	1 698
- (Increase)/decrease in trade receivables		734	3 229	(6 874)	1 328
- (Decrease)/increase in trade payables		3 823	5 184	(13 257)	6 089
- Depreciation and amortization	5, 6	16 728	3 440	39 611	7 240
- Impairment losses on intangible assets	5	3 359	0	3 359	0
Change in other current accounts		6 698	(21 750)	1 713	(17 369)
<b>Net cash flows operating activities</b>		<b>6 722</b>	<b>(11 762)</b>	<b>(26 198)</b>	<b>(1 009)</b>
<b>Investing activities</b>					
Cash received through business combination	7	7 890	34 741	29 857	34 741
Cash consideration Investment in subsidiaries	8	(16 569)	(59 942)	(118 299)	(59 942)
Capitalized development costs and tangible assets	5	(12 258)	(2 639)	(27 416)	(12 548)
Interest received		113	236	212	236
<b>Net cash flows investing activities</b>		<b>(20 824)</b>	<b>(27 605)</b>	<b>(115 647)</b>	<b>(37 514)</b>
<b>Financing activities</b>					
Proceeds from borrowings		8 603	5 472	24 325	5 472
Change in overdrafts		(495)	(11 096)	(7 946)	(3 821)
Repayment of debt		(657)	(1 179)	(3 006)	(1 179)
Interest paid		(1 321)	(253)	(2 507)	(755)
Instalments lease liabilities		(6 367)	0	(13 293)	0
Other changes in equity		0	(1 110)	0	(1 110)
Proceeds from shares issued		0	234 107	0	234 954
Share issue costs		(57)	(12 891)	(600)	(12 891)
<b>Net cash flows financing activities</b>		<b>(294)</b>	<b>213 051</b>	<b>(3 028)</b>	<b>220 671</b>
Net change in cash and cash equivalents		(14 396)	173 684	(144 873)	182 149
Cash and cash equivalents at beginning of period		56 111	14 585	188 270	6 121
Currency translation		2 043	0	361	0
<b>Cash and cash equivalents at end of period</b>		<b>43 758</b>	<b>188 270</b>	<b>43 758</b>	<b>188 270</b>



# Equity



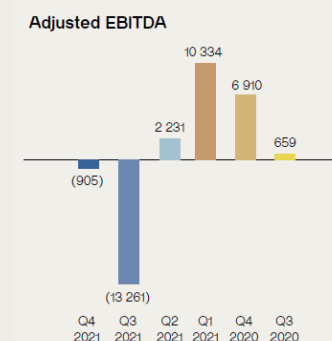
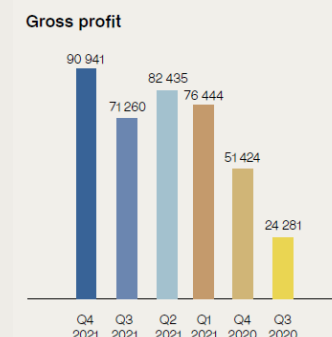
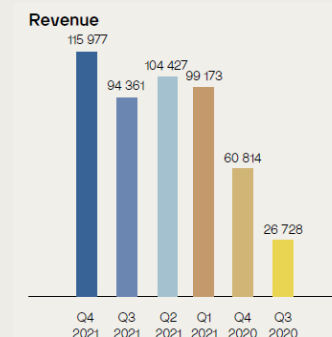
	Equity related to the shareholders of the parent company					
	Restricted	Treasury shares	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total Equity
<i>NOK thousand</i>						
Balance on 1 January 2020	2 589	(312)	16 286	(52)	3 291	21 802
Result of the period					(55 620)	-55 620
Comprehensive income for the period				60		60
<b>Total comprehensive result for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>(55 620)</b>	<b>(55 561)</b>
Treasury shares acquired		(276)				(276)
Other equity transactions			(834)			(834)
Issue of share capital in Arribatec AS	847		83 824			84 670
Reverse take over reclassification of Arribatec AS	(3 436)	588	2 848			0
Reverse take over Arribatec Solutions ASA	91 204		(64 614)		56 822	83 412
Capital Increase employees offer, Nov	2 800		6 600			9 400
Capital increase repair issue, Nov	9 199		21 684			30 884
Capital increase, Private placement Dec	14 000		96 000			110 000
Cost of share issue			(12 891)			(12 891)
Share consideration relating business combinations – shares to be issued in 2021			45 607			45 607
<b>Closing balance on 31 December 2020</b>	<b>117 203</b>	<b>0</b>	<b>194 510</b>	<b>8</b>	<b>4 493</b>	<b>316 214</b>
Balance on 1 January 2021	117 203	0	194 510	8	4 493	316 214
Result of the period					(48 942)	(48 942)
Comprehensive income for the period				390		390
<b>Total comprehensive result for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>390</b>	<b>(48 942)</b>	<b>(48 551)</b>
Other equity transactions			(2 870)			(2 870)
Share consideration relating to business combination 2020 (Facil, Microsky and Innit)			(45 607)			(45 607)
Capital increase related to business combinations	11 628		74 929			86 557
Conditional share consideration relating to acquisition of Integra – shares to be issued during 2022 and 2023			11 281			11 281
Capital increase related to merger with subsidiary Arribatec AS	34 941		(34 941)			0
Share issue cost			(600)			(600)
<b>Closing balance 31 Dec 2021</b>	<b>163 773</b>	<b>0</b>	<b>196 700</b>	<b>398</b>	<b>(44 449)</b>	<b>316 423</b>





# Time series for main numbers

		Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Full year 2021	Full year 2020
Revenue	TNOK	115 977	94 361	104 427	99 173	60 814	26 728	413 938	154 024
Gross profit	TNOK	90 941	71 260	82 435	76 444	51 424	24 281	321 079	136 415
EBITDA	TNOK	(4 535)	(13 893)	1 783	9 845	(53 226)	659	(6 800)	(45 259)
Adjusted EBITDA	TNOK	(905)	(13 261)	2 231	10 334	6 910	659	(1 601)	14 877
Operating profit/(loss), EBIT	TNOK	(24 622)	(21 969)	(6 215)	3 036	(56 665)	(1 011)	(49 770)	(52 499)
Net profit/(loss)	TNOK	(22 804)	(19 655)	(7 088)	606	(57 992)	(1 247)	(48 942)	(55 620)
Revenue growth y/y for the quarter/full year	%	90.7 %	253.0 %	240.9 %	176.7 %	na	na	168.7 %	35.5 %
Gross profit margin	%	78.4 %	75.5 %	78.9 %	77.1 %	84.6 %	90.8 %	77.6 %	88.6 %
EBITDA margin	%	(3.9 %)	(14.7 %)	1.7 %	9.9 %	(87.5 %)	2.5 %	(1.6 %)	(29.4 %)
Adjusted EBITDA margin	%	(0.8 %)	(14.1 %)	2.1 %	10.4 %	11.4 %	2.5 %	(0.4 %)	9.7 %
Earnings per share	NOK	(0.039)	(0.041)	(0.016)	0.001	(0.190)	(0.014)	(0.100)	(0.182)
Cash at end of period	TNOK	43 758	56 111	78 586	91 525	188 270	14 585	43 758	188 270
Equity	TNOK	316 423	328 523	349 266	356 874	316 214	25 066	316 423	316 214
Equity ratio	%	57.3 %	65.5 %	67.3 %	68.0 %	76.9 %	24.7 %	57.3 %	76.9 %
Price per share at end of reporting period	NOK	1.180	1.486	1.708	1.830	2.040	2.136	1.180	2.040
FTEs	Number	373	349	311	290	171	118	373	171
No. of outstanding shares, beg. of period	Number	584 903 064	455 112 929	440 112 929	418 583 331	89 908 757	89 908 757	418 583 331	16 077 403
New shares issued	Number	0	129 790 135	15 000 000	21 529 598	328 674 574	0	166 319 733	402 505 928
No. of outstanding shares, end of period	Number	584 903 064	584 903 064	455 112 929	440 112 929	418 583 331	89 908 757	584 903 064	418 583 331
Average number of shares	Number	584 903 064	473 926 431	449 508 533	408 112 328	305 239 615	89 908 757	489 277 730	305 239 615



# What we deliver

## Business Services

### Services/Solutions

- SolaaS/SaaS
- ERP Implementation
- BI & Analytics
- System Integration
- Customization
- Software Development
- DevOps

### ✓ Products

- Unit4 ERP
- Hypergene
- PowerBI
- Arribatec Research Management
- Arribatec Integration Platform

## Cloud

### Services/Solutions

- Deployment of SolaaS/SaaS
- Cloud service
- Outsourcing
- Security
- Azure Data Lakes
- DevOps
- Device Management

### ✓ Products

- Azure
- AWS
- Google
- Private Cloud
- GDPD / ISO / Risk
- Splunk
- MS 365

## EA-BPM

### Services/Solutions

- SolaaS/SaaS
- Enterprise Architecture
- Business Process Mng
- Process Automation
- Compliance & Security
- GDPR | RPA
- Business Mng Systems
- Business Process Syst.

### ✓ Products

- Qualiware
- Boson

## Marine

### Services/Solutions

- SolaaS/SaaS
- System Implementation
- System Integration
- Technical deployment

### ✓ Products

- InfoSHIP ASSET
- InfoSHIP Quality
- InfoSHIP ELB
- InfoSHIP Planning
- InfoSHIP Performance

## Hospitality

### Services/Solutions

- SolaaS/SaaS
  - Implementation
  - Integration
- Deployment
  - Azure
  - AWS
- Device Management

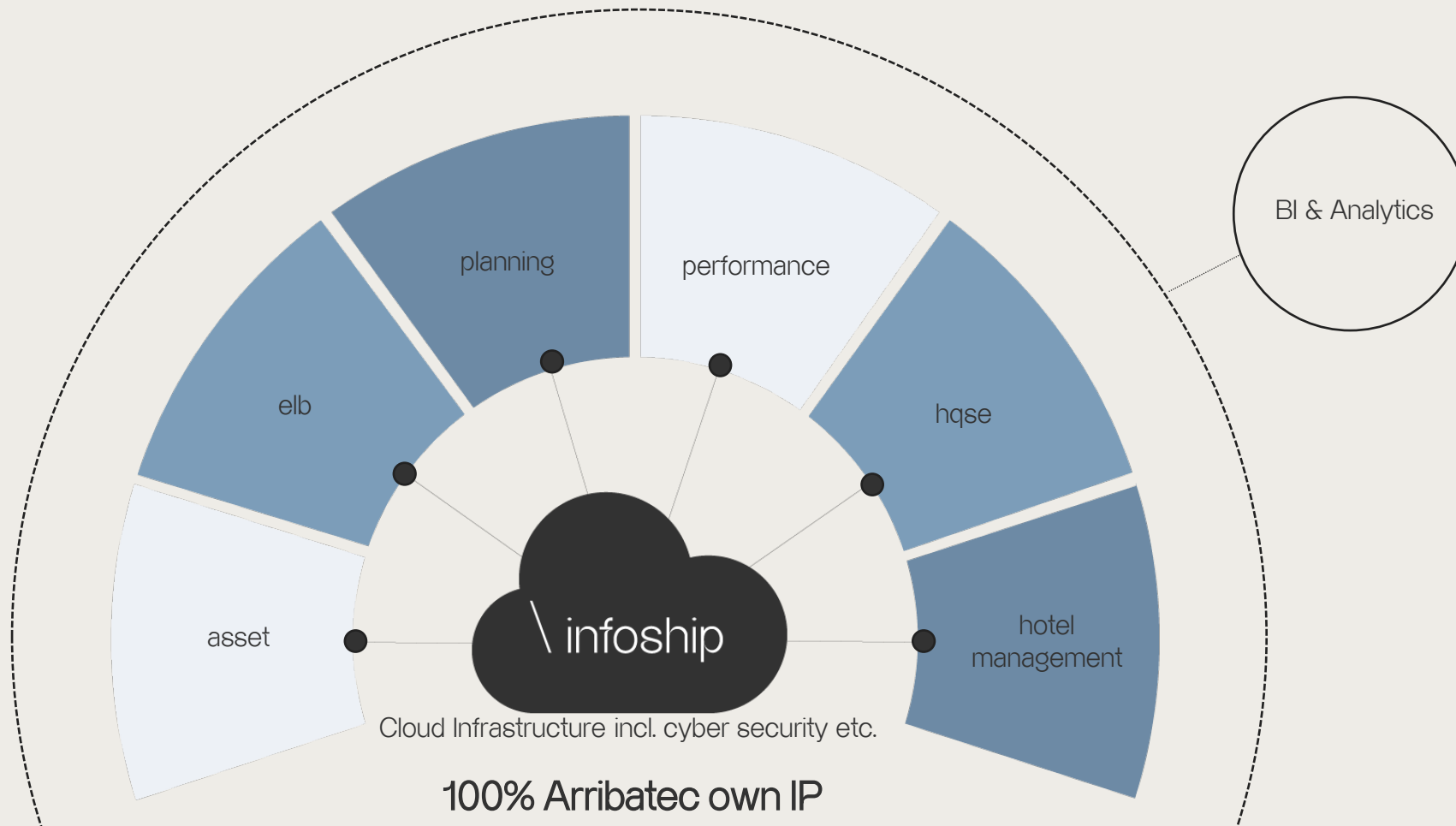
### ✓ Products

- Holographic Solution
- Housekeeping Software
- Self-service check-in/out



# \ ONE scalable Solution for the Maritime Industry.

InfoShip is a cloud solution which comprises a wide range of modules that can run as stand-alone or all together. A highly scalable and





# Q4 Reporting Arribatec Group ASA

Geir Johansen – Group CEO

Oslo 28 February 2022

**Arribatec.**