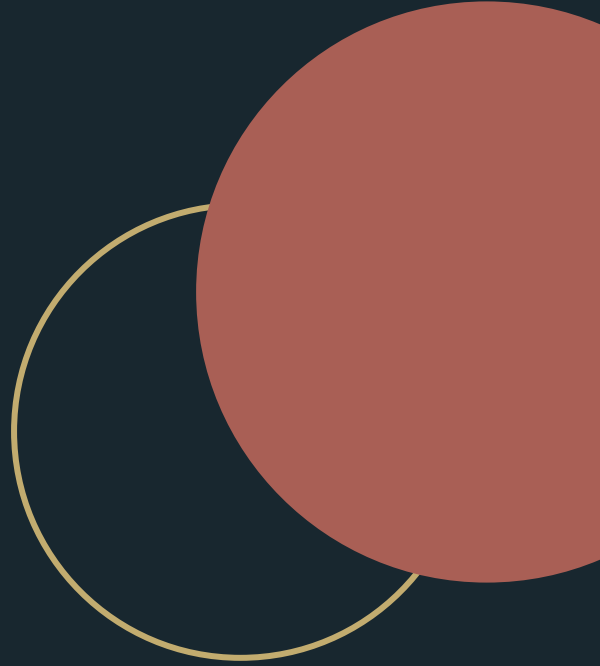


Arribatec.

Quarterly presentation Q2 2023.

Geir Johansen, CEO



Highlights Q2 .



- Quarterly revenue of NOK 148m (120m) and 23% growth – all organic
- Positive EBTIDA of NOK 8.4m (-11.5m) an improvement of NOK 19.9 m
- NOK 42m (58m) in cash plus unused credit facility of NOK 20m



- Both consulting services and recurring revenue up +23%, all organic.
- Signed 334 new contracts and scope extensions for a total value of NOK 121m



- Won tender process and signed contract with Sykehuspartner worth NOK 6.3m ++
- Signed consulting contract with Vår Energi worth NOK 11.9m
- Signed large ERP support contract in UK worth NOK 16.5m

Significant EBITDA improvement last 6 months .

Revenue

H1-23
NOK 298m (246m)
+21% h1/h1
All organic

Payroll & OPEX

NOK 215m (206m)
+4.7% h1/h1

EBITDA

NOK 13.7m (-17.7m)
+177% or NOK 31.4m
Margin 4.6%

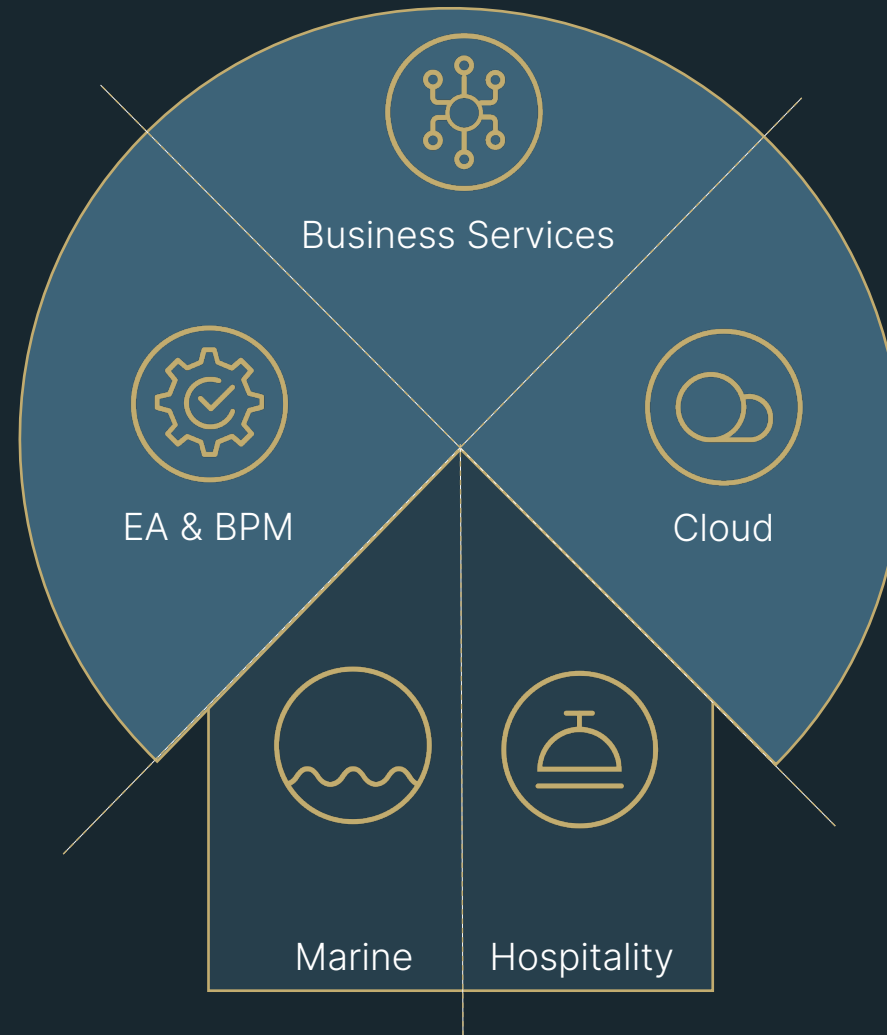
Q2-23
NOK 148m (120m)
+23% qrt/qrt
All organic

NOK 105m (102m)
+2.9% qrt/qrt

NOK 8.4m(-11.5m)
+173% or NOK 19.9m
Margin 5.7%

Arribatec's five business areas .

- Enterprise architecture
- Business process management
-
- ERP products and services
- Business intelligence & analytics
-
- Cloud services
- IT out-sourcing
- Security & compliance



Q2 performance pr business area vs. Q2-22 .

BizS

6% Revenue Growth	8.5% EBITDA margin
75m* Revenue	6.5m** EBITDA

EA-BPM

37 % Revenue Growth	13.8% EBITDA margin
28m* Revenue	3.9m** EBITDA

Cloud

12% Revenue Growth	10.3% EBITDA margin
32m* Revenue	3.3m** EBITDA

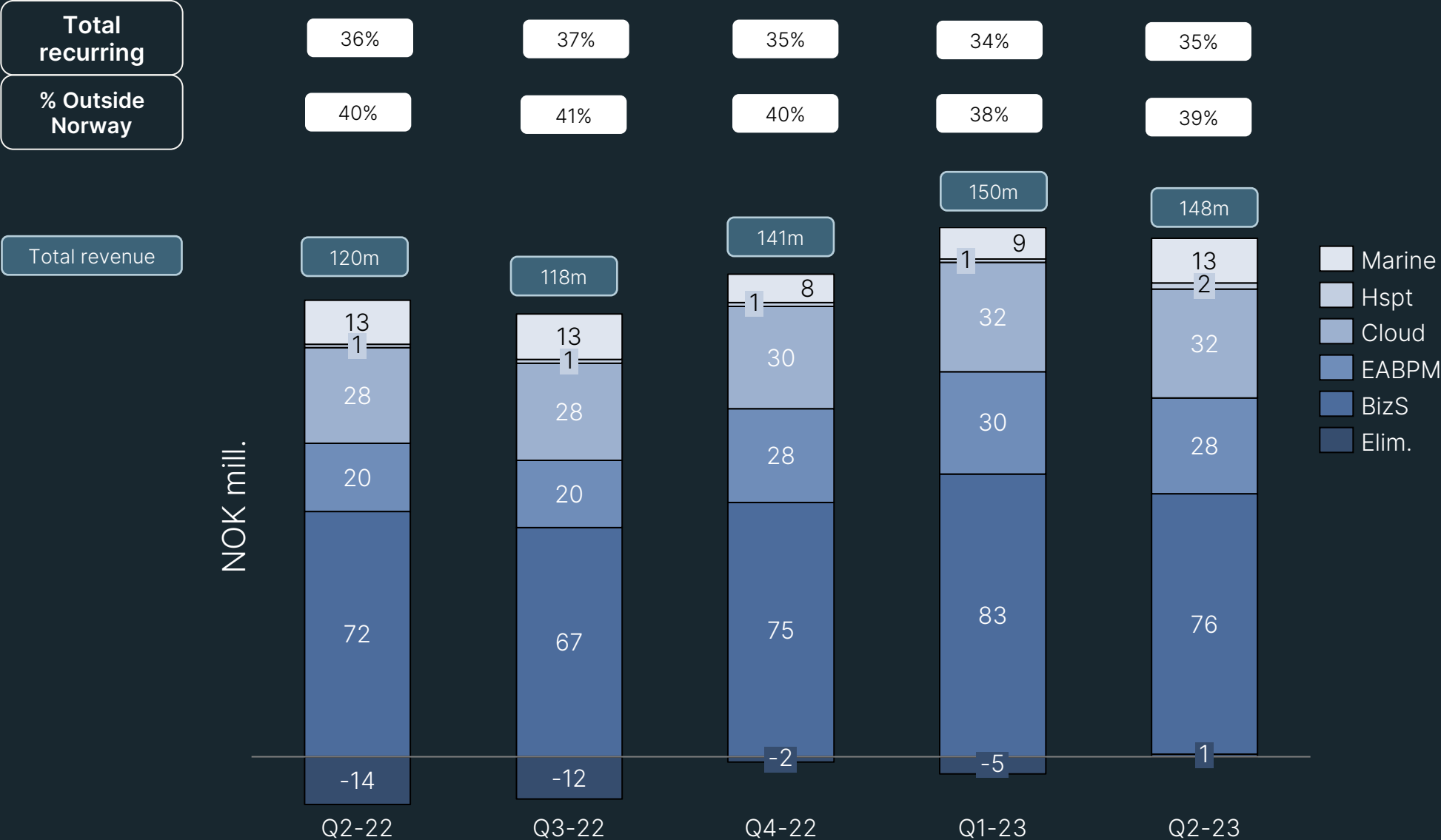
HspT

243% Revenue Growth	-2.9% EBITDA margin
2.0m* Revenue	-0.05m** EBITDA

Marine

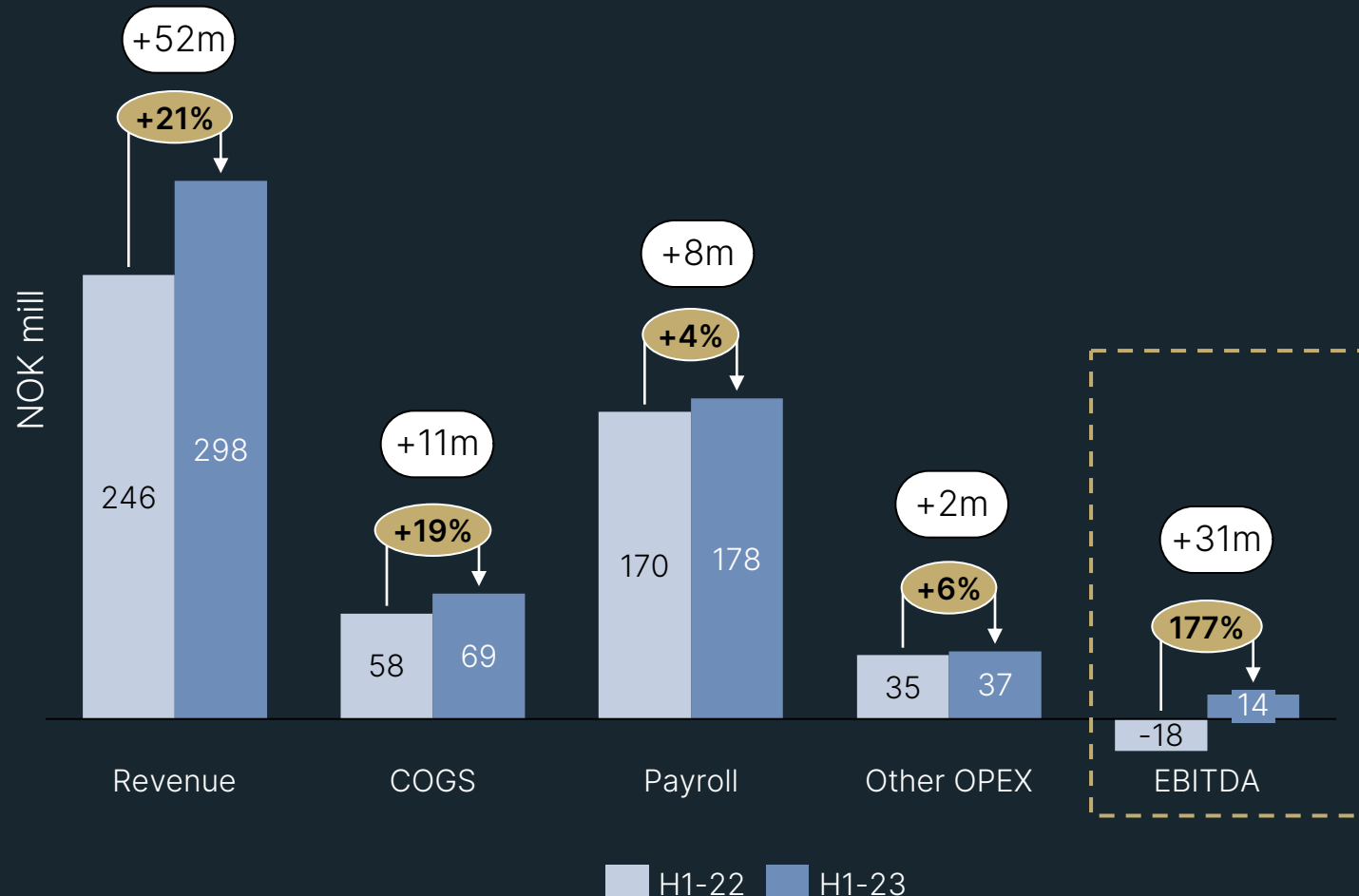
3.3% Revenue Growth	37%* EBITDA margin
13m* Revenue	4.8m** EBITDA

Revenue development for each BA per quarter .



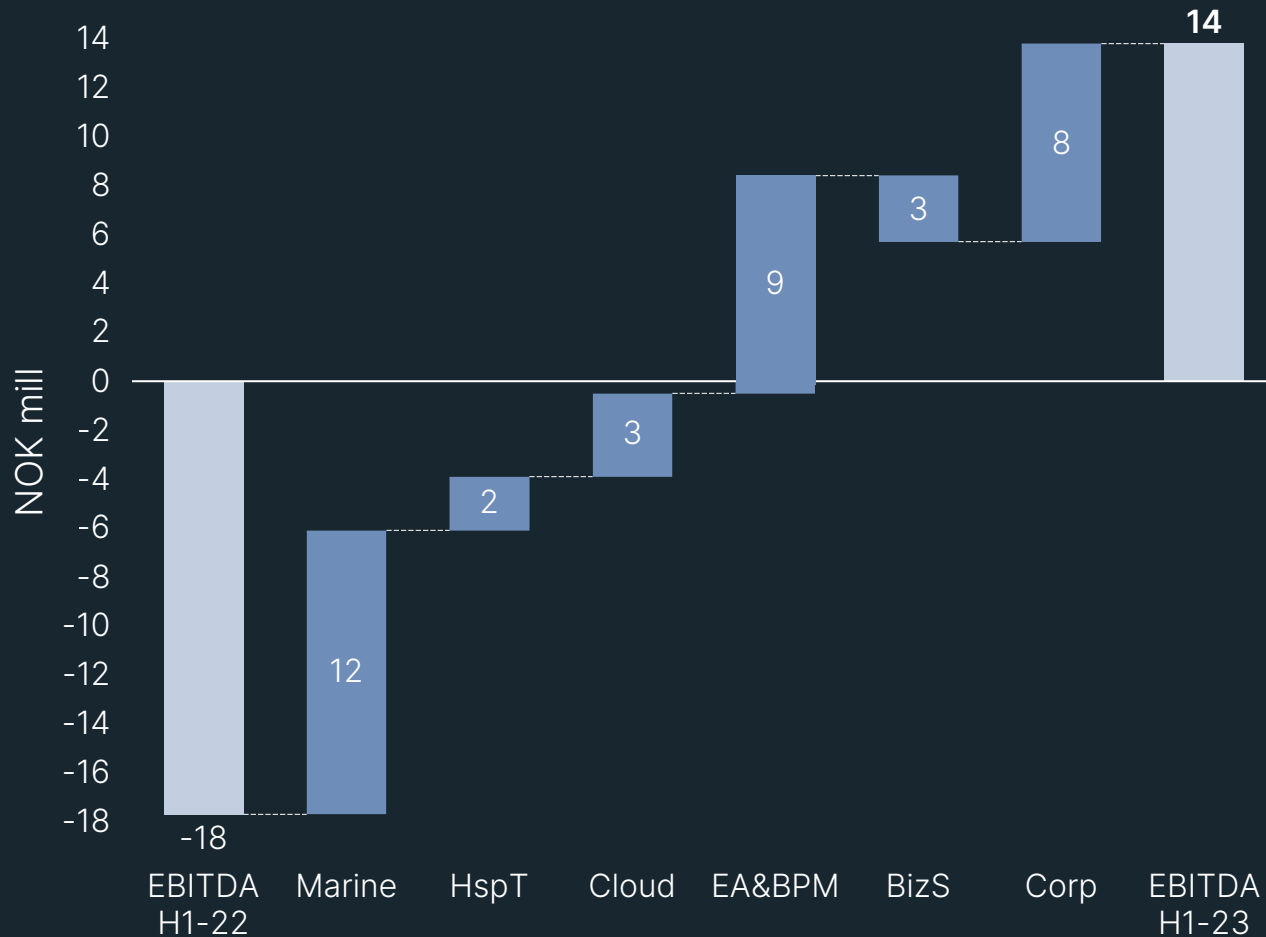
* BA figures Includes external- and group internal revenue pr BA

EBITDA improvement of 31m from H1-22 to H1-23



- All business areas contributed to the 21%, all organic, revenue growth
- COGS increased 19% in accordance with revenue, thus gross margin stable at 76%
- Payroll increase includes salary increase for 2023 effective from 1. April.
- Restructuring of Marine contributed significantly to the low growth in payroll
- Cost discipline kept growth in other OPEX below inflation levels in most countries
- EBITDA increase by 31m reflects the above achievements

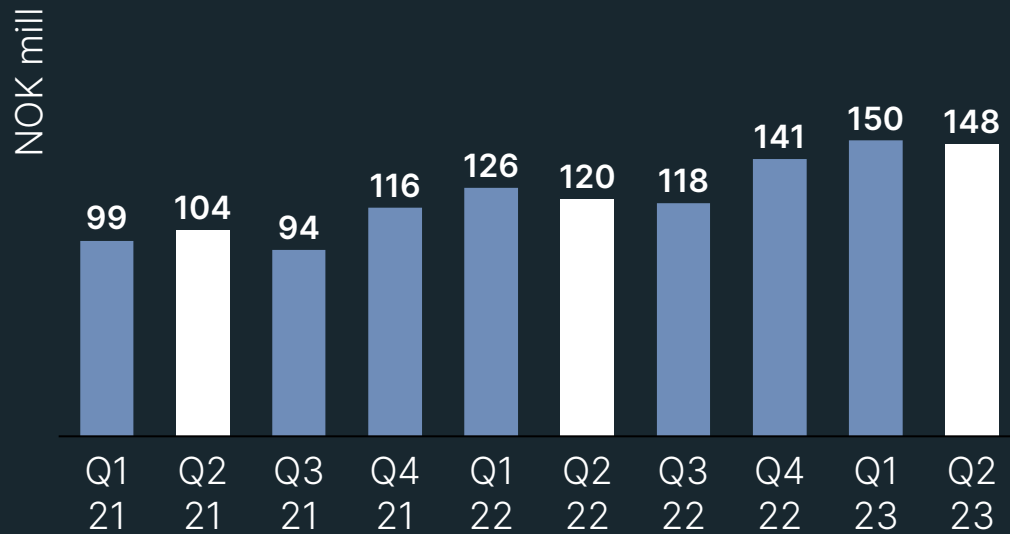
EBITDA improvement of 31m from H1-22 to H1-23



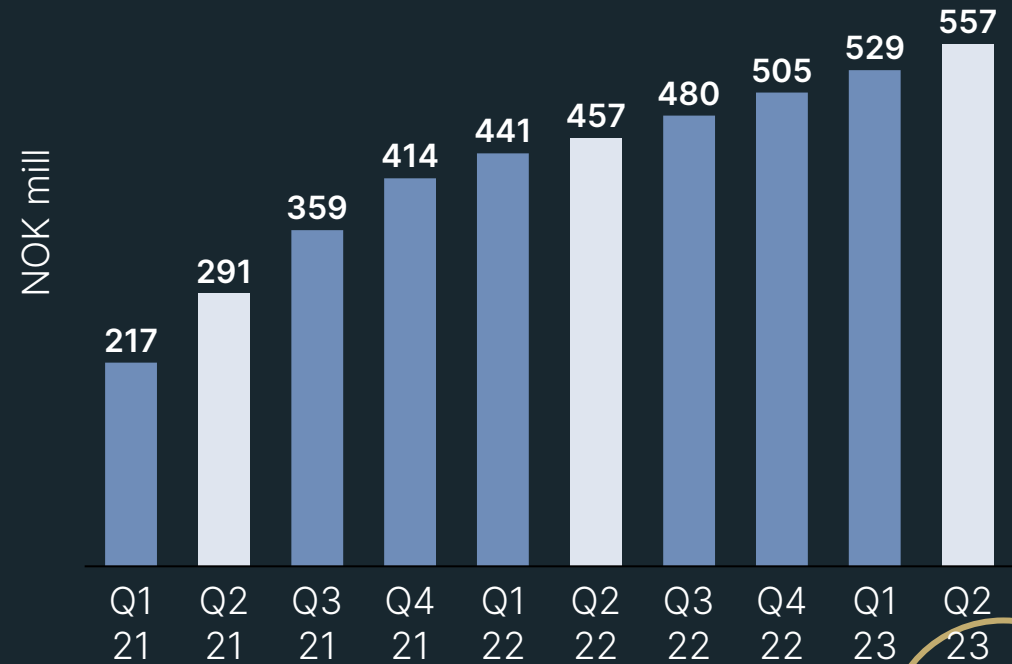
- Marine has the largest EBITDA improvement due to restructuring which achieved a significant improvement in gross margin and ~50% payroll reduction
- HspT almost doubled revenue (from a low base) and capitalized development cost for SW projects that now are completed.
- Cloud saw both revenue growth and reduction in other OPEX, while gross margin has reduced by 5%-point
- EA&BPM saw 36% revenue growth, a 2.5%-point gross margin improvement, while payroll and other OPEX grew by 13%
- BizS saw 6% revenue growth but a 13% growth in expense, thus a drop in EBITDA by 3m
- Lastly, Corporate reduced cost as all internal development projects were completed in Q4-22. All internal resources re-deployed on customer projects.

Revenue quarterly actuals and 12 mth trailing.

Quarterly actuals

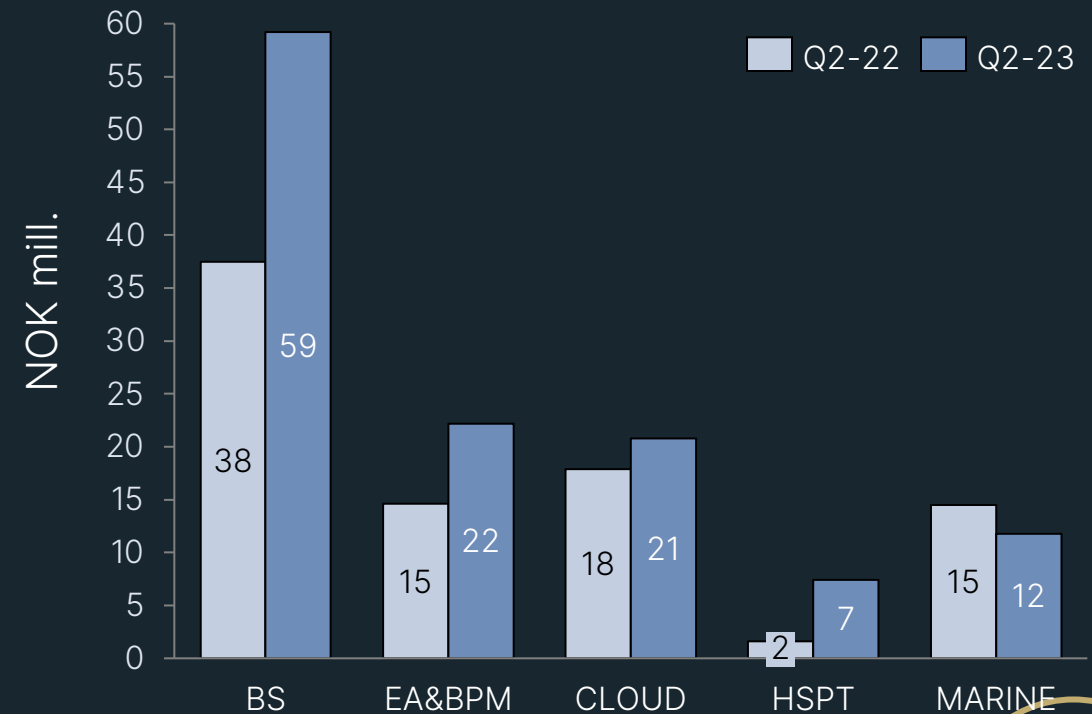
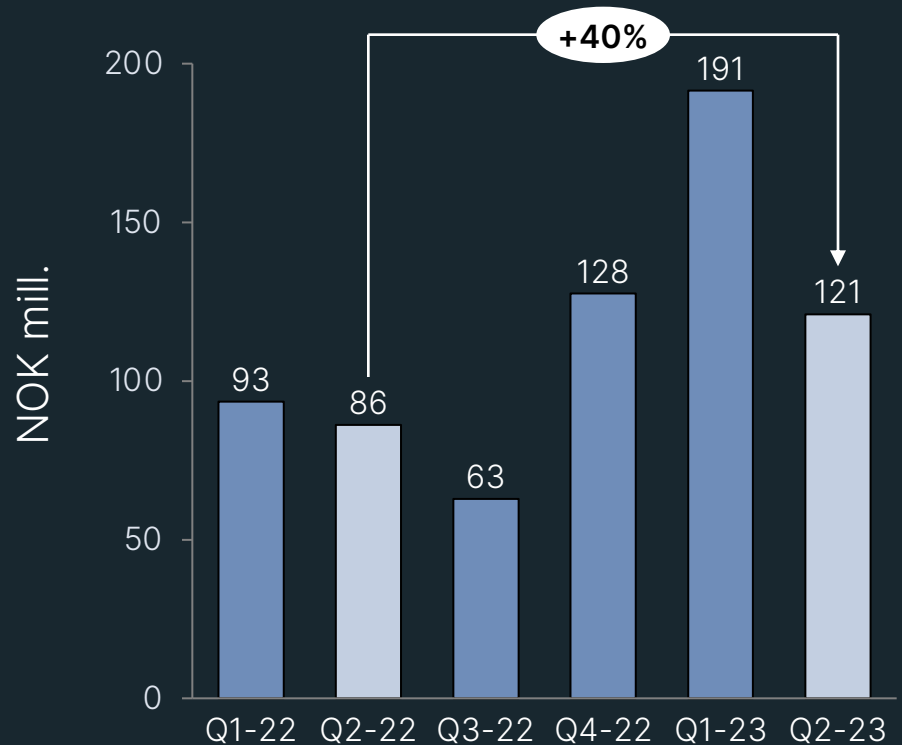


12 months trailing



Sales - new contracts and scope extensions .

Q2: 334 contracts for a total value of NOK 121 million (86m in Q2-22)



Some important wins in Q2 .

Combined value NOK 44 m for the 5 contracts

The Growth Company

- UK Award Winning Social Enterprise
- Value: 16,5 MNOK
- Duration: 3 years
- Starts Q3, 2023
- ERP, Support and Development.

Vår Energi

- Norwegian Oil and Gas Producer
- Value: 11,9 MNOK
- Duration: 10 months
- Start June, 2023
- Business process management consulting

Sykehuspartner

- State-owned Health and care Company
- Value: 6,3 MNOK
- Duration: 4 year
- Start Q2, 2023
- EA&BPM SaaS agreement with a four-year value + options for yearly extensions.

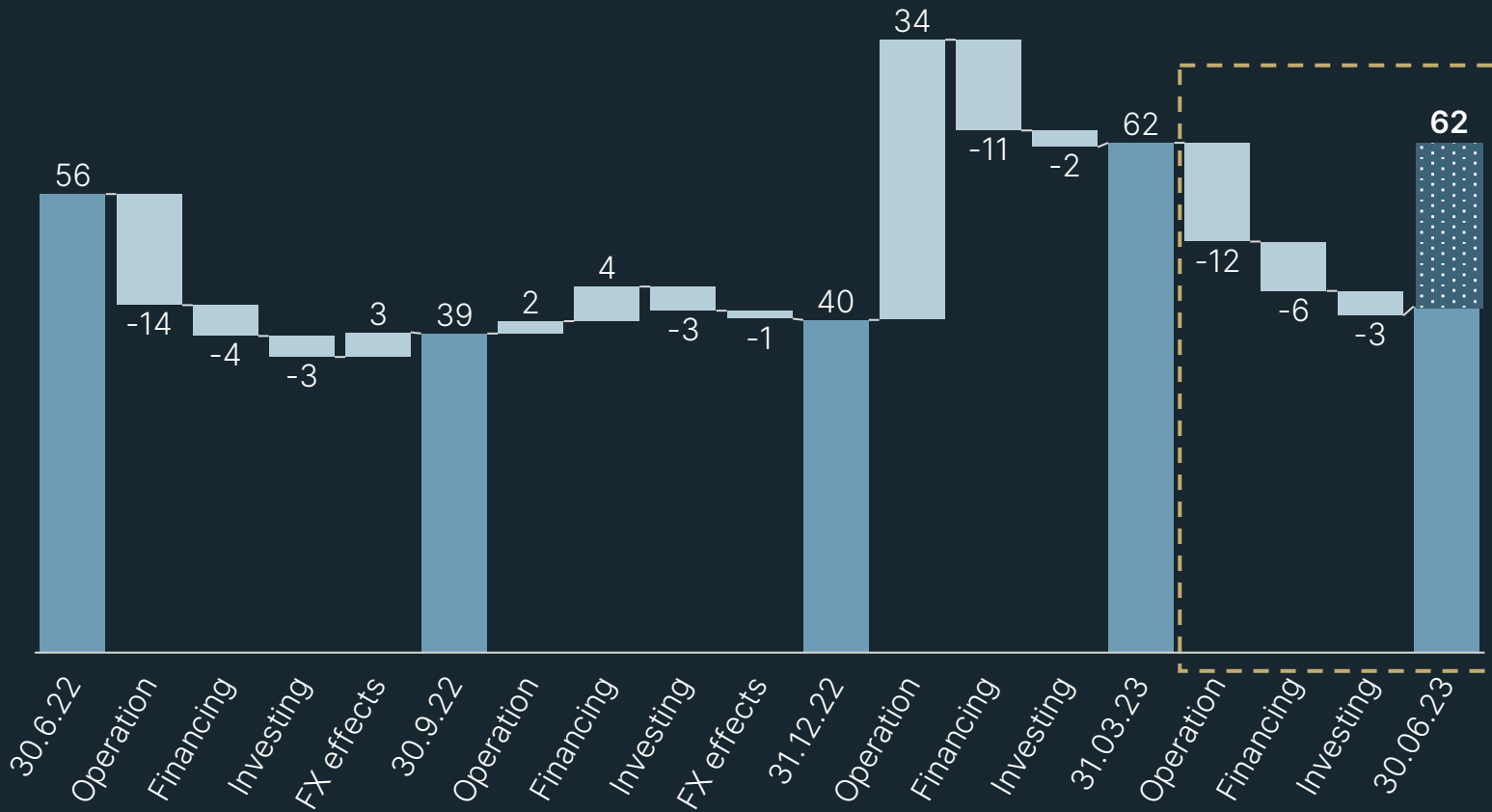
Hallingplast

- Industrial Production Company
- Value: 6,1 MNOK
- Duration: 3 years
- Start Q3, 2023
- Cloud outsourcing contract.

Got City Center Hotels (GCCH)

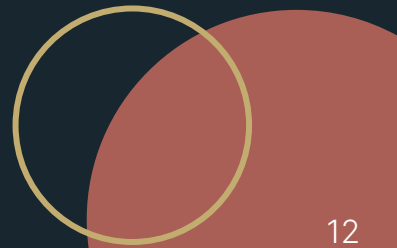
- Swedish Hotel Group
- Value: 3,2 MNOK
- Duration: 3 years
- Start Q3, 2023
- SaaS Agreement, Hospitality. 8 existing Hotels + all new Hotels.

Cash flow development.

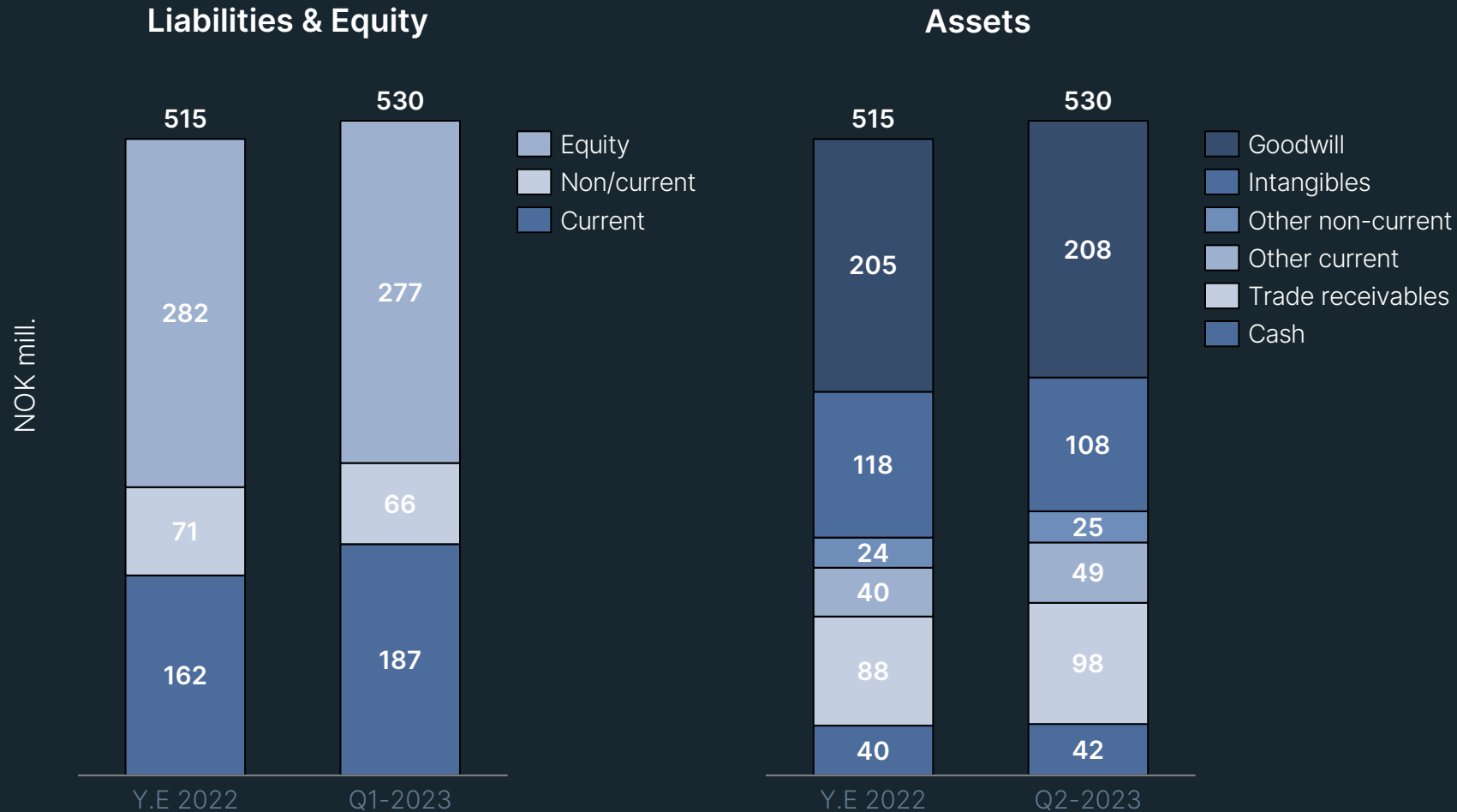


- 80% of the negative cash flow from operations relates to reduction in contract liabilities, stemming from annual pre-payments of licences fees by customers. Furthermore, NOK 12m overdue AR paid by client in July.
- Cash flow from financing consist of NOK 1.3m debt repayment, and 4.4m in lease instalments.
- Cash flow from investing mainly consist of capitalized SW development cost.
- Total cash at end of Q2 was NOK 41.6m. In addition, we had NOK 20m in un-used bank overdraft facilities.
- Of the total cash balance, restricted cash accounts for NOK 9.9 m.

As of 8/8, we have NOK 78.6m in cash and unused overdraft facilities, where of 8.6m is restricted cash.



Balance sheet development.



Outlook •

- We expect higher growth rate in 2023 vs 2022
- Robust demand for cloud services will drive growth for our cloud- and managed IT-services
- Hospitality to grow significantly over next quarters – building SaaS revenue base
- Growth for Marine will continue with large projects available in the market
- Partnership with AI/ML companies will be pursued
- Demand for hyper automation is rapidly increasing, and should provide for additional revenue streams for EA&BPM
- Focus on improving EBITDA margin continues



A photograph of three people sitting in a modern office setting, engaged in a conversation. On the left, a man with a beard and tattoos is smiling and holding a mug. In the center, a woman with long brown hair is smiling and looking towards the man on the right. On the right, a man with a shaved head is smiling and looking towards the woman. They are sitting in contemporary chairs around a small table with a plant and a notebook. The background is dark and out of focus.

Arribatec.

we simplify complexity

Condensed consolidated statements of profit and loss

NOK thousand	Note	For the quarter end		Year to date		Full year 2022
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Revenue	<u>3</u>	148 164	120 241	298 211	246 183	504 968
Materials, software and services		(34 829)	(30 012)	(69 435)	(58 387)	(115 035)
Gross profit		113 334	90 229	228 776	187 796	389 934
Salary and personnel costs		(86 312)	(81 674)	(177 688)	(170 164)	(338 800)
Other operating expenses		(18 626)	(20 044)	(37 405)	(35 352)	(85 241)
Total operating expenses		(104 938)	(101 718)	(215 093)	(205 517)	(424 041)
EBITDA		8 396	(11 489)	13 683	(17 720)	(34 107)
Depreciation, amortization and impairment	<u>4, 5</u>	(12 615)	(13 263)	(24 244)	(25 967)	(56 232)
EBIT		(4 219)	(24 752)	(10 561)	(43 687)	(90 339)
Financial income	<u>6</u>	787	2 049	2 846	2 580	5 191
Financial expense	<u>6</u>	(1 781)	(1 247)	(4 480)	(2 135)	(5 280)
Profit/(loss) before tax		(5 213)	(23 949)	(12 195)	(43 242)	(90 428)
Tax expense		1 384	4 243	2 421	4 057	7 035
Profit/(loss) after tax		(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Attributable to:						
Equity holders of the parent company		(3 830)	(19 706)	(9 774)	(39 184)	(83 393)
Earnings per share: basic	<u>7</u>	(0.06)	(0.03)	(0.14)	(0.06)	(0.13)
Earnings per share: diluted	<u>7</u>	(0.06)	(0.03)	(0.14)	(0.06)	(0.13)

Consolidated statements of financial position

NOK thousand	Note	30 Jun 2023	31 Dec 2022
ASSETS			
Non-current assets			
Property, Plant and equipment		6 653	6 517
Right-of-use assets	<u>4</u>	37 516	41 719
Goodwill	<u>5</u>	207 667	204 581
Customer relations	<u>4</u>	30 591	34 637
Other Intangible assets	<u>4</u>	40 290	41 934
Other non-current assets		3 908	5 323
Deferred tax assets		14 819	12 322
Total non-current assets		341 444	347 034
Current assets			
Accounts receivable		98 264	88 214
Other receivables		2 751	1 128
Contract assets		17 596	16 276
Inventory		3 838	3 777
Other current assets		24 498	18 484
Cash and cash equivalents		41 574	40 449
Total current assets		188 521	168 328
TOTAL ASSETS		529 965	515 362

NOK thousand	Note	30 Jun 2023	31 Dec 2022
EQUITY AND LIABILITIES			
Equity			
Share capital	<u>8</u>	193 361	193 361
Other paid in capital		215 638	215 645
Exchange differences		5 592	679
Other equity		(137 532)	(127 758)
Total equity		277 058	281 927
Non-current liabilities			
Interest bearing loans	<u>9</u>	17 830	18 883
Non-current lease liabilities	<u>4</u>	23 280	26 727
Other non-current financial liabilities		967	967
Deferred tax liabilities		9 608	10 590
Provisions		14 014	14 202
Total non-current liabilities		65 699	71 369
Current liabilities			
Interest bearing loans - current portion	<u>9</u>	7 422	12 328
Current lease liabilities	<u>4</u>	16 148	16 765
Accounts payable		24 018	31 879
Contract liabilities		42 216	16 476
Current tax payable		2 996	650
Other current liabilities		94 408	83 969
Total current liabilities		187 207	162 066
Total liabilities		252 906	233 435
TOTAL EQUITY AND LIABILITIES		529 965	515 362

Consolidated statements of changes in equity

NOK thousand	Equity related to the shareholders of the parent company				
	Restricted		Exchange differences	Other equity	Total Equity
	Share capital	Other paid in capital			
Balance on 1 January 2022	163 773	196 700	398	(44 365)	316 506
Result of the period				(83 393)	(83 393)
Other comprehensive income for the period			282		282
Total comprehensive result for the period	0	0	282	(83 393)	(83 111)
Capital issue, April	28 000	22 000			50 000
Share issue, repair offer, July	1 015	798			1 813
Share issue cost		(3 280)			(3 280)
Share consideration relating to acquisition of Integra		(2 872)			(2 872)
Capital issue in relation to acq. of Integra, Nov	573	2 299			2 872
Closing balance 31 Dec 2022	193 361	215 645	679	(127 758)	281 927
Balance on 1 January	193 361	215 645	679	(127 758)	281 927
Result of the period				(9 774)	(9 774)
Other comprehensive income for the period			4 912		4 912
Total comprehensive result for the period	0	0	4 912	(9 774)	(4 862)
Capital issue, Feb	0				0
Share issue cost		(6)			(6)
Closing balance 30 Jun 2023	193 361	215 638	5 592	(137 532)	277 058

Consolidated cash flow statement

NOK thousand	Note	For the quarter end		Year to date		Full year 2022
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Operating activities						
Profit/(Loss) before tax		(5 213)	(23 949)	(12 195)	(43 242)	(90 428)
Taxes paid		(555)	(873)	(1 052)	(873)	(1 566)
Adjustments for:						
- Finance income and expense	4	927	(802)	1 566	(445)	73
- (Increase)/decrease in trade receivables		(4 631)	(2 114)	(10 050)	(5 328)	460
- (Decrease)/increase in trade payables		(7 485)	(8 287)	(7 861)	(1 191)	10 652
- Depreciation and amortization	5, 6	12 615	13 263	24 244	25 967	50 618
- Impairment losses on intangible assets	5	0	0	0	0	5 614
Change in other current accounts		(8 073)	6 764	27 076	10 426	(2 190)
Net cash flows operating activities		(12 415)	(15 999)	21 728	(14 687)	(26 766)

Investing activities						
Sale of intangible assets	5	0	0	0	0	9 347
Purchase of property, plant and equipment		(563)	(129)	(1 359)	(1 178)	(1 964)
Purchase and development of intangible assets	5	(2 651)	(2 331)	(3 742)	(4 474)	(13 881)
Interest received		275	5	311	9	291
Net cash flows investing activities		(2 939)	(2 456)	(4 789)	(5 643)	(6 207)

NOK thousand	Note	For the quarter end		Year to date		Full year 2022
		30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022	
Financing activities						
Change in overdrafts		467	(6 475)	(6 084)	(4 705)	(2 432)
Repayment of debt		(1 362)	(1 443)	(2 756)	(2 590)	(5 464)
Interest paid		(294)	(6)	(555)	(187)	(697)
Received Gov.grants (SkatteFUNN)		0	0	0	0	3 493
Instalments lease liabilities		(4 420)	(4 452)	(7 534)	(8 554)	(15 932)
Proceeds from shares issued		6	50 000	0	50 000	51 813
Share issue cost		(6)	(1 725)	(6)	(2 157)	(3 280)
Net cash flows financing activities		(5 610)	35 898	(16 935)	31 807	27 501
Net change in cash and cash equivalents		(20 964)	17 443	4	11 477	(5 472)
Cash and cash equivalents at beginning of period		61 964	37 414	40 449	43 758	43 758
Currency translation		574	873	1 122	495	2 163
Cash and cash equivalents at end of period, incl. restricted cash		41 574	55 730	41 574	55 730	40 449
-whereof restricted cash		9 908	16 212	9 908	16 212	13 492