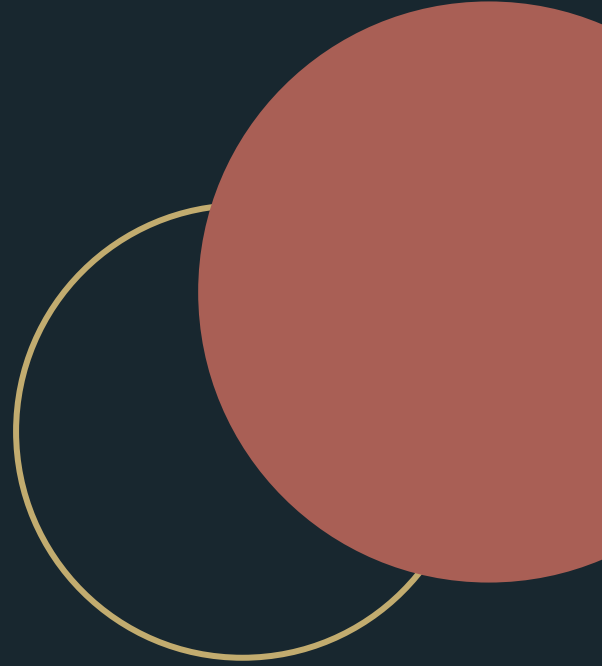


Arribatec.

# Quarterly presentation Q3 2023 .

Geir Johansen, CEO



# Highlights Q3.



- Quarterly revenue of NOK 132m (118m) and 12% growth
- Positive EBTIDA of NOK 9.0m (-6.7m) an improvement of NOK 15.7 m
- NOK 40m (38m) in cash at the end of the quarter



- Won a contract worth NOK 22m for Flytoget for delivery of 29 new ticket vending machines
- Signed 374 new contracts and scope extensions for a total value of NOK 135 million

# Strong growth and positive EBITDA .

## Revenue

NOK 132m (118m)  
+12% qrt/qrt  
Organic Growth +12%

## Recurring

NOK 54m (44m)  
+11% qrt/qrt  
41% of total revenue

## EBITDA

NOK 9.0m (-6.7m)  
+234% qrt/qrt  
Margin 6.8%

## NORWAY

NOK 82m (70m)  
+17% qrt/qrt  
63% of total

## EUROPE

NOK 39m (39m)  
0% qrt/qrt  
29% of total

## R.O.W.

NOK 11m (9M)  
+18% qrt/qrt  
8% of total



17



Offices around  
the globe

354+



Employees across  
business areas

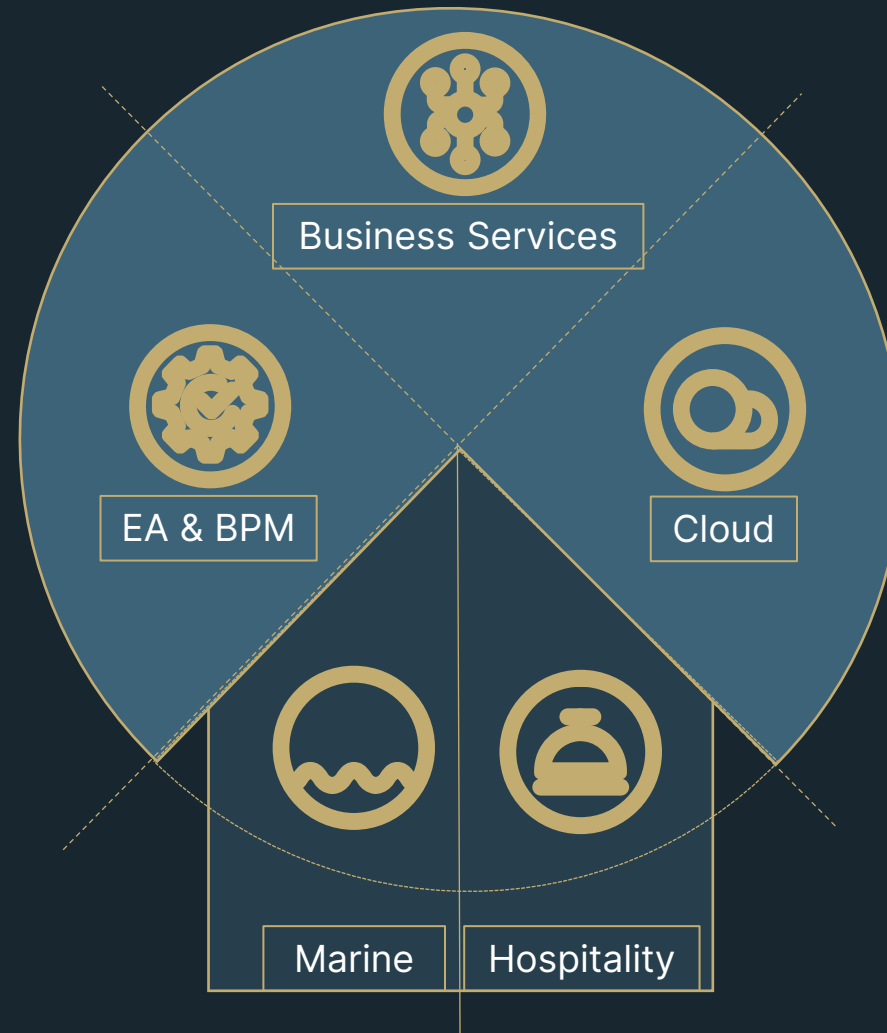
1700+



Clients across  
industries

# Arribatec's five business areas .

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



# Q3-23 performance per business areas vs. Q3-22.

## BizS

|                       |                        |
|-----------------------|------------------------|
| -3%<br>Revenue Growth | 14.0%<br>EBITDA margin |
| 65m*<br>Revenue       | 9.1m**<br>EBITDA       |

## EA-BPM

|                        |                        |
|------------------------|------------------------|
| 23 %<br>Revenue Growth | 21.3%<br>EBITDA margin |
| 24.2m*<br>Revenue      | 5.2m**<br>EBITDA       |

## Cloud

|                       |                        |
|-----------------------|------------------------|
| 20%<br>Revenue Growth | 12.0%<br>EBITDA margin |
| 32m*<br>Revenue       | 3.4m**<br>EBITDA       |

## HspT

|                       |                           |
|-----------------------|---------------------------|
| 74%<br>Revenue Growth | negative<br>EBITDA margin |
| 2.1m*<br>Revenue      | -2.2m**<br>EBITDA         |

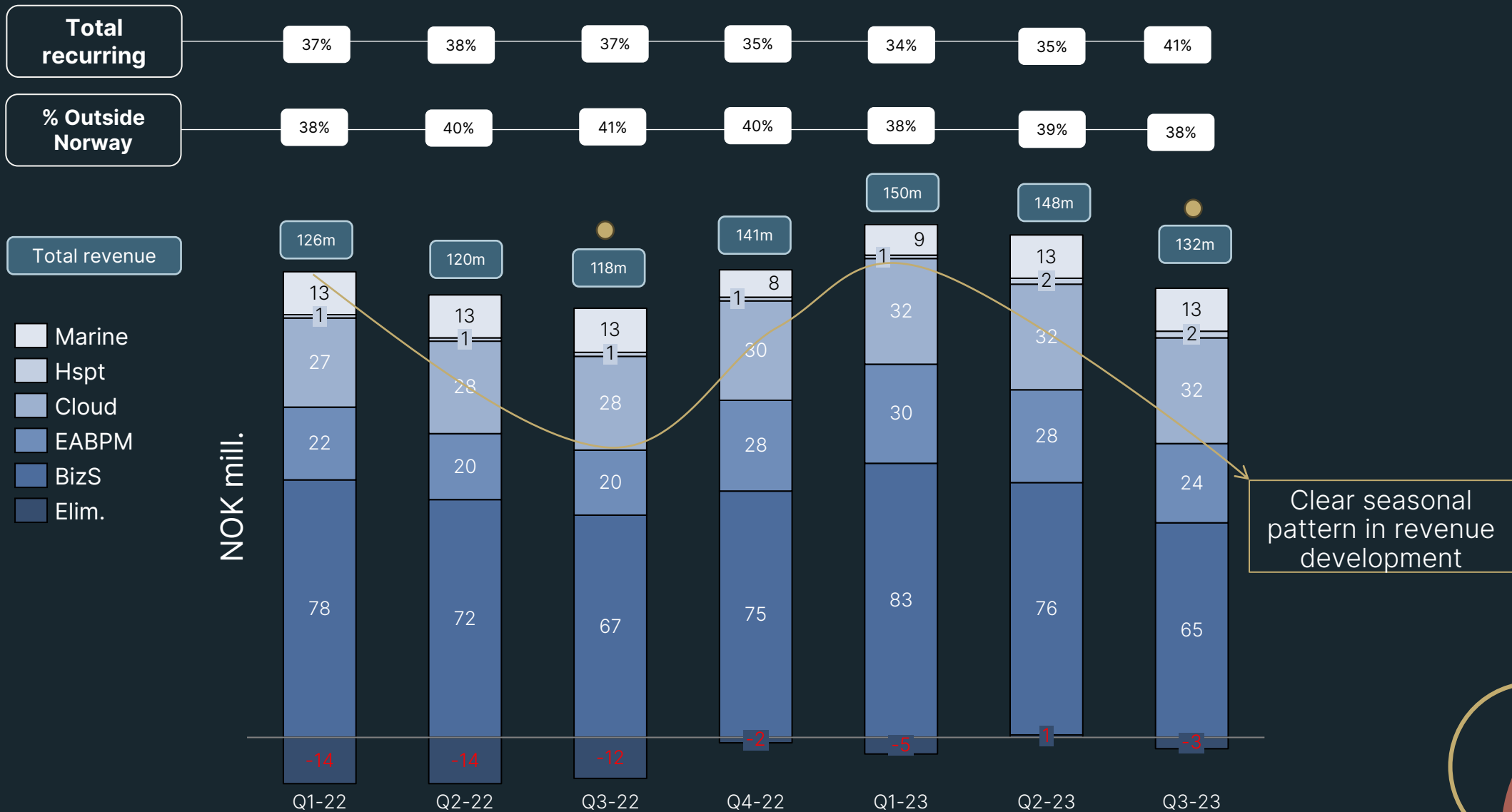
## Marine

|                         |                       |
|-------------------------|-----------------------|
| -5.7%<br>Revenue Growth | 43%*<br>EBITDA margin |
| 12.5m*<br>Revenue       | 5.4m**<br>EBITDA      |

Negative growth in q3-23 due to income from PERFORMANCE in Q3-22 (sold in Q4)

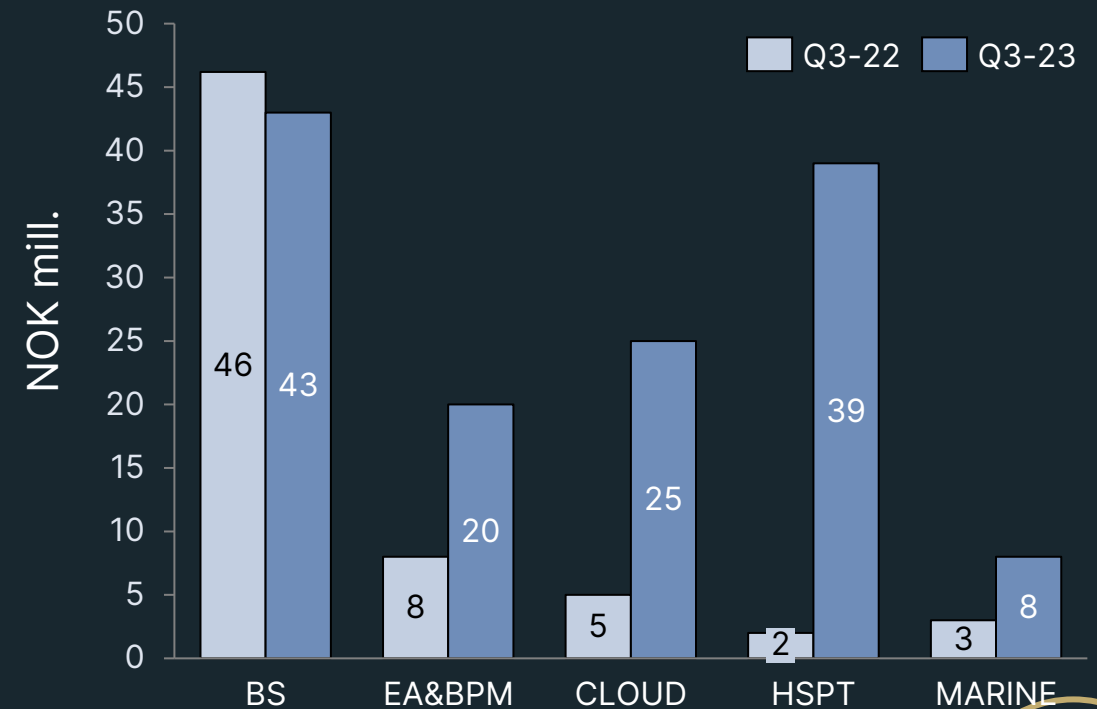
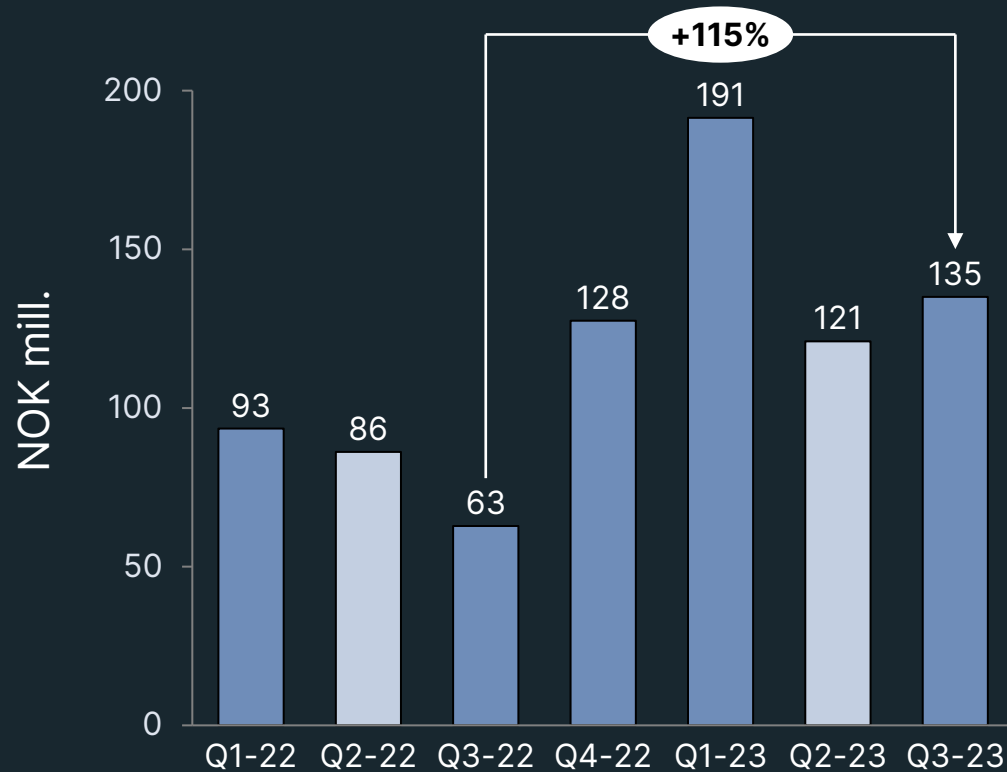


# Revenue development for each BA per quarter .



# Sales - new contracts and scope extensions .

Q3: 374 contracts for a total value of NOK 135 million (63m in Q3-22)





# Some important wins in Q3

Combined value NOK 56 mill.

## Flytoget

- Oslo Airport Express train
- Value: 22 MNOK
- Duration: 4 years
- Start Q3, 2023
- HW, Software Development & Operations.

## Cabinn Hotels

- Budget Hotel Chain, Denmark
- Value: 6 MNOK
- Duration: 3 year
- Start Q4, 2023
- 11 Self Service kiosks, HW, Installation & Operations.

## Boligpartner

- Large Norwegian housebuilder
- Value: 17 MNOK
- Duration: 3 year
- Start Q3, 2023
- Cloud Outsourcing

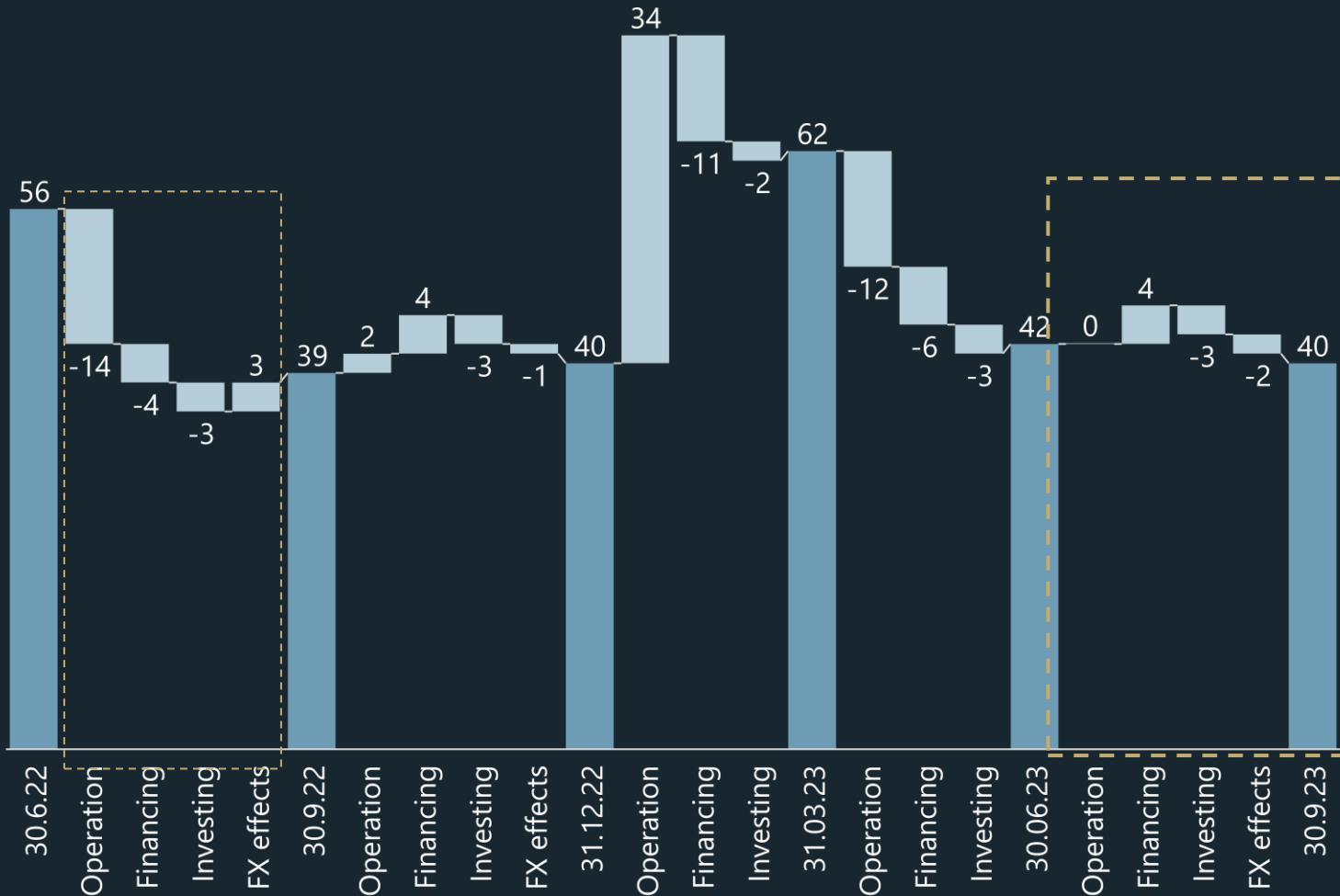
## Dobloug-Gruppen

- Construction Company
- Value: 4 MNOK
- Duration: 3 years
- Start Q3, 2023
- Cloud outsourcing services

## Sykehusinnkjøp

- National procurement agency for the Norwegian specialist healthcare service.
- Value: 4 MNOK
- Duration: 3 years
- Start Q3, 2023
- Solution for Planning and Performance Management. (Hypergene)

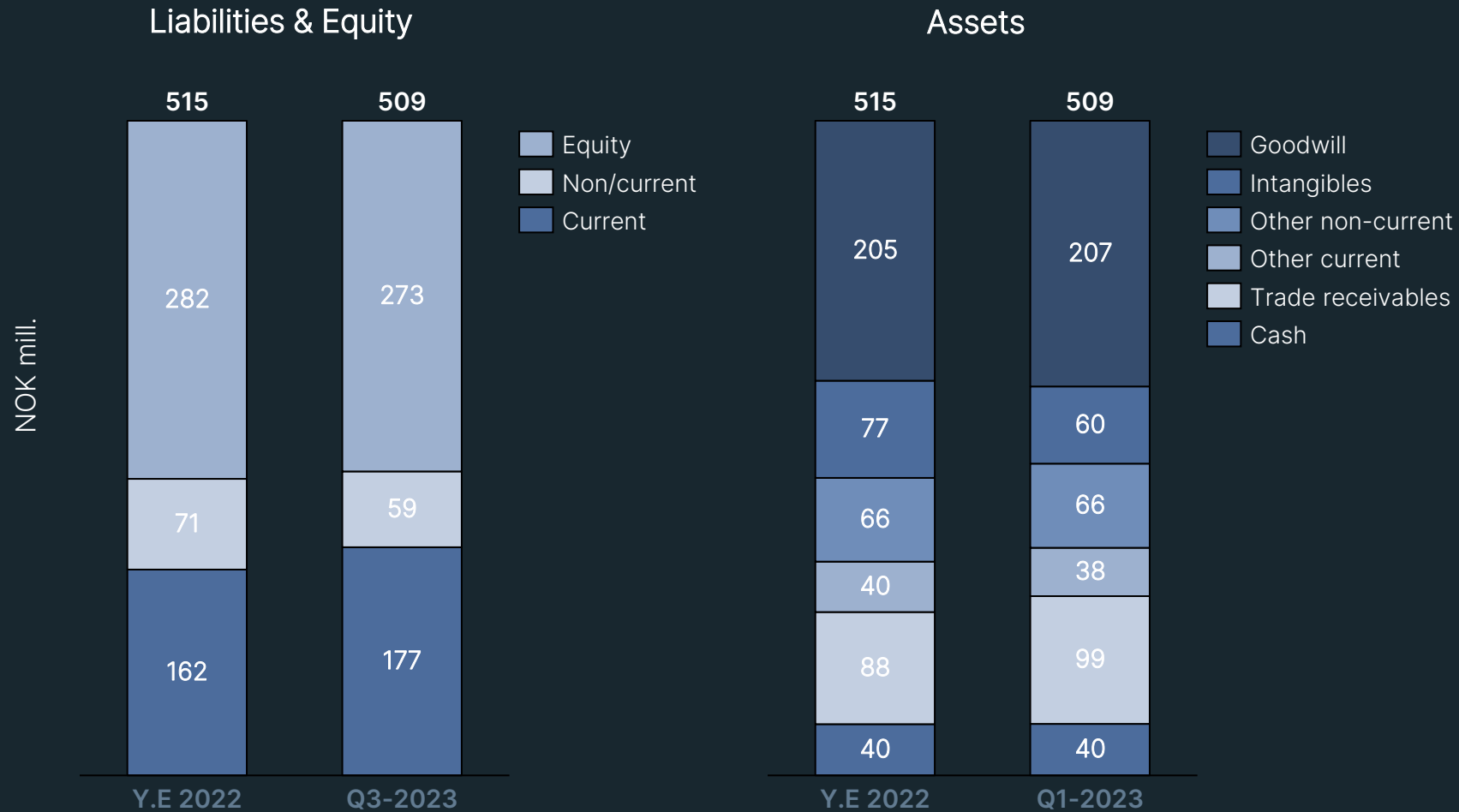
# Cash flow development.



- Net cash flow from operation was zero for Q3 2023. This compares to a negative 14m in same quarter 2022.
- Net cash flow from investing activities was NOK -3.3m in Q3. Of the capitalized assets, main part is capitalized development costs and purchased software..
- Net cash flow from financing was positive by NOK 3.8m in the
- Arribatec had NOK 40.2m in cash and cash equivalents at the end of the quarter.

**As of 23/10, we had NOK 55.6m in cash and unused overdraft facilities, where of 14.1 is restricted cash.**

# Balance sheet development.



# Outlook .

- We expect similar growth rate in 2023 as in 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 – consulting for Flytoget boosts revenue
- 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

# Summary.

## Revenue

NOK 132m (118m)  
+12% qrt/qrt  
Organic Growth +12%

## Recurring

NOK 54m (44m)  
+11% qrt/qrt  
41% of total revenue

## EBITDA

NOK 9.0m (-6.7m)  
+234% qrt/qrt  
Margin 6.8%

## CASH

End of Q3 NOK 40m  
23 October NOK 55m

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 coffee cup. 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 round table with a plant and a notebook. The background is a dark, minimalist office space.

# 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 Sep 2023         | 30 Sep 2022     | 30 Sep 2023      | 30 Sep 2022      |                  |
| Revenue                                   | <u>3</u>    | 131 812             | 118 235         | 430 023          | 364 419          | 504 968          |
| Materials, software and services          |             | (31 783)            | (29 923)        | (101 218)        | (88 310)         | (115 035)        |
| <b>Gross profit</b>                       |             | <b>100 029</b>      | <b>88 312</b>   | <b>328 804</b>   | <b>276 108</b>   | <b>389 934</b>   |
| Salary and personnel costs                |             | (75 832)            | (73 172)        | (253 520)        | (243 336)        | (338 800)        |
| Other operating expenses                  |             | (15 232)            | (21 810)        | (52 637)         | (57 163)         | (85 241)         |
| <b>Total operating expenses</b>           |             | <b>(91 064)</b>     | <b>(94 982)</b> | <b>(306 157)</b> | <b>(300 499)</b> | <b>(424 041)</b> |
| <b>EBITDA</b>                             |             | <b>8 965</b>        | <b>(6 671)</b>  | <b>22 648</b>    | <b>(24 391)</b>  | <b>(34 107)</b>  |
| Depreciation, amortization and impairment | <u>4, 5</u> | (12 872)            | (13 716)        | (37 116)         | (39 683)         | (56 232)         |
| <b>EBIT</b>                               |             | <b>(3 907)</b>      | <b>(20 386)</b> | <b>(14 468)</b>  | <b>(64 073)</b>  | <b>(90 339)</b>  |
| Financial income                          | <u>6</u>    | (104)               | 1 733           | 2 742            | 4 314            | 5 191            |
| Financial expense                         | <u>6</u>    | (1 717)             | (1 038)         | (6 197)          | (3 173)          | (5 280)          |
| <b>Profit/(loss) before tax</b>           |             | <b>(5 728)</b>      | <b>(19 691)</b> | <b>(17 923)</b>  | <b>(62 933)</b>  | <b>(90 428)</b>  |
| Tax expense                               |             | 2 811               | 2 380           | 5 232            | 6 437            | 7 035            |
| <b>Profit/(loss) after tax</b>            |             | <b>(2 917)</b>      | <b>(17 312)</b> | <b>(12 691)</b>  | <b>(56 496)</b>  | <b>(83 393)</b>  |
| <b>Attributable to:</b>                   |             |                     |                 |                  |                  |                  |
| Equity holders of the parent company      |             | (2 917)             | (17 312)        | (12 691)         | (56 496)         | (83 393)         |
| Earnings per share: basic                 | <u>7</u>    | (0.04)              | (0.03)          | (0.18)           | (0.09)           | (0.13)           |
| Earnings per share: diluted               | <u>7</u>    | (0.04)              | (0.03)          | (0.18)           | (0.09)           | (0.13)           |



# Consolidated statements of financial position

| NOK thousand                    | Note     | 30 Sep 2023    | 31 Dec 2022    |
|---------------------------------|----------|----------------|----------------|
| <b>ASSETS</b>                   |          |                |                |
| <b>Non-current assets</b>       |          |                |                |
| Property, Plant and equipment   |          | 6 129          | 6 517          |
| Right-of-use assets             | <u>4</u> | 34 449         | 41 719         |
| Goodwill                        | <u>5</u> | 206 582        | 204 581        |
| Customer relations              | <u>4</u> | 27 112         | 34 637         |
| Other Intangible assets         | <u>4</u> | 38 402         | 41 934         |
| Other non-current assets        |          | 4 024          | 5 323          |
| Deferred tax assets             |          | 15 328         | 12 322         |
| <b>Total non-current assets</b> |          | <b>332 027</b> | <b>347 034</b> |
| <b>Current assets</b>           |          |                |                |
| Accounts receivable             |          | 99 263         | 88 214         |
| Other receivables               |          | 3 215          | 1 128          |
| Contract assets                 |          | 17 384         | 16 276         |
| Inventory                       |          | 3 866          | 3 777          |
| Other current assets            |          | 13 118         | 18 484         |
| Cash and cash equivalents       |          | 40 161         | 40 449         |
| <b>Total current assets</b>     |          | <b>177 007</b> | <b>168 328</b> |
| <b>TOTAL ASSETS</b>             |          | <b>509 034</b> | <b>515 362</b> |

| NOK thousand                             | Note     | 30 Sep 2023    | 31 Dec 2022    |
|--|----------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>            |          |                |                |
| <b>Equity</b>                            |          |                |                |
| Share capital                            | <u>8</u> | 193 361        | 193 361        |
| Other paid in capital                    |          | 215 638        | 215 645        |
| Exchange differences                     |          | 4 061          | 679            |
| Other equity                             |          | (140 449)      | (127 758)      |
| <b>Total equity</b>                      |          | <b>272 611</b> | <b>281 927</b> |
| <b>Non-current liabilities</b>           |          |                |                |
| Interest bearing loans                   | <u>9</u> | 15 349         | 18 883         |
| Non-current lease liabilities            | <u>4</u> | 20 961         | 26 727         |
| Other non-current financial liabilities  |          | 1 089          | 967            |
| Deferred tax liabilities                 |          | 8 512          | 10 590         |
| Provisions                               |          | 13 072         | 14 202         |
| <b>Total non-current liabilities</b>     |          | <b>58 982</b>  | <b>71 369</b>  |
| <b>Current liabilities</b>               |          |                |                |
| Interest bearing loans - current portion | <u>9</u> | 20 800         | 12 328         |
| Current lease liabilities                | <u>4</u> | 15 426         | 16 765         |
| Accounts payable                         |          | 28 903         | 31 879         |
| Contract liabilities                     |          | 31 873         | 16 476         |
| Current tax payable                      |          | 1 369          | 650            |
| Other current liabilities                |          | 79 070         | 83 969         |
| <b>Total current liabilities</b>         |          | <b>177 441</b> | <b>162 066</b> |
| <b>Total liabilities</b>                 |          | <b>236 423</b> | <b>233 435</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>      |          | <b>509 034</b> | <b>515 362</b> |

# Consolidated statements of changes in equity

| NOK thousand   | Share capital  | Other paid in capital | Exchange differences | Other equity     | Total Equity    |
|--|----------------|-----------------------|----------------------|------------------|-----------------|
| 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             |
| <b>Total comprehensive result for the period</b>       | <b>0</b>       | <b>0</b>              | <b>282</b>           | <b>(83 393)</b>  | <b>(83 111)</b> |
| 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           |
| <b>Closing balance 31 Dec 2022</b>                     | <b>193 361</b> | <b>215 645</b>        | <b>679</b>           | <b>(127 758)</b> | <b>281 927</b>  |
| Balance on 1 January                                   | 193 361        | 215 645               | 679                  | (127 758)        | 281 927         |
| Result of the period                                   |                |                       |                      | (12 691)         | (12 691)        |
| Other comprehensive income for the period              |                |                       | 3 382                |                  | 3 382           |
| <b>Total comprehensive result for the period</b>       | <b>0</b>       | <b>0</b>              | <b>3 382</b>         | <b>(12 691)</b>  | <b>(9 309)</b>  |
| Capital issue, Feb                                     | 0              |                       |                      |                  | 0               |
| Share issue cost                                       |                | (6)                   |                      |                  | (6)             |
| <b>Closing balance 30 Sep 2023</b>                     | <b>193 361</b> | <b>215 638</b>        | <b>4 061</b>         | <b>(140 449)</b> | <b>272 611</b>  |

# Consolidated cash flow statement

| NOK thousand   | Note | For the quarter end |             | Year to date |             | Full year 2022 |
|--|------|---------------------|-------------|--------------|-------------|----------------|
|  |      | 30 Sep 2023         | 30 Sep 2022 | 30 Sep 2023  | 30 Sep 2022 |                |
| <b>Operating activities</b>  |      |                     |             |              |             |                |
| Profit/(Loss) before tax   |      | (5 728)             | (19 691)    | (17 923)     | (62 933)    | (90 428)       |
| Taxes paid   |      | (58)                | (693)       | (1 110)      | (1 566)     | (1 566)        |
| <b>Adjustments for:</b>  |      |                     |             |              |             |                |
| - Finance income and expense   | 4    | 1 886               | (695)       | 3 452        | (1 140)     | 73             |
| - (Increase)/decrease in trade receivables                               |      | (998)               | (5 623)     | (11 048)     | (10 951)    | 460            |
| - (Decrease)/increase in trade payables                                  |      | 4 885               | 634         | (2 976)      | (557)       | 10 652         |
| - Depreciation and amortization  | 5, 6 | 12 872              | 12 889      | 37 116       | 38 856      | 50 618         |
| - Impairment losses on intangible assets                                 | 5    | 0                   | 827         | 0            | 827         | 5 614          |
| Change in other current accounts   |      | (12 985)            | (1 182)     | 14 091       | 9 244       | (2 190)        |
| <b>Net cash flows operating activities</b>                               |      | (126)               | (13 535)    | 21 602       | (28 221)    | (26 766)       |
| <b>Investing activities</b>  |      |                     |             |              |             |                |
| Sale of intangible assets  | 5    | 0                   | 0           | 0            | 0           | 9 347          |
| Purchase of property, plant and equipment                                |      | (278)               | (515)       | (1 637)      | (1 692)     | (1 964)        |
| Purchase and development of intangible assets                            | 5    | (3 111)             | (3 487)     | (6 853)      | (7 961)     | (13 881)       |
| Interest received  |      | 99                  | 247         | 411          | 256         | 291            |
| <b>Net cash flows investing activities</b>                               |      | (3 290)             | (3 755)     | (8 079)      | (9 398)     | (6 207)        |
| <b>Financing activities</b>  |      |                     |             |              |             |                |
| Change in overdrafts   |      | 13 722              | 2 273       | 7 639        | (2 432)     | (2 432)        |
| Repayment of debt  |      | (1 648)             | (1 702)     | (4 405)      | (4 292)     | (5 464)        |
| Interest paid  |      | (305)               | (315)       | (860)        | (503)       | (697)          |
| Received Gov.grants (SkatteFUNN)   |      | 0                   | 0           | 0            | 0           | 3 493          |
| Instalments lease liabilities  |      | (8 001)             | (3 599)     | (15 534)     | (12 152)    | (15 932)       |
| Proceeds from shares issued  |      | 0                   | 1 813       | 0            | 51 813      | 51 813         |
| Share issue cost   |      | 0                   | (927)       | (6)          | (3 084)     | (3 280)        |
| <b>Net cash flows financing activities</b>                               |      | 3 768               | (2 457)     | (13 167)     | 29 350      | 27 501         |
| Net change in cash and cash equivalents                                  |      | 352                 | (19 746)    | 356          | (8 269)     | (5 472)        |
| Cash and cash equivalents at beginning of period                         |      | 41 574              | 55 730      | 40 449       | 43 758      | 43 758         |
| Currency translation   |      | (1 765)             | 2 715       | (644)        | 3 210       | 2 163          |
| <b>Cash and cash equivalents at end of period, incl. restricted cash</b> |      | 40 161              | 38 699      | 40 161       | 38 699      | 40 449         |
| -whereof restricted cash   |      | 9 332               | 15 235      | 9 332        | 15 235      | 13 492         |