

NORBIT

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Fourth quarter and full year 2021 result presentation

CEO Per Jørgen Weisethaunet

CFO Per Kristian Reppe

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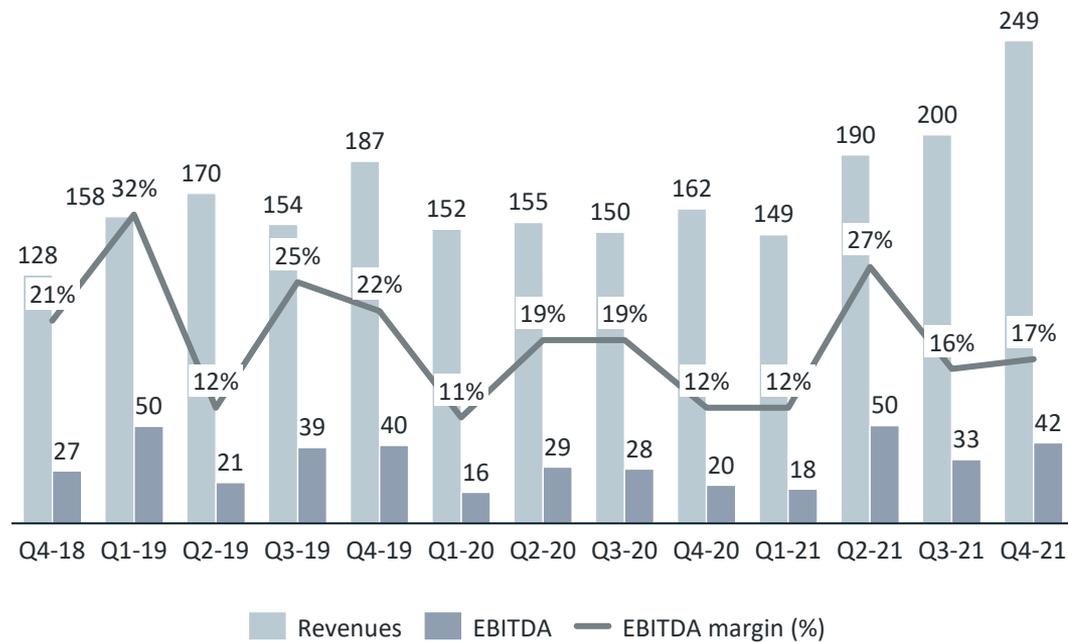
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All time high revenues and EBITDA doubled

Revenues and EBITDA

NOK million



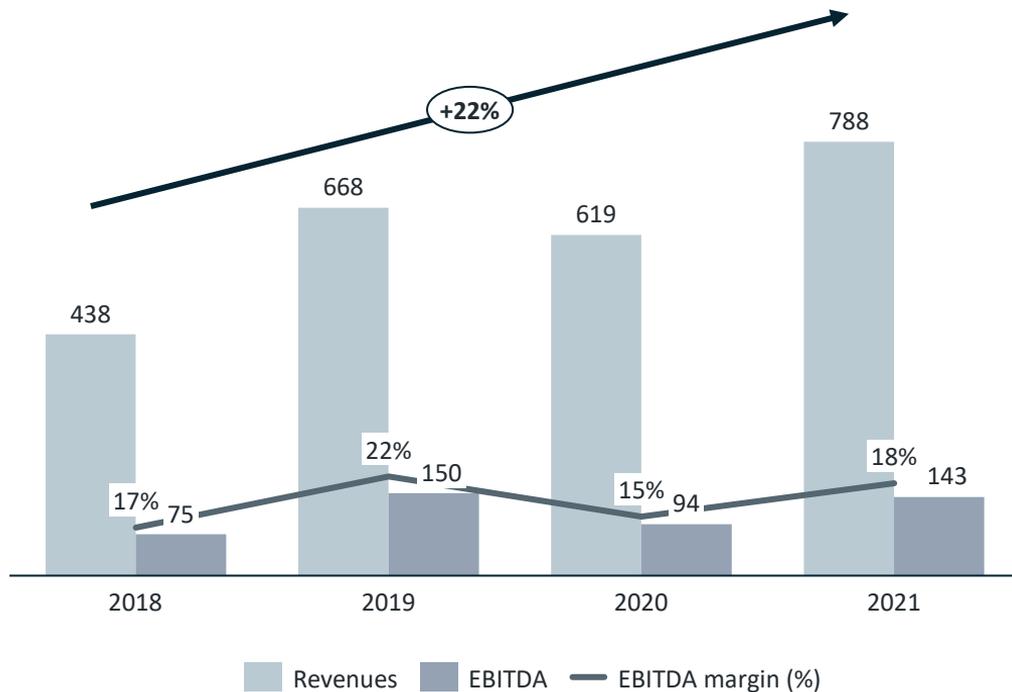
Fourth quarter 2021

- 54 per cent revenue increase driven by solid sales growth in all segments
- EBITDA margin of 17 per cent, up 5 percentage points from the same period in 2020
- The Board of Directors proposes a dividend for the fiscal year 2021 of NOK 0.30 per share, representing 36 per cent of the reported net income, in line with the dividend policy

Good progress towards the 2024 ambition level

Revenues and EBITDA

NOK million



Full year 2021

- Good progress despite challenges relating to the pandemic and shortage in supply of components
- 27 per cent revenue growth - adjusted for the iData transaction, organic growth was 22 per cent
- Improved profitability driven by higher revenue base and operational leverage, despite cost inflation on raw materials



OCEANS

Oceans positioned for the Blue Economy



SAFETY OF NAVIGATION

- Maintenance of infrastructure
- Construction of infrastructure



RENEWABLE ENERGY

- Permitting surveys
- Planning surveys
- Construction support
- Planning of water resources/reservoirs



FISHERIES

- OEM OLEX for habitat detection for planning of asset deployed on seafloor



SECURITY

- Disaster help, fly in assets
- Surveys for support of dive sites
- Security of sites



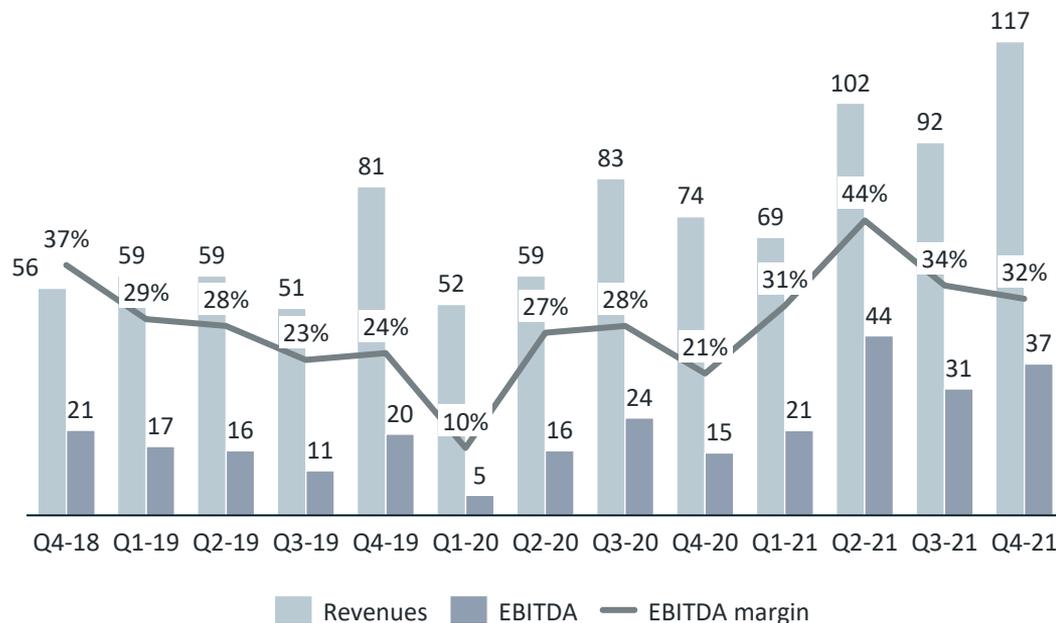
ENVIRONMENTAL MONITORING

- Bottom classification for environmental protection
- Ponds detection/documentation
- Pollution and oil spill detection

Continued strong sonar sales in Oceans

Revenues and EBITDA

NOK million



Fourth quarter 2021

- Revenues of NOK 117 million, an increase of 58 per cent* from Q4-20, driven by strong sonar sales
- EBITDA margin of 32 per cent for the quarter, compared with 21 per cent in Q4-20
- The improvement is due to operational leverage following the revenue growth and a higher contribution margin due to a favourable product mix.

Full year 2021

- Revenues of NOK 378 million, up 42 per cent from 2020 (34 per cent adjusted for NORBIT Kabelpartner)
- The Winghead sonar family was a strong contributor to the revenue growth in 2021, representing approximately 25 per cent of the sonar sales
- EBITDA margin of 35 per cent for 2021, up from 22 per cent in 2020

* NORBIT Kabelpartner previously reported in the PIR segment accounts for 6 percentage points of the growth

Winghead sonar family – a strong contributor to the 2021 results in Oceans

Revenues sonar
NOK million

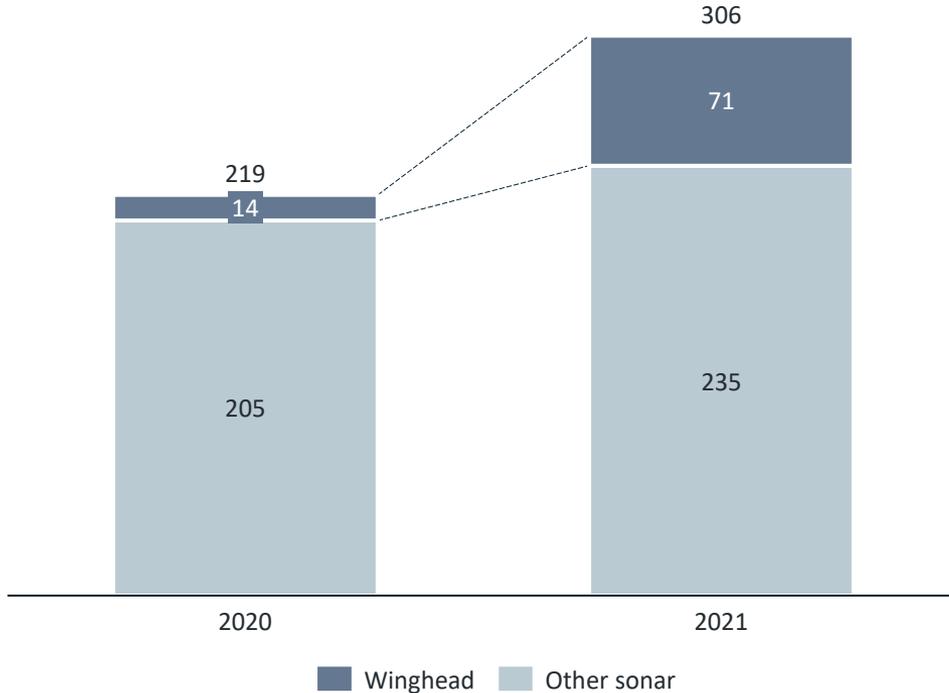
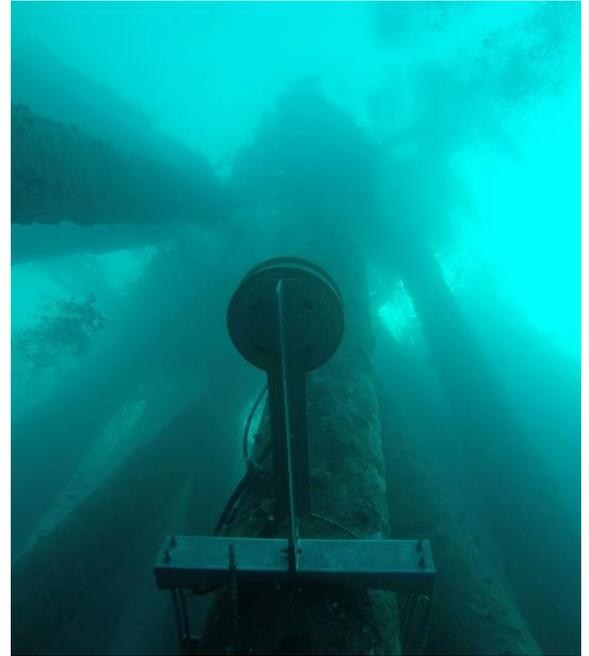


Photo credit: XOCEAN Ltd

Broadening the product offering through market-driven R&D investments

- Broadening product offering with a new surveillance sonar – Guardpoint
- Designed to detect targets in challenging environments
- Automatically detects, tracks, classifies and alerts to the presence of underwater objects
- Received first contract for multiple sonars, with a value of NOK 20 million, to be delivered in second quarter 2022



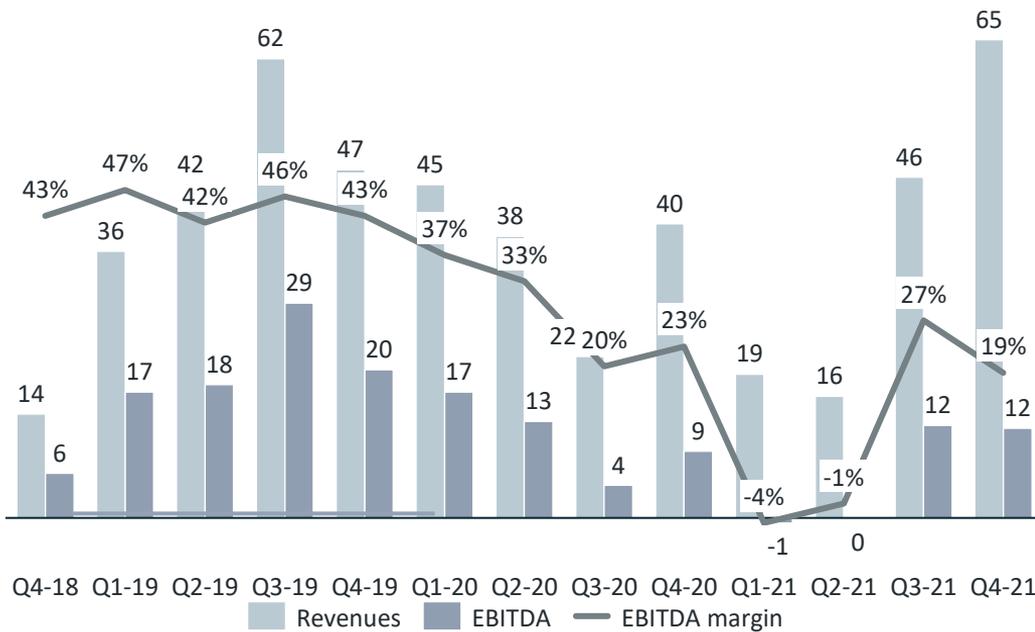


CONNECTIVITY

Strong growth in revenues for Connectivity, but margin not satisfactory

Revenues and EBITDA

NOK million



Fourth quarter 2021

- Revenue of NOK 65 million, a 63 per cent increase from Q4-20, supported by the iData acquisition
- EBITDA of NOK 12 million, compared with NOK 9 million in Q4-20, giving an EBITDA margin of 19 per cent (23 per cent)
- Profitability impacted by increased operating costs, in particular related to production of ITS products. Margin not satisfactory

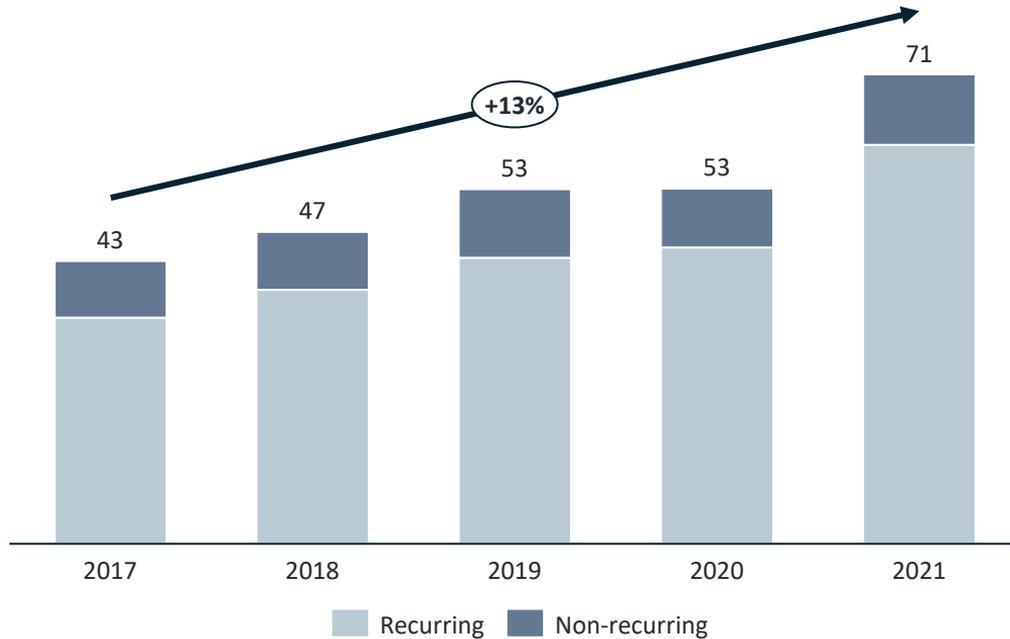
Full year 2021

- Revenues NOK 146 million, compared with NOK 145 million in 2020
- EBITDA of NOK 24 million, equating to a margin of 16 per cent versus 29 per cent last year
- The decline in EBITDA and margin is primarily explained by a weak first half of 2021 within sub-segment ITS

iData increasing its subscription based revenues

Revenues iData group

NOK million



Comments

- iData reported NOK 20 million in revenues in Q4-20
- Has shown a solid development during 2021, increasing revenues by 34 per cent (42 per cent in local currency) from 2020
- Over 85 per cent of revenues is recurring
- EBITDA for the year was approximately NOK 17 million, corresponding to a margin of 24 per cent
- Allocating more R&D investments to iData to accelerate innovation and broaden product offering

Several important contracts won for sub-segment ITS

On-Board Units

Fremtind
Service

NOK 27 million

H2'21 – H2'23

On-Board Units

flyt

Undisclosed

2022

On-Board Units

**European insurance
company**

NOK 50 million*

2022

**Enforcement
modules**

**Global industrial
company**

NOK 35 million

2022 – Q1 2023

**Enforcement
modules**


TOLL COLLECT

NOK 30 million

2023

**Migration of On-Board Units sales from
public tendering to B2B with focus on innovation**

**Growing demand for enforcement
modules for satellite-based tolling**

* Initial NOK 50 million order and NOK 25 million extension order. NOK 50 million to be delivered in 2022

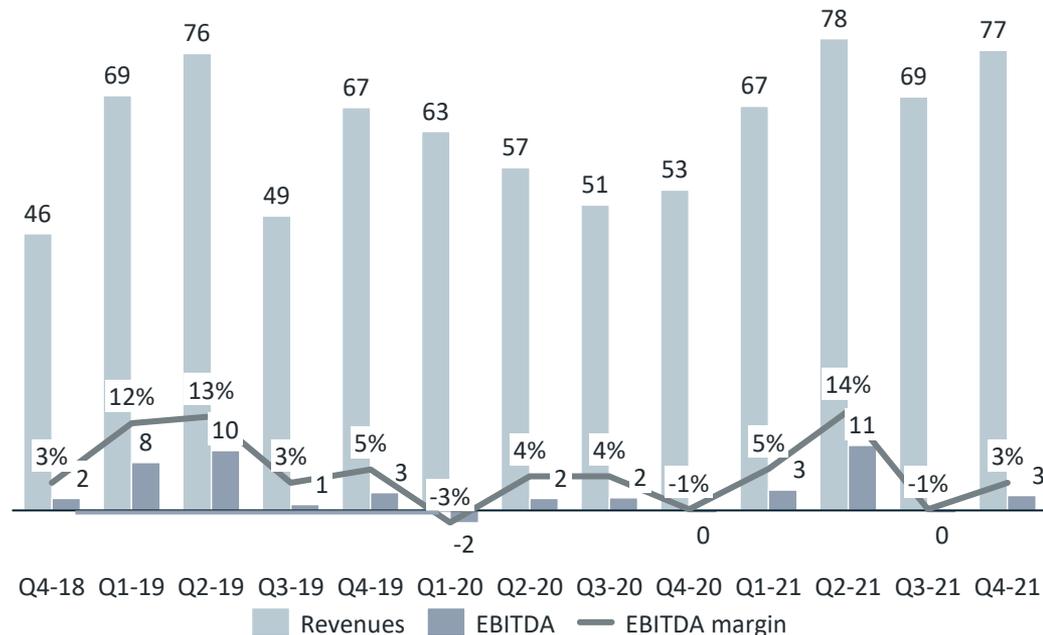


PIR

Growth also in PIR, margin slowly improving

Revenues and EBITDA

NOK million



Fourth quarter 2021

- Revenues grew by 44 per cent* to NOK 77 million, driven by increase sale of R&D products, services and contract manufacturing
- Pass-through invoicing of extraordinary material costs impacted the contribution margin negatively
- EBITDA of NOK 3 million, up from negative NOK 0.4 in Q4-20

Full year 2021

- Revenues NOK 291 million, compared with NOK 225 million in 2020
- EBITDA of NOK 16 million (NOK 2 million), equating to a margin of 6 per cent (1 per cent)
- The improved results are mainly attributed to the higher revenue base combined with reduced operating expenses within contract manufacturing

**53 per cent increase adjusted for Kabelpartner which was previously reported in the PIR segment*

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Group financials

A wide-angle photograph of a long, straight asphalt road that appears to cross a body of water. The road is flanked by metal guardrails. In the background, there are large, rugged mountains covered in snow under a blue sky with scattered white clouds. The water is a clear, light blue color.

Financials – P&L

<i>Amounts in NOK 000's</i>	Q4 2021	Q4 2020	FY 2021	FY 2020
Revenues	248 879	162 110	787 827	618 798
Other gains and losses	-	-	1 230	-
Raw materials and change in inventories	110 479	78 065	363 264	292 670
Employee benefit expenses	62 509	44 586	187 735	155 595
Other operating expenses	34 364	19 621	95 507	77 062
EBITDA	41 527	19 838	142 551	93 471
Depreciation and amortization expenses	19 674	14 161	69 044	49 125
Operating profit / EBIT	21 854	5 677	73 507	44 346
Net financial items	(4 576)	(9 364)	(9 757)	(9 524)
Profit before tax	17 277	(3 687)	63 750	34 822
Income tax expense	(5 163)	942	(15 850)	(7 528)
Profit for the period	12 114	(2 745)	47 900	27 293

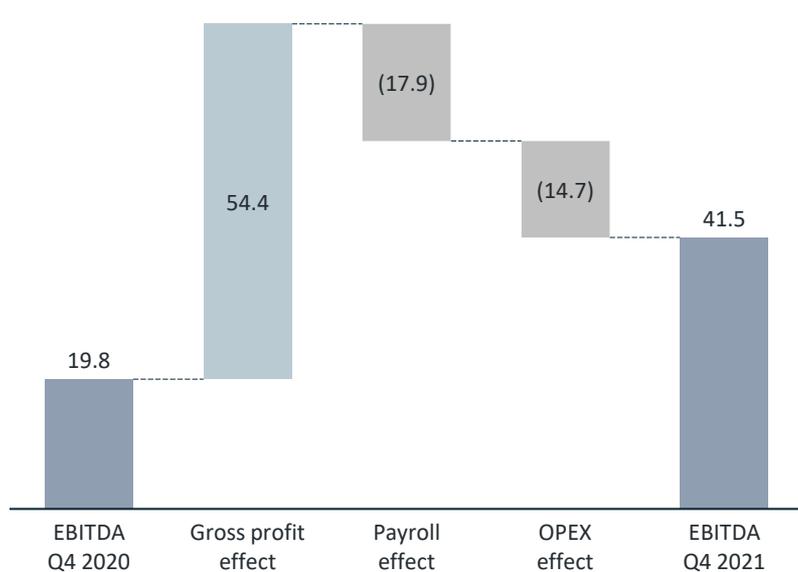
Fourth quarter of 2021

- Revenues of NOK 248.9 million, up 54 per cent from Q4 2020
 - 41 per cent growth year over year adjusted for iData acquisition
 - All segments delivered revenue growth compared to Q4 2020
- Contribution margin of 56 per cent, up from 52 per cent in Q4 2020
- Employee benefit expenses of NOK 62.5 million versus NOK 44.6 million in Q4 2020, increase mainly due to iData acquisition (NOK 6.1 million) and a general strengthening of the organization throughout 2021
- EBITDA of NOK 41.5 million (17 per cent margin), up from NOK 19.9 million in Q4 2020
- Net financial items of negative NOK 4.6 million primarily due to net interest expenses
- Net profit for the period of NOK 12.1 million

Increase in EBITDA driven by improved gross profit

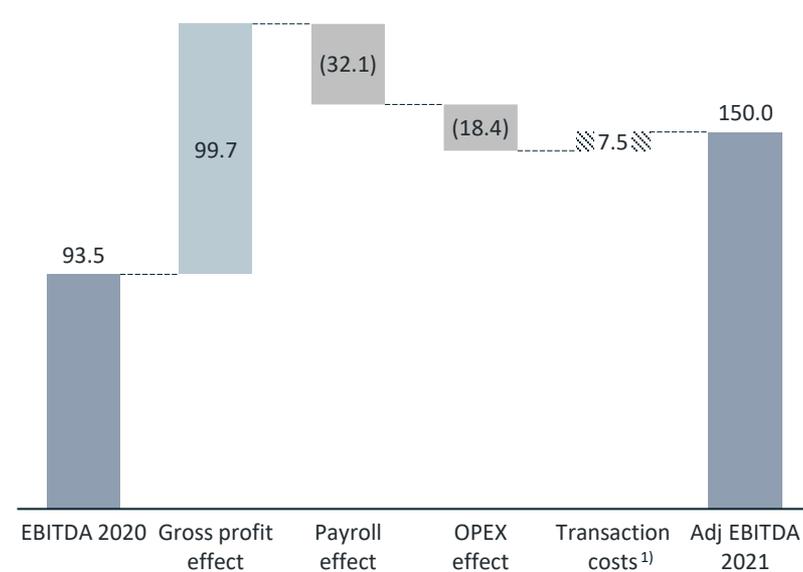
EBITDA development Q4 2021 vs. Q4 2020

NOK million



EBITDA development 2021 vs. 2020

NOK million

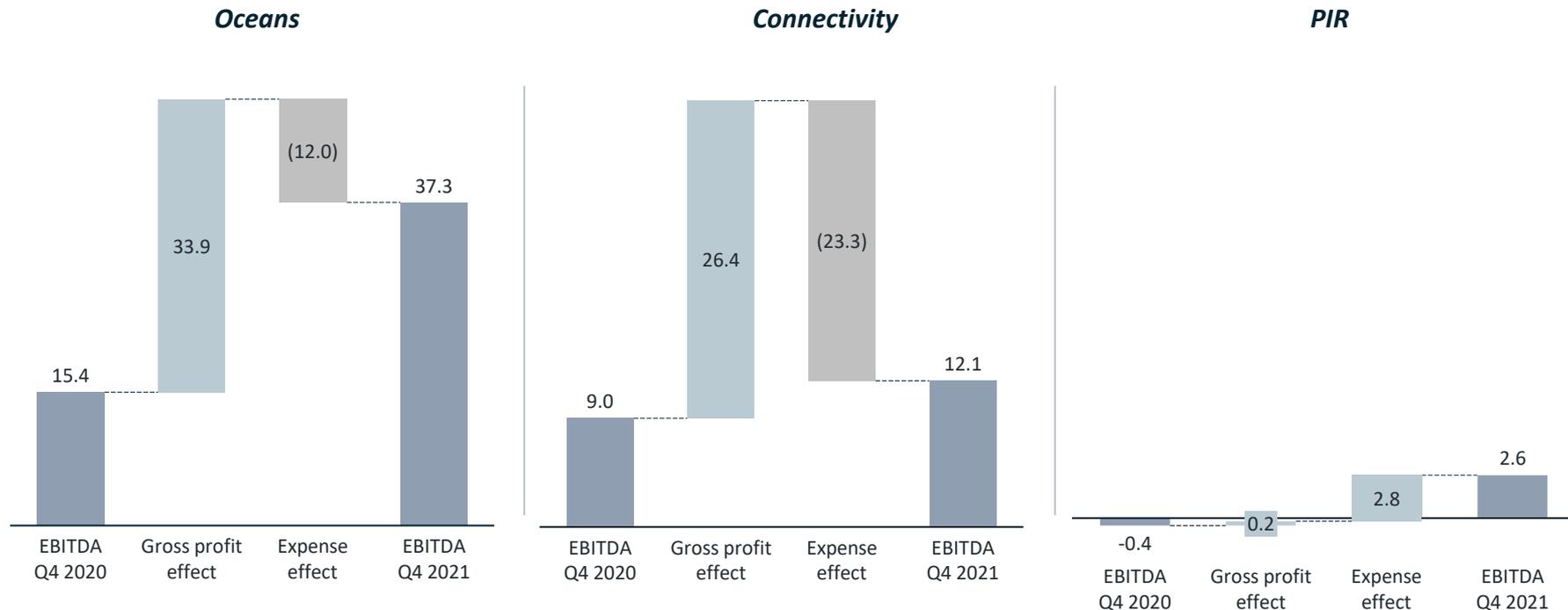


1) Transaction costs related to acquisition of iData which closed 30 July 2021

Oceans the main driver for the EBITDA improvement year over year

Segment EBITDA development Q4 2021 vs. Q4 2020

NOK million



Financials – Balance sheet

Amounts in NOK 000's

	31.12.21	30.09.21	31.12.20
ASSETS			
Property, plant and equipment	164 895	164 368	149 953
Intangible assets	242 337	243 893	171 454
Goodwill	82 131	82 131	-
Deferred tax asset	13 265	9 774	19 738
Inventories	263 237	249 161	164 605
Trade receivables	154 933	135 244	121 356
Other receivables and prepayments	33 313	22 189	25 628
Other assets	1 151	1 068	3 959
Cash and cash equivalents	21 679	29 145	14 953
Total assets	976 941	936 973	671 648
LIABILITIES			
Interest-bearing borrowings	288 195	272 592	94 702
Lease liabilities	14 989	16 989	23 187
Trade payables	100 154	107 579	67 356
Other current liabilities	59 704	42 546	47 467
Other liabilities	16 011	7 225	2 172
Total liabilities	479 054	446 930	234 885
Total equity	497 886	490 042	436 763
Total liabilities and equity	976 941	936 973	671 648

Fixed and intangible assets

- Land and PPE: On par with prior quarter as depreciation offset investments
- Intangible assets: Reduction of NOK 1.6 million driven by amortisation increasing, partly offset by R&D investments

Working capital

- Inventories: Increased NOK 14.1 million, primarily related to purchase of components to safeguard deliveries due to a challenging supply market for components, and the general activity increase expected in 2022
- Trade receivables: Increased 19.7 million primarily explained by the higher revenue base quarter over quarter
- Trade payables: NOK 100.1 million, a reduction of NOK 7.4 million from prior quarter

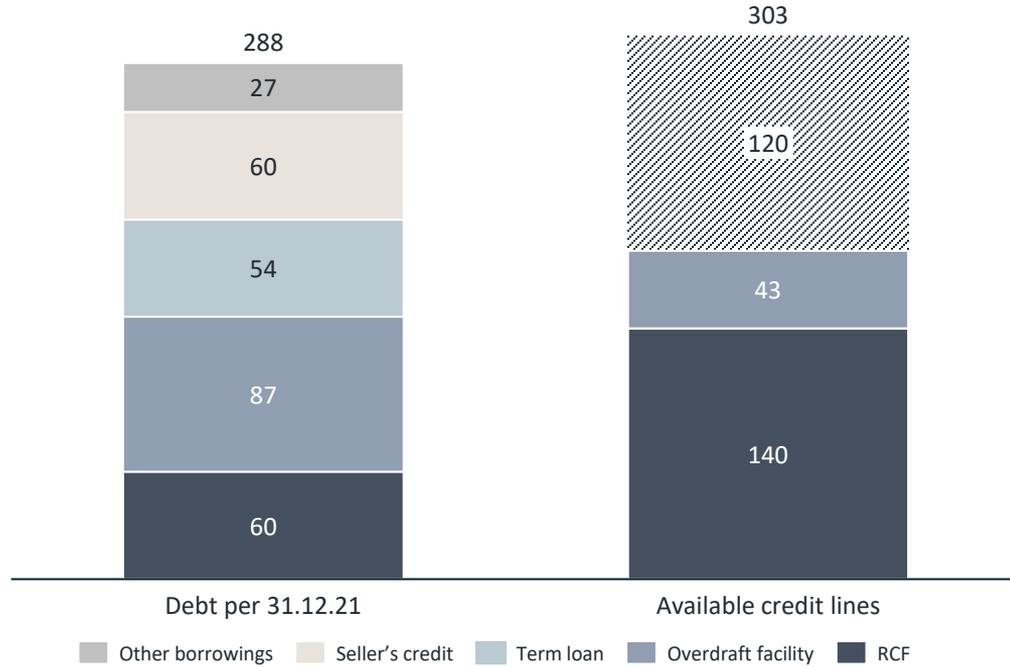
Net-interest bearing debt, lease liabilities and equity

- Total borrowings of NOK 288.2 million, increase of NOK 15.6 million from prior quarter
- Net-interest bearing debt (excl. lease liabilities) of NOK 266.5 million, up from NOK 243.4 million in Q3 2021
- Equity of NOK 497.9 million, representing an equity ratio of 51%

Liquidity further strengthened subsequent to quarter-end

Debt facilities and available credit lines

NOK million



Refinanced multicurrency overdraft facility

- Refinancing of the overdraft facility to NOK 250 million, strengthening liquidity by NOK 120 million
 - 140bps p.a. margin
 - Rolling one year facility
 - Covenants similar to revolving credit facility

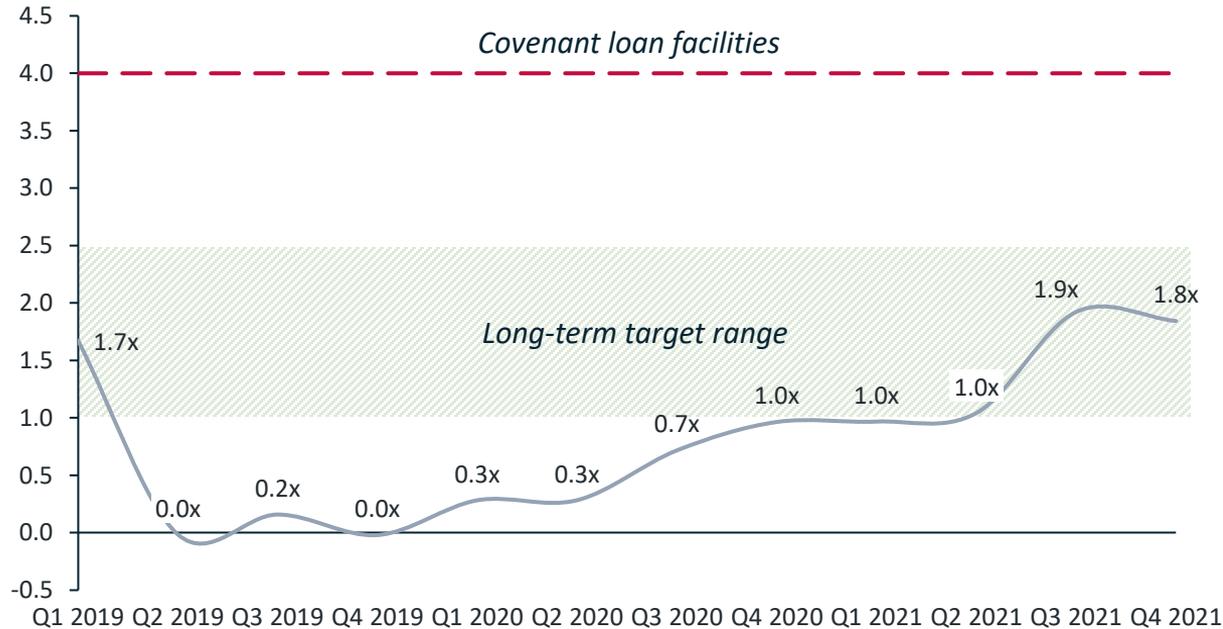
Non-recourse factoring agreement

- A new agreement entered into with Nordea with credit limit of NOK 110 million
- Sale of receivables with longer credit periods
- Gradually phased in from February, improving working capital efficiency

Maintaining a solid balance sheet

NIBD/EBITDA

EBITDA 12 month rolling



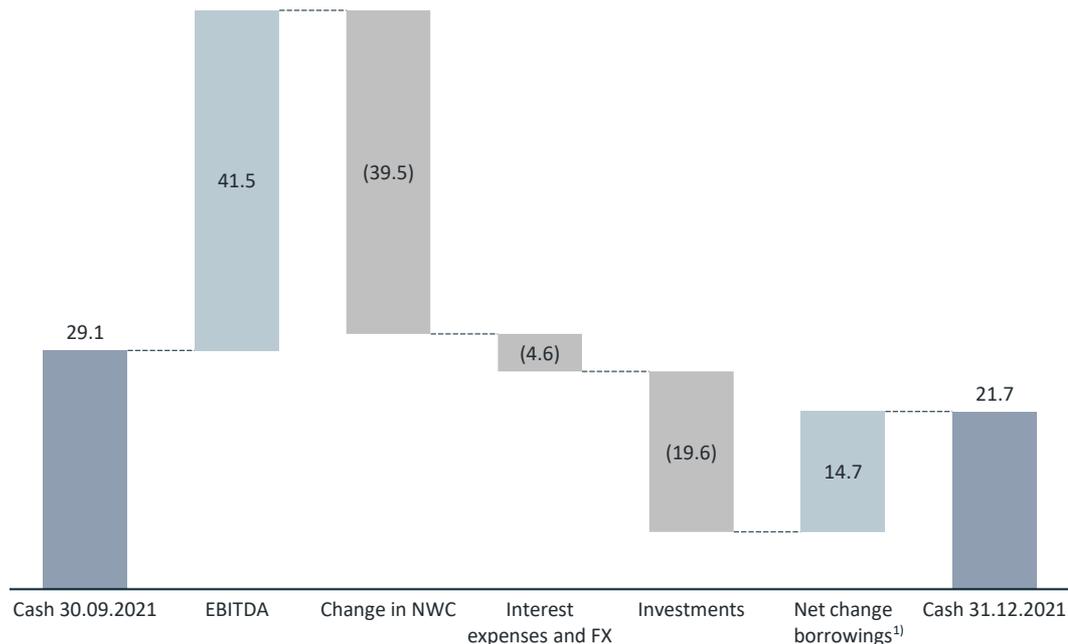
- Maintaining a strong balance sheet and liquidity position are first priorities for capital allocation:
 - Provide for financial flexibility
 - Prudent risk management
 - Operating well within covenants
 - Maintain customer confidence
 - Available financing for working capital in growth phase
- Long-term target level between 1.0 – 2.5x NIBD¹/EBITDA over the cycle
- Covenants in loan facilities at 4.0x NIBD/EBITDA and equity ratio > 30%
 - 51% equity ratio at Q4 2021

1) NIBD defined as total interest bearing borrowings less cash and cash equivalents (including leasing liabilities starting Q3 2021). EBITDA on a 12 month rolling basis

Financials – Cash Flow

Cash flow development fourth quarter 2021

NOK million



1) Including repayment of leases

Fourth quarter of 2021

- Operating cash flow of negative NOK 2.6 million
 - Net increase in working capital of NOK 39.5 million, primarily driven by increase in inventories and receivables
- Investing activities generated cash outflow of NOK 19.6 million
 - NOK 10.0 million invested in R&D. Full year investments were NOK 51.2 million, lower end of guidance
 - NOK 9.6 million invested in machinery and equipment. Full year investments were NOK 29.0 million, above guidance due to capitalization of demo and rental assets
 - Guidance for 2022 is NOK 50 – 60 million in R&D investments and NOK 40 – 50 million investments in fixed assets
- Financing activities led to a cash inflow of NOK 14.7 million
 - Explained by an increase in the overdraft facility, net of repayment of loans and leases

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Outlook



Short-term outlook



- Segment Oceans had a strong end to the year in a seasonally active quarter
- First quarter is a seasonally low period for the sonar business
- NORBIT targets to deliver growth compared to the first quarter of 2021



- Segment Connectivity has shown a positive development, and activity going into 2022 continues to be high
- Revenues for first half expected to be in excess of NOK 130 million
- iData showing a positive trajectory supported by growth in recurring revenues

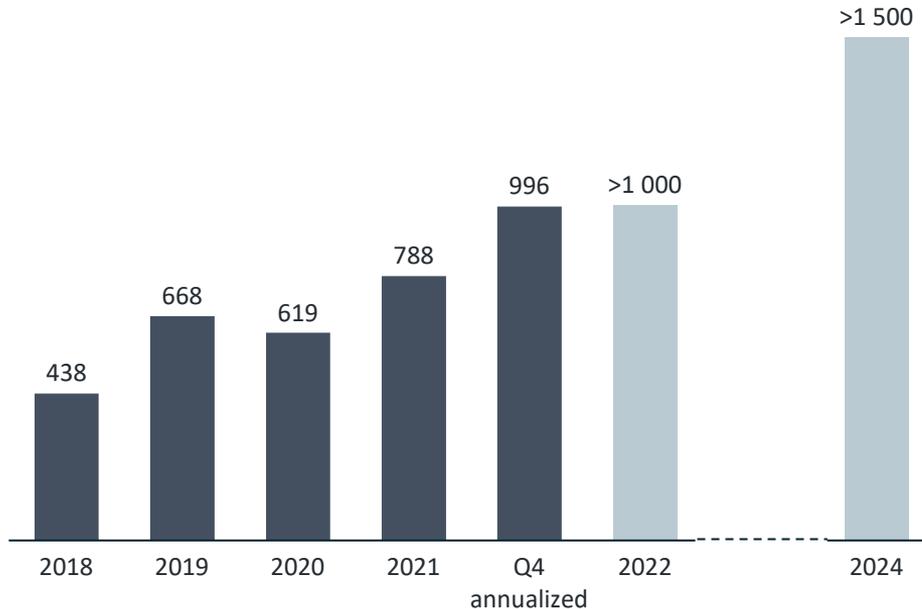


- For segment PIR, revenues are expected to grow from the fourth quarter driven by higher demand for products within contract manufacturing
- The directional guidance is subject to PIR receiving the needed components to deliver as planned

On the path to reach the ambition level in 2024

Organic revenue growth target

NOK million



- Revenue target for 2022 is in excess of NOK 1.0 billion, supported by growth in all three business segments
- Quarterly seasonal fluctuations are expected, along with the impact of currency movements
- Ambition is to deliver organic revenues in excess of NOK 1.5 billion and an EBITDA margin above 25 per cent in 2024
- Value-accretive acquisition to add to organic growth target and ambition, although remaining disciplined

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EXPLORING IS FINDING OPPORTUNITIES WHERE OTHERS FIND LIMITS

NORBIT is uncovering possibilities through technology

- A global provider of tailored technology to selected niches
- Market driven R&D combined with vertical integrated manufacturing
- Worldwide sales and distribution platform
- NORBIT is divided in three business segments:
 - **Oceans** targeting the global maritime markets
 - **Connectivity** providing wireless solutions for identification, monitoring and tracking
 - **Product Innovation and Realization (PIR)** offering R&D services and contract manufacturing



EXPLORING
SINCE 1995



16 COUNTRIES



~400 EMPLOYEES



A global provider of tailored technology to carefully selected niches

Diversified and robust business model



Oceans is offering tailored technology solutions to global maritime markets



Connectivity encompasses NORBIT's technology within low power wireless solutions



Product Innovation & Realization (PIR) is offering R&D services and contract manufacturing to key customers

Shareholder overview, updated 11 February 2022

#	Investor	# of shares	%
1	VHF INVEST AS - founder Steffen Kirknes	7,686,495	13.15
2	PETORS AS - CEO Per Jørgen Weisethaunet	6,965,695	11.92
3	REITAN KAPITAL AS	5,829,083	9.97
4	DRAUPNIR INVEST AS - family of founder Steffen Kirknes	5,102,949	8.73
5	CLEARSTREAM BANKING S.A.	3,339,445	5.71
6	Handelsbanken Nordiska smabolag (through J.P. Morgan Bank)	3,180,771	5.44
7	ESMAR AS	3,162,286	5.41
8	EIDCO AS	3,062,286	5.24
9	ARCTIC FUNDS PLC	2,731,329	4.67
10	J.P Morgan AG	1,082,694	1.85
11	Citibank N.A	1,056,409	1.81
12	Danske Invest Norge Vekst	1,050,000	1.80
13	Danske Bank A/S - MD Oceans Peter K. Eriksen	758,039	1.30
14	USEGI AS - CTO Arild Sjøraunet	721,989	1.24
15	SONSTAD AS	684,822	1.17
16	J.P. MORGAN BANK LUXEMBOURG S.A.	662,994	1.13
17	Carnegie Investment Bank AB	627,216	1.07
18	Danske Bank A/S	525,000	0.90
19	Nordea Bank Abp	395,610	0.68
20	Middelboe AS	347,639	0.59
Total 20 largest shareholders		48,972,751	83.77
Other shareholders		9,486,551	16.23
Total		58,459,302	100.00