



DATA RESPONS – 4th QUARTER 2019

Kenneth Ragnvaldsen, CEO

OSLO, 30 JANUARY 2020



> CEO
Kenneth
Ragnvaldsen



> CFO
Rune
Wahl

1. HIGHLIGHTS
2. FINANCIALS
3. BUSINESS REVIEW
4. Q&A



ALL-TIME HIGH revenue, profit and cash flow

Strong **GROWTH** across business segments, geographical regions and vertical markets

GLOBAL MEGATRENDS of digitalisation, connectivity (IoT) and automation continue to fuel the market

Increasing portfolio of **SUSTAINABILITY**-oriented technology projects

SOLID FINANCIAL POSITION with 51% equity ratio enabling further growth

AKKA Technologies launched a voluntary **CASH OFFER AT NOK 48 PER SHARE** for all of Data Respons' outstanding shares

REVENUES

522

EBITA

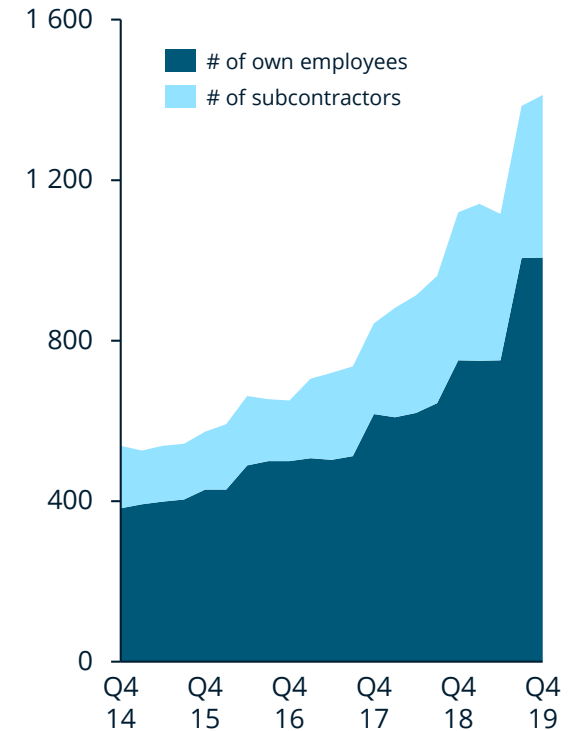
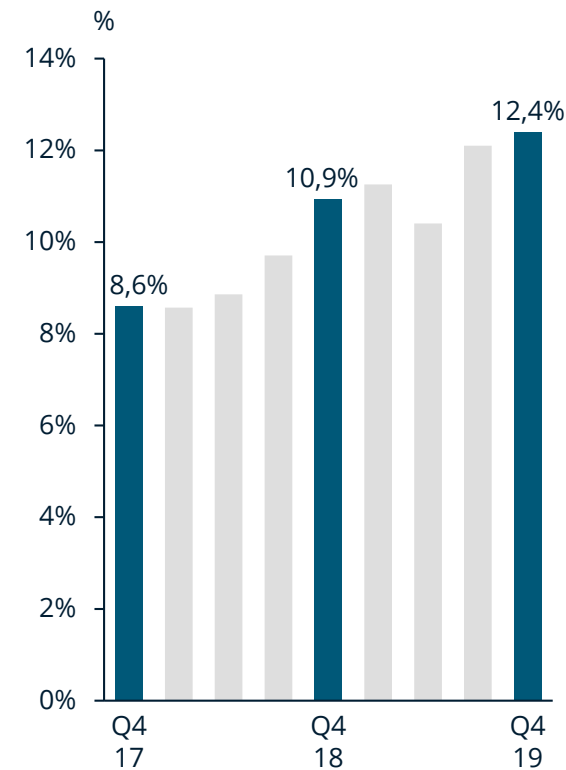
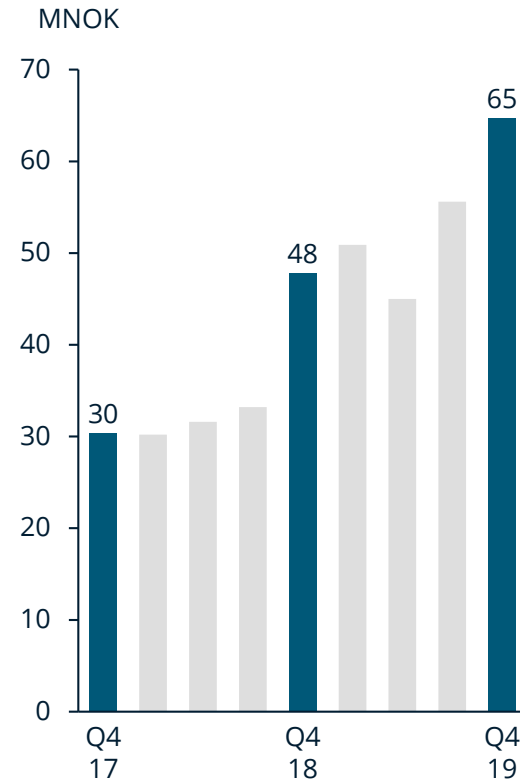
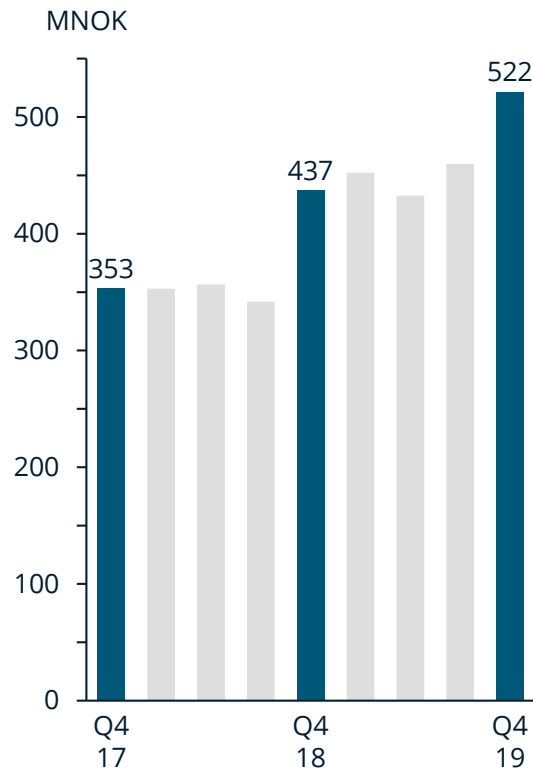
64.7

EBITA margin

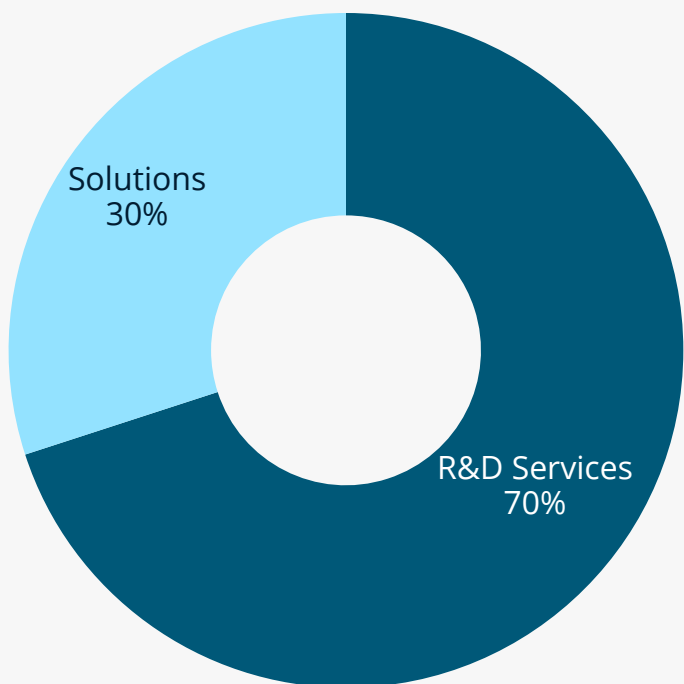
12.4%

OF EMPLOYEES

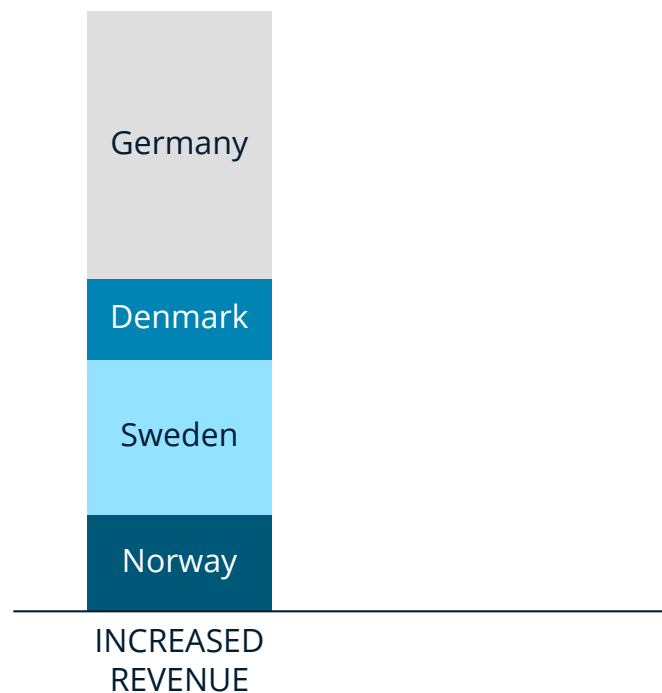
1 412



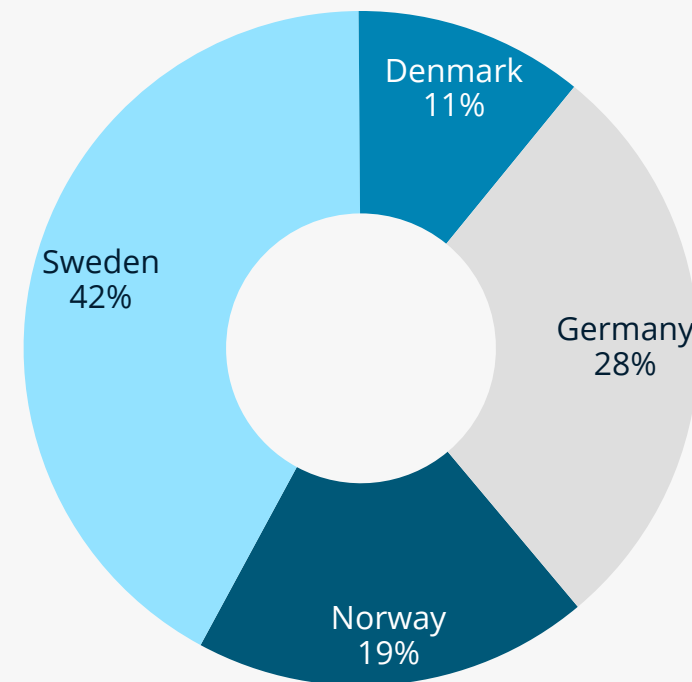
GROWTH in both business areas



GROWTH in all countries



SWEDEN largest market

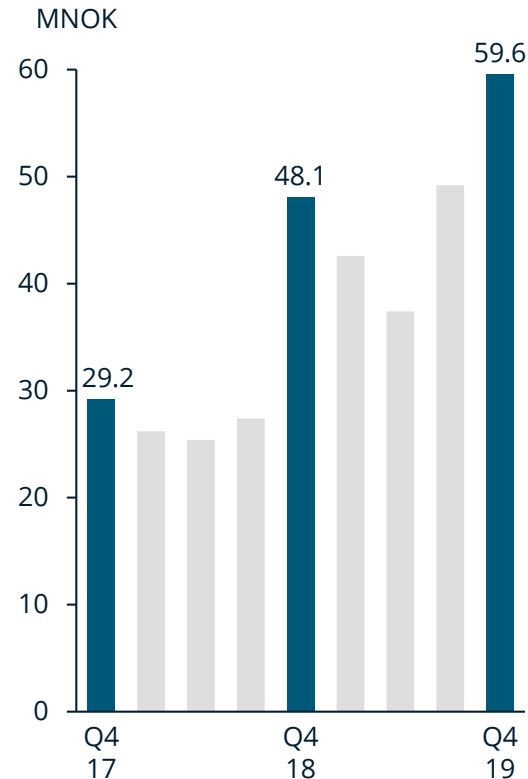
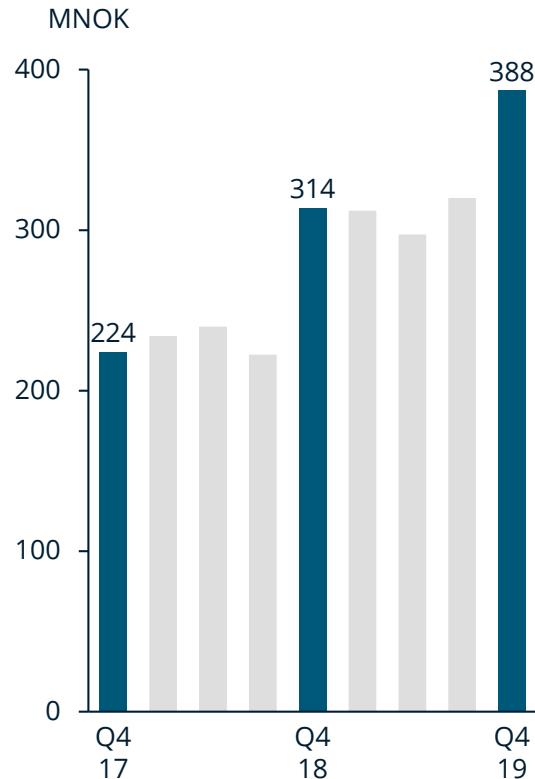


REVENUES

388

EBITA¹

59.6 (15.4%)



- **STRONG GROWTH** (24% Quarter - 30% 2019) driven by solid performance across all portfolio companies and cross-selling synergies
- **SOLID PROFITABILITY** supported by high utilization and several and business critical, long-term R&D projects
- Increasing level of **RECURRING R&D SERVICES**
- Market remains attractive with continued **SOLID DEMAND** driven by across industry trends:
 - Industrial digitalisation (Industry 4.0)
 - Intelligence of Things (IoT), Connectivity
 - More data driven and SW oriented products and services
 - Analytics – Artificial Intelligence (AI)

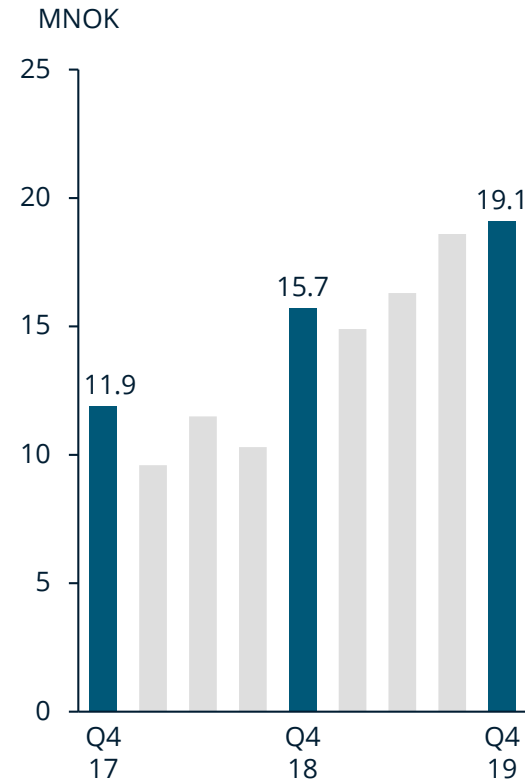
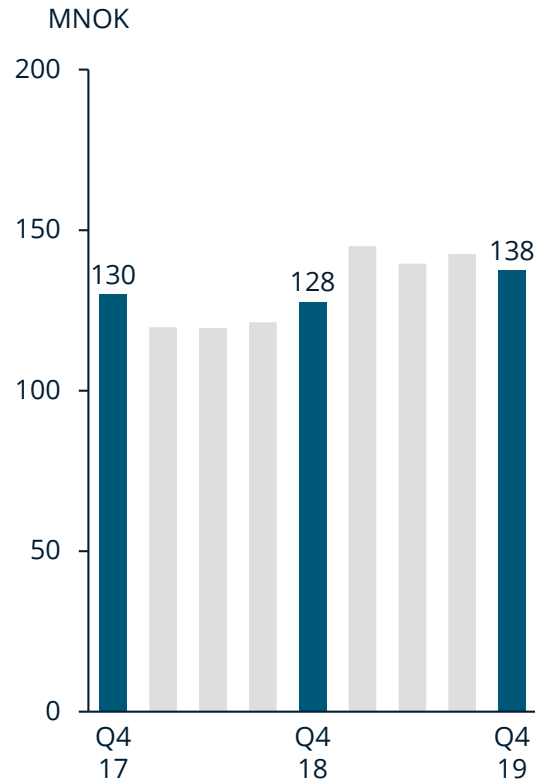
¹ EBITA before corporate costs

REVENUES

138

EBITA¹

19.1 (13.9%)

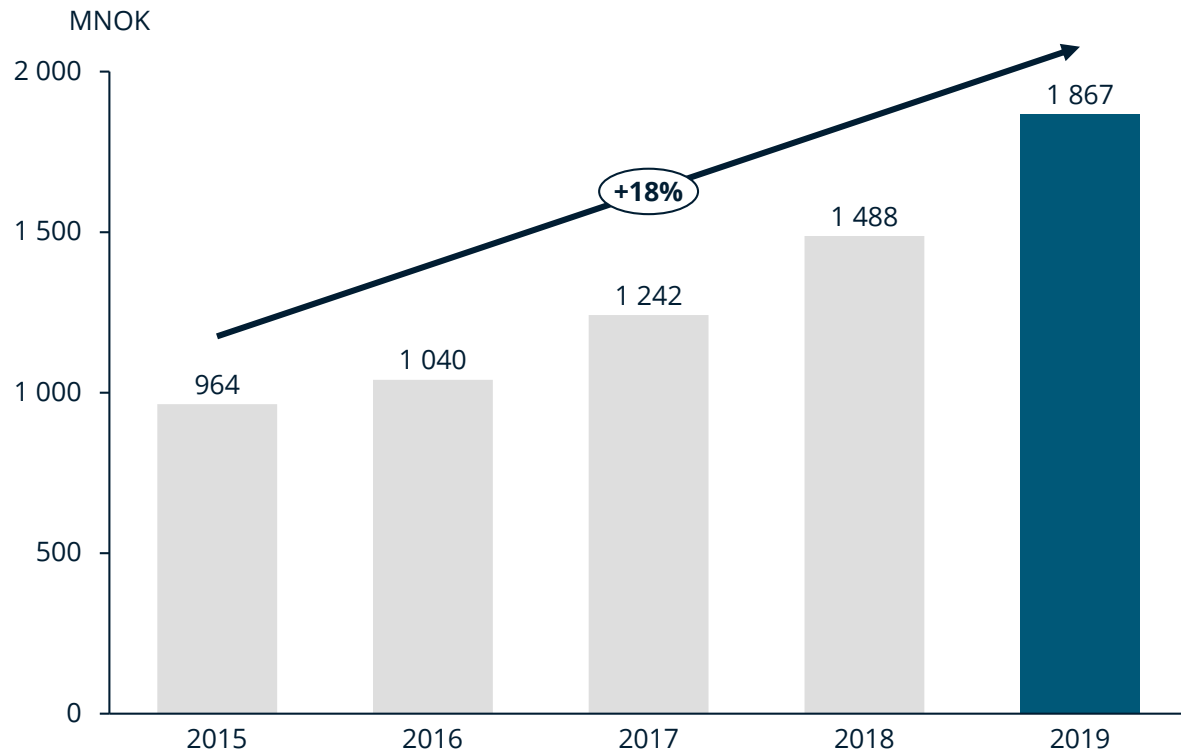


- **SOLID GROWTH** (8% Quarter - 16% 2019) driven by strategic shift towards smarter, connected and high-end solutions
- **INCREASED PROFITABILITY** resulting from a strategic shift towards high-end solutions and increased SW content, continued focus on value-adding services and cost discipline
- **WELL DIVERSIFIED** in terms of markets, regions and customers

¹ EBITA before corporate costs

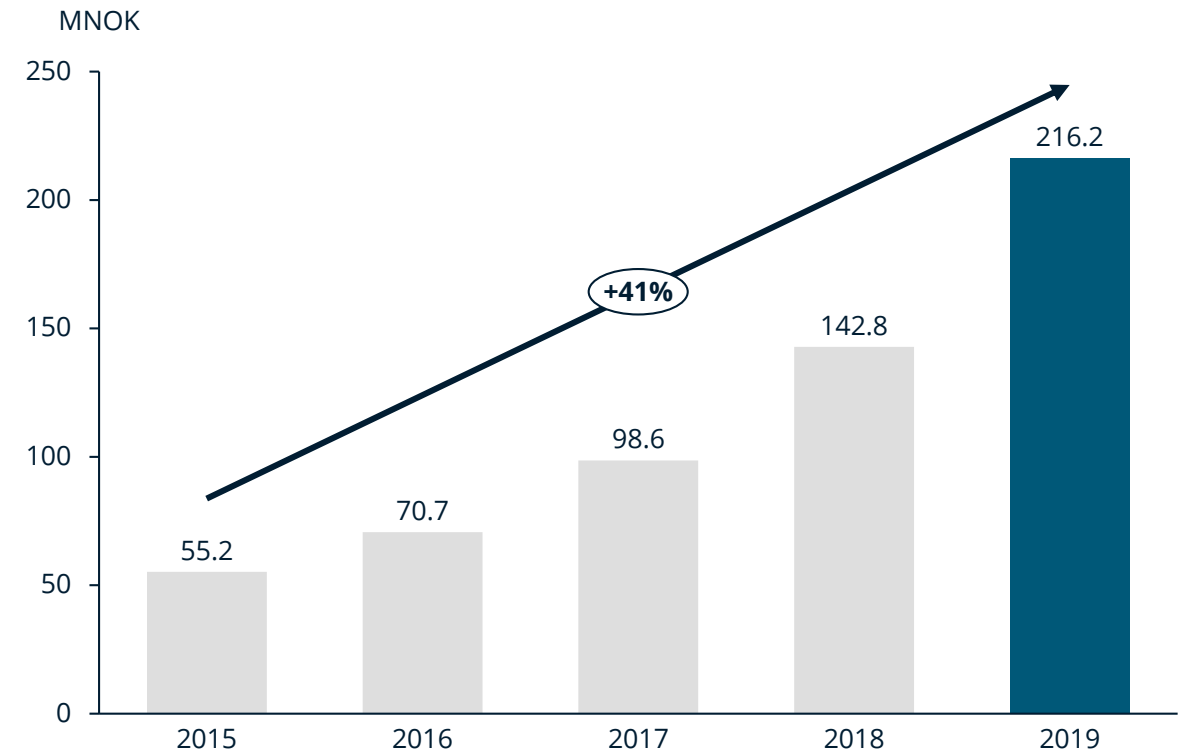
REVENUES

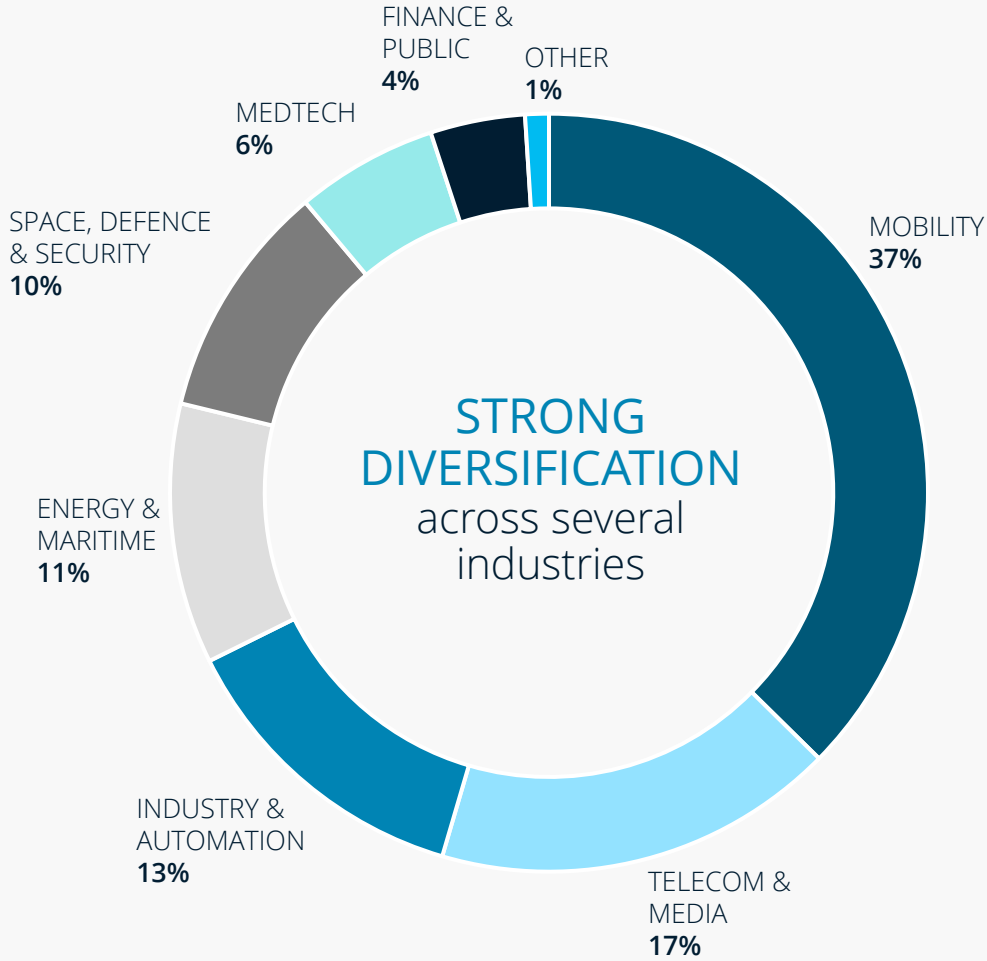
1 867



EBITA

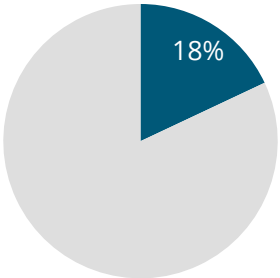
216.2 (11.6%)



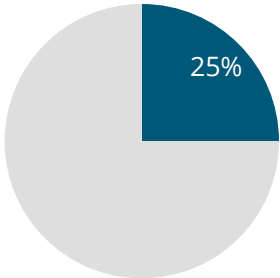


CUSTOMER & TECHNOLOGY DRIVEN ORGANISATION

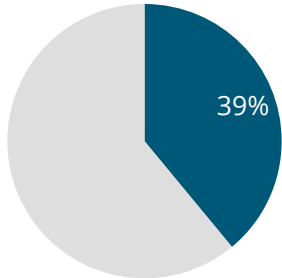
Building long-term customer relationship based on strong industry know-how, niche competence and local touch



Top 3 customers



Top 5 customers



Top 10 customers

All numbers are 2019 figures

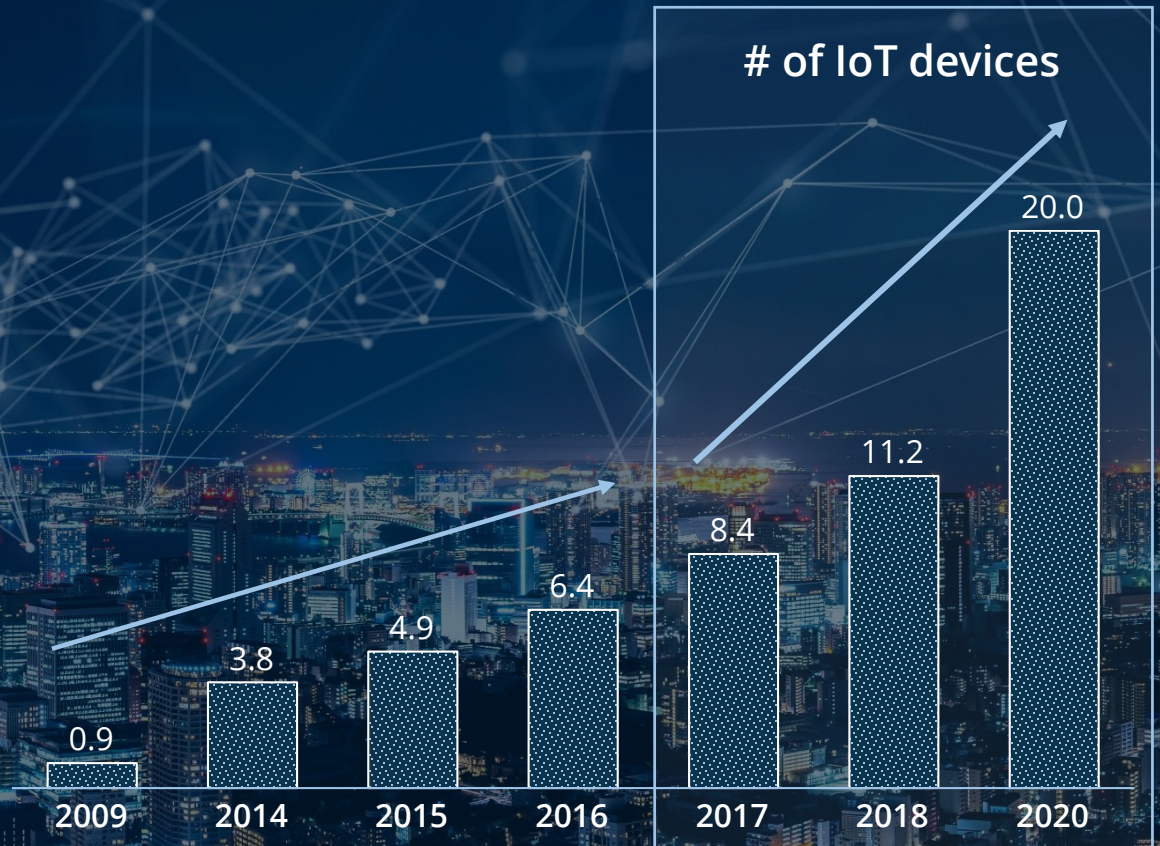
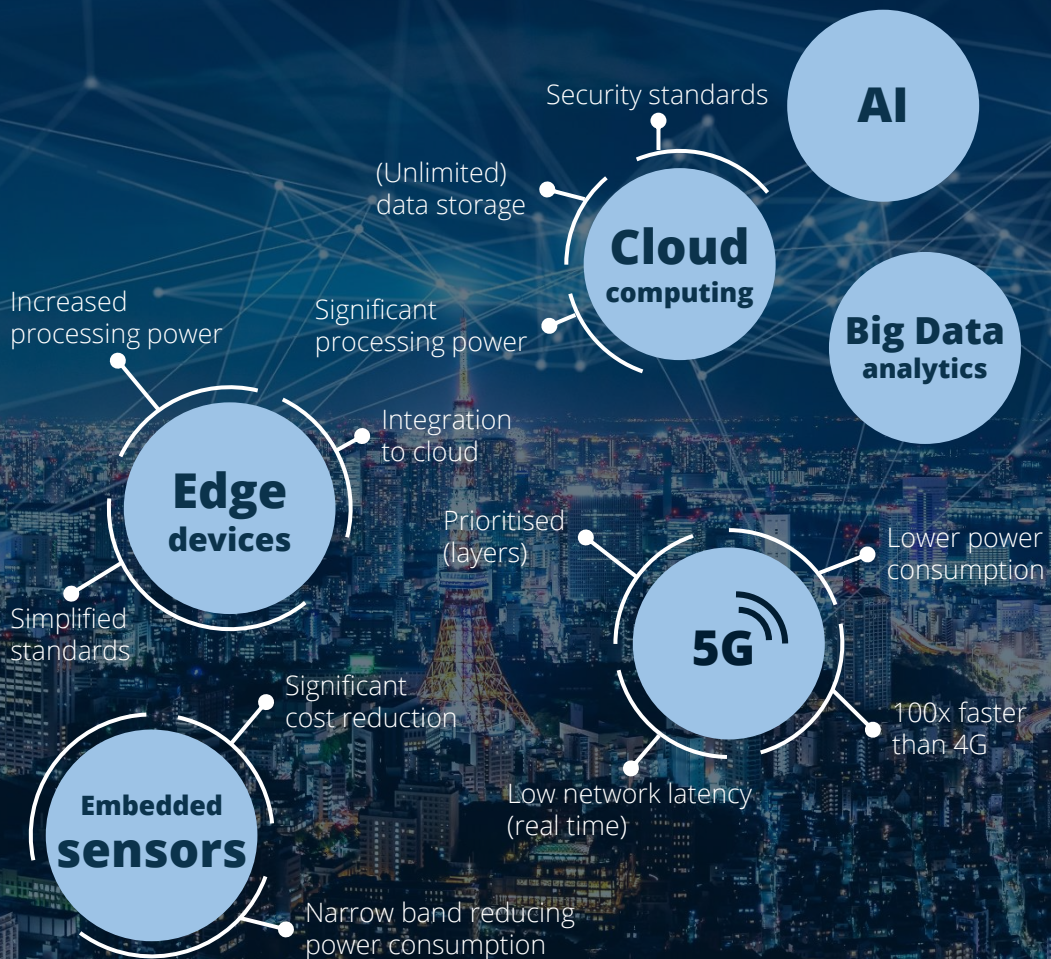
ALL-TIME HIGH ORDER INTAKE

Confirming overall demand and strategic positioning

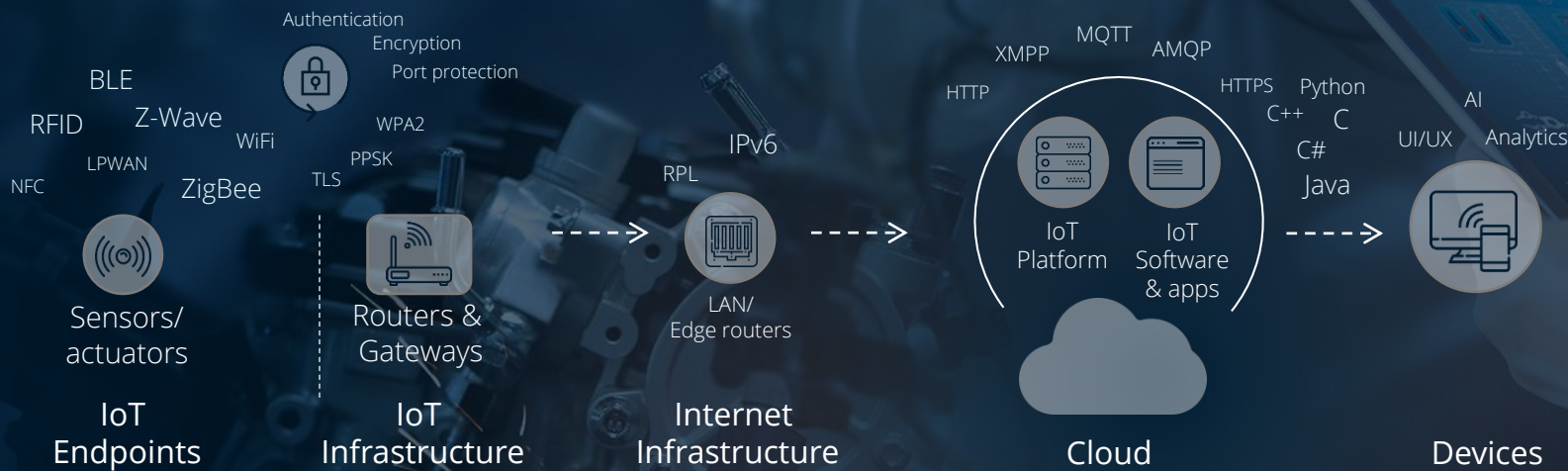
- R&D - Product development
- Business critical
- Long-term R&D projects
- Strategically important
- Domain **COMPETENCE** & industry knowhow



Technology innovation enabling **CONTINUED IoT GROWTH**



Source: Gartner



We develop everything from **SENSOR LEVEL** to the **MOBILE APP** making us a good partner for your **DIGITALISATION**

Data Respons case example

IMPROVING WINDWILLS WITH **SOFTWARE**



OPTIMISING USE



INCREASING
LIFETIME

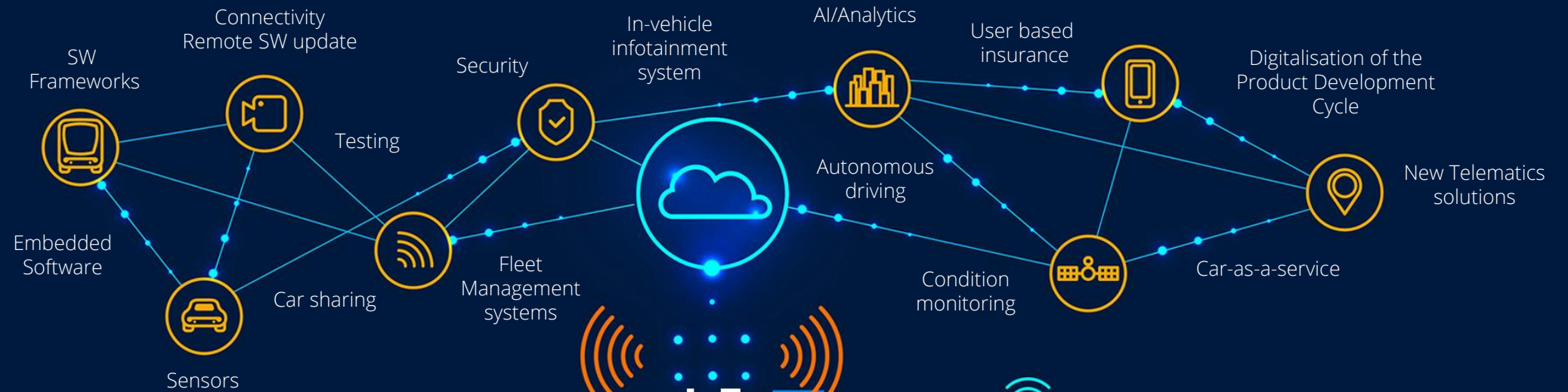


REDUCING
BUILDING COST



INCREASING
PROFITABILITY

CARS ARE BECOMING COMPUTERS ON WHEELS



IoT

ENTERTAINMENT PLATFORM

APPS AND SERVICES

AUTONOMOUS DRIVE/OPERATING SYSTEM

DATA ANALYTICS



Data Respons involved in several projects across all growth segments

Connectivity and remote SW update solutions

Electric and hybrid drivetrain technology

In-vehicle infotainment systems

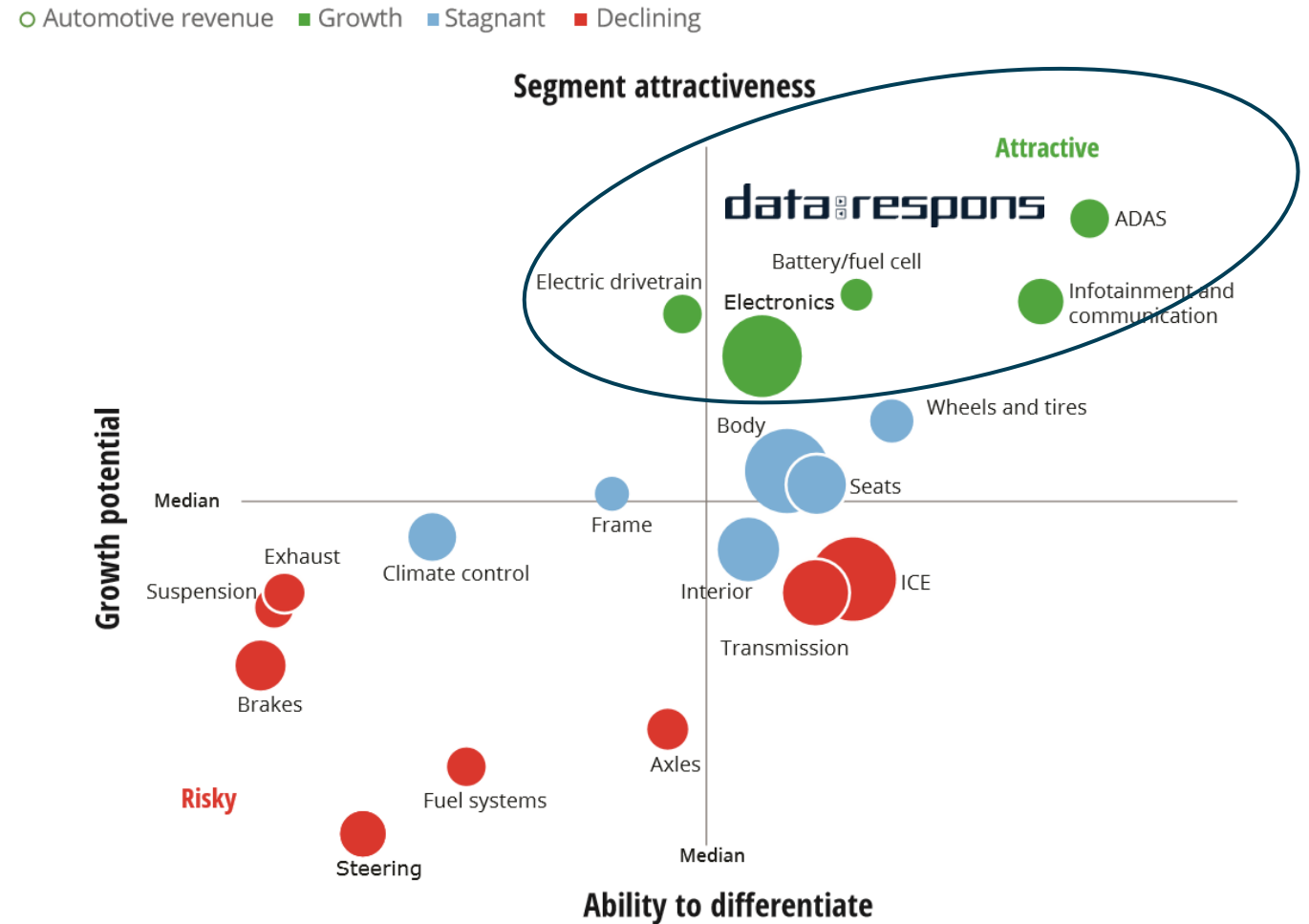
Autonomous driving projects (ADAS)

Fleet Management systems

New telematics solutions

Car-as-a-service projects

Car sharing applications



At 19 December 2019, AKKA Technologies SE launched a voluntary cash offer at NOK 48 per share for all of Data Respons' outstanding shares

- Offer price of NOK 48 per share settled in cash, which corresponds to an equity value of DAT of NOK 3.7 Billion
- The Board of Directors of DAT unanimously recommended the offer. DAT shareholders representing 43% of the shares have given pre-acceptance to the offer, subject to customary conditions
- The Offer is subject to customary regulatory approval in Germany and 90% acceptance rate from DAT shareholders. The complete terms and conditions for the Offer, including procedures for how to accept the Offer and detailed information regarding settlement, are set out in the Offer Document published 13 January 2020.
- The Offer period is from **13 JANUARY 2020 UNTIL 10 FEBRUARY 2020** at 16:30 CET. The Offeror may extend the offer period.



> CEO
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> CFO
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INCOME STATEMENT

Q4 PRESENTATION 2019

NOK MILLION	Q4 19	Q4 18	%	2019	2018	%
Revenues	521.6	436.7	19 %	1 866.5	1 488.0	25 %
Cost of goods sold	214.9	190.0		835.5	699.6	
Payroll expenses ¹	198.5	161.6		683.4	544.4	
Other operating expenses ^{2,3}	33.2	35.9		93.0	96.6	
Depreciation ⁴	10.2	1.5		38.4	4.7	
EBITA	64.7	47.8	35 %	216.2	142.8	51 %
<i>EBITA %</i>	12.4%	10.9%		11.6%	9.6%	
Amortisation and impairment of intangible assets	8.3	5.5		27.3	18.6	
Operating profit (EBIT)	56.4	42.3	34 %	188.9	124.2	52 %
Net financial items	(5.1)	(26.1)		6.9	(29.1)	
Profit before income tax	51.3	16.2		195.8	95.1	
Income tax expense	17.8	15.7		49.6	35.3	
Profit for the period	33.5	0.4		146.1	59.7	
Basic earnings per share (NOK)	0.39	(0.03)		2.02	0.98	

1. Social security tax accrual related to the company`s employee share option scheme of NOK 5.5 million was booked in Q4 2019
2. A provision for bad debt of NOK 8 million on a trade receivable from 2017 was recognised in Q4 2019
3. Transaction costs of NOK 7.1 million are expensed in 2019, of which NOK 1.2 million in Q4 2019
4. The increase in depreciation of NOK 8.8 million in Q4 (and NOK 32.5 million in 2019) is mainly related to the implementation of IFRS 16 in 2019.

KEY FIGURES PER BUSINESS SEGMENT

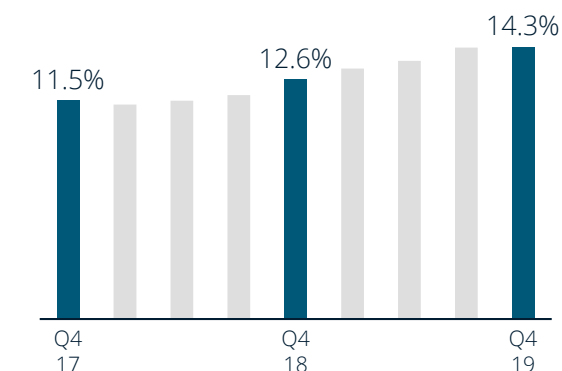
Q4 PRESENTATION 2019

R&D Services

NOK MILLION	Q4 19	Q4 18	%	2019	2018	%
Revenue	387.5	313.5	24 %	1 316.5	1 009.8	30 %
EBITA ¹	59.6	48.1	24 %	188.7	127.1	49 %
EBITA margin ¹	15.4 %	15.3 %		14.3 %	12.6 %	
Employees	917	685		917	685	

LTM EBITA MARGIN

14.3%

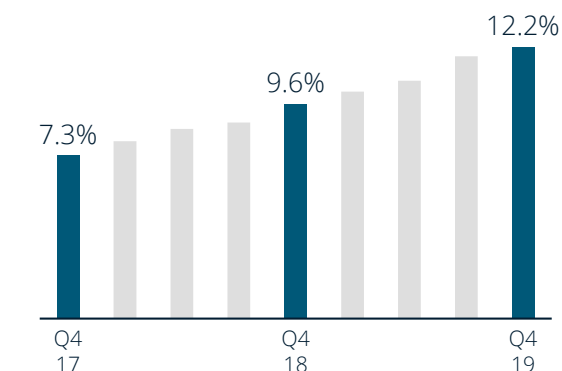


Solutions

NOK MILLION	Q4 19	Q4 18	%	2019	2018	%
Revenue	137.5	127.7	8 %	564.3	488.3	16 %
EBITA ¹	19.1	15.7	21 %	68.9	47.1	46 %
EBITA margin ¹	13.9 %	12.3 %		12.2 %	9.6 %	
Employees	83	84		83	84	

LTM EBITA MARGIN

12.2%



¹ EBITA before corporate costs

REVENUE GROWTH QUARTERLY

Q4 PRESENTATION 2019

TOTAL GROWTH

19%

TOTAL ORGANIC GROWTH

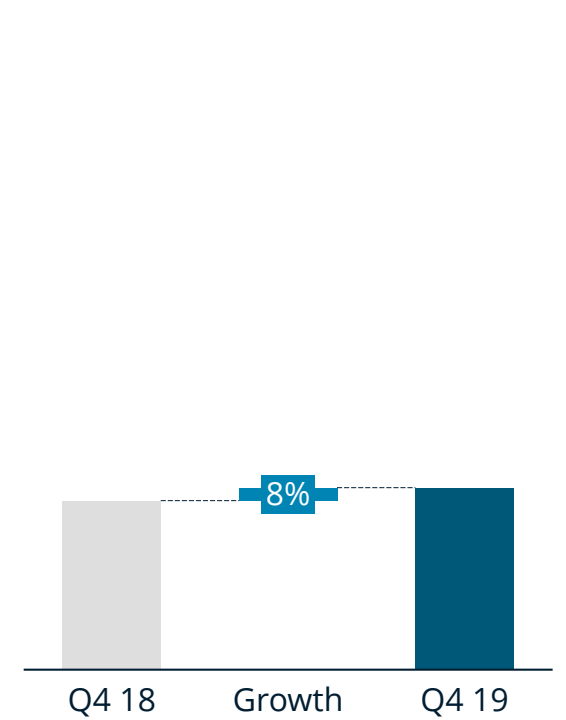
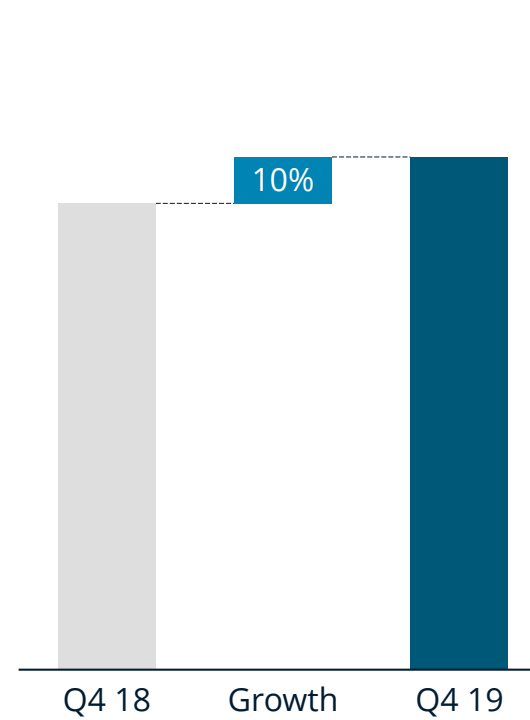
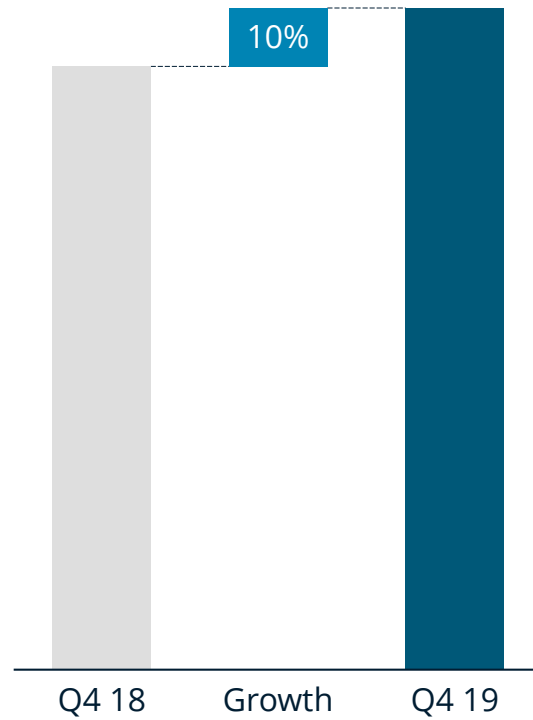
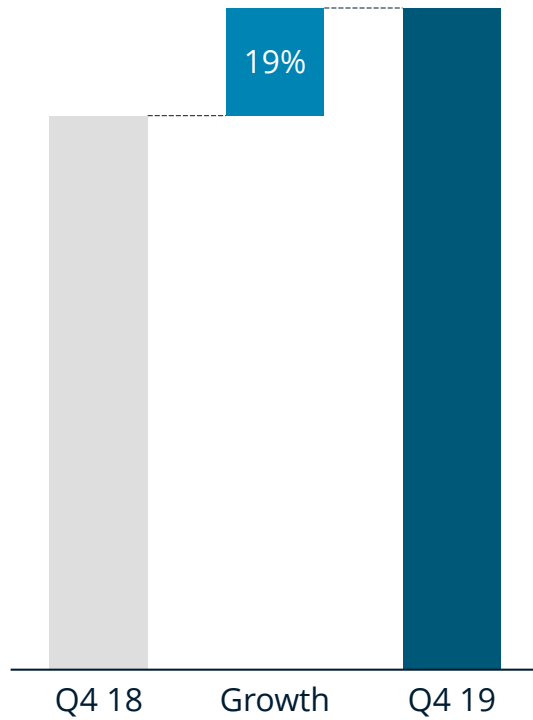
10%

ORGANIC R&D SERVICES

10%

ORGANIC SOLUTIONS

8%



TOTAL
GROWTH

25%

TOTAL ORGANIC
GROWTH

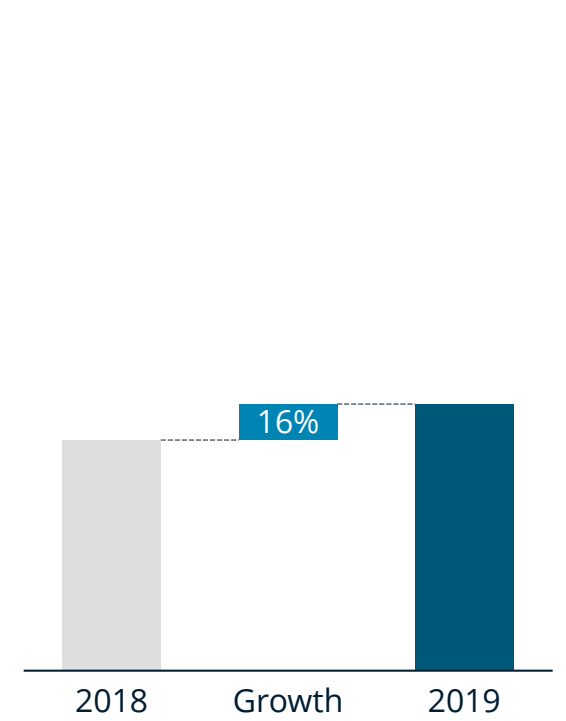
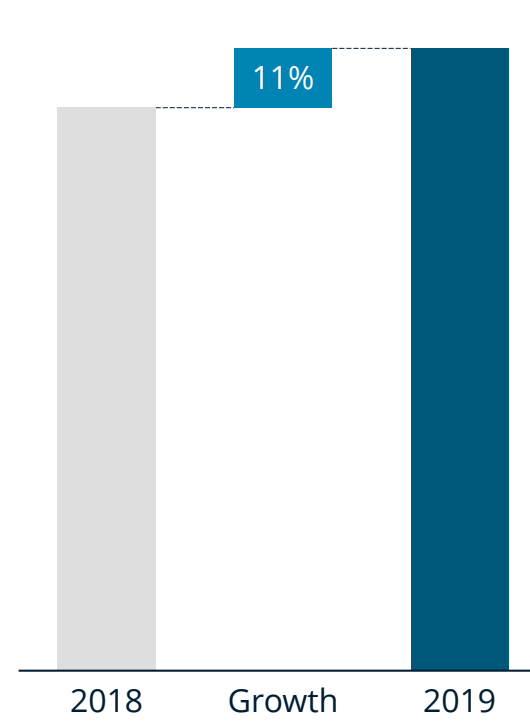
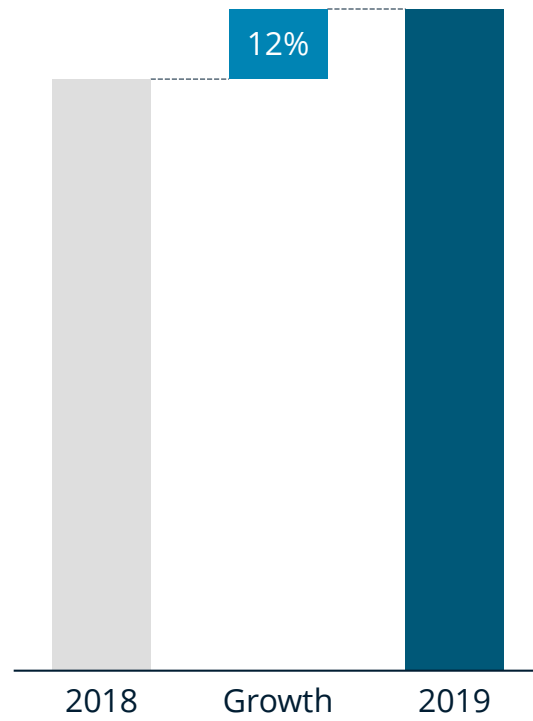
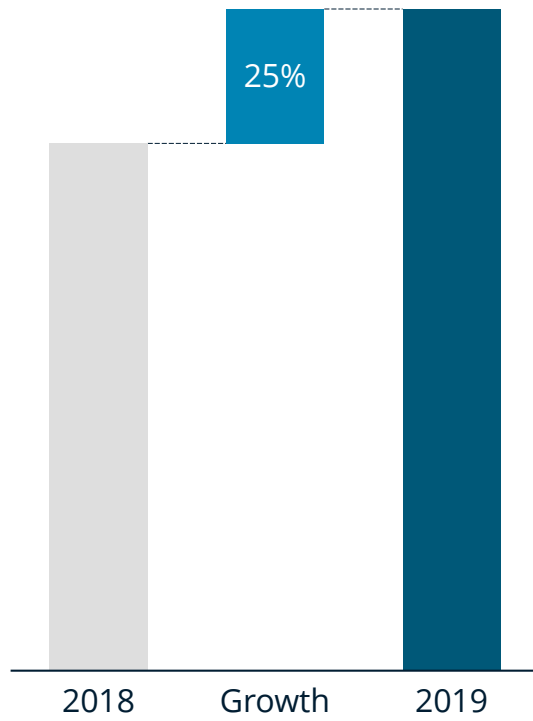
12%

ORGANIC R&D
SERVICES

11%

ORGANIC
SOLUTIONS

16%

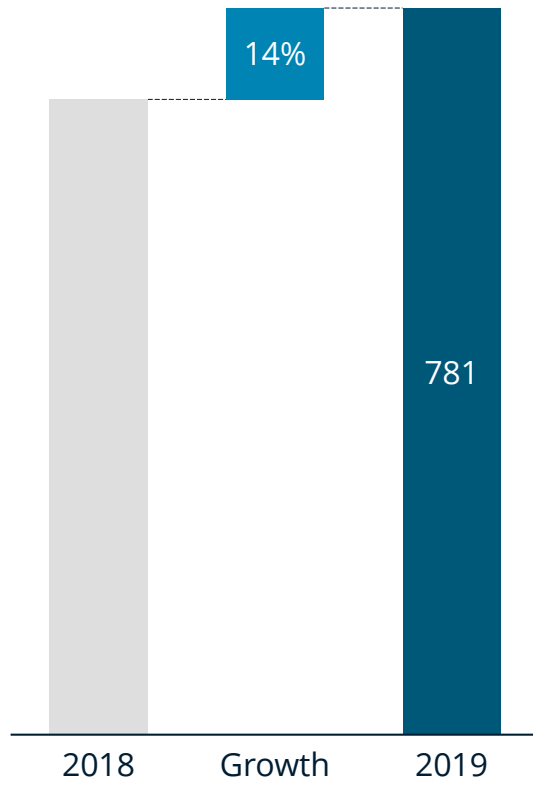


REVENUE GROWTH ANNUALY – PER COUNTRY

Q4 PRESENTATION 2019

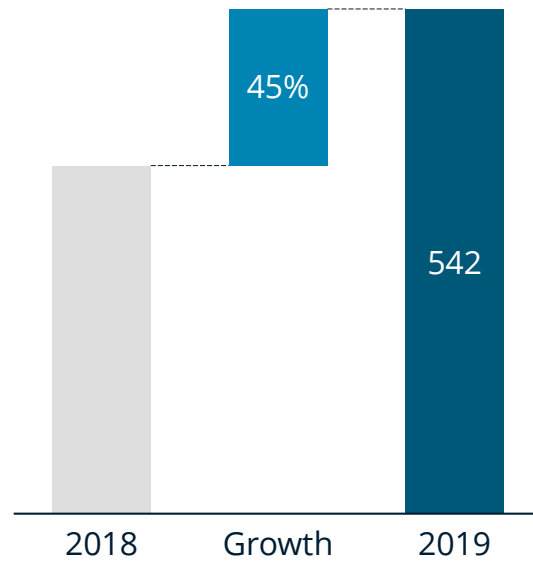
SWEDEN

14%



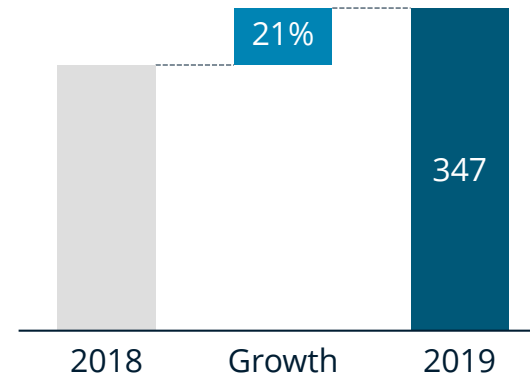
GERMANY

45%



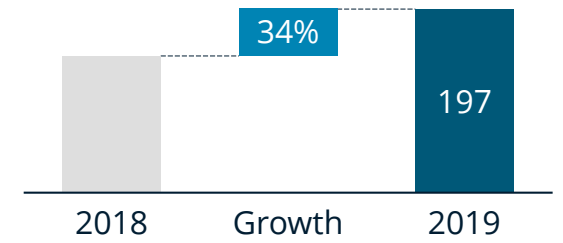
NORWAY

21%



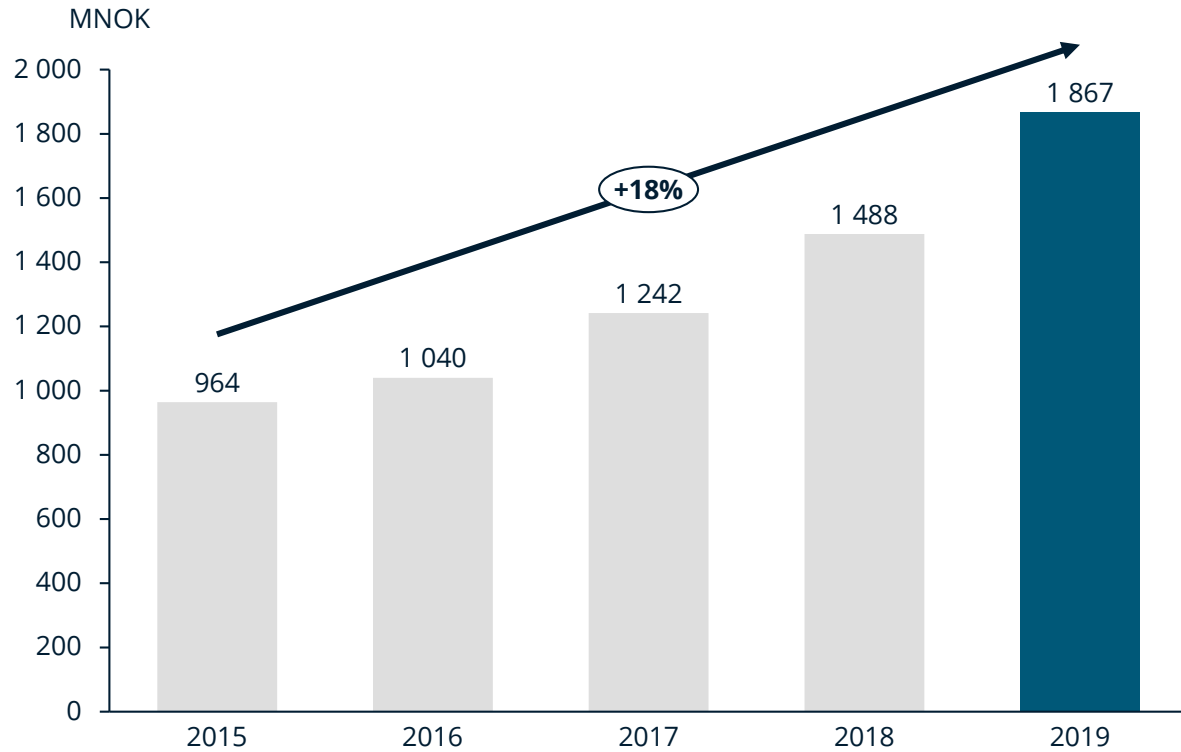
DENMARK

34%



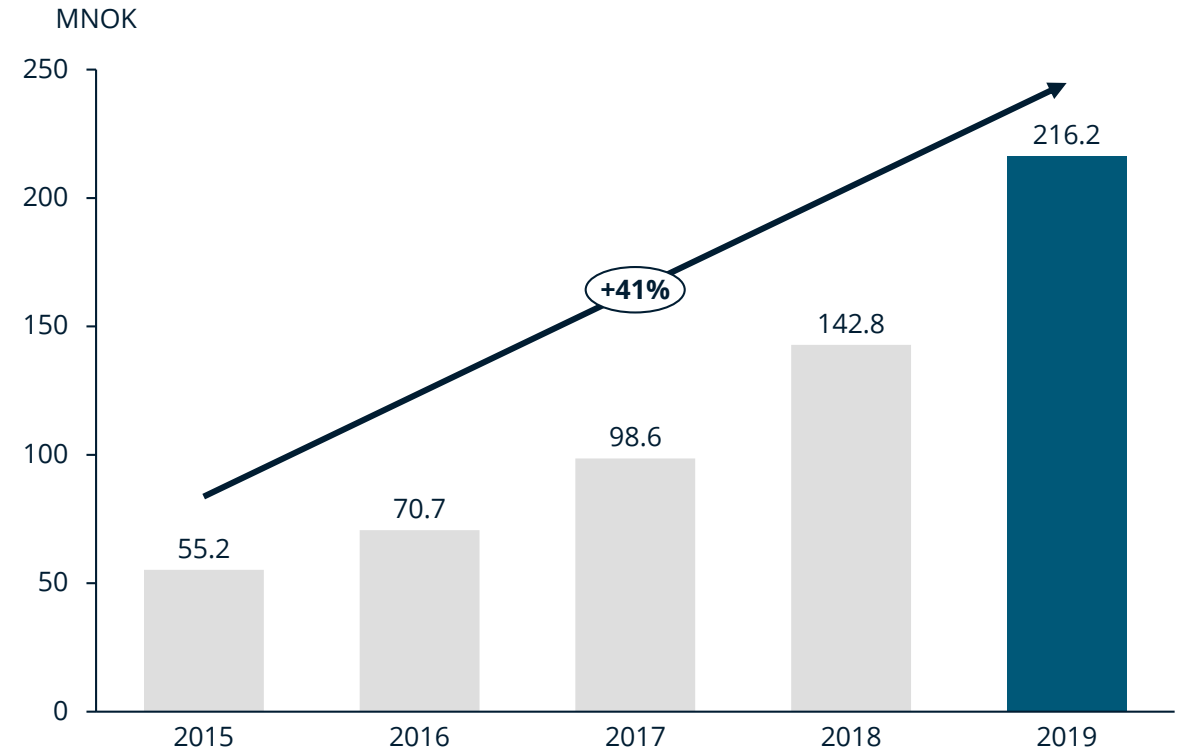
REVENUES

1 867



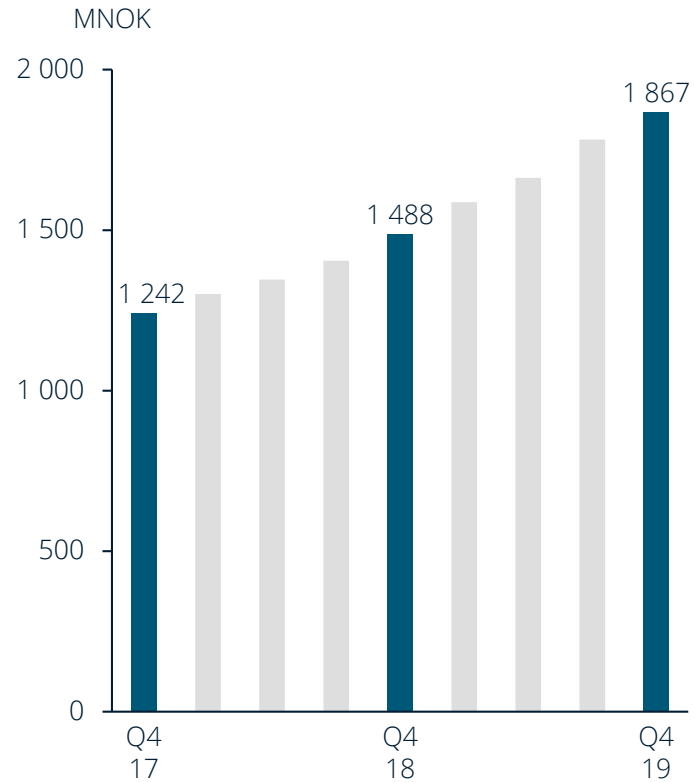
EBITA

216.2 (11.6%)



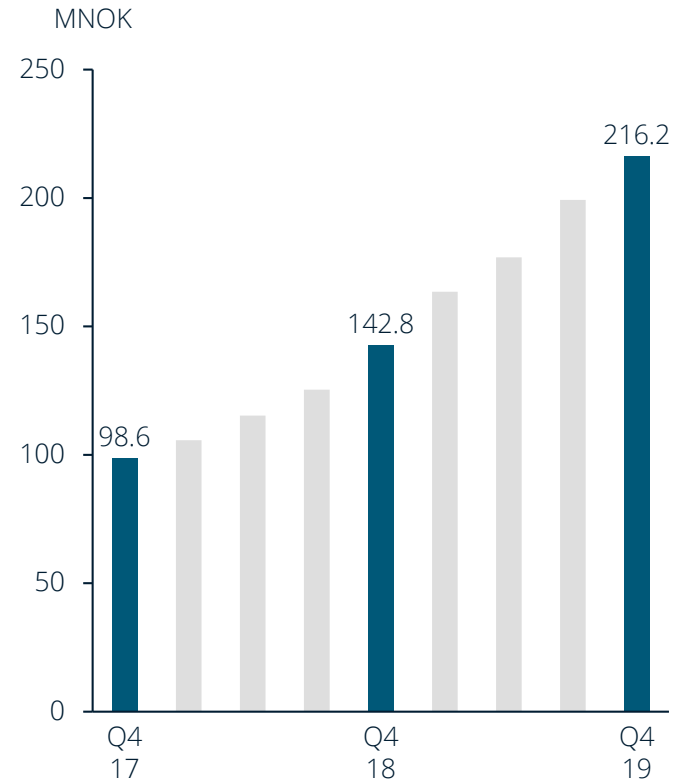
LTM REVENUE

1 867



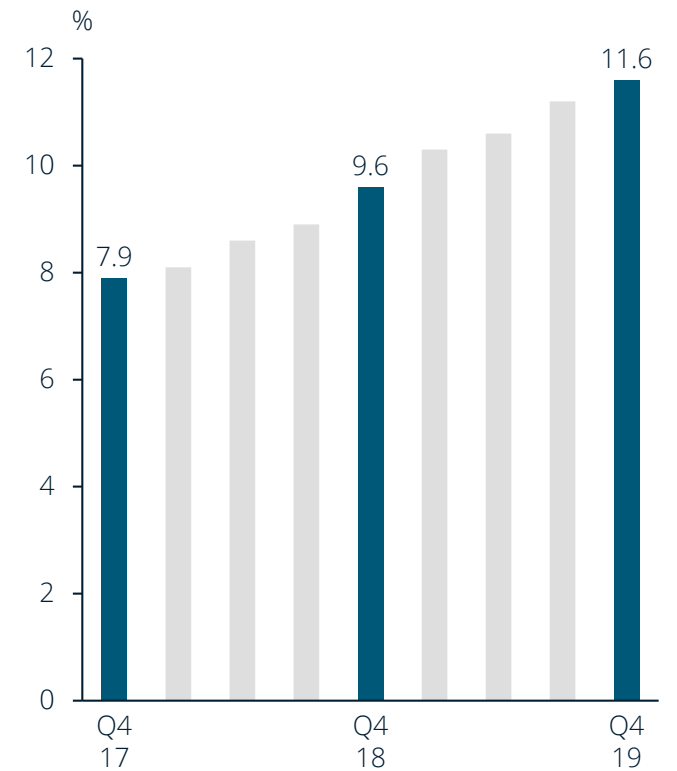
LTM EBITA

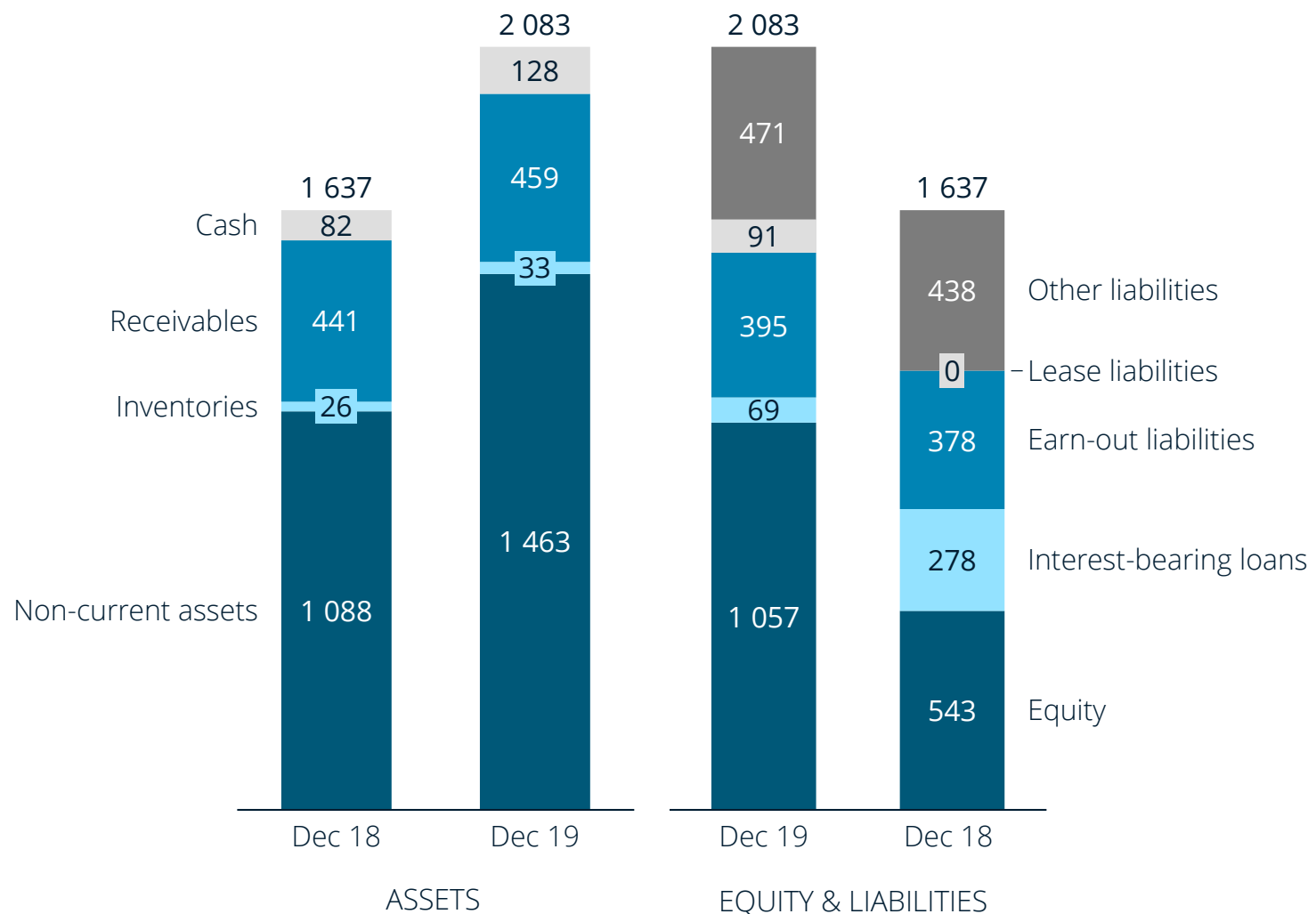
216.2



LTM EBITA MARGIN

11.6%





- **CASH POSITION**
NOK 128 million (82)
- **INTEREST-BEARING LOANS**
NOK 69 million (278)
- **EARN-OUT LIABILITIES**
NOK 395 million (378)
- **EQUITY RATIO**
51% (33%)
- **LEVERAGE RATIO LTM**
-0.2 (1.2)

- OPERATING CASH FLOW**

2019: NOK 203 million
Q4: NOK 74 million

- ACQUISITIONS**

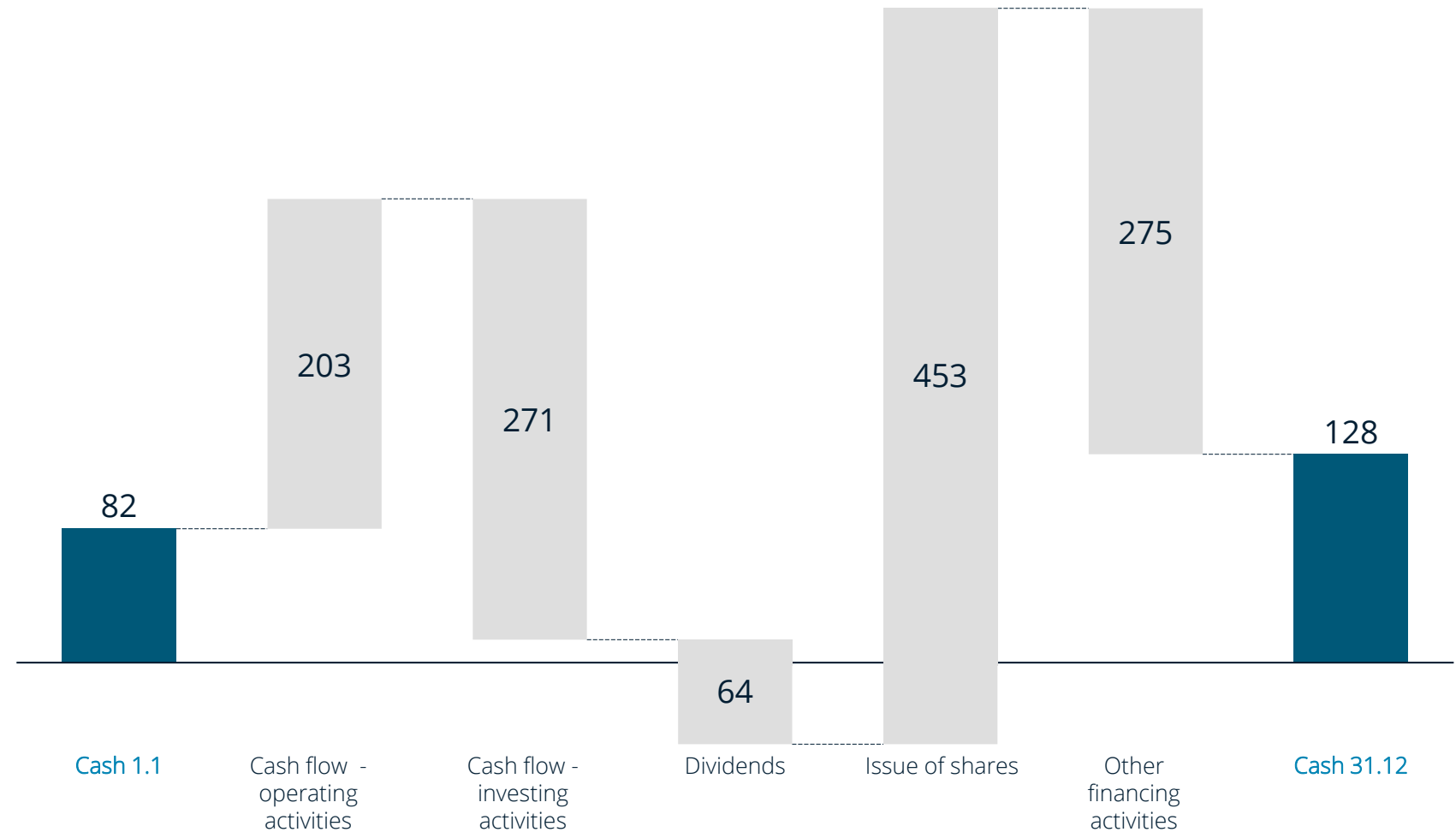
NOK 268 million

- DIVIDENDS**

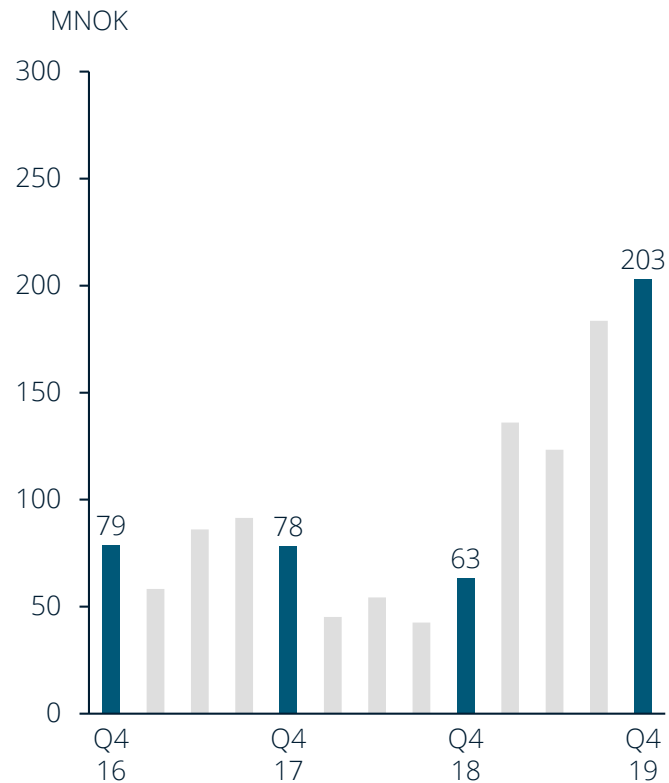
NOK 64 million

- ISSUE OF SHARES**

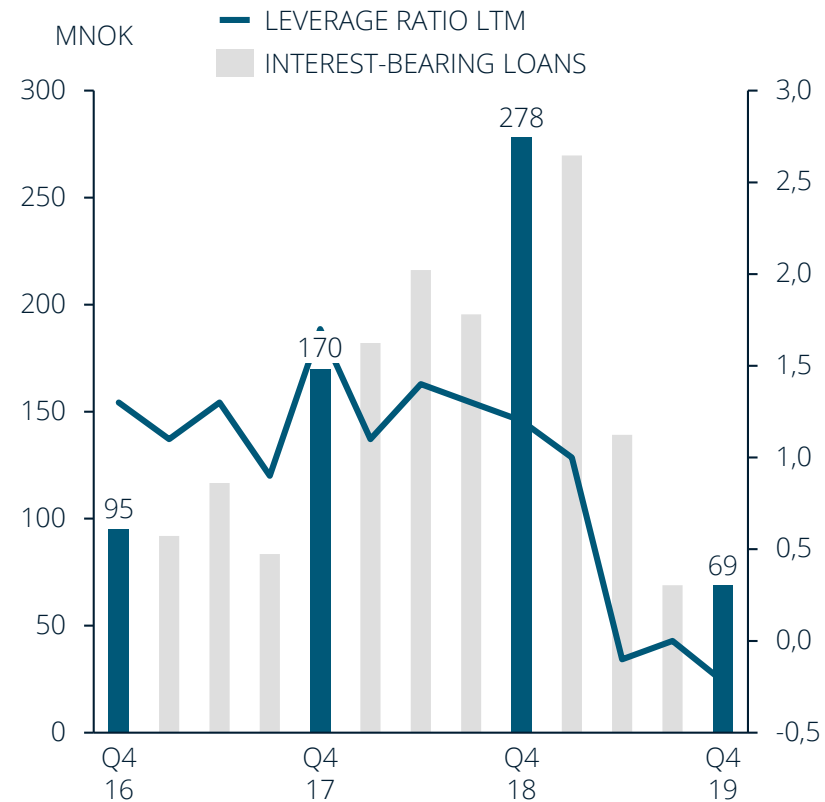
NOK 453 million



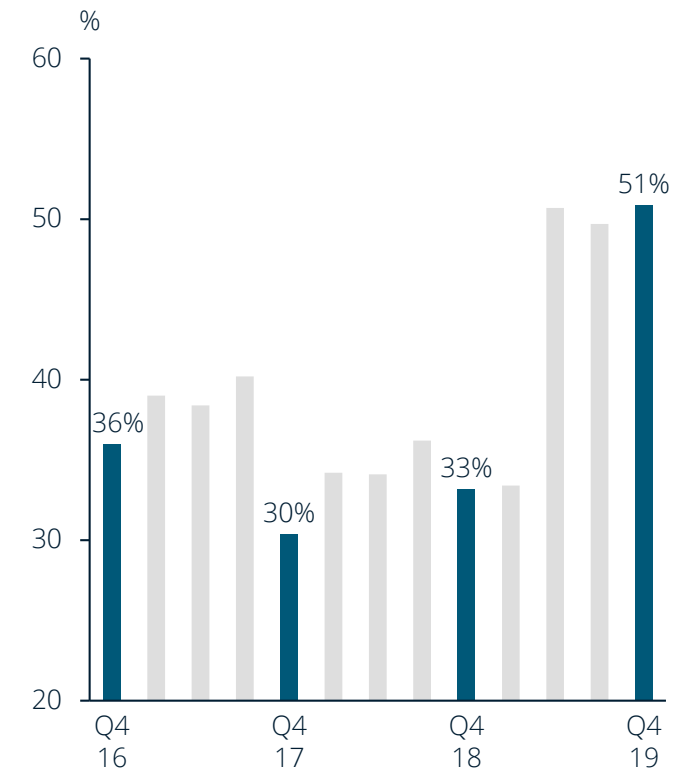
NOCF (LTM) 203



INTEREST-BEARING LOANS 69

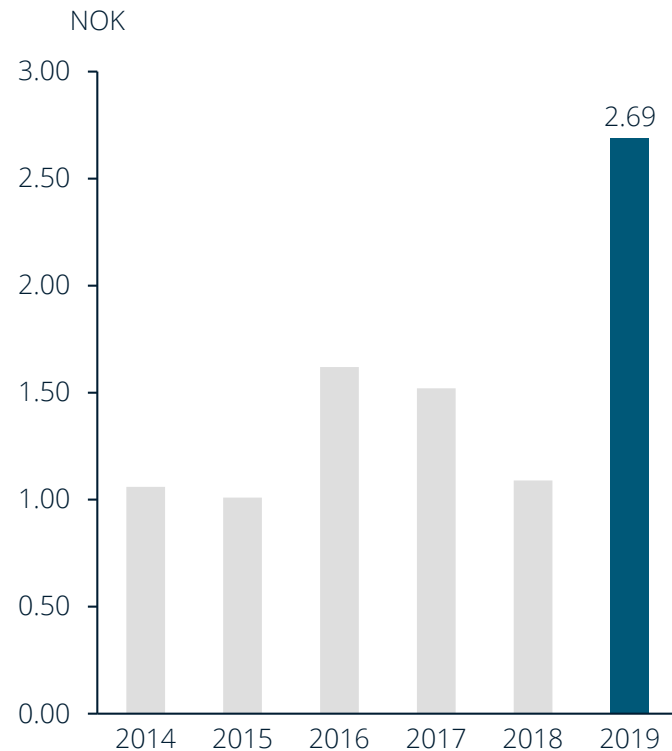


EQUITY RATIO 51%



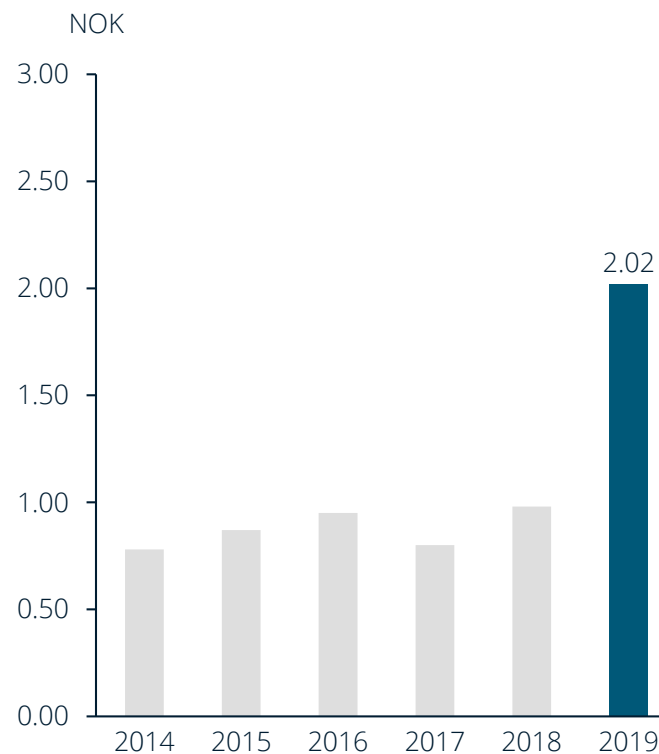
NOCF PER SHARE

2.69



EPS

2.02



DIVIDEND PER SHARE

Due to the current offer from AKKA Technologies and in accordance with the Offer Document published 13-Jan-2020, the Board of Directors in Data Respons has not made any proposal for dividends for 2019.



> CEO
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Ragnvaldsen



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A complete technology partner

for smarter embedded and IoT solutions

- Digitalisation of the industries of tomorrow!

Cloud

IoT / Digitalisation

AI / Analytics

Security

Connectivity

Software & APPS

Mobile services

Sensor

Electrification

Embedded Solutions

R&D Services

data respons



A photograph of three people in a laboratory or office setting. On the left, a man with grey hair and a beard, wearing a dark jacket, is pointing towards a transparent electronic device on a desk. In the center, a woman with blonde hair tied back, wearing a white lab coat and a blue lanyard, is looking down at the device. On the right, a man with glasses, wearing a blue button-down shirt and a blue lanyard, is also looking at the device. The device is a complex electronic assembly housed in a clear plastic enclosure. The background is a blurred office or lab environment with a desk lamp and computer monitors.

Strategic
TECHNOLOGY PARTNER

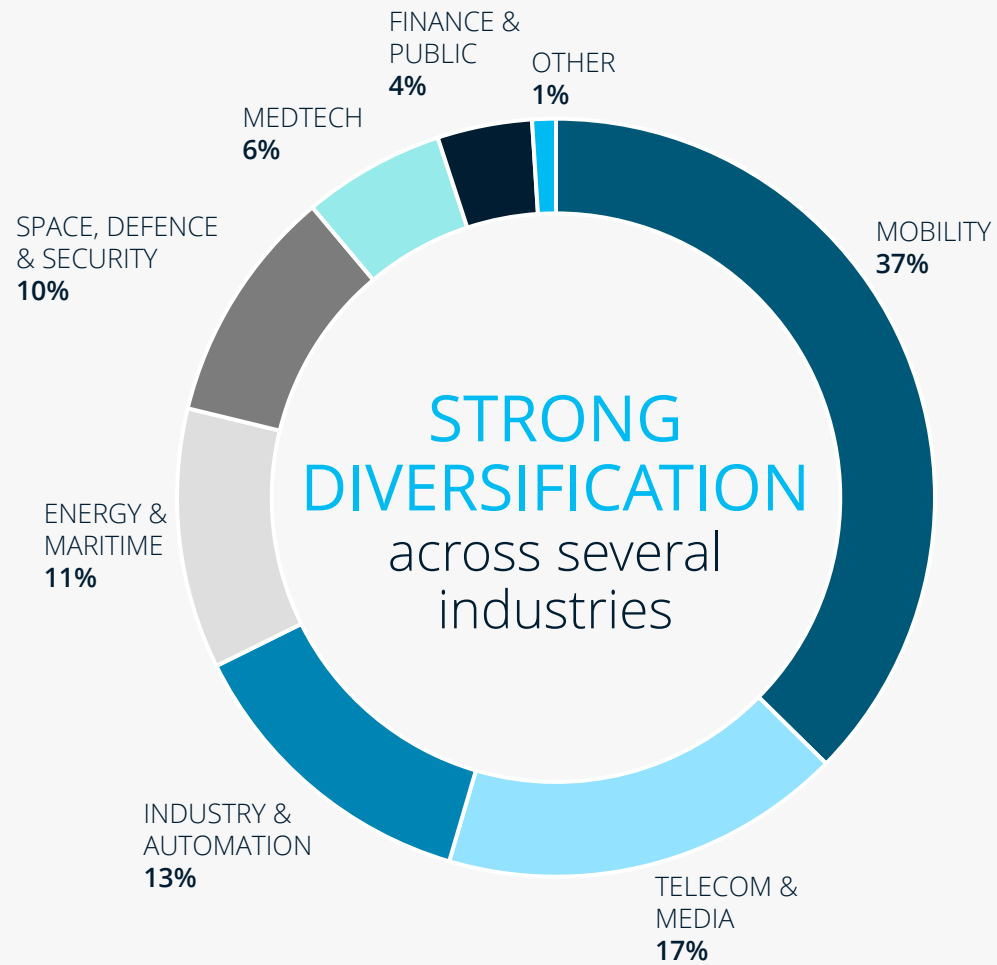
R&D → Product **DEVELOPMENT**

Core offering of the customer – **BUSINESS CRITICAL**

Domain **COMPETENCE** & industry knowhow

Multi discipline **SPECIALIST** teams

LONG TERM development projects



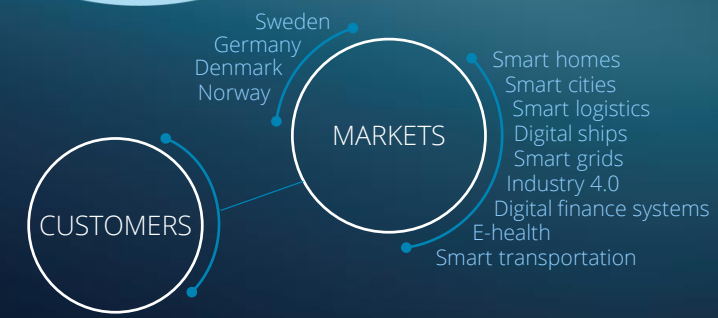
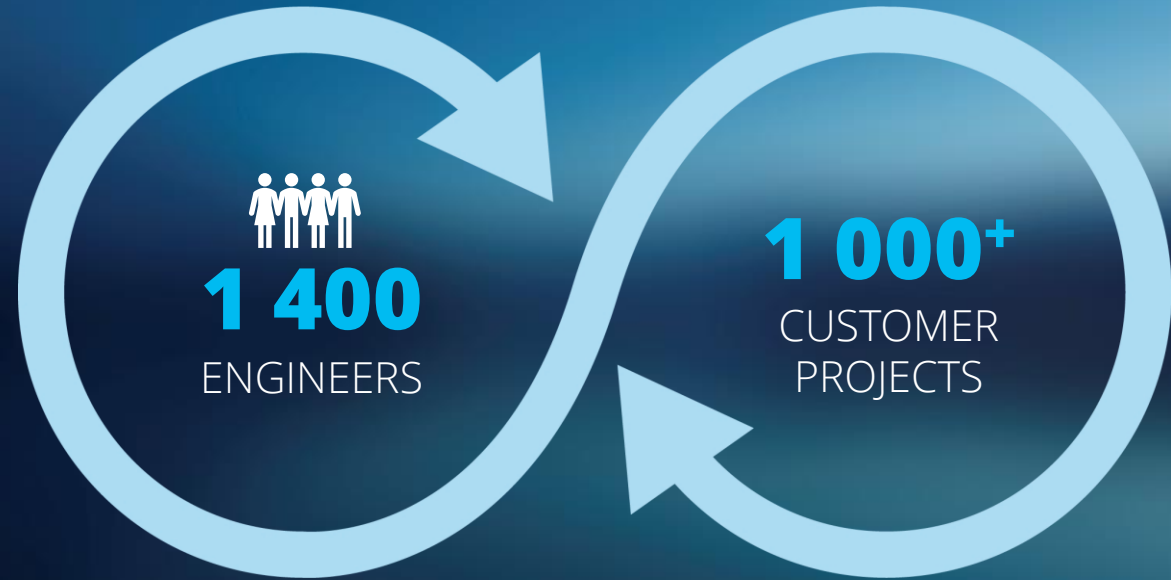
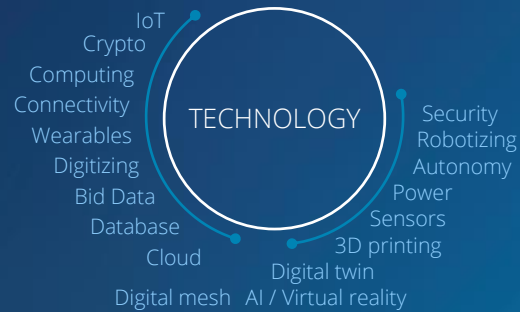
SOLID CUSTOMER LIST



The number of specialists and their competence is **CONSTANTLY DEVELOPING**

Keeping every specialist in a customer driven R&D projects today and tomorrow creates continuously changes, and a market oriented competence structure

300 NEW
specialists
IN 2019



ACQUISITIONS

Proven track record

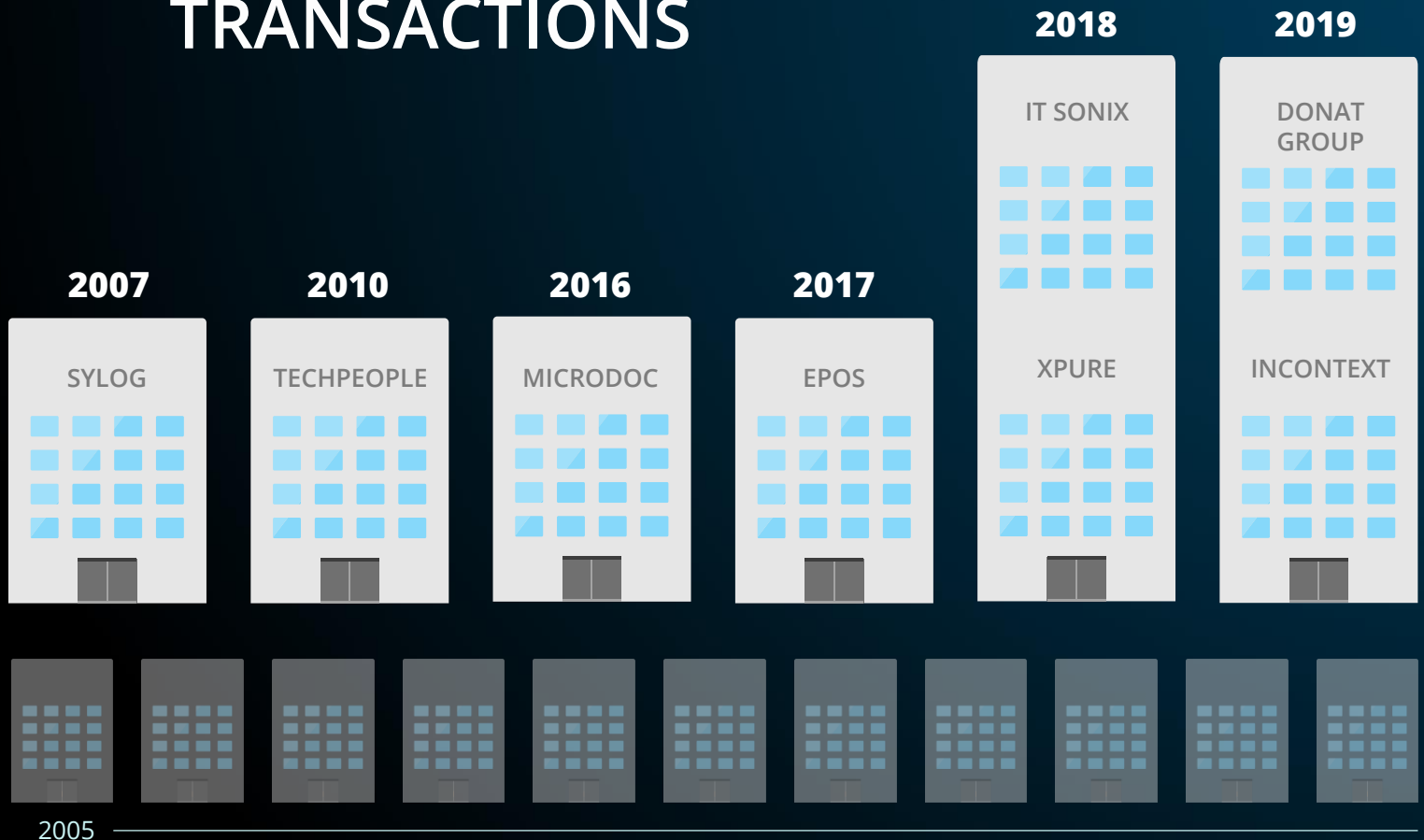
FILLING GAP in our specialist and technology competence

ACCESS to strategic customer portfolios and markets

FOCUS on R&D Services: SW, IoT, industrial digitalisation and embedded technologies

PROVEN TRACK RECORD, accretive financials, Nordic/Germany

19 COMPLETED TRANSACTIONS



2005

SUSTAINABILITY THROUGH TECHNOLOGY



Mapping CO₂ footprint and sustainability risks



75 sustainability projects by 2020



The group will be CO₂ neutral by 2025

Co₂ NEUTRAL BY 2025

Our footprint 2018
1385 tons Co2

the yearly emissions
of **691** cars



the annual emissions
of **138** Norwegians



37 % from transportation of goods

34 % from transportation of people

20 % from energy

9 % from IT equipment

ACTIONS

- Introduce carbon budgets
- Use more maritime shipping
- Electric vehicles
- Switch to green electricity
- Sustainable IT equipment policies

2019: A RECORD YEAR FOR SUSTAINABLE TECH



Software & sensors for
BETTER RECYCLING



Software for
**SAFER & EFFICIENT
WIND TURBINES**



Facilitating the **SMART
GRID TRANSITION**
through software



REDUCING EMISSIONS
through digitalisation



SMARTER CHARGING
With software



Safety through
RADON SENSORS



Scanning for epilepsy
using **SMART PHONE
APPS**



Software for
**ENERGY SAVING
STREET LIGHTING**



Mesh tech for
Improved **EMERGENCY
COMMUNICATION**



**IMPROVING FIRST AID
EDUCATION** with tech



**REDUCING
EMISSIONS**
through digitalisation



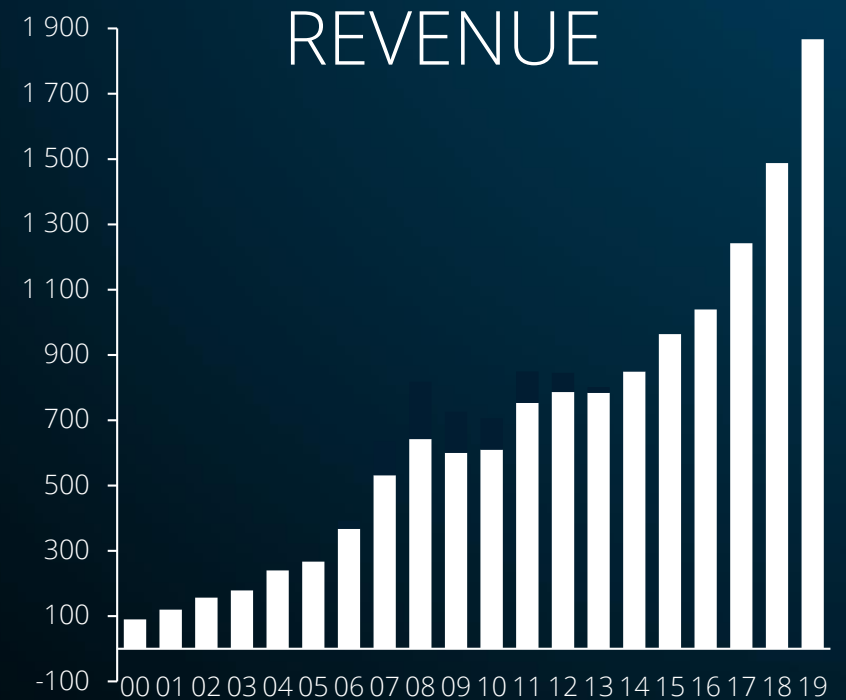
Sensors provide more
**SUSTAINABLE LIVE
STOCK PRODUCTION**



**LONG TERM
GROWTH**
continues

20x
2000-2019

17%
annual growth
2000-2019



SUMMARY

1. **ATTRACTIVE** market opportunity
2. **STRONG** customer list
3. **TECHNOLOGY** and competence
4. **VALUE ADDING** acquisitions
5. **SUSTAINABILITY** through technology
6. **LONG TERM** growth track record





> CEO
Kenneth
Ragnvaldsen



> CFO
Rune
Wahl

1. HIGHLIGHTS
3. FINANCIALS
3. BUSINESS REVIEW
4. Q&A

data respons

AT A GLANCE



1.9 billion NOK



1 400 specialists



>1 000s R&D projects



40 nationalities



Our companies:



CUSTOMER & TECHNOLOGY DRIVEN ORGANISATION

Building long-term customer relationship based on strong industry know-how, niche competence and local touch



LEADING SPECIALIST COMPETENCE

Continue developing our employees & adding new talent in a people centric culture
- the core asset of the company



COMPLETE TECHNOLOGY PARTNER

R&D development, SW/HW technology, industrial digitalisation, Internet of Things (IoT) and high-end embedded solutions



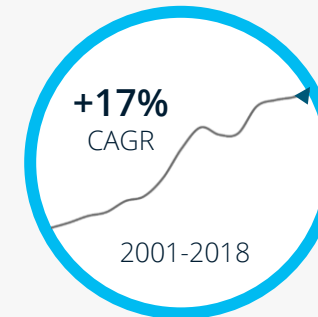
THE NORDICS & GERMANY

Well driven group companies with a clear plan, decentralised org. structure and empowered mgmt. & employees



ORGANIC GROWTH & VALUE CREATING M&A's

Long term growth focus built on strong operational execution, industry diversification, and across company synergies



SUSTAINABILITY THROUGH TECHNOLOGY

Based on innovative technology projects, a companywide sustainable focus and committed employees



We live
OUR VALUES
Every day!



TO PERFORM RESPONSIBILITY BEING GENEROUS HAVING FUN