

# Nordic Technology Group

2H-2022 Financials and Investor Presentation

17 February 2023

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**This presentation covers the period 01.07.22-31.12.22. The financial statements are unaudited as of the date of this presentation. It is also emphasized that the Group was established in early July 2022 in which NTG acquired shareholdings in six tech-companies from Norsk Innovasjonskapital AS ("NIK I"), Norsk Innovasjonskapital II AS ("NIK II") and Norsk Innovasjonskapital III AS, as well as three other sellers (Lani Invest AS, Arctic Securities AS and RR Capital AS) and some minority shareholdings in the same six assets (the "Acquisitions") immediately prior to completion of the private placement and listing on Euronext Growth Oslo. Accordingly, the presentation of the Group in this presentation reflects the structure and business of the Group following the Acquisitions.**

# NTG | Share price vs Valuations

Nordic Technology Group AS				
No of shares issued 70 920 680				
	NTG % ownership	NTG Current book value 14.02.23	100% company valuation 31.12.22	NTG value 31.12.22
<b>Company</b>				
Wavetrain Systems	83,6 %	245 500 000	525 000 000	438 900 000
Hammertech	87,8 %	194 600 000	350 000 000	307 300 000
Hybrid Energy	96,3 %			-
Hystorsys	100,0 %	25 500 000	25 500 000	25 500 000
MossHydro	89,9 %	52 800 000	86 000 000	77 314 000
CondAlign	50,5 %	95 300 000	198 100 000	100 040 500
CrayoNano	14,1 %	76 300 000	451 600 000	63 675 600
NTG Cash balance	100,0 %	79 000 000	79 000 000	79 000 000
<b>Sum NOK</b>		<b>769 000 000</b>	<b>1 715 200 000</b>	<b>1 091 730 100</b>
<b>Sum NOK per NTG share</b>		<b>10,8</b>		<b>15,4</b>
<b>Current share price 15.02.2023</b>	<b>NOK</b>	<b>5,6</b>	<b>NOK</b>	<b>5,6</b>
<b>Discount compared to NTG share price</b>		<b>-48 %</b>		<b>-64 %</b>

Comments
<ul style="list-style-type: none"> <li>• Third party valuation on Wavetrain Systems, Hammertech and MossHydro completed December 2022</li> <li>• CondAlign and CrayoNano valuation based on 60-days VWAP (volume-weighted-average-price) on NOTC</li> <li>• Hystorsys valuation was prepared as part of acquisition of shares from Hybrid Energy in conjunction with the sale of Hybrid Energy</li> </ul>

## Executive summary

### BACKGROUND

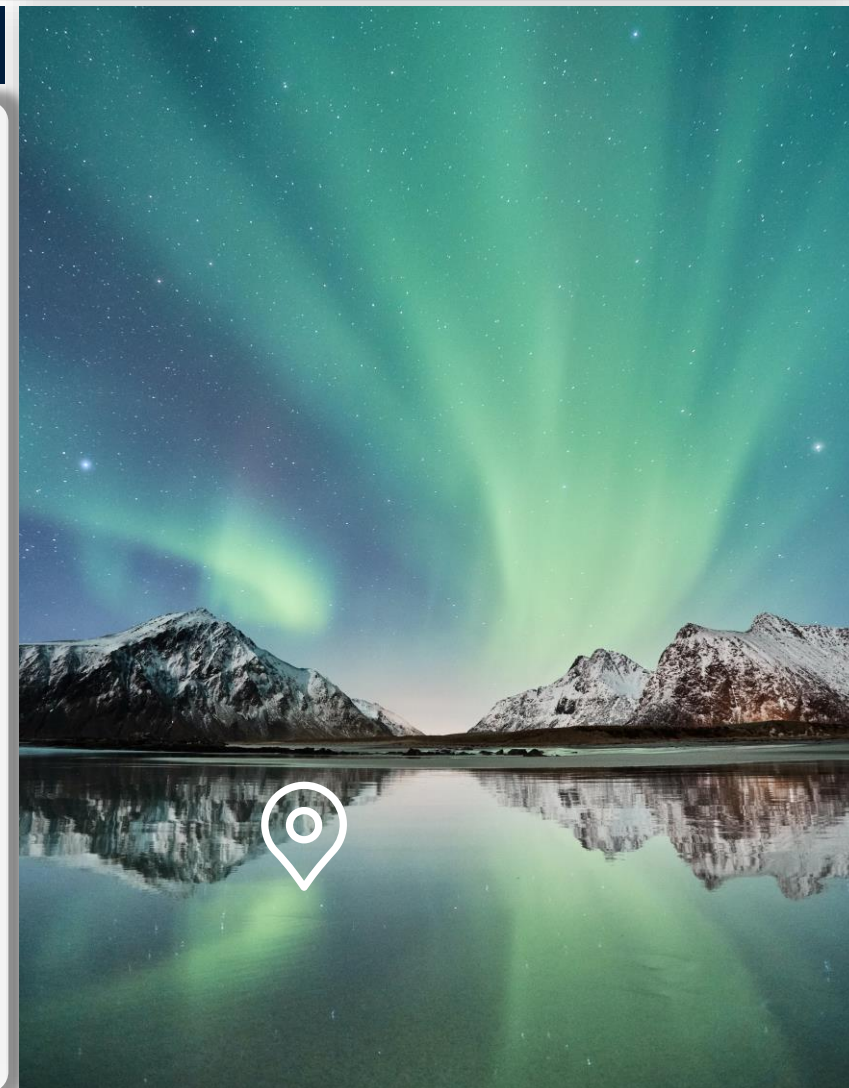
- **NTG** was incorporated in February 2021 with the ambition to create an industrial technology group driven by operating companies with ground-breaking, patented technology in mega trend growth markets within Sensor, Nanomaterials and Clean technologies
- Acquired shareholdings in six companies and completed a capital raise end June 2022 and was admitted to trading on Euronext Growth Oslo on July 5, 2022

### 2H 2022 NTG GROUP CONSOLIDATED FINANCIALS (01.07.22-31.12.22)

- Total revenues of NOK 18.6 million, of which Hybrid Energy (discontinued) counted for NOK 7.3 million
- EBITDA of NOK –36.4 million, of which NOK –5.0 million is related to Hybrid Energy (discontinued)
- Cash position of NOK 54.7 million by 31.12.22
- Equity ratio of 83.2% by 31.12.22
- Total debt of NOK 144.8 million of which NOK 51.4 million is related to credit institutions. Of total debt, NOK 23.4 million is related to Hybrid Energy (discontinued)
- NTG Parent cash budget of around NOK 15 million per year

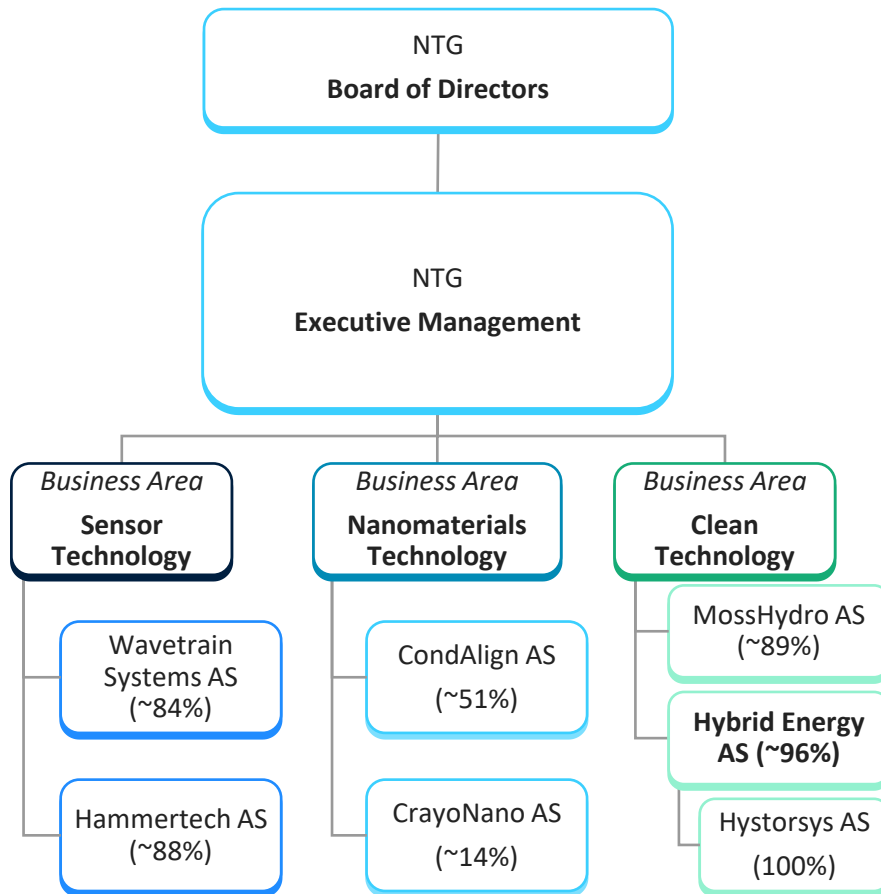
### EVENTS AFTER 31.12.2022

- In January 2023, NTG sold its 96.8% ownership in Hybrid Energy AS (excluding its 100% owned subsidiary Hystorsys AS). NTG received net cash of around NOK 77 million from the transaction and will in Q1 2023 record a gain of > 2x the current book value of around NOK 44 million

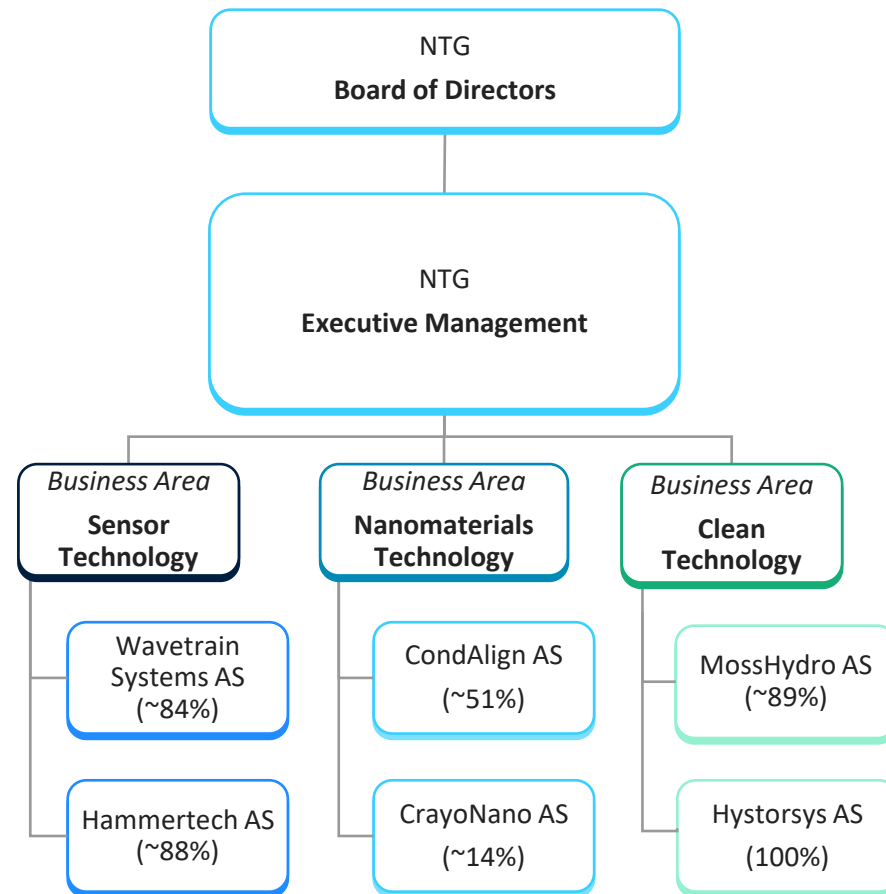


# NTG | Group structure from January 2023

## Group structure and ownership 31.12.22



## Group structure and ownership from January 2023



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# Nordic Technology Group

Group Companies



HANMERTECH®

Hammertech video presentation:

<https://youtu.be/QcehWdFgWTA>

February 2023

# AquaField™

## Multiphase metering system

Enhanced recovery, Production Optimization,  
Digitalization & CO2 emission reduction

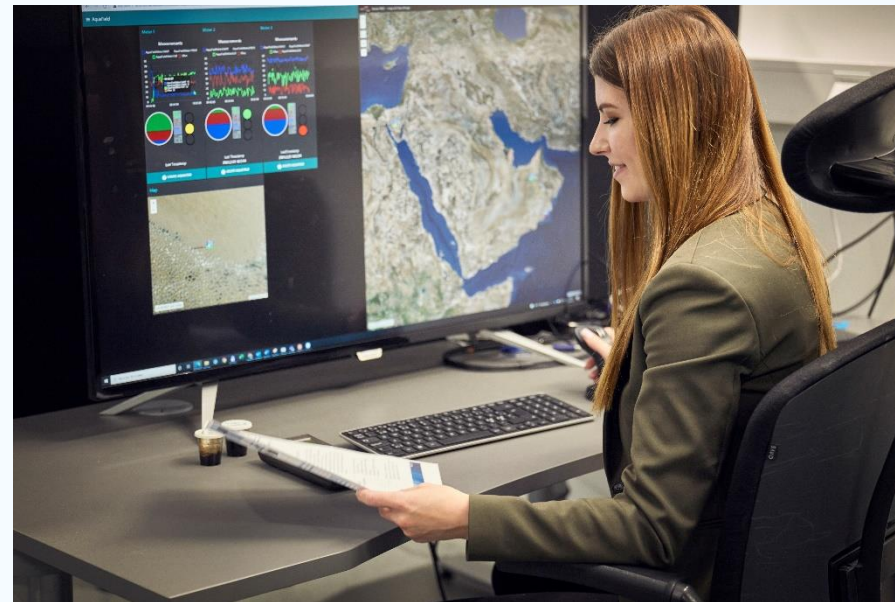
### AQUAFIELD™ PER WELL



Online, continuous and  
real-time monitoring of  
individual wells



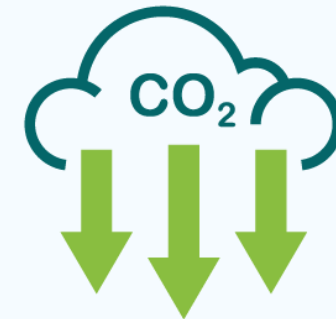
### DIGITALIZATION



Supports remote well and reservoir management through  
real time transmittal of data from individual wells.



### OPEX AND CO2 REDUCTION



Remove need for traditional and  
periodic individual testing of wells by  
use of test separator and enable  
continuous production optimization:

- cost reduction
- no emissions
- enhance recovery



## The AquaField™ Product






### Competitive advantages

- Worlds first PVT (Pressure, Volume, Temperature) independent multiphase metering system
- Low cost USD 40 000 pr.unit
  - Enables rollout on each well
- Maintenance free
  - Enables upscaling to 1000's of units
- Low weight (from approx. 22 kg)
- Small size (from 15cmx15cmx15cm)
- No need for calibration
- Easy to install – retro&new built
- Enabling full digitalization – real time
- Increased recovery rate
- Reduced CO2 footprint in the production phase

# Large addressable market

AquaField is the first-choice for more than 250,000 on-shore wells<sup>1)</sup>

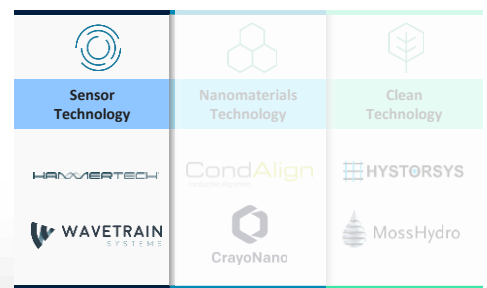
	Total potential market	Target market	Core market
			
<b>Market Size</b>	<ul style="list-style-type: none"> <li>84 USDbn</li> </ul>	<ul style="list-style-type: none"> <li>18 USDbn</li> <li>AquaField assumed to be most applicable</li> </ul>	<ul style="list-style-type: none"> <li>10 USDbn</li> <li>AquaField assumed to be most applicable and likely to be implemented</li> </ul>
<b>Market Drivers</b>	<ul style="list-style-type: none"> <li>2.1 million total wells</li> </ul>	<ul style="list-style-type: none"> <li>450,000 wells</li> </ul>	<ul style="list-style-type: none"> <li>251,000 wells</li> </ul>
<b>End Client Examples</b> <i>(non-exhaustive)</i>	<ul style="list-style-type: none"> <li>All well-operating E&amp;P-companies</li> </ul>	<ul style="list-style-type: none"> <li>Saudi-Aramco, Petrobras, ExxonMobil, ADNOC, PDO, Majors</li> <li>Anadarko, Apache, EOG, Pioneer, Devon, XTO, Qatar Petroleum, Occidental, Equinor, ENI, Hilcorp, Bapetco, Norpetco, Qarun, Agiba,</li> </ul>	<ul style="list-style-type: none"> <li>Saudi-Aramco, KOC, ADNOC, PDO, Petrobras, ExxonMobil, Majors</li> <li>Anadarko, Apache, Equinor, Petrobel, Qatar Petroleum, ENI, Qatar Petroleum, Occidenta</li> </ul>

## 2025 prediction

Producing wells	1 610 000
New wells (-->2025)	510 000
<b>Total potential market</b>	<b>2 120 000</b>
Retrofit new gas wells	-107 000
Retrofit subsea	-6 000
Retrofit GoM	-16 000
Older onshore wells*	-1 345 000
Unconv. (Xtra HO, OS)	-201 000
<b>Target market</b>	<b>445 000</b>
Retrofit offshore*	-51 000
Reluctance smaller Ops*	-143 000
<b>Core market</b>	<b>251 000</b>

Estimated market size of 84 USDbn, with a core market of 10 USDbn

# NTG | Sensor Technology



Hammertech (~88% ownership)

HAMMVERTECH



**Offers a unique patented technology measuring multiphase fractions and salinity in real-time. Significant competitive advantage; price, weight, size and performance**

Financials (unaudited):

Revenues 2022:	NOK ~ 4 million
EBITDA 2022:	NOK ~ -9 million
Current NTG book value:	NOK ~ 195 million
Total invested in Hammertech (100%):	NOK ~ 152 million

- ✓ 3 systems delivered in 2022 (2 operators)
- ✓ 8 systems have been ordered by mid-February 2023 (4 operators)
- ✓ Successful testing by DNV and Pre-qualified for Saudi-Aramco
- ✓ Kåre Lunde appointed new CEO. Previous head of TietoEvy Oil&Gas
- ✓ Currently interacting with >70 potential customers – field tests before orders
- ✓ In process of raising new capital to accelerate global sales
- ✓ Establishment of subsidiaries in Abu Dhabi and Houston, Texas
- ✓ Core market estimated by Rystad Energy at 251,000 wells (USD 10 billion)



# Wavetrain Systems AS



February 2023

Wavetrain System video presentation:  
<https://youtu.be/eyx8vzdFfuA>

Confidential and not for distribution



# Wavetrain Level Crossing Warning Protection (WLXP)

Reduce risk at hundreds of thousands of level crossings world wide



WAVETRAIN  
SYSTEMS

## Threat

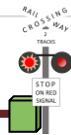
- Risks at rail level crossings



- Many Level crossings are unprotected<sup>1</sup>
- Protection of crossers is a growing concern

## Solution: LCWS

- The WLXP detects and warns of approaching trains
- All equipment at the crossing, simple installation, no service interruption during installation or operation
- Detects trains through acoustic signals
- Sensors on the rail itself
- Continuous operation
- Detected signals digitized for interpretation and activation
- CENELEC SIL4 certified sensors
- Redundancy for reliability, availability, maintainability and safety



## Benefits

- Unprecedented speed of installation
- No service interruptions during a typical system installation
- Competitive cost, minimal maintenance, overall certified CENELEC SIL 2/ IEC 61508, sensor CENELEC SIL4

Wavetrain reduces risks cost-effective at level crossings

## Market Size and position

## Market Drivers

## End Client Examples

### Wavetrain Level Crossing Protection



- Around 1,000,000 level crossings world wide available market
- Euro 50 billion
- **Sole position** in the CENELEC SIL2 certified market





- Growing population leads to increased traffic at level crossings
- Growing population demands growth in rail traffic
- Increased focus on safety at level crossings

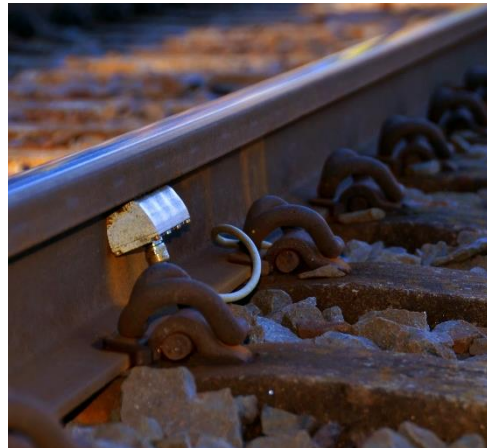
- Railway infrastructure owners seek solutions that can increase safety at hundreds of thousands of unprotected crossings world-wide: Network Rail (UK), SNCF RESEAU (FR), Bane NOR (N)

Railway safety is a huge and growing market

- **Sole CENELEC SIL2 Certified supplier in the market**
- **Installation time and resource use far below competition**
- **Installation and maintenance cost far below competition**
- **No need to stop trains for maintenance or equipment replacement**
  - **Cost of service interruption during installation/maintenance huge**
- **Autonomous, not reliant on costly enterprise interfacing**
- **Type Approved UK 2022, operational system 2023**
- **No known competitors in this market segment**
- **Compliant with UK regulator requirements**
- **Type Approval from the UK to be cross accepted in other markets**
  - **Reduces time to market significantly**

# NTG | Sensor Technology

 Sensor Technology	 Nanomaterials Technology	 Clean Technology
		
		



## Wavetrain Systems (~84% ownership)



**i** Patented acoustic train detection systems for level-crossings in the railway industry. CENELEC SIL2 certified – total system advantage due to much lower Capex and Opex for the operators

### Financials (unaudited):

Revenues 2022:	NOK ~ 4 million
EBITDA 2022:	NOK ~ -9 million
Current NTG book value:	NOK ~ 245 million
Total invested in Wavetrain Systems(100%):	NOK ~ 250 million

- ✓ Received in August 2022 first contract for 2 Level Crossing Warning Systems (LCWS) from Network Rail, UK after having achieved product type approval in Q2 2022. Contract value NOK 1.3 million
- ✓ Expected start of roll-out in Q2 2023 in the UK market
- ✓ Pål Bratlie new CEO from March 1,2023. Previous Kongsberg Group
- ✓ World market ~ 1,000,000 level crossings, of which ~ 140,000 in Europe
- ✓ In process of raising new capital to strengthen sales, marketing and support



Ground-breaking technology for  
efficient conduction of electricity,  
heat and industrial gases

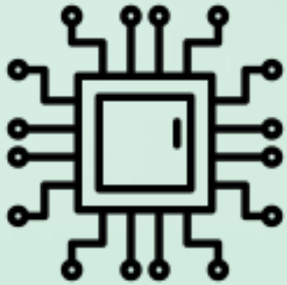
CondAlign video presentation:  
<https://youtu.be/ID3aHvVaV-Q>

February 2023



# Significant opportunity with E-Align and TIM

## Electric conductive films «E-Align»<sup>1</sup>



Revolutionizing how electronics  
are assembled

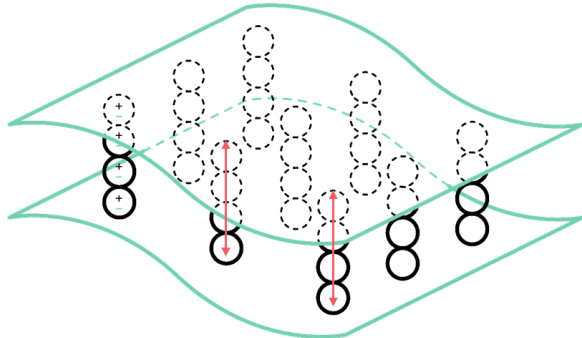
## Thermal interface materials «TIM»<sup>2</sup>



Radically improving the  
cost efficiency of thermal materials

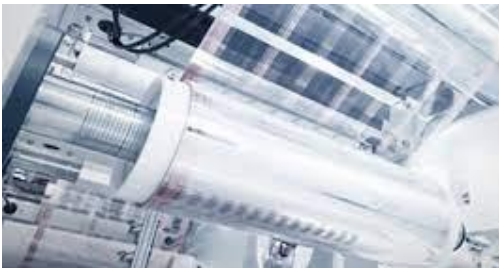
# One technology

## Technology principle



Particles are arranged to obtain unique capabilities...

## Production principle



...with a process that is designed for large scale industrial manufacturing

Source: Company information

# Multiple applications

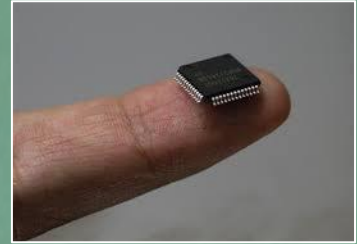
EV Power train



Flexible



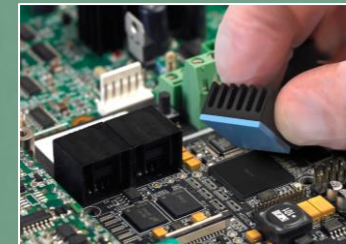
Microchip



RFID



Thermal management



Display



Smart label



LED



In-mold electronics



# On track with lead customers

## Entering growing markets through close customer cooperation

### Smart labels



- Connecting disposable batteries
- E-Align uniquely solving connections of paper based batteries to electronics not solved by glue or solder
- Product approved with BeFC, multiple customers qualifying

*“After reviewing various conductive films, BeFC identified CondAlign as the best option for attaching our paper biofuel cells to our flexible electronic tags. We are excited to start this journey to industrialisation together.”*

– Jules Hammond, CEO BeFC

Source: Company information, BeFC

### In-mold electronics

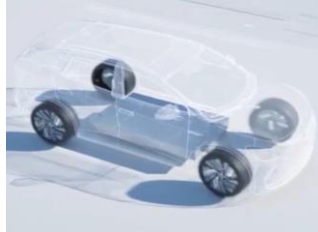


- Electronics assembly tape used for in-mold electronics
- Allows for more efficient and versatile assembly of components than possible with today's gluing
- Technology development with Tactotek Oy

*“Combining CondAlign’s unique process with our materials, production capability, and market connections will allow us to rapidly develop some best in class new products and grow our presence in the Thermal Interface Material and thermally conductive adhesive markets.”*

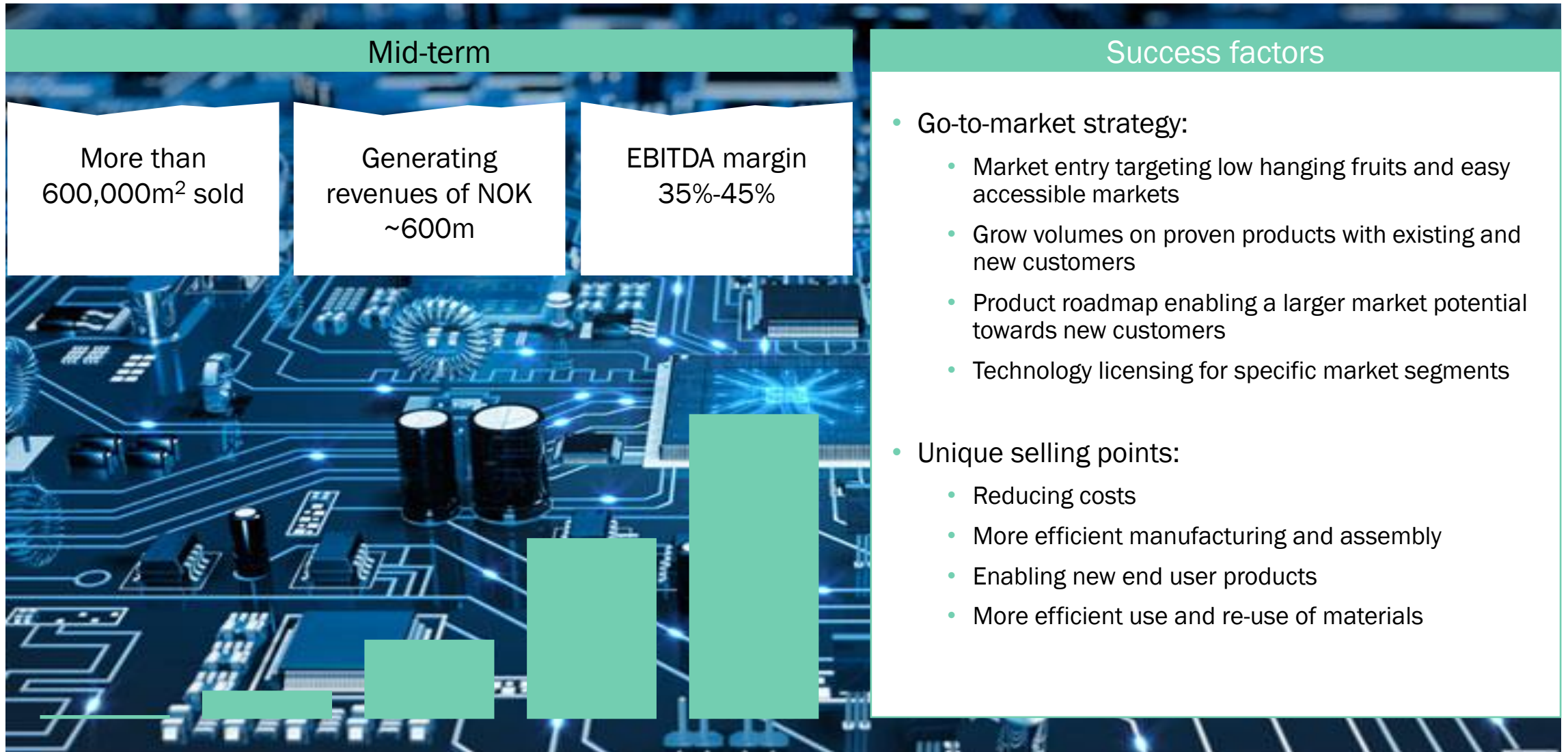
– Phil Guy, General Manager Saint-Gobain Tape Solutions

### Electric Vehicles



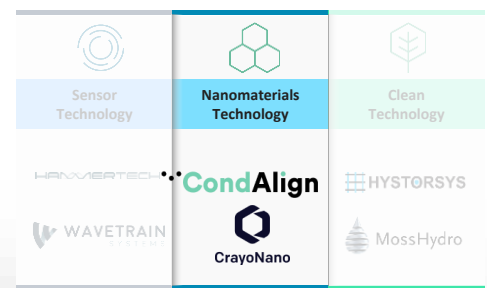
- Thermal Interface Materials (TIM) for battery packs in Electric Vehicles
- Technology enabling production of higher performance and lower cost TIM
- Partnership with Saint-Gobain, technology licensing targeted for commercialisation

# Financial ambitions



Source: Company projections, cf. p. 40 for more details and key assumptions

# NTG | Nanomaterials Technology



CondAlign (~50% ownership)



**Patented technology for use in conductive film/tape enabling a significant production efficiency in connecting electronics and transferring heat**

Financials (unaudited):

Revenues 2022:	NOK ~ 0,5 million
EBITDA 2022:	NOK ~ -16 million
Current NTG book value:	NOK ~ 95 million
Total invested in CondAlign(100%):	NOK ~ 160 million

- ✓ Total addressable market ~NOK 40 billion (E-Align NOK 22bn, TIM NOK 18bn)
- ✓ CondAlign and Saint-Gobain are progressing in the joint product design of was published November 2022. During the first stage of the Project, CondAlign has confirmed that the demanding cost/performance requirements for the Thermal Interface Materials for EV batteries are met.
- ✓ E-Align100 will be available for commercial deliveries in Q2 2023 and E-Align25 will be launched second half of 2023. Ongoing testing and quality assurance procedures are planned to be concluded by the end of Q1 2023
- ✓ 23 customer in process of application test
- ✓ Awarded NOK 8 million grant from Innovation Norway

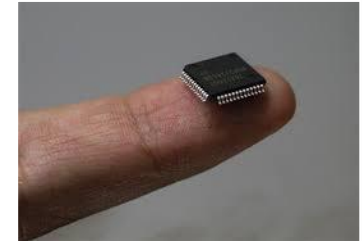
EV Power train



Flexible



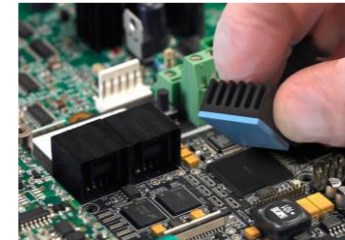
Microchip



RFID



Thermal management



Display



Smart label



LED



In-mold electronics





# CrayoNano

Disrupting the fast growing  
markets for disinfection



# Key examples of CrayoLED™ design-ins for 2023

Water	Surface and Air	Curing	
			
<b>Residential drinking water</b>	<b>Industrial devices</b>	<b>Printing</b>	
			
			
	<b>Air conditioning/ HVAC</b>		
<b>Residential white goods</b>			
	<b>Air purifiers</b>		
<b>Consumer drinking water</b>			
	<b>Public transportation</b>		
<b>Municipal water treatment</b>			
	<b>Spot disinfection</b>		
			

**Expect to ship 1 million pieces in 2023**

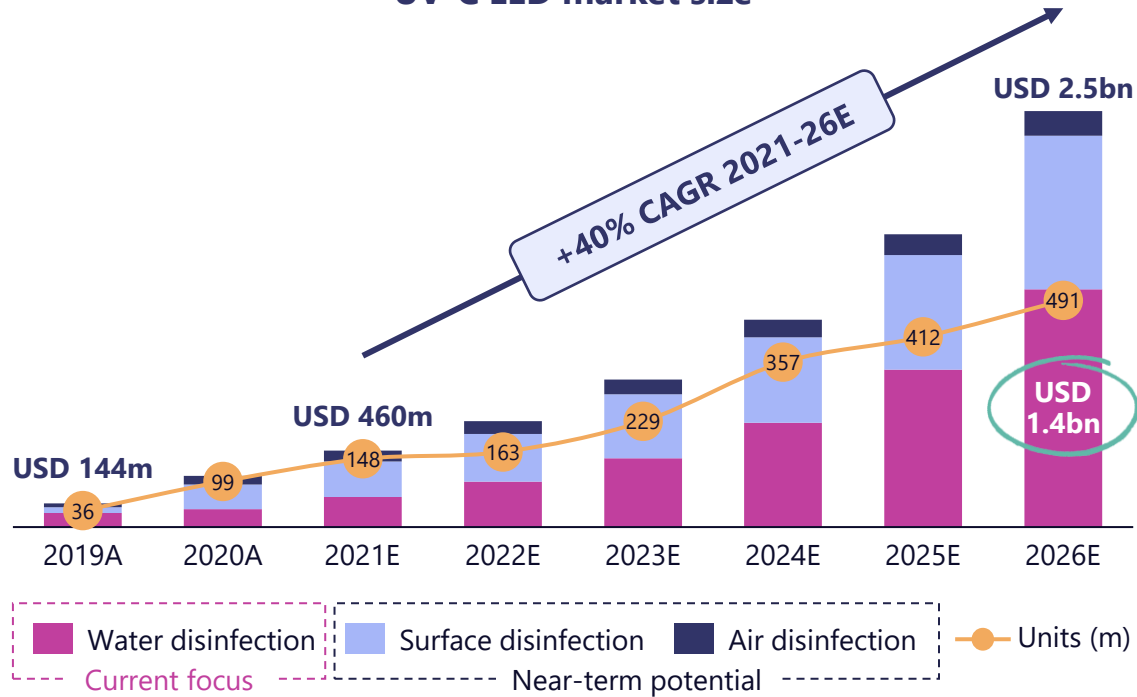
Note: 1 Estimated annual average volume per project based on information from customers, 2 Production start as of when first project expected to materialise | Source: Customer estimates and CrayoNano assumptions  
Q4 2022 Financial Results CrayoNano AS | All rights reserved. Copyright 2021. Do not distribute without consent.





# UV-C LED market estimated growth of 40% CAGR to \$2.5bn by 2026

### UV-C LED market size



### Market segments



#### Water disinfection

Existing water treatments often use hazardous chemicals, while the UV-C LED solution is a clean, environmentally friendly alternative



#### Surface disinfection

In high contact and trafficked areas, UV-C LED can enable an automated disinfecting solution that provide a safe environment to meet and interact in



#### Air disinfection

Small, compact UV-C LEDs can eliminate airborne pathogens and other causing bacteria, making multi-family housing and shared workplaces safer

### Drivers for UV LED integration – UV disinfection

Environmentally-friendly

Low power consumption

Instant start and stop

Compactness and lightweight

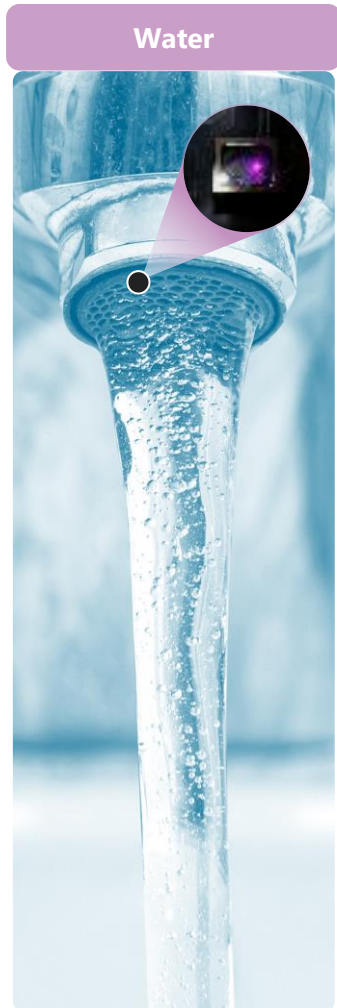
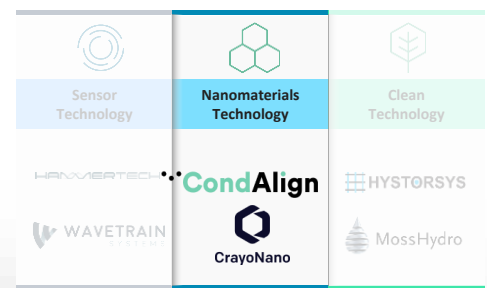
Longer lifetime

No heat emitted

UV-C disinfection dates back to 1910, and used on a bigger scale since the mid 1950s

Note: Segment splits are management estimates based on the Yole Development Report for 2020 | Source: Yole Development Report (2021) and management estimates

# NTG | Nanomaterials Technology



**CrayoNano (~14% ownership – not consolidated, financial investment)**









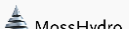
**Next generation semiconductor company specializing in nanotechnology: Bringing the “worlds most cost-efficient” UVC LED for disinfection in its fab-lite model**

Financials (unaudited):

Revenues 2022:	NOK ~ 8 million
EBITDA 2022:	NOK ~ -69 million
Current NTG book value:	NOK ~ 76 million
Total invested in CrayoNano(100%):	NOK ~ 320 million

- ✓ Continues to deliver on mission to develop nanomaterial-based semiconductors that contribute to solutions toward global environment and health challenges
- ✓ Successful launch of our first product, the CrayoLED™, an ultraviolet-C light emitting diode (UV-C LED) semi conductor packaged component
- ✓ First revenue booked from the sale of initial test units to customers with further demand for our product remaining strong
- ✓ Operational ramp up and testing of production yields continues to ensure final production quality
- ✓ Taiwanese operations to complete the 'Fab2' commission on budget and transitioning to 'fab-lite 'operating model
- ✓ Private placement ongoing and planning for a possible listing on the Euronext Growth market

# NTG | Clean Technology

 Sensor Technology	 Nanomaterials Technology	 Clean Technology
 LAVVERTECH	 CondAlign	 HYSTORSYS
 WAVETRAIN	 CrayoNano	 MossHydro

## Hystorsys (100% owned by Hybrid Energy 31.12.2022)



**Develops a unique metal hydride compressor for hydrogen with almost no moving parts and practically no noise or vibrations**

### Financials (unaudited):

Revenues 2022:	NOK	part of Hybrid Energy
EBITDA 2022:	NOK	part of Hybrid Energy
Current NTG book value (2023):	NOK ~	25 million

- ✓ NTG ownership from January 2023
- ✓ On-track for delivery of a complete Hydrogen Storage System to Kongsberg Kommunale Eiendom and Vestsiden High school late 2H 2023. System will be used to cool building during summer periods and heating during winter period. Significant reference project going forward
- ✓ In process of recruiting new management

## MossHydro<sup>2</sup> (~89% ownership)



**Develops and produce filters specifically designed for industrial solutions and water treatment systems**

### Financials (unaudited):

Revenues 2022:	NOK ~	19 million
EBITDA 2022:	NOK ~	1.5 million
Current NTG book value:	NOK ~	53 million

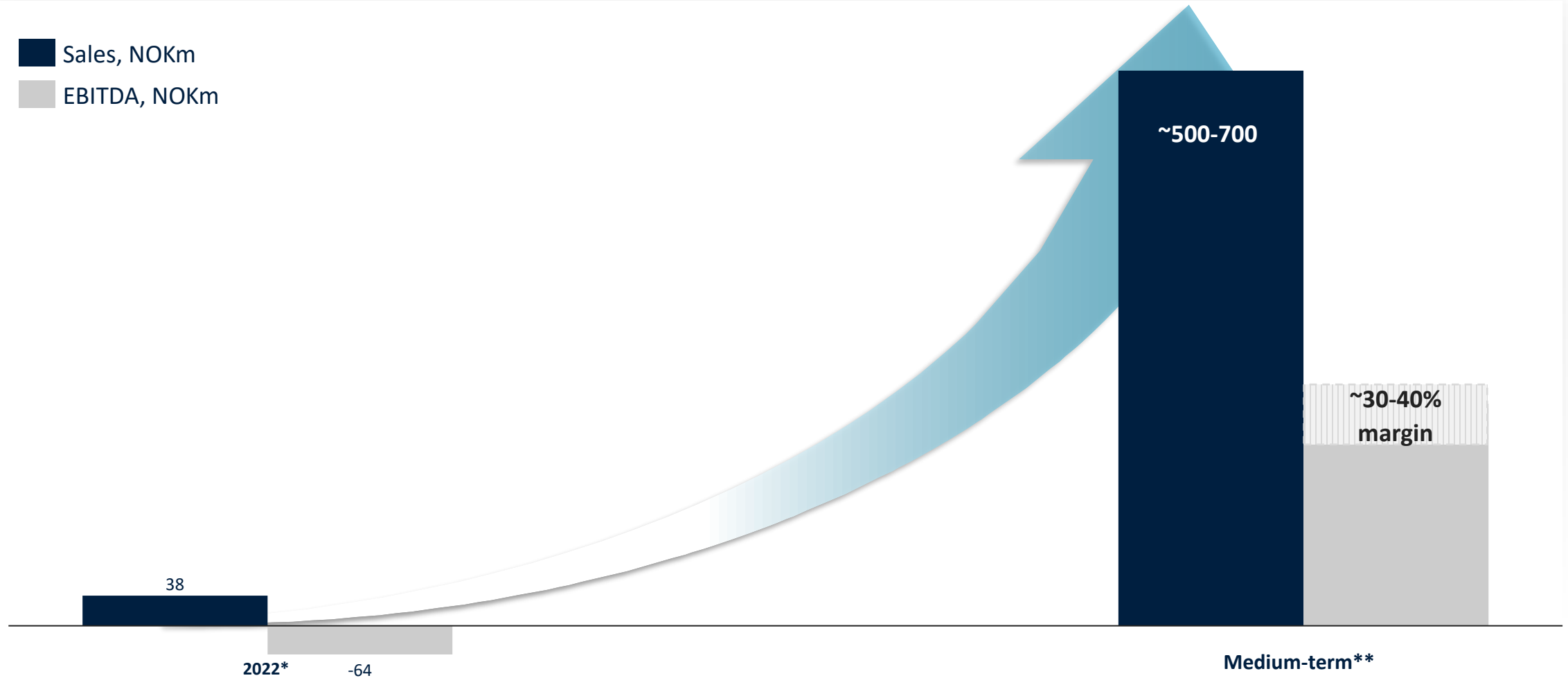
- ✓ Market stabilized after raw material price volatility due to Ukraine war
- ✓ Stable recurring sales to existing customers
- ✓ First order for automatic water intake filtration system is booked for delivery in Q2 2023
- ✓ In process of qualifying to be a certified RO (Reverse Osmosis) system supplier for mobile drinking water production for use in disaster areas and regions with drought or poor groundwater quality
- ✓ On track to qualify a filter solution for offshore closed cage fish farming

# Nordic Technology Group

Targets and valuations

# Management expects strong growth for all group business areas

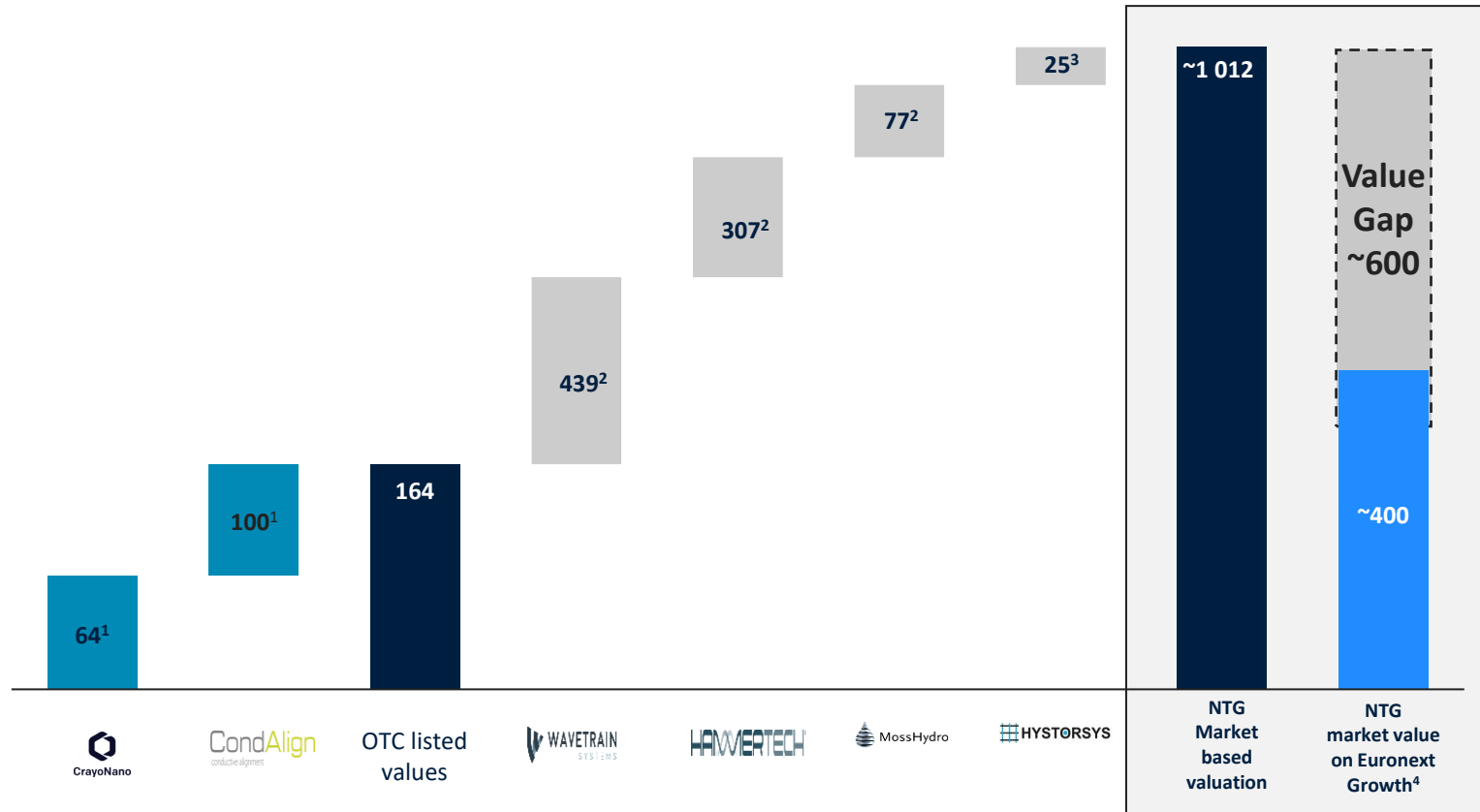
Ownership adjusted financials\* and based on organic growth only



\* For illustration purposes only. Figures represents estimates of un-audited financial statements for the consolidated NTG group for the financial year 2022, as if the Acquisitions had occurred on 1 January 2022 (i.e., based on ownership 31.12.2022). \*\* **Medium-term**. Target based on management's targets, which are dependent on a number of factors outside of the Company's control. Illustrative only, no indication of actual, expected or targeted EBITDA figures.

# Significant value support by recent transactions

Equity value of group business units (adjusted for current NTG ownership stake), NOKm



## Comments

- Expected solid short-term, untapped value increase potential
- CondAlign (COND) and CrayoNano (CNANO) traded on Euronext NOTC
- Non listed group business units based on equity raises in the market and third-party valuations

# Nordic Technology Group

Appendix:  
2H 2022 Un-audited consolidated financials

# NTG | 2H 2022 Financials (01.07.22-31.12.22)

## Condensed consolidated profit and loss statement

Amounts in TNOK	Note	Unaudited 01.07.2022 - 31.12.2022
<b>Revenue</b>		
Revenue		18 606
<b>Total revenue</b>		<b>18 606</b>
<b>Operating expenses</b>		
Cost of goods sold		12 146
Payroll expenses		41 355
Capitalized internally generated assets		-20 997
Other operating expenses		22 517
Depreciation and amortization		64 534
<b>Total operating expenses</b>		<b>119 556</b>
<b>Operating loss</b>		<b>-100 949</b>
<b>Financial income and expenses</b>		
Other financial income		1 407
Other financial expenses		3 679
<b>Net financial items</b>		<b>-2 272</b>
<b>Net loss before tax</b>		<b>-103 221</b>
Tax on profit or loss		2 205
<b>Net loss for the period</b>		<b>-101 015</b>

## Condensed consolidated balance sheet

Amounts in TNOK	Note	Unaudited 31.12.2022
<b>Non-current assets</b>		
Intellectual property rights and patents	3	273 267
Goodwill	3	402 628
Property, plant and equipment	3	24 222
Investments in shares	1	76 278
<b>Total non-current assets</b>		<b>776 395</b>
<b>Current assets</b>		
Inventories		10 112
Trade receivables		3 866
Other receivables		14 342
Cash and cash equivalents		54 679
<b>Total current assets</b>		<b>82 998</b>
<b>Total assets</b>		<b>859 393</b>
<b>Total equity</b>	2	<b>714 597</b>
<b>Non-current liabilities</b>		
Deferred tax	1	22 254
Liabilities to financial institutions		18 864
Other non-current liabilities		16 898
<b>Total non-current liabilities</b>		<b>58 016</b>
<b>Current liabilities</b>		
Liabilities to financial institutions		32 602
Trade payables		11 941
Public duties payable		6 169
Other current liabilities		36 068
<b>Total current liabilities</b>		<b>86 780</b>
<b>Total liabilities</b>		<b>144 796</b>
<b>Total equity and liabilities</b>		<b>859 393</b>



# NTG | 2H 2022 Financials (01.07.22-31.12.22)

## Condensed consolidated cash flow statement

Amounts in TNOK	Unaudited 01.07.2022 - 31.12.2022
<b>Cash flow from operating activities</b>	
Loss before tax	-103 221
Depreciation and amortization	64 534
Change in inventory	-526
Change in trade receivables	3 562
Change in trade payables	-1 046
Change in other accrual items	-1 807
<b>Net cash flow from operating activities</b>	<b>-38 503</b>
<b>Cash flow from investing activities</b>	
Aquisition of property plant and equipment, and intangible assets	-16 422
Investments in subsidiaries	-25 424
<b>Net cash flows from investing activities</b>	<b>-41 847</b>
<b>Cash flow from financing activities</b>	
Change in long-term debt	2 270
Change in short-term liabilities to financial institutions	1 284
Net proceeds from share issuance	94 460
Purchase of own shares	-1 066
<b>Net cash flows from financing activities</b>	<b>96 948</b>
<b>Net change in cash and cash equivalents</b>	<b>16 598</b>
Cash and cash equivalents at the start of the period (30.06.2022)	38 081
<b>Cash and cash equivalents at the end of the period</b>	<b>54 679</b>

# NTG | 2H 2022 Financials (01.07.22-31.12.22)

## **Note 1 - General information and accounting principles**

### **General information**

On July 1, 2022, Nordic Technology Group AS closed the transactions for the structure of the NTG Group, including acquisition of shareholdings in the following companies with the following ownership percent:

- Hybrid Energy AS (96,3%)
- Hystorsys AS (indirectly 96,3%) (Hystorsys AS is owned 100% by Hybrid Energy AS)
- CondAlign AS (50,5%)
- Wavetrain Systems AS (83,6%)
- MossHydro AS (89,9%)
- Hammertech AS (87,8%)
- CrayoNano AS (14,6%)

The transactions were completed with an acquisition price of MNOK 689, of which MNOK 664 was settled through issue of shares in the company and MNOK 25 sellers credit which was paid in cash in July.

In addition, the company completed a private placement of shares raising gross MNOK 102 in cash, net MNOK 94

### **Basis for preparation and accounting principles**

The condensed consolidated financial statements comprise of the preliminary financial statements for the Group companies set out above, except for the investment in CrayoNano AS which have been recognized at acquisition cost from the transaction. The condensed financial statements have not been audited.

The condensed financial statements has been prepared based upon a preliminary purchase price allocation. In the final PPA, fair values, deferred tax assets and liabilities and goodwill, including useful lives and depreciation methods, may differ significantly from those set out in this preliminary PPA.

## **Note 1 - General information and accounting principles**

### *Intangible assets*

Direct development costs are capitalized to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and the expenses can be measured reliably. Capitalized development is depreciated on a straight-line basis over its expected useful life. Internal development of intangible assets is shown on a separate line in the profit and loss statement. Received grants associated with capitalized development is recognized as a reduction in the investment cost.

### *Goodwill*

Minority interests share of goodwill from the purchase price allocation have not been recognized.

### *Tax*

Recognized deferred tax assets have been netted against the deferred tax liability from the purchase price allocation on a company level.

### *Cash flow statement*

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

### *Going concern*

The condensed interim financial statements have been prepared assuming the company will continue as a going concern.

# NTG | 2H 2022 Financials (01.07.22-31.12.22)

## Note 3 - Intangible and tangible assets

	IPR and patents	Goodwill	PPE	Total
Group establishment 01.07.2022	275 647	447 364	25 218	748 229
Additions, including public grants (Skattefunn)	15 063		1 359	16 422
Depreciation and amortization	-17 442	-44 736	-2 355	-64 534
<b>Book value as of 31.12.2022</b>	<b>273 267</b>	<b>402 628</b>	<b>24 222</b>	<b>700 117</b>
Expected useful life	5-10 years	5 years	3-10 years	

## Note 4 - Events after the reporting period

In January 2023, NTG sold its 96.8% ownership in Hybrid Energy AS (excluding its 100% owned subsidiary Hystorsys AS). NTG received net cash of around NOK 77 million from the transaction and will in Q1 2023 record a gain of > 2x the current book value of around NOK 44 million

# Nordic Technology Group