

Goodtech

Industry reinvented

Quarterly report Q4 2024 | **Goodtech ASA**

Summary



125 MNOK

Q4 2024 net operating revenue after external project costs

359 MNOK

Order backlog



9.9 MNOK

Q4 2024 EBITDA (7.9 %)

2.9 MNOK

Q4 2024 EBIT (2.3%)



H1: 0

Absence injuries last 12 months

3.9%

Sick leave



49 %

Equity ratio

111 MNOK

Cash & cash equivalents



Exit of non-core business unit in Sweden after the quarter

Revenue and order backlog:

- Net operating revenue after external project cost slightly higher than the same period last year (+6%)
- 66% growth in order backlog compared to the same quarter in 2023

Profitability:

- 3.4 MNOK nominal reduction in EBITDA compared to the same quarter in 2023 partly caused by lower procurement share in the revenue mix as well as several non recurring effects
- Personell costs increased by 6% to 93 MNOK in Q4 2024
- Other operating expenses increased to by MNOK 5.2 compared to same quarter last year

Health and safety:

- The H1 value (number of lost-time injuries per million hours worked, calculated on a rolling last 12-months basis) remained at 0
- Sick leave in the quarter ended at 3.9%

Capital structure:

- Robustly capitalized with a 49% equity share and NOK 111 million in cash and cash equivalents

- After the quarter, Goodtech announced the sale of its assembly line business and workshop in Karlstad (Sweden). The transaction will be completed in February 2025, and is therefore classified as held for sale in the balance sheet and as discontinued operations in the profit & loss statement for Q4 2024
- The share purchase agreement was signed and closed on 10.02.2025, with an undisclosed transaction value

Announcements in the quarter | Q4 2024



Experienced CFO and strategic management professional



Track record from international listed and unlisted companies

New CFO

Goodtech



6.5 MNOK subscription of shares in Goodtech ASA by employees



21 470 shares subscribed by primary insiders in group management team

Investment from employees

WACKER



Energy supply infrastructure



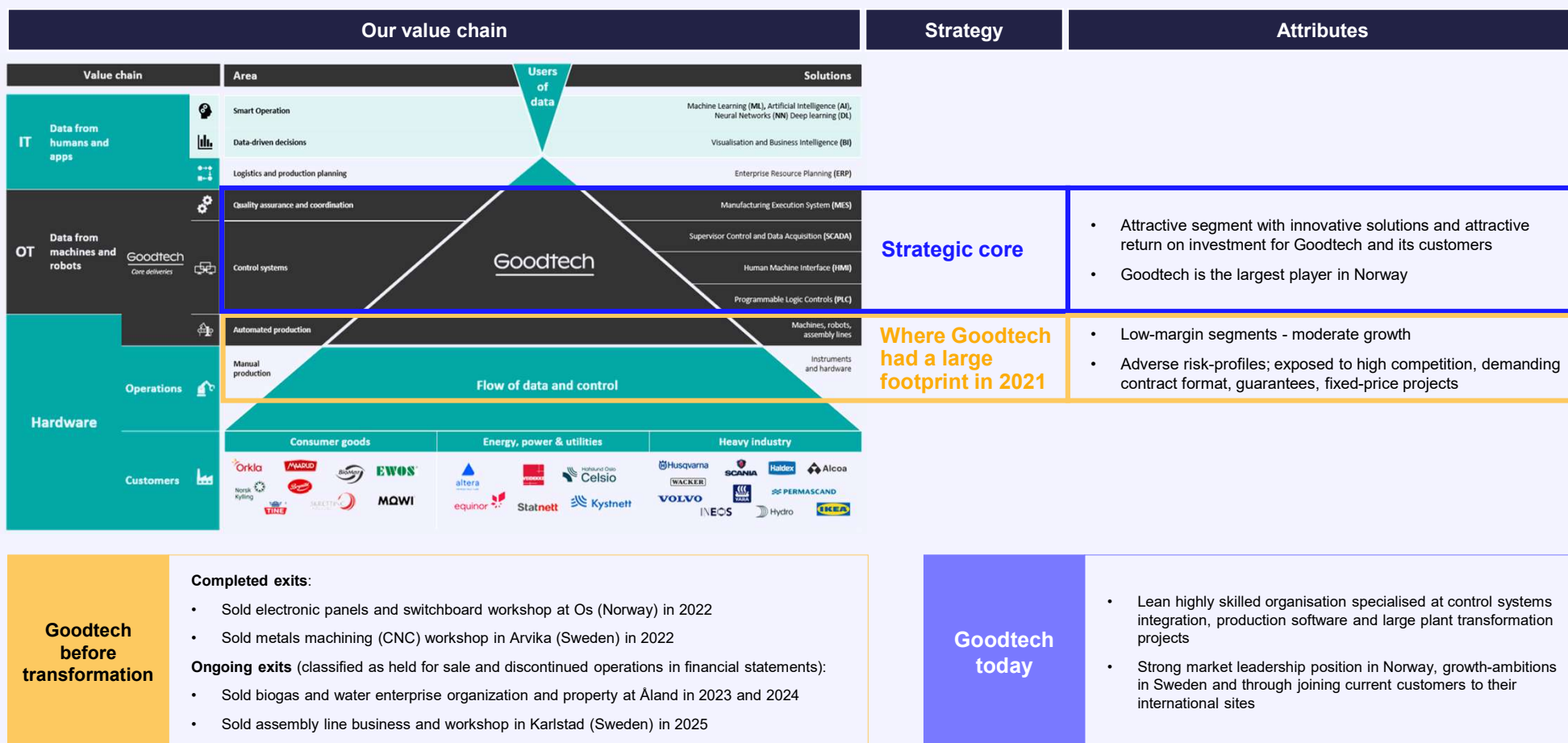
Engineering, project management, procurement and installation of new high voltage system

Wacker Chemicals Holla

11.8 MNOK

Recap | Goodtech's strategic repositioning journey 2021-2025

In Q1 2022 Goodtech launched its strategic repositioning strategy – with an increased focus on higher-margin segments, and exit from non-core segments



Exit of non-core business unit in Sweden after the quarter

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The deal

- Sale of 100% of Goodtech Solutions AB (GSAB) to investment group Lazarus Industriförvaltning AB – owner of AH Automation AB
- The share purchase agreement was signed and closed on 10.02.2025, with an undisclosed transaction value

“We are very happy to have found a solution with Lazarus to grow GSAB further. This deal will benefit the customers, the GSAB employees and Goodtech, and marks yet another significant milestone in Goodtech’s strategic repositioning” says Margrethe Hauge CEO at Goodtech

Effects on Q4

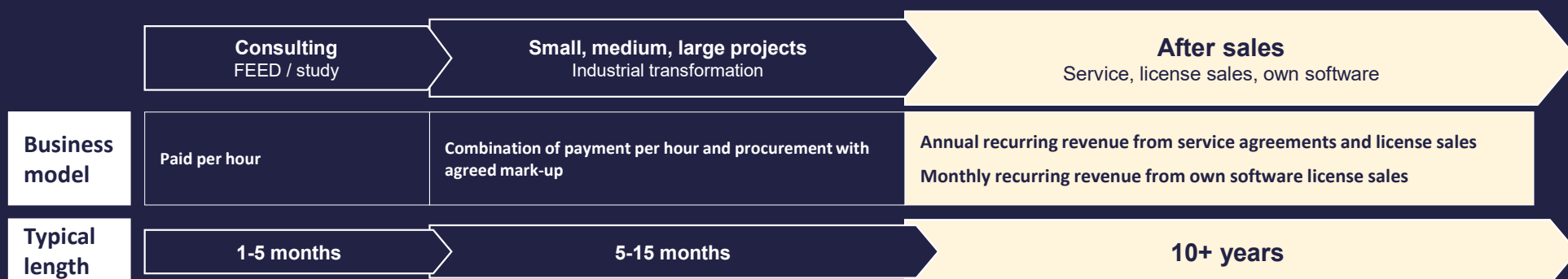
- This transaction means that Goodtech – in accordance with the guidelines in IFRS 5, will disclose GSABs financials as held for sale in the balance sheet and as discontinued operations in the P&L statement for Q4 2024
- GSABs unaudited financial statement for 2024 currently indicates revenue of 142 MNOK, and EBITDA of -17.3 MNOK
- At the balance sheet date, the carrying value of the subsidiary’s assets and liabilities have been written down by 14 MNOK comprising primarily of deferred tax assets and goodwill

Effects on strategy

- Goodtech will establish a new company in Sweden focusing on Goodtech’s core strategic pillars within advanced control systems integration, production software and large plant transformation projects. The company will have a similar competency profile as Goodtech’s Norwegian operations, and will not compete with GSAB – but may procure external project services from the same value chain layers as GSAB
- Sweden remains a growth venue for Goodtech and the company under establishment will take over a handful of resources from GSAB working within the Goodtech strategic core, such as MES and large project resources.

Strategic focus on service and after sales continues

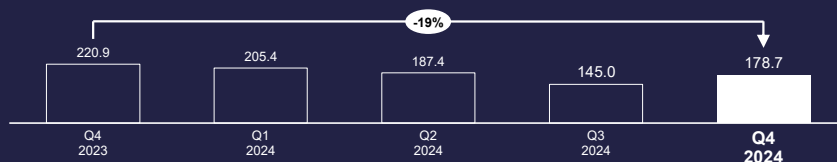
A key attribute in Goodtech's strategy is to grow its aftermarket revenue – where the revenue is typically of recurring nature and with long time horizons, ensuring that Goodtech remains close to key customers also after any project is delivered



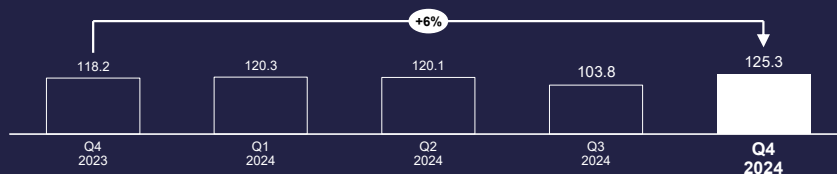
- ✓ In 2022, Goodtech established a dedicated service and aftermarket strategy – lead by Erling Gresvoll Olsen (Chief Service Officer), with years of experience in after market services from technical industries
- ✓ The strategy entails building a portfolio of service- and aftermarket solutions offered to project customers of Goodtech. Typical services include (but are not limited to):
 - **Service Level Agreements (SLAs):** Annual fee for maintaining on-call first- and second-line response function for the customer's production facilities and control systems
 - **Software license** procurement, upgrade / patching and administration
 - **OT infrastructure Managed Services** (Goodtech own software)
- ✓ Since 2022 Goodtech has developed robust on-call teams both locally and nationally - supporting customers 24/7 on a wide range of production infrastructure and software
- ✓ Through 2024 Goodtech has experienced a significant increase in the number of service agreements sold. This growth is a direct result of our targeted work in offering customized solutions that meet our customers' special needs for optimal and effective production
- ✓ Our measures have led to even **higher customer satisfaction**, which confirms that our efforts in aftermarket and service are also meeting the intended demand in the market.

Financial performance*

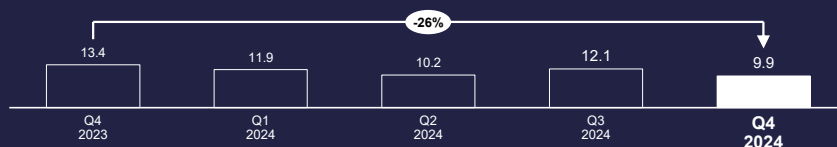
Total revenue MNOK



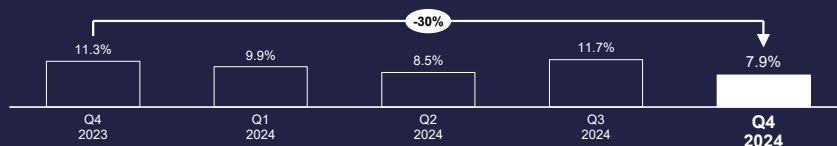
Net operating revenue after external project costs MNOK



EBITDA MNOK



EBITDA-margin**



Comments

Total revenue came in 19% lower than in Q4 2023

1. In Q4 2023 Goodtech had several projects with high procurement share in the project mix - defined as "external project costs" in Goodtech's P&L. In Q4 2024 the total external project costs were 53 MNOK compared to 103 MNOK in Q4 2023, which explains the fall in total revenue.

Net operating revenue after external project costs in line (+6%) with same period last year

3.5 MNOK lower EBITDA from Q4 2023 to Q4 2024

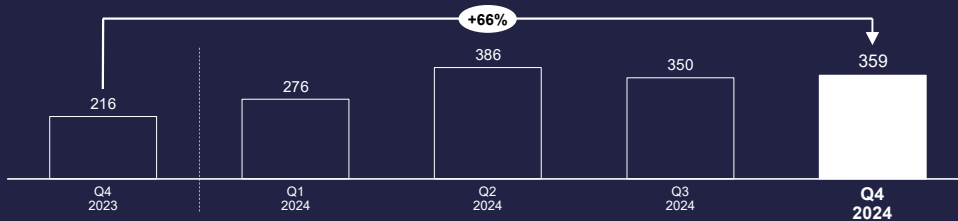
1. In the same quarter last year, the revenue was impacted by high procurement share and the group had consequently lower margin contribution from external project cost in Q4 2024
2. Personnel costs increased from 87 MNOK in Q4 2023 to 93 MNOK in Q4 2024 (+6%)
3. The Groups has supported projects in discontinued operation which impacts EBITDA negatively in the quarter

* All figures re-stated to show Goodtechs continued operations (excluding discontinued operations in Goodtech Solutions AB and Goodtech Environmental Solutions AB)

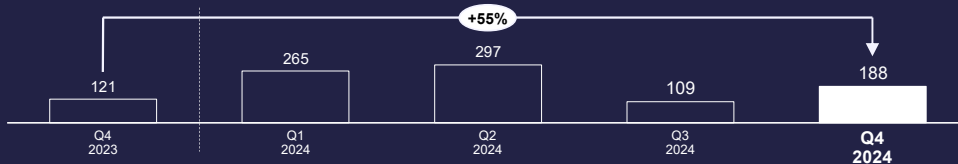
** EBITDA margin is calculated as EBITDA divided by net operating revenue after external project costs

Sales and order backlog*

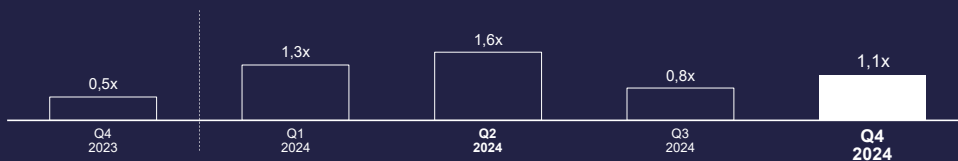
Order backlog | MNOK



Order intake | MNOK



Book-to-bill (order intake / total revenue)



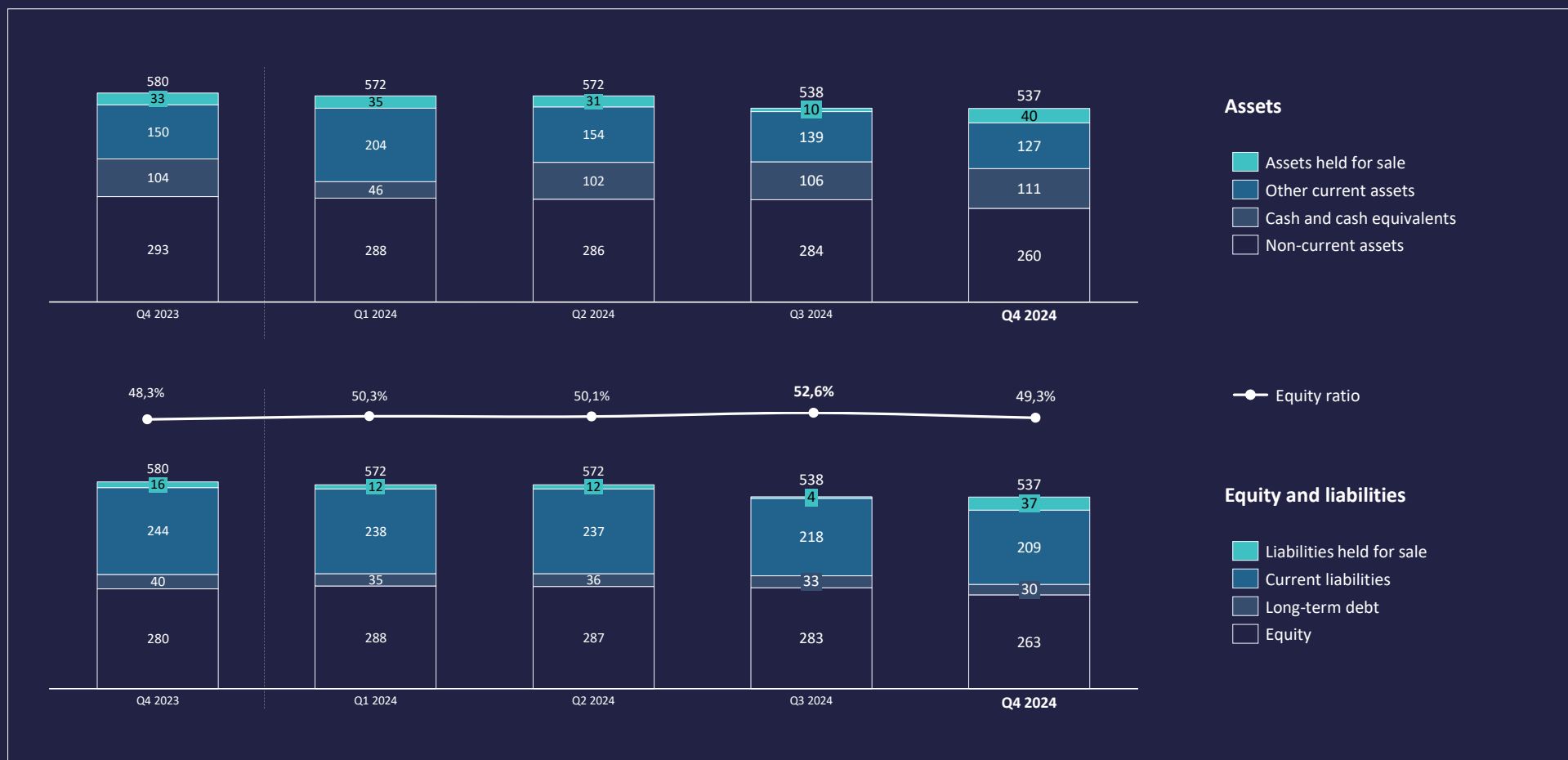
Comments

Order backlog grew 66% from 216 MNOK in Q4 2023 to 359 MNOK in Q4 2024



- ✓ The mix in Goodtech's order backlog has in 2024 shifted to containing a larger share of projects that span across several years. Typically, a project at Goodtech will be completed in 6-12 months, whereas the recent wins with Wacker Chemicals Holla (high double digit MNOK size announced in Q2 2024) and the Empire Wind projects (50 MNOK announced in Q2 2024) are expected to last until mid 2026. .
- ✓ The order backlog reflects the operations in Oslo, Tønsberg, Porsgrunn, Fredrikstad, Moss, Bergen, Førde, Trondheim and Mo i Rana in Norway
- ✓ In the quarter, a new contract with Wacker Chemicals (11 MNOK) was signed
- ✓ The order backlog in Norway is divided between small and medium-sized projects spread over framework agreements, consultancy assignments, service agreements and studies, as well as fixed-price projects with industrial players who are digitizing their industrial and production operations
- ✓ The order backlog in the group is diversified across a wide range of customers and market segments in the Nordic industry

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Robust capital structure



Summary and outlook

	125 MNOK <i>Q4 2024 net operating revenue after external project costs</i>	359 MNOK <i>Order backlog</i>
	9.9 MNOK <i>Q4 2024 EBITDA (7.9%)</i>	2.9 MNOK <i>Q4 2024 EBIT (2.3%)</i>
	H1: 0 <i>Absence injuries last 12 months</i>	3.9% <i>Sick leave</i>
	49 % <i>Equity ratio</i>	111 MNOK <i>Cash & cash equivalents</i>
	Exit of non-core business unit in Sweden after the quarter	



Well positioned in a growing domestic market

- Nordic industry has a great need to increase its competitiveness



Ready for further growth in the core areas

- Automation, robotisation and digitalisation



Strong order backlog and high activity

- In all the company's business areas



Key player for the application of OT data in AI and machine learning at industrial production facilities



Attractive employer

- With exciting projects and good capacity management

Goodtech

Q4 2024 | **Goodtech ASA**