



ELOP AND SIMPLIFAI

10 NOVEMBER 2020



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Introduction to Elop

Kjersti Kanne, CEO, Elop AS

Concrete is the most used construction material in the world...

ELOP DEVELOPS **SMART TECHNOLOGIES** FOR SURVEYS AND PREVENTIVE MAINTENANCE OF CONCRETE INFRASTRUCTURE

CHALLENGES

- Aging infrastructure
- Large and growing maintenance backlog
- Lack of efficient technology solutions
- 8% of world CO2 emissions is from concrete production processes

OUR SOLUTION

- Improve asset integrity and **safety**
- **Optimise** maintenance and extend lifetime
- Reduce material consumption and **carbon footprint**

Based on our unique technology and solution to capture and analyse data

Transforming data into unique insight and prediction

Digitalisation of operations and transforming data into actionable information and insight

Ultrasonic scanner & dashboard



Collect, connect & visualize

- ✓ Scanning
- ✓ Live 3D model on-sight
- ✓ Remote scanning evaluation
- ✓ Remote scanning archive
- ✓ Remote scanning reports

Collect, connect and visualize

2020

Asset Management System



Structure and follow up

-
- 🕒
- 🌐
- ✓
- ✗
- ✓ Overview of portfolio of assets
- ✓ Tracking
- ✓ Information linked to 3D models
- ✓ Digitalization and automation of work processes

Structure and follow up

2021

Structural Health Monitoring System



Process, analyse and act

- ✓ Full overview of your asset's condition/health - continuous monitoring
- ✓ Tracking asset condition over time
- ✓ Information at your fingertip
- ✓ Analyses and prediction – combined sources of data and AI

Process, analyse and act



THE ELOP SOLUTION

SCANNER & DASHBOARD



**COLLECT,
CONNECT &
VISUALISE**



Inhabitants



Financial institutions



Authorities



Asset owner



Inspection companies



Consultancy companies



Contractor



Certifying bodies

ASSET MANAGEMENT & MONITORING SYSTEM



**STRUCTURE,
ANALYSE & ACT!**

ELOP & SIMPLIFAI SYNERGIES

EXPERIENCE & COMPETENCE



Simplifai our process

Simplifai – a highly scalable AI provider

Bård Myrstad, CEO, Simplifai AS

INTRODUCING SIMPLIFAI – A HIGHLY SCALABLE AI PROVIDER

SIMPLIFAI IN BRIEF



NOK ~11m
revenue 2020E



>150%
CAGR 2020-22E

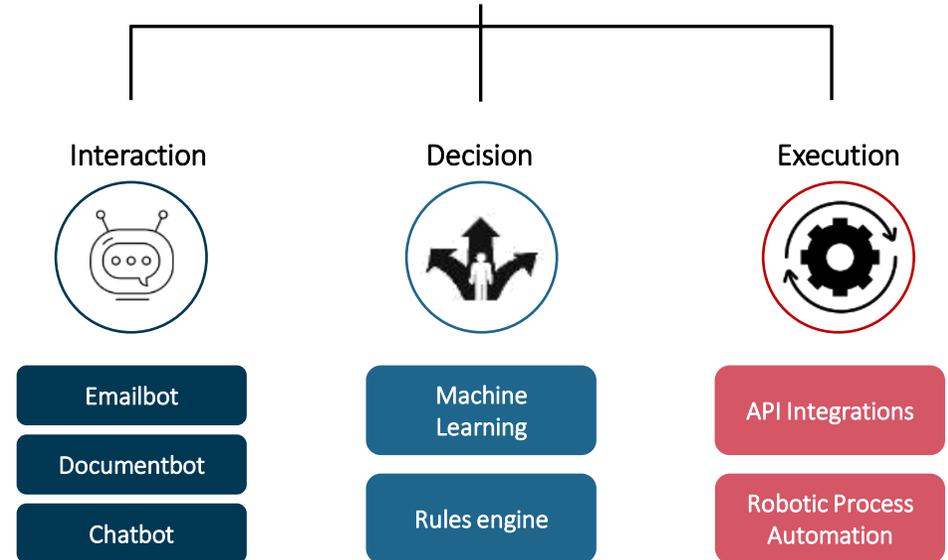


>85%
ARR 2022E

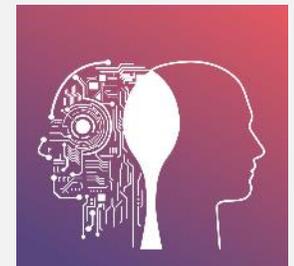
- Founded in 2017
- Offices in Norway, Ukraine, India and the Netherlands
- Developer and provider of automation solutions to help clients grow efficiently
- Offering based around artificial intelligence
- Massively scalable platform and business model
- Solid traction with growing base of partners and customers
- Exciting near term pipeline
- Strong technical and commercial team
- Reputable and experienced shareholder base with several venture specialists

BUILDING OFF-THE-SHELF DIGITAL EMPLOYEES

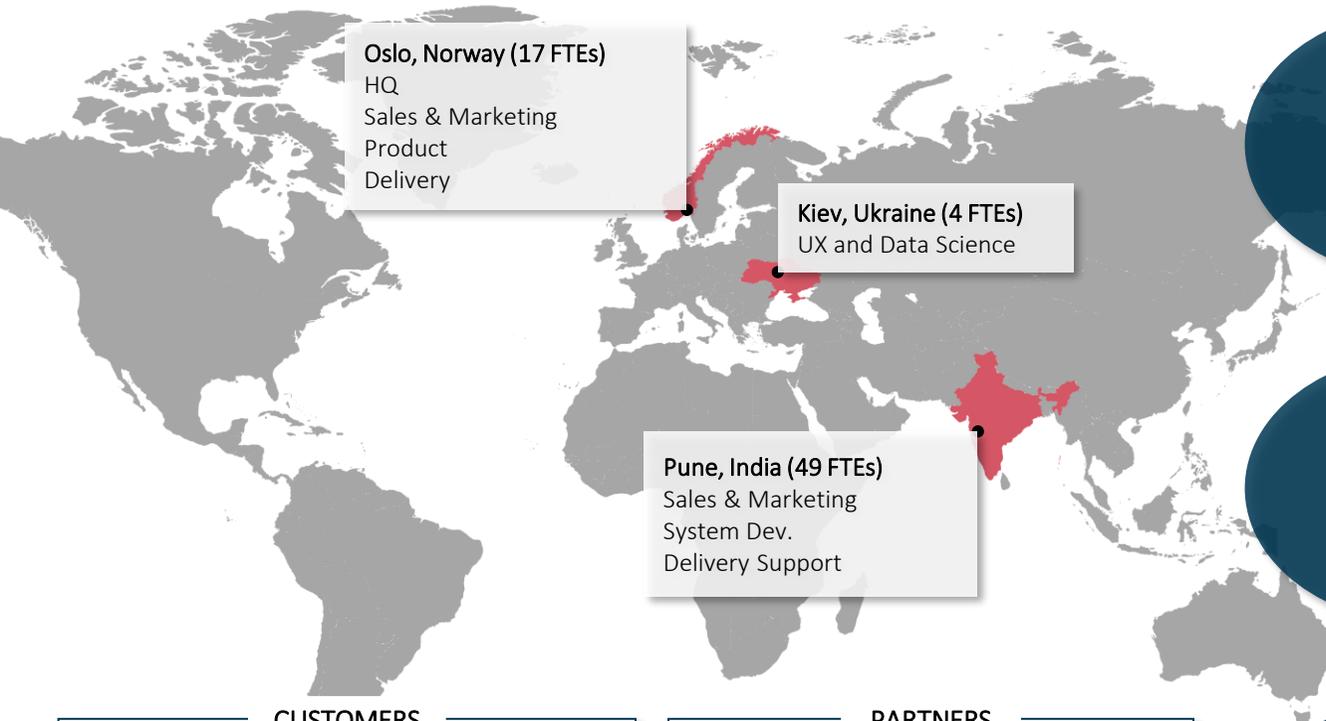
Industry Specific Expertise and Process Understanding



AI is revolutionizing how business operates and will push the boundaries of what we thought was possible to automate



SIMPLIFAI IS SCALING UP FOR INTERNATIONAL EXPANSION



2017
founded

HQ
in Oslo

6
nationalities

70
employees

8
partners

14
customers

CUSTOMERS



PARTNERS



EXPERIENCED MANAGEMENT

/ Strong academic backgrounds

/ Complimentary and proven experience

/ International development experience

/ Automation and digitalization expertise



Bård Myrstad

Chief Executive Officer / Founder
M.Sc. Informatics, Exc. M. Energy Mgt.

10+ years of leadership experience in the IT and software industry. Head of Software Tenders and Projects at Rejlers Embriq until 2018. Background from Accenture, Capgemini.



Erik Leung

Chief Operating Officer / Founder
B.Sc. Computer Science

Former Head of AI in EVERY Financial Services. 15+ years as specialist within IT architecture, Business Process and AI based automation technology. Renowned conference speaker within the Nordic AI community.



Daniel Kohn

Chief Commercial Officer
M.Sc. Ind. Mech., Exc. MBA

10+ years experience from software and service sales and sales management building successful sales organisations. Solutions in process automation, Purchase2Pay and document management. Background from Canon Business Solutions and Broadnet.



Imran Tamboli

Chief Technology Officer
M.Sc. Computer Science

Former Lead Architect and Head of Development within EVERY Financial Services. Vast experience in building complex solutions and successfully leveraging offshore development.

TEAM FULL OF COMPETENCE AND DIVERSITY

Simplifai consist of a multitude of backgrounds including a lead developer with a Masters degree in Finance, and leading experts within areas like Data Science and Automation

/ Strong academic backgrounds



Lise Fimreite Simonsen
Business Development Manager

With her 15 years of experience in the digital media landscape, Lise has worked for several international brands such as Google, Opera Software, and QXL Ricardo Group. She has also proven to be an excellent entrepreneur.



Stanislav Romashov
Lead Developer
M.Sc. Technology, M.Sc. Ent. Finance

Stanislav is a senior IT architect and system developer with experience from systems in the banking and financial sector. In addition to his technical background Stanislav also hold a master's degree in Enterprise Finance.

/ Leading experts in Data Science team



Bikash Agrawal
Chief Data Scientist
Phd. Scalable Data Processing

Bikash holds a PhD in Big Data processing and analysis. Expert within data driven automation and insight. Former Co-Founder and CTO in Boost AI.



Vasim Shaikh
CEO Indian Operation

Vasim is a very experienced IT development leader with 15+ years of experience within system development and project management.

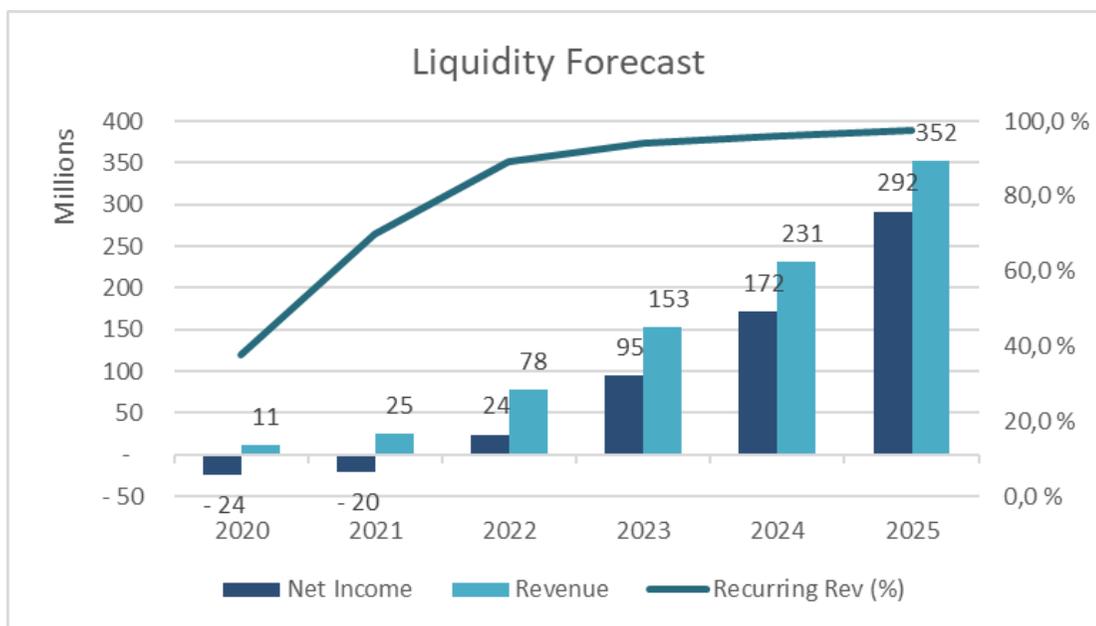
FINANCIALS - REVENUE FORECAST SIMPLIFIED

Forecast 2020

- Revenue 2020F of 11 MNOK
- Recurring revenue share from 20% in 2019 to 37% in 2020F

Forecast results 2021

- Revenue 2021F of 25 MNOK
- MRR Dec 21F: 3,8 MNOK
- Recurring Revenue 2021F of 17 MNOK
 - Recurring rev. share from 37% in 2020F to 70% in 2021F
 - ARR YoY growth forecast x5



BUILDING A ROBUST LAUNCH PAD FOR THE COMBINED ELOP/SIMPLIFAI BUSINESS PLAN

With Elop, Simplifai can execute **full potential plan**

- **Relevant offerings and market access** to under digitalized construction industry

Simplifai well rigged to support build of and add value to Elop's software roadmap while delivering on Simplifai's expansion plan

Development and product team

- **Established, cross functional** team with a variety of expert profiles
- Organization built to tap into **global talent base** with proven **routines** for recruitment and onboarding
- Development **methodology** well founded in the team with focus on agility, speed and quality

Solution

- Significant investments made in developing optimal architectural design tools for development, in combination with know how and experience

Infrastructure

- **Scalable and flexible** infrastructure ready for extreme volumes of data
- Robustness for **cyber attacks**
- Streamlined and automated deployment routines allowing for **industrialized system development and deployment**

Simplifai as enabler for Elop's SaaS business plan

Øivind Horpestad, chairman, Elop AS

ELOP IS DELIVERING ON ITS BUSINESS PLAN

FAST-TRACKING SOFTWARE DEVELOPMENT PLAN THROUGH ACQUISITION OF SIMPLIFAI

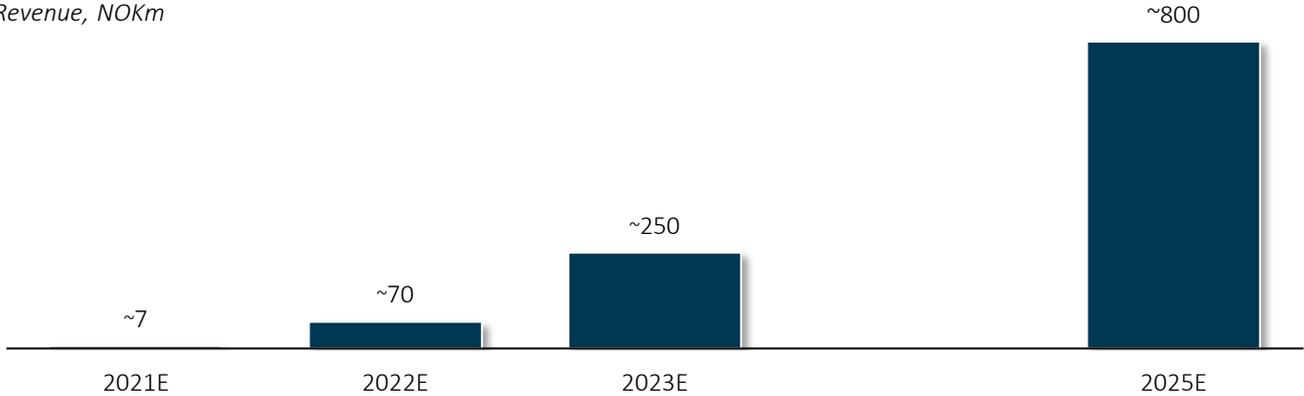
- Reinforcing ambition of becoming a hardware enabled software business ✓
- Strengthening offering and value prop while adding customers, geographies and verticals ✓
- Taking a big step towards building an integrated asset management system (AMS) ✓
- Demonstrating progress on pursuing rapid growth towards ambitious revenue target ✓

2025 TARGET

Be a world leading provider of preventive maintenance through data analytics and software solutions

GRADUAL SHIFT TOWARDS CONTRACTED RECURRING SOFTWARE REVENUE

Revenue, NOKm

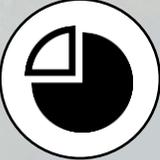


2025 TARGET

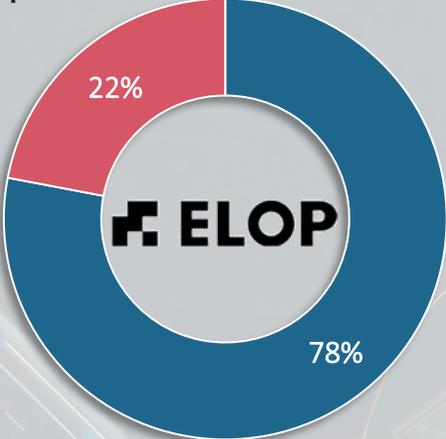
>80% ARR
based on annual recurring license fees from SW offering

WE ARE PLEASED TO ANNOUNCE OUR INTENTION TO ACQUIRE SIMPLIFAI

KEY TRANSACTION DETAILS

- **100% SHARE DEAL**
Full continued commitment from current Simplifai owners
- **LIMITED DILUTION**
Existing ELOP shareholders will retain 78% ownership post-acquisition
- **70 NEW EMPLOYEES**
Technical and commercial people add extensive knowledge within software development and AI

POST-TRANSACTION OWNERSHIP



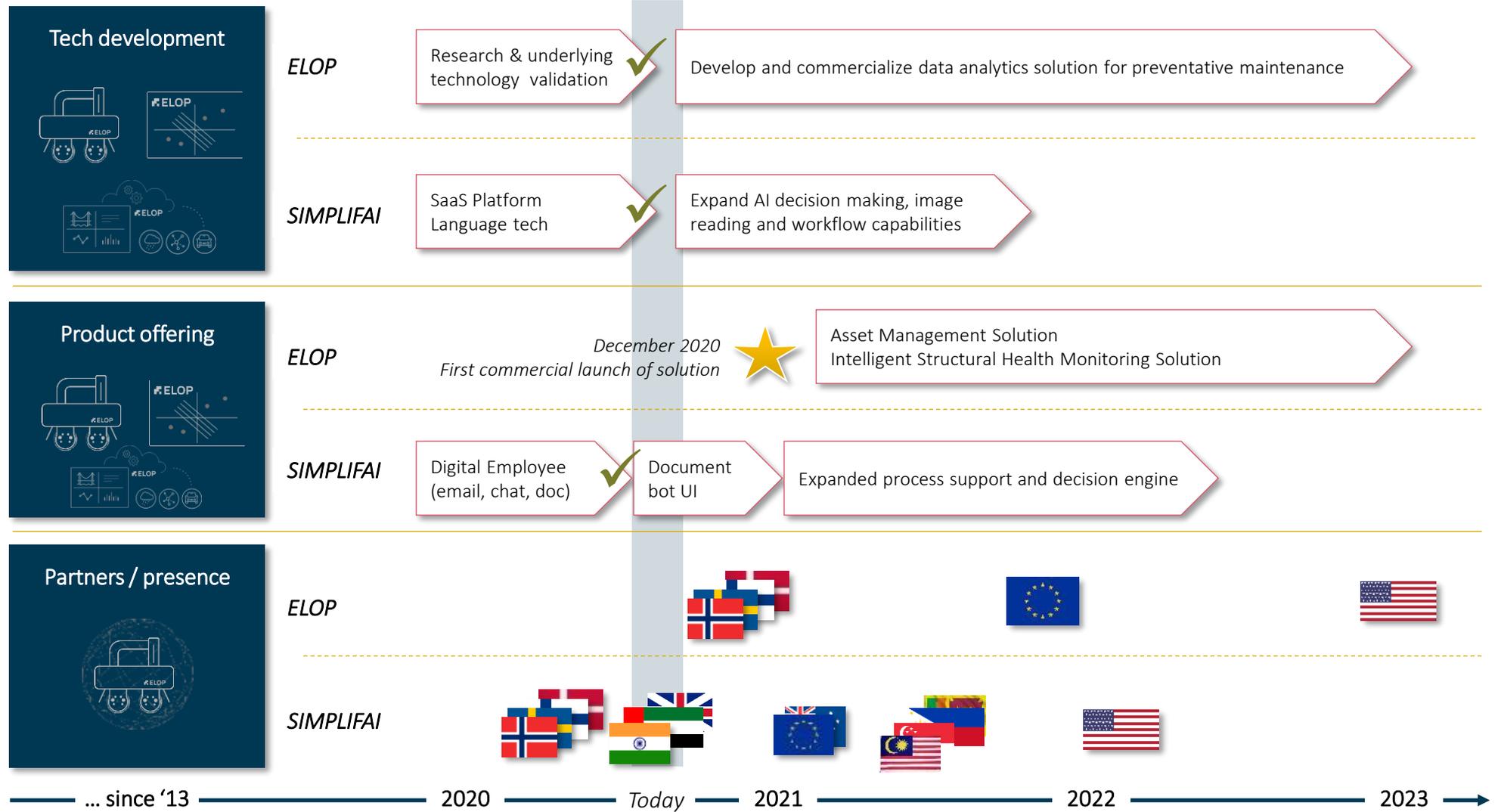
Legend: Simplifai (red), ELOP (blue)

Entity	Ownership Percentage
ELOP	78%
Simplifai	22%

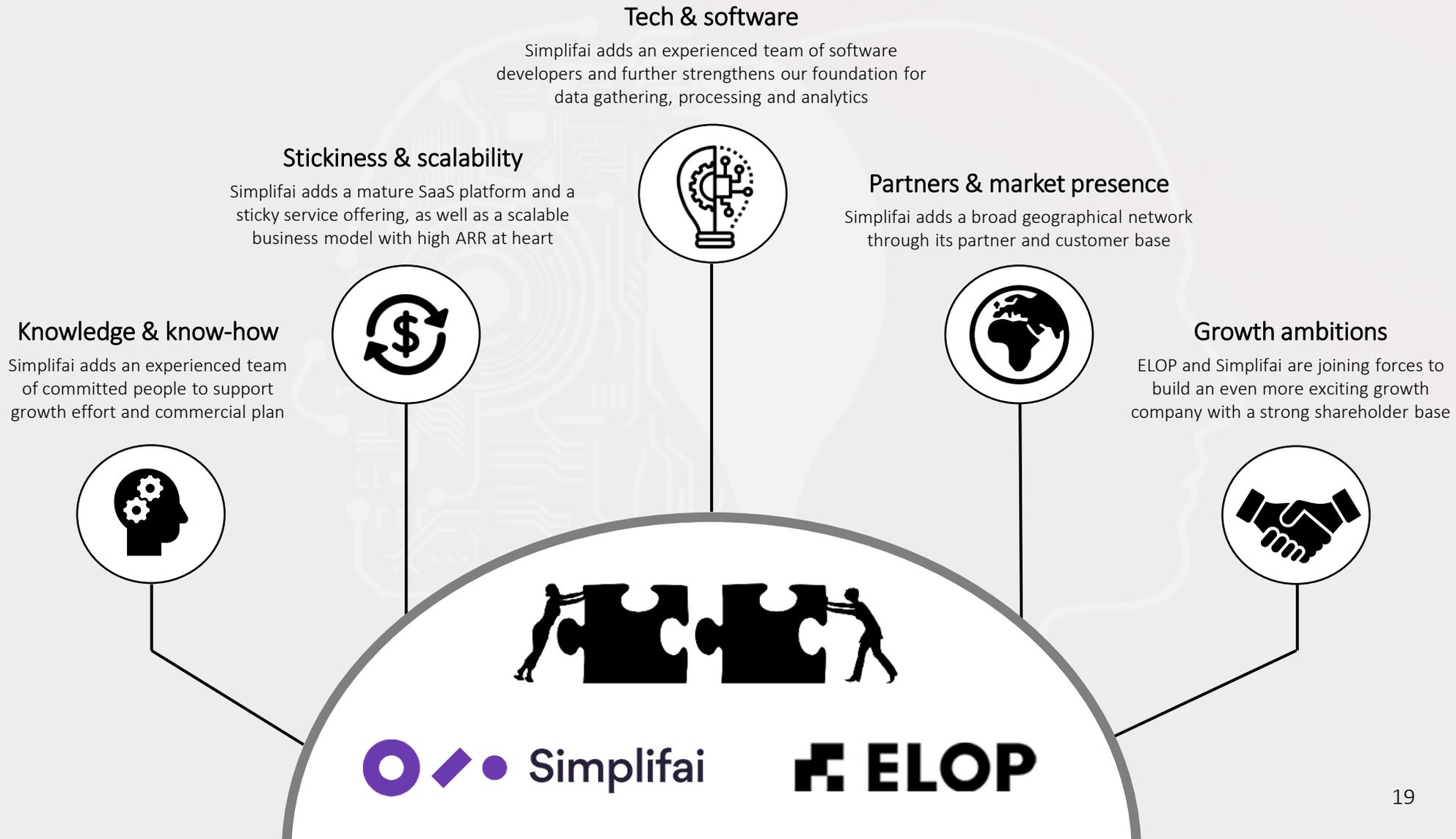


JOINING FORCES WITH SIMPLIFAI TO FAST-TRACK ROADMAP AND BUSINESS PLAN

SIMPLIFAI IS A COMPLEMENTARY FORCE TOWARDS ACHIEVING ROADMAP



STRONG STRATEGIC RATIONALE FOR ACQUISITION



EXCITING COMBINED BUSINESS PLAN

KEY GROWTH INITIATIVES AND TARGETS

2020

- Elop grows from 22 to 92 employees through Simplifai acquisition
- Immediate access to global office footprint and SaaS distribution network

2021

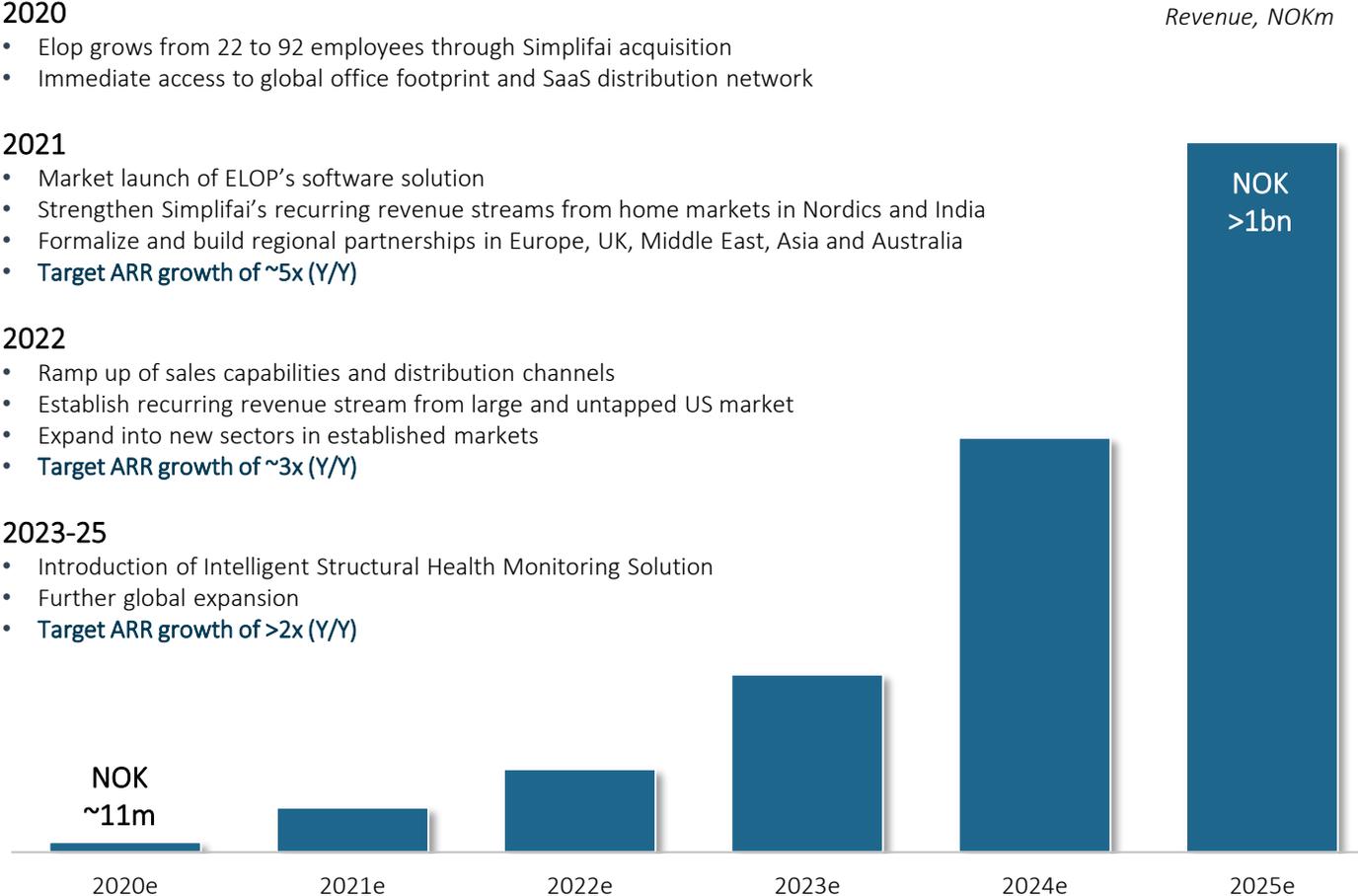
- Market launch of ELOP's software solution
- Strengthen Simplifai's recurring revenue streams from home markets in Nordics and India
- Formalize and build regional partnerships in Europe, UK, Middle East, Asia and Australia
- **Target ARR growth of ~5x (Y/Y)**

2022

- Ramp up of sales capabilities and distribution channels
- Establish recurring revenue stream from large and untapped US market
- Expand into new sectors in established markets
- **Target ARR growth of ~3x (Y/Y)**

2023-25

- Introduction of Intelligent Structural Health Monitoring Solution
- Further global expansion
- **Target ARR growth of >2x (Y/Y)**



2025 TARGET

Revenue

NOK >1bn

Software contribution

>80%

Profitability

On par with similar SaaS providers



Questions?

**For further information,
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 **ELOP**