

Elop Market update

10.6.2022

Cautionary note

This presentation includes forward-looking information and statements that are subject to risks and uncertainties. Actual results may differ significantly from those communicated herein. Such forward-looking information pertain to, amongst other things; (a) forecasts, projections and estimates; (b) statements from management regarding future plans, developments and initiatives; (c) market development and projected future TAM for Elop's products and services; and (d) growth rates.

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Agenda

- **Business update**

- Elop's way forward

- Q&A

Highlights

- The sale of Simplifai - an important strategic enabler for Elop
- Growing distribution network, new distribution partner signed for Sweden
- Successful Elop Insight tests completed with Implenla and Fraunhofer
- Successful exhibition at Geo Connect Asia
- Multirawheel patent in USA
- Demo and exhibition at International Federation for Structural Concrete (FIB) global conference in Oslo
- European Innovation Council co-creation journey with Holcim
- Cash balance of NOK 75 million at the end of May 2022

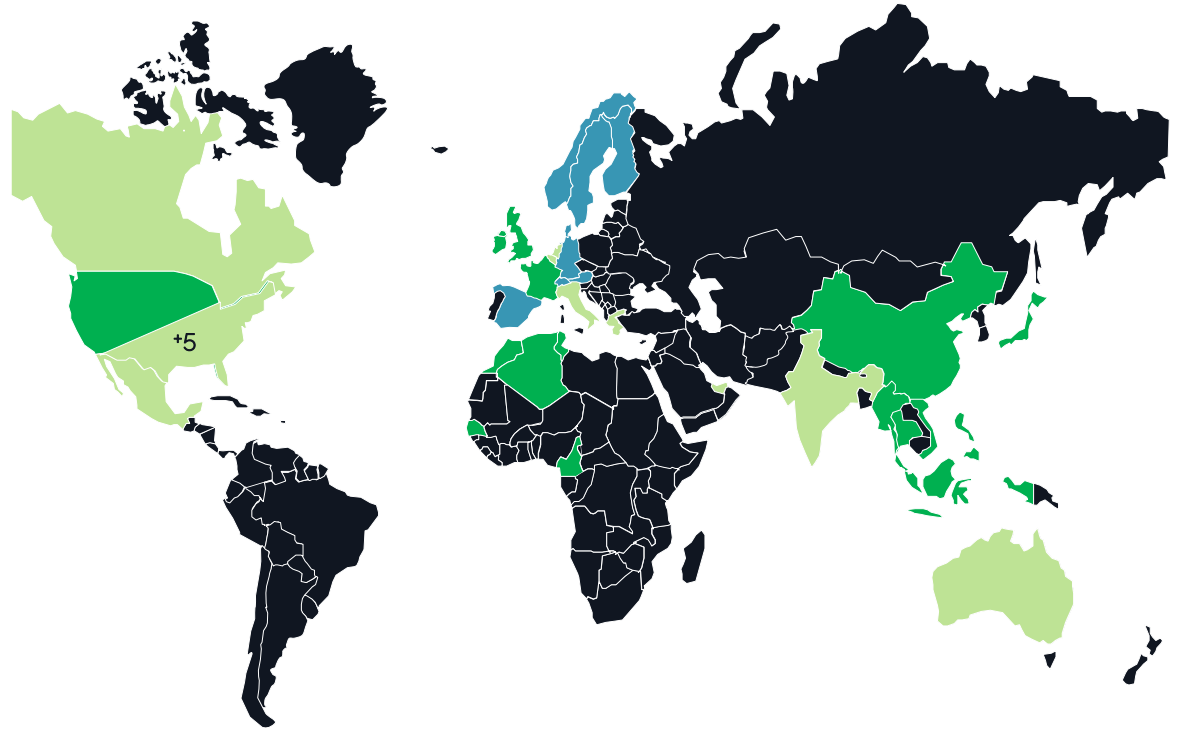
Simplifai sale signed – enabling Elop to take strategic steps



- Sale of Simplifai signed at EV NOK 140 million¹
- Transaction expected to close end of June 2022
- Synergy potential exploited
- Strong financial position for Elop
- Enabling strategic moves and capitalizing on opportunities
- Reduces monthly cash burn for Elop

Expanding distributor & partner network

- Distributor agreements signed **for all continents** (except south America)
- Currently present in **27 countries**
- Ongoing discussions with **multiple distributors** expected to be announced throughout the year
- Goal: **Global distribution** coverage within 12 months



- Direct sales operational
- Sales partner signed
- Sales partner negotiation / discussion

Technology development highlights

- New **software** version launched in May, with **better user experience**
- New **architecture** design for **cloud platform**
- New **algorithms** to improve **image quality** and **visualization**
- Development and production **lab in India**
- Adjustments to make Elop Insight more **user friendly**



50 field tests completed, demonstrating stakeholder value and providing valuable insight

Selected completed field tests and product demonstrations



BAM (German Federal Institute for Materials Research and Testing)



German Fraunhofer Society, Europe's biggest organization for applied research and development services.



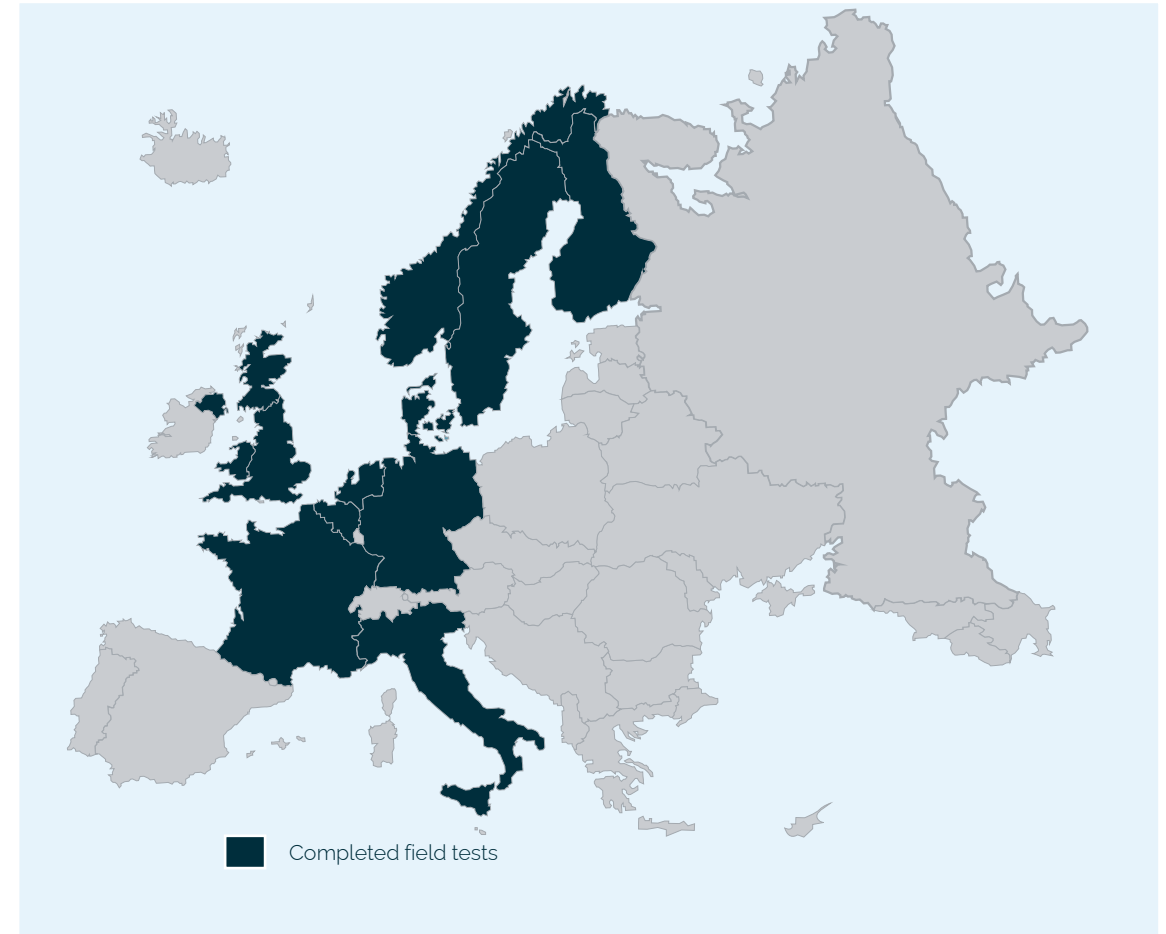
Implenia, a swiss construction and construction services company.



Field test with potential partner in Benelux



SVTI (The Swiss Association for Technical Inspections) - one of the leading Swiss institutions within safety inspections.



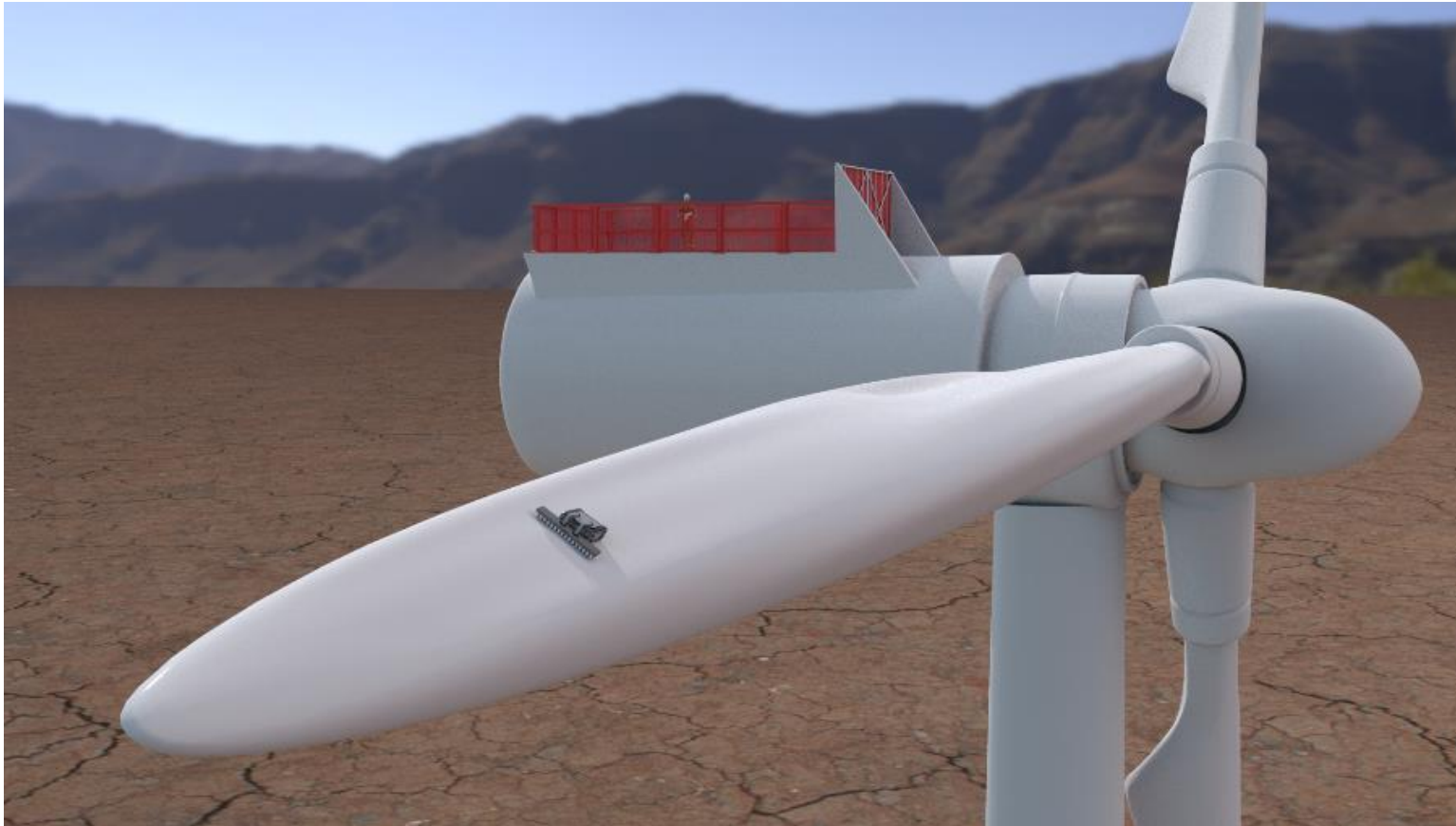
Elop Insight acknowledged by Fraunhofer, proving the viability of the solution



“We are impressed by the speed of Elop’s solution, seeing its scanning and quality data generation capabilities for concrete inspection”

Prof. Dr. Ute Rabe of Fraunhofer-Institute for Non-destructive Testing (IZFP).

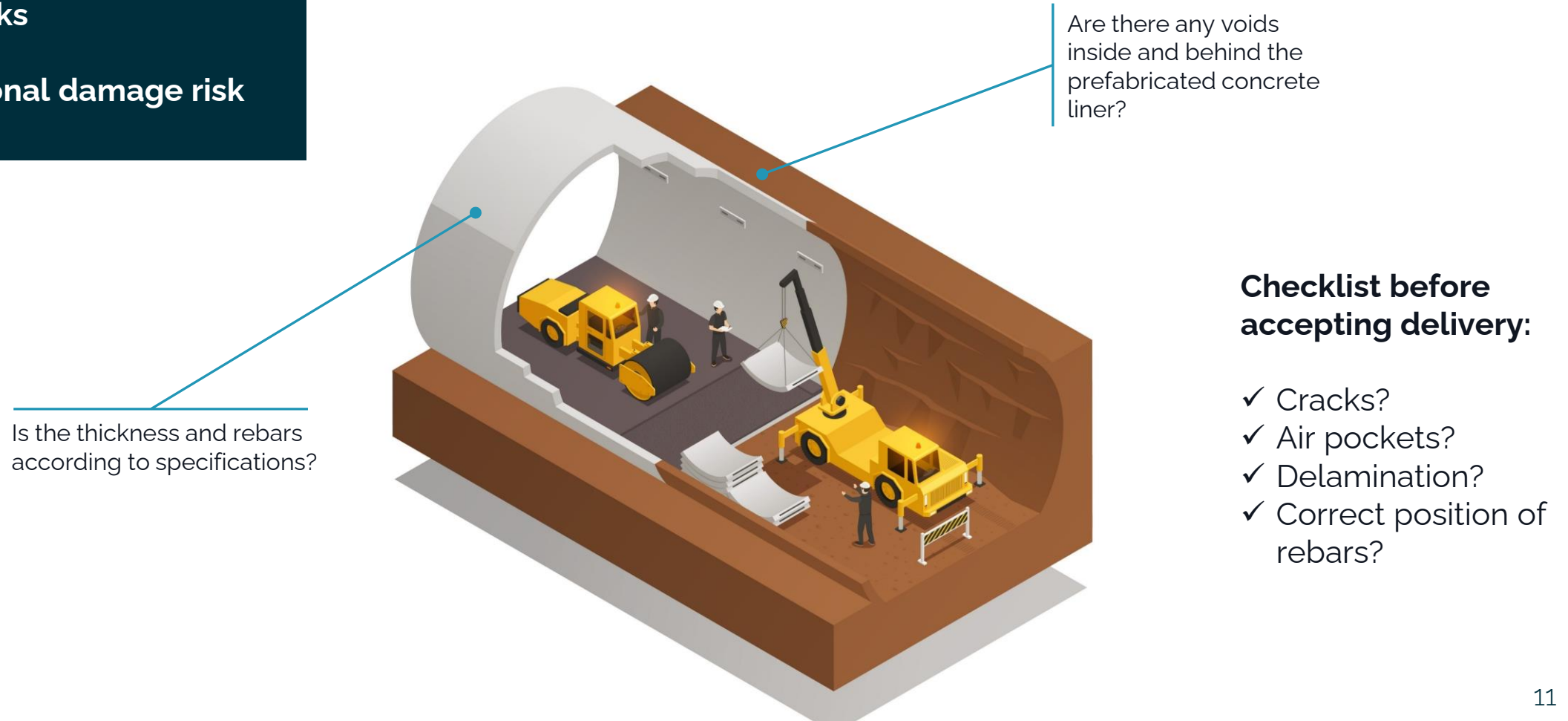
US patent for Multrawheel technology for composite materials



- Advanced discussions with market players to co-develop the technology
- Allows for 10x faster inspections than any other known methods used today
- Awarded seal of excellence by the European Investment Council (EIC) for excellent ideas worthy of funding, in December 2021

No need to take the risk anymore

- Safety risks
- Cost risks
- Reputational damage risk



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- **Elop's way forward**
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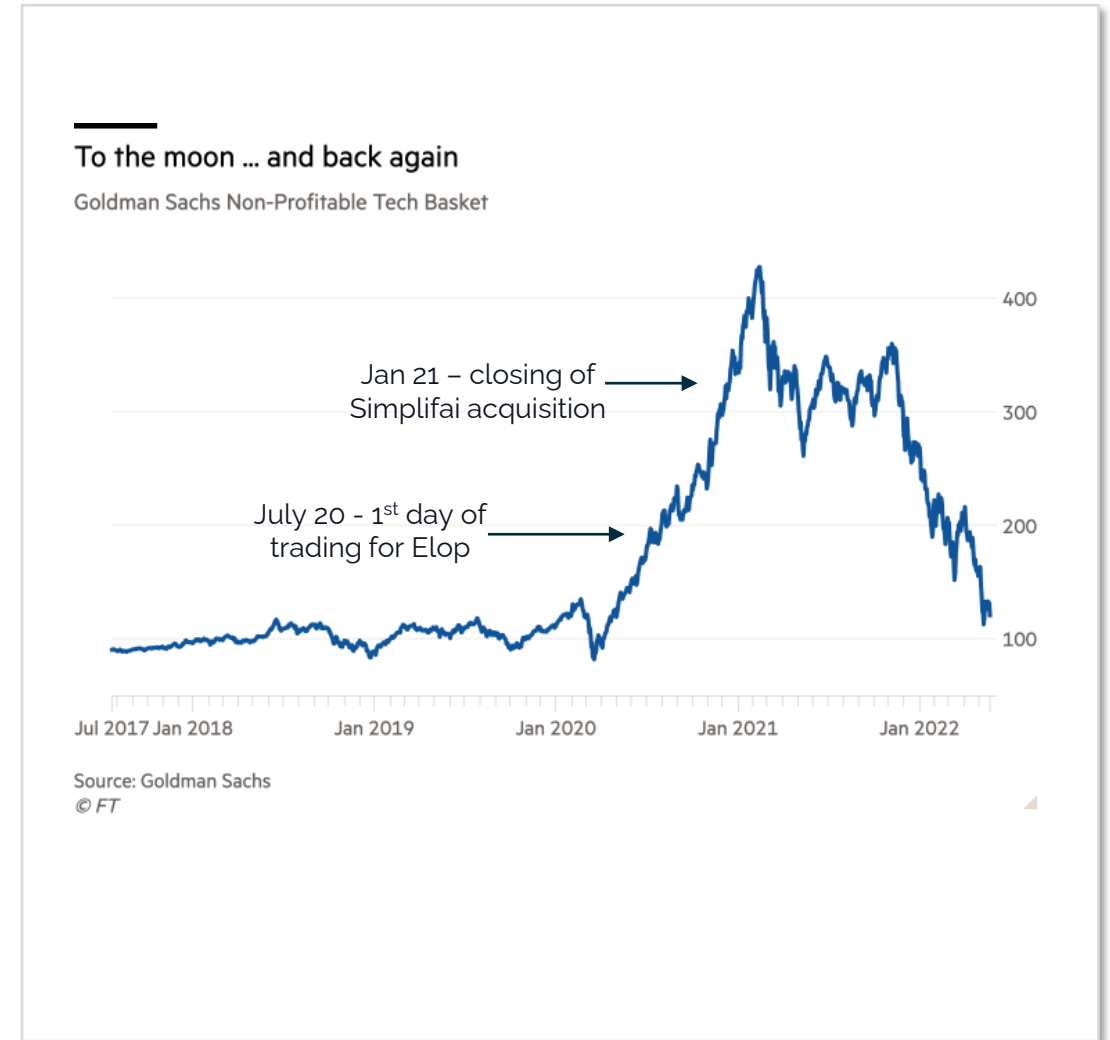
Market still in infancy, but with huge global potential

- Unique, patented, technology that has **tremendous potential**
- The technology is new, and it takes **time to develop the market**
- **No requirements** from **owners of infrastructure**, **neither for** quality control of **new buildings** nor for inspection of **existing concrete** infrastructures
- We are convinced that **such demands will develop**, and that **Elop Technology will be a leading player** in this market
- **Concrete** is the **first** material we developed technology for
- Initiatives to **develop** scanners for **metal** and **composite structures**, such as wind turbine blades



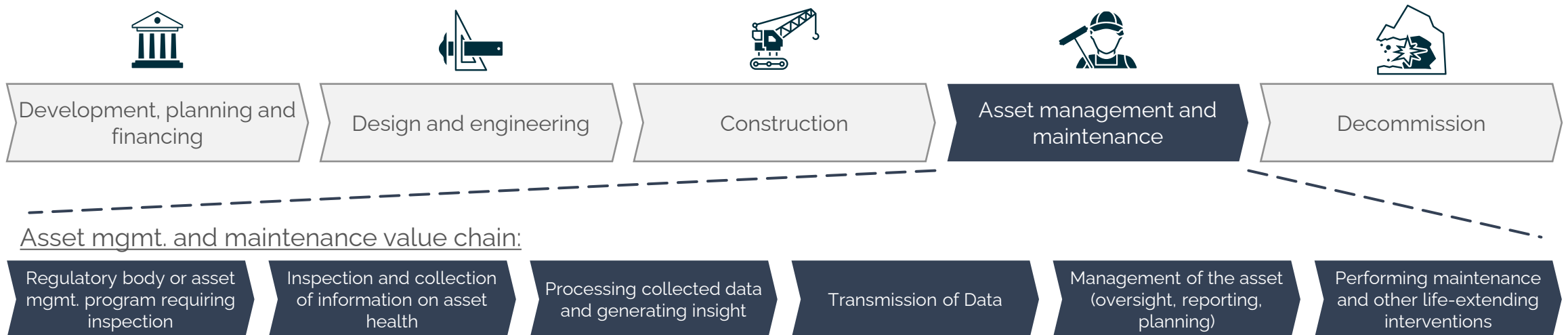
Simplifai divestment = Elop's response to changing financial markets

- The financial market has changed significantly and there is now a **strong focus on earnings**
- Companies with **new technology**, that will open new markets are **no longer as attractive** among investors
- Elop will be in a **favorable situation** with a **strong balance sheet** after closure of the sale of Simplifai
- Our task is to safeguard shareholders' interests and **create shareholder value**



Adapting Elop's strategy: Targeting value beyond provision of products

- Elop Technology seeks to expand value add **beyond being a product provider**
- Looking for **opportunities** to move into adjacent segments **across the value chain**
- Leverage proprietary hardware data to **drive deep insight**
- Goal to become **cash flow positive by 2023**



Elop to leverage its position and the market turbulence to grow through M&A



Coming up

- General assembly to be held 29.6.2022
 - Invitation to be sent out 22.6.2022
- Nomination committee to propose new members to the Board of Directors
- Expected soon to announce first move according to new strategy
- Target to become cash flow positive in 2023

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