



Q3
THIRD QUARTER
2023

THE PRIME MOVER IN
TRAFFIC TECHNOLOGY

Presenting today



Trond Christensen
Group CEO

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Q3 and 9M 2023 at a glance

KEY FIGURES

Q3 2023

- 305 MNOK in revenues, up 42% YoY driven by product deliveries
- 25 MNOK in EBITDA (8% margin) compared to 15 MNOK (7% margin) in Q3-2022
- Continued strong y/y growth in recurring revenues to a calculated ARR of 433 MNOK
- 60 MNOK in net cash flow from operations
- 277 MNOK in order intake and 1 365 MNOK in order backlog

9M 2023

- 839 MNOK in total revenues, up 30% YoY
- 70 MNOK in EBITDA (8% margin), up from 56 MNOK (9% margin) in 9M-22
- 89 MNOK in cash flow from operations, up from 15 MNOK in 9M-22
- 750 MNOK in order intake ytd

Today's presentation

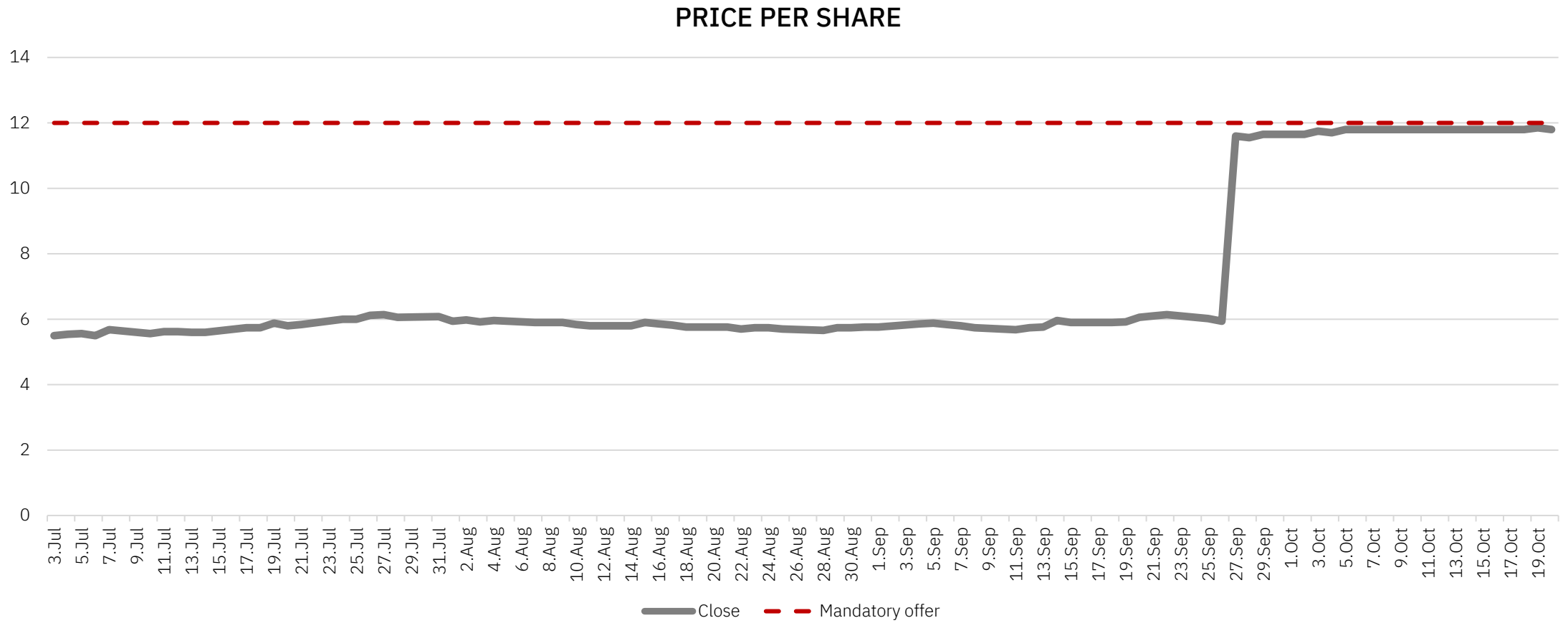
- Update and process regarding ongoing bid on Q-Free
- Business highlights and update
- Financial update
- Q&A

A scenic landscape featuring a sharp mountain peak, a long road, and a body of water under a cloudy sky. The text "ONGOING BID ON Q-FREE" is overlaid in white, bold, sans-serif font across the center of the image.

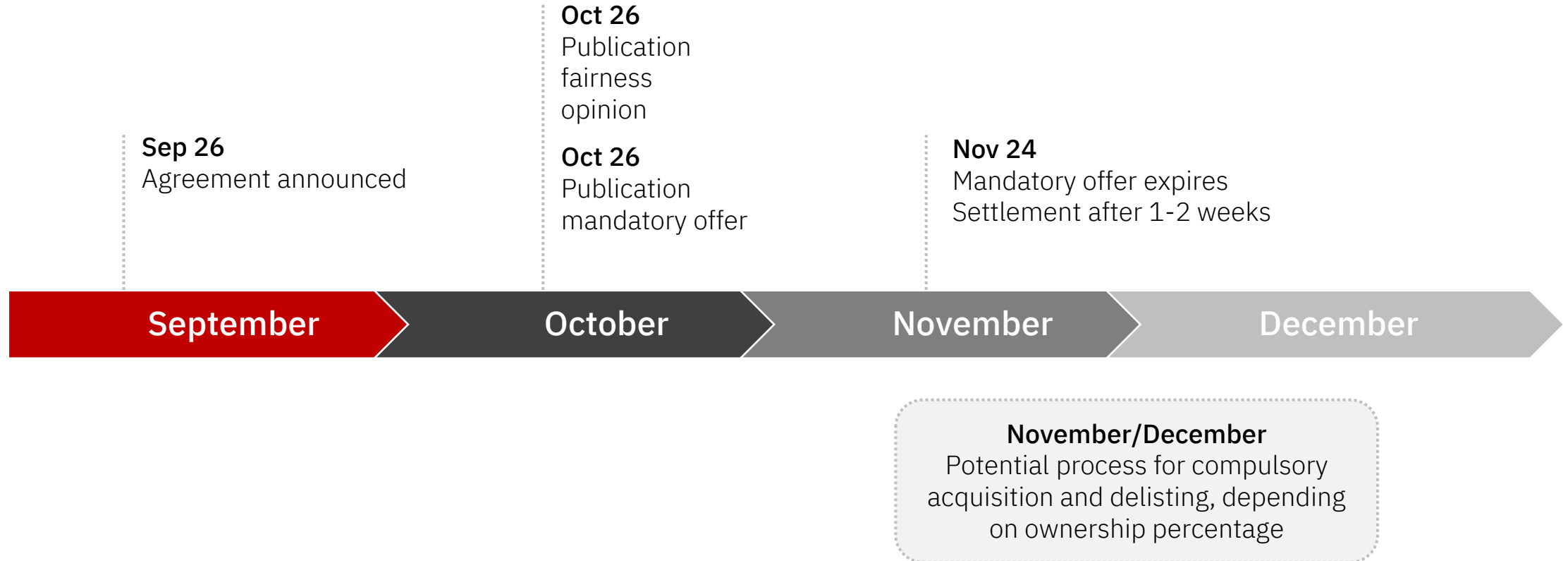
ONGOING BID ON Q-FREE



Share price reflecting Juniper Holdco acquisition and mandatory bid



Process and timeline



The mandatory offer

- Cash offer NOK 12 per share -> equity value MNOK 1 335
- Offeror Juniper Holdco AS is a joint venture between Guardian Smart Infrastructure Management and Rieber & Søn
- Offer period ends Nov 24 (subject to extension)
- Settlement 1-2 weeks after end offer period
- Juniper Holdco has expressed intent to seek compulsory acquisition of remaining shares and delisting from Oslo Stock pending outcome of mandatory bid.
- Board of Directors has recommended shareholders accept the bid
- Independent fairness opinion (KWC) has also concluded that the offered price is fair

Important note: The mandatory offer is the responsibility of Juniper Holdco AS, not Q-Free



BUSINESS HIGHLIGHTS

Our market position at a glance

LARGE GLOBAL MARKET



Transportation serves people in every community across the globe

Leading market positions



350 industry professionals with unrivalled experience and know-how

Clear vision



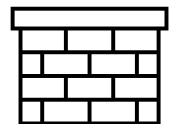
In DSRC-based tolling globally and traffic management in North America

Technology trailblazer



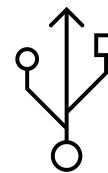
Clear strategic plan to exploit large opportunities

Solid foundation



Industry-leading tech with unique references in 50+ markets

Strong team



Attractive, stand-alone financials focusing on recurring revenue

Q-Free develop technology solving global challenges

Q-Free responds to global traffic challenges with a solid value proposition, near 40 years of industry experience and strong focus on innovation and sustainability

KEY MOBILITY CHALLENGES

CONGESTION

INRIX: USD 53bn in annual cost in the US in 2021



OUR SOLUTIONS

Q-FLOW

Optimize how people and goods move



- Regional freeway management
- Traffic signal operations and management
- Electronic toll collection and congestion charging

ACCIDENTS

WHO: 1.35 million lives lost per year globally



Q-SAFE

Make roads and travel safe



- Incident management
- Connected intersections
- ALPR enforcement
- Weigh-in-motion (WIM)
- Smart digital tachographs

POLLUTION

*WHO: Transportation sector accounts for 20% of global greenhouse-gas emissions - 40% of that is from private cars.**



Q-CLEAN

Stimulate sustainable transportation



- Congestion charging and low-emission zones
- Traffic signal operations and management
- Bicycle and pedestrian monitoring

We develop and deliver world-class technology

Tolling



Leading DSRC technology



World-class ALPR & imaging systems



Scalable Tolling SW back-office platform



Future road user charging technology

Traffic Management



Industry-leading SW platforms



Traffic Controllers & cabinets



Infomobility solutions
Counters and weight-in-motion

We will stimulate growth through scalability and expansion



2018

2027

Focus

Reduced business complexity to optimize resource allocation and improve execution.

- ✓ Divested non-performing businesses.
- ✓ Restructured company from six to two business units: Tolling and Traffic Management.
- ✓ Optimized and focused resources and investments.

Build

Built strong presence in existing core markets and reputation as prime mover in traffic technology.

- ✓ Built robust and scalable core products, including tolling back office, RUC-technology and Kinetic platform.
- ✓ Optimized costs for single gantry solution, advance central signal management, and statewide traffic management platforms.
- ✓ Expanded stand-alone product enhancements.

Scale

Scale standardized solutions to selected new target markets.

- Target selected greenfield tolling markets and commercialize new RUC technology.
- Become a clear top three ATMS player in terms of revenues in North America.
- Build portfolio of annual recurring revenue contracts.

Expand

Expand presence and capitalize on synergies

- Use SW platform to create new products and services alone and together with 3rd parties.
- Utilize partnerships through the value chain, from production to delivery and maintenance.
- Organic and bolt-on growth.

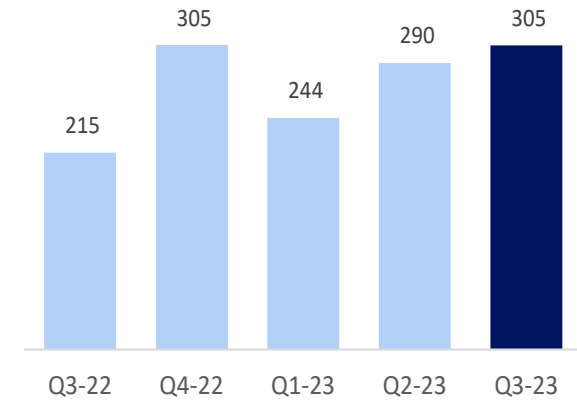
FINANCIAL UPDATE



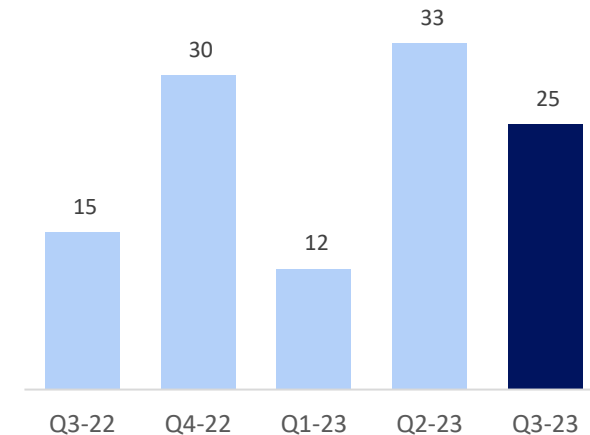
Key take-ways this quarter

1. 42 % revenue growth YoY
2. 71 % improvement in EBITDA YoY
3. Order backlog remain solid at 1 365 MNOK.
4. Continued solid balance sheet, 49% equity and cash position
5. Announcement of Juniper Holdco acquisition and mandatory offer

REVENUES LAST 5 QUARTERS
MNOK



EBITDA LAST 5 QUARTERS



Financial highlights Q3-23 (Q3-22)

REVENUES:
305 MNOK (215)
+42%

ARR:
434 MNOK (320)
+35%

EBITDA:
25 MNOK (15)
+71%

EBIT:
11 MNOK (3)

CF FROM OPERATIONS:
60 MNOK (-10)

ORDER INTAKE:
277 MNOK (316)

Financial summary

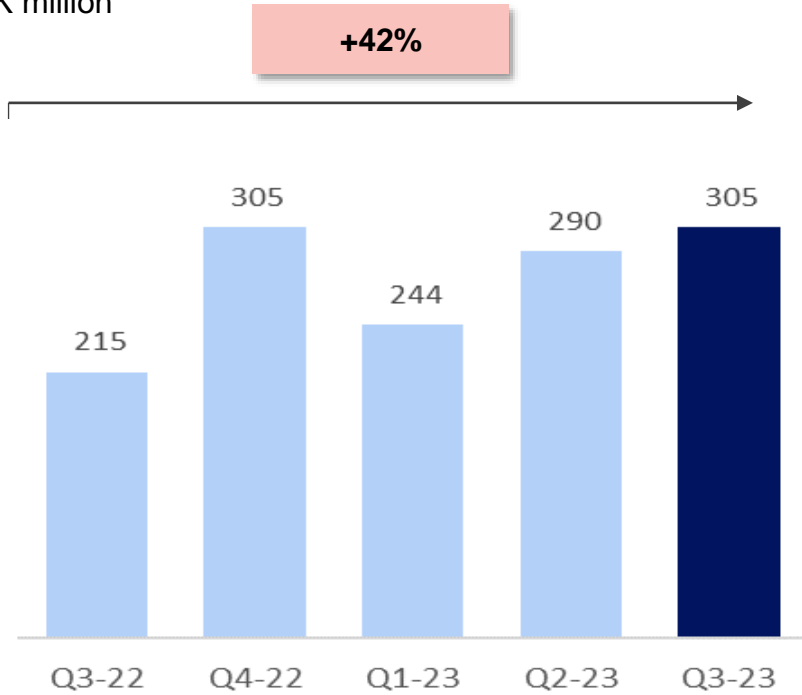
KEY FIGURES

NOK million	Q3 2023	Q3 2022	YoY Change	9M 2023	9M 2022	YoY Change	FY 2022
Recurring revenues	108	80	36%	312	225	39%	308
Non-recurring revenues	197	135	45%	527	420	26%	641
Total revenues	305	215	42%	839	644	30%	949
Gross contribution	171	145	19%	486	427	14%	592
<i>Gross margin</i>	<i>56.2 %</i>	<i>67.1 %</i>		<i>57.9 %</i>	<i>66.2 %</i>		<i>62.4 %</i>
OPEX	146	130	13%	416	370	12%	506
EBITDA	25	15	71%	70	56	24%	86
<i>EBITDA margin</i>	<i>8.3 %</i>	<i>6.9 %</i>		<i>8.3 %</i>	<i>8.8 %</i>		<i>9.1 %</i>
EBIT	11	3		26	18	48%	32
<i>EBIT margin</i>	<i>3.5 %</i>	<i>1.2 %</i>		<i>3.2 %</i>	<i>2.8 %</i>		<i>3.4 %</i>
EPS	0.01	-0.01		0.08	0.12		0.02

Revenue development

QUARTERLY REVENUES

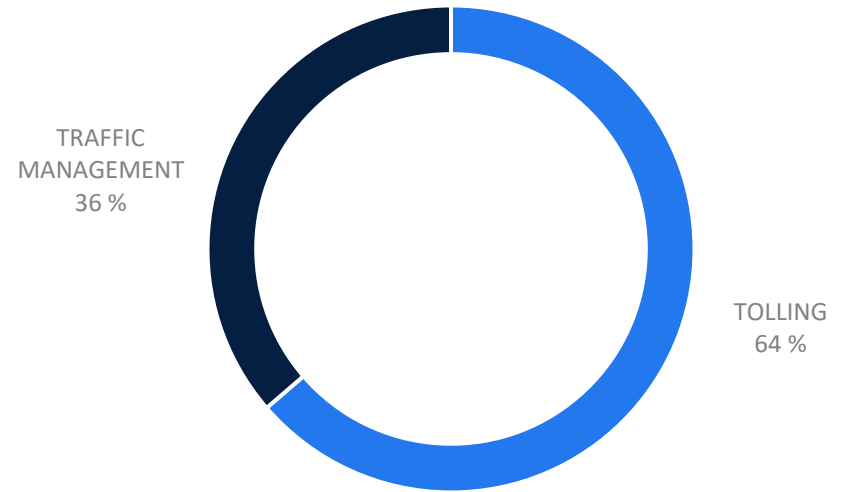
NOK million



Strong product sales

Q3-23 REVENUES PER BUSINESS AREA

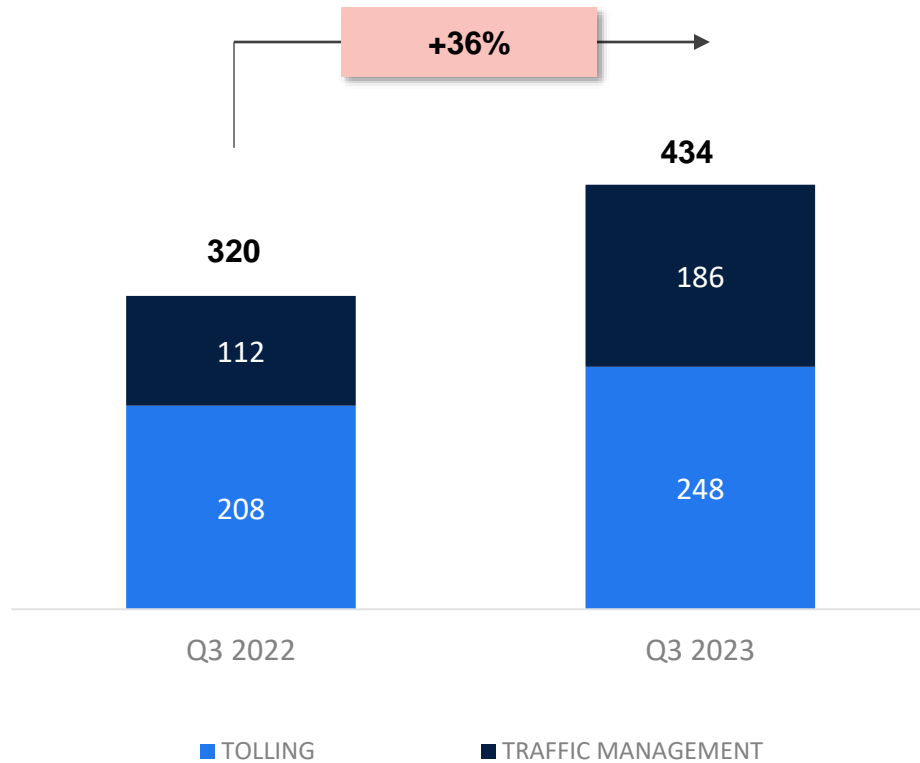
Percent



ARR development

ANNUALIZED RECURRING REVENUES (ARR)

NOK million



- Continued y/y growth in recurring revenue in both segments
- ARR slightly down from Q2 23
- Growth rate will vary from quarter to quarter

Segment revenue details

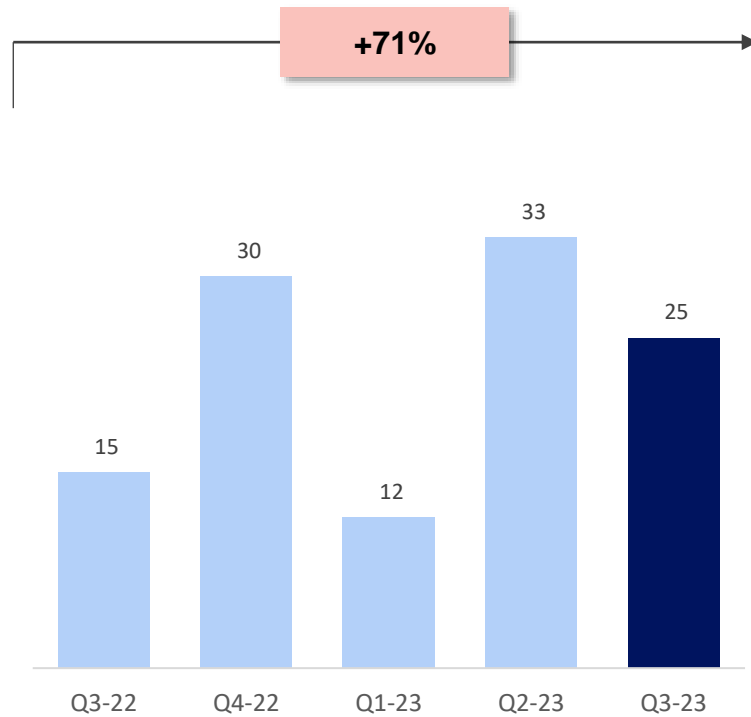
KEY FIGURES

NOK million

Segment	Q3-23	Q3-22	YoY Change	9M 2023	9M 2022	YoY Change	FY 2022
Tolling	194	134	45%	535	414	29.2%	621
Traffic Management	111	81	36%	304	230	32.1%	328
Revenues	305	215	42%	839	644	30.3 %	949

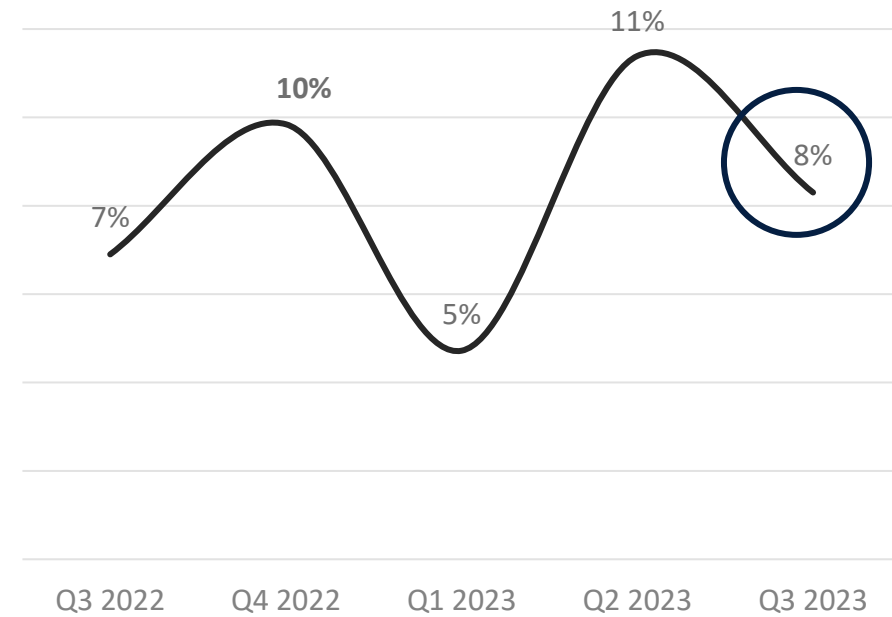
EBITDA development

EBITDA NOK million



EBITDA MARGIN

Percent



Segment EBITDA details

KEY FIGURES

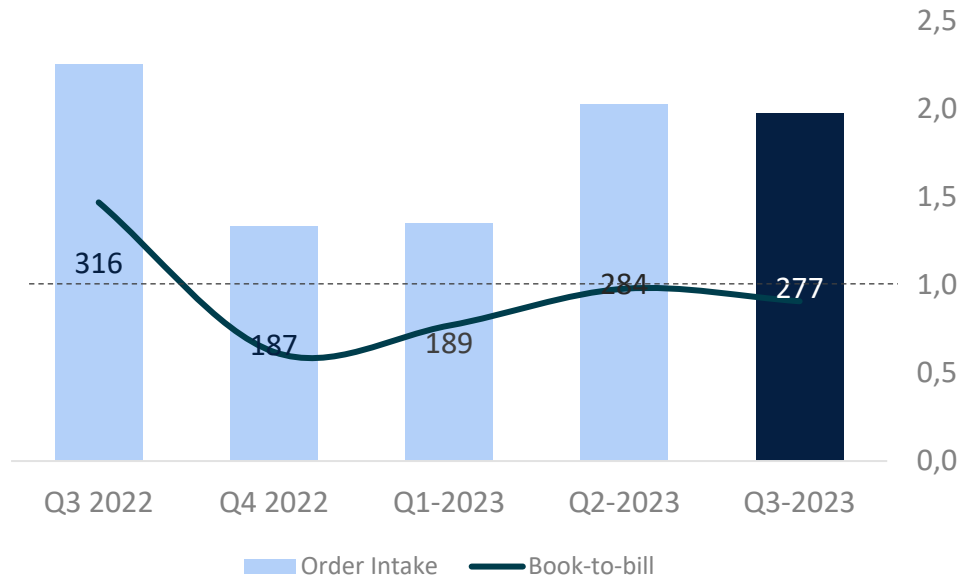
NOK million

Segment	Q3-23	Q3-22	Margin change	9M 2023	9M 2022		FY 2022
Tolling	25	24	-5,5%	67	74		93
Traffic Management	13	1	10,3%	33	9		31
Group Functions	-12	-11		-30	-27		-37
EBITDA	25	15	1,4%	70	56		86

Order intake development

ORDER INTAKE & BOOK-TO-BILL PER QUARTER

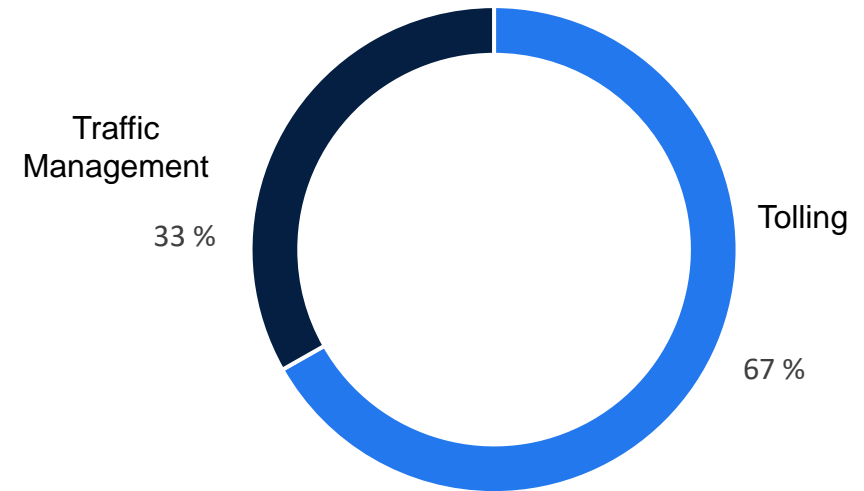
NOK million / ratio



Continued very strong backlog

Q3-23 ORDER INTAKE PER BUSINESS AREA

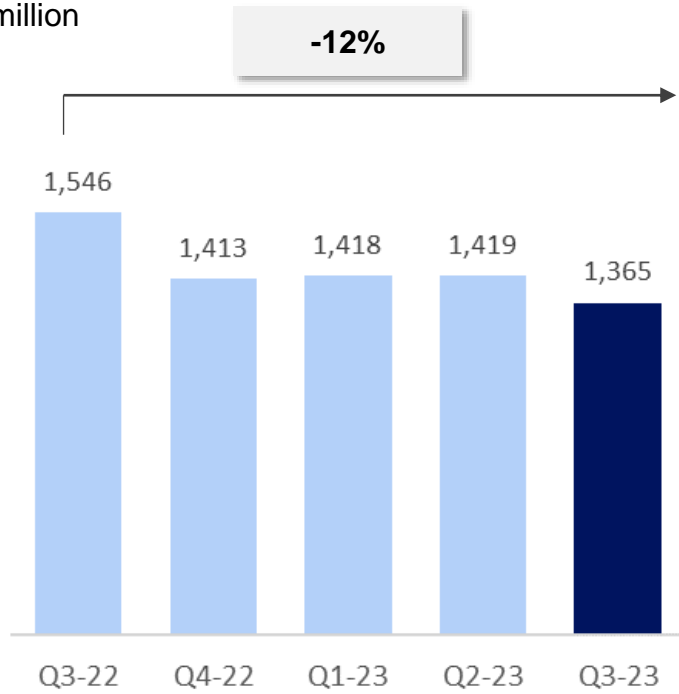
Percent



Order backlog development

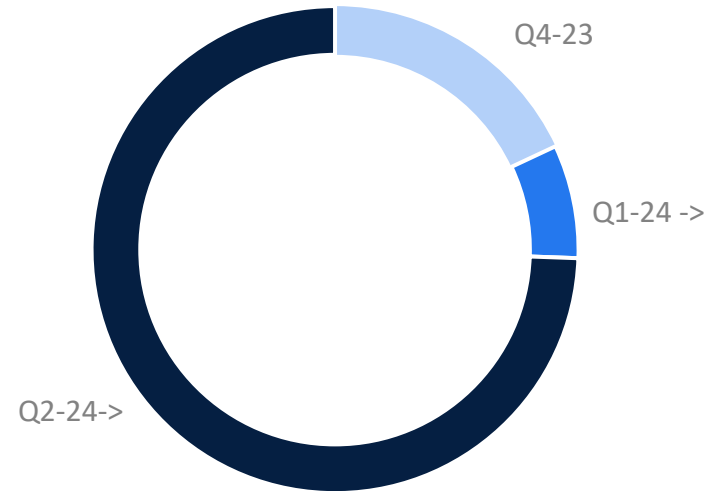
ORDER BACKLOG

NOK million



EXPECTED DELIVERY SCHEDULE

NOK million



Frame contracts with no committed minimum volumes are not included in the backlog

Cash flow and available funds

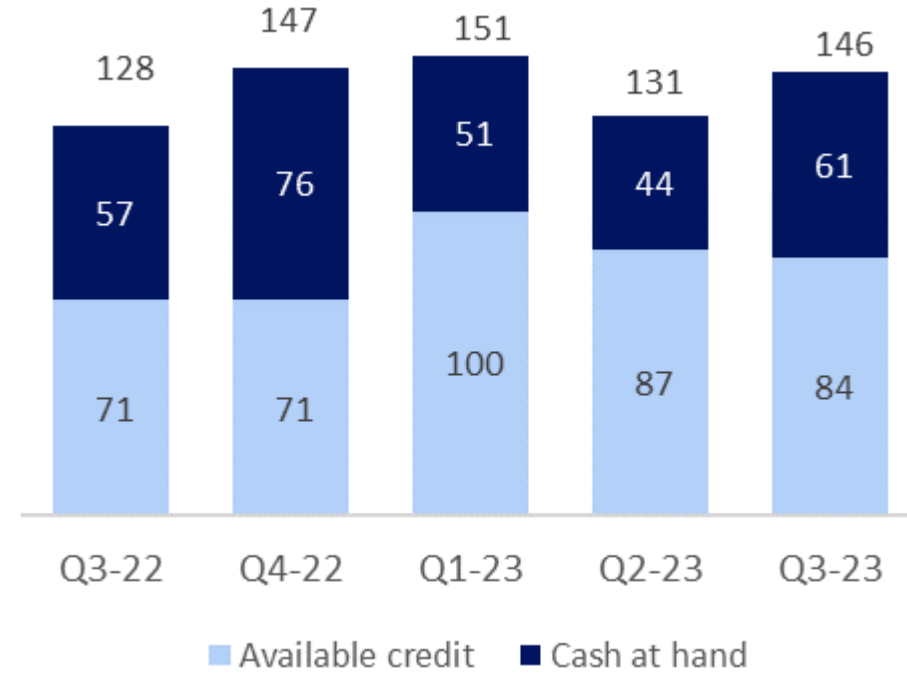
CASH FLOW

NOK million



AVAILABLE CREDIT AND CASH AT HAND

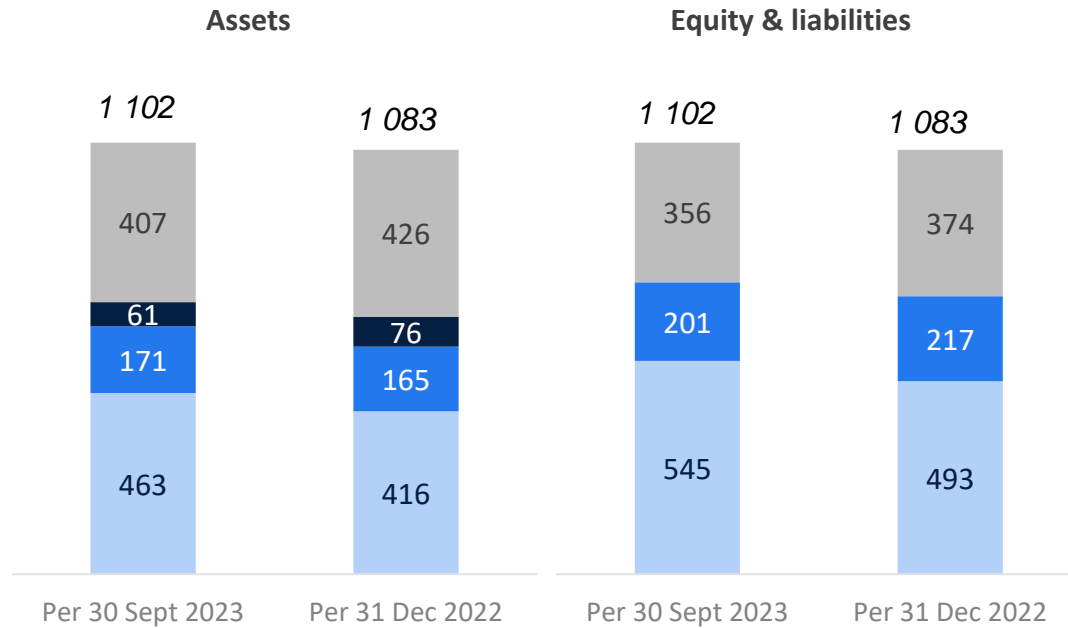
NOK million



Balance sheet

BALANCE SHEET COMPOSITION

NOK million



- Other current assets
- Cash
- Other non-current assets
- GW & other intangible assets

- Current liabilities
- Non-current liabilities
- Equity

KEY BALANCE SHEET RATIOS

EQUITY RATIO (Q3-22):

49% (50%)

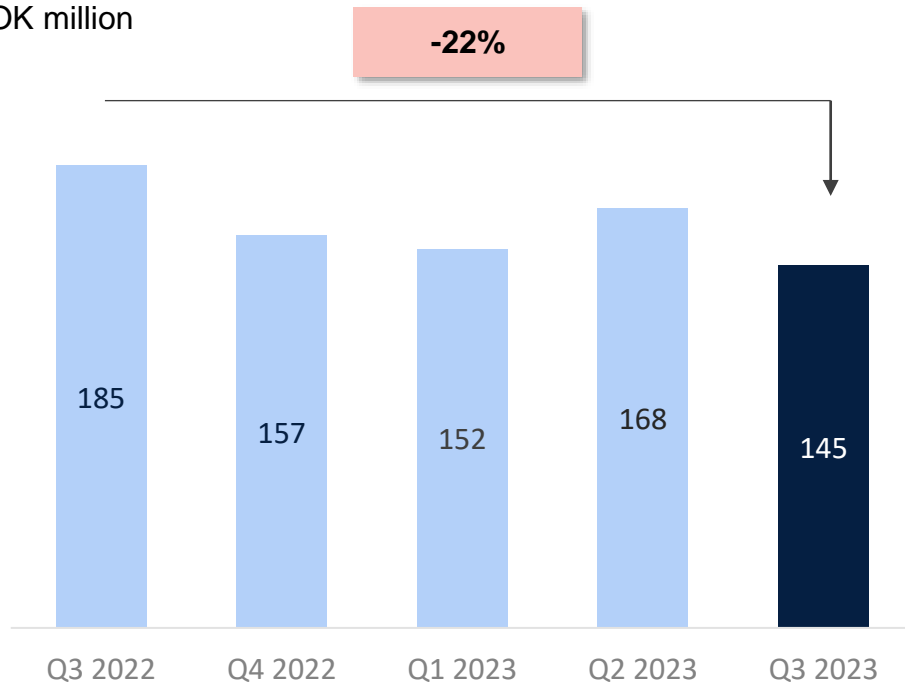
WORKING CAPITAL RATIO (Q3-22):

8% (19%)

Net interest-bearing debt

NET INTEREST-BEARING DEBT

NOK million



KEY DEBT RATIOS/FIGURES

12 MONTH NIBD/EBITDA

1.4

NET FINANCIAL ITEMS:

-10 MNOK (-4)



Q&A



**HEADQUARTERS
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