

1H 2021 Presentation

August 31, 2021



NORSK TITANIUM

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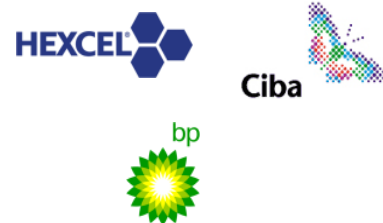
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Today's presenters



MIKE CANARIO
President & CEO
Joined 2018

- Previously spent over 20 years at Hexcel, most recently as President of Hexcel's America's business
- 8 years with predecessor companies Ciba-Geigy and BP Chemicals



ASHAR ASHARY, CFA
VP Finance
Joined 2016

- Previously spent over 15 years in private equity, investment banking and advisory. Led technology and growth acquisition teams
- Most recently held senior finance positions at growth companies of private equity firms



The production of structural grade metal alloys has barely evolved from the early days

Forging then



Very high **labor** and energy input

Forging now



Very high **capital** and energy input



Norsk Titanium's Disruptive Solution

Norsk's Rapid Plasma Deposition (RPD™) technology is a highly innovative and scalable technology platform with all the benefits of 3D printing while delivering consistent forged quality material at high-rate production

25-50 % in total cost savings vs incumbent process

Improved efficiency and shorter lead time

5-20x faster than incumbent processes

Up to 75% less machining costs

Reduced environmental footprint

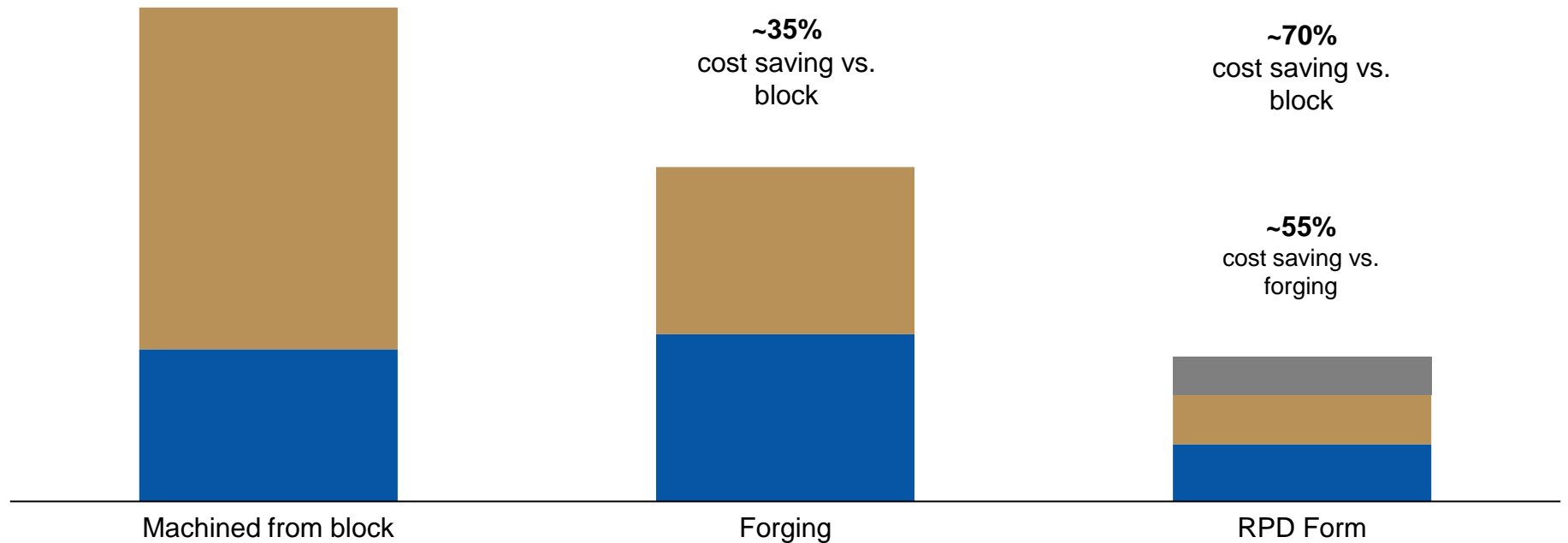
25-75% less material use vs. incumbent processes

50-75% reduction in required machining

1,100 MT annual CO2 savings from fully utilized RPD machine¹

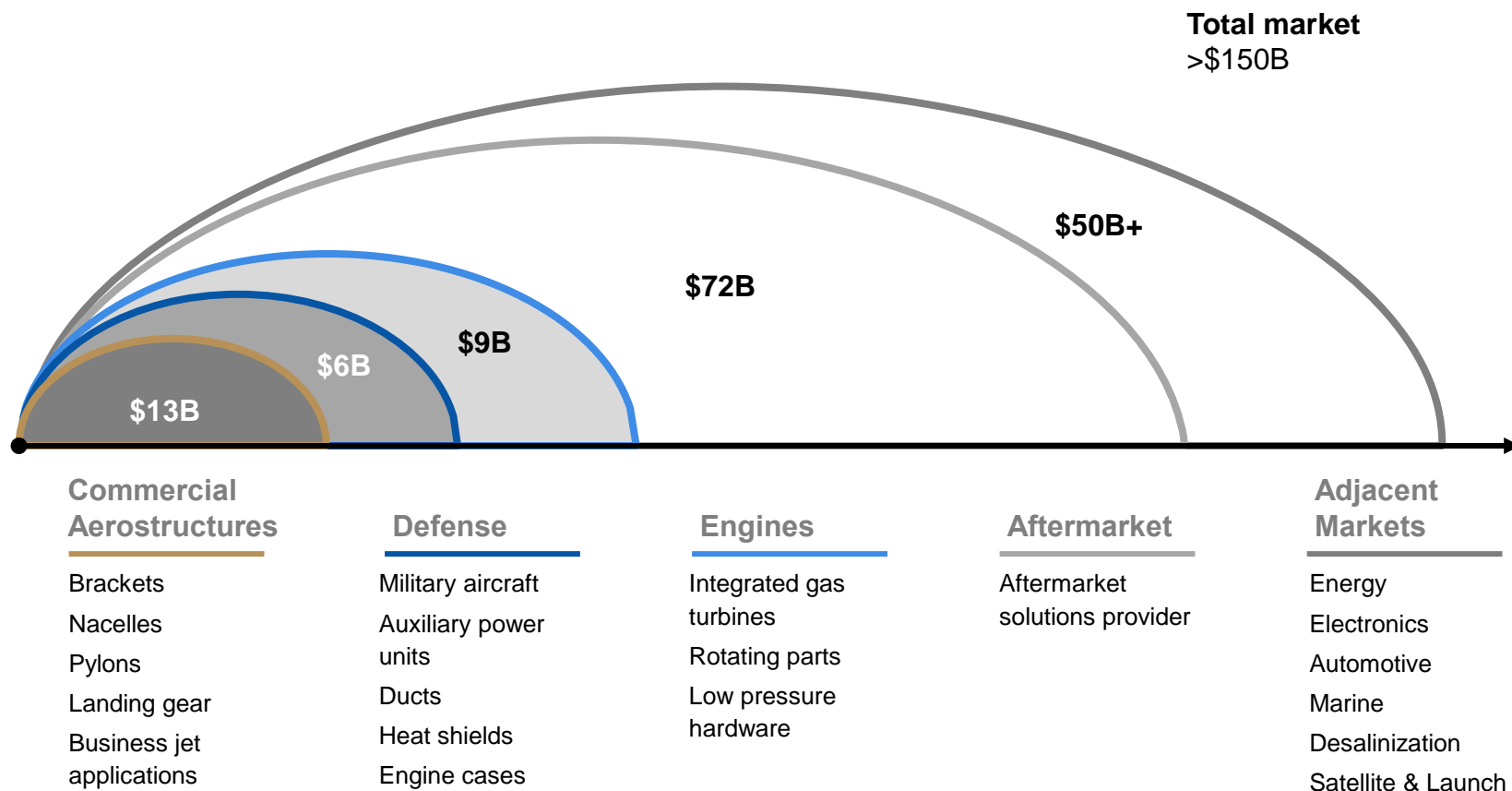
Substantial reduction in sample part unit costs

Finished product	Production methods		
Complete part	Machining part from Block	Forging part	RPD™ Form
Fly Weight = 1	12 : 1	7 : 1	3 : 1



Norsk positioned to disrupt the USD 150B metal manufacturing market for Titanium parts

Expanding into major market opportunities for Titanium parts¹



Future addressable markets

- Additional titanium alloys
- Nickel superalloys
- Monel
- Stainless steel
- Tool steel
- Refractory metals

Commercial Aerostructures

- Brackets
- Nacelles
- Pylons
- Landing gear
- Business jet applications

Defense

- Military aircraft
- Auxiliary power units
- Ducts
- Heat shields
- Engine cases

Engines

- Integrated gas turbines
- Rotating parts
- Low pressure hardware

Aftermarket

- Aftermarket solutions provider

Adjacent Markets

- Energy
- Electronics
- Automotive
- Marine
- Desalination
- Satellite & Launch

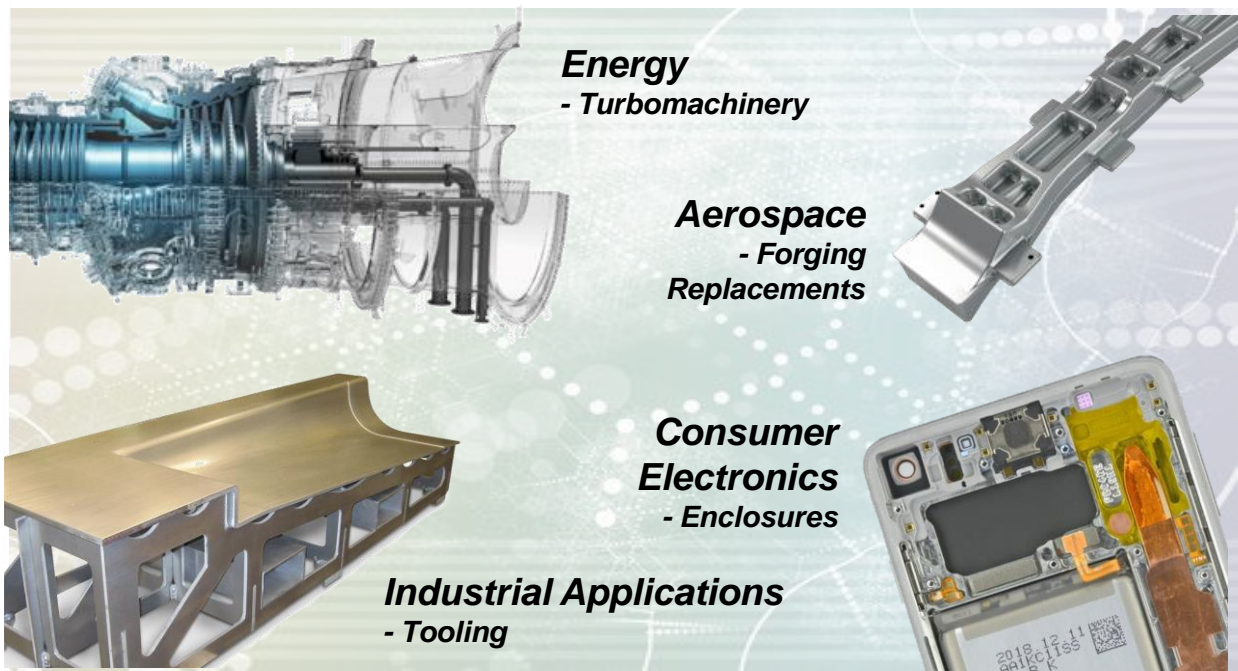
Use of titanium across industries is growing

✓ Excellent corrosion and erosion resistance

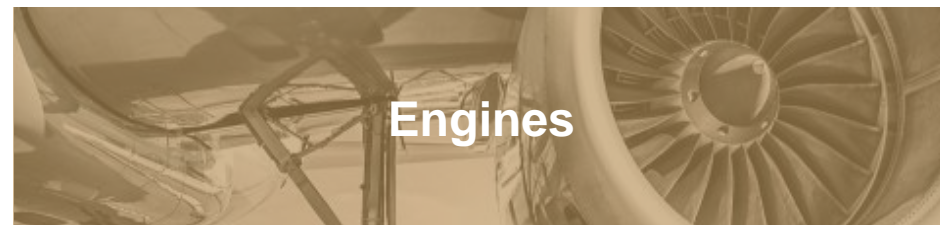
✓ Impressive strength-to-weight ratios

✓ High heat-resistance

✓ Very good oxidation capability

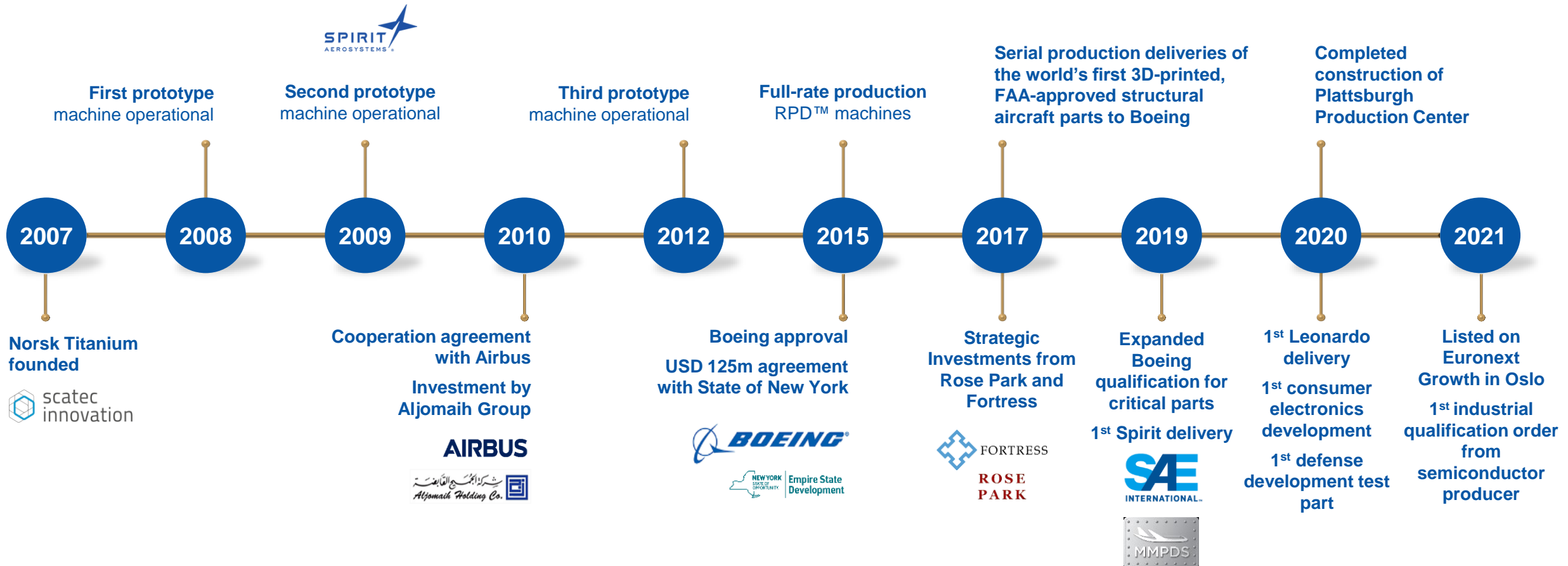


Norsk qualification in demanding end-markets opening doors in other industries



Matured RPD™ technology setting industry standards

Selected company highlights



Commercial Aerospace:

The ultimate proof-of-concept of our RPD™ technology

- Strict quality requirements and long qualification programs serve as natural barriers to entry in Commercial Aerospace
- Commercial agreements with tier-one players like Boeing, Airbus, and Spirit represents revenue opportunities and technology assurance
- Moving into Defense and Industrial applications

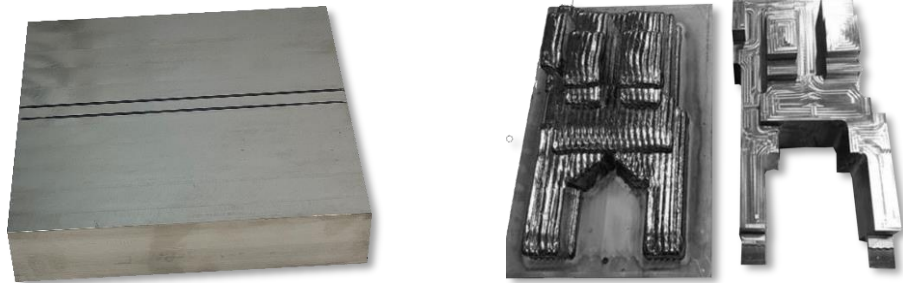


Moving to defense and industrial applications

Initial development and qualification efforts underway

2020

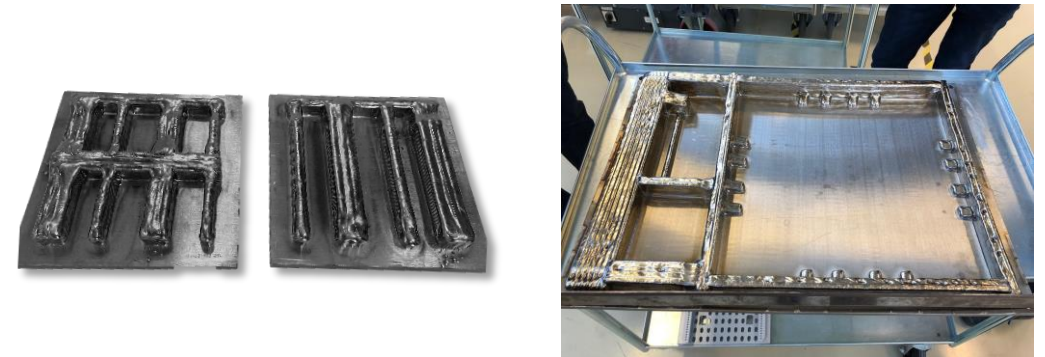
Defense



- Under contract with US DOD prime contractor for a multi-year full material qualification effort across all of their platforms
- First contract deliverables printed in H1 2021 for delivery in 2H 2021
- Initial trailblazer part identified for delivery in 2H 2021
- Significant internal effort completed for DoD / export compliance
- Ongoing testing of structural components for second US DOD contractor

2021

Industrialization



- Funded development effort with Hittech to produce a structural element in the semiconductor manufacturing equipment market
- The form will weigh nearly 100 kg
- Component test in 1Q 2022
- Potential to capture share of serial production in 2022
- Norsk/Hittech actively reviewing additional components

Highlights First Half 2021

Financial highlights

Revenue

USD 0.3 million

Delivered 366 parts serial production

Other income

USD 2.6 million

PPP loan forgiven, margin RPD™ machines, Innovation Norway grant

Development revenue

USD 0.3 million

Customer funded development programs offset to costs

EBITDA

USD (8.2) million

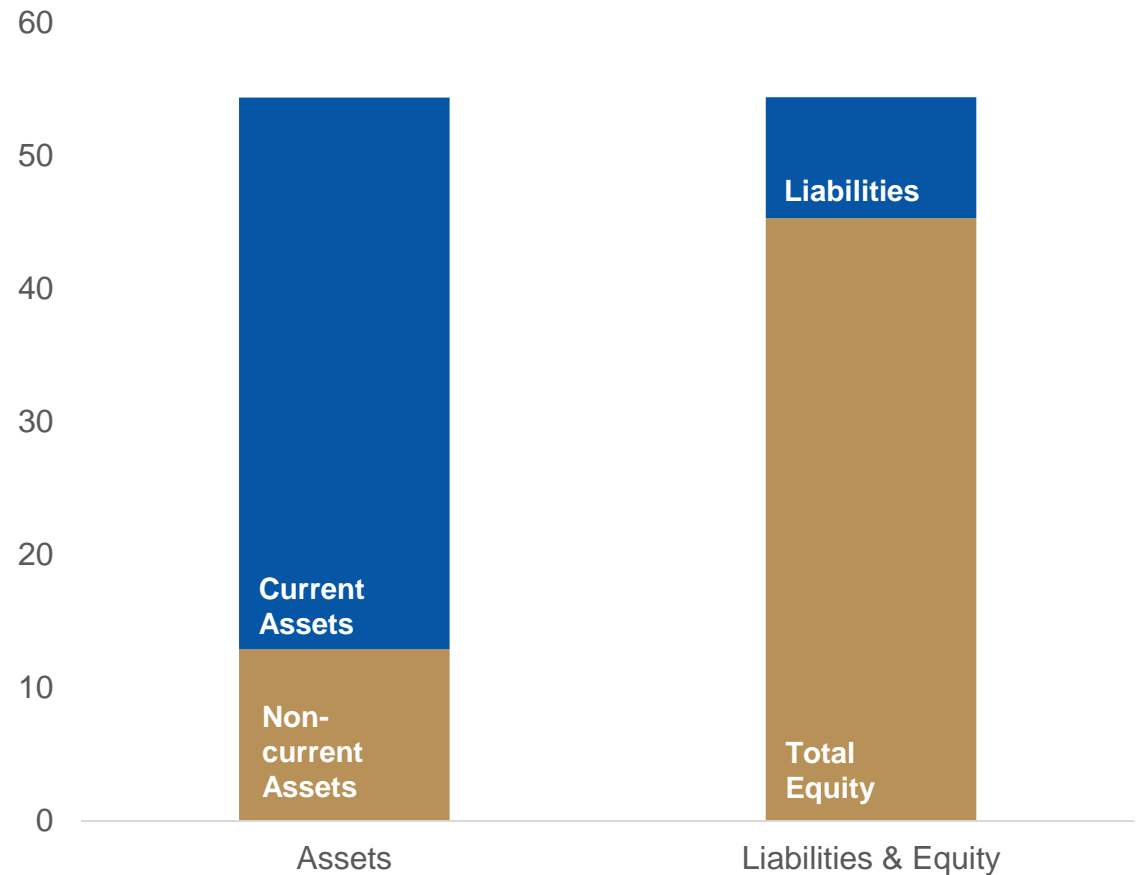
Loss decreased by 37% compared to 1H2020

Net Loss

USD (8.6) million

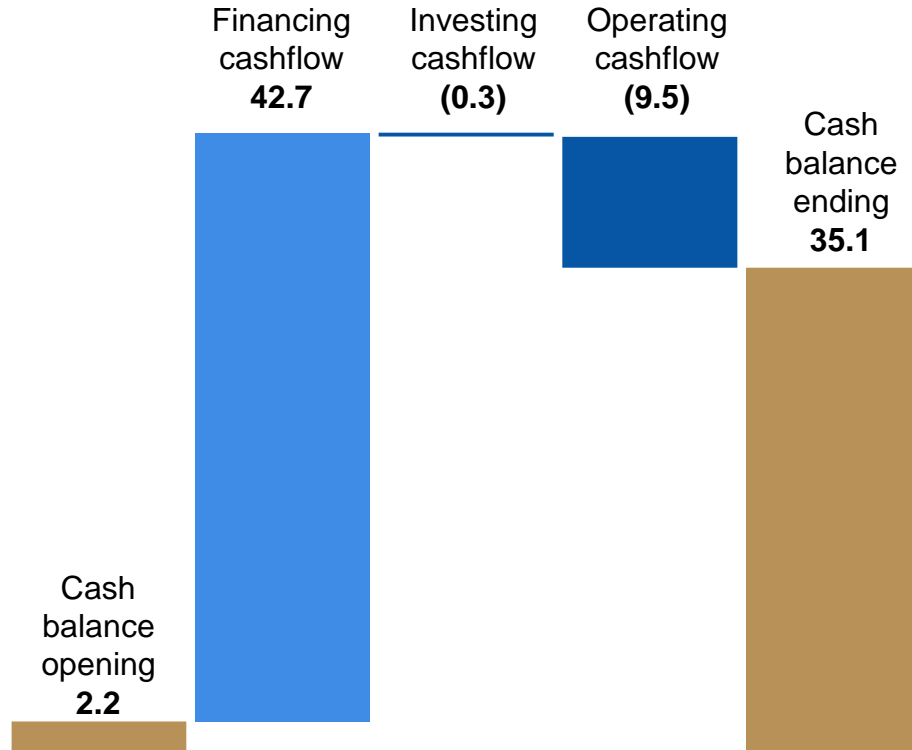
Loss decreased by 62% compared to 1H2020

Balance sheet (USD million), asset-to-equity ratio 83%



Strengthened funding and liquidity position

1H 2021 cash flow (USD million)



Significant financing activities

Private placement

USD 38.0 million

Listed on Euronext Growth in May 2021

Debt-to-equity conversion

USD 97.6 million

Converted 2018-2021 shareholder loans to equity

Repair Offer

USD 6.8 million

Additional shareholders invested at the debt conversion price

Innovation Norway

USD 1.2 million (MNOK 10.5)

30% of NOK 35 million grant

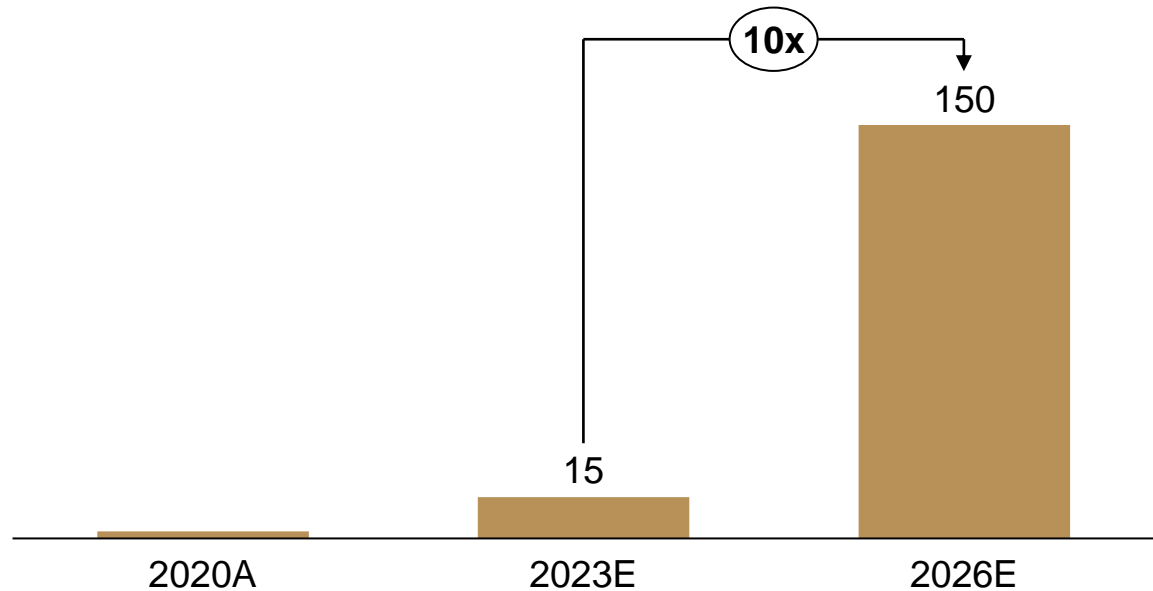
Ending cash balance

USD 35.1 million

Strong cash balance to support ongoing operations

Growth trajectory and the path to positive cash flow

Projected revenues (USD million)



Growth stage -
establishing base revenues

Commercial scalability
and positive cash flow

EBITDA positive by 2025 and long-term EBITDA margin of ~30%

- Initial diversification of end-market revenues towards 2023
 - Growth primarily driven by parts revenue on programs currently in development and qualification
- Negative cash flow over coming years to be partially funded by the private placement in 1H 2021
- Significant growth from commercial aerostructures, defense, and industrial part production by 2023
- Planned future revenue streams will include machine revenue, licensing and RPD™ by the hour

Business plan assumes less than 1% market penetration by 2026



Innovating the future of metal

Business model disrupts outdated metal manufacturing methods and oligopolistic market structure

Addressable market spans multiple sectors and high-performance metal alloys

Norsk's 3D printing technology enables industrial scale production rates while substantially reducing the environmental footprint of metal manufacturing

Q&A



NORSK
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Appendix

1H 2021

Reported financials

Half year consolidated statement of profit and loss

unaudited, in USD thousand	Notes ¹	First half 2021	First half 2020	Full year 2020*
Revenue	2	255	128	357
Other income	3	2,570	40	619
Total revenues and other income		2,825	168	977
Raw materials and consumable used		(1,360)	(1,961)	(3,891)
Employee benefits expense		(6,665)	(4,513)	(13,741)
Other operating expenses		(3,019)	(6,642)	(10,645)
Depreciation and amortisation		(1,438)	(1,418)	(2,968)
Operating profit		(9,657)	(14,366)	(30,269)
Financial income	4	2,761	22,848	17,458
Financial expenses	4	(1,743)	(31,025)	(30,024)
Profit or loss before tax		(8,638)	(22,543)	(42,835)
Income tax expense		(11)	(42)	(62)
Profit or loss for the year		(8,649)	(22,585)	(42,896)
Profit/loss attributable to owners of the parent		(8,649)	(22,585)	(42,896)
Basic earnings per share (in USD)		(0.07)	(0.45)	(0.86)
Diluted earnings per share (in USD)		(0.06)	(0.45)	(0.86)
Weighted average number of ordinary shares (thousand)		132,043	49,821	49,821
Weighted average number of ordinary shares diluted (thousand)		150,678	49,941	49,941
Other comprehensive income				
<i>Items that subsequently may be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations		(2,515)	(1,388)	(953)
Other comprehensive income for the period		(2,515)	(1,388)	(953)
Total comprehensive income for the period		(11,164)	(23,973)	(43,849)

* Audited

Reported financials

Statement of financial position: Assets

unaudited, in USD thousand	Notes ¹	At 30 June 2021	At 31 December 2020*	At 30 June 2020
ASSETS				
Non-current assets				
Right of use of assets		731	1,202	1,157
Property, plant and equipment		4,543	4,859	4,842
Intangible assets		7,654	8,202	7,744
Total non-current assets		12,929	14,264	13,742
Current assets				
Inventories		4,788	4,724	5,500
Trade receivables	5A	350	787	11
Other current assets	5A	1,164	961	1,059
Cash and cash equivalents	5A	35,150	2,196	1,969
Total current assets		41,452	8,669	8,539
TOTAL ASSETS		54,381	22,933	22,281

* Audited

Statement of financial position: Equity and Liabilities

unaudited, in USD thousand	Notes ¹	At 30 June 2021	At 31 December 2020*	At 30 June 2020
EQUITY AND LIABILITIES				
Equity				
Share capital	6	2,005	464	464
Share premium	6	48,627	0	92,726
Treasury shares	6	0	(10)	(10)
Other capital reserves		(997)	0	3,283
Other equity		(4,357)	(80,975)	(157,062)
Total equity		45,278	(80,521)	(60,599)
Non-current liabilities				
Non-current lease liabilities	5B	364	513	0
Long term liabilities	5B	992	1,022	1,115
Loan measured at fair value	5B	0	0	65,887
Total non-current liabilities		1,356	1,535	67,002
Current liabilities				
Trade and other payables	5B	2,054	1,608	2,186
Current interest bearing debt	5B	31	21,195	1,345
Current loan measured at fair value	5B	0	69,106	0
Deferred revenue	5B	4,072	3,927	6,510
Current lease liabilities		501	843	0
Other current liabilities	5B	1,091	5,192	5,794
Tax payable		(2)	47	44
Total current liabilities		7,746	101,918	15,878
Total liabilities		9,102	103,453	82,880
TOTAL EQUITY AND LIABILITIES		54,381	22,933	22,281

* Audited

Reported financials

Statement of cash flow

unaudited, in USD thousand	Notes ¹	First half 2021	First half 2020	Full year 2020*
Cash flows from operating activities				
Profit before tax		(8,638)	(22,543)	(42,835)
<i>Adjustments to reconcile profit before tax to net cash flow:</i>				
Depreciation and amortisation		1,438	1,418	2,968
Net financial income/expense included in financing activities	4	1,320	8,626	14,569
Net foreign exchange differences	4	(2,338)	(449)	(2,003)
Tax payable		(46)	(89)	(182)
<i>Working capital adjustment:</i>				
Changes in inventories and right of use assets		408	(738)	(8)
Changes in trade and other receivables	5A	437	896	120
Changes in other current assets	5A	(203)	518	615
Changes in trade and other payables	5B	445	(204)	(782)
Changes in other accruals		(2,328)	(46)	212
Net cash flows from operating activities		(9,505)	(12,612)	(27,325)
Cash flows from investing activities				
Purchase of property, plant and equipment		(252)	279	(372)
Investment in intangible assets		(82)	808	(358)
Interest received	4	61	6	7
Net cash flow from investing activities		(272)	1,093	(724)
Cash flow from financing activities				
Proceeds from issuance of shared capital		38,374	0	0
Purchase of treasury shares		(2)	0	(22)
Sale of treasury shares		783	0	0
Payment of principle portion of lease liabilities		(525)	(438)	(853)
Increase of debt		6,000	11,967	29,192
Repayment of debt		(1,813)	0	(80)
Interests paid	4	(69)	0	(198)
Net cash flow from financing activities		42,747	11,528	28,039
Net change in cash and cash equivalents		32,970	9	(10)
Effect of change in exchange rate		(16)	(185)	62
Cash and cash equivalents, beginning of period		2,196	2,145	2,145
Cash and cash equivalents, end of period		35,150	1,969	2,196

* Audited

Global footprint with the world's largest 3D printing facility

Plattsburgh, New York, USA

- World's largest 3D printing facility, focused on manufacturing customer parts
- Separate qualification facility
- Area: 147,000 sq. ft
- Capacity: 620 MT / year
- 31 RPD™ machines + material warehouse + downstream activities
- 38 employees



Eggemoen, Ringerike, Norway

- Focused on research and development of new technologies for 3D printing
- Area: 37,000 sq. ft
- Capacity: 60 MT / year
- 3 RPD™ machines + metallurgy lab
- 52 employees

Management team with extensive industrial track record



MIKE CANARIO
President & CEO



- Previously spent over 20 years at Hexcel, most recently as President of Hexcel's America's business
- 8 years with predecessor companies Ciba-Geigy and BP Chemicals



ASHAR ASHARY
VP Finance



- Previously spent over 15 years in private equity, investment banking and advisory. Led technology and growth acquisition teams
- Most recently held senior finance positions at growth companies of private equity firms



CARL JOHNSON
CTO



- Previously led the Global Hawk Autonomous Unmanned Air System (UAS), Triton UAS and the X-47B UAS
- Over 40 years in the aerospace industry



ODD TERJE LIUM
VP Engineering



- Previously spent over 20 years at GKN and Volvo Aero, most recently as VP Engineering & Technology Quality at GKN Aerospace
- Over 20 years in the engine aerostructures industry



NICK MAYER
VP Commercial




- Previously held management positions at Northrop Grumman, Aerojet Rocketdyne, and Lockheed Martin
- Led program management of developmental systems advanced aerostructures programs




STEVE EATON
VP Operations




- Previously spent over 20 years at Collins Aerospace, United Technologies, most recently as Director of Military Programs
- Held senior positions in operations, continuous improvement, and program management




ANNETTE JUSSAUME
VP Quality



- Previously spent 29 years Pratt & Whitney (P&W), most recently provided leadership of quality programs across all P&W facilities
- Led quality for Bombardier C-Series and F-35 JSF engine programs



ANDREW CLAYTON
General Counsel



- Previously led the central legal team at ITV Plc, a FTSE 100 company – the largest commercial broadcaster in the UK
- Prior experience at a leading commercial law practice in London

