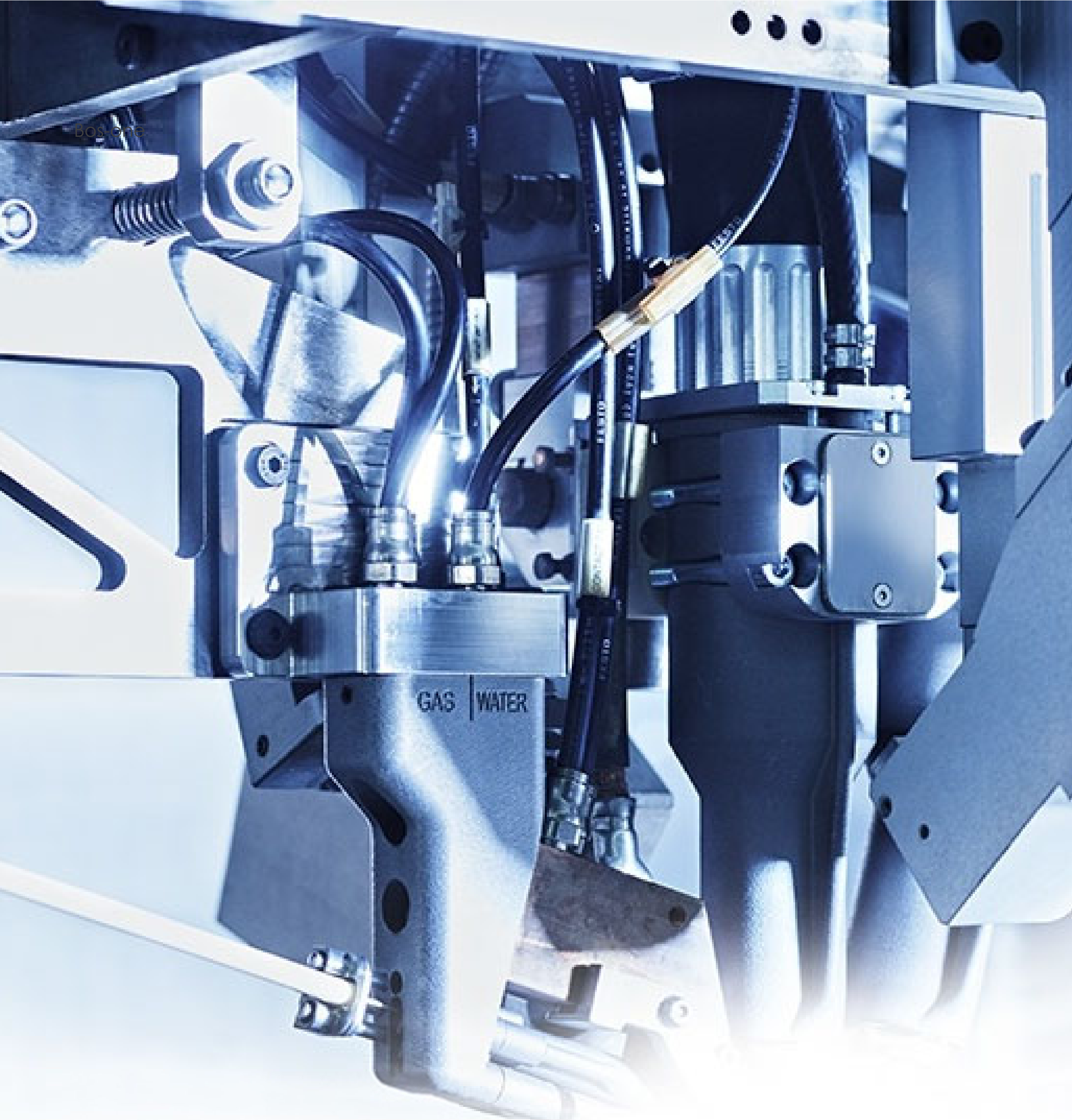


NORSK
TITANIUM

Annual Report 2021

Our vision, mission and values

Vision

Innovating the future of metal

Mission

Enable fast, clean, sustainable metals manufacturing

Values

Create an innovative, team-oriented culture focused on systematic continuous improvements delivering sustainable value to our stakeholders.

Glød
Norwegian for "passion"

Creative Curiosity

Integrity

Collaboration

Trust and Respect

Norsk Titanium is a pioneer in a new era of on-demand metal additive industrial manufacturing utilizing its Rapid Plasma Deposition® technology.

Leveraging our published material specifications, customers can readily adopt our technology to better manage their input costs and production schedules at a time when increased costs and reduced availability of raw materials are impacting supply chains around the world.

Wide-scale adoption of our technology will also allow companies in a variety of industries to reduce the energy used and CO_2 emitted in their value chains.

Contents

Innovating the future of metal

Norsk Titanium and its subsidiaries (referred to herein as "Norsk Titanium", "the Company", "we", "us" or "our") is a global leader in metal 3D printing that is innovating the future of metal manufacturing by enabling a paradigm shift to **a clean and sustainable manufacturing process**. With our proprietary Rapid Plasma Deposition® (RPD®) technology, Norsk Titanium provides cost-efficient 3D printing of metal alloys with the ability to deliver value-added parts to a large addressable market.

We focus on high end applications for which the adoption of 3D printed titanium parts will add substantial value compared to existing materials and production methods. High complexity markets such as commercial aerospace and defense allow Norsk Titanium to deliver a strong value proposition and strategically positions us for expansion into other markets. Using our industry recognised material specifications customers can identify parts adaptable to our RPD® process. We can then deploy our proprietary software development tools to quickly design and manufacture parts that will integrate seamlessly into the customer's existing supply chain.

Thanks, in part, to our partnership with the State of New York, Norsk Titanium has 700 MT of annual production capacity between its facilities in Norway and the US, which supports our business plan through 2026 and beyond. With no need for further investments in machinery, we have directed our resources towards qualifications and testing to ensure our customers can utilise our 3D printed material commercially as a direct replacement for parts currently manufactured using traditional technologies.

up to 50%
Cost Savings

70%
Less Waste

700 MT
Production Capacity

USD 300M
Revenue Potential at full capacity

FOUNDED IN 2007

First prototype 3D printing machine operational in 2008

Cooperation agreement with Airbus in 2010

State of New York invests USD 125 million to build the world's first industrial scale additive manufacturing facility in 2015

Serial production of the World's first structural aircraft part with Boeing in 2017

First qualification material delivered to Defense industry in 2019

Serial production deliveries to Spirit and Leonardo initiated in 2019

2021 KEY EVENTS

Raised USD 38 million and listed on Euronext Growth in Oslo

Continued 100% on-time deliveries to Boeing's 787 program through Tier-1 suppliers

Launch of proprietary Software Development Kit, RPD Builder™

Delivery of first demonstrator part to an industrial customer

US Department of Defense prime contractors begin full scale article testing

Delivered flight representative 700mm part to an Airbus tier-one supplier for machining risk

LOOK AHEAD

Production and delivery of Airbus machine qualification material

Development of next Department of Defense production and demonstration parts

Development of optimized component in preparation for recurring production to an industrial customer

Completed 50% of Innovation Norway projects and received additional 50% of grant funds

Letter from the CEO

A pivotal year for Norsk Titanium

Norsk Titanium was created to address the energy and natural resource inefficiency in metal manufacturing. We capitalized on our position as a global leader in metal 3D printing in 2021 by expanding our technology offerings and extending into new markets. In the current environment, the increased costs and reduced availability of raw materials including titanium are impacting supply chains around the world. RPD® technology offers the ability to use significantly less raw material and energy to create the same part, thereby presenting customers who adopt our technology the opportunity to better manage their input costs and availability.

Norsk Titanium began 2021 with a focus on expanding application of our RPD® technology in the commercial aerospace market and in other attractive industries. Although we continue to believe that the large opportunity in commercial aerospace makes this the most attractive market for our technology, we see potential for fast technology adoption rates in our new markets.

As a first mover in the commercial aerospace market, we have the advantage due to the high barriers to entry created by the very strict quality requirements and long qualification programs in this industry. However, the impact of the COVID-19 pandemic continues and our largest customer, Boeing, continues to navigate multiple challenges that have delayed its return to robust production levels. Current projections from Airbus and Boeing forecast aircraft deliveries to return to pre-pandemic levels between 2023 and 2025. Despite Boeing's ongoing difficulties and the slow return to growth in commercial aerospace overall, we have positioned Norsk Titanium to be ready to meet projected demand through continuation of our qualification efforts at both Airbus and Boeing. In the fourth quarter of 2021, we commenced production of final qualification materials for delivery to Airbus during the first half of 2022.

We took advantage of the slow-down to expand our reach to the defense sector and other industries and further develop our product design capabilities. We achieved a major milestone in 2021 by delivering the first part designed with our RPD Builder™ software development kit. RPD Builder™ is our new proprietary front-end software design solution that reduces the part design-to-print time from weeks to as little as a few hours, enabling faster delivery of test prints to our customers.

Using RPD Builder™ we designed, printed, and delivered a 120 kg demonstrator part to Hittech, a Tier-1 supplier to the semiconductor industry. We also delivered qualification materials to two major US Department of Defense prime contractors from our Plattsburgh facility and secured follow-on orders for additional development efforts to complete material specifications that will enable use of our materials in their applications.

We continue to be focused on our efforts to finalize ongoing customer qualification programs, as we work to position ourselves to be the preferred supplier of serially produced structural titanium parts for the commercial aerospace, defense and industrial markets. We also continue to explore additional market opportunities where our combination of technology, speed and cost savings combine to make RPD® an attractive alternative to traditional metal manufacturing.

In another milestone for the Company, we successfully completed the listing of our shares on the Euronext Growth trading platform in May 2021. This enabled us to increase our public profile with investors and raise an additional USD 38 million in capital to fund our development efforts. The capital raise also improved our balance sheet position and allowed us to participate in the Innovation Norway grant program. The grant awarded by Innovation Norway was NOK 35 million (approximately USD 4.0 million), giving us sufficient cash to complete our planned efforts in 2022.

I am immensely proud of the fact that while our growth may have slowed as a result of the global pandemic, it has never stopped. We proved that we are nimble as we adjusted our strategy. We ended 2021 actively working with global Tier-1 customers across industries and application complexities, all in different stages of RPD® technology adoption. I am excited to see expansion of our capabilities into new markets while continuing our progress in commercial aerospace and look forward to building on these efforts in 2022 and beyond.

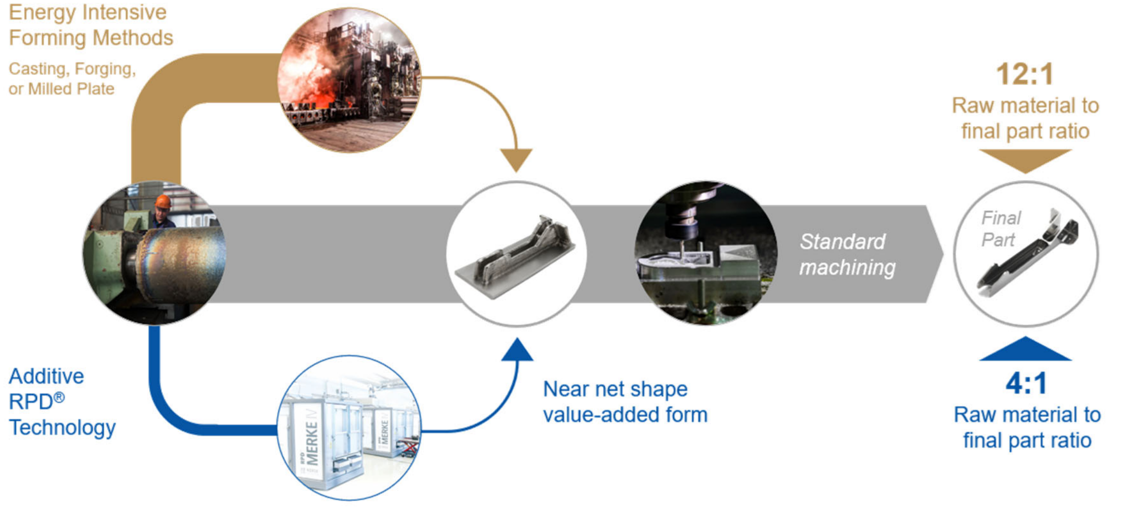
At the heart of our success is our passionate and dedicated workforce, and I want to thank our employees for rising to the challenges presented to us in 2021 with enthusiasm and resolve. We can and do take pride in all that they have accomplished and look forward to seeing what is possible as we move forward. I also want to take this opportunity to thank the shareholders who have stood by Norsk Titanium on our journey of innovation and discovery. We value your support and aim to continue to justify your faith in our success.

Michael J. Canario, CEO

RPD® machines in its Plattsburgh Production Center in New York, each capable of producing 20 MT annually

This is Norsk Titanium

Norsk Titanium is disrupting the future of metal alloy manufacturing by enabling integration of 3D printed parts into existing industrial processes as a value-added parts provider. Through highly optimized and repeatable digital programming, RPD® technology melts titanium wire into near-net-shape parts while maintaining material integrity equivalent to the highest specifications, like aerospace-grade forgings. This enables major OEMs, such as Boeing and Airbus, and their Tier-1 suppliers to seamlessly transition their supply chains to take advantage of the efficiencies offered by additive manufacturing. RPD® technology produces parts using significantly less raw material, less energy and requiring less machining than traditional methods. Our sustainable manufacturing solution offers customers the opportunity to significantly reduce their environmental footprint while also benefiting from lower costs and shorter lead-times. With the increased global focus on the environmental impact of manufacturing operations, Norsk Titanium offers a sustainable solution to customers and investors alike.



A high value parts supplier

Norsk Titanium led the way in additive manufacturing with our RPD® wire directed energy deposition (DED) technology, which we leveraged to become a supplier of high value components. We deliver a sustainable product faster and cheaper when compared to incumbent manufacturing processes and other emerging technologies. Our RPD® wire DED process also offers large part production advantages over powder based additive manufacturing processes. Over the past decade, we have focused on high-end applications for which the adoption of 3D printed titanium parts adds substantial value. High complexity markets such as commercial aerospace and defense allow Norsk Titanium to deliver a strong value proposition and strategically position us for expansion into other markets. Today, through our Boeing Material Specification (BMS) and Aerospace Material Specification (AMS) 7004 / 7005 Norsk Titanium is the industry standard for additively manufactured titanium parts that can directly replace parts within the same design parameters and existing industrial flow.

Commercial aerospace adoption enables expansion into new industries

Norsk Titanium announced the successful execution of Boeing's Material Allowables Program in 2017, which enabled the first additively manufactured titanium component qualified for structural application on a commercial airliner. Norsk Titanium provides seven parts on every Boeing 787 aircraft put into operation since October 2017. We continue to work with Boeing and its Tier 1 suppliers to qualify our materials for a broad array of applications. In 2021 we also expanded our commercial aerospace applications through Airbus machine qualification and part development efforts with recurring production planned in 2022.

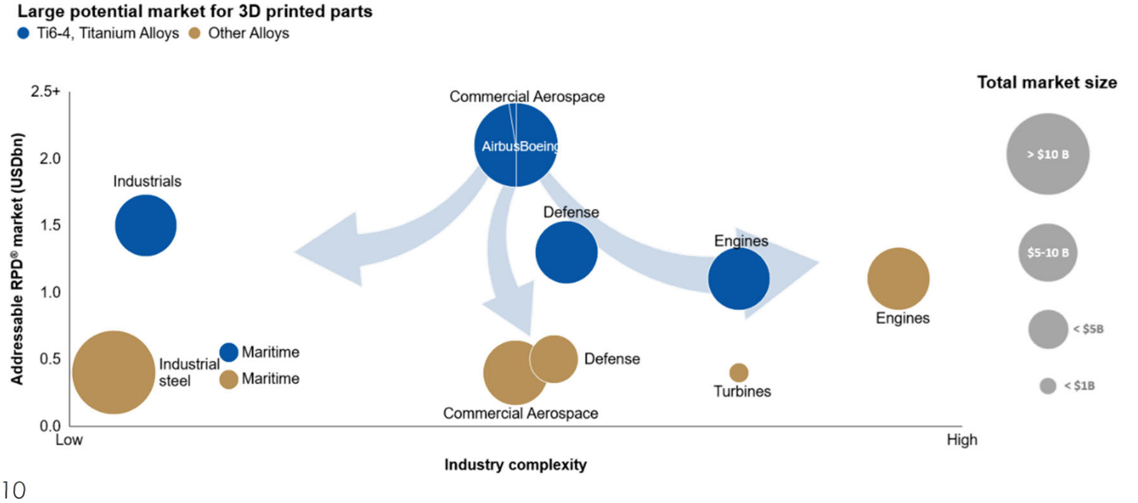
Although our largest opportunity continues to be in commercial aerospace structural parts, we capitalized on the slow-down in the commercial aerospace market during the pandemic to expand our reach to the defense sector and other industries and further develop our product design capabilities. Leveraging the benefits of the RPD® technology and our mature operations we are uniquely positioned to enter strategic markets by offering customers a path to integrating serial production parts into their existing supply chains. We do this by:

- Targeting applications for which the adoption of 3D printed RPD® parts will add substantial value
- Facilitating technology adoption through material specification and qualification programs
- Providing design solutions that enable rapid development of 3D printed parts for production
- Offering mass manufacturing capability utilizing Norsk Titanium's 700 MT production capacity and unique large batch sizes.

The business case drivers for defense applications are similar to commercial aerospace and have proven significant enough to warrant full material allowables development with multiple US prime contractors operating under Department of Defense oversight. Lessons learned in commercial aerospace have shortened the qualification timeline, with defense production expected to start in 2022.

The industrial sector has shown similar promise. Our development of a full-scale demonstration article for the semiconductor manufacturing industry demonstrates our ability to apply our technology with minimal risk to customers to transition their production to RPD®. We expect to continue to employ this model by moving further into new markets beyond defense and industrials, such as energy and engine turbomachinery.

Uniquely positioned to enter new markets



Technology

Norsk Titanium's proprietary RPD® wire DED technology has matured over the course of a decade through rigorous focus on material quality and external validation from demanding customers and industry associations. Through this journey, we developed a robust data collection platform overlayed with physical material testing to understand production parameters that yield the best material quality. Combining our software data with the physical results we are able to automate our process based on causal relationships. Additionally, Norsk has developed analytical tools that are employed for thermodynamic and stress analysis of preforms during deposition.

This design knowledge developed since 2007 has been captured and is now being made available in the RPD Builder™ software enabling us to efficiently design parts for production in Norsk Titanium's 35 MERKE IV® machines located in Plattsburgh, New York and Eggemoen, Norway.

Norsk Titanium employs a mix of trade secrets and patents designed to protect our position as a leader in 3D printing of metal alloys. To date, we have 148 patents in key markets protecting our RPD® technology, with a further 51 patent applications pending. Our patent efforts focus on protecting the technology enabling our Merke IV® printing machines as well as our unique process for direct energy deposition. As one of the first companies to develop and patent this technology, our patent portfolio provides us with a significant commercial advantage and enhances our lead over our competition.

RPD® technology

Rapid Plasma Deposition® technology revolutionizes the industry by pioneering a new era of on-demand metal additive manufacturing. The benefits are clear: less titanium used, less machining, and shorter lead times resulting in lower inventory requirements. These benefits provide our customers increased flexibility, major cost savings, and a significantly lower carbon footprint. Building on our core competencies of producing high quality materials, during 2021 Norsk Titanium further matured the RPD® process to enhance efficiency from development to printing.

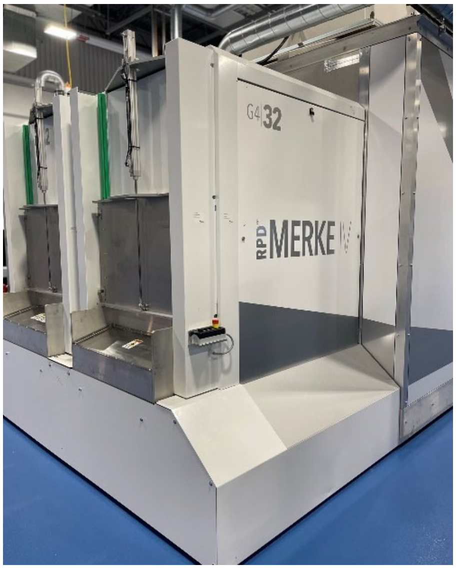
Our development efforts focused on automation, streamlining part development, and improved quality and productivity. Utilizing data collected over a decade, our intelligent software development toolkit, RPD Builder™, can optimize the part design based on thermal parameters and as a result yield parts with superior mechanical properties. In addition to this software development, we have also enhanced the RPD® technology to expand the size of parts our machines are able to print. Double-sided printing not only increases the print envelope and design flexibility, it also improves productivity by efficiently managing heating and cooling times. All these developments enabled Norsk Titanium to deliver a 120 kg print to Hittech and complete large article prints for two US Department of Defense prime contractors for testing.

RPD® roadmap

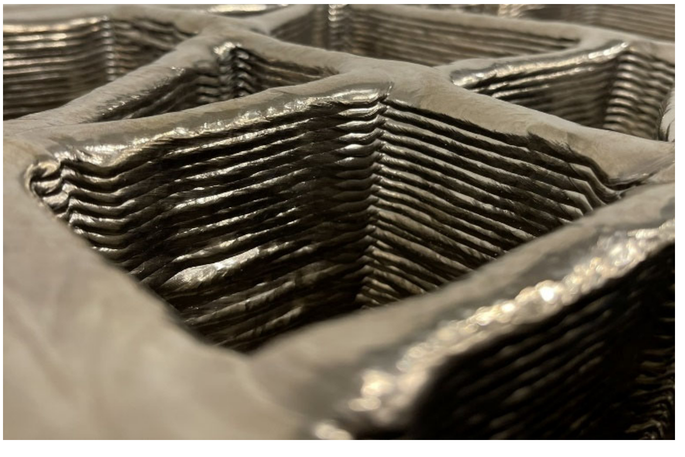
RPD® 1.0	RPD® 2.0	RPD® 3.0
Three months production time	Four weeks production time	Print in a day
Basic automation (G4)	Continuous automation	Highly centralized control methods
Static parts	Larger parts and double-sided printing	Next level process monitoring

MERKE IV® machines

The MERKE IV® is our 4th generation production machine. Using our patented RPD® process, the machine transforms metal wire into complex components equivalent to exiting structural applications made from forgings, castings or blocks. Depending on part size and geometry, each MERKE IV® machine can produce 10–20 metric tons annually. Because of its unique positive inert pressure environment, the MERKE IV® can produce extremely large batch sizes. In addition to high-speed production, each MERKE IV® machine follows a routine calibration sequence which maintains machine-to-machine equivalency and maintains performance over time. This enhanced maintenance process prints the same part in any machine and is unique in the 3D printing industry. At scale, high speed printing and machine-to-machine calibration maximizes print capacity, economies of scale, and provides an undeniable environmental advantage. The machines are regularly enhanced, and new capabilities are added through structured service packs based on process and operational manufacturing experience.



RPD Builder™



RPD Builder™ is a software development toolkit that produces the code needed for any MERKE IV® machine to print preforms regardless of where the machine is located. It enables users to rapidly translate complex part geometries into optimized RPD® form designs using learning from Norsk Titanium's materials and engineering team, significantly reducing part development timelines without compromising product quality.

Industry material specifications

In addition to establishing material specifications with Boeing and Airbus, Norsk Titanium has successfully published its material and process specifications as Society of Automotive Engineers Aerospace Materials specifications (SAE AMS 7004/7005). We are also working to establish specification requirement for the Metallic Materials Properties Development and Standardization (MMPDS) Handbook Vol II, the international reference for materials. The MMPDS Handbook is recognised as the authority for materials and processes by all industry, the US Federal Aviation Administration (FAA), European Union Aviation Safety Agency (EASA), US Department of Defense, and National Aviation and Space Administration (NASA). Leveraging the material specification, our customers are able to either procure existing parts from Norsk Titanium or design new parts that meet their design requirements.

Operations and assets

Norsk Titanium is capable of industrial scale production operations to deliver structural 3D printing solutions to multiple markets. Through an USD 125 million agreement with the State of New York we established a world class manufacturing facility in Plattsburgh, New York, enhancing our leading position in the additive sector. Globally, we have 35 RPD® machines capable of producing 700 MT of metal parts annually. When operating at capacity, the manufacturing facility in Plattsburgh is expected to generate revenues of more than USD 300 million per year. Our technology development center in Norway has four RPD® machines utilised for a mix of development and production efforts.

Research and development at Eggemoen Technology Center

The Eggemoen Technology Center was established in 2011 when Norsk Titanium outgrew its original location. The facility focuses on research and development of new technologies for 3D printing. The facility covers an area of 37,000 sq. ft., and currently has 4 RPD® machines installed with an annual capacity of 80 metric tons / year and a full-scale metallurgy lab. One of the four machines is the large format RPD® machine, G4L, which will be shipped to PPC in late 2022 to support manufacturing activities.

Large-scale production facilities in Plattsburgh, New York

Plattsburgh Development and Qualification Center ("PDQC")
PDQC was established in 2017, following the agreement between Norsk Titanium and the State of New York to build an industrial-scale 3D printing facility. PDQC is an innovative, state-of-the-art production and training facility for metal 3D printing. It covers an area of 67,000 sq. ft. and has 9 RPD® machines installed with an annual capacity of 180 metric tons / year. PDQC is also designed to be ITAR compliant and will house production for US Department of Defense systems.

Plattsburgh Production Center ("PPC")
PPC is state of the art and custom-built to the RPD® process, including fully redundant support systems for world-class building uptime. PPC covers an area of 80,000 sq. ft. and will have 23 RPD® machines installed including two of the new, large format G4Ls, with an annual capacity of 460 metric tons / year. Our machines at PPC were approved for Boeing production in 2021 and we expect additional customer qualifications to be complete by mid-2022, with mass production for contracted parts to begin during the fourth quarter of 2022.

Certifications

Norsk Titanium maintains a rigorous quality management system which is internally audited periodically and part of the AS9100D annual audit. All three facilities have AS9100 certified, and machines in each facility are also approved by Boeing for production.

Projects & Innovation Norway

Norsk Titanium is at the forefront of industrializing a high-quality, large-scale additive manufacturing process that will enable our customers to become flexible and nimble, conserve scarce raw materials and energy resources, save production and inventory costs on near-net-shape parts, and reduce the time it takes to bring a product to market. The foundation of our technology is a robust data management platform which we utilise to continuously improve material properties and automate production processes. Our research and development activities are focused around expanding customer material qualifications, specifically within fatigue applications, and capabilities for automated part program generation.

Innovation Norway awarded Norsk Titanium a NOK 35 million (approximately USD 4 million) grant to support our technology efforts in automated product development and minimization of machine process variation. During 2021, we completed 50% of our agreed scope and collected 30% of the funding. In the first quarter of 2022 we accessed an additional 50% of the funding. We expect to complete the project by the end of 2022.

The Innovation Norway grant is centered on three main areas:

1. **Automated machine and process stability:** Each RPD® machine collects 600 data measurements at up to 1 kHz sampling rate. The database is being automated to adjust production parameters and control the geometry, energy input, gas supply, and distortion as a part is being printed.
2. **Print-in-a-day:** Go from product design to production printing within a single day. This requires full feature functionality in RPD Builder™, multi machine operations, and industry 4.0 capabilities.
3. **New material technology:** Develop competencies to print high value alloys such as nickel-based alloys and other titanium alloys with non-destructive testing capabilities.

Management team

Michael J. Canario
Chief Executive Officer
Joined as CEO in June 2018. He previously served as President of Aerospace, Americas & Corporate Business Development for Hexcel Corporation, a world leader in advanced composites for commercial aerospace, space and defense and industrial applications.

Carl Johnson
Chief Technology Officer
Joined as the Chief Technology Officer in 2016. Mr. Johnson has 40 years of experience in the aerospace industry, including leading teams in advanced technologies. Two teams led by Mr. Johnson have been awarded the Collier Trophy.

Gail A. Balcerzak
Vice President, General Counsel
Joined in October 2021 as Vice President, General Counsel, bringing over 20 years of in-house legal experience in roles of increasing responsibility in global, technology-driven companies, most recently as Deputy General Counsel at Hexcel Corporation.

Ashar A. Ashary
Vice President, Finance
Joined in 2016, currently serving as Vice President, Finance. Prior to joining Norsk Titanium, Mr. Ashary spent over 15 years in private equity, investment banking and advisory where he led technology and growth investment teams.

Steve Eaton
Vice President, Operations
Joined in 2017, playing a key role in establishing our operations in Plattsburgh. He has worked in the aerospace and defense industry for over 20 years, most recently as Director of Military Programs at Collins Aerospace.

Odd Terje Lium
Vice President, Engineering
Joined in 2018, leading our Eggemoen Technology Center. Mr. Lium has more than 20 years of experience in the aerospace industry, both as a leader in technology development and production, most recently at GKN Aerospace Norway AS.

Nicholas Mayer
Vice President, Commercial
Joined in 2015, currently serving as Vice President, Commercial. Prior to joining Norsk Titanium, Mr. Mayer held management positions within the advanced development divisions of Northrop Grumman, Aerojet Rocketdyne and Lockheed Martin.

Annette Jussaume
Vice President, Quality
Served as Vice President, Quality from 2016 until her retirement at the end of 2021. She joined the Norsk Titanium from Pratt & Whitney, a United Technologies Company, where she had a 29-year career in developing and deploying quality systems.

Board of Directors

John Andersen Jr.
Chairman of the Board
CEO of Scatec Innovation AS, the founding shareholder of Norsk Titanium. He has extensive experience with rolling out technology-intensive industrial concepts and building global organisations. Mr. Andersen currently serves as chairman of the board for several public and private companies in advanced materials and renewable energy.

Jeremy Barnes
Board Member
CEO of Falko Regional Aircraft Ltd which is actively engaged in all aspects of commercial aircraft leasing. Previously Mr. Barnes was with BAE since 1993 where he was responsible for all aspects of corporate finance within its commercial aerospace sector and sat on the Executive Board that oversaw the running of the Asset Management division.

Shan Ashary
Board Member
Chief Investment Officer of the Aljomaih Group, with over 40 years of experience in managing international investments and running operations of large, diversified multinational companies. He currently serves on the boards of several companies globally.

Bart van Aalst
Board Member
Over 20 years of experience in banking and venture capital. From December 2015 to February 2019, Mr. Aalst held the position of CFO and SVP Administration at the Company. Previous he has worked for the Leasingand Securitization teams at Bank of America, Global Structured Finance at ANZ Investment Bank, and Corporate Banking at Citibank.

Steve D. Geskos
Board Member
Has invested in public and private companies for over twenty years, most recently at Rose Park Advisors as Managing Director where he focuses on companies that fit the Disruptive Innovation frameworks. Previously, Mr. Geskos was at Fortress Investment Group as a Managing Director in the Credit group.

Mimi K. Berdal
Board Member
Self-employed corporate adviser and investor in addition to various board and other professional assignments in private, public and listed companies. Ms. Berdal is today Chairperson of Goodtech ASA and member of the board of EMGS ASA , Freyr Battery SA, Energima AS and KLP Eiendom AS.

Board of Directors' Report

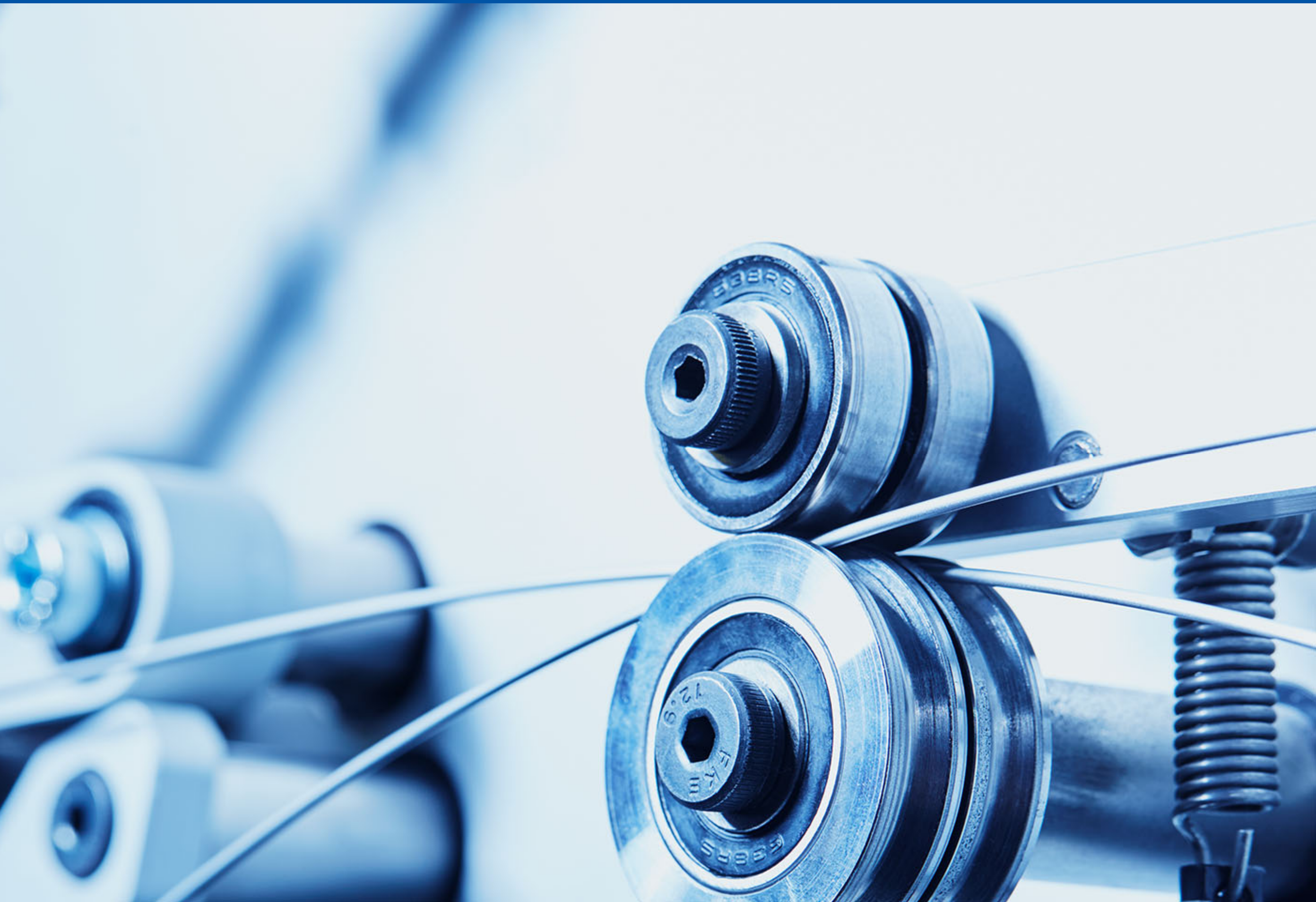
Norsk Titanium AS ("the Parent Company") is a Norwegian company headquartered in Oslo, Norway with its technology center located at Eggemoen, Norway, and is listed on the Euronext Growth Oslo exchange with the ticker symbol "NTI". The Parent Company's wholly owned subsidiary, Norsk Titanium US Inc., a Delaware, USA corporation, operates our production facilities in Plattsburgh, NY, USA. Thanks, in part, to our partnership with the State of New York, Norsk Titanium has 700 MT of annual production capacity between its facilities in Norway and the US, which supports our business plan through 2026 and beyond.

Our mission

Our mission is to enable fast, clean, sustainable metals manufacturing

Our strategy

- Target applications for which the adoption of 3D printed RPD® parts will add substantial value
- Facilitate technology adoption through material specification and qualification programs
- Provide design solutions that enable rapid development of 3D printed parts for production
- Offer mass manufacturing capability utilizing Norsk Titanium's 700 MT production capacity and unique large batch sizes



Operational review

2021 was an eventful year for Norsk Titanium. In addition to delivering parts to its commercial aerospace customers, Norsk Titanium expanded our product offering to the defense industry in the US and select industrial groups. We continued to achieve of 100% on-time deliveries to Tier-1 Boeing suppliers and maintained our position as a technology leader in metal 3D printing, laying a strong foundation for further growth and expansion into new industries. The software development kit, RPD Builder™ is at the forefront of our expansion into the industrial and defense markets, used to produce and deliver parts for Hittech, the Company's first industrial customer, as well as parts for a US defense prime contractor. This not only represents a successful expansion into leading industrial applications, but also demonstrates the scalability of the RPD® technology.

Commercial Aerospace

Norsk Titanium's top operational priorities are perfect quality and 100% on-time delivery. We are currently delivering seven part numbers to Boeing Tier-1 suppliers for the Boeing 787 program, for a total of 386 parts in 2021 with zero late deliveries. Our AS9100D approved quality system supports our 100% quality goal for all production deliveries. We had zero quality escapes for production material in 2021.

Continued adoption by Boeing and Airbus is critical to our long-term success. Commercial Aerospace represents our largest addressable market. In addition to delivering parts to the Boeing 787 program, we worked with Boeing to investigate additional applications of our process. We anticipate that additional testing will continue through 2022 and 2023 to permit application of RPD® in larger, more structurally loaded parts.

We completed initial material evaluation with Airbus in 2021. The Company is currently executing a machine qualification effort to support initial production of commercial parts for Airbus during the first half of 2022. Upon completion, we will begin manufacturing the first two serial production parts for the A350 program. Norsk Titanium plans to deliver multiple production runs of trial parts to Airbus during 2022. Parts not used for destructive testing will be available for installation on delivery aircraft. In addition, Norsk Titanium delivered a new 700mm part to an Airbus Tier-1 supplier for machining trials that is expected to transition to full rate production in early 2023.

Defense

During 2021 prime contractors developing advanced systems for the US Department of Defense (DoD) engaged Norsk Titanium to understand the scope and application of RPD® material. Norsk Titanium made significant progress in qualification and demonstration programs with two prime contractors for the DoD. One DoD customer received a test component built to its specifications and the other has completed full-scale material testing and issued a contract for follow-on qualification materials. The qualifications are progressing as planned with initial parts production for delivery expected to start in 2022.

Industrial

We received our first demonstration and qualification order for an industrial component in the first quarter of 2021 from Hittech, a leading manufacturer of semi-conductor manufacturing equipment. Development efforts with Hittech to produce a structural element of a semiconductor manufacturing machine represents Norsk Titanium's first step towards serial production in the industrial sector. In 2021 we delivered a 120 kg demonstrator part which we expect Hittech's end customer to complete testing of in 2022. We anticipate serial production to start after finalization of the test program.

Unlike commercial aerospace and defense, the industrial segment for titanium parts is highly fragmented. The Company is evaluating alternative strategies to potentially improve the recurring revenue stream for industrial applications.

Financial review

The consolidated financial statements of the Company for the year ended 31 December 2021, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Company's total revenue and other operating income in 2021 were USD 5.3 million, compared to USD 1.0 million in 2020. Profit after tax was negative USD 16.0 million, compared to negative USD 42.9 million in 2020.

Consolidated profit & loss statement

USD million	2021	2020
Revenue	1.3	0.4
Other income	4.0	0.6
Total income	**5.3**	**1.0**
Operating expenses	-22.0	-28.3
EBITDA	**-16.7**	**-27.3**
Depreciation & Amortization	-3.4	-3.0
Operating profit	**-20.1**	**-30.3**
Net financial items	4.0	-12.6
Profit/loss before tax	**-16.1**	**-42.8**
Income tax expense	0.1	-0.1
Net profit/loss	**-16.0**	**-42.9**

Note: See Company financial statements and notes for full overview

Revenue and Other income

Revenue consists of USD 1.3 million from the sale of parts and revenue from products and services delivered on development programs and Other income of USD 4.0 million, mainly reflecting grants from Innovation Norway, Skattefunn, and the US CARES payroll program. The comparable figures for 2020 are USD 0.4 million from the sale of parts, and Other income was USD 0.6 million.

This represents a Total income for the Company of USD 5.3 million in 2021, up from USD 1.0 million in 2020.

Operating costs and EBITDA

Operating expenses amounted to USD 22.0 million in 2021, a 22% decrease from USD 28.3 in 2020. There were two main drivers behind this decrease: the reduction of general operating expenses, including litigation expense as a result of settlement of a claim, and reduction of salary and personnel expenses as part of the organisational restructuring in 2020 necessitated by COVID-19 impacts on both our supply chain and end markets. Costs of Raw materials and consumables used were relatively stable at USD 3.7 million and USD 3.9 million in 2021 and 2020 respectively.

The EBITDA-loss hence amounted to USD 16.7 million in 2021, compared to a loss of USD 27.3 in 2020.

D&A and Operating profit

Depreciation and amortization amounted to USD 3.4 million in 2021, up from USD 3.0 million in 2020. The Operating loss was hence USD 20.1 million, compared to a loss of USD 30.3 million in 2020.

Net financials and Results

Net financial items amounted to USD 4.0 million in 2021, mainly reflecting gains on net foreign exchange partly offset by interests and other financial expenses. The comparable figure for 2020 was negative USD

12.6 million, and the significant change in Net financial items from 2020 to 2021 reflects a reduction in interest costs after the conversion of shareholder debt prior to the private placement in May 2021.

Loss before tax was USD 16.1 million in 2021, compared to a loss of USD 42.8 million in 2020. Net loss after tax was USD 16.0 million, down 63% from the USD 42.9 million loss in 2020.

Cash flow and liquidity

USD million	2021	2020
Net cash flow from operating activities	(20.9)	(27.3)
Net cash flow from investing activities	(0.4)	(0.7)
Net cash flow from financing activities	42.5	28.0
Net increase/(decrease) in cash	**21.3**	**(0)**

Net cash flow from operating activities was negative USD 20.9 million. From the Loss before tax of USD 16.1 million, adjustments to reconcile non-cash expenditure included in the loss before tax to Net operating cash flow was negative USD 0.6 million, in addition to working capital adjustments which was negative USD 4.2 million.

Cash flow from investing activities was only negative USD 0.4 million in small expenditures for fixed and intangible assets, as the Company already has the production capacity needed to reach its long-term targets. The cash flow from financing activities was USD 42.5 million which in large part reflects the proceeds from the private placement and the repair offer of USD 40.2 million during 2021.

In total, the net change in cash and cash equivalents was USD 21.3 million, and 2021 ended with a cash balance of USD 22.9 million compared to USD 2.2 million at the end of 2020. The cash balance at year end is expected to fund the operations through 2022, however, the Company will continue to raise capital to fund operations to reach its long-term goals

Consolidated financial position

USD million	2021	2020
Current assets	31.0	8.7
Non-current assets	11.0	14.3
Total assets	**42.0**	**22.9**
Current liabilities	6.8	101.9
Non-current liabilities	1.1	1.5
Total liabilities	**7.9**	**103.5**
Share capital & premium	50.6	0.5
Other reserves & equity	(16.5)	(81.0)
Total equity	**34.1**	**(80.5)**

Assets

On 31 December 2021, intangible assets of USD 6.4 million are mainly related to the development of the production platform and RPD® technology-related qualification programs with customers and further development of the MERKE IV® production assets. Property, plant, and equipment of USD 4.1 million mainly consists of three MERKE IV® RPD® machines and related production infrastructure in Plattsburgh and Eggemoen.

Current assets mainly reflected the cash balance of USD 22.9 million, in addition to inventories at year end of USD 5.2 million. Total assets amounted to USD 42.0 million at the end of 2021, compared to USD 22.9 million at the end of 2020.

Equity and liabilities

Total Equity amounted to USD 34.1 million on 31 December 2021. The non-current liabilities amounted to USD 1.1 million and current liabilities were USD 6.8 million. Total liabilities at the end of the period were hence USD 7.9 million at the end of 2021, compared to USD 103.5 million at the end of 2020. This corresponds to an equity to asset ratio of 81% at the end of 2021.

Organisation

Norsk Titanium employs 97 people in Norway, the United Kingdom and the US, with representatives from more than 15 different nationalities. Our operations require a highly skilled workforce, including engineers and metallurgists. The Company's reporting on diversity and equal opportunity can be found under "Our People" in the Sustainability section of this Annual Report.

Corporate Governance

The Board of Directors has made a commitment to ensure trust in the Company and to enhance shareholder value through effective decision-making and improved communication between management, the Board of Directors and our shareholders. The Company's framework for corporate governance is intended to decrease business risk, maximise value and utilise the Company's resources in an efficient, sustainable manner, to the benefit of shareholders, employees, other parties concerned and society at large. We aim to ensure that our current processes and procedures are consistent with the most recent version of the Norwegian Code of Practice for Corporate Governance. Our assessment of the 15 issues covered by the Norwegian Code is detailed in the Corporate Governance section of this Annual Report.

Parent Company result

The Parent Company reports its financial statements in Norwegian Kroner (NOK). During 2021 the Parent Company had an operating loss of NOK 90.5 million. Due to a gain on net financial items Norsk Titanium AS reported a net profit of NOK 26.7 million. At 31 December 2021, the Parent Company's total assets were NOK 1,254.7 million and total equity was NOK 1,212.2 million.

Allocation of the result for the year

The Board of Directors proposes that the profit for the year for Norsk Titanium AS of NOK 26,704,302 is charged to other equity. The equity in Norsk Titanium AS as of 31 December 2020 is NOK 1,212.2 million. The Board of Directors proposes to add the other paid in capital and share premium of NOK 8,755,408 to the profit for the year.

Going concern

In accordance with the Accounting Act 3-3a, the financial statements have been prepared under the assumption of going concern. This assumption is based on the current market outlook and financial forecasts for the year 2022 and the Company's long-term strategic forecast including funding.

The Company will require additional capital to continue to fund its operations in 2023 and beyond. The Board has formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the date of the financial statements.

Risks and uncertainty factors

Norsk Titanium is transitioning from a development stage company to a commercial manufacturing concern. The primary focus in 2022 continuing into 2023 is the commercialization of our RPD® technology in multiple industries and applications. We must balance continued technological development with efforts designed to foster the adoption of our technology by potential customers, both of which may be constrained by limited resources.

COVID-19 Impacts

The drastic downturn in commercial air travel as a result of the global pandemic in 2020 had a significant impact on the commercial aerospace industry, which hampered the Company's ability to further our qualifications and the adoption of our technology within the commercial aerospace sector. While domestic air travel rebounded in 2021, international remains at depressed levels compared to pre-pandemic. The resulting partial rebound did not translate immediately into increased demand for new aircraft, in part due to large inventory levels. This in turn limited the Company's ability to penetrate the market for titanium parts on commercial aircraft and continued to impede various qualification efforts already underway.

The impacts on the commercial aerospace market caused by the pandemic may result in more uncertain markets going forward, with the operations of the Company, our target customers and our suppliers continuing to be vulnerable to interruptions in production and transportation caused by lack of personnel and restrictions on the free flow of goods. The Company continually monitors market conditions and seeks to time its efforts in hiring, capital investment and supply chain development to enable us to meet the projected market demand, but we cannot guarantee that we will be successful at anticipating market demand. At this time, the Board believes that the Company's growth plans for 2022 adequately account for the potential risks in this area.

Legal and Regulatory Risks

We are subject to a number of regulatory requirements in both Norway and the US, including environmental, health and safety requirements, export requirements, privacy regulations and regulations regulating employment. As part of the Company's internal controls and compliance program, management regularly assess the risks in these areas and report to the Board on any deficiencies or need for enhancement to the existing policies and procedures. In the most recent report to the Board, management did not identify any material deficiencies.

Operational Risks

The Company depends on a small number of suppliers for raw material and critical components. The recent conflict in Ukraine has led to increased uncertainty in the market for titanium raw material. We continue to explore ways to diversify our supply chain to ensure continuity of supply and are closely monitoring the geopolitical situation. Management has informed the Board that there is no risk to the Company's titanium supply in the short term and that it is working on solutions for the mid- to long-term.

The Company continues to closely monitor inflationary risks. Both labour and material costs are at risk of increasing in 2022 and could outpace the rate of inflation assumed in our most recent financial forecasts.

Financial Risks

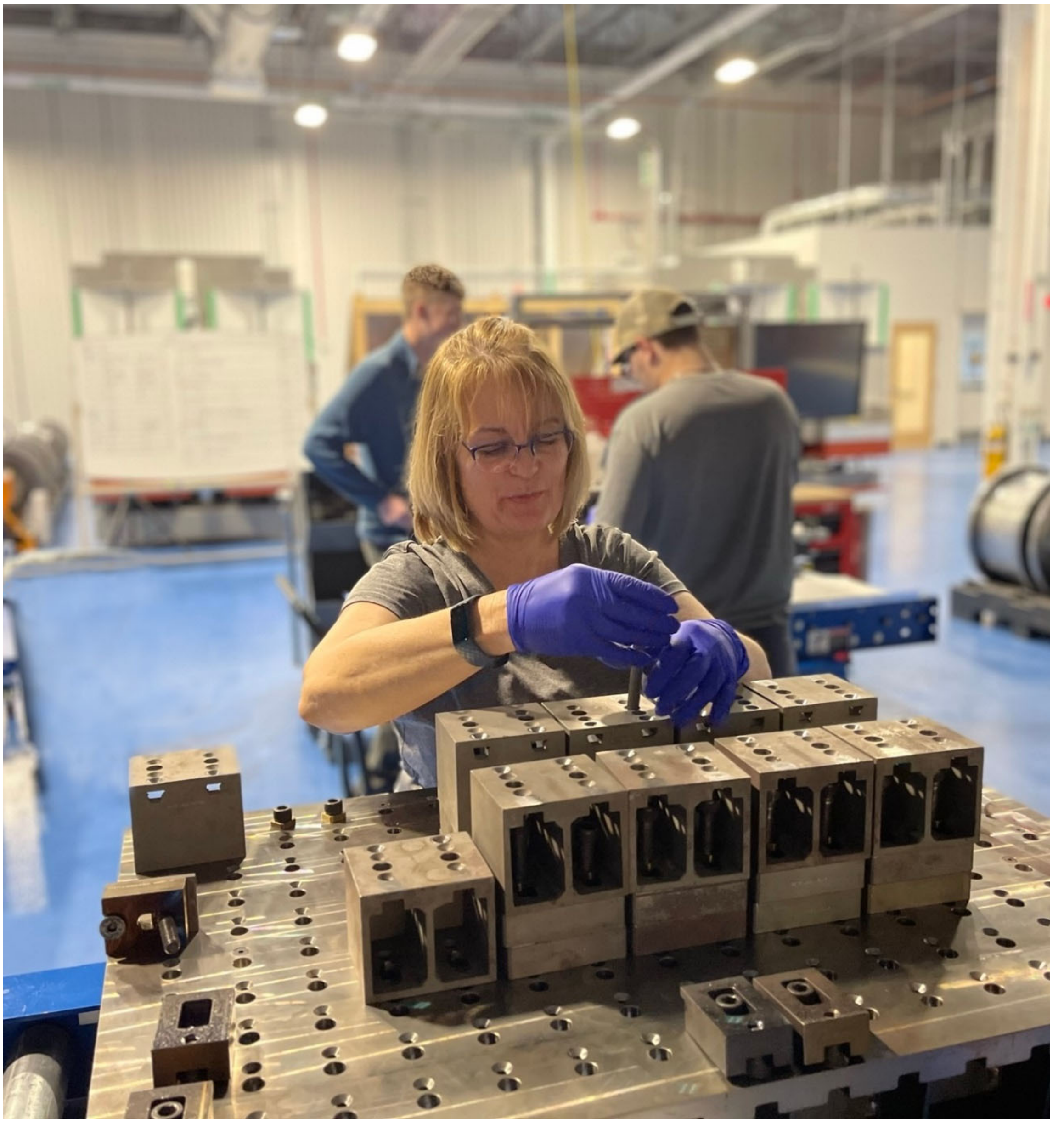
Given the cash position of USD 22.9 million at 31 December, the Board anticipates that the Company will need to raise additional capital to continue to fund operations in 2023 and beyond. Our ability to obtain additional capital or financing will depend in part on prevailing market conditions as well as conditions of our business and our operating results.

The current equity-based financing structure limits our interest rate risk. The Company's main operations are linked to the reporting currency USD, with the main exposure related to translation of limited revenue and expenses in other currencies. Credit risks are negligible, and we had no losses in receivables in 2021.

As described above in the 'Going Concern' statement, the Board of Directors and management assess that the Company will need to raise additional capital to continue to fund operations in 2023 and beyond.

Forward-looking statements

This report contains forward-looking statements. Forward-looking statements reflect current views about future events and are, by their nature, subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although the Company believes that these assumptions were reasonable when made, we cannot assure that the future results, level of activity or performance will meet these expectations.



Outlook

Norsk Titanium's disruptive 3D metal printing solution is gaining acceptance with commercial aerospace, defense and industrial customers. Current qualifications are expected to create a long-term pipeline of visible revenue as we will be qualified to manufacture parts for platforms with 10+ year production runs. At the same time, we see significant potential in expanding into new sectors over time leveraging our published material specification and instant part development software, RPD Builder™. Increasing costs and reduced availability of raw materials globally, including titanium, may offer us the opportunity to accelerate the adoption of RPD® technology due to the demonstrated reduction in raw material requirements and cost savings attributable to the use of RPD® technology.

As aerospace sector revenue is set to increase after the substantial negative impact of the COVID-pandemic in 2020, long-term demand for new commercial aircraft will grow subject to interacting technical and economic objectives. Airbus and Boeing currently forecast full recovery of air traffic to pre-pandemic levels sometime between 2023 and 2025.

Norsk Titanium aims to become a preferred supplier of titanium structures in commercial aerospace programs and reach serial production with all parts delivered. With a Tier-1 customer base and extensive qualification programs, we expect that the cost, energy and raw material efficiency and flexibility of our production method will continue to draw interest both from other aerospace customer and new industries.

Within the US defense industry, we are in qualification processes with multiple potential customers with significant production potential after qualification. Ongoing development programs and one new qualification program with prime contractors for the DoD could open doors to several new opportunities in the industry. We see significant volume potential within industrial applications, and in the first half 2021 secured a qualification contract for potential deliveries to a semiconductor equipment manufacturer.

Norsk Titanium's digitally enabled technology allows expansion of business model to support industrial product volumes and local manufacturing desires. Norsk Titanium was awarded a NOK 35 million (approximately USD 4 million) grant from Innovation Norway and up to NOK 9.5 million (approximately USD 1 million) from Skattefunn to further industrialize the RPD® manufacturing process.

The Company will continue to raise additional capital to fund ongoing development and production activity until such time as revenue from operations can support the business and reiterates its target to generate USD 150 million in sales revenues in 2026

Board of Directors' Statement

The Board of Directors have today considered and adopted the Annual Report of Norsk Titanium AS for the financial year 1 January to 31 December 2021. The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements for Euronext Growth listed companies.

In our opinion, the Consolidated Financial Statements and Parent Company Financial Statements give a true and fair view of the financial position on 31 December 2021 of the Company and the Parent company and of the results of the Company and Parent company operations and cash flows for 2021.

In our opinion, Board of Directors report includes a true and fair account of the development in the operations and financial circumstances of the Company and the Parent company as well as a description of the most significant risks and elements of uncertainty facing the Company and the Parent company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hønefoss
30 March 2022

John Andersen Jr. Chairman	Shan A. Ashary Board Member	Bart van Aalst Board Member
Jeremy Barnes Board Member	Mimi K. Berdal Board Member	Steve D. Geskos Board Member

Michael J. Canario
CEO

Sunset in winter from the Eggemoen Technology Center, Hønefoss Norway

Sustainability

The founders of Norsk Titanium are innovators in the fields of renewable energy and advanced materials, with a goal to introduce the world to more environmentally friendly forms of commerce. Back in 2007, they asked themselves "Where can we make the most impact?" The answer: innovate the way that the world manufactures metal parts to use less energy, generate less waste, and keep those involved in the process safer. Thus, Norsk Titanium was created to innovate the future of metal by enabling, fast, clean, sustainable manufacturing.

For more than 100 years, the process for manufacturing components from structural grade metal alloys has remained essentially the same. Whether working with forgings, castings or milled material, the traditional processes to create the initial forms are energy intensive and time consuming. Those bulky forms then must be machined down to the finished part shape. This subtractive form of manufacturing results in considerable waste of the metal machined off as scrap. While the traditional processes have become less labour intensive over time, they still require a significant investment in infrastructure, energy and labour and pose a risk of negative impact on both persons and the environment.

RPD® innovates the production of metallic near net shape forms by using an additive process. Conventional manufacturing processes have a raw material to final part ratio of 12:1. In contrast, our production technology and methods have a raw material to final part ratio of 4:1 – 70% less raw material than conventional processes. In addition, the near net shape forms generated using RPD® require substantially less subtractive machining compared to conventional technologies. Less machining means a reduction in the use of lubricants, coolants and overall energy consumption. No matter how you look at it, our RPD® process results in significant energy and waste savings, making our technology significantly more environmentally friendly than conventional processes.

The production of the raw material is the most significant usage of energy in the manufacturing of metal parts and RPD® eliminates 70% of needed raw material. In addition to raw material savings, we estimate that each fully utilised RPD® machine can save approximately 2 GWh in annual energy consumption as compared to conventional processes, representing approximately 1,100 MT of reduced CO_2 emissions per machine per year. We have 35 machines capable of producing material.

Norsk Titanium is at the forefront of the use of additive manufacturing for industrial scale production of materials using titanium and other metal alloys. Wide-scale adoption of our technology will allow companies in a variety of industries to reduce the energy used and CO_2 emitted in their value chains. As adoption of our technology escalates, we anticipate having a greater impact on the goal of net zero emissions. We are in the process of developing robust tracking mechanisms to evaluate our impact in these areas.

We also strive to reduce the environmental impact of our own operations. The main input factors for our production process are metal wire and plate, energy machine consumables, and inert argon gas. We are exploring opportunities to reduce both direct and indirect greenhouse gas emissions resulting from operations by addressing resource consumption in general, including energy consumption, water use and waste. We also strive to be a good steward of natural resources through increased efficiency in our manufacturing process and recycling efforts for material inputs to our process.

Corporate Governance

Norsk Titanium believes that good corporate governance is essential to the long-term success of the Company because it is the best mechanism for creating and sustaining shareholder value and investor confidence. Our Board is responsible for the development and implementation of internal processes and procedures to ensure that we follow applicable principles and maintain good corporate governance. We aim to ensure that our current processes and procedures are consistent with the most recent version of the Norwegian Code of Practice for Corporate Governance. Our assessment of the 15 issues covered by the Norwegian Code is detailed in the Corporate Governance section of this Annual Report.

Health, Safety and Environmental (HSE) Responsibility - Caring for the Individual and the Environment

Norsk Titanium strives to provide every team member with a healthy and safe working environment. We actively integrate health and safety into all our work practices and into the way we think and act, and to

comply with all regulations relating to health, safety and the environment. We will never compromise on health or safety, regardless of time pressure, financial situation or desired performance in other areas.

Our HSE vision is for **Every Day to be a Perfect HSE Day**, defined as a day without injuries, first aid administration or spills. In 2021, we recorded only one day that was not a Perfect HSE Day company wide.

HSE committees at each site are responsible for identifying and monitoring HSE risks, ensuring compliance with applicable laws and regulations, planning and follow-up on site specific HSE activities such as safety training, reviewing and follow-up on HSE observations, and documenting HSE work. The committees are led by the respective Site Leads and are comprised of employees from a wide spectrum of disciplines, including operators and administrative personnel, to ensure a strong cross-functional focus on HSE compliance. The site committees meet monthly to assess performance against KPIs for their locations. Additionally, the site teams for Eggemoen and Plattsburgh meeting quarterly to assess our progress globally and share best practices.

In addition to the HSE committee at our Eggemoen operations, we established a Working Environment Committee ("WEC") that functions as an advisory and decision-making committee with regards to HSE. The WEC consists of four employees with decision-making authority and two non-voting members or observers. The WEC has an equal number of management and employee representatives entitled to vote. Its mandate is to establish a fully satisfactory working environment and participate in planning safety and environmental work. The WEC reviews all reports of occupational diseases, occupational accidents and accidents, seeks to identify the cause of the accident or illness, and ensures that we take action to prevent a recurrence.

We believe that we are in full compliance with all regulations relating to health, safety and the environment in the countries in which we operate.

Social Responsibility

Norsk Titanium is committed to responsible business practices with respect to human rights, labour standards and social conditions, social matters, the external environment, and anti-corruption. We have developed a framework including our Code of Conduct, policies for anti-harassment, anti-corruption, anti-bribery, raising concerns (whistleblowing) and systematic HSE work, as well as a detailed quality manual to secure compliance with the ISO 9001: AS9100D Quality Management Systems.

We support the UN's Global Compact initiative, and the company's Code of Conduct is compatible with UN Global Compact and OECD's guidelines for Multinational Enterprises. The Code covers human rights, workers' rights in accordance with the International Labour Organisation conventions, personnel policy and the working environment, health and safety, environment and climate, as well as competitive behavior and company interactions with customers, third parties, and society at large.

Our anti-corruption policy and anti-bribery policy were developed in compliance with the U.S. Foreign Corrupt Practices Act, the U.K Bribery Act and other applicable anti-corruption laws, and states that we will not engage in, or otherwise tolerate, any form of bribery or corruption in the business dealings of any member of the Company.

Our commitment to social responsibility extends beyond our internal community. Norsk Titanium is committed to positively influencing equity, inclusiveness, and opportunity in the communities where we live and work through partnerships, philanthropy, and community commitments

Champlain Valley Tech School tour in May 2021 with the "New Visions: Applied Engineering" program

Our People

At Norsk Titanium, our people are our most important asset. We believe our success depends on the skills, experience, and industry knowledge of our key talent. As such, our management team places significant focus and attention on the attraction, development, and retention of employees, as well as ensuring our corporate culture reflects the Company's values. Our values guide our actions and drive our performance, as explained in our Code of Conduct posted on our website at www.norsktitanium.com. We have made and continue to make investments in training and professional development, and we have established performance management and talent development processes that encourage employees to aspire to different career opportunities and to facilitate regular feedback and coaching from managers to develop their employees.

We believe Norsk Titanium is a stimulating place to work where employees are given the opportunity to use their skills and abilities to contribute to both the Company's and their own development and growth. To more fully align our employees' interests with those of the Company and our shareholders, we recently adopted a new Long Term Incentive Plan which provides for the annual award of share-based incentive compensation to employees at all levels of the organisation. The awards vest over time, enhancing employee retention and fostering a collaborative environment where everyone can influence our success.

An engaged, innovative, skilled, and collaborative workforce is critical to our continued leadership in the additive manufacturing industry. We operate under policies and programs that provide competitive wages, benefits, and terms of employment. We are committed to efforts to increase diversity and foster an inclusive work environment that supports our global workforce through recruiting efforts, equitable compensation and time off policies, and regular communication designed to promote a positive and collaborative culture. While our recruiting

efforts are typically focused on the areas in which our operations are located, we prioritize skills and experience over geographic location.

We pride ourselves on a work environment that fosters employee participation. We employ quarterly employee surveys to obtain regular feedback from employees and strive for continuous improvement based on the feedback from these surveys and focus groups.

Equal Opportunity

At Norsk Titanium, we believe that diversity, equity and inclusion within our team are key elements to achieving our business strategy and form a fundamental part of our values and commitment to the community. We strive to create a workforce that provides a broad spectrum of perspectives, as only by embracing diversity of thought and experience can we achieve optimal outcomes for the organisation and our shareholders.

Gender Equality in the Company

Norsk Titanium employs people in Norway, the United States and the United Kingdom. Our distribution between women and men in the workforce is nearly the same in both Norway and the US, as shown below.

Permanent Employees in the Company	Women	Men	Total	% Women
Norway	14	40	54	26%
UK	0	1	1	0%
US	10	32	42	24%
Total	24	73	97	25%

Part Time and Temporary Employees in the Company	Women	Men	Total	% Women
Part-time Employees	2	2	4	50%
Temporary Employees	0	1	1	0%

Of our part-time employees, one is employed in the US and the remainder are employed in Norway. In 2021, we had zero incidents of involuntary part-time work based on feedback from affected employees. Our sole temporary employee is an apprentice in Norway who is part of a public education program.

All employees are hired based on their qualifications for the role. All job requirements are assessed by professionally trained HR partners and applied in a non-discriminatory manner based on structured procedures, and our employees enjoy equal opportunities irrespective of ethnic background, race, colour, gender, gender identity, sexual orientation, age, marital or civil partner status, religion, culture or disability. We work proactively to achieve equity between the genders during the recruitment processes, internal promotions and our merit increase process.

Despite our best efforts to hire and promote qualified individuals without regard to gender, our ability to achieve parity between the numbers of men and women in our workforce is hampered by the environments in which we operate. First, Norsk Titanium is a technology-driven company and a large portion of our jobs are technical and engineering roles. Historically, women are under-represented in these roles generally in the workforce both in Norway and the US, which is reflected in the discrepancy between women and men employed by the Company. Second, we operate a manufacturing plant, another area in which women have historically been under-represented. As discussed below, we are seeking to implement programs that will help to address this imbalance and improve our diversity in this area.

Parental Leave

In 2021, no female employees in Norway were eligible for parental leave. We had four eligible male employees who took an average of 13 weeks of parental leave. Only three of them had their main parental leave in 2021, they took an average of 16 weeks parental leave each. These numbers reflect leave for Norwegian employees only, as the US and UK employees have leave programs that differ from those offered in Norway.

We provide paid and unpaid leave benefits in the US and the UK that are equal to or better than those required by applicable law, and we strongly encourage all employees to avail themselves of such leave programs as necessary.

Pay Gap Analysis by Gender

We conducted an analysis of the pay levels of women versus that of men within the Company in 2021. In conducting this analysis, we sorted the various positions within the Company into four categories, using an evaluation methodology based on four factors:

- *Know-how* - what does the role need to know to identify and handle the problems
- *Accountability* - what is the contribution of the role to the results of the organisation
- *Problem solving in the specific job* - what problems does the role need to solve
- *Working conditions and effort* – special work conditions and requirements for exertion.

The following table shows percentage of the pay of our female employees versus our male employees in each level for our global workforce:

		Men	Women	Total	Women's pay in % of men's pay
Level 1	Entry level	12	4	16	100%
Level 2	Intermediate Level Professionals	13	4	17	110%
Level 3	Mid-Level Professionals	32	8	40	88%
Level 4	Senior Professionals	16	8	24	96%

If we assess our Norwegian workforce independently of our US and UK employees, the percentage of the pay of our female employee versus our male employees in each level changes slightly from when assessed on a global basis:

		Men	Women	Total	Women's pay in % of men's pay
Level 1	Entry level	1	1	2	107%
Level 2	Intermediate Level Professionals	8	2	10	103%
Level 3	Mid-Level Professionals	24	6	30	91%
Level 4	Senior Professionals	7	5	12	100%

Whether assessing pay conditions globally or in Norway alone, the data shows relative parity between men and women in each level. The largest gap occurs in Level 3, at 12% globally and 9% for Norway, which is driven by a lower number of women with seniority and/or in leadership positions as compared to the men in the same level.

Improving Diversity and Inclusion at Norsk Titanium

Our Foundation

At Norsk Titanium, we believe that a broadly inclusive workforce strengthens our culture by fostering creativity and curiosity to propel our business forward and helps us to attract and retain top talent. We strive to provide our employees with a safe, stimulating environment where every one's voice is heard and respected. Currently, we employ colleagues of more than 15 different nationalities with a variety of skills and interests. This broad diversity in a company of less than 100 employees enhances our ability to continue to attract talent from a wide spectrum.

Every employee begins their career at Norsk Titanium with our Code of Conduct and must acknowledge that they have received and read the Code and will abide by the principles set forth in the document. The Code includes a prohibition against discrimination of any kind, and sets out what employees may expect of their work environment, including:

- the opportunity to use their skills and abilities to contribute to the Company's progress as well as their own,
- the right to be treated with respect and provided with a safe working environment, and
- the right to equal opportunities irrespective of ethnic background, race, colour, gender, gender identity, sexual orientation, age, marital or civil partner status, religion, culture, or disability.

Our inclusive environment starts with our open-door policy. Employees are encouraged to share their ideas for improvements, as well as to report any behavior that does not agree with the Code and our values. To promote dialog, we encourage employees to speak directly with their managers, and we encourage our managers to listen to employee ideas and concerns and to provide timely feedback. During our annual performance evaluation process, employees have an opportunity to provide feedback to their managers, as well. Employees who are not comfortable speaking to their managers, however, may seek out other members of the management team or may choose to report concerns anonymously through our whistleblower hotline. We also solicit input through our quarterly employee surveys, where we look for feedback to allow us to track whether we are providing clear messaging in areas such as the importance of compliance and HSE. Generally, employees have ranked our performance in these key areas highly. We have committed to follow up on suggestions and concerns raised through the surveys during regularly scheduled all hands meetings and through our employee website.

Our HSE committees are dedicated to ensuring that all work is conducted in a safe environment, and that all employees have the ability to raise concerns about their safety and the safety of others. The open-door policy, employee surveys and whistleblower hotline all encourage a safe and respectful social and interpersonal environment in addition to the physical safeguards.

Our pay practices are centered on achieving equity. We conduct an annual review of wages to identify and understand the factors behind any discrepancies between genders within roles and address any inequities. We offer competitive career opportunities to men and women based on objective assessments of skills and competencies both during the hiring phase and also when reviewing internal promotion opportunities. We collaborate with our labour unions in Norway to ensure that we are achieving our objectives in this area and perform a formal assessment of our pay differentials at least every two years to track our progress.

Ongoing Efforts

We undertook an internal mapping process in 2021 to determine where we might have risk of discrimination or other barriers to equality in our organisation, which primarily consisted of reviewing pay conditions by gender and the use of involuntary part-time work. We intend to expand our mapping process in 2022 to include other areas through use of a specially designed tool that will enable systematic review and assessment. Once risks are identified, we will undertake an analysis of the root causes and seek to implement measures that are appropriate and relevant to counteract discrimination in these areas and ensure that we are promoting greater equality and diversity throughout the Company.

The 2021 analysis of our workforce showed an uneven distribution of employees across genders. To address this imbalance, in 2022 we will focus on revising our recruitment and marketing materials to appeal to a more diverse slate of candidates. We will also look for ways to recruit more women into our engineering and technical roles both through our revised recruitment materials, but also through participation in job fairs and other associations where we will have an opportunity to market Norsk Titanium to more women.

Through our planned expansion of the mapping of potential inequities, we will continue to strive for parity among our workforce in all areas of diversity.

Covid-19 Prevention and Preparedness

In response to the emergence of COVID-19 in early 2020, we implemented a proactive internal procedure and complied with local, federal and international governmental guidance that enabled us to operate safely. Our safety protocols continue to evolve as guidance in this area evolves, and we remain dedicated to ensuring that our workplaces are as safe as possible from transmission of infection.

Corporate Governance Report

Norsk Titanium has made a commitment to ensure trust in the Company and to enhance shareholder value through effective decision-making and improved communication between our management, our Board of Directors and our shareholders. Our framework for corporate governance is intended to decrease business risk, maximise value and utilise the Company's resources in an efficient, sustainable manner, to the benefit of shareholders, employees, other parties concerned and society at large.

We are not subject to the Norwegian Code of Practice for Corporate Governance last updated 14 October 2021 (the "Corporate Governance Code"), but we have structured our corporate governance framework in all material aspects according to the Corporate Governance Code. The Code is available at the Norwegian Corporate Governance Committee's web site www.nues.no .

The following provides a review of our corporate governance in relation to each section of the Corporate Governance Code for the period from 18 May 2021, the commencement date of the trading of the Company's shares on Euronext Growth Oslo, to 31 March 2022. Section numbers refer to the Corporate Governance Code.

The Corporate Governance Code	Compliance to the Code
1. Implementation and Reporting on Corporate Governance Principles	Compliant
2. Business	Compliant
3. Equity and Dividends	Compliant
4. Equal Treatment of Shareholders	Compliant
5. Share and Negotiability	Compliant
6. General Meetings	Compliant
7. Nomination Committee	Non-compliant
8. Board of Directors: Composition and Independence	Non-compliant
9. The Work of the Board of Directors	Compliant
10. Risk Management and Internal Control	Compliant
11. Remuneration of the Board of Directors	Compliant
12. Remuneration of Executive Personnel	Compliant
13. Information and Communications	Compliant
14. Take-overs	Non-compliant
15. Auditor	Compliant

Please see the corresponding headings below for a discussion of the reasons for non-compliance with items 7, 8 and 14.

1. Implementation and Reporting on Corporate Governance

Our Board of Directors is responsible for the development and implementation of internal procedures and regulations to ensure that we follow applicable principles and maintain good corporate governance. The Board assesses our overall position with regard to such principles annually and reports accordingly in our Annual Report.

Norsk Titanium's vision is to contribute to the world by innovating the future of metals. We accomplish this by enabling fast, clean and sustainable metals manufacturing. Our leadership believes that achieving that vision is only possible if the Company and its employees conduct business in accordance with our core values: Glød (passion), Creative Curiosity, Collaboration, Trust and Respect, and Integrity. Our success is further dependent on our reputation for operating with the highest standards for integrity, transparency and trust. To ensure that all employees share in our commitment to integrity, we adopted our Code of Conduct. The Code sets out our expectations for behaviour for our Board of Directors, management, employees, and contractors, consistent with our core values. Each individual is responsible for understanding the Code and doing their best to conduct themselves in accordance with the principles set forth in the Code. Each employee receives a copy of the Code when they are hired and is required to acknowledge that they have read and understood it. We encourage all employees to report any violations of the Code to management, or through our third-party hotline.

2. Business

Norsk Titanium was established in 2007 with the business purpose to develop and commercialize radically less expensive and more environmentally friendly aerospace grade titanium components.

The Company's business is defined in the Company's Articles of Association (the "Articles of Association"), section 3:

"The company's business is development of technology for production of titanium, as well as other business relating to this."

We are a global technology leader in additive manufacturing for metals. Our proprietary, high-deposition rate metal 3D printing process, Rapid Plasma Deposition®, or RPD®, delivers superior quality material faster and cheaper than conventional processes, with less waste and emissions.

Norsk Titanium operates its R&D center at Eggemoen, Norway, and operates manufacturing facilities in Plattsburg, New York, USA.

The Board of Directors has established objectives, strategies and a risk profile for our business within the scope of the definition above, with a goal to create value for our shareholders in a sustainable manner. The Board takes into account economic, social and environmental considerations in setting the Company's objectives, strategies and risk profile. These are subject to annual review by the Board.

Our objectives and principal strategies are further described in this annual report under the heading "This is Norsk Titanium", on our website www.norsktitanium.com and in the admission document to the trading of the Company's shares at Euronext Growth Oslo (available on our web site).

3. Equity and Dividends

Equity

At 31 December 2021, the Company's equity was USD 34.1 million, which is equivalent to 81% of total assets. Our Board considers the Company's equity level to be satisfactory. The Board continuously considers the suitability of the Company's equity level and financial strength in light of our objectives, strategy and risk profile.

Dividend policy

We are focused on developing and commercializing our technology and intend to retain future earnings to finance development activities, operations and growth of the business. As a result, we do not expect to distribute dividends in the near future, and thus our policy is to not distribute dividends in the short to medium term.

Capital increases and issuance of shares

The Company currently has two authorizations outstanding totalling a share capital increase (excluding share premium) of NOK 4,090,612, authorizing the Board of Directors to issue up to 51,132,650 shares, each at a par value of NOK 0.08. The authorizations are distributed as follows:

1. An increase of up to NOK 3,370,612, representing 42,132,650 shares. This authorization was granted by the Annual General Meeting 6 May 2021 and may be used to issue shares for (a) necessary strengthening of the Company's equity, (b) in connection with the Company's incentive programs for employees and (c) as consideration in the acquisition of business within the Company's business purpose. The shares may be issued against cash deposits or against contribution in kind. The Board of Directors is authorised to decide the subscription terms, including the subscription price. This authorization is valid until the ordinary general meeting in 2022, but not later than 30 June 2022.

2. An increase of up to NOK 720,000, representing 9,000,000 shares. This authorization was granted by an Extraordinary General Meeting held 14 December 2021 and may be used for issuing shares in connection with the Company's long term incentive plan. This authorization is valid until 13 December 2023.

As of the date of this document, neither of the authorizations described above has been used.

Purchase of own shares

The Company currently has two authorizations to purchase shares with a total nominal (par) value of NOK 2,405,306, representing 30,066,325 shares, each at a par value of NOK 0.08. The authorizations are distributed as follows:

1. A purchase of shares with a nominal value of up to NOK 1,685,306 representing 21,066,325 shares. The purpose of the authorization is to establish collateral in the Company's own shares. Any shares acquired under the authorization may be used as remuneration to the members of the Board of Directors, as means under the Company's incentive programs or as consideration shares in the acquisition of other business. The authorization is valid until 30 June 2022.

2. A purchase of shares with a nominal value of up to NOK 720,000 representing 9,000,000 shares. This authorization may be used to acquire shares from employees under the terms of the Company's long term incentive plan. The authorization is valid until 13 December 2023.

In the case of each authorization described above, the purchase price per share cannot exceed NOK 100 and not be less than NOK 0.08.

4. Equal Treatment of Shareholders

According to the Norwegian Private Limited Liability Companies Act, our shareholders have pre-emption rights in share offerings against cash contribution. Such pre-emption rights, however, may be set aside either by the general meeting or by the Board of Directors if the general meeting has authorized the board to do so. Any resolution to set aside pre-emption rights must be in the best interests of the Company and the shareholders, and we will publicly disclose any such action through a stock exchange notice.

5. Shares and Negotiability

We have one class of shares, and all shares carry equal rights. There are no limitations on a party's ability to own, trade or vote shares in the Company.

6. General Meetings

The Board of Directors uses its best efforts to schedule and facilitate general meetings in a manner that ensures that all shareholders may exercise their rights to participate in and voting at such meetings, thereby making the general meeting an effective forum for the views of shareholders and the Board of Directors. In accordance with Norwegian Private Limited Liability Companies Act, we are required to hold our annual general meeting of shareholders each year on or prior to 30 June.

Notification

We will send the notice of the general meeting to shareholders who are registered in the register of shareholders maintained with the Norwegian Central Securities Depository ("VPS") no later than one week prior to the date of the general meeting. The summons will reference or come with attachments providing support for the resolutions to be discussed and resolved at the general meeting. Such support will be sufficiently detailed and comprehensive to allow shareholders to form a view on all matters to be considered at the meeting. The notice and support information, as well as a proxy voting form, will normally be made available on the Company's website www.norsktitanium.com concurrently with the distribution to shareholders.

Participation and execution

The Board of Directors will arrange for the general meeting to vote separately on each individual matter, including the individual candidates nominated for election to the Company's corporate bodies. A shareholder may vote at the annual meeting either in person or by proxy. We will prepare and facilitate the use of proxy forms which allow separate voting instructions to be given for each item on the agenda and nominate a person who will be available to vote on behalf of shareholders as their proxy.

The general meeting will regularly be held as physical meetings, but the Board of Directors may decide other forms of meeting as it deems appropriate. The Board of Directors aims at giving access for shareholders to participate remotely in general meetings by electronic means, to the extent the Board of Directors deems appropriate.

The Board of Directors and the chair of the nomination committee shall, as a general rule, be present at general meetings. The auditor will attend the ordinary general meeting and any extraordinary general meetings to the extent required by the agenda items or other relevant circumstances.

The Chairman of the Board will normally be proposed as the chair of the general meetings. The Board of Directors will ensure that an independent chairman is appointed if it deems it appropriate based on the agenda items or other relevant circumstances. The general meeting may also request that an independent chair of the meeting be appointed.

7. Nomination Committee

We currently are not in compliance with this requirement, but we intend to appoint a nomination committee at the annual general meeting to be held on 20 April 2022. The Company's Articles of Association will be amended to add the nomination committee, and rules of procedure for the nomination committee will be presented to the general meeting for approval.

8. Board of directors: composition and independence

Pursuant to the section 6 of the Company's Articles of Association, the Board of Directors shall consist of at least four and not more than 10 members. All directors are subject to re-election annually at the general meeting, as is the Chairperson. The six members of our Board are:

Name	Role	Considered independent of main shareholders	Served since	Term expires	Participation in Board meetings 2021
John Andersen, Jr.	Chairperson*	No	2013	2022	All
Jeremy Barnes	Director**	No	2018	2022	All
Shan Ashary	Director	No	2010	2022	All
Bart van Aalst	Director	No	2010	2022	All
Steve D. Geskos***	Director	No	2021	2022	All
Mimi K. Berdal†	Director	Yes	2021	2022	All

*Mr. Andersen was elected Chairperson on March 4, 2021.
**Mr. Barnes resigned as Chairperson on March 4, 2021.
***Mr. Geskos was elected to the Board on February 19, 2021. He attended all meetings held after the date of his election.
† Michael Canario, the Company's Chief Executive Officer and President, served as a member of the Board of Directors until May 2021. He was replaced by Ms. Berdal at the Annual General Meeting on May 6, 2021. Ms. Berdal attended all meeting held after the date of her election.

See Note 4.7 to the Financial Statements for information on the shareholdings of our directors.

All members of the Board are considered independent of our executive management and material business contacts except for Shan Ashary, who is the father of Ashar A. Ashary, the Company's Vice President, Finance. The Board of Directors does not include executive personnel. The Code, however, requires that at least two members of the Board be independent of the Company's main shareholders. Currently only one of our directors meets this requirement.

See "Board of Directors" in this annual report for information on the expertise of the members of the Board.

9. The Work of the Board of Directors

Board Instructions

The Board of Directors is responsible for the over-all management of the Company, and supervision of our day-to-day management and activities in general.

The Norwegian Private Limited Liability Companies Act regulates the duties and procedures of the Board of Directors. In addition, the Board of Directors has adopted board instructions which provide further detail on the duties of the Board of Directors and the chief executive officer, the division of work between the Board of Directors and the chief executive officer, the annual plan for the Board of Directors, notices of board proceedings, administrative procedures, minutes, board committees, transactions between the Company and related parties and confidentiality.

Transactions with related parties

The Board of Directors aims to ensure that any material transactions between the Company and its shareholders, a shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties (referred to as "related parties") are entered into on arms-length terms and in accordance with the requirements of the Norwegian Private Limited Liability Companies Act. The Board instructions include guidelines for notification by members of the Board and executive management if they or any other related party have any material direct or indirect interest in any transaction entered into by the Company. The Board instructions also contain provisions requiring evaluation of any such transactions.

Any transactions with related parties are discussed in Note 7.4 to our financial statements.

10. Risk Management and Internal Control

The Board of Directors seeks to ensure that the Company has sound internal control and systems for risk management, including with respect to our corporate values, ethical guidelines and guidelines for corporate social responsibility, that are appropriate in relation to the extent and nature of our activities. To facilitate this, the Board conducts an annual assessment of our risks in connection with its annual report. As part of this assessment, the Board reviews reports on our business and outlook in order to identify risks and potential risks and remedy any incidents that have occurred. The Board of Directors may engage external expertise to assist with the performance of its risk assessment if it deems it necessary to do so.

In addition to the annual risk assessment, management presents semi-annual financial statements to inform the Board and shareholders on current business performance, including risk reports. These reports are subject to review by the Board prior to release.

11. Remuneration of the Board of Directors

Our shareholders decide the level of remuneration to be paid to members of the Board at the Company's annual general meeting. Board remuneration should reflect the Board's responsibilities, expertise, time commitment and the complexity of the business. Board remuneration is not linked to the Company's performance and contains no share option element. Currently, only our independent director Mimi K. Berdal receives any form of remuneration for her services on the Board.

After the appointment of the nomination committee at the annual general meeting in 2022, such committee shall recommend the remuneration to be paid to the members of the Board.

12. Salary and Other Remuneration for Executive Personnel

The Board determines the principles applicable to the Company's policy for compensation of executive management. We intend to present the guidelines setting for the principles at the annual general meeting on 20 April 2022 for an advisory vote. The objectives of the guidelines are to:

- Support the Company's strategic performance and sustainability targets;
- Drive the Company's culture and values;
- Align remuneration with shareholder interests; and
- Provide guidelines for establishing executive management's remuneration to attract, retain and motivate employees with the skills, qualifications and experience needed to maximise value creation for the Company and its shareholders.

13. Information and Communications

We strive to build long-term relationships with our shareholders and other stakeholders; the management team therefore meets on an ongoing basis with all stakeholders interested in our business from a social, environmental, or economic perspective. The Company proactively engages them through different platforms to address their needs, listening, and providing information about the Company's projects. The dialogue always strives to raise awareness of both the value and the challenges of what the Company does.

The Board of Directors adopted a manual on disclosure of information, which seeks to ensure that market participants receive correct, clear, relevant and up-to-date information in a timely manner, taking into account the requirement for equal treatment of all participants in the securities market. We make all stock exchange announcements, financial reports and presentations, other public presentations and press releases available on our website www.norsktitanium.com together with other relevant information. In addition, we publish an annual financial calendar, providing an overview of the dates for major events such as the annual general meeting and publication of financial reports.

14. Take-overs

The Board has not established written guidelines for how it will act in the event of a take-over bid as suggested by the Code, as such situations are normally characterised by concrete and one-off situations which make a guideline challenging to prepare. In the event the Company becomes the subject of a take-over offer, the Board of Directors shall seek to ensure that shareholders are treated equally and that the Company's activities are not unnecessarily interrupted. The Board of Directors shall also seek to ensure that the shareholders have sufficient information and time to assess the offer.

There are no defence mechanisms against take-over bids in our Articles of Association, nor have other measures been implemented to specifically hinder acquisitions of shares in the Company.

In the event a take-over were to occur, the Board of Directors will consider the relevant recommendations in the Corporate Governance Code and whether the recommendations in the Corporate Governance Code can be complied with or not under the applicable facts and circumstances.

15. Auditor

Our external auditor is Ernst & Young AS. The auditor must present its annual audit report to the Board and must participate in any meetings of the Board that deal with the annual accounting. At such meetings the auditor will report on any material changes in the Company's accounting principles and key aspects of the audit, comment on any material estimated accounting figures and report any material matters on which there have been disagreement between the auditor and the executive management of the Company. The Board must hold at least one meeting each year with the auditor without executive management.

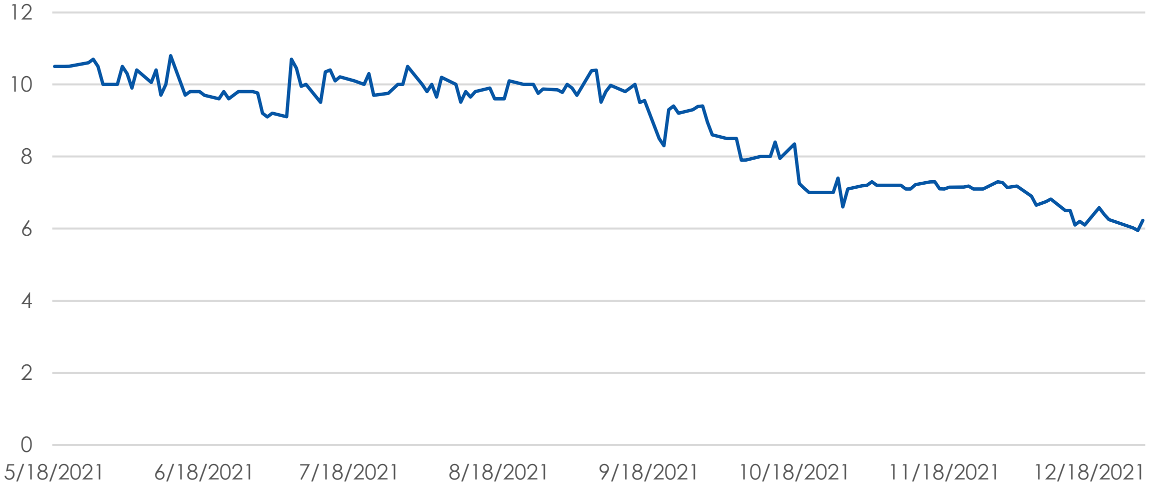
The Board has established guidelines in respect of the use of the auditor by the executive management for services other than the audit to ensure that there are no conflicts of interest and that the auditor remains independent.

The remuneration paid to the auditor for audit and non-audit work is submitted for approval at the ordinary general meeting.

Shareholder information

Share price development

Norsk Titanium has one class of shares. There were 211,896,385 shares issued at 31 December 2021, and the shares each had a nominal value of NOK 0.08. From the first day of trading on Euronext growth, 18 May 2021, until year end the shares traded between NOK 10.50 and NOK 5.80 per share, and a total of 6,108,417 shares were traded in the period ending 31 December 2021. The market capitalization was NOK 1,229.42 million as of 31 December 2021.



Major shareholders and voting rights

Norsk Titanium AS had registered 457 shareholders in VPS at 31 December 2021, of which the 10 largest owned 92.1%. Foreign shareholders held 61.4% of the shares. All shares carry the same voting rights.

	Number of shares	% of total shares
Norsk Titanium Cayman Limited	77,179,425	36.42 %
NTI Holding AS[1]	52,917,325	24.97 %
Triangle Holdings L.P.	32,145,300	15.17 %
Disruptive Innovation Fund, L.P.	15,629,325	7.38 %
Ferd AS	7,656,250	3.61 %
MP Pensjon Pk	4,320,617	2.04 %
Sauar Invest AS	1,496,764	0.71 %
Financière De L'Échiquier SA	1,330,400	0.63 %
Orchard International Inc.[2]	1,301,100	0.61 %
RTI Europe, Ltd.[3]	1,269,100	0.60 %
Top 10 shareholders	**195,245,606**	**92.13 %**
Total	**211,896,385**	**100.00 %**

[1] NTI Holding AS held an additional 6,655,300 shares (not shown) in a Share Lending Program on behalf of foreign shareholders

[2] Orchard International Inc. shares are held in the Share Lending Program with NTI Holding AS

[3] RTI Europe, Ltd. is a subsidiary of Howmet Aerospace and its shares are held in the Share Lending Program with NTI Holding AS

Dividend and dividend policy

Norsk Titanium is in a growth phase and is focused on developing and commercializing our technology and intend to retain future earnings to finance development activities, operations and growth of the business. As a result, we do not expect to distribute dividends in the near future, and thus our policy is to not distribute dividends in the short to medium term.

Analyst coverage

Two investment banks, Carnegie and SEB, had active coverage of Norsk Titanium at year end 2021. See www.norsktitanium.com/investors for more information and analyst contact details.

General meetings and Board authorizations

As at 31 December 2021, the Board of Directors had the following authorizations:

1. An increase of up to NOK 3,370,612, representing 42,132,650 shares.
2. An increase of up to NOK 720,000, representing 9,000,000 shares.
3. A purchase of own shares with a nominal value of up to NOK 1,685,306 representing 21,066,325 shares.
4. A purchase of own shares with a nominal value of up to NOK 720,000 representing 9,000,000 shares.

Norsk Titanium will hold its annual general meeting on April 20, 2022. Information will be made available on the company's website and NewsWeb in due time.

Financial calendar 2022

Event	Date
Annual General Meeting	April 20, 2022
First quarter 2022 update	May 19, 2022
Half year 2022 results	August 31, 2022
Third quarter 2022 update	October 26, 2022

Company financial statements and notes

Consolidated statement of total comprehensive income

For the year ended 31 December 2021

Amounts in USD thousand	Notes	2021	2020
Revenue	2.1	1,267	357
Other income	2.2	3,985	619
Total revenues and other income		**5,252**	**977**
Raw materials and consumable used	2.3	(3,748)	(3,891)
Employee benefits expense	2.5	(12,586)	(13,741)
Other operating expenses	2.6,7.2	(5,651)	(10,645)
Depreciation and amortisation	3.1,3.2	(3,369)	(2,968)
Operating profit		**(20,103)**	**(30,269)**
Financial income	4.5	8,613	17,458
Financial expenses	4.5	(4,597)	(30,024)
Profit or loss before tax		**(16,087)**	**(42,835)**
Income tax expense	5.1	94	(62)
Profit or loss for the year		**(15,993)**	**(42,896)**
Profit/loss attributable to owners of the parent		(15,993)	(42,896)
Basic earnings per share (in USD)		(0.09)	(0.86)
Diluted earnings per share (in USD)		(0.08)	(0.86)
Weighted average number of ordinary shares (thousand)		172,298	49,821
Weighted average number of ordinary shares diluted (thousand)		188,488	49,821
Other comprehensive income			
Items that subsequently may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(6,436)	(953)
Other comprehensive income for the period		(6,436)	(953)
Total comprehensive income for the period		**(22,429)**	**(43,849)**
Total comprehensive income attributable to owners of the parent		(22,429)	(43,849)

Consolidated statement of financial position

Amounts in USD thousand	Notes	At 31 Dec 2021	At 31 Dec 2020
ASSETS			
Non-current assets			
Deferred tax asset	5.1	24	0
Right of use of assets	7.3	501	1,202
Property, plant and equipment	3.1	4,080	4,859
Intangible assets	3.2	6,358	8,202
Total non-current assets		**10,962**	**14,264**
Current assets			
Inventories	2.4	5,166	4,724
Trade receivables	2.7	389	787
Other current assets	2.7	2,536	961
Cash and cash equivalents	4.4	22,932	2,196
Total current assets		**31,023**	**8,669**
TOTAL ASSETS		**41,985**	**22,933**
EQUITY AND LIABILITIES			
Equity			
Share capital	4.7	2,005	464
Share premium		48,627	0
Treasury shares	4.7	0	(10)
Other capital reserves		(908)	0
Other equity		(15,622)	(80,975)
Total equity		**34,102**	**(80,521)**
Non-current liabilities			
Non-current lease liabilities	7.3	221	513
Long term liabilities		897	1,022
Total non-current liabilities		**1,118**	**1,535**
Current liabilities			
Trade and other payables	2.8	1,297	1,608
Current interest-bearing debt	4.2, 7.4	0	21,195
Current loan measured at fair value	4.10, 7.4	0	69,106
Contract liability	2,2	4,068	3,927
Current lease liabilities	7.3	387	843
Other current liabilities	7.1	1,045	5,192
Tax payable	5.1	(33)	47
Total current liabilities		**6,764**	**101,918**
Total liabilities		**7,882**	**103,453**
TOTAL EQUITY AND LIABILITIES		**41,985**	**22,933**

Hønefoss
30 March 2022

John Andersen Jr.
Chairman

Shan A. Ashary
Board Member

Bart van Aalst
Board Member

Jeremy Barnes
Board Member

Mimi K. Berdal
Board Member

Steve D. Geskos
Board Member

Consolidated statement of cash flows

For the year ended 31 December 2021

Amounts in USD thousand	Notes	2021	2020
Cash flows from operating activities			
Profit before tax		(16,087)	(42,835)
Adjustments to reconcile profit before tax to net cash flow:			
Depreciation and amortisation	3.1,3.2	3,369	2,968
Net financial income/expense included in financing activities	4.5	1,361	14,569
Net foreign exchange differences	4.5	(5,377)	(2,003)
Tax payable	5.1	31	(182)
Working capital adjustment:			
Changes in inventories and right of use assets	2.4	261	(8)
Changes in trade and other receivables	2.7	397	120
Changes in other current assets	2.7	(1,575)	615
Changes in trade and other payables	2.8	(311)	(782)
Changes in other accruals	7.1	(2,942)	212
Net cash flows from operating activities		**(20,873)**	**(27,325)**
Cash flows from investing activities			
Purchase of property, plant and equipment	3.1	(353)	(372)
Investment in intangible assets	3.2	(64)	(358)
Interest received	4.5	4	7
Proceeds from other investing activities	4.5	61	0
Net cash flow from investing activities		**(353)**	**(724)**
Cash flow from financing activities			
Proceeds from issuance of shared capital	4.7	40,213	0
Transaction cost		(1,840)	0
Purchase of treasury shares	4.7	(2)	(22)
Sale of treasury shares	4.7	783	0
Payment of principle portion of lease liabilities	7.3	(684)	(853)
Increase of debt	4.2	6,000	29,192
Repayment of debt	4.2	(1,828)	(80)
Interests paid	7.3	(111)	(198)
Net cash flow from financing activities		**42,532**	**28,039**
Net change in cash and cash equivalents		21,306	(10)
Effect of change in exchange rate		(570)	62
Cash and cash equivalents, beginning of period	4.4	2,196	2,145
Cash and cash equivalents, end of period		**22,932**	**2,196**

Consolidated statement of changes in equity

Amounts in USD thousand	Share capital	Share premium	Treasury shares	Other capital reserves	Cumulative translation effect	Accumulated loss	Total equity
	Attributable to the equity holders of the parent				Other equity		
Balance at 31 December 2019	**464**	**92,726**	**(10)**	**2,857**	**(1,038)**	**(132,051)**	**(37,052)**
Profit (loss)						(42,896)	(42,896)
Other comprehensive income					(953)		(953)
Issue of share capital							0
Purchase of treasury shares			(0)	(22)			(22)
Sales of treasury shares							0
Shared-based payment				403			403
Transfer to other capital reserves				(3,238)		3,238	0
Transfer to share premium		(92,726)				92,726	0
Balance at 31 December 2020	**464**	**0**	**(10)**	**0**	**(1,991)**	**(78,984)**	**(80,521)**
Balance at 31 December 2020	**464**	**0**	**(10)**	**0**	**(1,991)**	**(78,984)**	**(80,521)**
Profit (loss)						(15,993)	(15,993)
Other comprehensive income					(6,436)		(6,436)
Issue of share capital*	1,541	136,528		(2,077)			135,991
Purchase of treasury shares			(0)	(2)			(2)
Sales of treasury shares			10	773			783
Shared-based payment				279			279
Transfer to other capital reserves				119		(119)	0
Transfer to share premium		(87,901)			2,818	85,083	0
Balance at 31 December 2021	**2,005**	**48,627**	**0**	**(908)**	**(5,609)**	**(10,013)**	**34,102**

* Reference to note 4.7 Equity and shareholders for more information on share capital and share premium

The Company decided to partially offset accumulated losses against other capital reserves and share premium in 2020 and 2021.

For further information regarding share capital, shareholders, treasury shares and shares owned by the board and executive employees, see note 4.7.

Notes to consolidated financial statements

Note 1.1: Corporate information

The consolidated financial statements of Norsk Titanium AS and its subsidiaries (referred to herein as "Norsk Titanium", "the Company", "we", "us" or "our") for the year ended 31 December 2021 were authorized for issue in accordance with a resolution of the directors on 30 March 2022. Norsk Titanium AS (the Parent) is a limited liability company incorporated and domiciled in Norway. The registered office is located at Karenslyst Allé 9C, Oslo in Norway.

Norsk Titanium specializes in additive manufacturing (AM) and producing structural titanium parts with reduced lead time and cost from traditional methods.

Basis of preparation

The consolidated financial statements of Norsk Titanium AS comprise of consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and related notes. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. The Company will require additional capital to continue to fund its operations in 2023 and beyond. The Board has formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the date of the financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments at fair value through profit or loss. The consolidated financial statements are presented in USD and all values are rounded to the nearest thousand (000), except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent and its subsidiaries as at 31 December 2021. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its return. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Foreign currencies

The Company's consolidated financial statements are presented in USD. The Parent's functional currency is NOK. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Company uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method. P&L figures are converted from functional currency to presentation currency by use of average rates. Balance sheet figures are converted from functional currency to presentation currency by use of spot rate on the balance sheet date.

Segments

Norsk Titanium identifies its reportable segments and discloses segment information under IFRS 8 Operating Segments. This standard requires Norsk Titanium to identify its segments according to the organisation and reporting structure used by management. Currently Norsk Titanium operates its business as a single business unit developing its RPD® technology and selling parts to the commercial aerospace sector, and therefore no separate Segment note is presented.

Note 1.2: Key source of estimation uncertainty, judgement and assumptions

Significant accounting judgements, estimates and assumptions

In connection with the preparation of the Company's consolidated financial statements, the management has made assumptions and estimates about future events and applied judgements that affect the reported values of assets, liabilities, revenues, expenses and related disclosures.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The assumptions, estimates and judgements are based on historical experience, current trends and other factors that the Company's management believes to be relevant at the time the consolidated financial statements are prepared.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The estimates and the underlying assumptions are reviewed on an ongoing basis. The accounting policies applied by the Company in which judgments, estimates and assumptions may significantly differ from actual results are discussed below:

Judgements

Sale and lease agreement with Fort Schuyler Management Corporation ("FSMC")

In 2015 the Company signed a contract with FSMC under which FSMC is responsible for building a manufacturing facility and purchase manufacturing equipment from Norsk Titanium, and subsequently lease the manufacturing facility and equipment to Norsk Titanium for a term of 10 years at a yearly rent of USD 1 with an option of extending the term. During the third quarter 2016 the Company entered a Master Equipment Purchase Agreement with FSMC, where Norsk Titanium shall build and sell in total 32 RPD® machines to FSMC. In the fourth quarter 2018 NTi executed an Amendment to the Alliance Agreement. The RPD® machines are the main part of the Manufacturing Equipment that shall be leased to Norsk Titanium under the agreement with FSMC. In return for the subsidized lease, the Company has committed itself to operations related to the manufacturing facility and the hire of new employees as production increases for the 10 year period from 20 December 2019 to 19 December 2029. The production facility is located in Plattsburg, New York.

Based on IAS 17, management treated the lease of the facility and equipment as an operating lease and presented the gain/loss from sale of equipment under the sale/leaseback agreement net in the statement of profit and loss since the equipment are used in production.

Upon the transition to IFRS 16 in 2019, the Company was not required to reassess the sale of the RPD® machines to FSMC, and therefore no adjustments related to these sales was recorded in 2019. The only transition impact for the Company was the recognition of a lease liability reflecting the remaining lease payments and a corresponding right-of-use asset. The financial liability is accounted for applying IFRS 9.

As FSMC meets the definition of a government in accordance to IAS 20, the difference between market rent and agreed rent is treated as a government grant. Applying the guidance in IAS 20, Norsk Titanium has a choice of presenting the grant either as a reduction of the carrying amount of the machines (net presentation), with the grant offsetting the depreciation of the asset, or as deferred income that is recognised over the useful life of the asset (gross presentation). Norsk Titanium has elected to present the deferred revenue as a reduction of the carrying amount of the machines (i.e. net presentation), with difference between the sales price and cost of the RPD® machines being recognised as other income over the lease term. The future net gain from the RPD machines is recognised as contract liability in the balance sheet. Prior to the transition of IFRS 16 in 2019, RPD® machines delivered to FSMC where Site Acceptance Test is not completed but prepaid from FSMC, is presented as contract liability.

In June 2021 Norsk Titanium US Inc. entered into a leasing agreement with FSMC for the Plattsburgh Production Development & Qualification Center facility in Plattsburgh. FSMC purchased the facility from our former landlord, TDC and in doing so met their commitment in the Alliance Agreement to provide 150,000 square feet to support operations in New York. The total utilised grant from FSMC amounts to USD 115 million by 31 December 2021 with an additional USD 6 million committed. The accounting treatment of the grant is explained in the above.

Research and Development

Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The assessment of when product development is capitalised is highly subjective, as the outcome of these projects may be uncertain. At 31 December 2021, the carrying amount of intangible assets was USD 6.4 million.

Estimates and assumptions

Share based payment

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the assumptions and models used for estimating the fair value are disclosed in note 4.8.

Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite and may in some cases involve considerable judgements. Intangible assets with indefinite useful lives are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Fair value measurement of shareholder loan

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of shareholder loan. Shareholder loans have been converted into equity during the first half of 2021, and at year end 2021 there are no remaining shareholder loans on the financial position reported at 31 December 2021. Further information is disclosed in note 4.2 and 4.10.

Note 2.1: Revenues

Amounts in USD thousand	2021	2020
Revenues		
Sale of printed parts*	267	357
Revenue from products and services delivered on development programs**	999	0
Total revenues	**1,267**	**357**
Geographic information		
Revenues from customers		
Europe	75	0
USA	1,192	357
Total revenues	**1,267**	**357**
Timing of revenue recognition		
Goods transferred at a point in time	1,267	357
Total revenues	**1,267**	**357**

* Sale of printed parts are sales to Boeing Tier-1 suppliers

** Products and services on development programs include sales to Boeing, prime contractors for the US Department of Defense and Hittech

Note 2.2: Other income

Amounts in USD thousand	2021	2020
Other income		
Gain on disposal of property, plant and equipment - RPD machines	0	299
Net gain from RPD machine grant*	135	84
Grants from European Space of Agency (ESA)	0	237
US CARES Payroll Protection Program	1,246	0
Grant from Innovation Norway**	2,058	0
Skattefunn***	545	0
Gain on disposal of inventory	2	0
Total other income	**3,985**	**619**

Government grants have been received for research and development activities but are not related to a specific program. The grants included in other income contains no unfulfilled conditions or contingencies.

* Net gain from RPD machine grant reflect net gain from the sale and leaseback of RPD machines to FSCM, being recognised as other income over the lease term. The future net gain from the RPD machines is recognised as contract liability in the balance sheet.

** 50% of NOK 35 million grant from Innovation Norway recognised as Other income for the full year 2021 (USD 2,058 thousand) following 50% of project costs occurred by year end 2021. Total grant is pending the capital requirement in the project.

*** NTi has been granted Skattefunn from Forskningsrådet for the years 2021 and 2022. Total grant is caped at USD 1,084 thousand and dependent on cost incurred pending the capital requirement in the project. Costs occurred in 2021 are caped at USD 545 thousand, recognised as Other income in 2021.

Note 2.3: Raw materials and consumables used

Amounts in USD thousand

Raw materials and consumables used	2021	2020
Cost of materials	3,301	3,197
Cost for machining of components	93	171
Consumables used	164	171
Cost of handling and freight	190	353
Total cost of goods, raw materials and consumables used	**3,748**	**3,891**

Raw materials and consumables used is mainly related to cost of goods sold, qualifications, test production and development activities.

Note 2.4: Inventories

Amounts in USD thousand

Inventories	31.12.2021	31.12.2020
Raw materials	1,929	1,562
Work in progress	3,237	3,162
Total inventories (gross)	**5,166**	**4,724**
Provision for obsolete inventories 31.12	0	0
Total inventories (net)	**5,166**	**4,724**

Raw materials consist of wire, argon and substrate for production of titanium components. Work in progress consist of manufacturing of production machines, for own or external use, in addition to titanium components in progress.

Note 2.5: Employee benefit expenses

Amounts in USD thousand

Employee benefit expenses	2021	2020
Salaries and holiday pay	9,776	10,936
Social security tax	1,239	1,302
Pension costs defined contribution plans	527	612
Cost of share-based payment	282	(17)
Other personnel costs	762	908
Total payroll and related costs	**12,586**	**13,741**
Full Time equivalent Employees as of 31.12	97	92

Pensions

The Norwegian companies of the Parent are obligated to keep an occupational pension scheme pursuant to the Norwegian Mandatory Occupational Pensions Act. The Parent's pension scheme satisfies these requirements.

Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Management and board remuneration

Amounts in USD thousand

Remuneration to management in 2021	Salary	Performance-related bonus	Other remuneration	Total remuneration
Michael Canario - CEO	500	0	586	**1,086**
Remuneration to management in 2020	**Salary**	**Performance-related bonus**	**Other remuneration**	**Total remuneration**
Michael Canario - CEO	458	0	41	**499**

Benefits to the CEO

The CEO participates in a US-based retirement program. Additionally, the CEO is part of the Company's ordinary bonus scheme and does also have the right to severance payment if the Company terminates the employment. Upon termination of the CEO's employment contract, he is entitled to one year of the annual salary and one year of target incentive compensation based on that annual salary. The CEO, executive management and Board members who were former employees of the Company takes part in the Company's option programs as described in note 4.8.

Remuneration to Board member Amounts in USD Thousands	2021	2020
Board members	23	0

No remuneration was paid to the board members for the period up to the annual general meeting in 2021. In the General Meeting 2021 it was decided that the remuneration for the period from the annual general meeting 2021 to the annual general meeting 2022 shall be USD 30,000 for board members not associated with the Company's shareholders. Remuneration for one board member for 9 months is USD 23 thousand.

At the end of the financial year, members of the Board and executive employees held shares in Norsk Titanium AS. Reference is made to note 4.7 for disclosures on shareholdings.

The board members are not subject to agreements for severance pay, bonuses or profit-sharing.

Note 2.6: Other operating expenses

Amounts in USD thousand

Other operating expenses	2021	2020
Professional services	1,945	2,182
Travel expenses	205	207
Rental and leasing expenses	273	275
Other operating expenses*	3,229	7,980
Total other operating expenses	**5,651**	**10,645**

* In 2020 the Company made a payment to Clark Street Associates in accordance with the settlement agreement, expensed as Other operating expenses.

Auditor related fees	2021	2020
Statutory audit	228	206
Other assurance services	37	22
Tax consultant services	6	6
Non-auditing services	7	0
Total remuneration to the auditor	**278**	**234**

Audit fee**:** The amounts above are excluding VAT.

Note 2.7: Trade receivables and other current assets

Amounts in USD thousand

Trade receivables	31.12.2021	31.12.2020
Trade receivables	389	787
Total trade receivables	**389**	**787**

No provision for expected credit loss has been recognised in 2021 or 2020.

Other current assets	31.12.2021	31.12.2020
Pre-payments	502	307
Deposits	575	580
VAT	110	107
Grants earned*	1,347	0
Other receivables	2	(34)
Total other receivables	**2,536**	**961**

* Skattefunn and 20% of Innovation Norway project costs incurred in 2021.

As at 31 December 2021 the ageing analysis of trade receivables is, as follows:

Amounts in USD thousand

			Past due but not impaired			
Aging analysis of trade receivables	**Total**	**Not due**	**< 30 days**	**31-60 days**	**61-90 days**	**> 90 days**
Trade receivables at 31.12.2021	**389**	249	0	0	2	138
Trade receivables at 31.12.2020	**787**	106	635	46	0	0

For details regarding the Company's procedures on managing credit risk, reference is made to note 4.6.

Note 2.8: Trade and other payables

Amounts in USD thousand

Trade and other payables	**31.12.2021**	**31.12.2020**
Accounts payables to related parties	0	4
Accounts payables	930	1,117
Withholding payroll taxes and social security	366	487
Total trade and other payables	**1,297**	**1,608**

Trade payables are non-interest-bearing and are normally settled on 30-day terms. For an overview of the term date of trade and other payables, reference is made to note 4.3.

Note 2.9: Earnings per share

Basic Earnings Per Share (EPS) is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The following table reflects the income and share data used in the basic and diluted EPS calculations.

Amounts in USD thousand

	2021	**2020**
Profit/loss attributable to owners of the parent	**(15,993)**	**(42,896)**
Weighted average number of ordinary shares (thousand)*	172,298	49,821
Convertible preference shares	16,190	0
Weighted average number of ordinary shares diluted (thousand)	**188,488**	**49,821**
Basic earnings per share (in USD)	(0.09)	(0.86)
Diluted earnings per share (in USD)	(0.08)	(0.86)

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year.

Note 3.1: Property, plant and equipment

Amounts in USD thousand

Property, plant and equipment	Machinery and equipment	Furniture and vehicles	Buildings, IT	Total
Acquisition cost 1.1.2020	**10,311**	**443**	**1,594**	**12,350**
Additions	530	24	66	620
Currency translation effects with rates at 31.12.2020	(299)	(13)	(46)	(358)
Acquisition cost 31.12.2020	**10,542**	**454**	**1,614**	**12,611**
Additions	76	19	259	353
Disposals*	(2,735)			(2,735)
Currency translation effects with rates at 31.12.2021	(432)	(15)	(52)	(499)
Acquisition cost 31.12.2021	**7,451**	**458**	**1,820**	**9,731**
Accumulated depreciation and impairment 1.1.2020	**5,634**	**226**	**763**	**6,622**
Depreciation	585	95	256	936
Currency translation effects with rates at 31.12.2020	172	(6)	29	195
Accumulated depreciation and impairment 31.12.2020	**6,390**	**315**	**1,047**	**7,753**
Depreciation	677	101	256	1,034
Disposals*	(2,735)			(2,735)
Currency translation effects with rates at 31.12.2021	(381)	(29)	9	(401)
Accumulated depreciation and impairment 31.12.2021	**3,952**	**387**	**1,312**	**5,651**
Carrying amount 31.12.2020	**4,152**	**139**	**566**	**4,859**
Carrying amount 31.12.2021	**3,500**	**72**	**508**	**4,080**
Economic life	5-20 years	5 years	5 years	
Depreciation plan	linear	linear	linear	

* Acquisition cost has been adjusted for assets that have reached the end of economic life and has been disposed of during the year.

The global pandemic and the repercussions thereof have had an adverse impact on the demand for the Company's products in the short term and is a potential impairment indicator. Norsk Titanium is gradually moving from an R&D operation to a commercial business with manufacturing and sales of titanium components and of RPD® equipment. The impact from the pandemic is not considered to impact the long-term business plan in such a way that an impairment should be recorded as of 31 December 2021.

Note 3.2: Intangible assets

Amounts in USD thousand

Intangible assets	Development costs	Other intangible assets	Total
Acquisition cost 1.1.2020	**14,393**	**1,559**	**15,952**
Additions	0	17	17
Currency translation effects with rates at 31.12.2020	263	28	291
Acquisition cost 31.12.2020	**14,656**	**1,604**	**16,260**
Additions	0	64	64
Currency translation effects with rates at 31.12.2021	(394)	(52)	(446)
Acquisition cost 31.12.2021	**14,262**	**1,616**	**15,878**
Accumulated amortisation and impairment 1.1.2020	**6,197**	**519**	**6,716**
Amortisation for the year	1,112	69	1,180
Currency translation effects with rates at 31.12.2020	146	15	161
Accumulated depreciation and impairment 31.12.2020	**7,455**	**603**	**8,057**
Amortisation for the year	1,212	463	1,675
Currency translation effects with rates at 31.12.2021	(196)	(17)	(213)
Accumulated amortisation and impairment 31.12.2021	**8,471**	**1,049**	**9,520**
Carrying amount 31.12.2020	**7,201**	**1,001**	**8,202**
Carrying amount 31.12.2021	**5,791**	**567**	**6,358**
Economic life	10 years	3-10 years	
Amortisation plan	Straight-line	Straight-line	

Norsk Titanium has invested heavily in researching and developing the market-leading high-deposition rate additive manufacturing (AM) process. Based on available plasma welding technology the Company has developed an automated process for the production of "near net shape" titanium components with titanium wire and titanium substrate as the main feedstock.

Norsk Titanium has capitalized technology development of the RPD® Production Platform reflecting the deposition process and the associated qualification programs and fourth generation production machinery. No impairment loss is recognised as impairment of intangible assets in the consolidated financial statements for 2020 and 2021.

Research and development

All R&D activities in 2020 and 2021 have been expensed. In 2021 the research and development expenses amounted to USD 4.6 million compared to USD 1.7 million in 2020. The development costs are activity related to parts development and modeling, the software development kit RPD

Builder™, fatigue qualification, lab activity and wire and substrate improvement. During 2021 Norsk Titanium further matured the RPD® process to enhance efficiency from development to printing.

Note 4.1: Financial instruments

The following tables shows the various financial assets and liabilities, grouped in the different categories of financial instruments:

At 31 December 2021 in USD thousand	Financial assets at amortised cost	Financial liabilities	Financial liabilities at FV through profit and loss	Total
Assets				
Trade receivables	389			389
Other receivables*	2,536			2,536
Cash and cash equivalents	22,932			22,932
Total financial assets	**25,857**	**0**	**0**	**25,857**
Liabilities				
Trade and other payables		1,297		1,297
Contract liability		4,068		4,068
Long term liabilities		1,118		1,118
Other current liabilities		1,045		1,045
Total financial liabilities	**0**	**7,528**	**0**	**7,528**

* Accrual for Innovation Norway and Skattefunn of USD 1,347 thousand is reflected in the Other receivables of USD 2,536 thousand.

At 31 December 2020 in USD thousand	Financial assets at amortised cost	Financial liabilities	Financial liabilities at FV through profit and loss	Total
Assets				
Trade receivables	787			787
Other receivables	961			961
Cash and cash equivalents	2,196			2,196
Total financial assets	**3,944**	**0**	**0**	**3,944**
Liabilities				
Trade and other payables		1,608		1,608
Contract liability		3,927		3,927
Long term liabilities		1,535		1,535
Other current liabilities		5,192		5,192
Current interest-bearing debt		21,195	69,106	90,301
Total financial liabilities	**0**	**33,458**	**69,106**	**102,564**

Financial assets at amortised cost

When determining the classification for financial assets, the Company evaluates the investment related to the “SPPI” test and the “Business model” test. If the instruments pass the “SPPI” test, the Company further evaluates the “Business model” test. When doing so, the Company evaluates the purpose of the investment. If the investment is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, the investments will be valued at amortized cost.

Financial assets at amortised cost includes cash and short-term deposits, trade receivables and contract assets.

Financial liabilities

Financial liabilities are measured either at fair value through profit or loss or at amortised cost.

Financial liabilities are measured at fair value through profit or loss when they meet the definition of held for trading, or when they are designated as such on initial recognition. Derivatives are always recognised at fair value through profit or loss. In addition, hybrid instruments (embedded derivative in a non-derivative host contract), are recognised at fair value through profit or loss when the Company choose not to separate the embedded derivative and account for the contract as a whole. All other financial liabilities are generally classified as subsequently measured at amortised cost using the effective interest method.

The loan agreement of September 2018 with shareholders and the second subordinated loan agreement (ref. note 4.2) were hybrid instruments including several embedded derivatives. The Company has chosen not to separate the embedded derivatives from the non-derivative host contract and therefore, the whole contract was recognised at fair value through profit and loss. A minor part of the shareholder loans was considered a non-derivative contract and classified as subsequently measured at amortised cost using the effective interest method.

Note 4.2: Interest-bearing debt

Amounts in USD thousand

	31.12.2021	31.12.2020
Current loan from shareholders measured at fair value*	0	69,106
Current loan from shareholders measured at amortised cost**	0	19,892
US CARES Payroll Protection Program***	0	1,246
Short term portion of Loan from TDC Clinton County NY	0	57
Current interest-bearing debt	**0**	**90,301**

* As part of the Shareholder loan agreements from 2018 to 2020, the Lenders were granted warrants to purchase in total 97,730 shares. Following the conversion of shareholder loans to equity 97,730 warrants associated with the shareholder loans have been canceled in 2021. There are no remaining warrants associated with any debt at 31 December 2021.

** A third secured loan agreement of USD 9.0 million was signed in June 2020, which was extended from USD 9.0 million to USD 20 million during 2020. The third secured loan agreement did not contain any warrants. All shareholder loans were converted to equity or repaid during 2021.

*** US CARES Payroll Protection Program reflect a loan granted from US government following the COVID-19 pandemic. In 2021 the loan was forgiven and recognised as a grant under Other income, reference to note 2.2.

Assets pledged as security

Amounts in USD Thousands

Secured balance sheet liabilities	31.12.2021	31.12.2020
Intangible Assets	0	8,202
Property, plant and equipment	0	4,859
Inventories	0	4,724
Trade receivables	0	787
Other current assets	0	961
Cash and cash equivalents	0	2,196
Total	**0**	**21,730**

The Company has not given any guarantees to or on behalf of third parties in the current and previous period.

Note 4.3: Financial liabilities

Reconciliation of changes in liabilities incurred as a result of financing activities.

Amounts in USD Thousands

			Non-cash changes		
	01.01.2021	Cash flow effect	Foreign exchange movement	Other changes	31.12.2021
Current interest-bearing debt (note 4.2)	90,301	4,172	(2,937)	(91,537)	**0**
Non-current lease liabilities	513	0	(1)	(292)	**221**
Current lease liabilities	843	(794)	(20)	359	**387**
Total liabilities from financing	91,657	3,378	(2,957)	(91,470)	**608**

			Non-cash changes		
	01.01.2020	Cash flow effect	Foreign exchange movement	Other changes	31.12.2020
			Non-cash changes		
	01.01.2020	Cash flow effect	Foreign exchange movement	Other changes	31.12.2020
Non-current interest-bearing debt (note 4.2)	47,359	(80)	1,375	(48,654)	**0**
Current interest-bearing debt (note 4.2)	74	29,192	2	61,033	**90,301**
Non-current lease liabilities	843	(323)	14	(21)	**513**
Current lease liabilities	863	(530)	22	488	**843**
Total liabilities from financing	49,139	28,259	1,413	12,846	**91,657**

Note 4.4: Cash and cash equivalents

Amounts in USD thousand

Cash and cash equivalents	31.12.2021	31.12.2020
Bank deposits, unrestricted	22,719	1,929
Bank deposits, restricted*	213	267
Total cash and cash equivalents	**22,932**	**2,196**

* Restricted bank deposits relate to cash for withholding taxes which may not be used for other purposes. Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

For more information on the Company's credit facilities see note 4.2.

Note 4.5: Financial items

Amounts in USD thousand

Financial income and expenses	2021	2020
Financial income		
Interest income	4	7
Foreign exchange gains	8,548	9,820
Other financial income	61	7,631
Total financial income	**8,613**	**17,458**
Financial expenses		
Interest expenses	(232)	(778)
Foreign exchange losses	(3,171)	(7,817)
Other financial expenses	(1,194)	(21,429)
Financial expenses	**(4,597)**	**(30,024)**

The Company benefited from Other financial income in 2020 when the warrants related to the shareholder loans were written down. In 2021 the warrants were cancelled with conversion of the shareholder loans to equity and therefore no fair value gain of the derivative instrument was recorded. Other financial expense primarily comprises loss fair value on loans and interest of IFRS 16 leases.

Note 4.6: Financial risk and capital management

Norsk Titanium is transitioning from a development stage company to a commercial manufacturing concern. The primary focus in 2022 continuing into 2023 is the commercialization of its RPD® technology in multiple industries and applications. The Company must balance continued technological development with efforts designed to foster the adoption of its technology by potential customers, both of which may be constrained by limited resources. In addition, the Company faces residual risks as a result of the COVID-19 pandemic, risk associated with becoming a US government supplier and other operational and financial risks.

The Company is exposed to a range of risks affecting its financial performance, including market risk (interest rate risk and foreign exchange risk), liquidity risk and credit risk. The Company seeks to minimise potential adverse effects of such risks through sound business practices. Currently no derivatives are used to hedge risk exposures, which are summarized below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

The Company's interest-bearing debt from Shareholder loans and The Development Corp Clinton County NY have all been converted in 2021, hence the Company’s exposure to interest rate risk is limited.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities (when revenue or expense is denominated in a foreign currency).

As the Company reports its consolidated results in USD, any change in exchange rates between USD and its subsidiaries' functional currencies, primarily with respect to changes in NOK, affects the consolidated financial statements when those subsidiaries are translated to USD for reporting purposes. The Company has a limited amount of loans and borrowings in other currencies than USD. The Company does not hedge currency exposure with financial instruments at the current time, but monitors the net exposure and may choose to use financial derivatives to manage this risk in the future.

COVID-19 Impacts

The drastic downturn in commercial air travel as a result of the global pandemic in 2020 had a significant impact on the commercial aerospace industry, which hampered the Company’s ability to further our qualifications and the adoption of our technology within the commercial aerospace sector. While domestic air travel rebounded in 2021, international remains at depressed levels compared to pre-pandemic. The resulting partial rebound did not translate immediately into increased demand for new aircraft, in part due to large inventory levels. This in turn limited the Company’s ability to penetrate the market for titanium parts on commercial aircraft and continued to impede various qualification efforts already underway.

The impacts on the commercial aerospace market caused by the pandemic may result in more uncertain markets going forward, with the operations of the Company, our target customers and our suppliers continuing to be vulnerable to interruptions in production and transportation caused by lack of personnel and restrictions on the free flow of goods. The Company continually monitors market conditions and seeks to time its efforts in hiring, capital investment and supply chain development to enable us to meet the projected market demand, but we cannot guarantee that we will be successful at anticipating market demand. At this time, the Board believes that the Company’s growth plans for 2022 adequately account for the potential risks in this area.

Liquidity risk and Going concern assumption

In accordance with the Accounting Act 3-3a, the financial statements have been prepared under the assumption of going concern. This assumption is based on the current market outlook and financial forecasts for the year 2022 and the Company’s long-term strategic forecast including funding.

The Company will require additional capital to continue to fund its operations in 2023 and beyond. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the date of the financial statements.

Aging of financial liabilities:

Amounts in USD thousand

31.12.2021	1 year	2 years	3-5 years	Over 5 years	Total
Trade and other payables (note 2.8)	1,297	0	0	0	**1,297**
Non - Current lease liabilities (Note 7.3)	418	146	132	0	**696**
Current lease liabilities (Note 7.3)	387	0	0	0	**387**
Total	**2,103**	**146**	**132**	0	**2,380**

31.12.2020	1 year	2 years	3-5 years	Over 5 years	Total
Trade and other payables (note 2.8)	1608	0	0	0	**1,608**
Current interest-bearing debt (Note 4.2)	90,301	0	0	0	**90,301**
Non - Current lease liabilities (Note 7.3)	890	401	248	0	**1,539**
Current lease liabilities (Note 7.3)	843	0	0	0	**843**
Total	**93,643**	**401**	**248**	0	**94,291**

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Norsk Titanium is currently in a technology development stage but has accounts receivable at year end. The Company currently has few customers, which generally might imply a concentration of credit risk. However, major part of the limited revenues was related to governmental funding agreements and large firms in the aerospace industry with limited credit risk.

The Company has not provided any guarantees for third parties liabilities. It is the management's opinion that there is no material credit risk connected to the Company's current assets. For an overview of the ageing of trade receivables, please refer to Note 2.7.

Note 4.7: Equity and shareholders

For the purpose of the Company's capital management, capital includes issued capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure that it maintains a healthy cash flow to cover ongoing operations and maximise shareholder value over time.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. Refer to descriptions in note 4.6 related to financial risk and capital management.

Total equity for the Company increased from negative USD 88.105 thousand at 31 December 2020 to positive USD 34,102 thousand at 31 December 2021. During 2021 the nominal share capital was in total increased by USD 1 541 thousand by issuance of 211,398,173 new shares.

In the first quarter of 2021 the company's shareholders converted USD 88,333 thousand under the shareholder loan agreements to 567,024 preference shares and 621,429 ordinary shares. Repair offer to shareholders resulted in an issuance of 78,687 new preference shares in the first quarter of 2021.

In the second quarter of 2021 all 645,711 preference shares issued in first half 2021 were converted to ordinary shares 1:1, so that after the conversion there are only ordinary shares in the Company. A share split 1:100 was carried out, and the nominal value of each share was reduced from NOK 8 to NOK 0.08 per share. The shareholders converted USD 9,285 thousand convertible loan to ordinary shares by issuance of 8,833,900 shares. On 18 May 2021 the Company's shares were listed on the Euronext Growth stock exchange in Oslo. Private placement capital raise resulted in an issuance of 26,520,985 new shares, including exercise of the greenshoe option.

Issued capital and reserves in Norsk Titanium AS

Number of shares in Norsk Titanium AS at 31 December 2021	Number of ordinary shares	Number of preference shares	Total number of shares
At 31 December 2020	**498,212**	**0**	**498,212**
Debt conversion shareholder loans in Q1 2021	621,492	567,024	1,188,516
Private placement repair offer shareholders in Q1 2021	0	78,687	78,687
Conversion of preference shares in Q2 2021	645,711	(645,711)	0
Share split 1:100 in Q2 2021	174,776,085		174,776,085
Debt conversion convertible loan in Q2 2021	8,833,900	0	8,833,900
Private placement capital raise in Q2 2021	25,287,850	0	25,287,850
Exercise of greenshoe option in Q2 2021	1,233,135	0	1,233,135
Issue of shares	**211,398,173**	**0**	**211,398,173**
At 31 December 2021	**211,896,385**	**0**	**211,896,385**

Share capital in Norsk Titanium AS

At 31 December 2021 Amounts in USD thousand	Number of shares	Nominal Share capital	Share premium
At 31 December 2020	**498,212**	**464**	**0**
Debt conversion shareholder loans in Q1 2021	1,188,516	1,128	87,205
Private placement repair offer shareholders in Q1 2021	78,687	73	5,775
Share split 1:100 in Q2 2021	174,776,085	0	0
Debt conversion convertible loan in Q2 2021	8,833,900	85	9,199
Private placement capital raise in Q2 2021	25,287,850	243	32,786
Exercise of greenshoe option in Q2 2021	1,233,135	12	1,562
Issuance of share capital	**211,398,173**	**1,541**	**136,528**
Transfer to share premium first half 2021			(87,901)
At 31 December 2021	**211,896,385**	**2,005**	**48,627**

At 31 December 2020 Amounts in USD thousand	Number of shares	Nominal Share capital	Share premium
At 31 December 2019	**498,212**	**464**	**92,726**
Issuance of share capital	0	0	0
Transfer to share premium	0	0	(92,726)
At 31 December 2020	**498,212**	**464**	**0**

Each share has a nominal value of NOK 0.08 after the share split in 2021. Included in ordinary shares outstanding, 400 treasury shares as of 31 December 2021 are included. All issued shares have equal voting rights and the right to receive dividend.

Dividend distribution to shareholders

The Company has not paid dividend in 2020 and has proposed not to pay dividend for 2021.

Treasury shares

Number of treasury shares decreased from 10,541 shares at 1 January 2021 to 4 treasury shares at 31 December 2021. NTi has purchased 4 treasury shares and sold 10 541 treasury shares during 2021. Following the share split 1:100 there are 400 treasury shares at December 31 2021.

In 2020 the number of treasury shares increased from 10,498 shares at 1 January 2020 to 10,541 treasury shares at 31 December 2020. NTi purchased 43 treasury shares during 2020.

Ownership structure

Main shareholders in Norsk Titanium AS as of 31 December 2021	Total shares	Ownership	Share-holding/ Voting
Norsk Titanium Cayman Ltd.	77,179,425	36.4 %	36.4 %
NTi Holding AS[1]	52,917,325	25.0 %	25.0 %
Triangle Holdings L.P.	32,145,300	15.2 %	15.2 %
Disruptive Innovation Fund, L.P.	15,629,325	7.4 %	7.4 %
Ferd AS	7,656,250	3.6 %	3.6 %
Mp Pensjon PK	4,320,617	2.0 %	2.0 %
Sauar Invest AS	1,496,764	0.7 %	0.7 %
Financière De L'Échiquier SA	1,330,400	0.6 %	0.6 %
Orchard International Inc.[2]	1,301,100	0.6 %	0.6 %
RTI Europe, Ltd.[3]	1,269,100	0.6 %	0.6 %
Other shareholders	16,680,779	7.9 %	7.9 %
Total	**211,896,385**	**100 %**	**100 %**

[1] NTI Holding AS held an additional 6,655,300 shares (not shown) in a Share Lending Program on behalf of foreign shareholders

[2] Orchard International Inc. shares are held in the Share Lending Program with NTI Holding AS

[3] RTI Europe, Ltd. is a subsidiary of Howmet Aerospace and its shares are held in the Share Lending Program with NTI Holding AS

Reconciliation of equity is shown in the statement of changes in equity.

At the end of the financial year, members of the Board and executive employees held shares in the parent company, representing the following ownership:

Ownership interests held by Board members and Company Management:	Ownership as of 31 December 2021
Board of Directors:	
John Andersen - Chairman of the board*	0.00 %
Bart van Aalst - member of the board**	0.27 %
Shan A. Ashary - member of the board**	0.10 %
Jeremy Barnes – member of the board***	0.00 %
Steve D. Geskos – member of the board***	0.00 %
Total	**0.37 %**

Ownership interests held by Board members and Company Management:	Ownership as of 31 December 2020
Board of Directors:	
John Andersen - Chairman of the board*	0.00 %
Bart van Aalst - member of the board**	1.16 %
Shan A. Ashary - member of the board**	0.44 %
Jeremy Barnes – member of the board***	0.00 %
Total	**1.59 %**

* Related party of NTi Holding AS which controls 25.0% in 2021 of the Company and 18.6% in 2020
** Related party of NT Cayman Ltd which controls 36.4% in 2021 of the Company and 44.3% in 2020
*** Jeremy Barnes and Steve D. Geskos represent Triangle Holdings L.P. and Disruptive Innovation Fund, L.P., respectively, each of which is a top ten shareholder of the Company

Note 4.8: Share option plan

Norsk Titanium has a share option program for employees in the Company divided into 13 programs. As of 31 December 2021, 69 employees were included in the option program and 38 non-employees were included in the option program. Following the share split, all outstanding options have been expanded by 1:100. On average the option vests after approximately 3.6 years. 3,583,600 of the options have vested of which 120,000 (the 2011-2013 program) do not have an expiration date. 2,800,500 vested options are part of LTI programs that vest over a 4 or 5 year schedule and have a 10 year expiration term. Lastly, 411,700 vested options in the 2014-2015 program have expiration date that has been extended to December 2022.

In the event of termination of employment, the Company has the right, but not an obligation, to repurchase all shares purchased by the employees.

The fair value of the options is set on the traded price at grant date and expensed over the vesting period. There was no new option program granted in 2021. USD 283 thousand have been expensed as payroll (2020 USD 374 thousand) and USD 1 thousand have been reversed from previously expensed as social security tax (2020 USD 499 thousand), net impact of USD 282 thousand (2020 USD -75 thousand).

Overview of outstanding options:

	Weighted average exercise price USD	Number of share options
Outstanding options as of 1 January 2021*	**436**	**4,413,200**
Options forfeited	431	734,400
Outstanding options at 31 December 2021	**465**	**3,678,800**
Exercisable at 31 December	441	3,123,600

* Adjusted for share split 1:100.

	Weighted average exercise price USD	Number of share options
Outstanding options as of 1 January 2020	445	50,008
Options forfeited	511	5,876
Outstanding options at 31 December 2020	**436**	**44,132**
Exercisable at 31 December	412	35,834

There was no new option program in 2021 and no options were granted.

Assumptions used in prior years to determine fair value of the 13 prior years option programs currently active as of 31 December 2021:

Option programs	Expected life of options	Exercise price USD	Number of share options
2011-2013 Program	2.0	49	120,000
2015-LTI Program	2.0	400	1,058,000
2016-LTI Program	3.0	500	450,000
2017 LTI US/UK Program	4.0	480	74,500
2017 STI NO2020 Program	3.0	555	52,300
2017-STI NO2021 Program	4.0	503	54,000
2018 LTI Program	3.6	550	1,046,000
2018 STI NO 2021 Program	2.0	546	75,600
2018 STI US 2021 Program	2.0	494	19,600
2019 STI NO 2022 Program	2.0	580	89,300
2019 STI US 2022 Program	2.0	523	50,800
2019 LTI Program	4.0	600	177,000
Weighted average at 31.12.2021	**2.5**	**457**	**3,678,800**

Pricing model: The fair value of the options has been calculated using the Black-Scholes-Merton option-pricing model for European options.

Share price on the grant date: The share price is set to 77.3% of the valuation price on the grant date. The share price was reduced by a liquidity discount of 22.7%.

The strike price per option: The strike price is the share price on the grant date.

Volatility: The expected volatility is set to 30%-50 % based on a peer group analysis at the grant date.

The term of the option*:* The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. It is assumed that 100 % of the employees will exercise the options if the market price of the shares is above the strike price.

Dividend: The estimated dividend per share is NOK 0 per annum.

Risk-free interest rate*:* The risk-free interest rate is set equal to the interest rate on government bonds during the term of the option 2-2.5%.

The weighted average remaining contractual life for the share options outstanding as at 31 December 2021 was 2.53 years.

Share options held by Board members and Senior Management:	Number of share options	% of total
Senior Management	14,500	0 %

Note 4.9: Loan from shareholders

As of 31 December 2021 the Company did not have any loans from shareholders. However, in the period between 2018 to 2021 the Company entered into loan agreements with selected shareholders. Reference to Note 7.4 for a description of the shareholder loans considered related party transactions.

The loan from September 2018 and the subordinated loan agreements contained several embedded derivatives. These components could be separated and accounted for separately. However, Norsk Titanium had chosen the option in IFRS 9.4.3.5 not to separate the embedded derivatives, but instead account for the whole contract at fair value through profit and loss. Fair value of the warrants was calculated using a Black-Scholes-Merton option-pricing model.

On 29 January 2021 an Extraordinary General Meeting (EGM) resolved conversion of existing debt under the shareholder loan agreements to preference shares and ordinary shares. The majority of the lenders of the secured senior debt under the Facility Agreement of 28 September 2018 have converted their loans of USD 84.9 million into preference shares (principal amount) and ordinary shares (interest). The lenders of the junior debt under the Facility Agreements of 2019 and 2020 have converted their loans into ordinary shares. The share capital was increased by NOK 4,262,576 by issue of 532,822 new preference shares, each with a par value of NOK 8. The share capital was increased by NOK 4,875,048 by issue of 609,381 new ordinary shares, each with a par value of NOK 8. The subscription price per share was USD 74.32.

The Company issued a convertible loan of USD 9.0 million which was resolved by the general meeting on 29 January 2021. Pursuant to the terms of the loan and the Company decided listing of its shares on Euronext Growth in Oslo, the convertible loan was converted into ordinary shares. The subscription price for the ordinary shares upon conversion of the loan was the price paid per share in the capital increase (the Private Placement) with a reduction of 20% of the price. Outstanding loan amounts (including accrued interests) amounted to USD 9,284,722, and consequently 88,339 shares were issued on the subscription price of NOK 10.88. The share capital of the Company was increased accordingly to NOK 16,853,060.

Following the conversion of the convertible loan resolved on the AGM 6 May 2021, all existing shareholder loans were repaid.

Note 4.10: Fair value

Determination of fair value

The fair value of quoted financial assets classified as financial assets at fair value through profit or loss, or OCI is determined by reference to published price quotations in an active market. For unquoted financial assets the fair value has been estimated using a valuation technique based on assumptions that are not supported by observable market prices.

The following of the Company's financial instruments are not measured at fair value: cash and cash equivalents, accounts receivables, other current receivables and payables and bank loans.

The fair value of financial assets and liabilities recognised at their carrying amount is calculated as the present value of estimated cash flows discounted by the interest rate that applies to corresponding liabilities and assets at the end of the reporting period. This applies to the Fair value hierarchy.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For recurring measurements, transfers between the levels in the fair value hierarchy are evaluated when reassessing the categories of the financial instruments at the end of the period.

The following groups of financial instruments were measured at fair value as of 31 December:

			Fair value measurement using		
31.12.2021	**Note**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Debt instruments - Loan from shareholders	4.2	0	0	0	0
Total financial liabilities		**0**	**0**	**0**	**0**

			Fair value measurement using		
31.12.2020	**Note**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Debt instruments - Loan from shareholders	4.2	69,106	0	0	69,106
Total financial liabilities		**69,106**	**0**	**0**	**69,106**

Balance sheet as of 31.12.2021

During the reporting period there were no changes in the fair value measurement which caused transfers between level 1 and level 2, and no transfers to or from level 3. No changes in the fair value have been recognised in statement of comprehensive income.

Valuation technique

The valuation of financial instruments is done by the Company's finance department in cooperation with external advisors. The valuation techniques used are individually adapted to each financial instrument and should take advantage of as much as possible of the available information in the market.

The valuation technique for financial instruments in level 3 are as follows:

Loan from shareholders (level 3)

Warrants and the residual value is based on level 3 valuation. Warrants and the residual value is based on a Black-Scholes model and the loans from shareholders are valued at the present value of future cash flows. For more information related to the loan from shareholders, see note 4.2, 4.9 and 7.5.

Note 5.1: Taxes

Amounts in USD thousand	2021	2020
Current income tax expense:		
Tax payable	6	47
Change deferred tax/deferred tax assets	(24)	0
Adjustments in respect of current income tax of previous year	(77)	15
Total income tax expense	**(94)**	**62**

Tax payable	2021	2020
Profit before taxes	**(16,087)**	**(42,835)**
Permanent differences*	(2,227)	(465)
Change in temporary differences	(1,587)	0
Change in not recognised deferred tax assets	19,821	43,514
Tax basis	**(80)**	**215**
Current taxes according to statutory tax rate 22%	(18)	47

Deferred tax liabilities (assets):	2021	2020
Property, plant and equipment	(1,898)	(1,359)
Other current assets	(107)	(2,000)
Losses carried forward (including tax credit)	(201,319)	(184,200)
Disallowed interest expenses	(2,787)	(2,881)
Basis for deferred tax liabilities (assets):	**(206,111)**	**(190,440)**
Calculated deferred tax assets	(42,171)	(44,085)
Deferred tax assets not recognised	42,148	44,085
Net Deferred tax	**(24)**	**0**

Deferred tax asset related to temporary differences from right of use assets and lease liabilities that is offset over time. Deferred tax assets not recognised of USD 42,171 thousands related mainly to losses carried forward and disallowed interest are not recorded in the balance sheet as it is more likely than not that the tax assets will be utilised. The unrecognised tax asset may offset future taxable income. The Company has USD 2,787 thousand of disallowed interest deduction carried forward. These interest expenses are related to the interest limitation legislation in Norway which became effective from 1 January 2019, USD 2,787 thousand expire in 9 years, and may not be used to offset taxable income elsewhere in the Company.

The Company has USD 201,319 thousand (2020: USD 184,200 thousand) of tax losses carried forward. These losses relate to a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Company. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Company was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by USD 42,278 thousand.

The Company's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 19% to 22%, which results in a difference between the statutory income tax rate in Norway and the average tax rate applicable to the Company. A reconciliation of the differences between the theoretical tax expense under the rate applicable in Norway and the actual tax expense is as follows:

Reconciliation of income tax expense	2021	2020
Profit before taxes	(16,087)	(42,835)
Tax expense (Norway tax rate)	(3,539)	(9,424)
Permanent differences*	(490)	(102)
Effects of foreign tax rates	208	199
Effect of deferred tax asset not recognised	3,448	9,524
Adjustments in respect of current income tax of previous years	(77)	15
Other changes	357	(150)
Recognised income tax expense	**(94)**	**62**

* Permanent differences are related to share-based payments, costs related to capital increase, grants and non-deductible costs.

Note 6.1: Interests in other entities

The Company's interests in subsidiaries are presented below:

Amounts in USD thousand

Consolidated entities	Office	CUR	Date of acquisition	Shareholding	Company's voting ownership share
Shares in Norsk Titanium Equipment AS	Norway	NOK	2015/11/09	100 %	100 %
Shares in NTi MH AS	Norway	NOK	2015/07/10	100 %	100 %
Shares in Norsk Titanium US Inc.	US	USD	2015/07/07	100 %	100 %
Shares in Norsk Titanium Services Ltd.	UK	GBP	2016/12/01	100 %	100 %
Shares in NTi Equipment Leasing (US) One LLC	US	USD	2018/10/09	100 %	100 %

Norsk Titanium Equipment AS was established in 2015 and is the Company's equipment sale company. NTi MH AS was established in 2015 and is the Company's holding company for manufacturing subsidiaries. Norsk Titanium US Inc. was established in 2015 and is the Company's company for US manufacturing. Norsk Titanium Services Ltd. was established in 2016. The company provides services to the Company. NTi Equipment Leasing (US) One LLC is the Company's equipment leasing company. Norsk Titanium US Inc. and Norsk Titanium UK Services Ltd. have been financed with loans from Norsk Titanium AS.

All subsidiaries are included in the consolidated statement of financial position.

Note 7.1: Provisions and other liabilities

Amounts in USD thousand

Other current liabilities	31.12.2021	31.12.2020
Accrued bonus	15	1,918
Unpaid holiday pay	476	411
Other accrued costs*	555	2,863
Total other current liabilities	**1,045**	**5,192**

* Include provision of USD 2 million in 2020 towards Spirit AeroSystems Inc. related to an IP Settlement Agreement entered into on 28 January 2021. The amount was set-off against a subscription on the

convertible loan resolved by the EGM 29 January 2021. The loan has been converted into 1,954,700 shares.

Note 7.2: Commitments and contingencies

Other contractual obligations* (non-cancellable)	2021	Matures within 1 year	Matures 2-5 years	Matures more than 5 years	Total
Contractual purchase obligations**	181	181	0	0	**181**
Total non-cancellable contractual obligations	**181**	**181**	**0**	**0**	**181**

* For non-cancelable leases, reference is made to note 7.3.

** Commitments are related to purchase agreement for necessary input to complete the two remaining RPD® machines under the FSMC agreement. There are no further contractual purchase obligations beyond 2021. Norsk Titanium has committed itself to hiring a total of 383 employees in Norsk Titanium and Norsk Titanium's Supply Chain partners during the 10 years period, with a minimum 231 direct employees in Norsk Titanium. Reference to note 1.2.

Assets pledged as security

For assets pledged as security and guarantee liabilities, reference is made to note 4.2.

Contingent assets and liabilities

The Company has no contingent assets that meet the criteria for recognition or disclosure.

Note 7.3: Leases

Amounts in USD thousand

Right-of-use assets	Buildings	Machinery and equipment	Other equipment	Total
Acquisition cost 1 January 2021	**2,155**	**635**	**50**	**2,840**
Addition of right-of-use assets		32	6	**38**
Disposals *	(1,053)			**(1,053**
Adjustments **	(64)	20	1.3	**(43)**
Currency exchange differences	(11)	0	0	**(10)**
Acquisition cost 31 December 2021	**1,027**	**687**	**57**	**1,772**
Accumulated depreciation and impairment 1 January 2021	1,389	226	23	**1,638**
Depreciation	497	148	15	**659**
Disposals *	(991)			**(991)**
Adjustments **	(34)			**(34)**
Currency exchange differences	(1)			**(1)**
Accumulated depreciation and impairment 31 December 2021	**860**	**374**	**38**	**1,271**
Carrying amount right-of-use assets 31 December 2021	**167**	**314**	**20**	**501**
Lower of remaining lease term or economic life	1-10 years	1-4 years	1-3 years	
Depreciation method	Linear	Linear	Linear	

Lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	Total	2021	2020
Less than 1 year		(418)	(890)
1-2 years		(146)	(401)
2-3 years		(132)	(125)
3-4 years		0	(122)
Total undiscounted lease liabilities at 31 December 2020		**(696)**	**(1,539)**

Summary of the lease liabilities	Total	2021	2020
Balance as of 01.01.2021		1,356	1,706
New lease liabilities recognised in the year		36	459
Adjustments		(80)	8
Cash payments for the principal portion of the lease liability		(684)	(853)
Cash payments for the interest portion of the lease liability		(111)	(200)
Interest expense on lease liabilities		111	200
Currency exchange differences		(21)	36
Total lease liabilities at 31 December 2021		**608**	**1,356**
Current lease liabilities		**387**	**843**
Non-current lease liabilities		**221**	**513**
Total cash outflows for leases		**794**	**1,043**

Summary of other lease expenses recognised in profit or loss	Total	2021	2020
Operating expenses in the period related to short-term leases (including short-term low value assets)		76	84
Operating expenses in the period related to low value assets (excluding short-term leases included above)		0	7
Total lease expenses included in other operating expenses		**76**	**91**

* Disposal of acquisition cost and accumulated depreciation are reduced during 2021 due to termination of the rent agreement of the facility Plattsburgh Production Development & Qualification Center in the US, reference to note 1.2.

** The area rented at the Engineering & Technology Center in Norway has been reduced, impacting Adjustments in Right-of-Use and Accumulated depreciation.

Note 7.4: Related party transactions

Related parties are companies, major shareholders, board and senior management in the Parent and the Parent's subsidiaries. Note 6.1 provides information about the Company's structure, including details of the subsidiaries and the holding company. Management and board remuneration is disclosed in note 2.5.

All transactions within the Company or with other related parties are based on the principle of arm's length.

As of 31 December 2021 the Company did not have any loans from shareholders. During 2018, the Company entered into a USD 30 million loan agreement with selected shareholders. As part of the loan agreement, the lenders were granted warrants to purchase 60,000 shares. The loan could be extended from USD 30 million, up to a principal amount of USD 42.5 million. As of 31.12.2018 the loan was extended with a second tranche of USD 2.9 million and 5 309 subscription rights. The strike price of the warrants granted is equal to the market value of shares on the grant date. The duration of the loan can be extended from 36 months up to 54 months (i.e. 18 months extension) at the Company's discretion. The loan carries an interest at a fixed 14% per annum in arrears, compounded quarterly. At the maturity date, the interest will be repaid in shares (payment-in-kind), subject to necessary corporate approvals, and otherwise in cash. In case of payment in shares, the share price shall be the lower of USD 600 per share and the share price at the last substantial equity issuance (i.e. a share issue of USD 50,000,000 or more). Other than the warrants described in Section 10.6, all warrants under this loan have been exercised or cancelled.

During 2019, the Company extended the loan from 2018 from USD 32.9 million loan up to the principal amount of USD 42.5 million with selected shareholders. As part of the loan agreement, the lenders have been granted warrants to purchase 13,422 shares. The strike price of the options granted is equal to the market value of shares on the grant date. The duration of the loan can be extended from 36 months up to 54 months (i.e. 18 months extension) at the Company's discretion. The loan carries an interest at a fixed 14% per annum in arrears, compounded quarterly. The accrued interest shall be settled by converting to new shares in the Company. The loan and warrants have been settled in full.

The Company entered into a second subordinated loan agreement of USD 5 million in December 2019 with selected shareholders. As a part of the USD 5 million loan agreement, the lenders have been granted warrants to purchase 10,000 shares. The subordinated loan agreement was extended from USD 5 million to USD 11 million in 2020. The lenders have been granted warrants to purchase 18,999 shares under the subordinated loan agreements. The strike price of the warrants granted was equal to the market value of shares as of September 2018. The expiration date of the loan is equal to the loan agreement from September 2018. The loan carries an interest at a fixed 15% per annum in arrears, compounded quarterly. The accrued interest shall be settled by converting to new shares in the Company. The loan and warrants have been settled in full.

A third secured loan agreement of USD 9.0 million was signed in June 2020, which was extended from USD 9.0 million to USD 20 million during 2020. The expiration date of the loan is equal to the loan agreement from September 2018. The loan carries an interest at a fixed 15% per annum in arrears, compounded quarterly. The third secured loan agreement is measured at amortised cost. The loan and warrants have been settled in full.

The loan from September 2018 and the subordinated loan agreements contained several embedded derivatives. These components could be separated and accounted for separately. However, NTi has chosen the option in IFRS 9.4.3.5 not to separate the embedded derivatives, but instead account for the whole contract at fair value through profit and loss. Fair value of the warrants is calculated using a Black-Scholes-Merton option-pricing model. The remaining part of the loan agreement is at initial recognition measured as the difference between the cash proceeds from the loan agreement fair value and the calculated value of the warrants.

The Company has issued a convertible loan of USD 9,000,000 which was resolved by the general meeting on 29 January 2021. The convertible loan is subscribed by the following shareholders of the Company; Norsk Titanium Cayman Ltd, Disruptive Innovation Fund L.P., NTi Holding AS and Spirit AeroSystems, Inc. Pursuant to the terms of the loan and if the Company decides listing of its shares on a multilateral trading facility and the total subscription amount in share capital increase relating to the listing is equal to minimum USD 25,000,000, the loan amount (including accrued interest of USD 284,722) shall be converted into ordinary shares. The subscription price for the ordinary shares upon conversion of the loan shall be the price paid per share in the capital increase (the Private Placement) with a reduction of 20% of the price. Prior to the conversion, the Company's effected a share split of 1:100. Outstanding loan amounts (including accrued interests) amount to USD

9,284,722, and consequently 8,833,900 shares were issued based following the general meeting on 6 May 2021 on the subscription price of NOK 10.88. The share capital of the Company was increased accordingly to NOK 16,853,060.

Other than as mentioned above, the Company has not entered into any related party transactions.

The following table provides the total amount of transactions that have been entered into with related parties (outside the Company) for the relevant financial year. The amounts owed to related parties per 31 December:

Amounts in USD thousand

Related party transactions	Relationship	2021	2020
Triangle Holdings L.P.	Shareholder	0	15,000
Norsk Titanium Cayman Ltd.	Shareholder	0	29,800
NTi Holding AS	Shareholder	17	24,800

The amounts owed to related parties per 31 December 2021 reflect agent fees. In 2020 the amounts owed to related parties reflect nominal value of shareholder loans by 31 December 2020.

Note 7.5: Events after the reporting period

Reference is made to the stock exchange announcement on 14 December 2021 where Norsk Titanium AS announced that the general meeting had resolved to implement a long-term incentive program (the "LTIP"). In connection with the LTIP, the board of directors was authorized to administrate the LTIP and to increase the Company's share capital in order to execute the LTIP.

According to the authorization the board of directors resolved on 17 January 2022 to make a total grant of 4,928,435 restricted share units ("RSU") and performance shares ("Performance Shares") in accordance with the LTIP. The total number of RSUs and Performance Shares granted by the board of directors equals 2.33% of total shares issued in the Company. The granted RSUs are subject to a time-based vesting. Of the total granted, 4,428,435 will vest ratably on each of the first three anniversaries of the grant date and 500,000 granted to our CEO Michael Canario will vest in full on 17 January 2025. Vesting of the Performance Shares is based on the achievement of financial or other performance goals. The number of Performance Shares that vest will be decided by the board of directors after year end 2024 with vesting on 17 January 2025. RSUs and Performance Shares are automatically exercised at vesting with an exercise price corresponding to the par value of the shares being NOK 0.08.

In March 2022 the Company extended the leasing agreement with Eggemoen Utvikling AS for the Eggemoen Technology Center facilities in Norway.

The Company depends on a small number of suppliers for raw material and critical components. The recent conflict in Ukraine has led to increased uncertainty in the market for titanium raw material. The Company continues to explore ways to diversify its supply chain to ensure continuity of supply and is closely monitoring the geopolitical situation. Management has informed the Board that there is no risk to its titanium supply in the short term and that it is working on solutions for the mid- to long-term. The Company continues to closely monitor inflationary risks. Both labour and material costs are at risk of increasing in 2022 and could outpace the rate of inflation assumed in the Company's most recent financial forecasts. Reference to note 4.6 for further disclosure on the financial risk.

Note 8.1: Changes in IFRS standards and interpretations

New and amended accounting standards and interpretations issued by the IASB may affect the Company's future financial reporting. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

The Consolidated Financial Statements for 2021 are based on the accounting standards applicable for annual periods beginning 1 January 2021. A few amendments to IFRS have been implemented for the first time in 2021. The amendments did not have any material impact for the Company. In addition, several amendments to IFRS are issued up to the date of issuance of the consolidated financial statements but are not yet effective. The Company has not applied the new IFRSs and the impact of applying the amendments is not expected to have a material impact on the Company's financial statements.

Note 8.2: Significant accounting policies

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods

The Company recognises revenue from the sale of goods at the point in time when control of the goods is transferred to the customer. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits from the asset, and the ability to prevent others from directing the use of and receiving the benefits from the asset. Revenue is generally recognised on delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components and consideration payable to the customer (if any).

Sale of Property, plant and equipment

Revenue from sale of property, plant and equipment items is presented net of the carrying amount at the time of sale.

Interest income

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as AFS, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

VAT

Expenses and assets are recognised net of the amount of sales tax, except: When vat incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. When receivables and payables are stated with the amount of vat included. The net amount of vat recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and development

Research costs are expensed as incurred. Development expenditures on an individual project, which represents new applications/technology, are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- Its ability to use or sell the intangible asset
- The availability of adequate, technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually. Estimating recoverable amounts of assets must in part be based on management's evaluations, including determining appropriate cash-generating units, determining discounting rates, estimates of future performance, revenue generating capacity of the assets and assumptions of the future market conditions. The operations are to a large extent affected by economic conditions which result in considerable fluctuations in the Company's fair value. As the market is still immature, these values can vary in time.

Patents and licenses

The Company made upfront payments to purchase patents and licenses. Amounts paid for patents and licenses are capitalised and amortised in a straight line over the expected useful life.

Property, plant and equipment

Construction in progress, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Machinery and equipment 5-20 years
- Furniture and vehicles 5 years
- Buildings and IT 5 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leases

Identifying a lease

At the inception of a contract, the Company assesses whether the contract is, or contains, a lese. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

For contracts that constitute, or contain a lease, the Company separates lease components if it benefits from the use of each underlying asset either on its own or together with other resources that are readily available, and the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract. The Company then accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

Recognition of leases and exemptions

At the lease commencement date, the Company recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the exemptions for short-term leases (defined as 12 months or less) and low value assets. For these leases, the Company recognises the lease payments as other operating expenses in the statement of profit or loss when they incur.

Lease liabilities

The lease liability is recognised at the commencement date of the lease. The Company measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the Company is reasonably certain to exercise this option.

- The lease payments included in the measurement comprise of:
- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- Amount expected to be payable by the Company under residual value guarantees
- The exercise price of a purchase option, if the Company is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Company does not include variable lease payments in the lease liability. Instead, the Company recognises these variable lease expenses in profit or loss. The Company presents its lease liabilities as separate line items in the statement of financial position.

Right-of-use assets

The Company measures the right-of use asset at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability recognised
- Any lease payments made at or before the commencement date, less any incentives received
- Any initial direct costs incurred by the Company. An estimate of the costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Company applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset.

The Company applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

Raw materials: purchase cost on a first-in/first-out basis. Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Trade Receivables

Trade receivables are recognised at their transaction value.

Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Statement of cash flows

The company presents the statement of cash flow using the indirect method. Cash inflows and cash outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash items. Value added tax and other similar taxes are regarded as collection of tax on behalf of authorities and are reported net.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium. Share options exercised during the reporting period are satisfied with treasury shares.

Pensions and other post-employment benefits

The Company operates a defined contribution pension plan in Norway, which requires contributions to be made to a separately administered fund. Contributions have been made to the pension plan for full-time. The pension premiums are charged to expenses as they are incurred.

Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

This program is measured at fair value at the date of the grant. The fair value at the grant date is expensed over the vesting period, based on the Company's estimate of the shares that will eventually vest, adjusted for the effect of non-market based vesting conditions.

The fair value share-based program is measured using the Black-Scholes pricing model. The expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations.

Social security tax on options is recorded as a liability and is recognised over the estimated vesting period.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Financial instruments

Financial assets

Financial assets within the scope of IFRS 9 are classified in the following categories:

- Financial assets at amortised cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

The classification is dependent on the type of instrument and the purpose for which the investments were acquired or originated. In order for a financial asset to be classified and measured at amortised cost or at fair value through OCI with recycling, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at amortized cost: Trade receivables and other current receivables

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are regarded as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also regarded as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Financial liabilities are classified, as measured at amortised cost except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of income, as well as any gain or loss on derecognition.

Derivatives are financial liabilities when the fair value is negative, accounted for similarly as derivatives as assets.

Financial liabilities are measured at fair value through profit or loss when they meet the definition of held for trading, or when they are designated as such on initial recognition. Derivatives are always recognised at fair value through profit or loss. In addition, hybrid instruments (embedded derivative in a non-derivative host contract), are recognised at fair value through profit or loss when the

Company choose not to separate the embedded derivative and account for the contract as a whole. All other financial liabilities are generally classified as subsequently measured at amortised cost using the effective interest method.

De-recognition of financial instruments

A financial asset is derecognised when the rights to receive cash flows from the asset have expired; or the Company has transferred its rights to receive cash flows from the asset and either (i) the Company has transferred substantially all the risks and rewards relating to the instrument, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards relating to the instrument, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Cash flows

The consolidated statements of cash flows are prepared using the indirect method. Cash flows in foreign currencies have been translated into NOK using the exchange rate at the cash flow date.

Norsk Titanium AS financial statements and notes

Parent company statement of profit and loss

For the years ended 31 December

NOK 1000	Notes	2021	2020
Revenue	2,19	8,083	25,641
Other income	3	22,264	2,140
Total revenues and other income		**30,347**	**27,781**
Raw materials and consumable used		(9,409)	(24,946)
Employee benefits expense	5	(52,944)	(55,739)
Other operating expenses	6	(38,932)	(94,407)
Depreciation and amortisation	9,1	(19,605)	(15,740)
Impairment of tangible assets	10	0	0
Operating profit		**(90,544)**	**(163,050)**
Financial income	13	152,316	131,923
Financial expenses	13	(35,068)	(128,252)
Profit or loss before tax		**26,704**	**(159,378)**
Income tax expense	16	0	(905)
Profit or loss for the year		**26,704**	**(160,283)**
Transfers and allocations			
Allocation to / (from) other equity	14	26,704	(160,283)
Total transfers and allocations		**26,704**	**(160,283)**

Parent company statement of financial position

For the years ended 31 December

NOK 1000	Notes	2021	2020
ASSETS			
Non-current assets			
Property, plant and equipment	9	29,046	32,682
Intangible assets	10	56,072	69,987
Investments in subsidiaries	17	40,583	38,550
Long term loan to subsidiary	19	913,065	680,820
Total non-current assets		**1,038,767**	**822,039**
Current assets			
Inventories	4	14,274	8,949
Trade receivables	7,19	636	0
Other current assets	7,19	28,774	14,271
Cash and cash equivalents	12	173,830	13,787
Total current assets		**217,514**	**37,008**
TOTAL ASSETS		**1,256,281**	**859,046**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	16,952	3,986
Share premium	14	1,167,236	29,441
Treasury shares	14	(0)	(84)
Other capital reserves	14	(7,463)	0
Other equity	14	35,460	0
Total equity		**1,212,185**	**33,342**
Non-current liabilities			
Intercompany debt	19	9,050	11,086
Total non-current liabilities		**9,050**	**11,086**
Current liabilities			
Trade and other payables	8,19	7,892	8,267
Interest-bearing debt - short term	11	0	756,680
Other current liabilities	18, 20	27,154	49,671
Total current liabilities		**35,046**	**814,618**
Total liabilities		**44,096**	**825,704**
TOTAL EQUITY AND LIABILITIES		**1,256,281**	**859,046**

Hønefoss
30 March 2022

John Andersen Jr. Chairman	Shan A. Ashary Board Member	Bart van Aalst Board Member
Jeremy Barnes Board Member	Mimi K. Berdal Board Member	Steve D. Geskos Board Member

Parent company statement of cash flows

For the years ended 31 December

Cash flows from operating activities	**Notes**	**2021**	**2020**
Profit before tax		**26,704**	**(159,378)**
Depreciation and amortisation	9,10	19,605	15,740
Net financial income/expense inc. in financing activities	13	16,924	(3,671)
Elements without cash effect	19	(102,409)	63,323
Working capital adjustment:			
Changes in inventories	4	(5,326)	(540)
Changes in trade and other receivables	7	(636)	1,646
Changes in other current assets	7	(14,503)	5,048
Changes in trade and other payables	8	(375)	(6,639)
Changes in other current liabilities	18	(22,517)	11,854
Net cash flows from operating activities		**(82,532)**	**(72,618)**
Cash flows from investing activities			
Net purchase of property, plant and equipment	9	(1,515)	(201)
Investment in intangible assets	10	(566)	0
Interest received	13	30	56
Proceeds from other investing activities	13	511	0
Investment in loans to subsidiaries	19	(132,078)	(185,997)
Net cash flow from investing activities		**(133,618)**	**(186,142)**
Cash flow from financing activities			
Proceeds from issuance of share capital	14	338,776	0
Transaction cost	14	(15,324)	0
Purchase of treasury shares	14	(17)	(176)
Sale of treasury shares	14	6,564	0
Proceeds of debt	11	50,815	258,178
Repayment of debt		(2,992)	0
Interests paid	13	(1,631)	0
Net cash flow from financing activities		**376,191**	**258,002**
Net change in cash and cash equivalents		160,042	(757)
Cash and cash equivalents, beginning of period		13,788	14,545
Cash and cash equivalents, end of period		**173,830**	**13,788**

Notes to the Parent company financial statements

Note 1: General information and accounting policies

The separate financial statements for Norsk Titanium AS, the parent company, has been prepared in accordance with the Norwegian Accounting Act of 1988 and generally accepted accounting principles in Norway.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Revenue recognition

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred.

Revenues from the sale of services and long-term manufacturing projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenues equal to the project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognised at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognised at nominal value.

Research and development

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs are amortized linearly over its useful life. Research costs are expensed as incurred.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a lather period.

Dividends, the Parent contributions and other distributions from its subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / Parent Company contribution exceeds withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Inventories

Inventories are recognised at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location.

Trade and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Short term investments

Short term investments (stocks and shares seen as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognised as other financial income.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Share based payment

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the assumptions and models used for estimating the fair value are disclosed in note 4.8 in the consolidated financial statements.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium. Share options exercised during the reporting period are satisfied with treasury shares.

Pensions and other post-employment benefits

The Company has a defined contribution pension plan in Norway, which requires contributions to be made to a separately administered fund. Contributions have been made to the pension plan for full-time. The pension premiums are charged to expenses as they are incurred.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Note 2: Revenues

Amounts in NOK thousand

Revenues	2021	2020
Sale of goods and services	8,083	25,641
Total revenues	**8,083**	**25,641**

Geographic information	2021	2020
Norway	0	16,695
Europe	652	0
USA	7,431	8,945
Total revenues	**8,083**	**25,641**

Note 3: Other income

Government grants have been received for research and development activities but are not related to a specific program. The grants included in other income contains no unfulfilled conditions or contingencies.

Amounts in NOK thousand

Other income	2021	2020
Grant from Innovation Norway*	17,500	2,140
Skattefunn**	4,750	0
Gain on disposal of inventory	14	0
Total other income	**22,264**	**2,140**

* 50% of NOK 35 million grant from Innovation Norway recognised as Other income for the full year 2021 following 50% of project costs occurred by year end 2021. Total grant is pending the capital requirement in the project.

** NTi has been granted Skattefunn from Forskningsrådet for the years 2021 and 2022. Total grant is caped at NOK 9,500 thousand and dependent on cost incurred pending the capital requirement in the project.

Note 4: Inventories

Amounts in NOK thousand

Inventories	31.12.2021	31.12.2020
Raw materials	11,276	8,949
Work in progress	2,998	0
Total inventories	**14,274**	**8,949**

Work in progress consist of manufacturing of production machines, for own or external use, in addition to titanium components in progress. Inventories consists of wire, argon and substrate for production of titanium components as well as spare parts for production machines.

Note 5: Employee benefit expense

Amounts in NOK thousand

Employee benefit expenses	2021	2020
Salaries and holiday pay	42,061	47,033
Social security tax	7,059	3,710
Pension costs defined contribution plans	3,167	3,856
Cost of share-based payment	375	759
Other personnel costs	282	380
Total payroll and related costs	**52,944**	**55,739**
Full Time equivalent Employees as of 31.12	54	53

Pensions

The Norwegian companies in Norsk Titanium are obligated to keep an occupational pension scheme pursuant to the Norwegian Mandatory Occupational Pensions Act. The Company's pension scheme satisfies these requirements.

Contributions are paid to pension insurance plans and charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

Amounts in NOK thousand

Remuneration to Board members in 2021	2021	2020
Board members	196	0

No remuneration is paid to the board members for the period up to the annual general meeting in 2021. In the General Meeting 2021 it was decided that the remuneration for the period from the annual general meeting 2021 to the annual general meeting 2022 shall be USD 30,000 for board members not associated with the Company's shareholders. Remuneration for one board member for 9 months is NOK 196 thousand.

At the end of the financial year, members of the Board and executive employees held shares in the parent company, Norsk Titanium AS. Reference is made to note 4.7 for disclosures on shareholdings.

The board members are not subject to agreements for severance pay, bonuses or profit-sharing.

Note 6: Other operating expenses

Amounts in NOK thousand

Other operating expenses	2021	2020
Professional services	12,176	16,231
Travel expenses	408	797
Rental and leasing expenses	5,067	4,132
IT expenses	6,852	5,229
Equipment and tools	996	182
Patent expenses	3,816	2,816
Insurances	1,137	1 177
Other operating expenses	5,573	56,762
Total other operating expenses	**38,932**	**94,407**

Amounts in NOK thousand

Auditor related fees	2021	2020
Statutory audit	1,364	1,305
Other assurance services	310	188
Tax consultant services	55	47
Non-auditing services	61	0
Total remuneration to the auditor	**1,790**	**1,540**

Audit fee: The amounts above are excluding VAT.

Note 7: Trade receivables and other current assets

Amounts in NOK thousand

Trade receivables	2021	2020
Receivable to external parties	636	0
Total trade receivables	**636**	**0**

No provision for bad debt has been recognised in 2021 or 2020.

Other current assets	2021	2020
Pre-payments	2,249	905
Deposits	966	966
VAT	969	916
Grant from Innovation Norway	7,000	0
Skattefunn	4,750	0
Group contribution	1,556	0
Other receivables	11,285	11,484
Total other receivables	**28,774**	**14,271**

Note 8: Trade and other payables

Amounts in NOK thousand

Trade and other payables	2021	2020
Accounts payable	4,406	4,339
Withholding payroll taxes and social security	3,485	3,928
Total trade and other payables	**7,892**	**8,267**

Note 9: Property plant and equipment

Amounts in NOK thousand

Property, plant and equipment	Machinery and equipment	Furniture and vehicles	Buildings, IT	Assets under construction	Total
Acquisition cost 1.1.2020	**75,583**	**3,284**	**9,241**	**633**	**88,741**
Additions	201	0	0	0	201
Acquisition cost 31.12.2020	**75,784**	**3,284**	**9,241**	**633**	**88,942**
Additions	418	0	256	841	1,515
Disposals*	20,454	0	7,172	0	27,626
Acquisition cost 31.12.2021	**55,748**	**3,284**	**2,324**	**1,474**	**62,831**
Accumulated depreciation and impairment 1.1.2020	**46,211**	**2,218**	**3,187**	0	**51,616**
Depreciation for the year 2020	3,662	764	218	0	4,644
Accumulated depreciation and impairment 31.12.2020	**49,873**	**2,982**	**3,404**	0	**56,260**
Depreciation for the year 2021	4,166	751	207	0	5,124
Disposals for the year 2021*	25,522	442	1,635	0	27,599
Transfer and reclassification	341	(341)	0	0	0
Accumulated depreciation and impairment 31.12.2021	**28,858**	**2,951**	**1,976**	0	**33,785**
Carrying amount 31.12.2020	**25,911**	**302**	**300**	**633**	**32,682**
Carrying amount 31.12.2021	**26,891**	**333**	**348**	**1,474**	**29,046**
Economic life	5-20 years	5 years	5 years		
Depreciation plan	linear	linear	linear		

* Acquisition cost has been adjusted for assets that have reached the end of economic life and has been disposed of during the year.

No indicators for impairment of property, plant and equipment were identified in 2021.

Note 10: Intangible assets

Amounts in NOK thousand

Intangible assets	Develop-ment costs	Other intangible assets	Total
Acquisition cost 1.1.2020	**103,431**	**13,686**	**117,117**
Additions	0	0	0
Acquisition cost 31.12.2020	**103,431**	**13,686**	**117,117**
Additions		566	566
Acquisition cost 31.12.2021	**103,431**	**14,251**	**117,682**
Accumulated amortisation and impairment 1.1.2020	**31,467**	**4,567**	**35,940**
Amortisation for the year 2020	10,448	648	11,096
Impairment for the year 2020	0	0	0
Accumulated amortisation and impairment 31.12.2020	**41,915**	**5,215**	**47,129**
Amortisation for the year 2021	10,448	4,033	14,481
Impairment for the year 2021	0	0	0
Accumulated amortisation and impairment 31.12.2021	**52,362**	**9,248**	**61,610**
Carrying amount 1.1.2021	**61,517**	**8,471**	**69,987**
Carrying amount 31.12.2021	**51,069**	**5,003**	**56,072**
Economic life	10 years	3-10 years	
Amortisation plan	Straight-line	Straight-line	

Impairment of intangible assets

No impairment loss is recognised as impairment of intangible assets in the financial statements in 2021 and 2020.

Other intangible assets

Other intangible assets consist of software and acquired patents.

Note 11: Interest-bearing debt

Amounts in NOK thousand

Interest-bearing loans and borrowings	2021	2020
Current portion of interest-bearing debt	0	756,680
Total Interest-bearing loans and borrowings	**0**	**756,680**

Interest-bearing debt consists of shareholder loans. Reference to note 4.2 in the consolidated financial statements for additional disclosures related to the loan.

Note 12: Cash and cash equivalents

Amounts in NOK thousand

Cash and cash equivalents	2021	2020
Bank deposits, unrestricted	171,954	11,507
Bank deposits, restricted*	1,876	2,281
Total cash and cash equivalents	**173,830**	**13,787**

* Restricted bank deposits relate to cash for withholding taxes which may not be used for other purposes

Note 13: Financial income and expenses

Amounts in NOK thousand

Financial income and expenses	2021	2020
Financial income		
Interest income	95,464	67,117
Foreign exchange gains	55,297	64,806
Group contribution	1,556	0
Total financial income	**152,316**	**131,923**
Financial expenses		
Interest expenses	(12,491)	(91,699)
Foreign exchange losses	(20,997)	(33,812)
Other financial expenses	(1,579)	(2,742)
Financial expenses	**(35,068)**	**(128,252)**

Note 14: Equity and shareholders

Amounts in NOK thousand	Share capital	Share premium	Treasury shares	Other paid in capital	Other equity	Total equity
Balance as of 31.12.2019	**3,986**	**788,039**	**(84)**	**16,050**	**(617,625)**	**190,367**
Profit (loss) for the year					(160,283)	(160,283)
Issue of share capital						0
Purchase of treasury shares			(0)		(176)	(176)
Sales of treasury shares						0
Shared-based payment					3,436	3,436
Transfer to other paid in capital				(16,050)	16,050	0
Transfer to share premium		(758,598)			758,598	0
Balance as of 31.12.2020	**3,986**	**29,441**	**(84)**	**0**	**0**	**33,342**
Profit (loss) for the year					26,704	26,704
Issue of share capital	12,966	1,147,542		(17,326)		1,143,182
Purchase of treasury shares			(0)	(17)		(17)
Sales of treasury shares			84	6,480		6,564
Share-based payment				2,409		2,409
Transfer to other paid in capital				992	(992)	0
Transfer to share premium		(9,747)			9,747	0
Balance as of 31.12.2021	**16,952**	**1,167,236**	**(0)**	**(7,463)**	**35,460**	**1,212,185**

The Company decided to add the other paid in capital and share premium of NOK 8,755 thousand to the profit for the year. The Company decided to offset accumulated losses against other capital reserves and share premium in 2020.

For further information regarding share capital, shareholders, treasury shares and shares owned by the board and executive employees, see note 4.7 in the consolidated financial statements.

Note 15: Share option plan

Reference to note 4.8 in the consolidated financial statements for information related to the Company's option program vesting and number of vested options, total outstanding options, number of options granted, forfeited and exercised in the year, weighted average strike price and assumptions used to compute fair value of the options granted.

The fair value of the options is set on the traded price at grant date and expensed over the vesting period. NOK 375 thousand and NOK - 10 thousand have been expensed as payroll and social security tax respectively.

No options were granted or exercised during 2021.

Reference to note 5 for disclosures on board remuneration and note 4.8 for disclosures on share options held by management and the board of directors of Norsk Titanium.

Note 16: Taxes

Amounts in NOK thousand	**2021**	**2020**
Current income tax expense:		
Change deferred tax/deferred tax assets	0	905
Total income tax expense	**0**	**905**

Tax payable	**2021**	**2020**
Profit before taxes	**26,704**	**26,704**
Permanent differences*	(19,640)	(1,416)
Change in temporary differences	(13,055)	13,560
Tax basis	**(5,990)**	**38,848**
Current taxes according to statutory tax rate 22%	(1,318)	8,547

Deferred tax liabilities (assets)		**2020**
Property, plant and equipment	(16,738)	(11,595)
Other differences	0	(17,065)
Losses carried forward (including tax credit)	(837,634)	(831,644)
Disallowed interest expenses	(24,582)	(24,582)
Basis for deferred tax liabilities (assets)	**(878,954)**	**(884,886)**
Calculated deferred tax assets	(193,370)	(194,675)
-Deferred tax assets not recognised	(193,370)	(194,675)
Deferred tax recognised in balance sheet	**0**	**0**

Deferred tax assets of NOK 193,370 thousands related mainly to losses carried forward and disallowed interest are not recorded in the balance sheet as it is more likely than not that the tax assets will be utilised. The unrecognised tax asset may offset future taxable income. The Company has NOK 24,582 thousand of disallowed interest deduction carried forward. These interest expenses are related to the interest limitation legislation in Norway which became effective from 1 January 2019, NOK 24,582 thousand expire in 9 years, and may not be used to offset taxable income elsewhere in the Company.

Reconciliation of income tax expense	**2021**	**2020**
Profit before taxes	**26,704**	**(159,378)**
Tax expense 22%	5,875	(35,063)
Permanent differences*	(4,321)	(311)
Effect of deferred tax asset not recognised	(1,306)	36,280
Other changes**	(251)	0
Recognised income tax expense	**(2)**	**905**

* Permanent differences are related to "employee options, non-taxable governmental grants, transactions costs recorded against equity and non-deductible costs".

** Other changes are related to adjustments in respect of temporary differences of previous years.

Note 17: Investments in subsidiaries

Investments in subsidiaries	Office	Date of acquisition	Shareholding/ voting rights	Equity	Carrying amount 31.12.2021
Shares in Norsk Titanium Equipment AS	Norway	2015/11/09	100 %	(312)	30
Shares in NTi MH AS	Norway	2015/07/10	100 %	(0.8)	30
Shares in Norsk Titanium US Inc.	US	2015/07/07	100 %	(871,523)	36,213
Shares in Norsk Titanium Services Ltd.	UK	2016/12/01	100 %	9,852	4,310
Total Investments in subsidiaries				**(861,985)**	**40,583**

Note 18: Other current liabilities

Amounts in NOK thousand

Other current liabilities	2021	2020
Prepaid revenues	20,164	20,164
Accrued bonus	133	7,180
Unpaid holiday pay	4,196	3,509
Other accrued costs	2,662	18,818
Total other current liabilities	**27,154**	**49,671**

Note 19: Related party transactions and balances

Related parties	Shareholder/Subsidiary	Ownership interest
Norsk Titanium Cayman Ltd	Shareholder	36.4 %
NTi Holding AS	Shareholder	25.0 %
Board of Directors	Shareholder	0.4 %
Norsk Titanium Equipment AS	Subsidiary	100.0 %
Norsk Titanium US Inc.	Subsidiary	100.0 %
Norsk Titanium Services Ltd	Subsidiary	100.0 %
NTi MH AS	Subsidiary	100.0 %

Amounts receivable (payable) to subsidiaries:
Amounts in NOK thousand

Included in the balance sheet 31.12.2021	Norsk Titanium Equipment AS	Norsk Titanium US Inc.	Norsk Titanium Services Ltd	NTi MH AS	Board of directors	31.12.2021	31.12.2020
Long term loan to subsidiary*		913,064				913,064	669,533
Other current assets**				1		1	11,286
Trade and other payables***	(1,679)					(1,679)	0
Debt to subsidiaries****			(5,816)			(5,816)	(11,086)
Net receivable (payable)	**0**	**913,064**	**(5,816)**	**1**	**0**	**905,571**	**669,734**

* Long term loan to subsidiary in 2021 was related to Norsk Titanium US Inc.
** Other current assets in 2021 was related to NTi MH AS
*** Trade and other payables in 2021 were related to Norsk Titanium Equipment AS
**** Debt to subsidiaries in 2021 was related to Norsk Titanium Services Ltd.

Income from related parties / (expenses to related parties)

Amounts in NOK thousand

Included in profit and loss 2021	Norsk Titanium Equipment AS	Norsk Titanium US Inc.	Norsk Titanium Services Ltd	Board of directors	2021
Revenue	0	3,906			3,906
Raw materials and consumable used					0
Other operating expenses		0	2,509		2,509
Financial income		94,276	(305)		93,970
Net profit and loss	**0**	**98,182**	**2,204**	**0**	**100,386**

Reference to note 7.4 in the consolidated financial statements for Related party transactions.

Note 20: Commitment and contingencies

Amounts in NOK thousand

Minimum lease payments (non-cancellable operating leases)	2021	Matures within 1 year	Matures 2-5 years	Matures more than 5 years	Total
Buildings and argon tank lease	3,471	2,060	52	0	**5,583**
Total non-cancellable operating leases	**3,471**	**2,060**	**52**	**0**	**5,583**

Assets pledged as security

For assets pledged as security and guarantee liabilities, reference is made to note 4.2 in the consolidated financial statement.

Contingent assets and liabilities

The company has no contingent assets that meet the criteria for disclosure.

Note 21: Going concern assumptions

Reference to note 4.6 in the consolidated financial statements for disclosures on financial risk and capital management for Norsk Titanium AS.

Note 22: Subsequent events

Reference to note 7.4 in the consolidated financial statements for disclosures on subsequent events for Norsk Titanium AS.

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Norsk Titanium AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Norsk Titanium AS (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the statement of financial position as at 31 December 2021, the statement of profit and loss and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the statement of financial position as at 31 December 2021, statement of total comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by applicable legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 30 March 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus H. Birkeland
State Authorised Public Accountant (Norway)

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur".
De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Magnus Hegertun Birkeland
Statsautorisert revisor
På vegne av: EY
Serienummer: 9578-5990-4-2796687
IP: 213.52.xxx.xxx
2022-03-30 20:52:10 UTC

bank ID

Alternative performance measures

Norsk Titanium discloses alternative performance measures (APMs) in addition to those normally required by IFRS. This is based on the Company's experience that APMs are frequently used by analysts, investors and other parties as supplemental information.

The purpose of APMs is to provide an enhanced insight into the operations, financing and future prospect of the Company. Management also uses these measures internally to drive performance in terms of monitoring operating performance and long-term target setting. APMs are adjusted IFRS measures that are defined, calculated and used in a consistent and transparent manner over the years and across the Company where relevant.

Financial APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Norsk Titanium's financial APMs

EBITDA is defined as earnings before interest, tax, depreciation, amortisation and impairment. EBITDA corresponds to operating profit/(loss) plus depreciation, amortisation and impairment.

The table below reconciles the EBITDA from earnings before tax with the most directly comparable financial measure or measures calculated in accordance with IFRS.

Amounts in USD thousand	2021	2020
Operating profit	(20,103)	(30,269)
+ Depreciation and amortisation	3,369	2,968
EBITDA	**(16,734)**	**(27,301)**

Cash burn rate is defined as Net Change in Cash and Cash Equivalents excluding Proceeds from issuance of shared capital, Purchase and Sale of treasury shares and Increase and Repayment of debt.

The table below reconciles the Cash burn rate from Net changes in Cash and Cash Equivalents with the most directly comparable financial measure or measures calculated in accordance with IFRS.

Amounts in USD thousand	2021	2020
Net change in cash and cash equivalents	**21,306**	**(10)**
Proceeds from issuance of shared capital	40,213	0
Transaction cost	(1,840)	0
Purchase of treasury shares	(2)	(22)
Sale of treasury shares	783	0
Increase of debt	6,000	29,192
Repayment of debt	(1,828)	(80)
Net change from share capital transactions and increase/repayment of debt	**43,327**	**29,090**
Cash burn rate	**(22,022)**	**(29,101)**
Average monthly cash burn rate	**(1,835)**	**(2,425)**

NORSK
TITANIUM