

Havyard Leirvik

Investor Presentation

17 November 2022



Havyard Leirvik's business platform

Strong foundation for further value creation



Strategic reorganisation towards repair and maintenance

*Response to market conditions and to reduce
the risks and capital intensity of the ship newbuilding market*



Long history

*Building on our over 100-year long history of expertise to create
innovative, competitive, profitable and sustainable solutions and ships
for our customers. In fact, built 151 ships since 1918*



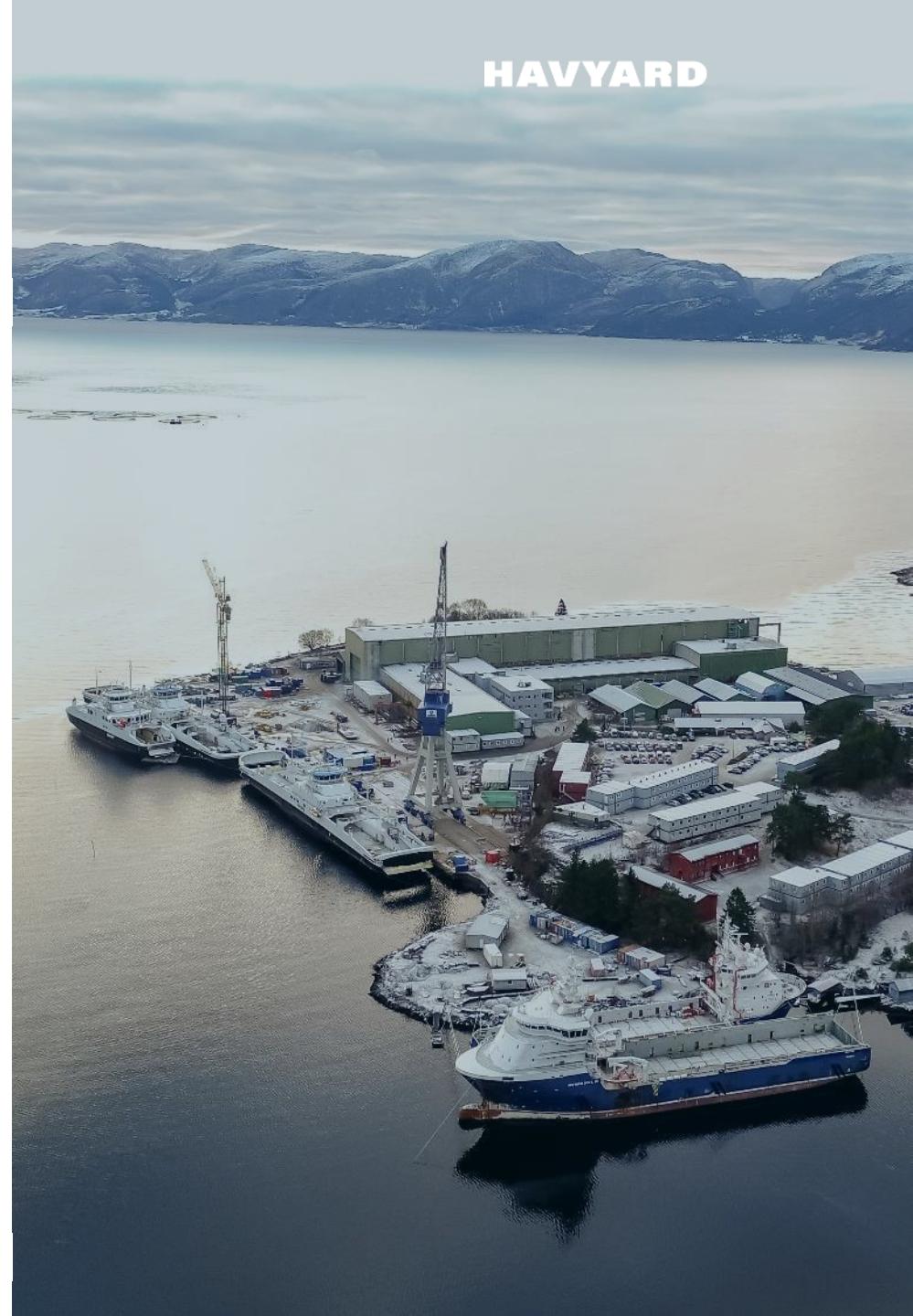
Attractive location

*Strategically located close to main vessel routes at the end of
Sognefjorden in Leirvik., approx. two hours from Bergen*



Preferred by customers for its flexibility and quality

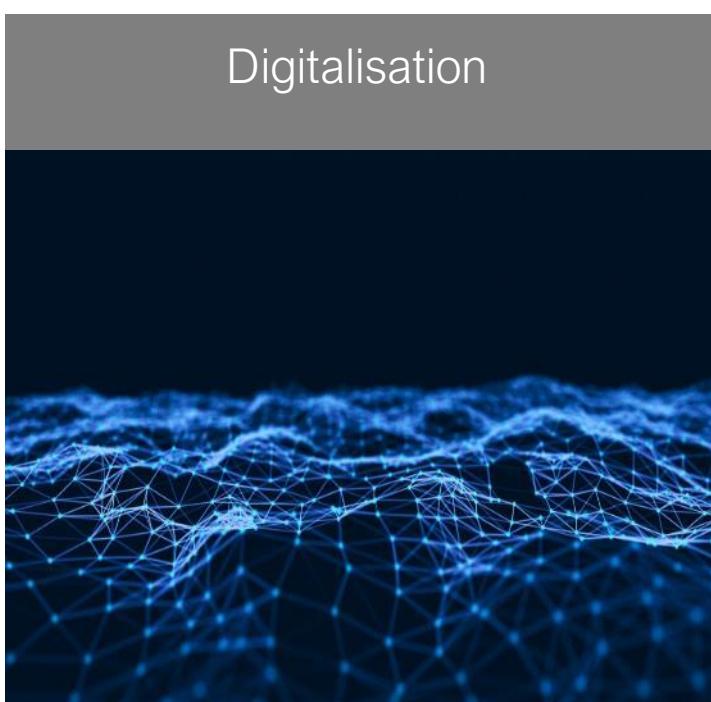
*Recognised for its solid project control, high flexibility and a top
qualified workforce enable the shipyard to deliver all types of services
with high quality, on-time deliveries and at competitive terms*



Strong macro tailwinds

Key macro drivers

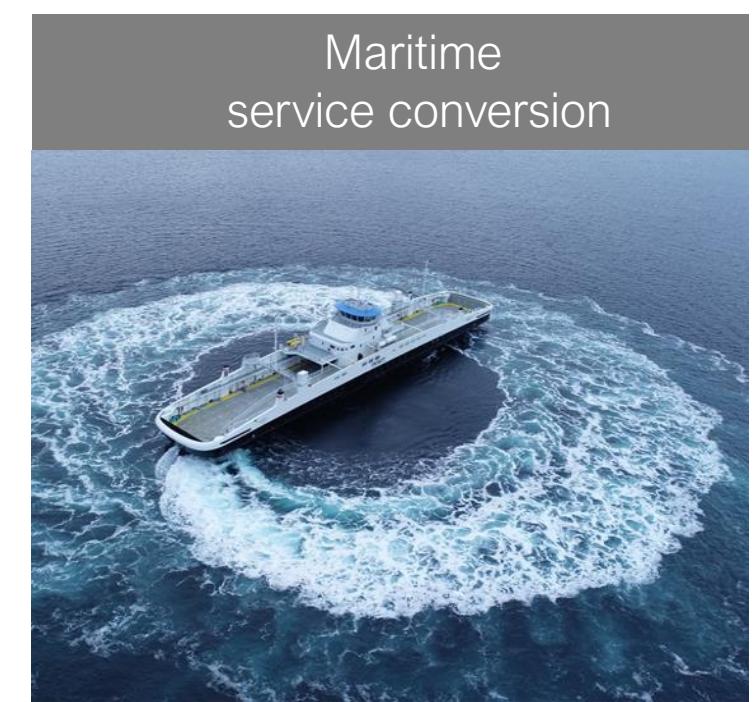
Digitalisation



Sustainability, clean energy
and decarbonisation



Maritime
service conversion



Strong foundation for further value creation

New regulation is driving a paradigm shift in the maritime and landbased industry sectors towards low emission solutions

Digitalisation

The Norwegian government and EU green deal support solutions in maritime and landbased industries (i.e. Enova in Norway) where emission cuts are solved by improving efficiency through digitalisation.

Uptake of more advanced technology is expected to increase in the coming years due to IMO requirements and stakeholder expectations.



Sustainability, clean energy and decarbonisation

The Norwegian government aims to facilitate emission-free solutions along the coast.

- reducing emissions from domestic shipping and fishing vessels by half by 2030

Defined IMO Goals baseline year 2008²:

- 40% reduction of CO2e by 2030
- 70% reduction of CO2e by 2050
- 50% reduction of GHGe by 2050



Maritime service conversion

The cost of energy and climate emissions expected to rise with regulatory measures e.g., carbon tax.

Maritime transport sector is proposed by the European Commission to be included in **EU's CO2 Emission Trading System (ETS)**³

- 2% reduction of CO2e by 2025
- 6% reduction of CO2e by 2030
- 26% reduction of CO2e by 2040
- 75% reduction of CO2e by 2050



Moving to a low-carbon and climate resilient future

Boosting demand for our services and solutions along the entire Norwegian coast

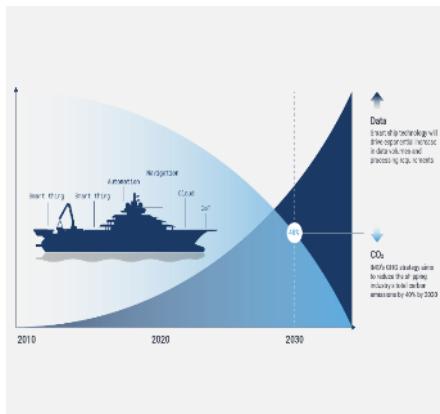
Decarbonising
and emission
cuts



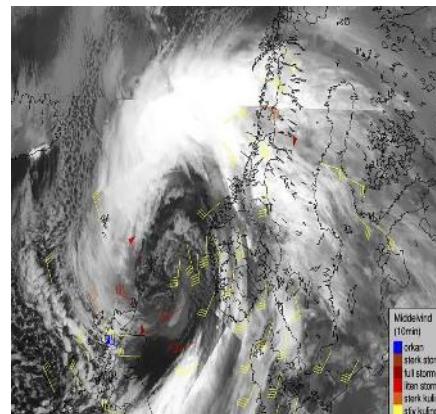
Climate change
adaption



Stricter
regulations and
increased legal and
political pressure



Circular
economy



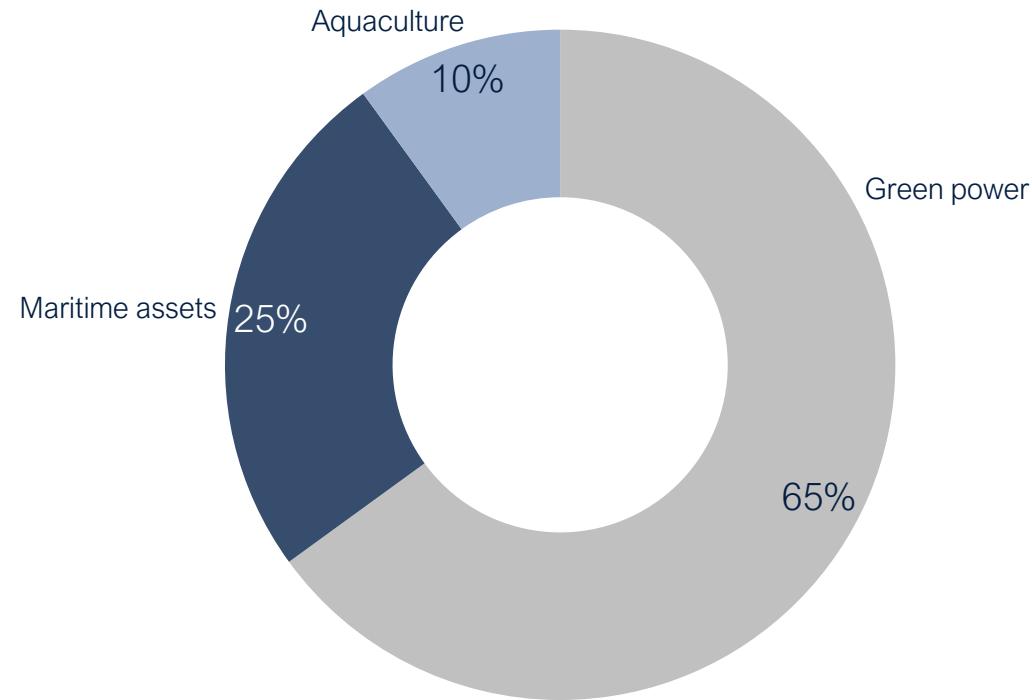
Efficient
technology



Exposed to a variety of sectors

Havyard Leirvik takes on a wide range of tasks from standard to complex deliveries

Share of contracts revenues per industry*



Offering examples to various offshore and maritime industries



Aquaculture

- *Conversion and service to wellboats and service vessels*
- *Development of landbased plants*



Green power

- *Base-work on vessels and rigs*
- *Conversion, electrification and hybridisation of vessels*



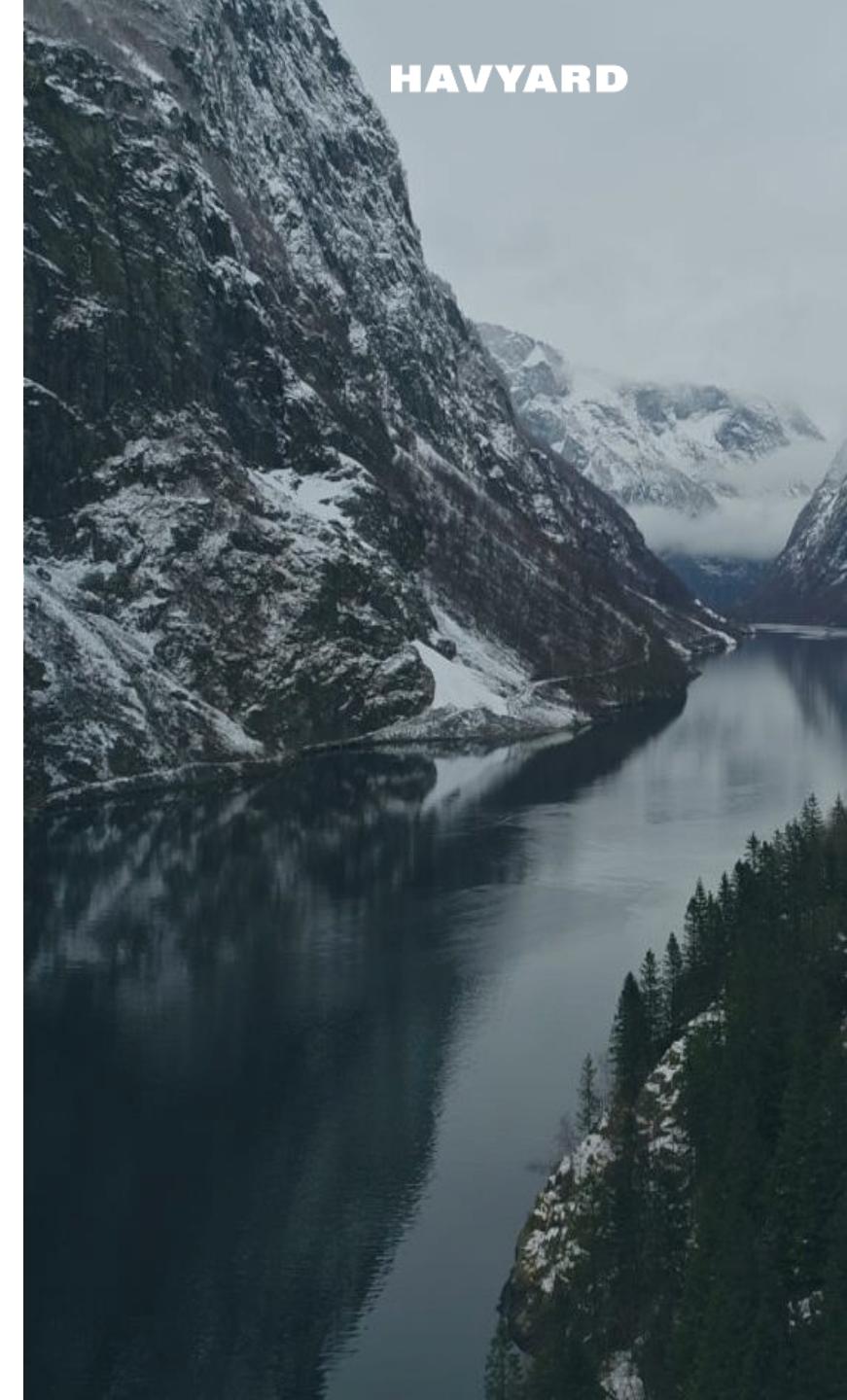
Maritime assets

- *Service and repair*
- *24/7 emergency dockings*

Exposed to a variety of industrial sectors

Strong track-record and experience from complex projects

	DESIGN	TYPE	L.O.A	BEAM	OWNER	YEAR	YARD NO
	Havyard 831 L	W2W Wind support	70,5m	16,6m	Esvagt, Denmark	2021	148
	Havyard 587	Live Fish Carrier	84,8m	16,9m	NFT, Norway	2021	151
	Havyard 932	Electric Car ferry	67,2m	14,8m	Fjord1, Norway	2020	144
	Havyard 587	Live Fish Carrier	84,8m	16,9m	NFT, Norway	2020	147
	Havyard 831 L	W2W Wind support	70,5m	16,6m	Esvagt, Denmark	2020	146
	Havyard 567	Live Fish Carrier	84,8m	16,9m	NFT, Norway	2020	150
	Havyard 936	Electric Car ferry	111m	17m	Fjord, Norway	2019	137
	Havyard 535	Purse Seiner Fishing vessel	74m	15,8m	Smaragd, Norway	2015	121



A part of Eqva ASA:
A knowledge-based active owner of industrial service companies
that contribute to the green transition in maritime, power intensive
and renewable industries



Maritime service provider
with attractive location,
strong infrastructure and
skilled organisation



Full-service provider of
technical, sustainable solutions
and services to maritime and
landbased industries



A specialised
hydropower plant
developer and
operator

Havyard Leirvik in brief

Accelerating on its new strategic focus: From newbuilding to service and maintenance

- The reorganisation was done in response to market conditions and to position the company for further growth and value creation
- In addition, the new strategic focus reduces the risks and capital intensity required of the ship newbuilding market
- The change in business activity also impacts the turnover and order book. As a rebuilding- and service yard, Havyard Leirvik faces contracts that are smaller than newbuilding contracts, and with shorter lead time.
- The current order book supports a strong second half of 2022 for Havyard Leirvik, and illustrate high demand for its “new” service offering

Key contract characteristics:



Timespan of service and maintenance contracts



Effective backlog from maintenance and service projects



Target EBITDA margin depending on type of project

Wide range of services, such as:



Maintenance and repair



Conversion and construction



Emergency service at sea

Well positioned for further growth

Strategic priorities

Utilise synergies and cooperate
between Havyard Leirvik and BKS



Capitalise on key macro trends in
maritime and offshore markets



Offshore-wind – Transport - Aquaculture - Fisheries

Flexible workforce



After sales



ESG as a top priority

Havyard Leirvik takes pride in its standards and certifications, demonstrating its willingness to deliverer services to its customers with the highest quality

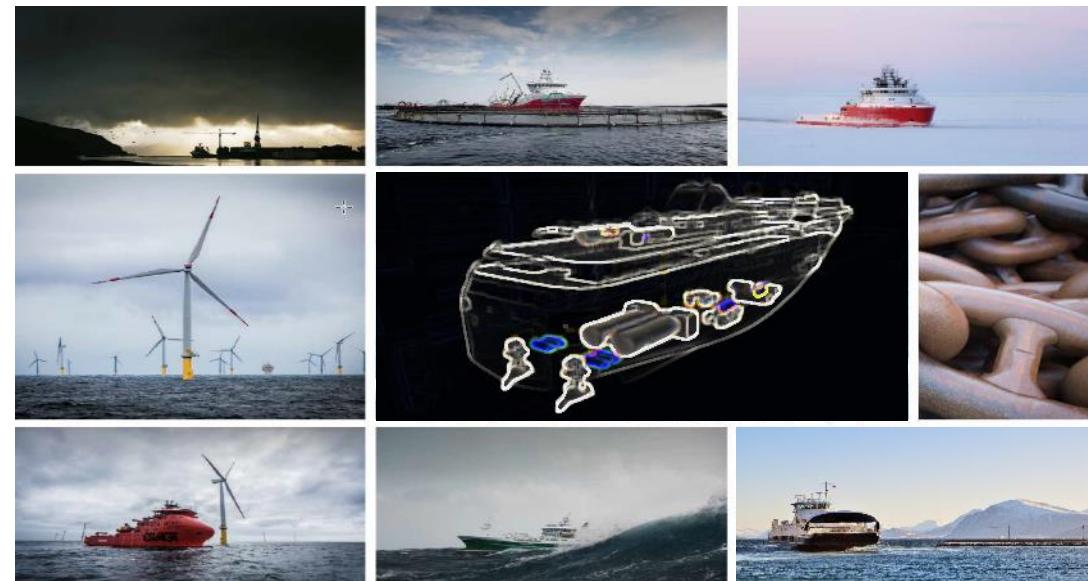
- DNV.GL Certfcations: Management System Certificates
 - ISO 9001:2015, ISO 14001:2015
- Strategic priorities on ESG in 2022 and 2023:
 - Materiality assessment
 - Determined ambition level for sustainability reporting
 - Initiated the work and facilitation of a full sustainability report to be written in accordance with GRI recommendations
 - Initiated the process to identify main focus goals among the UN's 17 Sustainable Development Goals



ESG as a top priority

Havyard Leirvik has during the recent years ramped up its project portfolio within hybrid conversion

Name on vessel	Category	OWNER	Status
Melshorn	Ferry	Torghatten Nord	Delivered
Vardehorn	Ferry	Torghatten Nord	Delivered
Hålogaland	Ferry	Torghatten Nord	Delivered
Lote	Ferry	Fjord1	Delivered
Ibestad	Ferry	Norled	On going



Important highlights

Building on over 100-year long history of expertise



The activity in Leirvik started with the foundation of Løland Motorverksted (machine workshop) by Jonas Løland.

1918

The yard constructed its first newbuilding "Loftesnesferja" in 1938.

1938

In 2000 Per Sævik, through his company Havila, bought the shipyard from the Kværner Group and founded Havyard Leirvik. .

2000

In 2014 the company was listed on the Oslo Stock Exchange.

2014

Reorganised into a rebuilding- and service yard

2021

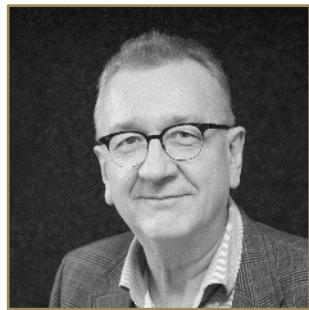
Executing on new Business model and strategy

2022
→



Experienced management team

Executive management



Tor Leif Mongstad
CEO Havyard Leirvik



Silje Smådal
Head of Sales



Tore Bø
Head of Operation



Vegard Fiksdal
Head of Finance



Vegard Skår
Head of Project



Anette Traa
HR manager

The Havyard Leirvik yard

Attractive location at the end of Sognefjorden

- Havyard Leirvik is well situated on the Norwegian west coast in Leirvik, Sogn
- Strategic location close to main vessel routes and the industry hub in Bergen
- Easy access to airport
- The yard has a total of 98,000 sq.m. yard area, with 220 m of outfitting quay, a 130x20x5m built-in dry dock and adequate crane arrangements, warehouses and blasting hall
- Multiple projects can be run in parallel
- Capacity for up to 600 operators



Recently completed strategic projects

One of Havyard Leirvik's "signature" projects successfully completed as of end-Q3 2022

- Large maritime service conversion project within hybridization electrification of engine ongoing
- Ferry MF Veøy for Fjord1 in Geiranger
- Expects completion in the beginning of 2023
- Aims to help minimise the customers' environmental impact and secure energy-efficient solutions and increase the ferrys' competitiveness

Key markets

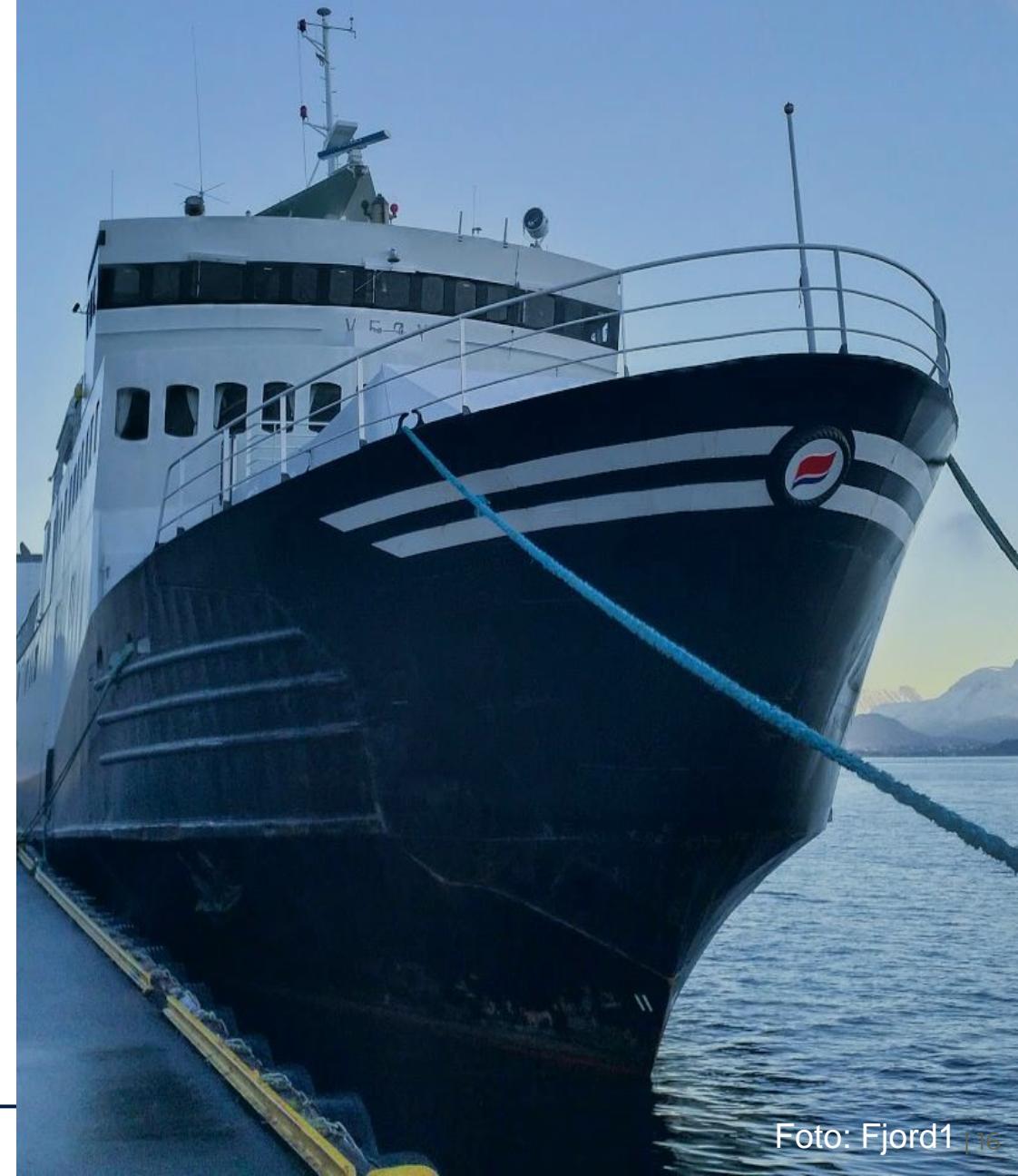


Green power



Maritime assets

Blue-chip customer
Fjord1



Appendix



Havyard Leirvik – key facts

Company highlights

- Strategic location close to main vessel routes at the end of Sognefjorden in Leirvik (two hours from Bergen)
- 70 full-time employees
- In response to market demand and to reduce the risk and capital intensity of the newbuilding ship market, the company was reorganised into a rebuilding- and service yard in 2021
- New strategy implies lower risk and less volatility
- As a rebuilding- and service yard, Havyard Leirvik faces contracts that are smaller than newbuilding contracts, and with shorter lead time.

Financial performance



The reorganised yard offers a variety of services

220-meter quay

Built-in dry dock

98 sq.m.

Yard area

3-6 projects

Running at once

Offering include;

- Extensions
- Conversion/ Hybridisation
- Classification
- Repairs and inspections

Selected customer base

