

First half year 2022

Erik Høyvik, CEO
Eirik Sævareid, CFO

31 August 2022

Agenda

- 1. Havyard Group ASA - strategy and financial targets**
2. About Havyard Group ASA
3. H1'22 financials (pro forma) and order book
4. Key takeaways
5. Q&A

Enclosure

- Half-year financial statements

Havyard Group ASA

Havyard Group ASA is 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 Group's business platform

Strong foundation for further value creation



Broad service offering to maritime and landbased industries

To position ourself in industries where we can make a change for a more sustainable future and create strong shareholder value.



Long history

Building on our over 100-year long history of expertise to create innovative, competitive, profitable and sustainable solutions and services for our customers.



Our people

*Performance-driven culture - focus on environment, safety and superior quality in everything we do.
450 employees within the group with complementary competences.*



Preferred by customers

*Recognised for our contribution to enable the green transition.
Strong partnerships and trust.
Focus on high quality in every delivery.*



Our business segments



Maritime services

Maritime Services (previously Ship Technology) with the shipyard Havyard Leirvik in Sogn, delivers conversion, service and maintenance of vessels to a wide customer base.



Products, solutions & renewables



Products, solutions & renewables (new segment) consists of the service and maintenance provider BKS, with underlying subsidiaries, and the small-scale power plant company Fossberg Kraft.

Strong macro tailwinds

Key macro drivers

.....

HAVYARD

Digitalisation



Sustainability, clean energy
and decarbonisation



Maritime
service conversion



Well positioned for further growth

Both through organic growth and M&A activity

Strategic priorities

Diversified product and
market portfolio with broad
revenue stream



Capitalise on key macro
trends



Opportunistic M&A



Overview of financial targets

Medium-term targets (NOK million)

FY'2022 revenue
550-600

FY'2022 EBITDA
margin
5-6%

FY'2023 revenue
650-750

FY'2023 EBITDA
margin
7-8%

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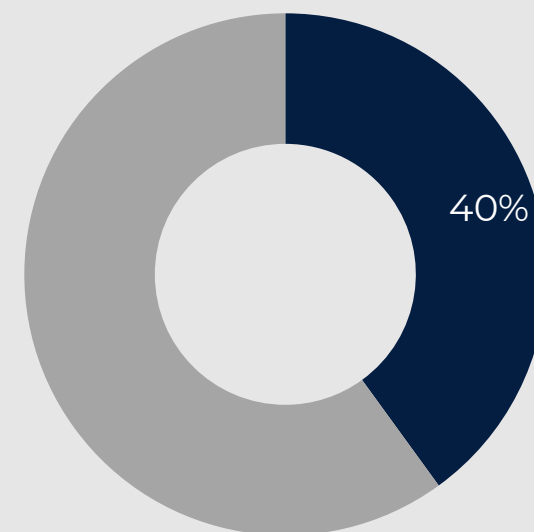
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Maritime services

Maritime service provider with shipyard Havyard Leirvik in Sogn

- Attractive geographical location with proximity to maritime sectors along the coast of Norway
- Broad variety of high-quality services, including conversion, service and maintenance of vessels - to a wide customer base
- Helping customers to minimise its environmental impact, secure energy-efficient solutions and increase vessels' competitiveness
- 70 permanent employees at the yard, capacity to run 3-6 projects in parallel

Share of H1'2022 revenue*:



* Based on pro forma figures

Key markets



Aquaculture



Green power



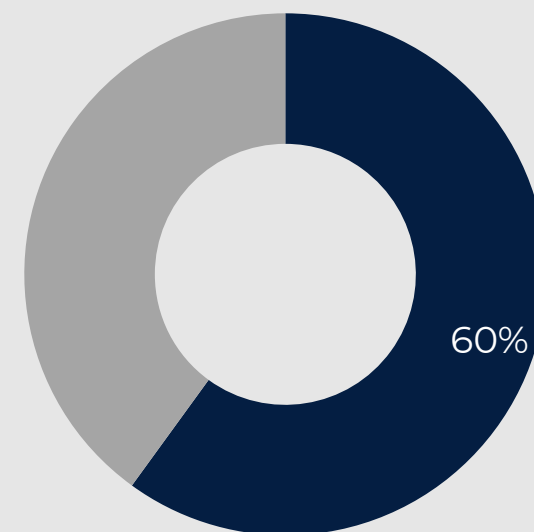
Maritime assets

Products, solutions & renewables

A fully integrated service and hydropower provider

- New reporting segment, includes operations from BKS, with underlying subsidiaries, and Fossberg Kraft
- **BKS** provides service and maintenance services to the Norwegian land-based and maritime industry. Full-service supplier of technical installations, with presence throughout the value-chain
 - Long-term relationships with large clients
 - Tailor-made customer projects
 - ~370 employees
- **Fossberg Kraft** specialises in the establishment and operation of small-scale hydropower plants
 - Develops and operates small power plants in southern Norway
 - New projects in the pipeline
 - 4 employees

Share of H1'2022 revenue*:



* Based on pro forma figures

Key markets



Renewable energy



Solutions



Process

Experienced management team

Executive management



Erik Høyvik
CEO Havyard Group

15+ years of experience in maritime- and land-based industries



Eirik Sævareid
CFO Havyard Group

15+ years of experience from executive finance positions in large industrial companies



Tor Leif Mongstad
CEO Havyard Leirvik

25+ years diversified experience in the maritime industry



Trygve Kjerpeseth
CEO BKS / Group
Head of Risk and Projects

30+ years of experience from senior project management



Tom Jensen
CEO Fossberg Kraft

30 years of leadership experience with primary focus on production and procurement



Sverre Olav Handeland
In-house lawyer.

15+ years of experience as partner in law firm, 8 years as in-house lawyer in HG Group.

Backed by strong board and industrial owners

The board of Directors



Even Matre Ellingsen
Chairman¹

Former Group CEO in Astrup Fearnley. Extensive board experience from both regulated and non-regulated businesses.



Vegard Sævik
Board member¹

Employed in Havila Holding and holds several board positions and is Chairman of the Board in Fjord1



Rune Skarveland
Board member¹

CEO Skarveland AS from '97-'08 and held several board positions in property development, industrial and hydropower companies



Ellen Hanetho
Board member²

20+ years of financial & strategic business development experience from HydrogenPro, MPC Energy Solutions and Goldman Sachs



Anne Bruun-Olsen
Board member²

Senior Partner
Cushman & Wakefield
Realkapital

Geir Helge Nordstrand
Board member
Employee representative

Jan Olav Gjerde
Board member
Employee representative

Top shareholders

Shareholder as of 30 June 2022	Number of shares	Ownership
Nintor AS	16,938,645	23.50%
Havila Holding AS	10,000,000	13.90%
ROS Holding AS	5,660,027	7.90%
Neve Eiendom AS	4,960,847	6.90%
Eikestø Eiendom AS	4,960,847	6.90%
Fureneset Eiendom AS	4,960,847	6.90%
Eikestø AS	299,511	4.20%
Neve Holding AS	299,511	4.20%
Fureneset Invest AS	299,511	4.20%
Emini Invest AS	1,290,000	1.80%
HSR Invest AS	1,290,000	1.80%
Innidimman AS	1,290,000	1.80%
MP Pensjon PK	1,086,468	1.50%
Other shareholders	10,551,102	14.70%

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H1 2022 highlights

Operational highlights

- Combination of Havyard Group ASA and HG Group AS successfully completed 29 June 2022
- Strategic shift from newbuilding to service for Maritime Services
- Strengthening of management to position the group for further growth
- Well positioned to capitalise on key macro trends

Financial highlights

- Revenues of NOK 327 million reflects transition from newbuilding to services
- Solid underlying profitability
 - NOK 10 million in transaction and restructuring costs impacted EBITDA
 - Short-term impact from quarantine restrictions and sick leave related to Covid
- Guidance for 2022 and 2023 reiterated:
 - FY'22 revenues of NOK 550-600 million with 5-6% EBITDA margin
 - FY'23 revenues of NOK 650-750 million with 7-8% EBITDA margin

Pro forma figures H1 2022*

(all in NOK)

Revenues 327 million	EBITDA ¹ 2.1 million
Order book 253 million	Equity ratio 48%

**All figures in this presentation are pro forma figures and comprises the group's subsidiaries including BKS and Fossberg Kraft acquired in June 2022. See appendix for consolidated reported figures (unaudited).*

Maritime services

Key events

- Successful transition from newbuilding to services completed in the first half of 2022
 - New strategy implies lower risk and less volatility
- Strong demand for maritime service conversion
 - Ferry electrification project starting up in August
- Positive market outlook
 - Good momentum for new orders

Pro forma figures H1 2022

(all in NOK)

Revenues 126 million	EBITDA 5.6 million
Order book 88 million	EBITDA margin 4.4%

Products, solutions & renewables

Key events

- Good operational performance in BKS with solid order intake
- Frame agreements secure steady operations going forward
 - Increase in volumes to key clients expected in 2nd half 2022
- Business according to project plan in Fossberg Kraft
- Positive market outlook

Pro forma figures H1 2022

(all in NOK)

Revenues 198 million	EBITDA 8.7 million
Order book 165 million	EBITDA margin 4.4%

Havyard Group pro forma figures 1st half 2022

Group pro forma figures H1 2022

(all in NOKm)

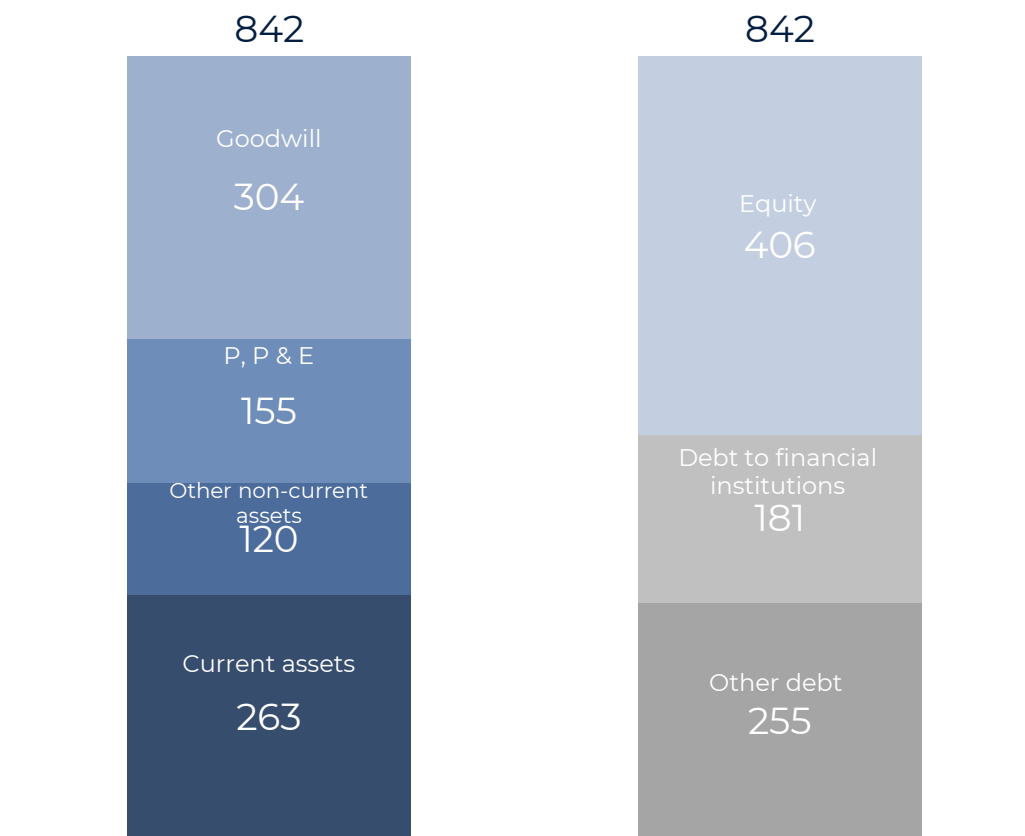
	Maritime Services	Products, Solutions & Services	Other/Elimination*,**	Havyard Group pro forma per. 30.06.2022
Revenues	126.0	197.9	3.3	327.2
Materials and consumables	79.4	57.4	4.7	141.5
Payroll expenses	29.7	105.4	6.1	141.2
Other operating expenses	11.2	26.4	4.7	42.3
EBITDA	5.6	8.7	-12.2	2.1

*Segment "Other" include parent company and companies in Havyard without normal operation.

** Included in "Other operating expenses" is costs related to the acquisition of HG Group/BKS of NOK ~10 million.

Q2 Balance sheet

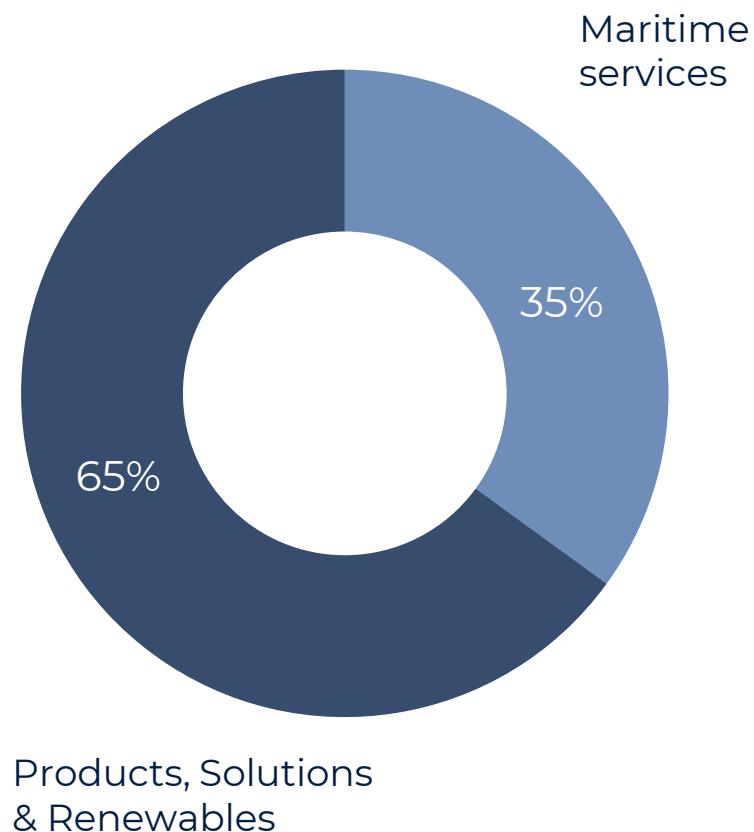
30 June 2022 (NOKm)



- Total Assets and liabilities increased due to the acquisition of HG Group
- Equity ratio of 48 per cent
- Total debt increased from NOK 194 million by end 2021 to NOK 436 million per first half year 2022.
 - Total outstanding debt to credit institutions is NOK 181 million
 - Seller's credit of NOK 25 million following the transaction in June
- Solid financial position: NIBD < 1.5 LTM EBITDA

Order book supporting a strong second half of 2022

Order book divided by segment (%)



Order book in Maritime Service

- Major ferry electrification project for execution in 2nd half 2022.
- Combined with service projects with short lead-time, the yard will have good capacity utilisation the remainder of the year.

Order book in Products, Solutions & Renewables

BKS

- Combination of projects and frame agreements
- Two large projects awarded during summer 2022 – total value NOK ~40 million
- Portfolio of smaller projects
- Frame agreements with solid clients ensure steady business

Fossberg Kraft

- Two power plants under construction and a list of prospects to be converted to projects creating revenues in 2023

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Key takeaways

- Acquisition of HG Group and 100% of its subsidiaries BKS Holding and Fossberg Kraft, successfully completed
- Well positioned to capitalise on strong macro trends
- Positive outlook supported by solid order book and strong demand from underlying markets
 - Observe general inflationary prices and longer lead-time as a consequence of the war in Europe
- Reiterates guiding for 2022 and 2023:
 - FY'22 revenues of NOK 550-600 million with 5-6% EBITDA margin
 - FY'23 revenues of NOK 650-750 million with 7-8% EBITDA margin

Q&A

Please direct any questions to
eirik.saevareid@havyard.com

Thank you

Enclosure

Consolidated financial statement
First six months of 2022
(Unaudited)

Consolidated statement of profit and loss

(NOK 1,000)

	Note	2022 YTD Unaudited	2021 YTD Unaudited	2021 Audited
Revenues	3.4	128,976	629,600	902,893
Other operating revenues		339	0	7,293
Operating income	3.4	129,315	629,600	910,186
Materials and consumables		84,132	465,814	636,956
Payroll expenses		35,851	109,239	164,574
Other operating expenses		15,937	25,324	51,761
Operating expenses		135,920	600,377	853,291
Operating profit/loss before depreciation and amortisation (EBITDA)	3	-6,605	29,223	56,895
Impairment of non-current assets		0	0	0
Depreciation		1,540	2,754	5,409
Operating profit/loss (EBIT)	3	-8,145	26,469	51,486
Financial income	3.5	609	53,973	57,597
Financial expenses	3.5	-7,070	-9,637	-16,245
Share of profit/loss of associate	3	-3,003	-79	-1,128
Profit / loss before tax	3	-17,609	70,727	91,711
Income tax expense	7	-16,781	7,534	-957
Profit from continued operations	3	-828	63,192	92,666
Profit from discontinued operation	3	0	48,047	286,997
Profit for the period	3	-828	111,239	379,663
Attributable to :				
Equity holders of parent		-828	93,927	347,200
Non-controlling interest		0	17,312	32,463
Total		-828	111,239	379,663
Earnings per share (NOK)		-0.01	3.79	14.01
Diluted earnings per share (NOK)		-0.01	3.79	14.01
Earnings from continued operations				
Earnings per share (NOK)		-0.01	2.55	3.74
Diluted earnings per share (NOK)		-0.01	2.55	3.74

Consolidated statement of financial position

HAVYARD

(NOK 1,000)

ASSETS	Note	2022 YTD Unaudited	2021 Audited
Non-current assets			
Deferred tax benefit		1,710	1,710
Goodwill		303,500	0
Licenses, patents and R&D		35,578	0
Property, plant and equipments		154,937	16,116
Right of use assets	10	3,106	332
Investment in associates		25,990	194,185
Loan to associates		4,756	4,338
Investment in financial assets	6	29,592	4,610
Other non-current receivables		19,569	111
Total non-current assets		578,738	221,403
Current Assets			
Inventory		23,274	2,781
Accounts receivables		75,086	19,784
Other receivables		16,654	26,176
Contract assets customer contracts		0	0
Cash and cash equivalents		148,067	221,733
Total current assets		263,081	270,474
TOTAL ASSETS		841,819	491,877

EQUITY AND LIABILITIES	Note	2022 YTD Unaudited	2021 Audited
Equity			
Share capital	8	3,599	1,239
Share premium reserve		265,175	22,535
Treasury shares	8	-3	-3
Retained earnings		137,174	274,042
Non-controlling interests		0	0
Total equity		405,945	297,814
Non-current liabilities			
Deferred tax liability	7	2,978	2,441
Lease liabilities	9.10	2,048	225
Loans and borrowings	9	55,360	4,348
Other long-term liabilities	9	49,536	31,933
Total non-current liabilities		109,921	38,947
Current liabilities			
Accounts payables		84,559	27,793
Taxe payables	7	2,926	2,603
Public duties payables		40,829	17,523
Loans and borrowings, current	9	125,841	435
Contract liabilities		4,092	35,558
Lease liabilities	9.10	1,353	132
Other current liabilities		66,353	71,073
Total current liabilities		325,952	155,117
Total liabilities		435,873	194,063
TOTAL EQUITY AND LIABILITIES		841,819	491,877

Consolidated statement of cashflow

HAVYARD

(NOK 1,000)

	Note	2022 YTD	2021 YTD	2021
CASH FLOW FROM OPERATIONS				
Profit/(loss) after tax	3	-828	111,239	379,663
Income tax expense	7	0	7,534	-957
Depreciation		1,542	2,754	5,409
Net financial items		7,214	44,336	41,353
Impairment of other financial fixed assets		5,321	4,701	10,054
Effect from public debt settlement - no cash		0	-47,135	-54,803
Profit/(loss) departure subsidiary		0	0	189,981
Profit and loss items without cash effect in discontinued operations		0	24,300	26,300
Agio Profit/loss realized		0	0	-1,746
Depreciation charge of right-of-use assets		0	0	359
Share of profit/loss from associates		3,003	79	1,128
Changes in inventory		-1,767	1,631	-5,783
Net changes in construction loans		0	-492,625	-724,456
Changes in accounts receivables		17,688	-26,107	-80,850
Changes in accounts payable		-1,785	-379,333	-387,002
Changes in customer contracts, asset		0	586,472	821,285
Changes in customer contracts, liabilities		-31,466	70,657	16,111
Changes in restricted desposits		36,012	7,276	-79,284
Changes in other current receivables/liabilities		-61,243	305,272	183,655
Net cash flow from/(to) operating activities		-26,310	221,130	340,416
CASH FLOW FROM INVESTMENTS				
Investments in property, plant and equipment		-1,218	-150	-11,792
Sale of property		770	0	40,360
Net FOU grants		0	2,700	6,166
Investment in intangible assets		-285,000	-5,843	-11,062
Loan to associates		-110	0	-2,338
Cash from aquisition of new companies		25,274	0	3,250
Cash in HPR at time for loss of control		-18,824	0	-375,888
Changes in long term receivables		20	-1,114	1,390
Net cash flow used in investing activities		-279,088	-4,407	-349,914
CASH FLOW FROM FINANCING ACTIVITIES				
Downpayment of loan		-217	-87,999	-87,999
Repayment of lease liabilities		-44	-4,347	-10,203
Repaid loan of subsidiary		0	-7,709	-20,429
Share issue		245,000	115,829	115,829
Sellers credit		25,000	86,667	86,667
Interest payment		-1,996	0	-2,625
Net cash flow from/ (used in) financing activities		267,742	102,441	81,241
Net change in cash and cash equivalents		-37,655	319,164	71,742
Cash and cash equivalents at start of the year		139,810	68,067	68,067
Cash and cash equivalents at end of the year		102,155	387,231	139,809
Restricted cash at end of period		45,911	168,483	81,923
Cash and cash equivalent recognised in the balance sheet		148,067	555,714	221,733

HAVYARD