Information Document

HAV Group ASA

(*a public limited liability company incorporated under the laws of Norway*)

Admission to trading of ordinary shares on Euronext Growth Oslo

This information document (the "**Information Document**") has been prepared by HAV Group ASA ("**HAV Group**" or the "**Company**", and together with its subsidiaries, the "**Group**") solely for use in connection with the admission to trading of the Company's 35,000,000 ordinary shares, each with a par value of NOK 1 (the "**Shares**"), on Euronext Growth Oslo (the "**Admission to Trading**").

The Company's Shares have been admitted to trading on Euronext Growth Oslo, and it is expected that the Shares will start trading on 4 March 2021 under the ticker code "HAV". Except where the context requires otherwise, references in this Information Document to "Shares" will be deemed to include the Company's existing Shares. The Shares are registered in the VPS in book-entry form with ISIN NO 001 0931918. All of the Shares rank *pari passu* with one another and each Share carries one vote.

Euronext Growth Oslo is a multilateral trading facility operated by Oslo Børs ASA as one of several Euronext growth markets under Euronext. Companies on Euronext Growth Oslo are not subject to the same rules as companies on a market for financial instruments within the scope of Article 4(1)(21) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (a "**Regulated Market**"). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth Oslo may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

This Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71 (the "**EU Prospectus Regulation**"). This Information Document has been drawn up under the responsibility of the Company. It has been reviewed by the Euronext Growth Advisor and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

THIS INFORMATION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.

Investing in the shares involves a high degree of risk. See Section 2 "*Risk factors*" of this Information Document.

Euronext Growth Advisor

Fearnley Securities AS

3 March 2021

IMPORTANT NOTICE

This Information Document has been prepared solely by the Company only to comply with the Euronext Rule Book I and the Euronext Rule Book II for Euronext Growth Oslo (the "**Euronext Growth Rule Book**"), to provide information about the Group and its business and in relation to the Admission to trading. This Information Document has been prepared solely in the English language.

For definitions of terms used throughout this Information Document, see Section 10 "*Definitions and Glossary of Terms*".

The Company has engaged Fearnley Securities AS to act as manager and book runner in the Private Placement (as defined below) and as the Company's advisor in connection with the Admission (the "**Manager**" or the "**Euronext Growth Advisor**").

All inquiries relating to this Information Document should be directed to the Company or the Euronext Growth Advisor. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Euronext Growth Advisor in connection with the Admission to Trading, if given or made, such other information or representation must not be relied upon as having been authorized by the Company and/or the Euronext Growth Advisor.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company or its subsidiaries subsequent to the date of this Information Document. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Information Document and before the Admission to Trading will be published and announced promptly in accordance with the Euronext Growth Rule Book. Neither the delivery of this Information Document nor the completion of the Admission to Trading at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Information Document is correct as of any time since its date.

The contents of this Information Document shall not be construed as legal, business or tax advice. Each reader of this Information Document should consult its own legal, business or tax advisors as to legal, business or tax advice. If you are in any doubt about the contents of this Information Document, you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

The distribution of this Information Document may in certain jurisdictions be restricted by law. Persons in possession of this Information Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company that would permit the possession or distribution of this Information Document in any country or jurisdiction where specific action for that purpose is required.

The Shares may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Information Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Information Document.

Investing in the Company's Shares involves risks. See Section 2 "*Risk Factors*" of this Information Document.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

All of the members of the Company's board of directors (the "**Board of Directors**") and all of the members of the Group's executive management (the "**Management**") are not residents of the United States of America (the "**United States**"), and virtually all of the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company, the members of the Board and the Management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United Stated (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or the members of the Board or the Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or the members of the Board or the Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

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1 STATEMENT OF RESPONSIBILITY

This Information Document has been prepared by HAV Group ASA, a public limited liability company with business registration number 926 311 581 and registered address Holmefjordvegen 1, 6090 Fosnavåg, Norway, solely in connection with the Admission to Trading on Euronext Growth Oslo.

The Board of Directors accepts responsibility for the information contained in this Information Document. The members of the Board of Directors confirm that to the best of their knowledge, the information contained in the Information Document is in accordance with the facts and that the Information Document makes no omission likely to affect its import.

We declare that, to the best of our knowledge, the information provided in the Information Document is fair and accurate and that, to the best of our knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document.

Fosnavåg, 3 March 2021

The Board of Directors of HAV Group ASA

Vegard Sævik
Chairman of the Board

Svein Gjelseth
Board Member

Hege Sævik Rabben
Board Member

Hege Heian Notøy
Board Member

Helge Atle Simonnes
Board Member

2 RISK FACTORS

2.1 Introduction

Investing in the Company involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out in this Section before making an investment decision in respect of the Shares.

The below risk factors are only a summary of all risks applicable to the Company and the Group. A prospective investor should carefully consider all the risks related to the Company and the Group, and should consult his or her own expert advisors as to the suitability of an investment in securities of the Company. An investment in securities of the Company entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Against this background, an investor should thus make a careful assessment of the Company and its prospects before deciding to invest.

Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

The risk factors described in this Section 2 are sorted into a limited number of categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The risks that are assumed to be of the greatest significance are described first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, and the fact that a risk factor is not mentioned first in its category does not in any way suggest that the risk factor is less important when taking an informed investment decision. The risks mentioned herein could materialise individually or cumulatively.

The information in this Section 2 is as of the date of this Information Document.

2.2 Risks associated with the Group's business and the industry in which it operates

2.2.1 Demand for maritime technologies

The demand for maritime technologies depends on underlying industries that are vulnerable to external factors outside of the Group's control. In particular, the demand for newbuilding of vessels and associated maritime technologies is dependent on the activity within the different industries and segments, which are in turn dependent on factors including, but not limited to, worldwide economic and political conditions, levels of supply and demand, the policies of the Organization of Petroleum Exporting Countries ("**OPEC**"), advances in exploration and development technology, and the availability and exploitation of alternate fuel sources. The demand for vessels within fisheries and aquaculture is dependent on regulatory frameworks and other factors. A decline in the demand for maritime technologies will have a negative impact on the demand for the Group's products, technologies and services.

2.2.2 Availability of contracts with satisfactory margins

The Group is dependent on successfully competing for, and winning, contracts offering a satisfactory profit margin in order to maintain revenues and profitability. The contracts are entered into in a competitive market where the Group competes on product quality, overall service offering, financing, and price. A deterioration of the Group's ability to deliver competitive products, technologies and services could have a significant adverse effect on the Group's business and results of operations in the future.

2.2.3 Margin pressure, cost overruns, and delays

The products and services offered by the Group are characterized by complex projects with a high technological content and highly customized orders. When entering into contracts, the Group has risks on its margin between the agreed fixed price of the finished product or service, and the costs involved in completing such product or service. In particular, when constructing new or customized products, there is an element of uncertainty involved in the cost or time involved in such construction which may have a significant adverse effect on the Group's results of operations.

2.2.4 Guarantee claims and performance guarantees

When supplying maritime technologies, the Group provides a functionality guarantee for the product for a specified period of time after delivery. The Group makes allocation for such guarantees in its accounts. There can be no assurance that the allocations made will be sufficient to meet any potential guarantee claims, and a rightful claim could have a material adverse effect on the Group's financial position.

2.2.5 Availability of adequate insurance

The Group has procured adequate insurance coverage for its operation risks in line with market practice, including but not limited to insurance for personnel, property and liability. The Group's insurance policies and contractual rights to indemnity may not adequately cover the Group's losses, or may have exclusions of coverage for some losses. In line with industry practice, the Group does not have insurance coverage or rights to indemnity for all kinds of risks. If a significant accident or other event occurs which is not fully covered by insurance or contractual indemnity, it could adversely affect the financial position, results of operations and cash flows of the Group.

2.2.6 COVID-19

The ongoing outbreak of the coronavirus (causing the disease COVID-19) has led to governmental shutdowns of cities, boarders and companies to close business operations. These restrictions and potential further restrictions have, and may have, increased, adverse effect on the market conditions and may lead to negative macro-economic development. Economic disruption and changes in general market conditions may affect the demand for the Group's products or services. Each of these factors could have a negative impact on demand for the Group's products or services, and may result in shutdown of the Group's sites, either by way of governmental order or due to illness of key employees, which would have an adverse effect on its business, income and results of operations. Companies within the Group that are dependent on presence at shipyards abroad to be able to perform commissioning on the products are more exposed to travel restrictions, mainly NES and NGT.

2.2.7 Risks related to current dispute with shipyard and legal, governmental or arbitration proceedings

The Group may from time to time be involved in legal, governmental or arbitration proceedings related to the ordinary course of the Group's business, and is currently involved in a dispute with the Spanish shipyard Hijos de J. Barreras ("**Barreras**") relating to an agreement entered into in 2018 for the delivery of design and equipment to Barreras. The contracts were related to two coastal passenger vessels, which were ordered by Havila Kystruten AS ("**HKY**") at Barreras (hereinafter referred to as "**Supply Agreements**" and "**Shipbuilding Contracts**", respectively). The Shipbuilding Contracts were cancelled by Barreras on 24. November 2019 and in 2020 by HKY. As a result thereof, both HDS and Barreras have sent notice and made reservations about the cancellation of Supply Agreements, but neither party has as of today formally cancelled the Supply Contracts. Consequently, neither of the parties has initiated any legal proceedings as of today. The outcome of such dispute, or any other legal, governmental or arbitration proceedings the Group becomes involved in, could have a material adverse effect on the Group's business, financial condition, cash flows and/or results of operations.

2.3 Risks related to the Shares

2.3.1 Havyard may have significant voting power, the ability to influence matters requiring shareholder approval and may block equity transactions that could be in the interest of the Company

Following completion of the Private Placement, Havyard's holding in the Company equals approximately 66.7% of the total number of Shares and votes in the Company. Hence, Havyard has significant influence of matters subject to approval by the shareholders in the Company, including continued significant influence over the Company's Management and business. These matters also include election of board of directors, mergers or sales of assets and issuance of additional shares or other equity related securities, which may dilute the economic and voting rights of the existing shareholders. The interests of Havyard may not be aligned with and may differ significantly from or may compete with the Company's interests or those of the other shareholders. It is possible that Havyard could exercise its influence over the Company in a manner that does not promote the interests of the other shareholders. For example, there could also be a conflict between the interests of Havyard and the interests of the Company or its other shareholders with respect to dividends or other fundamental corporate matters. The concentration of ownership could delay, postpone or prevent a change of control in the Company, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not

be desired by other investors. Such conflicts could have a material adverse effect on the Company's business and prospects.

2.3.2 Future sales, or the possibility for future sales of substantial numbers of Shares, could affect the Shares' market price

Sales of substantial amounts of Shares in the public market following the Admission or the perception that such sales could occur, could adversely affect the market price of the Shares, making it more difficult for shareholders to sell their Shares at a time and price that they deem appropriate. As of the date of this Information Document, all Shares of the Company are owned by Havyard. After completion of the Private Placement, Havyard owns approximately 23,333,500 Shares, equivalent to approximately 66.7% of the total number of Shares and votes in the Company.

2.3.3 The Company is subject to the Euronext Growth Rule Book which may deviate from the regulations for securities trading on Oslo Børs and Euronext Expand, and which may imply a risk of a lower degree of transparency and minority protection

The Company is subject to the rules of the Securities Trading Act applicable to securities admitted to trading on a multilateral trading facility, MAR and the Euronext Growth Rule Book. Such obligations may differ from the obligations imposed on companies who's securities are listed on Oslo Børs or Euronext Expand. The Company is not subject to any takeover regulations meaning that an acquirer may purchase a stake in the Shares exceeding the applicable thresholds for a mandatory offer for a company listed on Oslo Børs or Euronext Expand without triggering a mandatory offer for the remaining Shares. In accordance with Euronext Growth Rule Book Part I, section 4.3, and without prejudice to national regulations, the Company shall make public within five (5) trading days of becoming aware, any situation where a person, acting alone or in concert, reaches, exceeds or falls below a major holding threshold of fifty percent (50%) or ninety percent (90%) of the capital or voting rights. Furthermore, there is no other requirement to disclose large shareholdings in the Company (Nw.: *flaggeplikt*). Primary insiders and their close associates are not obliged to announce transactions made by them immediately to the market, but only to the Company which then must make a disclosure to the market within the third trading day. The scope of close associates is also more narrow than for companies listed on Oslo Børs or Euronext Expand. These deviations from the regulations applicable to securities trading on Oslo Børs or Euronext Expand may, alone or together, impose a risk to transparency and the protection of minority shareholders. An investment in the Shares is suitable only for investors who understand the risk factors associated with an investment in a company admitted to trading on Euronext Growth Oslo.

2.3.4 There may not be an active and liquid market for the Shares on Euronext Growth Oslo and the Share price could fluctuate significantly

An investment in the Shares is associated with a high degree of risk and the price of the Shares may not develop favourably. Prior to the Admission to Trading, there has been no public market for the Shares, as the Shares have not been listed or admitted to trading on any, stock exchange, Regulated Market or multilateral trading facility. Following the Admission to Trading, an active or liquid trading market for the Shares may not develop or be sustained. If such market fails to develop or be sustained, it could have a negative impact on the price of the Shares. Investors may not be in a position to sell their shares quickly, at the market price or at all if there is no active trading in the Shares.

The share prices of companies admitted to trading on Euronext Growth Oslo can be highly volatile and the trading volume and price of the Shares could fluctuate significantly. Some of the factors that could negatively affect the Share price or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Company's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the Company's strategy, as well as the evaluation of the related risks, changes in general economic conditions or the equities markets generally, changes in the industries in which the Company operates, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate due to factors that have little or nothing to do with the Company, and such fluctuations may materially affect the price of the Shares.

2.3.5 The Company will incur increased costs as a result of being a traded company

As a company with shares admitted to trading on Euronext Growth Oslo, the Company will be required to comply with applicable reporting and disclosure requirements. The Company will incur additional legal, accounting and other expenses to comply with these and other applicable rules and regulations. The Company anticipates that its incremental general and administrative expenses as a traded company will include, among other things, costs associated with annual and interim reports to shareholders, disclosure obligations, shareholders' meetings, investor relations, incremental director and officer liability insurance costs and officer and director compensation. Any such increased costs, individually or in the aggregate, could have a material adverse effect on the Group's business, operating income and overall financial condition.

2.3.6 Financial reporting and other public company requirements

As a result of the admission to trading on Euronext Growth Oslo, the Company will become subject to reporting and other obligations under applicable law, including the Norwegian Securities Trading Act and the Euronext Growth Rule Book. These reporting and other obligations will place significant demands on the Company's Management, administrative, operational and accounting resources. Any failure of the Company to maintain effective internal controls could cause the inability of the Company to meet its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed which could also cause investors to lose confidence in the Company’s reported financial information, which could result in a reduction in the trading price of the Shares.

The Management does not expect that the Company's disclosure controls and procedures and internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in any control systems, no evaluation of these controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

2.3.7 Investors could be unable to exercise their voting rights for Shares registered in a nominee account

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) could be unable to vote for such Shares unless their ownership is re-registered in their names with the Norwegian Central Securities Depository (VPS) prior to any general meeting of shareholders. There is no assurance that beneficial owners of the Shares will receive the notice of any general meeting of shareholders in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

2.3.8 Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S. or other shareholders

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction.

The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares. Doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

3 GENERAL INFORMATION

3.1 Important information

The Company has furnished the information in this Information Document. No representation or warranty, express or implied, is made by the Euronext Growth Advisor as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Information Document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The Euronext Growth Advisor assumes no responsibility for the accuracy or completeness or the verification of this Information Document and accordingly disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this Information Document or any such statement.

Neither the Company nor the Euronext Growth Advisor, or any of their respective affiliates, representatives, advisors or selling agents, is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "*Risk factors*" beginning on page 4.

3.2 Presentation of financial and other information

3.2.1 Financial information

In connection with the Private Placement, the Company completed the Transaction (see Section 4.3 below), whereby 100% of the shares in Norwegian Electric Systems AS, Havyard Hydrogen AS and Havyard Design & Solutions AS, and 77.3% of the shares in Norwegian Greentech AS (the "**Subsidiaries**"), as well as certain other assets, were contributed in kind from Havyard to the Company, against a share capital increase in the Company by an increase in the par value of the Shares, subscribed by Havyard.

As the Transaction, involving the transfer of the Subsidiaries (representing their business) and the DNB Loan Facility (see Section 6.8 below) from Havyard to the Company, was a transaction between two companies in the same group, the Transaction was considered to be a transaction under common control. Consequently, the Transaction has been accounted for in line with continuity (using predecessor accounting). As such, the Transaction has not result in any purchase price analysis, fair value adjustments or goodwill, and there has been no uplift to the carrying values of assets and liabilities compared to what is currently recognised in the Havyard Group's historical consolidated financial statements.

Financial information in this Information Document has been derived from the following:

i) The financial statements for each of the Subsidiaries combined (as if consolidated) on a carve out basis as if item i) through v) of the Transaction had taken place on 1 January 2017, also including the DNB Loan Facility, as of and for the years ended 31 December 2019, 2018 and 2017, prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and accounting principles generally accepted in Norway ("**NGAAP**") (the "**Combined Financial Statements**"). The Combined Financial Statements are considered to represent the Group's historical activities and historical financial information going forward. The Combined Financial Statements are attached hereto as Appendix D.

ii) The Group's unaudited combined financial statements as of and for the nine months period ended 30 September 2020, based on the Subsidiaries unaudited financial statements combined (as if consolidated) on a carve out basis, as if item i) through v) of the Transaction had taken place on 1 January 2017, also including the DNB Loan Facility, with comparable figures as of and for the nine months period ended 30 September 2019, prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and NGAAP (the "**Interim Financial Statements**"). The Interim Financial Statements are attached hereto as Appendix C.

The Combined Financial Statements for 2019 and 2018 have been audited by PricewaterhouseCoopers AS ("**PwC**"). In the independent auditor's statement to the Combined Financial Statements, PwC has noted the following:

"*The Combined Financial Statements for Havyard Newco AS for 2017 are unaudited*."

The Subsidiaries' financial statements for 2017, forming part of the Combined Financial Statements, have not been audited by PwC in connection with the preparation of the Combined Financial Statements. However, the financial statements for 2017 for the respective Subsidiaries have been audited by their respective auditors BDO AS and KPMG AS as part of the annual audit for 2017. The audit opinion for 2017 is unqualified for all the respective Subsidiaries.

The Interim Financial Statements have not been audited.

Furthermore, the Company has in connection with the Private Placement (see Section 7.3 below) prepared simplified management accounts for the Group for the year ended 31 December 2020 (the "**Management Accounts**"). The Management Accounts are attached hereto as Appendix B. The Management Accounts does not contain explanatory notes, and PwC has not audited, reviewed or produced any report related to the Management Accounts. For further details, see Section 6.5 below.

Finally, in connection with the Admission, the Company has prepared interim financial statements for the period from its incorporation on 1 December 2020 to 31 December 2020 in accordance with the Norwegian Accounting Act and NGAAP (the "**Parent Financial Statements**"). The Parent Financial Statements are attached hereto as Appendix E and have been audited by PwC.

For further details, please refer to Section 6 "*Selected financial information*".

3.2.2 Functional currency and foreign currency

In this Information Document, all references to "NOK" are to the lawful currency of Norway, all references to "EUR" are to euro, the single currency of member states of the EU participating in the European Monetary Union having adopted the euro as its lawful currency, and all references to "USD" are the lawful currency of the United States.

The Company has NOK as functional currency and the Combined Financial Statements, the Interim Financial Statements and the Parent Financial Statements are presented in NOK.

3.2.3 Rounding

Certain figures included in this Information Document have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

3.2.4 Alternative performance measures

To enhance investors' understanding of the Group's performance, the Company has in this Information Document presented a number of alternative performance measures ("**APMs**") as defined by the European Securities and Markets Authority ("**ESMA**") in the ESMA Guidelines on Alternative Performance Measures 2015/1057, APMs which the Company will apply when communicating with its investors. An APM is defined by ESMA guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the relevant accounting rules (NGAAP).

It is the Company's view that the APMs provide the investors relevant and specific operating figures which may enhance their understanding of the Group and its performance. The Group uses the following APMs:

EBITDA	Earnings before interest, taxes, depreciations and amortisations. EBITDA is a key performance indicator that the Group considers relevant for understanding the generation of profit before investments in fixed assets.

EBITDA margin	EBITDA as a percentage of net sales. The EBITDA margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Adjusted EBITDA	Normalized earnings before interest, tax, depreciation and amortization (i.e. items affecting comparability and deviations are added back). Adjusted EBITDA is a key performance indicator that the Group considers relevant for understanding earnings adjusted for items affecting comparability.
Adjusted EBITDA margin	EBITDA before items affecting comparability as a percentage of net sales. The adjusted EBITDA margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
EBIT	Earnings before interest and tax. EBIT is a key performance indicator that the Group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures. Depreciations are included, however, which is a measure of resource consumption necessary for generating the result.
EBIT margin	EBIT as a percentage of net sales. The EBIT margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Adjusted EBIT	Normalized earnings before interest and tax (i.e. non-recurring items and deviations are added back). Adjusted EBIT is a key performance indicator that the Group considers relevant for understanding earnings adjusted for non-recurring items affecting comparability.
Adjusted EBIT margin	EBIT before items affecting comparability as a percentage of net sales. The adjusted EBIT margin is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for making comparisons with other companies.
Cash flow from operation	Earnings before interest and tax, adjusted for items not affecting cash flow and changes in operating capital. Operating cash flow is a key performance indicator that shows the contributions of the business to the cash flow for financing of investments and acquisitions.
Cash flow from investments	Cash flow from investing activities is one of the sections on the cash flow statement that reports how much cash has been generated or spent from various investment-related activities in a specific period. Investing activities include purchases of physical assets, investments in securities, or the sale of securities or assets.
Cash flow from financing	Cash flow financing is a form of financing in which a loan made to a company is backed by the company's expected cash flows. Cash flow is the amount of cash that flows in and out of a business in a specific period.
Equity ratio	Total equity in relation to total assets. The equity ratio is a key performance indicator that the Group considers relevant for assessing its financial leverage.
Net interest-bearing debt	Interest-bearing liabilities excluding obligations relating to employee benefits, minus cash and cash equivalents. Net debt is a key performance indicator because it indicates the Group's financing needs.
Working capital	Net operating working capital is a measure of a company's liquidity and refers to the difference between operating current assets and operating current liabilities. Working capital is a measure of a company's liquidity, operational efficiency and its short-term financial health.

The APMs presented herein are not measurements of performance under IFRS, NGAAP or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Company believes that the APMs presented herein are commonly reported by companies in the countries in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortisation, which can vary significantly depending upon accounting methods (particularly when acquisitions have occurred) or based on non-operating factors. Accordingly, the Company discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debt. Because companies calculate the APMs presented herein differently, the Company's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

3.2.5 Third-party information

Throughout this Information Document, the Company has used industry and market data obtained from independent industry publications, market research, internal surveys and other publicly available information. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed. The Company has not independently verified such data. Similarly, whilst the Company believes that its internal surveys are reliable, they have not been verified by independent sources and the Company cannot assure of their accuracy. Thus, the Company does not guarantee or assume any responsibility for the accuracy of the data, estimates, forecasts or other information taken from sources in the public domain. The information in this Information Document that has been sourced from third

parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Company confirms that no statement or report attributed to a person as an expert is included in this Information Document.

Unless otherwise indicated in the Information Document, the basis for any statements regarding the Group's competitive position is based on the Company's own assessment and knowledge of the market in which the Group operates.

3.2.6 Cautionary note regarding forward-looking statements

This Information Document includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Information Document. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

4 PRESENTATION OF THE COMPANY

This Section provides an overview of the Group's business as of the date of this Information Document. The following discussion contains forward-looking statements that reflect the Group's plans, see Section 3.2.6 "*Cautionary note regarding forward-looking statements*" above, and should be read in conjunction with other parts of this Information Document, in particular Section 2 "*Risk factors*".

4.1 Information about the Company

The legal and commercial name of the Company is HAV Group ASA. The Company is a public limited liability company (Nw.: *allmennaksjeselskap*) incorporated on 1 December 2020, organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (as amended) (the "**Norwegian Public Companies Act**"). The Company is registered with the Norwegian Register of Business Enterprises with business registration number 926 311 581. The Company's registered business address is Holmefjordvegen 1 6090 Fosnavåg, Norway, which is also its principal place of business, and its main telephone number is +47 70 08 01 80.

The Company's website is www.havgroup.no. The content of the website is not incorporated by reference into, nor otherwise forms part of, this Information Document.

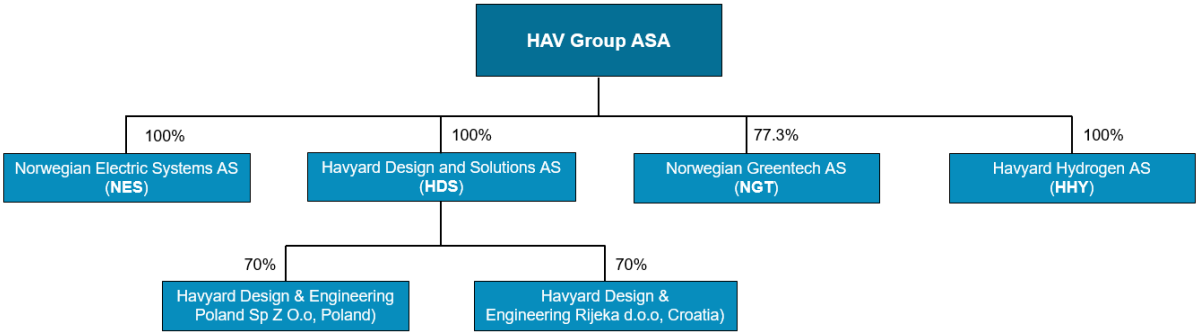
4.2 Group structure

On 1 December 2020, the Company was incorporated as a wholly owned subsidiary of Havyard. Upon completion of the Transaction described in Section 4.3 below, the Company became the parent company of the Group which includes the Subsidiaries set out below:

Name	Registration no.	Domicile	Ownership	Function
Norwegian Electric Systems AS	994 300 962	Norway	100%	A system supplier, designing and delivering energy-efficient propulsion systems and control systems for vessels
Havyard Hydrogen AS	922 267 057	Norway	100%	Offers complete hydrogen systems for vessels
Havyard Design & Solutions AS	988 162 175	Norway	100%	Provides ship design and systems packages
Norwegian Greentech AS	995 126 303	Norway	77.3%	A system supplier, designing and delivering energy-efficient ballast water treatment systems for small and medium-sized vessels
Havyard Design & Engineering Poland Sp z o.o	VAT (NIP) PL 5851427770	Poland	70%	Ship Design & Engineering
Havyard Design & Engineering Rijeka d.o.o	VAT 69846635516	Croatia	70%	Ship Design & Engineering

Following completion of the Transaction (as discussed in Section 4.3 below), Havyard owns approximately 23,333,500 Shares, equivalent to approximately 66.7% of the Company's share capital.

The Group's legal structure is as set out below:



4.3 The Transaction

In connection with completion of the Private Placement on 1 March 2021 (see Section 7.3 below), Havyard Group ASA, listed on Oslo Børs with ticker code "HYARD" ("**Havyard**" and together with its consolidated subsidiaries, the "**Havyard Group**") completed a transaction whereby the below listed business was contributed in kind to the Company against a share capital increase in the Company by increase in the par value of the Share, subscribed by Havyard (the "**Transaction**"):

i) 100% of the shares in Norwegian Electric Systems AS ("**NES**");
ii) 100% of the shares in Havyard Hydrogen AS ("**HHY**");
iii) 100% of the shares in Havyard Design & Solutions AS ("**HDS**"); and
iv) 77.3% of the shares in Norwegian Greentech AS ("**NGT**");
v) the NOK 55 million debt under the DNB Loan Facility (see Section 6.8 below); and
vi) an agreement to use and subsequently acquire certain intellectual property rights of the FreeCO2ast Project held by Havyard as set out in an agreement between the Company and Havyard.

NES, NGT, HHY and HDS are together referred to as the "**Subsidiaries**", and together with the Company, the "**Group**". The shares in the Subsidiaries have been pledged to the benefit of DNB Bank ASA ("**DNB**"), otherwise, they are free of all encumbrances.

4.4 Overview of the Group's business

The Group is an international provider of marine technology, with focus on ship designs, maritime equipment and equipment for fish processing. Following completion of the Transaction, the business of the Group is divided into four divisions, each under the respective Subsidiaries as separate holding companies:

- **NES**, a supplier of sustainable energy design and smart control systems for a wide range of vessels for the global marine market;
- **NGT**, a supplier of ballast water treatment systems and various other water treatment systems for aquaculture and maritime use;
- **HHY**, a developer of hydrogen energy systems for maritime vessels; and
- **HDS**, providing energy efficient, safe and environmentally friendly designs and system packages for vessel construction, including SOVs for the offshore wind industry, live fish carriers for the aquaculture industry and ferries for the transport industry.

The Group's activities, as part of the Havyard Group, dates back to 2005 and is based in Norway with additional presence in several other geographic regions.

Havyard's largest shareholder is Havila Holding AS, controlled by the Sævik family, who acquired Havyard from Kværner in 2000. Over the years since that acquisition, the Havyard Group, including the Group, has expanded significantly in terms of revenues, earnings, and product range. The growth has been generated in a combination of organic growth and business consolidation, with more than 20 companies having been established or acquired to provide a complete and fitting service offering. The Group's offering has from a strong position in offshore oil segment to developed into a diversified provider of technology for the renewables energy, oil and gas, seafood and transport segments.

4.5 Principal activities

4.5.1 Norwegian Electric Systems AS

4.5.1.1 Overview

Norwegian Electric Systems AS ("**NES**") is a total supplier of sustainable Energy Design and Smart Control systems for a wide range of vessels for the global marine market. NES is a committed partner for safe shipping, lower emissions and added value for our customers.

NES' focus is to be a collaborator and a system supplier, designing optimal propulsion systems for vessels and control systems to ensure safety by smart and easy operation.

NES' expertise:

- Energy Design, NES' knowledge about vessel operations and competence of integrating the latest available energy sources gives them the opportunity to design optimal propulsion systems for the costumers' vessel. NES design efficient and environmentally friendly solutions, creating added value for their customers.
- Smart Control, new requirements and demand for more efficient and safe operations, calls for smarter vessels. NES' flexible software platforms and new solutions for navigation, automation and control – ensures safety by smart and easy operation.

NES was established in 2009 with the development of new technological solutions based on the employees' long experience within the marine industry. The aim of the company is to be a front runner of customized technical solutions which fulfil the expectations of the customer. Several advanced diesel electric-, hybrid electric-, automation systems and a state of the art Integrated Navigation System, for the global marine market, have been launched. The company has obtained a strong position both nationally and internationally in several market segments.

NES, with main office in Bergen and key competence offices in Ålesund and Egersund, employs approximately 50 highly educated and skilled engineers.

4.5.1.2 Products

NES delivers Energy Design and Smart Control systems and products to a wide range of vessel types, from workboats for the aquaculture industries, high speed passenger vessels, hybrid and electrical ferries, to offshore vessels, SOVs, live fish-carriers, RoPax vessels, costal bulkers and larger vessels.

NES offer complete hybrid and electric propulsion systems with the necessary engineering, calculations, project management, commissioning and seatrails assistance. NES designs low voltage systems up to 25,000 kVA and main propulsion system up to 16,000 kW.

Marine System Integration includes integration of different energy sources like diesel or gas generator-sets, batteries and hydrogen fuel-cells. AC and DC (QuadroMaster) main switchboards, frequency-converters, transformers and electrical motors are core components in a modern, environmental friendly propulsion system.

Container based Energy Storage solutions. NES delivers turn-key solutions for newbuilding or retrofit by utilizing our experience within vessel operation and extensive product knowledge.

NES is also offering complete charging systems for car and passenger vessels – from low voltage AC and DC charging to high voltage AC charging. The system includes both off and onshore equipment, automation system and Wi-Fi communication between the vessel and the charging station on land.

Smart Control systems and components as Integrated Automation System (IAS), Power Management System (PMS), Black Out Safety System (B.O.S.S) and Remote Assistance System (RAS) enhance the total integration in a safe and optimal way.

Ship Performance Monitor (SPM) is a highly adaptable monitoring software, designed to help manage and improve the ship and fleet efficiencies. An adaptable reporting system providing data from all monitored ship sub-systems. SPM supports the implementation of Ship Energy Efficiency Monitoring Plan (SEEMP).

The Raven Integrated Navigation System (INS) is developed focusing on making navigation and operations on the bridge simpler and more intuitive, thus safer. The tasks are embedded in a singular application hosted on embedded computers running on a Linux kernel Operating System. For enhanced reliability and Cyber Security. The uniqueness in hosting the tasks in a singular application is not just a harmonized design, but the exact same design and user experience between the tasks.

4.5.1.3 Business model

In supplying a system package, NES sells complete system packages to yards against a fixed price. NES's customers are mainly the construction yards, while the decision markers most often are the ship owners deciding on which system to build before actual construction yard is chosen.

NES builds the system on a tree level business model.

- On a top level, NES always seeks to listen and understand the shipowner – focusing on the vessel operations, safety, environmental focus and efficiency.
- Middle level is to integrate the subsystems into the ship-designers building specification. When making new systems, these are generally developed on the basis of a close cooperation with ship owners and prospective clients, and are targeted towards specific uses based on a broad set of competences within the respective business areas.
- The basic level is the unique product knowledge – every system is built on standardized products.

In all cases, the property of the system architecture remains with NES, which also generally bears the cost of development and is free to sell the system onward to any client. Hence, NES has developed a library of existing building blocks of both standardised and specialised vessels for which it can make repeat sales.

NES has not traditionally taken out patents on its designs, considering that patents may be unreasonably expensive and may not provide adequate protection.

4.5.1.4 Significant contracts

NES is currently to deliver 5 systems to external customers, as well as acting as the supplier for 9 systems where the Havyard Group's HDS and NHST acts as buyer of systems packages to be supplied to external customers under the respective shipbuilding contracts. The total number of vessels contracted for delivery under current contracts is 15, being made up of: 3 Live fish carriers, 2 SOV's, 4 RoPax vessels, 1 live fish carrier, 3 hybrid ferries (conversion) and 1 RoRo vessel (conversion). In addition, NES currently have contract on 6 charging stations for electrical ferries.

The external contracts have an aggregate contract price of approximately NOK 140 million, varying from approximately NOK 10 million to more than NOK 30 million depending on the extent of each contract and the amount of equipment to be provided. The external contracts provide for supplies of equipment for vessels to be constructed in Norway, Spain and Poland.

The internal contracts, where NES acts as a supplier to the affiliated Havyard Group, have an aggregate contract price of approximately NOK 350 million, varying from approximately NOK 12 million to NOK 60 million depending on the extent and deliverables provided by each contract. The internal contracts provide for deliveries throughout 2022.

On the basis of the current contract portfolio, NES expects to have its capacity approximately 50% covered for 2021.

4.5.2 Norwegian Greentech AS

4.5.2.1 Overview

Norwegian Greentech AS ("**NGT**") is in the business of developing and providing water treatment solutions for a variety of ships and land based industries as well as advisory during the installation period. The main product is ballast water treatment systems ("**BWMS**"), designed and type approved according to international regulations. A product portfolio of water treatment solutions for aquaculture installations both offshore and onshore is also a significant part of the business. The division has been part of the Group since 2012, when it acquired MMC. The division employs 13 persons who are all located in Fosnavåg, Norway. In addition, it hires resources from the Group and external contractors when needed.

4.5.2.2 Products

NGT has developed and type approved a range of BWMS supplied to more than 230 ships internationally, and supplied water treatment solutions for more than 10 aqua culture related projects.

The product portfolio currently consists of:

- BWMS range 30 – 3100 m3/h capacity, delivered as skid mounted units or in tailor made execution for optimal integration.
- Containerized BWMS for installation on deck, for special areas or onshore.
- Process water treatment solutions for live fish carriers (particle filters and UV-sterilization).
- Process water treatment solutions for land based aqua culture (Control system, particle filters and UV-sterilization).
- Water treatment solutions for tank wash and other cleaning processes in relation to fish transport, storage or processing.

The BWMS market is supported by international environmental legislations, put forward primarily by the IMO and enforced by the various maritime flag states. There are currently two overarching regimes for getting BWMS approved for installation on ships; the IMO's guidelines and the USCG's guidelines. In addition there are several special adaptations under different flags and class societies. The requirements for obtaining type approval are strict; both in terms of biological efficiency, but also in terms of technical design and function.

NGT has developed the product NGT BWMS through two major R&D phases, one from 2010 – 2013 and the second from 2018 – 2021. Both of these phases has been completed in close collaboration with the Norwegian Institute for Water Research (NIVA) and with DNVGL, the class society, as well as other laboratories such as Delta and Applica for electronics testing purposes. The projects have ensured the product's very high quality and type approvals required in the market. Furthermore, the company has obtained significant competence through these projects.

NGT has had three driving main objectives in the R&D; to develop a very compact design, the lowest possible energy consumption and a competitive price for the product. We believe our pursuit of these criteria have been well received in the market, which NGT now start reaping the benefits of, especially when it comes to retrofitting on existing ships, where space to install the equipment is very limited and often access to electrical energy is also a limiting factor. NGT has won several orders in recent years where we believe these three criteria were of high importance.

NGT works closely with two international manufacturers on the delivery of filters and UV. This collaboration is important to remain in the forefront of the respective fields. In collaboration with the UV supplier, important approvals have also been obtained for delivering UV systems to aquaculture, given by the Norwegian Veterinary Institute and the Norwegian Food Safety Authority. The UV manufacturer has from earlier also approvals for drinking water according to Norwegian legislations (FHI). This collaboration, in addition to collaborative projects with NIVA, DNVGL

and other expertise organizations, as well as internal expertise in the company, prepares NGT well for taking a position in the water treatment market.

NGT also provides services related to planning prior to installation and may in collaboration with subcontractors; also facilitate turnkey projects with planning, installation and commissioning. Sales take place both directly in our own sales department but also through an agent-/distributor network internationally. To a large extent, these sales partners have been chosen from companies who can also assist with planning and commissioning.

4.5.2.3 Business model

The international regulations for installation of BWMS in ships were established in 2004, but were not ratified by enough IMO member states / tonnage to become effective until 2016. Following one year of implementation time, from September 2017 all newbuilds with international trade certificates had to install such systems prior to completion and from September 2019 all existing ships with international trade certificates had to retrofit them.

NGT commercialized its product in 2013 after the initial R&D phase. In the first commercial years all BWMS deliveries was to shipyards for newbuilds. Several newbuilds installed BWMS from 2012 onwards due to green notations in ship design regulations. From 2016 and onwards the market focus has changed significantly from a newbuild focus to retrofit on existing ships.

The most common orders are for supply of BWMS unit with a standard documentation package including installation guidelines and user manuals. In some cases, the end customer also requests support for installation. This can vary from only planning (inspection and drawings for installation and class approval), to full turnkey solutions including also installation and training. NGT is not particularly focusing on planning/installation services, and has therefore not built an organization for these services. In projects where the customer requires this, the projects are executed in cooperation with one or several suppliers. The main reason for not focusing on these added services, is that a significant part of the installation is done during scheduled dry-docking of ships, where installation is part of the service offered by ship repair yards.

There are normally three types of customers/decision makers; ship owners/operators, shipyards and third party service companies. The retrofit market is by far the biggest market at the time being, and the most important decision maker for this is the ship owner/operator. The sales efforts both from internal sales staff and through the sales network are therefore mainly focused on these. For newbuilds, effort is also given to shipyards, which often decide on ship owners behalf for this type of equipment. At time being there are no significant orders secured through third party service companies.

NGT has not taken out patents on its designs/products, it has been investigated if a product patent could be obtained, but the conclusion was that this was not possible due to use of technology known in other markets. A design patent could be obtained, but considering that patents may be unreasonably expensive and may not provide adequate protection, it has not been progressed. The high cost of the type approval process together with time to market, is recognized as a high threshold for new competitors to enter the market.

According to the standard contract which is generally applied by NGT, although some of the ongoing projects are contracted on the basis of the customers' terms and conditions, the product and technical documentation is the intellectual property of NGT. The NGT standard contract includes provisions on limitations of liability, whilst the projects contracted on the basis of customers' terms and conditions may not always include an overall limitation of liability. NGT shall usually indemnify the customer for direct losses resulting from infringement claims against the customer and customer's use of the product (unless caused by customer). The customer shall indemnify NGT against claims or direct losses caused by infringement of NGT's intellectual property. Except as provided for in the contract, the customer shall hold NGT harmless for third party claims for injury, death, property damage or other damages as a result of the purchase or use of the product. Liability for the other party's consequential losses is

excluded. NGT's right to payment is secured by milestone payments upon the progressive delivery of the product, e.g. with a certain down-payment at contract signing, at delivery of different drawings (for example one milestone applicable for the delivery of documents) and at delivery of the product and last milestone after successful commissioning of the installed product. NGT is entitled to suspend its work, or upon notice, terminate the contract if the customer fails to pay an instalment. Termination upon 30 days prior notice for material default is available to both parties.

Since 2012, when NGT became part of the Group, the aggregate costs used to develop the products amount to approximately NOK 50 million. The majority of these costs have been capitalized on the company balance sheet this amount to NOK 41 million at year-end 2019 and approximately NOK 46 million at 30 September 2020.

4.5.2.4 Significant contracts

Several frame agreements for supply of BWMS has been signed in 2019 and 2020, ranging from the largest agreement of approximately 120 ships to smaller agreements of approximately 10 ships. These agreements normally cover supply of BWMS for a given period up to five years, for which specific purchase orders for each ship is given in an agreed period before delivery.

NGT aims, together with its suppliers, to keep strategic components on stock to be able to supply BWMS units on short delivery time. Even though many of the big fleet ship owners are planning well ahead, it is also a significant part of the ship owners that are not prepared in the same way and therefore need deliveries in short time.

The contract for deliveries to live fish carriers is also reaching a significant percentage, in 2021 budget this account for approximately 20% of the revenue. The further outlook in this segment is also positive.

4.5.3 Havyard Hydrogen AS

4.5.3.1 Overview

Havyard Hydrogen AS ("**HHY**") is in the business of developing and providing hydrogen based energy systems for ships, as well as advisory in selection of such solutions, approval work and financing solutions. The hydrogen system delivery scope can be adapted from advisory to supply of complete working and approved hydrogen modules ready for instalment directly in ships under construction or retrofits for sailing ships. The company is formed on the basis of experience and Intellectual property developed in the FreeCO2ast Project during the last two years. Currently only CEO is employed, but relevant resources from the Group is made available on a project basis, and further employments will be assessed based the growth and order situation of the company. The company is located at the Group head office in Fosnavåg.

4.5.3.2 Products

HHY and the maritime hydrogen market is at an early stage when it comes to defining the products, but several ongoing projects and sales initiatives are in place, and will act as models for developing the branches of the product portfolio.

The following types of deliveries has been identified as relevant to work with in the company's start-up phase, and further product development will take place within this type of deliveries.

Delivery type	Content
Pre-studies	• Route study, energy calculations and bunkering • System design, supplier evaluation and spec. • Risk evaluations and approval work

Complete hydrogen modules	• System design • Equipment purchases • Module construction • System construction • Testing and approval
Hydrogen systems integrated in ship design	• System design • Integration in ship design • Equipment purchases • Testing and approval
Finance	• Counseling in applying for Norwegian public funding (Enova, Nox-fond, Forskningsrådet, Innovasjon Norge) • Counseling in applying for EU funding (Innovation Found) • Private Green Finance solutions

4.5.3.3 Business model

HHY will sell complete maritime hydrogen systems, hydrogen system design and advisory work related to maritime hydrogen solutions to yards and ship owners against a fixed price or by hourly rate. HHY's customers will primary be ship owners when developing hydrogen solutions and shipyards when delivering complete packages. The maritime hydrogen marked is at an early stage and an agile approach to market development and customer needs will be important.

The hydrogen systems will be built up based on a combination of products from sub-suppliers and design and solutions delivered from the companies within the group (system design and control systems, ESD systems).

Strategic relations with suppliers of fuel cells and hydrogen storage tanks are in place, and flexibility when it comes to sub suppliers is chosen in the early stage, as the components are still under development and a competitive situation for product development and price is desirable between the sub suppliers. In a longer perspective, more fixed cooperation solutions with sub-suppliers can be assessed.

HHY competence and hydrogen system intellectual property based on the FreeCO2ast Project is assumed highly relevant for ongoing projects, but a continuous development along with clients will be important to stay in the market forefront.

Patents for system solutions is regarded as unlikely to define and defend, as the systems will be based on components from other suppliers, and patents is more likely to be relevant for the specific components. HHY's main marked differentiator will be to develop and approve maritime hydrogen systems based on all the available competence within the Group, situated in the crossing point between ship design, control system design and yard competence.

As the rules and regulations for maritime hydrogen systems are not assumed to be in place in 3-5 years' time, approval will be risk analyses based, and building a portfolio of technical solutions with track record for obtaining approval is regarded as a potential differentiator in the first years. When the market and regulations are maturing, it will be important to have used the first years to build a solid product and a market position in order to compete based on more traditional parameters such as reliability, maintenance, ease of ownership and cost level of operating and capital expenses.

Understanding how to fine tune total cost of ownership for the costumer by using advanced operation simulations to optimize the system design for lowest possible maintenance and fuel usage is identified as a key benefit by drawing on the competence from ship design.

The R&D in HHY will continue in the FreeCO2ast Project. The project has received funding from The Norwegian Research Council and Innovation Norway, and together with internal funds, a total of NOK 95m has been committed

to the project for the years 2019 to 2022. As of year-end 2020, the total funds spent by the project are estimated at approximately NOK 46.5 million.

4.5.3.4 Significant contracts

HHY is currently involved in the FreeCO2ast Project where a complete hydrogen system retrofit ship module is being developed for the Havila Kystruten ships. Final investment will be taken based on proven technical feasibility, emission free market development and emission regulations along the Norwegian coastline.

Together with the design company in the Group, HHY has received an order from a European ship owner on a pre-study for developing a 100m ship design with a novel hydrogen solution as main propulsion.

HHY is also putting down extensive work in a large tender process for a ship design with an full scale integrated hydrogen system where contract award will be ready 1st half of 2021.

4.5.4 Havyard Design & Solutions AS

4.5.4.1 Overview

Havyard Design & Solution AS ("**HDS**") is in the business consultancy and of developing and providing ship design and system packages for a variety of vessels. A design consists of main class drawings, documentation and specifications and is the basis for detailed engineering done for the construction of the vessel. HDS employs approximately in total 70 persons where approximately 40 persons are located in Fosnavåg, Norway, 15 persons in Sopot, Poland and 15 persons in Rijeka, Croatia and the majority of the employees are designers or engineers.

4.5.4.2 Products

HDS is established in the renewable energy segment and has delivered designs for 10 SOVs for the offshore wind farm maintenance market and 12 zero emission, fully electric double ended ferries. The design portfolio within these segments and others is under continuous development and growth. Several projects focusing on alternative fuels are under development.

HDS has developed a total of 35 different vessel designs which have been provided for a total of 119 vessels around the world, including 13 projects currently under construction in Norwegian and international yards.

The design portfolio currently consists of:

- SOVs – a total of 4 different designs, with 6 vessels delivered and 3 vessels currently under construction.
- Vessels for fisheries and aquaculture – a total of 4 different designs, with 6 vessels delivered and 3 vessels currently under construction.
- Fully electric ferries – a total of 3 different designs with 12 vessels delivered
- Coastal passenger vessels – a total of 1 designs with 4 vessels currently under construction
- Offshore vessels for the oil and gas industry, including platform supply vessels, emergency rescue and recovery Vessels, anchor handling tug and supply vessels, and subsea support and light construction vessels – a total of 20 different designs, with 77 vessels delivered;
- Arctic AHT ice breaking vessels – 1 design, with 3 vessels delivered
- Reefer/containership – a total of 2 different designs, with 1 vessel delivered and 3 currently under construction

Each of the designs are developed in accordance with a stringent design process and on the basis of extensive knowledge about the operating requirements, computerised calculation tools, test procedures, as well as skilled and experienced designers and engineers. The purpose of any such design is to develop a well-balanced set of features to give the vessel the best possible overall performance in its typical operating profile.

HDS has invested in developing its own design philosophy, design process and method of analysis making it able to develop and verify the performance of the design before commencing production. Proprietary methods for model test and calculation simulators give HDS a strong ability to predict the performance and have an iteration process towards the best compromise final design. HDS is using the most renowned research facilities in Norway and Europe for developing tools and testing designs.

HDS has also participated in an international cooperation project for developing full-scale (sea trial) test enabling the company to compare the vessel's test results with the initial calculations and model tests independently of environmental conditions at the premises of the full scale tests. This again gives HDS valuable information and feedback for the design process of the next type of design.

In addition to the provision of designs, HDS also offers to deliver equipment system packages. The system package of consists equipment provided by other Group companies and equipment from selected equipment suppliers. The system package includes system integration, interface control, commissioning and after sales service. By selecting a system package, the customer will benefit from having a single point of contact for a large group of equipment, utilising HDS' procurement team and volume, quality assurance and possible financing.

4.5.4.3 Business model

In supplying a ship design, HDS sells complete design and system packages to yards and ship owners against a fixed price. HDS' customers are mainly the construction yards, while the decision markers most often are the ship owners deciding on which design to build before actual construction yard is chosen. In some situations the yard may be promoting design or the end customer utilizing the vessel (i.e. oil major) may influence the ship owner for which design to be build. Detail Engineering for construction can be provided if requested from the shipyard.

When making new designs, these are generally developed on the basis of a close cooperation with ship owners and prospective clients, and are targeted towards specific uses based on a broad set of competences within the respective business areas.

In all instances, the property of the design remains with HDS, which also generally bears the cost of development and is free to sell the design onward to any client. Hence, HDS has developed a library of existing designs of both standardized and specialized vessels for which it can make repeat sales.

The Group has not traditionally taken out patents on its designs, considering that patents may be unreasonably expensive and may not provide adequate protection. The Company believes that the combination of design and associated expertise provided to a client makes it difficult for others to utilize the designs in a manner that abuses the Group's rights and ownership to the design.

According to the standard contract which is generally applied by HDS, although some of the ongoing projects are contracted under the customers' terms and conditions, the design is the property of HDS. The HDS standard contract includes provisions on limitations of liability, whilst the projects contracted under customers' terms and conditions do not include an overall limitation of liability. HDS shall indemnify the customer for direct losses resulting from infringement claims against the customer and customer's use of the design (unless caused by customer). The customer shall indemnify HDS against claims or direct losses caused by infringement of HDS' intellectual property. Except as provided for in the contract, the customer shall hold HDS harmless for third party claims for injury, death, property damage or other damages as a result of the purchase or use of the design and/or equipment. Liability for the other party's consequential losses is excluded. HDS' right to payment is secured by milestone payments upon the progressive delivery of the design, e.g. with certain down-payments at contract signing, at delivery of different drawings (for example three different milestone applicable for the progressive delivery of documents) and at delivery of the last documents / drawings. HDS is entitled to suspend its work, or upon notice, terminate the contract if the

customer fails to pay an instalment. Termination upon 30 days prior notice for material default is available to both parties.

4.5.4.4 Significant contracts

The contracts have an aggregate contract price of approximately NOK 20 million, varying from approximately NOK 7.5 million to more than NOK 30million depending on the extent of each contract and the amount, if any, of equipment to be provided. The contracts provide for supplies of design and equipment for vessels to be constructed in several countries. When delivering equipment packages the contract price vary from NOK 40 – 100 million. A special project for HDS is the 4 Vessels for Havila Kystruten at Tersan, Turkey where the contract price for each equipment package is approx. NOK 210 million – in total approx. NOK 840 million.

On the basis of the current contract portfolio, HDS expects to have its capacity approximately 75% covered for 2021.

4.6 History and important events

The table below shows the Group's key milestones from its incorporation and to the date of this Information Document:

Year	Main Events
2005	Establishment of HDS
2007	Establishment of Havyard International, now a part of HDS, for international marketing and sales of design and equipment packages
2007	Establishment of Norwegian Control Systems (NCS), as a supplier of control systems and electrical engineering
2010	Establishment of NES as an integrator of electrical propulsion systems
2012	Incorporation of NGT by acquiring MMC
2019	NCS merged with NES. The merged company, NES becoming a developer and integrator of complete energy design and smart control systems
2020	Establishment of HHY as an integrator of Hydrogen Energy Systems for ships
2020	Incorporation of the Company
2021	Completion of the Transaction (see Section 4.3) and the Private Placement (see Section 7.3)

4.7 Vision and strategy

The Group's vision is to contribute to the global green energy transition and accelerate the shift towards zero emission operations with innovative solutions and high end products for the maritime and marine industries.

The Group will through active ownership establish and develop companies, which based on a foundation of experience and expertise, and focus on efficiency, safety and the environment, develop and deliver innovative solutions of high quality to customers in seafood, energy and transport.

As an active owner, the Group's shall create shareholder value by contributing to its subsidiaries and projects through;

1. Actively taking part in the companies' strategic development
2. Stimulate to and lead intercompany business development and R&D processes
3. Extract synergies through economies of scale, standardization of processes and systems
4. Access to capital markets for potential future funding through public listing on Euronext Growth
5. Strengthen the Group's and subsidiaries profile with business partners and investors.

4.8 Principal markets

4.8.1 Introduction

The Group provides maritime technologies and products in an international market. The majority of the Group's products and services are provided to maritime industries such as the offshore support industries for renewable energy and oil and gas, fisheries, merchant shipping, cruise industry and aquaculture. The Group's provides its products and services to both Norwegian and international clients, and the Group competes with other suppliers both in Norway and internationally. The views expressed in this Section 4.8 represent those of the Company as per the date of this Information Document.

4.8.1.1 Demand for the Group's products and services

The Group mainly offers its products and services to the worldwide maritime industry and clients involved in manufacturing, building and operating marine vessels. As such, demand for the Group's products and services is mainly driven by newbuilding activity for marine vessels and retrofitting of new equipment on existing vessels.

4.8.2 Newbuilding activity

The merchant shipping industry is fundamental to international trade as the only practicable and cost-effective means of transporting large volumes of many essential commodities and finished goods. Shipping markets are highly competitive, with vessel charter hire rates sensitive to changes in demand for and supply of capacity and are consequently cyclical and volatile. Newbuilding activity across the marine industries are driven by factors such as macroeconomic environment, age of exciting fleet (fleet renewal), tendering activity, regulatory requirements such as new environmental requirements and the overall activity in the specific maritime segment. The other maritime industries such as offshore support, aquaculture, ferries and fishing vessels are less cyclical and volatile in nature and are to a larger extent driven by industry specific drivers such as ongoing fleet renewal and new offshore projects.

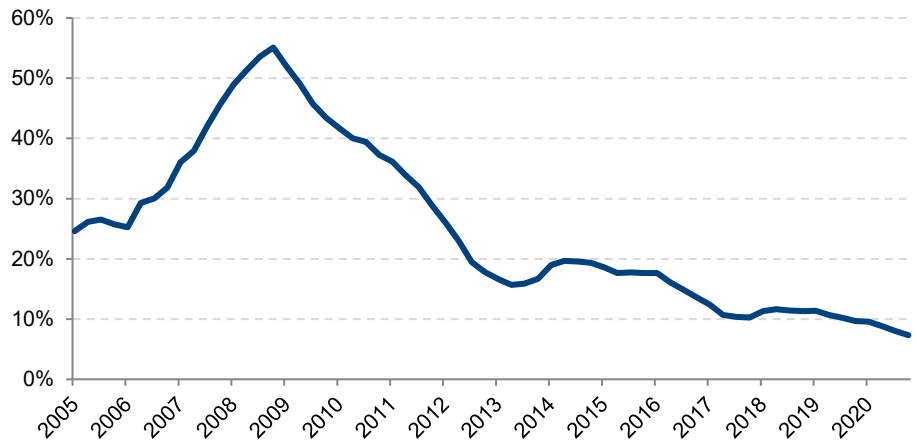


Figure 1[1] Gross tonnage of newbuilds on order relative to operating fleet

4.8.3 Retrofitting activity

Retrofitting of equipment and/or design features enables the vessel owner to reduce operating costs, improve marketability and thus revenue generation capacity or prolong the economic life of a vessel, ultimately increasing the earnings potential and value-in-use of the vessel. The demand for retrofitting is subject to many of the same

[1] Source: Clarksons Shipping Intelligence Networkd (extracted January 2021. Non-public information)

drivers as newbuilds as described above, but to a larger extent a question of economics of retrofitting as opposed to a newbuild.

The increased focus on reducing CO2 emissions and other pollutants related to the seaborne transport industry by end users, industry players and the general public is alterning the economics of seaborne trade and as such, prompting vessel owners to take a more proactive approach to the designs and features of their vessels.

4.9 Industry and drivers

The global maritime industry comprises of companies that are primarily engaged in the business of manufacturing, producing and operating oceanic and sea going vessels. The vessels perform a broad range of services and serve multiple purposes, such as maritime shipping, transportation and recreation. The maritime industry is centred around ship transport overseas and along coastlines.

Out of the approximately 100,000[2] ocean going vessels worldwide, roughly 45% are owned by the top ten shipping nations and covers 70% of available gross tonnage ("**GT**"). The largest shipping countries are represented by Greece, China, Japan, Germany, USA, Norway, South Korea, Singapore, Italy and Denmark.[3]

Approximately 90%[4] of internationally traded goods are at some stage transported on water. The ships on which these goods are transported emits significant amounts of greenhouse gases, in particular because they use "bunker fuels", like Heavy Fuel Oil or Marine Diesel Oil. Being cheap, helping keep the cost of transport low, but they're also among the world's dirtiest fuels, with a much higher carbon content than, for example, the fuels used in internal combustion engine cars.

According to IMO, global shipping by sea amounted to an average of 1 billion metric tons of CO2 per year, between 2007 and 2012 (the most recent period for which we have available data). That means shipping accounted for 3.1% of global CO_2 emissions per year, which place global shipping above Germany and below Japan in terms of CO_2 emissions.[5]

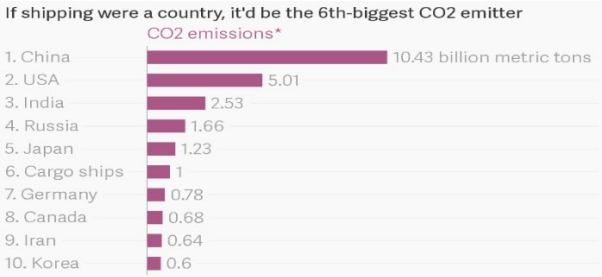


Figure 2[6] Emission of CO2, Shipping vs Countries.

The industry's environmental footprint has been subject to discussion over a period of time, which has increased the attention towards reduction of emissions, resulting both in independent commitments from ship owners and in rules and regulations from the IMO. Figure 3 below shows the estimated development in seaborne trade up to 2040

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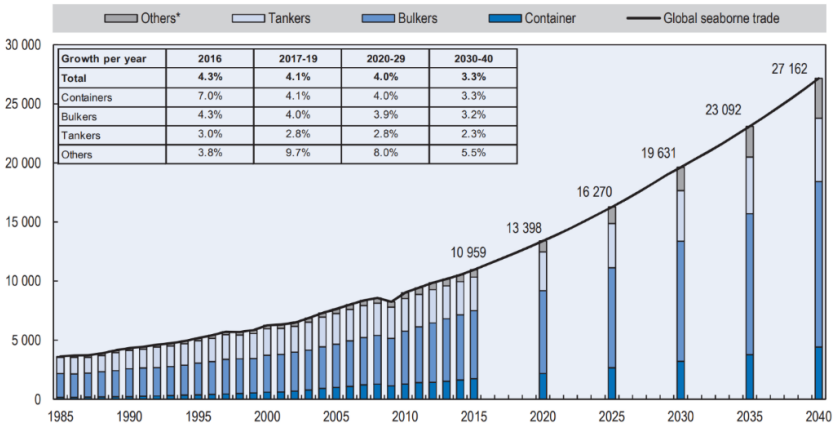
[2] Source: Clarksons Research; World Fleet Monitor, Volume 11, No. 12 December – 2020, ISSN: 2042-0633 (extracted January 2021. Non-public information)
[3] Source: Clarksons Research; World Fleet Monitor, Volume 11, No. 12 December – 2020, ISSN: 2042-0633 (extracted January 2021. Non-public information)
[4] Source: IMO GHG study 3, 2014. http://www.imo.org/en/OurWork/Environment/PollutionPrevention/AirPollution/Documents/Third%20Greenhouse%20Gas%20Study/GHG3%20Executive%20Summary%20and%20Report.pdf (extracted July 2020)
[5] Source: World Economic Forum; https://www.weforum.org/agenda/2018/04/if-shipping-were-a-country-it-would-be-the-world-s-sixth-biggest-greenhouse-gas-emitter (extracted July 2020)
[6] Source: Source: World Economic Forum; https://www.weforum.org/agenda/2018/04/if-shipping-were-a-country-it-would-be-the-world-s-sixth-biggest-greenhouse-gas-emitter (extracted January 2021)

by OECD.[7] In overall terms, the development of seaborn trade at a global scale ties in with the development of global gross domestic product ("**GDP**"). Generally, if the GDP grows with 1%, the growth in seaborn trade grows with 1.1%. OECD estimates that seaborn trade in the period between 2020 and 2029 will grow with 4% per year, and with 3.3% per year from 2030-2040.



Growth per year	2016	2017-19	2020-29	2030-40
Total	4.3%	4.1%	4.0%	3.3%
Containers	7.0%	4.1%	4.0%	3.3%
Bulkers	4.3%	4.0%	3.9%	3.2%
Tankers	3.0%	2.8%	2.8%	2.3%
Others	3.8%	9.7%	8.0%	5.5%

Figure 3 Seaborne trade projection, 1985-2040 (in million tonnes)[8] ("Others" include LPG/LNG, passenger roll-on/roll-off transport, cruise and other seaborne passenger traffic)

At the end of December 2020, the total world fleet was 3% larger in terms of gross tonnage compared to the end of December 2019.[9] This steady growth the last year is particularly strong considering the slowing effect which COVID-19 has had on the shipyards' deliveries of newbuilds to the shipowners. 1,530 ships were delivered in 2020, this is roughly 35% below the number of newbuild deliveries in 2019.[10] Figure 4 below shows that there overall has been a steady growth in the world fleet counted in gross tonnage from 2010 to 2020. The figure below provides for a year-on-year growth of between 3% and 4% after the hit in 2011. The demolition market has also been affected by COVID-19. 539 vessels had been demolished by December 2020, which is a reduction of about 20% compared to 2019.[11]

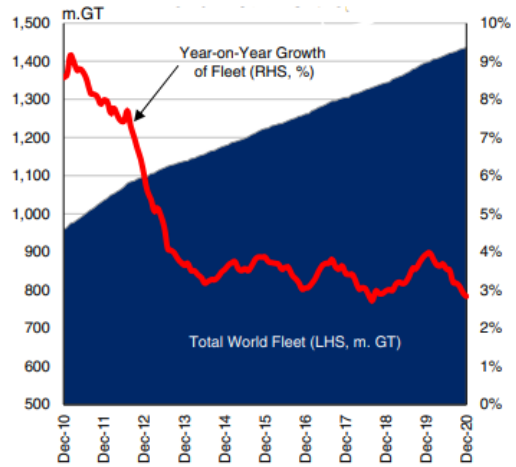


Figure 4 World Fleet Development[12]

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[7] Source: OECD (2016), The Ocean Economy in 2030, OECD Publishing, Paris. hhtp://dx.doi.org/10.1787/9789264251724-en (extracted January 2021)
[8] Source: OECD (2016), The Ocean Economy in 2030, OECD Publishing, Paris. hhtp://dx.doi.org/10.1787/9789264251724-en (extracted July 2020)
[9] Source: Clarksons Research; World Fleet Monitor, Volume 11, No. 12 December – 2020, ISSN: 2042-0633 (extracted January 2021. Non-public information)
[10] Source: Clarksons Research; World Fleet Monitor, Volume 11, No. 12 December – 2020, ISSN: 2042-0633 (extracted January 2021. Non-public information)
[11] Source: Clarksons Research; World Fleet Monitor, Volume 11, No. 12 December – 2020, ISSN: 2042-0633 (extracted January 2021. Non-public information)
[12] Source: Clarksons Research; World Fleet Monitor, Volume 11, No. 12 December – 2020, ISSN: 2042-0633 (extracted January 2021. Non-public information)

4.10 Supply and competitive situation

The global maritime industry at large is undergoing a shift towards and increased focus on emissions, to become more environmentally friendly, sustainable and "greener".

In overall terms, the four sources of pollution are from mobile sources, stationary sources, area sources and natural sources. Pollution from transport is one of several sub-sources under the mobile sources of pollution. As 90%[13] of the world's trade is carried at sea, this shift and increased focus on pollution have led to implementation of rules and regulations from both the International Maritime Organization and several flag states.

4.11 Key competitors

The Group's subsidiaries compete with both regional and international companies. For supplying maritime technology, the Group competes with large international system integrators such as Kongsberg Maritime, ABB, Wärtsilä, Siemens and Rolls-Royce, as well as smaller more regionally focused system integrators such as Westcon, Brunvoll, Høglund and Acel.

In supplying ship design and systems packages for marine industries as mentioned above, HDS primarily competes with Salt Ship Design, NSK Ship Design, Multi Maritime, Skipteknisk, Ulstein and Vard.

In supplying ballast water treatment systems, NGT competes with e.g. TechCross, Erma First, Panasia, Qingdao Headway, JFE Engineering, Optimarin and Laval.

In addition, HHY meets competition form hydrogen fuel cell developers such as Wärtsila, Ballard, ABB, Yanmar, Teco 2030 and Hyon.

4.12 Material contracts, significant patents etc.

4.12.1 Material contracts

During the past two years preceding the date of this Information Document, neither the Company nor any other Group company has entered into any material agreements or other agreements containing rights or obligations of material importance to the Group, apart from agreements entered into as part of the Group's ordinary course of business.

It is the Company's opinion that the Group's existing business and profitability are not dependent upon any single contracts, except for the license agreement described in Section 4.12.2 below.

4.12.2 Patents, licenses and trademarks

The Company has entered into a license agreement with Havyard to use and subsequently acquire certain intellectual property rights held by Havyard related to the FreeCO2ast Project. Under the agreement, the Company has an exclusive right to commercial use of all intellectual property developed under the project, and the Company also has an obligation to research and develop such intellectual property rights further. As soon as permissible under applicable governmental funding arrangements to which Havyard is a party (involving i.a. Innovasjon Norge, Forskningrådet and Enova), the Company has a right and an obligation to acquire the intellectual property rights in question from Havyard, as further set out in the agreement.

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[13] Source: IMO GHG study 3, 2014. http://www.imo.org/en/OurWork/Environment/PollutionPrevention/AirPollution/Documents/Third%20Greenhouse%20Gas%20Study/GHG3%20Executive%20Summary%20and%20Report.pdf (extracted July 2020)

The Group does not hold any material research or development patents. The Group has not traditionally taken out patents on its technology, considering that patents may be unreasonably expensive and may not provide adequate protection. The Company believes that the combination of technology and associated expertise provided to a client makes it difficult for others to utilise the technology in a manner that abuses the Group's rights and ownership to the technology.

4.13 Related Party Transactions

The table below sets out the Group's related party transactions for the periods covered by the historical financial information included in this Information Document as Appendices B-D and up to the date of this Information Document.

The intercompany transactions include transactions between the companies in the Group as well as against Havyard. Please see the "Related party transaction" section below for a split between the total amount related to such transaction, in total and which is related to counterparties.

For further information on related party transactions of the Group, please refer to note 12 of the Combined Financial Statements.

Balances and transactions with Havyard Group companies

(*in NOK million*) — Year ended 31 December

Accounts	Q3 2020	Comment:	Q3 2019	2019	2018	2017
Financial positions						
Accounts receivable	80,6		125,8	83,5	191,5	123,6
Other short term receivables	40,1		71,4	72,0	51,0	63,7
Subordinated loan Havyard group*	-25,7	Loan from Havyard to NGT	-24,6	-22,1	-5,3	-5,0
Accounts payable	-11,7		-10,4	-14,2	-15,0	-7,7
Other short term payables	-2,5		-0,1	-36,5	-113,0	-45,8
Total	**80,7**		**162,1**	**82,7**	**109,3**	**128,8**
Profit & loss accounts						
Revenue	343,0		218,3	340,5	412,0	178,6
Rental income	1,1		1,5	2,0	1,9	1,5
Cost of goods	-1,4		-4,5	-8,1	-33,8	-3,5
Rental of premises	-2,2		-2,8	-3,7	-3,6	-3,5
Management fee	-19,5	Management fee from Havyard	-15,4	-24,0	-9,6	-8,4
Other operating expenses	-		-	-11,4	-4,0	-0,4
Total	**321,0**		**197,1**	**295,3**	**362,9**	**164,2**

Related party transaction	Q3 2020	Comment:	Q3 2019	2 019	2 018	2 017
Financial position						
Account receivables (incl. in Account receivable above)	-		-	-	-29,9	-
Profit & loss (incl. in Profit & loss above)						
Sales	180,2		41,2	126,6	61,0	-

Rental of premises	-2,2		-2,8	-3,7	-3,5	-3,5
Split per related party:						
Havblikk Eiendom AS						
Rental of premises	-2,2	HDS rental cost	-2,8	-3,7	-3,5	-3,5
Havila Kystruten AS						
Sales to related parties	171,3	HDS sales	29,0	41,5	61,0	-
Fjord1 ASA						
Sales to related parties	8,9	NES sales	12,2	85,0	-	-
Prepayment	-		-	-	-29,9	-

4.14 Legal and arbitrational proceedings

HDS is currently involved in a dispute with the Spanish shipyard Hijos de J. Barreras ("**Barreras**") relating to an agreement entered into in 2018 for the delivery of design and equipment to Barreras. The contracts were related to two coastal passenger vessels, which were ordered by Havila Kystruten AS ("**HKY**") at Barreras (hereinafter referred to as "**Supply Agreements**" and "**Shipbuilding Contracts**", respectively).

The Shipbuilding Contracts entered into between HKY and Barreras were cancelled by Barreras on 24 November 2019 and in 2020 by HKY. Both parties contest the right of cancellation with the other party.

As a result of the development in the contractual relationship between HKY and Barreras, both HDS and Barreras have sent notice and made reservations about the cancellation of Supply Agreements, but neither party has as of today formally cancelled the Supply Contracts. Consequently neither of the parties has initiated any legal proceedings as of today.

Except as set out above, neither the Company, nor any other company in the Group is, nor has been, during the course of the preceding 12 months involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

5 ORGANIZATION, THE BOARD OF DIRECTORS AND MANAGEMENT

5.1 Introduction

The general meeting is the highest decision-making authority of the Company. All shareholders of the Company are entitled to attend and vote at general meetings and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Company is vested with its Board of Directors and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organisation, preparing plans and budgets for its activities ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's Chief Executive Officer (the "**CEO**"), is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the CEO must, according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results at a minimum every fourth month.

5.2 The Board of Directors

5.2.1 Overview

The Company's Articles of Association set out that the Board of Directors shall comprise between three and seven Board Members elected by the Company's shareholders in an annual or extraordinary general meeting (as applicable). The table below sets out the names and other details of the current members of the Board of Directors:

Name	Position	Served since	Term expires	Shares
Vegard Sævik[1]	Chairman	2021	2023	-
Svein Gjelseth	Board Member	2021	2023	-
Hege Sævik Rabben[1]	Board Member	2021	2023	-
Hege Heian Notøy	Board Member	2021	2023	-
Helge Atle Simonnes[2]	Board Member	2021	2023	61,000

1) Each of Mr. Sævik and Mrs. Sævik Rabben indirectly owns approx. 11.567% of the Company, through their respective investment companies Innidimman AS (owning 5.21% of the shares in Havyard) and HSR Invest AS (owning 5.21% of the shares in Havyard), as well as their family-owned company Havila Holding AS (owning 40.35% of the shares in Havyard). Havyard currently owns 66.7% of the Company's Shares. Mr. Sævik and Mrs. Sævik Rabben are Havyard's representatives on the Board.
2) Mr. Simonnes indirectly owns 61,000 Shares directly and through his holding company Kamato AS, equal to approx. 0.174% of the Company. Further, Mr. Simonnes indirectly owns approx. 0.51%) in Havyard through his holding company Kamato AS, which in turn owns 66.7% of the Company's Shares.

No Board Members own any Shares, options or other securities exchangeable for Shares.

The Company's registered business address, Holmefjordvegen 1, 6090 Fosnavåg, Norway, serves as business address for the members of the Board of Directors as regards their directorship in the Company.

The Company has established an audit committee and a nomination committee, see Section 5.7 below.

5.2.2 Brief biographies of the Board of Directors

Set out below are brief biographies of the Board Members, including their managerial expertise and experience, in addition to an indication of any significant principal activities performed by them outside of the Company.

Vegard Sævik, Chairman of the Board

Vegard Sævik (born 1978) is employed in Havila AS and holds board positions in various companies associated with the Havyard Group, including as Deputy Managing Director in Havila Holding AS and chairman of the board of directors in Havyard. He is also chairman of the board in Fjord1 AS and holds a Bachelor of commerce from Handelshøyskolen BI. Mr. Sævik is a Norwegian citizen and resides in Leinøy, Norway.

Svein Gjelseth, Board Member

Svein Asbjørn Gjelseth (born 1950), is an engineer/secondary school teacher, with a vast experience from both engineering businesses and Norwegian politics, having been mayor of Herøy Kommune and a parliament member in the Norwegian parliament. Mr. Gjelseth is a Norwegian citizen and resides in Bø, Herøy, Norway.

Hege Sævik Rabben, Board Member

Hege Sævik Rabben (born 1971) is employed in Havila AS. She is a trained children's nurse and has worked in a day care centre as a children's nurse. She holds board positions in various companies. Mrs. Sævik Rabben is a Norwegian citizen and resides in Remøy, Herøy, Norway.

Hege Heian Notøy, Board Member

Hege Heian Notøy (born 1966), is a lawyer currently employed in the law firm Angelshaug & Co AS. Mrs. Notøy is educated cand.jur. at the University of Bergen and received her practising certificate in 2011. Mrs. Notøy is a Norwegian citizen and resides in Nautøya, Tjørvåg, Norway.

Helge Atle Simonnes, Board Member

Helge Atle Simonnes (born 1955), is a former leader in media. Now he is consultant, writer, speaker. He has former been a chief editor and CEO in newspapers companies and has been chairman of the board in various press companies and organizations. Helge holds a master's in business Economy from Department of Business Economics in Oslo and basic courses in political science DH and law. Mr. Simonnes is a Norwegian citizen and resides in Oslo, Norway.

5.2.3 Board of Directors' independence

The chairman of the Board, Vegard Sævik, and Board Member Hege Sævik Rabben are through their respective holding companies Innidimman AS and HSR Invest AS, as well as their family-owned company Havila Holding AS indirectly the majority shareholder of Havyard, which in turn controls 66.7% of the Shares. Mr. Sævik and Mrs. Sævik Rabben are also Havyard's representatives on the Board of Directors. Consequently, Mr. Sævik and Mrs. Sævik Rabben are not independent of the Company's main shareholder.

Other than this, the Board Members are independent of the Company's executive management and material business contacts and of the Company's main shareholder.

5.3 The Management

5.3.1 Overview

The table below sets out the names and other details of the current members of the Management:

Name	Position	Served since	Shares
Gunnar Larsen	CEO	2021	0
Pål Aurvåg	CFO	2021	0

No member of the Management owns any Shares, options or other securities exchangeable for Shares.

The Company's registered business address, Holmefjordvegen 1, 6090 Fosnavåg, Norway, serves as business address for members of the Management as regards their positions with the Company.

5.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management:

Gunnar Larsen, CEO
Gunnar Larsen (born 1965) is a Naval Architect from his education in Aalesund, Norway from 1985-1987. He has held various positions within procurement, sales, marketing and management in different shipyards and ship equipment suppliers from 1987. Mr. Larsen joined Havyard in 2006 as Market Director. He was responsible for building up Havyard's international sales network, and held various positions within sales, marketing, procurement management and business development until he was appointed CEO of Havyard in December 2019. Mr. Larsen is a Norwegian citizen, currently residing in Norway.

Pål Aurvåg, CFO
Pål Aurvåg (born 1974) holds a Master of science in Business and Economics from his education at the Norwegian School of Economics and Business Administration (NHH) in Bergen, where he graduated in 1999. He has held various positions within finance and business before he joined Havyard in 2015 as CFO. Since 2020, Aurvåg has held the position as Group Controller in Havyard. Mr. Aurvåg is a Norwegian citizen, currently residing in Norway.

5.4 Benefits upon termination

The CEO is entitled to a severance pay of NOK 1,056,275 (equivalent to six months' salary) upon the termination of his employment by the Company. Other than this no member of Management or the Board of Directors is entitled to any additional remuneration following the termination of their employments/service.

5.5 Employees

Upon completion of the Transaction (see Section 4.3 above), the Group had approximately 142 employees.

The table below shows the numbers of full-time employees of the Group as of 31 December 2020 and as of the date of this Information Document:

	As of 31 December 2020	As of the date of this Information Document
Total Group	0	142
By legal entity:		
The Company	0	1
NES	57	57
NGT	14	14
HHY	1	1
HDS	70	70
By main category of activity:		
Management	17	18
Functional employees	121	121
Administrative	4	4

There is no share-based incentive program in place for any of the employees.

5.6 Corporate governance requirements

The Board has a responsibility to ensure that the Company has good corporate governance. As the Company is not listed on any Regulated Market, no mandatory corporate governance code applies. The trading of the Shares on Euronext Growth Oslo does not provide specific requirements in terms of corporate governance code, such as the Norwegian Code of Practice for Corporate Governance. However, the Company intends to maintain a high level of corporate governance standards and will consider the implications of the Norwegian Code of Practice going forward (in whole or in part, depending on what is considered appropriate from time to time).

5.7 Committees

5.7.1 Audit committee

The Board of Directors has appointed an audit committee consisting of Vegard Sævik and Helge Simonnes. The audit committee shall assist the board in the preparation of decisions on issues regarding risk assessment, internal control, financial reporting and auditing.

The duties of the audit committee are to:

a) Monitor the Company's financial reporting and provide recommendations and proposals to ensure the reliability of the reporting,
b) monitor the effectiveness of the Company's internal control and risk management insofar as the financial reporting is concerned,
c) prepare any relevant recommendation whether to re-assess the need for internal auditing,
d) keep itself informed about the auditing of the annual report and the consolidated annual report,
e) review and monitor the impartiality and independence of the auditor/auditing firm, with specific focus on other services besides auditing services being provided by the auditor/auditing firm, and
f) assist in the preparation for the annual general meeting's decision in relation to election of auditors, including through contacts with the nomination committee appointed in accordance with the annual general meeting.

5.7.2 Nomination Committee

According to the Articles of Association, the Company shall have a nomination committee consisting of two members elected by the general meeting. At the extraordinary general meeting held on 22 January 2021, Njål Sævik was elected as chair and Arve Moltubakk was elected as member of the nomination committee.

5.8 Conflicts of interests etc.

The Company's CEO, Gunnar Larsen, and the Company's CFO, Pål Aurvåg, have been associated with the following bankruptcies and debt negotiations over the last five years:

i) SARL Havyard Production (Saint Nazaire, France), a subsidiary of Havyard Production Sp. Z o.o (Gdansk, Poland) ("**HPR**"), which filed for bankruptcy on 22 May 2019 (Mr. Larsen acted as board member from 2017 and CEO from May 2019 and Mr. Aurvåg acted as board member from 2017 in HPR in connection with a restructuring of the group);
ii) Havyard Ship Technology AS which filed for debt negotiations on 11 February 2020 (Mr. Larsen acted as board member from November 2017 and chairman of the board from September 2020, while Mr. Aurvåg acted as board member from august 2015), and
iii) Green Enviro AS, a subsidiary of MMC First Process AS ("**MMC**"), which filed for bankruptcy on 16 April 2020 (Mr. Larsen acted as CEO from September 2018 and was contracted from Havyard to take part in a changeover of the MMC group, while Mr. Aurvåg acted as board member).

Other than as set out above, during the last five years preceding the date of this Information Document, none of the Board Members or the members of the Management has, or had, as applicable:

a) any convictions in relation to indictable offences or convictions in relation to fraudulent offences;

b) received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

c) been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, director or manager of a company.

As set out above, certain members of the Board of Directors and the Management have financial interests in the Company through indirect shareholdings. In addition, members of the Board of Directors and the Management may be board members or managers of and hold shares in other companies, and in the event any such company enters into business relationships with the Company, the members of the Board of Directors and Management may have a conflict of interest, which is managed by the person concerned not being involved in the handling of the matter on behalf of the Company. Except as specified, no members of the Board of Directors or the Management has any private interest which may conflict with the interests of the Company.

The chairman of the Board, Vegard Sævik, and Board Member, Hege Sævik Rabben, are siblings. Other than this, there are no family ties between the members of the Board of Directors and/or the members of the Management.

None of the members of the Board of Directors have service contracts with the Company or any of the Subsidiaries.

6 SELECTED FINANCIAL INFORMATION

6.1 Introduction and basis for preparation

The following selected financial information has been extracted from the Combined Financial Statements and the Interim Financial Statements, attached hereto as Appendices C - D. The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to, the Combined Financial Statements and the Interim Financial Statements. For further details, see Section 3.2.1 above.

The Combined Financial Statements for 2019 and 2018 have been audited by PwC. In the independent auditor's statement to the Combined Financial Statements, PwC has noted the following:

"*The Combined Financial Statements for Havyard Newco AS for 2017 are unaudited*."

The Subsidiaries' financial statements for 2017, forming part of the Combined Financial Statements, have not been audited by PwC in connection with the preparation of the Combined Financial Statements. However, the financial statements for 2017 for the respective Subsidiaries have been audited by their respective auditors BDO AS and KPMG AS as part of the annual audit for 2017. The audit opinion for 2017 is unqualified for the respective Subsidiaries.

The Interim Financial Statements have not been audited.

For information of the Management Accounts described in Section 3.2.1 above, see Section 6.5 below.

6.2 Summary of accounting policies and principles

The Combined Financial Statements and the Interim Financial Statements have been prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and NGAAP. For further details, see Section 3.2.1 above.

Further information on accounting policies and principles is included in Note 1 to the Combined Financial Statements, attached hereto as Appendix D.

6.3 Combined income statement

This Section sets out selected data from the combined comprehensive income statement for the Group as set out in the Combined Financial Statements and the Interim Financial Statements.

Combined Statement of profit and loss	Nine months ended 30 September		Year ended 31 December		
(*in NOK million*)	2020 (unaudited)	2019 (unaudited)	2019 (audited)	2018 (audited)	2017 (unaudited)
Revenues	498,9	696,9	811,1	597,0	437,4
Other operating revenues	1,4	1,5	2,1	2,3	2,6
Operating income	**500,3**	**698,4**	**813,2**	**599,4**	**439,9**
Materials and consumables	316,3	503,2	633,5	373,8	282,1
Payroll expenses etc.	77,1	82,6	98,3	103,1	80,1
Depreciation of non-current assets	11,9	18,0	14,4	17,4	8,0
Other operating expenses	52,1	54,7	118,2	48,9	45,6
Operating expenses	**457,3**	**658,6**	**864,4**	**543,3**	**415,8**

Operating profit / loss	**43,0**	**39,8**	**-51,2**	**56,1**	**24,1**
Financial income and financial expenses					
Interest income	0,6	0,4	1,6	1,1	0,9
Other financial income	60,3	11,9	18,8	14,4	3,0
Intercompany interest Income (Havyard Group)	3,0	-	-	-	-
Intercompany interest expenses (Havyard Group)	2,9	2,5	3,6	2,1	0,2
Interest expenses	3,9	8,2	7,4	4,6	3,2
Other financial expenses	86,7	21,2	21,1	10,9	4,8
Net financial items	**-29,6**	**-19,5**	**-11,7**	**-2,0**	**-4,3**
Profit / loss before taxes	13,3	20,2	-62,9	54,1	19,8
Taxes	6,5	16,0	5,2	8,6	2,7
Profit / loss for the year	**6,8**	**4,2**	**-68,1**	**45,5**	**17,1**
Profit / loss for the year	**6,8**	**4,2**	**-68,1**	**45,5**	**17,1**
Attributable to:					
Non-controlling interest	0,4	1,4	1,6	1,0	0,3
Equity holders of parent	6,5	2,8	-69,7	44,5	16,8
Total	**6,8**	**4,2**	**-68,1**	**45,5**	**17,1**

6.4 Combined statement of financial position

This section sets out selected data from the combined statements of financial position for the Group as set out in the Combined Financial Statements and the Interim Financial Statements.

Combined statement of financial position	**Nine months ended 30 September**		**Year ended 31 December**		
(in NOK million)	**2020** (unaudited)	**2019** (unaudited)	**2019** (audited)	**2018** (audited)	**2017** (unaudited)
Assets					
Non-current assets					
Research and development	83,1	84,1	85,8	68,7	64,5
Total intangible assets	**83,1**	**84,1**	**85,8**	**68,7**	**64,5**
Fixed assets					
Operating equipment, fixtures, fittings, tools etc.	3,0	2,8	3,2	4,3	2,0
Total tangible fixed assets	**3,0**	**2,8**	**3,2**	**4,3**	**2,0**
Financial fixed assets					
Investments in subsidiaries	-	0,03	-	0,03	-
Investments in financial assets	0,01	0,01	0,01	0,01	0,01
Other non-current receivable	0,23	0,33	0,29	0,37	0,45
Total financial fixed assets	**0,23**	**0,36**	**0,29**	**0,40**	**0,45**
Total fixed assets	**86,4**	**87,3**	**89,2**	**73,4**	**67,0**

Combined statement of financial position	Nine months ended 30 September		Year ended 31 December		
(in NOK million)	2020	2019	2019	2018	2017
	(unaudited)	(unaudited)	(audited)	(audited)	(unaudited)
Current assets					
Inventory	93,8	6,5	7,4	11,0	4,0
Accounts receivable	69,9	150,8	92,5	264,4	166,1
Accrued revenue	103,7	91,6	81,3	89,9	93,4
Other current receivables	462,4	374,3	274,7	30,5	32,3
Receivables from group companies (Havyard Group)	40,1	71,4	72,0	65,0	63,7
Total receivables	**676,0**	**688,1**	**520,5**	**449,9**	**355,6**
Investments					
Other financial instruments	12,0	-	-	-	-
Total investments	**12,0**	**-**	-	-	-
Cash and bank deposits	**43,7**	**36,9**	**57,1**	**31,0**	**34,6**
Total current assets	**825,6**	**731,5**	**585,0**	**491,9**	**394,2**
Total assets	**911,9**	**818,8**	**674,3**	**565,3**	**461,2**
Equity and liabilities					
Equity					
Paid-in equity	69,1	23,1	69,1	23,1	23,1
Retained earnings	-97,4	34,1	-105,1	28,5	44,4
Non-controlling interests	4,5	5,0	4,9	4,1	3,3
Total equity	**-23,8**	**62,2**	**-31,2**	**55,7**	**70,8**
Liabilities					
Provision for liabilities					
Deferred tax liability	10,0	27,7	6,8	12,2	7,5
Total provision for liabilities	**10,0**	**27,7**	**6,8**	**12,2**	**7,5**
Other long-term liabilities					
Liabilities to financial institutions	13,2	6,5	13,5	7,8	8,5
Liabilities to group companies (Havyard Group)	25,7	24,5	22,1	5,3	5,0
Other long-term liabilities	0,6	2,1	1,7	1,9	0,9
Total other long term liabilities	**39,6**	**33,1**	**37,3**	**14,9**	**14,4**
Total long term liabilities	**49,7**	**60,8**	**44,1**	**27,1**	**21,9**
Current liabilities					
Debt to credit institutions	55,0	55,0	55,0	55,0	55,0
Accounts payable	187,5	220,5	198,9	83,2	61,9
Tax payable	2,6	-	-	-	-

Combined statement of financial position	Nine months ended 30 September		Year ended 31 December		
(*in NOK million*)	2020	2019	2019	2018	2017
	(unaudited)	(unaudited)	(audited)	(audited)	(unaudited)
Public duties payable	14,3	1,7	17,4	24,2	7,1
Debt to group companies (Havyard Group)	2,5	0,1	36,5	97,2	46,1
Advance from customers	201,8	201,2	242,5	94,5	36,0
Other current liabilities	422,4	217,4	110,9	128,4	162,2
Total short-term liabilities	**886,0**	**695,8**	**661,4**	**482,5**	**368,4**
Total liabilities	**935,7**	**756,6**	**705,4**	**509,6**	**390,4**
Total equity and liabilities	**911,9**	**818,8**	**674,3**	**565,3**	**461,2**

6.5 Combined, simplified Management Accounts

6.5.1 Introduction

This Section sets out selected data derived from the unaudited simplified management accounts for the Group for the year ended 31 December 2020 (the "**Management Accounts**"). The Management Accounts are attached hereto as Appendix B.[14]

The figures as of and for the year ended 31 December 2019 included in the Management Accounts are extracted from the Combined Financial Statements for 2019, see Section 3.2.1 above, and have been audited by PwC.

The figures as of and for the year ended 31 December 2020 have been prepared by the Management in connection with the Private Placement (see Section 7.3 below), based on the same method as for the Combined Financial Statements for 2019. The Management Accounts does not contain explanatory notes, and PwC has not audited, reviewed or produced any report related to the Management Accounts.

The following is noted in relation to the Management Accounts for the year ended 31 December 2020:

i) The DNB Loan Facility of NOK 55 million (see Section 6.8 below) has been reclassified in the balance sheet from short- to long-term debt based on a new agreement with DNB entered into on 23 February 2021.

ii) Net proceeds from the Private Placement (see Section 7.3 below) of NOK 83 million is included with effect on Cash and Paid in Equity.

iii) All internal debt/receivables to Havyard is settled.

[14] Figures from the Management Accounts are included in the investor presentation attached to the stock exchange notice by Havyard on 17 February 2021, see https://newsweb.oslobors.no/message/525208.

6.5.2 *Combined statement of profit and loss*

Management Accounts – Combined Statement of profit and loss *(in NOK million)*	Year ended 31 December 2020 (unaudited)	 2019 (audited)
Revenues	645,3	811,1
Other operating revenues	1,6	2,1
Operating income	**646,9**	**813,2**
Materials and consumables	382,0	633,5
Payroll expenses etc.	108,8	98,3
Depreciation of non-current assets	16,6	14,4
Other operating expenses	71,7	118,2
Operating expenses	**579,1**	**864,4**
Operating profit / loss	**67,8**	**-51,2**
Financial income and financial expenses		
Net financial items	**-30,3**	**-11,7**
Profit / loss before taxes	37,6	-62,9
Taxes	11,0	5,2
Profit / loss for the year	**26,6**	**-68,1**
Profit / loss for the year	**26,6**	**-68,1**
Attributable to:		
Non-controlling interest	0,9	1,6
Equity holders of parent	25,7	-69,7
Total	**26,6**	**-68,1**

6.5.3 *Combined statement of financial position*

Management Accounts – Combined statement of financial position *(in NOK million)*	Year ended 31 December 2020 (unaudited)	 2019 (audited)
Assets		
Non-current assets		
Research and development	89,2	85,8
Total intangible assets	**89,2**	**85,8**
Fixed assets		
Operating equipment, fixtures, fittings, tools etc.	2,5	3,2
Total tangible fixed assets	**2,5**	**3,2**
Financial fixed assets		
Total financial fixed assets	**0,2**	**0,29**

Total fixed assets	**91,9**	**89,2**
Current assets		
Inventory	7,6	7,4
Accounts receivable	78,0	92,5
Accrued revenue	112,7	81,3
Other current receivables	357,5	274,7
Receivables from group companies (Havyard Group)	.	72
Total receivables	**548,2**	**520,5**
Investments		
Other financial instruments	2,5	-
Total investments	2,5	-
Cash and bank deposits	100,0	57,1
Total current assets	**658,3**	**585**
Total assets	**750,2**	**674,3**
Equity and liabilities		
Equity		
Paid-in equity	153,7	69,1
Retained earnings	-77,1	-105,1
Non-controlling interests	4,7	4,9
Total equity	**81,3**	**-31,2**
Liabilities		
Provision for liabilities		
Deferred tax liability	6,6	6,8
Total provision for liabilities	**6,6**	**6,8**
Other long-term liabilities		
Liabilities to financial institutions	68,0	13,5
Liabilities to group companies (Havyard Group)	-	22,1
Other long-term liabilities	0,5	1,7
Total other long term liabilities	**68,5**	**37,3**
Total long term liabilities	**75,1**	**44,1**
Current liabilities		
Debt to credit institutions	-	55
Accounts payable	290,7	198,9
Tax payable	10,5	-
Public duties payable	5,0	17,4
Debt to group companies (Havyard Group)	0,0	36,5
Advance from customers	187,4	242,5
Other current liabilities	100,0	110,9
Total short-term liabilities	**593,7**	**661,4**
Total liabilities	**668,8**	**705,4**
Total equity and liabilities	**750,2**	**674,3**

6.5.4 Combined statement of cash flow

Management Accounts – Combined statement of cash flow	Year ended 31 December	
(in NOK million)	2020	2019
	(unaudited)	(audited)
Cash flow from operations		
Profit before income taxes	37,6	-62,9
Taxes paid in the period	-	-
Gain/loss from sale of fixed assets	-	-
Depreciation	16,6	14,4
Change in inventory	-0,2	3,6
Change in trade debtors	14,5	171,2
Change in trade creditors	91,8	116,6
Change in accrued revenue	-31,4	8,6
Interest not paid		2,9
Change in other receivables/liabilities	-168,8	-120,7
Net cash flow from operations	**-39,9**	**133,7**
Cash flow from investments		
Purchase of fixed assets	-	-1
Proceeds from sale of shares and investments in other companies	-	-
Cash outflow capitalized development projects	-14,7	-30,5
Value change in derivatives	39,5	-
Net cash flow from investments	**24,8**	**-31,5**
Cash flow from financing		
Proceeds from long term loans	-	7,3
Repayment of long term loans	-3	-1,7
Net change in bank overdraft	-	-
Capital raise	83	-
Net change in intercompany accounts	-22,1	-81,6
Net cash flow from financing	**57,9**	**-76,1**
Exchange gains / (losses) on cash and cash equivalents		
Net change in cash and cash equivalents	43	26,1
Cash and cash equivalents at the beginning of the period	57	31
Cash and cash equivalents at the end of the period	**100**	**57,1**
Of this restricted cash	4,8	4,9

6.6 Changes in the Group's financial or trading position

The Group has not carried out any transactions after 31 December 2019 that represents a change of more than 25% in its total assets, revenue or profit or loss.

6.7 Trend information

6.7.1 Recent developments

The ongoing outbreak of the coronavirus (causing the disease COVID-19) has impacted the Group's business in 2020. Some experienced effects have been limitation in sales activity due to travel restrictions and customer delays in decision making and/or delivery of products and services and progress related to the Group's projects. The business of NES and NGT are especially exposed to travel restrictions as these Subsidiaries are dependent on presence at shipyards abroad to be able to perform commissioning on the products. Since the Group's activity level have been impacted, redundancy adjustments have been effectuated when necessary. The overall effects of the coronavirus on the financial statements are not estimable. The coronavirus is expected to continue to have an impact on the Group's business in 2021.

Throughout 2020 the working capital and liquidity situation in NES has been challenging. At the end of 2020, the equity of NES was approximately NOK -22 million (per Q3 2020), which is in line with year-end 2019 of approximately NOK -20 million. In addition, the company's working capital is negative. NES is therefore considered for a working capital injection in 2021 to support future organic growth of the company's business.

Furthermore, the Subsidiary HHY was established in the fourth quarter of 2020. For several years, the Havyard Group has carried out research and development work on hydrogen propulsion of large vessels, for example through the Pilot E-project, in order to develop a large-scale maritime hydrogen project. By the establishment of HHY, the Havyard Group's know-how and expertise were brought together in this newly established company.

With respect to HDS, the activity level and order book development looks positive, while NGT has signed new customer contracts/ orders in the fourth quarter of 2020 of which significant ones were informed to market. NGT is a growth company and activity level is expected to increase going forward.

6.7.2 Significant changes in the financial position of the Group

With the exception of the Transaction that took place in connection with the Private Placement (see Section 4.3 above), there has been no significant change in the financial position of the Group since 30 September 2020.

6.7.3 Significant changes in the financial performance of the Group

There has not been any significant change in the financial performance of the Group since 30 September 2020.

6.8 Material borrowings and financial commitments

Other than as described below, the Group has no material interest bearing debt as of the date of this Information Document.

As part of the Transaction, see Section 4.3 above, the Company assumed the debtor position under a short term loan facility originally entered into by Havyard and DNB amounting to NOK 55 million (the "**DNB Loan Facility**"). The DNB Loan Facility has 1st priority security by pledge in the shares of NES.

The DNB Loan Facility will be repaid over 3.5 years by a quarterly repayment (NOK 3,75 million), first time in Q3 2021. Final settlement of NOK 10 million will take place in Q3 2024. Interest payments under the DNB Loan Facility is approximately NOK 2.5 million per year. The loan facilities related to the NGT-loans (as described below) has a maturity of 2.5 – 7 years.

Please find below an overview of the Group's borrowings upon completion of the Transaction:

Company	Purpose	Bank	MNOK	When	Interest	Q3 2020	Security
NewCo	**Aquisition NES**	DnB	55,0	2018	Nibor 3 mnd + 3,5%	55,0	Shares NES
NGT - Face1	**R&D**	Spb.Møre	5,0	2011	5,32 %	2,7	Assets
NGT - Face1	**R&D**	Innovasjon Norge	5,0	2011	3,95 %	2,3	Assets
NGT - Face2	**R&D**	Spb.Møre	10,0	2018/2019	5,17 %	5,0	Assets
NGT - Face2	**R&D**	Innovasjon Norge	4,5	2018/2019	4,20 %	3,3	Assets
					Total	**68,2**	

In addition, NES has a bank overdraft facility in DNB with limit up to NOK 10 million. The adjustment in the overdraft is netted against cash account.

As further detailed above, the Company is not in compliance with the financial covenants pertaining to the DNB Loan Facility as per 30 September 2020, but DNB has agreed to a waiver until 15 March 2021. Furthermore, NES was not in compliance with covenants regarding bank-overdraft requirements as per 30 September 2020. NGT was in compliance with covenants requirements as per 30 September 2020.

Other than as set out above, the Company is in compliance with the financial covenants as of the date of this Information Document.

6.9 Alternative Performance Measures (APMs)

Please find below the APMs prepared on the basis of the Combined Financial Statements and the Interim Financial Statements:

Alternative performance measures (APM)	Nine months ended 30 September		Year ended 31 December		
(in NOK million)	2020	2019	2019	2018	2017
EBIT	43,0	39,8	-51,2	56,1	24,1
EBIT margin	8,6%	5,7%	-6,3%	9,4%	5,5%
Adjusted EBIT	43,0	39,8	-17,8	56,1	24,1
Adjusted EBIT margin	8,6%	5,7%	-2,2%	9,4%	5,5%
EBITDA	54,8	57,8	-36,8	73,5	32,2
EBITDA margin	11,0%	8,3%	-4,5%	12,3%	7,3%
Adjusted EBITDA	54,8	57,8	-3,4	73,5	32,2
Adjusted EBITDA margin	11,0%	8,3%	-0,4%	12,3%	7,3%

Notes:

1) Adjusted EBIT/EBITDA: One-offs - One of the customers of NES and HDS has been under compulsory composition settlement. The outstanding receivables in NES (NOK 20 million) and HDS (NOK 13,4 million) was written down per year end 2019 accounts. Total amount adjusted is NOK 33.4 million.

Alternative performance measures (APM)	Nine months ended 30 September		Year ended 31 December		
(in NOK million)	2020	2019	2019	2018	2017
Equity ratio	-2,6%	7,6%	-4,6%	9,9%	15,4%
Net Interest-bearing debt	50,3	49,1	33,4	37,0	33,9
Working capital	-60,5	35,7	-76,3	9,5	25,8

6.10 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements for the period covering at least 12 months from the date of this Information Document.

Following the publication of this Information Document, the Company expects to publish its annual financial statements for 2020 on or around 15 April 2021. Furthermore, the Company expects to hold its first annual general meeting after the publication of this Information Document on or around 20 May 2021.

7 SHARES AND SHARE CAPITAL

This Section includes a summary of certain information relating to the Company's Shares and certain shareholder matters, including summaries of certain provisions of applicable law in effect as of the date of this Information Document. The mentioned summary does not purport to be complete and is qualified in its entirety by the Company's Articles of Association.

7.1 The Shares

As of the date of this Information Document, the Company has a total of 35,000,000 shares outstanding, each with a par value of NOK 1. The Shares have been created under the laws of Norway and are registered in book-entry form in the Norwegian Central Securities Depository (the "**VPS**") with International Securities Identification Number ("**ISIN**") NO 001 0931918 and legal entity identifier (LEI) code 8945008J6G4EILS2VI26. All the outstanding shares are validly issued and fully paid.

The Company has one class of shares, and there are no differences in the voting rights among the Shares. The Shares are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or existing shareholders' rights of first refusal.

On 2 March 2021, Oslo Børs resolved to admit the Shares to trading on Euronext Growth Oslo. The first day of trading of the Shares is expected to be on 4 March 2021 under the ticker code "HAV". The Company does not have securities listed on any stock exchange or other Regulated Market.

The Company's VPS-registrar is DNB Bank ASA, registrars department, with registered address Dronning Eufemias gate 30, 0191 Oslo, Norway (the "**VPS Registrar**").

7.2 Share capital

7.2.1 Share capital history

As of the date if this Information Document, the registered share capital of the Company is NOK 35,000,000, divided into 35,000,000 Shares, each with a par value of NOK 1.

The table below shows the development in the Company's share capital for the period from its incorporation to the date of the Information Document. There have not been any other capital increases in the Company other than as set out in the table below, neither by way of contribution in cash or in kind for the period from its incorporation on 1 December 2020 until the date of this Information Document.

Date registered	Event	Capital increase (NOK)	Par value (NOK)	Share price (NOK)	Share capital (NOK)	New shares issued	Total no. of Shares
1 December 2020	Incorporation	30,000	1	1	30,000	30,000	30.000
2 February 2020	Share capital increase[1]	1,000,000	1	1	1,030,000	1,000,000	1,030,000
21 February 2021	Share split 1:29.12621	0	0.034333	-	1,030,000	0	30,000,000
21 February 2021	The Transaction[2]	28,970,000	1	1.1502	30,000,000	0	30,000,000
21 February 2021	The Private Placement	5,000,000	1	18	35,000,000	5,000,000	35,000,000

1) Conversion of the Company to a public limited liability company by the issuance of new Shares subscribed by Havyard.
2) Contribution in kind by increase in par value of the Shares from NOK 0.034333 to NOK 1.

7.2.2 Authorisations to issue additional Shares

As of the date of this Information Document, the Board has no authorisation to increase the share capital of the Company or to acquire Shares on behalf of the Company.

7.2.3 Other financial instruments issued by the Company

Neither the Company nor any of its subsidiaries have issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries.

7.2.4 Ownership Structure

Following completion of the Private Placement, see Section 7.3 below, the Company has a total of 68 registered shareholders with the VPS.

Havyard owns 23,333,500 Shares, equivalent to approximately 66.7% of the Company's share capital. As a consequence of its substantial shareholding, Havyard may exercise control over the Company. The Company is not aware of any other persons or entities who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company. The Company is not aware of any arrangements which may at a subsequent date result in a change of control of the Company.

Other than Havyard, no shareholders hold more than 5% of the Company's share capital.

The Company does not hold any treasury shares, nor does any of the Company's subsidiaries hold shares in the Company.

To the Company's knowledge, there are no persons that can be identified as Beneficial Owners as defined in the EU Legislation on anti-money laundering. Beneficial Owners are understood as any natural person(s) who ultimately owns or controls the customer.

7.3 The Private Placement

7.3.1 Details of the Private Placement

On 1 March 2021, the Company completed a private placement consisting of an issuance of 5,000,000 new Shares and a sale of 6,666,500 existing Shares by the Company's largest shareholder, Havyard, each Share with a par value of NOK 1, at a subscription price of NOK 18 per Share, raising gross proceeds of NOK 90 million to the Company and approximately NOK 120 million to Havyard (the "**Private Placement**"). The Private Placement was resolved by the Company's extraordinary general meeting held on 21 February 2021.

The application period for the Private Placement took place on 17 February 2021 from 16.30 CET to 23:00 CET. Settlement took place on 24 February 2021, and the new Shares were delivered in VPS on 2 March 2021.

7.3.2 Reasons for Private Placement and Admission to Trading

The Company believes the Admission to Trading will:

a) Strengthen the working capital of the Company;

b) support the Group's operational strategy;

c) advance the Company's public and commercial profile;

d) diversify and increase the shareholder base; and

e) provide a market place for the Shares and give the Company improved access to the capital markets for potential future funding.

The Private Placement was completed immediately prior to the Admission to Trading. No other equity capital or proceeds will be raised by the Company in connection with the Admission to Trading.

7.3.3 Use of proceeds

The Company plans to use its net proceeds from the Private Placement to strengthen the Company's balance sheet, finance the Group's growth strategy, including investments in new products and services, and general corporate purposes.

At the date of this Information Document, the Company cannot predict all of the specific uses of the net proceeds, or the amounts that will be actually spent on the uses described above. The exact amounts and the timing of the actual use of the net proceeds will depend on numerous factors, amongst others the Company's ability to generate positive cash flow from its operations.

In addition, the proceeds will be used to cover relevant transaction costs incurred in connection with the Private Placement.

7.4 Dividend and dividend policy

7.4.1 Dividends policy

As of the date of this Information Document, the Company is in a growth phase and will most likely not pay any dividend in the short to medium term as the Company intends to use its profit for both organic and inorganic growth initiatives as well as product and technology innovation. However, the Company will strive to follow a dividend policy favorable to the shareholders and the amount of any profits to be retained will be dependent on, inter alia, the Company's investment requirements and rate of growth and inorganic investment opportunities.

There can be no assurance that in any given year a dividend will be proposed or declared. When the Board of Directors considers whether to propose a dividend and determines the amount, the Board will take into account the limitations that follow from the applicable legal restrictions as set out in the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45, as amended (Nw.: *allmennaksjeloven*, the "**Norwegian Public Companies Act**"), the Company's capital requirements, including capital costs, the Company's financial position, market prospects and other general business terms and conditions.

The Company was incorporated in December 2020 and has not paid any dividends since its incorporation.

7.4.2 Legal and contractual constraints on the distribution of dividends

In deciding whether to propose a dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Public Companies Act, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in force at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

Dividends may be paid in cash or in some instances in kind. The Norwegian Public Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

a) Section 8-1 of the Norwegian Public Companies Act regulates what may be distributed as dividend, and provides that the Company may distribute dividends only to the extent that the Company after said distribution still has net assets to cover (i) the share capital and (ii) other restricted equity (i.e. the reserve for unrealized gains and the reserve for valuation of differences).

b) The calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the last financial year, provided, however, that the registered share capital as of the date of the resolution to distribute dividend shall be applied. Following the approval of the annual accounts for the last financial year, the general meeting may also authorize the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the general meeting's resolution.

c) Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

Pursuant to the Norwegian Public Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian public limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Norwegian Public Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 8 "*Norwegian taxation*".

7.4.3 Manner of dividend payments

Any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholders through the VPS Registrar. Shareholders registered in the VPS who have not supplied the VPS Registrar with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

7.5 The Articles of Association

The Articles of Association are enclosed in Appendix A to the Information Document, a summary of which is given below:

7.5.1 Objective of the Company

The Company's objective is to invest directly or indirectly in maritime activities, as well as what is naturally related thereto.

7.5.2 Share capital and par value of each Share

The Company's share capital is NOK 35,000,000, divided into 35,000,000 Shares, each with a par value of NOK 1.

The shares shall be registered in Verdipapirsentralen ASA (VPS).

7.5.3 The Board of Directors

According to the general meeting's resolution, the Board shall consist of between three and seven Board Members. The Board Members are elected for two years at a time. The chairman of the Board is elected by the general meeting. Board Members can be re-elected.

7.5.4 Nomination committee

The company shall have a nomination committee. The committee submits proposals to the general meeting for Board members and the remuneration of Board members. The nomination committee shall consist of two members. The appointment of members and the composition of the committee shall be in accordance with the guidelines for the nomination committee. The general meeting shall adopt guidelines for the committee's work and approve any amendments to the guidelines.

7.5.5 Restrictions on transfer of Shares

There are no restrictions on transfer of the Shares.

7.5.6 General meetings

At the annual general meeting the following shall be considered:

1. Approval of the annual accounts and annual report, including the use of profits, coverage of losses and distribution of dividends.
2. Determination of remuneration to the board and approval of remuneration to the auditor.
3. Election of chairman of the board, board members with deputies and auditor.
4. Other matters which in accordance with law or the articles of association belong to the general meeting.

The board may decide that shareholders shall be able to cast their vote in writing on matters on the agenda of the general meeting in a period before general meetings, including through the use of electronic communication, to the extent the board finds reassuring methods for authenticating the sender of such vote and in accordance with the Companies Act.

7.6 Certain aspects of Norwegian corporate law

7.6.1 General meetings

Through the general meeting, shareholders exercise supreme authority in a Norwegian public limited liability company. The date for the first annual general shareholder meeting following the Admission to Trading is not set. However, in accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting is sent to all shareholders with a known address no later than two weeks before the annual general meeting of a Norwegian public limited liability company shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy (the proxy holder is appointed at their own discretion). All of the Company's shareholders who are registered in the shareholders' register kept and maintained with VPS as of the date of the general meeting, or who otherwise have reported and documented ownership of shares in the Company, are entitled to participate at general meetings, without any requirement of pre-registration.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the board of directors considers it necessary. An extraordinary general meeting of shareholders shall also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands such in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

7.6.2 Voting rights – amendments to the articles of association

Each Share carries one vote. In general, decisions shareholders are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the board of directors), the person(s) who receive(s) the greatest number of votes cast is elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe or shares in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the articles of association, to authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. Moreover, Norwegian law requires that certain decisions, i.e. decisions that have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favor of the resolution, as well as the majority required for amending the articles of association.

In general, only a shareholder registered in VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees.

There are no quorum requirements that apply to the general meetings.

7.6.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Company's articles of association must be amended, which requires the same vote as other amendments to the articles of association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. The preferential rights may be deviated from by a resolution in the general meeting passed with the same vote required to amend the articles of association. A deviation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the articles of association, authorize the board of directors to issue new Shares, and to deviate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered par share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States and other jurisdictions upon the exercise of preferential rights may require the Company to file a registration statement or prospectus in the United States under United States securities laws or in such other jurisdictions under the laws of such jurisdictions. Should the Company in such a situation decide not to file a registration statement or prospectus, the Company's U.S. shareholders and shareholders in such other jurisdictions may not be able to exercise their preferential rights. To the extent that shareholders are not able to exercise their rights to subscribe for new shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

7.6.4 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the board of directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favors certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Board of Directors convenes an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

7.6.5 Rights of redemption and repurchase of shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital of NOK 30,000, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years.

7.6.6 Shareholder vote on certain reorganisations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the board of directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the articles of association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

7.6.7 Liability of board members

Board members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Board members may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the articles of association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Board Members from liability or not to pursue claims against the Board Members is made by such a majority as is necessary to amend the articles of association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

7.6.8 Indemnification of board members

Neither Norwegian law nor the Articles of Association contain any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Board members against certain liabilities that they may incur in their capacity as such.

7.6.9 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

7.7 Takeover bids and forced transfer of shares

The Company is not subject to the takeover regulations, applicable only to companies with shares listed on a Norwegian Regulated Market, set out in the Norwegian Securities Trading Act, or otherwise.

The Shares are, however, subject to the provisions on compulsory transfer of shares as set out in the Norwegian Public Companies Act. If a public limited liability company alone, or through subsidiaries, owns 9/10 or more of the shares in the subsidiary, and may exercise a corresponding part of the votes that may be cast in the general meeting, the board of directors of the parent company may resolve that the parent company shall take over the remaining shares in the company. Each of the other shareholders in the subsidiary have the right to require the parent company to take over the shares. The parent company shall give the shareholders a redemption offer pursuant to the provisions of the Norwegian Public Companies Act. The redemption amount will in the absence of agreement or acceptance of the offer be fixed by a discretionary valuation.

7.8 Insider trading

According to the Market Abuse Regulation ((EU) No. 596/2014, "**MAR**"), as implemented through the Norwegian Securities Trading Act, subscription for, purchase, sale or exchange of financial instruments that are admitted to trading, or subject to an application for admission to trading on a Norwegian Regulated Market or a Norwegian Multilateral Trading Facility, or incitement to such dispositions, must not be undertaken by anyone who has inside information. Inside information is defined in Article 7(1)(a) of the MAR and refers to precise information about financial instruments issued by the Company admitted to trading, about the Company admitted trading itself or about other circumstances which are likely to have a noticeable effect on the price of financial instruments issued by the Company admitted to trading or related to financial instruments issued by the Company admitted to trading, and which is not publicly available or commonly known in the market. Information that is likely to have a noticeable effect on the price shall be understood to mean information that a rational investor would probably make use of as part of the basis for his investment decision. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions. Breach of insider trading obligations may be sanctioned and lead to criminal charges.

8 NORWEGIAN TAXATION

This Section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**") and to shareholders who are not resident in Norway for tax purposes "**Foreign Shareholders**"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Information Document and are subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.

8.1 Norwegian shareholders

8.1.1 Taxation of dividends

Norwegian corporate shareholders (i.e. limited liability companies and similar entities) ("**Norwegian Corporate Shareholders**") are comprised by the Norwegian participation exemption. Under the exemption, only 3% of dividend income on shares in Norwegian limited liability companies is subject to tax as ordinary income (22% flat rate as of 2021), implying that such dividends are effectively taxed at a rate of 0.66%.

Dividends distributed to Norwegian individual shareholders (i.e. other shareholders than Norwegian Corporate Shareholders) ("**Norwegian Individual Shareholders**") are grossed up with a factor of 1.44 before taxed as ordinary income (22% flat rate, resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a tax-free allowance.

The tax-free allowance is calculated on a share-by-share basis for each individual shareholder on the basis of the cost price of each of the Shares multiplied by a risk-free interest rate. The risk-free interest rate is based on the effective rate of interest on treasury bills (Nw.: *statskassevekslеr*) with three months maturity plus 0.5 percentage points, after tax. The tax-free allowance is calculated for each calendar year and is allocated solely to Norwegian Individual Shareholders holding Shares at the expiration of the relevant calendar year. Norwegian Individual Shareholders who transfer Shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the Share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realisation of, see below) the same Share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same Share the following year.

The Shares will not qualify for Norwegian share saving accounts (Nw.: *aksjesparekonto*) for Norwegian Individual Shareholders as the Shares are listed on the Euronext Growth Oslo (and not Oslo Børs/Euronext Expand).

8.1.2 Taxation of capital gains

Sale, redemption or other disposal of Shares is considered as a realisation for Norwegian tax purposes.

Capital gains generated by Norwegian Corporate Shareholders through a realisation of shares in Norwegian limited liability companies, such as the Company, are comprised by the Norwegian participation exemption and therefore tax exempt. Net losses from realisation of Shares and costs incurred in connection with the purchase and realisation of such Shares are not tax deductible for Norwegian Corporate Shareholders.

Norwegian Individual Shareholders are taxable in Norway for capital gains derived from realisation of Shares, and have a corresponding right to deduct losses. This applies irrespective of how long the Shares have been owned by the individual shareholder and irrespective of how many Shares that are realized. Gains are taxable as ordinary income in the year of realisation and losses can be deducted from ordinary income in the year of realisation. Any gain or loss is grossed up with a factor of 1.44 before taxed at a rate of 22% (resulting in an effective tax rate of 31.68%). Gain or loss is calculated per Share, as the difference between the consideration received for the Share and the Norwegian Individual Shareholder's cost price for the Share, including costs incurred in connection with the acquisition or realisation of the Share. Any unused tax-free allowance connected to a Share may be deducted from

a capital gain on the same Share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance related to a Share cannot be set off against gains from realisation of other Shares.

If a Norwegian shareholder realizes Shares acquired at different points in time, the Shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of Shares may be deducted in the year of sale.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

8.1.3 Net wealth tax

The value of Shares is taken into account for net wealth tax purposes in Norway. The marginal net wealth tax rate is currently 0.85% of the value assessed. The value for assessment purposes for the Shares is equal to 55% of the total tax value of the Company as of 1 January of the year before the tax assessment year. However, if the share capital in the Company has been increased or reduced by payment from or to shareholders in the year before the tax assessment year, the value for assessment purposes for the Shares is equal to 55% of the total tax value of the Company as of 1 January of the tax assessment year. The value of debt allocated to the Shares (a proportional part of the shareholder's total debt) for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 55%).

Norwegian limited liability companies and similar entities are exempted from net wealth tax.

8.2 Foreign Shareholders

8.2.1 Taxation of dividends

Dividends paid from a Norwegian limited liability company to Foreign Shareholders are subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. The shareholder's country of residence may give credit for the Norwegian withholding tax imposed on the dividend.

If a Foreign Shareholder is carrying on business activities in Norway and the Shares are effectively connected with such activities, the Foreign Shareholder will be subject to the same taxation of dividend as a Norwegian Shareholder, as described above.

Foreign Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities) ("**Foreign Corporate Shareholders**") resident within the EEA are exempt from Norwegian withholding tax pursuant to the Norwegian participation exemption provided that the Foreign Corporate Shareholder is genuinely established and carries out genuine economic activities within the EEA.

Dividends paid to Foreign Shareholders that are individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders) ("**Foreign Individual Shareholders**") are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share, see Section 8.1.1 "*Taxation of dividends*". However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

In accordance with the present administrative system in Norway, a distributing company will generally deduct withholding tax at the applicable rate when dividends are paid directly to an eligible Foreign Shareholder, based on information registered with the VPS. Foreign Corporate and Individual Shareholders must document their entitlement to a reduced withholding tax rate by (i) obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state and (ii) providing a confirmation from the shareholder that the shareholder is the beneficial owner of the dividend. In addition, Foreign Corporate Shareholders must also present either (i) an approved withholding tax refund application or (ii) an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate or a withholding tax exemption. Such documentation must be provided to either the nominee or the account operator (VPS). Dividends paid to Foreign Shareholders in respect of nominee registered shares are not eligible for

reduced treaty withholding tax rate at the time of payment unless the nominee, by agreeing to provide certain information regarding beneficial owner, has obtained approval for reduced treaty withholding tax rate from the Norwegian tax authorities. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

Foreign Individual Shareholders and Foreign Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Foreign Corporate Shareholders that have suffered withholding tax although qualifying for the Norwegian participation exemption.

Foreign Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

8.2.2 Taxation of capital gains

Gains from realisation of Shares by Foreign Shareholders will not be subject to tax in Norway unless the Foreign Shareholders are holding the Shares in connection with business activities carried out in or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

8.2.3 Net wealth tax

Foreign Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

8.2.4 Transfer taxes etc. VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, issuance, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

9 ADDITIONAL INFORMATION

9.1 Admission to trading on Euronext Growth Oslo

The Company applied for the Admission to Trading on Euronext Growth Oslo on 16 February 2021. The first day of the Admission to Trading is expected to be 4 March 2021.

9.2 Auditor

The Company's independent auditor is PwC, with business registration number 987 009 713 and registered address Dronning Eufemias gate 71, 0194 Oslo, Norway. The partners of PwC are members of the Norwegian Institute of Public Accountants (Nw.: "*Den Norske Revisorforeningen*").

PwC has been the Company's independent auditor since its incorporation in December 2020.

Other than the Combined Financial Statements and the Parent Financial Statements attached hereto as Appendix D and E respectively, PwC has not audited, reviewed or produced any report on any other information provided in this Information Document.

9.3 Advisors

Fearnley Securities AS, with business registration number 945 757 647 and registered business address at Grev Wedels Plass 9, 0151 Oslo, Norway, is acting as Manager and Euronext Growth Advisor.

Wikborg Rein Advokatfirma AS, with business registration number 916 782 195 and registered address Dronning Mauds gate 11, 0250 Oslo, Norway, is acting as legal counsel to the Company and the Manager.

10 DEFINITIONS AND GLOSSARY OF TERMS

Admission or **Admission to Trading**	The admission to trading of the Company's Shares on Euronext Growth Oslo, expected to take place on 4 March 2021
APMs	Alternative Performance Measures
Articles of Association	The articles of association of the Company as of 21 February 2021
Board of Directors or **Board Members**	The board of directors of the Company
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Combined Financial Statements	The combined financial statements of each of the Subsidiaries combined (as if consolidated) on a carve out basis as if item i) through v) of the Transaction had taken place on 1 January 2017, also including the DNB Loan Facility, as of and for the years ended 31 December 2019, 2018 and 2017, prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and NGAAP, incorporated by reference to this Information Document
Company or **HAV Group**	HAV Group ASA, a Norwegian public limited liability company with business registration number 926 311 581 and registered business address at Holmefjordvegen 1, 6090 Fosnavåg, Norway
DNB Loan Facility	Has the meaning ascribed to such term in Section 6.8
EEA	European Economic Area
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a Regulated Market, as amended, and as implemented in Norway
Euronext Growth Advisor or **Manager**	Fearnley Securities AS
Euronext Growth Oslo	A multilateral trading facility operated by Oslo Børs ASA as one of several Euronext Growth Markets under Euronext
Euronext Growth Rule Book	The Euronext Rule Book I and the Euronext Rule Book II for Euronext Growth Oslo, collectively
Foreign Corporate Shareholders	Foreign Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities)
Foreign Individual Shareholders	Foreign Shareholders that are individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders)
Foreign Shareholders	Shareholders who are not resident in Norway for tax purposes
FSMA	The Financial Services and Markets Act 2000
FreeCO2ast Project	The hydrogen project further detailed in Section 4.5.3.4, which was licensed from Havyard to the Company as part of the Transaction
GDP	Global gross domestic product
Group	The Company and its consolidated Subsidiaries upon completion of the Transaction set out in Section 4.2
HDS	The Company's 100% owned subsidiary, Havyard Design & Solutions AS, with business registration number 988 162 175
Havyard	Havyard Group ASA, being the parent company of the Company through ownership to approximately 66.7% of the Shares, listed on Oslo Børs with ticker code "HYARD"
Havyard Group	Havyard, together with its consolidated subsidiaries, including the Company
HHY	The Company's 100% owned subsidiary, Havyard Hydrogen AS, with business registration number 922 267 057
IMO	The International Maritime Organization
Information Document	This Information Document dated 3 March 2021
Interim Financial Statements	The Company's combined financial statements as of and for the nine months period ended 30 September 2020, based on the Subsidiaries unaudited financial statements combined (as if consolidated) on a carve out basis, as if item i) through v) of the Transaction had taken place on 1 January 2017, also including the DNB Loan Facility, with comparable figures as of and for the nine months period ended 30 September 2019, prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and NGAAP
IP	Intellectual property
Management	The members of the Company's executive management
Management Accounts	The unaudited, simplified management accounts for the Group for the year ended 31 December 2020
MAR	The Market Abuse Regulation ((EU) No. 596/2014)
NGAAP	Accounting principles generally accepted in Norway
NOK	Norwegian Kroner, the lawful currency of Norway
Norwegian Code of Practice	The Norwegian Code of Practice for Corporate Governance last updated on 17 October 2018
Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain similar entities) domiciled in Norway for tax purposes
Norwegian Individual Shareholders	Norwegian Shareholders other than Norwegian Corporate Shareholders
Norwegian Public Companies Act	The Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45, as amended (Nw.: *allmennaksjeloven*)

Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (Nw.: *verdipapirhandelloven*)
Norwegian Securities Trading Regulation	The Norwegian Securities Trading Regulations of 29 June 2007 no. 876, as amended (Nw.: *verdipapirforskriften*)
Norwegian Shareholders	Shareholders who are resident in Norway for tax purposes
Parent Financial Statements	The Company's audited financial statements (standalone) for the period from its incorporation on 1 December 2020 to 31 December 2020, prepared in accordance with the Norwegian Accounting Act and NGAAP, incorporated by reference to this Information Document
Private Placement	The private placement completed on 1 March 2021 consisting of 5,000,000 new Shares and 6,666,500 existing Shares, each with a par value of NOK 1, at a subscription price of NOK 18 per Share raising gross proceeds of NOK 90 million to the Company and approximately NOK 120 million to Havyard
PwC	PricewaterhouseCoopers AS, the Company's independent auditor
Regulated Market	A market for financial instruments within the scope of Article 4(1)(21) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments
Relevant Member State	Each Member State of the European Economic Area which has implemented the EU Prospectus Regulation
Share(s)	The shares of the Company, consisting as of the date of this Information Document of 35,000,000 ordinary shares, each with a par value of NOK 1
Subsidiaries	The subsidiaries of the Company, NES, NGT, HHY and HDS, the shares of which were transferred from Havyard to the Company as part of the Transaction
Transaction	The transaction described in Section 4.3 above
United States or US	The United States of America
VPS Registrar	DNB Bank ASA
VPS	The Norwegian Central Securities Depository (Nw.: *Verdipapirsentralen ASA*)

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Appendix A – Articles of Association

Vedtekter
for
HAV Group ASA
(organisasjonsnummer 926 311 581)

Vedtatt 21. februar 2021

§ 1
Selskapets navn er HAV Group ASA.

§ 2
Selskapets forretningskontor er i 6090 Fosnavåg, Herøy kommune.

§ 3
Selskapets formål er å investere direkte eller indirekte i maritim virksomhet, samt det som naturlig står i forbindelse med dette.

§ 4
Selskapets aksjekapital er på NOK 35 000 000 fordelt på 35 000 000 aksjer pålydende NOK 1.

Aksjene skal være registrert i Verdipapirsentralen ASA (VPS).

§ 5
Selskapets styre består etter generalforsamlingens bestemmelser av 3 - 7 medlemmer. Styret velges for to år om gangen. Styrets leder velges av generalforsamlingen. Styremedlemmer kan ta gjenvalg.

§ 6
Selskapets firma tegnes av styrets leder alene eller av 2 styremedlemmer i fellesskap, hvorav minst en skal være representant for aksjeeierne. Styret kan meddele prokura.

§ 7
Selskapets aksjer kan fritt overdras. Ingen aksjeeiere har rett til å overta en aksje som skal eller har skiftet eier. Erverv av aksjer er ikke betinget av samtykke fra selskapet.

§ 8
Når dokumenter som gjelder saker som skal behandles på generalforsamlingen er gjort tilgjengelig for aksjeeierne på Selskapets internettsider, gjelder ikke aksjelovens alminnelige krav om at dokumentene skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjeeier kan likevel kreve å kostnadsfritt få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.

§ 9
På den ordinære generalforsamlingen skal behandles:

1. Godkjennelse av årsregnskap og årsberetning, herunder anvendelse av overskudd, dekning av underskudd og utdeling av utbytte.
2. Fastsettelse av godtgjørelse til styret og godkjenning av godtgjørelse til revisor.
3. Valg av styreleder, styremedlemmer med varamedlemmer og revisor.
4. Andre saker som i henhold til lov eller vedtekter hører inn under generalforsamlingen.

§ 10
Styret kan vedta at aksjeeiere skal kunne avgi sin stemme skriftlig i saker på agendaen til generalforsamlingen i en periode før generalforsamlinger, herunder ved bruk av elektronisk kommunikasjon, i den utstrekning styret finner betryggende metoder for autentisering av avsenderen av slik stemme og i samsvar med aksjelovens bestemmelser.

§ 11
Selskapet skal ha en valgkomité. Komiteen skal fremme forslag for generalforsamlingen om styremedlemmer og styremedlemmers godtgjørelse. Valgkomiteen skal bestå av to medlemmer som utpekes og sammensettes i tråd med retningslinjer for valgkomiteen. Generalforsamlingen skal fastsette retningslinjer for komiteens arbeid, og godkjenne endringer i disse.

Appendix B – Combined Management Accounts for the year ended 31 December 2020

Combined Management Accounts year ended 31 December 2020 (Unaudited)

The figures as of and for the year ended 31 December 2019 are based on the financial statements for each of the Company's subsidiaries, Norwegian Electric Systems AS ("**NES**"), Havyard Hydrogen AS ("**HHY**"), Havyard Design & Solutions AS ("**HDS**") and Norwegian Greentech AS ("**NGT**"), combined (as if consolidated) on a carve out basis, as if 100% of the shares in NES, HHY and HDS and 77.3% of the shares in NGT, as well as NOK 55 million in debt to DNB Bank ASA, were contributed in kind to HAV Group ASA (the "**Company**") from Havyard Group ASA ("**Havyard Group**") against a share capital increase towards Havyard Group (the "**Transaction**") had taken place on 1 January 2017. The figures for the year ended 31 December 2019 are prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and accounting principles generally accepted in Norway and have been audited by PricewaterhouseCoopers AS.

The figures as of and for the year ended 31 December 2020 have been prepared by the Company's management in connection with the private placement completed on 17 February 2021. The figures for the year ended 31 December 2020 are prepared by the Company's management based on the same method as the figures for the year ended 31 December 2019, but without assistance from the Company's auditor. The 2020 figures have not been audited.

The following is noted in relation to the figures as of and for the year ended 31 December 2020:

- The debt of NOK 55 million to DNB Bank ASA has been reclassified in the balance sheet from short- to long-term debt based on a new agreement with DNB Bank ASA entered into on 23 February 2021.
- Net proceeds from the private placement completed on 17 February 2021 of NOK 83 million is included with effect on Cash and Paid in Equity.
- All internal debt/receivables to Havyard Group is settled.

Combined Statement of profit and loss

	Year ended 31 December	
(in NOK million)	**2020** (unaudited)	**2019** (audited)
Revenues	645,3	811,1
Other operating revenues	1,6	2,1
Operating income	**646,9**	**813,2**
Materials and consumables	382,0	633,5
Payroll expenses etc.	108,8	98,3
Depreciation of non-current assets	16,6	14,4
Other operating expenses	71,7	118,2
Operating expenses	**579,1**	**864,4**
Operating profit / loss	**67,8**	**-51,2**
Financial income and financial expenses		
Net financial items	**-30,3**	**-11,7**
Profit / loss before taxes	37,6	-62,9
Taxes	11,0	5,2
Profit / loss for the year	**26,6**	**-68,1**
Profit / loss for the year	**26,6**	**-68,1**
Attributable to:		
Non-controlling interest	0,9	1,6
Equity holders of parent	25,7	-69,7
Total	**26,6**	**-68,1**

Combined statement of financial position

	Year ended 31 December	
(in NOK million)	**2020** (unaudited)	**2019** (audited)
Assets		
Non-current assets		
Research and development	89,2	85,8
Total intangible assets	**89,2**	**85,8**
Fixed assets		
Operating equipment, fixtures, fittings, tools etc.	2,5	3,2
Total tangible fixed assets	**2,5**	**3,2**
Financial fixed assets		
Total financial fixed assets	**0,2**	**0,29**
Total fixed assets	**91,9**	**89,2**
Current assets		
Inventory	7,6	7,4
Accounts receivable	78,0	92,5
Accrued revenue	112,7	81,3
Other current receivables	357,5	274,7
Receivables from group companies (Havyard Group)	.	72
Total receivables	**548,2**	**520,5**
Investments		
Other financial instruments	2,5	-
Total investments	2,5	-
Cash and bank deposits	100,0	57,1
Total current assets	**658,3**	**585**
Total assets	**750,2**	**674,3**

Combined statement of financial position (cont.)

	Year ended 31 December	
(in NOK million)	2020 (unaudited)	2019 (audited)
Equity and liabilities		
Equity		
Paid-in equity	153,7	69,1
Retained earnings	-77,1	-105,1
Non-controlling interests	4,7	4,9
Total equity	**81,3**	**-31,2**
Liabilities		
Provision for liabilities		
Deferred tax liability	6,6	6,8
Total provision for liabilities	**6,6**	**6,8**
Other long-term liabilities		
Liabilities to financial institutions	68,0	13,5
Liabilities to group companies (Havyard Group)	-	22,1
Other long-term liabilities	0,5	1,7
Total other long term liabilities	**68,5**	**37,3**
Total long term liabilities	**75,1**	**44,1**
Current liabilities		
Debt to credit institutions	-	55
Accounts payable	290,7	198,9
Tax payable	10,5	-
Public duties payable	5,0	17,4
Debt to group companies (Havyard Group)	0,0	36,5
Advance from customers	187,4	242,5
Other current liabilities	100,0	110,9
Total short-term liabilities	**593,7**	**661,4**
Total liabilities	**668,8**	**705,4**
Total equity and liabilities	**750,2**	**674,3**

Combined statement of cash flow

	Year ended 31 December	
(in NOK million)	**2020**	**2019**
	(unaudited)	(audited)
Cash flow from operations		
Profit before income taxes	37,6	-62,9
Taxes paid in the period	-	-
Gain/loss from sale of fixed assets	-	-
Depreciation	16,6	14,4
Change in inventory	-0,2	3,6
Change in trade debtors	14,5	171,2
Change in trade creditors	91,8	116,6
Change in accrued revenue	-31,4	8,6
Interest not paid		2,9
Change in other receivables/liabilities	-168,8	-120,7
Net cash flow from operations	**-39,9**	**133,7**
Cash flow from investments		
Purchase of fixed assets	-	-1
Proceeds from sale of shares and investments in other companies	-	-
Cash outflow capitalized development projects	-14,7	-30,5
Value change in derivatives	39,5	-
Net cash flow from investments	**24,8**	**-31,5**
Cash flow from financing		
Proceeds from long term loans	-	7,3
Repayment of long term loans	-3	-1,7
Net change in bank overdraft	-	-
Capital raise	83	-
Net change in intercompany accounts	-22,1	-81,6
Net cash flow from financing	**57,9**	**-76,1**
Exchange gains / (losses) on cash and cash equivalents		
Net change in cash and cash equivalents	43	26,1
Cash and cash equivalents at the beginning of the period	57	31
Cash and cash equivalents at the end of the period	**100**	**57,1**
Of this restricted cash	4,8	4,9

Appendix C – Interim Financial Statements for the nine months period ended 30 September 2020

Havyard Newco AS

Combined interim statement profit and loss

	Note	30.09.2020 (unaudited)	30.09.2019 (unaudited)
Revenues	9, 12, 14	498 924 995	696 873 283
Other operating revenues	12	1 364 659	1 533 000
Operating income		**500 289 654**	**698 406 283**
Materials and consumables		316 280 522	503 240 265
Payroll expenses etc.	2, 3	77 096 272	82 613 263
Depreciation of non-current assets	5	11 873 580	18 036 643
Other operating expenses	2, 9, 12	52 073 805	54 748 949
Operating expenses		**457 324 179**	**658 639 120**
Operating profit / loss		**42 965 475**	**39 767 163**
Financial income and financial expenses			
Interest income		617 757	446 296
Other financial income		60 303 021	11 947 277
Intercompany interest income (Havyard Group)	12	2 973 426	-
Intercompany interest expenses (Havyard group)	12	2 859 221	2 499 005
Interest expenses		3 943 512	8 228 110
Other financial expenses		86 733 328	21 210 591
Net financial items		**-29 641 857**	**-19 544 133**
Profit / loss before taxes		13 323 618	20 223 031
Taxes	6	6 491 532	15 976 240
Profit / loss for the year	**7**	**6 832 086**	**4 246 791**
Profit / loss for the year		**6 832 086**	**4 246 791**
Attributable to:			
Non-controlling interest	7	356 217	1 427 901
Equity holders of parent	7	6 475 869	2 818 890
Total		**6 832 086**	**4 246 791**

Havyard Newco AS

Combined interim statement of financial position

	Note	30.09.2020 (unaudited)	30.09.2019 (unaudited)
Assets			
Non current assets			
Research and development	5	83 146 080	84 136 237
Total intangible assets		**83 146 080**	**84 136 237**
Fixed assets			
Operating equipment, fixtures, fittings, tools etc.	5	3 003 575	2 786 303
Total tangible fixed assets		**3 003 575**	**2 786 303**
Financial fixed assets			
Other investments		-	30 000
Investments in financial assets		5 000	5 000
Other non current receivable		227 918	325 337
Total financial fixed assets		**232 918**	**360 337**
Total fixed assets		**86 382 573**	**87 282 877**
Current assets			
Inventory	16	93 787 240	6 482 060
Accounts receivable	10, 12	69 905 110	150 846 950
Accrued revenue	9	103 692 908	91 611 757
Other current receivables		462 358 469	374 302 219
Receivables from related parties (Havyard Group)	12	40 075 970	71 371 527
Total receivables		**676 032 457**	**688 132 453**
Investments			
Other financial instruments		12 019 825	-
Total investments		**12 019 825**	**-**
Cash and bank deposits	**4**	**43 723 240**	**36 906 514**
Total current assets		**825 562 762**	**731 521 027**
Total assets		**911 945 335**	**818 803 904**

	Note	30.09.2020 (unaudited)	30.09.2019 (unaudited)
Equity and liabilities			
Equity			
Paid- in equity		69 125 339	23 149 661
Retained earnings		-97 431 917	34 055 313
Non-controlling interests		4 540 281	4 967 391
Total equity	**7**	**-23 766 297**	**62 172 366**
Liabilities			
Provision for liabilities			
Deffered tax liability	6	10 038 691	27 720 507
Total provision for liabilities		**10 038 691**	**27 720 507**
Other long-term liabilities			
Liabilities to financial institutions	10	13 249 999	6 500 000
Liabilities to related parties (Havyard Group)	12	25 748 661	24 500 005
Other long-term liabilities	12	629 104	2 093 800
Total other long term liabilities		**39 627 764**	**33 093 805**
Total long term liabilities		**49 666 455**	**60 814 312**
Current liabilities			
Debt to credit institutions		55 000 000	55 000 000
Accounts payable	12	187 473 580	220 458 479
Tax payable	6	2 551 492	-
Public duties payable		14 343 201	1 699 599
Debt to related parties (Havyard Group)	12	2 538 454	100 195
Advance from customers	9	201 782 036	201 174 202
Other current liabilities	12	422 356 414	217 384 751
Total short-term liabilities		**886 045 177**	**695 817 226**
Total liabilities		**935 711 632**	**756 631 539**
Total equity and liabilities		**911 945 335**	**818 803 904**

Fosnavåg, 19.01.2021

Gunnar Larsen
Chairman of the board

Havyard Newco AS

Combined interim cash flow statement

	30.09.2020 (unaudited)	30.09.2019 (unaudited)
	YTD Q3 2020	**YTD Q3 2019**
Cash flow from operations		
Profit before income taxes	13 323 618	20 223 031
Depreciation	11 873 580	20 461 404
Change in inventory	-86 370 218	4 518 706
Change in trade debtors	23 297 597	129 277 517
Change in trade creditors	-12 183 147	121 694 460
Channge in accrued revenue	-22 357 399	-1 702 949
Interest not paid	1 868 488	2 145 662
Change in other receivables/liabilities	75 902 165	-176 620 293
Net cash flow from operations	**5 354 684**	**119 997 537**
Cash flow from investments		
Purchase of fixed assets	-18 658	-807 621
Cash outflow capitalized development projects	-5 722 768	-28 058 636
Value change in derivatives	-12 019 825	204 739
Net cash flow from investments	**-17 761 251**	**-28 661 518**
Cash flow from financing		
Repayment of long term loans	-2 562 498	-1 250 000
Net change in intercompany accounts	1 554 278	-84 229 208
Net cash flow from financing	**-1 008 220**	**-85 479 208**
Exchange gains / (losses) on cash and cash equivalents		
Net change in cash and cash equivalents	-13 414 787	5 856 811
Cash and cash equivalents at the beginning of the period	57 138 027	31 049 703
Cash and cash equivalents at the end of the period	**43 723 240**	**36 906 514**
Restricted funds	2 491 157	3 000 811

Notes 2019-2020

Note 1 Accounting policies

Havyard Newco AS (the «Company») will acquire all the shares in Norwegian Electric Systems AS («NES»), Norwegian Greentech AS («NGT»), Havyard Hydrogen AS, and Havyard Design & Solutions AS («HDS») (together the «Subsidiaries») through contribution in kind, against the issuance of new shares in the Company to Havyard Group ASA («HGR»). As a part of the contribution in kind from HGR, the Company will also take over a loan facility in DNB amounting to NOK 55 million (The "DNB loan facility"). In addition, the Company will acquire the hydrogen project FreeCO2st from HGR.

The financial statements have been prepared by combining the financial statements of each of the Subsidiaries (as if consolidated) on a carve out basis as if the contribution in kind had taken place on 1 January 2017, also including the DNB Loan Facility (the "Combined Interim Financial Statements").

The Combined Interim Financial Statements have been prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and accounting principles generally accepted in Norway («NGAAP»). The Combined Interim Financial Statements have been prepared as of and for the 9 months period ended 30 September 2020 and 2019.

As the transaction, involving the transfer of the Subsidiaries (representing their business) and the DNB loan facility from HGR to the Company, will be a transaction between two companies in the same group, the transaction is considered to be a transaction under common control. Consequently, the transaction is accounted for in line with predecessor accounting. As such the transaction will not result in any purchase price analysis, fair value adjustments or goodwill, and there will be no uplift to the carrying values of assets and liabilities compared to what is currently recognized in the HGR consolidated financial statements.

The following assumptions have been made:
- Goodwill related to the acquisition of NES arose in 2015. Hence, goodwill related to this acquisition would have been fully depreciated in 2020 (provided a 5-year depreciation plan). Similarly, goodwill related to the acquisition of NGT would also have been fully depreciated in 2020. Goodwill is therefore not relevant for future accounting periods, and has not been included in the Combined Interim Financial Statements. Therefore, there are no goodwill in the balance sheet as of 30 September 2020 and 2019, and no goodwill amortization for the 9 months periods ended 30 September 2020 and 2019.
- NGT was owned through a structure where HGR owned 77,28% of the company that owned 75% of NGT. In Q2 2019, HGR acquired a direct 77,28% ownership in NGT. The Combined Interim Financial Statements for the period of 1 January 2019 to Q2 2019 have been prepared as if HGR owned 77,28% of NGT from 1.1.2019.
- The DNB loan facility of MNOK 55 is included in the Company's balance sheet as at 30 September 2020 and 2019. This loan facility was raised in HGR and has not been part of the companies that are consolidated in the Combined Interim Financial Statements. It will be transferred to the Company, together with the Subsidiaries. The loan was raised in 2018 (related to the purchase of the remaining shares of NES) and has not changed from the NOK 55 million in the period from 1 January 2019 to Q1 2021. Interest costs related to the loan is charged to the Combined Interim Financial Statements, and then eliminated through the statement of changes in equity. Actual interest costs from HGR has been used.
- Group balances and transactions between the Subsidiaries have been eliminated. Other group balances and transactions within the HGR group are included in the result and balance sheet for the company as of and for 9 months periods ended 30 September 2020 and 2019.
- The FreeCO2st project will be purchased from HGR in 2021. Historical costs related to the FreeCO2st project are not included in the Combined Financial Statements as of and for the 9 months periods ended 30 September 2020 and 2019. No other adjustments have been made in the historical figures for the Company related to FreeCO2st.

Management has used estimates and assumptions that affect the income statement and the valuation of assets and liabilities, as well as contingent assets and liabilities, at the balance sheet date during the preparation of financial statements in accordance with generally accepted accounting principles. The estimates are based on contracts entered into and continuous updating of significant changes in the assumptions for the estimates. Changes in accounting estimates are recognized in the income statement in the period in which the estimates change unless deferred recognition follows from generally accepted accounting principles.For projects that are expected to incur losses, the entire expected loss is recignized. Disputed claims are not recognized as income until they have been settled or secured.

Revenue recognition from the sale of goods takes place at the time of delivery. Services are recognized in line with the execution.
Long-term manufacturing projects (construction contracts) are posted to the profit and loss account in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. The project's degree of completion is calculated as accrued cost as a percentage of the expected total cost. The total cost is reassessed on an ongoing basis. When the transaction's outcome cannot be estimated reliably, only income corresponding to the projects' incurred cost can be posted as revenue. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is recognized in full to the profit and loss account.

Fixed assets are comprised of assets intended for long-term hold and use. Fixed assets are stated at cost. Fixed assets are capitalized and depreciated over the asset's useful life. Tangible fixed assets are written down to the recoverable amount when impairment is not expected to be temporary. The recoverable amount is the higher of an asset's net selling price and its value in use. An asset's value in use is the present value of the estimated future cash flows from the asset. If the reasons for impairment no longer exist, the impairment loss is reversed. Long-term debt is assessed according to the same principles as fixed assets.

Current assets and liabilities consist of items that fall due for payment within one year of acquisition, as well as items related to the business cycle. Current assets are valued at the lower of cost and net realizable value. Current liabilities are stated at nominal value at the time of acquisition. Trade receivables and other receivables are recorded at nominal value less a provision for doubtful accounts. The provision is made based on an individual assessment of each receivable.

Inventories of purchesd goods are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price in the ordinary course of business, less estimated cost of completion and estimated cost to sell. The acquisition cost is assigned using the FIFO method and includes expences incurred on acquisition of the goods and the cost of bringing the goods or their present state and location. Finished godds and work in progress are valued at full cost.

Monetary items in foreign currency are translated using the exchange rates at the balance sheet date. Transactions in foreign currency are translated at the rate applicable on the transaction date. Losses and gains related to this are booked as financial income and financial expenses running throughout the year at spot prices at the end of each month. The company's operating income and expenses in foreign currency are hedged through cash flow hedging. Cash flow hedging is reflected in the fact that realized and unrealized gains and losses on the hedging instrument are not recognized in the income statement until the underlying hedging object affects the income statement. No accounting of the hedging instrument takes place before this time.

Expenditure on research and development is capitalized to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and where the acquisition cost can be measured reliably. Otherwise, such expenses are expensed on an ongoing basis. Capitalized research and development is depreciated on a linear depriciation plan over its economic life.

Receivables from customers and other receivables are entered at nominal value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

The tax expense in the income statement is comprised of both the period's payable tax and changes in deferred tax. Deferred tax is calculated at a rate of 22 % based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the year-end. Tax increasing and tax-reducing temporary differences that are reversed or can be reversed in the same period are

Note 2 Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs	30.09.2020	31.12.2019	30.09.2019
Salaries	62 690 183	72 819 071	68 436 194
Employment tax	8 962 924	13 530 697	9 214 185
Pension cost	3 694 280	4 561 475	3 541 994
Other benefits	1 748 885	7 364 037	1 420 890
Total	**77 096 272**	**98 275 280**	**82 613 263**
Man-years	102	99	91

Remuneration to management	30.09.2020	31.12.2019	30.09.2019
Salaries	2 916 723	3 729 321	2 864 608
Pension cost	73 307	84 749	73 307
Other remuneration	106 475	244 898	105 471
Total	**3 096 505**	**4 058 968**	**3 043 386**

The chief executives does not have a severance pay agreement and no loan / security has been granted to the chief executives, the chairman of the board or other related parties.

Auditor	30.09.2020	31.12.2019	30.09.2019
Audit fees	207 893	505 242	465 082
Technical accounting assistance		0	
Tax assistance		0	
Other services	95 463	139 500	53 593
Total	**303 356**	**644 742**	**518 675**

Note 3 Pension liabilities

The company is requiered to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The pension scheme satisfies the requirements of the Mandatory Occupational Pension Act.

The pension depends on the funds paid in and the return on the funds. For the Company, the cost for the year is equal to the premium for the year.

Note 4 Restricted funds

Restricted bank deposits (payroll withholding taxes) is NOK 2 491 157 as of 30.09.2020

Restricted funds	30.09.2020	31.12.2019	30.09.2019
	2 491 157	4 926 002	3 000 811

Note 5 Fixed assets

	Finance Lease IT	R&D	Equipment	Total
Aquisition cost at 01.01.2019	3 584 558	103 318 765	16 934 862	123 838 185
Additions	0	31 211 110	684 291	31 895 401
Disposals	0	0	0	0
Aquisition cost at 30.09.2019	3 584 558	134 529 875	17 619 153	155 733 586
Accumulated depriciation as of 30.09.2019	2 317 381	50 393 638	16 100 027	68 811 046
Book value 30.09.2019	**1 267 177**	**84 136 237**	**1 519 126**	**86 922 540**
This year's depriciation	1 307 991	15 728 773	939 769	17 976 533
Economic lifetime	3-5 years	5 years	5 years	
Depriciation schedule	Linear	Linear	Linear	

	Cost rented premises
Aquisition cost at 01.01.2019	801 455
Additions	0
Disposals	0
Aquisition cost at 30.09.19	801 455
Accumulated depriciation as of 30.09.2019	494 149
Book value 30.09.19	**307 306**
This year's depriciation	60 110
Economic lifetime	10 years
Depriciation schedule	Linear

Cost on leased premises is presented as a long-term receivable in the balance sheet.

	Finance Lease IT	R&D	Equipment	Total
Aquisition cost at 01.01.2020	3 584 558	132 674 360	17 940 306	154 199 224
Additions	0	9 071 575	0	9 071 575
Disposals	0	0	0	0
Aquisition cost at 30.09.2020	3 584 558	141 745 935	17 940 306	163 270 799
Accumulated depriciation as of 30.09.2020	2 788 735	58 599 855	15 732 554	77 121 144
Book value 30.09.2020	**795 823**	**83 146 080**	**2 207 752**	**86 149 655**
This year's depriciation	750 233	11 648 380	-585 143	11 813 470
Economic lifetime	3-5 years	5 years	5 years	
Depriciation schedule	Linear	Linear	Linear	

	Cost rented premises
Aquisition cost at 01.01	801 455
Additions	0
Disposals	0
Aquisition cost at 31.12	801 455
Accumulated depriciation as of 31.12	574 295
Book value 31.12	**227 160**
This year's depriciation	60 110
Economic lifetime	10 years
Depriciation schedule	Linear

Cost on leased premises is presented as a long-term receivable in the balance sheet.

Leasing debt	30.09.2020	31.12.2019	30.09.2019
Capitalized leasing debt as of 31.12	629 104	1 153 228	969 269

	30.09.2020	31.12.2019	30.09.2019
2019	0	0	183 959
2020	174 708	733 815	321 358
2021-2023	454 396	463 952	463 952
Sum	**629 104**	**1 197 767**	**969 269**

As of 30.09.2020, the Group has entered into the following leasing agreements that are not part of the financial statements

Group company	Counterpart	Expiry date	Type
HDS	**Havblikk Eiendom AS**	30.09.2026	Rent
HDS	**Havblikk Eiendom AS**	31.01.2025	Rent
NES	**Tess Ålesund Eiendom AS**	31.12.2020	Rent
NES	**Janaflaten Eiendom 10 AS**	01.10.2024	Rent
NGT	**Siva Sunnmøre AS**	01.05.2025	Rent
NGT	**Eggesbø Eiendom AS**	01.04.2021	Rent

Note 6 Tax

The tax in the income statement has been estimated using the averge tax rate for each company in the group.
The tax rate has been set at 22%

Note 7 Equity capital

	Paid- in equity	Retained earnings	Non-controlling interests	Total equity
31.12.2018	23 149 661	28 500 390	4 071 724	55 721 775
Net profit/loss		2 818 890	1 427 901	4 246 791
Translation differences		590 370	253 016	843 386
Contribution to Group companies (Havyard Group)				-
Contribution from Group companies (Havyard Group)				-
DNB Loan*		2 145 662		2 145 662
Dividend			-785 249	-785 249
30.09.2019	**23 149 661**	**34 055 313**	**4 967 391**	**62 172 366**

	Paid- in equity	Retained earnings	Non-controlling interests	Total equity
31.12.2019	69 125 339	-105 130 889	4 851 951	-31 153 599
Net profit/loss		6 475 869	356 217	6 832 086
Translation differences		-645 385	-81 644	-727 029
Contribution to Group companies (Havyard Group)				-
Contribution from Group companies (Havyard Group)				-
DNB Loan*		1 868 488		1 868 488
Dividend			-586 242	-586 242
30.09.2020	**69 125 339**	**-97 431 917**	**4 540 281**	**-23 766 297**

Note 8 Share capital and shareholder information

The Company was incorporated 01.12.2020 with a share capital of 30.000. The share capital of the Company will be increased when the Company aquires the Subsidiaries.

Shareholders

All shares in the Company was owned by Havyard Group ASA at the incorporation date and at the Combined Financial Statements date .

The parent company Havyard Group ASA has its business adress in Fosnavåg i Herøy muncipality.

Consolidated financial statements have been prepared and can be distributed by contacting the head office.

Note 9 Construction contracts

Long-term manufacturing projects (construction contracts) are recognized uting the percentage of completion method, when the outcome of the transaction can be estimated in a reliable manner. The project's degree of completion is calculated as accrued cost as a percentage of the expected total cost. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is posted in full to the profit and loss account.

The projects are assessed separately. Projects with net completed non-invoiced installation are listed as a receivable.
Projects where advances from customeres exceed the installation performed are listed as debt.
Installation performed is classified as operating income in the income statement.

	30.09.2020	31.12.2019	30.09.2019
Income recognised on commenced construction contracts	460 082 381	603 187 537	699 122 546
Cost related to income earned/loss provisions	365 846 936	548 948 712	394 281 805
Net posted to the profit and loss account on continuing construction contracts	**94 235 446**	**54 238 825**	**304 840 740**
Estimated remaining production on loss-making contracts	166 637 505	340 825 379	7 958 056
Earned uninvoiced income on continuing construction contracts*	61 915 621	80 252 483	91 619 755
Pre-invoiced production	-34 364 654	-242 542 380	-99 501 106

Note 10 Pledges and guarantees, etc.

Debt secured by a mortgage etc.	30.09.2020	31.12.2019	30.09.2019
Debt to financial institutions in Norwegian Greentech	13 249 999	13 499 999	6 500 000
DNB loan facility consolitadet in Combined Financial Statements*	55 000 000	55 000 000	55 000 000
Sum	**68 249 999**	**68 499 999**	**61 500 000**
Book value of assets plegded for own debt			
Receivables in Norwegian Greentech AS	198 361	21 076 642	7 145 461
Receivables in Havyard Design & Solutions AS**	40 521 343	11 002 078	48 265 135
Sum	**40 719 704**	**32 078 720**	**55 410 596**

Properties owned by Mjølstadneset Eiendom AS and Norwegian Greentech's receivables are pledged as security for it's Debt to financial institutions. Furthermore, the parent company Havyard Group ASA has submitted a guarantee statement of up to NOK 5 000 000.

Repayment schedule for NGT's long-term loans to financial institutions is MNOK 1.4 a year until final maturity in 2030.

*The DNB loan facility is classified as short-term in the Combined statement of financial position as result of breach in covenants. The loan was originally due in Q2 2021, but as first installment has been postponed to March 15 2021, no final maturity date is set. Renegotiations are scheduled for March 15 2021

**Havyard Design & Solutions has guaranteed debts in Havyard Ship Technology AS limited to NOK 3 000 000 000. The debt is relatated to currency loans. In connection with the guarantee, a mortgage has been taken on Havyard Deign and Solution's accounts receivable. This guarantee agreement is not extended

Note 11 Items that are aggregated in the accounts

Financial income	**30.09.2020**	**31.12.2019**	**30.09.2019**
Other financial income	60 303 021	18 813 309	11 947 277
Other interest income	617 757	1 595 443	446 296
Total financial income	**60 920 778**	**20 408 752**	**12 393 573**

Financial cost	**30.09.2020**	**31.12.2019**	**30.09.2019**
Other financial cost	86 733 328	21 076 642	21 210 591
Other interest costs	3 943 512	8 141 196	8 228 110
Total financial cost	**90 676 840**	**29 217 838**	**29 438 701**

A significant part of the purchase of goods takes place in Euro at the same time as a significant part of the income is in NOK. The company uses forward hedging transactions to hedge cash flows in foreign currency when needed. There are no outstanding forward exchange contracts as of 31.12

Other current receivables	**30.09.2020**	**31.12.2019**	**30.09.2019**
Prepaid salaries	771 774	870 444	831 444
Prepayments to suppliers*	457 709 547	266 034 741	349 650 101
V.A.T. Receivables	-	2 927 109	12 563 546
Other current receivables	3 877 148	4 867 798	11 257 128
Total other current receivables	**462 358 469**	**274 700 092**	**374 302 219**

Note 12 Balances and transactions with related parties

	30.09.2020	**31.12.2019**	**30.09.2019**
Accounts receivable	80 639 073	83 533 793	125 798 465
Other short term receivables	40 070 722	71 968 225	71 371 527
Subordinated loan group*	-25 748 661	-22 079 705	-24 600 005
Accounts payable	-11 679 510	-14 171 627	-10 408 954
Other short term payables	-2 538 454	-36 545 387	-100 195
Total	**80 743 170**	**82 705 299**	**162 060 839**

Transactions	**30.09.2020**	**31.12.2019**	**30.09.2019**
Revenue	343 008 479	340 455 033	218 281 034
Rental income	1 143 750	2 044 000	1 533 000
Cost of goods	-1 419 010	-8 068 559	-4 515 145
Rental of premises	-2 206 917	-3 698 183	-2 773 636
Management fee	-19 503 099	-24 037 159	-15 388 565
Other operating expenses	0	-11 432 729	0
Total	**321 023 203**	**295 262 403**	**197 136 688**

Of intercompany receivables, NOK 33 617 889 against Havyard Ship Technology are set aside for loss as of 30.09.20 and 31.12.19

*Norwegian Greentech AS has two subordinated loans from Havyard Group ASA. Under the first loan agreement Newco shall pay yearly installments of NOK 1 422 534. Under the second loan agreement Newco shall pay 4 installments of NOK 2 500 000, first time in October 1st 2020. Both loans accrue a yearly interest of 5%.

Note 13 Group Companies

	Owner-/voting share	**Business-office**	**Share capital (100%)**
As of 30.09.20			
	100 %	Norway	108 000
Norwegian Eletric Systems AS	100 %	Norway	1 117 100
Norwegian Greentech AS	77 %	Norway	5 000 000
Havyard Design & Engineering Poland sp.z.o.o	70 %	Poland	115 640
Havyard Design & Engineering Rijeka d.o.o.	70 %	Croatia	26 842
Havyard Far East Pte. Ltd*	100 %	Singapore	570 000
Havyard Hydrogen AS*	100 %	Norway	30 000

*Investments in Havyard Far East Pte Ltd and Havyard Hydrogen AS has not been consolidated in 2019 due to immaterial values.

Note 14 Revenue

Business area	**30.09.2020**	**31.12.2019**	**30.09.2019**
Power & Control	214 611 868	265 576 964	205 792 860
Ship Design	68 976 688	88 433 780	90 500 308
Equipment Packages	144 347 627	353 959 086	337 132 448
Water Treatment Systems	59 890 230	62 279 491	46 759 330
Service etc.	11 098 582	40 815 981	16 688 337
Total	**498 924 995**	**811 065 302**	**696 873 283**

Geographical distribution	**30.09.2020**	**11.07.1905**	**30.09.2019**
Norway	309 352 047	390 586 517	316 399 048
Export	189 572 948	420 478 785	380 474 235
Total	**498 924 995**	**811 065 302**	**696 873 283**

Exports are defined as the share of revenue to end customers (shipping companies) with headquarters outside of Norway or that the yard is headquartered ouside Norway.

Note 15 Subsequent events

Norwegian Greentech AS has signed its biggest deal to date in the form of a fleet contract with the norwegian shipping company Wilson ASA. The agreement means that Norwegian Greentech will
deliver ballast water treatment systems for all ships owned by Wilson, primarily during the period 2020–2024. Wilson is one of the biggest cargo shipping companies in

Havyard has established a company for hydrogen-powered ships. Havyard's complete hydrogen system for ships will be completed in 2021, and the company focus is to meet the market demand for the solution, which will make it possible also for large ships to sail longer distances with zero emissions. B385

Note 16 Inventory

Inventories of purchased goods are valued at the lower of acquisition cost and net realizable value. Of the inventory as of 30.09.20 is NOK 0 written down to fair value.

Note 17 Going Concern

The Combined Interim Financial Statements have been prepared under the assumption of going concern.
Please also refer to note 1. The Subsidiaries have not been acquired as of the date of the adoption of the Combined Financial Statements.

Note 18 Financial market risk

The company does not use financial instruments with the management of financial risk.

Currency risk
Developments in exchange rates involve both direct and indirect financial risk for the company. Agreements have been entered into and unrealized losses on currency futures are recognized in other financial expenses.

Credit risk
The credit risk is considered to be limited in that sales contracts, as a general rule, hold a hedging instrument for the remaining payment after delivery of equipment. This applies in particular to deliveries to foreign players.

Interest rate risk
Interest rate risk arises in the short and medium term as a result of parts of the company's debt having floating interest rates.

Note 19 Disputes

In 2018, Havyard Design & Solutions ("HDS") entered into an agreement for the delivery of design and equipment to the Spanish shipyard Hijos de J. Barreras ("Barreras"). The contracts were related to two coastal passenger vessels, which were ordered by Havila Kystruten AS ("HKY") at Barreras (hereinafter referred to as "Supply Agreements" and "Shipbuilding Contracts", respectively).

The Shipbuilding Contracts entered into between HKY and Barreras were canceled by Barreras on 24.11.2019 and in 2020 by HKY. Both parties contest the right of cancellation with the other party.

As a result of the development in the contractual relationship between HKY and Barreras, both HDS and Barreras have sent notice and made reservations about the cancellation of Supply Agreements., but neither party has as of today formally canceled the Supply Contracts.

As a result of the cancellation of the Shipbuilding contracts with Barreras, HKY has entered into new contracts for these ships with the Turkish shipyard Tersan Tersanecilik San. Ve Tic. A.S ("Tersan"). Tersan is also building the first two ships in the series of four ships that HKY has ordered, and consequently Tersan has a total of four ships under construction for HKY.

As a result of HKY contracting the two vessels that were canceled at Barreras, HDS has in 2020 entered into new agreements for the delivery of the same design and the same equipment package for these ships, at the Turkish shipyard Tersan ("Supply Agreement Tersan").

In connection with the presentation of the Combined financial statement there is no added provision for the disputes in connection with the Barreras and HKY transactions

Probability of lawsuit against HDS
As of today (early January 2021), no claims have been made by Barreras against HDS. This is despite the fact that lawsuits have been initiated between HKY and insurance company (Abarca), which issued an insurance bond as security for the repayement of advance payments under the Shipbuilding Contracts. Barreras is, naturally enough, involved in this case.
HDS considers it unlikely that Barreras will win in a possible dispute over repayment from HDS.

Appendix D – Combined Financial Statements for 2019, 2018 and 2017

Havyard Newco AS

Combined statement of profit and loss

	Note	2019	2018	2017 (unaudited)
Revenues	9, 12, 14	811 065 302	597 021 412	437 357 080
Other operating revenues	12	2 093 809	2 336 479	2 553 375
Operating income		**813 159 111**	**599 357 891**	**439 910 455**
Materials and consumables		633 486 638	373 827 996	282 076 148
Payroll expenses etc.	2, 3	98 275 280	103 098 273	80 094 178
Depreciation of non-current assets	5	14 409 874	17 412 171	8 031 234
Other operating expenses	2, 9, 12	118 213 789	48 926 697	45 562 654
Operating expenses		**864 385 581**	**543 265 137**	**415 764 214**
Operating profit / loss		**-51 226 469**	**56 092 754**	**24 146 241**
Financial income and financial expenses				
Interest income		1 595 375	1 135 181	935 551
Other financial income		18 813 377	14 402 161	2 968 261
Intercompany interest expenses (Havyard Group)	12	3 599 809	2 066 646	239 050
Interest expenses		7 402 269	4 585 887	3 188 846
Other financial expenses		21 076 642	10 851 074	4 801 298
Net financial items	**11**	**-11 669 968**	**-1 966 265**	**-4 325 382**
Profit / loss before taxes		-62 896 437	54 126 489	19 820 859
Taxes	6	5 176 052	8 632 341	2 691 302
Profit / loss for the year	**7**	**-68 072 490**	**45 494 148**	**17 129 557**
Profit / loss for the year		**-68 072 490**	**45 494 148**	**17 129 557**
Attributable to:				
Non-controlling interest	7	1 597 411	1 013 315	281 305
Equity holders of parent	7	-69 669 900	44 480 833	16 848 252
Total		**-68 072 490**	**45 494 148**	**17 129 557**

Havyard Newco AS

Combined statement of financial position as at 31.12

	Note	2019	2018	2017 (unaudited)
Assets				
Non current assets				
Research and development	5	85 804 832	68 653 900	64 533 891
Total intangible assets		**85 804 832**	**68 653 900**	**64 533 891**
Fixed assets				
Operating equipment, fixtures, fittings, tools etc.	5	3 150 006	4 349 772	2 016 665
Total tangible fixed assets		**3 150 006**	**4 349 772**	**2 016 665**
Financial fixed assets				
Other investments		-	30 000	-
Investments in financial assets		5 000	5 000	5 000
Other non current receivable		287 270	367 416	447 562
Total financial fixed assets		**292 270**	**402 416**	**452 562**
Total fixed assets		**89 247 108**	**73 406 088**	**67 003 118**
Current assets				
Inventory	16	7 417 022	11 000 766	4 031 995
Accounts receivable	10, 12	92 465 008	264 412 373	166 098 635
Accrued revenue	9	81 335 509	89 908 808	93 440 085
Other current receivables		274 700 092	30 517 782	32 328 096
Receivables from related parties (Havyard Group)	12	71 968 225	65 029 809	63 699 840
Total receivables		**520 468 834**	**449 868 772**	**355 566 656**
Cash and bank deposits	**4**	**57 138 027**	**31 049 703**	**34 583 104**
Total current assets		**585 023 883**	**491 919 241**	**394 181 755**
Total assets		**674 270 991**	**565 325 329**	**461 184 873**

Havyard Newco AS

Combined statement of financial position as at 31.12

	Note	2019	2018	2017 (unaudited)
Equity and liabilities				
Equity				
Paid- in equity		69 125 339	23 149 661	23 149 661
Retained earnings		-105 130 889	28 500 390	44 421 597
Non-controlling interests		4 851 951	4 071 724	3 257 868
Total equity	**7**	**-31 153 599**	**55 721 775**	**70 829 126**
Liabilities				
Provision for liabilities				
Deffered tax liability	6	6 794 041	12 236 080	7 498 904
Total provision for liabilities		**6 794 041**	**12 236 080**	**7 498 904**
Other long-term liabilities				
Liabilities to financial institutions	10	13 499 999	7 750 000	8 500 001
Liabilities to related parties (Havyard Group)	12, 10	22 079 705	5 271 043	5 020 041
Other long-term liabilities	12	1 691 602	1 889 061	908 699
Total other long term liabilities		**37 271 306**	**14 910 104**	**14 428 741**
Total long term liabilities		**44 065 347**	**27 146 184**	**21 927 645**
Current liabilities				
Debt to credit institutions	10	55 000 000	55 000 000	55 000 000
Accounts payable	12	198 919 028	83 161 265	61 944 601
Public duties payable		17 425 037	24 196 438	7 145 287
Debt to related parties (Havyard Group)	12	36 545 387	97 216 647	46 128 035
Advance from customers	9	242 542 380	94 533 319	36 005 203
Other current liabilities	12	110 927 411	128 349 701	162 204 976
Total short-term liabilities		**661 359 243**	**482 457 370**	**368 428 102**
Total liabilities		**705 424 590**	**509 603 554**	**390 355 747**
Total equity and liabilities		**674 270 991**	**565 325 329**	**461 184 873**

Fosnavåg, 19.01.2021

Gunnar Larsen
Chairman of the board

Havyard Newco AS

Combined Cash flow statement

	2019	2018	2017 (unaudited)
Cash flow from operations			
Profit before income taxes	-62 896 437	54 126 489	19 820 859
Taxes paid in the period	-	-	-1 486 966
Gain/loss from sale of fixed assets	-	-	-1 365
Depreciation	14 409 874	17 412 171	8 031 234
Change in inventory	3 583 744	-6 968 771	1 363 810
Change in trade debtors	171 209 666	-82 128 758	-55 438 721
Change in trade creditors	116 648 464	4 054 217	31 425 970
Channge in accrued revenue	8 573 299	4 513 344	-61 237 114
Interest not paid	2 860 882	2 783 521	2 478 667
Change in other receivables/liabilities	-120 715 775	43 378 318	45 660 350
Net cash flow from operations	**133 673 717**	**37 170 531**	**-9 383 276**
Cash flow from investments			
Purchase of fixed assets	-975 962	-2 177 008	-4 347 714
Proceeds from sale of shares and investments in other companies	-	-	109 340
Cash outflow capitalized development projects	-30 542 755	-19 648 681	-14 131 799
Net cash flow from investments	**-31 518 717**	**-21 825 689**	**-18 370 173**
Cash flow from financing			
Proceeds from long term loans	7 250 000	-	
Repayment of long term loans	-1 697 459	-1 729 088	-716 406
Net change in bank overdraft	-	1 244 836	
Net change in intercompany accounts	-81 619 215	-18 393 992	-7 337 517
Net cash flow from financing	**-76 066 674**	**-18 878 244**	**-8 053 923**
Exchange gains / (losses) on cash and cash equivalents			
Net change in cash and cash equivalents	26 088 326	-3 533 402	-35 807 372
Cash and cash equivalents at the beginning of the period	31 049 703	34 583 104	70 390 476
Cash and cash equivalents at the end of the period	**57 138 027**	**31 049 703**	**34 583 104**
Restricted funds	4 926 002	3 910 976	3 649 394

Notes 2017-2019

Note 1 Accounting policies and basis of preparation

Havyard Newco AS (the «Company») will acquire all the shares in Norwegian Electric Systems AS («NES»), Norwegian Greentech AS («NGT»), Havyard Hydrogen AS, and Havyard Design & Solutions AS («HDS») (together the «Subsidiaries») through contribution in kind, against the issuance of new shares in the Company to Havyard Group ASA («HGR»). As a part of the contribution in kind from HGR, the Company will also take over a loan facility in DNB amounting to NOK 55 million (The "DNB loan facility"). In addition, the Company will acquire the hydrogen project FreeCO2st from HGR.

The financial statements have been prepared by combining the financial statements of each of the Subsidiaries (as if consolidated) on a carve out basis as if the contribution in kind had taken place on 1 January 2017, also including the DNB Loan Facility (the "Combined Financial Statements").

The Combined Financial Statements have been prepared in accordance with the recognition and measurement principles in the Norwegian Accounting Act and accounting principles generally accepted in Norway («NGAAP»). The Combined Financial Statements have been prepared as of and for the years ended 31 December 2019, 2018 and 2017, and no updated assessment has been made for new information that has become available after the individual financial statements was authorized for issue by the board of directors in the different companies.

As the transaction, involving the transfer of the Subsidiaries (representing their business) and the DNB loan facility from HGR to the Company, will be a transaction between two companies in the same group, the transaction is considered to be a transaction under common control. Consequently, the transaction is accounted for in line with predecessor accounting. As such, the transaction will not result in any purchase price analysis, fair value adjustments or goodwill, and there will be no uplift to the carrying values of assets and liabilities compared to what is currently recognized in the HGR consolidated financial statements.

The following assumptions have been made:

- Goodwill related to the acquisition of NES arose in 2015. Hence, goodwill related to this acquisition would have been fully depreciated in 2020 (provided a 5-year depreciation plan). Similarly, goodwill related to the acquisition of NGT would also have been fully depreciated in 2020. Goodwill is therefore not relevant for future accounting periods, and has not been included in the Combined Financial Statements. Therefore, there are no goodwill in the balance sheet as of 31 December 2019, 2018 and 2017, and no goodwill amortization for the years ended 31 December 2019, 2018 and 2017
- NES was owned by HGR with 50.5% until Q2 2018. In Q2 2018, the remaining shares of NES was acquired. The Combined Financial Statements for the period of 1 January 2017 to Q2 2018 have been prepared as if HGR owned 100% of NES from 1.1.2017.
- NGT was owned through a structure where HGR owned 77,28% of the company that owned 75% of NGT. In Q2 2019, HGR acquired a direct 77,28% ownership in NGT. The Combined Financial Statements for the period of 1 January 2017 to Q2 2019 have been prepared as if HGR owned 77,28% of NGT from 1.1.2017.
- The DNB loan facility of MNOK 55 is included in the Company's balance sheet as of 31 December 2019, 2018 and 2017. This loan facility was raised in HGR and has not been part of the companies that are consolidated in the Combined Financial Statements. It will be transferred to the Company, together with the Subsidiaries. The loan was raised in 2018 (related to the purchase of the remaining shares of NES) and has not changed from the NOK 55 million in the period from 1 January 2017 to Q1 2021. The Combined Financial Statements for the years ended 31 December 2019, 2018 and 2017 have been prepared as if this loan had been raised on 1 January 2017 and unchanged until the actual date it was raised in HGR. Interest costs related to the loan is charged to the Combined Financial Statements, and then eliminated through the statement of changes in equity. For the period from 1.1.2017 to the actual time the loan was raised, interest has been calculated at a rate including the margin from the loan agreement. For the period from admission until 31 December 2019, actual interest costs from HGR has been used.
- Group balances and transactions between the Subsidiaries have been eliminated. Other group balances and transactions within the HGR group are included in the result and balance sheet for the company as of and for the years ended 31 December 2019, 2018 and 2017
- The FreeCO2st project will be purchased from HGR in 2021. Historical costs related to the FreeCO2st project are not included in the Combined Financial Statements as of and for the years ended 31 December 2019, 2018 and 2017. No other adjustments have been made in the historical figures for the Company related to FreeCO2st.

Management has used estimates and assumptions that affect the income statement and the valuation of assets and liabilities, as well as contingent assets and liabilities, at the balance sheet date during the preparation of financial statements in accordance with generally accepted accounting principles. The estimates are based on contracts entered into and continuous updating of significant changes in the assumptions for the estimates. Changes in accounting estimates are recognized in the income statement in the period in which the estimates change unless deferred recognition follows from generally accepted accounting principles. For projects that are expected to incur losses, the entire expected loss is recognized. Disputed claims are not recognized as income until they have been settled or secured.

Revenue recognition from the sale of goods takes place at the time of delivery. Services are recognized in line with the execution. Long-term manufacturing projects (construction contracts) are posted to the profit and loss account in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. The project's degree of completion is calculated as accrued cost as a percentage of the expected total cost. The total cost is reassessed on an ongoing basis. When the transaction's outcome cannot be estimated reliably, only income corresponding to the projects' incurred cost can be posted as revenue. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is recognized in full to the profit and loss account.

Fixed assets are comprised of assets intended for long-term hold and use. Fixed assets are stated at cost. Fixed assets are capitalized and depreciated over the asset's useful life. Tangible fixed assets are written down to the recoverable amount when impairment is not expected to be temporary. The recoverable amount is the higher of an asset's net selling price and its value in use. An asset's value in use is the present value of the estimated future cash flows from the asset. If the reasons for impairment no longer exist, the impairment loss is reversed. Long-term debt is assessed according to the same principles as fixed assets.

Current assets and liabilities consist of items that fall due for payment within one year of acquisition, as well as items related to the business cycle. Current assets are valued at the lower of cost and net realizable value. Current liabilities are stated at nominal value at the time of acquisition. Trade receivables and other receivables are recorded at nominal value less a provision for doubtful accounts. The provision is made based on an individual assessment of each receivable.

Inventories of purchesd goods are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price in the ordinary course of business, less estimated cost of completion and estimated cost to sell. The acquisition cost is assigned using the FIFO method and includes expences incurred on acquisition of the goods and the cost of bringing the goods or their present state and location. Finished godds and work in progress are valued at full cost.

Monetary items in foreign currency are translated using the exchange rates at the balance sheet date. Transactions in foreign currency are translated at the rate applicable on the transaction date. Losses and gains related to this are booked as financial income and financial expenses running throughout the year at spot prices at the end of each month. The company's operating income and expenses in foreign currency are hedged through cash flow hedging. Cash flow hedging is reflected in the fact that realized and unrealized gains and losses on the hedging instrument are not recognized in the income statement until the underlying hedging object affects the income statement. No accounting of the hedging instrument takes place before this time.

Expenditure on research and development is capitalized to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and where the acquisition cost can be measured reliably. Otherwise, such expenses are expensed on an ongoing basis. Capitalized research and development is depreciated on a linear depriciation plan over its economic life.

Receivables from customers and other receivables are entered at nominal value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

The tax expense in the income statement is comprised of both the period's payable tax and changes in deferred tax. Deferred tax is calculated at a rate of 22 % based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the year-end. Tax increasing and tax-reducing temporary differences that are reversed or can be reversed in the same period are offset. Net deferred tax assets are recognized to the extent that it is probable that the amount can be utilized against future taxable income.

Transactions with related parties have been carried out in accordance with section 3-9 of the Norwegian Companies Act on normal commercial terms and principles. Significant agreements with related parties are available in writing.

The cash flow statement is set up according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments.

Note 2 Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs	2019	2018	2017
Salaries	72 819 071	83 762 020	62 521 647
Employment tax	13 530 697	12 943 571	10 277 237
Pension cost	4 561 475	4 066 966	4 076 454
Other benefits	7 364 037	2 325 715	3 218 839
Total	**98 275 280**	**103 098 273**	**80 094 178**
Man-years	102	99	91

Remuneration to CEOs	2019	2018	2017
Salaries	3 729 321	3 900 123	3 766 645
Pension cost	84 749	14 767	72 543
Other remuneration	244 898	191 957	174 715
Total	**4 058 968**	**4 106 847**	**4 013 903**

No loan or security has been granted to any general manager, the chairmen of the board or other related parties

Auditor	2019	2018	2017
Audit fees	505 242	517 000	580 000
Technical accounting assistance	0	38 600	28 525
Tax assistance	0	21 000	20 500
Other services	139 500	27 930	27 600
Total	**644 742**	**604 530**	**656 625**

Note 3 Pension liabilities

The company is required to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The pension scheme satisfies the requirements of the Mandatory Occupational Pension Act.

The pension depends on the funds paid in and the return on the funds. For the Company, the cost for the year is equal to the premium for the year.

Note 4 Restricted funds

Restricted funds	2019	2018	2017
	4 926 002	3 910 976	3 629 394

Note 5 Fixed assets

	Finance Lease IT	R&D	Equipment	Total
Aquisition cost at 01.01.2017	0	67 950 443	13 874 233	81 824 676
Additions	1 625 105	15 719 641	803 476	18 148 222
Disposals		0	0	0
Aquisition cost at 31.12	1 625 105	83 670 084	14 677 709	99 972 898
Accumulated depriciation as of 31.12	344 133	19 136 193	13 942 016	33 422 342
Book value 31.12.2017	**1 280 972**	**64 533 891**	**735 693**	**66 550 556**
This year's depriciation	344 133	6 571 089	1 116 013	8 031 234
Economic lifetime	3-5 years	5 years	5 years	
Depriciation schedule	Linear	Linear	Linear	

	Finance Lease IT	R&D	Equipment	Total
Aquisition cost at 01.01.2018	1 625 105	83 670 084	14 677 709	99 972 898
Additions	1 959 453	19 648 681	2 257 153	23 865 287
Disposals	0	0	0	0
Aquisition cost at 31.12	3 584 558	103 318 765	16 934 862	123 838 185
Accumulated depriciation as of 31.12	1 009 390	34 664 865	15 160 258	50 834 513
Book value 31.12.2018	**2 575 168**	**68 653 900**	**1 774 604**	**73 003 672**
This year's depriciation	665 257	15 528 672	1 218 242	17 412 171
Economic lifetime	3-5 years	5 years	5 years	
Depriciation schedule	Linear	Linear	Linear	

	Finance Lease IT	R&D	Equipment	Total
Aquisition cost at 01.01.2019	3 584 558	103 318 765	16 934 862	123 838 185
Additions	0	29 355 595	1 005 444	30 361 039
Disposals	0	0	0	0
Aquisition cost at 31.12	3 584 558	132 674 360	17 940 306	154 199 224
Accumulated depriciation as of 31.12	2 038 502	46 869 528	16 336 356	65 244 386
Book value 31.12.2019	**1 546 056**	**85 804 832**	**1 603 950**	**88 954 838**
This year's depriciation	1 029 112	12 204 663	1 176 098	14 409 874
Economic lifetime	3-5 years	5 years	5 years	
Depriciation schedule	Linear	Linear	Linear	

R&D

Havyard Design & Solutions AS develops ship design, engineering and system packages to external shipyards and shipping companies worldwide. The company is established with new designs in the growing markets for ferries and wind turbine service vessels in addition to their strong position in the wellboat market with new technology, both with the construction of wellboats and the delivery of designs and equipment packages.

Norwegian Electric Systems AS develops energy design and smart control systems from bridge to propeller, as well as advanced technology within marine systems.

Norwegian Greentech AS's capitalized research and development applies to the development of a purification system for ballast water. The project has not been completed as of 31.12.2019 and deprecation has thus not begun. Future cash flows are expected to exceed the activated amount.

	Havyard Design & Solutions AS	Norwegian Electric Systems AS*	Norwegian Greentech AS	Total
Aquisition cost at 01.01.2017	43 459 145	9 317 907	15 173 391	67 950 443
Accumulated depriciation as of 01.01.2017	6 080 935	6 484 169		12 565 104
Additions 2017	8 657 961	3 134 892	3 926 788	15 719 641
Depriciation 2017	3 363 271	3 207 818		6 571 089
Book value 31.12.2017	**42 672 900**	**2 760 812**	**19 100 179**	**64 533 891**
Additions 2018	8 607 600	6 591 472	4 449 609	19 648 681
Depriciation 2018	14 612 292	916 380		15 528 672
Book value 31.12.2018	**36 668 208**	**8 435 904**	**23 549 788**	**68 653 900**
Additions 2019	5 956 244	7 594 076	15 805 273	29 355 595
Depriciation 2019	13 391 823	-1 187 160		12 204 663
Book value 31.12.2019	**29 232 629**	**17 217 140**	**39 355 061**	**85 804 832**
Economic lifetime	5 years	5 years	Not started	
Depriciation schedule	Linear	Linear	Linear	

*Including Norwegian Control Systems AS in 2017 og 2018. Negative depreciation is correction of previous years

	Cost rented premises 2019	Cost rented premises 2018	Cost rented premises 2017
Aquisition cost at 01.01	801 455	801 455	801 445
Additions	0	0	0
Disposals	0	0	0
Aquisition cost at 31.12	801 455	801 455	801 445
Accumulated depriciation as of 31.12	514 185	434 039	353 893
Book value 31.12	**287 270**	**367 416**	**447 552**
This year's depriciation	80 146	80 146	80 146
Economic lifetime	10 years		
Depriciation schedule	Linear		

Cost on leased premises is presented as a long-term receivable in the balance sheet.

Leasing debt	**2019**	**2018**	**2017**
Capitalized leasing debt as of 31.12	1 153 228	1 889 061	908 699
	2019	**2018**	**2017**
2019	0	800 732	712 876
2020	733 815	733 815	212 731
2021-2023	463 952	463 952	0
Sum	**1 197 767**	**1 998 499**	**925 607**

Havyard Design & Solution AS rents premises in Fosnavåg and in Førde. Expensed rent for 2019 amounts to NOK 3 698 183.

As of 31.12.2019, the Group has entered into the following leasing agreements that are not capitalized in the financial statements

Group company	Counterpart	Expiration date	Type
HDS	Havblikk Eiendom AS	30.09.2026	Rent
HDS	Havblikk Eiendom AS	31.01.2025	Rent
NES	Tess Ålesund Eiendom AS	31.12.2020	Rent
NES	Janaflaten Eiendom 10 AS	01.10.2024	Rent
NGT	Siva Sunnmøre AS	01.05.2025	Rent
NGT	Eggesbø Eiendom AS	01.04.2021	Rent

Note 6 Tax

This year's tax expense	2019	2018	2017
Tax on ordinary profit/loss:			
Change in deferred tax asset	-5 442 040	4 737 393	-3 936 021
Payable tax on received group contribution	10 618 092	3 894 948	6 627 323
Tax in the income statement	**5 176 052**	**8 632 341**	**2 691 302**

Specification of basis for deferred tax	2019	2018	2017
Differences that are offset:			
Fixed assets	-13 636 206	-12 289 969	-2 803 711
Manufacturing contracts	85 309 147	144 999 987	58 208 239
Guarantee provisions	-4 968 804	-4 300 020	-5 750 000
Account receivable	-34 761 859	-1 420 000	-1 420 000
Capitalized leases	392 828	686 107	372 273
Accumulated loss to be brought forward	-83 817 203	-74 149 009	-14 406 507
Shares and other securities	-3 958 721	-700 771	-1 547 307
Provisions, etc	-50 000	-50 000	-50 000
Temporary differences not capitalized	82 924 145	-	0
Total temporary differences Norwegian companies	**27 433 327**	**52 776 325**	**32 602 987**
Deffered tax 22% / 23%	**6 035 331**	**11 610 792**	**7 498 687**
Deferred tax foreign subsidiaries	**758 710**	**625 288**	**217**
Total deferred tax	**6 794 041**	**12 236 080**	**7 498 904**

	2019	2018	2017
Ordinary result before tax	-62 896 437	54 126 489	19 820 859
Permanent differences	81 376	-16 353 698	2 207 023
Changes in temporary differences	98 598 949	-79 915 840	4 627 485
Received group contribution	-45 452 082	-3 532 296	-27 613 846
Taxable income	**-9 668 194**	**-45 675 345**	**-958 479**
Total payable tax in the Balance Sheet	**0**	**0**	**0**

Reconciliation of the year's tax expense			
Profit before tax	-62 896 437	54 126 489	19 820 859
Calculated tax on profit before tax	-13 837 216	12 449 092	4 757 006
Tax in the income statement	5 176 052	8 632 341	2 691 302
Difference	**19 013 269**	**-3 816 751**	**-2 065 704**
The difference contains of			
22% / 23% / 24 % of permanent differences	17 903	-3 761 351	529 686
Tax effect of change in tax rate	0	-527 763	-326 030
Tax asset not capitalized	18 243 312	0	0
Other effects	752 054	472 362	-2 269 360
Difference	**19 013 269**	**-3 816 751**	**-2 065 704**

Note 7 Equity capital

	Paid-in equity	Retained earnings	Non-controlling interests	Total equity
01.01.2017	23 149 661	34 654 341	2 734 199	60 538 201
Net profit/loss		16 848 252	281 305	17 129 557
Translation differences		565 512	242 363	807 875
Contribution to Group companies (Havyard Grou	-10 861 348	-10 125 174		-20 986 522
Contribution from Group companies (Havyard G	10 861 348			10 861 348
DNB Loan*		2 478 667		2 478 667
Dividend				-
31.12.2017	**23 149 661**	**44 421 597**	**3 257 868**	**70 829 126**

	Paid-in equity	Retained earnings	Non-controlling interests	Total equity
01.01.2018	23 149 661	44 421 597	3 257 868	70 829 126
Net profit/loss		44 480 833	1 013 315	45 494 148
Translation differences		-81 746	-34 915	-116 661
Contribution to Group companies (Havyard Group)		-63 103 815		-63 103 815
Contribution from Group companies (Havyard Group)				-
DNB Loan*		2 783 521		2 783 521
Dividend			-164 544	-164 544
31.12.2018	**23 149 661**	**28 500 390**	**4 071 724**	**55 721 775**

	Paid-in equity	Retained earnings	Non-controlling interests	Total equity
01.01.2019	23 149 661	28 500 390	4 071 724	55 721 775
Net profit/loss		-69 669 900	1 597 411	-68 072 490
Translation differences		-27 840	-11 934	-39 775
Contribution to Group companies (Havyard Group)		-66 794 421		-66 794 421
Contribution from Group companies (Havyard G	45 975 678			45 975 678
DNB Loan*		2 860 882		2 860 882
Dividend			-805 249	-805 249
31.12.2019	**69 125 339**	**-105 130 889**	**4 851 951**	**-31 153 599**

* Related to loan, see note 1

Note 8 Share capital and shareholder information

The Company was incorporated 01.12.2020 with a share capital of 30.000. The share capital of the Company will be increased when the Company acquires the Subsidiaries.

Shareholders

All shares in the Company was owned by Havyard Group ASA at the incorporation date and at the Combined Financial Statements date . The parent company Havyard Group ASA has its business address in Fosnavåg in Herøy municipality. Consolidated financial statements have been prepared and can be distributed by contacting the head office.

Note 9 Construction contracts

Long-term manufacturing projects (construction contracts) are recognized using the percentage of completion method, when the outcome of the transaction can be estimated in a reliable manner. The project's degree of completion is calculated as accrued cost as a percentage of the expected total cost. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is posted in full to the profit and loss account.

The projects are assessed separately. Projects with net completed non-invoiced installation are listed as a receivable. Projects where advances from customers exceed the installation performed are listed as debt. Installation performed is classified as operating income in the income statement.

	2019	2018	2017
Income recognised on commenced construction contracts	603 187 537	591 187 657	250 871 070
Cost related to income earned/loss provisions	548 948 712	408 247 710	177 607 805
Net posted to the profit and loss account on continuing construction contracts	**54 238 825**	**182 939 947**	**73 263 265**
Estimated remaining production on loss-making contracts	340 825 379	17 664 664	62 935 796
Earned uninvoiced income on continuing construction contracts	80 252 483	90 437 389	65 884 591
Pre-invoiced production	-242 542 380	-94 533 319	-36 005 203

The 2019 year end loss is impacted by loss on project deliveries - including new technology deliveries to hybrid ferries. In addition the loss contain currency loss due to weaker NOK and write down of customer receivables regarding the old ship yard company (HST AS) due to debt committee work (negotiations).

NOK 33 617 889 against Havyard Ship Technology AS are set aside for loss as of 31.12.19. This loss has not affected the projects. External loss on receivables included in the Combined statement of profit or loss as of 31.12.2019 is 72 418.

Note 10 Liabilities to financial institutions, pledges, warranty obligations, etc.

Debt secured by a mortgage etc.	2019	2018	2017
Debt to financial institutions in Norwegian Greentech AS	13 499 999	7 750 000	8 500 001
DNB loan facility consolidated in the Combined Financial Statements*	55 000 000	55 000 000	55 000 000
Sum	**68 499 999**	**62 750 000**	**63 500 001**
Book value of assets pledged for own debt			
Receivables in Norwegian Greentech AS	24 293 872	11 608 944	4 357 678
Receivables in Havyard Design & Solutions AS**	46 281 052	133 453 141	70 769 673
Sum	**24 293 872**	**11 608 944**	**4 357 678**

Properties owned by Mjølstadneset Eiendom AS and Norwegian Greentech's receivables are pledged as security for it's Debt to financial institutions. Furthermore, the parent company Havyard Group ASA has submitted a guarantee statement of up to NOK 5 000 000.

The repayment schedule for NGT's long-term loans to financial institutions is MNOK 1.4 a year until final maturity in 2030.

*The DNB loan facility is classified as short-term in the Combined statement of financial position as result of breach in covenants. The loan was originally due in Q2 2021, but as first installment has been postponed to March 15 2021, no final maturity date is set. Renegotiations are scheduled for March 15 2021

**Havyard Design & Solutions has guaranteed debts in Havyard Ship Technology AS limited to NOK 3 000 000 000. The debt is related to currency loans. In connection with the guarantee, a mortgage has been taken on Havyard Design and Solution's accounts receivable. This guarantee agreement is not extended

Note 11 Items that are aggregated in the accounts

Financial income	2019	2018	2017
Other financial income	18 813 309	14 137 162	3 270 605
Interest income	1 595 443	1 135 181	633 207
Total financial income	**20 408 752**	**15 272 343**	**3 903 812**
Financial cost	**2019**	**2018**	**2017**
Other financial cost	21 076 642	10 586 075	4 502 116
Interest expence	11 002 078	6 652 533	3 727 079
Total financial cost	**32 078 720**	**17 238 608**	**8 229 195**
Other current receivables	**2019**	**2018**	**2017**
Prepaid salaries	870 444	1 004 536	848 584
Prepayments to suppliers*	266 034 741	19 134 676	24 953 278
V.A.T. Receivables	2 927 109	5 753 392	2 764 403
Other current receivables	4 867 798	4 625 178	3 761 831
Total other current receivables	**274 700 092**	**30 517 782**	**32 328 096**

* As of 31.12.2019, MNOK 256,8 of prepayments to suppliers are related to equipment shipped by HDS to be installed at the Barreras shipyard in Spain. Due to Barreras' financial situation, the equipment was stored in a customs warehouse. The company has not incurred any costs nor earned any income on this equipment. In 2020, HDS signed new contracts with the Tersan shipyard where the equipment Tersan shipyard where the equipment can be fully utilized.

Note 12 Balances and transactions with related parties

	2019	2018	2017
Accounts receivable	83 533 793	191 485 206	123 564 872
Other short term receivables	71 968 225	51 039 149	63 699 840
Subordinated loan Havyard group*	-22 079 705	-5 271 043	-5 020 041
Accounts payable	-14 171 627	-14 955 477	-7 723 473
Other short term payables	-36 545 387	-113 016 647	-45 763 730
Total	**82 705 299**	**109 281 188**	**128 757 469**

Transactions	2019	2018	2017
Revenue	340 455 033	411 986 082	178 552 605
Rental income	2 044 000	1 850 000	1 450 000
Cost of goods	-8 068 559	-33 799 232	-3 483 318
Rental of premises	-3 698 183	-3 560 660	-3 476 928
Management fee	-24 037 159	-9 630 000	-8 400 000
Other operating expenses	-11 432 729	-3 954 224	-400 000
Total	**295 262 403**	**362 891 966**	**164 242 359**

Of intercompany receivables, NOK 33 617 889 against Havyard Ship Technology AS are set aside for loss as of 31.12.19

*Norwegian Greentech AS has two subordinated loans from Havyard Group ASA. Under the first loan agreement Newco shall pay yearly installments of NOK 1 422 534. Under the second loan agreement Newco shall pay 4 installments of NOK 2 500 000, first time October 1st 2020. Both loans accrue a yearly interest of 5%.

Note 13 Group Companies

As of 31.12.19	Owner-/voting share	Business-office	Share capital (100%)
Havyard Design & Solutions AS	100 %	Norway	108 000
Norwegian Eletric Systems AS	100 %	Norway	1 117 100
Norwegian Greentech AS	77 %	Norway	5 000 000
Havyard Design & Engineering Poland sp.z.o.c	70 %	Poland	115 640
Havyard Design & Engineering Rijeka d.o.o.	70 %	Croatia	26 842
Havyard Far East Pte. Ltd*	100 %	Singapore	570 000
Havyard Hydrogen AS*	100 %	Norway	30 000

*Investments in Havyard Far East Pte Ltd and Havyard Hydrogen AS has not been consolidated in 2019 due to immaterial values.

Note 14 Revenues

Business area	2019	2018	2017
Power & Control	265 576 964	252 397 231	155 460 106
Ship Design	88 433 780	174 686 888	49 399 507
Equipment packages	353 959 086	71 156 482	176 988 178
Water treatment systems	62 279 491	15 531 041	24 401 557
Service etc.	40 815 981	83 249 770	31 107 732
Total	**811 065 302**	**597 021 412**	**437 357 080**

Geographical distribution	2019	2018	2017
Norway	390 586 517	344 247 465	157 639 244
Export	420 478 785	252 773 947	279 717 836
Total	**811 065 302**	**597 021 412**	**437 357 080**

Exports are defined as the share of revenue to end customers (shipping companies) with headquarters outside of Norway or that the yard is headquartered outside Norway.

Note 15 Subsequent events

Please find the information regarding subsequent events, given in the notes to the 2019 financial statements of NES, NGT and HDS (translated from Norwegian) below.

The Combined Financial Statements have not been updated with any new information that has become known in the period after adoption of the 2019 financial statements.

"The outbreak of the new COVID-19 virus in Asia in the winter of 2019, spread to the rest of the world by the beginning of 2020. It has affected industry and trade globally. This March a number of measures was implemented in Norway and in the rest of the world to contain the virus and to support the business community. Among the measures were strict restrictions on travel and other measures that limit both individuals' and companies' ability to operate as normal. In recent times, a gradual reopening of society has been initiated as a result of reduced spread of infection, but where several of the measures are expected to be maintained in the foreseeable future.

A number of measures have been launched to help the business community through the challenging situation which for large parts of the industry will be very demanding, but beyond revised redundancy rules, no industry-specific measures have been implemented that the company has been able to benefit from. The company will also not be unaffected by the situation.

The company will take the necessary measures to protect the company and employees. The financial consequence as a result of the virus outbreak is too early to predict, but it is likely that it will also be able to affect the company's activity and results in the time ahead. It is also challenging to predict the concrete effects of the virus outbreak in the markets in which the company operates. Large parts of the maritime market have been challenging in 2019, vessel contracting ended at a historically low level and competition for available projects is high. As a result of the ongoing virus situation, contracting of new vessels has also been low in the first months of 2020."

Note 16 Inventory

Inventories of purchased goods are valued at the lower of acquisition cost and net realizable value. Of the inventory as of 31.12.19 NOK 0 is written down to fair value.

Note 17 Going Concern

The financial statements have been prepared under the assumption of going concern, however no separate going concern assessment have been performed for the purpose of these Combined Financial Statements.

Regarding going concern assessments for each of the Subsidiaries, please refer to the Financial statements for 2019 for each of the Subsidiaries. The Company was incorporated 01.12.2020, hence no assessment has been performed for the Company or the Havyard Newco group for the 2019 financial statements.

Please also refer to note 1. The Subsidiaries have not been acquired as of the date of the adoption of the Combined Financial Statements.

Note 18 Financial market risk

Currency risk
Developments in exchange rates involve both direct and indirect financial risk for the company. Agreements have been entered into and unrealized losses on currency futures are

Credit risk
The Company has previously been exposed to high credit risk related to Havyard Ship Technology AS(HST). The receivables on HST has been impaired in 2019 (refer to note 12). The credit risk going forward is considered to be limited in that sales contracts, as a general rule, hold a hedging instrument for the remaining payment after delivery of equipment. This applies in particular to deliveries to foreign players.

Note 19 Disputes

In 2018, Havyard Design & Solutions ("HDS") entered into an agreement for the delivery of design and equipment to the Spanish shipyard Hijos de J. Barreras ("Barreras"). The contracts were related to two coastal passenger vessels, which were ordered by Havila Kystruten AS ("HKY") at Barreras (hereinafter referred to as "Supply Agreements" and "Shipbuilding Contracts", respectively).

The Shipbuilding Contracts entered into between HKY and Barreras were canceled by Barreras on 24.11.2019 and in 2020 by HKY. Both parties contest the right of cancellation with the other party.

As a result of the development in the contractual relationship between HKY and Barreras, both HDS and Barreras have sent notice and made reservations about the cancellation of Supply Agreements., but neither party has as of today formally canceled the Supply Contracts.

As a result of the cancellation of the Shipbuilding contracts with Barreras, HKY has entered into new contracts for these ships with the Turkish shipyard Tersan Tersanecilik San. Ve Tic. A.S ("Tersan"). Tersan is also building the first two ships in the series of four ships that HKY has ordered, and consequently Tersan has a total of four ships under construction for HKY.

As a result of HKY contracting the two vessels that were canceled at Barreras, HDS has in 2020 entered into new agreements for the delivery of the same design and the same equipment package for these ships, at the Turkish shipyard Tersan ("Supply Agreement Tersan").

In connection with the presentation of the Combined financial statement there is no added provision for the disputes in connection with the Barreras and HKY transactions.

Probability of lawsuit against HDS
As of today (early January 2021), no claims have been made by Barreras against HDS. This is despite the fact that lawsuits have been initiated between HKY and insurance company (Abarca), which issued an insurance bond as security for the repayement of advance

To the Board of Directors of Havyard Newco AS

Independent Auditor's Report

Our opinion on the Combined Financial Statements for the years 2018 and 2019

In our opinion, the Combined Financial Statements give a true and fair view of the financial position of Havyard Newco AS (the company) as at 31 December 2018 and 31 December 2019, and its financial performance and its cash flows for the years then ended in accordance with the recognition and measurement principles in the Norwegian Accounting Act and accounting principles generally accepted in Norway.

What we have audited

The Company's combined financial statements comprise:

- the combined statement of financial position as at 31 December 2018 and 31 December 2019;
- the combined statement of profit and loss for the two years then ended;
- the combined statement of cash flows for the two years then ended; and
- the notes to the combined financial statements, which include significant accounting policies and other explanatory information.

Basis for Opinion – Combined Financial Statements for the years 2018 and 2019

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance as required by law and regulations and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of Matter - Basis of accounting

We draw attention to the fact that, as described in Note 1 to the Combined Financial Statements, Havyard Newco AS has not operated as a separate entity. These Combined Financial Statements are, therefore, not necessarily indicative of results that would have occurred if Havyard Newco AS had been a separate stand-alone entity during the years presented or of future results of Havyard Newco AS.

Other Matter – Pertaining the 2017 corresponding figures

The Combined Financial Statements for Havyard Newco AS for 2017 are unaudited.

Responsibilities of management and those charged with governance for the combined financial statements

Management is responsible for the preparation and true and fair view of the combined financial statements in accordance with the recognition and measurement principles in the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 combined financial statements, management is responsible for assessing the Company'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 to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Bergen, 19 January 2021

PricewaterhouseCoopers AS

Fredrik Gabrielsen

State Authorised Public Accountant

Appendix E – Parent Financial Statements for the period from 1 December to 31 December 2020

Havyard Newco ASA

RESULTATREGNSKAP

Beløp i NOK

	Note	01.12.2020 - 31.12.2020
Driftsinntekter		0
Driftskostnader	5,7	0
Driftsresultat		**0**
Resultat før skattekostnad		**0**
Skattekostnad	6	0
Årsresultat		**0**
Resultatdisponering:		
Overført annen egenkapital		0

Havyard Newco ASA

BALANSE PR. 31.12

Beløp i NOK

EIENDELER	Note	31.12.2020
Bankinnskudd, kontanter o.l.	2	30 000
SUM OMLØPSMIDLER		**30 000**
SUM EIENDELER		**30 000**

EGENKAPITAL OG GJELD	Note	31.12.2020
Aksjekapital	3, 4	30 000
Sum innskutt egenkapital		**30 000**
SUM EGENKAPITAL	4,8	**30 000**
SUM GJELD		**0**
SUM EGENKAPITAL OG GJELD		**30 000**

Fosnavåg, 05.02 2021

Vegard Sævik Styrets leder	Hege Sævik Rabben Styremedlem	Hege Heian Notøy Styremedlem
Helge Atle Simonnes Styrets leder	Svein Asbjørn Gjelseth Styremedlem	Gunnar Larsen Daglig leder

Note 1 - Regnskapsprinsipper

Selskapet ble stiftet 1. desember 2020. Selskapet har sin adresse i Holmefjordveien 1, 6090 Fosnavåg.
Selskapet er eiet 100 % av Havyard Group ASA - morselskap i Havyard konsernet.

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk for små foretak.

Salgsinntekter
Selskapet har ingen salgsinnekter per 31.12.2020.
Inntekter ved salg av tjenester vurderes til virkelig verdi av vederlaget, netto etter fradrag for merverdiavgift, returer, rabatter og andre avslag. Tjenester inntektsføres etterhvert som de utføres.

Klassifisering av balanseposter
Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler. Eiendeler som er knyttet til varekretsløpet er klassifisert som omløpsmidler. Fordringer klassifiseres som omløpsmidler hvis de skal tilbakebetales i løpet av ett år. For gjeld er analoge kriterier lagt til grunn. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld.

Fordringer
Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning for tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene.
I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Gjeld
Gjeld, med unntak av spesielle gjeldsavsetninger, balanseføres til nominelt beløp.

Skatt
Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt beregnes med aktuell skattesats på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt eventuelt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet.

Netto utsatt skattefordel balanseføres ikke, i samsvar med unntaksreglene for små foretak.

Note 2 Bundne midler

	2020
Herav bundne bankinnskudd	0

Note 3 Aksjekapital og aksjonærinformasjon

Selskapet ble stiftet 1. desember 2020.
Aksjekapitalen på NOK 30 000 består av 30 000 aksjer à NOK 1.
Totalt innbetalt beløp var NOK 30 000. Alle aksjer i samme aksjeklasse.

Alle aksjer er eid 100% av morselskapet Havyard Group ASA, med forretningsadresse Holmefjordveien 1, 6090 Fosnavåg. Der kan konsernregnskapet som inkluderer Havyard Newco ASA fås utlevert.

Note 4 Egenkapital

Egenkapitalendringer	Aksje-kapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum
Egenkapital 01.12.2020	30 000	0	0	0	30 000
Årets resultat	0	0	0	0	0
Egenkapital 31.12.2020	**30 000**	**0**	**0**	**0**	**30 000**

Note 5 Pensjoner

Selskapet har ingen ansatte per 31.12.2020.

Note 6 Skatt

Beregning av utsatt skatt/utsatt skattefordel	**2020**
Midlertidige forskjeller	
	0
Netto midlertidige forskjeller	0
Underskudd til fremføring	0
Grunnlag for utsatt skatt	**0**
Utsatt skatt	0
Herav ikke balanseført utsatt skattefordel	0
Utsatt skatt i balansen	**0**
Utsatt skattefordel som kunne vært balanseført	**0**

Fordeling av skattekostnaden	**2020**
Betalbar skatt	0
For mye, for lite avsatt i fjor	0
Sum betalbar skatt	0
Endring i utsatt skatt/skattefordel som følge av endret skattesats	0
Skattekostnad	**0**

Note 7 Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte m.v.

Selskapet har ingen ansatte per 31.12.2020.
Selskapet har et styre bestående av kun styreleder. Styreleder mottar ingen kompensajon for oppdraget.

Ytelser til ledende personer	**Daglig leder**	**Styret**
Lønn	0	0
Pensjonsutgifter	0	0
Annen godtgjørelse	0	0

Kostnadsført godtgjørelse til revisor	**2020**
Revisjon	0
Andre tjenester	0
Sum godtgjørelse til revisor	**0**

Note 8 Hendelser etter balansedagen - kapitalforhøyelse

Selskapet omdannes fra Havyard Newco AS til Havyard Newco ASA per 22.01.2021.
Aksjekapitalen økes fra NOK 30 000 med 1 000 000 til NOK 1 030 000 ved utstedelse av 1 000 000 nye aksjer pålydende NOK 1 pr. aksje til tegningskurs NOK 1 pr. aksje. Samlet tegningsbeløp er NOK 1 000 000.

Kapitalforhøyelse er tegnet av eneeier Havyard Group ASA (100%).
Aksjekapitalen vil etter kapitalforhøyelsen være NOK 1 030 000 består av 1 030 000 aksjer à NOK. 1.

Årsregnskap

Signers:

Name	*Method*	*Date*
Rabben, Hege Sævik	BANKID	2021-02-08 09:22
Gjelseth, Svein Asbjørn	BANKID_MOBILE	2021-02-09 20:27
Notøy, Hege Heian	BANKID	2021-02-09 14:48
Sævik, Vegard	BANKID	2021-02-05 20:23
Larsen, Gunnar	BANKID_MOBILE	2021-02-08 06:16
Simonnes, Helge Atle	BANKID_MOBILE	2021-02-09 14:33

Til generalforsamlingen i Havyard Newco ASA

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Havyard Newco ASAs årsregnskap som består av balanse per 31. desember 2020, resultatregnskap for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2020, og av dets resultater for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
https://revisorforeningen.no/revisjonsberetninger

Uttalelse om andre lovmessige krav

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Bergen, 5. februar 2021
PricewaterhouseCoopers AS

Fredrik Gabrielsen
Statsautorisert revisor
(elektronisk signert)

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Gabrielsen, Fredrik	BANKID_MOBILE	2021-02-05 13:13