

The logo for HAV group, featuring the letters 'HAV' in a bold, italicized sans-serif font, followed by the word 'group' in a smaller, lowercase sans-serif font.

HAV group

A Sustainable future at Sea

HAV Group ASA

Q3 2021

A sustainable
future at sea

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Agenda

- Q3 highlights
- HAV Group ASA in brief
- Subsidiaries and market opportunity
- Financials
- Market outlook
- Q&A

Q3 highlights



Q3 highlights

Key developments

Norwegian Electric Systems

- Increasing order backlog - System generator for three ferries that will be converted for battery operation and zero emissions, including delivery of four land-based charging stations.

Norwegian Greentech

- Increasing order backlog

Ownership

The Board in Havyard Group ASA, the main shareholder in HAV Group (66,4%), has proposed an extraordinary dividend in the form of up to 50% of its shares in HAV Group. Subject to approval by an extraordinary general meeting in Havyard Group on 14 December 2021, this will reduce Havyard's ownership in HAV to approx. 33,3% and consequently increase the free float of the listed shares in the company.

REVENUES

NOK 81 million (127)

EXTERNAL BACKLOG

NOK >540 million

EBIT

NOK 11 million (-4)

NUMBER OF SHAREHOLDERS

1120

CASH FROM OPERATIONS

NOK 240 million (-3.4)

MARKET CAP AS OF 25 NOV

NOK 560 million

CASH BALANCE

NOK 404 million (44)

HAV Group ASA in brief



HAV Group ASA

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International provider of technology and services for maritime industries



Vision: A sustainable future at sea



Established in 2021



Comprises four subsidiaries with several decades of combined industry experience



Special expertise in guiding the marine and maritime industries towards zero emissions

HAV Group value creation

Actively taking part in the companies' strategic development

Stimulating intercompany business development and R&D processes

Extracting synergies through economies of scale, standardization of processes and systems

Pursuing value accretive growth, organic and through consolidation

Provider of ocean technologies with focus on ship design, equipment and system solutions

Four subsidiaries with a leading position within its segments

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HAVdesign

A supplier of innovative ship design – HAV Design is a pioneer in the design and construction of zero-emission vessels

norwegian greentech

A supplier of ballast water treatment systems and various other water treatment systems for aquaculture and maritime use

norwegian electric systems

A supplier of sustainable energy design and smart control systems for a wide range of vessels for the global maritime market

HAVhydrogen

A developer of hydrogen energy systems for ships

Experienced management team and Board of Directors

Executive management



Gunnar Larsen
CEO, HAV Group
34 years of industry experience, 13 years with HAV



Stig Magne Espeseth
Managing Director, HAV Design
32 years of industry experience, 16 years with HAV Design



Håvard Gjelseth
Managing Director, NGT
25 years of industry experience, 10 years with NGT



Kristian Osnes
Managing Director, HAV Hydrogen
10 years of industry experience, 3 years with HAV



Geir Larsen
Managing Director, NES
29 years of industry experience, 1 year with NES



Pål Aurvåg
CFO HAV Group
16 years of industry experience, 6 year with HAV

Board of Directors and corporate governance

Vegard Sævik
Chairman

Tore Hopen
Director

Hege Sævik Rabben
Director

Vibeke Fængsrud
Director

Helge A. Simonnes
Director

Kjetil Yoo Ripe
Director

Anita Fjørtoft
Director

Subsidiaries and market opportunity



HAV Design

Simulation based ship design

- Through a digital tool-kit, knowledge and innovation HAV Design offer environmentally friendly, safe and functional designs
- Sold designs for >120 vessels globally
- Designed 18 zero emission vessel designs and 10 vessels designs for renewable energy
- Leading positions within offshore wind, electric ferries and aquaculture
- Recent projects include Windmill SOV's for ESVAGT, CSV for REM Offshore, electric ferries for Fjord1, hybrid-electric hydrogen ready cruise vessels for Havila Kystruten and live fish carriers for Frøy

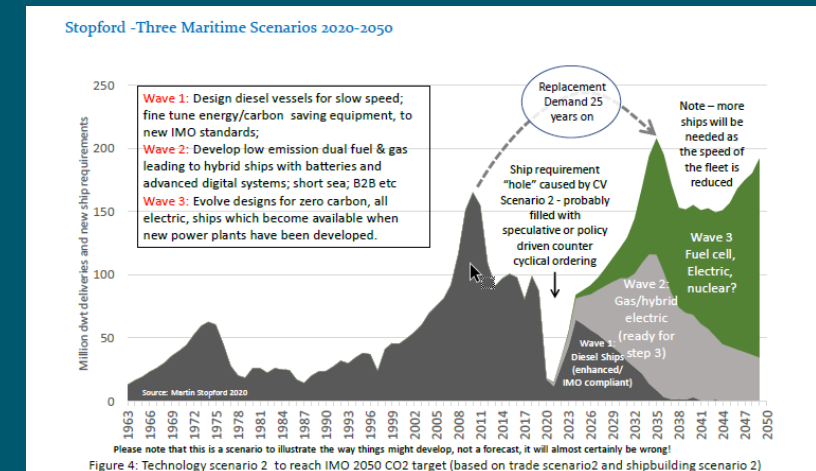
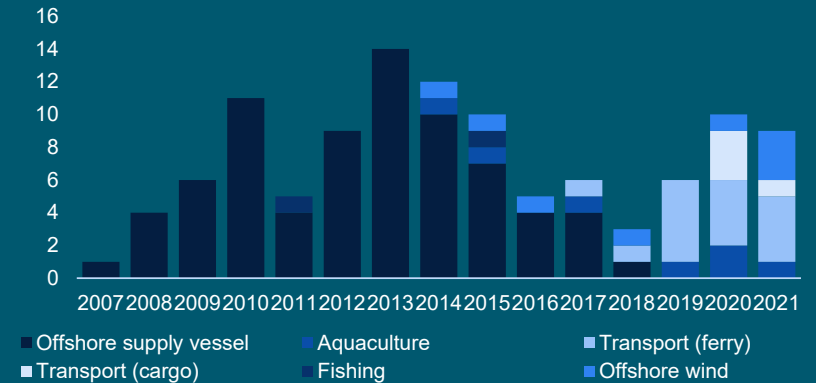
Segment information

NOKm	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating income	58.8	70.5	515.8	219.5
EBIT	22.5	-2.0	65.9	38.9
Profit before tax	23.2	31.6	70.1	23.8



Positioned for further growth

- Developed its unique design philosophy and design process through years of experience, R&D investments and collaboration with leading ship owners
- Proprietary methods for configuration, simulation and model testing
- Enabling strong ability to predict and document real life performance of the vessel
- Established position within growth segments
- Well-positioned for the further development within low and zero emission vessels within several segments



Norwegian Greentech

Clean water experts

- Norwegian Greentech was established in 2010 and designs, delivers, installs and services highly energy-efficient compact ballast water treatment systems (BWTS)
- The in-house developed BWTS is particularly suited for retrofits due to its small size and flexible installation.
- NGT has already secured fleet agreements, for delivery of BWMS, with several major ship owners
- Typical revenue potential of NOK 0.5 – 2 million per vessel
- Large potential for after marked revenue due to increasing number and age of installed units
- NGT also deliver water treatment solutions for land-based aquaculture (control system, particle filters and UV-sterilization)

Segment information

NOKm	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating income	47.5	17.4	121.8	59.9
EBIT	3.4	-4.0	10.7	3.4
Profit before tax	2.7	-2.9	8.4	3.2

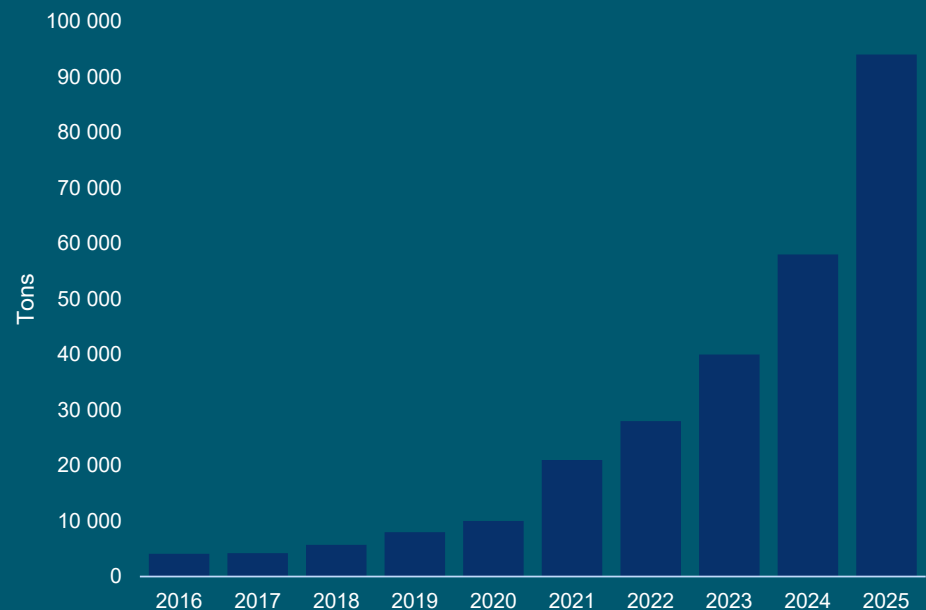


Water cleaning technology to be applied over a range of industries

High demand for land-based salmon

- NGT has supplied water treatment solutions for more than 10 aquaculture projects
- Land-based salmon is set for stellar growth
 - About 100,000 annual tons of land-based volumes expected by 2025
 - Potentially multiplying by 3x-7x by 2030
- Water treatment system is an essential part of land-based fish farming facilities
- NGT is positioned to take part in the massive expected growth in land-based fish farming
- NGT's technology is also applicable for the growing demand for treatment of public drinking water and wastewater facilities

Land-based fish farming expected to grow 10x by 2025



Norwegian Electric Systems

Green innovation for the oceans

- Norwegian Electric System is a leading supplier of low/zero emission energy, propulsion and control systems for for a wide range of vessels
- Designing optimal propulsion, energy and control systems to ensure efficiency and safety by smart and easy operation
- The preferred supplier of product and system solutions “from bridge to propeller”
- A leading supplier of maritime technology for digitalization and the ‘green shift’

Segment information

NOKm	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating income	31.9	42.2	153.3	300.6
EBIT	-9.5	9.9	-4.0	13.0
Profit before tax	-9.0	10.5	-3.9	0.6



+ 100

Zero and low emission projects



+100 MWh

of installed batteries



3 Key drivers

- safety - efficiency - environment

The one stop shop to meet future IMO targets

NES' fully integrated solutions enabling customers to meet greenhouse gas emission targets



Marine System Integration

Integration of different energy sources like diesel or gas generator-sets, batteries and hydrogen fuel-cells

Ship Performance Monitor (SPM)

Highly adaptable monitoring software, designed to help manage and improve the ship and fleet efficiencies

Hybrid and electric propulsion systems

Required engineering, project management, commissioning and seatrials assistance

Smart Control systems

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

Complete charging systems

The system includes both off and onshore equipment, automation system and Wi-Fi communication between the vessel and the charging station on land

The Raven Integrated Navigation System (INS)

Flexible, safe and user-friendly interface for vessel control and platform for integration of autonomous functionality

Emission reduction by energy optimizing and digitization

HAV Hydrogen

Enabling maritime zero emission

HAV hydrogen delivers

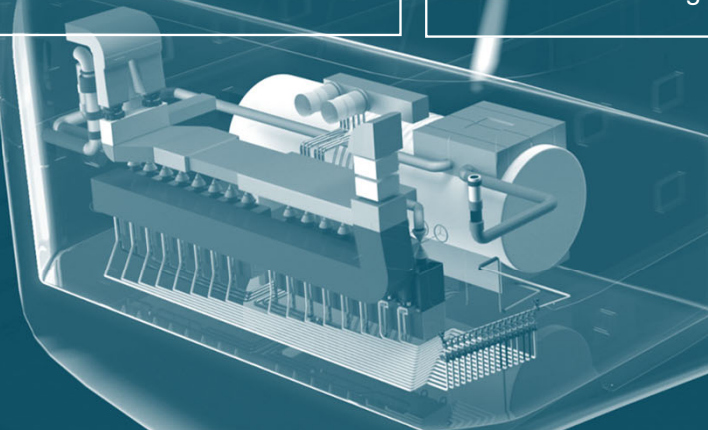
- maritime energy systems for hydrogen-based energy carriers,
- and the competence to optimize and approve these solutions.

The FreeCO2ast project will develop a high-capacity hydrogen energy system, approved for zero emission sailing with high speed over long sailing distances. Awarded 95 MNOK Pilot E founding.

The system is designed for **high scalability** in both fuel cell size and storage tank. This means that the system can be used on various of sizes and types of vessels

The approval will be done on a **3.2 MW fuel cell** system compared to other projects in the **400kW scale**

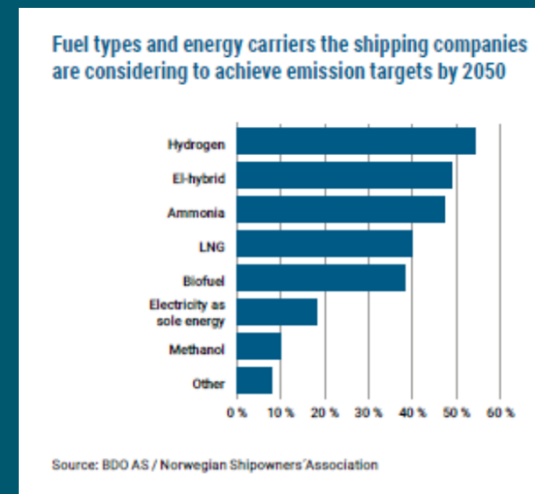
Safety solutions is designed for **in-hull installation**, not top deck



The world needs significant emission reduction

HAV Hydrogen in pole position to take part in upcoming hydrogen projects:

- Competence in place
- Developed a unique system solution to tackle complex issues
- Established partnerships with industry majors
- The government aiming to facilitate emission free solutions along the Norwegian coast - sets requirements for hydrogen ferries on the longest ferry crossing
- EU Green deal initiatives will stimulate zero emission demand



Financials



Key financials (unaudited)

NOKm	Q3 2021	Q3 2020	YTD 2021	YTD 2020	2020
Operating income	81	127	692	500	656
EBITDA	14	0	79	55	76
EBIT	11	-4	67	43	49
Net finance	0	35	0	-30	-16
Net profit	11	31	67	13	33
<i>EBIT margin</i>	<i>13 %</i>	<i>-3 %</i>	<i>10%</i>	<i>9 %</i>	<i>7 %</i>

Comments

- Operating income in Q3 is moderate due to less trading compared to Q2 2021.
- Positive margin development in Q3

Q3 2021 balance sheet

NOKm	Q3 2021	Q3 2020
	unaudited	unaudited
Assets		
Non-current assets		
Total intangible assets	86.3	83.1
Fixed assets		
Total tangible fixed assets	3.4	3.0
Financial fixed assets	0.1	0.2
Total fixed assets	89.8	86.4
Current assets		
Total receivables	190.5	769.8
Cash and bank deposit	404.5	43.7
Total current assets	594.9	825.6
Total assets	684.8	911.9

NOKm	Q2 2021	Q2 2020
	unaudited	unaudited
Equity and liabilities		
Equity		
Total equity	134.0	31.2
Liabilities		
Total provision for liabilities	0.5	10.0
Total long term liabilities	71.1	49.7
Total current liabilities	479.1	831.0
Total liabilities	550.2	880.7
Total equity and liabilities	684.8	911.9

Comments

- Total Assets and liabilities reduced due to extensive deliveries/finalization of projects.
- Cash increased by NOKm 360 compared to YTD 2020
- Equity increased by NOKm 100
 - Capital issue
 - Profit

Cash flow statement

NOKm	Q3 2021	Q3 2020
	unaudited	unaudited
Cash flow from operations		
Net cash flow from/to operating activities	239.9	-3.6
Cash flow from investments		
Net cash flow used in investments activities	-11.3	-9.1
Cash flow from financing activities		
Net cash flow used in financing activities	144.8	-0.7
Net change in cash and cash equivalents	373.4	-13.5
Cash and Cash equiv. recognized in the balance sheet	404.5	43.7

Comments

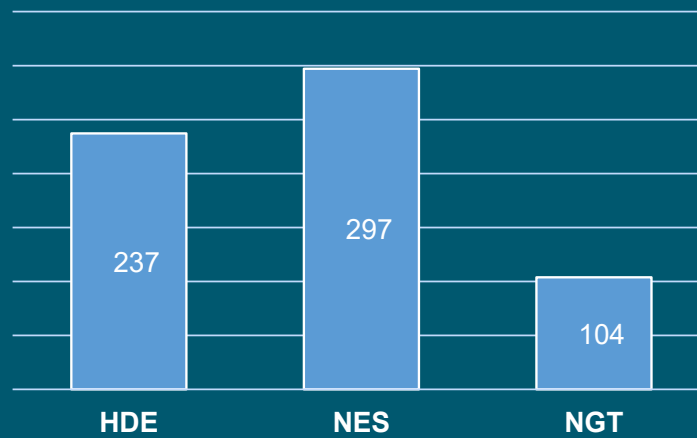
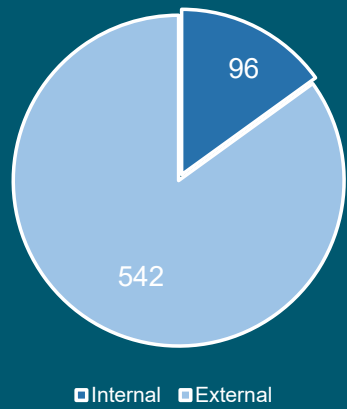
- Positive Cash from operations
 - Profit – NOKm 66
 - Net increase in receivables NOKm 162

- Negative Cash from investments
 - Activated cost related to R&D

- Positive Cash from Financing
 - Capital increase – NOKm 90
 - Long term debt NOKm 62
 - > both part of HAV Group spin-off
 - Installments & interest payment NOKm 7.4

External backlog of NOKm 542

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Comments

- Order back log
 - Total increased backlog in Q3.
 - Increase in both NES and NGT

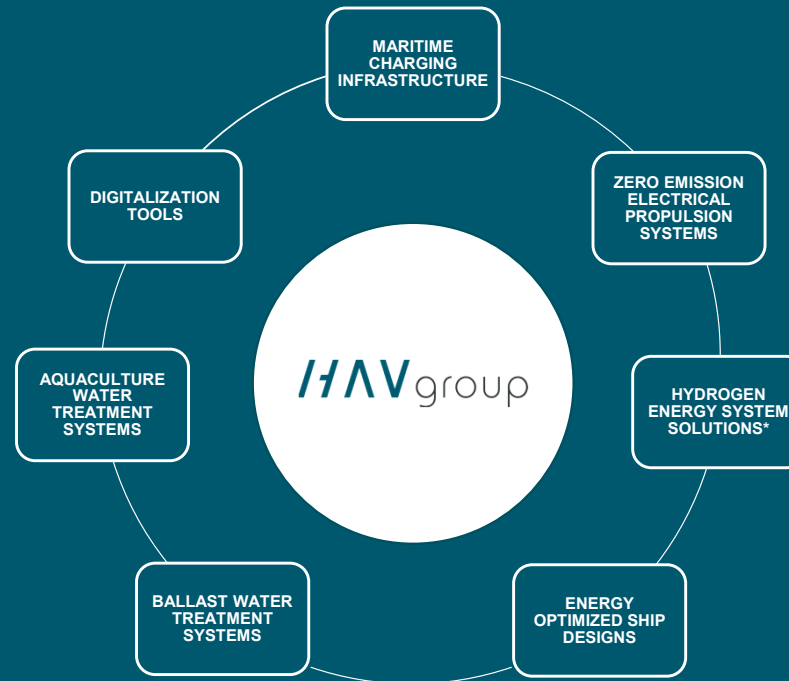
Market Outlook



Summary, outlook and priorities

<p>Strong fundamentals for maritime cleantech</p>	<ul style="list-style-type: none"> • The maritime and marine industries are subject to tremendous regulatory, economic and public opinion pressure to reduce the environmental impacts of its operations • HAV Group is a diversified maritime technology company renowned for innovative solutions to these industries since 2005
<p>Established companies with leading offering</p>	<ul style="list-style-type: none"> • World leading supplier of low/zero emission energy, propulsion and control systems • Pioneering innovations in design and construction of zero-emission vessels and energy optimized ship designs • Supplier of highly energy-efficient, compact water cleaning systems in collaboration with technological leaders
<p>Profitable operations and robust balance sheet</p>	<ul style="list-style-type: none"> • YTD 2021 EBIT of NOK 67 million – increase margin target to be more in line with the EBIT % per third quarter 2021 • External backlog of approximately NOK 540 million • Revenues in 2021 are expected in the range of NOK 850 – 950 million • Robust balance sheet and a cash balance at NOK 404 million
<p>Positioned for growth and consolidation</p>	<ul style="list-style-type: none"> • Active owner and developer of innovative companies, leveraging competence and network to develop new solutions, such as hydrogen energy systems for long distance vessels • Substantial organic and inorganic growth opportunities

HAV Group positioned to capture demand growth for innovative solutions for maritime industries



Q&A

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