

HAV Group ASA

Q1 2022 - QUARTERLY REPORT



A SUSTAINABLE FUTURE AT SEA

HAV Group ASA

HAV is the Norwegian word for ocean

The HAV Group is an international provider of technology and services for maritime and marine industries.

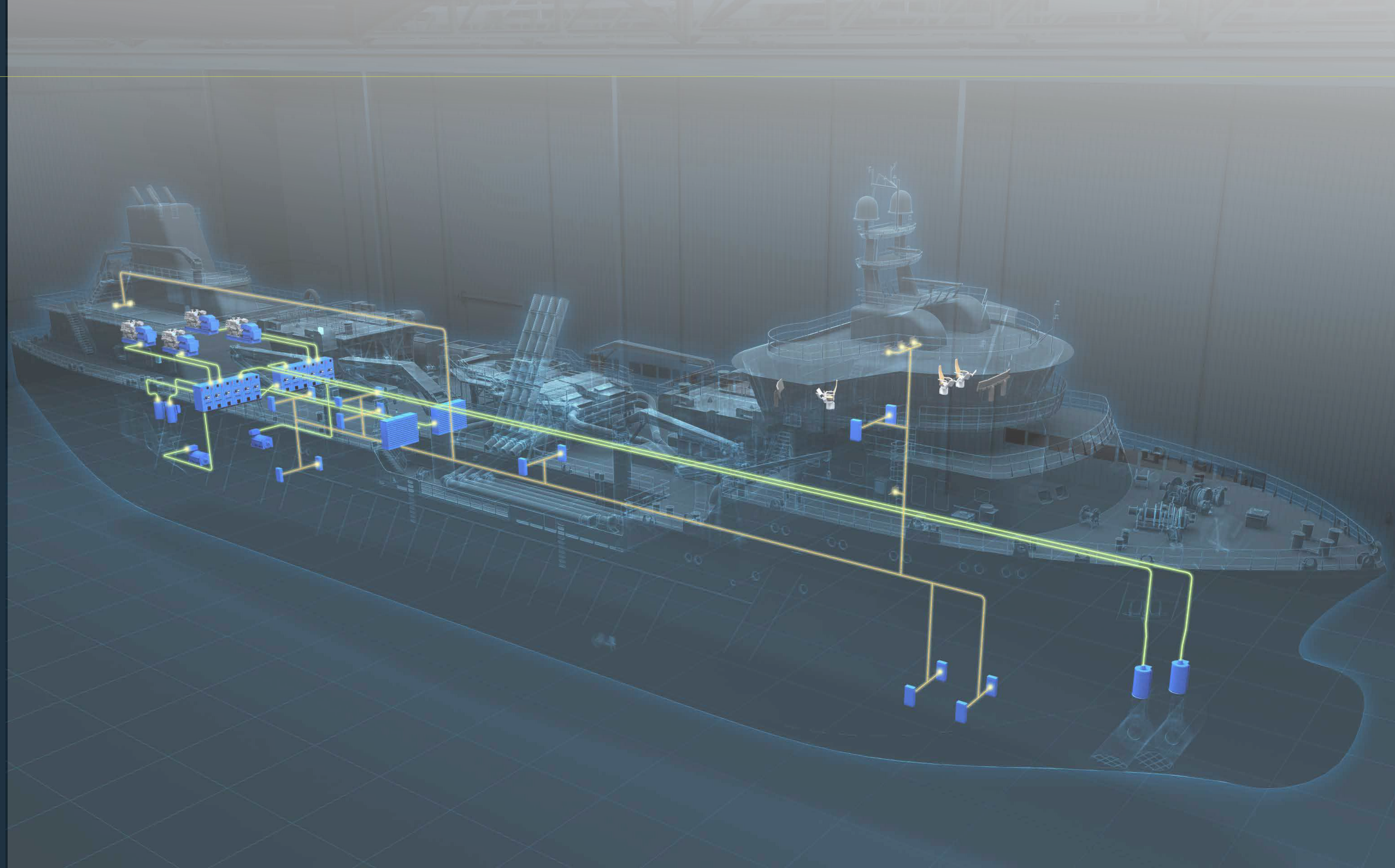
The Group's vision is
"A sustainable future at sea".

HAV Group was established in 2021 and comprises four subsidiaries with a leading position in supporting the marine and maritime industries towards the ultimate goal of zero emissions, all based on our Norwegian heritage, experience, quality focus and innovative solutions.

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Our experience and expertise, as well as the focus on efficiency, safety, and sustainability, lays the foundation for developing and delivering high-quality innovative solutions to our customers in the seafood, energy, and transport sectors.

This insight provides our customers with a head start, increases their competitiveness, and enables them to realize the green shift towards a sustainable future at sea.



The Group shall create shareholder value by contributing to its subsidiaries and projects through:

Actively taking part in the four companies' strategic development

Stimulating intercompany business development and R&D processes

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

Pursue value accretive growth, organic and through consolidation

THE HAV GROUP



HAV Design AS

ENERGY-EFFICIENT, LOW- AND ZERO EMISSION SHIP DESIGNS

HAV Design is a global leader within energy-efficient and competitive ship designs with zero emission ambitions.

HAV Design is at the forefront of guiding the shipping industry towards a sustainable future at sea. With a proved track record of from more than 100 ship designs, state-of-the-art know-how, and virtual design tools, HAV Design accommodate zero-emission solutions and are equipped to meet the environmental requirements of the future.

Our experience and expertise, as well as our focus on efficiency, safety, and sustainability, lays the foundation for developing and delivering high-quality innovative solutions to customers in the seafood, energy, and transport sectors.

In addition, at HAV Ocean Lab we offer our customers a virtual test tank with digital twins of ships and ocean areas, which is unique in a commercial context. The goal is to minimise the environmental impact and increase our customers' competitiveness.



HAV Hydrogen AS

EXPERTS IN ENABLING MARITIME ZERO EMISSION

HAV Hydrogen delivers complete and scalable hydrogen systems for use on both large and small vessels, new vessels and retrofit vessels, that are designed for operation in heavy seas.

HAV Hydrogen is a complete supplier of:

- Retrofit modules for hydrogen energy systems
- hydrogen energy systems for integration in vessels
- pre-studies
- cooperation with the policy instrument system and private investors

Hydrogen is fuel in its purest form, and after several years of research and development, we are eager to demonstrate that hydrogen can be used efficiently and safely to enable zero emissions in the maritime industry.

The development of battery-fueled electric ferries has proved that although employing new technology can be challenging, the new solutions can be so impressive that you will never look back.

The company was established in 2021, and the headquarter is located in Fosnavåg, on the northwest coast of Norway.



Norwegian Electric Systems AS

YOUR EXPERT IN ENERGY DESIGN AND SMART CONTROL

Norwegian Electric Systems (NES) is a world leading total supplier of low and zero emission propulsion and control systems for a wide range of vessels for the global marine market.

Energy Design - knowledge about vessel operations and competence of integrating the latest available energy sources gives us the opportunity to design optimal propulsion systems. Norwegian Electric Systems designs efficient and environmentally friendly solutions, creating added value for the customers.

Smart Control - new requirements and demand for more efficient and safe operations, calls for smarter vessels. Flexible software platforms and new solutions for navigation, automation, and control – ensures safety by smart and easy operation.

NES is a committed partner for safe shipping, lower emissions and added value for our customers, and our 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.

In 2019, NES merged with NCS, completing the product range with IAS/PMS and Navigation/Bridge system.



Norwegian Greentech AS

YOUR EXPERT IN CLEAN WATER AND BALLAST WATER MANAGEMENT SYSTEMS

Norwegian Greentech (NGT) is the leading provider of compact highly energy-efficient ballast water treatment systems (BWTS) for small and medium-sized vessels.

Innovative solutions, space efficiency and reliably meets the international discharge standards. Based on our Norwegian heritage, experience, quality focus and innovative solutions, our insight provides our customers with a head start, increases their competitiveness, and enables them to realize the green shift towards a sustainable future at sea.

NGT was established in 2010 in Fosnavåg, focusing on water treatment systems for the maritime industry. The main products are ballast water treatment systems and process water treatment systems for live fish carriers and land-based aquaculture.

NGT BWMS make use of the latest UV-technology commercially available today, based on medium pressure UV-radiation, which is the most efficient UV-technology for Ballast Water Treatment.

The company has sold more than 700 treatment systems so far, and the market is growing rapidly due to international requirements.

HIGHLIGHTS in Q1 2022

- Turnover of NOK 198.8 million
- EBIT of NOK 8.0 million / 4.0%
- Profit before tax in Q1 of NOK 4.5 million / 2.3%
- Cash position of NOK 373.3 million

Milestones in Q1 2022

- Norwegian Electric Systems
 - Establish new company in Turkey
 - Signs its largest contract ever (NOK 100 million)
 - Scandlines orders onshore ferry charging system

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- Norwegian Greentech
 - Received the important US Coast Guard (USCG) approval for its ballast water treatment system.

Milestones after Q1 closure

- HAV Design to deliver ship design and integrated equipment package to Ørsted-bound methanol-fuelled SOV.
- HAV Group receives preliminary approval for hydrogen-based energy system for ships
- HAV Group ASA to acquire remaining Norwegian Greentech shares

STATUS AND OUTLOOK

Global megatrends with ambitious goals and increasingly stringent environmental requirements provide incentives and requirements for the maritime industry to reduce its environmental footprint considerably.

HAV Group is well established with references, customer base, order back log, renowned knowledge, technology and products within digitalization and sustainability for contributing to the green shift in the maritime and marine industries.

Short-term, the subsidiaries have the following outlook and priorities:

HAV Hydrogen

Developing the organization and products in collaboration with potential customers. Design documentation for the FreeCo2ast project has got preliminary approval from Flag and Class Administration.

Norwegian Greentech

Optimization of sales and supply chain to leverage the BWMS growth, strengthen life cycle services and develop new aquaculture offerings.

Norwegian Electric Systems

Focus on international growth and expansion within Energy Design and Smart Control. Utilizing the growing

demand for technology enabling energy efficiency and emission reductions.

HAV Design

Leverage on market position, competence and customer references to enhance growth within existing and new market segments.

HAV Group - organic growth

Short term, the market and company performance are characterized by the general uncertainty and some postponements, while the overall outlook remain firm.

We continue to see increasingly stringent environmental requirements for the maritime industry, and we will utilize our knowledge, technology and products in digitization and sustainability to meet these requirements.

The development is underpinned by:

High energy prices are providing an opportunity for HAV Group's solutions within energy efficiency

Increased focus on a **reduced environmental footprint** is providing an opportunity for HAV Group's zero emission solutions and technology.

Increased investments in offshore energy are creating market opportunities for HAV Group's solutions and products.

Solid momentum in the shipbuilding market is providing strong market opportunities.

As the business is largely project-driven, periodic fluctuations will occur. HAV Group reiterates the 2025 revenue outlook of NOK 1.3 billion.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Hav Group ASA

(NOK 1 000)	Q1 2022	Q1 2021	2021
	Unaudited	Unaudited	Audited
Revenue	193 118	307 246	915 055
Other operating revenues	5 699	459	1 662
Operating income	198 817	307 705	916 717
Materials and consumables	135 177	236 368	614 534
Payroll expenses	35 005	28 978	121 049
Other operating expenses	16 430	19 115	73 047
Operating expenses	186 611	284 461	808 630
Operating profit before depreciation and amortisation (EBITDA)	12 205	23 243	108 087
5 Depreciation	4 183	4 001	17 453
Operating profit/loss (EBIT)	8 022	19 243	90 635
Financial income	3 135	3 669	3 135
Financial expenses	6 575	5 264	2 906
Profit / loss before tax	4 582	17 648	90 864
Earnings per share (before tax)	0,13	0,50	2,60

INCOME STATEMENT

The operating income for HAV Group in the first quarter of 2022 was NOK 198.8 million, compared to NOK 307.7 million the in first quarter of 2021. The decrease is mainly due to less trading of equipment compared to 2021.

For the first quarter of 2022, the Group recorded earnings before interest and tax (EBIT) of NOK 8.0 million, while the EBIT for the first quarter of 2021 was NOK 19.2 million. This corresponded to an EBIT margin of 4.0% in the first quarter of 2022 compared to 6.3% in the first quarter of 2021.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Hav Group ASA

(NOK 1 000)	Q1 2022	Q1 2021	2021
ASSETS	Unaudited	Unaudited	Audited
Non-current assets			
Licenses, patents and R&D	79 853	88 581	82 684
Total intangible assets	79 853	88 581	82 684
Fixed assets			
Property, plant and equipment	3 674	2 103	3 436
Total tangible fixed assets	3 674	2 103	3 436
Investment in associated company	2 005	0	0
Financial fixed assets	107	188	132
Financial fixed assets	2 112	188	132
Total fixed assets	85 638	90 872	86 252
Current Assets			
Inventory	30 017	5 364	20 580
Accounts receivable	80 344	50 940	85 532
Accrued revenue	11 546	121 520	5 598
Other current receivables	20 995	168 402	14 655
Total receivables	142 903	346 226	126 365
Cash and bank deposits	373 253	210 794	375 888
Total current assets	516 155	557 019	502 252
TOTAL ASSETS	601 794	647 892	588 504

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(NOK 1 000)	Q1 2022	Q1 2021	2021
EQUITY AND LIABILITIES	Unaudited	Unaudited	Audited
Equity			
Paid-in Equity	122 202	117 758	122 202
Retained earnings	27 579	-37 196	24 662
Treasury shares	-16 990	0	-1 817
Non-controlling interests	8 231	4 930	7 429
Total equity	141 023	85 493	152 475
Liabilities			
Deferred tax liability	6 505	515	7 334
Total provisions for liabilities	6 505	515	7 334
Other long-term liabilities			
Liabilities to Financial institutions	61 331	75 000	66 531
Other long-term liabilities	100	454	114
Total other long term liabilities	61 430	75 454	66 645
Total long term liabilities	67 935	75 969	73 980
Current liabilities			
Accounts payable	105 877	76 919	52 772
Tax payable	4 643	4 319	3 218
Public duties payable	10 259	11 045	16 963
Advance payment from customers	204 668	330 377	224 069
Other current liabilities	67 387	63 770	65 026
Total current liabilities	392 836	486 430	362 048
Total liabilities	460 771	562 399	436 028
TOTAL EQUITY AND LIABILITIES	601 794	647 892	588 504

FINANCIAL POSITION

The total assets in the Group are NOK 601.8 million versus NOK 588.5 million at end of 2021.

Current assets are increased from NOK 502.3 million year end 2021 to NOK 516.2 million per Q1 2022. Cash and bank deposit reduced by NOK 2.6 million and total receivables increased by NOK 16.5 million in the same period.

The total equity has decreased by NOK 11.6 million to NOK 141.0 million in first quarter of 2022. This is caused by increase of Treasury shares. The equity ratio has decreased from 25.9% year end 2021 to 23.4% per Q1 2022.

Total liabilities increased from NOK 436.0 million at year end 2021 to NOK 460.8 million per Q1 2022. Main reason is increase of accounts payable.

SEGMENT INFORMATION

2022 Q1 (Unaudited)						
(NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other / Elimination	HAV Group ASA
Operating revenues (External)	20,9	95,3	81,8	0,5	-5,3	193,1
Other operating revenues	0,0	0,0	0,0	0,0	5,7	5,7
Total Operating income	21,1	95,5	81,9	0,5	-0,2	198,8
EBITDA	1,5	2,3	9,5	-1,1	-0,1	12,2
Depreciation	1,2	1,4	1,6	0,0	0,0	4,2
Operating profit/loss (EBIT)	0,3	0,9	8,0	-1,1	-0,1	8,0
Net financial items	-1,0	-0,4	-1,5	0,0	-0,5	-3,4
Profit/Loss before tax	-0,7	0,5	6,5	-1,1	-0,6	4,6
Total assets	244,2	248,6	149,8	1,6	-42,4	601,8
Equity	70,1	61,6	25,5	-1,1	-15,1	141,0
Liabilities	174,0	187,0	124,3	2,7	-27,3	460,8
2021 Q1 (Unaudited)						
(NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other/ Elimination	HAV Group ASA
Operating revenues (External)	247,8	24,4	34,5	0,5	0,0	307,2
Other operating revenues	0,3	0,1	0,0	0,0	0,0	0,5
Operating income	248,5	56,6	34,5	0,5	-32,3	307,7
EBITDA	20,3	3,2	1,2	0,0	-1,5	23,2
Depreciation	2,8	1,2	0,0	0,0	0,0	4,0
Operating profit/loss (EBIT)	17,5	2,0	1,2	0,0	-1,5	19,2
Net financial items	-0,1	0,2	-0,8	0,0	-0,8	-1,6
Profit/Loss before tax	17,4	2,2	0,4	0,0	-2,3	17,6
Total assets	362,2	160,0	115,8	0,6	9,2	647,9
Equity	50,8	-4,4	11,6	0,0	27,5	85,5
Liabilities	311,5	164,4	104,2	0,6	-18,3	562,4

SEGMENTS Q1 2022

HAV Design

- EBIT of NOK 0.3 million / 1.4% in the first quarter of 2022
- Profit before tax of NOK -0.7 million / -3.1% in the first quarter of 2022
- EBIT margin low in quarter due to low capacity utilization compared to Q1-21

Norwegian Electric Systems

- EBIT of NOK 0.9 million / 1.0% in the first quarter of 2022
- Profit before tax of NOK 0.5 million / 0.5% in the first quarter of 2022
- The EBIT margin in Q1-22 is lower compared to Q1-21 due to lower capacity utilization

Norwegian Greentech

- EBIT of NOK 8.0 million / 9.8% in the first quarter of 2022
- Profit before tax of NOK 6.5 million / 7.9% in the first quarter of 2022
- EBIT margin higher in Q1-22 compared to Q1-21 due to higher activity level.

HAV Hydrogen

- Official start-up Q4-20, based on R&D activities in Havyard Group ASA
- Main focus is approval process and support of internal and external Hydrogen projects
- Company and business development for commercialisation of R&D

CONSOLIDATED STATEMENT OF CASH FLOW

HAV Group ASA

(NOK 1 000)	YTD 2022	YTD 2021*	2021
	Unaudited	Unaudited	Audited
CASH FLOW FROM OPERATIONS			
Profit/(loss) before tax	4 582	17 648	87 728
Depreciation	4 183	4 001	17 453
Net financial items	-3 440	1 595	-2 906
Changes in inventory	-20 580	2 258	-12 958
Changes in accounts receivable	-85 532	-3 288	-40 047
Changes in accounts payable	-105 877	-199 244	-216 315
Changes in other current receivables/liabilities	227 789	267 719	441 796
Net cash flow from/(to) operating activities	21 125	90 689	274 750
CASH FLOW FROM INVESTMENTS			
Investments in property, plant and equipment	472	0	-2 368
Investment in intangible assets	-3 176	-3 930	-11 062
Interest income	0	0	391
Net cash flow used in investing activities	-2 704	-3 910	-13 039
CASH FLOW FROM FINANCING ACTIVITIES			
New long term debt	0	7 500	7 500
Repayment non-current debt	-5 201	-250	-8 968
Interest payment	-682	-884	-3 223
Investment in own shares	-15 173	0	-1 817
Capital increase - share issue (net)	0	86 667	86 667
Net cash flow from/ (used in) financing activities	-21 056	93 033	80 159
Net change in cash and cash equivalents	-2 635	179 812	341 871
Cash and cash equivalents at start of the period	375 888	30 981	34 015
Cash and cash equiv. recognised in the balance sheet	373 253	210 793	375 888
Restricted cash at end of period	3 048	2 556	5 411

CASH FLOW

Aggregate cash flow from operating activities is positive with NOK 21.1 million YTD 2022, compared to cash flow of NOK 90.7 million YTD 2021. The main reason for the positive cash flow from operations in 2021 was related to the spin-off of HAV Group ASA.

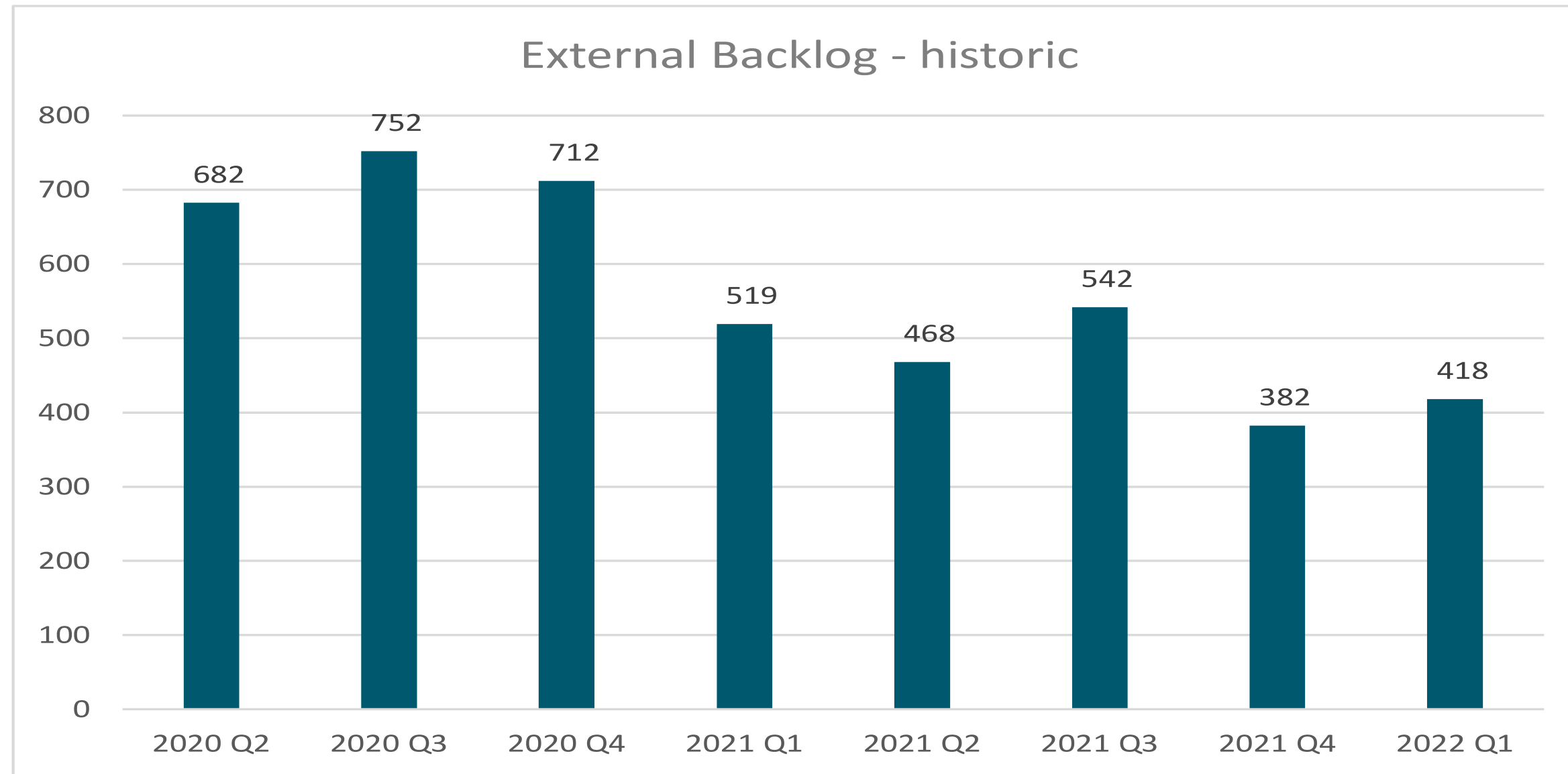
Aggregate cash flow from investing activities was negative with NOK 2.7 million YTD 2022, compared to a negative cash flow of NOK 3.9 million YTD 2021. The negative cash flow from investments is related to investment in R&D.

Aggregate cash flow from financing activities is negative with NOK 21.1 million YTD 2022, compared to a positive cash flow of NOK 93.0 million YTD 2021. The positive cash in 2021 was mainly related to net capital issue of NOK 86.7 million. The negative cash-flow from financing activities in 2022 is related to payment of debt and purchase of own shares.

** Reclassification at year end of transactions related to capital increase is updated for Q1 2021.*

ORDER BACKLOG

(NOK million)



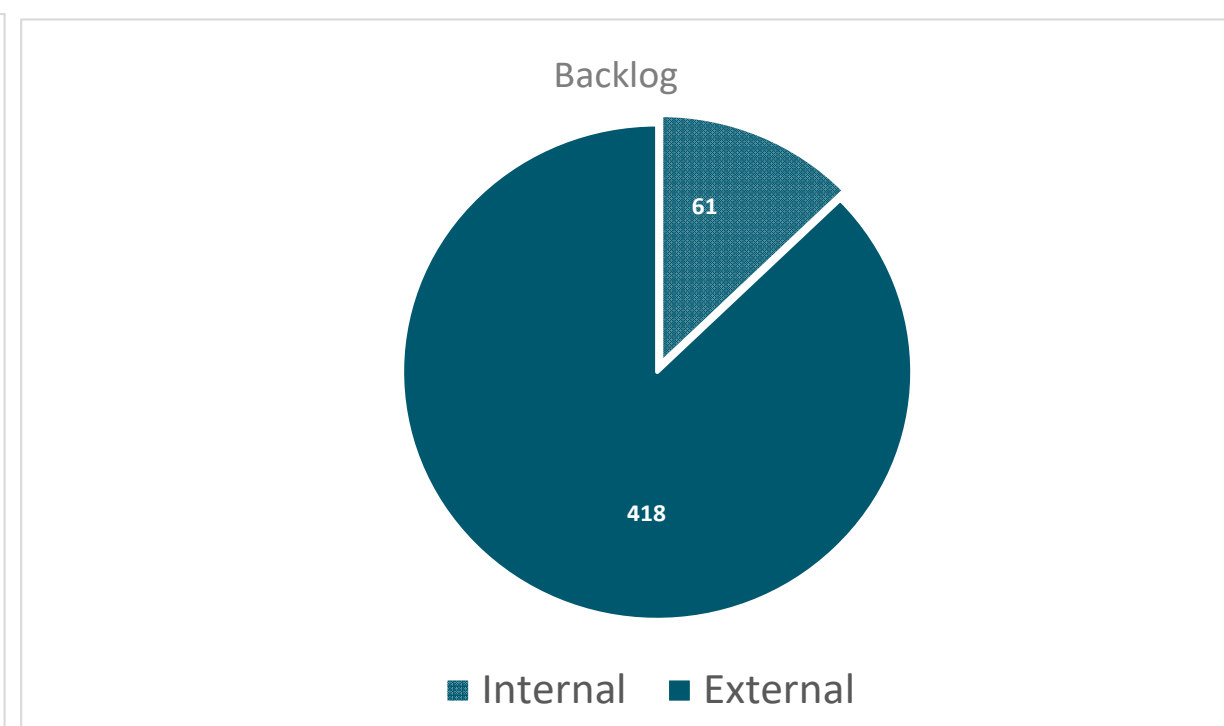
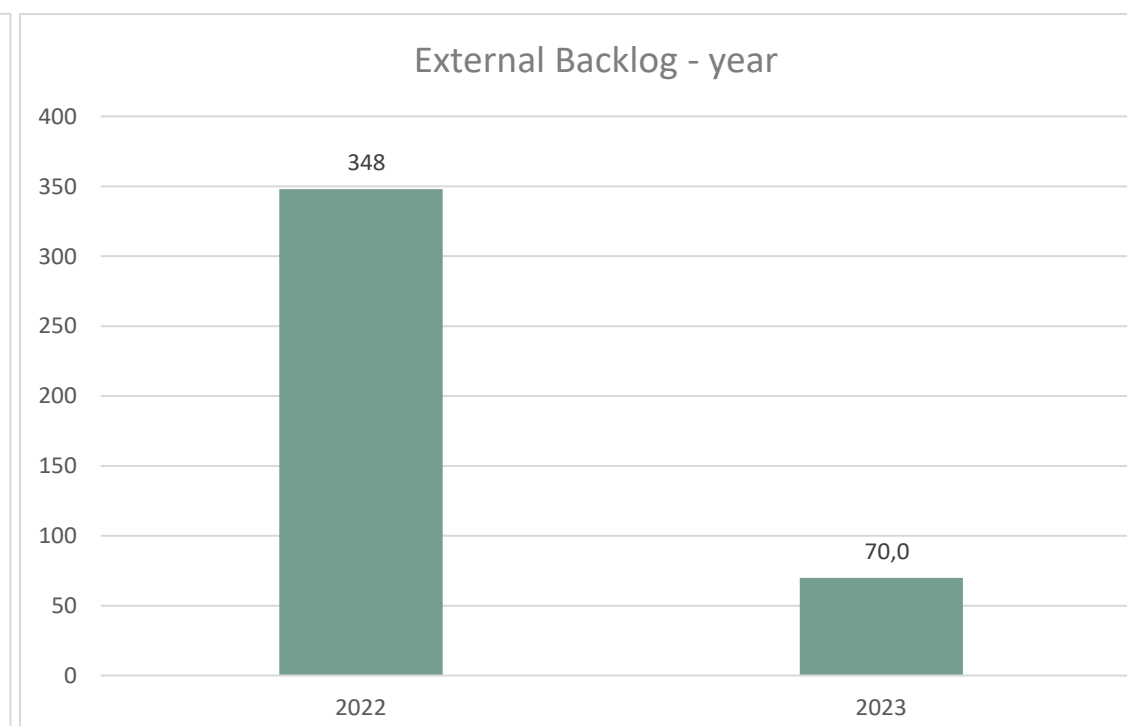
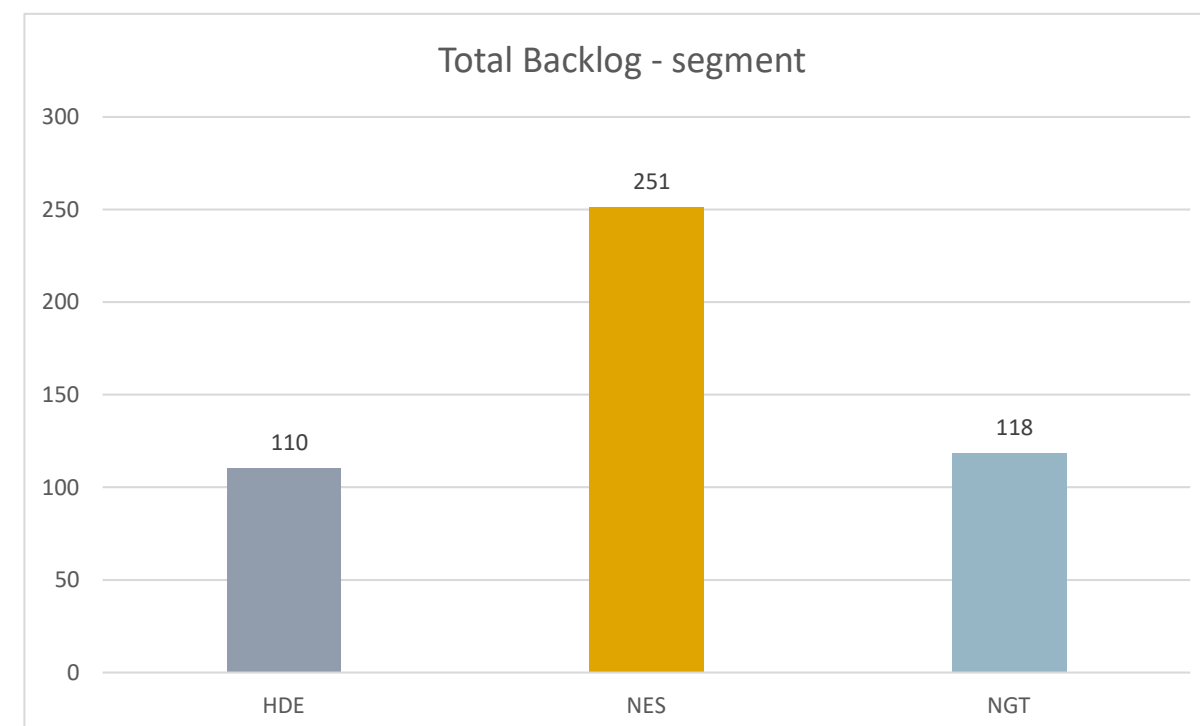
ORDER STATUS

The external order back-log is NOK 418 million as of the end of Q1 2022, an increase from 382 in Q4 2021.

For Norwegian Greentech "fleet-agreements" signed by different ship owners are not included in the official backlog figures.

Order after Q1

New significant order was signed by HAV Design in April 2022.



SHARES AND SHAREHOLDERS

Shareholders as of 31.03.2022	Controlled by	Number of shares	Ownership
HAVYARD GROUP ASA	Vegard Sævik (Ch.of Board)	11 659 047	33,31 %
HAVILA HOLDING AS		4 693 500	13,41 %
FARVATN CAPITAL AS		2 408 909	6,88 %
HAV GROUP ASA		1 102 000	3,15 %
MP PENSJON PK		1 084 817	3,10 %
NORDNET BANK AB		911 540	2,60 %
AVANZA BANK AB		829 420	2,37 %
JAHATT AS		770 500	2,20 %
NORDNET LIVSFORSIKRING AS		755 278	2,16 %
MORGAN STANLEY & CO. INTERNATIONAL		672 838	1,92 %
EMINI INVEST AS		605 461	1,73 %
10 HSR INVEST AS	Hege Sævik Rabben (Board)	605 461	1,73 %
INNIDIMMAN AS	Vegard Sævik (Ch.of Board)	605 461	1,73 %
OTHER SHAREHOLDERS (<1 %)		8 295 768	23,70 %
Number of shares		35 000 000	100 %

SHARES AND SHAREHOLDERS

In total 35 000 000 shares with Par value NOK 1.

All shares have equal rights.

In total 3 916 shareholders per Q1-2022.

HAV Group ASA had 1 120 000 / 3,21% treasury shares per Q1-2022.

***COMMENTS TO FIGURES & STANDARDS**

HAV Group ASA is a result of a "spin off" from Havyard Group ASA and listed at Euronext Growth Oslo since 4th of March 2021. The consolidated figures are presented according NGAAP standard.

Norwegian Greentech changed methods of income recognition in Q4-21. From "Work-in Progress" to recognition in the income statement once delivery has taken place and the risk has been transferred. The change in standard had minor effects for Q4-2021.

