

HAV Group ASA

Q3 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.

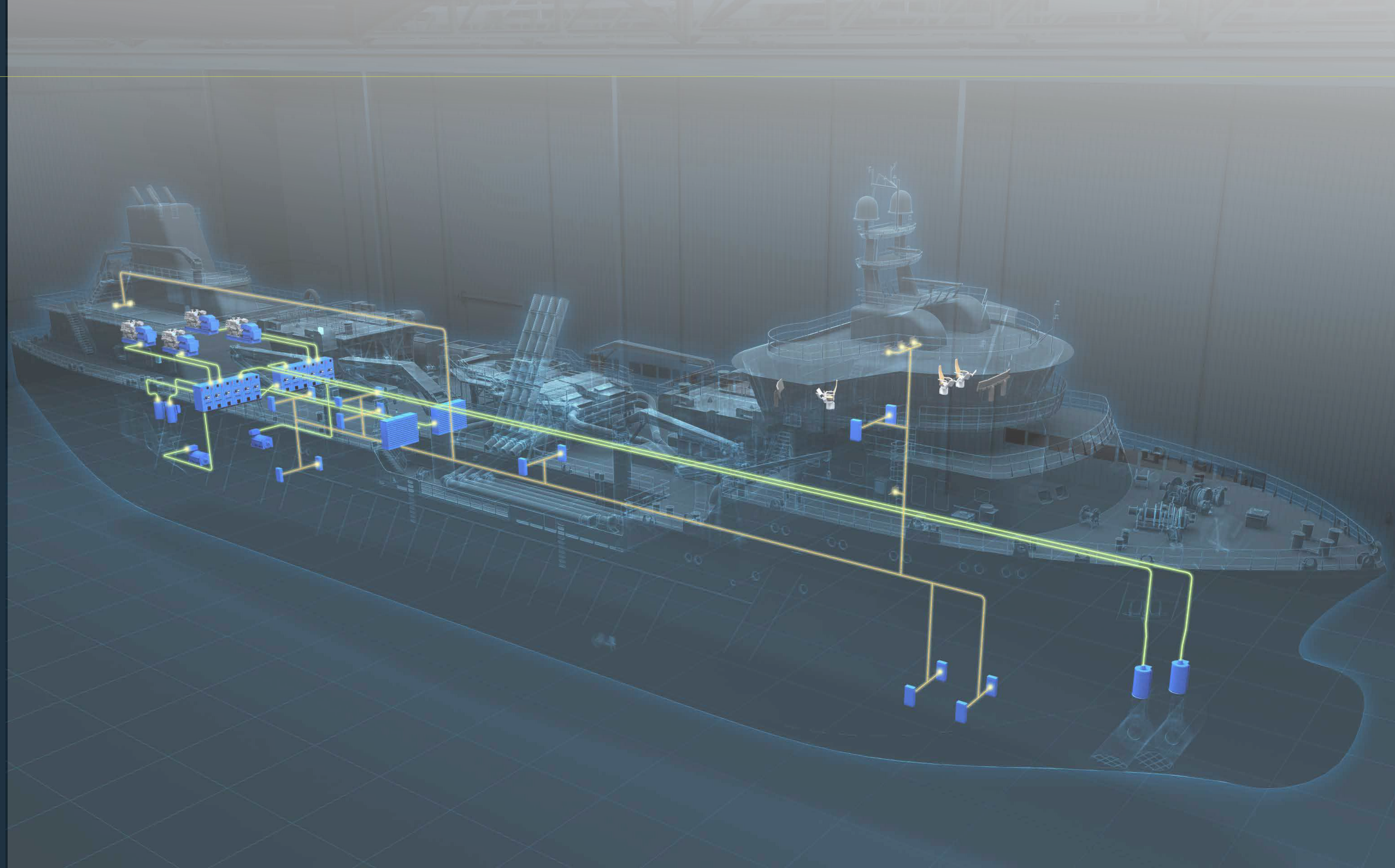
The Group's vision is
"A sustainable future at sea".

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.

2

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 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.

We recently received preliminary approval for the hydrogen-based energy system developed in the FreeCO2ast project. The approval is a major step towards the commercial use of hydrogen fuel by a commercial vessel.

The company was established in 2020, and the Headquarters 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 its customers.

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

NES is a committed partner for safe shipping, lower emissions and added value for its 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 Norwegian Control Systems, completing the product range with IAS/PMS and navigation/bridge system.



Norwegian Greentech AS

YOUR EXPERT IN CLEAN WATER AND BALLAST WATER TREATMENT SYSTEMS

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

We design, deliver, install and service the market's most compact highly energy-efficient BWTS for small and medium-sized vessels, that reliably meets the international discharge standards.

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 BWTS 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.

With over 700 systems sold, most of them to major international shipowners, Norwegian Greentech's chemicalfree BWTS which easily fits into crowded engine or pump rooms are the preferred solution in the market.

HIGHLIGHTS in Q3 2022

- Turnover of NOK 136.6 million
- EBIT of NOK 0.7 million / 0.6%

- Profit before tax in Q3 of NOK 0.9 million / 0.7%
- Cash position of NOK 258 million

Milestones in Q3 2022

- Approval documentation for the deck-based containerized hydrogen (H₂) energy system for ships is submitted to DNV for approval in principle

- HAV Group terminated intent to acquire Høglund Marine Solutions.

- HAV Group hires head of R&D

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 positioned with technology and products within digitalization and sustainability for contributing to the green shift in the maritime and marine industries.

The development is underpinned by:

Global energy shortages and high 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 for sustainable solutions in the shipbuilding market is providing strong opportunities.

HAV Group - organic growth

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

As the business is largely project-driven, periodic fluctuations will occur, and several important tenders in the market will be awarded over the next months. These potential awards will be important for the capacity utilization in 2023.

The company continues to invest in competence and capacity to leverage on the expected growth to support the sustainability and energy transition for the maritime industry.

HAV Group reiterates the 2025 revenue outlook of NOK 1.3 billion.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

HAV Group ASA

(NOK 1 000)	YTD 2022	YTD 2021	Q3 2022	Q3 2021	2021
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue	494 562	690 923	134 357	80 226	915 055
Other operating revenues	781	1 330	2 269	388	1 662
Operating income	495 343	692 253	136 626	80 614	916 717
Materials and consumables	308 195	475 055	76 940	14 110	614 534
Payroll expenses	102 689	83 896	39 694	33 756	121 049
Other operating expenses	48 559	54 586	14 703	18 283	73 047
Operating expenses	459 444	613 537	131 337	66 150	808 630
EBITDA	35 899	78 716	5 288	14 464	108 087
Depreciation	13 186	11 896	4 526	3 654	17 453
Operating profit/loss (EBIT)	22 713	66 820	762	10 810	90 635
Financial income	12 744	10 469	4 546	2 404	12 888
Financial expenses	13 149	10 639	4 405	2 573	15 794
Profit / loss before tax	22 309	66 650	903	10 641	87 729
Earnings per share (before tax)	0,64	1,90	0,03	0,30	2,51

INCOME STATEMENT

The operating income for HAV Group in the third quarter of 2022 was NOK 136.6 million, compared to NOK 80.6 million in the third quarter of 2021.

For the third quarter of 2022, the Group recorded profit before interest and tax (EBIT) of NOK 0.9 million, while the EBIT for the third quarter of 2021 was NOK 10.6 million. This corresponded to an EBIT margin of 0.6% in the third quarter of 2022 compared to 13.4% in the third quarter of 2021.

***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.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

HAV Group ASA

(NOK 1 000)	Q3 2022	Q3 2021	2021
ASSETS	Unaudited	Unaudited	Audited
Non-current assets			
Licenses, patents and R&D	75 728	86 331	82 684
Total intangible assets	75 728	86 331	82 684
Fixed assets			
Property, plant and equipment	4 743	3 351	3 436
Total tangible fixed assets	4 743	3 351	3 436
Investment in associated company	2 000	0	0
Financial fixed assets	196	154	132
Financial fixed assets	2 196	154	132
Total fixed assets	82 667	89 835	86 252
Current Assets			
Inventory	33 286	7 810	20 580
Accounts receivable	46 072	86 737	85 532
Accrued revenue	26 178	14 795	5 598
Other current receivables	48 248	81 172	14 655
Total receivables	153 784	190 514	126 365
Cash and bank deposits	257 511	404 473	375 888
Total current assets	411 295	594 987	502 252
TOTAL ASSETS	493 962	684 823	588 504

(NOK 1 000)	Q3 2022	Q3 2021	2021
EQUITY AND LIABILITIES	Unaudited	Unaudited	Audited
Equity			
Paid-in Equity	122 202	122 202	122 202
Retained earnings	11 568	5 640	24 662
Treasury shares	-1 276	0	-1 817
Non-controlling interests	2 571	6 828	7 429
Total equity	135 065	134 671	152 475
Liabilities			
Deferred tax liability	6 002	575	7 334
Total provisions for liabilities	6 002	575	7 334
Other long-term liabilities			
Liabilities to Financial institutions	51 392	70 286	66 531
Other long-term liabilities	70	228	114
Total other long term liabilities	51 463	70 513	66 645
Total long term liabilities	57 465	71 088	73 980
Current liabilities			
Accounts payable	47 032	54 837	52 772
Tax payable	3 226	9 756	3 218
Public duties payable	6 115	8 019	16 963
Advance payment from customers	181 938	334 632	224 069
Other current liabilities	63 121	71 820	65 026
Total current liabilities	301 432	479 064	362 048
Total liabilities	358 897	550 152	436 028
TOTAL EQUITY AND LIABILITIES	493 962	684 823	588 504

FINANCIAL POSITION

The total assets in the Group are NOK 494.0 million versus NOK 588.5 million at end of 2021.

Current assets decreased from NOK 502.3 million year end 2021 to NOK 411,3 million YTD 2022. Cash and bank deposit reduced by NOK 118.4 million and total receivables increased by NOK 27.4 million in the same period.

The total equity has decreased by NOK 17.4 million to NOK 135.1 million YTD 2022. This is mainly caused by increase of Treasury shares and purchase of shares in Norwegian Greentech AS. The equity ratio has increased from 25.9% year end 2021 to 27.3% YTD 2022.

Total liabilities decreased from NOK 436.0 million at year end 2021 to NOK 358.9 million YTD 2022. Main reason is reduction in advance payments from customers.

SEGMENT INFORMATION

2022 Q3 (Unaudited)						
(NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other / Elimination	HAV Group ASA
Operating revenues (External)	61,4	34,1	40,0	0,4	-1,7	134,4
Other operating revenues	0,0	0,0	0,0	0,0	2,2	2,2
Total Operating income	61,8	50,6	40,0	0,5	-16,4	136,5
EBITDA	3,3	-0,3	5,7	-1,7	-1,7	5,3
Depreciation	1,2	1,5	1,6	0,0	0,2	4,5
Operating profit/loss (EBIT)	2,1	-1,9	4,1	-1,7	-1,9	0,8
Net financial items	-4,0	3,5	1,3	-0,1	-0,6	0,1
Profit/Loss before tax	-1,9	1,6	5,4	-1,7	-2,5	0,9
Total assets	268,9	191,4	109,3	2,8	-78,4	494,0
Equity	78,6	67,5	37,5	1,3	-49,7	135,1
Liabilities	190,3	124,0	71,8	1,6	-28,7	358,9
2021 Q3 (Unaudited)						
(NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other/ Elimination	HAV Group ASA
Operating revenues (External)	57,8	-25,1	47,4	0,3	-0,3	80,2
Other operating revenues	0,4	0,0	0,0	0,0	0,0	0,4
Operating income	58,8	31,9	47,5	0,3	-57,9	80,6
EBITDA	24,8	-8,2	3,4	-0,4	-5,2	14,5
Depreciation	2,4	1,3	0,0	0,0	0,0	3,7
Operating profit/loss (EBIT)	22,5	-9,5	3,4	-0,4	-5,2	10,8
Net financial items	0,7	0,6	-0,8	0,0	-0,6	-0,2
Profit/Loss before tax	23,2	-9,0	2,7	-0,4	-5,8	10,6
Total assets	380,1	194,3	122,2	1,4	-13,2	684,8
Equity	99,2	25,5	17,9	-0,2	-7,7	134,7
Liabilities	280,9	168,8	104,4	1,6	-5,5	550,2

SEGMENTS Q3 2022

HAV Design

- EBIT of NOK 2.1 million / 3.4% in the third quarter of 2022.
- Profit before tax of NOK -1.9 million / -3.1% in the third quarter of 2022.
- EBIT margin low in Q3-22 due to low capacity utilization.

Norwegian Electric Systems

- EBIT of NOK -1.9 million / -3.7% in the third quarter of 2022.
- Profit before tax of NOK 1.6 million / 3.2% in the third quarter of 2022.
- EBIT margin low in Q3-22 due to low capacity utilization.

Norwegian Greentech

- EBIT of NOK 4.1 million / 10.3% in the third quarter of 2022.
- Profit before tax of NOK 5.4 million / 13.6% in the third quarter of 2022.
- EBIT margin is higher in Q3-22 compared to Q3-21 due to other product mix.

HAV Hydrogen

- Official start-up Q4-20, based on R&D activities in Havyard Group ASA.
- Preliminary approval is received from DNV and NMA.
- Main focus is further product development and market entry with maritime hydrogen systems.

SEGMENT INFORMATION

2022 YTD Q3 (Unaudited)						
(NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other / Elimination	HAV Group ASA
Operating revenues (External)	111,3	194,6	185,4	1,5	1,8	494,6
Other operating revenues	0,8	0,0	0,0	0,0	0,0	0,8
Total Operating income	114,0	213,9	185,6	1,6	-19,8	495,3
EBITDA	14,1	7,5	22,0	-4,3	-3,5	35,9
Depreciation	3,7	4,4	4,7	0,0	0,4	13,2
Operating profit/loss (EBIT)	10,4	3,2	17,3	-4,3	-3,9	22,7
Net financial items	-1,4	3,2	-0,3	-0,1	-1,8	-0,4
Profit/Loss before tax	9,0	6,3	17,0	-4,4	-5,7	22,3
Total assets	268,9	191,4	109,3	2,8	-78,4	494,0
Equity	78,6	67,5	37,5	1,3	-49,7	135,1
Liabilities	190,3	124,0	71,8	1,6	-28,7	358,9
2021 YTD Q3 (Unaudited)						
(NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other/ Elimination	HAV Group ASA
Operating revenues (External)	510,6	57,3	121,8	1,3	0,0	690,9
Other operating revenues	1,0	0,3	0,0	0,0	0,0	1,3
Operating income	515,8	153,3	121,8	1,3	-100,0	692,3
EBITDA	74,0	-0,3	10,7	-0,2	-5,6	78,7
Depreciation	8,1	3,7	0,0	0,0	0,0	11,9
Operating profit/loss (EBIT)	65,9	-4,0	10,7	-0,2	-5,6	66,8
Net financial items	4,2	0,1	-2,4	0,0	-2,1	-0,2
Profit/Loss before tax	70,1	-3,9	8,4	-0,2	-7,7	66,7
Total assets	380,1	194,3	122,2	1,4	-13,2	684,8
Equity	99,2	25,5	17,9	-0,2	-7,7	134,7
Liabilities	280,9	168,8	104,4	1,6	-5,5	550,2

SEGMENTS YTD 2022

HAV Design

- EBIT of NOK 10.4 million / 9.1% YTD 2022.
- Profit before tax of NOK 9.0 million / 7.9% YTD 2022.
- EBIT margin YTD 2022 on same level as compared to YTD 2021.

Norwegian Electric Systems

- EBIT of NOK 3.2 million / 1.5% YTD 2022.
- Profit before tax of NOK 6.3 million / 3.0% YTD 2022.
- The EBIT margin in YTD 2022 is lower compared to YTD 2021 due to lower capacity utilization.

Norwegian Greentech

- EBIT of NOK 17.3 million / 9.3% YTD 2022.
- Profit before tax of NOK 17.0 million / 9.2% YTD 2022.
- EBIT margin YTD 2022 on same level as compared to YTD 2021.

HAV Hydrogen

- Official start-up Q4-20, based on R&D activities in Havyard Group ASA.
- Preliminary approval is received from DNV and NMA.
- Main focus is further product development and market entry with maritime hydrogen systems.

SEGMENT INFORMATION 2021 - FULL YEAR

2021 (audited) (NOK million)	HAV Design	Norwegian Electric	Norwegian Greentech	HAV Hydrogen	Other / Elimination	HAV Group ASA
Operating revenues (External)	624,2	121,5	167,5	1,9	0,0	915,1
Other operating revenues	1,5	105,0	0,0	0,0	-106,6	1,6
Total Operating income	627,1	226,8	167,5	1,9	-106,6	916,7
EBITDA	91,6	7,5	15,9	-1,0	-6,0	108,1
Depreciation	10,7	5,2	1,6	0,0	0,0	17,5
Operating profit/loss (EBIT)	80,8	2,4	14,4	-1,0	-6,0	90,6
Net financial items	3,8	-1,5	-2,5	0,0	-2,7	-2,9
Profit/Loss before tax	84,7	0,9	11,9	-1,0	-8,7	87,7
Total assets	259,0	229,0	125,7	2,0	-27,2	588,5
Equity	70,6	60,7	20,5	0,0	0,7	152,5
Liabilities	188,4	168,3	105,2	1,9	-27,9	436,0

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	22 309	66 650	87 728
Depreciation	13 186	11 896	17 453
Net financial items	-405	-175	-2 906
Changes in inventory	-12 707	-188	-12 958
Changes in accounts receivable	39 459	-15 148	-40 047
Changes in accounts payable	-5 740	-235 870	-216 315
Changes in other current receivables/liabilities	-107 946	470 893	441 796
Net cash flow from/(to) operating activities	-51 843	298 057	274 750
CASH FLOW FROM INVESTMENTS			
Investments in property, plant and equipment	-2 371	-1 881	-2 368
Investment in intangible assets	-5 189	-9 493	-11 062
Purchase of shares in subsidiary	-9 668	0	0
Purchase of shares in associated company	-2 000	0	0
Interest income	0	59	391
Net cash flow used in investing activities	-19 228	-11 314	-13 039
CASH FLOW FROM FINANCING ACTIVITIES			
New long term debt	0	7 500	7 500
Repayment non-current debt	-15 139	-5 000	-8 968
Interest payment	-2 312	-2 416	-3 223
Purchase of own shares	-29 855	0	-1 817
Capital increase - share issue (net)	0	86 667	86 667
Net cash flow from/ (used in) financing activities	-47 306	86 750	80 159
Net change in cash and cash equivalents	-118 377	373 492	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	257 511	404 473	375 888
Restricted cash at end of period	3 430	3 066	5 411

CASH FLOW

Aggregate cash flow from operating activities is negative with NOK 51.8 million YTD 2022, compared to cash flow of NOK 298.1 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. The negative cash flow is mainly related to project progress.

Aggregate cash flow from investing activities was negative with NOK 19.2 million YTD 2022, compared to a negative cash flow of NOK 11.3 million YTD 2021. The negative cash flow from investments is mainly related the purchase of the remaining 22% of Norwegian Greentech AS and investment in R&D.

Aggregate cash flow from financing activities is negative with NOK 47.3 million YTD 2022, compared to a positive cash flow of NOK 86.8 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 / interest and purchase of own shares.

** Reclassification at year end of transactions related to capital increase is updated for Q3.2021.*

ORDER BACKLOG

HISTORICAL DEVELOPMENT OF EXTERNAL BACKLOG



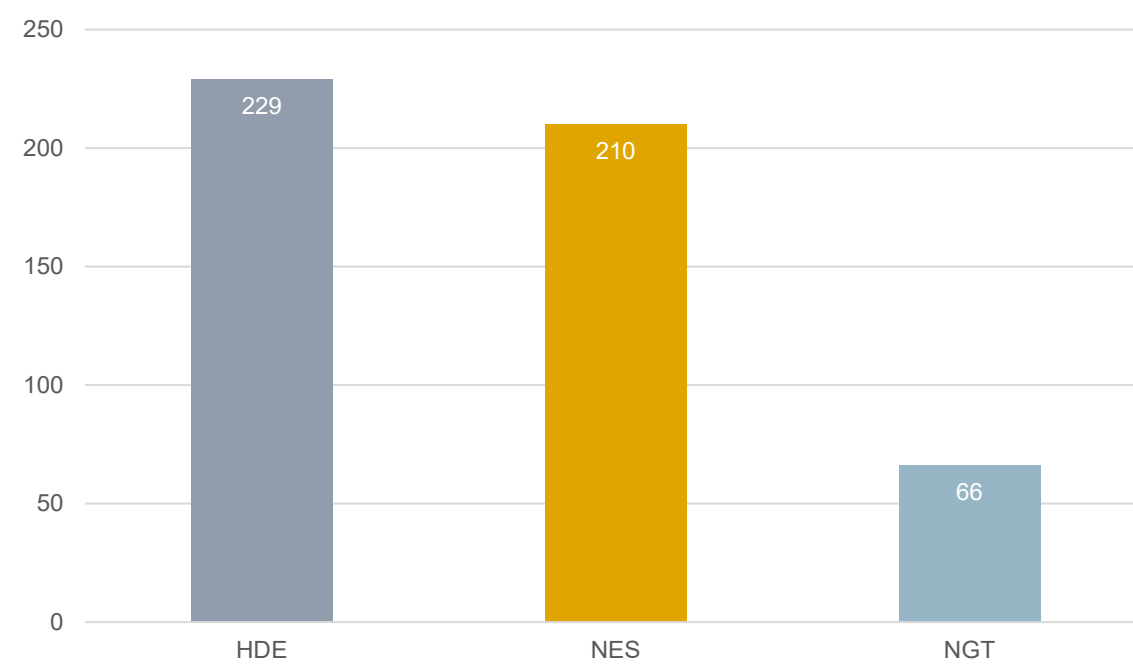
ORDER STATUS

The external order back-log is NOK 481 million as of the end of Q3 2022, a decrease from 557 in Q2 2022.

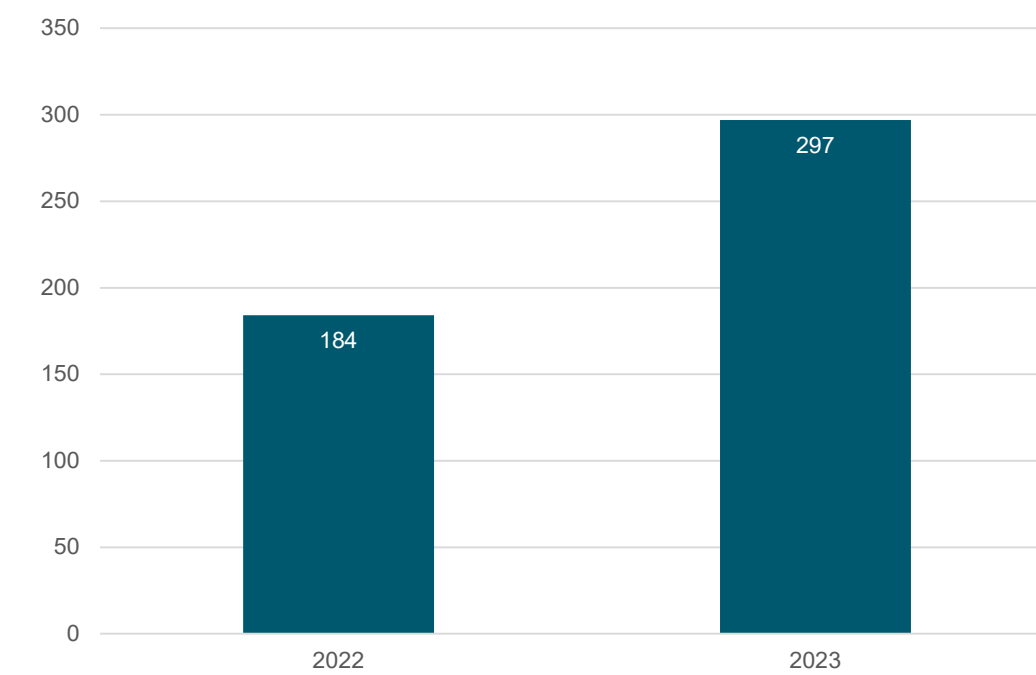
For Norwegian Greentech "fleet-agreements" signed by different ship owners are not included in the official backlog figures.

11

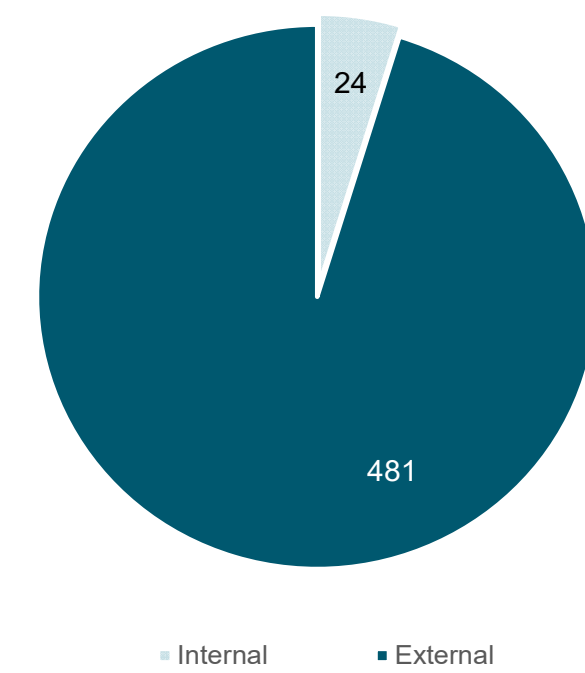
AGGREGATED ORDER BACKLOG PER SEGMENT



EXTERNAL ORDER BACKLOG BY DELIVERY YEAR



AGGREGATED ORDER BACKLOG



SHARES AND SHAREHOLDERS

Shareholders as of 30.09.2022	Controlled by	Number of shares	Ownership
HAVILA HOLDING AS		8 737 827	25,0 %
FARVATN CAPITAL AS		2 408 909	6,9 %
HAVYARD GROUP ASA		1 765 952	5,0 %
MP PENSJON PK		1 524 220	4,4 %
HAV GROUP ASA	Vegard Sævik (Ch.of Board)	1 276 239	3,6 %
EMINI INVEST AS		1 127 179	3,2 %
HSR INVEST AS	Hege Sævik Rabben (Board)	1 127 179	3,2 %
INNIDIMMAN AS	Vegard Sævik (Ch.of Board)	1 127 179	3,2 %
Avanza Bank AB		1 020 257	2,9 %
Nordnet Bank AB		998 579	2,9 %
NORDNET LIVSFORSIKRING AS		932 872	2,7 %
12 VISIMO AS		805 673	2,3 %
JAHATT AS		770 500	2,2 %
Morgan Stanley & Co. International		734 931	2,1 %
PISON AS		375 726	1,1 %
OTHER SHAREHOLDERS (<1 %)		10 266 778	29,3 %

SHARES AND SHAREHOLDERS

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

All shares have equal rights.

In total 4 167 shareholders per Q3-2022.

HAV Group ASA had 1 276 239 / 3,64% treasury shares per Q3-2022.

