

EQVA ASA

Second quarter report 2024

29 August 2024



EQVA:

A knowledge-based active owner of industrial companies that contribute to the green transition in maritime, power intensive and renewable industries. Established growth strategy focused on organic growth and acquiring attractive, profitable companies. Enabling EQVA to broaden product and service scope.

Through well established governance models, we help to develop and strengthen each portfolio company by driving strategy developments, operational improvements, financing, and transactions. We energize companies.



Full-service provider of technical, sustainable solutions and services to maritime and landbased industries



A specialised hydropower plant developer and operator

Agenda

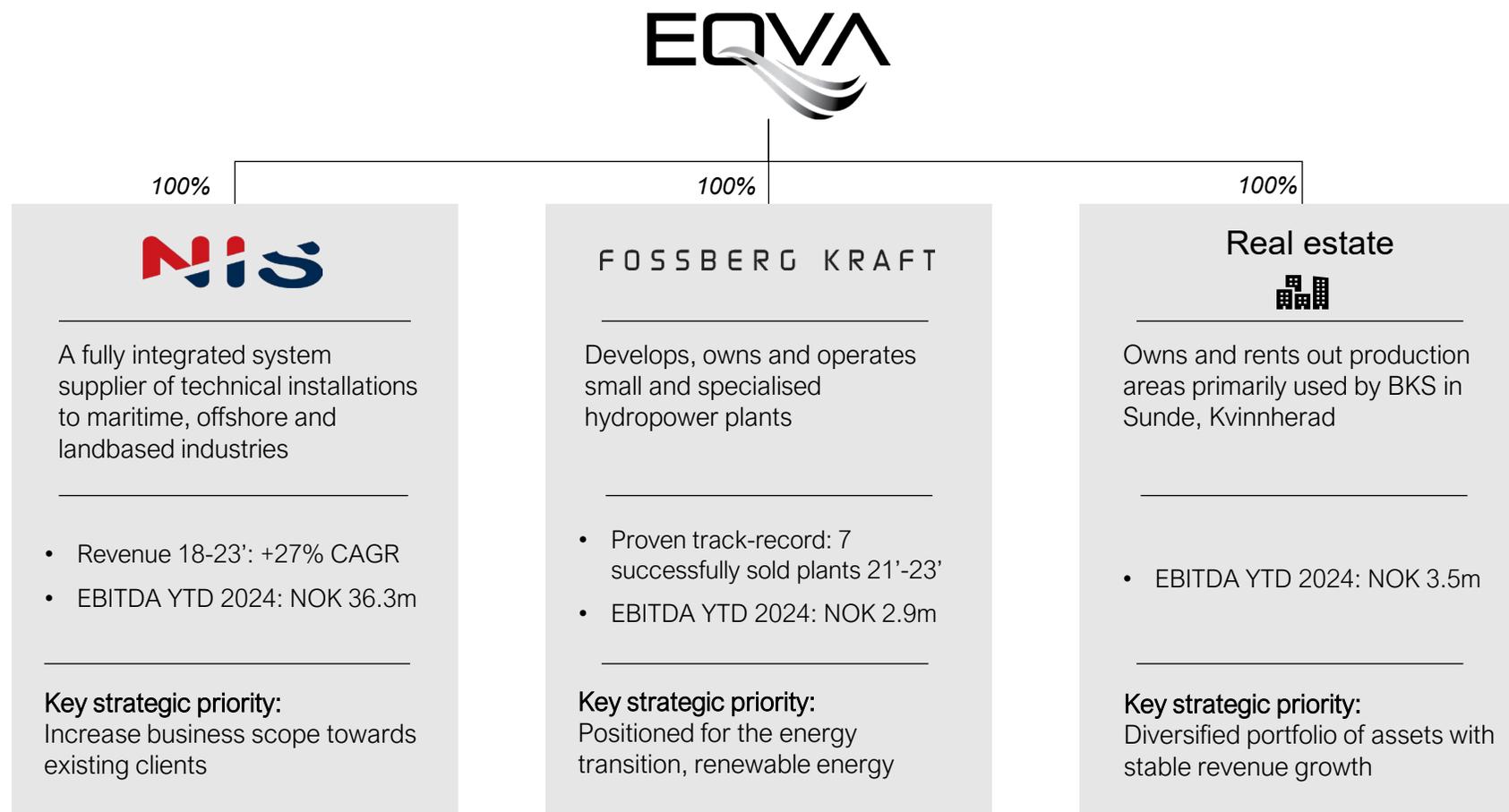
1. **This is EQVA ASA**
2. Operational and financial highlights
3. Outlook

Enclosure

- Consolidated financial statements

This is EQVA: An industrial investment company

Overview of ownership interests - built on 3 platforms



Experienced group management



Even Matre Ellingsen

CEO

Former Group CEO in Astrup Fearnley. Extensive experience from both regulated and non-regulated businesses. 15 years with Pareto and 10 years with Astrup Fearnley



Petter Sjørdahl

CFO

15+ years of experience from audit, financial markets, M&A and business development. Previous experience at EY and Astrup Fearnley

Eqva is well positioned for further growth

Both through organic growth and M&A activity

YTD 2024 highlights

Strong performance
and financial results in
BKS

Sale of PSV Havila
Charisma, ready to
focus on core strategy

SPA signed for
Kvinnherad Elektro
and Vassnes-Gruppen

Launched Nordic
Industrial Solutions

Extraordinary
dividend paid out

Strategic priorities

Diversified product
and market portfolio
with broad revenue
stream



Capitalise on key
macro trends



Opportunistic M&A



The group has a well-diversified product and market portfolio, and further growth will be established through a combination of company-based development, utilization of synergies between the companies in the group as well as value-creating M&A activities.

Building an industrial platform for growth and value creation

A two-year journey so far – shareholder value created



21 oktober, 2022

Havyard to change name to Eqva

October 2022

Havyard Group becomes Eqva, an industrial investment company

May 2022

Havyard Group acquires HG Group, resulting in significant reshuffled ownership

November 2022

Strategy shift for shipyard, preparing for sale

June 2023

Strategy update, hinting at separate listing of BKS Holding

November 2023

Sells Havyard shipyard in line with ownership agenda

March 2024

Divests Havila Charisma ownership, freeing up important resources

December 2023

Announces possible acquisition of LOS and establishment of new group structure. No name yet revealed

April 2024

Confirms cash dividend payment

May 2024

Launches Nordic Industrial Solutions

Finansavisen Havyard Group sluker selskap

Havyard Group kjøper HG Group for 285 millioner kroner, og aksjen løfter seg nesten 30 prosent.

Publisert 20. mai 2022 kl. 08.17

Finansavisen Kan sende flere selskaper på børs

Eqva har planer om å ta datterselskapet BKS Holding på børs. Flere børsnoteringer kan komme, avslører Eqva-styreleder Even Matre Ellingsen.

Publisert 29. juni 2023 kl. 14.53

OSLO Børs NewsWeb Eqva ASA: Divestment of the ship - Havila Charisma

On 12 March 2024 Eqva ASA (OSE: EQVA), through its subsidiary Havyard Ship Invest AS, entered into a sales-agreement with Havila Holding AS to divest its 50 % stake in the PSV Havila Charisma, reaffirming the company's strategic direction and ambition to become an industrial investment company listed on the Oslo Stock Exchange.

OSLO Børs NewsWeb EQVA ASA: Decision to distribute cash dividend

11 April 2024: EQVA ASA (OSE: EQVA) confirms the decision for a dividend payout of NOK 0.20 per share following the previously announced possibility of dividends related to special events.

Finansavisen - Ser mange oppkjøpsmuligheter

Eqva selger Havyard-verftet for å vokse på andre områder. - Vi ser mange oppkjøpsmuligheter, sier styreleder Even Matre Ellingsen.

EQVA · 3,50 0,00%

Publisert 13. nov. 2023 kl. 10.33

Finansavisen Vil gi Eqva-aksjonærene utbytte

Eqva kjøper LOS Group og slår det sammen med datterselskapet BKS, som planlegges børsnotert. Dagens Eqva-aksjonærer kan vente seg utbytte.

EQVA · 3,50 0,00%

Publisert 6. des. 2023 kl. 11.28



EQVA – More than 3000 shareholders along the coast

Dividend of NOK 0,2 per share 2024 YTD

Ordinary dividends combined with possibility of dividends related to special events

Total Return

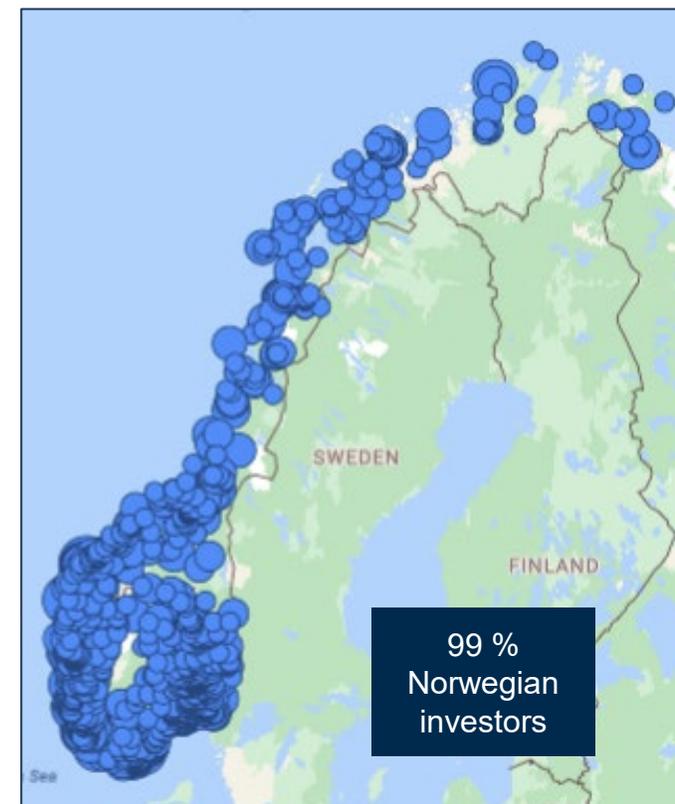
2024 YTD = 79%

(date 23/8-2024)

Number of shares: 71,99m

Market cap NOK 372m

(date 23/8-2024)

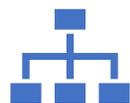


5 Reasons to invest in EQVA ASA



Established growth strategy focused on organic grow and acquiring attractive, **profitable companies**. Enabling EQVA to broaden product and service scope.

8 portfolio companies today



A **decentralized business model** with effective corporate governance models and active ownership as well as **proven management**. Rapid and flexible decision-making, with decisions made close to customers and suppliers



A **clear focus** on performance facilitates self-financed, long-term growth and favorable returns for shareholders and a **proven ability** to develop operations



Strong financial position, strong cash flow from operating activities based on a solid financial position and low leverage



Sustainable business, Sustainability characterizes the entire business and creates conditions for long-term profitability and growth. We are an active partner helping our customers to decarbonize. Ref. (Boliden) Green Zink, Hydro Husnes upgrade (increase energy efficiency and reduce emissions)

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YTD Highlights – Solid operational performance

44% y/y organic growth and increased margins

Solid operational performance in EQVA, driven by volume increase and improved sales and margins in the Products, Solutions & Renewables segment

Robust order book of NOK 556m and positive outlook for FY2024 – mainly driven by BKS

Products, Solutions & Renewables

- **Significant revenue growth – up 44 %** compared to last year
- **EBITDA margin increased to 8.2 %**, compared to 6.6 % last year

M&A

- **Completed divestment of ownership in PSV Havila Charisma**
- **Other M&A activities are showing good progress**

Second quarter YTD 2024 - key figures

(unaudited, amounts in NOK)

Revenues
509 million
(333m LY)

EBITDA
62 million
(19m LY)

Order book
30.06.2024
556 million

Reported:
Equity ratio
43%

New contracts awarded – orderbook remains solid

Orderbook at NOK 556m, high activity on current projects

- Order book increases to NOK 556m, up from NOK 487m as of Q4 2023
- Increased contract scope on existing customers like Boliden, Hydro, Aker Solutions, Scale AQ and Westcon
- New contracts secured with key customers in process, offshore and landbased industries
- Stable and high volumes on frame agreements with main customers
- Significant share of ongoing and new projects are related to clean energy, decarbonization and optimized energy usage
 - Growing demand for such expertise, and it is expected that such climate and environmental projects will form an even larger part of the business in the years to come



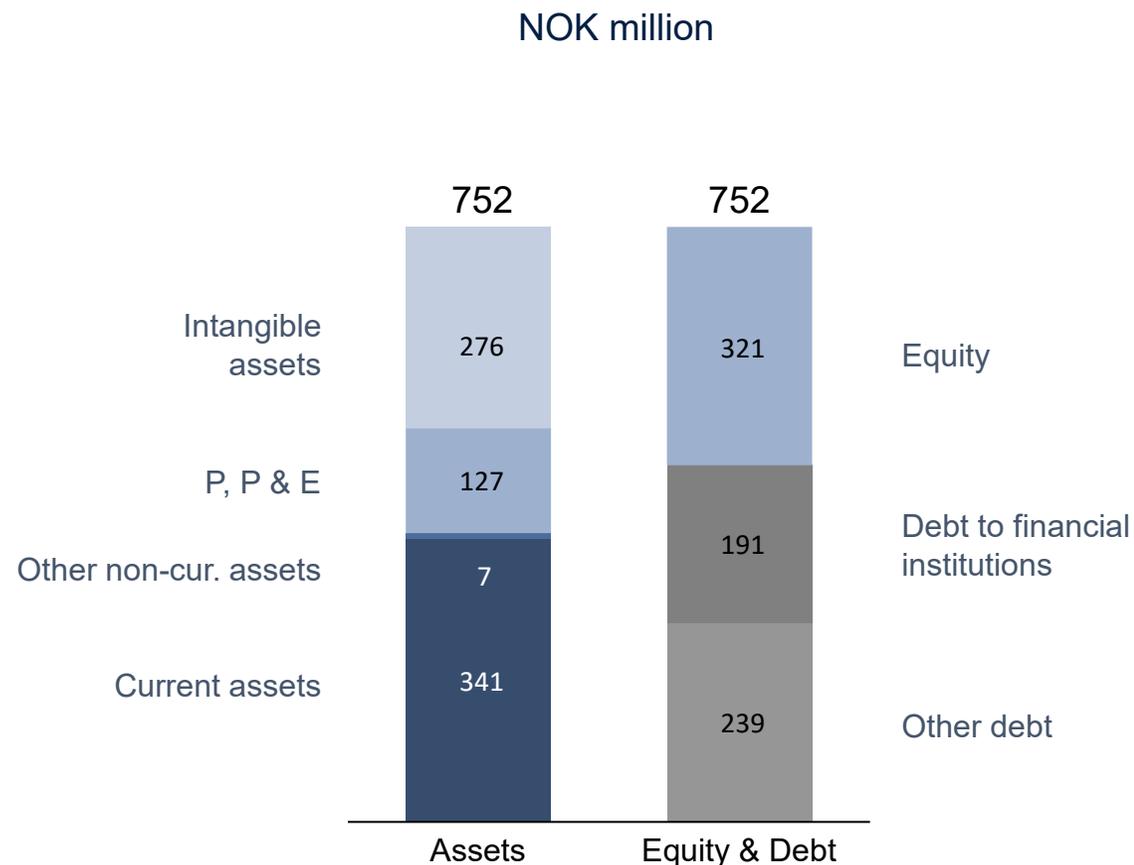
Foto: Kai-Inge Melkeraen

Boliden Odda, one of the world's most climate-effective zinc plants to become even more climate-friendly

Strong financial position

Balance sheet as of 30 June 2024

- Equity ratio of 43 % at the end of Q2
- Net interest-bearing debt* was NOK 108m at the end of Q2
- Cash position of NOK 48m at the end of Q2
- The construction loans in Fossberg Kraft increased due to project development during Q2. These loans (NOK 46m) will be repaid when projects are delivered to customer during 2024.
- Strong cash generation expected going forward in 2024



Segment overview

Key financial figures – YTD Q2 2024

- **High-end EBITDA margin at 12.3 % for EQVA**

- Strong revenue growth in Products, Solution & Renewables is driven by BKS – up NOK 145m from last year (+44 %)
- Solid EBITDA margin of 8.2 % in Products, Solutions & Renewables – compared to 6.6 % last year
- The profit from sale of PSV Havila Charisma in Q1 2024 is included. Adjusted for the sale, EBITDA margin was 6.0 % for EQVA.

NOK million	Products, Solutions & Renewables	Real estate	Other*	Elim.	EQVA group
Revenues	474.7	3.8	35.0	-4.7	508.7
Materials and consumables	237,7	0.0	0.0	0.0	237.7
Payroll expenses	147.3	0.0	7.8	0.0	155.1
Other opex	50.5	0.3	7.2	-4.7	53.3
EBITDA	39.1	3.5	19.9	0.0	62.5
EBITDA %	8.2 %	92.4 %	57.0 %		12.3 %

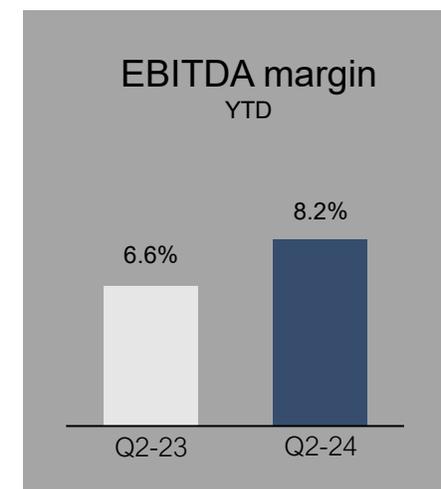
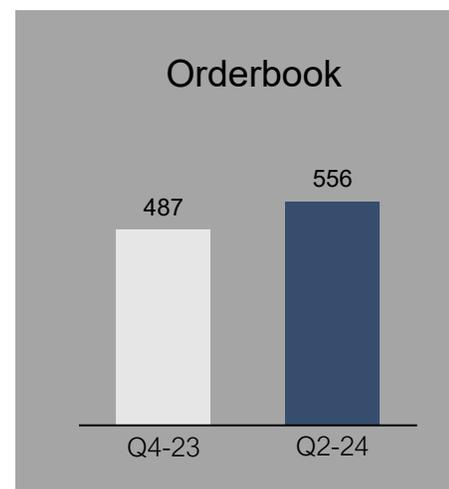
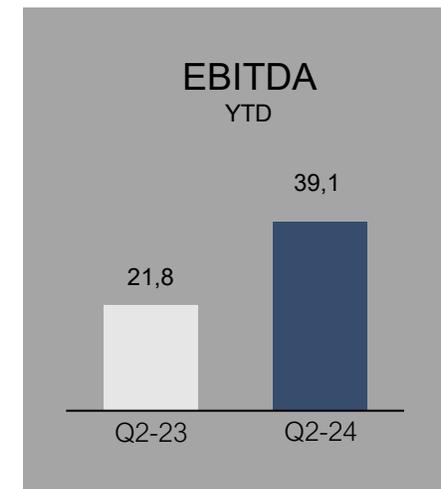
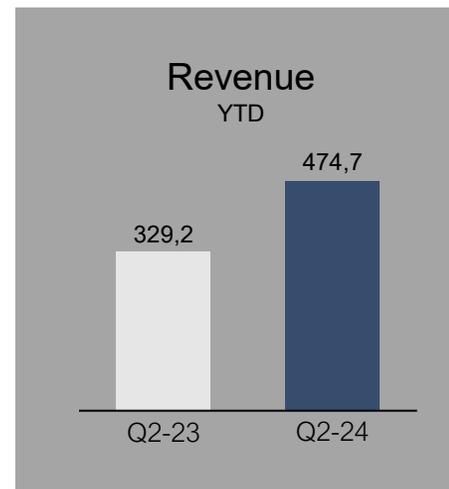
*Includes effects from sale of Havila Charisma



Products, Solutions & Renewables

Capitalising on strong order book – increasing volumes and margins

- **Significant** organic revenue growth **44 %** where **EBITDA** compared to last year was up **79 %**
- **Growth primarily driven by BKS**
 - High activity levels on ongoing projects
 - Strong order intake and orderbook gives traction to sustain high activity level going forwards
 - Continued improvement of profit margins
- **Fossberg Kraft** – two projects under construction
 - Skjeggfoss and Haugsvær power plants in final phase of handover to customer
 - Preparing construction of Gjosa power plant
 - In tender phase of new projects in hydro and solar power



Amounts in NOK million



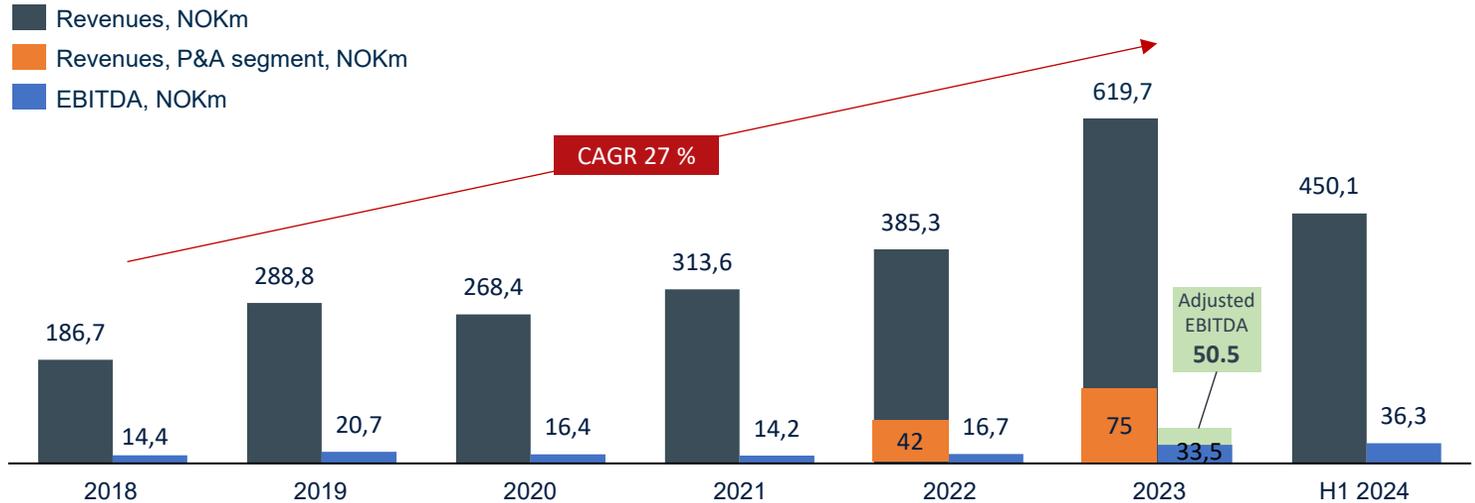
NIS in brief

60% y/y increased sales, adj. EBITDA up y/y from 4.6% to 8.1%

Company highlights

- Founded in 2008 and HQ in Sunde, Kvinnherad
- ~350 FTE's spread across 5 companies, of which 70 are technicians and electricians in the power and automation segment
- BKS is a full-service supplier for technical installations, meaning presence throughout the entire value-chain in industrial deliveries from idea to installation.
- It performs a wide range of tasks, from simple missions to more complex total deliveries
- Goal to be a preferred and competitive supplier and partner to the maritime, offshore and landbased industry in Norway.

Financial performance



Full-service provider:



Blue-chip customer base



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2024 Outlook – Increased turnover and margins

Pro-forma figures

Financial guidance for 2024 as of 29 August 2024

Current EQVA Group*

FY'2024 revenue (million)

750-850 (+100)

FY'2024 EBITDA margin

6-8% (5-7%)

Due to strong performance in BKS we have increased our revenue estimate and our expected EBITDA margin for 2024

Long-term EBITDA margin target for the group at 7-9 per cent

* Guidance figures are excluding the effect of the sale of Charisma (occurred in Q1 2024)

| Thank you



IR: Please direct any questions to petter.sordahl@eqva.no

Consolidated statement of profit or loss

30 June 2024

(NOK 1,000)	Note	2024 YTD Unaudited	2023 YTD Unaudited	2023 Audited
Revenues	3,4	471 789	330 717	659 340
Other operating revenues		36 911	1 962	10 846
Operating income	3,4	508 700	332 679	670 185
Materials and consumables		237 736	135 973	275 452
Payroll expenses		155 146	139 360	273 345
Other operating expenses		53 319	38 527	95 803
Operating expenses		446 201	313 859	644 600
Operating profit/loss before depreciation and amortisation (EBITDA)				
	3	62 499	18 820	25 585
Impairment of non-current assets		0	0	0
Depreciation		8 366	5 810	15 111
Operating profit/loss (EBIT)	3	54 133	13 010	10 474
Financial income	3,5	6 764	2 163	7 120
Financial expenses	3,5	-16 180	-4 977	-33 325
Share of profit/loss of associate	3	0	-4 823	-3 061
Profit / loss before tax	3	44 717	5 373	-18 791
Income tax expense	6	0	0	1 098
Profit from continued operations	3	44 717	5 373	-19 889
Profit from discontinued operation	3	0	-7 745	-1 913
Profit for the period	3	44 717	-2 372	-21 802
Attributable to :				
Equity holders of parent		43 866	-3 615	-23 733
Non-controlling interest		850	1 243	1 931
Total		44 717	-2 372	-21 802

Please note

- Discontinued operations includes Havyard Leirvik companies

(NOK 1,000)	Note	2024 YTD Unaudited	2023 YTD Unaudited	2023 Audited
Earnings per share (NOK)		0,62	-0,03	-0,33
Diluted earnings per share (NOK)		0,62	-0,03	-0,33
Earnings from continued operations				
Earnings per share (NOK)		0,62	-0,03	-0,33
Diluted earnings per share (NOK)		0,62	-0,03	-0,33

Consolidated statement of financial position

30 June 2024

(NOK 1,000)

ASSETS	Note	2024 YTD Unaudited	2023 Audited
Non-current assets			
Deferred tax benefit		0	0
Goodwill		248 260	248 260
Licenses, patents and R&D		28 253	29 319
Property, plant and equipments		112 972	111 840
Right of use assets	10	14 183	12 276
Investment in associates		0	21 319
Loan to associates		0	4 988
Other non-current receivables		6 853	3 809
Total non-current assets		410 522	431 810
Current Assets			
Inventory		5 982	5 780
Accounts receivables		119 882	99 493
Other current receivables		19 696	22 096
Contract assets customer contracts		147 580	72 480
Cash and cash equivalents		47 991	35 984
Total current assets		341 130	235 833
TOTAL ASSETS		751 651	667 643

EQUITY AND LIABILITIES	Note	2024 YTD Unaudited	2023 Audited
Equity			
Share capital	8	3 599	3 599
Share premium reserve		195 175	195 175
Treasury shares	8	-24	-30
Retained earnings		115 829	86 360
Non-controlling interests		6 169	5 319
Total equity		320 749	290 424
Non-current liabilities			
Deferred tax liability	7	671	0
Lease liabilities	9,10	11 561	8 870
Loans and borrowings	9	86 257	125 293
Other long-term liabilities	9	25 126	41 770
Total non-current liabilities		123 616	175 932
Current liabilities			
Accounts payables		109 903	55 666
Tax payables	7	254	1 579
Public duties payables		32 179	28 820
Loans and borrowings, current	9	105 232	78 423
Lease liabilities	9,10	2 430	3 380
Other current liabilities		57 288	33 420
Total current liabilities		307 287	201 288
Total liabilities		430 902	377 220
TOTAL EQUITY AND LIABILITIES		751 651	667 643

| Appendix



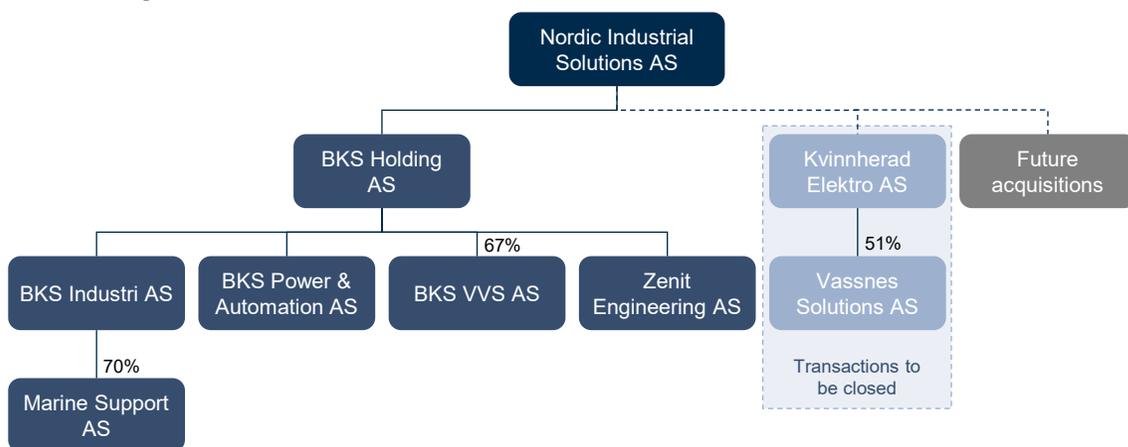
Nordic Industrial Solutions (NIS) in brief

Proven track record of successful projects spanning various industrial sectors and serving a wide range of clients

Company highlights

- Nordic Industrial Solutions provides service and maintenance to the Norwegian industry, functioning as a full-service provider of technical installations with a presence throughout the value chain, from design to installation and maintenance
- The company serves a variety of industrial sectors, including smelters, land-based industry, the maritime industry, the offshore industry and the aquaculture industry
- In addition to organic growth, NIS seeks to acquire service companies that will secure market growth, quality deliveries, optimise resource allocation, and benefit from operational and financial synergies
- NIS' strategic goal is to be a preferred and competitive supplier and partner to the maritime, offshore, and land-based industry in Norway

Corporate structure ¹



Service offering by sector

	Offering	Example projects	Customer examples
Smelters	<ul style="list-style-type: none"> Total offering of service, maintenance and modification projects to large clients within the smelting industry 	<ul style="list-style-type: none"> Maintenance and modification at Hydro Husnes 	BOLIDEN Hydro eramET Eikem
Offshore	<ul style="list-style-type: none"> Maintenance and service personnel on framework agreements Design, engineering, prefabrication, and installation 	<ul style="list-style-type: none"> Operation and maintenance personnel on "Jotun FPSO" 	vår energi endür Exxon Aker Solutions
Maritime	<ul style="list-style-type: none"> Installation within hydraulic, HVAC, machine systems, ship systems etc. 	<ul style="list-style-type: none"> Rebuilding of propulsion systems to become greener (batteries, hydrogen) 	HAVYARD WESTCON
Land based	<ul style="list-style-type: none"> Delivering complete tank facilities, pumps, osmosis facilities etc. 	<ul style="list-style-type: none"> Delivery of a complete tank facility to Equinor at Mongstad 	FRAMO OneSubsea <small>A Schlumberger Company</small> equinor
Aquaculture	<ul style="list-style-type: none"> Instalments and production of components/facilities; floating rigs, pipes, tanks and maintenance of various equipment 	<ul style="list-style-type: none"> Super Duplex pipe delivery for Arctic Offshore Farming 	NORWAY ROYAL SALMON M N Midt-Norsk Havbruk AS
Other	<ul style="list-style-type: none"> Mainly construction and defence: Analysis, engineering, production, installation etc. 	<ul style="list-style-type: none"> Service and maintenance of pumps, steel, doors, ship equipment etc. 	FORSVARET HELSE FONNA TINE

Macro trends and growth drivers per segment

NIS and its diverse portfolio of companies are poised to benefit from favorable macro trends



- Increased activity related to the upgrade and modernization of existing smelters
- Upgrades focusing on energy-saving initiatives
- Shift towards electrification and digitalization
- Increasing demand for domestically produced alloys (historically large import volumes from Russia)
- Focus on ensuring delivery security for clients



- Increased demand for full-service deliveries
- Upgrades related to energy-saving
- Shift towards electrification and digitalization
- Focus on ensuring delivery security for clients



- Increased lifespan of existing installations entails significant investments
- Growing activity in the oil services sector
- Increased focus on energy security



- Lower activity recent years due to increased cost and taxation
- Customers prefer full-service suppliers
- Expect increased activity in connection with land-based facilities



- Increased newbuild activity due to weakened NOK
- Demand for dry-docking, maintenance, and refurbishment services
- Regulatory ESG requirements and incentives for electrification



- Expect increased activity within the defence sector and Norwegian Navy
- Expected increase in other segments where NIS is not yet present, potentially leading to substantial projects, to be pursued through strategic M&A initiatives

Key figures 2015 – YTD Q2 2024

NIS Group – consolidated (pro forma)

NIS Group - Pro forma										
PROFIT & LOSS (NOKm)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
Operating revenue	99.6	143.7	145.4	186.7	288.7	268.4	313.6	385.3	619.7	450.1
Cost of goods sold	-28.0	-47.6	-39.9	-48.2	-80.3	-54.6	-77.6	-103.6	-238.6	-219.6
Payroll	-45.7	-64.0	-76.0	-100.4	-149.9	-156.5	-173.3	-208.0	-260.2	-145.3
Other operating expenses **	-18.0	-19.7	-17.7	-23.6	-37.8	-40.9	-48.5	-57.0	-79.2	-48.9
EBITDA	7.9	12.4	11.8	14.4	20.7	16.4	14.2	16.7	41.6	36.3
<i>EBITDA margin</i>	7.9 %	8.6 %	8.1 %	7.7 %	7.2 %	6.1 %	4.5 %	4.3 %	6.7 %	8.1 %
Non-recurring items*						-10.1	-10.9	-2.0	-9.3	
Adjusted EBITDA	7.9	12.4	11.8	14.4	20.7	26.5	25.1	18.7	50.9	36.3
<i>Adjusted EBITDA margin</i>	7.9 %	8.6 %	8.1 %	7.7 %	7.2 %	9.9 %	8.0 %	4.9 %	8.2 %	8.1 %
NIBD ***										25.0

* Non-recurring items (Covid, restructuring cost, insolvency of customer)

** Management fee NOKm 8 in 2023

*** BKS Eiegedom owned by EQVA ASA from Q1-23 - NIBD/Net interest Beraring Debt: Interest Bearing Debt - Cash (Cash-less restricted cash)

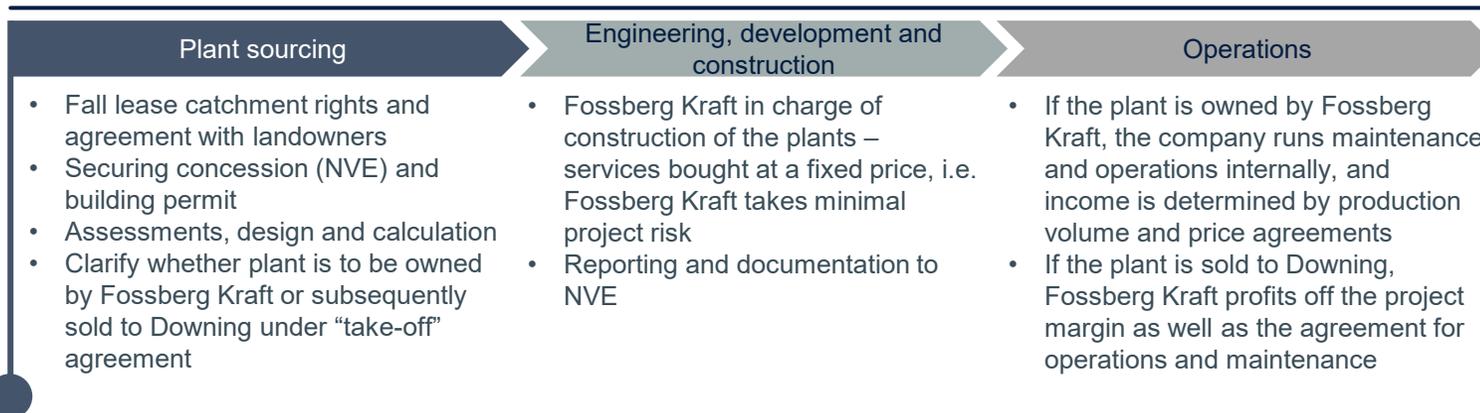
Fossberg Kraft in brief

Develops, owns and operates small and specialized hydropower plants

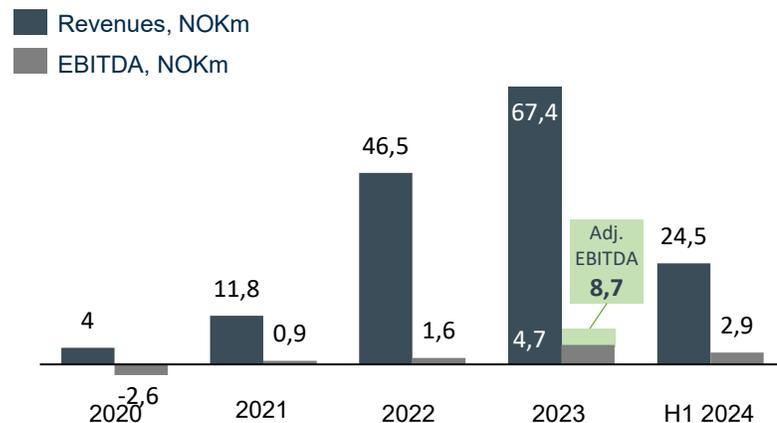
Company highlights

- Founded in 2018
- “Take-off” agreement with UK investment fund Downing for completed plants signed in 2021
- Successfully sold 7 plants to Downing from 2021 to 2023 with corresponding mgmt. and “take-off” agreement
- 80+ years of combined experience from project development and hydropower plants
- Currently exploring opportunities within solar, also in hybrid with hydro

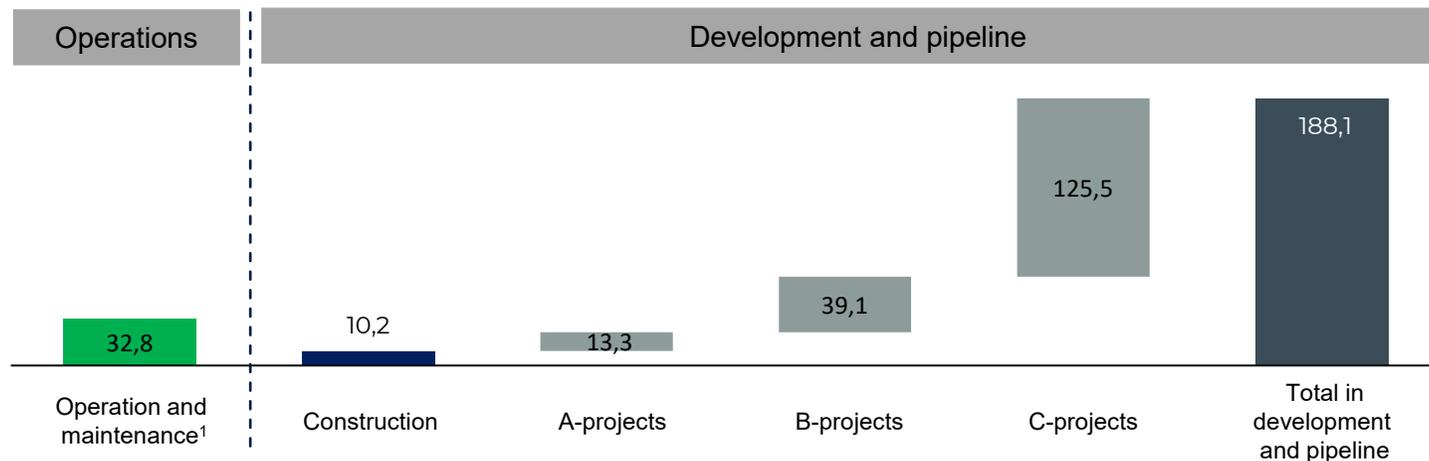
Value creation illustration



Financial performance (consolidated IFRS)



Portfolio, GWh/year



Additional information

Company presentations available on eqva.no

BKS
A part of NIS

[Click here to see
company presentation](#)

FOSSBERG KRAFT

[Click here to see
company presentation](#)

Experienced group management team

Executive management



Even Matre Ellingsen
CEO

Former Group CEO in Astrup Fearnley. Extensive experience from both regulated and non-regulated businesses. 15 years with Pareto and 10 years with Astrup Fearnley



Petter Sjørdahl
CFO

15+ years of experience from financial markets, M&A and business development in Astrup Fearnley and EY



Trygve Kjerpeseth
CEO NIS/BKS / Group
Head of Risk and
Projects

30+ years of experience from executive positions and senior project management in large oil and gas companies



Anders Nilsen
CEO Fossberg Kraft

15+ years of experience from construction industry, including project management and structural engineering in private and public sector



Sverre Olav Handeland
General Counsel

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



Daniel Hjertaker Molvik
Head of Strategy and
Business Development

Extensive background and experience from financial markets and roles within strategy and business development. EY, Astrup Fearnley and Aker Biomarine

Backed by strong board and industrial owners



The Board of Directors



Rune Skarveland
Chairman

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



Tore Thorkildsen
Board member

Founder and former CEO of BKS. Has held several board positions. 20+ years of experience in sales.



Trond Skarveland
Board member

15 years of industrial leadership experience. Has held several board positions in property development, industrial and hydropower companies.



Ellen Hanetho
Board member

20+ years of financial & strategic business development



Anne Bruun-Olsen
Board member

Senior Partner
Cushman & Wakefield
Realkapital



Kari Markhus
Board member

Employee representative



Tomasz Węsierski
Board member

Employee representative

Top shareholders as of 16 August 2024

Shareholders	Number of shares	Ownership
Havila Holding AS	10,000,000	13.89%
Nintor AS	8,469,323	11.77%
ILG AS	8,469,322	11.77%
Neve Eiendom AS	8,193,462	11.38%
ROS Holding AS	5,660,027	7.86%
Eikestø Eiendom AS	4,960,847	6.89%
Fureneset Eiendom AS	4,960,847	6.89%
Eikestø AS	2,999,511	4.17%
Fureneset Invest AS	2,999,511	4.17%
Emini Invest AS	1,290,000	1.79%
HSR Invest AS	1,290,000	1.79%
Innidimman AS	1,290,000	1.79%
MP Pensjon PK	1,167,768	1.62%
Other shareholders	10,236,698	14.22%
Total shares	71,987,316	

EQVA is exposed to a variety of industrial sectors



Secures a diversified and recurring revenue stream from industries along the western coast of Norway

Share of revenues to various offshore and maritime markets*



9%

Maritime

- Deliveries to yards and tanks for different vessels
- Wide range of services delivered



11%

Offshore

- Deliveries to offshore and related supply industries
- Wide range of services delivered



5%

Aquaculture

- Services and maintenance to aquaculture farms
- Development of landbased plants

Share of revenues to various landbased and industrial markets*



6%

Renewable energy

- Build and operate hydro power plants
- Update existing hydro power plants



57%

Smelters

- Full-service technical installations, service and maintenance to smelters and power-intensive industries



10%

Landbased

- Full-service installations of production lines, service and maintenance to process- and other landbased industries
- Water treatment, filtration, scrubber systems

*Note: Based on first half 2024 revenues – other sectors 2%

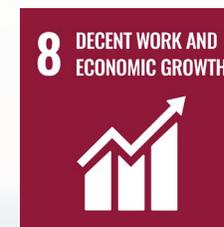
Sustainability is key to our continued growth

Key ESG highlights

- ESG is integrated in corporate governance structures and our companies' strategies
- We work proactively with our stakeholders in the transition process
- EQVA aims to be a frontrunner on ESG, and a strategic priority is to increase the quality of its sustainability reporting initiatives in 2024

ESG update

- ESG report 2023 was published on EQVA's web pages in Q1 2024
- One primary objective for 2024 is to undertake preparations to ensure compliance with CSRD standards for reporting



M&A criteria – increase Scale and Scope

Consolidation of industrial services companies that contribute to green transition in maritime, power intensive and renewable industries

Expand footprint in selected markets

Value accretive to shareholders

Cultural fit

Synergy potential