

Second quarter 2022

– result presentation

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24 August 2022 | Bergen, Norway



AGENDA

- Q2 highlights and key figures
- Our updated strategy and growth ambitions
- Business areas and market drivers
- Financials
- Key takeaways



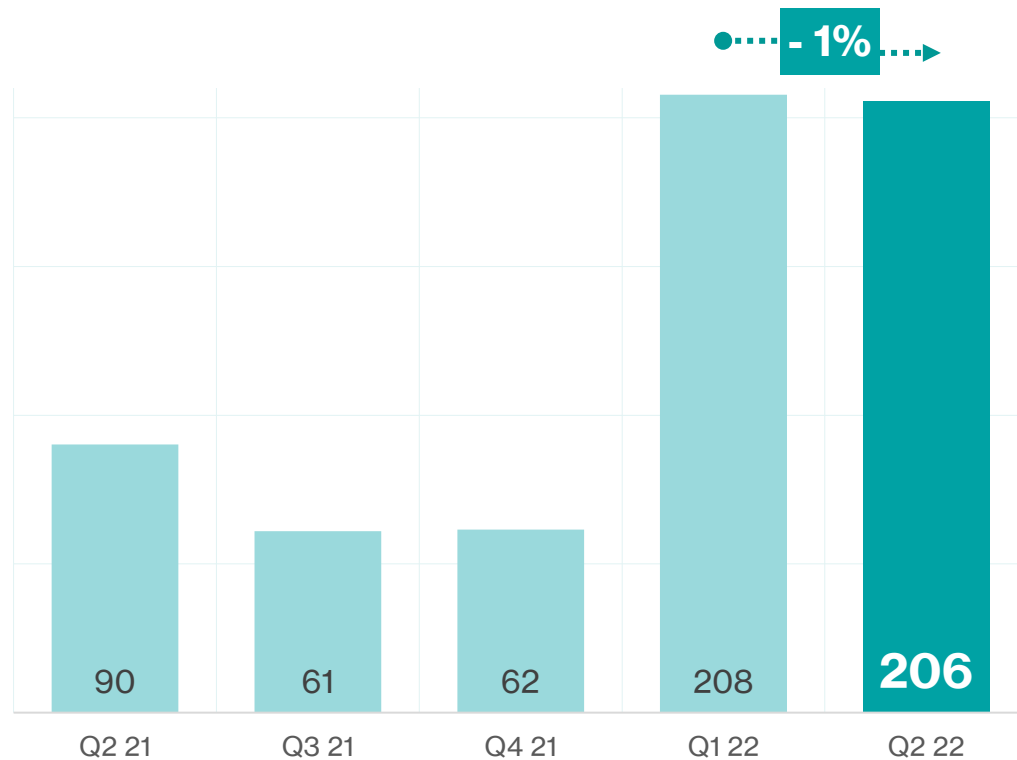
Q2 highlights

- Scana wins pivotal contracts and enters new markets with an expanded product portfolio
- The order book strengthened to new record highs
- Improved EBITDA margins
- The green transition and the high energy prices increasingly drive our growth
- Well-positioned towards two major trends:
 - *electrification*
 - *emission reducing solutions*

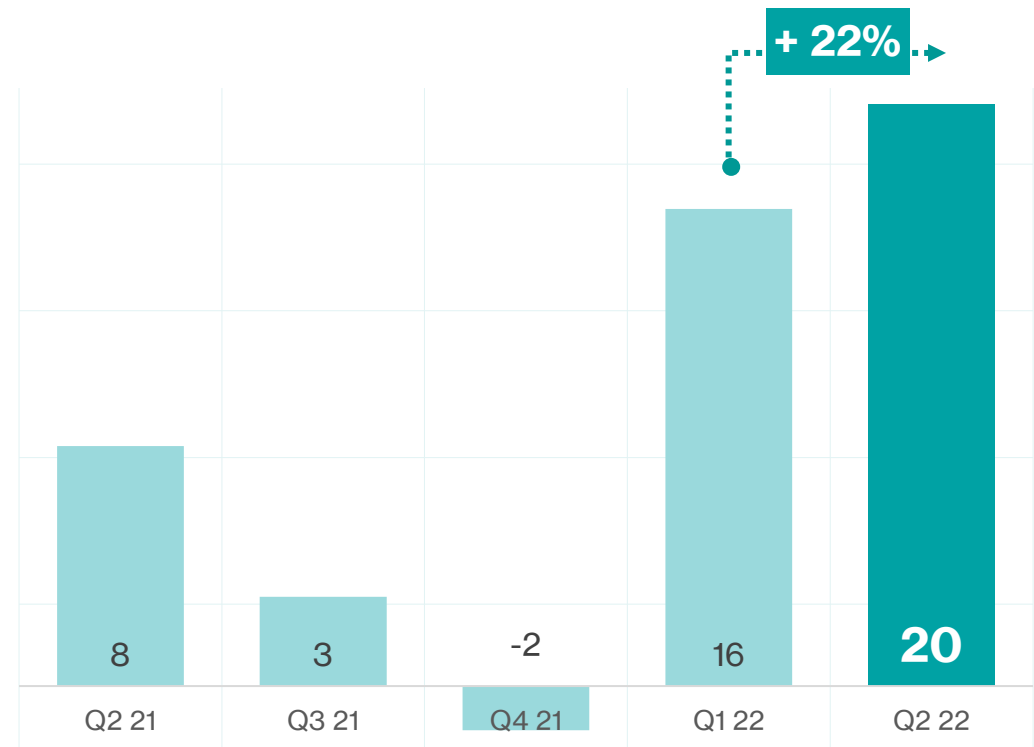


Increased profitability while market uncertainty paused top line growth

Revenues: -1% to NOK 206 mill



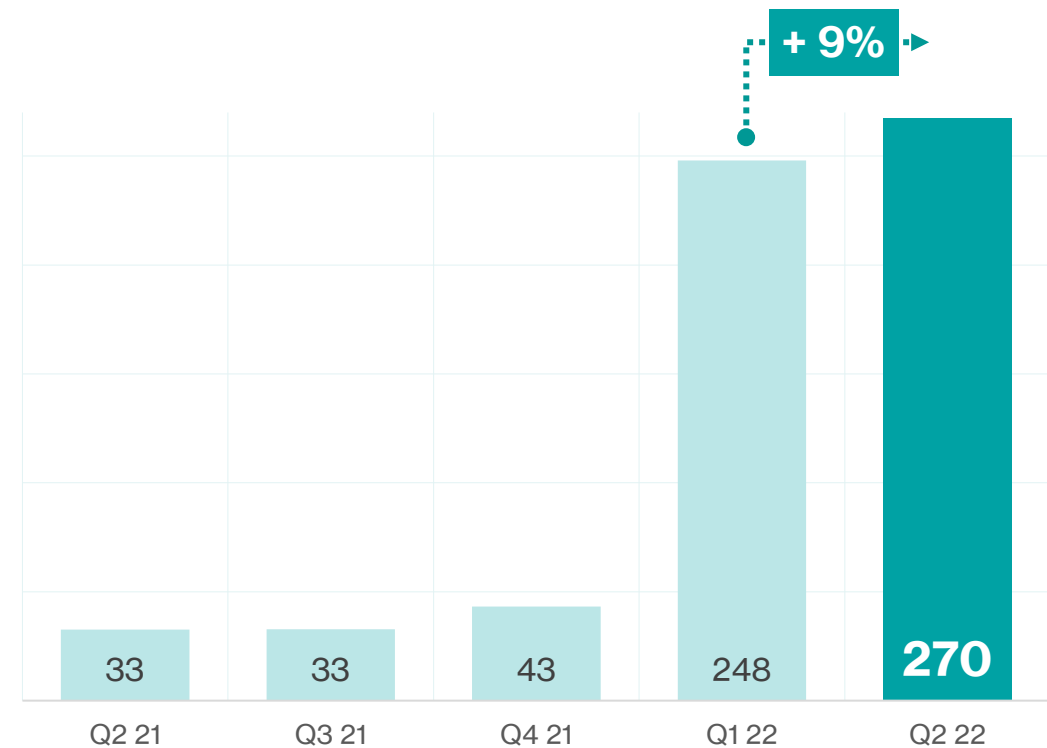
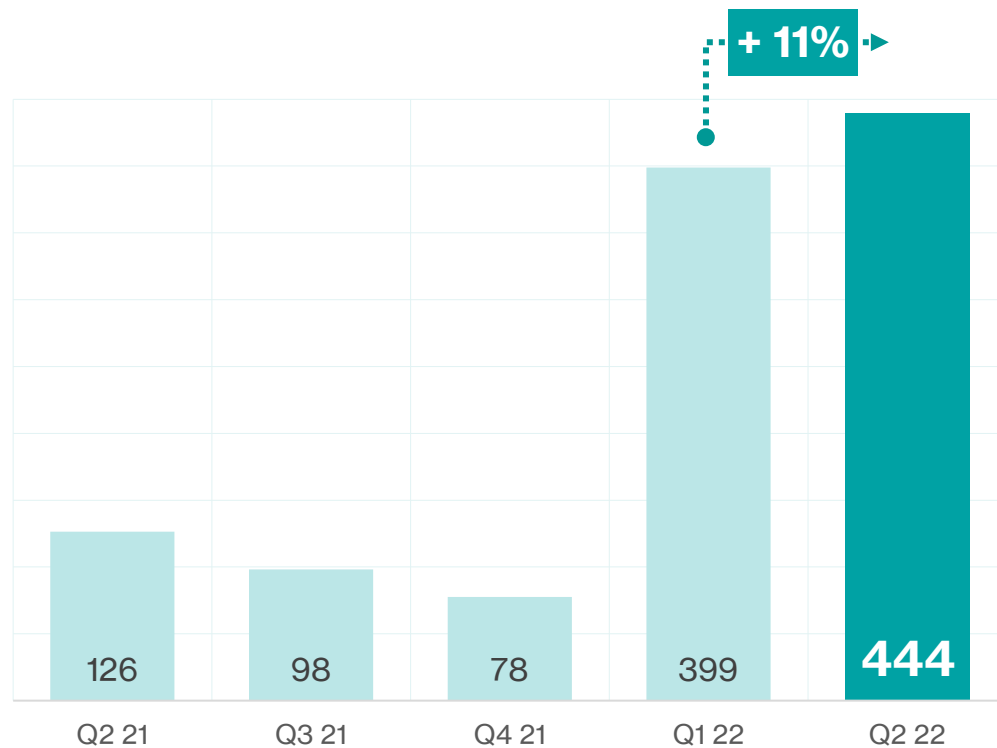
EBITDA: +22% to NOK 20 mill



Continued building backlog reaching a new record

Order backlog: +11% to NOK 444 mill

Order intake: +9% to NOK 270 mill





Our updated strategy and growth ambitions



OUR STRATEGY:

AN ACTIVE OWNER IN THE OCEAN INDUSTRIES



Positioned for the
low-emission society



Long industrial history
and competence



Strong profitable
growth

Major waves of change driving the market

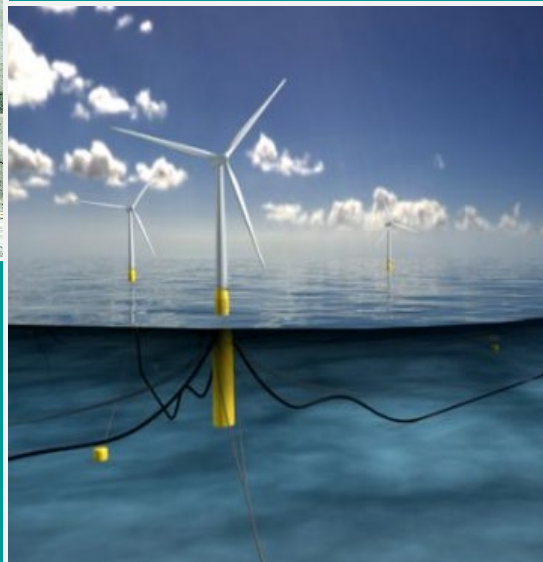


**offshore
energy**



**offshore
maintenance
lag**

electrification

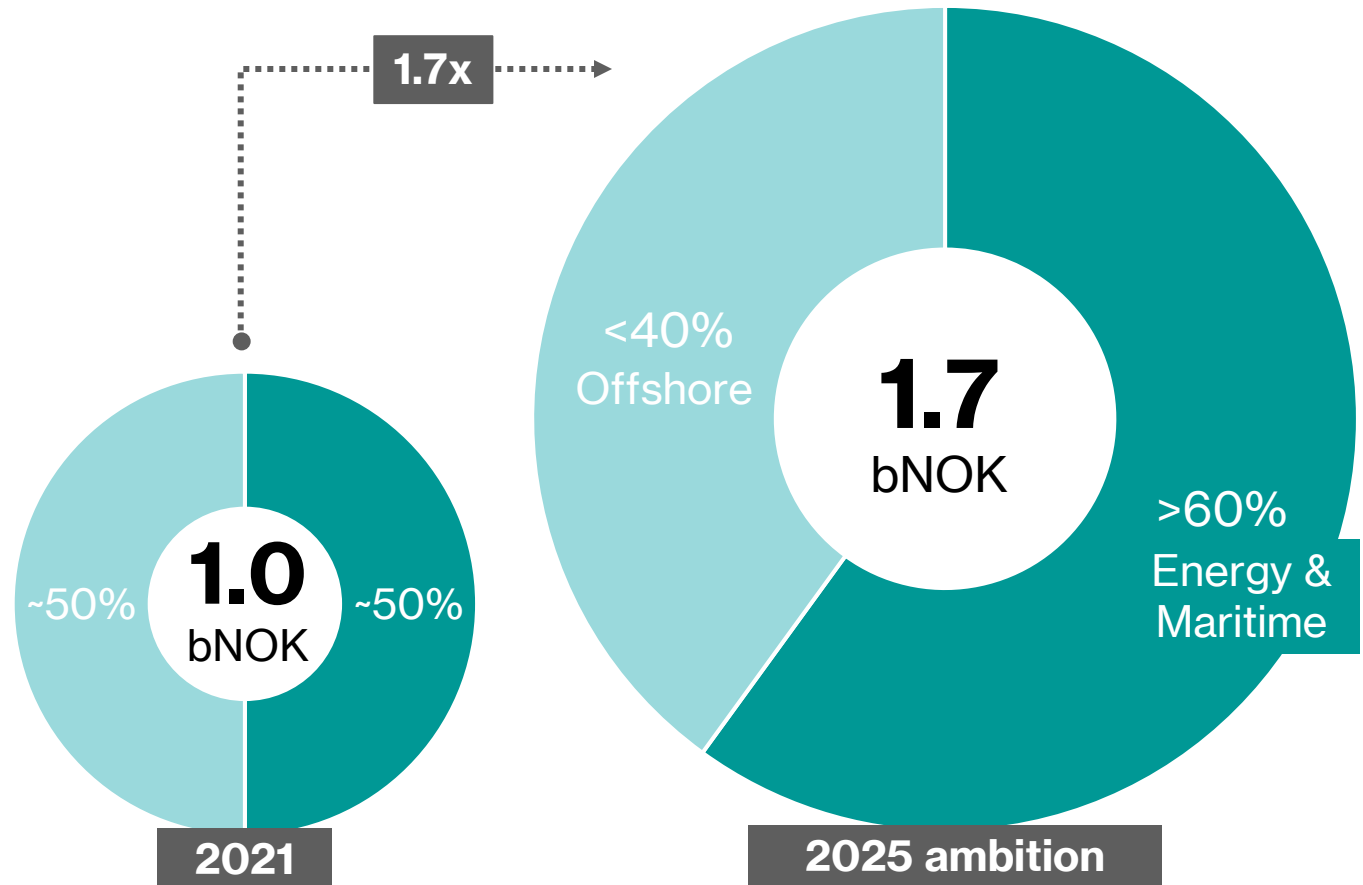


**sustainable
solutions**



Ambition of yearly growth ~15% towards 2025 with transition towards Energy & Maritime

- Ambition of **double digits annual organic growth** towards 2025
- Strong position in **Energy** expected to drive transition in revenue mix going forward
- **2025 ambition of double digits EBITDA margin**



M&A: What we are looking for?



Companies with a clear **foothold in the ocean industries**



Value proposition **promoting sustainability**



Profitable companies with a capital-light business model



Potential for **synergies with Scana companies** or with a strong **"drive"** for own development



Holds an already established and strong **market position in their niche**

Our business areas and portfolio companies



OFFSHORE



~50%*



SOLUTIONS

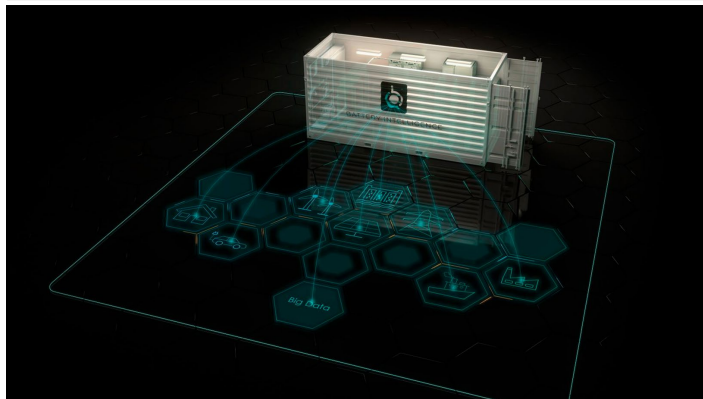
Subseatec[★]



TECHNOLOGY



ENERGY



~30%*



POWER & AUTOMATION

ATC[®]



MARITIME



~20%*

Skarpenord[★]

Seasystems[★]



Business areas and market drivers



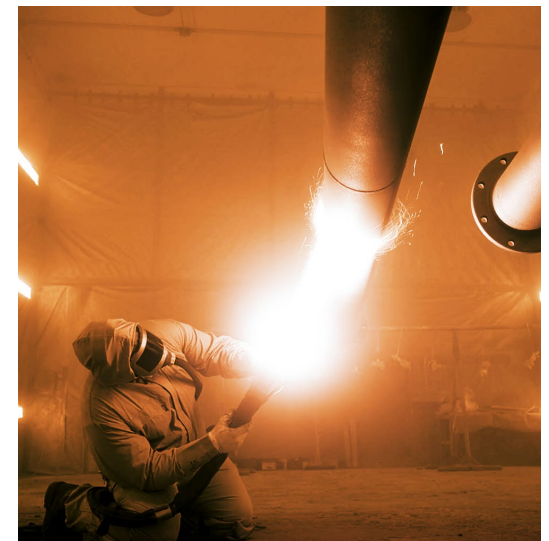
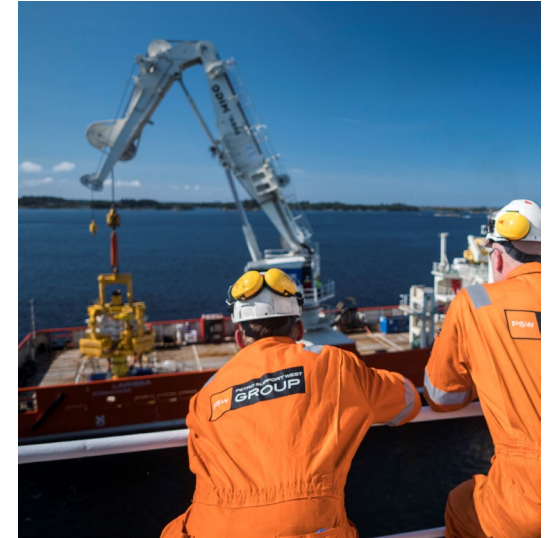
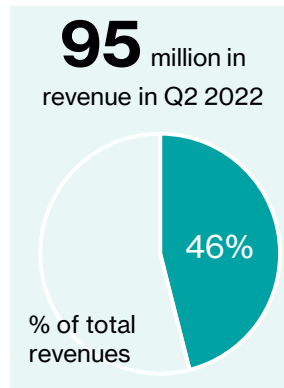


OFFSHORE

Products, services and life-time extensions to critical equipment for offshore industries.

- Key signing for marine risers to a rig company
- Strong backlog within surface treatment
- Well positioned for growth with free capacity in state-of-the-art facilities
- High tender activity

NOK million	Q2 22	Q1 22	YTD 22
Revenue	94.7	84.4	179.0
EBITDA	16.0	13.7	29.8
EBITDA margin	17.0%	16.3%	16.6%
EBIT	-6.4	-1.1	-15.5
Order backlog	123.6	113.7	123.6
Order intake	107.4	90.2	197.6



Offshore: Well-positioned for strong offshore project pipeline through unique infrastructure and carbon reducing solutions

Key growth drivers

Rising demand for service and products with low carbon footprint

Growing maintenance lag

Robust long-term oil demand

Coming plugging boom

Maintenance & modification spending on NCS **climbing back to levels not seen since 2014**



North sea rigs with planned SPS

(Special Periodic Survey)

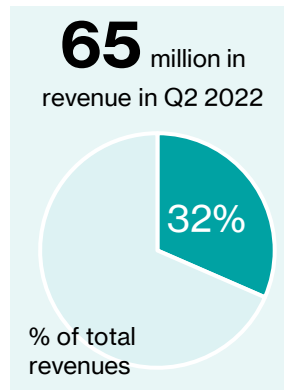


 ENERGY

From shoreline to seabed, we power the ocean industry with sustainable energy solutions.

- European expansion with broadened product portfolio
 - New shore power system to Iceland and a fast-charging system for ferries to Sweden
 - Product portfolio expanded with mobile battery systems for industrial use
- High energy prices and decarbonisation are driving increased demand for our product range
- Revenues expected to rise in Q3, as project deliveries were postponed from Q2

NOK million	Q2 22	Q1 22	YTD 22
Revenue	64.8	85.1	149.9
EBITDA	7.7	6.0	13.8
EBITDA margin	11.9%	7.1%	9.2%
EBIT	2.9	1.3	4.2
Order backlog	179.6	187.3	179.6
Order intake	66.9	75.7	142.7



Energy: Complete solutions for electrification in fast-growing markets with powerful underlying drivers

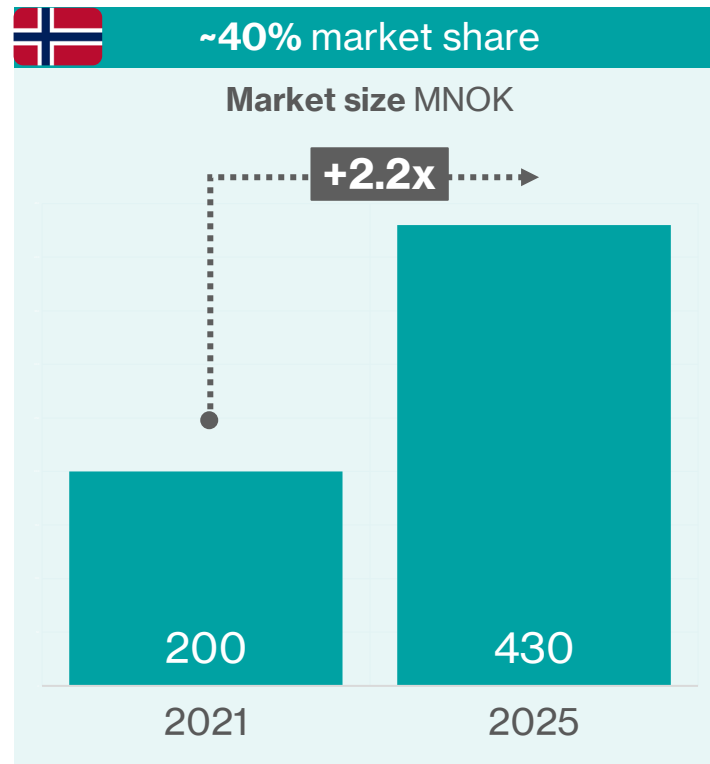
Key growth drivers

Strong regulations & stakeholder push

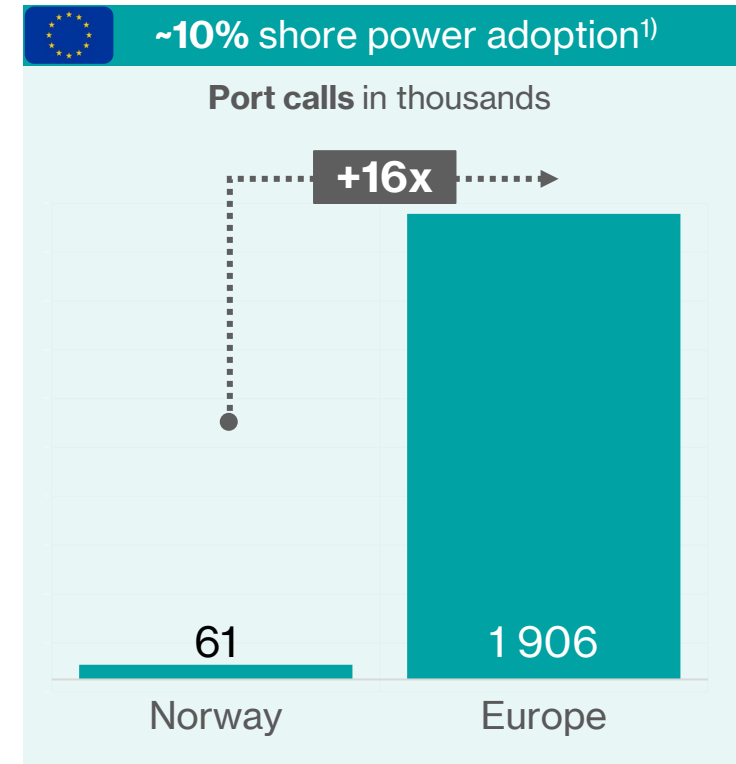
Increasing government subsidies

Economic incentives from fuel savings and reduced carbon tax

Leading position in growing Norwegian market



Large opportunity in untapped European market



1) Among ports within the EU TEN-T network
Source: Eurostat, EAFO, Norwegian coastal administration, ENOVA, DNV

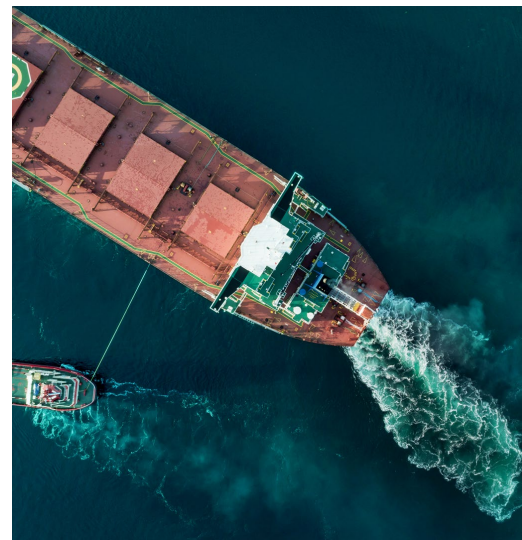
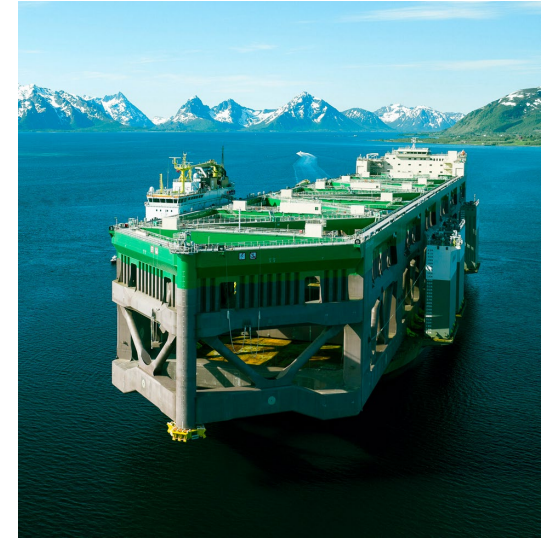
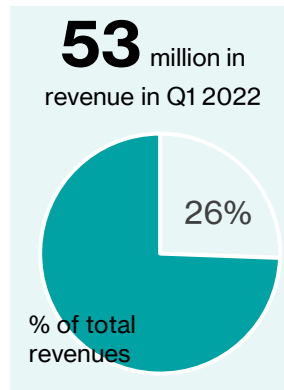


MARITIME

Valve control systems and mooring solutions to vessels, rigs, and floating structures.

- Strong order intake with the Brazilian mooring deal being the most significant contract win
- Valve control business negatively impacted by one larger project and challenges in the supply chain
- High energy prices drives demand, while steel prices and component shortage may impact margins and cause delays

NOK million	Q2 22	Q1 22	YTD 22
Revenue	52.6	38.9	91.5
EBITDA	6.1	3.4	9.5
EBITDA margin	11.6%	8.8%	10.4%
EBIT	-0.8	1.8	0.6
Order backlog	140.7	97.9	140.7
Order intake	95.2	82.1	177.4



Maritime: Niche leader with strong track record in growing market segments

- A leading provider of innovative mooring solutions and valve remote control systems for vessels, rigs and floating structures
- Since 2015 diversifying into offshore aquaculture and wind with milestone contracts, in addition to historical maritime services
- The energy crisis accelerates offshore wind projects, where we are well positioned
- Continued growth in LNG (FSRU) as a catalyst for long-term energy transition

Solid pipeline for Scana target vessel segments¹⁾



Growth in global offshore wind capacity



¹⁾ LNG, LPG, FSRU, FPSO
Source: 4C, GWEC, Clarksons, Rystad

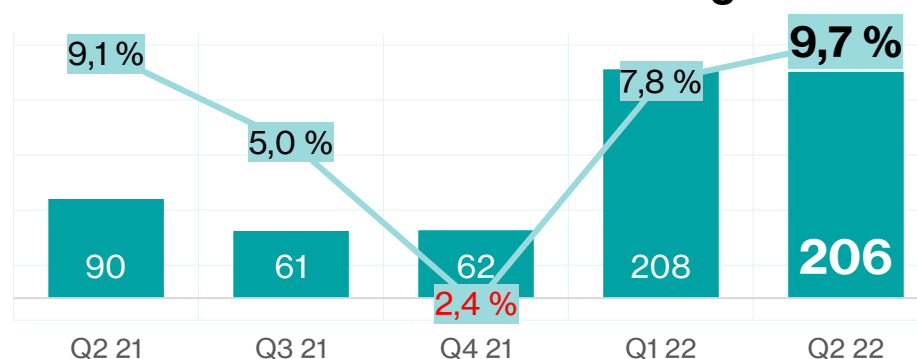
Financials



Improved EBITDA margins

- Newly acquired companies drove up revenues and profitability
- Increased profitability in Offshore contributed to the EBITDA rise
- Growth in profitability will outpace the top line, due to free capacity
 - Current activity level in Energy and Offshore is not sufficient for positive EBIT

Revenues and EBITDA margins



NOK million	Q2 22	Q1 22	YTD 22
Revenue	205.5	207.8	413.3
Cost of goods sold	-185.7	-191.5	-377.1
EBITDA	19.8	16.3	36.1
Depr. / Amortization	-22.2	-21.2	-43.4
EBIT	-2.3	-4.9	-7.3
Net finance	-12.7	-8.1	-20.8
EBT	-15.0	-13.1	-28.1

Q2 2022 vs Q1 2022

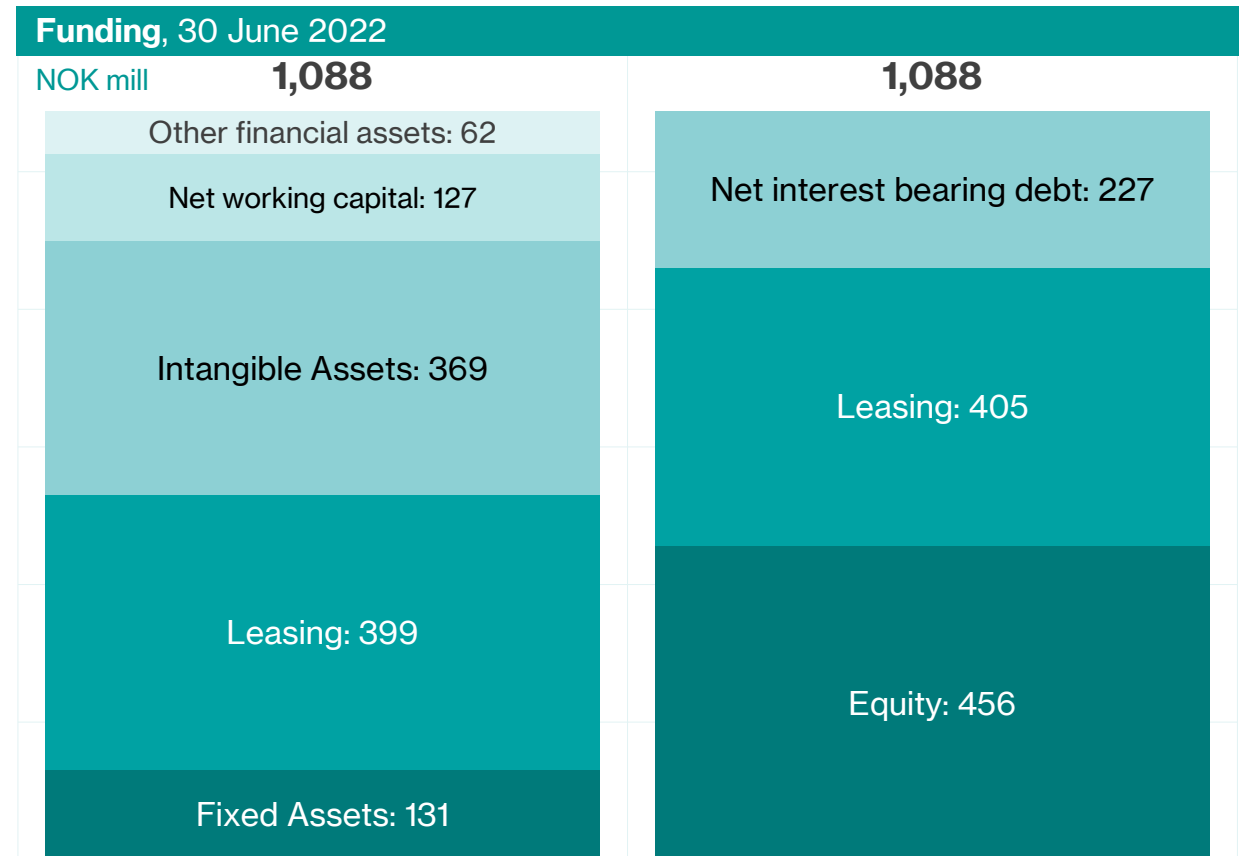
Revenues
-1%
 to NOK **206** mill.

EBITDA margin
9.7%

EBITDA
+22%
 to NOK **20** mill.

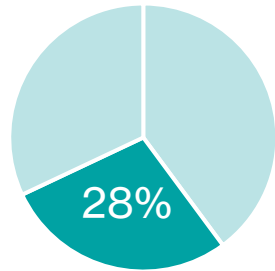
Liquidity reserve of NOK 104 million

- Liquidity reserve at end of June of NOK 104 million
- Long term leases of strategic premises at Mongstad and Ågotnes increased balance NOK 399 million
- NOK 158 million in bank term of loans with 5-year maturity
- Equity has increased to NOK 456 million following the share issue in January
- Cash flow from operation was negative NOK 26 million due to working capital build up



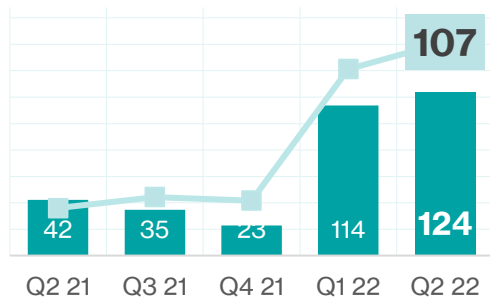
Order intake gaining momentum

Offshore order backlog
% total



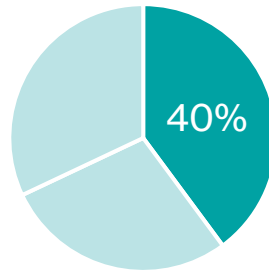
Offshore NOK mill

Order backlog Order intake



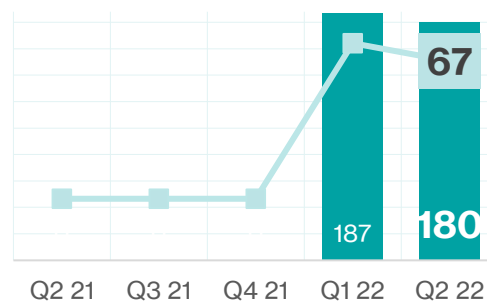
Book-to-bill: 1.1x

Energy order backlog
% total



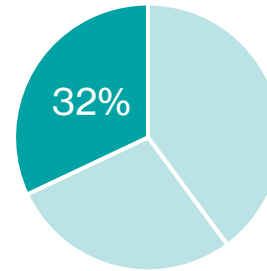
Energy NOK mill

Order backlog Order intake



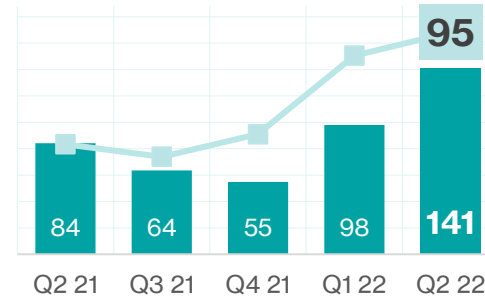
Book-to-bill: 1.0x

Maritime order backlog
% total



Maritime NOK mill

Order backlog Order intake

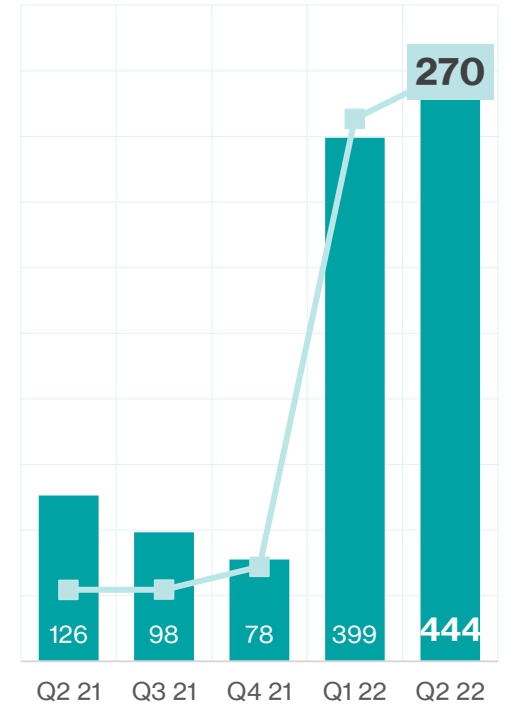


Book-to-bill: 1.8x

Q2 2022
total order backlog

+11% to
NOK **444** mill.

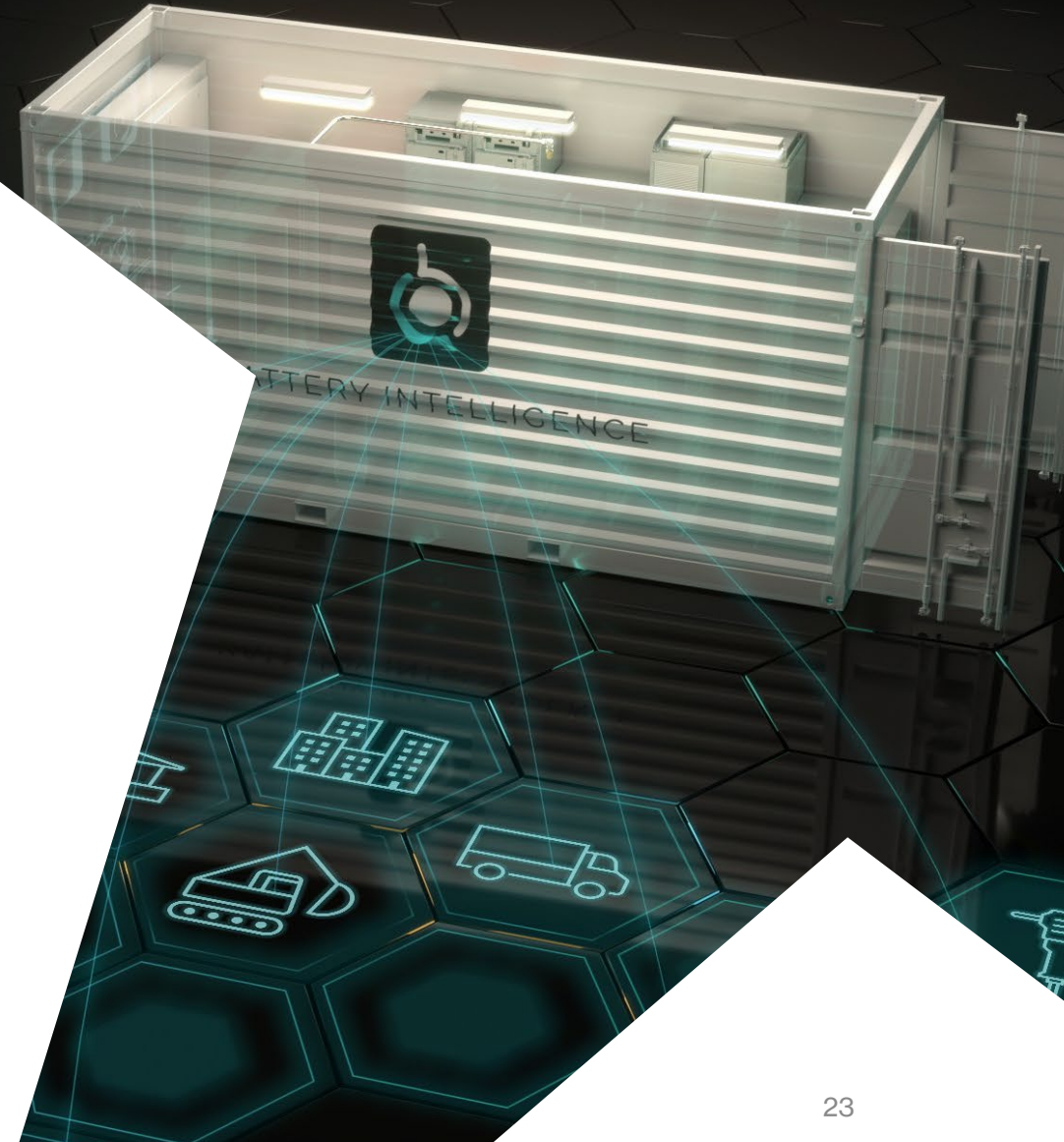
Order Backlog Order Intake



Book-to-bill: 1.3x

Key takeaways

- Increased EBITDA margin and order backlog despite market uncertainties
- With free capacity, growth in profitability will outpace the top line
- Targets average annual growth of ~15% towards 2025
 - Positioned as a major player for decarbonisation and the green shift in the ocean industries
 - Strong underlying markets
 - Two main trends: electrification and emission reduction solutions



If you have any questions, please send them to ir@scana.no

Thank you