



Powering the ocean industries

First quarter 2022

– result presentation

CEO Styrk Bekkenes
CFO Torvald Ulland Reiestad

13 May 2022 | Bergen, Norway



AGENDA

- Q1 highlights and key figures
- Updated strategy, including 2025 growth ambitions
- Business areas and market drivers
- Financials
- Key takeaways



Scana transitioned to fast growth in ocean industries

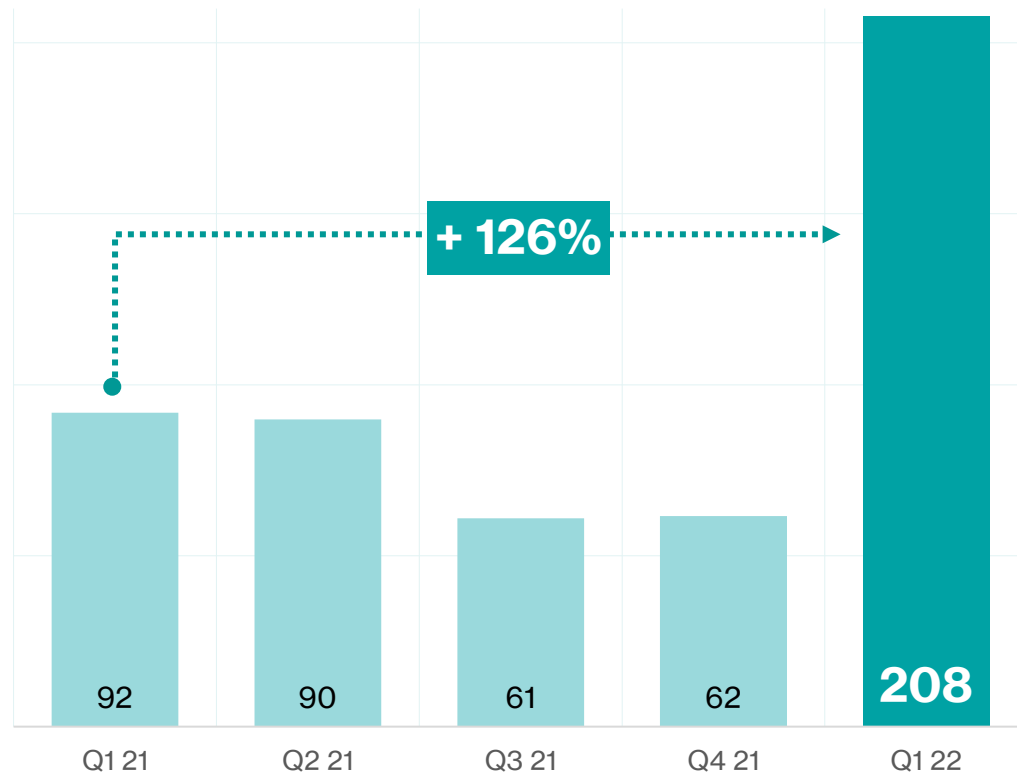
Ambition to reach NOK 1.7 billion in revenues in 2025

- A new driving force for the green shift in the ocean industries
- Well-positioned towards two major trends:
 - *electrification*
 - *emission reducing solutions*

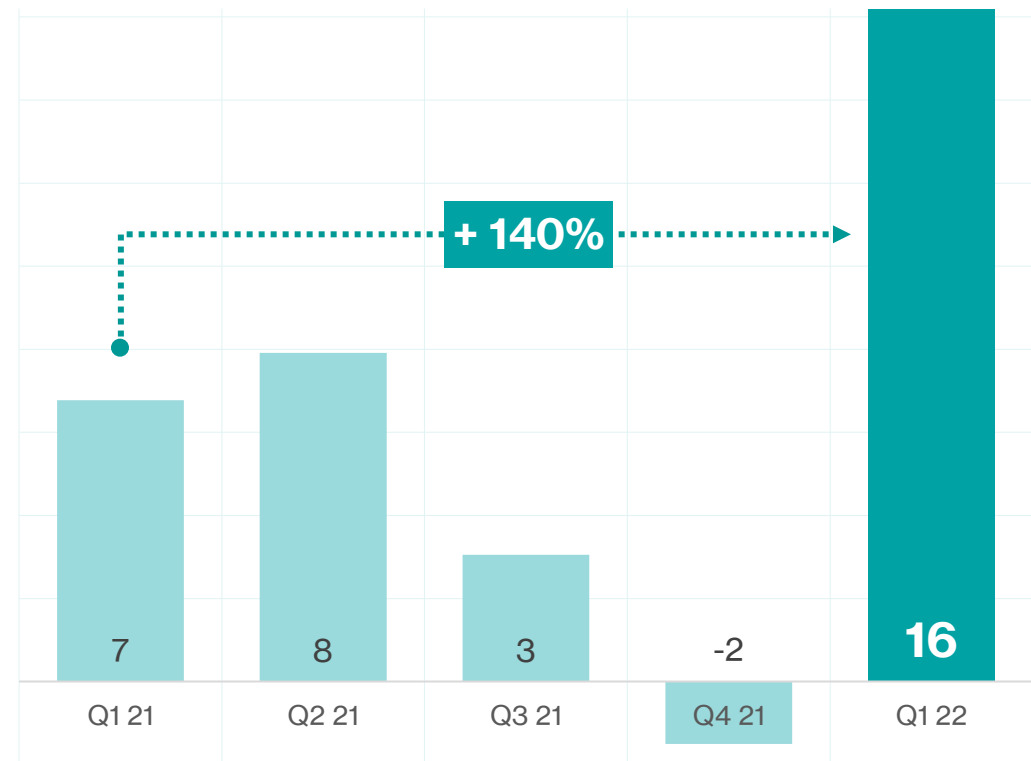


Revenues and EBITDA more than doubled

Revenues up 126% to NOK 208 mill

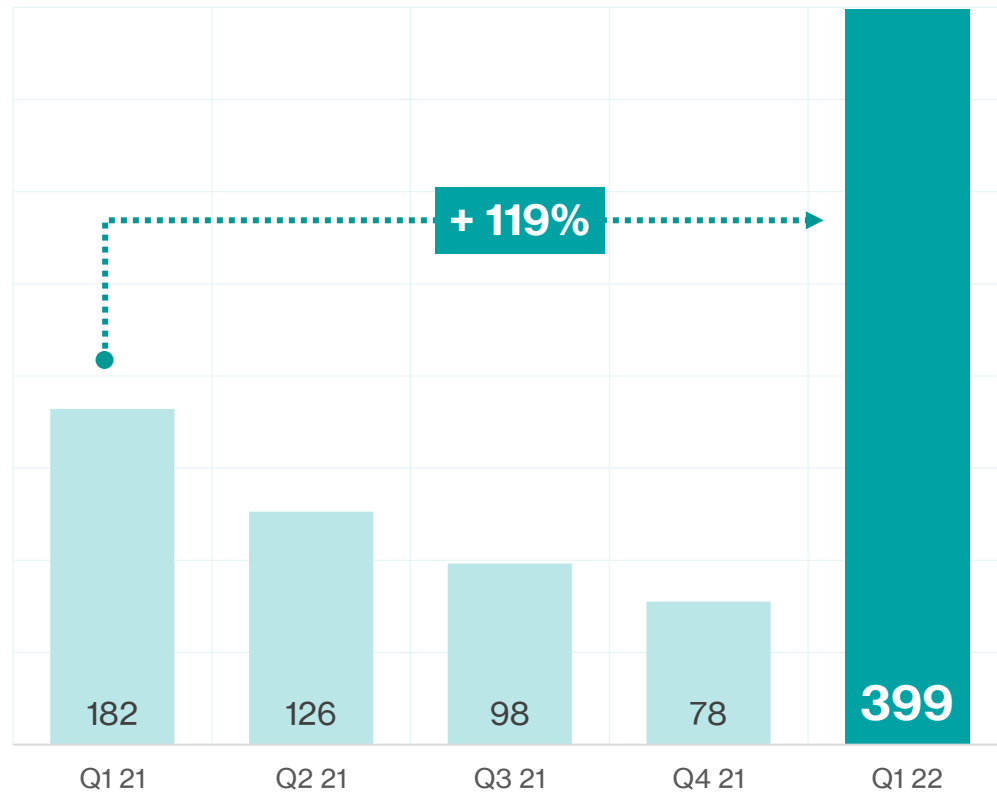


EBITDA up 140% to NOK 16 mill

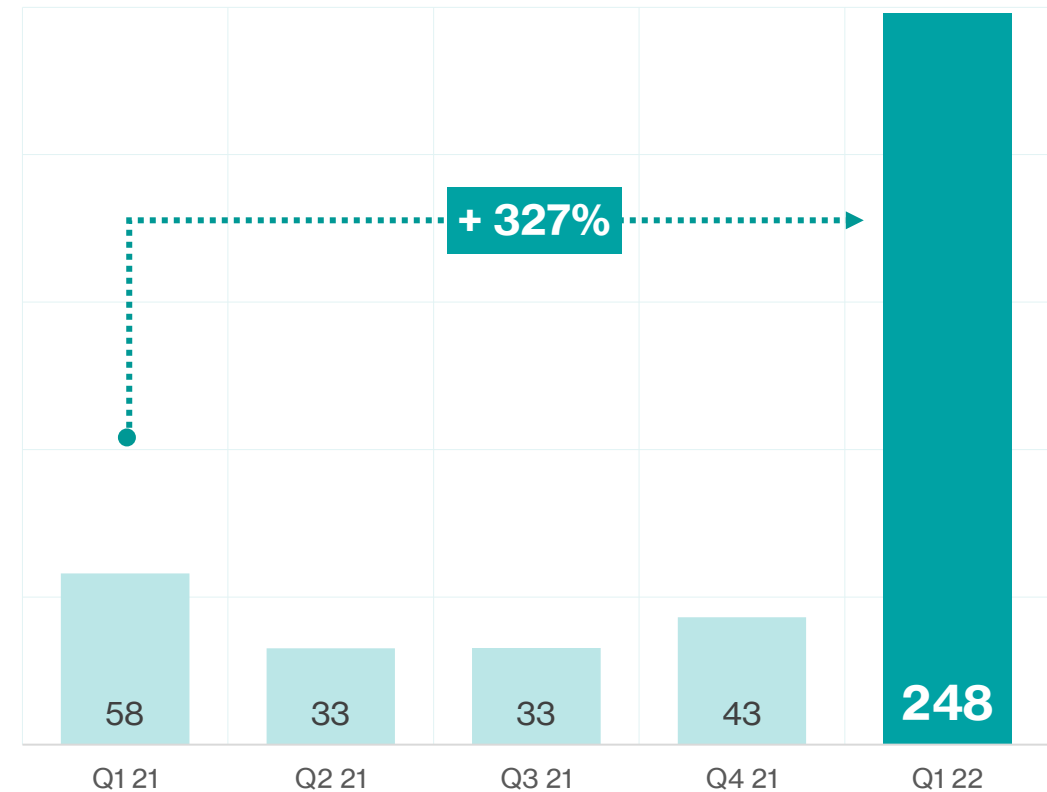


Record high order backlog and intake

Order backlog: +119% to NOK 399 mill



Order intake: +327% to NOK 248 mill



OUR STRATEGY:

AN ACTIVE OWNER IN THE OCEAN INDUSTRIES



Positioned for the
low-emission society



Long industrial history
and competence



Strong profitable
growth

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**

Major waves of change driving the market

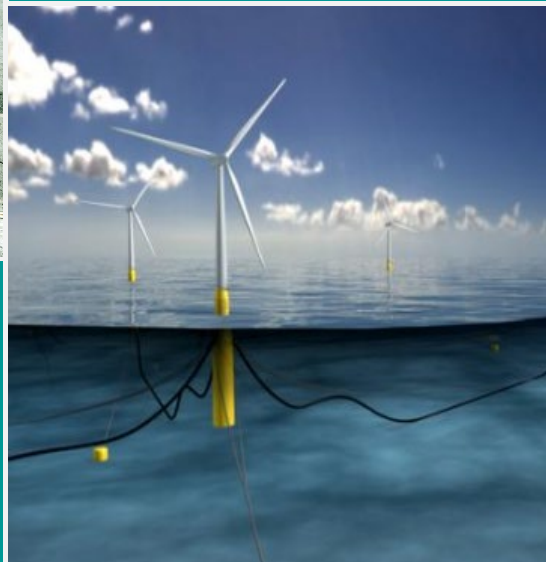


**offshore
energy**



**offshore
maintenance
lag**

electrification

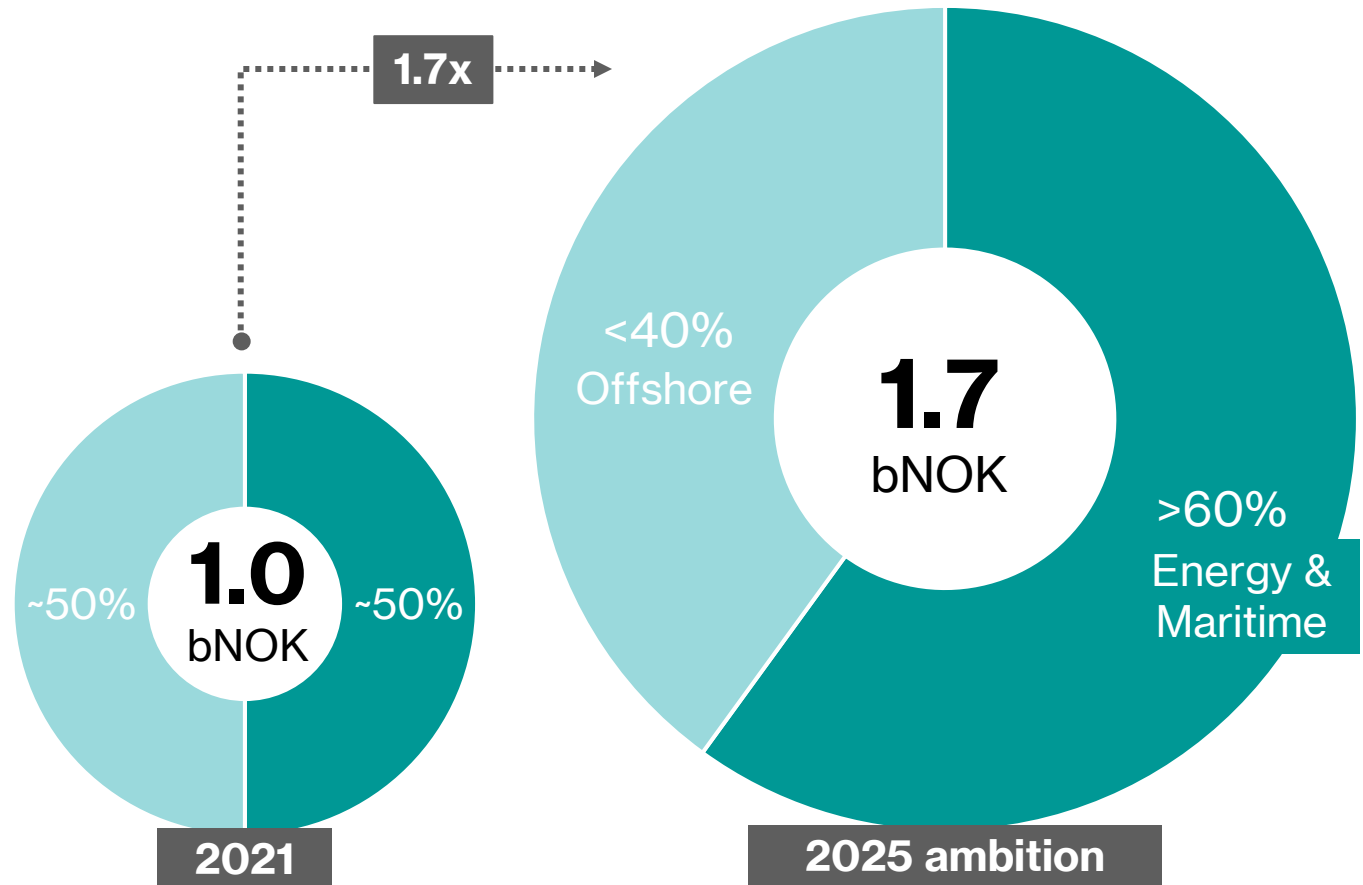


**sustainable
solutions**



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

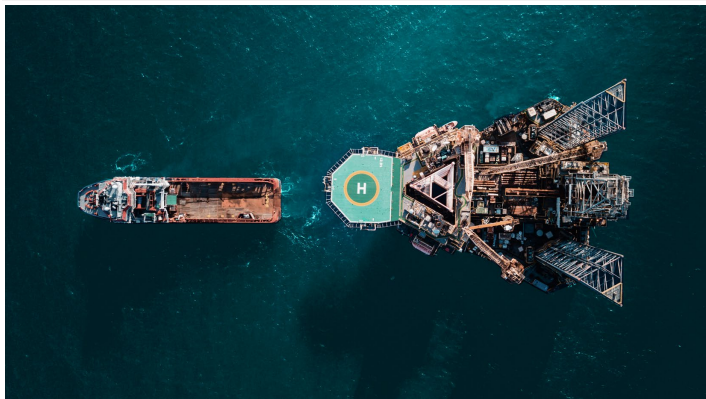
- Ambition of **double digits annual organic growth** towards 2025
- Strong position in **Energy** expected to drive transition in revenue mix going forward
- **2025 ambition of double digits EBITDA margin**



Our business areas and portfolio companies



OFFSHORE



~50%*



SOLUTIONS

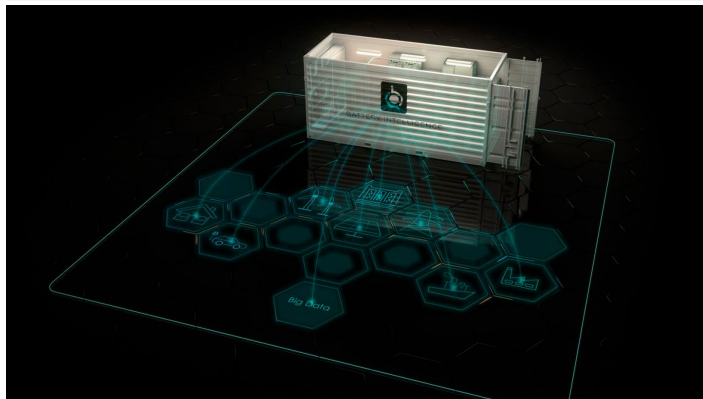
Subseatec[★]



TECHNOLOGY



ENERGY



~30%*



POWER & AUTOMATION

ATC[®]



MARITIME



~20%*

Skarpenord[★]

Seasystems[★]

Business areas and market drivers



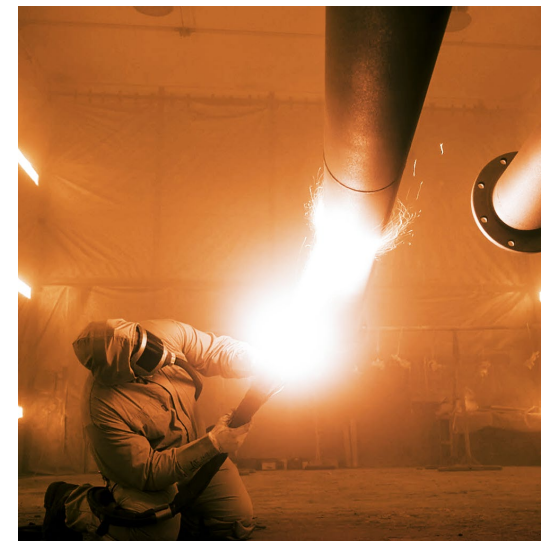
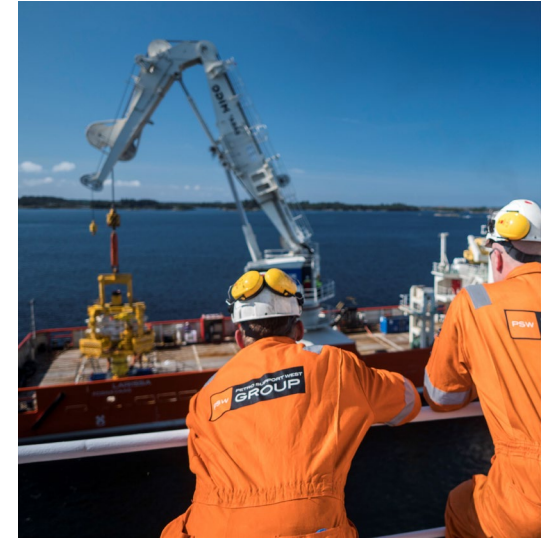
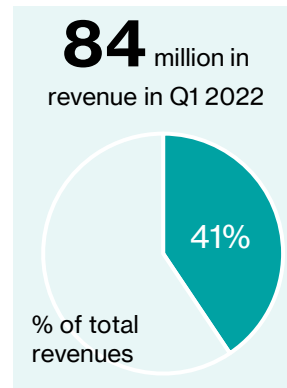


OFFSHORE

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

- Revenues more than doubled from last year
- Positioned for growth through state-of-the-art facilities
- With continuous high energy prices and seasonal uptick in activity, we expect to mark a shift in revenue and margins later this year

NOK million	Q1 22	Q1 21
Revenue	84.4	30.2
EBITDA	13.7	4.9
EBITDA margin	16.3%	16.1%
EBIT	-9.1	1.2
Order backlog	113.7	54.2
Order intake	90.2	20.6



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)

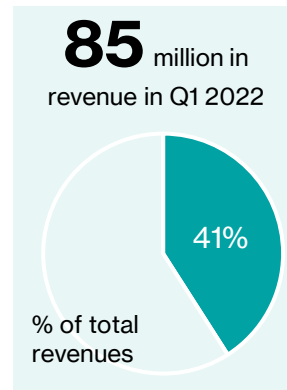


 ENERGY

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

- Highlights the strong momentum within the electricity megatrend
- Strong order backlog and strategic wins in the quarter
 - Announced shore power for harbours contracts: Havnekraft and arctic cruise vessels visiting Iceland

NOK million	Q1 22
Revenue	85.1
EBITDA	6.0
EBITDA margin	7.1%
EBIT	1.3
Order backlog	187.3
Order intake	75.7



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

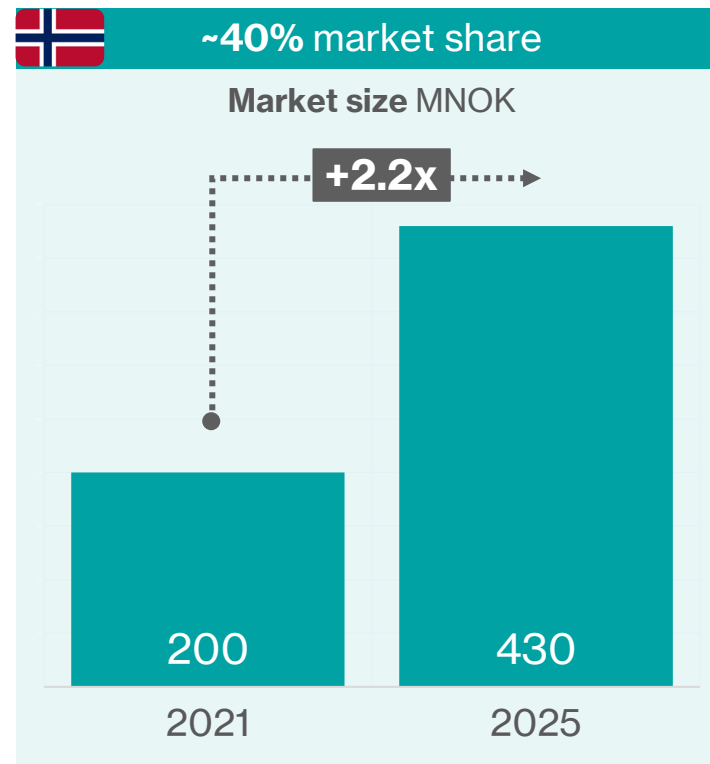
Key growth drivers

Strong regulations & stakeholder push

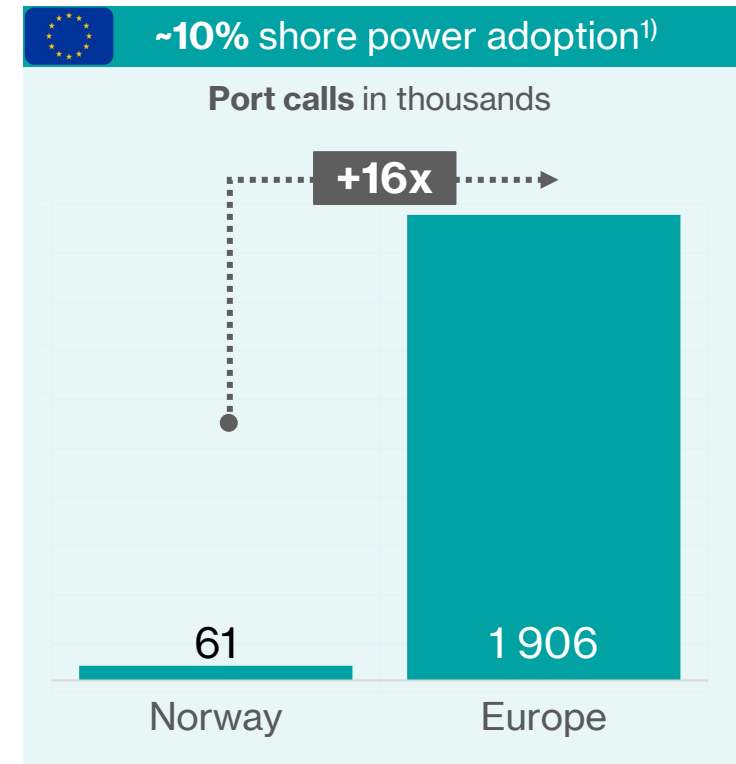
Increasing government subsidies

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

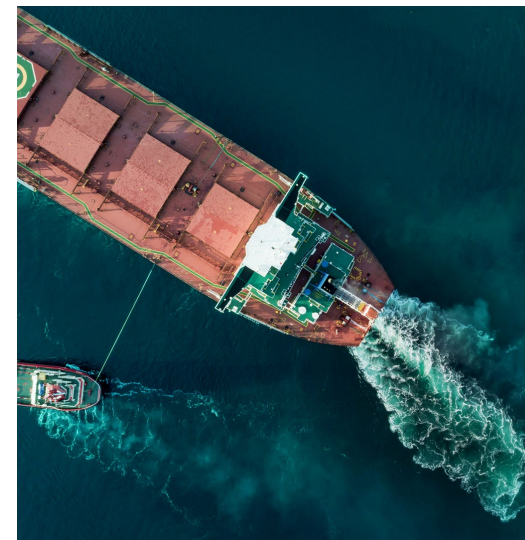
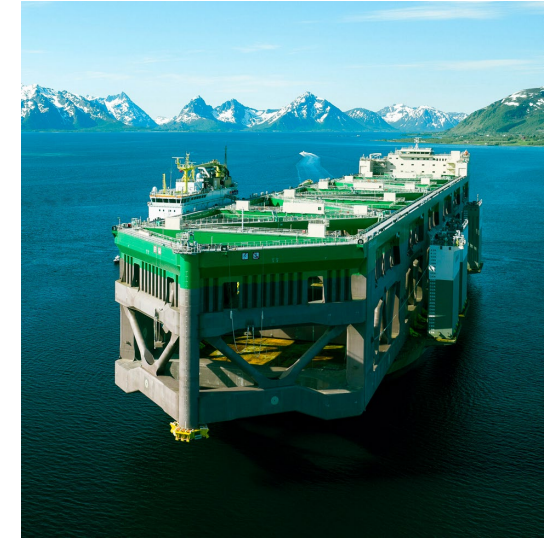
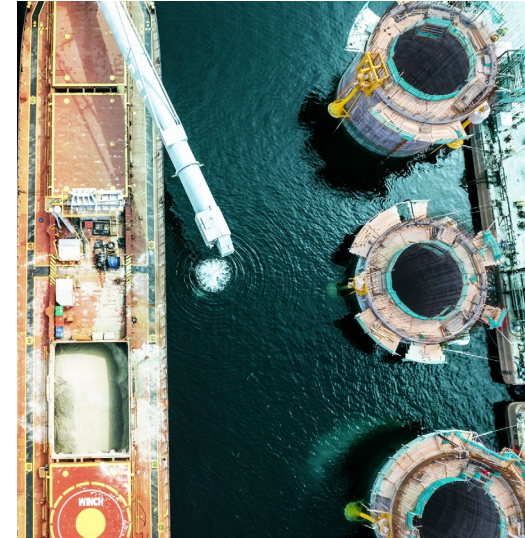


MARITIME

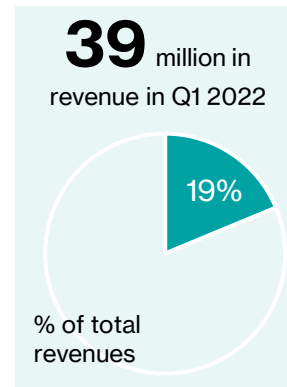
Valve control systems and mooring solutions to vessels, rigs, and floating structures.

- Strong order intake in Q1 2022
 - Wärtsilä Gas Solutions,
 - Nordlaks, Sea farming
 - FPSO mooring in Brazil

- The results reflect that many major projects were delivered last year



NOK million	Q1 22	Q1 21
Revenue	38.9	61.7
EBITDA	3.4	5.2
EBITDA margin	8.8%	8.4%
EBIT	1.4	3.1
Order backlog	97.9	127.9
Order intake	82.1	37.5



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



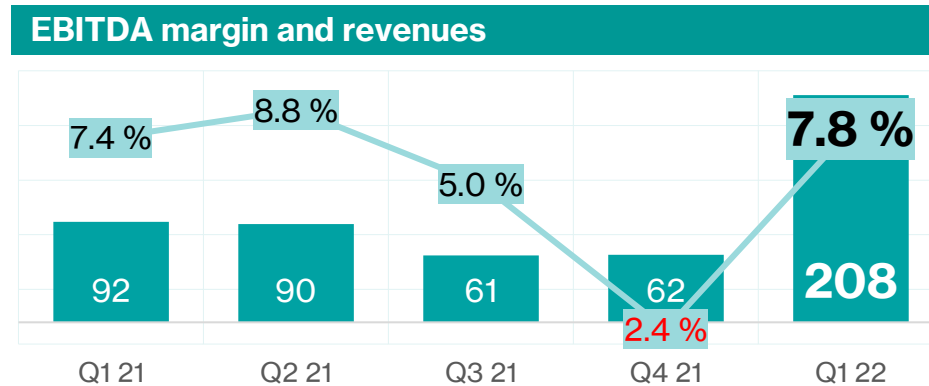
1) LNG, LPG, FSRU, FPSO
Source: 4C, GWEC, Clarksons, Rystad

Financials



Tailwind from market trends and new companies

- Increase in revenues driven by strong momentum within electrification and newly acquired companies
- Offshore and Energy contributed to the EBITDA rise
- Underlying margins impacted by the war in Ukraine



NOK million	Q1 22	Q1 21
Revenue	207.8	91.9
Cost of goods sold	191.5	85.1
EBITDA	16.3	6.8
Depr. / Amortization	21.2	1.8
EBIT	-4.9	5.0
Net finance	-8.1	-2.0
EBT	-13.1	3.0

Q2 2022 vs Q2 2021

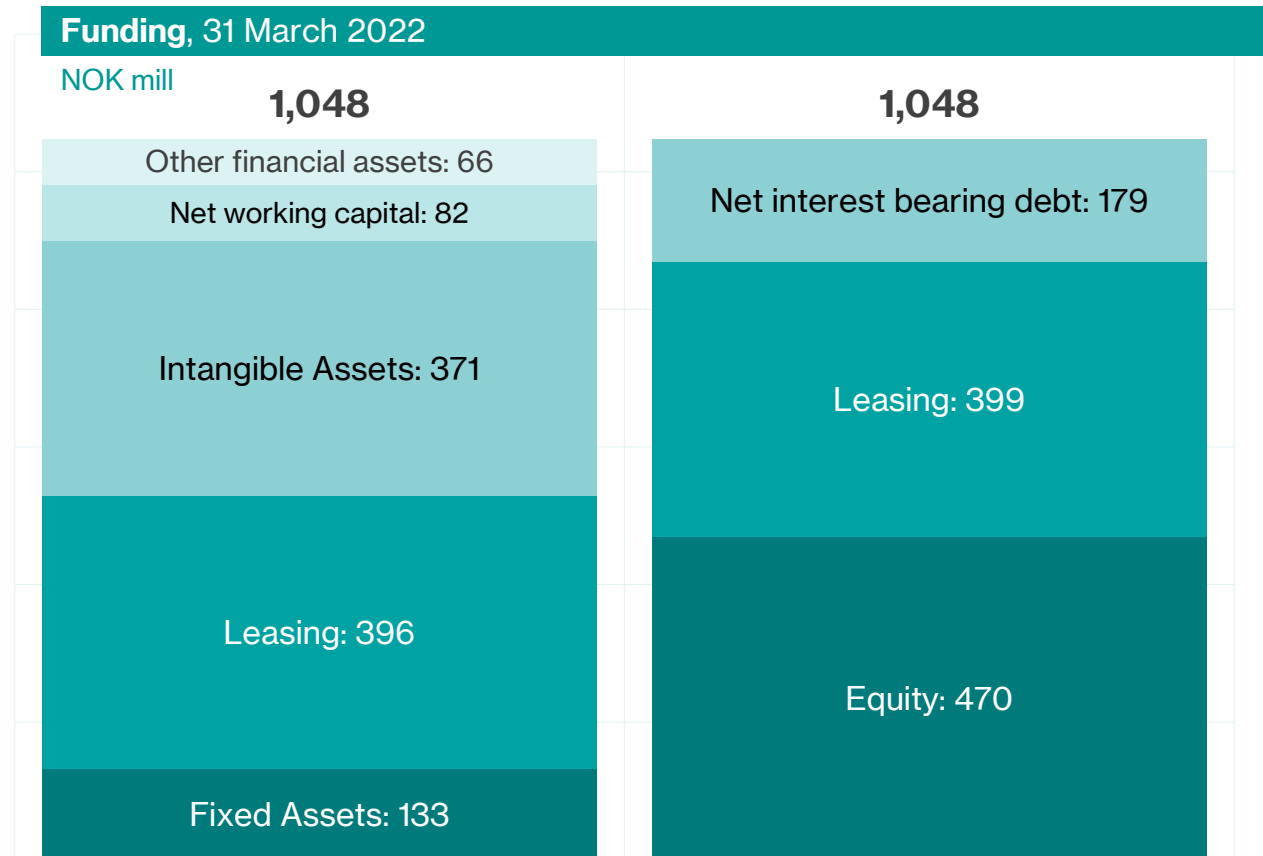
Revenues
+126%
 to NOK **208** mill.

EBITDA margin
7.8%

EBITDA
+140%
 to NOK **16** mill.

Robust liquidity position

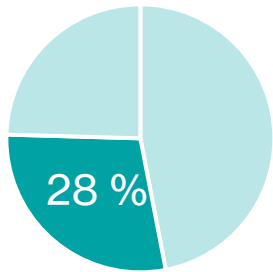
- Liquidity reserve at end of March of NOK 156 million
- Long term leases of strategi premises at Mongstad and Ågotnes increased balance NOK 399 million
- Bank financing of NOK 165 million in term of loans with 5-year maturity
- Equity has increased to NOK 470 million following the share issue in January
- Cash flow from operation was NOK 10 million



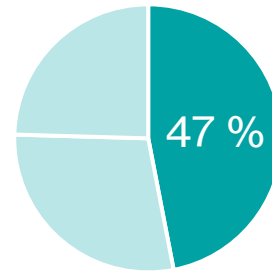
Total order backlog
+119% to
399 mill.
 NOK

Energy driving the order backlog

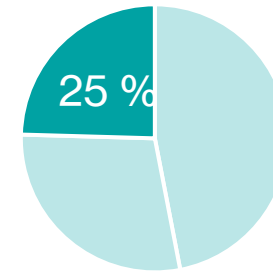
Offshore order backlog
 % total



Energy order backlog
 % total

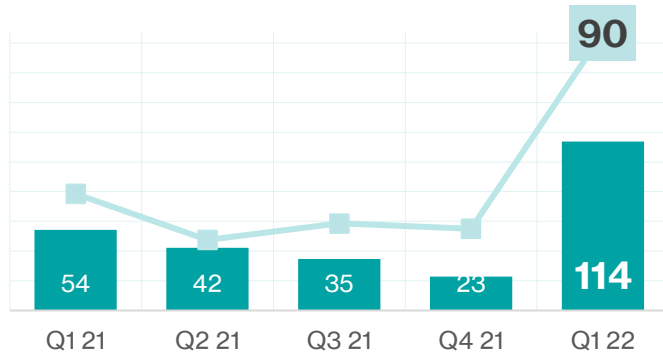


Maritime order backlog
 % total



Offshore NOK mill

Order Backlog Order Intake



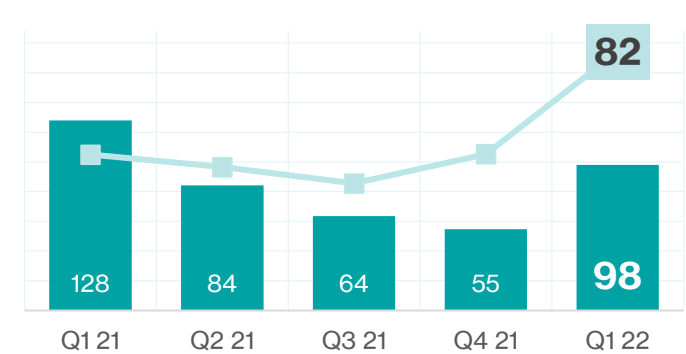
Energy NOK mill

Order Backlog Order Intake



Maritime NOK mill

Order Backlog Order Intake



Key takeaways

- Positioned as a major player for decarbonisation and the green shift in the ocean industries
 - Two main trends: electrification and emission reduction solutions
 - Targets average annual growth of ~15% towards 2025
 - Strong underlying markets



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

Thank you