

Third quarter 2022

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CFO Torvald Ulland Reiestad

4 November 2022 | Bergen, Norway



AGENDA

- Q3 highlights and key figures
- Business areas and market drivers
- Financials
- Our strategy and growth ambitions
- Key takeaways



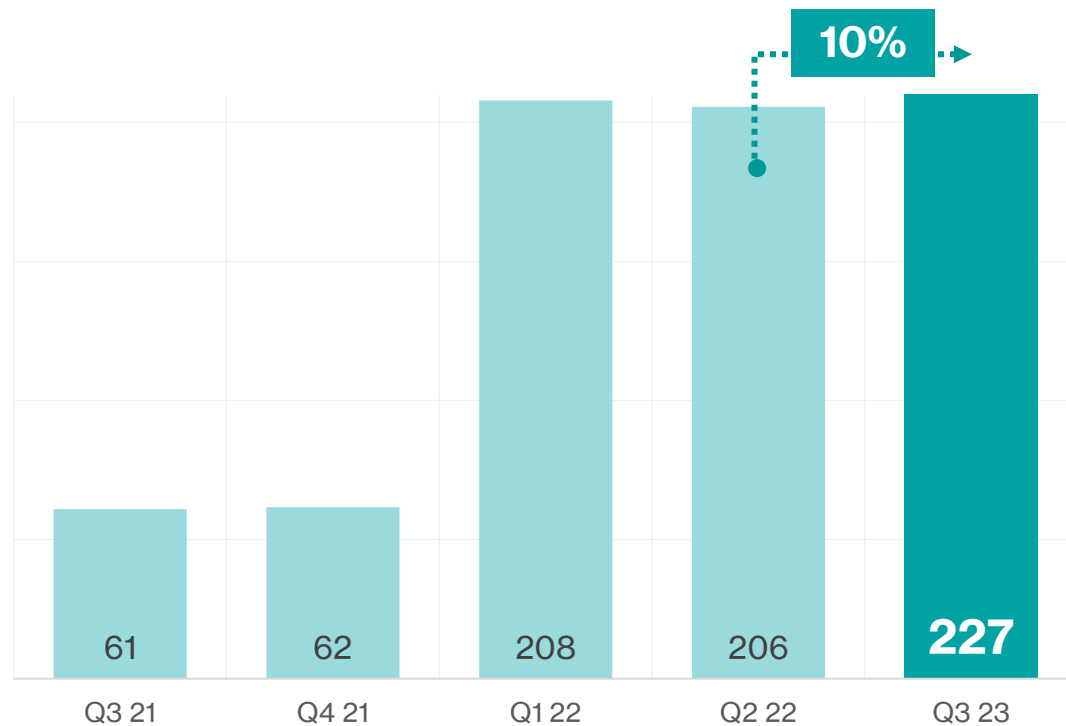
Q3 highlights

- Strong demand for our sustainable energy solutions lifted revenues and order backlog to new record highs
- Hydrogen-based shore power solution launched
- Well-positioned towards two major trends:
 - *electrification*
 - *emission reducing solutions*

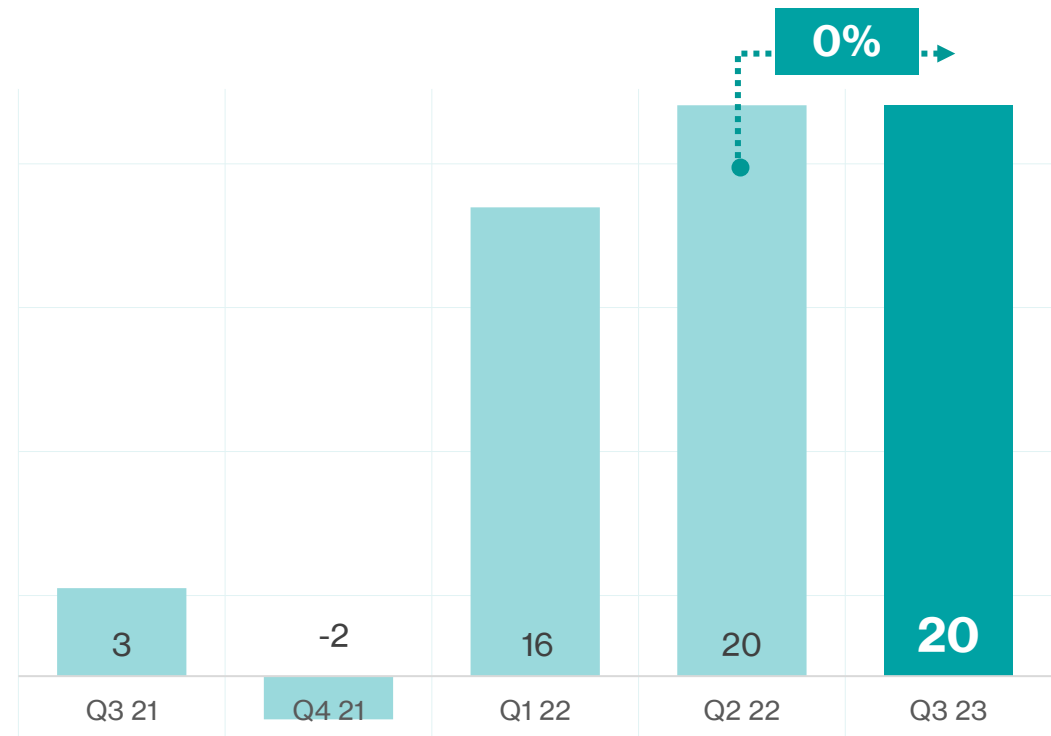


Strong demand for sustainable energy solutions lifted revenues to a new record high

Revenues: +10% to NOK 227 mill

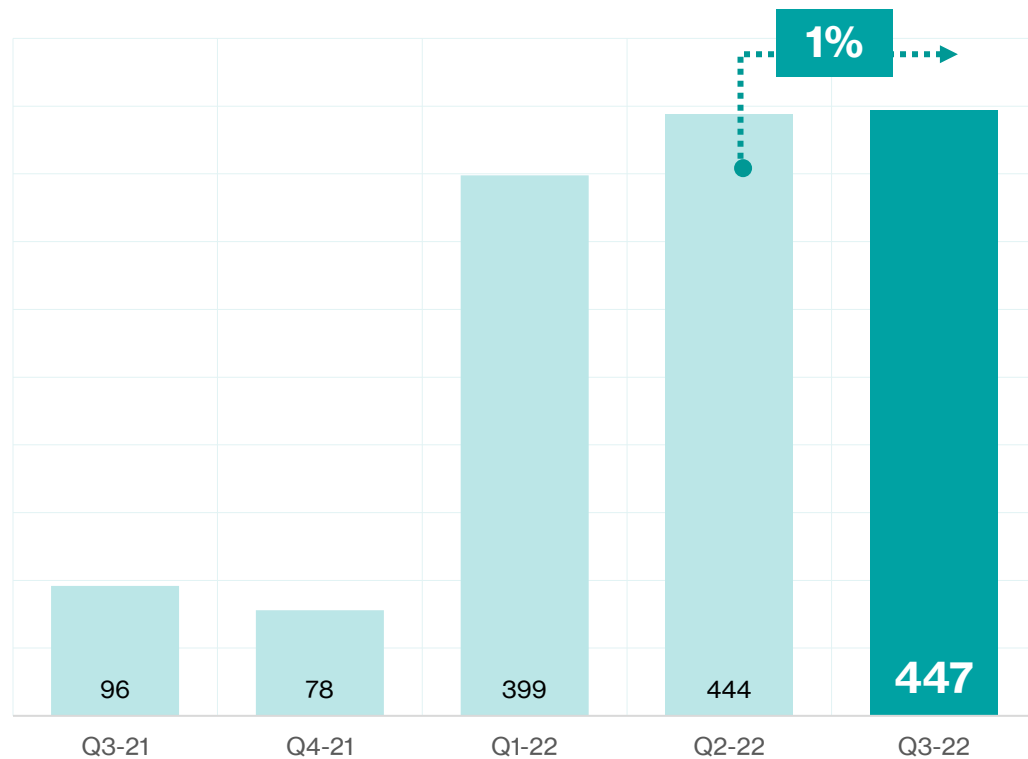


EBITDA: Stable at NOK 20 mill

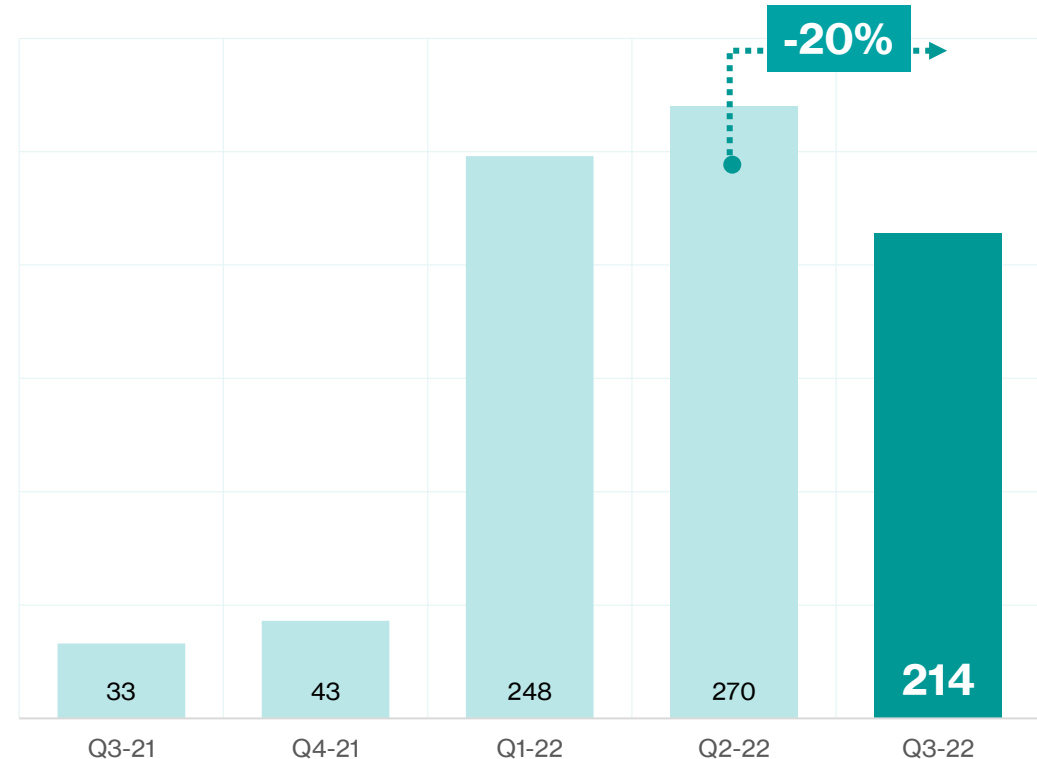


Sustained order backlog, despite deferred investments impacting order intake

Order backlog: +1% to NOK 447 mill



Order intake*: -20% to NOK 214 mill



*) Underlying orderintake in Q3 was NOK 228 million, reported orderintake includes adjustment from previous period of NOK 14 million.



Business areas and market drivers



Our business areas and portfolio companies



OFFSHORE



~50%*



SOLUTIONS

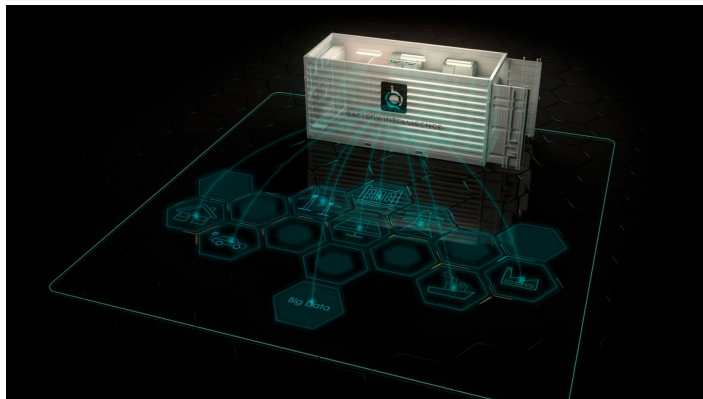
Subseatec[★]



TECHNOLOGY



ENERGY



~30%*



POWER & AUTOMATION

ATC[®]



MARITIME



~20%*

Skarpenord[★]

Seasystems[★]

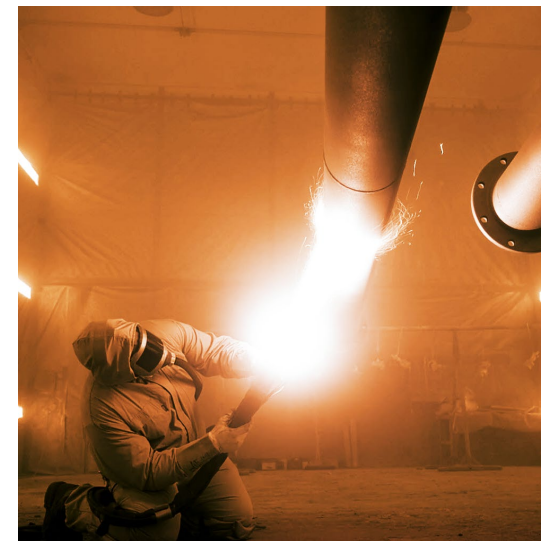
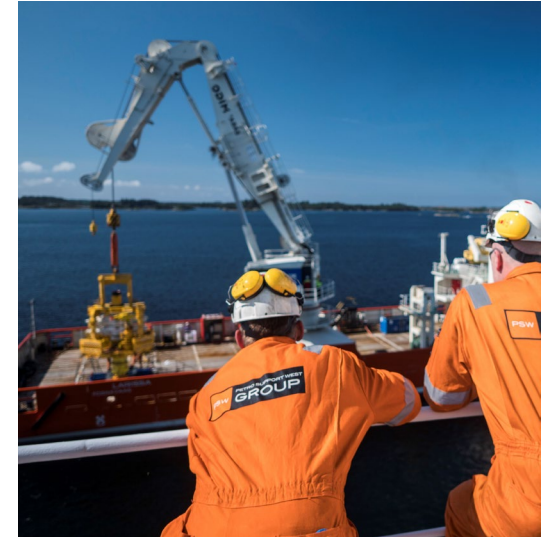
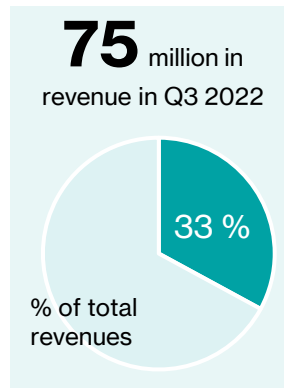


OFFSHORE

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

- High tender activity, but customers deferring investments impacted order intake
- Well positioned for growth with free capacity
 - Maintaining capacity for expected uptick is prioritised over significant cost cuts as tender activities remain high
- Tommy Johnsen appointed as new MD for PSW Technology
- Well control business impacted results negatively

NOK million	Q3 22	Q2 22	YTD 22
Revenue	74.7	94.7	253.7
EBITDA	8.7	16.0	38.5
EBITDA margin	11.6%	17.0%	15.2%
EBIT	-7.5	0.3	-8.3
Order backlog	156.1	123.6	156.1
Order intake	95.7	107.4	293.3



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

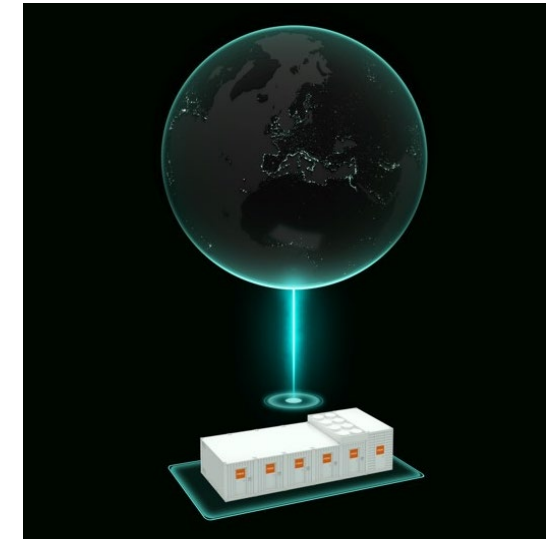
(Special Periodic Survey)



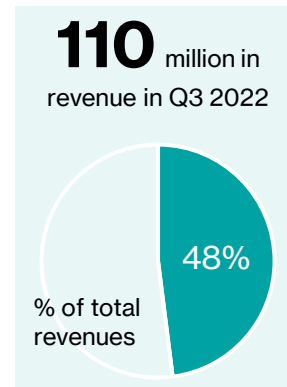
 ENERGY

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

- Continued expansion of product portfolio
 - Launch of hydrogen-based shore power solution
 - Commercial breakthrough for mobile battery systems for industrial use
- Significant revenue growth from Q2 due to progress of larger projects
- High energy prices and decarbonisation are driving increased demand for our product range



NOK million	Q3 22	Q2 22	YTD 22
Revenue	110.2	64.8	260.1
EBITDA	8.5	7.7	22.3
EBITDA margin	7.7%	11.9%	8.6%
EBIT	1.6	2.9	5.8
Order backlog	162.9	179.6	162.9
Order intake	96.4	66.9	239.1



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

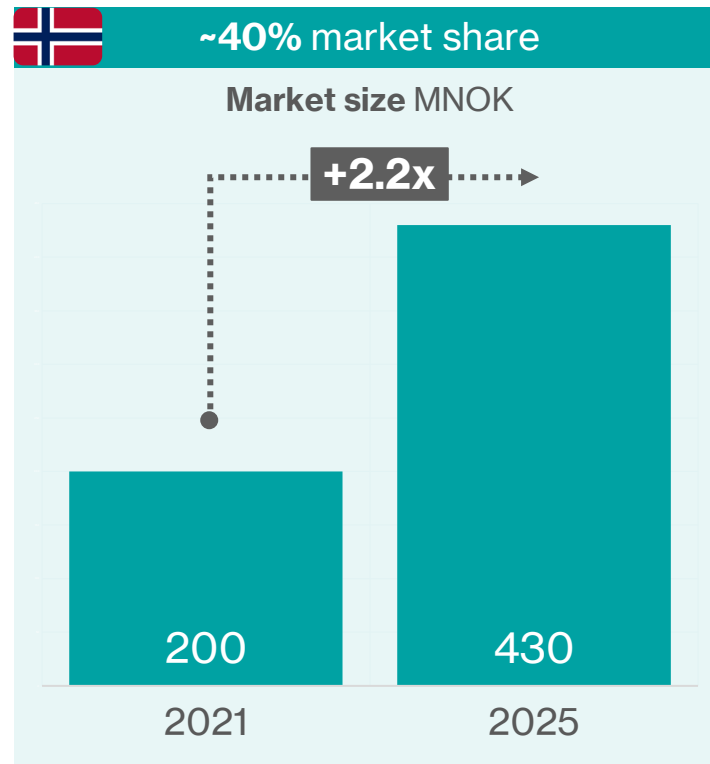
Key growth drivers

Strong regulations & stakeholder push

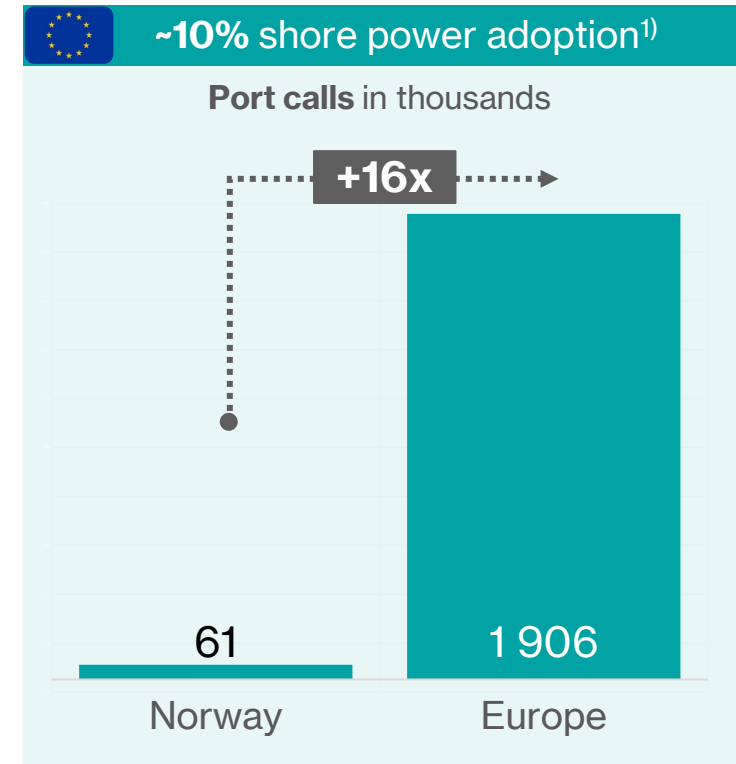
Increasing government subsidies

Economic incentives from fuel savings and reduced carbon tax

Leading position in growing Norwegian market



Large opportunity in untapped European market



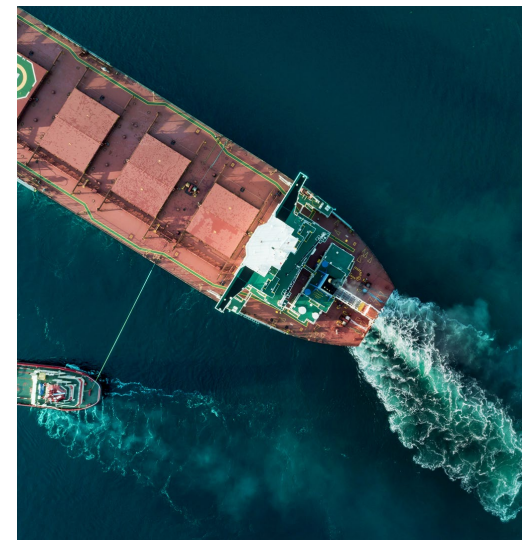
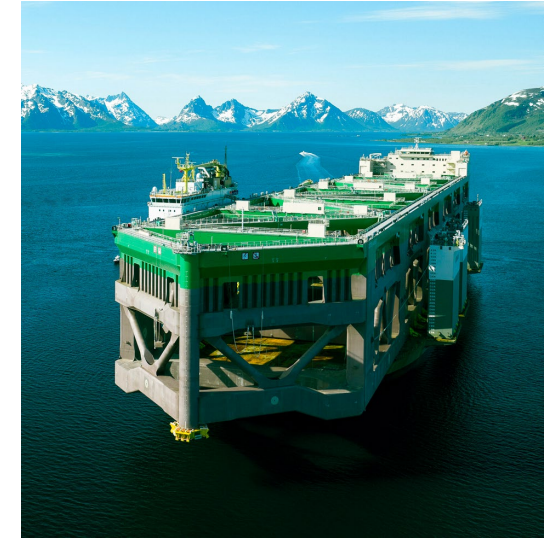
1) Among ports within the EU TEN-T network
 Source: Eurostat, EAFO, Norwegian coastal administration, ENOVA, DNV



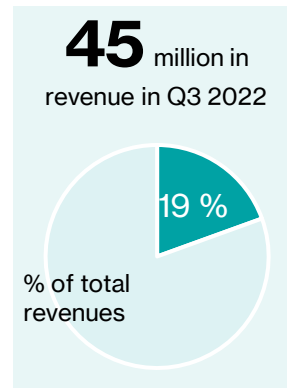
MARITIME

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

- Margin improvement for the mooring business
- Decline in activity level for the valve control business, while better product mix improved margins
- Strong backlog despite reduced order intake



NOK million	Q3 22	Q2 22	YTD 22
Revenue	44.7	52.6	136.2
EBITDA	7.2	6.1	16.7
EBITDA margin	16.0%	11.6%	12.2%
EBIT	5.6	4.6	12.0
Order backlog	127.8	140.7	127.8
Order intake	31.8	95.2	209.2



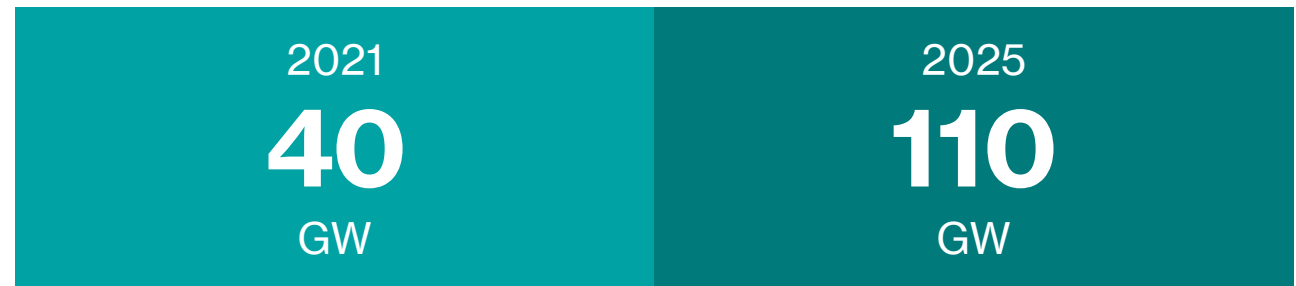
Maritime: Niche leader with strong track record in growing market segments

- 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

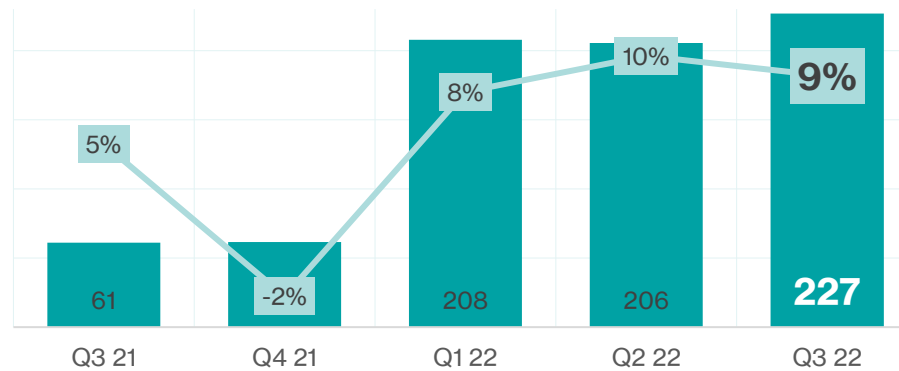
Financials



Energy drove topline growth

- Energy business area lifted revenues to new highs
- Offshore business area negatively impacted EBIT
- Growth in profitability will outpace the top line, due to free capacity
 - Current activity level in Offshore is not sufficient for positive EBIT

Revenues and EBITDA margins



NOK million	Q3 22	Q2 22	YTD 22
Revenue	226.9	205.5	640.1
EBITDA	19.6	19.8	55.7
EBITDA margin	8.6%	9.7%	8.7%
EBIT	-5.2	-2.3	-12.4
Order backlog	446.7	444.0	446.7
Order intake	214.2	269.6	731.8

Q3 2022 vs Q2 2022

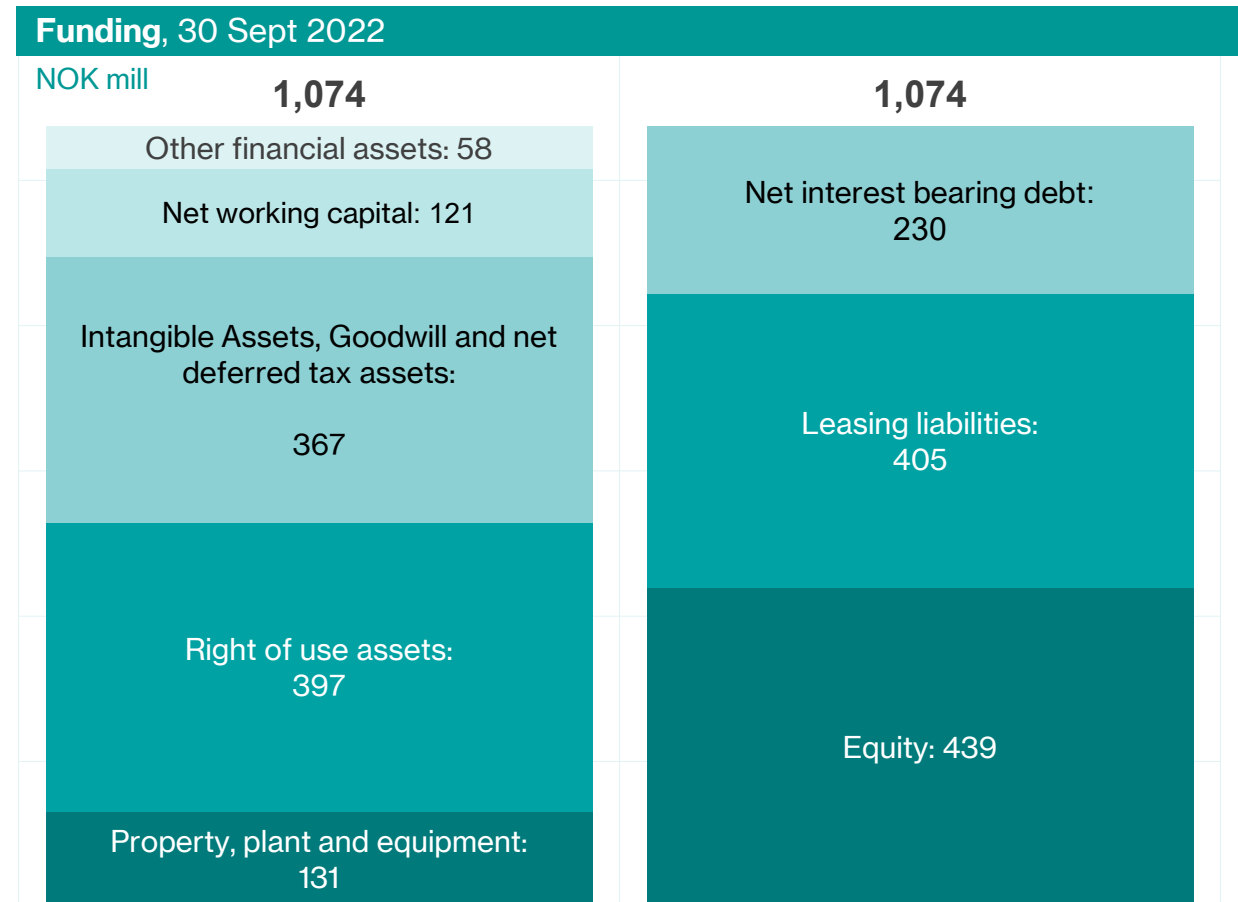
Revenues
+10%
 to NOK **227** mill.

EBITDA margin
8.6%

EBITDA
 NOK **20** mill.

Liquidity reserve of NOK 86 million and positive cashflow from operations of NOK 30 million

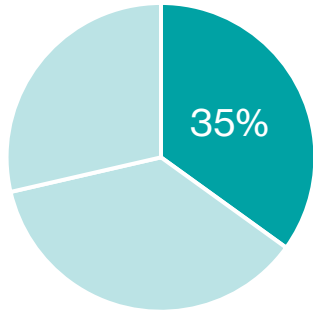
- Liquidity reserve at end of September of NOK 86 million in cash and undrawn facilities
- Long term leases of strategic premises at Mongstad and Ågotnes of approx. NOK 400 million
- NOK 154 million in bank term loans and NOK 47 million Seller Credit with 5-year maturity
- Equity of NOK 439 million
- Positive cashflow from operation of NOK 30 million due to improvements in working capital



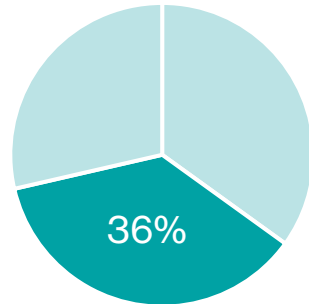
Stable order backlog

Q3 2022
total order backlog
+1% to
NOK **447** mill.

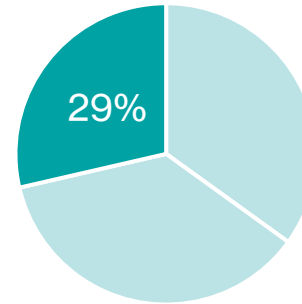
Offshore order backlog
% total



Energy order backlog
% total



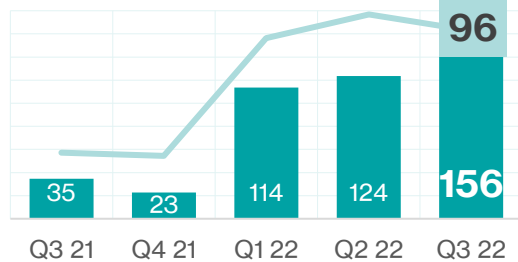
Maritime order backlog
% total



Order backlog (dark teal bar) Order intake (light teal line with square markers)

Offshore NOK mill

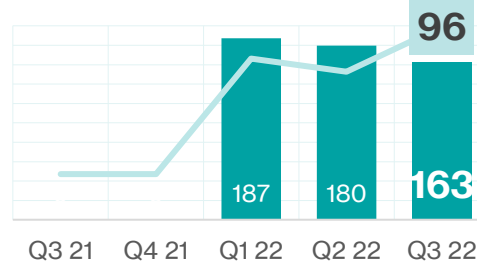
Order backlog (dark teal bar) Order intake (light teal line with square markers)



Book-to-bill: 1.3x

Energy NOK mill

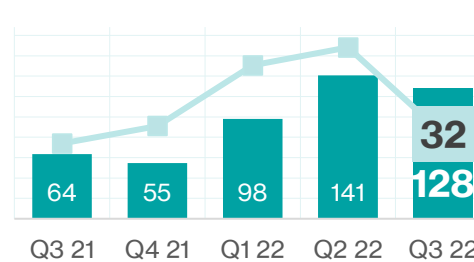
Order backlog (dark teal bar) Order intake (light teal line with square markers)



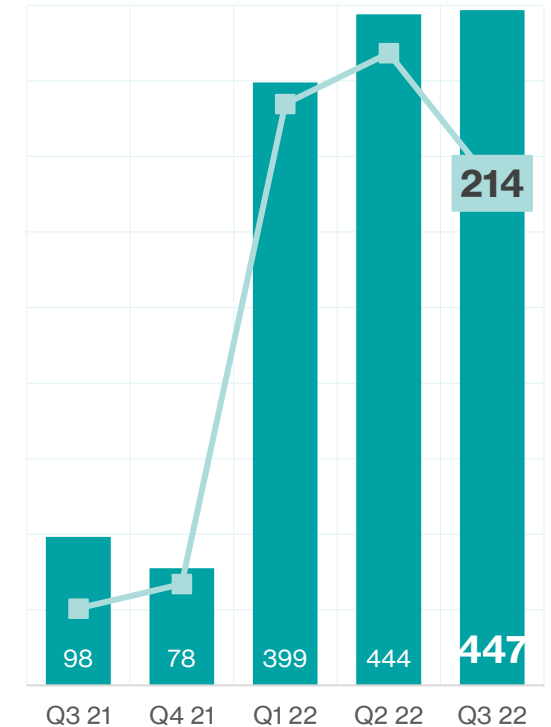
Book-to-bill: 0.9x

Maritime NOK mill

Order backlog (dark teal bar) Order intake (light teal line with square markers)



Book-to-bill: 0.7x



Book-to-bill: 0.9x*

*) Underlying order intake in Q3 was NOK 228 million representing a book-to-bill of 1.0x, reported orderintake includes adjustment from previous period of NOK 14 million.



Powering the ocean industries

Our 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

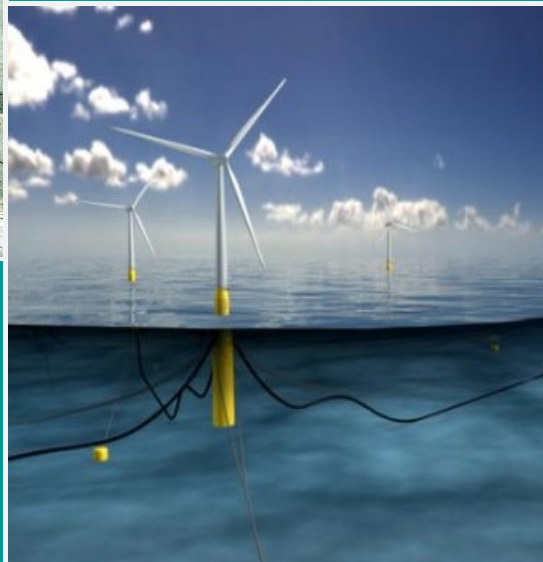


**offshore
energy**



**offshore
maintenance
lag**

electrification

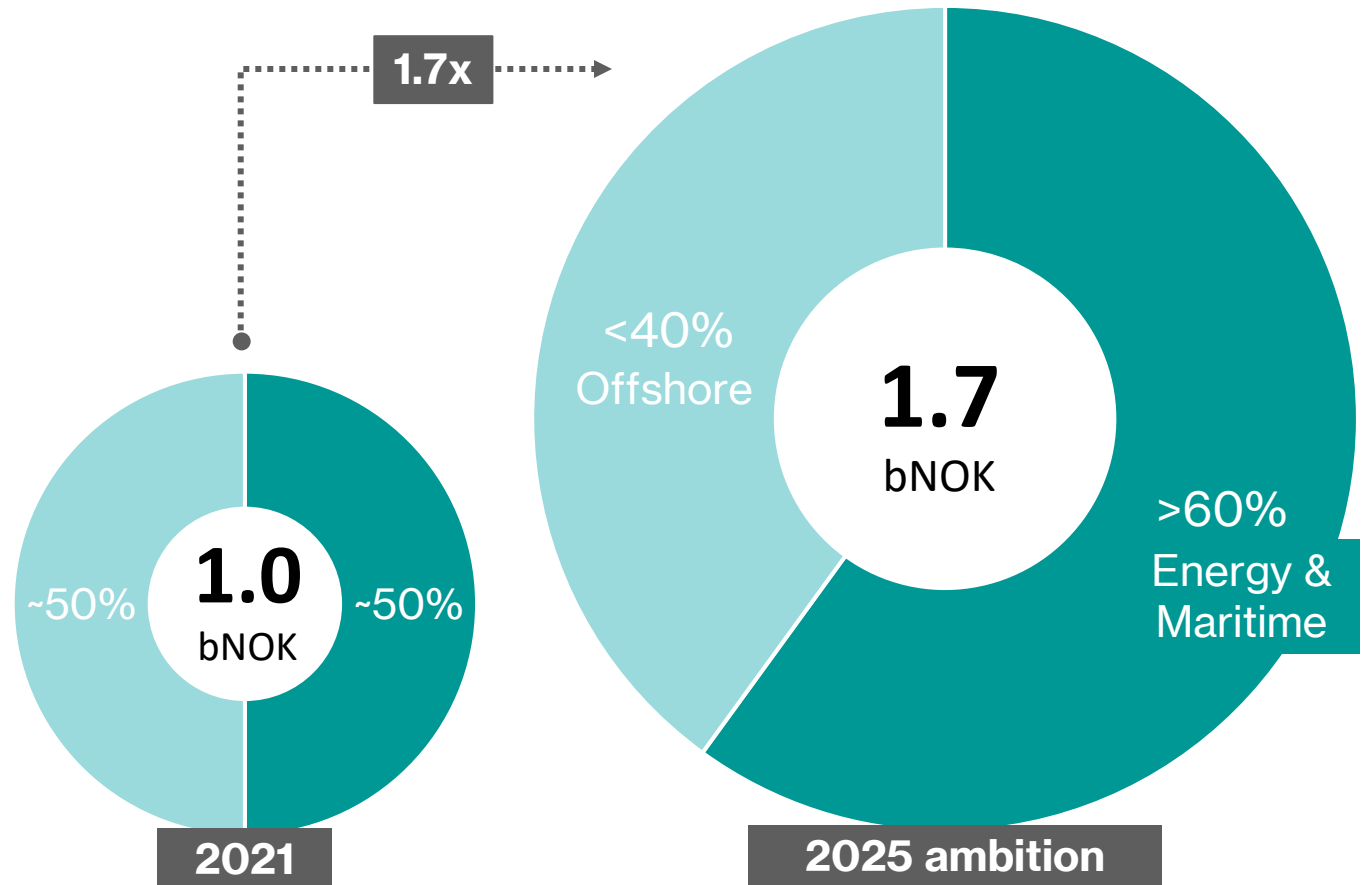


**sustainable
solutions**



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

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



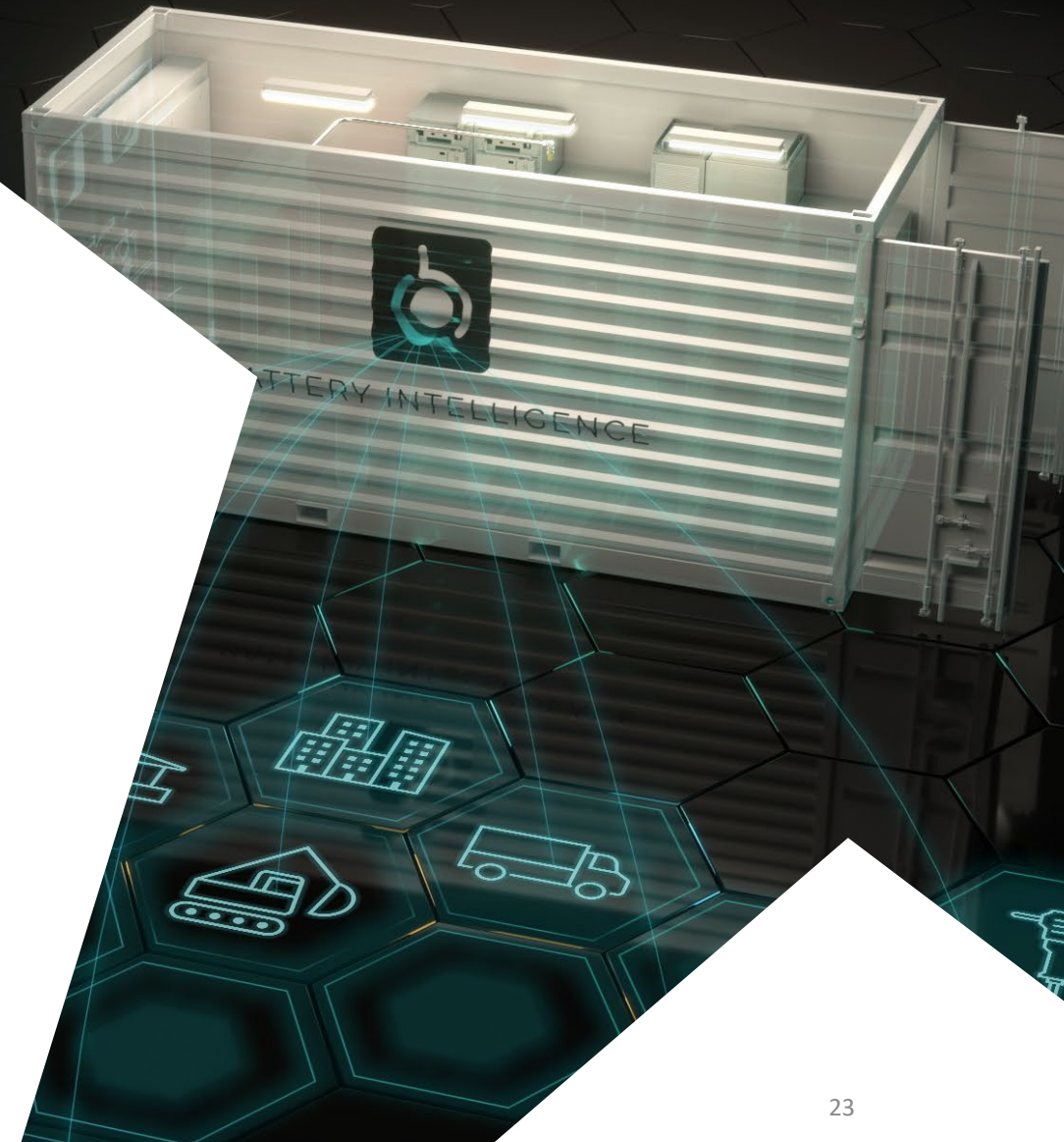
Potential for **synergies with Scana companies** or with a strong **"drive"** for own development



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

Key takeaways

- Demand for sustainable energy boosted revenues to new heights
- Expanded product portfolio with hydrogen fuel cell system
- Economic uncertainty impacted order intake
- 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