

First quarter 2024

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- Result presentation

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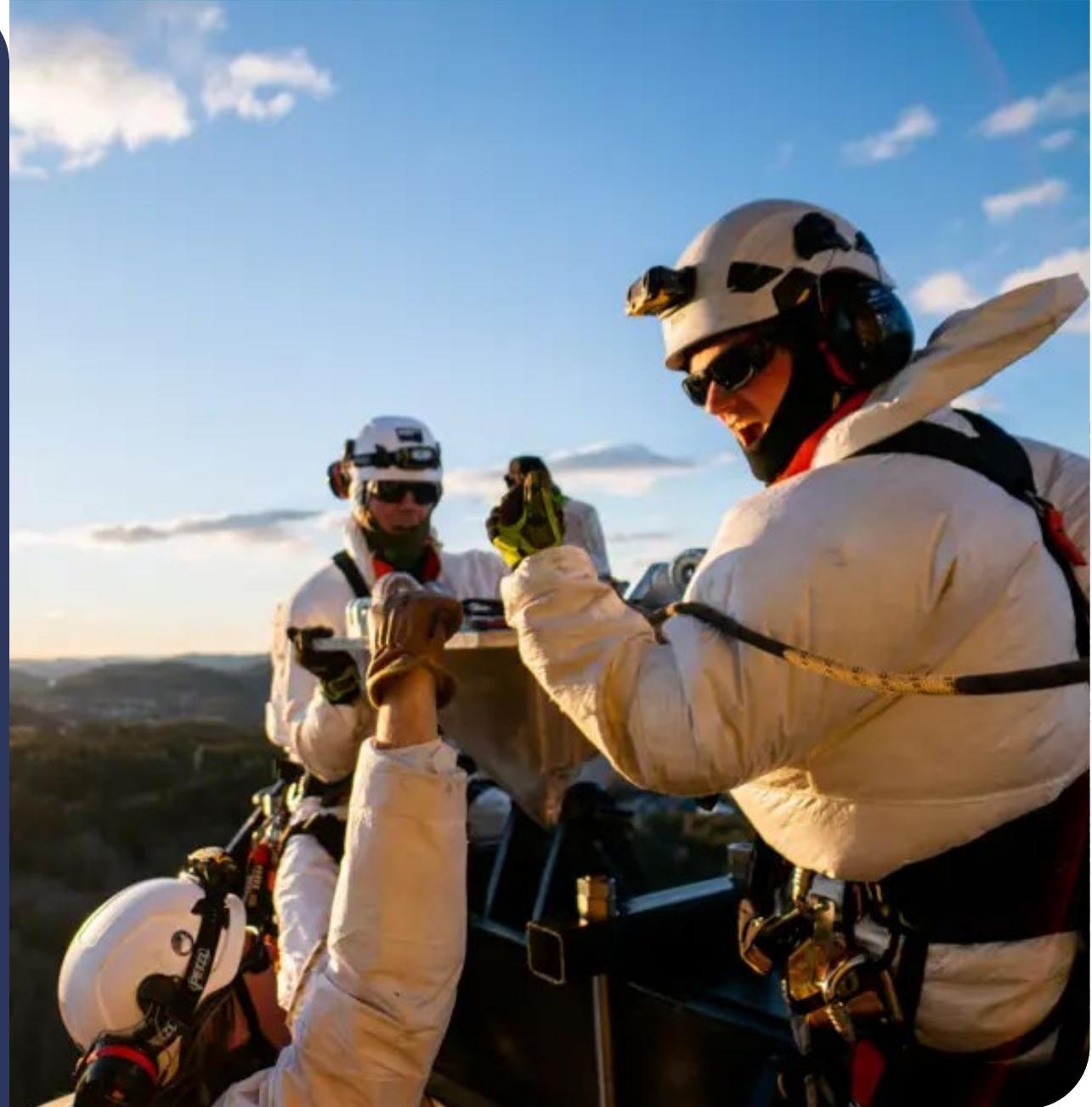
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AGENDA

- Q1 highlights
- Financial Performance
- ESG
- Additional information





Q1 HIGHLIGHTS

Q1 24 Revenue

639 mnok

Q1 23: 535mnok

Q1 24 EBITDA

57 mnok

EBITDA %: 9.0%

Q1 23 EBITDA :41mnok (7.6%)

Revenue Q1 24 vs Q1 23

+20%

Order intake Q1 24:

3.9 bnok

Est. order backlog end Q1 10.6 bnok

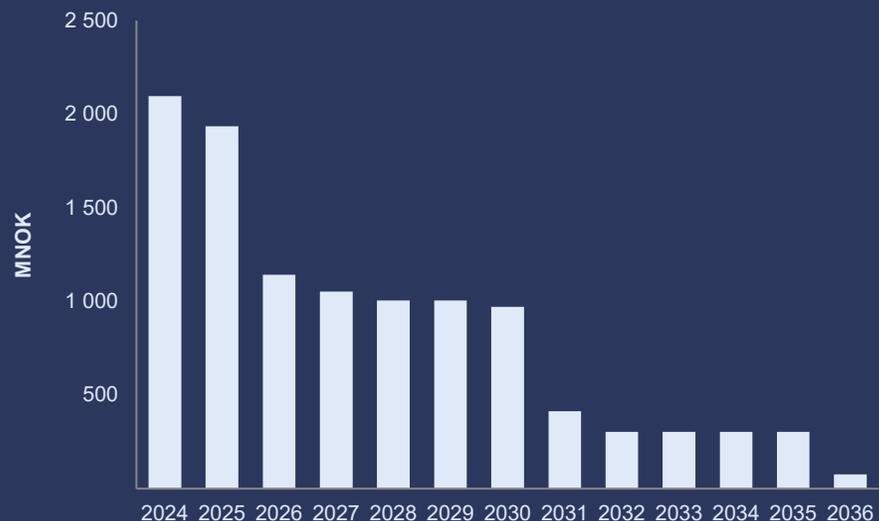
Q1 HIGHLIGHTS

- 1st quarter revenue all time high
- Industry with high CCS activity
- Robot hull project in Brazil under execution
- Preparations for several turnarounds
- Product sales still slow
- Several new contracts
- Dividend pr share NOK 1.7 proposed for General Meeting May 30th.



ORDER BACKLOG

- Order intake in Q1 2024 NOK 3.9 billion
- Order backlog NOK 10.6 billion



SERVICE

Contracts

- Frame agreement 6 (12) year with ConocoPhillips regarding the Ekofisk field
- Frame agreement 3 (6) years with Repsol (Yme)

Operations

- High activity in the quarter both in maintenance and projects
- Robotic project in Brazil well underway
- Capacity constraints still affecting the business

Outlook

- Good order intake so far in Q2, mostly for startup towards end of the year
- Several turnarounds in or before summer, both onshore and offshore
- Several tenders and contracts related to robotic surface treatment, both on the NCS and internationally
- Cost pressure continues especially related to labour

Contracts

- High tender activity although only smaller contracts signed for insulation products, mainly in Asia

Operations

- Higher activity in Asia is partially offset by lower activity in Europe
- Demand for Subsea insulation increasing
- Patent dispute in Korea still ongoing, however Korean Trade Commission concluded favourably after extensive review

Outlook

- Newbuild contract with Aker Solutions secured in Q2
- Newbuild market in Asia is still looking attractive with several relevant prospects
- We are progressing qualifications for new applications of aerogel, both for building and subsea

FINANCIAL PERFORMANCE



FINANCIAL PERFORMANCE

- **20% revenue growth compared to Q1 23**
- **EBITDA NOK 57 million**
 - EBITDA NOK 41 million Q1 23 (Adjusted EBITDA Q1 23 NOK 46 million).
- **Stable depreciation and amortization**
- **Finance cost**
 - **Reduction of appr. 50% compared to Q1 23.**
 - **As a result of the refinancing and listing process**
- **Net profit NOK 25 million vs NOK 4 million Q1 23**

Condensed Consolidated Income Statement

Group Summary	Q1	Q1
Amounts in NOK million	2024	2023
Operating revenue	638	535
Operating expenses	581	495
EBITDA	57	41
EBITDA margin	9,0 %	7,6 %
<i>Adjusted EBITDA</i>	<i>57</i>	<i>46</i>
<i>Adjusted EBITDA margin</i>	<i>9,0 %</i>	<i>8,5 %</i>
Depreciation	14	14
Amortisation	3	4
Operating profit (EBIT)	40	22
Finance costs - net	8	17
Profit before tax (EBT)	32	5
Income Tax expense	7	1
Net profit	25	4

SERVICES

- Revenue Growth of 17% compared to Q1 23
 - Steady and increasing activity both offshore and onshore
 - Startup new asset
 - Gina Krog
 - Carbon Capture Storage project still with high activity
- EBITDA of NOK 57 million
 - vs NOK 42 million Q1 23
- Order intake NOK 3,8 billion

Q1 24 Revenue

595mnok

Q1 23: 510mnok

Q1 24 EBITDA

57mnok

EBITDA %: 9.6%
EBITDA Q1 23: 42mnok (8.3%)

Revenue Q1 24 vs 23

+17%

Order intake Q1 24:

3.8bnok

BENARX

- Product sales still slow
 - Europe with many small orders and too low volume
 - Asia with low activity and delays
 - Subsea with good activity and margins in the quarter
- EBITDA NOK 0 million vs negative NOK 1 million in Q1 23.
- Order intake NOK 100 million
 - Aker Solutions Egersund

Q1 24 Revenue

50mnok

Revenue Q1 23: 46 mnok

Q1 24 EBITDA

0mnok

EBITDA %: 7.1%

EBITDA Q1 23 : -1mnok (-3.2%)

Revenue Q1 24 vs Q1 23

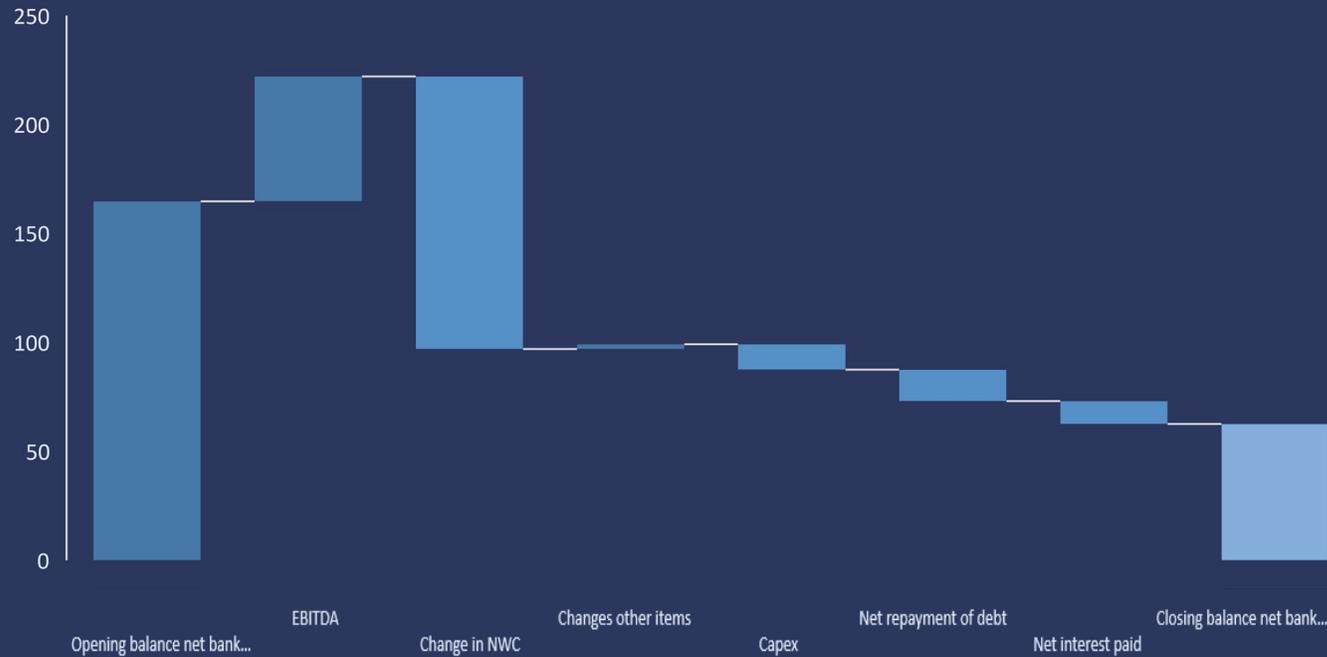
+10%

Order intake Q1 24:

100mnok

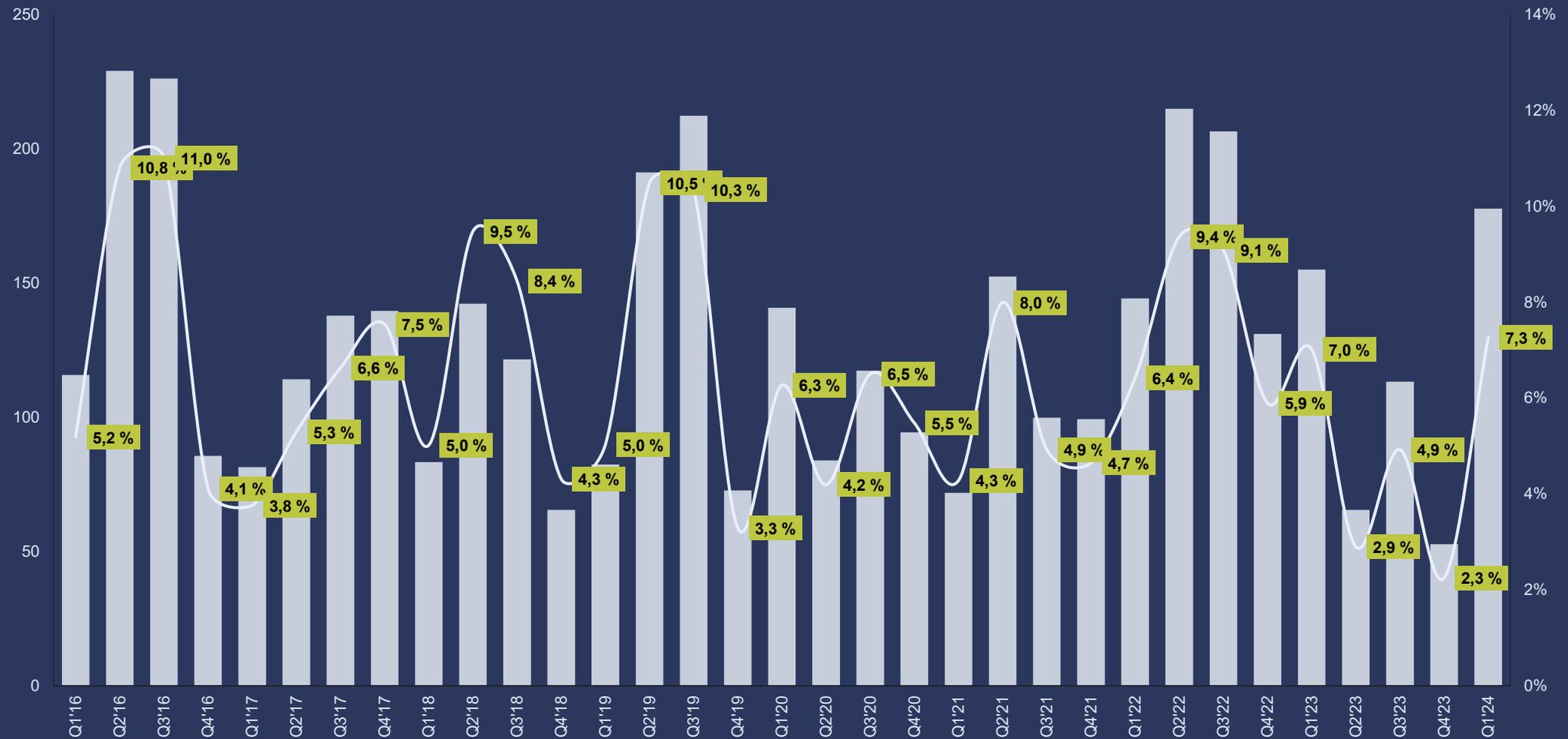
INCREASED NWC

CASH FLOW Q1 2024



- **Equity ratio of 45%**
- **Cash flow from operating activities was negative NOK 66 million.**
 - **NWC increasing**
 - **Activity increasing, timing of payments**
 - **Expected to increase going forward**
 - **Seasonal variations**
 - **Startup new contracts.**
- **Capex was NOK 12 million in the quarter**
 - **Capex expected to increase in equipment and robots**

NWC



FINANCIAL SITUATION

- Increased long term financing Q2
 - 30 MNOK
- Financial covenants
 - Significant headroom

NIBD/EBITDA Q1 24

1.92

LIMIT: <4

CURRENT ASSETS/CURRENT
LIABILITIES Q1 24

1.42

LIMIT: >1.15

EQUITY RATIO Q1 24

45%

LIMIT: >25%

ESG

- Reduced accident frequency
- Growth in robotics
 - Reduces waste (microplastic)
- EU Taxonomy reported 2023.
- CSRD
 - Climate risk (TCFD)
 - Double materiality analysis



Additional information



Condensed Consolidated Income Statement

Income statement

Condensed Consolidated Income Statement

Group Summary		Q1	Q1	YTD	YTD	FY
Amounts in NOK million	Note	2024	2023	2024	2023	2022
Operating revenue	6	638	535	638	535	2 343
Operating expenses		581	495	581	495	2 153
EBITDA	6	57	41	57	41	191
Depreciation		14	14	14	14	58
EBITA		43	26	43	26	133
Amortisation		3	4	3	4	14
Operating profit (EBIT)		40	22	40	22	118
Finance costs - net	4	8	17	8	17	88
Profit before tax (EBT)		32	5	32	5	30
Income Tax expense		7	1	7	1	13
Net profit		25	4	25	4	17
Profit for the period is attributable to:						
Shareholders of the parent company		25	5	24	5	17
Non controlling interests	7	0	-1	1	-1	0
Net profit		25	4	25	4	17
Diluted earnings per share are identical as there are no dilutive effect						
EBITDA margin		9,0 %	7,6 %	9,0 %	7,6 %	8,1 %
EBITA margin		6,8 %	4,9 %	6,8 %	4,9 %	5,7 %

Condensed Consolidated Balance Sheet

Financial position

Condensed Consolidated Balance Sheet

Group Summary		Q1	Q4	YTD
Amounts in NOK million	Note	31.03.2024	31.03.2023	31.12.2023
Intangible assets		37	48	39
Goodwill		783	783	783
Property, plant and equipment		265	205	267
Financial fixed assets		20	15	18
Deferred tax assets		0	0	2
Total non-current assets		1 105	1 051	1 110
Inventory		88	100	89
Accounts receivables from customers		307	272	284
Earned, not invoiced accounts receivables		260	169	161
Other receivables		47	54	26
Cash at bank		62	93	165
Total current assets		764	688	724
TOTAL ASSETS		1 869	1 739	1 834
Share capital		61	27	61
Share premium		439	240	439
Other equity		342	306	311
Non controlling interests	7	0	-1	0
Total equity		842	572	811
Pension liabilities		25	20	26
Deferred tax liabilities		5	3	0
Interest bearing long-term liabilities	4	398	22	412
Total non-current liabilities		428	46	439
Interest bearing short-term liabilities	4	63	683	64
Supplier liabilities		161	104	156
Tax payable		13	-1	13
Social Security, VAT and other taxes		78	67	82
Other short-term liabilities		264	247	250
Warranty liabilities		20	23	20
Total Current Liabilities		599	1 122	584
TOTAL EQUITY & LIABILITY		1 869	1 739	1 834

Condensed Consolidated Statement of Cash Flow

Cash flow

Condensed Consolidated statement of cashflow

Amounts in NOK million	Note	Q1 2024	Q1 2023	YTD 2024	YTD 2023	FY 2022
EBITDA		57	41	57	41	191
Taxes paid		0	-10	0	-10	-10
Change in net working capital		-125	-24	-125	-24	80
Changes to other time restricted items		2	3	2	3	-3
Net Cash flow from operating activities		-66	10	-66	10	258
Capex		-12	-8	-12	-8	-56
Net cash flow from investing activities		-12	-8	-12	-8	-56
Net repayment of interest bearing debt		-14	-4	-14	-4	-276
Capital increase		0	0	0	0	233
Other finance items		0	0	0	0	-15
Net interest paid	4	-11	-18	-11	-18	-92
Net cash flow from financing activities		-25	-21	-25	-21	-150
Total cash flow		-102	-20	-102	-20	51
Opening balance net bank deposits		165	113	165	113	113
Closing balance net bank deposits		62	93	62	93	165

Split per segment

Revenue by Segment

Amounts in NOK million	Q1 2024	Q1 2023	YTD 2024	YTD 2023	FY 2023
Services	595	510	595	510	2 212
Benarx	50	46	50	46	194
Eliminations	-6	-20	-6	-20	-63
Total	638	535	638	535	2 343

EBITDA by Segment

Amounts in NOK million	Q1 0	Q1 0	YTD 0	YTD 0	FY 0
Services	57	42	57	42	191
Benarx	0	-1	0	-1	0
Total	57	41	57	41	191

Focus area	#	Key KPIs	2024 Goal	Q1 Status	Impact on UN's SDGs
 Sustainable materials  Sustainable methods  Climate action	1	Reduced release of waste in connection with surface treatment *	>20%	12%	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  13 CLIMATE ACTION  14 LIFE BELOW WATER
	2	Reduced CO2 footprint in connection with surface treatment**	>15%	16%	
	3	Improvement suggestions submitted by Operations	>100	22	
	4	Number of new technology, materials or solutions studied, tested, developed or adopted	>8	0	
	5	Reduced GHG emission scope 1 and 2	>10%	≈2%	
	6	Diversification of the business - Increased share of turnover outside O&G	>8%	12%	
 Safe work environment  Responsible procurement  Attractive workplace	7	SIF (serious incident frequency) - YTD	0	1,2	 3 GOOD HEALTH AND WELL-BEING  8 DECENT WORK AND ECONOMIC GROWTH
	8	Unwanted turnover operational employees - trade certificates, apprentices/IPK	<20	5	
	9	Recruit or develop Trade certificates (12,5 per qtr)	50	12,0	
	10	Proportion of operational employees still at Beerenberg 24 months after onboarding	>80%	83%	
	11	Proportion of operational employees who report well-being at work(psychosocial measurement)	>80%	95%	
 ESG governance  Business ethics  ESG communication	12	Supplier follow up meetings - Corporate	80%	14%	 8 DECENT WORK AND ECONOMIC GROWTH  9 INDUSTRY INNOVATION AND INFRASTRUCTURE
	13	Proportion of employees who have completed training in ethics	90%	73%	
	15	Internal audits	10	0%	

* Benchmark 2020. Scope surface treatment Offshore
 ** Benchmark 2020. Scope surface treatment Offshore and Onshore

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