



# EQVA ASA

## HALF YEAR REPORT

### 2023

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## THIS IS EQVA

Eqva ASA is a knowledge-based active owner of industrial service companies that contribute to the green transition in maritime, power intensive and renewable industries.

The group has a well-diversified product and market portfolio. Further growth and value creation will be obtained through a combination of industrial excellence in each portfolio company, synergies between the companies in the group and value-creating M&A activities.





Maritime service provider with attractive location, strong infrastructure and skilled organisation.



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



A specialised hydropower plant developer and operator

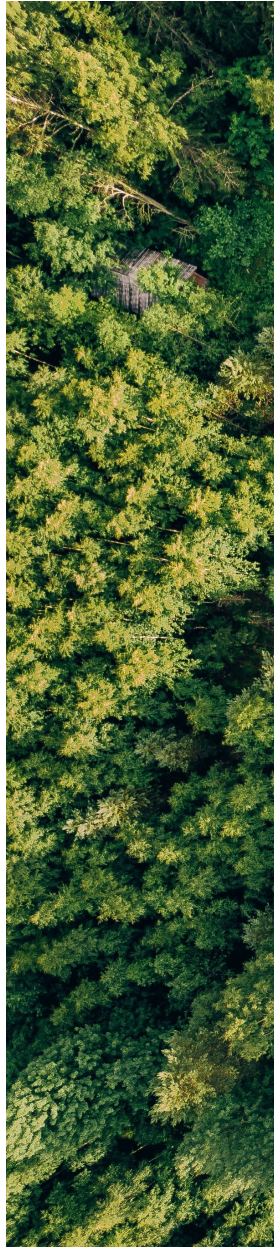


## STRATEGIC PRIORITIES

The race towards carbon neutrality is on, and customers are turning to Eqva for help.

Digital solutions and green technology are needed and included in new projects and retrofitted in existing production assets and plants. This creates an unprecedented demand for industrial services, which our portfolio companies are well equipped to meet through their market leading positions and focus on service and high quality in each delivery. In total this provides a strong foundation for profitable organic growth.

The transformation of industries and the new business models that emerge create opportunities for consolidation and re-engineering of industrial service companies. Eqva is well placed to take the lead in such transformation. It is a responsible owner with an eternal investment perspective, and it aims to maximise financial return over time.







Eqva is supported by highly committed owners and powered by experienced investment professionals and industry leaders. Our portfolio companies have earned the trust of their customers through decades of successful deliveries, on time and within budget. Together we take pride in delivering value to our shareholders by delivering the best possible service to our customers.

### Eqva's financial targets for 2023

- NOK 650-750 million in revenue
- 4-7 per cent EBITDA margin

Eqva has set a long-term EBITDA margin target for the group, ranging between 7 to 9 per cent.









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## Highlights and key figures

### First half year 2023

- **Strong operational performance in Eqva** - mainly driven by volume increase in the Products, Solutions & Renewables segment.

The volume increase in this segment leads to improved profitability.

Eqva group had a total H1 revenue of MNOK 427, where MNOK 329 was generated by Products, Solutions & Renewables (BKS and Fossberg Kraft).

The revenue growth for the segment was 66 % compared to H1 last year (pro forma MNOK 198), the increase is mainly driven by an enhanced activity level in BKS. The segment EBITDA was MNOK 21.8 (7 %).

Fossberg Kraft delivered the small-scale hydropower plant "Kvævebekken" to customer in April. Construction of the "Skjeggfoss" plant is progressing according to plan.

- **Strong orderbook development** – Eqva has a total orderbook of 441 MNOK per August 2023 (orderbook as of December 2022 was 345 MNOK). The order intake in 2023 has mainly been driven by BKS.

- **Letter of intent for business combination** – in June 2023 Eqva ASA and Kvinnherad Elektro AS, a full-service power and automation company, signed a letter of intent for a business combination agreement. The agreement includes Kvinnherad Elektro's 51 per cent ownership in Vassnes Solutions AS, a group of leading engineering, welding, power and automation services companies.

This move, which both companies consider to be of high strategic value, will result in the establishment of a prominent and fully integrated system supplier within the piping, power-and automation disciplines.

The acquisition will result in an increased turnover for Eqva of between NOK 125-175 million on an annual basis, and the power and automation segment will include approx. 240 skilled and experienced employees.

- **Maritime services** – strategic initiatives have been launched to consolidate or divest the business. Dialog is carried out with external parties. This process is expected to be completed within the next 6 – 12 months.

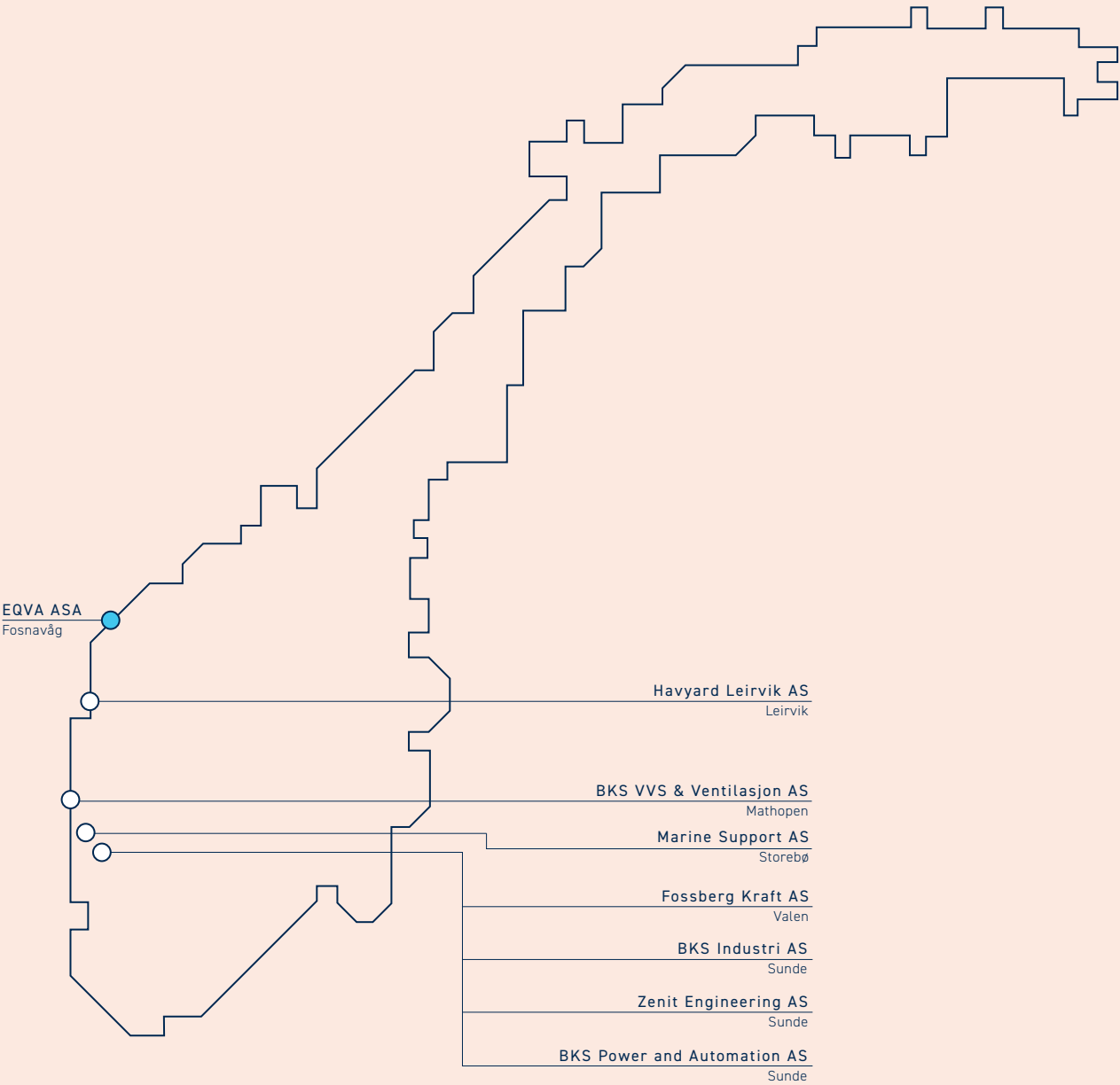
Havyard Leirvik faced a market drop in the service- and maintenance market in Q2. To reduce the financial impact from activity drop, the yard carried out organizational- and cost cut initiatives. The refit of MF Vannes (Boreal) was completed in 2 quarter.

### Key figures Eqva group - first half year 2023

- NOK 427 million in total operating revenues
- NOK 12.1 million in EBITDA
- Orderbook total NOK 441 million (August 2023)
- The employees total 430 FTEs.

# Our geographical footprint

Along the entire coast of western Norway



## The segments

### Maritime services

The Maritime Services segment, which includes subsidiary Havyard Leirvik, accounted for approximately 23 per cent of Eqva's total revenues as of 30 June 2023.

**Havyard Leirvik** has its roots back to 1918 and is strategically located at the far end of Sognefjorden, Norway. The location provides easy access to the maritime industry along the Norwegian coast. The segment offers a wide range of services and solutions to its diverse customer base, including standard maintenance services and more complex, customized projects. The multi-yard had 69 FTEs as of 30 June 2023 and has the capacity to manage several projects simultaneously.

Havyard Leirvik is committed to helping customers reduce their environmental impact, promoting energy-efficient solutions, and increasing the competitiveness of their vessels.

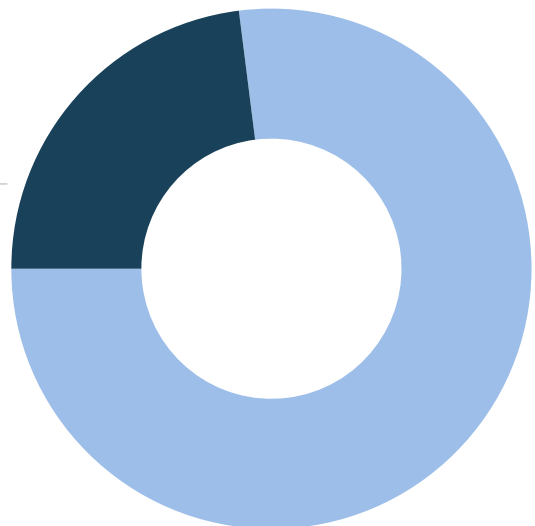
Share of approximately 23 per cent of Eqva's total revenues:



#### Key markets:

- Aquaculture
- Green power
- Maritime assets

23 %





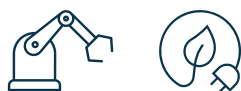
## Products, Solutions & Renewables

The Products, Solutions and Renewables segment, which includes subsidiaries BKS and Fossberg Kraft, accounted for approximately 77 per cent of Eqva's total revenues as of 30 June 2023.

**BKS** is a full-service provider of technical installations to both land-based and maritime industry in Norway. With a strong presence throughout the value chain, BKS has developed long-standing relationships with well-known players in the industry. BKS was established in 2008 and is headquartered in Sunde, Kvinnherad, with branch offices in Bergen and Austevoll. The company had 354 FTEs at the end of June 2023, of which 75 per cent are skilled professionals with at least one certificate.

**Fossberg Kraft** focuses on the development and operation of small-scale hydropower plants in southern Norway. Fossberg Kraft currently operates several small-scale power plants. It is also involved in the development of new projects. Fossberg Kraft was established in 2018 and is headquartered in Handeland, Kvinnherad. The company has 4 FTEs.

Share of approximately 77 per cent of Eqva's total revenues:



### Key markets:

- Renewable energy
- Solutions
- Process

77 %



## The share

Eqva aims to be an attractive investment for its shareholders, delivering competitive return through sustainable growth both organically and through value-adding acquisitions.

### Key facts

- Eqva ASA is a publicly limited company. The share is listed on the Oslo Stock Exchange and the ticker code is EQVA.
- Eqva, formerly as Havyard Group ASA, was listed in July 2014.
- All shares have equal rights and are freely transferable. Each share grants the holder one vote and there are no structures granting disproportionate voting rights.
- 99 per cent of our shares are held by Norwegian shareholders.
- Eqva holds 583 375 treasury shares number of treasury shares as of 30 June 2023, making it the 14<sup>th</sup> largest shareholder.

### Key figures

- NOK 208.8 mill market cap as of 30 June 2023.
- 71 987 316 number of shares.
- 3 370 number of shareholders.

### Share price development from 1 July 2022 to 30 June 2023



- Total return 2022 : 259%
- Total return H1 2023 : -1%

### The 20 largest shareholders as of 30 June 2023

	OWNER	EQVA	SHARE	COUNTRY
1	NINTOR AS	16 938 645	23,53 %	Norway
2	HAVILA HOLDING AS	10 000 000	13,89 %	Norway
3	NEVE EIENDOM AS	7 993 462	11,10 %	Norway
4	ROS HOLDING AS	5 660 027	7,86 %	Norway
5	EIKESTØ EIENDOM AS	4 960 847	6,89 %	Norway
6	FURENESET EIENDOM AS	4 960 847	6,89 %	Norway
7	EIKESTØ AS	2 999 511	4,17 %	Norway
8	FURENESET INVEST AS	2 999 511	4,17 %	Norway
9	EMINI INVEST AS	1 290 000	1,79 %	Norway
10	HSR INVEST AS	1 290 000	1,79 %	Norway
11	INNIDIMMAN AS	1 290 000	1,79 %	Norway
12	MP PENSJON PK	1 112 768	1,55 %	Norway
13	HANDELAND EIGEDOM AS	584 163	0,81 %	Norway
14	EQVA ASA	583 375	0,81 %	Norway
15	PISON AS	430 000	0,60 %	Norway
16	KAMATO AS	331 000	0,46 %	Norway
17	K R HÜBERTX	226 000	0,31 %	Norway
18	A JOHNSEN	221 376	0,31 %	Norway
19	P A WIND	208 888	0,29 %	Norway
20	CLEARSTREAM BANKING S.A.	179 764	0,25 %	Luxembourg



## Eqva's history

Building on a more than 100 years of history, Eqva has a rich heritage in the maritime industry. The group has continually evolved to meet the changing demands of the market.



### Important milestones:

- **1918:** Jonas Løland founded Løland Motorverksted (machine workshop) in Leirvik, which marked the start of the company's activity in the maritime industry.
- **1938:** The yard constructed its first newbuilding, "Loftesnesferja", which was a significant milestone for the company.
- **2008:** BKS was founded as mainly a personnel and service engineering provider for the construction industry. In subsequent years, BKS expanded its operations and developed into a fully integrated service provider for land-based industries. More investors joined the company, leading to further growth and expansion of services offered.
- **2014:** The group was listed on the Oslo Stock Exchange under the name Havyard Group.
- **2018:** Fossberg Kraft was founded in Handeland Gard in Kvinnherad municipality. Since its inception, Fossberg Kraft has expanded its hydropower portfolio to include the Ljotå hydropower plant in Bjørnafjorden municipality and the Svandalen hydropower plant in Sauda municipality.
- **2020:** The group initiated a restructuring of its yard to shift focus from new buildings to maintenance and service offerings, which reflected the company's evolving strategy.
- **2021:** The group began revising its corporate strategy to focus on growth within repair, service, and maintenance in the marine service segment, which reflected its commitment to long-term success.
- **2022:** The group entered into a business combination agreement, whereby the group acquired all shares of HG Group, consisting of BKS and Fossberg Kraft, to start its journey towards becoming a fully integrated service provider to on- and offshore industries.
- **2022:** The group changed its name to Eqva and expanded its services to offer complete industrial services and renewable energy to key customers, which marked a significant step in the group's growth and development.

## The board and management

### Management team

**Erik Høyvik**

CEO

With 15 years of experience in maritime and land-based industries. Mr. Høyvik brings extensive knowledge to the company. He holds 0 shares in the company.

**Eirik Sævareid**

CFO

Mr. Sævareid brings over 15 years of experience from executive finance positions in large industrial companies. He holds 58 297 shares in the company.

**Tor Leif Mongstad**

CEO of Havyard Leirvik

With 25+ years of diversified experience in the maritime industry. Mr. Mongstad holds 0 shares in the company.

**Trygve Kjerpeseth**

CEO of BKS

Group Head of Risk and Projects

Bringing 30+ years of experience from senior project management. Mr. Kjerpeseth holds 0 shares in the company.

**Tom Jensen**

CEO of Fossberg Kraft

With 30 years of leadership experience with a primary focus on production and procurement. Mr. Jensen holds 0 shares in the company.

**Sverre Olav Handeland**

In-house lawyer

Bringing 15+ years of experience as a partner in a law firm and 8 years as an in-house lawyer in HG Group. Mr. Handeland holds 584 163 shares in the company through Handeland Eigedom AS.



## Board of directors

### **Even Matre Ellingsen**

Chairman

Former Group CEO of Astrup Fearnley with extensive board experience in both regulated and non-regulated businesses. Mr. Matre Ellingsen holds 7 993 462 shares in the company through Neve Eiendom AS.

### **Vegard Sævik**

Board Member

Employed in Havila Holding and holds several board positions, and is Chairman of the Board in Fjord1. Mr. Sævik holds 1 290 000 shares in the company through Innidimman AS. Mr. Sævik also holds a non-controlling position in Havila Holding AS which holds 10 000 000 shares in the company.

### **Rune Skarveland**

Board Member

Former CEO of Skarveland AS from 1997 to 2008 and has held several board positions in property development, industrial, and hydropower companies. Mr. Skarveland holds 7 960 358 shares in the company through Eikestø AS og Eikestø Eiendom AS.

### **Ellen Merete Hanetho**

Board Member

Brings over 20 years of experience in financial and strategic business development to the board. Mrs. Hanetho has leadership experience from her prior positions in HydrogenPro, MPC Energy Solutions and Goldman Sachs. Mrs. Hanetho holds 0 shares in the company.

### **Anne Sofie Myrmel Bruun-Olsen**

Board Member

Mrs. Bruun-Olsen was the former CEO in Cushman & Wakefield Realkapital (2000-2018), now acting as senior Partner for the company. She also brings extensive board experience from former board membership of Pure Water AS, NEAS ASA and Odin Forvaltning (Sparebanken 1). Mrs. Bruun-Olsen has 25+ years of strategic, sales/marketing, and HR/people experience. Mrs. Bruun-Olsen holds 0 shares in the company.

### **Geir Helge Nordstrand**

Board Member

Employee Representative

### **Jan Olav Gjerde**

Board Member

Employee Representative

## HEALTH, SAFETY AND QUALITY

The Group's average total sick leave in the 18-month period January 2022 to June 2023 is 6,46 %. The average in 2023 so far is 6,03 % where 1,86 % is short time sick leave.

The decrease in sickness compared to same period last year is mainly due to lower Covid-19 effect.

During the last 12 months, the Group has had no serious injuries. An extensive action plan is implemented with the target of reducing injuries both for own employees and subcontractors.

In addition to health and safety, the Group is focusing on quality. Internal audits in accordance with ISO 9001/ISO 14001, including supplier audits and audits from costumers. Quality deviations are measured, documented in action lists and handled as quickly and effectively as possible.

# PRINCIPAL RISKS AND UNCERTAINTIES

Eqva ASA defines operational risk as the ability to deliver at the agreed date, quality, and calculated cost. These are the factors considered to have most impact on Eqva's financial results. Other risk factors related to the Group's business can among others be availability of funding, availability of contracts with satisfactory margins, significant market disruptions, dependence of external suppliers, guarantee claim and customers' ability to meet their obligations. See also info in notes related to the effects from Subsequent events and Going concern. Eqva works systematically with risk management in all its segments and subsidiaries. All managers are responsible for risk management and internal control within their business segment.

Reference is made to the annual report for 2022 for a further description of risk factor and risk management.

Fosnavåg, 25. August 2023

The board of directors of Eqva ASA



Even Matre Ellingsen  
Chairman of the Board of Directors



Vegard Sævik  
Board member



Jan Olav Gjerde  
Board member  
employee representative



Ellen Merete Hanetho  
Board member



Rune Skarveland  
Board member



Geir Helge Nordstrand  
Board member  
employee representative



Anne Sofie Myrmel Bruun-Olsen  
Board member



Erik Høyvik  
CEO

# RESPONSIBILITY STATEMENT FROM THE BOARD AND CEO

Today, the Board of Directors and the CEO of Eqva ASA have considered and approved the financial statements as of 30 June 2023 and for the six month period ended 30 June 2023. The report has been prepared in accordance with IAS 34 Interim Financial Report as endorsed by the EU and additional Norwegian regulations.

To the best of our knowledge, we confirm that:

- the financial statements for the six month period ended 30 June 2023 have been prepared in accordance with applicable financial reporting standards.
- the information presented in the financial statements gives a true and fair view of the group's assets, liabilities, financial position and results for the period.
- the information presented in the financial statements gives a true and fair view of the development, performance, financial position, principle risks and uncertainties of the group.

Fosnavåg, 25. August 2023

The board of directors of Eqva ASA



Even Matre Ellingsen

Chairman of the Board of Directors



Vegard Sævik

Board member



Jan Olav Gjerde

Board member

employee representative



Ellen Merete Hanetho

Board member



Rune Skarveland

Board member



Geir Helge Nordstrand

Board member

employee representative



Anne Sofie Myrmel Bruun-Olsen

Board member



Erik Høyvik

CEO

# Financial statements



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Eqva ASA

(NOK 1,000)	Note	2023 YTD Unaudited	2022 YTD Unaudited	2022 Audited
Revenues	3,4	424 386	128 976	456 431
Other operating revenues		3 002	339	2 562
<b>Operating income</b>	<b>3,4</b>	<b>427 388</b>	<b>129 315</b>	<b>458 994</b>
Materials and consumables		194 268	84 132	228 756
Payroll expenses		170 889	35 851	172 360
Other operating expenses		50 142	15 937	67 219
<b>Operating expenses</b>		<b>415 300</b>	<b>135 920</b>	<b>468 335</b>
<b>Operating profit/loss before depreciation and amortisation (EBITDA)</b>	<b>3</b>	<b>12 088</b>	<b>-6 605</b>	<b>-9 342</b>
Impairment of non-current assets		0	0	0
Depreciation		6 732	1 540	9 860
<b>Operating profit/loss (EBIT)</b>	<b>3</b>	<b>5 357</b>	<b>-8 145</b>	<b>-19 202</b>
Financial income	3,5	356	609	4 138
Financial expenses	3,5	-3 262	-7 070	-21 045
Share of profit/loss of associate	3	-4 823	-3 003	668
<b>Profit / loss before tax</b>	<b>3</b>	<b>-2 372</b>	<b>-17 609</b>	<b>-35 441</b>
Income tax expense	7	0	-16 781	-15 796
<b>Profit from continued operations</b>	<b>3</b>	<b>-2 372</b>	<b>-828</b>	<b>-19 647</b>
<b>Profit from discontinued operation</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Profit for the period</b>	<b>3</b>	<b>-2 372</b>	<b>-828</b>	<b>-19 647</b>
<b>Attributable to :</b>				
Equity holders of parent		-2 372	-828	-21 410
Non-controlling interest		0	0	1 763
<b>Total</b>		<b>-2 372</b>	<b>-828</b>	<b>-19 647</b>
Earnings per share (NOK)		-0,03	-0,01	-0.30
Diluted earnings per share (NOK)		-0,03	-0,01	-0.30
<b>Earnings from continued operations</b>				
Earnings per share (NOK)		-0,03	-0,01	-0.30
Diluted earnings per share (NOK)		-0,03	-0,01	-0.30



## CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Eqva ASA

(NOK 1,000)	Note	2023 YTD Unaudited	2022 YTD Unaudited	2022 Audited
Profit for the period	3	-2 372	-828	-19 647
Foreign currency translation differences		-87	55	-2 038
Other comprehensive income		-87	55	-2 038
Total comprehensive income		-2 459	-773	-21 685
Attributable to :				
Equity holders of parent		-3 702	-773	-23 449
Non-controlling interest		1 243	0	1 764
Total		-2 459	-773	-21 685

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Eqva ASA

(NOK 1,000)

## ASSETS

	Note	2023 YTD Unaudited	2022 Audited
<b>Non-current assets</b>			
Deferred tax benefit		0	0
Goodwill		248 260	248 260
Licenses, patents and R&D		32 982	32 208
Property, plant and equipments		140 298	128 927
Right of use assets	10	10 193	10 933
Investment in associates		20 406	25 544
Loan to associates		4 440	4 840
Investment in financial assets	6	3 000	16 163
Other non-current receivables		13 328	2 648
<b>Total non-current assets</b>		<b>472 907</b>	<b>469 523</b>
<b>Current Assets</b>			
Inventory		10 361	13 681
Accounts receivables		123 053	90 955
Other current receivables		38 289	25 552
Contract assets customer contracts		36 856	51 537
Cash and cash equivalents		42 309	61 117
<b>Total current assets</b>		<b>250 869</b>	<b>242 843</b>
<b>TOTAL ASSETS</b>		<b>723 777</b>	<b>712 366</b>

## EQUITY AND LIABILITIES

	NOTE	2023 YTD	2022
<b>Equity</b>			
Share capital	8	3 599	3 599
Share premium reserve		195 175	195 175
Treasury shares	8	-35	-16
Retained earnings		105 147	109 991
Non-controlling interests		4 611	3 387
<b>Total equity</b>		<b>308 498</b>	<b>312 136</b>
<b>Non-current liabilities</b>			
Deferred tax liability	7	1 759	0
Lease liabilities	9,10	8 584	9 624
Loans and borrowings	9	118 142	152 868
Other long-term liabilities	9	37 638	41 474
<b>Total non-current liabilities</b>		<b>166 123</b>	<b>203 967</b>
<b>Current liabilities</b>			
Accounts payables		99 226	56 147
Taxes payables	7	130	1 360
Public duties payables		52 990	37 524
Loans and borrowings, current	9	27 931	22 498
Contract liabilities		0	861
Lease liabilities	9,10	1 444	1 619
Other current liabilities		67 434	76 255
<b>Total current liabilities</b>		<b>249 155</b>	<b>196 263</b>
<b>Total liabilities</b>		<b>415 279</b>	<b>400 230</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>723 777</b>	<b>712 366</b>

Fosnavåg, 25 August 2023

The Board of Directors and CEO

Eqva ASA



Even Matre Ellingsen

Chairman of the Board of Directors



Ellen Merete Hanetho

Board member



Anne Sofie Myrmel Bruun-Olsen

Board member



Vegard Sævik

Board member



Rune Særveland

Board member



Jan Olav Gjerde

Board member

employee representative



Geir Helge Nordstrand

Board member

employee representative



Erik Høyvik

CEO

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Eqva ASA

(NOK 1,000)

	Note	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
January 1, 2023	8	3 599	195 175	-16	109 993	308 753	3 387	312 136
Profit & loss					-3 596	-3 596	1 224	-2 372
Other comprehensive income					-87	-87	0	-87
Total comprehensive income					-3 683	-3 683	1 224	-2 459
Repurchase of own shares				-19	-1 160	-1 179	0	-1 179
June 30, 2023	8	3 599	195 175	-35	105 147	303 888	4 611	308 498

(NOK 1,000)

	Note	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
January 1, 2022		1 239	22 535	-3	274 042	297 814	0	297 814
Profit for the Year					-828	-828	0	-828
Other comprehensive income					55	55	0	55
Total comprehensive income					-773	-773	0	-773
Capital increase in Havyard Group		2 360	242 640		0	245 000	0	245 000
Dividend distribution shares in HAV Group ASA					-136 096	-136 096	0	-136 096
Minority interests from transaction					-3 006	-3 006	3 006	0
June 30, 2022		3 599	265 175	-3	134 167	402 939	3 006	405 945

(NOK 1,000)

	Note	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
January 1, 2022		1 239	22 535	-3	274 042	297 814	0	297 814
Profit for the Year					-21 410	-21 410	1 763	-19 647
Other comprehensive income					-2 038	-2 038		-2 038
Total comprehensive income					-23 449	-23 449	1 763	-21 685
Issue of new shares in Eqva in connection with acquisitions of BKS and Fossberg Kraft		2 360	172 640		0	175 000	1 624	176 624
Dividend distribution shares in HAV Group ASA					-140 600	-140 600	0	-140 600
Repurchase of own shares				-13	0	-13	0	-13
December 31, 2022		3 599	195 175	-16	109 990	308 753	3 387	312 136

## CONSOLIDATED STATEMENT OF CASHFLOW

Eqva ASA

(NOK 1,000)	Note	2023 YTD	2022 YTD	2022
<b>CASH FLOW FROM OPERATIONS</b>				
Profit/(loss) after tax	3	-2 372	-828	-19 647
Income tax expense	7	-1 230	0	-15 796
Depreciation		6 732	1 542	7 524
Net financial items		3 262	7 214	16 907
Impairment of other financial fixed assets		0	5 321	0
Agio Profit/loss realized		-584	0	0
Depreciation charge of right-of-use assets		0	0	2 335
Share of profit/loss from associates		4 823	3 003	-668
Changes in inventory		3 320	-1 767	-4 719
Changes in accounts receivables		-32 098	17 688	9 775
Changes in accounts payable		43 079	-1 785	-25 780
Changes in customer contracts, asset		14 681	0	-51 537
Changes in customer contracts, liabilities		-861	-31 466	-14 116
Changes in restricted desposits		-4 729	36 012	68 318
Changes in other current receivables/liabilities		-14 360	-61 243	-5 603
<b>Net cash flow from/(to) operating activities</b>		<b>19 662</b>	<b>-26 310</b>	<b>-33 006</b>
<b>CASH FLOW FROM INVESTMENTS</b>				
Investments in property, plant and equipment		-8 949	-1 218	-3 204
Investments in product development		-774	0	0
Sale of property		0	770	7 002
Net FOU grants		0	0	824
Investment in intangible assets		0	-285 000	-50
Loan to associates		0	-110	-502
Cash effect from aquisition of new companies		0	25 274	-6 441
Cash in HPR at time for loss of control		0	-18 824	-18 824
Changes in long term receivables		-10 680	20	-4 922
<b>Net cash flow used in investing activities</b>		<b>-20 403</b>	<b>-279 088</b>	<b>-26 118</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Instalments on bank debt		-29 293	-217	-7 500
Repayment of lease liabilities		-1 040	-44	-1 629
New bank debt		0	0	510
Aquired own shares		-1 070	0	-890
Share issue		0	245 000	0
Sellers credit		0	25 000	0
Changes in other long-term liabilities		-3 836	0	-15 460
Sale of shares in Hav Group ASA net transaction cost		13 300	0	3 010
Interest payment		-858	-1 996	-11 214
<b>Net cash flow from/ (used in) financing activities</b>		<b>-22 796</b>	<b>267 742</b>	<b>-33 173</b>
Net change in cash and cash equivalents		-23 537	-37 656	-92 297
Cash and cash equivalents at start of the year		47 512	139 810	139 810
<b>Cash and cash equivalents at end of the year</b>		<b>23 975</b>	<b>102 155</b>	<b>47 512</b>
<b>Restricted cash at end of period</b>		<b>18 334</b>	<b>45 911</b>	<b>13 605</b>
<b>Cash and cash equivalent recognised in the balance sheet</b>		<b>42 309</b>	<b>148 067</b>	<b>61 117</b>

# NOTES

Eqva ASA

## Note

- 1 General information
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ACCOUNTS FOR 2023 ARE PRESENTED IN ENGLISH.

## 1. GENERAL INFORMATION

Eqva ASA is a public limited company based in Norway, and its head office is located in Fosnavåg, Herøy. The group in total employs 430 people as of 30 June 2023, of whom all are employed in Norway.

Havyard Group ASA was incorporated as a public limited company 25 February 2014, and was listed on the Oslo Stock Exchange 1 July 2014.

## 2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

The Interim Financial Statements for the period ended 30 June 2023 have been prepared in accordance with IAS 34. The Interim Financial Statements are not subject to audit, and do not include all the information and disclosures required in the annual Financial Statements. It should be read in conjunction with the Group's annual Financial Statements as of 31 December 2022.

Eqva made a transaction in June 2022 where HG Group and BKS were aquired. The comparison figures for 1st half 2022 does not include the aquired companies.

The Group has not implemented any new or amended accounting standards in 2023. All significant accounting principles applied are described in the Annual Report 2022.

## 3. SEGMENT INFORMATION

The new group structure in Eqva is organized in 3 reporting segments:

- **Maritime services** consists of Havyard Leirvik – a multi-service yard facility which provides services to both maritime sector, aquaculture and land-based industry.
- **Products, solutions & renewables** which include BKS and Fossberg Kraft. BKS provides service- and maintenance assignments to the land-based and maritime industry, while Fossberg Kraft is specialized in the establishment and operation of small-scale hydropower plants.
- **Other** in which the parent company is the main entity - the segment also includes companies without regular operations and eliminations of intra-group transactions.

Transfer prices between operating segments are basis in a manner similar to transactions with third parties.

The accounting principles for segment reporting correspond to those used by the group, with the exception of discontinued operations which are treated in the same way as continuing operations in segment reporting.

### 2023 YTD

(NOK million)	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva Group
Operating revenues, External	94,7	329,2	3,4	427,4
Operating revenues, Internal	0,0	0,0	0,0	0,0
Operating income	94,7	329,2	3,4	427,4
<b>EBITDA</b>	<b>-6,7</b>	<b>21,8</b>	<b>-3,0</b>	<b>12,1</b>
Depreciation	0,9	3,0	2,8	6,7
<b>Operating profit/(loss) (EBIT)</b>	<b>-7,7</b>	<b>18,8</b>	<b>-5,8</b>	<b>5,4</b>
Net financial items	-0,1	-3,8	-3,8	-7,7
Share of profit/(loss) from associate	0,0	0,0	0,0	0,0
<b>Profit/(Loss) before tax</b>	<b>-7,7</b>	<b>15,0</b>	<b>-9,6</b>	<b>-2,4</b>
Income tax expense	0,0	0,0	0,0	0,0
<b>Profit/(Loss)</b>	<b>-7,7</b>	<b>15,0</b>	<b>-9,6</b>	<b>-2,4</b>

(NOK million)	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva Group
Total assets	83,6	290,6	349,5	723,8
Equity	19,5	31,8	257,2	308,5
Liabilities	64,1	258,8	92,3	415,3
Addition PP&E and intangibles*	0,0	9,7	0,0	9,7

Geographical areas	Norway	Other	Total
Operating revenues	427,4	0,0	427,4

"Other" contains parent company items and elimination of intra-group transactions.

\*Property, machinery and equipment and intangible assets

## 2022 YTD

(NOK million)	*Maritime services	Other / Elimination	Eqva Group
Operating revenues, External	126,0	3,3	129,3
Operating revenues, Internal	0,0	0,0	0,0
Operating income	126,0	3,3	129,3
EBITDA	5,6	-12,2	-6,6
Depreciation	1,4	0,2	1,5
Operating profit/(loss) (EBIT)	4,2	-12,4	-8,1
Net financial items	-0,9	-5,6	-6,5
Share of profit/(loss) from associate	0,0	-3,0	-3,0
Profit/(Loss) before tax	3,3	-21,0	-17,6
Income tax expense	0,0	-16,8	-16,8
Profit/(Loss)	3,3	-4,2	-0,8

The Profit & loss 2022 YTD is based on consolidated numbers for the Maritime services- and Other segment.

P&L-information from the Products, solutions & renewables segment (BKS/Fossberg Kraft) will impact from 1 July 2022 (Q3)

\*Previous Ship Technology

(NOK million)	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva ASA
Total assets	133,6	262,6	445,5	841,8
Equity	35,7	49,4	320,9	405,9
Liabilities	98,0	213,3	124,6	435,9
Addition PP&E and intangibles*	1,2	0,0	0,0	1,2

Geographical areas	Norway	Other	Total
Operating revenues	126,0	3,3	129,3

\*Property, machinery and equipment and intangible assets

The statement of financial position per 2022 YTD includes all segments.

## 2022

(NOK million)	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva ASA
Operating revenues, External	235,5	219,5	4,2	458,9
Operating revenues, Internal	0,0	0,0	0,0	0,0
Operating income	235,2	219,5	4,2	458,9
<b>EBITDA</b>	<b>12,9</b>	<b>9,3</b>	<b>-31,5</b>	<b>-9,3</b>
Depreciation	2,8	6,9	0,1	9,9
<b>Operating profit/(loss) (EBIT)</b>	<b>10,1</b>	<b>2,3</b>	<b>-31,6</b>	<b>-19,2</b>
Net financial items	-1,3	0,6	-16,2	-17,0
Share of profit/(loss) from associate	0,0	0,0	0,7	0,7
<b>Profit/(Loss) before tax</b>	<b>8,7</b>	<b>2,9</b>	<b>-47,2</b>	<b>-35,5</b>
Income tax expense	-0,4	0,0	-15,4	-15,8
<b>Profit/(Loss)</b>	<b>9,1</b>	<b>2,9</b>	<b>-31,7</b>	<b>-19,6</b>

(NOK million)	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva ASA
Total assets	161,8	315,5	235,1	712,4
Equity	39,6	53,7	218,8	312,1
Liabilities	122,3	261,7	16,2	400,2
Addition PP&E and intangibles*	0,5	2,5	0,3	3,2

Geographical areas	Norway	Other	Total
Operating revenues	459,0	0,0	459,0

"Other" contains parent company items and elimination of intra-group transactions.

\*Property, machinery and equipment and intangible assets

Reconciliation to Group profit before tax	2022
Segment result for the period	-19,6
Profit/loss discontinued operations	0,0
<b>Profit/loss before tax</b>	<b>-19,6</b>

## 4. REVENUES FROM CONTRACTS WITH CUSTOMERS

(NOK 1,000)

## NOTE 4.1

## 2023 YTD

Disaggregation of revenue	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva
Service and maintenance	93 669	295 688	562	389 918
Construction of power plants	0	34 467	0	34 467
<b>Total revenue from contract with customers</b>	<b>93 669</b>	<b>330 155</b>	<b>562</b>	<b>424 386</b>

## 2022 YTD

Disaggregation of revenue	*Maritime services	Other	Total
Sale of vessels, equipment and design	125 923	3 053	128 976
Repair and maintenance services	0	0	0
<b>Total revenue from contract with customers</b>	<b>125 923</b>	<b>3 053</b>	<b>128 976</b>

\* Previous Shipbuilding Technology

The 2022 YTD amount contains only Maritime services orderbook, due to P&L-information from the Products, solutions & renewables segment (BKS/Fossberg Kraft) will impact from 1 July 2022 (Q3).

## 2022

Disaggregation of revenue	Maritime services	Products, solutions & renewables	Other / Elimination	Eqva
Service and maintenance	235 218	200 236	4 164	439 618
Construction of power plants	0	16 813	0	16 813
<b>Total revenue from contract with customers</b>	<b>235 218</b>	<b>217 049</b>	<b>4 164</b>	<b>456 431</b>

Prepayments are presented in the balance sheet as prepayment from the customer less work done.

The amount accounted as contractual liabilities on Opening balance (IB) is recognized as income over the year.

Most Service- and maintenance contracts have payment-structure "pay-as-you-go". The customer is invoiced based on work done.

## NOTE 4.2

Transaction price allocated to fully or partly unsatisfied performance obligations	2023 YTD	2022 YTD	2022
Transaction price allocated to remaining performance	43 000	88 300	41 573

## Expected delivery of remaining performance obligations

Within one year	43 000	88 300	41 573
Between one and two years	0	0	0

## NOTE 4.3

No revenue was recorded in 2023 on previously completed contracts.

## 5. FINANCIAL INCOME AND FINANCIAL EXPENSES

(NOK 1,000)

	2023 YTD	2022 YTD	2022
Interest income	82	5	898
Agio income	40	0	598
Profit from share sale	200	0	2 636
Other financial income	34	604	6
<b>Total financial income</b>	<b>356</b>	<b>609</b>	<b>4 138</b>
Interest expenses	858	1 243	11 214
Agio loss	624	0	352
Impairment of other financial assets	0	5 321	9 389
Loss from share sale	0	0	-639
Other financial expenses	1 780	505	729
<b>Total financial expenses</b>	<b>3 262</b>	<b>7 070</b>	<b>21 045</b>
Share of profit & loss associate	-4 823	-3 003	668
<b>Net financial items</b>	<b>-7 728</b>	<b>-9 464</b>	<b>-16 239</b>

## 6. NON-CURRENT FINANCIAL INVESTMENTS

The investments are classified as non current. The investments are recognized at fair value with changes in value in the statement of profit or loss.

2023 YTD

(NOK 1,000)

Company	Ownership share/ voting share	Business Office	Carrying amount
*Other non-current financial investments	NA	NA	3 000
Carrying amount as of 30/06/23			3 000

All investments are unquoted equity shares and are classified as level 3 investments.

\*The investment of 3 MNOK is related to 3 appartements outside the shipyard in Leirvik (HLE).

2022

(NOK 1,000)

Company	Ownership share/ voting share	Business Office	Carrying amount
HAV Group ASA	4.4%	Fosnavåg	13 163
Other non-current financial investments*	NA	NA	3 000
Carrying amount as of 31/12/22			16 163

Except for the HAV Group investment, which is a listed company, the rest are unquoted equity shares and are classified as level 3 investments

## 7. TAX

The tax in the income statement has been estimated using the average tax rate for each company in the group.  
The tax rate has been set at 22%.

### TAX CASE

There is an ongoing tax case in one of the Group's subsidiaries for further information see note 26 in the annual report.



## 8. SHARE CAPITAL

Ordinary shares issued and fully paid

	2023 YTD	2022
Number of ordinary shares	71 987 316	71 987 316
Par value (NOK)	0,05	0,05
<b>Share capital (NOK)</b>	<b>3 599 366</b>	<b>3 599 366</b>

All shares have equal rights.

### Share capital

The share capital is NOK 3 599 366 consisting of 71 987 316 shares, at NOK 0.05.

### Treasury shares

Eqva ASA has 583 375 treasury shares (0.81 % of share capital) as of 30/06/2023

Shareholders as of 30/06/2023	Controlled by	Number of shares	Ownership
Nintor AS		16 938 645	23,5 %
Havila Holding AS	Vegard Sævik (Board Member)	10 000 000	13,9 %
Neve Eiendom AS	Even Matre Ellingsen (Chairman BOD)	7 993 462	11,1 %
ROS Holding AS		5 660 027	7,9 %
Eikestø Eiendom AS	Rune Skarveland (Board Member)	4 960 847	6,9 %
Fureneset Eiendom AS		4 960 847	6,9 %
Eikestø AS	Rune Skarveland (Board Member)	2 999 511	4,2 %
Fureneset Invest AS		2 999 511	4,2 %
Emini Invest AS		1 290 000	1,8 %
HSR Invest AS		1 290 000	1,8 %
Innidimman AS	Vegard Sævik (Board Member)	1 290 000	1,8 %
MP Pensjon PK		1 112 768	1,5 %
Andre aksjonærer (<1 %)		10 491 698	14,57 %
<b>Number of shares</b>		<b>71 987 316</b>	<b>100 %</b>

**9. INTEREST BEARING DEBT**

(NOK 1,000)

	2023 YTD	2022
<b>Interest bearing long-term debt</b>		
Liabilities to financial institutions	118 142	152 868
Other long- term liabilities	37 638	41 474
Lease liabilities	8 584	9 624
<b>Sum</b>	<b>164 364</b>	<b>203 967</b>
 <b>Interest bearing short-term debt</b>		
Liabilities to financial institutions	27 931	22 498
Lease liabilities	1 444	1 619
<b>Sum</b>	<b>29 375</b>	<b>24 117</b>
 <b>Issues (+) / repayments (-) during the period</b>	<b>2023 YTD</b>	<b>2022</b>
Total interest bearing debt start of periode	228 084	37 072
Liabilities to financial institutions	-17 293	178 083
Sellers credit to share holders	0	25 000
Installments loan fin. Inst.	-12 000	-7 500
Change of lease liabilities	-1 215	10 886
Other long-term liabilities	-3 836	-15 460
<b>Sum</b>	<b>193 740</b>	<b>228 084</b>

The Liabilities to financial institutions of total 146 MNOK include Innovation Norway loan to Havyard Leirvik Elendom, DNB loan to BKS, construcion loans from Sparebank 1 SR-Bank to Fossberg Kraft and Pareto bank loan to Eqva ASA.

The loan from Innovasjon Norge has a maturity of 3-11 years, the loans from DNB have a maturity on 4 years and the loan from Pareto has a maturity of 3 years. Construction loans from Sparebank 1 SR-Bank has a maturity of 2 years. All the loans have floating interest rates.

As of 30 June 2023, Eqva ASA was in compliance with all its valid debt covenants.

Other long-term liabilities include among others a sellers credit from the aquisition of HG Group and BKS (25 MNOK) and a loan from Havila Holding (13 MNOK).

## 10. LEASING

Amounts recognised in the statement of financial position.

The statement of financial position shows the following amounts relating to leases:

(NOK 1,000)	2023 YTD	2022
<b>Right of use assets</b>		
Property	865	1 021
Equipment	7 691	7 827
Cars	1 637	2 086
<b>Sum</b>	<b>10 193</b>	<b>10 933</b>

(NOK 1,000)	2023 YTD	2022
<b>Lease liabilities</b>		
Current	1 444	1 619
Non-Current	8 584	9 624
<b>Sum</b>	<b>10 028</b>	<b>11 243</b>

Additions, right-of-use assets in the period	0	12 937
Disposals of right-of-use assets in the period	433	0

(NOK 1,000)	2023 YTD	2022
Maturity Matrix according to IFRS 7 on non-discounted liabilities distributed by year:		
<b>Depreciation charge of right-of-use assets</b>		
0-1 year	1 574	1 765
> 2 years	9 400	10 538
Disposals non-discounted liabilities in the period	0	0

Amounts recognised in the statement of profit or loss.

The statement of profit or loss shows the following amounts relating to leases:

	2023 YTD	2022
<b>Depreciation charge of right-of-use assets</b>		
Properties	155	310
Equipment	449	866
Cars	569	1 160
<b>Sum</b>	<b>1 173</b>	<b>2 335</b>
<b>Interest expense</b>	<b>183</b>	<b>229</b>
<b>Expenses relating to short-term leases</b>	<b>7 297</b>	<b>7 033</b>
<b>Expenses relating to leases of low-value</b>	<b>0</b>	<b>0</b>

## 11. TRANSACTION WITH RELATED PARTIES

The Group has various transactions with related parties. All the transactions have been carried out as part of the ordinary operations and at arms' length principle

The most significant transactions are as follows:

Amounts in NOK 1 000

Fjord 1 AS	Sales to related parties	Purchases from related parties	Accounts payables to related parties
2023 YTD	28 240	0	2 323
2022	0	0	0

The group delivered conversion, service and maintenance of ferries to Fjord 1.

Havila Holding AS owns 19.3 % of the shares in Eqva ASA. Havila Holding, through its 100 % own subsidiary Havilafjord AS owns 50.1 % of Fjord1 AS.

Handeland Gard AS	Sales to related parties	Purchases from related parties	Accounts payables to related parties
2023 YTD	0	391	107
2022	0	399	26

Handeland Gard AS is controlled 100% by Board Member Rune Skarveland.

The balance sheet includes the following receivables and payables resulting from transactions with associated companies:

	2023 YTD	2022
Account receivables	2 323	0
Account payables	107	2 862
Net total (positive sign - net receivable)	2 216	-2 862

**12. EVENTS AFTER THE BALANCE SHEET DATE**

There have been no significant events after the balance sheet date.

**13. CONTINGENCIES AND PROVISIONS**

Refer to Note 26 in the Annual Report 2022 for further assessments.

**14. GOING CONCERN**

The half-year report has been prepared on the assumption of "going concern" and the board confirms that this assumption is present.

For more details, please see Annual report 2022.





EQVA ASA

HALF YEAR REPORT  
2023

