

BEERENBERG AS

Unaudited 1st Quarter results 2022



Q122

Headlines

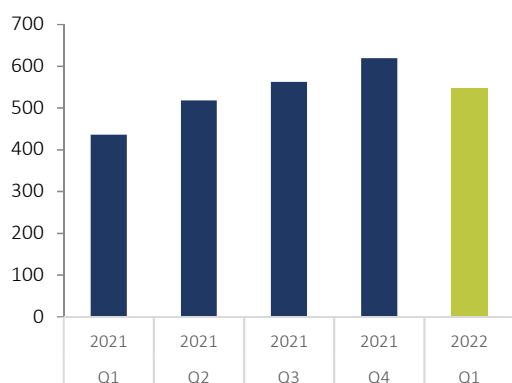
“Increased activity but supply chain issues 1st quarter.”

THIS QUARTER

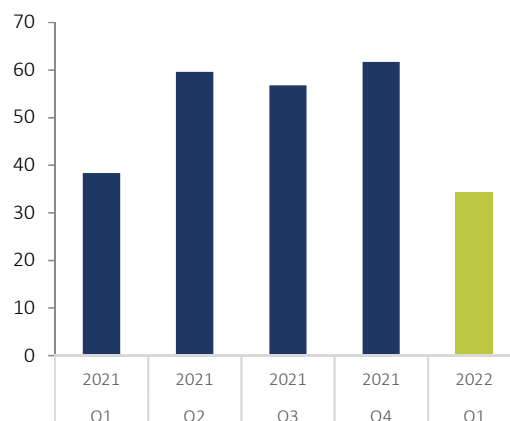
Operating Revenue	547 MNOK
EBITDA	34 MNOK
Cash Flow from Operations	-20 MNOK
Order Intake	85 MNOK
SIF	2,8
Employees*	1298

* Employees end of quarter

REVENUE



EBITDA



Group overview

Highlights

The highlights for Beerenberg (Beerenberg AS consolidated) in the 1st quarter 2022 were:

- Strong activity in the period.
- Operations continued to be affected by the covid 19 pandemic.
- Revenue was MNOK 547, up 25% compared to 1st quarter 2021.
- EBITDA of MNOK 34, down from MNOK 38 compared to Q1 2021.
- Total order intake in the period was MNOK 85 vs MNOK 21 in the 1st quarter of 2021.
- Estimated order backlog at the end of the quarter was BNOK 7,0 compared to BNOK 7,8 at the end of 1st quarter last year.
- Remotion AS was aquired in Q1 with financial effect from Q2.

Income Statement

Revenue in 1st quarter was MNOK 547 compared to MNOK 436 in 1st quarter 2021. The increase from the corresponding quarter last year relates mainly to planned shutdowns both onshore and offshore.

EBITDA in 1st quarter 2022 was MNOK 34 down from MNOK 38 in the corresponding quarter last year. EBITDA margin ending at 6,3% compared to 8,8% 1st quarter last year. EBITDA was affected by sales mix and supply chain disruptions.

Financial cost in the 1st quarter 2022 was MNOK 24, up from MNOK 20 in the 1st quarter 2021. Higher financial cost in Q1 2022 compared to 2021 is due to currency effects.

Net profit in 1st quarter 2022 was negative MNOK 4 compared to a net profit of MNOK 1 in 1st quarter 2021. The reason is mainly lower margins in Q1 2022 and higher finance cost compared to Q1 2021.



Balance Sheet

The balance sheet reflects the higher activity level in the quarter compared to last year especially accounts receivables and earned not invoiced. The groups cash position was at the same level in Q1 2022 compared to same period last year. Total assets were MNOK 1766 at the end of the quarter, with an equity ratio of 31%.

Total non-current assets were MNOK 1028, down from MNOK 1035 compared to the end of 1st quarter 2021. Current assets of MNOK 738 were up from MNOK 623 same period last year.

Total current liabilities of MNOK 541 were up from MNOK 487 at the end of 1st quarter 2021 and total non-current liabilities were MNOK 681 same as at the end of 1st quarter 2021.

The net interest-bearing debt was MNOK 597 compared to MNOK 601 in 1st quarter 2021.

Net working capital ended at MNOK 166 in the period, compared to MNOK 92 at the end of 1st quarter 2021.

Cash Flow

The Groups cash position was MNOK 146 by the end of 1st quarter 2022 the same as the end of the 1st quarter 2021.

Cash flow from operating activities was negative by MNOK 21 in 1st quarter 2022 versus positive MNOK 34 in corresponding period last year. Changes in net working capital explains the difference.

Total cashflow in 1st quarter 2022 was negative by MNOK 47 compared to positive MNOK 6 in 1st quarter 2021. The difference between the periods is mainly related to changes in net working capital.

Capex was MNOK 6 compared to MNOK 10 same quarter last year.

Order Backlog & Market

The tender activity has been stable during the 1st quarter of 2022 relating both to Benarx deliveries and new build projects.

Total order intake of new contracts was approximately MNOK 85 for the period.

The current estimated order backlog (including frame agreements and options) is BNOK 7,0.

HSEQ

At the end of 1st quarter Beerenberg had 1298 employees, up from 1247 last quarter.

Two serious incidents this quarter, results in a total Serious Incident Frequency (SIF) in the period of 2,8 and 2,3 during the last 12 months.

How we achieve our results is important. Beerenberg's strong commitment to sustainability is applied to everything we do. Sustainability is embedded in our strategy – and many of our primary operations, whether maintenance or insulation products, are inherently about sustainable development.

ESG pillar







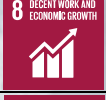


Innovation for reduced emissions and waste



Developing people and providing safety



Transparency and governance

Key KPIs	2021	Q1 2022	2022	Impact on UN's SDGs
	Actual	Actual	Goal	
1. Reduced release of microplastics in connection with surface treatment	27%*	-3%****	> 25%**	  
2. Reduced CO2 footprint in connection with surface treatment	NA	43 %	< 10%	
3. Number of new sustainable technology or solutions tested and adopted	4	0	> 3	
4. Suppliers with a ESG program	NA	NA***	> 50%	
5. Share of turnover in new and sustainable markets	3 %	6 %	> 10%	
1. TRIF	7,9	8,3	< 3	 
2. Proportion of sick leave	8,9 %	9,2 %	< 6%	
3. Internal recruitment of managers	78 %	57 %	> 80%	
4. Proportion of suppliers signed declaration on ethical guidelines and human rights policy	NA	40 %	80 %	
1. Report on ESG in quarterly and annual financial reports	NA	2	5	 
2. Proportion of employees who have completed training in ethics	79 %	83 %	> 90%	
3. Publish an external article in connection with the quarterly report	NA	2	5	

* Benchmark 2020. Scope surface treatment Offshore

** Benchmark 2020. Scope surface treatment Offshore and Onshore

*** Survey to be done Q2

**** Increased release.

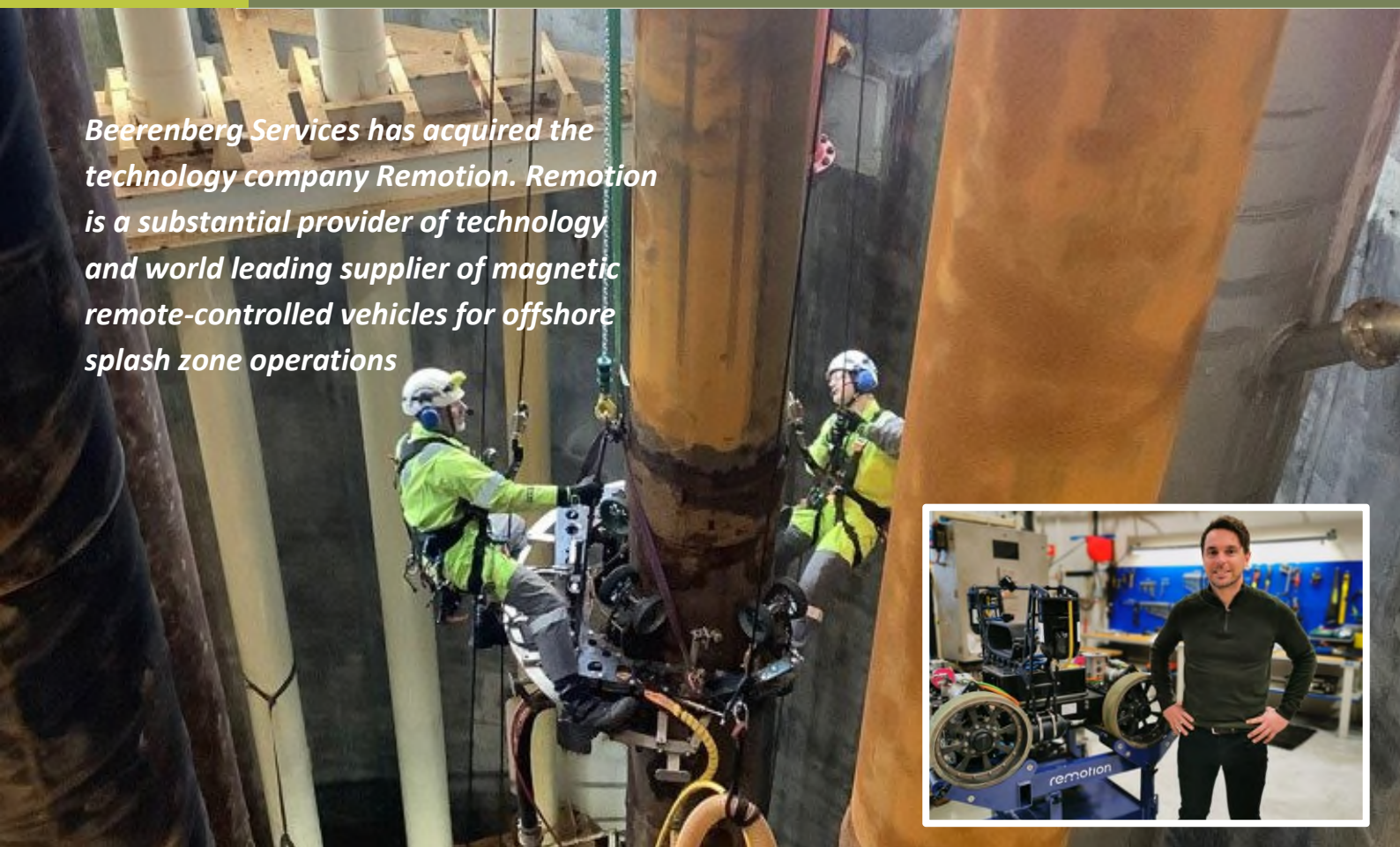
Environmental, Social and Governance (ESG)

Beerenberg has acquired Remotion

The acquisition strengthens Beerenberg's position as a provider of technological and sustainable solutions



Beerenberg Services has acquired the technology company Remotion. Remotion is a substantial provider of technology and world leading supplier of magnetic remote-controlled vehicles for offshore splash zone operations



Over the years Remotion's technology has been developed within the area of Fabric Maintenance where the robotic solutions assist the industry to become more sustainable, safer for both personnel and the environment. It also offers a significant increase both in efficiency and quality.

The acquisition will strengthen Beerenberg's position as a provider of cost efficient technological and sustainable surface maintenance solutions inside the oil & gas industry, but also in new sustainable markets such as on- and offshore wind, sea farms etc.

"With Remotion on board, we will further develop our surface maintenance services along with our clients' expectations," Arild Apelthun, CEO of Beerenberg, says. Besides its unique technology, Remotion has an extensive record of accomplishment and a great culture that fits well with Beerenberg.

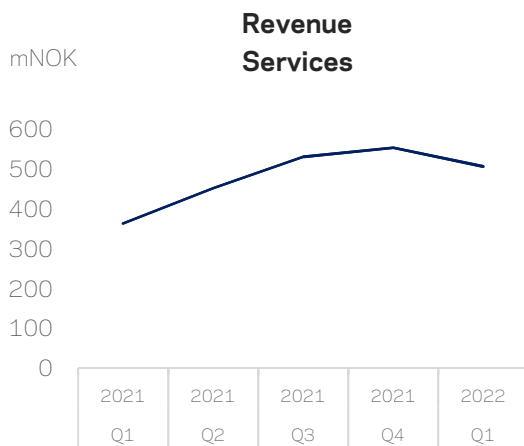
As society moves faster towards net-zero emissions, Beerenberg aims to be a partner on that journey. "We continue to invest in people, sustainability, and technology to better serve our clients and further develop the organization. We believe our expertise from the oil and gas industry is the key to sustainable development. The use of robotics and modern technologies in industrial insulation and surface maintenance are just a few examples of how we work to reduce our carbon footprint."

Remotion is looking forward to further develop its technology as part of the Beerenberg group. "We have worked together with Beerenberg on fabric maintenance projects and have had a great collaboration. With a solid owner in Beerenberg, we will continue to develop our technology to further benefit our customers," Morten K. Urrang, the founder and managing director in Remotion, says.

Business segments

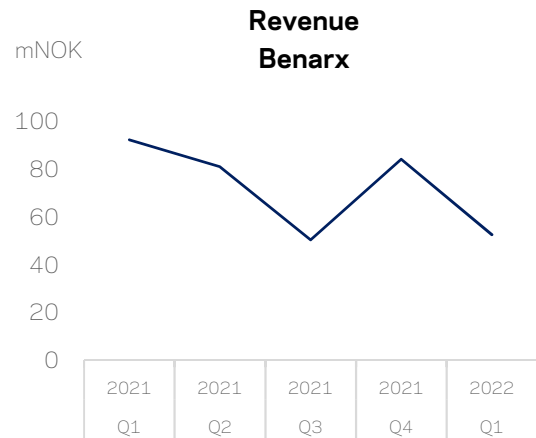
Services

The Service segment revenue for 1st quarter was MNOK 507, an increase of 39% compared to corresponding period last year mainly due to softening of the Covid-19 restrictions in 1st quarter 2022. The EBITDA margin was 7,0%.



Benarx

The Benarx segment reported a revenue of MNOK 53 for the quarter with an EBITDA of 0%. Revenue was down 43% compared to the same period last year. The quarter was affected by delays on projects as well as impacts of the Covid-19 pandemic internationally and especially in Asia.





Figures & notes

Condensed Consolidated Income Statement

Group Summary		Q1	Q1	YTD	YTD	FY
Amounts in NOK million	Note	2022	2021	2022	2021	2021
Operating revenue	6	547,0	436,0	547,0	436,0	2 136,0
Operating expenses		512,7	397,6	512,7	397,6	1 919,6
EBITDA	6	34,3	38,4	34,3	38,4	216,5
Depreciation		12,5	12,5	12,5	12,5	49,1
EBITA		21,8	25,9	21,8	25,9	167,4
Amortisation		3,5	4,1	3,5	4,1	14,3
Operating profit (EBIT)		18,3	21,9	18,3	21,9	153,1
Finance costs - net	4	23,5	20,3	23,5	20,3	82,2
Profit before tax (EBT)		-5,2	1,5	-5,2	1,5	70,9
Income Tax expense		-1,1	0,3	-1,1	0,3	14,4
Net profit		-4,0	1,2	-4,0	1,2	56,4
Profit for the period is attributable to:						
Shareholders of the parent company		-3,8	1,2	-1,7	1,2	57,8
Non controlling interests		-0,2	0,0	-2,3	0,0	-1,3
Net profit		-4,0	1,2	-4,0	1,2	56,4
Basic earnings per share for 1.000.000 A shares (NOK)		0,00	0,00	0,00	0,00	0,06
Diluted earnings per share are identical as there are no dilutive effect						
<i>EBITDA margin</i>		6,3 %	8,8 %	6,3 %	8,8 %	10,1 %
<i>EBITA margin</i>		4,0 %	5,9 %	4,0 %	5,9 %	7,8 %

Condensed Consolidated Statement of Comprehensive Income

Amounts in NOK million	Note	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
Net profit for the period		-4,0	1,2	-4,0	1,2	56,4
<i>Other comprehensive income:</i>						
Conversion differences		-1,1	-1,2	-1,1	-1,2	-3,4
Change in value of derivatives		3,3	3,1	3,3	3,1	6,1
Total comprehensive income		-1,9	3,2	-1,9	3,2	59,1

Condensed Consolidated Balance Sheet

Group Summary		Q1	Q1	Q4
Amounts in NOK million	Note	31.03.2022	31.03.2021	31.12.2021
Intangible assets		16,3	27,0	19,2
Goodwill		782,8	782,8	782,8
Property, plant and equipment		200,4	215,3	208,3
Financial fixed assets		24,9	9,9	20,2
Deferred tax assets		3,4	0,0	0,0
Total non-current assets		1 027,8	1 034,9	1 033,6
Inventory		53,5	78,5	77,8
Accounts receivables from customers		355,1	243,5	306,4
Earned, not invoiced accounts receivables		148,1	125,0	195,2
Other receivables		35,8	30,4	23,7
Cash at bank		146,2	145,5	193,3
Total current assets		738,6	622,8	796,4
TOTAL ASSETS		1 766,4	1 657,8	1 830,0
Share capital		26,7	26,7	26,7
Share premium		240,3	240,3	240,3
Other equity		277,9	222,2	279,5
Non controlling interests		-0,4	0,9	-0,1
Total equity		544,6	490,1	546,4
Pension liabilities		17,9	12,7	17,3
Deferred tax liabilities		0,0	1,5	0,0
Interest bearing long-term liabilities	4	662,9	669,7	665,2
Derivatives		0,0	-2,9	0,0
Total non-current liabilities		680,8	681,0	682,5
Interest bearing short-term liabilities	4	80,7	77,4	78,9
Supplier liabilities		133,7	86,8	188,0
Tax payable		12,2	3,8	18,5
Social Security, VAT and other taxes		83,7	81,9	91,0
Other short-term liabilities		209,3	217,0	203,2
Warranty liabilities		21,4	19,8	21,5
Total Current Liabilities		541,0	486,7	601,1
TOTAL EQUITY & LIABILITY		1 766,4	1 657,8	1 830,0

Condensed Consolidated Statement of Change in Equity

Amounts in NOK million

	Share capital	Share premium	Conversion reserve	Hedging reserve	Retained earnings	Equity attributable to parent Company	Non Controlling interests	Total equity
01. January 2022	26,7	240,3	-1,0	5,2	275,4	546,5	-0,1	546,4
Net profit					-3,8	-3,8	-0,2	-4,0
Other Comprehensive Income			-1,1	3,3		2,2		2,2
Changes in non-controlling interests								
Equity as per 31.03.2022	26,7	240,3	-2,2	8,5	271,6	544,9	-0,4	544,6

Amounts in NOK million

	Share capital	Share premium	Conversion reserve	Hedging reserve	Retained earnings	Equity attributable to parent Company	Non Controlling interests	Total equity
01. January 2021	26,7	240,3	2,3	-0,9	217,6	486,1	0,8	486,9
Net profit					1,2	1,2	0,0	1,2
Other Comprehensive Income			-1,2	3,1		2,0		2,0
Changes in non-controlling interests								
Equity as per 31.03.2021	26,7	240,3	1,2	2,3	218,8	489,2	0,9	490,1

Condensed Consolidated Statement of Cash Flow

Amounts in NOK million	Note	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
EBITDA		34,3	38,4	34,3	38,4	216,4
Taxes paid		-6,8	-8,2	-6,8	-8,2	-13,3
Change in net working capital		-44,8	2,8	-44,8	2,8	-26,4
Changes to other time restricted items		-3,5	0,9	-3,5	0,9	0,6
Net Cash flow from operating activities		-20,8	33,9	-20,8	33,9	177,3
Capex		-5,5	-9,9	-5,5	-9,9	-41,8
Net cash flow from investing activities		-5,5	-9,9	-5,5	-9,9	-41,8
Net repayment of interest bearing debt		-3,9	-5,2	-3,9	-5,2	-12,9
Changes in non-controlling interests		0,0	0,0	0,0	0,0	0,1
Net interest paid	4	-16,9	-13,0	-16,9	-13,0	-69,0
Net cash flow from financing activities		-20,8	-18,2	-20,8	-18,2	-81,8
Total cash flow		-47,2	5,7	-47,2	5,7	53,6
Opening balance net bank deposits		193,3	139,7	193,3	139,7	139,7
Closing balance net bank deposits		146,2	145,5	146,2	145,5	193,3

Notes

Note 1 - General

Beerenberg AS is a company domiciled in Norway. The consolidated financial statements of Beerenberg AS comprise the company and its subsidiaries, together referred to as the group. The Beerenberg Group was established 01. March 2013, as a result of the Beerenberg AS acquisition of all shares in Beerenberg Holding AS.

Beerenberg is delivering products and services to its customers in complex environments implying operational risk with regards to quality, cost, time and injuries and accidents (HSE). Beerenberg works systematically to mitigate and manage risk on all levels. The annual report for 2021 provides further information on risks and uncertainties applicable to Beerenberg.

Shareholders in Beerenberg AS are specified in table below.

Shareholders	A-Shares	%	B-Shares	%	Total Shares	%
Segulah IV L.P.	821 940	82,2 %	223 247 653	83,9 %	224 069 593	83,9 %
AlpInvest Partners Co-Investments 2012 I C.V.	92 121	9,2 %	24 931 110	9,4 %	25 023 231	9,4 %
AlpInvest Partners Co-Investments 2011 II C.V.	23 319	2,3 %	6 310 883	2,4 %	6 334 202	2,4 %
Management and others	62 620	6,3 %	11 510 354	4,3 %	11 572 974	4,3 %
Total	1 000 000	100,0 %	266 000 000	100,0 %	267 000 000	100,0 %

Note 2 - Basis for preparation

The interim financial statements for the group are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union and their interpretations adopted by the International Accounting Standards Board (IASB).

The interim report does not include all the information required for full annual consolidated financial statements in an Annual Report and should be read in conjunction with the Annual Report of the group for 2021. The accounting policies applied in the interim financial statements is the same as those described in the Annual Report for 2021.

The condensed consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited.

The Annual Report for 2021 is available at www.Beerenberg.com

Note 3 - Judgments, estimates and assumptions

In applying the accounting policies, management makes judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision

affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing this interim financial statement, the significant judgments made by management in applying the group's accounting policies and the key sources of uncertainty in the estimates were consistent with those applied to the consolidated financial statements as at and for the period ended 31. December 2021. Please refer to Note 3 in the Annual Report for 2021.

Note 4 - Bond and covenants

A 3-year Senior Secured Bond of MNOK 750 was issued in Q4 2020. Discount on nominal value on Bond has been classified net with the Bond. The bond has, every 6-month, amortization of MNOK 25 until maturity, in total MNOK 125. The maturity date of the bond is 13 November 2023.

In connection with the bond issue Beerenberg has signed an MNOK 150 super senior credit facility agreement with Danske Bank.

The Facility agreement includes covenants related to quarterly Net Total Leverage ratio test (below 7.0). The group is in compliance with covenants as of 31st of March 2022.

Amortization due within one year is presented as interest-bearing short-term liabilities.

Note 5 - Related party transactions

No related party transactions were conducted in 1st Quarter of 2022.

Note 6 Operating segments

Beerenberg is organized in two operating segments in order to optimize and focus its business. The Services segment includes business related to the traditional ISS-activity in the group, which is mainly related to major framework agreements, and the Benarx segment which consists of advanced insulation for topside and subsea applications.

Revenue by Segment

Amounts in NOK million	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
Services	506,9	364,1	506,9	364,1	1 903,0
Benarx	52,7	92,4	52,7	92,4	308,2
Eliminations	-12,7	-20,5	-12,7	-20,5	-75,2
Total	547,0	436,0	547,0	436,0	2 136,0

EBITDA by Segment

	Q1	Q1	YTD	YTD	FY
Amounts in NOK million	2022	2021	2022	2021	2021
Services	35,3	26,3	35,3	26,3	175,6
Benarx	-1,0	12,1	-1,0	12,1	40,9
Other	0,0	0,0	0,0	0,0	0,0
Total	34,3	38,4	34,3	38,4	216,5

Note 7 - Subsequent events

No events have occurred after the reporting date, that are of significant impact when considering the financial position or result in the group.