

Fourth quarter 2023

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- Result presentation

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AGENDA

- Q4 highlights
- Financial Performance
- ESG
- Additional information



Q4 HIGHLIGHTS

- Strong activity in Q4
- Listed on Euronext growth
- Repaid MNOK 210 of debt
- Propose dividend* of NOK 1.7 pr share for 2023.
 - Total of approx. NOK 42 million

*To the extent possible, the dividend distribution will be classified as repayment of paid-in capital for tax purposes, depending on the tax attributes of each share/shareholder





Q4 HIGHLIGHTS

Q4 2023 Revenue

614 mnok

YTD 23: 2 343mnok
Q4 22: 569mnok

Q4 EBITDA

51 mnok

EBITDA %: 8.3%
Q4 22 EBITDA :49mnok (8.5%)

Revenue Q4 23 vs 22

+8%

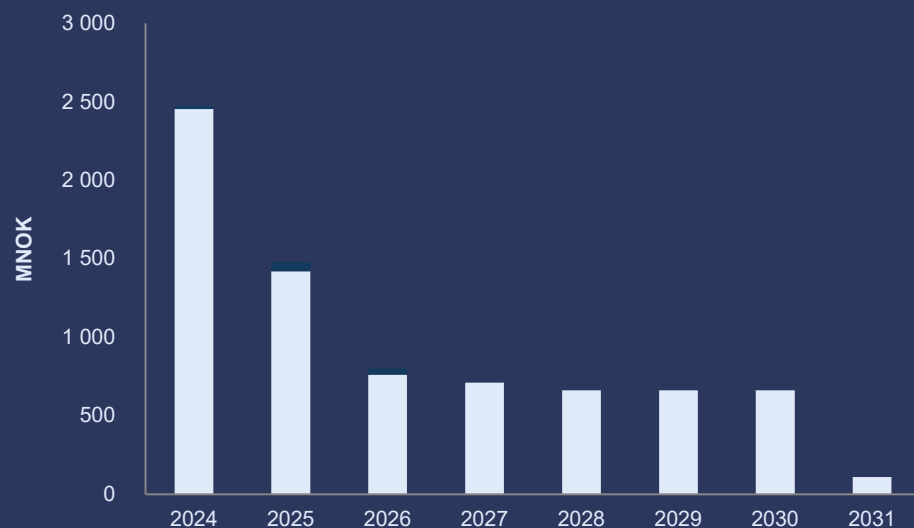
EBITDA 2023:

191 mnok

EBITDA %: 8.1%
Adjusted EBITDA 2023: 204mnok (8,7%)
Adjusted EBITDA 2022 :183mnok (8.2%)

ORDER BACKLOG

- Order backlog NOK 7.2 billion
 - Including a revised market adjustments of frame agreements NOK 600 million
- Order intake in Q4 23 NOK 122 million



SERVICE

Contracts

- Extension of frame agreement for 2 years in Q4 2023 (<200m)
- Robotic surface treatment contract signed in Q4 2023 (<50m)
- New 3-year frame agreement signed in Q1 2024 (<100m)

Operations

- Steady activity for both onshore and offshore in Q4
- High activity in the Grenland area related to carbon capture project
- Robotics completed projects with new robot solutions inside tanks
- Cost pressure still an issue related to labour, travel and materials

Outlook

- Ongoing tender processes related to offshore frame agreements
- Planning for several turnarounds in or before summer, both onshore and offshore
- Several tenders related to robotic surface treatment, both on the NCS and internationally.

Contracts

- High tender activity although only smaller contracts signed for insulation products, mainly in Asia
- Frame agreement related to pressure testing signed in Q4 2023 (<50m)

Operations

- Improved quarter for products with deliveries in Asia.
- In Europe activity has been lower with many smaller orders
- Within the subsea insulation activity was stable with deliveries both in Norway and internationally

Outlook

- New build market in Asia is still looking attractive with several relevant new builds
- We are progressing qualifications for new applications of aerogel, both for building and subsea

FINANCIAL PERFORMANCE



FINANCIAL PERFORMANCE

- 8% revenue growth compared to Q4 2022
- EBITDA NOK 51 million Q4 23
 - EBITDA NOK 49 million Q4 22
- Adjusted EBITDA 2023 NOK 204 million vs NOK 183 million adjusted EBITDA 2022
- Finance cost
 - High in Q4 due to earnout Remotion (MNOK 15)
 - Cash effect earnout in Q2 2024 as earlier communicated.
 - Finance cost in 2023 high due to redemption fee on bond.

Condensed Consolidated Income Statement				
Group Summary	Q4	Q4	YTD	YTD
Amounts in NOK million	2023	2022	2023	2022
Operating revenue	614	569	2 343	2 222
Operating expenses	563	520	2 153	2 042
EBITDA	51	49	191	180
EBITDA margin	8,3 %	8,5 %	8,1 %	8,1 %
Adjusted EBITDA	51	49	204	183
Adjusted EBITDA margin	8,3 %	8,5 %	8,7 %	8,2 %
Depreciation	11	15	58	57
EBITA	40	33	133	123
Amortisation	3	13	14	25
Operating profit (EBIT)	37	20	118	98
Finance costs - net	24	23	88	79
Profit before tax (EBT)	13	-3	30	19
Income Tax expense	9	-5	13	0
Net profit	4	2	17	19

SERVICES

- Strong revenue development
 - Steady activity both offshore and onshore
 - Carbon Capture Storage project still with high activity
 - 10 % increase vs Q4 22
- EBITDA of NOK 48 million
 - vs NOK 35 million Q4 22
- Order intake NOK 65 million

Q4 23 Revenue

572mnok

YTD23: 2 212mnok
Q422: 521mnok

Q4 EBITDA

48mnok

EBITDA %: 8.4%
EBITDA Q4 22: 35mnok (6,7%)

Revenue Q4 23 vs 22

+10%

Order intake Q4 23:

65mnok

BENARX

- Europe with many small orders
 - Pressure on production margins
- Asia with recovering activity
- Subsea with good activity and margins in the quarter
- EBITDA NOK 4 million vs NOK 14 million in Q422.
- Order intake NOK 57 million

Q4 23 Revenue

56 mnok

YTD23: 194 mnok
Revenue Q4 22: 65 mnok

Q4 23 EBITDA

4 mnok

EBITDA %: 7.1%
EBITDA Q4 22 : 14mno (20.7%)

Revenue Q4 23 vs Q4 22

-13%

Order intake Q4 23:

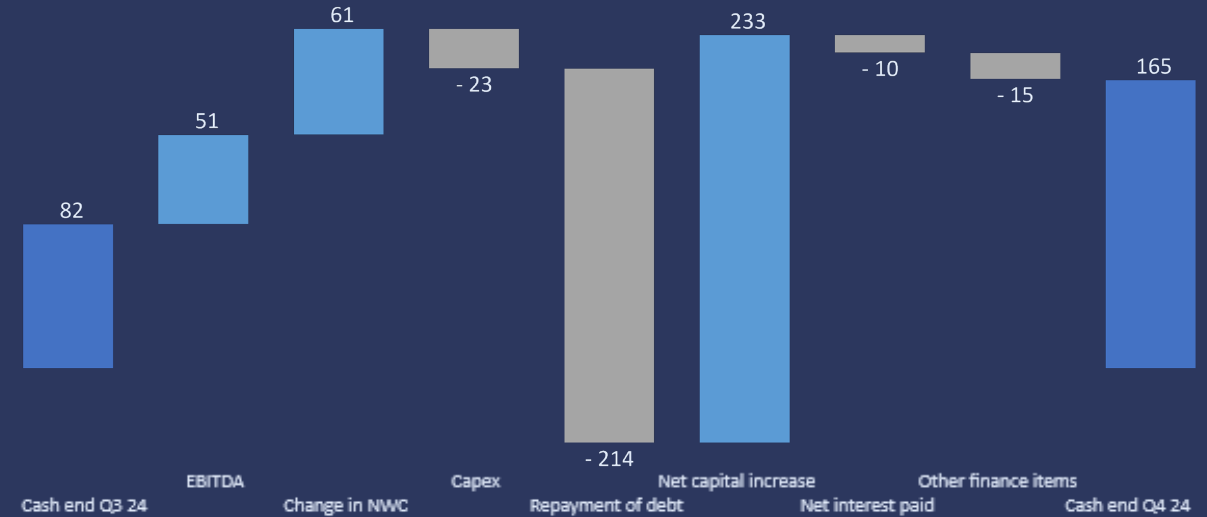
57 mnok

REDUCTION OF LONG TERM LIABILITIES



FUNDING 31 DECEMBER 2023

CASH FLOW Q4 2023



- Equity ratio of 44%
- Cash flow from operation activities was NOK 111 million.
 - NWC low, partly due to accruals on total earnout of NOK 40 million.
 - Timing of payments.
- Capex was NOK 23 million in the quarter
 - Higher than earlier quarters.
 - Robots and scaffolding main drivers.
 - Preparations for higher activity.
- Net cash flow from financing activities influenced by:
 - Repayment of interest-bearing debt NOK 200 million.
 - Amortization NOK 10 million in the quarter and IFRS Lease.
 - Capital raise NOK 233 Million.
 - Interest paid NOK 10 million.
 - Accrued earnout NOK 15 million.

NWC



FINANCIAL COVENANTS

- 3 financial covenants
 - TLR
 - Current assets/Current liabilities
 - Equity ratio
- Significant headroom

TLR Q4 23

1.64

LIMIT: <4

CURRENT ASSETS/CURRENT
LIABILITIES Q4 23

1.43

LIMIT: >1.15

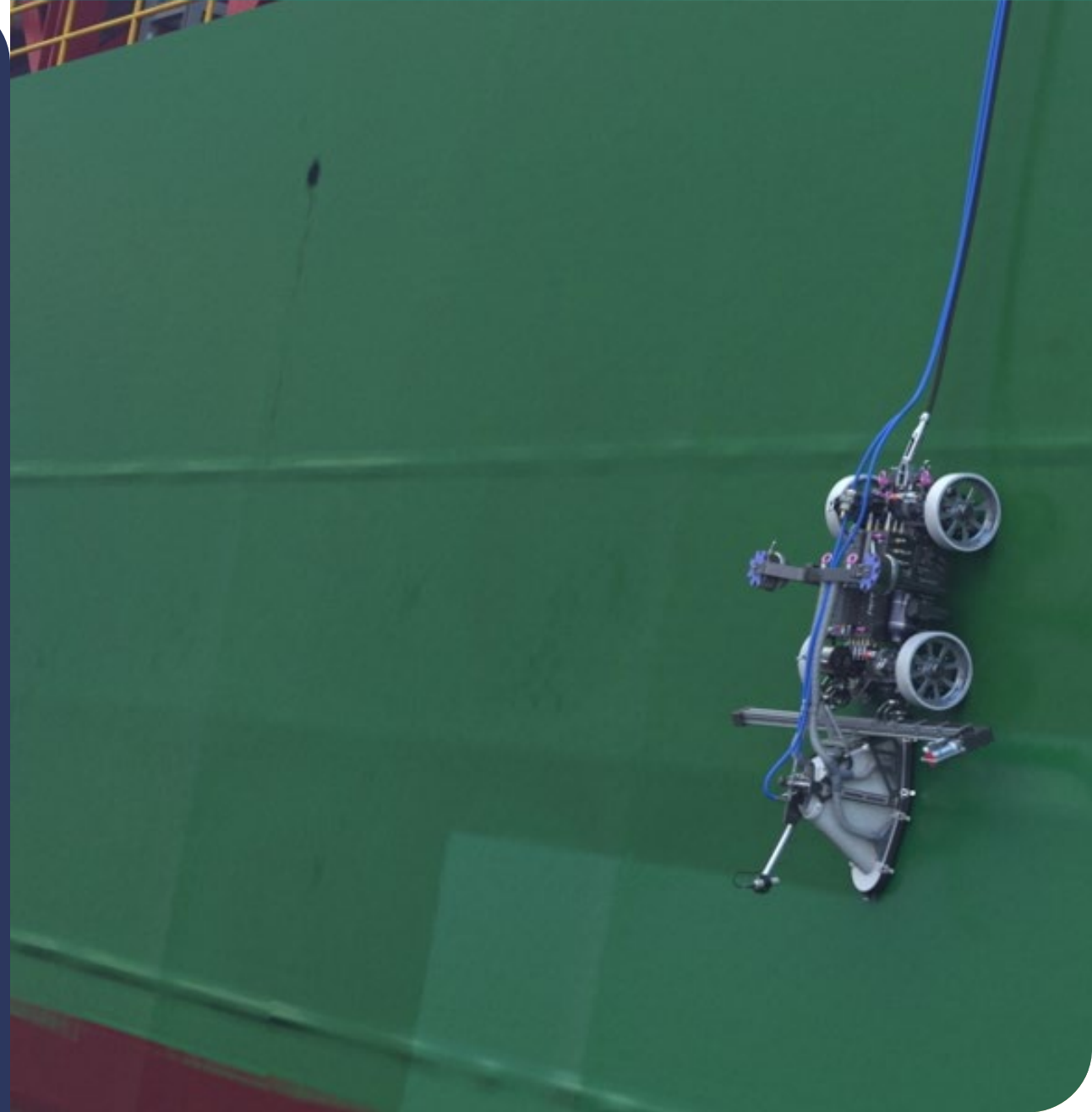
EQUITY RATIO Q4 23

44%

LIMIT: >25%











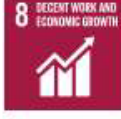





EVENTS Q1 24

- Startup Hull project in Brazil on a FPSO.
 - First full-scale project.
- Slightly improved terms on financing from January 2024.
- Preparations for several turnarounds.



ESG



Focus area	#	Key KPIs	2023 Goal	Q4 2023 Actual	Impact on UN's SDGs
 Sustainable materials  Sustainable methods  Climate action	1	Reduced release of microplastics in connection with surface treatment *	>20%	8 %	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  13 CLIMATE ACTION  14 LIFE BELOW WATER
	2	Reduced CO2 footprint in connection with surface treatment**	>10%	18 %	
	3	Number of new sustainable technology, materials or solutions studied, tested, developed or adopted	>8	8	
	4	Share of turnover in new and sustainable markets	>8%	9 %	
 Safe work environment  Responsible procurement  Attractive workplace	5	SIF (serious incident frequency) - YTD	0	0,7	 3 GOOD HEALTH AND WELL-BEING  8 DECENT WORK AND ECONOMIC GROWTH
	6	TRIF (total recordable incident frequency) - YTD	3,0	7,7	
	7	Proportion of sick leave	<6,5%	9 %	
	8	Competence development - Trade certificates	30	45	
	9	Planned supplier follow up meetings and audits	80 %	67 %	
 ESG governance  Business ethics  ESG communication	10	Proportion of employees who have completed training in ethics	90 %	80 %	 8 DECENT WORK AND ECONOMIC GROWTH  9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	11	Proportion of operational employees who have completed training in HSE***	90 %	75 %	
	12	Human rights due diligence assessment	75 %	67 %	
	13	Regularly publish articles on Beerenbergs ESG initiatives (external)	10	11	
<p>* Benchmark 2020. Scope surface treatment Offshore ** Benchmark 2020. Scope surface treatment Offshore and Onshore *** Reported monthly</p>					

Additional information



Condensed Consolidated Income Statement

Income statement

Condensed Consolidated Income Statement

Group Summary		Q4	Q4	YTD	YTD	FY
Amounts in NOK million	Note	2023	2022	2023	2022	2022
Operating revenue	6	614,1	569,0	2 343,2	2 221,9	2 221,9
Operating expenses		563,0	520,4	2 152,7	2 041,9	2 041,9
EBITDA	6	51,1	48,5	190,5	180,0	180,0
Depreciation		11,2	15,3	57,9	56,7	56,7
EBITA		40,0	33,2	132,7	123,3	123,3
Amortisation		3,0	12,9	14,5	25,2	25,2
Operating profit (EBIT)		37,0	20,4	118,2	98,1	98,1
Finance costs - net	4	23,9	23,5	88,3	78,7	78,7
Profit before tax (EBT)		13,0	-3,1	29,8	19,4	19,4
Income Tax expense		9,2	-5,5	12,8	0,0	0,0
Net profit		3,9	2,4	17,1	19,4	19,4
Profit for the period is attributable to:						
Shareholders of the parent company		3,9	2,5	17,1	19,6	19,6
Non controlling interests	7	0,0	-0,1	0,0	-0,2	-0,2
Net profit		3,9	2,4	17,1	19,4	19,4
Diluted earnings per share are identical as there are no dilutive effect						
EBITDA margin		8,3 %	8,5 %	8,1 %	8,1 %	8,1 %
EBITA margin		6,5 %	5,8 %	5,7 %	5,6 %	5,6 %

Financial position

Condensed Consolidated Balance Sheet

Condensed Consolidated Balance Sheet

Group Summary Amounts in NOK million	Note	Q4 31.12.2023	Q4 31.12.2022	YTD 31.12.2022
Intangible assets		39,5	52,1	52,1
Goodwill		782,8	782,8	782,8
Property, plant and equipment		267,4	210,0	210,0
Financial fixed assets		17,8	14,3	14,3
Deferred tax assets		2,4	0,0	0,0
Total non-current assets		1 109,9	1 059,2	1 059,2
Inventory		89,1	93,9	93,9
Accounts receivables from customers		283,9	261,7	261,7
Earned, not invoiced accounts receivables		160,8	215,9	215,9
Other receivables		25,9	41,9	41,9
Cash at bank		164,7	113,3	113,3
Total current assets		724,3	726,7	726,7
TOTAL ASSETS		1 834,2	1 785,8	1 785,8
Share capital		61,4	26,7	26,7
Share premium		438,6	240,3	240,3
Other equity		311,5	302,3	302,3
Non controlling interests	7	0,0	-0,5	-0,5
Total equity		811,5	568,8	568,8
Pension liabilities		25,5	19,3	19,3
Interest bearing long-term liabilities	4	412,3	26,1	26,1
Derivatives		1,2	0,0	0,0
Total non-current liabilities		439,0	45,4	45,4
Interest bearing short-term liabilities	4	64,1	680,0	680,0
Supplier liabilities		155,6	133,9	133,9
Tax payable		12,8	9,4	9,4
Social Security, VAT and other taxes		81,6	83,5	83,5
Other short-term liabilities		249,6	242,7	242,7
Warranty liabilities		20,0	22,2	22,2
Total Current Liabilities		583,7	1 171,6	1 171,6
TOTAL EQUITY & LIABILITY		1 834,2	1 785,8	1 785,8

Cash flow

Condensed Consolidated Statement of Cash Flow

Condensed Consolidated statement of cashflow

Amounts in NOK million	Note	Q4 2023	Q4 2022	YTD 2023	YTD 2022	FY 2022
EBITDA		51,1	48,5	190,5	180,0	180,0
Taxes paid		0,0	-7,4	-10,3	-19,8	-19,8
Change in net working capital		60,6	87,1	80,3	-23,5	-23,5
Changes to other time restricted items		-0,4	3,1	-3,0	8,0	8,0
Net Cash flow from operating activities		111,2	131,3	257,6	144,8	144,8
Capex		-22,8	-15,8	-56,1	-36,6	-36,6
Acquisition of shares in subsidiary		0,0	-25,0	0,0	-50,2	-50,2
Net cash flow from investing activities		-22,8	-40,8	-56,1	-86,8	-86,8
Net repayment of interest bearing debt		-213,8	-30,8	-276,0	-64,7	-64,7
Capital increase		233,0	0,0	233,0	0,0	0,0
Other finance items		-15,0	0,0	-15,0	0,0	0,0
Net interest paid	4	-10,3	-16,8	-92,1	-73,4	-73,4
Net cash flow from financing activities		-6,0	-47,6	-150,1	-138,1	-138,1
Total cash flow		82,4	42,9	51,4	-80,1	-80,1
Opening balance net bank deposits		82,3	70,3	113,3	193,3	193,3
Closing balance net bank deposits		164,7	113,3	164,7	113,3	113,3

Split per segment

Revenue by Segment

Amounts in NOK million	Q4 2023	Q4 2022	YTD 2023	YTD 2022	FY 2022
Services	572,7	520,9	2 212,1	2 063,7	2 063,7
Benarx	56,3	65,3	194,3	219,2	219,2
Eliminations	-14,8	-17,2	-63,2	-61,0	-61,0
Total	614,1	569,0	2 343,2	2 221,9	2 221,9

EBITDA by Segment

Amounts in NOK million	Q4 2023	Q4 2022	YTD 2023	YTD 2022	FY 2022
Services	47,5	35,0	190,6	159,1	159,2
Benarx	3,7	13,5	-0,1	20,9	20,9
Total	51,1	48,5	190,5	180,0	180,0

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