



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	926 311 581
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	HAV GROUP ASA
Forretningsadresse:	Holmefjordvegen 1 6090 FOSNAVÅG

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Alis Olsen
Dato for fastsettelse av årsregnskapet:	24.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 30.06.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenues		28 824 000	27 145 000
Sum inntekter		28 824 000	27 145 000
Kostnader			
Wages and salaries	2	19 040 000	3 945 000
Depriciation	3	662 000	0
Other operating expenses	2,4	19 645 000	29 192 000
Sum kostnader		39 347 000	33 137 000
Driftsresultat		-10 523 000	-5 992 000
Finansinntekter og finanskostnader			
Income from subsidiaries	5	146 732 000	12 035 000
Annen renteinntekt	5	1 436 000	1 259 000
Sum finansinntekter		148 168 000	13 294 000
Annen rentekostnad	5	4 087 000	2 227 000
Other financial expenses	5	4 000	1 769 000
Sum finanskostnader		4 091 000	3 996 000
Netto finans		144 077 000	9 298 000
Ordinært resultat før skattekostnad		133 554 000	3 306 000
Skattekostnad på ordinært resultat	6	9 839 000	0
Ordinært resultat etter skattekostnad		123 715 000	3 306 000
Årsresultat		123 715 000	3 306 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Research and development	7	1 523 000	1 523 000
Utsatt skattefordel	6	57 000	0
Sum immaterielle eiendeler		1 580 000	1 523 000
Varige driftsmidler			
Operating equipment, fixtures, fitting, tools, etc.	3	875 000	0
Sum varige driftsmidler		875 000	0
Finansielle anleggsmidler			
Investering i datterselskap	8	182 243 000	122 983 000
Lån til foretak i samme konsern	9	25 554 000	24 315 000
Investments in shares		2 000 000	0
Other long-term receivables		3 000	
Sum finansielle anleggsmidler		209 800 000	147 298 000
Sum anleggsmidler		212 255 000	148 821 000
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable		3 053 000	0
Receivables from group companies	9	153 417 000	17 471 000
Other current receivables	10	2 520 000	620 000
Sum fordringer		158 990 000	18 091 000
Bankinnskudd, kontanter og lignende			
Cash and bank deposits	11	6 405 000	52 440 000
Sum bankinnskudd, kontanter og lignende		6 405 000	52 440 000
Sum omløpsmidler		165 395 000	70 531 000
SUM EIENDELER		377 650 000	219 352 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	12,13	35 000 000	35 000 000
Beholdning av egne aksjer	12	-1 638 000	-1 817 000
Overkurs	12	87 202 000	87 202 000
Sum innskutt egenkapital		120 564 000	120 385 000
Opptjent egenkapital			
Retained earnings		108 445 000	3 306 000
Sum opptjent egenkapital		108 445 000	3 306 000
Sum egenkapital		229 009 000	123 691 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	14,15	32 500 000	47 500 000
Langsiktig konserngjeld	9,14	61 628 000	44 675 000
Sum annen langsiktig gjeld		94 128 000	92 175 000
Sum langsiktig gjeld		94 128 000	92 175 000
Kortsiktig gjeld			
Leverandørgjeld	10	2 410 000	1 116 000
Public duties payable		2 037 000	131 000
Kortsiktig konserngjeld	9	44 988 000	0
Other current liabilities	10	5 080 000	2 238 000
Sum kortsiktig gjeld		54 515 000	3 485 000
Sum gjeld		148 643 000	95 660 000
SUM EGENKAPITAL OG GJELD		377 652 000	219 351 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenues	3	620 342 000	915 055 000
Other operating revenues	3	1 473 000	1 662 000
Sum inntekter		621 815 000	916 717 000
Kostnader			
Materials and consumables		392 155 000	614 534 000
Payroll expenses	4	141 036 000	121 049 000
Depriciation	6,7	17 807 000	17 453 000
Other operating expenses	5	68 848 000	73 047 000
Sum kostnader		619 846 000	826 083 000
Driftsresultat		1 969 000	90 634 000
Finansinntekter og finanskostnader			
Financial income	8	20 119 000	12 888 000
Sum finansinntekter		20 119 000	12 888 000
Financial expenses	8	17 783 000	15 794 000
Annen rentekostnad	3,9	1 496 000	12 031 000
Translation differences			1 763 000
Sum finanskostnader		19 279 000	29 588 000
Netto finans		840 000	-16 700 000
Ordinært resultat før skattekostnad		2 809 000	73 934 000
Ordinært resultat etter skattekostnad		2 809 000	73 934 000
Årsresultat		2 809 000	73 934 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Licenses, patents and R&D	6	77 292 000	82 684 000
Sum immaterielle eiendeler		77 292 000	82 684 000
Varige driftsmidler			
Property, plant and equipments	7	6 178 000	3 436 000
Sum varige driftsmidler		6 178 000	3 436 000
Finansielle anleggsmidler			
Investment in financial assets		2 136 000	132 000
Sum finansielle anleggsmidler		2 136 000	132 000
Sum anleggsmidler		85 606 000	86 252 000
Omløpsmidler			
Varer			
Inventory	2,11	26 463 000	20 580 000
Sum varer		26 463 000	20 580 000
Fordringer			
Accounts receivables	12,13	82 632 000	85 532 000
Other receivables	13	50 785 000	14 655 000
Sum fordringer		133 417 000	100 187 000
Investeringer			
Contract assets customer contracts		10 493 000	5 598 000
Sum investeringer		10 493 000	5 598 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	14	223 847 000	375 888 000
Sum bankinnskudd, kontanter og lignende		223 847 000	375 888 000
Sum omløpsmidler		394 220 000	502 253 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
SUM EIENDELER		479 826 000	588 505 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	15	35 000 000	35 000 000
Beholdning av egne aksjer		-1 638 000	-1 817 000
Overkurs		87 202 000	87 202 000
Sum innskutt egenkapital		120 564 000	120 385 000
Opptjent egenkapital			
Retained earnings		-10 586 000	24 662 000
Minoritetsinteresser		2 562 000	7 429 000
Sum opptjent egenkapital		-8 024 000	32 091 000
Sum egenkapital		112 540 000	152 476 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9	8 252 000	7 334 000
Sum avsetninger for forpliktelser		8 252 000	7 334 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	16	46 192 000	66 531 000
Other long term liabilities		1 535 000	114 000
Sum annen langsiktig gjeld		47 727 000	66 645 000
Sum langsiktig gjeld		55 979 000	73 979 000
Kortsiktig gjeld			
Leverandørgjeld	12	40 182 000	52 772 000
Tax payables	9	0	3 218 000
Public duties payables		11 929 000	16 963 000
Other current liabilities	17	66 336 000	65 026 000
Advance payment from customers		192 860 000	224 069 000
Sum kortsiktig gjeld		311 307 000	362 048 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Sum gjeld		367 286 000	436 027 000
SUM EGENKAPITAL OG GJELD		479 826 000	588 503 000



Skatteetaten

Vår dato
07.06.2022

Din/Deres dato
03.06.2022

Saksbehandler
Thor-Petter Sørli

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
41 33 44 77

Org.nr
974761076

Vår referanse
2022/5520395

Postadresse
Postboks 9200 Grønland
0134 OSLO

HAV GROUP ASA
v/Alis Olsen
Holmefjordvegen 1
6090 FOSNAVÅG

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til HAV Group ASA`s (org.nr. 926 311 581) søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

- Selskapets eiere er både private investorer og profesjonelle/institusjonelle investorer, med internasjonal spredning.
- Børsens krav til rapporteringsspråk følger av Euronext Growth Markets Regelbok – Del II – Euronext Growth Oslo punkt 3.13.2 SPRÅK (1) «Utstederen skal gi opplysninger på engelsk, norsk, svensk eller dansk. (2) Utstederen skal offentliggjøre eventuell beslutning om endring av rapporteringsspråk.»

Det er følgelig ikke behov for dispensasjonssøknad for å rapportere på engelsk for selskaper notert på Euronext Growth Oslo. Selskapet praktiserer i dag utelukkende engelsk ved rapportering på børs.

- Virksomheten retter seg mot bedriftsmarkedet i en internasjonal bransje, hvor markedet er både i Norge og utlandet. Den største delen av omsetningen er imidlertid knyttet til utenlandske kunder.
- I internasjonale bransjer foregår ofte all kommunikasjon på engelsk, og arbeidsspråket i selskapet og konsernet er som hovedregel engelsk.



Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at kommunikasjon med de fleste av kunder og leverandører skjer på engelsk. En betydelig andel av selskapets eiere er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lene Bjørkevoll
underdirektør
Innsats, storbedrift
Skatteetaten

Thor-Petter Sørli



Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



HAVgroup

HAV Group ASA

2022 / ANNUAL REPORT

A SUSTAINABLE FUTURE AT SEA

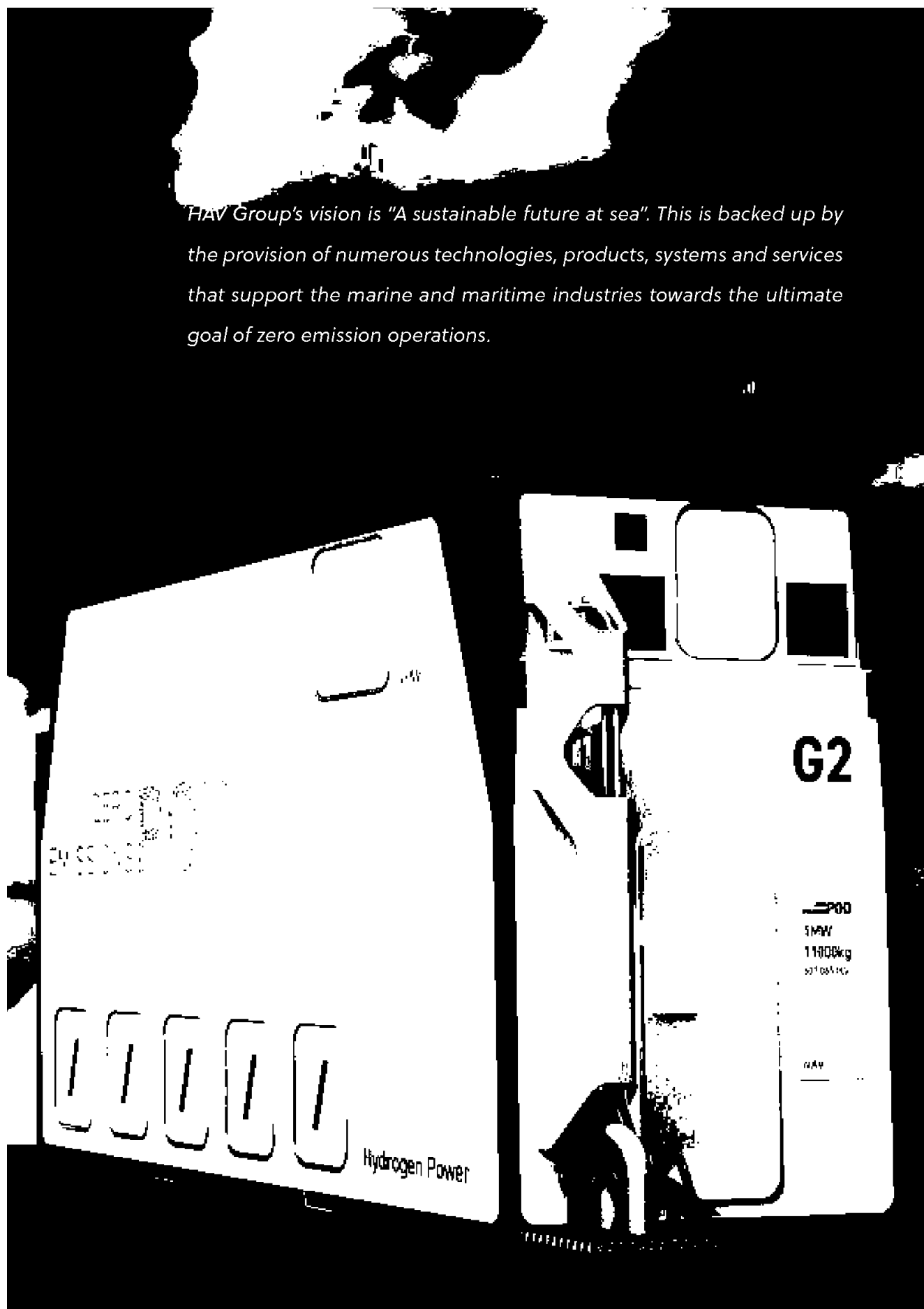


SETTING COURSE TOWARDS A SUSTAINABLE FUTURE AT SEA

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HAV Group's vision is "A sustainable future at sea". This is backed up by the provision of numerous technologies, products, systems and services that support the marine and maritime industries towards the ultimate goal of zero emission operations.



Navigating safely through choppy waters



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Dear co-shareholder,

Although this is first and foremost a report about HAV Group's operational and financial performance in 2022, we and other companies are obviously affected by what goes on around us. As such, 2022 was also impacted by unexpected world events. Just when we had put most of the physical limitations caused by Covid-19 behind us, Russia embarked on its invasion of Ukraine, causing the tragic loss of thousands of innocent lives.

Although trivial compared to the sufferings of the Ukrainian people, the effects of the war have also caused major disturbances to European energy supply and the

world economy in general. This has impacted HAV Group and most other companies. Supply chain disturbances, high electricity prices and rising inflation are some of the unexpected effects that we and others have had to tackle. Following Covid-19-limitations in 2021, I'm pleased to see that my colleagues have been able to tackle the many unforeseen challenges that 2022 presented to them.

From a financial perspective, 2022 was a typical transitional year. However, we do not let short term disturbances affect our strategic direction. We will continue to create value through collaboration and by developing people who share



our vision. We create profitability by exploiting the synergies that exist within the group and develop our businesses with complementary resources, activities and solutions that give customers the greatest value. We create growth through organic development, strategic partnerships and corporate acquisitions that provide added value to customers and through cooperation within the group.

There were also multiple positive events for HAV Group in 2022. For example, we won a substantial number of new contracts. As a result we ended 2022 with an order backlog that was 26 percent higher than one year prior. Overall, we are seeing an improved market which has also resulted in several new contracts at the beginning of 2023 too.

The winds of change in the maritime industries provide tailwind for HAV Group. Global megatrends, including regulatory changes, provide incentives and requirements for the maritime industry to reduce the environmental footprint short and long term. The journey towards zero emission shipping has thoroughly begun. It is a matter of when, not if, we will see a large global fleet of low and zero emission vessels sailing the world's oceans and inland rivers and seas. The million-dollar question is how quickly this will happen, but we are already seeing a lot of positive developments in this regard.

In the meantime we continue to focus unwaveringly on our role as the enabler of low and zero emission shipping. We have spent the last few decades as well as 2022 on delivering a wide range of CO₂-reducing products and technologies to our customers. We are constantly improving the cost-efficiency benefits of product portfolio, and we have launched new products that will make it easier for shipowners, ship designers and shipyards to choose the most environmentally friendly solution for their vessels.

HAV Group possesses the technologies and products that enable the green transition at sea. The global maritime market outlook is more positive going into 2023, and HAV Group has chosen to maintain its capacity to be able to fully capitalize on forthcoming growth opportunities. That is also why we have chosen to reiterate our 2025 revenue target of NOK 1.3 billion, with periodic fluctuations that reflect the project-driven business we are.

Finally, I would like to thank my colleagues for their drive and dedication to HAV Group, our customers and shareholders. HAV Group is a team effort. So is the transition to zero emission shipping. I look forward to achieving this together with you.

Gunnar Larsen
CEO
HAV Group



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HAV Group; an enabler of the green transition at sea



HAV Group is an international provider of technology and services for maritime and marine industries.

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Although the group was formally established as late as 2021, it currently comprises four subsidiaries – HAV Design, Norwegian Electric Systems, HAV Hydrogen and Norwegian Greentech – that have several decades of combined industry experience.

The company is headquartered in Fosnavåg, Norway, with offices in Bergen, Ålesund and Egersund (Norway), Sopot (Poland), Matulji (Croatia) and Istanbul (Turkey).

Our experience and expertise, as well as the focus on efficiency, safety, and sustainability, is the foundation for developing and delivering high-quality innovative solutions to our customers in the seafood, energy, and transport sectors.

The group and its subsidiaries possess special expertise in guiding the marine and maritime industries towards zero emissions.

Ship design:

Supplier of innovative ship design, pioneering the design and construction of zero and low-emission vessels.

Energy design and smart control systems:

Supplier of sustainable energy systems, electric propulsion, automation and NavCom systems for a wide range of vessels.

Hydrogen-based energy systems:

Supplier of zero-emission hydrogen-based energy systems for vessels.

Water treatment systems:

Supplier of ballast water treatment system and other water treatment systems for aquaculture and maritime use.

HAV Group is listed on Euronext Growth Oslo (ticker: HAV).

For more information, see www.havgroup.no

HAV Group's solutions and services include:





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HAV Group ASA

HAV is the Norwegian word for ocean.

The HAV Group is an international provider of technology and services for maritime and marine industries.

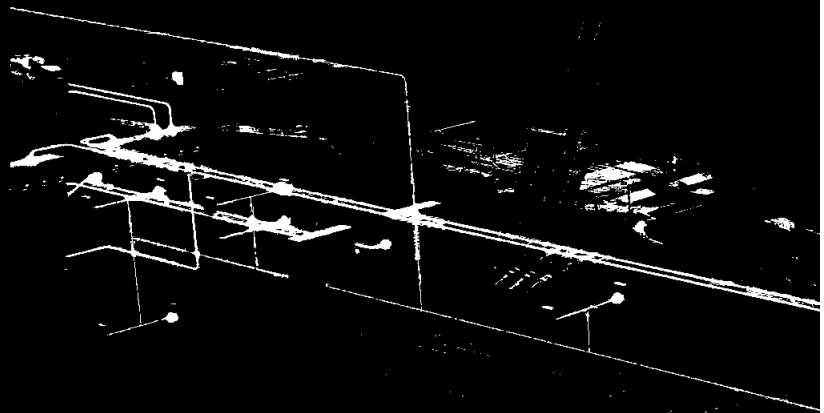
The Group's vision is
"A sustainable future at sea".

HAV Group was established in 2021 and comprises four subsidiaries with a leading position in supporting the marine and maritime industries towards the ultimate goal of zero emissions, all based on our Norwegian heritage, experience, quality focus and innovative solutions.

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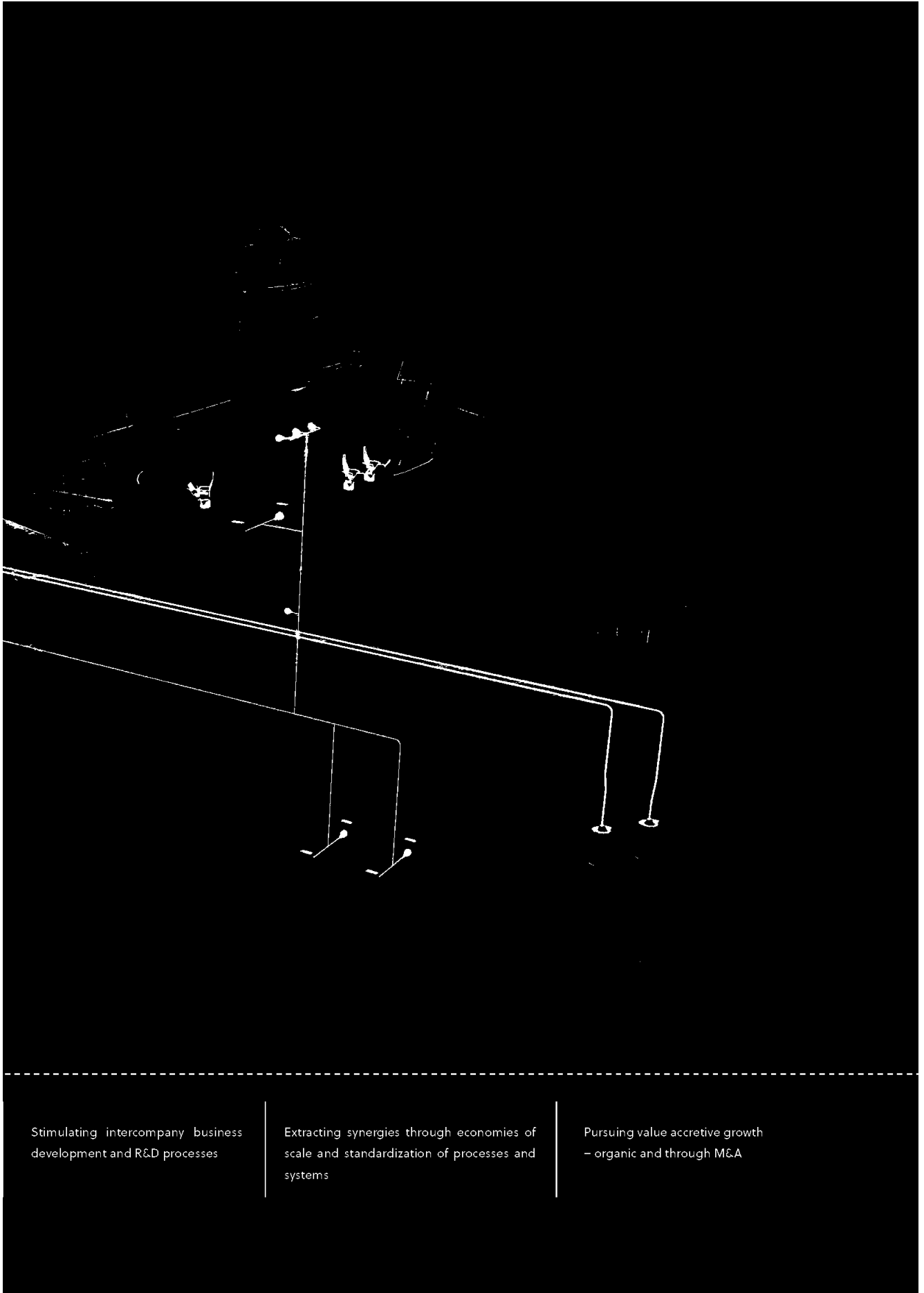
Our experience and expertise, as well as the focus on efficiency, safety, and sustainability, lays the foundation for developing and delivering high-quality innovative solutions to our customers in the seafood, energy, and transport sectors.

This insight provides our customers with a head start, increases their competitiveness, and enables them to realize the green shift towards a sustainable future at sea.



The Group shall create shareholder value by contributing to its subsidiaries and projects through:

Actively taking part in subsidiary companies' strategic development to implement group strategy



Stimulating intercompany business development and R&D processes

Extracting synergies through economies of scale and standardization of processes and systems

Pursuing value accretive growth – organic and through M&A



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Ship design



HAV Group advises customers regarding selection of vessel parameters and technologies that allow shipowners to increase their competitiveness and enable the green

transition at sea.

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It provides pioneering innovations in the design and construction of low and zero-emission vessels and energy-optimized ship designs.

This entails developing the most efficient vessels possible, covering every aspect of the vessel's functionality and performance, including environmental performance, through concept development, detail design, equipment selection, procurement, system engineering and integration.

Further, innovative simulation-based ship design enables analysis and documentation of real-life performance of a vessel – before it has been built.

In total, HAV Group possesses the competence and tools available to help shipowners design, develop and construct low and zero emission vessels, thereby supporting the global maritime industry in reaching its emission targets.

HAV Group's subsidiary HAV Design has a track record of more than 100 ship designs.

For more information, see www.havdesign.no.

HAVdesign



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Energy design and smart control systems



HAV Group supplies low and zero emission energy, propulsion and control systems for the global marine market.

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Detailed knowledge about vessel operations – from bridge to propeller – and specialist competence in integrating energy sources, including electric propulsion and charging systems, allow design of optimal power and propulsion systems that keep emissions to a minimum.

Smart control systems and software platforms for navigation, automation and control ensure even more fuel-efficient operations.

These products and systems are key enablers to achieve low and zero emissions, and can be applied to newbuilds or retrofitted on board existing vessels, making it easier for shipowners to reduce emissions from their fleets.

HAV Group's subsidiary Norwegian Electric Systems is a leading supplier of advanced diesel electric, hybrid electric, and 100 percent electric propulsion systems, for the global marine market.

See www.norwegianelectric.com for more information.

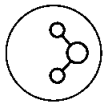




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Hydrogen-based energy systems



HAV Group is a supplier of complete and scalable zero-emission hydrogen-based energy systems for vessels. The systems are suitable for both vessel newbuilds and retrofits.

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The group has developed maritime-based energy systems with liquid hydrogen tank below deck and a container-based hydrogen system to be installed on deck – the Zero Emission Pod.

Adoption of hydrogen as ship fuel is considered a vital part of the transition to more sustainable shipping. HAV Group is one of the global frontrunners in offering approved hydrogen-based energy systems for ships.

Installed effect can be used for the main propulsion systems, or for additional power supply on board the vessel to comply with green operation standards. Quayside, hydrogen systems can ensure sufficient green power supply to the vessel, which does not need to rely on onshore charging infrastructure to achieve zero emission status.

HAV Group's subsidiary HAV Hydrogen develops hydrogen-based energy systems for vessels.

See www.havhydrogen.no for more information.





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Water treatment systems



HAV Group is a supplier of ballast water treatment systems for ships and other water treatment systems for the aquaculture industry.

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The spread of invasive species is recognized as one of the greatest threats to the ecological and the economic wellbeing of the planet.

Efficient treatment of ballast water prevents the unwanted spread of invasive species. The ballast water treatment system is available for both retrofit and vessel newbuilds.

Process water treatment for aquaculture production is key to maintain fish health and avoid detrimental effect on local environment.

HAV Group provides water treatment technologies for both land-based aquaculture and live fish carriers.

Moreover, HAV Group's water treatment products are based on a chemical-free system that does not pollute the marine environment.

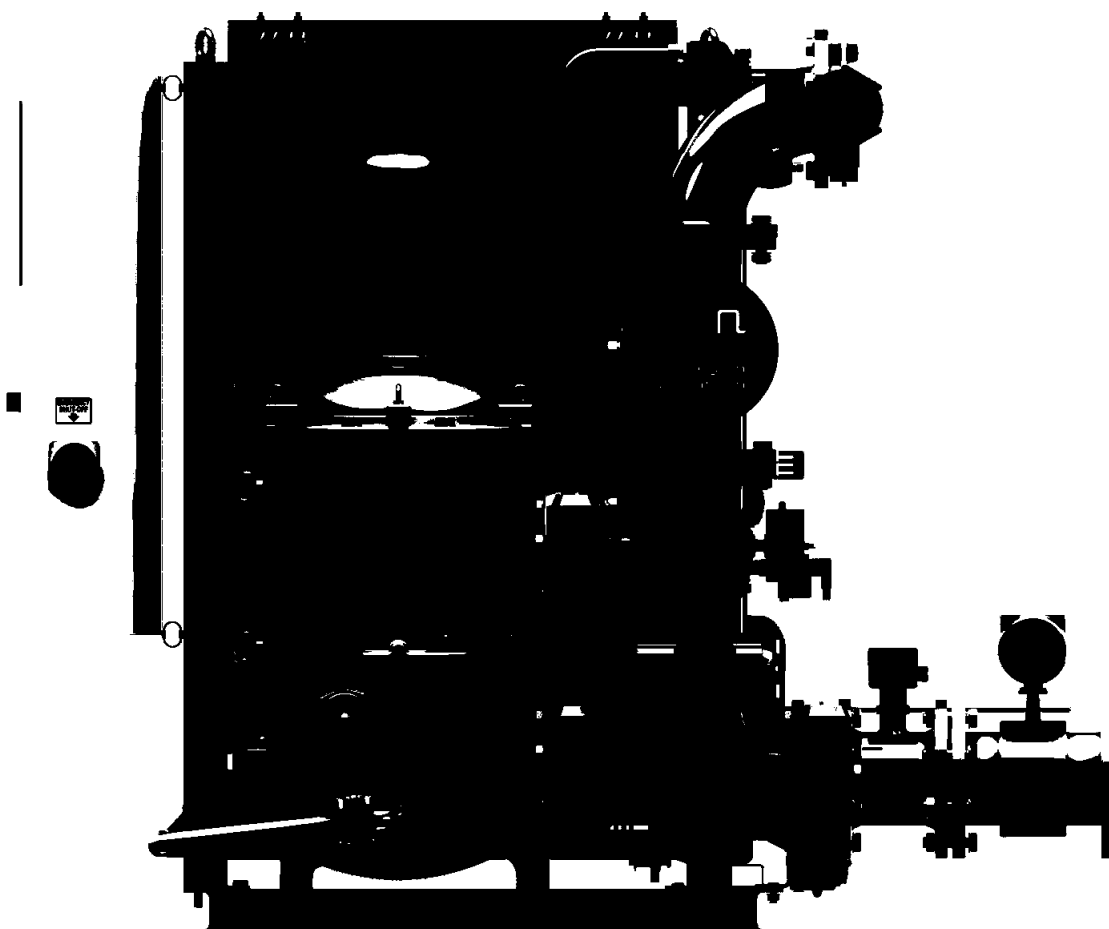
HAV Group's subsidiary Norwegian Greentech develops and manufactures water treatment systems.

See www.norwegiangt.no for more information.





HAV Group ASA – Annual report 2022





Sustainability in HAV Group

At HAV Group, sustainability and corporate development and performance go hand-in-hand. Our entire business is founded on providing shipowners with technologies, products, systems and services that allow them to realise both the financial and environmental benefits associated with low and zero emission shipping.

In short, HAV Group is an enabler of the green transition at sea.

For the first time ever, HAV Group this year publishes a sustainability report, where we aim to inform stakeholders about our approach and performance on key environmental, social and governance (ESG) topics.

In connection with this work, we have identified three main sustainability topics that we believe are central to managing the most important social, societal and environmental challenges that HAV Group face:

- Environmental protection
- People
- Ethics and transparency

You can read more about HAV Group sustainability strategy, efforts and targets in the 2022 sustainability report, which can be found at www.havgroup.no





BOARD OF DIRECTORS REPORT

OPERATIONS AND LOCATION

HAV Group ASA ("HAV") was established in February 2021, and is an international provider of technology and services for the maritime and marine industry. The company is listed at Euronext Growth Oslo.

HAV is the parent company and majority owner of the shares in various subsidiaries operating within engineering, ship design and equipment. The group has several decades of combined experience in the industry, in addition to special expertise in leading the marine and maritime industry through the green shift and towards the goal of zero emissions. The purpose of HAV is to assist its subsidiaries with strategic management, finance, logistics, marketing, and other support functions.

HAV and the group management are based in the main office at HAV House in Fosnavåg, Herøy.

Below follows a description of development in the various business areas. 2021 figures in ()

HAV DESIGN

HAV Design AS ("HDE") carries out development, sale and deliveries of ship design, project engineering and system packages to shipyards and shipping companies worldwide.

The scope of delivery can consist of packages with basic design, detailed design and engineering support, equipment packages, and system integration based on the customer's requirements and needs.

The business area is headquartered in Fosnavåg. Foreign subsidiaries have been established in Poland and Croatia.

HAV, with HDE in front, works actively with developing new designs and solutions and takes part in various projects. This segment also participates in research and development towards using hydrogen as an energy source for larger vessels. This project is going to contribute towards strengthening the group's leading position within the green shift in the maritime industry.

HAV design is delivered or being under development for customers in Norway, Denmark, Iceland, the Faroe Islands, Spain, Russia, Turkey, India, China, Singapore and Nigeria.

In 2023, HDE has made a breakthrough in the American offshore wind market with the development of a new offshore wind service vessel (SOV), thus becoming the first European ship designer to develop an SOV for the American market.

US has set a goal of installing 30 GW of offshore wind by 2030. According to the classification society American Bureau of Shipping (ABS) and other industry experts, this large-scale development will require more than 100 American vessels in the future.

HDE is 100 % owned by HAV as of 31.12.22.

Segment turnover was NOK 155.4 million (627.1) and a pre-tax result of NOK 10.5 million (84.7). EBITDA amounted to NOK 15.7 million (91.6). The segment has an equity of NOK 17.6 million (97.4) which equals 7% (38%) of total assets.

HAV HYDROGEN

HAV Hydrogen AS ("HHY") is a start-up company with the aim of being a total supplier of hydrogen-based energy systems for vessels. Through the FreeCO2ast project, HHY develops a high-capacity hydrogen energy system, to be approved for zero emission sailing with high speed over long sailing distances.

The scope of delivery can consist of complete and scalable hydrogen systems for use on both big and small vessels, newbuildings and retrofits, that are designed for operation in heavy seas. HHY is a total supplier with expertise in pre-studies, hydrogen systems, ship integration and cooperation with the policy instrument system and private investors.

In 2022, HHY received preliminary approval for its hydrogen-based energy system. The company also launched a hydrogen energy system that will be installed in a container and placed on deck on board ships. In 2023, the company received approval in principle (AIP) from DNV. The approval is an important milestone for HHY's work to commercialize the new "Zero Emission Pod" system, a container-based solution that aims to accelerate the commercial use of hydrogen as ship fuel.

The business area is headquartered in Fosnavåg. HHY is 100 % owned by HAV as of 31.12.22.

Segment turnover was NOK 2.8 million (1.9) and a pre-tax result of NOK -5.6 million (-1). EBITDA amounted to NOK -5.4 million (-1). The segment has an equity of NOK 6.7 million (0.03) which equals 71% (2%) of total assets.

NORWEGIAN ELECTRIC SYSTEMS

Norwegian Electric Systems AS ("NES") manufactures and supplies electric, hybrid-electric propulsion systems, integrated automation systems, bridge systems, as well



as navigation- and communication packages for vessels. This includes switch-boards, electromechanical products, automation and safety systems. NES has a unique composition of products that complement each other in a good way and the company can deliver complete equipment supplies from bridge to thruster.

In addition to the locations in Bergen and Ålesund, the business area has also established a branch in Egersund, which is primarily responsible for product development. The Egersund area has long traditions in the development of advanced technology within marine systems.

In 2022, the company established a new subsidiary and opened an office in Istanbul, Turkey. This is a strategic decision to be able to provide even better services to Turkish and other shipyards in southern Europe, as well as provide local sales, services and commissioning support. Being located close to the large Turkish shipyards, it will be possible to provide an even more cost-effective service offer, which will hopefully make the company an even more attractive supplier to the local shipyards.

NES is 100% owned by HAV as per 31.12.22.

Segment turnover was NOK 268.6 million (226.8) and a negative pre-tax result of NOK 10.7 million (0.9). EBITDA amounted to NOK -11.5 million (7.5). The segment has an equity of NOK 35.8 million (60.7) which equals 20% (26%) of total assets.

NORWEGIAN GREENTECH

Norwegian Greentech AS ("NGT") is specialized in design, engineering and delivery of systems for cleansing of ballast water. The International Maritime Organization (IMO) now demands cleansing of ballast water for ships within certain categories or areas, and this also results in vessels in operation having to install such systems, as well as newbuilds.

In 2022, HAV purchased the remaining 22,72% of the shares, where NGT is 100% owned by HAV as per 31.12.22.

Segment turnover was NOK 226.7 million (167.5) and pre-tax profits was at NOK 23.3 million (11.9). EBITDA was at NOK 30.8 million (15.9). The segment has an equity of NOK 12.4 million (20.5), which amounts to 12% (16%) of total assets.

GOING CONCERN

The financial statements have been prepared under the going concern assumption, cf. the Accounting Act § 3-3a. It is confirmed that the going concern assumption is present.

FUTURE DEVELOPMENT

Global megatrends with ambitious goals and increasingly stringent environmental requirements provide incentives and requirements for the maritime industry to reduce its environmental footprint considerably.

HAV is well established with references, customer base, order back log, renowned knowledge, technology and products within digitalization and sustainability for contributing to the green shift in the maritime and marine industries.

The companies within the group have had a diversification strategy over the last years, and this has resulted in a diversified customer base in several segments:

- Established with new designs in the growing ferries and windmill service vessel market.
- Established position in the aquaculture market with new technology, by delivery of design and equipment packages.
- Entering new segments, such as large passenger ferries and cargo vessels.
- Entering into new geographical markets, such as the American offshore wind market.

The group has established a strategy which is expected to provide a basis for continued growth and income development. The group will make considerable efforts in the export marketing area, with a view to increase the share of sales outside Norway.

RISK ASSESSMENT

Risk in business areas is generally handled as an integral part of the work processes. All managers are responsible for risk management and internal control within their area of responsibility.

The board receives, generally, quarterly reports where the companies' finances, information about projects, and market conditions are described.

In sales contracts, the respective group company carries the legal and commercial risk towards customers. However, in some cases, there have also been issued parent company guarantees from HAV.

Internally in the group, each business area carries the risk of its own performance. Beyond the commercial risk factors described in the paragraphs above, the group is also exposed to the following risk factors:



Financial risk:

The group's primary sources of liquidity in addition to the operational cash flows have been equity capital and debt financing raised through several minor loans related to projects. The group is exposed to various risks such as market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk, and no assurances can be given that the group's monitoring of such risks will be adequate or sufficient. The group's credit and borrowing facilities are structured in short term debt instruments. Although such debt instruments contain few or no covenants and are customarily secured in accordance with the market practice for these types of financing, there can be no assurance that the group will be able to meet such covenants relating to current or future indebtedness contained in its funding agreements or that its lenders will extend waivers or amend terms to avoid any actual or anticipated breaches of such covenants. Failure to comply with its financial and other covenants may have an adverse effect on the group's financial condition, and also potential increased financial costs, requirements for additional security or cancellation of loans.

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The group is dependent upon having access to short term funding. There can be no assurance that the group may not experience net cash flow shortfalls exceeding the group's available funding sources nor can there be any assurance that the group will be able to raise new equity, or arrange new borrowing facilities, on favourable terms and in amounts necessary to conduct its ongoing and future operations, should this be required.

NOK is the functional currency of HAV and all its subsidiaries. The group is exposed to foreign currency risks related to its operations. The group's expenses are primarily in NOK and EUR. As such, the group's earnings are exposed to fluctuations in the foreign currency market for NOK in relation to EUR. To mitigate this risk, the company has implemented hedging arrangements, and uses the foreign currency spot and forward market to buy foreign currencies. Contracts are entered into when treasury finds it in line with the overall currency risk strategy.

MARKET AND BUSINESS RISK

The demand for maritime technologies depends on underlying industries that are vulnerable to external factors outside of the group's control. In particular, the demand for newbuilding of vessels and associated maritime technologies is dependent on the activity within the different industries and segments, which are in turn dependent on factors including, but not limited to, worldwide economic and political

conditions, levels of supply and demand, the policies of the Organization of Petroleum Exporting Countries ("OPEC"), advances in exploration and development technology, and the availability and exploitation of alternate fuel sources. The demand for vessels within fisheries and aquaculture is dependent on regulatory frameworks and other factors. A decline in the demand for maritime technologies will have a negative impact on the demand for the group's products, technologies and services.

The group is dependent on successfully competing for, and winning, contracts offering a satisfactory profit margin in order to maintain revenues and profitability. The contracts are entered into in a competitive market where the group competes on product quality, overall service offering, financing, and price. A deterioration of the group's ability to deliver competitive products, technologies and services could have a significant adverse effect on the group's business and results of operations in the future.

The products and services offered by the group are characterized by complex projects with a high technological content and highly customized orders. When entering into contracts, the group has risks on its margin between the agreed fixed price of the finished product or service, and the costs involved in completing such product or service. In particular, when constructing new or customized products, there is an element of uncertainty involved in the cost or time involved in such construction which may have a significant adverse effect on the group's results of operations.

When supplying maritime technologies, the group provides a functionality guarantee for the product for a specified period of time after delivery. The group makes allocation for such guarantees in its accounts. There can be no assurance that the allocations made will be sufficient to meet any potential guarantee claims, and a rightful claim could have a material adverse effect on the group's financial position.

The group has procured adequate insurance coverage for its operation risks in line with market practice, including but not limited to insurance for personnel, property and liability. The group's insurance policies and contractual rights to indemnity may not adequately cover the group's losses, or may have exclusions of coverage for some losses. In line with industry practice, the group does not have insurance coverage or rights to indemnity for all kinds of risks. If a significant accident or other event occurs which is not fully covered by insurance or contractual indemnity, it could adversely affect the financial position, results of operations and cash flows of the group.



DIRECTORS' AND OFFICERS INSURANCE

HAV Group ASA has established a liability insurance for the board of directors, which includes the parent company and its subsidiaries. The insurance policy covers the board members, CEO and members of the management team, and comprises personal liability, including defence and legal costs.

SHAREHOLDER INFORMATION

HAV was listed on Euronext Growth Oslo in March 2021 and has 3987 shareholders as of 31.12.2022. The company only has one share class, and all shares are freely tradable.

ACCOUNTING PRINCIPLES

The consolidated financial statements of HAV Group ASA and its subsidiaries (the "Group") are prepared in accordance with the Accounting Act and generally accepted accounting principles. See note 2 - Significant Accounting Policies.

FINANCIAL REVIEW

The Group's revenue was NOK 621,8 million in 2022 compared to NOK 916.7 million in 2021.

The operating profit (EBIT) for the Group was NOK 2.0 million in 2022 compared to NOK 90.6 million in 2021.

The Group's net profit in 2022 amounted to NOK 2,8 million, compared to NOK 75.7 million in 2021. The main reason for the lower level of turnover was extensive trading deliveries in 2021. The profit is lower due to lower activity and some loss projects. We also observe increasing activity in Norwegian Greentech after years with focus on product development.

Equity amounted to NOK 112,5 million at 31.12.2022, compared to NOK 152.4 million at 31.12.2021. This represents an equity ratio of 23.0% respectively in 2022 and 26.0% in 2021. The reason for the decrease is mainly due to the Group's purchasing of own shares in 2022.

Net cash flow for the group during the period is NOK -152.0 million compared to NOK 341.9 million in 2021. Cash flow from operating activities is NOK -70.4 million compared to NOK 274.8 million in 2021. This negative figures is mainly due to reduction in net liabilities based on lower activity level.

Net cash flow from investing activities is NOK -25.1 million in 2022 compared to NOK -13.0 million in 2021. The negative cash flow is mainly due to investment in research and development and purchase of shares in Norwegian Greentech.

Net cash flow from financing activities is NOK -56.6 million

in 2022 compared to NOK 80.2 million in 2021. Main reason is purchase of own shares and repayment of non-current debt.

The cash flow statement shows the cash flow changes throughout the year. Total assets and capital employed is variable based on the payment terms and delivery times of contracts.

As of 31st December 2022, the Group's liquid assets were NOK 223.8 million compared to NOK 375.9 million at the end of 2021.

The Group's short-term debt amounted to NOK 311.3 million at 31st December compared to NOK 362.0 million 2021, and the reduction is due to lower level of Advance payment from customers and less debt to suppliers.

The balance sheet shows total assets for the Group of NOK 479.8 million in 2022, compared to NOK 588.5 million in 2021.

The Board believes that the annual report provides an accurate view of the Group's assets and liabilities, financial position, and results

WORK ENVIRONMENT

The total sick leave for the Group in 2022 was 3,99%, which is higher than in 2021, where the total sick leave was 1,6%.

The group works actively to reduce the extent of injuries, secure workplaces, and improve protective equipment. It also works actively to return employees from long-term sick leave.

No serious workplace accidents which resulted in major property damage or personal injury have occurred or been reported during the year.

The Board of directors receives quarterly statistics for the development within the areas of health, environment, safety, and quality.

Further information on environmental impacts can be found in the separate ESG report.

EQUALITY AND DISCRIMINATION

The group shall comply with the purpose of the Equality and Discrimination Act, including by promoting equality and preventing discrimination on the grounds of sex, pregnancy, maternity leave or adoption, care tasks, ethnicity, religion, outlook on life, disability, sexual orientation, gender identity, gender expression, age and other significant factors of a person.



The group shall be a workplace where there is full equality between women and men.

When hiring, professional competence is emphasized. Candidates with different ethnicity, national origin, descent, skin colour, language, religion or outlook on life shall all have the same opportunities and rights. Working time arrangements in the group follow from the various positions and are independent of gender.

Further reporting in accordance with the Equality and Discrimination Act can be found on the websites for the group companies that are covered by the extended reporting obligations within this area.

ENVIRONMENTAL AND CLIMATE RISK

Climate risk for companies can include the risk of loss of value and assets as a result of physical climate change, as well as loss of market share and value creation as a result of climate policy and technological development. Overall, the climate risk and its impact on future earnings is considered to be relatively low.

The UN Sustainable Development Goals, political ambitions and new regulations pushes the group and its customers to develop the solutions of the future already today. The group is passionate about using knowledge to solve environmental challenges by creating energy-efficient products and cutting emissions, while at the same time increasing customers' profitability, competitiveness, and value creation by giving them a tool for the future.

By widely experience in energy-efficient vessels, environmentally friendly systems and technology, the group has the cross-cutting expertise required to do its part in meeting the UN Sustainable Development Goals.

In 2022, there have been no climate or environmental issues requiring special measures. The group has not had any emissions to air or water in excess of the requirements set by the authorities.

Further information on climate and environmental impacts can be found in the separate ESG report.

RESEARCH AND DEVELOPMENT

The group conducts extensive development activities, including the development of ship designs and zero emission propulsion systems.

As of 31 December 2022, the group owns more than 40 ship designs that are sold worldwide. From 2013, great emphasis has been placed on development, and several new designs have been developed. It is believed that there are significant excess values here beyond those stated in the financial statements. Support from several different programs has been received and the development of a system for rebuilding to hydrogen is a large project that extends over several years.

ANNUAL PROFIT AND ALLOCATION

The Board proposes the following allocation of the parent company's profit for 2022:

Transferred to other equity in total MNOK 123,7

Group: The Board proposes a dividend of NOK 0.

SOCIAL RESPONSIBILITY

HAV shall maintain a solid reputation for its credibility around the world, by consistently conducting its operations with integrity and in compliance with the applicable laws and regulations. Board members and employees shall act fairly and honestly, and display integrity in all dealings with other employees, business partners, clients, the public, the industry, shareholders, suppliers, competitors, and government authorities. The group's values and commitment to sustainable development should be reflected, promoted and implemented through policies, decisions, and actions.

The group has established a code of ethics and social responsibility: "Code of Conduct for Business Ethics and Corporate Social Responsibility". Among other things, these guidelines include rules for relations with business partners, hereunder policy regarding gifts and confidential information. The code of ethics and social responsibility also give guidelines on how to deal with a potential conflict of interest.

An anti-corruption program has been developed and this program deals with among other things how to define risk areas for corruption and how to take preventive measures.

Both the anti-corruption program and the Code of Conduct for Business Ethics and Corporate Social Responsibility are available at the group's web page www.havgroup.no.

The group is strongly involved in ensuring the development of expertise and education in the maritime industry. Our apprentice program and HAV Academy are examples of the social responsibility that the group has taken to ensure future competence in our industry.



The Transparency Act (Åpenhetsloven) is a new law that will promote companies' respect for basic human rights and decent working conditions, and ensure the public's access to information. The Act imposes, among other things, a duty to provide information and a duty to carry out due diligence assessments in the supply chain, which must be explained in a yearly report.

The Company will publish a report of the due diligence assessment on its website www.havgroup.no within June 2023.



HAV Group ASA – Annual report 2022

RESPONSIBILITY STATEMENT FROM THE BOARD AND CEO

We hereby in accordance with the Norwegian Securities Trading Act §5-5 confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2022 have been prepared in accordance with applicable accounting standards, and that the information in the accounts gives a true and fair view of the company's and group's assets, liabilities, financial position and profit or loss as a whole. We also confirm that the annual report gives a fair view of the company's and group's development, financial position and profit or loss as a whole, as well as a description of the principal risks and uncertainties the company and the group face.

Fosnavåg, 28 April 2023
The Board of Directors and CEO
HAV Group ASA

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Vegard Sævik
Chairman of the Board

Hege Sævik Rabben
Board member

Tore Hopen
Board member

Helge Simonnes
Board member

Vibeke Fængsrud
Board member

Kjetil Ripe
Board member

Anita Fjærtøft
Board member

Gunnar Larsen
CEO



HAV Group ASA – Annual report 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS HAV Group ASA

(NOK 1,000)	Note	2022	2021
Revenues	3	620 342	915 055
Other operating revenues	3	1 473	1 662
Operating income		621 815	916 717
Materials and consumables		392 155	614 534
Payroll expenses	4	141 036	121 049
Other operating expenses	5	68 848	73 047
Operating expences		602 040	808 630
Operating profit before depreciation and amortisation (EBITDA)		19 776	108 087
Depreciation	6,7	17 807	17 453
Operating profit/loss (EBIT)	3	1 969	90 635
Financial income	8	20 119	12 888
Financial expenses	8	17 783	15 794
Profit / loss before tax	3	4 305	87 728
Income tax expense	3,9	1 496	12 031
Profit for the year	3	2 809	75 697
Translation differences			-1 763
Total comprehensive income		2 809	73 934
Attributable to :			
Equity holders of parent		-476	70 540
Non-controlling interest		3 285	3 393
Total		2 809	73 934



HAV Group ASA – Annual report 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION HAV Group ASA

(NOK 1,000)

ASSETS

	Note	2022	2021
Non-current assets			
Licenses, patents and R&D	6	77 292	82 684
Property, plant and equipments	7	6 178	3 436
Investment in financial assets		2 136	132
Total non-current assets		85 606	86 252
Current Assets			
Inventory	2,11	26 463	20 580
Accounts receivables	12,13	82 632	85 532
Other receivables	13	50 785	14 655
Contract assets customer contracts		10 493	5 598
Cash and cash equivalents	14	223 847	375 888
Total current assets		394 220	502 252
TOTAL ASSETS	3	479 826	588 504

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HAV Group ASA – Annual report 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

HAV Group ASA

EQUITY AND LIABILITIES

(NOK 1,000)	Note	2022	2021
Equity			
Share capital	15	35 000	35 000
Share premium reserve		87 202	87 202
Treasury shares		-1 638	-1 817
Retained earnings		-10 586	24 662
Non-controlling interests		2 562	7 429
Total equity		112 541	152 476
Non-current liabilities			
Deferred tax liability	9	8 252	7 334
Liabilities to Financial institutions	16	46 192	66 531
Other long-term liabilities		1 535	114
Total non-current liabilities		55 978	73 980
Current liabilities			
Accounts payables	12	40 182	52 772
Tax payables	9	0	3 218
Public duties payables		11 929	16 963
Advance payment from customers		192 860	224 069
Other current liabilities	17	66 336	65 026
Total current liabilities		311 307	362 048
Total liabilities		367 286	436 028
TOTAL EQUITY AND LIABILITIES	3	479 826	588 504

Fosnavåg, 28 April 2023

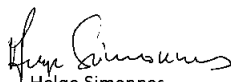
The Board of Directors and CEO

HAV Group ASA


Vegard Sævik
Chairman of the Board


Hege Sævik Rabben
Board member

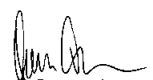

Tore Hopen
Board member


Helge Simonnes
Board member


Vibeke Fængsrud
Board member


Kjetil Ripe
Board member


Anita Fjærtøft
Board member


Gunnar Larsen
CEO



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
HAV Group ASA

(NOK 1,000)

	Note	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
January 1, 2022		35 000	87 202	-122	22 967	145 047	7 429	152 476
Profit for the Year					-476	-476	3 285	2 809
Currency translation differences					241	241	75	316
Purchase /sale of own shares				-2 321	-30 573	-32 894		-32 894
Exit minority with partial settlement in cash				806	-2 744	-1 939	-7 729	-9 668
Dividend							-496	-496
December 31, 2022		35 000	87 202	-1 639	-10 586	109 978	2 562	112 541

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(NOK 1,000)

	Note	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
January 1, 2021		30	0	0	41 681	41 711	4 034	45 745
Profit for the Year					72 360	72 360	3 337	75 697
Currency translation differences					-1 821	-1 821	58	-1 763
Contribution in kind, formation on the group		29 970	5 536		-87 983	-52 477		-52 477
Share issue settled in cash		5 000	81 667			86 667		86 667
Purchase of own shares				-1 817		-1 817		-1 817
Other changes					423	423		423
December 31, 2021		35 000	87 203	-1 817	24 662	145 045	7 429	152 476



HAV Group ASA – Annual report 2022

CONSOLIDATED STATEMENT OF CASHFLOW

CONSOLIDATED STATEMENT OF CASHFLOW HAV Group ASA

(NOK 1,000)	Note	2022	2021
CASH FLOW FROM OPERATIONS			
Profit/(loss) before tax	3	4 305	87 728
Taxes paid	9	-3 218	0
Depreciation	6,7	17 807	17 453
Net financial items	8	-2 336	-2 906
Changes in inventory	11	-5 883	-12 958
Changes in accounts receivables	12	2 900	-40 047
Changes in accounts payable	12	-12 590	-216 315
Changes in other current receivables/liabilities	13	-71 383	441 796
Net cash flow from/(to) operating activities		-70 400	274 750
CASH FLOW FROM INVESTMENTS			
Investments in property, plant and equipment	7	-4 729	-2 368
Investment in intangible assets	6	-10 345	-11 062
Interest income	8	1 690	391
Purchase of shares in subsidiary		-9 668	0
Purchase of shares in associated company		-2 000	0
Net cash flow used in investing activities		-25 052	-13 039
CASH FLOW FROM FINANCING ACTIVITIES			
New long term debt	16	0	7 500
Interest payment	8	-3 357	-3 223
Repayment non-current debt	8,16	-20 340	-8 968
Purchase of own shares		-32 894	-1 817
Capital increase - share issue (net)		0	86 667
Net cash flow from/ (used in) financing activities		-56 591	80 159
Net change in cash and cash equivalents		-152 042	341 871
Cash and cash equivalents at start of the year		375 888	34 015
Cash and cash equivalents at end of the year	14	223 847	375 888
Restricted cash at end of year		6 047	5 411
Cash and cash equivalent recognised in the balance sheet		223 847	375 888



HAV Group ASA – Annual report 2022

NOTES

HAV Group ASA

Note	Name
1	General information
2	Significant accounting policies
3	Segment information
4	Salary, fees, number of employees etc.
5	Other operating expenses
6	Intangible assets
7	Property, plant and equipment
8	Financial income and financial expenses
9	Income tax
10	Subsidiaries, associates and other financial investments
11	Inventory
12	Financial risk management
13	Other current and non-current receivables
14	Cash and cash equivalents
15	Share capital
16	Interest bearing debt
17	Other current liabilities
18	Losses to completion and other provisions for losses
19	Government grants
20	Contingencies and provisions
21	Related party transactions
22	Environmental and climate risk



NOTE 1. GENERAL INFORMATION

HAV Group ASA is a limited company based in Norway, and its head office is in Fosnavåg, Herøy.

HAV is the parent company and majority owner of the shares in various subsidiaries operating within engineering, ship design and equipment. The group has several decades of combined experience in the industry, in addition to special expertise in leading the marine and maritime industry through the green shift and towards the goal of zero emissions. The purpose of HAV is to assist its subsidiaries with strategic management, finance, logistics, marketing, and other support functions.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of HAV Group ASA and its subsidiaries (the "Group") are prepared in accordance with the Accounting Act and generally accepted accounting principles.

Preparation of accounts in accordance with the Accounting Act requires the use of estimates. Furthermore, the application of the company's accounting principles requires management to exercise discretion. Areas that to a large extent contain such discretionary assessments, a high degree of complexity, or areas where assumptions and estimates are significant for the annual accounts, are described in the notes.

The consolidated financial statements have been prepared according to the assessment rules in the Accounting Act, chapter 5.

The consolidated financial statements are presented in NOK 1,000. Figures in all notes to the financial statements are also presented in NOK 1,000 unless otherwise specified.

The consolidated accounts were approved by the Board of Directors on 28 April 2023.

2.2 Basis of consolidation

The consolidated financial statements include Hav Group ASA and companies in which Hav Group ASA has a controlling influence. Controlling influence is normally achieved when the parent company has ownership interests that directly, or indirectly, provide more than half of the voting rights in a company, unless it and only in exceptional cases, it can be clearly demonstrated that ownership does not provide control. Note 10 shows an overview of subsidiaries.

Internal transactions and intercompany balances, including internal profits and unrealized gains and losses, are eliminated. Similarly, unrealized losses are eliminated, but only to the extent that there are no indications of impairment of the asset sold internally.

A change in ownership interest in a subsidiary, without loss of control, is accounted for as an equity transaction. If the group loses control of a subsidiary, the following is executed:

- Derecognizes the assets and liabilities of the subsidiary.
- Derecognizes the carrying amount of any non-controlling Interests.
- Derecognizes the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received.
- Recognizes the fair value of any investment retained.
- Recognizes any surplus or deficit in profit or loss.

2.3 Classification of balance sheet items

Assets intended for permanent ownership or use are classified as fixed assets. Assets that are associated with the product cycle are classified as current assets. Receivables are otherwise classified as current assets if they are to be repaid within one year. For debt, analogous criteria are used as a basis. First-year installments on long-term receivables and long-term debt are nevertheless not classified as current assets and short-term debt.

2.4 Acquisition cost

Acquisition cost for assets includes the purchase price, less bonuses, discounts and the like, and with the addition of purchase expenses (shipping, customs duties, non-refundable government fees and other direct purchase expenses). When purchasing in foreign currency, the asset is capitalized at the exchange rate at the time of the transaction.

For property, plant and equipment and intangible assets, the acquisition cost also includes direct expenses to prepare the asset for use, such as expenses for testing the asset.

2.5 Foreign currency

Receivables and liabilities in foreign currency, which are not hedged using forward contracts, are capitalized at the exchange rate at the end of the financial year. Exchange rate gains and losses related to sales of goods and purchases of goods in foreign currency are recognized as operating income and cost of goods.



2.6 Related parties

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence.

Transactions with related parties are disclosed in note 21.

2.7 Revenue recognition

The Group recognizes revenue as the Group fulfills a delivery obligation upon transfer of goods or services to the customer. The Group's operating revenues are related to the following income streams:

- Sale of ship electrical systems and accompanying aftermarket activity
- Sale of ship design that is also combined with equipment deliveries
- Design, engineering and delivery of systems for cleaning of ballast water

Sale of ship electrical systems

Income from contracts must be recognized in the income statement in line with progress (degree of completion).

Earned contract income on the balance sheet date is the total estimated contract income multiplied by the degree of completion. Earned contract income in the period is earned contract income on the balance sheet date less earned contract income recognized in the income statement in previous periods.

The degree of completion is calculated on the basis of production performed for completion, contract costs are incurred on the balance sheet date, and the degree of completion is calculated as the ratio between these and estimated total contract costs.

Sale of ship design, possibly combined with equipment packages.

Earned contract income on the balance sheet date is the total estimated contract income multiplied by the degree of completion. Earned contract income in the period is earned contract income on the balance sheet date less earned contract income recognized in the income statement in previous periods.

The degree of completion is calculated on the basis of production performed for completion, contract costs are

incurred on the balance sheet date, and the degree of completion is calculated as the ratio between these and estimated total contract costs.

Design, engineering and delivery of systems for cleaning of ballast water

Revenues from the sale of goods are recognized in the income statement once delivery has taken place and the risk and return has been transferred.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.9 Investment in subsidiaries

The cost method is used as a principle for investments in subsidiaries. The cost price is increased when funds are provided through a capital increase, or when group contributions are made to subsidiaries. Dividends received are initially recognized in the income statement as income. Dividends that exceed the share of earned equity after the purchase are entered as a reduction of the acquisition cost. Dividends / group contributions from subsidiaries are recognized in the same year as the subsidiary allocates the amount. Dividends from other companies are recognized as financial income when approved.

2.10 Property, plant and equipment

Property, plant and equipment is stated in the balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the item of property, plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Land and buildings 10-40 years
- Machinery 3-10 years
- Operating equipment 3-10 years

When significant parts of property and equipment are



required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognized in profit and loss as incurred.

Leased (leased) fixed assets are capitalized as fixed assets if the lease is considered financial.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized. The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.11 Intangible assets

Development expenses are capitalized to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and the expenses can be measured reliably. Otherwise, such expenses are expensed on an ongoing basis. Capitalized development is depreciated on a straight-line basis over its economic life.

2.12 Impairment of fixed assets

If there is an indication that the book value of a fixed asset is higher than the fair value, a test for impairment is performed. The test is performed for the lowest level of fixed assets that have independent cash flows. If the book value is higher than both sales value and value in use (present value for continued use / ownership), a write-down is made to the higher of sales value and value in use.

Previous write-downs, with the exception of write-downs of goodwill, are reversed if the conditions for the write-down are no longer present.

2.13 Inventories

Goods are valued at the lower of acquisition cost (according to the FIFO principle) and fair value. For raw materials, replacement cost is used as an approximation of fair value. For finished goods and goods under construction, the acquisition cost consists of expenses for product design, material consumption, direct wages, and other direct and

indirect production costs (based on normal capacity). Fair value is the estimated selling price less expenses for completion and sale. Only variable expenses are considered necessary to sell finished goods, while fixed manufacturing costs are also included as necessary for goods that have not been finished.

2.14 Construction contracts

Work in progress related to fixed-price contracts with a long production time is assessed according to the current settlement method. The degree of completion is calculated as accrued costs as a percentage of the expected total cost. The total cost is reassessed on an ongoing basis. For projects that are assumed to incur losses, the entire estimated loss is expensed immediately.

2.15 Receivables

Accounts receivable are entered in the balance sheet after deductions for provisions for expected losses. Provisions for losses are made on the basis of an individual assessment of the receivables and an additional provision to cover other foreseeable losses. Significant financial problems with the customer, the probability that the customer will go bankrupt or undergo financial restructuring and deferrals and deficiencies in payments are considered as indicators that trade receivables must be written down.

Other receivables, both current receivables and capital receivables, are entered at the lower of nominal and fair value. Fair value is the present value of expected future payments. However, no discounting is made when the effect of discounting is insignificant for the accounts. Provisions for losses are assessed in the same way as for trade receivables.

2.16 Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in retained earnings. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

2.17 Debt

Debt, with the exception of certain provisions for liabilities, is recognized in the balance sheet at the nominal debt amount.



2.18 Accounts payable

Trade payables are recognized at fair value on initial recognition. Accounts payable are classified as short-term if they fall due within one year or less. If this is not the case, it is classified as long-term. Due to the short maturity, the face value of the debt is considered to reflect fair value. Normally, fair value will equal transaction price.

In agreements that reduce the value of outstanding debt, the value of the debt is reduced and recorded as income. Upon subsequent calculation of the value of the agreement, changes are entered as an adjustment of the debt with a counter-item in the income statement.

2.19 Pension

The company has various pension schemes. The pension schemes are financed through payments to insurance companies, with the exception of the AFP scheme. The company has both defined contribution plans and defined benefit plans.

Deposit plans

In the case of deposit plans, the company pays deposits to an insurance company. The company has no further payment obligation after the deposits have been paid. The deposits are accounted for as wage costs. Any prepaid deposits are capitalized as an asset (pension funds) to the extent that the deposit can be refunded or reduce future payments.

AFP

The AFP scheme is an unsecured performance-based multi-company scheme. Such a scheme is in fact a defined benefit plan, but is treated in the accounts as a defined contribution plan as a result of the scheme's administrator not providing sufficient information to calculate the obligation in a reliable manner.

2.20 Warranties

Warranties related to completed sales are assessed at the estimated cost of such work. The estimate is calculated on the basis of historical figures for warranty work, but corrected for expected deviations due to, for example, changes in quality assurance routines and changes in product range. The provision is entered under "Other current liabilities", and the change in the provision is expensed.

2.21 Government grants

Government grants are recognized when it is reasonably certain that the company will meet the conditions stipulated for the grants and that the grants will be received. Operating grants are recognized systematically during the grant period. Grants are deducted from the cost which the grant is meant to cover. Investment grants are capitalized and recognized systematically over the asset's useful life. Investment grants are recognized as a deduction of the asset's carrying amount.

2.22 Taxes

The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at the current tax rate on the basis of the temporary differences that exist between accounting and tax values, as well as any tax losses carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or can reverse in the same period have been offset. The entry of deferred tax assets on net tax-reducing differences that have not been settled and losses carried forward are justified by assumed future earnings. Deferred tax and tax assets that can be recognized in the balance sheet are entered net in the balance sheet.

Tax reduction on group contributions made, and tax on received group contributions which is led to a reduction in cost or directly against equity, is entered directly against tax in the balance sheet (against tax payable if the group contribution has an effect on tax payable and against deferred tax if the group contribution has effect on deferred tax).

Deferred tax is recognized at the nominal amount.

2.23 Cash flow statement

The cash flow statement is prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments that can be immediately and with insignificant exchange rate risk converted into known cash amounts and with a remaining term of less than three months from the date of acquisition.



NOTE 3. SEGMENT INFORMATION

The Group's main activities are:

1. HAV Design, i.e. provide ship design and system packages for offshore, transport and fishing vessels;
2. Norwegian Electric Systems, i.e. specializing in design, engineering and installation of electric systems and delivery of control and automation systems for ships;
3. Norwegian Greentech, i.e. specializes in the design, engineering and delivery of ballast water treatment systems.
4. HAV Hydrogen, i.e. delivers complete and scalable hydrogensystems, that are designed for operation in heavy seas.

See note 10 for information about which segment each subsidiary are located in.

The group divides the customers into geographical areas on the basis of the customers' nationalities. The areas are Norway, Europe without Norway and Other.

The Group's customer base consists of a wide range of companies.

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.

2022

(NOK million)	HAV Design	Norwegian Electric Systems	Norwegian Greentech	HAV Hydrogen	Other/ Elimination	Group
Operating revenues, External	151,1	238,4	226,2	2,7	1,8	620,3
Operating revenues, Internal	2,9	30,2	0,4	0,1	-33,6	0,0
Operating income	155,4	268,6	226,7	2,8	-31,7	621,8
EBITDA	15,7	-11,5	30,8	-5,4	-9,9	19,8
Depreciation	5,0	5,9	6,3	0,0	0,7	17,8
Operating profit/(loss) (EBIT)	10,7	-17,3	24,5	-5,4	-10,5	2,0
Net financial items	-0,3	6,6	-1,2	-0,1	-2,7	2,3
Profit/(Loss) before tax	10,5	-10,7	23,3	-5,6	-13,2	4,3
Income tax expense	2,1	-2,4	5,0	-1,2	-2,0	1,5
Profit/(Loss)	8,4	-8,3	18,2	-4,3	-11,1	2,8

Total assets	266,6	182,7	106,4	9,4	-85,4	479,8
Equity	17,6	35,8	12,4	6,7	40,1	112,5
Liabilities	249,0	147,0	94,1	2,7	-125,5	367,3

Geographical areas	Norway	Europe	Other	Total
Operating revenues	383,8	234,0	4,0	621,8

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



2021 (NOK million)	HAV Design	Norwegian Electric Systems	Norwegian Greentech	HAV Hydrogen	Other/ Elimination	Group
Operating revenues, External	624,2	121,5	167,5	1,9	0,0	915,1
Operating revenues, Internal	1,5	105,0	0,0	0,0	-106,6	0,0
Operating income	627,1	226,8	167,5	1,9	-106,6	916,7
EBITDA	91,6	7,5	15,9	-1,0	-6,0	108,1
Depreciation	10,7	5,2	1,6	0,0	0,0	17,5
Operating profit/(loss) (EBIT)	80,8	2,4	14,4	-1,0	-6,0	90,6
Net financial items	3,8	-1,5	-2,5	0,0	-2,7	-2,9
Profit/(Loss) before tax	84,7	0,9	11,9	-1,0	-8,7	87,7
Income tax expense	26,8	-15,0	3,1	-0,2	-2,6	12,0
Profit/(Loss)	57,8	15,9	8,8	-0,8	-6,1	75,7
Total assets	259,0	229,0	125,7	2,0	-27,2	588,5
Equity	70,6	60,7	20,5	0,0	0,7	152,5
Liabilities	188,4	168,3	105,2	1,9	-27,9	436,0
Geographical areas	Norway	Europe	Other	Total		
Operating revenues	279,7	631,0	6,0	916,7		

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

NOTE 4. SALARY, FEES, NUMBER OF EMPLOYEES ETC.

(NOK 1,000)

	2022	2021
Payroll expenses		
Wages	120 924	105 738
Employer's part of social security costs	18 053	14 613
Pension, contribution plans	8 394	5 630
Capitalization R&D	-10 366	-6 915
Other benefits	4 031	1 982
Total salaries and social expenses	141 036	121 048
Man-labour year	147	135

The Group has a defined contribution plan covering all employees. The Group's pension scheme satisfies the requirements of the Act on Compulsory Occupational Pensions. Pension costs for the Group's defined contribution plans are expensed on a continuous basis with earnings for the employees. The Group's duty is limited to the payment of agreed contribution and where the actuarial risk and investment risk fall on the individual employee.



(NOK 1,000)	Gunnar Larsen, CEO		Pål Aurvåg, CFO		Frank-Levi Kvalsund, SVP HR/QHSE	
	2022	2021	2022	2021	2022	2021
Salary	2 164	2 249	1 069	1 477	825	1 350
Pension	98	96	78	85	74	92
Other remuneration	183	132	114	137	112	159
Total remuneration	2 445	2 477	1 260	1 699	1 011	1 601

At the time for establishment of HAV Group in Q1 2021, Gunnar Larsen was employed as CEO for HAV Group. At the same time Pål Aurvåg (CFO) and Frank-Levi Kvalsund (SVP HR/ QHSE) were hired in from Havyard Group ASA (EQVA ASA) in respective positions, but transferred to HAV Group from March 2022. Figures for 2022 is only related to remuneration from HAV Group.

Key management does not have bonus agreements or any share-based payment.

No loans or guarantees to the Group CEO or any member of the board per 31/12/2022 or 31/12/2021.

**NOTE 5. OTHER OPERATING EXPENSES**

(NOK 1,000)

Other operating expenses	2022	2021
Rent and leasing expenses	13 924	13 342
Office and administration expenses	4 717	2 946
Plant, tools and equipment (including IT)	7 883	3 852
Travel and employee expenses	10 457	6 377
Hired consultants*	15 365	29 752
Marketing and communication	4 606	2 358
Other operating expenses	11 897	14 420
Total	68 848	73 047

*Fees to auditor are included here

Fees to the auditor consists of the following services:	2022	2021
Statutory audit	2 848	1 278
Tax advice	291	302
Other assistance	22	1 973
Total	3 160	3 553

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Auditor's fees are stated excluding VAT.

NOTE 6. INTANGIBLE ASSETS

(NOK 1,000)

	2022	2021
	Research and development	Research and development
Acquisition cost as of 1/1	198 869	187 807
Additions during the year	10 345	11 062
Acquisition cost as of 31/12	209 214	198 869
Accumulated depreciation as of 1/1	116 185	100 178
Depreciation for the year	15 737	16 007
Accumulated depreciation as of 31/12	131 922	116 185
Book value as of 31/12	77 292	82 684
Depreciation rate	5-10 years	5-10 years

**NOTE 7. PROPERTY, PLANT AND EQUIPMENT**

	2022	2021
(NOK 1,000)		
	Operating equipment	Operating equipment
Acquisition cost as of 1/1	23 723	21 355
Additions during the year	4 729	2 368
Disposals during the year	0	0
Acquisition cost as of 31/12	28 452	23 723
Accumulated depreciation as of 1/1	20 287	18 839
Depreciation for the year	1 987	1 448
Impairment	0	0
Accumulated depreciation as of 31/12	22 274	20 287
Book value as of 31/12	6 178	3 436
Useful life	3-10 years	3-10 years

Other operating equipment mainly relates to office equipment.

Depreciation

Operating equipment and are depreciated by the linear method over expected useful life.

NOTE 8. FINANCIAL INCOME AND FINANCIAL EXPENSES

(NOK 1,000)	2022	2021
Interest income	1 690	389
Agio	18 294	12 497
Other financial income	136	2
Total financial income	20 119	12 888
Interest expenses	3 357	3 223
Agio loss	11 845	5 746
Other financial expenses	2 582	6 825
Total financial expenses	17 783	15 794
Net financial items	2 336	-2 906



NOTE 9. INCOME TAX

The parent company HAV Group ASA is resident in Norway, where the corporate tax rate is 22 %, while some parts of the group are taxed in other jurisdictions and other tax regimes.

The major components of income tax expense/ (income) for the year are:

(NOK 1,000)

Consolidated income statement

	2022	2021
Current income tax:		
Taxes payable	0	3 218
Changes in deferred tax	917	8 813
Prior year adjustments	579	0
Income tax expense/(income) reported in the income statement	1 496	12 031

Reconciliation of actual tax cost against expected tax cost in accordance with the ordinary Norwegian income tax rate of 22%.

(NOK 1,000)

	2022	2021
Profit before tax	4 305	87 728
Tax expense 22 %	947	19 300
Recognized tax expense	1 496	12 031
Difference between expected and recognised tax expense	549	-7 269
Difference is related to:		
Other permanent differences	549	-7 269
Total	549	-7 269

Deferred tax relates to the following temporary differences:

	2022	2021
(NOK 1,000)		
Non-current assets	-13 368	-29 579
Earned, not billed production	75 624	94 157
Leasing	-13	28
Current assets	-3 053	1 796
Accruals and provisions	-14 255	-7 812
Tax loss carried forward	-7 427	-25 252
Total temporary differences	37 508	33 338
Net deferred tax liability/ assets (-)	8 252	7 334
Deferred tax liability in the balance sheet	8 252	7 334

Deferred income tax and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

After an assessment, Deferred tax is reset on the basis that we have unrecognized deferred tax assets and we can use tax loss carried forward in 2022, and possibly later years.



NOTE 10. SUBSIDIARIES, ASSOCIATES AND OTHER FINANCIAL INVESTMENTS

2022

HAV Group ASA has the following ownership in subsidiaries as of 31/12/2022	Ownership share/ voting share	Business office	Segment	Currency	Share capital (1,000)
Norwegian Electric Systems AS	100 %	Bergen		NOK	1 121
HAV Design AS	100 %	Fosnavåg	Design & Solutions	NOK	108
Norwegian Greentech AS	100 %	Fosnavåg	Norwegian Greentech	NOK	5 000
HAV Design & Engineering Poland sp.z.o.o	70 %	Sopot	Design & Solutions	PLN	101
HAV Design & Engineering Rijeka d.o.o.	70 %	Rijeka	Design & Solutions	HRK	28
HAV Hydrogen AS	100 %	Fosnavåg	Hydrogen	NOK	30
Norwegian Electric Systems AS Tyrkia	85 %	Istanbul	Norwegian Electric Systems	TRL	10

Subsidiary with non-controlling interests as of 31/12/2022	Ownership share/ Voting share	Business office	Currency	Share of result (1,000)
HAV Design & Engineering Poland sp.z.o.o	70 %	Sopot	PLN	1 145
HAV Design & Engineering Rijeka d.o.o.	70 %	Rijeka	HRK	-375
Norwegian Electric Systems AS Tyrkia	85 %	Istanbul	TRL	-712

Financial information for subsidiaries with non-controlling interest

(NOK 1,000)

	Norwegian Electric Systems AS Tyrkia	HAV Design & Engineering Poland sp.z.o.o	HAV Design & Engineering Rijeka d.o.o.	SUM
Operating revenue	402	9 804	3 624	13 830
Profit/(loss)	-837	1 815	-536	442
Total assets	2 831	9 525	783	13 139
Equity	-1 665	8 749	206	7 290
Liabilities	4 496	777	576	5 849



2021

HAV Group ASA has the following ownership in subsidiaries as of 31/12/2021	Ownership share/ voting share	Business office	Segment	Currency	Share capital (1,000)
Norwegian Electric Systems AS	100 %	Bergen	Norwegian Electric Systems	NOK	1 121
HAV Design AS	100 %	Fosnavåg	HAV Design	NOK	108
Havyard Far East Pte Ltd*	100 %	Singapore	HAV Design	SGD	570
Norwegian Greentech AS	77 %	Fosnavåg	Norwegian Greentech	NOK	5 000
HAV Design Poland sp. z o.o.)	70 %	Sopot	HAV Design	PLN	98
HAV Design Croatia d.o.o	70 %	Rijeka	HAV Design	HRK	27
HAV Hydrogen AS	100 %	Fosnavåg	HAV Hydrogen	NOK	30

*Investments in Havyard China Ltd and Havyard Far East Pte Ltd has not been consolidated in 2020 due to immaterial values.

Subsidiary with non-controlling interests as of 31/12/2021	Ownership share/ Voting share	Business office	Currency	Share of result (1,000)
Norwegian Greentech AS	77%	Fosnavåg	NOK	7 899
HAV Design & Engineering Poland sp.z.o.o	70%	Sopot	PLN	1 902
HAV Design & Engineering Rijeka d.o.o.	70%	Rijeka	HRK	-184

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Financial information for subsidiaries with non-controlling interest (NOK 1,000)

	Norwegian Greentech AS	HAV Design & Engineering Poland sp.z.o.o	HAV Design & Engineering Rijeka d.o.o.	SUM
Operating revenue	167 503	10 848	3 978	182 329
Profit/(loss)	8 800	2 522	-618	10 704
Total assets	125 680	9 525	1 110	136 315
Equity	20 463	8 485	779	29 727
Liabilities	105 218	1 040	331	106 589

NOTE 11. INVENTORY

(NOK 1,000)

	2022	2021
Raw materials (at cost)	0	8 749
Components	26 463	11 830
Total Inventories	26 463	20 580
Impairment for obsolescence	0	0



NOTE 12. FINANCIAL RISK MANAGEMENT

Financial Risk

The Group's activities expose it to financial risks such as, market risks, credit/counterpart risk and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board of Directors also establishes detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies.

Market Risk

Market risk is the risk that fluctuations in market prices, e.g. exchange rates, the price of such raw materials as steel, and interest rates, will affect future cash flows or the value of financial instruments. Market risk management aims to ensure that risk exposure stays within the defined limits, while optimising the risk-adjusted return. Attempts should be made to secure major purchases in connection with projects as soon as possible after the final clarification of the project.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may return capital to shareholders or obtain borrowings.

The Group monitors capital based on the equity to total asset ratio. In addition, the Group monitors the working capital closely.

Interest Rate Risk

The Group are exposed to changes in interest rates, as the liabilities have floating rates. The Group have not entered into interest rate hedging instrument. Reference is made to Note 16 for more information regarding interest bearing debt.

Currency Risk

The Group's revenue and costs are denominated primarily in Norwegian Krone("NOK") which is the functional currency of most entities within the Group. Currency risk arises through ordinary business, future commercial transactions, recognised assets and liabilities and when such have been made against payment in a currency other than the functional currency of the Group. The Group is mainly exposed to Euro (EUR). The Group has a currency hedging strategy where forward contracts are used to keep the currency risk at a low level.

The Group's currency exposure is based on cash and bank balances, trade and other receivables, and trade and other payables. Financial assets and financial liabilities denominated in the functional currency are not included.

If the EUR or USD rates against the NOK had been stronger or weaker by 5% at the balance sheet date with all other variables, the effects on profit and loss before tax arising from the net financial assets position would have been as follows:

If the EUR or USD rates against the NOK had been stronger or weaker by 5% (2021: 5%) at the balance sheet date with all other variables, the effects on profit and loss before tax arising from the net financial assets position would have been as follows:

NOK (1,000)		2022	2021
EUR	Change if NOK 5 % weaker	574	392
	Change if NOK 5 % stronger	-574	-392
USD	Change if NOK 5 % weaker	572	-31
	Change if NOK 5 % stronger	-572	31



Credit/Counterparty Risk

Credit risk refers to the ability and willingness of counterparts to pay for services rendered and to stand by their future contractual commitments with the Group. The Group has implemented thorough procedures to limit the exposure to unreliable counterparts and the Group avoids undue concentration of credit and counterpart exposure. Prior to fixing any business with new customers or medium to longer term business with existing customers, commercial departments have to get approval from the Group's credit risk team. Significant exposures must be approved by the Groups Credit Committee.

The credit assessments are based on information from external credit rating agencies, public information, the Group's previous experience with the counterpart and internal analysis. Country and political risk also forms a part of the assessment. The Group actively seeks to diversify its exposure to particular industries and/or jurisdictions.

The age analysis of trade receivables is as follows:

NOK (1,000)	2022	2021
Not past due	41 451	72 117
Past due < 3 months	31 805	8 253
Past due 3 to 6 months	1 404	587
Past due over 6 months	7 972	4 575
Impairment	0	0
Trade receivables	82 632	85 532
Contract assets customer contracts	10 493	5 598
Total credit/counterparty risk to customers	93 125	90 950

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Liquidity Risk

Liquidity risk is the risk that the group will be unable to fulfil its financial obligations as they fall due. The Group monitors its liquidity risk by maintaining a level of cash and bank balances deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Management monitors rolling forecasts of the Group's liquidity reserve and cash and bank balances on the basis of expected cash flow. Close follow of the cash flow development

is also the basis for the continued operation considerations. Reference can be made to note 14 for details on cash, note 16 for interest bearing debt.

Liquidity risk can also be caused by customers not able to establish long-term financing for projects or that the Group is unable to secure construction financing.

**Liabilities in balance sheet**

2022	Current				Long Term	
NOK (1,000)	0-3 months	3-6 months	6-12 months	1-2 years	2-5 years	> 5 years
Non Derivatives						
Accounts payables	37 570	2 612				
Liabilities to financial institutions				40 140	6 052	
Total	37 570	2 612	-	40 140	6 052	-
Derivatives						
Forward contract foreign exchange						
Total	37 570	2 612	-	40 140	6 052	-

2021	Current				Long Term	
NOK (1,000)	0-3 months	3-6 months	6-12 months	1-2 years	2-5 years	> 5 years
Non Derivatives						
Accounts payables	50 083	2 513	176			
Liabilities to financial institutions				40 681	20 450	5 400
Total	50 083	2 513	176	40 681	20 450	5 400
Derivatives						
Forward contract foreign exchange						
Total	50 083	2 513	176	40 681	20 450	5 400

NOTE 13. OTHER CURRENT AND NON-CURRENT RECEIVABLES

(NOK 1,000)

	2022	2021
Other current receivables		
Prepayments suppliers	19 266	10 072
Employee-related items	75	0
Receivables VAT and government grants	4 632	2 867
Other short-term receivables	26 812	1 717
Sum other current receivables	50 786	14 655



NOTE 14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

NOK (1,000)	2022	2021
Cash at banks - unrestricted	217 800	370 476
Cash at banks - restricted	6 047	5 411
Total	223 847	375 887

Restricted cash consists of:

Tax withholding accounts	6 047	5 411
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NOTE 15 SHARE CAPITAL

Ordinary shares issued and fully paid

	2022	2021
Number of ordinary shares	35 000 000	35 000 000
Par value (NOK)	1	1
Share capital (NOK)	35 000 000	35 000 000

All shares have equal rights.

2022

The share capital was NOK 35 000 000 divided by 35 000 000 shares, at NOK 1.

Treasury shares

HAV Group ASA owns 1.638.437 treasury shares (4.7% of share capital) as of 31/12/2022. (Ref.ongoing repurchase program.)

Dividends and group contributions

The Group has not paid dividend in 2022.

The board proposes NOK 0 in dividend for the general meeting Emini Invest AS, HSR Invest AS, Innidimann AS and Pision AS jointly own 100% of Havila Holding AS. The largest shareholder of the Group is Havila Holding AS. Chairman of the Board Vegard Sævik and boardmember Hege Sævik Rabben have indirect ownership in the group through their ownership in Havila Holding AS.

Havila Holding AS is a limited company based in Norway, and its head office is located in Fosnavåg, Herøy.

Shareholders as of 31.12.2022	Controlled by	Number of shares	Ownership
HAVILA HOLDING AS	Vegard Sævik (Ch.of Board)	8 737 827	25,0 %
FARVATN CAPITAL AS		2 408 909	6,9 %
HAV GROUP ASA		1 638 437	4,7 %
MP PENSJON PK		1 524 220	4,4 %
EQVA ASA		1 513 542	4,3 %
NORDNET LIVSFORSIKRING AS		1 379 834	3,9 %
EMINI INVEST AS		1 127 179	3,2 %
HSR INVEST AS	Hege Sævik Rabben (Board)	1 127 179	3,2 %
INNIDIMMAN AS	Vegard Sævik (Ch.of Board)	1 127 179	3,2 %
AVANZA BANK AB		1 012 324	2,9 %
NORDNET BANK AS		917 848	2,6 %
JAHATT AS		770 500	2,2 %
MORGAN STANLEY & CO. INTERNATIONAL		735 608	2,1 %
PISON AS		375 726	1,1 %
OTHER SHAREHOLDERS (<1 %)		10 603 688	30,3 %
Number of shares		35 000 000	100 %

**2021**

The share capital was NOK 35 000 000 divided by 35 000 000 shares, at NOK 1.

Treasury shares

HAV Group ASA has 118 080 treasury shares (0.35% of share capital) as of 31/12/2021. (Ref.ongoing repurchase program.)

Dividends and group contributions

The Group has not paid dividend in 2021.

The board proposes NOK 0 in dividend for the general meeting

Emini Invest AS, HSR Invest AS, Innidimann AS and Pision AS jointly own 100% of Havila Holding AS. The largest shareholder of the Group is Havila Holding AS. Chairman of the Board Vegard Sævik and boardmember Hege Sævik Rabben have indirect ownership in the group through their ownership in Havila Holding AS.

Havila Holding AS is a limited company based in Norway, and its head office is located in Fosnavåg, Herøy. Havyard Group ASA is consolidated in the financial accounts of Havila Holding AS. Havila Holding and companies owned by family owns in total 57.72% of Havyard Group ASA.

Shareholders as of 31.12.2021	Controlled by	Number of shares	Ownership
HAVYARD GROUP ASA	Vegard Sævik (Ch.of Board)	11 659 047	33,3 %
HAVILA HOLDING AS		4 693 500	13,4 %
FARVATN CAPITAL AS		2 408 909	6,9 %
MP PENSJON PK		1 072 192	3,1 %
NORDNET LIVSFORSIKRING AS		882 485	2,5 %
AVANZA BANK AB		800 643	2,3 %
JAHATT AS		770 500	2,2 %
NORDNET BANK AS		686 829	2,0 %
EMINI INVEST AS		605 461	1,7 %
HSR INVEST AS	Hege Sævik Rabben (Board)	605 461	1,7 %
INNIDIMMAN AS	Vegard Sævik (Ch.of Board)	605 461	1,7 %
MORGAN STANLEY & Co. INTERNATIONAL		471 986	1,3 %
Other shareholders (<1 %)		9 737 526	27,8 %
Number of shares		35 000 000	100,0 %

**NOTE 16. INTEREST BEARING DEBT****Bank and leasing**

(NOK 1,000)

	2022	2021
Interest bearing long-term debt		
Long term Loan DnB	32 500	47 500
Long term Loan Sparebanken Møre	8 500	11 500
Long term Loan Innovasjon Norge	4 993	7 286
Other long-term liabilities	199	246
Sum	46 192	66 531
Debt secured by mortgage	2022	2021
Long-term debt to financial institutions	46 192	66 531
Sum	46 192	66 531

The Liabilities to financial institutions of MNOK 66,5 include the DNB loan of NOK 32,5 million (HAV Group) and NOK 13,7 million from Sparebanken Møre and Innovation Norway (Norwegian Greentech).

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The loan from DnB (NOK 32,5 million, maturity 30.09.2024)
The interest rate is 3 months NIBOR + 3.5% margin.

The loans from Sparebanken Møre (SBM) has a maturity of 3-6 years with nominal interest rates of NIBOR 3 months + margin 4.75 %.

The loans from Innovasjon Norge has a maturity of 3-10 years with nominal interest rates of 2.35 % to 3.9 %.

As of 31 December 2022, the Group was in compliance with all its existing debt covenants.

Several of the subsidiary in the Group have debt covenants, mainly towards equity and working capital.

Coventants HAV Group - DNB;

Working Capital > 0

NIBD/ EBITDA > 2,5

Free Cash > NOK 35 million

**Book value of pledged asset**
(NOK 1,000)

	2022	2021
Machinery, operating equipment	6 178	3 436
Earned, not billed production	10 493	5 598
Inventory	26 463	20 580
Accounts receivables	82 632	85 532
Bank deposits	223 847	375 888
Sum book value of pledged assets	349 613	491 033

2022

Loans	Cashflow				Not cash changes	UB
	IB	Proceeds from new loans	New long term debt	Installment		
Liabilities to financial institutions	66 531			-20 340		46 192
Other long-term liabilities	0			0		0
Lease liabilities	0			0	0	0
Total interest-bearing debt	66 531	0	0	-20 340	0	46 192

Changes in loans related to NOK 55 million is a result of the spin-off from Havyard Group ASA. (EQVA ASA)

2021

Loans	Cashflow			Not cash changes	UB
	IB	Proceeds from new loans	Installment		
Liabilities to financial institutions	13 000	7 500	-8 968	55 000	66 531
Other long-term liabilities	0	0	0	0	0
Lease liabilities	0	0	0	0	0
Total interest-bearing debt	13 000	7 500	-8 968	55 000	66 531

**NOTE 17. OTHER CURRENT LIABILITIES**

(NOK1,000)		2022	2021
Employee-related liabilities	Note	20 430	14 391
Accrued cost WIP		18 723	14 126
Provision for losses on completion of contracts		10 729	2 689
Warranty provisions		3 364	5 812
Derivatives		0	824
Other current liabilities		13 091	27 185
Total other current liabilities		66 336	65 026

NOTE 18. PROVISIONS FOR LOSS CONTRACTS

(NOK1,000)		2022	2021
Provisions			
Provisions from previous period		2 688	5 666
Provisions utilised		-1 584	-2 978
New provisions		1 725	
Total		2 829	2 688

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The provision at year end is related to loss contracts. The amount is related to projects at Norwegian Electric Systems related to delivery of engineering and installation of electric systems and delivery of control and automation systems for ships. The reduction in provision is due to finalizing of projects in NES.

The provision is presented as part of other current liabilities in the balance sheet. The profit and loss statement the expense is allocated between the line items materials and consumables, payroll expenses and other operating expenses.

NOTE 19. GOVERNMENT GRANTS

NOK (1,000)		2022	2021
1.1 - Grants receivable		0	2 400
Received during the year		0	6 910
Released to the income statement		0	4 510
Of this - booked as reduction of other operating expenses		0	4 510
Of this - booked as reduction of capitalized R&D		0	0
31.12 - Grants receivable		0	0

Government grants have been received for several development projects. The grants are entered as a cost reduction over other operating costs and as a reduction of R&D in the balance sheet. There are no unsatisfied conditions or conditions attached to these grants. The grants are taken as a cost reduction.

Government grants have been received for several projects. There are no unfulfilled conditions or contingencies attached to these grants.



NOTE 20. CONTINGENCIES AND PROVISIONS

Legal disputes

HAV Design AS ("HDE" - formerly Havyard Design & Solutions AS) entered into an agreement in 2018 for supply design and equipment to the Spanish shipyard Hijos de J. Barreras ("Barreras"). The contracts were related to two "coastal passenger vessels" ordered by Havila Kystruten AS ("HKY") at Barreras (the "Shipbuilding Contracts").

In connection with cancellation of the Shipbuilding Contracts, legal proceedings were initiated between HK and "insurers" (Abarca) who issued the insurance bond as security for repayment of advance payments under the Shipbuilding Contracts. The dispute has not been finally settled as of today.

Guarantees/warranties

The Group occasionally faces warranty claims as part of its ordinary business. No material warranty claim has as of the date of these financial statements been directed at any of the companies in the Group, nor have any of the companies in the Group been notified of any such claims.

(NOK 1,000)

	2022	2021
Provisions IB	5 812	3 095
Used provision	-3 752	0
New provisions	1 304	2 717
Provisions UB	3 364	5 812



NOTE 21. RELATED PARTY TRANSACTIONS

The Group has various transactions with related parties. All the transactions have been carried out as part of the ordinary operations.

The most significant transactions are as follows: (NOK 1,000)

Havblikk Eiendom AS	Sales to related parties /	Purchases from related parties /	Amounts owed to related parties /
2022	0	3 940	7
2021	0	3 759	0

Related to lease of office space. Havblikk Eiendom AS is a subsidiary of Havila Holding AS, which owns directly 25% of the shares in HAV Group ASA.

Fjord1 ASA	Sales to related parties /	Purchases from related parties /	Outstanding claims from to parties /
2022	43 294	0	985
2021	33 627	0	1 006

The group sold equipment for re-build of ferries to transform from diesel to electrical power to Fjord1.

Havila Holding AS owns 25% of the shares in HAV Group ASA. Havila Holding, through its three subsidiaries, Havilafjord AS, Havilafjord Holding AS and Havilafjord Holding 2 AS, owns 50.1% of Fjord1 ASA.

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EQVA ASA	Sales to related parties /	Purchases from related parties /	Amounts owed to related parties /
2022	0	0	0
2021	0	23 785	636

The group bought services from EQVA ASA related to shared services. (Accounting, IT, HR, Law, Finance.)

Havila Holding AS owns 25% of the shares in HAV Group ASA and 13.9% in EQVA ASA at the end of 2022.

EQVA ASA owns 4,3% in HAV Group ASA at the end of 2022.

Havila Kystruten AS	Sales to related parties /	Purchases from related parties /	Amounts owed to related parties /
2022	2 651		46 000
2021	526	0	46 000

Havila Holding AS owns 25 % of the shares in HAV Group ASA.

See note 20 - Contingencies and provisions for info related to Havila Kystruten.

Havila Holding AS owns 25% of the shares in HAV Group ASA.

Havila Holding AS owns 60.4% of the shares in Havila Kystruten AS.

	2022	2021
Account receivables	1 418	11 648
Account payables	46 007	46 509



NOTE 22. ENVIRONMENTAL AND CLIMATE RISK

ENVIRONMENTAL AND CLIMATE RISK

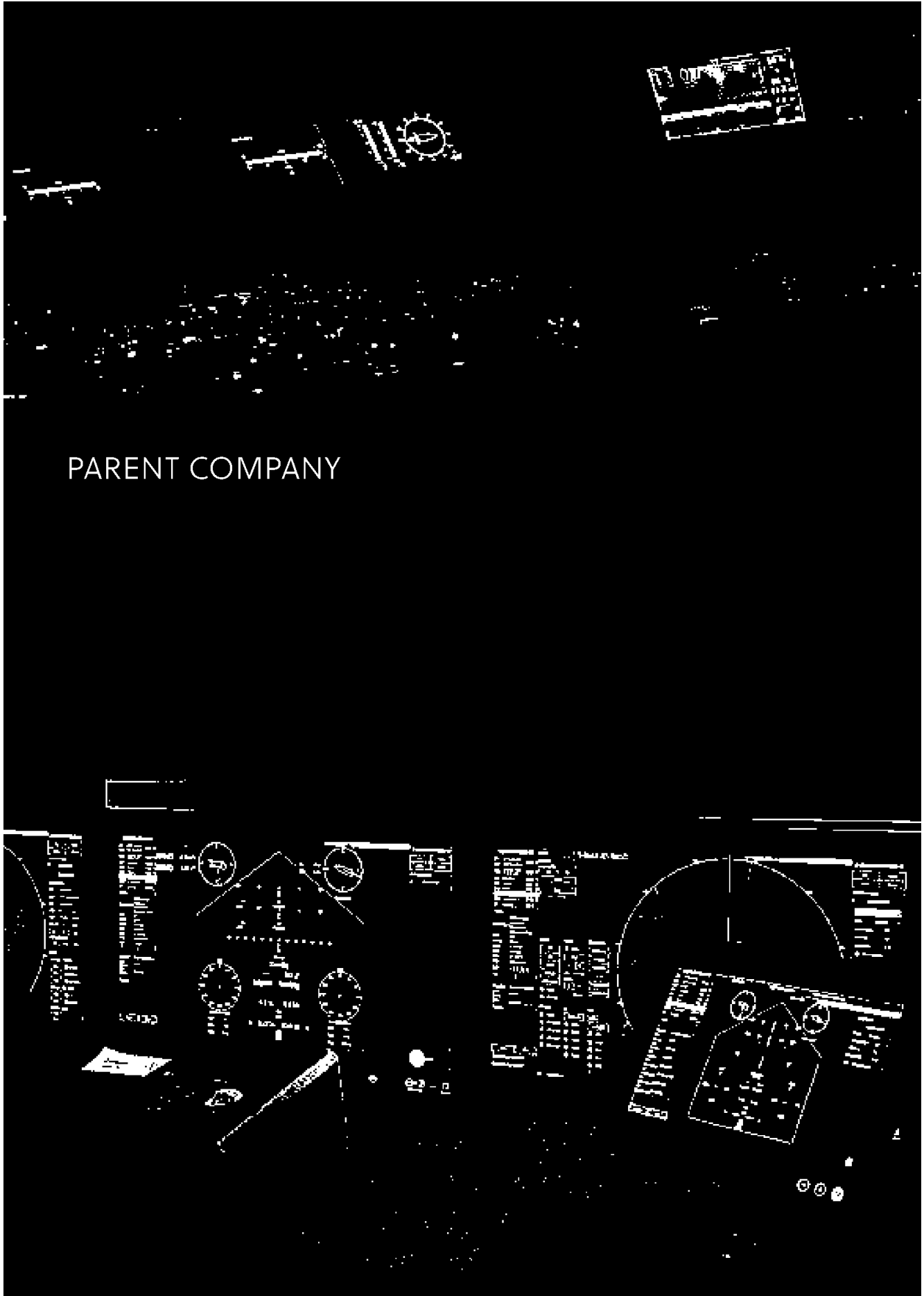
Climate risk for companies can include the risk of loss of value and assets as a result of physical climate change, as well as loss of market share and value creation as a result of climate policy and technological development. Overall, the climate risk and its impact on future earnings is considered to be relatively low.

The UN Sustainable Development Goals, political ambitions and new regulations pushes the group and its customers to develop the solutions of the future already today. The group is passionate about using knowledge to solve environmental challenges by creating energy-efficient products and cutting emissions, while at the same time increasing customers' profitability, competitiveness, and value creation by giving them a tool for the future.

By widely experience in energy-efficient vessels, environmentally friendly systems and technology, the group has the cross-cutting expertise required to do its part in meeting the UN Sustainable Development Goals.

In 2022, there have been no climate or environmental issues requiring special measures. The group has not had any emissions to air or water in excess of the requirements set by the authorities.

Further information on climate and environmental impacts can be found in the separate ESG report.





PROFIT OR LOSS STATEMENT PARENT COMPANY

HAV Group ASA

	Note	2022	2021
Operating revenues and operating expenses (NOK 1000)			
Revenues		28 824	27 145
Total revenue		28 824	27 145
Wages and salaries	2	19 040	3 945
Depreciation	3	662	0
Other operating expenses	2,4	19 645	29 192
Total operating expenses		39 346	33 137
Operating profit		-10 523	-5 992
Financial income and expenses			
Income from subsidiaries	5	146 732	12 035
Other interest income	5	1 436	1 259
Other interest expenses	5	4 087	2 227
Other financial expenses	5	4	1 769
Net financial income and expenses		144 077	9 298
Profit before taxes		133 554	3 306
Taxes	6	9 839	0
Profit for the year		123 715	3 306
Allocations			
Transferred to other equity		123 715	3 306
Total allocations		123 715	3 306



BALANCE SHEET PARENT COMPANY

HAV Group ASA

	Note	2022	2021
ASSETS			
(NOK 1,000)			
Non current assets			
Research and development	7	1 523	1 523
Deferred tax assets	6	57	0
Total intangible assets		1 581	1 523
Fixed assets			
Operating equipment, fixtures, fittings, tools, etc	3	875	0
Total tangible fixed assets		875	0
Financial fixed assets			
Investments in subsidiaries	8	182 243	122 983
Loan to Group companies	9	25 554	24 315
Investments in shares		2 000	0
Other long-term receivables		3	0
Total financial fixed assets		209 801	147 298
Total fixed assets		212 256	148 821
Current assets			
Accounts receivable		3 053	0
Receivables from group companies	9	153 417	17 471
Other current receivables	10	2 520	620
Total receivables		158 990	18 091
Cash and bank deposits	11	6 405	52 440
Total current assets		165 395	70 531
Total assets		377 652	219 353

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STATEMENT OF FINANCIAL POSITION PARENT COMPANY

EQUITY AND LIABILITIES (NOK 1,000)	Note	2022	2021
Equity			
Share capital	12,13	35 000	35 000
Own shares	12	1 638	1 817
Share premium	12	87 202	87 202
Total paid-in equity		120 564	120 386
Retained equity			
Retained earnings		108 445	3 306
Total retained earnings		108 445	3 306
Total equity	12	229 009	123 692
Liabilities			
Liabilities to Financial institutions	14,15	32 500	47 500
Liabilities to Group companies	9,14	61 628	44 675
Total other long-term liabilities		94 128	92 175
Total long-term liabilities		94 128	92 175
Current liabilities			
Accounts payable	10	2 410	1 116
Public duties payable		2 037	131
Debt to group companies	9	44 988	0
Other current liabilities	10	5 080	2 238
Total short-term liabilities		54 515	3 486
Total liabilities		148 642	95 661
Total equity and liabilities		377 652	219 353

Fosnavåg, 28 April 2023

The Board of Directors and CEO

HAV Group ASA

Vegard Sævik
Chairman of the Board

Hege Sævik Rabben
Board member

Tore Hopen
Board member

Helge Simones
Board member

Vibeke Fængsrud
Board member

Kjetil Ripe
Board member

Anita Fjørtoft
Board member

Gunnar Larsen
CEO



HAV Group ASA – Annual report 2022

STATEMENT OF CASHFLOW PARENT COMPANY

STATEMENT OF CASHFLOW PARENT COMPANY

HAV Group ASA

(NOK 1,000)	Note	2022	2021
Cash flow from operations			
Profit/(loss) before tax		133 554	3 306
Depreciation	3	662	0
Net financial items	5	-144 077	-9 298
Changes in accounts receivables and accrued income		1 548	0
Changes in accounts payables		1 293	1 116
Changes in other current receivables/liabilities		2 323	25 796
Net cash flow from operating activities		-4 697	20 920
Cash flow from investments			
Investments in property, plant and equipment	3	-1 537	0
Investments in shares		-2 000	0
Investments in shares in subsidiary		-9 667	-35 000
Interest payments	5	-2 135	-1 490
Received interest payments		0	1 259
Net cash flow from investing activities		-15 339	-35 230
Cash flow from financing activities			
Repayment long term debt	14	-15 000	-7 500
Capital increase - share issue (net)		0	86 670
Purchase of own shares		-32 894	-1 817
Change intercompany balances		21 895	-10 632
Net cash flow from financing activities		-25 999	66 721
Net change in cash and cash equivalents		-46 035	52 410
Cash and cash equivalents at start of the period		52 440	30
Cash and cash equivalents at end of the period		6 405	52 440
Of this restricted cash	11	952	131

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NOTES PARENT COMPANY

HAV Group ASA

Note	Name
1	ACCOUNTING PRINCIPLES
2	PAYROLL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATIONS, ETC.
3	EQUIPMENT
4	OTHER OPERATING EXPENCES
5	FINANCIAL INCOME AND FINANCIAL EXPENSES
6	TAXES
7	INTANGIBLE ASSETS
8	SUBSIDIARIES
9	INTERCOMPANY BALANCES AND TRANSACTIONS
10	OTHER SHORT TERM RECEIVABLES AND LIABILITIES
11	RESTRICTED CASH
12	EQUITY
13	SHARE CAPITAL AND SHAREHOLDER INFORMATION
14	NON-CURRENT LIABILITIES
15	MORTGAGES
16	FINANCIAL MARKET RISK



NOTES TO THE FINANCIAL STATEMENTS 2022 PARENT COMPANY

NOTE 1 ACCOUNTING PRINCIPLES

Accounting Principles

The financial statements are set up in accordance with the Norwegian Accounting Act. They are prepared using Norwegian accounting standards and generally accepted accounting principles.

Management has used estimates and assumptions that affect the income statement and the valuation of assets and liabilities, as well as contingent assets and liabilities, at the balance sheet date during the preparation of financial statements in accordance with generally accepted accounting principles.

Fixed assets are comprised of assets intended for long-term hold and use. Fixed assets are stated at cost. Fixed assets are capitalized and depreciated over the asset's useful life.

Expenditure on research and development is capitalized to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and where the acquisition cost can be measured reliably. Otherwise, such expenses are expensed on an ongoing basis. Capitalized research and development is depreciated on a straight-line basis over its economic life.

Tangible fixed assets are written down to the recoverable amount when impairment is not expected to be temporary. The recoverable amount is the higher of an asset's net selling price and its value in use. An asset's value in use is the present value of the estimated future cash flows from the asset. If the reasons for impairment no longer exist, the impairment loss is reversed.

Current assets and liabilities consist of items that fall due for payment within one year of acquisition, as well as items related to the business cycle. Current assets are valued at the lower of cost and net realizable value. Current liabilities are stated at nominal value at the time of acquisition.

Monetary items in foreign currency are translated using the exchange rates at the balance sheet date. Transactions in foreign currency are translated at the rate applicable on the transaction date.

Trade receivables and other receivables are recorded at nominal value less a provision for doubtful accounts. The provision is made based on an individual assessment of each receivable.

Subsidiaries and associated companies are assessed according to the cost method in the company accounts. The investment is valued at the acquisition cost of the shares unless impairment has been necessary. Write-downs have been made at fair value when a fall in value is due to reasons that cannot be assumed temporary and it must be considered necessary according to good accounting practice. Impairment losses are reversed when the basis for impairment is no longer present.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends/group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

The tax expense in the income statement is comprised of both the period's payable tax and changes in deferred tax. Deferred tax is calculated at a rate of 22 % based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the year-end. Tax increasing and tax-reducing temporary differences that are reversed or can be reversed in the same period are offset. Net deferred tax assets are recognized to the extent that it is probable that the amount can be utilized against future taxable income.

Accounting principles are further discussed in the accompanying notes to individual financial statement items.

**NOTE 2 PAYROLL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATIONS, ETC.**

(NOK 1,000)

Payroll expenses	2022	2021
Wages	12 369	1 602
Social security tax	2 086	251
Pension costs	986	76
Other payroll-related costs	3 598	2 017
Total	19 040	3 945

Average number of employees	17	1
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(NOK 1,000)	Gunnar Larsen, CEO		Pål Aurvåg, CFO	
	2022	2021	2022	2021
Salary	2 164	2 249	1 069	1 477
Pension	98	96	78	85
Other remuneration	183	132	114	137
Total remuneration	2 445	2 477	1 260	1 699

(NOK 1,000)	Frank-Levi Kvalsund, SVP HR/QHSE		Board	
	2022	2021	2022	2021
Salary	825	1 350	1 300	1 550
Pension	74	92	0	0
Other remuneration	112	159	0	0
Total remuneration	1 011	1 601	1 300	1 550

At the time for establishment of HAV Group in Q1 2021, Gunnar Larsen was employed as CEO for HAV Group. At the same time Pål Aurvåg (CFO) and Frank-Levi Kvalsund (SVP HR/ QHSE) were hired in from Havyard Group ASA (EQVA ASA) in respective positions, but transferred to HAV Group from March 2022. Figures for 2022 is only related to remuneration from HAV Group.

No loans or guarantees have been issued to the CEO, the Chairman of the Board or other related parties. As of 31.12.2022 there has not been established bonus programs or share based incenive programs for management.

Auditor remuneration is distributed as follows:	2022	2021
Statutory audit	1 279	250
Tax consulting	22	0
Other services	0	1 949
Total (net of VAT)	1 301	2 199

Pension scheme

The company has a defined contribution plan in accordance with the Norwegian Law on Required Occupational Pension. The pension depends on paid-in contributions and the return on these contributions. For the company, the year's pension cost is equal to the year's premium.

The company's pension scheme meets the requirements of the Norwegian Law on Required Occupational Pension.

**NOTE 3 EQUIPMENT**

(NOK 1,000)	2022	2021
	Operating equipment	Operating equipment
Acquisition cost as at 01.01	0	0
Additions during the year	1 537	0
Acquisition cost as of 31.12	1 537	0
Accumulated depreciation as of 01.01	0	0
Depreciation for the year	662	0
Accumulated depreciation as of 31.12	662	0
Book value as of 31/12	875	0

NOTE 4 OTHER OPERATING COST

(NOK 1,000)	2022	2021
Rent and leasing expenses	952	21
Office and administration expenses	977	120
Plant, tools and equipment (including IT)	3 581	125
Travel and employee expenses	3 017	983
Hired consultants*	11 117	27 944
Total	19 645	29 192
Fees to the auditor consists of the following services:	2022	2021
Statutory audit	1 279	250
Tax advice	22	0
Other assistance	0	1 949
Total	1 301	2 199

NOTE 5 FINANCIAL INCOME AND FINANCIAL EXPENSES

(NOK 1,000)	2022	2021
The item "Other financial income" consists of:		
Interest from Group companies	1 427	1 259
Agio	10	0
Income from subsidiaries	146 732	0
Total	148 168	1 259
The item "Other financial costs" consists of:		
Interest to Group companies	1 953	1 490
Interest payment	2 135	0
Disagio	1	0
Other financial costs	2	279
Total	4 091	1 769



NOTE 6 TAXES

Taxes are expensed as they incur, i.e. the tax charge is related to the pre-tax accounting profit. Taxes are comprised of payable tax (tax on the year's taxable income) and changes in deferred tax. The tax expense is allocated between the ordinary profit and extraordinary items in accordance with the tax base.

(NOK 1,000)	2022	2021
Non-current assets	-261	0
Total temporary differences and tax losses carried forward.	-261	0
Not accounted deferred tax asset	0	0
Deferred tax / deferred tax asset (-)	-57	0
Applied tax rate	22 %	0 %

Below is a breakdown of the difference between profit before taxes in the P&L statement and the year's tax base.

(NOK 1,000)	2022	2021
Profit before taxes	133 554	3 306
Permanent differences	-88 830	-3 306
Change in temporary differences	261	
The year's tax base before tax losses carried forward	44 985	0
Net group contribution	-44 985	0
The year's tax base	0	0

The income tax expense in the profit and loss statement consists of the following:

Payables tax in balance sheet	2022	2021
Payables tax on years profit and loss	-1 986	0
Payables tax from group contribution	11 883	0
Payables tax to group contribution	-9 897	0
Total payables tax in balance sheet.	0	0

The income tax expense in the profit and loss statement consists of the following:

Payables tax in balance sheet	2022	2021
Tax payable	9 897	-2 648
Change in deferred tax	-57	0
This year's tax expense	9 839	-2 648



NOTE 7 INTANGIBLE ASSETS
(NOK 1,000)

	2022	2021
	Research and development	Research and development
Acquisition cost as at 01.01	0	0
Additions during the year	1523	1523
Acquisition cost as at 31.12	1523	1523
Transferred	0	0
Acc. depreciation as at 31.12	0	0
Book value as at 31.12	1 523	1 523
Depreciation for the year	0	0
Economic life	5-10	5-10
Depreciation method	Linear	Linear

The company's capitalized research and development concerns the development of a hydrogen system solution. The project name is FreeCO2ast and was transferred to HAV Group ASA as part of the drop-down in Q1 2021. It is ongoing and depreciation has not started.

NOTE 8 SUBSIDIARIES

Subsidiaries are accounted for using the cost method.
(NOK 1.000)

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2022

Company	Business office	Owner's share	Book value	Company's equity 100%	Company's result 100%
Norwegian Electric Systems AS	Bergen	100,0 %	89 392	36 438	-8 104
HAV Design AS	Fosnavåg	100,0 %	37 360	10 000	12 085
Norwegian Greentech AS	Fosnavåg	100,0 %	51 119	12 356	18 237
HAV Hydrogen AS	Fosnavåg	100,0 %	4 372	6 716	-4 342
Book value as at 31.12.2022			182 243	65 509	17 875

HAV Group ASA bought (22.72%) rest of the shares in Norwegian Greentech AS Mai 2022. Havyard Far East Pte Ltd closed down end of 2021.

2021

Company	Business office	Owner's share	Book value	Company's equity 100%	Company's result 100%
Norwegian Electric Systems AS	Bergen	100,0 %	58 643	1 121	26 614
HAV Design AS	Fosnavåg	100,0 %	37 360	108	63 802
Havyard Far East Pte Ltd*	Singapore	100,0 %	0	570	0
Norwegian Greentech AS	Fosnavåg	77,0 %	26 950	5 000	9 247
HAV Hydrogen AS	Fosnavåg	100,0 %	30	30	-797
Book value as at 31.12.2021			122 983	6 829	98 867

Havyard Newco was established in 2020 and changed name to HAV Group in the spin-off in March 2021. The companies was transferred from Havyard Group (EQVA) to HAV Group during this process.

**NOTE 9 INTERCOMPANY BALANCES AND TRANSACTIONS**

(NOK 1,000)

	2022	2021
Non-current receivables to Norwegian Greentech	25 554	24 315
Current receivables (incl group contribution)	153 417	12 870
Accounts receivable (subsidiaries)	2 286	4 601
Non-current debt from HAV Design	-61 628	-44 675
Accounts payable	-310	-21
Current liabilities (incl group contribution)	-45 298	0
Total	74 022	-2 910
<hr/>		
Transactions	2022	2021
Management fee cost (Havyard Group)	0	-21 358
Management fee income (subsidiaries)	26 936	27 060
Total	26 936	5 702

NOTE 10 OTHER SHORT TERM RECEIVABLES AND LIABILITIES

(NOK 1,000)

Balance sheet

The item "Other Short-term receivables" consists of:	2022	2021
Prepaid expenses	1 563	103
Other short term receivables	957	517
Total	2 520	620
<hr/>		
The item "Other short term liabilities" consists of:	2022	2021
Unpaid wages and vacation pay	4 470	2 097
Accrued interests	103	96
Other short-term liabilities	506	45
Total	5 080	2 238

NOTE 11 RESTRICTED CASH

(NOK 1,000)

952 (131) of cash and cash equivalents relates to tax withholdings.



NOTE 12 EQUITY

(NOK 1,000)

2022

	Share capital	Own shares	Share premium	Other equity	Retained earnings	Total
Equity as at 01.01.2022	35 000	-122	87 202	-1 695	3 306	123 692
Profit for the year					123 715	123 715
Purchase of own shares		-2 321			-30 578	-32 894
Exit minority		806			13 696	14 502
Equity as at 31.12.2022	35 000	-1 638	87 202	-1 695	110 139	229 009

The board proposes NOK 0 in dividend for the general meeting

2021

	Share capital	Own shares	Share premium	Other equity	Retained earnings	Total
Equity as at 01.01.2021	30	0	0	0	0	30
Profit for the year				0	3 306	3 306
Contribution in kind	1 000					1 000
Equity issue	33 970			0		33 970
Capital increase - share issue (net)			87 202			87 202
Purchase of own shares		-122		-1 695		-1 817
Equity as at 31.12.2021	35 000	-122	87 202	-1 695	3 306	123 692

The board proposes NOK 0 in dividend for the general meeting

NOTE 13 SHARE CAPITAL AND SHAREHOLDER INFORMATION

2022

The company got one stock group and all shares have same rights.

The share capital was NOK 35 000 000 divided by 35 000 000 shares, at NOK 1.

HAV Group ASA has 1 638 437 treasury shares (4.7% of share capital) as of 31/12/2022)

Emini Invest AS, HSR Invest AS, Innidimann AS and Pision AS jointly own 100% of Havila Holding AS. The largest shareholder of the Group is Havila Holding AS. Chairman of the Board Vegard Sævik and boardmember Hege Sævik Rabben have indirect ownership in the group through their ownership in Havila Holding AS.

Havila Holding AS is a limited company based in Norway, and its head office is located in Fosnavåg, Herøy.



Shareholders as of 31/12/2022	Controlled by	Number of shares	Ownership
HAVILA HOLDING AS	Vegard Sævik (Ch.of Board)	8 737 827	25,0 %
FARVATN CAPITAL AS		2 408 909	6,9 %
HAV GROUP ASA		1 638 437	4,7 %
MP PENSJON PK		1 524 220	4,4 %
EQVA ASA		1 513 542	4,3 %
NORDNET LIVSFORSIKRING AS		1 379 834	3,9 %
EMINI INVEST AS		1 127 179	3,2 %
HSR INVEST AS	Hege Sævik Rabben (Board)	1 127 179	3,2 %
INNIDIMMAN AS	Vegard Sævik (Ch.of Board)	1 127 179	3,2 %
AVANZA BANK AB		1 012 324	2,9 %
NORDNET BANK AS		917 848	2,6 %
JAHATT AS		770 500	2,2 %
MORGAN STANLEY & CO. INTERNATIONAL		735 608	2,1 %
PISON AS		375 726	1,1 %
OTHER SHAREHOLDERS (<1 %)		10 603 688	30,3 %
Number of shares		35 000 000	100 %

2021

The share capital was NOK 35 000 000 divided by 35 000 000 shares, at NOK 1.

Treasury shares

HAV Group ASA has 118 080 treasury shares (0.35% of share capital) as of 31/12/2021. (Ref.ongoing repurchase program.)

Dividends and group contributions

The Group has not paid dividend in 2021.

The board proposes NOK 0 in dividend for the general meeting.

Emini Invest AS, HSR Invest AS, Innidimann AS and Pison AS jointly own 100% of Havila Holding AS. The largest shareholder of the Group is Havila Holding AS. Chairman of the Board Vegard Sævik and boardmember Hege Sævik Rabben have indirect ownership in the group through their ownership in Havila Holding AS.

Havila Holding AS is a limited company based in Norway, and its head office is located in Fosnavåg, Herøy. Havyard Group ASA is consolidated in the financial accounts of Havila Holding AS. Havila Holding and companies owned by family owns in total 57.72% of Havyard Group ASA.

Shareholders as of 31/12/2021	Controlled by	Number of shares	Ownership
HAVYARD GROUP ASA	Vegard Sævik (Ch.of Board)	11 659 047	33,3 %
HAVILA HOLDING AS		4 693 500	13,4 %
FARVATN CAPITAL AS		2 408 909	6,9 %
MP PENSJON PK		1 072 192	3,1 %
NORDNET LIVSFORSIKRING AS		882 485	2,5 %
AVANZA BANK AB		800 643	2,3 %
JAHATT AS		770 500	2,2 %
NORDNET BANK AS		686 829	2,0 %
EMINI INVEST AS		605 461	1,7 %
HSR INVEST AS	Hege Sævik Rabben (Board)	605 461	1,7 %
INNIDIMMAN AS	Vegard Sævik (Ch.of Board)	605 461	1,7 %
MORGAN STANLEY & Co. INTERNATIONAL		471 986	1,3 %
OTHER SHAREHOLDERS (<1 %)		9 737 526	27,8 %
Number of shares		35 000 000	100,0 %

**NOTE 14 NON-CURRENT LIABILITIES**

(NOK 1,000)

Non-current liabilities	2022	2021
Liabilities to Financial institutions	32 500	47 500
Liabilities to Group companies	61 628	44 675
Total	94 128	92 175

Non-current liabilities is a result of the spin-off from Havyard Group ASA (EQVA), where external loans and shares in subsidiaries was transferred to HAV Group ASA. The Liabilities to financial institutions of MNOK 32,5 (MNOK 47,5 in 2021) include the DNB loan. Maturity 30.09.2024 and the interest rate is 3 months NIBOR + 3.5% margin.

NOTE 15 MORTGAGES

(NOK 1,000)

Book value of liabilities secured by mortgages	2022	2021
Liabilities to Financial institutions	32 500	47 500
Total	32 500	47 500

Security for DnB Loan

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Book value of pledged assets	2022	2021
Research and development	1 523	1 523
Operating equipment, fixtures, fittings, tools, etc	875	0
Accounts receivable	767	18
Shares in Norwegian Electric Systems AS	89 392	58 643
Shares in HAV Design AS	37 360	37 360
Shares in Norwegian Greentech AS	51 119	26 950
Shared in HAV Hydrogen AS	4 372	30
Total	185 409	124 524

NOTE 16 FINANCIAL MARKET RISK**Interest rate Risk**

Interest rate risk arises in the short and medium run as the Company's liabilities are subject to floating interest rates.

Foreign currency Risk

Fluctuations in exchange rates entail both direct and indirect financial risks for the company. The Group uses currency hedging instruments to keep the currency risk at a low level.

Liquidity Risk

Liquidity risk is the risk that the group is unable to fulfill its financial obligations as they fall due. The Group has routines for continued monitoring of the cash flow.



To the General Meeting of HAV Group ASA

Independent Auditor's Report

Opinion

We have audited the financial statements of HAV Group ASA, which comprise:

- the financial statements of the parent company HAV Group ASA (the Company), which comprise the balance sheet parent company as at 31 December 2022, the profit or loss statement parent company and statement of cash flow parent company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of HAV Group ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen
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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



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In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Bergen, 28 April 2023
PricewaterhouseCoopers AS

Fredrik Gabrielsen
State Authorised Public Accountant
(This document is signed electronically)



INDEPENDENT AUDITOR'S REPORT



HAV Group ASA – Annual report 2022

A SUSTAINABLE FUTURE AT SEA