

endúr.



Endúr ASA

Q1 2021 interim results (unaudited)

21 May 2021

Today's presenters



Hans Olav Storkås
CEO



Lasse B. Kjelsås
CFO



Ingegjerd Eidsvik
CEO Artec Aqua



Agenda

Highlights and key figures

Company overview

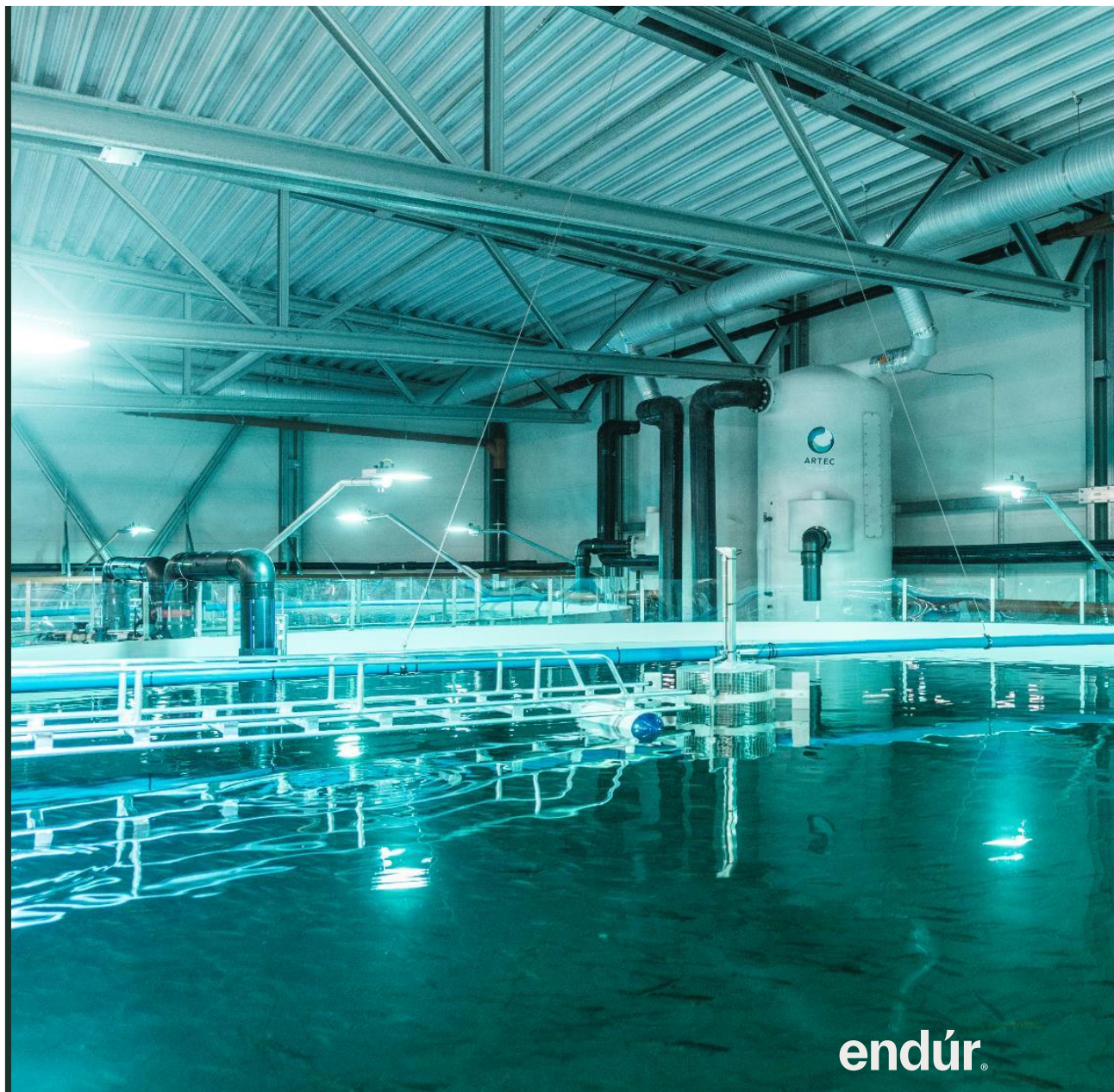
Special focus: Artec Aqua

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Highlights and key events Q1 2021

Highlights; structural

- Completion of acquisition of **Marcon-Gruppen i Sverige AB**
- Completion of acquisition of **Artec Aqua AS**
- Successful placement of **NOK 1100 million senior secured bond loan**
- Q1 2021 a **transformational quarter** for Endúr
 - Completion of two major acquisitions
 - Bankruptcies declared in two loss-making entities (ØPD and Endúr Industrier)
 - Complete refinancing of the new Group's interest bearing debt
 - New executive management onboarded

Highlights; operational

- Adjusted proforma EBITDA of NOK 21.6 million in Q1 2021
- Q1 is always the quarter with the seasonally lowest activity level for marine infrastructure
- BMO Entreprenør has however had a historically strong Q1 both in terms of EBITDA and order intake
- Swedish winter has been unusually cold, with frozen waterways and ice packed harbours even far south
 - causing delays for both ongoing and new projects
- Artec Aqua's activities in the quarter has been marked by tail-end activities on two major projects, and start-up preparations for two new major projects, as planned
 - will have higher activity levels in coming quarters
- Artec Aqua's services remain in very high demand
- Order backlog of NOK 2.5 billion at end of Q1 2021

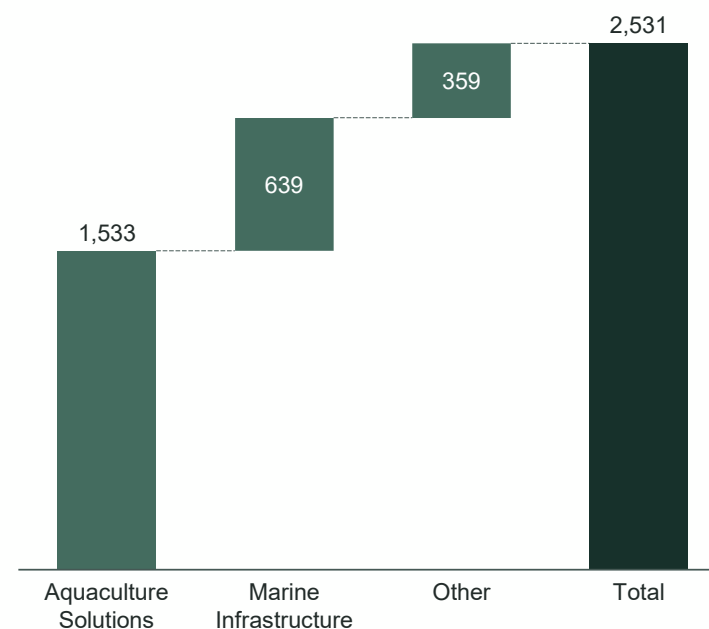
Q1 2021 – Proforma key financials, actual order backlog

Proforma; key financials Q1 2021 & FY 2020¹⁾ - unaudited

P&L	ENDÚR GROUP - PROFORMA	AQUACULT. SOLUTIONS	MARINE INFRASTR.	OTHER	ENDUR GROUP - PROFORMA
<i>NOKm</i>	Q1 2021	Q1 2021	Q1 2021	Q1 2021	FY 2020
Sales	424.6	177.4	181.8	65.4	1,824.8
EBITDA	(9.1)	5.5	25.6	(40.3)	221.5
EBIT	(41.6)	0.5	0.3	(42.5)	138.6

Adjusted EBITDA	ENDÚR GROUP - PROFORMA	AQUACULT. SOLUTIONS	MARINE INFRASTR.	OTHER	ENDUR GROUP - PROFORMA
<i>NOKm</i>	Q1 2021	Q1 2021	Q1 2021	Q1 2021	FY 2020
EBITDA	(9.1)	5.5	25.6	(40.3)	221.5
Restructuring costs	13.2	-	-	13.2	-
Transaction costs	17.7	-	-	17.7	10.0
Other special items	(0.2)	-	-	(0.2)	(2.0)
Adjusted EBITDA	21.6	5.5	25.6	(9.6)	229.6
Total assets	2,500				2,503
NIBD	862				863
Equity ratio	30.7%				35.0%
EBITDA pct.	(2.1)%				12.1%
Adjusted EBITDA pct.	5.1%				12.6%

Order backlog Q1 2021



1) Pro forma figures; calculated assuming the acquisitions of BMO Entrep., Artec Aqua and Marcon were undertaken on 1 January 2020, and similarly, that the bankruptcies in Endúr Industrier AS and ØPD AS occurred on that same date.

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Introduction to Endúr



Leading provider of marine infrastructure and aquaculture solutions



478 employees at YE 2020



HQ in Bergen, Norway



Market capitalisation:
NOK 1,223m¹⁾

The Endúr industrial group is a leading full-service provider of marine infrastructure and aquaculture solutions in Norway and Sweden, servicing both public and private sectors.

Listed on the Oslo Stock Exchange since 2008

Identified two market segments as highly fragmented and exposed to strong sustainability-driven megatrends, and has taken the role as a consolidator to establish a one-stop-shop for clients with scale benefits.

Recent major acquisitions:

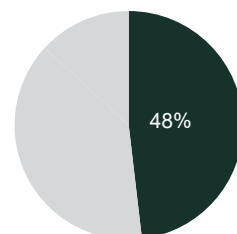
- BMO Entreprenør; Q4 2020
- Artec Aqua; Q1 2021
- Marcon-Group; Q1 2021

June 2020: strategic redirection; publicly stated ambition of building NOK 2-2.5bn revenue company within 2022

Business segments and revenue mix²⁾

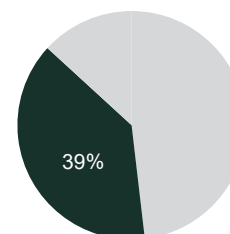
Marine infrastructure

BMO Entrep., Marcon, Installit



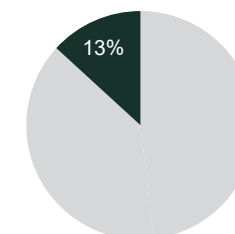
Aquaculture solutions

Artec Aqua, Sjøsterk



Other

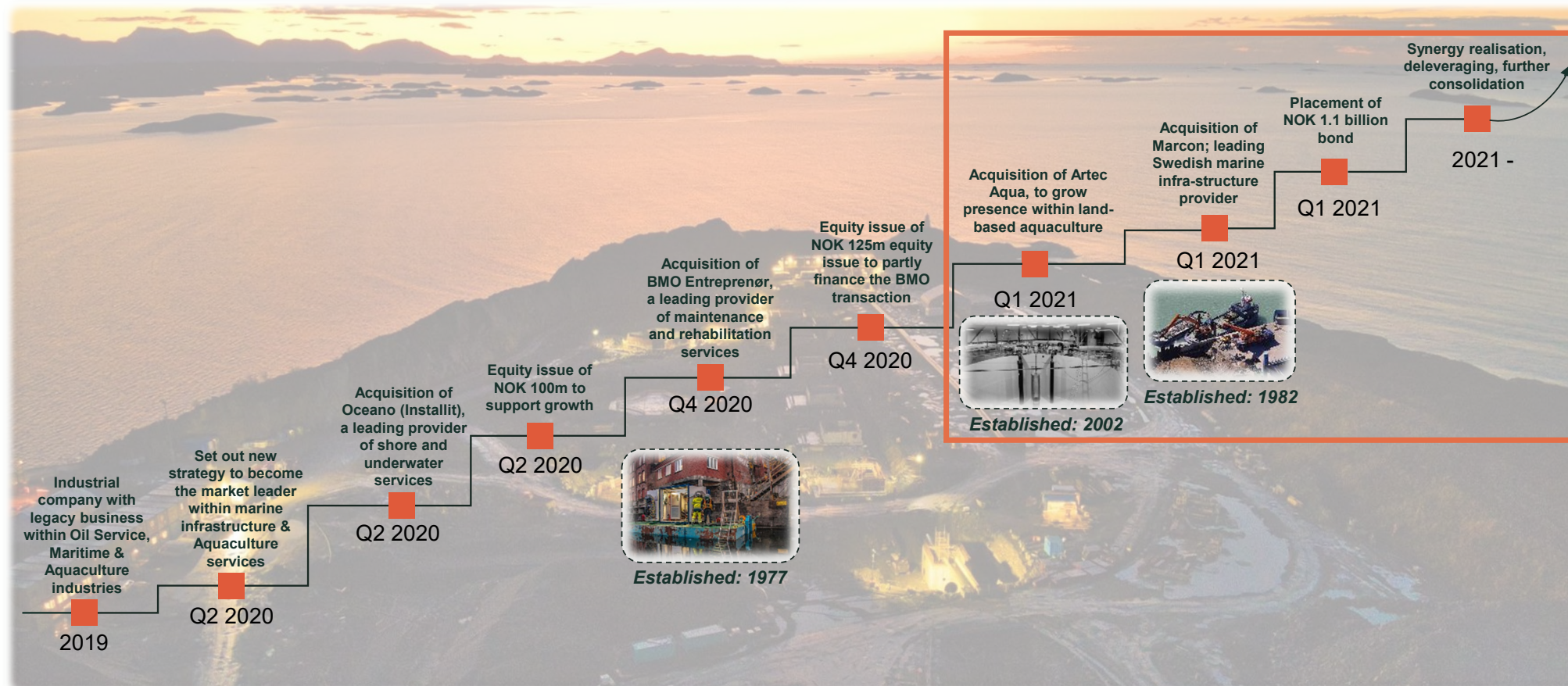
Maritime, AAK, ASA



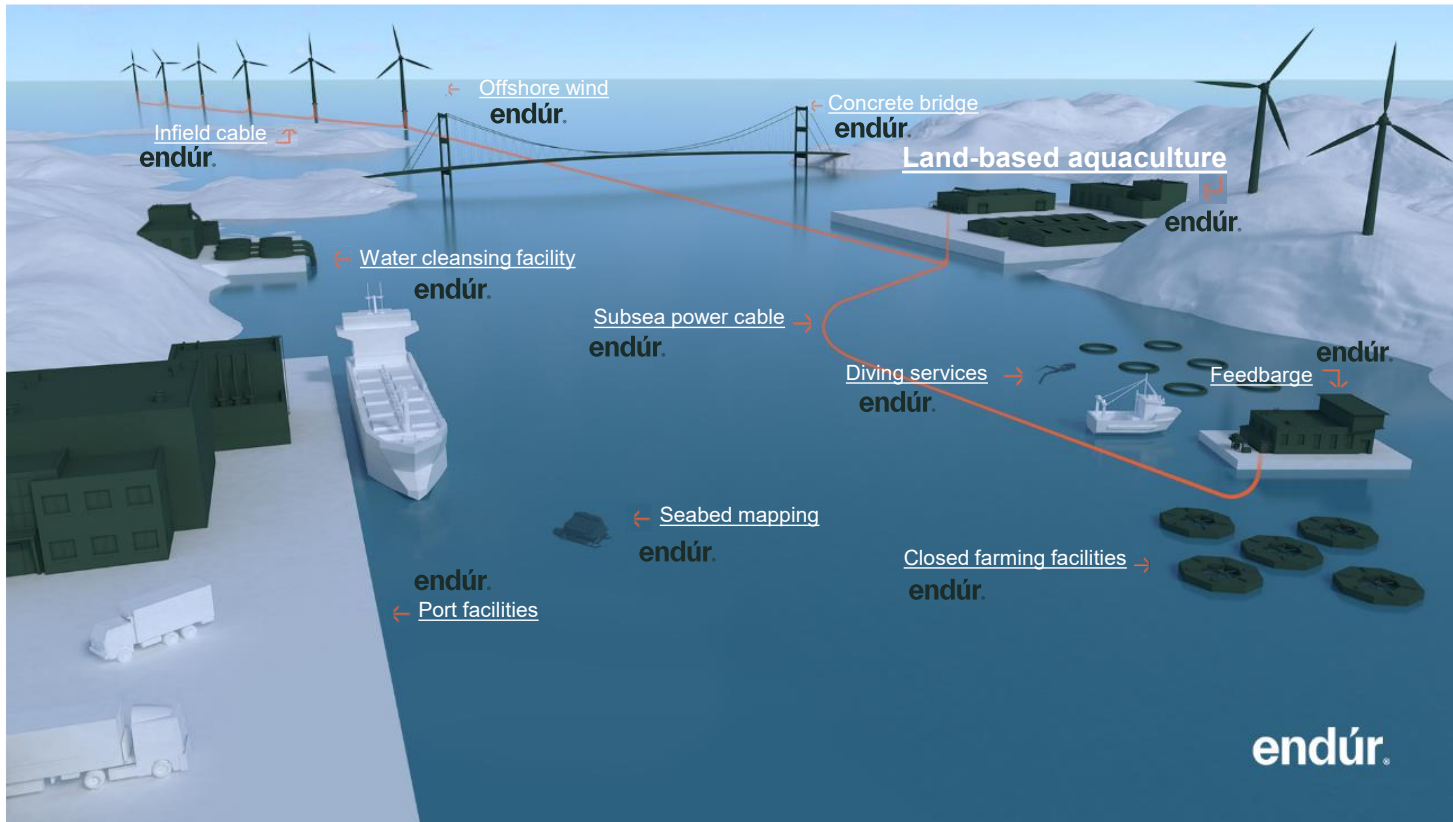
1) Based on 1,131.1m shares outstanding, @ NOK 1.08 per share (close 14 May 2021)

2) Based on FY 2020 proforma figures

Endúr's recent history



Building a unique service provider within marine infrastructure and aquaculture solutions



Full-service offering

within marine infrastructure to take large multi-disciplinary projects



Targeting large projects

within land-based aquaculture, marine infrastructure and other projects



Attractive entry point and platform

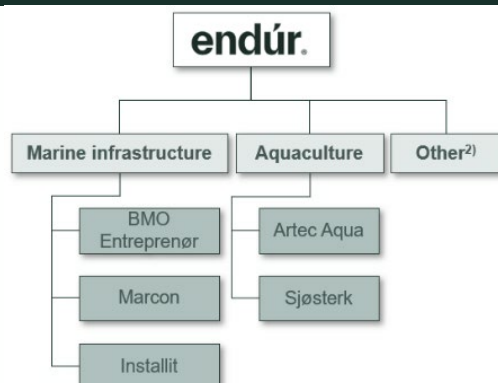
- Large unconsolidated market
- Strong market growth and profitability
- “One stop shop”

«One stop shop» with all relevant services

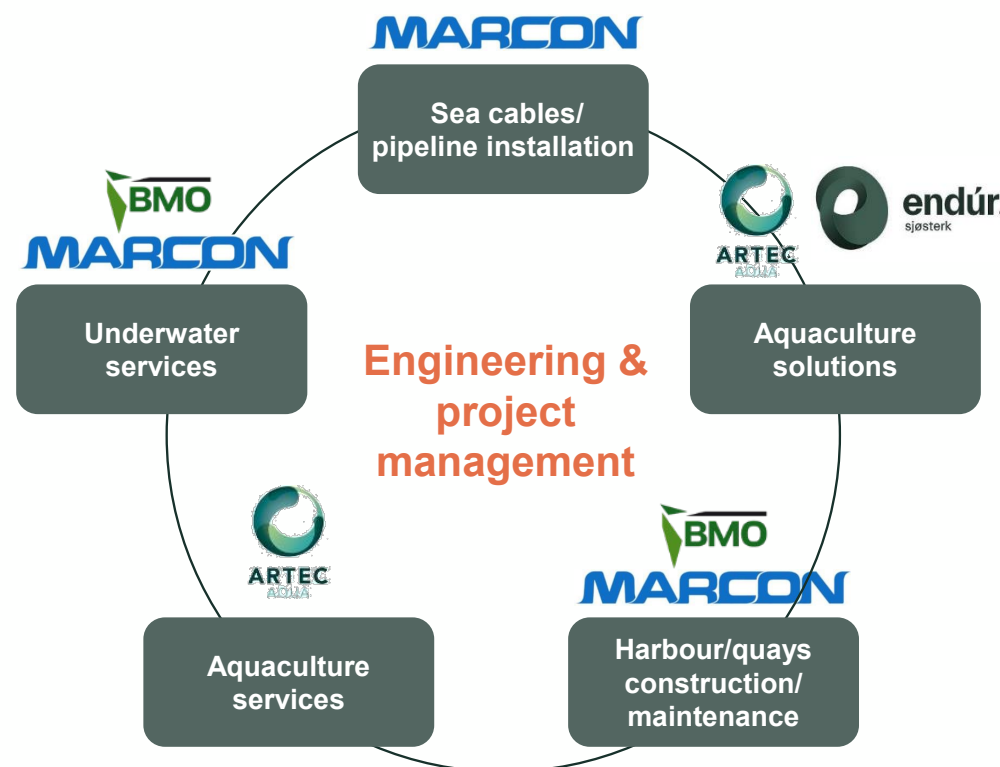
Rationale

- Marine infrastructure and aquaculture solutions markets highly fragmented - clients seek “one stop shop”-offerings
- Several segments showing high return potential on stand alone basis. Profitability driven by complexity and highly competent project organisations
- Endúr has taken consolidator role: acquired BMO, Marcon and Artec Aqua
- Strong belief in strategy evidenced by large equity component in M&A deals: founders of acquired companies now part of Endúr management and shareholders

Simplified group structure



Targeted marine infrastructure segments



1) Functional, not legal structure

2) 'Other' consists Endúr Maritime, Endúr AAK and Endúr ASA

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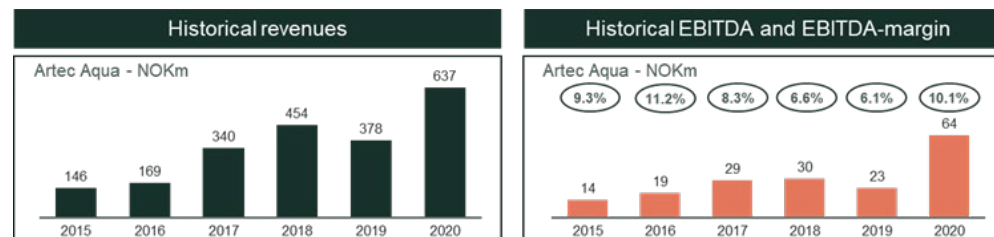
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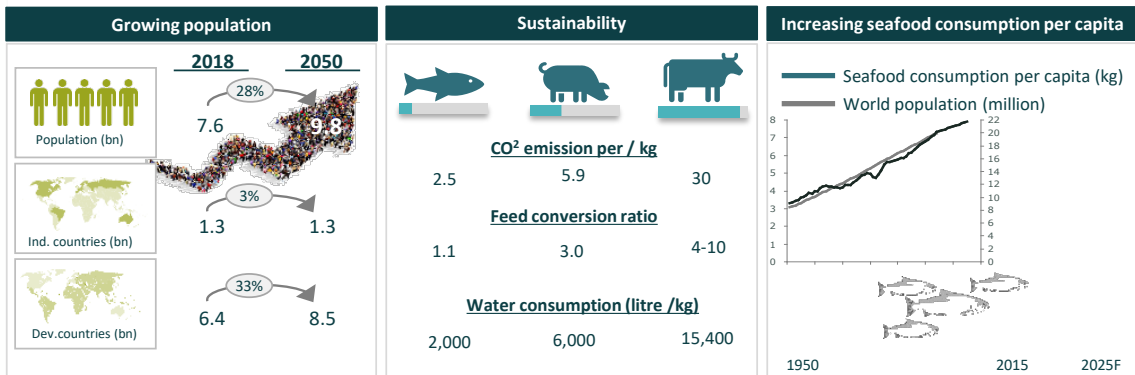
Artec Aqua a turnkey supplier for land based aquaculture

- Established in 2002
- 41 employees and growing
- Located in Ålesund, a region with a cluster of competence
- A story of profitable growth, 9 times Gazelle prize winner

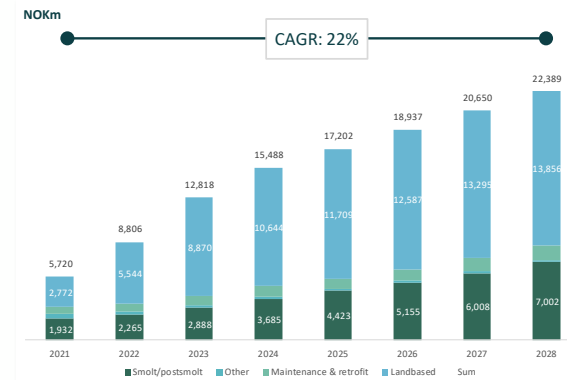


Strong underlying megatrends in Aquaculture – significant investments expected the next few years

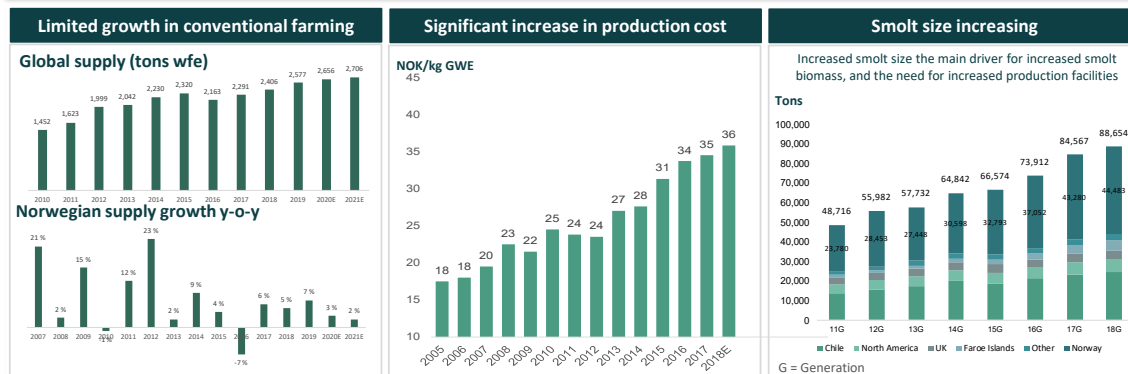
Underlying megatrends in aquaculture



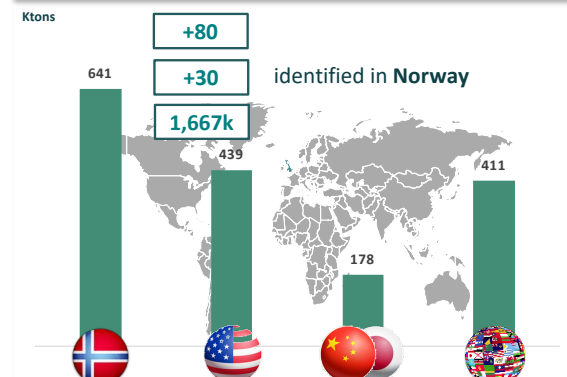
Artec Aqua core market size



Strong drivers for onshore investments



Extensive list of land-based projects



Artec Aqua well positioned in all segments

Smolt / Post-smolt

- Strong track record and extensive experience in both greenfield and brownfield projects
- Several deliveries to the same customers
- Norway and Iceland



Broodstock

- Solid experience with turnkey deliveries of broodstock facilities
- Market leader
- Valuable experience with large fish onshore (fish logistics, fish welfare, growth ratios) valid both for broodstock and grow out



Grow out

- Turnkey supplier to Salmon Evolution using our proven technology Artec Aqua Hybrid System™
- A handful of other projects in an early phase



Other species

- Artec Aqua technology is also relevant for other species.
- We have experience with several other species like Lumpfish, Halibut, Kingfish, Cod and Trout



MQWI

ELLINGSEN Seafood AS

AquaGen

Benchmark Genetics

SALMON EVOLUTION

World Heritage Salmon

Steinvik
www.steinvik.no

CERMAQ

LERØY

HØFSETH

SALMAR

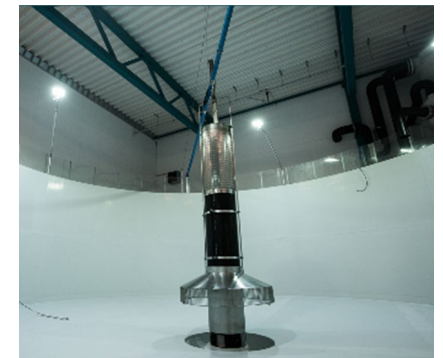
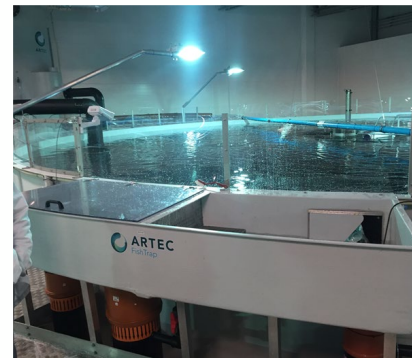
ARTEC AQUA

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Artec Aqua products the core of our technology

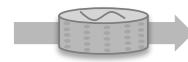


- Artec Aqua has over the years developed a set of unique products to ensure optimal water quality and environment for the fish
- Fish health and fish welfare has high focus in our projects
- Optimal utilization of the facility, based on actual growth data for large fish, to ensure the best CAPEX/OPEX ratio
- Excellent system integration of external components and systems
- Reliable facilities with high bio security and low operational risk



System solutions designed to meet customer demands

Customized facilities, where recommended system solutions depends on customer needs, access to water and area complexity



ARTEC AQUA FLOWTHROUGH SYSTEM™

This system is often preferred where there is an abundance of water, and heating of the water is not necessary. The method is often combined with other system solutions



ARTEC AQUA HYBRID SYSTEM™

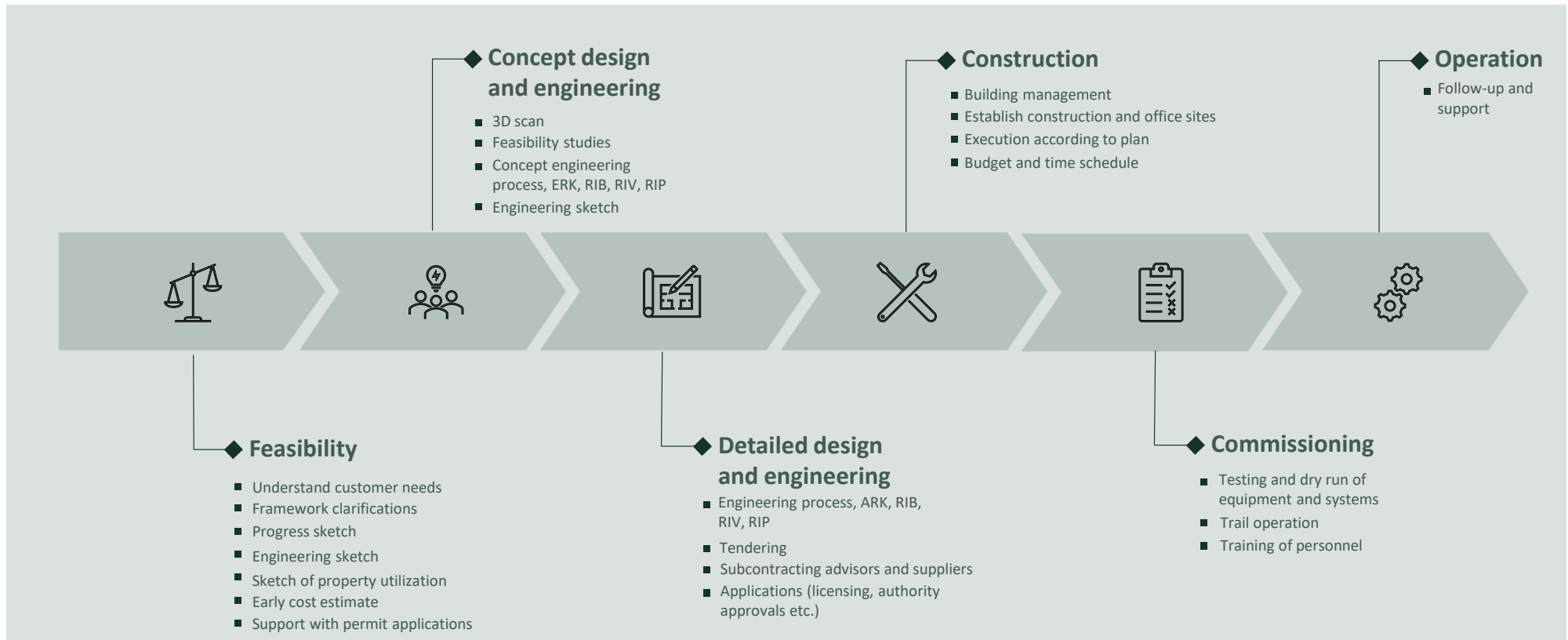
The most common solution in Artec's deliveries. Water consumption is reduced to only 40% compared to flowthrough. This system maintains barriers to infection between the tanks, as water is not returned from other tanks



ARTEC AQUA RAS™

Widely used method where water access is a limiting factor. For a safe operation of the facility, experienced personell is required as this is a system that is more complex to operate.

Every project goes through the same phases



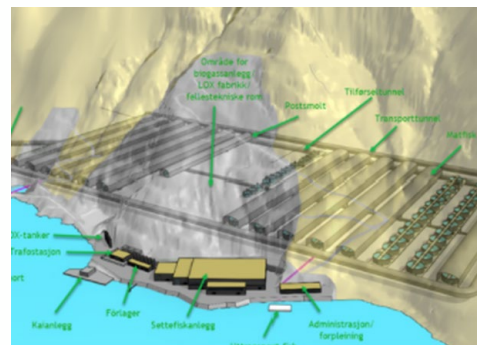
Strong project pipeline setting the scene for continued growth

Norwegian Sea Farming



- Feasibility Study Phase
- Grow out facility
- Customer: Norwegian Sea Farming
- Planned capacity: 10 500 tonnes HOG
- Permit application in preparation
- Letter of intent for turnkey delivery signed
- Permits and financing needs to be in place before project realization
- Potential project size: 2 bn NOK

World Heritage Salmon



- Feasibility Study Phase
- Grow out and smolt facility
- Customer: World Heritage Salmon
- Planned capacity: 100 000 tonnes HOG
- Permit application handed in
- Turnkey contract including civil
- Permits and financing needs to be in place before project realization
- Potential project size 15-20 bn NOK

Hofseth Aqua



- Detailed Engineering Phase
- Trout smolt facility
- Customer: Hofseth Aqua
- Initial construction work started March 2021
- Planned completion Q1/Q2 2023
- Turnkey contract including civil
- Contract size 250 mNOK

Salmon Evolution



- Construction Phase
- Grow out facility
- Customer: Salmon Evolution
- Planned capacity: 7 800 tonnes HOG for building step 1. Additional 2 building steps planned (total capacity 31 500 tonnes HOG).
- Construction started May 2020
- Planned completion Q4 2022
- Turnkey Contract including civil
- Contract size 1,3 bn NOK

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Special focus: Artec Aqua

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P&L Q1 2021 – per segment and consolidated (pro forma¹⁾)

Profit and loss statement (proforma, unaudited)					
P&L	ENDÚR GROUP - PROFORMA	AQUACULT. SOLUTIONS	MARINE INFRASTR.	OTHER	ENDUR GROUP - PROFORMA
NOKm	Q1 2021	Q1 2021	Q1 2021	Q1 2021	Q1 2020
Sales	(A) 424.6	177.4	181.8	65.4	473.1
Other revenue					
Cost of sales	(259.6)	(151.8)	(72.1)	(35.7)	(282.4)
Payroll expenses	(118.6)	(15.1)	(59.7)	(43.8)	(96.4)
Other operating expenses	(55.5)	(4.9)	(24.4)	(26.2)	(51.4)
EBITDA	(9.1)	5.5	25.6	(40.3)	42.8
Depreciation, amortisation	(32.5)	(5.0)	(25.4)	(2.2)	(30.3)
EBIT	(41.6)	0.5	0.3	(42.5)	12.4
Adjusted EBITDA	ENDÚR GROUP - PROFORMA	AQUACULT. SOLUTIONS	MARINE INFRASTR.	OTHER	ENDUR GROUP - PROFORMA
NOKm	Q1 2021	Q1 2021	Q1 2021	Q1 2021	Q1 2020
EBITDA	(9.1)	5.5	25.6	(40.3)	42.8
Restructuring costs	(B) 13.2	-	-	13.2	-
Transaction costs	(C) 17.7	-	-	17.7	-
Other special items	(0.2)	-	-	(0.2)	2.0
Adjusted EBITDA	21.6	5.5	25.6	(9.6)	45

Comments	
(A)	– Q1 Revenues of NOKm 423 reflects seasonal low activity level in Marine Infrastructure segment and Artec Aqua at tail-end of two major projects, ramping up to commence construction phase of two new projects.
(B)	– Reflects, i.e., costs related to discharging of senior executives in the Endúr group as part of the group's restructuring and strategic redirection, as executed in Q1 21
(C)	– Largely transaction related advisory costs incurred with the major Q1 21 transactions: <ul style="list-style-type: none"> • Acquisition of Marcon-Gruppen i Sverige AB • Acquisition of Artec Aqua AS • Issuance of NOKm 1100 senior secured bond

1) Pro forma figures post transactions. The proforma figures are calculated assuming the acquisitions of BMO Entrep., Artec Aqua and Marcon were undertaken on 1 January 2020, and similarly, that the bankruptcies in Endúr Industrier AS and ØPD AS occurred on that same date.

Balance sheet per 31.03.2021 - Actuals

Balance Sheet (unaudited)

NOKm	31-03-21	31-12-20
ASSETS		
Deferred tax asset	0.0	11.7
(A) Intangible assets and goodwill	1,175.1	410.5
Property, plant and equipment	575.1	196.8
Financial assets	2.7	0.4
Non-current assets	1,752.8	619.4
Inventories	9.8	10.5
Contract assets	43.1	50.5
Trade and other receivables	371.5	131.2
(B) Cash and cash equivalents	322.8	167.8
Current assets	747.3	360.0
Total assets	2,500.1	979.4

NOKm	31-03-21	31-12-20
EQUITY	768.2	319.6
LIABILITIES		
Deferred tax liability	122.5	
(B) Loans and borrowings	1,075.3	153.5
Lease liabilities	96.3	116.0
Other non-current liabilities	7.2	3.6
Non-current liabilities	1,301.2	273.1
Loans and borrowings	-	93.7
Lease liabilities	26.5	22.0
Trade and other payables	390.2	248.6
Contract liabilities	14.0	22.3
Other current liabilities	-	-
Current liabilities	430.7	386.7
Liabilities	1,731.9	659.8
Total equity and liabilities	2,500.1	979.4

Comments

(A) Business combinations

- Artec Aqua AS; consolidated from March 12, 2021
- Marcon-Gruppen i Sverige AB; consolidated from March 12, 2021

Please consult Note 1 – Business Combinations in the appendix to this report for details.

(B)

- Bond of NOK 1,100m (gross)
- Cash position of NOK 322m
- Net debt of NOK 862m (IFRS)

1) Note: Any added value associated with a potential purchase price allocation is not included. Endúr has a convertible loan from EEIM and has issued share options to employees none of which is reflected in this chart

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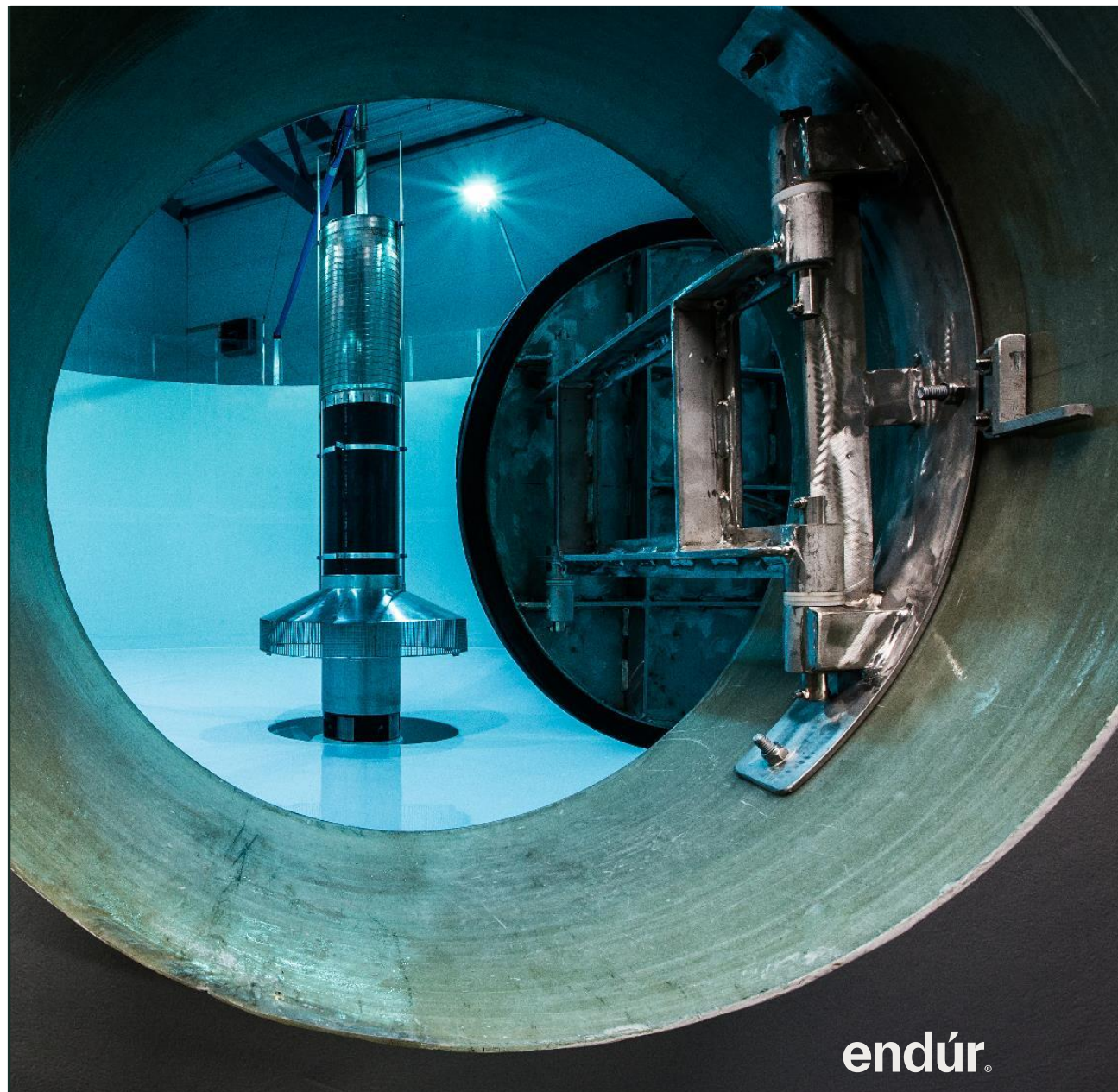
Special focus: Artec Aqua

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Marine infrastructure

Seasonally lower activity in first quarter

Q1 21 Operational highlights

- **Q1 is the seasonal lowest activity period for marine infrastructure**
- However, a **historically strong Q1** for **BMO Entr.**
 - EBITDA was up NOK 5.2m (3.2x) on Q1 20, net of NOK 2m costs incurred with acquiring and sorting out the ØPD estate.
 - **NOK 145m net firm order book increase** (40%+) per 31 March on YE 2020
 - April 9: awarded a substantial contract with Bane NOR worth NOK 127 million
 - Material additional projects where BMO are favorably positioned near point of award
 - Bolstered work force by some 20%+
- With strong underlying demand, BMO could have taken on additional projects but faces constraints with bringing in qualified labor
- Having acquired the estate and taken on many of its key personnel, **BMO has assimilated the parts of ØPDs service offerings most relevant to the Endúr group.** Now provides all the same services to aquaculture facilities that ØPD did, with some add-ons.

Q1 21 Operational highlights (cont.)

- Swedish winter was unusually cold; frozen waterways and ice packed harbors even far to the south of Sweden
- This negatively impacted **Marcon's** activity level in Q1, with some SEK 20m worth of turnover postponed
- Coronavirus cluster in the Stockholm region forced work-sites to shut down entirely, further hampering activity
- **Marcon's order intake has been good.**
- Pent-up demand and weather caused delays may involve some resource constraints in Q2

Financials (proforma , unaudited)

NOK mill.	Q1 2021	Q1 2020	FY2020
Revenue	181.8	204.7	891.6
EBITDA	25.6	19.4	166.3
EBIT	0.3	(3.7)	97.5
Order backlog	639	419	631
Adjusted EBITDA	25.6	19.4	166.3
Adjusted EBIT	0.3	(3.7)	97.5
Adjusted EBITDA %	14.1%	9.5%	18.6%

Endúr companies in segment



Aquaculture Solutions

Strong presence in high-growth aquaculture market

Q1 21 Operational highlights

- Activity level in **Artec Aqua** in Q1 largely as planned, with EBITDA falling somewhat short of target
- Q1 marked a period with reduced activity as two large projects were being completed, whilst preparing to commence construction on two new projects
- Progress on Salmon Evolution project was as planned
- Artec Aqua expects and plans for **higher activity through the remainder of 2021, secured through the company's order backlog**
- Artec Aqua has worked through the quarter to rig the company for the expected continued growth
- Has attracted new employees with the required competence level
- Strict entry restrictions for foreigners may pose a problem if continued long-term, particularly as pertains to skilled assembly workers

Q1 21 Operational highlights (cont.)

- Endúr **Sjøsterk** currently constructs and has firm orders for 4 floating concrete barges.
- Nearest delivery 21 May
- Some challenges related to COVID-19 imposed labour entry restrictions
- Fairly high bid activity. Continued competition from the less capital intensive – but with less stable floating propensities – steel barges

Financials (proforma , unaudited)

NOK mill.	Q1 2021	Q1 2020	FY2020
Revenue	177.4	196.7	701.9
EBITDA	5.5	23.2	62.9
EBIT	0.5	18.2	59.5
Order backlog	1,533	333	1,643
Adjusted EBITDA	5.5	25.3	62.9
Adjusted EBIT	0.5	20.3	59.5
Adjusted EBITDA %	3.1%	12.8%	9.0%

Endúr companies in segment



1) Source: Artec Aqua and management estimates

«Other»; Maritime, AAK, ASA

Financials (proforma, unaudited)

NOK mill.	Q1 2021	Q1 2020	FY2020
Revenue	65.4	71.6	261.6
EBITDA	(40.3)	0.2	(7.7)
EBIT	(42.5)	(2.1)	(18.5)
Order backlog	359	468	431
Adjusted EBITDA	(9.6)	0.2	0.4
Adjusted EBIT	(11.7)	(2.1)	(10.3)
Adjusted EBITDA %	(14.6)%	0.3%	0.2%

Comments to EBITDA adjustments in ASA:

- Reflects i.a. costs related to discharging of senior executives in the Endúr group as part of the group's **restructuring** and strategic redirection, as executed in Q1 21
- **Transaction** related advisory costs incurred with the major Q1 21 transactions:
 - Acquisition of Marcon-Gruppen i Sverige AB
 - Acquisition of Artec Aqua AS
 - Issuance of NOKm 1100 senior secured bond

Endúr Maritime

- Engine workshop with specialist expertise in high-speed diesel engines
- Inspection, service, repair, maintenance, upgrading and modifications of various types of vessels and equipment
- Own slip, drydock, quay, machining workshop and welding workshop

Endúr AAK

- Endúr AAK are experts in advanced access technologies related to maintenance and modification work
- Customers within renewable energy and infrastructure

Endúr ASA

- Offers holding group functions to the group companies such as HR and finance
- Holding company costs not presently distributed to group companies

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Q1 2021 a major transformational quarter, resulting in a stronger and more future-oriented Endúr



Financial results negatively impacted by several one-off restructuring costs and seasonal effects



Strong order backlog at NOK 2.5 million at end Q1 2021.
Continued strong demand for Endúr's services in both the Marine Infrastructure and Aquaculture Solutions segments

Outlook



Continued strong land-based aquaculture market, higher activity level expected going forward, as secured by order backlog



Marine infrastructure segment: activity level will increase post seasonally low Q1



Less focus on clean-up of legacy businesses, more emphasis on realising revenue synergies between Endúr entities

Questions and answers

Appendix

Alternative performance measures

Basis for preparation

This presentation provides financial highlights for the quarter. The financial information is not reported according to the requirements in IAS 34 (Interim Financial Reporting) and the figures are not audited.

The same measurement principles as presented in the Annual Report 2020 have been used preparing this presentation.

Alternative performance measures

Endúr ASA presents alternative performance measures as a supplement to measures regulated by IFRS. The alternative performance measures are presented to provide better insight and understanding of operations, financial position and the basis for future developments.

The definitions of these measures are as follows:

Alternative performance measures (cont.)

EBITDA - Profit/loss before i) tax, ii) net finance cost, iii) depreciation, amortisation, impairment. Corresponds to "Operating profit/loss before depr., impairm" in the consolidated statement of profit or loss.

EBIT - Profit/loss before i) tax, ii) net finance cost. Corresponds to "Operating profit/loss" in the consolidated statement of profit or loss.

EBITDA adjusted - In order to give a better representation of underlying performance, the following adjustments are made to EBITDA:

- Special items: items that are not part of the ordinary business, such as restructuring and acquisition related costs, and EBITDA from companies disposed of after the balance-sheet date.

EBIT adjusted - In order to give a better representation of underlying performance, the following adjustments are made to EBIT:

- Special items: items that are not part of the ordinary business, such as restructuring and acquisition related costs, and EBIT from companies disposed of after the balance-sheet date.
- Impairment of Goodwill

Net interest-bearing debt (NIBD) - Total interest-bearing debt, less i) interest-bearing receivables and ii) cash

Equity ratio - Total equity divided by total assets

Order backlog - Remaining value from signed contracts, including estimated future call-offs of contractual framework agreements and other time-limited agreements. Options related to signed agreements and contracts are not considered in the order backlog.

Key figures (unaudited)

P&L		
NOKm	Q1 2021	Q1 2020
Revenue	252,2	109,5
EBITDA	(14,6)	2,6
EBIT	(32,6)	(0,2)
Order backlog	2 530,5	492,4

Adjusted EBITDA		
NOKm	Q1 2021	Q1 2020
Reported EBITDA	(14,6)	2,6
Adjustment - Transaction costs	17,7	0,3
Adjustment - Restructuring cost	13,2	-
Adjustment - Other	(4,6)	(2,0)
Adjusted EBITDA	11,7	0,9

Balance Sheet	
NOKm	31.03.2021
Total assets	2 500,1
Total liabilities	1 731,9
Equity	768,2
Equity ratio	0,0

Cash flow		
NOKm	Q1 2021	Q1 2020
Net cash from operating activities	(8,0)	(9,5)
Net cash from investing activities	(534,3)	(3,5)
Net cash from financing activities	697,2	6,9
Net change in cash and cash equivalents	155,0	(6,1)

Adjusted EBIT		
NOKm	Q1 2021	Q1 2020
Reported EBIT	(32,6)	(0,2)
Adjustment - Transaction costs	17,7	0,3
Adjustment - Restructuring cost	13,2	-
Adjustment - Other	(4,6)	(2,0)
Adjustment - Impairment Goodwill	-	-
Adjusted EBIT	(6,3)	(1,9)

Net interest-bearing debt	
NOKm	31.03.2021
Cash and cash equivalents	(322,8)
Other receivables	(13,0)
Non-current loans and borrowings	
Bond	1 075,3
Lease liabilities	96,3
Other loans	-
Current loans and borrowings	
Credit line	-
Secured bank loans	-
Convertible loan	-
Lease liabilities	26,5
Total net interest-bearing debt	862,3

Condensed consolidated statement of profit or loss (unaudited)

NOKm	Q1 2021	Q1 2020
Continued operations		
Operating revenue	248.0	107.2
Other revenue	4.3	2.4
Revenue	252.2	109.5
Cost of sales	(136.5)	(70.6)
Payroll expenses	(85.7)	(29.9)
Other operating expenses	(44.7)	(6.4)
Operating profit/loss before depr., impairm. (EBITDA)	(14.6)	2.6
Depreciation, amortisation	(18.0)	(2.8)
Impairment		
Operating profit/loss (EBIT)	(32.6)	(0.2)
Financial income	0.4	0.0
Financial expenses	(20.6)	(1.4)
Profit/loss before tax	(52.8)	(1.6)
Income tax expense	11.3	(0.8)
Profit/loss - continued operations	(41.6)	(2.4)
Discontinued operations		
Profit/loss - discontinued operations	24.6	7.3
Profit/loss for the period	(17.0)	4.9
Profit/loss attributable to:		
Owners of the parent Company	(17.0)	4.9
Earnings per share		
Basic earnings per share (NOK)	- 0.02	0.02
Diluted earnings per share (NOK)	- 0.02	0.02
Earnings per share - continued operations		
Basic earnings per share (NOK)	- 0.05	0.01
Diluted earnings per share (NOK)	- 0.05	0.01

Business combinations:

- Artec Aqua AS (consolidated from March 12th, 2021)
- Marcon-Gruppen i Sverige AB (consolidated from March 12th, 2021)

Discontinued operations

- ØPD AS (filed for bankruptcy 5 February 2021)
- Re. the total accounting effect of the ØPD bankruptcy, please consult Note 2 – in the appendix to this report for details.

Other Revenue

- Endúr Industrier AS (filed for bankruptcy January 15th, 2021)

Financing:

- Senior secured bond of gross NOK 1,100 million; draw-down date 3 March 2021

Depreciation, amortisation

- Ordinary depreciation of asset, amortisation of right to use and amortisation of immaterial assets identified related to previous business combinations and business combinations in 2021, ref note 1.

Impairment:

- No indication of impairment has been identified in Q1 2021

Income tax Expenses

- Income tax expenses is calculated on basis of estimated taxable income and local tax rate (22% in Norway, 20.6% in Sweden)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited)

NOKm	31-03-21	31-12-20
ASSETS		
Deferred tax asset	0.0	11.7
Intangible assets and goodwill	1,175.1	410.5
Property, plant and equipment	575.1	196.8
Financial assets	2.7	0.4
Non-current assets	1,752.8	619.4
Inventories	9.8	10.5
Contract assets	43.1	50.5
Trade and other receivables	371.5	131.2
Cash and cash equivalents	322.8	167.8
Current assets	747.3	360.0
Total assets	2,500.1	979.4

NOKm	31-03-21	31-12-20
EQUITY	768.2	319.6
LIABILITIES		
Deferred tax liability	122.5	
Loans and borrowings	1,075.3	153.5
Lease liabilities	96.3	116.0
Other non-current liabilities	7.2	3.6
Non-current liabilities	1,301.2	273.1
Loans and borrowings	-	93.7
Lease liabilities	26.5	22.0
Trade and other payables	390.2	248.6
Contract liabilities	14.0	22.3
Other current liabilities		-
Current liabilities	430.7	386.7
Liabilities	1,731.9	659.8
Total equity and liabilities	2,500.1	979.4

Condensed consolidated statement of cash flows

NOKm	Q1 2021	Q1 2020
CASHFLOW FROM OPERATING ACTIVITIES		
Profit/loss for the period	(17.0)	4.9
<i>Adjustments for:</i>		
Tax expense / Tax income	(11.3)	0.8
Depreciation, amortisation	18.0	2.8
Gains on disposal of subsidiary	(4.6)	-
Revenue recognition of negative goodwill	-	(2.4)
Items classified as investments and financing activities	6.3	0.5
Gains on disposal of discontinued operations	(24.6)	(6.8)
Share option expense	-	0.0
<i>Changes in:</i>		
Trade and other receivables	(22.6)	(23.1)
Trade and other payables	50.0	4.8
Inventories / contract assets & liabilities	(2.2)	8.8
Net cash from operating activities	(8.0)	(9.5)

NOK'000	31.12 2021	31.12 2020
CASHFLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(21.6)	(0.7)
Effect bankruptcy in subsidiary	(0.6)	-
Disposal of discontinued operation, net of cash disposed of	(6.3)	(3.8)
Business combinations, net cash	(505.7)	1.1
Net cash from investing activities	(534.3)	(3.5)
CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds from loans and borrowings	1,075.3	10.4
Payment of interests	(6.3)	(0.5)
Repayment of lease liabilities	(4.9)	(2.8)
Repayment of borrowings	(366.9)	(0.2)
Net cash from financing activities	697.2	6.9
Net change in cash and cash equivalents	155.0	(6.1)
Cash & cash equivalents at start of period	167.8	20.9
Cash & cash equivalents at end of period	322.8	14.8
Of which restricted cash at the end of the period	19.3	9.1

Condensed consolidated statement of changes in equity

NOKm	Share capital	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity 01.01.2020	2.1	167.0	0.3	(57.9)	111.5
Profit (loss)		(519.1)			(519.1)
Issue of shares - Business combination	3.2	474.1	3.7		481.1
Issue of shares	2.0	244.0	-	-	246.0
Adjustments	-	(57.9)	-	57.9	-
Equity effect of share options	-	-	0.1	-	0.1
Equity 31.12.2020	7.3	308.2	4.1	(0.0)	319.6
Equity 01.01.2021	7.3	308.2	4.1	(0.0)	319.6
Profit (loss)				(17.0)	(17.0)
Other comprehensive income, exchange differences				(7.3)	(7.3)
Issue of shares - Business combination	4.0	466.7			470.8
Issue of shares	0.0	2.0			2.0
Equity effect of share options					-
Equity 31.03.2021	11.4	776.9	4.1	(24.2)	768.2

Reporting segments

AQUACULTURE SOLUTIONS		
NOK mill.	Q1 2021	Q1 2020
Revenue	68,0	29,2
EBITDA	2,7	0,4
EBIT	0,8	0,2
Order backlog	1 533	15
Adjusted EBITDA	2,7	0,4
Adjusted EBIT	1	0

MARINE INFRASTRUCTURE		
NOK mill.	Q1 2021	Q1 2020
Revenue	114,5	-
EBITDA	18,5	-
EBIT	4,6	-
Order backlog	639	-
Adjusted EBITDA	18,5	-
Adjusted EBIT	5	-

OTHER		
NOK mill.	Q1 2021	Q1 2020
Revenue	69,8	80,3
EBITDA	(35,9)	2,2
EBIT	(38,0)	(0,3)
Order backlog	359	478
Adjusted EBITDA	(9,6)	0,5
Adjusted EBIT	(12)	(2)

SEGMENTS

The reporting segments consist of the following main operating companies:

AQUACULTURE SOLUTIONS

- Artec Aqua AS (consolidated from March 12th 2021)
- Endúr Sjøsterk AS.

MARINE INFRASTRUCTURE

- BMO Entreprenør AS (consolidated from December 31st, 2020)
- Marcon-Gruppen i Sverige AB (consolidated from March 12th 2021)
- Installit AS (consolidated from October 31st 2020)

OTHER

- Endúr Maritime AS
- Endúr AAK AS
- Endúr ASA (holding company)

Note 1 – Business combinations

Artec Aqua AS

Consideration transferred

NOKm	Closing date 12.03.2021
Share price at closing (17.12.2020), NOK	1,17
Number of shares, #	296 128 789
Value of share consideration at closing date	346,5
Cash based payment	338,8
Fair value of options	
Other purchase price adjustments	12,5
Consideration at closing date	697,8

Identified assets acquired and liabilities assumed

NOKm	
Customer relationship	186,7
Technology	84,1
Fixed assets and inventory	1,9
Right-of-Use Asset	8,8
Financial assets	20,4
Deferred tax liability	(84,9)
NWC	17,5
Long term liabilities	(6,5)
Cash and bank deposit	55,3
Total identifiable net assets acquired	283,2

Goodwill arising from the acquisition

NOKm	
Total consideration transferred	697,8
- Fair value of identifiable net assets acquired	283,2
Total Goodwill	414,5

Note 1 – Business combinations (cont.)

Marcon

Consideration transferred

NOKm	Closing date 12.03.2021
Share price at closing (12.03.2021), NOK	1,17
Number of shares, #	106 230 838
Value of share consideration at closing date	124,3
Cash based payment	259,4
Consideration at closing date	383,7
Exchange rate at closing date	0,9948
Consideration at closing date SEKm	385,7

Identified assets acquired and liabilities assumed

SEKm	
Goodwill	4,9
Right-of-Use Asset	20,3
Property, plant and equipment	391,3
Net financial assets	6,0
NWC	49,9
Cash and bank deposit	49,8
Deferred tax liability	(63,8)
Loan and borrowings	(140,0)
Long term liabilities	(14,7)
Total identifiable net assets acquired	303,8

Goodwill arising from the acquisition

SEKm	
Total consideration transferred	385,7
- Fair value of identifiable net assets acquired	303,8
Total Goodwill	81,9

Note 2 - Discontinued operations

Accounting effects of ØPD AS bankruptcy

NOKm	Q4 2020	Q1 2021
Increase in book equity due to increase in share price from announcement date to closing date	198,7	
Impairment related to increase in consideration due to increase in share price from announcement date to closing date	(198,7)	
Impairment related to ØPD bankruptcy	(235,2)	
Estimated net gain from bankruptcy		44,6
Estimated effect of warranty claims		(20,0)
Net change to ASA book equity	(235,2)	24,6

Experienced management team, board and owners with extensive industrial background

Executive management

Hans Olav Storkås

Former MD of NRC Norge AS, a total of 11 years in top positions in AF Gruppen, co-founded Risa Rock, which was later sold to Lemminkäinen



Lasse B. Kjelsås

Former CFO of Atlantica Tender Drilling Ltd and Aker Clean Carbon AS. 12 years as an analyst, director corporate finance and equity partner in First Securities ASA.



Board of directors per 21 May 2021

Chairman: Øivind Horpestad

Over 10 years built NRC Group from zero to NOK 6bn in revenue; owner of Gimle Invest, which holds 25.1 mill. shares in Endúr ASA.



Terje Nesbakken

Former Director in Union-Gruppen and First Securities, currently private investor.



Tove Ormevik

Offshore Installation Mngr. at Aker BP, previously Platform Mngr. at Subsea Technology



Hedvig Bugge Reiersen

Lawyer at Wikborg Rein, with a focus on M&A. Holds a Ph.D. in company law. Heads the Norwegian Bar Association's law committee on company law.

Bjørn Finnøy

29 years of experience in the fish farming industry and co-founder and former CEO of Artec Aqua. Owns one third of Artec Holding AS, which holds 304.6 mill. shares in Endúr ASA.

Jorunn Ingebrigtsen

Employee representative. Employee of Endúr since 2008, first in Bergen Group Vest Elektro, and from 2013 as an accountant in Endúr Maritime.

Kristoffer Hope

Employee representative since August 2014. Works as an industrial mechanic in Endúr Maritime.



Board election at ordinary general meeting 21 May 2021

For the ordinary general meeting to be held on 21 May 2021, the Nomination Committee has proposed that the Company's board of Directors be comprised as follows:

- Pål Reiulf Olsen (Chairman) - new
- Hedvig Bugge Reiersen
- Bjørn Finnøy
- Jörn Ryberg - new
- Kristine Landmark – new

This in addition to the employee-elected representatives.

Proposed new shareholder-elected board members:

Pål R. Olsen; 30 years experience as a business executive and board member in several, particularly within the finance and energy sector. Extensive experience from M&A and the capital markets. Former Senior Partner in HitecVision, Director for Corporate Finance in First Securities ASA. Master in Business and Economics and CPA from NHH.

Jörn Ryberg; one of the founders of Marcon-Gruppen i Sverige AB; has comprehensive expertise from construction entrepreneurship. Former chairman of the Marcon-group, board member of The Swedish Construction Federation, chairman of the board of "Dykentreprenörerna". Owner of Jörn Ryberg Holding AB, which holds 70.2 mill. shares in Endúr ASA.

Kristine Landmark; more than 30 years experience as a business executive and board member in various companies, particularly within manufacturing. Particular focus on product development, branding, logistics and sales both nationally and internationally. Former CEO of Slettvoll AS and Stokke AS.

Endúr's 20 largest shareholders

Shareholders per 19 May 2021	Mill. Shares	Pct.
Artec Holding AS	304.6	26.8
Bever Holding AS	106.2	9.3
Middelborg Invest AS	92.5	8.1
Jörn Ryberg Holding AB	86.3	7.6
Songa Capital AS	50.0	4.4
Tigerstaden Marine AS	50.0	4.4
Cygnus Olor AB	30.3	2.7
Brian Chang Holdings Limited	25.1	2.2
Gimle Invest AS	20.1	1.8
AS Flyfisk	16.4	1.4
Langåker, Steinar	15.8	1.4
Tatomi Invest AS	14.8	1.3
Tight Holding AS	12.1	1.1
Energon Holding AS	11.3	1.0
Tigerstaden AS	10.6	0.9
BR Industrier AS	9.8	0.9
Sparebank 1 Markets AS, Market-Making	9.2	0.8
Eikeland Holding AS	8.8	0.8
Trionor AS	6.0	0.5
Fender Eiendom AS	4.8	0.4
Sum 20 Largest	884.6	77.8
Others (5135 shareholders)	252.4	22.2
Total no. of shares outstanding	1,137.1	100.0

Endúr ASA and Covid-19

The Group's performance is affected by the global economic conditions in the market in which it operates. The global economy has been experiencing a period of uncertainty since the outbreak of the coronavirus SARS-CoV-2 ("Covid-19"), which was recognized as a pandemic by the World Health Organization in March 2020. The global outbreak of Covid-19, and the extraordinary health measures and restrictions on local and global basis imposed by authorities across the world has, and are expected to continue to cause, disruptions in the Group's value chain. The Covid-19 situation may adversely affect the Group's risk profile, such as risks relating to access to spare parts, e.g. for motor maintenance, defense contracts, and planned maintenance offshore. Also, in the aquaculture segment new orders of fish feed barges are delayed due to the uncertainties in the market.

Moreover, as a result of the Covid-19 situation, national authorities have adopted several laws and regulations with immediate effect and which provide legal basis for the government to implement measures in order to limit contagion and the consequences of Covid-19. The Group has adapted the National Health Authorities' guidelines with regards to reduced contact for office personnel, implementation of shift arrangements within certain segments, and a general reduction of number of personnel in project execution.

Prospective investors should note that the Covid-19 situation is continuously changing, and new laws and regulations that could directly, or indirectly, affect the Group's operations may enter into force. The effects of the Covid-19 situation could negatively affect the Group's revenue and operations going forward, where the severity of the Covid-19 situation and the exact impacts for the Group are highly uncertain, the main risk being an operational impact if the outbreak intensifies and restrictions are resumed.



Endúr is an Old Norse word derived from the word 'endurnýja' – which means to renew, to refresh, to change. But endúr also has several other meanings – not least 'enduring' or 'persisting' – and can be read as a short form of the English word endurance, which means tireless perseverance; to withstand with courage.