



Pareto Oil & Offshore Conference 2019

NEKKAR ASA Presentation

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Cargotec / MacGregor transaction completed – new name Nekkars ASA

- Closing of the Cargotec / MacGregor transaction took place 31 July 2019, and subsequently the company changed name to Nekkars ASA from formerly TTS Group ASA
- Repayment of all bank debt and redemption of company's convertible bond. Total number of shares post conversion is 105.0m
- The BoD has proposed a dividend of NOK 4.0 per share, or NOK 420m *
- Net cash position estimated at NOK ~0.3bn post dividend payment and settlement of the transaction **
- All time high order backlog for the continued business entity - Syncrolift



Nekkars (Beta Bootis) is a white to yellow giant **star** that can be located in the northern constellation of Bootes

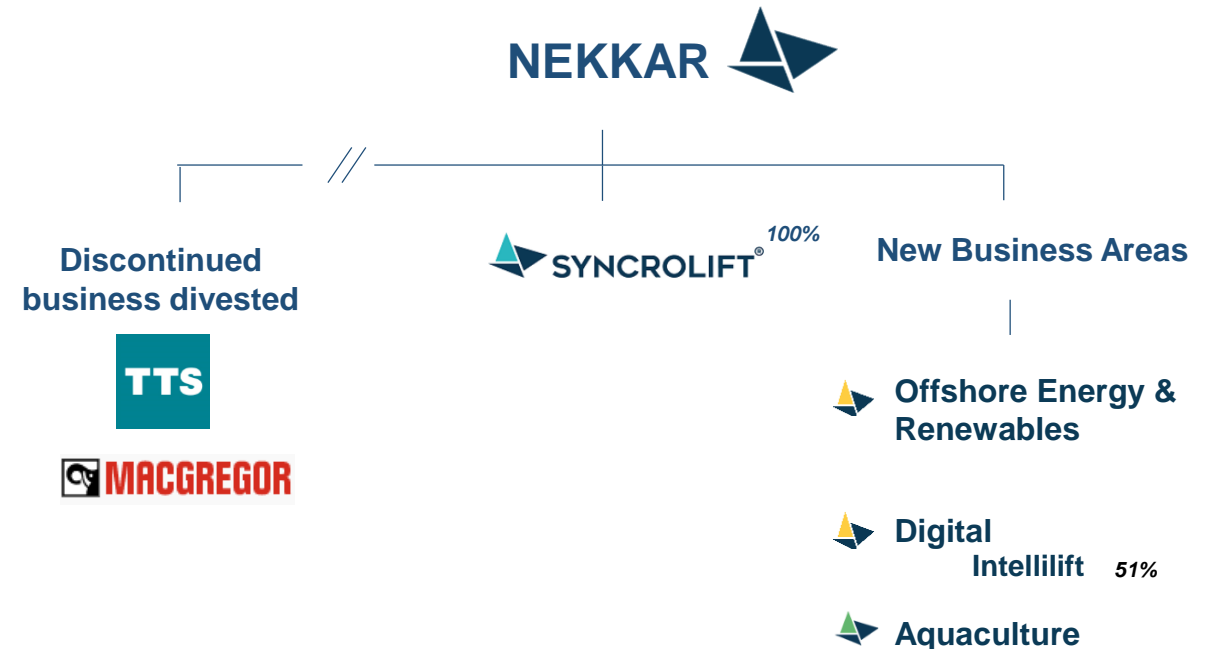
Nekkar ASA – Providing a listed platform for value creation through continued and new business



Nekkar at a glance

- Following the Cargotec / MacGregor transaction Nekkar is in the process of establishing its new strategic direction
- The continued business unit Shipyard Solutions (Syncrolift) will be an instrumental building block
- New business will focus on delivering sustainable solutions to ocean-based industries within 3 main areas based on the industry knowledge built up in the Kristiansand region
- The Nekkar shares are traded on the Oslo Stock Exchange under the ticker **NKR**

Nekkar's portfolio composition



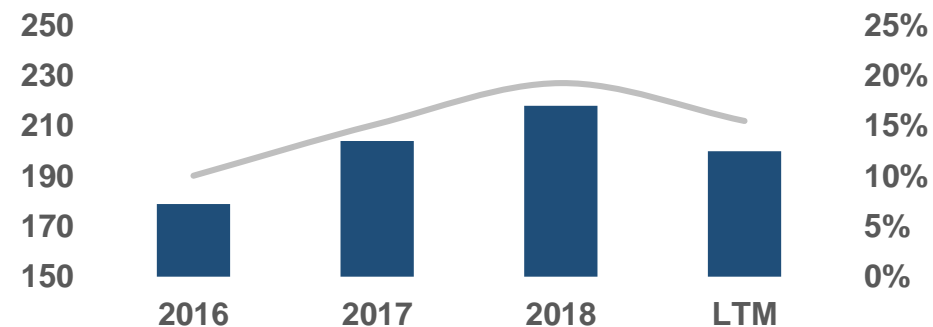


Syncrolift at a glance

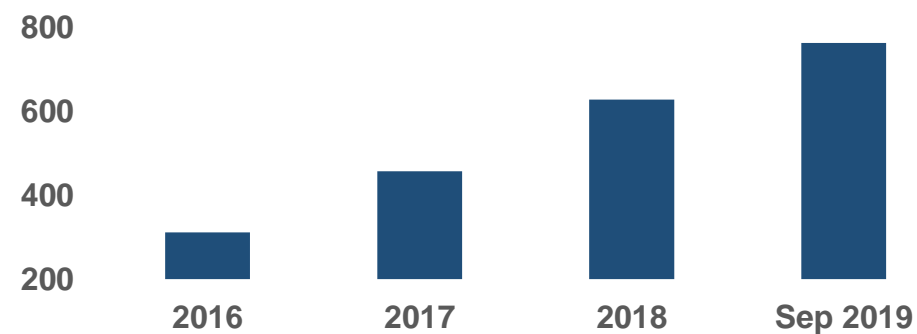
- Syncrolift is the market leader for shiplifts & transfer systems to repair and newbuilding yards with 75% market share
- Customized Syncrolift installations lift everything from the smallest ship to vessels weighing as much as 30,000 tons
- Recent demand is driven by Syncrolift product's attractive value proposition and increased demand for maintenance, upgrade and repair at shipyards as well as navy
- Temporarily decline in sales and EBITDA-margin is mainly due to progress delays in some projects that will not affect long term profit margins within the Syncrolift projects
- Order backlog is all time high and support high activity levels well into 2022
- Syncrolift has the main office in Drøbak, Norway

Syncrolift key financials

Annual sales (NOKm) and EBITDA-margin (%) 2016 – Q2/19*



Order backlog development 2016 – Sep. 2019 (NOKm)



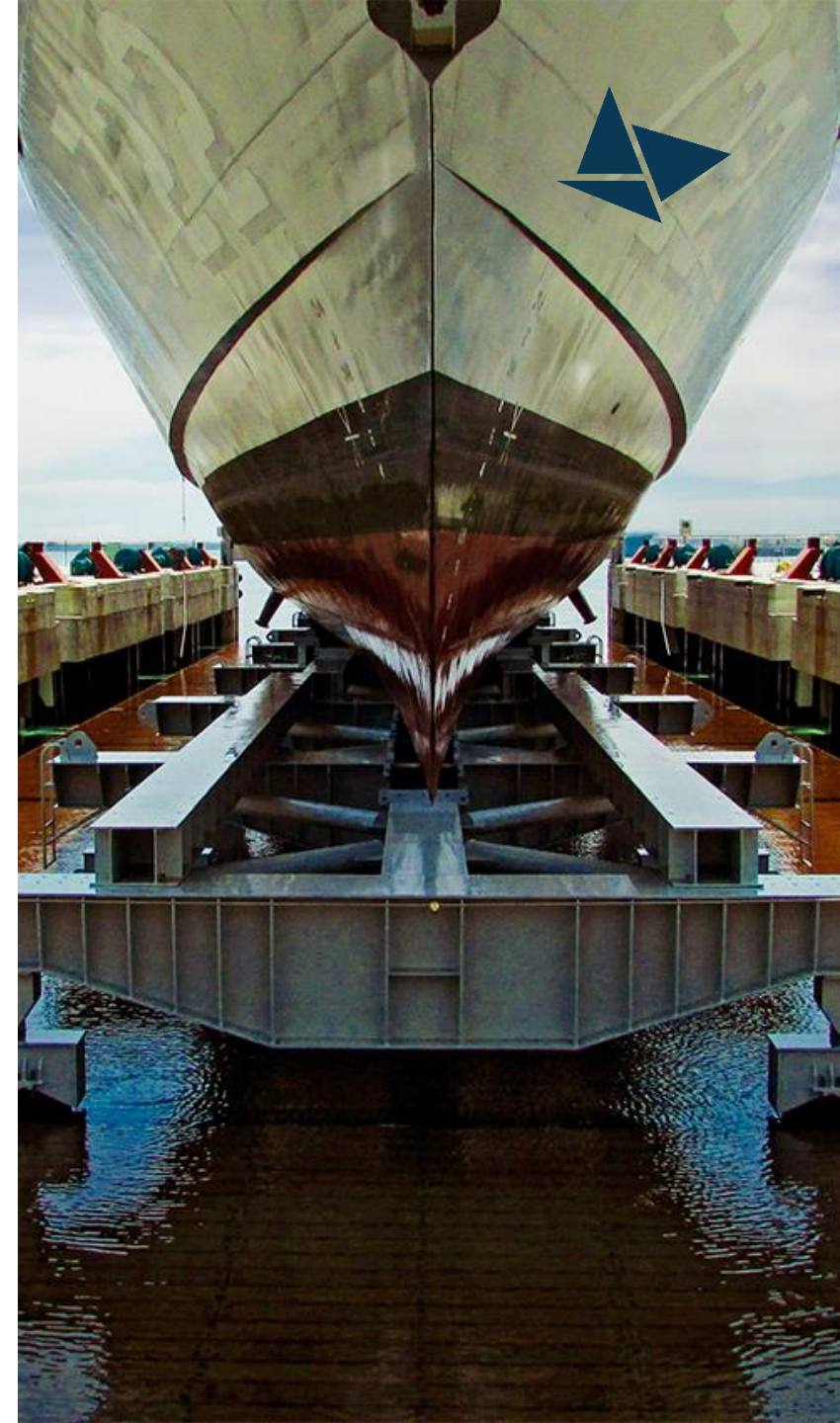
SHIPLIFT

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Significant market potential for growth within service and upgrades

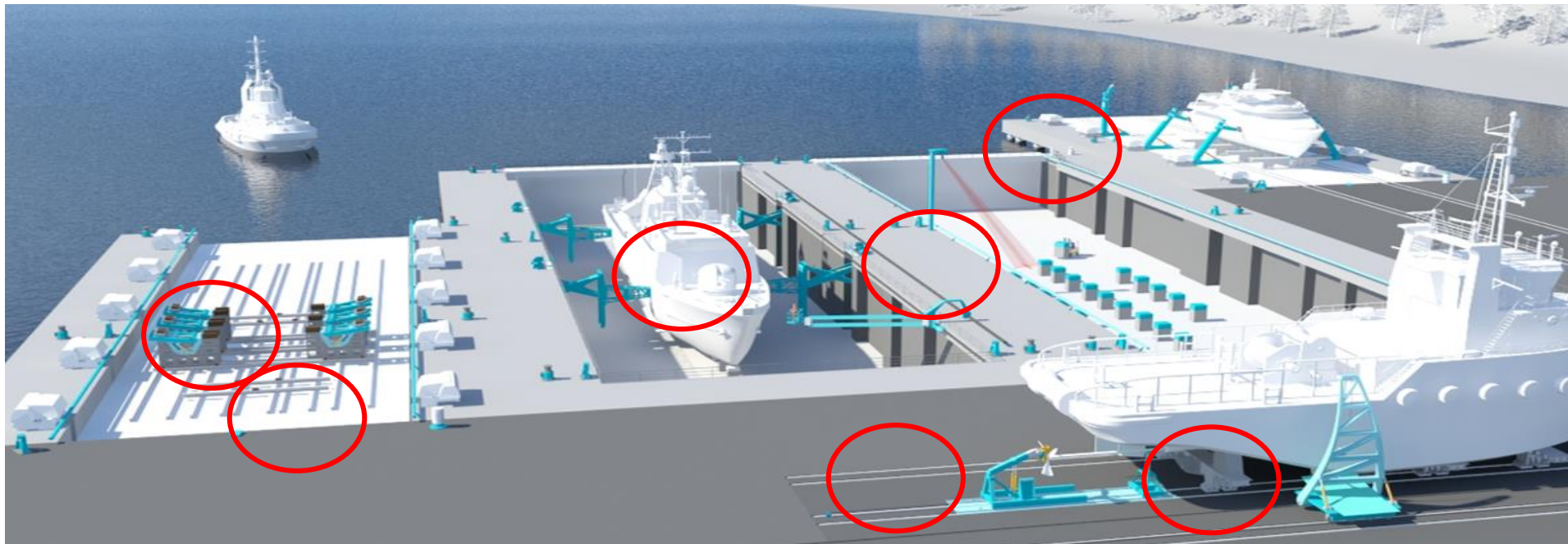
- There is an extensive service and after market for shiplift systems consisting of annual inspections, maintenance, spare replacements and upgrade
- Service and after-market support currently only constitute less than 10% of Syncrolift revenue
- ~90% of shiplifts are Syncrolift / Rolls-Royce installations (designs & drawings owned by Nekkar), however Syncrolift only serves ~15% of its total combined installed base
- Recurring maintenance & inspections targeted for larger projects & upgrade work
- Revenue growth will require international service network expansion, organic and/or through partnerships
- Syncrolift Singapore Pte. Ltd., established in 2019, to serve the South East Asian market



Syncrolift's new 'Fast Docking' solutions have received great market acceptance



- Syncrolift has in recent years developed eight new systems within docking and ship handling that seek to improve yard productivity and operations
 - Reduce man-hours, increase precision, smarter way of working
- Six out of eight products have been commercialized – five are sold and in operation
- New products currently account for ~5% of Syncrolift sales



New Business is to deliver sustainable solutions and technology to ocean-based industries



NEKKAR  NEW BUSINESS



OFFSHORE ENERGY &
RENEWABLES



DIGITAL /
INTELLILIFT



AQUACULTURE

Common
value levers



Smart control



Electrification



Digitalization



Sustainability



Automation



Value
delivered



*Energy efficient
solutions for
offshore
renewables*

*Electric and
automated
drilling solutions*

*Visualization
and robotization
- open platform*

*Remote operations
solutions*

*Sustainable
aquaculture
solutions*

Intellilift offers products leveraging and enabling both digitalization and automation



Control systems for smarter solutions

- Intellilift delivers open software platforms to collect, monitor and control data for the different offshore energy industries
- Nekar acquired 51% share in Intellilift in Q2/19. Solid revenue growth since inception in 2016 and above cash-break even on running basis
- Intellilift has developed 'Phoenix' - a system that collects different data sources into a unified visualization & monitoring platform- enabling remote operation
- Top-tier end customers AkerBP (drilling operations) and Ørsted (offshore wind)



Remote Operator Environment Monitor 'Phoenix'





- Warning text
- Error text
- Notifications text

Machine Status

Elevator	Closed
Raps	Open
IDOP	Open
Override	Disabled

Gas Status

Gas in Air	1.2% %
Inverter IIC	5.7% %
EGD	20.2 %
Gas Total	10.2 %
Gas R?	10.2 %



String Status

Hit Depth	1,391.1 m
Measured	1,232.7 m
Total SPM	80 m
Total DR	3,212,532 m

String	Depth	EP Only	WOB	Bit Rate	Hook Type
74	14.45m	2000 Nm	2000 Nm	100% 120000	Chopper EP 1.70L 42 102 100
74	14.45m	2000 Nm	2000 Nm	100% 120000	Chopper EP 1.70L 42 102 100
74	14.45m	2000 Nm	2000 Nm	100% 120000	Chopper EP 1.70L 42 102 100
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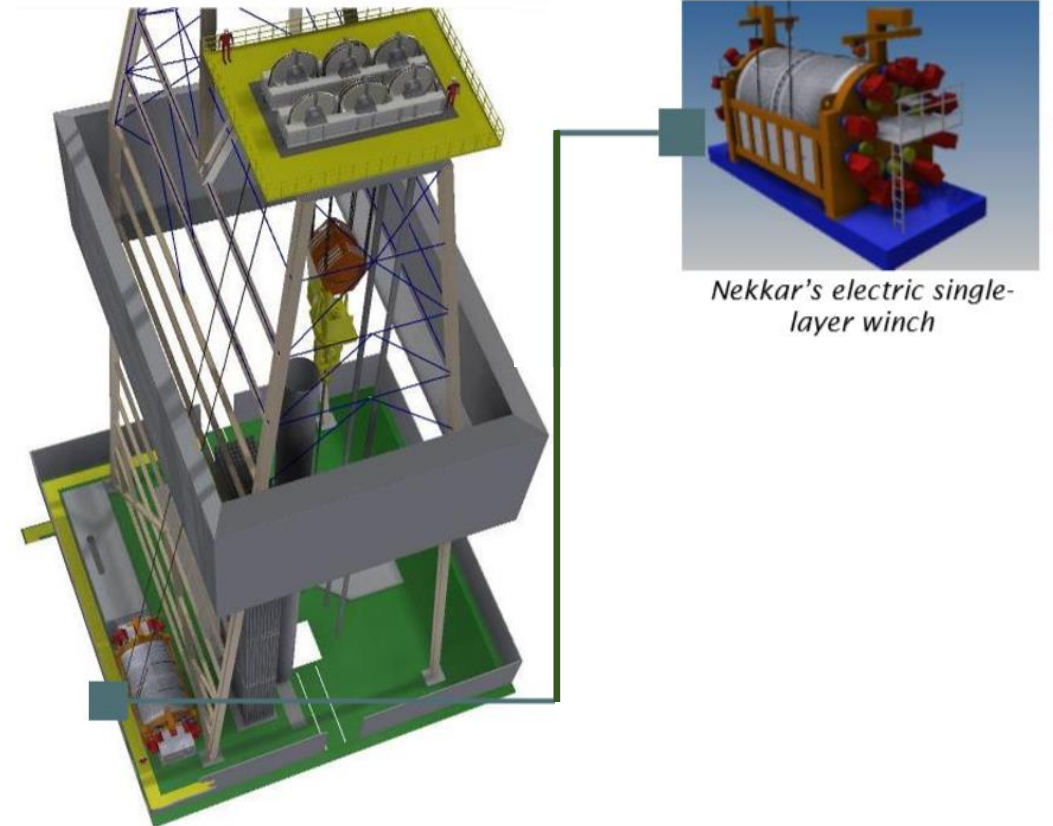
Offshore Energy & Renewables enables the green shift in offshore drilling as well as solutions for offshore renewables



Product portfolio

- Nekkar has developed several products leveraging benefits of next generation PM winches, electrification and battery energy storage
- Nekkar's single layer winch (SLW) hoisting system is providing benefits such as improved energy efficiency, power regeneration, as well as higher uptime and reduced maintenance
- Signed LOI for the newbuild market with an industrial player
- Handling solutions for renewables and offshore industries
 - Utilizing the benefits of electrification and automation to harvest substantial improvements through structural reengineering

Illustration Nekkar's single-winch hoisting system



Nekkar's electric single-layer winch

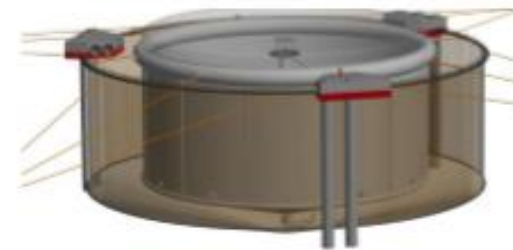
Nekkar has developed “Starfish” - a fully closed technology improving fish welfare and production economics



Nekkar aquaculture

- Developing next generation aquaculture solution with major industrial listed salmon-farming company
- Closed salmon cage with beneficial economics. Limiting environmental impact and reducing fish mortality
- Includes applications improving automation, power usage, monitoring and enabling remote control
- ‘Starfish’ consist of a fully closed inner cage with roof, and an outer safety net attached with circulation units providing a constant flow of water into the cage

‘Starfish’ closed cage advantages



	Easy handling	✓
	Roof	✓
	Safety net	✓
	Support for waste handling	✓
	Low CAPEX	✓
	Monitoring sensors	✓

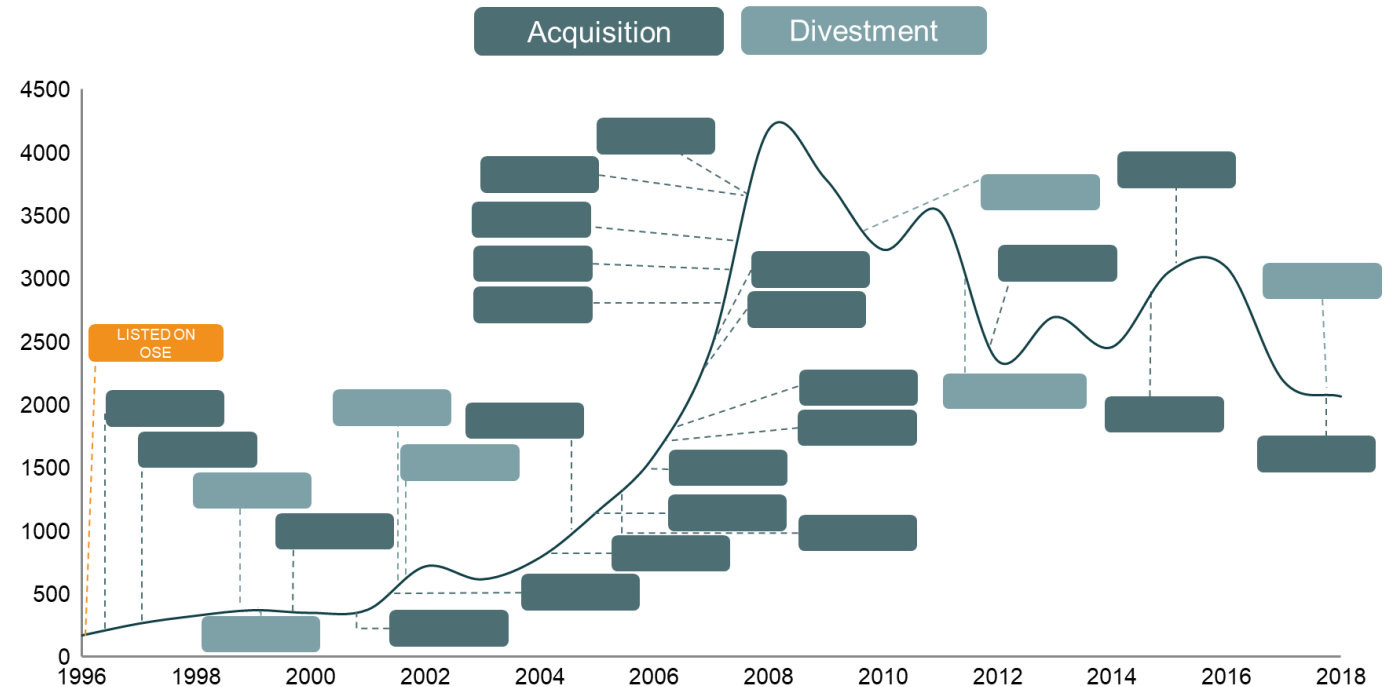
Nekkar ASA – a proven industry builder focused on returning value to shareholders



- Since 1996 Nekkar has built a leading maritime industrial company with operations globally and executed > 30 significant M&A deals
- Totally distributed approx. NOK 900m, or NOK 9,8/ per share related to divestments of TTS Sense in 2012 and TTS Group in 2019 *
- Solid business platform through Syncrolift, to deliver sustainable and unmatched products and solutions to the ocean-based industry
- Taking advantage of the great potential within electrification, digitalization, automation and smart control
- Strong balance sheet with no gearing and high financial flexibility

TTS Group turnover and M&A activity 1996-2018

Figures in MNOK



Operation in # of countries: 1 -----> 14



nekkar.com