



TRADING UPDATE THIRD QUARTER 2021

Henrik Badin, CEO Vow ASA
Oslo, 27 October 2021

VOW

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ABOUT US

- › Provider of world leading technologies to **eliminate pollution**, enhance **circular economy** and mitigate **climate change**
- › Offering **patented unique solutions** that turn waste and biomass into **CO2 neutral** energy, **decarbonised** energy, **low-carbon** fuels and **biocarbon**
- › **Proven ability** to continually **develop and deliver** technology and equipment for complex **industry scale solutions** and applications, in close **co-operation with customers**
- › **Strong backlog** of orders and **large installed base** for leading players in a wide range of industries, providing **recurring business**
- › **International footprint**, headquartered in Norway with subsidiaries in US, France and Poland

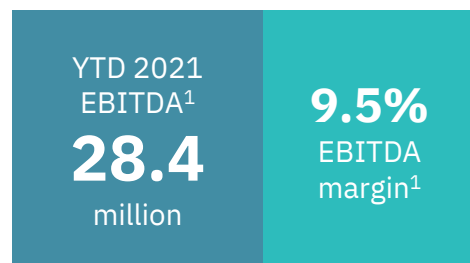


A large cruise ship is docked in a fjord at night. The ship's lights are on, and its reflection is visible in the water. The background features dark mountains and a clear night sky. The overall color palette is dominated by blues and greys, with the white of the ship and the lights providing contrast.

FINANCIAL AND OPERATIONAL HEADLINES

VOW

KEY TAKEAWAYS



➤ Total **order backlog** including options leaped to an estimated record high **2.1 billion** at time of reporting, including contracts worth **360 million** in cruise and **215 million** in Landbased awarded in Q3 and Q4

➤ YTD revenues were **299 million** in 2021, down from 345 million in 2020. EBITDA margin remained at **9.5%** level

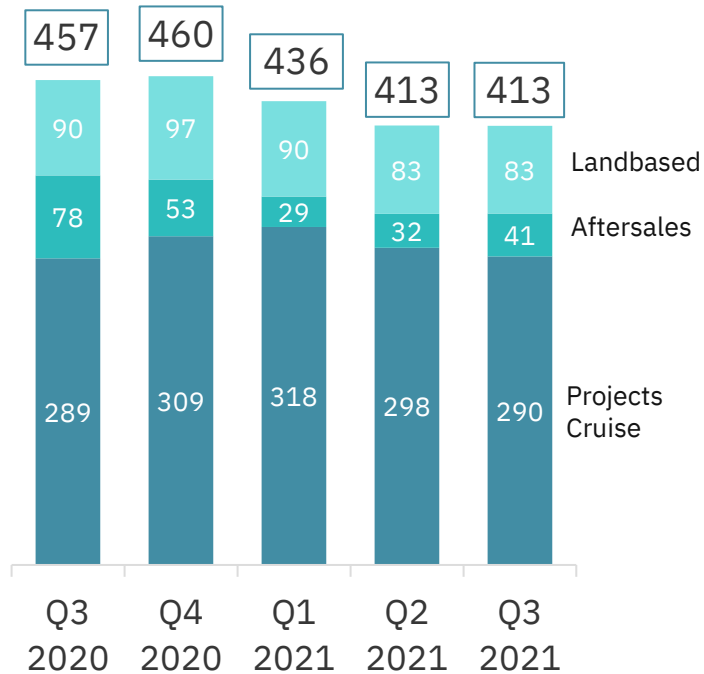
- **Projects Cruise** continued to deliver strong results. YTD revenues down from 230 million to 211 million, impacted by timing of new orders and system deliveries, while EBITDA margin increased from 23.7% to 26.1% in same period
- **Aftersales** reported good progress as cruise ships were heading back at sea. Revenues in Q3 were 14 million in 2021, up from 5 million in 2020
- **Landbased** continued to invest in people and building capacity. Workforce increased 31% since year-end 2019, working closely with current partners and prospective customers

All amounts in NOK

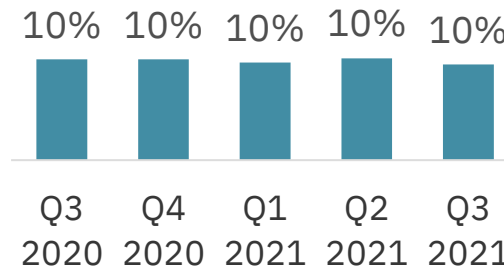
¹ Before non-recurring items of NOK 6.3 mill primarily related to the demerger and stock exchange listing process for Vow Green Metals AS

² Year-over-year (YoY) (backlog including options and at date of reporting)

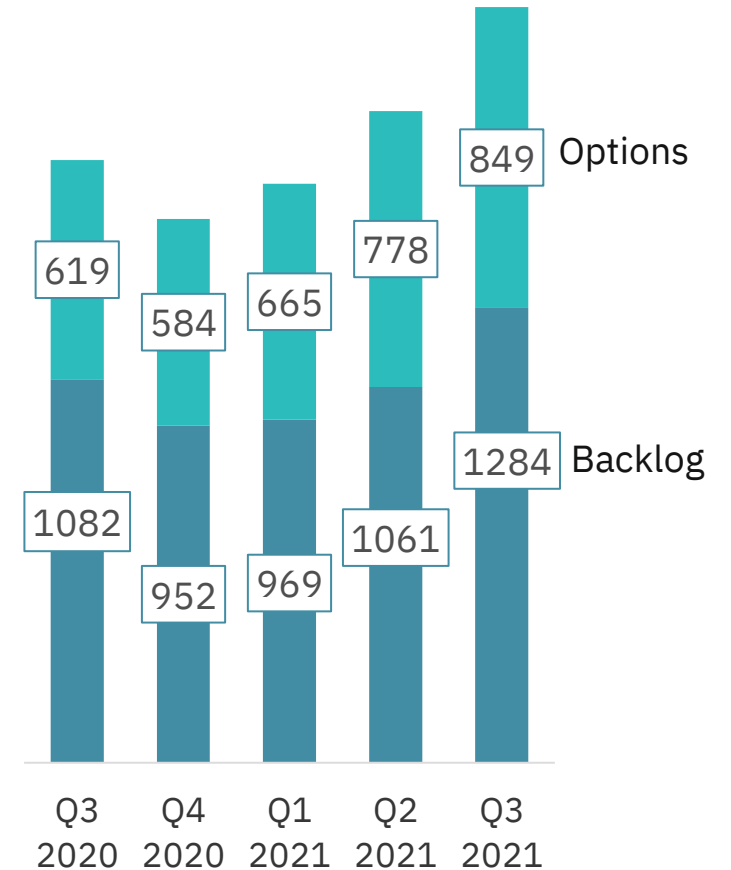
KEY FINANCIALS | GROUP



LTM Revenues
(in NOK million)



LTM EBITDA margin
Before non-recurring items



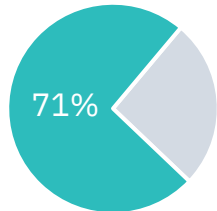
Order backlog and options
(in NOK million)

PROJECTS | CRUISE

- Revenues in Q3 and YTD in 2021 slightly reduced due to phasing of project delivery schedules
- Proven and efficient delivery model continues to produce EBITDA margin in the high twenties
- Newbuild contracts worth 360 million for 6 ships plus 8 options awarded in Q3 and Q4, confirming cruise operators' confidence in the market and commitment to invest in new climate friendly and sustainable operations

211 million
revenues YTD

Share
of total



NOK million	Q3 21	Q3 20	YTD 21	YTD 20	2020
Revenues	61.7	69.9	211.1	230.0	309.2
EBITDA	16.7	19.4	55.0	54.4	70.9
EBITDA margin (%)	27.1	27.8	26.1	23.7	22.9
Backlog			993	1 045	924

Norwegian Prima is a Project Leonardo class cruise ship operated by Norwegian Cruise Line and the first in a series of six being equipped with Scanship clean tech systems.

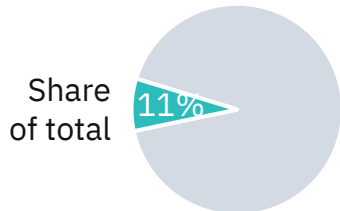


Source: Norwegian Cruise Line on YouTube

AFTERSALES | CRUISE

- Cruise operations continued to resume as Covid-19 restrictions were eased in key markets, driving demand for chemicals, spare parts and service
- YTD revenues was 32 million in 2021, around one third of normal level before the pandemic
- With more newbuilds coming into service, market for Aftersales is expected to grow, and likely surpass previous levels

32.1 million
revenues YTD



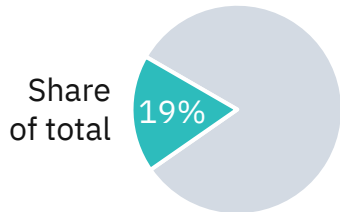
NOK million	Q3 21	Q3 20	YTD 21	YTD 20	2020
Revenues	13.8	5.2	32.1	44.9	53.3
EBITDA	0	-4.2	-0.6	0.6	-0.3
EBITDA margin (%)	na	na	na	1.3	-0.6



LANDBASED

- Revenues and profit reflect continued high activity on customer projects and with new industry partners
- 215 million contract with Vow Green Metals confirmed for delivery in 2022
- Continued to invest in people and building capacity. Workforce increased 31% since year-end 2019
- Blue-chip industry partners confirm their climate roadmaps, with Vow technology as a central part

56.2 million
revenues YTD



NOK million	Q3 21	Q3 20	YTD 21	YTD 20	2020
Revenues	22.3	22.8	56.2	70.8	97.2
EBITDA	-4.6	-2.1	-13.7	-9.2	-10.2
EBITDA margin (%)	na	na	na	na	-10.5
Backlog			291	37.4	27.6

EBITDA before non-recurring items



A large cruise ship is docked in a calm fjord at night. The ship's lights are on, and its reflection is visible in the water. In the background, there are dark mountains and snow-capped peaks under a clear night sky. The overall scene is serene and scenic.

STRATEGY AND OUTLOOK

VOW

HIGH ACTIVITY IN CRUISE NEWBUILDS ...

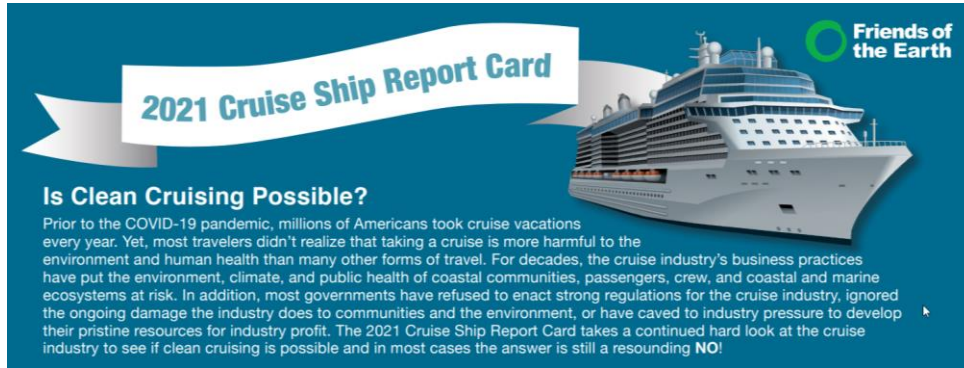
Vow well positioned and with order book far into 2025/26

Year of vessel delivery from yard	Current number of vessels ¹ in cruise industry orderbook, excluding options	Scanship orders for waste management systems	Scanship orders advanced wastewater purification systems
2022	15	6	7
2023	17	8	11
2024	10	6	7
2025	11	7	7
2026	5	4	5
2027	3	3	3

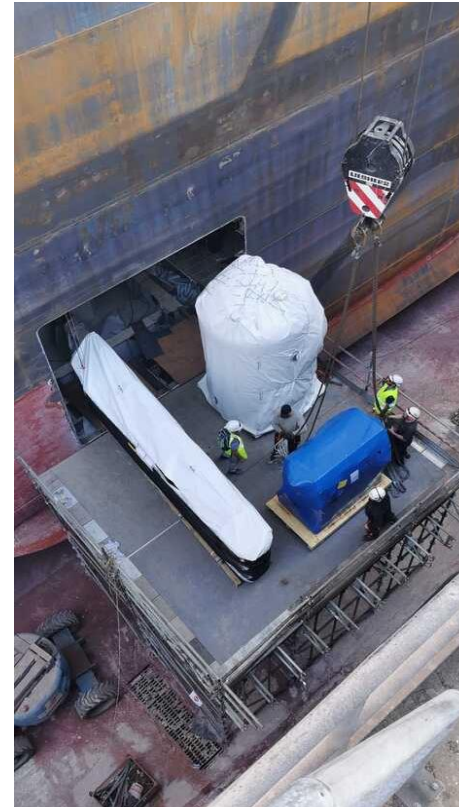
- Cruise operators are actively engaged in fleet renewal
- Vow subsidiary Scanship has earned a reputation as trusted partner
- Creating opportunities for Aftersales business

¹ Smaller ships with less than 600 pax capacity is not included in this overview. Source: Cruise Industry News

... AND IN RETROFITTS



- Environmental groups actively engage and inspire cruise industry to 'go clean'
- International Maritime Organisation (IMO) is discussing additional measures which already has resulted in increased demand for retrofits
- Currently discussing with leading cruise yard to develop standardised retrofitting concepts to prevent pollution and decarbonise ship operations



Cruise operators report plans for retrofitting around 30 ships in the next 1-2 years

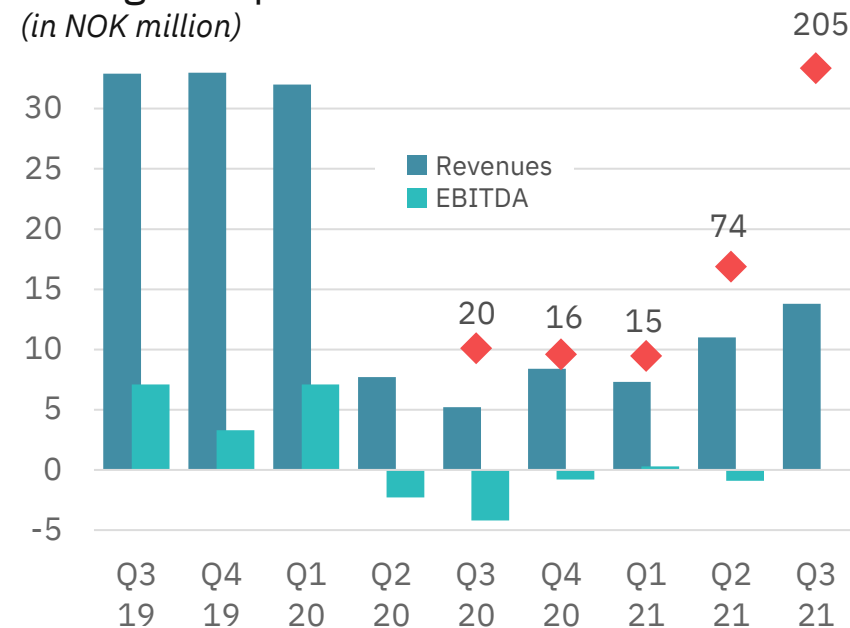


Pictures show Scanship equipment being retrofitting on Carnival Dream

INCREASED MARKET FOR AFTERSALES

- › In 2019, Aftersales reported 126 million revenues and 22.5 million EBITDA
- › Covid-19 hit Aftersales hard from Q2 2020
- › Business is gradually coming back as cruise ships are returning to sea driving demand for chemicals, spares and service support
- › 80 ships with Scanship equipment on board currently active
- › Scanship's installed based has increased by 13% during 2020-21





Aftersales revenues and EBITDA through the pandemic
(in NOK million)



◆ Number of cruise ships in service at end of period.
Total global fleet approx. 350 ships
Source: Cruise Industry News

BUILDING LANDBASED STEP BY STEP

Select ongoing projects and status

Project	Description	Status
	Philip Morris International Climate neutral gas for industry decarbonization	Equipment delivered. Team on site for commissioning and process tuning
	NSR Biochar from garden waste for soil enrichment and CCS	Equipment production underway. Installation early 2022
	Circular Carbon Biochar from cocoa shells and climate neutral gas for industry decarbonization	Factory acceptance test completed in Q1. Handover planned in Q4 2021
	Vow Green Metals Biocarbon from wood waste, which will replace fossil coke as reduction agent in metallurgical industry	Purchase order confirmed. Equipment to be delivered in 2022

PMI GOING GREEN

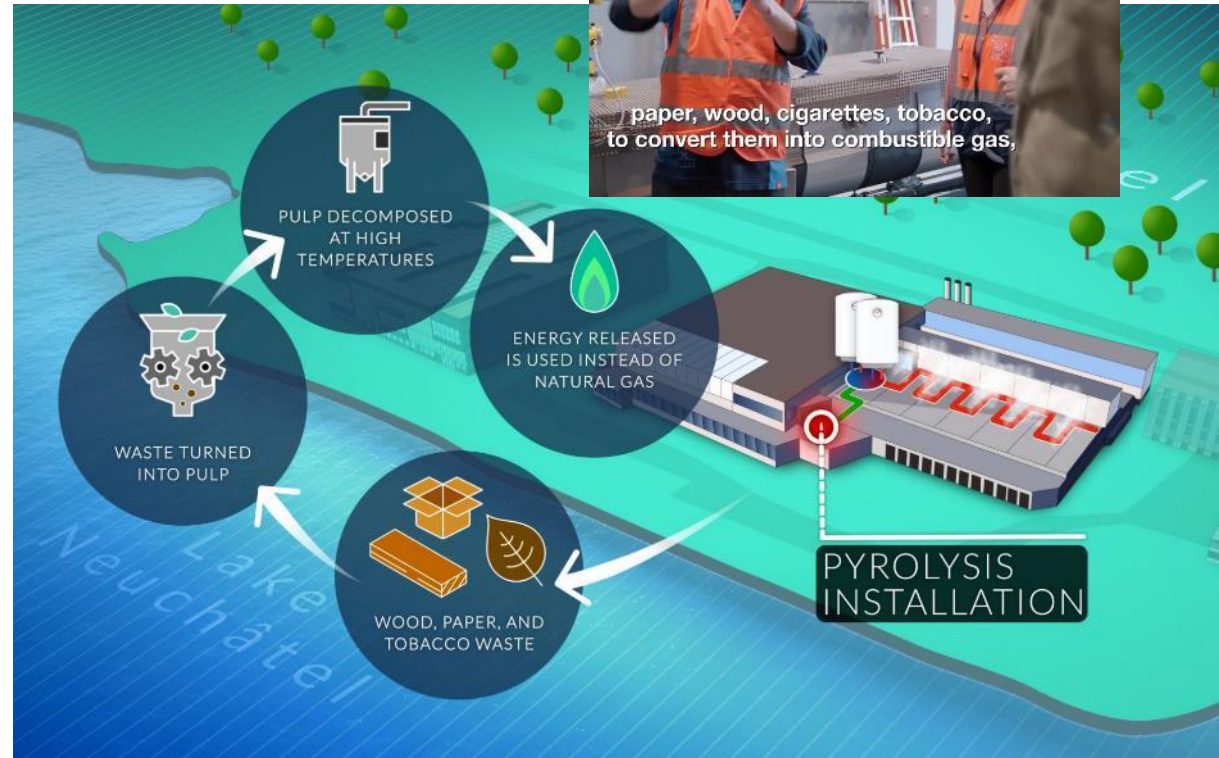
With Biogreen from Vow inside

- In 2021 Phillip Morris International's Neuchâtel plant in Switzerland became the second plant to reach the group's carbon neutrality target
- Biogreen pyrolysis equipment is a core component in the circular system, which converts organic waste (wood, paper and tobacco waste) into green energy
- Replacing natural gas for heat production, reducing CO2 emissions, and reducing cost and environmental impact of waste disposal

See movie on YouTube
<https://youtu.be/KSGt8Jp2yUM>



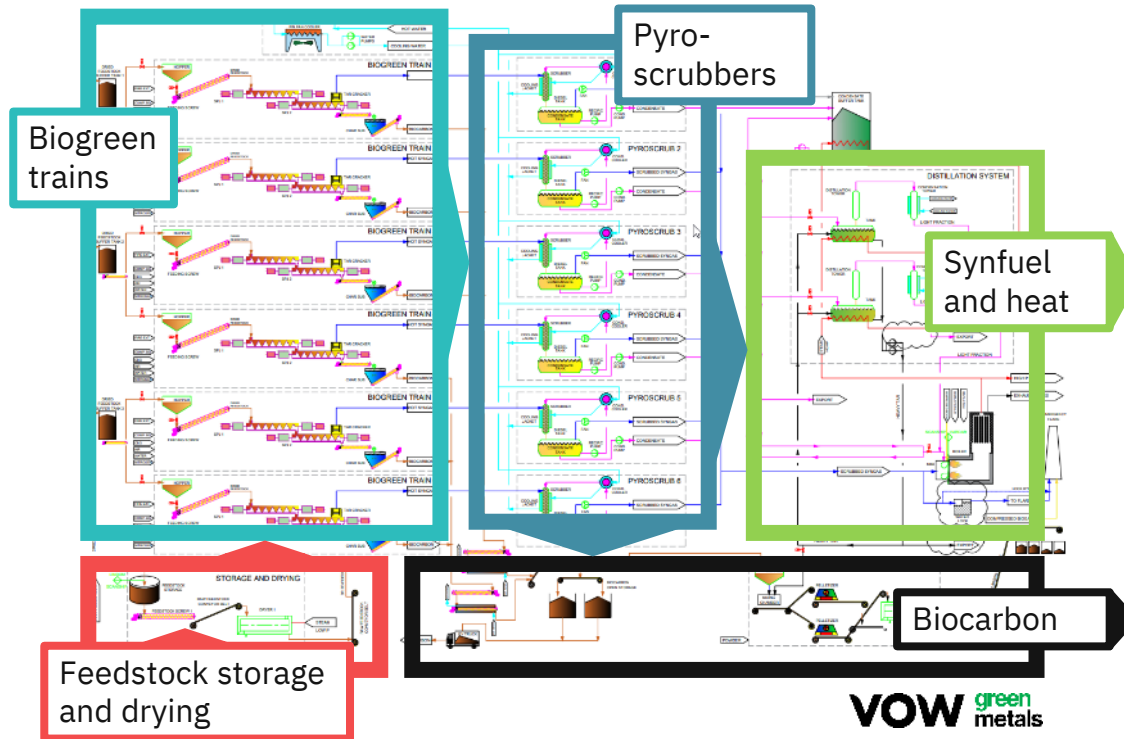
paper, wood, cigarettes, tobacco,
to convert them into combustible gas,



Source: www.pmi.com

VOW'S SCOPE AT FOLLUM BIOCARBON PLANT

Process flow diagram of Follum plant



- A 215 million purchase order confirmed with Vow Green Metals in October 2021, the largest contract so far in Landbased
- Includes all core technology components and mechanical systems. A complete solution
- Contract also includes engineering and project support
- Equipment will be completed and delivered during 2022

ELKEM RAISES AMBITIONS

- In October 2021, Elkem reconfirmed its commitment to reducing emissions towards net zero, and raised its target for use of biocarbon by 2030
- **Original target**
40% biocarbon *in Norway* = **140-150K** tonnes per year
New target
50% biocarbon *worldwide* = **ca 400K** tonnes per year
- Another strong sign of the rapidly growing market for **biocarbon as reduction agent** in metallurgical industry, representing a substantial market for Vow's technology



“To reduce fossil CO2 emissions, Elkem aims to change the reduction material in its smelting process to biomass [...] Elkem has already progressed the share of biomass in its process to more than 20%, now aiming for 50% by 2030.”



Source: www.elkem.com

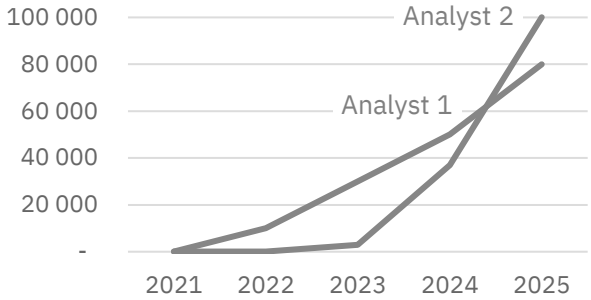
A GLIMPSE INTO THE FUTURE



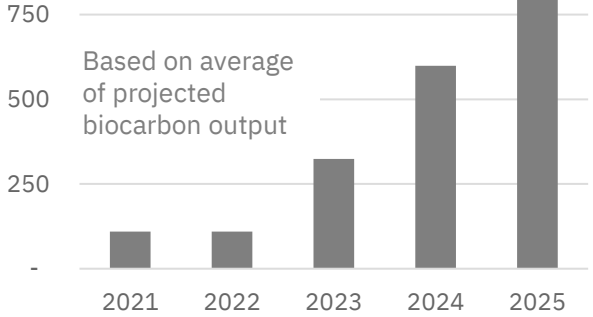
- Based on expected demand for biocarbon as reduction agent in metallurgical industry, analysts suggest that Vow Green Metals would need to follow an aggressive growth strategy to meet demand
- This would convert to a significant revenue stream for Vow as supplier of processing equipment



Projected biocarbon output
Vow Green Metals
tonnes per year



Projected revenue for Vow
estimate NOK per year



ROBUST AND READY

- › Order backlog of 2.1 billion at end of October including options, providing **good visibility** and **revenues well into 2025/26**
- › **Cruise industry is bouncing back.** Contracts for newbuilds and retrofits confirm cruise operators' commitment to renew their fleets, and **demand for aftersales is on the rise**
- › Industry partners **strengthen their commitment to decarbonisation**
- › Contract with newly listed Vow Green Metals for **biocarbon plant at Follum confirmed**
- › **Capacity and capital in place** to deliver on projected growth





**THANK YOU
FOR YOUR ATTENTION**

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