



# Q1 TRADING UPDATE

Henrik Badin, CEO Vow ASA  
Oslo, 28 April 2020

**VOW**

# DISCLAIMER

A large sea turtle is swimming underwater, its head and front flippers visible. The background is a deep blue gradient, suggesting an underwater environment. The turtle is positioned in the center-right of the frame, swimming towards the left.

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# VOW AT A GLANCE

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- World leading technology and solutions that bring an end to waste and stop pollution
- Converting biomass and waste into valuable resources and generating clean energy
- Customers in cruise, aquaculture and a wide range of land-based industries
- Headquartered in Norway, with subsidiaries in US, France and Poland
- Listed on the Oslo Stock Exchange since 2014 under ticker VOW
- Revenues of NOK 381 million in 2019<sup>1</sup>

<sup>1</sup> Includes ETIA in Q4 2019

**VOW**

Passionate about  
preventing pollution and  
giving waste value



**VOW**

# HIGHLIGHTS FOR THE FIRST QUARTER

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Revenues  
**NOK 116**  
million



24 %

EBITDA  
**NOK 14**  
million

12 %

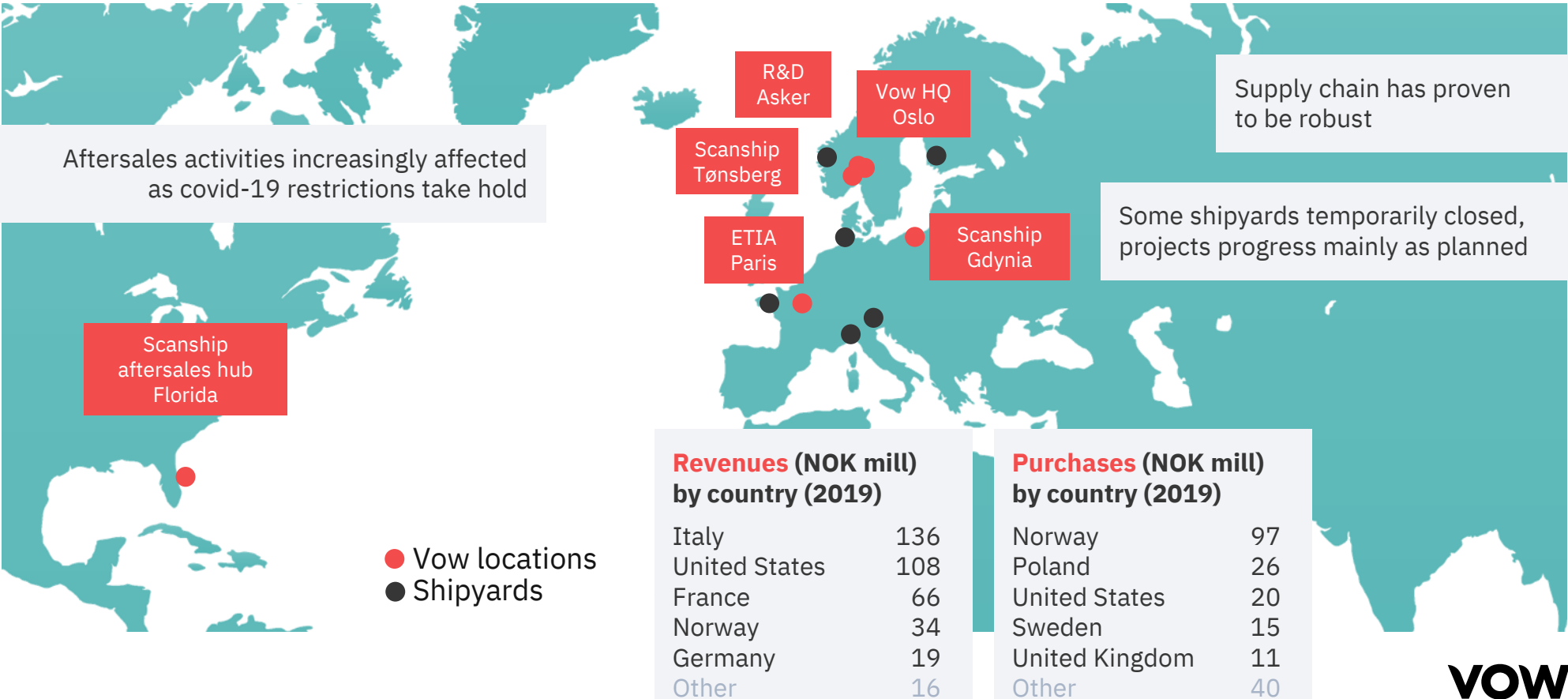
Backlog  
**NOK 975**  
million



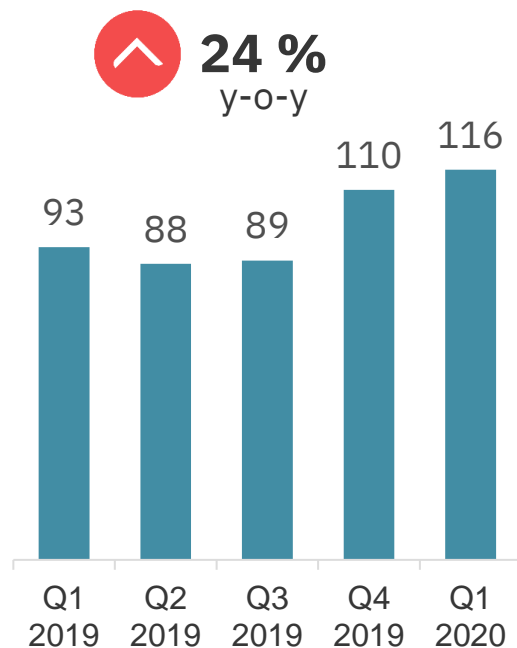
9.5 %

- Growth in revenues, mainly due to inclusion of ETIA
- Scanship (Projects and Aftersales) reported NOK 14.9 million EBITDA combined and record high margin at 16.1 %
- ETIA (Landbased) reported satisfactory gross margins. EBITDA slightly negative as it continues building organization for growth
- Several new milestone awards in land-based industry verticals
  - Contract to supply Unipetrol Group a patented Biogreen process for plastic waste valorisation technology
  - Contract with CSSC for the delivery of its waste management system including garbage handling and food waste processing to a cruise vessel
  - Biochar project in Helsingborg for NSR, a leading recycling company, with SEK 21 million total project value
- All-time-high in order backlog, partly due to currency effects
- Projects continuing mostly uninterrupted, despite the corona (covid-19) pandemic

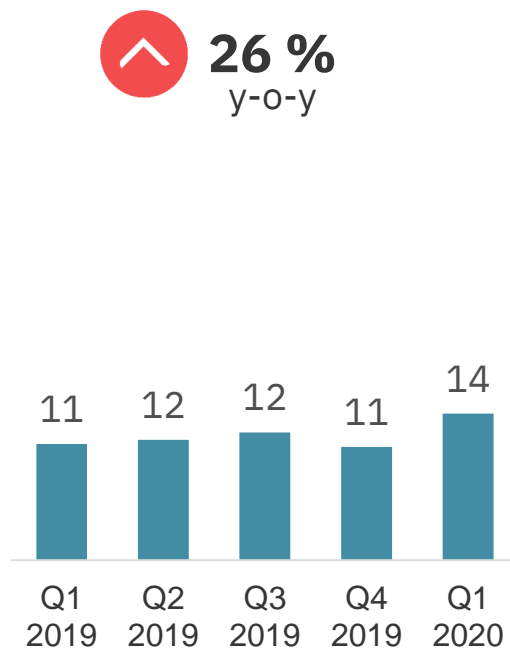
# IN THESE COVID-19 TIMES



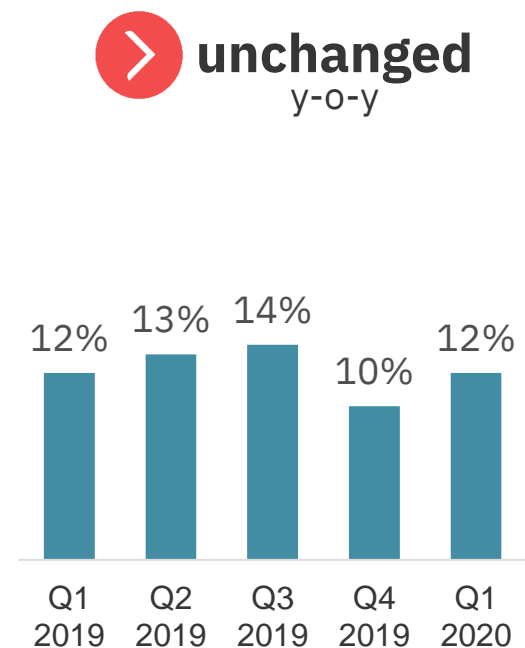
# PROFITABLE GROWTH



**Revenues**  
(in NOK million)



**EBITDA**  
(in NOK million)

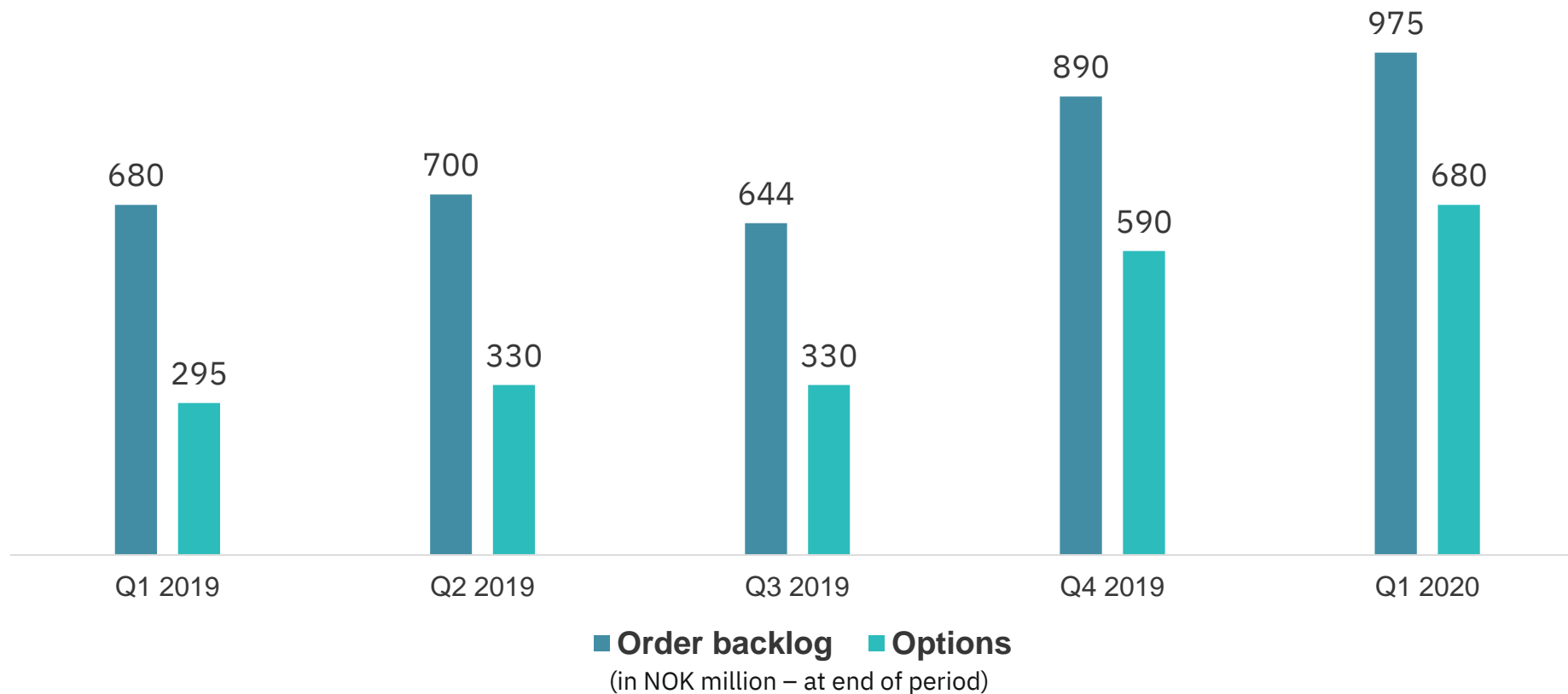


**EBITDA margin**  
(in %)

EBITDA before non-recurring items

# HIGH ORDER BACKLOG

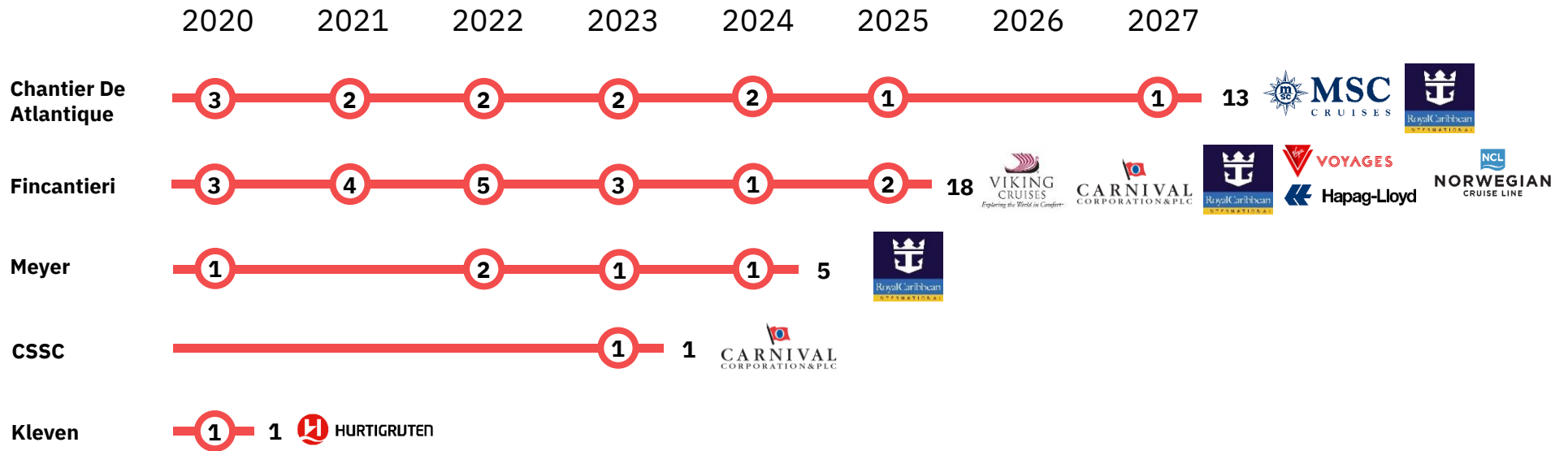
 **43 %**  
y-o-y



# BACKLOG FOR THE LONGER TERM

Foundation for continued growth in the cruise market

Shipyard contractual partner



Number of vessel deliveries with Scanship systems inside. A total of 38 newbuilds and 127 Scanship systems.

# SELECT LANDBASED PROJECTS AND STATUS

Project	Delivery and vertical	Status
Unipetrol	Plastic to liquid fuel	<ul style="list-style-type: none"><li>• Project for recycling plastic and polymeric waste into liquid fuel</li><li>• Contract signed in March 2020</li></ul>
NSR <sup>1</sup>	Waste valorization Turning urban garden waste into value. NSR project for processing the wood residues into biochar for agronomic applications.	<ul style="list-style-type: none"><li>• Ongoing project in Sweden (Helsingborg)</li><li>• Plant to be operational early next year</li></ul>
Envigas	Metallurgical Industry	<ul style="list-style-type: none"><li>• Two new BGR750 machines were shipped to Sweden end of March</li><li>• Progressing installation of the plant</li><li>• Plan to be operational within 1-2 months</li></ul>
Undisclosed client	Industry decarbonization Industry decarbonization in consumer goods production. Offsetting natural gas and carbon sequestration.	<ul style="list-style-type: none"><li>• Ongoing project in Switzerland for major consumer goods manufacturer</li><li>• Plant to be operational this year</li></ul>

<sup>1</sup> Nordvästra Skånes Renhållnings AB, a regional municipal waste company in South-West Sweden

# CONCLUDING REMARKS

- First quarter 2020 was another quarter with strong performance and profitable growth. Record margins in Scanship segments
- Several new milestone awards on land, order backlog reached all-time-high
- Overall progress in projects mostly unaffected by the covid-19 pandemic, activity in aftersales expected to slow down in the second quarter
- Currently tendering and in discussions with yards for deliveries to ships confirmed in their orderbooks
- Capitalised for further growth



# THANK YOU FOR YOUR ATTENTION

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