

November 2020

Investor
Presentation

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Presentation team



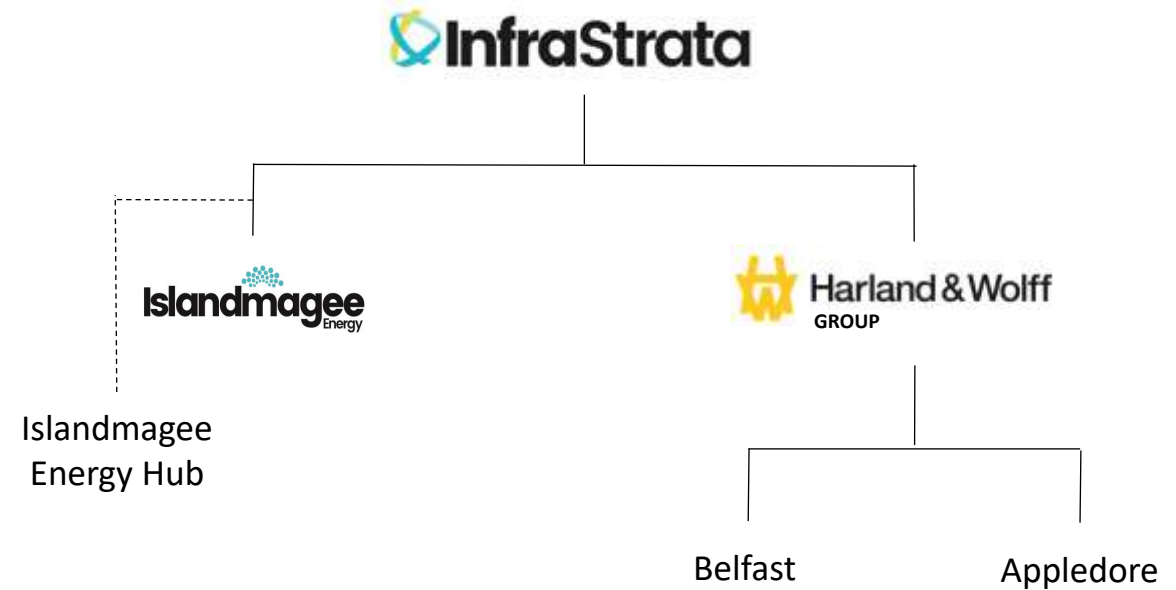
John Wood - Chief Executive Officer

John has spent his career managing the design and construction of large energy infrastructure projects; most recently storage and infrastructure developments in Australia. John led the successful turnaround of BAE shipyards in Australia, based on multiple contracts covering all marine sectors.



Arun Raman – Chief Financial Officer

A Chartered Accountant, Arun brings valuable experience to the board from Star Energy where he negotiated the commercial gas storage agreements for the Humbly Grove Underground Gas Storage Project. Arun also worked at Vitol Services Ltd. in London where he was actively trading carbon emissions and other commodities.



Projects status 2019/20

5th December 2018

Islandmagee Energy

Phase	Description	Identification	Concept Development Study	Feasibility Study	FID	Enabling	Construction	Operations
1	Caverns 1&2	✓	✓	✓	Q2 19			
2	Caverns 3 - 7	✓	✓	✓	Q4 18			
3	15+ Additional Caverns	✓	○					
4	Twinning of SNIP	✓	○					
5	FSRU	✓						
6	LNG Combined Heat & Power	✓						
7	Hydrogen Production/Storage	✓						

○ In Progress ✓ Complete Potentially NewCo's

Note:- If any additional project progresses full regulatory approvals will be required as is normal with any infrastructure development

10th December 2020

Phase	Description	Identification	Concept Development Study	Feasibility Study	FID	Enabling	Construction	Operations
1	Caverns 1 -7	✓	✓	✓	✓	H1 21		
3	15+ Additional Caverns	✓	✓	✓				
4	Twinning of SNIP	✓	✓	✓				
5	FSRU	✓	✓	✓				
6	LNG Combined Heat & Power	✓						
7	Hydrogen Production/Storage	✓	○					

○ In Progress ✓ Complete Islandmagee Energy Hub

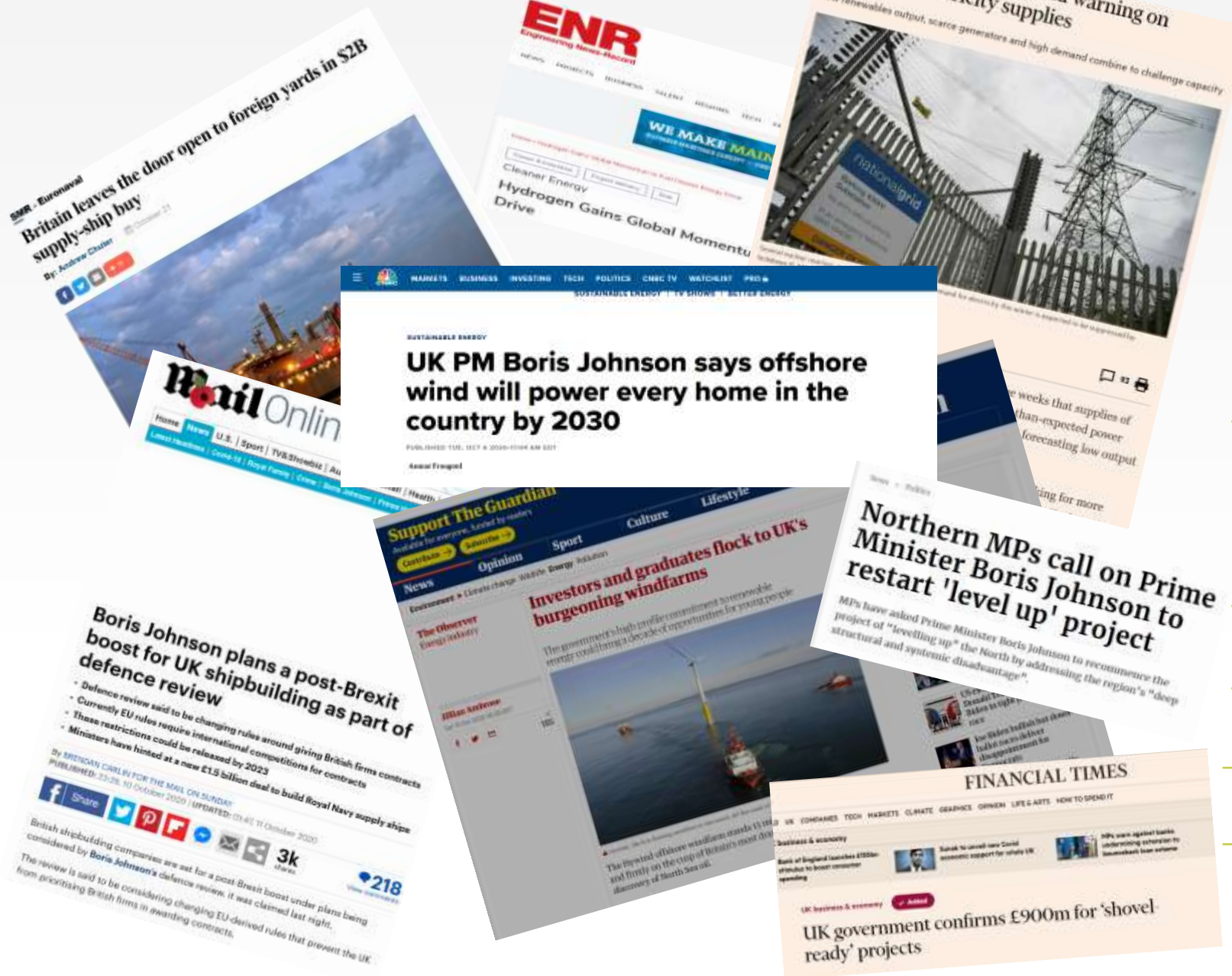
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ACQUISITIONS

 Harland & Wolff
BELFAST

 Harland & Wolff
APPLEDORE

Key government policy



Regional Leveling up

Rebuilding of shipyards and development of the national shipbuilding strategy

Introduction of local content to build all sovereign vessels within UK shipyards

Leveling up of UK shipbuilding so it is not all happening in Scotland; introduction of commercial shipbuilding for the export market.

Investment in UK shipyards as a result of BREXIT

Policy to power every home in the UK with renewables by 2030 requiring at least 40GW; Creating new target for floating wind of 1GW

£160m available to upgrade manufacturing facilities and ports.

Promote and develop "shovel ready" infrastructure projects

Facilitate transition to cleaner energy and hydrogen by 2050

UK energy supplies will come under greater pressure as a result of BREXIT and the inability to store excess renewable power



Our Vision

To be a leading, global strategic infrastructure development
& asset management company

Income Generation

InfraStrata Developed

Project
Development
(Carry)

Construction
Management

Facility
Operations

Retained
Equity %

Vertically integrated heavy engineering & fabrication

High
Performing
Team

Robust
Potential
Project
Evaluation
Criteria

Quality
Partners

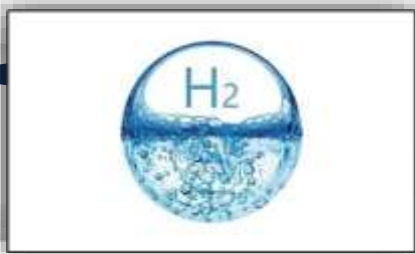
Sustainable
Growth
Shareholder
Value

Operational
Excellence

Our journey & our future destination



WIND & FLOATING WIND



HYDROGEN



TIDAL

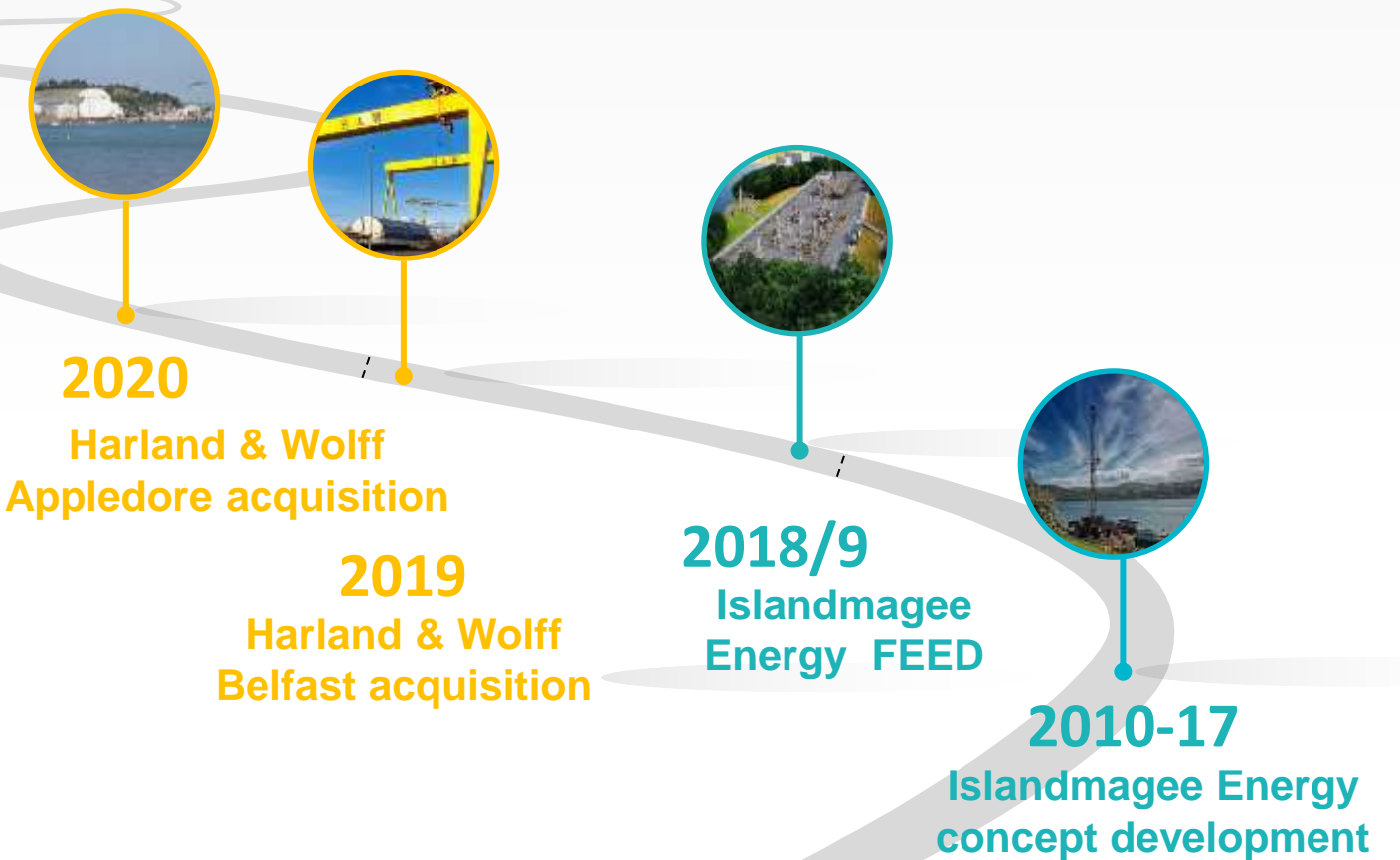
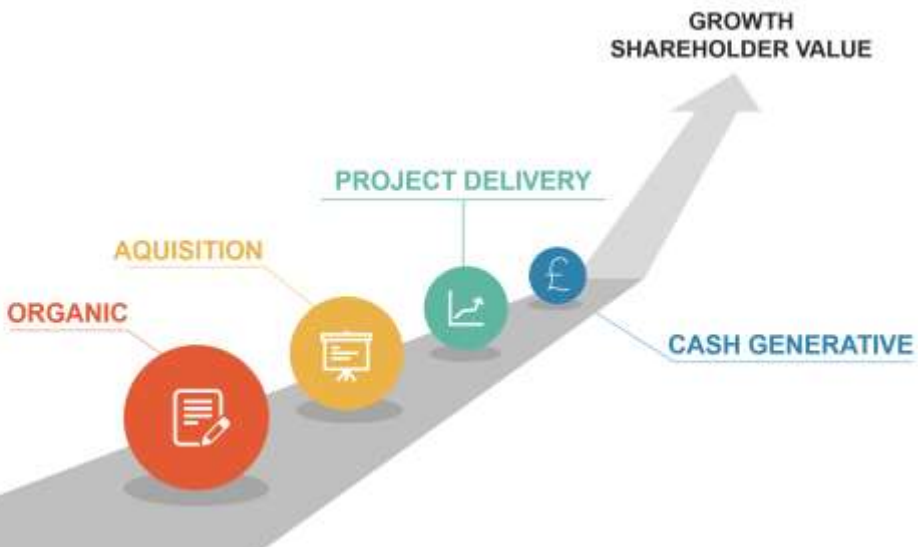


BATTERY



ENERGY INFRASTRUCTURE

Heavy engineering, fabrication, project development and operation of strategic infrastructure assets are in our DNA through our existing projects and our future vision.



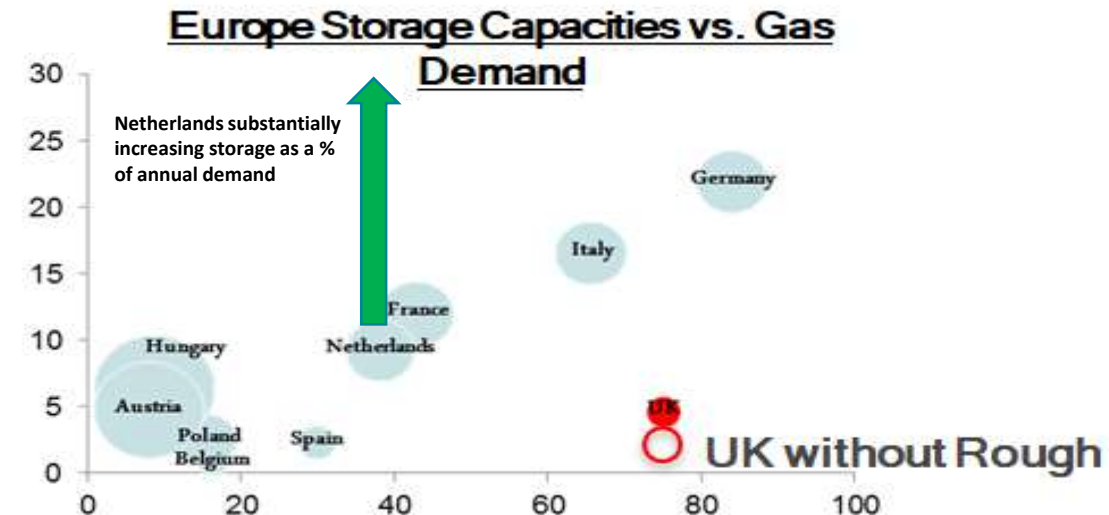


Project overview

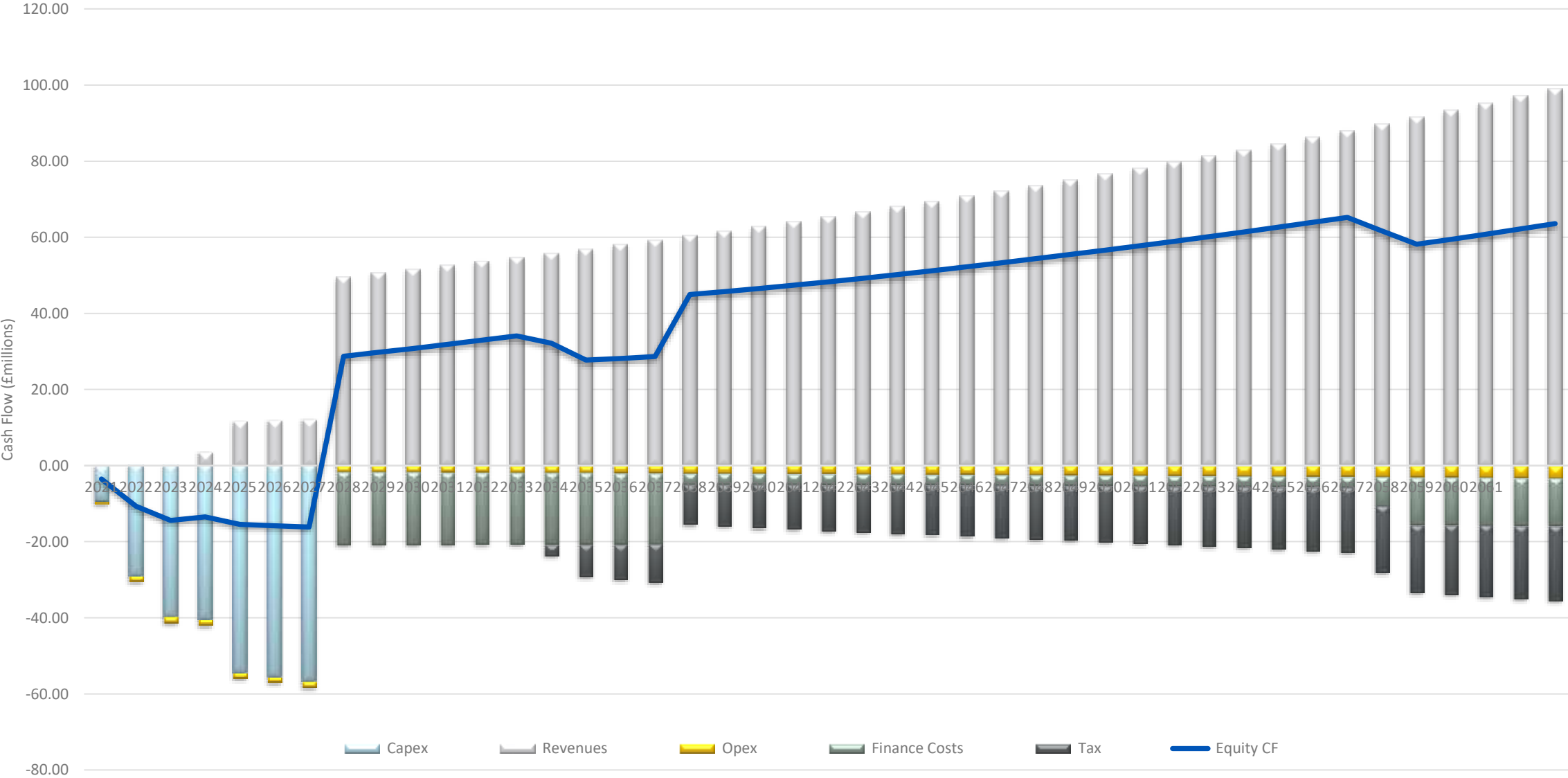


Project Drivers

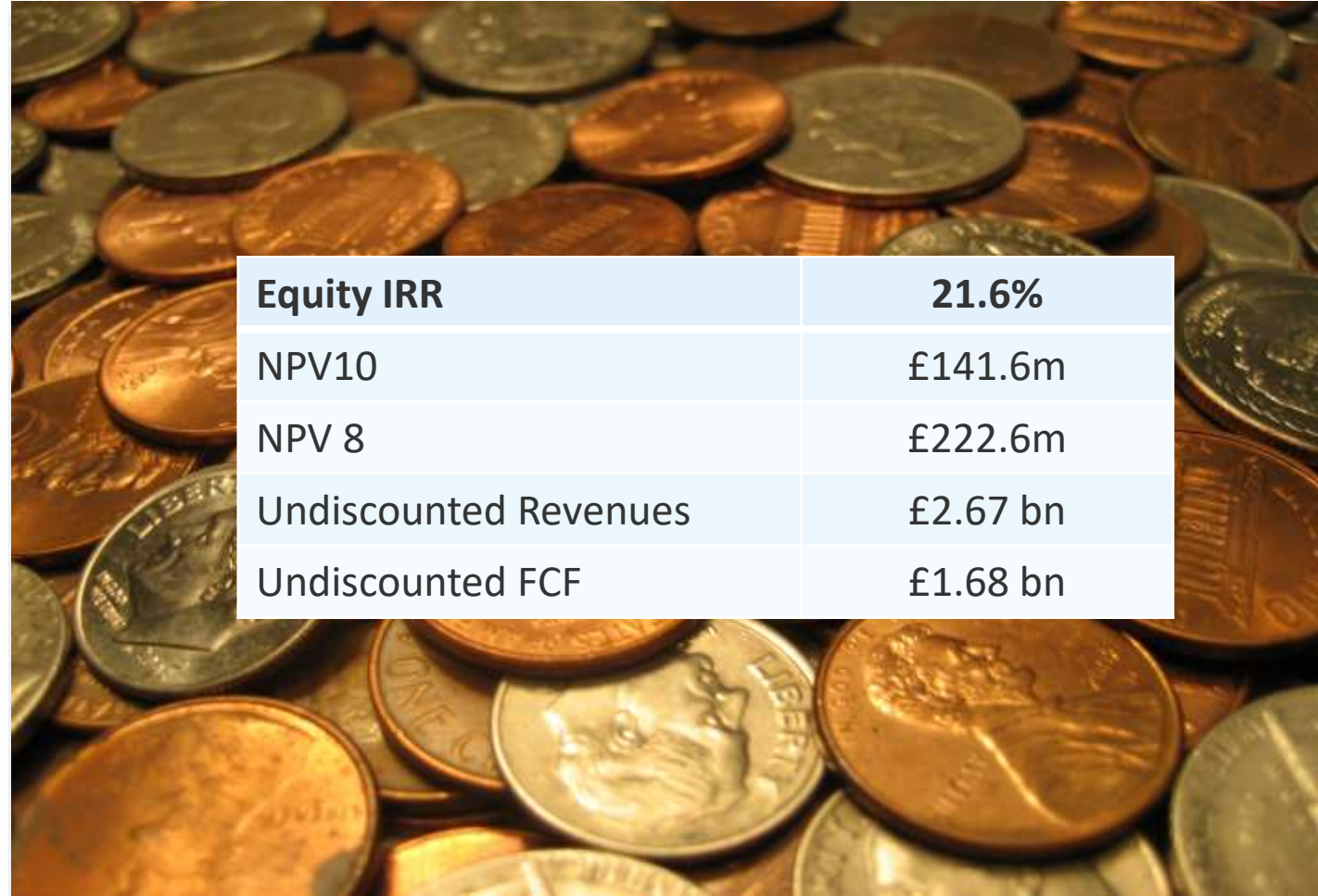
- No gas storage in Ireland and limited in UK < 2% of UK Demand
- Increasing risk of power brown or black outs
- Continuous supply of energy in UK on knife edge
- Storage will be required in larger quantities as we transfer to greener forms of energy
- Caverns are technically suitable for storing Hydrogen and Carbon capture in later life subject to approval.



Islandmagee project cash flow



Islandmagee project returns

A close-up photograph of numerous coins, including copper and silver ones, scattered across the surface. The coins are slightly out of focus, creating a textured background.

Equity IRR	21.6%
NPV10	£141.6m
NPV 8	£222.6m
Undiscounted Revenues	£2.67 bn
Undiscounted FCF	£1.68 bn

Project Assumptions include: 26p/therm Gas Storage Fee (Indexed), 75% Opex reimbursement, 65% project finance leverage with a 3+10 year tenor and a 40% balloon, project economics @ 100% ownership.

THESE ARE UNAUDITED MANAGEMENT CALCULATIONS ONLY

Economic benefits

Independent report produced in order to independently analyse and report on the key economic benefits for the UK and Northern Ireland as well as confirming the number of jobs that the project will create.

Key Findings

During construction **400 direct jobs** and between **800 - 1,200 indirect jobs** injecting at least **£7million into local economy**

During construction it is estimated that for every £1m of capital expenditure a further £2m will be created in the local economy. The wider **economy could benefit by around £400m**

During operations, **60 direct jobs** will be created, expected to bring £1m annually into the local economy and between **120 and 180 indirect jobs** that will bring in a further £2-3million annually

The UK's decision to **phase out coal-fired power generation** that was relied on to survive the "Beast from the East" back in 2018 will mean **a heavy reliance on gas storage to achieve security of energy supply**

UK Natural gas system lacks the flexibility and infrastructure to meet the demands of the future. **By 2035 74% of the UK's gas will be imported and require to be stored**

The Netherlands – a declining gas producer like the UK has compensated for its **loss of flexibility with gas storage and has 35% of domestic demand in gas storage; the UK has less than 2%**

Although electrification, powered by renewable energy sources, lies at the heart of energy transition, **energy will still have to be delivered through gas-burn to a large degree over the next 2 decades**

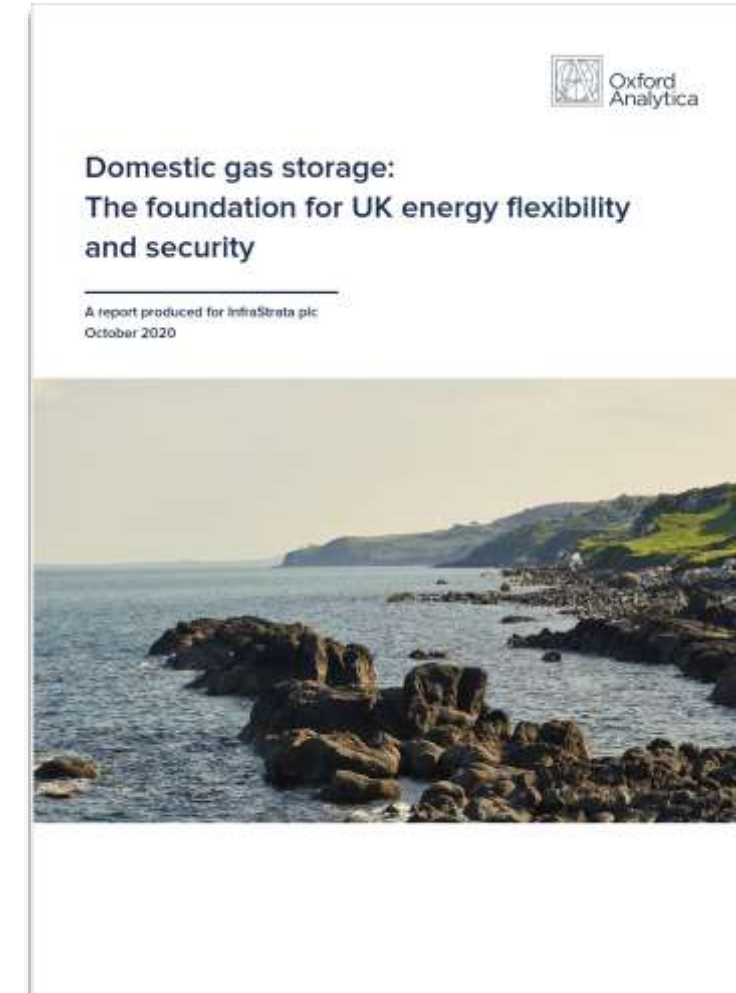
Hydrogen is at the heart of net-zero ambitions to achieve the 2050 targets, storage of high volumes of hydrogen is the cornerstone of any transition to domestic hydrogen use; this is a few decades away.

Gas storage facilities will become **critical complementary assets to the UK's low-carbon energy transition**

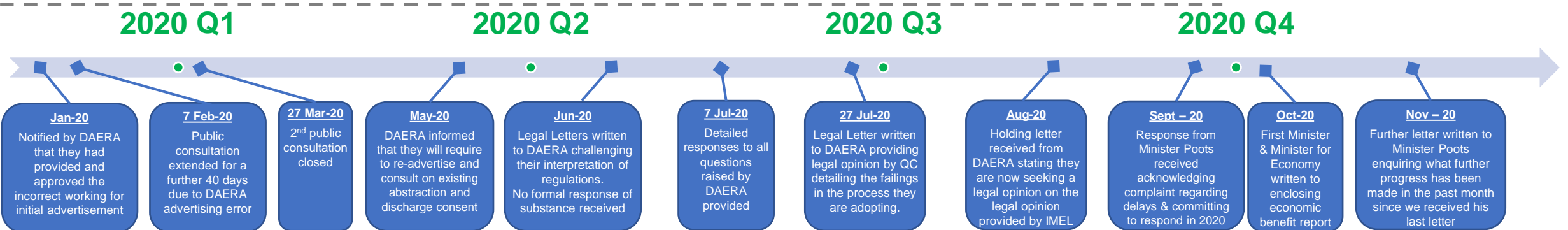
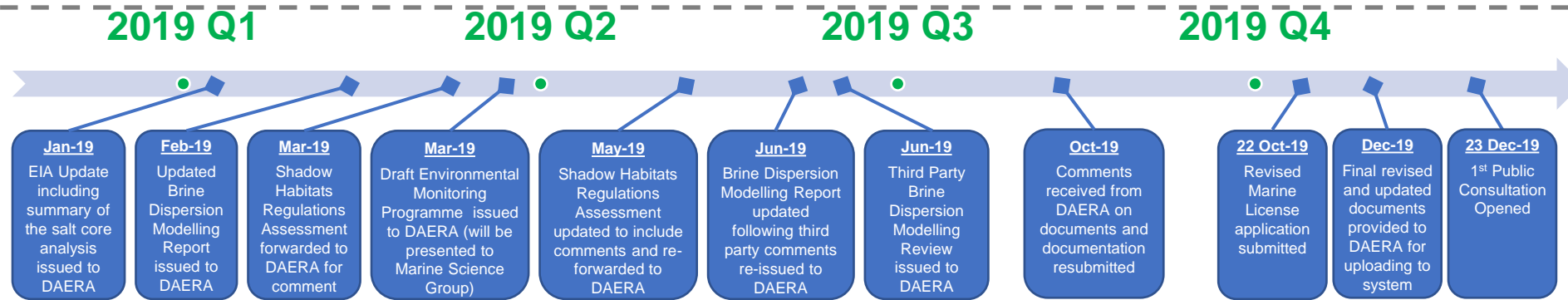
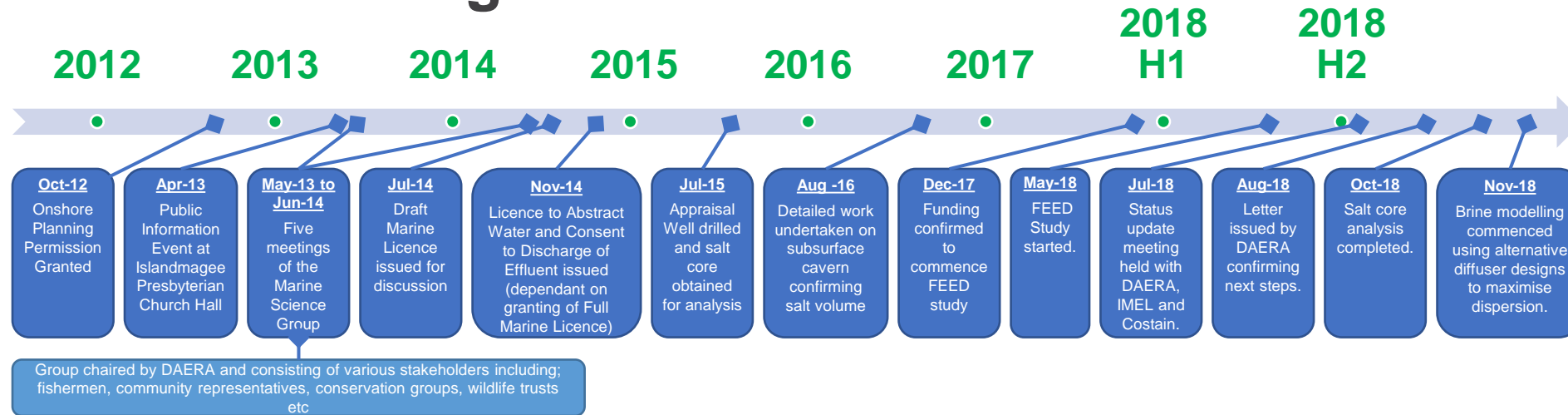
It is **crucial** to distinguish between **natural gas as a fuel and gas infrastructure assets**

Many of the **EU's largest economies have substantially increased their investment in gas storage**

Salt cavern gas storage, such as the proposed Islandmagee gas storage facility, **is by far the most appropriate technology to meet the UK's growing flexibility requirements**



Islandmagee gas storage project marine licensing timeline



Project status – our flagship project

- DAERA effectively been on holiday since March 2020 when COVID-19 broke out.
- We have been very patient and tried at every opportunity to work with the agency.
- Discussions reached a point where we believe they had misrepresented the regulatory framework – We sought legal advice to avoid yet further delays.
- Department didn't accept legal advice, so a legal opinion was sought which concurred with the previous advice we had been provided.
- Minister for Department has advised that his team are working on matters and expects to revert to us "later in 2020"

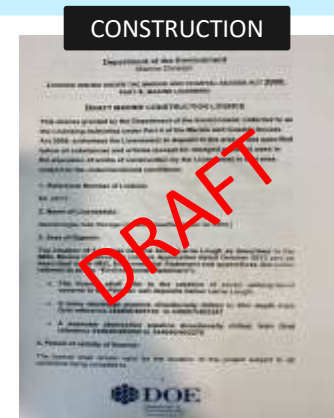
InfraStrata believes there is no reason why the Marine License will not be issued; this position is further strengthened by the various independent legal reviews.

Demand is stronger for the project now given the increased vulnerability in the market especially given BREXIT and potential use as a transition project.

Funding options remain available, but the Marine License has escalated into such a large issue it needs resolving prior to moving forward; project cost reimbursement of funds invested to date still in play & limited funds currently being deployed whilst waiting on DAERA.

We are still hopeful of an outcome in 2020 but are at the mercy of DAERA

We are gearing up to move the project along very quickly when the license is eventually granted "Shovel Ready Project".



Awaiting DAERA to convert draft Marine License to full, as part of that conversion they are entitled to review the existing Abstraction & Discharge License. The company has obtained a legal opinion that states there is no provision within the existing legislation that requires this review to be consulted on.

MARINE
LICENSE

If a review is ultimately decided to be required, it will involve a 40-day period where all the information that has been on public display and available is left in a room for anyone to inspect and will not involve the company

Future of storage

Gas Storage market and outlook – gas in one shape or another is around for decades to come.

Conversion of power stations from oil burn is first stage in the process to cleaner energy

Positive effects of Brexit

Vulnerability in the market has increased

Transition to cleaner fuel – Hydrogen will not be a short journey and will take many decades

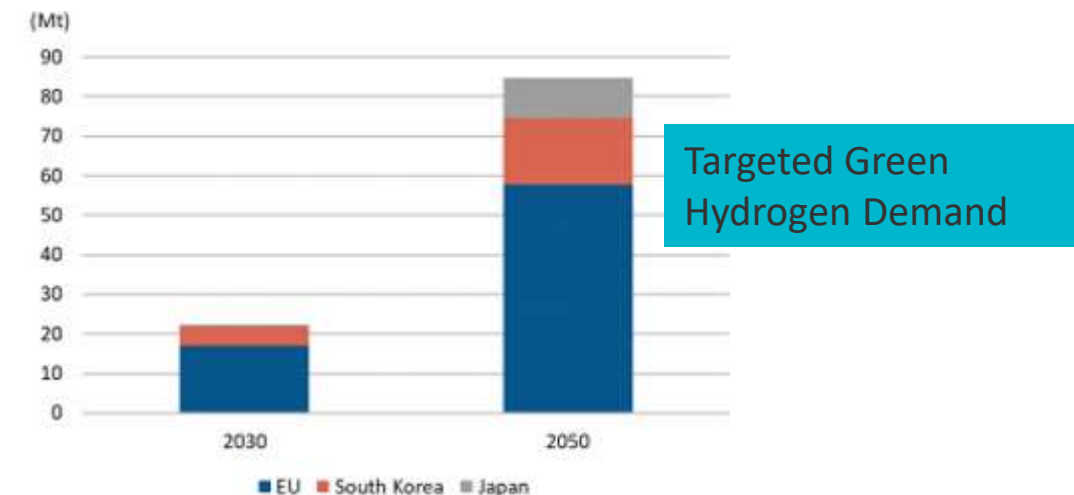
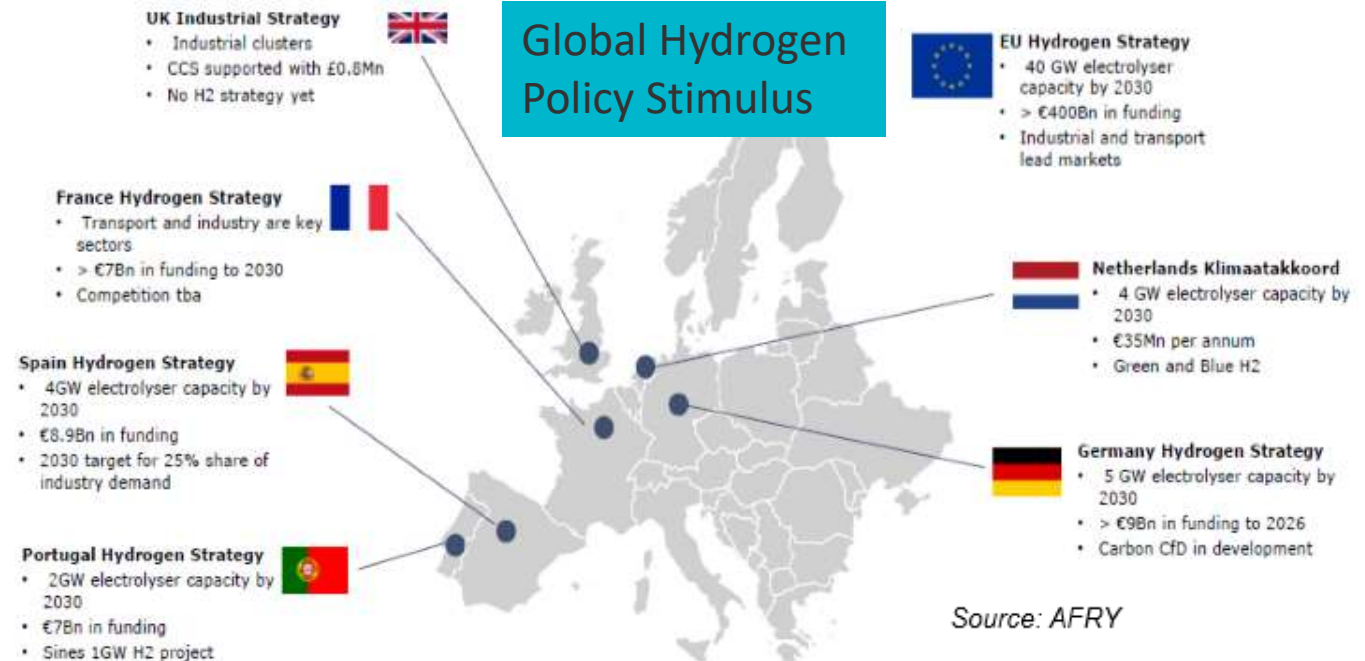
Island of Ireland's electricity grid vulnerability

Hydrogen – What is it and how will it work, including natgas blend

For Hydrogen to become the fuel of the future it will require storage on a massive scale; The only feasible economic option for this is in underground storage caverns.

Transition could see blending initially

Caverns will be huge in transition making Northern Ireland a global leader in the hydrogen sector





Management team



Commercial overview

BELFAST - Acquired 5th December 2019
APPLEDORE – Acquired 24th August 2020

Unique facilities at the **top and bottom end of the market**; Each facility with optimum overhead to win work

Belfast phase **1 & 2 of reactivation now complete**; Blended **margin in line with expectations**

Key wins with repeat clients, commenced with small projects to build client confidence; **contract values** now **increased by 5X** compared to Dec'19

Breakeven in September achieved within the Ship Repair and Conversion market works operating within the **drydocks**

Contracts are only starting to reach **material stage, competitive confidentiality** of trading position essential

Near term revenues identified **£40m**

Current Breakeven c£20-25m



The Opportunity:

- **Two of the largest dry docks in Europe** and ownership of the **largest undercover** drydock specialising vessels <120m
- Operations in **five markets** and **six sectors** giving specific industry downside protection
- Fixed regulatory periods to inspect vessels
- Shipyards in the sectors poised for growth
Shipbuilding and renewables
- Substantial **sovereign** contracts available in sectors
- One of two docks licenced for marine waste disposal in the UK
- One of three UK shipbuilders suitable for major for MOD contract work
- weighted pipeline of over **£1.3bn** between now and 2025
- Opportunity to grow revenues to **£536** million in the medium term

Belfast facility

7. GEORGE BEST BELFAST CITY AIRPORT

6. BELFAST DOCK

Dock size: 335m x 50.29m
Draft: 12.3m depth of water over sill at MHWS

Cranes

- Two 40t @ 24.3m Henson
- One 80t @ 38m Henson

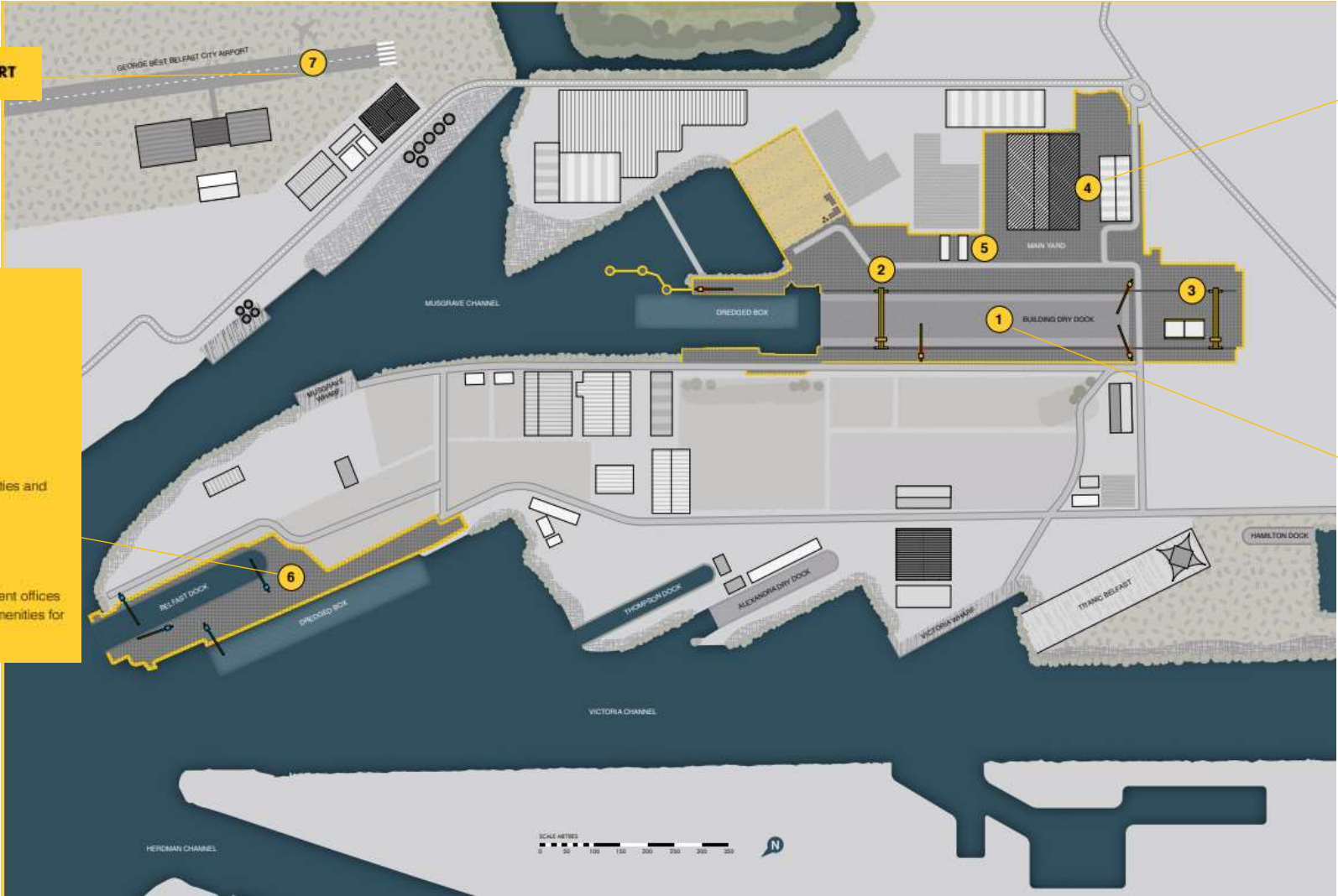
Further details

- 1500m² slops reception
- Licensed for open grit blasting
- Fully self-sufficient site with own offices amenities and workshops

Six section intermediate gate

Licensed for the repair of vessels

Extensive dockside facilities including project/client offices and conference rooms up to 160 persons and amenities for up to 1000 workers (4 x 250 person blocks).



4. FABRICATION & BLOCK FACILITY

Fabrication Shops

Over 30,000m² covered fabrication halls

Musgrave Blocking Shop

Overall area: 8,976m²
Doors: electrically operated sliding panels 40m w x 18m h, sliding panel 12m w x 12m h

Musgrave Fabrication Shop

Overall area: 8,774m²
Doors: 1 off 18.8m w x 11.5m h
3 off 12m w x 8m h

KEY MACHINERY:

- 200t growing line
- 6 x ESAB sub-arc welding tractors
- 2 x 7.6m x 4.3m Oerlikon C&B 4 wire manipulators

1. MAIN DOCK

Size: 556m x 93m
Draft: 8.41m depth of water over sill at MHWS

Cranes

- Two 'Goliath' type gantry cranes:
- Span: 140m
- Lifting height: 70m
- Safe working load: 840t
- Two 60t @ 25m Henson
- One 9t @ 40m Stothert & Pitt

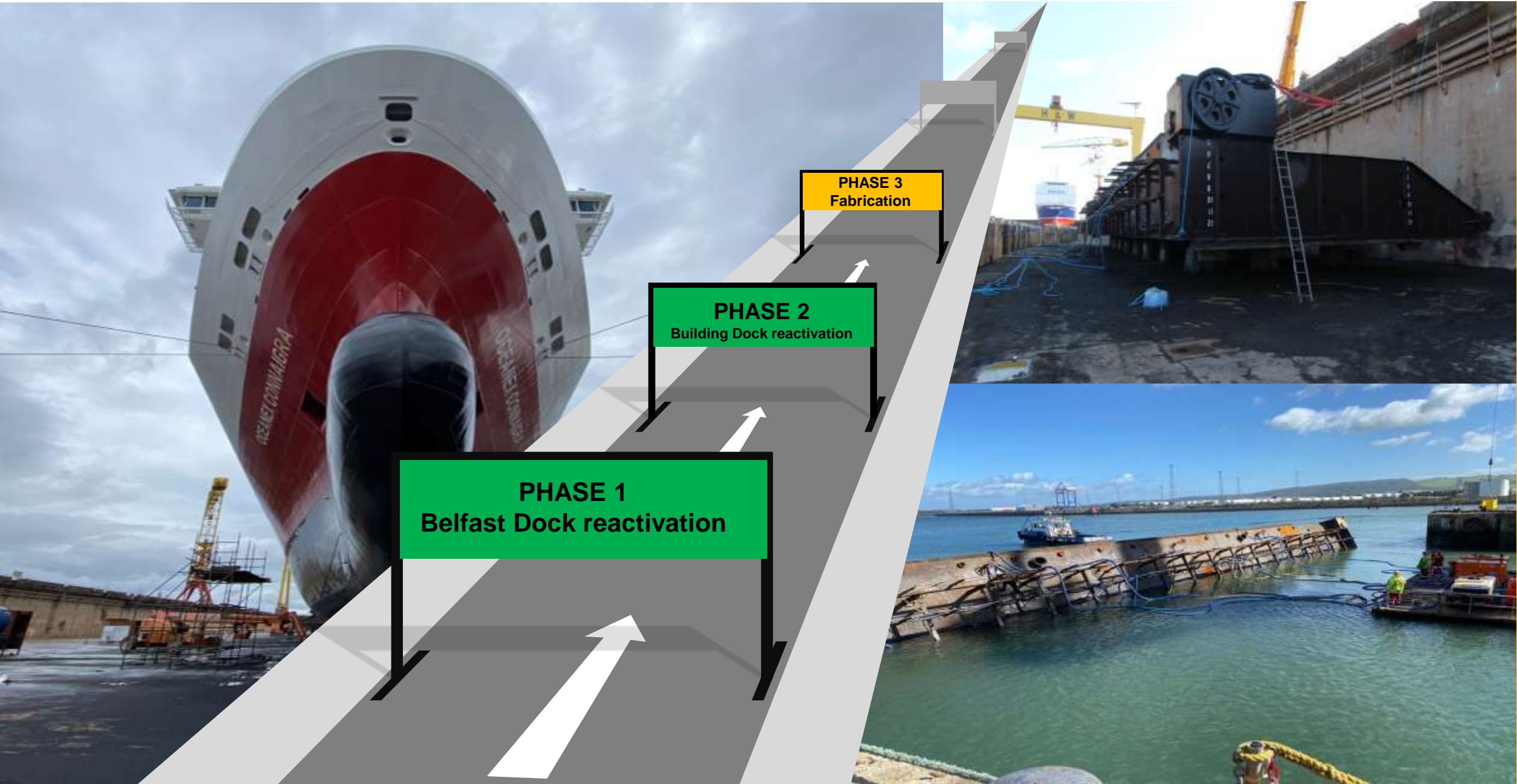
Further details

- Intermediate dock gate which can be placed at predetermined locations along the length of dock allowing for a part wet/dry arrangement
- Over 300,000m² of hard standing ground
- No tidal restrictions for port entry
- Support of ship repair facility on site

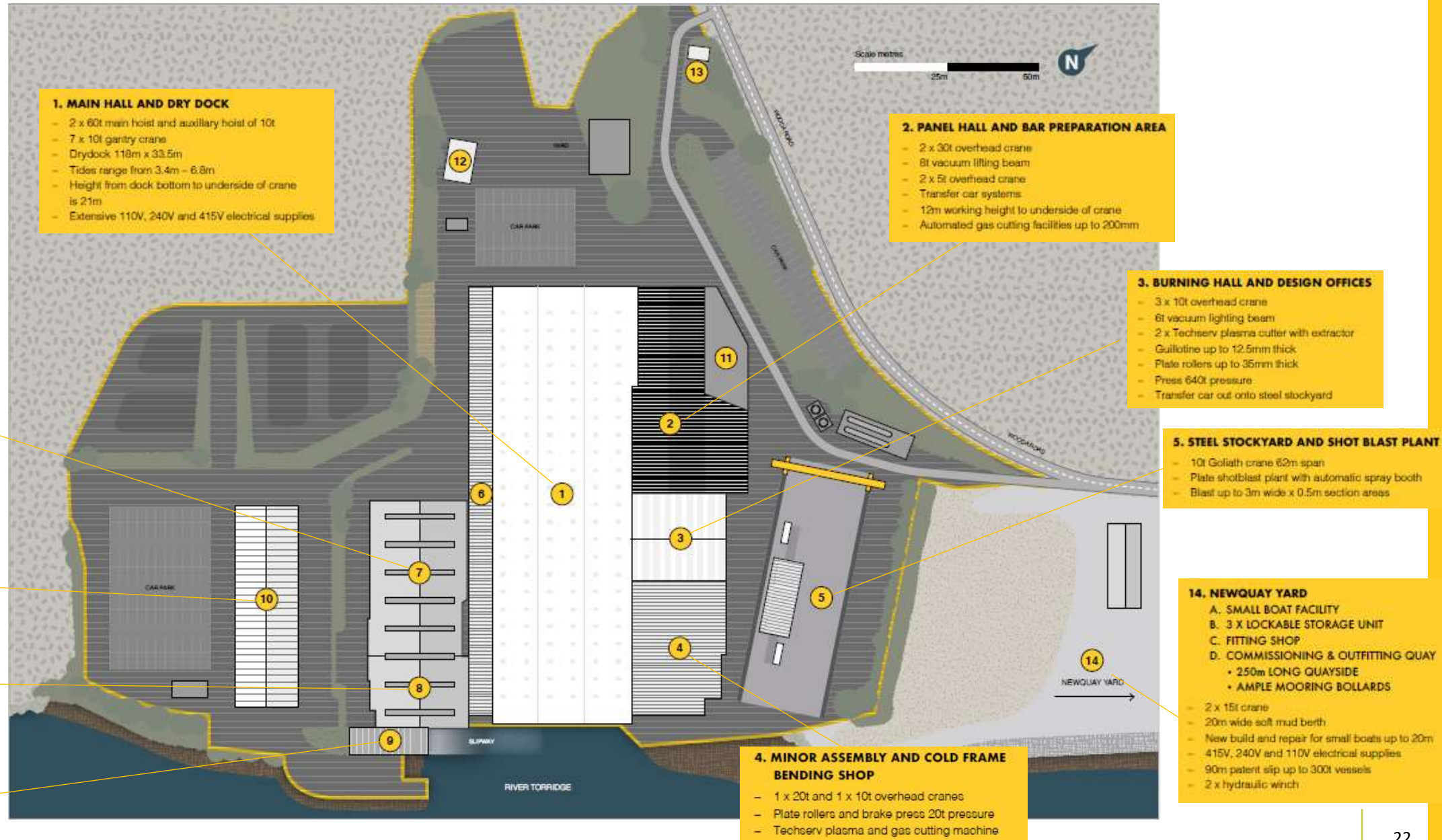
YARD ACCESS

6 miles to end of Victoria Channel

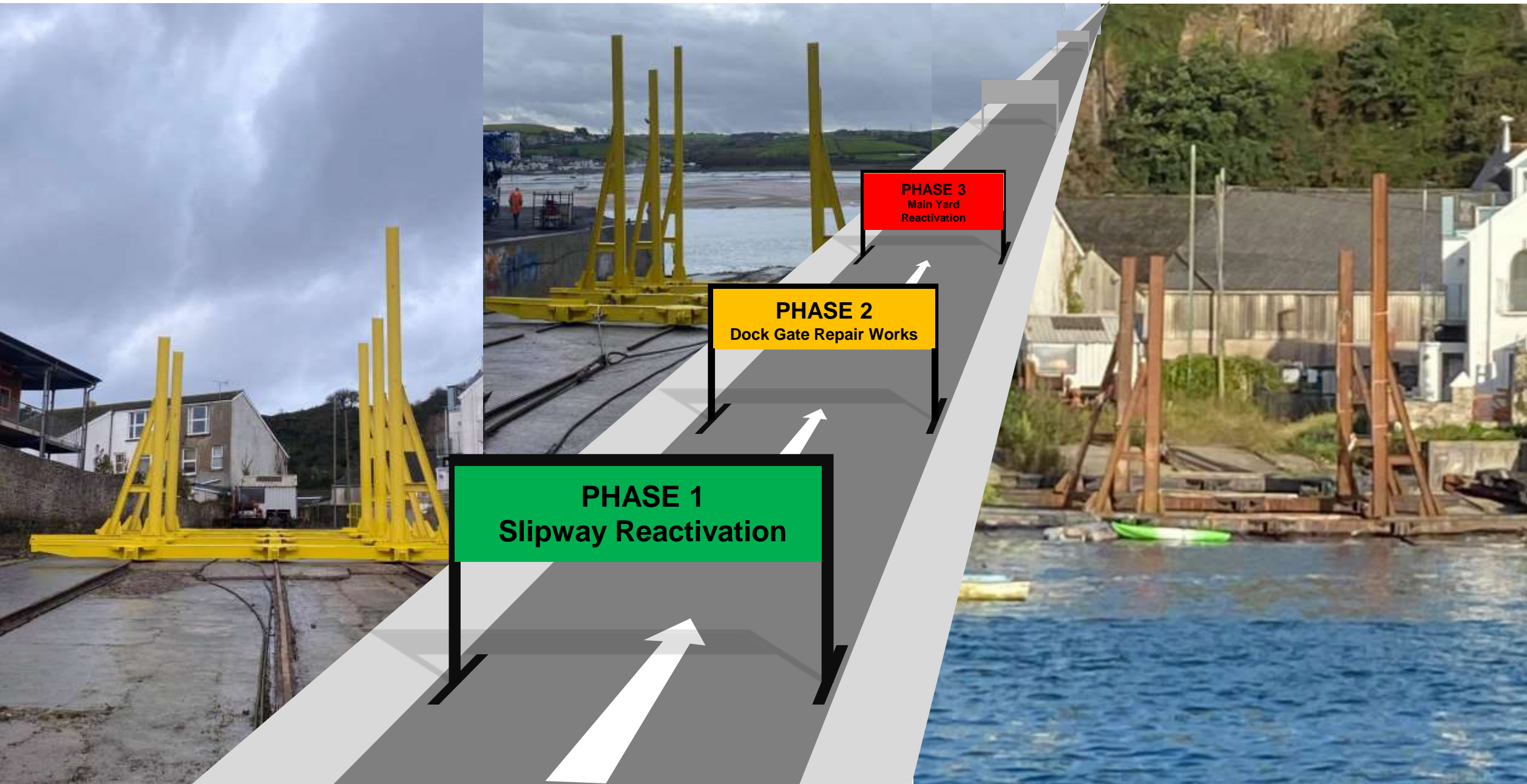
Water depth: Maintained depth of minimum 9.1m **Width:** 152.4m **Tidal range:** 3.5m



Appledore facility



Appledore facility reactivation



Markets & sectors

DEFENCE

COMMERCIAL

OIL & GAS

CRUISE & FERRY

RENEWABLES





COMPLETE LIFECYCLE MANAGEMENT

Decommissioning

Technical Services

Fabrication & Construction

Repair & Maintenance

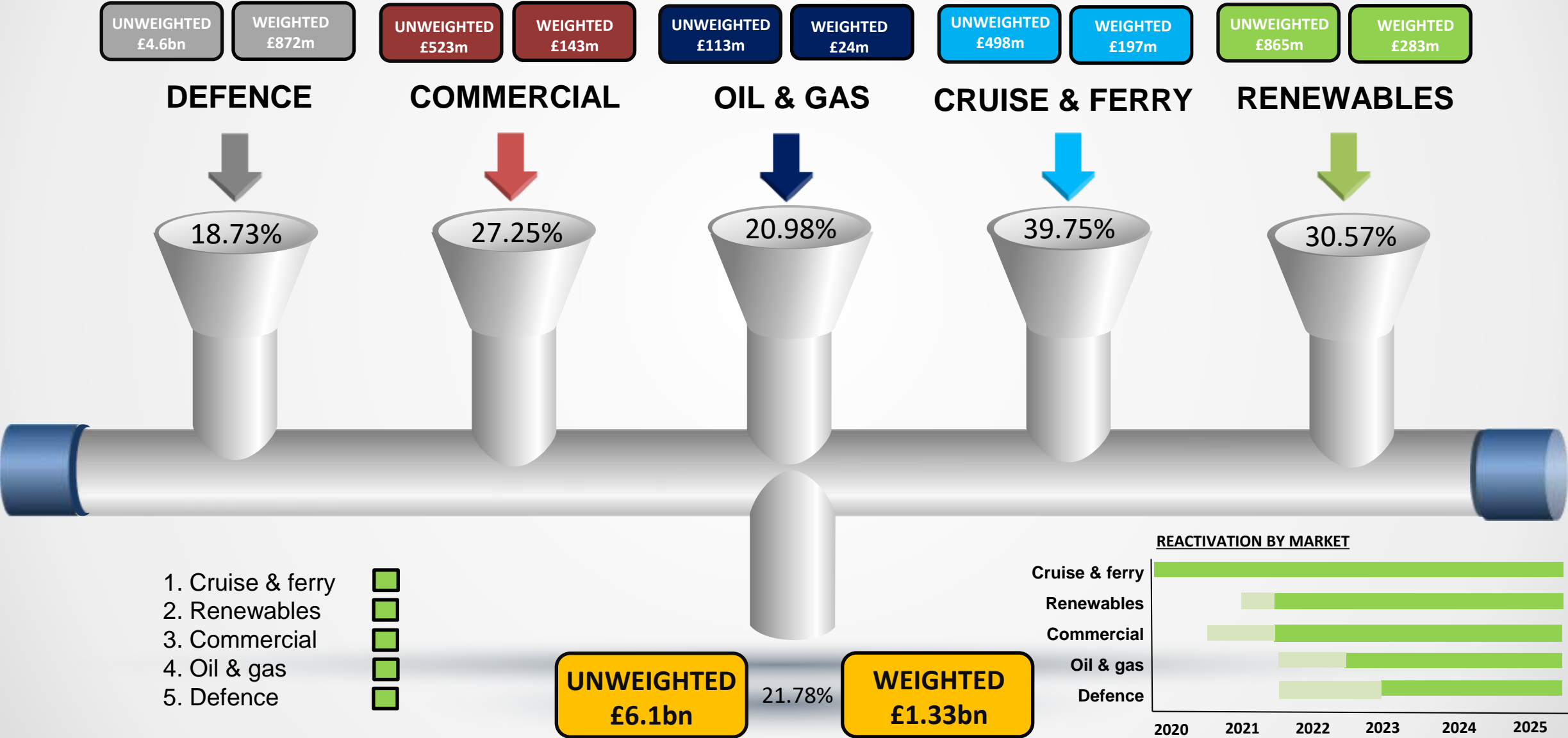
In Service Support

Conversion



Harland & Wolff

Current pipeline by market: 2020-25



Current pipeline by sector: 2020-25

UNWEIGHTED £-m	WEIGHTED £-m	UNWEIGHTED £4.2bn	WEIGHTED £970m	UNWEIGHTED £133m	WEIGHTED £55m	UNWEIGHTED £1bn	WEIGHTED £95m	UNWEIGHTED £504m	WEIGHTED £180m	UNWEIGHTED £208m	WEIGHTED £24m
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TECHNICAL
SERVICES

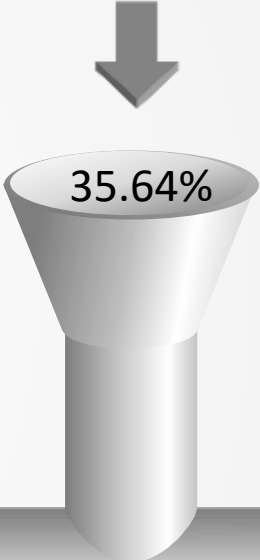
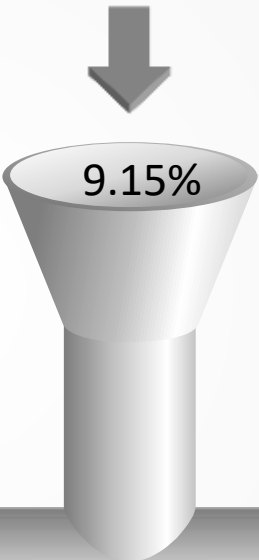
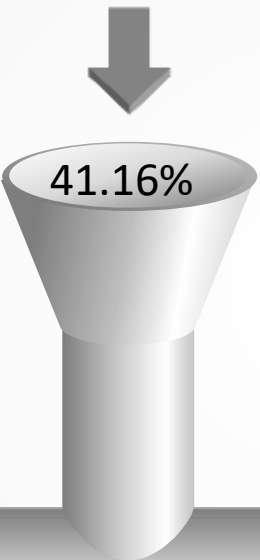
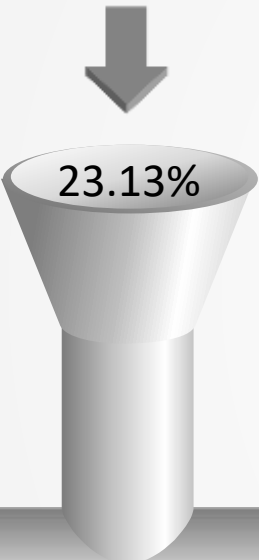
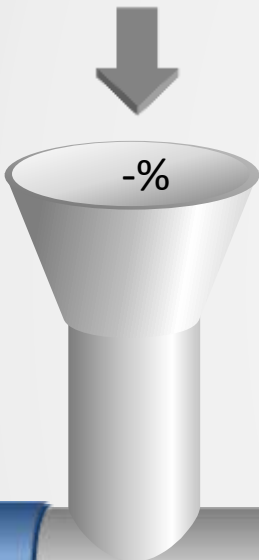
FABRICATION

REPAIRS &
MAINTENANCE

IN SERVICE
SUPPORT

CONVERSION

DECOMMISSIONING



As we reactivate sectors and build relationships our weighted to unweighted pipeline ratio increases substantially

- 1. Repair & maintenance
- 2. Conversion
- 3. Fabrication
- 4. Decommissioning
- 5. In service support
- 6. Technical services

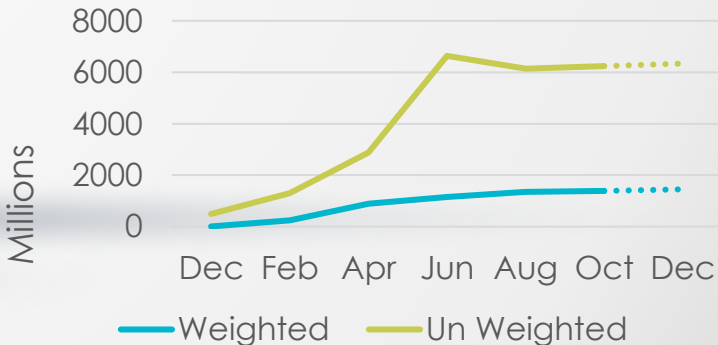


Reactivation of the business in a controlled manner reduces our risk exposure

UN WEIGHTED
£6.1bn

21.78%

WEIGHTED
£1.33bn



UK shipyard landscape



BAE SYSTEMS

Owners:- Listed
Specialty:- Defence



CAMMELL LAIRD

Owners:- Peel Holdings
Specialty:- General



babcock

Owners:- Listed
Specialty:- Defence



A&P

Owners:- Peel Holdings
Specialty:- General



A&P

Owners:- Peel Holdings
Specialty:- General

Other Major UK Yards

H&W Belfast Limited

Appledore Facility

Growth sector

Crowded middle sector

Growth sector

UK Building dock facilities



Building Dock's length in meters (m)

Facilities with proven workforce to deliver



NEWBUILD - APPLEDORE



BLOCKS - APPLEDORE



RENEWABLES - BELFAST



CRUISE - BELFAST



NEWBUILD - BELFAST

Team Resolute



 Harland & Wolff

 Navantia

 BMT

TEAM RESOLUTE

Strengthening UK sovereign ship
building capability and prosperity

Fleet Solid Support

Teaming agreement formed with Navantia
and BMT for FSS

Next large Defence project

Reduced risk & credible offering

Integration of Navantia's management into
H&W – Integrated PMT

Interaction with MOD ongoing

Competition relaunch expected September

Management have done this before
delivering vessel two months ahead of
schedule



Navantia and H&W are collaborating on several other projects across defence, wind and cruise projects

What differentiates H&W ?

Our dock sizes and our 85-acre footprint

Physical size of our fabrication, assembly and blast & paint areas

Management team that have delivered projects in all sectors

Known in the industry and have connections to decision makers

Ability to run with two flat sectors

A new face in the market

Defence customer that wants value for money, they are ready for change

Government policy of regional growth and encouraging exports

Moulded offering to suit client's requirements across all sectors

Cruise market that is increasing in length of vessels



REVITALISING SOVEREIGN AND COMMERCIAL SHIPBUILDING AND FABRICATION CAPABILITY IN THE UK

Our ethos binds our teams together. It breathes into how we work, how we communicate and what we do

EXPLORING NEW IDEAS

Trying and testing new methods and processes

EMPOWERING OTHERS

Sharing tools and techniques to progress and succeed

ENGAGING FULLY

Committing ourselves to our work with a passion and drive

WITH CONFIDENCE

Playing to our strengths and focusing on our goals

STRIVING FOR THE BEST

Motivating and inspiring others with high performance and a can-do attitude

BEING NIMBLE

Bringing agility and flexibility through lean teams

Summary of key points

Marine License expected during 2020 will facilitate things moving forward in 2021.

No reason why marine license should not be issued

Both the UK and devolved governments are trying to stimulate the economy; We are well placed with a shovel ready project

Having considered government policy and future growth trajectory, the FSRU project has fallen out of our top five areas which are wind and floating wind, hydrogen, tidal, battery and energy infrastructure.

All the strategic projects we consider will have heavy engineering and fabrication opportunities in their DNA

H&W Belfast re establishing fabrication capacity

H&W Appledore slipway operational shortly, dock gates will be removed through November for repairs and replaced early in 2021



- ✓ **Creating shareholder value through organic growth**
- ✓ **Astute acquisitions**
- ✓ **Project delivery on time and on budget.**

Key Stats

- ✓ Turnover Med Term = £536 million
- ✓ Drydocks breakeven Sept '20
- ✓ Weighted Pipeline £1.3bn to 2025
- ✓ Risk split across five markets
- ✓ 19 Vessels docked
- ✓ 200 people inc contractors
- ✓ 9 New build enquiries

Drydocks have had first month of reaching breakeven; significant potential to improve as we increase size of contract values.

Reporting will remain ½ year and full year

Material contracts only will be released via RNS

Trading in five different markets and working in six different sectors substantially reduces our risk profile and provides diverse range of opportunities.

UK fabrication capacity reaching maximum capacity just for delivering existing programs; Substantial opportunity for H&W to be involved in Defence projects and new fabrication contracts.

Company is active in key sectors that has government backing – shipbuilding, energy transition, hydrogen, renewables, whilst delivering on the twin local content and leveling up agendas.

Questions

