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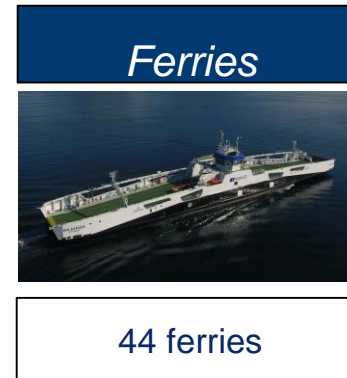
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*Financial report Norled Q1 – 2022*

# Norled at a glance

- One of the leading ferry and express boat operators in Norway
- Founded in 1855
- Nationwide operations from Oslo to Tromsø
- 900 employees, HQ in Stavanger
- Norled aims to operate with low and zero emissions and to be the leader in developing green solutions in the ferry and express boat sector
- Operates 10 ferry contracts and 10 express boat contracts
- Tourism activities related to contracts, and some charter activities
- Operates catering activities on vessels.



# Operational update 2022 – Q1/YTD



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- Norled has in first quarter signed contracts with Oma Shipbuilding AS for two newbuilds. These vessels are built for new express boat contract in Vestland county where Norled has option to start by end of 2023.
- MF Hella has been delivered from Sembcorp Shipyard during first quarter of 2022. Will be set in operation in Sogn during second quarter.
- Norled are currently planning for the start- up of the new contract with The Norwegian Directorate for Fisheries. The contract will start during second quarter of 2022. This include also a new vessel which will be delivered from Oma Shipbuilding AS.
- Norled has sold three vacant vessels during first quarter.
- All agreed operations have been carried out despite the challenges COVID-19 has posed.
- As a result of COVID-19, there is still risk of delays in the construction and delivery of new vessels. The company is constantly working to optimize a plan with temporary vessels on the routes where there are delays in delivery.
- The pandemic has also in first quarter 2022 an impact on operation, both because of late delivery of vessels and sick- leave. There are also somewhat effect on catering and tourism volume in first quarter.
- The Russian invasion of Ukraine has led to escalating energy prices and also somewhat stress in the supply chain.



# Financial update 2022 – Q1/YTD



- Revenue:
  - Revenue Q1-22 is in line with Q1-21.
  - Revenue is affected by changes in contract portfolio
- EBITDA:
  - Decreased EBITDA profitability is mainly related to increased Other operating cost.
  - Escalating energy prices during first quarter of 2022 is the main reason for increase in other operating cost.
  - A one-year delay in index regulation on contract revenue leads to decrease in profitability in first quarter
- Increased depreciation due to completion of newbuild, infrastructure and retrofit projects.

NOKm	Q1 2022	Q1 2021	Changes	Changes %
<b>Total revenue</b>	<b>469</b>	<b>478</b>	<b>-9</b>	<b>-2 %</b>
Cost of goods (catering)	4	2	1	48 %
Personnel costs	199	196	3	1 %
Other operating costs	214	193	21	11 %
Net gain on sale of Fixed Assets	0	1	0	-33 %
<b>Total operating costs:</b>	<b>417</b>	<b>392</b>	<b>25</b>	<b>6 %</b>
<b>EBITDA</b>	<b>52</b>	<b>86</b>	<b>-34</b>	<b>-39 %</b>
EBITDA %	11 %	18 %	-7 %	
Depreciation / writedown	82	70	12	17 %
<b>EBIT</b>	<b>-30</b>	<b>15</b>	<b>-46</b>	<b>-296 %</b>
Net financial costs	35	31	4	14 %
<b>EBT</b>	<b>-65</b>	<b>-15</b>	<b>-50</b>	<b>328 %</b>
Tax expense	-14	-3	-11	328 %
<b>Net Income</b>	<b>-51</b>	<b>-12</b>	<b>-39</b>	<b>328 %</b>

Quarterly tax expense is calculated based on 22% of EBT. Full year numbers include full tax calculation.

# Balance sheet



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- Fixed assets. Increase in fixed assets is due to investments in new vessels and retrofit of existing vessels.
- Changes in bank deposits and cash are normal changes in working capital.
- Long term debt. The increase of long-term debt is due to increase of capex debt for building of new vessels and retrofit of existing vessels.
- Norled is compliant with all financial covenants related to bond and other long-term debt to financial institutions per 1Q-22.

## Balance sheet

NOKm	31.03.22.	31.03.21.
Fixed assets	4 604	3 911
Bank deposits and cash	393	334
Other assets	219	206
<b>Total assets</b>	<b>5 216</b>	<b>4 451</b>
Equity	619	638
Deferred tax	268	268
Long-term debt	4 008	3 292
Other debt	322	252
<b>Total equity and liabilities</b>	<b>5 216</b>	<b>4 451</b>
NIBD	3 614	2 958
<b>Spec. of long-term debt</b>	<b>31.03.22.</b>	
Long-term debt to financial inst.	3 508	
Bond	500	
<b>Total long-term debt</b>	<b>4 008</b>	

# Cash flow statement



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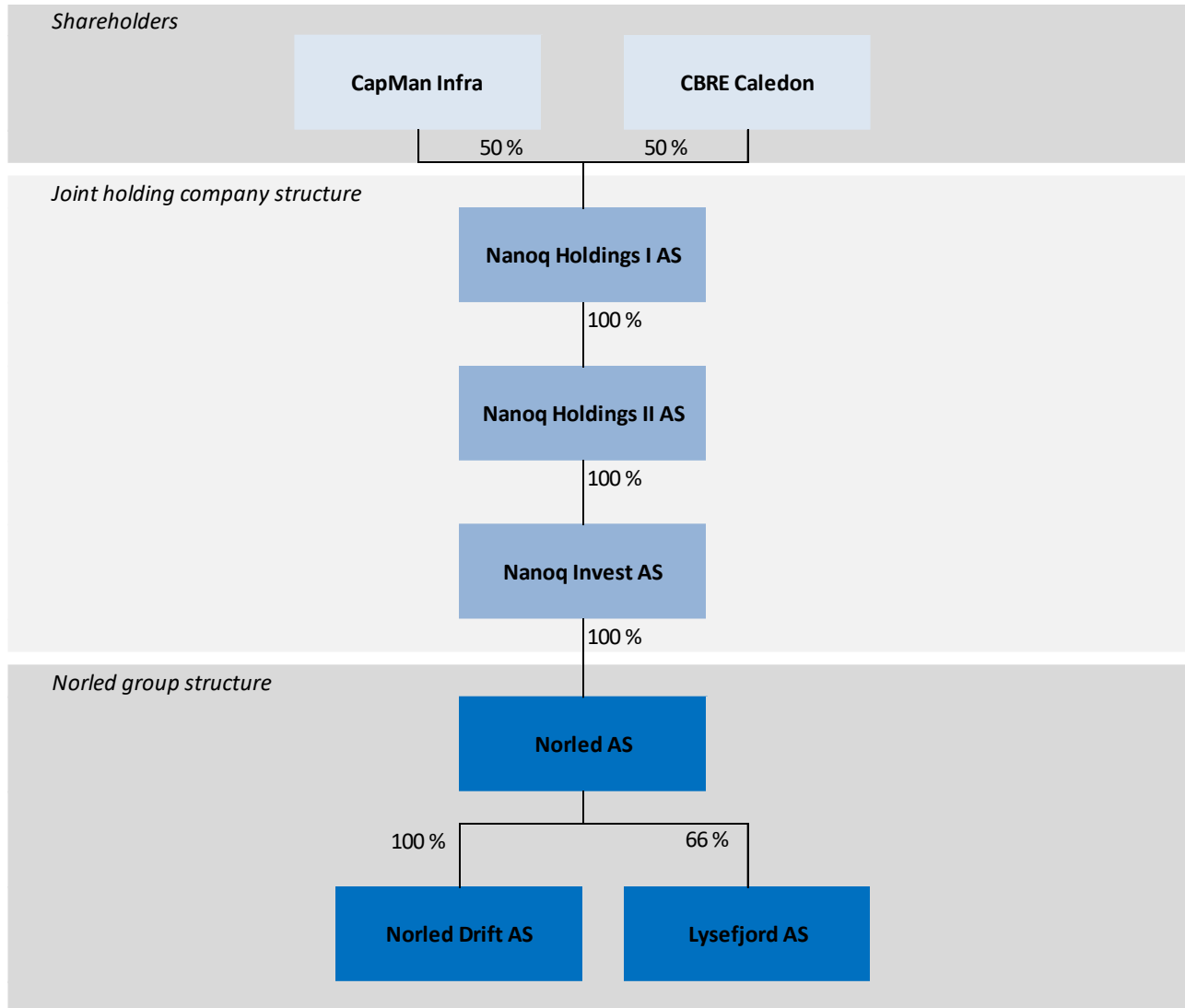
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<b>Cash flow from operating activities</b>	<b>Q1-22</b>	<b>Q1-21</b>
Net income before tax	-65	-15
Net financial items	35	31
Gain on sale of fixed assets	0	1
Depreciation	82	70
Write-down	0	0
Changes in inventory	-11	0
Changes in accounts receivable	-13	-7
Changes in accounts payable	78	-9
Changes in pension commitments	0	0
Income tax payable	0	0
Changes in other items	-10	-10
Net cash flow from operating activities	95	61
<b>Cash flow from investing activities</b>	<b>Q1-22</b>	<b>Q1-21</b>
Proceeds from sale of fixed assets	13	1
Purchase of fixed assets	-283	-177
Paid interest	-36	-31
Received interest	1	0
Net cash flow from investing activities	-306	-206
<b>Cash flow from financing activities</b>	<b>Q1-22</b>	<b>Q1-21</b>
Proceeds from borrowings of long term debt	134	70
Repayment of borrowings	-7	0
Dividends	0	0
Net cash flow from financing activities	128	70
<b>Net change in cash and cash equivalents</b>	<b>-83</b>	<b>-75</b>
Cash and cash equivalents at IB	476	411
Cash and cash equivalents at CB	393	334

# Group structure



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The quarterly report contains consolidated numbers and information for the «Norled group structure» only.



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IR – Norled

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