

# Fjord1

FIRST QUARTER REPORT

13 May 2020



# About Fjord1

**Fjord1 aims to be the safest and most attractive provider of environmentally friendly and reliable transport for our customers, clients and partners.**

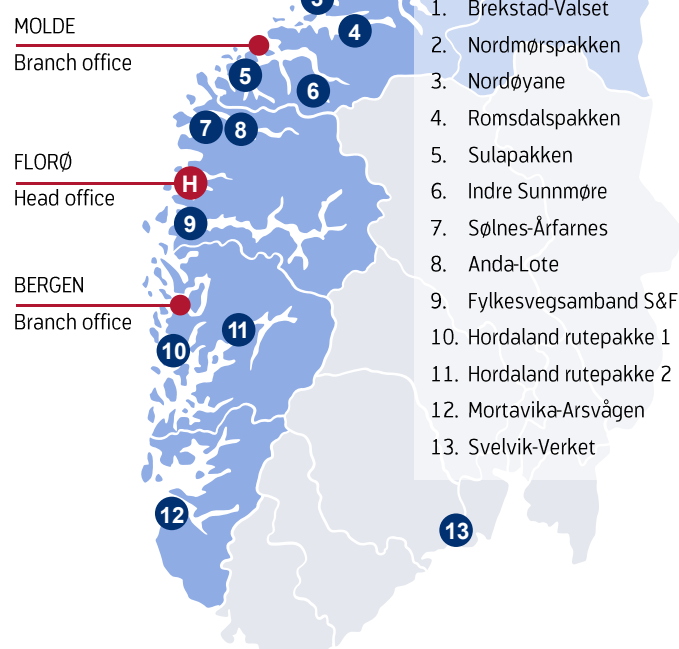
Fjord1 is a leading player in the Norwegian ferry market. It also operates passenger boat services and has interests in the catering and tourism sectors.

Competent employees enable Fjord1 to be at the forefront with respect to safety, innovation, technology and the environment.

Fjord1 is instrumental in investing in low-emission and zero-emission technologies, and the electrification of Norway's fjord crossings.

Fjord1 is listed on the Oslo Stock Exchange under the ticker FJORD.

## Ferry contract overview 2020



## Our values reflect who we are and the way we work.



Cheerful



Open and honest



Reliable and keeping our promises



Profitable



Working together and team spirit



Proud

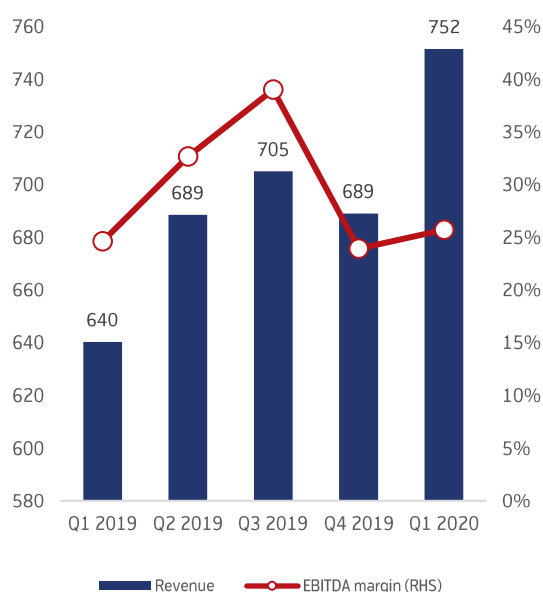
More information at [www.fjord1.no](http://www.fjord1.no)

# First quarter highlights

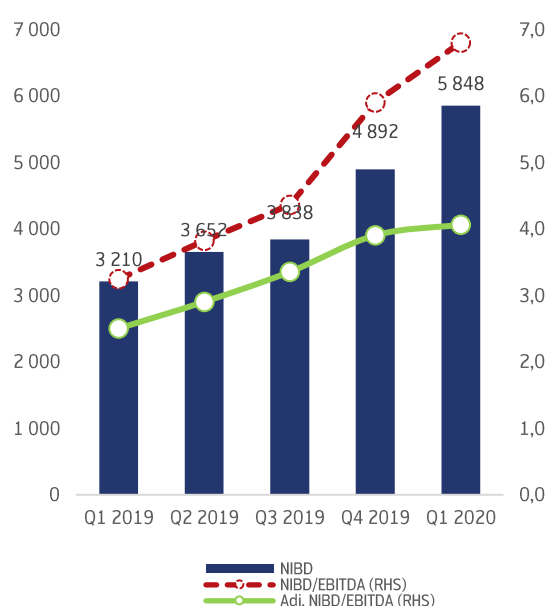
## Safe and stable operations in a challenging environment

- Fjord1's top priorities amidst the Covid-19 pandemic have been the safety and security of its employees, customers and suppliers, and to safeguard its operational capabilities. The company has remained fully operational and progressed on its planned ramp-up of new contracts, in compliance with all national and local regulations and recommendations to limit the spread of the Covid-19 virus.
- Revenue increased by 17% to NOK 752 million after the start-up of new routes from 1 January 2020, while EBITDA increased by 23% to NOK 194 million. Reduced frequency on ferry and passenger boat routes due to travel restrictions have had a limited financial impact, although the effects on Catering and Tourism have been significant.
- The vessel renewal programme is coming to an end, with five vessels delivered in the quarter. Two deliveries remain out of a total of 25 new and upgraded vessels.
- Total investments amounted to NOK 932 million in the quarter, including NOK 109 million in infrastructure, and net interest-bearing debt (NIBD) increased to NOK 5,848 million.
- Fjord1 is well equipped to navigate this more uncertain market environment, with a long-term contract portfolio of NOK 22.8 billion and exciting long-term prospects in the tourism industry. The company remains committed to its long-term strategy of being a leading player in the Norwegian ferry market and providing safe, reliable and environmentally friendly transport to its customers.

Revenue (NOK m) and EBITDA (%)



NIBD (NOK m) and NIBD/EBITDA



Adjusted NIBD/EBITDA reflects covenant allowance to adjust NIBD in alignment with the start-up of associated contracts



## Steady course in choppy waters

Fjord1's main priorities amidst the Covid-19 pandemic have been to protect the safety and security of its employees, suppliers and customers, and to safeguard its operational capabilities. The company has acted responsibly and in compliance with national and local regulations and recommendations. It has remained fully operational and has fulfilled its responsibilities as a provider of critical transport infrastructure in coastal Norway. The net financial effects of Covid-19 have been limited in the main Ferry and the Passenger Boat segments, but have negatively affected the Catering and Tourism segments. The impact on operations and financial performance in the coming quarters will depend on the magnitude and duration of the government's extraordinary public health measures, with potential longer-term effects in the Tourism and Catering segment due to changes in international travel behaviour. As previously communicated, Fjord1 views 2020 as a ramp-up year, with the start-up of several new ferry contracts, the completion of the vessel newbuild programme and further progress in the electrification of the fleet.

Fjord1 is well equipped to navigate this more uncertain market environment, with a long-term contract portfolio of NOK 22.8 billion and exciting long-term prospects in the tourism industry. The company remains committed to its long-term strategy of being a leading player in the Norwegian ferry market and providing safe, reliable and environmentally friendly transport to its customers. Fjord1's vessel upgrading programme means that electricity will soon make up 40% of its fuel mix, making the company one of the most environmentally friendly ferry operations world-wide.

### Ferry Services

Due to travel restrictions related to Covid-19, Fjord1's traffic volumes declined in the first quarter despite the start-up of new contracts. The number of passengers declined by 24% to 2.8 million, whereas the number of vehicles transported fell by 29% to 1.5 million. However, the majority of Fjord1's contracts are based on capacity and sailing frequency, rather than passenger volumes. This has to a great extent shielded the Ferry segment's revenue, which increased by 19% the start-up of new contracts. The required level of operation has been agreed with the principals in the different county authorities (Fylkeskommuner) and the Directorate of Public Roads (Statens Vegvesen), and the number of ferry departures has been cut temporarily on five contracts. Fjord1 has retained its contractual revenues, with the cost savings benefiting the contract counterparties. As a result, the overall financial impact has been limited for Fjord1.

The situation may, however, further delay the completion of electrification infrastructure, due to travel restrictions for technical personnel from Germany and Italy. Such delays will further postpone the start-up of fully electric ferry routes, which will, in turn, postpone the release of government-funded NO<sub>x</sub> compensation for the new vessels, public infrastructure payments and the expected fuel cost savings.

### Passenger Boats

The Covid-19 situation has also reduced traffic volumes on the passenger routes operated by Fjord1. As for the Ferry segment, Fjord1's revenues are independent of traffic volume and the financial impact has therefore been limited.

### Catering

The effects were more significant on the Catering segment's activities, which were closed with effect from 15 March. Self-service cafeterias were reopened during April, whereas the staffed cafeterias will remain closed, with the employees furloughed until normal operations can be resumed.

### Tourism

The imposition of both domestic and international travel restrictions effectively shut down the Tourism segment's activities from mid-March, and nearly all employees have been furloughed. The first quarter is low season, and the potential revenue shortfall is significantly higher for the second and third quarters of the year. The company and its tourism partners are monitoring the situation closely, with the aim of capturing their share of a potentially larger domestic tourism market this summer.

## Key figures (NOK million)

| <b>Profit &amp; Loss</b>                       | <b>Q1 2020</b> | <b>Q1 2019</b> | <b>YTD 2020</b> | <b>YTD 2019</b> | <b>FY 2019</b> |
|--|----------------|----------------|-----------------|-----------------|----------------|
| Total revenue                                  | 751.5          | 640.3          | 751.5           | 640.3           | 2,723.8        |
| Total operating expenses                       | (546.7)        | (473.8)        | (546.7)         | (473.8)         | (1,908.5)      |
| Share of profit/(loss) from JVs and associates | (11.2)         | (8.8)          | (11.2)          | (8.8)           | 2.5            |
| EBITDA   | 193.6          | 157.7          | 193.6           | 157.7           | 817.8          |
| EBITDA margin (%)                              | 26 %           | 25 %           | 26 %            | 25 %            | 30 %           |
| Total depreciation and impairment              | (122.6)        | (101.0)        | (122.6)         | (101.0)         | (421.9)        |
| Operating profit (EBIT)                        | 71.0           | 56.7           | 71.0            | 56.7            | 395.9          |
| Net financial income/(expenses)                | (105.7)        | (38.2)         | (105.7)         | (38.2)          | (143.0)        |
| Profit/(loss) before tax                       | (34.7)         | 18.5           | (34.7)          | 18.5            | 253.0          |
| Income tax (expense)/income                    | 7.7            | (4.3)          | 7.7             | (4.3)           | (43.9)         |
| Profit/(loss) for the period                   | (27.1)         | 14.2           | (27.1)          | 14.2            | 209.1          |

| <b>Balance sheet</b>                    | <b>31.03.20</b> | <b>31.03.19</b> | <b>31.12.19</b> |
|---|-----------------|-----------------|-----------------|
| Equity and liabilities                  |                 |                 |                 |
| Total equity                            | 8,909.0         | 6,726.2         | 8,123.2         |
| Non-current liabilities                 | 685.8           | 291.7           | 633.0           |
| Current liabilities                     | 370.0           | 156.5           | 484.1           |
| Total equity and liabilities            | 9,964.8         | 7,174.3         | 9,240.2         |
| Equity ratio (%)                        | 23 %            | 33 %            | 25 %            |
| Return on equity (12-month rolling) (%) | 7.8%            | 19.5%           | 9.5%            |
| NIBD                                    | 5,848           | 3,210           | 4,892           |
| NIBD/EBITDA (12-month rolling)          | 6.8x            | 3.2x            | 6.0x            |

| <b>Cash flow</b>                        | <b>Q1 2020</b> | <b>Q1 2019</b> | <b>YTD 2020</b> | <b>YTD 2019</b> | <b>FY 2019</b> |
|---|----------------|----------------|-----------------|-----------------|----------------|
| Net cash flow from operating activities | (4.5)          | (133.0)        | (4.5)           | (133.0)         | 323.6          |
| Net cash used in investing activities   | (931.0)        | (558.6)        | (931.0)         | (558.6)         | (2,358.9)      |
| Net cash from financing activities      | 821.5          | 575.6          | 821.5           | 575.6           | 2,246.8        |
| Net change in cash and cash equivalents | (114.1)        | (116.0)        | (114.1)         | (116.0)         | 211.6          |
| Cash and cash equivalents end of period | 370.0          | 156.5          | 370.0           | 156.5           | 484.1          |

| <b>Net financial items</b>                 | <b>Q1 2020</b> | <b>Q1 2019</b> | <b>YTD 2020</b> | <b>YTD 2019</b> | <b>FY 2019</b> |
|--|----------------|----------------|-----------------|-----------------|----------------|
| Share of profit (loss), JVs and associates | (23.0)         | 16.8           | (23.0)          | 16.8            | 26.6           |
| Interest income                            | 1.1            | 0.4            | 1.1             | 0.4             | 2.6            |
| Interest expense                           | (62.5)         | (32.0)         | (62.5)          | (32.0)          | (168.0)        |
| Other financial items, net                 | (21.3)         | (23.4)         | (21.3)          | (23.4)          | (4.2)          |
| Net financial items                        | (105.7)        | (38.2)         | (105.7)         | (38.2)          | (143.0)        |

## Group and segment overview

The Fjord1 Group generated total revenues of NOK 752 million in the first quarter 2020. Compared with the first quarter 2019, this represents a revenue increase of 17%, EBITDA increased by 23% to NOK 194 million in the first quarter, whereas EBIT increased by 25% to NOK 71 million. The Group made a net loss of NOK 27 million in the first quarter. New contracts started as planned on 1 January 2020 and contributed to the revenue increase. Developments will be described in more detail under the Consolidated Statement of Profit and Loss below. The Fjord1 Group has four reporting segments; **Ferry, Passenger boats, Catering, and Tourism**, of which Ferry is the largest.

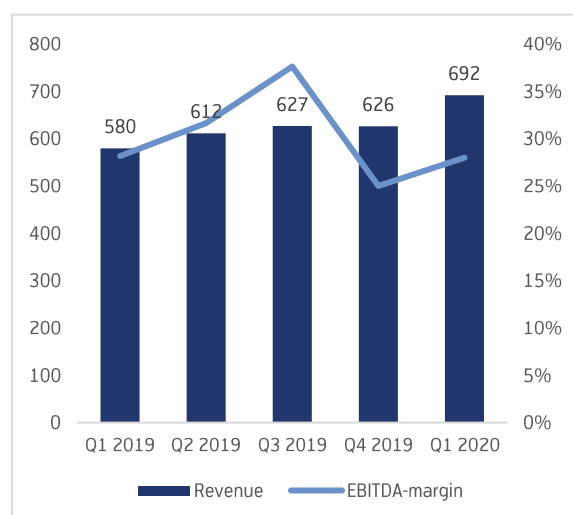
### Ferry Services

#### Revenue, EBITDA and EBIT (NOK million)

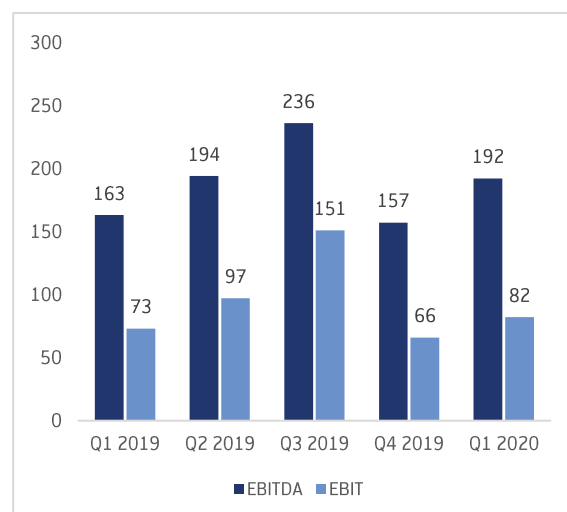
|               | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 |
|---------------|---------|---------|----------|----------|
| Revenue       | 692     | 580     | 692      | 580      |
| EBITDA        | 192     | 163     | 192      | 163      |
| EBITDA margin | 28%     | 28%     | 28%      | 28%      |
| EBIT          | 82      | 73      | 82       | 73       |
| EBIT margin   | 12%     | 13%     | 12%      | 13%      |

Revenue from the Ferry segment was 19% higher in the first quarter 2020 than in the first quarter last year. The revenue increase is explained by a successful start-up of four new contracts as planned on 1 January 2020. New contracts for Indre Sunnmøre, Romsdalspakken and Nordmørspakken and Hordaland Rutepakke 2 went into service on 1 January.

#### Revenue (NOK m) and EBITDA margin (%)



#### EBITDA and EBIT (NOK m)

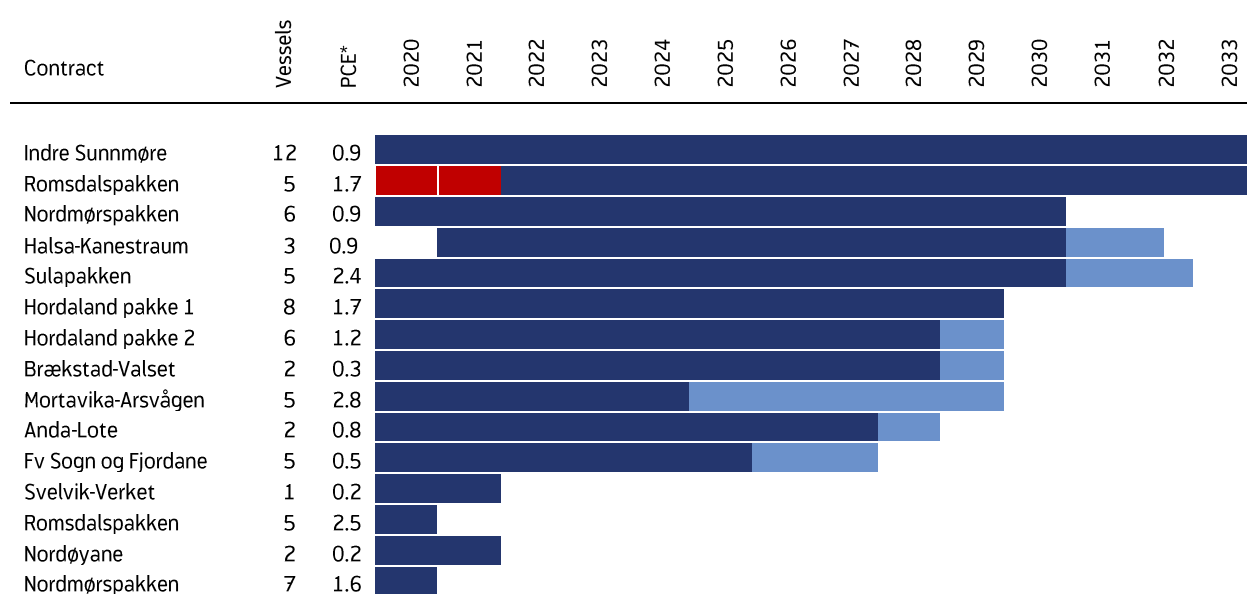


EBITDA increased by 17% in the first quarter compared with last year. Improved EBITDA is mainly driven by new contracts.

The EBITDA margin for the quarter came to 28%, which is on a par with first quarter last year.

EBIT totalled NOK 82 million, resulting in an EBIT margin of 12%. This was a 1% decrease from the first quarter last year, and is mainly explained by higher depreciation due to investments in new vessels, vessel upgrades and infrastructure.

## Ferry contract overview 2020–2033



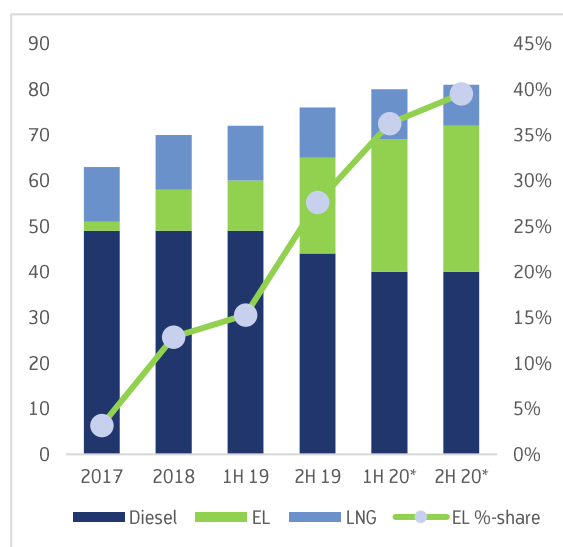
\*Passenger car equivalents (PCE) capacity (million)



The total value of the current contract portfolio is approximately NOK 22.8 billion, including the three passenger boat contracts and excluding options and index regulation.

Revenue growth related to the start-up of new contracts is gradually being resumed, while operating profit (EBITDA) will mainly be a result of the operational efficiency and cost level. Completion of new infrastructure will have a temporary cost effect related to the ongoing project work. Delayed completion of infrastructure will cause higher diesel costs until new and upgraded vessels are able to run on electricity.

## Number of ferries and fuel mix



Note: First half (1H) and second half (2H) 2020 are based on expected deliveries and upgrades as of April 2020.

## Passenger Boats

### Revenue EBITDA and EBIT (NOK million)

|               | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 |
|---------------|---------|---------|----------|----------|
| Revenue       | 29      | 28      | 29       | 28       |
| Associates    | 2       | -1      | 2        | -1       |
| EBITDA*       | 14      | 6       | 14       | 6        |
| EBITDA margin | 48%     | 22%     | 48%      | 22%      |
| EBIT          | 2       | -3      | 2        | -3       |
| EBIT margin   | 7%      | -12%    | 7%       | -12%     |

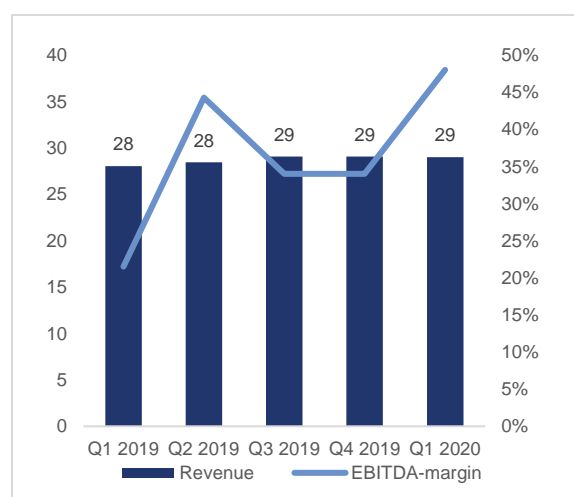
\*EBITDA incl. associates

Revenue in the Passenger boat segment increased by 5% in the first quarter. This is primarily attributable to yearly contractual revenue adjustments.

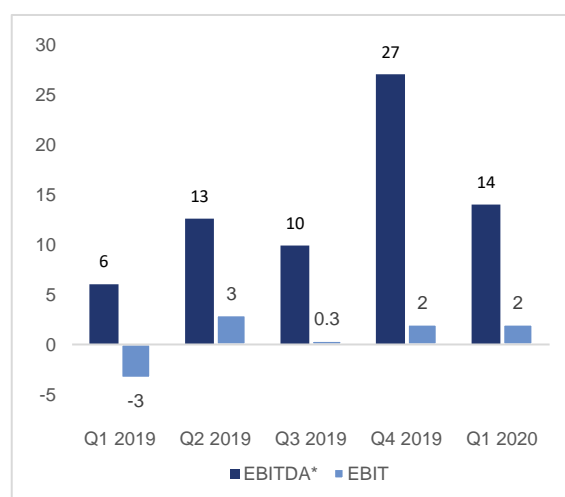
The EBITDA increase in the first quarter is mainly attributable to operational improvements and increased contributions from associated companies compared with first quarter last year.

EBIT totalled NOK 2 million, up NOK 5 million on the first quarter last year.

### Revenue (NOK m) and EBITDA margin (%)



### EBITDA and EBIT (NOK m)



Fjord1 currently operates 15 express boat routes in Sogn og Fjordane, with 3 owned and 10 leased vessels under contracts running through 2022. The company also owns 49% of Partsrederiet Kystekspressen ANS, which operates an express boat route from Kristiansund to Trondheim.



## Catering

### Revenue, EBITDA and EBIT (NOK million)

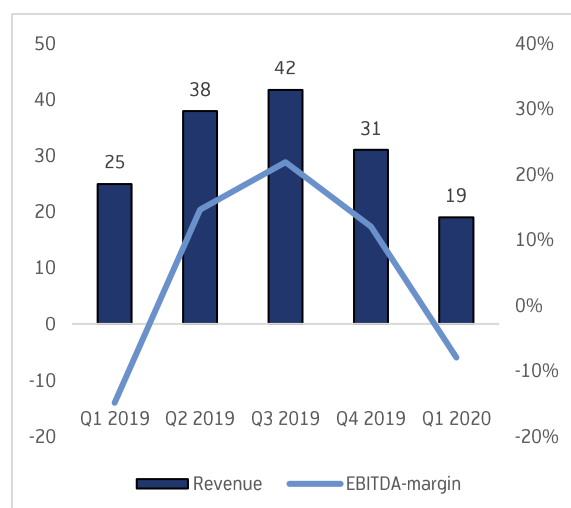
|               | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 |
|---------------|---------|---------|----------|----------|
| Revenue       | 19      | 25      | 19       | 25       |
| EBITDA        | -2      | -4      | -2       | -4       |
| EBITDA margin | -8%     | -15%    | -8%      | -15%     |
| EBIT          | -2      | -5      | -2       | -5       |
| EBIT margin   | -12%    | -18%    | -12%     | -18%     |

Revenue for the Catering segment declined by 23% in the first quarter 2020 compared the same period last year.

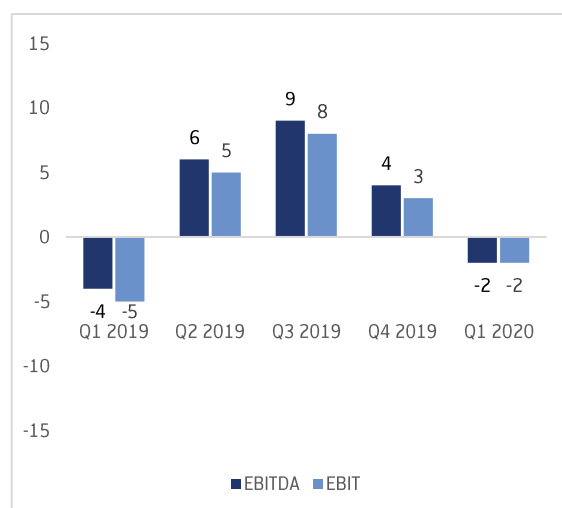
The Catering segment was impacted by the closure of all catering services from 15 March due to Covid-19 restrictions. This resulted in a negative EBITDA of NOK 2 million in quarter. On 24 April, catering services resumed on connections with self-service solutions.

EBIT totalled NOK -2 million in first quarter.

### Revenue (NOK m) and EBITDA margin (%)



### EBITDA and EBIT (NOK m)



The Catering segment has to a large extent switched to providing lower-cost self-service solutions. Fjord1 is satisfied with both the customers' response to this change and the low level of wastage. The company is nevertheless strengthening its focus on cost containment to improve results going forward.

## Tourism

### Revenue, EBITDA and EBIT (NOK million)

|               | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 |
|---------------|---------|---------|----------|----------|
| Revenue       | 7       | 3       | 7        | 3        |
| Associates    | -13     | -7      | -13      | -7       |
| EBITDA*       | -13     | -9      | -13      | -9       |
| EBITDA margin | -170%   | -267%   | -170%    | -267%    |
| EBIT          | -13     | -10     | -13      | -10      |
| EBIT margin   | -171%   | -279%   | -171%    | -279%    |

\*EBITDA incl. associated companies

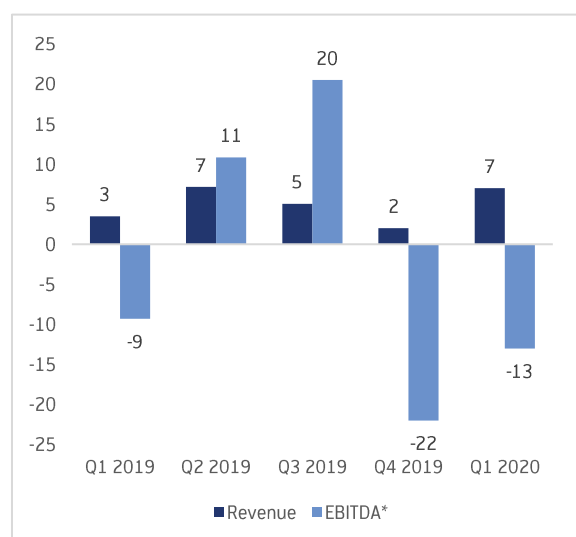
The Tourism segment is highly seasonal by nature, with high activity and profitability in the second and third quarters, driven by the Norwegian summer holiday period from June to August. The rest of the year typically has lower activity and weaker earnings.

Fjord1's activity is carried out both through wholly owned and partly owned companies, with associated companies making up a significant part of the overall exposure.

Revenues increased by 33% in the first quarter 2020 compared with the first quarter last year. EBITDA came to NOK -13 million in the quarter due to a contribution from associated companies of NOK -13 million.

EBIT totalled NOK -13 million in the first quarter. The first quarter is a low season period for the Tourism segment. In addition, the result was negatively impacted by Covid-19 travel restrictions as explained above in this report.

### Revenue and EBITDA (NOK m)



Fjord1 has taken a leading position in the development of environmentally friendly tourism in and around the fjords on the West Coast of Norway, with the hybrid vessel 'Vision of the Fjords' and the fully electric 'Future of the Fjords' as flagships. Both these vessels are owned by The Fjords, in which Fjord1 has a 50 per cent shareholding.

Fjord1 continues to see exciting long-term prospects in the tourism industry, and aims to strengthen its position within tourism still further. The 50/50 joint venture Fjord Tours Group AS, co-owned with Vygruppen, is an example of an existing opportunity.

## Consolidated statement of profit and loss

| Profit & Loss                                  | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 | FY 2019   |
|--|---------|---------|----------|----------|-----------|
| Total revenue                                  | 751.5   | 640.3   | 751.5    | 640.3    | 2,723.8   |
| Total operating expenses                       | (546.7) | (473.8) | (546.7)  | (473.8)  | (1,908.5) |
| Share of profit/(loss) from JVs and associates | (11.2)  | (8.8)   | (11.2)   | (8.8)    | 2.5       |
| EBITDA   | 193.6   | 157.7   | 193.6    | 157.7    | 817.8     |
| EBITDA margin (%)                              | 26 %    | 25 %    | 26 %     | 25 %     | 30 %      |
| Total depreciation and impairment              | (122.6) | (101.0) | (122.6)  | (101.0)  | (421.9)   |
| Operating profit (EBIT)                        | 71.0    | 56.7    | 71.0     | 56.7     | 395.9     |
| Net financial income/(expenses)                | (105.7) | (38.2)  | (105.7)  | (38.2)   | (143.0)   |
| Profit/(loss) before tax                       | (34.7)  | 18.5    | (34.7)   | 18.5     | 253.0     |
| Income tax (expense)/income                    | 7.7     | (4.3)   | 7.7      | (4.3)    | (43.9)    |
| Profit/(loss) for the period                   | (27.1)  | 14.2    | (27.1)   | 14.2     | 209.1     |

### Revenues and operating profit

Fjord1 reported revenues of NOK 752 million in the first quarter, a rise of 17% compared with the same period last year. The increase reflects the start-up of new contracts on 1 January 2020.

2019 was regarded as a transition year, while 2020 is expected to be a ramp-up year. However, the impact of the Covid-19 pandemic, which could potentially delay completion of new infrastructure, may prolong the ramp-up phase.

Operating expenses totalled NOK 547 million in the quarter, corresponding to an increase 15% compared with first quarter last year. The figure for the first quarter 2020 reflects a high level of activity and expenditures relating to the start-up of new contracts. The cost level is expected to be maintained through 2020 due to the ramp-up of new contracts and completion of associated infrastructure.

Reported EBITDA came to NOK 194 million in the first quarter, corresponding to an increase of 23% compared with the same quarter last year.

The Group EBITDA-margin for the first quarter was 26%, up 1% on the first quarter last year.

The EBIT totalled NOK 71 million, a 25% increase compared with first quarter last year.

### Net financial items

| Net financial items                        | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|--|---------|---------|----------|----------|---------|
| Share of profit (loss), JVs and associates | (23.0)  | 16.8    | (23.0)   | 16.8     | 26.6    |
| Interest income                            | 1.1     | 0.4     | 1.1      | 0.4      | 2.6     |
| Interest expense                           | (62.5)  | (32.0)  | (62.5)   | (32.0)   | (168.0) |
| Other financial items, net                 | (21.3)  | (23.4)  | (21.3)   | (23.4)   | (4.2)   |
| Net financial items                        | (105.7) | (38.2)  | (105.7)  | (38.2)   | (143.0) |

Share of profits and losses in joint ventures and associated companies refers to the 34% shareholding in WF Holding AS, which owns 100% of Widerøes Flyveselskap AS. The negative contribution from joint ventures and associated companies derives mainly from Widerøe and the impact of Covid-19 travel restrictions.

The rise in interest expenses in the first quarter reflects an increase in net debt as a result of investments in the vessel renewal programme, quays and other infrastructure required for fulfilment of the company's contract portfolio.

## Profits

Fjord1 made a loss before tax of NOK 35 million in the first quarter, compared to a profit of NOK 19 million in the same quarter last year.

Tax income totalled NOK 8 million in the first quarter, corresponding to an average tax rate of 22%. The loss after tax in the first quarter therefore totalled NOK 27 million.

Earnings per share on an ordinary and fully diluted basis came to NOK -0.27 in the first quarter.

## Consolidated statement of financial position

| Balance sheet              | 31.03.20 | 31.03.19 | 31.12.19 |
|----------------------------|----------|----------|----------|
| Assets                     |          |          |          |
| Non-current assets         | 8,909.0  | 6,726.2  | 8,123.2  |
| Current assets, excl. cash | 685.8    | 291.7    | 633.0    |
| Cash and cash equivalents  | 370.0    | 156.5    | 484.1    |
| Total assets               | 9,964.8  | 7,174.3  | 9,240.2  |

Total assets have increased by 39% compared with 31 March 2019, mainly due to a 34% increase in non-current assets. The increase is primarily attributable to the delivery of new ferries, investments in newbuilds and capitalised investments in onshore infrastructure.

The ferry Fanafjord is held for sale and explains the increase in current assets, as does an increase in trade receivables compared with the same quarter last year.

Most investments in quays and other onshore infrastructure will be compensated through either the sale of infrastructure to municipalities upon completion or by payments throughout the contract period.

The increase in cash and cash equivalents is mainly attributable to proceeds from the prepayment of infrastructure and an increase in the credit facility.

| Balance sheet                | 31.03.20 | 31.03.19 | 31.12.19 |
|------------------------------|----------|----------|----------|
| Equity and liabilities       |          |          |          |
| Total equity                 | 2,242.3  | 2,346.0  | 2,269.7  |
| Non-current liabilities      | 5,747.6  | 3,329.9  | 4,911.6  |
| Current liabilities          | 1,975.0  | 1,498.4  | 2,058.9  |
| Total equity and liabilities | 9,964.8  | 7,174.3  | 9,240.2  |

The increase in non-current liabilities and current liabilities since 31 March 2019 reflects the fact that investments in newbuilds, rebuilds and new infrastructure are mainly debt financed.

## Consolidated cash flow statement

| Cash flow                               | Q1 2020 | Q1 2019 | YTD 2020 | YTD 2019 | FY 2019   |
|---|---------|---------|----------|----------|-----------|
| Net cash flow from operating activities | (4.5)   | (133.0) | (4.5)    | (133.0)  | 323.6     |
| Net cash used in investing activities   | (931.0) | (558.6) | (931.0)  | (558.6)  | (2,358.9) |
| Net cash from financing activities      | 821.5   | 575.6   | 821.5    | 575.6    | 2,246.8   |
| Net change in cash and cash equivalents | (114.1) | (116.0) | (114.1)  | (116.0)  | 211.6     |
| Cash and cash equivalents end of period | 370.0   | 156.5   | 370.0    | 156.5    | 484.1     |

The improvement in net cash flow from operating activities is mainly explained by higher contributions from operations resulting from higher traffic volumes related to the start-up of new contracts on 1 January.

Net cash flow used in investing activities totalled NOK 931 in the first quarter. Investing activities consist of newbuilds, rebuilds and infrastructure, and are affected by progress on the newbuild programme in the first quarter. Final settlement is financed by means of long-term debt.

The change in net cash from financing activities is mainly explained by the repayment of loans and drawdowns on the credit facility.

## Financing and funding

Fjord1 is in an expansion phase, with significant capital expenditure related to vessel newbuilds, the conversion of existing vessels to electricity and investments in quays and other onshore infrastructure. As a result of the investments described under the cash flow review, net interest-bearing debt (NIBD) increased to NOK 5,848 million at the end of the first quarter.

As at 31 March 2020, Fjord1 had total future capital commitments of approximately NOK 670 million relating to vessel newbuilds and future capital commitments of approximately NOK 458 million for quays and other onshore infrastructure.

Fjord1 has financed its investment programme through a combination of bank loans and bonds. The company's loan facility totals NOK 6,395 million, of which NOK 5,857 million has been utilised, including guarantees. In 2018, Fjord1 issued an unsecured bond of NOK 1,000 million with a coupon of 4.96%, maturing in 2022.

The investments in new and upgraded vessels, quays and other onshore infrastructure are part of the company's transition from fossil fuel to zero-emission and low-emission fuels. The company has a contractual right to compensation for the majority of its infrastructure investments, either through the sale of infrastructure to municipalities upon completion or by payments throughout the contract period. Although the infrastructure is gradually compensated for, accounting principles require the value of Fjord1's right to use the infrastructure to be reflected in its balance sheet and depreciated over the lifetime of the contract. While Fjord1 remains in compliance with all covenants in its bank and bond financing arrangements, the company has together with its banking relations agreed on an amendment which takes the accounting principles for the infrastructure into consideration with regards to the equity covenant. Fjord1 will shortly contact its bondholders to discuss accordingly.

Please see Note 8 to the financial statements for a detailed overview of financing and covenants.

## Important events after the close of the reporting period

No important events have occurred after the close of the reporting period.



## Share information

As at 31 March 2020, Fjord1 ASA had 100.0 million issued shares, divided between 2,065 shareholders. Fjord1 held 90,402 treasury shares at the end of March, unchanged from previous quarter and corresponding to 0.09 % of total shares outstanding.

The 20 largest shareholders controlled 96.6% of the total number of shares issued.

During the first quarter, the Fjord1 share varied in price from NOK 31.90 to NOK 44.00. The closing price at 31 March was NOK 35.00, compared with NOK 36.60 at the close of December. The share price therefore fell by 4.6 over the quarter.

A total of 13.1 million shares, or 13.1% of the overall number outstanding, were traded during the period. Share turnover totalled NOK 550.3 million during the quarter, corresponding to an average daily figure of roughly NOK 13.3 million. The high trading volume in the quarter is explained by Perestroika AS increasing its shareholding to 18.45% and becoming the second largest owner.

## Risk and uncertainties

As described in the 2019 Annual Report, Fjord1 is exposed to various types of operational, financial and market risk. The public health measures to mitigate the Covid-19 pandemic and their expected economic effects have accentuated these risks.

Fjord1 has embraced its responsibility for the safety and security of its employees and customers during this situation, as well as its responsibilities as a provider of critical transport infrastructure services. Fjord1 has remained fully operational, although the scope of its ferry and passenger boat services have temporarily been reduced at the request of the main public counterparties. The company's long-term contracts with Norwegian county authorities (Fylkeskommuner) and the Directorate of Public Roads (Statens Vegvesen) are primarily based on capacity and sailing frequencies rather than traffic volume, which to a large degree shields the revenue stream from the decrease in volume caused by the current travel restrictions.

The government's measures to contain the Covid-19 outbreak may also affect the progress of onshore infrastructure projects required for the electrification of the ferry fleet, such as the installation of quayside charger towers, which requires technical personnel from international suppliers. This entails a risk that completion of the electrification infrastructure could be delayed, which may postpone the release of government-funded NO<sub>x</sub> compensation for the vessels, public infrastructure payments and forecast fuel cost savings.

Fjord1 closely monitors the progress of its infrastructure projects and follows up international suppliers. If necessary, the company will initiate a dialogue with its banks and bondholders to find a temporary solution, should the equity ratio come under further pressure. Please see the Financing and Funding chapter above and Note 8 to the financial statements for a detailed overview of financing and covenants.

As described in the 2019 Annual Report, Fjord1 has also been exposed to risk related to vessel deliveries. However, the company is now nearing completion of its newbuild programme, with the remaining two vessels due for delivery in June and August. As stated in the Annual Report, the delayed deliveries did not impact the start-up of new contracts on 1 January 2020, and the company had secured replacement vessels for the interim period.

The vessel newbuild programme and the electrification infrastructure projects have entailed significant investments over the past few years, and the company's net interest-bearing debt has increased from NOK 3.2 billion to NOK 5.8 billion over the past 12 months. The sale of infrastructure projects and the release of public funds related to the electrification process were projected to lower the interest-bearing debt through 2020. Delays in this process increase the risk related to the covenants for the company's bank and bond financing arrangements, particularly with respect to minimum equity ratio. The covenants are described in Note 8 Borrowings. Fjord1 is aware of this risk and will continue to engage with its banks as necessary.

Activity within the smaller Catering and Tourism segments has been heavily affected by the Covid-19 situation. Associated companies related to the Tourism segment have already adjusted activity and cost levels to current market demand. Although activity in the Catering segment is expected to return once

restrictions are lifted, the situation has increased the risk of a more permanent change in consumer behaviour.

Developments for the Tourism segment will also depend on the lifting of travel restrictions both domestically and internationally. Fjord1 and its subsidiaries and joint ventures in the Tourism segment are monitoring the situation and are considering changes to the offering to cater more to a domestic audience.

For other risk factors, please see the Annual Report for 2019.

## Outlook

Fjord1 believes there will be demand for safe, environmentally friendly and reliable transport in coastal regions in the future.

Fjord1 assesses new tender opportunities in the Norwegian market on an ongoing basis, as well as opportunities outside of Norway. Fjord1 has a strong contract portfolio of NOK 22.8 billion in total value through 2033, excluding options and index regulation. In 2020, revenue is expected to grow by 10-15% compared with 2019. This increase will be driven by the new ferry connections that started 1 January 2020. Completion of new infrastructure related to the new and upgraded vessels is expected to lead to a gradual improvement in the EBITDA-margin.

Net interest-bearing debt is expected to increase further, but is set for decline in 2020 due to improved cash flow, lower investments and the sale of infrastructure.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

### UNAUDITED

| AMOUNTS IN NOK THOUSANDS  | NOTE   | Q1 2020          | Q1 2019          | YTD<br>2020      | YTD<br>2019      | Full year<br>2019  |
|---|--------|------------------|------------------|------------------|------------------|--------------------|
| Revenue   | 3,4,12 | 742 932          | 607 333          | 742 932          | 607 333          | 2 662 750          |
| Other operating income  | 3,4    | 8 581            | 32 996           | 8 581            | 32 996           | 61 066             |
| <b>Total operating income</b>                                       |        | <b>751 513</b>   | <b>640 329</b>   | <b>751 513</b>   | <b>640 329</b>   | <b>2 723 816</b>   |
| Purchased goods and fuel  | 3      | (117 572)        | (111 570)        | (117 572)        | (111 570)        | (448 891)          |
| Personnel expenses  | 3      | (275 755)        | (243 045)        | (275 755)        | (243 045)        | (994 061)          |
| Other operating expenses  | 3,13   | (153 375)        | (119 187)        | (153 375)        | (119 187)        | (465 568)          |
| <b>Total operating expenses</b>                                     |        | <b>(546 702)</b> | <b>(473 802)</b> | <b>(546 702)</b> | <b>(473 802)</b> | <b>(1 908 519)</b> |
| Share of profit/(loss) from associates                              | 3      | (11 245)         | (8 835)          | (11 245)         | (8 835)          | 2 550              |
| <b>Operating profit before depreciation and impairment (EBITDA)</b> |        | <b>193 565</b>   | <b>157 692</b>   | <b>193 565</b>   | <b>157 692</b>   | <b>817 846</b>     |
| Depreciation  | 5,13   | (122 604)        | (100 965)        | (122 604)        | (100 965)        | (419 344)          |
| (Impairment)/reversal of impairment                                 | 5      | -                | -                | -                | -                | (2 557)            |
| <b>Total depreciation and impairment</b>                            |        | <b>(122 604)</b> | <b>(100 965)</b> | <b>(122 604)</b> | <b>(100 965)</b> | <b>(421 901)</b>   |
| <b>Operating profit (EBIT)</b>                                      |        | <b>70 961</b>    | <b>56 727</b>    | <b>70 961</b>    | <b>56 727</b>    | <b>395 945</b>     |
| Share of profit/(loss) from other associates                        |        | (23 013)         | 16 774           | (23 013)         | 16 774           | 26 629             |
| Interest income   |        | 1 116            | 422              | 1 116            | 422              | 2 616              |
| Interest expense  |        | (62 535)         | (32 011)         | (62 535)         | (32 011)         | (168 002)          |
| Other financial items, net  | 10     | (21 258)         | (23 423)         | (21 258)         | (23 423)         | (4 223)            |
| <b>Net financial income/(expense)</b>                               |        | <b>(105 690)</b> | <b>(38 238)</b>  | <b>(105 690)</b> | <b>(38 237)</b>  | <b>(142 980)</b>   |
| <b>Profit/(loss) before tax</b>                                     |        | <b>(34 729)</b>  | <b>18 489</b>    | <b>(34 729)</b>  | <b>18 489</b>    | <b>252 965</b>     |
| Income tax (expense)/income   | 9      | 7 654            | (4 274)          | 7 654            | (4 274)          | (43 861)           |
| <b>Profit/(loss) for the period</b>                                 |        | <b>(27 075)</b>  | <b>14 215</b>    | <b>(27 075)</b>  | <b>14 215</b>    | <b>209 104</b>     |
| <b>Attributable to:</b>   |        |                  |                  |                  |                  |                    |
| Parent company owners   |        | (27 240)         | 14 049           | (27 240)         | 14 049           | 208 607            |
| Non-controlling interest  |        | 165              | 166              | 165              | 166              | 497                |
| Basic earnings per share (in NOK)*                                  | 7      | (0,27)           | 0,14             | (0,27)           | 0,14             | 2,09               |
| Diluted earnings per share (in NOK)*                                | 7      | (0,27)           | 0,14             | (0,27)           | 0,14             | 2,09               |

\*Based on weighted average number of shares outstanding. Reference is made to note 7 and 14 regarding earnings per share and share capital.

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## UNAUDITED

| AMOUNTS IN NOK THOUSANDS   | NOTE | 31.03.2020       | 31.03.2019       | 31.12.2019       |
|--|------|------------------|------------------|------------------|
| <b>ASSETS</b>  |      |                  |                  |                  |
| <b>Non-current assets</b>  |      |                  |                  |                  |
| Deferred tax assets  | 9    | 37 399           | 17 469           | 37 399           |
| Ships and other property, plant and equipment                    | 5    | 8 382 583        | 6 236 202        | 7 559 294        |
| Right-of-use assets  | 13   | 37 221           | 62 868           | 40 354           |
| Investments in associates  |      | 447 197          | 404 187          | 481 455          |
| Other non-current assets   | 2    | 4 575            | 5 427            | 4 671            |
| <b>Total non-current assets</b>                                  |      | <b>8 908 975</b> | <b>6 726 153</b> | <b>8 123 174</b> |
| <b>Current assets</b>  |      |                  |                  |                  |
| Inventories  |      | 23 760           | 22 947           | 22 457           |
| Derivative financial instruments                                 | 2    | -                | 4 490            | -                |
| Trade receivables  | 2    | 304 487          | 90 541           | 139 162          |
| Other current receivables  | 2    | 180 204          | 173 713          | 293 970          |
| Cash and cash equivalents  | 2    | 370 001          | 156 490          | 484 081          |
|  |      | <b>878 452</b>   | <b>448 181</b>   | <b>939 669</b>   |
| Assets held for sale   | 5    | 177 372          | -                | 177 372          |
| <b>Total current assets</b>                                      |      | <b>1 055 824</b> | <b>448 181</b>   | <b>1 117 041</b> |
| <b>Total assets</b>  |      | <b>9 964 799</b> | <b>7 174 335</b> | <b>9 240 216</b> |
| <b>EQUITY AND LIABILITIES</b>                                    |      |                  |                  |                  |
| <b>Equity attributable to owners of the parent company</b>       |      |                  |                  |                  |
| Share capital  | 14   | 250 000          | 250 000          | 250 000          |
| Share premium  |      | 360 924          | 360 924          | 360 924          |
| Treasury shares  |      | (3 617)          | (2 079)          | (3 617)          |
| Retained earnings  |      | 1 630 070        | 1 731 203        | 1 657 612        |
| <b>Total equity attributable to owners of the parent company</b> |      | <b>2 237 377</b> | <b>2 340 048</b> | <b>2 264 918</b> |
| Non-controlling interests  |      | 4 910            | 5 961            | 4 745            |
| <b>Total equity</b>  |      | <b>2 242 287</b> | <b>2 346 009</b> | <b>2 269 663</b> |
| <b>Non-current liabilities</b>                                   |      |                  |                  |                  |
| Borrowings   | 2,8  | 5 001 622        | 2 776 774        | 4 179 391        |
| Derivative financial instruments                                 | 2    | 24 303           | 1 056            | 6 829            |
| Non-current lease obligations                                    | 13   | 17 831           | 27 567           | 9 050            |
| Net employee defined benefit liabilities                         |      | 10 435           | 20 827           | 13 104           |
| Other non-current liabilities                                    |      | 125 271          | 350              | 127 476          |
| Deferred tax liabilities   | 9    | 568 100          | 503 344          | 575 798          |
| <b>Total non-current liabilities</b>                             |      | <b>5 747 561</b> | <b>3 329 917</b> | <b>4 911 649</b> |
| <b>Current liabilities</b>                                       |      |                  |                  |                  |
| Borrowings   | 2,8  | 1 216 253        | 589 436          | 1 196 796        |
| Derivative financial instruments                                 | 2    | 4 799            | -                | 1 274            |
| Current lease obligations  | 13   | 19 787           | 35 428           | 31 490           |
| Trade payables   | 2    | 236 924          | 248 800          | 202 521          |
| Tax payable  | 9    | -                | 70 980           | 664              |
| Taxes and duties payable   |      | 81 317           | 47 850           | 107 186          |
| Other current liabilities  | 2    | 415 871          | 505 914          | 518 973          |
| <b>Total current liabilities</b>                                 |      | <b>1 974 951</b> | <b>1 498 408</b> | <b>2 058 904</b> |
| <b>Total liabilities</b>   |      | <b>7 722 511</b> | <b>4 828 325</b> | <b>6 970 553</b> |
| <b>Total equity and liabilities</b>                              |      | <b>9 964 799</b> | <b>7 174 335</b> | <b>9 240 216</b> |

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## UNAUDITED

| AMOUNTS IN NOK THOUSANDS   | NOTE | Q1 2020         | Q1 2019       | YTD<br>2020     | YTD<br>2019   | Full year<br>2019 |
|--|------|-----------------|---------------|-----------------|---------------|-------------------|
| Profit/(loss) for the period   |      | -27 075         | 14 215        | -27 075         | 14 215        | 209 104           |
| <b>Other comprehensive income:</b>   |      |                 |               |                 |               |                   |
| <i>Items that will not be reclassified to profit or loss:</i>  |      |                 |               |                 |               |                   |
| Share of other comprehensive income of associates accounted for using the equity method - net of tax |      | -               | -             | -               | -             | 2 826             |
| Actuarial gain/(loss) on post employment benefit obligations - net of tax                            |      | (301)           | 358           | (301)           | 358           | (744)             |
| <b>Total</b>   |      | <b>(301)</b>    | <b>358</b>    | <b>(301)</b>    | <b>358</b>    | <b>2 082</b>      |
| <b>Total other comprehensive income for the year, net of tax</b>                                     |      | <b>(301)</b>    | <b>358</b>    | <b>(301)</b>    | <b>358</b>    | <b>2 082</b>      |
| <b>Total comprehensive income for the period</b>   |      | <b>(27 376)</b> | <b>14 573</b> | <b>(27 376)</b> | <b>14 573</b> | <b>211 186</b>    |
| <i>Attributable to:</i>  |      |                 |               |                 |               |                   |
| Parent company owners  |      | (27 541)        | 14 407        | (27 541)        | 14 407        | 210 689           |
| Non-controlling interest   |      | 165             | 166           | 165             | 166           | 497               |



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**UNAUDITED**

| AMOUNTS IN NOK THOUSANDS                         | Attributable to owners of the parent |                |                 |                   |                  | Non-controlling interest | Total equity     |
|--|--------------------------------------|----------------|-----------------|-------------------|------------------|--------------------------|------------------|
|  | Share capital                        | Share premium  | Treasury shares | Retained earnings | Total            |                          |                  |
| <b>Balance at 01.01.2019</b>                     | <b>250 000</b>                       | <b>360 924</b> | <b>(2 079)</b>  | <b>1 716 796</b>  | <b>2 325 641</b> | <b>5 795</b>             | <b>2 331 436</b> |
| Profit/(loss) for the period                     | -                                    | -              | -               | 208 608           | <b>208 608</b>   | 497                      | <b>209 105</b>   |
| Other comprehensive income for the period        | -                                    | -              | -               | 2 082             | <b>2 082</b>     | -                        | <b>2 082</b>     |
| <b>Total comprehensive income for the period</b> | <b>-</b>                             | <b>-</b>       | <b>-</b>        | <b>210 690</b>    | <b>210 690</b>   | <b>497</b>               | <b>211 186</b>   |
| Acquisition of treasury shares                   | -                                    | -              | (1 537)         | -                 | <b>(1 537)</b>   | -                        | <b>(1 537)</b>   |
| Dividends paid                                   | -                                    | -              | -               | (269 874)         | <b>(269 874)</b> | (1 548)                  | <b>(271 422)</b> |
| Other contributions to owners                    | -                                    | -              | -               | -                 | -                | -                        | -                |
| <b>Transactions with owners</b>                  | <b>-</b>                             | <b>-</b>       | <b>(1 537)</b>  | <b>(269 874)</b>  | <b>(271 411)</b> | <b>(1 548)</b>           | <b>(272 959)</b> |
| <b>Balance at 31.12.2019</b>                     | <b>250 000</b>                       | <b>360 924</b> | <b>(3 616)</b>  | <b>1 657 612</b>  | <b>2 264 919</b> | <b>4 745</b>             | <b>2 269 663</b> |
| <b>Balance at 01.01.2020</b>                     | <b>250 000</b>                       | <b>360 924</b> | <b>(3 616)</b>  | <b>1 657 612</b>  | <b>2 264 919</b> | <b>4 745</b>             | <b>2 269 663</b> |
| Profit/(loss) for the period                     | -                                    | -              | -               | (27 240)          | <b>(27 240)</b>  | 165                      | <b>(27 075)</b>  |
| Other comprehensive income for the period        | -                                    | -              | -               | (301)             | <b>(301)</b>     | -                        | <b>(301)</b>     |
| <b>Total comprehensive income for the period</b> | <b>-</b>                             | <b>-</b>       | <b>-</b>        | <b>(27 541)</b>   | <b>(27 541)</b>  | <b>165</b>               | <b>(27 376)</b>  |
| Acquisition of treasury shares                   | -                                    | -              | -               | -                 | -                | -                        | -                |
| Dividends paid                                   | -                                    | -              | -               | -                 | -                | -                        | -                |
| Other contributions to owners                    | -                                    | -              | -               | -                 | -                | -                        | -                |
| <b>Transactions with owners</b>                  | <b>-</b>                             | <b>-</b>       | <b>-</b>        | <b>-</b>          | <b>-</b>         | <b>-</b>                 | <b>-</b>         |
| <b>Balance at 31.03.2020</b>                     | <b>250 000</b>                       | <b>360 924</b> | <b>(3 617)</b>  | <b>1 630 070</b>  | <b>2 237 377</b> | <b>4 910</b>             | <b>2 242 287</b> |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

### UNAUDITED

| AMOUNTS IN NOK THOUSANDS   | NOTE | Q1 2020          | Q1 2019          | YTD<br>2020      | YTD<br>2019      | Full year<br>2019  |
|--|------|------------------|------------------|------------------|------------------|--------------------|
| <b>Operating activities</b>  |      |                  |                  |                  |                  |                    |
| Profit before tax  |      | (34 729)         | 18 489           | (34 729)         | 18 489           | 252 965            |
| Adjustments for profit and loss items with no effect on liquidity:     |      |                  |                  |                  |                  |                    |
| Depreciation and impairment  | 5,13 | 122 604          | 110 153          | 122 604          | 110 153          | 421 901            |
| Interest expense, net  |      | 61 419           | 31 589           | 61 419           | 31 589           | 165 386            |
| Change in fair value of financial instruments                          | 2    | 20 999           | 17 166           | 20 999           | 17 166           | 28 703             |
| Change in pension liabilities  |      | (2 669)          | (2 436)          | (2 669)          | (2 436)          | (10 159)           |
| (Gain)/loss on disposal of property, plant and equipment               |      | 452              | 291              | 452              | 291              | (4 267)            |
| (Gain)/loss on realisation of investments in shares                    |      | -                | -                | -                | -                | (31 103)           |
| Share of (profit)/loss from jointly controlled entities and associates |      | 34 258           | (7 939)          | 34 258           | (7 939)          | (29 178)           |
| Change in working capital:   |      |                  |                  |                  |                  |                    |
| Trade receivables  | 2    | (165 325)        | 5 988            | (165 325)        | 5 988            | (42 632)           |
| Inventories  |      | (1 303)          | 1 150            | (1 303)          | 1 150            | 1 641              |
| Trade payables   | 2    | 34 403           | (36 949)         | 34 403           | (36 949)         | (83 228)           |
| Other accruals   |      | 22 670           | (239 422)        | 22 670           | (239 422)        | (125 883)          |
| <b>Cash generated from operations</b>                                  |      | <b>92 780</b>    | <b>(101 921)</b> | <b>92 780</b>    | <b>(101 921)</b> | <b>544 146</b>     |
| Interest paid, net   |      | (61 419)         | (15 521)         | (61 419)         | (15 521)         | (146 832)          |
| Income tax paid  |      | (35 900)         | (15 574)         | (35 900)         | (15 574)         | (73 676)           |
| <b>Net cash from operating activities</b>                              |      | <b>(4 539)</b>   | <b>(133 016)</b> | <b>(4 539)</b>   | <b>(133 016)</b> | <b>323 637</b>     |
| <b>Investing activities</b>  |      |                  |                  |                  |                  |                    |
| Purchase of ships and other property, plant and equipment              | 5    | (932 390)        | (561 857)        | (932 390)        | (561 857)        | (2 399 132)        |
| Purchase of shares incl. jointly controlled entities                   |      | -                | -                | -                | -                | (38 696)           |
| Proceeds from dividends from associates                                |      | -                | -                | -                | -                | 11 742             |
| Proceeds from sale of ships and other property, plant and equipment    |      | 1 265            | -                | 1 265            | -                | 63 153             |
| Proceeds from other non-current assets, net                            |      | 96               | 3 303            | 96               | 3 303            | 4 059              |
| <b>Net cash from investing activities</b>                              |      | <b>(931 029)</b> | <b>(558 554)</b> | <b>(931 029)</b> | <b>(558 554)</b> | <b>(2 358 875)</b> |
| <b>Financing activities</b>  |      |                  |                  |                  |                  |                    |
| Proceeds from borrowings   | 8    | 992 951          | 317 807          | 992 951          | 317 807          | 2 042 306          |
| Repayment of borrowings  | 8    | (155 213)        | (92 589)         | (155 213)        | (92 589)         | (236 211)          |
| Payment of lease obligation  | 13   | (16 251)         | -                | (16 251)         | -                | (65 410)           |
| Purchase of treasury shares  |      | -                | -                | -                | -                | (1 537)            |
| Dividends paid   |      | -                | -                | -                | -                | (271 422)          |
| Proceeds from short-term borrowings                                    |      | -                | 350 000          | -                | 350 000          | 1 320 000          |
| Repayment of short-term borrowings                                     |      | -                | -                | -                | -                | (540 900)          |
| Proceeds from other non-current liabilities, net                       |      | -                | 350              | -                | 350              | -                  |
| <b>Net cash from financing activities</b>                              |      | <b>821 487</b>   | <b>575 568</b>   | <b>821 487</b>   | <b>575 568</b>   | <b>2 246 827</b>   |
| <b>Net change in cash and cash equivalents</b>                         |      | <b>(114 081)</b> | <b>(116 002)</b> | <b>(114 081)</b> | <b>(116 002)</b> | <b>211 589</b>     |
| <b>Cash and cash equivalents at start of period</b>                    |      | <b>484 081</b>   | <b>272 492</b>   | <b>484 081</b>   | <b>272 492</b>   | <b>272 492</b>     |
| <b>Cash and cash equivalents at end of period</b>                      |      | <b>370 001</b>   | <b>156 490</b>   | <b>370 001</b>   | <b>156 490</b>   | <b>484 082</b>     |

**GENERAL INFORMATION**

Fjord1 ASA and its subsidiaries (together 'the Group') operates passenger ferries and other passenger boats in Norway. The Group's core business is concentrated at sea transportation through its operation of ferries and express passenger boats, in addition to on-board catering operation.

Fjord1 ASA is incorporated and domiciled in Norway. The address of its registered office is Strandavegen 15, 6900 Florø, Norway.

These condensed interim financial statements were approved by the Board of Directors for issue on 12. May 2020.

These condensed interim financial statements have not been audited.

**BASIS FOR PREPARATION**

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim financial reporting". The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with IFRS.

**GOING CONCERN**

The Group has adopted the going concern basis in preparing its interim financial statements. When assessing this assumption, management has assessed all available information about the future. This comprises information about net cash flows from existing contracts, debt service and obligations under existing new building contracts. Forecasts also take into consideration expected future net income from assets under construction. After making such assessments, management has a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future.

**ACCOUNTING PRINCIPLES**

The accounting policies adopted are consistent with those of the previous financial year except that income tax expense is recognised in each interim period using the expected weighted average annual income tax rate for the full financial year. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

**USE OF ESTIMATES**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2019, except for income taxes and post-employment benefits.

Income tax expense and deferred income tax liability is calculated by applying an estimated effective tax rate, while in annual financial statements income tax expense and deferred income tax liability is calculated by applying the actual tax rate applicable

Present value of defined benefit obligations and the fair value of plan assets at the end of each interim reporting period is estimated by extrapolation of the latest actuarial valuation, while in the annual financial statements this estimate is based on an updated actuarial valuation.

## NOTE 2 FINANCIAL RISK MANAGEMENT, FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The condensed interim financial statements do not include all financial risk management information and disclosures required in annual financial statements.

### FINANCIAL ASSETS

| AMOUNTS IN NOK THOUSANDS  | 31.03.2020     | 31.03.2019     |
|---|----------------|----------------|
| Financial assets at amortised cost  |                |                |
| Trade receivables and other receivables                                   | 484 691        | 264 254        |
| Employee loans  | 139            | 1 551          |
| Other non-current receivables   | 150            | 225            |
| Cash and cash equivalents   | 370 001        | 156 490        |
| Financial assets at fair value through other comprehensive income (FVOCI) | -              | -              |
| Financial assets at fair value through profit or loss (FVPL)              | 4 287          | 4 506          |
| Derivative financial instruments  |                |                |
| Used for hedging  | -              | -              |
| Held for trading at FVPL  | -              | 4 490          |
| <b>Total</b>  | <b>859 266</b> | <b>431 516</b> |

### FINANCIAL LIABILITIES

| AMOUNTS IN NOK THOUSANDS         | 31.03.2020       | 31.03.2019       |
|----------------------------------|------------------|------------------|
| Liabilities at amortised cost    |                  |                  |
| Trade and other payables *       | 652 795          | 754 714          |
| Borrowings                       | 6 217 875        | 3 366 210        |
| Lease liabilities **             | 37 618           | 62 995           |
| Derivative financial instruments |                  |                  |
| Used for hedging                 | -                | -                |
| Held for trading at FVPL         | 29 102           | 1 056            |
| <b>Total</b>                     | <b>6 937 389</b> | <b>4 184 975</b> |

\*Excluding non-financial liabilities.

\*\*See note 13.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

#### Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are not held for trading
- equity contribution for pension plan membership, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Financial assets mandatorily measured at FVPL include the following:

| AMOUNTS IN NOK THOUSANDS                        | 31.03.2020   | 31.03.2019   |
|---|--------------|--------------|
| <b>Non-current assets</b>                       |              |              |
| Unlisted equity securities                      | 855          | 855          |
| Equity contribution for pension plan membership | 3 432        | 3 651        |
| <b>Total non-current assets</b>                 | <b>4 287</b> | <b>4 506</b> |
| <b>Total</b>                                    | <b>4 287</b> | <b>4 506</b> |

## RECOGNISED FAIR VALUE MEASUREMENTS

### (i) Fair value hierarchy

This section explains the judgements and the estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

| RECURRING FAIR VALUE MEASUREMENTS<br>AT 31.03.2020           | Level 1<br>NOK'000 | Level 2<br>NOK'000 | Level 3<br>NOK'000 | Total<br>NOK'000 |
|--|--------------------|--------------------|--------------------|------------------|
| <b>Financial assets</b>                                      |                    |                    |                    |                  |
| Financial assets at fair value through profit or loss (FVPL) |                    |                    |                    |                  |
| Unlisted equity securities                                   | -                  | -                  | 855                | 855              |
| Equity contribution for pension plan membership              | -                  | -                  | 3 432              | 3 432            |
| <b>Total financial assets</b>                                | <b>-</b>           | <b>-</b>           | <b>4 287</b>       | <b>4 287</b>     |
| <b>Financial liabilities</b>                                 |                    |                    |                    |                  |
| Derivative financial instruments                             |                    |                    |                    |                  |
| Held for trading   | -                  | 29 102             | -                  | 29 102           |
| <b>Total financial liabilities</b>                           | <b>-</b>           | <b>29 102</b>      | <b>-</b>           | <b>29 102</b>    |

| RECURRING FAIR VALUE MEASUREMENTS<br>AT 31.03.2019           | Level 1<br>NOK'000 | Level 2<br>NOK'000 | Level 3<br>NOK'000 | Total<br>NOK'000 |
|--|--------------------|--------------------|--------------------|------------------|
| <b>Financial assets</b>                                      |                    |                    |                    |                  |
| Financial assets at fair value through profit or loss (FVPL) |                    |                    |                    |                  |
| Unlisted equity securities                                   | -                  | -                  | 855                | 855              |
| Equity contribution for pension plan membership              | -                  | -                  | 3 651              | 3 651            |
| Derivative financial instruments                             |                    |                    |                    |                  |
| Held for trading   | -                  | 4 490              | -                  | 4 490            |
| <b>Total financial assets</b>                                | <b>-</b>           | <b>4 490</b>       | <b>4 506</b>       | <b>8 996</b>     |
| <b>Financial liabilities</b>                                 |                    |                    |                    |                  |
| Derivative financial instruments                             |                    |                    |                    |                  |
| Held for trading   | -                  | 1 056              | -                  | 1 056            |
| <b>Total financial liabilities</b>                           | <b>-</b>           | <b>1 056</b>       | <b>-</b>           | <b>1 056</b>     |

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market



price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

#### (ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps, foreign exchange contracts and bunker derivatives is recognised based on “market-to-market” estimates provided by external brokers
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, where the fair values have been determined based on present values.

#### **FIXED-PRICE CONTRACTS FOR PURCHASE OF ELECTRICITY**

The Group has entered into fixed-price contracts for purchase of electricity for its own production (ferry operations). The contracts have a duration of 10 years and covers approximately 70% of the Groups yearly estimated consumption. The contracts are considered an exemption from the scope of the standard (“own use”) and have therefore not been recognised as assets/liabilities in the condensed consolidated financial statements.

For fixed-price contracts with a settlement in foreign currency, the embedded derivatives has been recognised in accordance with IFRS 9 and is measured at fair value in the condensed consolidated financial statements. As at 31.03.2020 the fair value of the embedded derivatives was NOK (28) million. The Group recognised a loss of NOK (21) million relating to the embedded derivatives in the first quarter of 2020.

### NOTE 3 SEGMENT INFORMATION

The Group provides ferry- and passenger boat services, catering and tourism services. Operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board. The Board examines the Group's performance from a type of services perspective. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

The Group has four reportable segments:

- Ferry
- Passenger boat
- Catering
- Tourism

No operating segments have been aggregated to form the above reportable segments. Financing (including finance costs, finance income and profit or loss from the interest in Widerøe) and income taxes are managed on a group basis and are not allocated to operating segments.

#### FIRST QUARTER 2020

| NOK IN THOUSANDS   | Ferry          | Passenger-boats | Catering       | Tourism         | Total segments | Corporate and eliminations | Consolidated   |
|--|----------------|-----------------|----------------|-----------------|----------------|----------------------------|----------------|
| <b>Revenue</b>   |                |                 |                |                 |                |                            |                |
| External customers                                       | 692 299        | 29 419          | 19 296         | 7 474           | 748 488        | 3 025                      | 751 513        |
| <b>Total revenue</b>                                     | <b>692 299</b> | <b>29 419</b>   | <b>19 296</b>  | <b>7 474</b>    | <b>748 488</b> | <b>3 025</b>               | <b>751 513</b> |
| <b>Expenses</b>  |                |                 |                |                 |                |                            |                |
| Operating expenses excluding depreciation and impairment | (500 778)      | (17 669)        | (20 903)       | (6 740)         | (546 090)      | (614)                      | (546 702)      |
| Share of profit from associates                          | -              | 2 230           | -              | (13 475)        | (11 245)       | -                          | (11 245)       |
| <b>EBITDA</b>  | <b>191 521</b> | <b>13 980</b>   | <b>(1 607)</b> | <b>(12 741)</b> | <b>191 153</b> | <b>2 411</b>               | <b>193 565</b> |
| Depreciation   | (109 476)      | (11 969)        | (688)          | (54)            | (122 187)      | (417)                      | (122 604)      |
| Impairment   | -              | -               | -              | -               | -              | -                          | -              |
| <b>Segment profit</b>                                    | <b>82 045</b>  | <b>2 011</b>    | <b>(2 295)</b> | <b>(12 795)</b> | <b>68 966</b>  | <b>1 994</b>               | <b>70 961</b>  |

#### YTD 2020

| NOK in thousands   | Ferry          | Passenger-boats | Catering       | Tourism         | Total segments | Corporate and eliminations | Consolidated   |
|--|----------------|-----------------|----------------|-----------------|----------------|----------------------------|----------------|
| <b>Revenue</b>   |                |                 |                |                 |                |                            |                |
| External customers                                       | 692 299        | 29 419          | 19 296         | 7 474           | 748 488        | 3 025                      | 751 513        |
| <b>Total revenue</b>                                     | <b>692 299</b> | <b>29 419</b>   | <b>19 296</b>  | <b>7 474</b>    | <b>748 488</b> | <b>3 025</b>               | <b>751 513</b> |
| <b>Expenses</b>  |                |                 |                |                 |                |                            |                |
| Operating expenses excluding depreciation and impairment | (500 778)      | (17 669)        | (20 903)       | (6 740)         | (546 090)      | (614)                      | (546 702)      |
| Share of profit from associates                          | -              | 2 230           | -              | (13 475)        | (11 245)       | -                          | (11 245)       |
| <b>EBITDA</b>  | <b>191 521</b> | <b>13 980</b>   | <b>(1 607)</b> | <b>(12 741)</b> | <b>191 153</b> | <b>2 411</b>               | <b>193 565</b> |
| Depreciation   | (109 476)      | (11 969)        | (688)          | (54)            | (122 187)      | (417)                      | (122 604)      |
| Impairment   | -              | -               | -              | -               | -              | -                          | -              |
| <b>Segment profit</b>                                    | <b>82 045</b>  | <b>2 011</b>    | <b>(2 295)</b> | <b>(12 795)</b> | <b>68 966</b>  | <b>1 994</b>               | <b>70 961</b>  |

## FIRST QUARTER 2019

| NOK in thousands   | Ferry          | Passenger-boats | Catering       | Tourism        | Total segments | Corporate and eliminations | Consolidated   |
|--|----------------|-----------------|----------------|----------------|----------------|----------------------------|----------------|
| <b>Revenue</b>   |                |                 |                |                |                |                            |                |
| External customers                                       | 579 763        | 28 036          | 24 943         | 3 487          | 636 229        | 4 100                      | 640 329        |
| <b>Total revenue</b>                                     | <b>579 763</b> | <b>28 036</b>   | <b>24 943</b>  | <b>3 487</b>   | <b>636 229</b> | <b>4 100</b>               | <b>640 329</b> |
| <b>Expenses</b>  |                |                 |                |                |                |                            |                |
| Operating expenses excluding depreciation and impairment | (416 568)      | (20 637)        | (28 662)       | (5 328)        | (471 195)      | (2 608)                    | (473 802)      |
| Share of profit from associates                          | -              | (1 368)         | -              | (7 467)        | (8 835)        | -                          | (8 835)        |
| <b>EBITDA</b>  | <b>163 195</b> | <b>6 031</b>    | <b>(3 719)</b> | <b>(9 308)</b> | <b>156 199</b> | <b>1 492</b>               | <b>157 692</b> |
| Depreciation   | (89 873)       | (9 343)         | (817)          | (411)          | (100 444)      | (520)                      | (100 965)      |
| Impairment   | -              | -               | -              | -              | -              | -                          | -              |
| <b>Segment profit</b>                                    | <b>73 322</b>  | <b>(3 312)</b>  | <b>(4 536)</b> | <b>(9 719)</b> | <b>55 755</b>  | <b>972</b>                 | <b>56 727</b>  |

## YTD 2019

| NOK in thousands   | Ferry          | Passenger-boats | Catering       | Tourism        | Total segments | Corporate and eliminations | Consolidated   |
|--|----------------|-----------------|----------------|----------------|----------------|----------------------------|----------------|
| <b>Revenue</b>   |                |                 |                |                |                |                            |                |
| External customers                                       | 579 763        | 28 036          | 24 943         | 3 487          | 636 229        | 4 100                      | 640 329        |
| <b>Total revenue</b>                                     | <b>579 763</b> | <b>28 036</b>   | <b>24 943</b>  | <b>3 487</b>   | <b>636 229</b> | <b>4 100</b>               | <b>640 329</b> |
| <b>Expenses</b>  |                |                 |                |                |                |                            |                |
| Operating expenses excluding depreciation and impairment | (416 568)      | (20 637)        | (28 662)       | (5 328)        | (471 195)      | (2 608)                    | (473 802)      |
| Share of profit from associates                          | -              | (1 368)         | -              | (7 467)        | (8 835)        | -                          | (8 835)        |
| <b>EBITDA</b>  | <b>163 195</b> | <b>6 031</b>    | <b>(3 719)</b> | <b>(9 308)</b> | <b>156 199</b> | <b>1 492</b>               | <b>157 692</b> |
| Depreciation   | (89 873)       | (9 343)         | (817)          | (411)          | (100 444)      | (520)                      | (100 965)      |
| Impairment   | -              | -               | -              | -              | -              | -                          | -              |
| <b>Segment profit</b>                                    | <b>73 322</b>  | <b>(3 312)</b>  | <b>(4 536)</b> | <b>(9 719)</b> | <b>55 755</b>  | <b>972</b>                 | <b>56 727</b>  |

## Reconciliation to Consolidated profit/(loss) for the period

| NOK in thousands                      | Q1 2020         | YTD 2020        | Q1 2019       | YTD 2019      |
|---------------------------------------|-----------------|-----------------|---------------|---------------|
| Segment profit                        | 70 961          | 70 961          | 56 727        | 56 727        |
| Share of profit from other associates | (23 013)        | (23 013)        | 16 774        | 16 774        |
| Interest income                       | 1 116           | 1 116           | 422           | 422           |
| Interest expense                      | (62 535)        | (62 535)        | (32 011)      | (32 011)      |
| Other financial items, net            | (21 258)        | (21 258)        | (23 423)      | (23 423)      |
| Income tax (expense)                  | 7 654           | 7 654           | (4 274)       | (4 274)       |
| <b>Group profit</b>                   | <b>(27 075)</b> | <b>(27 075)</b> | <b>14 215</b> | <b>14 215</b> |

## NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the operations of ferries and passenger boats. There are two types of contracts:

- Gross contracts: The customer assumes the risk related to passenger volume. The Group receives a fixed annual price-index adjusted fee. The amount received each contract year depends on the planned number of voyages.
- Net contracts: The Group assumes the risk related to passenger volume and receives a fixed fee from the customer in addition to revenue from sale of tickets to passengers.

In the catering segment, revenue is recognised at a point in time.

### DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the transfer of goods and services over time and at a point in time from the following segments and geographical regions:

|                                 | Ferry<br>Norway | Passenger-<br>boats<br>Norway | Catering<br>Norway | Tourism<br>Norway | Corporate<br>and<br>eliminations | Total   |
|---------------------------------|-----------------|-------------------------------|--------------------|-------------------|----------------------------------|---------|
| <b>FIRST QUARTER 2020</b>       |                 |                               |                    |                   |                                  |         |
| <b>AMOUNTS IN NOK THOUSANDS</b> |                 |                               |                    |                   |                                  |         |
| Revenue from external customers | 692 299         | 29 419                        | 19 296             | 7 474             | 3 025                            | 751 513 |
| Timing of revenue recognition   |                 |                               |                    |                   |                                  |         |
| Over time                       | 692 299         | 29 419                        | -                  | 7 474             | 808                              | 730 000 |
| At a point in time              | -               | -                             | 19 296             | -                 | 2 217                            | 21 513  |

|                                 | Ferry<br>Norway | Passenger-<br>boats<br>Norway | Catering<br>Norway | Tourism<br>Norway | Corporate<br>and<br>eliminations | Total   |
|---------------------------------|-----------------|-------------------------------|--------------------|-------------------|----------------------------------|---------|
| <b>YTD 2020</b>                 |                 |                               |                    |                   |                                  |         |
| <b>AMOUNTS IN NOK THOUSANDS</b> |                 |                               |                    |                   |                                  |         |
| Revenue from external customers | 692 299         | 29 419                        | 19 296             | 7 474             | 3 025                            | 751 513 |
| Timing of revenue recognition   |                 |                               |                    |                   |                                  |         |
| Over time                       | 692 299         | 29 419                        | -                  | 7 474             | 808                              | 730 000 |
| At a point in time              | -               | -                             | 19 296             | -                 | 2 217                            | 21 513  |

|                                 | Ferry<br>Norway | Passenger-<br>boats<br>Norway | Catering<br>Norway | Tourism<br>Norway | Corporate<br>and<br>eliminations | Total   |
|---------------------------------|-----------------|-------------------------------|--------------------|-------------------|----------------------------------|---------|
| <b>FIRST QUARTER 2019</b>       |                 |                               |                    |                   |                                  |         |
| <b>AMOUNTS IN NOK THOUSANDS</b> |                 |                               |                    |                   |                                  |         |
| Revenue from external customers | 579 763         | 28 036                        | 24 943             | 3 487             | 4 100                            | 640 329 |
| Timing of revenue recognition   |                 |                               |                    |                   |                                  |         |
| Over time                       | 579 763         | 28 036                        | -                  | -                 | 464                              | 608 263 |
| At a point in time              | -               | -                             | 24 943             | 3 487             | 3 636                            | 32 066  |

|                                 | Ferry<br>Norway | Passenger-<br>boats<br>Norway | Catering<br>Norway | Tourism<br>Norway | Corporate<br>and<br>eliminations | Total   |
|---------------------------------|-----------------|-------------------------------|--------------------|-------------------|----------------------------------|---------|
| <b>YTD 2019</b>                 |                 |                               |                    |                   |                                  |         |
| <b>AMOUNTS IN NOK THOUSANDS</b> |                 |                               |                    |                   |                                  |         |
| Revenue from external customers | 579 763         | 28 036                        | 24 943             | 3 487             | 4 100                            | 640 329 |
| Timing of revenue recognition   |                 |                               |                    |                   |                                  |         |
| Over time                       | 579 763         | 28 036                        | -                  | -                 | 464                              | 608 263 |
| At a point in time              | -               | -                             | 24 943             | 3 487             | 3 636                            | 32 066  |

## ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

The Group has recognised the following assets and liabilities related to contracts with customers:

| AMOUNTS IN NOK THOUSANDS   | 31.03.2020     | 31.03.2019     |
|--|----------------|----------------|
| <b>Contract liabilities</b>  |                |                |
| Non-current liabilities  |                |                |
| Non-current contract liabilities relating to Ferry and passenger-boat services | 125 271        | -              |
| <b>Total non-current contract liabilities</b>                                  | <b>125 271</b> | <b>-</b>       |
| Current liabilities  |                |                |
| Current contract liabilities relating to Ferry and passenger-boat services     | 174 661        | 265 929        |
| <b>Total current contract liabilities</b>                                      | <b>174 661</b> | <b>265 929</b> |
| <b>Total contract liabilities</b>  | <b>299 932</b> | <b>265 929</b> |

All trade receivables are related to IFRS 15 transactions.

## UNSATISFIED PERFORMANCE OBLIGATIONS FROM LONG-TERM FERRY CONTRACTS

The following table shows unsatisfied performance obligations resulting from long-term ferry contracts:

| AMOUNTS IN NOK THOUSANDS   | 2021      | 2022      | 2023      | 2024-2025 | 2026-2033 | Total             |
|--|-----------|-----------|-----------|-----------|-----------|-------------------|
| Amount of the transaction price allocated to long-term ferry contracts | 2 727 518 | 2 553 634 | 2 451 759 | 4 315 860 | 7 814 707 | <b>19 863 478</b> |

The amounts do not include options or variable considerations which is constrained.



## NOTE 5 PROPERTY, PLANT AND EQUIPMENT

### FIRST QUARTER 2020

| AMOUNTS IN NOK THOUSANDS                                   | Vessels          | Periodic maintenance | Vessels under construction | Property       | Infrastructure | Infrastructure under construction | Machinery and equipment | Total             |
|--|------------------|----------------------|----------------------------|----------------|----------------|-----------------------------------|-------------------------|-------------------|
| Cost price 01.01.2020                                      | 8 799 218        | 444 860              | 523 739                    | 173 728        | 35 339         | 484 371                           | 218 203                 | 10 679 458        |
| Additions  | -                | 24 202               | 797 802                    | -              | -              | 109 393                           | 992                     | 932 389           |
| Transferred from vessels/infrastructure under construction | 799 870          | 17 900               | (817 770)                  | -              | 79 846         | (79 846)                          | -                       | -                 |
| Disposals  | (25 137)         | (5 173)              | -                          | -              | -              | -                                 | (1 109)                 | (31 419)          |
| <b>Cost price 31.03.2020</b>                               | <b>9 573 951</b> | <b>481 789</b>       | <b>503 771</b>             | <b>173 728</b> | <b>115 185</b> | <b>513 918</b>                    | <b>218 086</b>          | <b>11 580 428</b> |
| Accumulated depreciation 01.01.2020                        | 2 592 607        | 196 432              | -                          | 65 090         | 1 178          | -                                 | 177 913                 | 3 033 220         |
| Depreciation for the period                                | 80 960           | 18 046               | -                          | 2 068          | 2 702          | -                                 | 2 589                   | 106 365           |
| Disposals  | (23 663)         | (4 931)              | -                          | -              | -              | -                                 | (254)                   | (28 848)          |
| <b>Accumulated depreciation 31.03.2020</b>                 | <b>2 649 904</b> | <b>209 547</b>       | <b>-</b>                   | <b>67 158</b>  | <b>3 880</b>   | <b>-</b>                          | <b>180 248</b>          | <b>3 110 737</b>  |
| Accumulated impairment losses 01.01.2020                   | 87 105           | -                    | -                          | -              | -              | -                                 | -                       | 87 105            |
| Impairment loss  | -                | -                    | -                          | -              | -              | -                                 | -                       | -                 |
| Reversal impairment  | -                | -                    | -                          | -              | -              | -                                 | -                       | -                 |
| Disposals  | -                | -                    | -                          | -              | -              | -                                 | -                       | -                 |
| <b>Accumulated impairment losses 31.03.2020</b>            | <b>87 105</b>    | <b>-</b>             | <b>-</b>                   | <b>-</b>       | <b>-</b>       | <b>-</b>                          | <b>-</b>                | <b>87 105</b>     |
| <b>Carrying amount 31.03.2020</b>                          | <b>6 836 942</b> | <b>272 241</b>       | <b>503 771</b>             | <b>106 570</b> | <b>111 304</b> | <b>513 918</b>                    | <b>37 837</b>           | <b>8 382 583</b>  |

### FIRST QUARTER 2019

| AMOUNTS IN NOK THOUSANDS                                   | Vessels          | Periodic maintenance | Vessels under construction | Property       | Infrastructure | Infrastructure under construction | Machinery and equipment | Total            |
|--|------------------|----------------------|----------------------------|----------------|----------------|-----------------------------------|-------------------------|------------------|
| Cost price 01.01.2019                                      | 7 395 309        | 344 489              | 596 138                    | 173 184        | -              | 203 890                           | 201 586                 | 8 914 596        |
| Additions  | -                | 23 671               | 488 230                    | 385            | -              | 41 907                            | 7 664                   | 561 857          |
| Transferred from vessels/infrastructure under construction | 202 037          | -                    | (202 037)                  | -              | -              | -                                 | -                       | -                |
| Disposals  | (938)            | -                    | -                          | -              | -              | -                                 | -                       | (938)            |
| <b>Cost price 31.03.2019</b>                               | <b>7 596 408</b> | <b>368 160</b>       | <b>882 331</b>             | <b>173 569</b> | <b>-</b>       | <b>245 797</b>                    | <b>209 250</b>          | <b>9 475 515</b> |
| Accumulated depreciation 01.01.2019                        | 2 586 291        | 140 487              | -                          | 56 904         | -              | -                                 | 167 716                 | 2 951 398        |
| Depreciation for the period                                | 67 452           | 15 736               | -                          | 2 101          | -              | -                                 | 2 617                   | 87 906           |
| Disposals  | (647)            | -                    | -                          | -              | -              | -                                 | -                       | (647)            |
| <b>Accumulated depreciation 31.03.2019</b>                 | <b>2 653 096</b> | <b>156 223</b>       | <b>-</b>                   | <b>59 005</b>  | <b>-</b>       | <b>-</b>                          | <b>170 333</b>          | <b>3 038 657</b> |
| Accumulated impairment losses 01.01.2019                   | 191 468          | -                    | -                          | -              | -              | -                                 | -                       | 191 468          |
| Impairment loss  | 9 188            | -                    | -                          | -              | -              | -                                 | -                       | 9 188            |
| Reversal impairment  | -                | -                    | -                          | -              | -              | -                                 | -                       | -                |
| Disposals  | -                | -                    | -                          | -              | -              | -                                 | -                       | -                |
| <b>Accumulated impairment losses 31.03.2019</b>            | <b>200 656</b>   | <b>-</b>             | <b>-</b>                   | <b>-</b>       | <b>-</b>       | <b>-</b>                          | <b>-</b>                | <b>200 656</b>   |
| <b>Carrying amount 31.03.2019</b>                          | <b>4 742 656</b> | <b>211 937</b>       | <b>882 331</b>             | <b>114 564</b> | <b>-</b>       | <b>245 797</b>                    | <b>38 917</b>           | <b>6 236 202</b> |
| Useful life  | 10-40 years      | 5 years              |                            | 0-33 years     | 10-15 years    |                                   | 3-10 years              |                  |
| Depreciation method  | Straight line    | Straight line        |                            | Straight line  | Straight line  |                                   | Straight line           |                  |

### ADDITIONS

In January 2020 MF "Florøy" was delivered from Sefine and MF "Grip" from Cemre. In addition, MF "Bølmafjord" was delivered from Havyard Ship Technology AS in February 2020 and MF "Smøla" in March 2020. MF "Sildafjord" was delivered from Sefine in March 2020.

### DISPOSALS

In February 2020, the Group sold the vessel MF "Goma". In addition, the vessel MF "Ørsta" was sold in March 2020.

### HELD FOR SALE

The vessel MF "Fanafjord" is held for sale as at 31.03.2020.

## NOTE 6 COMMITMENTS

### CAPITAL COMMITMENTS

Significant capital expenditure contracted but not recognised as liabilities has the following agreed payment structure:

| AMOUNTS IN NOK THOUSANDS         | 2020           | 2021           | After 2021     | Total            |
|----------------------------------|----------------|----------------|----------------|------------------|
| Newbuildings and conversions     | 500 864        | 169 126        | -              | 669 990          |
| Quay structures/land investments | 251 466        | 25 950         | 180 118        | 457 535          |
| <b>Total</b>                     | <b>752 330</b> | <b>195 076</b> | <b>180 118</b> | <b>1 127 524</b> |

### REPAIRS AND MAINTENANCE

Periodic maintenance is related to major inspections and overhaul costs which occur at regular intervals over the life of a vessel, normally every 5 years. Thus, there are commitments for the Group to maintain the vessels' operational ability and compliance with laws and regulations.

## NOTE 7 EARNINGS PER SHARE

The basic and diluted earnings per share are the same, as there are no convertible bond loan or stock option plans. Earnings per share is calculated as net result allocated to shareholders for the year divided by the weighted average number of outstanding shares.

|   | Q1 2020       | Q1 2019     | YTD<br>2020   | YTD<br>2019 | Full year<br>2019 |
|---|---------------|-------------|---------------|-------------|-------------------|
| Profit/(loss) attributable to equity holders of the company | (27 239 673)  | 14 049 049  | (27 239 673)  | 14 049 049  | 208 606 653       |
| Weighted average number of ordinary shares in issue         | 99 905 489    | 100 000 000 | 99 916 397    | 100 000 000 | 99 916 397        |
| <b>Earnings per share in NOK</b>                            | <b>(0,27)</b> | <b>0,14</b> | <b>(0,27)</b> | <b>0,14</b> | <b>2,09</b>       |

## NOTE 8 BORROWINGS

| AMOUNTS IN NOK THOUSANDS    | 31.03.2020       | 31.03.2019       | 31.12.2019       |
|-----------------------------|------------------|------------------|------------------|
| Non-current bank loan       | 4 056 114        | 1 825 711        | 3 237 832        |
| Non-current bond loan       | 1 000 000        | 1 000 000        | 1 000 000        |
| Capitalised arrangement fee | (54 492)         | (48 937)         | (58 442)         |
| Current bank loan           | 1 216 253        | 589 436          | 1 196 796        |
| <b>Total</b>                | <b>6 217 875</b> | <b>3 366 210</b> | <b>5 376 187</b> |

Movements in borrowings are analysed as follows:

### THREE MONTHS ENDED 31 MARCH 2020

#### AMOUNTS IN NOK THOUSANDS

|   |                  |
|---|------------------|
| Opening amount as at 1 January 2020       | 5 376 187        |
| New bank loan raised                      | 992 951          |
| Arrangement fee                           | 3 950            |
| Repayments of borrowings                  | (155 213)        |
| <b>Closing amount as at 31 March 2020</b> | <b>6 217 875</b> |

### THREE MONTHS ENDED 31 MARCH 2019

#### AMOUNTS IN NOK THOUSANDS

|   |                  |
|---|------------------|
| Opening amount as at 1 January 2019       | 2 790 992        |
| New bank loan raised                      | 664 701          |
| Arrangement fee                           | 3 105            |
| Repayments of borrowings                  | (92 589)         |
| <b>Closing amount as at 31 March 2019</b> | <b>3 366 210</b> |

Bank loans are secured by first mortgages over the Group's vessels. Booked value of the vessels is pledged as security.

The Group issued a bond loan with a nominal amount of NOK 1.000 million at 22 November 2017. The bond was listed at Oslo Stock Exchange in Q2 2018.

The bond loan pays a floating interest coupon consisting of NIBOR 3 months plus 3.5 percent and matures in November 2022.

The Group has in February 2018 and in 2019 secured a NOK 6.395 million loan facility with DNB and Nordea, of which a total amount of NOK 5.857 million has been utilised, including guarantees.

## FINANCIAL COVENANTS

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- Adjusted\* leverage (NIBD/EBITDA) at maximum 4.25
- Equity ratio above 22.5%
- Contracted volume (NIBD/contracted income)

\*The loan agreements include a grace period for measurement of the adjusted leverage covenants such that borrowings incurred in relation to investments in new contracts will not be included in the adjusted leverage measurement until after the start of the respective contracts. After start of a contract, borrowings are included with an increasing percentage over the next four quarters after start of the specific contract.

The bond loan agreement includes the following financial covenants:

- Minimum equity ratio of 22.5% for the six-quarter period starting 1 January 2019 or 25% at any other point in time.
- Minimum liquidity of NOK 75 million.

## NOTE 9 INCOME TAX

Interim income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

| AMOUNTS IN NOK THOUSANDS                          | Q1 2020      | Q1 2019        | YTD<br>2020  | YTD<br>2019    | Full year<br>2019 |
|---|--------------|----------------|--------------|----------------|-------------------|
| Profit before tax                                 | (34 729)     | 18 489         | (34 729)     | 18 489         | 252 965           |
| Tax expense                                       | 7 654        | (4 274)        | 7 654        | (4 274)        | (43 861)          |
| Average tax rate                                  | 22,0 %       | 23,1 %         | 22,0 %       | 23,1 %         | 17,3 %            |
| Change in deferred tax liabilities                | 7 654        | (4 274)        | 7 654        | (4 274)        | (62 776)          |
| Change in deferred tax asset                      | -            | -              | -            | -              | 18 251            |
| Tax payable                                       | -            | -              | -            | -              | 664               |
| <b>Tax expense in statement of profit or loss</b> | <b>7 654</b> | <b>(4 274)</b> | <b>7 654</b> | <b>(4 274)</b> | <b>(43 861)</b>   |

## NOTE 10 OTHER FINANCIAL ITEMS, NET

| AMOUNTS IN NOK THOUSANDS                                | Q1 2020         | Q1 2019         | YTD<br>2020     | YTD<br>2019     | Full year<br>2019 |
|---|-----------------|-----------------|-----------------|-----------------|-------------------|
| Change in fair value derivatives                        | (20 998)        | (17 669)        | (20 998)        | (17 669)        | (29 207)          |
| Gains/(losses) on realisation of investments in shares  | -               | -               | -               | -               | 31 103            |
| Currency exchange gains                                 | 1 815           | 20              | 1 815           | 20              | 2 914             |
| Currency exchange losses                                | (100)           | (36)            | (100)           | (36)            | (520)             |
| Fee and contingency commission for bank- and bond loans | (1 975)         | (5 583)         | (1 975)         | (5 583)         | (8 370)           |
| Other financial income                                  | -               | -               | -               | -               | 908               |
| Other financial expenses                                | -               | (155)           | -               | (155)           | (1 052)           |
| <b>Total other financial items, net</b>                 | <b>(21 258)</b> | <b>(23 423)</b> | <b>(21 258)</b> | <b>(23 423)</b> | <b>(4 223)</b>    |

## **NOTE 11** CONTINGENCIES

### **REBATE COMPENSATION**

Fjord1 ASA is entitled to compensation for loss of transport revenue as a consequence of the client changing the conditions for the discount structure and fare zones beyond what was set out in the tender. Since 2010, no final settlement by the client has been made for some contracts. Payments from the client since 2010 have been made subject to conditions. The choice of model used for calculation of compensation, may affect the final level of compensation. As a result, the Group may receive additional compensation or may receive a claim on paid out preliminary compensation.

The following variable consideration has been recognised:

- For the period 2014 – 2016: NOK 375.58 million
- For the period 2017 – 2018: NOK 98.22 million
- For the period 2019: NOK 35.90 million

As at 31.03.2020 the Group has receivables relating to the variable consideration of NOK 78.22 million. The Group is currently negotiating the final settlement of compensation for the period 2014-2019. The variable consideration recognised has been determined based on what the Group considers to be the most likely amount of revenue, and thus the final outcome of the negotiations with the client may result in a compensation that differ from what the Group has recognised as variable consideration.

## NOTE 12 RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

### REVENUE FROM RELATED PARTIES

| AMOUNTS IN NOK THOUSANDS           |                    |         | YTD   |         | YTD   | Full year |
|------------------------------------|--------------------|---------|-------|---------|-------|-----------|
| Related party                      | Relation           | Q1 2020 | 2020  | Q1 2019 | 2019  | 2019      |
| The Fjords DA                      | Associate          | 3 742   | 3 742 | 3 552   | 3 552 | 27 614    |
| The Fjords Fartøy I DA             | Associate          | -       | -     | 175     | 175   | 280       |
| The Fjords Fartøy III DA           | Associate          | 152     | 152   | -       | -     | -         |
| Fjord Tours Group AS               | Jointly controlled | -       | -     | -       | -     | 4         |
| Havyard Production & Sercie sp.z.o | Owner              | -       | -     | 2       | 2     | 2         |
| Havyard MMC AS                     | Owner              | -       | -     | 2       | 2     | 2         |
| Havyard Ship Technology AS         | Owner              | -       | -     | -       | -     | 408       |

### EXPENSES TO RELATED PARTIES

| AMOUNTS IN NOK THOUSANDS      |          |           | YTD       |           | YTD       | Full year |
|-------------------------------|----------|-----------|-----------|-----------|-----------|-----------|
| Related party                 | Relation | Q1 2020   | 2020      | Q1 2019   | 2019      | 2019      |
| Havyard Ship Technology AS    | Owner    | (269 074) | (269 074) | (367 241) | (367 241) | (887 100) |
| Havyard Group ASA             | Owner    | -         | -         | -         | -         | (3)       |
| Norwegian Electric Systems AS | Owner    | (66 060)  | (66 060)  | (41 335)  | (41 335)  | (85 013)  |
| Havila AS                     | Owner    | (100)     | (100)     | (15)      | (15)      | (45)      |
| Havila Holding AS             | Owner    | -         | -         | (27)      | (27)      | (57)      |

Expenses related to Havyard Ship Technology AS and Norwegian Electric Systems AS are mainly related to investing in the construction of new vessels.

### RECEIVABLES/(LIABILITIES) TO RELATED PARTIES

| AMOUNTS IN NOK THOUSANDS              |           |            |            |
|---------------------------------------|-----------|------------|------------|
| Related party                         | Relation  | 31.03.2020 | 31.03.2019 |
| The Fjords DA                         | Associate | 2 525      | 3 469      |
| The Fjords Fartøy III DA              | Associate | 95         | -          |
| Havila AS                             | Owner     | (4)        | -          |
| Havyard Ship Technology AS            | Owner     | (616)      | (771)      |
| Norwegian Electric Systems AS         | Owner     | (35 389)   | (18 430)   |
| Havyard Production & Sercie sp. z. o. | Owner     | (30)       | 1          |
| Havyard MMC AS                        | Owner     | -          | 2          |

**NOTE 13 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES****AMOUNTS RECOGNISED IN THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

The condensed consolidated statement of financial position shows the following amounts relating to leases:

**RIGHT-OF-USE ASSETS**

| AMOUNTS IN NOK THOUSANDS         | 31.03.2020    | 31.03.2019    | 31.12.2019    |
|----------------------------------|---------------|---------------|---------------|
| <b>Right of use assets</b>       |               |               |               |
| Buildings                        | 10 914        | 5 476         | 5 695         |
| Machinery and equipment          | 517           | 668           | 422           |
| Vessels                          | 25 791        | 56 725        | 34 237        |
| <b>Total Right of use assets</b> | <b>37 221</b> | <b>62 868</b> | <b>40 354</b> |

**LEASE LIABILITIES**

| AMOUNTS IN NOK THOUSANDS       | 31.03.2020    | 31.03.2019    | 31.12.2019    |
|--------------------------------|---------------|---------------|---------------|
| <b>Lease liabilities</b>       |               |               |               |
| Current                        | 19 787        | 35 428        | 31 490        |
| Non-Current                    | 17 831        | 27 567        | 9 050         |
| <b>Total lease liabilities</b> | <b>37 618</b> | <b>62 995</b> | <b>40 540</b> |

Additions to the right-of-use assets in the first quarter of 2020 were NOK 12.82 million.

**AMOUNTS RECOGNISED IN THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

The condensed consolidated statement of profit or loss shows the following amounts relating to leases:

| AMOUNTS IN NOK THOUSANDS   | Q1 2020       | Q1 2019       | Full year 2019 |
|--|---------------|---------------|----------------|
| <b>Depreciation charge of right-of-use assets</b>                              |               |               |                |
| Buildings  | 916           | 778           | 2 810          |
| Machinery and equipment  | 117           | 85            | 507            |
| Vessels  | 15 206        | 12 174        | 60 853         |
| <b>Total Depreciation charge of right-of-use assets</b>                        | <b>16 238</b> | <b>13 037</b> | <b>64 170</b>  |
| Interest expense   | 225           | 392           | 1 648          |
| Expenses relating to short-term leases   | 1 765         | 282           | 480            |
| Expenses relating to leases of low-value                                       | 530           | 298           | 1 252          |
| Expenses relating to variable lease payments not included in lease liabilities | -             | 577           | 1 234          |

The total cash outflow for leases in the first quarter of 2020 were NOK 16.25 million.

**THE GROUPS' LEASING ACTIVITIES AND HOW THESE ARE ACCOUNTED FOR**

Fjord1 ASA agreements consist of buildings, cars, vessels used in the operating activities and office machines. Cars usually have a lease period of 5 years, while several of the buildings have a longer time frame. The office machines are leased in a 3-5 year period. Some of the building leases have extension options and this has been taken into account.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Fjord1 ASA, which does not have recent third party financing, and
- makes adjustments specific to the lease, eg term, country, currency and security.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

### **VARIABLE LEASE PAYMENTS**

The group's leasing portfolio mainly consists of lease of vessels, property and vehicles, and these contracts does not include variable lease payments.

### **EXTENSION AND TERMINATION OPTIONS**

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

### **RESIDUAL VALUE GUARANTEES**

To optimise lease costs during the contract period, the group sometimes provides residual value guarantees in relation to equipment leases.



## NOTE 14 SHARE CAPITAL AND SHAREHOLDERS

Larges shareholders as at 31.03.2020:

| Shareholder                      | Number of<br>shares | Voting<br>rights | Nominal value<br>per share | Total nominal<br>value |
|----------------------------------|---------------------|------------------|----------------------------|------------------------|
| HAVILAFJORD AS                   | 51 500 000          | 51,5 %           | 2,50                       | 128 750 000            |
| PERESTROIKA AS                   | 18 459 849          | 18,5 %           | 2,50                       | 46 149 623             |
| HAVILAFJORD HOLDING AS           | 15 000 000          | 15,0 %           | 2,50                       | 37 500 000             |
| Citibank, N.A.                   | 3 850 000           | 3,9 %            | 2,50                       | 9 625 000              |
| DZ PRIVATBANK S.A.               | 2 669 132           | 2,7 %            | 2,50                       | 6 672 830              |
| State Street Bank and Trust Comp | 1 101 983           | 1,1 %            | 2,50                       | 2 754 958              |
| CLEARSTREAM BANKING S.A.         | 1 003 480           | 1,0 %            | 2,50                       | 2 508 700              |
| Pictet & Cie (Europe) S.A.       | 650 000             | 0,7 %            | 2,50                       | 1 625 000              |
| KLP AKSJENORGE INDEKS            | 387 307             | 0,4 %            | 2,50                       | 968 268                |
| Citibank, N.A.                   | 375 993             | 0,4 %            | 2,50                       | 939 983                |
| GH HOLDING AS                    | 357 143             | 0,4 %            | 2,50                       | 892 858                |
| AMG RENAISSANCE INTL EQ FD       | 215 000             | 0,2 %            | 2,50                       | 537 500                |
| SIX SIS AG                       | 165 190             | 0,2 %            | 2,50                       | 412 975                |
| Bank Julius Bär & Co. AG         | 160 090             | 0,2 %            | 2,50                       | 400 225                |
| Commerzbank Aktiengesellschaft   | 158 065             | 0,2 %            | 2,50                       | 395 163                |
| Brown Brothers Harriman & Co.    | 143 960             | 0,1 %            | 2,50                       | 359 900                |
| Banque de Luxembourg S.A.        | 127 500             | 0,1 %            | 2,50                       | 318 750                |
| VERDIPAPIRFONDET STOREBRAND      | 123 552             | 0,1 %            | 2,50                       | 308 880                |
| BNP Paribas Securities Services  | 117 472             | 0,1 %            | 2,50                       | 293 680                |
| FJORD1 ASA                       | 90 402              | 0,0 %            | 2,50                       | 226 005                |
| <b>Total owned by top 20</b>     | <b>96 656 118</b>   | <b>96,6 %</b>    | <b>2,50</b>                | <b>241 640 295</b>     |
| Other                            | 3 343 882           | 3,4 %            | 2,50                       | 8 359 705              |
| <b>Total number of shares</b>    | <b>100 000 000</b>  | <b>100,0 %</b>   | <b>2,50</b>                | <b>250 000 000</b>     |