

Eidesvik Offshore ASA

Report for Q2 2023

Message from the CEO

Eidesvik is pleased to report a strong second quarter with improvements on all levels. Revenue was NOK 240.5 million which is an increase of 30% compared to Q2, 2022. EBITDA ended at NOK 128.7 million, also a solid improvement from last year.

The market continues to strengthen in all our operating segments. Vessel availability is rapidly decreasing globally, leading to increased day rates and utilization levels. All our vessels are on long term charters and our consolidated backlog is currently at NOK 1.977 billion.

During the quarter we entered into agreements to sell our three remaining laid up seismic vessels. One vessel was delivered to its new owner in Q2 and the last two were delivered in Q3.

During the quarter, Viking Queen commenced on a time charter with Wintershall DEA. Our Viking Energy, a key vessel in the groundbreaking Ship FC project, celebrated 20 successful years on charter to Equinor. Our newly acquired vessel, Viking Reach, commenced operation for Reach Subsea on April 1.

Inflation and constraints in the supply chain continues to be a concern and an area of focus. We benefit from our experience and competence in managing and responding to delays and cost fluctuations.

The solid quarter and performance year to date is a testimony to our ability to deliver on our strategy. We have a successful refinancing behind us, securing a strong balance sheet and low debt. We have exited the seismic segment and increased our footprint in the subsea segment.

With a solid financial foundation, a long-term profitable contract portfolio combined with an extremely competent workforce, we are excited about the future here at Eidesvik!



Gitte Gard Talmo
CEO

Highlights

Eidesvik Offshore ASA and its subsidiaries (“Eidesvik”, the “Group” or the “Company”) delivered an operational and financially strong quarter with 30% higher revenue than Q2 2022. EBITDA margin for the quarter was 54%. Utilization was 96%.

Viking Queen commenced on its time charter for Wintershall DEA in May and all the Company’s vessels are now on long-term charters.

Viking Reach commenced on its 6- year time charter with Reach Subsea on April 1.

The Group delivered on its strategy and completed its communicated exit from seismic with signed agreements for sale of the remaining three seismic vessels which have been in lay-up for extended periods. One of the vessels was delivered to its new owner in Q2 while the two remaining have been delivered in Q3.

Eidesvik generated revenue of NOK 240.5 million in Q2 2023 compared to NOK 185.1 million in Q2 2022. EBITDA was NOK 128.7 million compared to NOK 75.1 million in 2022.

With the new financing agreement now in place and including further debt amortization made with the proceeds from sale of the seismic vessels the Group’s current NIBD/EBITDA (adjusted, last twelve months) is 1.8 (excluding IFRS 16).

Key Financials

(NOK 1 000)	2023	2022	2023	2022
	1.4 - 30.6	1.4 - 30.6	1.1 - 30.6	1.1 - 30.6
Operating income	240 494	185 128	373 987	294 211
EBITDA	128 701	75 147	156 471	80 524
EBITDA margin	54 %	41 %	42 %	27 %
	30.06.2023	31.12.2022		
Equity	1 468 226	928 047		
Equity ratio	56 %	40 %		
Cash and equivalents	339 375	655 630		
Net interest-bearing debt*	561 360	541 663		

*Including IFRS 16. Liabilities related to Assets held for sale will become due and

payable at the time of completion of the sale.

Operational update

HSEQ

The safety of employees and operations constitute the foundation of all activities in Eidesvik. The Group had no Lost Time Incidents (LTI) in Q2 2023. Total Recordable Case Frequency (TRCF) is 1.01* for first half of 2023. This is due to the LTI previously reported in Q1. Eidesvik is continuing its focus towards first aid incidents, and the number of cases for the first half of 2023 indicates a decrease in such incidents.

* The number of Total Reportable Cases per million Exposure Hours worked during the period (excluding first aid).

Operations

The overall utilization for the supply and subsea & offshore wind fleet in Q2 2023 was 96% (99% in Q2 2022).

The supply segment experienced a utilization of 94% in Q2 2023 (99%). Viking Energy completed its 20-year class renewal in the quarter and Viking Queen operated in the spot market in April.

For the subsea & offshore wind vessels, the utilization was 100% (99%).

Financial summary

All financial numbers are in NOK unless stated otherwise.

Revenue for Q2 2023 was NOK 240.5 million compared to 185.1 million in Q2 2022 with an EBITDA of 128.7 million compared to 75.1 million in Q2 2022. Revenue and EBITDA YTD 2023 was 374.0 million and 156.5 million (294.2 million and 80.5 million).

The revenue and EBITDA margin increased 30% and 71% respectively compared to Q2 2022. YTD revenue and EBITDA increased 27% and 94% compared to 2022.

The company recognized a gain on sale of one seismic vessel and sale of certain ancillary equipment of a total of NOK 52.8 million.

In the supply segment revenue increased from NOK 79.2 million to 96.4 million, an increase of more than 21.7% due to improved rates. The full rate improvement is even higher as this number includes slightly lower utilisation due to one scheduled docking and one vessel in the spot market for 30 days. In subsea & offshore wind consolidated revenue was 80.3 million vs 88.1 million with improved day rates and the addition of the vessel Viking Reach making up a substantial part of the reduced revenue due to the sale of the vessel Viking Neptun.

EBITDA for Q2 of NOK 76.1 million, adjusted for the gain on sale of the seismic vessel and other ancillary equipment mentioned above is at the same level as Q2 2022 (75.1 million). The improved margin performance in both segments and the addition of the vessel Viking Reach in the quarter supersedes the reduced EBITDA from the sale of Viking Neptun.

Operating expenses for the quarter were NOK 111.8 million compared to 110.0 million in Q2 2022 and 217.5 million YTD (213.7 million). Personnel expenses increased due to an increase in salaries and increased crew on certain vessels, but other operating expenses reduced slightly due to the sale of Neptun.

Q2 depreciation was NOK 39.8 million (35.1 million). Depreciation YTD was 72.5 million (67.3 million).

Eidesvik reversed NOK 332.2 million of previously impaired asset values in the quarter due to improved rates and market fundamentals for its operational fleet and reversal of previous impairment on two seismic vessels where a sale agreement has been entered into at higher levels than current book value (0).

Operating profit before other income and expenses for Q2 was NOK 421.0 million (40.0 million). YTD operating profit was 416.1 million (13.2 million).

The joint ventures had a loss of NOK 2.9 million for the quarter (-1.2 million) and YTD NOK -11.9 million (-3.8 million). The increased loss YTD is due to the vessel Seven Viking being in for its 10- year class renewal in Q1 and increased depreciation and interest rates.

Net financial income and expenses for Q2 was NOK -10.7 million (-139.7 million). YTD net financial income and expenses was NOK -21.9 million (-119.9 million). 2022 was affected by material disagio due to substantial debt in USD in 2022. Interest expenses are reduced due to material reduction in debt in connection with the sale of Viking Neptun.

Profit after tax for Q2 was NOK 407.5 million (-100.9 million). Profit YTD was 382.4 million (-110.4 million).

Balance sheet and liquidity Q2 2023

Total current assets per June 30, 2023, were NOK 613.5 million (910.3 million per December 31, 2022), whereof cash balance was NOK 339.4 million (655.6 million). The main reason for the reduction in cash is prepayment of debt in connection with the refinancing. NOK 90.5 million is restricted cash and funding restricted for use towards Eidesvik's joint development projects with multiple partners for the development of green ammonia as a fuel source.

Assets held for sale at the end of the quarter was NOK 71.3 million (80.7 million on December 31, 2022). Assets held for sale are two remaining seismic vessels where a contract for sale was entered into at the end of the quarter. The transaction was completed in August 2023.

Non-current assets were NOK 1 938.5 million on June 30, 2023, compared to 1,348.1 million at year end 2022. The

increase is due to the addition of the vessel Viking Reach and the above-mentioned reversal of impairment.

Equity on June 30, 2023, was NOK 1 468.2 million (928.0 million on December 31, 2022), i.e., an equity ratio of 56.0% (39.7%).

Net interest-bearing debt on June 30, 2023, was NOK 561.4 million (541.6 million on December 31, 2022).

Cash flow from operating activities per June 30, 2023, amounted to NOK 99.3 million (5.6 million) reflecting improved operational parameters.

Cash flow from investment activities per June 30, 2023, was NOK -256.2 million (-60.9 million) mainly due to investment in the entity Eidesvik Reach which owns the vessel Viking Reach and docking capex, reduced with sale of two seismic vessels and other equipment.

Cash flow from financing activities per June 30, 2023 was NOK -159.4 million (-117.8 million). This is a combination of capital raise, prepayment of debt in connection with refinancing and return of capital to minority shareholders because of the sale of Viking Neptun

Market and outlook

Supply market

On the Norwegian Continental shelf, there has been a shortage of large PSV throughout Q2 2023 whilst the UK sector experienced a slight drop in vessel utilization and rates towards the end of the quarter.

Other regions also report equally or higher utilization and rates similar to the North Sea region.

The drivers for the PSV market are robust and we predict a strong market going forward into 2024 and beyond.

The overall number of PSV's available in the North Sea market has since 2018 seen a decrease due to scrapping, conversions and what is likely to be permanent migration to other regions.

Subsea & offshore wind market

The major subsea companies continue to build their backlogs and we continue to see improved day rates and utilization levels. Charterers are securing capacity for the years to come, and we expect this segment to obtain premium rates going forward.

The demand for vessel in the combined subsea and renewable support market, including survey, trenching and cable-lay, will in our opinion increase.

The spring has been busy in the offshore wind market with high demand and improved rates for suitable tonnage on medium long charters.

The increased activity levels in in both subsea and offshore wind is expected to drive vessel demand and rates going forward. We maintain our positive market outlook for vessel owners.

Subsequent events

The sale of the two remaining seismic vessels in lay-up was completed.

Bømlo, August 30, 2023

Arne Austreid
Chair of the Board

Annicken G. Kildahl
Board Member

Lars Eidesvik
Board Member

John E. Stangeland
Board Member

Kristine E. Skeie
Board Member

Lauritz Eidesvik
Board Member

Bjørg Marit Eknes
Board Member

Petter Lønning
Board Member

Gitte Gard Talmo
CEO



Declaration from the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer have today addressed and adopted the consolidated semi-annual accounts for Eidesvik Offshore ASA per June 30, 2023, and 1st Half of 2023, including the consolidated corresponding figures per June 30, 2022, and 1st Half of 2022.

The semi-annual report is prepared in accordance with IAS 34 Interim Financial Reporting, as provided by the EU and Norwegian additional requirements in the Securities Trading Act.

By the Board of Directors and the Chief Executive Officer opinion the semi-annual

accounts are prepared in accordance with current regulations, and the information in the accounts give a true and fair view of the Group's assets, liabilities and financial standing and results as a whole per June 30, 2023, and June 30, 2022. By the Board of Directors and the Chief Executive Officer opinion the semi-annual report give a true and fair view of important events in the accounting period and their influence on the semi-annual accounts. By the Board of Directors and the Chief Executive Officer opinion the description of the most important financial risks the company is faced with in the following accounting period, and the description of related parties material transactions, give a true and fair view.

Bømlo, August 30, 2023

Arne Austreid
Chair of the Board

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Board Member

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Board Member

Petter Lønning
Board Member

Gitte Gard Talmo
CEO



CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(NOK 1 000)

	2023 1.4 - 30.6	2022 1.4 - 30.6	2023 1.1 - 30.6	2022 1.1 - 30.6
Operating Revenue				
Freight revenue	184 420	181 092	313 235	287 638
Gain/loss on sale (note 4)	15 487	0	16 368	0
Other income (note 4)	40 586	4 036	44 384	6 573
Total operating revenue	240 494	185 128	373 987	294 211
Operating Expenses				
Personnel expenses	81 507	75 632	151 390	149 511
Other operating expenses	30 286	34 349	66 126	64 176
Total operating expenses	111 793	109 981	217 516	213 687
Operating result before depreciations	128 701	75 147	156 471	80 524
Ordinary depreciation	39 812	35 115	72 522	67 311
Impairment on assets/reversal impairment (note 6, 7)	(332 153)	0	(332 153)	0
Operating result before other income and expenses	421 041	40 032	416 102	13 212
Result from Joint Ventures and associated companies	(2 923)	(1 187)	(11 860)	(3 789)
Operating result	418 118	38 845	404 242	9 423
Financial Items (note 11)				
Financial income	8 993	17 285	18 329	44 035
Financial expenses	(19 119)	(30 437)	(35 387)	(45 976)
Net agio (disagio)	(524)	(126 557)	(4 807)	(117 925)
Net financial items	(10 649)	(139 709)	(21 865)	(119 866)
Pre-tax result	407 469	(100 863)	382 377	(110 443)
Taxes	11	0	11	0
Result	407 480	(100 863)	382 388	(110 443)
Attributable to				
Equity holders of the parent	404 911	(79 511)	380 438	(92 608)
Non-controlling interests	2 569	(21 353)	1 950	(17 836)
Earnings per share	5,55	(1,28)	5,21	(1,49)
Profit	407 480	(100 863)	382 388	(110 443)
Comprehensive income	407 480	(100 863)	382 388	(110 443)
Attributable to				
Equity holders of the parent	404 911	(79 511)	380 438	(92 608)
Non-controlling interests	2 569	(21 353)	1 950	(17 836)
Total attributed	407 480	(100 863)	382 388	(110 443)

CONDENSED STATEMENT OF FINANCIAL POSITION

(NOK 1 000)

	30.06.2023	31.12.2022
ASSETS		
Non-current assets:		
Vessels (note 6, 7)	1 694 996	1 062 780
Other assets (note 7)	18 440	18 547
Financial derivatives	8 876	30 065
Right-of-use asset	54 601	55 489
Other long-term receivables	32 049	39 769
Pension fund	417	417
Shares in Joint Ventures (note 10)	126 022	137 882
Shares (note 10)	3 118	3 118
Total non-current assets	1 938 520	1 348 068
Current assets:		
Account receivables, freight income	203 147	141 759
Other short-term receivables	57 682	80 767
Financial derivatives	13 314	32 115
Cash and cash equivalents	339 375	655 630
Total current assets	613 519	910 271
Assets held for sale		
Assets held for sale (note 7)	71 293	80 695
Total assets held for sale	71 293	80 695
TOTAL ASSETS	2 623 332	2 339 034
EQUITY AND LIABILITIES		
Equity		
Equity attributable to the company's shareholders:		
Share capital	3 649	3 108
Premium fund	301 054	177 275
Other paid-in equity	629	629
Other comprehensive income	-377	-377
Retained earnings	1 064 466	684 167
Total equity majority shareholders	1 369 422	864 802
Non-controlling interests	98 804	63 245
Total equity	1 468 226	928 047
Non-current liabilities:		
Lease liabilities (note 12)	52 878	53 973
Interest-bearing debt (note 12)	657 030	43 169
Total non-current liabilities	709 909	97 142
Current liabilities:		
Interest-bearing debt (note 12)	111 508	989 534
Financial derivatives	633	0
Lease liabilities (note 12)	5 011	4 217
Accounts payable	40 108	30 022
Other short-term liabilities (note 13)	213 041	177 707
Total current liabilities	370 301	1 201 480
Liabilities related to Assets held for sale	74 897	112 365
Total liabilities, Assets held for sale	74 897	112 365
Total liabilities	1 155 106	1 410 988
TOTAL EQUITY AND LIABILITIES	2 623 332	2 339 034

STATEMENT OF CHANGES IN EQUITY

(Condensed)

	Share capital	Share premium	Other reservers	Other paid-in equity	Other equity	Total	Minority share	Total equity
Equity as at 01.01.2023	3 108	177 275	-377	629	684 167	864 801	63 245	928 046
Result in the period	0	0	0	0	380 438	380 438	1 950	382 388
Other adjustments	0	0	0	0	-139	-139	0	-139
Private placement *	542	123 779	0	0	0	124 321	0	124 321
Change in non-controlling interests **	0	0	0	0	0	0	33 609	33 609
Equity as at 30.06.2023	3 649	301 054	-377	629	1 064 466	1 369 422	98 804	1 468 226

	Share capital	Share premium	Other reservers	Other paid-in equity	Other equity	Total	Minority share	Total equity
Equity as at 01.01.2022	3 108	177 275	-590	629	338 111	518 534	2 565	521 098
Result in the period	0	0	0	0	346 056	346 056	60 680	406 736
Actuarial loss	0	0	213	0	0	213	0	213
Equity as at 31.12.2022	3 108	177 275	-377	629	684 168	864 802	63 245	928 047

*In March, the Company announced a successful private placement of 10,833,333 new shares. The transaction and registration of the shares was completed in April 2023.

**Updated minority share related to the new entity established with Reach Subsea ASA, and paid dividend from Eidesvik Neptun AS.

STATEMENT OF CASH FLOWS

(Condensed)

	1.1 - 30.6 2023	1.1 - 30.6 2022	1.1 - 31.12 2022
Net cash flow from operations excl. taxes	99 285	5 646	215 746
<u>Paid taxes</u>	0	(86)	(135)
Cash flow from operating activity	99 285	5 560	215 611
Sale of fixed assets	52 924	0	1 230 746
Sale of other assets	37 314	0	0
Payment of long-term receivables (instalments and interests)	26 667	20 694	44 102
<u>Purchase of fixed operating assets</u>	<u>(373 057)</u>	<u>(81 594)</u>	<u>(103 410)</u>
Cash flow from investment activity	(256 152)	(60 900)	1 171 438
Received net funds from private placement (note 13)	28 321	0	0
Equity contribution related to establishment of Eidesvik Reach AS	191 617	0	0
Instalment financial lease	(3 298)	(1 991)	(4 890)
New debt	896 276	0	0
Unwound interest derivatives	45 676	0	0
Repayment of debt	(1 219 858)	(74 264)	(965 921)
Paid interest	(36 253)	(41 529)	(91 009)
<u>Paid dividend to minority interests</u>	<u>(61 869)</u>	<u>0</u>	<u>0</u>
Cash flow from finance activity	(159 388)	(117 783)	(1 061 820)
Changes in cash holdings	(316 255)	(173 123)	325 229
<u>Liquid assets at the beginning of the period</u>	<u>655 630</u>	<u>330 401</u>	<u>330 401</u>
Liquid assets at the end of the period	339 375	157 277	655 630

NOTES TO THE ACCOUNTS

Note 1 - Basis for preparation

These condensed interim consolidated financial statements are prepared in accordance with recognition, measurement and presentation principles consistent with International Financial Reporting Standards as adopted by the European Union ("IFRS") for interim reporting under the International Accounting Standard ("IAS") 34 Interim Financial reporting. These condensed interim consolidated financial statements are unaudited.

These condensed interim consolidated financial statements are condensed and do not include all of the information and notes required by IFRS for a complete set of consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statement.

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for 2022.

The established entity formed together with Reach Subsea ASA, where Eidesvik holds 50.1% of the shares, is consolidated as a subsidiary in the accounts. Eidesvik has the controlling interest and influence in this entity.

The presentation currency of the Group is Norwegian kroner (NOK).

Note 2 – Financial risk

The Group has its income mainly in NOK, EUR and USD, while the material operating expenses are in NOK. Therefore, the Group is exposed to fluctuations in the exchange rate of EUR/NOK and USD/NOK.

The Group has debt in NOK and USD and is exposed to changes in interest rate levels. The Group's interest rate risk is managed through interest cap derivatives. The share of loans with interest cap is 43% for NOK loans and 0% for USD loans per June 30, 2023.

The current liquidity position of the Group is satisfactory.

For further information, reference is made to the 2022 annual accounts Note 3.

Note 3 - Seasonal variations

The interim accounts are moderately influenced by seasonal variations. Reference is made to the chapter "Market and future outlook" and the "Contract status".

Note 4 - Special transactions

Gain on sale in Q2 2023 is related to the sales of Viking Vision.

Other revenues are related to sale of ancillary equipment and reversal of previous write-down of paid installments on receivables from Oceanic Seismic Vessels AS. See Note 5 in the Annual Accounts for 2022 for further details.

Note 5 – Estimates

No changes in estimates materially influencing the interim results or balance have occurred.

Note 6 – Impairment/reversal of impairment

Impairment tests are performed on individual cash generating units (vessels) when indications of impairment or reversal of previous impairments are identified. Due to observed indicators, such as improved market conditions and change in market interest rates, the vessels' book values have been tested for impairment and reversal of previous impairments per June 30, 2023.

Based on these tests, Eidesvik has recognized a reversal of impairment of NOK 332.2 million in 2Q 2023. Of this, NOK 54.2 million is related to reversal of impairment of one subsea/offshore wind vessel, and NOK 240.2 million is related to reversal of impairments of four PSVs. Net sale

proceeds for the two remaining seismic vessels were higher than the book values, and hence reversal of impairment of NOK 37.8 million is related to these vessels.

The Group monitors the presence of impairment indicators during the periodical financial reporting, and thus may update its assessments of impairments to reflect further changes in the underlying market assumptions. Broker estimates are not used as an approximate sales value on the balance sheet date as there are few observed sales of the type of vessels the Company owns. For the assessment of value in use, expected future cash flows are used, discounted to net present value using a discount rate before taxes reflecting the market based time value of money, as well as risk specific to the asset.

The discount rate is derived from a weighted average cost of capital (WACC) for market players. The average WACC used in the calculations per June 30, 2023, is 10.5%. This takes into account that the Group's business is mainly within the tonnage tax system, and the calculated WACC is assumed to apply both before and after tax. The capital structure used in the weighted average cost of capital is based on an assumed capital structure in comparable companies with similar assets in a normal situation. Equity cost is based on the expected required rate of return for the Group's investors. Debt costs are based on the risk-free interest rate, plus a premium equivalent to the difference between risk-free rate and market rates. The beta factors are evaluated quarterly when deemed necessary, and otherwise at least annually, on the basis of publicly available market data for identified comparable companies and the main index on the Oslo Stock Exchange.

Future cash flows are estimated on the basis of estimated remaining useful life, which may exceed 5 years. The cash flows used in the impairment tests for 2023 are based on and reconciled against the financial forecasts which the Group uses for internal planning purposes as well as present to its lenders. Important elements in estimated cash flows are the contract situation (order backlog), the utilization rate, ordinary operating expenses, periodic maintenance (docking), charter rates, the long-term inflation rate, and exchange rates.

CLIMATE-RELATED MATTERS

The Group constantly monitors the latest regulatory changes in relation to climate-related matters.

The Group has already invested in hybrid battery solutions for the majority of its fleet. For further green fuels and technologies to reduce CO₂ emission for the fleet the Group continues to investigate this together with our customers, suppliers and also follow up on possibilities for public funding. Forecast for the vessels include green investments to the extent relevant and are therefore included in assessment of impairment and reversal of impairment. The investments done by the Group so far with focus on reduction in CO₂ has historically contributed to securing long term contracts for the vessels in particular in periods where there has been excess capacity in the market. Higher fuel price due to CO₂ levels or the cost of green fuels will for the most part be forwarded to the customer, hence there is limited impact in the Group's OPEX short term.

For the Group's long term sustainability goals of 50% reduction in CO₂ in 2030, and climate neutral in 2050 to be met, both newbuild programs and new technology has to be implemented and yield appropriate returns. Long term investments are evaluated on this basis.

In the current market, with the existing fleet in the industry, current new build plans and commercial maturity of new emission technology there is no impact on residual values or useful life of the Group's existing vessels.

All the Group's vessels comply with current environmental requirements.

For further information about the tests and other estimates, reference is made to the 2022 annual accounts Note 12.

Note 7 - Fixed assets

(NOK thousands)	Property	Port facilities	Operating equipment	Total other fixed assets	Vessels	Periodic maintenance	Total vessels
Acquisition cost							
January 1, 2023	37 414	3 594	40 598	81 605	4 647 450	354 548	5 001 998
Addition	0	0	0	0	363 211	47 137	410 348
Disposal	0	0	0	0	-720 058	-15 954	-736 012
March 31, 2023	37 414	3 594	40 598	81 605	4 290 603	385 731	4 676 334
Accumulated depreciation and impairments							
January 1, 2023	19 804	3 494	39 760	63 059	3 567 818	290 704	3 858 522
Depreciation in the year	90	0	17	107	48 758	23 764	72 522
Impairment / reversal impairment (-) for the year	0	0	0	0	-332 153	0	-332 153
Disposals	0	0	0	0	-672 893	-15 954	-688 847
June 30, 2023	19 895	3 494	39 777	63 166	2 611 530	298 514	2 910 044
Book value	17 520	100	820	18 440	1 679 073	87 217	1 766 287

(NOK thousands)	Property	Port facilities	Operating equipment	Total other fixed assets	Vessels	Periodic maintenance	Total vessels
Acquisition cost							
January 1, 2022	37 414	3 594	42 559	83 567	5 890 541	359 633	6 250 174
Addition	0	0	403	403	45 266	56 183	101 448
Disposal	0	0	-2 364	-2 364	-1 288 357	-61 268	-1 349 625
December 31, 2022	37 414	3 594	40 598	81 605	4 647 450	354 548	5 001 998
Accumulated depreciation and impairments							
January 1, 2022	19 624	3 494	39 926	63 044	4 034 132	285 076	4 319 208
Depreciation in the year	180	0	93	273	87 156	49 978	137 134
Impairment / reversal impairment (-) for the year	0	0	0	0	-209 237	0	-209 237
Disposals	0	0	-258	-258	-344 232	-44 350	-388 582
December 31, 2022	19 804	3 494	39 760	63 059	3 567 818	290 704	3 858 522
Book value	17 610	100	837	18 547	1 079 632	63 844	1 143 473

Eidesvik acquired the vessel Viking Reach (previously named Edda Sun) in Q1 2023 in the established entity formed together with Reach Subsea ASA.

The seismic vessel Viking Vision was sold in Q2 2023. Sale agreements for the remaining two seismic vessels were entered in Q2 2023, and the sales were completed in August 2023. These vessels were classified as Assets held for sale per Q2 2023.

In determining whether the decisions of sale of the seismic vessels are assessed as discontinued operations or asset held for sale, the Group has concluded that the seismic operations are not a major line of business. The assessment made is based on the fact that the seismic operation's representative share of the Group's total revenue is not viewed as significant (4% for 2022). Consistently discontinued operations is not applicable, and the vessels are classified as asset held for sale in accordance with IFRS 5. All seismic vessels are classified as held-for-sale and are included in the table above.

Depreciations of right-of-use assets are not included in the table above.

Note 8 - Long-term debt drawn

On February 22, 2023, Eidesvik announced that it had agreed on a term sheet with its financial institutions for refinancing of its debt. The transaction was completed on March 28, 2023, and the new terms for the financing became effective. The new debt will mature on February 28, 2026. A prepayment of NOK 410 million was made using cash on hand to reduce the overall debt.

Summary of the refinancing

Amortization:

- In 2023, scheduled amortization amounts to NOK 42.5 million.
- In 2024 and 2025, scheduled amortization amounts to NOK 85 million.

Cash Sweep:

- No cash sweep mechanisms.

Financial covenants:

- Minimum free liquidity of NOK 60 million.
- Positive working capital (current assets less current liabilities, excluding instalments and current portion of long term debt).
- Leverage ratio of 5.0 or lower in 2023, 4.0 in 2024 and 3.5 in 2025.
- Equity ratio of 35% for 2023, and 40% thereafter.

EIDESVIK REACH AS

Eidesvik Reach AS, where Eidesvik owns a controlling interest; and which owns the vessel Viking Reach drew a long-term USD loan in connection with the acquisition of the vessel. This loan and the entity are isolated from the group loan facility.

Summary of the financing:

- Maturity: March 15, 2028
- Amortization: 6-years profile
- Financial covenants:
 - Minimum free liquidity of NOK 10 million.
 - Positive working capital (current assets less current liabilities, excluding instalments and current portion of long term debt).
 - Minimum book equity of NOK 160 million.
 - Equity ratio of 35%.

Note 9 - Operating Segments

Time Charter revenue is based on contracts where the Group delivers a vessel including crew, to a client. The charterer determines, within the contractual limits, how the vessel is to be utilized. A Time Charter contract consists of a Bareboat component and a service component. The Bareboat period starts from the time the vessel is made available to the customer and expires on the agreed return date. The Bareboat component will normally be within the range 20-80% of the total contract value. The Bareboat component is within the scope of IFRS 16. Both the service and the Bareboat are recognized as revenue over the lease period on a straight-line basis. There is no Time Charter revenue when the vessels are off-hire.

Operation segment	Supply		Subsea/Wind		Seismic		Other		Total	
	1.4- 30.6 2023	1.4- 30.6 2022	1.4- 30.6 2023	1.4- 30.6 2022	1.4- 30.6 2023	1.4- 30.6 2022	1.4- 30.6 2023	1.4- 30.6 2022	1.4- 30.6 2023	1.4- 30.6 2022
Segment result										
Operating income	55 040	49 606	40 856	37 811	0	0	7 388	5 457	103 284	92 874
Bareboat income	41 410	29 601	39 422	50 281	3 272	12 372	0	0	84 104	92 254
Operating income share from JV*	0	0	10 373	9 347	0	0	0	0	10 373	9 347
Bareboat income from JV*	0	0	3 741	3 902	0	0	0	0	3 741	3 902
Gain on sale	0	0	0	0	15 488	0	37 618	0	53 106	0
Total operating income	96 450	79 207	94 391	101 341	18 760	12 372	45 006	5 457	254 607	198 377
Operating expenses	57 027	49 249	34 883	40 469	2 869	7 090	17 015	13 172	111 794	109 980
Operating expenses share from JV*	0	0	9 363	8 201	0	0	0	0	9 363	8 201
Total operating expenses	57 027	49 249	44 246	48 670	2 869	7 090	17 015	13 172	121 157	118 181
Depreciations	22 517	19 881	15 696	10 046	0	3 669	1 599	1 518	39 811	35 114
Depreciations share from JV*	0	0	5 447	4 731	0	0	0	0	5 447	4 731
Impairment on assets / reversal impairment	-240 191	0	-54 207	0	-37 755	0	0	0	-332 153	0
Impairment on assets share from JV*	0	0	0	0	0	0	0	0	0	0
Total depreciations/written down on assets	-217 674	19 881	-33 064	14 777	-37 755	3 669	1 599	1 518	-286 895	39 845
Operating profit incl. share from JV*	257 097	10 077	83 210	37 894	53 646	1 613	26 392	-9 233	420 346	40 351
Net finance and taxes from JV*	0	0	-2 227	-1 503	0	0	0	0	-2 227	-1 503
Written down JV	0	0	0	0	0	0	0	0	0	0
Profit from associated companies	0	0	0	0	0	0	0	0	0	0
Profit from other JV	0	0	0	0	0	0	0	0	0	0
Operating profit	257 097	10 077	80 983	36 391	53 646	1 613	26 392	-9 233	418 118	38 845
Number of vessels at end of period (incl. JV)	6	6	4	4	2	4			12	14

Operation segment	Supply		Subsea/Wind		Seismic		Other		Total	
	1.1.- 30.6 2023	1.1.- 30.6 2022	1.1.- 30.6 2023	1.1.- 30.6 2022	1.1.- 30.6 2023	1.1.- 30.6 2022	1.1.- 30.6 2023	1.1.- 30.6 2022	1.1.- 30.6 2023	1.1.- 30.6 2022
Segment result										
Operating income	101 793	95 775	65 262	54 568	0	0	13 522	10 530	180 577	160 873
Barreboat income	74 513	44 772	58 308	73 657	6 603	14 909	0	0	139 424	133 338
Operating income share from JV*	0	0	16 604	18 688	0	0	0	0	16 604	18 688
Barreboat income from JV*	0	0	6 377	7 761	0	0	0	0	6 377	7 761
Gain on sale	0	0	0	0	16 368	0	37 618	0	53 986	0
Total operating income	176 306	140 547	146 551	154 674	22 971	14 909	51 140	10 530	396 968	320 660
Operating expenses	115 943	100 681	60 033	74 833	6 627	11 960	34 913	26 212	217 516	213 686
Operating expenses share from JV*	0	0	19 627	17 876	0	0	0	0	19 627	17 876
Total operating expenses	115 943	100 681	79 660	92 709	6 627	11 960	34 913	26 212	237 143	231 562
Depreciations	43 974	39 549	25 350	17 676	0	7 338	3 198	2 748	72 522	67 311
Depreciations share from JV*	0	0	10 893	9 462	0	0	0	0	10 893	9 462
Impairment on assets / reversal impairment	-240 191	0	-54 207	0	-37 755	0	0	0	-332 153	0
Impairment on assets share from JV*	0	0	0	0	0	0	0	0	0	0
Total depreciations/written down on assets	-196 217	39 549	-17 964	27 138	-37 755	7 338	3 198	2 748	-248 738	76 773
Operating result incl. share from JV*	256 580	317	84 855	34 826	54 099	-4 389	13 029	-18 430	408 563	12 324
Net finance and taxes from JV*	0	0	-4 320	-2 899	0	0	0	0	-4 320	-2 899
Written down JV	0	0	0	0	0	0	0	0	0	0
Result from associated companies	0	0	0	0	0	0	0	0	0	0
Result from other JV	0	0	0	0	0	0	0	0	0	0
Operating result	256 580	317	80 534	31 927	54 099	-4 389	13 029	-18 430	404 242	9 423
Number of vessels at end of period (incl. JV)	6	6	4	4	2	4			12	14

*The JV's income, expenses and depreciation are included in the table with a share corresponding to the Group's ownership share in the JVs.

Note 10 - Joint venture

Summarized financial information per June 30, 2023, of the individual joint venture companies:

Company	Assets	Liability	Equity	Revenues	Profit	Ownership	Book value	Result portion
Eidesvik Seven AS	502 992	278 444	224 548	12 755	-18 329	50 %	112 274	-9 165
Eidesvik Seven Chartering AS	66 646	39 155	27 491	45 963	-5 390	50 %	13 746	-2 695
Profit from Joint Ventures							126 022	(11 860)

Summarized financial information per June 30, 2022 of the individual joint ventures companies:

Company	Assets	Liability	Equity	Revenues	Profit	Ownership	Book value	Result portion
Eidesvik Seven AS	523 501	269 127	254 374	15 522	-9 940	50 %	127 187	-4 970
Eidesvik Seven Chartering AS	60 300	27 203	33 097	52 898	2 361	50 %	16 549	1 180
Profit from Joint Ventures							143 736	(3 789)

Summarized financial information per June 30, 2023, of the individual associated companies:

Company	Ownership/ voting share	Book value 30.06.2023	Result portion
Bleivik Eiendom AS	23 %	3 118	0
Eidesvik Ghana Ltd.	49 %	0	0
Profit from associated companies		3 118	0

Summarized financial information per June 30, 2022 of the individual associated companies:

Company	Ownership/ voting share	Book value 31.03.2022	Result portion
Bleivik Eiendom AS	23 %	2 595	0
Eidesvik Ghana Ltd.	49 %	0	0
Profit from associated companies		2 595	0

Note 11 - Financial items

	1.4 - 30.6 2023	1.4 - 30.6 2022	1.1 - 30.6 2023	1.1 - 30.6 2022	1.1 - 31.12 2022
Financial income	2 451	5 227	5 682	7 019	14 421
Impairment long-term receivables	1 171	1 444	5 889	3 718	7 247
Other interest and financial expenses	(19 548)	(31 161)	(39 776)	(47 309)	(97 308)
Interest cost - lease liabilities	(742)	(719)	(1 501)	(2 385)	(3 783)
Change in market value on interest instruments	6 542	12 058	12 647	37 016	51 142
Realized agio on foreign exchange contracts	402	302	2 444	876	2 403
Realized agio - others	1 440	(3 257)	(8 002)	(7 706)	(96 814)
Unrealized agio - on foreign exchange contracts	98	5 493	(633)	5 131	(363)
Unrealized agio - others	(2 463)	(129 095)	1 383	(116 226)	(21 584)
Net financial items	(10 649)	(139 709)	(21 865)	(119 866)	(144 639)

Note 12 - Net interest-bearing debt

	30.06.2023	31.12.2022
Current interest-bearing debt	111 508	989 534
Accrued interests	(590)	(5 965)
Liabilities related to Assets held for sale	74 897	112 365
<i>1st year installment on non-current interest-bearing debt</i>	185 815	1 095 934
Current lease liabilities (IFRS 16)	5 011	4 217
<i>Current interest-bearing debt</i>	190 826	1 100 152
Non-current interest-bearing debt	657 030	43 169
Non-current lease liabilities (IFRS 16)	52 878	53 973
<i>Non-current interest-bearing debt</i>	709 909	97 142
Total interest-bearing debt	900 735	1 197 294
Cash and cash equivalents	(339 375)	(655 630)
Net interest-bearing debt	561 360	541 663

Note 13 - Related-party transactions

In relation with the private placement and the acquisition of Viking Reach in Q1 2023, Eidesvik Invest AS gave Eidesvik a short-term loan of NOK 96.0 million in Q1 2023. NOK 77.8 million of the loan was used as a contribution in kind in connection with the private placement (Eidesvik Invest AS' share of the private placement). Eidesvik received the funds from the private placement in April 2023, and the loan from Eidesvik Invest AS was repaid in full.

Eidesvik Invest received an underwriting commission of NOK 1.9 million for underwriting NOK 96.0 million of the private placement.

Except for the ordinary operating related transactions with the joint ventures Eidesvik Seven AS and Eidesvik Seven Chartering AS, and the related companies Eidesvik Invest AS, Langevåg Senter AS, Bømlo Skipsservice AS, Evik AS and Bømmelfjord AS, no other material related-party transactions have been conducted. Reference is made to the 2022 annual accounts Note 24.

Note 14 - Shareholders

No major changes in the shareholder positions have occurred in the period.

20 largest shareholders per June 30, 2023:

Name	Stake	Country
EIDESVIK INVEST AS	59,86 %	NORWAY
JAKOB HATTELAND HOLDING AS	4,74 %	NORWAY
HELGØ FORVALTNING	2,33 %	NORWAY
VINGTOR INVEST AS	2,31 %	NORWAY
CAIANO SHIP AS	1,94 %	NORWAY
STANGELAND HOLDING AS	1,78 %	NORWAY
BERGTOR INVESTERING AS	1,72 %	NORWAY
DUNVOLD INVEST AS	1,51 %	NORWAY
SKANDINAVISKA ENSKILDA BANKEN AB	1,04 %	SWEDEN
HELGØ INVEST AS	0,84 %	NORWAY
SILBERG, JOHNNY	0,82 %	NORWAY
HELLAND AS	0,76 %	NORWAY
M EIDESVIK OG SØNNER AS	0,75 %	NORWAY
MYKLEBUST, EINAR	0,59 %	NORWAY
ALPINE CAPITAL AS	0,55 %	NORWAY
OLAVS HOLDING AS	0,55 %	NORWAY
LØVLID, ARNE	0,37 %	NORWAY
SMEDASUNDET AS	0,37 %	NORWAY
NORDNET LIVSFORSIKRING AS	0,35 %	NORWAY
LGJ INVEST AS	0,34 %	NORWAY
Total	83,51 %	
Total other	16,49 %	
Total shares	100,00 %	

Note 15 - Subsequent events

The sale of the two remaining seismic vessels were completed in August 2023.

No other events have occurred after the balance sheet date with significant impact on the interim financial statements for Q2 2023.

APPENDIX 1 – ALTERNATIVE PERFORMANCE MEASURES DEFINITIONS

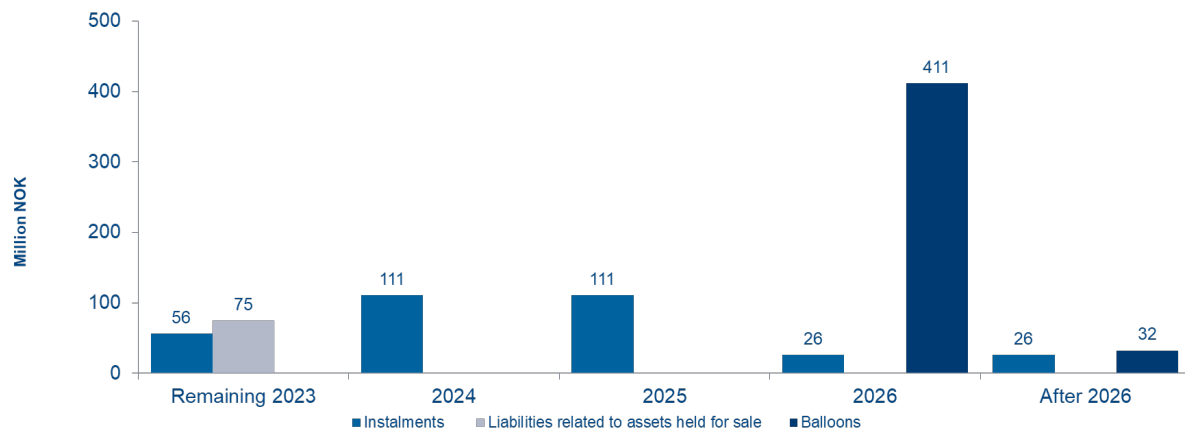
The Group's financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the Group discloses alternative performance measures as a supplement to the financial statement prepared in accordance with IFRS. Such performance measures are used to provide better insight into the operating performance, financing and future prospects of the Group and are frequently used by securities analysts, investors and other interested parties.

The definitions of these measures are as follows:

- **Contract coverage:** Number of future sold days compared with total actual available days (incl. vessels in layup), excluding options.
- **Backlog:** Sum of undiscounted revenue related to secured contracts in the future.
- **Utilization:** Actual days with revenue divided by total actual available days.
- **Equity Ratio:** Equity divided by total assets
- **Net interest bearing debt:** Interest bearing debt less current and non-current interest bearing receivables and cash and cash equivalents. The use of term "net debt" does not necessarily mean cash included in the calculation is available to settle debt if included in the term. Reference is made to Note 12.
- **EBITDA:** Operating result (earnings) before depreciation, impairment, amortization, net financial costs and taxes is a key financial parameter. The term is useful for assessing the profitability of operations, as it is based on variable costs and excludes depreciation, impairment and amortized costs related to investments. EBITDA is also important in evaluating performance relative to competitors. See table below for matching to the accounts.
- **EBIT:** Operating result (earnings) before net financial costs and taxes. See table below for matching to the accounts.
- **Working capital:** Current assets less short-term liabilities.
- **Minimum market value clause:** Booked value of an asset shall not be lower than a given ratio compared to outstanding debt on the same asset.

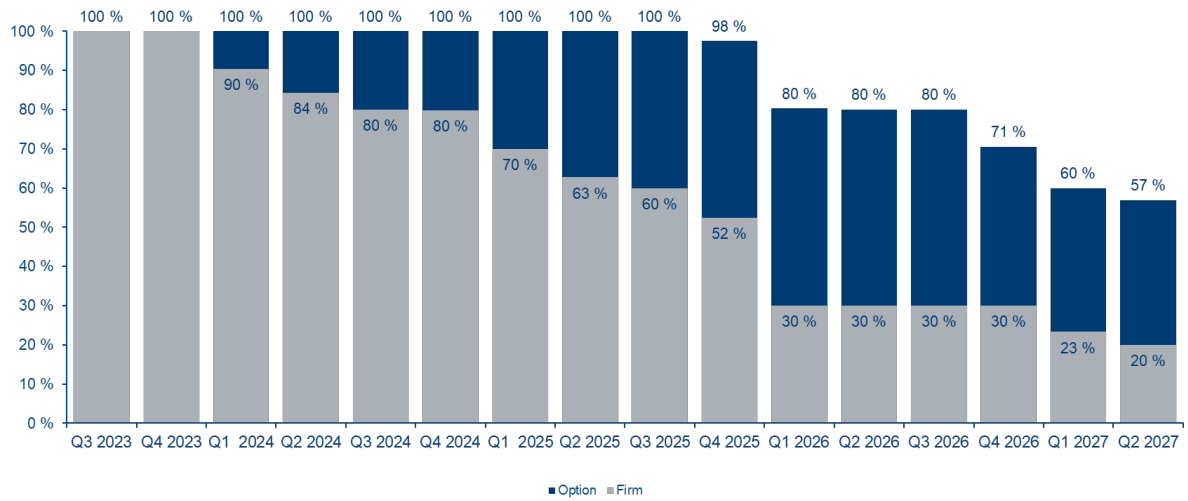
	2023	2022
	1.4 - 30.6	1.4 - 30.6
Total operating income	240 494	185 128
Total operating expenses	(111 793)	(109 981)
EBITDA	128 701	75 147
Ordinary depreciation	(39 812)	(35 115)
Impairment on assets	332 153	0
Result from Joint Ventures and associated companies	(2 923)	(1 187)
EBIT	418 118	38 845

APPENDIX 2 - DEBT MATURITY PROFILE JUNE 30, 2023:



APPENDIX 3 – CONTRACT STATUS AND COVERAGE JUNE 30, 2023:

Vessel	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Seven Viking												
Viking Reach												
Subsea Viking												
Viking Wind Power												
Viking Queen												
Viking Lady												
Viking Princess												
Viking Prince												
Viking Energy												
Viking Avant												



CONDENSED STATEMENT OF COMPREHENSIVE INCOME LAST 5 QUARTERS

Consolidated (NOK 1 000)	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2
Operating Revenue:					
Freight revenue	184 420	128 815	160 586	186 498	181 092
Gain/loss on sale	15 487	880	269 723	0	0
Other income	40 586	3 798	3 594	3 936	4 036
Total operating revenue	240 494	133 493	433 903	190 434	185 128
Operating Expenses:					
Personell expenses	81 507	69 884	83 607	69 307	75 632
Other operating expenses	30 286	35 840	27 562	30 172	34 349
Total operating expenses	111 793	105 723	111 169	99 479	109 981
Operating result before depreciations	128 701	27 770	322 734	90 955	75 147
	54 %	21 %	74 %	48 %	41 %
Ordinary depreciation	39 812	32 710	40 526	35 069	35 115
Writedown on assets	(332 153)	0	0	(209 237)	0
Operating result before other income and expenses	421 041	(4 940)	282 208	265 123	40 032
Result from Joint Ventures and associated companies	(2 923)	(8 937)	(3 073)	(2 258)	(1 187)
Operating result	418 118	(13 876)	279 135	262 866	38 845
Financial Items:					
Financial income	8 993	9 336	888	20 640	17 285
Financial expenses	(19 119)	(16 268)	(26 376)	(21 493)	(30 437)
Net agio (disagio)	(524)	(4 284)	100 709	(99 142)	(126 557)
Net financial items	(10 649)	(11 216)	75 221	(99 994)	(139 709)
Pre-tax result	407 469	(25 092)	354 356	162 871	(100 863)
Taxes	11	0	0	(49)	0
Result	407 480	(25 092)	354 356	162 823	(100 863)
Equity holders of the parent	404 911	(24 473)	264 318	174 346	(79 511)
Non-controlling interests	2 569	(619)	90 038	(11 523)	(21 353)
Earnings per share	5,55	(0,39)	4,25	2,81	(1,28)
Statement of comprehensive income					
Actuarial gain/ loss	0	0	213	0	0
Comprehensive income	407 480	(25 092)	354 569	162 823	(100 863)
Attributable to					
Controlling interests	404 911	(24 473)	264 530	174 346	(79 511)
Non-controlling interests	2 569	(619)	90 038	(11 523)	(21 353)
Total attributed	407 480	(25 092)	354 569	162 823	(100 863)

CONDENSED STATEMENT OF FINANCIAL POSITION LAST 5 QUARTERS

Consolidated (NOK 1 000)	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2
ASSETS					
Non-current assets:					
Vessels	1 694 996	1 364 275	1 062 780	1 116 790	925 095
Other assets	18 440	18 494	18 547	18 198	18 252
Financial derivatives	8 876	8 099	30 065	40 461	32 019
Right-of-use asset	54 601	56 147	55 489	53 994	55 422
Other long-term receivables	32 049	34 511	39 769	46 323	48 653
Pension fund	417	417	417	282	282
Shares in Joint Venture	126 022	128 945	137 882	141 478	143 736
Shares	3 118	3 118	3 118	2 595	2 595
Total non-current assets	1 938 520	1 614 005	1 348 068	1 420 121	1 226 052
Current assets:					
Account receivables,	203 147	170 724	141 759	211 738	191 791
Other short-term receivables	57 682	111 045	80 744	69 743	51 908
Financial derivatives	13 314	9 268	32 115	29 372	24 499
Cash and cash equivalents	339 375	332 291	655 653	210 402	157 277
Total current assets	613 519	623 328	910 271	521 255	425 475
Assets held for sale:					
Assets held for sale	71 293	48 949	80 695	1 006 702	1 022 755
Total assets held for sale	71 293	48 949	80 695	1 006 702	1 022 755
TOTAL ASSETS	2 623 332	2 286 282	2 339 034	2 948 079	2 674 283
EQUITY AND LIABILITIES					
Equity attributable to the company's shareholders:					
Share capital	3 649	3 108	3 108	3 108	3 108
Premium fund	301 054	177 275	177 275	177 275	177 275
Not paid or registered share capital increase	0	124 000	0	0	0
Other paid-in equity	629	629	629	629	629
Other comprehensive income	(377)	(377)	(377)	(590)	(590)
Retained earnings	1 064 466	659 555	684 167	419 850	245 504
Total equity majority shareholders	1 369 422	964 190	864 802	600 272	425 926
Non-controlling interests	98 804	158 104	63 245	(26 794)	(15 271)
Total equity	1 468 226	1 122 294	928 047	573 478	410 655
LIABILITIES:					
Non-current liabilities:					
Lease liabilities	52 878	54 130	53 973	52 217	53 361
Interest-bearing debt	657 030	691 127	43 169	1 089 764	1 070 558
Total non-current liabilities	709 909	745 257	97 142	1 141 981	1 123 919
Current liabilities:					
Interest-bearing debt	111 508	90 143	989 534	73 587	65 395
Financial derivatives	633	731	0	1 377	122
Lease liabilities	5 011	5 011	4 217	4 217	4 217
Accounts payable	40 108	35 732	30 022	42 924	31 190
Other short-term liabilities	213 041	192 820	177 707	156 087	129 036
Total current liabilities	370 301	324 437	1 201 480	278 191	229 959
Liabilities related to Assets held for sale	74 897	94 295	112 365	954 428	909 749
Total liabilities, Assets held for sale	74 897	94 295	112 365	954 428	909 749
Total liabilities	1 155 106	1 163 988	1 410 988	2 374 601	2 263 628
TOTAL EQUITY AND LIABILITIES	2 623 332	2 286 282	2 339 034	2 948 079	2 674 283



Financial Calendar 2023

22 Nov 2023 | 3rd Quarter 2023

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