

Eidesvik Offshore ASA

Report for Q3 2023

Message from the CEO

The third quarter was yet another strong quarter for Eidesvik Offshore. We are pleased to report continued improvements in both financial and operational parameters in the quarter. Revenue was NOK 204.6 million and EBITDA ended at NOK 105.2 million. Freight revenue and EBITDA margin at 50% (excluding sales gains) are both at a level not seen for many years. Current market improvements are visible in all segments and paying off in our contract portfolio.

Our fleet utilisation in the period was high at 98%. We contribute this to our competent crew and our stringent maintenance philosophy which ensures our vessels are kept in excellent condition. Together we have delivered our services to the high operational standard we are known for and with safety at the core of our actions. We had zero LTIs in the quarter.

During Q3 we announced that Wintershall Dea has declared an option to extend the contract for the supply vessel Viking Queen. The contract extension was awarded at current attractive market conditions.

We are soon entering the winter season and I encourage all our crews to look after each other under the rough conditions that this season can offer. Winter usually comes with lower activity in the North Sea. For Eidesvik however, seasonal variations will not affect our revenues as all our vessels are currently on solid long-term contracts.

The macro-outlook in all our operating segments remains strong and these favorable market conditions will generate new opportunities for the company. We are continuously reviewing possibilities to expand and strengthen our business, and we do have the capacity to do so. However, we are adamant that new business cases in Eidesvik must rest on two pillars: Long-term contracts with clients that fit our strategy; and long recurring cashflows at healthy multiples. Our discipline in selecting the right clients and projects got us through the industry downturn with all our values intact, and it is this exact strategy that enables us to focus on growth prospects today. We are in it for the long run here at Eidesvik, with our focus set on long-term value creation.



Gitte Gard Talmo
CEO

A rectangular box containing a handwritten signature in black ink that reads "Gitte Gard Talmo".

Highlights

Eidesvik Offshore ASA and its subsidiaries (“Eidesvik”, the “Group” or the “Company”) continue to deliver both operationally and financially with revenue of NOK 204.6 million and EBITDA margin of 51.4% for the quarter. Utilisation was a stellar 98% (97%).

The two remaining seismic vessels, where a contract for sale was entered into in Q2 2023, were delivered to its new owners in August.

Wintershall Dea and OMV declared an option to extend the contract for the supply vessel Viking Queen. The contract extension runs from May 2024 in direct continuation of the current contract, extending the firm period to October 2025.

Quarterly freight revenue and EBITDA margin adjusted for sales gains of 50% is a revenue and margin percentage not achieved in close to seven years for the Company.

The Group’s current NIBD/EBITDA (adjusted, last twelve months) is 1.5 (excluding IFRS 16).

Key Financials

(NOK 1 000)	2023	2022	2023	2022
	1.7 - 30.9	1.7 - 30.9	1.1 - 30.9	1.1 - 30.9
Total operating income	204 646	190 434	578 633	484 644
EBITDA	105 179	90 955	261 650	171 479
EBITDA margin	51 %	48 %	45 %	35 %

	30.09.2023	31.12.2022
Equity	1 518 326	928 047
Equity ratio	60 %	40 %
Cash and equivalents	386 456	655 630
Net interest-bearing debt*	431 491	541 663

*Including IFRS 16.

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 Q3 2023. Total Recordable Case Frequency (TRCF) is 0.65* YTD 2023. This is due to the LTI previously reported in Q1 this year. The Company is continuing its focus towards first aid incidents, and the number of cases YTD 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 utilisation for the fleet in Q3 2023 was 98% (97% in Q3 2022).

The supply segment had a utilisation of 100% in Q3 2023 (96%).

For the subsea & offshore wind vessels, the utilisation was 96% (98%).

All vessels are on long-term contracts.

Financial summary

All financial numbers are in NOK unless stated otherwise.

Revenue for Q3 2023 was NOK 204.6 million compared to 190.4 million in Q3 2022 with an EBITDA of NOK 105.2 million compared to 91.0 million in Q3 2022. Revenue and EBITDA YTD 2023 was NOK 578.6 million and NOK 261.7 million (484.6 million and 171.5 million).

The revenue and EBITDA margin increased 7% and 15.6 % respectively compared to Q3 2022. YTD revenue and EBITDA increased 19.6 % and 52.6 % compared to 2022.

Number of owned vessels (100% or partially) in the quarter was 10 (14, whereof 4 in layup per Q3 2022).

In the supply segment revenue increased from NOK 81.8 million to 104.9 million, an increase of more than 28% due to improved rates and increased utilisation. In subsea & offshore wind revenue was NOK 98.4 million vs 105.6 million with improved day rates, favourable forex development 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 Q3 of NOK 105.2 million, is up from Q3 2022 (91.0 million). Strong margin improvement in supply which is up from 37.2% to 49.4% and the addition of the vessel Viking Reach more than makes up for the reduction in EBITDA contribution due to the sale of Viking Neptun.

Operating expenses for the quarter were NOK 99.5 million compared to 99.5 million in Q3 2022 and 317.8 million YTD (313.2 million). Personnel expense increased due to increase in salaries and increase in crew on certain vessels, while other operating expenses saw a reduction due to the sale of Viking Neptun and seismic vessels and a decrease in SG&A expenses for the quarter.

Q3 depreciation was NOK 39.9 million (35.1 million). Depreciation YTD was NOK 112.4 million (102.4 million). Increased depreciation is driven by reversal of previous impairment and additional capex on the vessels.

Operating profit before other income and expenses for Q3 was NOK 65.3 million (265.1 million). YTD operating profit was NOK 481.4 million (278.3 million). Q3/YTD 2022 is impacted by reversal of previous impairment of NOK 209,2 million and YTD 2023 is impacted by reversal of previous impairment of NOK 332 million.

Joint ventures had a loss of NOK 3.6 million for the quarter (-2.3 million) and YTD NOK -15.5 million (-6.0 million). The increased loss YTD is due to the vessel Seven Viking having its 10- year class renewal in Q1, an unscheduled repair in Q3 and increased depreciation and interest rates.

Net financial income and expenses for Q3 was NOK -10.7 million (-100.0 million). YTD net financial income and expenses was NOK -32.6 million (-219.9 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 Q3 was NOK 51.0 million (162.8 million). Profit YTD was 433.4 million

(52.4 million). See above in regard to the reversal of impairment both for 2022 and 2023.

Balance sheet and liquidity Q3 2023

Total current assets per September 30, 2023, were NOK 641.5 million (910.3 million per December 31, 2022), whereof cash balance was NOK 386.5 million (655.6 million). The main reason for the reduction in cash is prepayment of debt in connection with the refinancing completed late Q1 2023. NOK 84.3 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.

Non-current assets were NOK 1 899.3 million on September 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 reversal of impairment in Q2, 2023.

Equity on September 30, 2023, was NOK 1 518.3 million (928.0 million on December 31, 2022), i.e., an equity ratio of 59.8% (39.7%).

Net interest-bearing debt on September 30, 2023, was NOK 431.5 million (541.7 million on December 31, 2022).

Cash flow from operating activities per September 30, 2023, amounted to NOK 184.8 million (101.7 million per September 2022).

Cash flow from investment activities per September 30, 2023, was NOK -172.6 million (-46.3 million) mainly due to investment in the entity Eidesvik Reach which owns the vessel Viking Reach and docking capex, reduced with sale of the four seismic vessels and other equipment.

Cash flow from financing activities per September 30, 2023, was NOK -281.3 million (-175.3 million). This is a combination of capital raise, prepayment of debt in connection with refinancing and sale

of seismic vessels, and return of capital to minority shareholders because of the sale of Viking Neptun.

Market and outlook

The macro-outlook in our operating markets remains healthy with increased investments in both O&G and offshore wind in the coming years. Global increased E&P spendings, very high tendering activity in combination with supply chain discipline is a healthy backdrop for vessel owners.

Supply market

The drivers for the PSV market continue to be strong with a high oil price, tight oil supply and with rig demand expected to increase the coming years. PSV demand continues to improve, and the Norwegian Continental shelf was close to sold out for vessel capacity most of the quarter. Other regions also report equally or higher utilisation and rates similar to the North Sea region. Spendings on upstream activity is increasing and demand for PSVs will be positively affected. A disciplined supply chain with low (to zero) newbuilding activity and with the current PSV fleet already experiencing high utilisation levels we foresee a very tight market for PSVs going forward.

Subsea & offshore wind market

The main subsea entrepreneur companies increase their EBITDA margin estimates and report of high tender activity and strong backlog increase YoY. Utilisation levels for the global offshore construction fleet is currently above 90%, however we note that long term vessel commitments are still linked to the subsea companies secured backlog. Our clients report book to bill above 1 with free cash flows steadily increasing. We believe both contract durations and rate levels are set to increase for vessel owners in the coming years. The subsea space will encounter multiple opportunities for vessel owners in all operating areas from SURF to IMR and survey vessels and we maintain our positive outlook for this segment.

The renewable market has experienced project delays and cancellations with project owners and developers performing write-downs on their contract portfolios. Vessels such as SOV/CSOV has a substantial new build program with vessels built on speculation. This combined with the recent announced delays in development in the segments can have a consequence for short to medium term vessel utilisation and rate levels. We believe this is a temporary market cooldown as FIDs (funding investment decision) increase YoY, more vessel years are committed YoY and government targets for installed capacity are still on the rise. We foresee a shortage for asset in most parts of the renewable supply chain towards 2030.

Subsequent events

Wintershall Dea has declared an option to extend the contract for the supply vessel Viking Princess. The contract extension runs from January 2024 in direct continuation of the current contract, extending the firm period to January 2025.

Bømlo, November 22, 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





STATEMENT OF COMPREHENSIVE INCOME

(Condensed, NOK 1 000)

	2023 1.7 - 30.9	2022 1.7 - 30.9	2023 1.1 - 30.9	2022 1.1 - 30.9
Operating Revenue				
Freight revenue	195 588	186 498	508 823	474 136
Gain/loss on sale (note 4)	5 207	0	21 574	0
Other income (note 4)	3 851	3 936	48 235	10 509
Total operating revenue	204 646	190 434	578 633	484 644
Operating Expenses				
Personnel expenses	74 069	69 307	225 460	218 818
Other operating expenses	25 397	30 172	91 523	94 348
Total operating expenses	99 467	99 479	316 983	313 166
Operating result before depreciations	105 179	90 955	261 650	171 479
Ordinary depreciation	39 869	35 069	112 391	102 381
Impairment on assets/reversal impairment (note 6, 7)	0	(209 237)	(332 153)	(209 237)
Operating result before other income and expenses	65 310	265 123	481 412	278 335
Result from Joint Ventures and associated companies	(3 592)	(2 258)	(15 452)	(6 047)
Operating result	61 718	262 866	465 960	272 288
Financial Items (note 11)				
Financial income	3 214	20 640	21 543	64 675
Financial expenses	(16 770)	(21 493)	(52 157)	(67 469)
Net agio (disagio)	2 816	(99 142)	(1 991)	(217 067)
Net financial items	(10 741)	(99 994)	(32 606)	(219 860)
Pre-tax result	50 978	162 871	433 355	52 428
Taxes	0	(49)	11	(49)
Result	50 978	162 823	433 366	52 380
Attributable to				
Equity holders of the parent	42 357	174 346	422 795	81 738
Non-controlling interests	8 621	(11 523)	10 571	(29 358)
Earnings per share	0,58	2,81	5,79	1,32
Profit	50 978	162 823	433 366	52 380
Comprehensive income	50 978	162 823	433 366	52 380
Attributable to				
Equity holders of the parent	42 357	174 346	422 795	81 738
Non-controlling interests	8 621	(11 523)	10 571	(29 358)
Total attributed	50 978	162 823	433 366	52 380

STATEMENT OF FINANCIAL POSITION

(Condensed, NOK 1 000)

	30.09.2023	31.12.2022
ASSETS		
Non-current assets:		
Vessels (note 6, 7)	1 637 442	1 062 780
Other assets (note 7)	18 390	18 547
Financial derivatives	7 617	30 065
Right-of-use asset	80 493	55 489
Net investment in lease	4 216	0
Other long-term receivables	25 196	39 769
Pension fund	417	417
Shares in Joint Ventures (note 10)	122 430	137 882
Shares (note 10)	3 133	3 118
Total non-current assets	1 899 334	1 348 068
Current assets:		
Account receivables, freight income	186 239	141 759
Other short-term receivables	53 072	80 767
Financial derivatives	15 730	32 115
Cash and cash equivalents	386 456	655 630
Total current assets	641 497	910 271
Assets held for sale		
Assets held for sale (note 7)	0	80 695
Total assets held for sale	0	80 695
TOTAL ASSETS	2 540 830	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	1 106 823	684 167
Total equity majority shareholders	1 411 778	864 802
Non-controlling interests	106 548	63 245
Total equity	1 518 326	928 047
Non-current liabilities:		
Lease liabilities (note 12)	71 511	53 973
Other long-term liabilities	4 790	0
Interest-bearing debt (note 12)	627 359	43 169
Total non-current liabilities	703 660	97 142
Current liabilities:		
Interest-bearing debt (note 12)	111 778	989 534
Lease liabilities (note 12)	8 019	4 217
Accounts payable	25 821	30 022
Tax payable	5	0
Other short-term liabilities (note 13)	173 221	177 707
Total current liabilities	318 843	1 201 480
Liabilities related to Assets held for sale	0	112 365
Total liabilities, Assets held for sale	0	112 365
Total liabilities	1 022 504	1 410 988
TOTAL EQUITY AND LIABILITIES	2 540 830	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	422 795	422 795	10 571	433 366
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	32 732	32 732
Equity as at 30.09.2023	3 649	301 054	-377	629	1 106 823	1 411 779	106 548	1 518 326

	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, paid dividend from Eidesvik Neptun AS, and purchase of 7.77% of the minority shares in Eidesvik Neptun AS.

STATEMENT OF CASH FLOWS

(Condensed)

	1.1 - 30.9 2023	1.1 - 30.9 2022	1.1 - 31.12 2022
Net cash flow from operations excl. taxes	184 753	101 791	215 746
Paid taxes	0	(135)	(135)
Cash flow from operating activity	184 753	101 656	215 611
Sale of fixed assets	128 806	0	1 230 746
Sale of other assets	37 314	0	0
Payment of long-term receivables (instalments and interests)	41 659	36 675	44 102
Purchase of fixed operating assets	(380 406)	(83 014)	(103 410)
Cash flow from investment activity	(172 627)	(46 339)	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	(5 062)	(3 134)	(4 890)
New debt	896 276	0	0
Unwound interest derivatives	45 676	0	0
Repayment of debt	(1 322 949)	(105 321)	(965 921)
Paid interest	(52 422)	(66 860)	(91 009)
Paid dividend to minority interests	(62 758)	0	0
Cash flow from finance activity	(281 301)	(175 315)	(1 061 820)
Changes in cash holdings	(269 175)	(119 998)	325 229
Liquid assets at the beginning of the period	655 630	330 401	330 401
Liquid assets at the end of the period	386 456	210 402	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 Financing 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 50% for NOK loans and 0% for USD loans per September 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 may be moderately influenced by seasonal variations. Reference is made to the chapter “Market and future outlook” and the “Contract status”.

All of the Group’s vessels are on long term contracts, which reduces the Group’s exposure for seasonal variations going forward.

Note 4 - Special transactions

Gain on sale in Q3 2023 is related to the sales of Veritas Viking and Vantage.

Other revenues in Q3 2023 are related to 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 September 30, 2023.

Based on these tests, Eidesvik has not recognized need for further impairment or reversal of previous impairment.

The Group monitors the presence of indicators for impairment and reversal of previous impairment 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 September 30, 2023, is 10.6%. 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 utilisation 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	341 594	51 069	392 663
Disposal	0	0	-101	-101	-1 186 518	-61 500	-1 248 018
September 30, 2023	37 414	3 594	40 497	81 505	3 802 526	344 117	4 146 643
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	135	0	22	158	76 331	36 059	112 391
Impairment /reversal impairment (-) for the year	0	0	0	0	-332 153	0	-332 153
Disposals	0	0	-101	-101	-1 068 067	-61 493	-1 129 560
September 30, 2023	19 940	3 494	39 682	63 116	2 243 929	265 270	2 509 200
Book value	17 474	100	815	18 390	1 558 597	78 846	1 637 442

(NOK thousands)	Property	Port facilities	Operating equipment	Total other fixed assets	Vessels	Periodic maintenance	Total vessels
Acquisition cost							
1 January 2022	37 414	3 594	42 559	83 567	5 890 541	359 633	6 250 174
Addition	0	0	372	372	45 266	56 183	101 448
Disposal	0	0	-2 700	-2 700	-1 288 357	-61 268	-1 349 625
December 31, 2022	37 414	3 594	40 231	81 239	4 647 450	354 548	5 001 998
Accumulated depreciation and impairments							
1 January 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 for the year	0	0	0	0	16 053	0	16 053
Reversal of previous impairment for the year	0	0	0	0	-225 290	0	-225 290
Disposals	0	0	-625	-625	-344 232	-44 350	-388 582
Translation differences							
December 31, 2022	19 804	3 494	39 393	62 692	3 567 819	290 704	3 858 522
Book value	17 610	100	837	18 547	1 079 631	63 844	1 143 474

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

All four seismic vessels are sold. Viking Vanquish was delivered in Q1 2023, Viking Vision in Q2 2023, and Veritas Viking and Vantage in Q3 2023.

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

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	
	1.7-30.9 2023	1.7-30.9 2022	1.7-30.9 2023	1.7-30.9 2022	1.7-30.9 2023	1.7-30.9 2022	1.7-30.9 2023	1.7-30.9 2022	1.7-30.9 2023	1.7-30.9 2022
Segment result										
Operating income	54 798	48 503	47 400	36 502	0	0	5 204	5 982	107 401	90 987
Bareboat income	50 088	33 318	37 297	55 585	4 654	10 544	0	0	92 040	99 447
Operating income share from JV*	0	0	9 899	9 633	0	0	0	0	9 899	9 633
Bareboat income from JV*	0	0	3 782	3 939	0	0	0	0	3 782	3 939
Gain on sale	0	0	0	0	5 206	0	0	0	5 206	0
Total operating income	104 886	81 821	98 378	105 659	9 860	10 544	5 204	5 982	218 328	204 006
Operating expenses	53 093	51 415	37 224	37 185	935	2 993	8 216	7 886	99 468	99 479
Operating expenses share from JV*	0	0	9 331	9 338	0	0	0	0	9 331	9 338
Total operating expenses	53 093	51 415	46 555	46 523	935	2 993	8 216	7 886	108 799	108 817
Depreciations	22 125	19 882	15 472	10 038	0	3 669	2 272	1 481	39 868	35 070
Depreciations share from JV*	0	0	5 512	4 731	0	0	0	0	5 512	4 731
Impairment on assets / reversal impairment	0	-188 726	0	-36 564	0	16 053	0	0	0	-209 237
Impairment on assets share from JV*	0	0	0	0	0	0	0	0	0	0
Total depreciations/written down on assets	22 125	-168 844	20 984	-21 795	0	19 722	2 272	1 481	45 380	-169 436
Operating profit incl. share from JV*	29 668	199 250	30 839	80 930	8 925	-12 171	-5 284	-3 385	64 149	264 624
Net finance and taxes from JV*	0	0	-2 430	-1 760	0	0	0	0	-2 430	-1 760
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	29 668	199 250	28 409	79 170	8 925	-12 171	-5 284	-3 385	61 718	262 866
Number of vessels at end of period (incl. JV)	6	6	4	4	0	4			10	14

Operation segment	Supply		Subsea/Wind		Seismic		Other		Total	
	1.1.-30.9 2023	1.1.-30.9 2022	1.1.-30.9 2023	1.1.-30.9 2022	1.1.-30.9 2023	1.1.-30.9 2022	1.1.-30.9 2023	1.1.-30.9 2022	1.1.-30.9 2023	1.1.-30.9 2022
Segment result										
Operating income	156 591	144 278	112 662	91 070	0	0	18 726	16 512	287 978	251 860
Bareboat income	124 601	78 090	95 605	129 242	11 257	25 453	0	0	231 464	232 785
Operating income share from JV*	0	0	26 503	28 321	0	0	0	0	26 503	28 321
Bareboat income from JV*	0	0	10 159	11 700	0	0	0	0	10 159	11 700
Gain on sale	0	0	0	0	21 574	0	37 618	0	59 192	0
Total operating income	281 192	222 368	244 929	260 333	32 831	25 453	56 344	16 512	615 296	524 666
Operating expenses	169 036	152 096	97 257	112 018	7 562	14 953	43 129	34 098	316 984	313 165
Operating expenses share from JV*	0	0	28 958	27 215	0	0	0	0	28 958	27 215
Total operating expenses	169 036	152 096	126 215	139 233	7 562	14 953	43 129	34 098	345 942	340 380
Depreciations	66 099	59 431	40 822	27 714	0	11 007	5 470	4 229	112 391	102 381
Depreciations share from JV*	0	0	16 406	14 193	0	0	0	0	16 406	14 193
Impairment on assets / reversal impairment	-240 191	-188 726	-54 207	-36 564	-37 755	16 053	0	0	-332 153	-209 237
Impairment on assets share from JV*	0	0	0	0	0	0	0	0	0	0
Total depreciations/written down on assets	-174 092	-129 295	3 021	5 343	-37 755	27 060	5 470	4 229	-203 356	-92 663
Operating result incl. share from JV*	286 248	199 567	115 693	115 757	63 024	-16 560	7 745	-21 815	472 710	276 949
Net finance and taxes from JV*	0	0	-6 750	-4 660	0	0	0	0	-6 750	-4 660
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	286 248	199 567	108 943	111 097	63 024	-16 560	7 745	-21 815	465 960	272 288
Number of vessels at end of period (incl. JV)	6	6	4	4	0	4			10	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 September 30, 2023, of the individual joint venture companies:

Company	Assets	Liability	Equity	Revenues	Profit	Ownership	Book value	Result portion
Eidesvik Seven AS	498 406	282 691	215 715	20 318	-27 162	50 %	107 857	-13 581
Eidesvik Seven Chartering AS	68 375	39 235	29 140	73 325	-3 741	50 %	14 570	-1 871
Profit from Joint Ventures							122 430	(15 452)

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

Company	Assets	Liability	Equity	Revenues	Profit	Ownership	Book value	Result portion
Eidesvik Seven AS	518 558	269 617	248 940	23 400	-15 373	50 %	124 470	-7 687
Eidesvik Seven Chartering AS	68 970	34 954	34 016	80 042	3 401	50 %	17 008	1 640
Profit from Joint Ventures							141 478	(6 047)

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

Company	Ownership / voting share	Book value 30.09.2023	Result portion
Bleivik Eiendom AS	23 %	3 118	0
Eidesvik Ghana Ltd.	49 %	15	0
Profit from associated companies		3 133	0

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

Company	Ownership / voting share	Book value 30.09.2022	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

	1.7 - 30.9 2023	1.7 - 30.9 2022	1.1 - 30.9 2023	1.1 - 30.9 2022	1.1 - 31.12 2022
Financial income	2 834	2 574	8 516	9 593	14 421
Impairment long-term receivables	3 452	3 528	9 341	7 247	7 247
Other interest and financial expenses	(19 254)	(24 316)	(59 030)	(71 624)	(97 308)
Interest cost - lease liabilities	(968)	(705)	(2 469)	(3 091)	(3 783)
Change in market value on interest instruments	380	18 066	13 027	55 082	51 142
Realized agio on foreign exchange contracts	279	398	2 723	1 274	2 403
Realized agio - others	(1 247)	(2 125)	(9 249)	(9 830)	(96 814)
Unrealized agio - on foreign exchange contracts	3 446	(6 472)	2 813	(1 342)	(363)
Unrealized agio - others	339	(90 943)	1 722	(207 169)	(21 584)
Net financial items	(10 741)	(99 994)	(32 606)	(219 860)	(144 639)

Note 12 - Net interest-bearing debt

	30.09.2023	31.12.2022
Current interest-bearing debt	111 778	989 534
Accrued interests	(720)	(5 965)
Liabilities related to Assets held for sale	0	112 365
1st year installment on long-term interest-bearing debt	111 057	1 095 934
Current lease liabilities (IFRS 16)	8 019	4 217
Current interest-bearing debt	119 076	1 100 152
Non-current interest-bearing debt	627 359	43 169
Non-current lease liabilities (IFRS 16)	71 511	53 973
Non-current interest-bearing debt	698 870	97 142
Total interest-bearing debt	817 947	1 197 294
Cash and cash equivalents	(386 456)	(655 630)
Net interest-bearing debt	431 491	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, Bømlø 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 September 30, 2023:

Name	Stake
EIDESVIK INVEST AS	59,86 %
JAKOB HATTELAND HOLDING AS	4,74 %
HELGØ FORVALTNING	2,33 %
VINGTOR INVEST AS	2,31 %
CAIANO SHIP AS	1,79 %
STANGELAND HOLDING AS	1,78 %
BERGTOR INVESTERING AS	1,72 %
DUNVOLD INVEST AS	1,51 %
SKANDINAVISKA ENSKILDA BANKEN AB	1,04 %
HELGØ INVEST AS	0,84 %
SILBERG, JOHNNY	0,82 %
HELLAND AS	0,76 %
M EIDESVIK OG SØNNER AS	0,75 %
MYKLEBUST, EINAR	0,59 %
OLAVS HOLDING AS	0,55 %
NORDNET LIVSFORSIKRING AS	0,44 %
LØVLID, ARNE	0,37 %
SMEDASUNDET AS	0,37 %
LGJ INVEST AS	0,34 %
HANNESTAD, KARL CHRISTIAN	0,32 %
Total	83,23 %
Total other	16,77 %
Total shares	100,00 %

Note 15 - Subsequent events

Wintershall Dea has declared options to extend the contract for the supply vessel Viking Princess. The contract extension runs from January 2024 in direct continuation of the current contract, extending the firm period to January 2025.

No other events have occurred after the balance sheet date with significant impact on the interim financial statements for Q3 2023.

APPENDIX 1 – ALTERNATIVE PERFORMANCE MEASURES DEFINITIONS

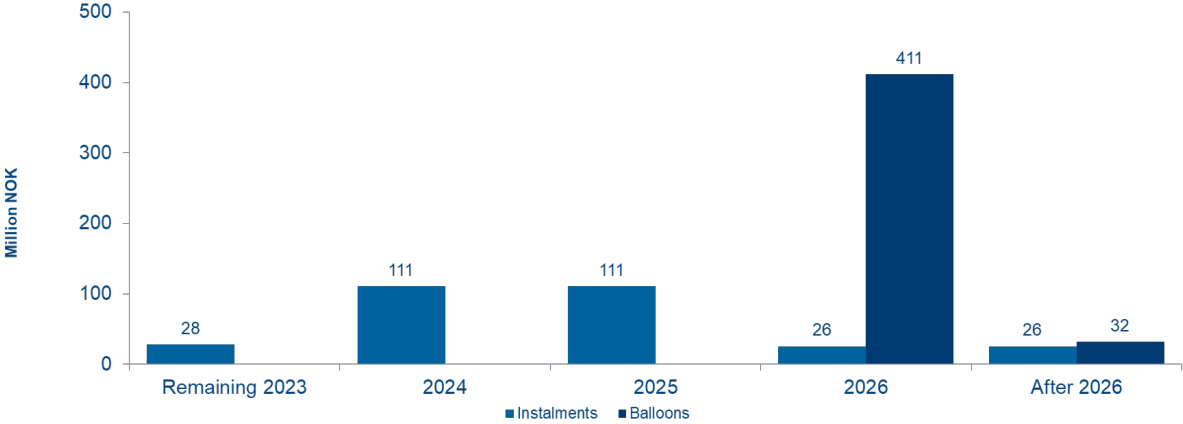
The Group's financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the Group discloses alternative performance measures as a supplement to the financial statement prepared in accordance with IFRS. Such performance measures are used to provide 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.
- **Utilisation:** 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 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, result from joint ventures and associated companies, 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.
- **Adjusted EBITDA:** EBITDA adjusted for Gain/loss on sale and Other income.
- **EBITDA margin:** EBITDA divided on Total operating revenue.
- **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
	1.7 - 30.9	1.7 - 30.9
Freight revenue	195 588	186 498
Gain/loss on sale	5 207	0
Other income	3 851	3 936
Total operating revenue	204 646	190 434
Total operating expenses	(99 467)	(99 479)
EBITDA	105 179	90 955
<i>EBITDA margin</i>	<i>51 %</i>	<i>48 %</i>

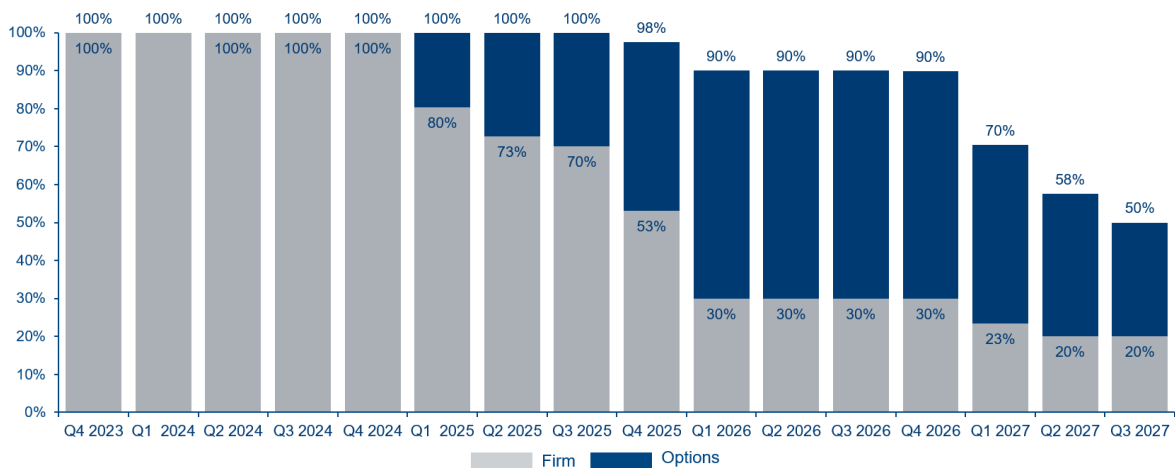
APPENDIX 2 - DEBT MATURITY PROFILE SEPTEMBER 30, 2023:



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

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

■ Firm ■ Options



CONDENSED STATEMENT OF COMPREHENSIVE INCOME LAST 5 QUARTERS

Consolidated (NOK 1 000)	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3
Operating Revenue:					
Freight revenue	195 588	184 420	128 815	160 586	186 498
Gain/loss on sale	5 207	15 487	880	269 723	0
Other income	3 851	40 586	3 798	3 594	3 936
Total operating revenue	204 646	240 494	133 493	433 903	190 434
Operating Expenses:					
Personell expenses	74 069	81 507	69 884	83 607	69 307
Other operating expenses	25 397	30 286	35 840	27 562	30 172
Total operating expenses	99 467	111 793	105 723	111 169	99 479
Operating result before depreciations	105 179	128 701	27 770	322 734	90 955
	51 %	54 %	21 %	74 %	48 %
Ordinary depreciation	39 869	39 812	32 710	40 526	35 069
Writedown on assets	0	(332 153)	0	0	(209 237)
Operating result before other income and expenses	65 310	421 041	(4 940)	282 208	265 123
Result from Joint Ventures and associated companies	(3 592)	(2 923)	(8 937)	(3 073)	(2 258)
Operating result	61 718	418 118	(13 876)	279 135	262 866
Financial Items:					
Financial income	3 214	8 993	9 336	888	20 640
Financial expenses	(16 770)	(19 119)	(16 268)	(26 376)	(21 493)
Net agio (disagio)	2 816	(524)	(4 284)	100 709	(99 142)
Net financial items	(10 741)	(10 649)	(11 216)	75 221	(99 994)
Pre-tax result	50 978	407 469	(25 092)	354 356	162 871
Taxes	0	11	0	0	(49)
Result	50 978	407 480	(25 092)	354 356	162 823
Equity holders of the parent	42 357	404 911	(24 473)	264 318	174 346
Non-controlling interests	8 621	2 569	(619)	90 038	(11 523)
Earnings per share	0,58	5,55	(0,39)	4,25	2,81
Statement of comprehensive income					
Actuarial gain/ loss	0	0	0	213	0
Comprehensive income	50 978	407 480	(25 092)	354 569	162 823
Attributable to					
Controlling interests	42 357	404 911	(24 473)	264 530	174 346
Non-controlling interests	8 621	2 569	(619)	90 038	(11 523)
Total attributed	50 978	407 480	(25 092)	354 569	162 823

CONDENSED STATEMENT OF FINANCIAL POSITION LAST 5 QUARTERS

Consolidated (NOK 1 000)	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3
ASSETS					
Non-current assets:					
Vessels	1 637 442	1 694 996	1 364 275	1 062 780	1 116 790
Other assets	18 390	18 440	18 494	18 547	18 198
Financial derivatives	7 617	8 876	8 099	30 065	40 461
Right-of-use asset	80 493	54 601	56 147	55 489	53 994
Net investment in lease	4 216	0	0	0	0
Other long-term receivables	25 196	32 049	34 511	39 769	46 323
Pension fund	417	417	417	417	282
Shares in Joint Venture	122 430	126 022	128 945	137 882	141 478
Shares	3 133	3 118	3 118	3 118	2 595
Total non-current assets	1 899 334	1 938 520	1 614 005	1 348 068	1 420 121
Current assets:					
Account receivables,	186 239	203 147	170 724	141 759	211 738
Other short-term receivables	53 072	57 682	111 045	80 744	69 743
Financial derivatives	15 730	13 314	9 268	32 115	29 372
Cash and cash equivalents	386 456	339 375	332 291	655 653	210 402
Total current assets	641 497	613 519	623 328	910 271	521 255
Assets held for sale:					
Assets held for sale	0	71 293	48 949	80 695	1 006 702
Total assets held for sale	0	71 293	48 949	80 695	1 006 702
TOTAL ASSETS	2 540 830	2 623 332	2 286 282	2 339 034	2 948 079
EQUITY AND LIABILITIES					
Equity attributable to the company's shareholders:					
Share capital	3 649	3 649	3 108	3 108	3 108
Premium fund	301 054	301 054	177 275	177 275	177 275
Not paid or registered share capital increase	0	0	124 000	0	0
Other paid-in equity	629	629	629	629	629
Other comprehensive income	(377)	(377)	(377)	(377)	(590)
Retained earnings	1 106 823	1 064 466	659 555	684 167	419 850
Total equity majority shareholders	1 411 778	1 369 422	964 190	864 802	600 272
Non-controlling interests	106 548	98 804	158 104	63 245	(26 794)
Total equity	1 518 326	1 468 226	1 122 294	928 047	573 478
LIABILITIES:					
Non-current liabilities:					
Lease liabilities	71 511	52 878	54 130	53 973	52 217
Other long-term liabilities	4 790	0	0	0	0
Interest-bearing debt	627 359	657 030	691 127	43 169	1 089 764
Total non-current liabilities	703 660	709 909	745 257	97 142	1 141 981
Current liabilities:					
Interest-bearing debt	111 778	111 508	90 143	989 534	73 587
Financial derivatives	0	633	731	0	1 377
Lease liabilities	8 019	5 011	5 011	4 217	4 217
Accounts payable	25 821	40 108	35 732	30 022	42 924
Tax payable	5	0	0	0	0
Other short-term liabilities	173 221	213 041	192 820	177 707	156 087
Total current liabilities	318 843	370 301	324 437	1 201 480	278 191
Liabilities related to Assets held for sale	0	74 897	94 295	112 365	954 428
Total liabilities, Assets held for sale	0	74 897	94 295	112 365	954 428
Total liabilities	1 022 504	1 155 106	1 163 988	1 410 988	2 374 601
TOTAL EQUITY AND LIABILITIES	2 540 830	2 623 332	2 286 282	2 339 034	2 948 079



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