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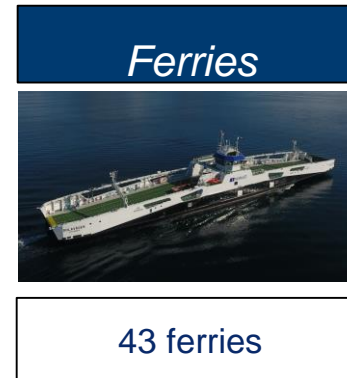
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Financial report Norled Q3 - 2021

Norled at a glance

- One of the leading ferry and express boat operators in Norway
- Founded in 1855
- Nationwide operations from Oslo to Tromsø
- 900 employees, HQ in Stavanger
- Norled aims to operate with low and zero emissions and to be the leader in developing green solutions in the ferry and express boat sector
- Operates 14 ferry contracts and 9 express boat contracts (2021)
- Tourism related to contracts, and some charter activities
- Catering



Operational update 2021 – Q3



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- Completed the tourist / season routes Bergen-Flåm, Turistrute Indre Hardanger and Botnhamn-Brensholmen. Slightly increase in activity in 2021 compared to 2020, but still behind the activity level pre COVID-19.
- Norled re- opened the kiosks in Oslo during third quarter. The kiosks have been closed because of COVID- 19.
- MF Hydra win the price «Ship of the year» awarded by Skipsrevyen. The Norwegian Minister of Transport Knut Arild Hareide handed out the award on board the ferry.
- MF Hidle has been delivered from shipyard ADA, Turkey. Will start operating in the new Finnøy contract during Q4-21.
- Norled has sold two vacant vessels during third quarter
- All agreed operations have been carried out despite the challenges COVID-19 has posed.
- As a result of COVID-19, there is a risk of delays in the construction and delivery of new vessels. The company is constantly working to optimize a plan with temporary vessels on the routes where there may be delays in delivery.
- The pandemic has also in third quarter 2021 an impact on tourism activities.

Ship of the year - MF Hydra



Operational update 2021 – YTD

- Successful start of 5 new contracts in 2021.
 - Ferry: Sunnmøre (partly re- win)
 - Ferry: Finnøy (re- win)
 - Ferry: Ryfylkeferjen (new contract)
 - Ferry: Lyngen (re- win)
 - Ferry: Hjelmeland-Skipavik-Nesvik (re- win)
- Won contracts:
 - Contract with the Norwegian Directorate of Fisheries for operation and delivery of a hybrid high-speed vessel. The vessel will carry out assignments along the entire Norwegian coast, including fishing controls, rescue of lost fishing equipment and coastal data collection, and it will be operational all year round. Length of the contract is 10 year including options, with start in 2022.
 - Expressboat contract Sogn Rutepakke 1 with Skyss . Length of the contract is 2 years and 7 months, with start in 2022.
- Apart from reduced catering activity, all agreed operations have been carried out despite the challenges COVID-19 has posed.
- As a result of COVID-19, there is a risk of delays in the construction and delivery of new vessels. The company is constantly working to optimize a plan with temporary vessels on the routes where there may be delays in delivery.
- The tourism and catering activities have been affected by COVID-19.
- Delivered vessels:
 - MF Fodnes. Yard, Remontowa. Will operate in Indre Sogn contract. MF Fodnes was the last delivery of 4 new sister vessels being built at Remontowa.
 - MF Nesvik and MF Hydra. Yard, Westcon. Will operate in the Hjelmeland-Skipavik-Nesvik contract.
 - MF Hidle. Yard ADA. Will operate in the Finnøy contract.

Illustration of new vessel for Directorate of Fisheries



Financial update 2021 – Q3



- Revenue:
 - Revenue Q3-21 is in line with Q3-20.
 - Revenue is affected by COVID-19, mainly with reduced passenger revenue in the express boat segment and less catering activity.
- EBITDA:
 - Reduced EBITDA profitability is mainly related to less net gain on sale of fixed assets and increased operating cost due to higher fuel price.
 - EBITDA profitability is negatively affected by COVID-19, mainly with reduced tourist related revenue in the express boat segment and reduced catering activity.
- Increased depreciation due to completion of newbuild, infrastructure and retrofit projects.

NOKm	Q3 2021	Q3 2020	Changes	Changes %
Total revenue	522	524	-3	0 %
Cost of goods (catering)	6	6	1	11 %
Personnel costs	213	197	17	8 %
Other operating costs	197	174	23	13 %
Net gain on sale of Fixed Assets	-3	-22	19	-86 %
Total operating costs:	414	355	59	17 %
EBITDA	108	169	-61	-36 %
EBITDA %	21 %	32 %	-12 %	
Depreciation / writedown	79	61	18	29 %
EBIT	29	108	-79	-73 %
Net financial costs	29	24	6	25 %
EBT	-1	84	-85	-101 %
Tax expense	0	19	-19	-101 %
Net Income	-1	66	-66	-101 %

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

Financial update 2021 – YTD



- Revenue:
 - Revenue YTD 2021 is in line with YTD 2020. 2021 revenue is affected by lower activity in Q1-21 compared to Q1-20, but higher activity in Q2-21 compared to Q2-20. Also changes in the contract portfolio affected the revenue.
 - Revenue is affected by COVID-19, mainly with reduced passenger revenue in the express boat segment and less catering activity.
- EBITDA:
 - EBITDA profitability is decreased from last year due to less gain on sale of fixed assets and increased operating cost.
 - Other operating cost YTD is affected by increased fuel price and extra cost because of late delivery of vessels due to COVID-19.
 - EBITDA profitability is negatively affected by COVID-19, mainly with reduced tourist related revenue in the express boat segment and reduced catering activity.
- Increased depreciation due to completion of newbuild, infrastructure and retrofit projects.

NOKm	YTD 2021	YTD 2020	Changes	Changes %	Y 2020
Total revenue	1 515	1 511	4	0 %	2 022
Cost of goods (catering)	13	11	2	17 %	13
Personnel costs	586	570	16	3 %	776
Other operating costs	589	565	24	4 %	766
Net gain on sale of Fixed Assets	-2	-21	19	-89 %	-21
Total operating costs:	1 186	1 125	61	5 %	1 535
EBITDA	329	386	-57	-15 %	487
EBITDA %	22 %	26 %	-4 %		24 %
Depreciation / writedown	227	178	49	27 %	241
EBIT	103	208	-106	-51 %	247
Net financial costs	88	80	8	10 %	106
EBT	14	128	-114	-89 %	140
Tax expense	3	28	-25	-89 %	31
Net Income	11	100	-89	-89 %	109

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

Balance sheet



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- Fixed assets. Increase in fixed assets is due to investments in new vessels and retrofit of existing vessels.
- Changes in bank deposits and cash are normal changes in working capital.
- Long term debt. The increase of long-term debt is due to increase of capex debt for building of new vessels and retrofit of existing vessels.
- Norled is compliant with all financial covenants related to bond and other long-term debt to financial institutions per 3Q-21.

Balance sheet

NOKm	30.09.21.	30.09.20.	31.12.20.
Fixed assets	4 410	3 749	3 806
Bank deposits and cash	554	623	411
Other assets	275	217	217
Total assets	5 239	4 588	4 434
Equity	661	711	650
Deferred tax	275	270	272
Long-term debt	4 007	3 344	3 222
Other debt	295	263	290
Total equity and liabilities	5 239	4 588	4 434
NIBD	3 453	2 721	2 810
Spec. of long-term debt	30.06.21.		
Long-term debt to financial inst.	3 507		
Bond	500		
Total long-term debt	4 007		

Cash flow statement



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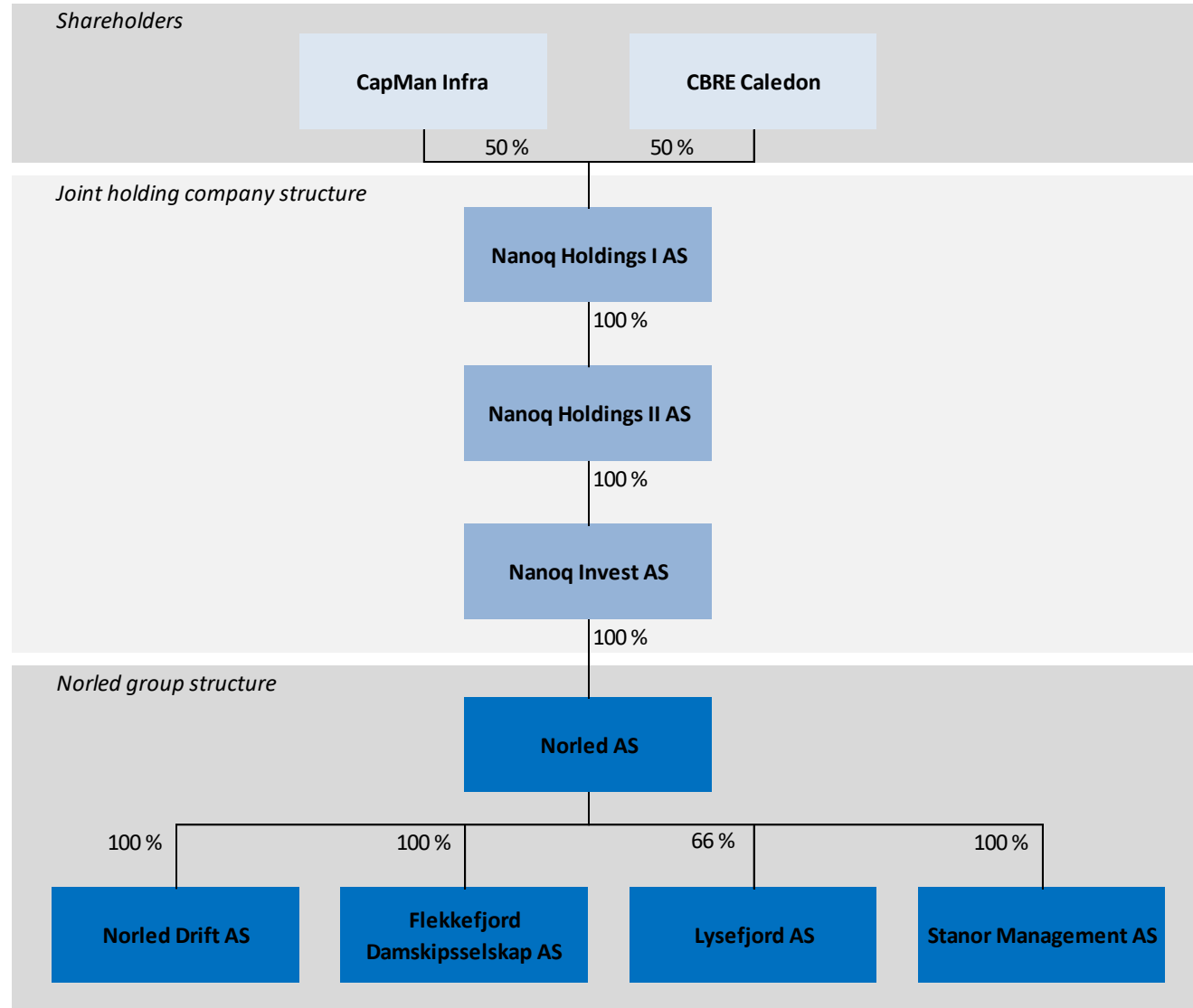
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Cash flow from operating activities	Q3-21	Q3-20	YTD 2021	YTD 2020	Y 2020
Net income before tax	-1	84	14	128	140
Net financial items	29	24	88	80	106
Gain on sale of fixed assets	-3	-22	-2	-21	-21
Depreciation	79	61	227	178	241
Write-down	0	0	0	0	0
Changes in inventory	0	-2	1	-1	3
Changes in accounts receivable	-13	29	-51	47	48
Changes in accounts payable	41	16	28	-85	-59
Changes in pension commitments	0	2	0	6	12
Income tax payable	0	1	0	0	-1
Changes in other items	12	-15	-31	-101	-111
Net cash flow from operating activities	145	179	274	231	358
Cash flow from investing activities	Q3-21	Q3-20	YTD 2021	YTD 2020	Y 2020
Proceeds from sale of fixed assets	4	278	5	286	282
Purchase of fixed assets	-218	-174	-833	-621	-727
Paid interest	-30	-24	-90	-82	-115
Received interest	1	0	1	2	1
Net cash flow from investing activities	-244	80	-916	-415	-559
Cash flow from financing activities	Q3-21	Q3-20	YTD 2021	YTD 2020	Y 2020
Proceeds from borrowings of long term debt	350	0	946	650	650
Repayment of borrowings	-7	0	-161	-123	-248
Dividends	0	0	0	0	-70
Net cash flow from financing activities	343	0	786	527	332
Net change in cash and cash equivalents	244	259	144	342	131
Cash and cash equivalents at IB	310	363	411	281	281
Cash and cash equivalents at CB	554	623	554	623	411

Group structure



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



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