



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	910 310 895
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FJORD LINE AS
Forretningsadresse:	Elganeveien 1 4373 EGRERSUND

### Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Forenklet IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Peter Frølich
Dato for fastsettelse av årsregnskapet:	29.06.2023

### Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 20.08.2024



## Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales revenue	1	1 631 113 000	770 039 000
Other operating income	1,2	37 029 000	25 711 000
<b>Sum inntekter</b>	<b>1</b>	<b>1 668 142 000</b>	<b>795 750 000</b>
<b>Kostnader</b>			
Cost of goods		318 183 000	143 496 000
Wage costs	3	91 469 000	75 785 000
Depreciation of property, plant and equipment and intangible assets	9,10	24 094 000	18 310 000
Other operating expenses	3,4,5,1 4	1 471 929 000	838 739 000
<b>Sum kostnader</b>		<b>1 905 675 000</b>	<b>1 076 330 000</b>
<b>Driftsresultat</b>		<b>-237 533 000</b>	<b>-280 580 000</b>
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries	8	1 716 000	742 000
Annen renteinntekt	6,13	155 889 000	131 073 000
Other financial income	7	-87 623 000	44 746 000
<b>Sum finansinntekter</b>		<b>69 982 000</b>	<b>176 561 000</b>
Annen rentekostnad	6,19	144 591 000	145 100 000
Intergroup guarantee expense	6	26 675 000	26 108 000
Other financial expenses	7,19	0	18 000
<b>Sum finanskostnader</b>		<b>171 266 000</b>	<b>171 226 000</b>
<b>Netto finans</b>		<b>-101 284 000</b>	<b>5 335 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-338 817 000</b>	<b>-275 245 000</b>
Tax expense on ordinary result	8	3 356 000	-62 696 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-342 173 000</b>	<b>-212 549 000</b>
<b>Årsresultat</b>		<b>-342 173 000</b>	<b>-212 549 000</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Overføringer og disponeringer</b>			
Transferred to other equity/uncovered loss	18	-342 172 000	-212 548 000
<b>Sum overføringer og disponeringer</b>		<b>-342 172 000</b>	<b>-212 548 000</b>



### Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
WEB-project, concept development etc.	9	100 017 000	103 302 000
Intangible Financial lease asset	9	8 594 000	7 928 000
Utsatt skattefordel	8	348 361 000	351 717 000
<b>Sum immaterielle eiendeler</b>		<b>456 972 000</b>	<b>462 947 000</b>
<b>Varige driftsmidler</b>			
Land plots	10	835 000	835 000
Buildings and plants	10	16 658 000	16 794 000
Buildings Financial lease asset	10	15 943 000	16 789 000
Movables, equipment, improvements ships etc.	10	216 000	45 000
<b>Sum varige driftsmidler</b>		<b>33 652 000</b>	<b>34 463 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	11	993 441 000	993 441 000
Other investments, incl. shares in associate	12	95 000	80 000
Financial receivables	6,13	2 557 428 000	2 442 481 000
<b>Sum finansielle anleggsmidler</b>		<b>3 550 964 000</b>	<b>3 436 002 000</b>
<b>Sum anleggsmidler</b>		<b>4 041 588 000</b>	<b>3 933 412 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventory	5	31 698 000	27 386 000
<b>Sum varer</b>		<b>31 698 000</b>	<b>27 386 000</b>
<b>Fordringer</b>			
Trade receivables	14	29 118 000	30 011 000
Other current receivables	15	43 708 000	45 158 000
Konsernfordringer	13	46 889 000	12 525 000
<b>Sum fordringer</b>		<b>119 715 000</b>	<b>87 694 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposit, cash equivalents etc.	16	13 355 000	12 171 000



### Balanse

Beløp i: NOK	Note	2022	2021
Sum bankinnskudd, kontanter og lignende		13 355 000	12 171 000
Sum omløpsmidler		164 768 000	127 251 000
<b>SUM EIENDELER</b>		<b>4 206 356 000</b>	<b>4 060 663 000</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share capital	17,18	598 724 000	569 312 000
Beholdning av egne aksjer	18	-60 000	-66 000
Overkurs	18	299 020 000	228 432 000
<b>Sum innskutt egenkapital</b>		<b>897 684 000</b>	<b>797 678 000</b>

##### Opptjent egenkapital

Other equity/Uncovered loss	18	-547 631 000	-205 459 000
<b>Sum opptjent egenkapital</b>		<b>-547 631 000</b>	<b>-205 459 000</b>

##### Sum egenkapital

**350 053 000**      **592 219 000**

#### Gjeld

##### Langsiktig gjeld

Pensjonsforpliktelser	3	1 877 000	1 333 000
Financial leasing	19	15 073 000	13 400 000
Received, not recognised contribution	2	73 691 000	78 378 000
<b>Sum avsetninger for forpliktelser</b>		<b>90 641 000</b>	<b>93 111 000</b>

##### Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	19	2 813 523 000	2 799 800 000
Other non-current debt	19	10 868 000	11 108 000
<b>Sum annen langsiktig gjeld</b>		<b>2 824 391 000</b>	<b>2 810 908 000</b>

##### Sum langsiktig gjeld

**2 915 032 000**      **2 904 019 000**

##### Kortsiktig gjeld

Current debt to credit institutions	19	416 254 000	333 072 000
Leverandørgjeld		67 936 000	66 283 000



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Tax payable	8	0	0
Public duties owing		7 185 000	6 415 000
Kortsiktig konserngjeld	13,19	29 637 000	19 754 000
Other current liabilities	19	420 258 000	138 903 000
<b>Sum kortsiktig gjeld</b>		<b>941 270 000</b>	<b>564 427 000</b>
<b>Sum gjeld</b>		<b>3 856 302 000</b>	<b>3 468 446 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>4 206 355 000</b>	<b>4 060 665 000</b>



### Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales revenues	13,16	1 644 809 000	772 230 000
Other operating income	13	21 157 000	21 025 000
Other gains/losses (net)	13	0	6 568 000
<b>Sum inntekter</b>		<b>1 665 966 000</b>	<b>799 823 000</b>
<b>Kostnader</b>			
Cost of goods		318 183 000	143 496 000
Wage costs	14	410 068 000	300 520 000
Depreciation of property, plant and equipment and intangible assets	1,2	292 212 000	259 254 000
Other operating expenses	5,6,14	871 766 000	211 208 000
<b>Sum kostnader</b>		<b>1 892 229 000</b>	<b>914 478 000</b>
<b>Driftsresultat</b>		<b>-226 263 000</b>	<b>-114 655 000</b>
<b>Finansinntekter og finanskostnader</b>			
Other financial income	3	0	21 487 000
<b>Sum finansinntekter</b>		<b>0</b>	<b>21 487 000</b>
Annen rentekostnad	12	141 099 000	126 114 000
Other financial expenses	3	40 359 000	0
<b>Sum finanskostnader</b>		<b>181 458 000</b>	<b>126 114 000</b>
<b>Netto finans</b>		<b>-181 458 000</b>	<b>-104 627 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-407 721 000</b>	<b>-219 282 000</b>
Tax expense on ordinary result	11	3 672 000	-61 805 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-411 393 000</b>	<b>-157 477 000</b>
<b>Årsresultat</b>		<b>-411 393 000</b>	<b>-157 477 000</b>
<b>Overføringer og disponeringer</b>			
Majority's share of result		-411 393 000	-157 477 000
<b>Sum overføringer og disponeringer</b>		<b>-411 393 000</b>	<b>-157 477 000</b>



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
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### Konsernets balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Other intangible asset	1	99 484 000	103 610 000
Utsatt skattefordel	11	365 510 000	380 391 000
<b>Sum immaterielle eiendeler</b>		<b>464 994 000</b>	<b>484 001 000</b>
<b>Varige driftsmidler</b>			
Buildings, plants etc.	2	82 395 000	76 565 000
Ships	2,18	3 447 494 000	3 334 963 000
Right of use assets	2	92 354 000	86 872 000
<b>Sum varige driftsmidler</b>		<b>3 622 243 000</b>	<b>3 498 400 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	4	0	0
Other investments	4	95 000	80 000
<b>Sum finansielle anleggsmidler</b>		<b>95 000</b>	<b>80 000</b>
<b>Sum anleggsmidler</b>		<b>4 087 332 000</b>	<b>3 982 481 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	5	32 323 000	28 785 000
<b>Sum varer</b>		<b>32 323 000</b>	<b>28 785 000</b>
<b>Fordringer</b>			
Trade receivables	6	29 563 000	28 414 000
Other current receivables	7,16	45 043 000	60 854 000
<b>Sum fordringer</b>		<b>74 606 000</b>	<b>89 268 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposit, cash etc.	8	218 544 000	202 301 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>218 544 000</b>	<b>202 301 000</b>
<b>Sum omløpsmidler</b>		<b>325 473 000</b>	<b>320 354 000</b>



### Konsernets balanse

Beløp i: NOK	Note	2022	2021
<b>SUM EIENDELER</b>		<b>4 412 805 000</b>	<b>4 302 835 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	9,10	598 724 000	569 312 000
Beholdning av egne aksjer	9	-60 000	-66 000
Overkurs	9	299 020 000	228 432 000
<b>Sum innskutt egenkapital</b>		<b>897 684 000</b>	<b>797 678 000</b>
<b>Opptjent egenkapital</b>			
Other equity	9	-7 053 000	281 422 000
<b>Sum opptjent egenkapital</b>		<b>-7 053 000</b>	<b>281 422 000</b>
<b>Sum egenkapital</b>		<b>890 631 000</b>	<b>1 079 100 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	12,14	3 059 000	1 333 000
Non-current provisions	12	1 697 000	1 508 000
Leasing liability	2,12	70 735 000	62 711 000
Derivatives	17	0	47 921 000
<b>Sum avsetninger for forpliktelser</b>		<b>75 491 000</b>	<b>113 473 000</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	12	2 839 115 000	2 517 724 000
Other non-current debt	12	1 103 000	11 108 000
<b>Sum annen langsiktig gjeld</b>		<b>2 840 218 000</b>	<b>2 528 832 000</b>
<b>Sum langsiktig gjeld</b>		<b>2 915 709 000</b>	<b>2 642 305 000</b>
<b>Kortsiktig gjeld</b>			
Current portion of non-current liabilities to credit institutions	12	71 745 000	296 973 000
Leverandørgjeld		77 256 000	80 696 000
Public duties owing		12 713 000	11 174 000
Current portion of leasing debt	2, 12	6 556 000	11 227 000
Derivatives	17	0	8 681 000



## Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Other current liabilities	15	438 196 000	172 386 000
<b>Sum kortsiktig gjeld</b>		<b>606 466 000</b>	<b>581 137 000</b>
<b>Sum gjeld</b>		<b>3 522 175 000</b>	<b>3 223 442 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>4 412 806 000</b>	<b>4 302 542 000</b>



## Fjord Line AS - Income statement (1,000 NOK)

	Note	Parent company 2022 NGAAP	Parent company 2021 NGAAP
<b>Operating income:</b>			
Sales revenues	1	1 631 113	770 039
Other operating income	1, 2	37 029	25 711
<b>Total operating income</b>	<b>1</b>	<b>1 668 143</b>	<b>795 751</b>
<b>Operating expenses:</b>			
Cost of goods		318 183	143 496
Wage costs	3	91 469	75 785
Depreciation of property, plant and equipment and intangible assets	9, 10	24 094	18 310
Other operating expenses	3, 4, 5, 14	1 471 929	838 739
<b>Total operating expenses</b>		<b>1 905 674</b>	<b>1 076 330</b>
<b>Operating result</b>		<b>-237 532</b>	<b>-280 579</b>
<b>Financial items:</b>			
Income from subsidiaries	8	1 716	742
Interest income	6, 13	155 889	131 073
Other financial income	7	-87 623	44 746
Intergroup guarantee expense	6	-26 675	-26 108
Interest expenses	6, 19	-144 591	-145 100
Other financial expenses	7, 19	0	-18
<b>Net financial items</b>		<b>-101 284</b>	<b>5 335</b>
<b>Ordinary result before tax</b>		<b>-338 816</b>	<b>-275 245</b>
<b>Tax expense on ordinary result</b>	<b>8</b>	<b>3 356</b>	<b>-62 696</b>
<b>Ordinary result after tax</b>		<b>-342 172</b>	<b>-212 548</b>
<b>Result for the year</b>		<b>-342 172</b>	<b>-212 548</b>
<b>Allocation of the result</b>			
Transferred to other equity/uncovered loss	18	-342 172	-212 548
<b>Total</b>		<b>-342 172</b>	<b>-212 548</b>

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**Fjord Line AS - Balance sheet per 31 December  
(1,000 NOK)**

ASSETS	Note	Parent company 31.12.2022 NGAAP	Parent company 31.12.2021 NGAAP
<b>Fixed assets</b>			
<b>Intangible assets</b>			
WEB-project, concept development etc.	9	100 017	103 302
Intangible Financial lease asset	9	8 594	7 928
Deferred tax asset	8	348 361	351 717
<b>Total intangible assets</b>		<b>456 972</b>	<b>462 946</b>
<b>Property, plant and equipment</b>			
Land plots	10	835	835
Buildings and plants	10	16 658	16 794
Buildings Financial lease asset	10	15 943	16 789
Movables, equipment, improvements ships etc.	10	216	45
<b>Total property, plant and equipment</b>	<b>10</b>	<b>33 653</b>	<b>34 464</b>
<b>Financial fixed assets</b>			
Investment in subsidiary	11	993 441	993 441
Financial receivables	6, 13	2 557 428	2 442 481
Other investments, incl. shares in associate	12	95	80
<b>Total financial fixed assets</b>		<b>3 550 964</b>	<b>3 436 001</b>
<b>Total fixed assets</b>		<b>4 041 588</b>	<b>3 933 411</b>
<b>Current assets</b>			
<b>Inventory</b>			
Inventory	5	31 698	27 386
<b>Total Inventory</b>		<b>31 698</b>	<b>27 386</b>
<b>Receivables</b>			
Trade receivables	14	29 118	30 011
Intergroup balances	13	46 889	12 525
Other current receivables	15	43 708	45 158
<b>Total receivables</b>		<b>119 715</b>	<b>87 694</b>
<b>Bank deposit, cash etc.</b>			
Bank deposit, cash equivalents etc.	16	13 355	12 171
<b>Total Bank deposit, cash etc.</b>		<b>13 355</b>	<b>12 171</b>
<b>Total current assets</b>		<b>164 767</b>	<b>127 252</b>
<b>Total assets</b>		<b>4 206 356</b>	<b>4 060 664</b>

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**Fjord Line - Balance sheet per 31 December  
(1,000 NOK)**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>Parent company 31.12.2022 NGAAP</b>	<b>Parent company 31.12.2021 NGAAP</b>
<b>EQUITY</b>			
<b>Paid-in equity</b>			
Share capital	17, 18	598 724	569 312
Own shares	18	-60	-66
Share premium account	18	299 020	228 432
<b>Total paid-in equity</b>	<b>18</b>	<b>897 683</b>	<b>797 678</b>
<b>Retained earnings</b>			
Other equity/Uncovered loss	18	-547 631	-205 459
<b>Total retained earnings</b>		<b>-547 631</b>	<b>-205 459</b>
<b>Total equity</b>	<b>18</b>	<b>350 053</b>	<b>592 219</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities/non-current provisions</b>			
Non-current debt to credit institutions etc.	19	2 813 523	2 799 800
Received, not recognised contribution	2	73 691	78 378
Financial leasing	19	15 073	13 400
Pension liability	3	1 877	1 333
Other non-current debt	19	10 868	11 108
<b>Total non-current liabilities/non-current provisions</b>		<b>2 915 032</b>	<b>2 904 018</b>
<b>Current liabilities</b>			
Current debt to credit institutions	19	416 254	333 072
Trade payables		67 936	66 283
Tax payable	8	-	-
Public duties owing		7 185	6 415
Intergroup balances	13, 19	29 637	19 754
Other current liabilities	19	420 258	138 903
<b>Total current liabilities</b>		<b>941 271</b>	<b>564 427</b>
<b>Total liabilities</b>		<b>3 856 303</b>	<b>3 468 446</b>
<b>Total equity and liabilities</b>		<b>4 206 356</b>	<b>4 060 664</b>

Egersund 29.04.2023

Peter Frølich  
Chairman of the BoardKristian Eikre  
Board MemberHeidi Nag Flikka  
Board MemberJan Erik Sivertsen  
Board MemberChristian Fredrik Grønli  
Board MemberBrian Thorsted Hansen  
Managing Director

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## Cash flow statement - parent company (TNOK)

	2022	2021
<b>Cash flows from operational activities</b>		
Result before tax expense	-338 816	-275 245
Taxes paid in the period	0	0
Depreciation	24 094	18 310
Write-downs	0	0
Gain/loss from sale of property, plant and equipment/intangible assets	0	0
Change in inventories	-4 311	-6 689
Change in trade receivables	893	-13 973
Change in trade payables	1 653	45 224
Gain/loss from sale of operating assets/intangible assets	0	0
Change in other accruals, incl. net agio and non-current balances	-46 758	40 559
<b>Net cash flows from operational activities</b>	<b>-363 246</b>	<b>-191 814</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	20	0
Purchase/manufacturing of property, plant and equipment/intangible assets	-17 154	-44 664
Interest received	155 890	0
Loan to subsidiary	0	-417 637
Investment in subsidiary	-15	-1 000
<b>Net cash flows from investing activities</b>	<b>138 741</b>	<b>-463 301</b>
<b>Cash flows from financing activities</b>		
Raising of interest bearing debt (net)	300 000	569 466
Repayment of non-current interest bearing debt	-48 038	0
Change in current debt to credit institutions	11 203	259 134
Group contribution received	0	742
Payment of interest	-137 477	-214 167
Cash contribution share issue (net)	100 000	50 000
<b>Net cash flows from financing activities</b>	<b>225 688</b>	<b>665 175</b>
<b>Net change in cash and cash equivalents</b>	<b>1 183</b>	<b>10 060</b>
Cash and cash equivalents at the beginning of the period	12 171	2 111
<b>Cash and cash equivalents at the end of the period</b>	<b>13 355</b>	<b>12 171</b>
<b>Specification of cash reserves at the end of the period</b>		
Bank deposit and cash	16	12 171

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## Accounting policies - Fjord Line AS (parent company)

The financial statements have been prepared in accordance with the Accounting Act and generally accepted accounting principles in Norway.

### Sales revenues

Sale of goods is recognised in the income statement at the time of delivery. Time of delivery means the time of transfer of risk and control connected to the delivered goods. Services, including sale of travels and freight, are recognised as executed. The portion of the sales income, which relates to future service work is reflected in the balance sheet as unearned income from the sale and is then recognised in line with the service work performed.

### Classification and valuation of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. Current assets are valued at the lower of acquisition cost and net realizable value. Current liabilities are reflected in the balance sheet at nominal value on the establishment date. Fixed assets are valued at acquisition cost. Property, plant and equipment whose value will deteriorate are depreciated on a straight line basis over the asset's estimated useful life. The fixed assets are subject to impairment to net realizable value if a value reduction occurs which is not believed to be temporary. The impairment is reversed to the extent that the reason for the impairment is no longer present. Non-current liabilities are reflected in the balance sheet at nominal value at the establishment date.

### Intangible assets

Expenses for intangible assets are reflected in the balance sheet when it is considered likely that the future financial benefits relating to the asset will be received by the company and the acquisition cost of the asset can be reliably measured.

### Property, plant and equipment

Property, plant and equipment are reflected in the balance sheet and depreciated over the assets' expected useful life on a straight-line basis provided they have an expected useful life of more than 3 years and a cost price exceeding NOK 15,000. Direct maintenance of an asset is recognised under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements are determined based on the asset's condition at the acquisition date.

### Leasing

A leasing agreement is classified as financial or operational lease in accordance with the contents of the individual agreement. The agreement is classified as financial lease if the major part of financial risk and control connected to the underlying lease object has been transferred to the lessee. Other leasing agreements are classified as operational.

Operational assets in leasing agreements assessed as financial lease are activated in the balance sheet at the value of the compensation in the leasing agreement and depreciated as property, plant and equipment. The principal portion of the leasing liability is recorded as non-current liabilities. The liability is reduced with lease paid less deduction for calculated interest expense. The lease payments are treated as an operating expense which is distributed over the total leasing period for agreements that are classified as operational.



## **Subsidiaries, associated companies and joint ventures**

Subsidiaries, associated companies and joint ventures are assessed in accordance with the cost method in the company accounts. The investment is valued at acquisition cost for the shares, unless impairment has been necessary. Dividend from the subsidiaries is recognised as income to the extent accumulated dividend exceeds accumulated result in the owner period.

## **Inventories**

Inventories of purchased goods are valued at the lower of acquisition cost according to the FIFO-principle and fair value. A write-down is made for any foreseeable obsolescence.

## **Trade receivables**

Trade receivables and other receivables are reflected in the balance sheet at nominal value after deduction of provision for bad debts. Provision for bad debts is made based on individual assessment of each receivable.

## **Current investments**

Current investments (including shares and derivatives valued as current assets) are considered to be trading portfolio and are valued at fair value at the balance sheet date. Unrealized gain/loss is recognised in the income statement under financial items. Dividend and other contributions are recognised as other financial income

## **Hedging**

Derivatives valued as hedging are recognised in the balance sheet at acquisition cost. This corresponds to fair value at the time of entering into the derivative contracts. The derivatives are recognised through profit or loss when delivered and classified in the income statement on the same line as the underlying hedging object.

## **Monetary items in foreign currency**

Monetary items in foreign exchange are valued at the exchange rate at the end of the accounting year. Hedge accounting is not used. Transactions in foreign currency are converted into the functional currency (NOK) at the current exchange rate at the transaction date.

Further information is disclosed in notes to the financial statement

## **Tax**

The tax expense in the income statement comprises both payable taxes for the period and changes in deferred tax/deferred tax asset. Maximum deferred tax asset is calculated based on 23% of total basis for the temporary differences existing between accounting and tax values at the end of the accounting year and carry forward loss for tax purposes. Deferred tax asset is recognised in the balance sheet to the extent that carry forward loss for tax purposes and other positions are expected to be used against future earnings. Further information is disclosed in notes.



### **NOx-fund grants**

Grants from the NOx-fund related to investments are recognised in the income statement/accrued in line with the depreciation profile of the operating assets that the grants relate to. Grants not recognised in the income statement have been recognised as non-current liabilities/allocation. Further information about accounting treatment and numerical effects is disclosed in notes to the financial statements.

### **Government grants**

Government grants related to Covid-19 is recorded as reduction of other operating expenses. All periods applied for government grant in 2022 is included in the financial statement.

### **Pensions**

A defined contribution plan is a pension plan under which the group pays fixed contributions to an insurance company. The group has no legal or constructive obligations once the contributions have been paid. The contributions are recognised as wage costs. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date.

### **Cash flow statement**

The cash flow statements are reported gross from investing and financing activities, whereas the accounting result is reconciled against net cash flow from operational activities. Cash and cash equivalents include cash and bank deposits.



## Note 1 Operating income – parent company

(Figures in TNOK)

	2022	2021
<b>Operating income distributed on income area</b>		
Ticket income	751 351	296 397
Sales income etc. onboard	647 535	277 510
Cargo income	220 662	194 522
Recognised/accrued grant from the NOx-fund - see also note 2	4 766	4 687
Other	43 829	22 635
<b>Total</b>	<b>1 668 143</b>	<b>795 751</b>

## Note 2 NOx-grant – parent company

The ship "MS Stavangerfjord" was delivered in July 2013, and the ship "MS Bergensfjord" was delivered in January 2014. Because the ships are gas powered (LNG), with related low emission, Fjord Line AS was granted a contribution from the NOx-fund. Per 31.12.2014 contributions of MNOK 147.2 in total had been paid to Fjord Line AS connected to these projects. As a condition for the grant Fjord Line AS was obliged to use "MS Stavangerfjord" and "MS Bergensfjord" in NOx-labile waters for at least 2 years from time of delivery.

In 2021 Fjord Line AS received 0 MNOK in NOx-grants (0 MNOK in 2020). In the 2022 accounts MNOK 4,7 of the grants was recognised as income (4,7 MNOK in 2021). The amount was classified as other operating income in the income statement. The grants are subject to accrual in line with the depreciation profile of the operating assets to which the grants relate.

Below is a summary of accounting values (figures in TNOK)

Grants received 2021	0
<b>Total received grants 31.12.2021</b>	<b>166 809</b>
Grants recognised as income 2021	-4 687
Accumulated grants recognised as income 31.12.2021	-88 352
<b>Grants received, not recognised in the income statement 31.12.2021</b>	<b>78 457</b>
Grants received 2022	0
<b>Total received grants 31.12.2022</b>	<b>166 809</b>
Grants recognised as income 2022	-4 766
Accumulated grants recognised as income 31.12.2022	-93 118
<b>Grants received, not recognised in the income statement 31.12.2022</b>	<b>73 691</b>

## Note 3 Wage costs, number of employees, remunerations, pension etc. – parent company

(Figures in table below in TNOK)

	2022	2021
<b>Wage costs</b>		
Wages, incl. feeding crew etc.	73 477	64 093
Payroll tax	12 307	10 342
Pension costs	1 652	1 203
Other remunerations	4 033	147
<b>Total</b>	<b>91 469</b>	<b>75 785</b>

Average number of man-labour years during the accounting year has been 115 in 2022 (84 in 2021).

### Remunerations for CEO and the Board of Directors (figures in TNOK)

	2022	2021
Wages CEO incl. bonus	2 560	1 875
Other remuneration CEO	418	298
Board of Directors' fee	900	1 033

No loan or guarantee have been provided for CEO or any of the members of the Board of Directors.

The CEO is included in the company's pension agreement, cf mentioned below. According to the agreement, 20 % of gross salary is allocated annually and the liability amounts to per 31.12.2022 TNOK 983 (TNOK 483 as at 31.12.21).

The chief executive officer is entitled to a severance payment equivalent to 12 months' salary without the right to holiday pay and pension rights, commencing at the time of expiry of notice period, when the resignation is at the request from the company.

### Pensions

The company has taken on a pension savings agreement on behalf of the present CEO and another two individuals. The market value of the contributions/assets was TNOK 5.358 per 31.12.2022 (TNOK 5.543 per 31.12.2021). Gross liability per 31.12.2022 is calculated to TNOK 7,235 related to these persons (TNOK 6.876 per 31.12.2021). Net liability is thus TNOK 1.877 per 31.12.2022 (TNOK 1.333 per 31.12.2021), and is classified as pension liability in the balance sheet.

In addition the company has established a defined contribution pension scheme for its employees. The company pays fixed contributions to an insurance company. The company has no further obligations to pay once the contributions have been paid. The contribution constitutes from 2% to 4% of the employees' salary.



## Auditor

Expensed fee to auditor relates to the following services (exclusive of vat), figures in TNOK.

	2022	2021
Audit services	821	690
Certification services/Agreed-upon control procedures	309	307
Accounting and tax related/duty related technical assistance	104	88
Other services	326	482
<b>Total auditor's fee</b>	<b>1 560</b>	<b>1 567</b>

## Note 4 Leasing expenses and transactions with related parties - parent company

Expensed lease of operating assets not recognised in the balance sheet for 2022 and 2021 (operational lease)  
(Figures in TNOK)

Operating assets	Expensed lease	Expensed lease
	2022	2021
Lease of premises and similar *)	19 019	18 603
Lease of ships, including crew	606 848	580 618
Other leasing cost	39 998	29 766

\*) Leasing expenses and similar: For 2022 leasing expenses of TNOK 1.736 to company controlled by owners. (TNOK 1.676 in 2021). The leasing conditions are market conditions.

## Note 5 Inventories and fuel expenses - parent company

(Figures in TNOK)

Inventories	2022	2021
Fuel	8 352	8 286
Goods for resale	19 531	20 566
Other items, including key-cards etc.	6 315	408
<b>Total inventories at acquisition cost 31.12.</b>	<b>34 198</b>	<b>29 260</b>
Write-down 31.12.	2 500	1 874
<b>Total book value of inventories 31.12.</b>	<b>31 698</b>	<b>27 386</b>

Write-down of TNOK 2,5 has been made of the inventory by year end (1,9 TNOK in 2021).

Expenses related to fuel are classified as other operating expenses in the income statement.  
For 2022 this amounts to TNOK 368 924 (TNOK 179 090 in 2021).

## Note 6 Interest income/interest expenses and intergroup guarantee commission - parent company

(Figures in TNOK)

Interest income comprises:

	2022	2021
Interest income on loan to subsidiary (intergroup interests)	140 441	120 490
External interest income	15 449	10 583
<b>Total</b>	<b>155 889</b>	<b>131 073</b>

Interest expenses comprises:

	2022	2021
Interest expenses on loan to subsidiary (intergroup interests)	1 063	935
External interest expenses	142 807	143 261
Other interest expense	720	904
<b>Total</b>	<b>144 591</b>	<b>145 100</b>

Non-current intergroup loans are subject to interest calculation in accordance with market conditions. Further information about intergroup loans/balances is disclosed in note 13.

In 2022 Fjord Line AS has expensed an intergroup guarantee cost of TNOK 26 675 (TNOK 26 108 in 2021).

Fjord Line AS has entered into several contracts on loan financing of the group's ships. The shipowning subsidiaries Fjord Skibsholding I, Fjord Skibsholding II, Fjord Skibsholding III, Fjord Skibsholding IV and Fjord Skibsholding V have on their part provided security for Fjord Line AS' liabilities related to the loan contracts.

As a compensation the shipowning subsidiaries have received guarantee commission based on market conditions.

## Note 7 Other financial income and other financial expenses - parent company

(Figures in TNOK)

Other financial income and other financial expenses comprise the following:

Other financial income	2022	2021
Group contribution received	0	742
Foreign exchange gain related to non-current foreign exchange loan	0	37 795
Other foreign exchange gain	28 539	20 538
Other financial income	29	129
<b>Total</b>	<b>28 568</b>	<b>59 205</b>
<b>Other financial expenses</b>	<b>2022</b>	<b>2021</b>
Foreign exchange loss, intergroup receivables, cf. note 13	28 024	12 806
Foreign exchange loss, including non-current loan in Euro and DKK	88 167	0
Other financial expenses	0	18
<b>Total</b>	<b>116 191</b>	<b>12 824</b>



## Note 8 Taxes - parent company

(Figures in TNOK)

### Specification of deferred tax asset

Temporary differences	31.12.2021	31.12.2022	Change
Fixed assets	11 753	9 522	2 231
Receivables	-13 097	-13 200	103
Gain/loss account	5 520	4 416	1 104
Inventory	-1 900	-2 500	600
Pension liabilities	-1 333	-1 877	544
Other differences including accounting accruals	-76 671	-66 144	-10 526
Carry-forward interest deduction	-40 135	-40 135	0
<b>Total</b>	<b>-115 862</b>	<b>-109 918</b>	<b>-5 944</b>
Carry-forward loss	-1 482 850	-1 816 786	333 936
<b>Basis for deferred tax (-deferred tax asset)</b>	<b>-1 598 712</b>	<b>-1 926 704</b>	<b>327 992</b>
22% of basis	-351 717	-423 884	72 167
<b>Deferred tax (deferred tax asset) recognised in the balance sheet</b>	<b>-351 717</b>	<b>-348 361</b>	<b>-3 356</b>
Deferred tax asset not recognised in the balance sheet	0	-75 523	75 523

Per 31.12.2022 Fjord Line AS has accumulated basis for deferred tax asset of TNOK 1,930,923  
This implies deferred tax asset (22%) of TNOK 424,803, recognised in balance sheet is TNOK 348 361.

The Board of Directors following a concrete assessment found that it has convincing evidence that future earnings will justify capitalization of deferred tax asset. The argument is sustained by the positive operating results prior to Covid-19/Energy crisis, combined with current long term business plans. Furthermore, the Board of Directors has in accordance with a precautionary approach decided in 2022 not to further increase capitalization of deferred tax arising from the current year's increase in loss carried forward.

### Specification of taxable result and tax expense:

	2022	2021
<b>Taxable result</b>		
Result before tax	-338 816	-275 245
Dividends from subsidiaries, not taxable	0	0
Group contribution received	1 717	742
Write-down of shares	0	0
Other permanent differences	-793	-582
Employee options recognised as expense	0	0
Change in temporary differences	-15 314	-3 753
Issue expenses, offset against equity	0	0
Application of carry forward loss	0	0
Carry-forward interest deduction	0	40 135
<b>Taxable result</b>	<b>-353 206</b>	<b>-238 702</b>

	2022	2021
<b>Reconciliation of tax expense</b>		
22% of financial result	-74 540	-60 554
22% of permanent differences	203	35
Impact of change tax rate	0	0
Change of deferred tax asset not recognised in the balance sheet	75 523	0
Other changes	2 178	-2 178
<b>Tax expense</b>	<b>3 365</b>	<b>-62 696</b>

	2022	2021
<b>Specification of tax expense</b>		
Change in deferred tax asset	-72 167	0
Payable tax	0	0
<b>Tax expense</b>	<b>-72 167</b>	<b>0</b>

## Note 9 Intangible assets - parent company

(Figures in TNOK)

	Intangible assets in development	WEB-projects etc.	Intangible Financial lease assets	Other intangible assets	Total intangible assets
Acquisition cost 31.12.2021	30 627	107 650	12 164	2 159	152 600
Additions 2022	9 981	4 396	3 531	0	17 908
Completed projects 2022	-640	0	0	0	-640
Disposal 2022	0	0	0	0	0
<b>Acquisition cost 31.12.2022</b>	<b>39 968</b>	<b>112 046</b>	<b>15 695</b>	<b>2 159</b>	<b>169 868</b>
Accumulated write-down 31.12.2021	4 824	0	0	0	4 824
Accumulated depreciation 31.12.2021	0	31 401	4 237	908	36 546
Book value 31.12.2021	25 803	76 249	7 927	1 251	111 231
Accumulated write-down 31.12.2022	4 824	0	0	0	4 824
Accumulated depreciation 31.12.2022	0	48 340	7 101	993	56 434
<b>Book value 31.12.2022</b>	<b>35 144</b>	<b>63 707</b>	<b>8 594</b>	<b>1 166</b>	<b>108 611</b>
Write-down in the year	0	0	0	0	0
Depreciation in the year	0	16 939	2 864	85	19 888
<b>Total depreciation and write-down 2022</b>	<b>0</b>	<b>16 939</b>	<b>2 864</b>	<b>85</b>	<b>19 888</b>

All assets are depreciated linear over the estimated useful life.

Completed projects in 2022 are projects relates to development of websites and moving WEB platform, with a depreciation period of 5 years.  
The remaining projects relates to development of ERP system in general, group booking, development of Carres, on board portal and BI. The depreciation period is 5 years.

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## Note 10 Property, plant and equipment – parent company

(Figures in TNOK)

Property, plant and equipment (figures in TNOK)	Land plots	Terminal buildings	Terminal buildings Financial lease	Equipment, machinery onshore etc.	Means of transport	Total property, plant and equipment
Acquisition cost 31.12.2021	835	18 189	16 930	15 740	337	52 032
Addition 2022	0	241	0	2 929	245	3 415
Disposal 2022	0	0	0	0	-337	-337
Acquisition cost 31.12.2022	835	18 430	16 930	18 669	245	55 110
Accumulated write-down 31.12.2021	0	0	0	0	0	0
Accumulated depreciation 31.12.2021	0	10 217	141	6 918	291	13 064
Book value 31.12.2021	835	7 972	16 789	8 822	45	34 464
Accumulated write-down 31.12.2022	0	0	0	0	0	0
Accumulated depreciation 31.12.2022	0	11 572	987	8 870	29	21 458
Book value 31.12.2022	835	6 858	15 943	9 800	216	33 653
Depreciation in the year	0	1 355	846	1 952	53	4 206
Write-down in the year	0	0	0	0	0	0
Depreciation period (completed operating assets)	N/A	5 - 10 years	20 years	3 - 5 years	5 years	
Depreciation plan	Does not depreciate	Linear	Linear	Linear	Linear	

## Note 11 Investments in subsidiaries – parent company

(Figures in TNOK)

The investments in subsidiaries are accounted for in accordance with the cost method. Accounting values are presented below (figures in TNOK).

Subsidiary	Time of acquisition	Business address	Owner share/voting share	Cost price 31.12.2022	Book value 31.12.2021	Book value 31.12.2022
Fjord Line Danmark A/S	2006	Danmark	100 %	13 753	13 753	13 753
Fjord Skibsholding I A/S	2007	Danmark	100 %	264 232	224 987	224 987
Fjord Skibsholding II A/S	2008	Danmark	100 %	138 140	109 849	109 849
Fjord Skibsholding III A/S	2010	Danmark	100 %	310 368	310 368	310 368
Fjord Skibsholding IV A/S	2010	Danmark	100 %	332 842	332 842	332 842
Fjord Skibsholding V A/S	2017	Danmark	100 %	642	642	642
Fjord Line Crewing AS	2021	Norge	100 %	1 000	1 000	1 000
<b>TOTAL</b>				<b>1 061 178</b>	<b>993 441</b>	<b>993 441</b>

### Income from investment in subsidiaries and write-down 2022

No dividend has been approved from Fjord Line AS' subsidiaries in 2022.

### Income from investment in subsidiaries and write-down 2021

No dividend has been approved from Fjord Line AS' subsidiaries in 2021.

### Background for difference between cost price and carrying value of the shares in FSH I and FSH II:

In 2008 the shares in FSH II were written down by TNOK 20 291.

In 2009 the shares in FSH I were written down by TNOK 39 246 and the shares in FSH II were written down by TNOK 8 000

In 2009 also TNOK 4 754 in dividend from FSH I and TNOK 12 222 in dividend from fra FSH II were recognised as reduction of carrying value of shares.

## Note 12 Investments in other shares/parts – parent company

In 2010 Fjord Line AS acquired shares amounting to TNOK 50 in Visit Sorlandet AS. After 2010 there has been neither additions nor disposals. The investment is recognised in accordance with the cost method. There has been no write-down in 2022 or 2021.

In 2016 Fjord Line AS invested TNOK 30 in Visit Telemark AS in 2016. The investment is recognised in accordance with the cost method. Nor has write-down been made on this investment.

In addition Fjord Line AS invested TNOK 15 in Digital Plattform Eigersund SA in 2022. The investment is recognised in accordance with the cost method. Nor has write-down been made on this investment.

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## Note 13 Intercompany balance - parent company

(Figures in TNOK)

	2022	2021
<b>Assets - current items:</b>		
Receivables on subsidiary related to operation etc. *)	32 162	11 783
Other receivables from subsidiaries	14 727	742
<b>Total</b>	<b>46 889</b>	<b>12 525</b>
<b>Liabilities - current items:</b>		
Net debt to subsidiary related to operation	10 113	1 249
Incurred interests and guarantee commission	19 524	18 505
<b>Total</b>	<b>29 637</b>	<b>19 754</b>
<b>Net current intercompany balance per 31.12 for Fjord Line AS</b>	<b>17 251</b>	<b>11 276</b>

### Assets - non-current items

Fjord Line AS has non-current receivables on the Danish subsidiaries of in total TNOK 2.557.428 per 31.12.2022 (TNOK 2.423.976 per 31.12.2021). The amount is classified as financial fixed assets. The loans are in DKK and are subject to interest calculation (cf. note 6). Foreign exchange gain on these loans was TNOK 113 928 in 2022 (foreign exchange loss of TNOK 122.398 in 2021), cf. note 7. No specific installment plan has been determined for the loans, but the subsidiaries will use free liquidity for repayment.

### \*) Allocation for dividends in the subsidiaries

The subsidiaries FSH I, FSH III and FSH IV had per 31.12.2022 allocated in total TNOK 0 in dividend for Fjord Line AS, cf. note 11.

## Note 14 Trade receivables and bad debts - parent company

(Figures in TNOK)

	2022	2021
Trade receivables at nominal value 31.12.	32 418	30 583
Provisions for bad debts 31.12.	-3 300	-3 197
<b>Book value trade receivables 31.12.</b>	<b>29 118</b>	<b>27 386</b>
Change in provisions for bad debts in the year	103	0
Actual bad debts in the year	757	274
Received on receivables previously written off	0	0
<b>Expensed loss on bad debts</b>	<b>860</b>	<b>274</b>

Bad debts are included in the item "other operating expenses" in the income statement.

## Note 15 Other receivables - parent company

(Figures in TNOK)

	2022	2021
<b>Other receivables</b>		
Refund from public authorities, including vat owing. *	3 558	2 728
Prepaid expenses etc.	40 151	42 430
<b>Other receivables 31.12.</b>	<b>43 708</b>	<b>45 158</b>

\*) Per 31.12.2022 the company has recognised TNOK 2,919 in the balance sheet relating to VAT due to the company in Norway (TNOK 1.976 per 31.12.2021).

## Note 16 Restricted funds and cash equivalents- parent company

(Figures in TNOK)

	2022	2021
Restricted tax deduction funds per 31.12.:	3 876	3 494
The tax deduction funds are deposited on separate bank accounts.		
<b>Cash equivalents per 31.12.:</b>	<b>6 418</b>	<b>5 741</b>
Cash equivalents are payments in transit as of year end.		

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## Note 17 Share capital and shareholders' information - parent company

The share capital is NOK 598 723 727,5 per 31.12.2022, and consists of 239 489 491 shares each NOK 2,50. All shares have equal rights.

### The major shareholders per 31.12.2022

	Owner share
Ferd AS	44,8 %
Kontrari AS	38,3 %
Kontrazi AS	15,1 %
Others, including own shares*)	1,9 %
<b>Total</b>	<b>100,0 %</b>

\*) Fjord Line AS has a total of 935 own shares per 31.12.2022.

### The major shareholders per 31.12.2021

	Owner share
Ferd AS	44,7 %
Kontrari AS	36,7 %
Kontrazi AS	15,8 %
Others, including own shares*)	2,8 %
<b>Total</b>	<b>100,0 %</b>

\*) Fjord Line AS has a total of 2.118 own shares per 31.12.2021.

## Note 18 Equity - parent company

(Figures in TNOK)

Changes in equity for 2022	Share capital	Own shares	Share premium account	Other equity/uncovered loss	Total
Equity 31.12.2021	569 312	-66	228 432	-205 459	592 219
Sale of own shares	0	5	0	0	5
Increase of capital	29 412	0	70 588	0	100 000
Net income 2022	0	0	0	-342 172	-342 172
<b>Equity 31.12.2022</b>	<b>598 724</b>	<b>-60</b>	<b>299 020</b>	<b>-547 631</b>	<b>350 053</b>

Changes in equity for 2021	Share capital	Own shares	Share premium account	Other equity/uncovered loss	Total
Equity 31.12.2020	544 312	-109	203 432	7 089	754 722
Purchase of own shares	0	44	0	0	44
Increase of capital	25 000	0	25 000	0	50 000
Net income 2021*	0	0	0	-212 548	-212 548
<b>Equity 31.12.2021</b>	<b>569 312</b>	<b>-66</b>	<b>228 432</b>	<b>-205 459</b>	<b>592 219</b>

\*) Net income 2021 contains a negative tax expense of TNOK 62.860 as a result of the changes in deferred tax asset.

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## Note 19 Liabilities - parent company

(The figures in the table below is in TNOK)

	2022	2021
<b>Non-current interest bearing debt per 31.12.</b>		
Debt to credit institutions etc. *	2 828 595	2 813 200
Other non-current interest bearing debt	10 868	11 108
<b>Total non-current interest bearing debt 31.12.</b>	<b>2 839 463</b>	<b>2 824 308</b>
<b>Current interest bearing debt per 31.12.</b>		
Current portion of debt to credit institutions	71 979	0
Debt to credit institutions (overdraft facilities)	344 275	333 072
Other current interest bearing debt, including debt to owners of the parent company**	301 487	1 487
<b>Total current interest bearing debt 31.12.</b>	<b>645 761</b>	<b>334 558</b>
<b>Total book value of interest bearing debt 31.12.</b>	<b>3 485 224</b>	<b>3 158 866</b>

\*Includes financial leasing book value 15 073 TNOK (13 400 TNOK per 31.12.2021).

Fjord Line AS had an unused overdraft facility of MNOK 35 per 31.12.2022 (35 MNOK per 31.12.2021).

Per 31.12.2022 the company has a negative balance on the overdraft facility account of -340,4 MNOK (negative balance of -295,6 MNOK per 31.12.2021).

Non-current interest bearing debt (incl. leasing) - distributed on currency per 31.12.2022 (figures in 1.000)

Currency	Nominal currency	Exchange rate	Book value in NOK 31.12.2022
NOK	507 214	1,000	507 214
DKK	430 543	1,430	615 677
Euro	197 950	10,551	2 088 551
<b>Total non-current interest bearing debt 31.12.</b>			<b>3 211 441</b> incl. first year's installment

Non-current interest bearing debt (incl. leasing) - distributed on currency per 31.12.2021 (figures in 1.000)

Currency	Nominal currency	Exchange rate	Book value in NOK 31.12.2021
NOK	268 720	1,000	268 720
Euro	202 057	9,989	2 018 308
DKK	400 000	1,343	537 280
<b>Total non-current interest bearing debt 31.12.</b>			<b>2 824 308</b> incl. first year's installment

### Borrowing in Euro and Danish kroner

Borrowing in Euro and DKK is recognised in the balance sheet at current exchange rate per 31.12.2022 and 31.12.2021, of the table above.

Foreign exchange loss/gain in 2022 related to non-current borrowing in Euro and DKK is 132,9 MNOK.

Foreign exchange loss/gain in 2021 related to non-current borrowing in Euro and DKK is 122,4 MNOK.

Book value per 31.12. for the Euro-borrowings and Danish kroner-borrowings as follows in NOK (figures in TNOK):

	2022	2021
Principal amount:	2 704 228	2 555 588
Amortization effect of the borrowings, incl. guarantee commission	-7 607	-10 703
<b>Book value per 31.12.</b>	<b>2 696 621</b>	<b>2 544 885</b>

### Installment plan non-current interest-bearing debt to credit institutions (mortgage loan)

	2023	2024	2025	2026	2027
Annual installments**	71 979	89 656	310 123	964 556	259 288
<b>Remaining loan per 31.12.</b>	<b>2 539 463</b>	<b>2 449 807</b>	<b>2 139 684</b>	<b>1 175 128</b>	<b>915 840</b>

\*\*Debt to owners has been converted to equity in 2023 and is excluded from payments.

Refer to Fjord Line Group accounts (cf. note 12) for specification of book value of mortgaged assets per 31.12.2022 on non-current interest-bearing debt to credit institutions/mortgage loan.

### Other current liabilities per 31.12 (figures in TNOK):

	2022	2021
Prepayment from customers	70 188	91 437
Provision for other incurred costs etc.	350 071	45 979
<b>Other current liabilities 31.12.</b>	<b>420 258</b>	<b>137 416</b>

### Intergroup balances per 31.12 (figures in TNOK):

	2022	2021
Incurred interests and guarantee commission	19 524	18 505
Accounts payable	10 113	1 249
<b>Other current liabilities 31.12.</b>	<b>29 637</b>	<b>19 754</b>

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**Note 20 Subsequent Event – parent company**

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After two years of a global pandemic and government-imposed travel restrictions, Fjord Line had the best-ever high season revenue wise in 2022. Unfortunately, increases in the LNG (Liquefied Natural Gas) fuel costs led to a non-sustainable financial situation for Fjord Line.

The energy crisis, caused by the Russian invasion of Ukraine, has led to extraordinary volatility and significant price increases in LNG – and the price increases have been far higher than for traditional and less sustainable energy sources at sea. In addition, Fjord Line receives no governmental financial aid. This led to a dramatic increase in the energy costs for Fjord Line's two LNG-operated ships, and significantly above a financially sustainable level.

The engine conversion enables the two LNG-ships to switch between LNG and MGO (Marine Gas Oil), which will ensure a financially sustainable operation until the LNG-price level is normalized. Fjord Line is a pioneer within LNG-ship operation and our award-winning LNG-ships had the most innovative and sustainable fuel solution when launched in operation during 2013 and 2014. We are saddened by the need for the conversion towards use of MGO, despite Marine Gas Oil having a significantly reduced emissions of sulphur than traditional fuel such as HFO (Heavy Fuel Oil).

The Group has secured a sustainable financial restructuring through negotiations with senior lenders 22.12.2022 that will provide the Group with a reliable financial runway. The financial restructuring consists of owner contributions of MNOK 300 as well as 75% postponement of instalments until the end of 2024 and prolonged maturities. The Group also renegotiated loan maturities and its financial covenants. Fjord Line has during the pandemic slimmed its organization and has a very effective operation focused on the EBITDA driving routes. The Board of Directors are confident that measures taken by the management throughout these challenging years will contribute to the positive underlying development. The Board of Directors also concurs with the management team on the positive outlook hereunder expectations that the Group will further improve on the pre Covid-19 results in the years to come.

The Group is not involved in any litigations.

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## Jan Erik Sivertsen

Styremedlem

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2023-04-29 14:33:28 UTC



## Brian Thorsted Hansen

Daglig leder

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## Christian Fredrik Grønli

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2023-04-29 14:48:08 UTC



## Peter Frølich

Styreleder

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2023-04-29 14:52:56 UTC



## Kristian Eikre

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## Fjord Line AS - Group

Consolidated income statement  
(1,000 NOK)

	Note	Group 2022 Simplified IFRS	Group 2021 Simplified IFRS
<b>Income/net gains</b>			
Sales revenues	13, 16	1 644 809	772 230
Other operating income	13	21 157	21 025
Other gains/losses (net)	13	0	6 568
<b>Total</b>		<b>1 665 966</b>	<b>799 823</b>
<b>Operating expenses:</b>			
Cost of goods		318 183	143 496
Wage costs	14	410 068	300 520
Depreciation of property, plant and equipment and intangible assets	1, 2	292 212	259 254
Other operating expenses	5, 6, 14	871 766	211 208
<b>Total operating expenses</b>		<b>1 892 228</b>	<b>914 479</b>
<b>Operating result</b>		<b>-226 242</b>	<b>-114 656</b>
<b>Financial items:</b>			
Other financial income	3	0	21 487
Interest expenses	12	-141 099	-126 114
Other financial expenses	3	-40 359	0
<b>Net financial items</b>		<b>-181 458</b>	<b>-104 627</b>
<b>Ordinary result before tax</b>		<b>-407 700</b>	<b>-219 283</b>
<b>Tax expense on ordinary result</b>	11	<b>3 672</b>	<b>-61 805</b>
<b>Ordinary result after tax</b>		<b>-411 371</b>	<b>-157 477</b>
<b>Result for the year</b>		<b>-411 371</b>	<b>-157 477</b>
<b>Distribution of result group:</b>			
Majority's share of result		-411 371	-157 477
Non-controlling interests' share of result		0	0
<b>Total</b>		<b>-411 371</b>	<b>-157 477</b>

Consolidated statement of comprehensive income  
(1,000 NOK)

<b>Result for the year, cf. above</b>		<b>-411 371</b>	<b>-157 477</b>
<b>Items that may be subsequently reclassified to profit or loss</b>			
Change in value of financial instruments used as hedges	17	56 603	37 730
Currency translation differences		66 295	-63 027
<b>Total</b>		<b>122 898</b>	<b>-25 296</b>
<b>Comprehensive income for the year, net of tax</b>		<b>122 898</b>	<b>-25 296</b>
<b>Total comprehensive income for the year</b>		<b>-288 475</b>	<b>-182 774</b>

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## Fjord Line AS - Group

Consolidated balance sheet  
(1,000 NOK)

ASSETS	Note	Group 31.12.2022 Simplified IFRS	Group 31.12.2021 Simplified IFRS
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Deferred tax asset	11	365 510	380 391
Other intangible asset	1	99 484	103 610
<b>Total intangible assets</b>		<b>464 993</b>	<b>484 002</b>
<b>Property, plant and equipment</b>			
Ships	2, 18	3 447 494	3 334 963
Buildings, plants etc.	2	82 395	76 565
Right of use assets	2	92 354	86 872
<b>Total property, plant and equipment</b>	<b>2</b>	<b>3 622 243</b>	<b>3 498 400</b>
<b>Financial fixed assets</b>			
Investment in associated company	4	0	0
Other investments	4	95	80
<b>Total financial fixed assets</b>		<b>95</b>	<b>80</b>
<b>Total fixed assets</b>		<b>4 087 332</b>	<b>3 982 481</b>
<b>Current assets</b>			
<b>Inventories</b>	<b>5</b>	<b>32 323</b>	<b>28 785</b>
<b>Receivables and derivatives</b>			
Trade receivables	6	29 563	28 414
Other current receivables	7, 16	45 043	60 854
<b>Total receivables and derivatives</b>		<b>74 606</b>	<b>94 716</b>
<b>Bank deposit, cash etc.</b>	<b>8</b>	<b>218 544</b>	<b>202 301</b>
<b>Total current assets</b>		<b>325 472</b>	<b>320 062</b>
<b>Total assets</b>		<b>4 412 804</b>	<b>4 302 543</b>

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## Consolidated balance sheet (1,000 NOK)

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>Group 31.12.2022 Simplified IFRS</b>	<b>Group 31.12.2021 Simplified IFRS</b>
<b>EQUITY</b>			
<b>Paid-in equity</b>			
Share capital	9, 10	598 724	569 312
Own shares	9	-60	-66
Share premium account	9	299 020	228 432
<b>Total paid-in equity</b>	<b>9</b>	<b>897 683</b>	<b>797 678</b>
<b>Other equity controlling interests</b>			
Other equity	9	-7 053	281 422
<b>Total</b>		<b>-7 053</b>	<b>281 422</b>
<b>Total equity controlling interests</b>		<b>890 631</b>	<b>1 079 100</b>
Non-controlling interests	9	0	0
<b>Total equity</b>	<b>9</b>	<b>890 631</b>	<b>1 079 100</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities/non-current provisions</b>			
Non-current provisions	12	1 697	1 508
Leasing liability	2, 12	70 735	62 711
Non-current debt to credit institutions etc.	12	2 839 115	2 517 724
Pension liability (net)	12, 14	3 059	1 333
Derivatives	17	0	47 921
Other non-current debt	12	1 103	11 108
<b>Total non-current liabilities/non-current provisions</b>		<b>2 915 708</b>	<b>2 642 306</b>
<b>Current liabilities</b>			
Current portion of non-current liabilities to credit institutions	12	71 745	296 973
Current portion of leasing debt	2, 12	6 556	11 227
Derivatives	17	0	8 681
Trade payables		77 256	80 696
Tax payable	11	0	0
Public duties owing		12 713	11 174
Other current liabilities	15	438 196	172 386
<b>Total current liabilities</b>		<b>606 465</b>	<b>581 137</b>
<b>Total liabilities</b>		<b>3 522 173</b>	<b>3 223 443</b>
<b>Total equity and liabilities</b>		<b>4 412 804</b>	<b>4 302 543</b>

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Egersund 29.04.2023

Peter Frølich  
Chairman of the Board

Kristian Eikre  
Board Member

Heidi Nag Flikka  
Board Member

Christian Fredrik Grønli  
Board Member

Jan Erik Sivertsen  
Board Member

Brian Thorsted Hansen  
Managing Director

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## Cash flow statement - group (TNOK)

	2022	2021	
<b>Cash flows from operational activities</b>			
Operating result	-226 242	-114 656	
Taxes paid in the period	0	0	
Depreciation	292 212	259 254	
Write-down	0	0	
Gain/loss from sale of property, plant and equipment/intangible assets	0	0	
Change in inventories	-3 537	-7 376	
Change in trade receivables	-1 150	-12 841	
Change in trade payables	-3 441	48 437	
Change in financial assets at fair value over profit or loss	0	0	
Change in other accruals	-51 338	141 743	
<b>Net cash flows from operational activities</b>	<b>6 504</b>	<b>314 561</b>	
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment and received grants	20	0	
Purchase/manufacturing of property, plant and equipment/intangible assets	-208 182	-662 722	
Interest received	0	0	
Investment in subsidiary	-15	0	
<b>Net cash flows from investing activities</b>	<b>-208 177</b>	<b>-662 722</b>	
<b>Cash flows from financing activities</b>			
Raising of interest bearing debt	300 000	569 466	
Repayment of non-current interest bearing debt	-49 038	-1 844	
Payment of interest	-133 047	-219 167	
Cash contribution share issue (net)	100 000	50 000	
<b>Net cash flows from financing activities</b>	<b>217 915</b>	<b>398 455</b>	
<b>Net change in cash and cash equivalents</b>	<b>16 242</b>	<b>50 294</b>	
Cash and cash equivalents at the beginning of the period	202 301	152 008	
Currency translation cash and cash equivalents	0	0	
<b>Cash and cash equivalents at the end of the period</b>	<b>218 544</b>	<b>202 301</b>	
<b>Specification of cash reserves at the end of the period</b>			
Bank deposit and cash	8	218 544	202 301

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## Accounting policies - Fjord Line Group

Below are stated significant Accounting Policies used in the preparation of the consolidated financial statements. The consolidated financial statements have been prepared in accordance with simplified IFRS (International Financial Reporting Standards).

### Consolidation and investment in associated companies

The consolidated financial statements comprise the parent company Fjord Line AS and the subsidiaries, Fjord Line Crewing AS (Norway), Next Green Energy AS, Hirtshals LNG AS, Fjord Line Danmark A/S, Fjord Skibsholding I A/S, Fjord Skibsholding II A/S, Fjord Skibsholding III A/S, Fjord Skibsholding IV A/S and Fjord Skibsholding V A/S. The seven last mentioned companies are domiciled in Denmark and are 100% owned subsidiaries.

Subsidiaries are entities where the group has the power to govern the entity's financial and operational policies (control).

When the group disposes of a subsidiary/ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

Intercompany transactions, balances etc. have been eliminated in the consolidated financial statements.

For consolidation purposes the Danish companies are considered to have functional currency in DKK.

### Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are deferred tax assets, residual value of ships, useful life of ships, capitalization and depreciation of periodic maintenance and provision for incurred costs.

### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is presented net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The specific accounting policies for the group's main revenue generating activities are as follows:

#### Transportation/ticket:

Ticket revenue is recognized over time when the actual transport is executed. The route and crossing from start point to the end destination is fairly short and within 24 hours.

The portion of the sales income, which relates to future service is reflected in the balance sheet as unearned income from the sale and is then recognised in line with the service work performed. This prepayment is normally not discounted because of a short period from pre-payment to executing of the transport.

#### Tax-free sale:

Tax-free sale is recognized at point in time of sale.

#### Food and beverage sale:

Food and beverage sale are recognized at point in time of sale.



## **Government grants**

Government grants related to Covid-19 is recorded as reduction of other operating expenses. All periods applied for government grant in 2022 is included in the financial statement.

## **Classification and valuation of balance sheet items**

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment has been classified as current liabilities.

## **Intangible assets**

Expenses for intangible assets are reflected in the balance sheet when it is considered likely that the future financial benefits relating to the asset will be received by the company and the acquisition cost of the asset can be reliably measured.

## **Property, plant and equipment**

Property, plant and equipment are reflected in the balance sheet and depreciated over the assets' expected useful life on a straight-line basis. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset.

The group's ships with associated additions etc. are owned by the Danish subsidiaries. The book value of ships is calculated based on acquisition cost, less depreciation and impairment, if any. Facilities under construction are capitalized in line with assumed progress.

Investments/expenses that are not included in the contract, as inspection costs, costs connected to project organisation, legal costs, financing costs and other related costs are considered as part of the acquisition cost and recorded in the balance sheet.

Grants from the NOx-fund related to investments are recorded/accrued in line with the depreciation profile of the assets that the grants relate to. The accrual is classified as reduction of depreciation cost in the income statement. NOx-grants not recognised over profit or loss are classified as reduction of ship values in the balance sheet.

The book values of the group's ships and other operating assets are individually tested for impairment when events or changes in circumstances indicate that the book value is no longer present. If such indications occur and book value exceeds recoverable amount, then the asset is impaired to recoverable amount.

## **Periodical maintenance of ships**

The ships are decomposed into ship/ship furnishing and periodical maintenance for depreciation purposes. They are depreciated straight-line over a defined useful life. An assumed residual value of the ships at the expiry of the useful life is taken into consideration. The ships must continuously be presented for control, which implies regular docking and classification. Periodical maintenance is recognised in the balance sheet in connection with docking and depreciated till next assumed docking.

## **Leases**

Lease contracts where the group is a lessee are capitalized. Upon commencement of the lease the right-to-use asset is recognized at cost being the present value of the lease payments in the contract as defined by IFRS 16 in addition to initial direct costs. The corresponding lease liability is recognized in



the balance sheet at present value using the interest rate implicit in the lease, if that rate can be readily determined, or else the lessee's incremental borrowing rate. The lease liability is subsequently increased by the effective interest in the lease and reduced by payments made. The lease liability is also reassessed subsequently if the payments or the interest rate changes. The change in liability is added to or deducted from the right-of-use asset.

The right-of-use asset acquired under leases is depreciated over the asset's useful life or the lease term, if shorter, if the lease does not transfer ownership at the end of the lease term, or there is no purchase option that is in the money. The right-of-use asset is tested for impairment for similar assets owned by the entity.

## **Inventories**

Inventories of purchased goods are valued at the lower of acquisition cost according to the FIFO-principle and net realisable value. Net realisable value is the estimated selling price in ordinary activities deducted estimated sales expenses.

## **Receivables, financial assets and financial liabilities**

### *Financial assets*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Dividends on financial assets at fair value through profit or loss and fair value through other comprehensive income are recognized in profit or loss as part of revenue when the group's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on other financial assets are calculated using the effective interest method and recognized in profit or loss as revenue.

### *Impairment*

For accounts receivables, the lifetime credit loss is recognized upon initial recognition of the asset. For other debt instruments, twelve months estimated credit loss is recognized upon initial recognition. When a significant increase in the expected credit loss is observed, lifetime credit losses is estimated and recognized.

### *Derivatives and hedging activities*

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking



various hedge transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Trading derivatives are classified as a current asset or liability.

### *Cash flow hedge*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss within other income or other expense.

Amounts accumulated in equity are reclassified to profit or loss through other comprehensive income in the periods when the hedged item affects profit or loss (for instance when the hedged interest rate payment that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in profit or loss within 'finance costs'.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

### *Derivatives that do not qualify for hedge accounting*

Certain derivative instruments may not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in profit or loss and are included in net other financial income and expenses.

### *Borrowings*

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.



Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### *Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### **Foreign currency translation**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates («the functional currency»). The consolidated financial statements are presented in NOK, which is the functional currency of the parent company and the group's presentation currency.

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- (ii) The income statement shall be converted at the exchange rate at the time of the transaction. As an approach to this, average rates are used for the accounting period unless it is large single transactions or the exchange rate have varied so much that the approach does not give a true picture.
- (iii) All resulting exchange differences are recognised in other comprehensive income and specified separately.

Transactions in foreign currency are translated to the functional currency at the current exchange rate at the transaction date.

### **Taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.



Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The Danish ship owning companies are subject to the Danish tonnage tax regime.

### **Pensions**

A defined contribution plan is a pension plan under which the group pays fixed contributions to an insurance company. The group has no legal or constructive obligations once the contributions have been paid. The contributions are recognised as wage costs. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date.

### **Cash-flow statement**

The cash-flow statement is prepared in accordance with the indirect method.



## Note 1 Intangible assets - group

(Figures in the table in TNOK)

	Intangible assets in progress	WEB-project	Other intangible assets	TOTAL (exclusive of deferred tax asset)
Acquisition cost 31.12.2021	30 627	107 650	2 159	140 762
Completed projects 2022	-640	0	0	-640
Addition 2022	9 981	4 396	0	14 377
Disposal 2022	0	0	0	0
<b>Acquisition cost 31.12.2022</b>	<b>39 968</b>	<b>112 046</b>	<b>2 159</b>	<b>154 499</b>
Accumulated write-down 31.12.2021	4 824	0	0	4 824
Accumulated depreciation 31.12.2021	0	31 244	758	32 002
<b>Book value 31.12.2021</b>	<b>25 803</b>	<b>76 405</b>	<b>1 401</b>	<b>103 610</b>
Accumulated write-down 31.12.2022	4 824	0	0	4 824
Accumulated depreciation 31.12.2022	0	49 198	993	50 191
<b>Book value 31.12.2022</b>	<b>35 144</b>	<b>62 847</b>	<b>1 166</b>	<b>99 484</b>
Write-down in the year	0	0	0	0
Depreciation intangible assets in the year	0	17 954	235	18 189
<b>Total depreciation and write-down 2022</b>	<b>0</b>	<b>17 954</b>	<b>235</b>	<b>18 189</b>

Completed projects in 2022 are projects related to development of websites and moving WEB platform, with a depreciation period of 5 years.

The remaining projects relates to development of ERP system in general, group booking, development of Carres, on board portal and BI. The depreciation period is 5 years.

## Note 2 Property, plant and equipment - group

(Figures in the table in TNOK)

Figures for 2022 below

Property, plant and equipment (figures in TNOK)	Buildings, plant etc.	Spare parts, operating movables, reconstruction premises etc.	Right of use assets	Ships, incl. periodical maintenance, furnishing etc.	Total property, plant and equipment
Acquisition cost 31.12.2021	122 571	337	114 045	4 987 441	5 224 394
Addition 2022	8 132	245	16 013	186 941	211 331
Transfer	0	0	0	0	0
Disposal 2022	-105	-337	0	0	-442
Translation differences	3 279	0	1 418	150 172	154 869
<b>Acquisition cost 31.12.2022</b>	<b>133 878</b>	<b>245</b>	<b>131 476</b>	<b>5 324 554</b>	<b>5 590 153</b>
Accumulated write-down 31.12.2021	0	0	0	0	0
Accumulated depreciation 31.12.2021	46 052	291	27 174	1 652 478	1 725 995
<b>Book value 31.12.2021</b>	<b>76 520</b>	<b>46</b>	<b>86 872</b>	<b>3 334 963</b>	<b>3 498 400</b>
Accumulated write-down 31.12.2022	0	0	0	0	0
Accumulated depreciation 31.12.2022	51 699	29	39 121	1 877 060	1 967 909
<b>Book value 31.12.2022</b>	<b>82 179</b>	<b>216</b>	<b>92 354</b>	<b>3 447 494</b>	<b>3 622 243</b>
Depreciation property, plant and equipment in the year	5 647	53	11 948	256 375	274 023
Write-down property, plant and equipment in the year	0	0	0	0	0
Depreciation period (completed operating assets)	5 - 20 years	3 - 5 years	5 - 25 years	See description below	
Depreciation plan	Linear	Linear	Linear	Linear	

Grant not recognised through profit or loss per 31.12.2022 is TNOK 119 740 (TNOK 124 530 per 31.12.2021).  
Ships, incl. periodical maintenance, furnishing etc. contains a total of TNOK 121 723 under construction as of 31.12.2022.

Right of use assets have a total obligation of TNOK 77 291 (TNOK 73 938 31.12.2021).  
New leasing additions in 2022 have a lease term of 4-9 years.

Grant not recognised through profit or loss is recognised as a reduction of the acquisition cost per 31.12.  
The grant is accrued/recognised in line with the depreciation profiles of the related ships and classified as reduction of depreciations.

Stavangerfjord and Bergensfjord has in 2023 started a conversion process to replace the current single-fuel LNG main engines with dual-fuel LNG/MGO engines.  
See note 18 for further information.

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## Depreciation and book value of the ships per 31.12.2022

The Fjord Line group has 4 ships in the business at the reporting date.

- 1) "MS Oslofjord" (formerly MS Bergensfjord). This ship was under reconstruction in 2014 and has sailed in the route Sandefjord-Strømstad since 20 June 2014.
- 2) "MS Stavangerfjord". This ship was delivered in July 2013.
- 3) "MS Bergensfjord". This ship was delivered in February 2014.
- 4) "Fjord FSTR". This ship was delivered in February 2021.

### MS Oslofjord.

In connection with Fjord Line starting up the sailing of a new route between Sandefjord and Strømstad in June 2014 MS Oslofjord was subject to a comprehensive reconstruction at the yard STX Raumo (Finland) in 2013/2014. Approx. 300 mill NOK was invested in the reconstruction of the ship. Carrying value for the ship including periodical maintenance is TNOK 323.917 pr 31.12.2022.

Both the ship and ship furnishing are depreciated linearly over 15 years, with estimated salvage value 20 MNOK per June 2029. Ship furnishing is depreciated over 1 - 5 years. Periodical maintenance /docking is depreciated over 1 - 10 years.

### MS Stavangerfjord

MS Stavangerfjord is depreciated linearly over 35 years, with salvage value 50 MNOK. Remaining depreciation period per 31.12.2022 is 25,5 years. Carrying value for the ship including periodical maintenance is TNOK 1.237.996 pr 31.12.2022.

Ship furnishing is depreciated over 5 - 20 years. Periodical maintenance/docking is depreciated linearly over 1 - 10 years.

### MS Bergensfjord

The ship itself is depreciated linearly over 35 years, with salvage value 50 MNOK. Remaining depreciation period per 31.12.2022 is approx. 26 years. Carrying value for the ship including periodical maintenance is TNOK 1.098.118 pr 31.12.2022.

Periodical maintenance/docking and furnishing are depreciated linearly over 5 - 15 years.

### Fjord FSTR

The ship itself is depreciated linearly over 25 years, with salvage value 50 MNOK. Remaining depreciation period per 31.12.2022 is 23,5 years. Carrying value for the ship including periodical maintenance is TNOK 787.188 pr 31.12.2022.

Ship furnishing is depreciated over 1 - 5 years. Periodical maintenance/docking is depreciated linearly over 1 - 10 years.

## Note 3 Financial items - group

(Figures in TNOK)

Other financial income and other financial expenses comprise the following:

	2022	2021
<b>Other financial income</b>		
Foreign exchange gains, intergroup receivables	31 927	39 060
Other foreign exchange gains	0	20 538
Other financial income	29	2 554
<b>Total</b>	<b>31 956</b>	<b>62 153</b>
<b>Other financial expenses</b>		
Foreign exchange loss, including loan in Euro/DKK	72 315	22 867
Foreign exchange loss, intergroup receivables	0	14 699
Other financial expenses	0	3 100
<b>Total</b>	<b>72 315</b>	<b>40 665</b>
<b>Total other financial expenses:</b>	<b>-40 359</b>	<b>21 487</b>

### Foreign exchange gains/foreign exchange loss intergroup receivables

Fjord Line AS has non-current interest bearing receivables on the Danish subsidiaries amounting to a total of TNOK 2.537.904.237 per 31.12.2022 (TNOK 2.423.976 per 31.12.2021). This has been eliminated in the consolidated financial statements.

A specific installment plan for the loans the subsidiaries have to their parent company has not been established, however, the subsidiaries will use free liquidity for repayment.

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## Note 4 Investments in associated companies and other investments - group

### Visit Sørlandet AS

In 2010 Fjord Line AS acquired shares amounting to TNOK 50 in Visit Sørlandet AS. After 2010 there has been neither additions nor disposals. The investment is recognised in accordance with the cost method. There has not been any write-down of the holding of shares neither in 2021 nor in 2020.

### Visit Telemark AS

Fjord Line AS invested TNOK 30 in Visit Telemark AS in 2016. The investment is recognised in accordance with the cost method. No write-down has been made.

### Digital Platforms Eigersund SA

Fjord Line AS invested TNOK 15 in Digital Platforms Eigersund SA in 2022. The investment is recognised in accordance with the cost method. No write down has been made.

### Green LNG A/S

In 2020 Fjord Line group acquired additional shares in Next Green Energy A/S, total amount invested is TDKK 932. Green LNG A/S is consolidated from the acquisition date in 2020. No write-down has been made.

## Note 5 Inventories and fuel expenses - group

(Figures in TNOK)

	2022	2021
Fuel	8 352	8 286
Goods for resale	24 314	20 566
Other items, including key-cards etc.	2 157	1 807
<b>Total inventories at acquisition cost 31.12.</b>	<b>34 823</b>	<b>30 659</b>
Write-down 31.12.	2 500	1 874
<b>Total book value of inventories 31.12.</b>	<b>32 323</b>	<b>28 785</b>

Write-down of TNOK 2,5 has been made of the inventory per year-end (1,9 TNOK in 2021).

Expenses related to fuel are classified as other operating expenses in the income statement. For 2022 this amounts to TNOK 551 032. (TNOK 179 090 in 2021).

## Note 6 Trade receivables - group

(Figures in TNOK)

	2022	2021
Trade receivables at nominal value 31.12.	32 863	31 610
Provisions for bad debts 31.12.	-3 300	-3 197
<b>Trade receivables 31.12.</b>	<b>29 563</b>	<b>28 414</b>
Change provisions for bad debts in the year	-103	0
Actual bad debts in the year	756	274
Received on receivables previously written off	0	0
<b>Loss on bad debts</b>	<b>653</b>	<b>274</b>

Bad debts are included in the item "other operating expenses" in the income statement.



## Note 7 Other current receivables - group

(Figures in TNOEK)

	2022	2021
<b>Other receivables</b>		
Refund from public authorities, including VAT receivable	4 212	3 725
Prepaid expenses, incl. insurance ships	31 188	26 727
Other receivables	9 643	30 401
<b>Other current receivables 31.12.</b>	<b>45 043</b>	<b>60 854</b>

## Note 8 Restricted funds and cash equivalents- group

(Figures in TNOEK)

	2022	2021
Restricted tax deduction funds per 31.12.:	7 574	3 494

The tax deduction funds are deposited on separate bank accounts.

	2022	2021
Cash equivalents per 31.12.:	6 418	5 741

Cash equivalents are payments in transit as of year end.

## Note 9 Changes in equity - group

(Figures in TNOEK)

	Share capital	Own Shares	Share premium account	Other equity, not recognised in income statement*	Retained earnings*	Non-controlling interests	Total equity
<b>Equity 01.01.2020</b>	<b>544 312</b>	<b>-109</b>	<b>203 432</b>	<b>244 513</b>	<b>219 684</b>	<b>0</b>	<b>1 211 831</b>
Net income 2021					-157 477		-157 477
Purchase of own shares		44					44
Other comprehensive income 2021				-25 296			-25 296
Sale of own shares							0
Increase of capital	25 000		25 000				50 000
<b>Equity 31.12.2021</b>	<b>569 312</b>	<b>-66</b>	<b>228 432</b>	<b>219 216</b>	<b>62 206</b>	<b>0</b>	<b>1 079 100</b>
Net income 2022					-411 371		-411 371
Purchase of own shares		6					6
Other comprehensive income 2022				122 898			122 898
Sale of own shares							0
Increase of capital	29 413		70 588				100 000
<b>Equity 31.12.2022</b>	<b>598 724</b>	<b>-60</b>	<b>299 020</b>	<b>342 113</b>	<b>-349 166</b>	<b>0</b>	<b>890 631</b>

\* Other equity, not recognised in income statement and retained earnings are combined as Other equity in the balance sheet.

## Note 10 Share capital and shareholders' information - group

The share capital is NOK 598.723.377,50 per 31.12.2022, and consists of 239.489.351 shares each NOK 2,50. All shares have equal rights.

### The major shareholders per 31.12.2022

	Owner share
Ferd AS	44,8 %
Kontran AS	38,3 %
Kontrazi AS	15,1 %
Others, including own shares *)	1,9 %
<b>Total</b>	<b>100,0 %</b>

\*) Fjord Line AS has a total of 935 own shares per 31.12.2022.

### The major shareholders per 31.12.2021

	Owner share
Ferd AS	44,7 %
Kontran AS	36,7 %
Kontrazi AS	15,8 %
Others, including own shares *)	2,8 %
<b>Total</b>	<b>100,0 %</b>

\*) Fjord Line AS has a total of 2.118 own shares per 31.12.2021.

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## Note 11 Taxes - group

(Figures in TNOK)

### Calculation of deferred tax/deferred tax asset allocated to the Norwegian activity

	31.12.2022	31.12.2021	Change
<b>Temporary differences</b>			
Fixed assets	9 522	11 832	2 310
Receivables	-13 200	-13 097	103
OCI hedging account	0	-56 364	-56 364
Gain/loss account	4 416	5 520	1 104
Inventory	-2 500	-1 900	600
Other differences, including accounting accruals	-90 457	-152 080	-61 624
Applied loss carried-forward	0	22	22
Carry-forward interest deduction	-40 135	-40 135	0
<b>Total</b>	<b>-132 353</b>	<b>-246 202</b>	<b>-113 849</b>
Carry forward loss	-1 872 302	-1 482 850	389 452
<b>Basis for deferred tax (- deferred tax asset)</b>	<b>-2 004 655</b>	<b>-1 729 052</b>	<b>275 603</b>
22% of the basis	-441 024	-380 391	60 633
<b>Deferred tax (- deferred tax asset) recognised in the balance sheet</b>	<b>-365 510</b>	<b>-380 391</b>	<b>-14 881</b>
Deferred tax asset not recognised in the balance sheet	75 514	0	-75 514

Payable tax recognised in the balance sheet per 31.12.2022 connected to the Norwegian activity makes TNOK 0 (TNOK 0 per 31.12.2021).

### Foreign subsidiaries

The Danish shipowning companies are under Danish law connected to a tonnage tax system and have calculated taxable income based on these conditions. Further on, the Danish subsidiaries are jointly taxed. Tax 2022 for the Danish subsidiaries is TNOK 0 after utilization of tax losses carried forward (TNOK 0 in 2020). The Danish subsidiaries received taxable grants in 2015. This was reflected in payable tax recognised in the balance sheet, TNOK 17.480 per 31.12.2015 which was allocated to the Danish subsidiaries. As the grants are recognised as a reduction of the ships' acquisition cost, the grant is recognised through gains/losses in line with the depreciation of the ships. The grant is considered not to be comprised by IAS 12. Therefore a deferred tax asset corresponding to payable tax connected to the grant was recognised in the balance sheet upon receipt of the grant in 2015. This deferred tax asset is being reversed over the depreciation period of the ships. Net book value of deferred tax asset per 31.12.2022 and 31.12.2021 relating to foreign subsidiary is listed below. The main element of this net amount (TNOK 22.434 per 31.12.2022) is thus connected to the mentioned grants.

	2022	2021
<b>Specification of tax expense</b>		
Change in deferred tax asset connected to the Norwegian activity	14 881	-53 155
Payable tax connected to the Norwegian activity (partially owned subsidiary)	0	0
Payable tax connected to foreign subsidiaries	0	0
Change in deferred tax asset connected to foreign subsidiaries, including foreign exchange translation differences	-1 014	-686
OCI hedging account	-12 453	-8 301
Other permanent differences (net) including different tax rate between the countries	0	0
Other adjustments, including foreign exchange translation differences	2 257	337
<b>Tax expense</b>	<b>3 672</b>	<b>-61 805</b>

	2022	2021
<b>Specification of payable tax</b>		
Payable tax connected to the parent company	0	0
Payable tax connected to partially owned Norwegian subsidiary	0	0
Payable tax connected to foreign subsidiaries	0	0
<b>Payable tax recognised in the balance sheet 31.12.</b>	<b>0</b>	<b>0</b>

	2022	2021
<b>Specification of deferred tax asset</b>		
Deferred tax asset connected to parent company*)	348 361	351 717
Deferred tax asset connected to partly owned Norwegian subsidiary	0	0
Deferred tax asset connected to OCI hedging account	0	12 400
Deferred tax asset connected to foreign subsidiaries (net)	17 149	16 275
<b>Deferred tax asset recognised in the balance sheet 31.12.</b>	<b>365 510</b>	<b>380 391</b>

	2022	2021
<b>Reconciliation of tax expense for the group</b>		
22% of result before tax	-89 694	-48 242
Change of deferred tax asset not recognised in the balance sheet connected to the Norwegian activity	75 514	0
Tax recognized through other comprehensive income	12 453	-8 301
25% (27%) of not taxable income foreign subsidiaries etc.	1 666	-7 809
Impact of changed tax rate in Norway	0	0
Other permanent differences (net) including foreign exchange translation differences	3 734	2 547
<b>Tax expense</b>	<b>3 672</b>	<b>-61 805</b>

\*) Fjord Line AS has accumulated basis for deferred tax asset of TNOK 1 939 408 per 31.12.2022. This implies a deferred tax asset (22 %) of TNOK 424 470 at full capitalisation.

The Board of Directors following a concrete assessment found that it has convincing evidence that future earnings will justify capitalization of deferred tax asset. The argument is sustained by the positive operating results prior to Covid-19/Energy crisis, combined with current long term business plans. Furthermore, the Board of Directors has in accordance with a precautionary approach decided in 2022 not to further increase capitalization of deferred tax arising from the current year's increase in loss carried forward.

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## Note 12 Liabilities - group

(Figures in table in TNOK)

	2022	2021
<b>Non-current interest bearing debt per 31.12.</b>		
Debt to credit institutions etc.	2 839 115	2 517 724
Debt connected to leasing contracts recognised in the balance sheet	70 735	62 711
Other non-current interest bearing debt	5 859	13 950
<b>Total non-current interest bearing debt 31.12. excl. of first year's installment</b>	<b>2 915 708</b>	<b>2 594 385</b>

	2022	2020
<b>Current interest bearing debt per 31.12.</b>		
Debt to credit institutions (overdraft facilities)	0	0
Current portion of debt to credit institutions	71 745	296 973
Current portion of leasing debt	6 556	11 227
Other current interest bearing debt	0	1 487
Debt to owners*	300 000	0
<b>Total current interest bearing debt 31.12.</b>	<b>378 301</b>	<b>309 686</b>
<b>Total book value of interest bearing debt 31.12.</b>	<b>3 294 009</b>	<b>2 904 071</b>

\*Debt to owners has been converted to equity in 2023.

Fjord Line AS had an unused overdraft facility of MNOK 35 per 31.12.2022 (unused overdraft facility of MNOK 35 MNOK per 31.12.2021).  
Per 31.12.2022 the company has a positive balance on the overdraft facility account of 204 552 MNOK (235,8 MNOK per 31.12.2021).  
The subsidiary Fjord Line DK A/S has an unused overdraft facility of 3 MDKK per 31.12.2022 (3 MDKK per 31.12.2021).

### Interest bearing debt to credit institutions (incl. leasing) - distributed on currency per 31.12.2022 (figures in 1,000)

Currency	Nominal currency	Exchange rate	Book value in NOK 31.12.2022
NOK	583 923	1,000	583 923
DKK	430 543	1,430	615 677
Euro	197 950	10,551	2 088 551
<b>TOTAL</b>			<b>3 288 151 **</b>

\*\*Excluding other non-current interest bearing debt and incl. first year's installment.

### Interest bearing debt to credit institutions (incl. leasing) - distributed on currency per 31.12.2021 (figures in 1,000)

Currency	Nominal currency	Exchange rate	Book value in NOK 31.12.2021
NOK	300 218	1,000	300 218
DKK	433 817	1,343	582 703
Euro	202 057	9,989	2 018 308
<b>TOTAL</b>			<b>2 901 229 **</b>

\*\*Incl. first year's installment

### Borrowing in Euro and DKK

Borrowing in Euro and DKK is recognised in the balance sheet at current exchange rate per 31.12.2022 and 31.12.2021, cf. the table above.  
Foreign exchange loss/gain in 2022 related to non-current borrowing in Euro and DKK is 46,9 MNOK.  
Foreign exchange loss/gain in 2021 related to non-current borrowing in Euro and DKK is -22,8 MNOK.

	2022	2021
Book value per 31.12. for the Euro-borrowings and DKK is as follows in NOK (figures in TNOK):		
Principal amount:	2 711 834	2 608 078
Amortization effect of the borrowings, incl. guarantee commission	-7 607	-7 067
<b>Book value per 31.12.</b>	<b>2 704 228</b>	<b>2 601 011</b>

### Borrowing in DKK

Borrowing in DKK 31.12.2022 consists of a non-current loan to Danica Pension of TNOK 537,280. Total available loan facility is MDKK 400.  
The loan facility is issued in its entirety in 2018 and the debt in DKK to Danica Pension amounts to MDKK 400.

### Installment plan non-current interest-bearing debt to credit institutions/mortgage loan, leasing debt and bond loan

(Figures in TNOK)	2023	2024	2025	2026	2027
Annual installments*	78 301	95 978	307 445	970 869	265 556
<b>Remaining loan per 31.12.</b>	<b>2 831 549</b>	<b>2 735 571</b>	<b>2 428 126</b>	<b>1 457 258</b>	<b>1 191 702</b>

\*Debt to owners has been converted to equity in 2023 and is excluded from payments.

### Book value of mortgaged assets 31.12.2022:

Ships	3 447 494
Prepaid ships	0
Receivables	74 606
Inventories	32 323
<b>Total</b>	<b>3 554 422</b>

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## Note 13 Operating income and other gains/losses - group

(Figures in TNOK)

	2022	2021	
<b>Sales revenues</b>			
Ticket income	751 351	296 397	
Sales income etc. onboard	647 535	278 069	
Cargo income	220 662	194 522	
Other	25 261	3 243	
<b>Total sales revenues</b>	<b>1 644 809</b>	<b>772 230</b>	<b>A</b>
<b>Other operating income</b>	<b>21 157</b>	<b>21 025</b>	<b>B</b>
<b>Other gains/losses (net)</b>			
Gain on sale of fixed assets*	0	6 568	
<b>Total other gains/losses (net)</b>	<b>0</b>	<b>6 568</b>	<b>C</b>
<b>Total operating income and other gains/losses (net)</b>	<b>1 665 966</b>	<b>799 823</b>	<b>A+B+C</b>

## Note 14 Wage costs, number of employees, remunerations, loans to employees etc. - group

(Figures in table below in TNOK)

	2022	2021
<b>Wage costs</b>		
Wages, incl. feeding crew, social costs etc.	345 674	239 795
Payroll tax and other public duties related to wages	23 585	22 891
Pension costs etc.	28 160	14 478
<b>Other remunerations</b>	<b>12 649</b>	<b>23 357</b>
<b>Total</b>	<b>410 068</b>	<b>300 520</b>

Average number of man-labour years in the group during the accounting year 2022 has been 619 (456 in 2021).

### Remunerations for CEO and the Board of Directors (figures in TNOK)

	2022	2021
Wages CEO incl. Bonus	2 560	1 875
Other remuneration CEO	418	298
Board of Directors' fee	900	1 033

No loan or guarantee has been provided for CEO or any of the members of the Board of Directors.

The CEO is included in the company's pension agreement, cf mentioned below.

According to the agreement, 20% of gross salary is allocated annually and the liability amounts to per 31.12.2022 TNOK 983 (TNOK 483 per 31.12.2021).

The chief executive officer is entitled to a severance payment equivalent to 12 months' salary without the right to holiday pay and pension rights, commencing at the time of expiry of notice period, when the resignation is at the request from the company.

### Pensions

The company has taken on a pension savings agreement on behalf of the present CEO and another two individuals. The market value of the contributions/assets was TNOK 7.235 per 31.12.2022 (TNOK 5.543 per 31.12.2021). Gross liability per 31.12.2022 is calculated to TNOK 8.417 related to these persons (TNOK 6.876 per 31.12.2021). Net liability is thus TNOK 3.059 per 31.12.2022 (TNOK 1.333 per 31.12.2021), and is classified as pension liability in the balance sheet.

In addition the company has established a defined contribution pension scheme for its employees.

The company pays fixed contributions to an insurance company. The company has no further obligations to pay once the contributions have been paid. The contribution constitutes from 2% to 4% of the employees' salary.

### Auditor

Auditor's fee relates to the following services (exclusive of vat):

(Figures in TNOK)

	2022	2021
Audit services - group auditor	821	690
Audit services other auditors	1 148	536
Accounting and tax related consultancy group auditors	104	118
Accounting and tax related consultancy other auditors	60	394
Certification services/agreed-upon control procedures group auditor	309	307
Certification services/agreed-upon control procedures other auditors	0	0
Other services	326	512
<b>Total auditor's fee</b>	<b>2 768</b>	<b>2 558</b>

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## Note 15 Other current liabilities - group

(Figures in TNOK)

Other current liabilities per 31.12:	2022	2021
Incurred costs regarding wages/pay etc. (Denmark)	16 403	25 836
Prepayment from customers	48 205	91 437
Incurred interests and guarantee commission	21 983	19 754
Provision for other incurred costs	51 605	35 359
<b>Other current liabilities 31.12.</b>	<b>138 196</b>	<b>172 386</b>

## Note 16 NOx-grants - group

The ship "MS Stavangerfjord" was delivered in July 2013, and the ship "MS Bergensfjord" was delivered in January 2014. Because the ships are gas powered (LNG), with related low emission, Fjord Line AS was granted a contribution from the NOx-fund. Per 31.12.2014 contributions of MNOK 147.2 in total were paid to Fjord Line AS connected to these projects. As a condition for the grant Fjord Line AS has been obliged to use "MS Stavangerfjord" and "MS Bergensfjord" in NOx-labile waters for at least 2 years from time of delivery.

Fjord Line AS received 0 MNOK in NOx-grants in 2022 (0 MNOK in 2021).

In the 2022-accounts MNOK 4,8 of the grants have been recorded (4,8 MNOK in 2021). The amount is classified as reduction of depreciation in the income statement. The recording of the NOx-grants through profit or loss is accrued in line with the depreciation profile of the operating assets that the grants relate to.

Below is a list of accounting values (figures in TNOK):

Grants received 2021	0
<b>Total received grant 31.12.2021</b>	<b>166 809</b>
Grants recognised through profit and loss 2021	-4 790
Accumulated grants recognised through profit and loss 31.12.2021	-42 280
<b>Grants received, not recognised through profit and loss 31.12.2021</b>	<b>124 529</b>
Grants received 2022	0
<b>Total received grant 31.12.2022</b>	<b>166 809</b>
Grants recognised through profit and loss 2022	-4 790
Accumulated grants recognised through profit and loss 31.12.2022	-47 070
<b>Grants received, not recognised through profit and loss 31.12.2022</b>	<b>119 740</b>

## Note 17 Derivatives - group

The group has no financial contracts per 31.12.2022.

The group have previously entered into a interest rate hedge agreement related to its external financing. As described in the accounting principle note, the group follows hedge accounting linked to these contracts. At the balance sheet date, the future contract has expired (TNOK - 47,921 per 2021 classified as non-current liabilities and TNOK 8,681 as current liabilities).

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**Note 18 Subsequent Event**

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After two years of a global pandemic and government-imposed travel restrictions, Fjord Line had the best-ever high season revenue wise in 2022. Unfortunately, increases in the LNG (Liquefied Natural Gas) fuel costs led to a non-sustainable financial situation for Fjord Line.

The energy crisis, caused by the Russian invasion of Ukraine, has led to extraordinary volatility and significant price increases in LNG – and the price increases have been far higher than for traditional and less sustainable energy sources at sea. In addition, Fjord Line receives no governmental financial energy-aid. This led to a dramatic increase in the energy costs for Fjord Line's two LNG-operated ships, and significantly above a financially sustainable level.

The engine conversion enables the two LNG-ships to switch between LNG and MGO (Marine Gas Oil), which will ensure a financially sustainable operation until the LNG-price level is normalized. Fjord Line is a pioneer within LNG-ship operation and our award-winning LNG-ships had the most innovative and sustainable fuel solution when launched in operation during 2013 and 2014. We are saddened by the need for the conversion towards use of MGO, despite Marine Gas Oil having a significantly reduced emissions of sulphur than traditional fuel such as HFO (Heavy Fuel Oil).

The Group has secured a sustainable financial restructuring through negotiations with senior lenders 22.12.2022 that will provide the Group with a reliable financial runway. The financial restructuring consists of owner contributions of MNOK 300 as well as 75% postponement of instalments until the end of 2024 and prolonged maturities. The Group also renegotiated loan maturities and its financial covenants. Fjord Line has during the pandemic slimmed its organization and has a very effective operation focused on the EBITDA driving routes. The Board of Directors are confident that measures taken by the management throughout these challenging years will contribute to the positive underlying development. The Board of Directors also concurs with the management team on the positive outlook hereunder expectations that the Group will further improve on the pre Covid-19 results in the years to come.

The Group is not involved in any litigations.



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## REPORT FROM THE BOARD OF DIRECTORS

### THE GROUP

Fjord Line AS is the parent company of the Fjord Line Group. The Group is Norway's second largest shipping company in international passenger traffic and freight transportation between Norway and EU.

The Group has one of the youngest and most modern and eco-friendly fleets in the cruise ferry segment in Europe. In 2022 the fleet consisted of four vessels whereof three are flying the Danish flag and one is flying the Norwegian. Two of the Group's cruise ferries are propelled by liquid natural gas (LNG) which produces up to 23% lower carbon emissions compared to diesel engines. Nitrogen oxide emissions (NOx) from these vessels are as much as 91% lower and emissions from Sulphur (SOx) and soot (PM) are virtually eliminated. The other two vessels use MGO (marine gasoil) which emits considerably less Sulphur emissions than traditional marine fuels such as Heavy Fuel Oil (HFO). The Group operates three routes between Norway and Denmark, one route between Norway and Sweden, and a domestic route between Bergen and Stavanger.

Fjord Line is headquartered in Egersund with operative offices in Hirtshals, Bergen, Stavanger, Kristiansand, Langesund, Sandefjord and Strömstad. Average number of employees (FTE) in the Group during 2022 has been 619 (456 in 2021).

With regular and daily departures between seven ports in Norway, Denmark and Sweden, the Group recognizes its important role in the transportation of passengers and goods within Scandinavia and between Norway and the European continent.

Fjord Line transported 1,253,500 passengers and 52,400 freight units in 2022.

The Groups vision is to be the best, most loved and profitable ferry company in Scandinavia. Fjord Line aim to achieve this by providing the best experience throughout the customer journey, further strengthening our positioning and brand awareness and, finally, be a leader within sustainable, cost and energy efficient operations. Everything we do is with vigor, responsibility, respect and commitment.

### BUSINESS SEGMENTS

The Groups revenues arises from three main business areas. All ticket revenues within the Group are generated in business area Travel and consists of transport-, cruise-, group-, package-, and conference ticket revenue streams.

All onboard revenues are generated within the business area Onboard Services and includes revenue streams mainly from the retail and food & beverage operations.

Business area Freight generates its revenues from sales and transportation of trucks, trailers, articulated vehicles, specialized or out-sized cargo and on-deck shipments, and from forwarding services.

### TONNAGE

The cruise ferries MV Stavangerfjord (launched in 2013) and MV Bergensfjord (launched in 2014) operate the routes between Bergen – Stavanger – Hirtshals and Hirtshals – Langesund. The cruise



ferries are both equipped with fuel efficient LNG-engines, which reduce CO2 emissions and drastically reduce pollutant emissions compared to traditional marine fuels.

The high-speed catamaran HSC Fjord FSTR was delivered in February 2021 and replaced the HSC Fjord Cat (1998) on the route Kristiansand – Hirtshals. HSC Fjord FSTR serves to meet increased customer demand for higher capacity and comfort, enabling more departures and longer sailing season, while improving environmental efficiency. With HSC Fjord FSTR, Fjord Line doubled its capacity on the crossing between Kristiansand and Hirtshals, both in terms of passenger and car capacity as well as increased capability for freight and heavy transport.

Representing a new technological standard, HSC Fjord FSTR is equipped with 16 electric vehicle charging stations and is the first passenger ferry in Norway to offer this.

The day ferry MV Oslofjord (launched in 1993, rebuilt in 2014) is customized for the route Sandefjord – Strömstad and was put into operation as the company's first vessel on the route on 20 June 2014. The ship was reflagged to fly the Norwegian flag during the spring of 2021. In January 2018 the tax-free shopping area of the vessel was expanded and improved and today MS Oslofjord has one of the largest tax-free shops on a day route worldwide.

## HIGHLIGHTS FROM 2022

After two years of a global pandemic and government-imposed travel restrictions, Fjord Line had the best-ever turnover in 2022. Unfortunately, exorbitant and highly volatile increases in the LNG (Liquified Natural Gas) fuel costs led to yet another crisis severely affecting our business.

Our operation going in to 2022 were still heavily affected by the government-imposed travel restrictions, and consisted of a one ship operation. The pandemic started losing its grip and the travel restrictions were lifted. Oslofjord returned to operation from the 11th of February, followed by MV Stavangerfjord and MV Bergensfjord returning to a normal route schedule from the 1st of March. The passenger market recovered rapidly, and the high season resulted in all-time high revenues.

The energy crisis caused by the Russian invasion of Ukraine led to extraordinary volatility and exorbitant price increases in LNG – and the price increases have been far higher than for traditional and less sustainable energy sources at sea. This led to a dramatic increase in the energy costs for Fjord Line's two LNG-operated ships, and significantly above financially sustainable levels.

Since early fall, Fjord Line implemented a slow steam sailing schedule with MV Stavangerfjord and MV Bergensfjord halving the LNG consumption. This is of course not the way Fjord Line intend to operate our routes or the desired customer offering. However, adjustments to the route operations were necessary as a consequence of the exorbitant high fuel costs. In addition, Fjord Line worked immensely hard to develop and evaluate long-term alternatives. Fjord Line therefore decided to rebuild the two LNG-ships MS Stavangerfjord and MS Bergensfjord from single-fuel LNG-engines to dual-fuel LNG/MGO-engines during the first half of 2023.

The engine conversion enables the two LNG-ships to switch between LNG and MGO, which will ensure a financially sustainable operation until the LNG-price level is normalized. Fjord Line is a pioneer within LNG-ship operation and our award-winning LNG-ships had the most innovative and sustainable fuel solution when launched in operation during 2013 and 2014. We are saddened by the need for the conversion towards use of MGO, despite MGO having significantly reduced emissions of sulphur than traditional fuel such as HFO. The conversion is however critical to maintain our customer offering, secure workplaces, and to secure the continued development of Fjord Line.



All of Fjord Line's vessels besides MV Bergensfjord have had longer or shorter periods in hot-lay up during 2022. In 2022 the Group transported 1,253,500 passengers, compared to 510,500 passengers in 2021; an increase of 146 percent. The number of passenger vehicles increased in the same period to 404,200 from 179,400. The Group transported 52,400 freight units compared to 55,800 freight units in 2021; an decrease of 6 percent.

## SIGNIFICANT INCREASE IN REVENUES AND ACTIVITY

Both 2020 and 2021 were heavily affected by the Global Covid-19 pandemic, and even though 2022 were affected by the pandemic's aftermath and the energy crisis the turnover surpassed the all-time high of 2019. Furthermore the financial effects of the pandemic and the energy crisis are clearly visible in the financial result of the year.

The Group over doubled its revenues to MNOK 1 666 compared to 2021, which were heavily affected by the pandemic and in certain periods with very limited travel activity the Group's revenues were in 2021 reduced by as much as 90 percent.

Despite extensive cost cut and operational measures the Group experienced a negative result before tax of MNOK 409 in 2022.

## FINANCIAL PERFORMANCE IN 2022

The Group's operating income was MNOK 1 666 in 2022, compared to MNOK 800 in 2021. The Group's operating expenses ex. depreciation were MNOK 1 600 in 2022, compared to MNOK 655 in 2021.

The Group's operating result (EBIT) in 2022 shows a loss of MNOK 226, compared to a loss of MNOK 115 in 2021.

Further on, the Group's net financial expenses are MNOK 181 in 2022, compared to corresponding expenses of MNOK 105 in 2021.

Result before tax for the Group was a loss of MNOK 408 in 2022, compared to a loss of MNOK 219 in 2021. Result after tax was a loss of MNOK 411 in 2022, compared to a loss of MNOK 157 in 2021.

The parent company Fjord Line AS' result before tax was a loss of MNOK 339 in 2022, compared to a loss of MNOK 275 in 2021. Fjord Line's loss of MNOK 342 after tax is proposed transferred to uncovered loss. Subsequently the book equity of the parent company amounts to MNOK 350.

Fjord Line AS has accumulated basis for deferred tax asset of MNOK 1 927, which implies a deferred tax asset (22 per cent) of MNOK 424 at full capitalization. Based on the positive development of the company pre Covid-19 and the long-term future prospects, the Board of Directors found that it has convincing evidence that future earnings will justify capitalization of deferred tax asset. Furthermore, the Board of Directors has in accordance with a precautionary approach decided not to further increase capitalization of deferred tax arising from the current year's increase in loss carried forward.

## CASH FLOW AND FINANCIAL STRUCTURE

The Group's liquid funds have increased by MNOK 16 in 2022 compared to an increase of liquid funds of MNOK 50 in 2021. The increase consists of the following main elements:

- Cash flow from operational activities: MNOK 7 (MNOK 315 in 2021).
- Cash flow from investing activities: MNOK -208 (MNOK -663 in 2021).



- Cash flow from financing activities: MNOK 218 (MNOK 398 in 2021).

The Group's total balance sheet is MNOK 4,413 per 31 December 2022, compared to MNOK 4,303 per 31 December 2021. Fjord Line AS' total balance sheet is, however, MNOK 4,206 per 31 December 2022 compared to MNOK 4,061 per 31 December 2021. Interest bearing debt made MNOK 3,288 per 31 December 2022 compared to MNOK 2,901 per 31 December 2021.

The group's equity is MNOK 891 per 31 December 2022, compared to an equity of MNOK 1,079 per 31 December 2021.

The Group's liquid funds made MNOK 258 per 31 December 2022, including unused credit facilities of MNOK 39.

## FINANCIAL AND OPERATIONAL RISKS

### *Exchange rate and interest rates*

Per December 31.12.2022 the Group has interest bearing debt of MNOK 3,288, including loan in EUR/ DKK, constituting in total MNOK 2,704. The Group is exposed to interest risk and currency risk on these loans. The risks are, however, partly eliminated through the fact that parts of the liabilities are hedged through fixed interest rate agreement, and that parts of the revenues and expenses are denominated in both EUR/DKK, as well as in NOK.

The Group is also exposed to fluctuations in the exchange rate of USD through purchase of fuel.

### *Price variations of bunker*

The Group is exposed to fluctuations in bunkers prices, and the risk is not mitigated through hedging contracts for LNG and MGO at year end 2022.

### *Covenants*

Per 31.12.22 the Group had financial debt covenant connected to liquidity. Several financial covenants are waived as a result of negotiations with senior lenders. The company's Board of Directors and management are continuously monitoring the financial debt covenants, and per 31 December 2022 the company is compliant with all active covenants.

### *Market*

The Covid-19 pandemic has had significant implications for the ferry business, and the market were heavily affected by government-imposed travel restrictions. Fjord Line's customer base comprises a diversified mix of customer segments, which reduces risk related to individual markets.



## SUSTAINABILITY AND CORPORATE RESPONSIBILITY

Fjord Line recognizes the need to conduct business in line with high standards for environmental, social and governance (ESG) concerns.

### GOVERNANCE

Fjord Lines` code of conduct is founded on human rights as well as the value of diversity and inclusion. It sets out the standards defining how we operate every day and everywhere. The code of conduct governs our relationships with clients, suppliers, stakeholders and each other. It requires all employees to adhere to the highest levels of professional conduct and underpins the reputation and trust Fjord Line commands. Routines for reporting any breach of our codes of conduct are in place and available for all employees. Whistleblowers are protected through these routines to ensure that there are no hindrances or risks to filing a report.

Fjord Line has working procedures to reduce the risk of corruption. Corruption is a risk especially related to large procurements. We reduce this risk through our procurement policy that calls for tender processes for large purchases and an approval process that ensures that all such purchases are evaluated objectively and by several people. The whistleblower function is open for reports on suspected corruption related to procurement or otherwise.

Fjord Line has formalized a due diligence process and supporting measures to address adverse impacts on fundamental human rights and decent working conditions. The due-diligence process is carried out in accordance with the OECD guidelines for Multinational Enterprises in accordance with §4 in the Norwegian transparency act. Written requests as stated in section 6 can be sent to [transparency@fjordline.com](mailto:transparency@fjordline.com).

The company has a groupwide Safety Management System (SMS) in place. The system is developed in accordance with the international "ISM-code", to ensure safe management and operation of ships and for pollution prevention. In addition, Fjord Line complies with a number of international regulations aimed at ensuring safe and secure maritime passenger transport. Fjord Line decided in 2022 to go forward in implementing a group wide management system including all our operation both onboard and onshore.

Fjord Line's single most important contribution to society during the Covid-19 pandemic, was to take part in stopping the pandemic while continuing the most essential of the Group's activities. Fjord Line has throughout the pandemic been working with the government and health authorities.

The pandemic resulted in travel restrictions and complications in bringing essential goods in and out of the country. With strict infection control measures Fjord Line were able to operate a transportation route to and from continental Europe through Denmark and Norway.

### DIRECTOR AND OFFICERS' INSURANCE

The directors and officers of Fjord Line AS are covered by a D&O Liability Insurance. The insurance covers personal legal liabilities including defense and legal costs. The officers and directors of the parent company and all subsidiaries (owned more than 50 percent) are covered by the insurance. The cover also includes employees in managerial positions or employees who become named in a claim or investigation.



## ENVIRONMENT

Fjord Line operates a business which causes pollution of the external environment. The Group complies with applicable laws and regulations in the area and wishes to minimize its environmental footprint.

Fjord Line's fleet has a class-leading sustainability profile. MV Bergensfjord and MV Stavangerfjord run on LNG which produces up to 23% lower carbon emissions compared to diesel engines. Nitrogen oxide emissions (NOx) from these vessels are as much as 91% lower and emissions from Sulphur (SOx) and soot (PM) are virtually eliminated. Fjord Line has decided to convert from single-fuel LNG to dual-fuel LNG/MGO enabling the two LNG-ships to switch between LNG and MGO, to ensure a financially sustainable operation until the LNG-price level is normalized.

HSC Fjord FSTR and MV Oslofjord run on MGO. MGO emits considerably less Sulphur emissions than traditional marine fuels such as HFO. The catamaran HSC Fjord FSTR, is a new-build to replace HSC Fjord Cat and operates with an estimated 32% less GHG emissions per passenger compared to its predecessor.

Going forward, Fjord Line will continue to improve operating and technical aspects of the fleet and operations, to continue our positive momentum of increasing energy efficiency.

## SOCIAL

The COVID-19 pandemic continued to have significant implications in 2022, also for the Fjord Line staff. The pandemic and the government-imposed travel restrictions called for a need for extensive furloughs and permanent layoffs of the workforce. The Fjord Line crew and staff have continuously shown tremendous dedication.

Employee satisfaction in Fjord Line is measured annually basis and more frequent surveys are considered. The Group focus on effective, long term action plans to improve employee satisfaction. Initiatives to reduce the level of sick leave and increased engagement are among the continuous focus areas of our employee satisfaction strategy. Our employees' feedback from recent surveys show a continued strong employee satisfaction.

Fjord Line is running a "No Blame Open Minded Safety Culture Program" to make the organization resilient and sustainable. The company has therefore focused on vigilance and that every incident must be reported, regardless of severity. In 2022 26 work accidents were registered. The majority of accidents were in the kitchen. Of these accidents, 3 accidents were considered as serious. The number of work accidents is significantly reduced compared to a normal year (43 incidents in 2019). Fjord Line continuously work to reduce the level of work accidents through several initiatives. Sea- and land-based employees regularly conduct safety and emergency drills including lifeboat drills and evacuation exercises, and functional tests of rescue equipment are regularly carried out onboard the ships.

A guideline for systematic follow-up on sick leave was introduced in 2017. The absence due to illness in the Group was 3,3 percent in 2022 split on 3,8 percent for seagoing employees and 2,4 percent for shore employees. This equals an increase in total absence due to illness of 0,4 percent compared with 2021 (2,9). While there is continuous focus on reducing absence rates, overall absence rates are considered within targets.



As per 31.12.2022, the Group had 256 shore-based and 423 seagoing staff, representing a total of 425 males and 254 females. In Fjord Line AS the equivalent number of employees was 169, consisting of 89 women and 80 men.

The company is continuously working to avoid discrimination based on gender, age, ethnicity etc. both with respect to existing and new employments.

The Group's top management comprising at year end of 7 employees, 1 employee is female. The Board of Directors in Fjord Line are composed of 4 men and 1 woman. Based on an assessment of number of employees and job category the Board of Directors have not found it necessary to implement special measures with respect to gender equality. The Group will, however, continuously focus on this topic.

The requirements of the Norwegian Accounting Act § 3-3c and The Norwegian Transparency Act § 26a been covered in a separate section of the annual report. The annual report will be available at [Fjordline.com](http://Fjordline.com) before the 30<sup>th</sup> of June 2023.

## OUTLOOK

After two years of a global pandemic and government-imposed travel restrictions, Fjord Line had the best-ever high season revenue wise in 2022. Unfortunately, increases in the LNG fuel costs led to a non-sustainable financial situation for Fjord Line.

The energy crisis, caused by the Russian invasion of Ukraine, has led to extraordinary volatility and significant price increases in LNG – and the price increases have been far higher than for traditional and less sustainable energy sources at sea. In addition, Fjord Line receives no governmental financial energy-aid. This led to a dramatic increase in the energy costs for Fjord Line's two LNG-operated ships, and significantly above a financially sustainable level.

The engine conversion enables the two LNG-ships to switch between LNG and MGO, which will ensure a financially sustainable operation until the LNG-price level is normalized. Fjord Line is a pioneer within LNG-ship operation and our award-winning LNG-ships had the most innovative and sustainable fuel solution when launched in operation during 2013 and 2014. We are saddened by the need for the conversion towards use of MGO, despite Marine Gas Oil having a significantly reduced emissions of sulphur than traditional fuel such as HFO.

The Group has secured a sustainable financial restructuring through negotiations with senior lenders 22.12.2022 that will provide the Group with a reliable financial runway. The financial restructuring consists of owner contributions of MNOK 300 as well as 75% postponement of instalments until the end of 2024 and prolonged maturities. The Group also renegotiated loan maturities and its financial covenants. Fjord Line has during the pandemic slimmed its organization and has a very effective operation focused on the EBITDA driving routes. The Board of Directors are confident that measures taken by the management throughout these challenging years will contribute to the positive underlying development. The Board of Directors also concurs with the management team on the positive outlook hereunder expectations that the Group will further improve on the pre Covid-19 results in the years to come.

The Group is not involved in any litigations.



## GOING CONCERN

Based on the information above and in accordance with the Accounting Act § 3-3a it is confirmed that the financial statements for 2022 have been prepared under the assumption of going concern.

Egersund, 29.04.2023

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Peter Frølich  
Chairman of the Board

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Kristian Eikre  
Board Member

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Heidi Nag Flikka  
Board Member

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Christian Fredrik Grønli  
Board Member

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Jan Erik Sivertsen  
Board Member

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Brian Thorsted Hansen  
Managing Director

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## Peter Frølich

Styreleder

På vegne av: Styret i Fjord Line AS

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To the General Meeting of Fjord Line AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Fjord Line AS, which comprise:

- the financial statements of the parent company Fjord Line AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Fjord Line AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

### In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

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The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of



accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Stavanger, 29 April 2023  
KPMG AS

Mads Hermansen  
*State Authorised Public Accountant*  
(This document is signed electronically)

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## Mads Aleksander Hermansen

Partner

På vegne av: KPMG

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## Mads Aleksander Hermansen

Statsautorisert revisor

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Org.nr 974761076	Vår referanse 2019/6697039	Postadresse Postboks 9200 Grønland 0134 OSLO

FJORD LINE AS  
Postboks 513  
4379 EGRSUND

Att. Rickard Ternblom

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Fjord Line AS, org.nr. 910 310 895

Vi viser til deres brev av 11. november 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Fjord Line AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Fjord Line AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

### Bakgrunn

Fjord Line AS er hovedsakelig eid av profesjonelle/institusjonelle investorer. Selskapet driver rederivirksomhet knyttet til innenriks og utenriks person- og godstransport. Selskapet har både utenlandske og norske kunder og leverandører. Selskapet har en gradvis konvertering av internt forretningspråk til engelsk. Ved fornyelse av tonnasje stilles det krav fra utenlandske verft om årsregnskap og årsberetning på engelsk.

### Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,



f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet hovedsakelig er eid av profesjonelle/institusjonelle investorer. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp  
seniorrådgiver  
Brukerdialog, brukerkontakt  
Skatteetaten

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