

# Consolidated statement of income

## Preliminary unaudited figures before tax

Frøy Gruppen AS was acquired by NTS ASA in a business combination at the acquisition date 3 April 2020. The former Frøy companies are thereby not fully reflected in the consolidated statement of income for the Group in 2020, but consolidated from 3 April.

### Frøy ASA

(NOK 1,000,000)	Q4 21	Q4 20	2021	2020
Revenue	478,2	394,5	1 697,5	1 327,9
Other revenue	84,2	4,3	90,7	4,5
<b>Total revenue</b>	<b>562,5</b>	<b>398,8</b>	<b>1 788,2</b>	<b>1 332,4</b>
Direct expenses (goods/services delivered)	88,7	37,3	226,3	193,6
Employee benefit expenses	129,6	115,5	499,8	375,8
Other operating expenses	83,9	79,6	370,5	248,7
Depreciation	89,4	71,8	313,3	224,1
<b>Operating profit</b>	<b>170,8</b>	<b>94,7</b>	<b>377,8</b>	<b>290,2</b>
Financial income	2,4	-0,1	7,7	2,7
Financial expenses	22,1	17,9	89,3	68,2
Share of profit (loss) from associates	4,4	0,8	3,3	0,1
Gain/loss on shares at fair value	-	-63,3	-	25,6
<b>Profit (loss) before tax</b>	<b>155,5</b>	<b>14,2</b>	<b>299,5</b>	<b>251,1</b>

# Consolidated statement of financial position

Preliminary unaudited figures based on preliminary tax calculation

Frøy ASA

(NOK 1,000,000)	31.12.2021	31.12.2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	687,6	687,4
Vessels, property, plant and equipment	5 447,6	3 617,5
Right-of-use assets	455,4	536,4
Pension assets	0,6	7,5
Investments in associates	28,1	24,7
Other financial assets	16,5	4,8
<b>Total non-current assets</b>	<b>6 635,3</b>	<b>4 878,4</b>
<b>Current assets</b>		
Inventory	11,5	8,2
Trade receivables	205,5	156,2
Other receivables	66,1	49,1
Cash and cash equivalents	738,5	148,8
<b>Total current assets</b>	<b>1 021,6</b>	<b>362,3</b>
<b>TOTAL ASSETS</b>	<b>7 656,8</b>	<b>5 240,7</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Paid-in equity</b>		
Share capital	86,3	70,0
Share premium	2 283,8	1 328,6
<b>Total paid-in equity</b>	<b>2 370,1</b>	<b>1 398,5</b>
Other equity	828,6	547,3
<b>Total retained earnings</b>	<b>828,6</b>	<b>547,3</b>
Non-controlling interests	-	25,6
<b>Total equity</b>	<b>3 198,7</b>	<b>1 971,4</b>
<b>Non-current liabilities</b>		
Non-current interest-bearing liabilities	3 367,7	1 831,7
Non-current lease liabilities	269,4	371,6
Deferred tax liabilities	31,1	22,5
<b>Total non-current liabilities</b>	<b>3 198,7</b>	<b>2 225,7</b>
<b>Current liabilities</b>		
Current interest-bearing liabilities	474,3	648,7
Current lease liabilities	92,9	103,5
Loan to related parties	-	1,0
Trade payables and other current liabilities	222,8	281,7
Taxes payable		8,6
<b>Total current liabilities</b>	<b>790,0</b>	<b>1 043,5</b>
<b>Total liabilities</b>	<b>4 458,1</b>	<b>3 269,2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7 656,8</b>	<b>5 240,7</b>

# Consolidated statement of changes in equity

Preliminary unaudited figures based on preliminary tax calculation

(NOK 1,000,000)	Attributable to the equity holders of the parent						Other Equity	Non- controlling interests	Total Equity
	Share capital	Share premium	Total paid- in equity	Retained earnings	Net gain (loss) on cash flow hedges				
<b>At 01.01.2021</b>	<b>70,0</b>	<b>1 328,6</b>	<b>1 398,5</b>	<b>563,1</b>	<b>-15,8</b>		<b>547,3</b>	<b>25,6</b>	<b>1 971,4</b>
Profit or loss for the period	-	-	-	300,6	-		300,6	-	300,6
Other comprehensive income	-	-	-	-	13,3		13,3	-	13,3
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300,6</b>	<b>13,3</b>		<b>313,8</b>	<b>-</b>	<b>313,8</b>
Acquisition of non-controlling interest	-	-	-	-2,6	-		-2,6	-24,9	-27,5
Issue of Share Capital	16,4	983,6	1 000,0	-	-		-	-	1 000,0
Transaction cost	-	-28,4	-28,4	-	-		-	-	-28,4
Group Contribution	-	-	-	-30,0	-		-30,0	-	-30,0
Dividends paid to minority in subsidiary	-	-	-	-	-		-	-0,6	-0,6
<b>At 31 December 2021</b>	<b>86,3</b>	<b>2 283,8</b>	<b>2 370,1</b>	<b>831,1</b>	<b>-2,5</b>		<b>828,6</b>	<b>-0,0</b>	<b>3 198,7</b>
 <b>At 01.01.2020</b>	 <b>0,0</b>	 -	 <b>0,0</b>	 -	 -		 -	 -	 <b>0,0</b>
Profit or loss for the period	-	-	-	191,3	-		191,3	38,7	230,0
Other comprehensive income	-	-	-	-	-13,9		-13,9	-	-13,9
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>191,3</b>	<b>-13,9</b>		<b>177,4</b>	<b>38,7</b>	<b>216,1</b>
Acquisition of a subsidiary	69,9	1 328,6	1 398,5	378,2	-1,9		376,3	23,3	1 798,1
Acquisition of non-controlling interest	-	-	-	-12,8	-		-12,8	-35,8	-48,6
Tax effect of group contribution	-	-	-	6,4	-		6,4	-	6,4
Dividends paid to minority in subsidiary	-	-	-	-	-		-	-0,6	-0,6
<b>At 31 December 2020</b>	<b>70,0</b>	<b>1 328,6</b>	<b>1 398,5</b>	<b>563,1</b>	<b>-15,8</b>		<b>547,3</b>	<b>25,6</b>	<b>1 971,4</b>

## **Non-IFRS financial measures / Alternative performance measures**

To enhance investors' understanding of the Group's performance, the Group presents certain measures that might be considered as alternative performance measures ("APM") as defined by the European Securities and Markets Authority ("ESMA") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in IFRS. The Group is of the view that the APMs provide investors relevant and specific operating figures which may enhance their understanding of the Group's performance.

The non-IFRS financial measures/APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The non-IFRS financial measures/APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results.

The Company believes that the non-IFRS measures/APMs presented herein are commonly reported by companies in the markets in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortisation and impairment, which can vary significantly depending upon accounting methods (particularly when acquisitions have occurred), business practice or based on non-operating factors. Accordingly, the Group discloses the non-IFRS financial measures/APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debt. Because companies calculate the non-IFRS financial measures/APMs presented herein differently, the Group's presentation of these non-IFRS financial measures/APMs may not be comparable to similarly titled measures used by other companies.

The non-IFRS financial measure/APMs are not part of the Company's consolidated financial statements and are thereby not audited. The Company can give no assurance as to the correctness of such non-IFRS financial measures/APMs and investors are cautioned that such information involve known and unknown risks, uncertainties and other factors, and are based on numerous assumptions. Given the beforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these non-IFRS financial measures/APMs.

The Group has defined and explained the purpose of the following APMs:

### **EBITDA AND ADJUSTED EBITDA**

EBITDA is defined as total revenue less operating expenses (direct expenses, employee benefit expenses and other operating expenses).

Adjusted EBITDA is defined as total revenue less operating expenses (direct expenses, employee benefit expenses and other operating expenses) IPO costs and gain on sale of assets

EBITDA is used by the management as measure of the Group's ability to service debt and finance investments. Segment result is defined as adjusted EBITDA. Management believes the measure enables an evaluation of operating performance and a basis to allocate resources to the segment. For Q1 21 adjustment include costs related to the IPO and NOK 1 000 million equity raise.

## Reconciliation of adjusted EBITDA

(NOK 1,000,000)	Q4 21	Q4 20	2021	2020
Total revenue	562,5	398,8	1 788,2	1 332,5
Direct expenses	88,7	37,3	226,3	193,6
Employee benefit expenses	129,6	115,5	499,8	375,8
Other operating expenses	83,9	79,6	313,8	248,7
<b>EBITDA</b>	<b>260,2</b>	<b>166,4</b>	<b>691,6</b>	<b>514,4</b>
Less gain on sale of assets	84,2	4,3	90,7	4,5
IPO costs	0	0	8,0	0
<b>Adjusted EBITDA</b>	<b>176,0</b>	<b>162,1</b>	<b>608,8</b>	<b>509,8</b>

## EQUITY RATIO

Equity ratio is defined as total equity divided by total assets. Equity ratio is used by the management to measure the Group's solidity.

(NOK 1,000,000)	31.12.2021	31.12.2020
Equity	3 198,7	1 971,4
Total equity and assets	7 656,8	5 240,7
<b>Equity ratio</b>	<b>42 %</b>	<b>38 %</b>

## Net interest-bearing debt

Net interest-bearing debt is defined as non-current interest-bearing liabilities + non-current lease liabilities + current interest-bearing liabilities + current lease liabilities – cash and cash equivalents

(NOK 1,000,000)	31.12.2021	31.12.2020
Non-current interest-bearing liabilities	3 367,7	1 831,7
Non-current lease liabilities	269,4	371,6
Current interest-bearing liabilities	474,3	648,7
Current lease liabilities	92,9	103,5
Cash and cash equivalents	738,5	148,8
<b>Net interest-bearing debt</b>	<b>3 465,8</b>	<b>2 806,6</b>

## Order backlog

Frøy's operating revenues consist of time charter agreements, bareboat agreements and spot agreements that normally include the rental of vessels and crew. The time charter agreements include an agreed vessel capacity for a defined period, as well as manning of vessels.

The future minimum contract revenues under non-cancellable customer contracts as of 31.12.2021 are, as follows:

Future minimum lease and customer revenues (NOK 1,000)	31.12.2021	31.12.2020
<b>0 to 1 years</b>	<b>959 340</b>	<b>762 226</b>
- Lease revenue share	557 616	495 254
- Customer contract share	401 724	266 972
<b>1 to 2 years</b>	<b>833 121</b>	<b>744 174</b>
- Lease revenue share	507 573	467 174
- Customer contract share	325 548	277 050
<b>2 to 3 years</b>	<b>563 378</b>	<b>627 994</b>
- Lease revenue share	346 150	378 544
- Customer contract share	217 228	249 449
<b>3 to 4 years</b>	<b>397 221</b>	<b>471 035</b>
- Lease revenue share	245 973	290 199
- Customer contract share	151 248	180 836
<b>4 to 5 years</b>	<b>391 575</b>	<b>367 570</b>
- Lease revenue share	240 327	223 570
- Customer contract share	151 248	144 000
<b>More than 5 years</b>	<b>587 761</b>	<b>809 707</b>
- Lease revenue share	370 513	502 507
- Customer contract share	217 248	307 200
<b>Total lease and customer contract</b>	<b>3 732 396</b>	<b>3 782 706</b>
Total lease revenue share	2 283 896	2 357 199

The table includes the non-cancellable part of the order backlog. Hence, options are not included.