

## Overview for the period 1.10. – 31.12.2022

### *Continued strong demand*

#### **FOURTH QUARTER 2022 (compared to fourth quarter 2021):**

- 629,473 passengers travelled on the Eckerö Group's ships, which was 43% more than the same period last year (439,263)
- The amount of cargo units amounted to 39,987, which was in line with the same period last year (40,234)
- The Group's sales increased by 31% to 46.0 MEUR (35.1 MEUR)
- Operating result amounted to -0.9 MEUR (-33.2 MEUR)
- Result for the period was -3.7 MEUR (-28.3 MEUR)

#### **FULL YEAR 2022 (compared to full year 2021):**

- 2,624,674 passengers travelled on the Eckerö Group's ships, which was 93% more than the same period last year (1,357,442)
- The amount of cargo units amounted to 159,228, which was 4% less than the same period last year (165,567)
- The Group's sales increased by 51% to 185.8 MEUR (122.9 MEUR)
- Operating result amounted to 4.1 MEUR (-38.1 MEUR)
- Result for the period was -2.7 MEUR (-30.6 MEUR)

#### **FINANCIAL OVERVIEW**

MEUR	Q4 2022	Q4 2021		Q1-Q4 2022	Q1-Q4 2021	
Sales	46,0	35,1	31 %	185,8	122,9	51 %
EBITDA	2,5	3,1	-20 %	17,4	8,0	118 %
- as a percentage of sales	5,4	8,9		9,4	6,5	
Operating result (EBIT)	-0,9	-33,2	-97 %	4,1	-38,1	111 %
- as a percentage of sales	-2,0	-94,4		2,2	-31,0	
Result for the period	-3,7	-28,3	-87 %	-2,7	-30,6	91 %
Passengers (thousands)	629	439	43 %	2 625	1 357	93 %
Cargo units (thousands)	40	40	-1 %	159	166	-4 %
Average number of employees	803	734	9 %	789	698	13 %

*The interim report has been compiled in accordance with IFRS-valuation and accounting principles. The report has not been audited.*

## **Continued strong demand and high inflation in all cost categories**

### ***Fourth quarter 2022***

Demand has remained strong on all the Group's operated routes during the fourth quarter of 2022. Demand on the Finland-Estonia route has been in line with the pre-pandemic level in 2019 and on the short route Åland-Sweden slightly below the pre-pandemic level.

On the Finland-Estonia route, the number of passengers during the fourth quarter of 2022 increased by 53% and the number of cargo units was in line with the fourth quarter of 2021. On the short route Åland-Sweden, the number of passengers increased by 22% compared to the same period in 2021.

All the Group's vessels in operation have operated without interruption during the entire fourth quarter, except for MS Finbo Cargo, which was docked during the period 24.12.2022 - 8.1.2023. The Group's ro-ro vessels have been chartered out for traffic on the Baltic Sea, the North Sea, and the Mediterranean Sea. MS Birka Stockholm is laid up in Mariehamn awaiting sale.

The average number of employees during the period was 803, of whom 573 were shipboard personnel and 230 were land-based personnel. During the corresponding period last year, the number of employees was 734, of whom 511 were shipboard personnel and 223 were land-based personnel.

### ***Full year 2022***

Demand was negatively affected in the first half of the year by government restrictions linked to the Covid-19 pandemic and by the war in Ukraine. When the pandemic restrictions were eased and the general pandemic situation improved, the Group's passenger volumes were positively affected. Demand on all the Group's operated routes was strong during the high season and passenger volumes were in line with before the outbreak of the pandemic. Demand has maintained at a good level also during the autumn and winter of 2022.

The average number of employees during the full year was 789 (700), of whom 556 (485) were shipboard personnel and 233 (215) were land-based personnel.

The bunker price increased sharply at the beginning of the year due to Russia's war of aggression in Ukraine and the sanctions against Russia, and the bunker price has remained at a high level throughout the entire 2022. The Group was also negatively affected by cost inflation and the weak Swedish krona during the year.

### ***Outlook***

The war in Ukraine continues to create uncertainty. The bunker price and general cost inflation are higher than in a very long time and the value of the Swedish krona in relation to the euro is still weak. These factors have a major impact on the result. Despite these uncertainty factors, the Group expects to deliver a stronger result in 2023 than in 2022.

### ***Events after the balance sheet date***

The Group's former CFO and finance director Marko Tulus has chosen to end his employment at the beginning of February 2023. The Group's new CFO and finance director Annica Sviberg took up this position on February 14, 2023.

## Volumes and sales

### **Fourth quarter 2022**

The Group's total number of passengers amounted to 629,473 during the fourth quarter, which was 43% more than the same period last year (439,263). The number of carried cargo units on the two own routes was in line with 2021 and amounted to 39,987 (40,234).

On the short route Åland-Sweden, the passenger market share was 63%, compared to 60% in the same period last year. On the Finland-Estonia route, the passenger market share was 30% (28%) and the cargo market share was 31% (33%).

The Group's sales increased by 31% during the fourth quarter to 46.0 MEUR (corresponding to 35.1 MEUR in the same period in 2021). During the fourth quarter of 2022, the Group did not raise any public support, in comparison to the fourth quarter of 2021 when the Group raised 3.2 MEUR in public support.

### **Full year 2022**

The Group's total number of passengers amounted to 2,624,674 during the full year, which was 93% more than in 2021 (1,357,442). The number of carried cargo units on the two own routes amounted to 159,228, which was a decrease of 4% compared to 2021 (165,567). The decrease mainly stems from the peak passenger season when a normalized demand for car and bus spaces reduced the available cargo capacity.

On the short route Åland-Sweden, the passenger market share was 63% during the full year, compared to 58% in the same period last year. On the Finland-Estonia route, the passenger market share was 29% (27%) and the cargo market share was 31% (34%).

The Group's sales increased by 51% during the full year to 185.8 MEUR (corresponding to 122.9 MEUR in the same period in 2021). During the full year 2022, the Group raised 3.1 MEUR in public support, compared to the full year 2021 when the Group raised 14.8 MEUR in public support.

## Overview of the result

### **Fourth quarter 2022**

Adjusted for the write-down of M/S Birka Stockholm on 31.12.2021 (32.8 MEUR), the Group's costs increased by 8.2 MEUR during the fourth quarter of 2022 compared to 2021. The high inflation in 2022 has resulted in a general cost increase in the Group's overall cost structure. Bunker costs have increased the most of all operating costs. Various fuel-saving measures and the price hedging of 30% of the Group's consumed bunker volumes have partially compensated for the Group's increased bunker costs. Due to the increased passenger volumes, the Group has increased the level of staffing which has resulted in increased personnel and other operating costs compared to 2021.

The Group's operating result amounted to -0.9 MEUR during the fourth quarter (-33.2 MEUR during the same period in 2021, adjusted for the write-down of M/S Birka Stockholm, -0.4 MEUR). The increased passenger volumes and higher ticket revenue per passenger explain the improved profitability in the fourth quarter of 2022 compared to the same period last year, which also generates an improved operating result.

The financial net amounted to -3.1 MEUR (-1.8 MEUR), of which interest costs amounted to 1.7 MEUR (1.4 MEUR) and other changes relate to the value development of the Group's derivatives. The result for the period amounted to -3.7 MEUR (-28.3 MEUR).

### **Full year 2022**

Adjusted for the write-down of M/S Birka Stockholm, the Group's costs increased by 41.7 MEUR during the full year 2022 compared to 2021. The largest cost increase has occurred in the goods and services cost category, where bunker costs have increased by 52% compared to 2021. Due to the increased passenger volumes, the Group has increased the level of staffing which has resulted in increased personnel and other operating costs compared to 2021.

The Group's operating result amounted to 4.1 MEUR during the full year (-38.1 MEUR during the same period in 2021, adjusted for the write-down of M/S Birka Stockholm, -5.3 MEUR). The increased passenger volumes and higher ticket revenue per passenger explain the improved profitability during the full year 2022 compared to the same period last year, which also generates an improved operating result.

The financial net amounted to -6.9 MEUR (0.3 MEUR). Within financial items, changes in the market value of financial instruments are reported, with bunker hedges accounting for the majority. During the year, this unrealised market value change had a negative earnings effect of -1.2 MEUR compared to 2021, when these had a positive earnings effect of 5.1 MEUR. Interest costs have increased to 6.1 MEUR (4.5 MEUR) because of higher market interest rates. Result before tax was -2.8 MEUR (-37.9 MEUR). The Group's result for the financial period was -2.7 MEUR (-30.6 MEUR).

### **Balance sheet and cash flow**

The Group's investments during the full year amounted to 2.1 MEUR (2.2 MEUR), which consist of minor refurbishments and improvements of the ships and harbors, as well as investments in IT systems and environmental improvement measures.

The Group's non-current interest-bearing liabilities amounted to 73.8 MEUR (73.9 MEUR) at the end of the year. Current interest-bearing liabilities amounted to 11.9 MEUR (21.7 MEUR). Cash and cash equivalents amounted to 22.4 MEUR (17.2 MEUR). Granted undrawn credit limits amounted to 14.0 MEUR (7.0 MEUR). Net debt amounted to 63.3 MEUR (78.5 MEUR).

Mariehamn February 28, 2022

**Rederiaktiebolaget Eckerö**

The Board

Questions are answered by CEO Björn Blomqvist, telephone 018-28030

## Financial summary

### Consolidated income statement, TEUR

	1.10.-31.12.2022	1.10.-31.12.2021	1.1-31.12.2022	1.1-31.12.2021
<b>Sales</b>	<b>46 011</b>	<b>35 129</b>	<b>185 763</b>	<b>122 856</b>
Other operating income	33	3 247	3 093	14 843
<b>Expenses</b>				
Goods and services	20 397	16 059	82 451	56 411
Personnel expenses	10 720	9 315	40 690	35 397
Depreciation/amortization	3 403	36 293	13 305	46 109
Other operating expenses	12 434	9 873	48 295	37 909
<b>Total expenses</b>	<b>46 953</b>	<b>71 540</b>	<b>184 742</b>	<b>175 827</b>
<b>OPERATING RESULT</b>	<b>-910</b>	<b>-33 164</b>	<b>4 115</b>	<b>-38 128</b>
Net financial items	-3 140	-1 799	-6 929	276
<b>RESULT BEFORE TAXES</b>	<b>-4 050</b>	<b>-34 962</b>	<b>-2 814</b>	<b>-37 852</b>
Income taxes	398	6 663	153	7 221
<b>RESULT FOR THE PERIOD</b>	<b>-3 652</b>	<b>-28 300</b>	<b>-2 662</b>	<b>-30 630</b>

*\*) The interim report as of 31.12.2022 has been compiled in accordance with IFRS-valuation- and accounting principles. The report has not been audited.*

**Consolidated balance sheet, TEUR**

	31.12.2022	31.12.2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	1 044	1 345
Property, plant and equipment	121 859	134 148
Financial assets	107	199
Deferred tax assets	284	280
<b>Total non-current assets</b>	<b>123 294</b>	<b>135 972</b>
<b>Current assets</b>		
Inventories	3 999	3 134
Trade and other receivables	10 450	11 361
Derivative instruments	0	1 222
Income tax receivables	0	11
Cash and cash equivalents	22 426	17 216
<b>Total current assets</b>	<b>36 875</b>	<b>32 943</b>
<b>Non-current assets held for sale</b>	<b>51 487</b>	<b>50 000</b>
<b>TOTAL ASSETS</b>	<b>211 656</b>	<b>218 915</b>
<b>EQUITY</b>		
Share capital	2 391	2 409
Other contributed capital	1 270	1 270
Unrestricted equity fund	83 161	113 773
Reserves	-51	125
Result for the period	-2 662	-30 630
<b>Total equity</b>	<b>84 108</b>	<b>86 946</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	16 801	17 018
Interest-bearing liabilities	73 847	73 931
Derivative instruments	0	0
<b>Total non-current liabilities</b>	<b>90 649</b>	<b>90 950</b>
<b>Current liabilities</b>		
Accounts payable and other liabilities	25 038	19 254
Interest-bearing liabilities	11 890	21 747
Income tax liabilities	-29	18
Derivative instruments	0	0
<b>Total current liabilities</b>	<b>36 899</b>	<b>41 019</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>211 656</b>	<b>218 915</b>

*Non-current assets held for sale consist of M/S Birka Stockholm, MS Exporter and MS Shipper.*

*Net debt as of 31.12.2022 amounted to 63.3 MEUR (31.12.2021 78.5 MEUR).*

*The equity ratio in the Group as of 31.12.2022 was 39.8% (31.12.2021 39.8%).*

**Consolidated cash flow statement, TEUR**

	1.1-31.12.2022	1.1-31.12.2021
<b>Operating activities</b>		
Result before taxes	-2 814	-37 852
Adjustments		
Correction of operating result	-14	0
Depreciation and amortization	13 305	46 109
Interest costs and other financial expenses	7 936	5 213
Interest income and other financial income	-1 007	-5 489
Cash-flow before changes in working capital	17 406	7 981
Changes in working capital		
Increase (-)/Decrease (+) of current interest-free operating receivables	1 826	-1 215
Increase (-)/Decrease (+) of inventories	-865	456
Increase (+)/Decrease (-) of current interest-free liabilities	4 532	3 135
Operating cash flow before financial items	22 899	10 357
Interest paid	-6 123	-4 636
Interest paid on rental-/lease liabilities	-53	-52
Financial expenses paid	-424	-358
Interest received	157	6
Financial income received	729	367
Taxes paid	-10	-88
<b>Cash flow from operating activities</b>	<b>17 175</b>	<b>5 598</b>
<b>Investing activities</b>		
Investments in property, plant and equipment	-1 737	-2 053
Investments in intangible assets	-363	-138
Divestments of property, plant and equipment	0	2
Income from sale of financial investments	76	14 579
<b>Cash flow from investing activities</b>	<b>-2 023</b>	<b>12 390</b>
<b>Financing activities</b>		
Increase in current loans	-9 379	7 000
Increase in non-current loans	7 841	62 000
Amortization of loans	-8 263	-91 675
Amortization of rental-/lease liabilities	-141	-110
<b>Cash flow from financing activities</b>	<b>-9 942</b>	<b>-22 785</b>
<b>Cash flow for the year</b>	<b>5 210</b>	<b>-4 798</b>
Cash and cash equivalents at the beginning of the year	17 216	22 015
<b>Cash and cash equivalents at the end of the year</b>	<b>22 426</b>	<b>17 216</b>