

## Overview for the period 1.1. – 31.3.2023

***Increased volumes and significantly improved operating result.  
 Agreement was concluded on the sale of M/S Birka Stockholm***

- 534,178 passengers travelled on the Eckerö Group's ships, which was 51% more than the same period last year (352,597)
- The number of cargo units increased by 8% to 42,437 (39,129)
- The Group's sales increased by 36% to 39.3 MEUR (29.0 MEUR)
- Operating result amounted to -5.4 MEUR (-5.6 MEUR)
- Operating result improved by 37% compared to last year, adjusted for the cost support of 3.0 MEUR received from the Finnish Transport Authority for mandatory operations in the first quarter of 2022
- The operating result is the best operating result for the first quarter since 2010
- Result for the period was -5.6 MEUR (-4.0 MEUR)
- The sale of M/S Birka Stockholm was completed in April and the Group has amortized 19.6 MEUR on the Group's interest-bearing liabilities since the sale of the vessel. After this, the Group's net debt amounts to approximately 30 MEUR and the equity ratio improves from 35.1% as of 31.3.2023 to approximately 40% after the sale

### FINANCIAL OVERVIEW

MEUR	Q1 2023	Q1 2022	
Sales	39,3	29,0	36 %
EBITDA	-2,4	-2,2	-7 %
- as a percentage of sales	-6,0	-7,7	
Operating result (EBIT)	-5,4	-5,6	4 %
- as a percentage of sales	-13,6	-19,2	
Result for the period	-5,6	-4,0	-39 %
Passengers (thousands)	534	353	51 %
Cargo units (thousands)	42	39	8 %
Average number of employees	781	725	8 %

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

## **Continued increased volumes, improved operating result and the sale of M/S Birka Stockholm**

Demand on the Group's both operated routes has been strong during the first quarter of 2023. Demand was higher during the first quarter of 2023 compared to pre-pandemic level in 2019 on the Group's both operated routes.

On Eckerö Group's vessels operating the Finland-Estonia route, the number of passengers increased by 42% and the number of cargo units increased by 9% compared to the first quarter of 2022. On the short route Åland-Sweden, the number of passengers during the first quarter of 2023 increased by 82% compared to the same period in 2022. (M/S Eckerö was docked during January 2022 and thus the periods are not completely comparable.)

All the Group's vessels in operation have operated without interruption during the entire first 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 has been laid up in Mariehamn awaiting sale.

The bunker price has fallen slightly during the first quarter of 2023 compared to the high prices during most of 2022. Despite this, the bunker price is still at historically very high levels. The national and international macroeconomic challenges have resulted in the Swedish krona continuing to be weak and very volatile. The Swedish krona has been significantly weaker throughout the first quarter of 2023 compared to the same period last year.

The average number of employees during the period was 781, of whom 546 were shipboard personnel and 235 were land-based personnel. During the corresponding period last year, the number of employees was 725, of whom 502 were shipboard personnel and 223 were land-based personnel.

The second quarter has started with volumes above pre-pandemic levels. The high bunker prices, the high inflation and the volatile Swedish krona create continued uncertainty.

On March 27, 2023, the Group announced that Rederiaktiebolaget Eckerö had entered into a sales agreement with Rederi AB Gotland regarding the sale of M/S Birka Stockholm at a price of approximately 38 MEUR.

### **Volumes and sales**

The Group's total number of passengers amounted to 534,178 during the first quarter, which was 51% more than the same period last year (352,597). The number of carried cargo units on the two own routes increased by 8% to 42,437 compared to the first quarter of 2022 (39,129).

Since the changed traffic situation on the short route between Åland and Sweden, there are no reliable statistics for the route since January 9. According to our own estimation, Eckerö Linjen's market share between Åland and Sweden is around three quarters of the passenger journeys. On the Finland-Estonia route, the market share for passengers was 30% (32%) and the cargo market share was 35% (32%).

The Group's sales increased by 36% during the first quarter to 39.3 MEUR (29.0 MEUR corresponding period in 2022).

## Overview of the result

The Group's costs increased by 7 MEUR in the first quarter of 2023 compared to 2022. The high inflation has increased costs in almost all segments. The largest cost increase continues to be found in the goods and services category, where the high bunker costs explain the increase. The Group's bunker costs increased by 1.2 MEUR in the first quarter of 2023 compared to the same period last year. The increased passenger volumes have led to higher staffing on the Group's ships, which has also led to increased personnel and other operating costs compared to 2022.

As a result of the increased volumes, the operating result, despite the cost increases, has improved compared to the first quarter of 2022 and the operating result is the best since 2010. The operating result amounted to -5.4 MEUR in the first quarter of 2023 (-5.6 MEUR first quarter of 2022). The first quarter's operating result is 37% better than last year's first quarter adjusted for the cost support of 3.0 MEUR received by the Group for mandatory operations during the first quarter of 2022. The Group's result is not generated evenly throughout the business year and for passenger operations the third quarter's profit is normally decisive for the full year's result.

During the first quarter, the financial net amounted to -1.6 MEUR (0.5 MEUR), of which interest costs amounted to 1.7 MEUR (1.5 MEUR). The positive financial net during the first quarter of 2022 was due to a positive change in the market value of financial instruments where the Group's bunker hedges accounted for a predominant part.

The result for the period amounted to -5.6 MEUR (-4.0 MEUR).

## Balance sheet and cash flow

The Group's investments during the period amounted to 1.6 MEUR (0.2 MEUR), which consists of minor refurbishments and improvements of ships and harbors, as well as investments in IT systems and environmental improvement measures.

The Group's non-current interest-bearing liabilities amounted to 74.0 MEUR (77.1 MEUR) at the end of the quarter. Current interest-bearing liabilities amounted to 10.0 MEUR (20.0 MEUR). Cash and cash equivalents amounted to 16.3 MEUR (14.3 MEUR). Granted undrawn credit limits amounted to 14.0 MEUR (7.0 MEUR). Net debt amounted to 67.7 MEUR (82.8 MEUR).

### *Events after the balance sheet date*

On April 14, the sale of M/S Birka Stockholm was completed. This sale has strengthened the Group's financial position and enabled amortization of existing credits. Rederiaktiebolaget Eckerö has terminated its credit facilities with Handelsbanken and amortized 9.6 MEUR to the Seafarers' Pension Fund and Veritas. Thus, the Group's financing arrangement entered on 29 October 2021 with these three financiers and the related covenant terms are dissolved. On May 15, the Group used its special redemption call option on the Group's issued bonds and bought back 10.0 MEUR of the nominal value of the outstanding bonds. After this, the Group's net debt amounts to approximately 30 MEUR and the equity ratio has improved from 35.1% as of 31.3.2023 to approximately 40%.

Mariehamn May 23, 2023

**Rederiaktiebolaget Eckerö**

The Board

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

## Financial summary

### Consolidated income statement, TEUR

	1.1-31.3.2023	1.1-31.3.2022
<b>Sales</b>	<b>39 318</b>	<b>28 967</b>
Other operating income	40	2 962
<b>Expenses</b>		
Goods and services	18 278	14 070
Personnel expenses	10 128	9 256
Depreciation/amortization	2 986	3 332
Other operating expenses	13 325	10 828
<b>Total expenses</b>	<b>44 717</b>	<b>37 485</b>
<b>OPERATING RESULT</b>	<b>-5 359</b>	<b>-5 557</b>
Net financial items	-1 643	551
<b>RESULT BEFORE TAXES</b>	<b>-7 002</b>	<b>-5 005</b>
Income taxes	1 412	973
<b>RESULT FOR THE PERIOD</b>	<b>-5 590</b>	<b>-4 033</b>

*\*) The interim report as of 31.3.2023 has been compiled in accordance with IFRS-valuation- and accounting principles. The report has not been audited.*

**Consolidated balance sheet, TEUR**

	<b>31.3.2023</b>	<b>31.3.2022</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	1 061	1 233
Property, plant and equipment	121 053	140 215
Financial assets	107	107
Deferred tax assets	285	286
<b>Total non-current assets</b>	<b>122 506</b>	<b>141 842</b>
<b>Current assets</b>		
Inventories	4 658	4 069
Trade and other receivables	12 428	16 095
Derivative instruments	0	3 260
Income tax receivables	515	484
Cash and cash equivalents	16 344	14 281
<b>Total current assets</b>	<b>33 945</b>	<b>38 190</b>
<b>Non-current assets held for sale</b>	<b>38 987</b>	<b>50 000</b>
<b>TOTAL ASSETS</b>	<b>195 438</b>	<b>230 031</b>
	<b>31.3.2023</b>	<b>31.3.2022</b>
<b>EQUITY</b>		
Share capital	2 409	2 409
Other contributed capital	1 270	1 270
Unrestricted equity fund	70 269	90 197
Reserves	263	250
Result for the period	-5 590	-4 033
<b>Total equity</b>	<b>68 621</b>	<b>90 092</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	14 323	19 412
Interest-bearing liabilities	73 990	77 126
Derivative instruments	0	0
<b>Total non-current liabilities</b>	<b>88 313</b>	<b>96 538</b>
<b>Current liabilities</b>		
Accounts payable and other liabilities	27 897	22 884
Interest-bearing liabilities	10 015	19 958
Income tax liabilities	592	559
Derivative instruments	0	0
<b>Total current liabilities</b>	<b>38 504</b>	<b>43 401</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>195 438</b>	<b>230 031</b>

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

*Net debt as of 31.3.2023 amounted to 67.7 MEUR (31.3.2022 82.8 MEUR).*

*The equity ratio in the Group as of 31.3.2023 was 35.1% (31.3.2022 39.2%).*

**Consolidated cash flow statement, TEUR**

	<b>1.1-31.3.2023</b>	<b>1.1-31.3.2022</b>
<b>Operating activities</b>		
Result before taxes	-7 002	-5 005
Adjustments		
Correction of operating result		0
Depreciation and amortization	2 986	3 332
Interest costs and other financial expenses	1 750	1 450
Interest income and other financial income	-107	-2 001
Cash-flow before changes in working capital	-2 373	-2 225
Changes in working capital		
Increase (-)/Decrease (+) of current interest-free operating receivables	-2 493	-7 051
Increase (-)/Decrease (+) of inventories	-660	-936
Increase (+)/Decrease (-) of current interest-free liabilities	5 269	6 628
Operating cash flow before financial items	-256	-3 584
Interest paid	-1 732	-1 450
Interest paid on rental-/lease liabilities	-18	-12
Financial expenses paid	0	0
Interest received	58	0
Financial income received	-12	-37
Taxes paid	0	973
<b>Cash flow from operating activities</b>	<b>-1 960</b>	<b>-4 110</b>
<b>Investing activities</b>		
Investments in property, plant and equipment	-1 512	-286
Investments in intangible assets	-129	-41
Divestments of property, plant and equipment	0	0
Income from sale of financial investments	0	96
<b>Cash flow from investing activities</b>	<b>-1 642</b>	<b>-230</b>
<b>Financing activities</b>		
Increase in current loans	0	-1 789
Increase in non-current loans	-1 026	3 194
Amortization of loans	-1 454	0
Amortization of rental-/lease liabilities	0	0
<b>Cash flow from financing activities</b>	<b>-2 481</b>	<b>1 405</b>
<b>Cash flow for the year</b>	<b>-6 082</b>	<b>-2 935</b>
Cash and cash equivalents at the beginning of the year	22 426	17 216
<b>Cash and cash equivalents at the end of the year</b>	<b>16 344</b>	<b>14 281</b>