

## Overview for the period 1.7. – 30.9.2023

*All-time high operating result (EBIT) for the period from January to September*

### THIRD QUARTER 2023 (compared to third quarter 2022):

- 1,067,212 passengers travelled on Eckerö Group's vessels, marking a 16% increase compared to the same period in the previous year (919,687)
- The number of transported cargo units reached 44,795, representing a 16% improvement over the prior year's corresponding period (38,680)
- Sales increased by 17% to reach 69.4 million EUR (59.5 million EUR).
- Operating result (EBIT) totaled 14.0 million EUR (9.5 million EUR), maintaining levels consistent with the best third-quarter operating results ever achieved
- The result for the third quarter was 9.9 million EUR (5.2 million EUR), a historically favorable outcome for the third quarter

### FIRST – THIRD QUARTER 2023 (compared to first - third quarter 2022):

- 2,483,599 passengers travelled on Eckerö Group's vessels, reflecting a 24% increase compared to the same period last year (1,995,201)
- The number of transported cargo units amounted to 131,558, which was 10% better than the corresponding period in the previous year (119,241)
- Sales climbed by 23%, reaching 171.5 million EUR (139.4 million EUR), setting a record for January-September
- The operating result totaled 25.5 million EUR (5.0 million EUR), representing the best performance for January-September ever recorded
- The result for the financial period was 11.2 million EUR (1.0 million EUR), which is among the best result for January-September ever

### OVERVIEW OF KEY FIGURES

MEUR	Q3 2023	Q3 2022		Q1-Q3 2023	Q1-Q3 2022	
Sales	69,4	59,5	17 %	171,5	139,4	23 %
EBITDA	17,0	12,8	33 %	29,5	14,9	98 %
- as a percentage of sales	24,5	21,5		17,2	10,7	
Operating result (EBIT)	14,0	9,5	47 %	20,5	5,0	309 %
- as a percentage of sales	20,2	16,0		12,0	3,6	
Result for the period	9,9	5,2	92 %	11,2	1,0	1035 %
Passengers (thousands)	1 067	920	16 %	2 484	1 995	24 %
Cargo units (thousands)	45	39	16 %	132	119	10 %
Average number of employees	928	881	5 %	857	810	6 %

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

***Record-breaking volumes on all routes, robust performance across all serviced routes, escalating bunker prices, and a weakening Swedish Krona***

Demand remained robust throughout the third quarter of 2023. In comparison to the pre-pandemic levels of 2019, sales during the third quarter of 2023 exceeded those figures, both on the passenger and cargo segments across all serviced routes. Notably, the Finland-Estonia route achieved record volumes during both the third quarter and the January to September period. Meanwhile, the Åland-Sweden route posted record volumes in the past five months.

On the Finland-Estonia route, the number of passengers increased by 7% during the third quarter of 2023, with a corresponding 16% rise in the number of cargo units compared to the third quarter of 2022. On the Åland-Sweden route, the number of passengers increased by 35% compared to the same period in 2022. In comparison to the pre-pandemic year of 2019, passenger volumes on the company's vessels on the Finland-Estonia route were 3% higher, and on the Åland-Sweden route, they were 15% higher.

All vessels operated by the company have remained in continuous operation throughout the third quarter. Ro-ro vessels were leased for operations in the North Sea and the Mediterranean. The sales of M/S Birka Stockholm and M/S Exporter were completed during the preceding quarter.

The average number of employees during the period stood at 928, of whom 664 were shipboard personnel and 263 were land-based personnel. In the corresponding period of the previous year, the employee count was 881, with 637 shipboard personnel and 244 land-based personnel.

Bunker prices experienced a notable resurgence during the third quarter of 2023 in contrast to the lower prices observed in the second quarter of 2023. Bunker prices have now returned to historically high levels. National and international macroeconomic challenges have contributed to the sustained weakness and high volatility of the Swedish krona throughout 2023 compared to the preceding year.

## **Volume and sales**

The total number of passengers amounted to 1,067,212 during the third quarter, representing a 16% increase compared to the same period the previous year (919,687). The number of transported cargo units on the Finland-Estonia route exceeded the figures from the third quarter of 2022 by 16%, totaling 44,794 (38,680).

On the Finland-Estonia route, the market share for passengers reached 27.9% (27.5%), while the market share for cargo was 39.2% (30.1%). Over the year, Eckerö Linjen's market share between Åland and Sweden exhibited variations, with it exceeding three-quarters of total travel during the third quarter.

Sales increased by 17% during the third quarter, reaching 69.4 million EUR (59.5 million EUR, corresponding to the period of 2022).

## **Overview of result**

Costs increased by 5.6 million EUR during the third quarter of 2023 compared to the third quarter of 2022. The sustained high inflation in 2023 contributed to a general rise in the company's costs.

The operating result amounted to 14.0 million EUR for the third quarter (9.5 million EUR during the corresponding period in 2022), which translated to a margin of 20.2% (16.0%) relative to the sales. The increased passenger and cargo volumes, in addition to higher contributions per passenger on the Finland-Estonia route, accounted for the improved profitability in the third quarter of 2023 in comparison to the same period in the previous year.

Net financial items figure amounted to -1.4 million EUR (-3.1 million EUR), with interest costs reaching -0.6 million EUR (-1.5 million EUR). The result for the period amounted to 9.9 million EUR (5.2 million EUR).

## **Balance and Cash Flow**

Cumulative investments reached 2.9 million EUR up to the third quarter (0.9 million EUR), consisting of minor renovations and improvements of vessels and ports, as well as investments in IT systems and environmental improvement measures.

With the help of the additional cash from the vessel sales, in the first half year, the company amortised a total of 49.7 million EUR on its interest-bearing liabilities. In April the company closed its undrawn credit limits with Handelsbanken and amortised 9.6 million EUR to the Seafarers' Pension Fund and Veritas. On 15 May the company exercised its special redemption call option on its issued bond loan and repurchased 10.0 million EUR of the nominal value of the outstanding bonds. On 19 June the company repurchased a further 24.7 million EUR of the nominal value of the outstanding bonds. Other amortisation refers to the planned amortisation of the company's other interest-bearing liabilities.

Non-current interest-bearing liabilities amounted to 31.3 million EUR at the close of the third quarter (74.3 million EUR). Current interest-bearing liabilities stood at 5.2 million EUR (19.1 million EUR). Cash and cash equivalents amounted to 29.6 million EUR (27.7 million EUR). Granted undrawn credit limits amounted to 0.0 million EUR (7.0 million EUR). Net debt stood at 6.9 million EUR (65.7 million EUR).

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

In October, the company concluded the Ship Management Agreement for M/S Birka Stockholm. On October 13, during the morning departure of M/S Eckerö from Grisslehamn, a part of the car deck's fastenings became dislodged, causing a section of the car deck to impact the fixed car deck on the starboard side. Two passengers sustained minor injuries. Following regulatory approvals, traffic resumed on the day after the incident.

## ***Outlook***

The fourth quarter commenced with volumes surpassing pre-pandemic levels. The continued high bunker prices, relatively elevated inflation, and the volatile Swedish krona continue to create uncertainty. Nevertheless, despite these factors of uncertainty, the company anticipates delivering a full-year result that is in line with its best years prior to the pandemic.

Mariehamn, 1 November 2023

**Rederiaktiebolaget Eckerö**

Board of Directors

For any inquiries, please contact CEO Björn Blomqvist at +358 18 28030

## Financial summary

### Consolidated income statement, TEUR

	1.7.-30.9.2023	1.7.-30.9.2022	1.1.-30.9.2023	1.1.-30.9.2022
<b>Sales</b>	<b>69 409</b>	<b>59 550</b>	<b>171 497</b>	<b>139 435</b>
Other operating income	251	55	5 034	3 224
<b>Expenses</b>				
Goods and services	28 006	24 717	72 184	62 412
Personnel expenses	11 001	9 901	32 852	29 774
Depreciation/amortisation	2 981	3 287	8 957	9 903
Other operating expenses	13 642	12 169	41 991	35 546
<b>Total expenses</b>	<b>55 630</b>	<b>50 074</b>	<b>155 983</b>	<b>137 635</b>
<b>OPERATING RESULT</b>	<b>14 030</b>	<b>9 531</b>	<b>20 548</b>	<b>5 024</b>
Net financial items	-1 449	-3 099	-6 322	-3 789
<b>RESULT BEFORE TAXES</b>	<b>12 581</b>	<b>6 432</b>	<b>14 226</b>	<b>1 235</b>
Income taxes	-2 681	-1 273	-2 986	-245
<b>RESULT FOR THE PERIOD</b>	<b>9 900</b>	<b>5 158</b>	<b>11 240</b>	<b>990</b>

*\*) The interim report as of 30.9.2023 has been compiled in accordance with IFRS-valuation- and accounting principles. The report has not been audited.*

**Consolidated balance sheet, TEUR**

	<b>30.9.2023</b>	<b>30.9.2022</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	1 232	976
Property, plant, and equipment	115 993	134 597
Financial assets	107	107
Deferred tax assets	287	287
<b>Total non-current assets</b>	<b>117 620</b>	<b>135 967</b>
<b>Current assets</b>		
Inventories	4 400	4 399
Trade and other receivables	8 998	11 592
Derivative instruments	0	1 794
Income tax receivables	633	551
Cash and cash equivalents	29 555	27 668
<b>Total current assets</b>	<b>43 626</b>	<b>46 005</b>
<b>Non-current assets held for sale</b>	<b>1 245</b>	<b>50 000</b>
<b>TOTAL ASSETS</b>	<b>162 490</b>	<b>231 971</b>
	<b>30.9.2023</b>	<b>30.9.2022</b>
<b>EQUITY</b>		
Share capital	2 409	2 409
Other contributed capital	1 270	1 270
Unrestricted equity fund	70 241	90 135
Reserves	247	-83
Result for the period	11 240	990
<b>Total equity</b>	<b>85 406</b>	<b>94 720</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	14 332	19 373
Interest-bearing liabilities	31 251	74 268
Derivative instruments	0	0
<b>Total non-current liabilities</b>	<b>45 583</b>	<b>93 641</b>
<b>Current liabilities</b>		
Accounts payable and other liabilities	25 461	23 527
Interest-bearing liabilities	5 234	19 364
Income tax liabilities	805	719
Derivative instruments	0	0
<b>Total current liabilities</b>	<b>31 501</b>	<b>43 611</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>162 490</b>	<b>231 971</b>

*Non-current assets held for sale consist of M/S Shipper.*

*Net debt as of 30.9.2023 amounted to 6.9 MEUR (30.9.2022 65.7 MEUR).*

*The equity ratio as of 30.9.2023 was 52.6% (30.9.2022 40.8%).*

**Consolidated cash flow statement, TEUR**

	<b>1.1-30.9.2023</b>	<b>1.1-30.9.2022</b>
<b>Operating activities</b>		
Result before taxes	14 226	1 235
Adjustments		
Capital gains/losses from non-current assets	-4 004	0
Depreciation and amortisation	8 957	9 903
Interest costs and other financial expenses	6 660	4 349
Interest income and other financial income	-338	-560
Cash-flow before changes in working capital	25 501	14 927
Changes in working capital		
Increase (-)/Decrease (+) of current interest-free operating receivables	817	-779
Increase (-)/Decrease (+) of inventories	-441	-1 265
Increase (+)/Decrease (-) of current interest-free liabilities	-2 275	6 958
Operating cash flow before financial items	23 601	19 841
Interest paid	-5 301	-4 338
Interest paid on rental-/lease liabilities	-52	-11
Financial expenses paid	-1 307	0
Interest received	338	4
Financial income received	0	0
Taxes paid	-6	-23
<b>Cash flow from operating activities</b>	<b>17 273</b>	<b>15 473</b>
<b>Investing activities</b>		
Investments in property, plant, and equipment	-2 452	-708
Investments in intangible assets	-451	-97
Divestments of property, plant, and equipment	42 500	0
Income from sale of financial investments	0	96
<b>Cash flow from investing activities</b>	<b>39 597</b>	<b>-709</b>
<b>Financing activities</b>		
Increase in current loans	0	-2 383
Increase in non-current loans	0	336
Amortisation of loans	-49 741	-2 141
Amortisation of rental-/lease liabilities	0	-124
<b>Cash flow from financing activities</b>	<b>-47 741</b>	<b>-4 312</b>
<b>Cash flow for the period</b>	<b>7 130</b>	<b>10 452</b>
Cash and cash equivalents at the beginning of the period	22 426	17 216
<b>Cash and cash equivalents at the end of the period</b>	<b>29 555</b>	<b>27 668</b>