



Fjord1 

**Q4
2020**

**THE LEADING
FERRY COMPANY
IN NORWAY**

ABOUT FJORD1



Fjord1 aims to be the **safest and most attractive provider of environmentally friendly and reliable transport** for our customers, clients and partners.

Our values reflect who we are and the way we work.



Cheerful



Open and honest



Reliable and keeping promises



Profitable



Working together and team spirit



Proud

- Fjord1 is a leading player in the Norwegian ferry market. It also operates passenger boat services and has interests in the catering and tourism sectors
- Competent employees enable Fjord1 to be at the forefront with respect to safety, innovation, technology and the environment
- Fjord1 is investing in low-emission and zero-emission technologies, and the electrification of Norway's fjord crossings
- Listed on the Oslo Stock Exchange under the ticker FJORD - see www.fjord1.no

Ferry contract overview 2021



AGENDA

2020



Q4

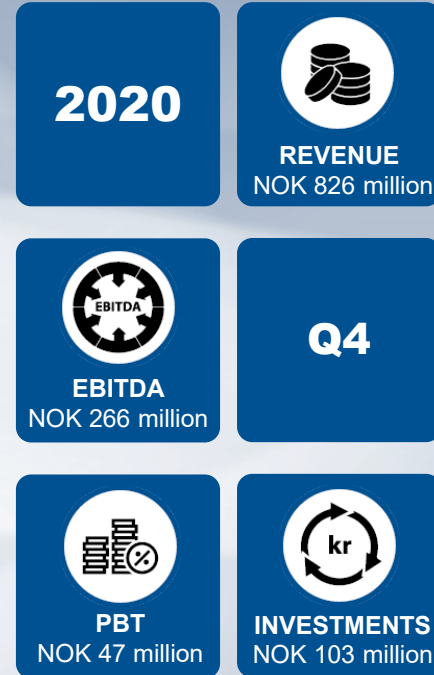


- 1 Operational and financial overview
- 2 Q4 key figures and highlights
- 3 Segment review
- 4 Appendix

Q4 2020

SOLID REVENUE GROWTH

- Maintained normal operations through the Covid-19 resurgence, fulfilling our responsibilities as a critical infrastructure provider in coastal Norway
- Revenue and EBITDA growth with portfolio of fully electric ferry routes – Revenue +20% and EBITDA margin of 32% in Q4 20
 - **Ferry** revenue +24%, with 31% EBITDA margin. Contract structures insulate **Ferry** and **Passenger Boats** from varying traffic volumes
 - Revenue -44% in **Catering**. Adjustment of staffing and cost levels has dampened the financial effect somehow
 - **Tourism** effected by the ongoing pandemic. Received cash support offered by the Norwegian Government to cover loss of revenue due to Covid-19



Q4 2020

LOWER INVESTMENTS AND NIBD



- NIBD and NIBD/EBITDA have passed the peak
- Leverage ratio set to decrease further as a result of both higher EBITDA and lower debt
- Investments of NOK 103 million in Q4, net of NOK 31 million in vessel NO_x compensation
- Completed the vessel newbuild programme for 2017-2020 route start-ups - finalization of some electrification projects slipping into 2021 as expected
- Renewal of vessel portfolio continuing with three ferry retrofits in Norway and one vessel under construction in Turkey. One retrofit delivered from yard in January 2021
- Equity ratio of 23%

Net interest bearing debt and NIBD/EBITDA*
(NOK m and x times last 12 months EBITDA)



* Adjusted NIBD/EBITDA reflects covenant allowance to adjust NIBD to align with start-up of associated contracts. Please see Note 8 to the financial statement

Q4 2020

STRATEGY FOR GREEN GROWTH



- The newbuild programme for a greener future is increasingly taking effect
- Entering more stable period once ramp-up of fully electric routes has been completed
- Focus on operational efficiency and better financial results
- Maintaining the growth ambitions in the ferry sector – building on a strong foundation with a large long-term contract base

Number of ferries and fuel mix



* Based on expected deliveries and upgrades

Q4 2020

EIGHT FULLY ELECTRIC CONNECTIONS



- Anda to Lote on E39 outside Sandane
 - M/F Gloppefjord and M/F Eidsfjord
- Krokeide to Hufthammar outside Bergen
 - M/F Møkstrafjord and M/F Horgefjord
- Husavik to Sandvikvåg outside Bergen
 - M/F Husavik
- Brekstad to Valset in Trøndelag
 - M/F Vestrått, MF/Austrått
- Hareid to Sulesund in Sunnmøre
 - M/F Hadarøy, M/F Giskøy and M/F Suløy
- Aursnes to Magerholm on Sunnmøre
 - M/F Skopphorn, M/F Rovdehorn
- Hatvik to Venjaneset on Vestland
 - M/F Årdal
- Ranavik to Skjærsholmane on Vestland
 - M/F Hillefjord, M/F Florøy

AGENDA

2020



Q4

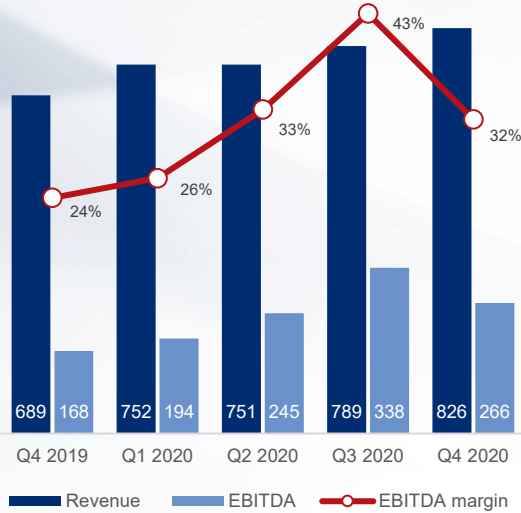


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- 2 Q4 key figures and highlights
- 3 Segment review
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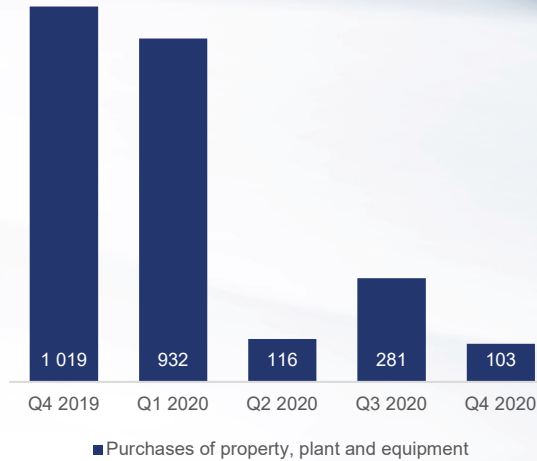
Q4 2020 KEY FIGURES



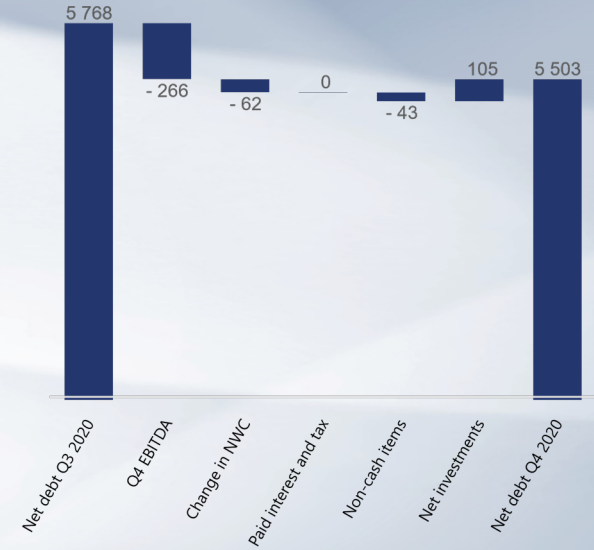
Revenue, EBITDA and EBITDA margin
(NOK m and %)



Investments (net of NO_x compensation)
(NOK m)



Q4 change in net interest-bearing debt (NIBD)
(NOK m)



Q4 2020

OPERATIONAL HIGHLIGHTS



- Good safety record and high operational regularity
 - 0.4 passenger injuries (per million passengers), and 5 lost-time injuries (to staff)
 - Operational regularity at 99.7% – satisfactory start-up of new contracts
- Conversion from fossil fuel to electric operation continues
 - 4 new charging stations in service in Q4, powering 3 ferries
 - Commissioning is ongoing at several sites, with completion scheduled in 2021
- Vessel renewal programme
 - One vessel under construction in Turkey, with delivery scheduled in 2021
 - Ongoing conversion of 3 ferries to fully electric propulsion
 - 1 ferry delivered in January 2021
- Leasing agreement signed for MF Fanafjord, will be operating in Germany in February 2021. The ferry is currently held for sale

2020



EMPLOYEES
1,149



VESSELS
83

Q4



PEOPLE
3.2 million



VEHICLES
1.7 million

AGENDA

2020



Q4

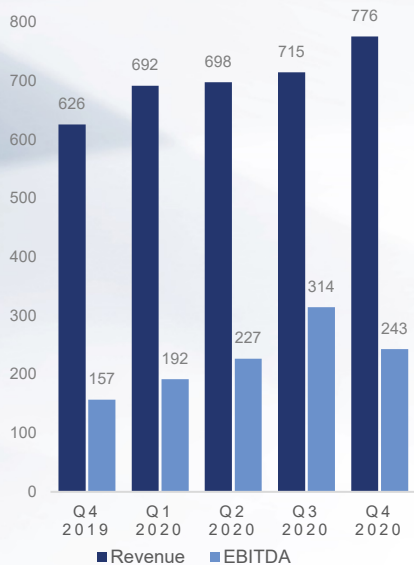


- 1 Operation and Financial update
- 2 Q4 key figures and highlights
- 3 **Segment review**
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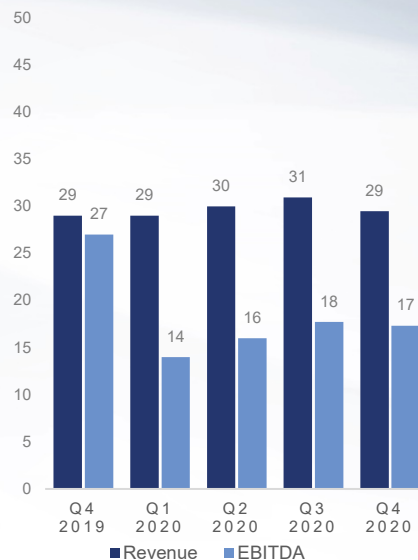
Q4 2020 SEGMENT OVERVIEW



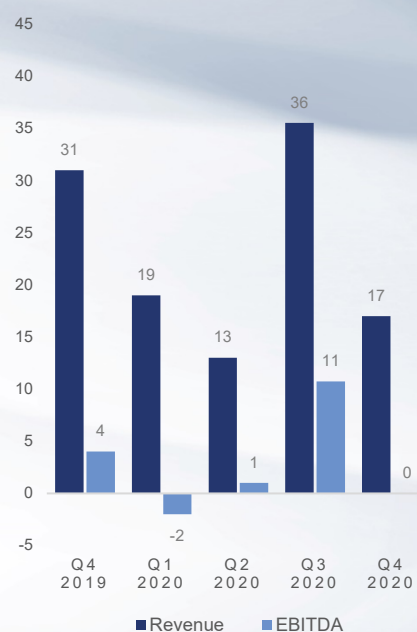
Ferries (NOK m)



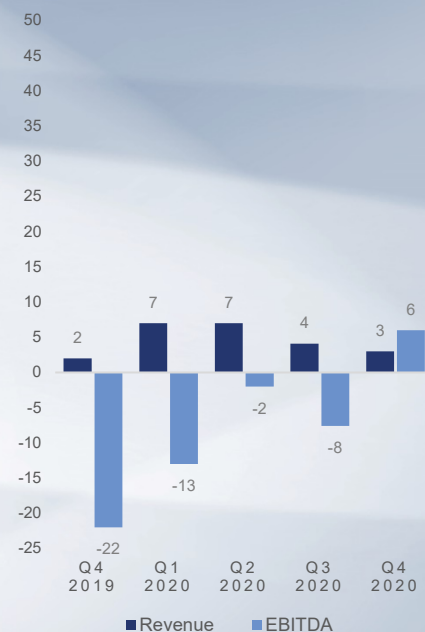
Passenger Boats (NOK m)



Catering (NOK m)



Tourism (NOK m)

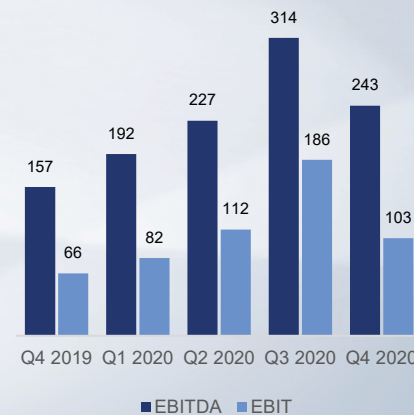
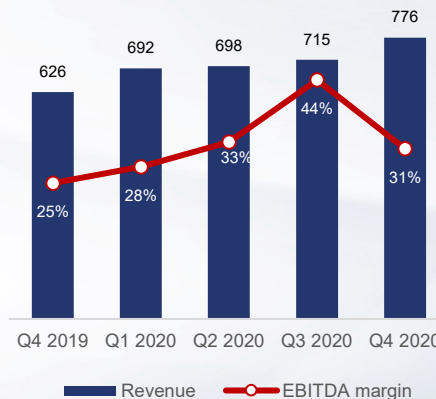


Q4 2020 FERRIES



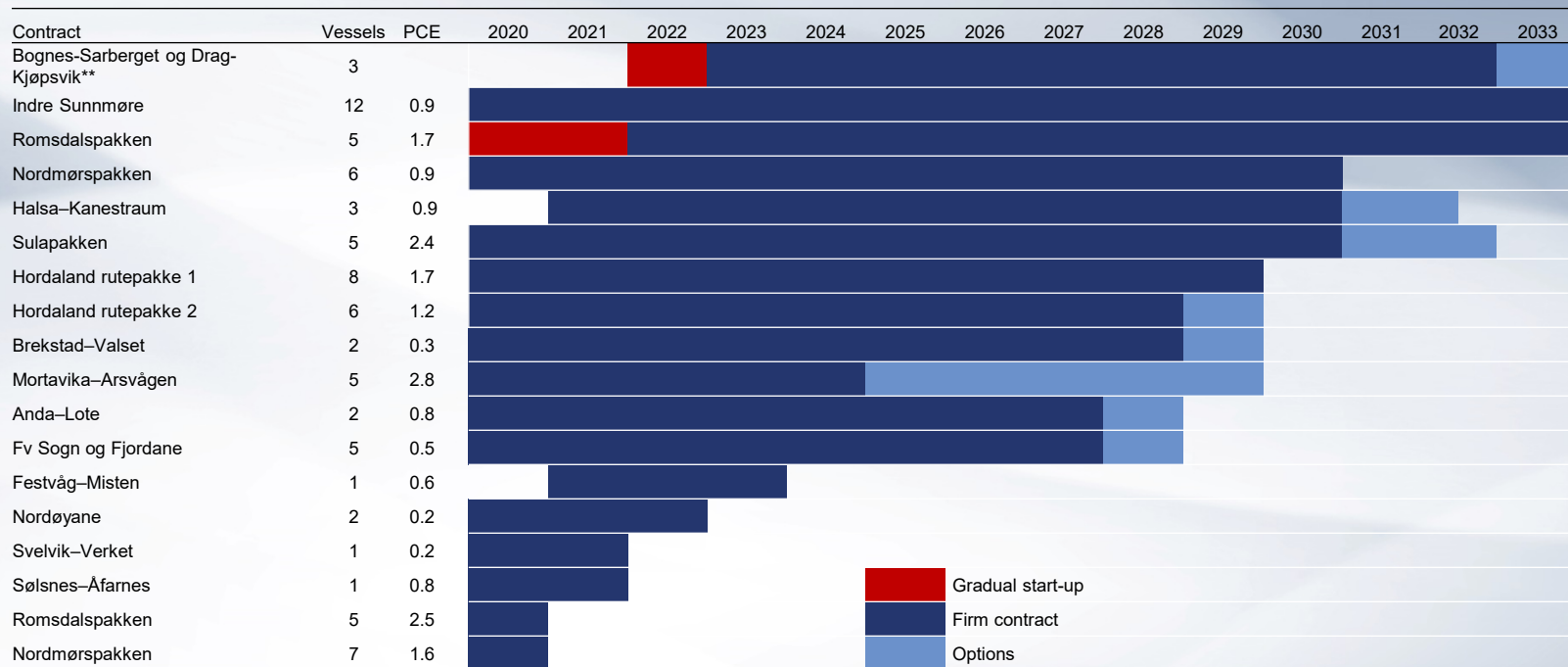
- Revenue increase of 24% – reflecting new contracts that started up on 1 January
- EBITDA margin improved to 31%
- Operating costs increased in the quarter, partly due to an write-down of NOK 21 mill of MS Fanafjord.
- A gradual reduction in costs is expected from lower fuel costs due to electrification and lower start-up costs

(NOK m)	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenue	776	626	2,881	2,445
EBITDA	243	147	976	740
<i>EBITDA margin</i>	31 %	24 %	34 %	30 %
EBIT	103	57	484	378
<i>EBIT margin</i>	13 %	9 %	17 %	15 %



FERRY CONTRACT OVERVIEW

NOK 24.1 BN CONTRACT BASE*



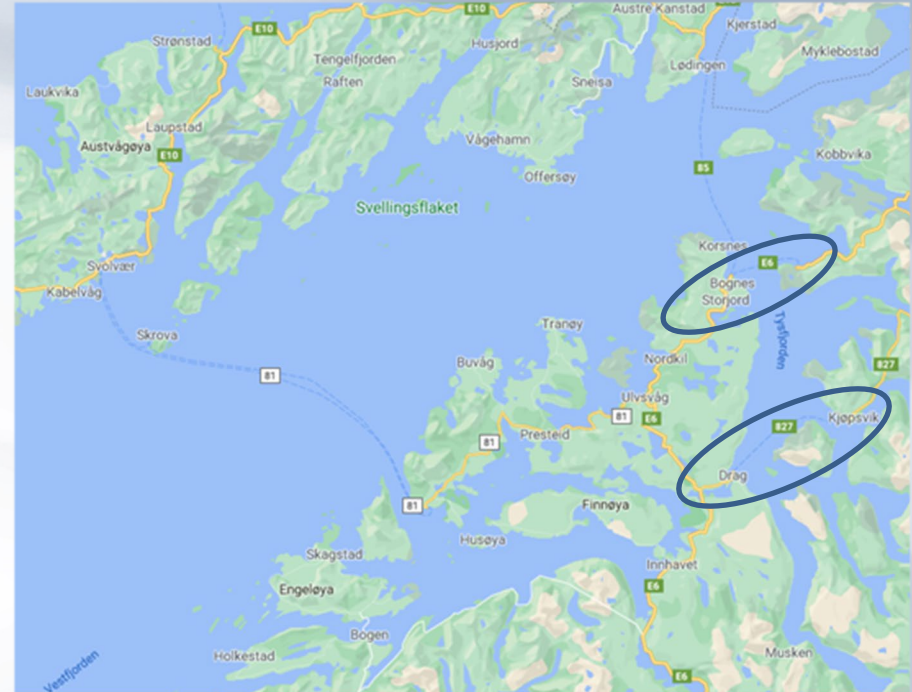
* Total contract volume, including the three passenger boat contracts. NOK 24.1 billion excl. options and index regulation. **Fjord1 is announced as operator, contract not signed.

POST-QUARTER EVENT

NEW FERRY CONTRACTS IN NORDLAND



- Fjord1 awarded 10-year contract for two crossings of Tysfjorden in Nordland County
 - Bognes-Skarberget on E6
 - Drag-Kjøpsvik on Rv827
- Start-up on 1 December 2022
- Marks Fjord1's entry into an opportunity-rich region



Q4 2020

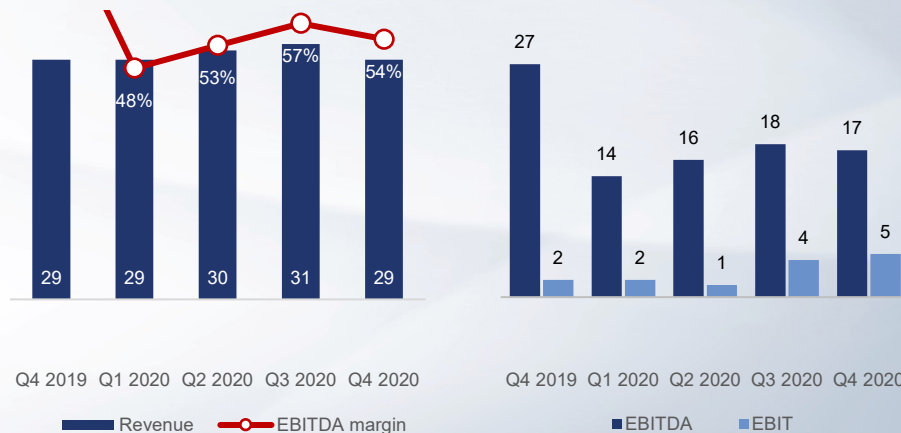
PASSENGER BOATS



- Stable operations and revenues on established routes
- EBITDA for the full year 2020 increased by NOK 9 million from the previous year, with better results in both own operations and associates

(NOK m)	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenue	29	29	120	115
Associates	1	1	6	2
EBITDA*	17	27	65	56
<i>EBITDA margin excl. associates</i>	54 %	89 %	49 %	47 %
EBIT	5	2	13	2
<i>EBIT margin excl. associates</i>	12 %	3 %	5 %	0 %

*EBITDA incl. associates



Q4 2020 CATERING



- Catering segment hit hard by Covid-19
- Revenue -44% in Q4 and -37% for 2020, due to reduced service offering and low passenger numbers
- Aligned staffing to lower activity level, and tough cost cuts to compensate for revenue shortfall

(NOK m)	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenue	17	31	85	135
EBITDA	(0)	4	10	15
<i>EBITDA margin</i>	<i>(1%)</i>	<i>12 %</i>	<i>12 %</i>	<i>11 %</i>
EBIT	(1)	2	7	11
<i>EBIT margin</i>	<i>(6%)</i>	<i>8 %</i>	<i>9 %</i>	<i>8 %</i>



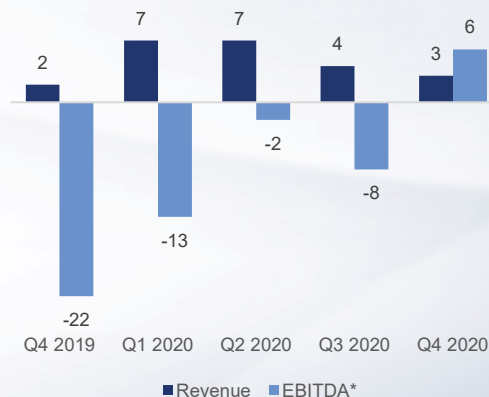
Q4 2020 TOURISM



- Covid-19 travel restrictions affected numbers through most of 2020
- Positive contribution from associated companies in Q4 reflecting a cash support for 2020 offered by the Norwegian Government to cover loss of revenue due to Covid-19
- Focus on the upcoming 2021 season, to make sure that operations are as well aligned with market changes

(NOK m)	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenue	3	2	22	18
Associates	7	(20)	(15)	0.4
EBITDA*	6	(22)	(16)	0.3
<i>EBITDA margin</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
EBIT	6	(22)	(18)	(1)
<i>EBIT margin</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>

*EBITDA incl. associates. EBITDA margins and EBIT margins and not meaningful given that earnings in the segment primarily reflects associated companies



AGENDA

2020



Q4



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STATEMENT OF PROFIT AND LOSS

NOKm	Q4 2020	Q4 2019	FY 2020	FY 2019
Total operating income	825.8	689.4	3117.8	2723.8
Purchased goods and fuel	(92.0)	(112.0)	(404.1)	(448.9)
Personnel expenses	(292.3)	(242.9)	(1096.0)	(994.1)
Other operating expenses	(184.2)	(157.4)	(566.6)	(465.6)
Total operating expenses	(568.5)	(512.3)	(2066.8)	(1908.5)
Share of profit/(loss) from associates	8.4	(18.5)	(9.0)	2.5
Operating profit before depreciation and impairment (EBITDA)	265.8	158.6	1041.9	817.8
Total depreciation and impairment	(153.5)	(117.4)	(550.6)	(421.9)
Operating profit (EBIT)	112.4	41.3	491.3	395.9
Share of profit/(loss) from other associates	(20.4)	(0.6)	(42.0)	26.6
Interest income	0.7	1.2	2.5	2.6
Interest expense	(44.6)	(48.1)	(214.9)	(168.0)
Other financial items, net	(1.0)	(24.4)	(30.1)	(4.2)
Profit/(loss) before tax (PBT)	47.2	(30.7)	206.8	253.1
Income tax (expense)/income	(8.2)	13.3	(43.4)	(43.9)
Profit/(loss) for the period	38.9	(17.4)	163.5	209.2
Attributable to:				
Owners of the parent company	38.9	-17.4	163.0	208.6
Non-controlling interest	0.0	0.0	0.5	0.5
Earnings per share (EPS)				
Basic earnings per share (NOK)	0.39	-0.17	1.63	2.09
Dilutes earnings per share (NOK)	0.39	-0.17	1.63	2.09

STATEMENT OF FINANCIAL POSITION

ASSETS

NOKm	31.12.2020	31.12.2019
Deferred tax assets	166.6	37.4
Ships and other property, plant and equipment	8,491.9	7,559.3
Right-of-use assets	87.1	40.4
Investments in associates	436.5	481.5
Other non-current assets	4.9	4.7
Total non-current assets	9,187.0	8,123.2
Inventories	20.2	22.5
Derivative financial instruments	0.0	0.0
Trade receivables	309.4	139.2
Other current receivables	264.3	294.0
Cash and cash equivalents	401.8	484.1
Assets held for sale	156.3	177.4
Total current assets	1,152.2	1,117.0
Total assets	10,339.2	9,240.2

EQUITY AND LIABILITIES

NOKm	31.12.2020	31.12.2019
Share capital	250.0	250.0
Share premium	360.9	360.9
Treasury shares	-3.6	-3.6
Retained earnings	1,814.5	1,657.6
Total equity attributable to owners of the parent	2,421.8	2,264.9
Non-controlling interests	5.2	4.7
Total equity	2,427.0	2,269.7
Borrowings	4,747.1	4,179.4
Derivative financial instruments	6.9	6.8
Non-current lease obligations	24.5	9.1
Net employee defined benefit liabilities	32.3	13.1
Other non-current liabilities	335.4	127.5
Deferred tax liabilities	746.6	575.8
Total non-current liabilities	5,892.8	4,911.6
Borrowings	1,158.0	1,196.8
Derivative financial instruments	1.2	1.3
Current lease obligations	64.3	31.5
Trade payables	146.9	202.5
Tax payable	0.6	0.7
Taxes and duties payable	102.1	107.2
Other current liabilities	546.2	519.0
Total current liabilities	2,019.3	2,058.9
Total liabilities	7,912.1	6,970.6
Total equity and liabilities	10,339.2	9,240.2

CONSOLIDATED CASH FLOW

NOKm	Q4 2020	Q4 2019	FY 2020	FY 2019
Profit before tax	47.2	(30.7)	206.8	253.0
Adjustments for P/L items with no effect on liquidity:				
Depreciation and impairment	153.5	117.4	550.6	421.9
Interest expense, net	43.9	46.9	212.4	165.4
Gain/(loss) from sale of assets	3.0	(2.3)	2.8	(4.3)
Gain/(loss) from realisation of shares	-	-	-	(31.1)
Share of Profit/(loss) from JVs and associates	11.9	19.1	51.0	(29.2)
Change in fair value of assets	13.7	15.2	21.0	28.7
Change in other current receivables/liabilities	27.2	(21.7)	19.2	(10.2)
Change in working capital, net	91.6	(145.7)	42.9	(250.1)
Cash generated from operations	391.9	-1.8	1,106.8	544.1
Interest paid and received, net	(4.3)	(94.0)	(198.8)	(146.8)
Income tax paid	4.1	(28.9)	(1.0)	(73.7)
Net cash flow from operating activities	391.7	-124.7	906.9	323.6
Purchase of property, plant and equipment	(103.2)	(1019.2)	(1427.9)	(2399.1)
Purchase of shares incl. JVs	-	(4.0)	(10.0)	(38.7)
Proceeds from dividends from associates	-	(0.3)	2.2	11.7
Proceeds from sale of property, plant and equipment	(2.1)	(17.6)	1.3	63.2
Proceeds from other non-current assets, net	0.0	(0.5)	(0.2)	4.1
Proceeds from other non-current receivables, net	-	-	-	-
Net cash flow from investing activities	-105.2	-1,041.6	-1,434.7	-2,358.9
Proceeds from borrowings	-	1435.3	1210.5	2042.3
Repayment of borrowings	(73.6)	(27.0)	(700.1)	(236.2)
Payment of lease obligation	(16.2)	(19.4)	(64.9)	(65.4)
Purchase of treasury shares	-	0.5	-	(1.5)
Proceeds from short-term borrowings	-	200.0	-	1320.0
Repayment of short-term borrowings	-	(540.9)	-	(540.9)
Repayment of other non-current liabilities, net	-	127.5	-	-
Dividends paid	-	-	-	(271.4)
Net cash flow from financing activities	-89.9	1,175.9	445.5	2,246.8
Net change in cash and cash equivalents	196.7	9.5	(82.2)	211.6
Cash and cash equivalents at the beginning of the period	205.2	474.6	484.1	272.5
Cash and cash equivalents at end of the period	401.8	484.1	401.8	484.1

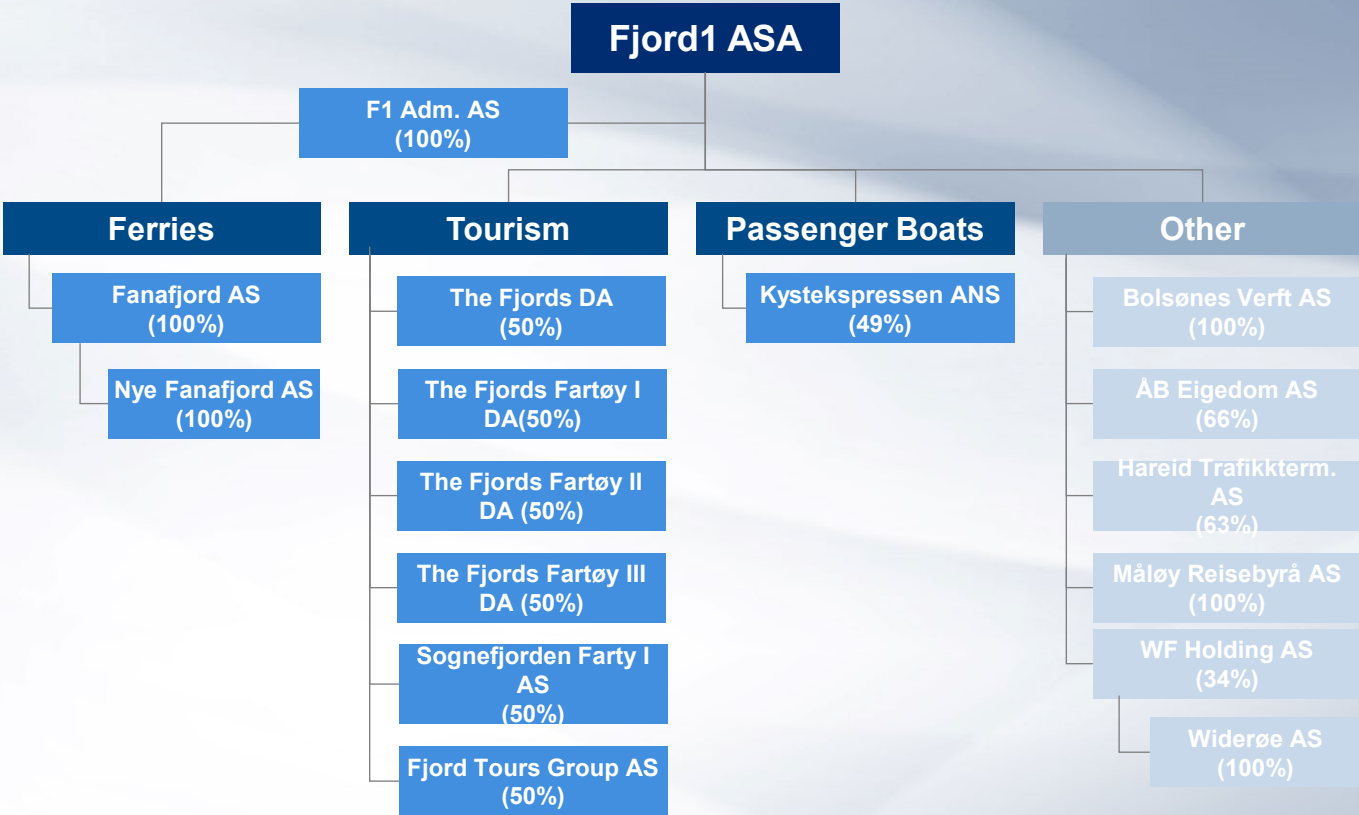
FLEET OVERVIEW – 31 DECEMBER 2020

Ferries	Year built	PCE	Ferries	Year built	PCE	Ferries	Year built	PCE
Florøy	2020	83	Edøyfjord	2012	50	Lærdal	1997	77
Grip	2020	80	Boknafjord	2011	240	Svanøy	1992	89
Bømlafjord	2020	50	Hjørundfjord	2011	120	Gulen	1989	90
Sildafjord	2020	83	Storfjord	2011	120	Rauma	1988	73
Smøla	2020	50	Fannefjord	2010	128	Romsdal	1988	87
Møringen	2020	50	Korsfjord	2010	128	Dalsfjord	1986	28
Stangvikfjord	2020	50	Lifjord	2010	110	Sulafjord	1986	106
Suløy	2019	120	Norangsfjord	2010	120	Selje	1986	58
Giskøy	2019	120	Romsdalsfjord	2010	128	Sognefjord	1984	64
Rovdehorn	2019	120	Davik	2009	45	Sogn	1982	110
Samlafjord	2019	130	Moldefjord	2009	128	Solskjel	1981	35
Skoppørn	2019	120	Årdal	2008	105	Bjørnsund	1979	61
Hillefjord	2019	83	Vågsøy	2008	31	Geiranger	1979	35
Eresfjord	2019	120	Fanafjord	2007	212	Stordal	1979	51
Tustna	2019	80	Mastrafjord	2007	240	Stryn	1979	81
Fedjebjørn	2019	50	Raunefjord	2007	212	Aukra	1978	36
Møkstrafjord	2018	130	Lote	2006	120	Eid	1978	35
Husavik	2018	45	Bergensfjord	2006	212	Nordmøre	1978	52
Horgefjord	2018	120	Stavangerfjord	2006	240	Sunnfjord	1978	46
Austrått	2018	50	Dryna	2005	35	Aurland	1977	35
Vestrått	2018	50	Harøy	2005	35	Solnør	1977	36
Hadarøy	2018	120	Julsund	2004	99	Kvernes	1976	25
Kommandøren	2018	120	Eira	2002	100	Sykkylvsfjord	1975	35
Gløppefjord	2017	120	Volda	2002	80	Veøy	1974	50
Eidsfjord	2017	120	Nordfjord	2001	54	Bolsøy	1971	38
Hornelen	2016	60	Glutra	2000	120	Driva	1963	29
Losna	2016	60	Ivar Aasen	1997	70			

Vessels under construction	Delivery	PCE
TBN 1	Q3 2021	120

Passenger boats	Year built	Passengers
Tansøy	2006	96
Fjordglytt	2000	81
Sylvarnes	2000	70

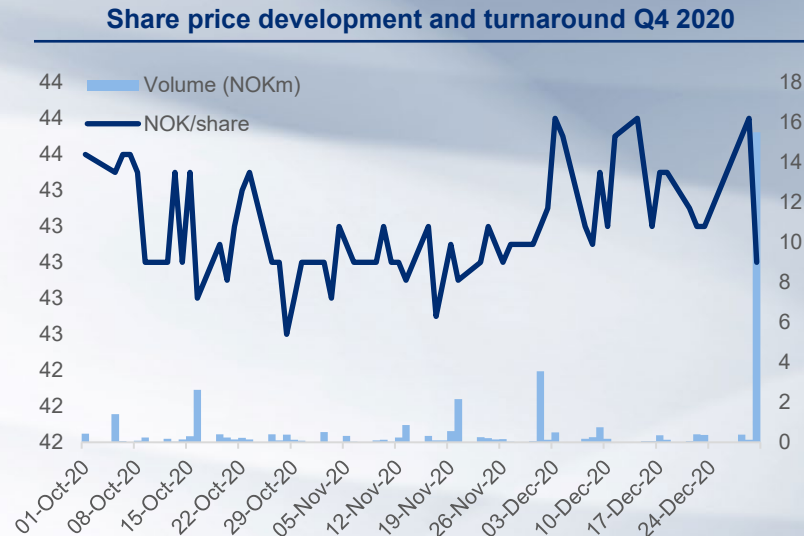
LEGAL STRUCTURE



OVERVIEW OF SHAREHOLDERS AND SHAREHOLDINGS

– 31 DECEMBER 2020

#	Shareholders	Number of shares	Share (%)
1	HAVILAFJORD AS	55,476,516	55.48
2	HAVILAFJORD HOLDING 2 AS	18,459,849	18.46
3	HAVILAFJORD HOLDING AS	11,023,484	11.02
4	CITIBANK, N.A.	3,850,000	3.85
5	DZ PRIVATBANK S.A.	3,131,680	3.13
6	CLEARSTREAM BANKING S.A.	1,195,989	1.20
7	BROWN BROTHERS HARRIMAN & CO.	1,068,326	1.07
8	PICTET & CIE (EUROPE) S.A.	650,000	0.65
9	SKANDINAVISKA ENSKILDA BANKEN AB	472,264	0.47
10	CITIBANK, N.A.	410,051	0.41
Total, 10 largest shareholders		95,738,159	95.74
Other shareholders		4,261,841	4.26
Total		100,000,000	100 %



SAFETY AND REGULARITY TARGETS AND RESULTS – Q4 2020



LOST-TIME INJURIES

TARGET: 3.0
RESULT: 5.0

(per million hours worked)



SICK LEAVE

TARGET: 4.9 %
RESULT: 8.0 %



PASSENGER INJURIES

TARGET: 0.3
RESULT: 0.4

(per million passengers)



ALLISIONS

TARGET: 0
RESULT: 0.5

(per 100,000 port calls)



CUSTOMER COMPLAINTS

TARGET: 3.9
RESULT: 3.85

(per 100,000 passengers)



REGULARITY

TARGET: 99.9%
RESULT: 99.6%

(scheduled route production)

KEY FIGURES – Q4 2020



EMPLOYEES

1,149



VESSELS

83



PASSENGERS

3.2 million



VEHICLES

1.7 million



REVENUE

NOK 826 million



ASSETS

NOK 10.3 billion



EQUITY

NOK 2.4 billion



PBT

NOK 47 million



EBITDA

NOK 266 million



INVESTMENTS

NOK 103 million



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