

endur®

Q2/H1
Report
2023



HIGHLIGHTS

KEY FINANCIALS

(NOKm)	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
Revenue	543.9	637.9	1 028.6	1 249.6	2 492.2
EBITDA	75.6	61.1	125.9	111.9	230.0
EBIT	33.0	27.3	47.4	44.9	18.0
Adjusted EBITDA					
EBITDA	75.6	61.1	125.9	111.9	230.0
Restructuring costs, transactions cost and other special items	1.9	(3.7)	2.8	3.5	0.7
Adjusted EBITDA	77.5	57.5	128.7	115.5	230.7
EBITDA-margin	13.9 %	9.6 %	12.2 %	9.0 %	9.2 %
Adj. EBITDA-margin	14.3 %	9.0 %	12.5 %	9.2 %	9.3 %
Cash flow from operating activities	148.0	67.5	96.5	131.1	266.7
Total assets	2 311.3	2 464.1	2 311.3	2 464.1	2 590.2
Cash and cash equivalents	149.6	337.2	149.6	337.2	314.8
Gross interest-bearing debt (incl. leasing)	638.0	937.1	638.0	937.1	896.5
NIBD	488.4	599.9	488.4	599.9	581.8
Leverage ratio	1.9	2.6	1.9	2.6	2.6
Equity ratio	44.2 %	36.8 %	44.2 %	36.8 %	34.6 %

ADJ. EBITDA

NOK 128.7 million

+11 % vs. H1 2022

REVENUE

NOK 1 028.6 million

-18 % vs. H1 2022

ADJ. EBITDA MARGIN

12.5 %

+3.3 p.p. vs. H1 2022

CASH FLOW FROM OPERATIONS

NOK 96.5 million

Q2 / H1 2023 Review

The Group's delivers its strongest ever operational and financial results in both H1 2023 and Q2 2023 isolated. Revenues are significantly reduced within Aquaculture Solutions after the finalization of Salmon Evolution phase 1 and all resources are currently utilized towards planning and design for new projects, while Marine Infrastructure continues to deliver strong revenue growth and margins. The development throughout H1 2023 has been very much in line with previous expectations and guiding. Revenue and adj. EBITDA for H1 2023 amounted to NOK 1 028.6 million and NOK 128.7 million (12.5 %), compared to NOK 1 249.7 million and NOK 115.5 million (9.2 %) for H1 2022.

The operating result (EBIT) for H1 2023 was NOK 47.4 million, with a result before tax of NOK -35.5 million. On 16 March 2023 the Group successfully refinanced its net NOK 810.0 million bond loan. The refinancing was funded by the establishment of bank term loans of NOK 250.0 million and SEK 300.0 million, and a NOK 140.0 million private placement on 11 January 2023. In addition, The Group has secured a currently non-utilized overdraft facility of NOK 150.0 million. The Group's net financial expense for H1 2023 is heavily influenced by one-offs related to the refinancing in form of; bond break fee of NOK 30.0 million, loss of NOK 18.9 million when terminating a NOK 300.0 million STIBOR-for-NIBOR and SEK-for-NOK swap and write-down of remaining bond fees of NOK 10.2 million. The mentioned swap served as a hedge for the Group's investments and cash flow in Sweden, now being replaced with the SEK 300.0 million term loan. The Groups net financial expense is significantly reduced in Q2 2023 after completion of the Group's refinancing process, both compared to Q1 2023 and Q2 2022. The positive impact is expected to be in range of NOK 40-50 million on annual basis.

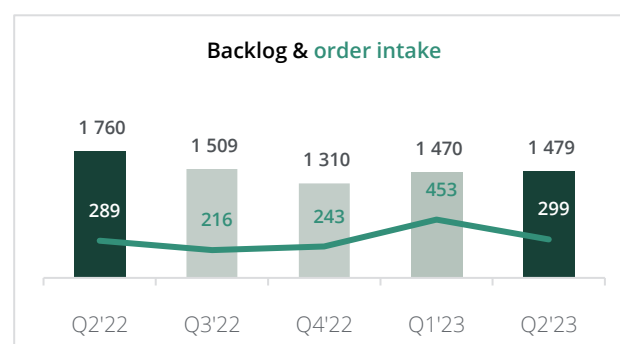
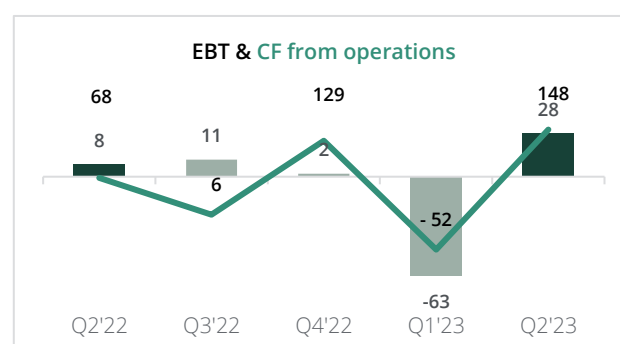
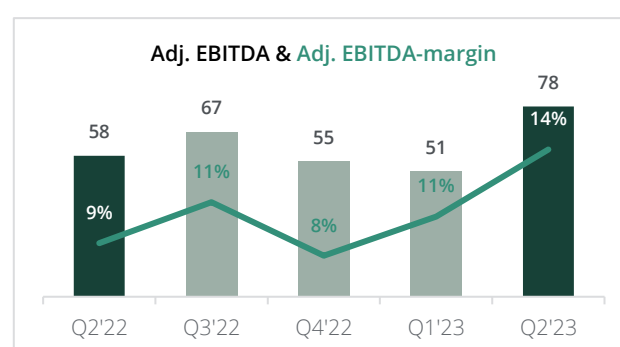
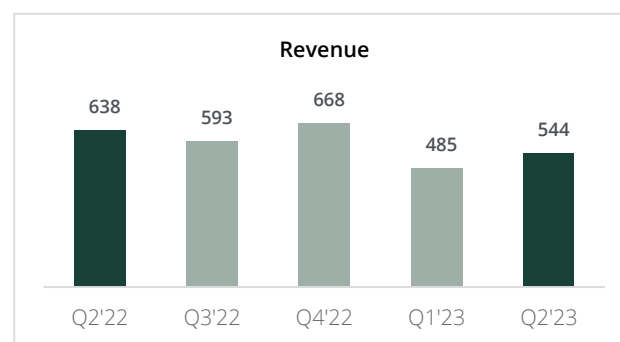
The interest rate margins on The Group's new bank facilities are far more attractive than for the refinanced bond loan:

Leverage ratio	Term loans	Overdraft	Refinanced bond loan
NIBD / EBITDA <= 2.00	3.55%	3.05%	7.25 %
NIBD / EBITDA >2.00 and <= 2.50	3.60%	3.10%	7.25 %
NIBD / EBITDA >2.50 and <= 3.00	3.80%	3.30%	7.25 %
NIBD / EBITDA >3.00 and <= 3.25	4.05%	3.55%	7.25 %

The Group's cash flow from operations for H1 2023 was NOK 96.5 million, impacted by an expected increase in net working capital (NWC) through the first quarter, while a large portion of this tie-up has been reversed through the second quarter. The Group's liquidity situation is robust with available liquidity in form of cash at bank and an overdraft facility in total of NOK 299.6 million.

Net interest-bearing debt by the end of H1 2023 was NOK 488.4 million, yielding a leverage ratio of 1.9 – well inside the corresponding bank loan covenant of 3.25.

At the end of H1 2023, The Group had a total firm order backlog of NOK 1 479 million. The Group reported a solid order intake of NOK 299 million, not including expected revenue of approximately NOK 2.5 billion from the building activities at Geo Salmo and the newly awarded Salmon Evolution phase 2.



REPORTING SEGMENTS

The Group's operations are spread across three business and reporting segments; Aquaculture Solutions, Marine Infrastructure and Other.

Marine Infrastructure	Aquaculture Solutions	Other
BMO Entreprenør AS	Artec Aqua AS	Endúr Maritime AS
Marcon-Gruppen i Sverige	Endúr Sjøsterk AS	Endúr ASA
(incl. 10 subsidiaries)	Endúr Eiendom AS	BG Malta Ltd.
		Endúr Bidco II AS

Note that Installit AS was also a part of the Marine Infrastructure segment in Q1 2022. Installit with subsidiaries was sold to Deep Ocean in April 2022.

MARINE INFRASTRUCTURE

(NOKm)	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
Revenue	337.2	258.1	589.4	462.9	1024.1
EBITDA	62.7	43.4	111.0	75.6	182.2
EBITDA-margin	18.6 %	16.8 %	18.8 %	16.3 %	17.8 %
EBIT	42.8	20.3	71.9	29.9	91.5
Order back-log	1 041	959	1 041	959	841

BMO Entreprenør recorded a relatively stable revenue of NOK 258.0 million in H1 2023, compared to NOK 249.2 million in H1 2022. The company's EBITDA margin in H1 2023 of 23.4 % was 9.4 p.p. higher than the same period in 2022, among other due to a larger portion of the production being carried out with inhouse resources, and in general, solid margins on ongoing projects and conservative progress estimates per year end. The company's backlog per June 30 was NOK 741 million (2022: NOK 582 million).

Marcon recorded a strong revenue growth of approximately 62.3 % in H1 2023 compared to H1 2022. The company's EBITDA margin in H1 2023 was 15.3 %, compared to 20.1 % in the same period in 2022. A large part of the revenue increase is driven by external deliveries of material and services, yielding inflated revenues and lower margins. In addition, the margin was affected by a relatively long winter period in the northern region of Sweden, increasing cost on current production. The company's backlog per June 30 was NOK 300 million (2022: NOK 377 million).

AQUACULTURE SOLUTIONS

(NOKm)	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
Revenue	127.2	332.6	282.0	697.2	1 289.5
EBITDA	7.2	17.0	3.6	39.4	51.3
EBITDA-margin	5.7 %	5.1 %	1.3 %	5.6 %	4.0 %
EBIT	5.1	8.8	0.0	22.9	18.3
Order back-log	283	574	283	574	304

Artec Aqua experienced a substantial reduction in revenues after the completion of Salmon Evolution phase 1. Revenues in H1 2023 amounted to NOK 191.3 million compared to NOK 642.7 million in H1 2022. The company's EBITDA margin in H1 2023 was -0.1 %, compared to 5.7 % in H1 2022. The margin reduction was expected due to a shift in revenue mix, from building to design and planning activities, and cost coverage only when producing above target price in the final stages of Salmon Evolution phase 1. The company's backlog per June 30 was NOK 125 million (2022: NOK 438 million). The reported backlog does not include the construction phases of Geo Salmo and the newly awarded Salmon Evolution phase 2 – approximately NOK 2.5 billion in combined revenues.

Endúr Sjøsterk recorded a strong revenue growth of approximately 65.9 % in H1 2023, compared to H1 2022. Q1 2022 revenues were unusually low due to an implementation of a more relevant method for measuring project progress. The company's EBITDA margin in H1 2023 was 3.8 %, compared to 4.1 % in the same period in 2022. The company reported a backlog of NOK 158 million per June 30.

OTHER

(NOKm)	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
Revenue	77.0	58.7	157.9	109.9	221.6
EBITDA	5.8	(6.5)	11.2	(6.9)	(10.7)
<i>EBITDA-margin</i>	7.5 %	-11.1 %	7.1 %	-6.3 %	-4.8 %
EBIT	(2.6)	(9.0)	0.2	(11.8)	(20.8)
Order back-log	155	227	155	227	165

Endúr Maritime also recorded a strong revenue growth of approximately 49.9 % in H1 2023, compared to the same period in 2022, as a result of improving market conditions and a high hit rate on tender activities. The company's EBITDA margin in H1 2023 was 10.3 % and 1.8 p.p. higher than the same period in 2022. The company's backlog per June 30 of NOK 155 million (2022: NOK 227 million) does not fully reflect the expected activity level in coming periods, as most orders are relatively small, have short lead times and therefore do not pass through the reported backlog.

The Other business segment also contains the holding activities carried out through the parent company, Endúr ASA. As can be derived from the above table, overhead expenses are lower in H1 2023 compared to H1 2022.

EVENTS AFTER BALANCE SHEET DATE

No material events have taken place subsequent to 30 June 2023.

RISKS AND UNCERTAINTIES

Endúr ASA is exposed to risks of both operational and financial character. The Board of Endúr ASA is conscious of the importance of risk management and works actively to reduce the total risk exposure of the Group. Please find a detailed review of these in The Group's Annual Report for FY 2022.

The Group has established guidelines for credit rating and assessment of creditworthiness of all new customers. For the public sector, credit risk is considered minimal and for Norwegian private customers, most contracts follow standards with requirements of providing security before fulfilment of contractual obligations, reducing the credit exposure for the Group.

Endúr's business model involves significant fluctuations in net working capital. Endúr is exposed to liquidity risk through its largely project based revenue generation, often employing a host of subcontractors. The failure of an Endúr client to make timely payments can in turn impact Endúr's ability to make timely payments to its own subcontractors. Diversification of project size, timing and customers affords active measures of liquidity risk mitigation, as well as, and more importantly, consistent profitable project execution. The Group's liquidity is impacted by seasonal fluctuations and fluctuations between different project phases. The Group management work closely together with the local management teams in the subsidiaries to monitor the Groups liquidity through revolving liquidity forecasts.

The Group is exposed to interest rate risk and currency risk primarily through its newly established bank financing facilities and its Swedish operations. The interest rate risk and sensitivity has been significantly reduced through the bank refinancing of The Group's more sizeable and expensive bond loan. The Group also has an active NOK 200 million fixed-for-floating interest rate swap. In order to reduce currency risk, NOK 300 million of the new bank financing is nominated in SEK.

Operational risk consists mostly of project risk and counterparty risk and is monitored both at subsidiary and group level. Project risk constitutes a persistent risk factor in and of itself and may be exacerbated by any resulting adverse liquidity consequences. From a portfolio perspective, and to the extent that the group's turnover is largely distributed across different projects and customers, both in the public and private sector, this lowers the group's overall project risk exposure.

OUTLOOK

The Group represents a full-service provider within Aquaculture Solutions and Marine Infrastructure in Norway and Sweden, servicing both public and private sector. Both segments represent fragmented niche and growth markets.

After a period impacted by market uncertainty related to the proposed taxation of economic rent for offshore fish-farming and deferred permit processes for land-based fish-farming, the market for land-based fish-farming seems to improve, both domestically and with increased abroad interest. After the finalization of Salmon Evolution phase 1, resources within Aquaculture Solutions are being directed towards design and planning for early-phase projects and new leads. On June 19 the company announced the award of the contract to deliver the process facility for Salmon Evolution phase 2 at Indre Harøy.

The outlook for Marine Infrastructure remains attractive with a high activity level, a strong backlog and continued material bid activity. While the construction market in general looks more uncertain due to lower spending on building projects and inflation, the niches in which The Group operates are exposed to an increasing maintenance gap for critical infrastructure and increased demand for renewable

energy and green industry.

The Norwegian Armed Forces exercise of an additional one-year option for the ongoing maintenance of its ship fleet, represents additional revenue coverage through 2023 and 2024 for the Other segment, while The Group is also involved in a bid for a new strategic framework agreement for the same customer, regarding frigate maintenance and upgrades.

Financially, the refinancing of The Group's bond loan will provide significantly lower interest expenses going forward, as well as reduced interest rate risk and sensitivity.

RESPONSIBILITY STATEMENT

From the Board of Directors and CEO of Endúr ASA

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period January 1 to June 30, 2023 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the (Company's and) Group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first three months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining nine months of the financial year, and major related party transactions.

Lysaker - 23 August 2023
Board of Directors and CEO of
Endúr ASA

Pål Reiulf Olsen
(Chairman)
-sign

Jeppe Bjørnerud Raaholt
(CEO)
-sign

Bjørn Finnøy
-sign

Kristine Landmark
-sign

Hedvig Bugge Reiersen
-sign

Pål Skjæggestad
-sign

Condensed Consolidated Statement of Profit or Loss

(NOKm)	Note	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
Continued operations						
Revenue	4	543.4	625.3	1 027.6	1 235.2	2 492.2
Other revenue	4	0.5	12.6	1.0	14.5	18.3
Revenue		543.9	637.9	1 028.6	1 249.6	2 510.5
Cost of materials		(306.5)	(399.7)	(588.6)	(807.9)	(1 613.8)
Payroll expenses		(95.5)	(103.6)	(213.8)	(206.6)	(424.4)
Depreciation, amortisation, impairment	5, 6	(42.7)	(33.8)	(78.5)	(67.0)	(133.7)
Other operating expenses		(66.3)	(73.4)	(100.4)	(123.2)	(242.3)
Operating expenses		(510.9)	(610.5)	(981.3)	(1 204.7)	(2 414.2)
Operating profit/loss		33.0	27.3	47.3	44.9	96.3
Net financial items		(5.2)	(19.5)	(82.8)	(43.1)	(82.0)
Profit/loss before tax		27.8	7.8	(35.5)	1.8	14.3
Income Tax		(6.4)	10.9	7.4	8.9	(5.2)
Profit/loss for the period		21.4	18.8	(28.0)	10.7	9.1
Other comprehensive income						
Exchange rate differences		(7.9)	10.3	18.8	(3.8)	(11.7)
Other comprehensive income for the period, net of tax		(7.9)	10.3	18.8	(3.8)	(11.7)
Total comprehensive income		13.4	29.0	(9.2)	6.9	(2.6)
Profit/loss attributable to:						
Owners of the company		21.4	18.8	(28.0)	10.7	9.1
Profit/loss		21.4	18.8	(28.0)	10.7	9.1
Total comprehensive income attributable to:						
Owners of the company		13.4	29.0	(9.2)	6.9	(2.6)
Total comprehensive income		13.4	29.0	(9.2)	6.9	(2.6)
Earnings per share						
Basic earnings per share (NOK)		0.66	0.68	(0.88)	0.39	0.33
Diluted earnings per share (NOK)		0.66	0.68	(0.88)	0.39	0.33
Earnings per share - continued operations						
Basic earnings per share (NOK)		0.66	0.68	(0.88)	0.39	0.33
Diluted earnings per share (NOK)		0.66	0.68	(0.88)	0.39	0.33

Consolidated Statement of Financial Position

(NOKm)	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS				
Intangible assets and goodwill	5	1 060.1	1 082.6	1 071.1
Property, plant and equipment	6	384.5	417.1	391.7
Right-of-use assets		93.6	83.3	88.9
Financial assets	7, 10	6.9	2.6	6.6
Other non-current assets		21.2	3.3	18.3
Total non-current assets		1 566.3	1 588.8	1 576.6
Inventories		18.2	34.1	25.5
Contract assets		113.1	38.0	123.5
Trade and other receivables		464.1	466.1	549.7
Cash and cash equivalents		149.6	337.2	314.8
Total current assets		745.0	875.3	1 013.6
TOTAL ASSETS		2 311.3	2 464.1	2 590.2
EQUITY AND LIABILITIES				
Equity				
Share capital	8	16.3	13.7	13.7
Share premium		1 001.7	888.7	888.7
Other paid-in capital		4.0	4.0	4.0
Other reserves		(1.0)	(11.9)	(19.7)
Retained earnings		-	10.7	9.1
Equity		1 021.0	905.3	895.8
Liabilities				
Deferred tax liabilities		73.0	68.9	77.6
Loans and borrowings	7, 9	542.5	851.5	810.5
Lease liabilities		39.2	61.5	66.3
Other non-current liabilities		-	7.2	3.6
Total non-current liabilities		654.7	989.1	957.9
Loans and borrowings	7, 9	0.1	0.3	0.1
Lease liabilities		58.3	24.1	25.7
Trade and other payables		547.1	515.8	606.8
Contract liabilities		30.2	29.4	103.9
Total current liabilities		635.6	569.7	736.5
Total liabilities		1 290.3	1 558.5	1 694.4
TOTAL EQUITY AND LIABILITIES		2 311.3	2 464.1	2 590.2

Lysaker – 23 August 2023
Board of Directors and CEO of
Endúr ASA

Pål Reiulf Olsen
(Chairman)
-sign

Kristine Landmark
-sign

Jeppe Bjørnerud Raaholt
(CEO)
-sign

Hedvig Bugge Reiersen
-sign

Bjørn Finnøy
-sign

Pål Skjæggestad
-sign

Condensed Consolidated Statement of Cash Flows

(NOKm)	Q2 2023	Q2 2022	H1 2023	H1 2022	2022
Cash flow from operating activities					
Profit/loss for the period	21.4	18.8	(28.0)	10.7	9.1
Adjustments for:					
Depreciation, amortization and impairment	42.7	33.8	78.5	67.0	133.7
Tax expense	6.4	(10.9)	(7.5)	(8.9)	5.2
Taxes paid	-	(4.8)	-	(4.8)	-
Gains and losses on disposals	-	(7.2)	(0.6)	(7.2)	(7.6)
Items classified as investments and financing activities	5.2	19.5	82.8	43.1	82.0
Changes in:					
Trade and other receivables	100.7	64.2	86.0	38.9	(44.9)
Trade and other payables	37.8	(15.1)	(60.0)	10.6	101.5
Inventories, contract assets and contract liabilities	(65.5)	(29.1)	(55.0)	(16.6)	(19.5)
Other changes from demasurement, acquisitions and reclassification	-	(1.7)	-	(1.7)	7.2
Net cash flow from operating activities	148.0	67.5	96.2	131.0	266.7
Cash flow from investment activities					
Acquisition of PP&E and intangible assets	(9.6)	(12.9)	(17.3)	(19.4)	(46.7)
Proceeds from sale of PP&E	0.7	0.4	0.9	1.4	2.5
Net outflow from non-current receivables	(1.2)	(0.2)	(3.0)	(2.3)	(16.9)
Business combinations, net cash (acquisition)	-	(5.2)	-	(5.2)	(5.2)
Business combinations, net cash (sale)	-	20.8	-	20.8	20.8
Net cash flow from investment activities	(10.1)	3.0	(19.4)	(4.6)	(45.5)
Cash flow from financing activities					
Proceeds from capital increases	1.7	-	134.4	0.0	-
Proceeds from loans and borrowings	-	-	543.3	0.0	2.0
Repayment of non-current loans and borrowings	0.7	(45.6)	(810.0)	(45.6)	(90.7)
Repayment of current loans and borrowings	-	(3.0)	-	(1.9)	(3.2)
Payment of interest	(4.5)	(13.4)	(76.2)	(37.0)	(78.9)
Repayment of lease liabilities	(14.8)	(3.0)	(22.6)	(4.9)	(28.0)
Net cash flow from financing activities	(16.8)	(65.0)	(231.1)	(89.4)	(198.8)
Currency translation effects	(16.2)	10.3	(10.9)	(3.8)	(11.7)
Net cash flow	104.9	15.8	(165.2)	33.2	10.7
Cash and cash equivalents opening balance	44.8	322.0	314.8	304.4	304.4
Cash and cash equivalents closing balance	149.6	337.8	149.6	337.6	314.8
Of which restricted cash	6.8	9.8	6.8	9.8	8.9

Consolidated Statement of Changes in Equity

(NOKm)	Note	Share capital	Share premium	Other paid-in capital	Retained earnings	Translation reserves	Total equity
Equity 1 Jan 2023		13.7	888.8	4.0	9.1	(19.7)	895.9
Profit (loss)		-	-	-	(28.0)	-	(28.0)
Other comprehensive income, exchange differences		-	-	-	-	18.7	18.7
Issue of shares	8	2.5	131.8	-	-	-	134.4
Adjustment		-	(18.9)	-	18.9	-	-
Equity 30 Jun 2023		16.3	1 001.7	4.0	-	(1.0)	1 021.0
Equity 1 Jan 2022		13.7	888.7	4.0	-	(8.0)	898.4
Profit (loss)		-	-	-	10.7	-	10.7
Other comprehensive income, exchange differences		-	-	-	-	(3.8)	(3.8)
Adjustment		-	10.7	-	(10.7)	-	-
Equity 30 Jun 2022		13.7	899.4	4.0	-	(11.8)	905.3

Notes to the Consolidated Interim Accounts

NOTE 1: CORPORATE INFORMATION

Endúr ASA is a public limited liability company based in Norway and was founded on 22 May 2007. The Company's registered office is at Strandveien 17, 1366 Lysaker, Norway. These consolidated interim financial statements comprise the Company and its subsidiaries (collectively the "Group" and individually "Group companies"). Endúr ASA is listed on Oslo Stock Exchange with the ticker ENDUR.

NOTE 2: BASIS FOR PREPARATION

This interim condensed consolidated financial statement has been prepared in accordance with IAS 34 "Interim Financial Reporting" and follows the same accounting principles as in the consolidated financial statements for 2022. An interim financial statement does not contain all the information required in a complete annual financial statement and should therefore be read in context with the annual report for 2022. The interim condensed consolidated financial statements for Endúr ASA and its subsidiaries (collectively, the Group) for the six months ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on 23 August 2023.

Financial information is stated in NOK million, unless otherwise specified.

The interim financial information has not been subject to audit or review.

NOTE 3: OPERATING SEGMENTS

OPERATING SEGMENTS

The Group reports on the following business segments: Aquaculture Solutions, Marine Infrastructure and Other. These segments offer different products and services, and are managed separately because they require different marketing strategies. Inter-segment pricing is determined on an arm's length basis.

Segment performance is measured by operating profit before depreciation, amortization and write-downs (EBITDA) and operating profit after PPA amortizations (EBIT). This is included in internal management reports, which are being reviewed by the Group's executive management.

Aquaculture Solutions

The Aquaculture Solutions segment includes production land-based fish-farming facilities and concrete feed barges for the aquaculture industry. The segment consists of the companies Artec Aqua AS, Endúr Sjøsterk AS and Endúr Eiendom AS.

Marine Infrastructure

The Marine Infrastructure segment includes harbour/quay construction and maintenance and underwater services. The segment consists of the companies BMO Entreprenør AS and Marcon-Gruppen i Sverige AB (incl. 10 subsidiaries).

Other

Other includes maritime service and ship maintenance, unallocated corporate costs and Group financing. The segment consists of the companies Endúr Maritime AS, Endúr ASA, Endúr Bidco II AS and BG Malta Ltd.

H1 2023 (NOKm)	Aquaculture solutions	Marine infrastructure	Other	Intra-group eliminations	Total
Operating revenue	281.4	588.3	157.8	0.1	1 027.6
Operating profit / loss EBITDA	3.6	111.0	11.2	-	125.8
Depreciation, Amortization	(17.2)	(50.4)	(11.0)	-	(78.5)
Impairment	-	-	-	-	-
Operating profit / loss EBIT	(13.6)	60.6	0.2	-	47.3
Segments assets	965.0	1 332.7	84.8	(71.2)	2 311.3
Segments liabilities	288.2	420.4	654.7	(73.0)	1 290.3

H1 2022 (NOKm)	Aquaculture solutions	Marine infrastructure	Other	Intra-group eliminations	Total
Operating revenue	697.1	462.9	109.9	(20.3)	1 249.6
Operating profit / loss EBITDA	39.4	75.6	(10.3)	7.2	111.9
Depreciation, Amortization	(16.4)	(45.7)	(4.9)	-	(67.0)
Impairment	-	-	-	-	-
Operating profit / loss EBIT	22.9	29.9	(15.1)	7.2	44.9
Segments assets	1 144.2	1 225.2	330.0	(235.3)	2 464.1
Segments liabilities	382.4	421.3	990.2	(235.3)	1 558.5

NOTE 4: REVENUE FROM CONTRACTS WITH CUSTOMERS

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

H1 (NOKm)	Aquaculture Solutions		Marine Infrastructure		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Primary geographical markets								
Norway and the Norwegian Continental Shelf	257.5	671.6	258.1	245.9	154.5	103.0	670.2	1 020.4
Sweden	-	-	308.3	199.6	0.1	0.2	308.4	199.9
Other	23.6	2.4	22.2	12.2	3.1	0.3	49.0	14.9
Total	281.2	674.0	588.6	457.7	157.7	103.5	1 027.6	1 235.2
Major products / service lines								
Public Sector-Directly	1.2	3.2	332.5	323.3	109.3	64.0	443.0	390.5
Private Sector-Directly	280.0	670.8	256.1	134.4	48.5	39.5	584.6	844.7
Total	281.2	674.0	588.6	457.7	157.7	103.5	1 027.6	1 235.2
Timing of revenue recognition								
Products transferred at a point in time	191.2	642.7	13.2	19.7	157.7	103.5	362.1	766.0
Products and services transferred over time	89.9	31.2	575.5	438.0	-	-	665.4	469.2
Total	281.2	674.0	588.6	457.7	157.7	103.5	1 027.6	1 235.2

Performance obligations that are unsatisfied at the reporting date, have an original expected duration of one year or less.

NOTE 5: INTANGIBLE ASSETS

INTANGIBLE ASSETS

H1 2023 (NOKm)	Note	Licenses, patents, etc.	Customer relationship	Order backlog	Goodwill	Total
Acquisition cost as of 1 Jan 2023		97.4	186.7	26.1	874.8	1 1185.0
Addition		4.3	-	-	-	4.3
Currency adjustment		-	-	-	4.0	4.0
Acquisition cost as of 30 Jun 2023		101.7	186.7	26.1	878.8	1 193.3
Accumulated depreciations/impairments as of 1 Jan 2023		(16.7)	(34.1)	(20.9)	(42.3)	(113.9)
Current year's depreciations		(4.6)	(9.3)	(5.2)	-	(19.2)
Currency adjustment		-	-	-	-	-
Accumulated depreciations/impairments as of 30 Jun 2023		(21.4)	(43.4)	(26.1)	(42.3)	(133.2)
Book value 30 Jun 2023		80.3	143.3	-	836.5	1 060.1

H1 2022 (NOKm)	Note	Licenses, patents, etc.	Customer relationship	Order backlog	Goodwill	Total
Acquisition cost as of 1 Jan 2022		91.1	190.8	26.4	914.3	1 222.6
Addition		-	-	-	0.4	0.4
Disposal due to sale of business		-	(4.1)	(0.3)	(29.9)	(34.3)
Currency adjustment		-	-	-	(1.1)	(1.1)
Other changes		-	-	-	(7.4)	(7.4)
Acquisition cost as of 30 June 2022		91.1	186.7	26.1	876.2	1 180.1
Accumulated depreciations/impairments as of 1 Jan 2022		(10.0)	(16.0)	(10.7)	(65.1)	(101.9)
Current year's depreciations		(4.7)	(9.3)	(5.2)	-	(19.2)
Disposals due to sale of business		-	0.8	-	22.8	23.6
Currency adjustment		-	-	-	-	-
Accumulated depreciations/impairments as of 30 June 2022		(14.7)	(24.6)	(16.0)	(42.3)	(97.6)
Book value 30 June 2022		76.3	162.1	10.1	833.9	1 082.6

The Group's goodwill originates from the following business combinations and cash generating units:

(NOKm)	30 Jun 2023	31 Dec 2022
Aquaculture Solutions - Artec Aqua AS	413.8	413.8
Aquaculture Solutions - Endúr Sjøsterk AS	48.5	48.5
Marine Infrastructure - Marcon Gruppen i Sverige AB	81.2	77.5
Marine Infrastructure - BMO Entreprenør AS	271.3	271.3
Marine Infrastructure - Installit AS	-	-
Other - Endúr Maritime AS	15.7	15.7
Total goodwill	830.5	826.7

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT

H1 2023 (NOKm)	Note	Land, buildings	Machinery and other equipment	Total
Acquisition cost as of 1 Jan 2023		28.6	798.5	827.1
Acquisitions		1.1	10.8	11.9
Disposals		-	(1.1)	(1.1)
Currency adjustment		0.9	31.2	32.1
Other changes		13.2	(13.2)	-
Acquisition cost as of 30 Jun 2023		43.8	826.3	870.0
Accumulated depreciations as of 1 Jan 2023		(14.4)	(421.0)	(435.4)
Current year's depreciation		(0.9)	(35.3)	(36.2)
Disposals		-	0.7	0.7
Currency adjustment		(0.4)	(14.3)	(14.6)
Other changes		(3.4)	3.4	-
Accumulated depreciations as of 30 Jun 2023		(19.0)	(466.5)	(485.5)
Book value 30 Jun 2023		24.8	359.7	384.5

H1 2022 (NOKm)	Land, buildings	Machinery and other equipment	Total
Acquisition cost 1 Jan 2022	25.3	768.0	793.2
Additions	3.1	21.5	24.6
Additions through business combinations	-	13.7	13.7
Disposals	-	(3.1)	(3.1)
Disposals due to sale of business	-	(0.6)	(0.6)
Currency adjustment	(0.2)	(5.9)	(6.1)
Acquisition cost 30 June 2022	28.2	793.5	821.7
Accumulated depreciations as of 1 Jan 2022	(12.7)	(354.5)	(367.2)
Additions through business combinations	-	(9.4)	(9.4)
Current year's depreciation	(0.5)	(32.8)	(33.3)
Disposals	-	3.0	3.0
Disposals due to sale of business	-	0.2	0.2
Currency adjustment	0.1	2.0	2.1
Acquisition cost 30 June 2022	(13.2)	(391.5)	(404.6)
Book value 30 June 2022	15.0	402.0	417.1

NOTE 7: FINANCIAL INSTRUMENTS

Overview of carrying amounts of financial instruments in the consolidated balance sheet

30 Jun 2023 (NOKm)	Note	Financial assets and liabilities at amortized cost	Financial assets and liabilities at fair value through profit and loss	Financial assets and liabilities at fair value through OCI	Total carrying amount 30 Jun 2023
Financial assets by category					
Financial derivatives	10	-	6.3	-	6.3
Other financial assets		0.7	-	-	0.7
Trade receivables		395.9	-	-	395.9
Cash and cash equivalents		149.6	-	-	149.6
Total financial assets		546.1	6.3	-	552.4
Financial liabilities by category					
Loans and borrowings	9	542.5	-	-	542.5
Other current loans		0.1	-	-	0.1
Trade and other payables		547.1	-	-	547.1
Total financial liabilities		1 089.6	-	-	1 089.6

30 Jun 2022 (NOKm)	Note	Financial assets and liabilities at amortized cost	Financial assets and liabilities at fair value through profit and loss	Financial assets and liabilities at fair value through OCI	Total carrying amount 30 Jun 2022
Financial assets by category					
Other financial assets		2.6	-	-	2.6
Trade receivables		466.1	-	-	466.1
Cash and cash equivalents		337.2	-	-	337.2
Total financial assets		805.9			
Financial liabilities by category					
Loans and borrowings		851.5	-	-	851.5
Other current loans		0.3	-	-	0.3
Trade and other payables		515.6	-	-	515.6
Total financial liabilities		1 367.4			

Fair value of financial assets and liabilities not measured at fair value

The Group has not disclosed the fair values for financial assets and liabilities not measured at fair value as the carrying amount is considered to be a reasonable approximation of fair value.

NOTE 8: SHARE CAPITAL AND SHAREHOLDER INFORMATION

Issue of shares registered 19 January 2023 - The company's share capital increased by NOK 1 300 000 from NOK 13.726.435 to NOK 15.026.434, by issuing 2 599 999 new shares each with a nominal value of NOK 0.5. This was related to tranche 1 of the private placement completed on 11 January 2023.

Issue of shares registered 9 February 2023 - The company's share capital increased by NOK 1 245 455 from NOK 15.026.434 to NOK 16.271.889 by issuing 2 490 910 new shares each with a nominal value of NOK 0.5. This was tranche 2 of the private placement commented above.

Issue of shares registered 27 April 2023 - The company's share capital increased by NOK 25 523.5 from NOK 16.271.889 to NOK 16.297.412.5 by issuing 51 047 new shares each with a nominal value of NOK 0.5. The issuance was in connection with the employee share purchase program for 2023.

On 30 June 2023, the share capital of Endúr ASA was NOK 16.297.412.5, divided into 32.594.825 shares, each with a nominal value of NOK 0.5. All shares have equal voting rights.

Shareholders as of 30 Jun 2023	No of shares	Holding
ARTEC HOLDING AS	8 598 313	26.38 %
BEVER HOLDING AS	2 280 739	7.00 %
TIGERSTADEN MARINE AS	2 000 000	6.14 %
DANSKE BANK A/S	1 805 791	5.54 %
DNB Markets Aksjehandel/-analyse	1 280 058	3.93 %
Fender Eiendom AS	1 053 211	3.23 %
BERGSKOGEN EIENDOM AS	969 782	2.98 %
Heartmakermusic as	751 186	2.30 %
PIROL AS	750 000	2.30 %
Cygnus Olor AB	694 977	2.13 %
ALDEN AS	644 470	1.98 %
VALLELØKKEN AS	623 278	1.91 %
TIGERSTADEN AS	542 128	1.66 %
Guttis AS	500 000	1.53 %
SOLSIDAN AS	434 682	1.33 %
GIMLE INVEST AS	421 204	1.29 %
TIGHT HOLDING AS	328 547	1.01 %
BR INDUSTRIER AS	316 351	0.97 %
GM CAPITAL AS	265 000	0.81 %
EIKELAND HOLDING AS	260 000	0.80 %
Total shares owned by 20 largest shareholders	24 519 714	75.23 %
Other shareholders	8 075 111	24.77 %
Total number of shares 30 Jun 2023	32 594 825	100.00 %

NOTE 9: LOANS AND BORROWINGS**LOANS AND BORROWINGS**

(NOKm)	30 Jun 2023	31 Dec 2022
Non-current loans and borrowings		
Secured bank loans	539.9	0.1
Other loans	2.5	4.3
Secured bond loans	-	806.1
Current loans and borrowings		
Secured bank loans	0.1	0.1
Total	542.5	810.5

Secured bank loan

In connection with the refinancing of the net NOK 810 million secured bond loan in March 2023, Endúr entered into a bank loan agreement with a syndicate consisting of SpareBank 1 SR-Bank ASA and SpareBank 1 SMN. The bank financing includes a NOK 250 million term loan ("Facility A"), a SEK 300 million term loan ("Facility B") and a NOK 150 million overdraft facility ("Facility C") (together the "Facilities"). Facility A and B will have 3-year maturity with quarterly instalments of NOK 12 million and SEK 13 million.

The bank financing facilities are subject to a financial covenant which requires maintaining a leverage ratio not greater than 3.25x up to 31 December 2023, and then 3.0x, 2.75x and 2.5x up to 30 June 2024, 30 September 2024 and until maturity.

The NOK loan facilities use NIBOR 3M as reference rates, and the SEK loan facility use STIBOR 3M as reference rate. The new interest rate margins are presented on page 3 in this report.

NOTE 10: DERIVATIVES**FINANCIAL DERIVATIVES**

30 Jun 2023 (NOKm)	Level 1	Level 2	Level 3	Total
Interest rate swaps	-	6.3	-	6.3
Cross currency swaps	-	-	-	-
Total financial assets measured at fair value	-	6.3	-	6.3
Interest rate swaps	-	-	-	-
Cross currency swaps	-	-	-	-
Total financial liabilities measured at fair value	-	-	-	-

FINANCIAL DERIVATIVES

Endúr entered into two financial derivatives contracts in 2022, in order to reduce inherent exposure to floating interest rate on the senior secured bond loan and foreign currency risk on the Group's Swedish operations. As part of the refinancing in March 2023, the cross-currency swap was terminated and replaced with the SEK 300 million loan facility as described in note 9. The financial expense related to termination of the swap amounted to NOK 18.9 million.

NOTE 11: TRANSACTIONS WITH RELATED PARTIES

In H1 2023 there have not been any material transactions or agreements entered into with any related parties.

NOTE 12: SUBSEQUENT EVENTS

No material events have taken place subsequent to 30 June 2023.

NOTE 13: GOING CONCERN

The Board of Endúr ASA confirms, according to § 3-3a of the Accounting Act, that the interim accounts have been prepared based on the assumption of going concern.

Alternative Performance Measures

In this interim report the Group presents several Alternative Performance Measures (APMs), which are described below:

EBITDA

EBITDA (Earnings before interest, taxes, depreciation and amortization) is a commonly used performance measure. EBITDA provides an expression of profitability from operations. Endúr believes that this performance measure provides useful information about the Group's ability to service debt and finance investments. In addition, the performance measure is useful for comparing profitability with other companies.

EBITDA is calculated as Profit for the period before tax, net financial items and depreciation and amortization.

ADJUSTED EBITDA

In order to give a better representation of underlying performance, the following adjustments are made to EBITDA:

Special items: items that are not part of

the ordinary business, such as restructuring and acquisition related costs, and EBITDA from companies disposed of after the balance-sheet date.

EBITDA-margin

EBITDA-margin is calculated as EBITDA divided by total revenue.

EBIT

EBIT (Earnings before interest and taxes) is a commonly used performance measure. EBIT provides an expression of profitability from operations, but unlike EBITDA this performance measure also includes depreciations and amortization for the period.

EBIT is equal to operating profit/loss in the income statement and is calculated as Profit for the period before tax and net financial items.

NET INTEREST-BEARING DEBT

Net Interest-Bearing Debt is calculated as interest-bearing loans minus cash and cash equivalents.

LEVERAGE RATIO

Leverage ratio is calculated as NIBD/EBITDA (last twelve months)

EQUITY RATIO

Equity ratio is calculated as total equity divided by total assets.

