



EXMAR

HALF YEAR REPORT 2023

# FINANCIAL OVERVIEW

## CONSOLIDATED KEY FIGURES

	International Financial Reporting Standards (IFRS) <sup>(1)</sup>		Management reporting based on proportionate consolidation <sup>(2)</sup>	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>CONSOLIDATED RESULTS (IN MILLIONS OF USD)</b>				
Revenue	200.2	57.1	243.7	100.3
EBITDA	30.4	1.2	63.5	29.9
Depreciation and impairment losses	-20.9	0.4	-34.6	-5.9
Operating result (EBIT)	9.6	1.6	28.9	24.0
Net finance result	2.0	-8.5	-5.0	-14.0
Share of result of equity accounted investees (net of income tax)	12.5	17.0	0.1	0.2
Result before income tax	24.0	10.1	24.0	10.1
Income tax expense	-3.0	-0.4	-3.0	-0.4
Result for the period	21.0	9.7	21.0	9.7
Of which Group share	21.0	9.6	21.0	9.6
<b>INFORMATION PER SHARE (IN USD PER SHARE)</b>				
Weighted average number of shares of the period	57,351,862	57,226,737	57,351,862	57,226,737
EBITDA	0.53	0.02	1.11	0.52
Operating result (EBIT)	0.17	0.03	0.50	0.42
Result for the period	0.37	0.17	0.37	0.17
<b>INFORMATION PER SHARE (IN EUR PER SHARE)</b>				
Exchange rate	1.0776	1.1006	1.0776	1.1006
EBITDA	0.49	0.02	1.03	0.47
Operating result (EBIT)	0.15	0.02	0.47	0.38
Result for the period	0.34	0.15	0.34	0.15

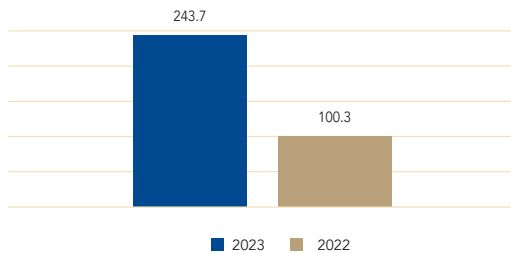
(1) The figures in these columns have been prepared in accordance with IFRS as adopted by the EU (i.e. joint-ventures accounted for at equity method).

(2) The figures in these columns reflect management presentation and include the joint-ventures based on the proportionate consolidation method instead of the equity method.

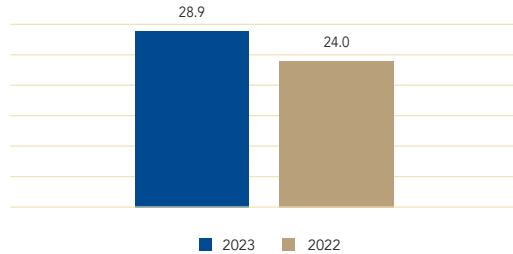
A reconciliation between the amounts applying the proportionate method and the equity method is included in Note 5 Reconciliation segment reporting of the Financial Report per June 30, 2023.

## KEY RATIOS (PROPORTIONATE CONSOLIDATION, IN MILLIONS OF USD)

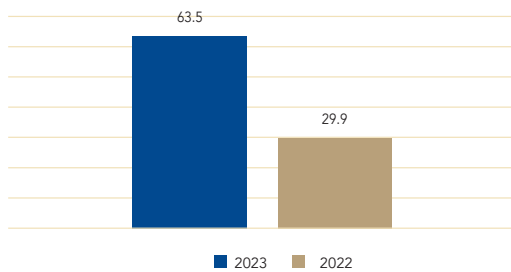
### REVENUE



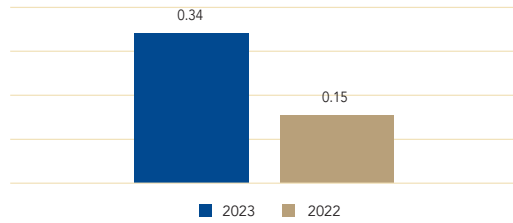
### EBIT



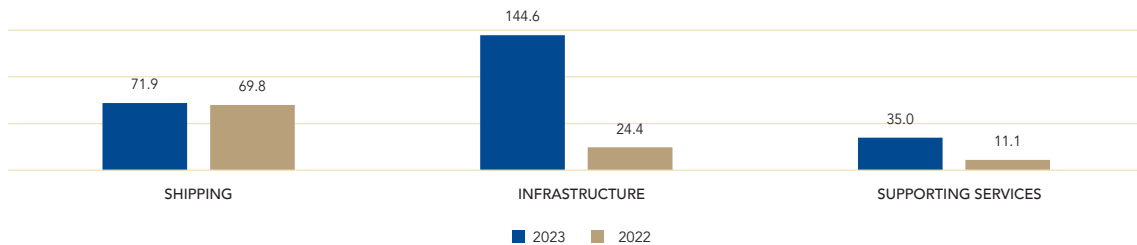
### EBITDA\*



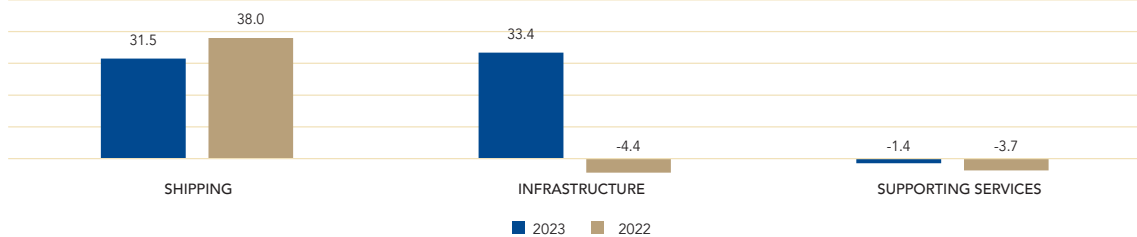
### BASIC EARNINGS PER SHARE (IN EURO/SHARE)



### REVENUE PER SEGMENT



### EBITDA PER SEGMENT



\* EBITDA: Earnings before interest, taxes, depreciation, amortization and impairment.





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# ACTIVITY REPORT

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# SHIPPING

EXMAR Shipping is a leading ship owner for the transportation of liquefied petroleum gas, ammonia, petrochemical gases and liquefied natural gas. As a prominent midsize LPG and ammonia ship owner-operator, EXMAR benefits from long-term business partnerships with first-class customers.

## PROPORTIONATE CONSOLIDATION - SHIPPING (In millions of USD)

	June 30, 2023	June 30, 2022
Revenue	71.9	69.8
EBITDA	31.5	38.0
Operating result (EBIT)	8.3	22.5
Consolidated result after tax	-6.8	12.0
Vessels and barges (owned and leased)	514.6	545.3
Financial debts	381.8	438.0

## MARKET OVERVIEW

EXMAR's fleet remained employed on term charters for established customers and has 99% coverage for the remainder of 2023.

Freight markets for all fully refrigerated LPG vessels are expected to remain robust throughout 2023. The market has so far absorbed the VLGC (Very Large Gas Carrier, 27 ships) and MGC (Midsize Gas Carrier, 11 ships) newbuildings that were delivered in the first half of 2023. Another batch of newbuild ships will be delivered in the second half of the year, with 19 VLGCs and 8 MGCs expected. These newbuild vessels will be required to transport the expected higher LPG outputs in the US and the Middle East.

2023 also saw the IMO decarbonization regulations become effective, with the EEXI (Energy Efficiency eXisting ship Index), resulting in a speed reduction

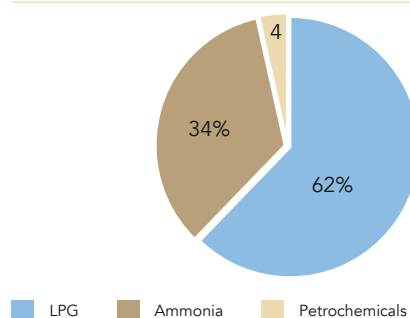
across a large part of the global fleet. This will tighten ship supply.

EXMAR LPG, the joint venture between EXMAR and Seapeak, has placed an order for four 46,000 m<sup>3</sup> newbuild dual-fuel MGCs, two of which may come with an ammonia-fueled engine. The shipping industry sees ammonia as the optimal low-carbon fuel of the future.

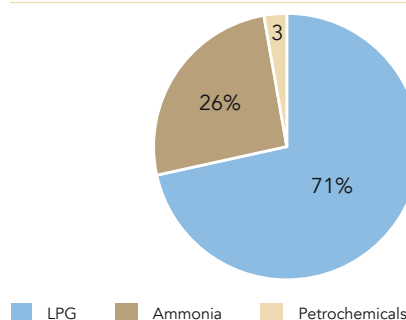
EXMAR LPG has also committed to four 40,000 m<sup>3</sup> newbuild MGCs, based on a long-term charter with purchase options.

See the graphs below for an overview of the ammonia and LPG cargoes moved by EXMAR's fleet. We see a reduction in LPG cargoes compared to 2022, due to the sale of the EUPEN and the BASTOGNE and the grade change to ammonia on the WAASMUNSTER.

### TOTAL CARGO MOVED 1H2023



### TOTAL CARGO MOVED 1H2022



Source: Own data

## MARKET DRIVERS

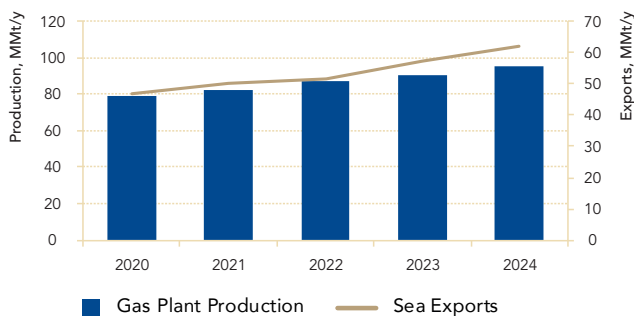
On the LPG side, China opened up after a long COVID lockdown and is bringing new propane dehydrogenation plants on stream in 2023 and 2024. Imports of LPG have accordingly increased to record levels.

US LPG exports have been strong on the back of suppressed domestic demand from the petrochemical industry, keeping inventories high and propane prices low. Furthermore, the Panama Canal transit times remain high, causing long delays or higher ton-mile, as operators take the longer route to East Asia.

The ammonia cargo market has, however, seen a correction after last year's rush. Less activity has been recorded, with fewer ship movements and a lower ton-mile as a consequence.

On the regulatory side, IMO's decarbonization regulations became effective in January 2023 and EEXI has led to a general speed reduction across shipping markets. The CII regulation has led to much discussion between Owners and Charterers, and the market is still assessing the possible impact on the fleet going forward. In the meantime, the European Union Emission Trading System (EU ETS) comes into force in 2024, with emission taxes levied on all cargoes travelling through EU ports.

## US LPG PRODUCTION AND EXPORTS



Source: Poten

## VERY LARGE GAS CARRIERS (VLGC)

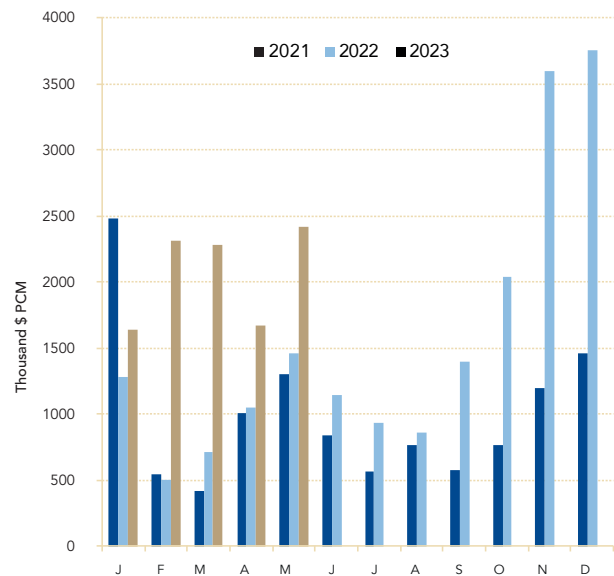
The VLGC freight market has benefited from higher US LPG exports and has experienced a very strong year so far, with historic high levels.

US LPG exports are expected to continue to grow in 2023 to more than 59MMt on the back of increased Natural Gas fractionation, which should maintain revenues in this segment at a good level.

East Asian demand for propane is expected to continue to rise in the second half of 2023 as the new Chinese PDH (propane dehydrogenation) plants come on stream and ramp up ahead of the winter.

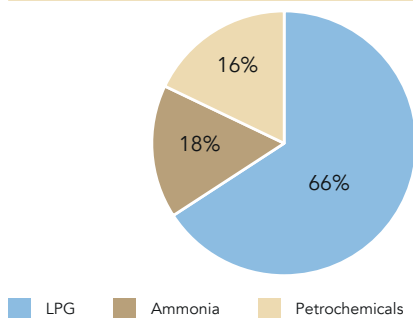
The longer waiting times for VLGCs at the Panama Canal locks able to handle Neopanamax vessels are expected to give a further boost to freight markets. Concerns about long waiting times have led Owners to look at alternative routes that avoid the Panamanian locks resulting in a higher ton-mile.

## VLGC SPOT TCE RATES

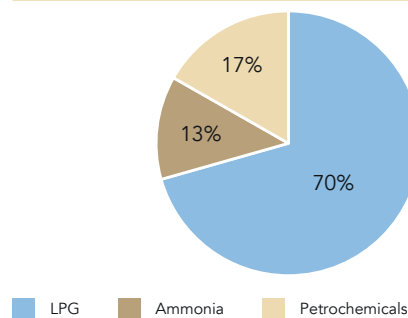


Source: Poten

## NUMBER OF VOYAGES 1H2023



## NUMBER OF VOYAGES 1H2022



## MIDSIZE GAS CARRIERS (MGC)

The global MGC fleet was well employed in the first half of 2023 and rates have remained robust. While 2022 was an eventful year for gas shipping with increased freight and higher ton-mile, 2023 has seen a correction due to fewer ammonia trades. The ammonia cargo trade has seen lower activity and a lower ton-mile, which has generated some commercial pressure on the MGC fleet. LPG trade remained robust, however, so Owners managed to keep MGC hire rates at good levels despite recent newbuilding deliveries.

The second-hand market remained healthy with inquiries about purchasing MGCs and pressurized ships mainly from Turkey, India and the Far East. EXMAR sold its MGC the BASTOGNE (2002), which was delivered in the first quarter of 2023.

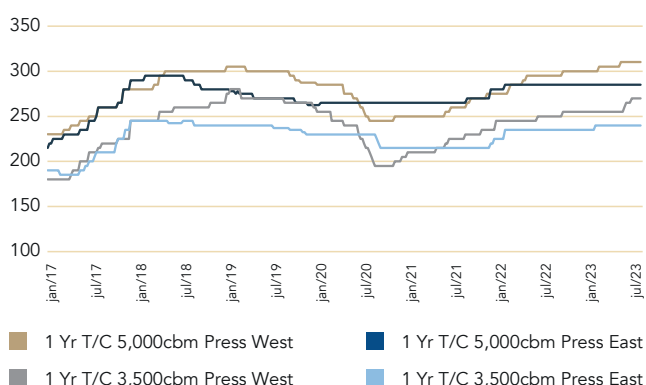
## PRESSURIZED

The suppressed trade in petrochemical gases in Europe and in Asia in 2023 led to a reduction in the shipping of petrochemical gases.

In Europe, refinery runs started well, but falling demand led to petchems cargoes trading 30% lower in the second quarter. Owners managed to maintain tonnage, as they filled gaps in the petchems market with employment in LPG.

China's struggling real-estate sector has driven down petrochemical demand, resulting in declining shipping demand in the region. Some Owners decided to move ships westwards, and ship sales affected the availability, in particular, of modern ships approved by major energy companies.

### 1 YR T/C -WEEKLY AVERAGE (\$/PCM)



Source: Gibson





# INFRASTRUCTURE

EXMAR's Infrastructure business unit provides highly innovative maritime infrastructure solutions to the energy industry. We develop, build and operate floating production, storage and offloading solutions. This helps our customers improve global access to energy and make their oil, LNG, gas or power production more sustainable.

The business unit is also active in the offshore floating accommodation market, with two accommodation and work barges operating in West Africa, as well as providing highly specialized offshore engineering support and consultancy services through its various engineering offices worldwide.

## PROPORTIONATE CONSOLIDATION - INFRASTRUCTURE (In millions of USD)

	June 30, 2023	June 30, 2022
Revenue	144.6	24.4
EBITDA	33.4	-4.4
Operating result (EBIT)	23.2	5.6
Consolidated result after tax	18.8	-7.0
Vessels and barges (owned and leased)	210.7	167.2
Financial debts	2.3	51.6

## MARKET OVERVIEW

Pressure has eased on the European gas and global energy markets since the beginning of 2023, due to favorable weather and government interventions.

By the end of Q1 2023, European hub and Asian spot natural gas prices had fallen below their summer 2021 levels, although they remain well above their historic averages. The steep decline in natural gas demand reduced the need for storage withdrawals in Europe and the United States over winter 2022/23. As a result, storage sites closed the heating season with inventory levels well above their five-year average. This is expected to reduce replenishment demand during the summer of 2023, and potentially ease market fundamentals.

Global gas supply is set to remain tight in 2023 and the global balance is subject to an unusually wide range of uncertainties. With global gas prices back in single-digit territory, attention is turning to looming oversupply later this decade and its effect on the next phase in the development of LNG infrastructure.

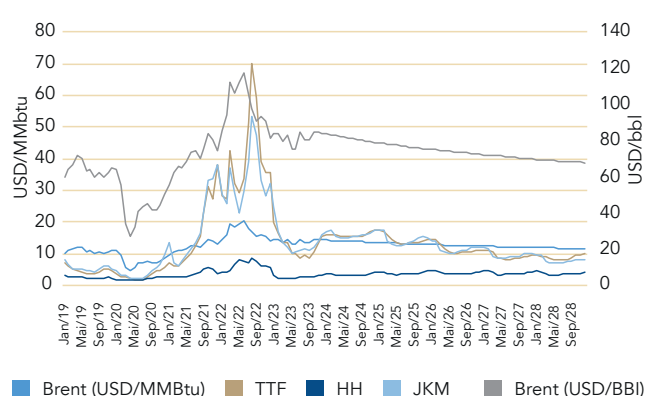
In a world determined to achieve decarbonization targets, economics may exert downward pressure on LNG demand, potentially hampering short to mid-term demand growth to a certain extent.

Similarly, the rush in Europe to secure fast-track floating

LNG import infrastructure has slowed down, as most EU member states had their solutions up and running within a year of the invasion of Ukraine. As LNG has become more affordable again, LNG import projects outside Europe are regaining momentum.

Given EXMAR's Infrastructure business unit is the world's sole provider of maritime LNG infrastructure solutions on both sides of the value chain (liquefaction and regasification), EXMAR is uniquely positioned to provide

## PRICE DEVELOPMENTS

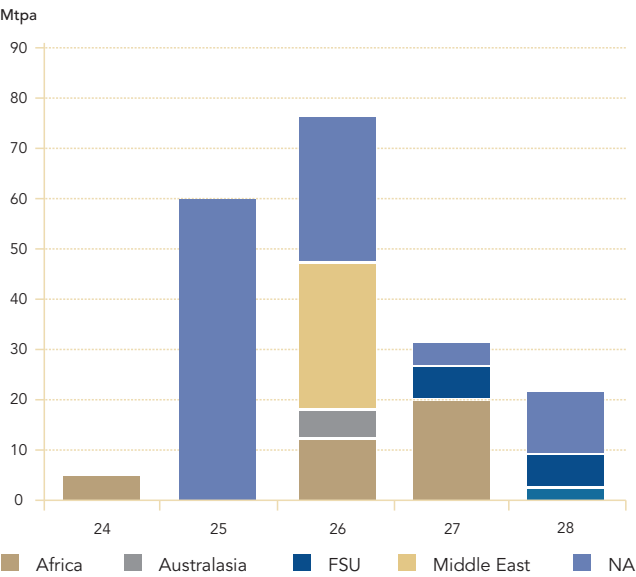


Source: Bloomberg

solutions against the backdrop of constantly changing market conditions. Higher LNG prices increase demand for additional LNG liquefaction solutions, while lower LNG prices stimulate new FSRU LNG import projects. With natural gas prices in low double-digit territory, markets have balanced out, stimulating both the need for new FLNG and FSRU projects.

### LNG INFRASTRUCTURE HIGHLIGHTS

#### SANCTIONED LNG CAPACITY



Source: Global LNG Outlook. Energy Aspects.

FSRU EEMSHAVEN LNG is on hire to GASUNIE affiliate EemsEnergyTerminal. The FSRU has been running steadily at 300 MMscf per day on onshore power and utilizes recycled heating water from nearby industries, both of which significantly reduce its environmental impact.

LNG carrier EXCALIBUR is on hire to Eni Congo for use as a floating storage unit (FSU) alongside the TANGO FLNG for its planned offshore LNG export terminal operations in Congo. The unit is currently undergoing upgrade, life extension and conversion works at Dubai Dry Docks and is expected to be operational before year-end.

TANGO FLNG, the liquefaction unit formerly owned by EXMAR and now under Eni’s control, is undergoing work at the same yard to enable it to operate with the EXCALIBUR offshore in Congo. EXMAR is Eni’s leading partner for engineering, overseeing the conversions and commissioning the terminal.

### ACCOMMODATION BARGES

The accommodation and work barge NUNCE is under contract to Sonangol until the end of May 2024. It operates offshore in Angola with an average of 300 passengers on board.

TotalEnergies Congo operates the accommodation and work barge WARIBOKO under a six-month contract. Offshore operations started in Congo on 19 May 2023.

### ENGINEERING SERVICES

Activity at EXMAR Offshore Houston (EOC) continues at high capacity in 2023.

The engineering phase of the TANGO FLNG and EXCALIBUR conversion work for Eni is nearing completion.

The engineering phase of the Shenandoah newbuild for Beacon Offshore Energy, the fourth OPTI® floating production facility (FPS), and the Salamanca FPS hull conversion for LLOG Exploration will draw to a close in mid-2023. Construction supervision and technical support will continue until installation in 2025.

EOC has been awarded the detailed engineering and design contract for Woodside’s Trion FPS project in the Mexican Gulf of Mexico.

At DV Offshore, technical assistance and project support activities for offshore mooring and other installation generated a stable operating result.





# SUPPORTING SERVICES

## PROPORTIONATE CONSOLIDATION - SUPPORTING SERVICES (In millions of USD)

	June 30, 2023	June 30, 2022
Revenue	35.0	11.1
EBITDA	-1.4	-3.7
Operating result (EBIT)	-2.5	-4.1
Consolidated result after tax	9.1	4.7
Vessels and barges (owned and leased)	0.0	0.0
Financial debts	11.2	1.8

### EXMAR SHIPMANAGEMENT

EXMAR Shipmanagement provides ship management services to specialized industries, applying the highest health, safety, environment, energy and quality standards.

EXMAR Shipmanagement combines the intragroup ship manager profile with a number of first-class third-party customers. This generates synergies and improvements for both types of customer, with a consistent benchmark to measure the competitiveness of services for in-house vessels and personalized ship management for third-party shipowners. With that in mind, we continue to work on expanding our third-party ship management services.

Both Shipping and Infrastructure business units were very busy in the first half of 2023.

The Shipping business unit performed two drydocks and a scrubber installation in the first half of the year, with a further four scheduled for the second half of the year. While this is a continuous process, we constantly aim to improve drydocking efficiency by implementing new software to support the ashore and onboard teams.

After the delivery of the Cerro Alto Explorer in April 2023, the EXMAR Shipmanagement now has a fleet of six LPG dual-fueled vessels. This puts us at the forefront of technological advancement, which always comes with operational challenges that need to be addressed in partnership with various stakeholders. EXMAR Shipmanagement teams use their creativity

and experience to come up with concrete solutions and actively assist Owners in various projects in their drive to decarbonize or raise efficiency.

The Infrastructure business unit completed the commissioning of the EEMSHAVEN LNG in the Netherlands at the beginning of the year, seamlessly transitioning to full commercial operations. The team also continued to work on the TANGO FLNG and EXCALIBUR, which are currently in Dubai for conversion work. After completion, ENI will deploy them in the Marine XII field in the Republic of the Congo. As part of this project we both support the EPC contractor with the required conversions and prepare implementation of operations and maintenance of both units in Congo over the next 10 years.

### BEXCO

BEXCO is a leading European manufacturer of precision-engineered synthetic mooring, towing and lifting ropes for offshore, marine and industrial applications.

Several deep-water mooring contracts have been secured for oil and gas markets since Q4 2022, with production scheduled for 2023 and 2024. First half-year results in 2023 were boosted further by a general fall in raw material prices and a strong order book for marine ropes and lifting slings.

The outlook for the second half of 2023 remains very positive.





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# FINANCIAL REPORT

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# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of USD)	Note	June 30 2023	December 31 2022
<b>Non-current assets</b>		<b>570,814</b>	<b>571,810</b>
Vessels and barges	11	425,327	437,966
Other property, plant and equipment		15,326	14,556
Intangible assets		196	225
Right-of-use assets		9,805	10,910
Investments in equity accounted investees	12	119,089	107,082
Deferred tax assets		1,071	1,071
<b>Current assets</b>		<b>566,354</b>	<b>606,465</b>
Derivative financial assets		708	573
Other investments		1,720	1,849
Inventories		14,513	9,217
Trade and other receivables	14	96,899	67,089
Borrowings to equity accounted investees	13	7,030	7,000
Current tax assets		3,918	1,185
Cash and cash equivalents	15	441,565	519,553
<b>Total assets</b>		<b>1,137,168</b>	<b>1,178,276</b>
<b>Equity</b>		<b>760,933</b>	<b>798,691</b>
Equity attributable to owners of the Company		760,705	798,511
Share capital		88,812	88,812
Share premium		209,902	209,902
Reserves		440,998	179,480
Result for the period		20,994	320,317
Non-controlling interest		228	180
<b>Non-current liabilities</b>		<b>254,106</b>	<b>250,370</b>
Borrowings	17	154,888	167,548
Other Payables	21	78,000	78,000
Employee benefit obligations		1,040	1,040
Provisions	21	17,304	800
Deferred tax liabilities		2,873	2,982
<b>Current liabilities</b>		<b>122,129</b>	<b>129,215</b>
Borrowings	17	27,750	50,800
Trade and other payables	9	91,039	75,542
Current tax liability		3,340	2,873
<b>Total liabilities</b>		<b>376,235</b>	<b>379,585</b>
<b>Total equity and liabilities</b>		<b>1,137,168</b>	<b>1,178,276</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(In thousands of USD)	Note	6 months ending	
		2023	2022
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS			
Revenue	6	200,213	57,083
Gain on disposal		27	502
Other operating income		769	1,969
Operating income		201,010	59,555
Vessel expenses	7	-89,882	-29,632
Raw materials and consumables used	8	-12,129	0
General and administrative expenses	9	-29,700	-14,327
Personnel expenses		-22,240	-14,402
Depreciations and amortisations		-16,685	-17,967
Impairment losses and reversals	13	-4,200	18,345
Other operating expenses	21	-16,617	-1
Result from operating activities		9,557	1,570
Interest income	10	10,864	900
Interest expenses	10	-5,997	-10,768
Other finance income	10	1,817	6,005
Other finance expenses	10	-4,720	-4,630
Net finance result		1,963	-8,493
Result before income tax and share of result of equity accounted investees		11,520	-6,923
Share of result of equity accounted investees (net of income tax)	12	12,503	17,036
Result before income tax		24,023	10,114
Income tax expense		-2,985	-424
Result for the period		21,038	9,689
Attributable to:			
Non-controlling interest		44	41
Owners of the Company		20,994	9,648
Result for the period		21,038	9,689
Basic earnings per share (in USD)	16	0.37	0.17
Diluted earnings per share (in USD)	16	0.37	0.17
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Result for the period		21,038	9,689
Items that are or may be reclassified subsequently to profit or loss:			
Equity accounted investees - share in other comprehensive income		-354	1,578
Foreign currency translation differences		1,025	-522
Other		-171	0
Total other comprehensive income for the period (net of tax)		500	1,056
Total comprehensive income for the period		21,539	10,746
Attributable to:			
Non-controlling interest		48	32
Owners of the Company		21,491	10,713



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of USD)	Note	6 months ending	
		2023	2022
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW			
Result for the period		21,038	9,689
Share of result of equity accounted investees (net of income tax)	12	-12,503	-17,036
Depreciations & amortisations		16,685	17,967
Impairment losses and reversals		4,200	-18,345
Net finance result	10	-1,963	8,493
Income tax expense/ (income)		2,985	424
Net (gain)/ loss on sale of assets		-27	-502
Other non-cash items		0	-1,193
Realized foreign currency gains (losses)		-2,268	894
Gross cash flow from operating activities		28,147	392
Increase/(decrease) of inventories		-5,081	0
(Increase)/decrease of trade and other receivables		-28,592	14,206
Increase/(decrease) of trade and other payables		15,001	3,239
Increase/(decrease) in provisions and employee benefits		16,504	0
Cash generated from operating activities		25,979	17,837
Interest paid	10	-6,015	-10,141
Interest received	10	10,130	259
Income taxes paid		-5,360	-555
NET CASH FROM OPERATING ACTIVITIES		24,734	7,400
Acquisition of vessels and vessels under construction	11	-2,493	-5,650
Acquisition of other property plant and equipment		-1,153	-205
Acquisition of intangible assets		0	-20
Proceeds from the sale of vessels and other property, plant and equipment		64	13,002
Dividends from equity accounted investees	12	142	2,079
Other dividends received		19	18
Borrowings to equity accounted investees	13	-3,317	-896
Repayments from equity accounted investees	13	1	7,500
NET CASH FROM INVESTING ACTIVITIES		-6,735	15,828
Dividend paid		-61,881	-5,023
Proceeds from new borrowings	17	4,143	50,000
Repayment of borrowings	17	-39,359	-92,711
Repayment of lease liabilities IFRS 16 (principal portion)		-883	-712
Payment of debt transaction costs & banking fees		-730	-1,828
Proceeds from exercising share option plans		2,584	0
NET CASH FROM FINANCING ACTIVITIES		-96,126	-50,273
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		-78,126	-27,045
Net cash and cash equivalents at 1 January	15	519,553	71,130
Net increase/(decrease) in cash and cash equivalents		-78,126	-27,045
Exchange rate fluctuations on cash and cash equivalents		138	-705
NET CASH AND CASH EQUIVALENTS AT JUNE 30	15	441,565	43,380

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of USD)	Note	Share capital	Share premium	Retained earnings	Reserve for treasury shares	Translation reserve	Hedging reserve	Share-based payments reserve	Total	Non-controlling interest	Total equity
Opening equity as previously reported per January 1, 2023		88,812	209,902	542,676	-44,350	-2,760	3,010	1,221	798,511	180	798,691
<b>Comprehensive result for the period</b>				20,994					20,994	44	21,038
Foreign currency translation differences						1,022			1,022	4	1,025
Foreign currency translation differences - share equity accounted investees	12					5			5		5
Other				-171					-171		-171
Net change in fair value of cash flow hedges - share equity accounted investees	12						-359		-359		-359
<b>Total other comprehensive result</b>		0	0	-171	0	1,027	-359	0	497	4	500
<b>Total comprehensive result for the period</b>		0	0	20,823	0	1,027	-359	0	21,491	48	21,539
<b>Transactions with owners of the Company</b>											
Dividends declared				-61,881					-61,881	0	-61,881
Share-based payments				-1,300	4,824			-940	2,584		2,584
<b>Total transactions with owners of the Company</b>		0	0	-63,181	4,824	0	0	-940	-59,297	0	-59,297
<b>Closing equity per June 30, 2023</b>		88,812	209,902	500,318	-39,526	-1,733	2,651	281	760,705	228	760,933
Opening equity as previously reported per January 1, 2022		88,812	209,902	282,048	-44,349	-3,028	761	2,086	536,232	272	536,503
<b>Comprehensive result for the period</b>				9,648					9,648	41	9,689
Foreign currency translation differences						-513			-513	-9	-522
Foreign currency translation differences - share equity accounted investees						-408			-408		-408
Net change in fair value of cash flow hedges - share equity accounted investees							1,986		1,986		1,986
<b>Total other comprehensive result</b>		0	0	0	0	-920	1,986	0	1,065	-9	1,056
<b>Total comprehensive result for the period</b>		0	0	9,648	0	-920	1,986	0	10,713	32	10,746
<b>Transactions with owners of the Company</b>											
Dividends declared				-4,904					-4,904	-118	-5,023
<b>Total transactions with owners of the Company</b>		0	0	-4,904	0	0	0	0	-4,904	-118	-5,023
<b>Closing equity per June 30, 2022</b>		88,812	209,902	286,792	-44,349	-3,948	2,747	2,086	542,041	185	542,226

## NOTE 1 – REPORTING ENTITY

EXMAR NV is a company domiciled in Belgium, whose shares are publicly traded (Euronext - EXM). The interim condensed consolidated financial statements of EXMAR NV for the six months ended 30 June 2023 comprise EXMAR NV and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint arrangements. The Group is active in the industrial shipping business.

## NOTE 2 – BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended June 30, 2023 have been prepared in accordance with IFRS and in accordance with IAS 34 Interim financial reporting as adopted by the EU. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2022.

These interim condensed consolidated financial statements were approved by the Board of Directors on September 8, 2023, but were not subject to an audit or a review by our statutory auditor.

## NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those applied in the Group's annual consolidated financial statements as at and for the year ended December 31, 2022.

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2023. We refer to the annual report of 2022 for this overview.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The main exchange rates used are:

EXCHANGE RATES	Closing rates		Average rates	
			For the six months ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
EUR	0.9203	0.9627	0.9280	0.9086
GBP	0.7899	0.8262	0.8148	0.7638
HKD	7.8370	7.8457	7.8363	7.8220
NOK	10.7712	9.9629	10.4525	9.0112
XAF	603.5003	631.7119	608.6427	595.9476
ARS	256.7394	125.2191	205.4232	110.1443
KRW	1,321.0040	1,302.0833	1,298.7013	1,218.0268



## NOTE 4 – SEGMENT REPORTING

In respect of joint ventures, the company continues to manage its operations based on internal management reports applying the principles of the proportionate consolidation method. The reconciliation of the segment reporting to the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of profit or loss is presented in Note 5 Reconciliation segment reporting. All differences relate to the application of IFRS 11 Joint arrangements, no other differences exist.

### Segment reporting 2023

<b>(In thousands of USD)</b>					
<b>CONSOLIDATED STATEMENT</b>					
<b>OF PROFIT OR LOSS</b>					
<b>For the six months ended June 30, 2023</b>					
	Shipping	Infrastructure	Supporting services	Eliminations	Total
Revenue third party	69,855	143,148	29,916	0	242,918
Revenue intra-segment	2,082	603	5,042	-7,727	0
Royalty income	0	800	0	0	800
<b>Total revenue</b>	<b>71,937</b>	<b>144,550</b>	<b>34,958</b>	<b>-7,727</b>	<b>243,718</b>
Gain on disposal	2,267	0	2	0	2,269
Other operating income	58	2	727	-18	769
<b>Operating income</b>	<b>74,262</b>	<b>144,552</b>	<b>35,687</b>	<b>-7,745</b>	<b>246,757</b>
<b>Operating result before depreciations, amortisations &amp; impairment losses (EBITDA)</b>	<b>31,507</b>	<b>33,393</b>	<b>-1,429</b>	<b>0</b>	<b>63,471</b>
Depreciations and amortisations	-23,256	-6,000	-1,115	0	-30,371
Impairment losses and reversals	0	-4,195	-5	0	-4,200
<b>Operating result (EBIT)</b>	<b>8,252</b>	<b>23,197</b>	<b>-2,549</b>	<b>0</b>	<b>28,900</b>
Interest income (non-intra-segment)	1,670	849	9,957	0	12,476
Interest income intra-segment	676	702	6,482	-7,860	0
Interest expenses (non-intra-segment)	-13,767	-400	-143	0	-14,310
Interest expenses intra-segment	-3,021	-4,141	-698	7,860	0
Other finance income	161	982	760	0	1,903
Other finance expenses	-508	-962	-3,566	0	-5,036
Share of result of equity accounted investees (net of income tax)	0	0	92	0	92
Income tax expense	-291	-1,458	-1,238	0	-2,987
<b>Segment result for the period</b>	<b>-6,828</b>	<b>18,769</b>	<b>9,096</b>	<b>0</b>	<b>21,038</b>
Attributable to:					
Non-controlling interest					44
Owners of the Company					20,994

(In thousands of USD)  
**CONSOLIDATED STATEMENT  
OF FINANCIAL POSITION**  
For the six months ended June 30, 2023

	Shipping	Infrastructure	Supporting services	Eliminations	Total
<b>Assets</b>					
Vessels and barges	508,442	208,534	0		716,976
Other property, plant and equipment	47	428	14,852		15,326
Intangible assets	0	13	183		196
Right-of-use assets	6,165	2,199	7,017		15,381
Investments in equity accounted investees	0	0	411		411
Borrowings to equity accounted investees	0	7,000	30		7,030
Loan receivables intra-segment	74,907	56,336	438,390	-569,633	0
Inventories	0	0	14,513		14,513
Restricted cash	1,778	0	0		1,778
Cash and cash equivalents	40,728	24,705	412,528		477,961
<b>Total segment assets</b>	<b>632,066</b>	<b>299,215</b>	<b>887,924</b>	<b>-569,633</b>	<b>1,249,571</b>
Unallocated other investments				0	3,989
Unallocated trade and other receivables				0	110,384
Trade and other receivables intra-segment	3,379	882	23,146	-27,407	0
Other unallocated assets					6,080
<b>Total assets</b>				<b>-597,040</b>	<b>1,370,024</b>
<b>Liabilities</b>					
Non-current borrowings	348,835	1,785	5,700		356,319
Current borrowings	32,990	475	5,524		38,989
Borrowings intra-segment	66,124	42,875	460,635	-569,633	0
Other payables	0	78,000	0		78,000
Non-current provisions	14,643	4,208	800		19,651
<b>Total segment liabilities</b>	<b>462,592</b>	<b>127,343</b>	<b>472,658</b>	<b>-569,633</b>	<b>492,959</b>
Unallocated equity				0	760,932
Unallocated trade and other payables				0	108,856
Trade and other payables intra-segment	12,162	14,343	901	-27,407	0
Unallocated other liabilities				0	7,276
<b>Total equity and liabilities</b>				<b>-597,040</b>	<b>1,370,024</b>

## Segment reporting 2022

(In thousands of USD) CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the six months ended June 30, 2022					
	Shipping	Infrastructure	Supporting services	Eliminations	Total
Revenue third party	69,170	23,342	7,832	0	100,344
Revenue intra-segment	620	1,009	3,229	-4,858	0
<b>Total revenue</b>	<b>69,790</b>	<b>24,351</b>	<b>11,061</b>	<b>-4,858</b>	<b>100,344</b>
Gain on disposal	582	0	8	0	590
Other operating income	540	1,213	235	-18	1,969
<b>Operating income</b>	<b>70,912</b>	<b>25,564</b>	<b>11,303</b>	<b>-4,876</b>	<b>102,903</b>
<b>Operating result before depreciations, amortisations &amp; impairment losses (EBITDA)</b>	<b>37,996</b>	<b>-4,441</b>	<b>-3,665</b>	<b>0</b>	<b>29,889</b>
Depreciations and amortisations	-23,988	-8,338	-459	0	-32,785
Impairment losses and reversals	8,525	18,345	0	0	26,870
<b>Operating result (EBIT)</b>	<b>22,533</b>	<b>5,566</b>	<b>-4,124</b>	<b>0</b>	<b>23,975</b>
Interest income (non-intra-segment)	119	608	149	0	875
Interest income intra-segment	39	12	7,639	-7,690	0
Interest expenses (non-intra-segment)	-10,232	-5,788	-39	0	-16,058
Interest expenses intra-segment	-410	-7,228	-51	7,690	0
Other finance income	753	1,993	3,372	0	6,118
Other finance expenses	-252	-2,743	-1,962	0	-4,957
Share of result of equity accounted investees (net of income tax)	0	87	77	0	164
Income tax expense	-506	456	-377	0	-428
<b>Segment result for the period</b>	<b>12,044</b>	<b>-7,038</b>	<b>4,683</b>	<b>0</b>	<b>9,689</b>
Attributable to:					
Non-controlling interest					41
Attributable to owners of the Company					9,648

## NOTE 5 – RECONCILIATION SEGMENT REPORTING

The financial information of each operating segment is reviewed by management using the proportionate consolidation method. The below tables reconcile the financial information as reported in the interim condensed consolidated statement of financial position and the interim condensed consolidated statement of profit or loss (using the equity consolidation method as required under IFRS 11) with the financial information disclosed in Note 4 Segment reporting (using the proportionate consolidation method).

### Reconciliation segment reporting 2023

(In thousands of USD) For the six months ended June 30, 2023	Proportionate consolidation	Difference	Equity consolidation
Revenue	243,718	-43,505	200,213
Gain on disposal	2,269	-2,242	27
Other operating income	769	0	769
Vessel expenses	-102,427	12,545	-89,882
Raw materials and consumables used	-12,129	0	-12,129
General and administrative expenses	-29,872	172	-29,700
Personnel expenses	-22,240	0	-22,240
Depreciations and amortisations	-30,371	13,686	-16,685
Impairment losses and reversals	-4,200	0	-4,200
Other operating expenses	-16,617	0	-16,617
<b>Result from operating activities</b>	<b>28,900</b>	<b>-19,343</b>	<b>9,557</b>
Interest income	12,476	-1,613	10,864
Interest expenses	-14,310	8,312	-5,997
Other finance income	1,903	-86	1,817
Other finance expenses	-5,036	317	-4,720
<b>Result before income tax and share of result of equity accounted investees</b>	<b>23,934</b>	<b>-12,414</b>	<b>11,520</b>
Share of result of equity accounted investees (net of income tax)	92	12,412	12,503
Income tax expense	-2,987	2	-2,985
<b>Result for the period</b>	<b>21,038</b>	<b>0</b>	<b>21,038</b>



(In thousands of USD) For the period ended June 30, 2023	Proportionate consolidation	Difference	Equity consolidation
Vessels and barges	716,976	-291,648	425,327
Other property, plant and equipment	15,326	0	15,326
Intangible assets	196	0	196
Right-of-use assets	15,381	-5,575	9,805
Investments in equity accounted investees	411	118,678	119,089
Deferred tax assets	1,071	0	1,071
<b>Non-current assets</b>	<b>749,360</b>	<b>-178,546</b>	<b>570,814</b>
Derivative financial asset	3,360	-2,651	708
Other investments	1,720	0	1,720
Inventories	14,513	0	14,513
Trade and other receivables	110,384	-13,485	96,899
Short term borrowings to equity accounted investees	7,030	0	7,030
Current tax assets	3,918	0	3,918
Restricted cash	1,778	-1,778	0
Cash and cash equivalents	477,961	-36,396	441,565
<b>Current assets</b>	<b>620,664</b>	<b>-54,310</b>	<b>566,354</b>
<b>Total assets</b>	<b>1,370,024</b>	<b>-232,856</b>	<b>1,137,168</b>
<b>Equity</b>	<b>760,933</b>	<b>0</b>	<b>760,933</b>
Borrowings	356,319	-201,432	154,888
Other payables	78,000	0	78,000
Employee benefits	1,040	0	1,040
Non-current provisions	19,651	-2,347	17,304
Deferred tax liabilities	2,873	0	2,873
<b>Non-current liabilities</b>	<b>457,884</b>	<b>-203,778</b>	<b>254,106</b>
Borrowings	38,989	-11,239	27,750
Trade and other payables	108,856	-17,817	91,039
Current tax liability	3,362	-23	3,340
<b>Current liabilities</b>	<b>151,208</b>	<b>-29,079</b>	<b>122,129</b>
<b>Total equity and liabilities</b>	<b>1,370,024</b>	<b>-232,856</b>	<b>1,137,168</b>

## Reconciliation segment reporting 2022

(In thousands of USD) For the six months ended June 30, 2022	Proportionate consolidation	Difference	Equity consolidation
Revenue	100,344	-43,261	57,083
Gain on disposal	590	-87	502
Other operating income	1,969	0	1,969
Vessel expenses	-44,351	14,719	-29,632
General and administrative expenses	-14,259	-68	-14,327
Personnel expenses	-14,402	0	-14,402
Depreciations and amortisations	-32,785	14,817	-17,967
Impairment losses and reversals	26,870	-8,525	18,345
Other operating expenses	-1	0	-1
<b>Result from operating activities</b>	<b>23,975</b>	<b>-22,405</b>	<b>1,570</b>
Interest income	875	25	900
Interest expenses	-16,058	5,290	-10,768
Other finance income	6,118	-113	6,005
Other finance expenses	-4,957	328	-4,630
<b>Result before income tax and share of result of equity accounted investees</b>	<b>9,952</b>	<b>-16,875</b>	<b>-6,923</b>
Share of result of equity accounted investees (net of income tax)	164	16,872	17,036
Income tax expense	-428	4	-424
<b>Result for the period</b>	<b>9,689</b>	<b>0</b>	<b>9,689</b>

## NOTE 6 – REVENUE

For the period ended June 30, (In thousands of USD)	2023	2022
Shipping segment	26,284	25,782
Infrastructure segment - ordinary revenue	142,821	22,179
Supporting services segment - ordinary revenue	31,109	9,122
<b>Revenue</b>	<b>200,213</b>	<b>57,083</b>

The increase in total revenue in the **Shipping** segment is mainly a result of the higher time-charter rates for all vessel types.

Revenue in the **Infrastructure** segment increased significantly in 2023 as a result of the increased revenue from engineering projects, including the engineering, procurement and construction contracts for the Eni Congo project, the employment of the EXCALIBUR FLNG and the employment of the FSRU EEMSHAVEN LNG.

The increase in revenue in **Supporting services** results mainly from BEXCO NV entering into the consolidation scope of the Group (since November 2022).

Revenue which falls within the scope of IFRS 16 Leasing represented 28.0% (June 2022: 50.8%) of total revenue and is mainly situated in the Shipping segment. Revenue which falls within the scope of IFRS 15 Revenue from contracts with customers represented 72.0% (June 2022: 49.2%) of total revenue and is mainly situated in the Infrastructure and Supporting services segment.

## NOTE 7 – VESSEL EXPENSES

For the period ended June 30, (In thousands of USD)	2023	2022
Vessel expenses crew	-15,080	-13,532
Vessel expenses maintenance	-41,139	-11,598
Vessel expenses insurance	-922	-1,438
Vessel expenses other	-32,741	-3,064
<b>Vessel expenses</b>	<b>-89,882</b>	<b>-29,632</b>

Vessel expenses are expenses made to operate a vessel and include primarily crew, maintenance, insurance and other related expenses.

The increase in the vessel expenses is mainly the result of the increased expenses in relation to the engineering, procurement and construction contracts for the Eni Congo project.

## NOTE 8 – PURCHASE OF GOODS

In the first six months of 2023 EXMAR reports purchases of goods for the business activities of BEXCO NV that became a subsidiary of the Group as from November 1, 2022.

## NOTE 9 – GENERAL AND ADMINISTRATIVE EXPENSES

For the period ended June 30, (In thousands of USD)	2023	2022
Administrative expenses	-25,339	-13,014
Freight charges	-860	0
Non-income based taxes	-1,546	-831
Other expenses	-1,955	-482
<b>General and administrative expenses</b>	<b>-29,700</b>	<b>-14,327</b>

During 2023 administrative expenses increased as a result of specific project work in relation to the Eni Congo project and higher consulting fees. The former also causes the increase in trade payables position for the period ended June 30, 2023.

Administrative expenses and freight charges for the BEXCO activities since their inclusion in the consolidation scope had an impact of USD 3.7 million on the first 6 months of 2023.

## NOTE 10 – FINANCE RESULT

For the period ended June 30, (In thousands of USD)	2023	2022
Interest income on borrowings to equity accounted investees	605	815
Interest income on cash and cash equivalents	10,259	85
<b>Interest income</b>	<b>10,864</b>	<b>900</b>
Interest expenses on borrowings	-5,729	-9,556
Amortisation transaction costs	-269	-1,212
<b>Interest expenses</b>	<b>-5,997</b>	<b>-10,768</b>

Interest income on cash and cash equivalents increased significantly thanks to the higher income on short-term deposits, due to both the higher rate as the higher amounts in short-term deposits.

Interest expenses relate to EXMAR's borrowings as disclosed in Note 17 Borrowings and the decrease of USD 4.8 million is mainly the combined effect of (I) lower interests in the Infrastructure segment due to the repayment of the NOK bond (USD 3.3 million) at maturity end May 2022, (II) repayment of the Bank Of China loan facility that occurred in August 2022 and (III) the repayment of the Sequoia credit facility at the end of August 2022.

For the period ended June 30, (In thousands of USD)	2023	2022
Realised exchange gains	713	2,142
Unrealised exchange gains	755	3,359
Dividend income from non-consolidated companies	19	18
Equity securities measured at FVTPL	0	103
Fair value gain on financial instruments	124	0
Premium refund	0	0
Other	206	382
<b>Other finance income</b>	<b>1,817</b>	<b>6,005</b>
Realised exchange losses	-3,105	-40
Unrealised exchange losses	-678	-3,460
Banking fees	-232	-864
Other	-704	-266
<b>Other finance expenses</b>	<b>-4,720</b>	<b>-4,630</b>

The realized exchange gains in the first 6 months of 2022, net of the settlement loss of related derivative assets, primarily relate to the NOK bond repayment in May 2022.

The realized exchange losses of the first 6 months of 2023 include USD 1.9 million loss on the settlement of EUR-USD short-term swaps.



## NOTE 11 – VESSELS AND BARGES

(In thousands of USD) Cost	Shipping	Infrastructure	Under construction - advance payments	Total
<b>Balance as per January 1, 2023 <sup>(1)</sup></b>	<b>276,542</b>	<b>241,993</b>	<b>0</b>	<b>518,536</b>
Changes during the financial year				
Acquisitions	207	2,286	0	2,493
Transfers	0	-142	0	-142
<b>Balance as per June 30, 2023</b>	<b>276,749</b>	<b>244,138</b>	<b>0</b>	<b>520,887</b>
<b>Depreciations and impairment losses</b>				
<b>Balance as per January 1, 2023 <sup>(1)</sup></b>	<b>44,784</b>	<b>35,766</b>	<b>0</b>	<b>80,550</b>
Changes during the financial year				
Depreciations	9,942	5,190	0	15,131
Transfers	20	-142	0	-122
<b>Balance as per June 30, 2023</b>	<b>54,745</b>	<b>40,814</b>	<b>0</b>	<b>95,560</b>
<b>Net book value</b>				
<b>Net book value as per December 31, 2022</b>	<b>231,739</b>	<b>206,227</b>	<b>0</b>	<b>437,966</b>
<b>Net book value as per June 30, 2023</b>	<b>222,004</b>	<b>203,323</b>	<b>0</b>	<b>425,327</b>

(1) Opening balance has been restated by USD 20,4 million in both acquisition value and accumulated depreciations. This restatement relates to netting of assets capitalized and fully depreciated as per December 31, 2022.

In the first 6 months of 2023, the acquisitions relate to capitalized dry dock expenses for vessels in the Shipping and Infrastructure segments.

The vessels are pledged as a security for the related underlying liabilities. We refer to Note 17 Borrowings for more information in respect of these underlying liabilities.

### Impairment

For the wholly-owned fleet, internal and external triggers are evaluated which indicate that the carrying value of the fleet should be tested for impairment. The carrying amount of the fleet is compared to the recoverable amount, which is the higher of the fair value less cost to sell and the value in use. EXMAR did not record a change in impairments. For vessels under joint venture ownership, impairment triggers are evaluated in the same way as for the wholly-owned fleet. We refer to Note 12 Investments in equity accounted investees in this respect.

In the June 30, 2022 figures an impairment charge of USD 18.3 million was reversed for the EEMSHAVEN LNG, former FSRU S188, based on two independent broker reports.

## NOTE 12 – INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES

The change in investments in equity accounted investees can be detailed as follows:

(In thousands of USD)	2023
<b>Balance as per January 1</b>	<b>107,082</b>
Changes during the period:	
Share in profit/(loss)	12,503
Dividends	-142
Change in allocated negative net assets	0
Exchange differences	5
Changes in other comprehensive income equity accounted investees	-359
<b>Balance as per June 30</b>	<b>119,089</b>

During 2022, EXMAR acquired the remaining shares of BEXCO NV and Solaia Shipping LLC of respectively 55.1% and 50.0%. Consequently, these entities are no longer equity accounted investees and are fully consolidated since the date of obtaining control.

EXMAR has provided guarantees to financial institutions that granted credit facilities to its equity accounted investees. As of June 30, 2023 an amount of USD 471.4 million (December 2022: USD 541.6 million) was outstanding under such loan agreements, of which EXMAR has guaranteed USD 208.7 million (2022: USD 270.8 million). EXMAR did not incur material contingent liabilities versus its equity accounted investees. No other commitments than the aforementioned guarantees are provided by EXMAR to its equity accounted investees.

For the fleet under joint-venture ownership, impairment triggers are evaluated in the same way as for the wholly-owned fleet. We refer to Note 11 Vessels and barges for more information in this respect.

In the period ending June 30, 2023, EXMAR accounted for a share in the profit of the equity accounted investees (USD 12.5 million).

## NOTE 13 – BORROWINGS TO EQUITY ACCOUNTED INVESTEEES

(In thousands of USD)	Shipping	Infrastructure	Supporting services	Total
<b>As per January 1, 2023</b>	<b>0</b>	<b>7,000</b>	<b>0</b>	<b>7,000</b>
New loans and borrowings	0	3,317	0	3,317
Accrued interest	0	741	0	741
Repayments	0	-1	0	-1
Impairment	0	-4,026	0	-4,026
<b>As per June 30, 2023</b>	<b>0</b>	<b>7,030</b>	<b>0</b>	<b>7,030</b>
More than 1 year	0	0	0	0
Less than 1 year	0	7,030	0	7,030

The activities and assets of certain of our equity accounted investees are financed through shareholder borrowings made by the Company to the respective equity accounted investees. Such borrowings granted are in substance part of the net investment in an associate or joint venture and any expected credit losses are accounted for before allocating negative net assets. During 2023, EXMAR recorded an impairment charge of USD 4.1 million and did not allocate any negative net assets.

### Electra Offshore Ltd (Infrastructure segment) USD 7.0 million (2022: USD 7.0 million)

EXMAR Netherlands BV has granted a loan to Electra Offshore Ltd in 2016. The loan is repaid based on availability of cash and accumulates interest. The interest rate applicable on the loan is a fixed percentage of 12.0%. During 2023, the accrued interests were added to the outstanding loan balance and collectability was re-assessed. The balance has been reduced to its expected recoverable amount, which is the fair value of the pledge on the underlying asset.

## NOTE 14 – TRADE AND OTHER RECEIVABLES

(In thousands of USD)	2023	2022
Trade receivables (including contract assets)	78,669	47,087
Cash guarantees	166	175
Other receivables	11,857	14,539
Deferred charges and accrued income	6,207	5,289
<b>Balance as per June 30 / December 31</b>	<b>96,899</b>	<b>67,089</b>

The increase in the trade and other receivables in 2023 is primarily the result of the outstanding receivables related to the hire, variation orders and engineering services for EEMSHAVEN LNG, EXCALIBUR and the Eni Congo project. The contract assets included in the table above amounted to USD 17.0 million for the period ended June 30, 2023.

## NOTE 15 – RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

(In thousands of USD)	2023	2022
Bank	75,037	51,320
Cash in hand	1	17
Short-term deposits	366,528	468,216
<b>Balance as per June 30 / December 31</b>	<b>441,565</b>	<b>519,553</b>

We refer to the interim condensed consolidated statement of cash flows for a detailed analysis of the cash movements.

## NOTE 16 – EARNINGS PER SHARE

	2023	2022
Result for the period, attributable to owners of the Company (in thousands USD)	20,994	9,648
Issued ordinary shares as per June 30	59,500,000	59,500,000
Effect of treasury shares	-2,026,013	-2,273,263
Weighted average number of ordinary shares as per June 30	57,351,862	57,226,737
<b>Basic earnings per share in USD</b>	<b>0.37</b>	<b>0.17</b>
	2023	2022
Result for the period, attributable to owners of the Company (in thousands USD)	20,994	9,648
Weighted average number of ordinary shares as per June 30	57,351,862	57,226,737
Dilution effect of share based compensation	74,669	0
Weighted average number of ordinary shares including options	57,426,531	57,226,737
<b>Diluted earnings per share in USD</b>	<b>0.37</b>	<b>0.17</b>

Plan 10 is included in the dilution effect. As of April 2023 the share options were in the money and diluted the earnings per share.

In the first 6 months of 2023 a total of 247,250 options of plan 10 were exercised at a price of 9.62 EUR per share.



## NOTE 17 – BORROWINGS

(In thousands of USD)	Bank loans	Other loans	Lease liabilities ROU assets	Total
<b>As of 1 January 2023</b>	<b>188,891</b>	<b>19,192</b>	<b>10,264</b>	<b>218,347</b>
New loans	4,143	0	228	4,370
Repayments	-39,359	0	-887	-40,246
Transfers	2,425	-2,425	0	-0
Amortized transaction costs	151	120	0	271
Exchange differences	49	0	141	190
Accrued interest payable	-16	0	0	-16
Contract re-measurement/ contract modification	352	0	-631	-278
<b>As of 30 June 2023</b>	<b>156,636</b>	<b>16,888</b>	<b>9,115</b>	<b>182,638</b>
More than 1 year	130,489	16,872	7,527	154,888
Less than 1 year	26,147	15	1,588	27,750
<b>As of 30 June 2023</b>	<b>156,636</b>	<b>16,888</b>	<b>9,115</b>	<b>182,638</b>
Shipping segment	151,725	16,872	563	169,160
Infrastructure segment	0	0	2,260	2,260
Supporting services segment	4,911	15	6,291	11,217
<b>As of 30 June 2023</b>	<b>156,636</b>	<b>16,888</b>	<b>9,115</b>	<b>182,638</b>

### Bank loans

The bank loans mainly relate to:

#### FLANDERS INNOVATION & FLANDERS PIONEER – USD 132.7 million (December 2022: USD 135.5 million)

In 2021, the Group obtained USD 144.0 million financing for the two VLGC's: FLANDERS INNOVATION (USD 72.0 million) and FLANDERS PIONEER (also USD 72.0 million) maturing in fifteen years. The weighted average interest rate implicit in these loans amounts to 5.61%. EXMAR NV has guaranteed the underlying obligations.

#### LPG pressurized facilities - USD 19.0 million (December 2022: USD 42.6 million)

In the last quarter of 2018 and in April 2019, EXMAR refinanced respectively six and four of its LPG pressurized fleet vessels through a JOLCO (Japanese Operating Lease with Call Option) structure. The loans are repayable in quarterly tranches and the applicable interest percentage amounts to three-month LIBOR plus 2.4%. The last repayment is foreseen in December 2025. The equity part of the JOLCO financing is presented in "Other Loans" (see below).

In the first quarter of 2023, EXMAR has exercised the early buy-out option of 1 vessel, with payment planned in the third quarter of 2023 and consequently management has transferred the related outstanding equity part of these vessels to "bank loans" (USD 2.4 million) and presented the expected payable amount as short-term (USD 7.1 million). EXMAR paid USD 21.8 million for the early buy out option of 3 vessels that were exercised at the end of 2022.

All obligations of the borrower are guaranteed by EXMAR NV ("guarantor").

#### Bank loans Solaia Shipping LLC and BEXCO NV – USD 4.9 million (December 2022: USD 10.8 million)

The amended syndicated bank loan of EXMAR's subsidiary Solaia Shipping LLC (December 2022: USD 10.0 million), that dated from December 2021, was repaid in June 2023.

BEXCO NV has additional loans of EUR 3.8 million in the first 6 months of 2023.  
Total outstanding loans as per June 30, 2023 amounted to USD 4.9 million.

## Other loans

### Pressurized fleet - USD 16.9 million (December 2022: USD 19.2 million)

The other loans comprise the outstanding equity part of the JOLCO (Japanese Operating Lease with Call Option) financing. At June 30, 2023, the outstanding balance amounts to USD 16.9 million and relates to 6 vessels.

Management assumes to exercise the purchase options of the six remaining vessels before or at the end of the lease, which will then result in an additional cash out of USD 9.3 million.

## Available credit facilities

In May 2020, EXMAR obtained a revolving credit facility of EUR 18.0 million from Belgian financial institutions with maturity date February 1, 2022 at an interest rate of EURIBOR three-month plus 2.0% margin. This facility was extended until June 2024 and can be increased up to USD 30.0 million. EXMAR did not draw upon this facility per end of June 2023.

## Other information

On December 16, 2022 EXMAR Shipping BV, a major equity accounted investee, signed a senior sustainability linked facility with a consortium of banks in the amount of USD 450.0 million, comprising a revolving credit facility of USD 310.0 million and a term loan facility of USD 140.0 million.

The facility served the purpose of refinancing the existing revolving facility of USD 310.0 million, maturing at the end of 2023, and to refinance the Japanese lease liabilities. The loan matures 5 years after signing date. As at June 30, 2023, EXMAR Shipping BV had drawn USD 280.0 million of the revolving credit facility and USD 140.0 million of the term loan.

In general, the borrowings held by EXMAR and its equity accounted investees are secured by a mortgage on the underlying assets owned by EXMAR and its equity accounted investees. Furthermore, different pledges and other types of guarantees exist to secure the borrowings.

## Covenants

Different debt covenants exist that require compliance with certain financial ratio's. These ratios are calculated semi-annually based on EXMAR's consolidated figures in which equity accounted investees are not accounted for under IFRS 11 but still on a proportionate basis (similar to accounting policies used for segment reporting purposes). We refer to the table below for an overview of the applicable covenants.

### APPLICABLE COVENANTS

Ratio	Pressurized facility	Credit facilities <sup>(1)</sup>	Actual June 30, 2023 <sup>(2)</sup>	Actual December 31, 2022 <sup>(2)</sup>
Minimum Book equity	≥ USD 300 million	≥ USD 300 million	USD 757.2 million	USD 796.4 million
Minimum free cash	≥ USD 25 million	≥ USD 20 million	USD 479.7 million	USD 547.4 million
Equity ratio (Equity/Total assets)	≥ 25%	NA	55.35%	59.10%
Working capital	min positive	min positive	USD 505.5 million	USD 570.1 million
Net financial indebtedness ratio	NA	< 70%	-12.53%	-14.04%
Outstanding loan amount (in thousands of USD)	35,901	-		

(1) Relates to the EUR credit facility.

(2) The actual amounts presented are based on the most restrictive definitions.

For an explanation of the major definitions applied in the covenant calculations we refer to the annual consolidated financial statements as at December 31, 2022.

As of June 30, 2023 EXMAR was compliant with all covenants with sufficient headroom. EXMAR is continuously monitoring compliance with all applicable covenants in order to meet them all.

## NOTE 18 – LEASES AS LESSOR

The Group entered into long-term time charter agreements for certain assets in its fleet. In respect of lease classification, it was judged that substantially all risks and rewards remain with the Group. As a consequence, these agreements qualify as operating leases.

Rental income recognised by the Group in the first 6 months of 2023 was USD 56.2 million (June 30, 2022: USD 29.0 million). This increase is mainly the result of:

- The new five-year charter agreement for the FSRU EEMSHAVEN LNG, signed in March 2022 with GASUNIE and included in the 2022 June figures for only 2 months compared to 6 for the June 2023 figures;
- The new ten-year charter agreement for the EXCALIBUR FSU with Eni.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date. No variable lease payments are included. The increase in total lease payments (at the subsidiaries) compared to 2022 is mainly the result of:

- The new ten-year charter agreement for the EXCALIBUR FSU with Eni.

The table below related to the equity accounted investees only includes EXMAR's share in the expected operating lease payments.

(In thousands of USD)	2023	2022
Less than one year	83,491	80,662
One to two years	69,246	62,765
Two to three years	69,246	62,646
Three to four years	51,348	55,187
Four to five years	27,867	32,850
More than five years	110,033	85,045
<b>Total operating leases under IFRS 16 (Subsidiaries) As of June 30 / December 31</b>	<b>411,232</b>	<b>379,155</b>
Less than one year	70,860	72,472
One to two years	33,467	28,349
Two to three years	10,262	16,101
Three to four years	3,924	5,432
Four to five years	0	1,806
More than five years	0	0
<b>Total operating leases under IFRS 16 (equity accounted investees) As of June 30 / December 31</b>	<b>118,512</b>	<b>124,160</b>

## NOTE 19 – CAPITAL COMMITMENTS

As per June 30, 2023 the Group has capital commitments with its joint-venture partner SEAPEAK (each 50%) related to shipbuilding contracts for the construction of 4 new midsize 46,000m<sup>3</sup> LPG/ammonia carriers for a total value of USD 284.8 million, of which USD 13.8 million has been prepaid in 2022 and USD 28.5 million in the first semester of 2023.

## NOTE 20 – CONTINGENCIES

Several of the Group's companies are involved in a number of legal disputes arising from their day-to-day operations. Management does not expect the outcome of these procedures to have any material effect on the Group's financial position.

## NOTE 21 – SIGNIFICANT JUDGEMENTS AND ESTIMATES

The significant judgements and estimates that might have a risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to:

### Impairment

Management updated its impairment analysis for its fleet as of June 30, 2023. As a result of the market prices, previously recorded impairment charges remained unchanged.

### Provisions

As per June 30, 2023 additional provisions have been recorded for a total amount of USD 16,5 million based on management's assessment of potential cash outflows. Additional provisions have been recorded with regard to the former lease arrangement of LNG Carrier EXCEL, obligations under the engineering, procurement and construction contracts for the Eni Congo project and a claim from a foreign tax authority.

With regard to LNGC Excel we refer to the disclosure made in this respect in the 2022 annual report, where it was explained that this vessel was financed through a lease agreement in the UK, which was terminated in August 2013. The UK tax authorities (HMRC) had made inquiries on the tax treatment of the lease and on the right to receive Capital Allowances claimed by the Lessor.

In the meantime the company was informed that recent discussions between the Lessor and HMRC were held, that some closure notices had been received and payments were made by the Lessor.

Updated assessment of the case by EXMAR management led to the recognition of an additional provision under the IFRS rules.

No other claims and litigations arose during the first six months of 2023.

### Contingent consideration liability

During 2022, EXMAR sold 100% of the shares of Export LNG Ltd, the owner of the floating liquefaction unit TANGO FLNG, to Eni. The sales agreement contains a price adjustment clause between plus USD 44.0 million and minus USD 78.0 million, depending on the actual performance of the TANGO FLNG during the first six months on site. Considering the uncertainties and challenges related to the start-up activities of the TANGO FLNG in Congo, management deferred USD 78.0 million and presented this as a non-current contingent consideration liability. There has been no update compared to what was disclosed and recorded in the 2022 annual report.

### Resolution going concern risk

The main assumptions and uncertainties for EXMAR underpinning the going concern assessment relating to the liquidity position and the covenant compliance as disclosed in prior reports have been resolved:

### Liquidity position

The Group has prepared its interim condensed consolidated financial statements as of June 30, 2023 on a going concern basis and does not consider liquidity risk as a significant judgment to be mentioned and evaluated.

### Covenants

The Company has met all its financial covenants as at June 30, 2023 with sufficient headroom (see also Note 17 Borrowings).



## NOTE 22 – SUBSEQUENT EVENTS

On April 3, 2023 EXMAR NV was informed by SAVEREX NV of the intention of SAVEREX NV to launch a voluntary and conditional public takeover bid for all shares and share options issued by EXMAR NV not already owned by it or persons affiliated with it. We refer for more details to note 39-Subsequent events of the Annual report 2022.

On July 13, 2023 the results were published of the initial acceptance period of the voluntary and conditional public takeover bid on EXMAR NV ("Target") launched by SAVEREX NV ("Bidder").

During the initial acceptance period, 17,335,548 shares in the Target were tendered into the Bid. As a result, the Bidder and persons affiliated with it together would hold 46,268,916 shares in the Target.

The Bidder has decided to waive the 95% acceptance threshold, and has consequently decided to proceed with the Bid. The payment of the bid price for the shares offered during the initial acceptance period was wired on Thursday 27 July 2023.

The Bidder has decided to voluntarily reopen the Bid from Monday 28 August 2023 to Friday 15 September 2023 at 16:00 (Belgian time). Shareholders who have not yet accepted the Bid will thus be able to accept the Bid during this second acceptance period.

In August 2023, a long-term time charter (in) with extension and purchase options was concluded for four newbuild 40,000 m<sup>3</sup> dual fuel vessels. Delivery of these vessels is scheduled for 2026 and 2027.

No other subsequent events occurred.

# HALF YEAR REPORT BOARD OF DIRECTORS

## COMMENTS ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Below comments are based on the interim condensed consolidated financial statements prepared in accordance with IFRS, whereby the joint ventures are accounted for under the equity method.

In the first 6 months of 2023, the EXMAR Group achieved a consolidated **profit** of USD 21.0 million (USD 9.7 million in the first-half year of 2022).

**Revenue** in first-half year of 2023 increased by USD 143.1 million compared to same period in 2022 up to USD 200.2 million due to (I) the revenue from the engineering, procurement and construction contracts for the Congo-project with Eni (II) the employment of the FSRU EEMSHAVEN LNG, since August 2022, (III) higher engineering revenue from different projects, (IV) the hire income from EXCALIBUR, and (V) BEXCO NV entering into scope since November 2022.

As a consequence of the increased aforementioned engineering, procurement and construction contracts, the engineering activities and the inclusion of BEXCO NV since November 2022, **operating expenses** increased

**Net financial result** increased from USD -8.5 million in the first six months of 2022 to an income of USD 2.0 million in 2023 and is mainly the result of higher interest income (6 months ending June 30, 2023: USD 10.9 million; June 30, 2022: USD 0.9 million) from an amount of cash placed in term deposit and lower interest expenses in first 6 months of 2023 of USD 6.0 million (first 6 months 2022 USD 10.8 million) due to (I) the repayment of the NOK bond in May 2022, (II) the Bank of China loan facility for the TANGO FLNG and repayment of the Sequoia facility, both in August 2022; and lower other finance result (mainly related to exchange losses).

The **share of equity accounted investees** decreased from USD 17.0 million in 2022 to USD 12.5 million in 2023 mainly as a result of a decrease of the net result at the LPG joint venture and two entities (BEXCO NV and Solaia Shipping LLC) that are no longer contributing in 2023 since they became wholly owned subsidiaries in the second half year of 2022.

**Vessels and barges** amounted to USD 425.3 million as at June 30, 2023, a decrease of USD 12.6 million compared to December 2022, which is the combined effect of the depreciations and additions of USD 2.5 million in the first six months of 2023.

**Investments in equity accounted investees** increased by USD 12.0 million up to USD 119.1 million at the end of June 2023, primarily as a result of our share in the net result of these joint ventures and associated companies (USD 12.5 million).

At BEXCO NV the Group holds **inventories** of USD 14.5 million at the end of June 2023.

**Current trade and other receivables** increased by USD 29.8 million at the end of June 2023 compared to December 2022, mainly due to increased receivables from the engineering, procurement, construction and installation contracts for the conversion TANGO FLNG and EXCALIBUR.

The **cash** position as at December 31, 2022 amounted to USD 519.6 million and decreased by USD 78.0 million to USD 441.6 million at the end of June 30, 2023 mainly due to the repayment of borrowings as explained below and dividend distribution.

**Equity** amounted to USD 760.9 million as at June 30, 2023, or a decrease of USD 37.8 million primarily as a result of USD 21.0 million profit in the first 6 months of 2023, offset by the payment of USD 61.9 million dividends.

At the end of June 2023, **borrowings** (non-current and current) amounted to USD 182.6 million (December 2022: USD 218.3 million). The decrease of USD 35.7 million is in essence explained by the repayment of borrowings for 3 vessels of the pressurized fleet and the **borrowing** held by its subsidiary Solaia Shipping LLC in the first 6 months of 2023.

**Other non-current payables** comprise a contingent consideration liability of USD 78.0 million at the end of June 2023 and at year-end 2022 and relate to a price adjustment clause in the sales agreement with Eni.

**Trade and other payables** increased by USD 15.5 million to USD 91.0 million end June 2023 due to higher Infrastructure activities related to the EXCALIBUR and TANGO FLNG.

## RISK AND UNCERTAINTIES

As described in the Corporate Governance Statement included in the published Annual Report of 2022.

## SUBSEQUENT EVENTS

We refer to Note 22 Subsequent events of the interim condensed consolidated financial statements as of June 30, 2023.

### **Transactions with controlling shareholder and with controlling shareholder related parties**

Saverbel NV, controlled by Mr. Nicolas Saverys, recharged administrative expenses for KEUR 42 to the Group during the first half of 2023 (same period 2022: KEUR 39). The outstanding balance at June 30, 2023 amounted to KEUR 23 (year-end 2022: KEUR 21).

Saverex NV, also controlled by Mr. Nicolas Saverys, charged consulting fees of KEUR 600 in the first half of 2023 (same period 2022: KEUR 450). The outstanding balance at June 30, 2023 amounted to KEUR 100 (year-end 2022: KEUR 0). Furthermore, Saverex charged KEUR 0 administrative expenses in the first half of 2023 (same period 2022: KEUR 0). No advance was paid by EXMAR Yachting at June 30, 2023 (same period 2022 KEUR 63). The balance outstanding at year-end 2022 amounted to KEUR 0.

EXMAR Shipmanagement charged KEUR 30 to Saverex for shipmanagement services in respect of the yacht

"Douce France" for the first six months of 2023 (same period 2022: KEUR 28), for which KEUR 4 is outstanding (year-end 2022: KEUR 1).

Travel PLUS invoiced a total of KEUR 14 to Saverex in respect of travel services provided for the first six months of 2023 (same period 2022: KEUR 24), of which KEUR 1 is outstanding (year-end 2022: KEUR 1).

During the first half of 2023, an amount of KEUR 90 (same period 2022: KEUR 42) was invoiced to Mr Nicolas Saverys as a recharge of private expenses. The related outstanding balance amounted to KEUR 6 (year-end 2022: KEUR 11).

The Company has also related party relationships with its subsidiaries, joint ventures, associates and with its directors and executive officers. These relationships were disclosed in the consolidated financial statements of the Group for the year ended December 31, 2022. There were no significant changes in these related party transactions.

All related party transactions are at arm's length.

The Board of Directors, September 8, 2023

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# STATEMENT ON THE TRUE AND FAIR VIEW

## **OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND THE FAIR OVERVIEW OF THE MANAGEMENT REPORT**

The Board of Directors, represented by Nicolas Saverys (Chairman) and Carl-Antoine Saverys, and the Executive Committee, represented by Francis Motttrie, CEO (representing FMO BV) and Laurent Verhelst, CFO (representing COMETECCO BV), hereby confirm that, to the best of their knowledge,

- the interim condensed consolidated financial statements for the six months ended June 30, 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the entities included in the consolidation as a whole, and
- the management report includes a fair overview of the important events that have occurred during the financial period and of the major transactions with the related parties, and their impact on the interim condensed consolidated financial statements, together with a description of the principal risks and uncertainties they are exposed to.

## COLOPHON

### Board of Directors

Nicolas Saverys – Executive Chairman  
FMO BV represented by Francis Mottrie – CEO  
ACACIA I BV represented by Els Verbraecken  
Maryam Ayati  
Michel Delbaere  
Wouter De Geest  
Carl-Antoine Saverys  
Stephanie Saverys  
Baron Philippe Vlerick  
Isabelle Vleurinck

### Executive Committee

FMO BV represented by Francis Mottrie  
*Chief Executive Officer*  
FLX Consultancy BV represented by Jonathan Raes  
*Executive Director Infrastructure*  
Lisann AS represented by Jens Ismar  
*Executive Director Shipping*  
Cometecco BV represented by Laurent Verhelst  
*Chief Financial Officer*  
CASAVER BV represented by Carl-Antoine Saverys  
*deputy Director Shipping*

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### Auditor

Deloitte Auditors  
Represented by  
Mr. Kurt Dehoorne

### Contact

All EXMAR press releases can be consulted on the website: [www.exmar.be](http://www.exmar.be)  
Questions can be asked by telephone at +32(0)3 247 56 11  
or by e-mail to [corporate@exmar.be](mailto:corporate@exmar.be), for the attention of Laurent Verhelst (CFO) or Mathieu Verly (secretary).  
In case you wish to receive our printed annual or year report please mail: [annualreport@exmar.be](mailto:annualreport@exmar.be)

### Share information

the EXMAR share is listed on Euronext Brussels and is a part of the BEL Small Index (EXM)  
Participation as per 31 August 2023 :  
Freefloat : 22.26 %  
SAVEREX : 74.34 %  
EXMAR 3.40 %  
TOTAL 59,500,000

## FINANCIAL CALENDAR

Results 3 <sup>rd</sup> quarter 2023	10 November 2023
Results 2023	28 March 2024
Annual Report on website	18 April 2024
Results 1 <sup>st</sup> quarter 2024	May 2024
Annual Shareholders' Meeting	21 May 2024
Results 1 <sup>st</sup> semester 2024	6 September 2024





EXMAR