

Interim report Q2 and H1 2022

GC Rieber Shipping ASA



Highlights second quarter 2022

Key figures, NOK million (unaudited)	Q2 2022	Q2 2021	YTD 2022	YTD 2021	31.12.2021
Operating income	2.3	1.6	2.9	2.2	2.5
EBITDA	35.6	-33.9	-17.8	-65.1	129.7
EBIT	35.1	-34.3	-18.6	-65.9	128.0
Profit before taxes	66.0	-34.5	7.9	-66.7	139.0
Profit from continuing operations	66.0	-34.5	7.9	-66.7	139.0
Profit from discontinued operations	0.0	-18.2	272.2	135.8	38.9
Profit for the period	66.0	-52.7	280.1	69.1	177.9
Earnings per share	0.77	-0.61	3.25	0.80	2.07
Earnings per share continuing operations	0.77	-0.40	0.09	-0.77	1.62
Equity ratio	98.4%	70.8%	98.4%	70.8%	70.8%
Number of shares (million)	86.1	86.1	86.1	86.1	86.1

- *Net profit of NOK 66.0 million, compared with a net loss of NOK 52.7 million in the corresponding period of 2021. Net profit includes;*
 - *Reversed impairment of NOK 35.1 million related to GC Rieber Shipping's business in Russia*
 - *Total currency gains of NOK 30.6 million, whereof NOK 27.5 million unrealised*
- *The long-term charter for Polar Circle (prev. Polar Pevek) was successfully terminated in June 2022 and the vessel has left Russia. GC Rieber Shipping's remaining activity in Russia is limited.*
- *On the basis of the 2021 annual accounts, a dividend of NOK 0.50 per share was approved by the annual general meeting 21 April 2022. The total dividend of NOK 43.0 million was paid to shareholders 3 May 2022.*

Operational review

GC Rieber Shipping is a shipowner and project-house with focus on developing profitable and sustainable maritime projects.

The company is listed on Oslo Stock Exchange with the ticker RISH. Further information is available on the company's website www.gcrieber-shipping.com.

Capacity utilisation and contract backlog

The fleet capacity utilisation was 96% in the second quarter of 2022, compared to 65% in the corresponding period of 2021.

Following the mutual agreement to terminate Polar Circle's (prev. Polar Pevek) charter, GC Rieber Shipping has no backlog. For comparison, contract backlog reported as of 1 April 2021 was NOK 150 million, including Polar Onyx sold in February 2022.

Exiting business in Russia

GC Rieber Shipping owns 50 % of the ice-breaking tug Polar Circle, which has operated for the same client since 2006 in Sakhalin, Russia. The vessel's contract was firm until September 2023, but in June 2022 GC Rieber Shipping entered into a mutual agreement with the charterer to terminate the existing charterparty. The vessel has left Russia, changed ship manager and is available for new business opportunities.

GC Rieber Shipping's remaining activity in Russia is limited. GC Rieber Shipping owns 50% of the crew transfer vessel Polar Piltun, currently in lay-up, and also 50% of the Russian ship management company that manages Polar Piltun. GC Rieber Shipping will not enter into any new contracts in Russia.

GC Rieber Shipping is working closely together with its partners and local employees of the joint ventures to ensure compliance with sanctions and the safety and security of the joint venture's personnel.



Polar Circle (prev. Polar Pevek) has left Russia, seeking new opportunities

In the second quarter of 2022, following Polar Circle's exit from Russia, GC Rieber Shipping has reversed a net amount of NOK 35.1 million of the NOK 53.9 million impairment booked in the first quarter of 2022.

Dividend

On the basis of the 2021 annual accounts, a dividend of NOK 0.50 per share was approved by the annual general meeting 21 April 2022. The dividend, a total of NOK 43.0 million, was paid to the shareholders 3 May 2022.

Financial review

(Unaudited)

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 «Interim Financial Reporting» and follows the same accounting principles as in the annual financial statement.

Following the sale of Polar Onyx, the last vessel in the Subsea & Renewables segment, the Subsea & Renewables segment is presented as discontinued operations in the financial reporting from 31 December 2021.

OPERATING INCOME

For continuing operations, GC Rieber Shipping had operating income of NOK 2.3 million in the second quarter of 2022, compared with NOK 1.6 million the corresponding quarter of 2021.

Operating income for continuing operations was NOK 2.9 million for the first half-year of 2022, compared with NOK 2.2 million in the same period of 2021.

IMPAIRMENT

As a result of high uncertainty related to GC Rieber Shipping's ice/support business in Russia, GC Rieber Shipping booked an impairment of

NOK 53.9 million in the first quarter of 2022. The impairment was a result of an evaluation of several possible scenarios including continued operation, intermittent lay-up followed by sale or utilisation and loss of values due to sanctions, and the fair value of the assets in Russia was estimated as a weighted average of these different scenarios.

Re-assessing the situation as at 30 June 2022, GC Rieber Shipping and Polar Circle's (prev. Polar Pevek) charterer has come to a mutual agreement to terminate the existing charterparty and the vessel has left Russia. Following Polar Circle's export from Russia, the value of the asset has been restored to its original amortization schedule and provisions are made for costs related to the reduction of activity in Russia. Net reversed impairment in the second quarter of 2022 amounted to NOK 35.1 million.

The total impairment of the ice/support business for the first half-year of 2022 is NOK 18.8 million, resulting in no remaining book value for the business and assets in Russia.

There are uncertainties regarding the fair value estimates under the current conditions.

EBITDA

EBITDA for continuing operations amounted to NOK 35.6 million in the second quarter of 2022, including reversed impairment of JV Ice/Support of NOK 35.1 million. For comparison, EBITDA was negative NOK 33.9 million in the second quarter of 2021, affected by negative results in Shearwater that was booked as an associated company at that time.

For continuing operations in the first half-year 2022, EBITDA was negative NOK 17.8 million. EBITDA for the first half-year of 2021 was negative NOK 65.1 million affected by negative results in Shearwater.

NET FINANCIAL ITEMS

The group does not use hedge accounting for currency exchange rates. As a result, exchange rate variations between USD and NOK may have a significant impact on the accounts, in accordance with IAS 39. Unrealised currency gain/loss has no cash effect for the group.

Net financial items for continuing operations were NOK 30.9 million in the second quarter of 2022, compared with negative NOK 0.2 million in the corresponding period of 2021. Unrealised currency gain for continuing operations were NOK 27.5 million, compared with an unrealised currency gain of NOK 0.2 million in the corresponding period of 2021.

DISCONTINUED OPERATIONS

GC Rieber Shipping had a profit from discontinued operations of NOK 0.0 million in the second quarter of 2022, compared with negative NOK 18.2 million in the second quarter of 2021.

For the first half-year of 2022, profit from discontinued operations was NOK 272.2 million, including recycled foreign currency translation differences of NOK 279.9 million related to discontinued segments. Profit from discontinued operations in the first half-year of 2021 was NOK 135.8 million, including recycling of foreign currency translation differences of NOK 155.2 million related to the sale of Polar Queen.

Recycling of foreign currency translation differences has no cash effect.

PROFIT FOR THE PERIOD

GC Rieber Shipping had a net profit of NOK 66.0 million in the second quarter of 2022. For the second quarter of 2021 net loss was NOK 52.7 million including a loss from discontinued operations of NOK 18.2 million.

Profit in the first half-year of 2022 was NOK 280.1 million, including profit from discontinued operations of NOK 272.2 million. In the first half-year of 2021 net profit was NOK 69.1 million, including profit from discontinued operations of NOK 135.8 million.

CASH FLOW

Cash flow from operational activities was positive NOK 3.3 million in the second quarter of 2022, compared with positive NOK 3.7 million in the second quarter of 2021.

Cash flow from investment activities was positive NOK 1.4 million, compared with 0.0 in the corresponding period of 2021.

Cash flow from financing activities was negative NOK 0.4 million, compared with negative NOK 76.7 million in the second quarter of 2021 mainly related to repayment of debt.

Net cash flow in the quarter was positive NOK 4.3 million, yielding a cash holding of NOK 620.9 million as at 30 June 2022.

LIQUIDITY AND FINANCING

GC Rieber Shipping has no interest-bearing liabilities as at 30 June 2022. As at 30 June 2021, net interest bearing liabilities were NOK 289.8 million.

As at 30 June 2022, GC Rieber Shipping had cash and bank deposits of NOK 620.9 million, up from NOK 170.9 million as at 30 June 2021. Net current assets were NOK 621.6 million.

On the basis of the 2021 annual accounts, a dividend of NOK 0.50 per share was approved by the general meeting 21 April 2022. The total amount of NOK 43.0 million was paid to shareholders 3 May 2022.

EQUITY

GC Rieber Shipping had a book equity of NOK 1,219.4 million as at 30 June 2022, corresponding to an equity ratio of 98.4%, up from 70.8% at the end of June 2021.

JOINT VENTURES

Ice/Support

The ice-breaker Polar Circle is owned through a 50/50 joint venture and the crew boat Polar Piltun is owned through another 50/50 joint venture. GC Rieber Shipping's 50% stake is reported in the profit and loss statement under «Profit from joint ventures and associates».

Polar Circle left Russia in June 2022 following a mutual agreement with the charterer to terminate the existing charterparty. The vessel is available for new business opportunities. Polar Piltun is currently in cold lay-up in Russia.

See the section «Exiting business in Russia» above for further information regarding the JV Ice/Support.

The group's share of profit for the second quarter of 2022 amounted to NOK 39,4 million, including the net reversed impairment described above. The share of profit for the corresponding period of 2021 was NOK 2.1 million.

FINANCIAL FIXED ASSETS

Marine Seismic (Shearwater GeoServices)

GC Rieber Shipping's ownership in Shearwater GeoServices (Shearwater) of 8.5% is booked as a financial asset at fair value. Book value was NOK 440 million as at 30 June 2022. Up to and including the first half of 2021 the ownership was 17% and the investment was reported in the profit and loss statement under «Profit from joint ventures and associates».

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition

vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 900 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

Shareholder information

The company's shares are listed on Oslo Børs with the ticker RISH. The company holds no own shares as at 30 June 2022.

In the second quarter of 2022, the group's shares were traded in a range from NOK 8.80 to NOK 16.50 per share. The closing price 30 June 2022 was NOK 13.30, which based on the 86,087,310 shares outstanding valued the group's equity at approximately NOK 1,145.0 million. At the end of June 2022, the company had 1,151 shareholders. 94.2% of the shares were owned by the 20 largest shareholders. Please refer to note 6 for a list of the 20 largest shareholders in the company as at 30 June 2022.

Risks and uncertainties

As described in GC Rieber Shipping's annual report for 2021, GC Rieber Shipping is exposed to a number of risks as the company operates in a global market. The Board of Directors of GC Rieber Shipping therefore focuses on efforts to identify and manage risk, and routines have been established with the aim of limiting and reducing the total risk exposure to an acceptable level. Risk factors are categorised into the areas of market risks, financial risks and operational risks.

It is referred to the company's annual report for 2021 for a more detailed description of the company's risk management and the most principal risk and uncertainty factors. Although GC Rieber Shipping's exposure towards these factors is reduced through the sale of vessels, the company is still exposed to the development in the oil and gas industry through its investment in Shearwater.

Outlook

Following the sale of Polar Onyx in Q1 2022 and becoming a pure play project house, GC Rieber Shipping has continued development of maritime projects focusing on profitable and sustainable maritime projects. GC Rieber Shipping being debt free and holding significant investment capacity has allowed for a wide opportunity list.

Through inhouse expertise within naval architecture engineering, commercialisation and newbuilding project management the opportunity list has been narrowed to a handful projects currently under development. Project development continues to be focused on supporting the energy transition and to reduce environmental footprints. These markets show attractive outlook on medium and long term.

Shearwater GeoServices operates in the marine seismic acquisition market. The marine seismic market has through 1H 2022 seen solid growth and the outlook is considered positive due to the oil price development and increasing investments among oil & gas companies.

During the second quarter, GC Rieber Shipping's 50% owned ice breaking tug, Polar Pevek completed for her existing client in Russia, on the back of GC Rieber Shipping's decision to exit Russia. The vessel has since changed name to

Polar Circle as well as changed ship manager to a European Tier 1 operator. The vessel holds no future commitment, but market outlook for the vessel is strong.

Responsibility statement

We confirm, to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2022 has been prepared in accordance with the IAS 34 – Interim Financial Reporting, and that the information gives a true and fair view of the 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 report includes a fair review of important events that have occurred in the accounting period and their impact on the financial statements, a description of the principal risks and uncertainties for the coming accounting period, and major related parties' transactions. For further details on risks and uncertainties that the company is exposed to, shareholders are advised to refer to the company's annual report for 2021.

Bergen, 25 August 2022

The Board of Directors and Chief Executive Officer in GC Rieber Shipping ASA

Chairman, Paul-Chr. Rieber

Vice Chairman, Morten Foros Krohnstad

Board Member, Birthe Cecilie Lepsøe

Board Member, Pål Selvik

Board Member, Ingrid von Streng Velken

CEO, Einar Ytredal

Financial accounts

GC Rieber Shipping ASA (unaudited)

Consolidated Income Statement

(NOK 1000)	Note	Q2 2022	Q2 2021	30.06.2022	30.06.2021	31.12.2021
Other income		2 262	1 634	2 850	2 234	2 452
Total income	2,3	2 262	1 634	2 850	2 234	2 452
Operating expenses		-6 126	-5 087	-14 193	-12 840	-23 918
Gain (loss) from transactions in associated company		0	0	0	0	186 712
Profit from joint venture and associates		39 425	-30 436	-6 424	-54 459	-35 518
EBITDA*	2	35 561	-33 889	-17 767	-65 065	129 728
Depreciation	7	-432	-439	-863	871	-1 744
Operating profit	2	35 130	-34 328	-18 630	-65 936	127 984
Financial income		382	6	1 556	91	3 101
Financial expenses		-134	-440	-225	-994	-658
Realised currency gains (losses)		3 108	33	-1 268	47	2 414
Unrealised currency gains (losses)		27 535	226	27 370	117	6 193
Net financial income and expenses		30 892	-175	26 533	-739	11 050
Profit / loss before taxes		66 021	-34 503	7 903	-66 675	139 034
Taxes		0	0	0	0	0
Profit / loss for continuing operations		66 021	-34 503	7 903	-66 675	139 034
Profit / loss from discontinuing operations		0	-18 229	272 209	135 797	38 877
Profit / loss for the period		66 021	-52 732	280 111	69 122	177 911
Earnings and diluted earnings per share (based on average number of shares)		0.77	-0.61	3.25	0.80	2.07
Earnings and diluted earnings per share continuing operations		0.77	-0.40	0.09	-0.77	1.62
* Operating profit before depreciation, write-downs and gains (losses) on fixed assets						

Consolidated statement of Comprehensive Income

(NOK 1000)	Q2 2022	Q2 2021	30.06.2022	30.06.2021	31.12.2021
Profit for the period	66 021	-52 732	280 111	69 122	177 911
Other comprehensive income					
Foreign currency translation - continued operations	49 610	3 188	49 030	2 107	14 113
Foreign currency translation - discontinued operations	0	1 971	3 420	495	14 172
Foreign currency translation recycled	0	0	-279 944	-155 245	-164 719
Changes in pension estimates	0	0	0	0	-368
Total comprehensive income / loss for the period net of tax	115 631	-47 573	52 617	-83 520	41 109

Consolidated statement of Financial Position

Assets	Note	30.06.2022	30.06.2021	31.12.2021
(NOK 1000)				
Rights, patents etc.	4	7 898	0	4 999
Vessels		0	622 810	0
Machinery and equipment		0	5 150	0
Financial fixed assets	4,7	595 035	856 095	628 142
Long term receivables	4	1 726	3 453	2 590
Total fixed assets		604 660	1 487 507	635 731
Receivables		13 580	28 999	1 484
Cash and bank deposits		620 917	170 933	482 698
Total current assets		634 497	199 932	484 182
Total assets of discontinued operations		0	0	593 821
Total assets		1 239 157	1 687 439	1 713 733

Equity and liabilities	Note	30.06.2022	30.06.2021	31.12.2021
(NOK 1000)				
Restricted equity		441 468	441 369	441 468
Retained earnings		777 908	752 715	771 755
Total equity		1 219 376	1 194 085	1 213 222
Provision for liabilities		6 902	6 607	6 902
Other long-term liabilities	7	0	450 074	853
First year instalments		0	10 657	0
Current liabilities	7	12 879	26 016	4 686
Total liabilities		19 781	493 354	12 441
Total liabilities of discontinued operations		0	0	488 069
Total equity and liabilities		1 239 157	1 687 439	1 713 733

Consolidated statement of cash flows

	Note	Q2 2022	Q2 2021	30.06.2022	30.06.2021	31.12.2021
EBITDA		35 561	-33 889	-17 767	-65 065	129 728
Sale of financial fixed assets		0	0	0	0	-186 712
Change in net current assets		-22 231	41 778	-18 408	77 633	70 658
Discontinued operating activities		0	-4 209	-12 411	-4 081	-20 890
Net cash from operating activities		3 330	3 680	-48 586	8 487	-7 216
Sale of tangible fixed assets		0	0	564 365	279 903	339 875
Sale of financial fixed assets		0	0	0	0	440 294
Investments in intangible fixed assets		-1 342	0	-2 899	0	-4999
Other investing activities		2 754	0	44 403	0	10 493
Net cash from investment activities		1 412	0	605 869	279 903	785 663
New loans and repayments		0	-72 982	-415 685	-345 675	-409 842
Net payment of equity		0	0	0	0	-105 887
Installment financial lease		-426	-422	-853	-844	-1 705
Net interest paid		0	-3 286	-2 526	-11 368	-18 744
Net cash from financing activities		-426	-76 690	-419 064	-357 887	-536 178
Net change in liquidity		4 316	-73 010	138 219	-69 497	242 268
Liquidity at beginning of period		616 601	243 943	482 698	240 430	240 430
Liquidity at end of period		620 917	170 933	620 917	170 933	482 698

Consolidated statement of changes in equity

	Share capital	Own shares	Share Premium reserve	Other equity	Total equity
Balance at 01.01.2021	154 957	-98	286 510	836 236	1 277 605
Profit for the year	0	0	0	41 109	41 109
Sale of own shares	0	98	0	298	396
Dividends to shareholders	0	0	0	-105 887	-105 887
Balance at 31.12.2021	154 957	0	286 510	771 755	1 213 222
Balance at 01.01.2022	154 957	0	286 510	771 755	1 213 222
Profit for the year				49 197	49 197
Dividends to shareholders				-43 044	-43 044
Balance at 30.06.2022	154 957	0	286 510	777 908	1 219 376

Notes

GC Rieber Shipping ASA

NOTE 1 - General information

GC Rieber Shipping ASA is registered and domiciled in Norway, with its head office in Bergen. The consolidated interim accounts for the Group include GC Rieber Shipping ASA with its subsidiaries and the Group's investment in associated companies. The Group accounts for fiscal year 2021 were approved by the Board of Directors on 18 March 2022. The consolidated financial statement for the year ended 31 December 2021 with notes and auditor's report are available on our website at www.gcrieber-shipping.com.

Accounting principles

The Group's financial reporting is in accordance with International Financial Reporting Standards (IFRS). The consolidated interim accounts on 30 June 2022 have been prepared in accordance with IAS 34 Interim financial reporting. The interim financial statements are unaudited and do not include all the information required in full annual financial statements, and therefore should be read in conjunction with the 2021 Group accounts. The condensed, consolidated quarterly financial statements were approved by the Board of Directors on 25 August 2022.

Foreign currency

GC Rieber Shipping Group uses the Norwegian krone (NOK) as its presentation currency. Some subsidiaries have US Dollar (USD) as their functional currency. Consequently, accounting standard IAS 21 will apply. A fluctuation in the USD/NOK exchange rate affects the company's equity and result, since some of the subsidiary's accounts are recorded in USD and converted to USD/NOK exchange rate on the balance sheet date in USD and converted to USD/NOK exchange rate on the balance sheet date. For subsidiaries with USD as functional currency, the translation differences on

vessels and liabilities are recognized through Comprehensive Income directly in equity. Translation differences also arise in respect of subsidiaries that have the USD as their functional currency and hold liquid assets in NOK. Here the value of the liquid reserves in NOK translated to USD will be determined by the exchange rate on the balance sheet date and the translation difference will be recognised in profit and loss as unrealised gain/loss. At 30 June 2022 the exchange rate USD against NOK was 9.96, and 8.82 at 31 December 2021.

Estimates

Preparation of interim financial statements requires use of assessments, estimates and assumptions that affect accounting principles and reported amounts for equity and liabilities, income and costs. The statements are based on assumptions and estimates, and some of them are beyond the company's control and therefore subject to risks and uncertainty. The actual result may differ from these estimates. When preparing this consolidated interim financial statement, the management has used the same critical assessments related to application of accounting principles as were used for the Group financial statements for the financial year that ended on 31 December 2021 and the most important sources of estimate uncertainty are the same as for preparation of the 2021 Group financial statements.

Related parties

The Group makes purchase and sales transactions with related parties as part of the normal business operations. Note 17 of the 2021 annual report describes transactions with related parties. There have been no material changes or transactions in connection with related parties that make a material impact on the Group's position or profit for the period.

Financial risk management

GC Rieber Shipping makes a continuous and thorough assessment of operational and financial risk factors. The Group's objectives and principles for financial risk management are in accordance with what has been stated in the Group financial statements for 2021.

NOTE 2 - Segment

The Group's management team, as presented on the Group's website, examines the Group's performance from a product perspective when defining operating segments. The management team has defined two operating segments: Project & Business Development and Joint Ventures. Joint Ventures comprises Ice/Support as a subsegment.

The geographic perspective is not a focal point in the internal management reporting for either of the segments. The segments are considered to have different operational and financial risk profiles. Any transactions between the segments are carried out at arm's length and eliminated in the consolidated financial statements.

The investment in Shearwater Geoservices Holding AS, previously reported as an associated company and presented as part of «Profit from joint ventures and associates» in the income statement, is reported as a financial fixed asset from July 2021, due to reduced ownership in the Company and that GC Rieber Shipping no longer being part of the shareholder agreement.

GC Rieber Shipping sold the SURF/construction vessel Polar Onyx in February 2022. Since Polar Onyx was the last owned vessel within the Subsea & Renewables segment, the segment was considered as

discontinued operations as at 31 December 2021. See note 8 for more information regarding discontinued operations.

(NOK 1000)	Q2 2022	Q2 2021	30.06.22	30.06.21	31.12.21
Project and business development	2 262	1 634	2 850	2 234	2 452
Operating income	2 262	1 634	2 850	2 234	2 452
Project and business development	-3 864	-3 453	-11 343	-10 606	-21 466
Gain (loss) from share issues in associated company	0	0	0	0	186 712
Associates - Seismic	0	-29 200	0	-29 200	-61 712
JV - Ice/support	39 425	-1 236	-6 424	-25 259	26 194
EBITDA*	35 561	-33 889	-17 767	-65 065	129 728
Project and business development	-4 296	-3 892	-12 206	-11 477	-23 210
Gain (loss) from share issues in associated company	0	0	0	0	186 712
Associates - Seismic	0	-32 512	0	-61 712	-61 712
JV - Ice/support	39 425	2 076	-6 424	7 253	26 194
Operating profit	35 130	-34 328	-18 630	-65 936	127 984

* Operating profit before depreciation, write-downs and gains (losses) on fixed assets

Project and Business Development

GC Rieber Shipping's in-house project management department holds extensive expertise within naval architecture engineering and newbuilding project management and has a longstanding history of turning innovative projects into high-end vessel assets. Building on the company's strong heritage of managing complex customer requirements and technologies, GC Rieber Shipping is uniquely positioned to develop tailor-made and innovative solutions for customers world-wide.

Joint Ventures

The Group has 50% ownership in the vessel Polar Circle (prev. Polar Pevek) which until June 2022 operated as an ice-breaker/tug in Russia. The vessel has left Russia and is seeking new business opportunities.

Furthermore, the Group has 50% ownership in the crew vessel Polar Piltun. The ownership and operation of the vessel is managed through two joint venture companies located in Cyprus and Russia respectively. Polar Piltun is currently in cold lay-up in Russia.

For more information see the section «Exiting business in Russia» in the interim report for important information regarding the JV Ice/Support.

NOTE 3 - Income

Other income is the services part of continuing operations within the project and business development segment. See note 8 for more information regarding discontinued operations.

NOTE 4 - Fixed assets

Rights, patents etc.

(NOK 1000)	30.06.2022	30.06.2021	31.12.2021
Research and development	7 898	0	4 999
Total rights, patents etc.	7 898	0	4 999

GC Rieber Shipping is developing new vessel designs and concepts for future investments.

Vessels and equipment

Both vessel and equipment are part of discontinued operations, see note 8 for more information.

Financial fixed assets

(NOK 1000)	30.06.2022	30.06.2021	31.12.2021
Investment in joint ventures	154 734	175 865	187 840
Investment in Associates	0	680 223	0
Financial assets at fair value	440 301	0	440 301
Total financial fixed assets	595 035	856 095	628 142

GC Rieber Shipping has assessed the investment in Shearwater GeoServices and considers the current book value to be an appropriate estimate of the fair value as at 30.06.2022.

As a result of the increased uncertainty related to GC Rieber Shipping's business and assets in Russia, GC Rieber Shipping booked an impairment of NOK 53.9 million in the first quarter of 2022. The impairment was estimated as the weighted average of several possible scenarios including continued

operation, intermittent lay-up followed by sale or utilisation and loss of values due to sanctions.

Re-assessing the situation as at 30 June 2022, GC Rieber Shipping and Polar Circle's charterer has come to a mutual agreement to terminate the existing charterparty and the vessel has left Russia. Following the export of Polar Circle from Russia, the value of the assets has been restored to its original amortisation schedule and provisions are made for costs related to the reduction of activity in Russia. Net reversed impairment in the second quarter of 2022 amounted to NOK 35.1 million.

Thus, the total impairment of the ice/support business for the first half-year of 2022 is NOK 18.8 million, resulting in no remaining book value for the business and assets in Russia.

There are uncertainties regarding the fair value estimates under the current conditions.

Long term receivables

(NOK 1000)	30.06.2022	30.06.2021	31.12.2021
IFRS 16 – right of use asset	1 726	3 453	2 590
Total long-term receivables	1 726	3 453	2 590

NOTE 5 - Repayment of credit facility

GC Rieber Shipping's credit facility is described in note 14 to the Group's annual report for 2021. The credit facility, which is considered discontinued operations, was repaid in full upon the sale of Polar Onyx in February 2022. See note 8 for more information.

NOTE 6 - Overview of shareholders

The 20 largest shareholders in GC Rieber Shipping ASA as of 30 June 2022 (outstanding shares):

Name	Number of shares	Owner's share
GC RIEBER AS	66 145 908	76.8 %
AS JAVIPA	2 003 492	2.3 %
GC RIEBER FONDET	1 807 255	2.1 %
VIBEN AS	1 334 435	1.6 %
CELSIUS AS	1 328 768	1.5 %
TRIOSHIP INVEST AS	1 190 000	1.4 %
DELTA AS	970 000	1.1 %
VERDIPAPIRFONDET DNB SMB	865 911	1.0 %
SOLOMIO AS	850 000	1.0 %
JOHANNE MARIE RIEBER MARTENS	786 654	0.9 %
PARETO AKSJE NORGE VERDIPAPIRFOND	723 157	0.8 %
PELICAHN AS	685 166	0.8 %
MIDDELBOE AS	551 634	0.6 %
NES, BENEDICTE MARTENS	386 250	0.4 %
STORKLEIVEN AS	338 022	0.4 %
TRIOFA 2 AS	278 001	0.3 %
MARTENS, MIKKEL	225 949	0.3 %
RONG, TORHILD MARIE	210 648	0.2 %
BERGEN RÅVAREBØRS AS	208 668	0.2 %
KVANTIA AS	207 273	0.2 %
Other Shareholders	5 000 119	5.8 %
Outstanding Shares	86 087 310	100.0 %

NOTE 7 - Leases

The Group has long term lease agreements on office buildings and warehouses that are affected by IFRS 16. For the Group, these lease commitments result in the recognition of an asset (right-of-use) and a liability for a period of time. There are no significant changes the Group's profit but the cash flow statement for leases are affected with lease payments being presented as financing activities as opposed to operating activities. Some of the Group's commitments relate to arrangements that do not qualify as leases under IFRS 16.

Right-of-use assets

(NOK 1 000)	30.06.2022	30.06.2021	31.12.2021
Balance at 1 January	2 590	4 316	4 316
Depreciation	-863	-863	-1 726
Balance at period end	1 726	3 453	2 590
Depreciation method	Straight-line	Straight-line	Straight-line
Useful life (years)	4	4	4

Lease Liabilities

(NOK 1 000)	30.06.2022	30.06.2021	31.12.2021
Balance at 1 January	2 610	4 413	4 413
Periods lease payments	-872	-846	-1 803
Balance at period end	1 738	3 567	2 610

Undiscounted lease liability and maturity of cash flows

(NOK 1 000)	30.06.2022	30.06.2021	31.12.2021
Less than 1 year	1 833	1 820	1 920
1-4 years	0	2 275	853
Total undiscounted lease liability as period end	1 833	4 095	2 773
Interest rate	3 %	3 %	3 %

Effect on Profit and loss statement

(NOK 1 000)	30.06.2022	30.06.2021	31.12.2021
Administration cost - office rent	926	926	1 851
Depreciation - right-of-use asset	-863	-863	-1 726
Interest cost - lease liabilities	37	63	89
Net effect income statement	99	125	214

NOTE 8 - Discontinued Operations

In December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx and the vessel was delivered to new owners in February 2022. Following the sale of Polar Onyx, GC Rieber Shipping no longer owns or operates vessels within the Subsea & Renewable market and the subsea and renewables segment are considered as discontinued operations.

Income statement – discontinued operations

(NOK 1 000)	Q2 2022	Q2 2021	30.06.22	30.06.21	2021
Operating income	7 868	21 994	7 868	45 893	81 532
Operating expenses	-7 868	-26 202	-20 279	-49 974	-102 422
EBITDA*	0	-4 209	-12 411	-4 081	-20 890
Depreciation	0	-11 962	-571	-28 614	-53 589
Write-down	0	4 554	0	4 554	-31 850
Gains (losses) on sale of fixed assets	0	0	3 917	20 979	20 979
Foreign currency translation subsidiaries recycled	0	0	279 944	155 245	155 245
Operating profit (EBIT)	0	-11 616	270 879	148 083	69 895
Financial income	0	0	7	0	10 004
Financial expenses	0	-6 125	536	-13 738	-35 332
Realised currency gains (losses)	0	133	803	2 459	1 914
Unrealised currency gains (losses)	0	-622	0	-962	-7 727
Net income before taxes	0	-18 230	272 225	135 842	38 754
Taxes	0	0	-16	-45	123
Profit from discontinuing operations	0	-18 230	272 209	135 797	38 877

* Operating profit before depreciation, write-downs and gains (losses) on fixed assets

Fixed assets – net book value discontinued operations

(NOK 1 000)	Vessels and periodic maintenance	Machinery and equipment	In total
Net book value 01.01.	583 597	1 713	585 310
Disposals	-589 116	-1 142	-590 258
Depreciation	0	-571	-571
Write-downs	0	0	0
Changes in translation differences	5 519	0	5 519
Net book value 30.06.	0	0	0

Sale of fixed assets

The vessel had a carrying amount in USD, which are converted to NOK by using the exchange rate on the balance sheet date in the consolidated financial statements. Changes in the exchange rate USD/NOK result in translation differences, which are recognised in the comprehensive income. Accumulated exchange translations are included in the amounts above.

The vessel Polar Onyx was sold in February 2022 to the offshore wind service conglomerate Dong Fang Offshore Co., Ltd, and Hung Hua Construction Co., Ltd., resulting in a loss of NOK 2.9 million. The sale triggered a recycling of foreign transaction differences of NOK 279.9 million. Recycling of foreign currency transaction differences does not have cash effect.

In January 2022 GC Rieber Shipping sold the gangway that was booked as machinery and equipment in the balance sheet per 31 December 2021. Net profit from the transaction was NOK 6.9 million.

NOTE 9 - Dividend

21 April 2022, the annual general meeting approved a dividend of NOK 0.50 per share on the basis of the company's 2021 annual accounts. The total dividend of NOK 43 million, was paid to the shareholders 3 May 2022.

NOTE 10 - Performance measurement definitions

Alternative performance measurements

The Group presents alternative performance measurements (APM) that are regularly reviewed by management and aim to enhance the understanding of the Group's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below:

Measure	Description	Reason for including
Operating profit before depreciation (EBITDA)	EBITDA is defined as operating profit, before impairment of tangible and intangible assets, depreciation of tangible assets. EBITDA represents earnings before interest, tax and depreciation, and is a key financial parameter for the Group.	This measure is useful in evaluating operating profitability on a more variable cost basis as it excludes depreciation and impairment related primarily to acquisitions that occurred in the past. EBITDA shows operating profitability regardless of capital structure and tax situations
Operating profit (EBIT)	EBIT represents earnings before interest and tax.	EBIT shows operating profitability regardless of capital structure and tax situations.
Net interest-bearing debt	Net interest-bearing debt consists of both current and non-current interest-bearing liabilities less interest bearing financial assets, cash and cash equivalents.	Net interest-bearing debt is a measure of the Group's net indebtedness that provides an indicator of the overall statement. It measures the Group's ability to pay all interest-bearing liabilities within available interest-bearing financial assets, cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measurement of the risk related to the Group's capital structure.
Equity ratio	Equity divided by assets at the reporting date.	Measure capital contributed by shareholders to fund the Group's assets.
Earnings per share	Earnings divided by average number of shares outstanding.	Measures the Group's earnings on a per-share basis.

Other definitions

Measure	Description
Capacity utilisation	Capacity utilisation is a measure of the Group`s ability to keep vessels in operation and on contract with clients, expressed as a percentage. The capacity utilisation numbers are based on actual available days.
Contract coverage	Sum of undiscounted revenue related to secured contracts in the future. Optional contract extensions as determined by the client in the future are not included.