

VIKING SUPPLY SHIPS AB
(PUBL)
INTERIM REPORT

Q4

2024



VIKING SUPPLY SHIPS

MORE
THAN A SHIPOWNER

THE
COOLEST
PLACE TO WORK

ALWAYS AHEAD OF
COMPETITION

SIMPLY
THE BEST



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In the fourth quarter of 2024, the market experienced fluctuating but overall decreasing market conditions. The varying levels of activity and rates were influenced by weather conditions and the availability of vessels. As usual, the North Sea AHTS market softened in the fourth quarter following the project season with vessels arriving back from projects, e.g. from Africa and Canada, which created downward pressure on rates. Towards the end of the quarter, there was a slight increase in activity on the Norwegian side.

Revenue for Q4 for continuing operations came in at MSEK 94 (58), EBITDA at MSEK -34 (-41), and profit after tax including discontinued operations was MSEK -91 (-86). The increased revenue compared to the same period last year was driven by more vessels in operation and higher utilization. Year-to-date revenue for continuing operations was MSEK 679 (359), EBITDA was MSEK 231 (63), and profit after tax including discontinued operations ended at MSEK 111 (-88).

Viking Supply Ships has during the quarter signed a contract for an investment in four 100-ton heave-compensated offshore cranes, including ROV hangars and LARS' (Launch and Recovery system), to be installed on its fleet of ice classed AHTS-vessels. In addition, one LARS has been delivered, and will be installed on Odin Viking. The investment increases the fleet's flexibility and opportunities to enter into contracts as they will be able to perform a greater range of operations for the company's clients.

The outsourcing of commercial- and ship management to Sea1 Offshore Inc Group "Sea1", which was announced in August 2024, was completed in Q4 2024. The collaboration with Sea1 functions seamlessly, leveraging scale

advantages and enhancing market exposure through an organization with a presence in all major offshore regions worldwide. The operational cost has been reduced, and the organization is now structured based on current activity level. Viking Supply Ships will retain its world-class ice-competence.

OUTLOOK

We anticipate the North Sea AHTS market in Q1 to experience the typical seasonal impact of the weaker winter period, with occasional uplift in rates. The project outlook for the 2025 season, and an expected increase in the semi rig count on the Norwegian side, looks promising for the segment of larger AHTS-vessels. However, the British side of the North Sea is expected to be impacted by lower activity driven by regulatory challenges.

The market is generally influenced by increasing global activity, as vessel demand in other regions draws capacity away from the North Sea. In the coming years, we expect increasing demand outside the North Sea, driven by growing rig activity, FPSO installations and decommissioning, mooring system maintenance, floating wind support, and various other projects. Additionally, as government icebreaker fleets continue to age, there may be future opportunities for both short- and long-term contracts for our high ice-classed AHTS vessels. Viking Supply Ships is actively pursuing term and project opportunities worldwide in collaboration with Sea1.

Gothenburg, 20 February 2025

Trond Myklebust
CEO and President

FOURTH QUARTER

- Total revenue for continuing operations was MSEK 94 (58)
- EBITDA for continuing operations was MSEK -34 (-41)
- Result after tax including discontinued operations was MSEK -91 (-86)
- Result after tax including discontinued operations per share was SEK -6.9 (-6.6)

YEAR TO DATE

- Total revenue for continuing operations was MSEK 679 (359)
- EBITDA for continuing operations was MSEK 231 (63)
- Result after tax including discontinued operations was MSEK 111 (-88)
- Result after tax including discontinued operations per share was SEK 8.5 (-6.8)

SUMMARY OF EVENTS IN Q4

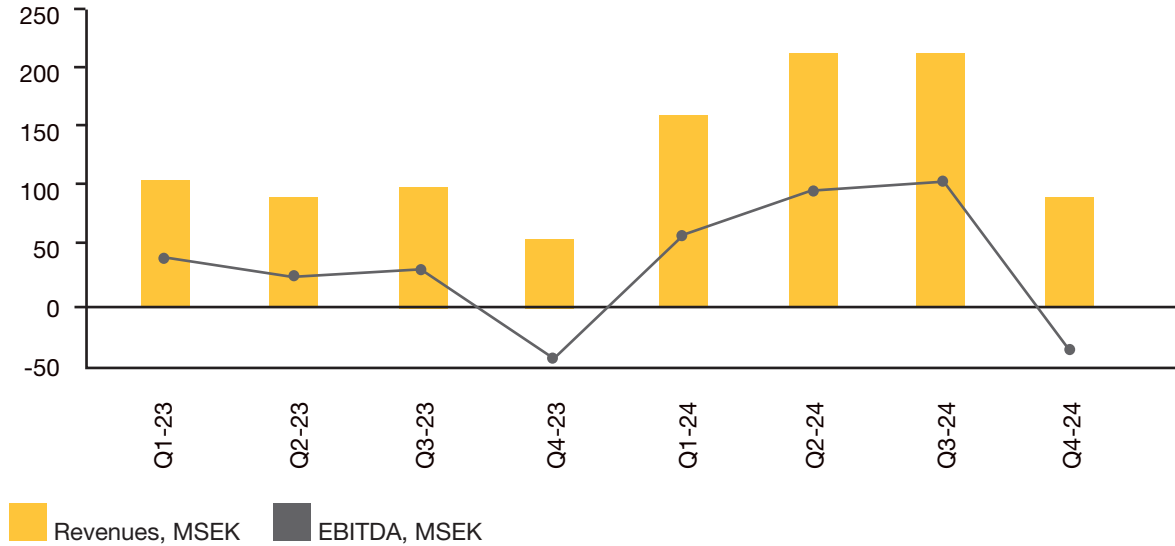
- EBITDA for continuing operation was in Q4 MSEK -34 (-41).
- The average fixture rates in Q4 for the AHTS-fleet was USD 36,200 (44,600) and the average utilization was 46% (33%).
- Sea 1 has secured a multi-well project together with Viking Supply Ships for 3 AHTS¹ in Australia, commencing in 1Q 2025. The duration for this contract is minimum 16 wells firm. Total work for Viking Supply Ships is estimated to be between 570 to 1000 vessel days, plus options. Exact number of days depends on the time spent on each well.
- Viking Supply Ships has secured a contract for four 100-ton heave-compensated offshore cranes, which will be installed on its fleet of ice classed AHTS vessels. The total investment for the project is estimated to slightly above 50 MUSD. Crane deliveries are set to begin in July 2026, with phased installation to follow.

KEY FINANCIALS	Q4 2024	Q4 2023
Net sales, MSEK ¹⁾	94	58
EBITDA, MSEK ¹⁾	-34	-41
Result after tax, MSEK	-91	-86
Earnings per share after tax, SEK	-6.9	-6.6
Shareholders' equity per share, SEK	164.9	143.2
Return on equity, %	-17.1	-17.3
Equity ratio, %	72.6	67.6
Market adjusted equity ratio, %	74.6	69.4

1) Discontinued operations are excluded in the calculation. Also comparison periods have been retrospectively revised. For further information, see note 5.

Q4

FINANCIAL DEVELOPMENT ¹⁾



1) Relates to continuing operations

RESULTS AND FINANCE

RESULTS FULL-YEAR 2024

Total revenue for the Group’s continuing operations was MSEK 679 (359). The Group’s EBITDA for continuing operations was MSEK 231 (63).

Net financial items amounted to MSEK -64 (-28), primarily driven by interest expenses related to the financing of Odin Viking and Andreas Viking, which were added to the fleet in early November 2023.

The Group’s result after tax including discontinued operations was MSEK 111 (-88). The result includes capital gains of MSEK 97 from the sale of the partly owned PSV vessels Coey and Cooper Viking in Q1 2024. The EBITDA and result after tax also includes restructuring costs of MSEK 18 related to the outsourcing of the Group’s commercial- and ship management.

OPERATIONAL HIGHLIGHTS FOR THE FOURTH QUARTER

ICE-CLASSED ANCHOR HANDLING TUG SUPPLY VESSELS (AHTS)

The increase in revenue compared to Q4 2023, was mainly driven by Andreas Viking operation on a long-term contract in Australia, and general more Viking Supply Ships’ vessels in operations.

Njord Viking and Loke Viking underwent maintenance for part of the quarter.

Except for Andreas Viking, all vessels operated in the North Sea spot market throughout the quarter.

AHTS Q4	Fixture rates (USD)	Utilization (%)
AHTS vessels on term charters	40,000 (-)	100 (-)
AHTS vessels on the spot market	33,400 (44 600)	33 (33)
Total AHTS fleet	36,200 (44 300)	46 (33)

The fixture rates and utilizations are calculated on vessels in operation. Vessels in lay-up are excluded.



The table below shows the current contract status for the AHTS fleet.

AHTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Loke Viking	Spot/available											
Njord Viking	Spot/available											
Magne Viking	Spot/available											
Brage Viking	Spot/available											
Andreas Viking	Firm contract											
Odin Viking	Spot/available											

The table shows the contractual status as of 31 December 2024.

FINANCIAL POSITION AND CAPITAL STRUCTURE

Equity

At the end of the year, the Group's equity amounted to MSEK 2,170. The equity increased during the year by net MSEK 284 due to the profit of MSEK 111, a positive change in the translation reserve of MSEK 269 and remeasurements of post-employment benefit obligations of MSEK 4. Changes in the translation reserve occur when subsidiaries with a reporting currency other than SEK are translated into SEK. The significant net assets in the Group are held in subsidiaries with reporting currency in USD. The changes in the translation reserve are therefore affected by exchange rate fluctuations between SEK and USD. Further information can be found in the section "Changes in the Group's shareholders' equity" on page 8.

P&L

During the first quarter of 2024, the ownership of the two PSV vessels Coey Viking and Cooper Viking was divested. The sales resulted in a capital gain of MSEK 97 and a positive liquidity effect of MSEK 194. The divestment means that the PSV segment, which in its entirety consisted of the profit shares from Coey Viking and Cooper Viking, from the first quarter of 2024 in the financial reports has been reported as discontinued operations, for further information see note 5.

Cash flow

At the beginning of the year the total cash balance was MSEK 172. The cash flow from continuing operations during the year was MSEK 60. Cash flow from investments was negative by MSEK 119 and cash flow from financing activities was negative by MSEK 100. The cash flow from discontinued operations was positive by MSEK 148. The currency exchange rate differences in liquid funds were positive by MSEK 5. The total cash holdings at the end of the year were MSEK 166, of which MSEK 5 has been reclassified to "assets related to discontinued operations", for further information see note 5.

Investments

Viking Supply Ships has signed a contract for four 100-ton heave-compensated offshore cranes to be installed on its fleet of ice classed AHTS-vessels. These advanced cranes will enhance the vessels' capabilities, positioning them to meet the increasing demand within the subsea sector. The upgrades will enable the vessels to handle a wider range of assignments across both the oil and gas industry, as well as renewable energy projects, including offshore wind.

Crane deliveries are set to begin in July 2026, with phased installation to follow. Total investment for the project is estimated to slightly above 50 MUSD and is expected to be financed with cash at hand and existing credit facility. The project includes some modifications on certain vessels, including building ROV-hangars and installation of LARS for ROVs. In addition, one LARS has been delivered, and will be installed on Odin Viking, which is already equipped with ROV hangar.

The gross investments in continuing operations during the year amounted to MSEK 119 (120). The investments consisted of partial payments related to the crane investments of MSEK 36, capitalized docking expenses and

equipment related to the fleet of MSEK 76, and financial investments of MSEK 7 in not listed shares.

The sale transaction and a previous capital investment related to the PSV-segment, reported as discontinued operations, has contributed positively to the Groups liquidity by MSEK 191.

Financing

During the first quarter of 2024, the utilized loan amount of MSEK 52 (MUSD 5,0) on the group's revolving credit facility was repaid. At the end of the fourth quarter MSEK 36 (MUSD 3,2) was drawn on the credit facility for crane instalments and MSEK 404 (MUSD 36,8) of the credit facility was unutilized.

The Annual General Meeting, which was held on April 24, 2024, decided that no dividend would be distributed for the fiscal year 2023.

For further information of the Group's financial position see note 6 "Interest bearing liabilities", and note 7 "Cash and cash equivalents".

Viking Supply Ships AB is obliged to publish this report in accordance with the Swedish Securities Act. This report has been prepared in both Swedish and English versions. In case of variations in the contents between the two versions, the Swedish version shall govern. This report was submitted for publication on 20 February 2025.

The undersigned certify that the interim report gives a true and fair picture of the Group's financial position and results and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

This interim report has not been audited or reviewed by the Company's auditors.

Gothenburg, 20 February 2025

Viking Supply Ships AB

Bengt A. Rem
Chairman

Lars Petter Utseth
Board member

Håkan Larsson
Board member

Magnus Sonnorp
Board member

Petter Orvefors
Board member

Christer Lindgren
Employee representative

Trond Myklebust
CEO

FINANCIAL CALENDAR 2025

26 March	Annual General Meeting
22 May	Q1 Interim report
21 August	Q2 Interim report
20 November	Q3 Interim report

INVESTOR RELATIONS

Please contact CEO, Trond Myklebust, ph. +47 95 70 31 78.

The interim report is available on the company's website: www.vikingsupply.com

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

(MSEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Net sales	2	94	58	679	359
Other operating revenue		0	0	0	0
Direct voyage cost		-20	-17	-92	-55
Personnel costs		-62	-49	-229	-161
Other costs		-47	-32	-127	-79
Depreciation/impairment	3	-32	-28	-127	-98
Operating result		-67	-68	104	-34
Net financial items		-17	-15	-64	-28
Result before tax		-84	-83	40	-62
Tax	9	0	-1	0	-1
Result from continuing operations		-84	-84	40	-63
Result from discontinued operations	5	-7	-2	71	-25
Result for the period		-91	-86	111	-88
Earnings attributable to Parent Company's shareholders, per share in SEK (before and after dilution):					
-Result from continuing operations		-6.5	-6.5	3.1	-4.9
-Result from discontinued operations		-0.5	-0.1	5.4	-1.9
Total		-6.9	-6.6	8.5	-6.8

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MSEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Result for the period		-91	-86	111	-88
Other comprehensive income for the period:					
Items that will not be restored to the income statement					
Revaluation of net pension obligations	4	0	0	4	0
Items that later can be restored to the income statement					
Change in translation reserve, net		171	-149	169	-71
Other comprehensive income		175	-149	173	-71
Total comprehensive income for the period		84	-235	284	-159

CONDENSED CONSOLIDATED BALANCE SHEET

(MSEK)	Note	Q4 2024	Q4 2023
Intangible assets		1	1
Vessels	3	1,741	1,625
Value-in-use assets		875	786
Other tangible fixed assets		0	1
Financial assets		15	96
Total fixed assets		2,632	2,509
Other current assets		187	107
Cash and cash equivalents	7	161	172
Discontinued operations	5	8	-
Total current assets		356	279
TOTAL ASSETS	4	2,988	2,788
Shareholders' equity		2,170	1,886
Long-term liabilities	6	646	715
Other current liabilities	6	164	187
Discontinued operations	5	8	-
Total current liabilities		172	187
TOTAL EQUITY, PROVISIONS AND LIABILITIES		2,988	2,788

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(MSEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Cash flow from operations before changes in working capital		-55	-56	156	36
Changes in working capital		26	89	-96	35
Cash flow from current operations		-29	33	60	71
Cash flow from investing activities		-66	-100	-119	-120
-whereof acquisitions		-66	-100	-119	-120
Cash flow from financing activities		46	97	-100	92
-whereof changes in loans		46	97	-100	92
Changes in cash and cash equivalents from continuing operations		-49	30	-159	43
Cash flow from discontinued operations:	5				
Cash flow from current operations		-10	-9	-43	-17
Cash flow from investing activities		0	0	191	-10
Changes in cash and cash equivalents from discontinued operations		-10	-9	148	-27
Cash and cash equivalents at beginning of period		209	157	172	159
Exchange-rate difference in cash and cash equivalents		6	-6	5	-3
Reclassification to discontinued operations	5	5	-	-5	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7	161	172	161	172

CHANGES IN THE GROUP'S SHAREHOLDERS' EQUITY

Shareholders' equity (MSEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Equity at beginning of period		2,086	2,121	1,886	2,015
New share issue		-	-	-	30
Total comprehensive income for the period		84	-235	284	-159
SHAREHOLDERS' EQUITY AT END OF PERIOD		2,170	1,886	2,170	1,886

Share capital (MSEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Share capital at beginning of period		419	419	419	410
New share issue		-	-	-	9
Share capital at end of period		419	419	419	419

Number of shares ('000)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Number of outstanding shares at beginning of period		13,160	13,160	13,160	12,878
New shares		-	-	-	282
Total number of shares at end of period before and after dilution		13,160	13,160	13,160	13,160
Average number of shares outstanding before and after dilution		13,160	13,160	13,160	13,039

DATA PER SHARE

(SEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
EBITDA ¹⁾		-2.6	-3.3	17.6	4.8
Result after tax (EPS)		-6.9	-6.6	8.5	-6.8
Equity		164.9	143.2	164.9	143.2
Operating cash flow ¹⁾		-4.0	-4.6	12.7	1.1
Total cash flow		-4.5	2.4	-0.9	2.0

¹⁾ Discontinued operations are excluded in the calculation. Also comparison periods have been retrospectively revised. For further information, see note 5.

PARENT COMPANY

The activities in the Parent Company mainly consist of shareholdings and a limited Group wide administration.

The Parent Company's result after tax for the year was MSEK 335 (8). The result includes capital gains from intra-group sales of shares in subsidiaries of MSEK 321, a group contribution made of MSEK 5, an intra-group dividend received of MSEK 495 and an impairment loss on shares in a subsidiary of MSEK 495. These items do not affect the consolidated profit and loss.

At the end of the year the Parent Company's equity was MSEK 2,117 (1,779 on Dec 31, 2023), and total assets were MSEK 2,427 (1,984 on Dec 31, 2023).

The equity ratio at the end of the year was 87 % (90 % on Dec 31, 2023). Cash and cash equivalents were MSEK 88 (MSEK 109 on Dec 31, 2023).

PARENT COMPANY INCOME STATEMENT

(MSEK)	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Net sales		3	2	11	10
Personnel costs		0	0	-1	-1
Other costs		-4	-2	-11	-9
Operating result		-1	0	-1	0
Net financial items 1)		8	7	336	8
Result before tax		7	7	335	8
Tax on result for the year		-	-	-	-
RESULT FOR THE PERIOD		7	7	335	8
<i>Other comprehensive income for the period:</i>					
Items that will not be restored to the income statement					
Revaluation of net pension obligations		3	-1	3	-1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		10	6	338	7

The result includes capital gains from intra-group sales of shares in subsidiaries by MSEK 321, a group contribution made by MSEK 5, an intra-group dividend received of MSEK 495 and an impairment loss on shares in a subsidiary of MSEK 495. These items do not affect the consolidated profit and loss.

PARENT COMPANY BALANCE SHEET

(MSEK)	Note	Q4 2024	Q4 2023
Financial fixed assets		1,987	1,665
Current assets		440	319
TOTAL ASSETS		2,427	1,984
Shareholders' equity		2,117	1,779
Provisions		-	3
Long-term liabilities		4	4
Current liabilities		306	198
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES		2,427	1,984

CHANGES IN PARENT COMPANY SHAREHOLDERS' EQUITY

(MSEK)	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Equity at beginning of period	2,107	1,773	1,779	1,742
New share issue	-	0	-	30
Total comprehensive income for the period	10	6	338	7
SHAREHOLDERS' EQUITY AT END OF PERIOD	2,117	1,779	2,117	1,779

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. LIQUIDITY AND GOING CONCERN

The Group continues to operate in highly competitive markets, and the operation is exposed to various operational and financial risks. Viking Supply Ships maintains a positive long-term outlook for the offshore industry and is of the opinion that there will be high activity during the next years. Based on the result expectations, the Group's strong balance-sheet, the current risks, and a continued belief in securing contracts, the Board of Directors and Management have concluded that both the Company and the Group will be able to continue as going concern at least until 31 December 2025. This conclusion is based on the Board of Directors' and Management's assessment of the current outlook for 2025 and the uncertainties and risks described in this report.

2. REVENUES FROM CONTRACTS WITH CUSTOMERS

(MSEK)	Note	Q4 2024	Q4 2023	Q1-Q4 2024	Q1-Q4 2023
Time charter revenues		50	51	411	331
ROV charter revenues		39	-	195	-
Mobilisation/demobilisation fees		2	2	29	19
Meals/accommodation onboard		0	0	35	0
Reinvoiced costs		1	0	3	1
Consultancy fees		2	5	6	8
TOTAL		94	58	679	359

Time charter revenues

Time charter means that the ship owner grants the rights of disposal of the vessel to a charterer for a certain period and within certain agreed frameworks. The scope of the time charter is determined by the contract entered, and may include everything from short periods such as occasional days up to long-term contracts that run for several years. Depending on the type of vessel, the agreement also determines if it is goods to be transported, towing or anchor handling to be carried out, as well as in which parts of the world the vessel is to operate. The charterer pays the time charter hire to the ship owner, which is a rental fee to be paid per a certain time unit. The decisive factor is what has been agreed upon, but a usual occurrence is per calendar month, and that payment must be made in advance, or per day for shorter contract periods. The time charter parties mean that the Group negotiates a fixed day rate for the vessels, commonly for an unspecified period. Normally, the time period is defined to include a range that specifies the minimum and maximum number of days, which is ultimately determined by the charterer based on the actual time spent in having the work done. The above is also applicable to the cases where ROV equipment is rented out, see below.

Bareboat charter revenues

The difference compared to time chartering is that the vessel is hired without a crew. The unmanned vessel is handed over to the disposal of the charterer, who also crew and is responsible for maintenance and commercial operation of the vessel. It is usually for long predetermined periods of time that this type of rental is applied. Otherwise, there are many similarities with what is described above under the section "Time charter income".

ROV charter revenues

In some cases of long-term time charter contracts, the vessels may need to be adapted to the needs of the charters, e.g. equipped for towing or supplemented with ROV (Remote Operated Underwater Vehicle). The costs of such adaptations, or the hiring of supplementary equipment, are normally charters' expenses. Otherwise, revenue recognition of leased ROV equipment takes place on the same principles as time charter revenue, as described above.

Mobilisation/demobilisation fees

Terms for mobilization/demobilization fees are included in the time charter party and mean that the vessel must be adapted to charterers needs but may also include that the ship shall be delivered to a special port near the vessel's operations areas. The compensation for these adaptations and/or delivery of the vessels often consists of a fixed lump sum. Similarly, the demobilization fee is recognized when the vessel is again in "home port" and has been restored from the current charter assignment.

3. TANGIBLE FIXED ASSETS

Tangible fixed assets are recognized at cost or after deductions for accumulated depreciation according to plan and possible impairment. Straight-line amortization according to plan is applied.

Impairment test

At each reporting date the accounts are assessed whether there is an indication that an asset may be impaired. If any such indication exists, or when impairment testing for an asset is required, estimates of the asset's recoverable amount are done. The recoverable amount is the highest of the fair market value of the asset, less cost to sell, and the net present value (NPV) of future estimated cash flow from the employment of the asset ("value in use").

The operations are conducted with six advanced AHTS vessels which have extensive possibilities to operate in various conditions. Loke Viking, Njord Viking, Magne Viking and Brage Viking are sister-vessels delivered from the construction shipyard between June 2010 and January 2012, but with some differences in equipment level. Odin Viking and Andreas Viking which are sister vessels, with similar age, size and capacity except for the ice-class as the other four vessels. Odin Viking and Andreas Viking were delivered new in 2013. Andreas Viking has entered into a long-term contract in Australia and is due to the revenue profile classified as a separate cash generating unit. The market experience from previous years, and the current market situation, prove that the other vessels with occasional exceptions can all be used for the same kind of operations and are thus deemed interchangeable. Which vessel to be nominated for a certain contract is in principle determined by factors such as availability, geographic position relative to operation area and time for crew-change. Each vessel generates its own cash streams, but the company's customers could still have used another vessel from the actual fleet. Based on this the Management has deemed it appropriate to consider these two groups of AHTS vessels seen as separate cash generating units. As a result, impairment tests are performed on a portfolio level for five of the vessels and separately for one of the vessels rather than on individual vessels. If a change in the customers' requirements occurs that affects the earnings capacity of individual vessels in relation to the other vessels, this assessment could be reconsidered.

The key assumptions used in the value in use calculation and in the assessment of owned vessels, for 2024 are as follows:

- The cash flow is based on current tonnage.
- Estimates of fixture rates, utilization and contract coverage as well as estimated residual values are based on Management's extensive experience and knowledge of the market.
- Operating expenses and dry dock costs are estimated based on Management's experience and knowledge of the market as well as plans and initiatives outlined in the operating budgets.
- The weighted average cost of capital (WACC) used to discount the forecasted cash flows was 10,50% (2023: 10.50%).
- The pre- and post-tax discount factors are the same due to tonnage taxation.

As an indication of fair market value, valuations of owned vessels are obtained from independent shipbrokers on a quarterly basis.

Conclusion Impairment test AHTS vessels with ice-class in 2024

In the fourth quarter of 2024, the Management evaluated the AHTS fleet consisting of two cash generating units based on the methods described above and concluded that the AHTS vessels are not to be impaired. Due to the uncertain global political and financial situation, there are uncertainties surrounding the future market development, however the long-term market outlook for the industry is positive. Management will continue to closely monitor external developments and, if necessary, adjust input data in forecasts and WACC assumptions.

4. SEGMENT INFORMATION ABOUT CONTINUING OPERATIONS

The Ship Management segment was terminated in Q3 2024 and is in this financial report classified as discontinued operations. The PSV-segment has from Q1 2024 been reported as discontinued operations. For further information see note 5.

The continuing operations consist of the Ice-classed AHTS-segment and the limited business conducted in the Services segment which from the Q3 2024 interim report have been merged and constitute the Group's sole and combined operations.

5. DISCONTINUED OPERATIONS

Ice-classed PSV

During the first quarter of 2024, the decision was made and the sale of the ownership in Coey Viking and Cooper Viking was carried out. The two PSV vessels, which were 30% owned by the group in partnership with funds managed by Borealis Maritime, have previously been reported in the group's financial statements according to the equity method, and also constituted the only activity reported in the PSV segment. The sale, which was completed in the latter part of March 2024, resulted in a capital gain of MSEK 97 and a positive liquidity effect of MSEK 194.

The sale of these ships led to the PSV segment been discontinued, whereby the PSV segment has been reported as a discontinued operation in the financial reports from the first quarter of 2024 in accordance with IFRS 5.

Ship Management

The ship management contracts for Coey Viking and Cooper Viking were terminated during the first quarter of 2024 when the vessels were sold. Later, during the second quarter, the ship management contract with SMA regarding the five icebreakers expired. These events, combined with the fact that the decision during the third quarter was taken to outsource management of Viking Supply Ships' fleet to Sea1, have resulted in this segment being reported as discontinued operations.

Reporting on discontinued operations

The discontinued operations, the PSV and Ship Management segments, respectively, are reported as a single amount in the group's comprehensive income statement. Cash flows for discontinued operations are reported on separate lines divided into current operations and investing operations in the cash flow statement. Comparative figures for previous periods are also presented in accordance with this classification in the income statement and the cash flow statements. Assets and liabilities attributable to the discontinued operation are reported on a separate line in the balance sheet. The presentation of the consolidated balance sheet for preceding periods is not changed in a corresponding manner.

INCOME STATEMENT FROM DISCONTINUED OPERATIONS (MSEK)					
	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Net sales		-4	75	139	248
Personnel costs		-3	-64	-156	-247
Other costs		0	-14	-9	-25
Result from shares in associated companies		0	0	97	-2
Depreciation/impairment		0	-1	0	-1
Operating result		-7	-3	71	-27
Net financial items		0	2	0	2
Result before tax		-7	-1	71	-25
Tax		0	0	0	0
Result for the period		-7	-1	71	-25
Earnings attributable to Parent Company's shareholders, per share in SEK (before and after dilution):					
-Result from discontinued operations		-0.5	-0.1	5.4	-1.9
Total		-0.5	-0.1	5.4	-1.9

CASH FLOW FROM DISCONTINUED OPERATIONS (MSEK)					
	Note	Q4 2024	Q4 2023	Q1-4 2024	Q1-4 2023
Cash flow from current operations		-10	-9	-43	-17
Cash flow from investing activities		0	0	191	-10
Total cash flow from discontinued operations		-10	-9	148	-27

ASSETS AND DEBTS REPORTED AS DISCONTINUED OPERATIONS (MSEK)					
		Q4 2024	Q4 2023		
Other current assets		3	-		
Cash and cash equivalents		5	-		
Assets related to discontinued operations		5	-		
Other current liabilities		8	-		
Liabilities related to discontinued operations		8	-		

DISCONTINUED OPERATIONS DISTRIBUTED ON SEGMENTS						
Q4 2024	Ice-classed PSV		Ship Management and services		Total discontinued operations	
MSEK	2024	2023	2024	2023	2024	2023
Net sales	-	-	-4	75	-4	75
EBITDA	-	2	-7	-5	-7	-3
Result before tax	-	2	-7	-4	-7	-2
Total assets	-	-	8	-	8	-

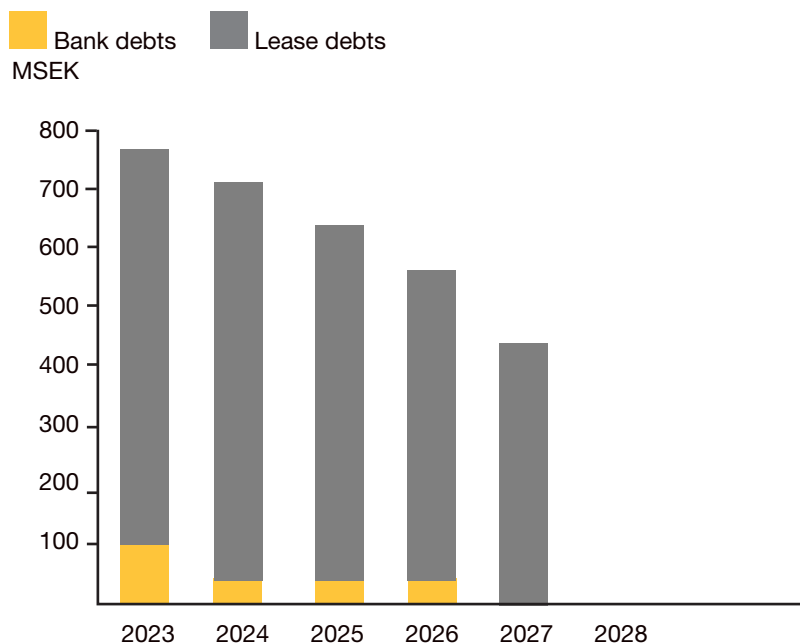
DISCONTINUED OPERATIONS DISTRIBUTED ON SEGMENTS						
Q1-4 2024	Ice-classed PSV		Ship Management and services		Total discontinued operations	
MSEK	2024	2023	2024	2023	2024	2023
Net sales	-	-	139	173	139	173
EBITDA	96	-5	-25	-18	71	-23
Result before tax	96	-5	-25	-18	71	-23
Total assets	-	-	8	-	8	-

6. INTEREST-BEARING LIABILITIES

At the end of the year, the Interest-bearing liabilities totaled MSEK 716. The leasing debts included in the Interest-bearing liabilities relates mainly to the two bareboat chartered vessels Odin Viking and Andreas Viking (right-to-use assets). The Group disposes of a credit facility of MUSD 40. On balance-day was MSEK 36 (MUSD 3,2) of this credit facility utilized. The credit facility is available for ordinary course of business and potential investment opportunities.

MSEK	Q4 2024	Q4 2023
Long-term foans from credit institutions	36	100
Long-term financial lease debts	606	611
Short-term financial lease debts	74	59
TOTAL INTEREST BEARING LIABILITIES	716	770

Interest-bearing debts 2023 - 2028



The graph shows the outstanding amount for the current loan portfolio at balance-day each year.

7. CASH AND CASH EQUIVALENTS

Consolidated cash and cash equivalents at the end of the year amounted to total MSEK 166 (172 on Dec 31, 2023), including cash with restrictions of MSEK 3 (35 on Dec 31, 2023), and MSEK 5 related to discontinued operations. The Group disposes of a credit facility of MUSD 40 available for ordinary course of business and potential investment opportunities. On balance-day MSEK 404 (MUSD 36,8) was unutilized.

MSEK	Q4 2024	Q4 2023
Free cash and cash equivalents	158	137
Restricted cash	3	35
Cash reclassified to discontinued operations	5	-
TOTAL CASH AND CASH EQUIVALENTS	166	172
Unutilized credit facility	404	302
TOTAL INCLUDING UNUTILIZED CREDIT FACILITY	570	474

8. OPERATIONAL AND FINANCIAL RISK

The Group operates in highly competitive markets and is exposed to various operational and financial risk factors. The financial risk is mainly related to liquidity risk, funding risk and currency risk. The Group works actively to identify, assess and manage these risks.

The main operational risk factors relate to the overall macroeconomic market conditions, degree of competition, flow of goods in prioritized market segments and finally the overall balance of supply and demand of vessels, affecting rates and profit margins. The objective of the overall risk management policy of the Group is to ensure a balanced risk and return relationship.

The offshore market is to a high degree dependent on the investment level in the oil industry which in turn is driven by the oil price development on the global market. Fluctuations in the offshore market in the last few years have impacted the Group's profitability and liquidity. The Group has a clear focus on increasing the number of vessels on term contracts within the offshore operations to mitigate fluctuations in rates and utilization. The Group is also exposed to risks regarding political and social instability.

The foreign exchange risk is primarily reduced by matching the exposure to revenues in various currencies with costs in the corresponding currency. In the same manner, assets in a certain currency are primarily matched with liabilities in the same currency.

9. OTHER INFORMATION

Company information

Viking Supply Ships AB is a limited liability company registered in Sweden, with its domicile in Gothenburg, and corporate registration number 556161-0113. Viking Supply Ships AB is listed on Nasdaq First North Growth Market in Stockholm under the ticker VSSAB.

Corporate tax

The general situation for the Group is that taxes payable is limited to foreign entities. The tax losses carry forward for Swedish entities amounted at end of the year to MSEK 1,070 (1,079 on Dec 31, 2023). There is no tax assets capitalized in the balance sheet related to these tax losses carried forward. The main part of the activities within the group's subsidiaries outside of Sweden is tonnage taxed, which means that the taxable is calculated as a lump sum based on the net tonnage, instead of conventional taxation, which is based on the company result. The recognized deferred tax liability for the operations outside Sweden amounted to MSEK 0 (0 on Dec 31, 2023).

Accounting policies

This interim report for the Group was prepared in accordance with the application of IAS 34 Interim Financial Reporting and applicable rules in the Swedish Annual Accounts Act and for the Parent Company, in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The accounting policies applied for the Group and the parent company correspond, unless otherwise stated below, with the accounting policies applied in the preparation of the latest annual report.

Transactions with related parties

Kistefos AS guarantees the credit facility of USD 40 million that the group disposes of. For this commitment, the group pays a guarantee commission on market terms.

Subsequent events

There were no subsequent events after the reporting period that require adjustment to or disclosure in the financial statements.

Number of employees

The average number of full-time employees in the Group during the year was 261 (Jan-Dec 2023: 406). The number of employees decreased as of July 1, 2024, when the seafarers on the five state owned icebreakers were transferred to employment with the Swedish Maritime Administration. The shipboard employees on Viking Supply Ships' AHTS vessels were in mid-October 2024 transferred to employment with Sea1 due to the outsourcing of management to Sea1. A reduction in the land-employed personnel has successively been carried out during the fourth quarter of 2024, and the number of full-time employees at the end of the year was total 7.

Number of shares

Share distribution on December 31, 2024:

Number of Series A shares	625,698
Number of Series B shares, listed	<u>12,534,213</u>
Total number of shares	13,159,911

DEFINITIONS

AHTS

Anchor Handling Tug Supply vessel

EARNINGS PER SHARE

Profit after financial items less 1) current tax, 2) tax on profit for the year (current and deferred tax) in accordance with the consolidated income statement

EBIT

Earnings before interest and taxes

EBITDA

Earnings before interest, taxes, depreciation and amortization, corresponding to profit/loss before capital expenses and tax

EQUITY RATIO

Shareholders' equity divided by total assets

FPSO

Floating Production Storage and Offloading

LARS

Launch and Recovery System.

LARS is used in maritime operations to facilitate safe and efficient launching and recovery of various types of equipment, such as lifeboats, ROVs and other marine crafts.

THE GROUP

Viking Supply Ships AB, a Limited Liability Company registered in Sweden, with all subsidiaries

IFRS® ACCOUNTING STANDARD

IFRS® (International Financial Reporting Standard) is an international accounting standard used by all listed companies. Some older standards included in IFRS include IAS (International Accounting Standards).

MARKET ADJUSTED EQUITY RATIO

Shareholders' equity divided by total assets, adjusted for asset market valuations

NET INTEREST-BEARING DEBT

Equals interest-bearing debt, including lease liabilities, less cash and cash equivalents.

OPERATING CASH FLOW

Profit/loss after financial income/expense adjusted for capital gains/losses, depreciation/amortization and impairment

OPERATING COST

Operating cost consists of crew, technical and administration costs

OPERATING PROFIT/LOSS

Profit/loss before financial items and tax

OSV

Offshore Support Vessels

PROFIT MARGIN

Profit after financial items divided by net sales

PSV

Platform Supply Vessel

RETURN ON EQUITY

Profit after financial items less tax on profit for the year, divided by average shareholders' equity

SMA

Swedish Maritime Association

TOTAL CASH FLOW

Cash flow from operating activities, investing activities and financing activities

WACC

The weighted average cost of capital (WACC) is a calculation of a firm's cost of capital in which each category of capital is proportionately weighted.



Viking Supply Ships AB (publ) is the parent company of a shipping Group domiciled in Gothenburg, Sweden. Viking Supply Ships AB (publ.) is operating within the segment Ice-classed Anchor Handling Tug Supply vessels (AHTS). Its fleet of high-end AHTS vessels is capable of working in the harshest and most demanding environments in the world. The company's B-share is listed on NASDAQ First North Growth Market. For more details, see www.vikingsupply.com.

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