



Hurtigruten Group AS

Third Quarter report

Published 29 November 2022

Key figures Hurtigruten Group

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	% Change	01.01-30.09 2022	01.01-30.09 2021	% Change	Full year 2021
Operational revenues	180 164	35 805	403.2 %	388 502	71 129	446.2 %	122 117
Contractual revenues	15 144	16 020	-5.5 %	44 808	55 206	-18.8 %	71 715
Other operating income	9	9 786	-99.9 %	7 760	20 952	-63.0 %	28 856
Total operating revenues and other income	195 318	61 610	217.0 %	441 071	147 287	199.5 %	222 688
EBITDA	18 419	(25 773)	171.5 %	(2 575)	(55 435)	95.4 %	(104 314)
Excluding net other gains/(losses)	(2 004)	875	-329.0 %	14 093	12 286	14.7 %	3 018
EBITDA excl Other gains/(losses)	20 423	(26 648)	176.6 %	(16 668)	(67 721)	75.4 %	(107 332)
Adjustment for unusual or non-recurring items	15 340	-		62 417	-		-
Normalized adjusted EBITDA	35 763	(26 648)	234.2 %	45 749	(67 721)	167.6 %	(107 332)
Net cash flows from operating activities	(6 821)	(6 219)	-9.7 %	(655)	(21 027)	96.9 %	(42 307)
Hurtigruten Norway							
PCNs	215 841	132 379	63.0 %	521 608	170 461	206.0 %	281 084
Gross ticket yield (EUR)	359	260	38 %	333	254	31 %	256
Occupancy rate	79.9 %	77.0 %	3 p.p.	67.7 %	53.3 %	14 p.p.	48.6 %
Hurtigruten Expeditions							
PCNs	137 887	11 184	1132.9 %	292 304	11 184	2513.6 %	59 372
Gross ticket yield (EUR)	675	-	0.0 %	633	504	25.6 %	508
Occupancy rate	60.6 %	66.9 %	-6.3 p.p.	59.5 %	66.9 %	-7.5 p.p.	58.7 %

Table of contents

Third quarter 2022 summary	3
Hurtigruten Group's operations	5
Financial review	14
Going concern	17
Outlook	18
Risks and uncertainties	19
Interim financial statements	20
Alternative Performance Measures	31

Third quarter 2022 summary

- The entire Hurtigruten Norway (“HRN”) fleet and Hurtigruten Expeditions (“HRX”) fleet were back to full operations effectively from 1 June 2022.
- Both Hurtigruten Norway and Hurtigruten Expeditions experienced an increase in quarterly occupancy in the third quarter compared with the second quarter, with a third quarter occupancy of 80% and 61% respectively, but occupancy in HRX was still influenced by the covid testing regimes at embarkation, travel disruptions and airline strikes experienced in the quarter.
- Total revenues and other income in the third quarter of 2022 were EUR 195.3 million for Hurtigruten Group, just 1% below the third quarter of 2019. Average gross yields for Hurtigruten Norway of EUR 359 and Hurtigruten Expeditions of EUR 675 were 9% and 5% higher than third quarter 2019 respectively with occupancy for the third quarter of 2022 was 71% compared to 83% in third quarter 2019 this highlights significant growth potential for the Hurtigruten Group.
- Operational cash flow for Hurtigruten Group in the third quarter was negative EUR 6.8 million driven by negative working capital largely due to a significant reduction in prepaid travel in the form of deposits received from customers as the lag time between making a deposit and sailing has been shortening.
- Normalized adjusted EBITDA in the third quarter of 2022 was positive EUR 35.8 million. The EBITDA was impacted by cruise operating costs which were higher than expected in the third quarter, driven by i) passenger cost related to flight disruptions ii) continued high marine gas oil prices and iii) the strong USD vs. the EUR that influenced the cost base in Hurtigruten Expeditions which is mainly dollar based.
- The first quarter of 2023 sees good traction as of 26 November, the first quarter bookings are at EUR 115 million which is 10% higher compared to the same period three years ago (first quarter 2020 -pre-Covid-19) and 77 % higher compared to the booked revenue achieved in the first quarter of 2022.
- We are continuing to see a change in booking patterns with guests booking closer to departure. For the 9-month period from October 2022 to June 2023 the bookings are, as of 26 November, at EUR 301 million which is 3% lower compared to the same 9-month period pre pandemic, however the bookings last 30 days for the same period is up 21% (EUR 4.6m) compared with the same period three years ago.
- Overall booking momentum is improving and for the last 14 days average daily new sales were at EUR 2 million which is up 44% vs. the 14-day period prior and 28% higher than the same period in 2019 three years ago.
- Capital expenditure in the third quarter of 2022 amounted to EUR 19.4 million with MS Richard With completing its upgrade to battery powered hybrid propulsion and re-joining the Hurtigruten Norway fleet in the third quarter.

Hurtigruten Group – The leading global adventure travel company

Hurtigruten Group's vision is to be the undisputed global leader in sustainable, inspirational adventure travel and is a catalyst for change towards a greener travel industry. Hurtigruten Group will continue to be a frontrunner in adventure tourism and expedition cruising - a niche with substantial global growth potential. Hurtigruten Group's goal is to reinforce its global position, differentiated from the rest of the cruise industry by authentic, sustainable, and active experiences on both land and sea. Hurtigruten Group has three main business segments: Hurtigruten Norway – branded as Hurtigruten in Scandinavia and Hurtigruten Norwegian Coastal Express in other markets, Hurtigruten Expeditions branded as Hurtigruten Expeditions in all markets and Hurtigruten Destinations under the Hurtigruten Svalbard brand. Over the last few years, Hurtigruten Group under the brands: Hurtigruten Expeditions, Hurtigruten Norwegian Coastal Express, and Hurtigruten Svalbard has been able to fortify its position as the leading expedition travel company focusing on sustainable expedition cruising for the global traveller.

With a fleet of 15 custom-built cruise vessels including the world's first two hybrid-powered expedition cruise ships delivered in 2019, Hurtigruten Group is the world's largest expedition travel company. In January 2022, the MS Santa Cruz II joined the Hurtigruten Expeditions fleet adding the Galapagos archipelago on the list of destinations with year-round expedition cruises.

Hurtigruten Group's strategy is to generate profitable, sustainable growth in all three business segments. This will be achieved by increasing capacity through the construction of new vessels, operational initiatives to realise its substantial potential, expand and renew its customer base, and strengthen the product range.

Hurtigruten Group believes its product offerings in Hurtigruten Expeditions, Hurtigruten Norway and Hurtigruten Destinations differ significantly from other competing expedition cruise and adventure travel operators. The guest offering has been purposefully designed to reach a wide range of customer segments. Hurtigruten Group offers its guests the opportunity to get closer to nature in beautiful and remote areas and to experience local wildlife, culture, and activities while leaving a minimal footprint.

Hurtigruten Group's operations

The following table presents, for the periods indicated, the revenues, operating profit/(loss) (EBIT), EBITDA, EBITDA margin and Normalized adjusted EBITDA by reporting segment and for the Group as a whole:

(EUR 1 000)	3rd quarter		%	01.01-30.09		%	Full year
	3rd quarter	3rd quarter		01.01-30.09	01.01-30.09		
Total operating revenues and other income	2022	2021	Change	2022	2021	Change	2021
Hurtigruten Norway	93 507	51 053	83.2 %	220 695	100 277	120.1 %	145 978
Hurtigruten Expeditions	93 086	4 992	1764.8 %	191 866	5 632	3306.8 %	30 154
Hurtigruten Destinations	8 219	5 793	41.9 %	26 858	12 737	110.9 %	17 547
Group functions, other and eliminations	506	(227)	323.0 %	1 651	28 641	-94.2 %	29 009
Total	195 318	61 610	217.0 %	441 071	147 287	199.5 %	222 688
Operating profit/(loss) (EBIT)*							
Hurtigruten Norway	8 185	(7 463)	209.7%	(361)	(55 377)	99.3%	(78 381)
Hurtigruten Expeditions	(4 470)	(38 439)	88.4 %	(47 636)	(103 088)	53.8 %	(133 705)
Hurtigruten Destinations	704	497	41.7 %	4 083	12 830	-68.2 %	3 844
Group functions, other and eliminations	(1 680)	(278)	-505.1 %	(5 890)	15 026	-139.2 %	11 367
Total	2 739	(45 683)	106.0%	(49 804)	(130 610)	61.9%	(196 875)
EBITDA*							
Hurtigruten Norway	15 225	677	2148.0%	21 548	(17 383)	224.0%	(32 912)
Hurtigruten Expeditions	288	(30 980)	100.9%	(34 091)	(81 202)	58.0%	(106 237)
Hurtigruten Destinations	1 921	1 894	1.4 %	7 723	16 180	-52.3 %	8 041
Group functions, other and eliminations	985	2 636	-62.6 %	2 244	26 970	-91.7 %	26 794
Total	18 419	(25 773)	171.5%	(2 575)	(55 435)	95.4%	(104 314)
EBITDA margin							
Hurtigruten Norway	16.3 %	1.3 %	15.0 p.p.	9.8 %	-17.3 %	27.1 p.p.	-22.5 %
Hurtigruten Expeditions	0.3 %	-620.6 %	620.9 p.p.	-17.8 %	-1441.8 %	1424.1 p.p.	-352.3 %
Hurtigruten Destinations	23.4 %	32.7 %	-9.3 p.p.	28.8 %	127.0 %	-98.3 p.p.	45.8 %
Group functions, other and eliminations	-194.6 %	-1160.8 %	966.2 p.p.	135.9 %	94.2 %	41.7 p.p.	92.4 %
Total	9.4%	-41.8%	51.3 p.p.	-0.6%	-37.6%	-1.0 p.p.	-46.8%
Normalized adjusted EBITDA							
Hurtigruten Norway	22 460	605	3612.0%	36 904	(17 998)	305.0%	(33 905)
Hurtigruten Expeditions	10 841	(30 822)	135.2%	(153)	(82 450)	99.8%	(107 385)
Hurtigruten Destinations	1 921	1 894	1.4%	7 692	2 361	225.9%	3 276
Group functions, other and eliminations	541	1 675	-67.7%	1 306	30 366	-95.7%	30 683
Total	35 763	(26 648)	234.2%	45 749	(67 721)	167.6%	(107 332)

* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

Operational review

The Group's activity continued to increase during the third quarter of 2022 with the entire Hurtigruten fleet returning to service for the full quarter and occupancy levels increased. Hurtigruten Norway resumed full service with seven ships in summer of 2021 and have operated with close to full ships for the summer. June and July reached an occupancy close to 90%, higher than the levels reached in the same period pre-pandemic. In August 2022, occupancy was 81.5%. Hurtigruten Expeditions returned all ships back to full service at the start of June 2022 and has been operating in multiple destinations throughout the quarter such as Svalbard, the Norwegian coast, Iceland, Greenland, Alaska and the Galapagos.

Total revenues and other income amounted to EUR 195.3 million in the third quarter of 2022 compared EUR 61.6 million in the same period last year, which is an increase of 217%. EBITDA was positive for the quarter along with a negative Operating Cashflow of EUR 6.8 million.

Reported EBITDA was EUR 18.4 million in the third quarter of 2022 compared to negative EUR 25.8 million in the same period last year, an increase of EUR 44.2 million. The increase in EBITDA compared to the same period last year is driven by resumption of operations in both Hurtigruten Expeditions and Hurtigruten Norway, partially offset by an increase in both selling, general and administrative (SG&A) expenses and ship operating expenses. Ship operating expenses have increased with the ramp-up of operations, and especially the resumption of sailing in Hurtigruten Expeditions, compared to same period last year when the expedition fleet was mostly in warm layup due to the Covid-19 pandemic. The higher level of SG&A cost is also a reflection of increased activity across the group compared to 2021, resulting in higher personnel expenses and sales & marketing expenses. Normalized adjusted EBITDA increased from negative EUR 26.6 million in the third quarter of 2021 to EUR 35.8 million this year.

Total Passenger Cruise Nights (PCN) for Hurtigruten Norway increased to 215 841 in the third quarter of 2022 compared to 132 379 same period last year. Total Passenger Cruise Nights (PCN) for Hurtigruten Expeditions was 137 887 in the third quarter of 2022 compared to 11 184 same period last year (5 out of 6 ships in warm layup). The occupancy rate on the available capacity for the seven ships operating in Hurtigruten Norway, was 79.9% in the third quarter of 2022. The occupancy rate has been steadily increasing during the three quarters as more and more international guests are returning to our ships. In June and July 2022, Hurtigruten Norway had a higher occupancy level than the same period pre-Covid in 2019. During the first quarter of 2022, Hurtigruten Norway initiated its environmental ship upgrade program that will cut CO2 emissions by 25% and NOX by as much as 80% for the rebuilt ships. MS Richard With (hybridization) and MS Nordnorge (Selective catalytic reduction (SCR) upgrade) started their upgrades during the first quarter. MS Nordnorge completed its upgrades in May and MS Richard Within early August. The next ships that started the environmental upgrades were MS Kong Harald in August (Hybridization) and MS Nordkapp in September (SCR), both of which remain on track. MS Trollfjord has re-entered Hurtigruten Norway as a replacement ship during the ongoing and upcoming upgrades.

Total Passenger Cruise Nights (PCN) for Hurtigruten Expeditions was 137 887 in the third quarter of 2022 compared to 11 184 in the same period last year when most of the ships were in warm lay-up due to the pandemic. The occupancy rate on the available capacity for the ships operating was 60.6 % in the third quarter of 2022 compared to 66.9 % in the third quarter of 2021. MS Fridtjof Nansen started a yard stay during the last week of third quarter to perform various maintenance, reducing the available passenger capacity. Hurtigruten Expeditions have no significant yard stays planned for the last quarter of 2022. From June 2022 the entire Hurtigruten Expeditions fleet was back in service at normal capacity levels.

Hurtigruten Destinations operations in Svalbard recovered to pre-Covid-19 levels by September 2021, with the third quarter of 2022 carrying on the success of the record breaking second quarter. Radisson and Funken had strong occupancy and high yield. Coal Miners' Cabins was back in business, opening up for guests in July and part of August and leased to Svalbard Folkehøgskole from 21 August. Strong occupancy had a ripple effect on the rest of the business driving healthy revenue in the restaurants and activities department. This led to a growth in EBITDA compared with the same period in 2021 despite headwinds from inflation and also operational costs incurred from the two vessels, MS Bard and MS Kvitbjørn. Tourism is back in Svalbard, and

we see positive trends on the booking side. Hurtigruten Kirkenes is operated by Radius Kirkenes but it remained closed due to low activity.

Hurtigruten Norway

Hurtigruten Norway operates under the brand Hurtigruten in Scandinavia and Hurtigruten Norwegian Coastal Express in other markets. Its scheduled voyages along the beautiful Norwegian coast offer domestic and international guests a unique and immersive travel experience, connecting the international traveller with the everyday life and infrastructure of local communities.

The voyage was described by the New York Times as: “one of Norway’s treasured national symbols”. Having been developed over its 129-year history, it forms part of the country’s cultural heritage, strengthening Hurtigruten Norway’s legitimacy with international travellers seeking authentic Norwegian experiences.

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	Change	01.01-30.09 2022	01.01-30.09 2021	Change	Full year 2021
Operational revenues	78 363	35 033	123.7 %	175 887	45 071	290.2 %	74 263
Contractual revenues	15 144	16 020	-5.5 %	44 808	55 206	-18.8 %	71 715
Total operating revenues and other income	93 507	51 053	83.2 %	220 695	100 277	120.1 %	145 978
EBITDA*	15 225	677	2148.0 %	21 548	(17 383)	224.0 %	(32 912)
Excluding net other gains/(losses)	(1 376)	72	-2006.0 %	6 014	615	877.6 %	993
Adjustment for unusual or non-recurring items	5 859	-		21 369	-	-	-
Normalized adjusted EBITDA	22 460	605	3612.0 %	36 904	(17 998)	305.0 %	(33 905)

* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

Third quarter report 2022

The calculations on the following table do not include the State agreements contractual revenue, nor the goods and other operating revenue originated by the Hurtigruten Norway activity.

<i>(EUR 1 000 Except for PCNs, APCNs, occupancy rate, fuel consumption and fuel cost per liter)</i>	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
PCNs	215 841	132 379	521 608	170 461	281 084
APCNs ¹⁾	270 220	171 915	769 980	319 719	578 749
Occupancy rate	79.9%	77.0%	67.7%	53.3%	48.6%
Gross ticket revenues	77 478	34 399	173 579	43 382	71 870
Less:					
Commissions, costs of goods for flights, hotels, transportation and other passenger services	10 800	4 512	27 011	5 110	10 572
Food, beverage, shop, excursions	7 564	3 046	18 111	4 134	7 205
Net ticket revenues	59 114	26 842	128 456	34 138	54 093
Gross ticket revenues per PCN (EUR)	359	260	333	254	256
Net ticket revenues per PCN (EUR)	274	203	246	200	192
Gross cruise costs	59 613	34 887	155 830	79 030	123 302
Less:					
Commissions, costs of goods for flights, hotels, transportation and other passenger services	10 800	4 512	27 011	5 110	10 572
Food, beverage, shop, excursions	7 564	3 046	18 111	4 134	7 205
Net cruise costs	41 249	27 330	110 707	69 786	105 525
Net cruise costs per APCN (EUR) ²⁾	153	106	144	115	122
Net cruise costs per APCN excl. fuel costs (EUR)	91	66	90	78	81
Fuel consumption (liter/nautical mile)	82.2	81.8	83.0	83.6	83.2
Fuel cost per liter	1.28	0.81	1.14	0.72	0.81

1) APCN is calculated based on capacity available for sale in the period including reductions due to Covid-19 restrictions. Covid-19 restrictions vary based on ship specification and sailing destination. Without adjusting for Covid-19 restrictions on occupancy for the period was 75.4 % for Q2 2022, 51.2 % for Q3 2021 and 32.4 % for full year 2021. All covid-restrictions in Hurtigruten Norway were removed in February 2022

2) Net cruise cost per APCN is calculated based on APCN for sale in the period, but not adjusted for Covid-19 restrictions on capacity.

Hurtigruten Norway started operating under the new State agreement valid from 2021 to 2030 in January last year and has a contract to operate seven ships out of eleven ships on the Coastal route. Operational revenue excluding the contractual income from the Norwegian state agreement, increased from EUR 35.0 million to EUR 78.4 million in the third quarter compared to last year, as a result of welcoming back more foreign guests and the world opening again after Covid. Occupancy increased to 79.9% in the third quarter of 2022 compared to 77% same period last year in addition to a strong development of gross ticket revenues per PCN, increasing by 38% to 359 EUR from 260 EUR the same period last year. Contractual income per ship per month decreased to

approximately EUR 0.7 million for the third quarter of 2022 compared to approximately EUR 0.8 million in 2021 due to annual index adjustments. Fuel cost per liter increased compared to 2021 due to increase in fuel prices.

EBITDA for the third quarter of 2022 increased to EUR 15.2 million from EUR 0.7 million in the same period last year.

Normalized adjusted EBITDA for the third quarter of 2022 increased to EUR 22.5 million from EUR 0.6 million in the same period last year. Normalized items include gains on fuel derivatives, Covid-19 caused cancellations and operating costs incurred by

MS Richard With while the ship was at yard undertaking her environmental upgrade

Hurtigruten Expeditions

Hurtigruten Expeditions is the world's largest and leading expedition cruise line, offering expedition cruises to over 30 countries across 5 continents – including Galapagos, Antarctica, South America, Alaska, Iceland, Greenland, Svalbard, West-Africa, British Isles, the spectacular Norwegian coastline, and a variety of other destinations. Hurtigruten Expeditions' legacy dates back 126 years to 1896 when the first sailing from Hammerfest to the archipelago of Svalbard was introduced.

In 2019, its two new hybrid-powered expedition ships; MS Roald Amundsen and MS Fridtjof Nansen were delivered. The ships are state-of-the-art expedition vessels designed to meet guests' expectations as well as strict environmental and safety standards. MS Roald Amundsen and MS Fridtjof Nansen have an ice-reinforced hull, a total length of 140m and can carry 530 guests. The hybrid technology engines will reduce fuel consumption substantially and permit periods of emission-free sailing.

Over the last seven years Hurtigruten Expeditions has increased the capacity from one ship in 2015 to seven ships in 2022 (including MS Santa Cruz II), with the addition in 2019 of MS Roald Amundsen and MS Fridtjof Nansen and in 2021 of MS Otto Sverdrup and MS Maud (formerly part of the Hurtigruten Norway fleet as MS Finnmarken and MS Midnatsol). From January 2022 the vessel MS Santa Cruz II joined the fleet and by that adding year around cruises on the Galapagos archipelago on the list of unique destinations. This will further cement Hurtigruten Expeditions' global leadership in the expedition cruising segment.

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	Change	01.01-30.09 2022	01.01-30.09 2021	Change	Full year 2021
Operational revenues	93 086	4 992	1764.8 %	185 061	5 632	3186.0 %	30 154
Other operating income	-	-	0.0 %	6 805	-	0.0 %	-
Total operating revenues and other income	93 086	4 992	1764.8 %	191 866	5 632	3306.8 %	30 154
EBITDA*	288	(30 980)	100.9 %	(34 091)	(81 202)	58.0 %	(106 237)
Excluding net other gains/(losses)	(1 073)	(158)	-579.7 %	7 110	1 248	469.9 %	1 148
Adjustment for unusual or non-recurring items	9 481	-		41 048	-		-
Normalized adjusted EBITDA	10 841	(30 822)	135.2 %	(153)	(82 450)	99.8 %	(107 385)

* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

Third quarter report 2022

<i>(EUR 1 000 Except for PCNs, APCNs, occupancy rate, fuel consumption and fuel cost per liter)</i>	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
PCNs	137 887	11 184	292 304	11 184	59 372
APCNs ¹⁾	227 470	16 710	491 661	16 710	101 190
Occupancy rate	60.6 %	66.9 %	59.5 %	66.9 %	58.7 %
Gross ticket revenues	93 086	5 018	184 926	5 632	30 154
Less:					
Commissions, costs of goods for flights, hotels, transportation and other passenger services	14 218	367	30 982	280	3 382
Food, beverage, shop, excursions	6 307	535	15 330	2 845	4 718
Net ticket revenues	72 560	4 116	138 614	2 507	22 054
Gross ticket revenues per PCN (EUR)	675	449	633	504	508
Net ticket revenues per PCN (EUR)	526	368	474	224	371
Gross cruise costs	66 267	16 706	166 855	40 641	68 120
Less:					
Commissions, costs of goods for flights, hotels, transportation and other passenger services	14 218	367	30 982	280	3 382
Food, beverage, shop, excursions	6 307	535	15 330	2 845	4 718
Net cruise costs	45 742	15 804	120 543	37 515	60 020
Net cruise costs per APCN (EUR) ²⁾	201	594	245	1 409	381
Net cruise costs per APCN excl. fuel costs (EUR)	143	523	188	1 265	328
Fuel consumption (liter/nautical mile) ³⁾	99.4	72.8	104.6	408.6	131.6
Fuel cost per liter	1.29	0.58	1.11	0.71	0.91

1) APCN is calculated based on capacity available for sale in the period including reductions due to Covid-19 restrictions. Covid-19 restrictions vary based on ship specification and sailing destination. Without adjusting for Covid-19 restrictions on occupancy for the period was 60.6 % for Q3 2022, 42 % for Q3 2021, and 37.7 % for full year 2021.

2) Net cruise cost per APCN is calculated based on APCN for sale in the period, but not adjusted for Covid-19 restrictions on capacity.

3) Fuel consumption (litre/nautical mile) for the third quarter of 2022 of 99.4 is based on 6 ships (Not including MS Santa Cruz II). Fuel consumption from the full year of 2021 is higher as the warm lay-up of ships is reflected throughout these time periods.

Hurtigruten Expeditions fleet did run the planned operations, with the full fleet back in service, during the third quarter of 2022. MS Otto Sverdrup and MS Maud continued sailing on the Norwegian Coast and the British Isles. MS Santa Cruz II continued her voyages in the Galapagos. MS Spitsbergen and MS Nordstjernen were sailing in the waters of Svalbard the whole quarter. MS Fram started the quarter sailing on Svalbard continuing to Iceland before indulging on the Norwest Passage. MS Roald Amundsen continued her sailing in America with Alaska summer sailings before continuing to the Northwest Passage. MS Fridtjof Nansen spent the majority of the quarter in Greenland. There were no long yard stays in the quarter and Hurtigruten

Expeditions have no significant yard stays planned for the remaining of 2022.

Operational revenues increased from EUR 5 million in the third quarter of 2021 to EUR 93 million in the third quarter of 2022. EBITDA for the third quarter of 2022 amounted to positive EUR 0.3 million compared to negative EUR 31 million in the same period last year.

Hurtigruten Expeditions continued to show strong yield development with a gross ticket revenue per PCN in the third quarter of 2022 at EUR 675 compared to EUR 449 same period last year. Occupancy for the third quarter was 60.6 % compared to 66.9 % same period last year, thus with a significantly reduced capacity in the comparable

period due to limited operations caused by the pandemic.

Gross cruise costs increased from EUR 16.7 million in the third quarter of 2021 to EUR 66.3 million in the third quarter of 2022. The increase in cost is a result of increased activity in 2022 while several ships were laid-up same period last year.

Normalized adjusted EBITDA amounted to positive EUR 10.8 million in the third quarter of 2022

compared to negative EUR 30.8 million in the same quarter last year. Q3 and especially September EBITDA and occupancy were lower than expected, partially driven by above normal close to departure cancellations.

Normalization items for the third quarter mainly relate to Covid-19 caused cancellations, gains on fuel derivatives, and non-recurring costs related to COVID-19.

Hurtigruten Destinations

Hurtigruten Destinations' main operation is under the Hurtigruten Svalbard brand, which operates the Radisson Blu Polar Hotel, Funken Lodge and the Coal Miners' Cabins, as well as arctic adventure tourism. The archipelago of Svalbard is the Northernmost settlement in the world and one of the most remote and unique destinations, where there are more polar bears than people.

From a base in Longyearbyen, Hurtigruten Svalbard AS offers active Arctic experiences on snow-covered and snow-free terrain with an extensive portfolio of activities and excursions. These include day trips on skis, dog sledding, snowmobile trips, boat or hiking excursions and longer expeditions in the archipelago. Hurtigruten Svalbard's operations – originating in 1896 – is the largest and most diversified on Svalbard.

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	Change	01.01-30.09 2022	01.01-30.09 2021	Change	Full year 2021
Operational revenues	8 210	5 793	41.7 %	26 849	12 132	121.3 %	16 539
Other operating income	9	-	0.0 %	9	605	-98.4 %	1 008
Total operating revenues and other income	8 219	5 793	41.9 %	26 858	12 737	110.9 %	17 547
EBITDA *	1 921	1 894	1.4 %	7 723	16 180	-52.3 %	8 041
Excluding net other gains/(losses)	(0)	(0)	-377.0 %	31	13 819	-99.8 %	4 765
Normalized adjusted EBITDA	1 921	1 894	1.4 %	7 692	2 361	225.9 %	3 276

* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
Room night	14 314	9 063	41 663	15 379	22 759
Available room night	23 493	19 872	64 719	57 050	76 922
Occupancy rate	60.9 %	45.6 %	64.4 %	27.0 %	29.6 %
Average room rate (EUR)	226	174	229	180	169
Revenue per available room (EUR)	138	80	148	48	50
Revenue rooms (EUR 1 000)	3 241	1 581	9 561	2 766	3 854
Guest night	22 585	14 438	67 623	24 760	35 632
Available guest night	47 296	39 744	130 304	114 100	153 844
Occupancy rate	47.8 %	36.3 %	51.9 %	21.7 %	23.2 %

Total operating revenues and other income in Hurtigruten Destinations increased from EUR 5.8 million in the third quarter of 2021 to EUR 8.2 million in the third quarter of 2022, which corresponds to an increase of 42%. Covid-19 compensation had a positive impact on EUR 0.8 million in revenues for 2021.

EUR 5 million of the total revenue in third quarter 2022 are deriving from hotel and food & beverage operations, which is the largest revenue contributor for Hurtigruten Destinations. High occupancy in the hotels for the quarter is also creating ripple effects on the rest of the business.

Occupancy for all hotels came in at 61% in the third quarter of 2022, which is an increase of 15 percent points from the third quarter of 2021. High occupancy combined with a good average room rate on EUR 226 in the third quarter of 2022 resulted in room revenue on EUR 3.2 million. Radisson and Funken Lodge have been open for guests in the third quarter of 2021 and 2022, while Coal Miners 'Cabins was open for regular guests in July and part of August and leased by Svalbard Folkehøgskole from 21 August.

Revenues from activities amounted to EUR 1.8 million, retail revenue amounted to EUR 0.8 million and other revenue amounted to EUR 0.6 million.

From the third quarter in 2021 to third quarter 2022 the cost has increased by EUR 2.4 million. The biggest increases came in the activities department on EUR 0.8 million related to operational cost for MS Bard and MS Kvitbjørn, commissions of EUR 0.5 million, and an overall increase of prices due to inflation and increased occupancy on our hotels. This results in an EBITDA on EUR 1.9 million for third quarter 2021 and 2022.

In the second quarter of 2021 Hurtigruten Group closed the sale of real-estate portfolio on Svalbard to Store Norske, and at the same time it entered into long-term lease agreements for the real-estate portfolio. This also had a positive impact on the EBITDA in 2021 and resulted in net other gains on EUR 13.8 million.

Hurtigruten Destinations activity in Kirkenes, which is operated by Radius Kirkenes, was closed during the third quarter of 2021 and 2022 due to lack of guests from the Asian markets.

Group Functions, Other and Eliminations

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	Change	01.01-30.09 2022	01.01-30.09 2021	Change	Full year 2021
Operational revenues	506	(10 013)	105.1 %	706	8 294	-91.5 %	1 162
Other operating income	-	9 786	-100.0 %	946	20 347	-95.4 %	27 848
Total operating revenues and other income	506	(227)	323.0 %	1 651	28 641	-94.2 %	29 009
EBITDA *	985	2 636	-62.6 %	2 244	26 970	-91.7 %	26 794
Excluding net other gains/(losses)	444	961	-53.8 %	938	(3 396)	127.6 %	(3 889)
Normalized adjusted EBITDA	541	1 675	-67.7 %	1 306	30 366	-95.7 %	30 683

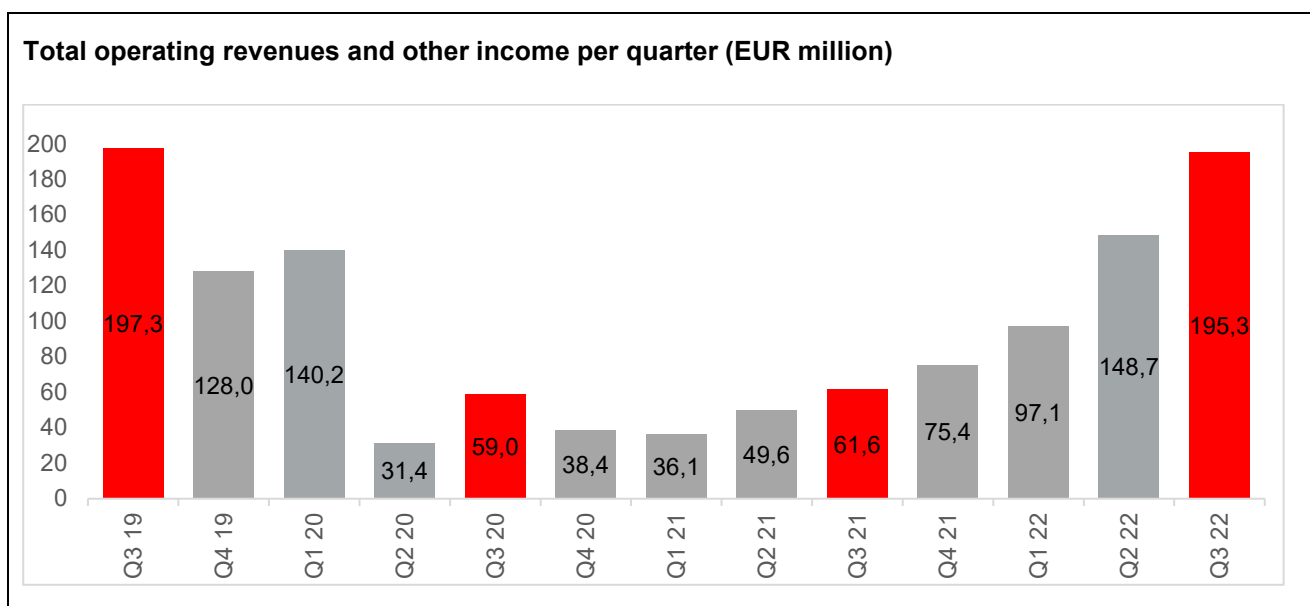
* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

Total operating revenues and other income for the third quarter 2022 amount to EUR 0.5 million compared to negative EUR 0.2 million in the same period last year. EBITDA for the third quarter of 2022

amounts to EUR 1.0 million compared to EBITDA of EUR 2.6 million in the same period last year.

Financial review

Profit and loss



Total operating revenues and other income increased by 217% in the third quarter of 2022 compared to the same period last year, from EUR 61.6 million to EUR 195.3 million. The increase is driven by full operation of the entire Hurtigruten Norway fleet and Expeditions fleet in the third quarter of 2022. During the same period last year, Hurtigruten Norway returned to full operations in July 2021. In Hurtigruten Expeditions two ships were in service since August 2021, MS Otto Sverdrup and MS Maud. In addition, MS Santa Cruz II started its first sailings during the first quarter of 2022.

Direct cost of goods and services increased from EUR 9.9 million in the third quarter of 2021 to EUR 41.7 million in the third quarter of 2022, which is explained by the return to normal operations in 2022. Total salaries and personnel costs were EUR 47.2 million in the quarter, an increase of 58.3% compared to the third quarter of 2021.

Specification of other operating costs

<i>(EUR 1 000)</i>	3rd quarter	3rd quarter	%	01.01-30.09	01.01-30.09	%	Full year
	2022	2021	change	2022	2021	change	2021
Operating costs (ex fuel)	(30 323)	(13 698)	121.4 %	(89 759)	(39 426)	127.7 %	(58 452)
Fuel costs	(29 822)	(12 246)	143.5 %	(69 605)	(25 952)	168.2 %	(43 416)
Sales and administrative costs	(25 804)	(22 543)	14.5 %	(68 545)	(53 836)	27.3 %	(79 165)
Total	(85 949)	(48 487)	77.3 %	(227 909)	(119 215)	91.2 %	(181 033)

Other operating costs increased by 77.3% compared to the same period last year, from EUR 48.5 million in the third quarter of 2021 to EUR 86.0 million in the third quarter of 2022, which were mainly due to the ramp-up in operations.

Operating costs include all other cruise operating costs, harbor costs, bareboat lease costs and maintenance of the vessels, costs which are less directly variable with the level of production.

Fuel costs in the quarter increased by 143.5% to EUR 29.8 million from EUR 12.3 million, compared to the same quarter last year. The increase is driven by more ships in operation and increased fuel prices.

Sales and administrative costs increased by 14.5% to EUR 25.8 million in the third quarter compared to the same period last year. The increase is due to the return to service of ships in 2022 after activities were downscaled in 2021.

Third quarter depreciation, amortization and impairment were EUR 15.7 million, compared to EUR 19.9 million same quarter last year. The decrease is mainly related to an impairment of technical equipment on ships in 2021.

Net other gains were negative EUR 2.0 million in the third quarter of 2022, compared to a gain of EUR 0.9 million in the same period in 2021. The loss for the third quarter of 2022 is mainly explained by the unrealized loss, partially offset by realized gains, from the fuel derivatives.

Third quarter operating profit was EUR 2.7 million, compared to an operating loss of EUR 45.7 million in the same period last year.

Net financial loss was EUR 28.7 million in the third quarter of 2022 compared to a loss of EUR 20.6 million in the third quarter 2021. Interest costs in the third quarter of 2022 are higher due to new financing.

More specifically the EUR 75 million subordinated shareholder's loan facility which was fully drawn in the third and fourth quarter of 2021, an increase to the Term Loan C of EUR 25 million, the placement of EUR 50 million new senior unsecured green bond in February 2022 and the EUR 55 million new fully committed subordinated shareholder loan facility that was fully drawn in the third quarter of 2022.

The net loss for the third quarter was EUR 28.9 million compared to a loss of EUR 63.6 million in 2021.

Financial position and liquidity

Cash flow

Net cash outflow from operating activities in the third quarter of 2022 was EUR 6.8 million compared to an outflow of EUR 6.2 million in the same quarter last year. The negative operating cash flow in the third quarter is driven by net negative working capital changes.

Net cash outflow from investing activities was EUR 19.4 million in the third quarter of 2022 compared to an outflow of EUR 1.2 million in the same period last year. The outflow in this quarter is mainly explained by higher capital expenditures from environmental ship upgrades on Hurtigruten Norway vessels.

Net cash inflow from financing activities in the third quarter 2022 was EUR 21.7 million compared to an outflow of EUR 9.8 million in the same quarter last year. The inflow in this quarter is mainly coming from the new subordinated shareholder loan of EUR 55 million.

Net decrease in cash and cash equivalents in the third quarter was EUR 4.5 million, compared to a decrease of EUR 17.2 million in the third quarter of 2021.

Cash and cash equivalents totaled EUR 28.2 million on 30 September 2022, compared to EUR 57.1 million on 31 December 2021. Available cash and cash equivalents, excluding restricted cash, totaled EUR 24.4 million on 30 September 2022 compared to EUR 48.2 million on 31 December 2021.

Balance sheet

Total assets amounted to EUR 1 371.7 million as of 30 September 2022, which is an increase of EUR 17.8 million from year-end 2021.

Non-current assets increased by EUR 14.7 million since year end 2021, from EUR 1 224.4 million to EUR 1 239.1 million. The change is mainly due to an increase in property, plant and equipment driven by the environmental ship upgrades of the vessels MS Nordnorge and MS Richard With offset by the settlement of loans from the related parties Silk Topco AS.

Current asset amounted to EUR 132.6 million, an increase of EUR 3.1 million compared to 31 December 2021. This is mainly due to an increase in other current receivables and current fuel derivatives partially offset by decreased cash and cash equivalents.

The reported equity at the end of September 2022 was negative EUR 482.1 million compared to a negative EUR 352.0 million at year-end 2021. The change is mainly due to the net loss in the period.

Total non-current liabilities amount to EUR 1 373.5 million on 30 September 2022, a decrease of EUR 79.3 million from EUR 1 452.8 million at year-end 2021. The decrease is mainly due to the reclassification of the Term Loans C and D to current borrowings in June 2022, as the maturity date of the loans is June 2023. This is partially offset by the placement of new senior unsecured green bonds for EUR 50 million in February 2022 and the new subordinated shareholder loan of EUR 55 million that was secured in the third quarter.

Current liabilities, excluding borrowings, were EUR 267.7 million at the end of the third quarter. The increase of EUR 39.6 million since year-end 2021 is mainly driven by increased trade payables and deposits from customers.

Going concern

As of 30 September 2022, the carrying value of the equity in the Group was negative EUR 482.1 million. The Covid-19 pandemic's effect on travel restrictions and demand for travel has led to a significantly lower profitability since the second quarter of 2020.

The Board of Directors acknowledges that the equity book value of the Group is negative. In the opinion of the Board of Directors, the underlying fair value of Hurtigruten Group's vessels and brands is significantly higher than the reported equity. The underlying values are further supported by the booking development for 2023.

The Board of Directors expects the financial performance of the Company to continue to improve above pre-pandemic levels over the next 12 months.

The Board of Directors are constantly monitoring the liquidity and financial position of Hurtigruten Group as the financial performance continues to recover and will take appropriate action if additional capital is required.

As of 30 September 2022, Hurtigruten Group had an available free liquidity position of EUR 24.4 million. The ultimate shareholders of Hurtigruten Group provided a subordinated shareholder loan facility of EUR 55 million in the third quarter of 2022. In the fourth quarter shareholder funding has been increased by a further EUR 40 million. The shareholder loans will be utilized for financing the ongoing environmental upgrade projects in the Hurtigruten Norway fleet and working capital to support further growth for Hurtigruten Group.

The Company is actively discussing alternatives for Hurtigruten Group's medium- and short-term maturities with stakeholders and financing providers. The ultimate shareholders of the company have confirmed that they remain supportive and have indicated that they would be willing to consider providing additional liquidity, if necessary.

In accordance with the Norwegian Accounting Act, the Board of Directors confirms that the interim financial statements have been prepared in accordance with the going concern assumption, and that it is appropriate to assume this based on the current information.

Outlook

At the date of this report, the operating conditions are back to normal, and Hurtigruten Group is experiencing an increasing booking momentum for the next 18 months which gives a good outlook for Hurtigruten Group.

The first quarter of 2023 sees a good traction and as of 26 November, the first quarter bookings are at EUR 115 million which is 10% higher compared to the same period three years ago (first quarter of 2020 -pre-Covid-19) and 77% higher compared to the booked revenue achieved in the first quarter of 2022.

We are continuing to see a change in booking patterns with guests booking closer to departure. For the 9-month period from October 2022 to June 2023 the bookings are, as of 26 November, at EUR 301 million which is 3% lower compared to the same 9-month period pre pandemic, with bookings last 30 days for the period is up 21% (EUR 4.6 million) compared with the same period three years ago.

Overall booking momentum is improving and for the last 14 days average daily new sales were at EUR 2 million which is up 44% vs. the 14-day period prior and 28% higher than the same period in 2019 three

years ago. The Board of Directors expects the financial performance of the Company to continue to improve towards above pre-pandemic levels over the next 12 months.

Hurtigruten Group is closely monitoring the liquidity situation as the financial performance continues to recover and we are currently investing in environmental upgrades for the Hurtigruten Norway fleet. The Board of Directors believes that the liquidity resources currently available and the plans that have been put in place are sufficient to ensure the long-term funding of Hurtigruten Group.

Risks and uncertainties

Hurtigruten Group is subject to a range of risks and uncertainties which may affect its business operations, results and financial condition. An evaluation of Hurtigruten Group's main risks has been performed as part of the overall enterprise risk assessment. The risk description in the Annual Report 2021 gives a fair description of principal risks and uncertainties that may affect Hurtigruten Group, and the company is not aware of any significant new risks or uncertainties or significant changes to those risks or uncertainties, except for those described below.

The global Covid-19 pandemic has had a material adverse impact on our business and results of operations. The global spread of Covid-19 and the unprecedented responses by governments and other authorities to control and contain the spread of this virus has caused significant disruptions to our operations, created new risks, and exacerbated existing risks to our business.

The Hurtigruten Group has been negatively impacted by the Covid-19 pandemic, including impacts that resulted from actions taken in response to the outbreak. Examples include, but are not limited to, travel bans, restrictions on the movement and gathering of people, social distancing measures, shelter-in-place/stay-at-home orders, and disruptions to businesses in our supply chain. We believe we are now at the end of the impact from Covid-19 on our business as restrictions are being lifted in most countries and booking numbers are increasing. However, there are still examples of local regulations impacting the operations of Hurtigruten Expeditions, and the risk of new virus mutations and infection waves cannot completely be ruled out.

The Russian invasion of Ukraine in late February 2022 has brought increased geopolitical risks to global markets and business operations. The conflict has adversely affected global and regional economic conditions and triggered volatility in energy prices. In January 2022, the Group entered a new derivatives contract to hedge a portion of the forecasted total fuel consumption, approximately 49% for 2022 and 15% for 2023.

High inflation, and thereby falling levels of real income could reduce the demand for cruises and adventure travel. A broad and sustained downturn in demand, combined with interest rate hikes by central banks, could lead to a recession in the global economy. Despite the potential impact on global demand, there are indications that Hurtigruten Group's customer base may be less adversely affected by a recession than other segments of the population.

Interest rate movements and the overall condition of the credit market play a role in Hurtigruten Group's ability to refinance its debt obligations. Hurtigruten Group has acquired a significant portion of debt over the past few years. Loans approaching maturity in combination with volatile global markets are increasing the risk of Hurtigruten Group not being able to refinance its loans in the market at favourable terms, or in the worst-case scenario not able to refinance at all.

Interim financial statements

Condensed consolidated income statement

Unaudited

<i>(EUR 1 000)</i>	Note	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
Operating revenues		180 164	35 805	388 502	71 129	122 117
Contractual revenues		15 144	16 020	44 808	55 206	71 715
Other operating income		9	9 786	7 760	20 952	28 856
Total operating revenues and other income		195 318	61 610	441 071	147 287	222 688
Direct cost of goods and services		(41 739)	(9 943)	(100 692)	(15 924)	(31 152)
Salaries and personnel costs		(47 206)	(29 829)	(129 137)	(79 870)	(117 834)
Depreciation, amortisation and impairment		(15 679)	(19 910)	(47 229)	(75 175)	(92 561)
Other operating costs		(85 949)	(48 487)	(227 909)	(119 215)	(181 033)
Net other gains/(losses)		(2 004)	875	14 093	12 286	3 018
Operating profit/(loss) EBIT		2 739	(45 683)	(49 804)	(130 610)	(196 875)
Financial income		(779)	586	1 400	1 522	2 566
Financial expenses		(28 121)	(22 064)	(79 782)	(59 140)	(80 976)
Net foreign exchange gains/(losses)		172	911	(1 277)	2 265	1 306
Net financial items	5	(28 728)	(20 567)	(79 659)	(55 353)	(77 105)
Share of net income from associated companies		9	(42)	327	33	39
Profit / (loss) before taxes		(25 979)	(66 291)	(129 137)	(185 929)	(273 941)
Income taxes		(2 924)	2 736	2 404	(4 949)	(8 254)
Net income		(28 904)	(63 556)	(126 733)	(190 878)	(282 195)
Net income attributable to:						
Owners of the parent		(28 883)	(63 563)	(126 692)	(190 897)	(282 211)
Non-controlling interests		(21)	7	(41)	19	16

Condensed consolidated statement of comprehensive income

Unaudited

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
Net income	(28 904)	(63 556)	(126 733)	(190 878)	(282 195)
Other comprehensive income, net of tax:					
Items that will not be reclassified to profit or loss in subsequent periods:					
Actuarial gain/loss on defined benefit obligations	-	-	-	-	341
Sum	-	-	-	-	341
Items that may be reclassified to profit or loss in subsequent periods:					
Currency translation differences	880	(582)	(3 408)	564	(685)
Sum	880	(582)	(3 408)	564	(685)
Total comprehensive income	(28 023)	(64 138)	(130 141)	(190 314)	(282 538)
Total comprehensive income attributable to					
Owners of the parent	(28 003)	(64 145)	(130 100)	(190 333)	(282 554)
Non-controlling interests	(21)	7	(41)	19	16

Condensed consolidated statement of financial position

Unaudited

<i>(EUR 1 000)</i>	<i>Note</i>	30.09 2022	30.09 2021	31.12 2021
Property, plant and equipment		905 013	865 705	871 475
Right-of-use assets		41 136	46 456	45 589
Intangible assets		265 967	262 121	265 304
Investments in associates		21 386	565	21 116
Deferred income tax assets		2 120	1 847	2 163
Investments in other companies		2 526	2 509	2 526
Other non-current financial assets		980	26 980	16 259
Total non-current assets		1 239 128	1 206 183	1 224 432
Inventories		17 666	16 547	19 169
Trade receivables		22 328	30 507	23 922
Other current receivables		58 621	20 658	29 303
Current derivative financial instruments		5 762	99	1
Cash and cash equivalents		28 210	72 928	57 115
Total current assets		132 587	140 739	129 510
Total assets		1 371 714	1 346 922	1 353 942
Paid-in capital		185 205	185 205	185 205
Other equity		(667 291)	(477 753)	(537 190)
Total equity attribute to owners of Hurtigruten Group AS		(482 085)	(292 547)	(351 985)
Non-controlling interests		(13)	81	28
Total equity		(482 098)	(292 466)	(351 957)
Non-current interest-bearing liabilities	4	1 333 499	1 343 191	1 394 061
Deposits from customers, non-current		28 133	41 234	44 060
Deferred income tax liabilities		9 662	9 269	12 369
Retirement benefit obligations		2 043	2 993	2 164
Non-current derivative financial instruments		-	44	0
Other non-current liabilities		135	-	135
Total non-current liabilities		1 373 472	1 396 730	1 452 790
Trade payables	6	38 867	27 575	23 496
Other current liabilities	6	89 967	82 070	82 454
Deposits from customers, current		135 284	104 285	117 286
Current income tax liabilities		271	584	1 444
Current interest-bearing liabilities	4	212 624	25 835	24 981
Current derivative financial debt instruments		-	52	2
Provision for other liabilities and charges		3 326	2 256	3 446
Total current liabilities		480 340	242 658	253 109
Total equity and liabilities		1 371 714	1 346 922	1 353 942

Condensed consolidated statement of changes in equity

Unaudited

	01.01-30.09.2022				
	Attributable to shareholders of Hurtigruten Group AS				
<i>(EUR 1 000)</i>	Paid-in capital	Other equity	Total	Non- controlling interests	Total Equity
Equity at beginning of the period	185 205	(537 190)	(351 985)	28	(351 957)
Net income	-	(126 692)	(126 692)	(41)	(126 733)
Other comprehensive income	-	(3 408)	(3 408)	-	(3 408)
Total comprehensive income	-	(130 100)	(130 100)	(41)	(130 141)
Equity at the end of the period	185 205	(667 290)	(482 085)	(13)	(482 098)

	01.01-30.09.2021				
	Attributable to shareholders of Hurtigruten Group AS				
<i>(EUR 1 000)</i>	Paid-in capital	Other equity	Total	Non- controlling interests	Total Equity
Equity at beginning of the period	185 200	(285 935)	(100 734)	(1 438)	(102 172)
Net income	-	(190 897)	(190 897)	19	(190 878)
Other comprehensive income	-	564	564	-	564
Total comprehensive income	-	(190 333)	(190 333)	19	(190 314)
Capital increase parent company	5	-	5	-	5
Group contribution related parties	-	(47)	(47)	-	(47)
Transactions with non-controlling interests	-	(1 438)	(1 438)	1 500	63
Equity at the end of the period	185 205	(477 752)	(292 547)	81	(292 466)

Condensed consolidated statement of cash flows

Unaudited

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
Cash flow from operating activities					
Profit/(loss) before taxes	(25 979)	(66 292)	(129 137)	(185 929)	(273 941)
Adjustments for:					
Depreciation, amortisation and impairment losses	15 679	19 910	47 229	75 175	92 561
Gain/loss sale of fixed assets	1	51	(28)	(13 629)	(4 556)
Foreign exchange gains/losses	(804)	(111)	562	3 691	3 076
Net gains/(losses) derivatives	7 061	(311)	(8 921)	(3 059)	(4 564)
Net interest expenses	28 900	20 106	78 382	56 251	78 429
Share of net income from associated companies	(10)	42	(327)	(33)	(39)
Fair value adjustments on financial investments	-	8	-	8	-
Difference between expensed pensions and payments	1	(0)	(53)	(34)	(631)
<i>Change in working capital:</i>					
Inventories	2 197	(1 610)	1 321	(2 769)	(5 391)
Trade and other receivables	8 255	582	(12 227)	(6 184)	(23 422)
Trade and other payables	(47)	13 344	20 728	12 476	19 154
Change in prepaid travels	(53 634)	9 722	868	53 348	69 175
Change related to travel bonds	12 017	(2 419)	2 371	(8 464)	7 834
Settlement of financial instruments	-	(311)	-	(2 034)	-
Income tax paid	(458)	1 070	(1 423)	159	7
Net cash flow from operating activities	(6 822)	(6 219)	(655)	(21 027)	(42 307)
Cash flow from investing activities					
Purchase and prepayment of property, plant, equipment	(18 490)	(1 448)	(69 153)	(21 834)	(32 292)
Purchase of intangible assets	(888)	(1 217)	(6 235)	(2 862)	(7 272)
Proceeds from sale of fixed assets	(0)	1 438	35	57 560	56 902
Proceeds from sale of shares/(purchase of shares)	-	-	(0)	-	(20 570)
Net cash flow from investing activities	(19 379)	(1 227)	(75 354)	32 864	(3 233)
Cash flow from financing activities					
Proceeds from borrowings	-	-	75 000	46 500	46 550
Repayment of borrowings	(3 579)	(4 635)	(10 713)	(21 019)	(25 758)
Payment of lease liabilities	(3 111)	(1 942)	(7 955)	(4 466)	(6 073)
Transactions with non controlling entities	-	-	-	-	13
Paid interest and transaction costs	(26 633)	(23 184)	(60 978)	(54 160)	(60 915)
Borrowings from other group companies	55 000	20 000	55 000	20 000	75 000
Net cash flow from financing activities	21 677	(9 761)	50 355	(13 146)	28 816
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(4 524)	(17 206)	(25 655)	(1 309)	(16 724)
Cash and cash equivalents at the beginning of period	30 332	91 822	57 115	72 037	72 037
Foreign exchange gains/(losses) on cash, cash equivalents and bank overdrafts	2 401	(1 688)	(3 251)	2 200	1 802
Cash and cash equivalents at end of period	28 210	72 928	28 210	72 928	57 115
Of which restricted cash	3 848	5 973	3 848	5 973	8 905

Notes to the interim consolidated financial statements

Note 1 General accounting principles

Hurtigruten Group consists of the parent company Hurtigruten Group AS, its subsidiaries and interests in associated companies. The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. These statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's Annual Report for 2021.

The accounting policies applied in the preparation of the interim consolidated financial statements are consistent with those described in the accounting policy note in the Annual Report for 2021.

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

The preparation of the interim consolidated financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The actual outcome may deviate from the estimates.

Note 2 Contingencies

There are no material changes to the facts and circumstances of the contingencies and legal items as disclosed in the Annual Report for 2021.

Note 3 Segments

(EUR 1 000)	Hurtigruten Norway		Hurtigruten Expeditions		Hurtigruten Destinations	
	3rd quarter 2022	3rd quarter 2021	3rd quarter 2022	3rd quarter 2021	3rd quarter 2022	3rd quarter 2021
Operating revenues	78 363	35 033	93 086	4 992	8 210	5 793
Contractual revenues	15 144	16 020	-	-	-	-
Other operating income	-	-	-	-	9	-
Total operating revenues and other income	93 507	51 053	93 086	4 992	8 219	5 793
Direct cost of goods and services	(18 364)	(7 557)	(20 582)	(902)	(2 822)	(1 472)
Salaries and personnel costs*	(22 643)	(15 628)	(22 205)	(12 518)	(2 359)	(1 682)
Other operating costs*	(35 898)	(27 262)	(48 939)	(22 394)	(1 118)	(745)
Net other gains/(losses)	(1 376)	72	(1 073)	(158)	(0)	(0)
EBITDA	15 225	677	288	(30 980)	1 921	1 894
Depreciation, amortisation and impairment	(7 040)	(8 141)	(4 758)	(7 459)	(1 217)	(1 397)
Operating profit/(loss) (EBIT)	8 185	(7 463)	(4 470)	(38 439)	704	497

(EUR 1 000)	Group functions, other and eliminations		Hurtigruten Group	
	3rd quarter 2022	3rd quarter 2021	3rd quarter 2022	3rd quarter 2021
Operating revenues	506	(10 013)	180 164	35 805
Contractual revenues	-	-	15 144	16 020
Other operating income	-	9 786	9	9 786
Total operating revenues and other income	506	(227)	195 318	61 610
Direct cost of goods and services	28	(12)	(41 739)	(9 943)
Salaries and personnel costs*	(0)	(0)	(47 206)	(29 829)
Other operating costs*	6	1 914	(85 949)	(48 487)
Net other gains/(losses)	444	961	(2 004)	875
EBITDA	985	2 636	18 419	(25 773)
Depreciation, amortisation and impairment	(2 666)	(2 914)	(15 679)	(19 910)
Operating profit/(loss) (EBIT)	(1 680)	(278)	2 739	(45 683)

* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

	Hurtigruten Norway		Hurtigruten Expeditions		Hurtigruten Destinations	
	01.01-30.09	01.01-30.09	01.01-30.09	01.01-30.09	01.01-30.09	01.01-30.09
(EUR 1 000)	2022	2021	2022	2021	2022	2021
Operating revenues	175 887	45 071	185 061	5 632	26 849	12 132
Contractual revenues	44 808	55 206	-	-	-	-
Other operating income	-	-	6 805	-	9	605
Total operating revenues and other income	220 695	100 277	191 866	5 632	26 858	12 737
Direct cost of goods and services	(45 123)	(9 244)	(46 390)	(3 125)	(8 830)	(3 531)
Salaries and personnel costs*	(62 955)	(43 646)	(59 416)	(31 608)	(6 766)	(4 609)
Other operating costs*	(97 082)	(65 385)	(127 261)	(53 348)	(3 571)	(2 236)
Net other gains/(losses)	6 014	615	7 110	1 248	31	13 819
EBITDA	21 548	(17 383)	(34 091)	(81 202)	7 723	16 180
Depreciation, amortisation and impairment	(21 910)	(37 994)	(13 545)	(21 886)	(3 641)	(3 350)
Operating profit/(loss) (EBIT)	(361)	(55 377)	(47 636)	(103 088)	4 083	12 830

	Group functions, other and eliminations		Hurtigruten Group	
	01.01-30.09	01.01-30.09	01.01-30.09	01.01-30.09
(EUR 1 000)	2022	2021	2022	2021
Operating revenues	706	8 294	388 502	71 129
Contractual revenues	-	-	44 808	55 206
Other operating income	946	20 347	7 760	20 952
Total operating revenues and other income	1 651	28 641	441 071	147 287
Direct cost of goods and services	(350)	(23)	(100 692)	(15 923)
Salaries and personnel costs*	0	(7)	(129 137)	(79 870)
Other operating costs*	5	1 755	(227 909)	(119 215)
Net other gains/(losses)	938	(3 396)	14 093	12 286
EBITDA	2 244	26 970	(2 575)	(55 435)
Depreciation, amortisation and impairment	(8 134)	(11 944)	(47 229)	(75 175)
Operating profit/(loss) (EBIT)	(5 890)	15 026	(49 804)	(130 610)

* Comparable figures have been restated to reflect the reallocation of SG&A costs from group functions, other and eliminations to the segments Hurtigruten Norway, Hurtigruten Expeditions and Hurtigruten Destinations.

Note 4 Interest-bearing liabilities

	30.09	30.09	31.12
<i>(EUR 1 000)</i>	2022	2021	2021
<i>Secured</i>			
Bond	282 500	296 428	296 696
Term loans and financial lease vessels	720 311	866 499	869 758
Revolving credit facilities	84 559	84 228	84 311
<i>Unsecured</i>			
Bond	48 299	-	-
Lease liabilities ¹⁾	57 303	69 477	63 240
Other interest-bearing liabilities	140 527	26 558	80 056
Total non-current interest-bearing liabilities	1 333 499	1 343 191	1 394 061
<i>Secured</i>			
Bond	15 000	-	-
Term loans and financial lease vessels	181 036	12 135	7 537
<i>Unsecured</i>			
Lease liabilities ¹⁾	10 327	7 218	10 822
Other interest-bearing liabilities	6 262	6 482	6 622
Total current interest-bearing liabilities	212 624	25 835	24 981

¹⁾ The accounting for lease-contracts in reference to IFRS 16 are reflected in the lease liabilities, while items that are classified as borrowings according to IFRS 9 are reflected within term loans and financial lease.

The above amounts state borrowings at amortized cost, as in the Statement of Financial Position.

Maturity profile

The below maturity schedule reflects the borrowings at nominal values.

	30.09	30.09	31.12
<i>(EUR 1 000)</i>	2022	2021	2021
Less than one year	216 193	25 945	25 349
Year 2 and 3	1 249 107	277 875	396 694
Year 4 and 5	29 785	1 007 891	941 576
More than 5 years	117 536	77 032	131 222
Total interest-bearing liabilities	1 612 621	1 388 742	1 494 842

Note 5 Net financial items

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021	Full year 2021
Interest income	(802)	247	454	273	661
Other financial income	23	339	946	1 248	1 904
Financial income	(779)	586	1 400	1 522	2 566
Interest expenses ¹⁾	(23 727)	(18 246)	(69 899)	(50 304)	(71 125)
Other finance expenses	(4 394)	(3 817)	(9 883)	(8 836)	(9 851)
Financial expenses	(28 121)	(22 064)	(79 782)	(59 140)	(80 976)
Net foreign exchange gains/(losses)	172	911	(1 277)	2 265	1 306
Net financial items	(28 728)	(20 567)	(79 659)	(55 353)	(77 105)
¹⁾ Of which Payment-in-Kind interest	(6 833)	(2 860)	(18 101)	(6 348)	(12 075)

The Payment-in-Kind non-cash interest relates to subordinated debt and operating facility provided by the ultimate shareholders.

Note 6 Trade payables and other current liabilities

<i>(EUR 1 000)</i>	30.09 2022	30.09 2021	31.12 2021
Trade payables	38 855	27 549	23 493
Trade payables related parties	12	26	3
Total trade payables	38 867	27 575	23 496
Public duties payable	6 901	1 333	5 185
Other current liabilities	20 761	39 666	19 286
Accrued expenses	32 613	19 122	22 348
Accrued interest	26 430	12 887	24 682
Deferred revenue	3 262	9 063	10 953
Total other current liabilities	89 967	82 070	82 454

Note 7 Events after the reporting period

In October 2022 Hurtigruten Group AS secured an increase of EUR 20 million to the new subordinated shareholder loan facility provided by the ultimate shareholders in the third quarter of 2022. The loan will be fully subordinated to the senior secured debt with similar terms and structure as the original EUR 55 million shareholder loan provided in the third quarter of 2022.

In November 2022 the Company's shareholders agreed to provide an additional EUR 20 million in an unsecured loan. The shareholder loans will be utilized for financing the ongoing environmental projects in the Hurtigruten Norway fleet and for working capital purposes to support growth for Hurtigruten Group.

No other events of significance have occurred after the reporting period.

Definitions

Alternative Performance Measures

Hurtigruten Group's financial information is prepared in accordance with International Reporting Standards (IFRS). In addition, the Group presents alternative performance measures (APM) to enhance the stakeholders understanding of the Group's performance. The APMs are regularly reviewed by management, 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/(loss) before depreciation, amortisation and impairment losses (EBITDA)	Earnings before net financial items, income tax expense, depreciation, amortisation and impairment, and share of profit/(loss) from associated companies.	A measure useful for evaluating operating profitability on a more variable cost basis and enables comparison to competitors.
EBITDA margin	EBITDA divided by total operating revenues and other income.	Enables comparability of profitability relative to total operating revenues and other income.
Normalized adjusted EBITDA	Earnings before net other gains and losses, net financial items, income tax expense, depreciation, amortisation and impairment, and share of profit/(loss) from associated companies, adjusted with items which is deemed extraordinary, exceptional, unusual or non-recurring.	A measure of underlying long-term operating profitability excluding effects of volatile, operating expenses relating to fuel derivatives, effects of non-cash balance sheet currency revaluation and extraordinary or non-recurring items.
Operating profit (EBIT)	Earnings before net financial items, income tax expense and share of profit/loss from associated companies.	Enables comparability of profitability regardless of capital structure or tax situation.

Reconciliation of operating profit/(loss) to normalized adjusted EBITDA

<i>(EUR 1 000)</i>	3rd quarter 2022	3rd quarter 2021	01.01-30.09 2022	01.01-30.09 2021
Operating profit/(loss)	2 739	(45 683)	(49 804)	(130 610)
Excluding Depreciation, amortisation and impairment	15 679	19 910	47 229	75 175
EBITDA	18 419	(25 773)	(2 575)	(55 435)
Excluding Net other gains/(losses)	2 004	(875)	(14 093)	(12 286)
EBITDA excluding net other gains /(losses)	20 423	(26 648)	(16 668)	(67 721)
Adjustment for unusual or non-recurring items	15 340	-	62 417	-
Normalized adjusted EBITDA	35 763	(26 648)	45 749	(67 721)

Other definitions

Item	Description
APCN	Available passenger Cruise Nights (cabin capacity*2 multiplied by the number of cruise days for the period for ships in service)
PCN	Passenger Cruise night, defined as one occupied berth per night
Occupancy rate	The ratio of passengers (PCN) by available capacity (APCN)
Gross ticket revenues per PCN	Ticket revenues per Passenger Cruise night
Net ticket revenue per PCN	Ticket revenue less expenses for commission, flights, hotel, other passenger services, food, beverage, shop and excursions, per passenger cruise night.
Net cruise cost per APCN	Total cost excluding commission, flights, hotel, other passenger services, food, beverage, shop and excursions, per available passenger cruise night (not adjusted for Covid-19 restrictions).
Fuel consumption	Bunker fuel consumed, presented in litre per nautical mile sailed
Fuel cost per litre	The average expense per litre bunker fuel.