

Exmar Netherlands BV

Half-year reporting at June 30, 2021

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Interim condensed financial statements

Statement of financial position

STATEMENT OF FINANCIAL POSITION

(in thousands of USD)

	Note	June 30, 2021	December 31, 2020
Investments in equity accounted investees		3,572	3,606
Loans to related parties	1	142,184	162,024
Non-current assets		145,756	165,631
Loans to related parties	1	10,557	9,394
Trade and other receivables		66	163
Cash and cash equivalents		366	244
Current assets		10,989	9,801
TOTAL ASSETS		156,746	175,432
Share capital		3,000	3,000
Retained earnings		566	-923
Translation reserve		-153	63
Total equity		3,413	2,139
Senior unsecured bonds	2	0	75,454
Non-current liabilities		0	75,454
Senior unsecured bonds - current	2	73,357	675
Loans received from parent company	2	79,886	97,003
Trade and other payables		90	160
Current liabilities		153,333	97,838
TOTAL EQUITY AND LIABILITIES		156,746	175,432

Statement of profit and loss

<i>(in thousands of USD)</i>	<i>Note</i>	<i>June 30, 2021</i>	<i>June 30, 2020</i>
Interest income		5,397	5,292
Interest expense		-4,178	-4,559
Net interest result		1,220	733
Other finance income	3	197	7,328
Other finance expense		-17	-9
Net other finance result		179	7,319
Other income		0	0
Goods and other expenses		-52	-127
Employee benefit expenses		-39	-34
Operating result		-91	-160
Share of result of equity accounted investees (net of income tax)		182	133
Result before income tax		1,489	8,025
Income tax expense		0	0
RESULT FOR THE PERIOD		1,489	8,025

Notes to the interim condensed financial statements

Note 1 – Loans to related parties

The movement in the loans provided to related parties can be summarised as follows:

<i>(in thousands of USD)</i>	Exmar LNG Investment	Travel Plus	Electra Offshore	Exmar Energy Netherlands	TOTAL
As per 1 January 2021	78,332	308	9,394	83,384	171,418
New loans in cash			590	300	890
New loans issued in kind				3,942	3,942
Repayment in cash				-250	-250
Repayment in kind				-28,645	-28,645
Capitalized interest	4,574			249	4,823
Exchange differences		-10			-10
Accrued interest payable		0	573		573
As per 30 June 2021	82,906	298	10,557	58,979	152,741
Split into:					
More than 1 year	82,906	298		58,979	142,184
Less than 1 year			10,557		10,557

There are no significant changes in the terms and conditions in the loans granted to related parties.

Note 2 – Senior unsecured bonds and loans received from parent company

The movement in the borrowings can be summarised as follows:

<i>(in thousands of USD)</i>	Loans from Exmar NV	Senior unsecured bonds	TOTAL
As per 1 January 2021	97,003	76,129	173,132
New loans in cash	7,290		7,290
New loans in kind	3,942		3,942
Repayment in cash		-2,800	-2,800
Repayment in kind	-28,645		-28,645
Capitalized interest	308		308
Amortized transaction costs		257	257
Exchange differences	-11	-194	-205
Accrued interest payable		-35	-35
As per 30 June 2021	79,886	73,357	153,243
Split into:			
More than 1 year	0	0	0
Less than 1 year	79,886	73,357	153,243

During the first half of 2021, the Company repurchased NOK 23.6 million (equivalent of USD 2.8 million) of the senior unsecured bonds.

All financial covenants related to this NOK bond are calculated at EXMAR NV level. As at June 30, 2021, the Group was compliant with all financial covenants.

Note 3 – Other finance income

At June 30, 2020 the other finance income contained USD 7.3 million unrealized foreign exchange differences on the NOK bonds.

Note 4 – Subsequent events

In 2021 and 2022, Exmar Netherlands BV bought back in total a nominal amount of NOK 137.0 million of the NOK bond (of which NOK 23.6 million in the first half of 2021, see note 2 above).

In November 2021, Exmar Netherlands BV signed a three-year facility agreement of up to USD 50 million with Sequoia Economic Infrastructure Income Fund (SEQI). The applicable interest rate is in the aggregate of LIBOR plus a margin between 7 and 8.5%, depending on the net leverage. The loan was used to repay part of the remaining NOK 513 million bond at maturity date end May 2022. The remaining balance was repaid with available cash. The sale of the TANGO FLNG owning company (held by an EXMAR Group company) triggered a repayment and termination of this credit facility which occurred on August 29, 2022. We refer to the half-year 2022 report of Exmar Group for additional information. Exmar NV provided the necessary financing for this repayment.

Management report

Basis of preparation

The interim condensed financial statements for the six-months ended June 30, 2021 have been prepared in accordance with IFRS as adopted by the EU and in conformity with the provisions of Part 9 of the Netherlands Civil Code and Article 5:25d of the Dutch Financial Supervision Act (“Wet Financieel Toezicht”).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the Company’s financial statements as at December 31, 2020.

The accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those applied in the Company’s annual financial statements as at and for the year ended December 31, 2020. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2021, but do not have an **impact** on these interim condensed financial statements.

These interim condensed financial statements were approved by the Board of Directors on October 6, 2022, but were not subject to an audit or a review by our statutory auditor.

Significant events during the year

The loans provided and received decreased both by approximately USD 20,0 million due to intercompany settlements, either in cash or through netting. The Company also repurchased USD 2.8 million of the senior unsecured bonds with maturity date in April 2022.

Risks & uncertainties for the remaining six months of 2021

Management is not aware of any specific new risks and uncertainties for the remainder of 2021.

Related parties

There are no new related party transactions compared to the information provided in the 2020 financial statements.

Statement on true and fair view

The Board of Directors, represented by Christine Verhaert (representing FINMORE BV) and Michel Rehim hereby confirm that, to the best of their knowledge,

- the interim condensed financial statements for the six-months ended June 30, 2021, which have been prepared in accordance with IAS 34 *Interim financial reporting* issued by the International Accounting Standards Board (IASB) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and
- the interim management report gives a true and fair view of (i) the most important events that have occurred during the reporting period and their effect on the interim accounts, (ii) a description of the principal risks and uncertainties for the remaining six months of 2021, and (iii) the most important transactions with related parties.

Sevenum, October 6, 2022

Directors,

Christine Verhaert



Michel Rehim



