



**Eimskipafélag Íslands hf.**  
**Condensed Consolidated**  
**Interim Financial Statements**

1 January to 30 September 2023 | EUR

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# Endorsement and Statement by the Board of Directors and the CEO

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Eimskip is a leading transportation company in the North Atlantic providing container and reefer liner services with connections to international markets and is specialized in worldwide freight forwarding with focus on frozen and chilled commodities. Eimskip offers its customers a broad range of services related to shipping, logistics and supply chain management solutions on land, sea and air. Eimskip currently operates 56 offices in 20 countries. The Condensed Consolidated Interim Financial Statement of the Group includes the financials of the parent company and its subsidiaries. The Group consists of a total of 68 companies. In addition the Company operates branch offices in Norway, Sweden, Denmark, the UK, Netherlands and Germany.

The Condensed Consolidated Interim Financial Statements of Eimskipafélag Íslands hf. and its subsidiaries (together referred to as "Eimskip" or the "Group") for the period 1 January to 30 September 2023 are prepared and presented in accordance with International Financial Reporting Standards (IFRS) for Interim Financial Statements (IAS 34) as adopted by the EU and additional requirements for listed Icelandic companies. The Financial Statements are presented in thousands of EUR. The Condensed Consolidated Interim Financial Statements have not been audited or reviewed by the Company's independent auditors and should be read in conjunction with the Group's Annual Consolidated Financial Statement as at and for the year ended 31 December 2022.

Net earnings for the first nine months of the year 2023 amounted to EUR 46.1 million according to the Consolidated Income Statement. Total equity at 30 September 2023 amounted to EUR 314.6 million according to the Statement of Financial Position.

## Operations and significant matters

The financial results for the third quarter of 2023 are generally good, although marked by transformation in market conditions from previous year, and somewhat affected by operational disruptions of abnormal level. Revenue decreased by EUR 90.2 million from previous year, which is a decrease of 31% and operating expenses decreased by EUR 75.1 million or 31% at the same time. This significant decrease in both revenue and expenses is mainly attributed to changes in the global shipping market, where freight rates have decreased substantially since the latter half of last year. This has reduced cost of third-party logistics services that Eimskip purchases on behalf of its customers, e.g., when providing forwarding services and other logistics services that are a part of Eimskip's product portfolio.

EBITDA in the quarter amounted to EUR 34.5 million, which is a good result, although EUR 15.1 million lower than last year's EBITDA results which were exceptionally strong. EBIT amounted to EUR 18.9 million which is a decrease of EUR 15.2 million from previous year. Both business segments, liner and forwarding, delivered lower EBITDA results than in the same period last year, which was anticipated due to the significant change in market conditions compared to previous year. Liner EBITDA in the quarter amounted to EUR 25.0 million and was down by EUR 12.6 million from previous year, mainly due to lower Trans-Atlantic rates which have followed the development of freight rates in other major trade lanes, combined with a 7.2% decrease in liner volume compared to previous year. The volume decrease was driven by less Trans-Atlantic volume, adversely affected by tough market conditions combined with a seasonal slowdown, as well as less export volume out of Iceland, partly caused by operational challenges which temporarily reduced the sailing system capacity. Forwarding EBITDA in the quarter was EUR 9.5 million and decreased by EUR 1.7 million from previous year, while revenue and expenses decreased by EUR 63.4 million and EUR 61.7 million, respectively. Forwarding volume in the quarter was on a similar level as previous year, and margins were on a good level, resulting in a solid performance despite global market conditions that have transformed over the course of last year.

Despite the mixed global macro-economic outlook, Eimskip is well positioned at its home market in the North Atlantic, with focus on transportation of frozen and chilled commodities. The Company remains operationally focused and cost conscious while also committed to business development to support sustainable growth that is built on strong relationships with all stakeholders. Although the Company is not immune to the effects of the economic slowdown that impacts global trade and demand for shipping and transportation, the sound financial position of the Company is an advantage in this respect, enabling the Company to weather economic cycles with greater resilience.

The Annual General Meeting approved a dividend payment to shareholders as well as a share capital reduction with both a cash payment to shareholders and reduction of treasury shares. Please refer to note 14 for further information.

On 10 October 2023 the board of Directors initiated a share-buy-back program in accordance with the approval of Eimskip shareholders' meeting on 9 March 2023. The number of shares to be acquired under the buy back program is up to 2,150,000. The main purpose of the share-buy-back is to reduce the Company's share capital.

# Endorsement and Statement by the Board of Directors and the CEO

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## **Statement by the Board of Directors and the CEO**

According to the best of our knowledge, it is our opinion that these Condensed Consolidated Interim Financial Statements give a true and fair view of the consolidated financial performance of Eimskip for the nine months ended 30 September 2023, its assets, liabilities and consolidated financial position as at 30 September 2023 and its consolidated cash flows for the nine month period ended 30 September 2023.

Further, in our opinion, the Condensed Consolidated Interim Financial Statements and the Endorsement by the Board of Directors and the CEO give a fair view of the development and performance of Eimskip's operations and its position and describe the principal risks and uncertainties faced by Eimskip.

The Board of Directors and the CEO have today discussed the Condensed Consolidated Interim Financial Statements of Eimskipafélag Íslands hf. for the period 1 January to 30 September 2023 and confirm them by means of their signatures.

Reykjavík, 7 November 2023

### **Board of Directors:**

Óskar Magnússon, Chairman

Margrét Guðmundsdóttir, Vice-Chairman

Guðrún Ó. Blöndal, Board Member

Lárus L. Blöndal, Board Member

Ólöf Hildur Pálsdóttir, Board Member

### **CEO:**

Vilhelm Már Thorsteinsson

# Consolidated Income Statement

## 1 January to 30 September 2023

	Notes	2023 1.7. - 30.9.	2022 1.7. - 30.9.	2023 1.1. - 30.9.	2022 1.1. - 30.9.
<b>Revenue</b>					
Operating revenue .....	5	201,967	292,173	626,052	814,972
<b>Expenses</b>					
Operating expenses .....		132,351	209,170	418,469	589,581
Salaries and related expenses .....		35,118	33,425	106,922	100,674
	5	167,469	242,595	525,391	690,255
<b>Operating profit, EBITDA</b> .....		34,498	49,578	100,661	124,717
Depreciation and amortization .....		( 15,626)	( 15,501)	( 46,593)	( 45,727)
<b>Results from operating activities, EBIT</b> .....		18,872	34,077	54,068	78,990
Finance income .....		513	274	1,778	730
Finance expense .....		( 3,160)	( 2,321)	( 8,623)	( 6,242)
Net foreign currency exchange gain (loss) .....		461	( 617)	909	( 1,588)
Net finance expense .....	6	( 2,186)	( 2,664)	( 5,936)	( 7,100)
Share of earnings of equity accounted investees .....		4,383	3,866	10,070	8,327
<b>Net earnings before income tax</b> .....		21,069	35,279	58,202	80,217
Income tax .....		( 4,463)	( 7,142)	( 12,138)	( 16,721)
<b>Net earnings for the period</b> .....		16,606	28,137	46,064	63,496
<b>Net earnings for the period attributable to:</b>					
Equity holders of the Company .....		16,598	27,740	45,622	61,769
Non-controlling interest .....		8	397	442	1,727
		16,606	28,137	46,064	63,496
<b>Earnings per share:</b>					
Basic earning per share (EUR per share) .....	7	0.0999	0.1622	0.2752	0.3572
Diluted earning per share (EUR per share) .....	7	0.0999	0.1622	0.2752	0.3572

The notes on pages 10 to 15 are an integral part of these Condensed Consolidated Interim Financial Statements.

# Consolidated Statement of Comprehensive Income

## 1 January to 30 September 2023

	Notes	2023 1.7. - 30.9.	2022 1.7. - 30.9.	2023 1.1. - 30.9.	2022 1.1. - 30.9.
Net earnings for the period .....		16,606	28,137	46,064	63,496
<b>Other comprehensive income:</b>					
<b>Items that are or may subsequently be reclassified to the income statement</b>					
Foreign currency translation difference of foreign operations .....		447	3,626	( 2,897)	5,921
Effective portion of changes in fair value of cash flow hedges, net of income tax .....	(	340)	229	( 27)	2,454
Fair value changes of non-controlling put option liability .....		877	( 92)	( 17)	( 227)
<b>Other comprehensive income for the period</b> .....		984	3,763	( 2,941)	8,148
<b>Total comprehensive income for the period</b> .....		17,590	31,900	43,123	71,644
<b>Total comprehensive income for the period attributable to:</b>					
Equity holders of the Company .....		17,507	31,486	42,832	69,607
Non-controlling interest .....		83	414	291	2,037
		17,590	31,900	43,123	71,644

The notes on pages 10 to 15 are an integral part of these Condensed Consolidated Interim Financial Statements.

# Consolidated Statement of Financial Position

## as at 30 September 2023

	Notes	30.9.2023	31.12.2022
<b>Assets:</b>			
Property, vessels and equipment .....		243,914	233,201
Right-of-use assets .....		96,999	102,680
Intangible assets .....		61,461	61,469
Equity accounted investees .....		40,748	31,670
Finance assets .....		2,200	2,934
Deferred tax assets .....		1,418	2,121
Total non-current assets		446,740	434,075
Inventories .....		11,822	11,721
Vessel held for sale .....	8	686	0
Trade and other receivables .....	9	145,046	150,926
Cash and cash equivalents .....		47,096	69,937
Total current assets		204,650	232,584
Total assets		651,390	666,659
<b>Equity:</b>			
Share capital .....		1,022	1,045
Share premium .....		104,393	117,046
Reserves .....		113,502	94,944
Retained earnings .....		90,896	89,091
Total equity attributable to equity holders of the parent company		309,813	302,126
Non-controlling interest .....		4,756	7,039
Total equity	14	314,569	309,165
<b>Liabilities:</b>			
Loans and borrowings .....	10	111,131	120,528
Lease liabilities .....	11	69,922	74,373
Other long-term liabilities .....		1,780	3,448
Deferred tax liability .....		7,860	7,169
Total non-current liabilities		190,693	205,518
Loans and borrowings .....	10	11,683	13,213
Lease liabilities .....	11	29,549	29,789
Trade and other payables .....	12	86,885	94,954
Income tax payable .....		18,011	14,020
Total current liabilities		146,128	151,976
Total liabilities		336,821	357,494
Total equity and liabilities		651,390	666,659

The notes on pages 10 to 15 are an integral part of these Condensed Consolidated Interim Financial Statements.

# Consolidated Statement of Changes in Equity

## 1 January to 30 September 2023

	Attributable to equity holders of the Company									
	Notes	Share capital	Share premium	Reserves			Retained earnings	Total	Non-controlling interest	Total equity
				Trans-lation reserve	Other reserves*	Un-distributed profits				
<b>Changes in Equity 1 January to 30 September 2022:</b>										
Equity at 1 January 2022 .....		1,085	137,236	( 4,806)	( 86)	43,185	78,366	254,980	6,485	261,465
Share capital reduction .....		( 15)	( 7,576)					( 7,591)		( 7,591)
Dividend declared (0.0998 EUR per share) .....							( 17,477)	( 17,477)		( 17,477)
Purchased treasury shares .....		( 22)	( 11,200)					( 11,222)		( 11,222)
Changes in share options reserve .....					190			190		190
Other changes in non-controlling interest .....								0	( 820)	( 820)
Total comprehensive loss for the period .....				5,611	2,227		61,769	69,607	2,037	71,644
Profit of subsidiaries net of dividend received .....						51,340	( 51,340)	0		0
Equity at 30 September 2022 .....		1,048	118,460	805	2,331	94,525	71,318	288,487	7,702	296,189
Reserves .....						97,661				
<b>Changes in Equity 1 January to 30 September 2023:</b>										
Equity at 1 January 2023 .....		1,045	117,046	( 5,091)	1,655	98,380	89,091	302,126	7,039	309,165
Share capital reduction .....	14	( 23)	( 12,653)					( 12,676)		( 12,676)
Dividend declared (0.1340 EUR per share) .....	14						( 22,717)	( 22,717)		( 22,717)
Changes in share options reserve .....					226		22	248		248
Minority put options exercised .....					2,618		( 2,618)	0		0
Other changes in non-controlling interest .....								0	( 2,574)	( 2,574)
Total comprehensive income for the period .....				( 2,746)	( 44)		45,622	42,832	291	43,123
Profit of subsidiaries net of dividend received .....						18,504	( 18,504)	0		0
Equity at 30 September 2023 .....		1,022	104,393	( 7,837)	4,455	116,884	90,896	309,813	4,756	314,569
Reserves .....						113,502				

\* Other reserves includes hedging reserve, share option reserve and reserve for fair value changes of minority put options.

The notes on pages 10 to 15 are an integral part of these Condensed Consolidated Interim Financial Statements.



# Consolidated Statement of Cash Flows

## 1 January to 30 September 2023

	Notes	2023 1.7. - 30.9.	2022 1.7. - 30.9.	2023 1.1. - 30.9.	2022 1.1. - 30.9.
<b>Cash flows from operating activities:</b>					
Net earnings for the period .....		16,606	28,137	46,064	63,496
Adjustments for:					
Depreciation and amortization .....		15,626	15,501	46,593	45,727
Net finance expense .....	6	2,186	2,664	5,936	7,100
Share of earnings of equity accounted investees .....		( 4,383)	( 3,866)	( 10,070)	( 8,327)
Change in deferred taxes .....		1,158	( 213)	1,350	797
Adjustments for other non-cash income and expenses .....		( 62)	( 15)	( 141)	( 462)
		31,131	42,208	89,732	108,331
Changes in current assets and liabilities:					
Inventories, change .....		( 973)	( 258)	( 112)	( 3,860)
Receivables, change .....		( 152)	( 708)	8,629	( 29,490)
Payables, change .....		3,262	( 723)	( 3,320)	30,599
Change in current assets and liabilities		2,137	( 1,689)	5,197	( 2,751)
Interest paid .....		( 3,160)	( 2,149)	( 8,623)	( 6,242)
Interest received .....		513	250	1,778	730
Taxes paid .....		( 1,291)	( 1,416)	( 2,277)	( 2,787)
Net cash from operating activities		29,330	37,204	85,807	97,281
<b>Cash flows used in investing activities:</b>					
Acquisition of property, vessels and equipment .....		( 16,154)	( 9,763)	( 29,650)	( 15,899)
Acquisition of intangible assets .....		( 1,244)	( 796)	( 4,069)	( 3,479)
Proceeds from the sale of property, vessels and equipment .....		328	186	1,134	1,105
Investment in equity accounted investee .....		0	0	( 6,245)	0
Dividend received from equity accounted investee .....		0	0	5,787	0
Proceed from the sale of equity accounted investees .....		0	0	815	0
Minority put options exercised .....		0	0	( 2,618)	0
Other investing activities .....		359	( 623)	689	( 511)
Net cash used in investing activities		( 16,711)	( 10,996)	( 34,157)	( 18,784)
<b>Cash flows from financing activities:</b>					
Share capital reduction paid .....		0	0	( 12,676)	( 7,591)
Dividend paid to equity holders of the Company .....		0	0	( 22,717)	( 17,477)
Purchased treasury shares .....		0	( 5,675)	0	( 11,222)
Dividend paid to non-controlling interest .....		( 1,047)	( 280)	( 2,574)	( 904)
Proceeds from non-current loans and borrowings .....		0	330	0	330
Repayment of non-current loans and borrowings .....		( 2,349)	( 2,779)	( 10,925)	( 9,708)
Repayment of lease liabilities .....		( 8,073)	( 8,675)	( 25,363)	( 23,210)
Short term borrowings, change .....		81	( 353)	6	( 374)
Net cash used in financing activities		( 11,388)	( 17,432)	( 74,249)	( 70,156)
Changes in cash and cash equivalents .....		1,231	8,776	( 22,599)	8,341
Cash and cash equivalents at the beginning of the period .....		46,336	36,852	69,937	36,986
Effects of exchange rate fluctuations on cash held .....		( 471)	926	( 242)	1,227
<b>Cash and cash equivalents at the end of the period</b> .....		<b>47,096</b>	<b>46,554</b>	<b>47,096</b>	<b>46,554</b>
<b>Investing and financing activities not affecting cash flows:</b>					
Acquisition of right-of-use assets .....		( 5,336)	( 709)	( 21,896)	( 3,539)
New or renewed leases .....		5,336	709	21,896	3,539
Reclassified fixed assets .....		0	( 1,351)	0	( 1,351)
Inventory, change .....		0	1,351	0	1,351
Proceed from sale of investment .....		( 27)	0	0	0
Receivables, change .....		27	0	0	0

The notes on pages 10 to 15 are an integral part of these Condensed Consolidated Interim Financial Statements.

# Notes to the Consolidated Financial Statements

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## 1. Reporting entity

Eimskipafélag Íslands hf. reg. no. 690409-0460 (the "Company" or the "Parent Company") is a public limited liability company domiciled in Iceland. The address of the Company's registered office is Sundabakki 2, 104 Reykjavík. The Condensed Consolidated Interim Financial Statements of the Company for the period 1 January to 30 September 2023 comprise the Company and its subsidiaries (together referred to as "Eimskip" or the "Group"). The Parent Company is an investment company focused on investments in shipping and logistics services. The Company's shares are listed at Nasdaq Iceland.

## 2. Basis of preparation

### a. Statement of compliance

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for Interim Financial Statements (IAS34) as adopted by the EU and additional Icelandic disclosure requirements for consolidated financial information of listed companies in accordance with Icelandic Financial Statements Act No. 3/2006 and rules for issuers of financial instruments on Nasdaq Iceland.

The Condensed Consolidated Interim Financial Statements do not include all of the information required for a complete set of consolidated annual financial statements and should be read in conjunction with the Consolidated Financial Statements of the Company as at and for the year ended 31 December 2022, which is available on the Company's website, [www.eimskip.com](http://www.eimskip.com), and in the company news release distribution network of Nasdaq Nordic.

The Condensed Consolidated Interim Financial Statements were approved and authorized for issue by the Company's Board of Directors on 7 November 2023.

### b. Functional and presentation currency

These Condensed Consolidated Interim Financial Statements are presented in Euro (EUR), which is the Company's functional currency. All financial information presented in EUR has been rounded to the nearest thousand.

## 3. Significant accounting policies

The accounting policies applied in these Condensed Consolidated Interim Financial Statements are the same as those applied in the Group's Consolidated Financial Statements as at and for the year ended 31 December 2022. IFRS standards effective as at 1 January 2023 had immaterial effects on the Consolidated Financial Statements.

## 4. Use of estimates and judgements

The preparation of the Condensed Consolidated Interim Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those described in the last annual Consolidated Financial Statements as at and for the year ended 31 December 2022.

### Intangible assets

Eimskip annually tests whether the carrying amount of intangible assets is impaired. At the end of each reporting period, the Company assesses whether there is any indication of impairment. Management has reviewed the impairment tests performed at year-end 2022. Please refer to note 12 in the Financial Statements of 2022. To date, there is no indication of impairment, however one CGU is sensitive for impairment due to current market circumstances and the management is currently reviewing the strategy going forward.

### Impairment loss on trade receivables and finance assets

Eimskip establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and finance assets. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

# Notes

## 5. Segment reporting

### Business segments

	Liner services	Forwarding services	Consoli- dated
<b>1 January to 30 September 2023</b>			
Revenue, external .....	444,214	181,838	626,052
Inter-segment revenue .....	11,002	25,152	36,154
Total .....	455,216	206,990	662,206
Expenses, external .....	( 354,768)	( 170,623)	( 525,391)
Inter-segment expense .....	( 25,152)	( 11,002)	( 36,154)
<b>EBITDA</b> .....	75,296	25,365	100,661
Depreciation and amortization .....	( 41,227)	( 5,366)	( 46,593)
<b>EBIT</b> .....	34,069	19,999	54,068
Net finance expense .....	( 6,054)	118	( 5,936)
Share of profit of equity accounted investees .....	10,016	54	10,070
Income tax .....	( 7,373)	( 4,765)	( 12,138)
Net earnings for the period .....	30,658	15,406	46,064
<b>1 January to 30 September 2022</b>			
Revenue, external .....	495,150	319,822	814,972
Inter-segment revenue .....	10,960	23,388	34,348
Total .....	506,110	343,210	849,320
Expenses, external .....	( 390,986)	( 299,269)	( 690,255)
Inter-segment expense .....	( 23,388)	( 10,960)	( 34,348)
<b>EBITDA</b> .....	91,736	32,981	124,717
Depreciation and amortization .....	( 40,245)	( 5,482)	( 45,727)
<b>EBIT</b> .....	51,491	27,499	78,990
Net finance expense .....	( 8,171)	1,071	( 7,100)
Share of profit of equity accounted investees .....	8,363	( 36)	8,327
Income tax .....	( 9,644)	( 7,077)	( 16,721)
Net earnings for the period .....	42,039	21,457	63,496
<b>Information on assets and liabilities</b>			
Segment assets as at 30 September 2023 .....	523,503	127,887	651,390
Segment assets as at 31 December 2022 .....	502,338	164,321	666,659
Segment liabilities as at 30 September 2023 .....	261,009	75,812	336,821
Segment liabilities as at 31 December 2022 .....	269,754	87,740	357,494
Non-lease capital expenditure for the period 1 January to 30 September 2023 ..	31,903	1,816	33,719
Non-lease capital expenditure for the period 1 January to 30 September 2022 ..	17,920	1,458	19,378

# Notes

## 5. Segment reporting, continued

### Geographical segments

In presenting information on the basis of geographical segments, segment revenue and assets are based on the geographical location of assets.

	North Atlantic	Other territories	Consoli- dated
Revenue, external for the period 1 January to 30 September 2023 .....	591,717	34,335	626,052
Revenue, external for the period 1 January to 30 September 2022 .....	714,144	100,828	814,972
Geographical location of assets as at 30 September 2023 .....	629,807	21,583	651,390
Geographical location of assets as at 31 December 2022 .....	638,188	28,471	666,659
Non-lease capital expenditure for the period 1 January to 30 September 2023 ..	33,710	9	33,719
Non-lease capital expenditure for the period 1 January to 30 September 2022 ..	19,244	134	19,378

## 6. Finance income and expense

Finance income is specified as follows:

	2023 1.7. - 30.9.	2022 1.7. - 30.9.	2023 1.1. - 30.9.	2022 1.1. - 30.9.
Interest income .....	466	166	1,429	475
Dividend received .....	47	108	349	255
Finance income .....	513	274	1,778	730

Finance expense is specified as follows:

Interest on long-term loans .....	( 1,376)	( 765)	( 3,681)	( 2,082)
Interest on lease liabilities .....	( 1,467)	( 1,357)	( 4,142)	( 3,442)
Other finance expense .....	( 317)	( 199)	( 800)	( 718)
Finance expense .....	( 3,160)	( 2,321)	( 8,623)	( 6,242)

Net foreign currency exchange gain (loss) .....	461	( 617)	909	( 1,588)
Net finance expense .....	( 2,186)	( 2,664)	( 5,936)	( 7,100)

## 7. Earnings per share

### Basic and diluted earnings per share

The calculation of basic earnings per share was based on earnings attributable to shareholders and a weighted average number of shares outstanding during the period. The Company has one category of dilutive potential, ordinary shares: share options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price year to date of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Calculations are as follows:

	2023 1.7. - 30.9.	2022 1.7. - 30.9.	2023 1.1. - 30.9.	2022 1.1. - 30.9.
Net profit attributable to equity holders of the Company .....	16,598	27,740	45,622	61,769
Number of issued shares at the beginning of the period in thousands .....	167,850	173,050	173,050	175,200
Effect of treasury shares at the beginning of the period in thousands .....	( 1,725)	( 1,629)	( 3,461)	( 31)
Effect of share capital reduction .....	0	0	( 3,829)	( 1,457)
Effect of treasury shares purchased in thousands .....	0	( 419)	0	( 765)
Weighted average number of outstanding shares in thousands .....	166,125	171,002	165,760	172,947
Adjustments for stock options .....	0	0	0	0
Weighted average number of outstanding shares for diluted earning per share in thousands .....	166,125	171,002	165,760	172,947
Basic earnings per share (EUR) .....	0.0999	0.1622	0.2752	0.3572
Diluted earnings per share (EUR) .....	0.0999	0.1622	0.2752	0.3572

## Notes

### 8. Asset classified as held for sale

At the end of March, Sæferðir ehf., a subsidiary of Eimskipafélag Íslands hf., sold one of two vessels, the ferry Baldur. The vessel was delivered to its new owner on 17 October 2023. The sale had negligible impact on the Income Statement.

Sæferðir reached an agreement with the Icelandic Road Administration for continued ferry service in Breiðafjörður on the 30 October 2023. The agreement term is until the end of 2024 with possible extension for four months.

### 9. Trade and other receivables

Trade and other receivables are specified as follows:

	30.9.2023	31.12.2022
Trade receivables .....	120,053	134,607
Restricted cash .....	478	706
Other receivables .....	24,515	15,613
Trade and other receivables total .....	145,046	150,926

### 10. Loans and borrowings

This note provides information on the contractual terms of Eimskip's interest bearing loans and borrowings.

Loans and borrowings consist of the following:

	30.9.2023	31.12.2022
Secured bank loans .....	122,654	133,586
Bank overdraft and short term borrowing .....	160	155
Current maturity .....	( 11,683)	( 13,213)
Total non-current loans and borrowings .....	111,131	120,528
Current maturities of secured bank loans .....	11,523	13,058
Bank overdraft and short term borrowing .....	160	155
Total current loans and borrowings .....	11,683	13,213
Total loans and borrowings .....	122,814	133,741

The loan agreements of Eimskip contain restrictive covenants. At the end of September 2023 and at the year-end 2022 Eimskip complied with all restrictive covenants.

Terms and debt repayment schedule:

	30.9.2023		31.12.2022	
	Nominal interest	Carrying amount	Nominal interest	Carrying amount
Secured loans in EUR .....	4.0%	122,091	2.6%	130,359
Secured loans in USD .....	-	0	5.4%	1,822
Secured loans in ISK .....	-	330	4.8%	1,041
Secured loans in other currencies .....	-	233	-	364
Unsecured loans .....	-	160	-	155
Total interest-bearing liabilities .....		122,814		133,741

Aggregated annual maturities of secured bank loans are as follows:

	30.9.2023	31.12.2022
On demand or within 12 months .....	11,683	13,213
12 - 24 months .....	11,266	12,170
24 - 36 months .....	38,339	41,433
36 - 48 months .....	7,293	7,733
48 - 60 months .....	7,286	7,349
After 60 months .....	46,947	51,843
Total secured bank loans .....	122,814	133,741

# Notes

## 11. Lease liabilities

Lease liabilities are as follows:

	<b>30.9.2023</b>	<b>31.12.2022</b>
Lease Liabilities in EUR .....	15,184	7,036
Lease Liabilities in USD .....	34,442	47,375
Lease Liabilities in ISK .....	19,401	16,136
Lease Liabilities in NOK .....	23,727	25,886
Lease Liabilities in other currencies .....	6,717	7,729
Total .....	99,471	104,162
Current maturities .....	( 29,549)	( 29,789)
Non-current maturities .....	69,922	74,373

Maturity analysis:

	<b>30.9.2023</b>	<b>31.12.2022</b>
Within 12 months .....	29,549	29,789
12 - 24 months .....	18,111	18,885
24 - 36 months .....	6,776	9,936
36 - 48 months .....	3,436	3,179
48 - 60 months .....	2,006	2,517
After 60 months .....	39,593	39,856
Total .....	99,471	104,162

## 12. Trade and other payables

Trade and other payables are attributable to the following:

	<b>30.9.2023</b>	<b>31.12.2022</b>
Trade payables .....	56,893	62,883
Other payables .....	29,992	32,071
Total .....	86,885	94,954

## 13. Group entities

At period-end the Company owned directly nine subsidiaries that are all included in the consolidation. The direct subsidiaries owned 57 subsidiaries at period-end. The Company holds the majority of voting power in all of its subsidiaries. Assets, liabilities, revenues and expenses in Consolidated Financial Statements that include a non-controlling interest are immaterial to the Group.

The Group's direct subsidiaries are as follows:

	<b>Country of incorporation</b>	<b>Ownership Interest 30.9.2023</b>	<b>Ownership Interest 31.12.2022</b>
Eimskip Ísland ehf. ....	Iceland	100%	100%
TVG-Zimsen ehf. ....	Iceland	100%	100%
Eimskip USA, Inc. ....	USA	100%	100%
Eimskip UK Ltd. ....	England	100%	100%
Eimskip Holding B.V. ....	The Netherlands	100%	100%
Eimskip Asia B.V. ....	The Netherlands	80%	80%
P/f Skipafélagid Føroyar .....	Faroe Islands	100%	100%
Harbour Grace CS Inc. ....	Canada	51%	51%
Sæferdir ehf. ....	Iceland	100%	100%

# Notes

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## 14. Shareholder distributions

### **Dividend payment**

The Annual General Meeting of Eimskip approved on 9 March 2023 a dividend payment of ISK 20.08 per share to shareholders. The dividend payment amounted to ISK 3,405,3 million or EUR 22.7 million. The payment date was 19 April 2023.

### **Reduction of treasury shares**

The share capital reduction by reducing treasury shares consisted of a share capital reduction of 1,700,000 shares or from 173,050,000 to 171,350,000 issued shares. Treasury shares amounted to 2.0% of total issued shares but will after the reduction amount to 1.05% of total issued shares. The reduction was executed on 25 April 2023.

### **Reduction of share capital with a payment to shareholders**

The share capital reduction with a payment to shareholders consisted of a share capital reduction of 3,500,000 shares or from 171,350,000 to 167,850,000 issued shares with a payment to shareholders in the amount of ISK 1,925,0 million or EUR 12.7 million. The payment date was 26 April 2023.

Subsequent to the shareholder distributions above share capital is ISK 167,850,000 and each share is divided into one ISK. Treasury shares are ISK 1,725,330 and outstanding shares are ISK 166.124.680.

## 15. Other matters

### **Investigation of the Danish Competition Authority**

With reference to note 26 in the Consolidated Financial Statements 2022 regarding investigation from the Danish Competition Authority. On 7 July 2023 the Company received a letter from the Danish Competition authority notifying of its decision to discontinue the case proceeding and to close the case. The Company is content that this case is thereby over.

### **The Environment Agency of Iceland**

With reference to note 26 in the Consolidated Financial Statements 2022 an investigation from the Environmental Agency of Iceland is currently open. No changes have been in this case during the period.

## 16. Subsequent events

There are no subsequent events to report.

## Quarterly statements

Year 2023	Q1 2023	Q2 2023	Q3 2023		
Revenue .....	214,569	209,516	201,967		
Expenses .....	182,731	175,191	167,469		
<b>Operating profit, EBITDA</b> .....	31,838	34,325	34,498		
Depreciation and amortization .....	( 16,053)	( 14,914)	( 15,626)		
<b>Results from operating activities, EBIT</b> .....	15,785	19,411	18,872		
<b>Net finance expense</b> .....	( 1,857)	( 1,893)	( 2,186)		
Share of earnings of equity accounted investees .....	1,860	3,827	4,383		
<b>Net earnings before income tax</b> .....	15,788	21,345	21,069		
Income tax .....	( 3,307)	( 4,368)	( 4,463)		
<b>Net earnings</b> .....	12,481	16,977	16,606		
Year 2022	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022
Revenue .....	239,684	283,115	292,173	255,654	1,070,626
Expenses .....	209,298	238,362	242,595	217,285	907,540
<b>Operating profit, EBITDA</b> .....	30,386	44,753	49,578	38,369	163,086
Depreciation and amortization .....	( 15,298)	( 14,928)	( 15,501)	( 15,891)	( 61,618)
<b>Results from operating activities, EBIT</b> .....	15,088	29,825	34,077	22,478	101,468
<b>Net finance expense</b> .....	( 2,060)	( 2,376)	( 2,664)	( 1,800)	( 8,900)
Share of earnings of equity accounted investees .....	803	3,658	3,866	4,823	13,150
<b>Net earnings before income tax</b> .....	13,831	31,107	35,279	25,501	105,718
Income tax .....	( 3,376)	( 6,203)	( 7,142)	( 3,702)	( 20,423)
<b>Net earnings</b> .....	10,455	24,904	28,137	21,799	85,295



## Key figures by quarter

<b>OPERATING RESULTS</b>	<b>Q3 2023</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>
Revenue	201,967	209,516	214,569	255,654	292,173	283,115	239,684
Expenses	167,469	175,191	182,731	217,285	242,595	238,362	209,298
<i>Salaries and related expense</i>	35,118	36,801	35,003	35,296	33,425	34,943	32,306
EBITDA	34,498	34,325	31,838	38,369	49,578	44,753	30,386
EBIT	18,872	19,411	15,785	22,478	34,077	29,825	15,088
Net earnings for the period	16,606	16,977	12,481	21,799	28,137	24,904	10,455
EBITDA ratio	17.1%	16.4%	14.8%	15.0%	17.00%	15.8%	12.7%
EBIT ratio	9.3%	9.3%	7.4%	8.8%	11.70%	10.5%	6.3%
Profit ratio	8.2%	8.1%	5.8%	8.5%	9.6%	8.8%	4.4%
Basic earning per share (in EUR)	0.0999	0.1006	0.0731	0.1275	0.1622	0.1395	0.0567
Diluted earning per share (in EUR)	0.0999	0.1006	0.0730	0.1275	0.1622	0.1395	0.0567
Average FTE's	1,709	1,732	1,719	1,717	1,681	1,660	1,634
<b>BALANCE SHEET</b>	<b>30.09.2023</b>	<b>30.06.2023</b>	<b>31.03.2023</b>	<b>31.12.2022</b>	<b>30.09.2022</b>	<b>30.6.2022</b>	<b>31.3.2022</b>
Assets	651,390	638,496	668,436	666,659	677,125	663,618	655,891
Equity	314,569	297,942	282,485	309,165	296,189	270,090	251,032
Liabilities	336,821	340,554	385,951	357,494	380,936	393,528	404,859
Interest-bearing debt	222,285	228,265	229,329	237,903	243,932	252,790	260,767
<i>Loans and borrowings</i>	122,814	124,893	131,237	133,741	138,164	140,608	144,061
<i>Lease liabilities</i>	99,471	103,372	98,092	104,162	105,768	112,182	116,706
Net debt	172,801	179,385	139,768	164,900	192,436	212,325	205,891
Equity ratio	48.3%	46.7%	42.3%	46.4%	43.7%	40.7%	38.3%
Leverage ratio	1.24	1.16	0.85	1.01	1.23	1.48	1.60
Current ratio	1.40	1.39	1.32	1.53	1.48	1.38	1.27
<b>CASH FLOW</b>	<b>Q3 2023</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>
Net cash from operating activities	29,330	22,199	34,278	51,174	37,204	31,298	28,779
Net cash (used in) provided by investing activities	(16,711)	(12,109)	(5,337)	(11,873)	(10,996)	(4,528)	(3,260)
Net cash used in financing activities	(11,388)	(50,095)	(12,766)	(14,412)	(17,432)	(41,570)	(11,154)
Cash and cash equivalents at the end of the period	47,096	46,336	86,767	69,937	46,554	36,852	51,234
New investments	6,021	5,130	1,107	2,873	6,103	498	255
Maintenance capex	10,916	4,777	6,088	10,465	5,016	4,616	4,100
Distribution to shareholders	0	35,393	0	0	0	25,068	0
Share buy back	0	0	0	1,417	5,674	5,548	0