



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

1 January to 30 September 2024 | EUR

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Endorsement and Statement by the Board of Directors and the CEO

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 58 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 62 companies. In addition, the Company operates branch offices in Norway, 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 2024 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 2023.

Net earnings for the first nine months of the year 2024 amounted to EUR 22.7 million according to the Consolidated Income Statement. Total equity on 30 September 2024 amounted to EUR 306.2 million according to the Consolidated Statement of Financial Position.

Operations and significant matters

In the third quarter of 2024, revenue amounted to EUR 220.6 million and increased by EUR 18.6 m from the previous year. Liner revenue amounted to EUR 141.3 million and decreased by EUR 2.7 million from previous year, mainly due to lower Trans-Atlantic rates and less import volume to Iceland. Meanwhile, Forwarding revenue amounted to EUR 79.3 million, an increase of EUR 21.3 million, which was driven by higher global freight rates, especially in Asia connected trade lanes, although volume decreased slightly.

Operating expenses increased by EUR 20.2 million, primarily due to the increase in global freight rates, which affect both revenue and expenses in the Company's International Forwarding operations. Bunker fuel expenses decreased marginally from previous year, by EUR 0.2 million while the newly imposed ETS (European Trading System) regulation that took effect at the start of the year, cost the Company additional EUR 0.9 million in the quarter. In recent years the Company has experienced extensive wage increases in key locations with many FTEs such as Iceland and the Faroe Islands, affecting salary expenses that increased by EUR 0.8 million from previous year but was mitigated by reduction in number of FTEs.

EBITDA in the third quarter amounted to EUR 32.9 million, compared to EUR 34.5 million in the third quarter last year. Liner EBITDA amounted to EUR 22.9 million, a decrease of 2.1 million from previous year, while Forwarding EBITDA amounted to 10.0 million which is EUR 0.6 million higher than last year. A non-recurring item of EUR 2.2m was realized in the quarter and is included in EBITDA.

The outlook for coming months is promising although is somewhat marked by uncertainty. Global shipping markets remain volatile, with factors such as the Red-Sea situation which limits commercial traffic through the Suez Canal and rebound in large economies. Global freight rates have been coming down since the start of the third quarter however still at an elevated level compared to the same period last year. In Eimskip's home market the outlook is promising, compare to the same period last year, with generally positive outlook in Iceland, the Faroe Islands and Trans-Atlantic while the outlook for Norway is somewhat stable.

Despite this mixed macro-economic outlook, Eimskip is well positioned in 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 economic factors impacting global trade and demand for shipping and transportation, the Company has a solid financial position, enabling the Company to weather economic cycles with greater resilience.

Endorsement and Statement by the Board of Directors and the CEO

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 were up to 2,150,000. During the first quarter 2024 Eimskip purchased 401,000 shares with a purchase price of ISK 194.7 million or EUR 1.3 million. The share buy-back was completed on 16 January 2024. The main purpose of the share buy-back was to reduce the Company's share capital.

The Annual General Meeting approved a dividend payment to shareholders as well as a share capital reduction. Please refer to note 13 for further information.

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 2024, its assets, liabilities and consolidated financial position as of 30 September 2024 and its consolidated cash flows for the nine-month period ended 30 September 2024.

Further, in our opinion, the 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 2024 and confirm them by means of their signatures.

Reykjavík, 5 November 2024.

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

Condensed Consolidated Income Statement

1 January to 30 September 2024

	Notes	2024 1.7. - 30.9.	2023 1.7. - 30.9.	2024 1.1. - 30.9.	2023 1.1. - 30.9.
Revenue					
Operating revenue	5	220,596	201,967	626,100	626,052
Expenses					
Operating expenses		151,801	132,351	444,236	418,469
Salaries and related expenses		35,852	35,118	111,183	106,922
	5	187,653	167,469	555,419	525,391
Operating profit, EBITDA		32,943	34,498	70,681	100,661
Depreciation and amortization		(14,276)	(15,626)	(44,350)	(46,593)
Results from operating activities, EBIT		18,667	18,872	26,331	54,068
Finance income		237	513	934	1,778
Finance expense		(3,706)	(3,160)	(10,653)	(8,623)
Net foreign currency exchange (loss) gain		(154)	461	312	909
Net finance expense	6	(3,623)	(2,186)	(9,407)	(5,936)
Share of earnings of equity accounted investees		2,673	4,383	10,238	10,070
Net earnings before income tax		17,717	21,069	27,162	58,202
Income tax		(3,414)	(4,463)	(4,449)	(12,138)
Net earnings for the period		14,303	16,606	22,713	46,064
Net earnings for the period attributable to:					
Equity holders of the Company		14,440	16,598	22,592	45,622
Non-controlling interest		(137)	8	121	442
		14,303	16,606	22,713	46,064
Earnings per share:					
Basic earning per share (EUR per share)	7	0.0881	0.0999	0.1391	0.2752
Diluted earning per share (EUR per share)	7	0.0881	0.0999	0.1391	0.2752

The notes on pages 10 to 16 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Comprehensive Income

1 January to 30 September 2024

	Notes	2024 1.7. - 30.9.	2023 1.7. - 30.9.	2024 1.1. - 30.9.	2023 1.1. - 30.9.			
Net earnings for the period		14,303	16,606	22,713	46,064			
Other comprehensive income:								
Items that are or may subsequently be reclassified to the income statement								
Foreign currency translation difference of foreign operations	(1,138)	447	(324)	(2,897)	
Effective portion of changes in fair value of cash flow hedges, net of income tax	(487)	(340)	(961)	(27)
Fair value changes of non-controlling put option liability		23	877	(444)	(17)	
Other comprehensive income for the period	(1,602)	984	(1,729)	(2,941)	
Total comprehensive income for the period		12,701	17,590	20,984	43,123			
Total comprehensive income for the period attributable to:								
Equity holders of the Company		12,890	17,507	20,921	42,832			
Non-controlling interest	(189)	83	63	291			
		12,701	17,590	20,984	43,123			

The notes on pages 10 to 16 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Financial Position

as at 30 September 2024

	Notes	30.9.2024	31.12.2023
Assets:			
Property, vessels and equipment		244,598	246,269
Right-of-use assets		96,228	89,373
Intangible assets	4	61,938	62,057
Equity accounted investees		54,065	43,898
Finance assets		1,303	2,017
Deferred tax assets		1,564	1,416
Total non-current assets		459,696	445,030
Inventories		11,370	11,401
Trade and other receivables	8	159,871	129,906
Cash and cash equivalents		24,380	32,502
Total current assets		195,621	173,809
Total assets		655,317	618,839
Equity:			
Share capital		1,007	1,010
Share premium		97,754	99,042
Reserves		115,670	115,134
Retained earnings		88,266	92,493
Total equity attributable to equity holders of the parent company		302,697	307,679
Non-controlling interest		3,546	4,393
Total equity	13	306,243	312,072
Liabilities:			
Loans and borrowings	9	99,889	107,551
Lease liabilities	10	71,374	64,636
Other long-term liabilities		588	2,940
Deferred tax liability		7,072	6,953
Total non-current liabilities		178,923	182,080
Loans and borrowings	9	44,170	11,613
Lease liabilities	10	25,919	27,372
Trade and other payables	11	97,179	78,474
Income tax payable		2,883	7,228
Total current liabilities		170,151	124,687
Total liabilities		349,074	306,767
Total equity and liabilities		655,317	618,839

The notes on pages 10 to 16 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Changes in Equity

1 January to 30 September 2024

	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				
Changes in Equity 1 January to 30 September 2023:										
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		(23)	(12,653)					(12,676)		(12,676)
Dividend declared (0.1340 EUR per share)							(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 loss 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				
Changes in Equity 1 January to 30 September 2024:										
Equity at 1 January 2024		1,010	99,042	(10,127)	(838)	126,099	92,493	307,679	4,393	312,072
Treasury share purchased	13	(3)	(1,288)					(1,291)		(1,291)
Dividend paid (0.1515 EUR per share)	13						(24,844)	(24,844)		(24,844)
Changes in share options reserve					217		15	232		232
Minority put options exercised					2,333		(2,333)	0		0
Other changes in non-controlling interest								0	(910)	(910)
Total comprehensive income for the period				(266)	(1,405)		22,592	20,921	63	20,984
Profit of subsidiaries net of dividend received						(343)	343	0		0
Equity at 30 September 2024		1,007	97,754	(10,393)	307	125,756	88,266	302,697	3,546	306,243
Reserves						115,670				

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

The notes on pages 10 to 16 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Cash Flows

1 January to 30 September 2024

	Notes	2024 1.7. - 30.9.	2023 1.7. - 30.9.	2024 1.1. - 30.9.	2023 1.1. - 30.9.
Cash flows from operating activities:					
Net earnings for the period		14,303	16,606	22,713	46,064
Adjustments for:					
Depreciation and amortization		14,276	15,626	44,350	46,593
Net finance expense	6	3,623	2,186	9,407	5,936
Share of earnings of equity accounted investees		(2,673)	(4,383)	(10,238)	(10,070)
Change in deferred taxes		2,031	1,158	(64)	1,350
Adjustments for other non-cash income and expenses		96	(62)	(50)	(141)
		31,656	31,131	66,118	89,732
Changes in current assets and liabilities:					
Inventories, change		(320)	(973)	(34)	(112)
Receivables, change		(14,862)	(152)	(31,125)	8,629
Payables, change		2,231	3,262	22,944	(3,320)
Change in current assets and liabilities		(12,951)	2,137	(8,215)	5,197
Interest paid		(3,706)	(3,160)	(10,653)	(8,623)
Interest received		237	513	934	1,778
Taxes paid		(2,009)	(1,291)	(8,559)	(2,277)
Net cash from operating activities		13,227	29,330	39,625	85,807
Cash flows used in investing activities:					
Acquisition of property, vessels and equipment		(7,025)	(16,154)	(17,030)	(29,650)
Acquisition of intangible assets		(830)	(1,244)	(3,152)	(4,069)
Proceeds from the sale of property, vessels and equipment		288	328	808	1,134
Investment in equity accounted investee		0	0	0	(6,245)
Dividend received from equity accounted investee		0	0	48	5,787
Proceed from the sale of equity accounted investees		0	0	0	815
Minority put options exercised		0	0	(2,576)	(2,618)
Other investing activities		234	359	678	689
Net cash used in investing activities		(7,333)	(16,711)	(21,224)	(34,157)
Cash flows from financing activities:					
Share capital reduction paid		0	0	0	(12,676)
Dividend paid to equity holders of the Company		0	0	(24,844)	(22,717)
Purchased treasury shares		0	0	(1,291)	0
Dividend paid to non-controlling interest		0	(1,047)	(910)	(2,574)
Proceed from current loans and borrowings		2,463	0	32,463	0
Repayment of non-current loans and borrowings		(1,869)	(2,349)	(7,656)	(10,925)
Repayment of lease liabilities		(8,343)	(8,073)	(24,194)	(25,363)
Short term borrowings, change		136	81	174	6
Net cash used in financing activities		(7,613)	(11,388)	(26,258)	(74,249)
Changes in cash and cash equivalents		(1,719)	1,231	(7,857)	(22,599)
Cash and cash equivalents at the beginning of the period		25,707	46,336	32,502	69,937
Effects of exchange rate fluctuations on cash held		392	(471)	(265)	(242)
Cash and cash equivalents at the end of the period		24,380	47,096	24,380	47,096
Investing and financing activities not affecting cash flows:					
Acquisition of right-of-use assets		(2,430)	(5,336)	(31,795)	(21,896)
New or renewed leases		2,430	5,336	31,795	21,896
Proceed from sale of investment		0	(27)	0	0
Receivables, change		0	27	0	0

The notes on pages 10 to 16 are an integral part of these Condensed Consolidated Interim Financial Statements.

Notes

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 2024 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) as adopted by the EU for interim financial statements (IAS 34) 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 IFRS 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 2023, which is available on the Company's website, www.eimskip.is, and in the company's news release distribution network of Nasdaq Nordic.

These Condensed Consolidated Interim Financial Statements were approved and authorized for issue by the Company's Board of Directors on 5 November 2024.

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 2023. IFRS standards effective as at 1 January 2024 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 2023.

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 2023. Please refer to note 12 in the Financial Statements of 2023. To date, there is no indication of impairment.

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

Eimskip has two reportable segments, as described below, which are Eimskip's strategic business units. The strategic business units offer different products and services on different markets and are managed separately. The segment reporting is based on an internal reporting function of Eimskip. The following summary describes the operations in each of Eimskip's reportable segments:

Liner services: The main emphasis in Eimskip's operations is the sale of transportation of goods to and from Iceland, Norway and the Faroe Islands through its service routes in the North Atlantic. These services include sea transportation, trucking, warehousing and logistic services.

Forwarding services: The second segment represents transportation solutions outside Eimskip's own operating system, utilizing the global network of Eimskip's offices and associates, mainly in the reefer sector.

	Liner services	Forwarding services	Elimination	Consoli- dated
1 January to 30 September 2024				
Revenue, external	410,758	215,342		626,100
Inter-segment revenue	9,950	28,653	(38,603)	0
Total	420,708	243,995	(38,603)	626,100
Expenses, external	(345,729)	(209,690)		(555,419)
Inter-segment expense	(28,653)	(9,950)	38,603	0
EBITDA	46,326	24,355	0	70,681
Depreciation and amortization	(38,277)	(6,073)		(44,350)
EBIT	8,049	18,282		26,331
Net finance expense	(8,026)	(1,381)		(9,407)
Share of earnings of equity accounted investees	10,160	78		10,238
Income tax	182	(4,631)		(4,449)
Net earnings for the period	10,365	12,348		22,713
1 January to 30 September 2023				
Revenue, external	444,214	181,838		626,052
Inter-segment revenue	11,002	25,152	(36,154)	0
Total	455,216	206,990	(36,154)	626,052
Expenses, external	(354,768)	(170,623)		(525,391)
Inter-segment expense	(25,152)	(11,002)	36,154	0
EBITDA	75,296	25,365		100,661
Depreciation and amortization	(41,227)	(5,366)		(46,593)
EBIT	34,069	19,999		54,068
Net finance expense	(6,054)	118		(5,936)
Share of earnings 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

Notes

5. Segment reporting, continued

Information on assets and liabilities	Liner services	Forwarding services	Elimination	Consolidated
Segment assets as at 30.09.2024	517,861	137,456		655,317
Segment assets as at 31.12.2023	501,467	117,372		618,839
Segment liabilities as at 30.09.2024	283,651	65,423		349,074
Segment liabilities as at 31.12.2023	262,487	44,280		306,767
Non-lease capital expenditure for the period 1 January to 30 September 2024	18,041	2,141		20,182
Non-lease capital expenditure for the period 1 January to 30 September 2023	31,903	1,816		33,719

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is presented based on the geographical location of the entity issuing invoices. Non-current assets (fixed assets, right of use assets, intangible assets), which can not be easily moved (e.g terminal and cranes) are based on the geographical location of assets. For all other non-current assets geographical location is based on the legal ownership. These assets consist mainly of vessels and containers.

Geographical split of external revenue:

	2024	2023	2024	2023
	1.7. - 30.9.	1.7. - 30.9.	1.1. - 30.9.	1.1. - 30.9.
Iceland	117,810	113,219	334,814	336,137
Norway	8,195	12,293	31,405	43,221
Faroe Island	12,809	16,877	37,236	49,330
Europe - other	48,363	39,715	135,739	134,340
North - America	9,234	7,922	23,653	27,519
Asia	24,185	11,941	63,253	35,505
	<u>220,596</u>	<u>201,967</u>	<u>626,100</u>	<u>626,052</u>

Geographical split of Non-Current assets:

	30.09.2024	31.12.2023
Iceland	200,573	202,996
Faroe Island	108,174	111,497
Norway	40,889	35,123
Europe - other	97,480	80,972
North - America	11,264	12,844
Asia	1,316	1,598
	<u>459,696</u>	<u>445,030</u>

6. Finance income and expense

Finance income is specified as follows:	2024	2023	2024	2023
	1.7. - 30.9.	1.7. - 30.9.	1.1. - 30.9.	1.1. - 30.9.
Interest income	237	466	753	1,429
Dividend received	0	47	181	349
Finance income	<u>237</u>	<u>513</u>	<u>934</u>	<u>1,778</u>
Finance expense is specified as follows:				
Interest on loans	(1,927)	(1,376)	(5,328)	(3,681)
Interest on lease liabilities	(1,617)	(1,467)	(4,770)	(4,142)
Other finance expense	(162)	(317)	(555)	(800)
Finance expense	<u>(3,706)</u>	<u>(3,160)</u>	<u>(10,653)</u>	<u>(8,623)</u>
Net foreign currency exchange (loss) gain	(154)	461	312	909
Net finance expense	<u>(3,623)</u>	<u>(2,186)</u>	<u>(9,407)</u>	<u>(5,936)</u>

Notes

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.

	2024	2023	2024	2023
	1.7. - 30.9.	1.7. - 30.9.	1.1. - 30.9.	1.1. - 30.9.
Earning per share is calculated as follows:				
Net earnings attributable to equity holders of the Company	14,440	16,598	22,592	45,622
Number of issued shares at the beginning of the period in thousands	165,700	167,850	167,850	173,050
Effect of treasury shares at the beginning of the period in thousands	(1,725)	(1,725)	(3,474)	(3,461)
Effect of share capital reduction	0	0	(1,569)	(3,829)
Effect of treasury shares purchased in thousands	0	0	(387)	0
Weighted average number of outstanding shares in thousands	163,975	166,125	162,420	165,760
Adjustment for share options	0	0	0	0
Weighted average number of outstanding shares for diluted earnings per share	163,975	166,125	162,420	165,760
Basic earnings per share (EUR)	0.0881	0.0999	0.1391	0.2752
Diluted earnings per share (EUR)	0.0881	0.0999	0.1391	0.2752

8. Trade and other receivables

Trade and other receivables are specified as follows:

	30.9.2024	31.12.2023
Trade receivables	137,110	111,871
Restricted cash	732	535
Other receivables	22,029	17,500
Trade and other receivables total	159,871	129,906

9. 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:

	30.9.2024	31.12.2023
Secured bank loans	111,243	118,985
Bank overdraft and short term borrowing	32,816	179
Current maturity	(44,170)	(11,613)
Total non-current loans and borrowings	99,889	107,551
Current loans and borrowings:		
Current maturities of secured bank loans	11,354	11,434
Bank overdraft and short term borrowing	32,816	179
Total current loans and borrowings	44,170	11,613
Total loans and borrowings	144,059	119,164

Notes

9. Loans and borrowings, continued

The loan agreements of Eimskip contain restrictive covenants. At the end of September 2024 and at the year-end 2023 Eimskip complied with all restrictive covenants.

During the year Eimskip has drawn down EUR 30.0 million on the revolving loan facility. In April the Company renewed an outstanding revolving loan facility amounting to EUR 20.0 million and added a new EUR 10.0 million revolving loan facility. The total committed revolving loan facilities currently amounts to EUR 40.0 million (31.12.2023: EUR 30.0 million).

	30.9.2024	31.12.2023
Revolving loan facilities:		
Committed revolver loan facilities	40,000	30,000
Drawn amount	(30,000)	0
Undrawn amount	10,000	30,000

Terms and debt repayment schedule:

	30.9.2024		31.12.2023	
	Nominal interest	Carrying amount	Nominal interest	Carrying amount
Secured loans in EUR	5.1%	140,970	3.9%	118,513
Secured loans in ISK	12.3%	2,463		
Secured loans in other currencies	-	273		472
Unsecured loans	-	353		179
Total interest-bearing liabilities		144,059		119,164

	30.9.2024	31.12.2023
On demand or within 12 months	44,170	11,613
12 - 24 months	38,361	41,343
24 - 36 months	7,291	7,292
36 - 48 months	7,291	7,292
48 - 60 months	7,286	7,286
After 60 months	39,660	44,338
Total secured bank loans	144,059	119,164

10. Lease liabilities

Lease liabilities are as follows:

Lease Liabilities in EUR	11,691	13,578
Lease Liabilities in USD	18,745	29,347
Lease Liabilities in ISK	22,759	18,529
Lease Liabilities in NOK	31,071	24,444
Lease Liabilities in other currencies	13,027	6,110
Total	97,293	92,008
Current maturities	(25,919)	(27,372)
Non-current maturities	71,374	64,636

Maturity analysis:

Within 12 months	25,919	27,372
12 - 24 months	9,483	14,626
24 - 36 months	5,720	5,729
36 - 48 months	5,284	3,310
48 - 60 months	2,789	1,591
After 60 months	48,098	39,380
Total	97,293	92,008

Notes

11. Trade and other payables

Trade and other payables are attributable to the following:

	30.9.2024	31.12.2023
Trade payables	60,144	48,843
Other payables	37,037	29,631
Total	97,179	78,474

12. Group entities

At period-end the Company owned directly nine subsidiaries that are all included in the consolidation. The direct subsidiaries owned 52 subsidiaries at period-end. The Company holds the majority of voting power in all of its subsidiaries. Assets, liabilities, revenues and expenses in Consolidated Interim Financial Statements that include a non-controlling interest are immaterial to the Group.

The Group's direct subsidiaries are as follows:

	Country of incorporation	Ownership Interest 30.9.2024	Ownership Interest 31.12.2023
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%

13. Shareholder distributions

Dividend payment

The Annual General Meeting of Eimskip approved on 7 March 2024 a dividend payment of ISK 22.53 per share to shareholders. The dividend payment amounted to ISK 3,7 billion or EUR 24.8 million. The payment date was 17 April 2024.

Reduction of treasury shares

The share capital reduction by reducing treasury shares consisted of a share capital reduction of 2,150,000 shares or from 167,850,000 to 165,700,000 issued shares. Treasury shares amounted to 2.31% of total issued shares but after the reduction amount to 1.04% of total issued shares. The reduction was executed on 27 March 2024.

Subsequent to the shareholder distributions above share capital is ISK 165,700,000 and each share is divided into one ISK. Treasury shares are ISK 1,725,320 and outstanding shares are ISK 163,974,680.

14. Other matters

Icelandic district prosecutor's investigation

With reference to note 26 in the Consolidated Financial Statements 2023, an investigation from the Icelandic District Prosecutor is currently open. No changes have been in the case during the period.

Summons from Samskip hf.

The Company received summons from Samskip hf. in April 2024 where the Chairman of the Board of Directors on behalf of the Company and the CEO are being summoned for recognition of liability for compensation, without an amount, for alleged wrongful and negligent actions in connection with the settlement which Eimskip made with the Icelandic Competition Authority in year 2021. The hearing on the defendants' motion to dismiss the case will take place in Q4 2024.

Summons from Alcoa Fjarðarálf sf.

Eimskipafélag Íslands hf. received summons at the end of August 2024 from Alcoa Fjarðarálf sf., against Samskip hf., Samskip Holding B.V., Eimskip Ísland ehf. as well as Eimskipafélag Íslands hf.

The summons claim is ISK 3,086,000,000, together with penal interests from 24 May 2024, against the companies in solidum, for Alcoa's alleged loss, with reference to the subject matter of the Icelandic Competition Authority's decision no. 33/2023, which concerned the period 2008-2013.

Notes

14. Other matters, continued

The financial claim of Alcoa is entirely based on a memorandum by the consulting firm Analytica ehf., which contains a so-called preliminary assessment, dated February 21, 2024. The consulting firm Hagrannsóknir sf. has reviewed Analytica's memorandum and prepared a report on their findings.

Their conclusion is decisive that its shortcomings are so severe that the memorandum is entirely unusable as an assessment of the alleged loss. The report by Hagrannsóknir was presented at Eimskip's Q2 2024 investor meeting.

It is the Company's assessment that the claim is baseless, and the conditions of tort law are not fulfilled. Furthermore, the claimant's alleged loss and therefore its claim is not based on any established documentation, other than the aforementioned memorandum. The Company thus instructed its counsel to defend against the claim and a hearing on the Company's motion to dismiss the case will take place in Q4 2024 or Q1 2025.

15. Subsequent events

There are no subsequent events to report.

Key figures by quarter

OPERATING RESULTS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	220,596	209,607	195,897	201,479	201,967	209,516	214,569
Expenses	187,653	186,112	181,654	178,779	167,469	175,191	182,731
<i>Salaries and related expense</i>	35,852	37,851	37,480	36,850	35,118	36,801	35,003
EBITDA	32,943	23,495	14,243	22,700	34,498	34,325	31,838
EBIT	18,667	8,557	(893)	6,927	18,872	19,411	15,785
Net earnings for the period	14,303	7,919	491	8,442	16,606	16,977	12,481
EBITDA ratio	14.9%	11.2%	7.3%	11.3%	17.1%	16.40%	14.8%
EBIT ratio	8.5%	4.1%	(0.5%)	3.4%	9.3%	9.30%	7.4%
Profit ratio	6.5%	3.8%	0.3%	4.2%	8.2%	8.1%	5.8%
Basic earning per share (in EUR)	0.0881	0.0470	0.0028	0.0510	0.0999	0.1006	0.0731
Diluted earning per share (in EUR)	0.0881	0.0471	0.0028	0.0510	0.0999	0.1006	0.0730
Average FTE's	1,698	1,708	1,720	1,719	1,709	1,732	1,719
BALANCE SHEET	30.09.2024	30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023	31.3.2023
Assets	655,317	648,082	631,386	618,839	651,390	638,496	668,436
Equity	306,243	293,468	285,680	312,072	314,569	297,942	282,485
Liabilities	349,074	354,614	345,706	306,767	336,821	340,554	385,951
Interest-bearing debt	241,352	248,644	225,025	211,172	222,285	228,265	229,329
<i>Loans and borrowings</i>	144,059	143,549	127,071	119,164	122,814	124,893	131,237
<i>Lease liabilities</i>	97,293	105,095	97,954	92,008	99,471	103,372	98,092
Net debt	215,612	221,287	196,164	176,610	172,801	179,385	139,768
Equity ratio	46.7%	45.3%	45.2%	50.4%	48.3%	46.7%	42.3%
Leverage ratio	2.31	2.33	1.85	1.43	1.24	1.16	0.85
Current ratio	1.15	1.07	1.09	1.39	1.40	1.39	1.32
CASH FLOW	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Net cash from operating activities	13,227	21,334	5,064	12,091	29,330	22,199	34,278
Net cash used in investing activities	(7,333)	(6,413)	(7,478)	(8,948)	(16,711)	(12,109)	(5,337)
Net cash used in financing activities	(7,613)	(16,291)	(2,354)	(17,816)	(11,388)	(50,095)	(12,766)
Cash and cash equivalents at the end of the period	24,380	25,707	26,990	32,502	47,096	46,336	86,767
New investments	2,670	4,647	1,036	5,547	6,021	5,130	1,107
Maintenance capital expenditure	6,526	7,045	5,328	3,609	10,916	4,777	6,088
Distribution to shareholders	0	24,844	0	0	0	35,393	0
Share buy-back	0	0	1,291	5,363	0	0	0