



Eimskipafélag Íslands hf.
Condensed Consolidated
Interim Financial Statements

1 January to 30 June 2023 | 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 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 June 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 six months of the year 2023 amounted to EUR 29.5 million according to the Consolidated Income Statement. Total equity at 30 June 2023 amounted to EUR 297.9 million according to the Statement of Financial Position.

Operations and significant matters

Overall a solid results and good quarter with most business units performing well, despite a significant change in international market conditions compared to the previous year. In the second quarter of 2023, revenue decreased by EUR 73.6 million from previous year or 26%, and at the same time expenses decreased by EUR 63.2 million or 27%. Main drivers behind this substantial decrease in both revenue and expenses are changed conditions in the global shipping market, where freight rates have decreased substantially in major trade lanes since latter half of last year. This has reduced the cost of third-party services that Eimskip purchases on behalf of its customers, e.g., when providing forwarding services and other logistics services that are part of Eimskip's product portfolio. At the same time, salary expenses grew by 5.3% from same quarter last year, affected both by broad-based wage increases and an increase in number of employees over the course of last year to support the growth in the Company's operations.

EBITDA in the quarter amounted to EUR 34.3 million, which is a solid result despite a decrease of EUR 10.4 million or 23.3% from the previous year's very strong results. EBIT amounted to EUR 19.4 million, down from EUR 29.8 million the year before. 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 from previous year. The decrease in liner EBITDA is mainly attributed to decrease in Trans-Atlantic freight rates, which have followed the development in other Global trade lanes, combined with less volume on the Trans-Atlantic trade lane and less export out of Iceland than in previous year due to various external factors such as lower salmon harvesting, less fishing activity and less industrial production. Forwarding services EBITDA results decreased from previous year due to the aforementioned drop in global freight rates combined with less volume, however EBITDA margin was on a good level in the quarter.

Despite the mixed global 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 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.

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 six months ended 30 June 2023, its assets, liabilities and consolidated financial position as at 30 June 2023 and its consolidated cash flows for the six month period ended 30 June 2023.

Endorsement and Statement by the Board of Directors and the CEO

Further, in our opinion, the Consolidated 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 June 2023 and confirm them by means of their signatures.

Reykjavík, 15 August 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 June 2023

	Notes	2023 1.4. - 30.6.	2022 1.4. - 30.6.	2023 1.1. - 30.6.	2022 1.1. - 30.6.
Revenue					
Operating revenue	5	209,516	283,115	424,085	522,799
Expenses					
Operating expenses		138,390	203,419	286,118	380,411
Salaries and related expenses		36,801	34,943	71,804	67,249
	5	175,191	238,362	357,922	447,660
Operating profit, EBITDA		34,325	44,753	66,163	75,139
Depreciation and amortization		(14,914)	(14,928)	(30,967)	(30,226)
Results from operating activities, EBIT		19,411	29,825	35,196	44,913
Finance income		666	259	1,265	456
Finance expense		(2,878)	(2,138)	(5,463)	(3,921)
Net foreign currency exchange gain (loss)		319	(497)	448	(971)
Net finance expense	6	(1,893)	(2,376)	(3,750)	(4,436)
Share of earnings of equity accounted investees		3,827	3,658	5,687	4,461
Net earnings before income tax		21,345	31,107	37,133	44,938
Income tax		(4,368)	(6,203)	(7,675)	(9,579)
Net earnings for the period		16,977	24,904	29,458	35,359
Net earnings for the period attributable to:					
Equity holders of the Company		16,711	24,093	29,024	34,029
Non-controlling interest		266	811	434	1,330
		16,977	24,904	29,458	35,359
Earnings per share:					
Basic earning per share (EUR per share)	7	0.1006	0.1395	0.1716	0.1956
Diluted earning per share (EUR per share)	7	0.1006	0.1395	0.1716	0.1956

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 June 2023

	Notes	2023 1.4. - 30.6.	2022 1.4. - 30.6.	2023 1.1. - 30.6.	2022 1.1. - 30.6.			
Net earnings for the period		16,977	24,904	29,458	35,359			
Other comprehensive income:								
Items that are or may subsequently be reclassified to the income statement								
Foreign currency translation difference of foreign operations	(1,293)	(503)	(3,344)	2,295	
Effective portion of changes in fair value of cash flow hedges, net of income tax		109	731	313	2,225			
Fair value changes of non-controlling put option liability		12	(23)	(894)	(135)
Other comprehensive income for the period		(1,172)	205	(3,925)	4,385	
Total comprehensive income for the period		15,805	25,109	25,533	39,744			
Total comprehensive income for the period attributable to:								
Equity holders of the Company		15,709	24,263	25,325	38,121			
Non-controlling interest		96	846	208	1,623			
		15,805	25,109	25,533	39,744			

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 June 2023

	Notes	30.6.2023	31.12.2022
Assets:			
Property, vessels and equipment		233,043	233,201
Right-of-use assets		102,468	102,680
Intangible assets	4	61,884	61,469
Equity accounted investees		36,261	31,670
Finance assets		2,364	2,934
Deferred tax assets		2,008	2,121
Total non-current assets		438,028	434,075
Inventories		10,720	11,721
Vessel held for sale	8	686	0
Trade and other receivables	9	142,726	150,926
Cash and cash equivalents		46,336	69,937
Total current assets		200,468	232,584
Total assets		638,496	666,659
Equity:			
Share capital		1,022	1,045
Share premium		104,393	117,046
Reserves		96,467	94,944
Retained earnings		90,340	89,091
Total equity attributable to equity holders of the parent company		292,222	302,126
Non-controlling interest		5,720	7,039
Total equity	14	297,942	309,165
Liabilities:			
Loans and borrowings	10	113,259	120,528
Lease liabilities	11	74,381	74,373
Other long-term liabilities		1,724	3,448
Deferred tax liability		7,327	7,169
Total non-current liabilities		196,691	205,518
Loans and borrowings	10	11,634	13,213
Lease liabilities	11	28,991	29,789
Trade and other payables	12	86,997	94,954
Income tax payable		16,241	14,020
Total current liabilities		143,863	151,976
Total liabilities		340,554	357,494
Total equity and liabilities		638,496	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 June 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				
Changes in Equity 1 January to 30 June 2022:										
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		(12)	(5,536)					(5,548)		(5,548)
Changes in share options reserve					96			96		96
Other changes in non-controlling interest								0	(599)	(599)
Total comprehensive loss for the period				2,002	2,090		34,029	38,121	1,623	39,744
Profit of subsidiaries net of dividend received						22,318	(22,318)	0		0
Equity at 30 June 2022		1,058	124,124	(2,804)	2,100	65,503	72,600	262,581	7,509	270,090
Reserves						64,799				
Changes in Equity 1 January to 30 June 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	13	(23)	(12,653)					(12,676)		(12,676)
Dividend declared (0.1340 EUR per share)	13						(22,717)	(22,717)		(22,717)
Changes in share options reserve	14				142		22	164		164
Minority put options exercised					2,618		(2,618)	0		0
Other changes in non-controlling interest								0	(1,527)	(1,527)
Total comprehensive income for the period				(3,118)	(581)		29,024	25,325	208	25,533
Profit of subsidiaries net of dividend received						2,462	(2,462)	0		0
Equity at 30 June 2023		1,022	104,393	(8,209)	3,834	100,842	90,340	292,222	5,720	297,942
Reserves						96,467				

* 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 June 2023

	Notes	2023 1.4. - 30.6.	2022 1.4. - 30.6.	2023 1.1. - 30.6.	2022 1.1. - 30.6.		
Cash flows from operating activities:							
Net earnings for the period		16,977	24,904	29,458	35,359		
Adjustments for:							
Depreciation and amortization		14,914	14,928	30,967	30,226		
Net finance expense	6	1,893	2,376	3,750	4,436		
Share of earnings of equity accounted investees	(3,827)	(3,658)	(4,461)	
Change in deferred taxes	(110)	357	192	1,010		
Adjustments for other non-cash income and expenses	(35)	(88)	(447)	
		29,812	38,819	58,601	66,123		
Changes in current assets and liabilities:							
Inventories, change		822	(2,016)	(3,602)	
Receivables, change		20	(21,765)	(28,782)	
Payables, change		(5,302)	19,511	(6,582)	
Change in current assets and liabilities		(4,460)	(4,270)	(3,060)
Interest paid		(2,878)	(2,382)	(5,463)
Interest received		666	350	1,265	480		
Taxes paid		(941)	(1,219)	(986)
Net cash from operating activities		22,199	31,298	56,477	60,077		
Cash flows used in investing activities:							
Acquisition of property, vessels and equipment		(8,660)	(3,304)	(13,496)
Acquisition of intangible assets		(1,531)	(1,482)	(2,825)
Proceeds from the sale of property, vessels and equipment		440	367	806	919		
Investment in equity accounted investee		(5,623)	(0	(6,245)
Dividend received from equity accounted investee		5,787	0	5,787	0		
Proceed from the sale of equity accounted investees		0	0	815	0		
Minority put options exercised		(2,618)	(0	(2,618)
Other investing activities		96	(109)	330	112	
Net cash used in investing activities		(12,109)	(4,528)	(17,446)
Cash flows from financing activities:							
Share capital reduction paid		(12,676)	(7,591)	(12,676)
Dividend paid to equity holders of the Company		(22,717)	(17,477)	(22,717)
Purchased treasury shares		0	(5,547)	0	(5,547)
Dividend paid to non-controlling interest		(431)	(624)	(1,527)
Repayment of non-current loans and borrowings		(6,078)	(4,225)	(8,576)
Repayment of lease liabilities		(8,118)	(6,553)	(17,290)
Short term borrowings, change		(75)	447	(75)	
Net cash used in financing activities		(50,095)	(41,570)	(62,861)
Changes in cash and cash equivalents		(40,005)	(14,800)	(23,830)
Cash and cash equivalents at the beginning of the period		86,767	51,234	69,937	36,986		
Effects of exchange rate fluctuations on cash held		(426)	418	229	301	
Cash and cash equivalents at the end of the period		46,336	36,852	46,336	36,852		
Investing and financing activities not affecting cash flows:							
Acquisition of right-of-use assets		(11,052)	(965)	(16,560)
New or renewed leases		11,052	965	16,560	2,830		
Proceed from sale of investment		0	0	27	0		
Receivables, change		0	0	(27)	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

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 June 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, 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 15 August 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.

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
1 January to 30 June 2023			
Revenue, external	300,200	123,885	424,085
Inter-segment revenue	7,989	16,548	24,537
Total	308,189	140,433	448,622
Expenses, external	(241,392)	(116,530)	(357,922)
Inter-segment expense	(16,548)	(7,989)	(24,537)
EBITDA	50,249	15,914	66,163
Depreciation and amortization	(27,453)	(3,514)	(30,967)
EBIT	22,796	12,400	35,196
Net finance expense	(3,700)	(50)	(3,750)
Share of profit of equity accounted investees	5,762	(75)	5,687
Income tax	(5,038)	(2,637)	(7,675)
Net earnings for the period	19,820	9,638	29,458

1 January to 30 June 2022

Revenue, external	314,524	208,275	522,799
Inter-segment revenue	32,517	37,050	69,567
Total	347,041	245,325	592,366
Expenses, external	(255,903)	(191,757)	(447,660)
Inter-segment expense	(37,050)	(32,517)	(69,567)
EBITDA	54,088	21,051	75,139
Depreciation and amortization	(26,602)	(3,624)	(30,226)
EBIT	27,486	17,427	44,913
Net finance expense	(4,463)	27	(4,436)
Share of profit of equity accounted investees	4,596	(135)	4,461
Income tax	(5,891)	(3,688)	(9,579)
Net earnings for the period	21,728	13,631	35,359

Information on assets and liabilities

	Liner services	Forwarding services	Consoli- dated
Segment assets as at 30 June 2023	481,222	157,274	638,496
Segment assets as at 31 December 2022	502,338	164,321	666,659
Segment liabilities as at 30 June 2023	254,193	86,361	340,554
Segment liabilities as at 31 December 2022	269,754	87,740	357,494
Non-lease capital expenditure for the period 1 January to 30 June 2023	15,106	1,215	16,321
Non-lease capital expenditure for the period 1 January to 30 June 2022	7,557	1,262	8,819

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 June 2023	401,392	22,693	424,085
Revenue, external for the period 1 January to 30 June 2022	453,275	69,524	522,799
Geographical location of assets as at 30 June 2023	613,682	24,814	638,496
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 June 2023	16,312	9	16,321
Non-lease capital expenditure for the period 1 January to 30 June 2022	8,700	119	8,819

6. Finance income and expense

	2023 1.4. - 30.6.	2022 1.4. - 30.6.	2023 1.1. - 30.6.	2022 1.1. - 30.6.
Finance income is specified as follows:				
Interest income	397	112	963	309
Dividend received	269	147	302	147
Finance income	666	259	1,265	456
Finance expense is specified as follows:				
Interest on long-term loans	(1,680)	(664)	(2,796)	(1,317)
Interest on lease liabilities	(1,406)	(1,159)	(2,675)	(2,085)
Other finance expense	208	(315)	8	(519)
Finance expense	(2,878)	(2,138)	(5,463)	(3,921)
Net foreign currency exchange gain (loss)	319	(497)	448	(971)
Net finance expense	(1,893)	(2,376)	(3,750)	(4,436)

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 1.4. - 30.6.	2022 1.4. - 30.6.	2023 1.1. - 30.6.	2022 1.1. - 30.6.
Net profit attributable to equity holders of the Company	16,711	24,093	29,024	34,029
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)	(31)	(3,461)	(31)
Effect of share capital reduction	0	0	(470)	(1,105)
Effect of treasury shares purchased in thousands	0	(260)	0	(129)
Weighted average number of outstanding shares in thousands	166,125	172,759	169,119	173,935
Adjustments for stock options	0	0	8	0
Weighted average number of outstanding shares for diluted earning per share in thousands	166,125	172,759	169,127	173,935
Basic earnings per share (EUR)	0.1006	0.1395	0.1716	0.1956
Diluted earnings per share (EUR)	0.1006	0.1395	0.1716	0.1956

Notes

8. Asset classified as held for sale

At the end of March, Sæferðir ehf., a subsidiary of Eimskipafélag Íslands hf., sold one of its vessels, the ferry Baldur. Sæferðir will operate the ferry until 15 October 2023 when the vessel will be delivered to its new owner. The sale had negligible impact on the Income Statement.

It is the intention of Sæferðir to continue its main operation of offering ferry services in Breiðafjörður Iceland if an agreement will be reached with the Icelandic Road Administration for the services. A tender was opened 25 July 2023 where Sæferðir had the only bid. As the bid was 60% above cost estimate an uncertainty remains until negotiations will be concluded.

9. Trade and other receivables

Trade and other receivables are specified as follows:

	30.6.2023	31.12.2022
Trade receivables	116,446	134,607
Restricted cash	492	706
Other receivables	25,788	15,613
Trade and other receivables total	142,726	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:

	30.6.2022	31.12.2022
Secured bank loans	124,816	133,586
Bank overdraft and short term borrowing	77	155
Current maturity	(11,634)	(13,213)
Total non-current loans and borrowings	113,259	120,528
Current maturities of secured bank loans	11,557	13,058
Bank overdraft and short term borrowing	77	155
Total current loans and borrowings	11,634	13,213
Total non-current loans and borrowings	124,893	133,741

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

Terms and debt repayment schedule:

	30.6.2023		31.12.2022	
	Nominal interest	Carrying amount	Nominal interest	Carrying amount
Secured loans in EUR	3.4%	124,095	2.6%	130,359
Secured loans in USD	-	0	5.4%	1,822
Secured loans in ISK	5.0%	397	4.8%	1,041
Secured loans in other currencies	-	324	-	364
Unsecured loans	-	77	-	155
Total interest-bearing liabilities		124,893		133,741

Aggregated annual maturities of secured bank loans are as follows:

	30.6.2023	31.12.2022
On demand or within 12 months	11,634	13,213
12 - 24 months	11,398	12,170
24 - 36 months	39,301	41,433
36 - 48 months	7,293	7,733
48 - 60 months	7,286	7,349
After 60 months	47,981	51,843
Total secured bank loans	124,893	133,741

Notes

11. Lease liabilities

Lease liabilities are as follows:

	30.6.2023	31.12.2022
Lease Liabilities in EUR	17,180	7,036
Lease Liabilities in USD	36,370	47,375
Lease Liabilities in ISK	19,294	16,136
Lease Liabilities in NOK	23,068	25,886
Lease Liabilities in other currencies	7,460	7,729
Total	103,372	104,162
Current maturities	(28,991)	(29,789)
Non-current maturities	74,381	74,373

Maturity analysis:

	30.6.2023	31.12.2022
Within 12 months	28,991	29,789
12 - 24 months	21,278	18,885
24 - 36 months	8,272	9,936
36 - 48 months	3,473	3,179
48 - 60 months	2,396	2,517
After 60 months	38,962	39,856
Total	103,372	104,162

12. Trade and other payables

Trade and other payables are attributable to the following:

	30.6.2023	31.12.2022
Trade payables	54,382	62,883
Other payables	32,615	32,071
Total	86,997	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:

	Country of incorporation	Ownership Interest 30.6.2023	Ownership Interest 31.12.2022
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

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 1,761,307 and outstanding shares are ISK 166,088,693.

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			
Revenue	214,569	209,516			
Expenses	182,731	175,191			
Operating profit, EBITDA	31,838	34,325			
Depreciation and amortization	(16,053)	(14,914)			
Results from operating activities, EBIT	15,785	19,411			
Net finance expense	(1,857)	(1,893)			
Share of earnings of equity accounted investees	1,860	3,827			
Net earnings before income tax	15,788	21,345			
Income tax	(3,307)	(4,368)			
Net earnings	12,481	16,977			
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
Operating profit, EBITDA	30,386	44,753	49,578	38,369	163,086
Depreciation and amortization	(15,298)	(14,928)	(15,501)	(15,891)	(61,618)
Results from operating activities, EBIT	15,088	29,825	34,077	22,478	101,468
Net finance expense	(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
Net earnings before income tax	13,831	31,107	35,279	25,501	105,718
Income tax	(3,376)	(6,203)	(7,142)	(3,702)	(20,423)
Net earnings	10,455	24,904	28,137	21,799	85,295

Key figures by quarter

OPERATING RESULTS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Revenue	209,516	214,569	255,654	292,173	283,115	239,684
Expenses	175,191	182,731	217,285	242,595	238,362	209,298
<i>Salaries and related expense</i>	36,801	35,003	35,296	33,425	34,943	32,306
EBITDA	34,325	31,838	38,369	49,578	44,753	30,386
EBIT	19,411	15,785	22,478	34,077	29,825	15,088
Net earnings for the period	16,977	12,481	21,799	28,137	24,904	10,455
EBITDA ratio	16.4%	14.8%	15.0%	17.00%	15.8%	12.7%
EBIT ratio	9.3%	7.4%	8.8%	11.70%	10.5%	6.3%
Profit ratio	8.1%	5.8%	8.5%	9.6%	8.8%	4.4%
Basic earning per share (in EUR)	0.1006	0.0731	0.1275	0.1622	0.1395	0.0567
Diluted earning per share (in EUR)	0.1006	0.0730	0.1275	0.1622	0.1395	0.0567
Average FTE's	1,732	1,719	1,717	1,681	1,660	1,634
BALANCE SHEET	30.06.2023	31.03.2023	31.12.2022	30.09.2022	30.6.2022	31.3.2022
Assets	638,496	668,436	666,659	677,125	663,618	655,891
Equity	297,942	282,485	309,165	296,189	270,090	251,032
Liabilities	340,554	385,951	357,494	380,936	393,528	404,859
Interest-bearing debt	228,265	229,329	237,903	243,932	252,790	260,767
<i>Loans and borrowings</i>	124,893	131,237	133,741	138,164	140,608	144,061
<i>Lease liabilities</i>	103,372	98,092	104,162	105,768	112,182	116,706
Net debt	179,385	139,768	164,900	192,436	212,325	205,891
Equity ratio	46.7%	42.3%	46.4%	43.7%	40.7%	38.3%
Leverage ratio	1.16	0.85	1.01	1.23	1.48	1.60
Current ratio	1.39	1.32	1.53	1.48	1.38	1.27
CASH FLOW	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2021
Net cash from operating activities	22,199	34,278	51,174	37,204	31,298	28,779
Net cash (used in) provided by investing activities	(12,109)	(5,337)	(11,873)	(10,996)	(4,528)	(3,260)
Net cash used in financing activities	(50,095)	(12,766)	(14,412)	(17,432)	(41,570)	(11,154)
Cash and cash equivalents at the end of the period	46,336	86,767	69,937	46,554	36,852	51,234
New investments	5,130	1,107	2,873	6,103	498	255
Maintenance capex	4,777	6,088	10,465	5,016	4,616	4,100
Distribution to shareholders	35,393	0	0	0	25,068	0
Share buy back	0	0	1,417	5,674	5,548	0