

## EIMSKIP: OPERATING RESULTS FOR Q3 2021

### Highlights of Q3 results

- Good results in both liner and forwarding services partly due to favorable global market conditions.
- Continued strong results in container liner driven by good volume development, especially in Iceland export and Trans-Atlantic services, and active revenue management.
- Reefer liner services in Norway with good results on account of high utilization and improved balance.
- Excellent results in international freight forwarding in a market characterized by very high global prices and capacity constraints.
  - Record high results for the Asia operations in the quarter.
- Revenue amounted to EUR 236.6 million, an increase of EUR 66.2 million or 39% when compared with Q3 2020.
  - Significant price increases from 3rd party transportation suppliers are resulting in corresponding increase in sales revenue.
  - Good revenue growth in forwarding services despite lower volume.
- Expenses amounted to EUR 199.8 million, an increase of 34%, mainly driven by significant increase in 3rd party expenses.
  - Salary expenses increase by EUR 4.3m or 17%. Thereof, currency effect amounts to EUR 1.7m and EUR 2.6m due to e.g., increased activity and general wage increases.
- EBITDA increasing substantially or by EUR 15.4 million and amounting to EUR 36.8 million compared to EUR 21.4 million for the same quarter 2020. EBITDA ratio was 15.5% compared to 12.6% for the same period last year. EBIT amounted to EUR 23.8 million compared to EUR 10.4 million or an increase of EUR 13.4 million for the same period in 2020.
- Good contribution from affiliates in the quarter, mainly due to Eimskip's share in profit from sale of one of ElbFeeder's vessels in the amount of EUR 3.0 million as published in August 2021.
- Net earnings amounted to EUR 20.7 million compared to EUR 6.2 million for the same period in 2020.
- Equity ratio was 41.3% and adjusted leverage ratio was 2.18, both in line with published targets.

### Highlights of 9M 2021 results

- Revenue amounted to EUR 628.0 million, an increase of EUR 135.3 million or 27.5% when compared with the same period in 2020.
- Adjusted total expenses amounted to EUR 545.2 million, an increase of EUR 99.3 million mainly driven by increased activity and higher 3<sup>rd</sup> party expenses.
  - Total expenses adjusted for the settlement made with the Icelandic Competition Authority in Q2 in the amount of EUR 10.2 million.
- Good increase in EBITDA with adjusted EBITDA amounting to EUR 82.8 million compared to EUR 46.7 million in the same period last year, an increase of EUR 36.1 million. Adjusted EBIT amounted to EUR 45.8 million compared to EUR 13.9 million for the same period last year.
- Substantial increase in Net earnings where adjusted Net earnings amounted to EUR 36.9 million, compared to EUR 3.7 million in the same period of 2020.
- Total CAPEX for the period amounted to EUR 9.4 million compared to EUR 32.8 million in same period last year, whereof EUR 18.5 million investment in new vessels in 9M 2020.
- Updated guidance for adjusted EBITDA for the full year 2021 in the range of EUR 102 - 110 million compared to EUR 90 – 100 million as previously published. This translates into adjusted EBIT of approximately EUR 51 – 59 million.
  - Based on actual results for 9M 2021 and updated forecast for Q4.

## VILHELM MÁR THORSTEINSSON, CEO

“I am very satisfied with the continued strong performance in third quarter. The results are marked by good contribution from both liner and forwarding services which are the main drivers for the improved results. The exceptional global market conditions in the transportation sector continue to be challenging and as before these conditions affect both revenue and cost but we are seeing the first signs of stabilization in global price indexes.

EBITDA was strong in the period or amounting to EUR 36.8m with net earnings never stronger in one quarter or amounting to EUR 20.7m. We had another good quarter in the container liner driven by good volume development, especially in Iceland export and Trans-Atlantic services, and active revenue management. Reefer liner services in Norway also delivered good results on account of high utilization and improved balance. In the international freight forwarding we had strong results in a market characterized by very high global prices and capacity constraints, and I’m pleased to see record high results in our Asia operations in the quarter.

The volume in the Trans-Atlantic services has been growing steadily since 2017, when weekly services started. Since first quarter this year we have had fully utilized vessels westbound to North America and the volume growth in third quarter was 50% compared to same quarter last year. The Trans-Atlantic volume enables us to offer our customers weekly services between Iceland and North America.

In a challenging global market environment, we have managed to provide our customers with excellent liner and forwarding services, leveraging our position as a leading transportation company in the North-Atlantic with a strong international office network. We build on strong customer relationships and employee expertise and are well positioned with our focus on frozen and chilled commodities.

Despite challenging situation in global transportation markets the outlook for fourth quarter is good and as a result we have updated our guidance for the year upwards. “

## INVESTOR MEETING 10 NOVEMBER 2021

The Board of Directors of Eimskipafélag Íslands hf. approved the Company’s Condensed Consolidated Interim Financial Statements for Q3 2021 at its meeting on 9 November 2021. Investors and market participants are invited to a meeting on Wednesday 10 November 2021 at 8:30 a.m. at the Company’s headquarters, Sundabakki 2, second floor. Participants are required to register their attendance before the end of 9 November. The meeting will also be webcasted live in Icelandic at [www.eimskip.com/investors](http://www.eimskip.com/investors). Vilhelm Már Thorsteinsson, CEO and María Björk Einarsdóttir, CFO, will present the Company’s financial results for the Q2 2021. Investor presentation and a recording of the meeting will be available on the Company’s investor relations website.

## FURTHER INFORMATION

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## FORWARD-LOOKING STATEMENTS

Statements contained in this financial press release that refer to the company’s estimated or anticipated future results or future activities are forward-looking statements which reflect the company’s current analysis of existing trends, information and plans. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially depending on factors such as the availability of resources, the timing and effect of regulatory actions and other factors. Eimskip undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this press release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.