Maritime & Merchant Bank ASA

Financial Report

30.09.2024

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Financial Report 30.09.2024

The profit for the period 01.01-30.09 before tax is USD 13 145 217 (USD 13 735 113 - 30.09.2023) and profit after tax is USD 9 853 910 (USD 10 301 267- 30.09.2023).

Loss allowance (Expected Loss) decreased with USD 163 487 (decreased USD 79 562). Credit Loss (Write Offs) was USD 0 (USD 0) and there are no non-performing loans in the portfolio.

Due to continued early repayments of loans our portfolio was reduced with 5.9% during the 3rd quarter, but a sharp upswing market activity and new loan applications over the recent weeks has already equalized this reduction and we assume a positive trend for the remaining part of this year.

The crude tanker market continues to look generally positive with overall high degree of activity and with a further upward potential as we approach the winter season, and in the analytical environments there are mostly expectations for a new strong tanker year in 2025. According to Clarksons, the general crude tanker picture shows a dwt demand growth of 3.2% next year against a capacity growth of 1.1%

The clean tanker market continued a relatively strong performance since the summer in view of continued disruptions and re-routing leading to a higher tonne-mile figure. The outlook for 2025 is somewhat more conservative on the back of fleet capacity growth figure around 5.5% and dwt demand with expected growth of 2.9%. Whether the main geo-political tensions, among them the Red Sea situation will remain or not is naturally the key question.

In the dry bulk sector, the re-routing of vessels has as well resulted in an increase in tonne-miles and thus influenced the market positively. The overall global seaborne dry trade showed an increase of 4% year-over-year during the period from 1st of January to the end of September. The prognosis for this year concerning the trade in tonne-miles is a 5.2% increase and a 3.2 % fleet growth (Clarksons figures). A lot of the uncertainties in front of us to forecast the market development, is attached to the various prevailing disruptions and to what extent they will continue. China, being the main market driver in the dry bulk sector, continue to be the other key element in the dry segment and the road ahead. We have probably not seen the real consequences of the massive Chinese stimulus packages imposed during this year and the further development of the domestic steel production will be of decisive character looking towards the end of this year and into 2025.

Strong freight market has been the headline for the container market so far this year. The Red Sea unrest in combination with strong underlying demand has according the Clarksons resulted in a 12% increase in demand. Congestion in important container ports have as well contributed to the positive development. In this segment the Red Sea situation also plays a decisive role for the further development of the freight market looking ahead. In the near term the market looks to provide attractive income for the owners while in the somewhat longer horizon the question of the delivery schedules of new buildings and the geo-political issues impacting the market makes it a difficult task to forecast the development.

The market for ship-financing continues to be marked by a massive supply of services with lenders apparently willing to cut margins and raise their loan-to-value considerably to secure new business. The sustained positive freight market has resulted in huge amounts of pre-payments to the lenders and a corresponding race for maintaining loan portfolios, again resulting in a fierce competition for new business.

Weather or not this is a healthy development remains to be seen.

Profit for the period (01.01-30.09)
The profit for the period before tax is USD 13 145 217 (USD 13 735 113 - 30.09.2023) and profit after tax is USD 9 853 910 (*) (USD 10 301 267- 30.09.2023).

Net interest income and related income totalled USD 19 068 049 (USD 19 576 855), and other Income (including financial derivatives and fixed income instruments) was USD 747 640 (USD 685 489).

Operating expenses before impairments and losses totalled USD 6 833 958 (USD 6 606 794). The Cost/Income ratio came in at 34.5% (32.6%).

Loss allowance (Expected Loss) decreased with USD 163 487 (decreased USD 79 562). Credit Loss (Write Offs) was USD 0 (USD 0).

	2024 01.07 - 30.09	**2023 01.07 - 30.09**	**2024 01.01- 30.09**	**2023 01.01 - 30.09**	**2023 01.01 - 31.12**
Interest Income	12 477 582	11 608 537	37 510 318	33 916 898	45 318 489
Interest Expense	-6 327 163	-4 909 621	-18 442 269	-14 340 043	-19 139 633
Net Interest Income	**6 150 418**	**6 698 916**	**19 068 049**	**19 576 855**	**26 178 856**
Other Income	182 595	133 715	747 640	685 489	957 066
Total Income	**6 333 013**	**6 832 631**	**19 815 689**	**20 262 345**	**27 135 922**
Operating Expense	-2 286 278	-2 374 730	-6 833 958	-6 606 794	-8 743 298
Operating Result	**4 046 735**	**4 457 901**	**12 981 731**	**13 655 551**	**18 392 624**
Loss Allowance	189 758	-158 416	163 487	79 562	179 492
Write Off (Credit Loss)					
Sum Impairment	**189 758**	**-158 416**	**163 487**	**79 562**	**179 492**
Profit Before Tax	**4 236 493**	**4 299 484**	**13 145 217**	**13 735 113**	**18 572 116**
Tax*	-1 059 123	-1 074 871	-3 291 308	-3 433 846	-5 672 129
Profit After Tax*	**3 177 369**	**3 224 613**	**9 853 910**	**10 301 267**	**12 899 987**

**see deferred taxes and payable tax on page 8*

Profit for the period (01.07-30.09)
The profit for the period before tax is USD 4 236 493 (USD 4 299 484 in Q3 2023) and profit after tax is USD 3 177 369 (USD 3 224 613 Q3 2023).

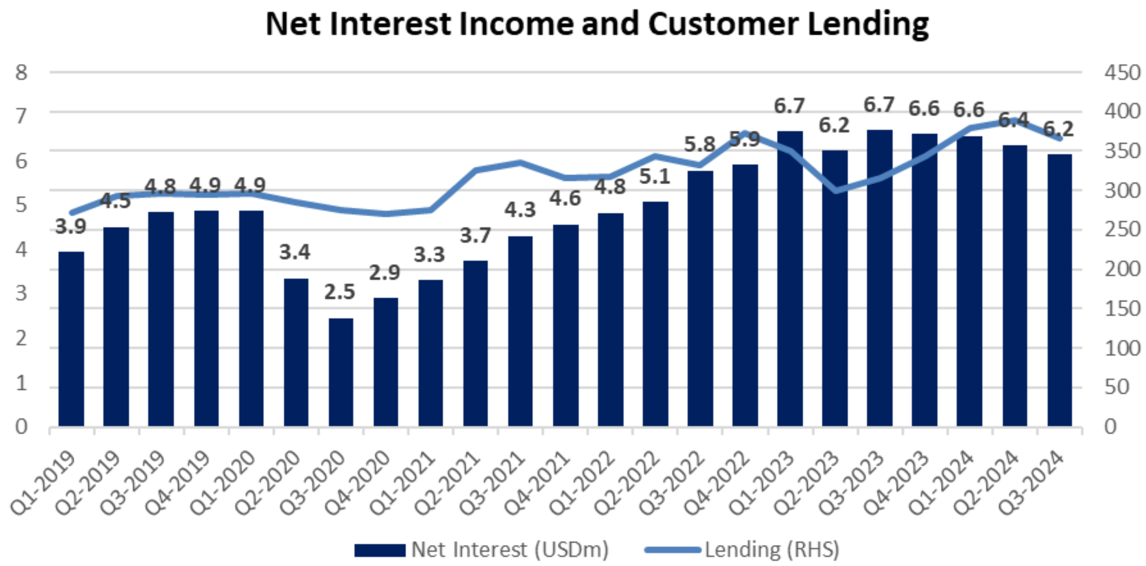
Net interest income and related income totalled USD 6 150 418 (USD 6 698 916), and other Income (including financial derivatives and fixed income instruments) was USD 182 595 (USD 133 715).

Operating expenses before impairments and losses totalled USD 2 286 278 (USD 2 374 730). The Cost/Income ratio came in at 36.1% (34.8%).

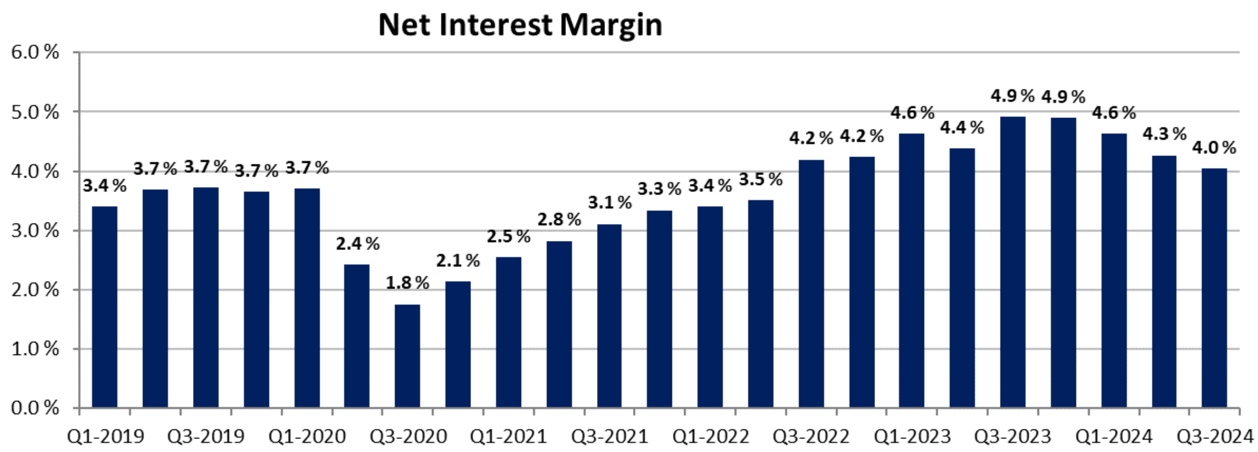
Loss allowance (Expected Loss) decreased USD 189 758 (increased USD 158 416). Credit Loss (Impairments) was USD 0 (USD 0)

Net interest income and related income

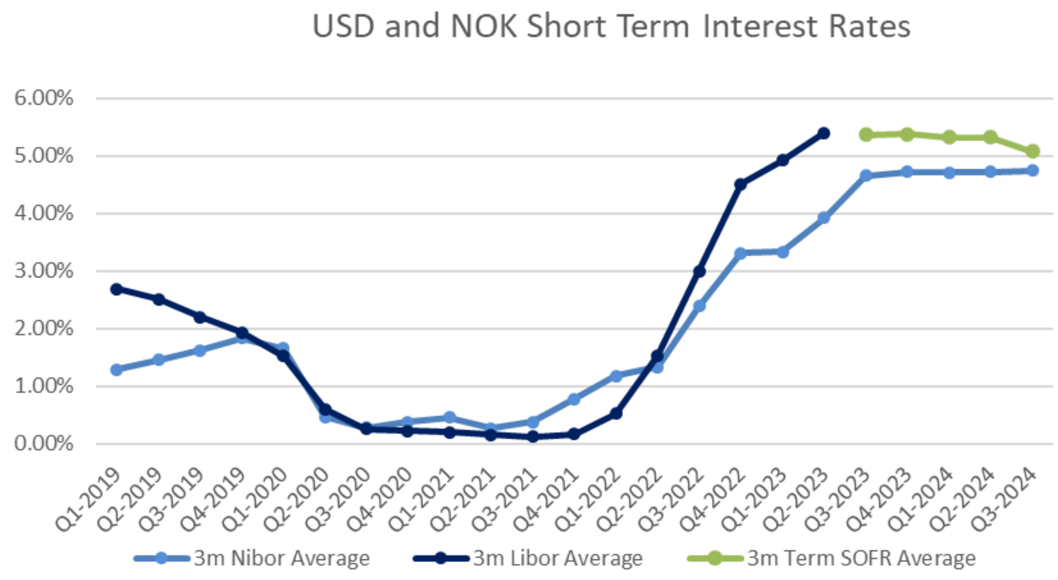
Net interest income and related income totalled USD 6 150 418 in Q3 (USD 6 698 916 in Q3 2023).



Net interest margin is 4.0%, down from 4.9% in Q3-2023 and 4.9% in Q4-2023, due to downward pressure on loan margins and lower money market rates.



Money market rates (daily average) in USD are lower in the quarter (FED cut rates by 50 basis points), NOK rates are stable



(Source: Infront, Maritime & Merchant Bank ASA)

Net other Income

Net other income amounted to USD 182 595 in Q3 2024 (USD 133 715 in Q3-2023).

Value adjustments on derivatives and hedging instrument in Q3 was USD 156 715 (USD -83 285 Q3-2023).

Net value adjustments on bonds was USD 1 002 (USD 199 792 in Q3-2023).

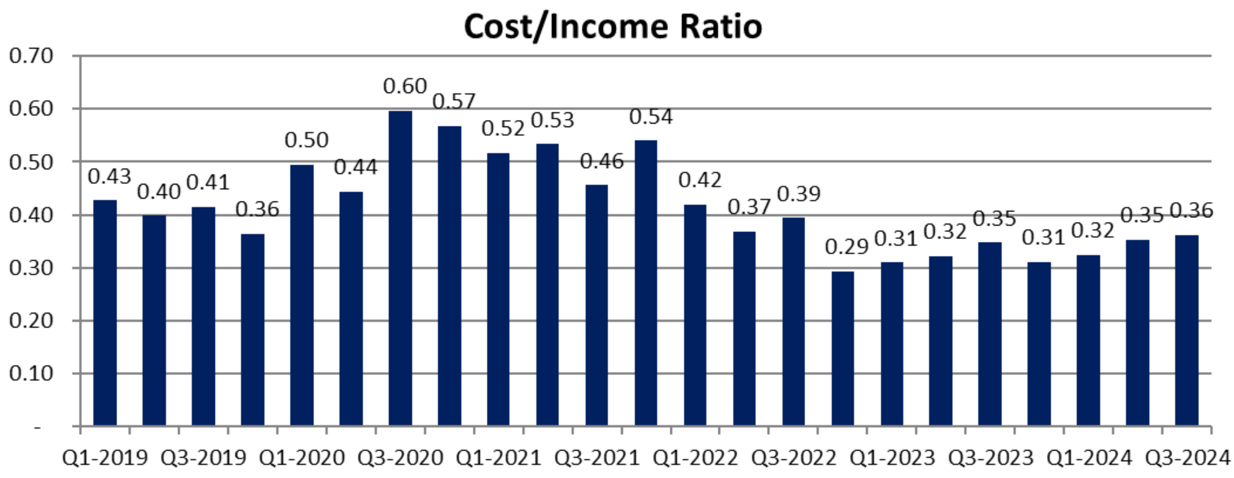
The principle of assessing financial instruments measured at fair value may lead to significant variation of the Bank's result between quarters.

Net commissions amounted to USD 24 878 in Q3 (USD 17 209 in Q3-2023).

Total operating expenses before impairments and losses

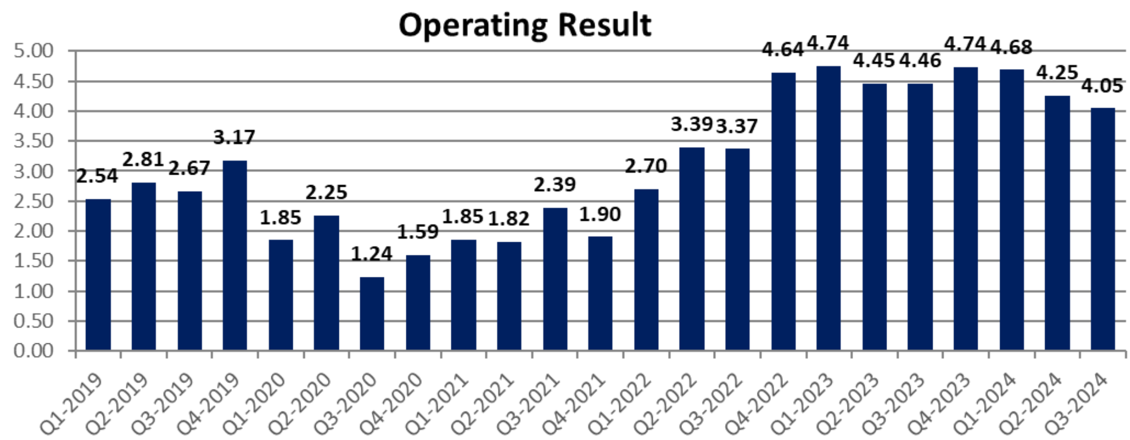
Operating expenses before impairments and losses totalled USD 2 286 278 in Q3 (USD 2 374 730 in Q3-2023). Salaries and personnel expenses, including social costs, amounted to USD 1 687 016 (USD 1 678 012 in Q3-2023) and account for the largest proportion of the overall operating expenses.

Total depreciation and impairment of fixed and intangible assets amounted to USD 85 961 (USD 79 359 in Q3-2023). The Cost/Income ratio came in at 36% in Q3 (35% in Q3-2023).



Operating result

Operating result in Q3 amounted to USD 4 046 735 (USD 4 457 901 in Q3-2023).



Loan and Loan Loss provisions

Maritime & Merchant Bank ASA has lent USD 366 450 391 (USD 315 884 084 in Q3 2023) to customers.

The Bank has made USD 1 571 041 (USD 1 834 457) in loss allowance (IFRS 9). Change in loss allowance this quarter amounts to USD –189 758 (USD 158 416).

The credit quality of the majority of the loans (measured by PD – Probability of Default) to the bulker and container segments are on satisfactory levels, as we have seen improvement in the bulk and container rates compared to last year. The credit quality (measured by PD) of the tanker portfolio has remained strong due to the rates. The credit quality of the offshore loans are also satisfactory.

The Loss Allowances at the end of Q3 compared to at the end of Q3 2023 is higher in Step 1 due to increased lending, but the overall allowance is lower due to macro scenarios.

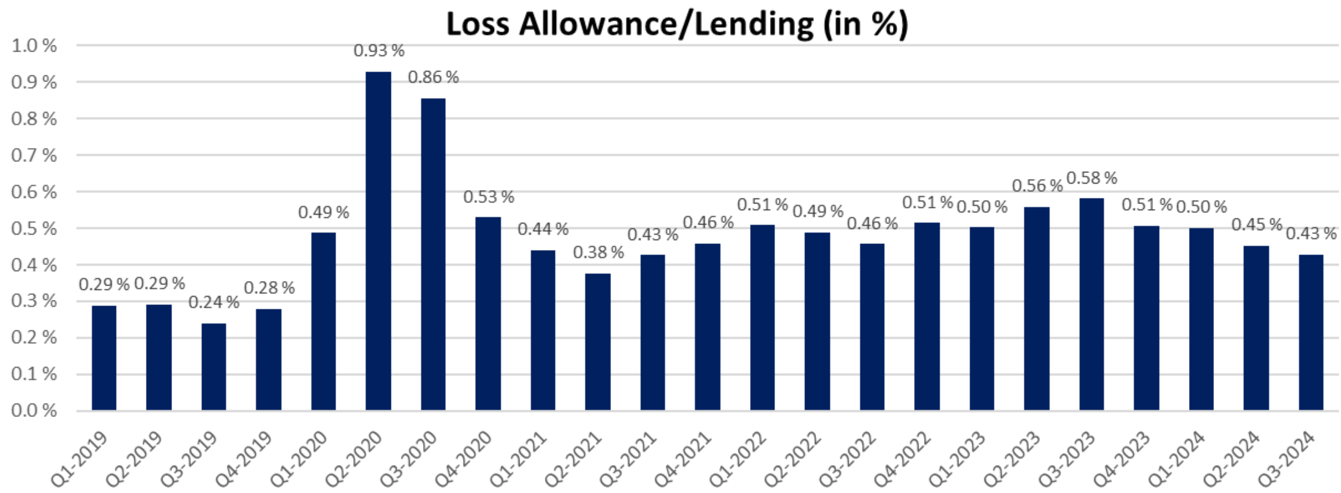
All commitments (100 %) are in step 1 (100% in Q3-2023).

The bank has no defaulted or non-performing loans by the end of the Q3.

Loss allowance	**30.09.2024**	**30.09.2023**	**31.12.2023**	**31.12.2022**
Step1	1 571 041	1 411 778	1 298 277	1 345 649
Step2	0 **	422 679 *	436 250*	568 370*
Step3	0	0	0	0
Sum	1 571 041	1 834 457	1 734 527	1 914 019
Loss Allowance/Loan Ratio	0,43 %	0.58 %	0.51%	0.51%
Impairments	0	0		0
Non performing Loans	0	0	0	0

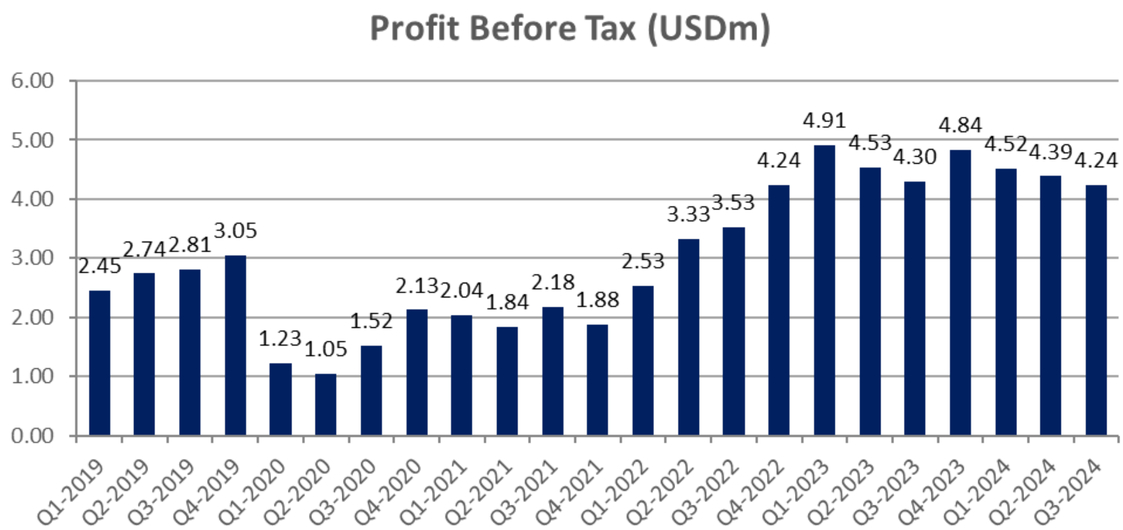
**Loss allowance in step 2 is a result of anticipated migration in the negative macro scenario.*

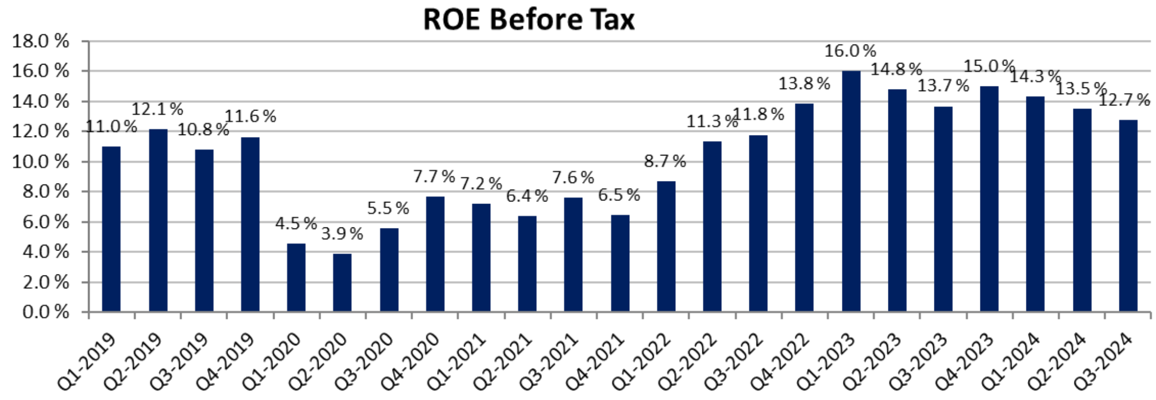
***No commitments are currently identified in step 2. Assigning migration due to macro analysis are discontinued from Q2-24. This does not affect total allowance.*



Profit before tax

Profit before tax amounted to USD 4 236 493 Q3 (USD 4 299 484 in Q3-2023).
Return on equity before tax was 12.7% (13.7% in Q3-2023).





Deferred Taxes and payable tax

The Bank operates with USD as functional currency.

In the tax accounting, both P&L and the major part of assets and liabilities are being converted from USD to NOK, including any effect currency fluctuations would have on the equity of the Bank.

The volatility of the NOK against the USD has given the Bank an unintended volatility in the tax expense, due to currency gains/losses related to our equity.
The Bank has started a process for a rule adjustment for the basis of tax calculation that prevents unintended effects for the future.

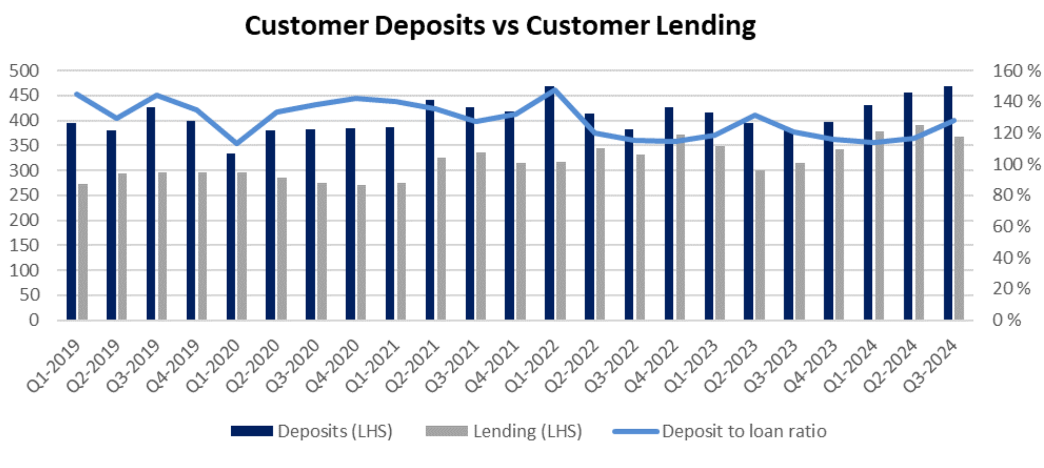
Common 25% corporate tax rate is used in the first three quarters of 2024.
If there is no decision (or a negative one) from the Ministry of Finance within the fiscal year, we will incorporate a full agio effect in Q4 2024. The agio effect (extra taxable income/cost) will be a result of the USDNOK exchange rate at year end. USDNOK 31.12.2023 was 10.16715 and ended at 10.5097 as of 30.09.2024.

The agio effect (unintended taxable income/cost) for YTD 2024 is positive NOK 45 932 106. This "phantom" income will result in an increased tax of NOK 11 483 027 (USD 1 092 612).

See Note 5, Tax Calculation.

Deposit and Liquidity

Customer deposits amounted to USD 468 918 601 in Q3-2024 (USD 381 981 139 Q3-2023).



The deposit to loan ratio was 128% at the end of Q3 2024 (121% in Q3 -2023).

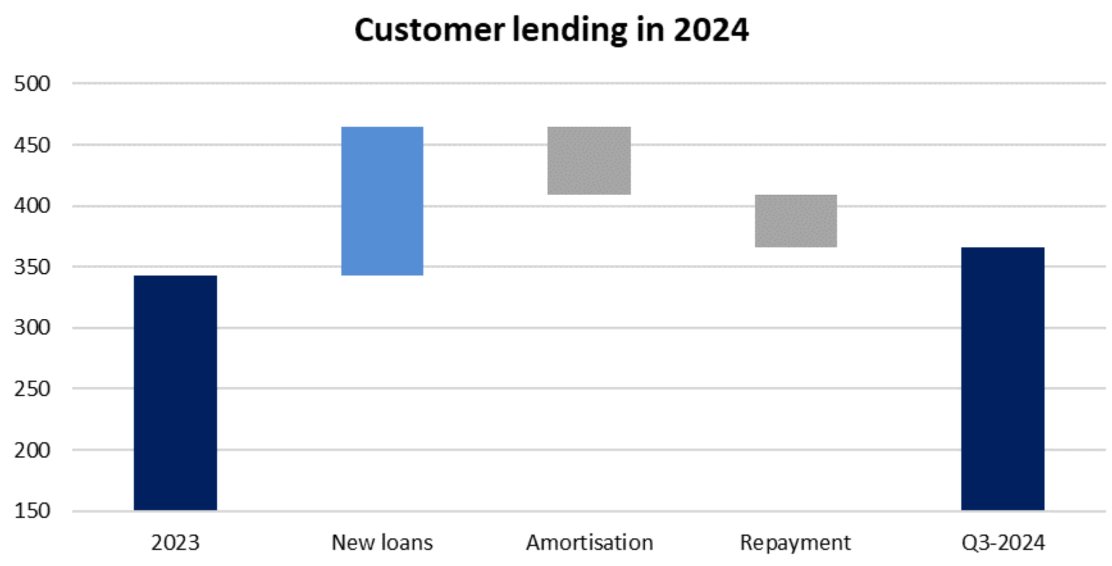
The liquidity situation has been good throughout the quarter. Surplus liquidity of about USD 248 million was mainly invested in interest-bearing securities, deposits in major banks and in Bank of Norway. The securities investments are in bonds with good liquidity and very low risk.

The Bank's short-term liquidity risk measured by LCR (Liquidity Coverage Ratio) was 721% (above a minimum requirement of 100%), and the long-term liquidity risk measured by NSFR (net Stable Funding Ratio) was 174% (above a minimum requirement of 100%).

Total Assets and Lending

Total assets ended at USD 617 680 146 in Q3 2024 (USD 534 000 915 in Q3 2023).

Lending to customers increased from USD 342 910 692 in Q4 2023 to USD 366 450 391 in Q3 2024 (USD 315 884 084 in Q3-2023).



Solvency

Core equity ratio (CET1) was 33.2 % 30.09.2024 (36.01% 30.09.2023).
The Bank has not issued any subordinated or perpetual bonds.
The Bank paid USD 5 159 995 in dividend for 2023 in April-2024.

Risk factors

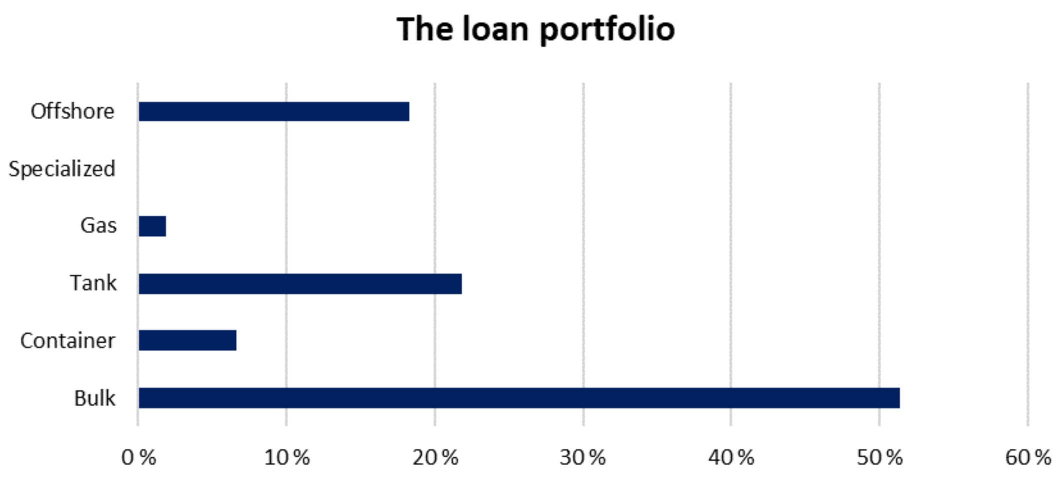
Credit risk

The average weighted quality of the portfolio is moderate risk, and the portfolio has a strong concentration around the mid-point.

All commitments are secured with 1st priority mortgage on vessels, and the large majority of those were secured within 50-55% of appraised values when granted. In combination with an estimated moderate Default Probability, the moderate loan-to-value ratios provide for a sound credit portfolio with a limited potential for future losses, in particular since the vessels' values for most clients have a good margin in relation to the outstanding exposures.

In addition to estimating the Default Probability, we also estimate the Loss Given Default on each exposure. Based on the low leverage of financing in combination with financing non-specialized tonnage with strict covenants, the Loss Given Default for the loan portfolio is satisfactory.

The Bank's estimated risk cost, Expected Loss, is calculated as Probability of Default multiplied with Loss Given Default. It is included in all internal return on capital estimations in connection with granting new loans. The portfolio is distributed in risk classes according to collateral and internal risk classification. The loan portfolio is diversified and is distributed on bulk carriers (51.4%), tankers (21.8%), container vessels (6.6%), LPG (gas) (1.9%), offshore/supply (18.3%) and specialized (0%).



The Bank's internal credit strategy has limits for maximum exposure to the various shipping segments, and Acceptable Risk Criteria form guidelines for the lending strategy.

ESG risk

The International Maritime Organization's (IMO) regulations with regards to the Carbon Intensity Indicator (CII) was introduced on 1 January 2023. This measures how much CO2 each ship emits annually. The vessels have been measured throughout 2023 for a 12-month emission period based on a detailed and extensive formula. Each vessel has been assigned a rating as of 31.3.2024 from A to E based on the prior year's data.

Vessels that received an A to C rating are in the clear and compliant, however, vessels receiving a D rating for three consecutive years or an E rating will have to put forward a corrective action plan on how to receive a C rating or better during the coming 12 months. Example of a corrective action plan might be installation of Engine Power Limitation (EPL), permanent slow steaming, or for the vessel to change fuel. The trajectory to obtain the rating classes A to E is lowered each year, thereby becoming increasingly rigorous towards 2030. The Bank and the shipping industry do not know yet how these CII ratings will impact second hand values and time charter rates, and we will monitor this closely throughout the year to be able to pick up on trends in the market that might influence our portfolio and when doing new facilities.

Our customers are now reporting on the ratings together with their annual reporting, and ratings will be reported in the annual report.

Liquidity risk

Maritime & Merchant Bank ASA has adopted guidelines for management of the Bank's liquidity position to ensure that the Bank maintains a solid liquidity. The Bank has a low liquidity risk profile. Main funding sources are equity and NOK deposits. The Bank has liquidity portfolio/buffers well above minimum requirement. Liquidity stress tests show satisfactory liquidity.

	30.09.2024	30.09.2023	31.12.2023	31.12.2022	31.12.2021
LCR	721%	798%	750%	450%	564%
Deposit Ratio *(1)*	73%	71%	71%	74%	77%

(1) % of total assets

Interest rate risk

Maritime & Merchant Bank ASA has defined guidelines that set limits for the maximum interest rate risk. Any exposure exceeding the interest rate risk limits shall be mitigated by using hedging instruments.

Market risk

Maritime & Merchant Bank ASA has developed guidelines and limits for counterparty exposure, maturity per counterpart, average duration of portfolio and foreign exchange risk.

AML risk:

Risk related to money laundering and terrorist financing represents an inherent operational risk. The bank works systematically to prevent products and services from being used to criminal activity. To understand the risk in own business, a business-oriented risk assessment has been prepared. The risk assessment sheds light on how the business can be misused for money laundering or terrorist financing, hereunder including vulnerabilities of the bank, and it forms thus the basis for the customer measures which are implemented. The risk assessment is based on external sources, own insight and experience. The assessment is updated at least annually, but more frequently in connection with relevant changes in threats against or vulnerabilities of the bank, e.g. new relevant criminal modes that the bank becomes aware of or new systems taken into usage.

Systematic work is being done to strengthen professional competence in the day-to-day execution of anti-money laundering work. All employees receive regular training in the money laundering regulations, both through e-learning and classroom teaching.

Customer portfolios and customer information will be regularly reviewed and followed up. The bank must know its own customers and information is therefore obtained about the customers both at establishment and on an ongoing basis in the customer relationship. The knowledge of who the customers are and how they plan to use the bank will contribute to reveal whether a customer's use of the bank can entail a risk of money laundering or terrorist financing.

All transactions are subject to transaction monitoring. If something suspicious is discovered, this is investigated in more detail and possibly reported to Økokrim.

Sanction risk

The Bank is subject to the Sanctions Act, and through it imposed a number of duties to prevent violations of or circumvention of international sanctions. The sanctions regulations are complex and changing rapidly. That is why it is important that the bank has a focus on and knowledge of sanctions and regulations, and has a risk-based routine work in place.

In order to comply with the Sanctions Act, there is close follow-up of own customers through familiarity with customers' business, monitoring of transactions and screening of international payments against sanctions lists. A separate risk assessment relating to sanction risk is prepared.

Operational risk

Maritime & Merchant Bank ASA has established operational risk policy and guidelines. Contingency plans have been established, and insurance (professional responsibility, crime and Board of Directors responsibility) is purchased in order to reduce risk.

Ratios

Ratios	**YTD 2024**	**YTD 2023**	**2023**
Cost/Income Ratio	34.5%	32.6%	32.2%
Return on Equity before tax	13.9%	14.9%	15.1%
Net Income Margin	4.56%	4.88%	5.0%
Net Interest Margin	4.38%	4.71%	4.8%
Deposit to loan Ratio	128%	121%	115%
LCR	721%	798%	750%
NPL Ratio	0%	0%	0%
Equity Ratio (CET1)	33.2%	36.0%	34.0%
Loss allowance/Loan ratio	0.43%	0.58%	0.51%

Ratio formulas, se Appendix 1

Outlook

Many commentators have described the prevailing shipping markets as a ‘’disruption game’’ in view of the series of geo-political issues that have influenced the markets over the last years – and largely in a positive direction. An unanswered question is; therefore, how will the different shipping markets react when we again will see the ‘’normalized’ trading patterns? We will continue to work closely with our clients to find optimal financial solutions taking height for different market developments yet being able to seize opportunities which will occur.

Oslo November 13th, 2024

Board of Directors, Maritime & Merchant Bank ASA

Statement of Profit & Loss

- In USD	*Note*	2024 01.07-30.09	2023 01.07-30.09	2024 01.01-30.09	2023 01.01-30.09	2023 01.01 - 31.12
Interest income and related income						
Interest income from customers (effective Interest method)		9 768 283	9 077 688	29 416 716	27 505 565	36 560 104
Interest from certificates and bonds		1 598 725	1 490 112	4 758 252	3 771 312	5 359 104
Interest from credit institutions (effective interest method)		1 110 574	1 040 737	3 335 350	2 640 021	3 399 282
Total interest income and related income		**12 477 582**	**11 608 537**	**37 510 318**	**33 916 898**	**45 318 489**
Interest expenses						
Interest and similar expenses of debt to credit institutions						
Interest and related expenses of debt to customers		-5 569 932	-4 029 799	-16 168 585	-10 795 257	-14 905 710
Net interest expenses from financial derivatives		-691 920	-804 830	-2 074 308	-3 323 538	-3 939 409
Other fees and commissions		-65 311	-74 993	-199 377	-221 248	-294 515
Net interest expenses and related expenses		**-6 327 163**	**-4 909 621**	**-18 442 269**	**-14 340 043**	**-19 139 633**
Net interest income and related income		**6 150 418**	**6 698 916**	**19 068 049**	**19 576 855**	**26 178 856**
Commissions, other fees and income from banking		52 664	44 089	266 703	314 014	408 489
Commissions, other fees and expenses from banking		-27 787	-26 881	-74 509	-70 257	-91 209
Net value adjustments on foreign exchange and financial derivatives		156 715	-83 285	370 288	308 654	425 984
Net value adjustments on interest-bearing securities		1 002	199 792	177 637	133 078	213 802
Other operating income		1	0	7 521		
Total income		**6 333 013**	**6 832 631**	**19 815 689**	**20 262 345**	**27 135 922**
Salaries, administration and other operating expenses						
Salaries and personnel expenses		-1 687 016	-1 678 012	-4 977 712	-4 528 835	-6 030 990
Administrative and other operating expenses		-513 301	-617 359	-1 607 740	-1 797 287	-2 357 290
Net salaries, administration and other operating expenses		**-2 200 317**	**-2 295 371**	**-6 585 452**	**-6 326 122**	**-8 388 280**
Total depreciation and impairment of fixed and intangible assets	**8**	**-85 961**	**-79 359**	**-248 506**	**-280 671**	**-355 019**
Total operating expenses		**-2 286 278**	**-2 374 730**	**-6 833 958**	**-6 606 794**	**-8 743 298**
Operating result		**4 046 735**	**4 457 901**	**12 981 731**	**13 655 551**	**18 392 624**
Loan loss provisions (IFRS - 9)	**4**	189 758	-158 416	163 487	79 562	179 492
Impairments (Credit Loss)		0	0	0	0	0
Profit (+) / Loss (-) for the period before tax		**4 236 493**	**4 299 484**	**13 145 218**	**13 735 113**	**18 572 116**
Income Tax	**5**	**-1 059 123**	**-1 074 871**	**-3 291 308**	**-3 433 846**	**-5 672 129**
Result for the period after tax		**3 177 369**	**3 224 613**	**9 853 910**	**10 301 267**	**12 899 987**
Comprehensive result for the period		**3 177 369**	**3 224 613**	**9 853 910**	**10 301 267**	**12 899 987**

Q1, Q2 and Q3 numbers (2024 and 2023) are not audited.

- *Income Tax: see page 7 "Deferred Tax and payable tax" and note 5 "Taxation of profit"*
- *Income Tax will affect "Result after Tax", "Total Equity", and "Other liabilities"*

Balance Sheet

Assets		**2024**	**2023**	**2023**
- In USD	**Note**	**30.09.2024**	**30.09.2023**	**31.12.2023**
Cash and balances at Central Bank		**6 550 653**	**6 204 134**	**6 545 566**
Lending to and receivables from credit institutions		**106 132 405**	**82 084 540**	**59 414 387**
Lending to customers	4	366 450 391	315 884 084	342 910 692
Loss provisions on loans to customers	4	-1 571 041	-1 834 457	-1 734 527
Net lending to cutomers		**364 879 350**	**314 049 626**	**341 176 165**
Certificates, bonds and other receivables				
Commercial papers and bonds valued at market value	4	135 571 706	129 698 178	135 607 625
Commercial papers and bonds valued at amortised cost		0	0	0
Certificates, bonds and other receivables		**135 571 706**	**129 698 178**	**135 607 625**
Shares		**285 382**	**232 552**	**242 726**
Intangible assets				
Deferred tax assets		0	0	0
Other intangible assets	8	108 185	59 610	61 479
Total intangible assets		**108 185**	**59 610**	**61 479**
Fixed assets				
Fixed assets	8	1 152 397	1 386 822	1 349 772
Total fixed assets		**1 152 397**	**1 386 822**	**1 349 772**
Other assets				
Financial derivatives	9	2 586 051	0	2 387 368
Other assets		68 054	10 222	71 565
Total other assets		**2 654 105**	**10 222**	**2 458 933**
Expenses paid in advance				
Prepaid, not accrued expenses		345 964	275 230	257 359
Total prepaid expenses		**345 964**	**275 230**	**257 359**
TOTAL ASSETS		**617 680 146**	**534 000 915**	**547 114 013**

Liabilities and shareholders equity				
- In USD		**30.09.2024**	**30.09.2023**	**31.12.2023**
Liabilities				
Loans and deposits from credit institutions		0	0	0
Deposits from and liabilities to customers		468 918 601	381 981 139	397 316 100
Total loans and deposits		**468 918 601**	**381 981 139**	**397 316 100**
Other liabilities				
Financial derivatives	9	5 192 924	15 157 063	8 120 584
Other liabilities	10	6 315 655	6 911 893	9 403 332
Total other liabilities		**11 508 578**	**22 068 956**	**17 523 916**
Accrued expenses and received unearned income				
Accrued expenses and received unearned income	10	969 269	971 289	691 422
Total accrued expenses and received unearned income		**969 269**	**971 289**	**691 422**
Total Liabilities		**481 396 448**	**405 021 385**	**415 531 438**
Shareholders equity				
Paid-in capital				
Share capital	11	9 708 655	9 708 655	9 708 655
Share premium account		94 148 866	94 148 866	94 148 865
Total paid-in capital		**103 857 521**	**103 857 521**	**103 857 520**
Other Equity				
Retained earnings, other		-405 953	-417 486	-413 161
Retained earnings		32 832 131	25 539 495	28 138 216
Total other equity		**32 426 178**	**25 122 009**	**27 725 055**
Total shareholder equity		**136 283 698**	**128 979 530**	**131 582 575**
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		**617 680 146**	**534 000 915**	**547 114 013**

- *Income Tax: see page 7 "Deferred Tax and payable tax" and note 5 "Taxation of profit"*
- *Income Tax will affect "Result after Tax", "Total Equity", and "Other liabilities"*

Statement of Equity

- In USD	Share capital	Share premium	Retained earnings	Other free equity	Total equity
Equity as per 31.12.2018	8 630 639	83 296 586	-3 337 221	-556 370	88 033 634
Equity as per 31.12.2019	9 708 655	94 148 865	4 739 462	-438 660	108 158 322
Equity as per 31.12.2020	9 708 655	94 148 865	9 972 177	-267 393	113 562 304
Equity as per 31.12.2021	9 708 655	94 148 865	13 578 849	-499 651	116 936 717
Equity as per 31.12.2022	9 708 655	94 148 865	19 238 230	-437 885	122 657 864
Employee stock option				8 781	8 781
Declared dividend			-4 000 000		-4 000 000
Profit			3 679 592	0	3 679 592
Equity as per 31.03.2023	9 708 655	94 148 865	18 917 822	-429 104	122 346 238
Employee stock option				7 296	7 296
Profit			3 397 061	0	3 397 061
Equity as per 30.06.2023	9 708 655	94 148 865	22 314 883	-421 808	125 750 595
Employee stock option				4 322	4 322
Profit			3 224 613	0	3 224 613
Equity as per 30.09.2023	9 708 655	94 148 865	25 539 496	-417 486	128 979 530
Employee stock option				4 325	4 325
Profit			2 598 719	0	2 598 719
Equity as per 31.12.2023	9 708 655	94 148 865	28 138 215	-413 161	131 582 574
Employee stock option				4 325	4 325
Declared dividend			-5 159 995		-5 159 995
Profit			3 391 199		3 391 199
Equity as per 31.03.2024	9 708 655	94 148 865	26 369 419	-408 836	129 818 104
Employee stock option				2 884	2 884
Profit			3 285 341	0	3 285 341
Equity as per 30.06.2024	9 708 655	94 148 865	29 654 761	-405 952	133 106 329
Profit			3 177 370	0	3 177 370
Equity as per 30.09.2024	9 708 655	94 148 865	32 832 131	-405 953	136 283 698

- *Income Tax: see page 7, "Deferred Tax and payable tax" and note 5 "Taxation of profit"*
- *Income Tax will affect "Result after Tax", "Total Equity", and "Other liabilities"*

Statement of Cash Flows

- In USD	30.09.2024	30.09.2023	31.12.2023
Cashflow from operational activities			
Profit before tax	13 145 218	13 735 113	18 572 116
Change in loans to customers excluding accrued interest	-21 776 190	55 980 774	27 299 377
Change in deposits from customers excluding accrued interest	55 521 445	-53 906 447	-28 267 739
Change in loans and deposits from credit institutions	0	0	0
Change in certificates and bonds	35 920	1 491 933	-4 417 515
Change in shares, mutual fund units and other securities	-42 655	-40 708	-50 882
Change in financial derivatives	-3 126 344	1 017 630	-8 406 217
Change in other assets and other liabilities	-2 894 924	-3 271 793	-1 103 693
Interest income and related income from customers	-29 416 716	-27 505 565	-36 560 104
Interest received from customers	27 489 720	27 873 959	38 483 356
Net interest expenses and related expenses to customers	16 168 585	10 795 257	14 905 710
Interest paid to customers	-87 529	-491 509	-14 905 710
Ordinary depreciation	248 464	279 834	355 019
Other non cash items	38 649	61 976	19 357
Net cash flow from operating activities	**55 303 643**	**26 020 454**	**5 923 076**
Payments for acquisition of assets	-115 073	0	-71 327
Net cash flow from investing activities	**-115 073**	**0**	**-71 327**
Issuance of equity	0	0	0
Lease payments	-279 604	-262 357	-346 136
Dividend Payments	-5 159 995	-4 000 000	-4 000 000
Net cash flow from financing activities	**-5 439 599**	**-4 262 357**	**-4 346 136**
Effect of exchange rate changes and other	**-3 025 866**	**-3 230 311**	**-5 306 549**
Sum cash flow	**46 723 105**	**18 527 785**	**-3 800 937**
Net change in cash and cash equivalents	46 723 105	18 527 785	-3 800 937
Cash and cash equivalent as per 01.01.	65 959 952	69 760 889	69 760 889
Cash and cash equivalent as per 30.09.	**112 683 057**	**88 288 674**	**65 959 953**

Notes 30.09.2024.

Note 1, Reporting entity

Maritime & Merchant Bank ASA is a company domiciled in Norway. The Bank's registered office is at Haakon VIIs gate 1, 0161 Oslo. The Bank's lending is towards the corporate market.

Note 2, General accounting principles

The interim report for the first two quarters of 2024 is prepared in accordance with Regulations on annual accounts for banks, credit institutions and financing companies (The annual accounts regulations). The interim report for the first three quarters of 2024 is prepared using the same accounting principles and calculation methods as described in the Annual Report 2023.

Note 3, Functional and presentation currency

These consolidated financial statements are presented in USD, which is the Bank's functional currency. The Bank's taxation currency is NOK.
USDNOK exchange rate 30.09.2024: 10.5097 (31.12.2023: 10.16715)

RISK

Note 4, Risk

Risk Management and Capital Adequacy

The Capital Adequacy figures for Maritime & Merchant Bank ASA are based on the calculation by means of the standardised approach.

Credit risk
The Bank has chosen the basic approach for calculation credit risk (Risk-Weighted Assets).

Operational risk
The Bank has chosen to apply the basic approach under Pilar 1 for calculating operational risk. This applies a capital requirement of 15 per cent of the annual income reported in the last three years.

Market risk
The market risk of the Bank is modest and is calculated using the standardised approach in Pilar 1.

Capital Adequacy

Amounts in 1000 USD	**30.09.2024**	**31.12.2023**	**30.09.2023**
Share capital	9 709	9 709	9 709
+ Other reserves	126 575	121 874	119 271
- Dividend		- 5 160	
- Deferred tax assets and intangible assets	- 108	- 61	- 60
- This year's result	- 9 854		- 10 301
- Adjustments to CET1 due to prudential filters	-144	- 146	- 145
Common Equity Tier 1 (CET 1)	**126 178**	**126 215**	**118 474**
Calculation basis			
Credit Risks			
+ Bank of Norway	-	-	-
+ Local and regional authorities	-	-	-
+ Institutions	22 517	13 477	15 253
+ Companies	302 974	302 069	269 005
+ Covered bonds	12 292	12 245	11 709
+ Shares	285	243	233
+ Other assets	1 566	1 679	1 672
Total Credit risks	**339 636**	**329 713**	**297 871**
+ Operational risk	37 413	38 674	28 544
+ Counterparty risk derivatives (CVA-risk)	2 648	2 944	2 555
Total calculation basis	**379 697**	**371 330**	**328 970**
Capital Adequacy			
Common Equity Tier 1 %	**33.23 %**	**33.99 %**	**36.01 %**
Total capital %	**33.23 %**	**33.99 %**	**36.01 %**

Credit Risk

Credit risk is the major risk to the Bank. Maritime & Merchant Bank ASA may face a loss if the borrower is not able to pay interest or principal as agreed upon, provided the pledged collateral is not sufficient to cover the Bank's exposure.

The Bank monitors market developments in segments where it has exposure and takes a proactive approach towards the risks taken.

The Bank's internal credit strategy has limits for maximum exposure to the various shipping segments, and Acceptable Risk Criteria form guidelines for the lending strategy.

The Bank uses an internally developed scorecard model for assessing the credit risk in the loan portfolio. The scorecard model predicts Probability of Default (PD), Loss Given Default (LGD) and risk class (from 1 to 10). Default is failure to satisfy the terms of a loan obligation or failure to pay back a loan.

Significant judgements are required when assessing models and assumptions, and resulting estimates are thus uncertain in nature. The model is based on experience and criteria well known in scoring models. The model is validated on a regular basis.
Forward looking factors, like expected freight earnings and ship values, are based on one year forward estimates. Time charter rates for each specific segment and interest rates that are used in the model are those prevailing at the time of scoring.

Input in the scoring model for establishing the PD for one specific exposure can either be the actual earnings based on freight contracts entered into, or shipbrokers earnings estimates for the next 12 months, normally expressed in the time charter rates for the period going 12 months forward.

When a loan is granted, the PD is estimated for the full tenor of the loan, and projected future cash flow is based on long term time charter rates for similar tenor (if available) in combination with consideration of low-rate scenarios.

Risk classification is done once per year as a minimum in connection with annual renewal of exposures, or more frequently if there are shifts in input factors which are not regarded as temporary.

Risk classes and credit score:

Very low risk	Credit score: 1-2	PD:	0.00 – 0.25%
Low risk	Credit score: 3-4	PD:	0.25 – 1.00%
Medium risk	Credit score: 5-7	PD:	1.00 – 3.00%
High risk	Credit score: 8-9	PD:	3.00 – 8.00%
Loss exposed	Credit score: 10-11	PD:	> 8.00%

Factors in scorecard PD - model:

Quantitative factors:
- Loan to value (LTV) – Value Adjusted Equity
- Interest coverage – Cash flow to support interest payment
- Instalment coverage – Cash flow to support instalments
- Current Ratio
- Free Cash

Qualitative factors
- Corporate structure
- Ownership
- Technical management
- Commercial management

Factors in LGD model:
- Age of vessel
- Liquidity of vessel type (specialised tonnage)
- Yard/Country
- Net loan exposure above scrap value
- Enforcement cost
- Jurisdiction
- Corporate complexity
- Covenant Structure
- ESG

Expected Loss (EL)

EL = PD * LGD * EAD

EAD = Exposure at Default (Notional + Accrued Interest - Cash Reserves)

Loss allowance

The EL is performed on an individual basis. After the transition to IFRS 9, provisions have been presented as expected loss over 12 months (Step 1) and expected loss over the life of the instrument (Step 2).

Non-performing commitments (Step 3) are commitments where the customer has not paid due instalments on loans within 90 days of maturity.

If credit risk has increased significantly after initial recognition but there is no objective proof of loss, an allowance of expected loss over the entire lifetime ("Step 2") has to be made. The individual loss provisions under IAS 39 did not change materially upon the transition to IFRS 9 ("Step 3").

In assessing what constitutes a significant increase in credit risk, the Bank, in addition to the standard's presumption of financial assets that have cash flows that have been due for more than 30 days are subject to significantly increased credit risk, assumed qualitative and quantitative indicators. The most important quantitative indicator the Bank assess is whether it has been a significant increase in credit risk determined by comparing the original likelihood of default and Loss Given Default ("PD x LGD") with the Probability of Default and Loss Given Default ("PD x LGD") at the reporting date. However, when assessing significant increase in credit risk for IFRS 9 purposes, Loss Given Default is not included in the assessment. Based on this the Bank has defined that a doubling in the Probability of Default or an absolute change of 1% constitutes a significant increase in credit risk.

Reclassification of commitments from Step 2 to Step 1, is based on an individual assessment. However, there must be some objective evidence that the commitment has recovered.

The Bank follows qualitative and quantitative indicators on a regular basis and in any situation where there is a suspicion that there have been conditions of negative importance for the commitment/customer.

Macro scenarios

Expected Loss from the Bank’s risk score model will be adjusted with a macro scenario factor (MF). The Bank estimates three macro-economic scenarios consisting of factors that will or can have an impact on shipping markets and value appraisal of vessels financed in our portfolio in the respective markets. Each scenario gets assigned a probability and a factor. The factor represent change in Expected Loss or Loss Allowance. The forecast, probability assignment and factor estimation are based on own judgment and experience.

The following factors are included in the macro evaluation process:

- Demand for seaborn shipping (World growth (GDP))
- Supply: Orderbook (shipbuilding), scrapping and idle capacity (utilization)
- Cyclicality (we assume shipping is cyclical and mean reverting)
- Geopolitical and other factors

The probability weighted macro factor (MF) will be multiplied with the Expected Loss and give Loss Allowance (or Macro Scenario adjusted Expected Loss). The factor (MF) is calculated to be 1.5473.

Exposure in the scenario model is the same as at 30.09.2024.

Loss Allowance and Impairments

Loss allowance	**30.09.2024**	**30.09.2023**	**31.12.2023**	**31.12.2022**	**31.12.2021**
Step1	1 571 041	1 411 778	1 298 277	1 345 649	618 860
Step2	0	422 679	436 250	568 370	826 436
Step3	0	0	0	0	0
Sum	1 571 041	1 834 457	1 734 527	1 914 019	1 445 296
Allowance/Loan Ratio	0.43 %	0.58 %	0.51 %	0.51 %	0.46 %
Impairments	0	0	0	0	0

Loans where no loss provision has been recognized due to collateral:
30.09.2024: 0
30.09.2023: 0

Remaining exposure from credit impaired loans and loss exposed loans:

30.09.2024	Gross Loans	First-Priority pledge in vessel	Cash Pledge	Other Collateral
Remaining exposure from credit impaired loans	**0**	**0**	**0**	**0**
Loss exposed loans	**0**	**0**	**0**	**0**

30.09.2023	Gross Loans	First-Priority pledge in vessel	Cash Pledge	Other Collateral
Remaining exposure from credit impaired loans	**0**	**0**	**0**	**0**
Loss exposed loans	**0**	**0**	**0**	**0**

Loss allowance sensitivity
The macro scenarios impact on Probabilities of Default (PDs) result in the following sensitivity in Expected Loss Allowance calculation.

Scenario	Expected Loss allowance
Vessel value up	989 000
Unchanged	1 017 000
Vessel value down	2 286 000

30.09.2024

	Step 1	**Step 2**	**Step 3**	
	Classification by first time recognition	**Significantly increase in credit risk since first time recognition**	**Significantly increase in credit risk since first recognition and objective proof of loss**	
	Expected loss next 12 months	**Expected loss over the life of instrument**	**Expected loss over the life of instrument**	**Sum**
Loss allowance as of 31.12.2023	1 298 277	436 250	-	1 734 527
Lending to customers 31.12.2023	302 802 074	40 108 618	-	342 910 692
				-
Changes				-
Transfer to Step 1	-	-	-	-
Transfer to Step 2	-	-	-	-
Transfer to Step 3	-	-	-	-
Reclassification	- 124 879	-	-	- 124 879
Amortization	- 275 135	-		- 275 135
New commitments	353 250			353 250
Effect of Scenario Adjustment	319 527	- 436 250		- 116 722
Allowance as of 30.09.2024	**1 571 041**	**-**	**-**	**1 571 041**
Lending to customers 30.09.2024	367 866 989	-	-	*367 866 989*
Loans not disbursed	0			
Allowanse: Loans not dispursed	-			-
Net Change in Loss allowance	**272 763**	**-436 250**	**0**	**- 163 487**

1) *Reclassification: Change in Expected Loss calculation*
2) No commitments are currently identified in step 2. Assigning migration due to macro analysis are discontinued from Q2-24. This does not affect total allowance.

30.09.2023

	Step 1	Step 2	Step 3	
	Classification by first time recognition	**Significantly increase in credit risk since first time recognition**	**Significantly increase in credit risk since first recognition and objective proof of loss**	
	Expected loss next 12 months	**Expected loss over the life of instrument**	**Expected loss over the life of instrument**	**Sum**
Loss allowance as of 31.12.2022	1 345 649	568 370	-	1 914 019
Lending to customers 31.12.2022	317 388 832	54 923 981	-	372 312 813
				-
Changes				-
Transfer to Step 1	-	-	-	-
Transfer to Step 2	-	-	-	-
Transfer to Step 3	-	-	-	-
Reclassification	- 26 870	-	-	- 26 870
Amortization	- 307 350	-		- 307 350
New commitments	357 422			357 422
Effect of Scenario Adjustment	42 927	- 145 691		- 102 764
Allowance as of 30.09.2023	**1 411 778**	**422 679**	**-**	**1 834 457**
Lending to customers 30.09.2023	287 491 385	*28 392 699*	-	*315 884 084*
Loans not disbursed	0			
Allowance: Loans not disbursed	-			-
Net Change in Loss allowance	**66 129**	**-145 691**	**0**	**- 79 562**

Reclassification: Change in Expected Loss calculation

**Step 2: Expected loss is due to assumed migration in the macro scenario analysis. No commitments are currently identified in step 2.*

Credit risk: Total

30.09.2024

Amounts in USD	Very low risk	Low risk	Moderate risk	High risk	Loss exposed	Sum
Deposit with Central Bank	6 550 653					6 550 653
Deposits with credit institution	106 132 405					106 132 405
Certificates and bonds	135 571 706					135 571 706
Shares and other securities			285 382			285 382
Loans to customers		131 754 450	234 695 941	0	0	366 450 391
Total	**248 254 763**	**131 754 450**	**234 981 323**	**0**	**0**	**614 990 536**
Committed loans, not disbursed			5 500 000			

30.09.2023

Amounts in USD	Very low risk	Low risk	Moderate risk	High risk	Loss exposed	Sum
Deposit with Central Bank	6 204 134					6 204 134
Deposits with credit institution	82 084 540					82 084 540
Certificates and bonds	129 698 178					129 698 178
Shares and other securities			232 552			232 552
Loans to customers		93 665 550	222 218 534	0	0	315 884 084
Total	**217 986 852**	**93 665 550**	**222 451 086**	**0**	**0**	**534 103 488**
Committed loans, not disbursed			25 500 000			

Lending to customers by segment

	Q3 2024		Q3 2023		Q4 2023	
Sector	**USD**	**Share %**	**USD**	**Share %**	**USD**	**Share %**
Bulk	188 355 501	51 %	171 840 942	54 %	192 715 809	56 %
Container	24 185 726	7 %	14 846 552	5 %	14 059 338	4 %
Tank	79 886 185	22 %	112 138 850	36 %	100 815 743	29 %
Gas	6 962 557	2 %	17 057 741	5 %	8 572 767	3 %
Specialized	-	0 %	-	0 %	-	0 %
Offshore	67 060 422	18 %	-	0 %	26 747 034	8 %
Sum	**366 450 391**	**100 %**	**315 884 084**	**100 %**	**342 910 692**	**100.000 %**

Bonds and certificates: Risk Weight

Risk Weight	Q3 2024 Fair Value	Q3 2023 Fair Value	2023 Fair Value
0 %	12 647 683	12 604 260	13 153 323
10 %	122 924 022	117 093 917	122 454 303
20 %			
100 %			
Total	**135 571 706**	**129 698 178**	**135 607 626**

Bonds and certificates: Rating

Rating	Q3 2024 Fair Value	Q3 2023 Fair Value	2023 Fair Value
AAA	130 711 243	124 855 859	130 556 680
AA+	4 860 462	4 842 318	5 050 946
AA	0	0	0
A	0	0	0
Total	**135 571 706**	**129 698 178**	**135 607 626**

Bonds and certificates: Sector

Sector	Q3 2024 Fair Value	Q3 2023 Fair Value	2023 Fair Value
Supranationals	1 958 212	1 959 973	2 041 996
Local authority	10 689 471	10 644 288	11 111 327
Credit Institutions	122 924 022	117 093 917	122 454 303
Bank	-	-	-
Total	**135 571 706**	**129 698 178**	**135 607 626**

Interest Rate Risk

Maritime & Merchant Bank ASA has defined guidelines that set limits for the maximum interest rate risk. All exposure on the balance sheet and outside the balance sheet will be assessed, and any exposure exceeding the interest rate risk limits shall be mitigated by using hedging instruments. Routines have been established for on-going monitoring and reporting of the interest rate risk to the Board of Directors.

Reference rates

The Bank has assets, liabilities and derivatives linked to current money markets reference rates (SOFR, NIBOR and EURIBOR). USD Libor were replaced with a new reference rate in June 2023 (SOFR). NIBOR and EURIBOR reference rates might be replaced with other reference rates going forward. Changes in reference rates can have an impact on interest income, interest expenses, fair value of derivatives and financial assets/liabilities.

Currency Risk

All exposure on the balance sheet, outside the balance sheet and estimated income and expense items will be identified. Market exposure will be limited and within limits and authorisations granted by the Board.

Routines have been established for on-going monitoring and reporting of the currency risk to the Board of Directors.
Funding in NOK is swapped to USD using cross currency basis swaps, with duration around 3 years. Using cross currency swaps match funding in NOK with lending in USD. Assets and liabilities are currency matched. The Bank has income in USD and most of the operating cost in NOK. Current strategy is to hedge between 0 and 12 months forward.

Calculated tax will be affected by changes in USDNOK exchange rate (see note 5)

Liquidity Risk

Maritime & Merchant Bank ASA aims to maintain a low liquidity risk, which means high liquidity buffers and good deposit coverage.

The Bank's liquidity level is assessed by calculating the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). These ratios describe the short liquidity level and the level of stable funding.

The Bank calculates liquidity surplus, which appears as available funding less future liabilities within the defined time interval and required liquidity buffers.

Maritime & Merchant Bank ASA has adopted guidelines for management of the Bank's liquidity position to ensure that the Bank maintains a solid liquidity.

Operational Risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed processes or systems, from human error, fraud, or external events including legal risk, compliance risk and reputational risk. This type of risk also encompasses administrative risk, i.e. that the day-to-day operations of the Bank do not function properly.

The Bank measures operational risk through incident reporting on main operational areas. The management team handle incidents in the management meetings. This incident reporting is summarized and communicated to the Risk Committee.

The Bank reduces operational risk through prudent management and supervision by establishing efficient control procedures, a well-established set of routines, a compliance function, as well as insurance cover against attempts at defrauding the Bank.

INCOME AND COST

Note 5, Taxation of profit

1) Present tax calculation (Ordinary 25% tax on profit/loss)

	USD	NOK
Profit Before Tax	13 145 218	138 152 294
Tax related agio on equity	-	-
Basis for Tax Calculation	13 145 218	138 152 294
Calculated Tax	**3 291 308**	**34 590 657**

2) Full currency agio on Equity (Previous method)

	USD	NOK
Profit Before Tax	13 145 218	138 152 294
Tax related agio on equity	4 370 449	45 932 106
Basis for Tax Calculation	17 515 666	184 084 400
Calculated Tax	**4 383 920**	**46 073 684**

The calculated tax for the period is 33% of the ordinary result before tax (compared to 25% tax rate for banks with Norwegian krone as functional currency).
The main reason is that even though the Bank's functional currency is USD, it is required to translate both P&L and the majority of assets and liabilities to NOK for tax purposes. Changes in net assets (equity) resulting from exchange rate will be subject to tax.

ASSETS

Note 6, Financial instruments at fair value.

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable, and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

30.09.2024

Amounts in USD 1000	Level 1	Level 2	Level 3	Total
Certificates and bonds	0	135 572	0	135 572
Shares and other securities	0	0	0	0
Financial derivatives	0	2 586	0	2 586
Total financial assets	**0**	**138 158**	**0**	**138 158**
Financial derivatives	0	5 193	0	5 193
Total financial liabilities	**0**	**5 193**	**0**	**5 193**

30.09.2023

Amounts in USD 1000	Level 1	Level 2	Level 3	Total
Certificates and bonds	0	129 698	0	129 698
Shares and other securities	0	0	0	0
Financial derivatives	0	-0	0	-0
Total financial assets	**0**	**129 698**	**0**	**129 698**
Financial derivatives	0	15 157	0	15 157
Total financial liabilities	**0**	**15 157**	**0**	**15 157**

Note 7, Financial pledges

The Bank has pledged NOK 22 050 000 of deposits as collateral for financial derivatives.

Note 8, Other intangible assets and fixed assets

- In USD	30.09.2024		30.09.2023	
	Other intangible assets	Property, plant and equipment	Other intangible assets	Property, plant and equipment
Cost or valuation at 01.01	616 205	2 666 819	3 855 490	2 983 100
Exchange and other adjustments		54 289	-179 348	-129 776
Additions	76 070	39 004		
Disposals and retirement	-509 983	-21 014	-3 086 558	-280 933
Cost or valuation at end of period	**182 291**	**2 739 098**	**589 585**	**2 572 391**
Accumulated depreciation and impairment at 01.01.	-554 726	-1 317 047	-3 806 667	-1 322 905
Exchange and other adjustments	-22 926	-48 599	232 042	95 166
Depreciation charge this year	-6 438	-242 068	-41 907	-238 764
Disposals and retirement	509 983	21 014	3 086 558	280 933
Accumulated depreciation and impairment at end of period	**-74 106**	**-1 586 700**	**-529 974**	**-1 185 569**
Balance sheet amount at end of period	**108 185**	**1 152 397**	**59 610**	**1 386 822**
Economic lifetime	*5 years*	*3 years*	*5 years*	*3 years*
Depreciation schedule	*Linear*	*Linear*	*Linear*	*Linear*

Fixed assets	**30.09.2024**	**30.09.2023**
Right to use assets	1 034 567	1 369 881
Other	117 831	96 621
Sum fixed assets	**1 152 397**	**1 386 822**

LIABILITIES

Note 9, Other assets and financial derivatives.

30.09.2024

Amounts in 1000	Nominal Value	Nominal Value	Nominal Value	Positive Market Values	Negative Market Values
	USD	EUR	NOK	USD	USD
Interest Rate Derivatives					
Interest rate swap	0	0	0	0	0
Currency Derivatives					
Cross currency basis swap					
Buy/Sell USD against NOK	220 000		2 291 375	2 586	4 995
Buy/Sell EUR against NOK		4 700	53 134	0	198
Total Currency Derivatives	**220 000**	**4 700**	**2 344 509**	**2 586**	**5 193**

30.09.2023

Amounts in 1000	Nominal Value	Nominal Value	Nominal Value	Positive Market Values	Negative Market Values
	USD	EUR	NOK	USD	USD
Interest Rate Derivatives					
Interest rate swap	0	0	0	0	0
Currency Derivatives					
Cross currency basis swap					
Buy/Sell USD against NOK	185 000		2 068 820	0	14 629
Buy/Sell EUR against NOK		6 200	64 201	0	528
Total Currency Derivatives	**185 000**	**6 200**	**2 133 021**	**0**	**15 157**

Note 10, Other Liabilities and accrued cost

- In USD	**30.09.2024**	**30.09.2023**
Account payables	73 700	63 660
Tax withholdings	161 609	137 351
VAT payable	56 820	46 153
Tax payable	3 286 304	3 433 846
Deferred tax	1 048 411	1 200 361
Lease liability	1 181 327	1 433 028
IFRS-9 Allowance (loans not disbursed)	-	-
Other liabilities	507 482	597 495
Total other liabilities	**6 315 655**	**6 911 893**
Holiday pay and other accrued salaries	876 140	897 180
Other accrued costs	93 128	74 109
Total accrued costs	**969 269**	**971 289**

Note 11, Share capital and shareholder information

The Bank has 81 700 480 shares at NOK 1.

The total share capital is NOK 81 700 480. The Bank has one share class only.

The Bank has 58 shareholders.

The ten largest shareholders of the Bank are:

No	Shareholder		Numb. of shares	%
1	Centennial AS		20 419 790	24.99 %
1	Henning Oldendorff		20 419 790	24.99 %
3	Skandinaviska Enskilda Banken AB		8 170 000	9.99 %
4	Société Générale		8 170 000	9.99 %
5	Canomaro Shipping AS		4 388 990	5.37 %
6	Deutsche Bank Aktiengesellschaft		4 313 940	5.28 %
7	Titan Venture AS		4 252 320	5.20 %
8	Citibank, N.A.		2 923 130	3.58 %
9	Ole Einar Bjørndalen		1 642 625	2.01 %
10	DNB Luxembourg S.A.		905 00	1.11 %
	Others		6 094 895	7.46 %
		Total	**81 700 480**	**100 %**

Appendices

Appendix 1, Alternative Performance Measures

Formulas for calculation of Alternative Performance Measures

Ratio formulas

$$Cost/Income\ Ratio = \frac{Total\ operating\ expences}{Total\ income}$$

$$Return\ on\ equity\ before\ tax\ = \frac{Net\ profit\ before\ tax}{(Equity\ start\ of\ the\ year - dividend + New\ equity * Yearfraction)}$$

$$Year\ fraction = \frac{12 - Months\ before\ equity\ issue}{12}$$

$$Net\ Income\ Margin = \frac{Total\ income}{(Interest-bearing\ assets\ start\ of\ year + Interest-bearing\ assets\ end\ of\ year)*0{,}5}$$

$$Net\ Interest\ Margin = \frac{Net\ interest\ income}{(Interest-bearing\ assets\ start\ of\ year + Interest-bearing\ assets\ end\ of\ year)*0{,}5}$$

$$Deposit\ to\ loan\ ratio = \frac{Total\ deposits}{Loans\ to\ customers}$$

$$NPL\ ratio = \frac{Non\ performing\ exposure\ (loans\ to\ customers)}{Loans\ to\ customers}$$ *(non-performing loan ratio)*

$$Deposit\ ratio = \frac{Total\ deposits}{Total\ Assets}$$

$$Loss\ allowance/Loan\ Ratio = \frac{Total\ Loss\ Alloance}{Loans\ to\ customers}$$ *(on performing loans)*

LCR = Liquid assets relative to net liquidity outflow in a 30-day stress scenario.