Maritime & Merchant Bank ASA

Financial Report

30.06.2024

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Financial Report 30.06.2024

The profit for the period 01.01-30.6 before tax is USD 8 908 725 (USD 9 435 628 - 30.06.2023) and profit after tax is USD 6 676 540 (USD 7 076 654- 30.06.2023). The bank has not any non-performing loans and zero credit losses during the period.

The tanker market for crude transport continued the trend we saw during the first quarter of this year; (and for the last two years for that part), attractive earnings and asset values circling around historical top levels. In the market for petroleum products the picture is somewhat more mixed, but with a distinct underlying strong sentiment providing freight income way above historical average for product carriers of all relevant tonnage types. The various disruptions with a strong impact on the tanker market caused by the broad specter of geo-political tensions shows no significant signs to ease off, quite the opposite, with the recent escalation in the Middle East in mind. The general expectation is that the tanker market will be a strong performer at least during the next half-year period.

The dry bulk market continues a generally positive development, and for many observers quite a surprise. The average earnings in 2024 for a 180.000 dwt capesize bulk carrier as per July is USD 27.000/day compared to USD 14.000/day in 2023. As well the other size segments are showing significant upswing in earnings so far this year, compared to the figures produced in 2023.

The container market is still on a positive trend, that started during the autumn of 2023, after the steep post-Pandemia decline. The freight rates have steadily increased over the last six months and the period fixture activity has been strong. According to Clarksons, the 6-12 months TC guidance for feeder ECO type with 2750 TEU container capacity is a solid USD 45.000/day, which is in strong contrast to pre-Pandemia figures at USD 10.000/day, while the peak during the Covid period showed USD 63.000/day as a perspective.

Behind the generally strong figures from the shipping markets is a somewhat mixed picture from the global economy. The development in USA is positive as the US economic growth outperformed expectations in Q2, with GDP rising 2.8% quarter over quarter on an annualised basis (3.1% y-o-y) according to Clarksons and the Bureau of Economic Analysis' advanced estimate, while China is imposing measures to hike up their present GDP growth around 5%. An interest rate cut has already been effectuated and further stimulus grips are being expected during the coming quarter to increase demand.

The supply of credit to the shipping sector maintains to be on a high level, provided for by banks, various funds and different lending platforms. This in combination with high earnings, faster amortization and shrinking loan portfolios has resulted in a fierce competition in the market for ship financing with a downward pressure on margins and upward pressure on leverage (loan-to-value). Maritime & Merchant Bank is adapting to its best ability in view of the described market conditions and seek what we regard as the appropriate balance between credit quality and attractive terms for our clients. We are pleased with the fact that we were able to provide slight increase during 2nd quarter of our loan portfolio on the background of the prevailing climate in the market. We are convinced that our execution model based on competence and relationships is sustainable and will provide corresponding opportunities ahead.

Profit for the period (01.01-30.06)
The profit for the period before tax is USD 8 908 725 (USD 9 435 628 - 30.06.2023) and profit after tax is USD 6 676 540 (*) (USD 7 076 654- 30.06.2023).

Net interest income and related income totalled USD 12 917 630 (USD 12 877 940), and other Income (including financial derivatives and fixed income instruments) was USD 557 525 (USD 551 774).

Operating expenses before impairments and losses totalled USD 4 547 680 (USD 4 232 064). The Cost/Income ratio came in at 33.7% (31.5%).

Loss allowance (Expected Loss) increased with USD 26 271 (decreased USD 237 978), due to increased lending. Credit Loss (Write Offs) was USD 0 (USD 0).

	2024 **01.04 - 30.06**	**2023** **01.04 - 30.06**	**2024** **01.01- 30.06**	**2023** **01.01 - 30.06**	**2023** **01.01 - 31.12**
Interest Income	12 454 232	11 076 520	25 032 736	22 308 361	45 318 489
Interest Expense	-6 102 874	-4 855 255	-12 115 106	-9 430 422	-19 139 633
Net Interest Income	**6 351 359**	**6 221 264**	**12 917 630**	**12 877 940**	**26 178 856**
Other Income	208 666	337 520	565 046	551 774	957 066
Total Income	**6 560 025**	**6 558 784**	**13 482 676**	**13 429 714**	**27 135 922**
Operating Expense	-2 309 441	-2 105 513	-4 547 680	-4 232 064	-8 743 298
Operating Result	**4 250 584**	**4 453 271**	**8 934 996**	**9 197 650**	**18 392 624**
Loss Allowance	136 542	76 144	-26 271	237 978	179 492
Write Off (Credit Loss)					
Sum Impairment	**136 542**	**76 144**	**-26 271**	**237 978**	**179 492**
Profit Before Tax	**4 387 126**	**4 529 415**	**8 908 725**	**9 435 628**	**18 572 116**
Tax*	-1 101 785	-1 132 354	-2 232 185	-2 358 975	-5 672 129
Profit After Tax*	**3 285 341**	**3 397 061**	**6 676 540**	**7 076 654**	**12 899 987**

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

Profit for the period (01.04-30.06)
The profit for the period before tax is USD 4 387 126 (USD 4 529 415 in Q2 2023) and profit after tax is USD 3 285 341 (USD 3 397 061 Q2 2023).

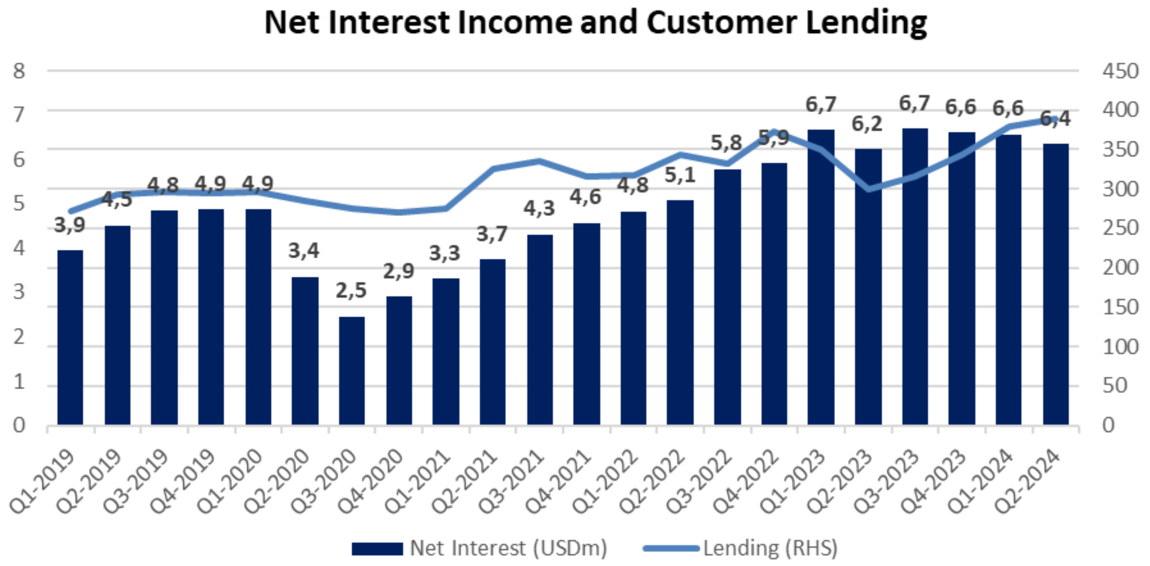
Net interest income and related income totalled USD 6 351 359 (USD 6 221 264), and other Income (including financial derivatives and fixed income instruments) was USD 208 666 (USD 337 520).

Operating expenses before impairments and losses totalled USD 2 309 441 (USD 2 105 513). The Cost/Income ratio came in at 35.2% (32.1%).

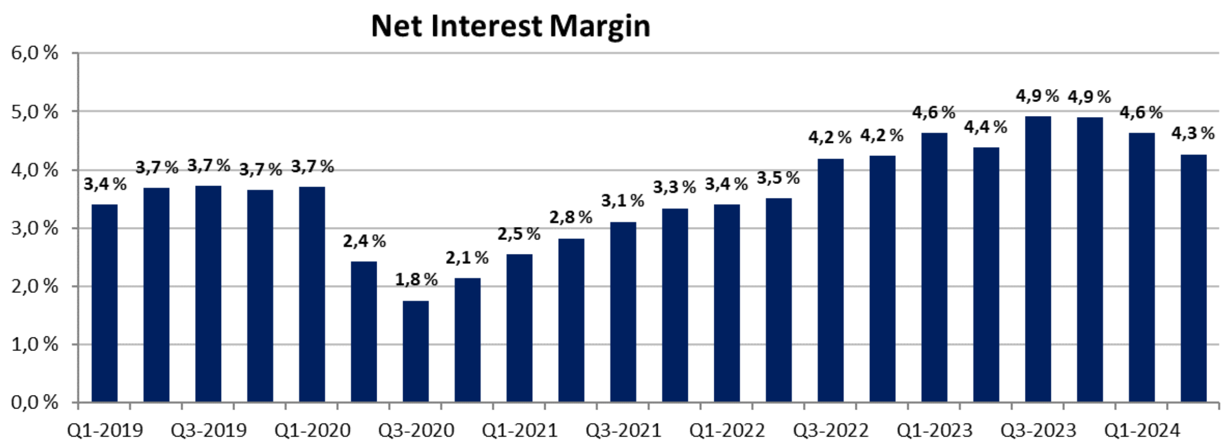
Loss allowance (Expected Loss) decreased USD 136 542 (decreased USD 76 144). Credit Loss (Impairments) was USD 0 (USD 0)

Net interest income and related income

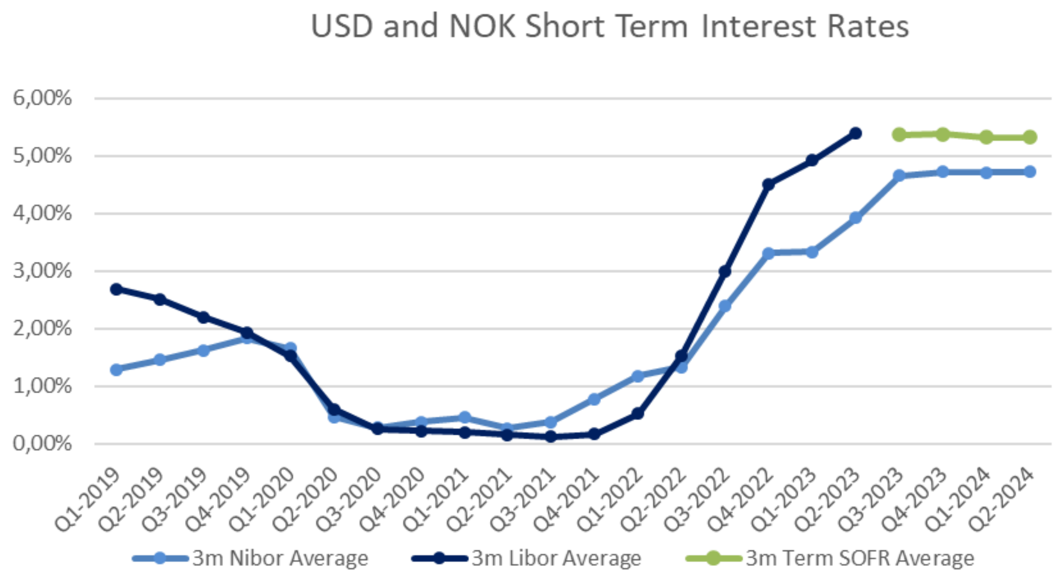
Net interest income and related income totalled USD 6 351 359 in Q2 (USD 6 221 264 in Q2 2023).



Net interest margin is 4.3%, down from 4.4% in Q2-2023 and 4.9% in Q4-2023, due to loan disbursements late in the quarter as well as downward pressure on loan margins.



Money market rates (daily average) in USD and NOK are stable



(Source: Infront, Maritime & Merchant Bank ASA)

Net other Income

Net other income amounted to USD 208 666 in Q2 2024 (USD 337 520 in Q2-2023).

Value adjustments on derivatives and hedging instrument in Q2 was USD 59 917 (USD 302 645 Q2-2023).

Net value adjustments on bonds was USD 67 442 (USD -49 381 in Q2-2023).

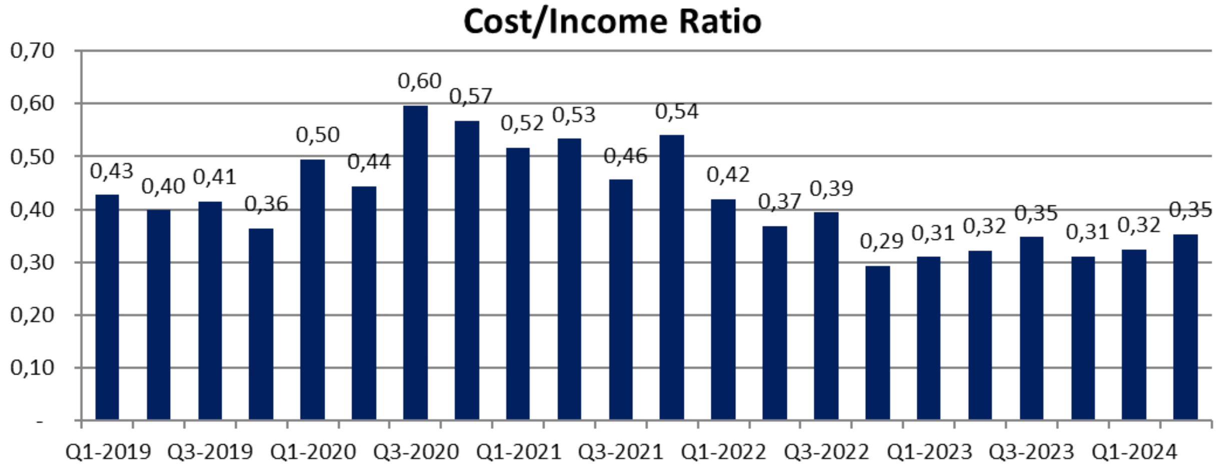
The principle of assessing financial instruments measured at fair value may lead to significant variation of the Bank's result between quarters.

Net commissions amounted to USD 73 787 in Q2 (USD 84 255 in Q2-2023).

Total operating expenses before impairments and losses

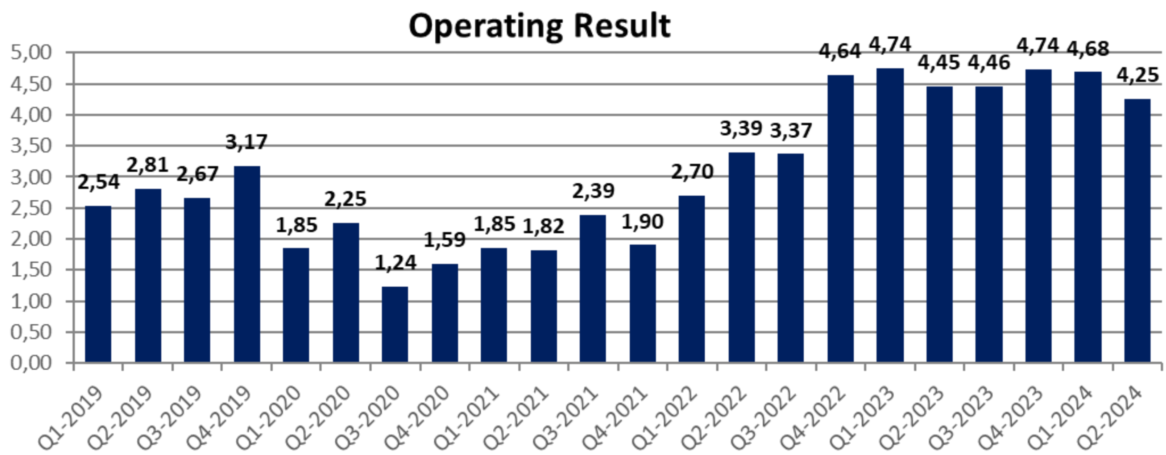
Operating expenses before impairments and losses totalled USD 2 309 441 in Q2 (USD 2 105 513 in Q2-2023). Salaries and personnel expenses, including social costs, amounted to USD 1 654 885 (USD 1 375 891 in Q2-2023) and account for the largest proportion of the overall operating expenses.

Total depreciation and impairment of fixed and intangible assets amounted to USD 80 781 (USD 90 631 in Q2-2023). The Cost/Income ratio came in at 35.2% in Q2 (32.1% in Q2-2023).



Operating result

Operating result in Q2 amounted to USD 4 250 584 (USD 4 453 271 in Q2-2023).



Loan and Loan Loss provisions

Maritime & Merchant Bank ASA has lent USD 389 709 894 (USD 300 247 587 in Q2 2023) to customers.

The Bank has made USD 1 760 798 (USD 1 676 041) in loss allowance (IFRS 9). Change in loss allowance this quarter amounts to USD -136 542 (USD -76 144).

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.

Higher Loss Allowances at the end of Q2 compared to those at the end of Q2 2023 is due to increased lending.

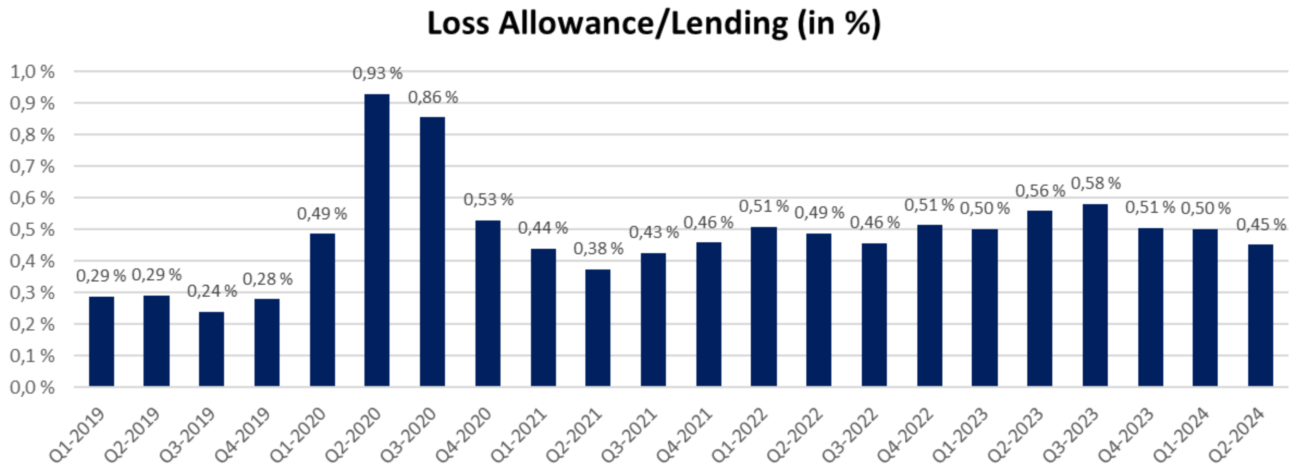
All commitments (100 %) are in step 1 (100% in Q2-2023).

The bank has no defaulted or non-performing loans by the end of the Q2.

Loss allowance	**30.06.2024**	**30.06.2023**	**31.12.2023**	**31.12.2022**
Step1	1 760 798	1 183 576	1 298 277	1 345 649
Step2	0 **	492 465*	436 250*	568 370*
Step3	0	0	0	0
Sum	1 760 798	1 676 041	1 734 527	1 914 019
Loss Allowance/Loan Ratio	0,45 %	0,56 %	0.51%	0.51%
Impairments	0	0		0
Non performing Loans	0	0	0	0

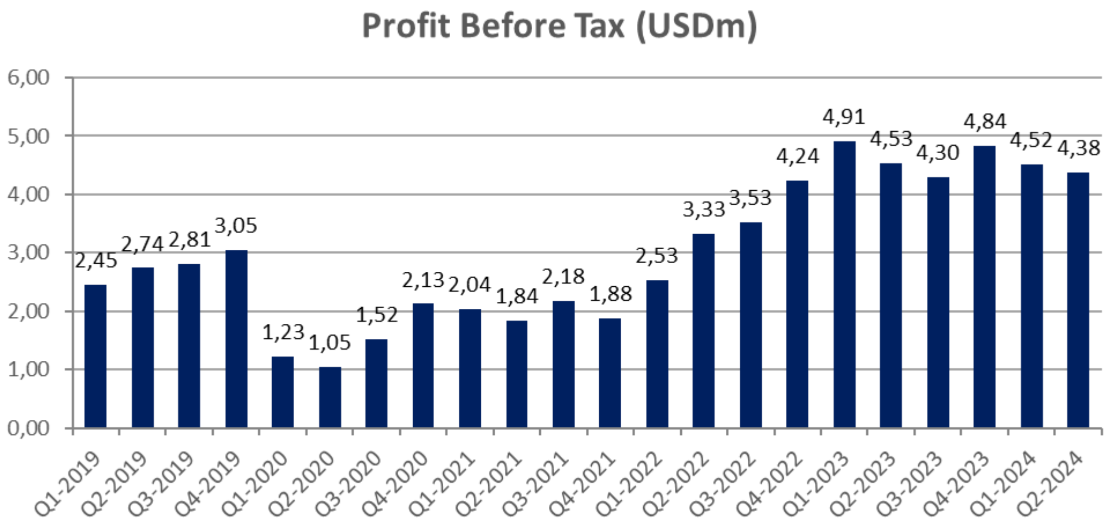
**Loss allowance in step 2 is a result of anticipated migration in the negative macro scenario.*

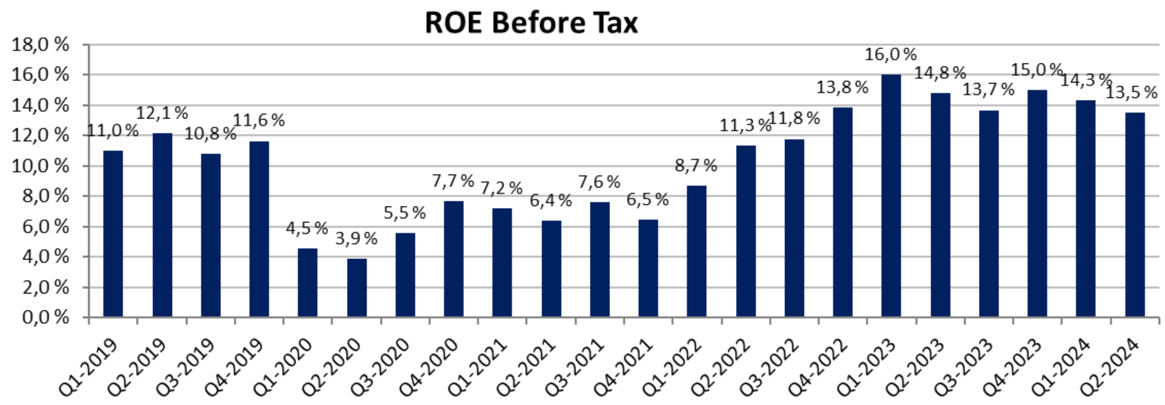
***No commitments are currently identified in step 2. Assigning migration due to macro analysis are discontinued from Q2-24. This does not affect total allowance.*



Profit before tax

Profit before tax amounted to USD 4 387 126 Q2 (USD 4 529 415 in Q2-2023).
Return on equity before tax was 13.5% (14.8% in Q2-2023).





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.

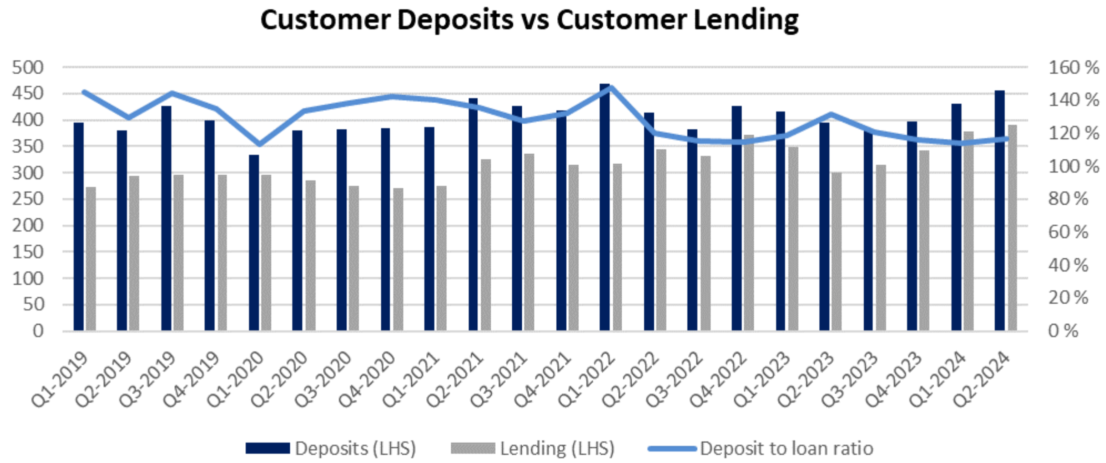
The volatility of the NOK against the USD has given the Bank an unintended volatility in the tax expense, due to currency gains/losses related to our equity.
The Bank has started a process for a rule adjustment for the basis of tax calculation that prevents unintended effects for the future.

Common 25% corporate tax rate is used in the first two 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 10.65545 as of 30.06.2024.

The agio effect (unintended taxable income/cost) for YTD 2024 is positive NOK 63 600 510. This “phantom” income will result in an increased tax of NOK 15 900 128 (USD 1 492 206).

See Note 5, Tax Calculation.

Deposit and Liquidity
Customer deposits amounted to USD 455 516 297 in Q2-2024 (USD 395 537 313 Q2-2023).



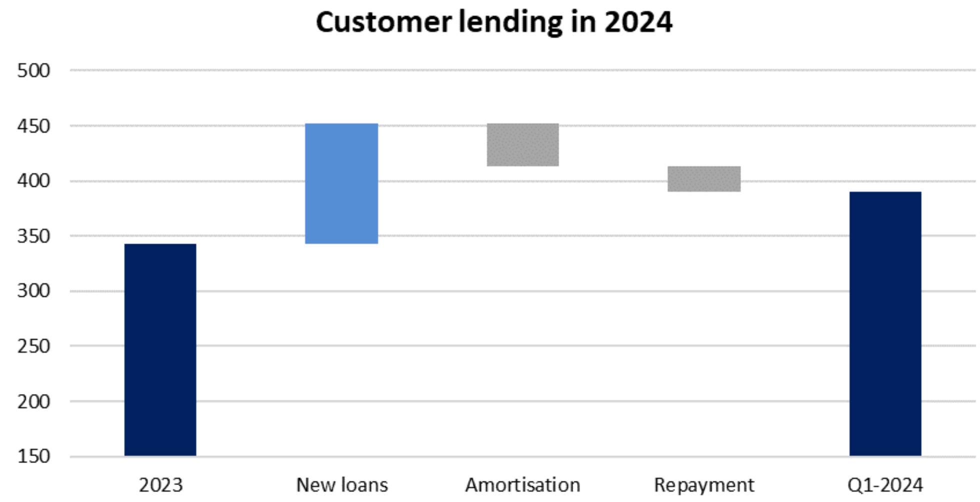
The deposit to loan ratio was 117% at the end of Q2 2024 (132% in Q2 -2023).

The liquidity situation has been good throughout the quarter. Surplus liquidity of about USD 212 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 650% (above a minimum requirement of 100%), and the long-term liquidity risk measured by NSFR (net Stable Funding Ratio) was 161% (above a minimum requirement of 100%).

Total Assets and Lending
Total assets ended at USD 602 989 116 in Q2 2024 (USD 558 289 096 in Q2 2023).

Lending to customers increased from USD 342 910 692 in Q4 2023 to USD 389 709 894 in Q2 2024 (USD 300 247 857 in Q2-2023).



Solvency
Core equity ratio (CET1) was 31.9 % 30.06.2024 (37.2% 30.06.2023).
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

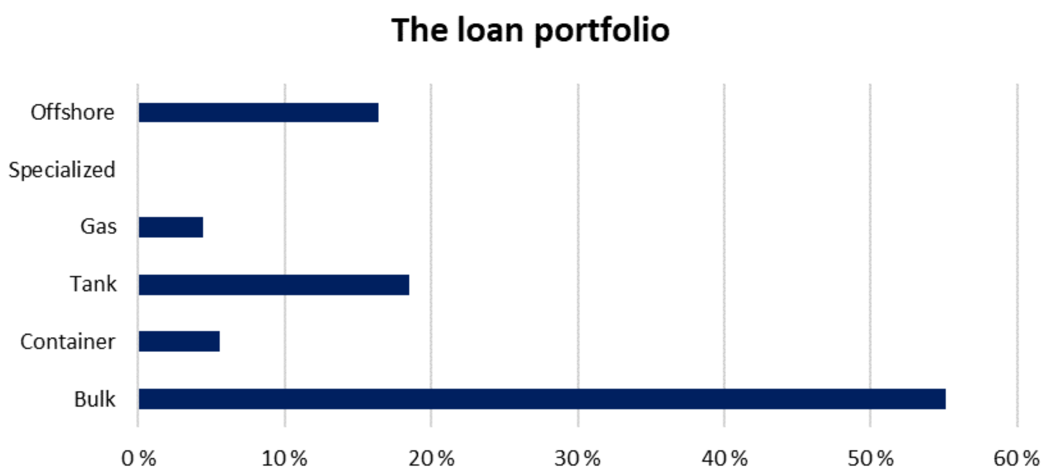
Credit risk

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 (55.1%), tankers (18.5%), container vessels (5.6%), LPG (gas) (4.4%), offshore/supply (16.4%) 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, if at all, 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 we have not been made aware that any of our financed vessels has received an E rating. 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.

	30.06.2024	**30.06.2023**	**31.12.2023**	**31.12.2022**	**31.12.2021**
LCR	650%	482%	750%	450%	564%
Deposit Ratio *(1)*	75%	74%	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	33.7%	31.5%	32.2%
Return on Equity before tax	14.1%	15.4%	15.1%
Net Income Margin	4.71%	4.75%	5.0%
Net Interest Margin	4.51%	4.55%	4.8%
Deposit to loan Ratio	117%	132%	115%
LCR	650%	722%	750%
NPL Ratio	0%	0%	0%
Equity Ratio (CET1)	31.9%	37.2%	34.0%
Loss allowance/Loan ratio	0.45%	0.56%	0.51%

Ratio formulas, se Appendix 1

Outlook

The shipping markets ahead for the next half-years looks generally positive, with the usual provisions for unexpected events. The geo-political tensions are dominating the headlines and the various outcomes are very uncertain as there is always a fare for escalated developments. In Maritime & Merchant Bank we feel we are well positioned to meet the demand from our clients world-wide and we are looking forward to continuing to be of service.

Oslo August 15th, 2024

Board of Directors, Maritime & Merchant Bank ASA

Statement of Profit & Loss

- In USD	*Note*	2024 01.04-30.06	2023 01.04-30.06	2024 01.01-30.06	2023 01.01-30.06	2023 01.01 - 31.12
Interest income and related income						
Interest income from customers (effective Interest method)		9 896 139	8 855 189	19 648 433	18 427 877	36 560 104
Interest from certificates and bonds		1 548 561	1 210 460	3 159 527	2 281 200	5 359 104
Interest from credit institutions (effective interest method)		1 009 532	1 010 871	2 224 776	1 599 284	3 399 282
Total interest income and related income		**12 454 232**	**11 076 520**	**25 032 736**	**22 308 361**	**45 318 489**
Interest expenses						
Interest and similar expenses of debt to credit institutions		0	0		0	0
Interest and related expenses of debt to customers		-5 379 091	-3 500 854	-10 598 653	-6 765 458	-14 905 710
Net interest expenses from financial derivatives		-657 933	-1 283 525	-1 382 388	-2 518 709	-3 939 409
Other fees and commissions		-65 849	-70 876	-134 065	-146 255	-294 515
Net interest expenses and related expenses		**-6 102 874**	**-4 855 255**	**-12 115 106**	**-9 430 422**	**-19 139 633**
Net interest income and related income		**6 351 359**	**6 221 264**	**12 917 630**	**12 877 940**	**26 178 856**
Commissions, other fees and income from banking		97 433	105 231	214 039	269 925	408 489
Commissions, other fees and expenses from banking		-23 646	-20 976	-46 723	-43 376	-91 209
Net value adjustments on foreign exchange and financial derivatives		59 917	302 645	213 574	391 939	425 984
Net value adjustments on interest-bearing securities		67 442	-49 381	176 636	-66 714	213 802
Other operating income		7 520	-1	7 520	**-1**	**0**
Total income		**6 560 025**	**6 558 784**	**13 482 676**	**13 429 714**	**27 135 922**
Salaries, administration and other operating expenses						
Salaries and personnel expenses		-1 654 885	-1 375 891	-3 290 696	-2 850 824	-6 030 990
Administrative and other operating expenses		-573 775	-638 992	-1 094 439	-1 179 928	-2 357 290
Net salaries, administration and other operating expenses		**-2 228 660**	**-2 014 882**	**-4 385 135**	**-4 030 752**	**-8 388 280**
Total depreciation and impairment of fixed and intangible assets	**8**	**-80 781**	**-90 631**	**-162 545**	**-201 312**	**-355 019**
Total operating expenses		**-2 309 441**	**-2 105 513**	**-4 547 680**	**-4 232 064**	**-8 743 298**
Operating result		**4 250 584**	**4 453 271**	**8 934 996**	**9 197 650**	**18 392 624**
Loan loss provisions (IFRS - 9)	**4**	136 542	76 144	-26 271	237 978	179 492
Impairments (Credit Loss)		0	0		0	
Profit (+) / Loss (-) for the period before tax		**4 387 126**	**4 529 415**	**8 908 725**	**9 435 628**	**18 572 116**
Incomel Tax	**5**	**-1 101 785**	**-1 132 354**	**-2 232 185**	**-2 358 975**	**-5 672 129**
Result for the period after tax		**3 285 341**	**3 397 061**	**6 676 540**	**7 076 654**	**12 899 987**
Comprehensive result for the period		**3 285 341**	**3 397 061**	**6 676 540**	**7 076 654**	**12 899 987**

Q2 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	30.06.2024	30.06.2023	31.12.2023
Cash and balances at Central Bank		**6 395 908**	**6 065 782**	**6 545 566**
Lending to and receivables from credit institutions		**92 794 239**	**123 825 166**	**59 414 387**
Lending to customers	4	389 709 894	300 247 857	342 910 692
Loss provisions on loans to customers	4	-1 760 798	-1 676 041	-1 734 527
Net lending to cutomers		**387 949 096**	**298 571 817**	**341 176 165**
Certificates, bonds and other receivables				
Commercial papers and bonds valued at market value	4	112 843 055	127 667 137	135 607 625
Commercial papers and bonds valued at amortised cost		0	0	0
Certificates, bonds and other receivables		**112 843 055**	**127 667 137**	**135 607 625**
Shares		**272 567**	**238 561**	**242 726**
Intangible assets				
Deferred tax assets		0	0	0
Other intangible assets	8	106 165	4 526	61 479
Total intangible assets		**106 165**	**4 526**	**61 479**
Fixed assets				
Fixed assets	8	1 208 956	1 462 760	1 349 772
Total fixed assets		**1 208 956**	**1 462 760**	**1 349 772**
Other assets				
Financial derivatives	9	775 901	0	2 387 368
Other assets		181 611	10 605	71 565
Total other assets		**957 513**	**10 605**	**2 458 933**
Expenses paid in advance				
Prepaid, not accrued expenses		461 617	442 743	257 359
Total prepaid expenses		**461 617**	**442 743**	**257 359**
TOTAL ASSETS		**602 989 116**	**558 289 096**	**547 114 013**

Liabilities and shareholders equity				
- In USD		30.06.2024	30.06.2023	31.12.2023
Liabilities				
Loans and deposits from credit institutions		0	0	0
Deposits from and liabilities to customers		455 516 297	395 537 313	397 316 100
Total loans and deposits		**455 516 297**	**395 537 313**	**397 316 100**
Other liabilities				
Financial derivatives	9	8 365 357	30 458 197	8 120 584
Other liabilities	10	5 225 283	5 860 603	9 403 332
Total other liabilities		**13 590 640**	**36 318 800**	**17 523 916**
Accrued expenses and received unearned income				
Accrued expenses and received unearned income	10	775 849	682 387	691 422
Total accrued expenses and received unearned income		**775 849**	**682 387**	**691 422**
Total Liabilities		**469 882 787**	**432 538 501**	**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	-421 808	-413 161
Retained earnings		29 654 761	22 314 882	28 138 216
Total other equity		**29 248 808**	**21 893 074**	**27 725 055**
Total shareholder equity		**133 106 329**	**125 750 595**	**131 582 575**
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		**602 989 116**	**558 289 096**	**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

- *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	30.06.2024	30.06.2023	31.12.2023
Cashflow from operational activities			
Profit before tax	8 908 725	9 435 628	18 572 116
Change in loans to customers excluding accrued interest	-44 338 390	71 697 783	27 299 377
Change in deposits from customers excluding accrued interest	47 753 617	-36 518 597	-28 267 739
Change in loans and deposits from credit institutions	0	0	0
Change in certificates and bonds	22 764 570	3 522 973	-4 417 515
Change in shares, mutual fund units and other securities	-29 840	-46 717	-50 882
Change in financial derivatives	1 856 240	16 318 764	-8 406 217
Change in other assets and other liabilities	-4 407 925	-4 779 880	-1 103 693
Interest income and related income from customers	-19 648 433	-18 427 877	-36 560 104
Interest received from customers	17 213 891	18 557 072	38 483 356
Net interest expenses and related expenses to customers	10 598 653	6 765 458	14 905 710
Interest paid to customers	-152 072	-293 386	-14 905 710
Ordinary depreciation	162 523	200 442	355 019
Other non cash items	38 691	41 793	19 357
Net cash flow from operating activities	**40 720 251**	**66 473 456**	**5 923 076**
Payments for acquisition of assets	-79 571	-12 844	-71 327
Net cash flow from investing activities	**-79 571**	**-12 844**	**-71 327**
Issuance of equity	0	0	0
Lease payments	-186 650	-174 334	-346 136
Dividend Payments	-5 159 995	-4 000 000	-4 000 000
Net cash flow from financing activities	**-5 346 645**	**-4 174 334**	**-4 346 136**
Effect of exchange rate changes and other	**-2 063 840**	**-2 156 219**	**-5 306 549**
Sum cash flow	**33 230 195**	**60 130 059**	**-3 800 937**
Net change in cash and cash equivalents	33 230 195	60 130 059	-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 30.06.	**99 190 147**	**129 890 948**	**65 959 953**

Notes 30.06.2024.

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 two 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 30.06.2024: 10.65545 (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	30.06.2024	31.12.2023	30.06.2023
Share capital	9 709	9 709	9 709
+ Other reserves	123 398	121 874	116 042
- Dividend		- 5 160	
- Deferred tax assets and intangible assets	- 106	- 61	- 5
- This year's result	- 6 677		- 7 077
- Adjustments to CET1 due to prudential filters	-122	- 144	- 158
Common Equity Tier 1 (CET 1)	**126 201**	**126 215**	**118 511**
Calculation basis			
Credit Risks			
+ Bank of Norway	-	-	-
+ Local and regional authorities	-	-	-
+ Institutions	18 013	13 477	20 385
+ Companies	325 487	302 069	254 341
+ Covered bonds	10 035	12 245	11 523
+ Shares	273	243	239
+ Other assets	1 852	1 679	1 916
Total Credit risks	**355 659**	**329 713**	**288 403**
+ Operational risk	36 902	38 674	28 137
+ Counterparty risk derivatives (CVA-risk)	2 704	2 944	2 193
Total calculation basis	**395 265**	**371 330**	**318 733**
Capital Adequacy			
Common Equity Tier 1 %	**31.93 %**	**33.99 %**	**37.18 %**
Total capital %	**31.93 %**	**33.99 %**	**37.18 %**

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 1.5516.

Exposure in the scenario model is the same as at 30.06.2024.

Loss Allowance and Impairments

Loss allowance	**30.06.2024**	**31.06.2023**	**31.12.2023**	**31.12.2022**	**31.12.2021**
Step1	1 760 798	1 183 576	1 298 277	1 345 649	618 860
Step2	0	492 465	436 250	568 370	826 436
Step3	0	0	0	0	0
Sum	1 760 798	1 676 041	1 734 527	1 914 019	1 445 296
Allowance/Loan Ratio	0.45 %	0.56 %	0.51 %	0.51 %	0.46 %
Impairments	0	0	0	0	0

The loss allowance has increased since year-end 2023 due to a higher loan portfolio.

Loans where no loss provision has been recognized due to collateral:
30.06.2024: 0
30.06.2023: 0

Remaining exposure from credit impaired loans and loss exposed loans:

30.06.2024	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

30.06.2023	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	1 057 000
Unchanged	1 085 000
Vessel value down	2 416 000

30.06.2024

	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	- 74 873	-	-	- 74 873
Amortization	- 210 123	-		- 210 123
New commitments	365 077			365 077
Effect of Scenario Adjustment	382 439	- 436 250		- 53 811
Allowance as of 30.06.2024	**1 760 798**	**- 0**	**-**	**1 760 797**
Lending to customers 30.06.2024	389 709 894	-	-	*389 709 894*
Loans not disbursed	0			
Allowance: Loans not disbursed	-			-
Net Change in Loss allowance	**462 521**	**-436 250**	**0**	**26 271**

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.

30.06.2023

	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	28 550	-	-	28 550
Amortization	- 230 421	-		- 230 421
New commitments	126 339			126 339
Effect of Scenario Adjustment	- 86 541	- 75 905		- 162 446
Allowance as of 30.06.2023	**1 183 576**	**492 465**	**-**	**1 676 041**
Lending to customers 30.06.2023	255 553 623	*44 694 234*	-	*300 247 857*
Loans not disbursed	0			
Allowance: Loans not disbursed	-			-
Net Change in Loss allowance	**-162 074**	**-75 905**	**0**	**- 237 978**

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

30.06.2024

Amounts in USD	Very low risk	Low risk	Moderate risk	High risk	Loss exposed	Sum
Deposit with Central Bank	6 395 908					6 395 908
Deposits with credit institution	92 794 239					92 794 239
Certificates and bonds	112 843 055					112 843 055
Shares and other securities			272 567			272 567
Loans to customers		95 433 922	294 275 972	0	0	389 709 894
Total	**212 033 202**	**95 433 922**	**294 548 538**	**0**	**0**	**602 015 663**
Committed loans, not disbursed			5 500 000			

30.06.2023

Amounts in USD	Very low risk	Low risk	Moderate risk	High risk	Loss exposed	Sum
Deposit with Central Bank	6 065 782					6 065 782
Deposits with credit institution	123 825 166					123 825 166
Certificates and bonds	127 667 137					127 667 137
Shares and other securities			238 561			238 561
Loans to customers		60 096 176	240 151 681	0	0	300 247 857
Total	**257 558 085**	**60 096 176**	**240 390 242**	**0**	**0**	**558 044 503**
Committed loans, not disbursed			21 500 000			

Lending to customers by segment

	Q2 2024		Q2 2023		Q4 2023	
Sector	**USD**	**Share %**	**USD**	**Share %**	**USD**	**Share %**
Bulk	214 730 151	55 %	175 644 997	59 %	192 715 809	56 %
Container	21 823 754	6 %	15 612 889	5 %	14 059 338	4 %
Tank	72 096 330	19 %	96 980 058	32 %	100 815 743	29 %
Gas	17 147 235	4 %	12 009 914	4 %	8 572 767	3 %
Specialized	-	0 %	-	0 %	-	0 %
Offshore	63 912 423	16 %	-	0 %	26 747 034	8 %
Sum	**389 709 894**	**100,000 %**	**300 247 857**	**100,00 %**	**342 910 692**	**100.000 %**

Bonds and certificates: Risk Weight

Risk Weight	Q2 2024 Fair Value	Q2 2023 Fair Value	2023 Fair Value
0 %	12 496 592	12 436 495	13 153 323
10 %	100 346 463	115 230 643	122 454 303
20 %			
100 %			
Total	**112 843 055**	**127 667 137**	**135 607 626**

Bonds and certificates: Rating

Rating	Q2 2024 Fair Value	Q2 2023 Fair Value	2023 Fair Value
AAA	108 040 938	122 892 711	130 556 680
AA+	4 802 117	4 774 426	5 050 946
AA	0	0	0
A	0	0	0
Total	**112 843 055**	**127 667 137**	**135 607 626**

Bonds and certificates: Sector

Sector	Q2 2024 Fair Value	Q2 2023 Fair Value	2023 Fair Value
Supranationals	1 935 424	1 933 669	2 041 996
Local authority	10 561 167	10 502 825	11 111 327
Credit Institutions	100 346 463	115 230 643	122 454 303
Bank	-		-
Total	**112 843 055**	**127 667 137**	**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	8 908 725	94 926 474
Tax related agio on equity	-	-
Basis for Tax Calculation	8 908 725	94 926 474
Calculated Tax	**2 232 185**	**23 784 932**

2) Full currency agio on Equity (Previous method)

	USD	NOK
Profit Before Tax	8 908 725	94 926 474
Tax related agio on equity	5 968 824	63 600 510
Basis for Tax Calculation	14 877 549	158 526 984
Calculated Tax	**3 724 391**	**39 685 059**

The calculated tax for the period is 42% 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.

30.06.2024

Amounts in USD 1000	Level 1	Level 2	Level 3	Total
Certificates and bonds	0	112 843	0	112 843
Shares and other securities	0	0	0	0
Financial derivatives	0	776	0	776
Total financial assets	**0**	**113 619**	**0**	**113 619**
Financial derivatives	0	8 365	0	8 365
Total financial liabilities	**0**	**8 365**	**0**	**8 365**

30.06.2023

Amounts in USD 1000	Level 1	Level 2	Level 3	Total
Certificates and bonds	0	127 667	0	127 667
Shares and other securities	0	0	0	0
Financial derivatives	0	-0	0	-0
Total financial assets	**0**	**127 667**	**0**	**127 667**
Financial derivatives	0	30 458	0	30 458
Total financial liabilities	**0**	**30 458**	**0**	**30 458**

Note 7, Financial pledges

The Bank has pledged NOK 96 250 000 of deposits as collateral for financial derivatives.

Note 8, Other intangible assets and fixed assets

- In USD	**30.06.2024**		**30.06.2023**	
	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	-242 766	-160 077
Additions	49 366	30 205		12 844
Disposals and retirement	-509 983	-21 014		-280 933
Cost or valuation at end of period	**155 587**	**2 730 300**	**3 612 725**	**2 554 935**
Accumulated depreciation and impairment at 01.01.	-554 726	-1 317 047	-3 806 667	-1 322 905
Exchange and other adjustments	-3 106	-64 339	239 536	109 171
Depreciation charge this year	-1 574	-160 971	-41 067	-159 375
Disposals and retirement	509 983	21 014		280 933
Accumulated depreciation and impairment at end of period	**-49 422**	**-1 521 343**	**-3 608 198**	**-1 092 175**
Balance sheet amount at end of period	**106 165**	**1 208 956**	**4 526**	**1 462 760**
Economic lifetime	*5 years*	*3 years*	*5 years*	*3 years*
Depreciation schedule	*Linear*	*Linear*	*Linear*	*Linear*

Fixed assets	**30.06.2024**	**30.06.2023**
Right to use assets	1 177 403	1 447 473
Other	31 554	15 286
Sum fixed assets	**1 208 956**	**1 462 760**

LIABILITIES

Note 9, Other assets and financial derivatives.

30.06.2024

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	235 000		2 429 275	776	8 330
Buy/Sell EUR against NOK		4 700	53 134	0	35
Total Currency Derivatives	**235 000**	**4 700**	**2 482 409**	**776**	**8 365**

30.06.2023

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	195 000		1 793 130	0	29 656
Buy/Sell EUR against NOK		6 200	64 201	0	802
Total Currency Derivatives	**195 000**	**6 200**	**1 857 331**	**0**	**30 458**

Note 10, Other Liabilities and accrued cost

- In USD	**30.06.2024**	**30.06.2023**
Account payables	116 415	46 207
Tax withholdings	154 331	147 200
VAT payable	84 378	70 666
Tax payable	2 232 185	2 358 975
Deferred tax	1 034 071	1 183 251
Lease liability	1 244 023	1 507 905
IFRS-9 Allowance (loans not disbursed)	-	-
Other liabilities	359 881	546 399
Total other liabilities	**5 225 283**	**5 860 603**
Holiday pay and other accrued salaries	720 479	624 409
Other accrued costs	55 371	57 979
Total accrued costs	**775 849**	**682 387**

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 57 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	Deutsche Bank Aktiengesellschaft		6 667 000	8.16 %
6	Canomaro Shipping AS		4 388 990	5.37 %
7	Titan Venture AS		4 223 770	5.17 %
8	Ole Einar Bjørndalen		1 642 625	2.01 %
9	DNB Luxembourg S.A.		905 000	1.11 %
10	Spar Kapital Investor AS		730 070	0.89 %
	Others		5 963 445	7.30 %
		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.