MPC CONTAINER SHIPS

FINANCIAL REPORT

Q1 2024

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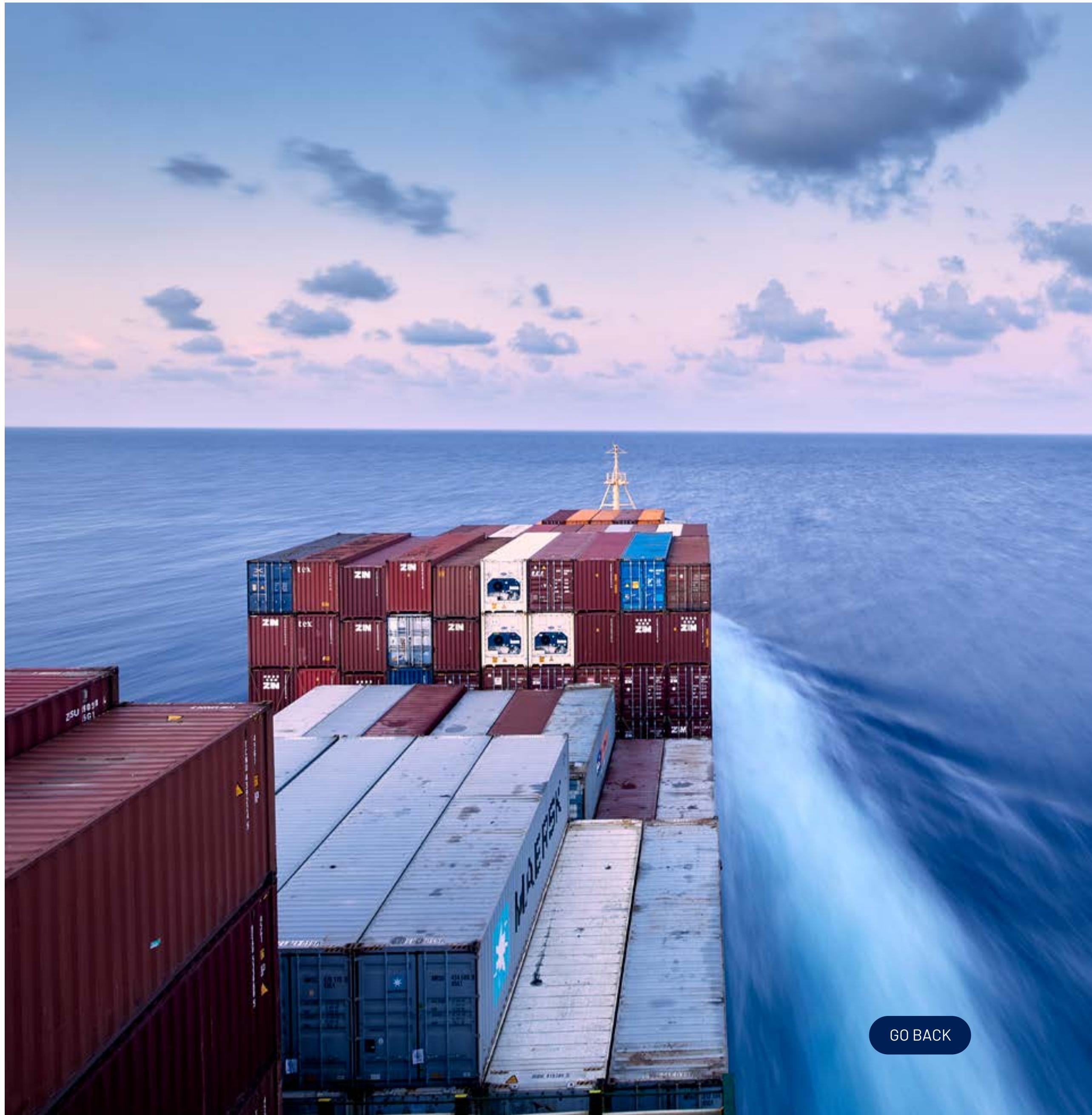
HIGHLIGHTS

First Quarter 2024

+ Robust financial and operational performance with high utilization and continuation of low leverage strategy.
+ Successfully delivered three wholly-owned vessels to new owners, and entered into an agreement to sell one wholly-owned vessel with scheduled delivery in Q2 2024.
+ Entered into a joint venture investment to build a 1,300 TEU dual-fuel methanol newbuilding, backed by a 7-year time-charter agreement with Unifeeder A/S post-delivery.
+ The Board of Directors has declared a recurring dividend of USD 0.13 per share for the first quarter of 2024, payable on or about June 27, 2024.



KEY FIGURES

KEY FIGURES		Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Operating revenues	USD m	147.5	180.1
EBITDA	USD m	96.1	141.4
Adjusted EBITDA[1]	USD m	96.3	110.7
Profit for the period	USD m	76.5	119.7
Adjusted profit for the period[1]	USD m	76.7	88.9
Operating cash flow	USD m	90.3	135.0
EPS	USD	0.17	0.27
Adjusted EPS[1]	USD	0.17	0.20
DPS[2]	USD	0.13	0.22
Total ownership days	days	5,282	5,243
Total trading days	days	5,225	4,928
Utilization[1]		98.9%	97.1%
Adjusted average TCE[1]	per day	27,452	30,989
Adjusted average Opex[1]	per day	6,915	6,397
Leverage ratio[1]		13.2%	15.2%

[1] Key figures include Alternative Performance Measures (APM). Refer to the APM section for definitions, explanations, and reconciliations of the APM's.
[2] Dividends per share (DPS) comprises the recurring dividend per share and any event-driven dividends per share declared for the period.

LETTER TO SHAREHOLDERS

Constantin Baack
CEO

Moritz Fuhrmann
Co-CEO and CFO

Dear shareholders, we are pleased to present MPC Container Ships' Q1 2024 financial report, highlighting our resilience and agility amid a dynamic market landscape. We continue to report strong operational performance and new strategic advancements. We have maintained our financial strength, delivered solid results, and made further progress in our fleet renewal and optimization efforts.

Navigating a Dynamic Market and Geopolitical Developments

The shipping industry continues to be faced with geopolitical events, particularly the ongoing Red Sea Crisis and vessel attacks by the Houthi movement. These events have led carriers to reroute vessels around the Cape of Good Hope, disrupting supply-demand dynamics and resulting in significantly increased freight- and charter rates.

Over recent months, the market has firmed up considerably, with smaller vessels now being fixed on charters for 12 to 24 months or longer and increasingly on forward charter positions, driving an improved contract coverage and earnings visibility. Still, outlook remains uncertain due to the potential resolution of the Red Sea Crisis and the increased supply of new vessels in the larger segments, which could change the current supply-demand dynamics.

Strong Financial Results and High Utilization

MPCC delivered robust operational and financial performance in the first quarter. Our revenues were bolstered by high utilization, driven by the rescheduling of several dry-docks to the latter half of the year. We maintained a strong balance sheet, operating with low leverage of 13.2% and with net debt of negative USD 22.4 million at the end of the quarter, reflecting our commitment to maintaining financial strength and strong liquidity.

We also remain committed to providing strong shareholder returns. The Board has declared a recurring dividend of USD 0.13 per share for the first quarter, amounting to USD 57.7 million, bringing the year-to-date dividend yield to approximately 20%. Additionally, we ended the quarter with a charter backlog of USD 0.9 billion and contract coverage for 84% of open days remaining for 2024 and 47% for 2025, ensuring continued good earnings visibility.

Fleet Renewal and Optimization: Advancing Sustainability and Efficiency

We continue to execute our strategy of fleet renewal and optimization with new milestones achieved during the last few months. During the quarter we continued our strategy of selling older, less efficient ships in the fleet and we signed a joint investment contract with Unifeeder for the construction of our third 1,300 TEU dual-fuel methanol newbuilding. Furthermore, the retrofit of our vessel AS Nora has been successfully completed, significantly enhancing the vessel's efficiency and environmental performance. Additionally, we recently celebrated the naming ceremony for our two new eco-designed 5,500 TEU vessels, MACKENZIE and COLORADO. With a 40% lower fuel consumption compared to the previous generation of container vessels and the option to convert them to methanol operations, they represent an integral part of our fleet renewal and emission reduction strategy.

These retrofits and newbuildings not only improve our fleet's efficiency but also align with our commitment to sustainable shipping solutions. By incorporating environmentally sustainable technologies, we are strategically positioning MPCC to invest in and capitalize on the transition towards greener shipping practices, thereby enhancing long-term shareholder value.

Strong Foundation for Strategic Development and Shareholder Value Creation

As we move forward, we remain committed to leveraging our strong financial foundation, operational excellence, and sustainable initiatives to seize emerging opportunities, drive growth, and maximize shareholder value.

Thank you for your continued support and confidence in MPC Container Ships.

Sincerely,

Constantin Baack
CEO
MPC Container Ships ASA

Moritz Fuhrmann
Co-CEO and CFO
MPC Container Ships ASA

By incorporating environmentally sustainable technologies, we are strategically positioning MPCC to invest in and capitalize on the transition towards greener shipping practices.

FINANCIAL REVIEW

Financial Performance

The Group's vessels are chartered out on time charter contracts to global and regional liner shipping companies. Operating revenues for the first quarter of 2024 were USD 147.5 million (Q4 2023: USD 152.8 million), compared with USD 180.1 million for the same quarter in 2023. Gross profit from vessel operations was USD 100.1 million (Q4 2023: USD 105.2 million), compared with USD 144.4 million in the same quarter of 2023. The average TCE per trading day for the first quarter of 2024, was USD 27,452 (Q4 2023: USD 27,405) as compared to USD 30,989 (adjusted) in the corresponding quarter in 2023. Refer for further information to the APM section. In the first quarter of 2024, the Group completed the sale of three wholly-owned vessels that were previously classified as "Vessels held for sale". See Note 6 further details.

The Group reported a profit for the period of USD 76.5 million as compared to USD 119.7 million for the same quarter in 2023.

Financial Position

The Group's total assets amounted to USD 958.5 million as at March 31, 2024 compared to USD 954.7 million as at December 31, 2023. Total non-current assets of USD 773.4 million as at March 31, 2024 (USD 773.3 million as at December 31, 2023) reflected the carrying amounts of the vessels operated by the Group, and newbuildings as well as investments in associate and joint venture. In January 2024, the Group partnered with Unifeeder A/S (Unifeeder) in a joint investment for the construction of a 1,300 TEU container vessel at a Chinese shipyard. The vessel is equipped with a dual-fuel engine that are able to operate on green methanol. In the first quarter of 2024, the Group and Unifeeder each paid USD 4.0 million to the joint venture company as mandatory capital contribution. See Note 5 and Note 7 for further details. The decrease in the carrying amounts of vessels is primarily due to regular depreciation of USD 17.7 million, which was offset by CAPEX additions of USD 5.9 million. See further in Note 6. In 2024, the Group recognized USD 6.6 million additions for its newbuilding program. See further in Note 7.

Total equity was USD 772.6 million as at March 31, 2024, up from USD 753.5 million as at December 31, 2023, and included a non-controlling interest of USD 3.6 million (USD 3.8 million as at December 31, 2023). The change in equity was mainly due to profit for first quarter of 2024 of USD 76.5 million, offset by the dividend payments of USD 57.9 million.

As at March 31, 2024, the Group had total interest-bearing debt of USD 126.4 million (USD 126.5 million as at December 31, 2023). See further in Note 9.

Cash Flows

In the first quarter of 2024, the Group generated a positive cash flow from operating activities of USD 90.3 million, down from USD 135.0 million for the corresponding period in 2023 due to reduced number of operating vessels and lower charter rate of the vessels employed. Cash flow from investing activities was negative USD 1.2 million, mainly due net cash proceeds of USD 25.0 million received from the sale of three wholly-owned vessels that were previously classified as "Vessels held for sale". This is offset by dry dockings and vessel upgrades of USD 5.9 million. In the first quarter 2024, the Group paid USD 17.7 million for the newbuilding program of which USD 11.1 million was capitalized in the fourth quarter of 2023. Furthermore, the Group contributed USD 4.0 million to the joint venture company with Unifeeder. See Note 5 for further details. Cash flow from financing activities in the first quarter of 2024 was negative USD 62.8 million. In the first quarter, the Group paid total dividends including non-controlling interests of USD 57.9 million and repaid USD 7.4 million of its outstanding loan from BoComm Leasing and its HCOB loan facility. This was then offset by the proceeds of USD 7.2 million loan drawdown from Credit Agricole.

Cash and cash equivalents as at March 31, 2024 amounted to USD 148.9 million including restricted cash compared with USD 122.6 million as at December 31, 2023. Total restricted cash as at March 31, 2024 was 7.3 million, compared with USD 5.0 million as at December 31, 2023.

The Fleet

As at March 31, 2024, the Group's fleet consisted of 56 vessels, with an aggregate capacity of approximately 126,035 TEU.

In the first quarter of 2024, the Group delivered and completed the sale of three previously held for sales vessels, AS Petra, AS Paulina, and AS Pauline to an unrelated party for a total of USD 25.2 million. See further in Note 6.

In February 2024, the Group entered into an agreement to sell its 2006-built vessel, AS Clarita, to an unrelated party for a total of USD 10.3 million. The vessel is expected to be delivered in the second quarter of 2024.

In April 2024, the Group entered into an agreement sell its wholly-owned 2007-built, AS Nadia and 2009-built AS Ragna collectively to an unrelated party for USD 25.5 million. The delivery of AS Nadia was completed in April 2024 while the delivery of AS Ragna is scheduled to be completed between June to August 2024.

Newbuilding Program

As at March 31, 2024, the Group's newbuilding program consisted of four vessels, of which two 5,500 TEU eco-design vessels are expected to be delivered in the second and third quarter of 2024. The other two vessels are 1,300 TEU container vessels equipped with dual-fuel engines that are able to operate on green methanol. They are expected to be delivered in late 2024. See further in Note 7.

As at March 31, 2023, total additions to Group's newbuilding program was of USD 85.6 million of which USD 83.1 million was related to yard installments. Remaining commitments amounted to USD 139.2 million which are due in 2024. In January 2024, the Group repaid USD 17.0 million of the yard progress billing of which USD 11.1 million were capitalized in December 2023.

In January 2024, the Group partnered with Unifeeder in a joint investment for the construction of a 1,300 TEU container vessel at a Chinese shipyard. The vessel is equipped with a dual-fuel engine that are able to operate on green methanol. The contract price is USD 39.0 million and the equity will be contributed 50% by the Group and the remaining half by Unifeeder. The newbuilding is scheduled for delivery in late 2026, and will be under a 7-year time-charter agreement with Unifeeder post-delivery. In the first quarter of 2024, the Group and Unifeeder each paid USD 4.0 million to the joint venture company as mandatory capital contribution.

Corporate Update

Pursuant to the Company's stated distribution policy, the Board of Directors has declared a recurring dividend of USD 0.13 per share for the first quarter of 2024, corresponding to a total dividend payment of approximately USD 57.7 million, depending on prevailing FX rates. The dividend payment will be made in NOK.

The record date for the recurring dividend will be June 21, 2024. The ex-dividend date is expected to be June 20, 2024, and the dividend will be paid on or about June 27, 2024.

The Group had 443,700,279 ordinary shares outstanding as at March 31, 2024. The weighted average number of shares outstanding for the purpose of calculating basic and diluted earnings per share for the first quarter of 2024 was 443,700,279.

Financing Update

As at March 31, 2024, the Group's total interest-bearing debt outstanding amounted to USD 126.4 million.

In December 2023, the Group entered into a senior secured reducing revolving facility of up to USD 100.0 million with Hamburg Commercial Bank (HCOB), subject to finalization of the loan. The facility has a tenor of five years and carries an interest rate of SOFR plus margin of 295 basis points. As at March 31, 2024, no draw-down was made on this facility. In January 2024, the Group drew down USD 7.2 million from its Credit Agricole Corporate and Investment Bank ("Credit Agricole") pre-delivery term loan facility to pay a progress billing for one of its 5,500 TEU eco-design newbuilding.

In April, the Group signed a USD 54.5 million pre- and post-delivery ECA covered Green financing agreement with Deutsche Bank (DB) and SINOSURE for its two exisiting dual-fuel methanol newbuildings. See further in Note 14.

CONTAINER MARKET UPDATE

Few signs of an immediate resolution to the Red Sea crisis while the global economy recovers steadily

The first quarter of 2024 was characterized by a persistently severe threat to global merchandise shipping in the Red Sea and Gulf of Aden from Iranian-backed Yemeni Houthis. Despite an international military presence, the region could not be fully secured, so that most of the large carriers still bypass the Red Sea via the Cape of Good Hope, resulting in additional mileage and prolonged transit times compared to sailing through the Suez Canal. Although there are occasional periods without reported missile or drone attacks, new attacks have already taken place at the time of writing. The latest attacks have also taken place far away from the Red Sea and in the Indian Ocean. Furthermore, tensions between Iran and Israel have increased with reciprocal attacks and retaliations.

Cape of Good Hope diversions have only just stabilized, and it seems unlikely that the services will return to the Suez route immediately unless there is a serious solution to the threat posed by the Houthis. Without question, the Cape of Good Hope diversions drive TEU-mile demand which has mitigated the otherwise arising supply-side pressure. The container fleet has grown significantly since the beginning of the year and newbuildings are constantly delivered from yards. Hence, carriers might fear the looming oversupply that would result from reshuffling their services back to the Suez routing. Amid all the geopolitical unrest, new cases of piracy have evolved.

Nonetheless, despite all the geopolitical turmoil, the latest forecasts for the global economy show a slightly more positive view. In April 2024, the International Monetary Fund (IMF) published its latest World Economic Outlook (WEO) in which global GDP is expected to grow by 3.2% in both 2024 (an upward revision of 0.1pp from the last forecast in January) and 2025. The latest WEO headline postulates steady but slow growth. Nevertheless, the global growth outlook is still below the historical average of 3.8% from the years 2000 to 2019.[1]

For the US economy in particular, stronger growth than originally expected means a boost for global output. The IMF has revised US GDP growth for this year upwards by 0.6 percentage points to 2.7%. The US economy is more buoyant than expected as the labor market remains tight and inflation figures in March were higher than expected at 3.5% year-on-year.[2] Most recently, the U.S. Federal Reserve (Fed) decided to maintain its federal funds rate at 5.25% – 5.5%.[3] In view of the tough inflation, the financial markets do not expect an interest rate cut before September.

The European economy is a stark contrast. The European Central Bank (ECB) has held its interest rate steady since September last year and the markets are currently pricing in a 25-basis points rate cut in June this year. Consumer price inflation (CPI) in the currency bloc fell to 2.4% year-on-year in April and could reach the ECB's 2% target again by the end of the year. In the first quarter, GDP growth in both the euro area and the EU rose only slightly by 0.3% compared to the previous quarter.[4]

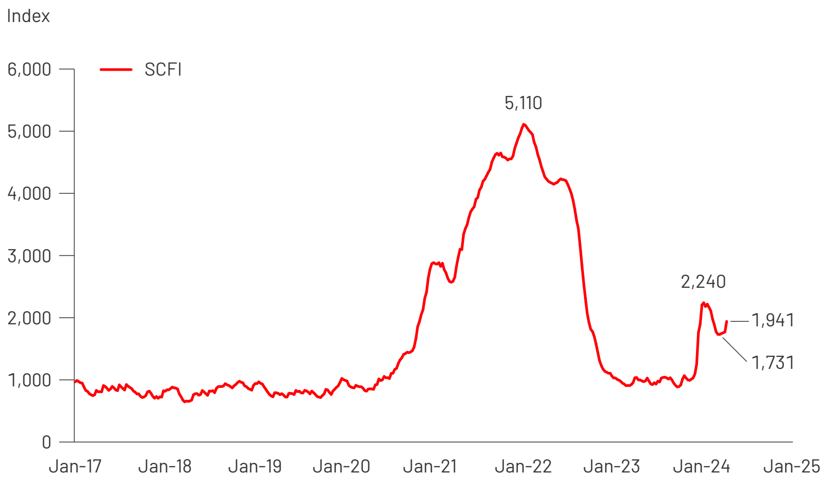
China's economic growth forecast remains unchanged at 4.6% in 2024 and 4.1% in 2025. Deflationary pressure continues to weigh on the economy, as the CPI remains weak. The February CPI came in at 0.7% year-on-year and the March CPI cooled to only 0.1% year-on-year, raising pressure for more stimuli.[5]

Mixed spot freight rate trends while demand remains robust

Over the first quarter, spot freight rates showed mixed trends. As shown in figure 1, the Shanghai Containerized Freight Index (SCFI) Comprehensive Index still rose at the beginning of the year and reached its peak at 2,240 at the end of January. Thereafter, spot freight rates started their downward trajectory until they showed small increases starting in April. At time of writing, the SCFI is still up ~77% from mid-December levels (right before carriers announced their rerouting plans around the Cape of Good Hope), but down by ~13% from its peak at the end of January.[6]

[1] International Monetary Fund (World Economic Outlook), April 2024.
[2] U.S. Bureau of Economic Analysis (BEA), May 2024.
[3] Federal Reserve, May 2024.
[4] Eurostat, May 2024.
[5] Reuters, April 2024.
[6] Clarksons Research, Shipping Intelligence Network, April 2024.

FIG. 1: SHANGHAI CONTAINERIZED FREIGHT INDEX (SCFI)



Mixed spot freight rate trends are also visible for different mainlane trades. Drewry's World Container Index (WCI) for Shanghai to Rotterdam is still up 115% compared to mid-December (before the Red Sea crisis), but down 13% since the start of the year, since freight rates fell in February and March. Shanghai to Los Angeles freight rates are still 70% higher compared to mid-December and are up 24% compared to January 2024. Transpacific freight rates held up longer, but also declined in March and April. Freight rates on the Transatlantic from Rotterdam to New York held up quite steadily over the first quarter and are up 47% since the start of the year.[1]

With validity from May, some carriers announced Freight All Kind (FAK) General Rate Increases (GRIs) to stop the spot rate declines. Some of these appear to be holding up, at least for the time being, since freight indices showed their first week-on-week increases again at the beginning of May.

Furthermore, the latest figures show that long-term contract rates edged up slightly in April. The average of all valid contract rates on the market shows a slight upward trend of 1.7% month-over-month compared to March, helped by rates for European imports, although rates for US imports declined.[2] Nonetheless, contract rates are still around 50% lower than in April 2023. Since spot freight rates are currently significantly higher than last year (i.e., 160% higher than last year on Far East to North Europe[3]), carriers might even push for higher contract rates in upcoming negotiations with shippers and beneficial cargo owners (BCOs).

Looking at container trade demand, Cape of Good Hope diversions are currently estimated to add about 11% to 12% to global TEU-mile demand and are currently the main driver of the demand side.[4] However, apart from the current market disruptions, global TEU volumes for the first two months of 2024 are 12% higher than in the same period at the beginning of last year, indicating a general recovery in cargo demand even when taking into account that the demand in the corresponding months of the previous year was relatively weak.[5]

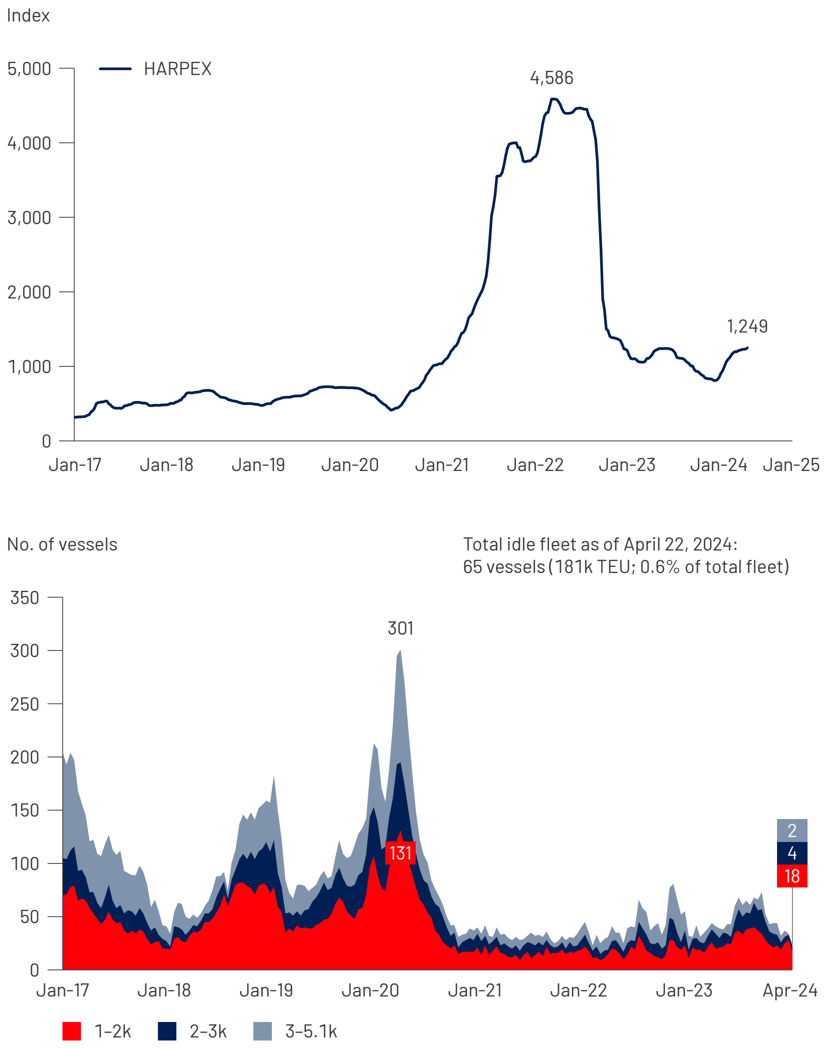
The time-charter market surprises with strong sentiment in Q1 2024

The container charter market strengthened across all segments throughout the first quarter of 2024. As demand picked up in all trading areas, many vessels were employed for continuously stronger fixture terms. At first, only the rates increased as charterers were hesitant to commit to longer periods. Above 4,000 TEU, there is hardly any supply of vessels. The few units that were available in the first quarter were snapped up quickly as the sentiment started to improve. A vessel fixed at the beginning of the year would have been able to secure 12-month employment at below USD 20,000, while currently these vessels can earn almost USD 10,000 more for the same period. Towards the end of the first quarter, fixture periods also increased for eco vessels between 2,000 TEU and 3,000 TEU which are once again able to secure charters for two years. Below 2,000 TEU, the market is more liquid. However, it is stable at the same time as demand is steady and modern vessels can also secure employment for up to 18 or 24 months.[6]

The HARPEX Time-Charter Rate Index, as shown in figure 2, now stands at close to 1,300 points. These levels were last achieved at the end of 2022, during the fast downward correction of the market.

[1] Drewry, World Container Index, April 2024.
[2] Xeneta, XSI®, April 2024.
[3] Clarksons Research, Shipping Intelligence Network, April 2024.
[4] Clarksons Research, Shipping Intelligence Network, April 2024.
[5] Container Trade Statistics, April 2024.
[6] Harper Petersen, April 2024.

FIG. 2: HARPEX – TIME-CHARTER RATE DEVELOPMENT, 6-12 MONTHS (TOP) AND IDLE STATISTICS (BOTTOM)



While overall demand seems to be in relatively good shape right now, uncertainties surrounding geopolitical tensions remain key factors for the charter market. As long as the status quo of the Red Sea situation remains, the downward potential of the market seems to be limited, despite the ongoing wave of newbuildings being delivered from the yards.

The S&P market for secondhand container ships was more active in Q1 2024. While in the last quarter of 2023, 48 sales were recorded, the market saw over 67 transactions in Q1 2024. The market for secondhand tonnage is experiencing a healthy sentiment with plenty of keen buyers, with MSC as one of the most active buyers, having concluded more than 14 deals. Most of those were for feeder ships between 2-3k TEU.

With the somewhat artificially increased demand for tonnage due to the ongoing bypass of the Red Sea, the idle figures dwindled throughout the quarter. As shown in figure 2, the current idle figures (181k TEU; 0.6% of the total fleet) indicate that the container fleet "can be considered fully employed."[1] While carriers still have some larger vessels idling due to several reasons, there is no non-operating owner (NOO) tonnage unemployed above 3,000 TEU. This once again underlines the scarcity of available units in the larger segments.

[1] Alphaliner, April 2024.
[2] Clarksons Research, Shipping Intelligence Network, April 2024.
[1] Ibid., April 2024.

Record deliveries overcompensated by high TEU-mile demand

Freight markets and time-charter markets are currently enjoying the upswing due to the increased TEU-mile demand. The increase in demand is currently easing the pressure from the supply side. As shown in figure 3 (top), in August last year, the orderbook-to-fleet ratio stood at 29%. Since then, a record high number of newbuild deliveries entered the containership fleet every month and caused the ratio to fall to 21% at the beginning of May 2024. Since the start of the year, the containership fleet has grown by 3% with almost 1 mTEU delivered already and another 1.8 mTEU planned to be delivered over the course of the year, followed by another 1.9 mTEU in 2025. In contrast, only around 30 kTEU have been demolished since the beginning of the year.[2]

Since contracting, which reached an all-time high of 4.5 mTEU in 2021, was mainly focused on larger vessels, orderbook-to-fleet ratios differ greatly between size segments. Figure 3 (bottom) indicates relatively high ratios of 49% for vessels between 12-17k TEU and 24% for vessels above 17k TEU. Smaller size segments, including the feeder segment of 1-3k TEU and the panamax/post-panamax segment of 3-6k TEU, have ratios of only 7%. Furthermore, smaller vessels are relatively older than larger vessels. Hence, net fleet growth is expected to be weighted toward the larger fleet segments.[3]

Due to the continuing favorable market conditions, demolition forecasts published before the Red Sea crisis did not materialize and net fleet growth came in stronger than expected due to record high deliveries. As long as the detours around the Cape of Good Hope continue, some supply side pressure will be absorbed, but as soon as the situation shifts back to the normal Suez route, demolitions are likely to increase accordingly.

Continued attacks by the Houthis keep the market balanced for longer than expected

In the event that the Houthi attacks continue throughout the first half of 2024, a significant increase in TEU-mile demand of around 9.2% is forecast for the whole of 2024 compared to TEU-mile demand under normal market conditions.[1]

As shown in figure 4, net fleet growth (accounting for cancellations, slippage, deliveries and demolitions) was already high last year and is expected to be high in 2024 as well.[2] MSI forecasts global containership net fleet growth to grow by 8.8% in 2024 and 4.6% in 2025. In contrast, container trade demand is expected to return to health, but only grow by 4.0% in 2024 and 4.1% in 2025.[3]

Demolitions have not picked up yet and will most likely not pick up until the situation in the Red Sea is resolved.

[1] Ibid., April 2024.
[2] Maritime Strategies International, Horizon, April 2024.
[3] Ibid., April 2024.

FIG. 3: ORDERBOOK DEVELOPMENT (TOP) AND ORDERBOOK ACROSS SIZE SEGMENTS COMPARED TO FLEET AGE (BOTTOM)

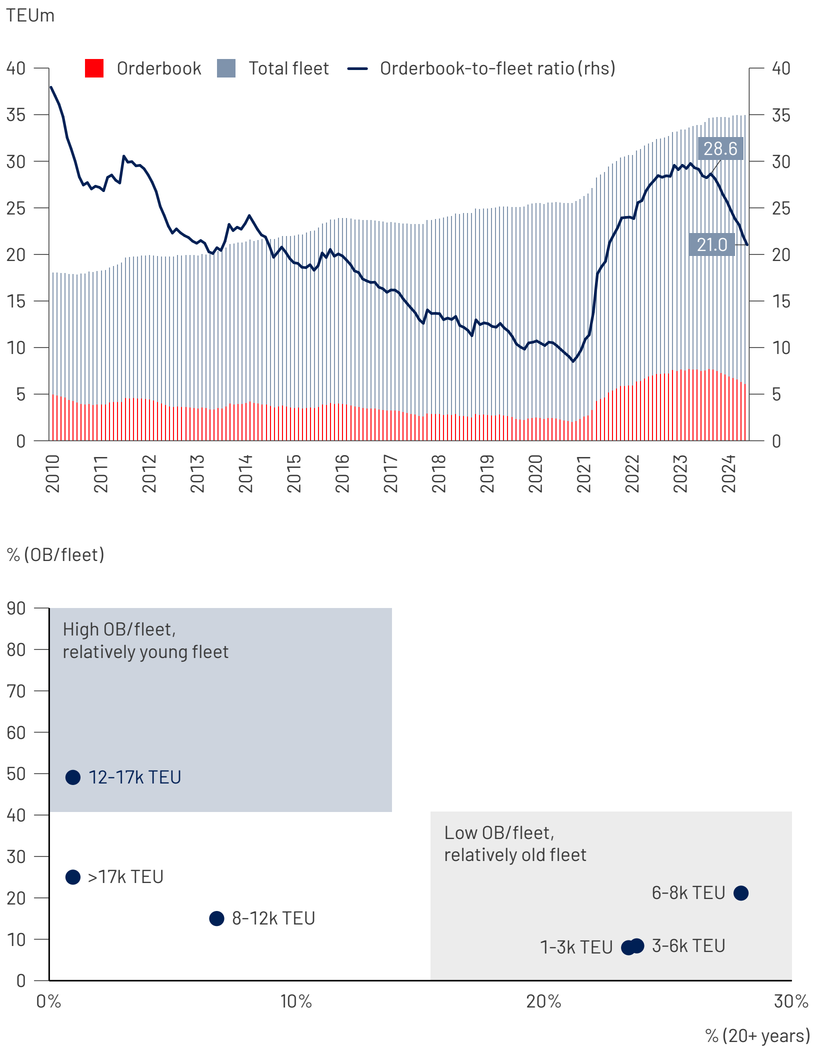
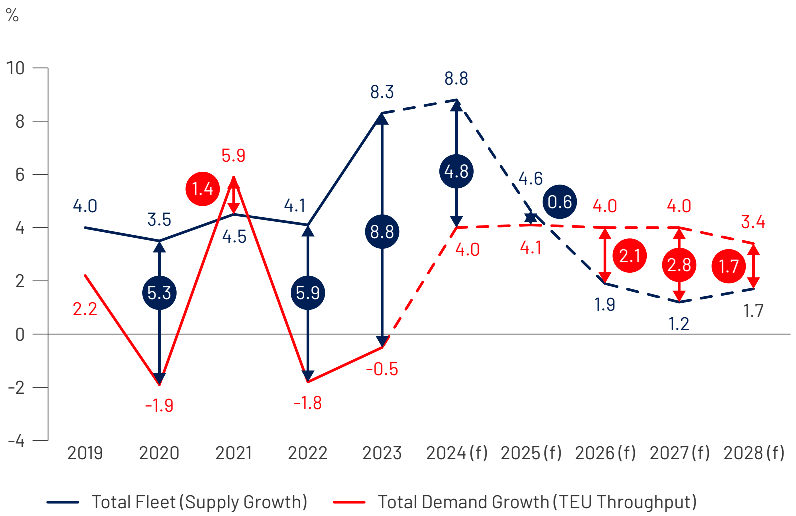


FIG. 4: SUPPLY/DEMAND BALANCE – ACCOUNTING FOR CANCELLATIONS, SLIPPAGE, DELIVERIES AND DEMOLITIONS



CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated Statement of Profit or Loss

IN USD THOUSANDS	NOTES	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Operating revenues	4	147,543	180,123
Commissions		(3,991)	(5,130)
Vessel voyage expenditures		(3,344)	(2,847)
Vessel operation expenditures		(37,421)	(34,184)
Ship management fees		(2,621)	(2,314)
Share of profit or loss from joint venture	5	(29)	8,748
Gross profit		**100,137**	**144,395**
Administrative expenses		(4,326)	(3,208)
Other expenses		(525)	(484)
Other income		1,062	703
Gain (loss) from sale of vessels	6	(211)	-
Depreciation	6	(17,745)	(19,604)
Operating profit		**78,392**	**121,803**
Finance income		1,774	1,524
Finance costs	9	(4,108)	(3,623)
Profit (loss) before income tax		**76,058**	**119,704**
Income tax expenses		396	(43)
Profit (loss) for the period		**76,454**	**119,661**
Attributable to:			
Equity holders of the Company		76,424	119,612
Non-controlling interest		30	49
Basic earnings per share – in USD	13	**0.17**	**0.27**
Diluted earnings per share – in USD	13	**0.17**	**0.27**

Consolidated Statement of Comprehensive Income

IN USD THOUSANDS	NOTES	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Profit (loss) for the period		76,454	119,661
Items which may subsequently be transferred to profit or loss		**637**	**(425)**
Change in hedging reserves, net of taxes	11	637	(425)
Total comprehensive profit (loss)		**77,091**	**119,237**
Attributable to:			
Equity holders of the Company		77,061	119,188
Non-controlling interest		30	49

Consolidated Statement of Financial Position

IN USD THOUSANDS	NOTES	MARCH 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Assets			
Non-current Assets			
Vessels	6	679,432	691,291
Newbuildings	7	85,583	78,980
Right-of-use asset		405	84
Other non-current asset		1,114	-
Investments in associate and joint venture	5	6,907	2,934
Total non-current assets		**773,441**	**773,289**
Current Assets			
Vessel held for sale	6	-	25,165
Inventories		6,719	8,088
Trade and other receivables		26,893	23,667
Financial instruments at fair value	11	2,591	1,951
Restricted cash	8	7,342	5,005
Cash and cash equivalents	8	141,520	117,579
Total current assets		**185,065**	**181,455**
Total assets		**958,506**	**954,744**

IN USD THOUSANDS	NOTES	MARCH 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Equity and liabilities			
Equity			
Share capital	12	48,589	48,589
Share premium		1,879	1,879
Retained earnings		718,764	700,021
Other reserves		(206)	(843)
Non-controlling interest		3,608	3,835
Total equity		**772,634**	**753,481**
Non-current Liabilities			
Non-current Interest-bearing debt	9	87,693	92,951
Lease liabilities – long-term		210	-
Other non-current liabilities		1,112	-
Deferred tax liabilities		-	748
Total non-current liabilities		**89,015**	**93,699**
Current Liabilities			
Current interest-bearing debt	9	38,744	33,564
Trade and other payables		11,063	20,397
Related party payables		364	1,062
Income tax payable		724	289
Deferred revenues		32,665	35,230
Other liabilities		13,297	17,022
Total current liabilities		**96,857**	**107,564**
Total equity and liabilities		**958,506**	**954,744**

Consolidated Statement of Cash Flow

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Profit (loss) before income tax	76,058	119,703
Income tax expenses paid	-	(31)
Net change inventory and trade and other receivables	(822)	3,402
Net change in trade and other payables and other liabilities	(2,214)	(1,616)
Net change in deferred revenues	(2,565)	1,579
Depreciation	17,745	19,604
Finance costs (net)	2,334	2,099
Share of profit (loss) from joint venture	29	(8,748)
(Gain)/loss from sale of vessels and fixed assets	211	-
Amortization of TC contracts	(463)	(958)
Cash flow from operating activities	**90,313**	**135,034**
Proceeds from disposal of vessels	24,960	-
Scrubbers, dry dockings and other vessel upgrades	(5,874)	(17,188)
Newbuildings[1]	(17,713)	(3,890)
Acquisition of vessels	-	(33,704)
Interest received	1,382	984
Dividend received from joint venture investment	-	19,850
Investment in associate	(4,002)	(404)
Cash flow from investing activities	**(1,247)**	**(34,352)**

[1] Refer to Note 7 – Newbuildings

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Dividends paid	(57,938)	(97,906)
Proceeds from debt financing	7,220	8,300
Repayment of long-term debt	(7,432)	(15,000)
Payment of principal of leases	(52)	(51)
Interest paid	(2,888)	(3,128)
Debt issuance costs	(1,000)	-
Other finance paid	(698)	-
Cash from /(to) financial derivatives	-	342
Cash flow from financing activities	**(62,788)**	**(107,443)**
Net change in cash and cash equivalents	26,278	(6,761)
Restricted cash. cash and cash equivalents at the beginning of the period	122,584	125,517
Restricted cash, cash and cash equivalents at the end of the period	**148,862**	**118,756**

Consolidated Statement of Changes in Equity

IN USD THOUSANDS	SHARE CAPITAL (UNAUDITED)	SHARE PREMIUM (UNAUDITED)	RETAINED EARNINGS (UNAUDITED)	OTHER RESERVES (UNAUDITED)	TOTAL EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY (UNAUDITED)	NON-CONTROLLING INTEREST (UNAUDITED)	TOTAL EQUITY (UNAUDITED)
Equity as at January 1, 2023	48,589	152,737	517,044	525	718,895	2,551	721,447
Result of the period	–	–	119,612	–	119,612	49	119,661
Other comprehensive income	–	–	–	(425)	(425)	–	(425)
Total comprehensive income	**–**	**–**	**119,612**	**(425)**	**119,187**	**49**	**119,237**
Change in non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Contributions of equity, net of transaction costs	–	–	–	–	–	–	–
Dividends provided for or paid	–	(97,614)	–	–	(97,614)	(292)	(97,906)
Equity as at March 31, 2023	**48,589**	**55,123**	**636,656**	**100**	**740,468**	**2,308**	**742,776**
Equity as at January 1, 2024	48,589	1,879	700,021	(843)	749,646	3,835	753,481
Result of the period	–	–	76,424	–	76,424	30	76,454
Other comprehensive income	–	–	–	637	637	–	637
Total comprehensive income	**–**	**–**	**76,424**	**637**	**77,061**	**30**	**77,091**
Contributions of equity, net of transaction costs	–	–	–	–	–	–	–
Dividends provided for or paid	–	–	(57,681)	–	(57,681)	(257)	(57,938)
Equity as at March 31, 2024	**48,589**	**1,879**	**718,764**	**(206)**	**769,026**	**3,608**	**772,634**

Notes

NOTE 1 General Information

MPC Container Ships ASA (the "Company") is a public limited liability company (Norwegian: allmennaksjeselskap) incorporated and domiciled in Norway, With its registered address at Ruseløkkveien 34, 0251 Oslo, Norway, and Norwegian registered enterprise number 918 494 316.The Company was incorporated on January 9, 2017 and commenced operations in April 2017 when the first vessels were acquired. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the"Group"). The principal activity of the Group is to invest in and to operate maritime assets in the container shipping segment.

The shares of the Company are listed on the Oslo Stock Exchange under the ticker "MPCC."

NOTE 2 Accounting Principles and Basis of Preparation

The Group's financial reporting is in accordance with IFRS ® Accounting Standards as adopted by the European Union (EU). The unaudited interim financial statements for the period ended March 31, 2024, have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by EU. The statements have not been subjected to audit. The statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at December 31, 2023. The consolidated financial statements are presented in USD thousands unless otherwise stated.

The accounting policies adopted in preparing the condensed consolidated interim financial reporting are consistent with those applied in the preparation of the Group's consolidated financial statements for the period ended December 31, 2023. No new standards were effective as at January 1, 2024 with a significant impact on the Group.

NOTE 3 Segment Information

All of the Group's vessels earn revenues from seaborne container transportation globally. The vessels exhibit similar economic, trading and financial characteristics. The Group is organized in one operating segment, i.e., the container shipping segment.

NOTE 4 Operating Revenues

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Time charter revenues	143,437	177,916
Amortization of time charter contracts	463	958
Other revenues	3,643	1,249
Total operating revenues	**147,543**	**180,123**

The Group's time charter contracts are divided into a lease element and a service element. The lease element of the vessel represents the use of the vessel without any associated performance obligations and is accounted for in accordance with the lease standard IFRS 16. Revenues from time charter services (service element) and other revenue (e.g., bunkers and other services) are accounted for in accordance with IFRS 15. The Group's performance obligation is to provide time charter services to its charterers. When a time charter contract is linked to an index, we recognize revenue for the applicable period based on the actual index for that period. In the first quarter of 2024, one vessel was index-linked (Q1 2023: one) and four vessels were on a variable rate time charter.

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Service element	38,076	32,473
Other revenues	2,538	1,249
Total revenues from customer contracts	**40,614**	**33,722**
Lease element	106,467	145,443
Amortization of time charter contracts	463	958
Total operating revenues	**147,543**	**180,123**

Other revenue relates to reimbursements of bunkers and other services, including amortization of the acquired value of time charter contracts. In the first quarter of 2024, amortization of acquired time charter contracts amounted to USD 0.5 million compared to USD 1.0 million in the first quarter of 2023.

NOTE 5 Investments in Associate and Joint Venture

IN USD THOUSANDS	MARCH 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Investments in joint venture	5,676	1,703
investment in associate	1,231	1,231
Total	**6,907**	**2,934**

Investments in Joint Venture

The Group has a 50% interest in 2. Bluewater Holding Schifffahrtsgesellschaft GmbH Co. KG (Bluewater), Hamburg (Germany). The carrying amount of the investment as at March 31, 2024 was USD 1.7 million, compared to USD 1.7 million as at December 31, 2023.

In the first quarter of 2024, the group acquired a 50% interest in Palmaille 75 Einundachtzigste Beteiligungs-gesellschaft mbH & Co. KG (Palmaille 75), Hamburg (Germany) for USD 4.0 million. Palmaille 75 have ordered a 1,300 TEU dual-fuel methanol newbuilding, scheduled for delivery in late 2026. The vessel will be under a 7-year time-charter agreement with Unifeeder post-delivery. The carrying amount of the investment as at March 31, 2024 was USD 4.0 million. The group have committed to funding Palmaille 75 with additional USD 1.0 million.

IN USD THOUSANDS	MARCH 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Non-current assets	7,800	-
Cash and cash equivalents	2,435	2,148
Other current assets	1,307	1,450
Current liabilities	193	192
Equity	**11,350**	**3,405**
Group's carrying amount of the investment	**5,676**	**1,703**

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Operating revenues	-	8,245
Operating costs	(67)	(3,383)
Other income	-	13,142
Gain (loss) from sale of vessels	-	-
Depreciation	-	(508)
Net financial income (expense)	16	6
Income tax	(5)	(5)
Profit after tax for the period	**(56)**	**17,496**
Total comprehensive income for the period	**(56)**	**17,496**
Group's share of profit for the period	**(28)**	**8,748**
Dividends received	**-**	**19,850**

Investment in Associate

In 2022, the Group entered into an agreement with INERATEC for the supply of synthetic Marine Diesel Oil (MOO) made from biogenic CO_2 and renewable hydrogen, with delivery set to start in 2024. The Group recorded its initial investment at a cost of USD 0.8 million to acquire 24.5% ownership interest in Siemssen KG which holds an investment in INERATEC. In January 2023, the Group further increased its investment of USD 0.4 million to maintain its ownership position. As at March 31, 2024, the Group's investment in Siemssen KG was USD 1.2 million. The investment is accounted under the equity method.

NOTE 6 Vessels

IN USD THOUSANDS	VESSELS	NEWBUILDINGS, ADDITIONS	TOTAL PROPERTY, PLANT & EQUIPMENT	VESSEL HELD FOR SALE	TOTAL
Cost					
At January 1, 2023	976,170	32,770	**1,008,940**	-	**1,008,940**
Acquisitions of vessels	169,376	-	**169,376**	-	**169,376**
Capitalized dry-docking, progress payments, expenditures	48,254	46,210	**94,464**	-	**94,464**
Disposal of other fixed assets	(8,332)	-	**(8,332)**	-	**(8,332)**
Disposals of vessels	(108,208)	-	**(108,208)**	-	**(108,208)**
Vessel held for sale	(48,618)	-	**(48,618)**	48,618	**-**
At December 31, 2023	**1,028,642**	**78,980**	**1,107,622**	**48,618**	**1,156,240**
Capitalized dry-docking, progress payments, expenditures	5,874	6,603	**12,477**	-	**12,477**
Disposals of parts	(41)	-	**(41)**	-	**(41)**
Disposal of vessels	-	-	**-**	(48,618)	**(48,618)**
At March 31, 2024	**1,034,475**	**85,583**	**1,120,058**	**-**	**1,120,058**
Accumulated depreciation and impairment					
At January 1, 2023	(230,297)	-	**(230,297)**	-	**(230,297)**
Depreciation for the period	(102,504)	-	**(102,504)**	-	**(102,504)**
Impairments	(79,378)	-	**(79,378)**	-	**(79,378)**
Disposals of vessels	51,375	-	**51,375**	-	**51,375**
Transfers to Vessels held for sale	23,453	-	**23,453**	(23,453)	**-**
At December 31, 2023	**(337,351)**	**-**	**(337,351)**	**(23,453)**	**(360,804)**
Depreciation for the period	(17,692)	-	**(17,692)**	-	**(17,692)**
Disposals of vessels	-	-	**-**	23,453	**23,453**
At March 31, 2024	**(355,043)**	**-**	**(355,043)**	**-**	**(355,043)**
Net book value					
At March 31, 2024	679,432	85,583	**765,015**	-	**765,015**
At December 31, 2023	691,291	78,980	**770,271**	25,165	**795,436**

Disposal of Vessels

In the first quarter of 2024, the Group delivered and completed the sale of its three previously held for sale vessels, AS Petra, AS Paulina and AS Pauline to an unrelated party for USD 25.2 million. Consequently, the Group recognized a loss on the sale of vessels of USD 0.2 million in the first quarter of 2024.

In February 2024, the Group agreed to sell its wholly-owned 2006-built AS Clarita to an unrelated party for USD 10.3 million. The vessel is scheduled to be delivered in the second quarter 2024.

Impairment of Vessels

At each reporting date, the Group evaluates whether there is an indication that an asset may be impaired. If such indicator exists, an impairment test is performed. Such indicators may include depressed spot rates and declined second-hand containerships values. As at March 31, 2024, management considered there are no indications of impairment.

NOTE 7 Newbuildings

As at December 31, 2023, the Group's newbuilding program consisted of four vessels, of which two 5,500 TEU eco-design vessels with a contract price of USD 72.2 million per vessel. The vessels have a 7-year time charter contracts in place with ZIM Integrated Shipping Services (NYSE: ZIM) and are expected to be delivered in the second and third quarter of 2024. The other two vessels are l,300 TEU container vessels equipped with a dual-fuel engines that are able to operate on green methanol. The contract price is USD 39.0 million per vessel, and they are expected to be delivered in late 2024. For these vessels, 15-year time charter contracts to North Sea Container Line AS have been secured. As at March 31, 2024, total additions to Group's newbuilding program was of USD 85.6 million of which USD 83.1 million was related to yard progress billing. The Group paid yard progress billing of USD 17.0 million during the first quarter of 2023, of which USD 5.9 million was recognized in the first quarter of 2023 and USD 11.1 million were recognized in December 2023. Remaining commitments amounted to USD 139.2 million, which are due in 2024.

In January 2024, the Group partnered with Unifeeder in a joint investment for the construction of a 1,300 TEU container vessel at Chinese shipyard, CSSC Huangpu Wenchong Shipbuilding. The vessel is equipped with a dual-fuel engine that are able to operate on green methanol. The contract price is USD 39.0 million and the equity will be contributed 50% by the Group and the remaining half by Unifeeder. The newbuilding shall be scheduled for delivery in late 2026, and will be under a 7-year time-charter agreement with Unifeeder post-delivery. As at March 31, 2024, the joint venture had paid installments of USD 7.8 million to the yard.

NOTE 8 Cash and Cash Equivalents and Restricted Cash

As at March 31, 2024, the Group had cash and cash equivalents of USD 141.5 million (USD 117.6 million as at December 31, 2023) and restricted cash balances of USD 7.3 million (USD 5.0 million as at December 31, 2023). The Group's loan agreement contains financial covenants, which require the Group to maintain a certain level of free cash, and a value adjusted equity covenant. The Group is in compliance with such financial covenants as at March 31, 2024.

NOTE 9 Non-current and Current Interest-bearing Debt

IN USD THOUSANDS	CURRENCY	FACILITY AMOUNT	INTEREST	MATURITY	MARCH 31, 2024 (UNAUDITED)	DECEMBER 31, 2023 (AUDITED)
Term loan facility	USD	50,000	SOFR+ 2.8%-3.35% [1]	July/Aug 2028	48,260	49,130
Sale-leaseback financing	USD	75,000	SOFR+2.6%	September 2027	60,771	66,963
Senior secured credit facility	USD	8,300	SOFR+3.50%	February 2027	4,440	4,810
Term loan and credit facility	USD	15,933	SOFR+1.5%-2.5%	February 2036	15,933	8,713
Other long-term debt incl accrued interest					233	256
Total outstanding					**129,637**	**129,872**
Debt issuance costs					(3,200)	(3,357)
Total interest bearing debt outstanding					**126,437**	**126,515**
Classified as:						
Non-current					87,693	92,951
Current					38,744	33,564
Total					**126,437**	**126,515**

[1] Loan margin is determined by loan to vessel value ratio (LTV)

In February 2023, the Group signed a senior secured term loan facility in an amount up to USD 8.3 million with OVB and it was fully drawn down as at March 31, 2023. The loan facility was used to partially finance the acquisition of the 2007-built AS Claudia. The loan facility carries an interest equivalent to the SOFR plus a margin of 350 basis points and matures in February 2027. The loan is to be repaid quarterly. In first quarter of 2024, the Group repaid USD 0.4 million, and USD 4.4 million remained outstanding as at March 31, 2024.

In May 2023, the Group entered into a pre-delivery term loan facility in an amount of USD 15.9 million and post-delivery term loan facility in an amount of up to USD 101.5 million with Credit Agricole together with K-SURE Agent. The loan facilities will be used to finance the two 5,500 TEU eco-design newbuildings. In the first quarter of 2024, USD 7.2 million was drawn to pay a yard installment of USD 7.2 million for one if its newbuildings. As at March 31, 2024, the outstanding balance of USD 15.9 million was classified as current portion of interest-bearing debt and USD 94.3 million would be available once the delivery of both newbuildings is completed.

In July 2023, the Group entered into a 5-year loan facility in an amount of up to USD 50.0 million with HCOB to finance part of the acquisition cost of the five modern eco-design vessels, AS Anne, AS Simone, AS Stine, AS Silje, and AS Sabine. The facility has a tenor of five years, carries an interest rate of Secured Overnight Financing Rate (SOFR) plus a margin of a range from 280 basis points to 335 basis points depending on the Loan to Value (L TV) percentage. The facility was fully drawn down in 2023.The Group repaid USD 0.9 million in the first quarter of 2024 leaving USD 48.3 million outstanding as at March 31, 2024.

In September 2023, the Group entered into a sale and leaseback transactions with BoComm Leasing in an amount of USD 75.0 million for 12 of its vessels. The lease financing has a tenor of 48 months starting from September/October 2023 and carries an interest rate of SOFR plus a margin of 260 basis point, and includes purchase obligations for the 12 vessels at the end of the term. In the first quarter of 2024, the Group repaid USD 6.2 million of the facility and USD 60.8 million remains outstanding as at March 31, 2024.

In December 2023, the Group entered into a senior secured reducing revolving facility of up to USD 100.0 million with Hamburg Commercial Bank (HCOB), subject to finalization of the loan. The facility has a tenor of five years and carries an interest rate of SOFR plus margin of 295 basis points. As at March 31, 2024, no draw-down was made on this facility.

NOTE 10 Related Parties

The following table shows the total amount of service transactions that have been entered into with related parties first quarter of 2024:

IN USD THOUSANDS – Q1 2024	TYPE OF SERVICES	GROUP
Wilhelmsen Ahrenkiel Ship Man. GmbH & Co. KG / B.V.	Technical	2,433
Harper Petersen & Co. GmbH	Commercial	1,439
MPC Münchmeyer Petersen Capital AG	Corporate	350
Total		**4,223**

Amounts due to or from related company represent net disbursements and collections made on behalf of the vessel-owning companies by the Group during the normal course of operations for which a right of offset exists. As at March 31, 2024, and December 31, 2023, the amount due to related companies was USD 0.4 million and USD 1.1 million respectively. All related party transactions are carried out at market terms. Please see the Group's 2023 Annual Report for additional details.

NOTE 11 Financial Instruments

The following table represents the Group's financial assets and financial liabilities measured and recognized at fair value as at March 31, 2024 and December 31, 2023. The estimated fair value amount of the financial instruments has been determined using appropriate market information and valuation techniques.

	MARCH 31, 2024 (UNAUDITED)		DECEMBER 31, 2023 (AUDITED)	
IN USD THOUSANDS	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Financial assets				
Trade and other receivables	26,893	26,893	23,667	23,667
Financial instruments at fair value	2,591	2,591	1,951	1,951
Restricted cash	7,342	7,342	5,005	5,005
Cash and cash equivalents	141,520	141,520	117,579	117,579
Total finacial assets	**178,346**	**178,346**	**148,202**	**148,202**
Financial liabilities at amortized cost				
Non-current Interest-bearing debt	87,693	87,693	100,171	100,171
Current interest-bearing debt	38,744	38,744	26,344	26,344
Trade and other payables	11,063	11,063	20,397	20,397
Other liabilities[1]	12,748	12,748	16,011	16,011
Total financial liabilities	**150,248**	**150,248**	**162,923**	**162,923**

[1] Excludes non-financial items in the line item Other liabilities in the Statement of Financial Position

The carrying amount of cash and cash equivalents, trade and other receivables, trade and other payables, and other liabilities are a reasonable estimate of their fair value, due to their short maturity. The estimated value of the Group's long-term interest-bearing debt equals the carrying value as at March 31, 2024 and December 31, 2023, as it is variable-rated.

Cash Flow Hedges

As at March 31, 2024 the Group has three interest rate caps and two options to enter into interest-rate swaps.

The table below shows the notional amounts of current and future anticipated interest-bearing debt under existing debt facilities hedged by interest-rate caps:

INSTRUMENT	NOTIONAL AMOUNT	EFFECTIVE PERIOD	INTEREST CAP / FIXED PAYER	MATURITY
Interest-rate cap	USD 45-27 million	2024-2026	4.00%	December 2026
Interest-rate caps	USD 15.9-2.2 million	2024-2031	4.00%	May/June 2031
Swaptions	USD 43-10.2 million	2024-2036	3.50%	July 2024

In 2023, the Group entered into 2 options (swaptions) to enter into interest-rate swaps whereby the Group receives SOFR floating interest and pays a fixed interest of 3.5% on a declining notional amount starting at USD 43.7 million. If exercised, the interest-rate swaps have declining notional amounts over the period and contractual maturities in 2036. Additionally, the Group has entered into interest caps to hedge against the risk of increased interest payments as shown in the table above.

The fair value (level 2) of the Group's swaptions is the estimated amount that the Group would receive or pay for a similar option on the balance sheet date. The swaptions are designated as cash flow hedges of future interest payments. The fair value of the option is determined by an option pricing model that includes assumptions about volatility, forward interest curves, etc.

The fair value (level 2) of the Group's interest rate caps is the estimated amount that the Group would receive or pay to terminate the agreements as at the reporting date, considering, as applicable, the forward interest rate curves. The estimated amount is the present value of future cash flows. Fair value adjustment of the interest rate cap as at March 31, 2024 is recognized directly to Other reserves (other comprehensive income) in equity and are reclassed to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows (future interest payments) affect profit or loss.

From time to time, the Group uses forward contracts to manage currency exposure.

The financial instruments analyses are carried at fair value. The different levels have been defined as follows:

- Level 1: The fair value of financial instruments traded in active markets (e.g., publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period.
- Level 2: The fair value of financial instruments that are not traded in an active market (e.g., over-the-counter derivatives) is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group has no financial assets that would otherwise have been past due or impaired and renegotiated.

NOTE 12 Share Capital

The share capital of the Company consisted of 443,700,279 shares as at March 31, 2024. The nominal value per share is NOK 1.00. All issued shares shown in the table below carry equal rights and are fully paid up.

	NUMBER OF SHARES	SHARE CAPITAL (USD THOUSANDS)
December 31, 2023	**443,700,279**	**48,589**
March 31, 2024	**443,700,279**	**48,589**

During first quarter of 2024, the Group distributed dividends for a total of USD 57.9 million, which also includes distributions to non-controlling interests of USD 0.3 million. The dividend was distributed from retained earnings.

ANNOUNCEMENT DATE	TYPE	CASH DISTRIBUTION PER SHARE	EX-DIVIDEND	RECORD	PAYMENT
27.02.2024	Recurring	USD 0.13 / NOK 1.3734	19.03.2024	20.03.2024	26.03.2024

NOTE 13 Earnings per Share

	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Profit (loss) for year attributable to ordinary equity holders – in USD thousands	76,424	119,612
Weighted average number of shares outstanding, basic	443,700,279	443,700,279
Weighted average number of shares outstanding, diluted	443,700,279	443,700,279
Basic earnings per share – in USD	**0.17**	**0.27**
Diluted earnings per share – in USD	**0.17**	**0.27**

NOTE 14 Subsequent Events

In April 2024, the Group entered into an agreement sell its wholly-owned 2007-built, AS Nadia and 2009-built AS Ragna collectively to unrelated party for USD 25.5 million. The delivery of AS Nadia was completed in April 2024 while the delivery of AS Ragna is scheduled to be completed between June to August 2024.

In April 2024, the Group exercised the purchase option under the BoComm Leasing facility for one of the sale and leaseback vessels, AS Ragna. The charter shall be terminated on June 3, 2024.

In April 2024, the Group signed a USD 54.5 million pre- and post- delivery ECA covered Green financing agreement with DB and SINOSURE for its two existing dual-fuel methanol newbuildings.

ALTERNATIVE PERFORMANCE MEASURES

The Group's financial information is prepared in accordance with the International Financial Reporting Standards (IFRS). In addition, it is the management's intention to provide alternative performance measures that are regularly reviewed by management to enhance the understanding of the Group's performance but are not intended as a replacement of the financial statements prepared in accordance with the IFRS. The alternative performance measures presented may be determined or calculated differently by other companies. The alternative performance measures are intended to enhance comparability of the results and to give supplemental information to the users of the Group's external reporting.

Gross Profit

Gross profit is a key financial parameter for the Group and is derived directly from the income statement by deducting cost of sales (vessel voyage expenditures, ship management fees, vessel operating expenditures and commissions) from operating revenues.

EBITDA

Earnings before interest, tax, depreciations and amortization (EBITDA) is a key financial parameter for the Group and is derived directly from the condensed consolidated statement of profit or loss adding back depreciation and impairment of vessels to the operating profit ("EBIT").

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q4 2023 (UNAUDITED)	Q1 2023 (UNAUDITED)
Operating profit (EBIT)	78,392	38,720	121,803
Depreciation	(17,745)	(19,963)	(19,604)
Impairment (including held for sale loss)	-	(34,926)	-
EBITDA	**96,137**	**93,609**	**141,407**

Adjusted EBITDA

Adjusted EBITDA is a financial metric that includes the deduction of various of one-time, irregular and non-recurring items from EBITDA.

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q4 2023 (UNAUDITED)	Q1 2023 (UNAUDITED)
EBITDA	**96,137**	**93,609**	**141,407**
Early redelivery of vessels, net of commission	-	-	24,255
Share of profit or loss from joint venture	-	-	6,494
Gain (loss) from sale of vessels/other fixed assets	(211)	(7,858)	-
Adjusted EBITDA	**96,348**	**101,467**	**110,658**

Adjusted Profit (Loss)

Adjusted profit (loss) is the profit (loss) for the period excluding one-time, irregular, and non-recurring items, such as gain (loss) from sale of vessels.

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q4 2023 (UNAUDITED)	Q1 2023 (UNAUDITED)
Profit (loss) for the period	76,454	35,728	119,661
Early redelivery of vessels, net of commission	-	-	24,255
Share of profit or loss from joint venture	-	-	6,494
Gain (loss) from sale of vessels/other fixed assets	(211)	(7,858)	-
Impairment	-	(34,926)	-
Adjusted profit (loss) for the period	**76,665**	**78,512**	**88,912**

Adjusted Earnings Per Share (EPS)

Adjusted EPS is derived from the adjusted profit (loss) divided by the number of shares outstanding at the end of the period.

Average Time Charter Equivalent (TCE)

Average TCE is a commonly used key performance indicator ("KPI") in the shipping industry. It represents time charter revenue and pool revenue divided by the number of trading days for the consolidated vessels during the reporting period. Trading days are ownership days minus days without revenue, including commercial, uninsured technical and dry-docking-related off-hire days.

Adjusted Average Time Charter Equivalent (TCE)

Adjusted average TCE is the average TCE for the period excluding one-time, irregular, and non-recurring items, such as gain (loss) from sale of vessels.

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q4 2023 (UNAUDITED)	Q1 2023 (UNAUDITED)
Time charter revenues	143,437	151,466	177,916
Early redelivery of vessels	-	-	25,200
Adjusted TCE for the period (in USD)	**143,437**	**151,466**	**203,116**

Adjusted Average Operating Expenses (OPEX) Per Day

Adjusted average OPEX per day is a commonly used KPI in the shipping industry. OPEX per day is calculated as operating expenses excluding tonnage taxes and less reimbursements, divided by the number of ownership days for consolidated vessels during the reporting period.

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q4 2023 (UNAUDITED)	Q1 2023 (UNAUDITED)
Vessel operation expenditures	(37,421)	(39,380)	(34,184)
Tonnage taxes	51	(12)	70
Reimbursements	847	757	580
Adjusted vessel operation expenditures	(36,523)	(38,635)	(33,534)
Ownership days	5,282	5,675	5,243
Adjusted average OPEX per day	**6,915**	**6,808**	**6,397**

Utilization

Utilization in percentage is a commonly used KPI in the shipping industry. It represents total trading days including off-hire days related to dry dockings divided by the total number of ownership days during the period.

Leverage Ratio

Interest-bearing long-term debt and interest-bearing short-term debt divided by total assets.

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Non-current Interest-bearing debt	87,693	92,951
Current interest-bearing debt	38,744	33,564
Net interest-bearing debt	126,437	126,515
Total equity and liabilities	958,506	954,744
Leverage ratio	**13.2%**	**13.3%**

Equity Ratio

Total book equity divided by total assets

IN USD THOUSANDS	Q1 2024 (UNAUDITED)	Q1 2023 (UNAUDITED)
Non-current Interest-bearing debt	772,634	753,481
Total equity and liabilities	958,506	954,744
Leverage ratio	**80.6%**	**78.9%**

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