



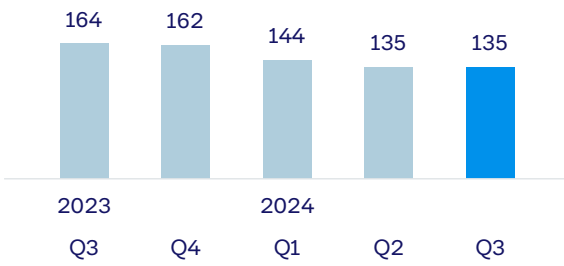
Contents

Key figures.....	3
Management’s presentation.....	4
Endorsement and Statement of the Board of Directors and CEO	5
Income Statement.....	6
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Equity	9
Statement of Cash Flow	10
Notes	11

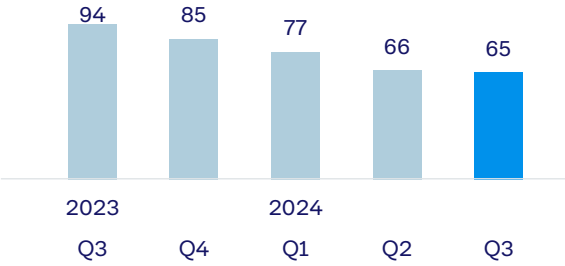


Key figures

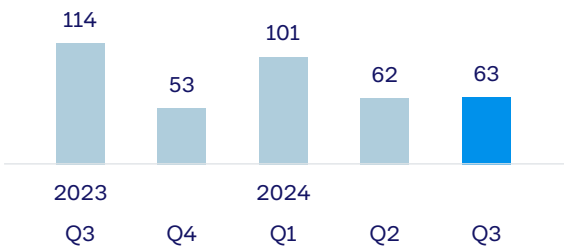
Operating revenues



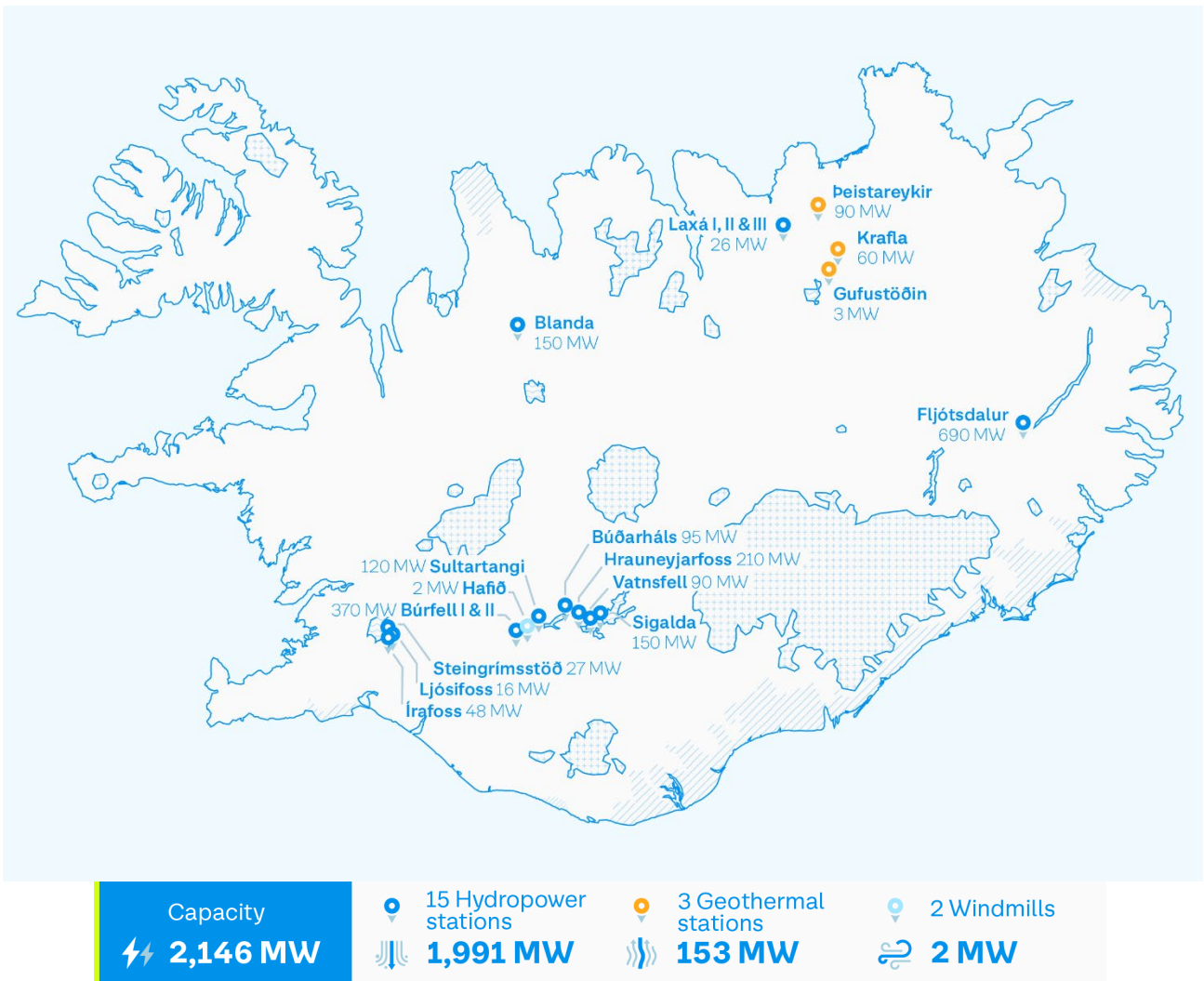
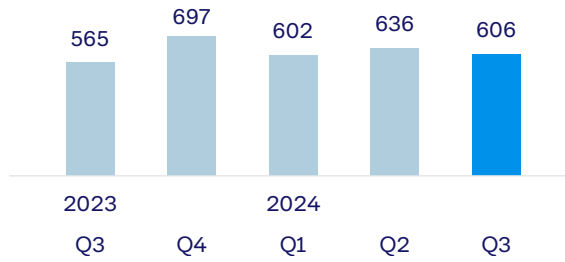
Profit before unrealised financial items



Cash flow from operating activities



Net debt



Key figures

Management's presentation of Landsvirkjun's operations

Amounts are in USD thousand

	2024	2023	2022	2021	2020
	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.
Operations					
Operating revenues	411,903	431,314	515,423	377,027	273,333
Realised hedges	2,103	64,049	(82,023)	(33,592)	4,906
Total operating revenues	414,006	495,363	433,400	343,435	278,239
Operating and maintenance expenses	(122,813)	(117,422)	(114,295)	(111,434)	(99,868)
EBITDA	291,193	377,941	319,105	232,001	178,371
Depreciation and impairment loss	(74,996)	(79,325)	(81,214)	(80,690)	(73,410)
EBIT	216,197	298,616	237,891	151,311	104,961
Financial items	(8,956)	(9,300)	(27,529)	(30,294)	(34,143)
Subsidiaries and associated companies	1,163	644	18,178	17,712	15,190
Profit before unrealised financial items	208,404	289,960	228,540	138,729	86,008
Unrealised financial items:					
Fair value changes in embedd. derivatives	(18,824)	(34,041)	39,384	49,242	(6,384)
Fair value changes in other derivatives	(6,870)	8,671	16,471	(58,987)	(4,541)
Unrealised foreign exchange difference	(756)	(8,481)	23,817	7,942	64
	(26,450)	(33,851)	79,672	(1,803)	(10,861)
Profit before income tax	181,954	256,109	308,212	136,926	75,147
Income tax	(71,173)	(96,682)	(104,391)	(44,233)	(22,258)
Profit for the period	110,781	159,427	203,821	92,693	52,889
Balance sheet					
	30.9.2024	30.9.2023	30.9.2022	30.9.2021	30.9.2020
Total assets	3,609,474	3,773,748	3,869,482	3,785,118	3,718,720
Total equity	2,253,194	2,314,554	2,295,440	2,143,914	2,087,403
Total liabilities	1,356,280	1,459,194	1,574,042	1,641,204	1,631,317
Net debt*	606,026	564,841	839,547	1,135,208	1,283,149
Cash flow					
	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.
Funds from operation (FFO)	280,436	364,573	295,476	199,219	142,636
Cash flow from operating activities	226,403	362,613	290,531	189,084	133,948
Investing activities	(21,504)	(12,157)	1,163	(7,825)	59,286
Financing activities	(137,571)	(291,388)	(150,760)	(121,339)	(192,280)
Liquidity					
	30.9.2024	30.9.2023	30.9.2022	30.9.2021	30.9.2020
Cash and cash equivalents	152,787	212,220	203,323	119,442	71,635
Undrawn loans	125,000	125,000	150,000	150,000	300,000
Total liquidity	277,787	337,220	353,323	269,442	371,635
Key ratios					
Return on equity **	6.9%	5.1%	11.5%	5.2%	3.7%
Equity ratio	62.4%	61.3%	59.3%	56.6%	56.1%
Interest cover (EBITDA/net interest exp)**	39.68x	29.57x	11.82x	7.39x	5.57x
FFO / net debt**	65.2%	87.0%	45.7%	22.5%	16.3%
FFO / interest expense**	12.72x	13.63x	10.18x	6.16x	4.29x
Net debt / EBITDA**	1.48x	1.10x	2.00x	3.77x	4.97x
Credit rating without state guarantee at the end of September					
Standard & Poor's	A-	BBB+	BBB+	BBB+	BBB
Moody's	A3	Baa1	Baa1	Baa1	Baa1

* Net debt is interest bearing liabilities less cash and cash equivalents

** Key ratios based on the past 12 months

Endorsement and Statement of the Board of Directors and CEO

Landsvirkjun's objective is to operate in the energy sector and to engage in other business and financial operations according to the decision of the Board of Directors at each time. The Company's interim condensed financial statements for the period from 1 January to 30 September 2024 are prepared in accordance with IAS 34 Interim Financial Reporting and additional requirements in the Icelandic Financial Statement Act. They include the financial statements of the Company which include the results of the subsidiaries, Icelandic Power Insurance Ltd. and Landsvirkjun Power ehf. as well as associated companies. The interim financial statements have not been audited or reviewed by the Company's auditors.

According to the income statement, the Company's profit for the period from January to September 2024 amounted to USD 110.8 million while the profit during the same period in 2023 amounted to USD 159.4 million. The change between periods amounts to USD 48.6 million. The Company's operating revenues totalled USD 414.0 million during the period compared to USD 495.4 million during the same period in the previous year. The change is primarily due to a decrease in realised hedges and power sales as prices are no longer connected to the Nord Pool power market and curtailments affected sales volume. The fair value changes of derivatives were negative and amounted to USD 25.7 million during the period January to September 2024 compared to a negative difference of USD 25.4 million during the same period in the previous year. Currency exchange difference was negative and amounted to USD 1.4 million compared to a negative difference amounting to USD 8.6 million during the same period in 2023. Cash flow from operations amounted to USD 226.4 million during the period compared to USD 362.6 million during the same period in the previous year. Cash and cash equivalents amounted to USD 152.8 million at the end of September 2024 and undrawn loans amounted to USD 125.0 million, a total of USD 277.8 million. The Company's equity at the end of September amounted to USD 2,253.2 million according to the balance sheet compared to USD 2,364.1 million at year end 2023.

Statement by the Board of Directors and the CEO

According to the best knowledge of the Board of Directors and the CEO, the financial statements are in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and additional requirements in the Icelandic Financial Statement Act. According to the best knowledge of the Board of Directors and the CEO the financial statements give a fair view of the Company's assets, liabilities and financial position as of 30 September, 2024 and the Company's operating results and changes in cash flow during the period from January to September 2024.

Furthermore, in the opinion of the Board of Directors and the CEO the interim financial statements and the Endorsement by the Board of Directors for the period from January to September 2024 give a fair view of the Company's results, financial position and development and describe the main risk factors faced by the Company.

The Board of Directors and the CEO have today discussed the interim financial statements for the period 1 January to 30 September 2024 and confirm them by means of their signatures.

Reykjavik, 15 November, 2024.

The Board of Directors:

Jón Björn Hákonarson

Jens Garðar Helgason

Álfheiður Ingadóttir

Gunnar Tryggvason

Soffía Björk Guðmundsdóttir

The CEO:

Hörður Arnarson

Income Statement

	Notes	2024	2023	2024	2023
		1.1.-30.9.	1.1.-30.9.	Q3	Q3
Operating revenues					
Power sales	6	382,729	404,103	126,754	122,416
Realised hedges		2,103	64,049	745	28,789
Other income		29,174	27,211	7,435	12,406
		<u>414,006</u>	<u>495,363</u>	<u>134,934</u>	<u>163,611</u>
Operating expenses					
Energy generation costs		152,773	150,264	53,812	51,108
Cost of general research		8,271	13,459	2,762	4,151
Other operating expenses		36,765	33,024	11,333	11,683
		<u>197,809</u>	<u>196,747</u>	<u>67,907</u>	<u>66,942</u>
Operating profit		<u>216,197</u>	<u>298,616</u>	<u>67,027</u>	<u>96,669</u>
Financial income and (expenses)					
Interest income		14,708	16,724	4,821	6,248
Interest expenses .....	(	23,057)	(25,948)	(7,269)	(8,323)
Foreign exchange difference .....	(	1,363)	(8,557)	(3,858)	(927)
Fair value changes in embedded derivatives .....	(	18,824)	(34,041)	8,835	6,089
Fair value changes in other derivatives .....	(	6,870)	8,671	(2,374)	(28,418)
	7	<u>(35,406)</u>	<u>(43,151)</u>	<u>155</u>	<u>(25,331)</u>
Subsidiaries and associated companies		<u>1,163</u>	<u>644</u>	<u>502</u>	<u>188</u>
Profit before income tax		<u>181,954</u>	<u>256,109</u>	<u>67,684</u>	<u>71,526</u>
Income tax .....	(	71,173)	(96,682)	(27,385)	(26,071)
Net profit for the period		<u>110,781</u>	<u>159,427</u>	<u>40,299</u>	<u>45,455</u>

Notes 1 to 13 are an integral part of these interim financial statements

Statement of Comprehensive Income

	2024	2023	2024	2023
	1.1.-30.9.	1.1.-30.9.	Q3	Q3
Profit for the period	110,781	159,427	40,299	45,455
Items transferred to equity that will not be reclassified subsequently to profit or loss:				
Pension obligation after income tax, change	(1,761)	(1,785)	(582)	(868)
Items transferred to equity that may be reclassified subsequently to profit or loss:				
Transl. diff. due to subsid. and assoc. companies	59	236	278	(48)
Total operating items moved to equity	(1,702)	(1,549)	(304)	(916)
Total Comprehensive Income for the period ..	<u>109,079</u>	<u>157,878</u>	<u>39,995</u>	<u>44,539</u>

Notes 1 to 13 are an integral part of these interim financial statements

Balance Sheet

Assets	Notes	30.09.2024	31.12.2023
Non-current assets			
Property, plant and equipment		2,853,374	2,918,386
Projects under construction		26,020	0
Development cost		120,014	115,156
Other intangible assets		50,253	50,088
Derivative financial instruments	8	52,998	74,260
Subsidiaries		8,263	7,458
Associated companies		5,140	4,725
Loans to related parties		213,878	232,940
Other non-current assets		708	676
Total non-current assets		<u>3,330,648</u>	<u>3,403,689</u>
Current assets			
Accounts receivables and other receivables		59,086	67,827
Related parties, receivables		44,285	41,270
Derivative financial instruments	8	14,804	16,206
Assets held for sale		7,864	0
Cash and cash equivalents		152,787	85,256
Total current assets		<u>278,826</u>	<u>210,559</u>
Total assets		<u><u>3,609,474</u></u>	<u><u>3,614,248</u></u>
Equity and liabilities			
Equity			
Owners' contributions		586,512	586,512
Restricted reserves		2,649	2,199
Translation difference		(16,390)	(16,449)
Other equity		1,680,423	1,791,852
Total equity		<u>2,253,194</u>	<u>2,364,114</u>
Long-term liabilities			
Interest bearing liabilities	9	671,194	754,956
Accrued pension liabilities		41,007	39,431
Deferred income tax liability		251,618	240,682
Lease obligation		9,040	9,931
Derivative financial instruments	8	3,127	989
		<u>975,986</u>	<u>1,045,989</u>
Current liabilities			
Accounts payable and other payables	11	229,329	53,173
Interest bearing liabilities	9	87,619	27,619
Income tax payable		59,176	119,232
Related parties, liabilities		0	134
Derivative financial instruments	8	4,170	3,987
		<u>380,294</u>	<u>204,145</u>
Total liabilities		<u>1,356,280</u>	<u>1,250,134</u>
Total equity and liabilities		<u><u>3,609,474</u></u>	<u><u>3,614,248</u></u>

Notes 1 to 13 are an integral part of these interim financial statements

Statement of Equity

	Owners' contribution	Restricted reserves	Translation difference	Other equity	Total equity
1 January to 30 September, 2023					
Equity at 1 January, 2023.....	586,512	197	(16,707)	1,726,674	2,296,676
Profit for the period.....				159,427	159,427
Translation difference.....			236		236
Pension obligation, change.....				(1,785)	(1,785)
Total comprehensive profit.....			236	157,642	157,878
Dividend to owners.....				(140,000)	(140,000)
Share of profit of subsidiaries and associated companies transf.....		1,614		(1,614)	0
Equity at 30 September, 2023.....	586,512	1,811	(16,471)	1,742,702	2,314,554
1 January to 30 September, 2024					
Equity at 1 January, 2024	586,512	2,199	(16,449)	1,791,852	2,364,114
Profit for the period.....				110,781	110,781
Translation difference.....			59		59
Pension obligation, change.....				(1,761)	(1,761)
Total comprehensive profit.....			59	109,020	109,079
Dividend to owners.....				(220,000)	(220,000)
Share of profit of subsidiaries and associated companies transf.....		450		(450)	0
Equity at 30 September, 2024.....	586,512	2,649	(16,390)	1,680,423	2,253,194

Notes 1 to 13 are an integral part of these interim financial statements

Statement of Cash Flows

	2024	2023	2024	2023
	1.1.-30.9.	1.1.-30.9.	Q3	Q3
Operating activities				
Operating profit	216,197	298,616	67,027	96,669
Depreciation and impairment loss	74,996	79,325	24,945	26,289
Pension obligation, change	(1,741)	(1,562)	(570)	(564)
Other changes	(12)	(471)	0	0
Working capital from op. before fin. items	289,440	375,908	91,402	122,394
Operating assets and liabilities, change	6,688	26,599	(590)	6,259
Cash flow from operating act. bef. fin. items	296,128	402,507	90,812	128,653
Interest income received	12,006	12,479	2,097	3,123
Interest exp. and foreign exch. diff. paid	(23,630)	(29,646)	(8,150)	(9,142)
Taxes paid	(58,101)	(22,727)	(21,733)	(8,805)
Cash flow from operating activities	<u>226,403</u>	<u>362,613</u>	<u>63,026</u>	<u>113,829</u>
Investing activities				
Power stations in operation	(13,602)	(15,630)	(7,710)	(7,282)
Projects under construction	(14,848)	0	(14,848)	0
Power stations preparation cost	(9,301)	(12,987)	(3,275)	(7,960)
Purchased shares	(23)	0	(23)	0
Other investments	(3,701)	(3,997)	(680)	(1,669)
Assets sold	74	563	0	36
Loans to related parties	19,897	19,894	0	0
Investing activities	<u>(21,504)</u>	<u>(12,157)</u>	<u>(26,536)</u>	<u>(16,875)</u>
Financing activities				
Dividend paid to owners	(110,000)	(70,000)	0	0
Amortisation of long-term debt	(27,571)	(221,388)	(12,872)	(42,458)
Financing activities	<u>(137,571)</u>	<u>(291,388)</u>	<u>(12,872)</u>	<u>(42,458)</u>
Change in cash and cash equivalents	67,328	59,068	23,618	54,496
Effect of exchange diff. on cash and cash equiv	203	2,207	1,131	(2)
Cash and cash equiv. at the beginning of the year	<u>85,256</u>	<u>150,945</u>	<u>128,038</u>	<u>157,726</u>
Cash and cash equiv. at the end of the period	<u>152,787</u>	<u>212,220</u>	<u>152,787</u>	<u>212,220</u>

Notes 1 to 13 are an integral part of these interim financial statements

Notes

Reporting entity

1. Landsvirkjun

Landsvirkjun is a partnership based in Iceland with its headquarters located at Katrínartún 2, Reykjavík, Iceland. The Company operates under the Act on Landsvirkjun No. 42/1983 on Landsvirkjun. Its primary objective is to engage in activities within the energy sector. The interim financial statements include the financial statements of the Company and its subsidiaries, as well as its share of associated companies.

2. Statement of IFRS compliance

The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting as adopted by the EU and additional requirements in the Icelandic Financial Statements Act. They do not encompass all the information necessary for complete annual financial statements, and should be read in conjunction with the financial statements for the year ended 31 December, 2023.

3. Significant accounting policies

The interim financial statements are prepared using the same accounting policies as those used for the year 2023 except that the Company has adopted new International Accounting Standards, as adopted by the EU, for the accounting period beginning 1 January, 2024, including changes to existing standards and new interpretations. The Company has not implemented new or enhanced standards that have been issued but are not yet in effect. It is the management's opinion that adoption of new and improved standards and interpretations which are not in effect will not have significant effects on the interim financial statements. The financial statements for the year 2023 can be found on its website www.landsvirkjun.com and the website of NASDAQ OMX Iceland; www.nasdaqomxnordic.com.

The interim financial statements are presented in USD, which is the Company's functional currency. Amounts are presented in USD thousand unless otherwise stated.

4. Use of estimates and judgements

The preparation of interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

5. Segment information

All Company operations fall under one segment. Landsvirkjun's objective, according to law, is to operate in the energy sector and to engage in other business and financial operations according to the decision of the Board of Directors at each time. Landsvirkjun harnesses hydroelectric power, geothermal power and wind power. Landsvirkjun sells all of its electricity generation in Iceland, both to retail sales companies and to power intensive industrial users.

6. Operating revenues

	2024	2023
Power sales are specified as follows:	1.1.-30.9.	1.1.-30.9.
Retail sales companies	88,389	77,666
Power intensive users	294,340	326,437
Power sales total	<u>382,729</u>	<u>404,103</u>

Notes, contd.:

7. Financial income and (expenses)	2024	2023
Financial income and (expenses) are specified as follows:	1.1.-30.9.	1.1.-30.9.
Interest income	14,708	16,724
Interest expense	(22,648)	(25,540)
Guarantee fee	(409)	(408)
Total interest expense	(23,057)	(25,948)
Realised foreign exchange difference	(607)	(76)
Unrealised foreign exchange difference	(756)	(8,481)
Total foreign exchange difference	(1,363)	(8,557)
Fair value changes in embedded derivatives	(18,824)	(34,041)
Fair value changes in other derivatives	(6,870)	8,671
Financial income and (expenses)	(35,406)	(43,151)

8. Derivative financial instruments in the balance sheet

Derivative financial instruments in the balance sheet are specified as follows:

	30.09.2024	31.12.2023
Assets:		
Embedded derivatives in power contracts	61,685	80,510
Commodity hedges	3,138	6,239
Currency swaps	2,979	3,717
	<u>67,802</u>	<u>90,466</u>
Derivative financial instruments are divided as follows:		
Long-term component of derivative agreements	52,998	74,260
Short-term component of derivative agreements	14,804	16,206
	<u>67,802</u>	<u>90,466</u>
Liabilities:		
Commodity hedges	7,297	4,976
	<u>7,297</u>	<u>4,976</u>
Derivative financial instruments are divided as follows:		
Long-term component of derivative agreements	3,127	989
Short-term component of derivative agreements	4,170	3,987
	<u>7,297</u>	<u>4,976</u>

Notes, contd.:

9. Liabilities

Interest bearing long-term debt is categorized by currencies as follows:

		30.09.2024		31.12.2023	
	Maturity date	Average interest	Remaining balance	Average interest	Remaining balance
Liabilities in EUR	2026	3.8%	167,913	4.1%	165,708
Liabilities in USD	2025-2035	4.0%	590,900	4.0%	616,867
			758,813		782,575
Current maturities of long-term debt			(87,619)		(27,619)
Total long-term debt			671,194		754,956

Interest rates on the loans range between 2.8-7.3%. Nominal interest rates for the period were on average 4.0%, taking into account the state guarantee fee (2023:4.0%).

According to loan agreements, the maturities of long-term debt are as follows:

	30.09.2024
1.10.2024-30.9.2025	87,619
1.10.2025-31.12.2025	96,427
2026	195,562
2027	27,619
2028	131,765
2029	69,384
Later	150,437
	758,813

10. Comparison of fair value and book value of loans to related parties and long term liabilities

	30.09.2024		31.12.2023	
	Book value	Fair value	Book value	Fair value
Interest-bearing loans issued by the Icelandic state ...	251,005	258,791	269,406	274,400
Interest-bearing long term liabilities	(758,813)	(767,838)	(782,575)	(786,536)

Fair value of other financial instruments is estimated equal to book value.

Fair value is calculated by discounting the expected cash flows using the underlying currencies yield curve.

Interest rates are specified as follows:

	30.09.2024	31.12.2023
Interest-bearing assets and liabilities in USD	3.5 to 4.9%	3.7 to 5.6%
Interest-bearing assets and liabilities in EUR	2.3 to 3.4%	2.6 to 3.5%

Notes, contd.:

11. Accounts payable and other payables

Accounts payable and other payables are specified as follows:	30.09.2024	31.12.2023
Accounts payable	20,201	15,013
Accrued interest	7,537	7,492
Income tax payable due to last year	61,215	0
Unpaid dividends to owners	110,000	0
Other short term liabilities	30,376	30,668
	<u>229,329</u>	<u>53,173</u>

12. Fair value classification

Calculations for embedded derivatives are based on the forward price of aluminium, as published by the LME, and are based on the maximum time length of forward aluminium prices, which is 123 months. Management expects the aluminium price in ten years to reflect the aluminium price at the time the agreements were made and fair value changes will therefore not arise for that period. The fair value of derivatives other than embedded derivatives is based on an evaluation from counterparties and verified by the company through comparative calculations based on market information.

The table displays the level categorisation for items in the interim financial statements that are valued at fair value.

	Level 2	Level 3	Total
30.09.2024			
Embedded derivatives		61,685	61,685
Other derivatives	(1,181)		(1,181)
Shares in other companies		708	708
	<u>(1,181)</u>	<u>62,393</u>	<u>61,212</u>
31.12.2023			
Embedded derivatives		80,510	80,510
Other derivatives	4,980		4,980
Shares in other companies		676	676
	<u>4,980</u>	<u>81,186</u>	<u>86,166</u>

13. Other matters

The Competition Authority (ICA) informed Landsvirkjun in a letter dated 9 February, 2024, that it has decided to investigate the provision in contracts with industrial customers prohibiting the resale of power under long-term agreements without Landsvirkjun's approval. The Authority aims to determine whether the clause violates competition laws or the EEA Agreement.

The Icelandic Competition Authority has since 2020 been investigating whether Landsvirkjun's participation in Landsnet's tenders for transmission losses in 2017-2021 was in violation of competition laws. As part of the investigation, the Authority sent objection documents to Landsvirkjun and the Company responded with a report this spring.

The Supreme Court ruling in case no. 2/2024, declared the feed-in fee imposed by Landsnet hf. illegal. During its enforcement Landsvirkjun expensed and paid approximately 17.3 million USD to Landsnet hf. Following the Supreme Court's decision Landsvirkjun has requested that Landsnet hf. refunds the illegitimate feed-in fee.